

**TOWNSHIP OF MAHWAH**

Financial Statements  
with Additional Financial Information

December 31, 2013

(With Independent Auditor's Report Thereon)

# TOWNSHIP OF MAHWAH

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

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**Unmodified Opinions on Basic Financial Statements Accompanied by  
Additional Financial Information**

**Independent Auditor's Report**

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

**Report on the Financial Statements**

We have audited the accompanying regulatory basis balance sheets of the various funds, except for the Deferred Award Revolving Fund, and account groups as of December 31, 2013 and 2012 of the Township of Mahwah, New Jersey, and the related regulatory basis statements of operations and changes in fund balances for the years then ended and the related regulatory basis statements of revenues and statements of expenditures of the Current Fund, Water Utility and Sewer Utility Funds for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

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

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

***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's

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

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

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

As described in note 1 of the financial statements, these financial statements were prepared in conformity with the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey-regulatory basis, which is a basis of accounting other accounting principles than generally accepted in the United States of America to meet the requirements of the State of New Jersey.

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

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

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Mahwah, New Jersey, as of December 31, 2013 and 2012 and the changes in financial position for the years then ended.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Township of Mahwah, New Jersey, as of December 31, 2013 and 2012 and the related statements of operations and changes in fund balances for the years then ended and the related and the related statements of revenues and statements of expenditures of the Current Fund, Water Utility and Sewer Utility Funds for the year ended December 31, 2013 on the regulatory basis of accounting described in note 1.

***Other Matters***

***Additional Financial Information***

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

The accompanying Balance Sheet and Note for the Deferred Award Revolving Fund for the years ended December 31, 2013 and 2012 were not audited, and in accordance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and we were not engaged to audit the Deferred Award Revolving Fund. Accordingly, we do not express an opinion on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated April 14, 2014 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Township of Mahwah's internal control over financial reporting and compliance.

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

Louis C. Mai, Registered Municipal Accountant  
No. CR00217

April 14, 2014

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

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## **Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

### Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying regulatory basis balance sheets of the various funds and account groups as of December 31, 2013 and 2012 of the Township of Mahwah, New Jersey, and the related regulatory basis statements of operations and changes in fund balances for the years then ended and the related regulatory basis statements of revenues and statements of expenditures of the Current fund, Water Utility and Sewer Utility funds for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise Township of Mahwah, New Jersey's (the Township) basic financial statements, regulatory basis, and have issued our report thereon dated April 14, 2014

### **Internal Control over Financial Reporting**

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

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

that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **Purpose of this Report**

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

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

Louis C. Mai, Registered Municipal Accountant  
No. CR00217

April 14, 2014

## FINANCIAL STATEMENTS

TOWNSHIP OF MAHWAH

Balance Sheet  
Regulatory Basis

Current Fund

December 31, 2013 and 2012

<b>Assets</b>	<b>Ref.</b>	<b>2013</b>	<b>2012</b>
<b>Regular Fund:</b>			
Cash - checking	A-4	\$ 10,447,334	10,455,187
Change Fund - cash		750	750
Due from State of New Jersey - Senior Citizens' and Veterans' deductions	A-6	—	4,886
		<u>10,448,084</u>	<u>10,460,823</u>
<b>Receivables and other assets with full reserves:</b>			
Delinquent property taxes receivable	A-7	479,287	493,789
Tax title liens	A-8	294,886	259,554
Foreclosed property	A-25	1,353,400	1,353,400
Revenue accounts receivable	A-9	24,445	26,066
<b>Due from:</b>			
Other Trust Funds	A-21	77	112
General Capital Fund	A-21	11	17
Dog License Fund	A-21	12,600	7,108
Federal and State Grants Fund	A-21	247,994	253,436
		<u>2,412,700</u>	<u>2,393,482</u>
		<u>12,860,784</u>	<u>12,854,305</u>
<b>Federal and State Grant Fund:</b>			
Grants receivable	A-22	395,180	472,470
		<u>\$ 13,255,964</u>	<u>13,326,775</u>

## TOWNSHIP OF MAHWAH

Balance Sheet  
Regulatory Basis

## Current Fund

December 31, 2013 and 2012

<b>Liabilities, Reserves and Fund Balance</b>	<b>Ref.</b>	<b>2013</b>	<b>2012</b>
Regular Fund:			
Liabilities:			
Appropriation reserves	A-3,A-10	\$ 1,172,461	1,172,930
Encumbrances payable	A-15	1,125,759	1,102,790
Tax overpayments	A-16	9,004	11,959
Prepaid taxes	A-17	615,583	457,998
Prepaid health licenses	A-18	1,200	500
Due to:			
County for added taxes	A-14	9,218	17,473
State of New Jersey - Senior Citizens and Veterans	A-6	7,885	—
Reserve for arbitrage rebate payable	A-26	30,000	30,000
Various reserves	A-20	470,270	404,545
Reserve for tax appeals	A-19	864,734	964,591
Unappropriated reserves	A-11	31,591	31,591
		<u>4,337,705</u>	<u>4,194,377</u>
Reserve for receivables and other assets		2,412,700	2,393,482
Fund balance	A-1	<u>6,110,379</u>	<u>6,266,446</u>
		<u>12,860,784</u>	<u>12,854,305</u>
Federal and State Grant Fund:			
Due to Regular Fund	A-21	247,994	253,436
Appropriated reserves	A-23	114,389	134,013
Encumbrances payable	A-27	—	80,055
Unappropriated reserves	A-24	32,797	4,966
		<u>395,180</u>	<u>472,470</u>
		<u>\$ 13,255,964</u>	<u>13,326,775</u>

See accompanying notes to financial statements.

## TOWNSHIP OF MAHWAH

Statement of Operations and Changes in Fund Balance  
Regulatory Basis

## Current Fund

Years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Revenue and other income realized:		
Fund balance utilized	\$ 3,895,000	3,250,000
Miscellaneous revenue anticipated	9,954,970	9,825,633
Receipts from delinquent taxes	504,679	519,115
Receipts from current taxes	92,891,400	91,175,069
Non-budget revenues	699,167	980,711
Other credits to income:		
Budget appropriations canceled	4	24,647
Unexpended balance of appropriation reserves	839,536	730,401
Interfunds returned	12,679	29,296
Grant reserves cancelled	542	8,949
Voided checks	480	1,633
Accounts payable canceled	11,443	61,436
Total income	<u>108,809,900</u>	<u>106,606,890</u>
Expenditures:		
Budget and emergency appropriations:		
Appropriations within "CAPS":		
Operations:		
Salaries and wages	12,834,750	12,453,850
Other expenses	10,836,373	10,237,759
Deferred charges and statutory expenditures	2,643,954	2,684,550
Appropriations excluded from "CAPS":		
Operations:		
Other expenses	3,081,487	3,021,783
Capital improvements	243,000	209,500
Municipal debt service	3,610,110	3,516,110
Deferred charges	935	182,584
County taxes	14,123,039	14,034,235
Amount due County for added and omitted taxes	9,218	17,474
Local district school taxes	57,101,159	56,092,169
Municipal open space tax	566,743	570,869
Interfunds advanced	88	129
Cancellation Grants receivable	490	6,520
Prior year senior citizens deductions cancelled	4,034	1,250
Refund of prior year revenue	8,937	1,890
Total expenditures	<u>105,070,967</u>	<u>103,030,672</u>
Excess in revenue	3,738,933	3,576,218
Fund balance, January 1	<u>6,266,446</u>	<u>5,940,228</u>
	10,005,379	9,516,446
Decreased by utilized as anticipated revenue	<u>3,895,000</u>	<u>3,250,000</u>
Fund balance, December 31	<u>\$ 6,110,379</u>	<u>6,266,446</u>

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Statement of Revenues  
Regulatory Basis

Current Fund

Year ended December 31, 2013

	<u>Budget</u>	<u>Realized</u>	<u>Excess (deficit)</u>
Fund balance anticipated	\$ 3,895,000	3,895,000	—
Miscellaneous revenues:			
Licenses:			
Alcoholic beverages	30,000	30,804	804
Other	40,000	55,905	15,905
Fees and permits	50,000	66,981	16,981
Fines and costs - municipal court	400,000	364,838	(35,162)
Interest and costs on taxes	100,000	119,290	19,290
Interest on investments and deposits	10,000	16,274	6,274
Rental of Township owned property	215,000	225,247	10,247
Fire Safety Act fees	150,000	175,328	25,328
Energy Receipts Tax (P.L. 1999, Ch 162 & 167)	4,909,572	4,909,572	—
Garden State Trust Fund	3,844	—	(3,844)
Uniform construction code fees	1,055,000	1,638,991	583,991
Recycling Tonnage Grant	30,672	30,672	—
Drunk Driving Enforcement Fund	—	—	—
Clean Communities Programs	45,586	45,586	—
Alcohol Education and Rehabilitation Act	6,650	6,650	—
Municipal Alliance on Alcoholism and Drug Abuse	11,677	11,677	—
State of New Jersey - Department of Law and Public Safety			
Division of Criminal Justice - Body Armor Fund	4,966	4,966	—
State of NJ Department of Transportation - MacArthur			
Boulevard Section 4	150,000	150,000	—
Division of Alcoholic Beverage Control			
Cops in Shops Initiative	2,800	2,800	—
Association of NJ Environmental Commissions - 2013 Open Space			
Stewardship Project	1,465	1,465	—
Office of County Prosecutor - Mahwah Municipal Escrow - Police Dept.	53,326	53,326	—
Swim and Tennis Club fees	150,000	136,070	(13,930)
Reserve for Open Space Fund	550,000	550,000	—
Reserve for Payment of Debt	315,000	315,000	—
Library Contribution	11,282	11,282	—
Municipal Hotel/Motel Occupancy Tax	675,000	875,076	200,076
Cable television Franchise Fee	135,000	157,170	22,170
	<u>9,106,840</u>	<u>9,954,970</u>	<u>848,130</u>

(Continued)

## TOWNSHIP OF MAHWAH

Statement of Revenues  
Regulatory Basis

## Current Fund

Year ended December 31, 2013

	<u>Budget</u>	<u>Realized</u>	<u>Excess (deficit)</u>
Receipts from delinquent taxes	\$ 425,000	504,679	79,679
Amount to be raised by taxes for support of municipal budget:			
Local Tax for Municipal Purposes including Reserve for Uncollected taxes	20,376,615		
Minimum Library Tax	<u>2,073,076</u>		
Total Amount to be Raised	<u>22,449,691</u>	<u>23,710,513</u>	<u>1,260,822</u>
Budget totals	\$ <u>35,876,531</u>	38,065,162	<u>2,188,631</u>
Non-budget revenues		699,167	
		<u>\$ 38,764,329</u>	
Allocation of current tax collections:			
Revenue from collections		\$ 93,391,400	
Allocated to:			
School, County and Open Space taxes		71,800,159	
Reserve for tax appeals		<u>500,000</u>	
Balance for support of municipal budget		21,091,241	
Add appropriation reserve for uncollected taxes		<u>2,619,272</u>	
Amount for support of municipal budget		<u>\$ 23,710,513</u>	
Receipts from delinquent taxes:			
Delinquent tax collections		\$ 503,646	
Tax title liens		<u>1,033</u>	
		<u>\$ 504,679</u>	
Miscellaneous revenue not anticipated:			
Payment in lieu of taxes		\$ 11,709	
Reimbursements		338,338	
Van Driver (Federal - Title III)		27,142	
County Reimbursement - Van (State Department of Health and Sr. Services)		12,468	
NJ Office of Emergency Management (FEMA)		191,817	
Concession stand		1,000	
LOSAP - Surrender		2,754	
Sale of assets		11,301	
Housing fees		15,772	
Recycling fees		71,324	
Copy duplication fees		2,080	
Shared services - Street Sweeper		2,347	
Cat Licenses		2,197	
Senior Center		1,831	
Administrative Fee - State of New Jersey		3,862	
Motor Vehicle Inspection Fines		2,471	
Miscellaneous		<u>754</u>	
		<u>\$ 699,167</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

Current Fund

Year ended December 31, 2013

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
General appropriations:						
Operations within "CAPS":						
Legislation:						
Township Council:						
Salaries and wages	\$ 50,000	(10,000)	40,000	39,500	500	—
Other expenses	3,800	—	3,800	3,081	719	—
Office of the Township Clerk:						
Salaries and wages	184,750	—	184,750	182,534	2,216	—
Other expenses	17,365	—	17,365	13,380	3,985	—
Election:						
Salaries and wages	4,000	—	4,000	2,888	1,112	—
Other expenses	25,200	—	25,200	23,427	1,773	—
Animal Control:						
Other expenses	39,000	—	39,000	33,240	5,760	—
Administration:						
Office of the Mayor:						
Salaries and wages	15,000	—	15,000	15,000	—	—
Other expenses	4,750	—	4,750	4,607	143	—
Office of the Business Administrator:						
Salaries and wages	313,350	(10,000)	303,350	298,421	4,929	—
Other expenses	41,620	(700)	40,920	24,641	16,279	—
Insurance:						
Comprehensive business liability insurance:						
Other expenses	385,000	14,000	399,000	398,824	176	—
Employee medical insurance:						
Other expenses	4,205,000	—	4,205,000	4,205,000	—	—
Workers Compensation Insurance:						
Other expenses	450,000	—	450,000	445,700	4,300	—
Employee optical plan:						
Other expenses	30,000	—	30,000	30,000	—	—

(Continued)

## TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

Current Fund

Year ended December 31, 2013

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Employee physicals:						
Other expenses	\$ 47,500	—	47,500	39,000	8,500	—
Health Benefit Waiver	10,000	—	10,000	9,726	274	—
Employee life insurance:						
Other expenses	40,000	—	40,000	26,880	13,120	—
Insurance miscellaneous:						
Other expenses	55,000	(14,000)	41,000	37,386	3,614	—
Unemployment Compensation Insurance						
Other expenses	35,000	—	35,000	35,000	—	—
Health and Safety Programs						
Other expenses	10,000	—	10,000	7,640	2,360	—
Division of Law:						
Other expenses	260,000	—	260,000	226,331	33,669	—
Division of Engineering:						
Other expenses	60,000	—	60,000	49,884	10,116	—
Municipal Land Use Law (N.J.S.A. 40:55):						
Division of Planning and Zoning:						
Salaries and wages	203,400	(20,000)	183,400	176,728	6,672	—
Other expenses	99,050	(25,000)	74,050	49,197	24,853	—
Division of Finance:						
Bureau of Treasury:						
Salaries and wages	232,600	—	232,600	232,077	523	—
Other expenses	4,600	450	5,050	4,808	242	—
Bureau of Collections:						
Salaries and wages	176,500	—	176,500	175,979	521	—
Other expenses	13,707	—	13,707	12,676	1,031	—
Bureau of Assessment:						
Salaries and wages	149,100	—	149,100	149,066	34	—
Other expenses	38,450	—	38,450	29,995	8,455	—

(Continued)

## TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

Current Fund

Year ended December 31, 2013

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Auditor:						
Other expenses	\$ 25,000	—	25,000	23,250	1,750	—
Department of Public Works:						
DPW administration:						
Salaries and wages	82,500	—	82,500	80,215	2,285	—
Other expenses	700	—	700	147	553	—
DPW streets and roads:						
Salaries and wages	407,100	(6,000)	401,100	391,625	9,475	—
Other expenses	92,850	—	92,850	90,273	2,577	—
DPW buildings and grounds:						
Salaries and wages	344,100	—	344,100	344,043	57	—
Other expenses	163,445	—	163,445	158,427	5,018	—
DPW emergency services:						
Other expenses	55,700	—	55,700	49,214	6,486	—
DPW parks and playgrounds:						
Salaries and wages	182,000	—	182,000	181,941	59	—
Other expenses	82,990	(5,000)	77,990	68,287	9,703	—
DPW recycling:						
Salaries and wages	439,300	6,000	445,300	444,235	1,065	—
Other expenses	22,408	—	22,408	20,420	1,988	—
DPW motor pool:						
Salaries and wages	72,300	(20,000)	52,300	48,081	4,219	—
Other expenses	273,450	35,000	308,450	289,625	18,825	—
DPW snow removal:						
Salaries and wages	150,000	20,000	170,000	166,661	3,339	—
Other expenses	219,000	—	219,000	197,147	21,853	—
DPW overtime:						
Salaries and wages	150,000	—	150,000	140,238	9,762	—

(Continued)

TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

Current Fund

Year ended December 31, 2013

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Sanitation:						
Collection service:						
Other expenses	\$ 775,000	—	775,000	765,167	9,833	—
Disposal:						
Other expenses	675,000	(25,000)	650,000	649,612	388	—
Disposal/Recyclables:						
Other expenses	15,000	—	15,000	11,717	3,283	—
Municipal Services Act:						
Other expenses	190,000	(75,000)	115,000	83,964	31,036	—
Board of Health:						
Board of Health administration:						
Salaries and wages	253,100	—	253,100	250,515	2,585	—
Other expenses	22,650	—	22,650	14,337	8,313	—
Health Officer services (Paramus):						
Other expenses	38,256	—	38,256	38,256	—	—
Visiting Nurse service:						
Other expenses	34,398	—	34,398	34,398	—	—
Department of Police:						
Police administration:						
Salaries and wages	607,100	—	607,100	605,055	2,045	—
Other expenses	150,652	—	150,652	142,070	8,582	—
Police records:						
Salaries and wages	84,600	—	84,600	84,598	2	—
Police patrol:						
Salaries and wages	5,952,300	95,000	6,047,300	6,044,819	2,481	—
Police dispatchers:						
Salaries and wages	298,850	(10,000)	288,850	279,652	9,198	—
Police detectives:						
Salaries and wages	471,100	100,000	571,100	569,259	1,841	—

(Continued)

## TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

Current Fund

Year ended December 31, 2013

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Police juvenile:						
Salaries and wages	\$ —	—	—	—	—	—
Police crossing guards:						
Salaries and wages	60,000	—	60,000	59,244	756	—
Police purchase of police cars:						
Other expenses	114,400	22,500	136,900	136,771	129	—
Police supplemental programs: Municipal Alliance/ DARE						
Other expenses	500	—	500	—	500	—
Emergency Management:						
Bureau of Emergency Management:						
Salaries and wages	18,000	—	18,000	17,990	10	—
Other expenses	106,625	—	106,625	102,011	4,614	—
Fire Department:						
Salaries and wages	84,500	—	84,500	81,716	2,784	—
Other expenses	146,500	—	146,500	144,100	2,400	—
Bureau of Fire Prevention:						
Salaries and wages	75,700	1,000	76,700	76,324	376	—
Other expenses	3,500	—	3,500	2,102	1,398	—
Ambulance Company #1:						
Salaries and wages	8,000	(2,500)	5,500	2,893	2,607	—
Other expenses	25,000	(25,000)	—	—	—	—
Ambulance Company #4:						
Salaries and wages	6,000	(2,500)	3,500	1,544	1,956	—
Other expenses	25,000	30,000	55,000	55,000	—	—
Aid to Volunteer Fire Companies:						
Other expenses	10,000	—	10,000	10,000	—	—
Division of Human Services:						
Salaries and wages	118,000	—	118,000	115,341	2,659	—
Other expenses	850	—	850	11	839	—

(Continued)

## TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

Current Fund

Year ended December 31, 2013

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Senior Citizens activities:						
Salaries and wages	\$ 102,400	—	102,400	102,349	51	—
Other expenses	57,780	—	57,780	56,063	1,717	—
Access Transportation:						
Salaries and wages	75,200	—	75,200	74,899	301	—
Other expenses	1,100	—	1,100	47	1,053	—
Boards, Commissions and Committees:						
Environmental Commission:						
Salaries and wages	3,500	—	3,500	3,500	—	—
Other expenses	6,500	—	6,500	884	5,616	—
Housing Commission:						
Salaries and wages	3,500	—	3,500	3,354	146	—
Other expenses	950	—	950	—	950	—
Historic Preservation Commission:						
Salaries and wages	3,500	—	3,500	3,500	—	—
Other expenses	4,850	—	4,850	945	3,905	—
Recreation:						
Salaries and wages	76,000	—	76,000	72,082	3,918	—
Other expenses	95,211	(2,500)	92,711	75,199	17,512	—
Municipal Pool:						
Salaries and wages	120,000	(10,000)	110,000	107,317	2,683	—
Other expenses	142,295	—	142,295	104,557	37,738	—
Municipal Prosecutor						
Other expenses	45,000	—	45,000	44,950	50	—
Municipal Court:						
Salaries and wages	285,950	—	285,950	282,736	3,214	—
Other expenses	26,250	—	26,250	14,915	11,335	—
Public Defender:						
Other expenses	28,500	—	28,500	14,838	13,662	—
Computer Equipment/Consultant	58,000	—	58,000	55,510	2,490	—

(Continued)

**TOWNSHIP OF MAHWAH**

Statement of Expenditures  
Regulatory Basis

Current Fund

Year ended December 31, 2013

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Community Cable Television:						
Other expenses	12,320	—	12,320	6,260	6,060	—
Uniform Construction Code-Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):	\$					
Uniform Construction Code official:						
Salaries and wages	271,950	—	271,950	267,273	4,677	—
Other expenses	43,250	—	43,250	34,928	8,322	—
Building Sub-code official:						
Salaries and wages	146,000	(41,000)	105,000	97,027	7,973	—
Plumbing Sub-code official:						
Salaries and wages	124,300	(40,000)	84,300	76,235	8,065	—
Electrical Sub-code official:						
Salaries and wages	104,850	—	104,850	99,121	5,729	—
Fire Sub-code official:						
Salaries and wages	78,350	—	78,350	77,772	578	—
Unclassified:						
Central accounts:						
Gasoline	208,000	(25,000)	183,000	142,741	40,259	—
Fuel oil - Diesel	143,000	25,000	168,000	130,371	37,629	—
Electricity	307,500	(35,000)	272,500	237,716	34,784	—
Street lighting	210,000	(10,000)	200,000	173,647	26,353	—
Telephone	117,010	10,000	127,010	106,249	20,761	—
Telecommunication	4,200	—	4,200	2,658	1,542	—
Natural gas	91,500	—	91,500	65,943	25,557	—
Heating oil	23,500	—	23,500	16,180	7,320	—
Photocopying	40,200	—	40,200	34,682	5,518	—
Printing and binding	30,565	—	30,565	20,455	10,110	—
Postage	67,850	—	67,850	64,189	3,661	—
Office supplies	25,126	—	25,126	18,910	6,216	—
Salary Adjustment Account	196,000	—	196,000	72,447	123,553	—

(Continued)

## TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

Current Fund

Year ended December 31, 2013

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Tuition Reimbursement Account	\$ 2,000	250	2,250	1,088	1,162	—
Total operations within "CAPS"	23,721,123	(55,000)	23,666,123	22,818,448	847,675	—
Contingent	5,000	—	5,000	1,154	3,846	—
Total operations including contingent-within "CAPS"	23,726,123	(55,000)	23,671,123	22,819,602	851,521	—
Detail:						
Salaries and wages	12,784,750	50,000	12,834,750	12,597,794	236,956	—
Other expenses (including contingent)	10,941,373	(105,000)	10,836,373	10,221,808	614,565	—
	23,726,123	(55,000)	23,671,123	22,819,602	851,521	—
Deferred charges and statutory expenditures - municipal within "CAPS":						
Statutory expenditures - contributions to:						
Public Employees retirement System	581,602	—	581,602	581,602	—	—
Social Security System (O.A.S.I.)	545,000	(20,000)	525,000	501,894	23,106	—
Police and Firemen's Retirement System of N.J.	1,532,352	—	1,532,352	1,532,352	—	—
Defined Contribution Retirement Program (DCRP)	5,000	—	5,000	2,763	2,237	—
Total deferred charges and statutory expenditures - municipal within "CAPS"	2,663,954	(20,000)	2,643,954	2,618,611	25,343	—
Total general appropriations for municipal purposes within "CAPS"	26,390,077	(75,000)	26,315,077	25,438,213	876,864	—
Operations excluded from "CAPS" - mandated expenditures per N.J.S.A. 40A:4-45.3g:						
Maintenance - Free Public Library (Chapter 82, PL 1985):						
Other expenses	2,073,076	—	2,073,076	2,073,076	—	—
Reserve for Pending Tax Appeals	300,000	—	300,000	300,000	—	—
Length of Service Award Program (L.O.S.A.P.)	250,000	—	250,000	—	250,000	—

(Continued)

## TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

Current Fund

Year ended December 31, 2013

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Employee medical insurance:	\$ 195,000	75,000	270,000	225,065	44,935	—
Recycling Tax	35,000	—	35,000	34,338	662	—
Public and private programs offset by revenues:						
Bergen County Prosecutor's Office						
Escrow Account - Police Department	53,326	—	53,326	53,326	—	—
Alcohol Education Rehabilitation Fund	6,650	—	6,650	6,650	—	—
NJ Clean Communities Grant	45,586	—	45,586	45,586	—	—
State of New Jersey - Dept of Law and Public Safety: Division of Criminal Justice - Body Armor Fund	4,966	—	4,966	4,966	—	—
Association of NJ Environmental Commissions:						
2013 Open Space Stewardship Project	1,465	—	1,465	1,465	—	—
Municipal Alliance on Alcoholism and Drug Abuse	14,596	—	14,596	14,596	—	—
Recycling Tonnage Grant	30,672	—	30,672	30,672	—	—
United States Department of Transportation ( NJ Division of Highway Safety) Pass Through - Cops in Shops Initiative	2,800	—	2,800	2,800	—	—
Total operations-excluded from "CAPS"	<u>3,013,137</u>	<u>75,000</u>	<u>3,088,137</u>	<u>2,792,540</u>	<u>295,597</u>	<u>—</u>
Detail:						
Other expenses	<u>3,006,487</u>	<u>75,000</u>	<u>3,081,487</u>	<u>2,785,890</u>	<u>295,597</u>	<u>—</u>
	<u>3,013,137</u>	<u>75,000</u>	<u>3,088,137</u>	<u>2,792,540</u>	<u>295,597</u>	<u>—</u>
Capital improvements excluded from "CAPS":						
Capital Improvement Fund	93,000	—	93,000	93,000	—	—
NJ Department of Transportation:						
MAcArthur Boulevard - Section 4	<u>150,000</u>	<u>—</u>	<u>150,000</u>	<u>150,000</u>	<u>—</u>	<u>—</u>
Total capital improvements excluded from "CAPS"	<u>243,000</u>	<u>—</u>	<u>243,000</u>	<u>243,000</u>	<u>—</u>	<u>—</u>

(Continued)

TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

Current Fund

Year ended December 31, 2013

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Municipal debt service excluded from "CAPS":						
Payment of bond principal	\$ 1,960,000	—	1,960,000	1,960,000	—	—
Payment of bond anticipation notes	600,000	—	600,000	600,000	—	—
Interest on bonds	948,110	—	948,110	948,110	—	—
Interest on notes	102,000	—	102,000	101,996	—	4
Total municipal debt service excluded from "CAPS"	<u>3,610,110</u>	<u>—</u>	<u>3,610,110</u>	<u>3,610,106</u>	<u>—</u>	<u>4</u>
Deferred charges - municipal - excluded from "CAPS":						
Deferred charges to future taxation - unfunded						
Ordinance 1576	935	—	935	935	—	—
Total deferred charges - municipal - excluded from "CAPS"	<u>935</u>	<u>—</u>	<u>935</u>	<u>935</u>	<u>—</u>	<u>—</u>
Total general appropriations excluded from "CAPS"	<u>6,867,182</u>	<u>75,000</u>	<u>6,942,182</u>	<u>6,646,581</u>	<u>295,597</u>	<u>4</u>
Subtotal general appropriations	33,257,259	—	33,257,259	32,084,794	1,172,461	4
Reserve for uncollected taxes	<u>2,619,272</u>	<u>—</u>	<u>2,619,272</u>	<u>2,619,272</u>	<u>—</u>	<u>—</u>
Total general appropriations	<u>\$ 35,876,531</u>	<u>—</u>	<u>35,876,531</u>	<u>34,704,066</u>	<u>1,172,461</u>	<u>4</u>
<u>Analysis of paid or charged</u>						
				\$ 30,235,039		
				310,061		
				20,000		
				300,000		
				935		
				93,000		
				2,619,272		
				1,125,759		
				<u>\$ 34,704,066</u>		

See accompanying notes to financial statements.

## TOWNSHIP OF MAHWAH

Balance Sheet  
Regulatory Basis

## Trust Funds

December 31, 2013 and 2012

<b>Assets</b>	<b>Ref.</b>	<b>2013</b>	<b>2012</b>
<b>Dog License Fund:</b>			
Cash	B-1	\$ 36,099	30,880
Due from State of New Jersey	B-3	16	22
		<u>36,115</u>	<u>30,902</u>
<b>Other Trust Funds:</b>			
Cash	B-1	6,020,370	5,763,335
		<u>6,020,370</u>	<u>5,763,335</u>
Unemployment Compensation Fund - cash	B-1	301,595	256,480
Uniform Construction Code Fund - cash	B-1	10,509	9,469
Deferred Award Revolving Fund - investment ( <b>UNAUDITED</b> )		<u>2,843,166</u>	<u>2,190,459</u>
		<u>\$ 9,211,755</u>	<u>8,250,645</u>
<b>Liabilities and Reserves</b>			
<b>Dog License Fund:</b>			
Due to Current Fund	B-7	\$ 12,600	7,108
Reserve for Dog License Fund expenditures	B-2	23,515	23,794
		<u>36,115</u>	<u>30,902</u>
<b>Other Trust Funds:</b>			
Reserve for special deposits	B-4	2,245,484	2,187,238
Due to Current Fund	B-7	77	112
Reserve for recreation expenses	B-8	7,773	9,207
Reserve for Other Trust Fund expenses	B-9	3,767,036	3,566,778
		<u>6,020,370</u>	<u>5,763,335</u>
Unemployment Compensation Fund - Reserve for State Unemployment Insurance	B-5	301,595	256,480
Uniform Construction Code Fund- Training Fees: Reserve for Uniform Construction Code training fees	B-6	10,509	9,469
Deferred Award Revolving Fund ( <b>UNAUDITED</b> ) Plan net assets		<u>2,843,166</u>	<u>2,190,459</u>
		<u>\$ 9,211,755</u>	<u>8,250,645</u>

See accompanying notes to financial statements.

## TOWNSHIP OF MAHWAH

Balance Sheet  
Regulatory Basis

## General Capital Fund

December 31, 2013 and 2012

<b>Assets</b>	<b>Ref.</b>	<b>2013</b>	<b>2012</b>
Cash	C-2,C-3	\$ 3,338,860	3,287,904
Deferred charges to future taxation unfunded	C-6	8,079,453	6,910,720
Deferred charges to future taxation funded	C-5	21,950,000	23,910,000
		<u>30,029,453</u>	<u>30,820,720</u>
		<u>\$ 33,368,313</u>	<u>34,108,624</u>
<b>Liabilities, Reserves and Fund Balance</b>			
Encumbrances payable	C-9	\$ 494,911	776,848
Bond anticipation notes	C-11	7,950,000	6,800,000
Improvement authorizations:			
Funded	C-8	195,919	209,919
Unfunded	C-8	969,072	372,485
Due to Current Fund	C-4	11	17
Reserve for payment of debt	C-10	1,374,732	1,689,732
Serial bonds payable	C-12	21,950,000	23,910,000
Capital Improvement Fund	C-7	5,247	1,497
Fund balance	C-1	428,421	348,126
		<u>\$ 33,368,313</u>	<u>34,108,624</u>

There were bonds and notes authorized but not issued at December 31, 2012 and 2013 of \$110,720 and \$130,123 respectively (Exhibit C-13).

See accompanying notes to financial statements.

**TOWNSHIP OF MAHWAH**

Statement of Fund Balance  
Regulatory Basis

General Capital Fund

Years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Balance, Beginning of year	\$ <u>348,126</u>	<u>245,148</u>
Increased by:		
Unexpended bond issue costs	—	18,860
Premium on sale of notes	<u>80,295</u>	<u>84,118</u>
	<u>80,295</u>	<u>102,978</u>
	428,421	348,126
	<u>428,421</u>	<u>348,126</u>
Balance, End of year	\$ <u><u>428,421</u></u>	<u><u>348,126</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Balance Sheet  
Regulatory Basis

Water Utility Fund

December 31, 2013 and 2012

<b>Assets</b>	<u>Ref.</u>	<u>2013</u>	<u>2012</u>
Operating Fund:			
Cash	D-5	\$ 6,261,574	5,670,018
Change Fund - Water Utility Collector		50	50
Due from Water Utility Capital Fund	D-13	<u>7</u>	<u>10</u>
		<u>6,261,631</u>	<u>5,670,078</u>
Receivables with full reserve:			
Water accounts receivable	D-8	<u>306,777</u>	<u>323,941</u>
Total Operating Fund		<u>6,568,408</u>	<u>5,994,019</u>
Capital Fund:			
Cash	D-5,D-6	2,101,256	2,143,096
Fixed capital	D-10	10,372,805	8,472,805
Fixed capital authorized and uncompleted	D-11	<u>19,986,006</u>	<u>21,886,006</u>
Total Capital Fund		<u>32,460,067</u>	<u>32,501,907</u>
		<u>\$ 39,028,475</u>	<u>38,495,926</u>

(continued)

## TOWNSHIP OF MAHWAH

Balance Sheet  
Regulatory Basis

## Water Utility Fund

December 31, 2013 and 2012

<b>Liabilities, Reserves and Fund Balance</b>	<b>Ref.</b>	<b>2013</b>	<b>2012</b>
<b>Operating Fund:</b>			
<b>Liabilities:</b>			
Appropriation reserves	D-3,D-20	\$ 895,188	658,626
Encumbrances	D-3,D-20	229,341	354,288
Accounts payable	D-23	38,881	3,804
Accrued interest on notes payable	D-12	19,646	17,325
Premium on water liens	D-24	11,800	10,700
Overpayments	D-9	3,732	1,930
Due to Sewer Operating Fund	D-25	—	1,415
		<u>1,198,588</u>	<u>1,048,088</u>
Reserve for receivables		306,777	323,941
Fund balance	D-1	<u>5,063,043</u>	<u>4,621,990</u>
<b>Total Operating Fund</b>		<u><u>6,568,408</u></u>	<u><u>5,994,019</u></u>
<b>Capital Fund:</b>			
Encumbrances	D-18	845,725	94,014
Bond anticipation notes	D-7	6,900,000	7,700,000
Reserve for amortization	D-14	18,487,805	17,592,805
<b>Improvement authorizations:</b>			
Funded	D-17	3,948	230
Unfunded	D-17	3,353,104	4,244,163
Deferred reserve for amortization	D-15	2,292,750	2,387,750
Reserve for various improvements	D-16	16,000	16,000
Due to Water Utility Operating Fund	D-13	7	10
Capital Improvement Fund	D-19	136,369	111,369
Reserve for payment of debt	D-22	56,816	56,816
Fund balance	D-4	<u>367,543</u>	<u>298,750</u>
<b>Total Capital Fund</b>		<u><u>32,460,067</u></u>	<u><u>32,501,907</u></u>
		<u><u>\$ 39,028,475</u></u>	<u><u>38,495,926</u></u>

There were bonds and notes authorized but not issued at December 31, 2012 and 2013 of \$2,678,256 and \$2,678,256 respectively (Exhibit D-21).

See accompanying notes to financial statements.

## TOWNSHIP OF MAHWAH

Statement of Operations and Changes in Fund Balance  
Regulatory Basis

## Water Utility Operating Fund

Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Revenue and other income realized:		
Fund balance utilized	\$ 2,213,240	2,116,220
Rents	4,855,726	4,862,966
Tapping and capacity fees	53,980	21,570
Water Capital Fund Balance	—	130,000
Miscellaneous revenue not anticipated	31,822	32,717
Other credits to income:		
Unexpended balances of appropriation reserves	555,679	780,458
Accounts payable cancelled	1,487	4,875
Cancellation of accrued interest on notes	120,679	103,341
Total income	<u>7,887,613</u>	<u>8,052,147</u>
Expenditures:		
Budget Appropriations:		
Salaries and wages	1,025,300	1,012,800
Other expenses	2,285,055	2,297,002
Insurance	656,750	646,750
Capital Improvement Fund	25,000	50,000
Capital outlay	55,000	130,000
Debt service	1,000,000	951,068
Deferred charges and statutory expenditures	186,135	188,600
Refund of prior year revenue	80	52
Total expenditures	<u>5,233,320</u>	<u>5,276,272</u>
Excess in revenue	2,654,293	2,775,875
Fund balance, January 1	<u>4,621,990</u>	<u>3,962,335</u>
	7,276,283	6,738,210
Decreased by utilized as anticipated revenue	<u>2,213,240</u>	<u>2,116,220</u>
Fund balance, December 31	<u>\$ 5,063,043</u>	<u>4,621,990</u>

See accompanying notes to financial statements.

**TOWNSHIP OF MAHWAH**

Statement of Revenues  
Regulatory Basis

Water Utility Operating Fund

Year Ended December 31, 2013

	<u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Fund balance anticipated	\$ 2,213,240	2,213,240	—
Rents	3,000,000	4,855,726	1,855,726
Tapping and capacity fees	<u>20,000</u>	<u>53,980</u>	<u>33,980</u>
	<u>\$ 5,233,240</u>	7,122,946	<u>1,889,706</u>
Miscellaneous revenue not anticipated		<u>31,822</u>	
		<u>\$ 7,154,768</u>	

**Analysis of Miscellaneous Revenue Not Anticipated**

Interest	\$ 10,643
Interest on water rents	13,105
Miscellaneous revenues	<u>8,074</u>
	<u>\$ 31,822</u>

See accompanying notes to financial statements.

## TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

## Water Utility Operating Fund

Year Ended December 31, 2013

	<u>Budget</u>	<u>Budget after modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
Operating:					
Salaries and wages	\$ 1,025,300	1,025,300	859,991	165,309	—
Other expenses	2,285,055	2,285,055	1,611,008	674,047	—
Insurance	656,750	656,750	623,424	33,326	—
Capital Improvement:					
Capital Improvement Fund	25,000	25,000	25,000	—	—
Capital Outlay	55,000	55,000	—	—	55,000
Debt service:					
Payment of Bond Anticipation Notes and Capital Notes	800,000	800,000	800,000	—	—
Interest on notes	200,000	200,000	200,000	—	—
Statutory expenditures - contribution to:					
Public Employees' Retirement System	86,135	86,135	86,135	—	—
Social Security System (O.A.S.I.)	85,000	85,000	62,494	22,506	—
Unemployment compensation insurance	15,000	15,000	15,000	—	—
	<u>\$ 5,233,240</u>	<u>5,233,240</u>	<u>4,283,052</u>	<u>895,188</u>	<u>55,000</u>
Encumbrances			\$ 229,341		
Accrued interest on notes			200,000		
Cash disbursed			<u>3,853,711</u>		
			<u>\$ 4,283,052</u>		

See accompanying notes to financial statements.

