

Report of Audit

on the

Financial Statements

of the

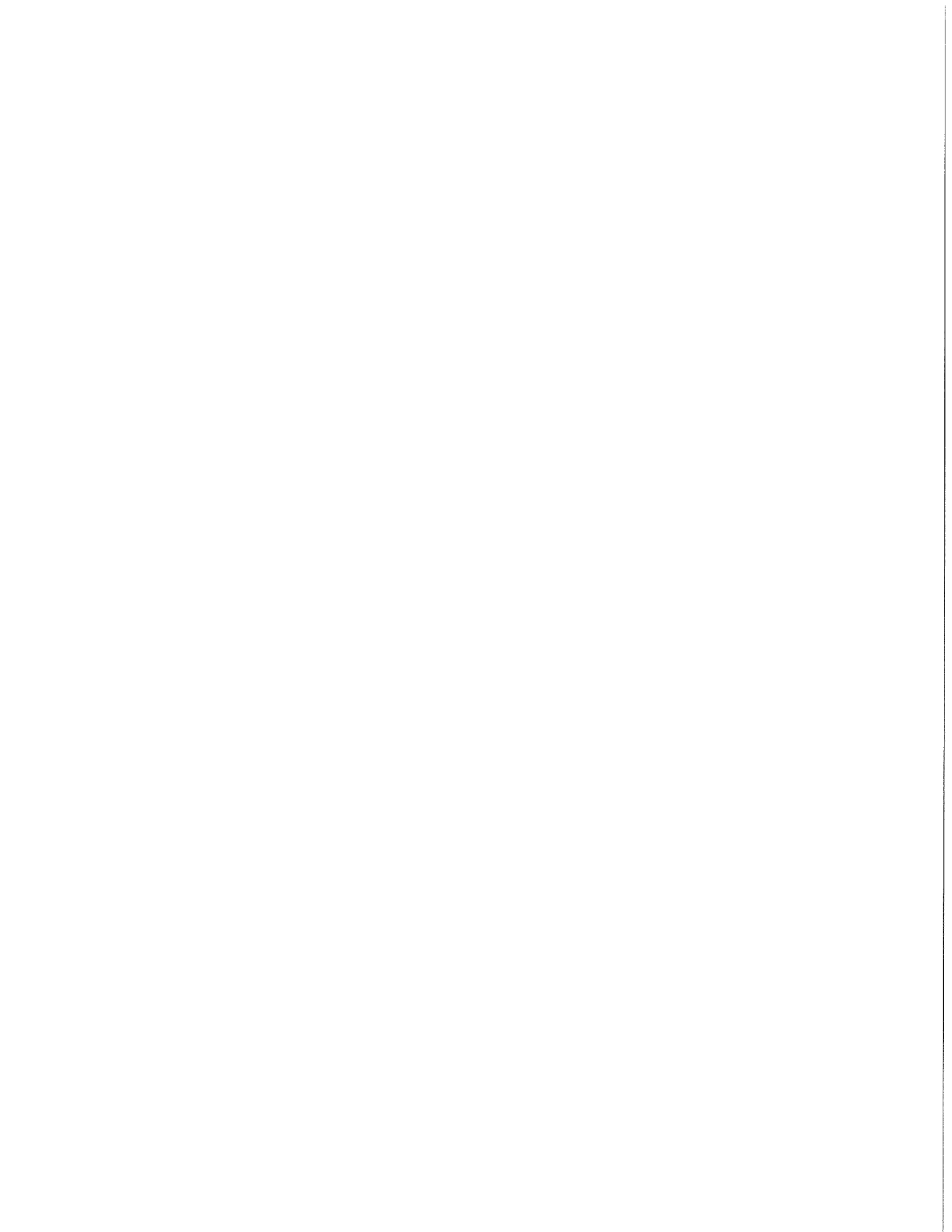
Township of Bridgewater

in the

County of Somerset
New Jersey

for the

Year Ended
December 31, 2013



TOWNSHIP OF BRIDGEWATER

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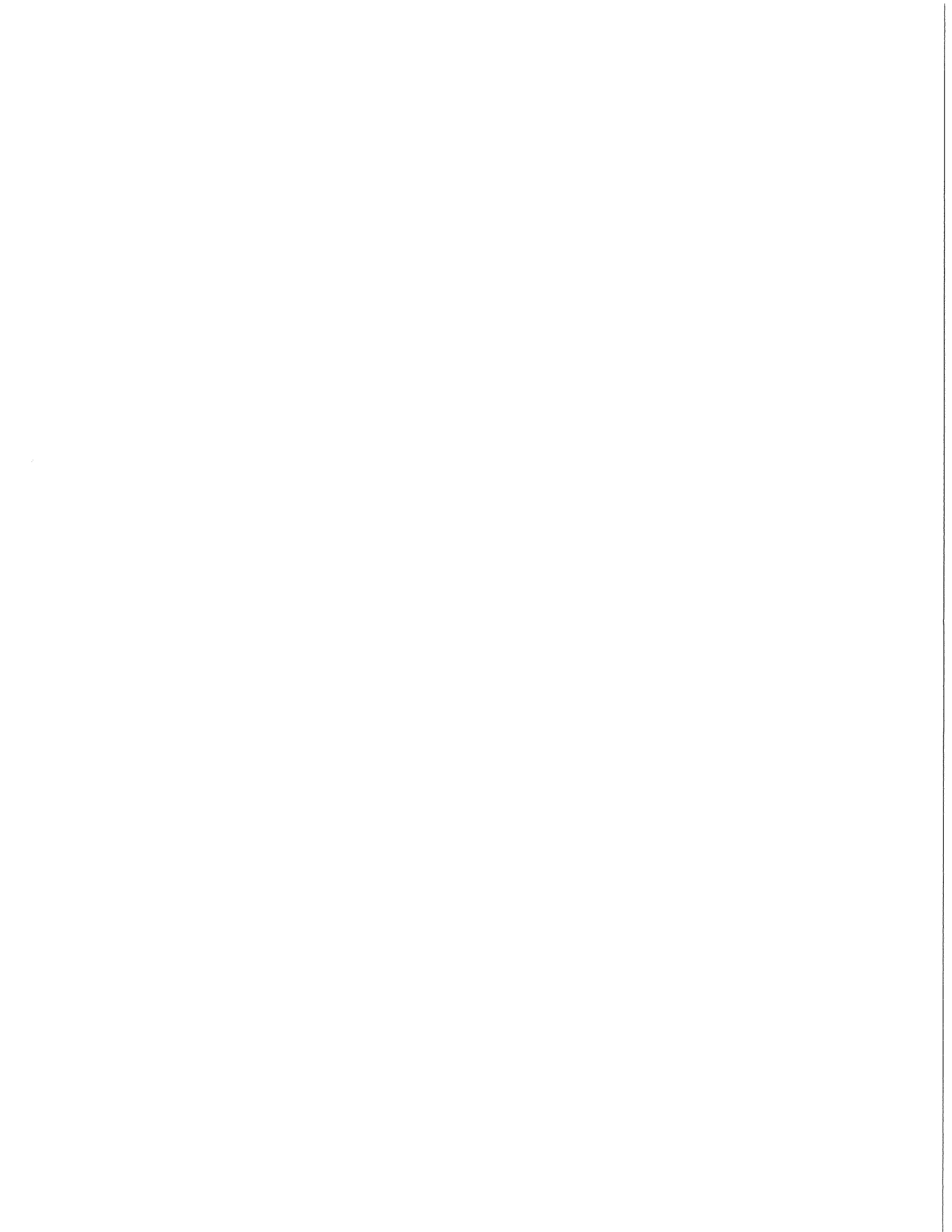
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TOWNSHIP OF BRIDGEWATER

PART I

INDEPENDENT AUDITOR'S REPORT ON
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FINANCIAL STATEMENTS - REGULATORY BASIS - ALL FUNDS

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SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2013 AND 2012



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Township Council
Township of Bridgewater
County of Somerset
Bridgewater, New Jersey 08807

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Township of Bridgewater, as of December 31, 2013 and 2012, the related statement of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these regulatory financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the provisions of U.S. Office of Management and Budget (OMB) Circular 133, "Audits of States, Local Governments and Non-Profit Organizations" and State of New Jersey OMB Circular 04-04 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

SUPLEE, CLOONEY & COMPANY

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

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

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

As described in Note 1 of the regulatory financial statements, the regulatory financial statements are prepared by the Township of Bridgewater on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the various individual funds and account group of the Township of Bridgewater as of December 31, 2013 and 2012, or the results of its operations and changes in fund balance for the years then ended of the revenues or expenditures for the year ended December 31, 2013.

Opinion on Regulatory Basis of Accounting

In our opinion, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets of the various individual funds and account group as of December 31, 2013 and 2012, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statement of revenues and expenditures and changes in fund balance for the year ended December 31, 2013 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

SUPLEE, CLOONEY & COMPANY

Other Matters

Other Information

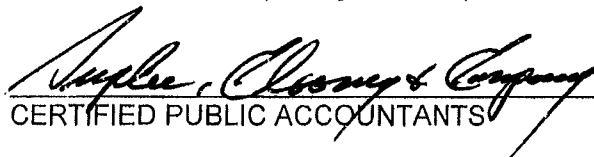
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Bridgewater's regulatory financial statements. The supplementary information and data listed in the table of contents as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the schedule of expenditures of state financial assistance as required by NJ OMB 04-04 are presented for purposes of additional analysis and are not a required part of the regulatory financial statements.

The supplemental information and schedules listed above and also listed in the table of contents are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the regulatory financial statements. Such information has been subjected to the auditing procedures applied in the audit of the regulatory financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory financial statements or to the regulatory financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed and data in the table of contents, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the schedule of expenditures of state financial assistance as required by NJ OMB 04-04 are fairly stated, in all material respects, in relation to the regulatory financial statements as a whole.

The general comments and recommendations section has not been subject to the auditing procedures applied in the audit of the regulatory financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 8, 2014 on our consideration of the Township of Bridgewater's internal control over financial reporting and on 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Bridgewater's internal control over financial reporting and compliance.


CERTIFIED PUBLIC ACCOUNTANTS

April 8, 2014


REGISTERED MUNICIPAL ACCOUNTANT NO. 50

CURRENT FUND

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

| | <u>REF.</u> | BALANCE DECEMBER <u>31, 2013</u> | BALANCE DECEMBER <u>31, 2012</u> |
|--|-------------|--|--|
| <u>ASSETS</u> | | | |
| Cash | A-4 | \$ 15,226,994.22 | \$ 9,671,010.03 |
| Change Fund | A-6 | 410.00 | 410.00 |
| Due State of New Jersey - Senior Citizens and Veterans | A-7 | 248,726.72 | 151,026.21 |
| | | <u>\$ 15,476,130.94</u> | <u>\$ 9,822,446.24</u> |
| Receivables and Other Assets with Full Reserves: | | | |
| Delinquent Property Taxes Receivable | A-8 | \$ 1,161,575.79 | \$ 1,534,884.03 |
| Tax Title Liens Receivable | A-9 | 129,726.11 | 125,140.59 |
| Property Acquired for Taxes - Assessed Valuation | A-10 | 422,300.00 | 422,300.00 |
| Revenue Accounts Receivable | A-13 | 32,687.93 | 42,133.94 |
| Interfunds Receivable | A-12 | 87,373.10 | 97.80 |
| | A | <u>\$ 1,833,662.93</u> | <u>\$ 2,124,556.36</u> |
| Deferred Charges | | | |
| | A-32 | \$ 721,200.00 | \$ 745,600.00 |
| | A | <u>\$ 18,030,993.87</u> | <u>\$ 12,692,602.60</u> |
| Grant Fund: | | | |
| Cash | A-4 | \$ 238,852.09 | \$ 57,590.31 |
| Grants Receivable | A-25 | 709,062.92 | 1,064,143.44 |
| Due Current Fund | A-29 | 1,400.00 | |
| | A | <u>\$ 949,315.01</u> | <u>\$ 1,121,733.75</u> |
| | A | <u>\$ 18,980,308.88</u> | <u>\$ 13,814,336.35</u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

| | <u>REF.</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2012</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2011</u> |
|---|-------------|--|--|
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | | |
| Appropriations Reserves | A-3:A-14 | \$ 816,559.39 | \$ 734,495.51 |
| Prepaid Taxes | A-18 | 889,772.39 | 1,098,126.76 |
| Accounts Payable | A-11 | 1,368,858.56 | 1,527,069.58 |
| Tax Overpayments | A-17 | 155,129.45 | 137,781.43 |
| Interfunds Payable | A-12 | 1,442,403.28 | 799,416.96 |
| Reserve For: | | | |
| Sale of Municipal Assets | A-19 | 261.03 | 16,261.03 |
| Marriage/Civil Union Licenses - Due State of NJ | A-27 | 1,375.00 | 850.00 |
| Construction Code DCA - Due State of New Jersey | A-16 | 23,966.00 | 16,396.00 |
| Insurance Damage | A-31 | 45,975.48 | 16,471.23 |
| County Taxes Payable | A-20 | 46,888.49 | 63,205.00 |
| Tax Appeals | A-15 | 696,701.30 | 739,431.00 |
| Regional School Taxes Payable | A-21 | 4,512,691.32 | |
| Storm Damage - FEMA | A-26 | 475,188.82 | 270,960.51 |
| Emergency Note Payable | A-28 | 512,000.00 | 640,000.00 |
| | | \$ 10,987,770.51 | \$ 6,060,465.01 |
| Reserve for Receivables and Other Assets | A | 1,833,662.93 | 2,124,556.36 |
| Fund Balance | A-1 | 5,208,560.43 | 4,507,581.23 |
| | A | \$ 18,029,993.87 | \$ 12,692,602.60 |
| Grant Fund: | | | |
| Reserve for Grants - Unappropriated | A-24 | \$ 88,722.26 | \$ 103,772.47 |
| Reserve for Grants - Appropriated | A-23 | 688,525.88 | 586,234.61 |
| Due Other Trust Fund | A-30 | | 270,473.73 |
| Accounts Payable | A-11 | 172,066.87 | 161,252.94 |
| | A | \$ 949,315.01 | \$ 1,121,733.75 |
| | A | \$ 18,979,308.88 | \$ 13,814,336.35 |

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

STATEMENTS OF OPERATIONS AND
CHANGES IN FUND BALANCE - REGULATORY BASIS

| | REF. | YEAR ENDED DECEMBER 31, 2013 | YEAR ENDED DECEMBER 31, 2012 |
|--|---------|---------------------------------|---------------------------------|
| <u>REVENUE AND OTHER INCOME REALIZED</u> | | | |
| Fund Balance Utilized | A-1:A-2 | \$ 3,000,000.00 | \$ 2,800,000.00 |
| Miscellaneous Revenue Anticipated | A-2 | 15,080,290.27 | 14,063,790.08 |
| Receipts From Delinquent Taxes | A-2 | 1,529,705.03 | 1,591,427.31 |
| Receipts From Current Taxes | A-2 | 167,410,366.14 | 166,458,625.08 |
| Non-Budget Revenue | A-2 | 395,292.95 | 732,401.83 |
| Other Credits to Income: | | | |
| Unexpended Balance of Appropriation Reserves | A-14 | 776,498.65 | 753,952.67 |
| Accounts Payable Canceled | A-11 | 90,328.32 | 74,189.43 |
| Reserves Canceled | | 96,829.61 | 215,032.95 |
| Interfunds Returned | | | 34,163.76 |
| <u>TOTAL REVENUE AND OTHER INCOME</u> | | <u>\$ 188,379,310.97</u> | <u>\$ 186,723,583.11</u> |
| <u>EXPENDITURES</u> | | | |
| Budget Appropriations | A-3 | \$ 37,216,662.27 | \$ 36,922,991.89 |
| Special Fire District Taxes | A-22 | 2,275,204.00 | 2,244,354.00 |
| County Taxes | A-20 | 32,924,671.20 | 33,332,035.94 |
| Regional School District Taxes | A-21 | 112,300,162.00 | 111,787,443.35 |
| Interfunds Advanced | | 87,275.30 | |
| Refund of Prior Year Revenue | A-4 | 4,357.00 | 550.00 |
| <u>TOTAL EXPENDITURES</u> | | <u>\$ 184,808,331.77</u> | <u>\$ 184,287,375.18</u> |
| Excess in Revenue | | \$ 3,570,979.20 | \$ 2,436,207.93 |
| Adjustments to Income Before Fund Balance; | | | |
| Expenditures Included Above Which are by Statute | | | |
| Deferred Charges to Budget of Succeeding Year | A-32 | \$ 130,000.00 | \$ 640,000.00 |
| Statutory Excess to Fund Balance | | \$ 3,700,979.20 | \$ 3,076,207.93 |
| Fund Balance, January 1 | A | 4,507,581.23 | 4,231,373.30 |
| | | <u>\$ 8,208,560.43</u> | <u>\$ 7,307,581.23</u> |
| Decreased by: | | | |
| Utilization as Anticipated Revenue | A-1:A-2 | 3,000,000.00 | 2,800,000.00 |
| Fund Balance, December 31 | A | <u>\$ 5,208,560.43</u> | <u>\$ 4,507,581.23</u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

| | REF. | ANTICIPATED | | REALIZED | EXCESS OR (DEFICIT) |
|---|------|-----------------------|----------------------------|------------------|---------------------------|
| | | ANTICIPATED BUDGET | SPECIAL N.J.S. 40A:4-87 | | |
| Fund Balance Anticipated | A-1 | \$ 3,000,000.00 | | \$ 3,000,000.00 | |
| Miscellaneous Revenues: | | | | | |
| Licenses: | | | | | |
| Alcoholic Beverages | A-13 | \$ 85,000.00 | | \$ 88,002.00 | \$ 3,002.00 |
| Other | A-13 | 30,000.00 | | 33,505.00 | 3,505.00 |
| Fees and Permits: | | | | | |
| Construction Code Official | A-2 | 1,500,000.00 | | 1,680,019.00 | 180,019.00 |
| Other | A-2 | 310,000.00 | | 377,473.93 | 67,473.93 |
| Municipal Court: | | | | | |
| Fines and Costs | A-13 | 717,000.00 | | 633,989.09 | (83,010.91) |
| Interest and Costs on Taxes | A-13 | 350,000.00 | | 394,596.58 | 44,596.58 |
| Interest on Investments and Deposits | A-13 | 45,000.00 | | 45,658.26 | 658.26 |
| Recreation Fees | A-2 | 198,000.00 | | 199,661.50 | 1,661.50 |
| Consolidated Municipal Property Tax Relief Aid | A-13 | 188,018.00 | | 188,018.00 | |
| Energy Receipts Tax | A-13 | 5,712,161.00 | | 5,712,161.18 | 0.18 |
| Garden State Trust Fund | A-13 | 4,082.00 | | | (4,082.00) |
| Joint Services with County Library | A-13 | 320,000.00 | | 335,449.50 | 15,449.50 |
| Public Assistance Services with County | A-13 | 57,300.00 | | 57,300.00 | |
| Recycling Tonnage Grant | A-25 | 84,630.70 | | 84,630.70 | |
| Drunk Driving Enforcement Fund | A-25 | | 19,141.77 | 19,141.77 | |
| Clean Communities Program | A-25 | | 87,538.56 | 87,538.56 | |
| Municipal Alliance on Alcoholism and Drug Use | A-25 | 37,782.00 | | 37,782.00 | |
| Safe & Secure Communities Program | A-25 | | 60,000.00 | 60,000.00 | |
| Office of Emergency Management | A-25 | | 5,000.00 | 5,000.00 | |
| Youth Services Program | A-25 | | 5,000.00 | 5,000.00 | |
| Body Armor Replacement Fund | A-25 | | 8,719.89 | 8,719.89 | |
| Drive Sober or Get Pulled Over | A-25 | 4,400.00 | 8,800.00 | 13,200.00 | |
| Alcohol Education Rehabilitation Program | A-25 | | 1,847.11 | 1,847.11 | |
| Hazardous Site Remediation | A-25 | | 115,526.00 | 115,526.00 | |
| CDBG - Southside Avenue | A-25 | 100,000.00 | | 100,000.00 | |
| CDBG - Middlebrook Trail | A-25 | | 685.00 | 685.00 | |
| Child Safety Grant | A-25 | | 1,500.00 | 1,500.00 | |
| Highway Safety Grant | A-25 | | 151,971.69 | 151,971.69 | |
| Regional Center Partnership Grant | A-25 | | 23,000.00 | 43,000.00 | |
| Life Hazard Use Fees | A-13 | 125,000.00 | | 136,717.64 | 11,717.64 |
| Suburban Cablevision Franchise Fee | A-13 | 405,000.00 | | 518,746.95 | 113,746.95 |
| Payment in Lieu of Taxes - Centerbridge I | A-13 | 95,000.00 | | 97,012.29 | 2,012.29 |
| Payment in Lieu of Taxes - Centerbridge II | A-13 | 100,000.00 | | 102,523.74 | 2,523.74 |
| Bridgewater Commons Rent and Royalty - In Lieu of Taxes | A-13 | 1,700,000.00 | | 2,026,749.13 | 326,749.13 |
| Host Benefit Fees | A-13 | 220,000.00 | | 223,007.35 | 3,007.35 |
| Reserve for Insurance Reimbursements | A-31 | 43,155.00 | | 43,155.00 | |
| Capital Surplus | A-13 | 130,000.00 | | 130,000.00 | |
| Hotel and Motel Tax | A-13 | 720,000.00 | | 899,998.98 | 179,998.98 |
| Sale of Municipal Assets | A-19 | 16,000.00 | | 16,000.00 | |
| Animal Shelter Contributions | A-13 | 15,620.75 | | 15,620.75 | |
| Storm Reimbursement | A-2 | 319,984.34 | | 319,984.34 | |
| Debt Service Reimbursement - Open Space Trust Fund | A-13 | 69,397.34 | | 69,397.34 | |
| <u>Total Miscellaneous Revenues</u> | A-1 | \$ 13,722,531.13 | \$ 488,730.02 | \$ 15,080,290.27 | \$ 869,029.12 |
| Receipts From Delinquent Taxes | A-1 | \$ 1,343,610.92 | | \$ 1,529,705.03 | \$ 186,094.11 |
| Amount to be Raised by Taxes for Support of Municipal Budget: | | | | | |
| Local Tax for Municipal Purposes | A-2 | \$ 20,912,497.41 | | \$ 22,260,328.94 | \$ 1,347,831.53 |
| <u>BUDGET TOTALS</u> | | \$ 38,978,639.46 | \$ 488,730.02 | \$ 41,870,324.24 | \$ 2,402,954.76 |
| Non-Budget Revenues | A-2 | | | 395,292.95 | 395,292.95 |
| | | \$ 38,978,639.46 | \$ 488,730.02 | \$ 42,265,617.19 | \$ 2,798,247.71 |
| | REF. | A-3 | A-3 | | |

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

REF.

ANALYSIS OF REALIZED REVENUE

| | | |
|--|----------|--------------------------------|
| Allocation of Current Tax Collections: | | |
| Collections | A-1:A-8 | \$ 167,410,366.14 |
| Allocated to: | | |
| County Taxes | A-8 | 32,924,671.20 |
| Regional School District Taxes | A-8 | 112,300,162.00 |
| Special Fire District Taxes | A-8 | 2,275,204.00 |
| | | \$ <u>147,500,037.20</u> |
| Balance for Support of Municipal Budget Appropriations | | \$ 19,910,328.94 |
| Add: Appropriation "Reserve for Uncollected Taxes" | A-3 | <u>2,350,000.00</u> |
| Amount for Support of Municipal Budget Appropriations | A-2 | \$ <u><u>22,260,328.94</u></u> |
| Licenses - Other: | | |
| Clerk | | \$ 3,600.00 |
| Health Officer | | 27,520.00 |
| Registrar | | 585.00 |
| Police Towing | | <u>1,800.00</u> |
| | A-2:A-13 | \$ <u><u>33,505.00</u></u> |
| Other - Fees and Permits: | | |
| Board of Health | | \$ 4,915.00 |
| Police | | 53,977.80 |
| Clerk | | 1,164.79 |
| Planning | | 35,321.04 |
| Prosecutor | | 48.25 |
| Registrar | | 17,638.00 |
| Engineering | | 1,873.98 |
| Tax Assessor | | 976.25 |
| Board of Adjustment | | 35,338.00 |
| In House Escrow Fees | | 62,480.90 |
| Fire | | 160,609.00 |
| Zoning | | 3,080.92 |
| Tax Search | | <u>50.00</u> |
| | A-2:A-13 | \$ <u><u>377,473.93</u></u> |
| Recreation Fees | A-13 | \$ 206,461.50 |
| Less: Refunds | A-4 | <u>6,800.00</u> |
| | A-2 | \$ <u><u>199,661.50</u></u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

REF.

| | | | |
|---------------------------------|------|----|----------------------------|
| Uniform Construction Code Fees | A-13 | \$ | 1,691,336.40 |
| Less: Refunds | A-4 | | <u>11,317.40</u> |
| | A-2 | \$ | <u><u>1,680,019.00</u></u> |
| Storm Reimbursement | A-13 | \$ | 147,200.00 |
| Reserve for Storm Damage - FEMA | A-26 | | <u>172,784.34</u> |
| | A-2 | \$ | <u><u>319,984.34</u></u> |

ANALYSIS OF NON-BUDGET REVENUE

| | | | |
|--|---------|----|--------------------------|
| Miscellaneous Revenue Not Anticipated: | | | |
| Road Openings | | \$ | 860.00 |
| COAH Rent | | | 1,440.00 |
| JIF Award | | | 80,951.87 |
| Refund of Prior Year Expenses | | | 4,096.72 |
| Bad Check Fees | | | 1,160.00 |
| Police Outside Overtime Administrative Fees | | | 111,464.42 |
| Police Outside Overtime Car Usage | | | 62,035.00 |
| Senior Citizens and Veterans Administrative Fees | | | 5,617.78 |
| Refuse Revenue | | | 16,650.31 |
| DMV Inspection Fines | | | 4,607.00 |
| Tax Collector | | | 27,223.27 |
| Miscellaneous | | | <u>70,245.60</u> |
| | A-4 | \$ | <u>386,351.97</u> |
| Excess Reserve for Animal Expenditures | A-12 | | <u>8,940.98</u> |
| <u>Total Non-Budget Revenue</u> | A-1:A-2 | \$ | <u><u>395,292.95</u></u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF BRIDGEWATER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013

| | APPROPRIATIONS | | EXPENDED | | UNEXPENDED BALANCE CANCELED |
|--------------------------------------|----------------|------------------------------|--------------------|------------|-----------------------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | |
| MAYOR'S OFFICE: | | | | | |
| Salaries and Wages | \$ 62,097.84 | \$ 63,597.84 | \$ 63,114.76 | \$ 483.08 | \$ |
| Other Expenses | 3,201.00 | 3,201.00 | 2,902.04 | 298.96 | |
| ADMINISTRATION: | | | | | |
| Salaries and Wages | 144,854.64 | 147,854.64 | 147,751.71 | 102.93 | |
| Other Expenses | 18,984.25 | 18,984.25 | 11,021.92 | 7,962.33 | |
| ECONOMIC DEVELOPMENT: | | | | | |
| Salaries and Wages | 77,325.44 | 79,325.44 | 78,771.90 | 553.54 | |
| Other Expenses | 300.00 | 300.00 | 274.00 | 26.00 | |
| TOWNSHIP COUNCIL: | | | | | |
| Salaries and Wages | 27,000.00 | 27,100.00 | 27,000.04 | 99.96 | |
| Other Expenses | 6,650.00 | 6,650.00 | 6,040.69 | 609.31 | |
| PERSONNEL OFFICE: | | | | | |
| Salaries and Wages | 126,303.18 | 126,303.18 | 122,880.67 | 3,422.51 | |
| Other Expenses | 14,300.00 | 16,300.00 | 16,004.93 | 295.07 | |
| PURCHASING DEPARTMENT: | | | | | |
| Salaries and Wages | 61,329.30 | 61,329.30 | 58,876.13 | 2,453.17 | |
| Other Expenses | 25,550.00 | 25,550.00 | 23,770.56 | 1,770.44 | |
| IT DEPARTMENT: | | | | | |
| Salaries and Wages | 97,626.00 | 100,626.00 | 99,633.76 | 992.24 | |
| Other Expenses | 10,000.00 | 10,000.00 | 6,463.54 | 3,536.46 | |
| TOWNSHIP CLERK: | | | | | |
| Salaries and Wages | 142,702.68 | 149,702.68 | 147,433.67 | 2,269.01 | |
| Other Expenses | 21,825.00 | 21,825.00 | 19,591.91 | 2,233.09 | |
| ELECTIONS: | | | | | |
| Other Expenses | 13,100.00 | 13,100.00 | 12,020.16 | 1,079.84 | |
| FINANCE DIRECTOR'S OFFICE: | | | | | |
| Salaries and Wages | 83,973.78 | 85,773.78 | 85,653.05 | 120.73 | |
| Other Expenses | 3,300.00 | 3,300.00 | 2,948.82 | 351.18 | |
| DIVISION OF TREASURY: | | | | | |
| Salaries and Wages | 122,801.22 | 112,801.22 | 103,017.71 | 9,783.51 | |
| Other Expenses | 52,055.00 | 47,055.00 | 44,277.39 | 2,777.61 | |
| Audit | 53,550.00 | 49,550.00 | 47,125.00 | 2,425.00 | |
| TAX COLLECTION: | | | | | |
| Salaries and Wages | 94,717.52 | 99,717.52 | 95,002.87 | 4,714.65 | |
| Other Expenses | 23,683.00 | 23,683.00 | 23,589.89 | 93.11 | |
| TAX ASSESSMENT: | | | | | |
| Salaries and Wages | 158,813.96 | 161,813.96 | 159,988.97 | 1,824.99 | |
| Other Expenses | 74,900.00 | 64,900.00 | 55,239.01 | 9,660.99 | |
| Reassessment Program | 100,000.00 | 75,000.00 | 74,240.00 | 760.00 | |
| LEGAL OFFICE: | | | | | |
| Salaries and Wages | 13,525.20 | 13,525.20 | 10,747.11 | 2,778.09 | |
| Other Expenses | 650,000.00 | 701,000.00 | 697,560.51 | 3,439.49 | |
| INSURANCE: | | | | | |
| Employee Group Insurance | 3,989,879.62 | 4,321,879.62 | 4,288,784.84 | 33,094.78 | |
| Other Insurance Premiums | 670,205.00 | 670,205.00 | 670,205.00 | | |
| ENGINEERING DIRECTOR'S OFFICE: | | | | | |
| Salaries and Wages | 61,954.08 | 63,454.08 | 63,193.00 | 261.08 | |
| Other Expenses | 3,640.00 | 3,640.00 | 3,624.08 | 15.92 | |
| ENGINEERING: | | | | | |
| Salaries and Wages | 202,640.46 | 206,140.48 | 200,287.79 | 5,852.69 | |
| Other Expenses | 10,255.00 | 10,255.00 | 9,899.25 | 355.75 | |
| BOARD OF ADJUSTMENT/ZONING: | | | | | |
| Salaries and Wages | 55,211.76 | 60,711.76 | 60,101.40 | 610.36 | |
| Other Expenses | 22,330.29 | 22,330.29 | 20,799.39 | 1,530.90 | |
| DIVISION OF PLANNING: | | | | | |
| Salaries and Wages | 40,000.00 | 35,000.00 | 26,303.08 | 8,696.92 | |
| Other Expenses | 63,350.00 | 63,350.00 | 62,662.91 | 687.09 | |
| PLANNING BOARD: | | | | | |
| Other Expenses | 23,945.00 | 23,945.00 | 19,472.89 | 4,472.11 | |
| POLICE: | | | | | |
| Salaries and Wages | 8,943,586.79 | 8,943,586.79 | 8,754,121.99 | 189,464.80 | |
| Other Expenses | 376,427.00 | 376,427.00 | 338,556.01 | 37,870.99 | |
| Vehicle Purchase | 26,786.00 | 23,686.00 | 23,647.00 | 39.00 | |
| OFFICE OF EMERGENCY MANAGEMENT: | | | | | |
| Salaries and Wages | 7,400.00 | 7,400.00 | 6,200.00 | 1,200.00 | |
| Other Expenses | 2,310.00 | 2,310.00 | 395.56 | 1,914.44 | |
| FIRE SAFETY: | | | | | |
| Salaries and Wages | 156,078.00 | 156,078.00 | 147,585.52 | 8,492.48 | |
| Other Expenses | 100.00 | 100.00 | 68.99 | 31.01 | |
| FIRE HYDRANT SERVICES: | | | | | |
| Other Expenses | 900,000.00 | 900,000.00 | 900,000.00 | | |
| FIRST AID ORGANIZATION CONTRIBUTION: | | | | | |
| Other Expenses | 50,000.00 | 50,000.00 | 50,000.00 | | |
| MUNICIPAL COURT: | | | | | |
| Salaries and Wages | 318,907.20 | 323,907.20 | 321,926.26 | 1,980.94 | |
| Other Expenses | 37,450.00 | 37,450.00 | 36,428.77 | 1,021.23 | |
| PUBLIC DEFENDER: | | | | | |
| Other Expenses | 19,000.00 | 19,000.00 | 19,000.00 | | |
| ROAD REPAIRS AND MAINTENANCE: | | | | | |
| Salaries and Wages | 1,514,910.44 | 1,484,910.44 | 1,418,907.55 | 66,002.89 | |
| Other Expenses | 427,550.00 | 427,550.00 | 380,615.08 | 46,934.92 | |

