

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY
NEW JERSEY**

**FINANCIAL STATEMENTS
AND
SUPPLEMENTARY DATA
AND INFORMATION**

**FOR THE FISCAL YEARS
ENDED JUNE 30, 2009 and 2008**

**WITH
REPORT OF INDEPENDENT AUDITORS**

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

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

TABLE OF CONTENTS

PAGE(S)

PART I 1

Independent Auditor's Report

2 - 3

FINANCIAL STATEMENTS

4

A	Current Fund - Comparative Balance Sheet Regulatory Basis - June 30, 2009 and June 30, 2008	5
A-1	Current Fund - Comparative Statement of Operations and Change in Fund Balance - Regulatory Basis	6
A-2	Current Fund - Statement of Revenues - Regulatory Basis	7 - 8
A-3	Current Fund - Statement of Expenditures - Regulatory Basis	9 - 16
B	Trust Fund - Comparative Balance Sheet - Regulatory Basis - June 30, 2009 and June 30, 2008	17
C	General Capital Fund - Comparative Balance Sheet - Regulatory Basis - June 30, 2009 and June 30, 2008	18
C-1	General Capital Fund - Statement of Fund Balance - Regulatory Basis	19
D	Sewer Utility Fund - Comparative Balance Sheet - Regulatory Basis - June 30, 2009 and June 30, 2008	20
D-1	Sewer Utility Operating Fund - Comparative Statement of Operations and Change in Fund Balance - Regulatory Basis	21
D-2	Sewer Utility Capital Fund - Statement of Fund Balance - Regulatory Basis	22
D-3	Sewer Utility Operating Fund - Statement of Revenues - Regulatory Basis	23
D-4	Sewer Utility Operating Fund - Statement of Expenditures - Regulatory Basis	24
E	Senior Citizens Housing Utility Fund - Comparative Balance Sheet - Regulatory Basis - June 30, 2009 and June 30, 2008	25
E-1	Senior Citizens Housing Utility Operating Fund - Comparative Statement of Operations and Change in Fund Balance - Regulatory Basis	26
E-2	Senior Citizens Housing Utility Capital Fund - Statement of Fund Balance - Regulatory Basis	27
E-3	Senior Citizens Housing Utility Operating Fund - Statement of Revenues - Regulatory Basis	28
E-4	Senior Citizens Housing Utility Operating Fund - Statement of Expenditures - Regulatory Basis	29
F	Statement of Governmental Fixed Assets - Regulatory Basis - June 30, 2009 and June 30, 2008	30

PAGE(S)

Notes to Financial Statements

31 - 52

PART II - SUPPLEMENTARY DATA AND SCHEDULES

53

SINGLE AUDIT SECTION

54

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
Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133 and New Jersey OMB Circular 04-04

55 - 56

57 - 58

SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

59

Sch. A Schedule of Expenditures of Federal Awards

60

Notes to Schedule of Expenditures of State Financial Assistance

61

Sch. C Schedule of Findings and Questioned Costs

62 - 64

Sch. D Summary Schedule of Prior Findings

65

Current Fund

66

A-4 Schedule of Cash

67

A-5 Schedule of Collectors Cash

68

A-6 Schedule of Due from State of New Jersey - For Allowable Deductions
Per Chapter 20, P.L. 1976

69

A-7 Schedule of Property Taxes Receivable and Levy Analysis

70

A-8 Schedule of Deferred Charges

71

A-9 Schedule of Nonbudget Revenues & Various Accounts Receivables

72

A-10 Statement of Appropriation Reserves - SFY 2008

73 - 78

A-11 Schedule of Changes in Various Accounts Payables & Reserves

79

A-12 Statement of Interfunds Receivable/Payable

80

A-13 Schedule of Taxes Payable

81

A-14 Schedule of Property Tax Overpayments

82

A-15 Schedule of State and Federal Grants Receivable

83 - 84

A-16 Schedule of Interfunds Receivable/Payable

85

A-17 Schedule of State and Federal Grants - Appropriated

86 - 87

Trust Fund

88

B-1 Schedule of Cash and Reserve Activity

89

B-2 Schedule of Escrow Fund Deposits and Reserves - Trust - Other Fund

90

B-3 Schedule of Miscellaneous Deposits - Trust - Other Fund

91

General Capital Fund

92

C-2	Schedule of Cash and Investments - Treasurer	93
C-3	Analysis of General Capital Cash and Investments	94
C-4	Schedule of Various Grants, Loans and Other Receivables and Reserves	95
C-5	Schedule of Deferred Charges to Future Taxation - Funded	96
C-6	Schedule of Deferred Charges to Future Taxation - Unfunded	97
C-7	Schedule of Capital Improvement Fund	98
C-8	Schedule of Contributions - Off-Site Improvements	98
C-9	Schedule of Improvement Authorizations	99
C-10	Schedule of General Serial Bonds	100
C-11	Schedule of Bond Anticipation Notes	101
C-12	Schedule of Due to Current Fund	102
C-13	Schedule of Reserves Revolving Fund - Housing Rehab	103
C-14	Schedule of Preliminary Expenses - General Capital Fund	103
C-15	Schedule of Due from Grant Fund	104
C-16	Schedule of Reserves Developer's Tree Contributions	104
C-17	Schedule of Stelton Streetscape	105
C-18	Schedule of Reserves for Debt Service	105
C-19	Schedule of Reserves Community Center	106
C-20	Schedule of Due to Trust Fund	106
C-21	Schedule of Bonds and Notes Authorized but not Issued	107

Sewer Utility Fund

108

D-5	Schedule of Sewer Utility Cash and Investments - Treasurer	109
D-6	Schedule of Cash - Collector	110
D-7	Analysis of Sewer Utility Capital Cash and Investments	111
D-8	Schedule of Sewer Charges Receivable	112
D-9	Schedule of Fixed Capital	113
D-10	Schedule of Fixed Capital Authorized and Uncompleted	114
D-11	Schedule of SFY 2008 Appropriation Reserves	114
D-12	Schedule of Accrued Interest on Bonds and Notes	115 - 116
D-13	Schedule of Prepaid Sewer Charges	117
D-14	Schedule of Sewer Overpayments	117
D-15	Schedule of Improvement Authorizations	118
D-16	Schedule of Deferred Reserve for Amortization	118
D-17	Schedule of Due from Current Fund	119
D-18	Schedule of Capital Improvement Fund	119
D-19	Schedule of Reserve for Amortization	119
D-20	Schedule of Due from/to Sewer Capital	120
D-21	Schedule of Due from/to Sewer Utility Operating Fund	120
D-22	Schedule of General Serial Bonds	121
D-23	Schedule of Bond Anticipation Notes	122
D-24	Schedule of Bonds and Notes Authorized but not Issued	122

PAGE(S)

<u>Senior Citizens Housing Utility Fund</u>	123
E- 5 Schedule of Cash and Investments	124
E-6 Analysis of Senior Housing Utility Capital Cash and Investments	125
E-7 Schedule of 2008 Appropriation Reserves for the Year Ended June 30, 2009	126
E-8 Schedule of Accrued Interest on Bonds	127
E-9 Schedule of Security Deposits - Senior Citizen Housing Utility Operating Fund	128
E-10 Schedule of Reserve for Amortization - Senior Citizen Housing Utility Capital Fund	128
E-11 Schedule of Improvement Authorizations	129
E-12 Schedule of General Serial Bonds	130
E-13 Schedule of Capital Improvement Fund	131
E-14 Schedule of Due from Senior Citizens Housing Utility Capital Fund	131
E-15 Schedule of Due to Senior Citizens Housing Utility Operating Fund	132
E-16 Schedule of Deferred Reserve for Amortization	132
E-17 Schedule of Fixed Capital	133
E-18 Schedule of Fixed Capital Authorized and Uncomplete	133

SUPPLEMENTARY DATA

Combined Balance Sheet - All Funds - for Fiscal Year Ending June 30, 2009	134
Comparative Statement of Operations - Change in Fund Balance Current Fund	135
Comparative Statement of Operations - Change in Fund Balance Sewer Utility Fund	136
Comparative Statement of Operations - Change in Fund Balance Senior Citizens Housing Utility Fund	137
Comparative Schedule of Tax Rate Information	138
Comparison of Tax Levies and Collection Currently	139
Delinquent Taxes and Tax Title Liens	139
Comparison of Sewer Utility Levies	140
Comparative Schedule of Fund Balances	140
Required Supplementary Information - Post Employee Benefits Officials in Office and Surety Bonds	141
General Comments	142
Recommendations and Acknowledgment	143
	144 - 151
	152

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

PART I
INDEPENDENT AUDITOR'S REPORT
FINANCIAL STATEMENTS

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

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

JO ANN BOOS, CPA, PSA
ABHISHEK DESAI, CPA

MEMBERS OF:
AMERICAN INSTITUTE OF CPAS
NEW JERSEY SOCIETY OF CPAS
REGISTERED MUNICIPAL ACCOUNTANTS OF N.J.

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying balance sheets – regulatory basis of the various funds of the Township of Piscataway, County of Middlesex, New Jersey, as of June 30, 2009 and 2008 and the related statements of operations and changes in fund balance – regulatory basis for the years then ended and the related statements of revenues – regulatory basis and statements of expenditures – regulatory basis of the various funds for the year ended June 30, 2009. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

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

In our opinion, because the prescribed regulatory basis of accounting as described in the third paragraph is utilized by the Township of Piscataway, County of Middlesex, New Jersey for the purpose of financial statement preparation, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township of Piscataway, County of Middlesex, New Jersey as of June 30, 2009 and 2008 or the results of its operations, or cash flows of its proprietary fund type for the years then ended.

However, in our opinion the financial statements – regulatory basis referred to above present fairly, in all material respects, the financial position – regulatory basis of the various funds of the Township of Piscataway, County of Middlesex, New Jersey as of June 30, 2009 and 2008 and the related statements of operations and changes in fund balance – regulatory basis for the years then ended and the related statements of revenues – regulatory basis and statements of expenditures – regulatory basis of the various funds for the year ended June 30, 2009 on the basis of accounting described in Note 2.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 24, 2010 on our consideration of the Township of Piscataway’s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

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

Andrew G. Hodulik & Morrisson, P.A.

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

Andrew G. Hodulik
Registered Municipal Accountant
No. 406

Highland Park, New Jersey
May 24, 2010

FINANCIAL STATEMENTS

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2009 AND 2008

ASSETS		BALANCE		BALANCE	
		JUNE 30, 2009		JUNE 30, 2008	
Cash and Investments - Treasurer	A-4	\$	12,081,798.61	\$	11,542,821.04
Cash - Change Fund	A		353.00		535.00
Due from State of N.J., per Ch. 20, P.L. 1976	A-6		171,193.17		167,321.88
Receivables With Offsetting Reserves:					
Taxes Receivable	A-7		1,848,811.03		2,518,393.96
Tax Title Liens	A-7		361,106.45		333,447.77
Property Acquired for Taxes (At Assessed Valuation)	A-7		2,592,900.00		2,617,401.04
Revenue Accounts Receivable	A-9		87,491.75		98,562.44
Interfunds Receivable	A-12		97,677.41		9,131.37
Deferred Charges:					
Special Emergency - (40A:4-55)	A-8				500.00
Total Regular Fund			17,241,513.42		17,288,114.50
State and Federal Grant Fund:					
Cash and Investments - Treasurer	A-4		1,549.80		1,374,389.01
Grants Receivable	A-15		1,059,047.33		1,374,389.01
Prepaid Grant Expenditures	A-4		43,227.06		
Total State and Federal Grant Fund			1,103,824.19		1,374,389.01
LIABILITIES, RESERVES AND FUND BALANCE					
Appropriation Reserves	A-3,A-10	\$	1,868,106.86	\$	1,868,106.86
Reserve for Encumbrances	A-3,A-10		1,588,696.61		1,588,696.61
Prepaid Taxes	A-7		581,832.83		581,832.83
Various Payables	A-11		299,404.94		299,404.94
Various Reserves	A-11		2,091,862.62		2,092,761.66
Tax Overpayments	A-14		981,300.07		259,358.47
Interfunds Payable	A-12				153,911.81
Reserve	A-1		7,411,203.93		5,373,925.95
Fund Balance			4,842,322.85		6,337,251.97
Total Regular Fund			17,241,513.42		17,288,114.50
State and Federal Grant Fund:					
Reserve for State and Federal Grants:					
Appropriated	A-17		914,647.40		394,028.66
Interfunds Payable	A-16		97,677.41		490,044.55
Reserve for Encumbrances	A-17		91,499.38		490,315.80
Total State and Federal Grant Fund			1,103,824.19		1,374,389.01
		\$	18,345,337.61	\$	18,662,503.51

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED JUNE 30, 2009 AND 2008

<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>REF.</u>	<u>SFY 2009</u>	<u>SFY 2008</u>
Fund Balance Utilized	A-1, A-2	\$ 6,070,315.97	\$ 4,375,500.00
Miscellaneous Revenues Anticipated	A-2	12,710,057.95	14,979,009.14
Receipts from Delinquent Taxes	A-2	2,442,993.30	1,688,988.27
Non-Budget Revenue	A-2	609,845.97	595,195.85
Receipts from Current Taxes	A-7	130,139,693.79	123,918,853.29
Other Credits to Income:			
Unexpended Balances of Approp. Reserves	A-10	1,083,152.79	2,601,050.73
Accounts Payable Cancelled	A-11	2,562.99	69,392.17
Various Reserves Cancelled			38,788.18
Interfunds:			
Interfunds Advanced - Net			250,155.56
Total Revenues		<u>153,058,622.76</u>	<u>148,516,933.19</u>
<u>EXPENDITURES AND OTHER CHARGES</u>			
Budget Appropriations and Emergency Appropriations			
Within "CAP"			
Operations:			
Salaries and Wages	A-3	19,489,168.13	18,633,731.00
Other Expenses	A-3	12,412,574.35	11,594,302.88
Deferred Charges and Statutory Expend.	A-3	3,071,522.00	993,643.90
Appropriations Excluded from "CAP"			
Operations:			
Salaries and Wages	A-3	571,239.00	565,733.00
Other Expenses	A-3	5,730,888.49	7,895,558.16
Capital Improvements	A-3	381,000.00	381,000.00
Municipal Debt Service	A-3	4,852,298.13	3,986,035.44
Deferred Charges and Statutory Expend.	A-3	500.00	10,000.00
Special District Taxes	A-13	2,860,038.00	2,264,122.00
County Tax	A-13	17,813,716.07	17,191,092.33
County Open Space Fund	A-13	2,092,372.14	2,047,798.50
Due County for Added Taxes	A-13	50,109.17	167,572.87
Local District School Taxes	A-13	79,062,706.00	77,372,579.00
Interfunds:			
Interfunds Advanced - Net	A-12	88,546.04	
Refund Prior Years Revenue	A-4	6,558.39	47,853.47
Total Expenditures		<u>148,483,235.91</u>	<u>143,151,022.55</u>
Excess in Revenue		4,575,386.85	5,365,910.64
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budgets of Succeeding Years			
Statutory Excess to Fund Balance		4,575,386.85	5,366,410.64
<u>FUND BALANCE</u>			
Balance - July 1	A	<u>6,337,251.97</u>	<u>5,346,341.33</u>
Decreased by:			
Utilization as Anticipated Revenue	A-1	10,912,638.82	10,712,751.97
Balance - June 30	A	<u>6,070,315.97</u>	<u>4,375,500.00</u>
	A	<u>\$ 4,842,322.85</u>	<u>\$ 6,337,251.97</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2009

ANTICIPATED	BUDGET	REALIZED	EXCESS OR (DEFICIT)
2009 N.J.S.A. 40A:4-87 APPROP.			
REF.			
A-1	\$ 6,070,315.97	\$ 6,070,315.97	\$
			Fund Balance Anticipated
			Miscellaneous Revenues:
			Licenses:
A-9	45,500.00	56,100.00	10,600.00
A-9	72,500.00	83,893.00	11,393.00
A-9	260,000.00	314,184.39	54,184.39
			Fees and Permits:
A-9	820,000.00	1,010,139.05	190,139.05
A-5	280,000.00	510,539.54	230,539.54
A-9	750,000.00	350,616.14	(399,383.86)
A-9	112,000.00	125,530.00	13,530.00
A-11	14,000.00	14,000.00	
A-9	230,000.00	383,659.18	153,659.18
A-9	36,000.00	36,000.00	
A-9	2,526,934.00	2,526,934.00	
A-9	5,026,553.00	5,026,553.00	
			Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S.A. 40A:4-36 and N.J.A.C. 5:23-4.17):
A-9	600,000.00	635,810.00	35,810.00
A-9	1.00	1.20	0.20
A-9	61,500.00	74,383.61	12,883.61
A-9	70,000.00	302,598.47	232,598.47
A-12	150,000.00	150,000.00	
A-9	285,000.00	257,602.69	(27,397.31)
A-11		28,500.00	28,500.00
			Public and Private Revenues Offset with Approps.:
A-12	8,902.52	1,119.55	(7,782.97)
A-12			Alcohol Education Rehabilitation Fund
A-12			Body Armor Replacement Fund
A-12			Clean Communities Program
A-12			Click It or Ticket
A-12			COPS in Shop Grant
A-12	8,425.98	8,425.98	
A-12	5,000.00	5,000.00	
			Drunk Driving - Over the Limit, Under Arrest
			Drunk Driving Enforcement Grant

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2009

	ANTICIPATED 2009 N.J.S.A. APPRO. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
REF.	BUDGET		
A-12	1,530.00	1,530.00	
A-12	865.00	865.00	
A-12	12,000.00	12,000.00	
A-12	2,500.00	2,500.00	
A-12	500,000.00	500,000.00	
A-12	30,000.00	30,000.00	
A-12	28,960.00	28,960.00	
A-12	80,158.54	80,158.54	
A-12	58,345.00	58,345.00	
A-12	1,740.00	1,740.00	
A-1	12,035,550.04	12,710,057.95	547,056.27
A-1,A-7	1,200,000.00	2,442,993.30	1,242,993.30
Subtotal General Revenues			
Amount to be Raised by Taxes for Support of			
Municipal Budget:			
Local Tax for Municipal Purposes Including			
A-7	30,065,850.00	30,914,417.45	848,567.45
Reserve for Uncollected Taxes			
Budget Totals			
A-1,A-9	49,371,716.01	52,137,784.67	2,638,617.02
Non-Budget Revenues			
Ref.	\$ 49,371,716.01	\$ 52,747,630.64	
A-3	127,451.64	127,451.64	
A-3	127,451.64	52,747,630.64	

() Denotes Deficit

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2009

OPERATIONS WITHIN "CAPS"	2009 BUDGET				BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	UNEXPENDED BALANCE CANCELLED
	2009 BUDGET	2009 BUDGET	2009 BUDGET	2009 BUDGET					
General Government:									
Township Council	\$	67,166.00	\$	66,993.12	\$	66,993.12	\$	1,082.71	\$
Salaries and Wages	67,166.00	67,166.00	66,993.12	66,993.12	66,993.12	66,993.12	66,993.12	1,082.71	1,082.71
Other Expenses									
Real Estate									
Salaries and Wages	1,350.00	1,350.00	250.00	250.00	250.00	250.00	250.00		
Township Clerk									
Salaries and Wages	169,068.00	169,068.00	167,822.97	167,822.97	167,822.97	167,822.97	167,822.97	1,245.03	1,245.03
Other Expenses	19,688.60	19,688.60	20,688.60	20,688.60	20,688.60	20,688.60	20,688.60	1,358.36	1,358.36
Elections									
Salaries and Wages	10,000.00	10,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00		
Other Expenses	20,070.00	20,070.00	(2,048.99)	20,070.00	20,070.00	(2,048.99)	18,000.00	4,118.99	4,118.99
Administration:									
Dept. of Administration									
Salaries and Wages	353,597.00	353,597.00	353,455.48	353,597.00	353,455.48	353,455.48	353,455.48	141.52	141.52
Other Expenses	71,667.00	71,667.00	50,579.83	71,667.00	50,579.83	50,579.83	4,826.61	16,260.56	16,260.56
Division of Personnel									
Salaries and Wages	98,983.00	98,983.00	98,333.56	98,983.00	98,333.56	98,333.56	304.00	649.44	649.44
Other Expenses	26,525.00	26,525.00	14,676.48	26,525.00	14,676.48	14,676.48		11,544.52	11,544.52
Computer Center									
Other Expenses	298,700.00	298,700.00	267,700.00	298,700.00	267,700.00	267,700.00	101,449.14	54,692.56	54,692.56
Division of Purchasing									
Salaries and Wages	61,210.00	61,210.00	61,054.68	61,210.00	61,054.68	61,054.68		155.32	155.32
Other Expenses:									
Postage (All Deps.)	72,000.00	72,000.00	65,615.75	72,000.00	65,615.75	65,615.75	5,687.27	696.98	696.98
Duplicating (All Deps.)	16,200.00	16,200.00	8,943.64	16,200.00	8,943.64	8,943.64	3,344.60	3,911.76	3,911.76
Miscellaneous Other Expenses	80,977.50	80,977.50	76,191.60	80,977.50	76,191.60	76,191.60	4,769.82	16.08	16.08
Municipal Land Use (N.J.S.A. 40:55 D-1):									
Planning Board									
Salaries and Wages	6,595.00	6,595.00	5,051.52	6,595.00	5,051.52	5,051.52		43.48	43.48
Other Expenses	63,849.52	63,849.52	47,482.52	63,849.52	47,482.52	47,482.52	8,425.00	7,942.00	7,942.00
Zoning Board of Adjustment									
Salaries and Wages	6,594.00	6,594.00	5,050.50	6,594.00	5,050.50	5,050.50			
Other Expenses	59,751.90	59,751.90	43,311.47	59,751.90	43,311.47	43,311.47	9,903.75	6,536.68	6,536.68
Celebration of Public Events									
Other Expenses	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00			

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2009

EXPENDED		UNEXPENDED	
PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED BALANCE
181,644.21	6,177.76	171.79	
183,316.00		1,529.14	
15,592.00			
19,700.00			
30,000.00			
319,030.00			
22,100.00			
65,000.00			
201,620.00			
135,450.00			
159,530.00			
24,727.50			
810,800.00			
10,000.00			
5,864,800.00			
424,502.00			
412,594.32			
13,165.54			
24,003.70			
25,615.00			
358,000.00			
52,010.00			
52,050.00			
394,599.51			
484.23			
32,916.26			
1,249.00			
225,683.00			
13,014.00			
10,027.15			
222,074.16			
2,949.93			
3,608.84			
36.92			
1,755.00			

Administration (cont'd):
 Cable TV Studio
 Salaries and Wages
 Other Expenses
 Economic Development
 Other Expenses
 30,000.00
 Finance and Revenue
 Department of Finance
 Salaries and Wages
 Other Expenses
 Annual Audit
 Division of Assessment
 Salaries and Wages
 Other Expenses
 201,620.00
 135,450.00
 Division of Revenue
 Salaries and Wages
 Other Expenses
 159,530.00
 24,727.50
 Insurance
 Liability Insurance
 Worker's Compensation Insurance
 Employee Group Insurance
 Municipal Court
 Salaries and Wages
 Other Expenses
 Public Defender (P.L. 1997, Ch. 256)
 Salaries and Wages
 Law
 Department of Law
 Other Expenses
 Municipal Prosecutor
 Salaries and Wages
 PUBLIC SAFETY:
 Joint Fire Board
 Salaries and Wages
 Uniform Fire Safety Act (P.L. 1983 C. 383)
 Salaries and Wages
 Other Expenses
 Animal Control
 Other Expenses

