

BOROUGH OF FLORHAM PARK

COUNTY OF MORRIS

REPORT OF AUDIT

2014

NISIVOCIA LLP
CERTIFIED PUBLIC ACCOUNTANTS

BOROUGH OF FLORHAM PARK

COUNTY OF MORRIS

REPORT OF AUDIT

2014

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BOROUGH OF FLORHAM PARK

PART I

FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2014



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 Mt. Arlington, NJ 07856
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Independent Auditors' Report

The Honorable Mayor and Members
 of the Borough Council
 Borough of Florham Park
 Florham Park, New Jersey

Report on the Financial Statements

We have audited the financial statements – *regulatory basis* - of the various funds of the Borough of Florham Park, in the County of Morris (the "Borough") as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

The Honorable Mayor and Members
of the Borough Council
Borough of Florham Park
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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, the financial statements are prepared by the Borough on the basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for the Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly in accordance with accounting principles generally accepted in the United States of America the financial position of each fund of the Borough as of December 31, 2014 and 2013, or the changes in financial position or where applicable, cash flows thereof for the years then ended.

Basis for Qualified Opinion

The Borough's general fixed assets account group is stated at historical cost or estimated historical cost in the accompanying financial statements. The basis of accounting is not in conformity with U. S. generally accepted accounting principles but is in accordance with the accounting practices prescribed or permitted by the Division. As described in Note 1, based upon the underlying accounting records, we have not audited the general fixed assets account group.

Qualified Opinion on Regulatory Basis of Accounting

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

Other Matters

Supplementary Information

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

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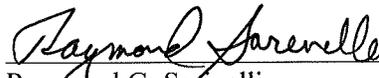
The supplementary data schedules and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2015 on our consideration of the Borough of Florham Park's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Florham Park's internal control over financial reporting and compliance.

June 9, 2015
Mount Arlington, New Jersey

NISIVOCCIA LLP



Raymond G. Sarinelli
Certified Public Accountant
Registered Municipal Accountant No. 383

BOROUGH OF FLORHAM PARK
COUNTY OF MORRIS
2014
CURRENT FUND

BOROUGH OF FLORHAM PARK
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
<u>ASSETS</u>	<u>Ref.</u>	2014	2013
Regular Fund:			
Cash and Cash Equivalents	A-4	\$ 4,790,780.92	\$ 4,180,445.28
		4,790,780.92	4,180,445.28
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-7	314,031.80	379,396.15
Tax Title Liens Receivable	A-8	18,587.92	17,608.16
Due from General Capital Fund	C	25,000.00	
Due from Animal Control Trust Fund	B	6,600.14	40,662.87
Revenue Accounts Receivable	A-9	15,601.42	
		379,821.28	437,667.18
Total Receivables and Other Assets with Full Reserves			
Deferred Charges:			
Special Emergency Authorization (NJSA 40A:4-53)		69,403.31	129,403.31
		5,240,005.51	4,747,515.77
Total Regular Fund			
Federal and State Grant Fund:			
Cash and Cash Equivalents	A-6	371,022.71	233,524.19
Due from Current Fund	A	33,851.81	4,400.00
Grants Receivable	A-10	1,201.70	1,201.70
		406,076.22	239,125.89
Total Federal and State Grant Fund			
TOTAL ASSETS		\$ 5,646,081.73	\$ 4,986,641.66

BOROUGH OF FLORHAM PARK
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

		December 31,	
	Ref.	2014	2013
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Appropriation Reserves:			
Encumbered	A-3;A-11	\$ 149,999.15	\$ 272,532.85
Unencumbered	A-3;A-11	953,387.33	617,104.33
		1,103,386.48	889,637.18
Accounts Payable - Vendors		155,566.06	155,566.06
Due to Other Trust Funds	B	124,402.03	140,000.00
Due to Sewer Utility Operating Fund	E	60,000.00	
Due to Federal and State Grant Fund	A	33,851.81	4,400.00
Due State of New Jersey:			
Marriage License Fees		425.00	450.00
State Training Fees		8,194.00	
Senior Citizen and Veteran Deductions		86,545.40	88,903.62
County Added and Omitted Taxes Payable		26,335.23	
District School Taxes Payable	A-12		1.54
Prepaid Taxes		160,144.04	128,611.02
Tax Overpayments		104,306.11	186,400.75
Emergency Note Payable	A-16	69,403.31	129,403.31
Reserve for:			
Insurance		16,713.03	16,713.03
Pending Tax Appeals		657,685.24	304,892.76
Contingencies		25,000.00	25,000.00
		2,631,957.74	2,069,979.27
Reserve for Receivables and Other Assets	A	379,821.28	437,667.18
Fund Balance	A-1	2,228,226.49	2,239,869.32
		5,240,005.51	4,747,515.77
Total Regular Fund			
Federal and State Grant Fund:			
Appropriated Reserves:			
Unencumbered	A-14	322,317.96	171,041.32
Encumbered	A-14	6,680.00	
Unappropriated Reserves	A-15	77,078.26	68,084.57
		406,076.22	239,125.89
Total Federal and State Grant Fund			
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		\$ 5,646,081.73	\$ 4,986,641.66

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

BOROUGH OF FLORHAM PARK
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2014	2013
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	\$	1,874,000.00	\$ 1,924,000.00
Miscellaneous Revenue Anticipated		4,213,459.49	5,033,616.41
Receipts from:			
Delinquent Taxes		379,316.23	392,137.70
Current Taxes		44,279,550.49	43,478,139.47
Nonbudget Revenue		400,015.04	358,907.81
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		392,847.74	278,085.40
Cancellations:			
Federal and State Grant Fund Appropriated Reserves			18,042.82
Tax Overpayments		16,877.93	1,218.20
Interfunds Returned		40,662.87	15,640.05
		<u>51,596,729.79</u>	<u>51,499,787.86</u>
<u>Expenditures</u>			
Budget and Emergency Appropriations:			
Municipal Purposes		17,625,847.77	18,150,224.70
County Taxes		7,240,400.23	7,601,545.13
Local School District Taxes		16,903,143.00	16,382,216.00
Regional High School Taxes		7,563,166.00	7,401,506.00
Reserve for Tax Appeals		370,215.48	
Interfunds Advanced		31,600.14	40,662.87
		<u>49,734,372.62</u>	<u>49,576,154.70</u>
Excess in Revenue		1,862,357.17	1,923,633.16
<u>Fund Balance</u>			
Balance January 1		<u>2,239,869.32</u>	<u>2,240,236.16</u>
		4,102,226.49	4,163,869.32
Decreased by:			
Utilized as Anticipated Revenue		<u>1,874,000.00</u>	<u>1,924,000.00</u>
Balance December 31	A	<u>\$ 2,228,226.49</u>	<u>\$ 2,239,869.32</u>

BOROUGH OF FLORHAM PARK
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	<u>Budget</u>	<u>Added by NJSA 40A:4-87</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Fund Balance Anticipated	\$ 1,874,000.00		\$ 1,874,000.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	16,000.00		15,752.00	\$ 248.00 *
Other	52,000.00		71,685.00	19,685.00
Fees and Permits - Other	130,000.00		128,141.55	1,858.45 *
Fines and Costs - Municipal Court	200,000.00		218,514.02	18,514.02
Interest and Costs on Taxes	95,000.00		81,530.71	13,469.29 *
Interest on Investments and Deposits	14,000.00		14,681.97	681.97
Payments in Lieu of Taxes	344,290.00		375,126.68	30,836.68
Park Avenue Club	28,750.00		35,218.75	6,468.75
Energy Receipts Tax	1,028,158.00		1,028,158.00	
Uniform Construction Code Fees	450,000.00		732,243.00	282,243.00
Recycling Tonnage Grant	24,907.46		24,907.46	
Drunk Driving Enforcement Fund	4,556.76		4,556.76	
Clean Communities Program	19,948.78		19,948.78	
Click It or Ticket	4,000.00		4,000.00	
NFL Field Grant		\$ 250,000.00	250,000.00	
U. S. Department of Justice	1,787.70	446.93	2,234.63	
Body Armor Replacement Fund	4,267.45		4,267.45	
Alcohol Education and Rehabilitation Fund	2,797.06		2,797.06	
DWI Labor Day Crackdown	4,400.00		4,400.00	
Uniform Fire Safety Act	86,500.00		110,738.58	24,238.58
General Capital Fund Balance	25,000.00		25,000.00	
Hotel Occupancy Tax	246,400.00		256,957.09	10,557.09
Reserve for Debt Service	117,600.00		117,600.00	
Sewer Utility Operating Surplus	685,000.00		685,000.00	
	<u>3,585,363.21</u>	<u>250,446.93</u>	<u>4,213,459.49</u>	<u>377,649.35</u>
Receipt from Delinquent Taxes	370,000.00		379,316.23	9,316.23
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	11,948,451.60		12,974,761.11	1,026,309.51
Minimum Library Tax	951,120.15		951,120.15	
Subtotal Amount to be Raised	<u>12,899,571.75</u>		<u>13,925,881.26</u>	<u>1,026,309.51</u>
Budget Totals	<u>18,728,934.96</u>	<u>250,446.93</u>	<u>20,392,656.98</u>	<u>\$ 1,413,275.09</u>
Nonbudget Revenue			400,015.04	
	<u>\$ 18,728,934.96</u>	<u>\$ 250,446.93</u>	<u>\$ 20,792,672.02</u>	

BOROUGH OF FLORHAM PARK
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

(Continued)

Allocation of Current Tax Collections:

Revenue from Collection of Current Taxes	\$ 44,279,550.49
Allocated to County, Local School District, Regional High School and Local Open Space Taxes	<u>31,706,709.23</u>
Balance for Support of Municipal Budget	12,572,841.26
 Add: Appropriation "Reserve for Uncollected Taxes"	 <u>1,353,040.00</u>
Realized for Support of Municipal Budget	<u><u>\$ 13,925,881.26</u></u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	<u>379,316.23</u>
Realized for Support of Municipal Budget	<u><u>\$ 379,316.23</u></u>

Analysis of Fees and Permits - Other:

Cash Received	128,166.55
Less Refunds	<u>25.00</u>
	<u><u>\$ 128,141.55</u></u>

Analysis of Nonbudget Revenue:

Miscellaneous Revenue Not Anticipated:

Treasurer:

Rifle Club Lease Payment	\$	15,060.00
Copies		407.16
Cablevision Franchise Fees		97,071.81
Bid Specifications		1,950.00
State of New Jersey:		
Senior Citizens' and Veterans' Deductions Administrative Reimbursement		1,937.84
State of New Jersey Inspection Fees		16,787.00
Borough Auction Proceeds		5,000.00
Police Outside Duty Administrative Fees		227,987.25
Other Miscellaneous Revenue		<u>27,155.88</u>

\$ 393,356.94

Statutory Excess in Animal Control Trust Fund	6,600.14
Due from Other Trust Fund	5,382.50
Tax Collector Miscellaneous	<u>822.00</u>
	406,161.58
Less: Refunds	<u>6,146.54</u>

\$ 400,015.04

BOROUGH OF FLORHAM PARK
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	<u>Appropriation</u>		<u>Expended By</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
GENERAL GOVERNMENT:					
General Administration:					
Salaries and Wages	\$ 122,620.00	\$ 73,620.00	\$ 72,370.00	\$ 1,250.00	
Other Expenses	12,000.00	12,000.00	10,845.31	1,154.69	
Mayor and Council:					
Other Expenses	19,200.00	19,200.00	18,345.13	854.87	
Municipal Clerk:					
Salaries and Wages	163,490.00	170,990.00	170,297.93	692.07	
Other Expenses	67,075.00	67,075.00	46,677.04	20,397.96	
Financial Administration:					
Salaries and Wages	84,345.00	95,845.00	95,507.86	337.14	
Other Expenses	34,950.00	31,450.00	24,080.41	7,369.59	
Annual Audit	26,265.00	26,265.00	26,265.00		
Revenue Administration (Tax Collection):					
Salaries and Wages	47,835.00	47,835.00	46,528.81	1,306.19	
Other Expenses	9,947.50	9,947.50	7,086.14	2,861.36	
Information Technology					
Other Expenses	23,000.00	23,000.00	18,469.46	4,530.54	
Tax Assessment Administration:					
Salaries and Wages	51,815.00	51,815.00	51,509.63	305.37	
Other Expenses	96,980.00	96,980.00	93,973.43	3,006.57	
Legal Services and Costs:					
Other Expenses	163,500.00	163,500.00	124,033.91	39,466.09	
Engineering Services and Costs:					
Salaries and Wages	136,335.00	139,335.00	136,647.52	2,687.48	
Other Expenses	66,000.00	66,000.00	63,000.55	2,999.45	
Historic Commission:					
Other Expenses	5,200.00	5,200.00	5,129.55	70.45	

BOROUGH OF FLORHAM PARK
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	<u>Appropriation</u>		<u>Expended By</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
GENERAL GOVERNMENT (Cont'd):					
Planning Board:					
Salaries and Wages	\$ 21,800.00	\$ 22,300.00	\$ 21,980.37	\$ 319.63	
Other Expenses	73,490.00	72,990.00	17,472.45	55,517.55	
Board of Adjustment:					
Salaries and Wages	29,280.00	29,280.00	28,746.29	533.71	
Other Expenses	23,160.00	23,160.00	9,941.18	13,218.82	
Municipal Court:					
Salaries and Wages	110,131.00	110,131.00	91,967.05	18,163.95	
Other Expenses	8,070.00	9,070.00	7,655.01	1,414.99	
Public Defender:					
Salaries and Wages	5,000.00	5,000.00	5,000.00		
PUBLIC SAFETY:					
Police:					
Salaries and Wages	3,987,990.00	4,091,990.00	4,054,622.38	37,367.62	
Other Expenses	239,150.00	239,150.00	234,214.29	4,935.71	
Police Vehicles:					
Other Expenses	65,000.00	65,000.00	64,954.46	45.54	
Municipal Prosecutor:					
Salaries and Wages	25,000.00	25,000.00	25,000.00		
Emergency Management Services:					
Other Expenses	14,475.00	14,475.00	14,475.00		
Fire:					
Salaries and Wages	33,500.00	32,500.00	32,498.20	1.80	
Other Expenses	105,185.00	105,185.00	105,094.99	90.01	
First Aid Organization Contribution:					
Other Expenses	15,000.00	15,000.00	15,000.00		

BOROUGH OF FLORHAM PARK
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
PUBLIC SAFETY (Cont'd):					
Fire Safety:					
Salaries and Wages	\$ 96,765.00	\$ 101,465.00	\$ 101,464.51	\$ 0.49	
Other Expenses	14,500.00	14,500.00	13,814.38	685.62	
Contribution to Volunteer Fire Department:					
Other Expenses	22,000.00	23,200.00	23,144.00	56.00	
PUBLIC WORKS:					
Road Repairs and Maintenance:					
Salaries and Wages	574,300.00	575,300.00	573,341.71	1,958.29	
Other Expenses	228,550.00	206,050.00	186,732.60	19,317.40	
DPW and Other Public Works:					
Salaries and Wages	204,245.00	204,495.00	204,459.30	35.70	
DPW Solid Waste Collection:					
Other Expenses	63,000.00	63,000.00	63,000.00		
DPW Buildings and Grounds:					
Salaries and Wages	644,190.00	654,390.00	590,500.16	63,889.84	
Other Expenses	96,500.00	96,500.00	87,861.30	8,638.70	
DPW Vehicle Maintenance:					
Salaries and Wages	158,615.00	153,615.00	152,712.46	902.54	
Other Expenses	113,900.00	116,400.00	106,857.66	9,542.34	
Insect Control:					
Other Expenses	1,000.00	1,000.00		1,000.00	
HEALTH AND HUMAN SERVICES:					
Board of Health:					
Salaries and Wages	58,730.00	58,730.00	58,226.25	503.75	
Other Expenses	143,944.95	143,944.95	138,261.58	5,683.37	
Environmental Commission:					
Other Expenses	13,500.00	13,500.00	8,626.09	4,873.91	

BOROUGH OF FLORHAM PARK
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	<u>Appropriation</u>		<u>Expended By</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
HEALTH AND HUMAN SERVICES (Cont'd):					
Social Services:					
Other Expenses	\$ 14,500.00	\$ 14,500.00		\$ 14,500.00	
RECREATION AND EDUCATION:					
Recreation:					
Salaries and Wages	108,625.00	111,625.00	\$ 108,863.20	2,761.80	
Other Expenses	80,775.00	80,775.00	53,735.07	27,039.93	
Public Events:					
Other Expenses	5,000.00	5,000.00	4,000.00	1,000.00	
Condo Services:					
Other Expenses	60,000.00	60,000.00	45,922.40	14,077.60	
INSURANCES:					
Workers' Compensation Insurance	169,154.75	169,154.75	164,558.74	4,596.01	
Liability Insurance	165,655.00	165,655.00	164,943.51	711.49	
Group Insurance for Employees	2,186,500.00	2,178,050.00	1,973,736.70	204,313.30	
UNIFORM CONSTRUCTION CODE:					
Construction Official:					
Salaries and Wages	319,090.00	268,590.00	249,069.96	19,520.04	
Other Expenses	102,850.00	87,850.00	38,598.99	49,251.01	
UTILITIES:					
Bulk Utilities	668,600.00	668,600.00	598,019.89	70,580.11	
Total Operations Within "CAPS"	<u>12,201,278.20</u>	<u>12,196,178.20</u>	<u>11,449,839.81</u>	<u>746,338.39</u>	
Contingent	<u>10,000.00</u>	<u>10,000.00</u>		<u>10,000.00</u>	
Total Operations including Contingent within "CAPS"	<u>12,211,278.20</u>	<u>12,206,178.20</u>	<u>11,449,839.81</u>	<u>756,338.39</u>	

BOROUGH OF FLORHAM PARK
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

(Continued)