TOWNSHIP OF BRIDGEWATER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013

| | APPROPRIATIONS | | EXPENDED | | UNEXPENDED BALANCE CANCELED |
|---|-------------------------|------------------------------|-------------------------|----------------------|-----------------------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | |
| VEHICLE MAINTENANCE: | | | | | |
| Salaries and Wages | \$ 283,379.80 | \$ 283,379.80 | \$ 267,590.08 | \$ 15,789.72 | \$ |
| Other Expenses | 129,750.00 | 129,750.00 | 125,596.81 | 4,153.19 | |
| RECYCLING: | | | | | |
| Other Expenses | 320,000.00 | 320,000.00 | 315,726.30 | 4,273.70 | |
| SNOW REMOVAL: | | | | | |
| Salaries and Wages | 50,000.00 | 190,000.00 | 139,056.11 | 50,943.89 | |
| Other Expenses | 100,000.00 | 162,281.00 | 130,903.55 | 31,377.45 | |
| CONTRACT WITH REGIONAL BOARD OF EDUCATION FOR TRANSPORTATION OF LOCAL PUPILS (N.J.S. 18a:39-1.2) | 276,381.70 | 276,381.70 | 276,381.70 | | |
| PARK MAINTENANCE: | | | | | |
| Salaries and Wages | 727,742.00 | 782,742.00 | 740,491.84 | 42,250.16 | |
| Other Expenses | 82,635.00 | 82,635.00 | 79,508.08 | 3,126.92 | |
| MUNICIPAL SERVICES REIMBURSEMENT-CONDOMINIUMS: | | | | | |
| Other Expenses | 61,000.00 | 61,000.00 | 61,000.00 | | |
| PUBLIC BUILDINGS AND GROUNDS: | | | | | |
| Salaries and Wages | 268,581.40 | 288,581.40 | 270,370.59 | 18,210.81 | |
| Other Expenses | 237,000.00 | 217,000.00 | 203,945.35 | 13,054.65 | |
| DIRECTOR'S OFFICE: | | | | | |
| Salaries and Wages | 96,434.16 | 98,534.16 | 98,363.00 | 171.16 | |
| Other Expenses | 525.00 | 525.00 | 525.00 | | |
| DIVISION OF HEALTH: | | | | | |
| Salaries and Wages | 193,902.08 | 194,902.08 | 193,087.69 | 1,814.39 | |
| Other Expenses | 9,625.00 | 9,625.00 | 8,538.64 | 1,086.36 | |
| ADMINISTRATION OF PUBLIC ASSISTANCE: | | | | | |
| Salaries and Wages | 63,320.80 | 64,820.80 | 64,567.17 | 253.63 | |
| Other Expenses | 100.00 | 100.00 | | 100.00 | |
| VISITING NURSES SERVICES - CONTRIBUTION | 10,030.00 | 10,030.00 | 10,030.00 | | |
| CONTRIBUTION TO SOMERSET REGIONAL CENTER PARTNERSHIP | 12,100.00 | 10,900.00 | 10,890.00 | 10.00 | |
| ENVIRONMENTAL COMMISSION (N.J.S. 40:56a-1 et seq): | | | | | |
| Other Expenses | 5,530.00 | 5,530.00 | 5,530.00 | | |
| SENIOR CITIZEN SERVICES: | | | | | |
| Salaries and Wages | 102,758.00 | 108,258.00 | 107,159.59 | 1,098.41 | |
| Other Expenses | 21,425.00 | 21,425.00 | 20,934.77 | 490.23 | |
| DIVISION OF RECREATION: | | | | | |
| Salaries and Wages | 391,575.92 | 391,575.92 | 386,569.96 | 5,005.96 | |
| Other Expenses | 92,725.00 | 92,725.00 | 84,202.09 | 8,522.91 | |
| BRANCH LIBRARY: | | | | | |
| Salaries and Wages | 79,185.34 | 59,185.34 | 57,352.44 | 1,832.90 | |
| Other Expenses | 257,500.00 | 217,500.00 | 179,330.38 | 38,169.62 | |
| GREEN BROOK FLOOD CONTROL: | | | | | |
| Other Expenses | 1,388.09 | 1,388.09 | 1,388.09 | | |
| STATE UNIFORM CONSTRUCTION CODE OFFICIAL: | | | | | |
| Salaries and Wages | 707,958.56 | 727,958.56 | 714,727.34 | 13,231.22 | |
| Other Expenses | 156,780.00 | 146,780.00 | 143,337.67 | 3,442.33 | |
| STREET LIGHTING | 360,000.00 | 350,000.00 | 350,000.00 | | |
| TELEPHONE SERVICE | 120,000.00 | 110,000.00 | 109,931.50 | 68.50 | |
| CENTRAL OFFICE SUPPLY | 18,500.00 | 18,500.00 | 18,500.00 | | |
| UTILITIES | 850,000.00 | 850,000.00 | 849,885.39 | 114.61 | |
| POSTAGE | 43,000.00 | 23,000.00 | 23,000.00 | | |
| SALARY SETTLEMENTS | 153,318.00 | 153,318.00 | 153,318.00 | | |
| SALARY ADJUSTMENTS | 385,023.72 | | | | |
| TOTAL OPERATIONS WITHIN "CAPS" | \$ 26,878,060.24 | \$ 27,003,517.52 | \$ 26,267,477.21 | \$ 736,040.31 | \$ |
| CONTINGENT | \$ 4,000.00 | \$ 4,000.00 | | \$ 4,000.00 | \$ |
| TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS" | \$ 26,882,060.24 | \$ 27,007,517.52 | \$ 26,267,477.21 | \$ 740,040.31 | \$ |
| DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL - WITHIN "CAPS" | | | | | |
| CONTRIBUTION TO: | | | | | |
| Social Security System (O.A.S.I.) | \$ 1,245,289.18 | \$ 1,232,789.18 | \$ 1,232,789.18 | \$ | \$ |
| DCRP | 6,000.00 | 6,000.00 | 1,440.12 | 4,559.88 | |
| Pension Firemen's Widows | 6,000.00 | 6,000.00 | 5,000.00 | 1,000.00 | |
| Police and Firemen's Retirement System of NJ | 1,898,354.00 | 1,898,354.00 | 1,898,354.00 | | |
| Unemployment Compensation Insurance | 15,000.00 | 5,000.00 | 5,000.00 | | |
| Public Employees' Retirement System of NJ | 831,705.00 | 858,747.72 | 858,747.60 | 0.12 | |
| TOTAL DEFERRED CHARGES & STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS" | \$ 4,002,348.18 | \$ 4,006,890.90 | \$ 4,001,330.90 | \$ 5,560.00 | \$ |
| TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS" | \$ 30,884,408.42 | \$ 31,014,408.42 | \$ 30,268,808.11 | \$ 745,600.31 | \$ |

TOWNSHIP OF BRIDGEWATER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013

| | APPROPRIATIONS | | EXPENDED | | UNEXPENDED BALANCE CANCELED |
|--|-----------------|------------------------------|--------------------|--------------|-----------------------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | |
| OPERATIONS EXCLUDED FROM "CAPS" | | | | | |
| Stormwater Permit | \$ 9,000.00 | \$ 9,000.00 | \$ 9,000.00 | \$ | \$ |
| Length of Service Award Program | 115,000.00 | 115,000.00 | 100,430.00 | 14,570.00 | |
| DOG REGULATION | 221,000.00 | 221,000.00 | 221,000.00 | | |
| BRANCH LIBRARY: | | | | | |
| Salaries and Wages | 150,479.70 | 150,479.70 | 149,605.01 | 874.69 | |
| Other Expenses | 16,484.54 | 16,484.54 | 12,914.65 | 3,569.89 | |
| Insurance - Employee Group Insurance | 135,466.38 | 135,466.38 | 121,403.34 | 14,063.04 | |
| Social Security | 17,569.38 | 17,569.38 | 13,472.26 | 4,097.12 | |
| TOTAL OTHER OPERATIONS - EXCLUDED FROM "CAPS" | \$ 665,000.00 | \$ 665,000.00 | \$ 627,825.26 | \$ 37,174.74 | \$ |
| STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES | | | | | |
| Municipal Alliance Program: | | | | | |
| State Aid | \$ 37,782.00 | \$ 37,782.00 | \$ 37,782.00 | \$ | \$ |
| Matching Funds for Grants | 9,918.00 | 9,918.00 | 9,918.00 | | |
| Clean Communities Program (N.J.S.A. 40A: 4-87 +\$87,538.56) | | 87,538.56 | 87,538.56 | | |
| State Aid (N.J.S.A. 40A: 4-87 +\$60,000.00) | | 60,000.00 | 60,000.00 | | |
| Matching Funds for Grants | 110,871.00 | 110,871.00 | 110,871.00 | | |
| Supplemental Fire Services Program Fire District | 11,859.00 | 11,859.00 | 11,859.00 | | |
| Drunk Driving Enforcement Fund (N.J.S.A. 40A: 4-87 +\$19,141.77) | | 19,141.77 | 19,141.77 | | |
| Hazardous Site Remediation (N.J.S.A. 40A: 4-87 +\$115,526.00) | | 115,526.00 | 115,526.00 | | |
| Middlebrook Trail (N.J.S.A. 40A: 4-87 +\$885.00) | | 685.00 | 685.00 | | |
| Drive Sober Grant (N.J.S.A. 40A: 4-87+\$8,800.00) | 4,400.00 | 13,200.00 | 13,200.00 | | |
| Regional Center Partnership Grant (N.J.S.A. 40A: 4-87+\$23,000.00) | 20,000.00 | 43,000.00 | 43,000.00 | | |
| Youth Services Grant (N.J.S.A. 40A: 4-87+\$5,000.00) | | 5,000.00 | 5,000.00 | | |
| Recycling Tonnage Grant | 84,630.70 | 84,630.70 | 84,630.70 | | |
| Child Safety Grant (N.J.S.A.40A:4-87 +\$1,500.00) | | 1,500.00 | 1,500.00 | | |
| CDBG | 100,000.00 | 100,000.00 | 100,000.00 | | |
| Body Armor Grant (N.J.S.A. 40A: 4-87+\$8,719.89) | | 8,719.89 | 8,719.89 | | |
| Highway Safety Grant (N.J.S.A. 40A:4-87+\$161,971.69) | | 151,971.69 | 151,971.69 | | |
| Alcohol Education Rehabilitation Program (N.J.S.A. 40A:4-87 +\$1,847.11) | | 1,847.11 | 1,847.11 | | |
| Emergency Management (N.J.S.A. 40A: 4-87 +\$5,000.00) | | 5,000.00 | 5,000.00 | | |
| TOTAL FOR STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES | \$ 379,460.70 | \$ 868,190.72 | \$ 868,190.72 | \$ | \$ |
| TOTAL OPERATIONS EXCLUDED FROM "CAPS" | \$ 1,044,460.70 | \$ 1,533,190.72 | \$ 1,496,015.98 | \$ 37,174.74 | \$ |

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF BRIDGEWATER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013

| | <u>APPROPRIATIONS</u> | | <u>EXPENDED</u> | | <u>UNEXPENDED BALANCE CANCELED</u> |
|---|-----------------------|--------------------------------------|----------------------------|-----------------|--|
| | <u>BUDGET</u> | <u>BUDGET AFTER MODIFICATION</u> | <u>PAID OR CHARGED</u> | <u>RESERVED</u> | |
| CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS" | | | | | |
| Capital Improvement Fund | \$ 100,000.00 | \$ 100,000.00 | \$ 100,000.00 | | \$ |
| Road Improvements | 33,784.34 | 33,784.34 | | 33,784.34 | |
| Finance - Computer Equipment | 34,000.00 | 34,000.00 | 34,000.00 | | |
| | | | | | |
| TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS" | \$ 167,784.34 | \$ 167,784.34 | \$ 134,000.00 | \$ 33,784.34 | \$ |
| MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS" | | | | | |
| Payment of Bond Principal | \$ 2,275,000.00 | \$ 2,275,000.00 | \$ 2,275,000.00 | | \$ |
| Payment of Bond Anticipation Notes | 128,000.00 | 128,000.00 | 128,000.00 | | |
| Interest on Bonds | 1,715,240.00 | 1,715,240.00 | 1,715,233.23 | | 6.77 |
| Interest on Notes | 19,200.00 | 19,200.00 | 7,275.73 | | 11,924.27 |
| Green Acres Loan Principle | 91,634.00 | 91,634.00 | 91,634.00 | | |
| Green Acres Loan Interest | 15,601.00 | 15,601.00 | 15,601.00 | | |
| Payment of NJEIT Principal | 59,342.00 | 59,342.00 | 59,342.00 | | |
| Payment of NJEIT Interest | 20,200.00 | 20,200.00 | 16,201.90 | | 3,998.10 |
| Improvement Authority | 181,369.00 | 181,369.00 | 166,590.93 | | 14,778.07 |
| | | | | | |
| TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS" | \$ 4,505,586.00 | \$ 4,505,586.00 | \$ 4,474,878.79 | \$ | \$ 30,707.21 |
| DEFERRED CHARGES-MUNICIPAL-EXCLUDED FROM CAPS | | | | | |
| Special Emergency Authorizations - 5 Years (N.J.S.A.40A:4-55) | \$ 26,400.00 | \$ 26,400.00 | \$ 26,400.00 | | \$ |
| | | | | | |
| TOTAL DEFERRED CHARGES-MUNICIPAL-EXCLUDED FROM CAPS | \$ 26,400.00 | \$ 26,400.00 | \$ 26,400.00 | \$ | \$ |
| TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS" | | | | | |
| | \$ 5,744,231.04 | \$ 6,232,961.06 | \$ 6,131,294.77 | \$ 70,959.08 | \$ 30,707.21 |
| SUBTOTAL GENERAL APPROPRIATIONS | | | | | |
| | \$ 36,628,639.46 | \$ 37,247,369.48 | \$ 36,400,102.88 | \$ 816,559.39 | \$ 30,707.21 |
| RESERVE FOR UNCOLLECTED TAXES | | | | | |
| | \$ 2,350,000.00 | \$ 2,350,000.00 | \$ 2,350,000.00 | \$ | \$ |
| TOTAL GENERAL APPROPRIATIONS | | | | | |
| | \$ 38,978,639.46 | \$ 39,597,369.48 | \$ 38,750,102.88 | \$ 816,559.39 | \$ 30,707.21 |
| | <u>REF.</u> | <u>A-2:A-3</u> | <u>A-3</u> | <u>A-1:A-3</u> | <u>A:A-1</u> |
| Budget | A-3 | | \$ 38,978,639.46 | | |
| Emergency - N.J.S.A. 40A:4-46 | A-32 | | 130,000.00 | | |
| Appropriation by 40A:4-37 | A-2 | | <u>488,730.02</u> | | |
| | A-3 | | <u>\$ 39,597,369.48</u> | | |
| Reserve for Accounts Payable | A-11 | | \$ 1,103,989.24 | | |
| Reserve for Grants Appropriated | A-23 | | 735,542.72 | | |
| Deferred Charges | A-32 | | 154,400.00 | | |
| Reserve for Uncollected Taxes | A-2 | | 2,350,000.00 | | |
| Disbursements (Net of Refunds) | A-4 | | <u>34,406,170.92</u> | | |
| | A-3 | | <u>\$ 38,750,102.88</u> | | |

The accompanying Notes to Financial Statements are an integral part of this statement.

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TRUST FUND

"B"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

| <u>ASSETS</u> | <u>REF.</u> | BALANCE DECEMBER 31, 2013 | BALANCE DECEMBER 31, 2012 |
|---|-------------|---------------------------------|---------------------------------|
| Assessment Fund: | | | |
| Cash | B-2:B-5 | \$ 43,834.42 | \$ 43,834.42 |
| Assessments Receivable | B-3 | 82,989.48 | 87,088.60 |
| Prospective Assessments Funded | B-4 | 408,863.19 | 408,863.19 |
| Due Sewer Assessment Trust Fund | B-20 | 4,099.12 | |
| | | <u>\$ 539,786.21</u> | <u>\$ 539,786.21</u> |
| Animal Control Fund: | | | |
| Cash | B-2 | \$ 37,790.58 | \$ 28,994.20 |
| Due State Department of Health | B-14 | | 3.00 |
| | | <u>\$ 37,790.58</u> | <u>\$ 28,997.20</u> |
| Other Funds: | | | |
| Cash | B-2 | \$ 15,021,803.96 | \$ 13,885,987.53 |
| Due Current Fund | B-17 | 1,441,003.28 | 798,711.60 |
| Due Grant Fund | B-19 | | 270,473.73 |
| Due Sewer Utility Operating Fund | B-18 | 26.00 | 37.00 |
| | | <u>\$ 16,462,833.24</u> | <u>\$ 14,955,209.86</u> |
| | | <u>\$ 17,040,410.03</u> | <u>\$ 15,523,993.27</u> |
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | | |
| Assessment Fund: | | | |
| Assessment Overpayments | B-6 | \$ 1,000.00 | \$ 1,000.00 |
| Reserve for Assessments and Liens | B-10 | 491,655.40 | 495,754.52 |
| Fund Balance | B-1 | 47,130.81 | 43,031.69 |
| | | <u>\$ 539,786.21</u> | <u>\$ 539,786.21</u> |
| Animal Control Fund: | | | |
| Due State Department of Health | B-14 | \$ 2.40 | \$ |
| Due Current Fund | B-16 | 8,940.98 | 97.80 |
| Reserve For Expenditures | B-13 | 28,214.20 | 28,306.40 |
| Accounts Payable | B-15 | 633.00 | 593.00 |
| | | <u>\$ 37,790.58</u> | <u>\$ 28,997.20</u> |
| Other Funds: | | | |
| Accounts Payable | B-9 | \$ 1,222,949.09 | \$ 1,028,569.68 |
| Reserve for State Unemployment Insurance | B-8 | 67,827.86 | 48,865.42 |
| Due General Capital Fund | B-7 | | 7.16 |
| Reserve for Various Trust Deposits | B-12 | 6,995,995.67 | 4,832,405.59 |
| Reserve for Municipal Open Space Trust Deposits | B-11 | 8,176,060.62 | 9,045,362.01 |
| | | <u>\$ 16,462,833.24</u> | <u>\$ 14,955,209.86</u> |
| | | <u>\$ 17,040,410.03</u> | <u>\$ 15,523,993.27</u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

"B-1"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF ASSESSMENT TRUST FUND BALANCE - REGULATORY BASIS

| | <u>REF.</u> | |
|-------------------------------------|-------------|----------------------------|
| Balance, December 31, 2012 | B | \$ 43,031.69 |
| Increased by: | | |
| Collection of Unpledged Assessments | B-10 | <u>4,099.12</u> |
| Balance, December 31, 2013 | B | \$ <u><u>47,130.81</u></u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

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GENERAL CAPITAL FUND

"C"

TOWNSHIP OF BRIDGE WATER

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

| | <u>REF.</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2012</u> |
|---|-------------|--|--|
| <u>ASSETS</u> | | | |
| Cash | C-2:C-3 | \$ 6,471,368.89 | \$ 4,697,365.51 |
| Due Open Space Trust Fund | C-10 | | 107.16 |
| Due Sewer Utility Operating Fund | C-8 | | 99.68 |
| Due Sewer Utility Capital Fund | C-18 | | 15,140.20 |
| Deferred Charges to Future Taxation: | | | |
| Funded | C-5 | 49,388,444.03 | 51,922,630.83 |
| Unfunded | C-6 | 10,875,836.60 | 7,930,835.95 |
| | | <u>\$ 66,735,649.52</u> | <u>\$ 64,566,179.33</u> |
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | | |
| Serial Bonds Payable | C-11 | \$ 48,104,000.00 | \$ 50,379,000.00 |
| Bond Anticipation Notes | C-12 | 4,533,019.00 | |
| Green Acres Loans Payable | C-15 | 711,199.33 | 802,833.63 |
| Infrastructure Loan Payable | C-13 | 481,703.56 | 541,045.65 |
| Improvement Authority Loans Payable | C-17 | 91,541.14 | 199,751.55 |
| Capital Improvement Fund | C-7 | 22,535.30 | 105,068.30 |
| Due COAH Trust Fund | C-19 | | 100.00 |
| Improvement Authorizations: | | | |
| Funded | C-9 | 3,590,318.41 | 5,529,440.39 |
| Unfunded | C-6:C-9 | 4,883,421.28 | 3,538,670.66 |
| Reserve for: | | | |
| Capital Projects | C-4 | 1,756,354.75 | 1,756,354.75 |
| Debt Service | C-14 | 5,090.42 | 900.16 |
| Contracts Payable | C-16 | 1,753,661.56 | 1,420,746.45 |
| Fund Balance | C-1 | 802,804.77 | 292,267.79 |
| | | <u>\$ 66,735,649.52</u> | <u>\$ 64,566,179.33</u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS

| | <u>REF.</u> | | |
|--|-------------|-------------------|-----------------------------|
| Balance, December 31, 2012 | C | | \$ 292,267.79 |
| Increased by: | | | |
| Premium on Note | C-2 | \$ 41,205.14 | |
| Canceled Ordinance | C-9 | <u>599,331.84</u> | |
| | | | \$ <u>640,536.98</u> |
| Decreased by- | | | |
| Utilized as Anticipated Revenue Current Fund | C-2 | | <u>130,000.00</u> |
| Balance, December 31, 2013 | C | | \$ <u><u>802,804.77</u></u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

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SEWER UTILITY FUND

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

| <u>ASSETS</u> | <u>REF.</u> | <u>BALANCE DECEMBER 31, 2013</u> | <u>BALANCE DECEMBER 31, 2012</u> |
|--|-------------|--|--|
| OPERATING FUND: | | | |
| Cash | D-6 | \$ 6,475,696.59 | \$ 4,587,872.59 |
| Change Fund | D-9 | 100.00 | 100.00 |
| Interfund Accounts Receivable | D-11 | <u>46.30</u> | <u>751.66</u> |
| | | <u>\$ 6,475,842.89</u> | <u>\$ 4,588,724.25</u> |
| Receivables with Full Reserves: | | | |
| Sewer Charges Receivable | D-14 | <u>\$ 382,441.49</u> | <u>\$ 456,301.03</u> |
| | D | <u>\$ 382,441.49</u> | <u>\$ 456,301.03</u> |
| <u>TOTAL OPERATING FUND</u> | D | <u>\$ 6,858,284.38</u> | <u>\$ 5,045,025.28</u> |
| ASSESSMENT TRUST FUND: | | | |
| Cash | D-6:D-7 | \$ 15,538.08 | \$ 11,438.96 |
| Assessments Receivable | D-18 | 53,975.86 | 53,975.86 |
| Prospective Assessments Funded | D-21 | <u>941,462.58</u> | <u>941,462.58</u> |
| <u>TOTAL ASSESSMENT TRUST FUND</u> | D | <u>\$ 1,010,976.52</u> | <u>\$ 1,006,877.40</u> |
| CAPITAL FUND - REGULAR: | | | |
| Cash | D-6:D-8 | \$ 1,773,104.15 | \$ 2,672,818.27 |
| EIT Loan Receivable | D-33 | | 34,958.00 |
| Fixed Capital | D-17 | 14,461,212.00 | 14,461,212.00 |
| Fixed Capital Authorized and Uncompleted | D-16 | <u>6,709,500.00</u> | <u>4,909,500.00</u> |
| <u>TOTAL CAPITAL FUND</u> | D | <u>\$ 22,943,816.15</u> | <u>\$ 22,078,488.27</u> |
| | D | <u>\$ 30,813,077.05</u> | <u>\$ 28,130,390.95</u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

| | <u>REF.</u> | BALANCE DECEMBER <u>31, 2013</u> | BALANCE DECEMBER <u>31, 2012</u> |
|---|-------------|--|--|
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | | |
| OPERATING FUND: | | | |
| Liabilities: | | | |
| Interfund Accounts Payable | D-11 | \$ 78,458.12 | \$ 136.68 |
| Appropriation Reserves | D-5:D-20 | 951,605.95 | 928,588.58 |
| Accounts Payable | D-19 | 254,244.13 | 134,490.69 |
| Sewer Overpayments | D-22 | 34,847.34 | 40,629.94 |
| Due Warren Township MUA | D-10 | 24,188.06 | 24,188.06 |
| Sewer Connection Overpayment | D-13 | 550.00 | 550.00 |
| Prepaid Sewer Charges | D-27 | 6,738.41 | 5,200.41 |
| Accrued Interest on Bonds | D-12 | 41,520.26 | 41,520.29 |
| Accrued Interest on Loans | D-34 | 3,125.00 | 3,125.00 |
| | | <u>\$ 1,395,277.27</u> | <u>\$ 1,178,429.65</u> |
| Reserve for Receivables | D | 382,441.49 | 456,301.03 |
| Fund Balance | D-1 | <u>5,080,565.62</u> | <u>3,410,294.60</u> |
| | | <u>\$ 6,858,284.38</u> | <u>\$ 5,045,025.28</u> |
| <u>TOTAL OPERATING FUND</u> | | | |
| ASSESSMENT TRUST FUND: | | | |
| Due Sewer Operating Fund | D-23 | \$ 46.30 | \$ 46.30 |
| Due Assessment Trust Fund | D-28 | 4,099.12 | |
| Reserve for Assessments and Liens | D-15 | 995,438.44 | 995,438.44 |
| | | <u>\$ 999,583.86</u> | <u>\$ 995,484.74</u> |
| Fund Balance | D-2 | <u>11,392.66</u> | <u>11,392.66</u> |
| | | <u>\$ 1,010,976.52</u> | <u>\$ 1,006,877.40</u> |
| <u>TOTAL ASSESSMENT TRUST FUND</u> | | | |

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

| | <u>REF.</u> | <u>BALANCE DECEMBER 31, 2013</u> | <u>BALANCE DECEMBER 31, 2012</u> |
|---|---------------------------|--|--|
| <u>LIABILITIES, RESERVES AND FUND BALANCE (CONTINUED)</u> | | | |
| CAPITAL FUND - REGULAR: | | | |
| Liabilities: | | | |
| Serial Bonds Payable | D-30 | \$ 1,349,000.00 | \$ 1,464,000.00 |
| EIT Loan Payable | D-31 | 598,372.64 | 630,770.92 |
| Due General Capital Fund | D-32 | | 15,140.20 |
| Improvement Authorizations: | | | |
| Funded | D-29 | 1,542,269.13 | 1,728,283.57 |
| Unfunded | D-29 | 1,494,696.00 | 1,442.00 |
| Contracts Payable | D-26 | 461,600.55 | 888,372.03 |
| Reserve for Amortization | D-25 | 13,890,066.49 | 13,742,668.21 |
| Deferred Reserve for Amortization | D-24 | 3,531,450.00 | 3,531,450.00 |
| | | <u>\$ 22,867,454.81</u> | <u>\$ 22,002,126.93</u> |
| Fund Balance | D-3 | <u>76,361.34</u> | <u>76,361.34</u> |
| | <u>TOTAL CAPITAL FUND</u> | <u>\$ 22,943,816.15</u> | <u>\$ 22,078,488.27</u> |
| | D | <u>\$ 30,813,077.05</u> | <u>\$ 28,130,390.95</u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS

| | REF. | BALANCE DECEMBER 31, 2013 | BALANCE DECEMBER 31, 2012 |
|--|---------|---------------------------------|---------------------------------|
| <u>REVENUE AND OTHER INCOME REALIZED</u> | | | |
| Fund Balance | D-1:D-4 | \$ 587,377.96 | \$ 2,228,748.24 |
| Sewer Use Charges | D-4 | 9,781,030.52 | 9,886,255.75 |
| Connection Fees | D-4:D-6 | 8,641.00 | 39,256.71 |
| Township of Branchburg - Operating Costs | | | 20,000.00 |
| Township of Warren - Debt Service | D-4:D-6 | 73,350.34 | 73,350.34 |
| Interest on Investments and Deposits | D-4:D-6 | 1,368.18 | 6,324.49 |
| Miscellaneous Revenue Not Anticipated | D-4:D-6 | 1,020,447.05 | 175,141.64 |
| Sewer Overpayments Canceled | | | 186.17 |
| Other Credits to Income: | | | |
| Unexpended Balance of Appropriation Reserves | D-20 | 902,440.75 | 705,687.49 |
| Accounts Payable Canceled | D-19 | 412.24 | 7,158.82 |
| | | <u>\$ 12,375,068.04</u> | <u>\$ 13,142,109.65</u> |
| <u>EXPENDITURES</u> | | | |
| Operating | D-5 | \$ 9,771,410.88 | \$ 9,301,313.39 |
| Capital Improvements | | | 2,075,000.00 |
| Debt Service | D-5 | 205,470.38 | 186,734.13 |
| Deferred Charges and Statutory Expenditures | D-5 | 140,537.80 | 178,000.00 |
| Refund of Prior Year Revenue | | | 1,058.57 |
| | | <u>\$ 10,117,419.06</u> | <u>\$ 11,742,106.09</u> |
| Excess in Revenue | | \$ 2,257,648.98 | \$ 1,400,003.56 |
| Balance, January 1 | D | 3,410,294.60 | 4,239,039.28 |
| | | <u>\$ 5,667,943.58</u> | <u>\$ 5,639,042.84</u> |
| Decreased by: | | | |
| Utilization by Sewer Operating Budget | D-1 | 587,377.96 | 2,228,748.24 |
| Fund Balance, December 31 | D | <u>\$ 5,080,565.62</u> | <u>\$ 3,410,294.60</u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

