

**TOWNSHIP OF MILLBURN**

Financial Statements  
with Additional Financial Information

December 31, 2014

(With Independent Auditor's Report Thereon)

# TOWNSHIP OF MILLBURN

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# ***LOUIS C. MAI CPA & ASSOCIATES***

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P.O. Box 624  
Pompton Plains, N.J. 07444

Phone: 973-492-2524  
Fax: 973-492-9515

## **Independent Auditor's Report**

The Honorable Mayor and  
Members of the Township Committee  
Township of Millburn  
Millburn, New Jersey:

### **Report on the Financial Statements**

We have audited the accompanying regulatory basis balance sheets of the various funds and account groups as of December 31, 2014 and 2013 of the Township of Millburn, New Jersey, and the related regulatory basis statements of operations and changes in fund balances for the years then ended and the related and the related regulatory basis statements of revenues and statements of expenditures of the Current Fund and Parking Utility Fund for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Township's basic 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 conformity with the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey - regulatory basis. 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.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit 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 entity'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 entity'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.

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

As described in note 1 of the financial statements, these financial statements were prepared in conformity with the accounting practices prescribed by the Division of Local Government Services, Department of

Community Affairs, State of New Jersey- regulatory basis, which is a basis of accounting other than accounting principles generally accepted in the United States of America to meet the requirements of the State of New Jersey.

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

### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Millburn, New Jersey, as of December 31, 2014 and 2013 and the changes in financial position for the years then ended.

### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Township of Millburn, New Jersey, as of December 31, 2014 and 2013 and the related statement of operations and changes in fund balances for the years then ended and the related statement of revenues and statements of expenditures of the Current Fund, and Parking Utility Funds for the year ended December 31, 2014 on the regulatory basis of accounting described in note 1.

### **Other Matters**

#### **Additional Financial Information**

Our audit was conducted for the purpose of forming an opinion on the regulatory financial statements that collectively comprise the Township’s financial statements. The additional financial information included in the accompanying table of contents, is presented for the purpose of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information and schedules is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional financial information included in the accompanying table of contents are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Millburn’s financial statements. The information included in the Supplementary data and the General Comments and Recommendations as listed in the table of contents are presented for additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements. Accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2015 on our consideration of the Township'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 Township of Millburn's internal control over financial reporting and compliance.

*Louis C. Mai CPA & Associates*  
*Louis C. Mai*

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Louis C. Mai, Registered Municipal Accountant  
No. CR00217

June 17, 2015

## ***LOUIS C. MAI CPA & ASSOCIATES***

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P.O. Box 624  
Pompton Plains, N.J. 07444

Phone: 973-492-2524  
Fax: 973-492-9515

### **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 Auditor's Report

The Honorable Mayor and  
Members of the Township Committee  
Township of Millburn  
Millburn, New Jersey:

We have audited , in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying regulatory basis balance sheets of the various funds and account groups as of December 31, 2014 and 2013 of the Township of Millburn, New Jersey, and the related regulatory basis statements of operations and changes in fund balances for the years then ended and the related and the related regulatory basis statements of revenues and statements of expenditures of the Current Fund and Parking Utility Fund for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents, and have issued our report thereon dated June 17, 2015, which report expressed an adverse opinion in accordance with accounting principles generally accepted in the United States of America and an unmodified opinion on the regulatory basis of accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit 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 entity's financial statements will not be prevented or detected and corrected on a timely basis.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we

did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Township's financial statements are free 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 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Louis C. Mai CPA & Associates*  
*Louis C. Mai*

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Louis C. Mai, Registered Municipal Accountant  
No. CR00217

June 17, 2015

## FINANCIAL STATEMENTS



**TOWNSHIP OF MILLBURN**

A-1

**CURRENT FUND  
REGULATORY BASIS  
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE  
YEARS ENDED DECEMBER 31, 2014 AND 2013**

	Ref.	2014	2013
<b>REVENUE AND OTHER INCOME:</b>			
Fund Balance Utilized	A-2	\$ 3,800,000	4,200,000
Miscellaneous Anticipated Revenue	A-2	7,171,400	7,271,014
Receipts from Delinquent Taxes	A-2	734,636	974,304
Receipts from Current Taxes	A-2	164,462,342	156,459,403
Non-budget Revenues	A-2	1,234,169	888,391
Other Credits to Income:			
Interfund Returned	A-24	233,123	211,536
Overpayments Canceled	A-15		1,201
Debt Service Approp. Canceled	A-3	141,163	6,119
Unexpended Balances of Appropriation Reserves	A-9	<u>963,183</u>	<u>587,724</u>
<b>TOTAL REVENUE AND OTHER INCOME</b>		<u>178,740,016</u>	<u>170,599,692</u>
<b>EXPENDITURES:</b>			
Budgeted	A-3	49,820,015	48,594,213
County Taxes	A-18	45,359,195	41,618,550
Local District School Taxes	A-10	78,555,859	76,708,625
S.I.D. Receivable	A	479	4,359
Prior Year Expenses	A-4	18,950	
Tax Appeals	A-4	150,905	579,586
Litigation Expense	A-21		529,323
Interfunds Created	A-24	<u>14,346</u>	<u>51,874</u>
<b>TOTAL EXPENDITURES</b>		<u>173,919,747</u>	<u>168,086,531</u>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>		4,820,269	2,513,161
<b>FUND BALANCE, BEGINNING OF YEAR</b>	A	<u>7,751,977</u>	<u>9,438,816</u>
		12,572,246	11,951,977
<b>UTILIZED AS ANTICIPATED REVENUE</b>	A-2	<u>3,800,000</u>	<u>4,200,000</u>
<b>FUND BALANCE, END OF YEAR</b>	A	<u>\$ 8,772,246</u>	<u>7,751,977</u>

See notes to financial statements.

**TOWNSHIP OF MILLBURN**

**CURRENT FUND  
REGULATORY BASIS  
STATEMENT OF REVENUES  
YEAR ENDED DECEMBER 31, 2014**

	Ref.	Anticipated Budget	Realized	Excess or (Deficit)
FUND BALANCE ANTICIPATED	A-1	\$ 3,800,000	\$ 3,800,000	\$
MISCELLANEOUS REVENUES:				
Licenses:				
Alcoholic Beverages	A-8	38,000	38,040	40
Other	A-8	20,000	35,993	15,993
Fees and Permits:				
Uniform Construction Code Fees	A-8	475,000	528,282	53,282
Other	A-8	175,000	227,722	52,722
Fines and Costs - Municipal Court	A-8	340,000	383,970	43,970
Hotel Tax	A-8	440,000	556,263	116,263
Uniform Fire Maintenance	A-8	36,763	36,235	(528)
Interest and Costs on Taxes	A-8	210,000	231,553	21,553
Energy Receipt Taxes	A-8	2,368,523	2,368,523	
Golf Course Revenue	A-8	140,000	135,152	(4,848)
Interest on Investments	A-8	25,000	34,558	9,558
Recreation Fees	A-8	235,000	306,129	71,129
Swimming Pool Revenue	A-8	380,000	352,072	(27,928)
Franchise Fee - Cable	A-8	300,502	300,502	
Reserve for Electrical Trust	A-8	50,000	50,000	
Reserve for Recycling Trust	A-8	125,000	125,000	
Capital Fund Balance	A-8	100,000	100,000	
Sale of Township-Owned Property	A-20	50,000	50,000	
Joint Trunk Sewer Maintenance Charges	A-13	1,201,150	1,200,817	(333)
Clean Communities Program	A-11	35,125	35,125	
FEMA - Emergency Management	A-11	5,000	5,000	
Reserve for Body Armor	A-11	6,665	6,665	
Governor's Council on Alcohol and Drug Abuse	A-11	60,000	60,000	
Reserve for Click it or Ticket	A-11	3,800	3,800	
TOTAL MISCELLANEOUS ANTICIPATED REVENUES	A-1	6,820,528	7,171,400	350,873

(Continued)

TOWNSHIP OF MILLBURN

CURRENT FUND  
REGULATORY BASIS  
STATEMENT OF REVENUES  
YEAR ENDED DECEMBER 31, 2014

	Ref.	Anticipated Budget	Realized	Excess or (Deficit)
RECEIPTS FROM DELINQUENT TAXES	A-1, A-6	625,000	734,636	109,636
AMOUNT TO BE RAISED BY TAXES FOR SUPPORT OF MUNICIPAL BUDGET	A-2	37,779,880	39,752,681	1,972,801
MINIMUM LIBRARY TAX		<u>2,871,969</u>	<u>2,871,969</u>	<u>-</u>
		<u>40,651,848</u>	<u>42,624,650</u>	<u>1,972,801</u>
BUDGET TOTALS		<u>\$ 51,897,376</u>	54,330,686	<u>\$ 2,433,310</u>
NON-BUDGET REVENUES	see below		<u>1,234,169</u>	
			<u>\$ 55,564,855</u>	
NON BUDGET REVENUES				
Cash:				
			\$ 8,829	
			36,954	
			2,838	
			443	
			71,924	
			23,440	
			68,560	
			118,024	
			2,010	
			182,246	
			1,654	
			58,585	
			9,141	
			24,985	
			100,016	
			49,428	
			14,325	
			37,777	
			409,666	
			<u>Subtotal Cash</u>	<u>1,220,845</u>
Prior Year Sewer	A-13		9,966	
Prior Year SID	A-23		4,359	
Cash	A-4		<u>1,220,845</u>	
	Above		<u>\$ 1,235,169</u>	

(Continued)

**TOWNSHIP OF MILLBURN**

**CURRENT FUND  
REGULATORY BASIS  
STATEMENT OF REVENUES  
YEAR ENDED DECEMBER 31, 2014**

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	Ref.	
ANALYSIS OF REALIZED REVENUES:		
Allocation of Current Tax Collection:		
Revenue from Collections	A-1,A-6	\$ 164,462,342
Allocated to - School and County Taxes	A-6	<u>123,915,054</u>
 Balance for Support of Municipal Budget Appropriations		 40,547,288
 Add Appropriation Reserve for Uncollected Taxes	 A-3	 <u>2,077,361</u>
 Amount for Support of Municipal Budget Appropriations	 A-2	 <u>\$ 42,624,650</u>

See notes to financial statements.

TOWNSHIP OF MILLBURN

A-3

CURRENT FUND  
 REGULATORY BASIS  
 STATEMENT OF EXPENDITURES  
 YEAR ENDED DECEMBER 31, 2014

	Budget	Budget After Modification	Expended		
			Paid or Charged	Encumbered	Reserved
OPERATIONS - WITHIN "CAPS":					
GENERAL GOVERNMENT:					
Administrative and Executive:					
Salaries and Wages:					
Governing Body	\$ 37,500	\$ 37,500	\$ 37,500	\$	\$
Business Administration	390,000	406,000	405,414		586
Other Expenses:					
Business Administration	99,000	94,000	79,911	8,467	5,622
Printing, Legal, Advertising, and Miscellaneous	45,100	41,100	15,881	9,770	15,449
Customer Service:					
Salaries and Wages	200,000	200,000	188,092		11,908
Other Expenses	3,500	3,500	1,364		2,136
Municipal Clerk:					
Salaries and Wages	171,384	171,384	168,793		2,591
Data Processing Center:					
Other Expenses	158,500	168,500	146,150	19,955	2,395
Finance Administration:					
Comptroller's Office:					
Salaries and Wages	311,000	316,400	316,400		
Other Expenses	50,000	53,000	42,711	4,509	5,781
Annual Audit	44,319	44,319	35,500		8,819
GENERAL GOVERNMENT:					
Assessment of Taxes:					
Salaries and Wages	83,457	76,457	70,941		5,516
Other Expenses	77,150	77,150	62,571	8,770	5,810
Collector of Taxes:					
Salaries and Wages	160,820	142,420	72,938		69,482
Other Expenses	53,850	53,850	35,755	407	17,688
Legal Services and Costs:					
Salaries and Wages	30,000	30,000	24,530		5,470
Other Expenses	720,000	1,350,000	1,111,492	118,532	119,976
Public Buildings and Grounds:					
Other Expenses	399,600	389,600	284,902	83,934	20,765
Planning Board:					
Salaries and Wages	41,310	41,310	40,645		665
Other Expenses	36,200	36,200	24,546	1,530	10,123
Board of Adjustment:					
Salaries and Wages	41,310	41,310	37,368		3,942
Other Expenses	35,400	35,400	24,981	1,805	8,614
Historical Preservation Commission:					
Salaries and Wages	3,060	3,060	3,060		
Other Expenses	1,100	1,100			1,100
GENERAL GOVERNMENT:					
PUBLIC SAFETY:					
Fire:					
Salaries and Wages	5,728,777	5,608,777	5,572,972		35,805
Other Expenses	590,000	590,000	519,520	63,228	7,252
Aid to Volunteer Fire Companies	10,000	10,000	1,694		8,306
Police:					
Salaries and Wages	6,500,000	7,000,000	6,866,608		133,392
Other Expenses	556,490	531,490	236,526	243,354	51,610
Emergency Management Service:					
Other Expenses	7,500	11,500	11,135		365
Insurance:					
Group Insurance for Employees	6,872,094	6,212,094	5,833,843	23,753	354,497
Workers Compensation Insurance	471,439	471,439	471,439		
Employee Opt Out	90,100	90,100	90,100		
Other Insurance Premiums	455,978	455,978	437,609	3,304	15,065

(Continued)

TOWNSHIP OF MILLBURN

A-3

CURRENT FUND  
 REGULATORY BASIS  
 STATEMENT OF EXPENDITURES  
 YEAR ENDED DECEMBER 31, 2014

	Budget	Budget After Modification	Expended		
			Paid or Charged	Encumbered	Reserved
OPERATIONS - WITHIN "CAPS" (Continued):					
Inspection of Buildings:					
Salaries and Wages	\$ 440,000	\$ 440,000	\$ 422,773		\$ 17,227
Other Expenses	379,650	379,650	371,992	7,548	110
Engineering Services and Costs:					
Salaries and Wages	247,000	247,000	246,962		38
Other Expenses	105,010	105,010	77,017	10,123	17,870
Shade Tree:					
Salaries and Wages	990,000	890,000	844,445		45,555
Other Expenses	539,540	519,540	341,597	90,028	87,914
MUNICIPAL SERVICES AND ENGINEERING:					
Road Repair and Maintenance:					
Salaries and Wages	2,717,976	2,717,976	2,633,169		84,807
Other Expenses	446,000	401,000	276,691	49,898	74,411
Dispatch					
Salaries and Wages	422,300	467,300	462,759		4,541
Other Expenses	164,590	164,590	164,590		
Joint Meeting Maintenance:					
Salaries and Wages	3,073	3,073	3,073		0
Other Expenses	2,750	2,750	2,750		
Vehicle Maintenance:					
Salaries and Wages	330,521	330,521	329,929		592
Other Expenses	218,000	218,000	144,420	60,414	13,166
Sanitation:					
Other Expenses	184,100	174,100	90,043	13,199	70,858
HEALTH AND WELFARE:					
Board of Health - Local Health Agency:					
Salaries and Wages	33,660	29,660	28,195		1,465
Other Expenses	16,071	16,071	10,473		5,598
Environmental Commission					
Other Expenses	2,500	2,500	675		1,825
Condo Reimbursement	30,000	30,000			30,000
Administration of Public Assistance:					
Salaries and Wages	13,206	13,206	12,927		279
Other Expenses	37,500	37,500	28,971	7,990	539
RECREATION AND EDUCATION:					
Parks and Playgrounds:					
Salaries and Wages	678,300	648,300	626,373		21,927
Other Expenses	307,600	307,600	246,638	34,950	26,013
Celebration of Public Events, Anniversary or Holiday	10,000	10,000	10,000		
Senior Citizens' Transportation:					
Salaries and Wages	158,100	143,100	130,450		12,650
Other Expenses	10,200	10,200	7,261	716	2,223
RECYCLING ACT AND SANITARY LAND FILL:					
Facilities and Contingencies Fund	1,833,000	1,813,000	1,472,678	121,791	218,531
Municipal Court:					
Salaries and Wages	325,000	295,000	295,000		
Other Expenses	100,950	100,950	92,257	1,525	7,167
Public Defender:					
Salaries and Wages	10,000	10,000	10,000		
UNCLASSIFIED:					
Electricity	280,500	260,500	176,724	40,407	43,369
Natural Gas	160,000	145,000	64,949	8,814	71,238
Street Lighting	327,000	307,000	180,514	20,495	105,991
Gasoline	390,000	390,000	284,425	35,311	70,264
Telephone and Telegraph	150,000	170,000	152,306	9,691	8,003
CONTINGENT	5,000	5,000	1,800		3,200
TOTAL OPERATIONS - WITHIN "CAPS"	36,545,035	36,600,035	33,517,716	1,104,219	1,978,099

(Continued)