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Detail:					
Salaries and Wages	\$ 6,886,936.00	\$ 6,922,386.00	\$ 6,769,849.08	\$ 152,536.92	
Other Expenses	5,324,342.20	5,283,792.20	4,679,990.73	603,801.47	
Deferred Charges & Statutory Expenditures - Municipal Within "CAPS":					
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	315,294.00	315,294.00	315,026.85	267.15	
Social Security System (O.A.S.I.)	317,626.05	317,626.05	306,433.92	11,192.13	
Police and Firemen's Retirement System of NJ	717,023.00	717,023.00	717,023.00		
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	1,349,943.05	1,349,943.05	1,338,483.77	11,459.28	
Total General Appropriations for Municipal Purposes Within "CAPS"	13,561,221.25	13,556,121.25	12,788,323.58	767,797.67	
Operations Excluded from "CAPS":					
Maintenance of Free Public Library	1,086,759.00	1,091,859.00	1,057,389.34	34,469.66	
LOSAP - Other Expenses	36,000.00	36,000.00	33,300.00	2,700.00	
Reserve for Tax Appeals	148,420.00	148,420.00		148,420.00	
Public and Private Programs Offset by Revenue:					
Recycling Tonnage Grant	24,907.46	24,907.46	24,907.46		
Drunk Driving Enforcement Fun	4,556.76	4,556.76	4,556.76		
Body Armor Replacement Fund	4,267.45	4,267.45	4,267.45		
Alcohol Education, Rehabilitation and Enforcement Fund	2,797.06	2,797.06	2,797.06		
Clean Communities Grant	19,948.78	19,948.78	19,948.78		
Click It or Ticket	4,000.00	4,000.00	4,000.00		
DWI Labor Day Crackdown	4,400.00	4,400.00	4,400.00		
U.S. Department of Justice (N.J.S.A. 40A:4-87, + \$446.93)	1,787.70	2,234.63	2,234.63		
NFL Field Grant (N.J.S.A. 40A:4-87, + \$250,000.00)		250,000.00	250,000.00		
Total Operations Excluded from "CAPS"	1,337,844.21	1,593,391.14	1,407,801.48	185,589.66	

BOROUGH OF FLORHAM PARK
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Detail:					
Salaries and Wages					
Other Expenses	\$ 1,337,844.21	\$ 1,593,391.14	\$ 1,407,801.48	\$ 185,589.66	
Capital Improvements - Excluded from "CAPS":					
Capital Improvement Fund	40,000.00	40,000.00	40,000.00		
Total Capital Improvements - Excluded from "CAPS"	40,000.00	40,000.00	40,000.00		
Municipal Debt Service - Excluded from "CAPS":					
Payment of Bond Principal	1,055,492.00	1,055,492.00	1,055,492.00		
Payment of Bond Anticipation Notes and Capital Notes	963,000.00	963,000.00	963,000.00		
Interest on Bonds	119,000.00	119,000.00	118,505.88		\$ 494.12
Interest on Notes	112,717.50	112,717.50	112,717.50		
Special Emergency Note Interest	1,620.00	1,620.00	1,620.00		
Total Municipal Debt Service - Excluded from "CAPS"	2,251,829.50	2,251,829.50	2,251,335.38		494.12

BOROUGH OF FLORHAM PARK
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Deferred Charges - Excluded from "CAPS":					
Special Emergency Authorization - 5 Years	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00		
Deferred Charges to Future Taxation Unfunded: Ordinance 07-23	125,000.00	125,000.00	125,000.00		
Total Deferred Charges - Excluded from "CAPS"	185,000.00	185,000.00	185,000.00		
Total General Appropriations - Excluded from "CAPS"	3,814,673.71	4,070,220.64	3,884,136.86	\$ 185,589.66	\$ 494.12
Subtotal General Appropriations	17,375,894.96	17,626,341.89	16,672,460.44	953,387.33	494.12
Reserve for Uncollected Taxes	1,353,040.00	1,353,040.00	1,353,040.00		
Total General Appropriations	<u>\$18,728,934.96</u>	<u>\$18,979,381.89</u>	<u>\$18,025,500.44</u>	<u>\$ 953,387.33</u>	<u>\$ 494.12</u>

A

BOROUGH OF FLORHAM PARK
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

		Analysis of	
	Ref.	Budget After Modification	Paid or Charged
Adopted Budget		\$ 18,728,934.96	
Added by NJSA 40A:4-87		250,446.93	
		\$ 18,979,381.89	
Reserve for Uncollected Taxes			\$ 1,353,040.00
Reserve for Encumbrances	A		149,999.15
Due Federal and State Grant Fund			317,112.14
Deferred Charges - Special Emergency Appropriation			60,000.00
Cash Disbursed			17,990,030.54
			19,870,181.83
Less: Appropriation Refunds Received			1,844,681.39
			\$ 18,025,500.44

BOROUGH OF FLORHAM PARK
COUNTY OF MORRIS
2014
TRUST FUNDS

BOROUGH OF FLORHAM PARK
TRUST FUNDS
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2014	2013
<u>ASSETS</u>			
Animal Control Fund:			
Cash and Cash Equivalents	B-4	\$ 36,783.74	\$ 69,926.38
		<u>36,783.74</u>	<u>69,926.38</u>
Other Trust Funds:			
Cash and Cash Equivalents	B-4	2,832,291.74	2,679,905.08
Due Current Fund	A	124,402.03	140,000.00
		<u>2,956,693.77</u>	<u>2,819,905.08</u>
TOTAL ASSETS		<u><u>\$ 2,993,477.51</u></u>	<u><u>\$ 2,889,831.46</u></u>
<u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Due Current Fund	A	\$ 6,600.14	\$ 40,662.87
Due State of New Jersey		21.60	
Reserve for Animal Control Expenditures	B-6	30,162.00	29,263.51
		<u>36,783.74</u>	<u>69,926.38</u>
Other Trust Funds:			
Due Pool Utility Operating Fund		5,375.00	
Reserve for:			
Escrow Deposits		1,274,151.31	1,339,059.69
Environmental Donations		9,729.00	9,729.00
Unemployment Insurance Fund		418,369.99	425,065.11
Police Forfeited Assets		2,077.41	2,408.48
Housing Trust		284,702.52	93,705.97
Tax Sale Premiums		70,600.00	89,400.00
Recycling		8,380.49	39,167.94
Fire Penalties		35,330.00	22,695.00
Accumulated Absences		193,218.33	63,433.80
Snow Removal		159,104.57	159,104.57
Parking Offenses Adjudication Act		859.00	773.00
Recreation		367,359.16	286,225.07
Recreation - Swim Team		26,476.87	24,540.92
Police Donations		11,791.15	3,046.15
Public Defender		1,722.08	5,643.08
Off Duty Police Officer		51,765.58	239,750.99
Various Miscellaneous Trust Funds		35,681.31	16,156.31
		<u>2,956,693.77</u>	<u>2,819,905.08</u>
TOTAL LIABILITIES AND RESERVES		<u><u>\$ 2,993,477.51</u></u>	<u><u>\$ 2,889,831.46</u></u>

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

BOROUGH OF FLORHAM PARK
ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

NOT APPLICABLE

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

BOROUGH OF FLORHAM PARK
ASSESSMENT TRUST FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

NOT APPLICABLE

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

NOT APPLICABLE

BOROUGH OF FLORHAM PARK
COUNTY OF MORRIS
2014
GENERAL CAPITAL FUND

BOROUGH OF FLORHAM PARK
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2014	2013
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 2,311,244.58	\$ 893,158.54
Grants Receivable:			
New Jersey Department of Transportation			55,000.00
New Jersey Green Acres Fund			250,000.00
County of Morris Open Space Trust Fund			220,000.00
Deferred Charges to Future Taxation:			
Funded		3,092,886.00	4,148,378.00
Unfunded	C-4	14,220,066.89	13,644,066.89
TOTAL ASSETS		<u>\$ 19,624,197.47</u>	<u>\$ 19,210,603.43</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-8	3,092,886.00	4,148,378.00
Bond Anticipation Notes	C-7	12,066,000.00	9,565,000.00
Due to Current Fund	A	25,000.00	
Due to Water Utility Operating Fund	D	50,000.00	
Improvement Authorizations:			
Funded	C-5	20,721.99	435,464.55
Unfunded	C-5	3,676,749.34	4,559,677.03
Capital Improvement Fund	C-6	252,260.90	232,651.26
Reserve for:			
Little Red School House		26,050.00	33,000.00
Payment of Debt Service		221,302.33	117,618.68
Salt Shed Replacement		99,413.00	
Fund Balance	C-1	93,813.91	118,813.91
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u>\$ 19,624,197.47</u>	<u>\$ 19,210,603.43</u>

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

BOROUGH OF FLORHAM PARK
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2013	C	\$ 118,813.91
Decrease by:		
Anticipated as Current Fund Revenue		<u>25,000.00</u>
Balance December 31, 2014	C	<u><u>\$ 93,813.91</u></u>

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

BOROUGH OF FLORHAM PARK
COUNTY OF MORRIS
2014
WATER UTILITY FUND

BOROUGH OF FLORHAM PARK
WATER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		<u>December 31,</u>	
	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents:			
Treasurer	D-4	\$ 1,036,776.84	\$ 1,051,454.32
Change Fund		50.00	50.00
		<u>1,036,826.84</u>	<u>1,051,504.32</u>
Due from General Capital Fund	C	50,000.00	
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-6	53,430.11	25,529.62
Total Receivables with Full Reserves		<u>53,430.11</u>	<u>25,529.62</u>
Total Operating Fund		<u>1,140,256.95</u>	<u>1,077,033.94</u>
Capital Fund:			
Cash and Cash Equivalents	D-4	402,772.43	403,904.33
Fixed Capital	D-7	4,645,246.00	4,645,246.00
Fixed Capital Authorized and Uncompleted	D-8	9,129,500.00	9,129,500.00
Due from Water Utility Operating Fund	D	50,000.00	
Total Capital Fund		<u>14,227,518.43</u>	<u>14,178,650.33</u>
TOTAL ASSETS		<u><u>\$ 15,367,775.38</u></u>	<u><u>\$ 15,255,684.27</u></u>

BOROUGH OF FLORHAM PARK
WATER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

	<u>Ref.</u>	<u>December 31,</u>	
		<u>2014</u>	<u>2013</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	D-3;D-9	\$ 240,607.03	\$ 278,280.41
Encumbered	D-3;D-9	50,236.35	64,672.93
		<u>290,843.38</u>	<u>342,953.34</u>
Due to Water Utility Capital Fund	D	50,000.00	
Water Rent Overpayments		3,686.51	4,759.15
Accrued Interest on Bonds		1,198.54	1,442.39
		<u>345,728.43</u>	<u>349,154.88</u>
Reserve for:			
Receivables	D	53,430.11	25,529.62
Fund Balance	D-1	741,098.41	702,349.44
		<u>1,140,256.95</u>	<u>1,077,033.94</u>
Total Operating Fund			
Capital Fund:			
Serial Bonds Payable	D-15	82,114.00	101,622.00
Bond Anticipation Notes	D-14	294,000.00	294,000.00
Improvement Authorizations:			
Funded	D-10	70,500.15	70,500.15
Unfunded	D-10	7,771,252.33	7,774,927.33
Capital Improvement Fund	D-11	220,053.00	170,053.00
Reserve for Payment of Debt Service		5,367.03	2,823.93
Reserve for Amortization	D-12	4,551,495.00	4,531,987.00
Deferred Reserve for Amortization	D-13	1,047,137.00	1,047,137.00
Fund Balance	D-1A	185,599.92	185,599.92
		<u>14,227,518.43</u>	<u>14,178,650.33</u>
Total Capital Fund			
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u>\$ 15,367,775.38</u>	<u>\$ 15,255,684.27</u>

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

BOROUGH OF FLORHAM PARK
WATER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2014	2013
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 300,000.00	\$ 300,000.00
Water Rents		890,589.35	972,088.83
Miscellaneous Revenue Anticipated		469,465.51	425,040.19
Miscellaneous Revenue Not Anticipated		1,115.94	3,671.71
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		265,529.14	122,629.81
		<u>1,926,699.94</u>	<u>1,823,430.54</u>
<u>Expenditures</u>			
Operating		1,410,950.00	1,432,880.00
Capital Improvements		50,000.00	50,000.00
Debt Service		22,920.97	23,002.25
Deferred Charges and Statutory Expenditures		104,080.00	87,460.00
		<u>1,587,950.97</u>	<u>1,593,342.25</u>
Excess in Revenues/Statutory Excess to Fund Balance		338,748.97	230,088.29
<u>Fund Balance</u>			
Balance January 1		702,349.44	852,261.15
		<u>1,041,098.41</u>	<u>1,082,349.44</u>
Decreased by:			
Utilized as Anticipated Revenue:			
Water Utility Operating Budget		300,000.00	300,000.00
Current Fund Budget			80,000.00
		<u>300,000.00</u>	<u>380,000.00</u>
Balance December 31	D	<u>\$ 741,098.41</u>	<u>\$ 702,349.44</u>

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

BOROUGH OF FLORHAM PARK
WATER UTILITY CAPITAL FUND
STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2013	D	<u>\$ 185,599.92</u>
Balance December 31, 2014	D	<u><u>\$ 185,599.92</u></u>

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

BOROUGH OF FLORHAM PARK
WATER UTILITY OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	<u>Budget</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Operating Surplus Anticipated	\$ 300,000.00	\$ 300,000.00	
Water Rents	914,770.00	890,589.35	\$ 24,180.65 *
Miscellaneous Revenue	373,675.00	469,465.51	95,790.51
	<u>1,588,445.00</u>	<u>1,660,054.86</u>	<u>71,609.86</u>
Miscellaneous Revenue Not Anticipated		1,115.94	1,115.94
	<u>\$ 1,588,445.00</u>	<u>\$ 1,661,170.80</u>	<u>\$ 72,725.80</u>

Analysis of Water Rents

Collections	\$ 885,830.21	
Overpayments Applied	<u>4,759.14</u>	
		<u>\$ 890,589.35</u>

Analysis of Miscellaneous Revenue

Collector:		
Miscellaneous Fees		<u>\$ 469,465.51</u>

Analysis of Miscellaneous Revenue Not Anticipated

Treasurer:		
Interest on Investments	\$ 301.29	
Interest on Investments - Water Utility Capital Fund	<u>814.65</u>	
		<u>\$ 1,115.94</u>

BOROUGH OF FLORHAM PARK
WATER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	<u>Appropriation</u>		<u>Expended By</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Operating:					
Salaries and Wages	\$ 582,750.00	\$ 582,750.00	\$ 530,164.92	\$ 52,585.08	
Other Expenses	828,200.00	828,200.00	640,178.05	188,021.95	
Capital Improvements:					
Capital Improvement Fund	50,000.00	50,000.00	50,000.00		
Debt Service:					
Payment of Bond Principal	20,000.00	20,000.00	19,508.00		\$ 492.00
Interest on Bonds	3,415.00	3,415.00	3,412.97		2.03
Statutory Expenditures:					
Public Employees' Retirement System	59,500.00	59,500.00	59,500.00		
Contribution to Social Security System (O.A.S.I.)	44,580.00	44,580.00	44,580.00		
	<u>\$ 1,588,445.00</u>	<u>\$ 1,588,445.00</u>	<u>\$ 1,347,343.94</u>	<u>\$ 240,607.03</u>	<u>\$ 494.03</u>
				D	
Adopted Budget		<u>\$ 1,588,445.00</u>			
Cash Disbursed			\$ 1,258,819.56		
Accrued Interest on Bonds			3,412.97		
Due to Water Utility Capital Fund	D		50,000.00		
Encumbrances	D		<u>50,236.35</u>		
Less:			1,362,468.88		
Refunds			<u>15,124.94</u>		
			<u>\$ 1,347,343.94</u>		

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

BOROUGH OF FLORHAM PARK
COUNTY OF MORRIS
2014
SEWER UTILITY FUND

BOROUGH OF FLORHAM PARK
SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	Ref.	<u>2014</u>	<u>2013</u>
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents:			
Treasurer		\$ 5,260,219.41	\$ 4,620,658.65
Investments		319,403.31	300,000.00
	E-4	<u>5,579,622.72</u>	<u>4,920,658.65</u>
Change Fund		50.00	50.00
		<u>5,579,672.72</u>	<u>4,920,708.65</u>
Due from Current Fund	A	60,000.00	
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-6	<u>860,370.07</u>	<u>880,317.76</u>
Total Receivables with Full Reserves		<u>860,370.07</u>	<u>880,317.76</u>
Total Operating Fund		<u>6,500,042.79</u>	<u>5,801,026.41</u>
Trust Fund:			
Cash and Cash Equivalents	E-4	<u>60,004.12</u>	<u>59,819.04</u>
Total Trust Fund		<u>60,004.12</u>	<u>59,819.04</u>
Capital Fund:			
Cash and Cash Equivalents	E-4	1,089,334.33	1,195,001.01
Fixed Capital	E-7	16,116,793.56	16,116,793.56
Fixed Capital Authorized and Uncompleted	E-8	<u>1,314,654.00</u>	<u>1,014,654.00</u>
Total Capital Fund		<u>18,520,781.89</u>	<u>18,326,448.57</u>
TOTAL ASSETS		<u><u>\$ 25,080,828.80</u></u>	<u><u>\$ 24,187,294.02</u></u>

BOROUGH OF FLORHAM PARK
SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

	Ref.	December 31,	
		2014	2013
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	E-3;E-9	\$ 665,305.34	\$ 761,479.26
Encumbered	E-3;E-9	49,884.69	79,091.59
		<u>715,190.03</u>	<u>840,570.85</u>
Accrued Interest on Bonds		26,291.67	31,479.17
Accrued Interest on Loans		16,671.88	18,026.04
		<u>758,153.58</u>	<u>890,076.06</u>
Reserve for Receivables	E	860,370.07	880,317.76
Fund Balance	E-1	4,881,519.14	4,030,632.59
Total Operating Fund		<u>6,500,042.79</u>	<u>5,801,026.41</u>
Trust Fund:			
Escrow Deposits Payable	E-4	60,004.12	59,819.04
Total Trust Fund		<u>60,004.12</u>	<u>59,819.04</u>
Capital Fund:			
Serial Bonds Payable	E-15	1,795,000.00	2,210,000.00
New Jersey Environmental Infrastructure Loan Payable	E-16	1,705,363.88	1,840,106.33
Improvement Authorizations:			
Funded	E-10	658,602.25	658,602.25
Unfunded	E-10	194,333.32	
Reserve for Sewer Extensions		536,400.00	536,400.00
Reserve for Amortization	E-12	12,616,428.44	12,066,685.99
Deferred Reserve for Amortization	E-13	1,014,654.00	1,014,654.00
Total Capital Fund		<u>18,520,781.89</u>	<u>18,326,448.57</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u><u>\$ 25,080,828.80</u></u>	<u><u>\$ 24,187,294.02</u></u>