**TOWNSHIP OF MAHWAH**

Statement of Fund Balance  
Regulatory Basis

Water Utility Capital Fund

Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Balance, Beginning of year	\$ <u>298,750</u>	<u>370,153</u>
Increased by:		
Premium on sale of notes	<u>68,793</u>	<u>58,597</u>
	<u>68,793</u>	<u>58,597</u>
	367,543	428,750
Decreased by budget appropriation	<u>—</u>	<u>130,000</u>
Balance, End of year	\$ <u><u>367,543</u></u>	<u><u>298,750</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Balance Sheet  
Regulatory Basis

Sewer Utility Fund

December 31, 2013 and 2012

<b>Assets</b>	<b>Ref.</b>	<b>2013</b>	<b>2012</b>
Operating Fund:			
Cash	E-6	\$ <u>4,549,566</u>	<u>3,704,951</u>
Due from:			
Sewer Utility Capital Fund	E-23	1	2
Water Utility Operating Fund	E-13	—	1,415
Sewer Utility Assessment Trust Fund	E-27	<u>526</u>	<u>652</u>
		<u>527</u>	<u>2,069</u>
Receivables with full reserves:			
Sewer rents	E-8	<u>237,438</u>	<u>225,624</u>
Total Operating Fund		<u>4,787,531</u>	<u>3,932,644</u>
Capital Fund:			
Cash	E-6,E-7	572,918	578,970
Fixed Capital	E-28	25,972,240	20,667,175
Fixed capital authorized and uncompleted	E-10	<u>561,000</u>	<u>4,750,200</u>
Total Capital Fund		<u>27,106,158</u>	<u>25,996,345</u>
Assessment Trust Fund:			
Cash	E-6	1,485,180	1,613,149
Assessment Liens	E-30	4,000	—
Assessments receivable	E-20	<u>1,468,400</u>	<u>1,814,157</u>
Total Assessment Trust Fund		<u>2,957,580</u>	<u>3,427,306</u>
		<u>\$ 34,851,269</u>	<u>33,356,295</u>

TOWNSHIP OF MAHWAH

Balance Sheet  
Regulatory Basis

Sewer Utility Fund

December 31, 2013 and 2012

<b>Liabilities, Reserves and Fund Balance</b>	<b>Ref.</b>	<b>2013</b>	<b>2012</b>
<b>Operating Fund:</b>			
Appropriation reserves	E-3,E-12	\$ 244,177	317,369
Reserve for encumbrances	E-3,E-12	39,034	38,944
Accounts payable	E-9	112	762
Sewer overpayments	E-18	9,828	10,041
Reserve for arbitrage refund	E-25	45,000	45,000
Accrued interest on notes	E-24	18,200	23,000
		<u>356,351</u>	<u>435,116</u>
Reserve for receivables		237,438	225,624
Fund balance	E-1	4,193,742	3,271,904
		<u>4,787,531</u>	<u>3,932,644</u>
<b>Total Operating Fund</b>			
<b>Capital Fund:</b>			
Reserve for encumbrances	E-15	—	46,035
Bond anticipation notes payable	E-21	1,353,800	1,734,200
Reserve for:			
Amortization	E-17	24,903,925	21,183,675
Payment of debt	E-22	44,242	44,242
Deferred reserve for amortization	E-16	28,050	226,300
Capital Improvement Fund	E-19	146,947	146,947
Due to Sewer Utility Operating Fund	E-23	1	2
Improvement authorizations:			
Unfunded	E-14	267,775	2,272,962
Fund balance	E-4	361,418	341,982
		<u>27,106,158</u>	<u>25,996,345</u>
<b>Total Capital Fund</b>			
<b>Assessment Trust Fund:</b>			
Due to Sewer Utility Operating Fund	E-27	526	652
Bond anticipation notes payable	E-29	1,796,200	2,265,800
Reserve for assessments and liens	E-11	76,871	168,263
Fund balance	E-5	1,083,983	992,591
		<u>2,957,580</u>	<u>3,427,306</u>
<b>Total Assessment Trust Fund</b>			
		<u>\$ 34,851,269</u>	<u>33,356,295</u>

There were bonds and notes authorized but not issued at December 31, 2013 and 2012 of \$268,200 and \$2,373,200 respectively (Exhibit E-26).

See accompanying notes to financial statements.

**TOWNSHIP OF MAHWAH**

Statement of Operations and Changes in Fund Balance  
Regulatory Basis

Sewer Utility Operating Fund

Years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Revenue and other income realized:		
Fund balance utilized	\$ 1,669,150	1,663,710
Rents	5,679,534	5,666,992
Sewer Capital Fund Balance	—	50,000
Miscellaneous revenues not anticipated	130,330	55,465
Other credits to income:		
Unexpended balances of appropriation reserves	331,676	184,989
Accrued interest on notes canceled	139,800	123,253
Prior year accounts payable cancelled	762	—
Current appropriation cancelled	<u>629,149</u>	<u>120,000</u>
Total income	<u>8,580,401</u>	<u>7,864,409</u>
Expenditures:		
Budget appropriations:		
Operating	5,162,715	5,098,010
Capital improvements	160,000	170,000
Debt service	559,200	655,000
Deferred charges and statutory expenditures	107,235	110,700
Refund prior year revenue	<u>263</u>	<u>1,376</u>
Total expenditures	<u>5,989,413</u>	<u>6,035,086</u>
Excess in revenue	2,590,988	1,829,323
Fund balance, January 1	<u>3,271,904</u>	<u>3,106,291</u>
	5,862,892	4,935,614
Decreased by utilized as anticipated revenue	<u>1,669,150</u>	<u>1,663,710</u>
Fund balance, December 31	<u><u>\$ 4,193,742</u></u>	<u><u>3,271,904</u></u>

See accompanying notes to financial statements.

**TOWNSHIP OF MAHWAH**

Statement of Revenues  
Regulatory Basis

Sewer Utility Operating Fund

Year ended December 31, 2013

	<u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Fund balance appropriated	\$ 1,669,150	1,669,150	—
Sewer rents	4,200,000	5,679,534	1,479,534
Sewer Utility Capital - Fund Balance	<u>120,000</u>	<u>—</u>	<u>(120,000)</u>
	<u>\$ 5,989,150</u>	7,348,684	<u>1,359,534</u>
Miscellaneous revenues not anticipated		<u>130,330</u>	
		<u>\$ 7,479,014</u>	

**Analysis of Revenues Not Anticipated**

Interest on investments	\$ 64,535
Interest on Sewer rents	14,483
Miscellaneous	<u>51,312</u>
	130,330
Less interest earned in Capital and Assessment Funds	<u>55,358</u>
Cash	<u>\$ 74,972</u>

See accompanying notes to financial statements.

**TOWNSHIP OF MAHWAH**

Statement of Expenditures  
Regulatory Basis

Sewer Utility Operating Fund

Year ended December 31, 2013

	<u>Budget</u>	<u>Budget after modifi- cation</u>	<u>Paid or charged</u>	<u>Reserved</u>	<u>Cancelled</u>
Operating:					
Salaries and wages	\$ 612,900	612,900	516,291	96,609	—
Other expenses	201,815	201,815	124,084	77,731	—
Insurance	373,000	373,000	341,498	31,502	—
NW Bergen County Utilities Authority	3,975,000	3,975,000	3,478,300	27,551	469,149
Capital Improvements:					
Capital Outlay	160,000	160,000	—	—	160,000
Debt service:					
Payment of bond anticipation notes and Capital notes	384,200	384,200	384,200	—	—
Interest on notes	175,000	175,000	175,000	—	—
Statutory expenditures - contribution to:					
Public Employees' Retirement System	55,235	55,235	55,235	—	—
Social Security System	47,000	47,000	36,216	10,784	—
Unemployment compensation insurance	5,000	5,000	5,000	—	—
	<u>\$ 5,989,150</u>	<u>5,989,150</u>	<u>5,115,824</u>	<u>244,177</u>	<u>629,149</u>
Cash disbursed			\$ 4,901,790		
Accrued interest on notes			175,000		
Encumbrances			<u>39,034</u>		
			<u>\$ 5,115,824</u>		

See accompanying notes to financial statements.

**TOWNSHIP OF MAHWAH**

Statement of Fund Balance  
Regulatory Basis

Sewer Utility Capital Fund

Years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Balance, Beginning of year	\$ 341,982	311,662
Increased by:		
Premium on sale of notes	<u>19,436</u>	<u>30,320</u>
Balance, End of year	<u><u>\$ 361,418</u></u>	<u><u>341,982</u></u>

See accompanying notes to financial statements.

**TOWNSHIP OF MAHWAH**

Statement of Operations and Changes in Fund Balance  
Regulatory Basis

Sewer Utility Assessment Trust Fund

Years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Fund balance, January 1,	\$ 992,591	868,740
Increased by:		
Sewer assessments collected	<u>91,392</u>	<u>123,851</u>
Fund balance, December 31,	<u><u>\$ 1,083,983</u></u>	<u><u>992,591</u></u>

See accompanying notes to financial statements.

**TOWNSHIP OF MAHWAH**

Statement of General Fixed Assets  
Regulatory Basis

General Fixed Asset Account Group

December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Land	\$ 20,498,672	20,432,174
Buildings	20,680,469	20,580,763
Vehicular equipment	15,195,780	14,619,010
General equipment and machinery	<u>5,638,917</u>	<u>5,544,245</u>
Total fixed assets	<u>\$ 62,013,838</u>	<u>61,176,192</u>

See accompanying notes to financial statements.

# TOWNSHIP OF MAHWAH

## Notes to Financial Statements

December 31, 2013

### **(1) Summary of Significant Accounting Policies**

The accounting policies of the Township of Mahwah, State of New Jersey (the Township) conform to the accounting principles applicable to municipalities prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles. The following is a summary of the significant policies.

#### ***Reporting Entity***

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

#### ***Fund Accounting***

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the Township, the accounts of the Township are maintained in accordance with the principles of "fund accounting." This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified. The operation of each fund is accounted for with a separate set of self balancing accounts that comprise its assets, liabilities reserves, fund balance, revenues and expenditures, as appropriate.

#### ***Fund Types***

Current Fund – is used to account for all revenues and expenditures applicable to the general operations of Township departments and agencies. Federal and state grants are included in the current fund.

Trust Funds – are used to account for assets held by the Township in a trustee capacity or as an agent for individuals or other governmental agencies. Funds held by the Township which have restrictions placed on the use of such funds are recorded in the Trust Funds.

General Capital Fund – is used to account for financial resources to be used for the acquisition of general capital facilities. The major resources are derived from the sale of serial bonds and bond anticipation notes.

Water Utility Operating Fund – is used to account for all revenues and expenditures applicable to water utility operations.

Water Utility Capital Fund – is used to account for financial resources to be used for the acquisition, installation, and improvement of water utility facilities.

Sewer Utility Operating Fund – is used to account for all revenues and expenditures applicable to sewer utility operations.

Sewer Utility Capital Fund – is used to account for financial resources to be used for the acquisition, installation, and improvement of sewer utility facilities.

# TOWNSHIP OF MAHWAH

## Notes to Financial Statements

December 31, 2013

Sewer Utility Assessment Trust Fund – is used to account for the collection of assessments levied.

General Fixed Assets Account Group – is used to account for all fixed assets purchased by the current and general capital funds.

### ***Budgets and Budgetary Accounting***

An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Township of Mahwah and approved by the State Division of Local Government Services per N.J.S.A. 40A:4 et seq.

### ***Basis of Accounting***

The Township follows the following accounting policies:

#### **Revenues**

Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Receipts from Federal and state grants are realized as revenue when anticipated in the Township budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

#### **Expenditures**

Current Fund, General Capital Fund and Utility Fund expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the encumbrance accounting system. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the Township's statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 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 bonds and notes are provided on a cash basis; interest on general capital indebtedness is on the cash basis. Trust Fund expenditures are accounted for on the cash basis.

Disbursements for Current Fund and General Capital Fund inventory type items are considered expenditures at the time of purchase. Prepaid expenses are not recorded. The Township's share of contributions for fringe benefits, such as retirement plans, accrued vacation leave, litigation settlements and certain professional fees are accounted for on the cash basis.

# TOWNSHIP OF MAHWAH

## Notes to Financial Statements

December 31, 2013

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

### ***Foreclosed Property***

Real property acquired for taxes is recorded in the Current Fund at assessed valuation when such property is acquired and is fully reserved. Under GAAP property acquired for taxes would be recorded in the general fixed assets at net realizable value

### ***Interfund Receivables***

Interfund receivables created by cash transfers from the Current Fund are recorded with offsetting reserves created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in other funds are not offset by reserves.

### ***Deferred Charges to Future Taxation Funded and Unfunded***

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

### ***Fixed Assets***

#### **Current Fund and General Capital Fund**

Property and equipment purchased by the Current Fund and the General Capital Fund are recorded as expenditures at the time of purchase. Fixed assets are capitalized at cost in the General Fixed Assets Account Group.

Property and equipment purchased by the Utility Funds are also recorded as expenditures at the time of purchase and are capitalized at cost in the Utility Capital Funds as fixed capital.

# TOWNSHIP OF MAHWAH

## Notes to Financial Statements

December 31, 2013

### *Use of Estimates*

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

### **(2) Retirement Systems**

Substantially all of the Township's employees participate in one of the following contributory defined benefit public employee retirement systems (retirement systems) which have been established by State statute: the Public Employees Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS). These systems are sponsored and administered by the State of New Jersey.

#### ***Police and Firemen's Retirement System***

Police and Firemen's Retirement Systems (PFRS)--is a cost-sharing multiple-employer contributory defined benefit plan which 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 substantially all full time county and municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees with vesting occurring after 10 years of membership.

#### ***Public Employees' Retirement System***

Public Employees' Retirement System (PERS)--is a cost-sharing multiple-employer contributory defined benefit plan which was established as of January 1, 1955, under the provision N.J.S.A. 43:15A to provide retirement, death and disability benefits, including post-retirement health care, to substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

#### ***Defined Contribution Retirement Program***

The Defined Contribution Retirement Program, herein referred to as 'DCRP', was established July 1, 2007 under the provisions of Chapters 92 and 103, P.L. 2007. Individuals eligible for membership in the DCRP include local officials who are elected or appointed on or after July 1, 2007; and employees enrolled in the PERS on or after July 1, 2007 who earn salary in excess of established "maximum compensation" limits.

A local elected official is any individual who holds elected public office. Officials elected on or after July 1, 2007 will only be enrolled in DCRP. Elected officials already enrolled in PERS prior to July 1, 2007 based on elected office will remain a PERS member while serving in that same elected office. Any break in service or election to a different elected office will automatically enroll the elected official in DCRP. If a retired member of another State-administered retirement system is elected to office, that elected official can choose to either continue receiving retirement benefits from the former employment or suspend such benefits and participate in DCRP.

## TOWNSHIP OF MAHWAH

### Notes to Financial Statements

December 31, 2013

A local appointed official is any individual appointed by the governor, including those requiring advice and consent of the Senate, or an individual appointed in a similar manner by the governing body of a local public entity. On or after July 1, 2007, a newly appointed official who does not have an existing PERS account will only be enrolled in the DCRP. Appointed officials already enrolled in PERS prior to July 1, 2007 will remain a PERS member while serving in that same appointed office.

An appointed official is permitted to join or remain in PERS if that appointed official holds a professional license or certificate to perform and is serving in any of the following capacities: Certified Health Officer, Tax Collector, Chief Financial Officer, Construction Code Official, Qualified Purchasing Agent, Tax Assessor, Municipal Planner, Registered Municipal Clerk, Licensed Uniform Subcode Inspector, or Principal/Certified Public Works Manager.

Additional minimum DCRP eligible criteria for a newly elected or appointed official are the same as for a PERS position. However, in the case of DCRP, eligible officials can elect an irrevocable waiver of their participation when earning less than \$5,000 annually.

Eligible PERS members are enrolled in the DCRP when annual salary exceeds the maximum compensation limit. This may occur upon enrollment into the PERS when an annual base salary is reported on the enrollment application that will exceed the maximum compensation; or when PERS member's annual salary is increased to where it will exceed the maximum compensation and it is reported by the employer to the Division of Pensions and benefits.

Enrolled members contribute 5.5% of the base salary to a tax-deferred investment account established with Prudential Financial, which administers the DCRP for the Division of Pensions and Benefits. Members enrolled due to income levels in excess of maximum compensation limits only contribute based on that amount in excess. Member contributions are matched by a 3% employer contribution.

Newly eligible and enrolled members that have existing DCRP accounts or are active or vested members of another State-administered retirement system are immediately vested in DCRP. Conversely, those officials not qualifying for immediate vesting in DCRP will become fully vested upon commencement of their second year of membership. In such case that there is no eligible second year of membership, all employee and employer contributions will be refunded to the appropriate contributing parties.

DCRP members may elect to receive all or a portion of the account in a lump-sum distribution, or as a fixed term or life annuity. There is no minimum retirement age under the DCRP. Any distributions of mandatory contributions will automatically render the member retired. Lump-sum cash distributions to members under the age of 55 are limited to the member's contributions and earnings. Employer matching contributions and earnings are only available after the age of 55. A member may begin collecting an annuity or take a cash distribution at any time after termination of employment, but will no longer be eligible to participate in any State-administered retirement system upon a return to public employment in New Jersey.

DCRP members are covered by employer-paid life insurance, payable to their designated beneficiaries, in the amount of 1 ½ times the annual base salary on which DCRP contributions were based. This benefit continues for up to two years if on an approved leave of absence without pay for personal illness. Life insurance may also be available to members upon retirement at an amount reduced to 3/16 of the annual base salary on which DCRP contributions were based who qualify by being 60 or older with 10 years of participation in DCRP or any age with 25 years of participation. In the case of

# TOWNSHIP OF MAHWAH

## Notes to Financial Statements

December 31, 2013

members enrolled due to income levels in excess of maximum compensation limits, years of participation in either scenario would also include participation in PERS.

DCRP members are eligible employer-paid long term disability coverage after one year of participation. Eligibility occurs after six consecutive months of total disability. Members would receive a regular monthly income benefit up to 60% of the base salary on which DCRP contributions were based during 12 months preceding the onset of the disability, offset by any other periodic benefit the member may be receiving. Benefits will be paid so long the member remains disabled or until the age of 70. Benefits terminate should the member begin receiving retirement annuity payments.

### ***Other Pension Funds***

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of several State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local governmental employers do not appropriate funds to SACT.

The State also administers the Pension Adjustment Fund (PAF) which provides cost of living increases, equal to 60 percent of the change in the average consumer price index, to eligible retirees in all State-sponsored pension systems except SACT. The cost of living increases for PFRS and PERS are funded directly by each of the respective systems and are considered in the annual actuarial calculation of the required State contribution for that system.

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

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

### ***Significant Legislation***

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

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

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of  $\frac{1}{4}$  of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.