STATEMENT OF ASSESSMENT TRUST FUND BALANCE-REGULATORY BASIS

| | <u>REF.</u> | |
|---|-------------|---------------------|
| Balance, December 31, 2012 and December 31, 2013 | D | \$ <u>11,392.66</u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

STATEMENT OF CAPITAL FUND BALANCE-REGULATORY BASIS

| | <u>REF.</u> | |
|---|-------------|---------------------|
| Balance, December 31, 2012 and December 31, 2013 | D | \$ <u>76,361.34</u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

"D-4"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

| | <u>REF.</u> | <u>ANTICIPATED</u> | <u>REALIZED</u> | <u>EXCESS OR (DEFICIT)</u> |
|---|-------------|-------------------------|-------------------------|------------------------------------|
| Fund Balance | D-1 | \$ 587,377.96 | \$ 587,377.96 | \$ |
| Sewer Use Charges | D-1 | 9,424,043.00 | 9,781,030.52 | 356,987.52 |
| Connection Fees | D-1:D-6 | 10,000.00 | 8,641.00 | (1,359.00) |
| Interest on Investments and Deposits | D-1:D-6 | 6,000.00 | 1,368.18 | (4,631.82) |
| Township of Branchburg - Share of Operating Costs | | 20,000.00 | | (20,000.00) |
| Township of Warren - Contribution | D-1:D-6 | <u>70,000.00</u> | <u>73,350.34</u> | <u>3,350.34</u> |
| <u>BUDGET TOTALS</u> | D-5 | \$ 10,117,420.96 | \$ 10,451,768.00 | \$ 334,347.04 |
| Non - Budget Revenue | D-1:D-4:D-6 | | <u>1,020,447.05</u> | <u>1,020,447.05</u> |
| | | \$ <u>10,117,420.96</u> | \$ <u>11,472,215.05</u> | \$ <u>1,354,794.09</u> |

ANALYSIS OF NON-BUDGET REVENUE:

| | | | | |
|---------------------------|-------------|--|------------------------|--|
| Miscellaneous: | | | | |
| Interest on Sewer Charges | | | \$ 164,005.85 | |
| Prior Year Refund | | | 856,181.20 | |
| Miscellaneous | | | <u>260.00</u> | |
| | D-1:D-4:D-6 | | \$ <u>1,020,447.05</u> | |

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

| | APPROPRIATIONS | | EXPENDED | | CANCELED |
|--|-------------------------|---------------------------|------------------------|----------------------|----------------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | |
| OPERATING: | | | | | |
| Salaries and Wages | \$ 1,594,369.88 | \$ 1,694,369.88 | \$ 1,634,121.79 | \$ 60,248.09 | \$ |
| Other Expenses | 2,506,350.00 | 2,606,350.00 | 2,587,697.96 | 18,652.04 | |
| Somerset Raritan Valley Sewerage Authority | 5,600,000.00 | 5,400,000.00 | 4,692,943.80 | 707,056.20 | |
| Salary Adjustments | 70,691.00 | 70,691.00 | | 70,691.00 | |
| TOTAL OPERATING | \$ 9,771,410.88 | \$ 9,771,410.88 | \$ 8,914,763.55 | \$ 856,647.33 | \$ |
| DEBT SERVICE: | | | | | |
| Payment of Bond Principal | \$ 115,000.00 | \$ 115,000.00 | \$ 115,000.00 | \$ | \$ |
| Interest on Bonds | 48,702.50 | 48,702.50 | 48,702.50 | | |
| NJEITF Principal | 32,398.78 | 32,398.78 | 32,398.28 | | 0.50 |
| NJEITF Interest | 9,371.00 | 9,371.00 | 9,369.60 | | 1.40 |
| TOTAL DEBT SERVICE | \$ 205,472.28 | \$ 205,472.28 | \$ 205,470.38 | \$ | \$ 1.90 |
| STATUTORY EXPENDITURES: | | | | | |
| Statutory Expenditures: | | | | | |
| Social Security | \$ 125,537.80 | \$ 125,537.80 | \$ 30,579.18 | \$ 94,958.62 | \$ |
| Unemployment Compensation Insurance | 15,000.00 | 15,000.00 | 15,000.00 | | |
| TOTAL STATUTORY EXPENDITURES | \$ 140,537.80 | \$ 140,537.80 | \$ 45,579.18 | \$ 94,958.62 | \$ |
| | \$ 10,117,420.96 | \$ 10,117,420.96 | \$ 9,165,813.11 | \$ 951,605.95 | \$ 1.90 |
| REF. | D-4 | | D-1 | D:D-1 | |
| Disbursements | D-6 | | \$ 8,864,826.38 | | |
| Accrued Interest on Bonds | D-12 | | 58,072.10 | | |
| Accounts Payable | D-19 | | 242,914.63 | | |
| | | | \$ 9,165,813.11 | | |

The accompanying Notes to Financial Statements are an integral part of this statement.

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PUBLIC ASSISTANCE TRUST FUND

"E"

TOWNSHIP OF BRIDGEWATER

PUBLIC ASSISTANCE TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

| | <u>REF.</u> | BALANCE DECEMBER <u>31, 2013</u> | BALANCE DECEMBER <u>31, 2012</u> |
|---|-------------|--|--|
| <u>ASSETS</u> | | | |
| Cash - Public Assistance Trust Fund I | E-1 | \$ 2,395.56 | \$ 3,642.56 |
| Cash - Public Assistance Trust Fund II | E-1 | <u>119,969.58</u> | <u>57,888.42</u> |
| | | <u>\$ 122,365.14</u> | <u>\$ 61,530.98</u> |
| <u>LIABILITIES</u> | | | |
| Reserve for Public Assistance Trust Fund I | | \$ 2,395.56 | \$ 3,642.56 |
| Reserve for Public Assistance Trust Fund II | | <u>119,969.58</u> | <u>57,888.42</u> |
| | | <u>\$ 122,365.14</u> | <u>\$ 61,530.98</u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

GENERAL FIXED ASSETS ACCOUNT GROUP

"F"

TOWNSHIP OF BRIDGEWATER
STATEMENT OF GENERAL FIXED ASSETS
BALANCE SHEETS - REGULATORY BASIS

| | BALANCE DECEMBER <u>31, 2013</u> | BALANCE DECEMBER <u>31, 2012</u> |
|-------------------------------------|--|--|
| FIXED ASSETS: | | |
| Land | \$ 112,699,310.00 | \$ 108,498,338.00 |
| Buildings | 43,367,400.00 | 43,367,400.00 |
| Machinery and Equipment | <u>10,031,327.00</u> | <u>9,798,100.00</u> |
| <u>TOTAL FIXED ASSETS</u> | <u>\$ 166,098,037.00</u> | <u>\$ 161,663,838.00</u> |
| RESERVE: | | |
| Investments in General Fixed Assets | <u>\$ 166,098,037.00</u> | <u>\$ 161,663,838.00</u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF BRIDGEWATER

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013 AND 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of Bridgewater is an instrumentality of the State of New Jersey established to function as a municipality. The Township Council consists of elected officials and is responsible for the fiscal control of the Township.

Except as noted below, the financial statements of the Township of Bridgewater include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of Bridgewater, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township of Bridgewater do not include the operations of the municipal library, first aid organization, volunteer fire companies, or the regional school district, inasmuch as their activities are administered by separate boards.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes the presentation of basic financial statements into three fund types, the

The accounting policies of the Township of Bridgewater 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 financial transactions and accounts of the Township of Bridgewater are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific governmental activity. As required by the Division of Local Government Services, the Township accounts for its financial transactions through the following individual funds and account group:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

Current Fund - resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Fund - receipts, custodianship and disbursements of funds in accordance with the purpose of which each reserve was created.

General Capital Fund - receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

Sewer Operating and Capital Funds - account for the operations and acquisition of capital facilities of the municipally-owned sewer utility.

Public Assistance Fund - receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey statutes.

General Fixed Assets Account Group - utilized to account for property, land, buildings and equipment that have been acquired by other governmental funds.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local governmental units. The more significant accounting policies and differences in the State of New Jersey are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Federal and state grants are realized as revenue when anticipated in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Expenditures - are recorded on the "budgetary" basis of accounting. Generally, 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.

Outstanding encumbrances, at December 31, are reported as a cash liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities except for amounts which may be canceled 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 during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Encumbrances - Contractual orders, at December 31, are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - The proceeds from the sale of municipal assets can be held in a reserve until anticipated as a revenue in a future budget. GAAP requires such proceeds to be recorded as a revenue in the year of sale.

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 the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets - N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Township as part of its basic financial statements. General fixed assets are defined as nonexpendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of \$5,000.00 or more per unit.

Public domain ("infrastructure") general 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. No depreciation has been provided on general fixed assets or reported in the financial statements.

The Township has developed a fixed assets accounting and reporting system based on an inspection and valuation prepared by an independent appraisal firm. Fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Land is stated at the assessed value contained in the Township's most recent property revaluation. Buildings are stated at the most recent insurance replacement value. General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Assets Account Group rather than in a governmental fund.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital have not been accounted for separately.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Capital - Sewer Utility

Accounting for utility fund "fixed capital" remains unchanged under the requirements of N.J.A.C. 5:30-5.6.

Property and equipment purchased by the Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization account in the utility capital fund represent charges to operations for the cost of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Township presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

The Township considers petty cash, change funds, cash in banks and certificates of deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits (Continued)

The Township of Bridgewater had the following cash and cash equivalents at December 31, 2013:

| | <u>Change Fund</u> | <u>Cash in Bank</u> | <u>Additions</u> | <u>Deletions</u> | <u>Reconciled Balance</u> |
|------------------------|------------------------|-------------------------|---------------------|---------------------|-------------------------------|
| Current Fund | \$410.00 | \$15,614,130.60 | \$92,174.11 | \$479,310.49 | \$15,226,994.22 |
| Grant Fund | | 265,196.33 | | 26,344.24 | 238,852.09 |
| Assessment Fund | | 43,834.42 | | | 43,834.42 |
| Animal Control Fund | | 37,847.58 | | 57.00 | 37,790.58 |
| Trust Other Fund | | 15,111,293.16 | 0.51 | 89,489.71 | 15,021,803.96 |
| General Capital Fund | | 6,489,308.89 | | 17,940.00 | 6,471,368.89 |
| Sewer Operating Fund | 100.00 | 6,545,888.77 | 27,233.77 | 97,425.95 | 6,475,696.59 |
| Sewer Assessment Fund | | 15,538.08 | | | 15,538.08 |
| Sewer Capital Fund | | 1,773,104.15 | | | 1,773,104.15 |
| Public Assistance Fund | | 127,978.64 | 290.00 | 5,903.50 | 122,365.14 |
| | <u>\$510.00</u> | <u>\$46,024,120.62</u> | <u>\$119,698.39</u> | <u>\$716,470.89</u> | <u>\$45,427,348.12</u> |

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Township does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2013, based upon the coverage provided by FDIC and NJ GUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank \$1,377,003.85 was covered by Federal Depository Insurance and \$44,647,116.77 was covered by NJ GUDPA.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments

The purchase of investments by the Township is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization.
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 that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by Local Units;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments

8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

The Township of Bridgewater's investment activities during the year were in accordance with the above New Jersey Statute.

NOTE 3: LONG-TERM DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years or financed by the issuance of bonds.

SUMMARY OF STATUTORY DEBT CONDITION ANNUAL DEBT STATEMENT

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 0.662%.

| | <u>Gross Debt</u> | | <u>Deductions</u> | | <u>Net Debt</u> |
|-------------------------------|--------------------------|----|----------------------|----|----------------------|
| Regional School District Debt | \$ 38,535,780.76 | \$ | 38,535,780.76 | \$ | |
| Sewer Utility Debt | 3,749,195.51 | | 3,749,195.51 | | |
| General Debt | <u>60,264,280.63</u> | | <u>5,090.42</u> | | <u>60,259,190.21</u> |
| | <u>\$ 102,549,256.90</u> | \$ | <u>42,290,066.69</u> | \$ | <u>60,259,190.21</u> |

Net debt of \$60,259,190.21 divided by equalized valuation basis per N.J.S.40A:2-2, as amended, of \$9,099,654,607 equals 0.662%.

NOTE 3: LONG-TERM DEBT (CONTINUED)

SUMMARY OF MUNICIPAL DEBT

| | <u>YEAR 2013</u> | <u>YEAR 2012</u> | <u>YEAR 2011</u> |
|--|-------------------------|-------------------------|-------------------------|
| Issued: | | | |
| General: | | | |
| Bonds, Notes and Loans | \$ 54,519,835.67 | \$ 52,553,401.75 | \$ 53,806,838.81 |
| Sewer Utility: | | | |
| Bonds and Notes | <u>1,947,372.64</u> | <u>1,464,000.00</u> | <u>929,000.00</u> |
| Total Issued | <u>\$ 56,467,208.31</u> | <u>\$ 54,017,401.75</u> | <u>\$ 54,735,838.81</u> |
| Less: | | | |
| Estimated Proceeds of Bonds and Notes - Reserve for Debt Service | <u>\$ 5,090.42</u> | <u>\$ 900.16</u> | <u>\$ 101,900.16</u> |
| Total Deductions | <u>\$ 5,090.42</u> | <u>\$ 900.16</u> | <u>\$ 101,900.16</u> |
| Net Debt Issued | <u>\$ 56,462,117.89</u> | <u>\$ 54,016,501.59</u> | <u>\$ 54,633,938.65</u> |
| Authorized But Not Issued: | | | |
| General: | | | |
| Bonds and Notes | \$ 6,342,817.60 | \$ 7,930,835.95 | \$ 5,840,731.95 |
| Sewer Utility: | | | |
| Bonds and Notes | <u>1,801,822.87</u> | <u>637,822.87</u> | <u>637,822.87</u> |
| Total Authorized But Not Issued | <u>\$ 8,144,640.47</u> | <u>\$ 8,568,658.82</u> | <u>\$ 6,478,554.82</u> |
| Net Bonds and Notes Issued and Authorized But Not Issued | <u>\$ 64,606,758.36</u> | <u>\$ 62,585,160.41</u> | <u>\$ 61,112,493.47</u> |

BORROWING POWER UNDER N.J.S.40A:2-6 AS AMENDED

| | |
|--|----------------------------|
| Equalized Valuation Basis* - December 31, 2013 | <u>\$ 9,099,654,607.00</u> |
| 3-1/2 of Equalized Valuation Basis (Municipal) | \$ 318,487,911.25 |
| Net Debt | <u>60,259,190.21</u> |
| Remaining Borrowing Power | <u>\$ 258,228,721.04</u> |

*Equalized Valuation Basis is the average of the equalized valuation of real estate, including improvements, and the assessed valuation of Class II Rail Road Property of the Township of Bridgewater for the last three (3) preceding years.

NOTE 3: LONG-TERM DEBT (CONTINUED)

CALCULATION OF "SELF-LIQUIDATING PURPOSE" SEWER UTILITY PER N.J.S.40A:2-45

| | | |
|--|-------------------|----------------------|
| Revenue from Fees, Rents, and Other Charges for Year and Fund Balance | | \$ 10,443,509.18 |
| Deductions: | | |
| Operating and Maintenance Cost | \$ 9,771,410.89 | |
| Debt Service per Sewer Account | <u>205,470.38</u> | |
| Total Deductions | | <u>9,976,881.27</u> |
| Excess in Revenue | | \$ <u>466,627.91</u> |

Long-Term Debt Obligations:

General Serial Bonds:

| | | |
|--|--|------------------------|
| \$7,992,000.00 General Obligation Bonds of 2007 due in annual installments of \$375,000.00 to \$700,000.00 through 2022 at a variable interest rate | | \$5,517,000.00 |
| \$16,642,000.00 General Obligation Bonds of 2012 due in annual installments of \$510,000.00 to \$1,012,000.00 through 2032 at a variable interest rate | | 16,132,000.00 |
| \$5,655,000.00 General Obligation Refunding Bonds of 2012 due in annual installments of \$600,000.00 to \$640,000.00 through 2022 at variable interest rate | | 5,580,000.00 |
| \$22,500,000.00 County Guaranteed Governmental Loan Revenue Bonds of 2010 due in annual installments of \$100,000.00 to \$1,100,000.00 through 2035 at a variable interest rate | | <u>20,875,000.00</u> |
| | | <u>\$48,104,000.00</u> |

NOTE 3: LONG-TERM DEBT (CONTINUED)

Long-Term Debt Obligations (Continued):

Sewer Utility Serial Bonds:

| | |
|---|-----------------------|
| \$636,000.00 General Obligation Bonds of 2012 due in annual installments of \$20,000.00 to \$40,000.00 through 2032 at a variable interest rate | \$ 616,000.00 |
| \$415,000.00 General Obligation Refunding Bonds of 2012 due in annual installments of \$55,000.00 to \$60,000.00 through 2022 at a variable interest rate | 410,000.00 |
| \$508,000.00 General Obligation Bonds of 2007 due in annual installments of \$20,000.00 to \$37,000.00 through 2022 at a variable interest rate | <u>323,000.00</u> |
| | <u>\$1,349,000.00</u> |

Improvement Authority Loan:

| | |
|---|--------------------|
| \$77,246.82 Improvement Authority Loan of 2009 due in monthly installments through 2014 at an interest rate of 2.75% | \$ 8,445.35 |
| \$139,218.40 Improvement Authority Loan of 2011 due in monthly installments through 2014 at an interest rate of 2.75% | 38,217.77 |
| \$93,890.61 Improvement Authority Loan of 2011 due in monthly installments through 2016 at an interest rate of 2.75% | <u>44,878.02</u> |
| | <u>\$91,541.14</u> |

New Jersey Environmental Infrastructure Loans:

| | |
|---|---------------------|
| \$528,286.00 2001A Fund Loan Agreement of 2001 due in semi-annual installments of \$616.70 to \$27,199.86 through 2021 | \$206,703.56 |
| \$515,000.00 2001A Trust Loan Agreement of 2001 due in annual installments of \$20,000.00 to \$40,000.00 through 2021 at a variable interest rate | <u>275,000.00</u> |
| | <u>\$481,703.56</u> |

NOTE 3: LONG-TERM DEBT (CONTINUED)

Long-Term Debt Obligations (Continued):

Green Trust Loans:

| | |
|---|---------------------|
| \$150,000.00 Tullo Road Soccer Complex Loan of 1996 due in semi-annual installments of \$4,112.29 to \$4,821.99 through 2014 at an interest rate of 2.00% | \$4,821.97 |
| \$500,000.00 Prince Rodgers Park Loan of 2002 due in semi-annual installments of \$11,306.52 to \$15,391.88 through 2021 at an interest rate of 2.00% | 228,801.09 |
| \$363,642.00 Prince Rodgers Park Loan of 2005 due in semi-annual installments of \$9,543.62 to \$12,863.36 through 2021 at an interest rate of 2.00% | 180,134.73 |
| \$400,000.00 Alfred S. Brown Park Loan of 2002 due in semi-annual installments of \$9,045.22 to \$12,313.50 through 2021 at an interest rate of 2.00% | 183,040.86 |
| \$250,000.00 YMCA Land Acquisition Loan of 2002 due in semi-annual installment of \$5,653.26 to \$7,695.94 through 2021 at an interest rate of 2.00% | <u>114,400.68</u> |
| | <u>\$711,199.33</u> |

Bonds and Notes Authorized But Not Issued:

There is \$7,930,835.95 General Capital and \$1,801,822.87 Sewer Capital Bonds and Notes Authorized but not Issued at December 31, 2013.

NOTE 3: LONG TERM DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT ISSUED AND OUTSTANDING AT DECEMBER 31, 2013.

| YEAR | GENERAL | | SEWER UTILITY | |
|------|------------------------|------------------------|-----------------------|---------------------|
| | PRINCIPAL | INTEREST | PRINCIPAL | INTEREST |
| 2014 | \$2,355,000.00 | \$1,648,496.25 | \$120,000.00 | \$44,708.75 |
| 2015 | 2,435,000.00 | 1,582,521.25 | 120,000.00 | 40,965.00 |
| 2016 | 2,530,000.00 | 1,514,190.00 | 120,000.00 | 37,221.25 |
| 2017 | 2,625,000.00 | 1,437,352.50 | 120,000.00 | 33,477.50 |
| 2018 | 2,700,000.00 | 1,357,783.75 | 120,000.00 | 29,733.75 |
| 2019 | 2,840,000.00 | 1,269,333.75 | 117,000.00 | 25,390.00 |
| 2020 | 3,035,000.00 | 1,171,202.50 | 117,000.00 | 21,101.25 |
| 2021 | 3,180,000.00 | 1,063,440.00 | 62,000.00 | 13,635.00 |
| 2022 | 3,277,000.00 | 947,465.00 | 62,000.00 | 12,885.00 |
| 2023 | 1,985,000.00 | 830,495.00 | 35,000.00 | 11,985.00 |
| 2024 | 1,985,000.00 | 761,195.00 | 40,000.00 | 10,860.00 |
| 2025 | 1,985,000.00 | 691,895.00 | 40,000.00 | 9,660.00 |
| 2026 | 2,010,000.00 | 622,595.00 | 40,000.00 | 8,460.00 |
| 2027 | 2,010,000.00 | 551,663.75 | 40,000.00 | 7,235.00 |
| 2028 | 2,010,000.00 | 479,470.00 | 40,000.00 | 5,960.00 |
| 2029 | 2,010,000.00 | 406,645.00 | 40,000.00 | 4,660.00 |
| 2030 | 2,010,000.00 | 333,188.75 | 40,000.00 | 3,335.00 |
| 2031 | 2,010,000.00 | 258,470.00 | 40,000.00 | 1,960.00 |
| 2032 | 2,012,000.00 | 183,085.00 | 36,000.00 | 630.00 |
| 2033 | 1,000,000.00 | 125,375.00 | | |
| 2034 | 1,000,000.00 | 85,375.00 | | |
| 2035 | 1,100,000.00 | 45,375.00 | | |
| | <u>\$48,104,000.00</u> | <u>\$17,366,612.50</u> | <u>\$1,349,000.00</u> | <u>\$323,862.50</u> |

SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOANS ISSUED AND OUTSTANDING AT DECEMBER 31, 2013.

| Payment Date | Fund Loan | Trust Loan | | Total |
|--------------|---------------------|---------------------|--------------------|---------------------|
| | Principal | Principal | Interest | |
| 2/1/14 | \$4,398.06 | | \$6,775.00 | \$6,775.00 |
| 8/1/14 | 23,872.91 | \$30,000.00 | 6,775.00 | 36,775.00 |
| 2/1/15 | 3,911.19 | | 6,025.00 | 6,025.00 |
| 8/1/15 | 23,386.04 | 30,000.00 | 6,025.00 | 36,025.00 |
| 2/1/16 | 3,424.32 | | 5,275.00 | 5,275.00 |
| 8/1/16 | 22,899.17 | 30,000.00 | 5,275.00 | 35,275.00 |
| 2/1/17 | 2,937.45 | | 4,525.00 | 4,525.00 |
| 8/1/17 | 25,658.10 | 35,000.00 | 4,525.00 | 39,525.00 |
| 2/1/18 | 2,369.43 | | 3,650.00 | 3,650.00 |
| 8/1/18 | 25,090.09 | 35,000.00 | 3,650.00 | 38,650.00 |
| 2/1/19 | 1,801.42 | | 2,775.00 | 2,775.00 |
| 8/1/19 | 24,522.07 | 35,000.00 | 2,775.00 | 37,775.00 |
| 2/1/20 | 1,233.40 | | 1,900.00 | 1,900.00 |
| 8/1/20 | 27,199.86 | 40,000.00 | 1,900.00 | 41,900.00 |
| 2/1/21 | 616.70 | | 950.00 | 950.00 |
| 8/1/21 | 13,383.35 | 40,000.00 | 950.00 | 40,950.00 |
| | <u>\$206,703.56</u> | <u>\$275,000.00</u> | <u>\$63,750.00</u> | <u>\$338,750.00</u> |

NOTE 3: LONG TERM DEBT (CONTINUED)

SCHEDULE OF GREEN TRUST LOANS ISSUED AND OUTSTANDING AT DECEMBER 31, 2013.

Prince Rodgers Park Loans:

| Year | 2002 Loan | | 2005 Loan | | Total |
|------|---------------------|--------------------|---------------------|--------------------|---------------------|
| | Principal | Interest | Principal | Interest | |
| 2014 | \$26,648.15 | \$4,443.44 | \$22,493.21 | \$3,490.79 | \$57,075.59 |
| 2015 | 27,183.78 | 3,907.82 | 22,945.32 | 3,038.68 | 57,075.60 |
| 2016 | 27,730.18 | 3,361.42 | 23,406.52 | 2,577.47 | 57,075.59 |
| 2017 | 28,287.55 | 2,804.05 | 23,876.99 | 2,107.01 | 57,075.60 |
| 2018 | 28,856.13 | 2,235.46 | 24,356.92 | 1,627.08 | 57,075.59 |
| 2019 | 29,436.13 | 1,655.45 | 24,846.49 | 1,137.50 | 57,075.57 |
| 2020 | 30,027.81 | 1,063.79 | 25,345.90 | 638.08 | 57,075.58 |
| 2021 | 30,631.36 | 460.23 | 12,863.38 | 128.62 | 44,083.59 |
| | <u>\$228,801.09</u> | <u>\$19,931.66</u> | <u>\$180,134.73</u> | <u>\$14,745.23</u> | <u>\$443,612.71</u> |

Alfred S. Brown Park Loan:

| Year | Principal | Interest | Total |
|------|---------------------|--------------------|---------------------|
| 2014 | \$21,318.52 | \$3,554.76 | \$24,873.28 |
| 2015 | 21,747.03 | 3,126.25 | 24,873.28 |
| 2016 | 22,184.13 | 2,689.15 | 24,873.28 |
| 2017 | 22,630.04 | 2,243.23 | 24,873.27 |
| 2018 | 23,084.91 | 1,788.37 | 24,873.28 |
| 2019 | 23,548.91 | 1,324.36 | 24,873.27 |
| 2020 | 24,022.24 | 851.03 | 24,873.27 |
| 2021 | 24,505.08 | 368.20 | 24,873.28 |
| | <u>\$183,040.86</u> | <u>\$15,945.35</u> | <u>\$198,986.21</u> |

Tullo Road Loan:

| Year | Principal | Interest | Total |
|------|-------------------|----------------|-------------------|
| 2014 | \$4,821.97 | \$48.23 | \$4,870.20 |
| | <u>\$4,821.97</u> | <u>\$48.23</u> | <u>\$4,870.20</u> |

NOTE 3: LONG TERM DEBT (CONTINUED)

SCHEDULE OF GREEN TRUST LOANS ISSUED AND OUTSTANDING AT DECEMBER 31, 2013 (Cont.)

YMCA Land Acquisition Loan:

| <u>Payment Date</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---------------------|---------------------|-------------------|---------------------|
| 4/16/14 | \$6,628.89 | \$1,144.01 | \$7,772.90 |
| 10/16/14 | 6,695.18 | 1,077.72 | 7,772.90 |
| 4/16/15 | 6,762.14 | 1,010.76 | 7,772.90 |
| 10/16/15 | 6,829.76 | 943.14 | 7,772.90 |
| 4/16/16 | 6,898.05 | 874.85 | 7,772.90 |
| 10/16/16 | 6,967.03 | 805.87 | 7,772.90 |
| 4/16/17 | 7,036.71 | 736.19 | 7,772.90 |
| 10/16/17 | 7,107.07 | 665.83 | 7,772.90 |
| 4/16/18 | 7,178.14 | 594.76 | 7,772.90 |
| 10/16/18 | 7,249.92 | 522.98 | 7,772.90 |
| 4/16/19 | 7,322.42 | 450.48 | 7,772.90 |
| 10/16/19 | 7,395.65 | 377.25 | 7,772.90 |
| 4/16/20 | 7,469.60 | 303.30 | 7,772.90 |
| 10/16/20 | 7,544.30 | 228.60 | 7,772.90 |
| 4/16/21 | 7,619.74 | 153.16 | 7,772.90 |
| 10/16/21 | 7,696.08 | 76.82 | 7,772.90 |
| | <u>\$114,400.68</u> | <u>\$9,965.72</u> | <u>\$124,366.40</u> |

SCHEDULE OF IMPROVEMENT AUTHORITY LOANS ISSUED AND OUTSTANDING AT DECEMBER 31, 2013.

| <u>Year</u> | <u>2009 Loan - 60 Months</u> | | <u>Total</u> |
|-------------|------------------------------|-----------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> | |
| 2014 | <u>\$8,445.35</u> | <u>\$126.61</u> | <u>\$8,571.96</u> |
| | <u>\$8,445.35</u> | <u>\$126.61</u> | <u>\$8,571.96</u> |

| <u>Year</u> | <u>2011 Loan - 36 Months</u> | | <u>2011 Loan - 60 Months</u> | | <u>Total</u> |
|-------------|------------------------------|-----------------|------------------------------|-------------------|---------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> | |
| 2014 | \$47,855.07 | \$714.45 | \$18,831.35 | \$1,359.37 | \$68,760.24 |
| 2015 | | | 19,355.15 | 835.57 | 20,190.72 |
| 2016 | | | 19,893.47 | 297.25 | 20,190.72 |
| | <u>\$47,855.07</u> | <u>\$714.45</u> | <u>\$58,079.97</u> | <u>\$2,492.19</u> | <u>\$109,141.68</u> |

NOTE 4: FUND BALANCES APPROPRIATED

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

| | |
|--------------------|----------------|
| Current Fund | \$3,000,000.00 |
| Sewer Utility Fund | \$ 844,656.72 |

NOTE 5: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The Township bills and collects its own property taxes and also the taxes for the County and the Regional School District. The collections and remittance of county and school taxes are accounted for in the Current Fund. Township property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Township's Current Fund.