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

BOROUGH OF FLORHAM PARK
SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2014	2013
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 446,180.00	\$ 746,180.00
Sewer User Charges		4,109,921.42	3,755,142.12
Sewer Connection Fees		141,193.59	161,560.84
Miscellaneous Revenue Anticipated		27,070.86	9,284.76
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		713,414.59	559,177.10
Total Income		<u>5,437,780.46</u>	<u>5,231,344.82</u>
<u>Expenditures</u>			
Operating		2,542,071.00	2,615,660.00
Capital Improvements		125,000.00	125,000.00
Debt Service		649,867.91	644,285.59
Deferred Charges and Statutory Expenditures		138,775.00	138,168.00
Total Expenditures		<u>3,455,713.91</u>	<u>3,523,113.59</u>
Excess in Revenues/Statutory Excess to Fund Balance		1,982,066.55	1,708,231.23
<u>Fund Balance</u>			
Balance January 1		<u>4,030,632.59</u>	<u>4,723,581.36</u>
		6,012,699.14	6,431,812.59
Decreased by:			
Utilized as Anticipated Revenue:			
Sewer Utility Operating Budget		446,180.00	746,180.00
Current Fund Budget		685,000.00	1,655,000.00
Balance December 31	E	<u>\$ 4,881,519.14</u>	<u>\$ 4,030,632.59</u>

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

BOROUGH OF FLORHAM PARK
SEWER UTILITY CAPITAL FUND
STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

NOT APPLICABLE

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

BOROUGH OF FLORHAM PARK
SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	Budget	Realized	Excess or Deficit *
Operating Surplus Anticipated	\$ 446,180.00	\$ 446,180.00	
Sewer User Charges	2,908,641.00	4,109,921.42	\$ 1,201,280.42
Sewer Connection Fees	92,625.00	141,193.59	48,568.59
Miscellaneous Revenue	21,400.00	27,070.86	5,670.86
	\$ 3,468,846.00	\$ 4,724,365.87	\$ 1,255,519.87

Analysis of Sewer User Charges

Collections		\$ 4,109,921.42
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Analysis of Sewer Connection Fees

Collections	\$ 186,221.43	
Less: Refunded	45,027.84	
		\$ 141,193.59

Analysis of Miscellaneous Revenue

Collector/Treasurer:		
Interest and Costs on Delinquent		
Sewer User Charges	20,068.14	
Miscellaneous	2,957.70	
		\$ 23,025.84
Treasurer:		
Interest on Investments and Deposits:		
Collected/Received by Treasurer		4,045.02
		\$ 27,070.86

BOROUGH OF FLORHAM PARK
SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	<u>Appropriation</u>		<u>Expended By</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Operating:					
Salaries and Wages	\$ 781,415.00	\$ 822,915.00	\$ 820,819.88	\$ 2,095.12	
Other Expenses	1,760,656.00	1,719,156.00	1,180,945.78	538,210.22	
Capital Improvements:					
Capital Outlay	125,000.00	125,000.00		125,000.00	
Debt Service:					
Payment of Bond Principal	550,000.00	550,000.00	549,742.45		\$ 257.55
Interest on Bonds	113,000.00	113,000.00	100,125.46		12,874.54
Statutory Expenditures:					
Public Employees' Retirement System	79,000.00	79,000.00	79,000.00		
Contribution to Social Security System (O.A.S.I.)	59,775.00	59,775.00	59,775.00		
	<u>\$ 3,468,846.00</u>	<u>\$ 3,468,846.00</u>	<u>\$ 2,790,408.57</u>	<u>\$ 665,305.34</u>	<u>\$ 13,132.09</u>
				E	
Cash Disbursed			\$ 2,645,606.72		
Accrued Interest on Bonds			64,137.50		
Accrued Interest on Loans			35,987.96		
Encumbrances Payable	E		49,884.69		
			<u>2,795,616.87</u>		
Less: Appropriation Refunds			5,208.30		
			<u>\$ 2,790,408.57</u>		

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

BOROUGH OF FLORHAM PARK
COUNTY OF MORRIS
2014
POOL UTILITY FUND

BOROUGH OF FLORHAM PARK
POOL UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	Ref.	2014	2013
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents:			
Treasurer	F-4	\$ 289,809.49	\$ 251,486.53
Change Fund		50.00	50.00
		289,859.49	251,536.53
Due from Other Trust Funds		5,375.00	
Total Operating Fund		295,234.49	251,536.53
Capital Fund:			
Cash and Cash Equivalents	F-4	188,367.92	195,050.92
Due from Pool Utility Operating Fund	F	20,000.00	
Fixed Capital	F-7	1,340,687.45	1,340,687.45
Fixed Capital Authorized and Uncompleted	F-8	20,000.00	
Total Capital Fund		1,569,055.37	1,535,738.37
TOTAL ASSETS		\$ 1,864,289.86	\$ 1,787,274.90

BOROUGH OF FLORHAM PARK
POOL UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

	Ref.	December 31,	
		2014	2013
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	F-3;F-9	\$ 48,594.59	\$ 44,752.02
Encumbered	F-9		475.00
		<u>48,594.59</u>	<u>45,227.02</u>
Due to Pool Utility Capital Fund	F	<u>20,000.00</u>	
		68,594.59	45,227.02
Fund Balance	F-1	<u>226,639.90</u>	<u>206,309.51</u>
Total Operating Fund		<u>295,234.49</u>	<u>251,536.53</u>
Capital Fund:			
Improvement Authorizations:			
Funded	F-10	13,317.00	
Capital Improvement Fund	F-11	156,961.00	176,961.00
Reserve for Amortization	F-12	1,312,470.00	1,292,470.00
Deferred Reserve for Amortization	F-13	20,000.00	
Fund Balance	F-1A	<u>66,307.37</u>	<u>66,307.37</u>
Total Capital Fund		<u>1,569,055.37</u>	<u>1,535,738.37</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u><u>\$ 1,864,289.86</u></u>	<u><u>\$ 1,787,274.90</u></u>

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

BOROUGH OF FLORHAM PARK
POOL UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE
IN FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2014	2013
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 37,555.00	\$ 34,555.00
Membership Fees		137,552.98	130,495.00
Miscellaneous Revenue		28,515.39	24,714.44
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		45,227.02	47,446.37
		<u>248,850.39</u>	<u>237,210.81</u>
<u>Expenditures</u>			
Operating		164,450.00	163,980.00
Deferred Charges and Statutory Expenditures		26,515.00	8,125.00
		<u>190,965.00</u>	<u>172,105.00</u>
Excess in Revenues/Statutory Excess to Fund Balance		57,885.39	65,105.81
<u>Fund Balance</u>			
Balance January 1		206,309.51	175,758.70
		264,194.90	240,864.51
Decreased by:			
Utilized as Anticipated Revenue:			
Pool Utility Operating Budget		37,555.00	34,555.00
Balance December 31	F	<u>\$ 226,639.90</u>	<u>\$ 206,309.51</u>

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

BOROUGH OF FLORHAM PARK
POOL UTILITY CAPITAL FUND
STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	<u>Ref.</u>	
Balance December 31, 2013	F	<u>\$ 66,307.37</u>
Balance December 31, 2014	F	<u>\$ 66,307.37</u>

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

BOROUGH OF FLORHAM PARK
POOL UTILITY OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	<u>Budget</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Operating Surplus Anticipated	\$ 37,555.00	\$ 37,555.00	
Pool Memberships	128,710.00	137,552.98	\$ 8,842.98
Miscellaneous Revenue	24,700.00	28,515.39	3,815.39
	<u>\$ 190,965.00</u>	<u>\$ 203,623.37</u>	<u>\$ 12,658.37</u>

Analysis of Pool Memberships

Collections	<u>\$ 137,552.98</u>
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Analysis of Miscellaneous Revenue

Collector:	
Miscellaneous	\$ 27,516.50
Treasurer:	
Interest on Investments	610.98
Interest on Investments - Pool Utility Capital Fund	387.91
	<u>\$ 28,515.39</u>

BOROUGH OF FLORHAM PARK
POOL UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	Appropriation		Expended By	
	Budget	Budget After Modification	Paid or Charged	Reserved
Operating:				
Salaries and Wages	\$ 85,150.00	\$ 85,150.00	\$ 63,001.10	\$ 22,148.90
Other Expenses	79,300.00	79,300.00	52,854.31	26,445.69
Deferred Charges to Future Revenue Unfunded	20,000.00	20,000.00	20,000.00	
Statutory Expenditures:				
Contribution to Social Security System (O.A.S.I.)	6,515.00	6,515.00	6,515.00	
	\$ 190,965.00	\$ 190,965.00	\$ 142,370.41	\$ 48,594.59
<u>Ref.</u>				F
Cash Disbursed			\$ 122,370.41	
Due to Pool Utility Capital Fund			20,000.00	
			\$ 142,370.41	

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

BOROUGH OF FLORHAM PARK
COUNTY OF MORRIS
2014
PUBLIC ASSISTANCE FUND

NOT APPLICABLE

BOROUGH OF FLORHAM PARK
COUNTY OF MORRIS
2014
GENERAL FIXED ASSETS ACCOUNT GROUP
(Unaudited)

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Description of Funds

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

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

Trust Funds - Receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

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

Water Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned water utility.

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
 (Continued)

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

B. Description of Funds (Cont'd)

Sewer Utility Operating, Trust and Capital Funds - Account for the operations, trust deposits and acquisition of capital facilities of the municipally owned sewer utility.

Pool Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned pool utility.

General Fixed Assets Account Group (Unaudited) - Estimated values of land, buildings and certain fixed assets of the Borough as discussed in Note 1E - "Basis of Accounting".

C. Basis of Accounting

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

The more significant accounting policies in New Jersey follow.

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey. Federal and state grants are generally recognized on the cash basis, except for certain assistance which is not realized until anticipated in the Borough's budget in the Current Fund. Grant revenue is realized in the Capital Funds when improvements are authorized. The amounts recorded as property taxes receivable have not been included in revenue. Amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund.

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

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

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

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

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

C. Basis of Accounting (Cont'd)

Had the Borough's financial statements been prepared under accounting principles generally accepted in the United States of America, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; and federal and state grants and assistance would be recognized when earned, not when budgeted or awarded; inventories would not be reflected as expenditures at the time of purchase and fixed assets purchased by the Utility Funds would be depreciated.

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

D. Deferred Charges to Future Taxation

The General Capital Fund balance sheet includes both funded and unfunded deferred charges. Funded means that bonds have been issued and are being paid off on a serial basis. Unfunded means that the debt has been authorized but not permanently financed. A municipality can eliminate an unfunded deferred charge by raising it in the budget, or collecting a grant. The unfunded deferred charge may also be funded by selling bonds, by loans, or by capital lease purchase agreements.

E. Other significant accounting policies include:

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

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

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

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

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

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

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

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

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

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

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

Inventories of Supplies - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets.

General Fixed Assets (Unaudited) - In accordance with New Jersey Administrative Code accounting requirements, as promulgated by the Division of Local Government Services, the Borough has developed a fixed assets accounting and reporting system based on the following:

General fixed assets are recorded at cost, except for land which is recorded at estimated historical cost. Infrastructure assets are not included in general fixed assets, as per state directive. Major renewals and betterments are charged to the asset accounts; maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their fair market value on the date donated. No depreciation has been provided for on general fixed assets. The total value recorded for general fixed assets is offset by a "Reserve for Fixed Assets." When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly. Assets recorded in the general fixed assets account group may also be recorded in the Current Fund, General Capital Fund, and Water Utility, Sewer Utility and Pool Utility Funds. The values recorded in the general fixed assets account group and the current and capital funds may not always agree due to differences in valuation methods, timing of recognition of assets, and the recognition of infrastructures. Fixed assets are reviewed for impairment.

Property and equipment purchased by the Water, Sewer, and Pool Utility Funds are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent replacement costs or current value. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Utility Capital Funds represent charges to operations for the costs of acquisitions of property, equipment and improvements. The Utility Funds do not record depreciation on fixed assets.

F. Budget/Budgetary Controls:

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

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 2: Long-Term Debt

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

Summary of Municipal Debt

	<u>December 31,</u>		
	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 15,158,886	\$ 13,842,781	\$ 15,173,870
Water Utility:			
Bonds and Notes	376,114	395,622	121,130
Sewer Utility:			
Bonds and Loans	3,500,364	4,050,106	4,583,560
Total Issued	<u>19,035,364</u>	<u>18,288,509</u>	<u>19,878,560</u>
<u>Authorized but not Issued:</u>			
General:			
Bonds and Notes	2,154,067	4,079,067	2,204,067
Water Utility:			
Bonds and Notes	7,800,000	7,800,000	7,800,000
Sewer Utility:			
Bonds and Notes	300,000		
Pool Utility:			
Bonds and Notes	28,217		700,000
Total Authorized but not Issued	<u>10,282,284</u>	<u>11,879,067</u>	<u>10,704,067</u>
<u>Less:</u>			
General:			
Reserve to Pay Debt Service	221,302	117,619	169,310
Water Utility:			
Reserve to Pay Debt Service	5,367	2,824	
	<u>226,669</u>	<u>120,443</u>	<u>169,310</u>
Net Bonds, Notes and Loans Issued and Authorized but not Issued	<u>\$ 29,090,979</u>	<u>\$ 30,047,133</u>	<u>\$ 30,413,317</u>

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

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

Summary of Statutory Debt Condition – Revised 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 as of December 31, 2014 and indicates a statutory net debt of .58%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School District Debt	\$ 7,679,254	\$ 7,679,254	
Water, Sewer and Pool Utility Debt	12,004,695	12,004,695	
General Debt	<u>17,312,953</u>	<u>221,302</u>	\$ 17,091,651
	<u>\$ 36,996,902</u>	<u>\$ 19,905,251</u>	<u>\$ 17,091,651</u>

Net Debt \$17,091,651 divided by Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$2,947,217,425.67= .58%.

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

3-1/2% Average Equalized Valuation of Real Property	\$ 103,152,610
Net Debt	<u>17,091,651</u>
Remaining Borrowing Power	<u>\$ 86,060,959</u>

Calculation of "Self-Liquidating Purpose", Water Utility Per N.J.S. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year		\$ 1,660,055
Deductions:		
Operating and Maintenance Costs	\$ 1,515,030	
Debt Service	<u>22,921</u>	
		<u>1,537,951</u>
Excess in Revenue		<u>\$ 122,104</u>

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

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

Calculation of "Self-Liquidating Purpose", Sewer Utility Per N.J.S. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year		\$	4,724,366
Deductions:			
Operating and Maintenance Costs	\$	2,680,846	
Debt Service		<u>649,868</u>	
			<u>3,330,714</u>
Excess in Revenue		\$	<u>1,393,652</u>

Calculation of "Self-Liquidating Purpose", Pool Utility Per N.J.S. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year		\$	203,623
Deductions:			
Operating and Maintenance Costs	\$	<u>170,965</u>	
			<u>170,965</u>
Excess in Revenue		\$	<u>32,658</u>

Footnote: If there is an "excess in revenue", all such utility debt is deductible. If there is a "deficit", then utility debt is not deductible to the extent of 20 times such deficit amount, or the total amount of debt service for that fund, whichever is less.

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

Summary of Municipal Debt Issued and Outstanding - Current Year

Fund	Balance 12/31/2013	Additions	Retirements/ Defeasements	Balance 12/31/2014
Serial Bonds:				
General Capital Fund	\$ 4,148,378		\$ 1,055,492	\$ 3,092,886
Water Utility Capital Fund	101,622		19,508	82,114
Sewer Utility Capital Fund	2,210,000		415,000	1,795,000
Bond Anticipation Notes:				
General Capital Fund	9,565,000	\$ 12,066,000	9,565,000	12,066,000
Current Fund	129,403	69,403	129,403	69,403
Water Utility Capital Fund	294,000	294,000	294,000	294,000
Loans Payable:				
Sewer Utility Capital Fund:				
Infrastructure Trust Loan	<u>1,840,106</u>		<u>134,742</u>	<u>1,705,364</u>
	<u>\$ 18,288,509</u>	<u>\$ 12,429,403</u>	<u>\$ 11,613,146</u>	<u>\$ 19,104,767</u>

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

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

Summary of Municipal Debt Issued and Outstanding - Prior Year

Fund	Balance 12/31/2012	Additions	Retirements	Balance 12/31/2013
Serial Bonds:				
General Capital Fund	\$ 5,243,870		\$ 1,095,492	\$ 4,148,378
Water Utility Capital Fund	121,130		19,508	101,622
Sewer Utility Capital Fund	2,615,000		405,000	2,210,000
Bond Anticipation Notes:				
General Capital Fund	9,630,000	\$ 15,575,000	15,640,000	9,565,000
Current Fund	300,000		170,597	129,403
Water Utility Capital Fund		294,000		294,000
Loans Payable:				
Sewer Utility Capital Fund:				
Infrastructure Trust Loan	1,968,560		128,454	1,840,106
	<u>\$ 19,878,560</u>	<u>\$ 15,869,000</u>	<u>\$ 17,459,051</u>	<u>\$ 18,288,509</u>

At December 31, 2014, the Borough had capital debt issued and outstanding described as follows:

	<u>General Capital Serial Bonds</u>		
<u>Final Maturity</u>	<u>Interest Rate</u>		
02/01/18	3.00-4.00%	\$	3,092,886
	<u>General Capital Bond Anticipation Notes</u>		
<u>Final Maturity</u>	<u>Interest Rate</u>		
10/22/15	1.25%		12,066,000
	<u>Current Fund Special Emergency Note to Sewer Utility Operating Fund</u>		
<u>Final Maturity</u>	<u>Interest Rate</u>		
12/12/15	1.00%		69,403
	<u>Water Capital Serial Bonds</u>		
<u>Final Maturity</u>	<u>Interest Rate</u>		
02/01/18	3.00-4.00%		82,114
	<u>General Capital Bond Anticipation Notes</u>		
<u>Final Maturity</u>	<u>Interest Rate</u>		
10/22/15	1.25%		294,000

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

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

At December 31, 2014, the Borough had capital debt issued and outstanding described as follows:

<u>Final Maturity</u>	<u>Sewer Capital Serial Bonds</u> <u>Interest Rate</u>	
02/01/18	3.00-4.00%	\$ 1,795,000
<u>Final Maturity</u>	<u>Sewer Capital Infrastructure Trust Loans</u> <u>Interest Rate</u>	
08/01/25	4.00-5.00%	<u>1,705,364</u>
Total Debt Issued and Outstanding		<u>\$ 19,104,767</u>

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

<u>Calendar</u> <u>Year</u>	<u>General</u>		<u>Water Utility</u>		<u>Sewer Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2015	\$ 1,069,597	\$ 86,630	\$ 20,403	\$ 2,570	\$ 430,000	\$ 56,650	\$ 1,665,850
2016	1,034,597	55,067	20,403	1,958	440,000	43,600	1,595,625
2017	494,418	29,659	20,582	1,241	455,000	27,900	1,028,800
2018	494,274	9,885	20,726	415	470,000	9,400	1,004,700
	<u>\$ 3,092,886</u>	<u>\$ 181,241</u>	<u>\$ 82,114</u>	<u>\$ 6,184</u>	<u>\$ 1,795,000</u>	<u>\$ 137,550</u>	<u>\$ 5,294,975</u>

Infrastructure Loans

On October 26, 2005 the Borough of Florham Park entered into loan agreements with the State of New Jersey Infrastructure Trust (the "Trust"), in the aggregate amount of \$2,375,000, which represent direct obligations of the Borough. The loan agreements were obtained to finance a portion of the sewer improvement project. A portion of the loan is interest free while a portion was issued with interest rates ranging from 4.00% - 5.00%.

