



**TOWNSHIP OF MONTCLAIR  
ESSEX COUNTY, NEW JERSEY  
REPORT OF AUDIT  
YEAR ENDED DECEMBER 31, 2011**

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**PART I**  
**REPORT ON EXAMINATION**  
**FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY EXHIBITS**  
**DECEMBER 31, 2011**



## INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members  
of the Township Council  
Township of Montclair  
County of Essex  
Montclair, New Jersey 07042

We have audited the accompanying regulatory basis financial statements of the various funds of the Township of Montclair, County of Essex, New Jersey (the "Township") as of December 31, 2011 and the related statements of operations and changes in fund balances for the year ended December 31, 2011 listed in the foregoing table of contents. These financial statements are the responsibility of the management of the Township. Our responsibility is to express an opinion on these financial statements based upon our audit.

The financial statements of the Township for the year ended December 31, 2010 were audited by other auditors' whose report dated October 7, 2011 expressed an unqualified opinion.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the regulatory basis financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

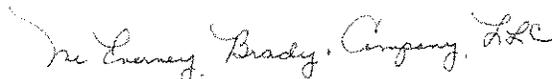
These regulatory basis financial statements have been prepared in conformity with accounting practices prescribed by the Division which are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. These practices differ in certain respects, which in some instances may be material, from accounting principles generally accepted in the United States of America applicable to local government units. The more significant of these practices are described in Note 1 to the financial statements.

In our opinion, because of the Township's policy to prepare its financial statements on the basis of accounting discussed in the third paragraph of this report, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2011 or the results of its operations for the year then ended.

However, in our opinion, the regulatory basis financial statements referred to above present fairly, in all material respects, the financial position of the Township as of December 31, 2011, and the results of operations of such funds for the year then ended, in accordance with accounting principles and practices prescribed by the Division described in Note 1 to the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 25, 2012, on our consideration of the Township's internal control over financial reporting and our test 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the regulatory basis financial statements of the Township taken as a whole. The accompanying supplementary schedules presented in the Supplementary sections and the accompanying schedules of expenditures of federal and state awards are not required parts of the regulatory financial statements and are presented for purposes of additional analysis as required by Division of Local Government Services; U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Government, and Nonprofit Organizations*, and New Jersey State Office of Management and Budget Circular Letter 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Such information has been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements and, in our opinion, is fairly presented in all material respects in relation to the regulatory basis financial statements taken as a whole.



McEnerney, Brady & Company, LLC  
Certified Public Accountants



John Lauria, RMA  
Licensed Registered Municipal Accountant # 403

Livingston, New Jersey  
May 25, 2012

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010

A  
Sheet # 1

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Regular Fund</u>			
Current Assets:			
Cash-Checking	A-4	\$ 10,991,787.75	\$ 9,359,739.81
Cash - Cash Management Fund	A-6	3,467.68	3,463.92
Change Funds	A-7	525.00	525.00
		10,995,780.43	9,363,728.73
Due from State of New Jersey: (Ch. 129, P.L. 1976)	A-9	2,090.88	923.75
		10,997,871.31	9,364,652.48
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-10	3,064,484.89	3,582,694.22
Tax Title Liens	A-11	94,978.55	73,850.82
Property Acquired for Taxes - Assessed Valuation	A-12	317,900.00	317,900.00
Other Liens Receivable	A-13	7,500.00	7,500.00
Other Accounts Receivable	A-14	114,612.35	
Revenue Accounts Receivable	A-15	2,500.00	214,555.64
Interfunds Receivable	A-17	95,243.39	88,118.15
		3,697,219.18	4,284,618.83
Deferred Charges:			
Special Emergency Authorizations (40A:4-53)	A-20	890,000.00	213,000.00
Emergency Appropriation (40A:4-46)	A-19	369,300.00	175,000.00
		1,259,300.00	388,000.00
		15,954,390.49	14,037,271.31
<u>Federal and State Grant Fund</u>			
Grants Receivable	A-16	599,354.40	975,714.29
Interfunds Receivable	A-18	629,816.71	269,133.37
		1,229,171.11	1,244,847.66
		\$ 17,183,561.60	\$ 15,282,118.97

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010

A  
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Regular Fund</u>			
Appropriated Reserves:			
Encumbered	A-3, A-21	\$ 1,000,693.05	\$ 803,327.46
Unencumbered	A-3, A-21	2,261,184.20	3,197,177.90
Reserve for Tax Map	A-22	9,395.00	9,395.00
Reserve for Revaluation	A-23	10,980.26	10,980.26
Interfunds Payable	A-29	772,889.24	1,465,603.15
Accounts Payable	A-26	255.09	7,490.19
Due to State of New Jersey	A-27	10,155.00	10,896.00
Reserve for State Tax Appeals	A-24	600,000.00	300,000.00
Tax Overpayments	A-28	1,801,020.49	987,878.66
County Taxes Payable	A-31	53,164.86	35,310.25
Special Improvement District Taxes Payable	A-33	12,403.00	13,469.28
Special Emergency Note Payable	A-34		213,000.00
Capital Note Payable	A-35	1,259,300.00	
Prepaid Revenue	A-37		36,082.00
Prepaid Taxes	A-36	986,522.41	1,215,845.48
Accumulated Revenue Unappropriated	A-40	137,474.00	437,474.00
		<hr/>	<hr/>
		8,915,436.60	8,743,929.63
Reserve for Receivables	Reserve	3,697,219.18	4,284,618.83
Fund Balance	A-1	3,341,734.71	1,008,722.85
		<hr/>	<hr/>
		15,954,390.49	14,037,271.31
 <u>Federal and State Grant Fund</u>			
Interfunds Payable	A-30	2,000.00	2,000.00
Due to Essex County	A-38	86,975.50	
Appropriated Reserves for Federal and State Grants	A-39	1,063,018.82	1,224,640.62
Accumulated Revenue Unappropriated	A-40	77,176.79	18,207.04
		<hr/>	<hr/>
		1,229,171.11	1,244,847.66
		<hr/>	<hr/>
		\$ 17,183,561.60	\$ 15,282,118.97
		<hr/> <hr/>	<hr/> <hr/>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGE IN FUND BALANCE  
REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2011 AND 2010

A-1

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	A-2	\$ 464,000.00	\$ 1,500,000.00
Miscellaneous Revenue Anticipated	A-2	12,223,462.06	13,006,300.98
Receipts from Delinquent Taxes	A-2	3,404,740.36	2,949,082.58
Receipts from Current Taxes	A-2c	180,677,225.49	179,341,400.37
Nonbudget Revenue	A-2d	963,329.96	327,985.33
Other Credits to Income:			
Unexpended Balance of Appropriation			
Reserves	A-21	1,576,210.45	675,904.79
Accounts Payable Cancelled			1,317.63
Tax Overpayments Cancelled	A-28	180,755.98	174,800.54
Due to Montclair Housing Authority Cancelled			19,865.30
Grant Reserves Cancelled	A-29	18,380.56	
Special Deposits Cancelled	A-29	60,162.78	
Increase in Deferred School Tax			2,117,415.00
Total Income		199,568,267.64	200,114,072.52
<u>Expenditures</u>			
Budget Appropriations:	A-3	68,014,095.04	67,439,940.79
Prior Year Senior Citizen Deductions			
Disallowed by Tax Collector			750.00
Prior Year Paid Taxes Cancelled			418,197.25
County Taxes	A-31	30,285,630.78	30,048,223.81
Local School District Tax	A-32	97,509,698.00	101,103,844.00
Special Improvement District Tax	A-33	416,933.72	415,546.54
Decrease in Deferred School Tax	A-32	1,797,073.00	
Interfunds Charges	A-17	7,125.24	5,170.67
Total Expenditures		198,030,555.78	199,431,673.06
Excess in Revenue		1,537,711.86	682,399.46
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which Are by			
Statute Deferred Charges to Budget of			
Succeeding Year	A-3	1,259,300.00	175,000.00
Statutory Excess to Fund Balance		2,797,011.86	857,399.46
<u>Fund Balance</u>			
Balance, Beginning of Year	A	1,008,722.85	1,651,323.39
		3,805,734.71	2,508,722.85
Decreased by:			
Utilized as Anticipated Revenue	A-1, A-2	464,000.00	1,500,000.00
Balance, End of Year	A	\$ 3,341,734.71	\$ 1,008,722.85

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF REVENUE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

A-2

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Anticipated	A-1	\$ 464,000.00	\$ 464,000.00	\$
Miscellaneous Revenue	A-2a	11,726,528.16	12,223,462.06	496,933.90
Receipts from Delinquent Taxes	A-2c	<u>2,900,000.00</u>	<u>3,404,740.36</u>	<u>504,740.36</u>
Sub-Total General Revenue		<u>15,090,528.16</u>	<u>16,092,202.42</u>	<u>1,001,674.26</u>
Amounts to be Raised by Taxation:				
Local Tax for Municipal Purposes	A-10	49,079,318.54		
Minimum Library Tax	A-10	2,359,338.00		
Addition to Local District School Tax	A-10	<u>4,712,469.00</u>		
	A-2b	<u>56,151,125.54</u>	<u>56,181,962.99</u>	<u>30,837.45</u>
Total General Revenue	A-3	71,241,653.70	72,274,165.41	1,032,511.71
Nonbudget Revenue	A-2d		<u>963,329.96</u>	<u>963,329.96</u>
		<u>\$71,241,653.70</u>	<u>\$ 73,237,495.37</u>	<u>\$ 1,995,841.67</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF REVENUE  
ANALYSIS OF MISCELLANEOUS REVENUE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