**TOWNSHIP OF MAHWAH**

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

***Funding Policy***

***Contribution Requirements:***

The contribution policy for PFRS and PERS is set by New Jersey State statutes and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Members of PFRS contribute at a uniform rate of 10.0% of base salary, as defined. Members of PERS contribute at a uniform rate of 6.50% of base salary, as defined. Employers are required to contribute at an actuarially determined rate in all Funds. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PFRS and PERS. In the PERS the employer contribution includes funding for post-retirement medical premiums.

***Township Contributions:***

The Township’s required contributions were as follows:

		<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
PERS	\$	722,972	762,914	761,744	616,635	522,615
PFRS	\$	1,532,352	1,542,527	1,752,196	1378,992	1,346,627
DCRP	\$	2,763	1,632	1,200	516	315

**(3) Municipal Debt**

**Summary of Municipal Debt  
(Excluding Current and Utility Operating Debt and Type I School Debt)**

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Issued:			
General - bonds and notes	\$ 29,900,000	30,710,000	31,680,000
Water Utility - notes	6,900,000	7,700,000	6,800,000
Sewer Utility - notes	1,353,800	1,734,200	4,480,000
Sewer Utility - Assessment notes	1,796,200	2,265,800	—
Total issued	<u>39,950,000</u>	<u>42,410,000</u>	<u>42,960,000</u>

**TOWNSHIP OF MAHWAH**

Notes to Financial Statements

December 31, 2013

Authorized but not issued:			
General - bonds and notes	130,123	110,720	217,454
Water Utility - bonds and notes	2,678,255	2,678,255	3,228,256
Sewer Utility - bonds and notes	<u>268,200</u>	<u>2,373,200</u>	<u>2,373,200</u>
Total authorized but not issued	<u>3,076,578</u>	<u>5,062,175</u>	<u>5,818,910</u>
Total bonds and notes issued and authorized but not issued	\$ <u>43,026,578</u>	<u>47,472,175</u>	<u>48,778,910</u>

**Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicates a statutory net debt of .464%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local school district debt	\$ 15,197,000	15,197,000	—
Water Utility debt	9,578,255	9,578,255	—
Sewer Utility debt	3,418,200	3,418,200	—
General debt	<u>30,030,123</u>	<u>1,374,732</u>	<u>28,655,391</u>
	\$ <u>58,223,578</u>	<u>29,568,187</u>	<u>28,655,391</u>

Net debt of \$28,655,391 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$6,175,714,462 equals .464%.

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

3-1/2% of equalized valuation basis (municipal)	\$216,150,006
Net debt	<u>28,655,391</u>
Remaining borrowing power	\$ <u>187,494,615</u>

This a summary of following bonded debt for the year ended December 31, 2013:

	<u>Dec. 31, 2012</u>	<u>Increases</u>	<u>Deductions</u>	<u>Dec. 31, 2013</u>
Sewer Utility Capital Fund	\$ —	—	—	—
Water Utility Capital Fund	—	—	—	—
Sewer Utility Assessment Fund	—	—	—	—
General Capital Fund	<u>23,910,000</u>	—	<u>1,960,000</u>	<u>21,950,000</u>
	\$ <u>18,500,000</u>	—	<u>1,960,000</u>	<u>21,950,000</u>

**TOWNSHIP OF MAHWAH**

Notes to Financial Statements

December 31, 2013

Bond debt service requirements at December 31, 2013 were as follows;

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>
2014	\$2,055,000	873,831
2015	2,140,000	793,512
2016	2,225,000	716,112
2017	2,270,000	641,438
2018	2,285,000	550,137
2019-2023	9,975,000	1,337,624
2024	1,000,000	20,000
	<u>\$21,950,000</u>	<u>4,932,654</u>

**(4) Bond Anticipation Notes**

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. Generally such notes must be paid no later than the first day of the fifth month following the close of the tenth fiscal year next following the date of the original notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. Legal installments must continue to be paid if the notes are to be renewed beyond the third anniversary date of the original issuance.

At December 31, 2012 and 2013, the Township had outstanding bond anticipation notes as follows:

	<u>Dec. 31, 2012</u>	<u>Increases</u>	<u>Deductions</u>	<u>Dec. 31, 2013</u>
Sewer Utility Capital Fund	\$ 1,734,200	1,353,800	1,734,200	1,353,800
Water Utility Capital Fund	7,700,000	6,900,000	7,700,000	6,900,000
Sewer Utility Assessment Fund	2,265,800	1,796,200	2,265,800	1,796,200
General Capital Fund	6,800,000	7,950,000	6,800,000	7,950,000
	<u>\$ 18,500,000</u>	<u>18,000,000</u>	<u>18,500,000</u>	<u>18,000,000</u>

It is the Township's intention to retire the Sewer and Water Capital notes through the budget without going to permanent financing.

**(5) Fund Balances Appropriated**

Fund balances appropriated and included as anticipated revenue in the 2014 budgets are as follows:

Current Fund	\$ 4,100,000
Water Utility Operating Fund	2,569,986
Sewer Utility Operating Fund	1,756,136

**TOWNSHIP OF MAHWAH**

Notes to Financial Statements

December 31, 2013

**(6) 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 Township Current Fund had the following deferred charges to be raised in the 2014 or subsequent budgets.

	<b>Balance, Dec. 31, <u>2013</u></b>	<b>2014 Budget <u>Appropriation</u></b>
Current Fund:		
Special emergencies	\$ —	—
Emergency	—	—

**(7) Deferred Compensation Plans**

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary to future years. Individuals are one hundred percent vested. The plan, which began formal operations on November 13, 1985, is funded solely from voluntary employee payroll deductions. Distribution is available to employees upon termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are solely property and rights of the individual contributors and are not subject to the claims of the Township's general creditors.

The Public Employees Benefit Services Corporation, Columbus, Ohio, the ICMA Retirement Corporation, Washington, D.C. and Lincoln National Insurance Company, Fort Wayne, Indiana were chosen to serve as the plan's trustees.

**(8) Accrued Sick and Vacation Benefits**

The Township permits employees to accrue unused vacation pay, which may be taken as time off or paid at a later date upon absence. It is estimated that the current cost of such unpaid compensation approximates \$2,630,843 and \$2,614,092 for the years ended December 31, 2013 and 2012 respectively.. This amount, in accordance with state accounting requirements, is not reported either as an expenditure or liability.

**(9) Contingencies**

Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2013. The Township is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the Township does not recognize a liability, if any, until these cases have been adjudicated. Funding of any ultimate liability would be provided for in succeeding years' budgets or through a refunding bond ordinance which would allow the Township to fund these liabilities over a number of years.

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

# TOWNSHIP OF MAHWAH

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The Township participates in numerous Federal and State of New Jersey grant programs which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the Township has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivables at December 31, 2013 may be impaired. In the opinion of the Township, there are no significant contingent liabilities relating to compliance with rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying financial statements for such contingencies.

### (10) Risk Retention Program

On January 1, 2012 the Township medical self insurance policy was renewed with a maximum annual retention per individual of \$70,000 and a \$450,000 group corridor and a minimum annual aggregate deductible of approximately \$5,363,092. This amount was funded with budget appropriations from the Current, Water and Sewer Utility Funds which amounts were not totally expended in 2013. Employees contributed approximately \$299,905 towards the cost of coverage.

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

### (11) Fixed Assets

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

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

The Township's fixed assets are summarized as follows:

	<b>Balance</b>			<b>Balance</b>
	<b>Dec 31, 2012</b>	<b>Additions</b>	<b>Dispositions</b>	<b>Dec. 31, 2013</b>
General Fixed Assets:				
Land and buildings	\$ 20,432,174	66,498	—	20,498,672
Buildings	20,580,763	99,706	—	20,680,469
Vehicular equipment	14,619,010	652,799	76,029	15,195,780
General equipment	5,544,245	94,672	—	5,638,917
	<u>61,176,192</u>	<u>913,675</u>	<u>76,029</u>	<u>62,013,838</u>
Water Utility				
Acq. and impvt. of plant	157,623	—	—	157,623
Bond issue expenses	1,665	—	—	1,665
Professional services	62,397	—	—	62,397
Interest	12,342	—	—	12,342
General equipment	148,361	—	—	148,361
Pump house and pumps	91,372	—	—	91,372

**TOWNSHIP OF MAHWAH**

Notes to Financial Statements

December 31, 2013

Water Utility (Continued)

Supply and distrib. system	6,090,444	1,900,000	—	7,990,444
Vehicle equipment	72,810	—	—	72,810
Wells	978,957	—	—	978,957
Acquisition of land	856,834	—	—	856,834
	<u>8,472,805</u>	<u>1,900,000</u>	<u>—</u>	<u>10,372,805</u>

Sewer Utility:

Sanitary sewer system	20,024,208	5,208,865	3,800	25,329,273
Sewer cleaning machine	90,000	—	—	90,000
Sewer jet truck	196,692	—	—	196,692
Darlington Project	241,275	—	—	241,275
Generators	65,000	—	—	65,000
Sewer mains	50,000	—	—	50,000
	<u>\$ 20,667,175</u>	<u>5,208,865</u>	<u>3,800</u>	<u>25,972,240</u>

	<b>Balance Dec 31, 2011</b>	<b>Additions</b>	<b>Dispositions</b>	<b>Balance Dec. 31, 2012</b>
<b>General Fixed Assets:</b>				
Land and buildings	\$ 20,328,759	103,415	—	20,432,174
Buildings	20,580,763	—	—	20,580,763
Vehicular equipment	14,452,193	299,749	132,932	14,619,010
General equipment	5,454,307	104,533	14,595	5,544,245
	<u>60,816,022</u>	<u>507,697</u>	<u>147,527</u>	<u>61,176,192</u>
<b>Water Utility:</b>				
Acq. and impvt. of plant	157,623	—	—	157,623
Bond issue expenses	1,665	—	—	1,665
Professional services	62,397	—	—	62,397
Interest	12,342	—	—	12,342
General equipment	148,361	—	—	148,361
Pump house and pumps	91,372	—	—	91,372
Supply and distrib. system	6,090,444	—	—	6,090,444
Vehicle equipment	72,810	—	—	72,810
Wells	978,957	—	—	978,957
Acquisition of land	856,834	—	—	856,834
	<u>8,472,805</u>	<u>—</u>	<u>—</u>	<u>8,472,805</u>
<b>Sewer Utility:</b>				
Sanitary sewer system	17,858,408	2,265,800	100,000	20,024,208
Sewer cleaning machine	90,000	—	—	90,000
Sewer jet truck	196,692	—	—	196,692
Darlington Project	241,275	—	—	241,275
Generators	65,000	—	—	65,000
Sewer mains	50,000	—	—	50,000
	<u>\$ 18,501,375</u>	<u>2,265,800</u>	<u>100,000</u>	<u>20,667,175</u>

**TOWNSHIP OF MAHWAH**

Notes to Financial Statements

December 31, 2013

**(12) Interfund Balances**

The Township has interfund balances at December 31, 2013 and 2012 as follows:

	2013		2012	
	Due From	Due To	Due From	Due To
Current Fund:				
Other Trust Fund	\$ 77		112	\$
Dog License Fund	12,600		7,108	
Federal and State Grant Fund	247,994		253,436	
General Capital Fund	11		17	
Water Operating Fund		\$		
Federal and State Grant Fund:				
Current Fund		247,994		253,436
Other Trust Fund				
Current Fund		77		112
Dog License Fund:				
Current Fund		12,600		7,108
General Capital Fund:				
Current Fund		11		17
Water Utility Operating Fund:				
Water Utility Capital Fund	7		10	
Current Fund				
Sewer Utility Operating Fund				1,415
Water Utility Capital Fund:				
Water Utility Operating Fund		7		10
Sewer Utility Operating Fund:				
Sewer Utility Capital Fund	1		2	
Sewer Utility Assessment Fund	526		652	
Water Utility Operating Fund			1,415	
Sewer Utility Capital Fund:				
Sewer Utility Operating Fund		1		2
Sewer Utility Assessment Fund:				
Sewer Utility Operating Fund		526		652

**(13) Volunteer Length of Service Award Plan (Unaudited)**

The Township established a Volunteer Length of Service Award Plan (LOSAP) on behalf of the volunteer firefighters, rescue workers, emergency medical services and ambulances services. The Township contributions to the LOSAP are vested after five years of service and are not taxable to the volunteers until receipt of such funds by the volunteer due to retirement, termination after vesting, death or disability or unforeseeable emergency. Lincoln National Insurance Company, Fort Wayne, Indiana was chosen to serve as the plan's trustee. All amounts contributed under the plan are recorded in the Deferred Award Revolving Fund and shall remain the assets of the Township and are subject to the claims of the Township's general creditors until distributed to the participants.

# TOWNSHIP OF MAHWAH

## Notes to Financial Statements

December 31, 2013

Township activity for the years ended December 31, 2013 and 2012 are as follows; contributions for the year amounted to \$205,200 and \$210,576, distributions were \$47,485 and \$92,320, account fees were \$5,976 and \$6,322 and the (loss)/gain on investments was (\$13,889) and \$215,548. The total value of plan assets at December 31, 2013 and 2012 were \$2,843,166 and \$2,190,459 as determined by the trustees.

### **(14) Cash**

Cash and cash equivalents includes amounts on deposit, and short term investments with original maturities of three months or less from the date of acquisition.

#### *Deposits*

New Jersey statutes require that municipalities deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. Municipalities are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

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

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

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

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

GASB Statement No. 40, Deposit and Investment Risk Disclosures, requires disclosure of bank deposits that are subject to custodial credit risk. The custodial credit risk for deposits is the risk that, in the event of the failure of a depository institution, the Township will not be able to recover deposits or will not be able to recover collateral securities that may be in the possession of an outside party. As of December 31, 2013 the Township's bank deposits are insured or covered by the State's Government Unit Deposit Protection Act.

### **(15) Taxes Receivable, Tax Title Liens**

In accordance with the accounting principles prescribed by the State of New Jersey, taxes receivable and tax title liens are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible.

## TOWNSHIP OF MAHWAH

### Notes to Financial Statements

December 31, 2013

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

#### **(16) Post Employment Healthcare Plan**

*Plan description.* Township of Mahwah Health Benefits Plan (MHBP) is a single employer defined benefit healthcare plan administered by the Township of Mahwah. MHBP provides medical and dental insurance benefits to eligible retirees and their spouses and dependents. Ordinance 1407 adopted December 20, 2001 assigns the authority to establish and amend benefit provisions to the governing body.

*Funding Policy.* The contributions requirements of the Township and plan members are established and may be amended by the governing body. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2012 and 2013 the Township contributed \$1,720,078 and \$1,448,270, respectively to the plan. There are no required contributions from retirees.

*Annual Required Contribution.* The Annual Required Contribution (ARC) is the measure of annual cost on an accrual basis. It is comprised of the "Normal Cost" which is the portion of future liabilities attributable to the measurement year, plus 30 year amortization of the "Unfunded Accrued Liability". As of December 31, 2013 the plan had no assets to offset any portion of the Actuarial Accrued Liability. Accounting requirements prescribed by the Division of local Government Services, Department of Community Affairs, State of New Jersey prohibit the Township from accumulating assets for that purpose. The ARC as of December 31, 2012 is \$2,020,098.

*Unfunded Accrued Liability.* The Unfunded Actuarial Accrued Liability at December 31, 2012 is \$27,319,076 based upon a discount rate of 4.5% per annum and plan provisions in effect at December 31, 2012.

*Actuarial Assumptions.* New Jersey Local Finance Notice 2007-15 calls for measurement of actuarial liability which can be met by using actuarial assumptions used by the State Division of Pensions and Benefits consultants in evaluating the State's OPEB obligation. The purpose of this is to provide consistency between local governments.

ADDITIONAL FINANCIAL INFORMATION

TOWNSHIP OF MAHWAH

Schedule of Cash - Treasurer

Current Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$ <u>10,455,187</u>
Increased by receipts:	
Collector of taxes	93,878,304
Revenue accounts receivable	9,320,907
Miscellaneous revenue not anticipated	699,167
Due from State of New Jersey	193,101
Due to Grant Fund - appropriated grants received	378,976
Due to Grant Fund - unappropriated grants received	32,797
Prepaid health licenses	1,200
Various reserves	123,915
Due from Dog License Fund	7,108
Due from General Capital Fund	221,210
Due from Other Trust Fund	608
Prior year checks cancelled	480
	<u>104,857,773</u>
	<u>115,312,960</u>
Decreased by disbursements:	
Budget appropriations	30,235,039
Appropriation reserves	1,204,113
Local district school taxes	57,101,159
County taxes	14,123,039
Municipal open space tax	566,743
Due County for added taxes	17,473
Due from Other Trust Funds	573
Various reserves	190,028
Grant expenditures	409,198
Encumbrances	97,508
Tax overpayment refunds	11,959
Refund of tax appeals	899,857
Refund of prior year revenue	8,937
	<u>104,865,626</u>
Balance, December 31, 2013	\$ <u><u>10,447,334</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Cash - Tax Collector

Current Fund

Year ended December 31, 2013

Receipts:		
Taxes receivable	\$	93,252,684
Tax overpayments		9,004
Prepaid taxes		615,583
Tax title liens receivable		<u>1,033</u>
Decreased by deposit in Treasurer's account	\$	<u><u>93,878,304</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Due from (to) State of New Jersey -  
Senior Citizens' and Veterans' Deductions

Current Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$ <u>4,886</u>
Increased by:	
Senior Citizens' deductions per duplicate	33,750
Veterans' deductions per duplicate	164,500
Senior Citizens' deductions allowed by tax collector	1,750
Veterans' deductions allowed by tax collector	<u>1,500</u>
	<u>201,500</u>
	<u>206,386</u>
Decreased by:	
Cash received	193,101
Senior Citizens' and Veterans' deductions disallowed	17,136
Senior Citizens' and Veterans' deductions disallowed - 2012	<u>4,034</u>
	<u>214,271</u>
Balance, December 31, 2013	\$ <u><u>(7,885)</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Taxes Receivable

Current Fund

Year ended December 31, 2013

Year	Balance, Dec. 31, 2012	2013 levy	Added Taxes	Cash collections		Transferred to tax title liens	Cancelled	Balance, Dec. 31, 2013
				2012	2013			
2012	493,789		27,585	—	503,646	4,929	12,549	250
	493,789	—	27,585	—	503,646	4,929	—	250
2013	—	94,244,710	61,357	457,998	92,933,402	31,436	404,194	479,037
	\$ 493,789	94,244,710	88,942	457,998	93,437,048	36,365	404,194	479,287
Senior Citizens' and Veterans' deductions					\$ 184,364			
Cash					93,252,684			
					\$ 93,437,048			

**Analysis of Property Tax Levy**

Tax yield:

General purpose tax	\$ 94,244,710
Added and omitted taxes	61,357
	<u>\$ 94,306,067</u>

Tax levy:

County taxes	\$ 13,967,872
County Open Space	155,167
Local district school taxes	57,101,159
Due County for added taxes	9,218
Local tax for municipal purposes	22,449,691
Municipal open space	566,743
Additional taxes levied	56,217
	<u>\$ 94,306,067</u>

**TOWNSHIP OF MAHWAH**

Schedule of Tax Title Liens

Current Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$	259,554
Increased by:		
Transferred from taxes receivable		<u>36,365</u>
		295,919
Decreased by:		
Cash received		<u>1,033</u>
Balance, December 31, 2013	\$	<u><u>294,886</u></u>

