

*Report of Audit*

*on the*

*Financial Statements*

*of the*

*Borough of South Plainfield*

*in the*

*County of Middlesex  
New Jersey*

*for the*

*Year Ended  
December 31, 2013*



BOROUGH OF SOUTH PLAINFIELD

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BOROUGH OF SOUTH PLAINFIELD

PART I

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

NOTES TO FINANCIAL STATEMENTS - REGULATORY BASIS

SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2013



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members  
of the Borough Council  
Borough of South Plainfield  
County of Middlesex  
South Plainfield, New Jersey 07080

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

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

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these regulatory financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the 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 of material misstatement.

## SUPLEE, CLOONEY & COMPANY

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

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

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

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

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

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

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

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

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

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## **Other Matters**

### *Other Information*

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

The supplemental information and schedules listed above and also listed in the table of contents are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the regulatory financial statements. Such information has been subjected to the auditing procedures applied in the audit of the regulatory financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory financial statements or to the regulatory financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information and data listed in the table of contents, schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the regulatory financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 6, 2014 on our consideration of the Borough of South Plainfield's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of South Plainfield's internal control over financial reporting and compliance.

  
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CERTIFIED PUBLIC ACCOUNTANTS

  
\_\_\_\_\_  
REGISTERED MUNICIPAL ACCOUNTANT NO. 439

August 6, 2014

CURRENT FUND

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>BALANCE DECEMBER 31, 2012</u>
<u>ASSETS</u>			
Cash	A-4	\$ 3,206,752.11	\$ 2,771,159.37
Change Fund	A-6	675.00	675.00
		<u>\$ 3,207,427.11</u>	<u>\$ 2,771,834.37</u>
Receivables and other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-8	\$ 1,216,550.03	\$ 1,074,928.63
Tax Title Liens Receivable	A-9	111,936.41	106,948.05
Revenue Accounts Receivable	A-13	39,962.28	40,750.36
Interfunds Receivable	A-12	1,272.92	16,236.82
Property Acquired for Taxes	A-10	4,714,000.00	4,714,000.00
Sales Contracts Receivable	A-22	319,500.00	319,500.00
	A	<u>\$ 6,403,221.64</u>	<u>\$ 6,272,363.86</u>
Deferred Charges	A-19	\$ 259,000.00	\$ 325,000.00
		<u>\$ 9,869,648.75</u>	<u>\$ 9,369,198.23</u>
Grant Fund:			
Cash	A-4	\$ 282,324.66	\$ 266,617.84
Grants Receivable	A-26	148,985.42	188,213.16
		<u>\$ 431,310.08</u>	<u>\$ 454,831.00</u>
		<u>\$ 10,300,958.83</u>	<u>\$ 9,824,029.23</u>

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

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>BALANCE DECEMBER 31, 2012</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Appropriation Reserves	A-3:A-14	\$ 789,011.57	\$ 958,002.61
Prepaid Taxes	A-18	412,988.98	252,446.49
Accounts Payable	A-11	222,307.80	253,144.78
Tax Overpayments	A-17	46,653.12	20,432.47
Due State of New Jersey - Senior Citizens and Veterans	A-7	39,037.08	50,840.50
Interfunds Payable	A-12	11,357.73	182,228.90
County Taxes Payable	A-25	64,486.10	
Reserve For:			
FEMA Aid Unappropriated	A-29	213,828.71	
Super Storm Sandy	A-28		52,411.04
Accumulated Absences	A-27	16,000.00	16,000.00
Length of Service Awards Program	A-20	13,123.44	90,668.44
		<u>\$ 1,828,794.53</u>	<u>\$ 1,876,175.23</u>
Reserve for Receivables and other Assets	A	6,403,221.64	6,272,363.86
Fund Balance	A-1	<u>1,637,632.58</u>	<u>1,220,659.14</u>
		<u>\$ 9,869,648.75</u>	<u>\$ 9,369,198.23</u>
Grant Fund:			
Reserve for Grants - Unappropriated	A-24	\$ 194,433.71	\$ 124,085.20
Reserve for Grants - Appropriated	A-23	229,857.41	218,810.89
Reserve for Accounts Payable	A-16	7,018.96	111,934.91
		<u>\$ 431,310.08</u>	<u>\$ 454,831.00</u>
		<u>\$ 10,300,958.83</u>	<u>\$ 9,824,029.23</u>

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

"A-1"

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

STATEMENTS OF OPERATIONS AND  
CHANGE IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	<u>YEAR ENDED DECEMBER 31, 2013</u>	<u>YEAR ENDED DECEMBER 31, 2012</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	A-1:A-2	\$ 880,000.00	\$ 867,500.00
Miscellaneous Revenue Anticipated	A-2	7,012,697.96	6,993,868.64
Receipts From Delinquent Taxes	A-2	1,056,575.37	873,113.72
Receipts From Current Taxes	A-2	74,424,222.30	73,201,661.51
Non-Budget Revenue	A-2	122,571.14	76,723.74
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-14	365,401.65	234,439.20
Other Cancelations & Additions To Income	A-28	19,643.54	50,982.90
Interfunds Returned		14,963.90	
<u>TOTAL REVENUE AND OTHER INCOME</u>		<u>\$ 83,896,075.86</u>	<u>\$ 82,298,289.71</u>
 <u>EXPENDITURES</u>			
Budget and Emergency Appropriations:			
Operations Within "CAPS"	A-3	\$ 18,693,822.00	\$ 18,721,663.00
Deferred Charges and Regulatory Expenditures - Municipal	A-3	2,214,578.91	2,194,415.61
Other Operations Excluded From "CAPS"	A-3	3,089,568.42	3,032,637.04
Judgements	A-3	30,000.00	37,000.00
Municipal Debt Service	A-3	1,186,493.53	1,333,970.31
Capital Improvements	A-3	57,500.00	55,000.00
Deferred Charges	A-3	73,500.00	12,500.00
County Tax	A-25	13,909,556.08	14,012,696.00
County Share of Added Taxes	A-25	64,486.10	21,555.98
Local District School Tax	A-21	43,138,070.00	41,945,847.50
Refund of Prior Year Revenue	A-4	141,527.38	33,323.34
Other Deductions From Income			13,365.93
<u>TOTAL EXPENDITURES</u>		<u>\$ 82,599,102.42</u>	<u>\$ 81,413,974.71</u>
Excess in Revenue		<u>\$ 1,296,973.44</u>	<u>\$ 884,315.00</u>
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budget of Succeeding Year		\$ _____	\$ 325,000.00
Statutory Excess to Fund Balance		<u>\$ 1,296,973.44</u>	<u>\$ 1,209,315.00</u>
Fund Balance, January 1	A	<u>\$ 1,220,659.14</u>	<u>\$ 878,844.14</u>
		\$ 2,517,632.58	\$ 2,088,159.14
Decreased by:			
Utilization as Anticipated Revenue	A-1:A-2	<u>880,000.00</u>	<u>867,500.00</u>
Fund Balance, December 31	A	<u>\$ 1,637,632.58</u>	<u>\$ 1,220,659.14</u>

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

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

	REF.	ANTICIPATED		REALIZED	EXCESS OR (DEFICIT)
		BUDGET	NJS 40A: 4-87		
Fund Balance Anticipated	A-1	\$ 880,000.00		\$ 880,000.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-13	\$ 46,000.00	\$	\$ 50,478.00	\$ 4,478.00
Other	A-2	70,000.00		71,657.00	1,657.00
Fees and Permits:					
Construction Code Official	A-13	645,000.00		764,751.00	119,751.00
Other	A-2	95,000.00		124,013.61	29,013.61
Municipal Court:					
Fines and Costs	A-13	660,000.00		630,811.85	(29,188.15)
Interest and Costs on Taxes	A-13	165,000.00		224,261.81	59,261.81
Interest on Investments and Deposits	A-13	12,000.00		12,891.61	891.61
Consolidated Municipal Property Tax Relief Aid	A-13	198,169.00		198,169.00	
Energy Receipts Tax	A-13	2,517,122.00		2,517,122.48	0.48
SP Urban Renewal Pilot	A-13	40,000.00		81,320.51	41,320.51
Office on Aging Building Rental	A-13	20,000.00		17,900.00	(2,100.00)
Reserve For Parade Contributions	A-13	15,000.00		15,000.00	
General Capital Fund Surplus	A-13	260,000.00		260,000.00	
Police Off-Duty Admin Fee	A-13	107,500.00		107,500.00	
State Hotel Tax	A-13	255,000.00		304,487.76	49,487.76
Uniform Fire Safety Act	A-13	310,000.00		333,796.65	23,796.65
Utility Operating Surplus	A-13	500,000.00		500,000.00	
Host Benefits-Recycling Tonnage	A-13	68,000.00		63,655.10	(4,344.90)
Sale of Municipal Assets	A-13	100,000.00		67,500.00	(32,500.00)
Cable TV Fees	A-13	254,000.00		256,911.16	2,911.16
FEMA Blizzard	A-13	66,000.00		66,000.00	
Bail Forfeitures	A-13	20,000.00		32,705.00	12,705.00
Library Contributions	A-13	33,296.00		53,730.00	20,434.00
Alcohol Education and Rehabilitation	A-26	4,478.93	4,749.72	9,228.65	
Safe and Secure Communities Program:	A-26	0.11		0.11	
Senior Title 111 B Grant	A-26	4,000.00	10,000.00	14,000.00	
SHTP Grant	A-26	10,038.00	6,000.00	16,038.00	
ANJEC - Fence Grant	A-26	2,000.00		2,000.00	
Recycling Tonnage Grant	A-26	100,152.31		100,152.31	
Drunk Driving Enforcement	A-26	8,250.00		8,250.00	
Clean Communities Program	A-26		43,438.50	43,438.50	
Municipal Alliance Grant	A-26		20,777.00	20,777.00	
CDBG Handicap Ramps	A-26		39,185.00	39,185.00	
Body Armor Grant	A-26	4,965.85		4,965.85	
<b>Total Miscellaneous Revenues</b>	A-1	\$ 6,590,972.20	\$ 124,150.22	\$ 7,012,697.96	\$ 297,575.54
Receipts From Delinquent Taxes	A-1:A-8	\$ 1,025,000.00	\$	\$ 1,056,575.37	\$ 31,575.37
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes	A-2:A-8	\$ 17,096,230.00	\$	\$ 17,668,510.12	\$ 572,280.12
Local Tax for Municipal Library	A-2:A-8	1,223,000.00		1,223,000.00	
<b>BUDGET TOTALS</b>		\$ 26,815,202.20	\$ 124,150.22	\$ 27,840,783.45	\$ 1,025,581.25
Non-Budget Revenues	A-2			\$ 122,571.14	\$ 122,571.14
		\$ 26,815,202.20	\$ 124,150.22	\$ 27,963,354.59	\$ 1,148,152.39
REF.	A-3		A-3		

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

BOROUGH OF SOUTH PLAINFIELD  
CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2013

	<u>REF.</u>	
<u>ANALYSIS OF REALIZED REVENUE</u>		
Allocation of Current Tax Collections:		
Revenue From Collections	A-1:A:8	\$ 74,424,222.30
Allocated To:		
County Taxes	A-8	\$ 13,974,042.18
Local District School Taxes	A-8	43,138,070.00
Minimum Library Tax	A-8	<u>1,223,000.00</u>
Balance for Support of Municipal Budget Appropriations		\$ 16,089,110.12
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>1,579,400.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 17,668,510.12</u>
Licenses - Other:		
Registrar and Board of Health	A-13	\$ 62,806.00
Clerk	A-13	<u>8,851.00</u>
	A-2	<u>\$ 71,657.00</u>
Other - Fees and Permits:		
Clerk	A-13	\$ 3,212.00
Board of Adjustment/Planning/Zoning	A-13	49,189.00
Board of Health/Registrar	A-13	14,540.00
Police Records/Burglar Alarm Permits	A-13	<u>57,072.61</u>
	A-2	<u>\$ 124,013.61</u>

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

BOROUGH OF SOUTH PLAINFIELD  
CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2013

REF.

ANALYSIS OF NON-BUDGET REVENUE

Miscellaneous Revenue Not Anticipated:		
Inspection Fines		\$ 27,661.50
Miscellaneous		19,049.15
PILOT		4,000.00
Auction and Scrap		8,365.50
Zumba		9,925.60
MCIA		20,728.80
Restitution and Court Miscellaneous		4,038.49
Pistol Range		600.00
Senior Citizens and Veterans Administrative Fee		4,863.93
Office Space		4,000.00
Health and Maintenance Violations		1,350.00
Swim Pool Appropriation Reserves Lapsed to Current		17,703.17
Zoning Administration		285.00
		<hr/>
<u>Total Non-Budget Revenue</u>	A-1:A-2:A-4	\$ <u>122,571.14</u>

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

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<b>GENERAL GOVERNMENT:</b>					
Administrative and Purchasing:					
Salaries and Wages	\$ 151,500.00	\$ 162,500.00	\$ 162,500.00	\$	\$
Other Expenses	4,000.00	4,000.00	3,583.89	416.11	
Administrative and Executive:					
Salaries and Wages	55,792.00	55,792.00	50,882.33	4,909.67	
Other Expenses	3,500.00	4,500.00	3,722.18	777.82	
Borough Clerk:					
Salaries and Wages	104,644.00	112,144.00	111,270.55	873.45	
Other Expenses	35,000.00	29,000.00	17,563.92	11,436.08	
Financial Administration:					
Salaries and Wages	78,343.00	68,343.00	59,359.08	8,983.92	
Other Expenses	40,000.00	37,000.00	30,870.10	6,129.90	
Annual Audit	60,000.00	60,000.00		60,000.00	
Computer:					
Salaries and Wages	51,101.00	50,101.00	48,009.15	2,091.85	
Other Expenses	99,296.00	129,296.00	116,193.96	13,102.04	
Data Processing:					
Other Expenses	4,500.00	4,500.00	3,956.84	543.16	
Collection of Taxes:					
Salaries and Wages	47,950.00	47,950.00	46,770.07	1,179.93	
Other Expenses	16,000.00	21,000.00	16,801.43	4,198.57	
Assessment of Taxes:					
Salaries and Wages	92,483.00	83,483.00	83,483.00		
Other Expenses	69,000.00	74,000.00	69,466.53	4,533.47	
Legal Services and Costs:					
Salaries and Wages	42,006.00	42,006.00	41,505.04	500.96	
Other Expenses	147,500.00	132,500.00	95,716.60	36,783.40	
Engineering Services:					
Other Expenses	140,000.00	158,000.00	146,480.46	11,519.54	
Economic Development:					
Other Expenses	625.00	625.00		625.00	
Planning Board:					
Salaries and Wages	100.00	100.00		100.00	
Other Expenses	13,000.00	13,000.00	10,078.43	2,921.57	
Zoning Board of Adjustment:					
Salaries and Wages	9,008.00	9,008.00	6,756.03	2,251.97	
Other Expenses	15,000.00	12,000.00	8,021.75	3,978.25	
Environmental Commission:					
Salaries and Wages	67,599.00	67,599.00	65,995.10	1,603.90	
Other Expenses	1,200.00	1,200.00	639.12	560.88	
Green Brook Flood Committee:					
Other Expenses	1,900.00	1,900.00	1,838.68	61.32	
Municipal Court:					
Salaries and Wages	295,500.00	298,000.00	293,292.68	4,707.32	
Other Expenses	140,500.00	140,500.00	138,836.81	1,663.19	
Public Defender:					
Salaries and Wages	500.00	500.00		500.00	
Municipal Support:					
Other Expenses	56,000.00	44,500.00	37,442.51	7,057.49	
Insurance:					
Other	478,000.00	460,000.00	432,017.71	27,982.29	
Health Benefits	3,990,467.00	3,925,467.00	3,837,906.59	87,560.41	
<b>PUBLIC SAFETY:</b>					
Police:					
Salaries and Wages	6,167,210.00	6,212,710.00	6,189,722.84	22,987.16	
Other Expenses	171,000.00	181,000.00	179,255.54	1,744.46	
Traffic Safety:					
Salaries and Wages	750.00	750.00	750.00		
Other Expenses	200.00	200.00	200.00		
School Crossing Guards:					
Other Expenses	285,000.00	285,000.00	268,147.40	16,852.60	

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

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<b>PUBLIC SAFETY (CONTINUED):</b>					
Emergency Management Services:					
Salaries and Wages	\$ 17,211.00	\$ 17,211.00	\$ 16,461.04	\$ 749.96	\$
Other Expenses	25,500.00	27,500.00	25,193.68	2,306.32	
First Aid Org. and Maint. Contract:					
Salaries and Wages	25,000.00	25,000.00	23,334.17	1,665.83	
Other Expenses	27,500.00	27,500.00	26,555.62	944.38	
Fire Department:					
Salaries and Wages	42,000.00	42,000.00	39,648.00	2,352.00	
Other Expenses	136,500.00	136,500.00	133,219.35	3,280.65	
Fire Official:					
Salaries and Wages	347,868.00	351,868.00	348,560.13	3,307.87	
Other Expenses	164,225.00	171,225.00	167,225.24	3,999.76	
Fire Service Charge	580,000.00	573,000.00	570,535.61	2,464.39	
Juvenile Conference:					
Salaries and Wages	750.00	750.00		750.00	
<b>STREETS AND ROADS:</b>					
Public Works Director:					
Salaries and Wages	137,827.00	135,827.00	135,751.14	75.86	
Other Expenses	5,000.00	5,000.00	3,485.74	1,514.26	
Road Repairs and Maintenance:					
Salaries and Wages	355,395.00	363,895.00	362,655.69	1,239.31	
Other Expenses	160,000.00	180,000.00	171,271.65	8,728.35	
Snow Removal:					
Salaries and Wages	17,500.00	24,000.00	15,000.00	9,000.00	
Other Expenses	40,000.00	60,000.00	57,337.50	2,662.50	
Solid Waste:					
Salaries and Wages	500.00	500.00		500.00	
Other Expenses	1,500.00	1,500.00	1,425.00	75.00	
Recycling:					
Salaries and Wages	120,740.00	120,740.00	112,527.57	8,212.43	
Other Expenses	152,850.00	152,850.00	139,552.61	13,297.39	
Compactor:					
Salaries and Wages	1,500.00	1,500.00		1,500.00	
Other Expenses	1,500.00	1,500.00		1,500.00	
Public Building and Grounds:					
Salaries and Wages	404,498.00	423,998.00	422,998.00	1,000.00	
Other Expenses	75,740.00	75,740.00	65,934.85	9,805.15	
Vehicle Maintenance:					
Salaries and Wages	132,602.00	135,602.00	134,407.84	1,194.16	
Other Expenses	100,000.00	115,500.00	115,334.55	165.45	
<b>HEALTH AND WELFARE:</b>					
Board of Health:					
Salaries and Wages	66,847.00	63,847.00	63,330.97	516.03	
Other Expenses	145,500.00	128,500.00	115,306.10	13,193.90	
Youth Aid:					
Salaries and Wages	11,182.00	11,182.00	11,113.08	68.92	
Other Expenses	1,250.00	1,250.00	1,000.00	250.00	
Public Assistance:					
Salaries and Wages	9,000.00	9,000.00	9,000.00		
Other Expenses	1,000.00	1,000.00	100.00	900.00	
United Cerebral Palsy:					
Other Expenses	400.00	400.00	400.00		
Kiddie Keepwell:					
Other Expenses	500.00	500.00	500.00		
<b>RECREATION AND EDUCATION:</b>					
Board of Recreation Commissioners:					
Salaries and Wages	308,024.00	303,524.00	298,344.51	5,179.49	
Other Expenses	32,000.00	39,500.00	39,229.27	270.73	
Office of Aging:					
Salaries and Wages	183,976.00	178,976.00	173,167.62	5,808.38	
Other Expenses	16,500.00	24,500.00	19,185.86	5,314.14	

