

TOWNSHIP OF EAST WINDSOR

COUNTY OF MERCER

REPORT OF AUDIT

2014

*NISIVOCCIA LLP
CERTIFIED PUBLIC ACCOUNTANTS*

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
REPORT OF AUDIT
2014

TOWNSHIP OF EAST WINDSOR
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TOWNSHIP OF EAST WINDSOR

PART I

FINANCIAL STATEMENTS AND

SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2014



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 Mt. Arlington, NJ 07856
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 Newton, NJ 07860
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Independent Auditors' Report

The Honorable Mayor and Members
 of the Township Council
 Township of East Windsor
 East Windsor, New Jersey

Report on the Financial Statements

We have audited the financial statements – *regulatory basis* – of the various funds of the Township of East Windsor in the County of Mercer (the "Township") as of, and for the years ended December 31, 2014 and 2013, and the related notes to 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 accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township'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's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

The Honorable Mayor and Members
of the Township Council
Township of East Windsor
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Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements are prepared by the Township on the basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. 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 the 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 Township as of December 31, 2014 and 2013, and the changes in financial position or, where applicable, cash flows thereof for the years then ended.

Basis for Qualified Opinion

The Township's general fixed assets account group is stated at historical cost or estimated historical cost in the accompanying financial statements. The basis of accounting is not in conformity with U.S. generally accepted accounting principles but is in accordance with the accounting practices prescribed or permitted by the Division. We were unable to obtain sufficient evidence to support the cost of the fixed assets of the general fixed assets account group. As more fully described in Note 1, due to the length of time over which these fixed assets were acquired, it is not practical to determine their actual costs. Therefore, based upon the underlying accounting records, we have not audited the general fixed assets account group.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects on the December 31, 2014 and 2013 financial statements of the matter described in the *Basis for Qualified Opinion* paragraph, the financial statements referred to above, present fairly, in all material respects, the financial position of the various funds of the Township of East Windsor as of December 31, 2014 and 2013, and the results of operations and changes in fund balance, where applicable, of such funds, thereof for the years then ended on the basis of the accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, as described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements of the various funds that collectively comprise the Township's financial statements. The supplementary data schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedules of expenditures of federal and state awards, as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey's OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the financial statements.

The Honorable Mayor and Members
of the Township Council
Township of East Windsor
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The supplementary data schedules and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the various fund financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the various fund financial statements or to the various fund financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary data schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 7, 2015 on our consideration of the Township of East Windsor'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 East Windsor's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
October 7, 2015


NISIVOCCIA LLP


Francis J. Jones, Jr.
Registered Municipal Accountant No. 442
Certified Public Accountant

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
2014
CURRENT FUND

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

| | Ref. | December 31, | |
|-------------------------------------------------------|------|-------------------------------|-------------------------------|
| | | 2014 | 2013 |
| <u>ASSETS</u> | | | |
| Regular Fund: | | | |
| Cash and Cash Equivalents | A-4 | \$ 8,097,254.06 | \$ 7,670,335.37 |
| Change Fund | | 10.00 | 10.00 |
| Petty Cash | | 1,025.00 | 1,025.00 |
| | | <u>8,098,289.06</u> | <u>7,671,370.37</u> |
| Receivables and Other Assets with Full Reserves: | | | |
| Delinquent Property Taxes Receivable | A-7 | 572,590.90 | 1,005,664.24 |
| Tax Title Liens Receivable | A-8 | 116,603.62 | 90,546.45 |
| Property Acquired for Taxes at Assessed Valuation | | 132,325.00 | 132,325.00 |
| Revenue Accounts Receivable | A-9 | 47,477.98 | 43,706.19 |
| Due Federal and State Grant Fund | A | | 0.70 |
| Due Other Trust Funds | B | 877.93 | 106.43 |
| Due Special Garbage District Fund | H | 24,893.70 | |
| Due Payroll Fund | | 238,191.29 | |
| | | <u>1,132,960.42</u> | <u>1,272,349.01</u> |
| Total Receivables and Other Assets with Full Reserves | | | |
| Total Regular Fund | | <u>9,231,249.48</u> | <u>8,943,719.38</u> |
| Federal and State Grant Fund: | | | |
| Cash and Cash Equivalents | A-6 | 132,070.44 | 139,204.25 |
| Grants Receivable | A-10 | 555,291.33 | 690,577.49 |
| Due Current Fund | A | 53,406.46 | |
| Due General Capital Fund | C | 25,016.76 | |
| Due Payroll Fund | | 1,266.75 | |
| | | <u>767,051.74</u> | <u>829,781.74</u> |
| Total Federal and State Grant Fund | | | |
| TOTAL ASSETS | | <u><u>\$ 9,998,301.22</u></u> | <u><u>\$ 9,773,501.12</u></u> |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

| | Ref. | December 31, | |
|------------------------------------------------------|----------|------------------------|------------------------|
| | | 2014 | 2013 |
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | | |
| Regular Fund: | | | |
| Appropriation Reserves: | | | |
| Encumbered | A-3;A-11 | \$ 687,601.79 | \$ 772,063.19 |
| Unencumbered | A-3;A-11 | 1,438,085.41 | 963,245.14 |
| | | <u>2,125,687.20</u> | <u>1,735,308.33</u> |
| Accounts Payable - Vendors | | 150,033.30 | 188,195.78 |
| Due Federal and State Grant Fund | A | 53,406.46 | |
| Due General Capital Fund | C | 81,981.03 | |
| Due State of New Jersey: | | | |
| Senior Citizens' and Veterans' Deductions | | 790.42 | 2,082.21 |
| Marriage License Fees | | 1,175.00 | 1,450.00 |
| DCA Training Fees | | 12,122.00 | 11,361.00 |
| Domestic Partnership Fees | | 575.00 | 575.00 |
| County Added and Omitted Taxes Payable | | 74,359.59 | 75,068.22 |
| Prepaid Taxes | | 457,243.07 | 549,339.89 |
| Tax Overpayments | | 93,908.28 | 10,144.66 |
| Reserve for: | | | |
| Sale of Municipal Assets | | | 225,000.00 |
| NJ Turnpike Authority | | 819,171.81 | 819,171.81 |
| Insurance Proceeds | | 4,112.47 | 4,112.47 |
| Sign 571/Lanning Boulevard | | 2,270.00 | 2,270.00 |
| Ambulance | | 18,500.00 | 18,500.00 |
| Superstorm Sandy: | | | |
| Insurance Proceeds | | 6,960.00 | 6,960.00 |
| Federal Emergency Management Agency | | 1,936.17 | 1,936.17 |
| Hurricane Irene: | | | |
| Insurance Proceeds | | 3,455.00 | 3,455.00 |
| Federal Emergency Management Agency | | 5,548.30 | 5,548.30 |
| | | <u>3,913,235.10</u> | <u>3,660,478.84</u> |
| Reserve for Receivables and Other Assets | A | 1,132,960.42 | 1,272,349.01 |
| Fund Balance | A-1 | 4,185,053.96 | 4,010,891.53 |
| Total Regular Fund | | <u>9,231,249.48</u> | <u>8,943,719.38</u> |
| Federal and State Grant Fund: | | | |
| Appropriated Reserves: | | | |
| Unencumbered | A-13 | 583,272.36 | 628,594.26 |
| Encumbered | | 95,249.44 | 149,924.28 |
| Unappropriated Reserves | A-14 | 88,529.94 | 51,262.50 |
| Due Current Fund | A | | 0.70 |
| Total Federal and State Grant Fund | | <u>767,051.74</u> | <u>829,781.74</u> |
| TOTAL LIABILITIES, RESERVES AND FUND BALANCE | | <u>\$ 9,998,301.22</u> | <u>\$ 9,773,501.12</u> |

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
FUND BALANCE - REGULATORY BASIS

| | Ref. | Year Ended December 31, | |
|-----------------------------------------------------------------|------|-------------------------|------------------------|
| | | 2014 | 2013 |
| <u>Revenue and Other Income Realized</u> | | | |
| Fund Balance Utilized | | \$ 2,050,000.00 | \$ 1,696,343.00 |
| Miscellaneous Revenue Anticipated | | 6,952,460.03 | 7,786,718.81 |
| Receipts from: | | | |
| Delinquent Taxes | | 999,145.01 | 819,455.94 |
| Current Taxes | | 86,041,292.82 | 85,078,355.31 |
| Nonbudget Revenue | | 55,663.95 | 69,789.31 |
| Other Credits to Income: | | | |
| Unexpended Balance of Appropriation Reserves | | 1,028,624.99 | 938,763.29 |
| Prior Year Senior Citizens' and Veterans' Deductions Allowed | | 1,250.00 | |
| Interfunds Returned | | 0.70 | 850,277.06 |
| | | <u>97,128,437.50</u> | <u>97,239,702.72</u> |
| <u>Expenditures</u> | | | |
| Budget and Emergency Appropriations: | | | |
| Municipal Purposes | | 19,849,124.16 | 19,608,682.10 |
| County Taxes | | 18,248,507.47 | 18,203,786.30 |
| Regional School District Taxes | | 54,262,964.00 | 53,329,952.00 |
| Special Garbage District Taxes | | 2,180,968.62 | 2,172,832.80 |
| Prior Year Senior Citizens' and Veterans' Deductions Disallowed | | 4,428.08 | 3,006.85 |
| Refund of Prior Year Revenue - Taxes | | 94,426.25 | |
| Interfunds Advanced | | 263,856.49 | 107.13 |
| | | <u>94,904,275.07</u> | <u>93,318,367.18</u> |
| Excess in Revenue/Statutory Excess to Fund Balance | | 2,224,162.43 | 3,921,335.54 |
| <u>Fund Balance</u> | | | |
| Balance January 1 | | <u>4,010,891.53</u> | <u>1,785,898.99</u> |
| | | 6,235,053.96 | 5,707,234.53 |
| Decreased by: | | | |
| Utilized as Anticipated Revenue | | <u>2,050,000.00</u> | <u>1,696,343.00</u> |
| Balance December 31 | A | <u>\$ 4,185,053.96</u> | <u>\$ 4,010,891.53</u> |

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

| | Budget | Added by NJSA 40A:4-87 | Realized | Excess or Deficit * |
|------------------------------------------------------------------|-------------------------|---------------------------|-------------------------|------------------------|
| Fund Balance Anticipated | \$ 2,050,000.00 | | \$ 2,050,000.00 | |
| Miscellaneous Revenue: | | | | |
| Licenses: | | | | |
| Alcoholic Beverages | 33,940.00 | | 32,440.00 | \$ 1,500.00 * |
| Other | 50,000.00 | | 52,985.00 | 2,985.00 |
| Fees and Permits - Other | 469,524.00 | | 497,546.28 | 28,022.28 |
| Municipal Court: | | | | |
| Fines and Costs | 463,000.00 | | 507,136.34 | 44,136.34 |
| Police Camera Enforcement | 98,000.00 | | 107,444.50 | 9,444.50 |
| Interest and Costs on Taxes | 170,000.00 | | 363,396.88 | 193,396.88 |
| Interest on Investments and Deposits | 40,000.00 | | 128,540.00 | 88,540.00 |
| Energy Receipts Tax | 3,517,385.00 | | 3,517,385.00 | |
| Uniform Construction Code Fees | 370,000.00 | | 277,244.00 | 92,756.00 * |
| Shared Service Agreements - Animal Control | 10,000.00 | | 19,145.00 | 9,145.00 |
| Shared Service Agreements - Senior Center | 27,196.00 | | 26,615.50 | 580.50 * |
| Municipal Alliance on Alcoholism and Drug Abuse | 22,104.00 | | 22,104.00 | |
| Drunk Driving Enforcement Fund | | \$ 12,164.26 | 12,164.26 | |
| Clean Communities Grant | | 42,644.01 | 42,644.01 | |
| Drive Sober or Get Pulled Over | | 16,900.00 | 16,900.00 | |
| Click It or Ticket | | 4,000.00 | 4,000.00 | |
| NJ Transit Operating Bus Shuttle | | 150,000.00 | 150,000.00 | |
| Bullet Proof Vest Partnership Grant | | 14,438.56 | 14,438.56 | |
| Bus Grant - Matching Share: | | | | |
| Mercer County | | 10,400.00 | 10,400.00 | |
| Hightstown | | 2,180.00 | 2,180.00 | |
| Body Armor Replacement Fund | | 4,211.46 | 4,211.46 | |
| Saint James Village Senior Citizen Complex | 120,000.00 | | 124,200.00 | 4,200.00 |
| Wheaton Pointe - In Lieu of Taxes | 30,000.00 | | 29,346.08 | 653.92 * |
| Reserve for Open Space Trust | 25,000.00 | | 4,441.97 | 20,558.03 * |
| Developers' Detention Basin | 125,000.00 | | 125,000.00 | |
| Life Hazard Use Payments | 46,957.00 | | 48,036.34 | 1,079.34 |
| General Capital Fund Surplus | 300,000.00 | | 300,000.00 | |
| Hotel Tax | 210,000.00 | | 250,400.85 | 40,400.85 |
| Hightstown - E.M.S. Services | 10,500.00 | | 7,875.00 | 2,625.00 * |
| Farm Leases | 18,000.00 | | 18,315.00 | 315.00 |
| Reserve for Sale of Municipal Assets | 225,000.00 | | 225,000.00 | |
| Sale to School District | 10,924.00 | | 10,924.00 | |
| | <u>6,392,530.00</u> | <u>256,938.29</u> | <u>6,952,460.03</u> | <u>302,991.74</u> |
| Receipt from Delinquent Taxes | 650,000.00 | | 999,145.01 | 349,145.01 |
| Amount to be Raised by Taxes for Support of Municipal Budget: | | | | |
| Local Tax for Municipal Purposes | 11,892,414.00 | | 12,360,750.73 | 468,336.73 |
| Budget Totals | <u>20,984,944.00</u> | <u>256,938.29</u> | <u>22,362,355.77</u> | <u>\$ 1,120,473.48</u> |
| Nonbudget Revenue | | | 55,663.95 | |
| | <u>\$ 20,984,944.00</u> | <u>\$ 256,938.29</u> | <u>\$ 22,418,019.72</u> | |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Allocation of Current Tax Collections:

| | |
|-------------------------------------------------------------------------------------|--------------------------------|
| Revenue from Collection of Current Taxes | \$ 86,041,292.82 |
| Allocated to County, Regional School District and Special Garbage District Taxes | <u>74,692,440.09</u> |
| Balance for Support of Municipal Budget | 11,348,852.73 |
| Add: Appropriation "Reserve for Uncollected Taxes" | <u>1,011,898.00</u> |
| Realized for Support of Municipal Budget | <u><u>\$ 12,360,750.73</u></u> |

Analysis of Fees and Permits - Other:

Treasurer:

Cable Television Franchise Fees:

| | |
|-----------------------------------------------------|-----------------------------|
| Comcast | \$ 178,642.68 |
| Verizon | 140,881.11 |
| Fire Inspector | 67,663.00 |
| Housing Inspection | 42,950.00 |
| Municipal Clerk | 32,688.00 |
| Police Special Duty Administration and Vehicle Fees | 5,682.49 |
| Senior Center Classes | 15,745.00 |
| Planning and Zoning Board of Adjustment | 6,685.00 |
| Engineering | 3,155.00 |
| Board of Health/Registrar of Vital Statistics | 1,550.00 |
| Police | 1,262.00 |
| Rent Control Fees | 717.00 |
| Etra Park Permits | <u>220.00</u> |
| | \$ 497,841.28 |
| Less: Refunds | <u>295.00</u> |
| | <u><u>\$ 497,546.28</u></u> |

Analysis of Interest on Investments and Deposits:

| | |
|---------------------------------|-----------------------------|
| Collected/Received by Treasurer | \$ 127,662.59 |
| Due from Other Trust Funds | <u>877.41</u> |
| | <u><u>\$ 128,540.00</u></u> |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Analysis of Nonbudget Revenue:

Miscellaneous Revenue Not Anticipated:

Treasurer:

| | |
|------------------------------------------------------------------|--------------|
| Tax Sale Premiums Canceled | \$ 14,700.00 |
| Proceeds of Township Auction | 9,198.39 |
| Tax Assessor | 6,249.05 |
| Police | 6,101.58 |
| NJ Division of Motor Vehicles Inspection Fines/Fees | 5,832.00 |
| Municipal Registrar | 4,520.00 |
| Prior Year Reimbursements | 3,260.00 |
| Senior Citizens' and Veterans' Deductions - Administrative Costs | 2,206.44 |
| Outdoor Advertising | 1,800.00 |
| Municipal Clerk | 563.11 |
| Code Enforcement | 145.10 |
| Engineering | 25.00 |
| Other Miscellaneous | 1,063.28 |
| | <hr/> |
| | \$ 55,663.95 |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

| | Appropriations | | Expended By | | Unexpended Balance Canceled |
|------------------------------------------|----------------|------------------------------|--------------------|-------------|-----------------------------------|
| | Budget | Budget After Modification | Paid or Charged | Reserved | |
| GENERAL GOVERNMENT: | | | | | |
| Manager's Office: | | | | | |
| Salaries & Wages | \$ 242,666.00 | \$ 242,666.00 | \$ 240,662.67 | \$ 2,003.33 | |
| Other Expenses | 51,485.00 | 51,485.00 | 42,021.39 | 9,463.61 | |
| Human Resources: | | | | | |
| Other Expenses | 20,000.00 | 20,000.00 | | | \$ 20,000.00 |
| Township Council: | | | | | |
| Salaries & Wages | 76,067.00 | 76,067.00 | 76,062.00 | 5.00 | |
| Other Expenses | 7,880.00 | 7,880.00 | 3,866.00 | 4,014.00 | |
| Municipal Clerk: | | | | | |
| Salaries & Wages | 90,000.00 | 90,000.00 | 75,196.34 | 14,803.66 | |
| Other Expenses | 22,016.00 | 22,016.00 | 2,877.27 | 19,138.73 | |
| Elections: | | | | | |
| Salaries & Wages | 1,000.00 | 1,000.00 | | 1,000.00 | |
| Other Expenses | 10,000.00 | 10,000.00 | 7,895.00 | 2,105.00 | |
| Financial Administration: | | | | | |
| Salaries & Wages | 167,541.00 | 158,041.00 | 133,649.67 | 24,391.33 | |
| Other Expenses | 9,344.00 | 9,344.00 | 6,974.93 | 2,369.07 | |
| Annual Audit | 30,104.00 | 30,104.00 | 30,104.00 | | |
| Data Processing: | | | | | |
| Other Expenses | 72,450.00 | 72,450.00 | 54,111.00 | 18,339.00 | |
| Tax Collection (Revenue Administration): | | | | | |
| Salaries & Wages | 146,387.00 | 146,387.00 | 111,384.71 | 2.29 | 35,000.00 |
| Other Expenses | 8,327.00 | 8,327.00 | 4,249.21 | 4,077.79 | |
| Assessment of Taxes: | | | | | |
| Salaries & Wages | 142,712.00 | 147,712.00 | 146,503.58 | 1,208.42 | |
| Other Expenses | 9,175.00 | 9,175.00 | 8,999.15 | 175.85 | |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

| | Appropriations | | Expended By | | Unexpended Balance Canceled |
|----------------------------------------|----------------|------------------------------|--------------------|------------|-----------------------------------|
| | Budget | Budget After Modification | Paid or Charged | Reserved | |
| GENERAL GOVERNMENT (Cont'd): | | | | | |
| Legal Services and Costs: | | | | | |
| Salaries & Wages | \$ 26,000.00 | \$ 26,000.00 | \$ 25,500.00 | \$ 500.00 | |
| Other Expenses | 65,000.00 | 65,000.00 | 42,645.00 | 22,355.00 | |
| Engineering Services and Costs: | | | | | |
| Salaries & Wages | 54,868.00 | 54,868.00 | 54,867.06 | 0.94 | |
| Other Expenses | 5,500.00 | 5,500.00 | 2,090.93 | 3,409.07 | |
| Economic Development: | | | | | |
| Other Expenses | 4,925.00 | 4,925.00 | 1,404.21 | 3,520.79 | |
| Transportation Commission: | | | | | |
| Other Expenses | 500.00 | 500.00 | | 500.00 | |
| Land Use Administration: | | | | | |
| Planning Board: | | | | | |
| Salaries & Wages | 37,500.00 | 37,500.00 | 37,384.62 | 115.38 | |
| Other Expenses | 11,855.00 | 11,855.00 | 2,493.98 | 9,361.02 | |
| Board of Adjustment: | | | | | |
| Other Expenses | 5,082.00 | 5,082.00 | 401.35 | 4,680.65 | |
| Insurance: | | | | | |
| Liability Insurance | 152,389.00 | 152,389.00 | 151,502.50 | 886.50 | |
| Worker's Compensation Insurance | 85,200.00 | 85,200.00 | 85,200.00 | | |
| Employee Group Insurance | 3,769,517.00 | 3,769,517.00 | 3,438,523.89 | 132,877.11 | \$ 198,116.00 |
| PUBLIC SAFETY: | | | | | |
| Police: | | | | | |
| Salaries & Wages | 5,347,277.00 | 5,347,277.00 | 5,046,431.31 | 300,845.69 | |
| Other Expense - Uniform Service | 155,467.00 | 155,467.00 | 105,433.00 | 2,271.00 | 47,763.00 |
| Other Expense - Investigative Service | 20,248.00 | 20,248.00 | 11,410.46 | 8,837.54 | |
| Other Expense - Crime Prevention | 5,410.00 | 5,410.00 | 3,693.68 | 1,716.32 | |
| Other Expense - General Administration | 63,162.00 | 63,162.00 | 42,978.33 | 20,183.67 | |
| Other Expense - Support Service | 43,149.00 | 43,149.00 | 41,223.71 | 1,925.29 | |
| Other Expense - Training | 151,868.00 | 151,868.00 | 89,855.54 | 17,012.46 | 45,000.00 |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