TOWNSHIP OF MILLBURN

A-3

CURRENT FUND  
 REGULATORY BASIS  
 STATEMENT OF EXPENDITURES  
 YEAR ENDED DECEMBER 31, 2014

	Budget	Budget After Modification	Expended		
			Paid or Charged	Encumbered	Reserved
OPERATIONS - WITHIN "CAPS" (Continued):					
DETAIL:					
Salaries and Wages	\$ 19,732,755	\$ 20,004,755	# \$ 19,546,316	\$	\$ 458,438
Other Expenses (Including Contingent)	16,812,280	16,595,280	13,971,400	1,104,219	1,519,661
STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":					
Defined Contribution Retirement System	1,500	1,500			1,500
Public Employees' Retirement System	860,292	860,292	860,292		
Police and Firemen's Retirement System of N.J.	2,188,923	2,188,923	2,188,923		
PERS ERI	63,623	63,623	63,623		
Social Security System (O.A.S.I.)	884,850	829,850	805,054		24,796
TOTAL STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":	3,999,188	3,944,188	3,917,892		26,296
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES - WITHIN "CAPS"	40,544,223	40,544,223	37,435,608	1,104,219	2,004,395
OPERATIONS - EXCLUDED FROM "CAPS":					
Employee Group Insurance	166,634	166,634	166,634		
Deferred Charges To Future Taxation Capital	100,000	100,000	100,000		
Maintenance of Free Public Library	2,871,969	2,871,969	2,871,969		
Joint Trunk Sewer Maintenance	1,201,150	1,201,150	1,201,150		
Reserve for Accumulate Absences	500	500			500
Reserve for Snow Trust	500	500			500
Reserve for Litigation Trust	500	500			500
Reserve for EPL/POL Trust	500	500			500
Reserve for Tax Appeals	1,000,000	1,000,000	1,000,000		
Clean Communities Program:					
Other Expenses	35,125	35,125	35,125		
FEMA - Emergency Mgt. Grant					
Other Expenses	5,000	5,000	5,000		
Reserve for Clickit or Ticket Grant					
Other Expenses	3,800	3,800	3,800		
Reserve for Body Armor Fund					
Other Expenses	6,665	6,665	6,665		
Governor's Alcoholism and Drug Abuse Grant:					
Other Expenses	60,000	60,000	60,000		
Township Match	15,000	15,000	7,107		7,893
Interlocal Agreements Maplewood:					
Plumbing Inspections	83,618	83,618	57,976		25,642
Electrical Inspections	77,291	77,291	48,165		29,126
Hepatitis	10,200	10,200			10,200
Interlocal Agreement Borough of Madison					
Other Expenses	95,370	95,370	93,800		1,570
Livingston:					
Other Expenses	81,375	81,375	58,426	20,344	2,605
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	5,815,196	5,815,196	5,715,816	20,344	79,036

(Continued)

TOWNSHIP OF MILLBURN

A-3

CURRENT FUND  
 REGULATORY BASIS  
 STATEMENT OF EXPENDITURES  
 YEAR ENDED DECEMBER 31, 2014

	Budget	Budget After Modification	Expended		
			Paid or Charged	Encumbered	Reserved
OPERATIONS - EXCLUDED FROM "CAPS" (Continued):					
DETAIL:					
Salaries and Wages					
Other Expenses	\$ 5,815,196	\$ 5,815,196	\$ 5,715,816	\$ 20,344	\$ 79,036
CAPITAL IMPROVEMENT FUND	1,455,000	1,455,000	1,455,000		
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS":					
Interest on Notes	100,000	100,000	100,000		
Payment of Note Principal	1,770,520	1,770,520	1,770,520		
Payment of Bond Principal	118,876	118,876	118,876		(0)
Interest on Bonds	16,200	16,200	16,200		
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	2,005,596	2,005,596	2,005,596		(0)
TOTAL GENERAL APPROPRIATIONS - EXCLUDED FROM "CAPS"	9,275,791	9,275,791	9,176,412	20,344	79,036
SUBTOTAL GENERAL APPROPRIATIONS	\$ 49,820,015	\$ 49,820,015	\$ 46,612,020	\$ 1,124,563	\$ 2,083,431
RESERVE FOR UNCOLLECTED TAXES	2,077,361	2,077,361	2,077,361		
TOTAL GENERAL APPROPRIATION	\$ 51,897,376	\$ 51,897,376	\$ 48,689,381	\$ 1,124,563	\$ 2,083,431
Reference		A-1	see below	A	A
Adopted budget	\$ 51,857,251				
Added by 40A:4.87	\$ 40,125				
	\$ 51,897,376				
<u>Paid or Charged</u>					
Cash Disbursed	A-4		\$ 45,230,268		
Reserve for Litigation	A-29		\$ 130,000		
Reserve for Tax Appeals	A-12		1,000,000		
Reserve for Grants	A-16		110,590		
Debt Service Cancelled	A-1		141,163		
Reserve for Uncollected Taxes	A-2		2,077,361		
			\$ 48,689,381		

See notes to financial statements.

MILLBURN TOWNSHIP

B

TRUST FUND  
REGULATORY BASIS  
BALANCE SHEETS  
AS OF DECEMBER 31, 2014 AND 2013

		December 31,				December 31,	
ASSETS	Ref.	2014	2013	LIABILITIES, RESERVES AND FUND BALANCE	Ref.	2014	2013
<b>ELECTRICAL INSPECTION TRUST FUND:</b>							
Cash	B-1	\$ 279,699	\$ 434,497	ELECTRICAL INSPECTION TRUST FUND: Reserve	B-1	279,699	\$ 434,497
<b>DOG LICENSE FUND:</b>							
Cash	B-1	34,942	61,728	DOG LICENSE FUND: Due to State		3	26
Due from Current Fund	B-2	8		Reserve for Dog Fund Expenditures	B-4	35,123	61,702
Due from General Capital	B-3	176				35,126	61,728
		<u>35,126</u>	<u>61,728</u>				
<b>ESCROW TRUST FUND:</b>							
Cash	B-1	252,722	260,883	ESCROW TRUST FUND: Due To Current Fund	B-2	10,000	
				Reserve for State Surcharge	B-1	242,722	260,883
						252,722	260,883
<b>UNEMPLOYMENT INSURANCE TRUST FUND:</b>							
Cash	B-1	123,640	132,273	UNEMPLOYMENT INSURANCE TRUST FUND: Reserve for Unemployment Insurance	B-1	123,640	132,273
<b>TAX SALE PREMIUM</b>							
Due from Current Fund	B-2	127,825	108,725	TAX SALE PREMIUM Reserve for Tax Sale Premium	B-1	127,825	108,725
<b>WASTE RECYCLING FUND:</b>							
Cash	B-1	279,994	304,811	WASTE RECYCLING FUND: Reserve for Waste Recycling	B-1	279,994	304,811
<b>RECREATION TRIP TRUST FUND:</b>							
Cash	B-1	186,516	158,215	RECREATION TRIP TRUST FUND: Reserve for Recreation Trip Trust	B-1	186,516	158,215
<b>POAA TRUST FUND:</b>							
Cash	B-1	55,600	52,831	POAA TRUST FUND: Reserve for POAA Trust	B-1	55,600	52,831
<b>SPECIAL IMPROVEMENT DISTRICT TRUST FUND:</b>							
Cash	B-1	3,976	3,421	SPECIAL IMPROVEMENT DISTRICT TRUST FUND: Due to Current Fund	B-2	3,976	3,421
<b>FIRE PENALTY TRUST FUND:</b>							
Cash	B-1	9,600	7,397	FIRE PENALTY TRUST FUND: Reserve for Fire Penalty Trust	B-1	9,600	7,397
<b>ACCUMULATED ABCSCENSES TRUST</b>							
Cash	B-1	1,195,543	526,824	ACCUMULATED ABCSCENSES TRUST Reserve for Accumulated Abscenses	B-1	1,195,543	526,824
<b>SNOW TRUST</b>							
Cash	B-1	385,656	382,315	SNOW TRUST Reserve for Snow Trust	B-1	478,370	516,891
Due From Capital Fund		97,060	134,576	Due to General Fund	B-1	4,346	
		<u>482,716</u>	<u>516,891</u>			482,716	516,891
<b>POLICE OFF-DUTY TRUST</b>							
Cash	B-1	81,964	308,060	POLICE OFF-DUTY TRUST Due to Current Fund			
Due from Current Fund				Reserve for Police Off-Duty	B-1	81,964	308,060
		<u>81,964</u>	<u>308,060</u>			81,964	308,060
<b>FORFEITED PROPERTY ACCOUNT</b>							
Cash	B-1	8,327	8,293	FOREFEITED PROPERTY ACCOUNT Reserve for Forefeited Property	B-1	8,327	8,293
<b>PAYROLL TRUST</b>							
Cash	B-1	62,191	36,860	PAYROLL TRUST Reserve	B-1	62,191	36,860
<b>PAYROLL AGENCY</b>							
Cash	B-1	736,245	323,650	PAYROLL AGENCY Cash	B-1	736,245	323,650
<b>DONATION TRUST</b>							
Cash	B-1	45,621	5,789	DONATION TRUST Cash	B-1	45,621	5,789
		<u>\$ 3,967,305</u>	<u>\$ 3,214,288</u>			<u>\$ 3,967,305</u>	<u>\$ 3,214,288</u>

See notes to financial statements.

**TOWNSHIP OF MILLBURN**

**C**

**GENERAL CAPITAL FUND  
REGULATORY BASIS  
BALANCE SHEETS  
AS OF DECEMBER 31, 2014 AND 2013**

<b>ASSETS</b>	<b>Ref.</b>	<b>December 31,</b>	
		<b>2014</b>	<b>2013</b>
Cash and Cash Equivalents	C-2,C-3	\$ 4,951,022	5,647,070
Deferred Charges to Future Taxation:			
Funded	<b>C-4,C-6</b>	331,421	449,601
Unfunded	C-5	12,087,012	9,493,320
Grant Receivable	<b>C-16</b>	<u>262,694</u>	<u>410,758</u>
		<u>\$ 17,632,149</u>	<u>\$ 16,000,749</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Serial Bonds	<b>C-6</b>	\$ 331,421	449,601
Improvement Authorizations:			
Funded	C-8	2,364,684	2,027,868
Unfunded	C-8	5,201,484	1,310,050
Capital Improvement Fund	<b>C-10</b>	1,285,972	1,724,742
Reserve for Parking Lots	<b>C-11</b>	-	1,753
Reserve for Payment of Bonds	<b>C-15</b>	202,090	1,448
Reserve for Encumbrances	C-8	993,533	2,312,478
Reserve for Little League Field	<b>C-9</b>	18,067	18,067
Reserve for Preliminary Planning Expenses	<b>C-17</b>	-	10,597
Reserve for Papermill Property	<b>C-12</b>	498,676	342,000
Reserve for Grants	<b>C-18</b>	262,694	280,000
Interfund Payable	<b>C-7</b>	97,236	134,576
Bond Anticipation Notes Payable	<b>C-14</b>	5,943,781	7,053,781
Fund Balance	<b>C-1</b>	<u>432,511</u>	<u>333,789</u>
		<u>\$ 17,632,149</u>	<u>\$ 16,000,749</u>

\*There were bonds and notes authorized but not issued at December 31, 2012 and 2013 of \$6,165,678 and \$2,467,627 respectively. (Exhibit C-13)

See notes to financial statements

**TOWNSHIP OF MILLBURN**

**C-1**

**GENERAL CAPITAL FUND  
REGULATORY BASIS  
STATEMENT OF FUND BALANCE  
YEARS ENDED DECEMBER 31, 2014 AND 2013**

	Ref.	2014	2013
BALANCE, BEGINNING OF YEAR	C	\$ 333,789	\$ 325,968
Increased by Receipts:			
Due From Current Fund	C-19	-	-
Cancellation of Grant Reserve	C-18	66,956	-
Cash Receipts - DOT	C-2, C-2	250,000	-
Cancellation of Reserve for Parking lots	C-11	1,753	-
Cancellation of Reserve for Payment of Bonds	C-15	1,448	-
Miscellaneous	C-2	350	-
Premium on Sale of Notes	C-2, C-3	50,569	7,821
		<u>371,076</u>	<u>7,821</u>
		704,865	333,789
Decreased by:			
Grants cancelled		172,354	-
Budget Appropriation	C-2	100,000	-
		<u>272,354</u>	<u>-</u>
BALANCE, END OF YEAR	C	\$ <u>432,511</u>	\$ <u>333,789</u>

See notes to financial statements

**TOWNSHIP OF MILLBURN**

**D**

**PARKING UTILITY FUNDS  
REGULATORY BASIS  
BALANCE SHEETS  
AS OF DECEMBER 31, 2014 AND 2013**

	Ref.	December 31, 2014	December 31, 2013
<b>ASSETS</b>			
OPERATING FUND			
Cash and Cash Equivalents	D-5	\$ 1,879,656	\$ 1,576,025
Deferred Charge - Emergency Appropriation	D-21	-	150,000
Total Assets Operating Fund		<u>1,879,656</u>	<u>1,726,025</u>
CAPITAL FUND			
Cash	D-5	1,518,783	1,796,018
Fixed Capital	D-14	8,370,225	8,370,225
Fixed Capital Authorized and Uncomplete	D-10	1,415,000	1,415,000
Total Assets Capital Fund		<u>11,304,008</u>	<u>11,581,243</u>
<b>Total Assets</b>		<u>13,183,664</u>	<u>\$ 13,307,268</u>
<b>LIABILITIES AND FUND BALANCE</b>			
OPERATING FUND			
Reserve for Encumbrances	D-3, D-13	\$ 14,188	\$ 16,270
Appropriation Reserves	D-3, D-13	-	75,437
Prepaid Parking Permits	D-17	319,699	201,343
Accrued Interest on Notes	D-19	27,344	39,792
Reserve for Parking Meter Replacement	D-7	-	98,727
Total Liabilities		<u>361,231</u>	<u>431,569</u>
Fund Balance	D-1	<u>1,518,425</u>	<u>1,294,456</u>
Total Liabilities and Fund Balance Operating Fund		<u>1,879,656</u>	<u>1,726,025</u>
CAPITAL FUND			
Improvement Authorizations - Funded	D-9	90,958	90,958
Improvement Authorizations - Unfunded	D-9	524,136	1,076,417
Bond Anticipation Notes Payable	D-18	8,375,000	8,595,000
Reserve for Encumbrances	D-9	49,218	89,310
Capital Improvement Fund	D-12	567,250	467,250
Reserve for Amortizations	D-15	755,225	535,225
Reserve for Preliminary Planning Expenses	D-8	250	250
Reserve for Parking Meter Replacement	D-20	109,193	-
Reserve for Parking Deck Repair	D-16	50,000	-
Deferred Reserve For Amortization	D-11	655,000	655,000
Fund Balance	D-4	<u>127,778</u>	<u>71,833</u>
Total Liabilities and Fund Balance Capital Fund		<u>11,304,008</u>	<u>11,581,243</u>
<b>Total Liabilities and Fund Balances</b>		<u>\$ 13,183,664</u>	<u>\$ 13,307,268</u>

\*There were bonds and notes authorized but not issued at December 31, 2013 and 2014 of \$0 and \$0 respectively. (Exhibit D-20)

See notes to financial statements

**TOWNSHIP OF MILLBURN**

D-1

**PARKING UTILITY OPERATING FUND  
REGULATORY BASIS  
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE  
YEARS ENDED DECEMBER 31, 2014 AND 2013**

	Ref.	2014	2013
REVENUE AND OTHER INCOME:			
Miscellaneous Anticipated Revenue	D-2,	\$ 1,343,915	\$ 945,407
Unexpended Balance of Appropriation Reserves	D-13	65,903	62,849
Debt Service Canceled	D-3	498	-
Non-budget Revenues	D-2	<u>39,025</u>	<u>27,306</u>
TOTAL REVENUE AND OTHER INCOME	D-2	<u>1,449,342</u>	<u>1,035,561</u>
EXPENDITURES:			
Budgeted	D-3	<u>1,075,373</u>	<u>1,018,826</u>
TOTAL EXPENDITURES		<u>1,075,373</u>	<u>1,018,826</u>
EXCESS OF REVENUE OVER EXPENDITURES		373,969	16,735
ADJUSTMENT TO INCOME BEFORE FUND BALANCE - Expenditures Included above which are by Statute Deferred Charges to Budget of Succeeding Year		<u>-</u>	<u>150,000</u>
STATUTORY EXCESS TO FUND BALANCE		373,969	166,735
FUND BALANCE, BEGINNING OF YEAR	D	<u>1,294,456</u>	<u>1,127,721</u>
SUBTOTAL		1,668,425	1,294,456
UTILIZED AS ANTICIPATED REVENUE	D-2	<u>150,000</u>	<u>-</u>
FUND BALANCE, END OF YEAR	D	<u>\$ 1,518,425</u>	<u>\$ 1,294,456</u>

See notes to financial statements.

**TOWNSHIP OF MILLBURN**

**D-2**

**PARKING UTILITY OPERATING FUND  
REGULATORY BASIS  
STATEMENT OF REVENUES  
YEAR ENDED DECEMBER 31, 2014**

	<b>Ref.</b>	<b>Anticipated Budget</b>	<b>Realized</b>	<b>Excess or (Deficit)</b>
<b>ANTICIPATED REVENUES</b>				
Fund Balance Anticipated	D-1	150,000	150,000	-
Parking Meters	D-4	260,000	347,259	87,259
Parking Permits	below	635,373	841,167	205,794
Parking Tokens	D-4	<u>30,000</u>	<u>5,490</u>	<u>(24,510)</u>
<b>TOTAL ANTICIPATED REVENUES</b>		<b><u>\$ 1,075,373</u></b>	<b><u>\$ 1,343,915</u></b>	<b><u>\$ 268,542</u></b>
Miscellaneous Revenues	D-4		39,025	39,025
<b>BUDGET TOTALS</b>			<b><u>\$ 1,382,941</u></b>	<b><u>\$ 307,568</u></b>
			D-1	
	2014 Prepaid Permits	D-17	\$ 201,343	
	2014 Permits	D-5	<u>639,824</u>	
			<u>\$ 841,167</u>	

See notes to financial statements.