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<b>RECREATION AND EDUCATION (CONTINUED):</b>					
Cultural Arts:					
Salaries and Wages	\$ 750.00	\$ 750.00	\$ 750.00	\$	\$
Other Expenses	5,000.00	7,000.00	3,962.07	3,037.93	
Celebration of Public Events:					
Other Expenses	30,000.00	34,000.00	29,691.15	4,308.85	
<b>UNIFORM CONSTRUCTION CODE:</b>					
Construction Code Official:					
Salaries and Wages	334,513.00	340,513.00	339,159.46	1,353.54	
Other Expenses	155,000.00	155,000.00	139,635.15	15,364.85	
<b>UNCLASSIFIED:</b>					
Utilities:					
Electricity	275,000.00	250,000.00	216,101.90	33,898.10	
Salary and Wage Adjustment	5,000.00				
Street Lights	490,000.00	460,000.00	368,963.48	91,036.52	
Telephones	127,500.00	128,500.00	127,394.03	1,105.97	
Water	43,000.00	32,500.00	24,327.07	8,172.93	
Gas	3,500.00	3,500.00		3,500.00	
Fuel Oil	5,000.00	5,000.00		5,000.00	
Telecommunications	2,000.00	2,000.00	2,000.00		
Gasoline	225,000.00	215,000.00	211,977.75	3,022.25	
Landfill Costs	95,000.00	120,000.00	112,425.42	7,574.58	
Accumulated Leave Compensation	90,000.00	72,000.00	20,108.66	51,891.34	
TOTAL OPERATIONS WITHIN "CAPS"	\$ 18,672,322.00	\$ 18,688,822.00	\$ 17,994,624.65	\$ 694,197.15	\$
Contingent	\$ 5,000.00	\$ 5,000.00	\$ 1,705.91	\$ 3,294.09	\$
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"	\$ 18,677,322.00	\$ 18,693,822.00	\$ 17,996,330.76	\$ 697,491.24	\$
<b>DEFERRED CHARGES AND REGULATORY EXPENDITURES - MUNICIPAL - WITHIN "CAPS":</b>					
Regulatory Expenditures:					
Anticipated Deficit in Pool Utility Budget	\$ 75,000.00	\$ 75,000.00	\$ 73,287.91	\$	\$ 1,712.09
Contribution to:					
Social Security System (O.A.S.I)	361,745.00	335,245.00	335,245.00		
Police and Firemen's Retirement System of NJ	1,325,711.00	1,325,711.00	1,325,711.00		
Public Employees' Retirement System	480,335.00	480,335.00	480,335.00		
TOTAL DEFERRED CHARGES AND REGULATORY EXPENDITURES - MUNICIPAL - WITHIN "CAPS"	\$ 2,242,791.00	\$ 2,216,291.00	\$ 2,214,578.91	\$	\$ 1,712.09
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSE WITHIN "CAPS"	\$ 20,920,113.00	\$ 20,910,113.00	\$ 20,210,909.67	\$ 697,491.24	\$ 1,712.09
<b>MANDATED EXPENDITURES PER N.J.S. 40A: 4-45.3g EXCLUDED FROM "CAPS":</b>					
Public Library: Direct Maintenance	\$ 1,223,000.00	\$ 1,223,000.00	\$ 1,222,587.00	\$ 413.00	\$
Police System 911: Salaries	658,000.00	658,000.00	654,137.17	3,862.83	
Police System 911: OE	370,000.00	380,000.00	373,500.00	6,500.00	
LOSAP: Deferred Contributions	65,000.00	65,000.00		65,000.00	
Tax Appeals	300,000.00	300,000.00	293,630.00	6,370.00	
Insurance-Health Benefits	199,933.00	199,933.00	199,933.00		
<b>STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES:</b>					
Local/Match Share	5,600.00	5,600.00		5,600.00	
Alcohol Education and Rehabilitation	4,478.93	9,228.65	9,228.65		
Senior Title III B Grant (40A:4-87 + 10,000.00)	4,000.00	14,000.00	14,000.00		
Safe and Secure Communities Program	0.11	0.11	0.11		
SHTP Grant (40A:4-87 + 6,000.00)	10,038.00	16,038.00	16,038.00		
ANJEC - Fence Grant	2,000.00	2,000.00	2,000.00		

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<b>STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES</b>					
<b>(CONTINUED):</b>					
Municipal Alliance Grant (40A:4-87 + 20,777.00)	\$	\$ 20,777.00	\$ 20,777.00	\$	\$
Recycling Tonnage Grant	100,152.31	100,152.31	100,152.31		
Clean Communities Program (40A:4-87 + 43,438.50)		43,438.50	43,438.50		
Drunk Driving Enforcement Fund	8,250.00	8,250.00	8,250.00		
Body Armor Grant	4,965.85	4,965.85	4,965.85		
CDBG Handicap Ramps (40A:4-87 + 39,185.00)		39,185.00	39,185.00		
<b>TOTAL OPERATIONS - EXCLUDED FROM "CAPS"</b>	<b>\$ 2,955,418.20</b>	<b>\$ 3,089,568.42</b>	<b>\$ 3,001,822.59</b>	<b>\$ 87,745.83</b>	<b>\$</b>
<b>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS":</b>					
Capital Improvement Fund	\$ 57,500.00	\$ 57,500.00	\$ 57,500.00	\$	\$
<b>TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>	<b>\$ 57,500.00</b>	<b>\$ 57,500.00</b>	<b>\$ 57,500.00</b>	<b>\$</b>	<b>\$</b>
<b>MUNICIPAL DEBT SERVICES - EXCLUDED FROM "CAPS":</b>					
Payment of Bond Principal	\$ 695,000.00	\$ 695,000.00	\$ 692,500.00	\$	\$ 2,500.00
Interest on Bonds	482,600.00	482,600.00	474,961.00		7,639.00
Interest on Notes	11,000.00	11,000.00	8,361.71		2,638.29
Green Trust Loan Program	10,671.00	10,671.00	10,670.82		0.18
<b>TOTAL DEBT SERVICE</b>	<b>\$ 1,199,271.00</b>	<b>\$ 1,199,271.00</b>	<b>\$ 1,186,493.53</b>	<b>\$</b>	<b>\$ 12,777.47</b>
<b>DEFERRED CHARGES-MUNICIPAL- EXCLUDED FROM "CAPS":</b>					
Special Emergency Authorizations (N.J.S.A. 40A: 4-55)	\$ 66,000.00	\$ 66,000.00	\$ 66,000.00	\$	\$
Deferred Charges to Future Taxation Unfunded: Ordinance 1324	7,500.00	7,500.00	7,500.00		
<b>TOTAL DEFERRED CHARGES-MUNICIPAL- EXCLUDED FROM "CAPS"</b>	<b>\$ 73,500.00</b>	<b>\$ 73,500.00</b>	<b>\$ 73,500.00</b>	<b>\$</b>	<b>\$</b>
<b>JUDGEMENTS</b>	<b>\$ 30,000.00</b>	<b>\$ 30,000.00</b>	<b>\$ 26,225.50</b>	<b>\$ 3,774.50</b>	<b>\$</b>
<b>SUBTOTAL GENERAL APPROPRIATIONS</b>	<b>\$ 25,235,802.20</b>	<b>\$ 25,359,952.42</b>	<b>\$ 24,556,451.29</b>	<b>\$ 789,011.57</b>	<b>\$ 14,489.56</b>
<b>RESERVE FOR UNCOLLECTED TAXES</b>	<b>1,579,400.00</b>	<b>1,579,400.00</b>	<b>1,579,400.00</b>		
<b>TOTAL GENERAL APPROPRIATIONS</b>	<b>\$ 26,815,202.20</b>	<b>\$ 26,939,352.42</b>	<b>\$ 26,135,851.29</b>	<b>\$ 789,011.57</b>	<b>\$ 14,489.56</b>
	<b>REF.</b>	<b>A-2:A-3</b>	<b>A-1:A-3</b>	<b>A:A-1</b>	
Budget	A-3	\$ 26,815,202.20			
Amendment - NJSA 40A: 4-87	A-2	124,150.22			
		<b>\$ 26,939,352.42</b>			
Reserve for Accounts Payable	A-11		\$ 190,342.35		
Reserve for Tax Appeals	A-15		38,674.64		
Reserve for Grants Appropriated	A-23		258,035.42		
Deferred Charges-Prior	A-19		66,000.00		
Reserve for Uncollected Taxes	A-2		1,579,400.00		
Refunds	A-4		(1,138,682.94)		
Disbursement	A-4		25,142,081.82		
	A-3		<b>\$ 26,135,851.29</b>		

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TRUST FUND

"B"

BOROUGH OF SOUTH PLAINFIELD

TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>BALANCE DECEMBER 31, 2012</u>
Assessment Fund:			
Cash	B-2:B-4	\$ 285.94	\$ 12,600.94
Assessments Receivable	B-3	3,121.04	3,121.04
Prospective Assessments Funded	B-7	152,170.08	152,170.08
	B	<u>\$ 155,577.06</u>	<u>\$ 167,892.06</u>
Animal Control Fund:			
Due Trust Other Fund	B-6	\$ 7,466.96	\$ 29,203.42
	B	<u>\$ 7,466.96</u>	<u>\$ 29,203.42</u>
Other Funds:			
Cash	B-2	\$ 3,279,559.69	\$ 2,943,101.14
Due Federal Forfeiture Trust-Intrafund	B-24		4,500.00
Due Current Fund	B-11	2,693.73	2,310.81
	B	<u>\$ 3,282,253.42</u>	<u>\$ 2,949,911.95</u>
		<u>\$ 3,445,297.44</u>	<u>\$ 3,147,007.43</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Assessment Fund:			
Due Current Fund	B-8	\$	\$ 12,315.00
Reserve for Assessments	B-5	155,291.12	155,291.12
Fund Balance	B-1	285.94	285.94
	B	<u>\$ 155,577.06</u>	<u>\$ 167,892.06</u>
Animal Control Fund:			
Due State of New Jersey	B-13	\$ 3.60	\$ 74.40
Due Current Fund	B-23		2,697.00
Reserve for Animal Control Expenditures	B-12	7,463.36	26,432.02
	B	<u>\$ 7,466.96</u>	<u>\$ 29,203.42</u>
Other Funds:			
Due Animal Control Trust Fund	B-9	\$ 7,466.96	\$ 29,203.42
Due Treasurers Trust-Intrafund	B-24		4,500.00
Due Current Fund	B-11	1,272.92	1,224.82
Due Swimming Pool Capital Fund	B-10	2,000.00	2,000.00
Reserve For:			
Accounts Payable	B-26	255,180.94	371,811.26
State Unemployment Insurance	B-14	198,703.07	224,774.40
Federal Forfeiture	B-15	338.27	335.00
Various Deposits	B-17	735,259.88	656,807.31
Law Enforcement	B-16	32,978.68	29,617.15
Recreation	B-18	50,639.64	69,612.07
Health Benefits	B-19	192,153.96	34,628.13
Escrow Deposits	B-20	1,199,505.41	1,100,594.67
Affordable Housing	B-21	48,237.82	10,925.68
Payroll	B-25	107,153.34	101,506.79
Flexible Spending	B-27	10,000.00	
Tax Redemptions	B-22	441,362.53	312,371.25
	B	<u>\$ 3,282,253.42</u>	<u>\$ 2,949,911.95</u>
		<u>\$ 3,445,297.44</u>	<u>\$ 3,147,007.43</u>

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

BOROUGH OF SOUTH PLAINFIELD

TRUST FUND

SCHEDULE OF ASSESSMENT FUND BALANCE - REGULATORY BASIS

REF.

Balance, December 31, 2012  
and December 31, 2013

B

\$ 285.94

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

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GENERAL CAPITAL FUND

"C"

BOROUGH OF SOUTH PLAINFIELD

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2013</u>	<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2012</u>
<u>ASSETS</u>			
Cash	C-2:C-3	\$ 1,594,685.60	\$ 1,686,057.16
Accounts Receivable	C-4	573,195.37	399,516.03
Interfunds	C-5	79.26	158,115.48
Deferred Charges to Future Taxation:			
Funded	C-7	12,035,121.20	12,737,524.79
Unfunded	C-8	<u>2,575,963.57</u>	<u>1,247,262.95</u>
		<u>\$ 16,779,045.00</u>	<u>\$ 16,228,476.41</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-10	\$ 12,004,200.00	\$ 12,696,700.00
Bond Anticipation Notes Payable	C-13	2,334,250.00	430,000.00
Green Acres Loans Payable	C-15	30,921.20	40,824.79
Due to South Plainfield Senior Citizens Housing Project	C-6	148,124.34	212,085.00
Capital Improvement Fund	C-11	25,308.77	51,558.77
Improvement Authorizations:			
Funded	C-9	837,771.91	1,445,930.75
Unfunded	C-9	998,308.68	525,983.46
Reserve for:			
Various Reserves	C-14	85,291.38	85,291.38
Contracts Payable	C-12	1,616.00	189,915.35
Fund Balance	C-1	<u>313,252.72</u>	<u>550,186.91</u>
		<u>\$ 16,779,045.00</u>	<u>\$ 16,228,476.41</u>

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

BOROUGH OF SOUTH PLAINFIELD

GENERAL CAPITAL FUND

STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>		
Balance, December 31, 2012	C		\$ 550,186.91
Increased by:			
Receipts	C-2	\$ 43.00	
Authorizations Canceled	C-9	<u>263,022.81</u>	
			<u>263,065.81</u>
			\$ 813,252.72
Decreased by:			
Disbursements	C-2	\$ 260,000.00	
Appropriated To Finance New Improvements	C-9	<u>240,000.00</u>	
			<u>500,000.00</u>
Balance, December 31, 2013	C		\$ <u><u>313,252.72</u></u>

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

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SEWER UTILITY FUND

BOROUGH OF SOUTH PLAINFIELD

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	BALANCE DECEMBER 31, <u>2013</u>	BALANCE DECEMBER 31, <u>2012</u>
<u>OPERATING FUND:</u>			
Cash and Investments	D-5	\$ 1,299,044.72	\$ 936,075.57
Cash- Change Fund		150.00	150.00
Interfunds Receivable	D-23	<u>437.60</u>	<u>          </u>
		<u>\$ 1,299,632.32</u>	<u>\$ 936,225.57</u>
Receivables with Full Reserves:			
Sewer Use Charges Receivable	D:D-7	\$ 235,465.40	\$ 334,107.13
Sewer Use Liens Receivable	D:D-8	<u>3,078.30</u>	<u>2,728.30</u>
	D	<u>\$ 238,543.70</u>	<u>\$ 336,835.43</u>
 <u>TOTAL OPERATING FUND</u>	 D	 <u>\$ 1,538,176.02</u>	 <u>\$ 1,273,061.00</u>
<u>CAPITAL FUND:</u>			
Cash and Investments	D-5:D-6	\$ 268,535.31	\$ 270,415.22
Fixed Capital	D-13	13,557,821.21	13,557,821.21
Fixed Capital Authorized and Uncompleted	D-14	655,000.00	655,000.00
Due Sewer Utility Operating Fund	D-22	<u>          </u>	<u>2,569.13</u>
 <u>TOTAL CAPITAL FUND</u>	 D	 <u>\$ 14,481,356.52</u>	 <u>\$ 14,485,805.56</u>
		 <u>\$ 16,019,532.54</u>	 <u>\$ 15,758,866.56</u>

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

BOROUGH OF SOUTH PLAINFIELD

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	BALANCE DECEMBER 31, <u>2013</u>	BALANCE DECEMBER 31, <u>2012</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
<u>OPERATING FUND:</u>			
Liabilities:			
Appropriation Reserves	D-4:D-9	\$ 162,164.77	\$ 146,239.53
Interfunds Payable	D-23		3,444.13
Reserve for Accounts Payable	D-10	56,073.96	1,976.53
Sewer Overpayments	D-11	11,813.20	33,108.04
Accrued Interest Payable	D-12	14,521.00	13,021.00
		<u>\$ 244,572.93</u>	<u>\$ 197,789.23</u>
Reserve for Receivables	D	238,543.70	336,835.43
Fund Balance	D-1	<u>1,055,059.39</u>	<u>738,436.34</u>
		<u>\$ 1,538,176.02</u>	<u>\$ 1,273,061.00</u>
<u>TOTAL OPERATING FUND</u>			
<u>CAPITAL FUND:</u>			
Serial Bonds Payable	D-15	\$ 670,000.00	\$ 1,170,000.00
Improvement Authorizations:			
Funded	D-16	597.45	1,097.45
Unfunded	D-16	70,042.76	113,317.90
Contracts Payable	D-18	3,888.50	
Due Sewer Utility Operating Fund	D-22	437.60	
Capital Improvement Fund	D-17	403,569.00	393,569.00
Reserve for Amortization	D-19	12,887,821.21	12,387,821.21
Deferred Reserve for Amortization	D-20	440,000.00	415,000.00
		<u>\$ 14,476,356.52</u>	<u>\$ 14,480,805.56</u>
Fund Balance	D-2	<u>5,000.00</u>	<u>5,000.00</u>
		<u>\$ 14,481,356.52</u>	<u>\$ 14,485,805.56</u>
<u>TOTAL CAPITAL FUND</u>			
		<u>\$ 16,019,532.54</u>	<u>\$ 15,758,866.56</u>

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

BOROUGH OF SOUTH PLAINFIELDSEWER UTILITY FUNDSTATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	YEAR ENDED DECEMBER 31, <u>2013</u>	YEAR ENDED DECEMBER 31, <u>2012</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	D-3	\$ 128,100.00	\$ 247,100.00
Sewer Use Charges	D-3	6,970,386.14	6,694,501.08
Sewer Connection Fees	D-3:D-5	318,333.33	30,000.00
Interest and Costs	D-3:D-5	51,931.40	48,906.66
Interest on Investments and Deposits	D-3:D-5	1,544.18	1,878.80
Sewer Utility Capital Surplus			205,000.00
Other Credits to Income:			
Accounts Payable Canceled			25,000.00
Unexpended Balance of Appropriation Reserves	D-9	<u>77,353.00</u>	<u>5,098.32</u>
<u>TOTAL INCOME</u>		<u>\$ 7,547,648.05</u>	<u>\$ 7,257,484.86</u>
<u>EXPENDITURES</u>			
Operating	D-4	\$ 5,994,925.00	\$ 6,129,925.00
Capital Improvement Fund	D-4	10,000.00	2,000.00
Debt Service	D-4	527,000.00	485,000.00
Deferred Charges and Statutory Expenditures	D-4	<u>71,000.00</u>	<u>40,000.00</u>
<u>TOTAL EXPENDITURES</u>		<u>\$ 6,602,925.00</u>	<u>\$ 6,656,925.00</u>
Excess in Revenue		\$ 944,723.05	\$ 600,559.86
Fund Balance, Beginning	D	<u>738,436.34</u>	<u>759,976.48</u>
		\$ 1,683,159.39	\$ 1,360,536.34
Decreased by:			
Utilization as Anticipated Revenue:			
Sewer Utility Operating Budget	D-3	128,100.00	247,100.00
Current Fund Budget	D-5	<u>500,000.00</u>	<u>375,000.00</u>
Fund Balance, Ending	D	<u>\$ 1,055,059.39</u>	<u>\$ 738,436.34</u>

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

BOROUGH OF SOUTH PLAINFIELD  
SEWER UTILITY CAPITAL FUND  
STATEMENT OF CAPITAL FUND BALANCE-REGULATORY BASIS

	<u>REF.</u>	
Balance, December 31, 2012 and December 31, 2013	D	\$ <u>5,000.00</u>

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

BOROUGH OF SOUTH PLAINFIELD  
SEWER UTILITY FUND  
STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS (OR DEFICIT)</u>
Fund Balance Utilized	D-1	\$ 128,100.00	\$ 128,100.00	
Sewer Use Charges	D-1	6,241,825.00	6,970,386.14	728,561.14
Connection Fees	D-1:D-5	190,000.00	318,333.33	128,333.33
Interest and Costs on Sewer Charges	D-1:D-5	40,000.00	51,931.40	11,931.40
Interest on Investments and Deposits	D-1:D-5	3,000.00	1,544.18	(1,455.82)
		\$ 6,602,925.00	\$ 7,470,295.05	\$ 867,370.05
<b>BUDGET TOTALS</b>	D-4			

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

BOROUGH OF SOUTH PLAINFIELD

SEWER UTILITY FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>	
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>RESERVED</u>
<u>OPERATING:</u>				
Salaries and Wages	\$ 566,480.00	\$ 591,480.00	\$ 580,238.63	\$ 11,241.37
Other Expenses	5,428,445.00	5,403,445.00	5,252,521.60	150,923.40
	<u>\$ 5,994,925.00</u>	<u>\$ 5,994,925.00</u>	<u>\$ 5,832,760.23</u>	<u>\$ 162,164.77</u>
<u>CAPITAL IMPROVEMENTS:</u>				
Capital Improvement Fund	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$
	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$</u>
<u>DEBT SERVICE:</u>				
Payment of Bond Principal	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$
Interest on Bonds	27,000.00	27,000.00	27,000.00	
	<u>\$ 527,000.00</u>	<u>\$ 527,000.00</u>	<u>\$ 527,000.00</u>	<u>\$</u>
<u>DEFERRED CHARGES:</u>				
Paydown Deferred Charges-Unfunded	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$
	<u>\$ 25,000.00</u>	<u>\$ 25,000.00</u>	<u>\$ 25,000.00</u>	<u>\$</u>
<u>STATUTORY EXPENDITURES:</u>				
Social Security System (O.A.S.I.)	\$ 46,000.00	\$ 46,000.00	\$ 46,000.00	\$
	<u>\$ 46,000.00</u>	<u>\$ 46,000.00</u>	<u>\$ 46,000.00</u>	<u>\$</u>
	<u>\$ 6,602,925.00</u>	<u>\$ 6,602,925.00</u>	<u>\$ 6,440,760.23</u>	<u>\$ 162,164.77</u>
	<u>REF.</u>	<u>D-3</u>	<u>D-1</u>	<u>D</u>
Disbursements	D-5		\$ 6,357,686.27	
Accrued Interest	D-12		27,000.00	
Reserve for Accounts Payable	D-10		56,073.96	
			<u>\$ 6,440,760.23</u>	