| | Appropriations | | Expended By | | Unexpended Balance Canceled |
|---------------------------------------|----------------|------------------------------|--------------------|--------------|-----------------------------------|
| | Budget | Budget After Modification | Paid or Charged | Reserved | |
| PUBLIC SAFETY (Cont'd): | | | | | |
| Police Communications: | | | | | |
| Salaries & Wages | \$ 315,361.00 | \$ 315,361.00 | \$ 298,430.27 | \$ 16,930.73 | |
| Other Expense | 30,483.00 | 30,483.00 | 25,095.56 | 5,387.44 | |
| Office of Emergency Management: | | | | | |
| Other Expenses | 625.00 | 625.00 | 100.00 | 525.00 | |
| Daytime EMS Services: | | | | | |
| Other Expenses | 16,000.00 | 16,000.00 | 16,000.00 | | |
| Police Camera Enforcement: | | | | | |
| Other Expenses | 99,000.00 | 99,000.00 | 47,000.00 | 52,000.00 | |
| Aid to Volunteer Fire Companies: | | | | | |
| Other Expenses | 65,000.00 | 65,000.00 | 65,000.00 | | |
| Aid to Volunteer Ambulance Companies: | | | | | |
| Other Expenses - Contributions | 55,124.00 | 55,124.00 | 55,124.00 | | |
| Other Expenses - Miscellaneous | 62,692.00 | 62,692.00 | 52,361.99 | 10,330.01 | |
| Fire Prevention: | | | | | |
| Salaries & Wages | 58,613.00 | 58,613.00 | 53,553.43 | 5,059.57 | |
| Other Expenses | 12,300.00 | 12,300.00 | 10,404.10 | 1,895.90 | |
| Fire: | | | | | |
| Other Expenses | 132,050.00 | 132,050.00 | 121,040.42 | 11,009.58 | |
| Other Expenses - SFSP | 11,370.00 | 11,370.00 | 5,685.00 | 5,685.00 | |
| Municipal Court: | | | | | |
| Salaries & Wages | 302,791.00 | 307,291.00 | 272,479.09 | 97.91 | \$ 34,714.00 |
| Other Expenses | 32,005.00 | 32,005.00 | 24,663.19 | 7,341.81 | |
| Public Defender: | | | | | |
| Salaries & Wages | 2,000.00 | 2,000.00 | | 2,000.00 | |
| Municipal Prosecutor: | | | | | |
| Salaries & Wages | 32,794.00 | 32,794.00 | 32,793.02 | 0.98 | |
| Juvenile Conference Bureau: | | | | | |
| Salaries & Wages | 4,060.00 | 4,060.00 | 2,772.48 | 1,287.52 | |
| Other Expenses | 1,225.00 | 1,225.00 | | 1,225.00 | |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

| | Appropriations | | Expended By | | Unexpended Balance Canceled |
|--------------------------------------------|----------------|------------------------------|--------------------|--------------|-----------------------------------|
| | Budget | Budget After Modification | Paid or Charged | Reserved | |
| PUBLIC WORKS FUNCTIONS: | | | | | |
| Road Repairs and Maintenance: | | | | | |
| Salaries & Wages | \$ 246,239.00 | \$ 246,239.00 | \$ 231,787.32 | \$ 14,451.68 | |
| Other Expenses | 133,590.00 | 133,590.00 | 112,984.12 | 20,605.88 | |
| Other Expenses - School District | 10,924.00 | 10,924.00 | 10,924.00 | | |
| Detention Basin Maintenance: | | | | | |
| Salaries & Wages | 100,000.00 | 100,000.00 | 100,000.00 | | |
| Public Works Administration: | | | | | |
| Salaries & Wages | 53,512.00 | 53,512.00 | 52,712.42 | 799.58 | |
| Other Expenses | 7,260.00 | 7,260.00 | 2,482.61 | 4,777.39 | |
| Snow Operating Expenses | 95,000.00 | 95,000.00 | 95,000.00 | | |
| Public Building and Grounds - Ward Street: | | | | | |
| Other Expenses | 10,250.00 | 10,250.00 | 10,153.62 | 96.38 | |
| Municipal Complex: | | | | | |
| Salaries & Wages | 500.00 | 500.00 | | 500.00 | |
| Other Expenses | 36,305.00 | 36,305.00 | 27,210.14 | 9,094.86 | |
| Police Building: | | | | | |
| Salaries & Wages | 83,223.00 | 83,223.00 | 81,217.36 | 2,005.64 | |
| Other Expenses | 39,310.00 | 39,310.00 | 16,658.59 | 22,651.41 | |
| Senior Center: | | | | | |
| Salaries & Wages | 2,513.00 | 2,513.00 | | 2,513.00 | |
| Other Expenses | 23,855.00 | 23,855.00 | 11,583.77 | 12,271.23 | |
| Vehicle Maintenance: | | | | | |
| Salaries & Wages | 122,044.00 | 122,044.00 | 92,200.32 | 29,843.68 | |
| Other Expenses - Police Vehicles | 86,200.00 | 86,200.00 | 58,229.47 | 27,970.53 | |
| Other Expenses - Administrative Vehicles | 16,725.00 | 16,725.00 | 16,171.42 | 553.58 | |
| Other Expenses - Public Works Vehicles | 58,600.00 | 58,600.00 | 56,054.65 | 2,545.35 | |
| Condominium Community Costs: | | | | | |
| Other Expenses | 70,717.00 | 70,717.00 | 70,715.77 | 1.23 | |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

| | Appropriations | | Expended By | | Unexpended Balance Canceled |
|----------------------------------------------------|----------------|------------------------------|--------------------|-------------|-----------------------------------|
| | Budget | Budget After Modification | Paid or Charged | Reserved | |
| HEALTH AND HUMAN SERVICES: | | | | | |
| Board of Health: | | | | | |
| Salaries & Wages - Regular | \$ 289,778.00 | \$ 289,778.00 | \$ 288,360.69 | \$ 1,417.31 | |
| Other Expenses | 33,480.00 | 33,480.00 | 28,745.90 | 4,734.10 | |
| Other Expenses - Education | 400.00 | 400.00 | | 400.00 | |
| Other Expenses - Public Health Nurse | 18,890.00 | 18,890.00 | 17,887.10 | 1,002.90 | |
| Other Expenses - Communicable Diseases | 2,500.00 | 2,500.00 | 2,500.00 | | |
| Other Expenses - Environmental Services | 950.00 | 950.00 | | 950.00 | |
| Environmental Commission (N.J.S. 40:56A-1 et seq): | | | | | |
| Other Expenses | 2,000.00 | 2,000.00 | 1,194.90 | 805.10 | |
| Animal Control: | | | | | |
| Salaries & Wages | 60,528.00 | 60,528.00 | 56,416.24 | 4,111.76 | |
| Other Expenses | 3,300.00 | 3,300.00 | 2,263.43 | 1,036.57 | |
| Administration of Public Assistance: | | | | | |
| Salaries & Wages | 29,291.00 | 29,291.00 | 29,291.00 | | |
| Other Expenses | 175.00 | 175.00 | | 175.00 | |
| Contributions to Social Services Agencies: | | | | | |
| Other Expenses | 32,250.00 | 32,250.00 | 9,500.00 | 22,750.00 | |
| PARK AND RECREATION FUNCTIONS: | | | | | |
| Recreation Department: | | | | | |
| Salaries & Wages | 37,500.00 | 37,500.00 | 37,500.00 | | |
| Commission on Aging: | | | | | |
| Other Expenses | 1,300.00 | 1,300.00 | | 1,300.00 | |
| Senior Center : | | | | | |
| Salaries & Wages | 33,121.00 | 33,121.00 | 32,494.74 | 626.26 | |
| Other Expenses | 28,035.00 | 28,035.00 | 25,422.88 | 2,612.12 | |
| Maintenance of Parks: | | | | | |
| Salaries & Wages | 127,274.00 | 127,274.00 | 114,385.82 | 12,888.18 | |
| Other Expenses | 43,730.00 | 43,730.00 | 20,955.11 | 22,774.89 | |
| UNIFORM CONSTRUCTION CODE: | | | | | |
| Construction Code Official: | | | | | |
| Salaries & Wages | 278,103.00 | 278,103.00 | 275,507.75 | 2,595.25 | |
| Other Expenses | 7,590.00 | 7,590.00 | 7,270.84 | 319.16 | |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

| | Appropriations | | Expended By | | Unexpended Balance Canceled |
|------------------------------------------------------------------------------------|----------------------|------------------------------|----------------------|---------------------|-----------------------------------|
| | Budget | Budget After Modification | Paid or Charged | Reserved | |
| UNCLASSIFIED: | | | | | |
| Health Benefit Waiver | \$ 80,000.00 | \$ 80,000.00 | \$ 69,242.22 | \$ 10,757.78 | |
| Sick Leave Trust | 197,417.00 | 197,417.00 | 197,417.00 | | |
| Utilities: | | | | | |
| Electricity | 193,000.00 | 193,000.00 | 163,889.75 | 29,110.25 | |
| Street Lighting | 100,000.00 | 100,000.00 | 72,699.19 | 27,300.81 | |
| Telephone | 92,000.00 | 92,000.00 | 84,268.59 | 7,731.41 | |
| Gas | 74,500.00 | 74,500.00 | 46,328.59 | 28,171.41 | |
| Fuel Oil | 8,000.00 | 8,000.00 | 5,928.02 | 2,071.98 | |
| Gasoline | 280,750.00 | 280,750.00 | 231,650.30 | 49,099.70 | |
| Total Operations Within "CAPS" | 15,598,193.00 | 15,598,193.00 | 14,077,304.68 | 1,140,295.32 | \$ 380,593.00 |
| Detail: | | | | | |
| Salaries & Wages | 8,511,263.00 | 8,511,263.00 | 7,999,543.91 | 442,005.09 | 69,714.00 |
| Other Expenses | 7,086,930.00 | 7,086,930.00 | 6,077,760.77 | 698,290.23 | 310,879.00 |
| Deferred Charges and Statutory Expenditures - Municipal Within "CAPS": | | | | | |
| Statutory Expenditures: | | | | | |
| Contribution to: | | | | | |
| Public Employees Retirement System of NJ (P.L., 2003, C.108) | 389,429.00 | 389,429.00 | 389,429.00 | | |
| Social Security System (O.A.S.I.) | 750,000.00 | 750,000.00 | 658,648.72 | 91,351.28 | |
| Police and Firemen's Retirement System of NJ (P.L., 2003, C.108) | 1,047,580.00 | 1,047,580.00 | 1,047,580.00 | | |
| Defined Contribution Retirement Plan | 1,000.00 | 1,000.00 | 652.08 | 347.92 | |
| New Jersey Unemployment Insurance | 28,000.00 | 28,000.00 | 28,000.00 | | |
| Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS" | 2,216,009.00 | 2,216,009.00 | 2,124,309.80 | 91,699.20 | |
| Total General Appropriations for Municipal Purposes Within "CAPS" | 17,814,202.00 | 17,814,202.00 | 16,201,614.48 | 1,231,994.52 | \$ 380,593.00 |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

| | Appropriations | | Expended By | | Unexpended Balance Canceled |
|---------------------------------------------------------------------------|-------------------|------------------------------|--------------------|-------------------|-----------------------------------|
| | Budget | Budget After Modification | Paid or Charged | Reserved | |
| Operations Excluded from "CAPS": | | | | | |
| Insurance: | | | | | |
| Employee Group Insurance | \$ 85,899.00 | \$ 85,899.00 | | \$ 85,899.00 | |
| Implementation of 911 System: | | | | | |
| Salaries & Wages | 160,121.00 | 160,121.00 | \$ 135,095.25 | 25,025.75 | |
| Other Expenses | 900.00 | 900.00 | 900.00 | | |
| Length of Service Award Program: | | | | | |
| Other Expenses | 85,000.00 | 85,000.00 | | 85,000.00 | |
| NJPDES Stormwater Permit (N.J.S.A. 40A:4.45(cc)): | | | | | |
| Municipal Stormwater | 5,250.00 | 5,250.00 | 5,250.00 | | |
| SHARED SERVICE AGREEMENTS: | | | | | |
| Senior Center: | | | | | |
| Other Expenses | 27,196.00 | 27,196.00 | 21,979.96 | 5,216.04 | |
| Animal Control: | | | | | |
| Salaries & Wages | 10,000.00 | 10,000.00 | 5,049.90 | 4,950.10 | |
| Public and Private Programs Offset by Revenues: | | | | | |
| Federal Transit Administration Section 5307 Grant - Local Matching Share | 28,000.00 | 28,000.00 | 28,000.00 | | |
| NJ Transit Operating Bus Shuttle (N.J.S.A. 40A:4-87 +\$150,000.00) | | 150,000.00 | 150,000.00 | | |
| Municipal Alliance On Alcoholism and Drug Abuse | 22,104.00 | 22,104.00 | 22,104.00 | | |
| Clean Communities Program (N.J.S.A. 40A:4-87 +\$42,644.01) | | 42,644.01 | 42,644.01 | | |
| Hightstown Share Bus Service (N.J.S.A. 40A:4-87 +\$2,180.00) | | 2,180.00 | 2,180.00 | | |
| Mercer County - Transportation Bus Grant (N.J.S.A. 40A:4-87 +\$10,400.00) | | 10,400.00 | 10,400.00 | | |
| Click It or Ticket (N.J.S.A. 40A:4-87 +\$4,000.00) | | 4,000.00 | 4,000.00 | | |
| Drive Sober or Get Pulled Over (N.J.S.A. 40A:4-87 +\$16,900.00) | | 16,900.00 | 16,900.00 | | |
| Bullet Proof Vest Partnership Grant (N.J.S.A. 40A:4-87 +\$14,438.56) | | 14,438.56 | 14,438.56 | | |
| Drunk Driving Enforcement Fund (N.J.S.A. 40A:4-87 +\$12,164.26) | | 12,164.26 | 12,164.26 | | |
| Body Armor Replacement Fund (N.J.S.A. 40A:4-87 +\$4,211.46) | | 4,211.46 | 4,211.46 | | |
| Matching Funds for Grants | 3,500.00 | 3,500.00 | 3,500.00 | | |
| Total Operations Excluded from "CAPS" | 427,970.00 | 684,908.29 | 478,817.40 | 206,090.89 | |
| Detail: | | | | | |
| Salaries & Wages | 170,121.00 | 160,121.00 | 135,095.25 | 25,025.75 | |
| Other Expenses | 257,849.00 | 524,787.29 | 343,722.15 | 181,065.14 | |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

| | Appropriations | | Expended By | | Unexpended Balance Canceled |
|-----------------------------------------------------|------------------|------------------------------|--------------------|-----------------|-----------------------------------|
| | Budget | Budget After Modification | Paid or Charged | Reserved | |
| Capital Improvements - Excluded from "CAPS": | | | | | |
| Capital Improvement Fund | \$ 60,000.00 | \$ 60,000.00 | \$ 60,000.00 | | |
| Total Capital Improvements - Excluded from "CAPS" | 60,000.00 | 60,000.00 | 60,000.00 | | |
| Municipal Debt Service - Excluded from "CAPS": | | | | | |
| Payment of Bond Principal | 1,020,000.00 | 1,020,000.00 | 1,020,000.00 | | |
| Interest on Bonds | 512,420.00 | 512,420.00 | 512,420.00 | | |
| Interest on Notes | 23,386.00 | 23,386.00 | 23,385.60 | | \$ 0.40 |
| Green Trust Loan Program: | | | | | |
| Loan Repayments for Principal and Interest | 67,189.00 | 67,189.00 | 67,188.94 | | 0.06 |
| NJ Environmental Infrastructure Trust: | | | | | |
| Loan Repayments for Principal and Interest | 47,879.00 | 47,879.00 | 47,612.33 | | 266.67 |
| Total Municipal Debt Service - Excluded from "CAPS" | 1,670,874.00 | 1,670,874.00 | 1,670,606.87 | | 267.13 |
| Total General Appropriations - Excluded from "CAPS" | 2,158,844.00 | 2,415,782.29 | 2,209,424.27 | \$ 206,090.89 | 267.13 |
| Subtotal General Appropriations | 19,973,046.00 | 20,229,984.29 | 18,411,038.75 | 1,438,085.41 | 380,860.13 |
| Reserve for Uncollected Taxes | 1,011,898.00 | 1,011,898.00 | 1,011,898.00 | | |
| Total General Appropriations | \$ 20,984,944.00 | \$ 21,241,882.29 | \$ 19,422,936.75 | \$ 1,438,085.41 | \$ 380,860.13 |

Ref.

A

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

| | <u>Ref.</u> | <u>Budget After Modification</u> | <u>Analysis of Paid or Charged</u> |
|-------------------------------------------------|-------------|--------------------------------------|--------------------------------------------|
| Adopted Budget | | \$ 20,984,944.00 | |
| Added by N.J.S.A. 40A:4-87 | | <u>256,938.29</u> | |
| | | <u>\$ 21,241,882.29</u> | |
| | | | |
| Reserve for Uncollected Taxes | | | \$ 1,011,898.00 |
| Reserve for Encumbrances | A | | 687,601.79 |
| Due Federal and State Grant Fund | | | 310,542.29 |
| Due General Capital Fund | | | 60,000.00 |
| Cash Disbursed | | | <u>17,705,046.49</u> |
| | | | <u>19,775,088.57</u> |
| | | | |
| Less: | | | |
| Appropriation Refunds Received | | \$ 122,960.53 | |
| Appropriation Refunds Receivable - Payroll Fund | | <u>229,191.29</u> | |
| | | | <u>352,151.82</u> |
| | | | <u>\$ 19,422,936.75</u> |

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
2014
TRUST FUNDS

TOWNSHIP OF EAST WINDSOR
TRUST FUNDS
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

| | Ref. | December 31, | |
|---------------------------------------------|------|------------------------|------------------------|
| | | 2014 | 2013 |
| ASSETS | | | |
| Assessment Trust Fund: | | | |
| Prospective Assessments Funded | | \$ 759,000.00 | \$ 759,000.00 |
| Animal Control Fund: | | | |
| Cash and Cash Equivalents | B-4 | 17,574.59 | 13,847.85 |
| Other Trust Funds: | | | |
| Cash and Cash Equivalents | B-4 | 10,513,187.18 | 10,718,549.35 |
| | | <u>10,513,187.18</u> | <u>10,718,549.35</u> |
| TOTAL ASSETS | | <u>\$11,289,761.77</u> | <u>\$11,491,397.20</u> |
| LIABILITIES AND RESERVES | | | |
| Assessment Trust Fund: | | | |
| Reserve for Assessments and Liens | | \$ 759,000.00 | \$ 759,000.00 |
| Animal Control Fund: | | | |
| Due State of New Jersey | | 16.80 | 952.20 |
| Reserve for Animal Control Expenditures | B-6 | 17,557.79 | 12,895.65 |
| | | <u>17,574.59</u> | <u>13,847.85</u> |
| Other Trust Funds: | | | |
| Due Current Fund | A | 877.93 | 106.43 |
| Tax Sale Premiums | | 387,700.00 | |
| Third Party Lien Redemption | | | 90,006.90 |
| Escrow Funds | | 5,984,719.88 | 6,517,994.41 |
| Reserve for: | | | |
| Special Duty Police Services | | 59,139.27 | 49,475.81 |
| Affordable Housing - Revolving Loan Program | | 62,583.76 | 62,535.84 |
| Drug Alliance Committee | | 945.00 | 945.00 |
| Elevator Inspections | | 4,248.00 | 133.00 |
| Forfeited Property Fund | | 56,935.07 | 44,515.00 |
| Giving Tree Seniors | | 2,339.78 | 2,339.78 |
| Mayor's Trust | | 17,838.05 | 17,658.05 |
| Memorial Tree Grove Program | | 600.00 | 600.00 |
| Community Garden Deposits | | 800.00 | |
| Donated Property Funds | | 25,000.00 | |
| Open Space Contribution | | 9,259.81 | 9,259.81 |
| Municipal Court: | | | |
| Parking Offense Adjudication Act | | 492.08 | 356.08 |
| Public Defender Fees | | 3,144.85 | 480.87 |
| Recreation Commission | | 425,614.30 | 444,655.52 |
| Recreation Donations | | 293.00 | 443.00 |
| Seniors' Program | | 2,632.95 | 2,618.95 |
| Sick Leave | | 60,134.73 | 36,912.26 |
| Tree Escrow | | 763,743.30 | 763,743.30 |
| Affordable Housing | | 2,622,801.67 | 2,664,969.34 |
| Administration & Vehicle Fees | | 10,043.75 | |
| Street Opening | | 3,000.00 | 3,000.00 |
| Uniform Fire Safety Act Penalties | | 3,900.00 | 1,400.00 |
| Tree Assessment | | 4,400.00 | 4,400.00 |
| | | <u>10,513,187.18</u> | <u>10,718,549.35</u> |
| TOTAL LIABILITIES AND RESERVES | | <u>\$11,289,761.77</u> | <u>\$11,491,397.20</u> |

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF EAST WINDSOR
ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

NOT APPLICABLE

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF EAST WINDSOR
ASSESSMENT TRUST FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