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2009

EXPENSED	PAID OR CHARGED	ENCUMBERED	RESERVED	UNEXPENDED BALANCE CANCELLED	2009 BUDGET		BUDGET AFTER MODIFICATION	PUBLIC SAFETY (CONTD):	
					2009 BUDGET	MODIFICATION		Department of Public Works	Other Expenses
					226,924.00	277,924.00	277,924.00	Division of Schools Crossing Guards	Salaries and Wages
			66.00	8,871.55	1,764.00	276.12	276.12	Other Expenses	Salaries and Wages
				19,944.63	10,112,185.46	10,447,185.46	10,447,185.46	Division of Police	Salaries and Wages
				74,848.70	399,775.30	369,775.30	369,775.30	Other Expenses	Salaries and Wages
			61,772.72	13,527.90	83,689.20	83,689.20	83,689.20	First Aid Organization - Contribution	Other Expenses
				400.00	68,872.00	27,979.54	27,979.54	Office of Emergency Management	Salaries and Wages
			200.00	11,651.80	16,205.00	16,205.00	16,205.00	Other Expenses	Salaries and Wages
					229,818.00	228,642.92	229,818.00	Department of Public Works	Salaries and Wages
				1,175.08	47,979.00	47,979.00	47,979.00	Other Expenses	Salaries and Wages
			3,399.00	8,512.84	536,479.00	536,473.70	536,479.00	Division of Engineering	Salaries and Wages
				5.30	66,510.90	31,510.90	31,510.90	Other Expenses	Salaries and Wages
			1,767.40	13,511.08	550,207.00	549,712.50	550,207.00	Division of Community Development and Planning	Salaries and Wages
				494.50	44,023.00	44,023.00	44,023.00	Other Expenses	Salaries and Wages
			5,306.60	17,920.61	220,496.00	211,533.02	220,496.00	Public Building and Grounds	Salaries and Wages
				8,962.98	195,560.00	182,560.00	182,560.00	Other Expenses	Salaries and Wages
			41,909.52	164.10	483,583.00	477,818.19	483,583.00	Division of Property Maintenance	Salaries and Wages
				5,764.81	437,310.00	437,310.00	437,310.00	Other Expenses	Salaries and Wages
			103,427.08	64,502.19	716,496.00	716,498.95	716,496.00	Division of Streets and Road Maintenance	Salaries and Wages
				4,597.05	92,970.00	92,970.00	92,970.00	Other Expenses	Salaries and Wages
			4,721.07	47,731.09	124,824.00	124,824.00	124,824.00	Snow Removal	Salaries and Wages
					199,750.00	199,750.00	199,750.00	Other Expenses	Salaries and Wages
			380,513.12	84,976.88	1,860,500.00	1,860,500.00	1,860,500.00	All Utilities	Other Expenses
					817,547.00	817,547.00	817,547.00	Division of Parks	Salaries and Wages
			51,370.56	34,232.54	212,850.00	212,850.00	212,850.00	Other Expenses	Salaries and Wages
					900.00	900.00	900.00	Other Expenses	Shade Tree

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2009

PUBLIC WORKS(CONT'D)	2009 BUDGET				
	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	UNEXPENDED BALANCE CANCELLED
	EXPENDED				
Division of Sanitation - Sewer System	38,000.00	11,345.15	24,519.25		
Other Expenses					2,135.60
Solid Waste Collection					26,041.80
Salaries and Wages	652,391.00	626,349.20			10,029.04
Other Expenses	13,950.00	3,920.96			38,247.36
Recycling Program					27,000.00
Other Expenses	116,280.00	73,210.13	4,822.51		
Municipal Services Act	27,000.00				
HEALTH AND WELFARE:					
Department of Health	452,949.00	448,553.55			
Salaries and Wages	67,904.00	53,972.42	8,188.92		4,395.45
Other Expenses					5,742.66
Division of Public Assistance	6,052.00	3,754.46			2,297.54
Salaries and Wages	1,800.00				1,800.00
Other Expenses					1,000.00
Office on Aging	584,615.00	443,516.68			121,098.32
Salaries and Wages	84,245.00	61,402.21	15,616.35		7,226.44
Other Expenses	450.00				450.00
Aid to American Cancer Society	450.00				450.00
Aid to Heart Fund	6,750.00				6,750.00
Kiddie Keypwell Contribution					
RECREATION AND EDUCATION					
Department of Recreation	529,785.00	442,369.99			
Salaries and Wages	258,222.50	178,710.57	24,196.96		87,415.01
Other Expenses					50,314.97
Youth Center	25,919.00	21,836.79			
Salaries and Wages	18,112.50	7,407.58	2,044.90		800.00
Other Expenses					
Accumulated Leave Compensation	45,000.00	65,000.00			
Salary Adjustment					
Salaries and Wages	5,000.00				

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2009

	2009 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	UNEXPENDED BALANCE CANCELLED
Uniform Construction Code						
Division of Inspections	493,006.00	493,006.00	448,975.04		130.52	44,030.96
Salaries and Wages						
Other Expenses	15,140.30	15,140.30	9,377.82			5,631.96
Boards and Commissions						
Salaries and Wages	8,890.00	8,516.72	8,516.72			
Other Expenses	38,058.60	35,058.60	20,388.79		952.00	13,717.81
Total Operations Within "CAPS"	31,901,742.48	31,901,742.48	29,510,403.79	1,248,305.83		1,143,032.86
Contingent						
Total Operations Including Contingent Within "CAPS"	31,901,742.48	31,901,742.48	29,510,403.79	1,248,305.83		1,143,032.86
DETAIL:						
Salaries and Wages	19,278,156.46	19,489,168.13	19,103,940.94			385,227.19
Other Expenses (Including Contingent)	12,623,586.02	12,412,574.35	10,406,462.85	1,248,305.83		757,805.67
STATUTORY EXPENDITURES:						
Contribution to:						
Social Security System (O.A.S.I.)	975,000.00	975,000.00	904,958.02			70,041.98
Police and Firemen's Pension Fund	1,991,522.00	1,991,522.00	1,991,522.00			
State Unemployment Insurance	100,000.00	100,000.00	100,000.00			
Defined Contribution Retirement Program	5,000.00	5,000.00	1,202.10			3,797.90
Total Deferred Charges and Statutory Expenditures	3,071,522.00	3,071,522.00	2,997,682.12			73,839.88
Municipal Within "CAPS"						
Total General Appropriations for Municipal Purposes Within "CAPS"	34,973,264.48	34,973,264.48	32,508,085.91	1,248,305.83		1,216,872.74

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2009

UNEXPENDED BALANCE CANCELLED	EXPENDED	PAID OR CHARGED	BUDGET AFTER MODIFICATION	2009 BUDGET	OPERATIONS EXCLUDED FROM "CAPS"
36,346.17	534,892.83	571,239.00	571,239.00	571,239.00	911 Emergency Telecommunication Services
73,651.34	73,276.50	150,853.05	150,853.05	150,853.05	Salaries and Wages
115,328.59	2,440,561.37	2,658,043.92	2,658,043.92	2,658,043.92	Other Expenses Maintenance of Free Public Library (NUSA 40:54-8) NJDES - Storm Water
24,181.66	91,975.62	151,590.00	151,590.00	151,590.00	Supplemental Fire Services District Payment Other Expenses
(0.00)	89,751.10	807,057.84	807,057.84	807,057.84	Public Employees Retirement System
20,000.00	85,643.11	539,248.90	629,000.00	629,000.00	MCI/A Recycling Program
15,610.56	1,624.68	214,356.89	320,000.00	42,732.00	MCUA Solid Waste Agreement Edison Animal Control Contract
18,115.80	9,860.00	18,986.00	28,846.00	28,846.00	Middlesex County Nursing Services
	7,684.20	25,800.00	25,800.00	25,800.00	UNDNJ Agreements
	1,119.55	1,119.55	1,119.55	8,902.52	PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES
	8,902.52	8,902.52	8,902.52		Alcohol Education Rehab Program Body Armor Replacement Grant Clean Communities Grant
	4,000.00	76,267.09	4,000.00		Click It or Ticket Grant COPS in Shop Grant
	3,200.00	3,200.00	3,200.00		Drunk Driving Enforcement Fund
	8,425.98	8,425.98	8,425.98		Drunk Driving Enforcement - DWI Middlesex County
	1,530.00	1,530.00	1,530.00		Drunk Driving - Over the Limit, Under Arrest
	5,000.00	5,000.00	5,000.00		Library Mini Grant

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2009

	2009 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
				EXPENDED		UNEXPENDED
PUBLIC AND PRIVATE PROGRAMS (CONTD.)						
Multi-jurisdictional Gang, Gun & Narcotic Task Force Program	2,500.00	12,000.00	12,000.00			
NFL Youth Grant		2,500.00	2,500.00			
NJ DOT - Safe Routes to School Program		30,000.00	30,000.00			
NJ DOT - William Street	500,000.00	500,000.00	500,000.00			
Public Health Priority Funding	28,960.00	28,960.00	28,960.00			
Recycling Tonnage Grant	80,158.54	80,158.54	80,158.54			
Safe and Secure Communities Program	58,345.00	58,345.00	58,345.00			
Tobacco Age of Sale	1,740.00	1,740.00	1,740.00			
Matching Funds	70,000.00	70,000.00	70,000.00			
Total Operations Excluded from "CAPS"	6,174,675.85	6,302,127.49	5,600,502.59	328,390.78	373,234.12	
DETAIL:						
Salaries and Wages	571,239.00	571,239.00	534,892.83	328,390.78	36,346.17	
Other Expenses	5,603,436.85	5,730,888.49	5,065,609.76		336,887.95	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund	91,000.00	91,000.00	91,000.00			
Land Acquisition	200,000.00	200,000.00	200,000.00	12,000.00	188,000.00	
4-Wheel Vehicles for Code Enforcement	90,000.00	90,000.00	90,000.00		90,000.00	
Total Capital Improvements Excl. from "CAPS"	381,000.00	381,000.00	91,000.00	12,000.00	278,000.00	
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Principal	2,985,000.00	2,985,000.00	2,985,000.00			
Payment of Bond Anticipation Notes and Capital Notes	297,500.00	297,500.00	297,500.00			
Interest on Bonds	1,618,610.64	1,618,610.64	1,579,798.15		38,812.49	
Interest on Notes	287,500.00	287,500.00	287,499.98		0.02	
Total Municipal Debt Service - Excl. from "CAPS"	5,188,610.64	5,188,610.64	4,852,298.13		336,312.51	

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2009

	2009 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED	UNEXPENDED BALANCE
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"							
Deferred Charges	500.00	500.00	500.00				
Emergency Authorizations	500.00	500.00	500.00				
Total Deferred Charges - Municipal Excluded from "CAPS"	500.00	500.00	500.00				
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	11,744,786.49	11,872,238.13	10,544,300.72	340,390.78	651,234.12	336,312.51	
Subtotal General Appropriations	46,718,050.97	46,845,502.61	43,052,386.63	1,588,696.61	1,868,106.86	336,312.51	
Reserve for Uncollected Taxes	2,653,665.04	2,653,665.04	2,653,665.04				
Total General Appropriations	\$ 49,371,716.01	\$ 49,499,167.65	\$ 45,706,051.67	\$ 1,588,696.61	\$ 1,868,106.86	\$ 336,312.51	
REF.	A-2	A-2	A-1	A,A-1	A,A-1	A-1	
Adopted Budget		\$ 49,371,716.01					
Approp. by N.J.S.A. 40A:4-87	A-2	\$ 127,451.64					
		\$ 49,499,167.65					
Disbursed	A-4	\$ 41,762,419.93					
Reserves for Uncollected Taxes	A-7	2,653,665.04					
Emergency Approp. 40A:4-47	A-8	500.00					
Reserve for Snow Removal	A-11	119,033.02					
Reserve for Unfunded Severance Liability	A-11	96,920.00					
Reserve: Equipment Others	A-11	59,500.00					
General Capital Fund - Capital Improvement Fund	A-12	91,000.00					
Due to Unemployment Trust Fund	A-12	100,000.00					
Due to State and Federal Grants Fund	A-12	823,013.68					
		\$ 45,706,051.67					

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
TRUST FUNDS
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2009 AND 2008

ASSETS	REF.	JUNE 30, 2009	JUNE 30, 2008	LIABILITIES, RESERVES AND FUND BALANCE	REF.	JUNE 30, 2009	JUNE 30, 2008
Animal Control Fund: Cash and Investments - Treasurer	B-1	\$ 14,299.16	\$ 8,654.67	Animal Control Fund: Due to State of New Jersey	B-1	\$ 105.00	\$ 211.80
Total Animal Control Fund		14,299.16	8,654.67	Total Animal Control Fund		14,299.16	8,654.67
Self-Insurance Trust Fund: Cash and Investments - Treasurer	B-1	509,612.37	567,733.95	Self-Insurance Trust Fund: Reserve for Self Insurance	B-1	509,612.37	514,549.97
Total Trust-Other Fund		509,612.37	567,733.95	Total Trust-Other Fund		509,612.37	567,733.95
Other Trust Funds: Cash and Investments - Treasurer	B-1	7,559,967.57	7,215,467.39	Other Trust Funds: Payroll Liabilities	B-1	130,470.76	194,794.12
Cash and Investments - Treasurer	B-1	115,781.76	115,781.76	Unemployment Insurance Trust Fund	B-1	10,442.03	9,918.87
Due from Current Fund	B-1	233,793.72	371,292.27	Reserve for CDBG	B-1	197,750.14	316,742.58
State and Federal Grants Receivable	B-1	7,793,761.29	7,702,541.42	Miscellaneous Deposits	B-1	1,220,569.66	1,183,766.86
Total Escrow Trust Fund		7,793,761.29	7,702,541.42	Affordable Housing	B-1	1,685,971.99	704,339.82
Public Assistance Fund: Cash and Investments - Treasurer	B-1	911.35	1,851.20	Recreation Trust	B-1	82,761.36	70,917.76
Total Public Assistance Fund		911.35	1,851.20	Schedule of Escrows	B-2	4,465,795.35	5,222,061.41
Public Assistance Fund: Reserve for Public Assistance	B-1	911.35	1,851.20	Total Escrow Trust Fund		7,793,761.29	7,702,541.42
Total Public Assistance Fund		911.35	1,851.20	Total Public Assistance Fund		911.35	1,851.20
		\$ 8,318,584.17	\$ 8,280,781.24			\$ 8,318,584.17	\$ 8,280,781.24

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
 BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2009 AND JUNE 30, 2008

	<u>REF.</u>	<u>BALANCE</u> <u>JUNE 30, 2009</u>	<u>BALANCE</u> <u>JUNE 30, 2008</u>
<u>ASSETS</u>			
Cash, Cash Equivalents and Investments	C-2	\$ 5,350,416.08	\$ 5,718,075.37
Federal and State Grants Receivable	C-4	767,500.00	767,500.00
Deferred Charges to Future Taxation:			
Funded	C-5	50,924,000.00	33,909,000.00
Unfunded	C-6	12,150,370.00	28,297,170.00
Due from Grant Fund	C-15		480,917.01
		<u>\$ 69,192,286.08</u>	<u>\$ 69,172,662.38</u>

LIABILITIES, RESERVES
AND FUND BALANCE

General Serial Bonds	C-10	\$ 50,924,000.00	\$ 33,909,000.00
Bond Anticipation Notes	C-11		11,500,000.00
Due to Current Fund	C-12		3.83
Improvement Authorizations:			
Funded	C-9	1,714,685.56	1,523,512.72
Unfunded	C-9	10,268,371.04	11,416,569.37
Reserve for Encumbrances	C-9	3,027,237.89	7,104,251.82
Capital Improvement Fund	C-7		50,738.00
Contributions - Off-Site Improvements	C-8	1,015,115.50	805,607.25
Reserve Revolving Fund - Housing Rehab	C-13		708,835.42
Reserve for Preliminary Expenses	C-14	670,656.90	851,727.26
Contributions - Tree Contributions	C-16	6,743.08	10,312.00
Reserve: Stelton Streetscape	C-17	20,250.00	20,250.00
Reserve for Debt Service	C-18	118,464.32	305,424.32
Reserve: Community Center	C-19	5,000.00	5,000.00
Reserve for Grant Receivables	C-4	767,500.00	767,500.00
Fund Balance	C-1	654,261.79	193,930.39
		<u>\$ 69,192,286.08</u>	<u>\$ 69,172,662.38</u>
Bonds & Notes Authorized but not Issued	C-21	<u>\$ 12,150,370.00</u>	<u>\$ 16,797,170.00</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
 GENERAL CAPITAL FUND
 STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>REF.</u>	
Balance - June 30, 2008	C	\$ 193,930.39
Increased by:		
Premium on Sale of Bonds/BAN's	C-2	<u>521,393.40</u>
Decreased by:		
Transferred to fund Improvement Authorizations	C-9	715,323.79
Balance - June 30, 2009	C	<u><u>61,062.00</u></u> \$ 654,261.79

Note: See Notes to Financial Statements

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

ASSETS	REF.	BALANCE JUNE 30, 2009	BALANCE JUNE 30, 2008	LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE JUNE 30, 2009	BALANCE JUNE 30, 2008
SEWER UTILITY FUND							
COMPARATIVE BALANCE SHEET - REGULATORY BASIS							
JUNE 30, 2009 AND 2008							
Cash and Investments - Treasurer	D-5	\$ 1,502,263.40	\$ 933,171.65	Operating Fund:	D-4, D-11	\$ 87,271.35	\$ 164,696.83
Change Fund - Collector	D	100.00	100.00	Reserve for Encumbrances	D-4, D-11	37,440.32	22,631.88
Due from Current Fund	D-17	38,130.05	38,130.05	Due to Sewer Capital	D-20	287,231.32	963,131.32
Accrued Interest Payable	D-12	971,401.70	971,401.70	Prepaid Sewer Charges	D-13	208,889.05	16,329.87
Receivables and Inventory With Offsetting Reserves:				Sewer Overpayments	D-14	1,995.00	13,596.25
Sewer Charges Receivable	D-8	912,154.23	318,426.53	Accounts Payable	D-11	10,486.00	
Deferred Charges:				Reserve for Receivables	D-1	912,154.23	318,426.53
Operating Deficit	D-4	286,884.81	471,275.17	Fund Balance		1,125,539.86	760,999.05
Emergency Appropriation	D-4	286,884.81	566,000.00	Total Operating Fund		2,701,402.44	2,327,103.40
Total Operating Fund		2,701,402.44	1,037,275.17	Capital Fund:		247,074.65	845,020.88
Reserve for Encumbrances	D-15	2,327,103.40	2,327,103.40	Improvement Authorizations:			
Funded				D-15		494,122.34	1,018,624.16
Unfunded				D-15		2,740,325.29	1,842,372.47
Serial Bonds Payable	D-22	336,966.00	336,966.00	D-22		3,541,000.00	2,426,000.00
Bond Anticipation Notes	D-23	963,131.32	963,131.32	D-23		1,000,000.00	1,000,000.00
Capital Improvement Fund	D-18	13,107,561.49	13,107,561.49	D-18		12,536.00	12,536.00
Reserve for Amortization	D-19	5,660,000.00	5,660,000.00	D-19		12,694,561.49	12,694,561.49
Deferred Reserve for Amortization	D-16	302,250.00	302,250.00	D-16		302,250.00	255,000.00
Fund Balance	D-2	20,099,447.18	20,067,658.81	D-2		80,113.41	58,543.81
Total Capital Fund		20,099,447.18	20,067,658.81	Total Capital Fund		20,099,447.18	20,067,658.81
		\$ 22,800,849.62	\$ 22,394,762.21			\$ 22,800,849.62	\$ 22,394,762.21

There were Bonds and Notes Authorized but Not Issued on June 30, 2009 in the amount of \$3,174,750.00 (Exhibit D-24).
Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

Exhibit - D-1

SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED JUNE 30, 2009 AND 2008

<u>REVENUE AND OTHER INCOME</u>	<u>SFY 2009</u>	<u>SFY 2008</u>
Sewer Charges	D-3 \$ 6,852,149.98	\$ 5,041,298.87
Connection Fees	D-3 392,480.00	261,042.94
Interest on Investments	D-3 20,145.57	83,719.31
Interest on Delinquent Accounts	D-3 33,160.12	25,037.50
Other Credits to Income:		
Miscellaneous Revenue	D-3 481.22	6,382.05
Unexpnd. Balance of Appropriation Reserves		
Lapsed and Reserve for Encumb. Canceled	D-11 154,047.56	432,477.23
Total Revenues	<u>7,452,464.45</u>	<u>5,849,957.90</u>
<u>EXPENDITURES</u>		
Budget and Emergency Appropriations:		
Operating	D-4 \$ 5,920,162.48	\$ 5,863,619.69
Capital Improvements	D-4 25,000.00	25,000.00
Debt Service	D-4 212,428.64	106,748.02
Deferred Charges and Statutory Expend.	D-4 745,942.16	141,475.00
Deficit in Operations Prior Years	D-4 184,390.36	
Total Expenditures	<u>7,087,923.64</u>	<u>6,136,842.71</u>
Excess/(Deficit) in Revenues	364,540.81	(286,884.81)
Add: Expenditures Included Above Which are by Statute Deferred Charges to Succeeding Years		566,000.00
Statutory Deficit in operations to be Raised in Subsequent Years Budget		<u>471,275.17</u>
<u>FUND BALANCE</u>		
Balance - July 1	D 760,999.05	194,999.05
Decreased by:		
Deficit In Operations Prior Year	1,125,539.86	945,389.41
Balance - June 30	D \$ <u>1,125,539.86</u>	\$ <u>760,999.05</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

Exhibit D-2

SEWER UTILITY CAPITAL FUND
 STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED JUNE 30, 2009 AND 2008

	<u>REF</u>	
Balance June 30, 2008	D	\$ 58,543.81
Increased by:		
Premium on Sale of BAN's/Bonds	D- 5	<u>31,283.60</u>
Decreased by:		
Transferred to fund Improvement Authorizations	D-15	<u>89,827.41</u>
Balance June 30, 2009	D	<u>\$ 80,113.41</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND
 STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2009

	2009	EXCESS OR
<u>REF.</u>	<u>BUDGET</u>	<u>(DEFICIT)</u>
Sewer Service Charges	D-1 \$ 6,759,820.00	\$ 6,852,149.98
Sewer Connection Fees	D-1 260,000.00	392,480.00
Miscellaneous	D-1 105,000.00	20,145.57
Interest on Delinquencies	D-1	<u>33,160.12</u>
	\$ <u>7,124,820.00</u>	\$ <u>7,297,935.67</u>
		<u>\$ 92,329.98</u>
		<u>132,480.00</u>
		<u>(84,854.43)</u>
		<u>33,160.12</u>

Ref. D-4

Analysis of Realized Revenues:

Sewer Service Charges:			
Prepays Applied	D-13	\$ 16,329.87	
Overpayments Applied	D-14	12,672.04	
Collected	D-8	<u>6,823,148.07</u>	
Connection Fees:			
Received by Collector	D-1	\$ <u>6,852,149.98</u>	
		\$ 392,480.00	
Interest on Delinquent Accounts:			
Collected	D-1,D-6	\$ <u>392,480.00</u>	
		\$ 33,160.12	
Interest on Investments:			
Collected	D-1,D-6	\$ <u>33,160.12</u>	
		\$ 20,145.57	
Miscellaneous Revenue:			
Received by Collector	D-1	\$ <u>20,145.57</u>	
		\$ 481.22	
	D-6	\$ <u>481.22</u>	
	D-1	\$ <u>481.22</u>	

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
 MIDDLESEX COUNTY, NEW JERSEY
 SEWER UTILITY OPERATING FUND
 STATEMENT OF EXPENDITURES - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2009

UNEXPENDED BALANCE CANCELLED	EXPENDED				PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELED
	BUDGET 2009	BUDGET AFTER MODIFICATION	D-3	D-1				
	\$ 894,847.79	\$ 894,847.79	\$ 891,113.84	\$ 891,113.84	\$ 37,440.32	\$ 3,733.95	\$ 74,051.37	
Operating: Salaries and Wages Other Expenses Middlesex County Utilities Authority Service Charges - Contractual		4,370,000.00	4,370,000.00	4,369,063.97		936.03		
Capital Improvements: Capital Improvement Fund	25,000.00	25,000.00	25,000.00	25,000.00				
Debt Service: Payment on Bond Principle Interest on Bonds Interest on Notes	85,000.00	85,000.00	85,000.00	85,000.00		36,896.36		
Deferred Charges and Statutory Expenditures: Deferred Charges: Emergency Authorizations Statutory Expenditures: Public Employees' Retirement System Social Security System (O.A.S.I.)	566,000.00	566,000.00	566,000.00	566,000.00			8,550.00	
Deficit in Operations Prior Years	184,390.36	184,390.36	184,390.36	184,390.36				
Total Sewer Utility Appropriations	\$ 7,124,820.00	\$ 7,124,820.00	\$ 6,963,211.97	\$ 6,963,211.97	\$ 37,440.32	\$ 87,271.35	\$ 36,896.36	
Cash Disbursements Due to Current Fund Due to Sewer Capital Accrued Interest Deficit in Operations Prior Years Emergency Appropriations	D-5 D-17 D-20 D-12 D D	\$ 5,475,292.97	610,100.00 25,000.00 102,428.64 184,390.36 566,000.00	\$ 6,963,211.97				\$ 6,963,211.97

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
SENIOR CITIZENS HOUSING UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2009 AND 2008

ASSETS	REF.	BALANCE JUNE 30, 2009	BALANCE JUNE 30, 2008	LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE JUNE 30, 2009	BALANCE JUNE 30, 2008
Operating Fund:				Operating Fund:			
Cash and Investments - Treasurer	E-5	\$ 779,657.63	\$ 1,038,305.49	Appropriation Reserves	E-4,E-7	\$ 206,086.71	\$ 28,885.36
Interfunds Receivable	E-14	183,389.43	4,504.59	Reserve for Encumbrances	E-4,E-7	129,052.98	105,467.99
				Accounts Payable	E-7	6,030.00	
				Accrued Interest on Bonds	E-8	25,717.03	27,193.59
				Security Deposits	E-9	109,728.56	107,518.49
Total Operating Fund		963,047.06	1,042,810.08	Fund Balance	E-1	476,615.28	269,065.43
						486,431.78	773,744.65
Capital Fund:				Capital Fund:			
Cash and Investments - Treasurer	E-5	258,486.42	328,858.98	Interfunds Payable	E-15	183,389.43	4,504.59
Fixed Capital	E-17	10,351,052.26	10,351,052.26	Serial Bonds Payable	E-12	1,525,000.00	1,630,000.00
Fixed Capital Authorized and Uncompleted	E-18	483,000.00	483,000.00	Improvement Authorizations:			
				Funded	E-11	19,631.05	40,455.75
				Reserve for:			
				Encumbrances	E-11	34,252.45	280,185.15
Total Capital Fund		11,092,538.68	11,162,911.24	Capital Improvement Fund	E-13	19,035.75	1,535.75
				Amortization	E-10	8,826,052.26	8,721,052.26
				Deferred Amortization	E-16	483,000.00	483,000.00
				Fund Balance	E-2	2,177.74	2,177.74
Total Capital Fund		11,092,538.68	11,162,911.24	Total Capital Fund		11,092,538.68	11,162,911.24
						\$ 12,055,585.74	\$ 12,205,721.32

There were no Bonds and Notes Authorized but not Issued at June 30, 2009.