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

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SWIMMING POOL UTILITY FUND

"E"

BOROUGH OF SOUTH PLAINFIELD

SWIMMING POOL UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2013</u>	<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2012</u>
<u>OPERATING FUND:</u>			
Cash and Investments	E-4	\$ 6,382.90	\$ 4,484.85
Interfunds Receivable	E-7	<u>8,584.74</u>	<u>24,977.61</u>
<u>TOTAL OPERATING FUND</u>	E	<u>\$ 14,967.64</u>	<u>\$ 29,462.46</u>
 <u>CAPITAL FUND:</u>			
Cash and Investments	E-4:E-6	\$ 2,136.21	\$ 2,636.21
Fixed Capital	E-12	677,173.14	677,173.14
Fixed Capital Authorized and Uncompleted	E-15	186,000.00	186,000.00
Interfunds Receivable	E-13	<u>3,000.00</u>	<u>2,500.00</u>
<u>TOTAL CAPITAL FUND</u>	E	<u>\$ 868,309.35</u>	<u>\$ 868,309.35</u>
	E	<u>\$ 883,276.99</u>	<u>\$ 897,771.81</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
<u>OPERATING FUND:</u>			
<u>Liabilities:</u>			
Appropriation Reserves	E-3:E-8	\$ 4,804.06	\$ 17,781.07
Reserve for Accounts Payable	E-9	3,540.08	3,818.89
Interfunds Payable	E-7	1,000.00	2,300.00
Accrued Interest Payable	E-10	<u>2,623.50</u>	<u>2,562.50</u>
		\$ 11,967.64	\$ 26,462.46
Fund Balance	E-1	<u>3,000.00</u>	<u>3,000.00</u>
<u>TOTAL OPERATING FUND</u>	E	<u>\$ 14,967.64</u>	<u>\$ 29,462.46</u>
 <u>CAPITAL FUND:</u>			
<u>Improvement Authorizations:</u>			
Funded	E-17	\$ 5,900.44	\$ 5,900.44
Unfunded	E-17	935.77	935.77
Interfunds Payable	E-13	500.00	500.00
Bonds Payable	E-5	200,800.00	203,300.00
Capital Improvement Fund	E-16	500.00	500.00
Reserve for Amortization	E-14	596,673.14	595,673.14
Deferred Reserve for Amortization	E-11	<u>63,500.00</u>	<u>62,000.00</u>
<u>TOTAL CAPITAL FUND</u>	E	<u>\$ 868,309.35</u>	<u>\$ 868,309.35</u>
	E	<u>\$ 883,276.99</u>	<u>\$ 897,771.81</u>

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

BOROUGH OF SOUTH PLAINFIELDSWIMMING POOL UTILITY FUNDSTATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	YEAR ENDED DECEMBER 31, <u>2013</u>	YEAR ENDED DECEMBER 31, <u>2012</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Membership Fees	E-2	\$ 174,473.00	\$ 165,811.50
Miscellaneous	E-2	9,650.09	16,123.65
Other Credits To Income:			
Unexpended balance of appropriation reserves			26,062.24
Accounts payable cancelled			8,000.00
		<u>\$ 184,123.09</u>	<u>\$ 215,997.39</u>
<u>EXPENDITURES</u>			
Operating	E-3	\$ 239,211.00	\$ 231,675.00
Capital Improvement Fund	E-3	500.00	500.00
Debt Service	E-3	10,200.00	1,800.00
Deferred Charges and Regulatory Expenditures	E-3	<u>7,500.00</u>	<u>8,000.00</u>
		<u>\$ 257,411.00</u>	<u>\$ 241,975.00</u>
Adjustment to Income Before Fund Balance:			
Realized from General Budget for Anticipated Deficit	E-2	<u>\$ 73,287.91</u>	<u>\$ 25,977.61</u>
Excess in Revenue		\$ - 0 -	\$ - 0 -
Fund Balance, January 1	E	<u>3,000.00</u>	<u>3,000.00</u>
		\$ 3,000.00	\$ 3,000.00
Decreased by:			
Utilization as Anticipated Revenue:			
Swimming Pool Utility Operating Budget		<u>- 0 -</u>	<u>- 0 -</u>
Fund Balance, December 31	E	<u>\$ 3,000.00</u>	<u>\$ 3,000.00</u>

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

BOROUGH OF SOUTH PLAINFIELD  
SWIMMING POOL UTILITY OPERATING FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2013

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS/ (DEFICIT)</u>
Membership Fees	E-1: E-4	\$ 165,811.00	\$ 174,473.00	\$ 8,662.00
Miscellaneous	E-1: E-4	16,600.00	9,650.09	(6,949.91)
Deficit (General Budget)	E-1: E-4	<u>75,000.00</u>	<u>73,287.91</u>	<u>(1,712.09)</u>
		<u>\$ 257,411.00</u>	<u>\$ 257,411.00</u>	<u>\$</u>
	<u>REF.</u>	E-3		

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

BOROUGH OF SOUTH PLAINFIELD

SWIMMING POOL UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

	APPROPRIATIONS		BUDGET AFTER MODIFICATION	EXPENDED	
	BUDGET			PAID OR CHARGED	RESERVED
<u>OPERATING:</u>					
Salaries and Wages	\$ 177,211.00	\$	177,211.00	\$ 177,211.00	\$
Other Expenses	62,000.00		62,000.00	57,195.94	4,804.06
<u>CAPITAL OUTLAY:</u>					
Capital Improvement Fund	500.00		500.00	500.00	
<u>DEBT SERVICE:</u>					
Bond Principal	2,500.00		2,500.00	2,500.00	
Interest on Notes	7,700.00		7,700.00	7,700.00	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES:</u>					
Statutory Expenditures:					
Social Security System (O.A.S.I.)	7,500.00		7,500.00	7,500.00	
	\$ 257,411.00	\$	257,411.00	\$ 252,606.94	\$ 4,804.06
<u>REF.</u>	E-2		E-1		E
Disbursements		\$		\$ 243,906.94	
Accounts Payable				500.00	
Interfund				500.00	
Accrued Interest Payable				7,700.00	
		\$		\$ 252,606.94	

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

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PUBLIC ASSISTANCE TRUST FUND

"F"

BOROUGH OF SOUTH PLAINFIELD  
PUBLIC ASSISTANCE TRUST FUND  
BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2012</u>
<u>ASSETS</u>			
Cash:			
Public Assistance Trust Fund I	F-1	\$ <u>13,312.49</u>	\$ <u>16,675.58</u>
		\$ <u><u>13,312.49</u></u>	\$ <u><u>16,675.58</u></u>
<u>LIABILITIES</u>			
Reserve for Public Assistance Trust Fund I	F-2	\$ <u>13,312.49</u>	\$ <u>16,675.58</u>
		\$ <u><u>13,312.49</u></u>	\$ <u><u>16,675.58</u></u>

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

GENERAL FIXED ASSETS ACCOUNT GROUP

"G"

BOROUGH OF SOUTH PLAINFIELD

STATEMENT OF GENERAL FIXED ASSETS

BALANCE SHEETS - REGULATORY BASIS

	BALANCE DECEMBER <u>31, 2013</u>	BALANCE DECEMBER <u>31, 2012</u>
<u>FIXED ASSETS:</u>		
Land	\$ 17,058,200.00	\$ 17,058,200.00
Buildings	9,001,500.00	9,001,500.00
Machinery and Equipment	<u>11,284,716.00</u>	<u>10,836,048.00</u>
<u>TOTAL FIXED ASSETS</u>	<u>\$ 37,344,416.00</u>	<u>\$ 36,895,748.00</u>
 <u>RESERVE:</u>		
Investments in General Fixed Assets	<u>\$ 37,344,416.00</u>	<u>\$ 36,895,748.00</u>

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

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF SOUTH PLAINFIELD  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2013 AND 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes three fund types and two account groups to be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

The accounting policies of the Borough of South Plainfield conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Borough of South Plainfield are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific governmental activity. As required by the Division of Local Government Services, the Borough accounts for its financial transactions through the following individual funds and account group:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

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

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

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

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

Swimming Pool Operating and Capital Funds - account for resources and expenditures for the operations and acquisition of capital facilities of the municipally-owned swimming pool utility.

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

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

C. Basis of Accounting

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Expenditures - are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System.

Outstanding encumbrances, at December 31st, are reported as a cash liability in the financial statements and constitute part of the Borough's regulatory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments, or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

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

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets - N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Borough as part of its basic financial statements. General fixed assets are defined as nonexpendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of \$500.00 or more per unit.

Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. No depreciation has been provided on general fixed assets or reported in the financial statements.

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

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Capital - Sewer Utility

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

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

D. Basic Financial Statements

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

NOTE 2: CASH AND CASH EQUIVALENTS

The Borough considers petty cash, change funds, cash in banks and certificates of deposit, and short-term investments with original maturities of three months or less as cash and cash equivalents. Investments are stated at cost, which approximates market.

A. Deposits

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

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits (Continued)

Under GUDPA, if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental until.

The Borough of South Plainfield had the following cash and cash equivalents at December 31, 2013:

<u>Fund</u>	<u>Cash In Bank</u>	<u>Reconciling Items</u>	<u>Total</u>
Current Fund	\$3,286,671.55	(\$79,919.44)	\$3,206,752.11
Grant Fund	282,324.66		282,324.66
Assessment Trust Fund	285.94		285.94
Trust Other Fund	3,391,760.14	(112,200.45)	3,279,559.69
General Capital Fund	1,594,685.60		1,594,685.60
Sewer Operating Fund	1,299,044.72		1,299,044.72
Sewer Capital Fund	268,535.31		268,535.31
Pool Operating Fund	6,382.90		6,382.90
Pool Capital Fund	2,136.21		2,136.21
Public Assistance Trust Fund	13,312.49		13,312.49
	<u>\$10,145,139.52</u>	<u>(\$192,119.89)</u>	<u>\$9,953,019.63</u>

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Borough does not have a specific deposit for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2013, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash balance in the bank, \$750,000.00 was covered by Federal Depository Insurance and \$9,395,139.52 was covered by NJGUDPA.

B. Investments

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

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

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

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

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

Based upon the limitation set forth by New Jersey Statutes 40A:55.1 and existing investment practices, the Borough is generally not exposed to credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risk for its deposits and investments.

NOTE 3: LONG-TERM DEBT

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

SUMMARY OF REGULATORY DEBT CONDITION ANNUAL DEBT STATEMENT

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a regulatory net debt of 0.394%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Local School District Debt	\$ 8,195,000.00	\$ 8,195,000.00	\$
Utility Debt	1,088,000.00	885,000.00	203,000.00
General Debt	<u>14,634,278.91</u>	<u>23,194.14</u>	<u>14,611,084.77</u>
	<u>\$ 23,917,278.91</u>	<u>\$ 9,103,194.14</u>	<u>\$ 14,814,084.77</u>

NET DEBT \$14,814,084.77 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.A. 40A:2-2, \$3,764,560,618.33 EQUALS 0.394%.

NOTE 3: LONG-TERM DEBT (CONTINUED)

SUMMARY OF MUNICIPAL DEBT

Issued:	<u>2013</u>	<u>2012</u>	<u>2011</u>
Bonds, Loans, and Notes:			
General	\$ 14,369,371.20	\$ 13,167,524.79	\$ 12,436,571.05
Sewer Utility	670,000.00	1,170,000.00	1,325,000.00
Swimming Pool Utility	<u>200,800.00</u>	<u>203,300.00</u>	<u>120,000.00</u>
Total Issued	\$ <u>15,240,171.20</u>	\$ <u>14,540,824.79</u>	\$ <u>13,881,571.05</u>
Authorized But Not Issued:			
Bonds, Loans, and Notes:			
General	\$ 264,907.71	\$ 817,262.95	\$ 1,154,554.55
Sewer Utility	215,000.00	240,000.00	540,000.00
Swimming Pool Utility	<u>2,200.00</u>	<u>2,200.00</u>	<u>120,000.00</u>
	\$ <u>482,107.71</u>	\$ <u>1,059,462.95</u>	\$ <u>1,814,554.55</u>
Net Bonds and Notes Issued and Authorized But Not Issued	\$ <u>15,722,278.91</u>	\$ <u>15,600,287.74</u>	\$ <u>15,696,125.60</u>
Less:			
Funds Temporarily Held to Pay Bonds & Notes	\$ <u>23,194.14</u>	\$ <u>0.00</u>	\$ <u>143,291.60</u>
Net Debt Issued and Authorized But Not Issued	\$ <u><u>15,699,084.77</u></u>	\$ <u><u>15,600,287.74</u></u>	\$ <u><u>15,552,834.00</u></u>

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

Equalized Valuation Basis* - December 31, 2013	\$ <u>3,764,560,618.33</u>
3-1/2 of Equalized Valuation Basis (Municipal)	\$ 131,759,621.64
Net Debt	<u>14,814,084.77</u>
Remaining Borrowing Power	\$ <u><u>116,945,536.87</u></u>

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

NOTE 3: LONG-TERM DEBT (CONTINUED)

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

Revenue from Fees, Rents, and Other Charges for Year and Fund Balance		\$7,470,295.05
Deductions:		
Operating and Maintenance Cost	\$5,832,760.23	
Debt Service per Sewer Account	<u>527,000.00</u>	
Total Deductions		<u>6,359,760.23</u>
Excess in Revenue		<u>\$1,110,534.82</u>

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

Revenue from Fees, Rents, and Other Charges for Year and Fund Balance		\$ 184,123.09
Deductions:		
Operating and Maintenance Cost	\$234,406.94	
Debt Service per Swimming Account	<u>10,200.00</u>	
Total Deductions		<u>244,606.94</u>
Deficit in Revenues (Not Self-Liquidating)		<u>\$ (60,483.85)</u>

LONG-TERM DEBT

General Capital - Bonds:

\$11,438,700.00 Bonds of 2012 due in annual installments of \$140,500.00 to \$771,695.00 at a variable interest rate	\$11,298,200.00
\$393,000 Bonds of 2012 due in annual installments of \$196,000.00 to \$197,000.00 at a variable interest rate	196,000.00
\$800,000 Bonds of 2010 due in annual installments of \$160,000.00 at an interest rate of 3.750%	320,000.00
\$2,585,000.00 Bonds of 1999 due in annual installments of \$190,000.00 to \$205,000.00 at a variable interest rate	<u>190,000.00</u>
	<u>\$12,004,200.00</u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

General Capital – Loans:

\$125,700.00 Green Acres Loan of 2003 due in annual installments of \$4,595.65 to \$5,282.58 at an interest rate of 3% \$ 30,921.20

Sewer Utility Capital – Bonds:

\$300,000.00 Bonds of 2012 due in annual installments of \$60,000.00 at a variable interest rate \$ 240,000.00

\$6,200,000.00 Bonds of 1999 due in annual installments of \$430,000.00 to \$460,000.00 at a variable interest rate 430,000.00

\$ 670,000.00

Bond Anticipation Notes

Outstanding Bond Anticipation Notes are summarized as follows:

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount</u>
General Capital	0.81%	7/25/14	\$ 1,631,000.00
	1.25%	7/25/14	<u>703,250.00</u>
			<u>\$ 2,334,250.00</u>

Bonds and Notes Authorized But Not Issued

At December 31, 2013, the Borough has authorized but not issued bonds and notes as follows:

General Capital Fund	\$ 264,907.71
Sewer Utility Capital Fund	215,000.00
Swimming Pool Utility Capital Fund	<u>2,200.00</u>
	<u>\$ 482,107.71</u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

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

<u>Year</u>	<u>General</u>		<u>Sewer Utility</u>		<u>Swimming Pool Utility</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2014	\$687,480.00	\$455,509.22	\$490,000.00	\$13,200.00	\$2,520.00	\$7,840.78
2015	494,050.00	436,936.27	60,000.00	5,700.00	5,950.00	7,713.73
2016	432,300.00	420,279.52	60,000.00	3,600.00	7,700.00	7,470.48
2017	432,300.00	402,987.52	60,000.00	1,200.00	7,700.00	7,162.48
2018	540,375.00	380,832.14			9,625.00	6,767.86
2019	540,375.00	353,813.39			9,625.00	6,286.61
2020	589,500.00	325,566.52			10,500.00	5,783.48
2021	589,500.00	296,091.52			10,500.00	5,258.48
2022	638,625.00	265,388.39			11,375.00	4,711.61
2023	638,625.00	233,457.14			11,375.00	4,142.86
2024	638,625.00	201,525.89			11,375.00	3,574.11
2025	687,750.00	175,243.01			12,250.00	3,105.99
2026	687,750.00	154,610.51			12,250.00	2,738.49
2027	687,750.00	133,549.17			12,250.00	2,363.33
2028	736,875.00	111,289.41			13,125.00	1,966.84
2029	736,875.00	87,801.52			13,125.00	1,548.48
2030	736,875.00	63,853.08			13,125.00	1,121.92
2031	736,875.00	39,444.09			13,125.00	687.16
2032	771,695.00	13,504.66			13,305.00	232.84
	<u>\$12,004,200.00</u>	<u>\$4,551,682.97</u>	<u>\$670,000.00</u>	<u>\$23,700.00</u>	<u>\$200,800.00</u>	<u>\$80,477.53</u>

**SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST  
FOR LOANS ISSUED AND OUTSTANDING DECEMBER 31, 2013**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2014	\$10,102.64	\$568.16
2015	10,305.71	365.10
2016	<u>10,512.85</u>	<u>157.96</u>
	<u>\$30,921.20</u>	<u>\$1,091.22</u>

NOTE 4: FUND BALANCES APPROPRIATED

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

Current Fund	\$ 1,382,407.08
Sewer Utility Fund	\$ 380,000.00
Swimming Pool Utility Fund	\$ 1,000.00

NOTE 5: PROPERTY TAXES

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

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

	BALANCE DECEMBER <u>31, 2013</u>	BALANCE DECEMBER <u>31, 2012</u>
Prepaid Taxes	\$ <u>412,988.98</u>	\$ <u>252,446.49</u>

NOTE 6: PENSION PLANS

Substantially all eligible employees participate in the Public Employees' Retirement System (PERS), or the Police, Firemen's Retirement System (PFRS) or the Defined Contribution Retirement System (DCRP), which have been established by state statute and are administered by the New Jersey Division of Pensions and Benefits. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System, Police and Fireman's Retirement System and Consolidated Police and Firemen's Pension Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 or are available online at [www.nj.gov/treasury/pensions/annrprts.shtml](http://www.nj.gov/treasury/pensions/annrprts.shtml).

NOTE 6: PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide retirement, death, disability and medical benefits to certain qualified members. The PERS is a cost-sharing multiple employer plan. Membership is mandatory for substantially, all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund.

Police and Fireman's Retirement System (PFRS) - The Police and Fireman's Retirement System (PFRS) was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A, to provide retirement, death, and disability benefits to its members. The PFRS is a cost-sharing multiple-employer plan. Membership is mandatory for substantially, all full-time county and municipal police or firemen or officer employees with police powers appointed after June 30, 1944.

Defined Contribution Retirement Program (DCRP) - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and was expanded under the provisions of Chapter 89, P.L. 2009. The DCRP provides eligible employees and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:36. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service. Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving ten years of service credit, in which case, benefits would begin the first day of the month after the member attains normal retirement age.

The vesting and benefit provisions for PFRS are set by N.J.S.A. 43:16A and 43:36. All benefits vest after ten years of service, except for disability benefits, which vest after four years of service. Retirement benefits for age and service are available at age 55. Members may seek special retirement after achieving 25 years of creditable service or they may elect deferred retirement after achieving ten years of service.

Newly elected or appointed officials that have an existing DCRP account, or are a member of another State-administered retirement system are immediately invested in the DCRP. For newly elected or appointed officials that do not qualify for immediate vesting in the DCRP, employee and employer contributions are held during the initial year of membership. Upon commencing the second year of DCRP membership, the member is fully invested. However, if a member is not eligible to continue in the DCRP for a second year of membership, the member may apply for a refund of the employee contributions from the DCRP, while the employer contributions will revert back to the employer. Employees are required to contribute 5.5% of their base salary and employers contribute 3.0%.