NOT APPLICABLE

ASSESSMENT TRUST FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

NOT APPLICABLE

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
2014
GENERAL CAPITAL FUND

TOWNSHIP OF EAST WINDSOR
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

| | Ref. | December 31, | |
|----------------------------------------------------------|------|--------------------------------|--------------------------------|
| | | 2014 | 2013 |
| <u>ASSETS</u> | | | |
| Cash and Cash Equivalents | C-2 | \$ 425,151.07 | \$ 2,023,905.13 |
| Due Current Fund | A | 81,981.03 | |
| Grants Receivable | | 1,725,235.32 | 1,443,980.32 |
| NJ Environmental Infrastructure Trust Loan Receivable | | 2,160.23 | 2,160.23 |
| Prospective Assessments Raised by Taxation | | 20,472.00 | 20,472.00 |
| Deferred Charges to Future Taxation: | | | |
| Funded | | 13,197,079.14 | 14,317,252.99 |
| Unfunded | C-4 | 8,908,422.40 | 8,027,447.40 |
| TOTAL ASSETS | | <u>\$ 24,360,501.19</u> | <u>\$ 25,835,218.07</u> |
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | | |
| Serial Bonds Payable | C-8 | \$ 12,343,000.00 | \$ 13,363,000.00 |
| Green Trust Loans Payable | C-9 | 353,645.90 | 412,872.06 |
| NJ Environmental Infrastructure Trust Loan Payable | C-9A | 500,433.24 | 541,380.93 |
| Bond Anticipation Notes | C-7 | 3,340,549.00 | 3,340,549.00 |
| Improvement Authorizations: | | | |
| Funded | C-5 | 2,254,936.38 | 1,895,459.58 |
| Unfunded | C-5 | 4,423,022.53 | 4,429,544.43 |
| Capital Improvement Fund | C-6 | 9,058.93 | 9,583.93 |
| Due Federal and State Grant Fund | A | 25,016.76 | |
| Reserve for: | | | |
| Purchase of Open Space | | | 52,924.20 |
| Sale of Assets | | 10,580.00 | 10,580.00 |
| Ward Street Building | | 64,427.75 | 64,427.75 |
| Installation of Traffic Light | | 6,050.00 | 6,050.00 |
| Road Repair - Twin Rivers Drive North | | 820.60 | 820.60 |
| Prospective Assessments Raised by Taxation | | 20,472.00 | 20,472.00 |
| Encumbrances | | 400,191.17 | 779,256.66 |
| Payment of Debt Service | | 219,130.17 | 219,130.17 |
| Fund Balance | C-1 | 389,166.76 | 689,166.76 |
| TOTAL LIABILITIES, RESERVES AND FUND BALANCE | | <u>\$ 24,360,501.19</u> | <u>\$ 25,835,218.07</u> |

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF EAST WINDSOR
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

| | <u>Ref.</u> | |
|----------------------------------------------------|-------------|----------------------|
| Balance December 31, 2013 | C | \$ 689,166.76 |
| Decreased by: | | |
| Appropriated as 2014 Budget Revenue - Current Fund | | <u>300,000.00</u> |
| Balance December 31, 2014 | C | <u>\$ 389,166.76</u> |

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
2014
WATER UTILITY FUND

NOT APPLICABLE

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
2014
SEWER UTILITY FUND

NOT APPLICABLE

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
2014
PUBLIC ASSISTANCE FUND

TOWNSHIP OF EAST WINDSOR
PUBLIC ASSISTANCE FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

| | Ref. | December 31, | |
|--------------------------------------------|------|----------------------|----------------------|
| | | <u>2014</u> | <u>2013</u> |
| <u>ASSETS</u> | | | |
| Cash and Cash Equivalents | F-1 | \$ 136,156.78 | \$ 132,246.08 |
| TOTAL ASSETS | | <u>\$ 136,156.78</u> | <u>\$ 132,246.08</u> |
| <u>LIABILITIES AND RESERVES</u> | | | |
| Prepaid State Aid | | \$ 118,034.92 | \$ 114,124.22 |
| Reserve for Public Assistance Expenditures | | <u>18,121.86</u> | <u>18,121.86</u> |
| TOTAL LIABILITIES AND RESERVES | | <u>\$ 136,156.78</u> | <u>\$ 132,246.08</u> |

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
2014
BOND AND INTEREST FUND

NOT APPLICABLE

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
2014
SPECIAL GARBAGE DISTRICT FUND

TOWNSHIP OF EAST WINDSOR
SPECIAL GARBAGE DISTRICT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

| | Ref. | December 31, | |
|---------------------------------------------|---------|-------------------------------|-------------------------------|
| | | 2014 | 2013 |
| <u>ASSETS</u> | | | |
| Cash and Cash Equivalents: | H-4 | \$ 1,237,659.33 | \$ 1,074,344.22 |
| TOTAL ASSETS | | <u>\$ 1,237,659.33</u> | <u>\$ 1,074,344.22</u> |
| <u>RESERVES AND FUND BALANCE</u> | | | |
| Appropriation Reserves: | | | |
| Unencumbered | H-3;H-6 | \$ 88,951.80 | \$ 163,564.91 |
| Encumbered | H-3;H-6 | 270,595.48 | 157,767.08 |
| | | <u>359,547.28</u> | <u>321,331.99</u> |
| Due Current Fund | A | 24,893.70 | |
| Fund Balance | H-1 | 853,218.35 | 753,012.23 |
| TOTAL RESERVES AND FUND BALANCE | | <u>\$ 1,237,659.33</u> | <u>\$ 1,074,344.22</u> |

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF EAST WINDSOR
SPECIAL GARBAGE DISTRICT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
FUND BALANCE - REGULATORY BASIS

| | Ref. | Year Ended December 31, | |
|-----------------------------------------------------|------|-------------------------|----------------------|
| | | 2014 | 2013 |
| <u>Revenue and Other Income Realized</u> | | | |
| Fund Balance Anticipated | | \$ 143,000.00 | \$ 118,000.00 |
| District Tax | | 2,180,968.62 | 2,172,832.80 |
| Nonbudget Revenue | | 8,843.39 | 4,317.31 |
| Other Credits to Income: | | | |
| Unexpended Balance of Appropriation Reserves | | 234,362.73 | 229,821.60 |
| Total Income | | <u>2,567,174.74</u> | <u>2,524,971.71</u> |
| <u>Expenditures</u> | | | |
| Budget Expenditures: | | | |
| Operating | | 2,263,668.62 | 2,230,532.80 |
| Statutory Expenditures | | 60,300.00 | 60,300.00 |
| Total Expenditures | | <u>2,323,968.62</u> | <u>2,290,832.80</u> |
| Excess in Revenues/Statutory Excess to Fund Balance | | 243,206.12 | 234,138.91 |
| <u>Fund Balance</u> | | | |
| Balance January 1 | | 753,012.23 | 636,873.32 |
| | | <u>996,218.35</u> | <u>871,012.23</u> |
| Decreased by: | | | |
| Utilized as Anticipated Revenue: | | 143,000.00 | 118,000.00 |
| Balance December 31 | H | <u>\$ 853,218.35</u> | <u>\$ 753,012.23</u> |

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF EAST WINDSOR
SPECIAL GARBAGE DISTRICT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

| | Budget | Realized | Excess |
|--------------------------|-----------------|-----------------|-------------|
| Fund Balance Anticipated | \$ 143,000.00 | \$ 143,000.00 | |
| Special District Tax | 2,180,968.62 | 2,180,968.62 | |
| Budget Totals | 2,323,968.62 | 2,323,968.62 | \$ -0- |
| Nonbudget Revenue | | 8,843.39 | 8,843.39 |
| | \$ 2,323,968.62 | \$ 2,332,812.01 | \$ 8,843.39 |

Analysis of Nonbudget Revenue

| | | | |
|--------------------------------------|-------------|-------------|--|
| Interest on Investments and Deposits | \$ 5,828.64 | | |
| Sale of Recyclables | 3,014.75 | | |
| | | \$ 8,843.39 | |

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF EAST WINDSOR
SPECIAL GARBAGE DISTRICT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

| | <u>Appropriation</u> | | <u>Expended By</u> | |
|-------------------------------------|-----------------------|--------------------------------------|----------------------------|---------------------|
| | <u>Budget</u> | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Reserved</u> |
| Operating: | | | | |
| Salaries and Wages | \$ 887,769.00 | \$ 887,769.00 | \$ 856,610.30 | \$ 31,158.70 |
| Other Expenses | 474,899.62 | 474,899.62 | 456,264.86 | 18,634.76 |
| Contractual Services | 95,000.00 | 95,000.00 | 73,000.00 | 22,000.00 |
| Disposal Fees | 788,000.00 | 788,000.00 | 781,004.61 | 6,995.39 |
| Recycling Tax | 18,000.00 | 18,000.00 | 17,227.91 | 772.09 |
| Statutory Expenditures: | | | | |
| Contribution to: | | | | |
| Social Security System (O.A.S.I.) | 56,300.00 | 56,300.00 | 48,308.08 | 7,991.92 |
| Unemployment Compensation Insurance | 4,000.00 | 4,000.00 | 2,601.06 | 1,398.94 |
| | <u>\$2,323,968.62</u> | <u>\$2,323,968.62</u> | <u>\$2,235,016.82</u> | <u>\$ 88,951.80</u> |
| | | | | H |
| | <u>Ref.</u> | | | |
| Cash Disbursed | | | \$1,964,626.18 | |
| Encumbrances | H | | 270,595.48 | |
| | | | <u>2,235,221.66</u> | |
| Less: Appropriation Refunds | | | 204.84 | |
| | | | <u>\$2,235,016.82</u> | |

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
2014
GENERAL FIXED ASSETS ACCOUNT GROUP
(Unaudited)

TOWNSHIP OF EAST WINDSOR
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Unaudited)

| | December 31, | |
|----------------------------|--------------------------------|--------------------------------|
| | <u>2014</u> | <u>2013</u> |
| <u>ASSETS</u> | | |
| Land | \$ 889,084.00 | \$ 889,084.00 |
| Buildings and Improvements | 5,613,883.00 | 5,613,883.00 |
| Vehicles | 3,585,053.00 | 3,310,799.00 |
| Machinery and Equipment | 2,912,504.00 | 2,556,772.00 |
| TOTAL ASSETS | <u>\$ 13,000,524.00</u> | <u>\$ 12,370,538.00</u> |
| <u>RESERVES</u> | | |
| Reserve for Fixed Assets | <u>\$ 13,000,524.00</u> | <u>\$ 12,370,538.00</u> |
| TOTAL RESERVES | <u>\$ 13,000,524.00</u> | <u>\$ 12,370,538.00</u> |

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Except as noted below, the financial statements of the Township of East Windsor include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of East Windsor, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the Township of East Windsor do not include the operations of the volunteer fire and first aid squads.

Governmental Accounting Standards Board ("GASB") codification section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e., benefit of economic resources, access/entitlement to resources, and significance) should be included in the financial reporting entities. As the financial reporting entity was established in accordance with New Jersey statutes, the requirements of GASB codification section 2100 were not followed and, accordingly, the reporting entity could be different from accounting principles generally accepted in the United States of America.

B. Description of Funds

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

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

Trust Funds – Receipt, custodianship and disbursement of funds in accordance with the purpose for 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.

Public Assistance Fund – Receipt and disbursement of funds that provide assistance to certain residents of the municipality pursuant to Title 44 of New Jersey Statutes.

Special Garbage District Fund – Collection of special district taxes for the cost of providing garbage collection.

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

B. Description of Funds (Cont'd)

General Fixed Assets Account Group (Unaudited) – These accounts were established with assessed value of land, replacement value of buildings and cost of certain fixed assets of the Township as discussed in Note 1E “Other significant accounting policies”.

C. Basis of Accounting

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The following is a summary of the significant accounting policies.

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey. Grant revenue is realized in the operating funds when it is budgeted and in the capital funds when improvements are authorized. The amounts recorded as property taxes and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund.

Expenditures are charged to operations generally based on budgeted amounts. Exceptions to this general rule include:

1. Accumulated unpaid vacation, sick pay and other employee amounts are not accrued.
2. Prepaid expenses, such as insurance premiums applicable to subsequent periods, are charged to current budget appropriations in total.
3. Principal and interest on long-term debt are recognized when due.

Expenditures, if any, in excess of appropriations, appropriation reserves or ordinances become deferred charges which must be raised by future taxes. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be cancelled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

C. Basis of Accounting (Cont'd)

Had the Township's financial statements been prepared under accounting principles generally accepted in the United States of America, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; Federal and State grants and assistance would be recognized when earned, not when budgeted in the Current Fund or when improvements are authorized in the Capital Fund and inventories would not be reflected as expenditures at the time of purchase.

The cash basis of accounting is followed in the Trust and Capital Funds.

- D. Deferred Charges to Future Taxation – The Capital Fund balance sheet includes both funded and unfunded deferred charges. Funded deferred charges represent improvement authorizations where permanent financing has been obtained. Unfunded deferred charges represent improvement authorizations where no or temporary financing has been obtained. A municipality can permanently finance unfunded deferred charges through budget appropriation, grant funds, or by issuing bonds, loans or capital lease purchase agreements.

- E. Other significant accounting policies include:

Management Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents – Amounts include petty cash, change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

Investments – Investments are stated at cost or amortized cost, which approximates market.

Grants Receivable – Grants receivable represent total grant awards less amounts collected to date. Because the amount of grants funds to be collected are dependent on the total costs eligible for reimbursement, the actual amount collected may be less than the total amount awarded.

Allowance for Uncollectible Accounts – No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Compensated Absences – Expenditures relating to unused vested accumulated vacation and sick pay are not recorded until paid.

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

E. Other significant accounting policies include: (Cont'd)

Foreclosed Property – Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired, and is fully reserved.

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.

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 are not included on the various balance sheets.

Fixed Assets – Property and equipment purchased by the Current and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized.

General Fixed Assets (Unaudited) – Property and equipment purchased by the Current and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized.

General fixed assets are recorded at cost, except for land which is recorded at assessed value and buildings, which are recorded at replacement value. Infrastructure assets are not included in general fixed assets, as per state directive. Major renewals and betterments are charged to the asset accounts: maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their fair market value on the date donated. The total value recorded for general fixed assets is offset by a "Reserve for Fixed Assets." When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly. Assets recorded in the General Fixed Assets Account Group may also be recorded in the Current and General Capital Funds. The values recorded in the General Fixed Assets Account Group and the Current and General Capital Funds may not always agree due to differences in valuation methods, timing of recognition of assets, and the recognition of infrastructures. Fixed assets are reviewed for impairment.

F. Budget/Budgetary Control – Annual appropriated budgets are usually prepared in the first quarter for Current operating and Special Garbage District Funds. The budgets are submitted to the governing body and the Division of Local Government Services. Budgets are prepared using the cash basis of accounting. The legal level of budgetary control is established at the line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the flexible chart of accounts referenced in N.J.S.A. 40A. All budget amendments/transfers must be approved by the Township during the year.

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 2: Long-Term Debt

The Local Bond Law governs the issuance of bonds to finance general Township capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds. The Township's full faith and credit and taxing power has been pledged to the payment of the general obligation debt principal and interest.

Summary of Municipal Debt

| | <u>December 31,</u> | | |
|--------------------------------------------------------------------|----------------------|----------------------|----------------------|
| | <u>2014</u> | <u>2013</u> | <u>2012</u> |
| <u>Issued:</u> | | | |
| General: | | | |
| Bonds, Notes and Loans | \$ 16,537,628 | \$ 17,657,802 | \$ 18,620,509 |
| Total Issued | <u>16,537,628</u> | <u>17,657,802</u> | <u>18,620,509</u> |
| General: | | | |
| Less: Funds Temporarily Held to Pay | | | |
| Debt Service | 219,130 | 219,130 | 319,130 |
| Net Debt Issued | <u>16,318,498</u> | <u>17,438,672</u> | <u>18,301,379</u> |
| <u>Authorized but not Issued:</u> | | | |
| General: | | | |
| Bonds and Notes | 5,567,873 | 4,686,898 | 3,690,845 |
| Total Authorized but not Issued | <u>5,567,873</u> | <u>4,686,898</u> | <u>3,690,845</u> |
| Net Bonds, Notes and Loans Issued and Authorized but not Issued | <u>\$ 21,886,371</u> | <u>\$ 22,125,570</u> | <u>\$ 21,992,224</u> |

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 .80%.

| | <u>Gross Debt</u> | <u>Deductions</u> | <u>Net Debt</u> |
|-------------------------------|----------------------|----------------------|----------------------|
| Regional School District Debt | \$ 27,730,967 | \$ 27,730,967 | |
| General Debt | <u>22,105,501</u> | <u>219,130</u> | <u>\$ 21,886,371</u> |
| | <u>\$ 49,836,468</u> | <u>\$ 27,950,097</u> | <u>\$ 21,886,371</u> |

Net Debt: \$21,886,371 divided by Average Equalized Valuations of \$2,733,296,807 of Real Property = .80%.

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Statutory Debt Condition – Annual Debt Statement (Cont'd)

Borrowing Power Under N.J.S. 40A:2-6 As Amended

| | |
|-----------------------------------------------------|----------------------|
| 3-1/2% Average Equalized Valuation of Real Property | \$ 95,665,388 |
| Net Debt | <u>21,886,371</u> |
| Remaining Borrowing Power | <u>\$ 73,779,017</u> |

The foregoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

Summary of Municipal Debt Issued and Outstanding

| | <u>Balance</u> <u>12/31/2013</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balance</u> <u>12/31/2014</u> |
|--------------------------|-------------------------------------|------------------|---------------------|-------------------------------------|
| Serial Bonds: | | | | |
| General Capital Fund | \$ 13,363,000 | | \$ 1,020,000 | \$ 12,343,000 |
| Bond Anticipation Notes: | | | | |
| General Capital Fund | 3,340,549 | | | 3,340,549 |
| Loans Payable: | | | | |
| General Capital Fund: | | | | |
| Green Trust | 412,872 | | 59,226 | 353,646 |
| NJEIT | 541,381 | | 40,948 | 500,433 |
| Total | <u>\$ 17,657,802</u> | <u>\$ -0-</u> | <u>\$ 1,120,174</u> | <u>\$ 16,537,628</u> |

| | <u>Balance</u> <u>12/31/2012</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balance</u> <u>12/31/2013</u> |
|--------------------------|-------------------------------------|-------------------|---------------------|-------------------------------------|
| Serial Bonds: | | | | |
| General Capital Fund | \$ 14,353,000 | | \$ 990,000 | \$ 13,363,000 |
| Bond Anticipation Notes: | | | | |
| General Capital Fund | 3,213,335 | \$ 142,614 | 15,400 | 3,340,549 |
| Loans Payable: | | | | |
| General Capital Fund: | | | | |
| Green Trust | 470,931 | | 58,059 | 412,872 |
| NJEIT | 583,243 | | 41,862 | 541,381 |
| Total | <u>\$ 18,620,509</u> | <u>\$ 142,614</u> | <u>\$ 1,105,321</u> | <u>\$ 17,657,802</u> |

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 2: Long-Term Debt (Cont'd)

The Township's debt issued and outstanding on December 31, 2014 is described as follows:

| Purpose | <u>General Capital Serial Bonds</u> | | Interest Rate | Balance Dec. 31, 2014 |
|------------------------------|------------------------------------------------|------------|---------------|--------------------------|
| | <u>Maturities of Bonds Outstanding</u> Date | Amount | | |
| General Obligation Refunding | 7/1/2015 | \$ 525,000 | 4.00% | \$ 525,000 |
| General Obligation | 7/1/2015 | 525,000 | 2.75% | |
| | 7/1/2016 | 1,085,000 | 4.00% | |
| | 7/1/2017 | 1,120,000 | 4.00% | |
| | 7/1/2018 | 1,155,000 | 4.00% | |
| | 7/1/2019 | 1,195,000 | 4.25% | |
| | 7/1/2020 | 1,240,000 | 3.50% | |
| | 7/1/2021 | 1,290,000 | 3.75% | |
| | 7/1/2022 | 1,345,000 | 4.00% | |
| | 7/1/2023 | 1,400,000 | 4.00% | |
| | 7/1/2024 | 1,463,000 | 4.00% | |
| | | | | 11,818,000 |
| | | | | <u>\$ 12,343,000</u> |

| Purpose | <u>General Capital Bond Anticipation Notes</u> | | Interest Rate | Balance Dec. 31, 2014 |
|----------------------|------------------------------------------------|----------------------|---------------|--------------------------|
| | <u>Issue Date</u> | <u>Maturity Date</u> | | |
| Capital Improvements | 12/10/14 | 12/10/15 | 0.55% | <u>\$ 3,340,549</u> |

| Purpose | Issue Date | Final Maturity Date | Interest Rate | Balance Dec. 31, 2014 |
|-------------------------|------------|------------------------|---------------|--------------------------|
| | | | | |
| Bear Brook Acquisition | 06/12/99 | 12/12/18 | 2.00% | \$ 138,103 |
| East Windsor Open Space | 12/25/02 | 06/25/22 | 2.00% | 215,543 |
| | | | | <u>\$ 353,646</u> |

| Purpose | Issue Date | Final Maturity Date | Interest Rate | Balance Dec. 31, 2014 |
|-----------------------------------|------------|------------------------|---------------|--------------------------|
| | | | | |
| Acquisition of Land | 08/01/06 | 08/01/25 | 4-4.375% | <u>\$ 500,433</u> |
| Total Debt Issued and Outstanding | | | | <u>\$ 16,537,628</u> |

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 2: Long-Term Debt (Cont'd)

Schedule of Annual Debt Service for Principal and Interest for the Next Five Years and
Thereafter for Bonded Debt and Loans Issued and Outstanding

| Calendar Year | General | | Total |
|------------------|----------------------|---------------------|----------------------|
| | Principal | Interest | |
| 2015 | \$ 1,150,451 | \$ 493,923 | \$ 1,644,374 |
| 2016 | 1,185,935 | 456,873 | 1,642,808 |
| 2017 | 1,221,441 | 411,833 | 1,633,274 |
| 2018 | 1,271,113 | 365,370 | 1,636,483 |
| 2019 | 1,274,959 | 317,424 | 1,592,383 |
| Thereafter: | | | |
| 2020-2024 | 7,049,563 | 833,573 | 7,883,136 |
| 2025 | 43,617 | 656 | 44,273 |
| Total | <u>\$ 13,197,079</u> | <u>\$ 2,879,652</u> | <u>\$ 16,076,731</u> |

Green Trust Loans

The Township entered into two loan agreements with the NJ Department of Environmental Protection's Green Trust Loan Program. The Bear Brook Acquisition Loan in the amount of \$580,500 was finalized in June 1999 and the East Windsor Open Space Loan for \$500,000 was finalized in December 2002. The balance of the loans at December 31, 2014 was \$353,646. Payments of principal and interest on the loans commenced December 12, 1999 and June 25, 2003, respectively, and are to continue on a semi-annual basis over a period of 20 years. Interest on the loans is at the rate of 2% annually on the outstanding balance.