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

Exhibit - E-1

SENIOR CITIZEN HOUSING UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED JUNE 30, 2009 AND 2008

<u>REVENUE AND OTHER INCOME</u>	<u>SFY 2009</u>	<u>SFY 2008</u>
Fund Balance Utilized	E-1, E-3 \$ 413,712.50	\$ 100,053.25
Rental Income	E-3 1,246,390.74	1,216,320.68
Interest on Investments	E-3 10,651.38	41,607.48
Other Credits to Income:		
Non-Budget Revenue	E-3 14,637.39	16,484.28
Unexpnd. Balance of Appropriation Reserves		
Lapsed and Reserve for Encumb. Canceled	E-7 69,078.56	70,151.65
Total Revenues	1,754,470.57	1,444,617.34
<u>EXPENDITURES</u>		
Budget and Emergency Appropriations:		
Operating	E-4 \$ 1,123,165.00	\$ 914,872.00
Capital Improvements	E-4 325,000.00	47,500.00
Debt Service	E-4 174,070.94	182,997.50
Deferred Charges and Statutory Expend.	E-4 5,000.00	3,240.00
Refund of Prior Year's Revenue	E-5 835.00	1,023.00
Total Expenditures	1,628,070.94	1,149,632.50
Excess/(Deficit) in Revenues	126,399.63	294,984.84
<u>FUND BALANCE</u>		
Balance - July 1	E 773,744.65	578,813.06
Decreased by:		
Utilized as Anticipated Revenue	E-1 413,712.50	100,053.25
Balance - June 30	E \$ 486,431.78	\$ 773,744.65

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND
 STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

	<u>REF.</u>	
Balance - June 30, 2008	E	\$ 2,177.74
Balance - June 30, 2009	E	<u>\$ 2,177.74</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY OPERATING FUND
 STATEMENT OF REVENUES - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2009

	REF.	2009 BUDGET	REALIZED	EXCESS OR (DEFICIT)
Fund Balance	E-1	\$ 413,712.50	\$ 413,712.50	\$
Rental Income	E-1,E-3	1,215,000.00	1,246,390.74	31,390.74
Interest on Investments	E-1,E-3	<u>10,651.38</u>	<u>10,651.38</u>	<u>10,651.38</u>
		<u>1,628,712.50</u>	<u>1,670,754.62</u>	<u>42,042.12</u>
Non-Budget Revenues	E-1,E-3	<u>14,637.39</u>	<u>14,637.39</u>	<u>14,637.39</u>
		<u>\$ 1,628,712.50</u>	<u>\$ 1,685,392.01</u>	<u>\$ 56,679.51</u>

Ref. E-4

Analysis of Realized Revenues:

Analysis of Rental Income:

Rental Income	\$ 1,223,112.74
Surcharge for Utilities:	
Aircondition Surcharge	<u>23,278.00</u>
	<u>\$ 1,246,390.74</u>

Analysis of Non-Budget Revenues:

Room Rental	\$ 6,000.00
Laundromat Income	7,737.39
Deposit Withheld	500.00
Late Fees	200.00
Replacement Key	<u>200.00</u>
	<u>\$ 14,637.39</u>

Analysis of Interest on Investments:

Senior Citizen Capital Fund	\$ 3,354.99
Senior Citizen Operating Fund	<u>7,296.39</u>
	<u>\$ 10,651.38</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2009

EXPENSED	EXPENSED				UNEXPENDED BALANCE CANCELLED
	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED	
2009	BUDGET	MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED
Operating:					
Salaries and Wages	\$ 63,600.00	\$ 63,600.00	\$ 63,600.00	\$ 73,139.37	\$ 83,256.32
Other Expenses	1,059,565.00	1,059,565.00	903,169.31		
Debt Service:					
Payment on Bond Principle	105,000.00	105,000.00	105,000.00		
Interest on Bonds	70,547.50	70,547.50	69,070.94		1,476.56
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Social Security System (O.A.S.I.)	5,000.00	5,000.00	5,000.00		
Capital Improvements:					
Capital Improvement Fund	307,500.00	307,500.00	128,756.00	55,913.61	122,830.39
Down Payments on Improvements	17,500.00	17,500.00	17,500.00		
Total Senior Citizen Housing Appropriations	\$ 1,628,712.50	\$ 1,628,712.50	\$ 1,292,096.25	\$ 129,052.98	\$ 206,086.71
Ref.	E-3	E-3	E-1	E,E-1	E,E-1
Cash Disbursements	E-5				
Accrued Interest on Bonds	E-8				
Due to Senior Citizen Housing Capital Fund -	E-14				
Capital Improvement Fund					
					\$ 1,292,096.25

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

STATEMENT OF GOVERNMENTAL FIXED ASSETS
 REGULATORY BASIS
JUNE 30, 2009 AND JUNE 30, 2008

	<u>BALANCE JUNE 30, 2009</u>	<u>BALANCE JUNE 30, 2008</u>
Governmental Fixed Assets:		
Land	\$ 23,686,300.00	\$ 23,686,300.00
Buildings and Improvements	16,850,200.00	16,850,200.00
Machinery and Equipments	17,893,634.00	18,165,902.00
	<u>58,430,134.00</u>	<u>58,702,402.00</u>
Total Governmental Fixed Assets	<u>\$ 58,430,134.00</u>	<u>\$ 58,702,402.00</u>
Investment in Governmental Fixed Assets	<u>\$ 58,430,134.00</u>	<u>\$ 58,702,402.00</u>

Notes: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

Note 1: FORM OF GOVERNMENT

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

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

B. Description of Funds

The accounting policies of the Township of Piscataway conform to the accounting principles applicable to municipalities, which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township of Piscataway accounts for its financial transactions through the following separate funds:

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

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

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

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

B. Description of Funds (Cont'd.)

General Capital Fund - resources, including Federal and State Grants in aid of construction, and expenditures for the acquisition of general capital facilities, other than those acquired through the Current Fund, including the status of bonds and notes authorized for said purposes. Debt obligations authorized in conjunction with the Township's conversion to the state's fiscal year are also accounted for in the General Capital Fund.

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

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

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

C. Basis of Accounting and Measurement Focus

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

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

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD):

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

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

For the purposes of calculating the results of Current Fund operations, the regulatory basis of accounting utilized by the Township requires that certain expenditures be deferred and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories of overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the balance sheet of the affected Fund. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance. The status of deferred charges at June 30, 2009 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.

NOTES TO FINANCIAL STATEMENTS

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

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

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

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

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

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

Sale of Municipal Assets - Cash proceeds from the sale of Township owned property may be realized as revenue or reserved until utilized as an item of revenue in a subsequent year budget. The Township has reserved amounts of proceeds from property sales at June 30, 2009 and 2008, totaling \$100,771.74, and \$73,104.09. GAAP requires that revenue be recognized in the accounting period that the terms of the sales contracts become legally enforceable.

Governmental Fixed Assets - Property and equipment purchased by the Current and the General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. Property and equipment purchased by the Sewer Utility Fund and the Senior Housing Utility are recorded in their respective capital accounts at cost and are adjusted for dispositions and abandonment. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for amortization accounts in the Utility Funds represent charges to operations for the costs of acquisitions of property, equipment and improvements, and costs funded from sources other than bonded debt of the utility. The utility does not record depreciation on fixed assets. GAAP does not require the establishment of a reserve for amortization for utility fixed assets, but does require the recognition of depreciation of these assets as an operating expense of the utility.

Disclosures About Fair Value of Financial Instruments -- the following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

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

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

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

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

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

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

Disclosures About Fair Value of Financial Instruments

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

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

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

Recent Accounting Standards

GASB issued Statement No. 52, "Land and Other Real Estate Held as Investment by Endowments" in November 2007. This Statement establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments also are required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value, and other information that they currently present for other investments reported at fair value.

GASB issued Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments" in June 2008. This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments.

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

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

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

Recent Accounting Standards (Cont'd.)

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

GASB issued Statement No. 56, “Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards” in March 2009. The objective of this Statement is to incorporate into the Governmental Accounting Standards Board’s (GASB) authoritative literature certain accounting and financial reporting guidance presented in the American Institute of Certified Public Accountants’ Statements on Auditing Standards. This Statement addresses three issues not included in the authoritative literature that establishes *accounting principles*—related party transactions, going concern considerations, and subsequent events. The presentation of principles used in the *preparation* of financial statements is more appropriately included in accounting and financial reporting standards rather than in the auditing literature.

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION - JUNE 30, 2009 AND 2008

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

A. SUMMARY OF MUNICIPAL DEBT - YEARS ENDED JUNE 30, 2009 & JUNE 30, 2008

	<u>SFY 2009</u>	<u>SFY 2008</u>
<u>Issued:</u>		
General:		
Bonds and Notes	\$ 50,924,000.00	\$ 45,409,000.00
Sewer Utility:		
Bonds and Notes	3,541,000.00	3,426,000.00
Senior Citizens Housing Utility:		
Bonds and Notes	<u>1,525,000.00</u>	<u>1,630,000.00</u>
Net Debt Issued	<u>\$ 55,990,000.00</u>	<u>\$ 50,465,000.00</u>
<u>Authorized But Not Issued:</u>		
General:		
Bonds and Notes	12,150,370.00	16,797,170.00
Sewer Utility:		
Bonds and Notes	<u>3,174,750.00</u>	<u>2,477,000.00</u>
Total Authorized But Not Issued	<u>15,325,120.00</u>	<u>19,274,170.00</u>
Net Bonds and Notes Issued and Authorized but not Issued	<u>\$ 71,315,120.00</u>	<u>\$ 69,739,170.00</u>

Summarized below are the Township's individual bond issues which are outstanding at June 30, 2009 and 2008

	<u>SFY 2009</u>	<u>SFY 2008</u>
<u>General Debt:</u>		
\$6,165,000, General Improvement Bonds of 2000, due in annual installments of \$540,000 to \$750,000 through April 1, 2011, interest at 4.375% to 4.500%	\$ 1,080,000.00	\$ 1,740,000.00
\$5,765,000 General Improvement Bonds of 2001, due in annual installments of \$250,000 to \$500,000 through October 15, 2016, interest at 3.500% to 4.375%	3,665,000.00	4,090,000.00
\$7,520,000 General Improvement Bonds of 2002, due in annual installments of \$400,000 to \$700,000 through February 2017, interest at 4.0% to 4.5%.	4,720,000.00	5,120,000.00

NOTES TO FINANCIAL STATEMENTS

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

	<u>SFY 2009</u>	<u>SFY 2008</u>
\$9,659,000 General Improvement Bonds of 2004, due in annual installments of \$500,000 to \$1,040,000 through February 2017, interest at 3.125% to 3.750%.	\$ 6,759,000.00	\$ 7,459,000.00
\$15,500,000 General Obligation Refunding Bonds of 2007, due in annual installments of \$800,000 to \$1,600,000 through November 2019, interest at 3.500% to 6.000%.	14,700,000.00	15,500,000.00
\$11,500,000, Bond Anticipation Note, mature on April 9, 2009, interest at 2.50%		11,500,000.00
\$17,710,000 General Improvement Bonds of 2009, due in annual installments of \$1,000,000 to \$1,960,000 through March 2021, interest at 3.000% to 4.000%.	17,710,000.00	
\$2,290,000 Tax Appeal Bonds of 2009, due in annual installments of \$325,000 to \$340,000 through March 2016, interest at 3.000% to 3.250%.	2,290,000.00	
Total General Capital Debt	<u>\$ 50,924,000.00</u>	<u>\$ 45,409,000.00</u>
<u>Sewer Utility Debt:</u>		
\$380,000 Sewer Utility Bond Bonds of 2004, due in annual intallments of \$25,000 to \$40,000 through August 2017, interest at 3.125% to 3.750%.	\$ 255,000.00	\$ 280,000.00
\$2,146,000 Sewer Utility Bond Bonds of 2007, due in annual intallments of \$60,000 to \$120,000 through November 2033, interest at 3.500% to 6.000%.	2,086,000.00	2,146,000.00
\$1,000,000, Bond Anticipation Note, mature on April 9, 2009, interest at 2.50%		1,000,000.00
\$1,200,000 Sewer Utility Bond Bonds of 2009, due in annual intallments of \$50,000 to \$100,000 through March 2025, interest at 3.000% to 4.500%.	1,200,000.00	
<u>Senior Citizen Housing Utility Debt:</u>		
\$2,204,500 Senior Citizen Housing Refunding Bonds of 2001, due in annual intallments of \$79,500 to \$180,000 through August 2019, interest at 3.5% to 5.0%.	<u>1,525,000.00</u>	<u>1,630,000.00</u>
Total Debt for Capital Projects outstanding at June 30	<u>\$ 55,990,000.00</u>	<u>\$ 50,465,000.00</u>

NOTES TO THE FINANCIAL STATEMENTS

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

B. Summary of Statutory Debt Condition - Annual Debt Statement 2009 and 2008

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

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

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

Average Equalized Valuation Basis

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

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

<u>2008</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 38,242,000.00	\$ 38,242,000.00	-
Sewer Utility Debt	5,903,000.00	3,524,893.80	2,378,106.20
Senior Citizen Housing Utility Debt	1,630,000.00	1,630,000.00	-
General Debt	<u>62,206,170.00</u>		<u>62,206,170.00</u>
	<u>\$ 107,981,170.00</u>	<u>\$ 43,396,893.80</u>	<u>\$ 64,584,276.20</u>

Net Debt \$64,584,276.20 Divided By Average Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended \$6,390,306,732.00 = 1.01%.

Average Equalized Valuation Basis

2005 Equalized Value of Real Property	5,781,631,768.00
2006 Equalized Value of Real Property	6,567,831,434.00
2007 Equalized Value of Real Property	<u>6,821,456,994.00</u>
Average Equalized Valuation	<u>\$6,390,306,732.00</u>

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

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

	<u>2009</u>	<u>2008</u>
<u>Borrowing Power Under N.J.S.A. 40A:2-6 As Amended</u>		
3 1/2% of Equalized Valuation Basis Municipal Net Debt	\$237,289,801.22	\$223,660,735.62
	<u>63,074,370.00</u>	<u>64,584,276.20</u>
Remaining Borrowing Power	<u>\$174,215,431.22</u>	<u>\$159,076,459.42</u>
Calculation of "Self-Liquidating Purpose" <u>Sewer Utility Per N.J.S.A. 40A:2-45</u>		
Cash Receipts from Fees, Rents or Other Charges for Year	\$7,298,416.89	\$5,417,480.67
Deductions:		
Operating and Maintenance Cost	6,850,495.00	6,005,094.69
Debt Service per Sewer Account	<u>212,428.64</u>	<u>106,748.02</u>
Total Deductions	<u>7,062,923.64</u>	<u>6,111,842.71</u>
Excess/(Deficit) in Revenues	<u>\$235,493.25</u>	<u>(\$694,362.04)</u>
Deduction of Self-Liquidating Utility Debt for <u>Statutory Net Debt - Sewer Utility Per N.J.S.A. 40A:2-48</u>		
The difference between the excess/(deficit) in revenues for debt statement purposes and the excess/(deficit) in revenues on a cash basis for the Sewer Utility Fund is as follows:		
Excess/(Deficit) in Revenues - Cash Basis (D-1)	\$364,540.81	(\$286,884.81)
Add: Capital Improvements	<u>25,000.00</u>	<u>25,000.00</u>
Less: Reserves Lapsed	389,540.81	(261,884.81)
	<u>154,047.56</u>	<u>432,477.23</u>
Excess/(Deficit) in Revenue per Debt Statement	<u>\$235,493.25</u>	<u>(\$694,362.04)</u>

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

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

	<u>2009</u>	<u>2008</u>
Calculation of "Self-Liquidating Purpose" Senior Citizen Housing Utility Per N.J.S.A. 40A:2-45		
Cash Receipts from Fees, Rents or Other Charges for Year	\$1,684,557.01	\$1,374,465.69
Deductions:		
Operating and Maintenance Cost	1,128,165.00	919,135.00
Debt Service per Housing Account	<u>174,070.94</u>	<u>182,997.50</u>
Total Deductions	<u>1,302,235.94</u>	<u>1,102,132.50</u>
	<u>\$382,321.07</u>	<u>\$272,333.19</u>
Calculation of "Self-Liquidating Purpose" Senior Citizen Housing Utility Per N.J.S.A. 40A:2-45 (Cont'd.)		
The difference between the excess in revenues for debt statement purposes and the excess in revenues on a cash basis for the Senior Citizen Housing Utility Fund is as follows:		
Excess in Revenues - Cash Basis (E-1)	\$126,399.63	\$294,984.84
Add: Capital Improvement	<u>325,000.00</u>	<u>47,500.00</u>
	451,399.63	342,484.84
Less: Reserves Lapsed	<u>69,078.56</u>	<u>70,151.65</u>
Excess in Revenue per Debt Statement	<u>\$382,321.07</u>	<u>\$272,333.19</u>

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

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

SFY Year	General		Senior Housing		Sewer Utility		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2010	\$4,290,000.00	\$1,892,063.75	\$105,000.00	\$66,544.38	\$135,000.00	\$137,531.25	\$6,626,139.38
2011	4,390,000.00	1,726,013.75	130,000.00	61,910.00	140,000.00	132,250.00	6,580,173.75
2012	4,350,000.00	1,551,588.75	125,000.00	56,810.00	150,000.00	126,775.00	6,360,173.75
2013	4,825,000.00	1,388,463.75	125,000.00	51,747.50	156,000.00	121,262.50	6,667,473.75
2014	5,125,000.00	1,219,326.25	120,000.00	46,665.00	160,000.00	116,025.00	6,787,016.25
Subtotal	22,980,000.00	7,777,456.25	605,000.00	283,676.88	741,000.00	633,843.75	33,020,976.88
2015	5,275,000.00	1,041,763.75	145,000.00	41,027.50	170,000.00	110,762.50	6,783,553.75
2016	5,499,000.00	850,476.25	140,000.00	34,830.00	180,000.00	104,987.50	6,809,293.75
2017	5,110,000.00	652,518.75	135,000.00	28,375.00	180,000.00	98,768.75	6,204,662.50
2018	3,300,000.00	457,400.00	160,000.00	21,000.00	160,000.00	91,700.00	4,190,100.00
2019	3,300,000.00	329,400.00	160,000.00	13,000.00	160,000.00	85,500.00	4,047,900.00
Subtotal	22,484,000.00	3,331,558.75	740,000.00	138,232.50	850,000.00	491,718.75	28,035,510.00
2020	3,500,000.00	184,400.00	180,000.00	4,500.00	160,000.00	78,500.00	4,107,400.00
2021	1,960,000.00	78,400.00			170,000.00	72,200.00	2,280,600.00
2022					180,000.00	65,200.00	245,200.00
2023					180,000.00	57,887.50	237,887.50
2024					190,000.00	50,462.50	240,462.50
Subtotal	5,460,000.00	262,800.00	180,000.00	4,500.00	880,000.00	324,250.00	7,111,550.00
2025					200,000.00	42,287.50	242,287.50
2026					100,000.00	33,787.50	133,787.50
2027					100,000.00	29,787.50	129,787.50
2028					100,000.00	25,725.00	125,725.00
2029					110,000.00	21,393.75	131,393.75
Subtotal					610,000.00	152,981.25	762,981.25
2030					110,000.00	16,856.25	126,856.25
2031					110,000.00	12,318.75	122,318.75
2032					120,000.00	7,575.00	127,575.00
2033					120,000.00	2,550.00	122,550.00
Subtotal					460,000.00	39,300.00	499,300.00
	\$50,924,000.00	\$11,371,815.00	\$1,525,000.00	\$426,409.38	\$3,541,000.00	\$1,642,093.75	\$69,430,318.13

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.

NOTES TO FINANCIAL STATEMENTS

Note 6: FUND BALANCE APPROPRIATED

Fund balances at June 30, 2009 and 2008 were appropriated and included as anticipated revenue in their own respective funds for the "Fiscal Year" ending June 30, 2009 and 2008 as follows:

	<u>FUND BALANCE JUNE 30, 2009</u>	<u>UTILIZED IN SUCCEEDING BUDGET</u>
Current Fund	\$4,842,322.85	\$4,054,233.19
Senior Citizens Utility Fund	486,431.78	397,162.74
	<u>FUND BALANCE JUNE 30, 2008</u>	<u>UTILIZED IN SUCCEEDING BUDGET</u>
Current Fund	\$6,337,251.97	\$6,070,315.97
Senior Citizens Utility Fund	773,744.65	413,712.50

Note 7: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. The deferred charges as of June 30, 2009, in the Current Fund are \$0.00, compared to \$500.00 as of June 30, 2008. The deferred charges as of June 30, 2009, in the Sewer Utility Operating Fund are \$286,884.81, compared to \$1,037,275.17 as of June 30, 2008.

Note 8: LEASES

The Township did not enter into operating lease agreements providing for facilities and equipment during SFY 2009, and accordingly no future minimum annual rental payments disclosed.