A-2a  
Sheet # 1

	Ref.	Budget	Realized	(Deficit)
<u>Miscellaneous Revenue</u>				
Licenses:				
Alcoholic Beverages	A-15	\$ 58,000.00	59,000.00	\$ 1,000.00
Other Licenses	A-2b	123,000.00	126,355.00	3,355.00
Fees and Permits	A-2b	587,000.00	712,831.19	125,831.19
Fines and Costs:				
Municipal Court	A-15	1,507,700.00	1,675,843.44	168,143.44
Interest and Cost on Taxes	A-5	700,000.00	778,903.40	78,903.40
Interest on Investments and Deposits	A-15	82,000.00	113,890.95	31,890.95
State School Building Aid (Ch. 212, P.L. 1975)	A-15	28,231.00	15,860.00	(12,371.00)
Consolidated Municipal Property Tax Relief Aid	A-15	383,182.00	383,182.00	
Energy Receipts Tax	A-15	2,583,884.00	2,583,884.00	
Dedicated Uniform Construction Code Fees				
Offset with Appropriations:				
(N.J.S. 40A:4.36 and N.J.A.C. 5:23-4.17):				
Uniform Construction Code Fees	A-15	600,000.00	602,071.00	2,071.00
Interlocal Government Services:				
Health Services	A-15	162,200.00	205,534.00	43,334.00
Fire Services	A-15	952,479.00	971,528.00	19,049.00
Animal Control Services - Glen Ridge	A-15	18,000.00	8,587.00	(9,413.00)
Animal Control Services - Nutley	A-15	26,000.00	37,910.23	11,910.23
Animal Control Services - Verona	A-15	24,000.00	31,605.61	7,605.61
State and Federal Revenues Offset with				
Appropriations:				
Municipal Alliance and Alcoholism and Drug Abuse	A-29	54,100.00	54,100.00	
Safe and Secure Communities Program	A-29	60,000.00	60,000.00	
Essex Emergency Health Commission	A-29	3,477.60	3,477.60	
Clean Communities Program		55,074.21	55,074.21	
Alcohol Education, Rehabilitation and Enforcement				
Fund - Unappropriated Reserve	A-29	6,687.90	6,687.90	
County of Essex Division of Senior Service - Public				
Health Nursing Program	A-29	15,537.00	15,537.00	
Emergency Notification Grant	A-29	25,000.00	25,000.00	
Montclair Board of Education:				
Nonpublic School Nursing School	A-29	111,868.00	111,868.00	
Cable Communication Grant - Comcast	A-29	5,000.00	5,000.00	
N.J. Highway Safety - Pedestrian Safety Grant	A-29	16,000.00	16,000.00	
Click it or Ticket	A-29	4,000.00	4,000.00	
H1N1 Corrective Grant	A-29	10,000.00	10,000.00	
Retail Program Standards Initiative Grant	A-29	2,000.00	2,000.00	
Recycling Tonnage Grant	A-29	38,053.11	38,053.11	
Shaping NJ - Mini Grant	A-29	15,000.00	15,000.00	

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF REVENUE  
ANALYSIS OF MISCELLANEOUS REVENUE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

A-2a  
Sheet # 2

	Ref.	Anticipated Budget	Realized	Excess or (Deficit)
<u>Miscellaneous Revenue</u>				
State and Federal Revenues Offset with				
Other Special Items:				
Anticipated Utility Operating Surplus - Water	A-15	100,000.00	100,000.00	
Anticipated Utility Operating Surplus - Sewer	A-15	100,000.00	100,000.00	
Uniform Fire Safety Act	A-15	48,036.98	51,689.30	3,652.32
Cable Television Franchise Fees	A-15	455,143.32	499,934.05	44,790.73
Section 8 - Administrative Costs	A-15	20,000.00	20,000.00	
Towing - Administrative Costs	A-15	2,300.00	5,049.00	2,749.00
Payment in Lieu of Taxes:				
Montclair Senior Housing Corp. (Orange Road)	A-15	86,000.00	84,631.00	(1,369.00)
First Montclair Housing Corp. (Walnut Street)	A-15	99,000.00	108,743.00	9,743.00
RTD Management Corp. (Lackawanna Plaza)	A-15	88,300.00	102,754.00	14,454.00
RTD Management Corp. (Union Gardens)	A-15	200,000.00	169,356.50	(30,643.50)
United Methodist Homes (Pineridge of Montclair)	A-15	23,000.00	25,815.00	2,815.00
MAG	A-15	99,000.00	99,842.28	842.28
11 Elm Street	A-15			
11 Pine Street	A-15	295,000.00	216,961.11	(78,038.89)
Lease - Orange Road Parking Plaza	A-15	41,000.00	44,057.97	3,057.97
Capital Fund Surplus	A-15	400,000.00	400,000.00	
Sale of Municipal Assets	A-15	300,000.00	300,000.00	
Alarm Registration Fees	A-15	200,000.00	187,475.09	(12,524.91)
Penalty on Delinquent Taxes (\$10,000 and Over)	A-15	55,000.00	155,903.96	100,903.96
Reimbursement of Debt Service - Sewer Utility Fund	A-15	175,000.00	175,000.00	
Administrative Fees - Police Off-Duty	A-15	63,000.00	65,734.12	2,734.12
Rear Yard Refuse Collection	A-15	49,000.00	64,525.00	15,525.00
Parking Authority Revenue Sharing - Montclair	A-15	540,567.00	500,000.00	(40,567.00)
Salvation Army - Shelter Rent	A-15	12,500.00		(12,500.00)
Unappropriated:				
Body Armor Replacement Fund	A-15	12,207.04	12,207.04	
National Association of County Health Officers - MRC Unit	A-15	5,000.00	5,000.00	
<b>Total Miscellaneous Revenue</b>	<b>A-1, A-2</b>	<b>\$ 11,726,528.16</b>	<b>\$ 12,223,462.06</b>	<b>\$ 496,933.90</b>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF REVENUE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

A-2b

	<u>Ref.</u>		
<u>Other Licenses</u>			
Township Clerk	A-15	\$ 48,940.00	
Health Department	A-15	<u>77,415.00</u>	
	A-2a		<u>\$ 126,355.00</u>
 <u>Other Fees and Permits</u>			
Township Clerk	A-15	94,662.09	
Health Officer	A-15	80,545.00	
Planning Board	A-15	13,755.00	
Community Services	A-15	7,052.94	
Housing and Zoning	A-15	2,750.00	
Recreation	A-15	467,068.41	
Police	A-15	14,757.00	
Fire	A-15	13,935.75	
Collector	A-15	50.00	
Board of Adjustment	A-15	10,830.00	
Public Works	A-15	5,200.00	
Construction Code Official	A-15	<u>2,225.00</u>	
	A-2a		<u>\$ 712,831.19</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF REVENUE  
ANALYSIS OF CERTAIN REALIZED REVENUE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

A-2c

	<u>Ref.</u>		
<u>Receipts from Delinquent Taxes</u>			
Collections of Delinquent Taxes			
2011 Collections:			
Taxes	A-1, A-2, A-10		<u>\$ 3,404,740.36</u>
 <u>Allocation of Current Tax Collections</u>			
Collection of Current Taxes:			
2011 Collections	A-1, A-2, A-10	\$ 179,051,652.97	
2010 Collections	A-1, A-2, A-10	1,215,845.48	
Due from State of New Jersey	A-9	141,435.62	
Tax Overpayments Applied	A-10, A-28	<u>268,291.42</u>	
	A-1		\$ 180,677,225.49
 Allocated to:			
County Taxes	A-31	30,285,630.78	
Local School District Taxes	A-32	97,509,698.00	
Special Improvement District Taxes	A-33	<u>416,933.72</u>	
			<u>128,212,262.50</u>
			52,464,962.99
 Plus: Appropriation for "Reserve for Uncollected Taxes"			
	A-3		<u>3,717,000.00</u>
 Realized for Support of Municipal Budget			
	A-2		<u>\$ 56,181,962.99</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF REVENUE  
ANALYSIS OF NONBUDGET REVENUE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

A-2d

Ref.

PILOTS:

Siena	\$ 657,378.42	
Herod Redevelopment	142,143.18	
55 Glenridge	5,750.00	
FEMA - 2010 Storm	61,897.38	
Prior Year Budget Refunds	16,329.32	
Unclaimed Bail - Municipal Court	500.00	
Motor Vehicle - Inspection Penalties	7,642.00	
Administrative Fee - Senior Citizen and Veteran Deductions	2,805.37	
Arena Commission	4,133.01	
TV 34 Underwriting Fees	2,300.00	
Vending Machine Commissions	831.91	
Sale of Bid Specifications	2,760.00	
City of Clifton - Animal Control	770.00	
Other	<u>48,008.75</u>	
	A-4	\$ 953,249.34
 <u>Tax Collector</u>		
Tax Office Electronic Data File	1,100.00	
Return Check Fees	1,000.00	
Cost of Tax Sale	<u>7,980.62</u>	
	A-5	<u>10,080.62</u>
	A-1, A-2	<u>\$ 963,329.96</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