New Jersey Environmental Infrastructure Trust Loans

On November 10, 2005 the Township of East Windsor entered into two loan agreements with the State of New Jersey, acting by and through a NJ Department of Environmental Protection Fund (the "Fund"), and the NJ Environmental Infrastructure Trust (the "Trust"), in the aggregate amount of \$853,055, which represents direct obligations of the Township. The loan agreements were obtained to finance a portion of the cost of the acquisition of land for open space.

At December 31, 2014, the Township had borrowed or "drawn down" \$853,055 for this project and the balance of the loans was \$500,433. Principal payments to the Fund commenced on August 1, 2006, and will continue on a semiannual basis over 20 years at zero interest. Principal payments to the Trust commenced on February 1, 2007 and will continue on an annual basis over 19 years. It is expected that the interest will be paid from trust bond proceeds on deposit in the capitalized interest account (as defined in the bond resolution), and earnings on the debt service reserve fund (as defined in the bond resolution) will be transferred to such capitalized interest account. The Township will nonetheless be responsible for all such interest payments to the extent such trust bond proceeds and interest earnings are not available from the capitalized interest account.

Also, an annual administrative fee of fifteen one hundredths of one percent (.15%) of the initial principal amount of the loan or such lesser amount, if any, as the Trust may approve from time to time is payable on these loans.

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 3: Fund Balances Appropriated

Fund balances at December 31, 2014 which were appropriated and included as anticipated revenue in their own respective funds in the adopted budget for the year ending December 31, 2015 are as follows:

| | |
|-----------------------------------------------------------------|--------------|
| Current Fund | \$ 2,300,000 |
| Special Garbage District Fund | 165,120 |
| General Capital Fund Balance Anticipated in Current Fund Budget | 300,000 |

Note 4: Deferred Charges to be Raised in Succeeding Years

Certain expenditures are required to be deferred to budgets of the succeeding years. At December 31, 2014, the Township had no deferred charges.

Note 5: Local School District Taxes

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Township of East Windsor has elected not to defer school taxes.

Note 6: Pension Plans

Township employees are enrolled in one of two cost sharing multiple-employer public employee retirement systems: the Public Employees' Retirement System (PERS) or the Police and Firemen's Retirement System (PFRS) of New Jersey; or the Defined Contribution Retirement Program (DCRP). The State of New Jersey sponsors and administers the PERS and PFRS which cover substantially all Township employees. Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. As a general rule, all full-time employees are eligible to join one of the two public employees' retirement systems. However, if an employee is ineligible to enroll in the PERS or the PFRS, the employee may be eligible to enroll in the DCRP.

Employees who are members of PERS and retire at a specified age according to the relevant tier category for that employee are entitled to a retirement benefit based upon a formula which takes "final average salary" during years of creditable service. Vesting occurs after 8 to 10 years of service. Enrolled PFRS members may retire at age 55 with a minimum of 10 years of service required for vesting. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

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

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 6: Pension Plans (Cont'd)

The contribution policy is set by New Jersey State Statutes and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The employee contributions for PFRS are 10.00% of employees' annual compensation, as defined. For PERS, the contribution rate was 6.78% effective July 1, 2013 and increased to 6.92% effective July 1, 2014. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018. Employers are required to contribute at an actuarially determined rate in both funds. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

Township contributions to PFRS amounted to \$1,047,580, \$1,113,834 and \$1,065,465 for 2014, 2013, and 2012, respectively.

Township contributions to PERS amounted to \$389,429, \$421,796 and \$452,031 for 2014, 2013, and 2012, respectively.

Township contributions to DCRP amounted to \$652, \$652 and \$652 for 2014, 2013 and 2012, respectively.

Note 7: Accrued Sick and Vacation Time

The Township policy allows employees to accrue sick and vacation time. The current cost of such unpaid compensation upon termination or separation from the Township would approximate \$1,331,319. This amount is not reported either as an expenditure or a liability. However, it is expected that the cost of such unpaid compensation would be included in the Township's budget operating expenditure in the year in which it is used. This amount is partially reserved in the Reserve for Sick Leave of \$60,135 on the Trust Fund balance sheet at December 31, 2014.

Note 8: Post-Retirement Medical Benefits

The Township provides post-employment benefits, as follows below and on the following page, to employees who meet the following criteria:

- 1) They were hired prior to October 30, 2009, and
- 2) They have retired on a disability pension after August 4, 1998 in accordance with Ordinance 1998-12, or
- 3) They have worked for the Township for at least twenty years and have twenty-five years or more of service credit in a State or Locally administered retirement system, or
- 4) They have worked for the Township for at least twenty years and have reached the age of 62 years or older.

Employees hired on or after October 30, 2009 are not eligible for post-retirement benefits.

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 8: Post-Retirement Medical Benefits (Cont'd)

Medical Benefits

Post-employment medical benefits, including prescription drugs, are provided to eligible retired employees and their eligible dependents. Coverage terminates upon death of the retired employee.

All employees who elected a waiver of coverage prior to June 1, 2010 are entitled to receive reimbursement of 40% of the adjusted annual premium (premium less required contribution). Beginning June 1, 2010, the reimbursement percentage became 25%. Employees having a spouse in the State Health Benefits Program (SHBP) are not eligible to receive compensation for electing a waiver of coverage.

Dental

Dental insurance is provided to retired employees and their spouses. Retirees are required to contribute 50% of the premiums.

Vision

A yearly vision reimbursement is provided to retired employees in accordance with the contract at the time of their retirement.

Life Insurance

\$10,000 of life insurance is provided to retired employees who were not police officers. \$20,000 of life insurance is provided to retired police officers.

The Township contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq. to provide health benefits to State employees, retirees, and their dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP.

Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, and mental health/substance abuse coverages, and Medicare Part B reimbursement to retirees and their covered dependents.

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 8: Post-Retirement Medical Benefits (Cont'd)

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to:

State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis. The Township's portion of post-retirement benefits is funded on a pay-as-you-go basis from the Current Fund operating budget.

The Township paid premiums of approximately \$1,495,736, \$1,356,860 and \$1,336,826 for 2014, 2013 and 2012, respectively, for 73, 70 and 70 eligible retired employees, respectively.

Note 9: Deferred Compensation Plan

The Township offers its employees deferred compensation plans (the "plans") created in accordance with Section 457 of the Internal Revenue Code. The plans, which are administered by ICMA-RC Corporation, are available to all Township employees and permit participants to defer a portion of their salary. The deferred compensation is not available to employees until termination, retirement, unforeseeable emergency or upon death to their beneficiaries.

Note 10: Selected Tax Information

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and the imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current year may be placed in lien at a tax sale held after December 10.

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 10: Selected Tax Information (Cont'd)

Comparative Schedule of Tax Rate Information

| | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|-----------------|-------------|-------------|-------------|
| <u>Tax Rate</u> | \$ 3.183 | \$ 3.129 | \$ 3.040 |

Apportionment of Tax Rate

| | | | |
|------------------|-------|-------|-------|
| Municipal | 0.431 | 0.431 | 0.415 |
| County | 0.660 | 0.654 | 0.639 |
| Regional School | 1.969 | 1.922 | 1.867 |
| Special District | 0.123 | 0.122 | 0.119 |

Assessed Valuations

| | | | |
|------|-------------------------|-------------------------|-------------------------|
| 2014 | <u>\$ 2,756,162,718</u> | | |
| 2013 | | <u>\$ 2,774,273,851</u> | |
| 2012 | | | <u>\$ 2,819,584,810</u> |

Comparison of Tax Levies and Collections 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> |
| 2014 | \$ 86,881,519 | \$ 86,041,293 | 99.03% |
| 2013 | 85,956,845 | 85,078,355 | 98.97% |
| 2012 | 84,723,046 | 83,607,780 | 98.68% |

Also, increases in future tax levies can also be warranted if revenue sources outside of those directly generated by the municipality, such as federal or state aid, should decline without corresponding decreases in budgeted expenditures.

Note 11: Cash and Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds, amounts in deposits, money market accounts, and short-term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. The Township classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
 (Continued)

Note 11: Cash and Cash Equivalents and Investments (Cont'd)

GASB Statement No. 40, *Governmental Accounting Standards Board Deposit and Investment Risk Disclosures*, requires disclosure of the level of custodial credit risk assumed by the Township in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Township ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Township limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed below.

Deposits:

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

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

The market value of the collateral must equal 5% of the average daily balance of public funds on deposit, and

In addition to the above collateral requirement, if public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments

New Jersey statutes permit the Township to purchase the following types 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;
- (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;

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 11: Cash and Cash Equivalents and Investments (Cont'd)

Investments: (Cont'd)

New Jersey statutes permit the Township to purchase the following types of securities: (Cont'd)

- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund; or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) on the previous page;
 - (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 statute; and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2014, cash and cash equivalents of the Township of East Windsor consisted of the following:

| <u>Fund</u> | <u>Cash on Hand</u> | <u>Checking Accounts</u> | <u>Total</u> |
|--------------------------|-------------------------|------------------------------|----------------------|
| Current | \$ 1,035 | \$ 8,097,254 | \$ 8,098,289 |
| Federal and State Grant | | 132,070 | 132,070 |
| Animal Control | | 17,575 | 17,575 |
| Other Trust | | 10,513,187 | 10,513,187 |
| General Capital | | 425,151 | 425,151 |
| Public Assistance | | 136,157 | 136,157 |
| Special Garbage District | | 1,237,659 | 1,237,659 |
| | <u>\$ 1,035</u> | <u>\$ 20,559,053</u> | <u>\$ 20,560,088</u> |

During the period ended December 31, 2014, the Township did not hold any investments. The carrying amount of the Township's cash and cash equivalents at December 31, 2014, was \$20,560,088 and the bank balance was \$20,984,349. During the period ended December 31, 2013, the Township did not hold any investments. The carrying amount of the Township's cash and cash equivalents at December 31, 2013, was \$21,773,467 and the bank balance was \$21,592,406, including \$105,838 in the NJ Cash Management Fund which was uninsured and/or unregistered.

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 12: Interfund Receivables and Payables

The following interfund balances remain on the balance sheet at December 31, 2014:

| <u>Fund</u> | <u>Interfund Receivable</u> | <u>Interfund Payable</u> |
|-------------------------------|---------------------------------|------------------------------|
| Current Fund | \$ 25,772 | \$ 135,387 |
| Federal and State Grant Fund | 78,423 | |
| Other Trust Funds | | 878 |
| General Capital Fund | 81,981 | 25,017 |
| Special Garbage District Fund | | 24,894 |
| | <u>\$ 186,176</u> | <u>\$ 186,176</u> |

The Current Fund interfund receivable represents interest earnings in the Other Trust Funds and expenditures on-behalf of the Special Garbage District Fund not remitted as of year-end. The Federal and State Grant Fund interfund receivable represents grants receivable received in the Current and General Capital Funds not remitted as of year-end. The General Capital Fund interfund receivable is due from the Current Fund and is comprised of interfund activity and the capital improvement fund budget appropriation not remitted as of year-end.

Note 13: 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. Health benefits are provided to employees through the State of New Jersey Health Benefits Plan.

Property and Liability

The Township of East Windsor is a member of the Middlesex County Municipal Joint Insurance Fund (the "Fund"). The Fund is both an insured and self-administered group of municipalities established for the purpose of insuring against general liability, property and workers' compensation in order to keep local property taxes at a minimum.

As a member of the Fund, the Township could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities.

The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with Statement No. 10 of the Governmental Accounting Standards Board, these distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 13: Risk Management (Cont'd)

Property and Liability (Cont'd)

The December 31, 2014 and 2013 audit reports of the Middlesex County Municipal Joint Insurance Fund are not available as of the date of this audit. Selected financial information for the Fund as of December 31, 2012 is as follows:

| | |
|------------------------|----------------|
| Total Assets | \$ 34,178,795 |
| Net Position | \$ (1,224,017) |
| Total Revenue | \$ 19,135,208 |
| Total Expenses | \$ 17,993,143 |
| Member Dividends | \$ 246,821 |
| Change in Net Position | \$ 895,244 |

Financial statements for the Fund are available at the Office of the Executive Director:

Middlesex County Municipal Joint Insurance Fund
1 Jocama Boulevard, Suite 2B
Old Bridge, New Jersey 08857-3513
(732) 970-1001

New Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Contributory Method". Under this plan, the Township is required to remit employee withholdings to the State on a quarterly basis. All of the Township's claims are paid by the State.

Note 14: Open Space Trust Fund

The Open Space Trust Fund is comprised of donations for the acquisition of open space.

Note 15: Economic Dependency

The Township receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Township's programs and activities.

TOWNSHIP OF EAST WINDSOR
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 16: Fixed Assets (Unaudited)

The following schedule is a summarization of general fixed assets for the fiscal years ended December 31, 2014 and 2013:

| | Balance Dec. 31, 2013 | Additions | Disposals | Balance Dec. 31, 2014 |
|----------------------------|--------------------------|-------------------|---------------|--------------------------|
| Land | \$ 889,084 | | | \$ 889,084 |
| Buildings and Improvements | 5,613,883 | | | 5,613,883 |
| Vehicles | 3,310,799 | \$ 274,254 | | 3,585,053 |
| Machinery and Equipment | 2,556,772 | 355,732 | | 2,912,504 |
| | <u>\$ 12,370,538</u> | <u>\$ 629,986</u> | <u>\$ -0-</u> | <u>\$ 13,000,524</u> |

| | Balance Dec. 31, 2012 | Additions | Disposals | Balance Dec. 31, 2013 |
|----------------------------|--------------------------|-------------------|---------------|--------------------------|
| Land | \$ 889,084 | | | \$ 889,084 |
| Buildings and Improvements | 5,613,883 | | | 5,613,883 |
| Vehicles | 2,951,568 | \$ 359,231 | | 3,310,799 |
| Machinery and Equipment | 2,463,322 | 93,450 | | 2,556,772 |
| | <u>\$ 11,917,857</u> | <u>\$ 452,681</u> | <u>\$ -0-</u> | <u>\$ 12,370,538</u> |

Note 17: Contingencies

The Township is periodically involved in various lawsuits arising in the normal course of business, including claims for property damage, personal injury, and various contract disputes. The Township vigorously contests these lawsuits and believes the ultimate resolution would not have a material adverse effect on their financial position.

Amounts received or receivable from grantors, principally the federal and state governments are subject to regulatory requirements and adjustments by the agencies. Any disallowed claims, including amounts previously recognized by the Township as revenue would constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantors cannot be determined at this time, although Township officials expect such amounts, if any, to be immaterial.

TOWNSHIP OF EAST WINDSOR

SUPPLEMENTARY DATA

TOWNSHIP OF EAST WINDSOR
OFFICIALS IN OFFICE AND SURETY BONDS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

| Name | Title | Amount of Bond |
|----------------------|---------------------------------------------------|----------------|
| Janice S. Mironov | Mayor | |
| Alan Rosenberg | Deputy Mayor | |
| Hector I. Duke | Councilman | |
| Marc Lippman | Councilman | |
| Perry M. Shapiro | Councilman | |
| Peter Yeager | Councilman | |
| John H. Zoller | Councilman | |
| James P. Brady | Township Manager | (B) |
| Judith Wilson | Chief Financial Officer (from 10/06/14) | (A) |
| Lori Russo | Chief Financial Officer (to 05/15/14) | (A) |
| Anne M. Blake | Tax Collector | (A) |
| H. Rick Kline | Tax Assessor | (B) |
| Gretchen McCarthy | Township Clerk (from 12/01/14) | (B) |
| Kelly Lettera | Acting Township Clerk (08/06/14 to 11/30/14) | |
| James P. Brady | Acting Township Clerk (to 08/05/14) | (B) |
| Roman J. Petruniak | Director of Inspections/ Construction Official | (B) |
| David E. Orron | Township Attorney | |
| Jeffrey Rubin | Township Prosecutor | |
| James E. Stahl | Magistrate | (B) |
| Claudia P. Rosenberg | Court Administrator | (B) |
| Kelli Hand | Deputy Court Administrator | (B) |

(A) Surety bond coverage is provided as follows:

Municipal Excess Liability Joint Insurance Fund - \$1,000,000

(B) All employees, who are not specifically bonded, are covered under \$50,000 and \$950,000 Faithful Performance Bonds provided by Middlesex County Municipal Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund, respectively.

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
2014
CURRENT FUND

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
SCHEDULE OF CASH

| | <u>Ref.</u> | |
|-----------------------------------------------|-------------|-----------------|
| Balance December 31, 2013 | A | \$ 7,670,335.37 |
| Increased by Receipts: | | |
| Tax Collector | \$ | 87,359,371.51 |
| Revenue Accounts Receivable | | 5,803,229.78 |
| Miscellaneous Revenue Not Anticipated | | 55,663.95 |
| Interest on Investments and Deposits | | 127,662.59 |
| Due Federal and State Grant Fund: | | |
| Interfund Returned | | 0.70 |
| Grants Receivable | | 53,406.46 |
| Due Other Trust Funds - Interfund Returned | | 105.91 |
| Due General Capital Fund - Interfund Advanced | | 21,981.03 |
| Due State of New Jersey: | | |
| Senior Citizens' and Veterans' Deductions | | 110,321.92 |
| Marriage License Fees | | 3,450.00 |
| DCA Training Fees | | 23,084.00 |
| Appropriation Refunds | | 122,960.53 |
| | | 93,681,238.38 |
| | | 101,351,573.75 |
| Decreased by Disbursements: | | |
| 2014 Appropriation Expenditures | | 17,705,046.49 |
| 2013 Appropriation Reserve Expenditures | | 632,556.95 |
| Regional High School Taxes | | 54,262,964.00 |
| County Taxes | | 18,249,216.10 |
| Special Garbage District Taxes | | 2,180,968.62 |
| Accounts Payable | | 112,288.87 |
| Due Federal and State Grant Fund - Interfund | | 31,500.00 |
| Due Special Garbage District Fund: | | |
| 2014 Appropriation Expenditures | | 24,893.70 |
| Due Payroll Fund - Interfund Advanced | | 9,000.00 |
| Due State of New Jersey: | | |
| Marriage License Fees | | 3,725.00 |
| DCA Training Fees | | 22,323.00 |
| Refund of: | | |
| Tax Overpayments | | 18,985.71 |
| Current Year Revenue: | | |
| Fees and Permits - Other | | 295.00 |
| Prior Year Revenue - Taxes | | 556.25 |
| | | 93,254,319.69 |
| Balance December 31, 2014 | A | \$ 8,097,254.06 |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2014

Increased by Receipts:

| | | |
|--------------------------------------------|------------------|------------------|
| Taxes Receivable | \$ 86,376,306.15 | |
| Interest and Costs on Taxes | 363,396.88 | |
| 2015 Prepaid Taxes | 457,243.07 | |
| Tax Overpayments | 8,879.33 | |
| Payment in Lieu of Taxes: | | |
| Saint James Village Senior Citizen Complex | 124,200.00 | |
| Wheaton Pointe | 29,346.08 | |
| | <hr/> | \$ 87,359,371.51 |
| Tax Sale Premiums | 686,000.00 | |
| Outside Liens | 533,525.70 | |
| | <hr/> | 1,219,525.70 |
| | | <hr/> |
| | | 88,578,897.21 |

Decreased by:

| | | |
|---------------------------------|---------------|------------------|
| Payments to Municipal Treasurer | 87,359,371.51 | |
| Payments to Other Trust Fund | 1,219,525.70 | |
| | <hr/> | \$ 88,578,897.21 |
| | | <hr/> <hr/> |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
SCHEDULE OF CASH - GRANT FUNDS

| | <u>Ref.</u> | |
|---------------------------------------|-------------|---------------|
| Balance December 31, 2013 | A | \$ 139,204.25 |
| Increased by Receipts: | | |
| Grants Receivable | | \$ 335,905.23 |
| Unappropriated Grant Funds Received | | 37,267.44 |
| Due Current Fund: | | |
| Interfund | | 31,500.00 |
| Interest Earned | | 635.86 |
| | | 405,308.53 |
| | | 544,512.78 |
| Decreased by Disbursements: | | |
| Current Year Expenditures | | 301,542.37 |
| Prior Year Encumbrances | | 108,996.66 |
| Due Current Fund: | | |
| Interfund | | 0.70 |
| Interest Earned | | 635.86 |
| Due Payroll Fund - Interfund Advanced | | 1,266.75 |
| | | 412,442.34 |
| Balance December 31, 2014 | A | \$ 132,070.44 |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

| Year | Balance | 2014 Levy | Added Taxes | Collections | | State of NJ Senior Citizens' and Veterans' Deductions | Canceled | Transferred to Tax Title Liens | Balance |
|------|-----------------------|-------------------------|---------------------|----------------------|-------------------------|-------------------------------------------------------|----------------------|--------------------------------|----------------------|
| | Dec. 31, 2013 | | | 2013 | 2014 | | | | Dec. 31, 2014 |
| 2010 | \$ 130,448.17 | | | | \$ 129,568.35 | | | | \$ 879.82 |
| 2011 | 134,276.52 | | | | 134,276.52 | | | | |
| 2012 | 145,228.21 | | | | 145,228.21 | | | | |
| 2013 | 595,711.34 | | \$ 18,566.26 | | 590,071.93 | \$ (3,178.08) | | \$ 5,488.48 | 21,895.27 |
| | 1,005,664.24 | | 18,566.26 | | 999,145.01 | (3,178.08) | | 5,488.48 | 22,775.09 |
| 2014 | | \$ 86,881,518.90 | | \$ 549,339.89 | 85,377,161.14 | 114,791.79 | \$ 271,095.82 | 19,314.45 | 549,815.81 |
| | <u>\$1,005,664.24</u> | <u>\$ 86,881,518.90</u> | <u>\$ 18,566.26</u> | <u>\$ 549,339.89</u> | <u>\$ 86,376,306.15</u> | <u>\$ 111,613.71</u> | <u>\$ 271,095.82</u> | <u>\$ 24,802.93</u> | <u>\$ 572,590.90</u> |