At December 31, 2014, the Borough borrowed or "drew down" \$2,375,000 of the \$2,375,000 funds necessary to complete the improvements partially funded with the Loan funds. Principal payments to the Fund for the loan will continue on a semiannual basis until 2025 at zero interest. Principal payments to the Trust for the loan will continue on an annual basis until 2025.

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

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

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

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

Calendar Year	Infrastructure Trust Loan		Total
	Principal	Interest	
2015	\$ 140,870	\$ 40,013	\$ 180,882
2016	139,066	37,213	176,279
2017	145,483	34,413	179,896
2018	143,551	31,413	174,963
2019	149,718	28,225	177,943
2020-2024	811,076	84,981	896,057
2025	175,600	4,594	180,194
	<u>\$ 1,705,364</u>	<u>\$ 260,850</u>	<u>\$ 1,966,214</u>

Note 3: Fund Balances Appropriated

Fund balances at December 31, 2014, which were appropriated and included as anticipated revenue for the year ending December 31, 2015 budget, were as follows:

Current Fund	\$ 1,874,000
Water Utility Operating Fund	300,000
Sewer Utility Operating Fund	446,180
Pool Utility Operating Fund	37,555

Also, \$635,000.00 of the \$4,881,519.14 Sewer Utility Operating Fund balance at December 31, 2014, was anticipated as revenue in the 2015 Current Fund budget.

Note 4: Pension Plans

Borough employees are enrolled in one of two cost sharing multiple-employer public employee retirement systems: the Public Employees' Retirement System (PERS) or the Police and Firemen's Retirement System (PFRS) of New Jersey. The State of New Jersey sponsors and administers these two plans which cover substantially all Borough employees.

Employees who are members of PERS and retire at a specified age according to the relevant tier category for that employee are entitled to a retirement benefit based upon a formula which takes "final average salary" during years of creditable service. Vesting occurs after 8 to 10 years of service. Enrolled PFRS members may retire at age 55 with a minimum of 10 years of service required for vesting.

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 4: Pension Plans (Cont'd)

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

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

Borough contributions to PERS amounted to \$315,027, \$475,698 and \$490,387 for 2014, 2013 and 2012, respectively. Borough contributions to PFRS amounted to \$717,023, \$772,608 and \$737,583 for 2014, 2013 and 2012, respectively.

Note 5: Deferred Charges to be Raised in Succeeding Years' Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2014, the following deferred charge is shown on the balance sheet of the Current Fund:

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>To be</u> <u>Raised in</u> <u>2015 Budget</u>	<u>Balance to</u> <u>Succeeding</u> <u>Years' Budgets</u>
<u>Current Fund</u>			
Special Emergency Authorization	\$ 69,403.31	\$ 60,000.00	\$ 9,403.31

The appropriation in the 2015 budget is not less than that required by statute.

Note 6: School District Taxes

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district. The Borough of Florham Park has not elected to defer school taxes.

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 7: Selected Tax Rate Information

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

	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Tax Rate</u>	\$ 1.378	\$ 1.348	\$ 1.330
<u>Apportionment of Tax Rate</u>			
Municipal	0.398	0.387	0.376
County	0.224	0.233	0.249
Local School	0.523	0.501	0.486
Regional High School	0.233	0.227	0.219
<u>Assessed Valuations</u>			
2014	\$ 3,236,798,335		
2013		\$ 3,270,187,510	
2012			\$ 3,286,220,661

Comparison of Tax Levies and Collections Currently

A study of this tabulation could indicate a possible trend in future tax levies.

A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2014	\$ 44,771,872	\$ 44,182,550	98.68%
2013	44,173,236	43,478,139	98.43%
2012	44,078,678	43,647,977	99.02%

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

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 8: Cash and Cash Equivalents

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

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

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

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

Credit Risk – The Borough limits its investments to those authorized in its cash management plan which are permitted under state statutes as detailed below and on the following page.

Deposits:

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

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

The market value of the collateral must equal 5% of the average daily balance of public funds; and in addition

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

Investments:

New Jersey statutes permit the Borough to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 8: Cash and Cash Equivalents (Cont'd)

Investments (Cont'd):

- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund; or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) above;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in statute; and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 8: Cash and Cash Equivalents (Cont'd)

As of December 31, 2014, cash and cash equivalents of the Borough of Florham Park consisted of the following:

Fund	Checking Accounts	Cash on Hand	Investments	Totals
Current	\$ 4,790,780.92			\$ 4,790,780.92
Federal and State Grant	371,022.71			371,022.71
Animal Control Trust	36,783.74			36,783.74
Other Trust	2,832,291.74			2,832,291.74
General Capital	2,311,244.58			2,311,244.58
Water Utility Operating	1,036,776.84	\$ 50.00		1,036,826.84
Water Utility Capital	402,772.43			402,772.43
Sewer Utility Operating	5,260,219.41	50.00	\$ 319,403.31	5,579,672.72
Sewer Utility Trust	60,004.12			60,004.12
Sewer Utility Capital	1,089,334.33			1,089,334.33
Pool Utility Operating	289,809.49	50.00		289,859.49
Pool Utility Capital	188,367.92			188,367.92
	<u>\$ 18,669,408.23</u>	<u>\$ 150.00</u>	<u>\$ 319,403.31</u>	<u>\$ 18,988,961.54</u>

The carrying amount of the Borough of Florham Park's cash and cash equivalents at cost at December 31, 2014, was \$18,988,961.54 and the bank balance was \$19,234,930.83.

Note 9: Risk Management

The Borough is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Health benefits are provided to employees through the State of New Jersey health benefits plan.

The Borough of Florham Park is a member of the Morris County Municipal Joint Insurance Fund. This fund is both an insured and self-administered group of municipalities established for the purpose of providing certain low-cost insurance coverage for member municipalities in order to keep local property taxes at a minimum.

The following coverages are offered by these funds to its members:

- a.) Workers' Compensation and Employers' Liability
- b.) Liability Other Than Motor Vehicles
- c.) Property Damage Other Than Motor Vehicles
- d.) Motor Vehicle
- e.) Environmental

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

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 9: Risk Management (Cont'd)

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

Selected financial information for the Fund as of December 31, 2014 is as follows:

	Morris County Municipal Joint Insurance Fund
Total Assets	\$ 25,201,589
Net Position	\$ 9,180,024
Total Revenue	\$ 16,540,156
Total Expenses	\$ 17,005,713
Change in Net Position	\$ (465,557)
Member Dividends	\$ -0-

Financial statements for the Fund are available at the offices of the Fund's Executive Director:

PERMA Risk Management Services
9 Campus Drive, Suite 216
Parsippany, NJ 07054
(201) 881-7632

New Jersey Unemployment Compensation Insurance

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Borough is billed quarterly for amounts due to the State.

The following is a summary of Borough and employee contributions, interest earned and reimbursements to the State for benefits paid and the ending balance of the Borough's trust fund for the current and previous two years:

Year	Borough Contributions	Transfer from Sewer Utility Trust	Employee Contributions	Amount Reimbursed	Ending Balance
2012	\$ -0-	\$ -0-	\$ 12,148.26	\$ 4,423.00	\$363,547.56
2013	-0-	104,398.03	12,245.74	55,126.22	425,065.11
2014	-0-	-0-	24,002.27	30,697.39	418,369.99

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 10: Accrued Sick and Vacation Benefits

The Borough permits employees to accrue unused sick pay, which may be taken as time off or paid upon retirement or separation at the employee's current rate upon such termination. It is estimated that the current cost of such unpaid compensation would approximate \$1,183,710. This amount is not reported either as an expenditure or liability. However, it is expected that the cost of such unpaid compensation would be included in the Borough's budget operating expenditures in the year in which it is used. This amount is partially funded in the Reserve for Accumulated Absences of \$193,218.33 on the Trust Funds balance sheet at December 31, 2014.

Note 11: Contingencies

The Borough is periodically involved in lawsuits arising in the normal course of business, including claims for disputes over contract awards. In the opinion of management, the ultimate outcome of these lawsuits will not have a material adverse effect on the Borough's financial position as of December 31, 2014.

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

The Borough has been advised that a number of tax appeals have been filed. Potential refunds on tax appeals could be a financial burden. A reserve for pending tax appeals in the amount of \$657,685.24 has been recorded as a liability as of December 31, 2014. The Borough also passed an ordinance in 2007 for the potential liability. As of December 31, 2014 the balance in the ordinance is \$1,373,100.85. The Borough feels these balances are sufficient to cover and liability related to the tax appeals.

Note 12: Economic Dependency

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

Note 13: Deferred Compensation

The Borough offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. This plan, which is administered by Nationwide, permits participants to defer a portion of their salary until future years. Amounts deferred under the plan are not available to employees until termination, retirement, death or unforeseeable emergency.

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 14: Interfund Receivables and Payables

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

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 31,600.14	\$ 218,253.84
Federal and State Grant Fund	33,851.81	
Animal Control Trust Fund		6,600.14
Other Trust Fund	124,402.03	5,375.00
General Capital Fund		75,000.00
Water Utility Operating Fund	50,000.00	50,000.00
Water Utility Capital Fund	50,000.00	
Sewer Utility Operating Fund	60,000.00	
Pool Utility Operating Fund	5,375.00	20,000.00
Pool Utility Capital Fund	20,000.00	
	<u>\$ 375,228.98</u>	<u>\$ 375,228.98</u>

The Current Fund interfund receivable represents the statutory excess in the Animal Control Fund, as well as General Capital Fund Balance that was anticipated as revenue in the 2014 budget, but was not received in cash. The interfund between the Current Fund and the Other Trust Fund is for an increase in the Reserve for Accumulated Absences, for which the cash has not been sent. The interfund between the Current Fund and the Federal and State Grant Fund is due to grants received in Current fund that have not been turned over to the Federal and State Grant Fund. The remaining interfund payable in Current Fund due to the Sewer Utility Operating Fund is for the payment of Special Emergency Note. The interfund payable in the Other Trust Funds is an advancement from the Pool Utility Operating Fund and will be cleared in subsequent year. The interfund receivable in Water Utility Capital represents the Capital Improvement Fund expenditure from the Water Utility Operating Fund. The interfund payable in the General Capital Fund is an advancement from the Water Utility Operating Fund and will be cleared in subsequent year.

Note 15: Post-Retirement Medical Benefits

In addition to the pension benefits described in Note 4, the Borough provides other post-retirement benefits to certain Borough employees after retirement, substantially similar in nature to the health benefits provided to employees presently working.

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

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

In accordance with the Borough's resolution, Borough employees are entitled to the following benefits:

BOROUGH OF FLORHAM PARK
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 15: Post-Retirement Medical Benefits (Cont'd)

The coverage applies to the employee and dependents. In the event of an employee's death, coverage ceases. In order to be eligible for this benefit, the employee must have a minimum of twenty-five (25) years of full-time service with the Borough.

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

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295.

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

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

The Borough's portion of post-retirement medical benefits is funded on a pay-as-you-go basis from the Current Fund operating budget. The Borough paid premiums in the amount of \$788,819, \$821,366 and \$857,933 for 2014, 2013 and 2012, respectively for 42 retired employees in 2014, 42 retired employees in 2013 and 45 retired employees in 2012.

BOROUGH OF FLORHAM PARK

SUPPLEMENTARY DATA

BOROUGH OF FLORHAM PARK
OFFICIALS IN OFFICE AND SURETY BONDS
FOR THE YEAR ENDED DECEMBER 31, 2014

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

<u>Name</u>		<u>Amount of Bond</u>	<u>Name of Corporate or Personal Surety</u>
Mark Taylor	Mayor		
Scott Carpenter	Council President		
Charles Germershausen	Councilman		
Carmen Cefolo-Pane	Councilwoman		
Charles Malone	Councilman		
Thomas Michalowski	Councilman		
William Zuckerman	Councilman		
Sheila Williams	Borough Clerk		
William Huyler	Borough Administrator	(A)	
Patrice Visco	Chief Financial Officer	(A)	
Joseph Guerin	Tax Collector and Tax Search Officer	\$ 1,000,000.00	Municipal Excess Liability JIF
John Murray	Tax Assessor	(A)	

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

BOROUGH OF FLORHAM PARK
COUNTY OF MORRIS
2014
CURRENT FUND

BOROUGH OF FLORHAM PARK
CURRENT FUND
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2013	A	\$ 4,180,445.28
Increased by Receipts:		
Tax Collector	\$	44,770,706.49
Revenue Accounts Receivable		2,987,241.64
Miscellaneous Revenue Not Anticipated		393,356.94
Due Federal and State Grant Fund:		
Recycling Tonnage Grant		26,326.81
Drive Sober Get Pulled Over Grant - 2013		4,000.00
Drive Sober Get Pulled Over Grant - 2014		3,525.00
Due General Capital Fund:		
Reserve for Payment of Debt Service Anticipated as Revenue		117,600.00
Due Animal Control Fund:		
Interfund Returned		40,662.87
Due Sewer Operating Fund:		
Sewer Utility Operating Fund Balance Anticipated as Revenue		685,000.00
Due State of New Jersey:		
Marriage License Fees		1,975.00
State Training Fees		60,306.00
Senior Citizens' and Veterans' Deductions		94,641.78
Appropriation Refunds		1,844,681.39
Appropriation Reserve Refunds		4,400.00
		51,034,423.92
		55,214,869.20
Decreased by Disbursements:		
2014 Appropriation Expenditures		17,990,030.54
2013 Appropriation Reserve Expenditures		371,404.91
Local School District Taxes		16,903,144.54
Regional High School Taxes		7,563,166.00
County Taxes		7,214,065.00
Due Federal and State Grant Fund:		
Prior Year Interfund		4,400.00
Due Other Trust Funds:		
Interfund Returned		140,000.00
Due State of New Jersey:		
Marriage License Fees		2,000.00
State Training Fees		52,112.00
Third Party Tax Title Lien Redemptions		43,353.86
Refund of Tax Overpayments		116,816.89
Reserve for Pending Tax Appeals		17,423.00
Refund of Current Year Revenue:		
Fees and Permits - Other		25.00
Miscellaneous Revenue Not Anticipated		6,146.54
		50,424,088.28
Balance December 31, 2014	A	\$ 4,790,780.92

BOROUGH OF FLORHAM PARK
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2014

Increased by Receipts:		
Taxes Receivable	\$ 44,433,255.70	
Interest and Costs on Taxes	81,530.71	
2015 Prepaid Taxes	160,144.04	
Tax Overpayments	51,600.18	
Third Party Tax Title Liens	43,353.86	
Miscellaneous Revenue Not Anticipated	822.00	
		\$ 44,770,706.49
Decreased by:		
Payments to Municipal Treasurer		\$ 44,770,706.49

FEDERAL AND STATE GRANT FUND
SCHEDULE OF CASH - GRANT FUNDS

	<u>Ref.</u>	
Balance December 31, 2013	A	\$ 233,524.19
Increased by Receipts:		
Unappropriated Grant Funds Received		\$ 292,254.02
Due Current Fund - Interfund Returned		4,400.00
		\$ 296,654.02
		530,178.21
Decreased by Disbursements:		
Appropriated Grant Reserve		159,155.50
		159,155.50
Balance December 31, 2014	A	\$ 371,022.71

BOROUGH OF FLORHAM PARK
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance	2014 Levy	Collections		State of NJ Senior Citizens' and Veterans' Deductions	Canceled	Transferred to Tax Title Liens	Balance
	Dec. 31, 2013		2013	2014				Dec. 31, 2014
2013	\$ 379,396.15			\$ 379,316.23		\$ 79.92		
	379,396.15			379,316.23		79.92		
2014		\$ 44,771,871.50	\$ 128,611.02	44,053,939.47	\$ 97,000.00	177,309.45	\$ 979.76	\$ 314,031.80
	\$ 379,396.15	\$ 44,771,871.50	\$ 128,611.02	\$ 44,433,255.70	\$ 97,000.00	\$ 177,389.37	\$ 979.76	\$ 314,031.80
Ref.	A							A

Analysis of 2014 Property Tax Levy

Tax Yield:

General Purpose Tax	\$ 44,603,081.06
Added and Omitted Taxes	168,790.44
	<u>\$ 44,771,871.50</u>

Tax Levy:

Local School District Taxes	\$ 16,903,143.00
Regional High School Taxes	7,563,166.00
County Taxes:	
General Tax	\$ 6,928,176.00
County Open Space	285,889.00
Due County for Added and Omitted Taxes	<u>26,335.23</u>
	7,240,400.23
	<u>31,706,709.23</u>
Local Tax for Municipal Purposes Levied	11,948,451.60
Minimum Library Tax	951,120.15
Add: Additional Tax Levied	<u>165,590.52</u>
	13,065,162.27
	<u>\$ 44,771,871.50</u>

BOROUGH OF FLORHAM PARK
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>	
Balance December 31, 2013	A	\$ 17,608.16
Transfer from Taxes Receivable		<u>979.76</u>
Balance December 31, 2014	A	<u><u>\$ 18,587.92</u></u>

BOROUGH OF FLORHAM PARK
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	<u>Balance</u> Dec. 31, 2013	<u>Accrued in</u> 2014	<u>Collected by</u> Treasurer	<u>Balance</u> Dec. 31, 2014
Licenses:				
Alcoholic Beverages		\$ 15,752.00	\$ 15,752.00	
Other		71,685.00	71,685.00	
Fees and Permits - Other		128,166.55	128,166.55	
Fines and Costs - Municipal Court		234,115.44	218,514.02	\$ 15,601.42
Payments in Lieu of Taxes		375,126.68	375,126.68	
Interest on Deposits		14,681.97	14,681.97	
Park Avenue Club Contribution		35,218.75	35,218.75	
Hotel Occupancy Tax		256,957.09	256,957.09	
Energy Receipts Tax		1,028,158.00	1,028,158.00	
Construction Code Official		732,243.00	732,243.00	
Uniform Fire Safety Act		110,738.58	110,738.58	
	<u>\$ -0-</u>	<u>\$3,002,843.06</u>	<u>\$2,987,241.64</u>	<u>\$ 15,601.42</u>

Ref. A

A

BOROUGH OF FLORHAM PARK
FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE

Grant Description	Balance Dec. 31, 2013	Revenue Realized in 2014	Transferred from Unappropriated Reserve	Balance Dec. 31, 2014
Clean Communitis Grant		\$ 19,948.78	\$ 19,948.78	
Recycling Tonnage Grant		24,907.46	24,907.46	
Community Development Block Grant:				
Little Red School House	\$ 1,201.70			\$ 1,201.70
Alcohol Education and Rehabilitation Fund		2,797.06	2,797.06	
Drunk Driving Enforcement Fund		4,556.76	4,556.76	
Bullet Proof Vest Partnership Program		2,234.63	2,234.63	
Body Armor Replacement Program-2012		4,267.45	4,267.45	
Click It or Ticket - 2013		4,000.00	4,000.00	
DWI Labor Day Crackdown		4,400.00	4,400.00	
NFL Field Grant		250,000.00	250,000.00	
	<u>\$ 1,201.70</u>	<u>\$ 317,112.14</u>	<u>\$ 317,112.14</u>	<u>\$ 1,201.70</u>
<u>Ref.</u>	A			A

BOROUGH OF FLORHAM PARK
CURRENT FUND
SCHEDULE OF 2013 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

	Balance Dec. 31, 2013	Balance After Modification	Paid or Charged	Balance Lapsed
GENERAL GOVERNMENT:				
General Administration:				
Salaries and Wages	\$ 183.10	\$ 183.10	\$ 183.10	
Other Expenses	3,521.60	3,521.60	3,450.10	\$ 71.50
Mayor and Council:				
Other Expenses	175.63	175.63	150.00	25.63
Municipal Clerk:				
Salaries and Wages	536.97	536.97	536.97	
Other Expenses	15,925.40	15,925.40	8,573.59	7,351.81
Financial Administration:				
Salaries and Wages	5,095.10	5,095.10	5,095.10	
Other Expenses	11,389.28	11,389.28	1,829.55	9,559.73
Annual Audit	25,750.00	25,750.00	2,895.00	22,855.00
Tax Collection:				
Salaries and Wages	888.31	888.31	888.31	
Other Expenses	5,924.85	5,924.85	1,231.60	4,693.25
Information Technology:				
Other Expenses	1,394.83	1,394.83	1,249.63	145.20
Tax Assessment:				
Salaries and Wages	114.36	114.36	114.36	
Other Expenses	10,087.54	10,087.54	6,089.61	3,997.93
Legal Services:				
Other Expenses	12,735.45	12,735.45	5,997.00	6,738.45
Engineering Services and Costs:				
Salaries and Wages	2,170.15	2,170.15	2,170.15	
Other Expenses	17,208.08	17,208.08	5,913.04	11,295.04
Historic Commission:				
Other Expenses	6,000.00	6,000.00		6,000.00
Planning Board:				
Salaries and Wages	658.76	658.76	658.76	
Other Expenses	41,499.96	41,499.96	927.69	40,572.27
Board of Adjustment:				
Salaries and Wages	1,466.16	1,466.16	1,466.16	
Other Expenses	11,003.46	11,003.46	250.00	10,753.46
Municipal Court:				
Salaries and Wages	17,440.99	17,440.99	17,440.99	
Other Expenses	3,621.30	3,621.30	507.86	3,113.44

BOROUGH OF FLORHAM PARK
CURRENT FUND
SCHEDULE OF 2013 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Balance Dec. 31, 2013	Balance After Modification	Paid or Charged	Balance Lapsed
PUBLIC SAFETY:				
Police:				
Salaries and Wages	\$ 28,159.19	\$ 28,159.19	\$ 28,159.19	
Other Expenses	60,675.42	60,675.42	55,689.45	\$ 4,985.97
Police Vehicles:				
Other Expenses	5,118.60	5,118.60		5,118.60
Emergency Management Services:				
Other Expenses	959.00	959.00		959.00
Fire:				
Other Expenses	37,867.81	37,867.81	36,324.43	1,543.38
Fire Safety:				
Salaries and Wages	9.68	9.68	9.68	
Other Expenses	4,587.48	4,587.48	3,583.93	1,003.55
Contribution to Volunteer Fire Dept.				
Other Expenses	211.00	211.00		211.00
PUBLIC WORKS:				
Road Repairs and Maintenance:				
Salaries and Wages	297.54	297.54	297.54	
Other Expenses	65,295.16	65,295.16	45,137.04	20,158.12
Other Public Works:				
Salaries and Wages	12.52	12.52	12.52	
Buildings and Grounds:				
Salaries and Wages	519.64	519.64	519.64	
Other Expenses	53,958.80	53,958.80	41,263.66	12,695.14
Vehicle Maintenance:				
Salaries and Wages	3,231.89	3,231.89	3,231.89	
Other Expenses	12,557.28	12,557.28	12,317.28	240.00
Insect Controls:				
Other Expenses	1,000.00	1,000.00		1,000.00
HEALTH AND HUMAN SERVICES:				
Board of Health:				
Salaries and Wages	103.00	103.00	103.00	
Other Expenses	3,536.75	3,536.75	436.38	3,100.37
Environmental Commission:				
Other Expenses	12,927.80	12,927.80		12,927.80
Social Services:				
Other Expenses	14,500.00	14,500.00		14,500.00
RECREATION AND EDUCATION:				
Recreation:				
Salaries and Wages	2,638.42	2,638.42	2,638.41	0.01
Other Expenses	8,277.89	8,277.89	6,768.19	1,509.70
Celebration of Public Events				
Other Expenses	1,000.00	1,000.00		1,000.00
Condo Services:				
Other Expenses	27,581.26	27,581.26	14,385.56	13,195.70

BOROUGH OF FLORHAM PARK
CURRENT FUND
SCHEDULE OF 2013 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Balance Dec. 31, 2013	Balance After Modification	Paid or Charged	Balance Lapsed
INSURANCES:				
General Liability	\$ 554.08	\$ 554.08		\$ 554.08
Workers Compensation	12,472.04	12,472.04		12,472.04
Employee Group Health	70,321.54	70,321.54	\$ 1,258.80	69,062.74
UTILITIES:				
Bulk Utilities	99,260.40	99,260.40	57,136.24	42,124.16
UNIFORM CONSTRUCTION CODE:				
Construction Official:				
Salaries and Wages	3,894.86	3,894.86	3,894.86	
Other Expenses	46,423.42	46,423.42	4,725.35	41,698.07
Contingent	10,000.00	10,000.00	10,000.00	
Deferred Charges & Statutory Expenditures:				
Statutory Expenditures:				
Public Employees' Retirement System	47,093.36	47,093.36	47,093.36	
Social Security System (O.A.S.I.)	39,010.94	39,010.94	39,010.94	
Operations Excluded from "CAPS":				
Maintenance of Free Public Library	15,173.53	15,173.53	15,173.53	
LOSAP				
Other Expenses	5,615.60	5,615.60		5,615.60
	\$ 889,637.18	\$ 889,637.18	\$ 496,789.44	\$ 392,847.74

Analysis of Balance December 31, 2013:

	<u>Ref.</u>			
Encumbered	A	\$ 272,532.85		
Unencumbered	A	617,104.33		
		\$ 889,637.18		
Cash Disbursed			\$ 371,404.91	
Reserve for Accumulated Absences			129,784.53	
			501,189.44	
Less: Appropriation Reserve Refunds Received			4,400.00	
			\$ 496,789.44	

BOROUGH OF FLORHAM PARK
CURRENT FUND
SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2014

Balance, December 31, 2013	\$	1.54
Increased by:		
Levy - Calendar Year 2014		16,903,143.00
		<u>16,903,144.54</u>
Decreased by:		
Payments to Local School District	\$	<u>16,903,144.54</u>

CURRENT FUND
SCHEDULE OF REGIONAL HIGH SCHOOL TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2014

Increased by:		
Levy - Calendar Year 2014	\$	7,563,166.00
Decreased by:		
Payments to Regional High School District	\$	<u>7,563,166.00</u>

BOROUGH OF FLORHAM PARK
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES

Grant Description	Balance Dec. 31, 2013	Transferred from 2014 Budget Appropriations	Expended	Balance Dec. 31, 2014
Recycling Tonnage Grant:				
2010	\$ 46,083.91		\$ 20,645.00	\$ 25,438.91
2011	23,289.56			23,289.56
2012	30,040.69			30,040.69
2013	23,079.11			23,079.11
2014		\$ 24,907.46		24,907.46
Alcohol Education & Rehabilitation Grant:				
2006	352.50		352.50	
2007	1,612.00		1,612.00	
2008	2,531.13		1,108.50	1,422.63
2010	2,339.70			2,339.70
2011	1,456.24			1,456.24
2012	3,291.75			3,291.75
2014		2,797.06		2,797.06
Clean Communities Grant:				
2010	50.00		50.00	
2014		19,948.78	18,000.00	1,948.78
Click It or Ticket		4,000.00	4,000.00	
Labor Day Crack Down		4,400.00	4,400.00	
Drunk Driving Enforcement Fund:				
2012	662.38		662.38	
2013	7,400.15		1,077.70	6,322.45
2014		4,556.76		4,556.76
Body Armor Program:				
2012	11.85		11.85	
2013		4,267.45	4,267.45	
PSE&G Monopol Grant	18,988.35		18,988.35	
Cablevision Grant	5,520.00			5,520.00
Bulletproof Vest	4,332.00	2,234.63	2,234.63	4,332.00
NFL Field Grant		250,000.00	88,425.14	161,574.86
	<u>\$ 171,041.32</u>	<u>\$ 317,112.14</u>	<u>\$ 165,835.50</u>	<u>\$ 322,317.96</u>

Ref.

A

A

Cash Disbursed	\$ 159,155.50
Encumbered	6,680.00
	<u>\$ 165,835.50</u>

BOROUGH OF FLORHAM PARK
FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES

Grant Description	Balance Dec. 31, 2013	Received	Transferred to 2014 Budget Revenue	Balance Dec. 31, 2014
Drunk Driving Enforcement Fund	\$ 9,976.12	\$ 4,109.90	\$ 4,556.76	\$ 9,529.26
Body Armor Grant	4,267.45	6,586.53	4,267.45	6,586.53
Click It or Ticket Grant		4,000.00	4,000.00	
Bullet Proof Vest	1,787.70	1,752.72	2,234.63	1,305.79
Recycling Tonnage	24,907.46	26,326.81	24,907.46	26,326.81
Clean Communitites Program	19,948.78	18,708.79	19,948.78	18,708.79
Drive Sober Get Pulled Over:				
2013		4,000.00		4,000.00
2014		3,525.00		3,525.00
DWI Labor Day Crackdown	4,400.00		4,400.00	
Alcohol Education and Rehabilitation Program	2,797.06	1,536.08	2,797.06	1,536.08
NFL Field Grant		250,000.00	250,000.00	
Little Red Schoolhouse		5,560.00		5,560.00
	<u>\$ 68,084.57</u>	<u>\$ 326,105.83</u>	<u>\$ 317,112.14</u>	<u>\$ 77,078.26</u>
<u>Ref.</u>	A			A

Grants Received:

Current Year Receivable	\$ 292,254.02
Due from Current Fund	33,851.81
	<u>\$ 326,105.83</u>

BOROUGH OF FLORHAM PARK
CURRENT FUND
SCHEDULE OF SPECIAL EMERGENCY NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2014

<u>Description</u>	<u>Issue of Original Note</u>	<u>Date of</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2013</u>	<u>Issued</u>	<u>Matured</u>	<u>Balance Dec. 31, 2014</u>
		<u>Issue</u>	<u>Maturity</u>					
Special Emergency Note	12/15/2012	12/14/2013	12/13/2014	1.00%	\$ 129,403.31		\$ 129,403.31	
Special Emergency Note	12/15/2012	12/13/2014	12/12/2015	1.00%		\$ 69,403.31		\$ 69,403.31
					<u>\$ 129,403.31</u>	<u>\$ 69,403.31</u>	<u>\$ 129,403.31</u>	<u>\$ 69,403.31</u>
				<u>Ref.</u>	A			A
		Renewals				\$ 69,403.31	\$ 69,403.31	
		Due to Sewer Utility Operating Fund					60,000.00	
						<u>\$ 69,403.31</u>	<u>\$ 129,403.31</u>	

BOROUGH OF FLORHAM PARK
COUNTY OF MORRIS
2014
TRUST FUNDS

BOROUGH OF FLORHAM PARK
TRUST FUNDS
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Balance December 31, 2013	B	\$ 69,926.38	\$ 2,679,905.08
Increased by Receipts:			
Animal Control License Fees:			
Dog License Fees		\$ 11,091.60	
Cat License Fees		2,781.00	
State Dog License Fees		1,307.40	
Late, Impound and Boarding Fees		2,628.80	
Due Current Fund:			
Interest Earned			
Interfund Returned			\$ 140,000.00
Escrow Deposits			159,859.80
Deposits and Interest:			
Unemployment Insurance Fund			24,002.27
Police Forfeited Assets			168.93
Housing Trust			207,408.00
Tax Sale Premiums			22,100.00
Recycling			10,612.55
Fire Penalties			12,635.00
Parking Offenses Adjudication Act			86.00
Recreation			325,571.11
Recreation - Swim Team			11,950.00
Fire Donations			10,000.00
Police Donations			9,270.00
Public Defender			1,631.50
Off Duty Police Officer Fund			395,248.52
Various Miscellaneous Trust Funds			19,525.00
		<u>17,808.80</u>	<u>1,350,068.68</u>
		87,735.18	4,029,973.76
Decreased by Disbursements:			
Administrative Expenses		9,002.77	
Due to State of New Jersey		1,285.80	
Due Current Fund:			
Interfund Returned		40,662.87	
Escrow Deposits - Refunds, Charges and Withdrawals			224,768.18
Unemployment Insurance Fund			30,697.39
Police Forfeited Assets			500.00
Housing Trust			16,411.45
Tax Sale Premiums			40,900.00
Recycling			41,400.00
Recreation			239,062.02
Recreation - Swim Team			10,014.05
Fire Donations			10,000.00
Police Donations			525.00
Public Defender			170.00
Off Duty Police Officer Fund			583,233.93
		<u>50,951.44</u>	<u>1,197,682.02</u>
Balance December 31, 2014	B	<u>\$ 36,783.74</u>	<u>\$ 2,832,291.74</u>

BOROUGH OF FLORHAM PARK
ASSESSMENT TRUST FUND
ANALYSIS OF CASH
YEAR ENDED DECEMBER 31, 2014

NOT APPLICABLE

BOROUGH OF FLORHAM PARK
ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 29,263.51
Increased by:		
Animal Control Fees:		
Dog Licenses		\$ 11,091.60
Cat Licenses		2,781.00
Late, Impound and Boarding Fees		<u>2,628.80</u>
		<u>16,501.40</u>
		45,764.91
Decreased by:		
Animal Control Expenditures		9,002.77
Statutory Excess - Due to Current Fund		<u>6,600.14</u>
		<u>15,602.91</u>
Balance December 31, 2014	B	<u><u>\$ 30,162.00</u></u>

License Fees Collected:

<u>Year</u>		
2012		\$ 14,556.40
2013		<u>15,605.60</u>
Maximum Allowable Reserve		<u><u>\$ 30,162.00</u></u>

BOROUGH OF FLORHAM PARK
COUNTY OF MORRIS
2014
GENERAL CAPITAL FUND

BOROUGH OF FLORHAM PARK
GENERAL CAPITAL FUND
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2013	C	\$ 893,158.54
Increased by Receipts:		
Grants Receivable:		
State of New Jersey Green Acres Grant	\$ 250,000.00	
New Jersey Department of Transportation	55,000.00	
County of Morris	220,000.00	
Due Current Fund:		
Interest Earned	1,284.99	
Due Water Utility Operating Fund:		
Interfund Returned	50,000.00	
Miscellaneous Open Space	74,364.20	
Improvement Authorization Refunds	15,754.36	
Budget Appropriation:		
Capital Improvement Fund	40,000.00	
Deferred Charges to Future Taxation Unfunded	125,000.00	
Reserve for:		
Salt Shed Replacement	99,413.00	
Payment of Debt Service		
Premium on Bond Anticipation Notes	102,208.40	
Reimbursement from Department of Transportation	119,075.25	
Bond Anticipation Note Proceeds	3,464,000.00	
		4,616,100.20
		5,509,258.74
Decreased by Disbursements:		
Improvement Authorization Expenditures	3,063,424.61	
Little Red School House	6,950.00	
Payment of Debt Service Appropriated in Current Fund	117,600.00	
Open Space Preliminary Costs	8,754.56	
Due Current Fund:		
Interest Income	1,284.99	
		3,198,014.16
Balance December 31, 2014	C	\$ 2,311,244.58