**TOWNSHIP OF MILLBURN**

D-3

**PARKING UTILITY OPERATING FUND  
REGULATORY BASIS  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2014**

	<b>Budget</b>	<b>Budget after Modification</b>	<b>Paid or Charged</b>	<b>Encumbered</b>	<b>Reserved</b>
Salary and Wages	\$ 254,313	\$ 254,313	\$ 254,313	-	-
Other Expenses	192,060	192,060	177,872	14,188	-
Capital Improvement Fund	100,000	100,000	100,000	-	-
Reserve for Meter Replacement	15,000	15,000	15,000	-	-
Reserve for Deck Maintenance	50,000	50,000	50,000	-	-
Debt Service	294,000	294,000	294,000	-	-
Deferred Charges	150,000	150,000	150,000	-	-
Social Security	20,000	20,000	20,000	-	-
<b>BUDGET TOTALS</b>	<b>\$ 1,075,373</b>	<b>1,075,373</b>	<b>1,061,185</b>	<b>14,188</b>	<b>-</b>
	<b>Ref. D-2</b>	<b>D-1</b>		<b>D</b>	<b>D</b>
Adopted budget	\$ 868,826				
Emergency	150,000				
	<u>\$ 1,018,826</u>				
		<b>Ref.</b>			
Cash Disbursed		D-5	\$ 822,185		
Accrued Interest on Notes		D-19	73,502		
Deferred Charges		D-21	150,000		
Debt Service Canceled		D-2	498		
Reserve for Meter Replacement		D-7	15,000		
			<u>\$ 1,061,185</u>		

See notes to financial statements.

**TOWNSHIP OF MILLBURN**

D-4

**PARKING UTILITY UTILITY CAPITAL FUND  
REGULATORY BASIS  
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE  
YEARS ENDED DECEMBER 31, 2014 and 2013**

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	Ref.	2014	2013
FUND BALANCE, BEGINNING OF YEAR	D	\$ 71,833	\$ -
REVENUE AND OTHER INCOME:			
Premium on Sale of Notes	D-5	<u>55,945</u>	<u>27,225</u>
FUND BALANCE, BEGINNING OF YEAR	D	<u>\$ 127,778</u>	<u>\$ 27,225</u>

See notes to financial statements.

**TOWNSHIP OF MILLBURN**

**F**

**PUBLIC ASSISTANCE FUND  
REGULATORY BASIS  
BALANCE SHEETS  
AS OF DECEMBER 31, 2014 AND 2013**

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<b>ASSETS</b>	<b>Ref.</b>	<b>2014</b>	<b>2013</b>
Cash	F-3	<u>\$ 44,502</u>	<u>\$ 23,305</u>
<b>LIABILITIES AND RESERVES</b>			
Reserve for Public Assistance	F-4	<u>44,502</u>	<u>23,305</u>
Total Liabilities and Reserves		<u>\$ 44,502</u>	<u>\$ 23,305</u>

See notes to financial statements.

**TOWNSHIP OF MILLBURN**

F-1

**PUBLIC ASSISTANCE FUND  
REGULATORY BASIS  
SCHEDULE OF REVENUES  
YEAR ENDED DECEMBER 31, 2014**

	<b>P.A.T.F. Account # 1 (75%)</b>	<b>P.A.T.F. Account # 2 (100%)</b>	<b>Fund Total</b>
State Aid Payments	\$ -	\$ 51,300	\$ 51,300
Interest on Investments	14	29	42
2014 Budget	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total Revenues (PATF)	<u>\$ 5,014</u>	<u>\$ 51,329</u>	<u>\$ 56,342</u>

See notes to financial statements.

**SCHEDULE OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2014**

F-2

	<b>P.A.T.F. Account # 1 (75%)</b>	<b>P.A.T.F. Account # 2 (100%)</b>	<b>Fund Total</b>
Current Year Assistance (Eligible for State Aid):			
Maintenance Payments	\$ -	\$ 13,117	\$ 13,117
Rent / Shelter	-	21,865	21,865
Utilities	<u>-</u>	<u>163</u>	<u>163</u>
Total Expenditures	<u>\$ -</u>	<u>\$ 35,145</u>	<u>\$ 35,145</u>

See notes to financial statements.

**TOWNSHIP OF MILLBURN****G****GENERAL FIXED ASSETS GROUP  
REGULATORY BASIS  
BALANCE SHEETS  
AS OF DECEMBER 31, 2014 AND 2013**

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	<b>2014</b>	<b>2,013</b>
Movable Fixed Assets:		
Computers and Computer Equipment	\$ 445,547	\$ 431,047
Furniture and Equipment	1,918,149	1,872,739
Vehicles	10,423,049	9,938,386
Radio and Communication Equipment	<u>501,959</u>	<u>477,162</u>
	<u>13,288,704</u>	<u>12,719,334</u>
Land	15,408,472	15,408,472
Buildings	6,129,634	6,110,241
Improvements Other Than Buildings	<u>3,020,984</u>	<u>2,006,128</u>
	<u>24,559,090</u>	<u>23,524,841</u>
Investment in General Fixed Assets	<u>\$ 37,847,794</u>	<u>\$ 36,244,175</u>

See notes to financial statements.

# TOWNSHIP OF MILLBURN

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2014 and 2013

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### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 1. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing generally accepted accounting and financial reporting principles for state and local governments. The GASB Codification establishes the fund structure to be used by general purpose governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP).

The accounting policies of the Township of Millburn conform to the accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division")(Regulatory Basis). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial activities through the following separate funds which differ from the fund structure required by GAAP:

*Current Fund*—resources and expenditures for governmental operations of a general nature, including Federal and State grants for operations.

*Trust Fund*—receipts, custodianship, and disbursement of monies in accordance with the purpose for which each reserve was created.

*General Capital Fund*—receipt and disbursement of funds used for acquisition of general capital facilities, other than those acquired in the Current Fund. General bonds and notes payable are recorded in this fund offset by deferred charges to future taxation.

*Parking Utility Operating Fund* – Accounts for the resources and expenditures for operation of the Township Parking Utility.

*Parking Utility Capital Fund*- is used to account for financial resources to be used for the acquisition, installation, and improvement of parking utility facilities.

*Public Assistance Fund*—receipts and disbursements of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey Statutes.

*General Fixed Assets Account Group*—Accounts for general fixed assets acquired by the Township of Millburn.

## 2. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from generally accepted accounting principles applicable to local government units. The more significant differences are as follows:

*Investments*—The Township’s investments are reported at cost. GASB requires investments to be recorded on the balance sheet at fair value and all investment income, including changes in the fair value of investments to be reported as revenue on the statement of operations.

*Property Taxes and Other Revenues*—Property taxes and other revenues are recognized on a cash basis. Receivables for property taxes and other items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Township’s Current Fund. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Taxes for the Township are levied annually in June and are payable February 1<sup>st</sup>, May 1<sup>st</sup>, August 1<sup>st</sup>, and November 1<sup>st</sup>. The taxes are liens on the property as of the billing date.

*Grant Revenues and Expenditures*—Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Township budget. GAAP requires such revenues to be recognized in the accounting period when they are earned and the expenditures to be recognized when the liability is incurred.

*Expenditures*—Unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless canceled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, except for unmatured interest on general long-term debt, which should be recognized when due.

*Encumbrances*—Contractual orders at December 31 are reported as expenditures through the establishment of a reserve for encumbrances. Encumbrances do not constitute expenditures under GAAP.

*Appropriation Reserves*—Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

*Compensated Absences*—Expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

*Property Acquired for Taxes*—Property acquired for taxes is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the General Fixed Asset Account Group at market value on the date of acquisition.

*Fixed Assets*—Fixed assets purchased by the Current and General Capital Funds are recorded as expenditures. A General Fixed Assets Account Group, required by GAAP and the Division of Local Government Services to account for the Township’s general property and equipment, excluding infrastructure items, has been established and, accordingly, is presented in the financial statements. GAAP requires that capital assets include the value of infrastructure and be recorded in the government-wide financial statements.

*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. GAAP does not require the establishment of an offsetting reserve.

*Deferred Charges to Future Taxation Funded and Unfunded*- Upon the authorization of capital projects, the Township establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to N.J.S.A 40A:2-4, the Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced. Under GAAP deferred charges to future taxation would not be recorded and proceeds of debt issued would be recognized as revenue.

#### *Use of Estimates*

The preparation of financial statements requires management to make estimates that affect the recorded amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

3. Had the Township’s financial statements been prepared under generally accepted accounting principles, appropriation reserves would not be recorded; revenues susceptible of accrual would have been reflected without offsetting reserves; Federal grants and assistance would be recognized when earned, not when awarded; inventories would not be reflected as expenditures at the time of purchase; and encumbrances would not be considered expenditures. Depreciation would have been recognized in the Utility Funds. Taxes collected on behalf of the county and school district and the related payment to those entities would not be reflected in operations. Deferred charges and improvement authorizations would not be recorded as assets and liabilities in the General Capital Fund. The Division of Local Government Services, Department of Community Affairs, State of New Jersey does not require the government wide financial statement required by generally accepted accounting principles to be presented.

In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

4. Reporting Entity

The financial statements of the Township include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township do not include the operations of the Board of Education, Ambulance and Rescue Services or Free Public Library.

## **B. DEPOSITS AND INVESTMENTS**

### **1. 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), the Savings Association Insurance Fund (SAIF), 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 five percent of the average daily balance of public funds; or

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

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. All Certificates of Deposit are collateralized.

### **2. Investments**

New Jersey statutes allow the Township to purchase the following types of securities:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Associates or of any United States Bank for Cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- c. Bonds or other obligations of the Township or bonds or other obligations of school districts, which are a part of the Township or school districts located within the Township.
- d. Bonds or other obligations, having a maturity date of not more than twelve months from the date of purchase, that are approved by the New Jersey Department of Treasury, Division of Investments.

GASB Statement No. 40, Deposit and Investment Risk Disclosures, requires disclosure of bank deposits that are subject to custodial credit risk. The custodial credit risk for deposits is the risk that, in the event of the failure of a depository institution, the Township will not be able to recover deposits or will not be able to recover collateral securities that may be in the possession of an outside party. As of December 31, 2014 the Township's bank deposits are insured or covered by the State's Government Unit Deposit Protection Act or are collateralized with the federal securities held by another institution in the Township's name.

The Township's cash and investments were as follows at December 31, 2014 and 2013

Type	Collateral	Bank Balance, December 31, 2014	Book Amount December 31, 2014	Fund
<b>Cash and Cash Equivalents</b>				
Deposits:				
Cash on Deposit	FDIC, State Collateral Pool	\$ 13,972,188	\$ 14,636,007	Current
	FDIC, State Collateral Pool	4,003,844	3,742,237	Trust
	FDIC, State Collateral Pool	4,951,024	4,951,024	Capital
	FDIC, State Collateral Pool	1,885,232	1,879,656	Parking Operating
	FDIC, State Collateral Pool	1,554,868	1,518,783	Parking Capital
	FDIC, State Collateral Pool	44,648	44,502	Public Assistance
Total Cash and Cash Equivalents		<u>\$ 26,411,804</u>	<u>\$ 26,772,209</u>	

Type	Collateral	Balance, December 31, 2013	Amount December 31, 2013	Fund
<b>Cash and Cash Equivalents</b>				
Deposits:				
Cash on Deposit	FDIC, State Collateral Pool	\$ 13,116,193	\$ 13,471,020	Current
	FDIC, State Collateral Pool	3,680,893	2,971,987	Trust
	FDIC, State Collateral Pool	5,668,298	5,647,070	Capital
	FDIC, State Collateral Pool	1,629,850	1,576,025	Parking Operating
	FDIC, State Collateral Pool	1,802,018	1,796,018	Parking Capital
	FDIC, State Collateral Pool	23,599	23,305	Public Assistance
Total Cash and Cash Equivalents		<u>\$ 25,920,851</u>	<u>\$ 25,485,425</u>	

There were no investment balances as of December 31, 2014 and 2013

## C. OUTSTANDING DEBT

### General Serial Bonds

The Local Bond Law governs the issuance of bonds and notes to finance capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness of the capital expenditures. All bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township.

On October 15, 1998 the Township borrowed \$2,076,373 from the New Jersey Environmental Infrastructure program at interest rates of 4.25% to 4.5% payable each February 1 and August 1 until the loan is paid in full in 2018. The balance outstanding at December 31, 2014 and 2013 respectively was \$334,295 and \$449,601. Reductions in outstanding balances during 2014 and 2013 were \$118,180 and \$111,674 respectively.

### Bond Anticipation Notes

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. Generally such notes must be paid no later than the first day of the fifth month following the close of the tenth fiscal year next following the date of the original notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. Legal installments must continue to be paid if the notes are to be renewed beyond the third anniversary date of the original issuance. At December 31, 2014 and 2013, there was 5,943,781 and \$7,053,781 of bond anticipation notes outstanding respectively for the General Capital Fund and there was \$8,375,000 and \$8,595,000 of Parking Capital notes at December 31, 2014 and December 31, 2013, respectively. The General Capital and Parking Utility Funds paid down \$1,680,000 and \$220,000 of outstanding notes, respectively.

### Tax Anticipation Notes

Under N.J.S. 40A:4-64 the Township may issue tax anticipation notes to temporarily finance current fund operations. Tax collections are pledged to the payment of such debt. The notes must be redeemed within one year. At December 31, 2013 and 2014 there were no tax anticipation notes outstanding.

Township debt is summarized as follows:

	December 31,	
	2013	2014
Issued:		
General Obligation Bonds	\$ 449,601	\$ 331,421
General Capital	7,053,781	5,943,781
Utility Bond Anticipation Notes	8,595,000	8,375,000
Authorized not Issued:		
Utility Obligation Bonds and Notes	-0-	-0-
General Obligation Bonds and Notes	<u>2,467,627</u>	<u>6,165,678</u>
Bonds and Notes Issued and		
Authorized but not Issued	<u>\$18,566,009</u>	<u>\$20,815,880</u>

Principal and interest due on General Obligation Bonds outstanding for the next five years and thereafter is as follows:

Calendar Year	Principal	Interest	Total
2015	106,421	13,275	119,696
2016	70,000	10,125	80,125
2017	75,000	6,975	81,975
2018	<u>80,000</u>	<u>3,600</u>	<u>83,600</u>
	<u>\$ 331,421</u>	<u>\$26,675</u>	<u>\$ 365,286</u>

The summarized statement of debt condition which follows is prepared in accordance with the required method used in preparing the Annual Debt Statement and indicates a statutory net debt of .14% as compared to the statutory net debt limitation of 3.5%.

	Gross Debt	Deductions	Net Debt
Local School District Debt	\$34,914,000	\$34,914,000	\$ —
Parking Utility Debt	8,375,000	8,375,000	—
General Debt	<u>12,440,880</u>	<u>202,090</u>	<u>12,238,790</u>
	<u>\$55,729,880</u>	<u>\$43,491,090</u>	<u>\$ 12,238,790</u>

Net debt of \$12,338,790 divided by Equalized Valuation Basis per N.J.S. 40A:2-2 \$8,820,092,255.33 equals .139%.

#### **Borrowing Power Under N.J.S. 40A:2-6 as Amended**

The Township's remaining borrowing power under N.J.S. 40A:2-6, as amended, at December 31, 2014, was as follows:

3.5% Equalized Valuation Basis	\$308,703,229
Net Debt	<u>12,238,790</u>
Remaining Borrowing Power	<u>\$296,464,439</u>

#### **D. PENSION PLANS**

Those Township employees who are eligible for pension coverage are enrolled in one of three State pension plans.

The State pension systems were established by act of the State Legislature. Benefits, contributions, means of funding and the manner of administration are determined by the State Legislature. The three State administered pension funds are: the Public Employees' Retirement System (PERS), the Consolidated Police and Firemen's Pension Fund (CPFPPF), which is closed with no active members, the Police and Firemen's Retirement System of New Jersey (PFRS), the Defined Benefits Contribution Retirement Plan (DCRP), which was new in July of 2008. As of December 31, 2014, Milburn

Township has employees eligible for the DCRP. The Division of Pensions within the Treasury Department of the State of New Jersey is the administrator of the funds.

Covered employees are required by statute to contribute a uniform 6.92% of compensation under the PERS plan, 10% under the PFRS plan, and 5% under the DCRP plan. In addition, the PERS, PFRS and CPFPPF bill the Township annually for its required contribution.

The Township is required by the same statute to contribute the remaining amounts necessary to pay benefits when due and its portion of the plan's administrative 7.5% of covered payroll. Contributions for the years 2009 through 2014 are as follows:

<u>Year</u>	<u>PERS</u>	<u>PFRS</u>
2014	\$923,915	\$2,188,923
2013	995,208	2,385,452
2012	880,789	2,339,275
2011	832,003	2,656,618.
2010	651,096	2,284,664
2009	614,071	2,118,450

Employees who are members of the PERS and retire at or after age 60 are entitled to a retirement benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years compensation for each year of membership during years of credible service. Vesting occurs after 10 years of service. As of July 1, 2008 all employees hired after July 1, 2008 are not eligible to retire until age 60.