Ref. A

A

Analysis of 2014 Property Tax Levy

Tax Yield:

| | |
|----------------------------------|-------------------------|
| General Purpose Tax | \$ 86,368,069.70 |
| Business Personal Property Taxes | 156,405.33 |
| Added and Omitted Taxes | 357,043.87 |
| | <u>\$ 86,881,518.90</u> |

Tax Levy:

| | |
|-----------------------------------------|-------------------------|
| Regional School District Taxes | \$ 54,262,964.00 |
| Special Garbage District Taxes | 2,180,968.62 |
| County Taxes: | |
| General Tax | \$ 15,891,487.30 |
| Library Tax | 1,617,014.00 |
| Open Space Tax | 665,646.58 |
| Due County for Added and Omitted Taxes | 74,359.59 |
| | <u>18,248,507.47</u> |
| | 74,692,440.09 |
| Local Tax for Municipal Purposes Levied | 11,892,414.00 |
| Add: Additional Tax Levied | 296,664.81 |
| | <u>12,189,078.81</u> |
| | <u>\$ 86,881,518.90</u> |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

| | <u>Ref.</u> | |
|----------------------------------------|-------------|----------------------|
| Balance December 31, 2013 | A | \$ 90,546.45 |
| Increased by: | | |
| Transfer from Taxes Receivable | | \$ 24,802.93 |
| Interest and Costs Accrued at Tax Sale | | 1,254.24 |
| | | <u>26,057.17</u> |
| Balance December 31, 2014 | A | <u>\$ 116,603.62</u> |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

| | Balance | Accrued in | Collected by | | Balance |
|---------------------------------------------|---------------------|------------------------|----------------------|------------------------|---------------------|
| | Dec. 31, 2013 | 2014 | Collector | Treasurer | Dec. 31, 2014 |
| Licenses: | | | | | |
| Alcoholic Beverages | | \$ 32,440.00 | | \$ 32,440.00 | |
| Other | | 52,985.00 | | 52,985.00 | |
| Fees and Permits - Other | | 497,841.28 | | 497,841.28 | |
| Municipal Court: | | | | | |
| Fines and Costs | \$ 43,706.19 | 510,908.13 | | 507,136.34 | \$ 47,477.98 |
| Police Camera Enforcement | | 107,444.50 | | 107,444.50 | |
| Energy Receipts Tax | | 3,517,385.00 | | 3,517,385.00 | |
| Uniform Construction Code Fees | | 277,244.00 | | 277,244.00 | |
| Shared Service Agreements - Animal Control | | 19,145.00 | | 19,145.00 | |
| Shared Service Agreements - Senior Center | | 26,615.50 | | 26,615.50 | |
| Saint James Village Senior Citizen Complex | | 124,200.00 | \$ 124,200.00 | | |
| Wheaton Pointe - In Lieu of Taxes | | 29,346.08 | 29,346.08 | | |
| Reserve for Open Space Trust | | 4,441.97 | | 4,441.97 | |
| Developers' Detention Basin | | 125,000.00 | | 125,000.00 | |
| Life Hazard Use Payments | | 48,036.34 | | 48,036.34 | |
| General Capital Fund Surplus | | 300,000.00 | | 300,000.00 | |
| Hotel Tax | | 250,400.85 | | 250,400.85 | |
| Hightstown - E.M.S. Services | | 7,875.00 | | 7,875.00 | |
| Farm Leases | | 18,315.00 | | 18,315.00 | |
| Federal Emergency Management Administration | | 10,924.00 | | 10,924.00 | |
| | <u>\$ 43,706.19</u> | <u>\$ 5,960,547.65</u> | <u>\$ 153,546.08</u> | <u>\$ 5,803,229.78</u> | <u>\$ 47,477.98</u> |

Ref. A

A

TOWNSHIP OF EAST WINDSOR
FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE

| Grant Description | Balance Dec. 31, 2013 | Accrued in 2014 | Received | Balance Dec. 31, 2014 |
|-------------------------------------------------|--------------------------|----------------------|----------------------|--------------------------|
| Drunk Driving Enforcement Fund | | \$ 12,164.26 | \$ 12,164.26 | |
| Municipal Alliance on Alcoholism and Drug Abuse | \$ 24,521.34 | 22,104.00 | 28,383.31 | \$ 18,242.03 |
| Clean Communities Grant | | 42,644.01 | 42,644.01 | |
| New Jersey Transit Operating Bus Shuttle | 255,588.97 | 150,000.00 | 107,299.90 | 298,289.07 |
| Bullet Proof Vest Partnership Grant | 339.12 | 14,438.56 | | 14,777.68 |
| NJDEP Recreation Trails Program | 258.69 | | | 258.69 |
| Drive Sober or Get Pulled Over | | 16,900.00 | 9,400.00 | 7,500.00 |
| Body Armor Replacement Fund | | 4,211.46 | 4,211.46 | |
| Bus Grant Matching Share: | | | | |
| Mercer County | 36,433.00 | 10,400.00 | 10,400.00 | 36,433.00 |
| Hightstown | | 2,180.00 | | 2,180.00 |
| Small Cities Grant | 200,000.00 | | 53,275.00 | 146,725.00 |
| Click It or Ticket | | 4,000.00 | 4,000.00 | |
| Comprehensive Traffic Calming Engineering Study | 46.53 | | | 46.53 |
| Delaware Valley Regional Planning Commission | 73,389.84 | | 49,115.51 | 24,274.33 |
| NJ Department of Transportation | 100,000.00 | | 93,435.00 | 6,565.00 |
| | <u>\$ 690,577.49</u> | <u>\$ 279,042.29</u> | <u>\$ 414,328.45</u> | <u>\$ 555,291.33</u> |

Ref.

A

A

Grants Receivable - Received in:

| | |
|------------------------------|----------------------|
| Federal and State Grant Fund | \$ 335,905.23 |
| Current Fund | 53,406.46 |
| General Capital Fund | 25,016.76 |
| | <u>\$ 414,328.45</u> |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
SCHEDULE OF 2013 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

| | Balance Dec. 31, 2013 | Balance After Modification | Paid or Charged | Balance Lapsed |
|------------------------------------------|--------------------------|-------------------------------|--------------------|-------------------|
| GENERAL GOVERNMENT: | | | | |
| Manager's Office: | | | | |
| Salaries & Wages | \$ 5,528.87 | \$ 528.87 | | \$ 528.87 |
| Other Expenses | 9,834.46 | 9,834.46 | \$ 1,550.44 | 8,284.02 |
| Human Resources: | | | | |
| Other Expenses | 18,652.50 | 18,652.50 | 887.50 | 17,765.00 |
| Township Council: | | | | |
| Salaries & Wages | 4.00 | 4.00 | | 4.00 |
| Other Expenses | 3,651.09 | 3,651.09 | 40.00 | 3,611.09 |
| Municipal Clerk: | | | | |
| Salaries & Wages | 941.07 | 941.07 | | 941.07 |
| Other Expenses | 12,054.16 | 12,054.16 | 488.75 | 11,565.41 |
| Elections: | | | | |
| Salaries & Wages | 98.68 | 98.68 | | 98.68 |
| Other Expenses | 3,630.00 | 3,630.00 | | 3,630.00 |
| Financial Administration: | | | | |
| Salaries & Wages | 1,458.54 | 458.54 | | 458.54 |
| Other Expenses | 7,306.35 | 4,306.35 | 3,184.88 | 1,121.47 |
| Annual Audit | 29,435.00 | 29,435.00 | 29,435.00 | |
| Data Processing: | | | | |
| Other Expenses | 24,915.50 | 24,915.50 | 17,381.50 | 7,534.00 |
| Tax Collection (Revenue Administration): | | | | |
| Salaries & Wages | 1,344.81 | 344.81 | | 344.81 |
| Other Expenses | 3,519.80 | 519.80 | 1.17 | 518.63 |
| Tax Assessment Administration: | | | | |
| Other Expenses | 2,331.37 | 2,331.37 | 175.00 | 2,156.37 |
| Legal Services and Costs: | | | | |
| Salaries & Wages | 500.00 | 500.00 | | 500.00 |
| Other Expenses | 58,085.62 | 72,085.62 | 71,992.16 | 93.46 |
| Engineering Services and Costs: | | | | |
| Salaries & Wages | 0.58 | 0.58 | | 0.58 |
| Other Expenses | 3,783.84 | 2,783.84 | 2,393.93 | 389.91 |
| Economic Development: | | | | |
| Other Expenses | 4,665.00 | 4,665.00 | | 4,665.00 |
| Transportation Commission: | | | | |
| Other Expenses | 500.00 | 500.00 | | 500.00 |
| Land Use Administration: | | | | |
| Planning Board: | | | | |
| Salaries & Wages | 708.84 | 708.84 | | 708.84 |
| Other Expenses | 5,409.28 | 5,409.28 | 2,600.38 | 2,808.90 |
| Board of Adjustment: | | | | |
| Other Expenses | 955.48 | 955.48 | | 955.48 |
| Insurance: | | | | |
| Liability Insurance | 659.97 | 659.97 | | 659.97 |
| Worker's Compensation Insurance | 105.72 | 105.72 | | 105.72 |
| Employee Group Insurance | 330,270.10 | 330,270.10 | 106,578.91 | 223,691.19 |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
SCHEDULE OF 2013 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

(Continued)

| | Balance Dec. 31, 2013 | Balance After Modification | Paid or Charged | Balance Lapsed |
|--------------------------------------------|--------------------------|-------------------------------|--------------------|-------------------|
| PUBLIC SAFETY: | | | | |
| Police: | | | | |
| Salaries & Wages | \$ 202,935.20 | \$ 172,935.20 | | \$ 172,935.20 |
| Other Expense - Uniform Service | 13,781.09 | 13,781.09 | \$ 5,834.23 | 7,946.86 |
| Other Expense - Investigative Service | 15,421.13 | 15,421.13 | 1,586.17 | 13,834.96 |
| Other Expense - Crime Prevention | 46.71 | 46.71 | | 46.71 |
| Other Expense - General Administration | 45,507.67 | 45,507.67 | 18,669.13 | 26,838.54 |
| Other Expense - Support Service | 8,798.50 | 8,798.50 | 2,699.31 | 6,099.19 |
| Other Expense - Training | 32,284.55 | 32,284.55 | 31,189.79 | 1,094.76 |
| Police Communications: | | | | |
| Salaries & Wages | 2,202.20 | 32,202.20 | | 32,202.20 |
| Other Expense | 10,478.13 | 10,478.13 | 362.99 | 10,115.14 |
| Office of Emergency Management: | | | | |
| Other Expenses | 425.65 | 425.65 | | 425.65 |
| Police Camera Enforcement: | | | | |
| Other Expenses | 11,864.24 | 11,864.24 | 8,444.95 | 3,419.29 |
| Aid to Volunteer Ambulance Companies: | | | | |
| Other Expenses - Contributions | 13,000.00 | 13,000.00 | 6,500.00 | 6,500.00 |
| Other Expenses - Miscellaneous | 22,943.13 | 22,943.13 | 6,974.68 | 15,968.45 |
| Fire Prevention: | | | | |
| Salaries & Wages | 2,988.67 | 2,988.67 | | 2,988.67 |
| Other Expenses | 4,810.82 | 4,810.82 | 3,833.30 | 977.52 |
| Fire: | | | | |
| Other Expenses | 45,029.00 | 45,029.00 | 39,965.22 | 5,063.78 |
| Municipal Court: | | | | |
| Salaries & Wages | 28.73 | 28.73 | | 28.73 |
| Other Expenses | 10,389.72 | 10,389.72 | 4,287.78 | 6,101.94 |
| Public Defender: | | | | |
| Salaries & Wages | 2,000.00 | 2,000.00 | | 2,000.00 |
| Municipal Prosecutor: | | | | |
| Salaries & Wages | 195.98 | 195.98 | | 195.98 |
| Juvenile Conference Bureau: | | | | |
| Salaries & Wages | 995.68 | 995.68 | | 995.68 |
| Other Expenses | 1,171.92 | 1,171.92 | | 1,171.92 |
| PUBLIC WORKS FUNCTIONS: | | | | |
| Road Repairs and Maintenance: | | | | |
| Salaries & Wages | 1,700.54 | 1,700.54 | | 1,700.54 |
| Other Expenses | 104,997.28 | 104,997.28 | 87,426.47 | 17,570.81 |
| Public Works Administration: | | | | |
| Salaries & Wages | 799.58 | 799.58 | | 799.58 |
| Other Expenses | 3,343.14 | 3,343.14 | 696.00 | 2,647.14 |
| Snow Operating Expenses | 30,000.00 | 30,000.00 | | 30,000.00 |
| Public Building and Grounds - Ward Street: | | | | |
| Other Expenses | 6,262.01 | 6,262.01 | 6,248.84 | 13.17 |
| Municipal Complex: | | | | |
| Salaries & Wages | 437.62 | 437.62 | | 437.62 |
| Other Expenses | 13,612.69 | 13,612.69 | 3,296.18 | 10,316.51 |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
SCHEDULE OF 2013 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014
(Continued)

| | Balance Dec. 31, 2013 | Balance After Modification | Paid or Charged | Balance Lapsed |
|----------------------------------------------------|--------------------------|-------------------------------|--------------------|-------------------|
| PUBLIC WORKS FUNCTIONS (Cont'd): | | | | |
| Police Building: | | | | |
| Salaries & Wages | \$ 2,989.65 | \$ 2,989.65 | | \$ 2,989.65 |
| Other Expenses | 6,862.33 | 6,862.33 | \$ 1,796.60 | 5,065.73 |
| Senior Center: | | | | |
| Salaries & Wages | 14,089.97 | 14,089.97 | | 14,089.97 |
| Other Expenses | 3,380.94 | 3,380.94 | | 3,380.94 |
| STREETS AND ROADS: | | | | |
| Vehicle Maintenance: | | | | |
| Salaries & Wages | 2,663.74 | 2,663.74 | | 2,663.74 |
| Other Expenses - Police Vehicles | 9,954.71 | 9,954.71 | 7,608.16 | 2,346.55 |
| Other Expenses - Administrative Vehicles | 9,011.16 | 9,011.16 | 7,536.06 | 1,475.10 |
| Other Expenses - Public Works Vehicles | 17,792.97 | 17,792.97 | 11,963.95 | 5,829.02 |
| Condominium Community Costs: | | | | |
| Other Expenses | 1,498.18 | 1,498.18 | 1,498.05 | 0.13 |
| HEALTH AND HUMAN SERVICES: | | | | |
| Board of Health: | | | | |
| Salaries & Wages - Regular | 4,295.65 | 4,295.65 | | 4,295.65 |
| Other Expenses | 18,002.44 | 18,002.44 | 15,671.69 | 2,330.75 |
| Other Expenses - Education | 400.00 | 400.00 | 330.76 | 69.24 |
| Other Expenses - Public Health Nurse | 6,083.94 | 6,083.94 | 4,474.00 | 1,609.94 |
| Other Expenses - Communicable Diseases | 2,250.00 | 2,250.00 | 798.08 | 1,451.92 |
| Other Expenses - Environmental Services | 950.00 | 950.00 | 524.45 | 425.55 |
| Environmental Commission (N.J.S. 40:56A-1 et seq): | | | | |
| Other Expenses | 1,350.00 | 1,350.00 | | 1,350.00 |
| Animal Control: | | | | |
| Salaries & Wages | 5,011.19 | 5,011.19 | | 5,011.19 |
| Other Expenses | 1,194.02 | 1,194.02 | 1,005.26 | 188.76 |
| Administration of Public Assistance: | | | | |
| Other Expenses | 240.00 | 240.00 | | 240.00 |
| PARK AND RECREATION FUNCTIONS: | | | | |
| Recreation Department: | | | | |
| Salaries & Wages | 9.59 | 9.59 | | 9.59 |
| Commission on Aging: | | | | |
| Other Expenses | 1,300.00 | 1,300.00 | | 1,300.00 |
| Senior Center: | | | | |
| Salaries & Wages | 1,824.12 | 1,824.12 | | 1,824.12 |
| Other Expenses | 15,411.17 | 15,411.17 | 5,018.24 | 10,392.93 |
| Maintenance of Parks: | | | | |
| Salaries & Wages | 8,219.30 | 8,219.30 | | 8,219.30 |
| Other Expenses | 15,426.77 | 15,426.77 | 2,880.00 | 12,546.77 |
| UNIFORM CONSTRUCTION CODE: | | | | |
| State Uniform Construction Code: | | | | |
| Salaries & Wages | 980.98 | 980.98 | | 980.98 |
| Other Expenses | 1,593.21 | 1,593.21 | 578.22 | 1,014.99 |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
SCHEDULE OF 2013 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

(Continued)

| | Balance Dec. 31, 2013 | Balance After Modification | Paid or Charged | Balance Lapsed |
|---------------------------------------------------------------------------|--------------------------|-------------------------------|----------------------|------------------------|
| UNCLASSIFIED: | | | | |
| Health Benefit Waiver | \$ 1,612.71 | \$ 1,612.71 | | \$ 1,612.71 |
| Utilities: | | | | |
| Electricity | 62,850.66 | 62,850.66 | \$ 11,540.16 | 51,310.50 |
| Street Lighting | 35,315.58 | 35,315.58 | 7,685.61 | 27,629.97 |
| Telephone | 3,403.12 | 8,403.12 | 7,246.69 | 1,156.43 |
| Gas | 52,346.37 | 47,346.37 | 8,863.10 | 38,483.27 |
| Fuel Oil | 1,871.86 | 1,871.86 | 608.92 | 1,262.94 |
| Gasoline | 88,149.56 | 88,149.56 | 49,954.36 | 38,195.20 |
| Deferred Charges and Statutory Expenditures - Municipal Within "CAPS": | | | | |
| Statutory Expenditures: | | | | |
| Contributions to: | | | | |
| Social Security System (O.A.S.I.) | 103,999.43 | 103,999.43 | 6,447.20 | 97,552.23 |
| Defined Contribution Retirement Plan | 347.92 | 347.92 | | 347.92 |
| NJ Unemployment Insurance | 6,522.40 | 6,522.40 | 1,716.62 | 4,805.78 |
| Operations Excluded from "CAPS": | | | | |
| Implementation of 911 System: | | | | |
| Salaries & Wages | 828.52 | 828.52 | | 828.52 |
| Length of Service Award Program: | | | | |
| Other Expenses | 85,000.00 | 85,000.00 | 85,000.00 | |
| SHARED SERVICE AGREEMENTS: | | | | |
| Senior Center: | | | | |
| Other Expenses | 1,471.96 | 1,471.96 | 1,212.50 | 259.46 |
| | <u>\$ 1,735,308.33</u> | <u>\$ 1,735,308.33</u> | <u>\$ 706,683.34</u> | <u>\$ 1,028,624.99</u> |

Analysis of Balance December 31, 2013:

| | <u>Ref.</u> | | |
|--------------|-------------|-----------|---------------------|
| Unencumbered | A | \$ | 963,245.14 |
| Encumbered | A | | 772,063.19 |
| | | <u>\$</u> | <u>1,735,308.33</u> |

| | | | |
|------------------|--|-----------|-------------------|
| Cash Disbursed | | \$ | 632,556.95 |
| Accounts Payable | | | 74,126.39 |
| | | <u>\$</u> | <u>706,683.34</u> |

TOWNSHIP OF EAST WINDSOR
CURRENT FUND
SCHEDULE OF REGIONAL SCHOOL DISTRICT TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2014

| | | |
|--------------------------------------|----|----------------------|
| Increased by: | | |
| Levy - Calendar Year 2014 | \$ | 54,262,964.00 |
| Decreased by: | | |
| Payments to Regional School District | \$ | <u>54,262,964.00</u> |

TOWNSHIP OF EAST WINDSOR
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES

| Grant Description | Balance Dec. 31, 2013 | Transferred from 2014 Budget Appropriations | Expended | Prior Year Encumbrances Canceled | Balance Dec. 31, 2014 |
|--------------------------------------------------------|--------------------------|------------------------------------------------------|----------------------|----------------------------------------|--------------------------|
| Drunk Driving Enforcement Fund | \$ 12,695.02 | \$ 12,164.26 | \$ 11,181.60 | | \$ 13,677.68 |
| Municipal Alliance on Alcoholism and Drug Abuse | 12,565.59 | 22,104.00 | 26,759.89 | \$ 1,000.00 | 8,909.70 |
| Clean Communities Grant | 60,639.19 | 42,644.01 | 52,005.98 | 200.00 | 51,477.22 |
| NJ Transit Operating Bus Shuttle: | | | | | |
| Grant Funds | 165,428.68 | 150,000.00 | 120,974.49 | | 194,454.19 |
| Matching Funds | 60,921.28 | 28,000.00 | 38,249.70 | 318.56 | 50,990.14 |
| Recycling Tonnage Grant | 41,065.27 | | 35,000.00 | | 6,065.27 |
| Bullet Proof Vest Partnership Grant | | 14,438.56 | | | 14,438.56 |
| NJDEP Recreation Trails Program | 258.69 | | | | 258.69 |
| Drive Sober or Get Pulled Over | | 16,900.00 | | | 16,900.00 |
| Over the Limit, Under Arrest | 4,350.00 | | | | 4,350.00 |
| Body Armor Replacement Fund | 8,025.53 | 4,211.46 | 8,025.53 | | 4,211.46 |
| Bus Grant Matching Share: | | | | | |
| Mercer County | 16,249.90 | 10,400.00 | 7,649.90 | 11.04 | 19,011.04 |
| Hightstown | 3,227.70 | 2,180.00 | 2,246.70 | | 3,161.00 |
| Small Cities Grant | 186,040.00 | | 51,300.00 | | 134,740.00 |
| East Windsor Senior Center | 5,000.00 | | | | 5,000.00 |
| Stormwater Management Grant | 5,494.63 | | | | 5,494.63 |
| Click It or Ticket | | 4,000.00 | 4,000.00 | | |
| Comprehensive Traffic Calming Engineering Study | 46.53 | | | | 46.53 |
| Bicycle Safety Grant: | | | | | |
| Matching Funds | 7,200.00 | | | | 7,200.00 |
| Matching Funds for Grants | 17,750.00 | 3,500.00 | | | 21,250.00 |
| Transportation Bus Grant - Mercer County | 10,000.00 | | | | 10,000.00 |
| Delaware Valley Regional Planning Commission: | | | | | |
| Transportation and Community Development Initiative | 1,296.25 | | | | 1,296.25 |
| NJ Department of Transportation | 6,565.00 | | | | 6,565.00 |
| Police Donations: | | | | | |
| Police Safety and Education | 1,275.00 | | | | 1,275.00 |
| National Auto Dealers - DARE Program | 1,500.00 | | | | 1,500.00 |
| Allstate - Hands in the Community Program | 1,000.00 | | | | 1,000.00 |
| | <u>\$ 628,594.26</u> | <u>\$ 310,542.29</u> | <u>\$ 357,393.79</u> | <u>\$ 1,529.60</u> | <u>\$ 583,272.36</u> |

Ref.