A-3  
Sheet # 1

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>GENERAL GOVERNMENT</u>						
Mayor and Council:						
Salaries and Wages	\$ 43,000.00	\$ 43,000.00	\$ 42,874.86	\$	\$ 125.14	\$
Other Expenses	15,600.00	15,600.00	11,004.97		4,595.03	
Township and Manager:						
Salaries and Wages	621,000.00	621,000.00	607,573.60		13,426.40	
Other Expenses	159,800.00	159,800.00	88,604.48	16,605.37	54,590.15	
Township Clerk:						
Salaries and Wages	262,000.00	262,000.00	255,134.70		6,865.30	
Other Expenses	31,350.00	31,350.00	26,888.58	1,411.33	3,050.09	
Election Expenses:						
Salaries and Wages	3,550.00	3,550.00	1,951.98		1,598.02	
Other Expenses	19,900.00	19,900.00	13,630.22		6,269.78	
Township Attorney:						
Salaries and Wages	225,000.00	229,000.00	228,390.36		609.64	
Other Expenses	206,500.00	202,500.00	71,424.66	14,299.10	116,776.24	
Municipal Court:						
Salaries and Wages	582,000.00	582,000.00	574,167.03		7,832.97	
Other Expenses	59,410.00	59,410.00	38,122.18	7,783.26	13,504.56	
Postage:						
Other Expenses	52,000.00	52,000.00	50,039.77		1,960.23	
	<u>2,281,110.00</u>	<u>2,281,110.00</u>	<u>2,009,807.39</u>	<u>40,099.06</u>	<u>231,203.55</u>	
<u>FINANCE DEPARTMENT</u>						
Administration:						
Salaries and Wages	80,000.00	55,000.00	54,489.64		510.36	
Other Expenses	85,950.00	85,950.00	80,218.07	2,881.93	2,850.00	
Accounting and Treasury:						
Salaries and Wages	239,000.00	239,000.00	226,197.52		12,802.48	
Other Expenses	17,450.00	17,450.00	13,007.75	1,648.85	2,793.40	
Tax Assessor:						
Salaries and Wages	222,000.00	222,000.00	215,606.56		6,393.44	
Other Expenses:						
Revaluation	350,000.00	350,000.00	219,758.69	140,007.00	(9,765.69)	
Miscellaneous	47,750.00	47,750.00			47,750.00	
Tax Collector:						
Salaries and Wages	129,000.00	129,000.00	127,168.83		1,831.17	
Other Expenses	23,450.00	23,450.00	23,139.90	304.50	5.60	
Auditing:						
Other Expenses	50,000.00	50,000.00	7,275.00		42,725.00	
	<u>1,244,600.00</u>	<u>1,219,600.00</u>	<u>966,861.96</u>	<u>144,842.28</u>	<u>107,895.76</u>	

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

A-3  
Sheet # 2

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>PLANNING AND COMMUNITY DEVELOPMENT</u>						
Planning Administration:						
Salaries and Wages	\$ 220,000.00	\$ 220,000.00	\$ 210,627.85	\$	\$ 9,372.15	\$
Other Expenses	26,200.00	26,200.00	17,910.96	1,830.35	6,458.69	
Planning Board:						
Other Expenses	13,750.00	13,750.00	7,706.50	335.71	5,707.79	
Board of Adjustment:						
Other Expenses	9,700.00	9,700.00	9,167.43	37.05	495.52	
	<u>269,650.00</u>	<u>269,650.00</u>	<u>245,412.74</u>	<u>2,203.11</u>	<u>22,034.15</u>	
<u>DEPARTMENT OF ADMINISTRATION AND CODE ENFORCEMENT</u>						
Salaries and Wages	323,000.00	354,000.00	353,131.18		868.82	
Other Expenses	3,150.00	3,150.00	3,137.91		12.09	
	<u>326,150.00</u>	<u>357,150.00</u>	<u>356,269.09</u>		<u>880.91</u>	
<u>POLICE DEPARTMENT</u>						
Salaries and Wages	11,993,000.00	11,782,000.00	11,365,248.87		416,751.13	
Other Expenses	509,000.00	509,000.00	371,415.42	95,838.21	41,746.37	
	<u>12,502,000.00</u>	<u>12,291,000.00</u>	<u>11,736,664.29</u>	<u>95,838.21</u>	<u>458,497.50</u>	
<u>FIRE DEPARTMENT</u>						
Salaries and Wages	8,135,000.00	8,338,000.00	8,267,209.37		70,790.63	
Other Expenses	213,365.00	213,365.00	136,856.54	65,765.40	10,743.06	
	<u>8,348,365.00</u>	<u>8,551,365.00</u>	<u>8,404,065.91</u>	<u>65,765.40</u>	<u>81,533.69</u>	
<u>UNIFORM FIRE SAFETY ACT (Ch. 383, P.L. 1983)</u>						
Life Hazard Use Fee Payment:						
Salaries and Wages	58,002.83	58,002.83	58,002.83			
	<u>58,002.83</u>	<u>58,002.83</u>	<u>58,002.83</u>			
<u>PUBLIC WORKS DEPARTMENT</u>						
Community Services Administration:						
Salaries and Wages	488,000.00	488,000.00	449,333.86		38,666.14	
Other Expenses	35,150.00	35,150.00	31,043.49	2,176.96	1,929.55	
Engineering:						
Salaries and Wages	116,000.00	116,000.00	73,298.32		42,701.68	
Other Expenses	3,700.00	3,700.00	863.74	389.85	2,446.41	
Street Repairs and Maintenance:						
Salaries and Wages	427,000.00	402,000.00	351,692.85		50,307.15	
Other Expenses	33,700.00	33,700.00	30,124.78	1,431.70	2,143.52	
Storm Sewers Repairs and Maintenance:						
Salaries and Wages	89,000.00	114,000.00	112,969.23		1,030.77	
Other Expenses	14,950.00	10,950.00	9,704.79	253.66	991.55	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

A-3  
Sheet # 3

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>PUBLIC WORKS DEPARTMENT</u>						
Refuse Collection and Disposal:						
Salaries and Wages	\$ 806,000.00	\$ 850,000.00	\$ 832,522.98	\$	\$ 17,477.02	\$
Other Expenses	20,000.00	12,000.00	3,753.51	8,061.61	184.88	
Storm Clearance:						
Salaries and Wages	80,000.00	80,000.00	79,962.01		37.99	
Other Expenses	235,500.00	604,800.00	267,622.67	136,298.30	200,879.03	
Traffic:						
Salaries and Wages	140,000.00	135,000.00	134,966.13		33.87	
Other Expenses	12,600.00	42,600.00	39,862.54	1,232.28	1,505.18	
Central Garage Operation:						
Salaries and Wages	179,000.00	179,000.00	153,601.93		25,398.07	
Other Expenses	230,500.00	230,500.00	185,382.75	31,646.71	13,470.54	
Building Maintenance:						
Salaries and Wages	95,000.00	51,000.00	45,415.74		5,584.26	
Other Expenses	75,300.00	75,300.00	61,040.24	7,811.51	6,448.25	
Parks Maintenance:						
Salaries and Wages	473,000.00	468,000.00	443,205.38	239.57	24,555.05	
Other Expenses	114,350.00	101,350.00	71,539.66	14,562.10	15,248.24	
Shade Trees:						
Salaries and Wages	239,000.00	239,000.00	183,186.14		55,813.86	
Other Expenses	62,650.00	42,650.00	32,055.17	3,306.31	7,288.52	
	<u>3,970,400.00</u>	<u>4,314,700.00</u>	<u>3,593,147.91</u>	<u>207,410.56</u>	<u>514,141.53</u>	
<u>PARKS, RECREATION AND CULTURAL AFFAIRS DEPARTMENT</u>						
Recreation Program:						
Salaries and Wages	504,000.00	506,000.00	503,912.39		2,087.61	
Other Expenses	62,200.00	62,200.00	33,177.25	5,551.92	23,470.83	
	<u>566,200.00</u>	<u>568,200.00</u>	<u>537,089.64</u>	<u>5,551.92</u>	<u>25,558.44</u>	
<u>HEALTH AND HUMAN SERVICES DEPARTMENT</u>						
Health Services:						
Salaries and Wages	473,000.00	473,000.00	446,511.31		26,488.69	
Other Expenses	50,450.00	50,450.00	26,028.66	4,349.48	20,071.86	
Nursing Services:						
Salaries and Wages	125,000.00	125,000.00	113,124.69		11,875.31	
Animal Control:						
Salaries and Wages	125,000.00	110,000.00	100,579.85		9,420.15	
Other Expenses	66,000.00	81,000.00	58,792.65	19,946.11	2,261.24	
	<u>839,450.00</u>	<u>839,450.00</u>	<u>745,037.16</u>	<u>24,295.59</u>	<u>70,117.25</u>	

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

A-3  
Sheet # 4

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>MISCELLANEOUS AND OTHER</u>						
Unemployment Compensation Insurance:						
Other Expenses	\$ 225,000.00	\$ 225,000.00	\$ 217,191.82	\$	\$ 7,808.18	\$
Refuse Tipping Fees:						
Other Expenses	1,380,000.00	1,285,000.00	1,098,961.10	135,305.08	50,733.82	
Mandatory Recycling Act:						
Other Expenses	565,000.00	565,000.00	565,000.00			
Defined Contribution Retirement Plan						
Other Expenses	3,900.00	3,900.00	3,868.32		31.68	
Montclair Early Childhood Corporation:						
Other Expenses	125,000.00	125,000.00	125,000.00			
	<u>2,298,900.00</u>	<u>2,203,900.00</u>	<u>2,010,021.24</u>	<u>135,305.08</u>	<u>58,573.68</u>	
Insurances:						
Liability Insurance	1,214,700.00	1,214,700.00	1,036,322.52	87,882.10	90,495.38	
Health Benefit Waiver	202,200.00	202,200.00	202,000.00		200.00	
Employee Group Insurance	5,282,705.00	5,282,705.00	5,121,253.83	32,488.00	128,963.17	
	<u>6,699,605.00</u>	<u>6,699,605.00</u>	<u>6,359,576.35</u>	<u>120,370.10</u>	<u>219,658.55</u>	
<u>SPECIAL PROGRAMS AND ACTIVITIES</u>						
Parks, Recreation and Cultural Affairs:						
Salaries and Wages						
Other Expenses	100,500.00	85,500.00	79,636.21	5,250.00	613.79	
<u>UNIFORM CONSTRUCTION CODE -</u>						
<u>  APPROPRIATIONS OFFSET BY</u>						
<u>  DEDICATED REVENUES (N.J.A.C.</u>						
<u>  5:23-4.17)</u>						
Salaries and Wages	426,000.00	401,000.00	336,740.11		64,259.89	
Other Expenses	167,650.00	192,650.00	158,468.75	26,208.47	7,972.78	
	<u>593,650.00</u>	<u>593,650.00</u>	<u>495,208.86</u>	<u>26,208.47</u>	<u>72,232.67</u>	
<u>UNCLASSIFIED</u>						
Emergency Assistance Coalition:						
Other Expenses	50.00	50.00			50.00	
Utilities:						
Gasoline	275,000.00	350,000.00	285,277.64	64,722.36		
Fuel - Diesel	190,000.00	250,000.00	222,909.43	18,456.10	8,634.47	
Electricity	540,000.00	540,000.00	452,844.53	24,179.15	62,976.32	
Telephone	251,000.00	251,000.00	195,824.64	18,852.28	36,323.08	
Natural Gas	210,000.00	210,000.00	153,590.98	1,343.38	55,065.64	