Enrolled PFRS members may retire at age 55 with a benefit equal to 2% of the members' final average compensation for each year of service up to 25 years, plus 1% for each year of creditable service over 30 years. Benefits fully vest on reaching 10 years of service.

A variety of significant actuarial assumptions are used to determine the valuation of the pension benefit obligation including: (a) an assumed interest rate of 8.25%, which is in excess of the current prevailing market rate, (b) projected salary increases, including inflation, merit, and productivity of 5.45% Mortality vesting, retirement age and withdrawal estimates are based upon tables supplied by the Plan actuary.

### ***Significant Legislation***

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.

- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rates increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates will increase in October 2011. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be a least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

According to State Statutes, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of 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, funds, and trust. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625-0295.

**E. ACCRUED SICK AND VACATION BENEFITS**

The Township permits employees to accrue unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. It is estimated that the current cost of such unpaid compensation as of December 31, 2014 and December 31, 2013 would approximate \$5,783,698.58 and \$5,837,852.34 The 2014 Township budget and the 2013 appropriation reserves included appropriations for accrued benefits paid in 2014.

**F. FUND BALANCE APPROPRIATED**

The Current fund has available Fund Balance as of December 31, 2013 and 2014 are \$8,772,246 and \$7,751,978 respectively and were anticipated in the 2014 and 2015 budgets as follows:

	<u>2015</u>	<u>2014</u>
Current Fund	\$3,900,000	\$3,800,000

The Parking Utility Operating fund has available Fund Balance as of December 31, 2014 and 2013 of \$1,518,425 and \$1,294,456. \$150,000 and \$106,000 was anticipated in 2014 and 2015 as a revenue.

**G. INTERFUND BALANCES**

The Township had interfund balances at December 31, 2014 as follows:

	<b><u>Due From</u></b>	<b><u>Due To</u></b>
Current Fund:		
Premium On Tax Sale Fund		\$127,825
Other Trust Funds	\$18,315	
Other Trust Fund		
Current Fund		18,315
General Capital	97,136	
Premium on Tax Sale:		
Current Fund	127,825	
General Capital		
Other Trust Funds		97,136

Interfund balances at the year end were due to receipts or expenditures collected and disbursed through the current fund and not turned over to the other funds as indicated.

The Township had interfund balance at December 31, 2013 as follows:

	<b><u>Due From</u></b>	<b><u>Due To</u></b>
Current Fund:		
Premium On Tax Sale Fund		\$108,725
Other Trust Funds	\$3,422	
Other Trust Fund		
Current Fund		3,422
General Capital	134,576	
Premium on Tax Sale:		
Current Fund	108,725	
General Capital		
Other Trust Funds		134,576

Interfund balances at the year end were due to receipts or expenditures collected and disbursed through the Current fund and not turned over to the other funds as indicated

**H. 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 program.

The Township participates in a joint insurance fund that provides coverage for its automobile, general liability, and workers; compensation exposures, property, fire, water, utility, boiler, and machinery, and employee fidelity. Various deductibles, limits, and coinsurance provisions apply to these policies.

## I. FIXED ASSETS

The Township records assets with a useful life in excess of one year and with a value over \$5,000 as a fixed asset. The accounts are adjusted for dispositions and abandonment's. Depreciation is not recorded.

Fixed assets used in governmental operation (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("Infrastructure") general fixed assets consisting of certain improvement other than building, such as roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems are not capitalized.

The Township's fixed assets are summarized as follows:

### General Fixed Assets:

Description	Balance 12/31/2013	Additions	Disposals	Balance 12/31/2014
Land	\$ 15,408,472			\$ 15,408,472
Improvements other than buildings	2,006,128	1,014,856		3,020,984
Buildings	6,110,241	19,393		6,129,634
Computers & Computer Equipment	431,047	14,500		445,547
Furniture & Equipment	1,872,739	108,672	63,262	1,918,149
Vehicles	9,938,386	752,742	268,079	10,423,049
Radio & Communication Equipment	477,162	24,797		501,959
	<b>\$ 36,244,175</b>	<b>1,934,960</b>	<b>331,341</b>	<b>\$ 37,847,794</b>

### Parking Utility Fixed Assets:

Description	Balance 12/31/2013	Additions	Disposals	Balance 12/31/2014
Land	\$ 314,725	—	—	\$ 314,725
Computers & Computer Equipment	220,500	—	—	220,500
Building	7,835,000			7,835,000
	<b>\$ 8,370,000</b>			<b>\$ 8,370,000</b>

### General Fixed Assets:

Description	Balance 12/31/2012	Additions	Disposals	Balance 12/31/2013
Land	\$ 15,408,472			\$ 15,408,472
Improvements other than buildings	1,971,568	34,560		2,006,128
Buildings	5,460,241	650,000		6,110,241
Computers & Computer Equipment	353,268	77,761		353,268
Furniture & Equipment	1,654,162	218,577		1,654,162
Vehicles	9,264,448	631,000		9,938,386
Radio & Communication Equipment	477,162			477,162
	<b>\$ 34,589,321</b>	<b>1,611,898</b>		<b>\$ 36,244,175</b>

### Parking Utility Fixed Assets:

Description	Balance 12/31/2012	Additions	Disposals	Balance 12/31/2013
Land	\$ 314,725	—	—	\$ 314,725
Computers & Computer Equipment	220,500	—	—	220,500
Building		7,835,000		7,835,000
	<b>\$ 535,225</b>	<b>7,835,000</b>		<b>\$ 8,370,000</b>

**J. DEFERRED COMPENSATION PLANS**

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary to future years. Individuals are one hundred percent vested. The plan is funded solely from voluntary employee payroll deductions. Distribution is available to employees upon termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are solely property and right of the individual contributors and are not subject to the claims of the Township's general creditors.

**K. DEFERRED CHARGES TO BE RAISED IN FUTURE YEARS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2013 and 2014, the Township Current Fund had the following charges to be raised in the 2014 or subsequent budgets

<b>Parking Utility Fund</b>	<b>Balance <u>Dec. 31,</u></b>	<b>Budget <u>Appropriation</u></b>
2013	\$ 150,000	\$ 150,000
2014	0	0

**L. CONTINGENCIES**

Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2014. The Township is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the Township does not recognize a liability, if any, until these cases have been adjudicated. Funding of any liability would be provided for in succeeding years' budgets or through a refunding bond ordinance which would allow the Township to fund these liabilities over a number of years.

The Township is also involved in suits in the normal course of business. These cases, if decided against the Township, would be paid by its insurance carrier. The Township expects such amounts, if any, to be immaterial.

The Township is the plaintiff in litigation against its insurer to recover sums expended by the Township in the defense of litigation which the Township claims should have been covered and for the cost of pursuing coverage. The Township has received an award of over \$2,000,000 in this matter.

The Township is a defendant in a zoning matter with a related complaint alleging a violation of constitutional rights and seeking damages. The Township is vigorously defending this matter and has been awarded insurance coverage in this matter.

The Township participates in numerous Federal and State of New Jersey grant programs which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the Township has not complied with the rules and regulations governing the grants, refund of any money received may be required and the collectability of any related receivables at December 31, 2014 may be impaired. In the opinion of the Township, there are no significant contingent liabilities relating to compliance with rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying financial statements for such contingencies.

**M. POST RETIREMENT MEDICAL BENEFITS**

PERS, PFRS and CFPF require post retirement medical benefits to be funded on a pay-as-you-go basis for employees that have 25 years of accumulated service. Benefits include medical and prescription coverage for the participant and family.

Plan Description:

The Township contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined post-employment healthcare plan administered by the State of New Jersey Division of Pension 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. 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, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered 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. On September 14<sup>th</sup>, 1976, the Township authorized participation in the SHBP's post-retirement benefit program by resolution. Premiums or periodic charges for the benefits provided to all eligible retired employees and their dependents covered under the program, but not including survivors, if such employees retired from a State or locally – administered retirement system effective after the date the employer adopted the State Health benefits Program on a benefit based on 25 years or more of service credited in such retirement system, excepting the employees who elected deferred retirement, but including the employees who retired on disability pensions based on fewer years of service credited in such retirement system and also to reimburse such retired employees for their premium charges under Part B of the federal Medicare Program covering the retired employees and their spouses in accordance to the regulations of the State Health Benefits Commission.

The State Health Benefit 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. The report may be obtained by writing to: State of New Jersey Division of Pension and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at [www.state.nj.us/treasury/pensions.gasb-43-sept2088.pdf](http://www.state.nj.us/treasury/pensions.gasb-43-sept2088.pdf).

Funding Policy: 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 contributions to the SHBP for retirees for the years ended December 31, 2014, 2013, 2012, 2011 and 2010 were \$2,432,634, \$2,482,187, \$2,167,590, \$2,281,714 and \$1,765,170 respectively, which equaled the required contributions for each year. There were approximately 179, 184, 178, 185 and 168 retired participants eligible at December 31, of each year end.

\* \* \* \* \*

ADDITIONAL FINANCIAL INFORMATION

**TOWNSHIP OF MILLBURN**

**A-4**

**CURRENT FUND**

**SCHEDULE OF CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2014**

	Ref.	
BALANCE, DECEMBER 31, 2013	A	\$ 13,471,020
Increased by Receipts:		
Taxes Receivable	A-6	164,246,439
Revenue Accounts Receivable	A-8	5,847,972
Deposits Received	A-14	221,083
Miscellaneous Revenue Not Anticipated	A-2	1,220,845
Prepaid Taxes	A-7	987,004
Change fund	Below	50
Petty Cash Funds	Below	850
State of New Jersey Senior Citizens' and Veterans' Deductions:	A-19	46,000
Tax Overpayments	A-15	319,189
Sewer Maintenance Charges	A-13	1,210,783
Special Improvement District	A-23	198,991
Due from Other Interfunds	A-24	254,600
Reserve for Sewer Capital	A-26	89,501
Sale of Township Property	A-20	37,801
Federal and State Grants - Unappropriated	A-25	8,255
Reserve for Litigation	A-29	167,954
Federal and State Grants Receivable	A-11	81,934
TOTAL RECEIPTS		<u>174,939,250</u>
		<u>188,410,270</u>
Decreased by Disbursements:		
Accounts Payable and Deposits	A-14	223,959
Reserve for Grants	A-16	129,027
Local District School Taxes	A-10	78,555,859
2014 Appropriations	A-3	45,230,268
2013 Appropriation Reserves	A-9	2,586,397
Petty Cash Funds	Above	850
County Taxes	A-18	45,085,743
Tax Overpayments	A-15	187,863
Operations - prior year	A-1	18,950
Reserve for Tax Appeals	A-12	1,000,000
Tax Appeals Paid	A-1	150,905
Due to Other Trust Funds	A-24	250,401
Jt Meeting Capital	A-26	94,677
Reserve for Rahway River Project	A-28	2,952
Reserve for Litigation	A-29	256,362
Change Fund	Above	50
		<u>173,774,262</u>
BALANCE, DECEMBER 31, 2014	A	\$ <u>14,636,007</u>

**TOWNSHIP OF MILLBURN**

**A-5**

**CURRENT FUND**

**SCHEDULE OF RESERVE FOR LITIGATION  
YEAR ENDED DECEMBER 31, 2014**

---

	<b>Ref.</b>		
BALANCE DECEMBER 31, 2013	A		\$ 92,943
Increased by:			
Appropriation Reserves - Legal	A-3	130,000	
Cash Received	A-4	<u>167,954</u>	
			<u>297,954</u>
Decreased By			
Cash Disbursements	A-4		<u>256,362</u>
BALANCE, DECEMBER 31, 2014	A		<u>\$ 134,535</u>

TOWNSHIP OF MILLBURN

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY  
YEAR ENDED DECEMBER 31, 2014

	Balance, December 31, 2013	Levy	Collected		Transfer From Overpayment	Transfer to Tax Title Liens	Senior Citizens' and Veterans' Deductions (Net)	Canceled	Balance, December 31, 2013
			2014	2013					
2013	\$ 734,636	-	734,636	-	-	-	-	-	-
2014	-	165,775,574	163,511,803	787,471	\$ 97,068	61	66,000	604,592	708,579
	<u>\$ 734,636</u>	<u>165,775,574</u>	<u>164,246,439</u>	<u>787,471</u>	<u>\$ 97,068</u>	<u>61</u>	<u>66,000</u>	<u>604,592</u>	<u>708,579</u>
Reference	A		A-4	A-7	A-15	A-17	A-19		A

ANALYSIS OF PROPERTY  
TAX LEVY:

Ref.

General Purpose Tax:

Added Taxes	\$ 1,591,072	
General Property Tax	<u>164,184,501</u>	
		<u>\$ 165,775,574</u>

Tax Levy:

Local District School Tax Levy	A-10	\$ 78,555,859	
County Tax	A-18	44,927,431	
Due County for Added Taxes	A-18	<u>431,763</u>	<u>123,915,054</u>

Local Tax for Municipal Purposes	A-2	37,779,880	
Library Tax	A-2	2,871,969	
Additional Tax Levied		<u>1,208,672</u>	<u>41,860,520</u>
			<u>\$ 165,775,574</u>

**TOWNSHIP OF MILLBURN**

**A-7**

**CURRENT FUND**

**SCHEDULE OF PREPAID TAXES  
YEAR ENDED DECEMBER 31, 2014**

---

	<b>Ref.</b>		
BALANCE, DECEMBER 31, 2013	A		\$ 787,471
Increased by:			
Transfer from 2014 Taxes	A-6	-	
Prepayments	A-4	<u>987,004</u>	<u>987,004</u>
			1,774,475
Decreased by:			
Applied in 2014	A-6	<u>787,471</u>	<u>787,471</u>
BALANCE, DECEMBER 31, 2014	A		<u>\$ 987,004</u>

**TOWNSHIP OF MILLBURN**

A-8

**CURRENT FUND**

**SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2014**

	Ref.	Balance, December 31, 2013	Accrued in 2014	Collected by Treasurer	Balance, December 31, 2014
Licenses - Alcoholic Beverage	A-2	\$ -	38,040	38,040	-
Other Licenses	A-2	-	35,993	35,993	-
Uniform Construction Code Fees	A-2	-	528,282	528,282	-
Other Fees and Permits	A-2	-	227,722	227,722	-
Municipal Court Fines	A-2	38,311	409,409	422,281	25,439
Interest and Costs on Taxes	A-2	-	231,553	231,553	-
Energy Receipts Tax	A-2	-	2,368,523	2,368,523	-
Golf Course Revenue	A-2	-	135,152	135,152	-
Interest on Investments	A-2	-	34,558	34,558	-
Swimming Pool Revenues	A-2	-	352,072	352,072	-
Franchise Fee - Cablevision	A-2	-	300,502	300,502	-
Uniform Fire Code Maintenance	A-2	-	36,235	36,235	-
Hotel Tax	A-2	-	556,263	556,263	-
Reserve for Electrical Trust	A-2	-	50,000	50,000	-
Reserve for Recycling Trust	A-2	-	125,000	125,000	-
Recreation Fees	A-2	-	306,129	306,129	-
Sale of Township owned property	A-2	-	50,000	50,000	-
Joint Trunk Sewer Maintenance Charges	A-2	-	1,200,817	1,200,817	-
Capital Fund Balance	A-2	-	100,000	100,000	-
		<u>\$ 38,311</u>	<u>7,086,250</u>	<u>7,099,122</u>	<u>25,439</u>
		A		A-4	A
Reserve for sale of property	A-20			\$ 50,000	
Joint Trunk Sewer Maintenance Charges	A-13			1,201,150	
Prepaid SID					
Cash	A-4			<u>5,847,972</u>	
				<u>\$ 7,099,122</u>	

**TOWNSHIP OF MILLBURN**

**A-9  
Sheet 1**

**CURRENT FUND**

**SCHEDULE OF 2013 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2014**

	Balance, December 31, 2013	Balance, After Transfer	Paid or Charged	Lapsed
Administrative and Executive:				
Business Administration				
Salaries and Wages	\$ 12,937	12,937	8,223	4,714
Other Expenses:				
Business Administration	10,388	10,388	7,187	3,201
Printing, Legal, Advertising, and Miscellaneous	25,370	25,370	8,417	16,953
Data Processing Center: Other Expenses	22,049	22,050	16,023	6,027
Customer Service:				
Salaries and Wages	23,874	23,874	1,622	22,252
Other Expenses	1,600	1,600	553	1,048
Municipal clerk:				
Salaries and Wages	4,277	4,277	3,588	689
Financial Administration:				
Comptroller's Office:				
Salaries and Wages	2,757	5,657	5,600	56
Other Expenses	13,813	10,913	266	10,647
Annual Audit	10,250	10,250	4,350	5,900
Assessment of Taxes:				
Salaries and Wages	13,366	3,366	1,232	2,133
Other Expenses	29,398	14,398	6,732	7,666
Collector of Taxes:				
Salaries and Wages	23,617	3,617	1,550	2,066
Other Expenses	14,799	7,800	584	7,215
Legal Services and Costs:				
Salaries and Wages	472	472		472
Other Expenses	263,134	413,134	403,480	9,655
Public Buildings and Grounds:				
Other Expenses	137,938	123,938	43,103	80,836
Planning Board:				
Salaries and Wages	2,684	2,684	1,057	1,627
Other Expenses	9,776	9,776		9,776
Board of Adjustment:				
Salaries and Wages				
Other Expenses	5,579	5,579	180	5,399