Taxes Collected in Advance - Taxes collected in advance and recorded as cash liabilities in the financial statements are as follows:

| | BALANCE DECEMBER <u>31, 2013</u> | BALANCE DECEMBER <u>31, 2012</u> |
|---------------|--|--|
| Prepaid Taxes | <u>\$889,772.39</u> | <u>\$1,098,126.76</u> |

NOTE 6: PENSION PLANS

Township employees, who are eligible for a pension plan, are enrolled in one of three pension systems administered by the Division of Pensions, Treasury Department of the State of New Jersey. The plans are: the Public Employees' Retirement System, the Police and Firemen's Retirement System, and the Defined Contribution Retirement Program (DCRP). The Division annually charges participating government units for their respective contributions to the plans based upon actuarial methods. Certain portions of the cost are contributed by the employees. The Township's share of pension costs, which is based upon the annual billings received from the State, amounted to \$2,758,541.72 for 2013, \$2,635,787.02 for 2012 and \$3,047,109.17 for 2011.

Certain Township employees are also covered by the Federal Insurance Contribution Act.

Information as to the comparison of the actuarially computed value of vested benefit with the system's assets is not available from the State Retirement System and, therefore, is not presented.

NOTE 7: COMPENSATED ABSENCES

The Township of Bridgewater permits employees to accrue a limited amount of unused vacation and sick pay, which may be taken as time off or paid upon retirement or separation at an agreed-upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$1,718,970.41. The Township annually appropriates the amounts that are required to be paid in that year's budget and no liability is accrued at December 31, 2013.

NOTE 8: LITIGATION

The Township is involved in several pending legal proceedings, the impact on the financial statements of which, either individually or in the aggregate, in the opinion of the Township's legal counsel would not be material.

NOTE 9: CONTINGENT LIABILITIES

The Township participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2013, the Township does not believe that any material liabilities will result from such audits.

NOTE 10: TAX APPEALS

There are several tax appeals filed with the State Tax Court of New Jersey requesting a reduction of assessments for the years 2012 and prior. Any reduction in assessed valuation will result in a refund of prior years taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.A. 40A:2-51. The Township has established a reserve for this purpose in the Current Fund, the balance of which is \$696,701.30 at December 31, 2013.

NOTE 11: RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

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 Township is billed quarterly for amounts due to the State. Below is a summary of Township contributions, employee contributions, reimbursements to the State for benefits paid, and the ending balance of the Township's expendable trust fund for the current and previous two years:

| <u>Year</u> | <u>Employee Contributions</u> | <u>Township and Contributions and Interest</u> | <u>Amount Reimbursed</u> | <u>Ending Balance</u> |
|-------------|-------------------------------|--|--------------------------|-----------------------|
| 2013 | \$ 21,289.83 | \$ 15,000.00 | \$ 17,327.39 | \$ 67,827.86 |
| 2012 | 20,504.40 | 76,500.00 | 53,593.72 | 48,865.42 |
| 2011 | 29,900.28 | 120,000.00 | 151,445.34 | 5,454.74 |

NOTE 12: LENGTH OF SERVICE AWARDS PROGRAM

The Township of Bridgewater adopted an ordinance establishing a Length of Service Awards Program effective for 2003 for the members of the Bridgewater First Aid/Rescue Squad pursuant to N.J.S.A. 40A:14-183 et seq. Under this program, each volunteer of the Bridgewater First Aid/Rescue Squad that performs the minimum amount of service will have an annual amount up to \$1,150.00 deposited into a tax deferred account. The Township budgeted \$115,000.00 for the program in 2013.

The accompanying financial statements do not include the Township's Length of Service Awards Program's activities. The Township's Length of Service Awards Program's financial statements are contained in a separate review report, as required by state regulations.

NOTE 13: INTERFUND RECEIVABLES AND PAYABLES

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

| <u>Fund</u> | <u>Interfund Receivable</u> | <u>Interfund Payable</u> |
|------------------------------|---------------------------------|------------------------------|
| Current Fund | \$ 87,373.10 | \$ 1,442,403.28 |
| Grant Fund | 1,400.00 | |
| Assessment Trust Fund | 4,099.12 | |
| Animal Control Fund | | 8,940.98 |
| Trust Other Fund | 1,442,508.11 | 1,478.83 |
| Sewer Utility Operating Fund | 46.30 | 78,458.12 |
| Sewer Assessment Trust Fund | | 4,145.42 |
| | \$ 1,535,426.63 | \$ 1,535,426.63 |

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were received.

NOTE 14: DEFERRED COMPENSATION PLAN

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Township employees, permits them to defer a portion of their salaries until future years. The Township does not make any contribution to the plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardships.

In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of Internal Revenue Code Section 457(g), the Township's Plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of plan participants and beneficiaries. All assets and income under the Plan are held in trust, in annuity contracts or custodial accounts.

The Plan is administered by the 'Nationwide Retirement Solutions', 'Mass Mutual' and 'AXA-Equitable.'

The accompanying financial statements do not include the Township's Deferred Compensation Plan activities. The Township's Deferred Compensation Plan financial statements are contained in a separate review report.

NOTE 15: GASB 45: OTHER POST-EMPLOYMENT BENEFITS

The Governmental Accounting Standards Board (GASB) has issued Statement No. 45, "Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pension." This statement requires the municipality to disclose in the notes to the financial statements the present value of the estimated future cost of the other post employment benefits (OPEB). OPEB obligations are non-pension benefits that the municipality has contractually or otherwise agreed to provide employees once they have retired and in most instances, will be for retirement health, prescription and dental insurance coverage.

Under current New Jersey budget and financial reporting requirements, the municipality is not required to fund any amounts in excess of their current costs on a pay-as-you-go basis or required to accrue funds, create a trust or issue debt to finance their other post-employment benefit liability. Additionally, the municipality is not required to recognize any long-term obligations resulting from OPEB on their balance sheets; however, OPEB obligations are required to be disclosed in the notes, commencing with the 2008 year.

PLAN DESCRIPTION – OTHER POST-EMPLOYMENT BENEFITS

In General

The OPEB provided by the Township of Bridgewater is currently funded on a pay-as-you-go basis and includes medical and prescription drugs for retirees and spouses.

Eligibility

The Township of Bridgewater employees who completed 25 years of public employment with the Township are eligible for benefits upon retirement regardless of age. Retirees with less than 25 years of service may receive benefits but they must contribute for the entire cost of such coverage.

Year of service are calculated based upon elapsed time.

Medical Benefits

Post-employment medical benefits are provided to eligible retired employees and their spouses. Once Medicare age is attained by either the retired employee or the spouse in the case of spousal coverage, Medicare is primary and the Township provides supplementary medical insurance.

Prescription Drugs

Post-employment prescription benefits are provided to eligible retired employees and their spouses.

Dental

Post-employment dental insurance is provided to retirees and their spouses.

Vision

Post-employment vision insurance is not provided to retirees or spouses.

Life Insurance

Life insurance is not provided to retired employees or spouses.

ACTUARIAL METHODS

Calculation Of Actuarial Accrued Liability

The plan's benefit obligations, currently, are in two parts:

1. the present value of the benefits yet to be paid for those who are currently covered as retirees; and
2. the present value of the benefits to be paid for those active participants once they become eligible for retiree benefits.

Included in each present value is a cost for administering the retiree claims.

The determination of the benefit obligation for those who are retired and covered involves estimating the survival and future claims for them and then discounting those future claims to the present time.

With regard to the active group, a further estimate must be made regarding who will actually survive, in active employment, to retire and be covered after employment.

Assumptions For Valuation

1. Mortality. The mortality table employed in this valuation is the 1994 sex distinct Group Annuity Mortality Table.
2. Discount Rate. Future costs are discounted at the rate of 5.00% compounded annually.
3. Turnover. It is assumed that terminations of employment other than for death or retirement will occur in the future in accordance with The U.S. Office of Personnel Management regarding the experience of the employee group covered by the Federal Employees Retirement System some excerpts from which are:

| <u>Age %</u> | <u>Terminating</u> |
|--------------|--------------------|
| 20 | 70.4% |
| 40 | 15.9% |
| 50 | 0.0% |

4. Disability. It is assumed no terminations of employment due to disability. Retirees resulting from a disability were factored into our determination of age at retirement.
5. Age at Retirement. It is assumed that the active participants, on average, will receive their benefits when eligible but no earlier than age 55.
6. Final Average Salary. It is assumed that the final average salary for retirees age 55 and over is \$56,117. Future retirees are assumed to contribute toward retiree health premiums pursuant to Chapter 78, P.L. 2011.
7. Spousal Coverage. It is assumed that married employees will remain married.

ACTUARIAL METHODS (CONTINUED)

8. Health Care Cost Inflation. It is assumed that health care gross costs will increase an annual rate of 7.0% for Pre-Medicare medical benefits and 5% for Post-Medicare medical benefits.
9. Administration Expenses. It is assumed that the annual cost to administer the retiree claims, approximately 2%, is included in the annual health care costs.

Change In Assumptions

Effective December 31, 2013, the assumptions for medical trend costs, turnover, and retirement age.

Current Per Capita Claim Costs

We have reviewed the premiums paid data during the twelve months of 2013 for health, prescription drugs, and dental for retirees less than age 65 and over age 65. As a result we have utilized an annual average claims cost of approximately \$19,920 per covered retiree for family coverage and \$9,660 for single coverage prior to age 65. For retirees age 65 and over we have utilized an annual average claims cost of approximately \$6,000 per covered retiree for family coverage and \$3,000 for single coverage.

Pursuant to Chapter 78 of P.L.2011, effective June 28, 2011, retirees are required to contribute for medical and prescription drugs benefits. The percent of premium contribution, derived from base salary or retirement allowance and type of coverage tier is multiplied by the total premium for the cost of the coverage received by each employee or retiree. Retiree health insurance contributions do not apply to employees that have 20 years or more of service in a state or local retirement system as of the effective date and meet the eligibility requirements of the employer pursuant to N.J.S.A. 40A:10-23, (i.e., age 62 with 15 years of service or 25 years of service).

Annual Required Contribution (Arc)

It is assumed that the actuarial accrued liability will be amortized over thirty years, the maximum funding period permitted employing the level dollar amortization method.

Actuarial Funding Method

The "unit credit" cost method has been employed in establishing the annual required contribution and actuarial accrued liability for the participants.

Demographic Data Statistics

- 132 retirees with an average age of 69
- 50 retirees receiving single benefit coverage
- 202 active employees with an average age of 47 and average accrued service of 15 years

VALUATION RESULTS

Benefit Obligations

At 12/31/2013, it is estimated that the actuarial accrued liability of benefit obligations of the Township of Bridgewater for other post-employment benefits to be:

| | <u>12/31/2013</u> |
|---|--------------------|
| 1. For covered retired employees | \$15,343,778. |
| 2. For active or terminated vested participants who have satisfied the requirements (except for actually retiring) for retiree coverage | 4,105,283. |
| 3. For other active participants | <u>19,279,864.</u> |
| 4. Total | 38,728,925. |
| 5. Assets | <u>0.</u> |
| 6. Unfunded Actuarial Accrued Liability (5.) - (4.) | \$38,728,925. |

Annual Required Contribution (Arc)

At 12/31/2013, it is estimated that the ARC of the plan for post-employment benefits to be:

| | <u>12/31/2013</u> |
|--|-------------------|
| 1. Annual Amount Toward Unfunded Actuarial Accrued Liability | \$ 2,399,402. |
| 2. Normal Cost for OPEB | <u>1,389,672.</u> |
| 3. Total (1.) + (2.) | \$3,789,074. |

Benefit Payment Comparison

At 12/31/2013, the OPEB was funded on a pay-as-you-go basis:

| | |
|--|-------------------|
| 1. Pay-As-You-Go Retiree Medical Costs | \$1,205,400. * |
| 2. Annual Required Contribution (ARC) | <u>3,789,074.</u> |
| 3. Net Increase (Decrease) (2.) - (1.) | 2,583,674. |

* Estimated costs.

TOWNSHIP OF BRIDGEWATER

SUPPLEMENTARY SCHEDULES – ALL FUNDS

YEAR ENDED DECEMBER 31, 2013

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF CASH - COLLECTOR-TREASURER

| | <u>REF.</u> | <u>CURRENT FUND</u> | <u>GRANT FUND</u> |
|--|-------------|-------------------------|----------------------|
| Balance, December 31, 2012 | A | \$ 9,671,010.03 | \$ 57,590.31 |
| Increased by Receipts: | | | |
| Taxes Receivable | A-8 | \$ 167,466,240.64 | \$ |
| State of New Jersey-Senior Citizens and Veterans Deductions | A-7 | 250,243.25 | |
| Interfunds | A-12 | 2,312,807.88 | |
| Petty Cash | A-5 | 1,000.00 | |
| Revenue Accounts Receivable | A-13 | 14,130,925.61 | |
| Miscellaneous Revenue Not Anticipated | A-2 | 386,351.97 | |
| Tax Overpayments | A-17 | 111,771.84 | |
| Prepaid Taxes | A-18 | 889,751.17 | |
| Tax Title Liens | A-9 | 577.34 | |
| Appropriation Reserve Refunds | A-14 | 65.00 | |
| Grants-Appropriated - Match | A-23 | | 120,789.00 |
| Grants - Unappropriated | A-24 | | 88,722.26 |
| Grants Receivable | A-25 | | 986,850.77 |
| Construction Code DCA - Due State of NJ | A-16 | 104,703.00 | |
| Marriage/Civil Union Licenses Due State of NJ | A-27 | 4,875.00 | |
| Reserve for Insurance Damage | A-31 | 73,659.25 | |
| Reserve for Storm Damage - FEMA | A-26 | 377,012.65 | |
| | | <u>186,109,984.60</u> | <u>1,196,362.03</u> |
| | | \$ 195,780,994.63 | \$ 1,253,952.34 |
| Decreased by Disbursements: | | | |
| 2013 Appropriations | A-3 | \$ 34,406,170.92 | \$ |
| Appropriation Reserves | A-14 | 1,129,933.80 | |
| Interfunds | A-12 | 1,653,331.88 | |
| Due Current Fund | A-29 | | 1,400.00 |
| Due Other Trust Fund | A-30 | | 270,473.73 |
| Petty Cash | A-5 | 1,000.00 | |
| Tax Overpayments | A-17 | 107,944.02 | |
| Regional School District Taxes | A-21 | 107,787,470.68 | |
| County Taxes | A-20 | 32,940,987.71 | |
| Special Fire District Taxes | A-22 | 2,275,204.00 | |
| Refund of: | | | |
| Uniform Construction Code Fees | A-2 | 11,317.40 | |
| Recreation Fees | A-2 | 6,800.00 | |
| Prior Year Revenue | A-1 | 4,357.00 | |
| Construction Code DCA - Due State of NJ | A-16 | 97,133.00 | |
| Marriage/Civil Union Licenses Due State of NJ | A-27 | 4,350.00 | |
| Reserve for Emergency Note Payable | A-28 | 128,000.00 | |
| Grants-Appropriated | A-23 | | 743,226.52 |
| | | <u>180,554,000.41</u> | <u>1,015,100.25</u> |
| Balance, December 31, 2013 | A | \$ <u>15,226,994.22</u> | \$ <u>238,852.09</u> |

"A-5"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF PETTY CASH

| <u>OFFICE</u> | <u>RECEIVED FROM TREASURER</u> | <u>RETURNED TO TREASURER</u> |
|--------------------|--|--------------------------------------|
| Police Department | \$ 500.00 | \$ 500.00 |
| Finance Department | 500.00 | 500.00 |
| | <u>\$ 1,000.00</u> | <u>\$ 1,000.00</u> |
| <u>REF.</u> | A-4 | A-4 |

"A-6"

SCHEDULE OF CHANGE FUNDS

| | | |
|---|---|------------------|
| Balance, December 31, 2012 and December 31, 2013 | A | \$ <u>410.00</u> |
| <u>DETAIL</u> | | |
| Tax Collector | | \$ 200.00 |
| Police | | 50.00 |
| Township Clerk | | 50.00 |
| Municipal Court | | <u>110.00</u> |
| | | <u>\$ 410.00</u> |

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF DUE STATE OF NEW JERSEY
FOR SENIOR CITIZENS AND VETERANS DEDUCTIONS

| | <u>REF.</u> | | |
|--|-------------|-------------------|-----------------------------|
| Balance, December 31, 2012 (Due From) | A | | \$ 151,026.21 |
| Increased by: | | | |
| Senior Citizens Deductions Per Tax Billing | A-7 | \$ 58,000.00 | |
| Veterans Deductions Per Tax Billing | A-7 | 288,750.00 | |
| Senior Citizens and Veterans Deductions Allowed by Tax Collector | A-7 | <u>3,750.00</u> | |
| | | | \$ <u>350,500.00</u> |
| Decreased by: | | | |
| Senior Citizens Deductions Disallowed by Collector | A-7 | \$ 2,556.24 | |
| Received From State | A-4 | <u>250,243.25</u> | |
| | | | <u>252,799.49</u> |
| Balance, December 31, 2013 (Due From) | A | | \$ <u><u>248,726.72</u></u> |

ANALYSIS OF STATE SHARE OF 2013 SENIOR
CITIZENS AND VETERANS DEDUCTIONS

| | | | |
|--|-----|-----------------|-----------------------------|
| Senior Citizens Deductions Per Tax Billing | A-7 | \$ 58,000.00 | |
| Veterans Deductions Per Tax Billing | A-7 | 288,750.00 | |
| Senior Citizens and Veterans Deductions Allowed by Tax Collector-2013 Taxes | A-7 | <u>3,750.00</u> | |
| | | | \$ 350,500.00 |
| Less: | | | |
| Deductions Disallowed by Collector | A-7 | | <u>2,556.24</u> |
| | A-8 | | \$ <u><u>347,943.76</u></u> |

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

| YEAR | BALANCE DECEMBER 31, 2012 | 2013 LEVY | ADDED TAXES | COLLECTIONS BY CASH | CANCELED | OVERPAYMENTS APPLIED | TRANSFERRED TO TAX TITLE LIENS | BALANCE DECEMBER 31, 2013 |
|------|---------------------------------|-------------------|----------------|---------------------|---------------|-------------------------|--------------------------------------|---------------------------------|
| 2012 | \$ 1,534,884.03 | \$ | \$ 11,000.00 | \$ 1,529,127.69 | \$ 12,311.20 | \$ | \$ | \$ 4,445.14 |
| 2013 | \$ 1,534,884.03 | \$ 168,664,982.37 | \$ 11,000.00 | \$ 1,098,126.76 | \$ 92,322.72 | \$ 27,182.67 | \$ 5,162.86 | \$ 1,157,130.65 |
| | \$ 1,534,884.03 | \$ 168,664,982.37 | \$ 11,000.00 | \$ 1,098,126.76 | \$ 104,633.92 | \$ 27,182.67 | \$ 5,162.86 | \$ 1,161,575.79 |

REF.

A

A-2-A-18

A-2-A-8

A-9

A

REF.

Collector
Senior Citizens and Veterans Deductions

A-4
A-7
A-8

\$ 167,466,240.64
347,943.76
167,814,184.40

ANALYSIS OF 2013 PROPERTY TAX LEVY

| | |
|---------------------------------|-------------------|
| TAX YIELD | |
| General Property Tax | \$ 166,153,632.40 |
| Added Taxes (54-4-63.1 et seq.) | 236,145.97 |
| Special Fire District Tax | 2,275,204.00 |
| | \$ 168,664,982.37 |

TAX LEVY

| | |
|--|-------------------|
| Regional School District Tax (Abstract) | |
| County Tax (Abstract) | \$ 112,300,162.00 |
| County Library Tax (Abstract) | |
| County Open Space (Abstract) | |
| Due County for Added Taxes (54-4-63.1 et seq.) | \$ 32,877,782.71 |
| Total County Taxes | 46,888.49 |

| | |
|---|-------------------|
| Special Fire District Tax | |
| Local Tax for Municipal Purposes (Abstract) | \$ 20,912,497.41 |
| Add: Additional Tax Levied | 252,447.76 |
| Local Tax for Municipal Purposes Levied | 21,164,945.17 |
| | \$ 168,664,982.37 |

"A-9"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

| | <u>REF.</u> | |
|----------------------------|-------------|-----------------------------|
| Balance, December 31, 2012 | A | \$ 125,140.59 |
| Increased by: | | |
| 2013 Taxes Accrued | A-8 | <u>5,162.86</u> |
| | | \$ <u>130,303.45</u> |
| Decreased by: | | |
| Receipts | A-4 | <u>577.34</u> |
| Balance, December 31, 2013 | A | \$ <u><u>129,726.11</u></u> |

"A-10"

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

| | | |
|---|---|-----------------------------|
| Balance, December 31, 2012 and December 31, 2013 | A | \$ <u><u>422,300.00</u></u> |
|---|---|-----------------------------|

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE

| | <u>REF.</u> | | |
|---------------------------------------|-------------|-------------------|-------------------------------|
| Balance, December 31, 2012 | | | \$ 1,688,322.52 |
| Increased by: | | | |
| 2013 Budget Appropriations | A-3 | \$ 1,103,989.24 | |
| 2013 Grants | A-23 | 172,066.87 | |
| Appropriation Reserves | A-14 | <u>219,120.57</u> | |
| | | | <u>1,495,176.68</u> |
| | | | \$ <u>3,183,499.20</u> |
| Decreased by: | | | |
| Transferred to Appropriation Reserves | A-14 | \$ 1,390,992.51 | |
| Transferred to Grant Reserves | A-23 | 161,252.94 | |
| Canceled | A-1 | <u>90,328.32</u> | |
| | | | <u>1,642,573.77</u> |
| Balance, December 31, 2013 | | | \$ <u><u>1,540,925.43</u></u> |
| <u>Analysis of Balance:</u> | | | |
| Current Fund | A | | \$ 1,368,858.56 |
| Grant Fund | A | | <u>172,066.87</u> |
| | | | \$ <u><u>1,540,925.43</u></u> |

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF INTERFUNDS

| | <u>REF.</u> | <u>TOTAL</u> | <u>GRANT FUND</u> | <u>ANIMAL CONTROL TRUST FUND</u> | <u>OTHER TRUST FUND</u> | <u>SEWER UTILITY OPERATING FUND</u> |
|----------------------------|-------------|---------------------|-------------------|--|---------------------------------|---|
| Balance, December 31, 2012 | | | | | | |
| Due To | A | \$ 799,416.96 | \$ | \$ | \$ 798,711.60 | \$ 705.36 |
| Due From | A | 97.80 | | 97.80 | | |
| | | <u>2,312,807.88</u> | <u>123,089.00</u> | <u>97.80</u> | <u>2,186,466.85</u> | <u>3,154.23</u> |
| Receipts | A-4 | \$ | \$ | \$ | \$ | \$ |
| Tax Overpayments Applied | A-17 | 1,729.00 | | | | 1,729.00 |
| Transfer | A-2 | 8,940.98 | | 8,940.98 | | |
| Canceled | | 96,553.00 | | | 96,553.00 | |
| Disbursements | A-4 | <u>1,653,331.88</u> | <u>121,689.00</u> | | <u>1,447,622.17</u> | <u>84,020.71</u> |
| Balance, December 31, 2013 | | | | | | |
| Due To | A | \$ 1,442,403.28 | \$ 1,400.00 | \$ | \$ 1,441,003.28 | \$ |
| Due From | A | 87,373.10 | | 8,940.98 | | 78,432.12 |
| | | <u>1,529,776.38</u> | <u>1,400.00</u> | <u>8,940.98</u> | <u>1,441,003.28</u> | <u>78,432.12</u> |

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

| <u>ACCOUNTS</u> | <u>REF.</u> | <u>BALANCE DECEMBER 31, 2012</u> | <u>ACCRUED IN 2013</u> | <u>COLLECTED</u> | <u>BALANCE DECEMBER 31, 2013</u> |
|--|-------------|--|----------------------------|------------------|--|
| Licenses: | | | | | |
| Alcoholic Beverages | A-2 | \$ | \$ 88,002.00 | \$ 88,002.00 | \$ |
| Other | A-2 | | 33,505.00 | 33,505.00 | |
| Fees and Permits | A-2 | | 377,473.93 | 377,473.93 | |
| Municipal Court: | | | | | |
| Fines and Costs | A-2 | 42,133.94 | 624,543.08 | 633,989.09 | 32,687.93 |
| Interest and Costs on Taxes | A-2 | | 394,596.58 | 394,596.58 | |
| Interest on Investments and Deposits | A-2 | | 45,658.26 | 45,658.26 | |
| Recreation Fees | A-2 | | 206,461.50 | 206,461.50 | |
| Consolidated Municipal Property Tax Relief Aid | A-2 | | 188,018.00 | 188,018.00 | |
| Energy Receipts Tax | A-2 | | 5,712,161.18 | 5,712,161.18 | |
| Uniform Construction Code Fees | A-2 | | 1,691,336.40 | 1,691,336.40 | |
| Joint Services with County Library | A-2 | | 335,449.50 | 335,449.50 | |
| Public Assistance Services with County | A-2 | | 57,300.00 | 57,300.00 | |
| Life Hazard Use Fees | A-2 | | 136,717.64 | 136,717.64 | |
| Suburban Cablevision - Franchise Fee | A-2 | | 518,746.95 | 518,746.95 | |
| Payment in Lieu of Taxes - Centerbridge I | A-2 | | 97,012.29 | 97,012.29 | |
| Payment in Lieu of Taxes - Centerbridge II | A-2 | | 102,523.74 | 102,523.74 | |
| Bridgewater Commons - Rent/Royalty/In Lieu of | A-2 | | 2,026,749.13 | 2,026,749.13 | |
| Host Benefit Fees | A-2 | | 223,007.35 | 223,007.35 | |
| Hotel/Motel Tax | A-2 | | 899,998.98 | 899,998.98 | |
| Capital Fund Surplus | A-2 | | 130,000.00 | 130,000.00 | |
| Debt Service Reimbursement - Open Space Trust Fund | A-2 | | 69,397.34 | 69,397.34 | |
| Animal Shelter Contributions | A-2 | | 15,620.75 | 15,620.75 | |
| Storm Reimbursement | A-2 | | 147,200.00 | 147,200.00 | |
| | | \$ 42,133.94 | \$ 13,958,658.85 | \$ 14,130,925.61 | \$ 32,687.93 |
| <u>REF.</u> | | A | A | A-4 | A |

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF 2012 APPROPRIATION RESERVES

| | BALANCE DECEMBER 31, 2012 | TRANSFERRED FROM ACCOUNTS PAYABLE | BALANCE AFTER MODIFICATION | PAID OR CHARGED | BALANCE LAPSED |
|-------------------------------------|---------------------------------|---|----------------------------------|--------------------|-------------------|
| <u>SALARIES AND WAGES</u> | | | | | |
| Mayor's Office | \$ 2.35 | \$ | \$ 2.35 | \$ | \$ 2.35 |
| Administration | 812.65 | | 812.65 | | 812.65 |
| Economic Development | 99.75 | | 99.75 | | 99.75 |
| Township Council | 531.30 | | 531.30 | | 531.30 |
| Personnel Office | 5,907.56 | | 907.56 | | 907.56 |
| Purchasing Department | 2,631.32 | | 631.32 | | 631.32 |
| Grants Administration Office | 129.75 | | 129.75 | | 129.75 |
| Township Clerk | 438.97 | | 438.97 | | 438.97 |
| Director of Finance | 0.31 | | 0.31 | | 0.31 |
| Division of Treasury | 4,788.34 | | 788.34 | 505.82 | 282.52 |
| Division of Tax Collection | 4,779.57 | | 779.57 | 270.11 | 509.46 |
| Tax Assessment | 6,570.40 | | 1,570.40 | 718.78 | 851.62 |
| Legal Office | 3,686.21 | | 686.21 | | 686.21 |
| Engineering Director's Office | 934.68 | | 934.68 | | 934.68 |
| Engineering | 6,669.78 | | 669.78 | 347.80 | 321.98 |
| Board of Adjustments | 7,408.15 | | 7,408.15 | | 7,408.15 |
| Division of Planning | 3,792.31 | | 3,792.31 | 672.29 | 3,120.02 |
| Police | 126,702.79 | | 126,702.79 | 27,077.55 | 99,625.24 |
| Emergency Management | 834.15 | | 834.15 | | 834.15 |
| Fire Safety | 6,836.86 | | 6,836.86 | | 6,836.86 |
| Municipal Court | 2,201.92 | | 2,201.92 | | 2,201.92 |
| Road Repairs and Maintenance | 15,941.98 | | 45,941.98 | 24,558.59 | 21,383.39 |
| Vehicle Maintenance | 9,290.72 | | 19,290.72 | 7,467.65 | 11,823.07 |
| Snow Removal | 3,808.90 | | 3,808.90 | 3,808.90 | |
| Park Maintenance | 19,110.20 | | 39,110.20 | 13,470.29 | 25,639.91 |
| Public Buildings and Grounds | 796.74 | | 10,796.74 | 6,135.31 | 4,661.43 |
| Director's Office | 99.86 | | 99.86 | | 99.86 |
| Division of Health | 4,411.13 | | 4,411.13 | 913.56 | 3,497.57 |
| Administration of Public Assistance | 99.80 | | 99.80 | | 99.80 |
| Senior Citizen Services | 4,212.24 | | 4,212.24 | | 4,212.24 |
| Division of Recreation and Parks | 6,776.40 | | 6,776.40 | | 6,776.40 |
| Construction Code Official | 28,755.55 | | 5,755.55 | 2,541.34 | 3,214.21 |
| Branch Library | 13,893.53 | | 13,893.53 | 4,642.81 | 9,250.72 |
| <u>OTHER EXPENSES</u> | | | | | |
| Mayor's Office | 65.13 | 1,161.08 | 1,226.21 | 1,161.08 | 65.13 |
| Administration | 9.19 | 6,582.15 | 6,591.34 | 2,082.15 | 4,509.19 |
| Economic Development | 128.80 | 75.00 | 203.80 | 75.00 | 128.80 |
| Township Council | 705.26 | 215.00 | 920.26 | 215.00 | 705.26 |
| Personnel Office | 2,547.23 | 2,973.60 | 5,520.83 | 1,392.60 | 4,128.23 |
| Purchasing Department | 19.02 | 5,467.21 | 5,486.23 | 1,663.37 | 3,822.86 |
| Township Clerk | 51.15 | 5,986.51 | 6,037.66 | 630.28 | 5,407.38 |
| Elections | 423.84 | | 423.84 | | 423.84 |
| Director of Finance | 8.13 | 279.90 | 288.03 | 279.90 | 8.13 |
| Division of Treasury | 59.31 | 8,627.55 | 8,686.86 | 5,282.74 | 3,404.12 |
| Audit | 675.00 | | 675.00 | | 675.00 |
| Division of Collector of Taxes | 84.61 | 975.60 | 1,060.21 | 180.66 | 879.55 |
| Assessment of Taxes | 29.02 | 20,725.26 | 20,754.28 | 20,486.00 | 268.28 |
| Reassessment Program | | 9,300.00 | 9,300.00 | 9,300.00 | |
| Legal Office | 1,198.13 | 138,392.47 | 141,990.60 | 111,461.15 | 30,529.45 |
| Employee Group Insurance | 19,008.14 | 15,519.38 | 34,527.52 | 1,198.82 | 33,328.70 |
| Other Insurance Premiums | 8,853.00 | | 2,853.00 | | 2,853.00 |
| Engineering Director's Office | 267.84 | 1,542.76 | 1,810.60 | 1,541.76 | 268.84 |
| Engineering | 20.86 | 1,926.09 | 1,946.95 | 1,926.09 | 20.86 |
| Board of Adjustments | 164.96 | 8,828.68 | 8,993.64 | 8,392.48 | 601.16 |
| Division of Planning | 2,683.70 | 1,136.77 | 8,620.47 | 8,463.99 | 156.48 |
| Planning Board | 6,121.08 | 14,563.00 | 15,684.08 | 14,661.56 | 1,022.52 |
| Police | 503.68 | 95,774.14 | 96,277.82 | 84,000.75 | 12,277.07 |
| Office of Emergency Management | 56.56 | 1,099.51 | 1,156.07 | 169.04 | 987.03 |
| Fire Safety | 97.34 | | 97.34 | | 97.34 |
| Fire Hydrant Service | 77.20 | 12,800.00 | 12,877.20 | | 12,877.20 |
| Municipal Court | 401.21 | 6,356.40 | 6,757.61 | 3,201.00 | 3,556.61 |
| Public Defender | | 1,200.00 | 1,200.00 | | 1,200.00 |
| Road Repair and Maintenance | 1,278.46 | 398,948.17 | 400,226.63 | 357,543.61 | 42,683.02 |
| Vehicle Maintenance | 138.81 | 5,530.80 | 5,669.61 | 5,095.09 | 574.52 |
| Recycling | 611.30 | 39,347.16 | 39,958.46 | 39,347.16 | 611.30 |
| Snow Removal | 195,595.09 | 23,765.91 | 219,361.00 | 216,775.60 | 2,585.40 |