## TOWNSHIP OF MAHWAH

## Schedule of Revenue Accounts Receivable

## Current Fund

Year ended December 31, 2013

	<b>Balance, Dec. 31, 2012</b>	<b>Accrued in 2013</b>	<b>Collected by Treasurer</b>	<b>Balance, Dec. 31, 2013</b>
Clerk:				
Alcoholic beverage license	\$ —	30,804	30,804	—
Licenses - other	—	55,905	55,905	—
Fees and permits	—	66,981	66,981	—
Fines and costs - municipal court	26,066	363,217	364,838	24,445
Interest and costs on taxes	—	119,290	119,290	—
Interest on investments and deposits	—	16,274	16,274	—
Rental of Township owned property	—	225,247	225,247	—
Fire Safety Act fees	—	175,328	175,328	—
Energy Receipts Tax (P.L. 1999, Ch 162 & 167)	—	4,909,572	4,909,572	—
Uniform construction code official	—	1,638,991	1,638,991	—
Swim and Tennis Club fees	—	136,070	136,070	—
Reserve for Open Space	—	550,000	550,000	—
Reserve for Debt Service	—	315,000	315,000	—
Municipal Hotel/Motel Occupancy Tax	—	875,076	875,076	—
Library Contribution	—	11,282	11,282	—
Cable television franchise fee	—	157,170	157,170	—
	<u>\$ 26,066</u>	<u>9,489,037</u>	<u>9,647,828</u>	<u>24,445</u>
Cash			\$ 9,320,907	
Reserve for Payment of Debt			315,000	
Due from General Capital - interest			139	
Reserve for Library Contribution			11,282	
Prepaid health licenses			<u>500</u>	
			<u>\$ 9,647,828</u>	

## TOWNSHIP OF MAHWAH

## Schedule of Appropriation Reserves

## Current Fund

Year ended December 31, 2013

	<u>Balance Dec. 31, 2012</u>	<u>Transfer of encum- brances</u>	<u>Transfers</u>	<u>Balance after transfers</u>	<u>Paid or charged</u>	<u>Unexpended balances lapsed</u>
General appropriations:						
Operations within "CAPS":						
Legislation:						
Township Council:						
Salaries and wages	\$ 7,000	—	—	7,000	—	7,000
Other expenses	1,402	268	—	1,670	349	1,321
Office of the Township Clerk:						
Salaries and wages	1,859	—	—	1,859	—	1,859
Other expenses	11,498	2,925	—	14,423	3,539	10,884
Election:						
Salaries and wages	412	—	—	412	—	412
Other expenses	1,803	350	—	2,153	350	1,803
Animal Control:						
Other expenses	3,520	2,820	—	6,340	2,760	3,580
Administration:						
Office of the Mayor:						
Other expenses	2,387	50	—	2,437	189	2,248
Office of the Business Administrator:						
Salaries and wages	1,167	—	—	1,167	—	1,167
Other expenses	7,226	2,272	—	9,498	3,621	5,877
Insurance:						
Comprehensive business liability insurance:						
Other expenses	11,072	96,833	—	107,905	107,905	—
Employee medical insurance:						
Other expenses	57,899	5,942	—	63,841	63,841	—
Workers Compensation Insurance:						
Other expenses	4,711	111,322	—	116,033	111,322	4,711
Employee optical plan:						
Other expenses	0	—	—	—	—	—
Employee physicals:						
Other expenses	10,000	26,305	—	36,305	15,721	20,584
Health Benefit Waiver						
Other expenses	845	—	—	845	—	845
Employee life insurance:						
Other expenses	12,822	—	—	12,822	—	12,822
Insurance miscellaneous:						
Other expenses	5,413	—	—	5,413	—	5,413
Unemployment Compensation Insurance						
Other expenses	0	—	—	—	—	—
Health and Safety Programs						
Other expenses	3,694	5,627	—	9,321	5,883	3,438
Division of Law:						
Other expenses	17,067	24,198	12,500	53,765	53,118	647
Division of Engineering:						
Other expenses	2,567	30,003	—	32,570	5,238	27,332
Municipal Land Use Law (N.J.S.A. 40:55):						
Division of Planning and Zoning:						
Salaries and wages	11,333	—	—	11,333	—	11,333
Other expenses	26,857	15,591	(5,000)	37,448	6,478	30,970
Division of Finance:						
Bureau of Treasury:						
Salaries and wages	529	—	—	529	—	529
Other expenses	495	—	—	495	—	495
Bureau of Collections:						
Salaries and wages	608	—	—	608	—	608
Other expenses	2,116	733	—	2,849	139	2,710
Bureau of Assessment:						
Salaries and wages	49	—	—	49	—	49
Other expenses	724	168	—	892	—	892

(continued)

## TOWNSHIP OF MAHWAH

## Schedule of Appropriation Reserves

## Current Fund

Year ended December 31, 2013

	<u>Balance Dec. 31, 2012</u>	<u>Transfer of encum- brances</u>	<u>Transfers</u>	<u>Balance after transfers</u>	<u>Paid or charged</u>	<u>Unexpended balances lapsed</u>
General appropriations:						
Auditor:						
Other expenses	\$ 6,500	3,500	—	10,000	3,500	6,500
DPW administration:						
Salaries and wages	1,972	—	—	1,972	—	1,972
Other expenses	445	503	—	948	503	445
DPW streets and roads:						
Salaries and wages	66	—	—	66	—	66
Other expenses	15,842	19,869	—	35,711	19,634	16,077
DPW buildings and grounds:						
Salaries and wages	2,143	—	—	2,143	—	2,143
Other expenses	12,483	23,841	—	36,324	22,871	13,453
DPW emergency services:						
Other expenses	13,770	16,859	—	30,629	12,905	17,724
DPW parks and playgrounds:						
Salaries and wages	47	—	—	47	—	47
Other expenses	14,287	16,661	—	30,948	16,009	14,939
DPW recycling:						
Salaries and wages	3,689	—	—	3,689	—	3,689
Other expenses	1,570	447	—	2,017	447	1,570
DPW motor pool:						
Salaries and wages	737	—	—	737	—	737
Other expenses	20,170	75,773	(2,500)	93,443	65,719	27,724
DPW snow removal:						
Salaries and wages	56,213	—	—	56,213	—	56,213
Other expenses	46,300	69,847	—	116,147	70,697	45,450
DPW overtime:						
Salaries and wages	13,409	—	—	13,409	—	13,409
Sanitation:						
Collection service:						
Other expenses	10,833	62,834	—	73,667	62,833	10,834
Disposal:						
Other expenses	26,358	63,312	(7,500)	82,170	48,246	33,924
Disposal/Recyclables:						
Other expenses	286	2,060	—	2,346	1,560	786
Municipal Services Act:						
Other expenses	25,227	41,264	—	66,491	61,264	5,227
Board of Health:						
Board of Health administration:						
Salaries and wages	556	—	—	556	—	556
Other expenses	8,055	3,778	—	11,833	4,203	7,630
Health Officer services (Paramus):						
Other expenses	310	—	—	310	—	310
Drug Center agreement:						
Other expenses	—	—	—	—	—	—
Visiting Nurse service:						
Other expenses	—	—	—	—	—	—
West Bergen Mental Health Agreement:						
Other expenses	—	—	—	—	—	—
Department of Police:						
Police administration:						
Salaries and wages	115	—	—	115	—	115
Other expenses	2,633	28,613	2,500	33,746	31,586	2,160
Police records:						
Salaries and wages	36	—	—	36	—	36
Police patrol:						
Salaries and wages	6,514	—	—	6,514	—	6,514
Police dispatchers:						
Salaries and wages	1,992	—	—	1,992	810	1,182

(continued)

## TOWNSHIP OF MAHWAH

## Schedule of Appropriation Reserves

## Current Fund

Year ended December 31, 2013

	Balance Dec. 31, 2012	Transfer of encum- brances	Transfers	Balance after transfers	Paid or charged	Unexpended balances lapsed
General appropriations:						
Police detectives:						
Salaries and wages	\$ 1,578	—	—	1,578	—	1,578
Police crossing guards:						
Salaries and wages	301	—	—	301	—	301
Police purchase of police cars:						
Other expenses	18	43,139	—	43,157	43,139	18
Police supplemental programs: Municipal Alliance/ DARE						
Other expenses	500	—	—	500	—	500
Emergency Management:						
Bureau of Emergency Management:						
Salaries and wages	10	—	—	10	—	10
Other expenses	8,085	24,457	—	32,542	24,527	8,015
Fire Department:						
Salaries and wages	1,337	—	—	1,337	—	1,337
Other expenses	16,432	60,011	—	76,443	51,878	24,565
Bureau of Fire Prevention:						
Salaries and wages	1,569	—	—	1,569	—	1,569
Other expenses	1,038	354	—	1,392	353	1,039
Division of Human Services:						
Salaries and wages	815	—	—	815	—	815
Other expenses	1,028	—	—	1,028	—	1,028
Senior Citizens activities:						
Salaries and wages	71	—	—	71	—	71
Other expenses	9,700	5,503	—	15,203	5,163	10,040
Access Transportation:						
Salaries and wages	1,545	—	—	1,545	—	1,545
Other expenses	1,104	20	—	1,124	20	1,104
Boards, Commissions and Committees:						
Environmental Commission:						
Other expenses	2,945	—	—	2,945	—	2,945
Housing Commission:						
Other expenses	1,050	—	—	1,050	—	1,050
Historic Preservation Commission:						
Other expenses	3,760	—	—	3,760	—	3,760
Recreation:						
Salaries and wages	179	—	—	179	—	179
Other expenses	13,585	8,403	—	21,988	8,403	13,585
Municipal Pool:						
Salaries and wages	1,781	—	—	1,781	—	1,781
Other expenses	21,305	37,534	—	58,839	20,035	38,804
Municipal Prosecutor						
Other expenses	2,200	—	—	2,200	—	2,200
Municipal Court:						
Salaries and wages	1,218	—	—	1,218	—	1,218
Other expenses	3,089	2,412	—	5,501	2,592	2,909
Public Defender:						
Other expenses	9,104	1,059	—	10,163	3,280	6,883
Computer Equipment/Consultant	—	1,937	—	1,937	1,906	31
Community Cable Television:						
Other expenses	1,442	1,014	—	2,456	1,014	1,442
Uniform Construction Code-Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):						
Uniform Construction Code official:						
Salaries and wages	870	—	—	870	—	870
Other expenses	8,604	1,713	—	10,317	1,713	8,604
Building Sub-code official:						
Salaries and wages	236	—	—	236	—	236
Plumbing Sub-code official:						
Salaries and wages	85	—	—	85	—	85

(continued)

TOWNSHIP OF MAHWAH

Schedule of Appropriation Reserves

Current Fund

Year ended December 31, 2013

	<u>Balance Dec. 31, 2012</u>	<u>Transfer of encum- brances</u>	<u>Transfers</u>	<u>Balance after transfers</u>	<u>Paid or charged</u>	<u>Unexpended balances lapsed</u>
General appropriations:						
Electrical Sub-code official:						
Salaries and wages	\$ 6,673	—	—	6,673	—	6,673
Fire Sub-code official:						
Salaries and wages	182	—	—	182	—	182
Unclassified:						
Central accounts:						
Gasoline	18,964	9,921	—	28,885	20,430	8,455
Fuel oil - Diesel	27,828	4,001	—	31,829	29,451	2,378
Electricity	76,081	—	—	76,081	17,519	58,562
Street lighting	42,416	—	—	42,416	16,781	25,635
Telephone	17,673	1,281	—	18,954	15,220	3,734
Telecommunication	512	276	—	788	352	436
Natural gas	47,012	—	—	47,012	11,035	35,977
Heating oil	319	8,845	—	9,164	4,556	4,608
Photocopying	4,270	4,210	—	8,480	3,328	5,152
Printing and binding	17,317	3,122	—	20,439	3,181	17,258
Postage	8,634	16,263	—	24,897	16,263	8,634
Office supplies	8,900	4,882	—	13,782	5,071	8,711
Tuition Reimbursement Account	1,055	945	—	2,000	945	1,055
Contingent	5,000	—	—	5,000	1,043	3,957
Deferred charges and statutory expenditures - municipal within "CAPS":						
Statutory expenditures - contributions to:						
Social Security System (O.A.S.I.)	27,509	5	—	27,514	—	27,514
Defined Contribution Retirement Program (DCRP)	1,368	—	—	1,368	902	466
Operations excluded from "CAPS" - mandated expenditures per N.J.S.A. 40A:4-45.3g:						
Length of Service Award Program (L.O.S.A.P.)	245,000	—	—	245,000	222,984	22,016
Recycling Tax	—	9,407	—	9,407	2,352	7,055
	<u>\$ 1,172,930</u>	<u>1,005,282</u>	<u>—</u>	<u>2,178,212</u>	<u>1,338,676</u>	<u>839,536</u>
					\$ 1,204,113	
					<u>134,563</u>	
					<u>\$ 1,338,676</u>	

**TOWNSHIP OF MAHWAH**

Schedule of Unappropriated Reserves

Current Fund

Year ended December 31, 2013

	<b>Balance Dec. 31, 2012</b>	<b>Balance Dec. 31, 2013</b>
Security deposit - sublease	\$ 426	426
Security deposit	<u>31,165</u>	<u>31,165</u>
	<u>\$ 31,591</u>	<u>31,591</u>

**TOWNSHIP OF MAHWAH**

Schedule of Local District School  
Taxes Payable

Current Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$	—
Increased by tax levy		<u>57,101,159</u>
		57,101,159
Decreased by payments		<u>57,101,159</u>
Balance, December 31, 2013	\$	<u><u>—</u></u>

**TOWNSHIP OF MAHWAH**  
 Schedule of County Taxes Payable  
 Current Fund  
 Year ended December 31, 2013

Balance, December 31, 2012		\$	<u>—</u>
Increased by:			
Increased by County tax levy			13,967,872
County Open Space Preservation			<u>155,167</u>
			<u>14,123,039</u>
			14,123,039
Decreased by:			
Payments			<u>14,123,039</u>
Balance, December 31, 2013		\$	<u><u>—</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Due County for Added  
and Omitted Taxes

Current Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$	17,473
Increased by 2013 added taxes		<u>9,218</u>
		26,691
Decreased by payments		<u>17,473</u>
Balance, December 31, 2013	\$	<u><u>9,218</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Encumbrances Payable

Current Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$ 1,102,790
Increased by budget encumbrances	<u>1,125,759</u>
	<u>2,228,549</u>
Decreased by:	
Transfer to Appropriation Reserves	1,005,282
Disbursed	<u>97,508</u>
	<u>1,102,790</u>
Balance, December 31, 2013	<u><u>\$ 1,125,759</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Tax Overpayments

Current Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$ 11,959
Increased by cash receipts	<u>9,004</u>
	20,963
Decreased by:	
Cash disbursed	<u>11,959</u>
Balance, December 31, 2013	<u><u>\$ 9,004</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Prepaid Taxes

Current Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$ 457,998
Increased by cash receipts	<u>615,583</u>
	1,073,581
Decreased by transfer to taxes receivable	<u>457,998</u>
Balance, December 31, 2013	<u><u>\$ 615,583</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Prepaid Health Licenses

Current Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$	500
Increased by cash receipts		<u>1,200</u>
		1,700
Decreased by revenue realized		<u>500</u>
Balance, December 31, 2013	\$	<u><u>1,200</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Tax Appeals

Current Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$ <u>964,591</u>
Increased by:	
Contested amount of taxes collected pending appeal	500,000
Budget appropriations	<u>300,000</u>
	<u>800,000</u>
	1,764,591
Decreased by cash disbursements for tax refunds	<u>899,857</u>
Balance, December 31, 2013	\$ <u><u>864,734</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Various Reserves

Current Fund

Year ended December 31, 2013

	<u>Accounts payable</u>	<u>Premium on tax sale</u>	<u>Excess Library Funds</u>	<u>Burial Disinterment</u>	<u>Marriage Lic. and Domestic Partnership</u>	<u>Totals</u>
Balance, December 31, 2012	\$ 249,588	143,200	11,282	25	450	404,545
Increased by:						
Cash receipts	—	121,900	—	15	2,000	123,915
Medical savings account	20,000	—	—	—	—	20,000
Appropriation reserves	134,563	—	—	—	—	134,563
	<u>154,563</u>	<u>121,900</u>	<u>—</u>	<u>15</u>	<u>2,000</u>	<u>278,478</u>
	<u>404,151</u>	<u>265,100</u>	<u>11,282</u>	<u>40</u>	<u>2,450</u>	<u>683,023</u>
Decreased by:						
Cancellation	11,443	—	—	—	—	11,443
Realized revenue	—	—	11,282	—	—	11,282
Cash disbursed	38,678	149,200	—	—	2,150	190,028
	<u>50,121</u>	<u>149,200</u>	<u>11,282</u>	<u>—</u>	<u>2,150</u>	<u>212,753</u>
Balance, December 31, 2013	<u>\$ 354,030</u>	<u>115,900</u>	<u>—</u>	<u>40</u>	<u>300</u>	<u>470,270</u>

## TOWNSHIP OF MAHWAH

## Schedule of Interfunds

## Current Fund

Year ended December 31, 2013

	<b>Dog License Fund</b>	<b>Other Trust Fund</b>	<b>General Capital Fund</b>	<b>Federal and State Grant Fund</b>
Balance, December 31, 2012, due from (to)	\$ 7,108	112	17	253,436
Increased by:				
Cash disbursed	—	573	—	—
Statutory excess	12,600	—	—	—
Grant encumbrances paid by Current Fund	—	—	—	80,055
Interest earned	—	—	139	—
Debt service reserve anticipated	—	—	315,000	—
Grant receivables	—	—	—	307,142
Cancellation of Appropriated Reserves	—	—	—	542
Grant expenditures paid by Current Fund	—	—	—	329,143
	<u>12,600</u>	<u>573</u>	<u>315,139</u>	<u>716,882</u>
	<u>19,708</u>	<u>685</u>	<u>315,156</u>	<u>970,318</u>
Decreased by:				
Cash receipts	7,108	608	221,210	—
Unappropriated grants received deposited in Current Fund	—	—	—	32,797
Grant receipts deposited in Current Fund	—	—	—	378,976
Deferred Charges Funded	—	—	935	—
2013 Budget Appropriation	—	—	93,000	—
Grants Appropriated	—	—	—	310,061
Cancellation of Grants receivable	—	—	—	490
	<u>7,108</u>	<u>608</u>	<u>315,145</u>	<u>722,324</u>
Balance, December 31, 2013, due from (to)	<u>\$ 12,600</u>	<u>77</u>	<u>11</u>	<u>247,994</u>