**BOROUGH OF FLORHAM PARK
GENERAL CAPITAL FUND
ANALYSIS OF CASH**

	Balance/ (Deficit) Dec. 31, 2013	Receipts			Disbursements			Balance/ (Deficit) Dec. 31, 2014	
		Bond Anticipation Notes	Budget Appropriation	Miscellaneous	Improvement Authorizations	Miscellaneous	Transfers		
							From		To
Fund Balance	\$ 118,813.91						\$ 25,000.00	\$ 93,813.91	
Capital Improvement Fund	232,651.26		\$ 40,000.00	\$ 74,364.20		\$ 8,754.56	86,000.00	252,260.90	
Grants Receivable:									
New Jersey Transportation Trust Fund	(55,000.00)			55,000.00					
County of Morris Open Space Trust Fund	(220,000.00)			220,000.00					
State of New Jersey Green Acres	(250,000.00)			250,000.00					
Due Water Utility Operating Fund				50,000.00				50,000.00	
Due Current Fund				1,284.99		1,284.99	\$ 25,000.00	25,000.00	
Reserve for:									
Improvements to Little Red School House	33,000.00					6,950.00		26,050.00	
Payment of Debt Service	117,618.68			221,283.65		117,600.00		221,302.33	
Salt Shed Replacement				99,413.00				99,413.00	
<u>Ord. Date</u>	<u>Ord. No.</u>	<u>Improvement Authorizations</u>							
3/23/2004	04-05	Various Capital Improvements		14,205.93				14,205.93	
6/19/2007	07-17	Various Capital Improvements		6,690.51				6,690.51	
11/27/2007	07-23	Tax Refunding Ordinance		(560,240.95)	125,000.00			(435,240.95)	
10/6/2008	08-32	Reappropriation Ordinance		6,258.62				6,258.62	
6/23/2009	09-12	Various Capital Improvements		56,904.63		\$ 24,668.53		32,236.10	
10/20/2009	09-17	Senior Center		55,599.23				55,599.23	
10/19/2010	10-18	Senior Drop In Center		25,185.00				25,185.00	
11/23/2010	10-19	Various Capital Improvements		178,059.91		14,113.00		163,946.91	
7/19/2011	11-13	Various Road Improvements		48,943.37				48,943.37	
4/12/2012	12-7	Various Capital Improvements		40,781.69				40,781.69	
2/7/2013	13-1	Elm Street Project		(1,439.30)	\$ 1,800,000.00	1,698,731.76		99,828.94	
5/28/2013	13-4	Various Road Improvements		630,126.05		467,159.88		162,966.17	
9/19/2013	13-11	Open Space Acquisition		415,000.00		15,754.36	430,496.92	257.44	
3/20/2014	14-3	Pool Improvements				950,000.00	196,792.00	803,208.00	
7/17/2014	14-12	Various Road Improvements				714,000.00	231,462.52	518,537.48	
\$	893,158.54	\$3,464,000.00	\$ 165,000.00	\$ 987,100.20	\$ 3,063,424.61	\$ 134,589.55	\$ 111,000.00	\$ 2,311,244.58	

BOROUGH OF FLORHAM PARK
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Analysis of Balance December 31, 2014									
Ordinance Date	Ord. No.	Improvement Description	Balance Dec. 31, 2013	2014 Improvement Authorizations	Funded by Budget Appropriation	Balance Dec. 31, 2014	Financed by Bond Anticipation Notes	Expended	Unexpended Improvement Authorizations
5/31/2006	06-14	Various Capital Improvements	\$ 1,240,500.00		\$ 71,000.00	\$ 1,169,500.00	\$ 1,169,500.00		
6/19/2007	07-17	Various Capital Improvements	725,551.09			725,551.09	718,000.00		\$ 7,551.09
11/27/2007	07-23	Refund of Taxes	2,858,341.80		800,000.00	2,058,341.80	250,000.00	\$ 435,240.95	1,373,100.85
6/23/2009	09-12	Various Capital Improvements	2,063,500.00		74,000.00	1,989,500.00	1,852,000.00		137,500.00
10/20/2009	09-16	Road Improvements	270,000.00		15,000.00	255,000.00	255,000.00		
10/20/2009	09-17	Senior Center	555,000.00		15,000.00	540,000.00	540,000.00		
11/23/2010	10-18	Senior Drop-In Center	28,500.00		1,000.00	27,500.00	27,500.00		
11/23/2010	10-19	Various Capital Improvements	1,995,000.00		112,000.00	1,883,000.00	1,883,000.00		
7/19/2011	11-13	Various Road Improvements	445,550.00			445,550.00	445,000.00		550.00
4/12/2012	12-7	Various Capital Improvements	748,124.00			748,124.00	748,000.00		124.00
2/7/2013	13-1	Elm Street Project	2,000,000.00			2,000,000.00	1,800,000.00		200,000.00
5/28/2013	13-4	Various Road Improvements	714,000.00			714,000.00	714,000.00		
3/20/2014	14-3	Pool Improvements		\$ 950,000.00		950,000.00	950,000.00		
7/17/2014	14-12	Various Road Improvements		714,000.00		714,000.00	714,000.00		
			<u>\$ 13,644,066.89</u>	<u>\$ 1,664,000.00</u>	<u>\$ 1,088,000.00</u>	<u>\$ 14,220,066.89</u>	<u>\$ 12,066,000.00</u>	<u>\$ 435,240.95</u>	<u>\$ 1,718,825.94</u>

Ref.

C

C

Improvement Authorizations - Unfunded

\$ 3,676,749.34

Less: Unexpended Proceeds of Bond Anticipation Notes Issued:

Ordinance #07-17 Various Capital Improvements/Fire Truck	(6,690.51)
Ordinance #09-12 Various Capital Improvements	(32,236.10)
Ordinance #09-17 Senior Center	(55,599.23)
Ordinance #10-18 Senior Drop-In Center	(25,185.00)
Ordinance #10-19 Various Capital Improvements	(163,946.91)
Ordinance #11-13 Various Road Improvements	(48,943.37)
Ordinance #12-07 Various Capital Improvements	(40,781.69)
Ordinance #13-01 Elm St Project	(99,828.94)
Ordinance #13-04 Road Improvements	(162,966.17)
Ordinance #14-03 Pool Improvements	(803,208.00)
Ordinance #14-12 Various Road Improvements	(518,537.48)

(1,957,923.40)

\$ 1,718,825.94

BOROUGH OF FLORHAM PARK
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Improvement Description	Ordinance			Balance Dec. 31, 2013		2014 Authorizations		Paid or Charged	Balance Dec. 31, 2014	
	No.	Date	Amount	Funded	Unfunded	Capital Improvement Fund	Deferred Charges to Future Taxation - Unfunded		Funded	Unfunded
Various Capital Improvements	04-05	3/23/2004	3,806,000.00	\$ 14,205.93				\$ 14,205.93		
Various Capital Improvements	07-17	6/19/2007	893,147.00		\$ 14,241.60				\$ 14,241.60	
Tax Refunding Ordinance	07-23	11/27/2007	6,185,000.00		1,373,100.85				1,373,100.85	
Reappropriation Ordinance	08-32	10/6/2008	210,238.00	6,258.62				6,258.62		
Various Capital Improvements	09-12	6/23/2009	2,250,000.00		194,404.63		\$ 24,668.53		169,736.10	
Senior Center	09-17	10/20/2009	600,000.00		55,599.23				55,599.23	
Senior Drop In Center	10-18	10/19/2010	30,000.00		25,185.00				25,185.00	
Various Capital Improvements	10-19	11/23/2010	2,100,000.00		178,059.91		14,113.00		163,946.91	
Various Road Improvements	11-13	7/19/2011	469,000.00		49,493.37				49,493.37	
Various Capital Improvements	12-7	4/12/2012	787,500.00		40,905.69				40,905.69	
Elm Street Project	13-1	2/7/2013	4,100,000.00		1,998,560.70			1,698,731.76	299,828.94	
Various Road Improvements	13-4	5/28/2013	750,000.00		630,126.05			467,159.88	162,966.17	
Open Space Acquisition	13-11	9/19/2013	415,000.00	415,000.00				414,742.56	257.44	
Pool Improvements	14-03	3/20/2014	1,000,000.00			\$ 50,000.00	\$ 950,000.00	196,792.00	803,208.00	
Various Road Improvements	14-12	7/17/2014	750,000.00			36,000.00	714,000.00	231,462.52	518,537.48	
				<u>\$ 435,464.55</u>	<u>\$ 4,559,677.03</u>	<u>\$ 86,000.00</u>	<u>\$ 1,664,000.00</u>	<u>\$ 3,047,670.25</u>	<u>\$ 20,721.99</u>	<u>\$ 3,676,749.34</u>
	<u>Ref.</u>			C	C				C	C
							Cash Disbursed	3,063,424.61		
							Less Refunds	(15,754.36)		
								<u>3,047,670.25</u>		

BOROUGH OF FLORHAM PARK
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2013	C	\$ 232,651.26
Increased by:		
2014 Budget Appropriation		\$ 40,000.00
Open Space Receipts and Interest		74,364.20
		114,364.20
		347,015.46
Decreased by:		
Appropriated to Finance Improvement Authorizations		86,000.00
Open Space - Preliminary Expenses		8,754.56
		94,754.56
Balance December 31, 2014	C	\$ 252,260.90
Analysis of Balance:		
General Capital Improvement Fund		\$ 60,718.25
Open Space Capital Improvement Fund		191,542.65
		\$ 252,260.90

BOROUGH OF FLORHAM PARK
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Improvement Description	Ord. No.	Issue of Original Note	Date of		Interest Rate	Balance Dec. 31, 2013	Issued	Matured	Balance Dec. 31, 2014
			Issue	Maturity					
Various Capital Improvements	06-14	1/27/2011	10/23/2013	10/23/2014	1.25%	\$ 1,240,500.00	\$ 1,169,500.00	\$ 1,240,500.00	\$ 1,169,500.00
			10/22/2014	10/22/2015	1.25%				
Various Capital Improvements	07-17	10/25/2012	10/23/2013	10/23/2014	1.25%	718,000.00	718,000.00	718,000.00	718,000.00
			10/22/2014	10/22/2015	1.25%				
Tax Refunding	07-23	2/5/2008	1/23/2013	1/22/2014	0.51%	925,000.00	250,000.00	925,000.00	250,000.00
			1/22/2014	1/22/2015	0.51%				
Various Capital Improvements	09-12	2/3/2010	10/23/2013	10/23/2014	1.25%	1,926,000.00	1,852,000.00	1,926,000.00	1,852,000.00
			10/22/2014	10/22/2015	1.25%				
Road Improvements	09-16	2/3/2010	10/23/2013	10/23/2014	1.25%	265,000.00	250,000.00	265,000.00	250,000.00
			10/22/2014	10/22/2015	1.25%				
			10/23/2013	10/23/2014	1.25%				
			10/22/2014	10/22/2015	1.25%		5,000.00		5,000.00
Senior Center	09-17	2/3/2010	10/23/2013	10/23/2014	1.25%	555,000.00	540,000.00	555,000.00	540,000.00
			10/22/2014	10/22/2015	1.25%				
Senior Drop In Center	10-18	1/27/2011	10/23/2013	10/23/2014	1.25%	28,500.00	27,500.00	28,500.00	27,500.00
			10/22/2014	10/22/2015	1.25%				

BOROUGH OF FLORHAM PARK
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
(Continued)

<u>Improvement Description</u>	<u>Ord. No.</u>	<u>Issue of Original Note</u>	<u>Date of</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2013</u>	<u>Issued</u>	<u>Matured</u>	<u>Balance Dec. 31, 2014</u>
			<u>Issue</u>	<u>Maturity</u>					
Various Capital Improvements	10-19	1/27/2011	10/23/2013	10/23/2014	1.25%	\$ 1,995,000.00		\$ 1,995,000.00	
			10/22/2014	10/22/2015	1.25%		\$ 1,883,000.00		\$ 1,883,000.00
Various Road Improvements	11-13	10/25/2012	10/23/2013	10/23/2014	1.25%	445,000.00		445,000.00	
			10/22/2014	10/22/2015	1.25%		445,000.00		445,000.00
Various Capital Improvements	12-07	10/25/2012	10/23/2013	10/23/2014	1.25%	748,000.00		748,000.00	
			10/22/2014	10/22/2015	1.25%		748,000.00		748,000.00
Elm Street Project	13-01	10/22/2014	10/22/2014	10/22/2015	1.25%		1,800,000.00		1,800,000.00
Various Road Improvements	13-04	10/23/2013	10/23/2013	10/23/2014	1.25%	714,000.00		714,000.00	
			10/22/2014	10/22/2015	1.25%		714,000.00		714,000.00
Pool Improvements	14-03	10/22/2014	10/22/2014	10/22/2015	1.25%		950,000.00		950,000.00
Various Road Improvements	14-12	10/22/2014	10/22/2014	10/22/2015	1.25%		714,000.00		714,000.00
						<u>\$ 9,565,000.00</u>	<u>\$ 12,066,000.00</u>	<u>\$ 9,565,000.00</u>	<u>\$ 12,066,000.00</u>
						<u>Ref.</u>	<u>C</u>		<u>C</u>
							\$ 8,602,000.00	\$ 8,602,000.00	
							3,464,000.00		
								963,000.00	
						<u>\$ 12,066,000.00</u>	<u>\$ 9,565,000.00</u>		

BOROUGH OF FLORHAM PARK
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2013	Matured	Balance Dec. 31, 2014
			Outstanding Date	Dec. 31, 2014 Amount				
Series 2011 Refunding Bonds	11/2/2011	\$ 6,280,435.00	2/1/2015	\$ 1,069,597.00	3.00%			
			2/1/2016	1,034,597.00	3.00%			
			2/1/2017	494,418.00	4.00%			
			2/1/2018	494,274.00	4.00%			
						\$ 4,148,378.00	\$ 1,055,492.00	\$ 3,092,886.00
						<u>\$ 4,148,378.00</u>	<u>\$ 1,055,492.00</u>	<u>\$ 3,092,886.00</u>
					<u>Ref.</u>	C		C

BOROUGH OF FLORHAM PARK
GENERAL CAPITAL FUND
GREEN ACRES PROGRAM - GREEN TRUST LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2014

NOT APPLICABLE

BOROUGH OF FLORHAM PARK
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ordinance Date</u>	<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2013</u>	<u>2014 Authorizations</u>	<u>Funded by Budget Appropriation</u>	<u>Bond Anticipation Notes Issued</u>	<u>Balance Dec. 31, 2014</u>
6/19/2007	07-17	Various Capital Improvements	\$ 7,551.09				\$ 7,551.09
11/27/2007	07-23	Tax Refunding	1,933,341.80		\$ 125,000.00		1,808,341.80
6/23/2009	09-12	Various Capital Improvements	137,500.00				137,500.00
7/17/2011	11-13	Various Road Improvements	550.00				550.00
4/30/2012	12-7	Various Improvements	124.00				124.00
2/7/2013	13-1	Elm Street Project	2,000,000.00			\$ 1,800,000.00	200,000.00
3/20/2014	14-3	Pool Improvements		\$ 950,000.00		950,000.00	
7/17/2014	14-12	Various Road Improvements		714,000.00		714,000.00	
			<u>\$ 4,079,066.89</u>	<u>\$ 1,664,000.00</u>	<u>\$ 125,000.00</u>	<u>\$ 3,464,000.00</u>	<u>\$ 2,154,066.89</u>

BOROUGH OF FLORHAM PARK
COUNTY OF MORRIS
2014
WATER UTILITY FUND

BOROUGH OF FLORHAM PARK
WATER UTILITY FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2013	D	\$ 1,051,454.32	\$ 403,904.33
Increased by Receipts:			
Water Utility Collector		\$ 1,355,295.72	
Due Water Utility Capital Fund:			
Interest Earned		814.65	
Water Overpayments		3,686.50	
Interest on Investments		301.29	
Appropriation Refunds		15,124.94	
Reserve for Payment of Debt Service:			
Premium on Bond Anticipation Note			\$ 2,543.10
Due Water Utility Operating Fund:			
Interest Earned			814.65
		<u>1,375,223.10</u>	<u>3,357.75</u>
		2,426,677.42	407,262.08
Decreased by Disbursements:			
2014 Appropriation Expenditures		1,258,819.56	
2013 Appropriation Reserve Expenditures		77,424.20	
Due General Capital Fund		50,000.00	
Accrued Interest on Bonds		3,656.82	
Due Water Utility Operating Fund:			
Interest Earned			814.65
Improvement Authorizations			3,675.00
		<u>1,389,900.58</u>	<u>4,489.65</u>
Balance December 31, 2014	D	<u>\$ 1,036,776.84</u>	<u>\$ 402,772.43</u>

BOROUGH OF FLORHAM PARK
WATER UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2014

Increased by Receipts:

Consumer Accounts Receivable:

Water Rents	\$ 885,830.21
Miscellaneous Revenue	469,465.51
Total Consumer Accounts Receivable	<u>1,355,295.72</u>

Decreased by Disbursements:

Paid to Treasurer	<u>\$ 1,355,295.72</u>
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BOROUGH OF FLORHAM PARK
WATER UTILITY CAPITAL FUND
ANALYSIS OF CASH

	Balance / (Deficit) Dec. 31, 2013	Receipts		Disbursements		Balance / (Deficit) Dec. 31, 2014	
		Miscellaneous	Improvement Authorizations	Miscellaneous	Transfers From To		
Fund Balance	\$ 185,599.92					\$ 185,599.92	
Capital Improvement Fund	170,053.00					220,053.00	
Due Water Utility Operating Fund		\$ 814.65		\$ 814.65	\$ 50,000.00	(50,000.00)	
Reserve for Payment of Debt Service	2,823.93	2,543.10				5,367.03	
<u>Ord. Date</u>	<u>Ord. No.</u>	<u>Improvement Authorizations</u>					
4/22/2003	06-03	Water Main Improvements		1,374.45		1,374.45	
3/29/2005	14-05	Various Water Improvements		69,125.70		69,125.70	
5/31/2006	06-17	Iron and Manganese Removal Plant		(140,668.43)		(140,668.43)	
5/28/2013	13-6	Water Valve Replacements		115,595.76	\$ 3,675.00	111,920.76	
		<u>\$ 403,904.33</u>	<u>\$ 3,357.75</u>	<u>\$ 3,675.00</u>	<u>\$ 814.65</u>	<u>\$ 50,000.00</u>	<u>\$ 50,000.00</u>
						<u>\$ 402,772.43</u>	

BOROUGH OF FLORHAM PARK
WATER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2013	D	\$ 25,529.62
Increased by:		
Water Rents Levied		\$ 918,489.84
Miscellaneous Fees Levied		469,465.51
		1,387,955.35
		1,413,484.97
Decreased by:		
Collections:		
Water Rents:		
Received		885,830.21
Overpayments Applied		4,759.14
Miscellaneous Fees		469,465.51
		1,360,054.86
Balance December 31, 2014	D	\$ 53,430.11

BOROUGH OF FLORHAM PARK
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>Ref.</u>	
Balance December 31, 2013	D	<u>\$ 4,645,246.00</u>
Balance December 31, 2014	D	<u><u>\$ 4,645,246.00</u></u>

BOROUGH OF FLORHAM PARK
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Improvement Description	Ordinance		Balance	Balance
	No.	Date	Dec. 31, 2013	Dec. 31, 2014
Various Water Improvements	06-03	04/22/03	\$ 629,500.00	\$ 629,500.00
Various Water Improvements	14-05	03/29/05	221,000.00	221,000.00
Iron and Maganese Removal Plant	06-17	06/28/05	7,800,000.00	7,800,000.00
Water Valve Replacements	13-6	5/28/2013	479,000.00	479,000.00
			<u>\$ 9,129,500.00</u>	<u>\$ 9,129,500.00</u>
			D	D

BOROUGH OF FLORHAM PARK
WATER UTILITY OPERATING FUND
SCHEDULE OF 2013 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Balance After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 95,573.20	\$ 95,573.20		\$ 95,573.20
Other Expenses	247,380.14	247,380.14	\$ 77,424.20	169,955.94
	<u>\$ 342,953.34</u>	<u>\$ 342,953.34</u>	<u>\$ 77,424.20</u>	<u>\$ 265,529.14</u>

Ref.