(Continued)

**TOWNSHIP OF MILLBURN**

**A-9  
Sheet 2**

**CURRENT FUND**

**SCHEDULE OF 2013 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2014**

	Balance, December 31, 2013	Balance, After Transfer	Paid or Charged	Lapsed
Historical Preservation Commission:				
Salaries and Wages	\$ 1,428	\$ 1,428	\$	\$ 1,428
Other Expenses				0
Insurance:				
Group Insurance for Employees	559,511	84,511	76,813	7,697
Other Insurance Premiums	24,309	4,309	4,309	
Fire:				
Salaries and Wages	5,037	215,037	204,462	10,575
Other Expenses	70,889	58,589	43,637	14,953
Aid to Volunteer Fire Companies	2,622	2,622		2,622
Police:				
Salaries and Wages	191	230,191	230,191	
Other Expenses	322,419	322,419	293,317	29,102
Emergency Management				
Other Expenses	764	764		764
Inspection of Buildings:				
Salaries and Wages	21,571	11,571	5,716	5,855
Other Expenses	20,201	5,200	338	4,862
Engineering Services and Costs:				
Salaries and Wages	5,730	5,730	4,250	1,480
Other Expenses	51,282	51,282	41,215	10,066
Shade Tree:				
Salaries and Wages	108,872	80,872	68,859	12,013
Other Expenses	145,613	145,613	96,849	48,764
Road Repair and Maintenance:				
Salaries and Wages	84,903	84,903	82,961	1,942
Other Expenses	223,459	223,458	126,992	96,466
Dispatch:				
Salaries and Wages	137	12,437	12,141	295
Other Expenses				
Joint Meeting Maintenance				
Salaries and Wages	3,013	3,013		3,013

(Continued)

**TOWNSHIP OF MILLBURN**

**A-9  
Sheet 3**

**CURRENT FUND**

**SCHEDULE OF 2013 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2014**

	Balance, December 31, 2013	Balance, After Transfer	Paid or Charged	Lapsed
Vehicle Maintenance:				
Salaries and Wages	\$ 199	\$ 14,199	\$ 13,091	\$ 1,107
Other Expenses	86,874	86,874	32,477	54,397
Sanitation:				
Other Expenses	95,416	70,417	21,220	49,196
Board of Health - Local Health Agency:				
Salaries and Wages	3,968	3,968	1,950	2,018
Other Expenses	5,247	5,247		5,247
Environmental Commission				
Other Expenses	2,150	2,150	500	1,650
Administration of Public Assistance:				
Salaries and Wages	593	593	222	370
Other Expenses	10,870	10,870	5,248	5,622
Parks and Playground				
Salaries and Wages	55,128	55,128	6,870	48,258
Other Expenses	72,606	72,606	28,468	44,138
Senior Citizens' Transportation:				
Salaries and Wages	24,651	24,651	2,164	22,487
Other Expenses	385	385	28	357
Celebration of Public Events	1,350	1,350		1,350
Electricity	59,327	24,327	17,474	6,853
Natural Gas	74,525	24,525	11,983	12,542
Street Lighting	104,961	44,961	37,424	7,537
Gasoline	84,148	59,147	8,881	50,266
Telephone and Telegraph	27,228	27,228	1,447	25,781
Landfill Facilities and Contingency Fund Act	348,607	253,607	181,319	72,288
Municipal Court				
Salaries and Wages	65,785	65,785	3,850	61,935
Other Expenses	11,075	11,075	3,917	7,158
Governor's Alcoholism and Drug Abuse Grant:				
Other Expenses	10,152	10,152	10,152	

(Continued)

**TOWNSHIP OF MILLBURN**

**A-9  
Sheet 4**

**CURRENT FUND**

**SCHEDULE OF 2013 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2014**

	<b>Balance, December 31, 2013</b>	<b>Balance, After Transfer</b>	<b>Paid or Charged</b>	<b>Lapsed</b>
Social Security System (OASI)	\$ 34,958	\$ 34,958	\$ 30,000	\$ 4,958
Joint Trunk Sewer Maintenance	1,000	1,000		1,000
Reserve for Snow Trust	500	500		500
Reserve for Accumulated Abscense Trust	500	300,500	300,500	
Condo Reimbursement				
Other Expenses	30,000	30,000	28,314	1,686
Interlocal Agreements Maplewood:				
Plumbing Inspections	30,339	30,339	24,246	6,094
Electrical Inspections	22,915	22,915	18,352	4,563
Hepatitis	9,810	9,810	95	9,715
Madison	660	660		660
Livingston	<u>3,222</u>	<u>3,222</u>		<u>3,222</u>
	<u>\$ 3,559,178</u>	<u>\$ 3,559,178</u>	<u>\$ 2,595,994</u>	<u>\$ 963,183</u>
Reference	Below		Below	A-1
Appropriation Reserve	A \$ 2,501,729			
Reserve for Encumbrances	A <u>1,057,449</u>			
	<u>\$ 3,559,178</u>			
	\$ -			
	Above			
		Cash	A-4 \$ 2,586,397	
		Litigation Reserve	<b>A-29</b>	
		Accounts Payable	<b>A-14</b> <u>9,597</u>	
			<u>\$ 2,595,994</u>	(Concluded)

**TOWNSHIP OF MILLBURN**

**A-10**

**CURRENT FUND**

**SCHEDULE OF LOCAL DISTRICT SCHOOL TAX  
YEAR ENDED DECEMBER 31, 2014**

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	<b>Ref.</b>	
2014 Tax Levy	A-1,A-6	\$ 78,555,859
Decreased by:		
Cash Disbursements	A-4	<u>78,555,859</u>
BALANCE DECEMBER 31, 2014		<u>\$ -</u>

**TOWNSHIP OF MILLBURN**

A-11

**CURRENT FUND**

**SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2014**

	Balance, December 31, 2013	Grant Award	From Grants Unappropriated	Receipts	Balance, December 31, 2014
Governor's Council on Alcohol and Drug Abuse Grant	\$ 42,909	60,000	-	46,810	56,099
Clean Communities Program	655	35,125	-	35,125	655
Seat Belt Grant	8,029	-	-	-	8,029
Natural Resource Grant - WHIP (Gilbert Place)	33	-	-	-	33
Firefighters Assistance Grant	6,805	-	-	-	6,805
ANJEC -Environmental Commission	9,750	-	-	-	9,750
Essex County Community Dev. Block	29,458	-	-	-	29,458
FEMA - Emergency Mgt.	5,000	5,000	-	-	10,000
Crash Test Investigation	14,887	-	-	-	14,887
Edward J. Byrne Memorial (ARRA) Grant	10,425	-	-	-	10,425
Reserve for Click it or Ticket	-	3,800	3,800	-	-
Body Armor Replacement	-	6,665	6,664	-	1
	<u>\$ 127,951</u>	<u>110,590</u>	<u>10,464</u>	<u>81,934</u>	<u>146,142</u>
	A	A-2	A-25	A-4	A

**TOWNSHIP OF MILLBURN**

**A-12**

**CURRENT FUND**

**SCHEDULE OF RESERVE FOR TAX APPEALS  
YEAR ENDED DECEMBER 31, 2014**

---

	<b>Ref.</b>	
BALANCE DECEMBER 31, 2013	A	\$ -
Increased by:		
2014 Budget Appropriation	A-3	<u>1,000,000</u>
		1,000,000
Decreased:		
Cash Disbursed	A-4	<u>1,000,000</u>
BALANCE, DECEMBER 31, 2014	A	<u><u>\$ -</u></u>

**TOWNSHIP OF MILLBURN**

**A-13**

**CURRENT FUND**

**SCHEDULE OF SEWER MAINTENANCE CHARGES RECEIVABLE  
YEAR ENDED DECEMBER 31, 2014**

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	Ref.		
BALANCE DECEMBER 31, 2013	A		\$ 10,111
Increased by:			
Transfer to Prepaid Sewer Levy	A	<u>1,300,296</u>	1,300,296
Decreased by:			
Current Year Collections	A-8, A-4	1,200,817	
Reserve for Sewer Capital	A-26	89,501	
2013 Sewer	A-2, A-4	9,966	
Cancellation by Resolution		3,050	
Transfer to Overpayments	A	<u>410</u>	
			<u>1,303,743</u>
BALANCE, DECEMBER 31, 2014	A		<u>\$ 6,664</u>

**TOWNSHIP OF MILLBURN**

**A-14**

**CURRENT FUND**

**SCHEDULE OF ACCOUNTS PAYABLE AND DEPOSITS  
YEAR ENDED DECEMBER 31, 2014**

---

BALANCE, DECEMBER 31, 2013	A		\$ 117,869
Increased by:			
Accounts Payable	A-9	9,597	
Deposits	A-4	<u>221,083</u>	<u>230,680</u>
			348,549
Decreased by:			
Cash Disbursements	A-4		<u>223,959</u>
 BALANCE, DECEMBER 31, 2014	 A		 <u>\$ 124,591</u>

**TOWNSHIP OF MILLBURN**

**A-15**

**CURRENT FUND**

**SCHEDULE OF TAX OVERPAYMENTS  
YEAR ENDED DECEMBER 31, 2014**

	<b>Ref.</b>		
BALANCE, DECEMBER 31, 2013	A		\$ 141,502
Increased by:			
Transfer from 2014 Taxes	A-4		<u>319,189</u>
			460,691
Decreased by:			
Transfer to 2014 Taxes	A-6	97,068	
Canceled by Resolution	A-1		
Refunded By Treasurer	A-4	<u>187,863</u>	
			<u>284,931</u>
BALANCE, DECEMBER 31, 2014	A		<u>\$ 175,760</u>

**TOWNSHIP OF MILLBURN**

A-16

**CURRENT FUND**

**SCHEDULE OF RESERVE FOR GRANTS APPROPRIATED  
YEAR ENDED DECEMBER 31, 2014**

	Balance, December 31, 2013	Increased by Budget Appropriation	Decreased by Cash Disbursed	Balance, December 31, 2014
Clean Communities Program	\$ 85,410	35,125	35,706	84,829
Governor's Council on Alcohol and Drug Abuse Grant	16,811	60,000	63,619	13,192
DWI - Police	286		114	172
Drunk Driving Enforcement Fund	5,472		417	5,055
Essex County - Comm. Development Blk	62,501			62,501
ANJEC - Environmental Commission Grant	2,250			2,250
Body Armor	5,229	6,665	2,860	9,033
Commercial Motor Vehicle Enforcement	100			100
County Wide CJIS Grant	15,243			15,243
Wild Life Incentive Program	698			698
Emergency Management Assist. Fund		5,000	5,000	-
Click it or Ticket Grant	3,950	3,800		7,750
Comcast Local Access Grant	60,000		13,811	46,189
Crash Test Investigation Grant	14,887			14,887
Investors Savings Charitable Foundation	2,500			2,500
NJ Business Stimulation Fund - NJ Forest	7,000			7,000
Essex County _ Multi Parks Project	2,384			2,384
NJ BPU Clean Energy Audit	1,955			1,955
ANJEC - Environmental Commission Grant	7,500		7,500	
	<u>\$ 294,175</u>	<u>\$ 110,590</u>	<u>\$ 129,027</u>	<u>\$ 275,738</u>
	A	A-3	A-4	A

**TOWNSHIP OF MILLBURN**

**A-17**

**CURRENT FUND**

**SCHEDULE OF TAX TITLE LIENS  
YEAR ENDED DECEMBER 31, 2014**

---

	<b>Ref.</b>		
BALANCE, DECEMBER 31, 2013	A	\$	635
Increased by:			
Transferred from Taxes Receivable	A-6		<u>61</u>
BALANCE, DECEMBER 31, 2014	A	\$	<u><u>696</u></u>

**TOWNSHIP OF MILLBURN**

**A-18**

**CURRENT FUND**

**SCHEDULE OF COUNTY TAXES PAYABLE  
YEAR ENDED DECEMBER 31, 2014**

---

	<b>Ref.</b>		
BALANCE, DECEMBER 31, 2013	A		\$ 158,311
Increased by:			
2014 County Tax Levy	A-6	44,927,431	
Added Taxes	A-6	<u>431,763</u>	
	A-1		<u>45,517,506</u>
Decreased by:			
Cash Disbursements	A-4		<u>45,085,743</u>
BALANCE, DECEMBER 31, 2014	A		<u>\$ 431,762</u>

**TOWNSHIP OF MILLBURN**

**A-19**

**CURRENT FUND**

**SCHEDULE OF DUE TO (FROM) STATE OF NEW JERSEY - SENIOR CITIZENS AND VETERANS DEDUCTIONS  
YEAR ENDED DECEMBER 31, 2014**

	Ref.		
BALANCE, DECEMBER 31, 2013	A	\$	(323)
Increased by:			
Cash Received	A-4	\$ 46,000	
2013 Deductions Disallowed	A-6		
2014 Deductions Disallowed	A-6	<u>2,250</u>	<u>48,250</u>
			47,927
Decreased by:			
2014 Deductions Per Levy	A-6	67,250	
Veterans Deductions Allowed	A-6	<u>1,000</u>	<u>68,250</u>
BALANCE, DECEMBER 31, 2014 (Due From)	A	\$	<u>(20,323)</u>

CURRENT FUND

SCHEDULE OF RESERVE FOR SALE OF TOWNSHIP OWNED PROPERTY  
 YEAR ENDED DECEMBER 31, 2014

	Ref.	
BALANCE, DECEMBER 31, 2013	A	\$ 151,301
Increased by:		
Cash Received	A-4	<u>37,801</u>
		189,102
Decreased by:		
Anticipated as Revenue	A-8	<u>50,000</u>
BALANCE, DECEMBER 31, 2014	A	<u>\$ 139,102</u>

**TOWNSHIP OF MILLBURN**

**A-21**

**CURRENT FUND**

**SCHEDULE OF INSURANCE LITIGATION RECEIVABLE  
YEAR ENDED DECEMBER 31, 2014**

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	Ref.	
BALANCE DECEMBER 31, 2013	A	<u>\$ 529,323</u>
BALANCE, DECEMBER 31, 2014	A	<u>\$ 529,323</u>

**TOWNSHIP OF MILLBURN**

A-22

**CURRENT FUND**

**SCHEDULE OF PROPERTY ACQUIRED FOR TAXES- ASSESSED VALUATION  
YEAR ENDED DECEMBER 31, 2014**

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	Ref.	
BALANCE, DECEMBER 31, 2013 and 2014	A	<u>\$ 14,000</u>

**TOWNSHIP OF MILLBURN**

**A-23**

**CURRENT FUND**

**SCHEDULE OF SPECIAL IMPROVEMENT DISTRICT RECEIVABLE  
YEAR ENDED DECEMBER 31, 2014**

	Ref.		
BALANCE, DECEMBER 31, 2013	A		\$ 4,359
Increased by:			
Levy			<u>195,127</u>
			199,486
Decreased by:			
Current Year Collections:			
2014 SID	A-4	194,632	
Prior Year SID	A-2, A-4	4,359	
Canceled by Resolution		16	
		<u>199,007</u>	<u>199,007</u>
 BALANCE, DECEMBER 31, 2014	 A		 <u>\$ 479</u>

CURRENT FUND

SCHEDULE OF DUE (TO) FROM TRUST FUND  
 YEAR ENDED DECEMBER 31, 2014

	Balance, December 31, 2013	Cash Received	Cash Disbursed	Balance, December 31, 2014
Special Improvement	\$ 3,422	\$ 195,000	\$ 195,555	\$ 3,977
Tax Sale Premium	(108,725)	59,600	40,500	(127,825)
Escrow	-	-	10,000	10,000
Snow Trust	-	-	4,346	4,346
	<u>\$ (105,303)</u>	<u>\$ 254,600</u>	<u>\$ 250,401</u>	<u>\$ (109,502)</u>
	A	A-4	A-4	A
Due to	\$ (108,725)			\$ (127,825)
Due from	<u>3,422</u>			<u>18,323</u>
	<u>\$ (105,304)</u>			<u>\$ (109,502)</u>

**TOWNSHIP OF MILLBURN**

A-25

**CURRENT FUND**

**SCHEDULE OF RESERVE FOR GRANTS-UNAPPROPRIATED  
YEAR ENDED DECEMBER 31, 2014**

	<b>Balance December 31, 2013</b>	<b>Cash Receipts</b>	<b>Anticipated As Miscellaneous Revenue</b>	<b>Balance December 31 2014</b>
Click it or Ticket Grant	\$ 3,800	3,200	3,800	3,200
Reserve for Body Armor	6,664	5,055	6,664	5,055
	<u>\$ 10,464</u>	<u>8,255</u>	<u>10,464</u>	<u>8,255</u>
	A	A-4	A-2, A-11	A