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF 2012 APPROPRIATION RESERVES

| | BALANCE DECEMBER 31, 2012 | TRANSFERRED FROM ACCOUNTS PAYABLE | BALANCE AFTER MODIFICATION | PAID OR CHARGED | BALANCE LAPSED |
|--|---------------------------------|---|----------------------------------|--------------------|-------------------|
| <u>OTHER EXPENSES (CONTINUED)</u> | | | | | |
| Park Maintenance | \$ 151.38 | \$ 21,837.04 | \$ 21,988.42 | \$ 271.36 | \$ 21,717.06 |
| Municipal Services Reimbursements: Condominiums | | 61,000.00 | 61,000.00 | 48,573.94 | 12,426.06 |
| Public Buildings and Grounds | 1,224.87 | 38,076.54 | 39,301.41 | 34,631.90 | 4,669.51 |
| Director's Office | 25.00 | 200.00 | 225.00 | 200.00 | 25.00 |
| Division of Health | 18.98 | 5,869.13 | 14,088.11 | 14,008.70 | 79.41 |
| Administration of Public Assistance | 100.00 | | 100.00 | | 100.00 |
| Contribution to Somerset Regional Center Partnership | 10.00 | | 10.00 | | 10.00 |
| Environmental Commission | 9.60 | | 9.60 | | 9.60 |
| Senior Citizen Services | 260.33 | 4,669.22 | 4,929.55 | 3,859.02 | 1,070.53 |
| Division of Recreation and Parks | 13,742.53 | 21,475.74 | 35,218.27 | 21,123.58 | 14,094.69 |
| Branch Library | 540.06 | 75,721.94 | 76,262.00 | 36,034.67 | 40,227.33 |
| Green Brook Flood Control | 111.91 | | 111.91 | | 111.91 |
| Construction Code Official | 537.77 | 3,600.17 | 4,137.94 | 3,597.98 | 539.96 |
| Street Lighting | | 45,311.20 | 45,311.20 | 30,605.34 | 14,705.86 |
| Telephone Service | | 55,634.09 | 38,234.09 | 18,935.35 | 19,298.74 |
| Central Office Supply | 1.01 | 4,142.26 | 4,143.27 | 3,462.49 | 680.78 |
| Utilities | 1,984.08 | 190,473.28 | 192,462.36 | 109,419.74 | 83,042.62 |
| Postage | 51.94 | 3,207.00 | 3,258.94 | 207.00 | 3,051.94 |
| Contingent | 4,000.00 | | 4,000.00 | | 4,000.00 |
| Social Security System (O.A.S.I.) | 89,747.98 | | 84,747.98 | 8,508.24 | 76,239.74 |
| Pension Firemen's Widow | 1,000.00 | | 1,000.00 | | 1,000.00 |
| Defined Contribution Retirement Plan (DCRP) | 3,591.98 | | 3,591.98 | 67.42 | 3,524.56 |
| Length of Service Awards Program | 35.69 | 13,714.69 | 13,750.38 | 13,714.69 | 35.69 |
| Branch Library | | 941.11 | 941.11 | 45.00 | 896.11 |
| Employee Group Insurance | 64,166.96 | | 64,166.96 | | 64,166.96 |
| Social Security System | 11,019.49 | | 11,019.49 | | 11,019.49 |

CAPITAL IMPROVEMENTS

| | | | | | |
|------------------------------|----------------------|------------------------|------------------------|------------------------|----------------------|
| Finance - Computer Equipment | 7,324.73 | 16,014.00 | 23,338.73 | 12,065.27 | 11,273.46 |
| | <u>\$ 734,495.51</u> | <u>\$ 1,390,992.51</u> | <u>\$ 2,125,488.02</u> | <u>\$ 1,348,989.37</u> | <u>\$ 776,498.65</u> |

REF.

| | | | | |
|------------------------------|------|------|------------------------|-----|
| | A | A-11 | | A-1 |
| Disbursements | A-4 | | \$ 1,129,933.80 | |
| Reserve for Accounts Payable | A-11 | | 219,120.57 | |
| | | | <u>\$ 1,349,054.37</u> | |
| Less: Refunds | A-4 | | 65.00 | |
| | | | <u>\$ 1,348,989.37</u> | |

"A-15"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR TAX APPEALS

| | <u>REF.</u> | |
|----------------------------|-------------|----------------------|
| Balance, December 31, 2012 | A | \$ 739,431.00 |
| Decreased by: | | |
| Applied to Overpayments | A-17 | <u>42,729.70</u> |
| Balance, December 31, 2013 | A | <u>\$ 696,701.30</u> |

"A-16"

SCHEDULE OF RESERVE FOR CONSTRUCTION CODE DCA - DUE STATE OF N.J.

| | | |
|----------------------------|-----|---------------------|
| Balance, December 31, 2012 | A | \$ 16,396.00 |
| Increased by: | | |
| Receipts | A-4 | <u>104,703.00</u> |
| | | \$ 121,099.00 |
| Decreased by: | | |
| Disbursements | A-4 | <u>97,133.00</u> |
| Balance, December 31, 2013 | A | <u>\$ 23,966.00</u> |

"A-17"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF TAX OVERPAYMENTS

| | <u>REF.</u> | | |
|----------------------------|-------------|------------------|-----------------------------|
| Balance, December 31, 2012 | A | | \$ 137,781.43 |
| Increased by: | | | |
| Overpayments in 2013 | A-4 | \$ 111,771.84 | |
| Overpayments from Appeals | A-15 | <u>42,729.70</u> | |
| | | | \$ <u>154,501.54</u> |
| | | | \$ <u>292,282.97</u> |
| Decreased by: | | | |
| Refunded | A-4 | \$ 107,944.02 | |
| Canceled | | 276.61 | |
| Applied to Taxes | A-8 | 27,182.67 | |
| Applied to Sewer | A-12 | 1,729.00 | |
| Applied to Prepaid Taxes | A-18 | <u>21.22</u> | |
| | | | <u>137,153.52</u> |
| Balance, December 31, 2013 | A | | \$ <u><u>155,129.45</u></u> |

"A-18"

SCHEDULE OF PREPAID TAXES

| | | | |
|----------------------------|------|---------------|-----------------------------|
| Balance, December 31, 2012 | A | | \$ 1,098,126.76 |
| Increased by: | | | |
| Collection of 2014 Taxes | A-4 | \$ 889,751.17 | |
| Overpayments Applied | A-17 | <u>21.22</u> | |
| | | | \$ <u>889,772.39</u> |
| | | | \$ <u>1,987,899.15</u> |
| Decreased by: | | | |
| Applied to 2013 Taxes | A-8 | | <u>1,098,126.76</u> |
| Balance, December 31, 2013 | A | | \$ <u><u>889,772.39</u></u> |

"A-19"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

| | <u>REF.</u> | | |
|----------------------------|-------------|----|----------------------|
| Balance, December 31, 2012 | A | \$ | 16,261.03 |
| Decreased by: | | | |
| Applied to Revenue | A-2 | | <u>16,000.00</u> |
| Balance, December 31, 2013 | A | \$ | <u><u>261.03</u></u> |

"A-20"

SCHEDULE OF COUNTY TAXES PAYABLE

| | | | |
|----------------------------|---------|----|-------------------------|
| Balance, December 31, 2012 | A | \$ | 63,205.00 |
| Increased by: | | | |
| 2013 Levy | | \$ | 32,877,782.71 |
| Added Taxes | | | <u>46,888.49</u> |
| | A-1:A-8 | | <u>32,924,671.20</u> |
| | | \$ | <u>32,987,876.20</u> |
| Decreased by: | | | |
| Payments | A-4 | | <u>32,940,987.71</u> |
| Balance, December 31, 2013 | A | \$ | <u><u>46,888.49</u></u> |

"A-21"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF REGIONAL SCHOOL DISTRICT TAXES PAYABLE

| | <u>REF.</u> | |
|----------------------------|-------------|------------------------|
| Increased by: | | |
| School Levy | A-1:A-8 | \$ 112,300,162.00 |
| Decreased by: | | |
| Payments | A-4 | <u>107,787,470.68</u> |
| Balance, December 31, 2013 | A | <u>\$ 4,512,691.32</u> |

"A-22"

SCHEDULE OF SPECIAL FIRE DISTRICT TAXES PAYABLE

| | | |
|--------------------------------|---------|------------------------|
| Increased by: | | |
| 2013 Special District Tax Levy | A-1:A-8 | \$ 2,275,204.00 |
| Decreased by: | | |
| Payments | A-4 | <u>\$ 2,275,204.00</u> |

TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF GRANTS APPROPRIATED

| | BALANCE DECEMBER 31, 2012 | 2013 BUDGET APPROPRIATION | EXPENDED | BALANCE DECEMBER 31, 2013 |
|---|---------------------------------|---------------------------------|----------------------|---------------------------------|
| Drunk Driving Enforcement Fund | \$ 2,911.67 | \$ 19,141.77 | \$ 8,688.80 | \$ 13,364.64 |
| Over the Limit Under Arrest | 4,750.00 | 13,200.00 | 5,875.00 | 12,075.00 |
| Clean Communities Program | 48,963.04 | 87,538.56 | 71,966.71 | 64,534.89 |
| Municipal Alliance Program | 117.87 | 37,782.00 | 37,782.00 | 117.87 |
| Municipal Alliance Program Match | 389.59 | 9,918.00 | 10,058.83 | 248.76 |
| Alcohol Education Rehabilitation | 4,049.27 | 1,847.11 | 3,000.00 | 2,896.38 |
| Body Armor Replacement Fund | 15,316.53 | 8,719.89 | 8,113.50 | 15,922.92 |
| Hazard Mitigation Grant | 9,914.00 | 115,526.00 | | 125,440.00 |
| Safe & Secure Communities | | 60,000.00 | 60,000.00 | |
| Safe & Secure Communities & Match | | 110,871.00 | 110,871.00 | |
| Recycling Tonnage Program | 9,931.51 | 84,630.70 | 84,619.80 | 9,942.41 |
| Somerset County Youth Services Commission | 3,268.08 | 5,000.00 | 4,592.61 | 3,675.47 |
| SC Youth Athletic & Recreational Facility | 14,976.92 | | | 14,976.92 |
| CDBG - Youth Development Program | 1,209.71 | | 894.71 | 315.00 |
| CDBG - Southside Avenue | | 100,000.00 | 11,300.00 | 88,700.00 |
| Office of Emergency Management | 29,937.48 | 5,000.00 | 2,500.00 | 32,437.48 |
| Federal Bulletproof Vest Program | 10,575.08 | | 4,728.50 | 5,846.58 |
| Challenge Grant - Finderne | 21,700.00 | | | 21,700.00 |
| Regional Center Partnership - Pearl Street and Jamestown Road | 12,250.00 | | | 12,250.00 |
| Regional Center Partnership - Peters Brook | 5,845.00 | | | 5,845.00 |
| Regional Center Partnership | | 43,000.00 | | 43,000.00 |
| Stormwater Regulation | 4,798.00 | | | 4,798.00 |
| Child Passenger Safety Grant | 252.52 | 1,500.00 | 1,600.00 | 152.52 |
| Buffer Zone Protection Program | 63.04 | | | 63.04 |
| SC Youth Services Commission | 33.75 | | | 33.75 |
| 2013 Open Space Stewardship - Middlebrook Trail | | 685.00 | 155.40 | 529.60 |
| Tobacco Age of Sale Grant | 2,460.00 | | | 2,460.00 |
| Swine Flu (H1N1) | 11,660.74 | | | 11,660.74 |
| Hepatitis B Inoculation Fund | 1,112.07 | | | 1,112.07 |
| Homeland Security - County | 702.19 | | 702.19 | |
| NJ DOT - Highway Safety Fund - Safe Corridor | 62,114.16 | 151,971.69 | 212,379.24 | 1,706.61 |
| NJ DOT - Crim Road | 45,339.68 | | | 45,339.68 |
| NJ DOT - Country Club Road - Phase II | 10,977.42 | | | 10,977.42 |
| NJ DOT - Repaving US Route 22 | 110,615.29 | | | 110,615.29 |
| NJ DOT - Country Club Road - Phase III | 140,000.00 | | 114,212.16 | 25,787.84 |
| | <u>\$ 586,234.61</u> | <u>\$ 856,331.72</u> | <u>\$ 754,040.45</u> | <u>\$ 688,525.88</u> |
| REF. | A | | | A |
| Grants Appropriated | A-3 | \$ 735,542.72 | | |
| Matching Funds for Grants | A-4 | <u>120,789.00</u> | | |
| | | <u>\$ 856,331.72</u> | | |
| Disbursements | A-4 | | \$ 743,226.52 | |
| Accounts Payable | A-11 | | <u>172,066.87</u> | |
| | | | \$ 915,293.39 | |
| Less: Transferred from Accounts Payable | A-11 | | <u>161,252.94</u> | |
| | | | <u>\$ 754,040.45</u> | |

TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF GRANTS UNAPPROPRIATED

| | BALANCE DECEMBER 31, 2012 | RECEIPTS | APPLIED TO RECEIVABLE | BALANCE DECEMBER 31, 2013 |
|--------------------------------|---------------------------------|---------------------|--------------------------|---------------------------------|
| Drunk Driving Enforcement Fund | \$ 19,141.77 | \$ 14,722.12 | \$ 19,141.77 | \$ 14,722.12 |
| Recycling Tonnage Grant | 84,630.70 | 71,000.14 | 84,630.70 | 71,000.14 |
| Regional Center Partnership | | 3,000.00 | | 3,000.00 |
| | <u>\$ 103,772.47</u> | <u>\$ 88,722.26</u> | <u>\$ 103,772.47</u> | <u>\$ 88,722.26</u> |
| <u>REF.</u> | A | A-4 | A-25 | A |

TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

| | BALANCE DECEMBER 31, 2012 | BUDGET APPROPRIATION | RECEIPTS | UNAPPROPRIATED APPLIED | BALANCE DECEMBER 31, 2013 |
|--|---------------------------------|-------------------------|---------------|---------------------------|---------------------------------|
| | \$ 258,104.00 | \$ 19,141.77 | \$ 258,104.00 | \$ 19,141.77 | \$ |
| Homeland Security - County | | 1,847.11 | 1,847.11 | | |
| Drunk Driving Enforcement Fund | 1,175.00 | 13,200.00 | 5,725.00 | | 1,175.00 |
| Alcohol Education Rehabilitation Fund | 250.00 | 87,538.56 | 87,538.56 | | 7,725.00 |
| Over the Limit Under Arrest | | 37,782.00 | 43,691.25 | | |
| Drive Sober or Get Pulled Over | 7,783.01 | 8,719.89 | 8,719.89 | | 1,873.76 |
| Clean Communities Program | | | 4,728.50 | | |
| Municipal Alliance Program | 4,728.50 | 84,630.70 | 4,728.50 | 84,630.70 | |
| Body Armor Replacement Fund | 5,000.00 | 5,000.00 | 5,000.00 | | 5,000.00 |
| Federal Bulletproof Vest Partnership | 13,881.73 | 115,526.00 | 115,526.00 | | 13,881.73 |
| Recycling Tonnage Grant | 30,000.00 | 60,000.00 | 60,000.00 | | 30,000.00 |
| Office of Emergency Management | 30,000.00 | 43,000.00 | 73,000.00 | | |
| Hazard Mitigation Grant | 5,000.00 | 685.00 | 665.00 | | 20.00 |
| Safe and Secure Communities | 4,756.31 | 5,000.00 | 5,000.00 | | 5,000.00 |
| Regional Center Partnership - Challenge Grant | 3,379.00 | | | | 4,756.31 |
| Open Space Stewardship | 65,132.59 | | 65,132.59 | | 2,751.58 |
| Youth Services Newcomer's Club | 184.35 | | | | 3,379.00 |
| SC Youth Athletic and Recreation Facilities | 101,289.57 | 151,971.69 | 100,131.20 | | 184.35 |
| Public Water Supply Contract | 2,873.00 | | | | 153,130.06 |
| School Based Partnership | 31,000.00 | | 30,936.96 | | 2,873.00 |
| Energy Efficiency and Conservation Strategy Project | 2,154.71 | | 2,154.71 | | 63.04 |
| Swine Flu (H1N1) | | | | | |
| Comprehensive Traffic Safety Program | 457.52 | 100,000.00 | | | 94,950.00 |
| NJ Division on Women | 13,826.23 | 1,500.00 | 5,050.00 | | 557.52 |
| Buffer Zone Protection Program (Homeland Security) | 145,076.66 | | 1,400.00 | | 13,826.23 |
| CDBG - Youth Development Program | 45,339.68 | | | | 145,076.66 |
| CDBG - Southside Avenue | 150,000.00 | | | | 45,339.68 |
| Child Passenger Safety Grant | 140,000.00 | | 112,500.00 | | 37,500.00 |
| NJ DOT - Municipal Aid Program - Country Club Road Phase II | | | | | 140,000.00 |
| NJ DOT - Repairing U.S. Route 22 | | | | | |
| NJ DOT - Crim Road | | | | | |
| NJ DOT - Brown Road | | | | | |
| NJ DOT - Municipal Aid Program - Country Club Road Phase III | | | | | |
| | \$ 1,064,143.44 | \$ 735,542.72 | \$ 986,850.77 | \$ 103,772.47 | \$ 709,062.92 |

REF.

A

A-2

A-4

A-24

A

"A-26"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR STORM DAMAGE - FEMA

| | <u>REF.</u> | |
|----------------------------|-------------|-----------------------------|
| Balance, December 31, 2012 | A | \$ 270,960.51 |
| Increased by: | | |
| Receipts | A-4 | <u>377,012.65</u> |
| | | \$ <u>647,973.16</u> |
| Decreased by: | | |
| Applied to Revenue | A-2 | <u>172,784.34</u> |
| Balance, December 31, 2013 | A | \$ <u><u>475,188.82</u></u> |

"A-27"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR MARRIAGE AND CIVIL UNION LICENSES - DUE STATE OF NEW JERSEY

| | <u>REF.</u> | |
|----------------------------|-------------|---------------------------|
| Balance, December 31, 2012 | A | \$ 850.00 |
| Increased by: | | |
| Receipts | A-4 | <u>4,875.00</u> |
| | | \$ <u>5,725.00</u> |
| Decreased by: | | |
| Paid to State | A-4 | <u>4,350.00</u> |
| Balance, December 31, 2013 | A | \$ <u><u>1,375.00</u></u> |

"A-28"

SCHEDULE OF RESERVE FOR EMERGENCY NOTE PAYABLE

| | | |
|----------------------------|-----|-----------------------------|
| Balance, December 31, 2012 | A | \$ 640,000.00 |
| Decreased by: | | |
| Disbursements | A-4 | <u>128,000.00</u> |
| Balance, December 31, 2013 | A | \$ <u><u>512,000.00</u></u> |

"A-29"

TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF DUE CURRENT FUND

| | <u>REF.</u> | |
|---------------------------------------|-------------|---------------------------|
| Increased by: | | |
| Disbursements | A-4 | \$ <u>1,400.00</u> |
| Balance, December 31, 2013 (Due From) | A | \$ <u><u>1,400.00</u></u> |

"A-30"

SCHEDULE OF DUE OTHER TRUST FUND

| | | |
|-------------------------------------|-----|-----------------------------|
| Balance, December 31, 2012 (Due To) | A | \$ 270,473.73 |
| Decreased by: | | |
| Disbursements | A-4 | \$ <u><u>270,473.73</u></u> |

"A-31"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR INSURANCE DAMAGE

| | <u>REF.</u> | | |
|---|-------------|----|-------------------------|
| Balance, December 31, 2012 and December 31, 2013 | A | \$ | 16,471.23 |
| Increased by: | | | |
| Receipts | A-4 | | 73,659.25 |
| | | \$ | <u>90,130.48</u> |
| Decreased by: | | | |
| Applied to Revenue | A-2 | | 43,155.00 |
| | | | <u>43,155.00</u> |
| Balance, December 31, 2013 | A | \$ | <u><u>46,975.48</u></u> |

"A-32"

SCHEDULE OF DEFERRED CHARGES

| | | | |
|---------------------------------------|---------|----|--------------------------|
| Balance, December 31, 2012 | A | \$ | 745,600.00 |
| Increased by: | | | |
| 2013 Appropriations | | | |
| N.J.S.A. 40A:4-46 Snow Removal | A-1:A-3 | | 130,000.00 |
| | | \$ | <u>875,600.00</u> |
| Decreased by: | | | |
| Paid by Budget | | | |
| N.J.S.A. 40A:4-55 Police Cars - Flood | | \$ | 26,400.00 |
| N.J.S.A. 40A:4-54 Hurricane Sandy | | | <u>128,000.00</u> |
| | A-3 | | <u>154,400.00</u> |
| Balance, December 31, 2013 | A | \$ | <u><u>721,200.00</u></u> |

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF CASH - TREASURER

| <u>REF.</u> | <u>ASSESSMENT</u> | <u>ANIMAL CONTROL</u> | <u>OTHER</u> |
|-----------------------------|---------------------|-----------------------|-------------------------|
| B | \$ 43,834.42 | \$ 28,994.20 | \$ 13,885,987.53 |
| Increased by Receipts: | | | |
| B-3 | \$ 4,099.12 | \$ | \$ |
| B-13 | | 13,409.60 | |
| B-14 | | 2,807.40 | |
| B-12 | | | 14,131,975.77 |
| B-11 | | | 42,207.66 |
| B-8 | | | 36,289.83 |
| B-18 | | | 37.00 |
| B-17 | | | 16,122.02 |
| B-7 | | | 100.00 |
| B19 | | | 270,473.73 |
| | <u>4,099.12</u> | <u>16,217.00</u> | <u>14,497,206.01</u> |
| | \$ <u>47,933.54</u> | \$ <u>45,211.20</u> | \$ <u>28,383,193.54</u> |
| Decreased by Disbursements: | | | |
| B-20:B-16:B-17 | \$ 4,099.12 | \$ | \$ |
| B-14 | | 97.80 | 754,966.70 |
| B-13 | | 2,802.00 | |
| B-15 | | 3,927.82 | |
| B-12 | | 593.00 | |
| B-11 | | | 11,907,382.64 |
| B-8 | | | 681,579.69 |
| B-7 | | | 17,327.39 |
| B-18 | | | 107.16 |
| | | | 26.00 |
| | <u>4,099.12</u> | <u>7,420.62</u> | <u>13,361,389.58</u> |
| B | \$ <u>43,834.42</u> | \$ <u>37,790.58</u> | \$ <u>15,021,803.96</u> |

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF ASSESSMENTS RECEIVABLE

| <u>ORDINANCE NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>DATE OF CONFIRMATION</u> | <u>INSTALLMENT</u> | <u>DUE DATES</u> | <u>BALANCE DECEMBER 31, 2012</u> | <u>COLLECTED</u> | <u>BALANCE DECEMBER AND 2013</u> | <u>BALANCE PLEDGED TO RESERVE</u> |
|-------------------------|------------------------------------|-----------------------------|--------------------|------------------|----------------------------------|--------------------|----------------------------------|-----------------------------------|
| 79-19A | Middlebrook Sewers Contract 144A/B | 8/15/1994 | 10 | 9/15/1994 - 2003 | \$ 69,685.04 | \$ 4,099.12 | \$ 65,585.92 | \$ 65,585.92 |
| 87-20A | Ethicon Lawns | 2/2/1998 | 10 | 4/03/1998 - 2007 | 17,403.56 | | 17,403.56 | 17,403.56 |
| | | | | | <u>\$ 87,088.60</u> | <u>\$ 4,099.12</u> | <u>\$ 82,989.48</u> | <u>\$ 82,989.48</u> |
| | | | | <u>REF.</u> | <u>B</u> | <u>B-2</u> | <u>B</u> | |

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF PROSPECTIVE ASSESSMENTS FUNDED

| <u>ORDINANCE NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>BALANCE DECEMBER 31, 2012 AND 2013</u> |
|-----------------------------|--|---|
| 79-19 | Construction of Sanitary Sewer - Middlebrook | \$ <u>408,863.19</u> |
| | | \$ <u>408,863.19</u> |
| | | <u>REF.</u> B:B-4 |

Analysis of Balance

| | |
|------------------------------------|----------------------|
| Pledged to Assessment Bonds | \$ 150,863.19 |
| Pledged to Reserve for Assessments | <u>258,000.00</u> |
| | \$ <u>408,863.19</u> |
| | <u>REF.</u> B-4 |

"B-5"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

ANALYSIS OF ASSESSMENT FUND CASH

BALANCE
DECEMBER
31, 2012
AND 2013

| | | |
|--------------------------------------|----|-------------------------|
| Assessment Serial Bonds: | | |
| Middlebrook 79-19 | \$ | 0.18 |
| Ethicon 87-20/88-7/88-24/89-30/90-10 | | (197.45) |
| Assessment Fund Balance | | 43,031.69 |
| Assessment Overpayments | | <u>1,000.00</u> |
| | \$ | <u><u>43,834.42</u></u> |

REF.

B

"B-6"

SCHEDULE OF ASSESSMENT OVERPAYMENTS

| | | |
|---|---|---------------------------|
| Balance, December 31, 2012 and December 31, 2013 | B | \$ <u><u>1,000.00</u></u> |
|---|---|---------------------------|

"B-7"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF DUE GENERAL CAPITAL FUND - OPEN SPACE TRUST FUND

| | <u>REF.</u> | | |
|-------------------------------------|-------------|----|---------------|
| Balance, December 31, 2012 (Due To) | B | \$ | 7.16 |
| Increased by: | | | |
| Receipts | B-2 | | <u>100.00</u> |
| | | \$ | 107.16 |
| Decreased by: | | | |
| Disbursements | B-2 | | <u>107.16</u> |

"B-8"

SCHEDULE OF RESERVE FOR STATE UNEMPLOYMENT INSURANCE

| | | | |
|----------------------------|-----|----|------------------|
| Balance, December 31, 2012 | B | \$ | 48,865.42 |
| Increased by: | | | |
| Receipts | B-2 | | <u>36,289.83</u> |
| | | \$ | 85,155.25 |
| Decreased by: | | | |
| Disbursements | B-2 | | <u>17,327.39</u> |
| Balance, December 31, 2013 | B | \$ | <u>67,827.86</u> |

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE - OTHER TRUST FUND

| | <u>REF.</u> | | |
|---|-------------|-------------------|-------------------------------|
| Balance, December 31, 2012 | B | | \$ 1,028,569.68 |
| Increased by: | | | |
| Accounts Payable - Open Space Trust | B-11 | \$ 906,884.48 | |
| Accounts Payable - Various Trust Deposits | B-12 | <u>316,064.61</u> | |
| | | | <u>1,222,949.09</u> |
| | | | \$ 2,251,518.77 |
| Decreased by: | | | |
| Transfer to Open Space Trust | B-11 | \$ 676,955.12 | |
| Transfer to Various Trust Deposits | B-12 | <u>351,614.56</u> | |
| | | | <u>1,028,569.68</u> |
| Balance, December 31, 2013 | B | | \$ <u><u>1,222,949.09</u></u> |

"B-10"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR ASSESSMENTS

| | <u>REF.</u> | | |
|----------------------------|-------------|----|-------------------|
| Balance, December 31, 2012 | B | \$ | 495,754.52 |
| Decreased by: | | | |
| Collections Applied | B-1 | | <u>4,099.12</u> |
| Balance, December 31, 2013 | B:B-10 | \$ | <u>491,655.40</u> |

| <u>ORDINANCE NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u> | | <u>BALANCE DECEMBER 31, 2012</u> |
|-----------------------------|-------------------------------------|----|--|
| 79-19 | Middle Brook Sewers Contract 144A/B | \$ | 41,967.87 |
| 87-20A | Ethicon Lawns | | 21,687.53 |
| 87-20 | Ethicon Lawns | | <u>428,000.00</u> |
| | | \$ | <u>491,655.40</u> |

REF.