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

A-3  
Sheet # 5

<u>Appropriation</u>	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Reserved</u>		<u>Balance Cancelled</u>
	<u>Budget</u>	<u>Modified Budget</u>		<u>Encumbered</u>	<u>Unencumbered</u>	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>UNCLASSIFIED</u>						
<u>Utilities:</u>						
Street Lighting	\$ 525,000.00	\$ 525,000.00	\$ 407,157.69	\$	\$ 117,842.31	\$
Water	13,250.00	13,250.00	318.34		12,931.66	
	<u>2,004,300.00</u>	<u>2,139,300.00</u>	<u>1,717,923.25</u>	<u>127,553.27</u>	<u>293,823.48</u>	
Total Operations Within CAPS	<u>42,102,882.83</u>	<u>42,472,182.83</u>	<u>39,314,724.83</u>	<u>1,000,693.05</u>	<u>2,156,764.95</u>	
<u>CONTINGENT</u>	<u>3,500.00</u>	<u>3,500.00</u>			<u>3,500.00</u>	
Total Operations Within CAPS	<u>42,106,382.83</u>	<u>42,475,682.83</u>	<u>39,314,724.83</u>	<u>1,000,693.05</u>	<u>2,160,264.95</u>	
<u>STATUTORY EXPENDITURES</u>						
<u>Contributions to:</u>						
Public Employees' Retirement System of N.J.	1,302,674.00	1,302,674.00	1,302,674.00			
Social Security System (OASI)	1,090,000.00	1,090,000.00	1,006,098.25		83,901.75	
Consolidated Police and Firemen's Pension Fund	500.00	500.00			500.00	

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

A-3  
Sheet # 6

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
<b>APPROPRIATIONS EXCLUDED FROM "CAPS"</b>						
<b>STATUTORY EXPENDITURES</b>						
Contributions to:						
Police and Firemen's Retirement System of N.J. Pension Increase Fund Consolidated Police and Firemen's Pension System	\$ 5,540,321.00	\$ 5,540,321.00	\$ 5,540,321.00	\$	\$	\$
	76,779.96	76,779.96	76,779.96			
Total Statutory Expenditures	<u>8,010,274.96</u>	<u>8,010,274.96</u>	<u>7,925,873.21</u>		<u>84,401.75</u>	
Total Appropriations Within "CAPS"	<u>50,116,657.79</u>	<u>50,485,957.79</u>	<u>47,240,598.04</u>	<u>1,000,693.05</u>	<u>2,244,666.70</u>	
<b>OTHER OPERATIONS</b>						
Maintenance of Free Public Library	2,533,749.00	2,533,749.00	2,533,749.00			
Employee Group Insurance	377,142.00	377,142.00	377,142.00			
Contracted Service Liability - Emergency Reserve for Tax Appeals Pending	300,000.00	300,000.00	300,000.00			
	<u>3,210,891.00</u>	<u>4,100,891.00</u>	<u>4,100,891.00</u>			
<b>UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY INCREASED FEE REVENUE (N.J.A.C. 5:23-4.17)</b>						
Other Expenses	<u>56,153.05</u>	<u>56,153.05</u>	<u>56,153.05</u>			
<b>ADDITIONAL APPROPRIATIONS OFFSET BY REVENUES (N.J.S.A. 40A:4-43.3h)</b>						
Glen Ridge Fire Contract:						
Salaries and Wages	727,943.00	727,943.00	727,943.00			
Other Expenses	224,535.00	224,535.00	224,535.00			
Interlocal Government Health Service Contract:						
Salaries and Wages	162,200.00	162,200.00	162,200.00			
Interlocal Animal Control Services - Glen Ridge						
Salaries and Wages	18,000.00	18,000.00	18,000.00			
Interlocal Animal Control Services - Nutley						
Salaries and Wages	26,000.00	26,000.00	26,000.00			
Interlocal Nursing Services - Nutley						
Salaries and Wages	27,000.00	27,000.00	10,482.50		16,517.50	
Interlocal Animal Control Services Contract - Verona						
Salaries and Wages	<u>24,000.00</u>	<u>24,000.00</u>	<u>24,000.00</u>			
	<u>1,209,678.00</u>	<u>1,209,678.00</u>	<u>1,193,160.50</u>		<u>16,517.50</u>	

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

A-3  
Sheet # 7

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>						
<u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</u>						
Safe and Secure Community Programs:						
Grant Funds:						
Police:						
Salaries and Wages	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$	\$	\$
Matching Funds:						
Police - Salaries and Wages	117,788.00	117,788.00	117,788.00			
Employee Group Insurance	51,919.00	51,919.00	51,919.00			
Governor's Council on Alcohol and Drug Abuse:						
State Share	54,100.00	54,100.00	54,100.00			
Matching Funds	13,525.00	13,525.00	13,525.00			
Clean Community Program	55,074.21	55,074.21	55,074.21			
Nonpublic School Nursing Services	111,868.00	111,868.00	111,868.00			
H1N1 Corrective Action Grant	10,000.00	10,000.00	10,000.00			
Emergency Notification Grant	25,000.00	25,000.00	25,000.00			
Cable Communication Grant	5,000.00	5,000.00	5,000.00			
Public Health Emergency Preparedness Program Grant	3,477.60	3,477.60	3,477.60			
Retail Program Standards Initiative Grant	2,000.00	2,000.00	2,000.00			
Alcohol Education, Rehabilitation and Enforcement	6,687.90	6,687.90	6,687.90			
Click It or Ticket Enforcement Grant	4,000.00	4,000.00	4,000.00			
Pedestrian Safety Education and Enforcement	16,000.00	16,000.00	16,000.00			
Essex County Department of Aging:						
Senior Citizen Public Health Nursing	15,537.00	15,537.00	15,537.00			
Recycling Tonnage Grant	38,053.11	38,053.11	38,053.11			
Shaping NJ - Mini Grant	15,000.00	15,000.00	15,000.00			
Body Armor Replacement Fund - Unappropriated	12,207.04	12,207.04	12,207.04			
National County Health Association						
- MRC Unit - Unappropriated	5,000.00	5,000.00	5,000.00			
	<u>622,236.86</u>	<u>622,236.86</u>	<u>622,236.86</u>	<u>          </u>	<u>          </u>	<u>          </u>

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

A-3  
Sheet # 8

<u>Appropriation</u>	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Reserved</u>		<u>Balance Cancelled</u>
	<u>Budget</u>	<u>Modified Budget</u>		<u>Encumbered</u>	<u>Unencumbered</u>	
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>						
Total Operations Excluded from "CAPS"	\$ 5,098,958.91	\$ 5,988,958.91	\$ 5,972,441.41	\$	\$ 16,517.50	\$
<u>CAPITAL IMPROVEMENTS</u>						
Capital Improvement Fund	125,000.00	125,000.00	125,000.00			
<u>DEBT SERVICE</u>						
Payment of Bond Principal	3,290,000.00	3,290,000.00	3,290,000.00			
Payment of Bond Anticipation Notes and Capital Notes	1,630,400.00	1,343,400.00	749,200.00			594,200.00
Interest on Bonds	1,793,000.00	2,080,000.00	2,079,569.02			430.98
Interest on Notes	196,000.00	196,000.00	193,279.49			2,720.81
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	59,500.00	59,500.00	43,912.11			15,587.89
Environmental Trust - Principal	43,780.00	43,780.00	43,051.21			728.79
Environmental Trust - Interest	17,657.00	17,657.00	16,656.26			1,000.74
	<u>7,030,337.00</u>	<u>7,030,337.00</u>	<u>6,415,668.09</u>			<u>614,669.21</u>
<u>DEFERRED CHARGES</u>						
Emergency Authorization	175,000.00	175,000.00	175,000.00			
Special Emergency Authorization - 5 Years	213,000.00	213,000.00	213,000.00			
Unfunded Improvement Authorizations:						
Ordinance #02-11	15,000.00	15,000.00				15,000.00
Ordinance #03-08	10,000.00	10,000.00				10,000.00
	<u>413,000.00</u>	<u>413,000.00</u>	<u>388,000.00</u>			<u>25,000.00</u>
<u>FOR LOCAL SCHOOL DISTRICT PURPOSES</u>						
Type I School District Debt Service:						
Payment of Bond Principal	1,755,000.00	1,389,000.00	1,389,000.00			
Payment of Bond Anticipation Notes	515,700.00	515,700.00	387,000.00			128,700.00
Interest on Bonds	2,005,000.00	2,371,000.00	2,370,758.76			241.24
Interest on Notes	465,000.00	465,000.00	463,751.49			1,248.51
	<u>4,740,700.00</u>	<u>4,740,700.00</u>	<u>4,610,510.25</u>			<u>130,189.75</u>
Total Appropriations Excluded from "CAPS"	17,407,995.91	18,297,995.91	17,511,619.75		16,517.50	769,858.96
Sub-Total Appropriations	67,524,653.70	68,783,953.70	64,752,217.79	1,000,693.05	2,261,184.20	769,858.96
Reserve for Uncollected Taxes	3,717,000.00	3,717,000.00	3,717,000.00			
Total Appropriations	<u>\$ 71,241,653.70</u>	<u>\$72,500,953.70</u>	<u>\$68,469,217.79</u>	<u>\$ 1,000,693.05</u>	<u>\$ 2,261,184.20</u>	<u>\$ 769,858.96</u>

Ref.