A

A

Original Budget

\$ 22,104.00

Added by NJSA 40A:4-87

256,938.29

279,042.29

Due from Current Fund - Matching Funds

31,500.00

\$ 310,542.29

Cash Disbursed

\$ 301,542.37

Encumbrances Payable

A

55,851.42\$ 357,393.79

TOWNSHIP OF EAST WINDSOR
FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES

| <u>Grant Description</u> | <u>Balance Dec. 31, 2013</u> | <u>Received</u> | <u>Balance Dec. 31, 2014</u> |
|------------------------------|----------------------------------|---------------------|----------------------------------|
| Small Cities Grant | \$ 38,731.00 | | \$ 38,731.00 |
| Over the Limit, Under Arrest | 5,000.00 | | 5,000.00 |
| Department of Justice Grant | 7,531.50 | | 7,531.50 |
| Recycling Tonnage Grant | | \$ 37,267.44 | 37,267.44 |
| | <u>\$ 51,262.50</u> | <u>\$ 37,267.44</u> | <u>\$ 88,529.94</u> |
| <u>Ref.</u> | A | | A |

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
2014
TRUST FUNDS

TOWNSHIP OF EAST WINDSOR
TRUST FUNDS
SCHEDULE OF CASH - TREASURER

| | <u>Ref.</u> | <u>Animal Control Fund</u> | <u>Other Trust Funds</u> |
|-----------------------------------|-------------|-------------------------------------------------------|-------------------------------------------------------|
| Balance December 31, 2013 | B | \$ 13,847.85 | \$ 10,718,549.35 |
| Increased by Receipts: | | | |
| Animal Control License Fees: | | | |
| Dog License Fees | | \$ 13,846.00 | |
| State Dog License Fees | | 1,498.80 | |
| Late, Impound and Boarding Fees | | 746.00 | |
| Due Current Fund: | | | |
| Interest Income | | 116.29 | \$ 58,121.32 |
| Deposits and Interest: | | | |
| Special Duty Police Services: | | | |
| Prepaid | | | 171,901.98 |
| Administration & Vehicle Fees | | | 13,293.75 |
| Affordable Housing - | | | |
| Revolving Loan Program | | | 47.92 |
| Escrow Funds | | | 432,052.77 |
| Elevator Inspections | | | 7,314.00 |
| Forfeited Property Fund | | | 12,420.07 |
| Mayor's Trust | | | 1,180.00 |
| Community Garden Deposits | | | 850.00 |
| Donated Property Funds | | | 25,000.00 |
| Municipal Court: | | | |
| Parking Offense Adjudication Act | | | 136.00 |
| Public Defender Fees | | | 14,788.00 |
| Tax Sale Premiums | | | 686,000.00 |
| Third Party Lien Redemption | | | 533,525.70 |
| Recreation Commission | | | 473,175.33 |
| Senior's Program | | | 14.00 |
| Sick Leave | | | 197,417.00 |
| Uniform Fire Safety Act Penalties | | | 2,500.00 |
| Affordable Housing | | | 24,716.08 |
| | | <hr style="width: 100%; border: 0.5px solid black;"/> | <hr style="width: 100%; border: 0.5px solid black;"/> |
| | | 16,207.09 | 2,654,453.92 |
| | | <hr style="width: 100%; border: 0.5px solid black;"/> | <hr style="width: 100%; border: 0.5px solid black;"/> |
| | | 30,054.94 | 13,373,003.27 |

TOWNSHIP OF EAST WINDSOR
TRUST FUNDS
SCHEDULE OF CASH - TREASURER
(Continued)

| | <u>Ref.</u> | <u>Animal Control Fund</u> | <u>Other Trust Funds</u> |
|-----------------------------------|-------------|----------------------------|--------------------------|
| Decreased by Disbursements: | | | |
| Administrative Expenses | | \$ 9,929.86 | |
| Due to State of New Jersey | | 2,434.20 | |
| Due Current Fund: | | | |
| Interest Income | | 116.29 | \$ 57,243.91 |
| Interfund Returned | | | 105.91 |
| Refunds, Charges and Withdrawals: | | | |
| Special Duty Police Services: | | | |
| Prepaid | | | 162,238.52 |
| Administration & Vehicle Fees | | | 3,250.00 |
| Escrow Funds | | | 965,327.30 |
| Elevator Inspections | | | 3,199.00 |
| Mayor's Trust | | | 1,000.00 |
| Community Garden Deposits | | | 50.00 |
| Municipal Court: | | | |
| Public Defender Fees | | | 12,124.02 |
| Tax Sale Premiums | | | 298,300.00 |
| Third Party Lien Redemption | | | 623,532.60 |
| Recreation Commission | | | 492,216.55 |
| Recreation Donations | | | 150.00 |
| Sick Leave | | | 174,194.53 |
| Affordable Housing | | | 66,883.75 |
| | | \$ 12,480.35 | \$ 2,859,816.09 |
| Balance December 31, 2014 | B | \$ 17,574.59 | \$ 10,513,187.18 |

TOWNSHIP OF EAST WINDSOR
ASSESSMENT TRUST FUND
ANALYSIS OF CASH
YEAR ENDED DECEMBER 31, 2014

NOT APPLICABLE

TOWNSHIP OF EAST WINDSOR
ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

| | <u>Ref.</u> | |
|---------------------------------|-------------|----------------------------|
| Balance December 31, 2013 | B | \$ 12,895.65 |
| Increased by: | | |
| Animal Control Fees: | | |
| Dog Licenses | | \$ 13,846.00 |
| Late, Impound and Boarding Fees | | 746.00 |
| | | <u>14,592.00</u> |
| | | 27,487.65 |
| Decreased by: | | |
| Animal Control Expenditures | | <u>9,929.86</u> |
| Balance December 31, 2014 | B | <u><u>\$ 17,557.79</u></u> |

License Fees Collected:

| <u>Year</u> | |
|---------------------------|----------------------------|
| 2012 | \$ 15,652.00 |
| 2013 | 14,462.00 |
| | <u>30,114.00</u> |
| Maximum Allowable Reserve | <u><u>\$ 30,114.00</u></u> |

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
2014
GENERAL CAPITAL FUND

TOWNSHIP OF EAST WINDSOR
GENERAL CAPITAL FUND
SCHEDULE OF CASH

| | <u>Ref.</u> | |
|------------------------------------------------------|---------------|----------------------|
| Balance December 31, 2013 | C | \$ 2,023,905.13 |
| Increased by Receipts: | | |
| Grants Receivable | \$ 637,745.00 | |
| Reserve for Purchase of Open Space | 32,740.00 | |
| Due Current Fund - Interest Income | 9,661.06 | |
| Due Federal and State Grant Fund - Grants Receivable | 25,016.76 | |
| | | <u>705,162.82</u> |
| | | 2,729,067.95 |
| Decreased by Disbursements: | | |
| Improvement Authorization Expenditures | 1,279,906.54 | |
| Prior Year Encumbrances | 662,704.05 | |
| Reserve for Purchase of Open Space | 25,222.23 | |
| Anticipated in Current Fund: | | |
| Capital Fund Balance | 300,000.00 | |
| Reserve for Purchase of Open Space | 4,441.97 | |
| Due Current Fund: | | |
| Interfund Advanced | 21,981.03 | |
| Interest Income | 9,661.06 | |
| | | <u>2,303,916.88</u> |
| Balance December 31, 2014 | C | <u>\$ 425,151.07</u> |

TOWNSHIP OF EAST WINDSOR
GENERAL CAPITAL FUND
ANALYSIS OF CASH

| | Balance/ (Deficit) Dec. 31, 2013 | Receipts | | Disbursements | | Transfers | | Balance/ (Deficit) Dec. 31, 2014 |
|-------------------------------------------------------|----------------------------------------|---------------|-------------------------------|---------------|--------------|--------------|--|----------------------------------------|
| | | Miscellaneous | Improvement Authorizations | Miscellaneous | From | To | | |
| Fund Balance | \$ 689,166.76 | | | \$ 300,000.00 | | | | \$ 389,166.76 |
| Capital Improvement Fund | 9,583.93 | | | | \$ 60,525.00 | \$ 60,000.00 | | 9,058.93 |
| Grants Receivable | (1,443,980.32) | \$ 637,745.00 | | | 919,000.00 | | | (1,725,235.32) |
| NJ Environmental Infrastructure Trust Loan Receivable | (2,160.23) | | | | | | | (2,160.23) |
| Due Current Fund | | 9,661.06 | | 31,642.09 | 60,000.00 | | | (81,981.03) |
| Due Federal and State Grant Fund | | 25,016.76 | | | | | | 25,016.76 |
| Reserve for: | | | | | | | | |
| Purchase of Open Space | 52,924.20 | 32,740.00 | | 29,664.20 | 56,000.00 | | | |
| Sale of Assets | 10,580.00 | | | | | | | 10,580.00 |
| Ward Street Building | 64,427.75 | | | | | | | 64,427.75 |
| Installation of Traffic Light | 6,050.00 | | | | | | | 6,050.00 |
| Road Repair - Twin Rivers Drive North | 820.60 | | | | | | | 820.60 |
| Encumbrances | 779,256.66 | | | 662,704.05 | 523.43 | 284,161.99 | | 400,191.17 |
| Payment of Debt Service | 219,130.17 | | | | | | | 219,130.17 |

| Ord. Date | Improvement Authorizations | | | |
|-----------------------|--------------------------------------------------------------------|--------------|--------------|--------------|
| 11/01/94 | Various Capital Improvements and Purchases | 168,016.03 | \$ 82,926.00 | 85,090.03 |
| 05/05/98 | Various Capital Improvements and Purchases | 8,500.00 | | 8,500.00 |
| 06/27/00; 08/06/02 | Acquisition of the Millstone and Bear Brook Site for Open Space | (135,712.65) | | (135,712.65) |
| 03/06/01; 03/12/02 | Various Capital Improvements | (524,424.15) | | (524,424.15) |
| 11/07/01 | Various Capital Improvements | 17,500.00 | | 17,500.00 |
| 06/05/02 | Various Capital Improvements | 112,000.00 | | 112,000.00 |
| 05/18/04 | Acquisition of Land for Use as Open Space | (108,788.73) | | (108,788.73) |
| 12/07/04 | Various Capital Improvements | 33,332.97 | | 33,332.97 |
| 02/07/06 | Various Capital Improvements | (58,527.33) | | (58,527.33) |

TOWNSHIP OF EAST WINDSOR
GENERAL CAPITAL FUND
ANALYSIS OF CASH
(Continued)

| Ord. Date | Improvement Authorizations | Balance/ (Deficit) Dec. 31, 2013 | Receipts | | Disbursements | | Transfers | | Balance/ (Deficit) Dec. 31, 2014 |
|-----------|---------------------------------|----------------------------------------|----------------------|-------------------------------|------------------------|------------------------|------------------------|------------|----------------------------------------|
| | | | Miscellaneous | Improvement Authorizations | Miscellaneous | From | To | | |
| 04/10/07 | Various Capital Improvements | \$ 74,107.96 | | \$ 8,009.86 | | \$ 5,000.00 | | | \$ 61,098.10 |
| 09/11/07 | Repair Bear Brook Pathway | | | 34,600.00 | | 2,600.00 | | | (37,200.00) |
| 02/12/08 | Various Capital Improvements | 25,536.60 | | 6,044.00 | | | \$ 523.43 | | 20,016.03 |
| 09/02/09 | Various Capital Improvements | 92,000.00 | | | | | | | 92,000.00 |
| 07/26/11 | Various Capital Improvements | 354,483.54 | | 30,748.46 | | 71,170.49 | | | 252,564.59 |
| 03/07/12; | | | | | | | | | |
| 02/19/13 | Various Capital Improvements | 104,496.35 | | 9,946.70 | | 34,606.06 | | | 59,943.59 |
| 04/17/12 | Improvements to Dutch Neck Road | 855,474.25 | | | | | | | 855,474.25 |
| 05/01/12 | Acquisition of Open Space | 135,000.00 | | | | | | | 135,000.00 |
| 06/11/13 | Various Capital Improvements | 423,360.77 | | 326,510.62 | | 24,523.79 | | | 72,326.36 |
| 12/17/13 | Various Capital Improvements | 61,750.00 | | 581,120.90 | | 145,661.65 | | | (665,032.55) |
| 09/02/14 | Acquisition of Land | | | 200,000.00 | | | | 200,000.00 | |
| 11/11/14 | Various Capital Improvements | | | | | 600.00 | | 835,525.00 | 834,925.00 |
| | | <u>\$ 2,023,905.13</u> | <u>\$ 705,162.82</u> | <u>\$ 1,279,906.54</u> | <u>\$ 1,024,010.34</u> | <u>\$ 1,380,210.42</u> | <u>\$ 1,380,210.42</u> | | <u>\$ 425,151.07</u> |

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

| Ordinance Date | Improvement Description | Balance Dec. 31, 2013 | 2014 Improvement Authorizations | Improvement Authorizations Canceled | Balance Dec. 31, 2014 | Analysis of Balance December 31, 2014 | | |
|-----------------------|-------------------------------------------------------------------|------------------------|---------------------------------|-------------------------------------|------------------------|---------------------------------------|------------------------|---------------------------------------|
| | | | | | | Financed by Bond Anticipation Notes | Expended | Unexpended Improvement Authorizations |
| 06/13/95 | Various Capital Improvements | \$ 1,118.76 | | | \$ 1,118.76 | \$ 1,118.76 | | |
| 06/27/00; 08/06/02 | Acquisition of the Millstone and Bear Brook Site for Open Space | 135,712.65 | | | 135,712.65 | | \$ 135,712.65 | |
| 03/06/01; 03/12/02 | Various Capital Improvements | 616,158.66 | | | 616,158.66 | 87,133.05 | 524,424.15 | \$ 4,601.46 |
| 05/18/04 | Acquisition of Land for Use as Open Space | 108,788.73 | | | 108,788.73 | | 108,788.73 | |
| 02/07/06 | Various Capital Improvements | 66,849.77 | | | 66,849.77 | | 58,527.33 | 8,322.44 |
| 11/28/06 | Acquisition of Land | 133,487.50 | | | 133,487.50 | 133,487.50 | | |
| 09/11/07 | Repair Bear Brook Pathway | 70,000.00 | | | 70,000.00 | 32,800.00 | 37,200.00 | |
| 09/07/10 | Various Capital Improvements | 493,106.50 | | | 493,106.50 | 493,106.50 | | |
| 07/26/11 | Various Capital Improvements | 1,242,634.92 | | | 1,242,634.92 | 1,198,169.28 | | 44,465.64 |
| 03/07/12; 02/19/13 | Various Capital Improvements | 1,299,014.91 | | | 1,299,014.91 | 1,283,614.91 | | 15,400.00 |
| 05/01/12 | Acquisition of Open Space | 2,152,000.00 | | \$ 269,000.00 | 1,883,000.00 | | | 1,883,000.00 |
| 06/11/13 | Various Capital Improvements | 535,325.00 | | | 535,325.00 | 111,119.00 | | 424,206.00 |
| 12/17/13 | Various Capital Improvements | 1,173,250.00 | | | 1,173,250.00 | | 665,032.55 | 508,217.45 |
| 11/11/14 | Various Capital Improvements | | \$ 1,149,975.00 | | 1,149,975.00 | | | 1,149,975.00 |
| | | <u>\$ 8,027,447.40</u> | <u>\$ 1,149,975.00</u> | <u>\$ 269,000.00</u> | <u>\$ 8,908,422.40</u> | <u>\$ 3,340,549.00</u> | <u>\$ 1,529,685.41</u> | <u>\$ 4,038,187.99</u> |
| Ref. | | C | | | C | | | |
| | Improvement Authorizations - Unfunded | | | | | | | \$ 4,423,022.53 |
| | Less: Unexpended Proceeds of Bond Anticipation Notes Issued: | | | | | | | |
| | Ordinance Dated 07/26/11 - Various Capital Improvements | | | | | | \$ 252,564.59 | |
| | Ordinance Dated 03/07/12; 02/19/13 - Various Capital Improvements | | | | | | 59,943.59 | |
| | Ordinance Dated 06/11/13 - Various Capital Improvements | | | | | | 72,326.36 | |
| | | | | | | | | <u>384,834.54</u> |
| | | | | | | | | <u>\$ 4,038,187.99</u> |

TOWNSHIP OF EAST WINDSOR
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

| Ord. No. | Improvement Description | Ordinance | | Balance Dec. 31, 2013 | | 2014 Authorizations | | | | | Balance Dec. 31, 2014 | | |
|-----------------|--------------------------------------------|-----------------------|-----------------|-----------------------|--------------|--------------------------|------------------------------------------------|---------------|-------------------------------------|-------------------------------|-----------------------|--------------|--------------|
| | | Date | Amount | Funded | Unfunded | Capital Improvement Fund | Deferred Charges to Future Taxation - Unfunded | Other Sources | Improvement Authorizations Canceled | Encumbrances Payable Canceled | Paid or Charged | Funded | Unfunded |
| 94-30 | Various Capital Improvements and Purchases | 11/01/94 | \$ 1,360,800.00 | \$ 168,016.03 | | | | | | | \$ 82,926.00 | \$ 85,090.03 | |
| 98-10 | Various Capital Improvements and Purchases | 05/05/98 | 983,722.00 | 8,500.00 | | | | | | | | 8,500.00 | |
| 01-04; 02-02 | Various Capital Improvements | 03/06/01; 03/12/02 | 1,470,000.00 | | \$ 4,601.46 | | | | | | | | \$ 4,601.46 |
| 01-12 | Various Capital Improvements | 11/07/01 | 2,273,363.00 | 17,500.00 | | | | | | | | 17,500.00 | |
| 02-08 | Various Capital Improvements | 06/05/02 | 1,300,662.00 | 112,000.00 | | | | | | | | 112,000.00 | |
| 04-19 | Various Capital Improvements | 12/07/04 | 1,419,505.00 | 33,332.97 | | | | | | | | 33,332.97 | |
| 06-01 | Various Capital Improvements | 02/07/06 | 1,543,615.90 | | 8,322.44 | | | | | | | | 8,322.44 |
| 07-02 | Various Capital Improvements | 04/10/07 | 2,662,015.00 | 74,107.96 | | | | | | | 13,009.86 | 61,098.10 | |
| 07-08 | Repair Bear Brook Pathway | 09/11/07 | 70,000.00 | | 37,200.00 | | | | | | 37,200.00 | | |
| 08-03 | Various Capital Improvements | 02/12/08 | 1,672,300.00 | 25,536.60 | | | | | \$ 523.43 | 6,044.00 | | 20,016.03 | |
| 09-08 | Various Capital Improvements | 09/02/09 | 901,100.00 | 92,000.00 | | | | | | | | 92,000.00 | |
| 11-17 | Various Capital Improvements | 07/26/11 | 1,308,100.00 | | 398,949.18 | | | | | | 101,918.95 | | 297,030.23 |
| 12-03; 13-02 | Various Capital Improvements | 03/07/12; 02/19/13 | 1,416,860.00 | | 119,896.35 | | | | | | 44,552.76 | | 75,343.59 |
| 12-05 | Improvements to Dutch Neck Road | 04/17/12 | 2,052,620.00 | 855,474.25 | | | | | | | | 855,474.25 | |
| 12-06 | Acquisition of Open Space | 05/01/12 | 2,825,000.00 | 135,000.00 | 2,152,000.00 | | | \$ 269,000.00 | | | | 135,000.00 | 1,883,000.00 |
| 13-04 | Various Capital Improvements | 06/11/13 | 1,262,000.00 | 312,241.77 | 535,325.00 | | | | | | 351,034.41 | | 496,532.36 |
| 13-09 | Various Capital Improvements | 12/17/13 | 1,235,000.00 | 61,750.00 | 1,173,250.00 | | | | | | 726,782.55 | | 508,217.45 |
| 14-06 | Acquisition of Land | 09/02/14 | 200,000.00 | | | | | \$ 200,000.00 | | | 200,000.00 | | |