B:B-10

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR MUNICIPAL OPEN SPACE TRUST DEPOSITS

| | <u>REF.</u> | | |
|----------------------------|-------------|-------------------|-------------------------------|
| Balance, December 31, 2012 | B | | \$ 9,045,362.01 |
| Increased by: | | | |
| Receipts | B-2 | \$ 42,207.66 | |
| Accounts Payable | B-9 | <u>676,955.12</u> | |
| | | | <u>719,162.78</u> |
| | | | \$ <u>9,764,524.79</u> |
| Decreased by: | | | |
| Disbursements | B-2 | \$ 681,579.69 | |
| Accounts Payable | B-9 | <u>906,884.48</u> | |
| | | | <u>1,588,464.17</u> |
| Balance, December 31, 2013 | B | | \$ <u><u>8,176,060.62</u></u> |

TOWNSHIP OF BRIDGEWATER
TRUST FUND

SCHEDULE OF RESERVE FOR VARIOUS TRUST DEPOSITS

| <u>ACCOUNT</u> | <u>BALANCE DECEMBER 31, 2012</u> | <u>INCREASED BY</u> | <u>DECREASED BY</u> | <u>BALANCE DECEMBER 31, 2013</u> |
|---------------------------------|--|-------------------------|-------------------------|--|
| Escrow/Other Accounts | \$ 798,922.68 | \$ 458,573.05 | \$ 600,203.53 | \$ 657,292.20 |
| Public Defender | 45,279.43 | 19,974.00 | 9,800.00 | 55,453.43 |
| Police Offense Adjudication Act | 4,523.00 | 200.00 | | 4,723.00 |
| Fire Fines and Penalties | 24,607.52 | 3,900.00 | 4,481.34 | 24,026.18 |
| Fire Penalties Due Departments | 9,450.00 | 6,300.00 | 6,600.00 | 9,150.00 |
| Salary Settlements | 1,462.87 | 153,318.00 | 144,601.74 | 10,179.13 |
| COAH | 495,249.78 | 420,543.21 | 415,723.23 | 500,069.76 |
| Law Enforcement Trust | 14,438.91 | 8,522.50 | 3,000.00 | 19,961.41 |
| Site Inspections | 388,773.14 | 127,258.16 | 47,292.16 | 468,739.14 |
| Performance Bonds | 1,172,144.89 | 1,334,215.76 | 119,204.23 | 2,387,156.42 |
| Professional Fees Escrow | 502,010.75 | 730,964.41 | 366,265.95 | 866,709.21 |
| Police Outside Overtime | 201,150.53 | 776,491.54 | 807,286.12 | 170,355.95 |
| Maintenance Escrow | 75,448.05 | 1,941.20 | 23,800.81 | 53,588.44 |
| Payroll Deductions Payable | 302,377.45 | 8,268,298.83 | 8,243,687.99 | 326,988.29 |
| Tax Premiums | 528,300.00 | 1,152,100.00 | 485,800.00 | 1,194,600.00 |
| Outside Lien Redemptions | 144,121.39 | 965,151.67 | 987,149.15 | 122,123.91 |
| Third Party Inspections | 124,145.20 | 56,338.00 | 55,604.00 | 124,879.20 |
| | <u>\$ 4,832,405.59</u> | <u>\$ 14,484,090.33</u> | <u>\$ 12,320,500.25</u> | <u>\$ 6,995,995.67</u> |
| | <u>B</u> | | | <u>B</u> |
| Receipts | | \$ 14,131,975.77 | | |
| Accounts Payable | | 351,614.56 | | |
| Transfer | | <u>500.00</u> | | |
| | | <u>\$ 14,484,090.33</u> | | |
| Disbursements | | | \$ 11,907,382.64 | |
| Accounts Payable | | | 316,064.61 | |
| Canceled | | | 96,553.00 | |
| Transfer | | | <u>500.00</u> | |
| | | | <u>\$ 12,320,500.25</u> | |

A detailed analysis of the various deposits is on file in the office of the Township Treasurer.

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES

| | <u>REF.</u> | | |
|--|-------------|-------------|----------------------------|
| Balance, December 31, 2012 | B | | \$ 28,306.40 |
| Increased by: | | | |
| Cat License Fees Collected | | \$ 641.00 | |
| Dog License Fees Collected | | 11,589.60 | |
| Late Fees | | 1,104.00 | |
| Kennel/Pet Shop Licenses | | 75.00 | |
| | B-2 | | <u>13,409.60</u> |
| | | | \$ <u>41,716.00</u> |
| Decreased by: | | | |
| Expenditures Under R.S.4:19-15.11 | B-2 | \$ 3,927.82 | |
| Accounts Payable | B-15 | 633.00 | |
| Excess Reserve for Expenditures Due Current Fund | B-16 | 8,940.98 | |
| | | | <u>13,501.80</u> |
| Balance, December 31, 2013 | B | | \$ <u><u>28,214.20</u></u> |

LICENSE FEES COLLECTED

| <u>YEAR</u> | <u>AMOUNT</u> |
|-------------|----------------------------|
| 2012 | \$ 13,812.20 |
| 2011 | <u>14,402.00</u> |
| | \$ <u><u>28,214.20</u></u> |

"B-14"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF DUE STATE DEPARTMENT OF HEALTH - ANIMAL CONTROL TRUST FUND

| | <u>REF.</u> | |
|---------------------------------------|-------------|-----------------|
| Balance, December 31, 2012 (Due From) | B | \$ 3.00 |
| Increased by: | | |
| Paid to State Department of Health | B-2 | <u>2,802.00</u> |
| | | \$ 2,805.00 |
| Decreased by: | | |
| State Registration Fees Collected | B-2 | <u>2,807.40</u> |
| Balance, December 31, 2013 (Due To) | B | \$ <u>2.40</u> |

"B-15"

SCHEDULE OF ACCOUNTS PAYABLE - ANIMAL CONTROL TRUST FUND

| | | |
|------------------------------------|------|------------------|
| Balance, December 31, 2012 | B | \$ 593.00 |
| Increased by: | | |
| Accounts Payable | B-13 | <u>633.00</u> |
| | | \$ 1,226.00 |
| Decreased by: | | |
| Paid to State Department of Health | B-2 | <u>593.00</u> |
| Balance, December 31, 2013 | B | \$ <u>633.00</u> |

"B-16"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF DUE CURRENT FUND - ANIMAL CONTROL TRUST FUND

| | <u>REF.</u> | | |
|--|-------------|----|------------------------|
| Balance, December 31, 2012 (Due To) | B | \$ | 97.80 |
| Increased by: | | | |
| Excess Reserve for Animal Control Expenditures | B-13 | | <u>8,940.98</u> |
| | | \$ | <u>9,038.78</u> |
| Decreased by: | | | |
| Disbursements | B-2 | | <u>97.80</u> |
| Balance, December 31, 2013 (Due To) | B | \$ | <u><u>8,940.98</u></u> |

"B-17"

SCHEDULE OF DUE CURRENT FUND - OTHER TRUST FUND

| | | | |
|---------------------------------------|------|----|----------------------------|
| Balance, December 31, 2012 (Due From) | B | \$ | 798,711.60 |
| Increased by: | | | |
| Disbursements | B-2 | | <u>754,966.70</u> |
| | | \$ | <u>1,553,678.30</u> |
| Decreased by: | | | |
| Receipts | B-2 | \$ | 16,122.02 |
| Canceled Reserves | B-12 | | <u>96,553.00</u> |
| | | | <u>112,675.02</u> |
| Balance, December 31, 2013 (Due From) | B | \$ | <u><u>1,441,003.28</u></u> |

"B-18"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF DUE UTILITY SEWER OPERATING FUND - OTHER TRUST FUND

| | <u>REF.</u> | | |
|---------------------------------------|-------------|----|---------------------|
| Balance, December 31, 2012 (Due From) | B | \$ | 37.00 |
| Increased by: | | | |
| Disbursements | B-2 | | <u>26.00</u> |
| | | \$ | 63.00 |
| Decreased by: | | | |
| Receipts | B-2 | | <u>37.00</u> |
| Balance, December 31, 2013 (Due From) | B | \$ | <u><u>26.00</u></u> |

"B-19"

SCHEDULE OF DUE GRANT FUND - OTHER TRUST FUND

| | | | |
|---------------------------------------|-----|----|--------------------------|
| Balance, December 31, 2012 (Due From) | B | \$ | 270,473.73 |
| Decreased by: | | | |
| Receipts | B-2 | \$ | <u><u>270,473.73</u></u> |

"B-20"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF DUE SEWER ASSESSMENT TRUST FUND

| | <u>REF.</u> | |
|---------------------------------------|-------------|---------------------------|
| Increased by: | | |
| Disbursements | B-2 | \$ <u>4,099.12</u> |
| Balance, December 31, 2013 (Due From) | B | \$ <u><u>4,099.12</u></u> |

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF CASH - TREASURER

| | <u>REF.</u> | | |
|---|-------------|---------------------|-------------------------------|
| Balance, December 31, 2012 | C | | \$ 4,697,365.51 |
| Increased by Receipts: | | | |
| Budget Appropriations: | | | |
| Capital Improvement Fund | C-7 | \$ 100,000.00 | |
| Due Open Space Trust Fund | C-10 | 107.16 | |
| Due Other Trust Fund | C-20 | 142,000.00 | |
| Due Sewer Utility Fund | C-8 | 99.68 | |
| Due Sewer Utility Capital Fund | C-18 | 15,140.20 | |
| Premium on Note | C-1 | 41,205.14 | |
| Bond Anticipation Notes | C-12 | 4,533,019.00 | |
| Reserve for Debt Service | C-14 | 4,190.26 | |
| | | <u>4,835,761.44</u> | \$ <u>9,533,126.95</u> |
| Decreased by Disbursements: | | | |
| Contracts Payable | C-16 | \$ 2,931,658.06 | |
| Due COAH | C-19 | 100.00 | |
| Fund Balance-Utilized as Current Fund Revenue | C-1 | <u>130,000.00</u> | |
| | | | <u>3,061,758.06</u> |
| Balance, December 31, 2013 | C | | \$ <u><u>6,471,368.89</u></u> |

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH AND INVESTMENTS

| | BALANCE DECEMBER 31, 2013 |
|--|---------------------------------|
| Capital Improvement Fund | \$ 22,535.30 |
| Fund Balance | 802,804.77 |
| Reserve for Capital Projects | 1,756,354.75 |
| Reserve for Debt Service | 5,090.42 |
| Contracts Payable | 1,753,661.56 |
| Unexpended Proceeds of Bond Anticipation Notes (Listed on C-6) | 780,999.24 |
| Funded Improvement Authorizations | 3,590,318.41 |
| Unfunded Improvements Expended (Listed on C-6) | <u>(2,240,395.56)</u> |
| | <u>\$ 6,471,368.89</u> |

REF. C

"C-4"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR CAPITAL PROJECTS

| | <u>REF.</u> | |
|---|-------------|------------------------|
| Balance, December 31, 2012 and December 31, 2013 | C | \$ <u>1,756,354.75</u> |

"C-5"

SCHEDULE OF DEFERRED CHARGES
TO FUTURE TAXATION - FUNDED

| | | |
|--|------|-------------------------|
| Balance, December 31, 2012 | C | \$ 51,922,630.83 |
| Decreased by: | | |
| Improvement Authority Loans Paid by Budget | C-17 | \$ 108,210.41 |
| Green Acres Loans Paid by Budget | C-15 | 91,634.30 |
| Infrastructure Loans Paid by Budget | C-13 | 59,342.09 |
| Bonds Paid by Budget | C-11 | <u>2,275,000.00</u> |
| | | <u>2,534,186.80</u> |
| Balance, December 31, 2013 | C | \$ <u>49,388,444.03</u> |

TOWNSHIP OF BRIDGEWATER
GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | BALANCE DECEMBER 31, 2012 | 2013 AUTHORIZATION | CANCELED | BALANCE DECEMBER 31, 2013 | BOND ANTICIPATION NOTES | ANALYSIS OF BALANCE, DECEMBER 31, 2013 | |
|------------------|--|---------------------------|------------------------|----------------------|---------------------------|-------------------------|--|---------------------------------------|
| | | | | | | | EXPENDITURES | UNEXPENDED IMPROVEMENT AUTHORIZATIONS |
| 02-07/03-22 | Resurfacing & Reconstruction of Certain Roadways | \$ 61,200.00 | \$ | \$ | \$ 61,200.00 | \$ | \$ | \$ |
| 02-20/03-03 | Various Improvements | 72,812.45 | | | 72,812.45 | | 72,812.45 | |
| 02-21 | Amounts Owed to Others for Taxes Levied | 0.90 | | | 0.90 | | 0.90 | |
| 03-05 | Revision of Township Codebook | 19,047.60 | | | 19,047.60 | | 19,047.60 | |
| 05-34 | Road Improvements - Milltown Road | 299,650.00 | | 72,197.92 | 227,452.08 | | 227,452.08 | |
| 05-35 | Various Drainage Improvements | 197,435.00 | | 197,383.24 | 51.76 | | 51.76 | |
| 05-48 | Parks Improvements | 74,991.00 | | 15,140.31 | 59,850.69 | | 59,850.69 | |
| 05-50 | Preparation of Master Drainage Plan | 118,000.00 | | 66,347.87 | 51,652.13 | | 51,329.63 | 322.50 |
| 05-51 | Drainage and Resurfacing - Carteret Road | 77,934.00 | | 29,984.01 | 47,949.99 | | 47,949.99 | |
| 06-14 | Various Road Improvements | 586,400.00 | | | 586,400.00 | | 498,153.65 | 88,246.35 |
| 07-02 | Construction of Municipal Complex | 1,400,000.00 | | | 1,400,000.00 | | 1,202,546.81 | 197,453.19 |
| 11-06 | Various Improvements | 154,615.00 | | | 154,615.00 | 154,615.00 | | |
| 11-07 | Various Improvements | 1,976,000.00 | | | 1,976,000.00 | 1,976,000.00 | | |
| 12-05 | Various Public Works Equipment | 228,000.00 | | | 228,000.00 | 228,000.00 | | |
| 12-07 | Various Road Improvements | 2,664,750.00 | | | 2,664,750.00 | 2,000,000.00 | | 664,750.00 |
| 13-04 | Various Public Works Equipment | | 174,404.00 | | 174,404.00 | 174,404.00 | | |
| 13-06 | Various Road Improvements | | 3,151,650.00 | | 3,151,650.00 | | | 3,151,650.00 |
| | | <u>\$ 7,930,835.95</u> | <u>\$ 3,326,054.00</u> | <u>\$ 381,059.35</u> | <u>\$ 10,875,936.60</u> | <u>\$ 4,533,019.00</u> | <u>\$ 2,240,395.56</u> | <u>\$ 4,102,422.04</u> |
| | REF. | C | C-9 | C-9 | C | C-12 | C-3 | |
| | Improvement Authorizations Unfunded | | | | | | | \$ 4,883,421.28 |
| | Less: Unexpended Proceeds of Bond Anticipation Notes | | | | | | | <u>780,999.24</u> |
| | | | | | | | | <u>\$ 4,102,422.04</u> |

"C-7"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

| | <u>REF.</u> | |
|--------------------------------------|-------------|----------------------------|
| Balance, December 31, 2012 | C | \$ 105,068.30 |
| Increased by: | | |
| 2013 Budget Appropriation | C-2 | <u>100,000.00</u> |
| | | \$ <u>205,068.30</u> |
| Decreased by: | | |
| Appropriated to Finance Improvements | C-9 | <u>182,533.00</u> |
| Balance, December 31, 2013 | C | \$ <u><u>22,535.30</u></u> |

"C-8"

SCHEDULE OF DUE SEWER UTILITY OPERATING FUND

| | | |
|---------------------------------------|-----|------------------------|
| Balance, December 31, 2012 (Due From) | C | \$ 99.68 |
| Decreased by: | | |
| Receipts | C-2 | \$ <u><u>99.68</u></u> |

TOWNSHIP OF BRIDGEWATER
GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

| Ordinance | BALANCE - DECEMBER 31, 2012 | | 2013 | | EXPENDED | CONTRACTS PAYABLE CANCELED | BALANCE - DECEMBER 31, 2013 | |
|--|-----------------------------|-----------------|---------------------|---------------|-----------------|----------------------------|-----------------------------|----------|
| | FUNDED | UNFUNDED | AUTHORIZATIONS | CANCELED | | | FUNDED | UNFUNDED |
| 92-30, 00-11, 01-08 General Road Improvement | \$ 13,777.99 | \$ | \$ 35,668.35 | \$ | \$ | \$ 21,890.36 | \$ | |
| 97-12 Survey, Design, Land Acquisition | 38,582.76 | | 430.38 | | | 430.38 | | |
| 01-36 Crosswalks and Sidewalks - Various Roads | 30,369.14 | | 38,582.76 | | | | | |
| 04-14 Reconstruction of Stella Drive Area | 17,565.64 | | 30,202.74 | | 166.40 | | | |
| 04-18 Drainage Improvements at Hillside, Prospect, and Orchard Roads | 184,850.39 | | 17,655.93 | | | | | |
| 05-30 Various Drainage Improvements | 65,428.69 | | 188,165.57 | | | 3,315.18 | | |
| 05-31 Road Improvements - Pearl Street and Sycamore Road | 9,626.05 | | 65,361.80 | | 66.89 | | | |
| 05-32 Various Road and Drainage Improvements | 56,833.98 | | 9,610.92 | | 15.13 | | | |
| 05-33 Various Road Improvements | | 72,261.69 | 96,717.04 | | 116.94 | | | |
| 05-34 Road Improvements - Milltown Road | | 197,435.00 | 72,197.92 | | 63.77 | | | |
| 05-35 Various Drainage Improvements | 10,456.61 | | 207,839.85 | | 51.76 | | | |
| 05-36 Drainage Improvements - East Brook Area | 9,093.76 | | 2,678.29 | | 3,417.47 | | | |
| 05-37 Various Drainage Improvements | 34,004.09 | | 33,941.69 | | 62.40 | | 3,000.00 | |
| 05-38 2005 Road Overlay Program | 90,511.82 | | 88,054.73 | | 2,457.09 | | | |
| 05-38 2005 Chip and Seal Program | 14,480.15 | | 15,173.75 | | 12.59 | | | |
| 05-48 Parks Improvements | | 15,173.75 | 15,140.31 | | 33.44 | | 322.50 | |
| 05-50 Preparation of Master Drainage Plan | 7,339.47 | | 82,359.34 | | 15,688.97 | | | |
| 05-51 Drainage and Resurfacing - Carteret Road | 18,545.59 | | 77,934.00 | | 47,949.99 | | | |
| 06-13 Various Improvements | | 357,246.35 | 269,000.00 | | 2,309.20 | | | |
| 06-14 Various Road Improvements | 625,075.74 | | 36,464.00 | | 16,236.39 | | 88,246.35 | |
| 06-15 Various Drainage Projects | 17,905.26 | | | | 588,611.74 | | | |
| 06-29 Various Park and Municipal Building Improvements | 3,135.68 | | | | 17,905.26 | | | |
| 06-30 Public Works Equipment | | 215,620.77 | | | 3,135.68 | | 197,453.19 | |
| 07-02 Construction of Municipal Complex | 580,324.50 | | | | 268,177.57 | | | |
| 07-03 Road and Drainage Improvements | 2.71 | | | | 2.71 | | | |
| 07-04 Various Park Improvements | 6,644.91 | | | | 2,644.91 | | | |
| 07-05 Public Works Equipment | 1,152,867.73 | | | | 1,055,759.73 | | | |
| 08-03 Various Road and Drainage Improvements | 32,539.33 | | | | 1,090.16 | | | |
| 08-04 Public Works Equipment | 287,806.09 | | | | 148,506.09 | | | |
| 09-07 Various Improvements | 34,746.53 | | | | 33,700.00 | | | |
| 09-08 Public Works Equipment | 2,182,483.32 | | | | 1,283,525.57 | | | |
| 10-03 Various Improvements | 21,770.95 | | | | 21,770.95 | | | |
| 10-23 Various Improvements | 2,546.09 | | | | 2,546.09 | | | |
| 10-29 Public Works Equipment | | 25.42 | | | 25.42 | | | |
| 10-30 Reconstruction of Basketball and Tennis Courts at Harry Alley Park | 68,834.00 | | | | 1,011.99 | | 67,822.01 | |
| 11-06 Various Improvements | 151,132.44 | | | | 7,969.66 | | 143,162.78 | |
| 11-07 Various Improvements | 48,941.80 | | | | 348.75 | | 46,593.05 | |
| 12-05 Various Public Works Equipment | 2,253,731.52 | | | | 1,101,192.82 | | 1,152,538.70 | |
| 12-07 Various Road Improvements | | 183,587.00 | | | 147,954.30 | | 35,632.70 | |
| 13-04 Various Public Works Equipment | | 3,467,000.00 | | | 139,016.39 | | 3,151,650.00 | |
| 13-06 Various Road Improvements | \$ 5,529,440.39 | \$ 3,538,670.66 | \$ 3,650,587.00 | \$ 980,385.19 | \$ 3,290,209.09 | \$ 25,635.92 | \$ 3,590,318.41 | |
| | C | C | C | C | C-16 | C | C-C-6 | |
| Deferred Charges to Future Taxation - Unfunded Capital Improvement Fund | | | \$ 3,326,054.00 | | | | | |
| Trust Other Fund | | | 182,533.00 | | | | | |
| | | | 142,000.00 | | | | | |
| | | | <u>3,650,587.00</u> | | | | | |
| Deferred Charges to Future Taxation - Unfunded Fund Balance | | | \$ 381,053.35 | | | | | |
| | | | 599,331.84 | | | | | |
| | | | <u>980,385.19</u> | | | | | |

"C-10"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF DUE OPEN SPACE TRUST FUND

| | <u>REF.</u> | |
|--------------------------------------|-------------|------------------|
| Balance December 31, 2012 (Due From) | C | \$ 107.16 |
| Decreased by: Receipts | C-2 | \$ <u>107.16</u> |

"C-11"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

| PURPOSE | DATE OF ISSUE | AMOUNT OF ORIGINAL ISSUE | OUTSTANDING | | INTEREST RATE | DECREASED | BALANCE DECEMBER 31, 2012 | BALANCE DECEMBER 31, 2013 |
|--|--------------------------|----------------------------------|-----------------|-----------------|-----------------|---------------|---------------------------|---------------------------|
| | | | DATE | AMOUNT | | | | |
| General Improvements General Improvements | 10/01/2003 07/15/2007 | \$ 11,145,000.00 7,992,000.00 | | \$ 500,000.00 | 4.125% | | \$ 640,000.00 | \$ 640,000.00 |
| | | | 07/15/2014 | | 4.125% | | | |
| | | | 07/15/2015 | | 4.125% | | | |
| | | | 07/15/2016 | | 4.125% | | | |
| | | | 07/15/2017 | | 4.125% | | | |
| | | | 07/15/2018 | | 4.125% | | | |
| | | | 07/15/2019 | | 4.125% | | | |
| | | | 07/15/2020 | | 4.125% | | | |
| | | | 07/15/2021 | | 4.125% | | | |
| | | | 07/15/2022 | | 4.125% | | | |
| | | | 09/01/2014 | | 2.250% | | | |
| | General Improvements | 09/01/2010 | 22,500,000.00 | | \$ 700,000.00 | 2.250% | | 5,992,000.00 |
| | | | 09/01/2015 | | 2.250% | | | |
| | | | 09/01/2016 | | 3.000% | | | |
| | | | 09/01/2017 | | 3.000% | | | |
| | | | 09/01/2018 | | 3.000% | | | |
| | | | 09/01/2019 | | 3.250% | | | |
| | | | 09/01/2020 | | 3.250% | | | |
| | | | 09/01/2021-2022 | | 3.500% | | | |
| | | | 09/01/2023-2025 | | 3.500% | | | |
| | | | 09/01/2026-2034 | | 4.000% | | | |
| | | | 09/01/2035 | | 4.000% | | | |
| General Improvements | | 04/01/2012 | 16,642,000.00 | | \$ 1,100,000.00 | 4.125% | | 21,525,000.00 |
| | | | 04/01/2014 | | 2.000% | | | |
| | | | 04/01/2015 | | 2.000% | | | |
| | | | 04/01/2016 | | 2.000% | | | |
| | | | 04/01/2017 | | 2.000% | | | |
| | | | 04/01/2018 | | 2.000% | | | |
| | | | 04/01/2019 | | 2.000% | | | |
| | | | 04/01/2020 | | 2.500% | | | |
| | | | 04/01/2021 | | 3.000% | | | |
| | | | 04/01/2022-2026 | | 3.000% | | | |
| | | | 04/01/2027 | | 3.125% | | | |
| | | | 04/01/2028-2029 | | 3.250% | | | |
| General Improvement Refunding Bonds | 10/01/2012 | 5,655,000.00 | | \$ 1,010,000.00 | 3.375% | | 16,642,000.00 | 16,132,000.00 |
| | | | 04/01/2030 | | 3.500% | | | |
| | | | 04/01/2031 | | 3.500% | | | |
| | | | 04/01/2032 | | 3.500% | | | |
| | | | 10/01/2014 | | 3.000% | | | |
| | | | 10/01/2015 | | 3.000% | | | |
| | | | 10/01/2016 | | 3.000% | | | |
| | | | 10/01/2017 | | 3.000% | | | |
| | | | 10/01/2018-2019 | | 4.000% | | | |
| | | | 10/01/2020-2021 | | 4.000% | | | |
| | | | 10/01/2022 | | 4.000% | | | |
| | | | | | | | 5,580,000.00 | 5,580,000.00 |
| | | | | | | 50,379,000.00 | 48,104,000.00 | |
| | | | | | | 2,275,000.00 | | |

REF.

C

C-5

C

REF.

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

| <u>ORDINANCE NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>DATE OF ORIGINAL ISSUE</u> | <u>DATE OF MATURITY</u> | <u>INTEREST RATE</u> | <u>INCREASED</u> | <u>BALANCE DECEMBER 31, 2013</u> |
|-------------------------|-----------------------------------|-------------------------------|-------------------------|----------------------|------------------------|----------------------------------|
| 11-06 | Various Improvements | 09/12/13 | 09/11/14 | 1.25% | \$ 154,615.00 | \$ 154,615.00 |
| 11-07 | Various Improvements | 09/12/13 | 09/11/14 | 1.25% | 1,976,000.00 | 1,976,000.00 |
| 12-05 | Various Road Improvements | 09/12/13 | 09/11/14 | 1.25% | 228,000.00 | 228,000.00 |
| 12-07 | Various Public Works Improvements | 09/12/13 | 09/11/14 | 1.25% | 2,000,000.00 | 2,000,000.00 |
| 13-04 | Various Public Works Improvements | 09/12/13 | 09/11/14 | 1.25% | 174,404.00 | 174,404.00 |
| | | | | | <u>\$ 4,533,019.00</u> | <u>\$ 4,533,019.00</u> |

REF.

C-2

C:C-6

"C-13"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR INFRASTRUCTURE LOAN PAYABLE

| | <u>REF.</u> | |
|----------------------------|-------------|----------------------|
| Balance, December 31, 2012 | C | \$ 541,045.65 |
| Decreased by: | | |
| Payment on Loan | C-5 | <u>59,342.09</u> |
| Balance, December 31, 2013 | C | <u>\$ 481,703.56</u> |

"C-14"

SCHEDULE OF RESERVE FOR PAYMENT OF DEBT SERVICE

| | | |
|----------------------------|-----|--------------------|
| Balance, December 31, 2012 | C | \$ 900.16 |
| Increased by: | | |
| Receipts | C-2 | <u>4,190.26</u> |
| Balance, December 31, 2013 | C | <u>\$ 5,090.42</u> |

"C-15"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF GREEN ACRES LOAN PAYABLE

| | <u>REF.</u> | |
|----------------------------|-------------|----------------------|
| Balance, December 31, 2012 | C | \$ 802,833.63 |
| Decreased by: | | |
| Payment on Loans | C-5 | <u>91,634.30</u> |
| Balance, December 31, 2013 | C | <u>\$ 711,199.33</u> |

"C-16"

SCHEDULE OF RESERVE FOR CONTRACTS PAYABLE

| | | |
|---------------------------------------|-----|------------------------|
| Balance, December 31, 2012 | C | \$ 1,420,746.45 |
| Increased by: | | |
| Charges to Improvement Authorizations | C-9 | <u>3,290,209.09</u> |
| | | \$ <u>4,710,955.54</u> |
| Decreased by: | | |
| Disbursements | C-2 | \$ 2,931,658.06 |
| Canceled - Improvement Authorizations | C-9 | <u>25,635.92</u> |
| | | <u>2,957,293.98</u> |
| Balance, December 31, 2013 | C | <u>\$ 1,753,661.56</u> |

"C-17"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORITY LOANS PAYABLE

| | <u>REF.</u> | |
|----------------------------|-------------|---------------------|
| Balance, December 31, 2012 | C | \$ 199,751.55 |
| Decreased by: | | |
| Payment on Loans | C-5 | <u>108,210.41</u> |
| Balance, December 31, 2013 | C | <u>\$ 91,541.14</u> |

"C-18"

SCHEDULE OF DUE SEWER UTILITY CAPITAL FUND

| | | |
|---------------------------------------|-----|---------------------|
| Balance, December 31, 2012 (Due From) | C | \$ 15,140.20 |
| Decreased by: | | |
| Receipts | C-2 | <u>\$ 15,140.20</u> |

"C-19"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF DUE COAH TRUST FUND

| | <u>REF.</u> | |
|-------------------------------------|-------------|------------------|
| Balance, December 31, 2012 (Due To) | C | \$ 100.00 |
| Decreased by: | | |
| Disbursements | C-2 | \$ <u>100.00</u> |

"C-20"

SCHEDULE OF DUE OTHER TRUST FUND

| | | |
|----------------------------|-----|----------------------|
| Increased by: | | |
| Improvement Authorizations | C-9 | \$ 142,000.00 |
| Decreased by: | | |
| Receipts | C-2 | \$ <u>142,000.00</u> |

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES
AUTHORIZED BUT NOT ISSUED

| <u>ORDINANCE</u> <u>NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>BALANCE</u> <u>DECEMBER 31, 2013</u> |
|-----------------------------------|--|--|
| 02-07:03-22 | Resurfacing and Reconstruction of Certain Roadways | \$ 61,200.00 |
| 02-20-03-03 | Various Improvements | 72,812.45 |
| 02-21 | Amounts Owing to Others for Taxes Levied | 0.90 |
| 03-05 | Revision of Township Codebook | 19,047.60 |
| 05-34 | Road Improvements Milltown Road | 227,452.08 |
| 05-35 | Various Drainage Improvements | 51.76 |
| 05-48 | Parks Improvements | 59,850.69 |
| 05-50 | Preparation of Master Drainage Plan | 51,652.13 |
| 05-51 | Drainage and Resurfacing - Carteret Road | 47,949.99 |
| 06-14 | Various Road Improvements | 586,400.00 |
| 07-02 | Construction of Municipal Complex | 1,400,000.00 |
| 12-07 | Various Road Improvements | 664,750.00 |
| 13-06 | Various Road Improvements | <u>3,151,650.00</u> |
| | | <u>\$ 6,342,817.60</u> |

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF CASH - COLLECTOR-TREASURER

| | REF. | OPERATING | ASSESSMENT TRUST | CAPITAL |
|--|-----------|------------------|---------------------|-----------------|
| Balance, December 31, 2012 | D | \$ 4,587,872.59 | \$ 11,438.96 | \$ 2,672,818.27 |
| Increased by Receipts: | | | | |
| Sewer Charges Receivable | D-14 | \$ 9,751,823.67 | \$ | \$ |
| Miscellaneous Revenue Not Anticipated | D-1:D-4 | 1,020,447.05 | | |
| Interfunds | D-11:D-28 | 84,046.71 | 4,099.12 | |
| Sewer Overpayments | D-22 | 34,215.69 | | |
| Interest on Investments and Deposits | D-1:D-4 | 1,368.18 | | |
| Sewer Connection Fees | D-1:D-4 | 8,641.00 | | |
| Township of Warren - Debt Service | D-1:D-4 | 73,350.34 | | |
| Prepaid Sewer Charges | D-27 | 6,738.41 | | |
| Environmental Infrastructure Loan Receivable | D-33 | | | 34,958.00 |
| | | \$ 10,980,631.05 | \$ 4,099.12 | \$ 34,958.00 |
| | | \$ 15,568,503.64 | \$ 15,538.08 | \$ 2,707,776.27 |
| Decreased by Disbursements: | | | | |
| 2013 Budget Appropriations | D-5 | \$ 8,864,826.38 | \$ | \$ |
| 2012 Appropriation Reserves | D-20 | 120,816.78 | | |
| Interfunds | D-11:D-32 | 3,290.91 | | 15,140.20 |
| Sewer Overpayments | D-22 | 17,720.85 | | |
| Accrued Interest on Bonds | D-12 | 58,072.13 | | |
| Accounts Payable | D-19 | 28,080.00 | | |
| Contracts Payable | D-26 | | | 919,531.92 |
| | | \$ 9,092,807.05 | \$ | \$ 934,672.12 |
| Balance, December 31, 2013 | D:D-7:D-8 | \$ 6,475,696.59 | \$ 15,538.08 | \$ 1,773,104.15 |

"D-7"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

ANALYSIS OF ASSESSMENT FUND CASH

| | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u> |
|---------------------------|--|
| Fund Balance | \$ 11,392.66 |
| Due Assessment Trust Fund | 4,099.12 |
| Due Sewer Operating Fund | <u>46.30</u> |
| | <u>\$ 15,538.08</u> |

REF.