Below

A-3 Sheet 9

A

A

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

A-3  
Sheet # 9

	<u>Ref.</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>
Adopted Budget	A-2	\$ 70,987,008.99	\$
Added by N.J.S.A. 40A:4-87	A-2	254,644.71	
Emergency Authorization	A-19, A-20	1,259,300.00	
Reserve for Uncollected Taxes	A-2c	(3,717,000.00)	3,717,000.00
Cash Disbursements	A-4		63,397,980.93
Deferred Charges	A-19		175,000.00
Deferred Charges - Special Emergency	A-20		213,000.00
Reserve for Tax Appeals	A-24		300,000.00
Interfunds Payable	A-29		666,236.86
Cancelled	A-3 Sh. 8	(769,858.66)	
	A-1	<u>\$ 68,014,095.04</u>	<u>\$ 68,469,217.79</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010

B  
Sheet # 1

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Assessment Trust Fund</u>			
Assessments Receivable:			
Pledged	B-4	\$	\$ 5,825.01
Unpledged	B-4	8,163.34	8,452.55
Interfunds Receivable	B-11	54,600.41	48,486.19
		<u>62,763.75</u>	<u>62,763.75</u>
 <u>Animal Control Trust Fund</u>			
Cash - Checking	B-2	<u>34,342.04</u>	<u>17,854.60</u>
 <u>General Trust Fund</u>			
Cash - Checking	B-2	3,005,457.21	2,840,601.82
Due from Montclair Public Library	B-5		444.83
Due from Montclair Board of Education	B-6		4,626.14
Due from Montclair Housing Agency	B-7	36,730.72	37,730.68
Due from County of Essex - Community Development Block Grant Programs	B-8	123,927.07	339,955.00
Due from Municipal Court	B-9		3,552.00
Interfunds Receivable	B-11	137,392.57	69,470.37
Other Accounts Receivable	B-10		8,408.61
		<u>3,303,507.57</u>	<u>3,304,789.45</u>
		<u>\$ 3,400,613.36</u>	<u>\$ 3,385,407.80</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
TRUSTS FUNDS

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010

B  
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Assessment Trust Fund</u>			
Interfunds Payable	B-14	\$ 54,311.20	\$ 54,311.20
Reserve for:			
Assessments and Assessment Liens	B-15	8,163.34	8,452.55
Fund Balance	B-1	289.21	
		<u>62,763.75</u>	<u>62,763.75</u>
 <u>Animal Control Trust Fund</u>			
Due to State of New Jersey	B-12		4.20
Interfunds Payable	B-14	2,503.00	2,503.00
Reserve for:			
Animal Shelter Expenditures	B-18	18,697.35	8,798.51
Animal Control Trust Fund Expenditures	B-19	13,141.69	6,548.89
		<u>34,342.04</u>	<u>17,854.60</u>
 <u>General Trust Fund</u>			
Interfunds Payable	B-14	21,053.06	8,757.15
Special Deposits	B-13	2,986,407.89	2,911,323.56
Reserve for:			
Community Development Block Grant	B-16	121,960.02	238,222.94
Section "8" Voucher Program	B-17	113,028.37	8,892.14
State Unemployment Trust Fund Expenditures	B-20	61,058.23	137,593.66
		<u>3,303,507.57</u>	<u>3,304,789.45</u>
		<u>\$ 3,400,613.36</u>	<u>\$ 3,385,407.80</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

STATEMENT OF FUND BALANCE  
ASSESSMENT TRUST  
YEAR ENDED DECEMBER 31, 2011

B-1

	<u>Ref.</u>	
Increased by:		
Collection of Unpledged Receivables	B-15	<u>\$ 289.21</u>
Balance, December 31, 2011	B	<u><u>\$ 289.21</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010

C

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Cash - Checking	C-2	\$ 17,363,666.75	\$ 12,118,353.89
Grants Receivable	C-4	1,357,381.50	235,628.29
Interfunds Receivable	C-10	529,848.84	1,507,129.64
Regional Contribution Agreements Receivable	C-6		1,050,000.00
Note Receivable	C-7	1,259,300.00	
Loans Receivable	C-5	1,638,000.00	1,638,000.00
Due from Improvement District	C-8	15,000.00	25,000.00
Due from Montclair Parking Authority	C-9	18,201.22	18,201.30
Deferred Charges to Future Taxation:			
Funded	C-11	123,242,710.24	88,407,800.78
Unfunded	C-12	58,799,137.32	91,097,096.83
		<u>\$ 204,223,245.87</u>	<u>\$ 196,097,210.73</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-26	\$ 57,506,000.00	\$ 42,433,000.00
School Serial Bonds	C-25	64,672,000.00	44,827,000.00
Environmental Infrastructure Loan Payable	C-24	630,201.78	673,981.22
Green Acres Loans Payable	C-23	434,508.46	473,819.56
Bond Anticipation Notes	C-22	45,930,200.00	72,726,000.00
Interfunds Payable	C-15	1,067,436.76	974,086.76
Improvement Authorizations:			
Funded	C-13	4,448,500.26	1,964,787.14
Unfunded	C-13	21,212,361.38	27,289,343.88
Capital Improvement Fund	C-14	206,514.83	122,764.83
Reserve for:			
Future Improvements	C-16	40,092.34	259,000.00
Repayment of Urban Development Action Grants	C-17	26,955.51	26,955.51
Grants Receivable	C-18	1,357,381.50	235,628.29
Loans Receivable	C-19	1,638,000.00	1,638,000.00
Debt Service	C-20	4,693,833.44	992,728.71
Regional Contribution Agreements	C-21		1,050,000.00
Fund Balance	C-1	359,259.61	410,114.83
		<u>\$ 204,223,245.87</u>	<u>\$ 196,097,210.73</u>
 Bonds and Notes Authorized but Not Issued:			
General		\$ 5,437,167.93	\$ 7,225,687.44
School		8,022,503.51	11,736,143.51
	C-27	<u>\$ 13,459,671.44</u>	<u>\$ 18,961,830.95</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

C-1

	<u>Ref.</u>		
Balance, December 31, 2010	C		\$ 410,114.83
Increased by:			
Premium on Sale of Notes and Bonds	C-2	\$ 212,437.78	
Improvement Authorizations Cancelled	C-13	<u>136,707.00</u>	
			<u>349,144.78</u>
			759,259.61
Decreased by:			
Amount Utilized as Revenue in Current Fund	C-2		<u>400,000.00</u>
Balance, December 31, 2011	C		<u><u>\$ 359,259.61</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010

D  
Sheet # 1

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Operating Fund</u>			
Cash	D-5	\$ 1,030,093.73	\$ 317,972.51
Change Fund	D-7	200.00	200.00
Petty Cash	D-8		150.00
		<u>1,030,293.73</u>	<u>318,322.51</u>
Interfunds Receivable	D-11	<u>1,866,271.19</u>	<u>1,851,090.31</u>
		2,896,564.92	2,169,412.82
<u>Receivables and Inventory with Full Reserves:</u>			
Consumer Accounts Receivable	D-12	909,340.19	602,073.80
Inventory - Materials and Supplies	D-13	126,298.65	126,298.65
		<u>1,035,638.84</u>	<u>728,372.45</u>
		<u>3,932,203.76</u>	<u>2,897,785.27</u>
<u>Capital Fund</u>			
Cash - Checking	D-5, D-9	1,540,745.73	429,342.48
Loans Receivable	D-10	1,496,800.60	4,455,334.00
Interfunds Receivable	D-11		56,802.87
Fixed Capital	D-14	23,626,744.36	23,626,744.36
Fixed Capital - Authorized and Uncompleted	D-15	16,850,312.97	16,544,750.37
		<u>43,514,603.66</u>	<u>45,112,974.08</u>
		<u>\$ 47,446,807.42</u>	<u>\$48,010,759.35</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010

D  
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCES</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	D-4, D-16	\$ 87,616.42	\$ 40,298.75
Unencumbered	D-4, D-16	885,523.93	575,729.82
Accrued Interest on Bonds	D-17	159,941.67	160,276.04
Accrued Interest on Notes	D-18	12,453.56	8,068.16
Accrued Interest on Loans	D-19	40,698.97	43,792.71
Due State of New Jersey - Surcharge	D-20	3,300.28	2,932.28
Water Overpayments	D-21	15,483.80	23,511.37
Interfunds Payable	D-24		5,170.67
		<u>1,205,018.63</u>	<u>859,779.80</u>
Reserve for Receivables and Inventory		1,035,638.84	728,372.45
Fund Balance	D-1	<u>1,691,546.29</u>	<u>1,309,633.02</u>
		<u>3,932,203.76</u>	<u>2,897,785.27</u>
<u>Capital Fund</u>			
Serial Bonds	D-29	9,702,000.00	9,184,000.00
N.J. Environmental Infrastructure Trust			
Loan Payable	D-28	3,573,490.71	4,155,641.98
Bond Anticipation Notes	D-27	3,596,150.00	3,905,000.00
Improvement Authorizations:			
Funded	D-22	229,824.01	96,542.76
Unfunded	D-22	3,896,422.50	6,067,727.27
Capital Improvement Fund	D-23	43,631.53	29,381.53
Interfunds Payable	D-24	1,083,771.19	1,079,090.31
Reserves for:			
Amortization	D-25	20,492,869.25	19,773,155.38
Deferred Amortization	D-26	834,356.37	777,106.37
Fund Balance	D-2	<u>62,088.10</u>	<u>45,328.48</u>
		<u>43,514,603.66</u>	<u>45,112,974.08</u>
		<u>\$ 47,446,807.42</u>	<u>\$48,010,759.35</u>
Bonds and Notes Authorized but Not Issued	D-31	<u>\$ 2,278,191.00</u>	<u>\$ 2,376,591.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS  
AND CHANGE IN FUND BALANCE - OPERATING FUND  
REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2011 AND 2010