**TOWNSHIP OF MAHWAH**

Schedule of Grants Receivable

Federal and State Grant Fund

Year ended December 31, 2013

	<b>Balance, Dec. 31, 2012</b>	<b>Awarded in 2013</b>	<b>Received</b>	<b>Canceled</b>	<b>Balance, Dec. 31, 2013</b>
NJ Highlands Water Protection	\$ 121,527	—	—	—	121,527
NJ DEP Flood Management	37,877	—	—	—	37,877
County of Bergen:					
Replacement of Pulis Avenue Bridge	82,080	—	—	—	82,080
Recycling Tonnage Grant	—	30,672	30,672	—	—
US Department of Homeland Security (Pass Through):					
FY 2010 Buffer Zone Protection Program	124,633	—	124,350	283	—
Alcohol Education and Rehabilitation Act	—	6,650	6,650	—	—
Municipal Alliance on Alcoholism and Drug Abuse	2,052	11,677	1,845	207	11,677
NJ Dept. of LPS - Div. of Criminal Justice Body Armor Fund	—	4,966	4,966	—	—
State of New Jersey - Department of Transportation:					
Ridge Road	36,625	—	36,625	—	—
MacArthur Boulevard - Section 4	—	150,000	112,500	—	37,500
United States Department of Transportation ( NJ Division of Highway Safety) Pass through - Over the Limit Under Arrest	—	—	—	—	—
Cops in Shop Initiative	—	2,800	2,800	—	—
Clean Communities	—	45,586	45,586	—	—
Association of NJ Environmental Commission					
2013 Open Space Stewardship Project	—	1,465	965	—	500
County of Bergen:					
Open Space Trust Fund - Veterans Park	22,500	—	—	—	22,500
Office of County Prosecutor - Mahwah Municipal Escrow - Police	45,176	53,326	16,983	—	81,519
	<u>\$ 472,470</u>	<u>307,142</u>	<u>383,942</u>	<u>490</u>	<u>395,180</u>
			\$ 378,976		
Due from Current Fund			<u>4,966</u>		
Transferred from unappropriated reserves			<u>\$ 383,942</u>		

## TOWNSHIP OF MAHWAH

## Schedule of Appropriated Reserves

## Federal and State Grant Fund

Year ended December 31, 2013

	<b>Balance, Dec. 31, 2012</b>	<b>Transferred from budget</b>	<b>Appropriation by 40A:4-87</b>	<b>Expended</b>	<b>Canceled</b>	<b>Balance, Dec. 31, 2013</b>
Municipal Alcohol Education Rehabilitation Act	\$ —	—	6,650	6,650	—	—
US Department of Homeland Security (Pass Through)						
FY 2010 Buffer Zone Protection Program	77	—	—	(206)	283	—
NJ Highlands Water Protection	9,972	—	—	—	—	9,972
Association of NJ Environmental Commission	22,500	—	—	—	—	22,500
2013 Open Space Stewardship Project	—	—	1,465	1,465	—	—
Bergen County Prosecutor's Office						
Escrow Account - Police Department	45,176	16,983	36,343	53,326	—	45,176
Alcohol Education Rehabilitation Fund	—	—	—	—	—	—
Drunk Driving Enforcement Act	20,518	—	—	3,958	—	16,560
NJ Clean Communities Grant	1,925	—	45,586	44,726	—	2,785
NJ Dept. L&PS:						
Body Armor Fund	878	4,966	—	5,844	—	—
United States Department of Transportation ( NJ Division of Highway Safety) Pass Through						
Cops in Shop	—	2,800	—	—	—	2,800
Municipal Alliance on Alcoholism and Drug Abuse	2,565	14,596	—	2,306	259	14,596
Recycling Tonnage Grant	30,402	—	30,672	61,074	—	—
NJDOT MacArthur Blvd Section 4	—	—	150,000	150,000	—	—
	<u>\$ 134,013</u>	<u>39,345</u>	<u>270,716</u>	<u>329,143</u>	<u>542</u>	<u>114,389</u>
Encumbrances				\$ —		
Due to Current Fund				<u>329,143</u>		
				<u>\$ 329,143</u>		

**TOWNSHIP OF MAHWAH**

Schedule of Unappropriated Reserves

Federal and State Grant Fund

Year ended December 31, 2013

	<b>Balance, Dec. 31, 2012</b>	<b>Transferred to budget</b>	<b>Received</b>	<b>Balance, Dec. 31, 2013</b>
State:				
Body Armor Fund	\$ 4,966	4,966	6,322	6,322
Drunk Driving Enforcement Fund	—	—	26,475	26,475
	<u>\$ 4,966</u>	<u>4,966</u>	<u>32,797</u>	<u>32,797</u>

**TOWNSHIP OF MAHWAH**

Schedule of Foreclosed Property

Current Fund

Year ended December 31, 2013

Balance, December 31, 2013 and 2012	\$ <u>1,353,400</u>
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**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Arbitrage Rebate Payable

Current Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$ <u>30,000</u>
Balance, December 31, 2013	\$ <u>30,000</u>

**TOWNSHIP OF MAHWAH**

Schedule of Encumbrances Payable

Federal and State Grant Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$	80,055
Decreased by:		
Paid by Current Fund		<u>80,055</u>
Balance, December 31, 2013	\$	<u><u>—</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Cash - Treasurer

Trust Funds

Year ended December 31, 2013

	<b>Dog License Fund</b>	<b>Other Trust Funds</b>	<b>Unemployment Compensation Fund</b>	<b>Uniform Construction Code Training Fees</b>
Balance, December 31, 2012	\$ 30,880	5,763,335	256,480	9,469
Increased by receipts:				
Dog license fees	13,534	—	—	—
Due to State of New Jersey	2,721	—	—	—
Recreation contributions	—	43,540	—	—
Reserve for Other Expenses	—	7,122,997	—	—
Due from Current Fund	—	1,018	—	—
Special deposits	—	699,546	—	—
Deposits	—	—	69,761	—
Training fees collected	—	—	—	84,228
	<u>16,255</u>	<u>7,867,101</u>	<u>69,761</u>	<u>84,228</u>
	<u>47,135</u>	<u>13,630,436</u>	<u>326,241</u>	<u>93,697</u>
Decreased by disbursements:				
Payments to State of New Jersey	2,715	—	24,646	83,188
Dog license expenditures	1,213	—	—	—
Due to Current Fund	7,108	1,053	—	—
Recreation expenses	—	44,974	—	—
Special deposits - refunded	—	641,300	—	—
Reserve for Other Expenses	—	6,922,739	—	—
	<u>11,036</u>	<u>7,610,066</u>	<u>24,646</u>	<u>83,188</u>
Balance, December 31, 2013	\$ <u><u>36,099</u></u>	<u><u>6,020,370</u></u>	<u><u>301,595</u></u>	<u><u>10,509</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Dog License  
Fund Expenditures - Dog License Fund

Trust Funds

Year ended December 31, 2013

Balance, December 31, 2012	\$ 23,794
Increased by:	
Licenses and fees	<u>13,534</u>
	<u>37,328</u>
Decreased by:	
Expenditures under R.S. 4:19-15.11:	
Excess balance due to Current Fund	12,600
Other disbursements	<u>1,213</u>
	<u>13,813</u>
Balance, December 31, 2013	<u><u>\$ 23,515</u></u>
2011 license revenue	\$ 9,931
2012 license revenue	<u>13,584</u>
	<u><u>\$ 23,515</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Due to (from) State of New Jersey -  
Dog License Fund

Trust Funds

Year ended December 31, 2013

Balance, December 31, 2012	\$	(22)
Increased by cash collected		<u>2,721</u>
		2,699
Decreased by cash disbursed		<u>2,715</u>
Balance, December 31, 2013	\$	<u><u>(16)</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Special Deposits -  
Other Trust Funds

Trust Funds

Year ended December 31, 2013

Balance, December 31, 2012	\$ 2,187,238
Increased by:	
Deposits	<u>699,546</u>
	2,886,784
Decreased by disbursements	<u>641,300</u>
Balance, December 31, 2013	<u><u>\$ 2,245,484</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for State  
Unemployment Insurance -  
Unemployment Compensation Fund

Trust Funds

Year ended December 31, 2013

Balance, December 31, 2012	\$ <u>256,480</u>
Increased by:	
Budget appropriation	55,000
Employee contributions	14,686
Interest	<u>75</u>
	<u>69,761</u>
	326,241
Decreased by disbursed State of New Jersey	<u>24,646</u>
Balance, December 31, 2013	\$ <u><u>301,595</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Uniform Construction  
Code Training Fees -  
Uniform Construction Code Fund

Trust Funds

Year ended December 31, 2013

Balance, December 31, 2012	\$	9,469
Increased by training fees collected		<u>84,228</u>
		93,697
Decreased by cash disbursements		<u>83,188</u>
Balance, December 31, 2013	\$	<u><u>10,509</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Due to (from) Current

Trust Funds

Year ended December 31, 2013

	<b>Dog License Fund</b>	<b>Escrow</b>	<b>Soil</b>	<b>Total</b>
Balance, December 31, 2012, Due to	\$ 7,108	108	4	7,220
Increased by:				
Excess balance in Dog License fund	12,600	—	—	12,600
Cash received	—	960	58	1,018
	<u>12,600</u>	<u>960</u>	<u>58</u>	<u>13,618</u>
	<u>19,708</u>	<u>1,068</u>	<u>62</u>	<u>20,838</u>
Decreased by:				
Cash disbursed	<u>7,108</u>	<u>996</u>	<u>57</u>	<u>8,161</u>
Balance, December 31, 2013, Due to	<u>\$ 12,600</u>	<u>72</u>	<u>5</u>	<u>12,677</u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Recreation  
Expenses - Other Trust Funds

Trust Funds

Year ended December 31, 2013

Balance, December 31, 2012	\$	9,207
Increased by contributions		<u>43,540</u>
		52,747
Decreased by cash disbursements		<u>44,974</u>
Balance, December 31, 2013	\$	<u><u>7,773</u></u>

## TOWNSHIP OF MAHWAH

Schedule of Various Reserves for Other  
Trust Fund Expenses -  
Other Trust Funds

## Trust Funds

Year ended December 31, 2013

	<b>Balance, Dec. 31, 2012</b>	<b>Increased</b>	<b>Decreased</b>	<b>Balance, Dec. 31, 2013</b>
Reserve for:				
Historic Preservation	\$ 3,098	124	—	3,222
Self Insurance - Optical	6,304	40,130	32,923	13,511
Open Space	129,778	567,003	556,218	140,563
Lien Redemption	—	474,190	458,057	16,133
Community Donation	13,035	300	520	12,815
Access Transportation	42,148	3,113	—	45,261
Municipal Court	898	136	940	94
Celebration of Public Events	21,431	15,800	12,885	24,346
Beautification project	589	18,393	9,420	9,562
Winter Park	3,614	—	—	3,614
Affordable Housing	2,253,905	274,988	244,525	2,284,368
Development fees	350,534	696	—	351,230
Shade Tree	71,639	3,300	248	74,691
Sidewalk	175,334	34,485	33,558	176,261
Senior Center	7,702	4,495	2,887	9,310
Outside Detail	87,432	177,635	177,395	87,672
Self Insurance	257,840	5,325,485	5,240,801	342,524
Self Insurance - Section 125 Plan	21,964	95,542	76,053	41,453
Developers' escrow - Soil Movement	119,533	87,182	76,309	130,406
	<u>\$ 3,566,778</u>	<u>7,122,997</u>	<u>6,922,739</u>	<u>3,767,036</u>

**TOWNSHIP OF MAHWAH**

Schedule of Cash - Treasurer

General Capital Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$ <u>3,287,904</u>
Increased by receipts:	
Interest earned	139
Bond anticipation note proceeds	1,750,000
Premium on sale of notes	<u>80,295</u>
	<u>1,830,434</u>
	<u>5,118,338</u>
Decreased by disbursements:	
Due from Current Fund	221,210
Improvement authorizations	<u>1,558,268</u>
	<u>1,779,478</u>
Balance, December 31, 2013	\$ <u><u>3,338,860</u></u>

TOWNSHIP OF MAHWAH

Schedule of Analysis of General Capital Cash

General Capital Fund

December 31, 2013

Encumbrances payable	\$ 494,911
Due to Current Fund	11
Reserve for payment of debt	1,374,732
Capital Improvement Fund	5,247
Fund balance	428,421

Improvement Authorizations:

<b>Ordinance number</b>	<b>Improvement description</b>	
1241	Various improvements	9,823
1362/1415/1427	Various improvements	18,947
1387	Various improvements	4,015
1420	Various capital improvements	92,462
1446	Various capital improvements	16,795
1488	Acquisition of land	53,877
1518	Various capital improvements	670
1546	Various improvements	(7,537)
1576	Various capital improvements	21,088
1612	Various capital improvements	(1,436)
1643	Various capital improvements	(4,727)
1672	Various capital improvements	(13,794)
1692	Various capital improvements	(6,629)
1707	Various capital improvements	31,327
1718	Various road improvements	92,356
1722	Various capital improvements	728,301
		<u>\$ 3,338,860</u>

**TOWNSHIP OF MAHWAH**

Schedule of Amount Due from /(to) Current Fund

General Capital Fund

Year ended December 31, 2013

Balance, December 31, 2012 (Due To)	\$ <u>(17)</u>
Increased by:	
Interfund transfer	221,210
Deferred charge raised in budget	935
Budget appropriation	<u>93,000</u>
	<u>315,145</u>
	<u>315,128</u>
Decreased by:	
Interest earned	139
Debt service reserve anticipated	<u>315,000</u>
	<u>315,139</u>
Balance, December 31, 2013 (Due To)	\$ <u><u>(11)</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Deferred Charges to  
Future Taxation Funded

General Capital Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$ 23,910,000
Decreased by bonds paid	<u>1,960,000</u>
Balance, December 31, 2013	<u><u>\$ 21,950,000</u></u>

TOWNSHIP OF MAHWAH

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year ended December 31, 2013

Ordinance number	Description	Balance, Dec. 31, 2012	Authorizations	Notes paid	Cancelled/ Funded	Balance, Dec. 31, 2013	Analysis of balance		
							Bond anticipation notes	Expended	Unexpended balance of improvement authorizations
1518	Various capital improvements	\$ 661,500	—	155,000	670	505,830	506,500	(670)	—
1546	Various improvements	826,288	—	180,000	—	646,288	625,000	7,537	13,751
1558	Renovation of Police Building	307,000	—	23,500	—	283,500	283,500	—	—
1576	Various capital improvements	103,935	—	14,000	935	89,000	89,000	—	—
1612	Various capital improvements	1,520,670	—	185,000	—	1,335,670	1,309,000	1,436	25,234
1643	Various capital improvements	333,227	—	17,500	—	315,727	311,000	4,727	—
1665	Various Road Improvements	475,000	—	25,000	—	450,000	450,000	—	—
1672	Various capital improvements	299,250	—	—	412	298,838	270,000	13,794	15,044
1692	Various capital improvements	665,000	—	—	—	665,000	656,000	6,629	2,371
1707	Various capital improvements	1,718,850	—	—	—	1,718,850	1,700,000	—	18,850
1718	Various Road Improvements	—	690,000	—	—	690,000	690,000	—	—
1722	Various capital improvements	—	1,080,750	—	—	1,080,750	1,060,000	—	20,750
		<u>\$ 6,910,720</u>	<u>1,770,750</u>	<u>600,000</u>	<u>2,017</u>	<u>8,079,453</u>	<u>7,950,000</u>	<u>33,453</u>	<u>96,000</u>
							Improvement authorizations unfunded		\$ 969,072
							Less - Unexpended note proceeds:		
							Ordinance 1576		21,088
							Ordinance 1707		31,327
							Ordinance 1718		92,356
							Ordinance 1722		728,301
									<u>873,072</u>
									<u>\$ 96,000</u>

**TOWNSHIP OF MAHWAH**

Schedule of Capital Improvement Fund

General Capital Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$ 1,497
Increased by:	.
Budget appropriation	<u>93,000</u>
	94,497
Decreased by appropriated to finance improvement authorizations	<u>89,250</u>
Balance, December 31, 2013	<u><u>\$ 5,247</u></u>

TOWNSHIP OF MAHWAH

Schedule of Improvement Authorizations

General Capital Fund

Year ended December 31, 2013

Ordinance number	Improvement description	Ordinance Original Amount	Balance, December 31, 2012		Authorizations	Expended	Authorizations Canceled	Balance, December 31, 2013	
			Funded	Unfunded				Funded	Unfunded
1241	Various improvements	\$ 1,310,715	9,823	—	—	—	—	9,823	—
1362/ 1415/1427	Various improvements	3,220,165	18,947	—	—	—	—	18,947	—
1387	Various improvements	2,695,500	18,015	—	—	14,000	—	4,015	—
1420	Various capital improvements	3,421,000	92,462	—	—	—	—	92,462	—
1446	Various capital improvements	4,652,200	16,795	—	—	—	—	16,795	—
1488	Various capital improvements	2,915,400	53,877	—	—	—	—	53,877	—
1518	Various capital improvements	1,746,000	—	1,075	—	405	670	—	—
1546	Various improvements	1,981,000	—	20,639	—	6,888	—	—	13,751
1576	Various capital improvements	1,191,000	—	21,088	—	—	—	—	21,088
1612	Various capital improvements	2,209,500	—	25,793	—	559	—	—	25,234
1643	Various capital improvements	664,000	—	4,311	—	4,311	—	—	—
1672	Various capital improvements	315,000	—	19,674	—	4,218	412	—	15,044
1692	Various capital improvements	700,000	—	6,119	—	3,748	—	—	2,371
1707	Various capital improvements	1,805,000	—	273,786	—	223,609	—	—	50,177
1718	Various road improvements	725,000	—	—	725,000	632,644	—	—	92,356
1722	Various capital improvements	1,135,000	—	—	1,135,000	385,949	—	—	749,051
			\$ 209,919	372,485	1,860,000	1,276,331	1,082	195,919	969,072
	Deferred Charges Unfunded				\$ 1,770,750				
	Capital Improvement Fund				89,250				
					\$ 1,860,000				
	Encumbrances				\$ 954,043				
	Encumbrances canceled				(1,235,980)				
	Cash				1,558,268				
					\$ 1,276,331				

**TOWNSHIP OF MAHWAH**

Schedule of Encumbrances Payable

General Capital Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$ 776,848
Increased by improvement authorization encumbrances	<u>954,043</u>
	1,730,891
Decreased by encumbrances canceled	<u>1,235,980</u>
Balance, December 31, 2013	<u><u>\$ 494,911</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Payment of Debt

General Capital Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$	1,689,732
Decreased by:		
Anticipation as Current Fund revenue		<u>315,000</u>
Balance, December 31, 2013	\$	<u><u>1,374,732</u></u>