D:D-6

"D-8"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

ANALYSIS OF SEWER UTILITY CAPITAL CASH

BALANCE
DECEMBER
31, 2013

SEWER:

| | | |
|--|----|----------------------------|
| Fund Balance | \$ | 76,361.34 |
| Contract Payable | | 461,600.55 |
| Improvement Authorizations - Funded: | | |
| Ord. # 01-34 Infiltration and Inflow Program in Finderne Section | | 89,825.93 |
| Ord. # 09-10 Improvements to Sanitary Sewer System | | 644,267.14 |
| Ord. # 12-06 Various Sewer Utility Improvements | | 808,176.06 |
| Authorized But Not Issued | | (1,801,822.87) |
| Unfunded Improvements Expended | | <u>1,494,696.00</u> |
| | \$ | <u><u>1,773,104.15</u></u> |

REF.

D:D-6

"D-9"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF CHANGE FUND

REF.

Balance, December 31, 2012
and December 31, 2013

D

\$ 100.00

"D-10"

SCHEDULE OF AMOUNT DUE WARREN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Balance, December 31, 2012
and December 31, 2013

D

\$ 24,188.06

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF INTERFUNDS

| | <u>REF.</u> | <u>TOTAL</u> | <u>SEWER ASSESSMENT TRUST FUND</u> | <u>TRUST FUND</u> | <u>GENERAL CAPITAL FUND</u> | <u>CURRENT FUND</u> |
|----------------------------|-------------|--------------|--|-----------------------|-------------------------------------|-------------------------|
| Balance, December 31, 2012 | | | | | | |
| Due To | D | \$ 136.68 | \$ | \$ 37.00 | \$ 99.68 | \$ |
| Due From | D | 751.66 | 46.30 | | | 705.36 |
| Receipts | D-6 | \$ 84,046.71 | \$ | \$ 26.00 | \$ | \$ 84,020.71 |
| Disbursements | D-6 | 3,290.91 | | 37.00 | 99.68 | 3,154.23 |
| Tax Overpayment Applied | D-14 | 1,729.00 | | | | 1,729.00 |
| Balance, December 31, 2013 | | | | | | |
| Due To | D | \$ 78,458.12 | \$ | \$ 26.00 | \$ | \$ 78,432.12 |
| Due From | D | 46.30 | 46.30 | | | |

"D-12"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF ACCRUED INTEREST ON BONDS

| | <u>REF.</u> | |
|------------------------------|-------------|----------------------------|
| Balance, December 31, 2012 | D | \$ 41,520.29 |
| Increased by: | | |
| Budget Appropriation Charges | D-5 | 58,072.10 |
| | | \$ <u>99,592.39</u> |
| Decreased by: | | |
| Interest Paid | D-6 | 58,072.13 |
| | | <u>58,072.13</u> |
| Balance, December 31, 2013 | D | \$ <u><u>41,520.26</u></u> |

"D-13"

SCHEDULE OF CONNECTION CHARGES RECEIVABLE

| | | |
|---|---|-------------------------|
| Balance, December 31, 2012 and December 31, 2013 (Overpayment) | D | \$ <u><u>550.00</u></u> |
|---|---|-------------------------|

"D-14"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF SEWER USE CHARGES RECEIVABLE

| | <u>REF.</u> | | |
|----------------------------|-------------|------------------|-----------------------------|
| Balance, December 31, 2012 | D | | \$ 456,301.03 |
| Increased by: | | | |
| Sewer Charges Levied (Net) | | | <u>9,729,077.15</u> |
| | | | \$ <u>10,185,378.18</u> |
| Decreased By: | | | |
| Collections | D-6 | \$ 9,751,823.67 | |
| Prepaid Applied | D-27 | 5,200.41 | |
| Sewer Overpayments Applied | D-22 | 22,277.44 | |
| Tax Overpayments Applied | D-11 | 1,729.00 | |
| Canceled | | <u>21,906.17</u> | |
| | | | <u>9,802,936.69</u> |
| Balance, December 31, 2013 | D | | \$ <u><u>382,441.49</u></u> |

"D-15"

SCHEDULE OF RESERVE FOR ASSESSMENTS AND LIENS

| | | | |
|---|---|--|-----------------------------|
| Balance, December 31, 2012 and December 31, 2013 | D | | \$ <u><u>995,438.44</u></u> |
|---|---|--|-----------------------------|

"D-16"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

| <u>ORDINANCE NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>ORDINANCE DATE</u> | <u>BALANCE DECEMBER 31, 2012</u> | <u>INCREASED BY</u> | <u>BALANCE DECEMBER 31, 2013</u> |
|-----------------------------|---|---------------------------|--|-------------------------|--|
| 01-19:04-01 | Design and Upgrade to Gilbride Pump Station | 06/18/01 | \$ 1,264,500.00 | \$ | \$ 1,264,500.00 |
| 01-34 | Infiltration and Inflow Program in Finderne Section | 11/19/01 | 100,000.00 | | 100,000.00 |
| 01-35 | Purchase of Portable Color TV Inspection System | 11/19/01 | 120,000.00 | | 120,000.00 |
| 06-12 | Pick-Up Truck w / Snow Plow | 04/03/06 | 50,000.00 | | 50,000.00 |
| 09-10 | Improvements to the Sanitary Sewer System | 06/15/09 | 1,300,000.00 | | 1,300,000.00 |
| 12-06 | Various Sewer Utility Improvements | 06/18/12 | 2,075,000.00 | | 2,075,000.00 |
| 13-05 | Various Sewer Utility Improvements | 05/20/13 | | 1,800,000.00 | 1,800,000.00 |
| | | | <u>\$ 4,909,500.00</u> | <u>\$ 1,800,000.00</u> | <u>\$ 6,709,500.00</u> |
| | | <u>REF.</u> | D | D-29 | D |

"D-17"

SCHEDULE OF FIXED CAPITAL

| <u>ACCOUNT</u> | <u>BALANCE DECEMBER 31, 2012 & 2013</u> |
|--|---|
| Bridgewater Trunk Sewer | \$ 1,040,000.00 |
| Somerset Shopping Center Trunk Sewer Crossing #3 Trunk Sewer and North Branch Trunk Sewer Section 2 | 1,200,000.00 |
| North Branch Trunk Sewer Connection | 2,915,519.36 |
| Vanderveer Trunk | 300,000.00 |
| Improvements to Ivy Lane | 126,034.63 |
| Purchase of Equipment | 290,930.87 |
| Middlebrook Trunk Sewer Connection | 8,588,727.14 |
| | <u>\$ 14,461,212.00</u> |
| | <u>REF.</u> |
| | D |

"D-18"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF ASSESSMENTS RECEIVABLE

| <u>ORDINANCE NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>DATE OF CONFIRMATION</u> | <u>INSTALLMENTS</u> | <u>DUE DATES</u> | <u>BALANCE DECEMBER 31, 2012 & 2013</u> | <u>BALANCE PLEGGED TO RESERVE</u> |
|-----------------------------|--------------------------------|---------------------------------|---------------------|----------------------|---|---|
| 76-13 | Sunset Lake Section II Sewer | 02/24/83 | 10 | 3/24/83-92 | \$ 845.99 | \$ 845.99 |
| 76-3 | Milftown Road Sewer | 05/21/84 | 10 | 6/21/84-93 | 7,948.00 | 7,948.00 |
| 80-17 | Crossing #4 Sewer | 08/11/86 | 10 | 9/11/86-95 | 29,386.11 | 29,386.11 |
| 79-19 | Middle Brook Collector | 02/22/90 | 10 | 3/22/90-99 | 15,795.76 | 15,795.76 |
| | | | | | <u>\$ 53,975.86</u> | <u>\$ 53,975.86</u> |

REF. D

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF ACCOUNTS PAYABLE

| | <u>REF.</u> | | |
|-----------------------------|-------------|-------------------|-----------------------------|
| Balance, December 31, 2012 | D | | \$ 134,490.69 |
| Increased by: | | | |
| 2013 Appropriations | D-5 | \$ 242,914.63 | |
| 2012 Appropriation Reserves | D-20 | <u>9,064.50</u> | |
| | | | \$ <u>251,979.13</u> |
| Decreased by: | | | |
| Disbursements | D-6 | \$ 28,080.00 | |
| Accounts Payable Canceled | D-1 | 412.24 | |
| 2012 Appropriation Reserves | D-20 | <u>103,733.45</u> | |
| | | | \$ <u>132,225.69</u> |
| Balance, December 31, 2013 | D | | \$ <u><u>254,244.13</u></u> |

"D-20"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF 2012 APPROPRIATION RESERVES

| | BALANCE DECEMBER 31, 2012 | BALANCE AFTER MODIFICATION | PAID OR CHARGED | BALANCE LAPSED |
|--|---------------------------------|----------------------------------|----------------------|----------------------|
| Operating: | | | | |
| Salaries and Wages | \$ 39,225.80 | \$ 59,225.80 | \$ 17,609.53 | \$ 41,616.27 |
| Other Expenses | 210,312.56 | 294,046.01 | 112,271.75 | 181,774.26 |
| Somerset Raritan Valley Sewerage Authority | 676,419.40 | 676,419.40 | | 676,419.40 |
| Statutory Expenditures: | | | | |
| Contribution to Social Security System | 2,630.82 | 2,630.82 | | 2,630.82 |
| | <u>\$ 928,588.58</u> | <u>\$ 1,032,322.03</u> | <u>\$ 129,881.28</u> | <u>\$ 902,440.75</u> |
| REF. | D | | | D-1 |
| Balance, December 31, 2012 | \$ 928,588.58 | \$ 928,588.58 | | |
| Transfer of Accounts Payable | | 103,733.45 | | |
| | | <u>\$ 1,032,322.03</u> | | |
| Disbursements | | \$ 120,816.78 | | |
| Accounts Payable | | <u>9,064.50</u> | | |
| | | <u>\$ 129,881.28</u> | | |

"D-21"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF PROSPECTIVE ASSESSMENTS FUNDED

| <u>ORDINANCE</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>BALANCE DECEMBER 31, 2012 AND 2013</u> | <u>BALANCE PLEGGED TO RESERVE</u> |
|------------------|-----------------------------------|---|---|
| 68-25/80-17 | Crossing #4 Section I Area Sewers | \$ 37,376.22 | \$ 37,376.22 |
| 76-6/79-20 | Sunset Lake Sewers | 524,086.36 | 524,086.36 |
| 78-16 | Bluestone Lane Sewers | 190,000.00 | 190,000.00 |
| 79-29 | North Branch Drive Sewers | 190,000.00 | 190,000.00 |
| | | <u>\$ 941,462.58</u> | <u>\$ 941,462.58</u> |

REF. D

"D-22"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF SEWER USE CHARGE OVERPAYMENTS

| | <u>REF.</u> | | |
|----------------------------|-------------|------------------|---------------------|
| Balance, December 31, 2012 | D | | \$ 40,629.94 |
| Increased by: | | | |
| Receipts | D-6 | | 34,215.69 |
| | | | <u>\$ 74,845.63</u> |
| Decreased by: | | | |
| Overpayments Applied | D-14 | \$ 22,277.44 | |
| Refunded | D-6 | <u>17,720.85</u> | |
| | | | <u>39,998.29</u> |
| Balance, December 31, 2013 | D | | <u>\$ 34,847.34</u> |

"D-23"

SEWER ASSESSMENT TRUST FUND

SCHEDULE OF DUE SEWER UTILITY OPERATING FUND

| | | | |
|---|---|--|-----------------|
| Balance December 31, 2012 and December 31, 2013 (Due To) | D | | <u>\$ 46.30</u> |
|---|---|--|-----------------|

"D-24"

TOWNSHIP OF BRIDGEWATER
SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

| <u>ORDINANCE NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>DATE</u> | <u>BALANCE DECEMBER 31, 2012 AND 2013</u> |
|-----------------------------|---|-------------|---|
| 01-19:04-01 | Design and Upgrade to Gilbride Pump Station | 06/18/01 | \$ 1,236,450.00 |
| 01-34 | Infiltration and Inflow Program in FINDERNE SECTION | 11/19/01 | 100,000.00 |
| 01-35 | Purchase of Portable Color TV Inspection System | 11/19/01 | 120,000.00 |
| 12-06 | Various Sewer Utility Improvements | 06/18/12 | <u>2,075,000.00</u> |
| | | | <u>\$ 3,531,450.00</u> |

REF.

D

"D-25"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

| | <u>REF.</u> | | |
|---|-------------|-------------------|-------------------------|
| Balance, December 31, 2012 | D | | \$ 13,742,668.21 |
| Increased by: | | | |
| EIT Loan Payable Paid by Operating Budget | D-31 | \$ 32,398.28 | |
| Serial Bonds Paid by Operating Budget | D-30 | <u>115,000.00</u> | |
| | | | <u>147,398.28</u> |
| Balance, December 31, 2013 | D | | <u>\$ 13,890,066.49</u> |

"D-26"

SCHEDULE OF CONTRACTS PAYABLE

| | | | |
|---------------------------------------|------|--|------------------------|
| Balance, December 31, 2012 | D | | \$ 888,372.03 |
| Increased by: | | | |
| Charges to Improvement Authorizations | D-29 | | <u>492,760.44</u> |
| | | | \$ <u>1,381,132.47</u> |
| Decreased by: | | | |
| Disbursements | D-6 | | <u>919,531.92</u> |
| Balance, December 31, 2013 | D | | <u>\$ 461,600.55</u> |

"D-27"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF PREPAID SEWER CHARGES

| | <u>REF.</u> | |
|----------------------------|-------------|---------------------------|
| Balance, December 31, 2012 | D | \$ 5,200.41 |
| Increased by: | | |
| Receipts | D-6 | 6,738.41 |
| | | \$ <u>11,938.82</u> |
| Decreased by: | | |
| Prepaid Applied | D-14 | <u>5,200.41</u> |
| Balance, December 31, 2013 | D | \$ <u><u>6,738.41</u></u> |

"D-28"

SEWER UTILITY CAPITAL FUND

SCHEDULE OF DUE ASSESSMENT TRUST FUND

| | | |
|-------------------------------------|-----|---------------------------|
| Increased by: | | |
| Receipts | D-6 | \$ <u>4,099.12</u> |
| Balance, December 31, 2013 (Due To) | D | \$ <u><u>4,099.12</u></u> |

TOWNSHIP OF BRIDGEWATER
SEWER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

| ORDINANCE | IMPROVEMENT DESCRIPTION | ORDINANCE AMOUNT | BALANCE, DECEMBER 31, 2012 | | 2013 AUTHORIZATIONS | DECREASED | BALANCE, DECEMBER 31, 2013 | |
|-----------|--|------------------|----------------------------|-------------|---------------------|--------------|----------------------------|--------------|
| | | | FUNDED | UNFUNDED | | | FUNDED | UNFUNDED |
| \$ | | \$ 729,000.00 | \$ 69,894.44 | \$ 1,275.00 | \$ | \$ 71,169.44 | \$ | |
| 01-34 | Design and Upgrade to Gilbride Pump Station | 100,000.00 | 89,825.93 | | | | 89,825.93 | |
| 01-35 | Infiltration and Inflow Program in Findeme Section | | | | | | | |
| | Purchase of Portable Color TV Inspection System | | | | | | | |
| | to Evaluate and Maintain Municipal Sanitary Collection | 120,000.00 | | | | | | |
| 06-12 | Pick-Up Truck w/ Snow Plow | 50,000.00 | | | | | | |
| 09-10 | Improvements to the Sanitary Sewer System | 1,300,000.00 | 644,267.14 | 167.00 | | 116,120.00 | 644,267.14 | 167.00 |
| 12-06 | Various Sewer Utility Improvements | 2,075,000.00 | 924,296.06 | | | 305,471.00 | 808,176.06 | |
| 13-05 | Various Sewer Utility Improvements | 1,800,000.00 | | | 1,800,000.00 | | | 1,494,529.00 |
| | | \$ | 1,728,293.57 | 1,442.00 | \$ 1,800,000.00 | 492,760.44 | 1,542,259.13 | 1,494,696.00 |
| REF. | | | D | D | D-16 | D-26 | D | D |

"D-30"

TOWNSHIP OF BRIDGEWATER
SEWER UTILITY CAPITAL FUND

SCHEDULE OF SEWER SERIAL BONDS PAYABLE

| | DATE OF ISSUE | ORIGINAL ISSUE | MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2013 | | INTEREST RATE | BALANCE DECEMBER 31, 2012 | DECREASED | BALANCE DECEMBER 31, 2013 |
|-------------------------------|------------------|-------------------|--|--------|------------------|---------------------------------|----------------------|---------------------------------|
| | | | DATE | AMOUNT | | | | |
| Sewer Utility Bonds | 10/01/2003 | \$ 901,000.00 | | \$ | | \$ 60,000.00 | \$ 60,000.00 | |
| Sewer Utility Bonds | 07/15/2007 | 508,000.00 | 07/15/2014-2018 | | 4.125% | 358,000.00 | 35,000.00 | 323,000.00 |
| Sewer Utility Bonds | 04/01/2012 | 636,000.00 | 07/15/2019-2022 | | 4.125% | | | |
| | | | 04/01/2014-2019 | | 2.000% | | | |
| | | | 04/01/2020 | | 2.500% | | | |
| | | | 04/01/2021 | | 3.000% | | | |
| | | | 04/01/2022 | | 3.000% | | | |
| | | | 04/01/2023 | | 3.000% | | | |
| | | | 04/01/2024-2026 | | 3.000% | | | |
| | | | 04/01/2027 | | 3.125% | | | |
| | | | 04/01/2028-2029 | | 3.250% | | | |
| | | | 04/01/2030 | | 3.375% | | | |
| Sewer Utility Refunding Bonds | 10/01/2012 | 415,000.00 | 04/01/2031 | | 3.500% | | | |
| | | | 04/01/2032 | | 3.500% | | | |
| | | | 10/01/2014-2017 | | 3.000% | 636,000.00 | 20,000.00 | 616,000.00 |
| | | | 10/01/2018 | | 4.000% | 60,000.00 | | 60,000.00 |
| | | | 10/01/2019-2020 | | 4.000% | 55,000.00 | | 55,000.00 |
| | | | | | | <u>410,000.00</u> | | <u>410,000.00</u> |
| | | | | | | <u>\$ 1,454,000.00</u> | <u>\$ 115,000.00</u> | <u>\$ 1,349,000.00</u> |

REF.

D

D-25

D

D

"D-31"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

SCHEDULE OF ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

| | <u>REF.</u> | |
|----------------------------|-------------|----------------------|
| Balance, December 31, 2012 | D | \$ 630,770.92 |
| Decreased by: | | |
| Loans Paid by Budget | D-25 | <u>32,398.28</u> |
| Balance, December 31, 2013 | D | \$ <u>598,372.64</u> |

"D-32"

SCHEDULE OF DUE GENERAL CAPITAL FUND

| | | |
|-------------------------------------|-----|---------------------|
| Balance, December 31, 2012 (Due To) | D | \$ 15,140.20 |
| Decreased by: | | |
| Disbursements | D-6 | \$ <u>15,140.20</u> |

"D-33"

SCHEDULE OF ENVIRONMENTAL INFRASTRUCTURE TRUST RECEIVABLE

| | | |
|----------------------------|-----|---------------------|
| Balance, December 31, 2012 | D | \$ 34,958.00 |
| Decreased by: | | |
| Receipts | D-6 | \$ <u>34,958.00</u> |

"D-34"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF ACCRUED INTEREST ON LOANS

| | <u>REF.</u> | |
|---|-------------|--------------------|
| Balance, December 31, 2012 and December 31, 2013 | D | \$ <u>3,125.00</u> |

"D-35"

SEWER UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

| <u>ORDINANCE</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>BALANCE DECEMBER 31, 2013</u> |
|------------------|---|--|
| | Sewer Utility Capital Fund: | |
| 98-11 | Purchase of Equipment | \$ 380.87 |
| 01-19:04-01 | Design and Upgrade to Gilbride Pump Station | 1,275.00 |
| 09-10 | Improvements to the Sanitary Sewer System | 167.00 |
| 13-05 | Various Sewer Utility Improvements | <u>1,800,000.00</u> |
| | | \$ <u>1,801,822.87</u> |

TOWNSHIP OF BRIDGEWATER

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH

| | <u>REF.</u> | <u>PUBLIC ASSISTANCE TRUST FUND 1</u> | <u>PUBLIC ASSISTANCE TRUST FUND 2</u> |
|--|-------------|---------------------------------------|---------------------------------------|
| Balance, December 31, 2012 | E | \$ 3,642.56 | \$ 57,888.42 |
| Increased by Receipts: | | | |
| State Aid for Public Assistance and Other Receipts | | 100.00 | 395,097.43 |
| | | \$ <u>3,742.56</u> | \$ <u>452,985.85</u> |
| Decreased by Disbursements: | | | |
| Reserve for: | | | |
| Public Assistance | | <u>1,347.00</u> | <u>333,016.27</u> |
| Balance, December 31, 2013 | E | \$ <u><u>2,395.56</u></u> | \$ <u><u>119,969.58</u></u> |

TOWNSHIP OF BRIDGEWATER

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH AND
RECONCILIATION PER N.J.S.A.40A:5-5

| | | |
|----------------------------|----|-------------------------|
| Balance, December 31, 2012 | \$ | 122,365.14 |
| Increased by: | | |
| Receipts | | <u>1,777.79</u> |
| | \$ | <u>124,142.93</u> |
| Decreased by: | | |
| Disbursements | | <u>57,005.27</u> |
| Balance, February 28, 2013 | \$ | <u><u>67,137.66</u></u> |

| | <u>P.A.T.F. I</u> <u>ACCOUNT</u> | <u>P.A.T.F. II</u> <u>ACCOUNT</u> | <u>TOTAL</u> |
|--|-------------------------------------|--------------------------------------|----------------------------|
| RECONCILIATION - FEBRUARY 28, 2014 | | | |
| Balance on Deposit Per Statement of TD Banknorth: | | | |
| Account #398-3034572 | \$ 974.79 | \$ | \$ 974.79 |
| PNC Bank: | | | |
| Account #80-3235-8177 | | 69,683.60 | 69,683.60 |
| Account #81-0395-2342 | <u>1,620.77</u> | | <u>1,620.77</u> |
| | \$ <u>2,595.56</u> | \$ <u>69,683.60</u> | \$ <u>72,279.16</u> |
| Add: Deposits in Transit (including prepayments) | | 437.00 | 437.00 |
| Less: Outstanding Checks | | <u>(5,578.50)</u> | <u>(5,578.50)</u> |
| Balance, February 28, 2014 | \$ <u><u>2,595.56</u></u> | \$ <u><u>64,542.10</u></u> | \$ <u><u>67,137.66</u></u> |

TOWNSHIP OF BRIDGEWATER

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH AND
RECONCILIATION AS OF DECEMBER 31, 2013

| | | |
|----------------------------|----|--------------------------|
| Balance, December 31, 2012 | \$ | 61,530.98 |
| Increased by: | | |
| Receipts | | 395,197.43 |
| | \$ | <u>456,728.41</u> |
| Decreased by: | | |
| Disbursements | | <u>334,363.27</u> |
| Balance, December 31, 2013 | \$ | <u><u>122,365.14</u></u> |

| RECONCILIATION - DECEMBER 31, 2013 | <u>P.A.T.F. I</u> <u>ACCOUNT</u> | <u>P.A.T.F. II</u> <u>ACCOUNT</u> | <u>TOTAL</u> |
|---|-------------------------------------|--------------------------------------|-----------------------------|
| Balance on Deposit Per Statement of TD Banknorth: | | | |
| Account #398-3034572 | \$ 974.79 | \$ | \$ 974.79 |
| PNC Bank: | | | |
| Account #80-3235-8177 | | 125,583.08 | 125,583.08 |
| Account #81-0395-2342 | <u>1,420.77</u> | | <u>1,420.77</u> |
| | \$ <u>2,395.56</u> | \$ <u>125,583.08</u> | \$ <u>127,978.64</u> |
| Add: Deposit in Transit (including prepayments) | | 290.00 | 290.00 |
| Less: Outstanding Checks (Per List on File) | | <u>(5,903.50)</u> | <u>(5,903.50)</u> |
| Balance, December 31, 2013 | \$ <u><u>2,395.56</u></u> | \$ <u><u>119,969.58</u></u> | \$ <u><u>122,365.14</u></u> |

TOWNSHIP OF BRIDGEWATER

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE REVENUES
YEAR ENDED DECEMBER 31, 2013

| | <u>P.A.T.F.</u> <u>ACCOUNT #1</u> | <u>P.A.T.F.</u> <u>ACCOUNT #2</u> | <u>FUND</u> <u>TOTAL</u> |
|----------------------------------|--------------------------------------|--------------------------------------|-----------------------------|
| State Aid Payments | \$ | \$ 360,100.00 | \$ 360,100.00 |
| Supplemental Security Income: | | | |
| State / Municipal Refund | | 17,593.62 | 17,593.62 |
| Interest and Other | <u>100.00</u> | <u>17,403.81</u> | <u>17,503.81</u> |
| <u>TOTAL REVENUES (P.A.T.F.)</u> | <u>\$ 100.00</u> | <u>\$ 395,097.43</u> | <u>\$ 395,197.43</u> |

SCHEDULE OF PUBLIC ASSISTANCE EXPENDITURES
YEAR ENDED DECEMBER 31, 2013

| | | | |
|---------------------------------------|--------------------|----------------------|----------------------|
| Current Year Assistance (Reported): | | | |
| Maintenance Payments | | \$ 175,370.00 | \$ 175,370.00 |
| Other: | | | |
| Temporary Rental Assistance | | 117,672.79 | 117,672.79 |
| Emergency Assistance | | 36,770.18 | 36,770.18 |
| Transportation | | 220.30 | 220.30 |
| Other | | <u>2,983.00</u> | <u>2,983.00</u> |
| <u>Total Reported</u> | | <u>\$ 333,016.27</u> | <u>\$ 333,016.27</u> |
| Ineligible Assistance | <u>\$ 1,347.00</u> | | <u>1,347.00</u> |
| <u>TOTAL DISBURSEMENTS (P.A.T.F.)</u> | <u>\$ 1,347.00</u> | <u>\$ 333,016.27</u> | <u>\$ 334,363.27</u> |

TOWNSHIP OF BRIDGEWATER

PART II

SINGLE AUDIT SECTION

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 MAJOR STATE FINANCIAL ASSISTANCE
PROGRAMS AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH NEW JERSEY OMB CIRCULAR 04-04

SCHEDULES OF EXPENDITURES OF FEDERAL
AWARDS AND STATE FINANCIAL ASSISTANCE

NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

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E-mail info@scnco.com

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

The Honorable Mayor and Members
of the Township Council
Township of Bridgewater
County of Somerset
Bridgewater, New Jersey 08807

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the Township of Bridgewater, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements, and have issued our report thereon dated April 8, 2014. Our report disclosed that, as described in Note 1 to the financial statements, the Township of Bridgewater prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the regulatory financial statements, we considered the Township's control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions 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 Township's internal control.

SUPLEE, CLOONEY & COMPANY

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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township of Bridgewater's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.


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

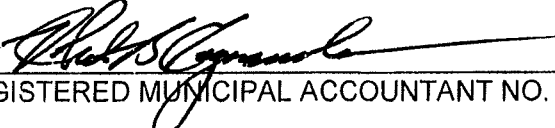
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from 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*.

Purpose of This Report

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


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 50

April 8, 2014



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO MAJOR FEDERAL
AND STATE FINANCIAL ASSISTANCE PROGRAMS AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH U.S. OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04**

The Honorable Mayor and Members
of the Township Council
Township of Bridgewater
County of Somerset
Bridgewater, New Jersey 08807

Report on Compliance for Each Major Federal and State Program

We have audited the Township of Bridgewater's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey OMB State Grant Compliance Supplement* that could have a direct and material effect on each of the Township of Bridgewater's major federal and state programs for the year ended December 31, 2013. The Township's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Township of Bridgewater's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB 04-04. Those standards, OMB Circular A-133 and New Jersey OMB 04-04 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 or state program occurred. An audit includes examining, on a test basis, evidence about the Township of Bridgewater's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Township of Bridgewater's compliance.

SUPLEE, CLOONEY & COMPANY

Opinion on Each Major Federal and State Program

In our opinion, the Township of Bridgewater complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2013.