NOTE 6: PENSION PLANS (CONTINUED)

Funding Policy

The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan members and employer contributions may be amended by State of New Jersey legislation. During 2012 PERS provides for employee contributions of 6.5% of employees' annual compensation. Employers are required to contribute at an actuarially determined rate. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums.

The contribution policy for PFRS is set by N.J.S.A. 43: 16A and requires contributions by active members and contributing employers. Plan member and employer contributions *may* be amended by State of New Jersey legislation. Employers are required to contribute at an actuarially determined rate. The annual employer contribution includes funding for basic retirement allowances, cost-of-living adjustments and noncontributory death benefits. During 2012, members contributed at a uniform rate of 10.00% of base salary.

Certain portions of the costs are contributed by the employees. The Borough's share of pension costs, which is based upon the annual billings received from the State, amounted to \$1,806,046 for 2013, \$1,808,438 for 2012, and \$2,063,013 for 2011.

All contributions were equal to the required contributions for each of the three years, respectively.

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

NOTE 7: COMPENSATED ABSENCES

Under the existing policy of the Borough, employees are allowed to accumulate unused sick pay over the life of their working careers which may be taken as time off at a later date. The balance of the liability accrued in the Trust Fund at December 31, 2013 is \$45,627.00.

NOTE 8: LITIGATION

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

NOTE 9: CONTINGENT LIABILITIES

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

NOTE 10: TAX APPEALS

There are several tax appeals filed with the State Tax Court of New Jersey requesting a reduction of assessments for the years 2013 and prior. Any reduction in assessed valuation will result in a refund of prior years taxes in the year of a reserve or by the issuance of refunding bonds per N.J.S. 40A:2-51.

NOTE 11: RISK MANAGEMENT

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

New Jersey Unemployment Compensation Insurance - The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Borough is billed quarterly for amounts due to the State. Below is a summary of Borough contributions, employee contributions, reimbursements to the State for benefits paid, and the ending balance of the Borough's expendable trust fund for the current and previous two years:

<u>Year</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2013	\$ 494.44	\$	\$ 26,565.77	\$ 198,703.07
2012	714.69	9,198.77	30,127.07	224,774.40
2011	959.35	7,957.30	32,242.93	244,988.01

NOTE 12: INTERFUND RECEIVABLES AND PAYABLES

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

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 1,272.92	\$ 11,357.73
Animal Control Trust Fund	7,466.96	
Trust Other Fund	2,693.73	10,739.88
General Capital Fund	79.26	
Sewer Utility Operating Fund	437.60	
Sewer Utility Capital Fund		437.60
Swimming Pool Operating Fund	8,584.74	1,000.00
Swimming Pool Capital Fund	<u>3,000.00</u>	
	<u>\$ 23,535.21</u>	<u>\$ 23,535.21</u>

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

NOTE 13: DEFERRED COMPENSATION PLAN

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

In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of Internal Revenue Code Section 457(g), the Borough's Plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of plan participants and beneficiaries. All assets and income under the Plan are held in trust, in annuity contracts or custodial accounts. The accompanying financial statements do not include the Borough's Deferred Compensation Plan activities. The Borough's Deferred Compensation Plan financial statements are contained in a separate review report.

NOTE 14: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2013, the following deferred charges are shown:

	Balance December 31, <u>2013</u>	2014 Budget <u>Appropriation</u>
Current Fund:		
Super Storm Sandy	<u>\$259,000.00</u>	<u>\$213,828.71</u>

NOTE 15: LENGTH OF SERVICE AWARDS PROGRAM

The Borough of South Plainfield adopted an ordinance establishing a Length of Service Awards Program effective for 2000 for the members of the South Plainfield Volunteer Fire Department and Volunteer Rescue Squad pursuant to N.J.S.A. 40A:14-183 et seq. Under this program, each volunteer that performs the minimum amount of service will have an annual amount up to \$1,300.00 deposited into a tax deferred account. The Borough budgeted \$65,000.00 for the program in 2013.

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS

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

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

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Plan Description

The Borough of South Plainfield provides Post-Retirement Benefits to eligible employees in accordance with terms of their various labor agreements:

Summary Of Retiree Welfare Benefits

A. Eligibility for Postemployment Welfare Benefits

South Plainfield PBA Local #100 (effective January 1, 2006 through December 31, 2010):

- Retire with at least 25 years of creditable service in the New Jersey Police and Firemen's Retirement System (NJPFERS); or
- Retire under a disability retirement from the NJPFERS: Ordinary – 4 years of service; Accidental – no service requirement

PBA Local #100 Superior Officers (effective January 1, 2011 through December 31, 2014):

- Retire with at least 25 years of creditable service in the New Jersey Police and Firemen's Retirement System (NJPFERS); or
- Retire under a disability retirement from the NJPFERS: Ordinary – 4 years of service; Accidental – no service requirement

South Plainfield Professional Managers Association (effective January 1, 2011 through January 1, 2014):

- Retire with at least 25 years of service in New Jersey Public Employees' Retirement System (NJPERS); or
- Retire with a disability retirement from NJPERS: Ordinary – 10 years of service; Accidental – no service requirement; or

American Federation of State, County and Municipal Employees AFL-CIO, Council 73 (effective January 1, 2006 through December 31, 2010):

- Retire with at least 25 years of service in New Jersey Public Employees' Retirement System (NJPERS); or
- Retire with a disability retirement from NJPERS: Ordinary – 10 years of service; Accidental – no service requirement

Teamsters Local Union No. 469 (effective January 1, 2006 through December 31, 2010):

- Retire with at least 25 years of service in New Jersey Public Employees' Retirement System (NJPERS); or
- Retire with a disability retirement from NJPERS: Ordinary – 10 years of service; Accidental – no service requirement

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Summary Of Retiree Welfare Benefits (Continued)

B. Retiree Medical Benefits

Two Medical plans are offered to eligible retirees and their dependents: a Traditional plan and an EPO plan. These plans are self-insured through QualCare.

C. Retiree Prescription Drug Benefits

Prescription drug benefits are provided to eligible retirees and their dependents and self-insured through Medco Systemed, Inc.

Copayment schedules depend on date of retirement and union as outlined below:

Retirees Prior to 1999:

<u>Retail</u>		
34 day supply	20%	(up to \$100 maximum) per generic/brand

<u>Mail Order</u>		
90 day supply	20%	(up to \$100 maximum) per generic/brand

Retirees during or after 1999:

All PBA Local 100 & Teamsters Local:

	<u>Teamsters</u>	<u>PBA</u>
<u>Retail</u>		
34 day supply	\$5 generic/\$10 brand	\$8 generic/\$15 brand
<u>Mail Order</u>		
90 day supply	\$10 generic/\$20 brand	\$15 generic/\$25 brand

All Others:

<u>Retail</u>		
34 day supply	\$2 generic/\$5 brand	

<u>Mail Order</u>		
90 day supply	\$0 generic/\$0 brand	

D. Life Insurance or Death Benefits

No postemployment death benefits are paid by the Borough.

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Summary Of Retiree Welfare Benefits (Continued)

E. Dental Benefits

Dental benefits are offered on a reimbursement basis by the Borough.

All South Plainfield Professional Managers Association retirees, all Teamsters Local Union No. 469 retirees, all AFSCME retirees and all PBA Local #100 members retiring on or after January 1, 2003 are eligible for the following Dental Plan benefits.

The Dental Plan provides 100% of coverage on preventative and diagnostic services with no deductible. All other care has 80% coinsurance with a \$25 deductible per person (limited to \$75 per family) with an annual maximum of \$2,000 per teamsters local individuals, and \$2,200 for PBA 100 individuals. The lifetime orthodontic maximum is \$1,200 per teamsters individuals and \$1,500 for PBA 100 individuals.

F. Vision Benefits

Vision benefits are offered on a reimbursement basis by the Borough.

All South Plainfield Professional Managers Association retirees, all Teamsters Local Union No. 469 retirees and all AFSCME retirees are eligible for the following Optical Plan benefits:

The combined cost to the Borough for an annual eye examination and prescription eye glasses shall not exceed \$400 for every alternate year. The employee can use the allotment for a family member if the employee so chooses.

South Plainfield PBA Local #100 Policemen retiring on or after January 1, 1999 and PBA Local #100 Superior Officers retiring on or after January 1, 2000 are entitled to the following Optical Plan benefits.

The cost to the Borough for an annual eye examination will be no more than \$75 and the cost to the Borough for prescription eye glasses shall not exceed \$200 every alternate year. In the event the eye prescription changes in an off year, the Borough will still provide the coverage. Vision benefits are transferable to a family member.

G. Medicare

Medical benefits coordinate with Medicare and retirees and their dependents are required to participate in Medicare A and B upon eligibility for these programs. Retirees and their dependents are reimbursed the Part B premium by the Borough. The Medicare Part D prescription drug subsidy has not been considered in this valuation pursuant to the GASB statement.

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Summary Of Retiree Welfare Benefits (Continued)

H. Dependent Coverage

Eligible dependents of retirees are provided medical, prescription drug, dental and vision benefits for their lifetime as described above.

I. Retiree Contributions

Retirees and their dependents are not required to contribute toward the cost of the post retirement medical, prescription drug, dental and vision coverage. All costs are paid 100% by the Borough.

Assumptions and Actuarial Methods

The actuarial assumptions used to value the postretirement medical liabilities can be categorized into three groups:

- Economic Assumptions – the discount rate and health care cost trend rates.
- Benefit assumptions – the initial per capita cost rates for medical and prescription drug coverage.
- Demographic assumptions – including the probabilities of retiring, dying, terminating (without a benefit), becoming disabled, recovery from disability, election (participating rates) and coverage levels.

Actuarial assumptions were based on the actual experience of the covered group, to the extent that creditable experience data was available, with an emphasis on expected long-term future trends rather than giving undue weight to recent past experience. The reasonableness of each actuarial assumption was considered independently based on its own merits, its consistency with each other assumption, and the combined impact of all assumptions. In accordance with local Finance Notice 2007-15 issued by the New Jersey Department of Community Affairs, we used demographic and health care assumptions consistent with the assumptions used by the New Jersey Division of Pensions and Benefits and the State Health Benefits Plan (SHBP) as reported in their July 1, 2008 Actuarial Valuation to value the GASB obligations.

Economic Assumptions

The two economic assumptions used in the valuation are the discount rate and the health care cost trend rates. The economic assumptions are used to account for changes in the cost of benefits over time and to discount future benefit payments for the time value of money.

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Discount Rate

The investment return assumption (discount rate) should be the estimated long-term investment yield on the investments that are expected to be used to finance the payments of benefits. The investments expected to be used to finance the payments of benefits would be plan assets for funded plans, assets of the employer for pay-as-you-go plans, or a proportionate combination of the two for plans that are being partially funded. We assumed a discount rate of 4.5% for purposes of developing the liabilities and Annual Required Contribution on the basis that the Plan would not be funded. This rate is derived from the historical performance of the New Jersey State Cash Management Fund.

Benefit Assumptions

The valuation projects the cost to the Borough of providing medical benefits to employees who remain in the medical plan after retirement (postemployment coverage). Future retirees are assumed to remain in the same medical plan they were covered under while active. Under the rules set out in GASB 45, both the direct contribution and any implicit subsidy must be considered in measuring post-retirement medical benefit obligation.

Following actuarial standards, specifically ASOP 6, we have developed incurred claims costs for the benefits based on current costs for the plans adjusted to age-specific health care cost estimates.

Demographic Assumptions

Mortality

Sex-distinct RP2000 Combined Health Mortality Table for healthy and disabled participants.

No preretirement death benefits were valued, specifically the "in-the-line of duty" death benefit for Police.

Methods

Actuarial Cost Method

There are several acceptable actuarial methods listed in the GASB standard. The actuarial cost method used to determine the plan's cost is the Projected Unit Credit method, the same method used in State of New Jersey Postemployment Benefits Other Than Pension July 1, 2008 Actuarial Valuation. Under this method, an actuarial accrued liability is determined as the actuarial present value of the portion of projected benefits which is allocated to service before the current plan year. In addition, a normal cost is determined as the actuarial present value of the portion of projected benefits which is allocated to service in the current plan year for each active participant under the assumed retirement age.

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Asset Valuation Method

The plan is currently unfunded.

Amortization Method and Period

The unfunded actuarial accrued liability is amortized as a level dollar amount using an open period of 10 years, 20 years, and 30 years.

Actuary OPEB Cost

The Present Value of Future Benefits ("PVFB") as of June 30, 2009 is \$96,404,000 based upon a discount rate of 4.50% per annum and the plan provisions in effect on June 30, 2009.

The Actuarial Accrued Liability ("AAL") as of June 30, 2009 is \$67,382,000 based upon a discount rate of 4.50% per annum and the plan provisions in effect on June 30, 2009.

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BOROUGH OF SOUTH PLAINFIELD  
SUPPLEMENTARY SCHEDULES – ALL FUNDS  
YEAR ENDED DECEMBER 31, 2013

BOROUGH OF SOUTH PLAINFIELDCURRENT FUNDSCHEDULE OF CASH - COLLECTOR-TREASURER

	<u>REF.</u>	<u>CURRENT FUND</u>	<u>GRANT FUND</u>
Balance, December 31, 2012	A	\$ 2,771,159.37	\$ 266,617.84
Increased by Receipts:			
Taxes Receivable	A-8	\$ 74,971,188.54	\$
State of New Jersey-Senior Citizens and Veterans Deductions	A-7	234,446.58	
Interfunds	A-12	89,113.80	
Reserve for FEMA Aid Unappropriated	A-29	213,828.71	
Revenue Accounts Receivable	A-13	6,754,662.54	
Miscellaneous Revenue not Anticipated	A-2	122,571.14	
Tax Overpayments	A-17	67,048.02	
Prepaid Taxes	A-18	412,988.98	
Appropriation Refunds	A-3	1,138,682.94	
Reserve for Grants-Unappropriated	A-24		194,433.71
Grants Receivable	A-26		173,177.96
Petty Cash	A-5	<u>800.00</u>	
		<u>84,005,331.25</u>	<u>367,611.67</u>
		\$ 86,776,490.62	\$ 634,229.51
Decreased by Disbursements:			
Appropriations	A-3	\$ 25,142,081.82	\$
Appropriation Reserves	A-14	814,682.98	
Reserve for Accounts Payable	A-11	4,097.31	
Reserve for LOSAP	A-20	72,545.00	
Reserve for Superstorm Sandy	A-28	32,767.50	
Interfunds	A-12	245,021.07	
Tax Overpayments	A-17	29,914.73	
Local District School Taxes Payable	A-21	43,138,070.00	
County Taxes Payable	A-25	13,909,556.08	
Refund of Prior Year Revenue	A-1	141,527.38	
Reserve for Tax Appeals	A-15	38,674.64	
Petty Cash	A-5	800.00	
Reserve for Grants-Appropriated	A-23		<u>351,904.85</u>
		<u>83,569,738.51</u>	<u>351,904.85</u>
Balance, December 31, 2013	A	\$ <u><u>3,206,752.11</u></u>	\$ <u><u>282,324.66</u></u>

"A-5"

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

SCHEDULE OF PETTY CASH

OFFICE

	<u>INCREASED</u>	<u>DECREASED</u>
Finance Department	\$ 200.00	\$ 200.00
Public Works Department	100.00	100.00
Police Department	300.00	300.00
Office of Aging	200.00	200.00
	<hr/>	<hr/>
	\$ 800.00	\$ 800.00
	<hr/>	<hr/>

REF.

A-4

A-4

"A-6"

SCHEDULE OF CHANGE FUND

	<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2013 and 2012</u>
Tax Collector	\$ 300.00
Municipal Court	150.00
Construction Code	100.00
Police Department	50.00
Health Department	25.00
Fire Department	50.00
	<hr/>
	\$ 675.00
	<hr/>

REF.

A

"A-7"

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

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

	<u>REF.</u>		
Balance, December 31, 2012 (Due to)	A		\$ 50,840.50
Increased by:			
Received From State	A-4	\$ 234,446.58	
Deductions Disallowed by Tax Collector	A-7	<u>1,500.00</u>	
			<u>235,946.58</u>
			\$ <u>286,787.08</u>
Decreased by:			
Senior Citizens Deductions Per Tax Billing	A-7	\$ 51,750.00	
Veterans Deductions Per Tax Billing	A-7	194,750.00	
Deductions Allowed by Tax Collector	A-7	<u>1,250.00</u>	
			<u>247,750.00</u>
Balance, December 31, 2013 (Due to)	A		\$ <u><u>39,037.08</u></u>

ANALYSIS OF STATE SHARE OF 2013 SENIOR  
CITIZENS AND VETERANS DEDUCTIONS

Senior Citizens Deductions Per Tax Billing	A-7	\$ 51,750.00	
Veterans Deductions Per Tax Billing	A-7	194,750.00	
Deductions Allowed by Collector	A-7	<u>1,250.00</u>	
			\$ 247,750.00
Less:			
Deductions Disallowed by Tax Collector	A-7		<u>1,500.00</u>
	A-8		\$ <u><u>246,250.00</u></u>

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE DECEMBER 31, 2012	2013 LEVY	ADDED TAXES	COLLECTIONS 2012	COLLECTIONS 2013	CANCELED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2013
Prior	\$ 1,074,928.63	\$	\$	\$	\$ 1,056,575.37	\$ 7,447.42	\$	\$ 10,905.84
2013		75,377,492.67	387,791.64	252,446.49	74,171,775.81	130,429.46	4,988.36	1,205,644.19
	\$ 1,074,928.63	\$ 75,377,492.67	\$ 387,791.64	\$ 252,446.49	\$ 75,228,351.18	\$ 137,876.88	\$ 4,988.36	\$ 1,216,550.03

REF. A  
A-2; A-18 A-2 A-9 A

REF.  
A-4 \$ 74,971,188.54  
A-17 10,912.64  
A-7 246,250.00  
\$ 75,228,351.18

ANALYSIS OF 2013 PROPERTY TAX LEVY

TAX YIELD			
General Property Tax	\$	75,377,492.67	\$
Added Taxes (54:4-63.1 et seq.)		387,791.64	
	\$	75,765,284.31	\$
TAX LEVY			
Local District School Tax (Abstract)			\$ 43,138,070.00
County Tax (Abstract)			
County Open Space (Abstract)			
Due County for Added Taxes (54:4-63.1 et seq.)		\$ 13,909,556.08	
Total County Taxes		64,486.10	13,974,042.18
Local Tax for Municipal Purposes, Excluding Library (Abstract)			
Minimum Library Tax		\$ 17,096,230.00	
Add: Additional Tax Levied		1,223,000.00	
Local Tax for Municipal Purposes Levied		333,942.13	18,653,172.13
			\$ 75,765,284.31

"A-9"

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>	
Balance, December 31, 2012	A	\$ 106,948.05
Increased by:		
Transferred from Current Taxes	A-8	<u>4,988.36</u>
Balance, December 31, 2013	A	<u>\$ 111,936.41</u>

"A-10"

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES  
(AT ASSESSED VALUATION)

Balance, December 31, 2012 and December 31, 2013	A	<u>\$ 4,714,000.00</u>
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"A-11"

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2012	A		\$ 253,144.78
Increased by:			
Budget Appropriations	A-3	\$ 190,342.35	
Appropriation Reserves	A-14	2,012.00	
Reserve for LOSAP	A-20	<u>5,000.00</u>	
			<u>197,354.35</u>
			\$ 450,499.13
Decreased by:			
Transferred to Appropriation Reserves	A-14	\$ 224,094.62	
Disbursed	A-4	<u>4,097.31</u>	
			<u>228,191.93</u>
Balance, December 31, 2013	A		\$ <u><u>222,307.20</u></u>

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

SCHEDULE OF INTERFUNDS

REF.	TOTAL	ASSESSMENT TRUST FUND		ANIMAL CONTROL TRUST FUND		PROFESSIONAL PERFORMANCE ESCROW		TRUST OTHER FUND		FLEXIBLE SPENDING	TREASURER'S TRUST	GENERAL CAPITAL FUND	SWIM POOL OPERATING FUND			
Balance, December 31, 2012																
A	\$	16,236.82	\$	12,315.00	\$	2,697.00	\$	288.70	\$	936.12	\$	952.64	\$	154,940.48	\$	24,977.61
A		<u>182,228.90</u>														
Receipts																
A-4	\$	89,113.80	\$	12,315.00	\$	2,697.00	\$	29.07	\$		\$	382.92	\$	401.90	\$	73,287.91
A-4		<u>245,021.07</u>						76.43		0.74				155,263.12		89,680.78
Disbursements																
A	\$	1,272.92														
A		<u>11,357.73</u>												79.26		8,584.74
Balance, December 31, 2013																
A	\$	1,272.92														
A		<u>11,357.73</u>												1,355.56		8,584.74