TOWNSHIP OF MAHWAH

Schedule of Bond Anticipation Notes

General Capital Fund

Year ended December 31, 2013

Ordinance number	Purpose	Original date of issue	Date of issue	Date of maturity	Interest rate	Balance, Dec. 31, 2012	Increased	Decreased	Balance, Dec. 31, 2013
1518	Various capital improvements	8/17/06	8/9/13	8/8/14	1.250%	625,000	475,000	625,000	475,000
1518	Various capital improvements	8/12/10	8/9/13	8/8/14	1.250%	36,500	31,500	36,500	31,500
1546	Various capital improvements	8/17/06	8/9/13	8/8/14	1.250%	700,000	525,000	700,000	525,000
1546	Various capital improvements	8/12/10	8/9/13	8/8/14	1.250%	55,000	50,000	55,000	50,000
1546	Various Road Improvements	8/11/11	8/9/13	8/8/14	1.250%	50,000	50,000	50,000	50,000
1558	Expansion of police department	8/13/09	8/9/13	8/8/14	1.250%	175,000	165,000	175,000	165,000
1558	Expansion of police department	8/12/10	8/9/13	8/8/14	1.250%	128,500	118,500	128,500	118,500
1558	Expansion of police department	8/11/11	8/9/13	8/8/14	1.250%	3,500	—	3,500	—
1576	Various capital improvements	8/12/10	8/9/13	8/8/14	1.250%	79,000	69,000	79,000	69,000
1576	Various capital improvements	8/11/11	8/9/13	8/8/14	1.250%	20,000	20,000	20,000	20,000
1576	Various capital improvements	8/9/12	8/9/13	8/8/14	1.250%	4,000	—	4,000	—
1612	Various capital improvements	8/14/08	8/9/13	8/8/14	1.250%	700,000	600,000	700,000	600,000
1612	Various capital improvements	8/13/09	8/9/13	8/8/14	1.250%	700,000	625,000	700,000	625,000
1612	Various capital improvements	8/12/10	8/9/13	8/8/14	1.250%	78,500	69,000	78,500	69,000
1612	Various capital improvements	8/11/11	8/9/13	8/8/14	1.250%	15,000	15,000	15,000	15,000
1612	Various capital improvements	8/9/12	8/9/13	8/8/14	1.250%	500	—	500	—
1643	Various capital improvements	8/12/10	8/9/13	8/8/14	1.250%	247,500	230,000	247,500	230,000
1643	Various capital improvements	8/11/11	8/9/13	8/8/14	1.250%	60,500	60,500	60,500	60,500
1643	Various capital improvements	8/9/12	8/9/13	8/8/14	1.250%	20,500	20,500	20,500	20,500
1665	Various Road Improvements	8/12/10	8/9/13	8/8/14	1.250%	475,000	450,000	475,000	450,000
1672	Various capital improvements	8/11/11	8/9/13	8/8/14	1.250%	270,000	270,000	270,000	270,000
1692	Various capital improvements	8/11/11	8/9/13	8/8/14	1.250%	556,000	556,000	556,000	556,000
1692	Various capital improvements	8/9/12	8/9/13	8/8/14	1.250%	100,000	100,000	100,000	100,000
1707	Various capital improvements	8/9/12	8/9/13	8/8/14	1.250%	1,700,000	1,700,000	1,700,000	1,700,000
1718	Various Road Improvements	8/9/13	8/9/13	8/8/14	1.250%	—	690,000	—	690,000
1722	Various capital improvements	8/9/13	8/9/13	8/8/14	1.250%	—	1,060,000	—	1,060,000
						<u>\$ 6,800,000</u>	<u>7,950,000</u>	<u>6,800,000</u>	<u>7,950,000</u>
					Renewal	\$	6,200,000	6,200,000	
					Issued		1,750,000	—	
					Paid from budget appropriation		—	600,000	
						<u>\$ 7,950,000</u>	<u>6,800,000</u>		

## TOWNSHIP OF MAHWAH

## Schedule of Serial Bonds Payable

## General Capital Fund

Year ended December 31, 2013

Date of Issue	Purpose	Original Issue	Maturity of Bonds			Interest Rate	Balance, Dec. 31, 2012	Bonds paid	Balance, Dec. 31, 2013
			Date	Outstanding Amount					
Oct. 15, 2004	General Improvement Bond	\$ 17,165,000	10/15/14	875,000	3.625	\$ 1,700,000	825,000	875,000	
Feb. 25, 2009	General Improvement Refunding Bonds  (Bonds maturing on or after Dec. 1, 2020 are subject to redemption on or after Dec. 1, 2019)	14,885,000	12/01/14	1,180,000	3.000				
			12/01/15	1,260,000	4.000				
			12/01/16	400,000	2.375				
			12/01/16	905,000	3.500				
			12/01/17	1,285,000	4.000				
			12/01/18	1,275,000	3.250				
			12/01/19	1,250,000	5.000				
			12/01/20	1,250,000	5.000				
			12/01/21	1,250,000	4.000				
			12/01/22	1,215,000	5.000	12,405,000	1,135,000	11,270,000	
Feb. 23, 2012	General Improvement Refunding Bonds  (Bonds maturing on or after Oct. 15, 2022 are subject to redemption on or after Oct. 15, 2021)	10,215,000	3/15/15	880,000	3.000				
			3/15/16	920,000	3.000				
			3/15/17	985,000	4.000				
			3/15/18	1,010,000	4.000				
			3/15/19	1,005,000	4.000				
			3/15/20	1,005,000	3.000				
			3/15/21	990,000	5.000				
			3/15/22	1,000,000	5.000				
			3/15/23	760,000	4.000				
			3/15/23	250,000	5.000				
3/15/24	1,000,000	4.000	9,805,000	—	9,805,000				
						\$ 23,910,000	1,960,000	21,950,000	

TOWNSHIP OF MAHWAH

Schedule of Bonds and Notes Authorized but not Issued

General Capital Fund

Year ended December 31, 2013

<u>Ordinance number</u>	<u>Description</u>	<u>Balance, Dec. 31, 2012</u>	<u>2013 authorizations</u>	<u>Debt Issued</u>	<u>Cancellation/ Reappropriated</u>	<u>Balance, Dec. 31, 2013</u>
1546	Various improvements	\$ 21,288	—	—	—	21,288
1576	Various capital improvements	935	—	—	935	—
1612	Varios capital improvements	26,670	—	—	—	26,670
1643	Various capital improvements	4,727	—	—	—	4,727
1672	Various capital improvements	29,250	—	—	412	28,838
1692	Various capital improvements	9,000	—	—	—	9,000
1707	Various capital improvements	18,850	—	—	—	18,850
1718	Various Road Improvements	—	690,000	690,000	—	—
1722	Various capital improvements	—	1,080,750	1,060,000	—	20,750
		<u>\$ 110,720</u>	<u>1,770,750</u>	<u>1,750,000</u>	<u>1,347</u>	<u>130,123</u>
	Deferred charge raised in budget				\$ 935	
	Cancelled				<u>412</u>	
					<u>\$ 1,347</u>	

## TOWNSHIP OF MAHWAH

## Schedule of Cash - Treasurer

## Water Utility Fund

Year Ended December 31, 2013

	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2012	\$ 5,670,018	2,143,096
Increased by receipts:		
Water rents	4,855,727	—
Tapping and capacity fees	53,980	—
Miscellaneous revenue not anticipated	31,822	—
Premium on notes	—	68,793
Premium on water liens	15,200	—
Interest earned	—	70
Due from Water Utility Capital Fund	—	24,927
Overpayments	3,733	—
Refunds	—	23,987
Due from Sewer Utility Operating Fund	30,045	—
	<u>4,990,507</u>	<u>117,777</u>
	<u>10,660,525</u>	<u>2,260,873</u>
Decreased by disbursements:		
Accounts payable	—	159,617
Budget appropriations	3,853,711	—
Appropriation reserves	420,671	—
Refund of prior year revenue	79	—
Due from Sewer Utility - Operating Fund	31,460	—
Accrued Interest on Notes	77,000	—
Premium on water liens refunded	14,100	—
Water overpayments refunded	1,930	—
	<u>4,398,951</u>	<u>159,617</u>
Balance, December 31, 2013	\$ <u>6,261,574</u>	<u>2,101,256</u>

**TOWNSHIP OF MAHWAH**

Schedule of Analysis of Capital Fund Cash

Water Utility Capital Fund

December 31, 2013

Encumbrances	\$ 845,725
Reserve for various improvements	16,000
Due to Water Utility Operating Fund	7
Capital Improvement Fund	136,369
Reserve for payment of debt	56,816
Fund balance	367,543

Improvement authorizations:

<b>Ordinance number</b>	<b>Improvement description</b>	
1165/1183	Various water improvements	3,718
1361/1394	Various improvements	230
1519/1567	Various improvements	22,335
1544	Various improvements	(40)
1575	Various improvements	2,588
1613	Various improvements	159,802
1647	Various improvements	374,683
1677	Improvements to Ford Well Field	(48,591)
1708	Various improvements	164,071
		<u>\$ 2,101,256</u>

TOWNSHIP OF MAHWAH

Schedule of Bond Anticipation Notes Payable

Water Utility Capital Fund

Year ended December 31, 2013

<u>Ordinance number</u>	<u>Purpose</u>	<u>Original date of issue</u>	<u>Date of issue</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance, Dec. 31, 2012</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance, Dec. 31, 2013</u>
1519/1567	Various improvements	Oct. 19, 2006	Oct. 11, 2013	Oct. 10, 2014	1.25%	\$ 200,000	150,000	200,000	150,000
1519/1567	Various improvements	Oct. 16, 2008	Oct. 11, 2013	Oct. 10, 2014	1.25%	725,000	600,000	725,000	600,000
1575	Various improvements	Oct. 16, 2008	Oct. 11, 2013	Oct. 10, 2014	1.25%	300,000	275,000	300,000	275,000
1613	Various improvements	Oct. 16, 2008	Oct. 11, 2013	Oct. 10, 2014	1.25%	425,000	350,000	425,000	350,000
1244/1371	Acquisition - water meters	Oct. 15, 2009	Oct. 11, 2013	Oct. 10, 2014	1.25%	25,000	—	25,000	—
1519/1567	Various improvements	Oct. 15, 2009	Oct. 11, 2013	Oct. 10, 2014	1.25%	300,000	250,000	300,000	250,000
1575	Various improvements	Oct. 14, 2010	Oct. 11, 2013	Oct. 10, 2014	1.25%	2,200,000	2,150,000	2,200,000	2,150,000
1677	Ford Well Field	Oct. 14, 2010	Oct. 11, 2013	Oct. 10, 2014	1.25%	1,600,000	1,550,000	1,600,000	1,550,000
1244/1371	Acquisition - water meters	Oct. 13, 2011	Oct. 11, 2013	Oct. 10, 2014	1.25%	175,000	—	175,000	—
1519/1567	Various improvements	Oct. 13, 2011	Oct. 11, 2013	Oct. 10, 2014	1.25%	100,000	75,000	100,000	75,000
1708	Various improvements	Oct. 11, 2012	Oct. 11, 2013	Oct. 10, 2014	1.25%	1,075,000	1,000,000	1,075,000	1,000,000
1613	Various improvements	Oct. 11, 2012	Oct. 11, 2013	Oct. 10, 2014	1.25%	25,000	—	25,000	—
1677	Ford Well Field	Oct. 11, 2012	Oct. 11, 2013	Oct. 10, 2014	1.25%	175,000	150,000	175,000	150,000
1519/1647	Various improvements	Oct. 11, 2012	Oct. 11, 2013	Oct. 10, 2014	1.25%	375,000	350,000	375,000	350,000
						<u>\$ 7,700,000</u>	<u>6,900,000</u>	<u>7,700,000</u>	<u>6,900,000</u>
				Renewed			\$ 6,900,000	6,900,000	
				Paid not renewed			—	800,000	
							<u>\$ 6,900,000</u>	<u>7,700,000</u>	

**TOWNSHIP OF MAHWAH**

Schedule of Water Accounts Receivable

Water Utility Operating Fund

Year Ended December 31, 2013

Balance, December 31, 2012	\$	323,941
Increased by water rents levied		<u>4,838,563</u>
		5,162,504
Decreased by:		
Water rents collected		<u>4,855,727</u>
Balance, December 31, 2013	\$	<u><u>306,777</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Water Overpayments

Water Utility Operating Fund

Year Ended December 31, 2013

Balance, December 31, 2012	\$	1,930
Increased by water overpayments		<u>3,732</u>
		5,662
Decreased by disbursements		<u>1,930</u>
Balance, December 31, 2013	\$	<u><u>3,732</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Fixed Capital

Water Utility Capital Fund

Year ended December 31, 2013

	<b>Balance, Dec. 31, 2012</b>	<b>Additions</b>	<b>Balance, Dec. 31, 2013</b>
Acquisition and improvement of plant	\$ 157,623	—	157,623
Bond issue expenses	1,665	—	1,665
Professional services	62,397	—	62,397
Interest	12,342	—	12,342
General equipment	148,361	—	148,361
Pump house and pumps	91,372	—	91,372
Improvement of water supply and distribution system	6,090,444	1,900,000	7,990,444
Vehicle equipment	72,810	—	72,810
Wells	978,957	—	978,957
Acquisition of land	856,834	—	856,834
	<u>\$ 8,472,805</u>	<u>1,900,000</u>	<u>10,372,805</u>

## TOWNSHIP OF MAHWAH

## Schedule of Fixed Capital Authorized and Uncompleted

## Water Utility Capital Fund

Year Ended December 31, 2013

<b>Ordinance number</b>	<b>Improvement description</b>	<b>Original Amount</b>	<b>Balance, Dec. 31, 2012</b>	<b>Decreased</b>	<b>Balance, Dec. 31, 2013</b>
1165/1183	Various water improvements	\$ 6,200,000	6,200,000	—	6,200,000
1244	Acquisition-water meters	600,000	600,000	600,000	—
1361/ 1394	Various improvements	2,897,000	2,897,000	—	2,897,000
1371	Acquisition-water meters	900,000	900,000	900,000	—
1388	Various improvements	400,000	400,000	400,000	—
1519/1567	Various improvements	2,270,000	2,495,000	—	2,495,000
1544	Various improvements	638,000	638,000	—	638,000
1575	Various improvements	2,875,000	2,861,006	—	2,861,006
1613	Various improvements	1,030,000	1,030,000	—	1,030,000
1677	Improvements to Ford Well Field	2,765,000	2,765,000	—	2,765,000
1708	Various improvements	1,100,000	1,100,000	—	1,100,000
			\$ 21,886,006	1,900,000	19,986,006

**TOWNSHIP OF MAHWAH**

Schedule of Accrued Interest  
on Notes

Water Utility Operating Fund  
Year Ended December 31, 2013

Balance, December 31, 2012	\$ 17,325
Increased by:	
Budget appropriation	<u>200,000</u>
	<u>217,325</u>
Decreased by:	
Payments	77,000
Cancellations	<u>120,679</u>
	<u>197,679</u>
Balance, December 31, 2013	<u><u>\$ 19,646</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Amount Due from Water Utility Capital Fund

Water Utility Operating Fund  
 Year Ended December 31, 2013

Balance, December 31, 2012	\$ <u>10</u>
Increased by:	
Interest earned in Capital Fund	70
Cash disbursed	<u>24,927</u>
	<u>24,997</u>
	25,007
Decreased by:	
Capital Improvement Fund	<u>25,000</u>
Balance, December 31, 2013	\$ <u><u>7</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Amortization

Water Utility Capital Fund

Year Ended December 31, 2013

Balance, December 31, 2012	\$ <u>17,592,805</u>
Increased by:	
Transfer from Deferred Reserve	95,000
Bond anticipation notes paid	<u>800,000</u>
	<u>895,000</u>
Balance, December 31, 2013	\$ <u><u>18,487,805</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Deferred Reserve for  
Amortization

Water Utility Capital Fund  
Year Ended December 31, 2013

Balance, December 31, 2012	\$ 2,387,750
Decreased by:	
Transfer to reserve for amortization	<u>95,000</u>
Balance, December 31, 2013	<u><u>\$ 2,292,750</u></u>

**Analysis of Balance**

Ordinance #1165/1183	\$ 1,796,000
Ordinance #1361/ 1394	144,850
Ordinance #1519	113,500
Ordinance #1544	31,900
Ordinance #1567	11,250
Ordinance #1575	143,750
Ordinance #1613	<u>51,500</u>
	<u><u>\$ 2,292,750</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Reverse for Various Improvements

Water Utility Capital Fund

Year Ended December 31, 2013

Balance, December 31, 2012	\$ <u>16,000</u>
Balance, December 31, 2013	\$ <u><u>16,000</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Improvement Authorizations

Water Utility Capital Fund

Year Ended December 31, 2013

<b>Ordinance number</b>	<b>Improvement description</b>	<b>Balance, December 31, 2012</b>		<b>Expended</b>	<b>Balance, December 31, 2013</b>	
		<b>Amount</b>	<b>Unfunded</b>		<b>Funded</b>	<b>Unfunded</b>
1165/1183	Various water improvements	—	812,718	—	3,718	809,000
1361/1394	Various improvements	230	185,000	—	230	185,000
1519/1567	Various improvements	—	85,201	7,616	—	77,585
1544	Various improvements	—	255,560	—	—	255,560
1575	Various improvements	—	26,994	—	—	26,994
1613	Various improvements	—	346,056	254	—	345,802
1647	Renovation of Campgaw Water Tank	—	374,944	261	—	374,683
1677	Improvements to Ford Well Field	—	1,058,090	(31,319)	—	1,089,409
1708	Variou Improvements	—	1,099,600	910,529	—	189,071
		<u>\$ 230</u>	<u>4,244,163</u>	<u>887,341</u>	<u>3,948</u>	<u>3,353,104</u>
	Cash			\$ (23,987)		
	Encumbrances			<u>911,328</u>		
				<u>\$ 887,341</u>		

**TOWNSHIP OF MAHWAH**

Schedule of Encumbrances Payable

Water Utility Capital Fund

Year Ended December 31, 2013

Balance, December 31, 2012	\$	94,014
Increased by charges to improvement authorizations		<u>911,328</u>
		1,005,342
Decreased by:		
Disbursements		<u>159,617</u>
		<u>159,617</u>
Balance, December 31, 2013	\$	<u><u>845,725</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Capital Improvement Fund

Water Utility Capital Fund

Year Ended December 31, 2013

Balance, December 31, 2012	\$	111,369
Increased by:		
Budget appropriation		<u>25,000</u>
Balance, December 31, 2013	\$	<u><u>136,369</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Appropriation Reserves

Water Utility Operating Fund

Year Ended December 31, 2013

	<u>Balance Dec. 31, 2012</u>	<u>Transfer of encum- brances</u>	<u>Balance after transfers</u>	<u>Paid or charged</u>	<u>Balance lapsed</u>
Salaries and wages	\$ 56,603	—	56,603	—	56,603
Other expenses	505,005	333,778	838,783	438,105	400,678
Insurance	85,782	20,510	106,292	19,130	87,162
Statutory expenditures - contribution to: Social Security System (O.A.S.I.)	<u>11,236</u>	<u>—</u>	<u>11,236</u>	<u>—</u>	<u>11,236</u>
	<u>\$ 658,626</u>	<u>354,288</u>	<u>1,012,914</u>	<u>457,235</u>	<u>555,679</u>
		Accounts payable		36,564	
		Cash		<u>420,671</u>	
				<u>457,235</u>	

**TOWNSHIP OF MAHWAH**

Schedule of Bonds and Notes Authorized but not Issued

Water Utility Capital Fund

Year Ended December 31, 2013

<u>Ordinance number</u>	<u>Description</u>	<u>Balance, Dec. 31, 2012</u>	<u>Balance, Dec. 31, 2013</u>
1165/1183	Various water improvements	\$ 809,000	809,000
1361/1394	Various improvements	185,000	185,000
1519/1567	Various improvements	55,250	55,250
1544	Various improvements	255,600	255,600
1575	Various improvements	24,406	24,406
1613	Various improvements	186,000	186,000
1677	Improvements to Ford Well Field	1,138,000	1,138,000
1708	Various improvements	<u>25,000</u>	<u>25,000</u>
		<u>\$ 2,678,256</u>	<u>2,678,256</u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Payment of Debt

Water Utility Capital Fund

Year Ended December 31, 2013

Balance, December 31, 2012	\$ <u>56,816</u>
Balance, December 31, 2013	\$ <u>56,816</u>

**TOWNSHIP OF MAHWAH**

Schedule of Accounts Payable

Water Utility Operating Fund

Year Ended December 31, 2013

Balance, December 31, 2012	\$	3,804
Increased by:		
Transfer from appropriation reserves		<u>36,564</u>
		40,368
Decreased by:		
Cancellations		<u>1,487</u>
Balance, December 31, 2013	\$	<u><u>38,881</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Premium on Water Liens