D-1

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	D-3	\$ 19,000.00	\$ 350,000.00
Rents	D-3	6,485,761.34	6,493,407.69
Miscellaneous Revenue	D-3	195,410.03	207,358.42
Water Utility Capital Surplus			25,000.00
Other Credits to Income:			
Prior Year Adjustment - Change Fund			100.00
Unexpended Balance of Appropriation Reserves	D-16	404,334.78	318,473.66
Special Water Deposits Cancelled			56,237.65
		<u>7,104,506.15</u>	<u>7,450,577.42</u>
 <u>Expenditures</u>			
Budgets Expenditures:			
Operating	D-4	4,878,910.00	4,809,074.00
Capital Improvements	D-4	50,000.00	50,000.00
Debt Service	D-4	1,340,982.88	1,322,710.36
Statutory Expenditures	D-4	333,700.00	298,200.00
		<u>6,603,592.88</u>	<u>6,479,984.36</u>
Excess in Revenue		500,913.27	970,593.06
 <u>Fund Balance</u>			
Balance, Beginning of Year	D	1,309,633.02	789,039.96
		<u>1,810,546.29</u>	<u>1,759,633.02</u>
 Decreased by:			
Utilized as Anticipated Revenue:			
Water Operating Fund Budget	D-3	19,000.00	350,000.00
Current Fund Budget	D-5	100,000.00	100,000.00
		<u>119,000.00</u>	<u>450,000.00</u>
Balance, End of Year	D	<u>\$ 1,691,546.29</u>	<u>\$1,309,633.02</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

STATEMENT OF WATER CAPITAL FUND BALANCE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

D-2

	<u>Ref.</u>	
Balance, December 31, 2010	D	\$ 45,328.48
Increased by:		
Premium on Sales of Notes	D-5	<u>16,759.62</u>
Balance, December 31, 2011	D	<u>\$ 62,088.10</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

STATEMENT OF REVENUE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

D-3

<u>Source</u>	<u>Ref.</u>	<u>2011 Budget</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Fund Balance Utilized	D-1	\$ 19,000.00	\$ 19,000.00	\$
Rents	D-1, D-12	6,496,300.00	6,485,761.34	(10,538.66)
Miscellaneous Revenue	D-1, Below	<u>185,310.00</u>	<u>195,410.03</u>	<u>10,100.03</u>
	D-4	<u>\$ 6,700,610.00</u>	<u>\$ 6,700,171.37</u>	<u>\$ (438.63)</u>
 <u>Analysis of Realized Revenue</u>				
Miscellaneous Revenue:				
Interest on Delinquent Rents		\$ 100,478.20		
Glen Ridge Management Fee		48,500.00		
New Service Fees		12,187.29		
Interest on Investments		9,380.35		
Miscellaneous		<u>24,864.19</u>		
	Above		<u>\$ 195,410.03</u>	
 Collections:				
Treasurer	D-5		\$ 41,750.95	
Collector	D-6		138,478.20	
Interfunds Receivable	D-11		<u>15,180.88</u>	
	Above		<u>\$ 195,410.03</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

D-4

Appropriation	Budget	Modified Budget	Paid or Charged	Expended		Balance Cancelled
				Encumbered	Reserved Unencumbered	
<u>Operating</u>						
Salaries and Wages	\$ 1,390,000.00	\$ 1,390,000.00	\$ 1,050,195.28	\$	\$ 339,804.72	\$
Other Expenses	2,820,210.00	2,820,210.00	2,293,363.28	87,616.42	439,230.30	
<u>Commercial</u>						
Salaries and Wages	605,000.00	605,000.00	543,565.46		61,434.54	
Other Expenses	63,700.00	63,700.00	26,145.63		37,554.37	
	<u>4,878,910.00</u>	<u>4,878,910.00</u>	<u>3,913,269.65</u>	<u>87,616.42</u>	<u>878,023.93</u>	
<u>Capital Improvements</u>						
Capital Improvement Fund	<u>50,000.00</u>	<u>50,000.00</u>	<u>50,000.00</u>			
<u>Debt Service</u>						
Payment on Bond Principal	505,000.00	505,000.00	505,000.00			
Payment on Bond Anticipation						
Notes and Capital Notes	50,000.00	50,000.00	21,500.00			28,500.00
Interest on Bonds	410,000.00	410,000.00	381,049.27			28,950.73
Interest on Notes	50,000.00	50,000.00	42,272.14			7,727.86
Environmental Trust Fund - Principal	317,000.00	317,000.00	316,958.27			41.73
Environmental Trust Fund - Interest	106,000.00	106,000.00	74,203.20			31,796.80
	<u>1,438,000.00</u>	<u>1,438,000.00</u>	<u>1,340,982.88</u>			<u>97,017.12</u>
<u>Statutory Expenditures</u>						
Contribution to:						
Public Employees' Retirement System	157,200.00	157,200.00	157,200.00			
Social Security System	169,000.00	169,000.00	169,000.00			
Unemployment Compensation Insurance	7,500.00	7,500.00			7,500.00	
	<u>333,700.00</u>	<u>333,700.00</u>	<u>326,200.00</u>		<u>7,500.00</u>	
	<u>\$ 6,700,610.00</u>	<u>\$ 6,700,610.00</u>	<u>\$ 5,630,452.53</u>	<u>\$ 87,616.42</u>	<u>\$ 885,523.93</u>	<u>\$ 97,017.12</u>

Ref.

D-3

Sheet # 2

D

D

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

D-4  
Sheet # 2

	<u>Ref.</u>	
Cash Disbursed	D-5	\$5,132,927.92
Accrued Interest on Bonds	D-17	381,049.27
Accrued Interest on Notes	D-18	42,272.14
Accrued Interest on Loans	D-19	<u>74,203.20</u>
	Sheet # 1	<u>\$5,630,452.53</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010

E  
Sheet # 1

<u>ASSETS</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Operating Fund</u>			
Cash - Checking	E-5	\$3,162,710.23	\$ 2,844,570.18
Change Fund	E-7	200.00	200.00
		<u>3,162,910.23</u>	<u>2,844,770.18</u>
Interfund Receivable	E-9	5,291.53	766.75
		<u>3,168,201.76</u>	<u>2,845,536.93</u>
Receivables and Inventory with Full Reserves:			
Consumer Accounts Receivable	E-10	661,266.72	720,360.70
Inventory - Materials and Supplies	E-11	14,454.22	14,454.22
		<u>675,720.94</u>	<u>734,814.92</u>
		<u>3,843,922.70</u>	<u>3,580,351.85</u>
<u>Capital Fund</u>			
Cash	E-5, E-8	918,175.07	1,093,896.32
Fixed Capital Authorized and Uncompleted	E-12	4,385,000.00	2,785,000.00
		<u>5,303,175.07</u>	<u>3,878,896.32</u>
		<u>\$9,147,097.77</u>	<u>\$ 7,459,248.17</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010

E  
Sheet # 2

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	E-4, E-13	\$ 12,299.77	\$ 10,855.63
Unencumbered	E-4, E-13	256,582.32	142,990.83
Accrued interest on Notes	E-14	12,733.06	12,294.41
Sewer Overpayments	E-15	14,468.90	20,515.61
Interfunds Payable	E-18	10,500.00	
		306,584.05	186,656.48
Reserve for Receivables and Inventory		675,720.94	734,814.92
Fund Balance	E-1	2,861,617.71	2,658,880.45
		3,843,922.70	3,580,351.85
 <u>Capital Fund</u>			
Bond Anticipation Notes	E-21	2,198,000.00	2,211,000.00
Improvements Authorizations:			
Funded	E-16	23,665.80	48,154.33
Unfunded	E-16	2,765,096.71	1,377,550.74
Capital Improvement Fund	E-17	120,500.00	75,500.00
Interfunds Payable	E-18	5,291.53	766.75
Reserve for:			
Amortization	E-19	7,500.00	7,500.00
Deferred Amortization	E-20	129,000.00	116,000.00
Fund Balance	E-2	54,121.03	42,424.50
		5,303,175.07	3,878,896.32
		\$ 9,147,097.77	\$ 7,459,248.17
 Bonds and Notes Authorized But Not Issued	 E-22	 <u>\$ 2,050,500.00</u>	 <u>\$ 450,500.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

COMPARATIVE STATEMENTS OF OPERATIONS  
AND CHANGES IN FUND BALANCE  
REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2011 AND 2010

E-1

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Revenues and Other Income Realized</u>			
Fund Balance Utilized		\$	\$ 88,000.00
Sewer Charges	E-3	4,719,926.71	4,433,937.19
Sewer Flow Usage Fees - Reservoir Ridge	E-3	66,470.00	66,470.00
Sewer Connection Fee			2,632,300.00
Non-Budget Revenue	E-3	85,829.70	94,929.58
Other Credits to Income:			
Prior Year Adjustment - Change Fund			200.00
Unexpended Balance of Appropriation Reserves	E-13	121,577.96	80,698.30
Reserve for Special Sewer Deposits Cancelled			1,420.00
		<u>4,993,804.37</u>	<u>7,397,955.07</u>
 <u>Expenditures</u>			
Budget Expenditures:			
Operating	E-4	4,278,875.00	4,319,450.00
Capital Improvements	E-4	45,000.00	45,000.00
Debt Service	E-4	216,000.00	207,492.91
Statutory Expenditures	E-4	55,800.00	48,800.00
Surplus (General Budget)			200,000.00
Refund of Prior Year Revenue	E-5	95,392.11	
		<u>4,691,067.11</u>	<u>4,820,742.91</u>
 Excess in Revenue		 302,737.26	 2,577,212.16
 <u>Fund Balance</u>			
Balance, Beginning of Year	E	2,658,880.45	264,668.29
		<u>2,961,617.71</u>	<u>2,841,880.45</u>
 Decreased by:			
Utilized as Anticipated Revenue:			
Sewer Operating Fund Budget			88,000.00
Current Fund Budget	E-5	100,000.00	95,000.00
		<u>100,000.00</u>	<u>183,000.00</u>
 Balance, End of Year	E	 \$ 2,861,617.71	 \$ 2,658,880.45