**TOWNSHIP OF MILLBURN**

**A-26**

**CURRENT FUND**

**SCHEDULE OF RESERVE FOR JOINT TRUNK SEWER CAPITAL  
YEAR ENDED DECEMBER 31, 2014**

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	<b>Ref.</b>	
BALANCE DECEMBER 31, 2013	A	\$ 403,254
Increased by:		
Cash Received from Sewer Collections	A-4, A-13	<u>89,501</u>
		492,755
Decreased by:		
Paid to Joint Meeting of Essex County	A-4	<u>94,677</u>
BALANCE, DECEMBER 31, 2014	A	<u>\$ 398,078</u>

**TOWNSHIP OF MILLBURN**

**A-27**

**CURRENT FUND**

**SCHEDULE OF RESERVE FOR SPECIAL EMERGENCY APPROPRIATION  
YEAR ENDED DECEMBER 31, 2014**

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	Ref.	
BALANCE, DECEMBER 31, 2013 and 2014	A	<u>\$ 880</u>

**TOWNSHIP OF MILLBURN**

**A-28**

**CURRENT FUND**

**SCHEDULE OF RESERVE FOR RAHWAY RIVER PROJECT  
YEAR ENDED DECEMBER 31, 2014**

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	Ref.	
BALANCE DECEMBER 31, 2013	A	\$ 4,831
Decreased by:		
Cash Disbursed	A-4	<u>2,952</u>
BALANCE, DECEMBER 31, 2014	A	<u>\$ 1,879</u>

TOWNSHIP OF MILLBURN

B-1

TRUST FUND

SCHEDULE OF CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2014

	Ref.	Electrical Inspection	Dog License	Escrow	Unemployment Insurance	Waste Recycling	Recreation Trip	POAA	Fire Penalty Trust	Accumulated Absences Trust	Snow Trust	Police Off-Duty Trust	Forfeited Property Account	Donation Trust	Payroll Trust	Payroll Agency Trust	Special Improvement District
Balance																	
December 31, 2013	B	\$ 434,497	\$ 61,728	\$ 260,883	\$ 132,273	\$ 304,811	\$ 158,215	\$ 52,831	\$ 7,397	\$ 526,824	\$ 382,315	\$ 308,060	\$ 8,293	\$ 5,789	\$ 36,860	\$ 323,650	\$ 3,421
Increased by:																	
Interest Received			86		199	417	396	80	10	950			12	142	108		
From SID																	192,134
Interfund - Current				10,000							4,346						3,421
Interfund - Capital																	
Escrow Deposits				61,200													
Dog License Fees			12,593														
Donations															88,876		
Recreation Trip Fees							800,957										
Recycling Fees						116,390											
SID Collections	B-2												1,555				
Forfeiture Funds												865,073					
Police Off-Duty																	
From Budget										300,500							
Inspection Fees		95,203							2,192								
Due to State			1,229														
Municipal Alliance														33,305			
Interlocal Animal Control			29,681														
Fire Inspectors																	
Payroll Fees															14,933,745	10,473,742	
Balance from Gen. Fund										473,000							
Municipal Court								2,688									
		<u>95,203</u>	<u>43,589</u>	<u>71,200</u>	<u>199</u>	<u>116,807</u>	<u>801,353</u>	<u>2,768</u>	<u>2,202</u>	<u>774,450</u>	<u>4,346</u>	<u>865,073</u>	<u>1,567</u>	<u>122,323</u>	<u>14,933,853</u>	<u>10,473,742</u>	<u>195,555</u>
		<u>529,699</u>	<u>105,317</u>	<u>332,082</u>	<u>132,472</u>	<u>421,618</u>	<u>959,568</u>	<u>55,600</u>	<u>9,600</u>	<u>1,301,274</u>	<u>386,661</u>	<u>1,173,133</u>	<u>9,860</u>	<u>128,112</u>	<u>14,970,713</u>	<u>10,797,392</u>	<u>198,976</u>
Decreased by:																	
Dog Fund Payments			68,853														
State of New Jersey			1,252		8,832												
Interfund - Current	B-2		94														
Donation Trust														82,491			
SID Payments	B-2																195,000
Recreation Trip							773,052										
Escrow Payments				79,360													
Police Off Duty												1,091,169					
Due from General Capital			176														
Forfeiture Funds													1,533				
Accumulated Absences										105,731							
Fire Penalty Trust																	
Electric Fees		250,000															
Payroll Fees															14,908,522	10,061,146	
Snow Trust											1,005						
Recycling Fees						141,624											
		<u>250,000</u>	<u>70,375</u>	<u>79,360</u>	<u>8,832</u>	<u>141,624</u>	<u>773,052</u>			<u>105,731</u>	<u>1,005</u>	<u>1,091,169</u>	<u>1,533</u>	<u>82,491</u>	<u>14,908,522</u>	<u>10,061,146</u>	<u>195,000</u>
Balance																	
December 31, 2014	B	\$ 279,699	\$ 34,942	\$ 252,722	\$ 123,640	\$ 279,994	\$ 186,516	\$ 55,600	\$ 9,600	\$ 1,195,543	\$ 385,656	\$ 81,964	\$ 8,327	\$ 45,621	\$ 62,191	\$ 736,245	\$ 3,976

**TOWNSHIP OF MILLBURN**

**TRUST FUND  
SCHEDULE OF DUE (TO) FROM CURRENT FUND  
YEAR ENDED DECEMBER 31, 2014**

**B-2**

	Balance, December 31, 2013	Cash Received	Cash Disbursed	Balance, December 31, 2014
Special Improvement	\$ (3,421)	195,555	195,000	(3,976)
Tax Sale Premium	108,725	40,500	59,600	127,825
Escrow	-	10,000	-	(10,000)
Police Off Duty	-	-	-	-
Snow Trust	-	4,346	-	(4,346)
Dog License	-	86	94	8
	<u>\$ 105,304</u>	<u>\$ 250,487</u>	<u>\$ 254,694</u>	<u>\$ 109,511</u>
	A	A-24, B-1	A-24, B-1	A
Due to	\$ (3,421)			(18,322)
Due from	<u>108,725</u>			<u>127,833</u>
	<u>\$ 105,304</u>			<u>\$ 109,511</u>

**TOWNSHIP OF MILLBURN**

**TRUST FUND  
SCHEDULE OF DUE FROM GENERAL CAPITAL  
YEAR ENDED DECEMBER 31, 2014**

**B-3**

	Balance, December 31, 2013	Cash Received	Cash Disbursed	Balance, December 31, 2014
Dog License	\$ -	-	176	\$ 176

**TOWNSHIP OF MILLBURN**

**TRUST FUND  
SCHEDULE OF RESERVE FOR DOG LICENSE  
YEAR ENDED DECEMBER 31, 2014**

**B-4**

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BALANCE, DECEMBER 31, 2013	\$	61,702
Increased by:		
License and fees		12,593
Interlocal agreements		<u>29,681</u>
		42,274
		103,976
Decreased by:		
Excess balance due to Current Fund		
Other disbursements		<u>68,853</u>
BALANCE, DECEMBER 31, 2014		<u><u>35,123</u></u>
2012 license revenue	\$	20,995
2013 license revenue		<u>32,268</u>
		<u><u>53,263</u></u>

**TOWNSHIP OF MILLBURN**

**C-2**

**GENERAL CAPITAL FUND**

**SCHEDULE OF CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2014**

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	Ref.		
BALANCE, DECEMBER 31, 2013	C, C-3		\$ 5,647,070
Increased by Receipts:			
2014 Budget Appropriation	<b>C-10</b>	\$ 1,455,000	
Fund Balance - DOT Grant	<b>C-1</b>	250,000	
Premium on Sale of Notes	<b>C-1</b>	50,569	
Miscellaneous	<b>C-1</b>	350	
Deferred Charges Unfunded	C-5	100,000	
Reserve for payment of debt		48,000	
Receipt of Bond Anticipation Notes	<b>C-14</b>	5,943,781	
Grants Receivable	<b>C-16</b>	179,450	
Due to Dog Fund	C-7	176	
Reserve for Papermill Property	<b>C-12</b>	<u>156,676</u>	
			<u>8,184,002</u>
			13,831,072
Decreased by Disbursements:			
Improvement Authorizations	C-8	3,368,753	
Budget Appropriation - Fund Balance	<b>C-1</b>	100,000	
Due to Trust Fund Fund	C-7	37,516	
BAN Rollover	<b>C-14</b>	<u>5,373,781</u>	
			<u>8,880,050</u>
BALANCE, DECEMBER 31, 2014	C, C-3		<u>\$ 4,951,022</u>

TOWNSHIP OF MILLBURN

GENERAL CAPITAL FUND

ANALYSIS OF CASH  
AS OF DECEMBER 31, 2014 AND 2013

	Ref.	Balance December 31,	
		2014	2013
Fund Balance	C-1	\$ 432,511	333,789
Capital Improvement Fund	C-10	1,285,971	1,724,742
Reserve for Parking Lots	C-11		1,753
Reserve for Encumbrances	C-8	993,533	2,312,478
Notes Payable	C-13	22,444	28,088
Grants Receivable	C-16		(130,758)
Interfund Payable	C-7	97,236	134,576
Reserve for Payment of Bonds	C-15	202,090	1,448
Reserve for Preliminary Expenses	C-17		10,597
Reserve for Papermill Property	C-12	498,676	342,000
Reserve for Little League Field	C	18,067	18,067
<b>Improvement Description</b>			
2186-01 Road Improvements	C-5	(521,028)	(621,028)
2255-05 Road Improvements	C-8		2,580
2293-07 Short Hills RR Station	C-8	29,477	29,477
2297-07 Purchase of Property	C-5, C-8	248,267	248,267
2321-08 Purchase of Papermill	C-5, C-8		350
2323-08 General Bldg. Improvements	C-8		499
2323-08 Police Dept. Imp. And Equipment	C-8	29,201	29,201
2324-08 ADA Improvements	C-5, C-8	(62,050)	(62,050)
2342-09 Engineering	C-8	2,691	88,649
2342-09 Recreation Improvement	C-8		305
2355-10 Riverwalk Project	C-5, C-8		30,000
2365-10 Public Works Equipment	C-8	-	
2365-10 Recreation Equipment	C-8		19,321
2365-10 General Building Improvements	C-8		2
2365-10 Engineering - GIS	C-8		5,000
2365-10 Police Equipment	C-8	15,077	12,812
2366-10 Taylor Parks UST Remediations	C-5, C-8		42,009
2367-10 Old Short Hills Road Imp (Parsonage to Essex)	C-5, C-8	(185,894)	(210,573)
2376-11 Engineering - Drainage Imp	C-8	21,801	21,801
2376-11 DPW Vehicles and Equipment	C-8		2,778
2376-11 Recreation Improvement	C-8	5,191	4,624
2376-11 Fire Vehicles & Equipment	C-8	261	261
2376-11 Engineering - Hobart Ave	C-8		33,401
2376-11 Police Vehicles & Equipment	C-8		1,093
2375-11 Knollwood Raod	C-5, C-8	440	34,570
2375-11 Great Hills and Ridgewood Road	C-8		41,529
2375-11 Short Hills Train Station -ADA	C-8		44
2399-12 Storm Damage	C-8		695,438
2393-12 Canoe Brook Pump Stations	C-5, C8	18,124	(569,900)
2393-12 Brook Side Drive Reconstruction	C-5, C8		(19,222)
2393-12 Street Ramp Imp (ADA)	C-5, C8	9,056	12,640
2392-12 Engineering - Seal Coating	C-8		38,060
2392-12 Engineering - Small Drainage	C-8	47,612	50,492
2392-12 DPW Equipment	C-8	11,616	11,616
2392-12 Recreation Equipmnet & Imp	C-8	10,914	10,914
2392-12 Fire Department Equipment & Imp	C-8		6,320
2392-12 Engineering - Hobart (Rt24- White oak)	C-8	58,904	110,000
2392-12 Enginerring - Curb Repl	C-8	18,781	22,281
2392-12 Police Imp & Equipment	C-8	4,196	4,196
2392-12 Library Imp. & Equipment	C-8	14,930	14,930
2405-13 Engineering - Sealcoating	C-8		14,721
2405-13 Engineering - Small Drainage	C-8	120,000	120,000
2405-13 DPW Improvement & Equipment	C-8	192,016	265,185
2405-13 Recreation Improvements	C-8	41,206	41,206
2405-13 Fire Dept. Equipment	C-8	14,400	72,889
2405-13 Genreal Building Improvements	C-8	34,627	107,768
2405-13 Engineering - Par3 Parking Lot	C-8	4,900	40,000
2405-13 Police Equipment	C-8	1,055	23,034
2407-13 Gilbert Place Pump Station	C-8	3,800	3,800
2407-13 Hartshorn Drive	C-8	(200,713)	14,000
2407-13 Knollwood Road	C-8	(52,871)	20,000
2407-13 Sr Citizen Bus	C-8	(16,450)	5,000
2425-14 Engineering- Seal Coating	C-8	11,955	
2425-14 Recreation Improvements	C-8	56,000	
2425-14 Fire Department - Improvements	C-8	427,841	
2425-14 General Building Improvements	C-8	796,215	
2425-14 Police Equipment & Improvements	C-8	299,060	
2425-14 Library Improvement	C-8	72,985	(continued)

TOWNSHIP OF MILLBURN

GENERAL CAPITAL FUND

ANALYSIS OF CASH  
AS OF DECEMBER 31, 2014 AND 2013

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	Ref.	Balance December 31,	
		2014	2013
2419-14 South Mountain Storm Drainage	C-8	(161,000)	
2426-14 PD Headquarters - Generator	C-8	7,974	
2426-14 Harsthorn Drive - Phase 2	C-8	10,000	
2426-14 ADA - Ramp/Curb Imp	C-8	(40,074)	
		<hr/>	<hr/>
		\$ 4,951,022	5,647,071
		C-2	C-2

**TOWNSHIP OF MILLBURN**

**C-4**

**GENERAL CAPITAL FUND**

**SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED  
YEAR ENDED DECEMBER 31, 2014**

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	<b>Ref.</b>		
BALANCE, DECEMBER 31, 2013	C		\$ 449,601
Decreased by:			
2014 Budget Appropriation for			
Payment of Bond Principal	C-6	115,306	
Canceled	C-6	<u>2,874</u>	
			<u>118,180</u>
BALANCE, DECEMBER 31, 2014	C		<u>\$ 331,421</u>

TOWNSHIP OF MILLBURN

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED  
YEAR ENDED DECEMBER 31, 2014

Ordinance Number	Improvement Description	Balance, December 31, 2013	2014 Authorizations	2014 BAN Paydown	2014 Canceled	Cash Receipts	Balance, December 31, 2014	Analysis of Balance			
								Expenditures	Bond Anticipation Notes	Encumbered	Unfunded Improvement Authorizations
2186-01	Road Improvements	\$ 621,028			\$	\$ 100,000	521,028	521,028			\$ -
2297-07	Acquisition of Property	1,713,388		594,900			1,118,488		1,118,488		
2321-08	Purchase of Papermill Property	3,753,893		866,600	350		2,886,943		2,887,293		-350
2324-08	ADA Improvements	62,050					62,050	62,050			
2355-10	Riverwalk Project	118,228			118,228		-				
2357-10	Taylor Park UST Remediation	459,412		82,500			376,912		405,000		-28,088
2366-10	Taylor Parks UST Remediations	244,000		41,000	42,009		160,991		203,000		-42,009
2367-10	Old Short Hills Road Imp (Parsonage to Essex)	240,621			54,727		185,894	181,050		4,844	0
2375-11	Knollwood Road	855,000		95,000			760,000		760,000		
2393-12	Canoe Brook Pump Stations	570,000					570,000		570,000		
2393-12	Brook Side Drive Reconstruction	40,700					40,700	3,584			37,116
2407-13	Gilbert Place Pump Station	76,000					76,000				76,000
2407-13	Hartshorn Drive	266,000					266,000	200,713			65,287
2407-13	Knollwood Road	380,000					380,000	42,994		9,877	327,129
2407-13	Sr Citizen Bus	93,000					93,000	64,450			28,550
2419-14	South Mountain Storm Drainage		4,200,000				4,200,000			161,000	4,039,000
2426-14	PD Headquarters - Generator		151,506				151,506				151,506
2426-14	Harsthorn Drive - Phase 2		190,000				190,000				190,000
2426-14	ADA - Ramp/Curb Imp		47,500				47,500			40,074	7,426
		<u>\$ 9,493,320</u>	<u>4,589,006</u>	<u>1,680,000</u>	<u>\$ 215,314</u>	<u>100,000</u>	<u>12,087,012</u>	<u>1,075,869</u>	<u>5,943,781</u>	<u>215,795</u>	<u>4,851,567</u>
		C	C-8, C-13	C-14	C-8, C-14	C-2	C		C-14	C-8	C, C-5
				Budget appropriation		100,000				Ref.	
				Grant receivable		-				C-8	\$ 5,201,484
						100,000		Unfunded Improvement Authorizations			
								Less:			
								Unexpended Proceeds of BAN'S			
								Ord. #2375-11			440
								Ord. #2321-08			350
								Ord. # 2366-10			42,009
								Ord. # 2393-12			30,764
								Ord. # 2357-10			28,088
								Ord. # 2297-07			248,266
											<u>4,851,567</u>