TOWNSHIP OF EAST WINDSOR
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
(Continued)

| Ord. No. | Improvement Description | Ordinance | | Balance Dec. 31, 2013 | | 2014 Authorizations | | | Improvement Authorizations Canceled | Encumbrances Payable Canceled | Paid or Charged | Balance Dec. 31, 2014 | |
|----------|------------------------------|-------------|-----------------|------------------------|------------------------|--------------------------|------------------------------------------------|----------------------|-------------------------------------|-------------------------------|------------------------|------------------------|------------------------|
| | | Date | Amount | Funded | Unfunded | Capital Improvement Fund | Deferred Charges to Future Taxation - Unfunded | Other Sources | | | | Funded | Unfunded |
| 14-08 | Various Capital Improvements | 11/11/14 | \$ 1,985,500.00 | | | \$ 60,525.00 | \$ 1,149,975.00 | \$ 775,000.00 | | | \$ 600.00 | \$ 834,925.00 | \$ 1,149,975.00 |
| | | | | <u>\$ 1,895,459.58</u> | <u>\$ 4,429,544.43</u> | <u>\$ 60,525.00</u> | <u>\$ 1,149,975.00</u> | <u>\$ 975,000.00</u> | <u>\$ 269,000.00</u> | <u>\$ 523.43</u> | <u>\$ 1,564,068.53</u> | <u>\$ 2,254,936.38</u> | <u>\$ 4,423,022.53</u> |
| | | <u>Ref.</u> | | <u>C</u> | <u>C</u> | | | | | | | <u>C</u> | <u>C</u> |
| | | | | | | | | \$ 919,000.00 | | | | | |
| | | | | | | | | <u>56,000.00</u> | | | | | |
| | | | | | | | | <u>\$ 975,000.00</u> | | | | | |
| | | | | | | | | | <u>\$ 269,000.00</u> | | | | |
| | | | | | | | | | | | \$ 1,279,906.54 | | |
| | | | | | | | | | | | <u>284,161.99</u> | | |
| | | | | | | | | | | | <u>\$ 1,564,068.53</u> | | |

TOWNSHIP OF EAST WINDSOR
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

| | <u>Ref.</u> | |
|----------------------------------------------------|-------------|---------------------------|
| Balance December 31, 2013 | C | \$ 9,583.93 |
| Increased by: | | |
| 2014 Budget Appropriation | | <u>60,000.00</u> |
| | | 69,583.93 |
| Decreased by: | | |
| Appropriated to Finance Improvement Authorizations | | <u>60,525.00</u> |
| Balance December 31, 2014 | C | <u><u>\$ 9,058.93</u></u> |

TOWNSHIP OF EAST WINDSOR
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

| Ord. No. | Improvement Authorization | Date of | | | Interest Rate | Balance | | |
|-----------------|------------------------------|------------------------------|----------------------|----------------------|------------------|------------------------|------------------------|------------------------|
| | | Issue of Original Note | Issue | Maturity | | Dec. 31, 2013 | Issued | Matured |
| 95-14 | Various Capital Improvements | 12/11/12 | 12/11/13 12/10/14 | 12/11/14 12/10/15 | 0.70% 0.55% | \$ 1,118.76 | \$ 1,118.76 | \$ 1,118.76 |
| 01-04; 02-02 | Various Capital Improvements | 12/11/12 | 12/11/13 12/10/14 | 12/11/14 12/10/15 | 0.70% 0.55% | 87,133.05 | 87,133.05 | 87,133.05 |
| 06-15 | Acquisition of Land | 12/11/12 | 12/11/13 12/10/14 | 12/11/14 12/10/15 | 0.70% 0.55% | 133,487.50 | 133,487.50 | 133,487.50 |
| 07-08 | Repair Bear Brook Pathway | 12/11/12 | 12/11/13 12/10/14 | 12/11/14 12/10/15 | 0.70% 0.55% | 32,800.00 | 32,800.00 | 32,800.00 |
| 10-08 | Various Capital Improvements | 12/11/12 | 12/11/13 12/10/14 | 12/11/14 12/10/15 | 0.70% 0.55% | 493,106.50 | 493,106.50 | 493,106.50 |
| 11-17 | Various Capital Improvements | 12/11/12 | 12/11/13 12/10/14 | 12/11/14 12/10/15 | 0.70% 0.55% | 1,198,169.28 | 1,198,169.28 | 1,198,169.28 |
| 12-03; 13-02 | Various Capital Improvements | 12/11/12 | 12/11/13 12/10/14 | 12/11/14 12/10/15 | 0.70% 0.55% | 1,283,614.91 | 1,283,614.91 | 1,283,614.91 |
| 13-04 | Various Capital Improvements | 12/11/13 | 12/11/13 12/10/14 | 12/11/14 12/10/15 | 0.70% 0.55% | 111,119.00 | 111,119.00 | 111,119.00 |
| | | | | | | <u>\$ 3,340,549.00</u> | <u>\$ 3,340,549.00</u> | <u>\$ 3,340,549.00</u> |
| <u>Ref.</u> | | | | | | C | | C |
| | | | | | | Renewals | <u>\$ 3,340,549.00</u> | <u>\$ 3,340,549.00</u> |

TOWNSHIP OF EAST WINDSOR
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

| Purpose | Date of Issue | Amount of Original Issue | Maturities of Bonds | | Interest Rate | Balance | | Balance Dec. 31, 2014 |
|-------------------------------------|---------------|--------------------------|---------------------|----------------------|---------------|-----------------|----------------|-----------------------|
| | | | Outstanding Date | Dec. 31, 2014 Amount | | Dec. 31, 2013 | Matured | |
| General Improvement Refunding Bonds | 5/12/09 | \$ 3,220,000 | 7/1/15 | \$ 525,000 | 4.00% | \$ 1,025,000.00 | \$ 500,000.00 | \$ 525,000.00 |
| General Improvement Bonds | 11/15/09 | 14,278,000 | 7/1/15 | 525,000 | 2.75% | | | |
| | | | 7/1/16 | 1,085,000 | 4.00% | | | |
| | | | 7/1/17 | 1,120,000 | 4.00% | | | |
| | | | 7/1/18 | 1,155,000 | 4.00% | | | |
| | | | 7/1/19 | 1,195,000 | 4.25% | | | |
| | | | 7/1/20 | 1,240,000 | 3.50% | | | |
| | | | 7/1/21 | 1,290,000 | 3.75% | | | |
| | | | 7/1/22 | 1,345,000 | 4.00% | | | |
| | | | 7/1/23 | 1,400,000 | 4.00% | | | |
| | | | 7/1/24 | 1,463,000 | 4.00% | | | |
| | | | | | | 12,338,000.00 | 520,000.00 | 11,818,000.00 |
| | | | | | | \$13,363,000.00 | \$1,020,000.00 | \$12,343,000.00 |
| | | | | | <u>Ref.</u> | C | | C |

TOWNSHIP OF EAST WINDSOR
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOANS PAYABLE

| | <u>Ref.</u> | |
|---------------------------|-------------|---------------|
| Balance December 31, 2013 | C | \$ 412,872.06 |
| Decreased by: | | |
| Principal Matured | | 59,226.16 |
| Balance December 31, 2014 | C | \$ 353,645.90 |

Schedule of Principal and Interest Payments Outstanding December 31, 2014 - Loan #1

| <u>Payment Number</u> | <u>Due</u> | <u>Interest</u> | <u>Principal</u> | <u>Loan Balance</u> |
|---------------------------|------------|-----------------|------------------|---------------------|
| | | | | \$ 215,543.30 |
| 25 | 06/25/15 | \$ 2,155.43 | \$ 13,390.36 | 202,152.94 |
| 26 | 12/25/15 | 2,021.53 | 13,524.27 | 188,628.67 |
| 27 | 06/25/16 | 1,886.29 | 13,659.51 | 174,969.16 |
| 28 | 12/25/16 | 1,749.69 | 13,796.11 | 161,173.05 |
| 29 | 06/25/17 | 1,611.73 | 13,934.07 | 147,238.98 |
| 30 | 12/25/17 | 1,472.39 | 14,073.41 | 133,165.57 |
| 31 | 06/25/18 | 1,331.66 | 14,214.14 | 118,951.43 |
| 32 | 12/25/18 | 1,189.51 | 14,356.28 | 104,595.15 |
| 33 | 06/25/19 | 1,045.95 | 14,499.85 | 90,095.30 |
| 34 | 12/25/19 | 900.95 | 14,644.84 | 75,450.46 |
| 35 | 06/25/20 | 754.50 | 14,791.29 | 60,659.17 |
| 36 | 12/25/20 | 606.59 | 14,939.21 | 45,719.96 |
| 37 | 06/25/21 | 457.20 | 15,088.60 | 30,631.36 |
| 38 | 12/25/21 | 306.31 | 15,239.48 | 15,391.88 |
| 39 | 06/25/22 | 153.92 | 15,391.88 | |
| | | \$ 17,643.65 | \$ 215,543.30 | |

Schedule of Principal and Interest Payments Outstanding December 31, 2014 - Loan #2

| <u>Payment Number</u> | <u>Due</u> | <u>Interest</u> | <u>Principal</u> | <u>Loan Balance</u> |
|---------------------------|------------|-----------------|------------------|---------------------|
| | | | | \$ 138,102.60 |
| 32 | 06/12/15 | \$ 1,381.03 | \$ 16,667.64 | 121,434.96 |
| 33 | 12/12/15 | 1,214.35 | 16,834.32 | 104,600.64 |
| 34 | 06/12/16 | 1,046.01 | 17,002.66 | 87,597.98 |
| 35 | 12/12/16 | 875.98 | 17,172.69 | 70,425.29 |
| 36 | 06/12/17 | 704.25 | 17,344.42 | 53,080.87 |
| 37 | 12/12/17 | 530.81 | 17,517.86 | 35,563.01 |
| 38 | 06/12/18 | 355.63 | 17,693.04 | 17,869.97 |
| 39 | 12/12/18 | 178.70 | 17,869.97 | |
| | | \$ 6,286.76 | \$ 138,102.60 | |

TOWNSHIP OF EAST WINDSOR
GENERAL CAPITAL FUND
SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOAN PAYABLE

| | <u>Ref.</u> | |
|---------------------------|-------------|---------------|
| Balance December 31, 2013 | C | \$ 541,380.93 |
| Decreased by: | | |
| Principal Matured | | 40,947.69 |
| Balance December 31, 2014 | C | \$ 500,433.24 |

Schedule of Principal and Interest Payments Outstanding December 31, 2014

| Payment Number | Due | <u>Trust</u> | | <u>Fund</u> | <u>Loan Balance</u> |
|-------------------|----------|-----------------|------------------|------------------|---------------------|
| | | <u>Interest</u> | <u>Principal</u> | <u>Principal</u> | |
| | | | | | \$ 500,433.24 |
| 18 | 2/1/2015 | \$ 3,215.63 | | \$ 5,877.66 | 494,555.58 |
| 19 | 8/1/2015 | 3,215.63 | \$ 10,000.00 | 24,156.11 | 460,399.47 |
| 20 | 2/1/2016 | 3,015.63 | | 5,513.09 | 454,886.38 |
| 21 | 8/1/2016 | 3,015.63 | 10,000.00 | 23,790.53 | 421,095.85 |
| 22 | 2/1/2017 | 2,815.63 | | 5,146.52 | 415,949.33 |
| 23 | 8/1/2017 | 2,815.63 | 10,000.00 | 23,424.97 | 382,524.36 |
| 24 | 2/1/2018 | 2,615.63 | | 4,780.95 | 377,743.41 |
| 25 | 8/1/2018 | 2,615.63 | 15,000.00 | 32,198.63 | 330,544.78 |
| 26 | 2/1/2019 | 2,296.88 | | 4,198.33 | 326,346.45 |
| 27 | 8/1/2019 | 2,296.88 | 15,000.00 | 31,616.00 | 279,730.45 |
| 28 | 2/1/2020 | 1,978.13 | | 3,615.70 | 276,114.75 |
| 29 | 8/1/2020 | 1,978.13 | 15,000.00 | 31,033.38 | 230,081.37 |
| 30 | 2/1/2021 | 1,640.63 | | 2,998.80 | 227,082.57 |
| 31 | 8/1/2021 | 1,640.63 | 15,000.00 | 30,416.48 | 181,666.09 |
| 32 | 2/1/2022 | 1,312.50 | | 2,399.04 | 179,267.05 |
| 33 | 8/1/2022 | 1,312.50 | 15,000.00 | 29,816.72 | 134,450.33 |
| 34 | 2/1/2023 | 984.38 | | 1,799.28 | 132,651.05 |
| 35 | 8/1/2023 | 984.38 | 15,000.00 | 29,216.96 | 88,434.09 |
| 36 | 2/1/2024 | 656.25 | | 1,199.52 | 87,234.57 |
| 37 | 8/1/2024 | 656.25 | 15,000.00 | 28,617.19 | 43,617.38 |
| 38 | 2/1/2025 | 328.13 | | 599.76 | 43,017.62 |
| 39 | 8/1/2025 | 328.13 | 15,000.00 | 28,017.62 | |
| | | \$ 41,718.84 | \$ 150,000.00 | \$ 350,433.24 | |

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

| Ordinance No. | Improvement Description | Balance Dec. 31, 2013 | 2014 Authorizations | Improvement Authorizations Canceled | Balance Dec. 31, 2014 |
|------------------|--------------------------------------------------------------------|--------------------------|------------------------|-------------------------------------------|--------------------------|
| 00-17; 02-09 | Acquisition of the Millstone and Bear Brook Site for Open Space | \$ 135,712.65 | | | \$ 135,712.65 |
| 01-04; 02-02 | Various Capital Improvements | 529,025.61 | | | 529,025.61 |
| 04-08 | Acquisition of Land for Use as Open Space | 108,788.73 | | | 108,788.73 |
| 06-01 | Various Capital Improvements | 66,849.77 | | | 66,849.77 |
| 07-08 | Repair Bear Brook Pathway | 37,200.00 | | | 37,200.00 |
| 11-17 | Various Capital Improvements | 44,465.64 | | | 44,465.64 |
| 12-03; 13-02 | Various Capital Improvements | 15,400.00 | | | 15,400.00 |
| 12-06 | Acquisition of Open Space | 2,152,000.00 | | \$ 269,000.00 | 1,883,000.00 |
| 13-04 | Various Capital Improvements | 424,206.00 | | | 424,206.00 |
| 13-09 | Various Capital Improvements | 1,173,250.00 | | | 1,173,250.00 |
| 14-08 | Various Capital Improvements | | \$ 1,149,975.00 | | 1,149,975.00 |
| | | <u>\$ 4,686,898.40</u> | <u>\$ 1,149,975.00</u> | <u>\$ 269,000.00</u> | <u>\$ 5,567,873.40</u> |

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
2014
WATER UTILITY FUND

NOT APPLICABLE

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
2014
SEWER UTILITY FUND

NOT APPLICABLE

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
2014
PUBLIC ASSISTANCE FUND

TOWNSHIP OF EAST WINDSOR
PUBLIC ASSISTANCE FUND
SCHEDULE OF CASH - TREASURER

| | <u>Ref.</u> | <u>Total</u> | <u>P.A.T.F. I</u> | <u>P.A.T.F. II</u> | |
|-------------------------------------|-------------|-------------------|-------------------|--------------------|-------------------|
| | | | | <u>Treasurer</u> | <u>Director</u> |
| Balance December 31, 2013 | F | \$ 132,246.08 | \$ 18,121.86 | \$ 5,009.34 | \$ 109,114.88 |
| Increased by Receipts: | | | | | |
| State Aid | | 94,400.00 | | 94,400.00 | |
| Supplemental Security Income: | | | | | |
| Township Reimbursements | | 8,434.96 | | 1,049.96 | 7,385.00 |
| Miscellaneous Reimbursements | | 6,987.85 | | | 6,987.85 |
| Due Current Fund: | | | | | |
| Interest Earned | | 628.86 | 91.89 | 395.26 | 141.71 |
| Intrafund | | 207,090.72 | | 100,000.00 | 107,090.72 |
| | | <u>317,542.39</u> | <u>91.89</u> | <u>195,845.22</u> | <u>121,605.28</u> |
| Decreased by Disbursements: | | | | | |
| Current Year Assistance (Reported): | | | | | |
| Maintenance | | 32,113.00 | | | 32,113.00 |
| Temporary Rental Assistance | | 36,200.00 | | | 36,200.00 |
| Emergency Assistance | | 36,219.11 | | | 36,219.11 |
| Transportation | | 1,380.00 | | | 1,380.00 |
| Due Current Fund: | | | | | |
| Interest Earned | | 628.86 | 91.89 | 395.26 | 141.71 |
| Intrafund | | 207,090.72 | | 107,090.72 | 100,000.00 |
| | | <u>313,631.69</u> | <u>91.89</u> | <u>107,485.98</u> | <u>206,053.82</u> |
| Balance December 31, 2014 | F | \$ 136,156.78 | \$ 18,121.86 | \$ 93,368.58 | \$ 24,666.34 |

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
2014
BOND AND INTEREST FUND

NOT APPLICABLE

TOWNSHIP OF EAST WINDSOR
COUNTY OF MERCER
2014
SPECIAL GARBAGE DISTRICT FUND

TOWNSHIP OF EAST WINDSOR
SPECIAL GARBAGE DISTRICT FUND
SCHEDULE OF CASH - TREASURER

| | <u>Ref.</u> | |
|-----------------------------------------|-----------------|-------------------------------|
| Balance December 31, 2013 | H | \$ 1,074,344.22 |
| Increased by Receipts: | | |
| Due Current Fund: | | |
| District Taxes | \$ 2,180,968.62 | |
| Interfund Advanced | 24,893.70 | |
| Miscellaneous Revenue | 8,843.39 | |
| Appropriation Refunds | 204.84 | |
| | <hr/> | 2,214,910.55 |
| | | <hr/> |
| | | 3,289,254.77 |
| Decreased by Disbursements: | | |
| 2014 Appropriation Expenditures | 1,964,626.18 | |
| 2013 Appropriation Reserve Expenditures | 86,969.26 | |
| | <hr/> | 2,051,595.44 |
| | | <hr/> |
| Balance December 31, 2014 | H | <u><u>\$ 1,237,659.33</u></u> |

TOWNSHIP OF EAST WINDSOR
SPECIAL GARBAGE DISTRICT FUND
SCHEDULE OF DISTRICT TAXES RECEIVABLE
YEAR ENDED DECEMBER 31, 2014

| | |
|----------------------------|------------------------|
| Increased by: | |
| 2014 Tax Levy | \$ 2,180,968.62 |
| Decreased by: | |
| Received from Current Fund | <u>\$ 2,180,968.62</u> |

TOWNSHIP OF EAST WINDSOR
SPECIAL GARBAGE DISTRICT FUND
SCHEDULE OF 2013 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

| | <u>Balance</u> <u>Dec. 31, 2013</u> | <u>Balance After</u> <u>Modification</u> | <u>Paid or</u> <u>Charged</u> | <u>Balance</u> <u>Lapsed</u> |
|-------------------------------------|----------------------------------------|---------------------------------------------|----------------------------------|---------------------------------|
| Operating: | | | | |
| Salaries and Wages | \$ 51,399.58 | \$ 51,399.58 | | \$ 51,399.58 |
| Other Expenses | 78,085.56 | 78,085.56 | \$ 25,697.29 | 52,388.27 |
| Contractual Services | 11,857.06 | 11,857.06 | | 11,857.06 |
| Disposal Fees | 168,164.23 | 168,164.23 | 59,801.50 | 108,362.73 |
| Recycling Tax | 4,727.97 | 4,727.97 | 1,304.07 | 3,423.90 |
| Statutory Expenditures: | | | | |
| Contribution to: | | | | |
| Social Security System (O.A.S.I.) | 6,021.14 | 6,021.14 | | 6,021.14 |
| Unemployment Compensation Insurance | 1,076.45 | 1,076.45 | 166.40 | 910.05 |
| | <u>\$ 321,331.99</u> | <u>\$ 321,331.99</u> | <u>\$ 86,969.26</u> | <u>\$ 234,362.73</u> |

Ref.

Analysis of Balance December 31, 2013:

| | | | |
|-------------------------|---|----------------------|--|
| Appropriation Reserves: | | | |
| Unencumbered | H | \$ 163,564.91 | |
| Encumbered | H | 157,767.08 | |
| | | <u>\$ 321,331.99</u> | |

TOWNSHIP OF EAST WINDSOR

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2014

TOWNSHIP OF EAST WINDSOR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

| Federal Funding Department/Cluster Title | Federal Program | CFDA Number | State Program Account Number | Grant Period | | Grant Award Amount | Grant Receipts | Amount of Expenditures | Cumulative Expenditures |
|-------------------------------------------------------------------------------------------|-----------------------------------------------------------|-------------|------------------------------|--------------|----------|--------------------|----------------|------------------------|-------------------------|
| | | | | From | To | | | | |
| US Department of Housing and Urban Development: | | | | | | | | | |
| Passed through NJ Department of Community Affairs | Small Cities Community Development Block Grant | 14.228 | 100-022-8020-078-6120 | 01/01/13 | 12/31/15 | \$ 200,000.00 | \$ 53,275.00 | \$ 65,260.00 | \$ 65,260.00 |
| Total US Department of Housing and Urban Development | | | | | | | 53,275.00 | 65,260.00 | 65,260.00 |
| US Department of Transportation: | | | | | | | | | |
| Passed through NJ Transit Corporation | Federal Transit Administration Section 5307 Formula Grant | 20.507 | N/A | 07/01/13 | 06/30/14 | 100,000.00 | | 49,750.00 | 49,750.00 |
| | | | | 07/01/14 | 06/30/15 | 100,000.00 | 98,494.08 | 71,340.49 | 71,340.49 |
| | | | | | | | 98,494.08 | 121,090.49 | 121,090.49 |
| Passed through NJ Department of Law and Public Safety, Division of Highway Traffic Safety | Drive Sober or Get Pulled Over | 20.601 | N/A | 01/01/14 | 12/31/15 | 4,400.00 | 4,400.00 | | |
| | | | | 01/01/14 | 12/31/15 | 5,000.00 | 5,000.00 | | |
| | | | | | | | 9,400.00 | | |
| Passed through NJ Department of Transportation | Click It or Ticket | 20.614 | 100-066-1160-116-6120 | 01/01/14 | 12/31/14 | 4,000.00 | 4,000.00 | 4,000.00 | 4,000.00 |
| | | | | | | | 4,000.00 | 4,000.00 | 4,000.00 |
| Total US Department of Transportation | | | | | | | 111,894.08 | 125,090.49 | 125,090.49 |
| TOTAL FEDERAL AWARDS | | | | | | | \$ 165,169.08 | \$ 190,350.49 | \$ 190,350.49 |

N/A - Not Available / Not Applicable.