Note 9: INTERFUNDS

The following interfund balances remained on the balance sheet date at June 30, 2009:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$97,677.41	
Grant Fund		\$97,677.41
Sewer Utility Operating Fund		287,231.32
Sewer Utility Capital Fund	287,231.32	
Senior Citizen Operating Fund	183,389.43	
Senior Citizen Capital Fund	<u>183,389.43</u>	
Total	<u>\$568,298.16</u>	<u>\$568,298.16</u>

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

Note 10: DEPOSITS AND INVESTMENTS

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

Deposits

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

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

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

At June 30, 2009 and 2008, the cash and cash equivalents and investments of the Township on deposit and on-hand consisted of the following:

	<u>2009</u>	<u>2008</u>
Cash (Demand Accts.)	\$25,752,636.76	\$26,956,264.18
Investments (CD's)	1,659,901.91	0.00
NJ Cash Management Fund	746,078.09	735,6941.56
Change Funds (On-Hand)	<u>635.00</u>	<u>635.00</u>
Total	<u>\$28,159,251.76</u>	<u>\$27,692,540.74</u>

Based upon GASB criteria, the Township considers change funds, cash in banks, investments in certificates of deposit and State of New Jersey Cash Management Fund as cash and cash equivalents. At year-end, the carrying amount of the Township's deposits was \$27,413,173.67 and the bank balance was \$28,480,044.66. Of the bank balance, \$1,250,000.00 was covered by Federal depository insurance and \$27,230,044.66 was covered under the provisions of NJGUDPA.

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned. The government does not have a specific deposit policy for custodial risk other than those policies that adhere to the requirements of statute. As of June 30, 2009, based upon the insured balances provided by the FDIC and NJGUDPA coverage, no amount of the Township's bank balance was considered exposed to custodial risk.

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

Investments

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

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States;
2. Government money market mutual funds;
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided such obligation bear a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Township or bonds or other obligations of school districts of which the Township is a part and within which the school district is located;
5. Bonds or other obligations having a maturity date of not more than 397 days from the date of purchase that are approved by the Division of Investment of the Department of Treasury for investment by local units;
6. Local government investment pools;
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1997, c. 281 (C.52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities, if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3);
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is more than 30 days; and
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.19:9-41) and for which a master repurchase agreement providing for the custody and security of the collateral is executed.

New Jersey Cash Management Fund – All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other Than State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis. As of June 30, 2009, the Township had \$746,078.09 on deposit with the New Jersey Cash Management Fund. Based upon the existing deposit and investment practices, the Township is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risks for its investments nor is it exposed to foreign currency risks for its deposits and investments.

Note 11: PENSION AND RETIREMENT PLANS

Employees of the Township of Piscataway are enrolled in one of two cost sharing multiple-employer public employee retirement systems: the Public Employees Retirement System (PERS) or the Police and Firemen's Retirement System (PFRS). The Division of Pensions in the Department of the Treasury, State of New Jersey, administers the PERS and PFRS plans. The plans are funded annually based on the projected benefit method with aggregate level normal cost and frozen initial unfunded accrued liability. The plans, which cover public employees throughout the state, do not maintain separate records for each reporting unit and, accordingly, the actuarial data for the employees of the Township who are members of the plans are not available. The contributions in SFY 2009 and 2008 were \$921,942.18 and \$824,799.66 for PERS and \$1,166,199.83 and \$1,114,598.30 for PFRS, respectively, which represents contributions from the employees that are remitted on a quarterly basis. For SFY 2009 and SFY 2008, the Township contributed amounts of \$918,450.00 and \$725,667.00 for PERS and \$1,991,522.00 and \$1,860,524.00 for PFRS.

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

Note 12: POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS & POST RETIREMENT HEALTH CARE BENEFITS

The Township of Piscataway provides its retirees with health benefits, which are fully funded by the Township. These benefits are negotiated for through each bargaining unit's contract. In order to receive fully paid health benefits, retirees must have been enrolled in the Public Employees Retirement Fund for 25 years. Retirees receive the same type of health insurance coverage that they were receiving prior to retirement. There are approximately 165 retirees enrolled in health benefits programs, which are fully funded by the Township. The annual costs are determined by the provider, per approved schedules in accordance with the insured individual's age and plan status. This represents billings to the Township on an experience basis. The amount paid by the Township for retirees health benefits was \$2,406,694 and \$2,211,888 for 2009 and 2008 respectively.

The contribution requirements of plan members and the participating agencies are established and may be amended by the MCJHF Commissioners. The Township's annual postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the Township's annual OPEB cost for the year, any amounts contributed to the plan and the Township's net OPEB obligation. For 2008, the Township's annual OPEB cost (expense) of \$6,493,300 was equal to the ARC.

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

NOTES TO FINANCIAL STATEMENTS

Note 12: POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS & POST RETIREMENT HEALTH CARE BENEFITS (CONT'D.)

The funded status of the plan for the Township as of July 1, 2008, is as follows:

Actuarial accrued liability (AAL)	<u>Total</u>
Actuarial value of plan assets	\$79,859,700
	<u> </u>
	- 0 -
Unfunded actuarial accrued liability (UAAL)	<u>\$79,859,700</u>
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$21,779,431
UAAL as a percentage of covered payroll	366.67%

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

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

In the July 1, 2008 actuarial valuation, the projected unit credit method was used. A rate of 4.00% was utilized as the discount rate and the amount of increase in the normal cost amount. The unfunded accrued liability is being amortized as a level dollar amount using an open period of thirty (30) years.

Note 13: RISK MANAGEMENT

The Township, together with other governmental units, is a member of the Central Jersey Joint Insurance Fund (the Fund). The Fund, which is organized and operated pursuant to the regulatory authority of the Departments of Insurance and Community Affairs, State of New Jersey, provides for a pooling of risks, subject to established limits and deductibles. Payments to the Fund are calculated by the Fund's governing board based upon actuarial and budgetary requirements. Each participant is the Fund is jointly and severably obligated for any deficiency in the amount available to pay all claims. The Joint Insurance fund insures against property damage, general liability, auto liability, equipment liability, public official liability, law enforcement liability and workers compensation. While additional assessments or premiums can be levied by the Fund to assure payment of the Fund's obligations, no such additional premiums have been necessary as of June 30, 2009. The Fund will be self-sustaining through member premiums, reported as an expenditure in the Township's financial statements. The Fund contracts for excess liability insurance for property damage, general liability, auto liability, equipment liability, public official liability, law enforcement

Note 13: RISK MANAGEMENT (CONT'D):

Self-Insurance – Worker’s Compensation

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

	Estimated Reserve Requirement For Reported Claims	Cash Reserves June 30.
<u>2009</u>		
Worker’s Compensation – Self- Insurance (All Program Years)	<u>\$776,849.68</u>	<u>\$509,612.37</u>
<u>2008</u>		
Worker’s Compensation – Self- Insurance (All Program Years)	<u>\$802,552.82</u>	<u>\$514,549.97</u>

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

The following is an analysis of changes in cash reserves for the fiscal year ended June 30, 2009 and June 30, 2008:

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

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

Estimated Reserve Requirement June 30, 2008	Estimated Reserves For Prior Period Adjustment	Net Claims/ Fees Paid	Estimated Reserve Requirement June 30, 2009
<u>\$802,552.82</u>	<u>\$32,665.47</u>	<u>\$58,368.61</u>	<u>\$776,849.68</u>

Note 13: RISK MANAGEMENT (CONT'D):

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

2008

Cash Reserve	Refunds, Subrogation & Interest	Cash Reserve
<u>June 30, 2007</u>	<u>Earnings</u>	<u>June 30, 2008</u>
<u>\$427,046.96</u>	<u>\$254,431.31</u>	<u>\$514,549.97</u>
<u>\$10,000.00</u>	<u>\$176,928.30</u>	

The following is an analysis of changes in the estimated reserve requirement for claims reported for all program years as at June 30, 2008:

Estimated Reserve Requirement	Estimated Reserves For Prior Period	Estimated Reserve
<u>June 30, 2007</u>	<u>Net Claims/ Period Adjustment</u>	<u>Requirement June 30, 2008</u>
<u>\$785,123.18</u>	<u>\$ 194,357.94</u>	<u>\$802,552.82</u>
	<u>\$176,928.30</u>	

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

State Fiscal Year	Township Appropriation	Employee Contribution	Interest Earnings	Amounts Reimbursed	Ending Balance
2009	\$100,000.00	-0-	\$102.33	\$99,579.17	\$10,442.03
2008	25,000.00	-0-	461.16	30,114.98	9,918.87
2007	25,000.00	-0-	1,235.74	66,892.60	14,572.69
2006	5,000.00	-0-	2,906.53	53,627.15	55,229.55
2005	105,000.00	-0-	916.86	106,297.83	100,950.17

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, 2009 and 2008 it is estimated that the current cost of such unpaid sick pay would approximate \$5,571,288 and \$7,120,698. These amounts represent the current value of all accumulations, and is not intended to portray amounts that would be recorded under GAAP.

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

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

Note 15: COMMITMENTS AND CONTINGENCIES

The Township participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are also subject to compliance and financial audits by the grantors or their representatives. As of June 30, 2009, the Township does not believe that any material liabilities will result from such audits.

The Township has various payables in the Current Fund in the amount of \$299,404.94 of June 30, 2009 and \$106,060.73 as of June 30, 2008, to meet the expected obligations as they become due, presently these amounts were provided for in the budget years prior to the year 2009. The Township operated on a "pay as you go" basis for amounts due to employees upon retirement.

As at June 30, 2009 and through the date of this report, the Township had litigation pending, including property tax appeals and other matters. The Township estimates that potential claims against the Township not covered by insurance resulting from such litigation would not materially affect the financial statements of the Township.

NOTES TO FINANCIAL STATEMENTS

Note 16: SUBSEQUENT EVENTS

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

SFY 2010 Programs/Projects:

<u>Project</u>	<u>Total</u>	<u>Bond/Notes Authorized</u>
Various Capital Improvements	\$4,555,000	\$3,756,050
Various Capital Improvements	7,850,000	7,457,500
Refunding Tax Appeals	2,614,500	2,614,500
Creation of Digital Tax Maps	200,000	0
Upgrades to the Radio System	<u>20,000</u>	<u>0</u>
	<u>\$15,239,500</u>	<u>\$13,828,050</u>

Change in Fiscal Policy

The Local Finance Board approved the conversion of the Township from a State Fiscal Year to a Calendar Year on May 5, 2010, and the Council adopted a resolution on November 13, 2009 approving the change in fiscal policy commencing on January 1, 2011.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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

SINGLE AUDIT SECTION

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

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

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

JO ANN BOOS, CPA, PSA
ABHISHEK DESAI, CPA

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, 2009, which collectively comprise the Township of Piscataway's financial statements and have issued our report thereon dated May 24, 2010. Our report was modified because of the departure from accounting principles generally accepted in the United States of America as disclosed in Note 2 and was unqualified based upon the Other Comprehensive Basis of Accounting financial statement presentation. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township of Piscataway's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township of Piscataway's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township of Piscataway's internal control over financial reporting.

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

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

Compliance and Other Matters

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

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

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

Hodulik & Morrison, P.A.

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

Highland Park, New Jersey
May 24, 2010

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

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

JO ANN BOOS, CPA, FSA
ABHISHEK DESAI, CPA

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

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

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

Compliance

We have audited the compliance of the Township of Piscataway with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that are applicable to each of its major state programs for the year June 30, 2009. The Township of Piscataway's major federal programs are identified in the "Summary of Auditor's Results Section" of the accompanying schedule of findings and questioned costs. Compliance with the requirement of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Township of Piscataway's management. Our responsibility is to express an opinion on the Township of Piscataway's compliance based on our audit.

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

In our opinion, the Township of Piscataway complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

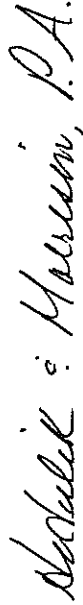
Internal Control Over Compliance

Management of the Township of Piscataway is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Township of Piscataway's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township of Piscataway's internal control over compliance.

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

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

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



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

Highland Park, New Jersey
May 24, 2010

SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE

Township of Piscataway
 County of Middlesex
 Schedule of Expenditures of Federal Awards
 Year Ended June 30, 2009

Federal Funding Department	CFDA Number	State Account #	Total Award	2009		Cumulative Disbursements/ Cancelled Expenditures		
				Grant Year	Receipts Expenditures			
Department of Housing and Urban Development:	Community Development Block Grants	N/A	373,358.00	SFY 06	1,026.00	368,161.90		
	Community Development Block Grants	N/A	288,000.00	SFY 07	88,112.14	287,952.51		
	Community Development Block Grants	N/A	334,100.00	SFY 08	204,839.00	101,051.61		
	Community Development Block Grants	N/A	288,000.00	SFY 09	131,521.41	264,554.42		
	Community Development Block Grants	N/A	14,228			170,601.61		
	Community Development Block Grants	14,228				287,952.51		
Department of Health:	Pandemic Influenza Grant	046-4230-100-360	10,100.00	SFY 08	10,100.00	10,100.00		
	Department of Justice:	Multi Jurisdictional Task Force	N/A	16,126.83	SFY 05	7,599.00	14,225.83	
		Multi Jurisdictional Task Force	N/A	22,000.00	SFY 07		12,415.02	
		Multi Jurisdictional Task Force	N/A	12,000.00	SFY 09	1,061.28	1,061.28	
	Justice Assistant Grant	N/A	24,742.33	SFY 08	7,500.00	23,748.00		
	Department of Law and Public Safety	NJDOT - Medicaid House Project	078-6320-480-AJ2	197,024.00	SFY 04	50,901.40	127,963.90	
NJDOT - William Street		078-6320-480-AJ3	270,000.00	SFY 07		202,422.74		
NJDOT - Carlton Avenue		078-6320-480-AJ3	250,000.00	SFY 08	187,500.00	250,000.00		
Department of Public Safety		Pedestrian Safety Grant	066-1160-100-077	50,751.00	SFY 08	50,735.50	50,726.50	
		COPS in Shops	066-1400-100-013	3,200.00	SFY 09	3,200.00	3,200.00	
		Drunk Driving - Over the Limit, Under Arrest	066-1160-100-057	5,000.00	SFY 09	4,800.00	4,800.00	
		Click It or Ticket	066-1160-100-113	4,000.00	SFY 07		3,800.00	
		Click It or Ticket	066-1160-100-113	4,000.00	SFY 09	4,000.00	4,000.00	
		Aggressive Driver Enforcement	066-1160-100-142	20,495.00	SFY 08	14,173.00	14,173.00	
		Emergency Management Performance Grants	066-1200-100-726	5,000.00	SFY 07		3,554.25	
							\$704,007.05	\$1,817,460.96
							800,080.62	

Footnotes:

Grant Award/Amount Reflects Current Year Awards

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

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

N/A - Not Available or Not Applicable

TOWNSHIP OF PISCATAWAY
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS
JUNE 30, 2009

NOTE 1: GENERAL

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

NOTE 2: BASIS OF ACCOUNTING

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

NOTE 3: RELATIONSHIP TO GENERAL FINANCIAL STATEMENTS

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

NOTE 4: RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

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

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Section 1 - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Modified GAAP - Due to required use of Other Comprehensive Basis of Accounting (OCBOA) - Unqualified - OCBOA

Internal Control over financial reporting:

- 1) Material weakness(es) identified? Yes No X
 - 2) Significant deficiencies identified that are not considered to be material weaknesses? Yes No X
- Noncompliance material to financial statements noted? Yes No X

Federal Awards

Internal Control over major programs:

- 1) Material weakness(es) identified? Yes No X
- 2) Significant deficiencies identified that are not considered to be material weaknesses? Yes No X

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

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

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
14.228	Community Development Block Grant
20.205	NJDOT - Highway Planning and Construction

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

Auditee qualified as low-risk auditee? Yes No X

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

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

State Awards - Not Applicable

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

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

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

Internal Control over major programs:

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

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

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

Identification of major programs:

_____ GMIS Number(s) _____ Name of State Program _____

Section II - Financial Statement Findings

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

Significant Deficiencies

None Noted

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

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

FEDERAL AWARDS PROGRAMS

Finding 2009-01

Condition and Context:

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

Criteria or Specific Requirements:

In accordance with OMB Circular A-133 and NJ Circular 04-04, the single audit is to be filed within nine months after the end of the audit period.

Questioned Costs:

None noted

Cause:

Due to staff turnover, preparation of the financial statements and schedules of expenditures of federal awards and state financial assistance were not prepared in a timely manner.

Effect:

Grantor agencies could possibly stop awarding grants to the Township.

Recommendation:

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

Management Response:

Changes have been made in the Finance Office to have all financial statements and schedules of expenditures of federal awards and state financial assistance prepared in a timely manner.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Finding 2008-01

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

This finding is repeated as Finding 2009-01. The audit was not filed in accordance with OMB Circular A-133 as the Township did not have the financial statements and schedules of expenditures of federal awards prepared in a timely manner.

CURRENT FUND

SCHEDULE OF CASH

	CURRENT FUND	GRANT FUND
Cash Balance June 30, 2008	\$ 11,542,821.04	\$
Increased by Cash Receipts		
Collector		
Due from State of State of NJ - Ch. 20		
Revenue Accounts Receivable		
Miscell. Revenue Not Anticipated		
Various Payables		
Various Reserves		
Interfunds Receivable		
Federal and State Grants Receivable		
Interfunds Advanced		
Total Cash Receipts	149,506,951.90	1,230,702.77
Decreased by Disbursements		
Refund of Prior Year Revenue		
SFY 2009 Appropriations		
SFY 2008 Approp. Reserves		
Various Payables		
Various Reserves		
Interfunds Payable		
County Tax		
Fire District Tax		
Local School District Tax		
Prepaid Grant Expenditures		
Interfunds Returned		
Federal and State Grants Appropriated		
A-1	6,558.39	
A-3	41,762,419.93	
A-10	1,468,582.89	
A-11	411,812.40	
A-11	1,965,722.10	
A-12	1,473,937.24	
A-13	19,956,197.38	
A-13	2,860,038.00	
A-13	79,062,706.00	
A		43,227.06
A-16		490,044.55
A-17		695,881.36
Total Cash Disbursements	148,967,974.33	1,229,152.97
Cash Balance June 30, 2009	\$ 12,081,798.61	\$ 1,549.80

SCHEDULE OF COLLECTORS CASH
CURRENT FUND

Ref.

Increased by Receipts:

Interest and Cost on Taxes	A-2	510,539.54
Taxes Receivable - Current Year	A-7	130,888,303.83
Taxes Receivable - Delinquent	A-7	2,435,411.18
Taxes Receivable - Arrears	A-7	7,582.12
Taxes Receivable -Prepaid Taxes	A-7	581,832.83
Tax Overpayment	A-14	<u>721,941.60</u>

\$ 135,145,611.10

Decreased by:

Deposited to Treasurer

A-4

\$ 135,145,611.10

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, 2008	A	\$ 167,321.88
Increased by:		
Allowable Deductions per		
Tax Billings	A-6	391,615.06
2009 Sr. Citizens and Vet.		
Ded. Allowed by Collector	A-6	<u>20,000.00</u>
		<u>411,615.06</u>
Decreased by:		
Collected		
2009 Sr. Citizens and Vet.	A-4	391,885.82
Ded. Disallowed by Collector	A-6	<u>15,857.95</u>
		<u>578,936.94</u>
Balance - June 30, 2009	A	<u>407,743.77</u>
		<u>\$ 171,193.17</u>
Analysis of Sr. Citizens & Veterans		
<u>Deductions Allowed - 2009 Taxes</u>		
Per Tax Billings	A-6	\$ 391,615.06
Allowed (Disallowed) by Tax Collector (Net)	A-6	<u>4,142.05</u>
	A-7	<u>\$ 395,757.11</u>

SCHEDULE OF DEFERRED CHARGES

	<u>BALANCE</u> <u>JUNE 30, 2008</u>	<u>RAISED IN</u> <u>2009 BUDGET</u>	<u>BALANCE</u> <u>JUNE 30, 2009</u>
Special Emergency :			
Master Plan	\$ 500.00	\$ 500.00	\$ -
	<u>\$ 500.00</u>	<u>\$ 500.00</u>	<u>\$ -</u>

Ref. A A-3 A

CURRENT FUND
SCHEDULE OF NONBUDGET REVENUES & VARIOUS ACCOUNTS RECEIVABLES

	June 30, 2008	Accrued/ Adjustments	Cash Receipts	June 30, 2009
Revenue Accounts Receivable:				
Licenses - Other	\$	\$ 83,893.00	\$ (83,893.00)	\$ -
Alcoholic Beverage License		56,100.00	(56,100.00)	-
Fees and Permits		314,184.39	(314,184.39)	-
Fines and Costs - Municipal Court	\$ 95,562.44	999,068.36	(1,010,139.05)	84,491.75
Construction Code Fees		635,810.00	(635,810.00)	-
Interest on Investments and Deposits		350,616.14	(350,616.14)	-
Hotel and Motel Tax		383,659.18	(383,659.18)	-
Library Fines	3,000.00	36,000.00	(36,000.00)	3,000.00
State Aid		7,553,487.00	(7,553,487.00)	-
Cable TV Franchise Fees		125,530.00	(125,530.00)	-
Garden State Trust		1.20	(1.20)	-
Insurance Premium Refund		302,598.47	(302,598.47)	-
Uniform Fire Safety Act		74,383.61	(74,383.61)	-
Sale of Liquor License		257,602.69	(257,602.69)	-
	A-2	98,562.44	11,172,934.04	87,491.75
Non - Budget Revenue:				
Administrative Fees Outside Jobs		230,777.61	(230,777.61)	-
Bid Specifications		2,060.00	(2,060.00)	-
Cost of Tax Sale		4,506.42	(4,506.42)	-
Delinquent Fees		420.00	(420.00)	-
DMV Inspection Fees		8,942.34	(8,942.34)	-
Fire Penalty		2,000.00	(2,000.00)	-
Fire Report		100.00	(100.00)	-
Fireworks		7,700.00	(7,700.00)	-
Flu Shots		695.00	(695.00)	-
Hotel Reimbursements		4,683.00	(4,683.00)	-
In Lieu of Taxes		8,500.00	(8,500.00)	-
MCUA Recycling Rebate		11,861.10	(11,861.10)	-
Miscellaneous		109,469.48	(109,469.48)	-
Miscellaneous Refunds		112,629.06	(112,629.06)	-
Photo Copies		28,191.40	(28,191.40)	-
Prior Year Outstanding Checks Canceled		16,719.37	(16,719.37)	-
Recycling Bins		1,208.90	(1,208.90)	-
Returned Check Fees		1,109.00	(1,109.00)	-
Sale of Recyclables		4,967.31	(4,967.31)	-
Scrap Metal		36,008.98	(36,008.98)	-
Senior Citizen/Veterans Administration Fees		7,837.00	(7,837.00)	-
Tax Search		60.00	(60.00)	-
Violations - Code		9,400.00	(9,400.00)	-
	A-1, A-2	-	609,845.97	-
Total.....	\$ 98,562.44	\$ 11,782,780.01	\$ (11,793,850.70)	\$ 87,491.75

Ref A Reserve A

Analysis of Miscellaneous Revenues:

Account Receivable Collections	A-4	\$ 11,184,004.73
Subtotal		11,184,004.73
Non-Budget Revenue	A-4	609,845.97
		<u>\$ 11,793,850.70</u>

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2008
FOR THE YEAR ENDED JUNE 30, 2009

	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS"			
General Government			
Township Council	\$ 4,415.65	\$ -	4,415.65
Salaries and Wages	56.00	2,000.00	323.73
Other Expenses			
Township Clerk	406.96	204.71	-
Salaries and Wages	2,105.43	1,477.97	722.45
Other Expenses			
Elections	4,151.95	-	-
Salaries and Wages	16,467.97	22,935.39	5,592.42
Other Expenses			
Administration			
Department of Administration	1,055.79	1,055.79	-
Salaries and Wages	3,630.48	22,410.00	9,295.32
Other Expenses			
Division of Personnel	7,404.05	12,563.05	8,923.23
Other Expenses			
Computer Center	10,507.11	96,444.84	33,796.94
Other Expenses			
Division of Purchasing	561.96	-	-
Salaries and Wages	1,150.00	3,293.65	3,293.65
Other Expenses:			
Postage (All Departments)	1,387.04	4,211.49	2,958.99
Duplicating (All Departments)	513.10	1,370.30	30.86
Miscellaneous Other Expenses			
Municipal Land Use (N.J.S.A. 40:55 D-1):			
Planning Board	7,411.00	8,728.00	7,543.92
Other Expenses			
Zoning Board			
Other Expenses	7,475.61	10,226.61	9,367.29