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

<u>ACCOUNTS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2012</u>	<u>ACCRUED IN 2013</u>	<u>COLLECTED</u>	<u>BALANCE DECEMBER 31, 2013</u>
Clerk:					
Licenses:					
Alcoholic Beverages	A-2	\$	\$ 50,478.00	\$ 50,478.00	\$
Other	A-2		8,851.00	8,851.00	
Fees and Permits	A-2		3,212.00	3,212.00	
Interest and Costs on Taxes	A-2		224,261.81	224,261.81	
Board of Adjustment/Planning Board:					
Fees and Permits	A-2		49,189.00	49,189.00	
Board of Health/Registrar:					
Other Licenses	A-2		62,806.00	62,806.00	
Fees and Permits	A-2		14,540.00	14,540.00	
Municipal Court:					
Fines and Costs	A-2	40,750.36	630,023.77	630,811.85	39,962.28
Police:					
Fees and Permits	A-2		57,072.61	57,072.61	
Interest on Investments and Deposits	A-2		12,891.61	12,891.61	
Consolidated Municipal Property Tax Relief Aid	A-2		198,169.00	198,169.00	
Energy Receipts Tax	A-2		2,517,122.48	2,517,122.48	
Uniform Construction Code Fees	A-2		764,751.00	764,751.00	
SP Urban Renewal Pilot	A-2		81,320.51	81,320.51	
Office On Aging Building Rental	A-2		17,900.00	17,900.00	
Reserve For Parade Contributions	A-2		15,000.00	15,000.00	
General Capital Fund Surplus	A-2		260,000.00	260,000.00	
Police Off-Duty Admin Fee	A-2		107,500.00	107,500.00	
State Hotel Tax	A-2		304,487.76	304,487.76	
Uniform Fire Safety Act	A-2		333,796.65	333,796.65	
Utility Operating Surplus	A-2		500,000.00	500,000.00	
Host Benefits-Recycling Tonnage	A-2		63,655.10	63,655.10	
Sale of Municipal Assets	A-2		67,500.00	67,500.00	
Cable TV Fees	A-2		256,911.16	256,911.16	
FEMA Aid	A-2		66,000.00	66,000.00	
Library Contribution	A-2		53,730.00	53,730.00	
Bail Forfeitures	A-2		32,705.00	32,705.00	
		<u>\$ 40,750.36</u>	<u>\$ 6,753,874.46</u>	<u>\$ 6,754,662.54</u>	<u>\$ 39,962.28</u>
	<u>REF.</u>	<u>A</u>		<u>A-4</u>	<u>A</u>

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

SCHEDULE OF 2012 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2012	ACCOUNTS PAYABLE	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
<u>SALARIES AND WAGES</u>					
Administration and Purchasing	\$ 1,770.24	\$	\$ 1,770.24	\$ 1,770.00	\$ 0.24
Mayor and Council	981.58		2,481.58		2,481.58
Borough Clerk	6,475.81		3,475.81	1,879.37	1,596.44
Financial Administration	17,520.43		9,270.43	4,985.41	4,285.02
Computer	3,010.08		3,010.08	943.48	2,066.60
Collection of Taxes	3,117.38		3,117.38	1,964.37	1,153.01
Assessment of Taxes	10,244.86		4,244.86	1,228.75	3,016.11
Legal Services	1,494.96		1,494.96		1,494.96
Planning Board	100.00		100.00		100.00
Zoning Board of Adjustment	100.00		100.00		100.00
Environmental Commission	1,577.29		1,577.29	1,465.05	112.24
Municipal Court			11,000.00	4,653.60	6,346.40
Police	42,514.20		47,014.20	46,452.62	561.58
Emergency Management	2,032.93		2,032.93		2,032.93
First Aid	1,000.18		1,000.18		1,000.18
Fire Department	989.00		989.00		989.00
Fire Official	4,141.13		4,141.13	4,141.13	
Juvenile Conference	437.50		437.50		437.50
Public Works Director	3,350.31		3,350.31	999.53	2,350.78
Snow Removal	4,500.00		500.00	100.00	400.00
Solid Waste	750.00		750.00		750.00
Recycling	3,877.18		3,877.18	1,622.62	2,254.56
Compactor	1,750.00		1,750.00		1,750.00
Public Building and Grounds	9,588.84		3,588.84	200.91	3,387.93
Vehicle Maintenance	2,024.04		2,024.04		2,024.04
Board of Health	3,564.04		3,564.04	1,423.69	2,140.35
Youth Aid	231.92		231.92		231.92
Public Assistance	5,600.00		5,600.00		5,600.00
Recreation	21,721.11		8,221.11	5,034.68	3,186.43
Office of Aging			5,000.00	3,937.74	1,062.26
Public Defender	500.00		500.00		500.00
Construction Code	7,653.32		7,653.32	6,527.37	1,125.95
911 Emergency	5,663.87		15,663.87	10,231.98	5,431.89
<u>OTHER EXPENSES</u>					
Administration and Purchasing	518.06		518.06		518.06
Mayor and Council	1,064.99	417.00	1,481.99	417.00	1,064.99
Borough Clerk	12,118.00	4,733.28	12,851.28	5,064.18	7,787.10
Financial Administration	3,760.62	3,136.54	6,897.16	5,695.21	1,201.95
Annual Audit	19,000.00		60,250.00	60,250.00	
Computer	3,461.72	959.22	4,420.94	959.22	3,461.72
Data Processing	5,000.00		2,500.00		2,500.00
Collection of Taxes	1,907.63	61.80	1,969.43	61.80	1,907.63
Assessment of Taxes	4,836.15	25.00	1,861.15	1,026.00	835.15
Legal Services	19,638.06	8,400.90	18,038.96	17,055.51	983.45
Engineering Services	30,165.55	6,881.82	24,547.37	8,895.45	15,651.92
Economic Development	1,250.00		1,250.00		1,250.00
Planning Board	4,410.84	60.38	4,471.22	60.38	4,410.84
Zoning Board of Adjustment	4,306.17	1,286.17	5,592.34	1,286.17	4,306.17
Environmental Commission	725.10	19.90	745.00	19.90	725.10
Green Brook Flood Committee	161.32		161.32		161.32
Police	2,132.36	19,517.40	33,649.76	27,652.79	5,996.97
Traffic Safety	550.00		550.00		550.00
School Crossing Guard	19,302.13	15,548.38	26,850.51	22,826.03	4,024.48
Emergency Management	8,845.12	5,730.75	14,575.87	7,012.20	7,563.67
First Aid	100.00		100.00	13.47	86.53
Fire Department	12,483.18	13,615.54	26,098.72	14,236.34	11,862.38
Fire Official	6,451.62	2,776.23	20,727.85	3,105.96	17,621.89

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

SCHEDULE OF 2012 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2012	ACCOUNTS PAYABLE	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
<u>OTHER EXPENSES (CONTINUED)</u>					
Fire Service Charges	\$ 7,662.87	\$	\$ 2,662.87	\$ 2,265.00	\$ 397.87
Public Works Director	1,987.77	403.09	2,390.86	463.09	1,927.77
Road Repairs and Maintenance	43,412.21	3,419.17	21,831.38	8,156.96	13,674.42
Snow Removal	112.50		112.50		112.50
Solid Waste	2,500.00		2,500.00		2,500.00
Recycling	10,653.15		6,153.15	606.73	5,546.42
Compactor	1,750.00		1,750.00		1,750.00
Public Building and Grounds	23,228.89	4,209.48	17,438.37	6,494.18	10,944.19
Vehicle Maintenance	1,848.87	16,744.30	21,593.17	18,489.26	3,103.91
Board of Health	13,539.29		8,039.29	75.96	7,963.33
Youth Aid	1,500.00		1,500.00		1,500.00
Public Assistance	1,000.00		1,000.00		1,000.00
Recreation	3,159.88		3,159.88		3,159.88
Office of Aging	6,938.93		6,938.93	93.62	6,845.31
Cultural Arts	1,650.37		1,650.37	1,644.00	6.37
Municipal Court	14,171.86	254.53	9,426.39	254.53	9,171.86
Insurance: Other	34,224.94		62,224.94		62,224.94
Insurance: Health Benefits	74,437.24	6,854.93	96,292.17	88,146.10	8,146.07
Construction Code	4,316.96	925.00	5,241.96	1,479.00	3,762.96
Accumulated Leave	3,721.70		22,721.70	22,700.00	21.70
Celebration of Public Events	1,146.18	600.00	1,746.18	1,224.61	521.57
Superstorm Sandy		38,997.81	36,997.81	36,997.81	
Electricity	55,262.23		52,262.23	48,353.51	3,908.72
Salary and Wage Adjustment	50,500.00				
Street Lights	90,014.86	10.86	87,525.72	84,476.57	3,049.15
Telephone	9,100.02	3,610.40	12,710.42	10,999.18	1,711.24
Water	9,881.40		7,881.40	3,257.63	4,623.77
Fuel Oil	5,000.00		5,000.00		5,000.00
Telecommunications	2,000.00		2,000.00		2,000.00
Gasoline	27,722.50	51,866.78	77,089.28	71,619.38	5,469.90
Landfill Costs	6,749.13	7,273.52	53,522.65	48,736.02	4,786.63
Contingent	269.00		269.00		269.00
Social Security System	9,864.77		4,864.77		4,864.77
Judgments	14,248.50		14,248.50		14,248.50
Tax Appeals		7,713.67	7,713.67	7,713.67	
911 Emergency	20,972.49		20,972.49	18,382.94	2,589.55
LOSAP: Deferred Contributions	58,427.00		58,427.00	58,427.00	
Municipal Support	12,112.50	40.77	12,153.27	438.92	11,714.35
Local Match For Grants	2,443.78		2,443.78		2,443.78
	<u>\$ 958,002.61</u>	<u>\$ 224,094.62</u>	<u>\$ 1,182,097.23</u>	<u>\$ 816,695.58</u>	<u>\$ 365,401.65</u>

REF. A A-11 A-1

Disbursements	A-4		\$ 814,682.98
Accounts Payable	A-11		<u>2,012.60</u>
			<u>\$ 816,695.58</u>

"A-15"

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

SCHEDULE OF RESERVE FOR TAX APPEALS

	<u>REF.</u>	
Increased by:		
Appropriation	A-3	\$ 38,674.64
Decreased by:		
Disbursements	A-4	\$ <u>38,674.64</u>

"A-16"

GRANT FUND

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE

Balance, December 31, 2012	A	\$ 111,934.91
Increased by:		
Transferred from Grants Appropriated	A-23	<u>7,018.96</u>
		\$ <u>118,953.87</u>
Decreased by:		
Transferred to Grants Appropriated	A-23	<u>111,934.91</u>
Balance, December 31, 2013	A	\$ <u><u>7,018.96</u></u>

"A-17"

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

SCHEDULE OF TAX OVERPAYMENTS

	<u>REF.</u>		
Balance, December 31, 2012	A	\$	20,432.47
Increased by:			
Overpayments in 2013	A-4		<u>67,048.02</u>
		\$	<u>87,480.49</u>
Decreased by:			
Refunded	A-4	\$	29,914.73
Apply To Current Taxes	A-8		<u>10,912.64</u>
			<u>40,827.37</u>
Balance, December 31, 2013	A	\$	<u><u>46,653.12</u></u>

"A-18"

SCHEDULE OF PREPAID TAXES

Balance, December 31, 2012	A	\$	252,446.49
Increased by:			
Collection of 2014 Taxes	A-4		<u>412,988.98</u>
		\$	<u>665,435.47</u>
Decreased by:			
Application to 2013 Taxes	A-8		<u>252,446.49</u>
Balance, December 31, 2013	A	\$	<u><u>412,988.98</u></u>

"A-19"

BOROUGH OF SOUTH PLAINFIELD  
CURRENT FUND  
SCHEDULE OF DEFERRED CHARGES

	<u>REF.</u>		
Balance, December 31, 2012	A	\$	325,000.00
Decreased by:			
Amount Appropriated in 2013 Budget	A-3		<u>66,000.00</u>
Balance, December 31, 2013	A	\$	<u>259,000.00</u>
<u>Analysis of Balance:</u>			
Emergency - Super Storm Sandy		\$	<u>259,000.00</u>

"A-20"

SCHEDULE OF RESERVE FOR LENGTH OF SERVICE AWARDS PROGRAM

Balance, December 31, 2012	A	\$	90,668.44
Decreased by:			
Disbursements	A-4	\$	72,545.00
Accounts Payable	A-11		<u>5,000.00</u>
			<u>77,545.00</u>
Balance, December 31, 2013	A	\$	<u>13,123.44</u>

"A-21"

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE

	<u>REF.</u>	
Increased by:		
School Levy	A-1:A-8	\$ 43,138,070.00
Decreased by:		
Disbursements	A-4	\$ <u>43,138,070.00</u>

"A-22"

SCHEDULE OF SALES CONTRACTS RECEIVABLE

Balance, December 31, 2012 and December 31, 2013	A	\$ <u>319,500.00</u>
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BOROUGH OF SOUTH PLAINFIELD

GRANT FUND

SCHEDULE OF GRANTS APPROPRIATED

	BALANCE DECEMBER 31, 2012	BUDGET APPROPRIATION	EXPENDED	ACCOUNTS PAYABLE	BALANCE DECEMBER 31, 2013
Municipal Alliance	\$ 23,044.21	\$ 20,777.00	\$ 34,811.24	\$ (10,604.88)	\$ 19,614.86
You Drink, You Drive, You Lose	2,850.00				2,850.00
Drunk Driving Enforcement Fund	13,120.27	8,250.00	10,601.41	(1,254.82)	12,033.68
911 Fire Grant Program	280.00				280.00
Clean Communities	23,556.53	43,438.50	36,252.26	(8,482.30)	39,225.07
Friends of the Woods Grant	23.39				23.39
Safe and Secure Communities	10,000.00	0.11	10,000.00		0.11
Senior Citizens Bus	27.97				27.97
Helen Street Extension	3,902.02			(7,409.00)	11,311.02
Alcohol Education Rehab	6,465.89	9,228.65	1,400.00		14,294.54
Body Armor	244.96	4,965.85	9,310.85	(4,345.00)	244.96
Hazardous Discharge Remediation	1,441.84				1,441.84
NJ Spill Compensation	17,000.00				17,000.00
Recycling Program	30,734.78	100,152.31	136,612.28	(32,991.14)	27,265.95
Safe Housing Grant	7,202.00				7,202.00
Putnam Park Donation	47.62				47.62
Benjamin Foundation	0.11				0.11
Tree Planting Grant	159.65	2,000.00	2,000.00		159.65
ANJEC Fence					76.68
Computer Equipment	76.68				76.68
Bicycle Grant	755.00				755.00
Storm Water	8.18				8.18
Helmet Grant	5.30				5.30
Domestic Violence	2,306.25				2,306.25
DARE Program	736.51				736.51
Emergency Preparedness Equipment	271.50				271.50
Title III B	8,272.00	14,000.00	4,272.00		18,000.00
Senior Information Assistance	10,038.00	16,038.00	25,000.00		1,076.00
Safe Kids	233.00				233.00
Improvements to Municipal Building	1,666.00				1,666.00
Community Development Block Grant	4,371.50			(20,628.50)	4,371.50
ADA Compliance Grant	2,925.00		20,628.50		2,925.00
Jr. Police Academy	39.04				39.04
CDBG - P.A.L. Project	240.00				240.00
CDBG - Downtown Improvements	315.75				315.75
Senior Citizens Coordinator	2,641.19		21,831.31	(19,190.31)	0.19
Cultural Arts	1,040.00				1,040.00
CDBG - Handicap Entrance	18,768.75	39,185.00	39,185.00		18,768.75
CDBG - Senior Citizens Improvements	24,000.00				24,000.00
	\$ 218,810.89	\$ 258,035.42	\$ 351,904.85	\$ (104,915.95)	\$ 229,857.41

REF.

A-16  
A-16

Accounts Payable  
Accounts Payable - Prior Year

A

A-4

A-3-A-26

A

A

A

BOROUGH OF SOUTH PLAINFIELD

GRANT FUND

SCHEDULE OF GRANTS UNAPPROPRIATED

	BALANCE DECEMBER 31, 2012	RECEIPTS	APPLIED TO RECEIVABLE	BALANCE DECEMBER 31, 2013
Drunk Driving Enforcement Fund	\$ 3,850.00	\$ 29,388.49	\$ 3,850.00	\$ 29,388.49
Drive Sober		4,400.00		4,400.00
Safe and Secure Communities	0.11		0.11	
Body Armor	4,965.85	6,094.09	4,965.85	6,094.09
Alcohol Education Grant	4,478.93		4,478.93	
Senior Information Assistance	2,316.00		2,316.00	
Recycling Program	100,152.31	130,551.13	100,152.31	130,551.13
SHTP Grant	8,322.00	24,000.00	8,322.00	24,000.00
CDBG - Senior Citizen Coordinator				
	<u>\$ 124,085.20</u>	<u>\$ 194,433.71</u>	<u>\$ 124,085.20</u>	<u>\$ 194,433.71</u>
<u>REF.</u>	A	A-4	A-26	A

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

	<u>REF.</u>			
Increased by:				
2013 Levy	A-1:A-8	\$	13,909,556.08	
Added and Omitted	A-1:A-8		<u>64,486.10</u>	
				\$ 13,974,042.18
Decreased by:				
Disbursements	A-4			<u>13,909,556.08</u>
Balance, December 31, 2013	A	\$		<u><u>64,486.10</u></u>

BOROUGH OF SOUTH PLAINFIELD

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

	BALANCE DECEMBER 31, 2012	BUDGET APPROPRIATION	RECEIPTS	UNAPPROPRIATED APPLIED	BALANCE DECEMBER 31, 2013
Drunk Driving Enforcement Fund	\$ 249.43	\$ 8,250.00	\$ 4,400.00	\$ 3,850.00	\$ 249.43
Emergency Preparedness	3,902.02				3,902.02
NJ DOT Helen Street					4,844.00
Senior Title III B Grant	21,199.39	20,038.00	6,872.00	8,322.00	23,199.39
Municipal Alliance		20,777.00	18,777.00		
Clean Communities		43,438.50	43,438.50		
Safe and Secure		0.11		0.11	
Alcohol Education Grant		9,228.65	4,749.72	4,478.93	
COPS More	38,335.33				38,335.33
NJ Economic Development	500.00				500.00
Senior Information Assistance	4,618.55	10,000.00	7,818.00	2,316.00	4,484.55
Safe Housing Grant	3,449.00				3,449.00
Urban Forestry Grant	5,000.00				5,000.00
Hazardous Discharge	1,000.00				1,000.00
NJ Spill Compensation	17,000.00				17,000.00
Body Armor Grant		4,965.85		4,965.85	
Friends of the Woods		2,000.00	2,000.00		
Safe Kids	1,223.00				1,223.00
Recycling Tonnage Grant	375.00	100,152.31		100,152.31	
Click It or Ticket	25,240.00				375.00
Community Development Block Grant					4,611.50
Handicap Ramps		39,185.00	20,628.50		8,968.75
CDBG - Handicapped Entrances	8,968.75		39,185.00		5,445.84
CDBG - Senior Center Improvements	5,445.84				1.30
Borough Clock	1.30				3,159.00
Senior Bus Grant	3,159.00				1,666.00
Improvement to Municipal Building	1,666.00				21,571.31
ADA Ramps	46,880.55		25,309.24		
	\$ 188,213.16	\$ 258,035.42	\$ 173,177.96	\$ 124,085.20	\$ 148,985.42

REF.