TOWNSHIP OF MILLBURN

C-6

GENERAL CAPITAL FUND

SCHEDULE OF SERIAL BONDS  
YEAR ENDED DECEMBER 31, 2014

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding, December 31, 2014		Interest Rate	Balance, December 31, 2013	Paid by Budget Appropriations	Cancelled	Balance, December 31, 2014
			Date	Amount					
New Jersey Environmental Infrastructure	10/15/98	\$ 2,076,373	2015	106,421	4.50%	\$ 449,601	115,306	2,874	331,421
			2016	70,000	4.50%				
			2017	75,000	4.50%				
			2018	80,000	4.50%				
						<u>\$ 449,601</u>	<u>115,306</u>	<u>2,874</u>	<u>331,421</u>
Reference						C	C-4		C

**TOWNSHIP OF MILLBURN**

**C-7**

**GENERAL CAPITAL FUND**

**SCHEDULE OF INTERFUNDS PAYABLE  
YEAR ENDED DECEMBER 31, 2014**

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	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2013	C, C-3	\$ 134,576
INCREASE BY		
Due to Dog Fund	C., C-2	<u>176</u>
		134,752
DECREASE BY:		
Due to Snow Trust Fund	C-2	<u>37,516</u>
BALANCE, DECEMBER 31, 2014	C	<u><u>\$ 97,236</u></u>

TOWNSHIP OF MILLBURN

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2014

Ordinance Number	Improvement Description	Ordinance Date	Balance 12/31/2013		Capital Improvement Fund	Defered Charges Unfunded	Canceled	Disbursed	Encumbered	Balance, 12/31/2014	
			Funded	Unfunded						Funded	Unfunded
2255-05	Road Improvements	8/1/05	\$ 2,580				2,580				
2293-07	Short Hills Train Station	8/27/07	29,477							29,477	
2297-07	Purchase of Property	10/17/07		248,266							248,266
2321-08	Purchase of Papermill Property	07/0708		350			350				
2323-08	General Building Improvments	7/15/08	499				499				
2323-08	Police Departmtn Imp. & Equipment	7/15/08	29,199							29,199	
2342-09	Engineering	9/15/09	344,309					337,936	3,683	2,691	
2342-09	Recreation Improvement	9/15/09	306				306			0	
2355-10	Riverwalk Project	5/6/10	30,000	118,228			148,228				
2365-10	Recreation Equipment	12/20/10	19,321				19,321				
2365-10	General Building Improvements	12/20/10	2				2				
2365-10	Engineering - GIS	12/20/10	5,000					5,000			
2365-10	Police Equipment	12/20/10	33,077					18,000		15,077	
2366-10	Taylor Parks UST Remediations	12/30/10		42,009			42,009				
2367-10	Old Short Hills Road Imp (Parsonage to Essex)	12/30/10		59,571			54,727		4,844		
2376-11	Engineering - Drainage Imp	7/2/11	23,601					1,800		21,801	
2376-11	DPW Vehicles and Equipment	7/2/11	2,778				2,778				
2376-11	Recreation Improvement	7/2/11	5,191							5,191	
2376-11	Fire Vehicles & Equipment	7/2/11	290,261					290,000		261	
2376-11	General Building Improvements	7/2/11	4,280					4,280			
2376-11	Engineering - Hobart Ave	7/2/11	33,401				33,401				
2376-11	Police Vehicles & Equipment	7/2/11	1,093				1,093				
2375-11	Knollwood Raod	7/14/11		946,544				830,787	115,317		440
2375-11	Great Hills and Ridgewood Road	7/14/11	41,529				41,529				
2375-11	Short Hills Train Station -ADA	7/14/11	44				44				
2399-12	Storm Damage (2386-11)	12/8/11	800,351				800,000	351			
2393-12	Canoe Brook Pump Stations	8/24/12		77,513				59,389			18,124
2393-12	Brook Side Drive Reconstruction	8/24/12	21,592	40,700				25,176			37,116
2393-12	Street Ramp Imp (ADA)	8/24/12		12,640							12,640
2392-12	Engineering - Seal Coating	8/24/12	38,060					38,060			
2392-12	Engineering - Small Drainage	8/24/12	81,124					6,326	27,186	47,612	
2392-12	DPW Equipment	8/24/12	145,831					134,215		11,616	
2392-12	Recreation Equipmnet & Imp	8/24/12	10,914							10,914	
2392-12	Fire Department Equipment & Imp	8/24/12	209,544					155,847	53,697		
2392-12	General Building Improvement	8/24/12	2,970					2,970			
2392-12	Engineering - Hobart (Rt24- White oak)	8/24/12	110,000					51,096		58,904	
2392-12	Enginerring - Curb Repl	8/24/12	22,281						3,500	18,781	
2392-12	Police Imp & Equipment	8/24/12	4,196							4,196	
2392-12	Library Imp. & Equipment	8/24/12	14,930							14,930	
2405-13	Engineering - Sealcoating	7/1/13	14,721					14,721		0	
2405-13	Engineering - Small Drainage	7/1/13	120,000							120,000	
2405-13	DPW Improvoment & Equipment	7/1/13	265,185					49,145	24,024	192,016	
2405-13	Recreation Improvements	7/1/13	41,206							41,206	
2405-13	Fire Dept. Equipment	7/1/13	254,614					194,911	45,303	14,400	
2405-13	Genreal Building Improvements	7/1/13	130,269					69,072	26,570	34,627	
2405-13	Engineering - Par3 Parking Lot	7/1/13	40,000					35,100		4,900	
2405-13	Police Equipment	7/1/13	23,034					21,979		1,055	
2407-13	Gilbert Place Pump Station	7/9/13	3,800	76,000						3,800	76,000
2407-13	Hartshorn Drive	7/9/13	14,000	266,000				214,713			65,287
2407-13	Knollwood Road	7/9/13	20,000	380,000				62,993	9,877		327,129
2407-13	Sr Citizen Bus	7/9/13	5,000	93,000				69,450			28,550
2425-14	Engineering- Seal Coating				100,000			82,645	5,400	11,955	
2425-14	Recreation Improvements				56,000					56,000	
2425-14	Fire Department - Improvements				715,000			140,949	146,209	427,841	
2425-14	General Building Improvements				810,100			7,385	6,500	796,215	(continued)

TOWNSHIP OF MILLBURN

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2014

Ordinance Number	Improvement Description	Ordinance Date	Balance 12/31/2013		Capital Improvement Fund	Defered Charges Unfunded	Canceled	Disbursed	Encumbered	Balance, 12/31/2014	
			Funded	Unfunded						Funded	Unfunded
2425-14	Regional Dispatch				350,000			350,000			
2425-14	Police Equipment & Improvements				448,000				148,940	299,060	
2425-14	Library Improvement				125,350			34,417	17,948	72,985	
2419-14	South Mountain Storm Drainage				211,000	4,200,000		60,040	311,960		4,039,000
2426-14	PD Headquarters - Generator				7,974	151,506				7,974	151,506
2426-14	Harsthorn Drive - Phase 2				10,000	190,000				10,000	190,000
2426-14	ADA - Ramp/Curb Imp				2,500	47,500			42,574		7,426
									\$		\$
			<u>\$ 3,289,572</u>	<u>2,360,821</u>	<u>2,835,924</u>	<u>4,589,006</u>	<u>\$ 1,146,867</u>	<u>3,368,753</u>	<u>993,533</u>	<u>2,364,684</u>	<u>5,201,484</u>
Reference			Below	Below	C-10	C-5	Below	C-2	C, C-3	C	C, C-5
	Improvement Authorizations		\$ 2,027,868	\$ 1,310,050							
	Reserve for Encumbrances		<u>1,261,704</u>	<u>1,050,771</u>					\$ 716,421	277,112	
			<u>\$ 3,289,572</u>	<u>\$ 2,360,821</u>					<u>\$ 993,533</u>		
							<u>\$ 1,146,867</u>				

**TOWNSHIP OF MILLBURN****C-9****GENERAL CAPITAL FUND****SCHEDULE OF RESERVE FOR LITTLE LEAGUE FIELD  
YEAR ENDED DECEMBER 31, 2014**

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	Ref.	
BALANCE, DECEMBER 31, 2013 AND 2014	C, C-3	<u>\$ 18,067</u>

**SCHEDULE OF CAPITAL IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2014**

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**C-10**

	Ref.		
BALANCE, DECEMBER 31, 2013	C, C-3		\$ 1,724,742
Increased by:			
2014 Budget Appropriations	C-2	\$ 1,455,000	
Cancellation of Res. For Preliminary Plan Ex	C-17	\$ 10,597	
Improvement Authorizations Canceled	C-8	<u>931,556</u>	
			2,397,153
Decreased by:			
Appropriate to Finance			
Improvement Authorizations	C-8		<u>2,835,924</u>
BALANCE, DECEMBER 31, 2014	C, C-3		<u>\$ 1,285,971</u>

**SCHEDULE OF RESERVE FOR PARKING LOTS  
YEAR ENDED DECEMBER 31, 2014**

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**C-11**

	Ref.	
BALANCE DECEMBER 31, 2013 AND 2014	C, C-3	\$ 1,753
Decreased by:		
Cancel to Capital Fund Balance	C-1	<u>1,753</u>
BALANCE, DECEMBER 31, 2014	C	<u>\$</u>

**TOWNSHIP OF MILLBURN**

**C-12**

**GENERAL CAPITAL FUND**

**SCHEDULE OF RESERVE FOR PAPERMILL PLAYHOUSE PROPERTY  
YEAR ENDED DECEMBER 31, 2014**

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	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2013	C	\$ 342,000
Increased By:		
Rent from Papermill	C-2	<u>156,676</u>
 BALANCE, DECEMBER 31, 2014	 C	 <u>\$ 498,676</u>

**TOWNSHIP OF MILLBURN**

**GENERAL CAPITAL FUND**

**SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, 2013	Authorized 2014	Notes Issued	Canceled	Cash Receipts	Balance December 31, 2014
2186-01 Road Improvements	\$ 621,028	-	-	-	100,000	\$ 521,028
2324-08 ADA Improvments	62,050	-	-	-	-	62,050
2355-10 Riverwalk Project	118,228	-	-	118,228	-	-
2367-10 Old Short Hills Road Imp (Parsonage to Essex)	240,621	-	-	54,727	-	185,894
2393-12 Canoe Brook Pump Stations	570,000	-	570,000	-	-	-
2393-12 Brook Side Drive Reconstruction	40,700	-	-	-	-	40,700
2407-13 Gilbert Place Pump Station	76,000	-	-	-	-	76,000
2407-13 Hartshorn Drive	266,000	-	-	-	-	266,000
2407-13 Knollwood Road	380,000	-	-	-	-	380,000
2407-13 Sr Citizen Bus	93,000	-	-	-	48,000	45,000
2419-14 South Mountain Storm Drainage	-	4,200,000	-	-	-	4,200,000
2426-14 PD Headquarters - Generator	-	151,506	-	-	-	151,506
2426-14 Harsthorn Drive - Phase 2	-	190,000	-	-	-	190,000
2426-14 ADA - Ramp/Curb Imp	-	47,500	-	-	-	47,500
	<u>\$ 2,467,627</u>	<u>4,589,006</u>	<u>\$ 570,000</u>	<u>\$ 172,955</u>	<u>148,000</u>	<u>6,165,678</u>
	C	C-5	C-14	C-5	C-5, C-2	C

TOWNSHIP OF MILLBURN

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2014

Ordinance Number	Improvement	Original Date	Date of Issue	Date of Maturity	Interest Rate	Balance, December 31, 2013	Notes Issued	Notes Redeemed	Balance, December 31, 2014
2297-07	Purchase of Property	1/15/2008	1/10/2013	1/10/2014	1.00%	\$ 1,713,388	-	\$ 1,713,388	-
2357-10	Taylor Park UST	1/12/2012	1/10/2013	1/10/2014	1.00%	487,500	-	487,500	-
2366-10	Taylor Park UST	1/12/2012	1/10/2013	1/10/2014	1.00%	244,000	-	244,000	-
2375-11	Knollwood Rd. Improvement	1/12/2012	1/10/2013	1/10/2014	1.00%	855,000	-	855,000	-
2321-08	Purchase of Papermill Property	7/24/2008	2/8/2013	2/7/2014	0.49%	3,753,893	-	3,753,893	-
2297-07	Purchase of Property	1/15/2008	2/7/2014	2/7/2015	1.25%	-	1,118,488	-	1,118,488
2357-10	Taylor Park UST	1/12/2012	2/7/2014	2/7/2015	1.25%	-	405,000	-	405,000
2366-10	Taylor Park UST	1/12/2012	2/7/2014	2/7/2015	1.25%	-	203,000	-	203,000
2375-11	Knollwood Rd. Improvement	1/12/2012	2/7/2014	2/7/2015	1.25%	-	760,000	-	760,000
2321-08	Purchase of Papermill Property	7/24/2008	2/7/2014	2/7/2015	1.25%	-	2,887,293	-	2,887,293
2393-12	Canoe Brook Pump Station	2/7/2014	2/7/2014	2/7/2015	1.25%	-	570,000	-	570,000
						\$ 7,053,781	5,943,781	7,053,781	5,943,781
						C	C-2	Below	C
						BAN's Paid Down	-	C-5 1,680,000	
						Issued	570,000	C-13 -	
						Rollover	\$ 5,373,781	C-2 \$ 5,373,781	
						\$ 5,943,781	\$ 7,053,781	\$ 7,053,781	

**TOWNSHIP OF MILLBURN**

**C-15**

**GENERAL CAPITAL FUND**

**SCHEDULE OF RESERVE FOR PAYMENT OF BONDS  
YEAR ENDED DECEMBER 31, 2014**

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	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2013	C, C-3	\$ 1,448
In:creased b		
Grants collected		<u>202,090</u>
		203,538
Decreased by:		
Cancel to Capital Fund Balance	C-1	<u>1,448</u>
BALANCE, DECEMBER 31, 2014	C	<u>\$ 202,090</u>

**TOWNSHIP OF MILLBURN**

**C-16**

**GENERAL CAPITAL FUND**

**SCHEDULE OF GRANTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2014**

	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2013	C	\$ 410,758
Increased By:		
Grants awarded	C-18	<u>203,740</u>
		<u>614,498</u>
Decreased By:		
Cash Receipts	C-2	179,450
Canceled	C-1	<u>172,354</u>
		<u>351,804</u>
BALANCE, DECEMBER 31, 2014	C	<u><u>\$ 262,694</u></u>

Analysis of Balance

<u>Ord. #</u>	<u>Description</u>	<u>Source</u>	<u>Amount</u>
2407-13	HARTSHORN/GREAT HILLS	Fed.	58,954
2426-14	NJDOT - HARTSHORN	Fed.	161,265
2426-14	CDBG - ADA Curb Cuts	Fed.	<u>42,475</u>
			<u>\$ 262,694</u>

**TOWNSHIP OF MILLBURN**

**C-17**

**GENERAL CAPITAL FUND**

**SCHEDULE OF RESERVE FOR PRELIMINARY PLANNING EXPENSES  
YEAR ENDED DECEMBER 31, 2014**

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	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2013	C, C-3	\$ 10,597
Decreased by:		
Cancel to Capital Improvement Fund	C-10	<u>10,597</u>
BALANCE, DECEMBER 31, 2014	C	<u>\$ -</u>

**TOWNSHIP OF MILLBURN**

**C-18**

**GENERAL CAPITAL FUND**

**SCHEDULE OF RESERVE FOR GRANTS  
YEAR ENDED DECEMBER 31, 2014**

	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2013	C	\$ 280,000
Increased By:		
Grants awarded	C-16	<u>203,740</u>
		<u>483,740</u>
Decreased By:		
Grants Cancelled		66,956
Grants Received	C-16	<u>154,090</u>
		<u>221,046</u>
BALANCE, DECEMBER 31, 2014	C	<u>\$ 262,694</u>

Analysis of Balance

<u>Ord. #</u>	<u>Description</u>	<u>Source</u>	<u>Amount</u>
2407-13	NJ DOT - Hartshorn/Great Hills	Fed.	58,954
2426-14	NJDOT - HARTSHORN	Fed.	161,265
2426-14	CDBG - ADA Curb Cuts	Fed.	<u>42,475</u>
			<u>\$ 262,694</u>

**TOWNSHIP OF MILLBURN**

**D-5**

**PARKING UTILITY FUND**

**SCHEDULE OF CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2014**

	<b>Ref.</b>	<b>Operating</b>	<b>Capital</b>
BALANCE, DECEMBER 31, 2013	D	<u>\$ 1,576,025</u>	<u>\$ 1,796,018</u>
Increased by Receipts:			
Parking Meters	D-2	347,259	-
Parking Permits	D-2	639,824	-
Prepaid Permits	D-17	319,699	-
Parking Token	D-2	5,490	-
Miscellaneous Revenue Not Anticipated	D-2	39,025	-
Premium on notes	D-4	-	55,945
BAN Proceeds	D-18	-	8,375,000
Reserve for Deck Repair and Maintenance	D-16	-	50,000
Reserve for Meter Replacement	D-20	-	109,193
Capital Improvement Fund	D-12	-	100,000
		<u>1,351,297</u>	<u>10,486,156</u>
Decreased by Disbursements:			
2013 Appropriation Reserves	D-13	25,804	-
Improvement Authorization	D-9	-	592,373
BAN Rollover	D-18	-	8,375,000
Reserve for Meter Replacement	D-7	113,727	-
Accrued Interest	D-19	85,950	-
2014 Appropriations	D-3	822,185	-
		<u>1,047,666</u>	<u>8,967,373</u>
BALANCE, DECEMBER 31, 2014	D	<u>\$ 1,879,656</u>	<u>\$ 1,518,783</u>