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2008
FOR THE YEAR ENDED JUNE 30, 2009

	BALANCE AFTER MODIFICATION	BALANCE AFTER MODIFICATION	ENCUMBERED JUNE 30, 2008	BALANCE JUNE 30, 2008	ENCUMBERED JUNE 30, 2008
Operations Within "CAPS" (Cont'd)					
Cable TV Studio					
Other Expenses	3,992.70	7,626.27	5,039.00	2,587.27	5,039.00
Finance and Revenue					
Department of Finance					
Salaries and Wages	-	-	375.45	9,967.14	4,204.25
Other Expenses	3,941.98	10,342.59	60,000.00	60,000.00	60,000.00
Annual Audit	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00
Division of Assessment					
Other Expenses	4,876.32	14,708.72	12,913.82	1,794.90	1,794.90
Division of Revenue					
Salaries and Wages	-	-	185.55	2,123.06	2,123.06
Other Expenses	185.55	2,072.88	185.55	1,887.33	1,887.33
Insurance					
Liability Insurance	1,750.00	5,773.00	750.00	5,023.00	5,023.00
Employee Group Insurance	1,862.00	148,180.41	115,799.61	32,380.80	32,380.80
Municipal Court					
Salaries and Wages	238.66	830.03	830.03	5,830.03	5,830.03
Other Expenses	3,665.10	5,539.55	3,801.00	1,738.55	1,738.55
Public Defender (P.L. 1997, Ch. 256)	-	12,726.00	12,726.00	12,726.00	12,726.00
Salaries and Wages	-	12,726.00	12,726.00	12,726.00	12,726.00
Law					
Department of Law					
Other Expenses	41,557.36	41,688.55	500.00	1,188.55	1,188.55
Public Safety					
Uniform Fire Safety Act					
Salaries and Wages	117.09	117.09	117.09	1,258.15	1,258.15
Other Expenses	4,031.09	4,233.68	4,216.59	17.09	17.09
Animal Control	-	1,732.74	1,732.74	1,732.74	1,732.74
Other Expense	-	-	-	-	-
BALANCE LAPSED					
BALANCE PAID OR CHARGED					
BALANCE LAPSED					

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2008
FOR THE YEAR ENDED JUNE 30, 2009

	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)			
Division of Schools Crossing Guards	3,397.17	-	-
Salaries and Wages	736.10	736.10	2.12
Other Expenses			
Division of Police			
Salaries and Wages	34,430.77	16,556.86	3,964.73
Other Expenses	958.72	88,651.25	5,490.70
First Aid Organization - Contribution	19,350.60	29,844.60	-
Division of Emergency Management Services			
Salaries and Wages	261.08	-	261.08
Other Expenses	4,328.61	3,188.35	4,023.32
Public Works			
Department of Public Works			
Salaries and Wages	717.90	-	-
Other Expenses	5,848.49	12,452.87	7,243.38
Division of Engineering			
Salaries and Wages	15,378.49	-	-
Other Expenses	19,375.35	28,375.35	8,871.25
Division of Planning			
Salaries and Wages	7,992.34	-	-
Other Expenses	4,408.59	13,658.59	10,981.25
Public Buildings and Grounds			
Salaries and Wages	6,286.45	6,286.45	3,606.49
Other Expenses	34.36	25,772.90	15,013.50
Division of Property Maintenance			
Salaries and Wages	6,716.00	6,716.00	494.80
Other Expenses	29,667.57	124,449.62	61,636.59
Division of Streets			
Salaries and Wages	13,602.73	13,602.73	1,926.76
Other Expenses	12,156.42	55,046.37	15,766.50
Snow Removal			
Other Expenses	23,312.45	23,312.45	3,400.45
All Utilities			
Division of Parks			
Salaries and Wages	14,509.78	14,509.78	2,014.82
Other Expenses	2,859.27	86,883.50	19,468.73

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2008
FOR THE YEAR ENDED JUNE 30, 2009

	BALANCE AFTER MODIFICATION	BALANCE AFTER MODIFICATION	ENCUMBERED JUNE 30, 2008	BALANCE JUNE 30, 2008	ENCUMBERED JUNE 30, 2008
Operations Within "CAPS" (Cont'd)					
Shade Trees				900.00	900.00
Other Expenses	-	900.00	3,741.23	17,874.00	20,289.45
Division of Sanitation - Sewer System				7,420.96	-
Solid Waste Collection				11,847.37	11,847.37
Salaries and Wages	7,420.96	7,420.96	11,847.37	11,847.37	-
Other Expenses	-	-	23,006.18	11,970.09	13,687.18
Recycling Program	9,319.00	9,319.00	27,000.00	27,000.00	5,297.16
Municipal Services Act				1,957.78	1,862.23
Department of Health				4,925.74	11,629.08
Salaries and Wages	156.25	2,106.25	15,140.66	9,606.38	1,950.00
Other Expenses	3,511.58	2,106.25	10,214.92	4,925.74	11,629.08
Division of Public Assistance				1,800.00	1,800.00
Salaries and Wages	95.55	1,957.78	1,800.00	1,957.78	1,862.23
Other Expenses	-	1,800.00	1,800.00	1,800.00	1,800.00
Office on Aging				57,055.69	11,039.91
Salaries and Wages	4,182.41	15,222.32	20,888.59	9,845.64	10,656.62
Other Expenses	10,231.97	15,222.32	11,042.95	450.00	450.00
Aid to American Cancer Society				450.00	450.00
Aid to Heart Fund	-	450.00	450.00	450.00	450.00
Recreation and Education					
Department of Recreation					
Salaries and Wages	5,875.80	10,555.45	96,053.72	45,544.91	4,679.65
Other Expenses	39,863.20	10,555.45	51,133.17	55,061.58	56,190.52
Youth Center					
Salaries and Wages	727.89	6,636.61	11,097.38	6,636.61	5,908.72
Other Expenses	7,468.69	6,636.61	9,368.19	1,729.19	3,628.69

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2008
FOR THE YEAR ENDED JUNE 30, 2009

	BALANCE JUNE 30, 2008	ENCUMBERED JUNE 30, 2008	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)					
Uniform Construction Code					
Accumulated Leave Compensation	-	-	164,094.59	164,094.59	-
Division of Inspections					
Salaries and Wages	5,935.77	2,042.18	5,935.77	924.05	5,011.72
Other Expenses	4,697.10		6,739.28	2,060.71	4,678.57
Boards and Commissions					
Other Expenses	7,831.87	11,132.62	18,964.49	10,373.98	8,590.51
Total Operations Within "CAPS"	685,389.18	1,197,292.06	1,919,279.82	1,124,229.73	795,050.09
Total Operation Including Contingent	685,389.18	1,197,292.06	1,919,279.82	1,124,229.73	795,050.09
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"					
STATUTORY EXPENDITURES: Contribution to: Social Security System	86,598.58		50,000.00	-	50,000.00
Total Deferred Charges and Statutory Expenditures Within "CAPS"	86,598.58	-	50,000.00	-	50,000.00
Total General Appropriations Within "CAPS"	771,987.76	1,197,292.06	1,969,279.82	1,124,229.73	845,050.09

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2008
FOR THE YEAR ENDED JUNE 30, 2009

	BALANCE AFTER MODIFICATION	BALANCE PAID OR CHARGED	BALANCE LAPSED
OPERATIONS EXCLUDED FROM "CAPS"			
Maintenance of Free Public Library	119,460.40	112,172.25	7,288.15
9-1-1 Emergency Telecommunications Services	45,236.33	9,062.98	36,173.35
Salaries and Wages	22,358.66	24,921.68	4,536.73
Other Expenses	74,850.00	73,074.00	73,287.30
NJDES - Storm Water	137,917.07	103,323.24	34,593.83
Other Expenses	55,483.88	28,596.34	26,887.54
MCI/A Recycling Program	13,798.00	634.00	13,164.00
Edison Animal Control Contract	9,934.00	-	9,934.00
Middlesex County Nursing Services	18,515.40	-	18,515.40
UMDNJ Agreements	48,503.00	48,503.00	-
Public and Private Programs Offset by Revenues	397,580.15	620,131.06	224,380.30
Matching Fund for Grants	222,550.91	395,750.76	172,240.00
Total Operations - Excluded from "CAPS"	1,700,000.00	1,700,000.00	1,700,000.00
Land Acquisition	1,722.40	1,722.40	1,722.40
4-Wheel Vehicles for Code Enforcement	170,700.00	158,700.00	12,000.00
Total Capital Improvements - Excluded from Caps	1,722.40	158,700.00	13,722.40
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	568,280.15	792,553.46	238,102.70
Total General Appropriations	996,261.07	2,761,833.28	1,083,152.79
Cash Disbursed		\$ 1,468,582.89	
Transfer to Accounts Payable		210,097.60	
		\$ 1,678,680.49	

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

	June 30, 2008	Transfer from/(to) Budget	Cash Receipts	Cash Disbursements	Adjustments	June 30, 2009
Accounts Payable:	\$ 14,805.73	\$ -	397,622.00	(400,528.00)	207,534.61	\$ 211,055.94
Vendor Accounts Payable.....	91,255.00		397,622.00	(400,528.00)		88,349.00
State of New Jersey 3rd Party Fees	106,060.73		397,622.00	(411,812.40)	207,534.61	299,404.94
Subtotal	106,060.73	-	397,622.00	(411,812.40)		299,404.94
Reserve for:						
Tax Appeals Pending	613,122.84		127,520.42	(1,271,972.21)	1,144,367.15	613,038.20
Lien Redemption	93,190.65		165,093.82	(182,578.45)		75,706.02
PCTV	18,036.00	(14,000.00)	19,511.00			23,547.00
Library State Aid	64,997.00		(3,566.00)			61,431.00
Third Party Inspections	69,573.15		246,410.00	(129,472.80)		186,510.35
Sale of Municipal Asses	73,104.09		27,667.65			100,771.74
Tree Replacement	1,760.23		(1,760.23)			-
Unfunded Severance Liability	553,159.93		96,920.00	(320,497.11)		329,582.82
Fire Districts	1,012.98					1,012.98
Snow Reimbursement	516,595.67	119,033.02				635,628.69
Demolition	7,084.73					7,084.73
Police Equipment	9,742.00		1,300.00	(9,742.00)		1,300.00
Liquor License	28,500.00	(28,500.00)				-
Equipment Others	42,882.39		59,500.00	(46,133.30)		56,249.09
Subtotal	2,092,761.66	232,953.02	587,502.89	(1,965,722.10)	1,144,367.15	2,091,862.62
Total	\$ 2,198,822.39	\$ 232,953.02	\$ 985,124.89	\$ (2,377,534.50)	\$ 1,351,901.76	\$ 2,391,267.56
	Rel.	A	A-2,A-3	A-4	A	A
Appropriation	\$ 275,453.02		275,453.02			-
Realized as Revenue	(42,500.00)					-
A-1						-
Accounts Payable Cancelled						(2,562.99)
A-7						1,144,367.15
Reserve for Tax Appeals						210,097.60
A-10						1,351,901.76
Appropriation Reserves						-

CURRENT FUND
STATEMENT OF INTERFUNDS RECEIVABLE/PAYABLE

June 30, 2009	Budget Appropriations	Budget Revenues	Cash Disbursements	Cash Receipts	June 30, 2008				
97,677.41	(823,013.68)	823,013.68	1,220,025.43	(1,131,475.56)	9,127.54	Due from/ (to) Other Trust Fund.....	\$	(115,781.76)	
-	(91,000.00)	150,000.00	\$	(59,003.83)	3.83	Sewer Operating Fund.....		(38,130.05)	
-			38,130.05			Due from General Capital Fund.....			
97,677.41	(823,013.68)	823,013.68	1,220,025.43	(1,131,475.56)	9,127.54	Due (to)/from Grant Fund			
<hr/>						Total.....	\$	(144,780.44)	\$ (1,190,479.39)
			\$ 1,473,937.24	\$ (1,190,479.39)	\$ (144,780.44)	Ref.			
		A-2	A-4	A-4		A	\$	9,131.37	\$ (153,911.81)
		A-3,A-10				A	\$	97,677.41	
							\$	97,677.41	\$ (144,780.44)

CURRENT FUND
SCHEDULE OF TAXES PAYABLE

	June 30, 2008	Taxes Levied	Cash Disbursements	June 30, 2009
County - General.....	-	\$ 17,813,716.07	\$ (17,813,716.07)	-
County - Open Space.....	-	2,092,372.14	(2,092,372.14)	
County - Added & Omitted.....	-	50,109.17	(50,109.17)	
Local School District Taxes.....	-	79,062,706.00	(79,062,706.00)	-
Fire District Taxes.....	-	2,860,038.00	(2,860,038.00)	-
Total.....	-	\$ 101,878,941.38	\$ (101,878,941.38)	-

<u>Ref.</u>	A	A-1,A-7	A-4	A
-------------	---	---------	-----	---

CURRENT FUND
SCHEDULE OF PROPERTY TAX OVERPAYMENTS

	<u>Ref.</u>	Total
Balance - 06/30/2008.....	A	\$ 259,358.47
Cash Receipts.....	A-5	<u>721,941.60</u>
Balance - 06/30/2009.....	A	<u>\$ 981,300.07</u>

SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE

GRANT FUND

BUDGET YEAR	GRANTS	BALANCE JUNE 30, 2008	REVENUE REALIZED SFY 2009	CANCELLED	COLLECTED	BALANCE JUNE 30, 2009
SFY 2002	Hazardous Discharge Grant	\$ 80,974.65	\$	\$	\$	80,974.65
SFY 2004	DCA Smart Growth	60,000.00				60,000.00
	Middlesex County Business District Improvements	51,472.50				51,472.50
	NJDOT - Metlars House Project	28,038.50				28,038.50
	NJDOT - Metlars House Project	125,670.00				125,670.00
SFY 2005	Domestic Violence Program	140.00				140.00
SFY 2007	Child Safety & Child Booster Seat Incentive	20.11				20.11
	Cops in Shop Grant	2,800.00				-
	Municipal Stormwater Grant	10,310.00				10,310.00
SFY 2008	Safe and Secure Communities Program	20,000.00				-
	Aggressive Driver Enforcement Grant	20,495.00				6,322.00
	Click It or Ticket	200.00				200.00
	Community Center Project Grant	500,000.00				-
	Comprehensive Stationhouse Adjustment Program (COMSHAP)	9,000.00				6,748.44
	2007 Middlesex County Open Space & Recreation	20,000.00				20,000.00
	Pedestrian/Bicycle Grant	43,150.75				2,709.91
	Municipal Alliance on Alcoholism and Drug Abuse	250,000.00				62,500.00
	NJ DOT - Carlton Avenue	10,100.00				-
	Pandemic Influenza Grant	10,100.00				15.50
	Pedestrian Safety Grant	50,751.00				-
	Public Health Priority Funding	11,355.00				-
	Recycling Enhancement Grant	19,687.50				-
	Public Archives and Records Infrastructure Support (PARIS)	25,000.00				-
	Safe and Secure Communities Program	35,224.00				-
			5,330.00			

SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
GRANT FUND

BUDGET YEAR	GRANTS	BALANCE JUNE 30, 2008	REVENUE REALIZED BUDGET SFY 2009	CANCELLED	COLLECTED	BALANCE JUNE 30, 2009
SFY 2009	Alcohol Education Rehabilitation Fund	1,119.55	1,119.55		1,113.83	5.72
	Body Armor Replacement Fund	8,902.52	8,902.52		8,902.52	-
	Clean Communities Program	76,267.09	76,267.09		76,267.09	-
	Click It or Ticket	4,000.00	4,000.00		4,000.00	-
	COPS in Shop Grant	3,200.00	3,200.00		3,200.00	-
	Drunk Driving Enforcement Grant	8,425.98	8,425.98		8,425.98	-
	Drunk Driving - Over the Limit, Under Arrest	5,000.00	5,000.00		4,800.00	200.00
	Drunk Driving Enforcement - DWI Middlesex County	1,530.00	1,530.00		1,530.00	-
	Library Mini Grant	865.00	865.00		865.00	-
	Multi-Jurisdictional Gang, Gun & Narcotics Task Force Program	12,000.00	12,000.00		12,000.00	-
	NFL Youth Grant	2,500.00	2,500.00		2,500.00	-
	NJ DOT - William Street	500,000.00	500,000.00		500,000.00	-
	NJ DOT - Operation Safe Children and Roadways	30,000.00	30,000.00		30,000.00	-
	Public Health Priority Funding	28,960.00	28,960.00		17,145.00	11,815.00
	Recycling Tonnage Grant	80,158.54	80,158.54		80,158.54	-
	Safe and Secure Communities Program	58,345.00	58,345.00		58,345.00	-
	Tobacco Age of Sale	1,740.00	1,740.00		1,380.00	360.00
		\$ 1,374,389.01	\$ 823,013.68	\$ 55,330.00	\$ 1,133,025.36	\$ 1,059,047.33
		A	A-16	A-16	A-4	A
		Ref.				

GRANT FUND
STATEMENT OF INTERFUNDS RECEIVABLE/PAYABLE

	June 30, 2008	Budget Revenues	Budget Appropriations	Adjustments	June 30, 2009
Interfunds					
General Capital Fund Due (to)	\$ (480,917.01)		\$ 480,917.01		-
Current Fund Due (to)/from	\$ (9,127.54)	\$ (823,013.68)	\$ 823,013.68	(88,549.87)	(97,677.41)
Total.....	\$ (490,044.55)	\$ (823,013.68)	\$ 823,013.68	\$ 392,367.14	(97,677.41)
Ref.	A	A-15	A-17		A
Cash Receipts	A-4			97,677.41	
Cash Disbursements	A-4	(490,044.55)			
Grants Receivable Cancelled	A-15	5,330.00		(5,330.00)	
Grants Appropriated Cancelled	A-17				
					\$ (392,367.14)

SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED

BUDGET YEAR/PROGRAM	BALANCE JUNE 30,2008	ENC JUNE 30	TOTAL FROM FY 2009 BUDGET	PAID OR CHARGED	CANCELLED	ENC JUNE 30 2009	BALANCE JUNE 30 2009
SFY 2002	\$ 53,725.34	\$	\$ 22,209.00	\$	\$	\$	\$ 31,516.34
Hazardous Discharge Grant							
SFY 2003							
History Grant	2,997.19						2,997.19
SFY 2004							
NJDOT: Mellars House Project	119,961.50			50,901.40		43,887.10	25,173.00
Urban Forestry Grant				6,850.00			4,112.50
Walmart Safe Neighborhood Heroes	10,962.50		215.00				
SFY 2005							
Clean Communities Program	1,799.28			1,799.28			
Clean Communities Program	9,500.00			7,599.00			1,901.00
Multi Jurisdictional Task Force				5,361.18			
Recycling Enhancement Grant							
SFY 2007							
Bio-Terrorism Preparedness Grant	323.15		2,222.00				
Body Armor Replacement Grant				323.15			
Clean Communities Grant	200.00		13,192.60	7,768.72			5,423.88
Click It or Ticket Grant							200.00
Domestic Violence Training Program	2,092.43						2,092.43
Dunk Driving Enforcement Fund	187.78						187.78
Durham Park Bike Path	20,000.00						20,000.00
Federal Emergency Management Assistance	1,445.75						1,445.75
Multi Jurisdictional Task Force	9,584.98						9,584.98
Municipal Stormwater Grant	8,238.00						8,238.00
Municipal TDM Award	3,000.00						3,000.00
Recycling Tonnage Grant	279.10						
SFY 2008							
Aggressive Driver Enforcement Grant	9,522.00		3,200.00				6,322.00
Alcohol Education Rehabilitation Fund	6,662.17		4,571.25				2,090.92
Body Armor Replacement Fund	1,586.21		635.64				1,586.21
Clean Communities Program	52,513.48		6,928.00				28,848.21
Comprehensive Stationhouse Adjustment Program (COMSHAP)	8,790.00			15,418.27		15,175.00	6,808.44
Dunk Driving Enforcement Grant	2,651.98			1,981.56			4,261.28
Justice Assistance Grant	994.33		7,500.00				994.33
Library Mini Grant	181.75		1,040.25				
Middlesex County Open Space & Recreation	25,282.40		74,717.60				25,282.40
Pedestrian/Bicycle Grant	23,242.30		95.74				
Municipal Alliance on Alcoholism and Drug Abuse							
NJ DOT - Carlton Avenue	250,000.00						
Pandemic Influenza Grant	4,650.00		5,450.00				

SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED

BUDGET YEAR/PROGRAM	BALANCE JUNE 30, 2008	ENC JUNE 30 2009	CANCELLED	PAID OR CHARGED	TOTAL TRANSFERRED FROM FY 2009 BUDGET	ENC JUNE 30 2008	BALANCE JUNE 30, 2008	ENC JUNE 30 2009	BALANCE JUNE 30 2009
SFY 2008 (cont'd.)	50,751.00	9.00		50,726.50	14,794.00	3,561.00	11,375.00	15.50	142.00
Pedestrian Safety Grant									
Public Health Priority Funding	11,375.00			14,794.00	19,555.12		19,687.50	132.38	132.38
Recycling Enhancement Grant					1,044.00		25,000.00	23,956.00	23,956.00
Public Archives and Records Infrastructure Support (PARIS)	26,238.33	976.92		18,417.50				6,843.91	6,843.91
Recycling Tonnage Grant									
SFY 2009	1,119.55	1,950.00		1,190.85	8,902.52		8,902.52	5,761.67	1,119.55
Alcohol Education Rehab Program					4,000.00		4,000.00		
Click It or Ticket Grant					3,200.00		3,200.00		
COPS in Shop Grant					8,425.98		8,425.98	4,450.98	4,450.98
Drunk Driving Enforcement Fund					1,530.00		1,530.00	200.00	200.00
Drunk Driving Enforcement - DWI Middlesex County					4,800.00		5,000.00		
Drunk Driving - Over the Limit, Under Arrest					275.00		865.00		
Libray Mini Grant					1,061.28		12,000.00	3,960.92	3,960.92
Multi-Jurisdictional Gang, Gun & Narcotic Task Force Program					2,500.00		2,500.00		
NFL Youth Grant							30,000.00	30,000.00	30,000.00
NJ DOT - Safe Routes to School Program							500,000.00	500,000.00	500,000.00
NJ DOT - William Street							8,181.56	3,512.00	3,512.00
Public Health Priority Funding			5,330.00	11,936.44	28,960.00		28,960.00	66,406.54	66,406.54
Recycling Tonnage Grant					58,345.00		58,345.00		
Safe and Secure Communities Program					1,740.00		1,740.00		
Tobacco Age of Sale							823,013.68	914,647.40	914,647.40
Ref.	\$ 394,028.66	\$ 91,499.38	\$ 5,330.00	\$ 695,881.36	\$ 823,013.68	\$ 490,315.80	\$ 394,028.66	\$ 91,499.38	\$ 914,647.40

TRUST FUND

TRUST FUNDS
SCHEDULE OF CASH AND RESERVE ACTIVITY

	Balance June 30, 2008	Receipts	Disbursements	Adjustments	Balance June 30, 2009
Animal Control:					
Due NJ - State License Fees.....	211.80	2,488.20	(2,595.00)		105.00
Animal Control Reserves.....	8,442.87	25,829.80	(20,078.51)		14,194.16
Total	8,654.67	28,318.00	(22,673.51)	-	14,299.16
Self Insurance Trust Fund					
Reserve for Self Insurance.....	514,549.97	53,431.01	(58,368.61)		509,612.37
Reserve for Metlar House.....	53,183.98		(53,183.98)		-
Total	567,733.95	53,431.01	(111,552.59)	-	509,612.37
Other Trust Funds:					
State and Federal Grants Receivable.....	(371,292.27)	425,498.55		(288,000.00)	(233,793.72)
Due to Current Fund.....	(115,781.76)	621,732.56	(505,950.80)		130,470.76
Payroll Liabilities.....	194,794.12	38,796,238.05	(38,860,561.41)		10,442.03
Unemployment Trust Fund.....	9,918.87	100,102.33	(99,579.17)		197,750.14
Reserve for CDBG.....	316,742.58		(406,992.44)	288,000.00	1,685,971.99
Reserve for Affordable Housing	704,339.82	981,632.17			1,220,569.66
Miscellaneous Deposits.....	1,183,766.86	1,625,913.53	(1,589,110.73)		82,761.36
Recreation Trust	70,917.76	66,955.59	(55,111.99)		4,465,795.35
Schedule of Escrows	5,222,061.41	872,179.69	(1,628,445.75)		
Total	7,215,467.39	43,490,252.47	(43,145,752.29)	-	7,559,967.57
Public Assistance Trust Fund:					
Reserve for Public Assistance.....	1,851.20		(939.85)		911.35
Total	1,851.20	-	(939.85)	-	911.35
Total	\$ 7,793,707.21	\$ 43,572,001.48	\$ (43,280,918.24)	\$ -	\$ 8,084,790.45

Ref.