Analysis of Balance December 31, 2013:

Appropriation Reserves:

Unencumbered	D	\$ 278,280.41
Encumbered	D	64,672.93
		<u>\$ 342,953.34</u>

BOROUGH OF FLORHAM PARK
WATER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Improvement Description	No.	Ordinance		Balance Dec. 31, 2013		Paid or Charged	Balance Dec. 31, 2014	
		Date	Amount	Funded	Unfunded		Funded	Unfunded
Various Water Improvements	06-03	4/22/2003	629,500.00	\$ 1,374.45			\$ 1,374.45	
Various Water Improvements	14-05	3/29/2005	221,000.00	69,125.70			69,125.70	
Iron & Maganese Removal Plant	06-17	5/31/2006	7,800,000.00		\$ 7,659,331.57			\$ 7,659,331.57
Water Valve Replacements	13-06	5/28/2013	479,000.00		115,595.76	\$ 3,675.00		111,920.76
				<u>\$ 70,500.15</u>	<u>\$ 7,774,927.33</u>	<u>\$ 3,675.00</u>	<u>\$ 70,500.15</u>	<u>\$ 7,771,252.33</u>
				<u>Ref.</u>	D	D	D	D

BOROUGH OF FLORHAM PARK
WATER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2013	D	\$ 170,053.00
Increased by:		
2014 Budget Appropriation		<u>50,000.00</u>
Balance December 31, 2014	D	<u><u>\$ 220,053.00</u></u>

BOROUGH OF FLORHAM PARK
WATER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2013	D	\$ 4,531,987.00
Increased by:		
Paid by Operating Budget		<u>19,508.00</u>
Balance December 31, 2014	D	<u>\$ 4,551,495.00</u>

BOROUGH OF FLORHAM PARK
WATER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Improvement Description	Ord. No.	Ordinance Date	Balance Dec. 31, 2013	Balance Dec. 31, 2014
Various Water Improvements	06-03	04/22/03	\$ 629,500.00	\$ 629,500.00
Various Water Improvements	14-05	03/29/05	232,637.00	232,637.00
Water Valve Replacements	13-6	5/28/2013	185,000.00	185,000.00
			<u>\$1,047,137.00</u>	<u>\$1,047,137.00</u>
		<u>Ref.</u>	D	D

BOROUGH OF FLORHAM PARK
WATER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2014

Improvement Description	Ord. No.	Ordinance	Date of		Interest Rate	Balance Dec. 31, 2013	Issued	Matured	Balance Dec. 31, 2014
			Issue	Maturity					
Water Valve Replacement	13-6	5/28/2013	10/23/2013	10/23/2014	1.25%	\$ 294,000.00		\$ 294,000.00	
			10/22/2014	10/22/2015	1.25%		\$ 294,000.00		\$ 294,000.00
						<u>\$ 294,000.00</u>	<u>\$ 294,000.00</u>	<u>\$ 294,000.00</u>	<u>\$ 294,000.00</u>
					<u>Ref.</u>	D			D
				Renewals			\$ 294,000.00	\$ 294,000.00	
							<u>\$ 294,000.00</u>	<u>\$ 294,000.00</u>	

BOROUGH OF FLORHAM PARK
WATER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2014

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2014		Interest Rate	Balance Dec. 31, 2013	Matured	Balance Dec. 31, 2014
			Date	Amount				
Series 2011 Refunding Bonds	11/2/2011	\$ 139,565.00	2/1/2015	\$ 20,403.00	3.00%			
			2/1/2016	20,403.00	3.00%			
			2/1/2017	20,582.00	4.00%			
			2/1/2018	20,726.00	4.00%			
						\$ 101,622.00	\$ 19,508.00	\$ 82,114.00
						\$ 101,622.00	\$ 19,508.00	\$ 82,114.00
					Ref.	D		D

BOROUGH OF FLORHAM PARK
WATER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ordinance Date</u>	<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2013</u>	<u>Balance Dec. 31, 2014</u>
06/28/05	06-17	Iron and Manganese Removal Plant	<u>\$ 7,800,000.00</u>	<u>\$ 7,800,000.00</u>
			<u>\$ 7,800,000.00</u>	<u>\$ 7,800,000.00</u>

BOROUGH OF FLORHAM PARK
COUNTY OF MORRIS
2014
SEWER UTILITY FUND

BOROUGH OF FLORHAM PARK
SEWER UTILITY FUND
SCHEDULE OF CASH AND INVESTMENTS - TREASURER

	Ref.	Operating	Trust	Capital
Balance December 31, 2013	E	\$ 4,920,658.65	\$ 59,819.04	\$ 1,195,001.01
Increased by Receipts:				
Sewer User Charges		\$ 4,109,921.42		
Sewer Connection Fees		186,221.43		
Miscellaneous Revenue		23,025.84		
Appropriation Refunds		5,208.30		
Due Sewer Utility Capital Fund:				
Interest Earned		2,342.45		
Interest Earned:				
Escrow Deposits			\$ 90.06	
Interest on Investments		1,702.57	95.02	\$ 2,342.45
		<u>4,328,422.01</u>	<u>185.08</u>	<u>2,342.45</u>
		9,249,080.66	60,004.12	1,197,343.46
Decreased by Disbursements:				
2014 Appropriation Expenditures		2,645,606.72		
2013 Appropriation Reserve Expenditures		127,156.26		
Accrued Interest on Bonds		69,325.00		
Accrued Interest on Loans		37,342.12		
Fund Balance Anticipated in Current Fund		685,000.00		
Due Sewer Utility Operating Fund:				
Interest Earned				2,342.45
Refund of Sewer Connection Fees		45,027.84		
Due from Current Fund:				
Investment Redeemed		60,000.00		
Improvement Authorizations				105,666.68
		<u>3,669,457.94</u>		<u>108,009.13</u>
Balance December 31, 2014	E	<u>\$ 5,579,622.72</u>	<u>\$ 60,004.12</u>	<u>\$ 1,089,334.33</u>

BOROUGH OF FLORHAM PARK
SEWER UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2014

NOT APPLICABLE

BOROUGH OF FLORHAM PARK
SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH

			<u>Receipts</u>	<u>Disbursements</u>		
			Balance Dec. 31, 2013	Miscellaneous	Miscellaneous	Balance Dec. 31, 2014
Reserve for Sewer Extension			\$ 536,398.76			\$ 536,398.76
Interest on Investments				\$ 2,342.45	\$ 2,342.45	
<u>Ord. Date</u>	<u>Ord. No.</u>	<u>Improvement Authorizations</u>				
N/A	N/A	Renewal and Replacement	658,602.25			658,602.25
6/19/2014	14-10	Repair of Timber Court Sewer			105,666.68	(105,666.68)
			<u>\$ 1,195,001.01</u>	<u>\$ 2,342.45</u>	<u>\$ 108,009.13</u>	<u>\$ 1,089,334.33</u>

BOROUGH OF FLORHAM PARK
SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2013	E	\$ 880,317.76
Increased by:		
Sewer Rents Levied		<u>4,093,173.05</u>
		4,973,490.81
Decreased by:		
Collections:		
Sewer User Charges Received	\$ 4,109,921.42	
Cancellations	<u>3,199.32</u>	
		<u>4,113,120.74</u>
Balance December 31, 2014	E	<u>\$ 860,370.07</u>

BOROUGH OF FLORHAM PARK
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>Ref.</u>	
Balance December 31, 2013	E	<u>\$ 16,116,793.56</u>
Balance December 31, 2014	E	<u><u>\$ 16,116,793.56</u></u>

BOROUGH OF FLORHAM PARK
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>Improvement Description</u>	<u>No.</u>	<u>Ordinance Date</u>	<u>Amount</u>	<u>Balance Dec. 31, 2013</u>	<u>2014 Authorizations</u>	<u>Balance Dec. 31, 2014</u>
Renewal and Replacement	N/A	N/A	\$ 1,014,654.00	\$ 1,014,654.00		\$ 1,014,654.00
Repair of Timber Court	14-10	6/19/2014	300,000.00		\$ 300,000.00	300,000.00
				<u>\$ 1,014,654.00</u>	<u>\$ 300,000.00</u>	<u>\$ 1,314,654.00</u>
				<u>Ref.</u>	E	E

BOROUGH OF FLORHAM PARK
SEWER UTILITY OPERATING FUND
SCHEDULE OF 2013 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

	<u>Balance Dec. 31, 2013</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Operating:				
Salaries and Wages	\$ 12,614.01	\$ 12,614.01		\$ 12,614.01
Other Expenses	686,956.84	686,956.84	\$ 127,156.26	559,800.58
Capital Improvements:				
Capital Outlay	125,000.00	125,000.00		125,000.00
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	16,000.00	16,000.00		16,000.00
	<u>\$ 840,570.85</u>	<u>\$ 840,570.85</u>	<u>\$ 127,156.26</u>	<u>\$ 713,414.59</u>

Ref.

Analysis of Balance December 31, 2013:

Appropriation Reserves:		
Unencumbered	E	\$ 761,479.26
Encumbered	E	79,091.59
		<u>\$ 840,570.85</u>

BOROUGH OF FLORHAM PARK
SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Improvement Description	No.	Ordinance		Balance Dec. 31, 2013 Funded	2014 Authorizations	Paid or Charged	Balance Dec. 31, 2014	
		Date	Amount		Deferred Charges to Future Revenue		Funded	Unfunded
Renewal and Replacement	N/A	N/A	\$ 1,014,654.00	\$ 658,602.25			\$ 658,602.25	
Repair of Timber Court	14-10	6/19/2014	300,000.00		\$ 300,000.00	\$ 105,666.68		\$ 194,333.32
				<u>\$ 658,602.25</u>	<u>\$ 300,000.00</u>	<u>\$ 105,666.68</u>	<u>\$ 658,602.25</u>	<u>\$ 194,333.32</u>
				Ref.	E		E	E

BOROUGH OF FLORHAM PARK
SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2014

NOT APPLICABLE

BOROUGH OF FLORHAM PARK
SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2013	E	\$ 12,066,685.99
Increased by:		
Paid by Sewer Utility Operating Budget:		
Bonds		\$ 415,000.00
Loans		134,742.45
		<u>549,742.45</u>
Balance December 31, 2014	E	<u>\$ 12,616,428.44</u>

BOROUGH OF FLORHAM PARK
SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>Improvement Description</u>	<u>Ord. No.</u>	<u>Ordinance Date</u>	<u>Balance Dec. 31, 2013</u>	<u>Balance Dec. 31, 2014</u>
Renewal and Replacement	N/A	N/A	\$ 1,014,654.00	\$ 1,014,654.00
			<u>\$ 1,014,654.00</u>	<u>\$ 1,014,654.00</u>
		<u>Ref.</u>	E	E

BOROUGH OF FLORHAM PARK
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2014

NOT APPLICABLE

BOROUGH OF FLORHAM PARK
SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2014		Interest Rate	Balance Dec. 31, 2013	Matured	Balance Dec. 31, 2014
			Date	Amount				
Series 2011 Refunding Bonds	11/2/2011	\$ 3,040,000.00	2/1/2015	\$ 430,000.00	3.00%			
			2/1/2016	440,000.00	3.00%			
			2/1/2017	455,000.00	4.00%			
			2/1/2018	470,000.00	4.00%			
						\$ 2,210,000.00	\$ 415,000.00	\$ 1,795,000.00
						<u>\$ 2,210,000.00</u>	<u>\$ 415,000.00</u>	<u>\$ 1,795,000.00</u>
					<u>Ref.</u>	E		E

BOROUGH OF FLORHAM PARK
SEWER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE
TRUST LOAN PAYABLE

Balance December 31, 2013	\$ 1,840,106.33
Decreased by:	
Matured	134,742.45
Balance December 31, 2014	\$ 1,705,363.88

Analysis of Loan Outstanding December 31, 2014

Due	Interest Rate	Trust		Fund Principal	Balance of
		Interest	Principal		Loan
					\$ 1,705,363.88
2015	4.000%	\$ 40,012.50	\$ 70,000.00	\$ 70,869.80	1,564,494.08
2016	4.000%	37,212.50	70,000.00	69,066.04	1,425,428.04
2017	4.000%	34,412.50	75,000.00	70,483.27	1,279,944.77
2018	4.250%	31,412.50	75,000.00	68,550.69	1,136,394.08
2019	4.250%	28,225.00	80,000.00	69,718.29	986,675.79
2020	4.500%	24,825.00	85,000.00	70,749.01	830,926.78
2021	4.375%	21,000.00	90,000.00	71,505.94	669,420.84
2022	4.375%	17,062.50	90,000.00	68,969.41	510,451.43
2023	4.375%	13,125.00	95,000.00	69,653.87	345,797.56
2024	4.375%	8,968.75	100,000.00	70,197.41	175,600.15
2025	4.375%	4,593.75	105,000.00	70,600.15	-0-
		\$ 260,850.00	\$ 935,000.00	\$ 770,363.88	

BOROUGH OF FLORHAM PARK
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ordinance</u>			<u>2014</u>	<u>Balance</u>
<u>Date</u>	<u>No.</u>	<u>Improvement Description</u>	<u>Authorizations</u>	<u>Dec. 31, 2014</u>
6/19/2014	14-10	Repair of Timber Court	\$ 300,000.00	\$ 300,000.00
			<u>\$ 300,000.00</u>	<u>\$ 300,000.00</u>

BOROUGH OF FLORHAM PARK
COUNTY OF MORRIS
2014
POOL UTILITY FUND

BOROUGH OF FLORHAM PARK
POOL UTILITY FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2013	F	\$ 251,486.53	\$ 195,050.92
Increased by Receipts:			
Pool Utility Collector		\$ 159,694.48	
Due Sewer Utility Capital Fund:			
Interest Earned		387.91	
Interest Earned		610.98	
Due Pool Utility Operating Fund:			
Interest Earned			\$ 387.91
		<u>160,693.37</u>	<u>387.91</u>
		412,179.90	195,438.83
Decreased by Disbursements:			
2014 Appropriation Expenditures		122,370.41	
Due Sewer Utility Operating Fund:			
Interest Earned			387.91
Improvement Authorizations			6,683.00
		<u>122,370.41</u>	<u>7,070.91</u>
Balance December 31, 2014	F	<u>\$ 289,809.49</u>	<u>\$ 188,367.92</u>

BOROUGH OF FLORHAM PARK
POOL UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2014

Increased by Receipts:

Consumer Accounts Receivable:

Sewer User Charges	\$ 137,552.98
Miscellaneous Revenue	22,141.50
	<hr/>
	159,694.48

Decreased by Disbursements:

Paid to Treasurer

	\$ 159,694.48
	<hr/> <hr/>

BOROUGH OF FLORHAM PARK
POOL UTILITY CAPITAL FUND
ANALYSIS OF CASH

	Balance/ (Deficit) Dec. 31, 2013	Receipts		Disbursements		Transfers		Balance/ (Deficit) Dec. 31, 2014
		Miscellaneous	Improvement Authorizations	Miscellaneous	From	To		
Fund Balance	\$ 66,307.37							\$ 66,307.37
Capital Improvement Fund	176,961.00				\$ 20,000.00			156,961.00
Due Pool Utility Operating Fund		\$ 387.91		\$ 387.91	20,000.00			(20,000.00)
<u>Ord. Date</u>	<u>Ord. No.</u>	<u>Improvement Authorizations</u>						
3/14/2006	06-07	Various Improvements to Swimming Pool		(48,217.45)			\$ 20,000.00	(28,217.45)
06/19/14	14-07	Rehab Snack Bar & Other Improvements			\$ 6,683.00		20,000.00	13,317.00
		<u>\$ 195,050.92</u>	<u>\$ 387.91</u>	<u>\$ 6,683.00</u>	<u>\$ 387.91</u>	<u>\$ 40,000.00</u>	<u>\$ 40,000.00</u>	<u>\$ 188,367.92</u>

BOROUGH OF FLORHAM PARK
POOL UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2013	F	\$ -0-
Increased by:		
Pool Fees Levied		\$ 137,552.98
Miscellaneous Fees Levied		23,140.39
		160,693.37
		160,693.37
Decreased by:		
Collections:		
Pool User Charges Received		137,552.98
Miscellaneous Fees		23,140.39
		160,693.37
Balance December 31, 2014	F	\$ -0-

BOROUGH OF FLORHAM PARK
POOL UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
YEAR ENDED DECEMBER 31, 2014

	<u>Ref.</u>	
Balance December 31, 2013	F	<u>\$ 1,340,687.45</u>
Balance December 31, 2014	F	<u><u>\$ 1,340,687.45</u></u>

BOROUGH OF FLORHAM PARK
POOL UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Improvement Description	<u>Ordinance</u>		2014	Balance
	<u>No.</u>	<u>Date</u>	<u>Authorizations</u>	<u>Dec. 31, 2014</u>
Pool Facility Improvements	14-07	06/19/14	\$ 20,000.00	\$ 20,000.00
			<u>\$ 20,000.00</u>	<u>\$ 20,000.00</u>
		<u>Ref.</u>		F

BOROUGH OF FLORHAM PARK
POOL UTILITY OPERATING FUND
SCHEDULE OF 2013 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

	Balance Dec. 31, 2013	Balance After Modification	Balance Lapsed
Operating:			
Salaries and Wages	\$ 25,228.52	\$ 25,228.52	\$ 25,228.52
Other Expenses	19,998.50	19,998.50	19,998.50
	\$ 45,227.02	\$ 45,227.02	\$ 45,227.02

Ref.