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY CAPITAL FUND

STATEMENT OF FUND BALANCE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

E-2

	<u>Ref.</u>	
Balance, December 31, 2010	E	\$ 42,424.50
Increased by:		
Premium on Sale of Notes	E-5	<u>11,696.53</u>
Balance, December 31, 2011	E	<u>\$ 54,121.03</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

STATEMENT OF REVENUE  
YEAR ENDED DECEMBER 31, 2011

E-3

	<u>Ref.</u>	<u>2011 Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Sewer Charges	E-1, E-10	\$ 4,465,000.00	\$ 4,719,926.71	\$ 254,926.71
Sewer Flow Usage Fee:				
Reservoir Ridge	E-1, E-6	66,000.00	66,470.00	470.00
Sewer Connection Fees		<u>66,675.00</u>		<u>(66,675.00)</u>
		<u>4,597,675.00</u>	<u>4,786,396.71</u>	<u>188,721.71</u>
 Non-Budget Revenue	 E-1, Below		 <u>85,829.70</u>	 <u>85,829.70</u>
	E-4	<u>\$ 4,597,675.00</u>	<u>\$ 4,872,226.41</u>	<u>\$ 274,551.41</u>

Ref.

Nonbudget Revenue

Interest Earned on Investments:

Collections	E-6	\$ 10,558.48
Interfunds Receivable	E-9	4,524.78
Interest on Delinquent Rents	E-6	58,309.45
Glen Ridge Management Fee	E-6	4,120.00
Miscellaneous	E-6	<u>8,316.99</u>
	Above	<u>\$ 85,829.70</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

E-4  
Sheet # 1

Appropriation	Ref.	Budget	Modified Budget	Paid or Charged	Expended		Balance Cancelled
					Encumbered	Reserved Unencumbered	
<u>Operating</u>							
Salaries and Wages		\$ 515,000.00	\$ 515,000.00	\$ 452,349.37	\$	\$ 62,650.63	\$
Other Expenses		403,475.00	403,475.00	206,091.76	12,299.77	185,083.47	
Passaic Valley Sewer Commission		3,315,000.00	3,315,000.00	3,310,527.77		4,472.23	
Third River Sewer		1,400.00	1,400.00	1,334.36		65.64	
Second River Sewer		44,000.00	44,000.00	43,189.65		810.35	
	E-1	<u>4,278,875.00</u>	<u>4,278,875.00</u>	<u>4,013,492.91</u>	<u>12,299.77</u>	<u>253,082.32</u>	
<u>Capital Improvements</u>							
Capital Improvement Fund	E-1	<u>45,000.00</u>	<u>45,000.00</u>	<u>45,000.00</u>			
<u>Debt Service</u>							
Payment on Bond Anticipation							
Notes and Capital Notes		15,000.00	15,000.00	13,000.00			2,000.00
Interest on Notes		28,000.00	28,000.00	28,000.00			
Reimbursement for Sewer Share of Current Debt Service		<u>175,000.00</u>	<u>175,000.00</u>	<u>175,000.00</u>			
	E-1	<u>218,000.00</u>	<u>218,000.00</u>	<u>216,000.00</u>			<u>2,000.00</u>
<u>Statutory Expenditures</u>							
Contribution to:							
Public Employees' Retirement System		28,300.00	28,300.00	28,300.00			
Social Security System		24,000.00	24,000.00	24,000.00			
Unemployment Compensation Insurance		<u>3,500.00</u>	<u>3,500.00</u>			3,500.00	
	E-1	<u>55,800.00</u>	<u>55,800.00</u>	<u>52,300.00</u>		<u>3,500.00</u>	
		<u>\$ 4,597,675.00</u>	<u>\$ 4,597,675.00</u>	<u>\$ 4,326,792.91</u>	<u>\$ 12,299.77</u>	<u>\$ 256,582.32</u>	<u>\$ 2,000.00</u>

Ref.

E-3

Sheet # 2

E

E

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASS  
YEAR ENDED DECEMBER 31, 2011

E-4  
Sheet # 2

	<u>Ref.</u>	<u>Paid or Charged</u>
Cash Disbursed	E-5	\$ 4,298,792.91
Accrued Interest on Notes	E-14	<u>28,000.00</u>
	Sheet # 1	<u>\$ 4,326,792.91</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010

E

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>			
<u>Operating Fund</u>			
Cash - Checking	F-4	\$ 943.28	\$ 938.94
Accrued Interest Receivable	F-6	374,462.42	381,880.00
Interfunds Receivable	F-8	74,961.76	74,961.76
		450,367.46	457,780.70
<u>Capital Fund</u>			
Due from Montclair Parking Authority	F-7	282,014.68	282,014.68
Interfunds Receivable	F-8	52,113.17	52,113.17
Fixed Capital	F-9	16,445,000.00	16,445,000.00
		16,779,127.85	16,779,127.85
		\$ 17,229,495.31	\$ 17,236,908.55
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
<u>Operating Fund</u>			
Accrued Interest on Bonds	F-10	\$ 374,462.50	\$ 381,880.00
Interfunds Payable	F-11	52,113.17	52,113.17
Fund Balance	F-1	23,791.79	23,787.53
		450,367.46	457,780.70
<u>Capital Fund</u>			
Serial Bonds	F-13	15,550,000.00	15,865,000.00
Interfunds Payable	F-11	334,127.85	334,127.85
Reserve for Amortization	F-12	895,000.00	580,000.00
		16,779,127.85	16,779,127.85
		\$ 17,229,495.31	\$ 17,236,908.55

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS  
AND CHANGES IN FUND BALANCE  
REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2011 AND 2010

F-1

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<u>Revenues and Other Income Realized</u>			
Contribution from Montclair Parking Authority	F-2	\$ 1,063,970.00	\$ 1,064,857.58
Non-Budget Revenue	F-2	4.26	2.53
		1,063,974.26	1,064,860.11
 <u>Expenditures</u>			
Budget Appropriations:			
Debt Service	F-3	1,063,970.00	1,064,857.58
Excess in Revenue		4.26	2.53
 <u>Fund Balance</u>			
Balance, Beginning of Year	F	23,787.53	23,785.00
Balance, End of Year	F	\$ 23,791.79	\$ 23,787.53

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

STATEMENT OF REVENUE  
YEAR ENDED DECEMBER 31, 2011

F-2

	<u>Ref.</u>	<u>2011 Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
<u>Source:</u>				
Contribution from Montclair Parking Authority	F-1, F-4	\$ 1,063,970.00	\$ 1,063,970.00	\$
Non-Budget Revenue	F-1, Below		4.26	4.26
	F-3	<u>\$ 1,063,970.00</u>	<u>\$ 1,063,974.26</u>	<u>\$ 4.26</u>

Analysis of Realized Revenue

Nonbudget Revenue

Interest on Deposits	Above, F-4		<u>\$ 4.26</u>	
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See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

F-3

	<u>Budget</u>	<u>Expended</u> Paid or Charged	<u>Balance</u> Cancelled
<u>Debt Service</u>			
Bonds Payable	\$ 315,000.00	\$ 315,000.00	\$
Interest on Bonds	748,970.00	748,970.00	
	<u>\$ 1,063,970.00</u>	<u>\$ 1,063,970.00</u>	<u>\$</u>

	<u>Ref.</u>		
	F-2		F-1, Below
	<u>Ref.</u>		
Cash Disbursed	F-4	\$ 315,000.00	
Accrued Interest on Bonds	F-10	748,970.00	
	Above	<u>\$ 1,063,970.00</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CAPITAL FIXED ASSETS

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010

G

	<u>2011</u>	<u>2010</u>
<u>CAPITAL FIXED ASSETS</u>		
Building	\$ 59,786,400.00	\$ 59,786,400.00
Land	52,648,800.00	52,648,800.00
Vehicles and Other Equipment	<u>12,148,317.15</u>	<u>12,030,012.15</u>
	<u>\$ 124,583,517.15</u>	<u>\$ 124,465,212.15</u>
 <u>RESERVE</u>		
Investment in Capital Fixed Assets	<u>\$ 124,583,517.15</u>	<u>\$ 124,465,212.15</u>

See accompanying notes to financial statements.

**NOTES TO FINANCIAL STATEMENTS**

## TOWNSHIP OF MONTCLAIR

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

#### 1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### Reporting Entity

The Township of Montclair, Essex County, New Jersey (the "Township") is organized as a Council-Manager municipality under the provisions of N.J.S.A. 40:69A-81 et seq. The Township is "governed by an elected Mayor and Council and by an appointed Municipal Manager, and by such other officers and employees as may be duly appointed. The Council shall consist of four members elected by ward and two members elected at large by voters of the municipality and shall serve for a term of four years beginning on the first day of July next following their election".

Each member of the Council carries a legislative vote.

Governmental Accounting Standards Board (GASB) Statement No. 14 establishes certain standards for defining and reporting on the financial reporting entity. In accordance with these standards, the reporting entity should include the primary government and those component units which are fiscally accountable to the primary government.

The financial statements of the Township include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by the provisions of N.J.S. 40A:5-5. The financial statements, however, do not include the operations of the Free Public Library and Housing Agency, which are separate entities and are subject to separate examinations.

##### **Description of Funds**

The Governmental Accounting Standards Board ("GASB") is a recognized standard setting body for establishing governmental accounting and financial reporting principles, however, the accounting policies of the Township conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds which differ from the fund structure required by generally accepted accounting principles:

Current Fund - Encompasses resources and expenditures for basic governmental operations. Fiscal activity of Federal and State grant programs are reflected in a segregated section of the Current Fund.