B

B

Reserve for Animal Control
License Fees Collected:

Year	
2007	\$ 9,688.60
2008	11,148.40
	<u>\$ 20,837.00</u>

Note: R.S. 4:19.11

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

SCHEDULE OF ESCROW FUND DEPOSITS AND RESERVES
TRUST OTHER FUNDS

Purpose	Balance June 30, 2008	Increases	Decreases	Balance June 30, 2009	Ref.
1. CB Engineering & Inspections Fees (over \$5,000)	747,913.66	222,710.07	53,653.93	\$ 916,969.80	
2. CB Engineering & Inspections Fees (under \$5,000)	104,225.90	18,224.80	10,070.58	112,380.12	
3. Performance Bonds (over \$10,000)	221,771.75			221,771.75	
4. CB Planning Board (over \$5,000)	203,107.73	66,883.51	76,861.85	193,129.39	
5. CB Planning Board (under \$5,000)	392,106.44	85,997.22	113,048.70	365,054.96	
6. CB Developers Interest	3,472.87	28,725.53		32,198.40	
7. CB Performance (under \$5,000)	246,040.25	16,200.80	53,125.21	209,115.84	
8. CB Developers	3,303,422.81	433,437.76	1,321,685.48	2,415,175.09	
	<u>\$ 5,222,061.41</u>	<u>\$ 872,179.69</u>	<u>\$ 1,628,445.75</u>	<u>\$ 4,465,795.35</u>	

SCHEDULE OF MISCELLANEOUS DEPOSITS
TRUST - OTHER FUND

<u>Purpose</u>	<u>Balance June 30, 2008</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2009</u>
1. CDBG - Loan Repayment	\$ 86,747.63		86,747.63	\$ -
2. DARE Program	380.84	1,000.00		1,380.84
3. Dep. For Redemp. Of Tax Sale Certif.	7,194.05			7,194.05
4. Donations: Emergency Management	2,500.00	2,800.00	1,388.76	3,911.24
5. Federal Forfeiture Funds	7,941.16	59.44		8,000.60
6. Forfeiture Funds	71,485.06	14,468.68	10,308.21	75,645.53
7. Future Improvement Deposits	212,296.52			212,296.52
8. Grading Bonds	11,000.00			11,000.00
9. Landscape Bonds	120,750.00	12,000.00	6,000.00	126,750.00
10. Municipal Court - POAA	3,702.95	140.00		3,842.95
11. Prem. Received at Tax Sale	318,700.00	368,100.00	204,700.00	482,100.00
12. Public Defender Fees	24,803.89	21,072.00	20,414.52	25,461.37
13. Public Relations Beautification Fund	20,447.70	5,891.00	4,402.17	21,936.53
14. Recapture Fees- Sale of Afford. Hsg.	69,175.00	2,000.00	71,175.00	-
15. Reserve for Domestic Violence	500.00			500.00
16. Reserve for Police Off-Duty Pay	-	1,108,068.66	1,108,068.64	0.02
17. Reserve for Recycling Project	9,733.13			9,733.13
18. Senior Citizens Trips	25,925.13	65,500.50	51,213.75	40,211.88
19. Senior Citizens Special Events	309.80	5,736.25	6,046.05	-
20. Street Opening Bonds	189,134.00	19,077.00	18,646.00	189,565.00
21. Youth Center Donations	1,040.00			1,040.00
	<u>\$ 1,183,766.86</u>	<u>\$ 1,625,913.53</u>	<u>\$ 1,589,110.73</u>	<u>\$ 1,220,569.66</u>

Ref.

B

B-1

B-1

B

GENERAL CAPITAL FUND

SCHEDULE OF CASH AND INVESTMENTS - TREASURER
GENERAL CAPITAL FUND

	<u>REF.</u>	
Balance - June 30, 2008	C	\$ 5,718,075.37
Increased by Receipts:		
Premium on Sale of BAN's	C-1	521,393.40
Deferred Charges to Future Taxation - Unfunded	C-6	20,000,000.00
Contributions - Off-Site Improvements	C-8	222,508.25
Due to Current Fund - Interest Earned	C-12	25,868.08
Due to Current Fund	C-12	11,419,643.89
Reserves for CDBG - Housing Rehab	C-13	1,255.10
Due from Grant Fund	C-15	480,917.01
Developer's Tree Contribution	C-16	<u>2,700.00</u>
		<u>32,674,285.73</u>
		38,392,361.10
Decreased by Disbursements:		
Contributions - Off-Site Improvements	C-8	13,000.00
Improvement Authorizations	C-9	7,948,827.51
Bond Anticipation Notes	C-11	11,500,000.00
Due to Current Fund	C-12	12,484,852.27
Revolving Fund - Housing Rehab	C-13	710,090.52
Preliminary Expenses	C-14	187,570.80
Developer's Tree Contribution	C-16	6,268.92
Reserves: Debt Service	C-18	186,960.00
Due from Trust Fund	C-20	<u>4,375.00</u>
		<u>33,041,945.02</u>
Balance - June 30, 2009	C	<u>\$ 5,350,416.08</u>

SCHEDULE OF VARIOUS GRANTS, LOANS, OTHER RECEIVABLES AND RESERVES

Balance June 30, 2009	Balance June 30, 2008	Ref.
\$600,000.00	\$600,000.00	
167,500.00	167,500.00	
<u>\$767,500.00</u>	<u>\$767,500.00</u>	
C	C	Ref.
\$600,000.00	\$600,000.00	State of NJ - Green Acres: - Halper
167,500.00	167,500.00	State of NJ DOT - William Street
<u>\$767,500.00</u>	<u>\$767,500.00</u>	
C	C	Ref.
Balance June 30, 2009	Balance June 30, 2008	
\$600,000.00	\$600,000.00	State of NJ - Green Acres: - Halper
167,500.00	167,500.00	State of NJ DOT - William Street
<u>\$767,500.00</u>	<u>\$767,500.00</u>	
C	C	Ref.
Balance June 30, 2009	Balance June 30, 2008	
\$600,000.00	\$600,000.00	State of NJ - Green Acres: - Halper
167,500.00	167,500.00	State of NJ DOT - William Street
<u>\$767,500.00</u>	<u>\$767,500.00</u>	
C	C	Ref.

Receivables:

State of NJ - Green Acres: - Halper
State of NJ DOT - William Street

Reserves:

State of NJ - Green Acres: - Halper
State of NJ DOT - William Street

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

	<u>REF.</u>	
Balance - June 30, 2008	C	\$ 33,909,000.00
Increased by:		
Serial Bonds	C-10	<u>20,000,000.00</u>
		53,909,000.00
Decreased by:		
2009 Budget Approp. to Pay Bonds	C-10	<u>2,985,000.00</u>
Balance - June 30, 2009	C	<u><u>\$ 50,924,000.00</u></u>

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

ORD. NUMBER	IMPROVEMENT DESCRIPTION	BALANCE JUNE 30, 2008	SFY 2009 AUTHORIZATION	SERIAL BONDS ISSUED	BALANCE JUNE 30, 2009	EXPENDITURES	AUTHORIZATIONS UNEXPENDED JUNE 30, 2009
04-52	Various Capital Improvements	\$229,725.00		\$140,000.00	\$89,725.00	\$70,000.00	\$19,725.00
05-11	Various Capital Projects	313,470.00		100,000.00	213,470.00		213,470.00
05-41	Various Capital Improvements	6,995,975.00		6,000,000.00	995,975.00		995,975.00
06-04	Various Capital Improvements	710,500.00		660,000.00	50,500.00		50,500.00
06-26	William Street Improvements	204,000.00		204,000.00			204,000.00
06-36	Various Capital Improvements	7,806,500.00		4,000,000.00	3,806,500.00	121,167.90	3,685,332.10
06-48	Various Capital Improvements	2,147,000.00		1,600,000.00	547,000.00		547,000.00
07-02	Various Capital Improvements	2,375,000.00		2,100,000.00	275,000.00		275,000.00
07-33	Various Capital Improvements	5,225,000.00		3,110,000.00	2,115,000.00	664,068.63	1,450,931.37
08-11	Refunding Bond Ordinance	2,290,000.00		2,290,000.00			2,290,000.00
09-04	Various Capital Improvements	3,853,200.00		3,853,200.00			2,826,437.57
		<u>\$28,297,170.00</u>		<u>\$3,853,200.00</u>	<u>\$12,150,370.00</u>	<u>\$1,881,998.96</u>	<u>\$10,268,371.04</u>
		C	C-9	C-2	C		
		Ref.					

ANALYSIS OF BALANCE

JUNE 30, 2009

SCHEDULE OF CAPITAL IMPROVEMENT FUND
GENERAL CAPITAL FUND

	<u>REF.</u>	
Balance - June 30, 2008	C	\$ 50,738.00
Increased by:		
SFY 2009 Budget Appropriation	C-12	<u>91,000.00</u>
		141,738.00
Decreased by:		
Appropriation to Finance Improvement Authorizations	C-9	<u>\$ 141,738.00</u>

SCHEDULE OF CONTRIBUTIONS - OFF-SITE IMPROVEMENTS

	<u>REF.</u>	
Balance - June 30, 2008	C	\$ 805,607.25
Increased by:		
Cash Receipts	C-2	<u>222,508.25</u>
		1,028,115.50
Decreased by:		
Cash Disbursements	C-2	<u>13,000.00</u>
Balance - June 30, 2009	C	<u>\$ 1,015,115.50</u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
GENERAL CAPITAL FUND

ORD. NUMBER	IMPROVEMENT DESCRIPTION	DATE	AMOUNT	BALANCE - JUNE 30, 2008	2009 AUTH. ORGANIZATIONS	PAYABLE - JUNE 30, 2008	PAYABLE - JUNE 30, 2009	PAID OR CHARGED	BALANCE - JUNE 30, 2009
98-1	Variou Improvements (\$180,000 NJ DOT)	01/06/00	\$ 1,975,000 00	-		5,731 82		5,731 82	
01-01-27	Variou Improvements (\$250,000 NJ DOT)	01/23/01	3,191,800 00						
01-30-27	Variou Improvements	12/18/01	5,000 00			103,543 14		108,543 14	
01-32-28	Variou Improvements (\$250,000 NJ DOT)	12/18/01	52,597.31			108,625 84	6,899.71	140,105 50	
02-25-23	Variou Capital Improvements (\$225,000 NJ DOT)	12/30/02	1,250,000 00			181,124 96		233,553 01	
02-24	Variou Park Improvements	12/17/02	1,500,000 00			968 80	90,427 53	140,105 50	
03-10/4-29	Variou Capital Improvements	11/26/02	237,000 00			512 34	9,532 03	512,344	
03-32	Master Plan	03/04/03	275,000 00			32,190 70	1,788 00		
03-39	Variou Capital Improvements (\$175,000 NJ DOT)	11/06/03	4,225,000 00			2,156 60	15,122 83	368 60	
04-05	Variou Capital Improvements	01/06/04	2,194,000 00			22,075 78	23,974.77	17,534 17	
04-51	Variou Capital Equipments	12/21/04	179,500 00			2,500 00	2,244 33	29,082 97	
04-51-40	Variou Capital Projects (\$250,000 NJ DOT)	12/21/04	10,665,500 00		94,458 79	96,545 50	101,937 58	69,341.71	19,725 00
05-11	Transportation	03/15/05	1,215,000 00		213,470 00	68,385 60	2,976 45	31,019 35	165,205 11
05-13	Variou Capital Projects	03/15/05	2,785,000 00		116,355 90	144,582 13	46,668 61	121,838 86	92,430 56
05-14, 06-14, 06-17	Variou Capital Improvements (\$50,000 - Homeland Security, \$50,000 - Local Domestic Preparedness, \$330,000 - NJ DOT, \$600,000 - Green Acres)	3/17/2006, 11/29/05	11,240,500 00		1,600,440 10	613,492 13	268,442 73	788,186 58	161,377 92
06-04	Variou Capital Improvements	01/03/06	2,590,000 00		310,500 00	2,355 00	105,246 00	68,051 72	326,641 08
06-21	Demolition of Structures	04/25/06	200,000 00		139,982 50	1,100 00		3,383 75	32,452 75
06-26	Acquisition of Land	07/25/06	320,000 00		72,826 75	204,000 00		73,826 75	204,000 00
06-36	Variou Capital Improvements (\$270,000 NJ DOT)	11/28/06	8,220,000 00		188,061 00	1,609,011 08	370,370 89	1,547,869 09	3,685,332 10
06-48	Variou Capital Improvements	12/19/06	2,260,000 00		866,982 00	437,043 79	276,258 03	392,225 68	88,542 08
07-02	Variou Capital Improvements	03/06/07	2,500,000 00		375,000 00	288,265 54	75,267 50	373,715.21	275,000 00
07-33	Variou Capital Improvements	12/18/07	5,650,000 00		2,530,868 97	3,067,261.03	469,767.76	3,677,430 87	1,450,931.37
08-10	Acquisition of Land on Highland Avenue	04/08/08	24,150 00		1,414,349 51	188,734.28		1,603,083 79	24,150 00
08-11	Refunding Bond Ordinance	04/08/08	2,290,000 00			3,150 00		3,150 00	39 81
09-04	Variou Capital Improvements	05/06/08	30,000 00						282,637 57
Fund Balance									
C-1	Deferred Charges to Future Taxation - Unfunded		\$ 61,062 00	\$ 4,056,000 00		\$ 7,104,251 82	\$ 3,027,237 89	\$ 9,090,039 42	\$ 4,056,000 00
C-6	Capital Improvement Fund		3,853,200 00					4,375 00	1,136,836 91
C-7	Due to Trust Fund		141,738 00						7,948,827 51
C-20	Due to Current Fund								
C-12	Due to Current Fund								
C-2	Cash Disbursements								9,090,039 42

SCHEDULE OF GENERAL SERIAL BONDS
GENERAL CAPITAL FUND

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE JUNE 30, 2008	INCREASED	DECREASED	BALANCE JUNE 30, 2009
			JUNE 30, 2009	JUNE 30, 2009					
General Improvements	04/01/98	\$ 6,165,000.00	04/01/10-11	\$540,000.00	4.500%	\$ 1,740,000.00	\$	660,000.00	\$ 1,080,000.00
General Improvement Bonds	10/15/01	5,765,000.00	10/15/09-11	425,000.00	4.000%	4,090,000.00		425,000.00	3,665,000.00
General Improvement Bonds	02/01/02	7,520,000.00	02/01/10-11	500,000.00	4.125%	5,120,000.00		400,000.00	4,720,000.00
General Improvement Bonds	03/01/04	9,659,000.00	09/01/09	700,000.00	3.125%	7,459,000.00		700,000.00	6,759,000.00
General Improvement Bonds	09/01/10	9,900,000.00	09/01/10-12	800,000.00	3.250%	800,000.00			
General Improvement Bonds	09/01/13	900,000.00	09/01/13	900,000.00	3.375%	900,000.00			
General Improvement Bonds	09/01/14	900,000.00	09/01/14	900,000.00	3.500%	900,000.00			
General Improvement Bonds	09/01/15	959,000.00	09/01/15	959,000.00	3.625%	959,000.00			
General Improvement Bonds	09/01/16	1,000,000.00	09/01/16	1,000,000.00	3.750%	1,000,000.00			
General Improvement Bonds	11/01/09	800,000.00	11/01/09	800,000.00	5.000%	800,000.00		800,000.00	14,700,000.00
General Improvement Bonds	11/01/10	900,000.00	11/01/10	900,000.00	5.000%	900,000.00			
General Improvement Bonds	11/01/11	1,100,000.00	11/01/11	1,100,000.00	5.000%	1,100,000.00			
General Improvement Bonds	11/01/12	1,300,000.00	11/01/12	1,300,000.00	3.750%	1,300,000.00			
General Improvement Bonds	11/01/13-14	1,400,000.00	11/01/13-14	1,400,000.00	3.500%	1,400,000.00			
General Improvement Bonds	11/01/15	1,500,000.00	11/01/15	1,500,000.00	3.500%	1,500,000.00			
General Improvement Bonds	11/01/16	1,500,000.00	11/01/16	1,500,000.00	3.625%	1,500,000.00			
General Improvement Bonds	11/01/17-19	1,600,000.00	11/01/17-19	1,600,000.00	3.750%	1,600,000.00			
General Improvement Bonds	03/15/10-11	17,710,000.00	03/15/10-11	1,000,000.00	3.000%	1,000,000.00		17,710,000.00	17,710,000.00
General Improvement Bonds	03/15/12	1,200,000.00	03/15/12	1,200,000.00	3.000%	1,200,000.00			
General Improvement Bonds	03/15/13	1,300,000.00	03/15/13	1,300,000.00	3.000%	1,300,000.00			
General Improvement Bonds	03/15/14	1,400,000.00	03/15/14	1,400,000.00	3.000%	1,400,000.00			
General Improvement Bonds	03/15/15	1,450,000.00	03/15/15	1,450,000.00	3.250%	1,450,000.00			
General Improvement Bonds	03/15/16	1,500,000.00	03/15/16	1,500,000.00	3.250%	1,500,000.00			
General Improvement Bonds	03/15/17	1,600,000.00	03/15/17	1,600,000.00	4.000%	1,600,000.00			
General Improvement Bonds	03/15/18	1,700,000.00	03/15/18	1,700,000.00	4.000%	1,700,000.00			
General Improvement Bonds	03/15/19	1,700,000.00	03/15/19	1,700,000.00	5.000%	1,700,000.00			
General Improvement Bonds	03/15/20	1,900,000.00	03/15/20	1,900,000.00	4.000%	1,900,000.00			
General Improvement Bonds	03/15/21	1,960,000.00	03/15/21	1,960,000.00	4.000%	1,960,000.00			
General Improvement Bonds	03/15/10-14	325,000.00	03/15/10-14	325,000.00	3.000%	325,000.00			
General Improvement Bonds	03/15/15	325,000.00	03/15/15	325,000.00	3.250%	325,000.00			
General Improvement Bonds	03/15/16	340,000.00	03/15/16	340,000.00	3.250%	340,000.00			
Tax Appeals	03/15/09	2,290,000.00						2,290,000.00	2,290,000.00
						\$ 33,909,000.00		\$ 20,000,000.00	\$ 33,909,000.00
								\$ 2,985,000.00	\$ 36,894,000.00
									\$ 50,924,000.00

SCHEDULE OF BOND ANTICIPATION NOTES

ORD. NO.	IMPROVEMENT DESCRIPTION	ORIGINAL DATE OF ISSUE	RATE OF INTEREST	DATE OF ISSUE	DATE OF MATURITY	BALANCE JUNE 30, 2008	DECREASED
05-11	Various Capital Improvements	04/09/08	2.50%	04/09/08	04/08/09	\$100,000.00	\$100,000.00
05-41, 06-14	Various Capital Improvements	04/09/08	2.50%	04/09/08	04/08/09	4,000,000.00	4,000,000.00
06-04	Various Capital Improvements	04/09/08	2.50%	04/09/08	04/08/09	400,000.00	400,000.00
06-36	Various Capital Improvements	04/09/08	2.50%	04/09/08	04/08/09	4,000,000.00	4,000,000.00
06-48	Various Capital Improvements	04/09/08	2.50%	04/09/08	04/08/09	1,000,000.00	1,000,000.00
07-02	Various Capital Improvements	04/09/08	2.50%	04/09/08	04/08/09	2,000,000.00	2,000,000.00
						<u>\$11,500,000.00</u>	<u>\$11,500,000.00</u>
					Ref.		C-2

SCHEDULE OF DUE TO CURRENT FUND
GENERAL CAPITAL FUND

	<u>REF.</u>	\$
Balance June 30, 2008	C	3 83
Increased by:		
Cash Received	C-2	11,419,643.89
Interest Earned	C-2	25,868.08
Improvement Authorization Cancelled	C-9	<u>1,136,836.91</u>
		<u>12,582,348.88</u>
Decreased by:		
Cash Disbursed	C-2	12,484,852.27
Capital Improvement Fund	C-7	91,000.00
Reserve for Preliminary Expenses	C-14	<u>6,500.44</u>
		<u>\$ 12,582,352.71</u>

SCHEDULE OF RESERVES REVOLVING FUND - HOUSING REHAB

	<u>REF.</u>	
Balance - June 30, 2008	C	\$ 708,835.42
Increased by:		
Cash Received	C-2	<u>1,255.10</u>
Decreased by:		
Cash Disbursed	C-2	710,090.52
		<u>\$ 710,090.52</u>

Exhibit - C-14

SCHEDULE OF PRELIMINARY EXPENSES
GENERAL CAPITAL FUND

	<u>REF.</u>	
Balance June 30, 2008	C	\$ 851,727.26
Increased by:		
Due from Current Fund	C-12	<u>6,500.44</u>
Decreased by:		
Cash Disbursed	C-2	858,227.70
		<u>187,570.80</u>
Balance June 30, 2009	C	<u>\$ 670,656.90</u>

SCHEDULE OF DUE FROM GRANT FUND
GENERAL CAPITAL FUND

	<u>REF.</u>	
Balance June 30, 2008	C	\$ 480,917.01
Decreased by:		
Cash Receipts	C-2	<u>\$ 480,917.01</u>

Exhibit - C-16

SCHEDULE OF RESERVES DEVELOPER'S TREE CONTRIBUTIONS

	<u>REF.</u>	
Balance - June 30, 2008	C	\$ 10,312.00
Increased by:		
Cash Received	C-2	<u>2,700.00</u>
		13,012.00
Decreased by:		
Cash Disbursed	C-2	<u>6,268.92</u>
Balance - June 30, 2009	C	<u>\$ 6,743.08</u>

SCHEDULE OF STELTON STREETSSCAPE

	<u>REF.</u>	
Balance - June 30, 2008	C	\$ 20,250.00
Balance - June 30, 2009	C	<u>\$ 20,250.00</u>

Exhibit - C-18

SCHEDULE OF RESERVES FOR DEBT SERVICE

	<u>REF.</u>	
Balance - June 30, 2008	C	\$ 305,424.32
Decreased by: 2009 Budget Revenue	C-2	<u>186,960.00</u>
Balance - June 30, 2009	C	<u>\$ 118,464.32</u>

SCHEDULE OF RESERVES COMMUNITY CENTER

	<u>REF.</u>	
Balance - June 30, 2008	C	\$ 5,000.00
Balance - June 30, 2009	C	\$ <u>5,000.00</u>

SCHEDULE OF DUE TO TRUST FUND
GENERAL CAPITAL FUND

	<u>REF.</u>	
Increased by:		
Cash Disbursements	C-2	\$ 4,375.00
Decreased by:		
Improvement Authorization	C-9	\$ <u>4,375.00</u>

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

ORD. NO.	IMPROVEMENT DESCRIPTION	BALANCE JUNE 30, 2008	2009 AUTHORIZATIONS	BONDS ISSUED	BAN'S REDEEMED	BALANCE JUNE 30, 2009
04-52,05-40	Various Capital Improvements	\$ 229,725.00	\$ 140,000.00	\$	\$	\$ 89,725.00
05-11	Various Capital Improvements	213,470.00	100,000.00	100,000.00	100,000.00	213,470.00
05-41, 06-14	Various Capital Improvements	2,995,975.00	6,000,000.00	660,000.00	4,000,000.00	995,975.00
06-04	Various Capital Improvements	310,500.00	660,000.00	400,000.00	400,000.00	50,500.00
06-26	William Street Improvements	204,000.00				204,000.00
06-36	Various Capital Improvements	3,806,500.00	4,000,000.00	4,000,000.00	4,000,000.00	3,806,500.00
06-48	Various Capital Improvements	1,147,000.00	1,600,000.00	1,600,000.00	1,000,000.00	547,000.00
07-02	Various Capital Improvements	375,000.00	2,100,000.00	2,100,000.00	2,000,000.00	275,000.00
07-33	Various Capital Improvements	5,225,000.00	3,110,000.00	3,110,000.00		2,115,000.00
08-11	Refunding Bond Ordinance	2,290,000.00		2,290,000.00		
09-04	Various Capital Improvements		3,853,200.00			3,853,200.00
		\$ 16,797,170.00	\$ 3,853,200.00	\$ 20,000,000.00	\$ 11,500,000.00	\$ 12,150,370.00

Ref.