SEE NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWNSHIP OF EAST WINDSOR
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

| New Jersey Agency or Department | Name of Program | State Grant Account or Award Number | Grant Period | | Grant Award | Amount Received | Amount of Expenditures | Cumulative Expenditures |
|----------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------------------|----------------------------------------------|--------------------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|
| | | | From | To | | | | |
| Department of the Treasury: | | | | | | | | |
| Passed through Mercer County | Governor's Council on Alcoholism and Drug Abuse - Municipal Alliance Program | 100-082-2000- 044-995120 | 01/01/13 07/01/14 | 06/30/14 06/30/15 | \$ 33,130.00 11,052.00 | \$ 28,383.31 | \$ 22,480.98 3,278.91 | \$ 32,638.14 3,278.91 |
| Total Department of the Treasury | | | | | | 28,383.31 | 25,759.89 | 35,917.05 |
| Department of Environmental Protection | Clean Communities Program | 765-042-4900- 004-V42Y-6020 | 01/01/10 01/01/12 01/01/13 01/01/14 | 12/31/14 12/31/14 12/31/15 12/31/15 | 39,226.61 38,731.32 45,473.70 42,644.01 | | 200.00 17,815.49 33,090.49 | 39,226.61 38,731.32 33,840.49 |
| | | | | | | 42,644.01 | | |
| | | | | | | 42,644.01 | 51,105.98 | 111,798.42 |
| | Recycling Tonnage Grant | 752-042-4900- 004-178840 | 01/01/11 01/01/12 01/01/13 01/01/14 | 12/31/14 12/31/14 12/31/15 12/31/15 | 16,402.77 22,440.31 17,205.83 37,267.44 | | 1,419.13 22,440.31 11,140.56 | 16,402.77 22,440.31 11,140.56 |
| | | | | | | 37,267.44 | | |
| | | | | | | 37,267.44 | 35,000.00 | 49,983.64 |
| | No Net Loss Reforestation Program | 71H-042-4801- 009-NJFS | 01/01/12 | 12/31/15 | 1,832,620.00 | 86,620.00 | 331,942.00 | 954,917.75 |
| | | | | | | 86,620.00 | 331,942.00 | 954,917.75 |
| | Garden State Green Acres Preservation Trust Fund | 727-042-4800- 002-V22G-6120 | 01/01/14 | 12/31/14 | 72,000.00 | 72,000.00 | 72,000.00 | 72,000.00 |
| | | | | | | 72,000.00 | 72,000.00 | 72,000.00 |
| Total Department of Environmental Protection | | | | | | 238,531.45 | 490,047.98 | 1,188,699.81 |
| Department of Transportation | NJ Municipal Trust Fund Authority Act | 480-078-6320- 156-601385 | 01/01/12 01/01/12 01/01/13 | 12/31/12 12/31/12 12/31/14 | 100,000.00 220,000.00 249,500.00 | 93,435.00 220,000.00 187,125.00 | | 93,435.00 220,000.00 228,542.60 |
| Total Department of Transportation | | | | | | 500,560.00 | | 541,977.60 |

TOWNSHIP OF EAST WINDSOR
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

| New Jersey Agency or Department | Name of Program | State Grant Account or Award Number | Grant Period | | Grant Award | Amount Received | Amount of Expenditures | Cumulative Expenditures |
|-------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------|----------------------|----------------------|------------------------|--------------------|---------------------------|----------------------------|
| | | | From | To | | | | |
| Department of Human Services | Payments to Municipalities for Cost of General Assistance (State Share) | 100-054-7550- 121-158010 | 01/01/14 | 12/31/14 | \$ 105,912.11 | \$ 94,400.00 | \$ 105,912.11 | \$ 105,912.11 |
| Total Department of Human Services | | | | | | 94,400.00 | 105,912.11 | 105,912.11 |
| Department of Law and Public Safety | Drunk Driving Enforcement Fund | 100-078-6400- 260-YYYY | 01/01/12 01/01/13 | 12/31/14 12/31/14 | 10,192.99 10,000.14 | | 2,694.88 8,486.72 | 10,192.99 8,486.72 |
| | | | 01/01/14 | 12/31/14 | 12,164.26 | 12,164.26 | | |
| | | | | | | 12,164.26 | 11,181.60 | 18,679.71 |
| | Body Armor Replacement Fund | 718-066-1020- 001-YCJS-6120 | 01/01/12 01/01/13 | 12/31/14 12/31/14 | 4,352.89 5,523.26 | | 2,502.27 5,523.26 | 4,352.89 5,523.26 |
| | | | 01/01/14 | 12/31/15 | 4,211.46 | 4,211.46 | | |
| | | | | | | 4,211.46 | 8,025.53 | 9,876.15 |
| Total Department of Law and Public Safety | | | | | | 16,375.72 | 19,207.13 | 28,555.86 |
| NJ Transit Corporation | Senior Citizens and Disabled Residents Transportation Program | EC-8225 | 07/01/13 07/01/14 | 06/30/14 06/30/15 | 50,000.00 50,000.00 | | | |
| Total NJ Transit Corporation | | | | | | -0- | -0- | -0- |
| TOTAL STATE AWARDS | | | | | | \$ 878,250.48 | \$ 640,927.11 | \$ 1,901,062.43 |

SEE NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWNSHIP OF EAST WINDSOR
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2014

A. BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal and State Awards (the "Schedules") include the federal and state grant activity of the Township of East Windsor under programs of the federal and state governments for the year ended December 31, 2014. The information in these schedules is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* and New Jersey's OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the Township of East Windsor, they are not intended to and do not present the financial position, changes in fund balance or cash flows of the Township of East Windsor.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying Schedules of Expenditures of Federal and State Awards are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governmental Units*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

C. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

D. THRESHOLD FOR STATE AWARDS

The threshold for distinguishing state Type A and B programs was \$300,000. The Township did not qualify as a "low-risk" auditee under the provisions of section 530 of the federal Circular for state programs.

E. STATE LOANS OUTSTANDING

The Township of East Windsor has the following loans outstanding as of December 31, 2014:

General Capital Fund:

| | |
|--------------------------------------|------------|
| NJ Green Trust Loan Program | \$ 353,646 |
| NJ Environmental Infrastructure Loan | 500,433 |

Currently, the Township is in the process of repaying the loan balances. There were no loan receipts or expenditures in the current year. The projects which relate to the loans are complete.



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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*

Independent Auditors' Report

The Honorable Mayor and Members
 of the Township Council
 Township of East Windsor
 East Windsor, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements – *regulatory basis* - of the various funds of the Township of East Windsor, in the County of Mercer (the "Township") as of, and for the years ended, December 31, 2014 and 2013, and the related notes to the financial statements and have issued our report thereon dated October 7, 2015. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. That qualified report also indicated that we did not audit the general fixed assets account group.

Internal Control Over Financial Reporting

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

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

The Honorable Mayor and Members
of the Township Council
Township of East Windsor
Page 2

Compliance and Other Matters


As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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'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's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mount Arlington, New Jersey
October 7, 2015


NISIVOCCIA LLP


Francis J. Jones, Jr.
Certified Public Accountant
Registered Municipal Accountant No. 442



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Report on Compliance For Each Major State Program;
 Report on Internal Control Over Compliance Required by OMB Circular A-133
 and New Jersey's OMB Circular 04-04

Independent Auditors' Report

The Honorable Mayor and Members
 of the Township Council
 Township of East Windsor
 East Windsor, New Jersey

Report on Compliance for Each Major State Program

We have audited the Township of East Windsor's (the "Township's") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on the Township's major state programs for the year ended December 31, 2014. The Township's major state programs are identified in the summary of auditors' 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 state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the Township's major 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; OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* and New Jersey's OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Those standards, OMB Circular A-133 and New Jersey's OMB Circular 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 state program occurred. An audit includes examining, on a test basis, evidence about the Township'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 the major state programs. However, our audit does not provide a legal determination on the Township's compliance.

The Honorable Mayor and Members
of the Township Council
Township of East Windsor
Page 2

Opinion on Each Major State Program

In our opinion, the Township complied, in all material respects, with the types of requirements referred to above that could have a direct and material effect on its major state programs for the year ended December 31, 2014.

Report on Internal Control Over Compliance

Management of the Township is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to on the previous page. In planning and performing our audit of compliance, we considered the Township's internal control over compliance with the types of requirements that could have a direct and material effect on the major state programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major state programs and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey's OMB Circular 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's internal control over compliance.

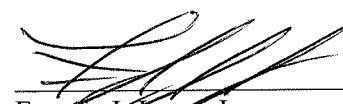
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement 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 or state 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 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 New Jersey's OMB Circular 04-04. Accordingly, this report is not suitable for any other purpose.

Mount Arlington, New Jersey
October 7, 2015


NISIVOC CIA LLP


Francis J. Jones, Jr.
Certified Public Accountant
Registered Municipal Accountant No. 442

TOWNSHIP OF EAST WINDSOR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014

Summary of Auditors' Results:

- The Independent Auditors' Report expresses a qualified opinion on the Township's financial statements, prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, as the general fixed assets account group was not audited.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' 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*.
- No instances of noncompliance material to the financial statements of the Township which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over the major state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major State Program; Report on Internal Control Over Compliance Required by OMB Circular A-133 and New Jersey's OMB Circular 04-04*.
- The auditors' report on compliance for the major state programs for the Township expresses an unmodified opinion on the major state programs.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circular 04-04 or Section 510(a) of Federal OMB Circular A-133.
- The Township was not subject to the single audit provisions of Federal OMB Circular A-133 for 2014 as federal grant expenditures were less than the single audit threshold of \$500,000 identified in the Circular.
- The Township's programs tested as major state programs for the current year consisted of the following state programs:

| | State Grant Account or Award Number | Award Amount | Expenditures |
|-----------------------------------------------------|-------------------------------------------|---------------------|-------------------|
| <u>State Program:</u> | | | |
| No Net Loss Reforestation Program | 71H-042-4801- 009-NJFS | \$ 1,832,620 | \$ 331,942 |
| Garden State Green Acres Preservation Trust Fund | 727-042-4800- 002-V22G-6120 | 72,000 | 72,000 |
| | | <u>\$ 1,904,620</u> | <u>\$ 403,942</u> |

TOWNSHIP OF EAST WINDSOR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014

Summary of Auditors' Results (Cont'd):

- The threshold for distinguishing between Type A and Type B state programs was \$300,000.
- The Township did not qualify as a "low-risk" auditee for state programs.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- Not Applicable since federal expenditures were below the single audit threshold.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in section 510(a) of the federal Circular or New Jersey's OMB Circular 04-04.

TOWNSHIP OF EAST WINDSOR
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014

The Township had no prior year audit findings.

TOWNSHIP OF EAST WINDSOR

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2014

TOWNSHIP OF EAST WINDSOR
COMMENTS AND RECOMMENDATIONS

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

N.J.S. 40A:11-3 states:

a. " When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, C.198 (N.J.S. 40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, C.198 (N.J.S. 40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, C.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, C.198 (N.J.S. 40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made."

N.J.S. 40A:11-4 states: "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

Effective January 1, 2011 and thereafter, the bid threshold in accordance with N.J.S. 40A:11-3 and 40A:11-4 (as amended) is \$17,500 and with a qualified purchasing agent the bid threshold may be up to \$36,000.

The governing body of the Township of East Windsor has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the year and where question arises as to whether any contract or agreement might result in violation of the statute, the Township Attorney's opinion should be sought before a commitment is made.

The minutes indicated that bids were requested by public advertising per N.J.S. 40A:11-4. The minutes also indicated that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services," per N.J.S. 40A:11-5.

TOWNSHIP OF EAST WINDSOR
COMMENTS AND RECOMMENDATIONS
(Continued)

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

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. None were noted.

Collection of Interest on Delinquent Taxes

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

On January 1, 2014, the governing body adopted the following resolution authorizing interest to be charged on delinquent taxes:

BE IT RESOLVED by the Township Council of the Township of East Windsor, Mercer County, New Jersey, that the rate of interest to be paid upon delinquent taxes for the year 2014 shall be fixed at the rate of 8% per annum to \$1,500 and any amount in excess of \$1,500 shall be fixed at the rate of 18% per annum. However, interest shall not be collected upon taxes that are not delinquent over ten (10) days. After the tenth day of "grace period", interest reverts back to the due date. An additional penalty of 6% will be imposed on delinquencies in excess of \$10,000 at December 31, 2014.

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 December 5, 2014 and all eligible properties were transferred to lien.

The following comparison is made of the number of tax title liens receivable on December 31, of the last three years:

| Year | Number of Liens |
|------|-----------------|
| 2014 | 12 |
| 2013 | 12 |
| 2012 | 8 |

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

TOWNSHIP OF EAST WINDSOR
COMMENTS AND RECOMMENDATIONS
(Continued)

Municipal Court

The report of the Municipal Court has been forwarded to the Division of Local Government Services and the Township's Magistrate under separate cover. Reflected below is a summary of receipts and disbursements for the year ended December 31, 2014.

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

| <u>AGENCY</u> | <u>Balance</u> <u>12/31/2013</u> | <u>Cash</u> <u>Received</u> | <u>Cash</u> <u>Disbursed</u> | <u>Balance</u> <u>12/31/2014</u> |
|------------------------------|-------------------------------------|--------------------------------|---------------------------------|-------------------------------------|
| State of New Jersey | \$ 19,975.81 | \$ 321,633.53 | \$ 316,883.08 | \$ 24,726.26 |
| County of Mercer | 19,523.10 | 263,499.36 | 263,473.70 | 19,548.76 |
| Township of East Windsor: | | | | |
| Fines and Costs | 43,706.19 | 618,352.63 | 614,580.84 | 47,477.98 |
| Parking Offense Adjudication | | | | |
| Act - Fines | 6.00 | 142.00 | 136.00 | 12.00 |
| Public Defender | 1,236.00 | 14,782.00 | 14,788.00 | 1,230.00 |
| Interest: | | | | |
| Regular Account | 0.77 | 402.73 | 369.36 | 34.14 |
| Bail Account | 0.10 | 88.18 | 82.22 | 6.06 |
| Weights and Measures | | 4,400.00 | 3,900.00 | 500.00 |
| Restitution | 150.00 | 4,580.70 | 4,144.70 | 586.00 |
| Bail | 13,223.00 | 263,289.00 | 264,578.00 | 11,934.00 |
| TOTAL | \$ 97,820.97 | \$ 1,491,170.13 | \$ 1,482,935.90 | \$ 106,055.20 |

Our review of the tickets and special complaints assigned but not issued reports at December 31, 2014 revealed that there are a small number of tickets and special complaints listed on these reports which were assigned over six months ago. As the Court Administrator is currently in the process of addressing these assigned but not issued tickets and special complaints over six months old so that they are collected from the respective officers and reissued and/or voided, no formal recommendation is deemed necessary.

New Jersey Administrative Code Accounting Requirements

The Division of Local Government Services has established three (3) accounting requirements which are prescribed in the New Jersey Administrative Code. They are as follows:

1. Maintenance of an encumbrance accounting system.
2. Fixed asset accounting and reporting system.
3. General ledger accounting system.

The Township is currently in compliance with the accounting requirements.

TOWNSHIP OF EAST WINDSOR
COMMENTS AND RECOMMENDATIONS
(Continued)

Finance

The general ledgers for the Current, Federal and State Grant, General Capital, Special Garbage District and Payroll Funds were not in balance due to cross-fund entries. In addition, the general ledger for the Payroll Fund was not in balance due to one-sided entries.

It is recommended that, to prevent unbalanced general ledgers, the general ledgers for the Current, Federal and State Grant, General Capital, Special Garbage District and Payroll Funds general ledgers do not include cross-fund entries and the general ledger for the Payroll Fund does not include one-sided entries.

Management's Response:

The necessary steps will be taken to ensure the general ledgers for all funds do not include cross-fund or one-sided entries.

The bank reconciliations for the Current and Payroll Funds were not prepared on a monthly basis. These reconciliations were approximately six months behind and, although the reconciliations were prepared timely at the time of our audit, resulted in a number of reconciling items requiring further investigation and follow-up as well as multiple transfers between funds that were recorded but did not occur which required their reclassification as interfund balances at December 31, 2014.

It is recommended that the bank reconciliations for the Current and Payroll Funds be prepared on a monthly basis.

Management's Response

The Township will ensure that, in the future, the bank reconciliations for the Current and Payroll Funds are prepared on a monthly basis.

There are a number of interfund receivables on the various balance sheets at December 31, 2014. These interfund receivables place restrictions on the cash flow of the various funds.

It is recommended that all interfund balances be liquidated on a timely basis and that every effort be made to limit interfund activity in the future.

Management's Response

The Township will liquidate the interfund receivables and make every effort to ensure that, in the future, interfund activity is limited and interfund balances are liquidated on a timely basis.

TOWNSHIP OF EAST WINDSOR
COMMENTS AND RECOMMENDATIONS
(Continued)

Federal and State Grant and General Capital Funds

During our review of the Federal and State Grant and General Capital Funds we noted the following:

The Federal and State Grant Fund Schedules of Grants Receivable and Appropriated and Unappropriated Reserves include grants receivable and appropriated and unappropriated reserve balances from prior years.

There are also Mercer County, Open Space and NJ Environmental Infrastructure Trust grants receivable related to General Capital Fund ordinances adopted in 2008 and prior which have not been collected.

It is recommended that the grants receivable and appropriated and unappropriated reserve balances from prior years be reviewed for continued recognition and appropriate action be taken, if necessary.

Management's Response:

A review of all grants receivable and appropriated and unappropriated reserve balances from prior years has been undertaken and will be completed for continued recognition, and appropriate action will be taken, if necessary.

General Capital Fund

There are a few ordinances over five years old with deficit cash balances as of December 31, 2014 where the projects have been completed and payments made from cash not provided by the particular ordinances with unfinanced costs. This situation arises when expenditures are made from an ordinance without the related debt being issued.

It is recommended that future budgets include funding for ordinances over five years old with deficit cash balances.

Management's Response:

The Township will review all ordinances over five years old with deficit cash balances for funding in future budgets.

Animal Control Fund

During our review of the Animal Control Fund we noted that the dog license fees due to the State as of December 31, 2014 are comprised entirely of the balance from December 31, 2012 not yet remitted to the State. In addition, although remitted in full, the payments for the 2014 state dog license fees collected were not made on a monthly basis. State dog license fees collected in January 2014 through March 2014 were remitted in June 2014, those collected in April 2014 were remitted in September 2014 and those collected in September 2014 were remitted in December 2014. As the Township is currently in the process of ensuring that the payment to the State for all state dog license fee collections is timely remitted and the unremitted portion of the balance from December 31, 2012 is rectified, no formal recommendation is deemed necessary.

TOWNSHIP OF EAST WINDSOR
COMMENTS AND RECOMMENDATIONS
(Continued)

Purchase Orders

During our review of purchase orders processed during the year, two other trust fund escrow disbursements were selected for testing. Although these disbursements were approved by the Governing Body and properly posted to the applicable subsidiary ledgers, the purchase orders along with supporting invoices for these two other trust fund escrow disbursements were not able to be located and presented for audit inspection.

It is recommended that greater care be exercised over other trust fund escrow purchase orders and supporting invoices to ensure that they are available for audit inspection.

Management's Response:

The Township will ensure that greater care is exercised over other trust fund escrow purchase orders and supporting invoices so that they are available for audit inspection.

Surety Bond Coverage

During our review of the Township's surety bond coverage, documentation could not be provided indicating that coverage was obtained for the new CFO for the period of October 6, 2014 through December 31, 2014. As this has already been rectified for 2015, no formal recommendation is deemed necessary.

Outside Offices

During our review of the Senior Center fees collected, it was noted that, due to turnover in personnel, these records were incomplete and, therefore, could not be reconciled to the Finance Department's records. As a new computer-based reporting system has already been implemented for Senior Center fees collected, no formal recommendation is deemed necessary.

Corrective Action Plan

The Township has initiated a corrective action plan to resolve comments and recommendations from the 2013 audit report. Recommendations 1a and 2a are included in the current year recommendations as 3a and 4a, respectively, and are in the process of being implemented, where possible.

TOWNSHIP OF EAST WINDSOR
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. Finance:

- a. To prevent unbalanced general ledgers, the general ledgers for the Current, Federal and State Grant, General Capital, Special Garbage District and Payroll Funds general ledgers do not include cross-fund entries and the general ledger for the Payroll Fund does not include one-sided entries.
- b. The bank reconciliations for the Current and Payroll Funds be prepared on a monthly basis.
- c. All interfund balances be liquidated on a timely basis and that every effort be made to limit interfund activity in the future.

2. Federal and State Grant and General Capital Funds:

- a. The grants receivable and appropriated and unappropriated reserve balances from prior years be reviewed for continued recognition and appropriate action be taken, if necessary.

3. General Capital Fund:

- a. Future budgets include funding for ordinances over five years old with deficit cash balances.

4. Purchase Orders:

- a. Greater care be exercised over other trust fund escrow purchase orders and supporting invoices to ensure that they are available for audit inspection.

* * * * *