**TOWNSHIP OF MILLBURN**

D-6

**PARKING UTILITY CAPITAL FUND**

**ANALYSIS OF CASH  
AS OF DECEMBER 31, 2014 AND 2013**

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	<b>Ref.</b>	<b>2014</b>	<b>2013</b>
Capital Improvement Fund	D-12	\$ 567,250	\$ 467,250
Fund Balance	D-4	127,778	71,833
Reserve for Preliminary Planning Exepsnes	D-8	250	250
Reserve for encumbrances	D-9	49,218	89,310
Reserve for Deck Repair	D-16	50,000	-
Reserve for Meter Replacement	D-20	109,193	-
<b>Improvement Description</b>			
Ordinance 2368-10	D-9	7,888	18,511
Ordinance 2385-11	D-9	516,248	1,057,907
Ordinance 2406-13	D-9	90,958	90,958
	D-4	<u>\$ 1,518,783</u>	<u>\$ 1,796,019</u>

**TOWNSHIP OF MILLBURN**

**D-7**

**PARKING UTILITY OPERATING FUND**

**SCHEDULE OF RESERVE FOR PARKING METER REPLACEMENTS  
YEAR ENDED DECEMBER 31, 2014**

	Ref.		
BALANCE DECEMBER 31, 2013	D	\$	98,727
Increased by:			
2014 Budget Appropriation	D-3		<u>15,000</u>
			113,727
Decreased by:			
Cash Disbursements	D-5	4,534	
To Parking Capital	D-22	<u>109,193</u>	
			<u>113,727</u>
BALANCE, DECEMBER 31, 2014	D	\$	<u>          </u>

**TOWNSHIP OF MILLBURN**

D-8

**PARKING UTILITY OPERATING FUND**

**SCHEDULE OF RESERVE FOR PRELIMINARY PLANNING EXPENSES  
YEAR ENDED DECEMBER 31, 2014**

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	Ref.	
BALANCE DECEMBER 31, 2013 and 2014	D	<u>\$ 250</u>

TOWNSHIP OF MILLBURN

D-9

PARKING UTILITY CAPITAL FUND  
 SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
 YEAR ENDED DECEMBER 31, 2014

Ordinance Number	Improvement Description	Ordinance Date	Balance, December 31, 2013		Disbursed	Balance, December 31, 2014		
			Funded	Unfunded		Encumbered	Funded	Unfunded
2368-10	Parking Deck Design	12/7/2010	\$ -	\$ 46,951	36,085	2,978	-	\$ 7,888
2385-11	Parking Deck Construction	12/28/2011	-	1,118,777	556,289	46,240	-	516,248
2406-13	Lot 7 Resurfacing	9/30/2013	90,958	-	-	-	90,958	-
			<u>\$ 90,958</u>	<u>\$ 1,165,728</u>	<u>\$ 592,373</u>	<u>\$ 49,218</u>	<u>\$ 90,958</u>	<u>\$ 524,137</u>
Reference			D		D-5	D	D, D-12	D

**TOWNSHIP OF MILLBURN**

**D-10**

**PARKING UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETE  
YEAR ENDED DECEMBER 31, 2014**

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	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2013	D	<u>\$ 1,415,000</u>
BALANCE, DECEMBER 31, 2014	D	<u><u>\$ 1,415,000</u></u>

**TOWNSHIP OF MILLBURN**

D-11

**PARKING UTILITY CAPITAL FUND  
SCHEDULE OF DEFFERED RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2014**

	Ref.	
BALANCE, DECEMBER 31, 2013	D	\$ 655,000
Increased by	D-12	_____
BALANCE, DECEMBER 31, 2014	D	<u>\$ 655,000</u>

**TOWNSHIP OF MILLBURN**

**D-12**

**PARKING UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2014**

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	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2013	D	\$ 467,250
Increased by:		.
2014 Budget Appropriations	D-5	<u>100,000</u>
BALANCE, DECEMBER 31, 2014	D	<u>\$ 567,250</u>

TOWNSHIP OF MILLBURN

D-13

PARKING UTILITY OPERATING FUND

SCHEDULE OF 2013 APPROPRIATION RESERVES  
 YEAR ENDED DECEMBER 31, 2014

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		Balance, December 31, 2013	Balance, After Transfer	Paid or Charged	Lapsed
Other Expenses		91,707	\$ 91,707	\$ 25,804	\$ 65,903
		<u>\$ 91,707</u>	<u>\$ 91,707</u>	<u>\$ 25,804</u>	<u>\$ 65,903</u>
Reference		Below		D-5	D-1
Appropriation Reserve	D	\$ 75,437			
Reserve for Encumbrances	D	<u>16,270</u>			
		<u>\$ 91,707</u>			
		Above			

**TOWNSHIP OF MILLBURN**

**D-14**

**PARKING UTILITY FUNDS  
FIXED ASSETS  
YEAR ENDED DECEMBER 31, 2014**

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	<b>2014</b>	<b>2013</b>
Movable Fixed Assets:		
Furniture and Equipment	\$ 220,500	\$ 220,500
Land	<u>314,725</u>	<u>314,725</u>
Building	<u>7,835,000</u>	<u>7,835,000</u>
Investment in Parking Utility Fixed Assets	<u>\$ 8,370,225</u>	<u>\$ 8,370,225</u>

**TOWNSHIP OF MILLBURN**

**D-15**

**PARKING UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2014**

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	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2013	D	\$ 535,225
Increased By:		
BAN Paydown	D-18	<u>220,000</u>
BALANCE, DECEMBER 31, 2014	D	<u>\$ 755,225</u>

**TOWNSHIP OF MILLBURN**

**D-16**

**PARKING UTILITY OPERATING FUND  
SCHEDULE OF RESERVE FOR DECK REPAIR AND MAINTENANCE  
YEAR ENDED DECEMBER 31, 2014**

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	Ref.		
BALANCE, DECEMBER 31, 2013	D	\$	-
Increased by:			
Parking Operating Budget	D-5, D-3	<u>50,000</u>	
BALANCE, DECEMBER 31. 2014	D	<u>\$</u>	<u>50,000</u>

**TOWNSHIP OF MILLBURN**

**D-17**

**PARKING UTILITY OPERATING FUND**

**PREPAID REVENUES  
YEAR ENDED DECEMBER 31, 2014**

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BALANCE, DECEMBER 31, 2013	Ref D	\$ 201,343
Increased by:		
2014 Permits Received	D-5	<u>319,699</u>
Decreased By		
Prepaid Permits Applied	D-2	<u>201,343</u>
BALANCE, DECEMBER 31, 2014	D	<u>\$ 319,699</u>

TOWNSHIP OF MILLBURN

D-18

GENERAL PARKING

SCHEDULE OF BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2014

Ordinance Number	Improvement	Original Date	Date of Issue	Date of Maturity	Interest Rate	Balance, December 31, 2013	Notes Issued	Notes Redeemed	Balance, December 31, 2014
2385-11	Construction of Parking Deck	9/12/2012	6/19/2014	6/18/2015	1.00%	\$ 8,595,000	\$ -	\$ 8,595,000	\$ -
2385-11	Construction of Parking Deck	6/19/2013	6/19/2014	6/18/2015	1.00%	\$ -	\$ 8,375,000	\$ -	\$ 8,375,000
						<u>\$ 8,595,000</u>	<u>\$ 8,375,000</u>	<u>\$ 8,595,000</u>	<u>\$ 8,375,000</u>
						D	D-5	D-5	D
							BAN Paydown	\$ 220,000	
							BAN Rollover	<u>\$ 8,375,000</u>	
								<u>\$ 8,595,000</u>	

**TOWNSHIP OF MILLBURN**

**D-19**

**PARKING UTILITY OPERATING FUND  
SCHEDULE OF ACCRUED INTEREST PAYABLE  
YEAR ENDED DECEMBER 31, 2014**

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	Ref.	
BALANCE, DECEMBER 31, 2013	D	\$ 39,792
Increased by:		
2014 Accrued Interest on Notes	D-3	<u>73,502</u>
Decreased by:		
2014 Interest on Notes Paid	D-5	<u>85,950</u>
BALANCE, DECEMBER 31, 2014	D	<u><u>\$ 27,344</u></u>

**TOWNSHIP OF MILLBURN**

**D-20**

**PARKING UTILITY CAPITAL FUND**

**SCHEDULE OF RESERVE FOR METER REPLACEMENT  
YEAR ENDED DECEMBER 31, 2014**

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	<b>Ref.</b>	
BALANCE DECEMBER 31, 2013	D	\$ -
INCREASE BY:		
Parking Operating	D-5, D-20	<u>109,193</u>
BALANCE DECEMBER 31, 2014	D	<u>\$ 109,193</u>

**TOWNSHIP OF MILLBURN**

D-21

**PARKING UTILITY OPERATING FUND  
SCHEDULE OF DEFERRED CHARGES - EMERGENCY APPROPRIATION  
YEAR ENDED DECEMBER 31, 2014**

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	Ref.	
BALANCE, DECEMBER 31, 2013	D	\$ 150,000
Decreased by:		
2014 Emergency Appropriation	D-3	<u>150,000</u>
BALANCE, DECEMBER 31, 2014	D	<u>\$ -</u>

**TOWNSHIP OF MILLBURN**

**F-3**

**PUBLIC ASSISTANCE FUND**

**SCHEDULE OF CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2013**

	<b>Ref.</b>		
BALANCE, DECEMBER 31, 2013	F		\$ 23,305
Increased by:			
Cash Receipts:			
SSI Payments	F-2	\$ -	
2014 Budget	F-2	5,000	
Miscellaneous	F-2	-	
Interfunds	F-2	-	
Interest on Investment	F-2	42	
State Aid Payments	F-2	<u>51,300</u>	<u>56,342</u>
			79,647
Decreased by:			
Interfunds	F-2		
Cash Disbursements	F-2	<u>35,145</u>	<u>35,145</u>
BALANCE, DECEMBER 31, 2014	F		<u>\$ 44,502</u>

**TOWNSHIP OF MILLBURN**

F-4

**PUBLIC ASSISTANCE FUND****SCHEDULE OF CHANGES IN RESERVES  
YEAR ENDED DECEMBER 31, 2014**

	<b>P.A.T.F. Account # 1</b>	<b>P.A.T.F. Account # 2</b>	<b>Fund Total</b>
BALANCE, DECEMBER 31, 2013	\$ 7,066	\$ 16,239	\$ 23,305
Increased by revenue	5,014	51,329	56,342
	<u>12,080</u>	<u>67,568</u>	<u>79,647</u>
Decreased by expenditures	-	35,145	35,145
BALANCE, DECEMBER 31, 2014	<u>\$ 12,080</u>	<u>\$ 32,423</u>	<u>\$ 44,502</u>

**SUPPLEMENTARY DATA**

**SCHEDULE OF TAX RATE INFORMATION**

	2014	2013	2012
Tax Rate	\$ 2.016	\$ 1.934	\$ 1.900
Apportionment of Tax Rate:			
Municipal	\$ 0.500	\$ 0.480	\$ 0.467
County	0.551	0.510	0.495
Local School	0.965	0.944	0.938
Assessed Valuations:			
2014	\$ 8,144,072,037		
2013		\$ 8,129,525,392	
2012			\$ 8,140,504,900

**SCHEDULE OF TAX LEVIES AND COLLECTION CURRENTLY**

Year	Tax Levy	Currently	
		Collections	Percentage of Collection
2014	\$ 165,775,574	\$ 164,462,342	99.21 %
2013	157,825,822	156,459,403	99.13
2012	155,201,326	153,859,605	99.14
2011	151,900,290	150,613,376	99.15
2010	148,081,226	146,803,524	99.14

**SCHEDULE OF DELINQUENT TAXES AND TAX TITLE LIENS**

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

December 31,	Amount of Tax Title Liens Receivable	Amount of Delinquent Taxes Receivable	Total Delinquent Taxes Receivables	Percentage of Tax Levy
2014	\$ 696	\$ 708,579	\$ 709,275	0.43 %
2013	635	734,636	735,271	0.47
2012	577	968,535	969,113	0.67
2011	523	1,019,471	101,995	0.67
2010	468	898,991	899,459	0.61

**SCHEDULE OF PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

The value of all property acquired by liquidation of tax title liens is based upon the adjusted valuation at the date of acquisition.

Years Ended	Amount
December 31, 2013-2014	\$ 14,000

**SCHEDULE OF FUND BALANCES - CURRENT FUND**

Year	Balance, December 31,	Utilized in Budget of Succeeding Year	Percent Utilized
2014	\$ 8,772,246	\$ 3,800,000	43%
2013	7,751,978	3,800,000	49%
2012	9,438,816	4,200,000	44%
2011	10,774,825	4,300,000	40%
2010	10,560,690	4,580,158	43%

# TOWNSHIP OF MILLBURN

## ROSTER OF OFFICIALS DECEMBER 31, 2014

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Name	Title	Term
<u>Committee:</u>		
Robert J. Tillotson	Mayor	2014
W. Theodore Bourke	Deputy Mayor	2016
Sandra H. Haimoff	Committeewoman	2015
Ian Mount	Committeeman	2016
Sara E. Greenberg	Committeewoman	2014
 <u>Other Officials:</u>		
Timothy P. Gordon	Business Administrator	
Christopher Falcon	Township Attorney	
Christine Gatti	Township Clerk	
Jason Gabloff	Treasurer—Chief Financial Officer	
Donna Ruggiero	Tax Collector	
James G. Haggerty	Municipal Judge	
Kathleen C. Shaughnessy	Municipal Court Administrator	
Lauren Glassman	Welfare Officer	
Gregory G. Weber	Police Chief	
W. Thomas Watkinson	Engineer	
Steven Jones	Construction Official	
Louis E. Anello	Health Officer	
James M. Roberts	Fire Chief	
John Bace	Public Works Superintendent	
Robert A. Hogan	Recreation Director	
Thomas Doty	Forester	
Lisa Baratto	Tax Assessor	

**TOWNSHIP OF MILLBURN**

General Comments and Recommendations

Year ended December 31, 2014

## **GENERAL COMMENTS**

### **CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED PER N.J.S. 40A:11-4, ET SEQ.**

N.J.S.A. 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law."

The governing body of the Township has the responsibility of determining whether the expenditures in any category will exceed the statutory bid limit, within the fiscal year. 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 indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements that exceeded the bid threshold, that may have been negotiated and awarded without public advertising for bids and bidding per N.J.S.A. 40A:11-5.

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

Our audit of expenditures did not reveal any individual payments, contracts or agreements in excess of the statutory bid limit "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those for which bids had been previously sought by public advertisement or for which a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

### **COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS**

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

#### **The governing body on January 2, 2014 adopted the following resolution authorizing interest to be charged on delinquent taxes:**

"Not to exceed 8% per annum on the first \$1,500 of the delinquency and 18% on any amount in excess of \$1,500."

"The Township Committee by resolution instructed the Tax Collector to permit a seven (7) day grace period in the collection of taxes before a charge of interest is made."

"Be it further resolved that an additional 6% penalty be charged for delinquencies in excess of \$10,000 remaining unpaid at the end of the calendar year in accordance with the amended provisions of NJSA 54:4-67.

It appears from the 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 November 13, 2014 and was complete.**

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

## **STATUS OF PRIOR YEAR RECOMMENDATIONS**

There were no prior year recommendations.

### **Comments**

1. Bank statements are reconciled to the General Ledger on a monthly basis but the reconciling items are not individually identified on the reconciliation.
2. Minutes of the township committee meetings are not prepared in a timely manner.
3. IRS form 1099 are not issued for Municipal Alliance vendors.
4. The Police Department petty cash and change funds both contained overages at the time of our count and bills are not processed in a manner to avoid late charges.
5. Various individuals in the Tax Department have access to the system and software provider to make adjustments or changes.
6. There are various grants and appropriated grant reserves that have had little activity.
7. The Municipal Court accepts credit card payments over the telephone.
8. Parking Utility cash is collected in an unsecured device on an unscheduled time frame; counted and deposited weekly.
9. A trend analysis of Parking Utility collections is not prepared in part do the lack of comparability in collection cycles.
10. Parking permits were issued out of order.

### **Recommendations**

1. Bank reconciliations should have the reconciling items individually identified.
2. Minutes of the township committee meetings should be prepared in a more timely manner.
3. IRS form 1099 should be issued for Municipal Alliance vendors that exceed the filing threshold.
4. Internal controls over the Police Department petty cash and change funds, and bill processing be reviewed and strengthened.
5. Levels of access to the tax software and system be established to limit access to authorized individuals.
6. The grants receivable and appropriated grant reserves should be reviewed for disposition.
7. The Municipal Court should not accept credit card payments over the telephone.

8. Parking Utility cash should be collected in a secured device on scheduled time frame; counted and deposited within 48 hours..
9. A Parking Utility revenue trend analysis by location should be prepared on a monthly basis.
10. Parking permits should be issued in numerical sequence.

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