A

A-2-A-23

A-4

A-24

A

"A-27"

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

SCHEDULE OF RESERVE FOR ACCUMULATED ABSENCES

	<u>REF.</u>		
Balance, December 31, 2012 and December 31, 2013	A		\$ <u>16,000.00</u>

"A-28"

SCHEDULE OF RESERVE FOR SUPER STORM SANDY

Balance, December 31, 2012	A		\$ 52,411.04
Decreased by:			
Disbursements	A-4	\$ 32,767.50	
Canceled	A-1	<u>19,643.54</u>	
			\$ <u>52,411.04</u>

"A-29"

BOROUGH OF SOUTH PLAINFIELD

CURRENT FUND

SCHEDULE OF RESERVE FOR FEMA AID UNAPPROPRIATED

	<u>REF.</u>		
Increased by:			
Receipts	A-4	\$	213,828.71
Balance, December 31, 2013	A	\$	<u>213,828.71</u>

BOROUGH OF SOUTH PLAINFIELD

TRUST FUND

SCHEDULE OF CASH - TREASURER

REF.	ASSESSMENT	ANIMAL CONTROL	OTHER
B	\$ 12,600.94	\$ 0.00	\$ 2,943,101.14
Increased by Receipts:			
B-11	\$	\$	2,270.96
B-9		21,736.46	
B-6			30,669.00
B-12		27,388.80	
B-13		3,280.20	
B-24			4,500.00
B-14			494.44
B-15			3.27
B-17			1,107,266.16
B-16			4,361.53
B-18			153,302.65
B-19			3,289,795.00
B-20			642,811.88
B-21			37,312.14
B-25			14,296,151.67
B-27			10,000.00
B-22			2,187,897.28
	\$ 0.00	\$ 52,405.46	\$ 21,766,835.98
	\$ 12,600.94	\$ 52,405.46	\$ 24,709,937.12
Decreased by Disbursements:			
B-8-B-11-B-23	\$ 12,315.00	\$	2,605.78
B-24		2,697.00	4,500.00
B-12		46,357.46	
B-13		3,351.00	
B-9			52,405.46
B-26			116,630.32
B-14			26,566.77
B-17			1,028,813.59
B-16			1,000.00
B-18			172,275.08
B-19			3,132,269.17
B-20			543,901.14
B-25			14,290,505.12
B-22			2,058,906.00
	\$ 12,315.00	\$ 52,405.46	\$ 21,430,377.43
B	\$ 285.94	\$ 0.00	\$ 3,279,559.69
Balance, December 31, 2013			

BOROUGH OF SOUTH PLAINFIELD

TRUST FUND

SCHEDULE OF ASSESSMENTS RECEIVABLE

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF CONFIRMATION</u>	<u>INSTALLMENT</u>	<u>DUE DATES</u>	<u>BALANCE DECEMBER 31, 2012 &amp; 2013</u>	<u>BALANCE PLEDGED TO RESERVE</u>
1188	Curbs and Gutters - Smith Street	5/1/96	10	6/1/96-05	\$ 1,837.02	\$ 1,837.02
1242	Curbs and Gutters - Various Roads	5/1/96	10	6/1/96-05	1,284.02	1,284.02
					<u>\$ 3,121.04</u>	<u>\$ 3,121.04</u>

REF. B

BOROUGH OF SOUTH PLAINFIELD

TRUST FUND

ANALYSIS OF ASSESSMENT FUND CASH

	BALANCE DECEMBER 31. 2012	DISBURSEMENTS	BALANCE DECEMBER 31. 2013
Trust Surplus	\$ 285.94		\$ 285.94
Due Current Fund	12,315.00	12,315.00	
	<u>\$ 12,600.94</u>	<u>\$ 12,315.00</u>	<u>\$ 285.94</u>

REF.

B

B-2

B

"B-5"

BOROUGH OF SOUTH PLAINFIELD

TRUST FUND

SCHEDULE OF RESERVE FOR ASSESSMENTS

	<u>REF.</u>	
Balance, December 31, 2012 and December 31, 2013	B	\$ <u>155,291.12</u>

"B-6"

SCHEDULE OF DUE TRUST OTHER FUND (TREASURER'S TRUST) - ANIMAL CONTROL FUND

Balance, December 31, 2012 (Due From)	B	\$ 29,203.42
Increased by:		
Disbursements	B-2	<u>30,669.00</u>
		\$ <u>59,872.42</u>
Decreased by:		
Receipts	B-2	<u>52,405.46</u>
Balance, December 31, 2013 (Due From)	B	\$ <u>7,466.96</u>

"B-7"

BOROUGH OF SOUTH PLAINFIELD

TRUST FUND

SCHEDULE OF PROSPECTIVE ASSESSMENTS FUNDED - ASSESSMENT FUND

	<u>REF.</u>	
Balance, December 31, 2012 and December 31, 2013	B	\$ <u>152,170.08</u>

"B-8"

SCHEDULE OF DUE CURRENT FUND - ASSESSMENT FUND

Balance, December 31, 2012 (Due to)	B	\$ 12,315.00
Decreased by: Disbursements	B-2	\$ <u>12,315.00</u>

"B-9"

BOROUGH OF SOUTH PLAINFIELD

TRUST FUND

SCHEDULE OF DUE ANIMAL CONTROL TRUST FUND (TREASURER'S TRUST)

	<u>REF.</u>	
Balance, December 31, 2012 (Due to)	B	\$ 29,203.42
Decreased by:		
Receipts	B-2	<u>21,736.46</u>
Balance, December 31, 2013 (Due to)	B	\$ <u>7,466.96</u>

"B-10"

SCHEDULE OF DUE SWIMMING POOL CAPITAL FUND (RECREATION TRUST)

Balance, December 31, 2012 and December 31, 2013 (Due to)	B	\$ <u>2,000.00</u>
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"B-11"

BOROUGH OF SOUTH PLAINFIELD

TRUST FUND

SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>		
Balance, December 31, 2012 (Due from, Net)		\$	1,085.99
Increased by:			
Disbursements	B-2		<u>2,605.78</u>
		\$	<u>3,691.77</u>
Decreased by:			
Receipts	B-2		<u>2,270.96</u>
Balance, December 31, 2013 (Due from, Net)		\$	<u><u>1,420.81</u></u>
<u>Analysis of Balance:</u>			
Tax Redemption - Due from Current		\$	1,358.17
Treasurers Trust - Due from Current			<u>1,335.56</u>
	B	\$	2,693.73
Professional Escrow - Due to		\$	(259.63)
Performance Escrow - Due to			<u>(1,012.55)</u>
Flexible Spending - Due to			<u>(0.74)</u>
	B		<u>(1,272.92)</u>
		\$	<u><u>1,420.81</u></u>

"B-12"

SCHEDULE OF RESERVE FOR EXPENDITURES - ANIMAL CONTROL TRUST FUND

Balance, December 31, 2012	B	\$	26,432.02
Increased by:			
Receipts	B-2		<u>27,388.80</u>
		\$	<u>53,820.82</u>
Decreased by:			
Disbursements	B-2		<u>46,357.46</u>
Balance, December 31, 2013	B	\$	<u><u>7,463.36</u></u>

"B-13"

BOROUGH OF SOUTH PLAINFIELD

TRUST FUND

SCHEDULE OF DUE STATE OF NEW JERSEY - ANIMAL CONTROL TRUST FUND

	<u>REF.</u>		
Balance, December 31, 2012	B	\$	74.40
Increased by:			
Receipts	B-2		<u>3,280.20</u>
		\$	<u>3,354.60</u>
Decreased by:			
Disbursements	B-2		<u>3,351.00</u>
Balance, December 31, 2013	B	\$	<u><u>3.60</u></u>

"B-14"

SCHEDULE OF RESERVE FOR STATE UNEMPLOYMENT INSURANCE

Balance, December 31, 2012	B	\$	224,774.40
Increased by:			
Receipts	B-2		<u>494.44</u>
		\$	<u>225,268.84</u>
Decreased by:			
Disbursements	B-2		<u>26,565.77</u>
Balance, December 31, 2013	B	\$	<u><u>198,703.07</u></u>

"B-15"

BOROUGH OF SOUTH PLAINFIELD

TRUST FUND

SCHEDULE OF RESERVE FOR FEDERAL FORFEITURE

	<u>REF.</u>		
Balance, December 31, 2012	B	\$	335.00
Increased by:			
Receipts	B-2		<u>3.27</u>
Balance, December 31, 2013	B	\$	<u><u>338.27</u></u>

"B-16"

SCHEDULE OF RESERVE FOR LAW ENFORCEMENT

Balance, December 31, 2012	B	\$	29,617.15
Increased by:			
Receipts	B-2		<u>4,361.53</u>
		\$	<u>33,978.68</u>
Decreased by:			
Disbursements	B-2		<u>1,000.00</u>
Balance, December 31, 2013	B	\$	<u><u>32,978.68</u></u>

## BOROUGH OF SOUTH PLAINFIELD

## TRUST FUND

## SCHEDULE OF RESERVE FOR VARIOUS DEPOSITS

<u>ACCOUNT</u>	<u>BALANCE DECEMBER 31, 2012</u>	<u>RECEIPTS</u>	<u>DISBURSEMENTS</u>	<u>BALANCE DECEMBER 31, 2013</u>
Due State of New Jersey:				
Marriage & Civil Unions	\$ 600.00	\$ 2,575.00	\$ 2,550.00	\$ 625.00
Construction	14,513.00	49,482.00	56,858.50	7,136.50
POAA	647.96	224.00		871.96
Public Defender Fees	49,285.44	16,911.00	13,847.45	52,348.99
Street Openings and Zoning Regulations	435.82	2,000.00	1,719.50	716.32
Recycling	42,071.70	9,510.60	21,732.74	29,849.56
Electrical Subcode Inspections	66,710.12	80,157.00	45,934.10	100,933.02
Uniform Fire Safety Act Penalties	9,964.00	3,900.00	1,908.63	11,955.37
Police Outside Overtime	136,626.34	644,939.50	653,889.50	127,676.34
Fire - Off Duty	1,026.00	1,522.50	1,435.50	1,113.00
Fire Protection	72,778.70	37,503.00	17,701.19	92,580.51
Parade Contributions	7,515.46	20,325.00	27,724.37	116.09
DARE Donations	8,965.12	4,600.00	3,719.70	9,845.42
Affordable Housing Contributions	87.00			87.00
Police Found Property	922.66			922.66
Donations - Weddings	5,700.00	3,750.00	5,700.00	3,750.00
Women Aware Police	6,394.32	2,550.00	2,000.00	6,944.32
Snow Removal	21,288.93	100.00	945.00	20,443.93
Compensated Absences	75,000.00	22,700.00	52,073.00	45,627.00
Self Insurance	80,633.97	82,000.00		162,633.97
Environmental Commission	693.12		53.00	640.12
Business Directory	301.00		301.00	
Tree Purchase Contributions	31,498.28	2,600.00	8,157.00	25,941.28
Donations - Senior Center	16,893.60	58,837.20	54,023.41	21,707.39
Donations - Police Equipment	2,099.77			2,099.77
Donations - Christmas Decorations	230.00			230.00
Donations - LED Sign	500.00			500.00
Donations - Digital Sins	2,925.00	1,490.00		4,415.00
Donations - K-9	500.00	1,889.36	240.00	2,149.36
Zumba Classes		425.00		425.00
Election		56,800.00	56,300.00	500.00
Donations - Behr Al		475.00		475.00
	<u>\$ 656,807.31</u>	<u>\$ 1,107,266.16</u>	<u>\$ 1,028,813.59</u>	<u>\$ 735,259.88</u>

REF.

B

B-2

B-2

B

"B-18"

BOROUGH OF SOUTH PLAINFIELD

TRUST FUND

SCHEDULE OF RESERVE FOR RECREATION

	<u>REF.</u>		
Balance, December 31, 2012	B	\$	69,612.07
Increased by:			
Receipts	B-2		153,302.65
		\$	<u>222,914.72</u>
Decreased by:			
Disbursements	B-2		172,275.08
			<u>172,275.08</u>
Balance, December 31, 2013	B	\$	<u><u>50,639.64</u></u>

"B-19"

SCHEDULE OF RESERVE FOR HEALTH BENEFITS

Balance, December 31, 2012	B	\$	34,628.13
Increased by:			
Receipts	B-2		3,289,795.00
		\$	<u>3,324,423.13</u>
Decreased by:			
Disbursements	B-2		3,132,269.17
			<u>3,132,269.17</u>
Balance, December 31, 2013	B	\$	<u><u>192,153.96</u></u>

"B-20"

BOROUGH OF SOUTH PLAINFIELD

TRUST FUND

SCHEDULE OF RESERVE FOR ESCROW DEPOSITS

	<u>REF.</u>	
Balance, December 31, 2012	B	\$ 1,100,594.67
Increased by:		
Receipts	B-2	642,811.88
		<u>\$ 1,743,406.55</u>
Decreased by:		
Disbursements	B-2	543,901.14
		<u>1,199,505.41</u>
Balance, December 31, 2013	B	<u>\$ 1,199,505.41</u>
<u>Analysis of Balance:</u>		
Professional Escrow		\$ 175,337.67
Performance Escrow		<u>1,024,167.74</u>
		<u>\$ 1,199,505.41</u>

"B-21"

SCHEDULE OF RESERVE FOR AFFORDABLE HOUSING

Balance, December 31, 2012	B	\$ 10,925.68
Increased by:		
Receipts	B-2	37,312.14
		<u>48,237.82</u>
Balance, December 31, 2013	B	<u>\$ 48,237.82</u>

BOROUGH OF SOUTH PLAINFIELD  
TRUST FUND  
SCHEDULE OF RESERVE FOR TAX REDEMPTIONS

	<u>REF.</u>	
Balance, December 31, 2012	B	\$ 312,371.25
Increased by:		
Receipts	B-2	<u>2,187,897.28</u>
		\$ <u>2,500,268.53</u>
Decreased by:		
Disbursements	B-2	<u>2,058,906.00</u>
Balance, December 31, 2013	B	\$ <u><u>441,362.53</u></u>

"B-23"

BOROUGH OF SOUTH PLAINFIELD

TRUST FUND

SCHEDULE OF DUE CURRENT FUND - ANIMAL CONTROL FUND

	<u>REF.</u>		
Balance, December 31, 2012 (Due to)	B	\$	2,697.00
Decreased by:			
Disbursements	B-2	\$	<u>2,697.00</u>

"B-24"

SCHEDULE OF INTRAFUND - TREASURER'S TRUST AND FEDERAL FORFEITURE

Balance December 31, 2012 (Net)		\$	- 0 -
Increased by:			
Receipts	B-2	\$	<u>4,500.00</u>
		\$	4,500.00
Decreased by:			
Disbursements	B-2	\$	<u>4,500.00</u>

"B-25"

BOROUGH OF SOUTH PLAINFIELD  
TRUST FUND  
SCHEDULE OF RESERVE FOR PAYROLL

	<u>REF.</u>	
Balance, December 31, 2012	B	\$ 101,506.79
Increased by:		
Receipts	B-2	<u>14,296,151.67</u>
		\$ <u>14,397,658.46</u>
Decreased by:		
Disbursements	B-2	<u>14,290,505.12</u>
Balance, December 31, 2013	B	\$ <u><u>107,153.34</u></u>

"B-26"

SCHEDULE OF ACCOUNTS PAYABLE

Balance, December 31, 2012	B	\$ 371,811.26
Decreased by:		
Disbursements	B-2	<u>116,630.32</u>
Balance, December 31, 2013	B	\$ <u><u>255,180.94</u></u>

"B-27"

BOROUGH OF SOUTH PLAINFIELD

TRUST FUND

SCHEDULE OF RESERVE FOR FLEXIBLE SPENDING

REF.

Increased by:

Receipts

B-2

\$ 10,000.00

Balance, December 31, 2013

B

\$ 10,000.00

BOROUGH OF SOUTH PLAINFIELDGENERAL CAPITAL FUNDSCHEDULE OF CASH - TREASURER

	<u>REF.</u>		
Balance, December 31, 2012	C		\$ 1,686,057.16
Increased by Receipts:			
Deferred Charges to Future Taxation-Unfunded	C-8	\$ 7,500.00	
Grants Received	C-4	42,360.00	
Interfunds	C-5	158,438.12	
Bond Anticipation Note	C-13	2,334,250.00	
Capital Improvement Fund	C-11	57,500.00	
Premium on Sale of Notes	C-1	43.00	
		<u>2,600,091.12</u>	
			\$ 4,286,148.28
Decreased by Disbursements:			
Bond Anticipation Note	C-13	\$ 430,000.00	
Interfunds	C-5	401.90	
Reserve for Contracts Payable	C-12	2,001,060.78	
Fund Balance-Budgeted Current MRA	C-1	260,000.00	
		<u>2,691,462.68</u>	
Balance, December 31, 2013	C		\$ <u>1,594,685.60</u>

"C-3"

BOROUGH OF SOUTH PLAINFIELD

GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH AND INVESTMENTS

	BALANCE DECEMBER 31, 2013
Accounts Receivable	\$ (573,195.37)
Improvement Authorizations-Funded	837,771.91
Reserve for Various Reserves	85,291.38
Reserve for Contracts Payable	1,616.00
Fund Balance	313,252.72
Due South Plainfield Senior Citizens Housing Project	148,124.34
Capital Improvement Fund	25,308.77
Unfunded Improvements Expended	(187,044.13)
Unexpended Proceeds of Bond Anticipation Notes	920,445.10
Cash on Hand to Pay Notes	23,194.14
Interfunds	(79.26)
	<u>\$ 1,594,685.60</u>

REF.

C

"C-4"

SCHEDULE OF ACCOUNTS RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2012	C	\$	399,516.03
Increased by:			
Grants and Aid Awarded	C-9		<u>280,000.00</u>
		\$	679,516.03
Decreased by:			
Receipts	C-2	\$	42,360.00
Charges	C-6		<u>63,960.66</u>
			<u>106,320.66</u>
Balance, December 31, 2013	C	\$	<u><u>573,195.37</u></u>
Summary by Project:			
Ordinance #1657		\$	18,423.66
Ordinance #1713			25,000.00
Ordinance #1714			6,500.00
Ordinance #1715			8,537.60
Ordinance #1799			12,377.00
Ordinance #1837			6,924.00
Ordinance #1876			10,000.00
Ordinance #1896			1,058.77
Ordinance #1961			56,250.00
Ordinance #1991			280,000.00
Neighborhood Preservation Program			<u>148,124.34</u>
		\$	<u><u>573,195.37</u></u>

"C-5"

BOROUGH OF SOUTH PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	
Balance, December 31, 2012 (Due from)	C	\$ 158,115.48
Increased by:		
Disbursements	C-2	401.90
		\$ <u>158,517.38</u>
Decreased by:		
Receipts	C-2	<u>158,438.12</u>
Balance, December 31, 2013 (Due from)	C	\$ <u><u>79.26</u></u>
<u>Analysis of Balance:</u>		
Due from Current Fund		\$ <u>79.26</u>
		\$ <u><u>79.26</u></u>

"C-6"

SCHEDULE OF DUE SOUTH PLAINFIELD SENIOR CITIZENS  
HOUSING PROJECT

Balance, December 31, 2012	C	\$ 212,085.00
Decreased by:		
Charges	C-4	<u>63,960.66</u>
Balance, December 31, 2013	C	\$ <u><u>148,124.34</u></u>

"C-7"

BOROUGH OF SOUTH PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES  
TO FUTURE TAXATION - FUNDED

	<u>REF.</u>		
Balance, December 31, 2012	C		\$ 12,737,524.79
Decreased by:			
Payment of Bonds	C-10	\$ 692,500.00	
Payment of Loans	C-15	<u>9,903.59</u>	
			<u>702,403.59</u>
Balance, December 31, 2013	C		\$ <u>12,035,121.20</u>





BOROUGH OF SOUTH PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF SERIAL BONDS

<u>PURPOSE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ORIGINAL ISSUE</u>	<u>OUTSTANDING</u>		<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2012</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2013</u>
			<u>DATE</u>	<u>AMOUNT</u>				
General Improvement Bonds	6/15/99	\$ 2,585,000.00	2/1/14	\$ 190,000.00	3.00%	\$ 385,000.00	\$ 195,000.00	\$ 190,000.00
General Improvement Bonds	2/1/10	800,000.00	2/1/14-2/1/15	160,000.00	3.75%	480,000.00	160,000.00	320,000.00
Tax Appeal Refunding Bond	6/14/12	393,000.00	3/15/14	196,000.00	3.00%	393,000.00	197,000.00	196,000.00
General Improvement Bonds	6/14/12	11,438,700.00	3/15/14	141,480.00	3.000%			
			3/15/15	334,050.00	3.000%			
			3/15/16	432,300.00	4.000%			
			3/15/17	432,300.00	4.000%			
			3/15/18	540,375.00	5.000%			
			3/15/19	540,375.00	5.000%			
			3/15/20	589,500.00	5.000%			
			3/15/21	589,500.00	5.000%			
			3/15/22	638,625.00	5.000%			
			3/15/23	638,625.00	5.000%			
			3/15/24	638,625.00	5.000%			
			3/15/25	687,750.00	3.000%			
			3/15/26	687,750.00	3.000%			
			3/15/27	687,750.00	3.125%			
			3/15/28	736,875.00	3.120%			
			3/15/29	736,875.00	3.250%			
			3/15/30	736,875.00	3.250%			
			3/15/31	736,875.00	3.375%			
			3/15/32	771,695.00	3.500%			
						<u>11,438,700.00</u>	<u>140,500.00</u>	<u>11,298,200.00</u>
						<u>\$ 12,696,700.00</u>	<u>\$ 692,500.00</u>	<u>\$ 12,004,200.00</u>

REF.