Report on Internal Control Over Compliance

Management of the Township of Bridgewater is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Township of Bridgewater's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township of Bridgewater'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 or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and State of New Jersey OMB 04-04. Accordingly, this report is not suitable for any other purpose.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 50

April 8, 2014

TOWNSHIP OF BRIDGEWATER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

| FEDERAL C.F.D.A. NUMBER | GRANTOR'S NUMBER | GRANT AWARD AMOUNT | GRANT PERIOD FROM TO | 2013 RECEIPTS | 2013 EXPENDITURES | CUMULATIVE EXPENDITURES DECEMBER 31, 2013 |
|---|---------------------------------|--------------------|----------------------|-------------------|-------------------|---|
| <u>U.S. Department of Housing and Urban Development</u> | | | | | | |
| <u>Pass Through From County of Somerset</u> | | | | | | |
| | | \$ | | \$ | \$ | \$ |
| 14.218 | 11-YO611-06 | 5,722.00 | 9/1/11 | 2,154.71 | 894.71 | 5,407.00 |
| 14.218 | 12-UO621-06 | 100,000.00 | 9/1/12 | 5,050.00 | 11,300.00 | 11,300.00 |
| | | | | <u>7,204.71</u> | <u>12,194.71</u> | <u>5,407.00</u> |
| <u>U.S. Department of Justice</u> | | | | | | |
| 16.607 | | 10,143.00 | Continuous | 2,411.00 | 4,728.50 | 9,313.92 |
| 16.607 | | 2,700.00 | Continuous | | | |
| 16.607 | | 2,317.50 | Continuous | 2,317.50 | | |
| 16.710 | 99-SBWX-0041 | 51,271.00 | 8/1/99 | | | 51,271.00 |
| | | | | <u>4,728.50</u> | <u>4,728.50</u> | <u>60,584.92</u> |
| <u>U.S. Department of Transportation</u> | | | | | | |
| 20.601 | AL11-10-04-68 | 5,000.00 | 12/6/10 | | | 2,725.00 |
| 20.601 | AL11-10-04-228 | 4,400.00 | 8/19/11 | | | 2,625.00 |
| 20.601 | AL12-10-04-MH-72 | 4,400.00 | 8/17/12 | | (50.00) | 3,650.00 |
| 20.601 | AL13-10-04-MH-08 | 4,400.00 | 12/7/12 | 2,775.00 | | 2,775.00 |
| 20.601 | AL-13-10-04-MH-14 | 4,400.00 | 9/2/13 | 2,950.00 | | 2,950.00 |
| 20.616 | AL-14-45-01-NH-15 | 4,400.00 | 12/6/13 | | 200.00 | 200.00 |
| 20.613 | OP12-21-01-01 | 4,000.00 | 10/1/11 | 252.52 | 252.52 | 4,000.00 |
| 20.613 | OP13-21-01-06 | 1,500.00 | 10/1/12 | 1,347.48 | 1,347.48 | 1,347.48 |
| | | | | <u>7,125.00</u> | <u>7,475.00</u> | <u>20,272.48</u> |
| <u>U.S. Department of Energy</u> | | | | | | |
| 81.128 | DE - EE0002430 | 199,200.00 | 9/29/09 | 65,132.59 | | 199,200.00 |
| <u>U.S. Department of Health and Human Services</u> | | | | | | |
| 93.069 | 10-949-BT-L-1 | 25,800.00 | 10/1/09 | | | 14,323.61 |
| 93.069 | N/A | 10,000.00 | 1/1/11 | | | 9,815.65 |
| | | | | <u></u> | <u></u> | <u>24,139.26</u> |
| <u>U.S. Department of Homeland Security</u> | | | | | | |
| <u>Pass Through From State of New Jersey</u> | | | | | | |
| 97.036 | PA-02-NJ-4021-PW-04276 | 13,209.91 | 8/31/11 | 13,209.91 | | 13,209.91 |
| 97.036 | PA-02-NJ-4048-PW-772001 | 149,607.31 | 11/30/11 | 149,607.31 | | 149,607.31 |
| 97.036 | PA-02-NJ-4086-PW-02997 | 788,882.89 | 10/30/12 | 328,701.21 | 447,033.64 | 447,033.64 |
| 97.036 | PA-02-NJ-4086-PW-03236 | 22,559.88 | 10/30/12 | 22,559.88 | | 22,559.88 |
| 97.036 | PA-02-NJ-4086-PW-03339 | 310.91 | 10/30/12 | 310.91 | | 310.91 |
| 97.036 | PA-02-NJ-4086-PW-03750 | 9,823.43 | 10/30/12 | 9,823.43 | | 9,823.43 |
| 97.042 | 1200-100-066-1200-264-YEMR-6120 | 5,000.00 | Continuous | | 2,500.00 | 2,562.52 |
| 97.042 | 1200-100-066-1200-264-YEMR-6120 | 5,000.00 | Continuous | | | |
| 97.042 | 1200-100-066-1200-264-YEMR-6120 | 5,000.00 | Continuous | | | |
| 97.042 | 1200-100-066-1200-264-YEMR-6120 | 5,000.00 | Continuous | | | |
| 97.042 | 1200-100-066-1200-264-YEMR-6120 | 5,000.00 | Continuous | 5,000.00 | | |
| 97.042 | 1200-100-066-1200-264-YEMR-6120 | 5,000.00 | Continuous | | | |
| 97.078 | 2009-BF-T9-0041 | 31,000.00 | 9/1/12 | 30,936.96 | | 30,936.96 |
| | | | | <u>560,149.61</u> | <u>482,227.86</u> | <u>676,044.56</u> |
| | | | | <u>644,340.41</u> | <u>506,626.07</u> | <u>985,648.22</u> |

TOWNSHIP OF BRIDGEWATER
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2013

| STATE GRANTOR/PROGRAM TITLE | STATE ACCOUNT NUMBER | GRANT AWARD AMOUNT | 2013 RECEIPTS | 2013 EXPENDITURES | CUMULATIVE EXPENDITURES DECEMBER 31, 2013 |
|---|---------------------------------|--------------------------|------------------|----------------------|--|
| <u>Department of Environmental Protection</u> | | | | | |
| Clean Communities Program | | | | | |
| 2012 | 4900-765-042-4900-004-VCMC-6020 | \$ 74,559.24 | \$ | \$ 48,963.04 | \$ 74,559.24 |
| 2013 | 4900-765-042-4900-004-VCMC-6020 | 87,538.56 | 87,538.56 | 23,003.67 | 23,003.67 |
| Recycling Tonnage Program | | | | | |
| 2012 | 4900-752-042-4900-001-V42Y-6020 | 60,910.61 | | 9,931.51 | 60,910.61 |
| 2013 | 4900-752-042-4900-001-V42Y-6020 | 84,630.70 | | 74,688.29 | 74,688.29 |
| Unappropriated | | | | | |
| Public Water Supply Contract | | | | | |
| Stormwater Regulation Program | | | | | |
| 2006 | 4900-752-042-4900-001-V42Y-6020 | 97,350.00 | 71,000.14 | | 97,350.00 |
| Hazardous Discharge Site Remediation - EDA | | | | | |
| 2006 | P24813 | 20,619.00 | | | 15,821.00 |
| Hazardous Discharge Site Remediation - EDA | | | | | |
| 2006 | P37684 | 109,054.00 | 115,526.00 | | 99,140.00 |
| | | 115,526.00 | 274,064.70 | 156,586.51 | 445,472.81 |
| <u>Department of Law and Public Safety</u> | | | | | |
| Safe and Secure Communities Program | | | | | |
| 2010 | 1020-100-066-232-YCJF-6120 | 60,000.00 | 30,000.00 | \$ | \$ 60,000.00 |
| 2011 | 1020-100-066-232-YCJF-6120 | 60,000.00 | 30,000.00 | 60,000.00 | 60,000.00 |
| Drunk Driving Enforcement Fund | | | | | |
| 2012 | 6400-100-078-6400-YYYY | 16,882.88 | | 2,911.67 | 16,882.88 |
| 2013 | 6400-100-078-6400-YYYY | 19,141.77 | | 5,777.13 | 5,777.13 |
| Unappropriated | | | | | |
| Alcohol Education Rehabilitation Fund | | | | | |
| 2010 | 9735-760-098-Y900-001-X100-6020 | 3,669.93 | | 367.81 | 3,669.93 |
| 2011 | 9735-760-098-Y900-001-X100-6020 | 6,148.56 | | 148.56 | 6,148.56 |
| 2012 | 9735-760-098-Y900-001-X100-6020 | 4,532.90 | | 2,483.63 | 3,483.63 |
| 2013 | 9735-760-098-Y900-001-X100-6020 | 1,847.11 | 1,847.11 | | |
| Body Armor Replacement Fund | | | | | |
| 2010 | 1020-718-066-1020-001-YCJS-0120 | 8,872.55 | | 5,215.22 | 8,872.55 |
| 2012 | 1020-718-066-1020-001-YCJS-0120 | 13,610.08 | | 2,898.28 | 6,407.05 |
| 2013 | 1020-718-066-1020-001-YCJS-0120 | 8,719.89 | 8,719.89 | | |
| | | | 85,289.12 | 79,802.30 | 171,241.73 |
| <u>Pass Through from County of Somerset</u> | | | | | |
| Municipal Alliance on Alcoholism and Drug Abuse | | | | | |
| 2011 | SC-ALL-10-03 | 39,673.00 | \$ | \$ | \$ 39,555.13 |
| 2012 | SC-ALL-11-03 | 39,673.00 | 7,783.01 | | 39,673.00 |
| 2013 | CY-COM-0007-13-SC-03 | 37,782.00 | 35,908.24 | 37,782.00 | 37,782.00 |
| | | | 43,691.25 | 37,782.00 | 117,010.13 |
| <u>Department of Human Services</u> | | | | | |
| Public Assistance-State Share | | | | | |
| | 7550-150-054-7550-121-LLL-6020 | 360,100.00 | 360,100.00 | 333,016.27 | 333,016.27 |

TOWNSHIP OF BRIDGEWATER
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2013

| STATE GRANTOR/PROGRAM TITLE | STATE ACCOUNT NUMBER | GRANT AWARD AMOUNT | 2013 RECEIPTS | 2013 EXPENDITURES | CUMULATIVE EXPENDITURES DECEMBER 31, 2013 |
|---|---------------------------------|--------------------------|------------------|----------------------|--|
| <u>Department of Health and Senior Services</u> | | | | | |
| Tobacco Age of Sale - 2008 | 4240-100-046-4213-130-J002-6120 | \$ 1,140.00 | \$ | \$ | \$ |
| Tobacco Age of Sale - 2009 | 4240-100-046-4213-130-J002-6120 | 1,320.00 | | | |
| Hepatitis B Inoculation Fund | 4230-100-046-4781-241-J002-3890 | 1,642.00 | | | 529.93 |
| | | \$ | \$ | \$ | \$ 529.93 |
| <u>Department of Transportation</u> | | | | | |
| Crim Road | 07-480-078-6320-AJZ-6010 | 128,000.00 | \$ | \$ | 82,660.32 |
| Country Club Road | 08-480-078-6320-AJ3-6010 | 118,000.00 | | | 107,022.58 |
| Repaving U.S. Route 22 | 08-480-078-6320-AJ3-6010 | 225,000.00 | | | 114,384.71 |
| Brown Road | 10-480-078-6320-AKN-6010 | 150,000.00 | 112,500.00 | | 150,000.00 |
| Country Club Road - Phase III | MA-2012-Bridgewater Twp.-00452 | 140,000.00 | | 114,212.16 | 114,212.16 |
| Country Club Road - Phase IV | MA-2013-Bridgewater Twp.-00328 | 250,000.00 | | | |
| Highway Safety Fund (Safe Corridors) | HSF-2011-Bridgewater Twp.-00003 | 112,890.17 | | | 112,890.17 |
| Highway Safety Fund (Safe Corridors) | HSF-2012-Bridgewater Twp.-00094 | 100,131.75 | 100,131.20 | 62,114.16 | 100,131.75 |
| Highway Safety Fund (Safe Corridors) | HSF-2013-Bridgewater Twp.-00094 | 151,971.69 | | 150,265.08 | 150,265.08 |
| | | \$ | \$ 212,631.20 | \$ 325,591.40 | \$ 931,566.77 |
| <u>Office of Homeland Security and Preparedness</u> | | | | | |
| Canine-Air-Rails-Shopping Malls - E Grant Program (CARS-E) | 02-2010-2736-0736-2-00000 | 291,104.00 | 258,104.00 | 702.19 | 291,104.00 |
| | | \$ | \$ 1,233,880.27 | \$ 934,480.67 | \$ 2,289,941.64 |
| TOTAL STATE AID AND STATE GRANT FINANCIAL ASSISTANCE | | | | | |

TOWNSHIP OF BRIDGEWATER

NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 2013

NOTE 1. GENERAL

The accompanying schedules of expenditures of financial assistance present the activity of all federal and state financial assistance programs of the Township of Bridgewater, County of Somerset, New Jersey. All federal and state financial assistance received directly from federal or state agencies, as well as federal financial assistance passed through other governmental agencies is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of financial assistance are presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting, other than U.S. generally accepted accounting principles. The basis of accounting, with exception, is described in Note 1 to the Township's financial statements - regulatory basis.

NOTE 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules of expenditures agree with the amounts reported in the related federal and state financial report.

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - REGULATORY BASIS

Amounts reported in the accompanying schedules agree with amounts reported in the Township's regulatory basis financial statements. These amounts are reported in either the Current Fund, Grant Fund or Public Assistance Trust Fund.

Receipts:

| | <u>Federal</u> | <u>State</u> | <u>Other</u> | <u>Total</u> |
|------------------------------|----------------------|------------------------|---------------------|------------------------|
| Current Fund | \$ 524,212.65 | \$ | \$ | \$ 524,212.65 |
| Grant Fund | 120,127.76 | 873,780.27 | 81,665.00 | 1,075,573.03 |
| Public Assistance Trust Fund | | 360,100.00 | | 360,100.00 |
| | <u>\$ 644,340.41</u> | <u>\$ 1,233,880.27</u> | <u>\$ 81,665.00</u> | <u>\$ 1,959,885.68</u> |

Expenditures:

| | <u>Federal</u> | <u>State</u> | <u>Other</u> | <u>Total</u> |
|------------------------------|----------------------|----------------------|----------------------|------------------------|
| Current Fund | \$ 479,727.86 | \$ | \$ | \$ 479,727.86 |
| Grant Fund | 26,898.21 | 601,464.40 | 125,677.84 | 754,040.45 |
| Public Assistance Trust Fund | | 333,016.27 | | 333,016.27 |
| | <u>\$ 506,626.07</u> | <u>\$ 934,480.67</u> | <u>\$ 125,677.84</u> | <u>\$ 1,566,784.58</u> |

NOTE 5. OTHER

Matching contributions expended by the Township in accordance with terms of the various grants are not reported in the accompanying schedules.

TOWNSHIP OF BRIDGEWATER
SOMERSET COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Section I - Summary of Auditor's Results

Financial Statements

- | | |
|--|---------------|
| (1) Type of Auditor Report Issued: | Unmodified |
| (2) Internal Control Over Financial Reporting: | |
| (a) Material weaknesses identified? | No |
| (b) Significant deficiencies that are not considered to be material weaknesses? | N/A |
| (3) Noncompliance material to the financial statements to be noted during the audit? | None Reported |

Federal Programs(s)

- | | |
|---|---------------|
| (1) Internal Control Over Major Federal Programs: | |
| (a) Material weaknesses identified? | No |
| (b) Significant deficiencies that are not considered to be material weaknesses? | N/A |
| (2) Type of Auditor's Report issued on compliance for major federal program(s)? | Unmodified |
| (3) Any audit findings disclosed that are required to be reported in accordance with Circular OMB 04-04 and listed in Section III of this schedule? | None Reported |
| (4) Identification of Major Federal Program(s): | |

| <u>Program</u> | <u>Grant Number</u> |
|---|---------------------|
| U.S. Department of Homeland Security – FEMA – Disaster Assistance | PA-02-NJ-4086-PW |

TOWNSHIP OF BRIDGEWATER
SOMERSET COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Section I - Summary of Auditor's Results (Continued)

Federal Program(s) (Continued)

- (5) Program Threshold Determination:
 Type A Federal Program Threshold > \$300,000.00
 Type B Federal Program Threshold <= \$300,000.00

(6) Auditee qualified as a low-risk auditee under OMB Circular 04-04? Yes

State Program(s)

(5) Internal Control Over Major State Programs:

 (a) Material weaknesses identified? No

 (b) Significant deficiencies that are not considered to be material weaknesses? N/A

(6) Type of Auditor's Report issued on compliance for major state program(s)? Unmodified

(7) Any audit findings disclosed that are required to be reported in accordance with Circular OMB 04-04 and listed in Section III of this schedule? None Reported

(8) Identification of Major State Program(s):

| <u>Program</u> | <u>Grant Number</u> |
|---|-----------------------------------|
| Department of Transportation - Country Club Road – Phase III | MA-2012-Bridgewater Twp. 00452 |
| Highway Safety Fund (Safe Corridors) | HSF-Bridgewater Twp. 00094 |

TOWNSHIP OF BRIDGEWATER
SOMERSET COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Section I - Summary of Auditor's Results (Continued)

State Program(s) (Continued)

(5) Program Threshold Determination:

Type A State Program Threshold > \$300,000.00

Type B State Program Threshold <= \$300,000.00

(6) Auditee qualified as a low-risk auditee under OMB Circular 04-04? Yes

**Section II - Financial Statement Audit - Reported Findings Under
Government Auditing Standards**

Internal Control Findings

None Reported.

Compliance Findings

None Reported

Section III - Findings and Questioned Costs Relative to Major State Programs

Federal Programs - None Reported

State Programs - None Reported

Status of Prior Year Audit Findings - Not Applicable

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PART III

TOWNSHIP OF BRIDGEWATER

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2013

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

| | YEAR 2013 | | YEAR 2012 | |
|---|--------------------------|----------------|--------------------------|----------------|
| | AMOUNT | % | AMOUNT | % |
| <u>REVENUE AND OTHER INCOME REALIZED</u> | | | | |
| Fund Balance Utilized | \$ 3,000,000.00 | 1.59% | \$ 2,800,000.00 | 1.50% |
| Miscellaneous - From Other Than | | | | |
| Local Property Tax Levies | 16,439,239.80 | 8.73% | 15,873,530.72 | 8.50% |
| Collection of Delinquent Taxes and Tax Title Liens | 1,529,705.03 | 0.81% | 1,591,427.31 | 0.85% |
| Collections of Current Tax Levy | <u>167,410,366.14</u> | <u>88.87%</u> | <u>166,458,625.08</u> | <u>89.15%</u> |
| <u>Total Revenue</u> | <u>\$ 188,379,310.97</u> | <u>100.00%</u> | <u>\$ 186,723,583.11</u> | <u>100.00%</u> |
| <u>EXPENDITURES</u> | | | | |
| Budget Expenditures: | | | | |
| Municipal Purposes | \$ 37,216,662.27 | 20.14% | \$ 36,922,991.89 | 20.04% |
| County Taxes | 32,924,671.20 | 17.82% | 33,332,035.94 | 18.09% |
| Regional School Taxes | 112,300,162.00 | 60.77% | 111,787,443.35 | 60.66% |
| Special Fire District Taxes | 2,275,204.00 | 1.22% | 2,244,354.00 | 1.21% |
| Other Expenditures | <u>91,632.30</u> | <u>0.05%</u> | <u>550.00</u> | <u>0.00%</u> |
| <u>Total Expenditures</u> | <u>\$ 184,808,331.77</u> | <u>100.00%</u> | <u>\$ 184,287,375.18</u> | <u>100.00%</u> |
| Excess in Revenue | \$ 3,570,979.20 | | \$ 2,436,207.93 | |
| Adjustments to Income Before Fund Balance; Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Year | <u>\$ 130,000.00</u> | | <u>640,000.00</u> | |
| Statutory Excess to Fund Balance | \$ 3,700,979.20 | | \$ 3,076,207.93 | |
| Fund Balance - January 1 | <u>4,507,581.23</u> | | <u>4,231,373.30</u> | |
| | \$ 8,208,560.43 | | \$ 7,307,581.23 | |
| Less: Utilization as Anticipated Revenue | <u>3,000,000.00</u> | | <u>2,800,000.00</u> | |
| Fund Balance, December 31 | <u>\$ 5,208,560.43</u> | | <u>\$ 4,507,581.23</u> | |

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

| | <u>YEAR 2013</u> | | <u>YEAR 2012</u> | |
|---|-------------------------|----------------|-------------------------|----------------|
| | <u>AMOUNT</u> | <u>%</u> | <u>AMOUNT</u> | <u>%</u> |
| <u>REVENUE AND OTHER INCOME REALIZED</u> | | | | |
| Fund Balance Utilized | \$ 587,377.96 | 4.75% | \$ 2,228,748.24 | 16.96% |
| Collection of Sewer Use Charges | 9,781,030.52 | 79.04% | 9,886,255.75 | 75.23% |
| Miscellaneous | <u>2,006,659.56</u> | <u>16.21%</u> | <u>1,027,106.38</u> | <u>7.81%</u> |
| <u>Total Revenue</u> | <u>\$ 12,375,068.04</u> | <u>100.00%</u> | <u>\$ 13,142,110.37</u> | <u>100.00%</u> |
| <u>EXPENDITURES</u> | | | | |
| Budget Expenditures: | | | | |
| Operating | \$ 9,771,410.88 | 96.58% | \$ 9,301,313.39 | 79.21% |
| Capital Improvements | | | 2,075,000.00 | 17.67% |
| Deferred Charges and Statutory Expenditures | 140,537.80 | 1.39% | 178,000.00 | 1.52% |
| Debt Service | 205,470.38 | 2.03% | 186,734.85 | 1.59% |
| Miscellaneous | | | <u>1,058.57</u> | <u>0.01%</u> |
| <u>Total Expenditures</u> | <u>\$ 10,117,419.06</u> | <u>100.00%</u> | <u>\$ 11,742,106.81</u> | <u>100.00%</u> |
| Excess in Revenue | \$ 2,257,648.98 | | \$ 1,400,003.56 | |
| Fund Balance, January 1 | <u>3,410,294.60</u> | | <u>4,239,039.28</u> | |
| | \$ 5,667,943.58 | | \$ 5,639,042.84 | |
| Less: Utilization as Anticipated Revenue | <u>587,377.96</u> | | <u>2,228,748.24</u> | |
| Fund Balance, December 31 | <u>\$ 5,080,565.62</u> | | <u>\$ 3,410,294.60</u> | |

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

| | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|--------------------------|----------------|----------------|----------------|
| Tax Rate | <u>\$2.051</u> | <u>\$1.967</u> | <u>\$1.926</u> |
| Appointment of Tax Rate: | | | |
| Municipal | \$0.258 | \$0.247 | \$0.240 |
| County | 0.407 | 0.396 | 0.389 |
| Local School | <u>1.386</u> | <u>1.324</u> | <u>1.297</u> |

Assessed Valuation:

| | | | |
|-----------|----------------------------|----------------------------|----------------------------|
| Year 2013 | \$ <u>8,100,156,601.00</u> | | |
| Year 2012 | | \$ <u>8,437,787,805.00</u> | |
| Year 2011 | | | \$ <u>8,426,833,377.00</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>CURRENTLY</u> | |
|-------------|------------------|-------------------------|---------------------------------|
| | | <u>CASH COLLECTIONS</u> | <u>PERCENTAGE OF COLLECTION</u> |
| 2013 | \$168,664,982.37 | \$167,410,366.14 | 99.25% |
| 2012 | 168,556,539.11 | 166,658,625.08 | 98.87% |
| 2011 | 165,157,406.75 | 163,523,102.75 | 99.01% |

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 three years.

| <u>DECEMBER 31, YEAR</u> | <u>AMOUNT OF TAX TITLE LIENS</u> | <u>AMOUNT OF DELINQUENT TAXES</u> | <u>TOTAL DELINQUENT</u> | <u>PERCENTAGE OF TAX LEVY</u> |
|------------------------------|--|---|-----------------------------|---------------------------------------|
| 2013 | \$129,726.11 | \$1,161,575.79 | \$1,291,301.90 | 0.77% |
| 2012 | 125,140.59 | 1,534,884.03 | 1,660,024.62 | 0.98% |
| 2011 | 115,499.14 | 1,578,944.04 | 1,694,443.18 | 1.03% |

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens on December 31st on the basis of the last assessed valuation of such properties was as follows:

| <u>YEAR</u> | <u>AMOUNT</u> |
|-------------|---------------|
| 2013 | \$422,300.00 |
| 2012 | 422,300.00 |
| 2011 | 422,300.00 |

COMPARATIVE SCHEDULE OF FUND BALANCES

| | <u>YEAR</u> | <u>BALANCE</u> <u>DECEMBER 31</u> | <u>UTILIZED IN BUDGET</u> <u>OF SUCCEEDING</u> <u>YEAR</u> |
|------------------------------|-------------|--------------------------------------|--|
| Current Fund | 2013 | \$ 5,208,560.43 | \$ 3,000,000.00 * |
| | 2012 | 4,507,581.23 | 3,000,000.00 |
| | 2011 | 4,231,373.30 | 2,800,000.00 |
| | 2010 | 4,451,217.66 | 3,116,859.31 |
| | 2009 | 4,958,749.50 | 3,584,732.98 |
| Sewer Utility Operating Fund | 2013 | \$ 3,410,294.60 | \$ 844,656.72 * |
| | 2012 | 3,410,294.60 | 587,377.96 |
| | 2011 | 4,239,039.28 | 2,228,748.24 |
| | 2010 | 3,127,584.09 | 308,352.10 |
| | 2009 | 1,328,708.27 | 413,307.00 |

* Per Introduced Budget

EQUALIZED VALUATIONS – REAL PROPERTY

| <u>Year</u> | |
|-------------|--------------------|
| 2013 | \$8,932,823,322.00 |
| 2012 | 8,956,390,052.00 |
| 2011 | 9,409,750,447.00 |

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office during the period under audit:

| <u>NAME</u> | <u>TITLE</u> | <u>AMOUNT OF BOND</u> | <u>NAME OF SURETY</u> |
|--------------------------|---|---------------------------|-------------------------|
| Daniel J. Hayes Jr. | Mayor | | |
| Christine Henderson Rose | Council Member - President | | |
| Allen Kurdyla | Council Member | | |
| Howard Norgalis | Council Member | | |
| Matthew Moench | Council Member | | |
| Filipe Pedroso | Council Member | | |
| James Naples | Director of Administration | * | |
| Linda Doyle | Municipal Clerk, Assessment Search Officer | \$25,000.00 | Penn National Insurance |
| Grace Karanja | Deputy Municipal Clerk | * | |
| Natasha Turchan | Director of Finance, Chief Financial Officer | \$250,000.00 | Penn National Insurance |
| Rose Witt | Qualified Purchasing Agent | * | |
| Cynthia Phillips | Human Resources Officer | * | |
| Darrow Murdock | Tax Collector, Tax Search Officer, Sewer Collector | \$650,000.00 | Penn National Insurance |
| Anthony DiRado | Tax Assessor | * | |
| Willam Savo | Township Attorney | * | |
| Scarlett Doyle | Township Planner | * | |
| Steve Rodzinak | Construction Code Official | * | |
| Robert Bogart | Director of Municipal Services, Township Engineer | * | |
| Thomas Forsythe | Deputy Director of Municipal Services | * | |

OFFICIALS IN OFFICE AND SURETY BONDS (CONTINUED)

| <u>NAME</u> | <u>TITLE</u> | <u>AMOUNT OF BOND</u> | <u>NAME OF SURETY</u> |
|----------------------|--|-----------------------|-------------------------|
| William Kelleher | Municipal Court Judge | * | |
| Audrey Lipinski | Court Administrator | \$75,000.00 | Penn National Insurance |
| Richard Borden | Police Chief (to October 1, 2013) | * | |
| Manuel Caravela | Police Chief (from December 18, 2013) | * | |
| Phil Langon | Fire Official | * | |
| Chris Poulsen | Director of Human Services | * | |
| Peter Leung | Health Officer | * | |
| Mary Ellen Ianniello | Registrar | * | |
| Patricia Padovani | Director of Welfare | * | |
| John Langel | Superintendent of Public Works (to November 19, 2013) | * | |
| Thomas Forsythe | Superintendent of Public Works (from November 20, 2013) | * | |
| Patricia Padovani | Director of Welfare | * | |
| Christine Schneider | Superintendent of Recreation | * | |

*All officials and employees (except as noted) handling and collecting Township funds are covered by a blanket position bond for faithful performance for \$1,000,000.00. The blanket position bond is written by the Pennsylvania National Mutual Insurance Company.

All of the bonds were examined and were properly executed.

COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR N.J.S.A. 40A:11-4

"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 by the governing body of the contracting unit 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 the amount set forth in, or the amount calculated by the Governor pursuant to Section 3 P.L. 1971 C. 198 (C. 40A:11-3), except by contract or agreement."

Effective January 1, 2012, the bid threshold in accordance with N.J.S.A. 40A:11-4 is \$17,500.00 or up to \$36,000.00 if the entity has a Qualified Purchasing Agent. The Township has a Qualified Purchasing Agent and has elected to increase its bid threshold to \$36,000.00.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$36,000.00 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Council's opinion should be sought before a commitment is made.

The minutes indicated that bids were requested by public advertising for the following items:

- Custodial Services
- Police Uniforms, Shoes and Gear
- Electrical Contractor/Emergency Service
- Road Improvements for Country Club Road
- Sanitary Sewer Rehabilitation Project
- Radio Tower and Antenna System
- Van Holten Road Improvement Project
- Garretson Road Improvements
- Gilbride Road Improvements
- Oak Street Improvement Project
- Maintenance and Repair Work
- Purchase of a 2014 Dump Truck w/ Plow
- Brookdale Drive Gabion Wall Repair Project

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.

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 or 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.

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$36,000.00 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 or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

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

The Governing Body on January 7, 2013 adopted the following resolution pursuant to the provisions of R.S. 54:4-67 fixing the rate of delinquent taxes and assessments at 8% per annum on the first \$1,500.00 and a rate of 18% per annum on any amount in excess of \$1,500.00 becoming delinquent after the due date and if the delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31st, an additional penalty of 6% shall be charged if payment of any installment is made within ten days after the date upon which the same becomes payable. Sanitary Sewer Charges are fixed at a delinquent rate of 18% per annum on all delinquent charges after the due date.

It appears from an examination of the Collector's records that interest was collected in accordance with the foregoing resolution.

DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held on October 25, 2013 and was complete.

Inspection of Tax Sale Certificates on file revealed that all Tax Sale Certificates were available for audit.

DELINQUENT TAXES AND TAX TITLE LIENS (CONTINUED)

The following is a comparison of the number of tax title liens receivable on December 31st of the last five years:

| <u>YEAR</u> | <u>NUMBER OF LIENS</u> |
|-------------|------------------------|
| 2013 | 24 |
| 2012 | 26 |
| 2011 | 22 |
| 2010 | 19 |
| 2009 | 16 |

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a taxpaying basis.

VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, consisting of the mailing of verification notices as follows:

| <u>TYPE</u> | |
|----------------------------------|----|
| Payments of 2014 Taxes | 50 |
| Payments of 2013 Taxes | 50 |
| Delinquent Taxes | 25 |
| Payment of Sewer Utility Charges | 50 |
| Delinquent Sewer Utility Charges | 25 |

OTHER COMMENTS

Interfunds

Transactions invariably occur in one fund which requires a corresponding entry to be made in another fund, thus creating interfund balances. References to the various balance sheets show the interfund balances remaining at year end. As a general rule all interfund balances should be closed out as of the end of the year. It is the Township's policy to review and liquidate all interfund balances on a periodic basis.

RECOMMENDATIONS

None