C

C

SEWER UTILITY FUND

SCHEDULE OF SEWER UTILITY CASH AND INVESTMENTS
TREASURER

REF.	OPERATING FUND	CAPITAL FUND
D	\$ 933,171.65	\$ 336,966.00
Balance - June 30, 2008		
D-2	20,145.57	31,283.60
D-3		
D-6	7,459,583.46	
D-17	2,074,436.34	
D-21		700,900.00
D-22		1,200,000.00
Increased by Receipts:		
	Premium on Sale of BAN's	
	Interest on Investments	
	Collector	
	Due from Current Fund	
	Due from Sewer Operating Fund	
	Sewer Utility Bonds	
Decreased by Disbursements:		
D-4	5,475,292.97	
D-11	22,795.15	
D-12	139,325.00	
D-14	354.21	
D-15		1,169,495.23
D-17	2,646,406.29	
D-20	700,900.00	
D-23		1,000,000.00
Balance - June 30, 2009		
D	\$ 1,502,263.40	\$ 99,654.37

SCHEDULE OF CASH - COLLECTOR
SEWER UTILITY FUND

	<u>REF</u>	
Increased by:		
Sewer Service Charges	D-8	\$ 6,823,148.07
Sewer Overpayments	D-14	1,425.00
Interest on Delinquent Accounts	D-3	33,160.12
Miscellaneous Revenue	D-3	481.22
Connection Fees	D-3	392,480.00
Prepaid Sewer Charges	D-13	<u>208,889.05</u>
		\$ 7,459,583.46
Decreased by:		
Payments to Treasurer	D-5	<u><u>\$ 7,459,583.46</u></u>

ANALYSIS OF SEWER UTILITY CAPITAL
CASH AND INVESTMENTS

	BALANCE JUNE 30, <u>2008</u>	BALANCE JUNE 30, <u>2009</u>
Fund Balance	\$ 58,543.81	\$ 80,113.41
Capital Improvement Fund	12,536.00	
Due (from)/to Sewer Operating Fund	(963,131.32)	(287,231.32)
Reserve for Encumbrances	845,020.88	247,074.65
Improvement Authorizations Funded	1,018,624.16	494,122.34
Improvement Authorizations Unfunded	1,842,372.47	2,740,325.29
Bonds and Notes Authorized Not Issued	<u>(2,477,000.00)</u>	<u>(3,174,750.00)</u>
	<u>\$ 336,966.00</u>	<u>\$ 99,654.37</u>

Ref.

D

D

SCHEDULE OF SEWER CHARGES RECEIVABLE
SEWER UTILITY OPERATING FUND

	<u>Ref.</u>	
Balance - June 30, 2008	D	\$ 318,426.53
Increased by:		
Sewer Charges Levied	Reserve	<u>7,445,877.68</u>
		7,764,304.21
Decreased by:		
Collection	D-3,D-6	6,823,148.07
Prepays Applied	D-13	16,329.87
Overpayments Applied	D-14	<u>12,672.04</u>
		<u>6,852,149.98</u>
Balance - June 30, 2009	D	<u><u>\$ 912,154.23</u></u>

SCHEDULE OF FIXED CAPITAL
SEWER UTILITY CAPITAL FUND

ORD <u>NO.</u>	BALANCE JUNE 30 <u>2008</u>	BALANCE JUNE 30 <u>2009</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	-	-
76-63 &	199,398.16	199,398.16
81-33 Sanitary Sewer - Hillside Ave.	106,853.00	106,853.00
82-20 Sanitary Sewer - Sunset Lane & River	-	-
82-48 Road and Fisher and Ludlow Avenues	232,825.00	232,825.00
84-43 Public Works Equipment	58,981.00	58,981.00
84-43 Public Works Equipment	33,000.00	33,000.00
84-11 Ethel Road Sanitary Sewer	227,656.22	227,656.22
90-26 Public Works Equipment	192,472.05	192,472.05
94-17 Sewer Utility Equipment	38,000.00	38,000.00
89-25 & Gramercy Drive and River	-	-
89-52 Road Sanitary Sewer	600,000.00	600,000.00
03-40 Various Sewer Improvements	400,000.00	400,000.00
04-10 Various Sewer Projects	495,000.00	495,000.00
	\$ 13,107,561.49	\$ 13,107,561.49

REF.

D

D

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
SEWER UTILITY CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	DATE	AMOUNT	BALANCE JUNE 30, 2008	AUTHORIZED SFY 2009	BALANCE JUNE 30, 2009
98-21	Reduction of I & I	12/15/98	\$ 230,000.00	\$ 230,000.00		\$ 230,000.00
05-10	Various Sewer Projects	04/05/05	460,000.00	460,000.00		460,000.00
05-42	Freedom Avenue Improvements	11/29/05	1,100,000.00	1,100,000.00		1,100,000.00
06-05	Various Sewer Projects	01/03/06	1,400,000.00	1,400,000.00		1,400,000.00
06-49	Various Sewer Improvements	12/19/06	1,700,000.00	1,700,000.00		1,700,000.00
07-34	Acquisition of Various Equipment	12/22/07	770,000.00	770,000.00		770,000.00
09-05	Various Sewer Improvements	02/17/09	945,000.00	945,000.00		945,000.00
				\$ 5,660,000.00	\$ 945,000.00	\$ 6,605,000.00

SCHEDULE OF SFY 2008 APPROPRIATION RESERVES
SEWER UTILITY OPERATING FUND

BALANCE JUNE 30, 2008	APPROPRIATION RESERVE FOR	ENCUMBRANCES	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCED LAPSED
\$ 5,671.41	\$ 5,671.41	\$ 22,631.88	\$ 5,671.41	\$ 4,951.59	\$ 719.82
153,807.77	153,807.77	22,631.88	176,439.65	28,329.56	148,110.09
217.65	217.65		217.65		217.65
5,000.00	5,000.00		5,000.00		5,000.00
\$ 164,696.83	\$ 164,696.83	\$ 22,631.88	\$ 187,328.71	\$ 33,281.15	\$ 154,047.56
REF.	D	D	D	D-1	D-1
Operations:					
Salaries and Wages					
Other Expenses					
Middlesex County Utilities Authority					
Service Charges - Contractual					
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Social Security System (O.A.S.I.)					
Total Operations					
Disbursed					
D-5					
Transfer to Accounts Payable					
					\$ 22,795.15
					\$ 10,486.00
					\$ 33,281.15

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

	<u>REF.</u>	
Balance - June 30, 2008	D	\$ 67,291.67
Increased by:		
Accrued Interest Charged to:		
2009 Budget Appropriations	D-4	<u>102,428.64</u>
		169,720.31
Decreased by:		
Payment	D-5	<u>139,325.00</u>
Balance - June 30, 2009	D	<u><u>\$ 30,395.31</u></u>

Analysis of Balance - June 30, 2009:

Principal Outstanding <u>06/30/09</u>	Interest Rate	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
\$ 25,000.00	3.125%	03/01/09	06/30/09	4 mos.	\$ 260.42
30,000.00	3.250%	03/01/09	06/30/09	4 mos.	325.00
30,000.00	3.250%	03/01/09	06/30/09	4 mos.	325.00
30,000.00	3.250%	03/01/09	06/30/09	4 mos.	325.00
30,000.00	3.375%	03/01/09	06/30/09	4 mos.	337.50
30,000.00	3.500%	03/01/09	06/30/09	4 mos.	350.00
40,000.00	3.625%	03/01/09	06/30/09	4 mos.	483.33
40,000.00	3.750%	03/01/09	06/30/09	4 mos.	500.00
60,000.00	5.000%	05/01/08	06/30/09	2 mos	500.00
60,000.00	5.000%	05/01/08	06/30/09	2 mos	500.00
60,000.00	5.000%	05/01/08	06/30/09	2 mos	500.00
66,000.00	3.750%	05/01/08	06/30/09	2 mos	412.50
70,000.00	3.500%	05/01/08	06/30/09	2 mos	408.33
70,000.00	3.500%	05/01/08	06/30/09	2 mos	408.33
70,000.00	3.500%	05/01/08	06/30/09	2 mos	408.33
70,000.00	3.625%	05/01/08	06/30/09	2 mos	422.92
80,000.00	3.750%	05/01/08	06/30/09	2 mos	500.00
80,000.00	3.750%	05/01/08	06/30/09	2 mos	500.00
80,000.00	3.750%	05/01/08	06/30/09	2 mos	500.00
80,000.00	4.000%	05/01/08	06/30/09	2 mos	533.33
90,000.00	4.000%	05/01/08	06/30/09	2 mos	600.00
90,000.00	4.000%	05/01/08	06/30/09	2 mos	600.00
90,000.00	4.000%	05/01/08	06/30/09	2 mos	600.00
100,000.00	4.000%	05/01/08	06/30/09	2 mos	666.67
100,000.00	4.000%	05/01/08	06/30/09	2 mos	666.67
100,000.00	4.000%	05/01/08	06/30/09	2 mos	666.67
100,000.00	4.125%	05/01/08	06/30/09	2 mos	687.50
110,000.00	4.125%	05/01/08	06/30/09	2 mos	756.25
110,000.00	4.125%	05/01/08	06/30/09	2 mos	756.25
110,000.00	4.125%	05/01/08	06/30/09	2 mos	756.25
120,000.00	4.125%	05/01/08	06/30/09	2 mos	825.00
120,000.00	4.250%	05/01/08	06/30/09	2 mos	850.00

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

Analysis of Balance - June 30, 2009:

<u>Principal Outstanding 06/30/09</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
50,000.00	3.000%	03/16/09	06/30/09	3.5 mos	437.50
50,000.00	3.000%	03/16/09	06/30/09	3.5 mos	437.50
60,000.00	3.000%	03/16/09	06/30/09	3.5 mos	525.00
60,000.00	3.000%	03/16/09	06/30/09	3.5 mos	525.00
60,000.00	3.000%	03/16/09	06/30/09	3.5 mos	525.00
70,000.00	3.250%	03/16/09	06/30/09	3.5 mos	663.54
70,000.00	3.250%	03/16/09	06/30/09	3.5 mos	663.54
70,000.00	4.000%	03/16/09	06/30/09	3.5 mos	816.67
80,000.00	4.000%	03/16/09	06/30/09	3.5 mos	933.33
80,000.00	5.000%	03/16/09	06/30/09	3.5 mos	1,166.67
80,000.00	4.000%	03/16/09	06/30/09	3.5 mos	933.33
90,000.00	4.000%	03/16/09	06/30/09	3.5 mos	1,050.00
90,000.00	4.125%	03/16/09	06/30/09	3.5 mos	1,082.81
90,000.00	4.250%	03/16/09	06/30/09	3.5 mos	1,115.63
100,000.00	4.375%	03/16/09	06/30/09	3.5 mos	1,276.04
100,000.00	4.500%	03/16/09	06/30/09	3.5 mos	1,312.50
<hr/>					
<u>\$ 3,579,532.00</u>					<u>\$ 30,395.31</u>

SCHEDULE OF PREPAID SEWER CHARGES
SEWER UTILITY OPERATING FUND

	<u>Ref.</u>	
Balance - June 30, 2008	D	\$ 16,329.87
Increased by:		
Collections	D- 6	<u>208,889.05</u>
Decreased by:		
Prepays Applied	D-3,D-8	225,218.92
		<u>16,329.87</u>
Balance - June 30, 2009	D	<u>\$ 208,889.05</u>

Exhibit D-14

SCHEDULE OF SEWER OVERPAYMENTS
SEWER UTILITY OPERATING FUND

	<u>Ref.</u>	
Balance - June 30, 2008	D	\$ 13,596.25
Increased by:		
Cash Receipts	D- 6	<u>1,425.00</u>
		15,021.25
Decreased by:		
Cash Payments	D-5	354.21
Applied to Sewer Charges Receivable	D-3,D-8	<u>12,672.04</u>
		<u>13,026.25</u>
Balance - June 30, 2009	D	<u>\$ 1,995.00</u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
SEWER UTILITY CAPITAL FUND

ORD. NUMBER	DATE	ORDINANCE AMOUNT	BALANCE - JUNE 30, 2008	CAPITAL IMPROV FUND	FUND BALANCE	DEFERRED CHARGES UNFUNDED	ENCUM. PAYABLE	PAID OR CHARGED	JUNE 30, 2009	BALANCE - JUNE 30, 2009
98-21	12/15/98	\$ 230,000.00				\$ 291.50				\$ 291.50
05-10	04/05/05	\$ 460,000.00	\$ 60,283.39			29,922.82	2,927.56	24,159.47		\$ 62,619.18
05-42	11/29/05	1,100,000.00	948,416.77			300.00	76,617.58			103,116.77
06-05	01/03/06	1,400,000.00	392,772.47			11,940.00	368,650.09			328,094.89
06-49	12/19/06	1,700,000.00	9,924.00	1,400,000.00		82,978.50	368,650.09			999,885.77
07-34	12/18/07	770,000.00	49,600.00			719,888.06	721,000.00			48,488.06
09-05	02/17/09	945,000.00				897,750.00		98,548.54		846,451.46
			\$ 1,842,372.47	\$ 37,536.00	\$ 9,714.00	\$ 897,750.00	\$ 1,169,495.23	\$ 247,074.65	\$ 494,122.34	\$ 2,740,325.29

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

ORD NUMBER	IMPROVEMENT DESCRIPTION	DATE	BALANCE AUTHORIZED	JUNE 30, 2008	SFY 2009	JUNE 30, 2009
98-21	Reduction of I & I	12/15/98	\$	11,000.00		\$ 11,000.00
05-10	Var. Sewer Projects	04/05/05	\$	80,500.00		\$ 80,500.00
05-42	Freedom Avenue Improvements	11/29/05		55,000.00		55,000.00
06-05	Various Sewer Projects	01/03/06		70,000.00		70,000.00
07-34	Acquisition of Various Equipment	12/18/07		38,500.00		38,500.00
09-05	Various Sewer Improvements	02/17/09		47,250.00		47,250.00
				\$ 255,000.00	\$ 47,250.00	\$ 302,250.00

Exhibit D-17

SCHEDULE OF DUE FROM CURRENT FUND
SEWER UTILITY OPERATING FUND

	<u>REF.</u>	
Balance - June 30, 2008	D	\$ 38,130.05
Increased by:		
Cash Disbursed	D- 5	<u>2,646,406.29</u>
Decreased by:		
Sewer Operating Approp paid by Current Fund	D- 4	610,100.00
Cash Received	D- 5	<u>2,074,436.34</u>
		<u>\$ 2,684,536.34</u>

Exhibit D-18

SCHEDULE OF CAPITAL IMPROVEMENT FUND
SEWER UTILITY CAPITAL FUND

	<u>REF.</u>	
Balance - June 30, 2008	D	\$ 12,536.00
Increased by:		
SFY 2009 Budget Appropriation	D-21	<u>25,000.00</u>
Decreased by:		
Approp. to Finance Improvement Authorizations	D-15	37,536.00
		<u>\$ 37,536.00</u>

Exhibit D-19

SCHEDULE OF RESERVE FOR AMORTIZATION
SEWER UTILITY CAPITAL FUND

	<u>REF.</u>	
Balance - June 30, 2008	D	\$ 12,609,561.49
Increased by:		
Serial Bonds	D- 22	<u>85,000.00</u>
Balance - June 30, 2009	D	<u>\$ 12,694,561.49</u>

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

	<u>REF.</u>	
Balance - June 30, 2008	D	\$ 963,131.32
Increased by:		
2009 Budget Appropriation	D- 4	<u>25,000.00</u>
Decreased by:		
Interfunds Returned	D- 5	988,131.32
		<u>700,900.00</u>
Balance - June 30, 2009	D	<u>\$ 287,231.32</u>

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

	<u>REF.</u>	
Balance - June 30, 2008	D	\$ 963,131.32
Increased by:		
2009 Budget Appropriation - Capital Improvement Fund	D-18	<u>25,000.00</u>
Decreased by:		
Interfunds Returned	D- 5	988,131.32
		<u>700,900.00</u>
Balance - June 30, 2009	D	<u>\$ 287,231.32</u>

SCHEDULE OF GENERAL SERIAL BONDS

ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING - JUNE 30, 2009	INTEREST RATE	BALANCE JUNE 30, 2008	INCREASE	DECREASE	BALANCE JUNE 30, 2009
Sewer Improvements	03/01/04	\$ 380,000.00	03/01/10 03/01/10 3/1/2011-2013 03/01/14 03/01/15 03/01/16 03/01/17	3.125% 3.250% 3.375% 3.500% 3.625% 3.750%	\$ 25,000.00			\$ 255,000.00
Sewer Improvements	11/01/07	2,146,000.00	11/1/2009-2011 11/01/12 11/1/2013-2015 11/1/2017-2019 11/01/20 11/1/2021-2023 11/1/2024-2026 11/01/27 11/1/2028-2030 11/01/31	5.000% 3.750% 3.500% 3.625% 3.750% 4.000% 4.000% 4.125% 4.125% 4.125%	\$ 280,000.00		60,000.00	2,086,000.00
Sewer Improvements	03/15/09	1,200,000.00	3/15/2010-2011 3/15/2012-2014 3/15/2015-2016 03/15/17 03/15/18 03/15/19 03/15/20 03/15/21 03/15/22 03/15/23 03/15/24 03/15/25	3.000% 3.000% 3.250% 4.000% 4.000% 5.000% 4.000% 4.000% 4.000% 4.125% 4.250% 4.375% 4.500%	\$ 2,146,000.00		85,000.00	\$ 3,541,000.00
			Ref.		\$ 1,200,000.00			\$ 1,200,000.00
					\$ 2,426,000.00			\$ 2,426,000.00
					\$ 1,200,000.00			\$ 1,200,000.00
					\$ 85,000.00			\$ 85,000.00
					\$ 1,200,000.00			\$ 1,200,000.00

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

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

BALANCE JUNE 30, 2008	AUTHORIZATIONS 2009	BAN'S REDEEMED	BONDS ISSUED	BALANCE JUNE 30, 2009
\$ 500.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 500.00
845,000.00	300,000.00	300,000.00	400,000.00	845,000.00
1,400,000.00	500,000.00	500,000.00	600,000.00	1,300,000.00
231,500.00				131,500.00
\$ 2,477,000.00	\$ 897,750.00	\$ 1,000,000.00	\$ 1,200,000.00	\$ 3,174,750.00

Footnote D

ORD. NO.	IMPROVEMENT DESCRIPTION	DATE OF ISSUE	RATE OF INTEREST	DATE OF ISSUE	Ref.
05-42	Freedom Avenue improvements	04/09/08	2.50%	04/08/09	D
06-49	Various Sewer Projects	04/09/08	2.50%	04/08/09	D
07-34	Acquisition of various equipment	04/09/08	2.50%	04/08/09	D-5

SCHEDULE OF BOND ANTICIPATION NOTES

BALANCE JUNE 30, 2008	DECREASE
\$ 200,000.00	\$ 200,000.00
300,000.00	300,000.00
500,000.00	500,000.00
\$ 1,000,000.00	\$ 1,000,000.00

Exhibit D-24

Exhibit - D-23

SENIOR CITIZENS HOUSING UTILITY FUND

SCHEDULE OF CASH AND INVESTMENTS
 SENIOR CITIZEN HOUSING FUND

REF.	OPERATING FUND	CAPITAL FUND
	\$1,038,305.49	\$328,858.98
	<u>1,290,066.93</u>	<u>196,384.84</u>
	2,328,372.42	525,243.82
	<u>1,548,714.79</u>	<u>266,757.40</u>
	\$779,657.63	\$258,486.42
	<u>\$779,657.63</u>	<u>\$258,486.42</u>
Balance - June 30, 2008	E	
Increased by Receipts:		
Rental Income	E-3	1,246,390.74
Interest on Investments	E-3	7,296.39
Miscellaneous Revenues	E-3	14,637.39
Security Deposits	E-9	21,742.41
Interfunds Received	E-14,E-15	196,384.84
Decreased by Disbursements:		
Refund of Prior Year's Revenue	E-1	835.00
Budget Appropriations	E-4	1,205,525.31
Appropriation Reserves	E-7	59,244.79
Accrued Interest	E-8	70,547.50
Security Deposits	E-9	19,532.34
Improvement Authorizations	E-11	266,757.40
Interfunds Disbursed	E-14,E-15	193,029.85
Balance - June 30, 2009	E	

SCHEDULE OF 2008 APPROPRIATION RESERVES
FOR THE YEAR ENDED JUNE 30, 2009
SENIOR CITIZEN HOUSING UTILITY OPERATING FUND

	BALANCE JUNE 30, 2008	APPROPRIATION RESERVE FOR	ENCUMBRANCES	RESERVES	REF.
BALANCE	\$ 28,885.36	\$ 105,467.99	\$ 134,353.35	\$ 65,274.79	
AFTER TRANSFERS	\$ 28,885.36	\$ 105,467.99	\$ 134,353.35	\$ 65,274.79	
PAID OR CHARGED	\$ 28,885.36	\$ 105,467.99	\$ 134,353.35	\$ 65,274.79	
BALANCED LAPSED	\$ 28,885.36	\$ 105,467.99	\$ 134,353.35	\$ 65,274.79	E-1
Operations:	\$ 28,885.36	\$ 105,467.99	\$ 134,353.35	\$ 65,274.79	
Other Expenses	\$ 28,885.36	\$ 105,467.99	\$ 134,353.35	\$ 65,274.79	
Cash Disbursements	\$ 59,244.79	\$ 59,244.79	\$ 59,244.79	\$ 59,244.79	E-5
Accounts Payable	\$ 6,030.00	\$ 6,030.00	\$ 6,030.00	\$ 6,030.00	E
Total	\$ 28,885.36	\$ 105,467.99	\$ 134,353.35	\$ 65,274.79	

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

	<u>REF.</u>	
Balance - June 30, 2008	E	\$ 27,193.59
Increased by:		
Interest on Bonds	E-4	<u>69,070.94</u>
		96,264.53
Decreased by:		
Disbursed	E-5	<u>70,547.50</u>
Balance - June 30, 2009	E	<u>\$ 25,717.03</u>

Analysis of Balance - June 30, 2009:

Principal Outstanding June 30, 2009	Interest Rate	From	To	Period	Amount
\$ 105,000.00	3.875%	02/16/08	06/30/08	4 1/2 mos.	1,525.78
130,000.00	4.000%	02/16/08	06/30/08	4 1/2 mos.	1,950.00
125,000.00	4.000%	02/16/08	06/30/08	4 1/2 mos.	1,875.00
125,000.00	4.100%	02/16/08	06/30/08	4 1/2 mos.	1,921.88
120,000.00	4.200%	02/16/08	06/30/08	4 1/2 mos.	1,890.00
145,000.00	4.300%	02/16/08	06/30/08	4 1/2 mos.	2,338.13
140,000.00	4.400%	02/16/08	06/30/08	4 1/2 mos.	2,310.00
<u>635,000.00</u>	5.000%	02/16/08	06/30/08	4 1/2 mos.	<u>11,906.25</u>
<u>\$ 1,525,000.00</u>					<u>\$ 25,717.03</u>