Water Utility Operating Fund

Year Ended December 31, 2013

Balance, December 31, 2012	\$	10,700
Increased by premiums collected		<u>15,200</u>
		25,900
Decreased by premiums disbursed		<u>14,100</u>
Balance December 31, 2013	\$	<u><u>11,800</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Due To Sewer Utility Operating Fund

Water Utility Operating Fund

Year Ended December 31, 2013

Balance, December 31, 2012	\$	1,415
Increased by cash received		<u>30,045</u>
		31,460
Decreased by cash disbursed		<u>31,460</u>
Balance December 31, 2013	\$	<u><u>—</u></u>

## TOWNSHIP OF MAHWAH

## Schedule of Cash

## Sewer Utility Fund

Year ended December 31, 2013

	<u>Operating</u>	<u>Capital</u>	<u>Assessment</u>
Balance, December 31, 2012	\$ 3,704,951	578,970	1,613,149
Increased by receipts:			
Sewer rents	5,679,534	—	—
Miscellaneous revenues not anticipated	74,972	—	—
Due from Sewer Utility Capital Fund	12	—	—
Due to Water Operating Fund	26,353	—	—
Due from Sewer Assessment Fund	55,472	—	—
Due to Sewer Utility Operating Fund	—	11	55,346
Premium on sale of notes	—	19,436	—
Sewer overpayments	9,828	—	—
Assessments receivable	—	—	337,957
	<u>5,846,171</u>	<u>19,447</u>	<u>393,303</u>
	<u>9,551,122</u>	<u>598,417</u>	<u>2,006,452</u>
Decreased by disbursements:			
Budget appropriations	4,901,790	—	—
Appropriation reserves	24,524	—	—
Accrued interest on notes	40,000	—	—
Due to Water Utility Operating Fund	24,938	—	—
Due to Sewer Utility Operating Fund	—	12	55,472
Improvement authorizations	—	25,487	—
Payment of notes	—	—	465,800
Refund of overpayments	10,041	—	—
Refund of prior year revenue	263	—	—
	<u>5,001,556</u>	<u>25,499</u>	<u>521,272</u>
Balance, December 31, 2013	\$ <u><u>4,549,566</u></u>	<u><u>572,918</u></u>	<u><u>1,485,180</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Analysis of Cash

Sewer Utility Capital Fund

December 31, 2013

Reserve for payment of debt		\$	44,242
Due to Sewer Utility Operating Fund			1
Capital Improvement Fund			146,947
Reserve for payment of notes			20,735
Fund balance			361,418
Improvement authorizations:			
<b>Ordinance</b>	<b>Improvement description</b>		
<b>number</b>			
1545	Improvements to sanitary sewer system		<u>(425)</u>
		\$	<u><u>572,918</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Sewer Rents Receivable

Sewer Utility Operating Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$	225,624
Increased by sewer rents levied		<u>5,691,348</u>
		5,916,972
Decreased by sewer rents collected		<u>5,679,534</u>
Balance, December 31, 2013	\$	<u><u>237,438</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Accounts Payable

Sewer Utility Operating Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$	762
Increased by:		
Transfer from appropriation reserve		<u>112</u>
		874
Decreased by:		
Cancellation		<u>762</u>
Balance, December 31, 2013	\$	<u><u>112</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Fixed Capital Authorized and Uncompleted

Sewer Utility Capital Fund

Year ended December 31, 2013

<u>Ordinance number</u>	<u>Improvement description</u>	<u>Balance, Dec. 31, 2012</u>	<u>Project Completed</u>	<u>Project Cancelled</u>	<u>Balance, Dec. 31, 2013</u>
1507/1553/1566	Improvements to sanitary sewer system Phase V	\$ 4,189,200	2,167,265	2,021,935	—
1545	Various improvements	561,000	—	—	561,000
		<u>\$ 4,750,200</u>	<u>2,167,265</u>	<u>2,021,935</u>	<u>561,000</u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Assessments and Liens  
Utility Assessment Trust Fund

Sewer Utility Operating Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$	168,263
Decreased by collections		<u>91,392</u>
Balance, December 31, 2013	\$	<u><u>76,871</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Appropriation Reserves

Sewer Utility Operating Fund

Year ended December 31, 2013

	<u>Balance Dec. 31, 2012</u>	<u>Encum- brances</u>	<u>Balance after transfers</u>	<u>Paid or charged</u>	<u>Balance lapsed</u>
Operating:					
Salaries and wages	\$ 88,918	—	88,918	—	88,918
Other expenses	59,979	31,162	91,141	16,350	74,791
Insurance	86,116	7,781	93,897	6,665	87,232
NW Bergen County Utility Authority	72,485	—	72,485	—	72,485
Deferred charges:					
Statutory expenditures - contribution to: Social Security System	9,871	—	9,871	1,621	8,250
	<u>\$ 317,369</u>	<u>38,943</u>	<u>356,312</u>	<u>24,636</u>	<u>331,676</u>
			Cash	24,524	
			Accounts payable	112	
				<u>24,636</u>	

**TOWNSHIP OF MAHWAH**

Schedule of Due from Water Operating Fund

Sewer Utility Operating Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$	1,415
Increased by disbursements		<u>24,938</u>
		26,353
Decreased by collections		<u>26,353</u>
Balance, December 31, 2013	\$	<u><u>—</u></u>



**TOWNSHIP OF MAHWAH**

Schedule of Encumbrances Payable

Sewer Utility Capital Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$	46,035
Decreased by:		
Cancellations		<u>46,035</u>
Balance, December 31, 2013	\$	<u><u>—</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Deferred Reserve  
for Amortization

Sewer Utility Capital Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$ 226,300
Decreased by:	
Projects completed	<u>198,250</u>
Balance, December 31, 2013	<u><u>\$ 28,050</u></u>

**Analysis of Balance**

Ordinance #1545	<u>28,050</u>
	<u><u>\$ 28,050</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Amortization

Sewer Utility Capital Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$ <u>21,183,675</u>
Increased by:	
Transfer from deferred reserve	198,250
Assessments confirmed	3,141,600
Budget appropriation for payment of bond anticipation notes	<u>384,200</u>
	<u>3,724,050</u>
	24,907,725
Decreased by adjustment	<u>3,800</u>
Balance, December 31, 2013	\$ <u><u>24,903,925</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Sewer Overpayments

Sewer Operating Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$	10,041
Increased by cash received		<u>9,828</u>
		19,869
Decreased by refunded		<u>10,041</u>
Balance, December 31, 2013	\$	<u><u>9,828</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Capital Improvement Fund

Sewer Utility Capital Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$ <u>146,947</u>
Balance, December 31, 2013	\$ <u>146,947</u>

**TOWNSHIP OF MAHWAH**

Schedule of Assessments Receivable

Sewer Utility Assessment Fund

Year ended December 31, 2013

<u>Ordinance number</u>	<u>Improvement description</u>	<u>Date of confirmation</u>	<u>Balance, Dec. 31, 2012</u>	<u>Assessments collected</u>	<u>Balance, Dec. 31, 2013</u>
1343	Construction of sanitary sewer system - Phase IV	May 12, 2005	\$ 168,262	91,392	76,870
1507/1553/1566	Construction of sanitary sewer system - Phase V	Mar. 31, 2012	<u>1,645,895</u>	<u>254,365</u>	<u>1,391,530</u>
			<u>\$ 1,814,157</u>	<u>345,757</u>	<u>1,468,400</u>
			Collected	337,957	
			Transfer to Liens	4,000	
			Adjustment	3,800	
				<u>345,757</u>	

TOWNSHIP OF MAHWAH

Schedule of Bond Anticipation Notes Payable

Sewer Utility Capital Fund

Year ended December 31, 2013

<u>Ordinance number</u>	<u>Purpose</u>	<u>Original date of issue</u>	<u>Date of issue</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance, Dec. 31, 2012</u>	<u>Increased</u>	<u>Paid</u>	<u>Balance, Dec. 31, 2013</u>
507/1553/1566	Sanitary sewer - Phase V	Jun. 14, 2007	Jun. 7, 2013	Jun. 6, 2014	1.00%	\$ 1,634,200	1,303,800	1,634,200	1,303,800
1545	Various sewer improvements	Jun. 14, 2007	Jun. 7, 2013	Jun. 6, 2014	1.00%	100,000	50,000	100,000	50,000
						<u>\$ 1,734,200</u>	<u>1,353,800</u>	<u>1,734,200</u>	<u>1,353,800</u>
					Renewed		\$ 1,353,800	1,353,800	
					Adjustment		—	(3,800)	
					Paid by budget appropriation		—	384,200	
							<u>\$ 1,353,800</u>	<u>1,734,200</u>	

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Payment of Debt

Sewer Utility Capital Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$ <u>44,242</u>
Balance, December 31, 2013	\$ <u>44,242</u>

**TOWNSHIP OF MAHWAH**

Schedule of Amount Due from (to) Sewer  
Utility Capital Fund

Sewer Utility Operating Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$	2
Increased by		
Interest earned		<u>11</u>
		13
Decreased by:		
Interfund returned		<u>12</u>
Balance, December 31, 2013	\$	<u><u>1</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Accrued Interest on Notes

Sewer Utility Operating Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$	23,000
Increased by:		
Budget appropriation		<u>175,000</u>
		198,000
Decreased by:		
Cancellation		139,800
Cash disbursed		<u>40,000</u>
		<u>179,800</u>
Balance, December 31, 2013	\$	<u><u>18,200</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Arbitrage Payable

Sewer Utility Operating Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$ <u>45,000</u>
Balance, December 31, 2013	\$ <u>45,000</u>

**TOWNSHIP OF MAHWAH**

Schedule of Bonds and Notes Authorized  
but not Issued

Sewer Utility Capital Fund

Year ended December 31, 2013

<u>Ordinance number</u>	<u>Improvement</u>	<u>Balance, Dec. 31, 2012</u>	<u>Cancelled</u>	<u>Balance, Dec. 31, 2013</u>
1545	Various improvements	\$ 268,200	—	268,200
1507/1553/1566	Sanitary sewer Stage V	<u>2,005,000</u>	<u>2,005,000</u>	<u>—</u>
		<u>\$ 2,373,200</u>	<u>2,005,000</u>	<u>268,200</u>

**TOWNSHIP OF MAHWAH**

Schedule of Due from Sewer  
Utility Assessment Trust Fund

Sewer Utility Operating Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$ 652
Increased by interest collected in assessment fund	<u>55,346</u>
	55,998
Decreased by interest transfer	<u>55,472</u>
Balance, December 31, 2013	<u><u>\$ 526</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Fixed Capital

Sewer Utility Capital Fund

Year ended December 31, 2013

<u>Account</u>	<u>Balance, Dec. 31, 2012</u>	<u>Confirmed Assessment</u>	<u>Transfer from Authorized Uncompleted</u>	<u>Adjustment</u>	<u>Balance, Dec. 31, 2013</u>
Sanitary sewer system	\$ 20,024,208	3,141,600	2,167,265	3,800	25,329,273
Sewer cleaning machine	90,000		—	—	90,000
Sewer jet truck	196,692		—	—	196,692
Sanitary sewer - Darlington Project	241,275		—	—	241,275
Generators	65,000		—	—	65,000
Sewer mains	50,000		—	—	50,000
	<u>\$ 20,667,175</u>	<u>3,141,600</u>	<u>2,167,265</u>	<u>3,800</u>	<u>25,972,240</u>

TOWNSHIP OF MAHWAH

Schedule of Bond Anticipation Notes Payable

Sewer Utility Assessment Fund

Year ended December 31, 2013

<u>Ordinance number</u>	<u>Purpose</u>	<u>Original date of issue</u>	<u>Date of issue</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance, Dec. 31, 2012</u>	<u>Increased</u>	<u>Paid</u>	<u>Balance, Dec. 31, 2013</u>
1507/1553/ 1566	Sanitary Sewer - Phase V	Jun. 14, 2007	Jun. 7, 2013	Jun. 6, 2014	1.00%	\$ 2,265,800	1,796,200	2,265,800	1,796,200
						<u>\$ 2,265,800</u>	<u>1,796,200</u>	<u>2,265,800</u>	<u>1,796,200</u>
					Renewed		\$ 1,796,200	1,796,200	
					Adjustment		—	3,800	
					Paid by budget appropriation		—	465,800	
							<u>\$ 1,796,200</u>	<u>2,265,800</u>	

**TOWNSHIP OF MAHWAH**

Schedule of Assessment Liens

Sewer Utility Assessment Fund

Year ended December 31, 2013

Balance, December 31, 2012	\$	—
Increased by		
Tax Sale		<u>4,000</u>
Balance, December 31, 2013	\$	<u><u>4,000</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Changes in General Fixed Assets

General Fixed Assets Account Group

Year Ended December 31, 2013

Category	Balance Dec. 31, 2012	Additions	Deletions	Balance Dec. 31, 2013
Land	\$ 20,432,174	66,498	—	20,498,672
Buildings	20,580,763	99,706	—	20,680,469
Vehicular equipment	14,619,010	652,799	76,029	15,195,780
General equipment and machinery	5,544,245	94,672	—	5,638,917
	<u>\$ 61,176,192</u>	<u>913,675</u>	<u>76,029</u>	<u>62,013,838</u>

**SUPPLEMENTARY DATA**

**TOWNSHIP OF MAHWAH**

Supplementary Data

December 31, 2013

**Comparative Schedule of Tax Rate Information**

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Tax rate	\$ 1.664	1.626	1.580
Apportionment of tax rate:			
Municipal	0.395	0.385	0.381
Municipal Open Space	0.010	0.010	0.010
County	0.250	0.247	0.228
Local school	1.009	0.984	0.961
Assessed valuation:			
2013		\$ 5,663,744,555	
2012		5,701,611,777	
2011		5,735,375,297	

**Comparison of Tax Levies and Collections Currently**

<u>Year</u>	<u>Tax levy</u>	<u>Currently</u>	
		<u>Cash collections</u>	<u>Percentage of collection</u>
2013	\$ 94,306,067	93,391,400	99.03 %
2012	92,823,231	91,875,069	98.98
2011	90,694,305	89,985,674	99.22
2010	88,664,398	87,687,234	98.90
2009	85,757,635	84,997,722	99.11

**Delinquent Taxes and Tax Title Liens**

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

<u>Dec.31</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	\$ 294,886	479,286	774,172	0.82 %
2012	259,554	493,789	753,343	0.81
2011	268,351	480,272	748,623	0.83
2010	234,912	459,245	694,157	0.78
2009	190,824	408,645	599,469	0.70

(Continued)

## TOWNSHIP OF MAHWAH

### Supplementary Data

#### Property Acquired by Tax Title Lien Liquidation

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

<u>Year</u>	<u>Amount</u>
2013	\$ 1,353,400
2012	1,353,400
2011	1,353,400
2010	1,353,400
2009	1,353,400

#### Comparison of Water Utility Levies

<u>Year</u>	<u>Levy</u>	<u>Cash collections</u>	<u>Percent collected</u>
2013	\$ 4,838,563	4,855,727	100%
2012	5,012,172	4,862,966	97%
2011	4,550,161	4,643,021	102%
2010	4,463,753	4,404,570	99%
2009	3,266,870	3,187,055	98%

#### Comparison of Sewer Utility Levies

<u>Year</u>	<u>Levy</u>	<u>Cash collections</u>	<u>Percent collected</u>
2013	\$ 5,691,348	5,679,534	100%
2012	5,710,589	5,666,992	99%
2011	5,733,668	5,751,038	100%
2010	5,437,955	5,487,694	101%
2009	4,840,314	4,749,157	98%

(Continued)

**TOWNSHIP OF MAHWAH**

Supplementary Data

**Comparative Schedule of Fund Balances**

<u>Fund</u>	<u>Year</u>	<u>Balance, Dec.31</u>	<u>Utilized in budget of succeeding year</u>	<u>Percent utilized</u>
Current	2013	\$ 6,110,379	4,100,000	67%
	2012	6,266,446	3,895,000	62%
	2011	5,940,228	3,250,000	55%
	2010	6,256,820	3,825,000	61%
	2009	6,983,611	4,625,000	66%
Water Utility Operating	2013	\$ 5,063,043	2,569,986	51%
	2012	4,621,990	2,213,240	48%
	2011	3,962,335	2,116,220	53%
	2010	3,496,602	1,993,883	57%
	2009	2,323,412	1,790,733	77%
Sewer Utility Operating	2013	\$ 4,193,742	1,756,136	42%
	2012	3,271,904	1,669,150	51%
	2011	3,106,291	1,663,710	54%
	2010	2,713,019	1,597,570	59%
	2009	2,544,392	1,620,455	64%

(Continued)

**TOWNSHIP OF MAHWAH**

Supplementary Data

**Officials in Office and Surety Bonds**

The following officials were in office on December 31, 2013

<b>Name</b>	<b>Title</b>	<b>Amount of bond</b>
William C. Laforet	Mayor	
Harry Williams	Council President	
H. Lisa DiGiulio	Council Vice President	
Robert Hermansen	Councilmember	
Roy B. Larson	Councilmember	
Charles J. Jandris	Councilmember	
John F. Roth	Councilmember	
Steven Sbarra	Councilmember	
Brain T. Campion	Business Administrator	
Kathrine G. Coletta	Township Clerk	
Kenneth Sesholtz	Chief Financial Officer	\$ 250,000
Monica Ullrich	Assistant to the Chief Financial Officer	100,000
Elizabeth M. Villano	Tax and Collector and Tax Search Officer	500,000
Maryann Malone	Water and Sewer Collector	100,000
Anthony J. Gianni	Municipal Court Judge	65,000
Lorraine Cuomo	Court Administrator	65,000
Michelle O'Donohue	Deputy Court Administrator	65,000
Stuart A. Stolarz	Tax Assessor	
Gary L. Montroy	Construction Official	
Kevin Boswell	Township Engineer	
Andrew Fede	Township Attorney	

**TOWNSHIP OF MAHWAH**

General Comments and Recommendations

Year ended December 31, 2013

## TOWNSHIP OF MAHWAH

### General Comments

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

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

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

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements that exceeded the bid threshold, that may have been negotiated and awarded without public advertising for bids and bidding per N.J.S.A. 40A:11-5.

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

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

#### **Collection of Interest on Delinquent Taxes and Assessments**

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent. The governing body adopted the following resolution authorizing interest to be charged on delinquent taxes:

"WHEREAS, the penalty for nonpayment of taxes becoming delinquent on and after January 3, 2013 shall be at the rate of eight per centum (8%) per year for the first \$1,500 of delinquency and eighteen per centum (18%) per year on amounts over \$1,500; and WHEREAS, Section 54:4-67 of the Revised Statutes has been amended to allow the Tax Collector to collect no interest if payment of any installment is made within ten (10) days after the date upon which the same became payable, provided it meets with the approval of the Mayor and Council; BE IT RESOLVED, that the Tax Collector is granted permission to withhold interest charges for a period of ten (10) days after the date upon which the installment became payable, provided it is received within the period."

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

(Continued)

**TOWNSHIP OF MAHWAH**

General Comments

**Delinquent Taxes and Tax Title Liens**

The last tax sale was held on April 3, 2013 and was complete.

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

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

<u>Year</u>	<u>Number of liens</u>
2013	15
2012	10
2011	11
2010	10

**Status of Prior Year Comments**

There were none noted.

**Other Comments**

None noted

**Recommendations**

None noted.