C

C-7

C

"C-11"

BOROUGH OF SOUTH PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>		
Balance, December 31, 2012	C		\$ 51,558.77
Increased by:			
Budget Appropriation	C-2		57,500.00
			<u>\$ 109,058.77</u>
Decreased by:			
Appropriated to Finance Improvement Authorizations	C-9		<u>83,750.00</u>
Balance, December 31, 2013	C		<u><u>\$ 25,308.77</u></u>

"C-12"

SCHEDULE OF RESERVE FOR CONTRACTS PAYABLE

Balance, December 31, 2012	C		\$ 189,915.35
Increased by:			
Improvement Authorizations	C-9		1,912,780.23
			<u>\$ 2,102,695.58</u>
Decreased by:			
Disbursements	C-2	\$ 2,001,060.78	
Canceled	C-9	<u>100,018.80</u>	
			<u>2,101,079.58</u>
Balance, December 31, 2013	C		<u><u>\$ 1,616.00</u></u>

BOROUGH OF SOUTH PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

<u>ORDINANCE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2012</u>	<u>INCREASED</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2013</u>
1937	12/20/12	12/20/13	1.95%	\$ 380,000.00	\$ 380,000.00	\$ 380,000.00	380,000.00
1937	12/17/13	7/25/14	1.25%				
1938	12/20/12	12/20/13	1.95%	50,000.00	50,000.00	50,000.00	50,000.00
1938	12/17/13	7/25/14	1.25%				
1991	12/17/13	7/25/14	1.25%				
1966	7/25/13	7/25/14	0.81%				
1974	7/25/13	7/25/14	0.81%				
1980	7/25/13	7/25/14	0.81%				
1985	7/25/13	7/25/14	0.81%				
				<u>\$ 430,000.00</u>	<u>\$ 2,334,250.00</u>	<u>\$ 430,000.00</u>	<u>\$ 2,334,250.00</u>

REF.

C

C-2

C-2

C-C-7

"C-14"

BOROUGH OF SOUTH PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR VARIOUS PROJECTS

	<u>REF.</u>	
Balance, December 31, 2012 and December 31, 2013	C	\$ <u>85,291.38</u>

"C-15"

SCHEDULE OF GREEN ACRES LOANS PAYABLE

Balance, December 31, 2012	C	\$ 40,824.79
Decreased by: Payments	C-7	<u>9,903.59</u>
Balance, December 31, 2013	C	\$ <u>30,921.20</u>

"C-16"

BOROUGH OF SOUTH PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES  
AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE</u> <u>NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>		<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2013</u>
1324	Improvements to Various Roads	\$	56,379.55
1396	Improvements to Hadley Road		405.00
1494	Underground Storage Tank Removal		31,520.00
1624	Veterans Memorial Park Improvement		708.40
1815	Improvements to Tompkins Avenue		24,644.76
1863	New Market Avenue Extension		73,250.00
1878	Refunding Bond Ordinance		<u>78,000.00</u>
		\$	<u><u>264,907.71</u></u>

BOROUGH OF SOUTH PLAINFIELD

SEWER UTILITY FUND

SCHEDULE OF CASH

	<u>REF.</u>	<u>OPERATING</u>	<u>CAPITAL</u>
Balance, December 31, 2012	D	\$ <u>936,075.57</u>	\$ <u>270,415.22</u>
Increased by Receipts:			
Sewer Use Charges Receivable	D-7	\$ 6,970,386.14	\$
Connection Fees	D-1:D-3	318,333.33	
Interest and Costs on Sewer Charges	D-1:D-3	51,931.40	
Interest on Investments and Deposits	D-1:D-3	1,544.18	
Sewer Overpayments	D-11	22,927.01	
Reserve for Deferred Amortization	D-20		25,000.00
Capital Improvement Fund	D-17		10,000.00
Due Sewer Utility Operating Fund	D-22		3,006.73
		\$ <u>7,365,122.06</u>	\$ <u>38,006.73</u>
		\$ <u>8,301,197.63</u>	\$ <u>308,421.95</u>
Decreased by Disbursements:			
Budget Appropriations	D-4	\$ 6,357,686.27	\$
Appropriation Reserves	D-9	70,863.06	
Sewer Overpayments	D-11	44,221.85	
Accrued Interest on Bonds	D-12	25,500.00	
Appropriated in Current Budget	D-1	500,000.00	
Interfunds	D-23	3,881.73	
Improvement Authorizations	D-16		39,886.64
		\$ <u>7,002,152.91</u>	\$ <u>39,886.64</u>
Balance, December 31, 2013	D	\$ <u><u>1,299,044.72</u></u>	\$ <u><u>268,535.31</u></u>

"D-6"

BOROUGH OF SOUTH PLAINFIELD

SEWER UTILITY FUND

ANALYSIS OF SEWER UTILITY CAPITAL CASH

	BALANCE DECEMBER 31, <u>2013</u>
Fund Balance	\$ 5,000.00
Capital Improvement Fund	403,569.00
Unfunded Improvement Authorizations Expended	(144,957.24)
Contracts Payable	3,888.50
Interfunds	437.60
Improvement Authorizations - Funded	<u>597.45</u>
	<u>\$ 268,535.31</u>

REF. D

"D-7"

BOROUGH OF SOUTH PLAINFIELD  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF SEWER USE CHARGES RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2012	D	\$	334,107.13
Increased by:			
Sewer Charges Levied (Net)			6,872,094.41
		\$	<u>7,206,201.54</u>
Decreased by:			
Receipts	D-5	\$	6,970,386.14
Transferred to Liens	D-8		<u>350.00</u>
			<u>6,970,736.14</u>
Balance, December 31, 2013	D	\$	<u><u>235,465.40</u></u>

"D-8"

SCHEDULE OF SEWER LIENS RECEIVABLE - OPERATING FUND

Balance, December 31, 2012	D	\$	2,728.30
Increased by:			
Transferred from Receivable	D-7		<u>350.00</u>
Balance, December 31, 2013	D	\$	<u><u>3,078.30</u></u>

BOROUGH OF SOUTH PLAINFIELD

SEWER UTILITY OPERATING FUND

SCHEDULE OF 2012 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2012	ACCOUNTS PAYABLE	MODIFIED	PAID OR CHARGED	BALANCE LAPSED
	\$ 26,081.75	\$	\$ 9,081.75	\$ 300.00	\$ 8,781.75
	112,198.33	1,976.53	131,174.86	70,563.06	60,611.80
	<u>7,959.45</u>		<u>7,959.45</u>		<u>7,959.45</u>
	<u>\$ 146,239.53</u>	<u>\$ 1,976.53</u>	<u>\$ 148,216.06</u>	<u>\$ 70,863.06</u>	<u>\$ 77,353.00</u>

Operating:  
Salaries and Wages  
Other Expenses  
Statutory Expenditures:  
Social Security System

REF. D D-10 D-5 D-1

"D-10"

BOROUGH OF SOUTH PLAINFIELD

SEWER UTILITY OPERATING FUND

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE

	<u>REF.</u>	
Balance, December 31, 2012	D	\$ 1,976.53
Increased by:		
Appropriations	D-4	56,073.96
		<u>\$ 58,050.49</u>
Decreased by:		
Transfer to Appropriation Reserves	D-9	1,976.53
Balance, December 31, 2013	D	<u>\$ 56,073.96</u>

"D-11"

SCHEDULE OF SEWER OVERPAYMENTS

Balance, December 31, 2012	D	\$ 33,108.04
Increased by:		
Receipts	D-5	22,927.01
		<u>\$ 56,035.05</u>
Decreased by:		
Overpayments Refunded	D-5	44,221.85
Balance, December 31, 2013	D	<u>\$ 11,813.20</u>

"D-12"

BOROUGH OF SOUTH PLAINFIELD

SEWER UTILITY OPERATING FUND

SCHEDULE OF ACCRUED INTEREST ON BONDS

	<u>REF.</u>	
Balance, December 31, 2012	D	\$ 13,021.00
Increased by:		
Budget Appropriation for Interest	D-4	27,000.00
		<u>\$ 40,021.00</u>
Decreased by:		
Interest Paid	D-5	25,500.00
Balance, December 31, 2013	D	<u>\$ 14,521.00</u>

"D-13"

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

<u>ACCOUNT</u>		<u>BALANCE DECEMBER 31, 2013 AND 2012</u>
Acquisition of South Plainfield Sewerage System		\$ 3,912,264.42
Sewerage Improvements		3,124,090.73
Sewer System Equipment		321,466.06
Membership Equity in PARSA		<u>6,200,000.00</u>
		<u>\$ 13,557,821.21</u>
	<u>REF.</u>	D

"D-14"

BOROUGH OF SOUTH PLAINFIELD

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>		<u>BALANCE DECEMBER 31, 2013 AND 2012</u>
1579A	Study and Review-Sanitary Sewer System	\$	50,000.00
1651	Generator-Pump Station		30,000.00
1716	Renovation of Storm Sewer and Manholes		25,000.00
1803	Various Sewer Improvements		150,000.00
1877	Refunding Bond Ordinance		100,000.00
1942	Sewer Jet		<u>300,000.00</u>
		\$	<u>655,000.00</u>
		<u>REF.</u>	D

BOROUGH OF SOUTH PLAINFIELD

SEWER UTILITY CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	Maturity of Bonds Outstanding-December 31, 2013	Interest Rate	Balance December 31, 2012	Balance December 31, 2013
Sewer Utility Capital	6/15/1999	\$ 6,200,000.00	6/15/2014	3.00%	\$ 870,000.00	\$ 440,000.00
						\$ 430,000.00
Sewer Utility Capital	6/14/2012	300,000.00	3/15/2014	2.00%		
			3/15/2015	3.00%		
			3/15/2016	3.00%		
			3/15/2017	4.00%		
			3/15/2018	4.00%		
					<u>300,000.00</u>	<u>60,000.00</u>
					<u>\$ 1,170,000.00</u>	<u>\$ 500,000.00</u>
						<u>\$ 670,000.00</u>

D D-19 D

BOROUGH OF SOUTH PLAINFIELD  
SEWER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE	IMPROVEMENT DESCRIPTION	DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2012		PAID OR CHARGED	BALANCE DECEMBER 31, 2013	
				FUNDED	UNFUNDED		FUNDED	UNFUNDED
1579A	Study and Review - Sanitary Sewer System	4/14/03	\$ 50,000.00	\$ 25.82	\$	\$	\$ 25.82	\$
1651	Generator - Pump Station	3/10/04	30,000.00	30.50			30.50	
1716	Renovation of Storm Sewer and Manholes	1/17/06	25,000.00	377.00			377.00	
1803	Various Sewer Improvements	10/2/07	150,000.00		54,710.90	43,275.14		11,435.76
1877	Refunding Bond Ordinance	4/19/10	100,000.00		58,607.00			58,607.00
1942	Sewer Jet	12/05/11	300,000.00	664.13		500.00	164.13	
				<u>\$ 1,097.45</u>	<u>\$ 113,317.90</u>	<u>\$ 43,775.14</u>	<u>\$ 597.45</u>	<u>\$ 70,042.76</u>
			REF.	D	D	D	D	D
			D-5			\$ 39,886.64		
			D-18			<u>3,888.50</u>		
						<u>\$ 43,775.14</u>		

"D-17"

BOROUGH OF SOUTH PLAINFIELD

SEWER UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>	
Balance, December 31, 2012	D	\$ 393,569.00
Increased by:		
Receipts	D-5	<u>10,000.00</u>
Balance, December 31, 2013	D	<u>\$ 403,569.00</u>

"D-18"

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR CONTRACTS PAYABLE

Increased by:		
Improvement Authorizations	D-16	\$ 3,888.50
Balance, December 31, 2013	D	<u>\$ 3,888.50</u>

"D-19"

BOROUGH OF SOUTH PLAINFIELD

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>REF.</u>	
Balance, December 31, 2012	D	\$ 12,387,821.21
Increased by:		
Serial Bonds Paid by Operating Budget	D-15	<u>500,000.00</u>
Balance, December 31, 2013	D	\$ <u>12,887,821.21</u>

"D-20"

SEWER UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Balance, December 31, 2012	D	\$ 415,000.00
Increased by:		
Paid by Budget	D-5	<u>25,000.00</u>
Balance, December 31, 2013	D	\$ <u>440,000.00</u>

Analysis of Balance:

1579A Study & Review	\$ 50,000.00
1651 Generator Pump Station	30,000.00
1716 Renovation of Storm Sewer & Manholes	25,000.00
1803 Various Sewer Improvements	35,000.00
1942 Sewer Jet	<u>300,000.00</u>
	\$ <u>440,000.00</u>

"D-21"

BOROUGH OF SOUTH PLAINFIELD

SEWER UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2012</u>	<u>BUDGETED PAYDOWN</u>	<u>BALANCE DECEMBER 31, 2013</u>
1803	Various Sewer Improvements	\$ 140,000.00	\$ 25,000.00	\$ 115,000.00
1877	Refunding Bond Ordinance	<u>100,000.00</u>	<u>                    </u>	<u>100,000.00</u>
		<u>\$ 240,000.00</u>	<u>\$ 25,000.00</u>	<u>\$ 215,000.00</u>

"D-22"

SCHEDULE OF DUE SEWER UTILITY OPERATING FUND - SEWER UTILITY CAPITAL

Balance, December 31, 2012 (Due from)	D	\$ 2,569.13
Increased by:		
Receipts	D-5	<u>3,006.73</u>
Balance, December 31, 2013 (Due to)	D	<u>\$ 437.60</u>

"D-23"

BOROUGH OF SOUTH PLAINFIELD

SEWER UTILITY OPERATING FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	
Balance, December 31, 2012:		
Interfunds Payable	D	\$ 3,444.13
Decreased by:		
Receipts	D-5	<u>3,881.73</u>
Balance, December 31, 2013:		
Interfunds Receivable	D	\$ <u>437.60</u>
Analysis of Balance:		
Due Sewer Utility Capital Fund (Due from)		\$ <u>437.60</u>
		\$ <u>437.60</u>

BOROUGH OF SOUTH PLAINFIELD

SWIMMING POOL UTILITY FUND

SCHEDULE OF CASH - COLLECTOR-TREASURER

	<u>REF.</u>	<u>OPERATING</u>	<u>CAPITAL</u>
Balance December 31, 2012	E	\$ <u>4,484.85</u>	\$ <u>2,636.21</u>
Increased by Receipts:			
Anticipated Revenue	E-2	\$ 257,411.00	\$
Interfunds	E-7:E-13	<u>71,977.61</u>	<u>0.00</u>
		\$ <u>329,388.61</u>	\$ <u>0.00</u>
		\$ <u>333,873.46</u>	\$ <u>2,636.21</u>
Decreased by Disbursements:			
Appropriations	E-3	\$ 243,906.94	\$
Appropriation Reserves	E-8	856.71	
Accrued Interest	E-10	7,639.00	
Interfunds	E-7:E-13	<u>75,087.91</u>	<u>500.00</u>
		\$ <u>327,490.56</u>	\$ <u>500.00</u>
Balance December 31, 2013	E	\$ <u><u>6,382.90</u></u>	\$ <u><u>2,136.21</u></u>

BOROUGH OF SOUTH PLAINFIELD

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>ORIGINAL ISSUE</u>	<u>MATURITY OF BONDS OUTSTANDING-DECEMBER 31, 2013</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2012</u>	<u>BONDS ISSUED</u>	<u>BALANCE DECEMBER 31, 2013</u>
Swim Pool	6/27/2012	\$ 203,300.00	3/15/2014	3.000%			
Utility Capital			3/15/2015	3.000%	2,520.00		
			3/15/2016-17	4.000%	5,950.00		
			3/15/2018-19	5.000%	7,700.00		
			3/15/2020-21	5.000%	9,625.00		
			3/15/2022-24	5.000%	10,500.00		
			3/15/2025-26	5.000%	11,375.00		
			3/15/2027	3.000%	12,250.00		
			3/15/2028	3.125%	12,250.00		
			3/15/2029-30	3.125%	13,125.00		
			3/15/2031	3.250%	13,125.00		
			3/15/2032	3.375%	13,125.00		
				3.500%	13,305.00		
					\$ 203,300.00	\$ 2,500.00	\$ 200,800.00
					\$ 203,300.00	\$ 2,500.00	\$ 200,800.00

REF.

E

E-11:E-14

E

"E-6"

BOROUGH OF SOUTH PLAINFIELD  
SWIMMING POOL UTILITY CAPITAL FUND  
ANALYSIS OF SWIMMING UTILITY CAPITAL CASH

	BALANCE DECEMBER 31, 2013
Bonds Payable	\$ 200,800.00
Improvement Authorizations	6,836.21
Interfunds Receivable	(3,000.00)
Amortization	660,173.14
Fixed Capital	(863,173.14)
Capital Improvement Fund	500.00
	<hr/>
	\$ 2,136.21
	<hr/> <hr/>
<u>REF.</u>	E

BOROUGH OF SOUTH PLAINFIELD

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF INTERFUNDS

REF.	TOTAL	SWIMMING POOL UTILITY CAPITAL FUND	GENERAL CAPITAL FUND	CURRENT FUND
Balance, December 31, 2012	\$ 24,977.61	\$ 500.00	\$ 1,800.00	\$ 24,977.61
Due from	2,300.00			
Due to				
Receipts	71,977.61			71,977.61
Transferred from Appropriations	500.00	500.00		
Disbursements	75,087.91		1,800.00	73,287.91
Appropriation Reserves Lapsed to Current Fund				17,703.17
Balance, December 31, 2013	\$ 8,584.74	\$ 1,000.00	\$	\$ 8,584.74
Due from	1,000.00			
Due to				

BOROUGH OF SOUTH PLAINFIELD

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF 2012 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2012	ACCOUNTS PAYABLE	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED DUE CURRENT
Operating:					
Salaries and Wages	\$ 1.97	\$	1.97	\$	1.97
Other Expenses	9,779.10	3,476.96	13,256.06	3,554.86	9,701.20
Statutory Expenditures:					
Public Employee Retirement System	500.00		500.00		500.00
Social Security System	7,500.00		7,500.00		7,500.00
	<u>\$ 17,781.07</u>	<u>\$ 3,476.96</u>	<u>\$ 21,258.03</u>	<u>\$ 3,554.86</u>	<u>\$ 17,703.17</u>

REF.