Analysis of Balance December 31, 2013:

Appropriation Reserves:			
Unencumbered	F		\$ 44,752.02
Encumbered	F		475.00
			\$ 45,227.02

BOROUGH OF FLORHAM PARK
POOL UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Improvement Description	Ordinance			2014 Authorizations	Paid or Charged	Balance
	No.	Date	Amount	Capital Improvement Fund		Dec. 31, 2014 Funded
Pool Facility Improvements	14-07	06/19/14	\$ 20,000.00	\$ 20,000.00	\$ 6,683.00	\$ 13,317.00
				<u>\$ 20,000.00</u>	<u>\$ 6,683.00</u>	<u>\$ 13,317.00</u>
				<u>Ref.</u>		F

BOROUGH OF FLORHAM PARK
POOL UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2013	F	\$ 176,961.00
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>20,000.00</u>
Balance December 31, 2014	F	<u>\$ 156,961.00</u>

BOROUGH OF FLORHAM PARK
POOL UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2013	F	\$ 1,292,470.00
Increased by:		
Paid by Pool Utility Operating Budget:		
Deferred Charges to Future Revenue Ordinance #06-07		20,000.00
		<hr style="width: 100%;"/>
Balance December 31, 2014	F	<u>\$ 1,312,470.00</u>

BOROUGH OF FLORHAM PARK
POOL UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>Improvement Description</u>	<u>Ord. No.</u>	<u>Ordinance Date</u>	<u>2014 Authorizations</u>	<u>Balance Dec. 31, 2014</u>
Pool Facility Improvements	14-07	6/19/2014	\$ 20,000.00	\$ 20,000.00
			<u>\$ 20,000.00</u>	<u>\$ 20,000.00</u>
		<u>Ref.</u>		F

BOROUGH OF FLORHAM PARK
POOL UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2014

NOT APPLICABLE

BOROUGH OF FLORHAM PARK
POOL UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2014

NOT APPLICABLE

BOROUGH OF FLORHAM PARK
POOL UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2014

<u>Ordinance Date</u>	<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2013</u>	<u>Funded by Budget Appropriation</u>	<u>Balance Dec. 31, 2014</u>
3/14/2006	06-07	Various Improvements to Swimming Pool	\$ 48,217.45	\$ 20,000.00	\$ 28,217.45
			<u>\$ 48,217.45</u>	<u>\$ 20,000.00</u>	<u>\$ 28,217.45</u>

BOROUGH OF FLORHAM PARK

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2014

BOROUGH OF FLORHAM PARK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2014

Name of Federal Agency or Department	Name of Program	C.F.D.A Account Number	State Pass Through Entity ID	Grant Period		Grant Award	Amount Received	Amount of Expenditures	Cumulative Expenditures
				From	To				
U.S. Department of Justice	Bullet Proof Vest Program	16.607	05-1020-066-718-001	01/01/13	12/31/14	\$ 6,187.70		\$ 2,234.63	\$ 2,234.63
				01/01/14	12/31/14	1,752.82	\$ 1,752.82		
Total Department of Justice							1,752.82	2,234.63	2,234.63
U.S. Department of Housing and Urban Development: (Passed through New Jersey Department of Community Affairs)									
	Community Development Block Grant - Little Red School House	14.228	N/A	01/01/10	12/31/13	45,616.00	5,560.00		5,560.00
Total Department of Housing and Urban Development							5,560.00		5,560.00
U.S. Department of Transportation (Passed through the Department of Law and Public Safety)									
	Click It or Ticket	20.614	99-066-1160-100-155	01/01/14	12/31/14	4,000.00	4,000.00	4,000.00	4,000.00
(Passed through the Department of Law and Public Safety)									
	Drive Sober or Get Pulled Over	20.602	99-066-1160-100-157	01/01/12	12/31/14	4,400.00		4,400.00	4,400.00
				01/01/13	12/31/15	4,000.00	4,000.00		
				01/01/14	12/31/15	3,525.00	3,525.00		
(Passed through New Jersey Department of Transportation)									
	Various Road Improvements	20.205	99-480-078-6320-ALD	01/01/14	12/31/15	158,767.00	119,075.25	158,767.00	158,767.00
	Columbia Turnpike and Ridgedale Avenue	20.205	99-480-078-6320-AKE	01/01/14	12/31/15	55,000.00	55,000.00		55,000.00
Total Department of Transportation							185,600.25	167,167.00	222,167.00
Total Federal Awards							\$ 192,913.07	\$ 169,401.63	\$ 229,961.63

N/A - Not Available

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

BOROUGH OF FLORHAM PARK
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED DECEMBER 31, 2014

Name of State Agency or Department	Name of Program	State Grant Award Number	Grant Period		Grant Award	Amount Received	Amount of Expenditures	Cumulative Expenditures	
			From	To					
Department of Environmental Protection	Clean Communities	765-042-4900- 004-V42Y-6020	01/01/10	12/31/14	\$ 15,989.00		\$ 50.00	\$ 15,989.00	
			01/01/13	12/31/14	19,948.78		18,000.00	19,948.78	
			01/01/14	12/31/15	18,708.79	\$ 18,708.79		18,000.00	
		Total Clean Communities				18,708.79	18,050.00	53,937.78	
	Recycling Tonnage Grant	752-042-4900-	01/01/10	12/31/15	49,272.81		20,645.00	23,833.90	
			01/01/14	12/31/15	26,326.81	26,326.81			
		Total Recycling Tonnage Grant				26,326.81	20,645.00	48,741.36	
	Green Acres	727-042-4800-002	01/01/12	01/01/15	500,000.00	324,364.00	205,454.00	324,364.00	
	Total Department of Environmental Protection						369,399.60	244,149.00	427,043.14
	Department of Law and Public Safety	Body Armor Grant	718-066-1020- 001-YCJS-6010	01/01/12	12/31/14	3,389.67		11.85	3,389.67
01/01/13				13/31/14	4,267.45		4,267.45	4,267.45	
01/01/14				12/31/15	6,586.53	6,586.53			
		Total Body Armor Grant				6,586.53	4,279.30	7,657.12	
Drunk Driving Enforcement Fund		100-078-6400- 260-6010	01/01/11	12/31/14	5,549.36		662.38	5,549.36	
			01/01/11	12/31/15	7,400.15		1,077.70	1,077.70	
			01/01/13	12/31/15	9,976.12			4,556.76	
		Total Drunk Driving Enforcement				4,109.90	1,740.08	16,493.50	
Total Department of Law and Public Safety						10,696.43	6,019.38	24,150.62	

BOROUGH OF FLORHAM PARK
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED DECEMBER 31, 2014

Name of State Agency or Department	Name of Program	State Grant Award Number	Grant Period		Grant Award	Amount Received	Amount of Expenditures	Cumulative Expenditures
			From	To				
Department of Health and Senior Services	Alcohol Education Rehabilitation Fund	760-098-9735- 789-6010	01/01/06	12/31/14	\$ 352.50		\$ 352.50	\$ 352.50
			01/01/07	12/31/14	1,612.00		1,612.00	1,612.00
			01/01/08	12/31/15	2,531.13		1,108.50	1,108.50
			01/01/13	12/31/15	2,797.06			2,797.06
			01/01/14	12/31/15	1,536.08	\$ 1,536.08		
	Total Alcohol Education Rehabilitation Fund				1,536.08	3,073.00	5,870.06	
	Total Department of Health and Senior Services				1,536.08	3,073.00	5,870.06	
	Total State Awards				\$ 381,632.11	\$ 253,241.38	\$ 457,063.82	

N/A - Not Available

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

BOROUGH OF FLORHAM PARK
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2014

Note 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (the "Schedules") include the federal and state grant activity of the Borough of Florham Park under programs of the federal and state governments for the year ended December 31, 2014. The information in these schedules is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States and Local Governments, and Non Profit Organizations* and New Jersey OMB Circular 04-44, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the Borough, they are not intended to and do not present the financial position, changes in fund balance or cash flows of the Borough.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Note 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

Note 4. STATE LOANS OUTSTANDING

The Borough of Florham Park has the following loans outstanding as of December 31, 2014:

New Jersey Environmental Infrastructure Trust Loan	\$ 1,705,363.88
--	-----------------

The Borough entered into an agreement with the New Jersey Environmental Infrastructure Trust in October 2005 for the amount of \$2,375,000, to finance a portion of the sewer improvement project. Currently, the Borough is in the process of repaying the loan balance. There were no loan receipts or expenditures in the current year. The project which relates to the loan is complete.



Mount Arlington Corporate Center
 200 Valley Road, Suite 300
 Mt. Arlington, NJ 07856
 973-328-1825 | 973-328-0507 Fax

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

Independent Auditors' Report

The Honorable Mayor and Members
 of the Borough Council
 Borough of Florham Park
 Florham Park, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements – *regulatory basis* - of the various funds of the Borough of Florham Park, in the County of Morris (the "Borough") as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements and have issued our report thereon dated June 9, 2015. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. That qualified report also indicated that we did not audit the general fixed assets account group.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough'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 Borough's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough'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 Township's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

The Honorable Mayor and Members
of the Borough Council
Borough of Florham Park
Florham Park, New Jersey

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as Finding 2014-01, that we consider to be a significant deficiency.

Compliance and Other Matters

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

The Borough's Response to the Finding

The Borough's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. The Borough's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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

June 9, 2015
Mount Arlington, New Jersey

NISIVOCCIA LLP



Raymond G. Sarinelli
Certified Public Accountant
Registered Municipal Accountant No. 383

BOROUGH OF FLORHAM PARK
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2014

Summary of Auditors' Results:

- The Independent Auditors' Report expresses a qualified opinion on the Borough's financial statements, prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, as the general fixed assets account group was not audited.
- A significant deficiency disclosed during the audit of the financial statements is reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. No material weaknesses are reported.
- No instances of noncompliance material to the financial statements of the Borough which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- The Borough was not subject to the single audit provisions of Federal OMB Circular A-133 and New Jersey's OMB Circular 04-04 for the year ended December 31, 2014 as both state and federal grant expenditures were less than the single audit thresholds of \$500,000 identified in the Circulars.

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

- The audit disclosed the following significant deficiency required to be reported under Generally Accepted Government Auditing Standards:

Finding 2014-01

Segregation of Duties

The Borough does not maintain an adequate segregation of duties with respect to the recording and treasury functions. Segregation of duties refers to separating those functions that place too much control over a transaction or class of transactions that would enable a person to perpetuate errors and prevent detection within a reasonable period of time. The various departments/offices of the Borough are responsible for the issuance of permits and licenses; collections of taxes and permit and license fees; and recording of collections. Also, the reconciliation of bank accounts, the preparation of the general ledger for the various funds as well as the preparation of payroll are performed by one person, the Chief Financial Officer. This is due, in part, to the limited number of personnel of the Borough and the decentralized nature of governmental collection procedures. Accordingly, management and the Borough Council should be aware of this situation and realize that the concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view.

Management's Response

The finding was evaluated, however, due to budgetary constraints; no resolution can be made at this time.

BOROUGH OF FLORHAM PARK
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2014

Findings and Questioned Costs for Federal Awards:

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

Findings and Questioned Costs for State Awards:

- Not applicable since state expenditures were below the single audit threshold.

BOROUGH OF FLORHAM PARK
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2014

The Borough's prior year audit finding regarding segregation of duties has not been completely resolved and is included as finding 2014-01.

BOROUGH OF FLORHAM PARK

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2014

BOROUGH OF FLORHAM PARK
COMMENTS AND RECOMMENDATIONS

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

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

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

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

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

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

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

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

BOROUGH OF FLORHAM PARK
COMMENTS AND RECOMMENDATIONS
(Continued)

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

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

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

Collection of Interest on Delinquent Taxes

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

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

"The interest penalty for delinquent taxes to be charged by the Chief Revenue Collector for tax payment delinquencies shall be 8% per annum of the first \$1,500 (tax bill) and 18% per annum on any amount in excess of \$1,500 payable from tax due dates. A penalty of up to 6% may be charged on any delinquency in excess of \$10,000 if not paid by the end of the fiscal year."

"No interest shall be charged if payment of any installment is made within ten (10) days after the date on which same is payable, said ten (10) days to be straight calendar days and if the tenth day falls on a Saturday, Sunday or Legal Holiday, then the grace period shall be extended to the next business day. After the ten (10) day "GRACE PERIOD", interest is charged from the due date."

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

Delinquent Taxes and Tax Title Liens

The last tax sale was held on November 15, 2014, and included all items which were eligible for sale.

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>
2014	2
2013	2
2012	2

BOROUGH OF FLORHAM PARK
COMMENTS AND RECOMMENDATIONS
(Continued)

Verification of Delinquent Taxes and Other Charges

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

<u>Type</u>	<u>Number Mailed</u>
Payments of 2014 Taxes	20
Payments of 2013 Taxes	20
Payments of Utility Charges	20
Delinquent Taxes	15
Delinquent Utility Charges	20
Tax Title Liens	2

New Jersey Administrative Code Accounting Requirements

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

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

The Borough is currently in compliance with the above accounting requirements.

Departmental Records

Our review of the records of the Pool Operating Fund revealed that deposits are not made within 48 hours of receipt. Additionally, during our review of Net Payroll records it was noted that there was a book balance deficit for several months during the year.

It is recommended that timely deposits be made in the Pool Operating Fund, and that the Payroll account, be reconciled to a zero balance every month.

Management Response:

The Chief Financial Officer and Business Administrator will ensure all records are accurately kept and ensure compliance with all state statutes.

Tax Collection

During our review of the tax collector records it was noted that a number of tax overpayments remained outstanding at year end. It is our suggestion that the tax collector review and settle all tax overpayments.

Federal and State Grant Fund

During our review of the Federal and State Grant Fund it was noted that two grants were not properly appropriated through the budget.

It is recommended that all grants be appropriated through the budget and maintained in the Federal and State Grant Fund

BOROUGH OF FLORHAM PARK
COMMENTS AND RECOMMENDATIONS
(Continued)

Federal and State Grant Fund (Cont'd)

Management Response

The CFO will ensure that all grants are properly accounted for and appropriated through the budget and maintained in the Federal and State Grant Fund.

Municipal Court

The report of the Municipal Court has been forwarded to the Division of Local Government Services and the Borough Magistrate under separate cover. Reflected on the following page is a summary of Receipts and Disbursements for the year ended December 31, 2014.

	Balance Dec. 31, 2013	Receipts	Disbursements	Balance Dec. 31, 2014
State of New Jersey	\$ 12,027.82	\$ 157,124.18	\$ 159,743.06	\$ 9,408.94
County of Morris	7,423.25	107,352.50	106,198.25	8,577.50
Municipality	14,648.93	218,135.18	217,182.69	15,601.42
Municipality - POAA	12.00	82.00	86.00	8.00
Conditional Discharge	18.00	375.00	393.00	
Weights and Measures	2,450.00	27,900.00	27,900.00	2,450.00
State Lab		669.50	669.50	
Public Defender	156.50	1,825.00	1,631.50	350.00
Restitution		2,015.14	1,788.00	227.14
	<u>\$ 36,736.50</u>	<u>\$ 515,478.50</u>	<u>\$ 515,592.00</u>	<u>\$ 36,623.00</u>

During our review of the Bail account it was noted that the Bail book balance does not match the Bail Analysis of Balance from the court computer system

It is recommended that the Bail account be reconciled monthly with the Bail Analysis of Balance from the court computer system.

Management Response:

The Court Administrator will work to ensure that the Bail account will be reconciled monthly with the Bail Analysis of Balance on the computer system.

Status of Prior Year Recommendations

The Borough has initiated a corrective action plan to resolve comments and recommendations from the 2013 audit report. The recommendations regarding the documentation of bids, tax overpayments, and record keeping in the recreation, and community affairs accounts have been resolved in the current year. The prior year recommendation regarding segregation of duties has not been resolved and is included in the current year's report.

BOROUGH OF FLORHAM PARK
COMMENTS AND RECOMMENDATIONS
(Continued)

Status of Prior Year Recommendations

The Borough has initiated a corrective action plan to resolve comments and recommendations from the 2013 audit report. The recommendations regarding the documentation of bids, tax overpayments, and record keeping in the recreation, and community affairs accounts have been resolved in the current year. The prior year recommendation regarding segregation of duties has not been resolved and is included in the current year's report.

BOROUGH OF FLORHAM PARK
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. An adequate segregation of duties be maintained with respect to the recording and treasury functions.
2. Timely deposits be made in the Pool Operating Fund, and that the Payroll account, be reconciled to a zero balance every month.
3. The Bail account be reconciled monthly with the Bail Analysis of Balance from the court computer system.
4. All grants be appropriated through the budget and maintained in the Federal and State Grant Fund

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