SCHEDULE OF SECURITY DEPOSITS
SENIOR CITIZEN HOUSING UTILITY OPERATING FUND

	<u>REF.</u>
Balance - June 30, 2008	E \$107,518.49
Increased by:	
Deposits Received	E- 5 <u>21,742.41</u>
Decreased by:	
Deposits Refunded	E- 5 129,260.90 <u>19,532.34</u>
Balance - June 30, 2009	E <u>\$109,728.56</u>

SCHEDULE OF RESERVE FOR AMORTIZATION
SENIOR CITIZEN HOUSING UTILITY CAPITAL FUND

	<u>REF.</u>
Balance - June 30, 2008	E \$8,721,052.26
Increased by:	
Bonds Paid by Budget Appropriation	E-12 <u>105,000.00</u>
Balance - June 30, 2009	E <u>\$8,826,052.26</u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
SENIOR HOUSING UTILITY CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	ORDINANCE	DATE	AMOUNT	BALANCE JUNE 30, 2008	ENCUMBRANCES 06/30/08	PAID OR CHARGED	ENCUMBRANCES 06/30/09	BALANCE JUNE 30, 2009
General Improvements:									
06-50	Various Capital Projects		12/19/06	\$ 130,000.00	\$ 10,198.90	\$ 5,000.00	\$	5,000.00	\$ 10,198.90
07-35	Various Capital Projects		12/18/07	353,000.00	30,256.85	275,185.15	\$ 266,757.40	29,252.45	9,432.15
					\$ 40,455.75	\$ 280,185.15	\$ 266,757.40	34,252.45	\$ 19,631.05
							E-5		
									E
									E

SCHEDULE OF GENERAL SERIAL BONDS

ISSUE	DATE OF	ORIGINAL	MATURITIES OF BONDS			INTEREST	BALANCE	DECREASE	BALANCE
ISSUE	DATE OF	ISSUE	DATE	AMOUNT	RATE	JUNE 30, 2008	JUNE 30, 2009	JUNE 30, 2009	
Senior Citizen Housing Utility Refunding Bonds 2002	08/01/02	\$ 2,204,500.00	08/15/09	\$ 105,000.00	3.875%	\$ 1,630,000.00	\$ 1,525,000.00	\$ 1,525,000.00	
			08/15/10	130,000.00	4.00%				
			08/15/11	125,000.00	4.00%				
			08/15/12	125,000.00	4.10%				
			08/15/13	120,000.00	4.20%				
			08/15/14	145,000.00	4.30%				
			08/15/15	140,000.00	4.40%				
			08/15/16	135,000.00	5.00%				
			08/15/17	160,000.00	5.00%				
			08/15/18	160,000.00	5.00%				
			08/15/19	180,000.00	5.00%				
						\$ 1,630,000.00	\$ 1,525,000.00	\$ 1,525,000.00	

SCHEDULE OF CAPITAL IMPROVEMENT FUND
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

	<u>Ref.</u>	
Balance - June 30, 2008	E	\$ 1,535.75
Increased by:		
SFY 2009 Budget Appropriation	E-15	<u>17,500.00</u>
Balance - June 30, 2009	E	<u>\$ 19,035.75</u>

Exhibit - E-14

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

	<u>Ref.</u>	
Balance - June 30, 2008	E	\$ 4,504.59
Increased by:		
Interest Earned	E-3	3,354.99
Cash Disbursements	E-5	<u>193,029.85</u>
		<u>196,384.84</u>
		200,889.43
Decreased by:		
Capital Improvement Fund	E-4	<u>17,500.00</u>
Balance - June 30, 2009	E	<u>\$ 183,389.43</u>

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

	<u>Ref.</u>		
Balance - June 30, 2008	E	\$	4,504.59
Increased by:			
Interest Earned	E- 5	3,354.99	
Cash Receipts	E- 5	<u>193,029.85</u>	
			<u>196,384.84</u>
Decreased by:			
Capital Improvement Fund	E-13		<u>200,889.43</u>
			<u>17,500.00</u>
Balance - June 30, 2009	E	\$	<u><u>183,389.43</u></u>

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>ORD.</u> <u>NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE</u>	<u>BALANCE</u> <u>JUNE 30, 2008</u>	<u>BALANCE</u> <u>JUNE 30, 2009</u>	
06-50	Various Capital Improvements	12/19/06	\$ 130,000.00	\$ 130,000.00	
07-35	Various Capital Improvements	12/18/07	<u>353,000.00</u>	<u>353,000.00</u>	
			<u>\$ 483,000.00</u>	<u>\$ 483,000.00</u>	
	Ref.		E		E

SCHEDULE OF FIXED CAPITAL
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

ORD. NO.	DESCRIPTION	DATE	AMOUNT	BALANCE JUNE 30, 2008	BALANCE JUNE 30, 2009
89-58	Design and Construction of a Senior Citizen Complex	11/21/89	\$ 10,098,252.26	\$ 10,098,252.26	\$ 10,098,252.26
04-51	Replacement of Trunk Line	12/21/04	144,000.00	144,000.00	144,000.00
05-43	Various Capital Improvements	11/29/05	80,000.00	80,000.00	80,000.00
06-22	HVAC System	04/25/06	28,800.00	28,800.00	28,800.00
				<u>\$ 10,351,052.26</u>	<u>\$ 10,351,052.26</u>

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

ORD. NO.	IMPROVEMENT DESCRIPTION	DATE	AMOUNT	BALANCE JUNE 30, 2008	BALANCE JUNE 30, 2009
06-50	Various Capital Improvements	12/19/06	\$ 130,000.00	\$ 130,000.00	\$ 130,000.00
07-35	Various Capital Improvements	12/18/07	353,000.00	353,000.00	353,000.00
				<u>\$ 483,000.00</u>	<u>\$ 483,000.00</u>

SUPPLEMENTARY DATA

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

COMBINED BALANCE SHEET
FOR THE FISCAL YEAR ENDING JUNE 30, 2009

	JUNE 30, 2009	JUNE 30, 2008		JUNE 30, 2009	JUNE 30, 2008		JUNE 30, 2009	JUNE 30, 2008
CURRENT FUND	\$ 12,083,883.41	\$ 8,084,790.45	\$ 5,350,416.08	\$ 1,602,017.77	\$ 1,038,144.05	\$ 28,159,251.76	\$ 27,692,540.74	
TRUST FUND								
GENERAL CAPITAL FUND	1,059,047.33	233,793.72	767,500.00			2,060,341.05	2,513,181.28	
SEWER UTILITY FUND	2,209,917.48					171,193.17	167,321.88	
SENIOR HOUSING UTILITY	97,677.41		912,154.23	183,389.43		568,298.16	1,611,596.10	
GOVERNMENTAL FIXED ASSETS	2,592,900.00	43,227.06	58,430,134.00	58,430,134.00	58,430,134.00	2,592,900.00	2,617,401.04	
MEMORANDUM ONLY TOTALS	63,074,370.00	63,074,370.00	22,800,849.62	12,055,585.74	58,430,134.00	189,142,777.22	189,418,832.66	
Cash and Investments	\$ 12,083,883.41	\$ 8,084,790.45	\$ 5,350,416.08	\$ 1,602,017.77	\$ 1,038,144.05	\$ 28,159,251.76	\$ 27,692,540.74	
Accounts Receivable	1,059,047.33	233,793.72	767,500.00			2,060,341.05	2,513,181.28	
State and Federal Grants Receivable	171,193.17					171,193.17	167,321.88	
Taxes, Assessments, Liens & Utility Charges	2,209,917.48					2,209,917.48	3,170,268.26	
Sewer Charges Receivable	97,677.41		912,154.23	183,389.43		568,298.16	1,611,596.10	
Interfund Loans	87,491.75					87,491.75	98,562.44	
Property Acquired For Taxes at Assessed Valuation	2,592,900.00	43,227.06	58,430,134.00	58,430,134.00	58,430,134.00	2,592,900.00	2,617,401.04	
Prepaid Expenditures	43,227.06					43,227.06	2,617,401.04	
Fixed Assets - General								
Fixed Capital - Utility								
Fixed Capital - Authorized and Uncompleted - Utility								
Deferred Charges to Revenue of Succeeding Years								
Deferred Charges to Future Taxation: General Capital Fund								
ASSETS	\$ 18,345,337.61	\$ 8,318,584.17	\$ 69,192,286.08	\$ 22,800,849.62	\$ 12,055,585.74	\$ 58,430,134.00	\$ 189,418,832.66	
Bonds and Notes Payable			\$ 50,924,000.00	\$ 3,541,000.00	\$ 1,525,000.00	\$ 55,990,000.00	\$ 50,465,000.00	
Prepaid Taxes, Assessments, Utility Charges and Licenses	581,832.83		208,889.05			790,721.88	16,329.87	
Tax, Assessment, Lien, License and Utility Charge Overpayments	981,300.07		1,995.00			983,295.07	272,954.72	
Appropriation Reserves	1,868,106.86		87,271.35			2,161,464.92	1,189,443.26	
Reserves for Encumbrances/Accounts Payable	1,979,600.93	130,575.76	3,027,237.89	295,000.97	169,335.43	5,601,750.98	10,914,512.38	
Other Liabilities	3,006,510.02	3,722,213.06	2,603,729.80	30,395.31	25,717.03	9,461,217.19	8,997,488.72	
Amounts Pledged to Specific Purposes	97,677.41					568,298.16	1,611,596.10	
Interfund Loans								
Investments in General Fixed Assets								
Escrow Funds	4,465,795.35		11,983,056.60	3,234,447.63	19,631.05	4,465,795.35	5,222,061.41	
Improvement Authorization								
Reserve for Amortization of Costs of Fixed Capital Acquired or Authorized								
Reserve for Certain Assets Acquired or Receivables & Inventories	4,987,986.64		912,154.23	1,205,653.27	488,609.52	5,900,140.87	5,895,363.11	
Fund Balance	4,842,322.85	654,261.79	22,800,849.62	12,055,585.74	58,430,134.00	189,142,777.22	189,418,832.66	
LIABILITIES, RESERVES AND FUND BALANCE	\$ 18,345,337.61	\$ 8,318,584.17	\$ 69,192,286.08	\$ 22,800,849.62	\$ 12,055,585.74	\$ 58,430,134.00	\$ 189,418,832.66	

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

REVENUE AND OTHER <u>INCOME REALIZED</u>	STATE FISCAL YEAR 2009 <u>AMOUNT</u>	%	STATE FISCAL YEAR 2008 <u>AMOUNT</u>	%
Fund Balance Utilized	\$ 6,070,315.97	3.96	\$ 4,375,500.00	2.94
Miscellaneous - From Other than Local Property Tax Levies	14,450,206.70	9.44	18,533,591.63	12.48
Collection of Delinquent Taxes and Tax Title Liens	2,442,993.30	1.60	1,688,988.27	1.14
Collections of Current Tax Levy	<u>130,139,693.79</u>	<u>85.00</u>	<u>123,918,853.29</u>	<u>83.44</u>
Total Income	<u>\$ 153,103,209.76</u>	<u>100.00</u>	<u>\$ 148,516,933.19</u>	<u>100.00</u>
<u>EXPENDITURES</u>				
Budget Expenditures				
Municipal Purposes	46,553,777.10	31.34	44,060,004.38	30.78
Special District Taxes	2,860,038.00	1.92	2,264,122.00	1.58
County Taxes	19,956,197.38	13.44	19,406,463.70	13.56
Local School Taxes	79,062,706.00	53.23	77,372,579.00	54.05
Other Expenditures	<u>95,104.43</u>	<u>0.06</u>	<u>47,853.47</u>	<u>0.03</u>
Total Expenditures	<u>148,527,822.91</u>	<u>100.00</u>	<u>143,151,022.55</u>	<u>100.00</u>
Less: Expenditures to be Raised by Future Taxes	<u>500.00</u>		<u>500.00</u>	
Total Adjusted Expenditures	<u>148,527,822.91</u>		<u>143,150,522.55</u>	
Excess in Revenue	4,575,386.85		5,366,410.64	
Fund Balance - Beginning	<u>6,337,251.97</u>		<u>5,346,341.33</u>	
	10,912,638.82		10,712,751.97	
Less: Util. as Anticipated Revenue	<u>6,070,315.97</u>		<u>4,375,500.00</u>	
Fund Balance - Ending	<u>\$ 4,842,322.85</u>		<u>\$ 6,337,251.97</u>	

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

REVENUE AND OTHER <u>INCOME REALIZED</u>	STATE FISCAL YEAR 2009	STATE FISCAL YEAR 2008
	AMOUNT	AMOUNT
	%	%
Collection of Sewer Service Charges	\$ 6,852,149.98	\$ 5,041,298.87
Miscellaneous - From Other than Sewer Service Charges	<u>600,314.47</u>	<u>808,659.03</u>
Total Income	<u>\$ 7,452,464.45</u>	<u>\$ 5,849,957.90</u>
<u>EXPENDITURES</u>		
Budget Expenditures		
Operating	\$ 5,920,162.48	\$ 5,863,619.69
Debt Service	212,428.64	106,748.02
Deferred Charges & Statutory Expend.	745,942.16	141,475.00
Capital Improvements	25,000.00	25,000.00
Deficit in Operations Prior Years	<u>184,390.36</u>	<u>0.41</u>
Total Expenditures	<u>7,087,923.64</u>	<u>6,136,842.71</u>
Excess/(Deficit) in Revenue	364,540.81	(286,884.81)
Add: Expenditures Included Above Which are by Statute Deferred Charges to Succeeding Years		566,000.00
Statutory Deficit in Operations to be raised in subsequent years budget		<u>471,275.17</u>
Fund Balance - Beginning	<u>760,999.05</u>	<u>194,999.05</u>
	1,125,539.86	945,389.41
Decreased by:		
Deficit In Operations Prior Year		<u>184,390.36</u>
Fund Balance - Ending	<u>\$ 1,125,539.86</u>	<u>\$ 760,999.05</u>

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

<u>REVENUE AND OTHER INCOME REALIZED</u>	STATE FISCAL YEAR 2009	%	STATE FISCAL YEAR 2008	%
	<u>AMOUNT</u>		<u>AMOUNT</u>	%
Fund Balance	\$ 413,712.50	23.58	\$ 100,053.25	6.93
Rental Income	1,246,390.74	71.04	1,216,320.68	84.20
Miscellaneous - From Other than Rental Income	<u>94,367.33</u>	5.38	<u>128,243.41</u>	<u>8.88</u>
Total Income	<u>\$ 1,754,470.57</u>	<u>100.00</u>	<u>\$ 1,444,617.34</u>	<u>100.00</u>
<u>EXPENDITURES</u>				
Budget Expenditures				
Operating	1,123,165.00	68.99	\$ 914,872.00	79.58
Capital Improvements	325,000.00	19.96	47,500.00	4.13
Debt Service	174,070.94	10.69	182,997.50	15.92
Statutory Expenditures	5,000.00	0.31	3,240.00	0.28
Miscellaneous Expenditures	<u>835.00</u>	<u>0.05</u>	<u>1,023.00</u>	<u>0.09</u>
Total Expenditures	<u>1,628,070.94</u>	<u>100.00</u>	<u>1,149,632.50</u>	<u>100.00</u>
Excess in Revenue	126,399.63		294,984.84	
Fund Balance - Beginning	<u>773,744.65</u>		<u>578,813.06</u>	
	900,144.28		873,797.90	
Less: Util. As Anticip. Revenue	<u>413,712.50</u>		<u>100,053.25</u>	
Fund Balance - Ending	<u>\$ 486,431.78</u>		<u>\$ 773,744.65</u>	

TOWNSHIP OF PISCATAWAY

STATISTICAL DATA

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Tax Rate:	<u>\$5.904</u>	<u>\$5.648</u>	<u>\$5.540</u>

Apportionment of Tax Rate:

Municipal	<u>\$1.395</u>	<u>\$1.277</u>	<u>\$1.344</u>
County	<u>\$0.821</u>	<u>\$0.779</u>	<u>\$0.743</u>
County Open Space	<u>\$0.093</u>	<u>\$0.092</u>	<u>\$0.088</u>
Local School	<u>\$3.595</u>	<u>\$3.500</u>	<u>\$3.365</u>

Assessed Valuation:

2009	<u>\$2,198,834,671</u>
2008	<u>\$2,234,380,041</u>
2007	<u>\$2,236,016,835</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>
2009 SFY	\$ 133,026,343	\$ 131,284,061	98.69%
2008 SFY	127,143,332	123,918,853	97.46%
2007 SFY	120,821,888	118,977,401	98.47%
2006 SFY	115,316,064	114,000,639	98.86%
2005 SFY	110,708,429	108,638,099	98.13%

SFY State Fiscal Year

TOWNSHIP OF PISCATAWAY

STATISTICAL DATA

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>JUNE 30</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2009 SFY	\$361,106.45	\$1,848,811.03	\$2,209,917.48	1.66%
2008 SFY	333,447.77	2,518,393.96	2,851,841.73	2.24%
2007 SFY	310,811.47	1,701,159.48	2,011,970.95	1.67%
2006 SFY	289,223.93	1,336,668.50	1,625,892.43	1.41%
2005 SFY	276,906.44	1,291,692.83	1,568,599.27	1.42%

COMPARISON OF SEWER UTILITY LEVIES

<u>YEAR</u>	<u>LEVY</u>	<u>CASH COLLECTIONS</u>
2009 SFY	\$ 7,445,878	\$ 6,852,150
2008 SFY	5,210,550	5,041,299
2007 SFY	5,039,758	5,063,947
2006 SFY	5,578,892	5,547,797
2005 SFY	5,432,909	5,443,182

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	2009	\$ 4,842,323	\$ 4,054,233
	2008	6,337,252	6,070,316
	2007	5,346,341	4,375,500
	2006	5,346,341	4,375,500
	2005	4,763,144	4,192,678
SEWER UTILITY OPERATING FUND	2009	\$ 1,125,540	None
	2008	760,999	None
	2007	194,999	None
	2006	1,112,973	917,973
	2005	862,345	759,178
SENIOR CITIZENS HOUSING UTILITY FUND	2009	\$ 486,432	\$ 397,163
	2008	773,745	413,713
	2007	578,813	100,053
	2006	549,892	199,344
	2005	457,604	90,000

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

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

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office as at June 30, 2009:

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

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

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

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

(A) Fidelity & Deposit Company of Maryland

TOWNSHIP OF PISCATAWAY
COUNTY OF MIDDLESEX, NEW JERSEY
FISCAL YEAR ENDED JUNE 30, 2009

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, 2009, has been completed. The General Comments are herewith set forth:

Scope of Audit

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

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

INTERNAL CONTROL MATTERS

In planning and performing our audit of the financial statements of Township of Piscataway, County of Middlesex, New Jersey as of and for the fiscal year ended June 30, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered the Township's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an *opinion on the effectiveness of the Township's internal control*. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

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

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

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

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

GENERAL COMMENTS

INTERNAL CONTROL MATTERS (Cont'd.)

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

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

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

In addition, during our audit, we noted certain matters involving the internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated May 24, 2010 on the financial statements of the Township of Piscataway. Our comments and recommendations, which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies.

Internal Control Deficiencies:

2009- I Segregation of Duties - Other Offices/Departments Collecting Municipal Fees

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

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

OTHER MATTERS

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

N.J.S.A. 40A: 11-4 states "every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate of \$21,000 except by contract or agreement."

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

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

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$21,000 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Counselor's opinion should be sought before a commitment is made.

A review of the Township's purchasing procedures indicates that bids were requested by public advertisement for the following items as disclosed in the official minutes.

Materials, Supplies and Equipment

Biodegradable leaf bags; rock salt; HVAC maintenance and emergency repair services and heating system for library; 18 passenger handicapped bus; commercial wide-cut ride-on mower; hot mix asphalt road and sewer construction material

Services and Rentals

Professional services; management fees; traffic line striping; snow plowing services; janitorial services; cleaning services; security services; library fire alarm upgrade; municipal building waterproofing

Construction and Repairs

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

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

Contracts

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

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

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

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

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

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

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

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

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

Compliance with P.L. 2005, c.271

Tests of expenditures for vendors with payments in excess of \$17,500.00 and less than the applicable bid threshold and for contracts not awarded through state contracts, bidding or the "fair and open process" indicated the Township had the required documentation for compliance with P.L. 2005, c.271 for items tested.

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 6, 2009, adopted the following resolution authorizing interest to be charged on delinquent taxes; assessments and sewer service charges:

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

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

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

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

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

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

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Delinquent Taxes and Tax Title Liens

The Township held a tax sale on June 5, 2009.

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

The tax sale omitted items that were reported to be in bankruptcy proceedings, installment agreements and or disputed items for real estate taxes and sewer utility charges. Delinquent real estate taxes as at June 30, 2009 were \$125,575.14 for tax year 2008.

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

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

SFY JUNE 30	NUMBER OF LIENS
2009	7
2008	7
2007	6

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

Investment of Idle Funds

The Chief Financial Officer had the greater portion of the idle funds of the Township invested in interest-bearing investments or accounts during SFY 2009. Earnings from the investments are shown as revenue in the various funds of the Township for SFY 2009.

All deposits and investments held by the Township were directly confirmed as of June 30, 2009 and December 31, 2009.

The Township adopted a formal Cash Management Plan for depositing and investing of Township funds for SFY 2009 in accordance with 40A: 5-14 on January 6, 2009.

Purchase Order System and Encumbrance System

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

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Interfund Balances

The following interfund balances appear in the balance sheets of the Township's financial statements of the year ended June 30, 2009:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$97,677.41	\$97,677.41
Grant Fund		287,231.32
Sewer Utility Operating Fund	287,231.32	
Sewer Utility Capital Fund	183,389.43	
Senior Citizen Operating Fund		<u>183,389.43</u>
Senior Citizen Capital Fund		
Total	<u>\$568,298.16</u>	<u>\$568,298.16</u>

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

Outside Offices/Departments and Other Officials Collecting Fees

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

Municipal Court

The Municipal Court maintained a manual detail listing of bail account deposits as part of the reconciliation of its bail account. The examination of the general account included review that deposits were recorded and spread by receipt category. Cash was reconciled monthly and disbursements were made to the agencies on a timely basis. The analysis of outstanding bail was not reconciled to the book balance.

It is recommended that the analysis of outstanding bail be reconciled to the book balance.

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Administration and Accounting of State & Federal Grants

During SFY 2009, the Township operated programs that were funded in whole or in part by state or federal grant awards. As part of the acceptance of these funds, the Township is required to make assurances to the grantor agency that it will comply, in its general operations as well as in the operation of grant funded programs, with various laws and regulations. In addition, the individual grant contracts impose specific compliance requirements for the operations of each program. Based upon the myriad compliance and reporting requirements for grant awards, the Township should continue to develop sound administrative functions over grant program.

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

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

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

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

Condition of Records - Tax Office

During SFY 2009, 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, 2009 it was noted that at the end of the fiscal year the system was in proof with financial reports issued for the period.

Utility Funds

The Township posted all improvement authorizations approved by the governing body to the general ledger for fixed capital and fixed capital authorized and uncompleted.

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Condition of Records – Finance Department

The Finance Department utilized a computerized general ledger accounting system during SFY 2009. General ledgers were maintained for all funds. The Township is currently in compliance with New Jersey Administration Code 5:30-5.7, establishment and maintenance of a general ledger for at least the current fund.

As noted within the Single Audit section, the completion of the report was delayed based upon the timing of the preparation of the financial statements.

We suggest the financial statements and applicable schedules be prepared in a timely manner in compliance with Singles Audit requirements.

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

Other Compliance Matters:

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

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

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

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

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

Compliance with Local Finance Notices

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

The Township of Piscataway, County of Middlesex, prepared and filed a corrective action plan for the SFY 2008, pursuant to Local Finance Board Notice Number 92-15.

RECOMMENDATIONS

We recommended the following:

That the Municipal Court review the reconciled bail to the bail on account per the ATS/ACS computer system.

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

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

Very truly yours,

HODULIK & MORRISON, P.A.


Andrew G. Hodulik, CPA, RMA
No. 406

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