E

E-9

E-7

E-4

Disbursements

E-9

Accounts Payable

\$	856.71
	<u>2,698.15</u>
\$	<u>3,554.86</u>

"E-9"

BOROUGH OF SOUTH PLAINFIELD  
SWIMMING POOL UTILITY OPERATING FUND  
SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE

	<u>REF</u>		
Balance, December 31, 2012	E	\$	3,818.89
Increased by:			
Appropriations	E-3	\$	500.00
Appropriation Reserves	E-8		<u>2,698.15</u>
			3,198.15
		\$	<u>7,017.04</u>
Decreased by:			
Transfer to Appropriation Reserves	E-8		<u>3,476.96</u>
Balance, December 31, 2013	E	\$	<u><u>3,540.08</u></u>

"E-10"

SCHEDULE OF ACCRUED INTEREST PAYABLE

Balance, December 31, 2012	E	\$	2,562.50
Increased by:			
Appropriations	E-3		<u>7,700.00</u>
		\$	<u>10,262.50</u>
Decreased by:			
Interest Paid	E-4		<u>7,639.00</u>
Balance, December 31, 2013	E	\$	<u><u>2,623.50</u></u>

"E-11"

BOROUGH OF SOUTH PLAINFIELD  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR DEFERRED AMORTIZATION

	<u>REF.</u>	
Balance, December 31, 2012	E	\$ 62,000.00
Increased by:		
Debt Paid	E-5	<u>1,500.00</u>
Balance, December 31, 2013	E	<u>\$ 63,500.00</u>

"E-12"

SCHEDULE OF FIXED CAPITAL

Balance, December 31, 2012 and December 31, 2013	E	<u>\$ 677,173.14</u>
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"E-13"

BOROUGH OF SOUTH PLAINFIELD  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF INTERFUNDS

	<u>REF.</u>		
Balance, December 31, 2012:			
Due from	E	\$ 2,500.00	
Due to	E	<u>(500.00)</u>	
			\$ 2,000.00
Increased by:			
Transfer to Capital Improvement Fund	E-16	\$ 500.00	
Receipts	E-4	<u>500.00</u>	
			<u>1,000.00</u>
Balance, December 31, 2013 (Due from)	E		<u>\$ 3,000.00</u>
<u>Analysis of Balance:</u>			
Due from Recreation Trust			\$ 2,000.00
Due from Swim Pool Operating			<u>1,000.00</u>
			<u>\$ 3,000.00</u>

"E-14"

SCHEDULE OF RESERVE FOR AMORTIZATION

Balance, December 31, 2012	E	\$ 595,673.14
Increased by:		
Debt Paid	E-5	<u>1,000.00</u>
Balance, December 31, 2013	E	<u>\$ 596,673.14</u>

"E-15"

BOROUGH OF SOUTH PLAINFIELD

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>ORDINANCE</u>		<u>BALANCE DECEMBER 31, 2012 &amp; 2013</u>
		<u>DATE</u>	<u>AMOUNT</u>	
1736	Improvements to Pool	06/26/06	\$ 60,000.00	\$ 60,000.00
1928	Purchase of Equipment	05/06/11	36,000.00	36,000.00
1951	Improvements to Pool	02/21/12	90,000.00	90,000.00
				<u>\$ 186,000.00</u>
		<u>REF.</u>		E

"E-16"

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Increased by:			
Budget Appropriation	E-13	\$	500.00
Balance, December 31, 2013	E	\$	<u>500.00</u>

BOROUGH OF SOUTH PLAINFIELD  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>ORDINANCE</u>		<u>BALANCE DECEMBER 31, 2012 &amp; 2013</u>
		<u>DATE</u>	<u>AMOUNT</u>	
1736	Improvements to Community Pool	06/26/06	\$ 60,000.00	\$ 935.77
1928	Purchase of Equipment	05/06/11	36,000.00	2,605.00
1951	Pool Improvements	02/21/12	90,000.00	<u>3,295.44</u>
				<u>\$ 6,836.21</u>
			<u>REF.</u>	
	Funded		E	\$ 5,900.44
	Unfunded		E	<u>935.77</u>
				<u>\$ 6,836.21</u>

BOROUGH OF SOUTH PLAINFIELD  
PUBLIC ASSISTANCE TRUST FUND  
SCHEDULE OF PUBLIC ASSISTANCE CASH

	<u>REF.</u>	<u>PUBLIC ASSISTANCE TRUST FUND I</u>	<u>FUND TOTAL</u>
Balance, December 31, 2012	F	\$ 16,675.58	\$ 16,675.58
Increased by:			
Receipts	F-2	<u>7,610.25</u>	<u>7,610.25</u>
		\$ 24,285.83	\$ 24,285.83
Decreased by:			
Disbursements	F-2	<u>10,973.34</u>	<u>10,973.34</u>
Balance, December 31, 2013	F	<u>\$ 13,312.49</u>	<u>\$ 13,312.49</u>

BOROUGH OF SOUTH PLAINFIELD

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF RESERVE FOR PUBLIC ASSISTANCE TRUST FUND EXPENDITURES

	<u>REF.</u>	<u>PUBLIC ASSISTANCE TRUST FUND I</u>	<u>FUND TOTAL</u>
Balance, December 31, 2012	F	\$ 16,675.58	\$ 16,675.58
Increased by:			
Donations	F-1	7,610.25	7,610.25
		\$ <u>24,285.83</u>	\$ <u>24,285.83</u>
Decreased by:			
General Assistance	F-1	<u>10,973.34</u>	<u>10,973.34</u>
Balance, December 31, 2013	F	\$ <u><u>13,312.49</u></u>	\$ <u><u>13,312.49</u></u>

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BOROUGH OF SOUTH PLAINFIELD

PART II

REPORTS 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

REPORTS ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO  
MAJOR FEDERAL AND STATE FINANCIAL ASSISTANCE PROGRAMS  
AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH U.S. OMB CIRCULAR A-133

SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS



**SUPLEE, CLOONEY & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS

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

The Honorable Mayor and Members  
of the Borough Council  
Borough of South Plainfield  
County of Middlesex  
South Plainfield, New Jersey 07080

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory basis financial statements of the various individual funds and account groups of the Borough of South Plainfield, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Borough's regulatory financial statements, and have issued our report thereon August 6, 2014. Our report disclosed that, as described in Note 1 to the financial statements, the Borough of South Plainfield prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the regulatory financial statements, we considered the Borough's control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, we do not express an opinion on the effectiveness of Borough's internal control.

## SUPLEE, CLOONEY & COMPANY

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Borough's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

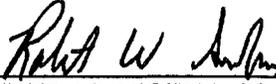
### ***Compliance and Other Matters***

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

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

  
\_\_\_\_\_  
CERTIFIED PUBLIC ACCOUNTANTS

  
\_\_\_\_\_  
REGISTERED MUNICIPAL ACCOUNTANT NO. 439

August 6, 2014



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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

The Honorable Mayor and Members  
of the Borough Council  
Borough of South Plainfield  
County of Middlesex  
South Plainfield, New Jersey 07080

***Report on Compliance for Each Major Federal Program***

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

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Borough of South Plainfield's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards, OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Borough of South Plainfield's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

# SUPLEE, CLOONEY & COMPANY

## ***Opinion on Each Major Federal Program***

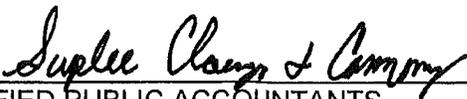
In our opinion, the Borough of South Plainfield complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

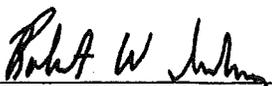
## ***Report on Internal Control Over Compliance***

Management of the Borough of South Plainfield is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Borough of South Plainfield's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Borough of South Plainfield's internal control over compliance.

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

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

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 439

August 6, 2014

BOROUGH OF SOUTH PLAINFIELD

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2013

FEDERAL GRANTOR/PASS THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANTOR'S NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	2013 RECEIPTS	2013 EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2013
			FROM	TO				
Department of Homeland Security								
Disaster Assistance (706)	97.036	PA-02-NJ-4086-PW-00706	10/30/12	4/30/13	988.20	988.20	988.20	988.20
Disaster Assistance (870)	97.036	PA-02-NJ-4086-PW-00870	10/30/12	4/30/13	1,261.80	1,261.80	1,261.80	1,261.80
Disaster Assistance (1114)	97.036	PA-02-NJ-4086-PW-01114	10/30/12	4/30/13	130,632.97	51,874.61	121,488.66	121,488.66
Disaster Assistance (1959)	97.036	PA-02-NJ-4086-PW-01959	10/30/12	4/30/13	496,526.34	206,885.98	431,977.91	431,977.91
Disaster Assistance (3742)	97.036	PA-02-NJ-4086-PW-03742	10/30/12	4/30/13	12,846.17	12,846.17	12,846.17	12,846.17
					\$ 273,856.76	\$ 568,562.74	\$ 568,562.74	\$ 568,562.74



BOROUGH OF SOUTH PLAINFIELD

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

YEAR ENDED DECEMBER 31, 2013

NOTE 1. GENERAL

The accompanying schedules of expenditures of awards and financial assistance present the activity of all federal and state financial assistance programs of the Borough of South Plainfield, County of Middlesex, New Jersey. All state financial assistance received directly from state agencies, as well as financial assistance passed through other governmental agencies is included on the Schedule of Expenditures of State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

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

NOTE 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - REGULATORY BASIS

Amounts reported in the accompanying schedules agree with amounts reported in the Borough's regulatory basis financial statements, reported in the Current and General Capital funds.

Receipts:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Current Fund	\$ 273,856.76	\$ 241,798.93	\$ 193,642.04	\$ 435,440.97
General Capital Fund	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	<u>\$ 273,856.76</u>	<u>\$ 241,798.93</u>	<u>\$ 193,642.04</u>	<u>\$ 435,440.97</u>

Expenditures:

	<u>State</u>	<u>Other</u>	<u>Total</u>
Current Fund	\$ 568,562.74	\$ 181,299.90	\$ 428,288.80
General Capital Fund	<u>0.00</u>	<u>34,586.34</u>	<u>34,586.34</u>
	<u>\$ 568,562.74</u>	<u>\$ 215,886.24</u>	<u>\$ 462,875.14</u>

NOTE 5. OTHER

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

Expenditures reported against the Public Assistance Disaster Grant are reported at 90% of the approved project costs. Some costs reported on these grants occurred in 2012.

BOROUGH OF SOUTH PLAINFIELD  
COUNTY OF MIDDLESEX, NEW JERSEY

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

**Section I - Summary of Auditor's Results**

**Financial Statements**

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

**Federal Program(s)**

- |   |               |
|---|---------------|
| (1) Internal Control Over Major Federal Programs:   |               |
| (a) Material weakness(es) identified?   | No            |
| (b) Significant deficiencies identified that are not considered to be material weaknesses?  | N/A           |
| (2) Type of Auditor's Report issued on compliance for major federal program(s)?   | Unmodified    |
| (3) Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 and listed in Section III of this schedule? | None Reported |

- (4) Identification of Major Federal Program(s):

<u>Program</u>	<u>Grant Number</u>
Disaster Grants - Public Assistance	97.036

- (5) Program Threshold Determination:

Type A Federal Program Threshold >= \$300,000.00  
Type B Federal Program Threshold < \$300,000.00

- |   |    |
|---|----|
| (6) Auditee qualified as a low-risk auditee under OMB Circular A-133? | No |
|---|----|

**State Program(s)** - Not Applicable

BOROUGH OF SOUTH PLAINFIELD  
COUNTY OF MIDDLESEX, NEW JERSEY

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

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

**Internal Control Findings**

None Reported.

**Compliance Findings**

None Reported

**Section III - Findings and Questioned Costs Relative to Major Federal Programs**

Federal Programs - None Reported

**Status of Prior Year Audit Findings** - Not Applicable

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PART III

BOROUGH OF SOUTH PLAINFIELD

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2013

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

	YEAR 2013		YEAR 2012	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 880,000.00	1.05%	\$ 867,500.00	1.05%
Miscellaneous - from other than Local Property Tax Levies	7,517,575.02	8.96%	7,356,014.48	8.94%
Collection of Delinquent Taxes and Tax Title Liens	1,056,575.37	1.26%	873,113.72	1.06%
Collections of Current Tax Levy	<u>74,424,222.30</u>	<u>88.73%</u>	<u>73,201,661.51</u>	<u>88.95%</u>
<u>Total Revenue</u>	<u>\$ 83,878,372.69</u>	<u>100.00%</u>	<u>\$ 82,298,289.71</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	\$ 25,327,759.69	30.67%	\$ 25,387,185.96	31.18%
County Taxes	13,974,042.18	16.92%	14,034,251.98	17.24%
Local School District Taxes	43,138,070.00	52.24%	41,945,847.50	51.52%
Other Expenditures	<u>141,527.38</u>	<u>0.17%</u>	<u>46,689.27</u>	<u>0.06%</u>
<u>Total Expenditures</u>	<u>\$ 82,581,399.25</u>	<u>100.00%</u>	<u>\$ 81,413,974.71</u>	<u>100.00%</u>
Excess in Revenue	\$ <u>1,296,973.44</u>		\$ <u>884,315.00</u>	
Adjustments to Income before Fund Balance:				
Expenditures Included above which are by Statute Deferred Charges to Budget of Succeeding Year	\$ _____		\$ <u>325,000.00</u>	
Statutory Excess to Fund Balance	\$ 1,296,973.44		\$ 1,209,315.00	
Fund Balance - Beginning	\$ <u>1,220,659.14</u>		\$ <u>878,844.14</u>	
	\$ 2,517,632.58		\$ 2,088,159.14	
Less: Utilization as Anticipated Revenue	<u>880,000.00</u>		<u>867,500.00</u>	
Fund Balance, Ending	<u>\$ 1,637,632.58</u>		<u>\$ 1,220,659.14</u>	

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

	<u>YEAR 2013</u>		<u>YEAR 2012</u>	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 128,100.00	1.70%	\$ 247,100.00	3.40%
Collection of Sewer Use Charges	6,970,386.14	92.35%	6,694,501.08	92.25%
Miscellaneous	449,161.91	5.95%	315,883.78	4.35%
<u>Total Revenue</u>	<u>\$ 7,547,648.05</u>	<u>100.00%</u>	<u>\$ 7,257,484.86</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	\$ 5,994,925.00	90.79%	\$ 6,129,925.00	92.08%
Capital Improvements	10,000.00	0.15%	2,000.00	0.03%
Deferred Charges and Regulatory Expenditures	527,000.00	7.98%	40,000.00	0.60%
Debt Service	71,000.00	1.08%	485,000.00	7.29%
<u>Total Expenditures</u>	<u>\$ 6,602,925.00</u>	<u>100.00%</u>	<u>\$ 6,656,925.00</u>	<u>100.00%</u>
Excess in Revenue	\$ 944,723.05		\$ 600,559.86	
Fund Balance - Beginning	<u>738,436.34</u>		<u>759,976.48</u>	
	\$ 1,683,159.39		\$ 1,360,536.34	
Less: Utilization as Anticipated Revenue				
Sewer Utility Operating Fund	128,100.00		247,100.00	
Current Fund	<u>500,000.00</u>		<u>375,000.00</u>	
Fund Balance - Ending	<u>\$ 1,055,059.39</u>		<u>\$ 738,436.34</u>	

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

	<u>YEAR 2013</u>		<u>YEAR 2012</u>	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Collection of Pool Membership and Fees	\$ 174,473.00	86.45%	\$ 165,811.50	76.77%
Miscellaneous	<u>27,353.26</u>	<u>13.55%</u>	<u>50,185.89</u>	<u>23.23%</u>
<u>Total Revenue</u>	<u>\$ 201,826.26</u>	<u>100.00%</u>	<u>\$ 215,997.39</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	\$ 239,211.00	92.94%	\$ 231,675.00	95.74%
Capital Improvements	500.00	0.19%	500.00	0.21%
Deferred Charges and Regulatory Expenditures	10,200.00	3.96%	8,000.00	3.31%
Debt Service	<u>7,500.00</u>	<u>2.91%</u>	<u>1,800.00</u>	<u>0.74%</u>
<u>Total Expenditures</u>	<u>\$ 257,411.00</u>	<u>100.00%</u>	<u>\$ 241,975.00</u>	<u>100.00%</u>
Adjustment to Income Before Fund Balance:				
Realized from General Budget for Anticipated Deficit	\$ 55,584.74		\$ 25,977.61	
Excess in Revenue	- 0 -		- 0 -	
Fund Balance - Beginning	<u>3,000.00</u>		<u>3,000.00</u>	
Fund Balance - Ending	<u>\$ 3,000.00</u>		<u>\$ 3,000.00</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Tax Rate	<u>\$5.387</u>	<u>\$5.244</u>	<u>\$5.064</u>
Appointment of Tax Rate:			
Municipal	\$1.222	\$1.201	\$1.116
Municipal Library Tax	0.087	0.092	0.095
County	0.995	0.990	0.964
Local School	<u>3.083</u>	<u>2.961</u>	<u>2.889</u>

Assessed Valuation:

Year 2013	\$ <u>1,399,248,054.00</u>		
Year 2012		\$ <u>1,416,666,865.00</u>	
Year 2011			\$ <u>1,418,383,801.00</u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CURRENTLY</u>	
		<u>CASH COLLECTIONS</u>	<u>PERCENTAGE OF COLLECTION</u>
2013	\$75,765,284.31	\$74,424,222.30	98.22%
2012	\$74,436,400.81	\$73,201,661.51	98.34%
2011	\$72,686,114.47	\$71,657,697.87	98.58%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>YEAR</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2013	\$ 111,936.41	\$ 1,216,550.03	\$ 1,328,486.44	1.75%
2012	106,948.05	1,074,928.63	1,181,876.68	1.59%
2011	102,092.11	898,844.59	1,000,936.70	1.38%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

No properties have been acquired in 2013 by foreclosure or deed, as a result of liquidation of tax title liens. The balance at December 31, 2013 is \$4,714,000.00.

COMPARISON OF UTILITY LEVIES

<u>YEAR</u>	<u>LEVY</u>	<u>COLLECTIONS*</u>
2013	\$ 6,872,593.42	\$ 6,971,235.15
2012	6,557,118.70	6,699,201.79
2011	6,908,503.97	6,683,635.44

\*Includes collections of prior year levies

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Current Fund	2013	\$ 1,637,632.58	\$ 1,382,407.08
	2012	1,220,659.14	880,000.00
	2011	878,844.14	867,500.00
	2010	1,215,866.23	1,210,000.00
	TY 2009	1,472,981.44	1,465,000.00
Sewer Utility Operating Fund	2013	\$ 1,055,059.39	\$ 380,000.00
	2012	738,436.34	128,100.00
	2011	759,976.48	175,000.00
	2010	972,932.96	162,699.37
	TY 2009	259,073.65	5,000.00
Swimming Pool Utility Operating Fund	2013	\$ 3,000.00	\$ 1,000.00
	2012	3,000.00	
	2011	3,000.00	
	2010	4,000.00	1,000.00
	TY 2009	6,559.66	2,559.66

OFFICIALS IN OFFICE AND SURETY BONDS

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

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>
Matthew Anesh	Mayor	
Raymond Rusnak	Council Member	
Alex Barletta	Council Member	
Robert Bengivenga Jr.	Council Member	
Christopher Diana	Council Member	
Timothy McConville	Council Member	
Derryck C. White	Council Member	
Glenn Cullen	Administrator/CMFO	*
Amy Antonides	Borough Clerk	*
Kimberly Clifford	Tax Collector	*
Mary Frances Hildebrandt	Tax Assessor	*
Robert Capparelli	Superintendent of Public Works	*
Spencer B. Robbins	Municipal Court Judge	*
Karen Constantino	Court Administrator	*

\*All officials and employees handling and collecting Borough funds are covered under a special multi-peril policy public employees blanket coverage endorsement for \$1,000,000.00.

All of the bonds were examined and were properly executed and were in accordance with the state promulgated schedule.

COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

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

"Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or the amount calculated by the Governor pursuant to Section 3 P.L. 1971 C. 198 (C. 40A:11-3), except by contract or agreement."

Effective January 1, 2010, the bid threshold in accordance with N.J.S.A. 40A:11-4 is \$17,500.00.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$17,500.00 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Borough Council's opinion should be sought before a commitment is made.

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

Garbage Truck  
Recyclable Materials Management  
Road Improvements

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

Our audit of expenditures did not reveal any individual payments, contracts or agreements in excess of \$17,500.00 "for the performance of any work or the furnishing or hiring of any material, supplies or services, other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A: 11-6."

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

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5 for the following services:

Borough Attorney  
Borough Auditor  
Borough Prosecutor  
Borough Planner  
Insurance Broker/Consultant  
Bond Counsel  
Appraisal Services  
Engineering and Architectural Services  
Other Consulting Services

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

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

The Governing Body, on January 5, 2013, adopted the following resolution pursuant to the provisions of R.S. 54:4-67 fixing the rate of delinquent taxes and assessments and on sanitary sewer service charges at 8% per annum on the first \$1,500.00 and a rate of 18% per annum on any amount in excess of \$1,500.00 becoming delinquent after the due date and if the delinquency is in excess of \$10,000.00 and remains in arrears beyond the end of the year, an additional penalty of 6% shall be charged if payment of any installment is made within ten days after the date upon which the same becomes payable.

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

DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held on March 28, 2013 and was complete.

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

The following is a comparison of the number of tax title liens receivable on December 31<sup>st</sup> of the last three years:

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2013	6
2012	6
2011	6

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

VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

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

<u>Type</u>	
Information Tax Positive Confirmation	50
Delinquent Tax Positive Confirmation	25
Information Utility Positive Confirmation	20
Delinquent Utility Positive Confirmation	10

## OTHER COMMENTS

### Interfunds

Transactions invariably occur in one fund which require a corresponding entry to be made in another fund, thus creating interfund balances. References to the various balance sheets show the interfund balances remaining at year end. As a general rule all interfund balances should be closed out as of the end of the year.

It is the Borough's policy to review and liquidate all interfund balances on a periodic basis.

### Purchasing

Our test of paid vouchers disclosed the following instances of noncompliance. We noted that numerous purchase orders are processed as confirming orders. This is where goods have been received or services have been rendered prior to the issuance of a purchase order. In effect, the controls that minimize the possibility of over-expenditures and unauthorized purchases are not in operation.

### Municipal Court

The analysis of the bail account revealed that not all receipts and disbursements are being entered into the State provided computer system, resulting monthly cash proofs/bank reconciliations not matching the "cash bail on account" per the computer.

## RECOMMENDATIONS

\*That the practice of issuing confirming orders be discontinued.

\*That the court administrator enters all bail receipts and disbursements into the court software, and verify that monthly cash proofs/bank reconciliations match to the "cash bail on account" per court software.

\*Unresolved 2012 Audit Recommendations