Trust Funds - The records of receipts, disbursements and custodianship of monies in accordance with the purpose for which each account was created are maintained in Trust Funds. These include the Assessment Trust Fund, Animal Control Trust Fund and General Trust Fund.

General Capital Fund - The receipts and expenditure records for the acquisition of general infrastructure and other capital facilities, other than those acquired in the Current Fund, are maintained in this Fund, as well as, related long-term debt accounts.

Water Utility Operating and Capital Funds - These Funds reflect revenue, expenditures, stewardship, acquisition of utility infrastructure and other capital facilities, as well as long-term debt, debt service and other related activity of the municipally-owned Water Utility.

Sewer Utility Operating and Capital Funds - These Funds reflect revenue, expenditures, stewardship, acquisition of utility infrastructure and other capital facilities, as well as long-term debt, debt service and other related activity of the municipally-owned Sewer Utility.

Parking Utility Operating and Capital Funds - These Funds reflect revenue, expenditures, stewardship, acquisition of utility infrastructure and other capital facilities, as well as long-term debt, debt service and other related activity of the municipally-owned Parking Utility. As of January 1, 2007, the Montclair Parking Authority assumed all operations of the Parking Utility. The ownership of the parking lots is in the name of the Township. The serial bonds issued are also in the name of the Township and the debt service payments are paid from a budget appropriation in the Parking Utility's operating budget. These payments are reimbursed by the Montclair Parking Authority.

Free Public Library - Budget appropriations and State Aid are transferred to the Free Public Library bank account and are expended with the approval of the Library for its purposes. Interest on investments, Library fines and other revenue are retained by the Library and expended therefrom. The Library is the subject of a separate report.

Capital Fixed Assets - These accounts reflect estimated valuations of land, buildings and certain moveable fixed assets of the Township as discussed under the caption of "Basis of Accounting".

Payroll Fund - Net salaries, certain payroll deductions and social security contributions of municipal and utility operations are deposited into the Payroll Fund. A Payroll Fund does not exist under GAAP.

### Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, differ in certain respects from generally accepted accounting principles in the United States. The accounting system is maintained on the modified accrual basis with certain exceptions. Significant accounting policies in New Jersey are summarized as follows:

#### Property Taxes and Other Revenue

Property taxes and other revenue are realized when collected in cash or approved by regulation for accrual from certain sources of the State of New Jersey and the Federal Government. Accruals of taxes and other revenue are otherwise deferred as to realization by the establishment of offsetting reserve accounts. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

#### Grant Revenue

Federal and State grants, entitlements or shared revenue received for purposes normally financed through the Current Fund are recognized when anticipated in the Township's budget. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual.

#### Expenditures

Expenditures for general and utility operations are generally recorded on the accrual basis. Unexpended appropriation balances, except for amounts which may have been cancelled by the governing body or by statutory regulation, are automatically recorded as liabilities at December 31st of each year, under the title of "Appropriation Reserves".

Grant appropriations are charged upon budget adoption to create separate spending reserves.

Budgeted transfers to the Capital Improvement Fund are recorded as expenditures to the extent permitted by law.

Expenditures from Trust and Capital Funds are recorded upon occurrence and charged to accounts statutorily established for specific purposes.

Budget Appropriations for interest on General Capital Long-Term Debt is raised on the cash basis and is not accrued on the records; interest on Utility Debt is raised on the accrual basis and so recorded.

GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

### **Encumbrances**

As of January 1, 1986 all local units were required by Technical Accounting Directive No. 85-1, as promulgated by the Division of Local Government Services, to maintain an encumbrance accounting system. The directive states that contractual orders outstanding at December 31, are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

### **Appropriation Reserves**

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

### **Compensated Absences**

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

### **Property Acquired for Taxes**

Property Acquired for Taxes (Foreclosed Property) is recorded in the Current Fund at the assessed valuation during the year when such property was acquired by deed or foreclosure and is offset by a corresponding reserve account. GAAP requires such property to be recorded at market value on the date of acquisition.

### **Self-Insurance Contributions**

Contributions to self-insurance funds are charged to budget appropriations. GAAP requires that payments be accounted for as an operating transfer and not as an expenditure.

### **Interfunds Receivable**

Interfunds Receivable in the Current Fund are generally recorded with offsetting reserves which are established by charges to operations. Collections are recognized as income in the year that the receivables are realized. Interest Accounts Receivable of all other funds are recorded as accrued and are not offset with reserve accounts. Interfunds Receivable of one fund are offset with Interfunds Payable of the corresponding fund. GAAP does not require the establishment of an offsetting reserve.

### **Inventories of Supplies**

Materials and supplies purchased by all funds are recorded as expenditures.

An annual inventory of materials and supplies for the Water and Sewer Utilities are required, by regulation, to be prepared by Township personnel for inclusion on the Water and Sewer Utilities Operating Fund balance sheets. Annual changes in valuations, offset with a Reserve Account, are not considered as affecting results of operations. Materials and supplies of other funds are not inventoried nor included on their respective balance sheets.

## **Capital Fixed Assets**

### General:

In accordance with *Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets*, as promulgated by the Division of Local Government Services, which differs in certain respects from GAAP, the Township has developed a capital fixed asset accounting and reporting system.

GAAP requires that fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available. Depreciation on utility fixed assets should also be recorded.

Fixed assets used in governmental operations (general capital fixed assets) are accounted for in the Capital Fixed Assets. Public domain ("infrastructure") general capital fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

Acquisitions of land, buildings, machinery, equipment and other capital assets are recorded on a perpetual fixed asset record.

Vehicles, furniture, equipment and other items are reflected at replacement values at time of inventory preparation. Additions to the established fixed assets are valued at cost.

Depreciation of assets is not recorded as an operating expense of the Township.

### Utilities:

Capital acquisitions, including utility infrastructure costs of the Water, Sewer and Parking Utilities, are recorded at cost upon purchase or project completion in the Fixed Capital Accounts of the utility. The Fixed Capital Accounts are adjusted for dispositions or abandonments. The accounts include movable fixed assets of the Utility but are not specifically identified and are considered as duplicated in the Capital Fixed Assets. The duplication is considered as insignificant on its effect on the financial statements taken as a whole.

Utility improvements that may have been constructed by developers are not recorded as additions to Fixed Capital.

Fixed Capital of the Utility is offset by accumulations in Amortization Reserve Accounts. The accumulations represent costs of fixed assets purchased with budgeted funds or acquired by gift as well as grants, developer contributions or liquidations of related bonded debt and other liabilities incurred upon fixed asset liquidation.

The Fixed Capital Accounts reflected herein are as recorded in the records of the municipality and do not necessarily reflect the true condition of such Fixed Capital. The records consist of a control account only. Detailed records are not maintained.

## **Basic Financial Statements**

The GASB Codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Township presents the financial statements listed in the table of contents which are required by the Division of Local Government Services and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

## 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

### Cash and Cash Equivalents

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 any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund.

The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature or are redeemed within one year. Twenty-five percent of the Fund may be invested in eligible securities which mature within two years provided, however, the average maturity of all investments in the Fund shall not exceed one year. Collateralization of Fund investments is generally not required.

In addition, by regulation of the Division of Local Government Services, municipalities are allowed to deposit funds in the Municipal Bond Insurance Association (MBIA) through their investment management company, the Municipal Investors Service Corporation.

In accordance with the provisions of the Governmental Unit Deposit Protection Act of New Jersey, public depositories are required to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal five percent of the average daily balance of public funds or

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

All collateral must be deposited with the Federal Reserve Bank, The Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

### Investments

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

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.
- Government money market mutual funds.
- Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- Bonds or other obligations of the local unit or school districts of which the local unit is a part.
- Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments.
- Local government investment pools, such as New Jersey CLASS, and the New Jersey Arbitrage Rebate Management Program.
- New Jersey State Cash Management Fund.
- Repurchase agreements of fully collateralized securities, subject to special conditions.

In addition, a variety of state laws permit Local Governments to invest in a wide range of obligations issued by State Governments and its agencies.

As of December 31, 2011, the Township had funds invested and on deposit in checking and New Jersey Cash Management Accounts. The amount of the Township's Cash and Cash Equivalents on Deposit as of December 31, 2011 was \$38,368,134.63. These funds constitute "deposits with financial institutions" as defined by GASB Statement No. 40.

### 3. TAXES AND TAX TITLE LIENS RECEIVABLE

Property assessments are determined on true values and taxes are assessed based upon these values. The residential tax bill includes the levies for the Township, County and School purposes. Certified adopted budgets are submitted to the County Board of Taxation by each taxing district. The tax rate is determined by the board upon the filing of these budgets.

The tax bills are mailed by the Tax Collector annually in June and are payable in four quarterly installments due the first of August and November of the current year and a preliminary billing due the first of February and May of the subsequent year. The August and November billings represent the third and fourth quarter installments and are calculated by taking the total year tax levy less the preliminary first and second quarter installments due February and May. The preliminary levy is based on one-half of the current year's total tax.

Tax installments not paid by the above due dates are subject to interest penalties determined by a resolution of the governing body. The rate of interest in accordance with the aforementioned resolution is 8% per annum on the first \$1,500.00 of delinquency and 18% on any delinquency in excess of \$1,500.00. The resolution also sets a grace period of ten days before interest is calculated. In addition, any delinquency in excess of \$10,000.00 at the end of the calendar year is subject to a 6% penalty on the unpaid balance.

Taxes unpaid on the 11th day of the eleventh month in the fiscal year when the taxes became in arrears are subject to the tax sale provisions of the New Jersey statutes. The municipality may institute in rem foreclosure proceedings after six months from the date of the sale if the lien has not been redeemed.

The following is a five year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years:

#### Comparative Schedule of Tax Rates

	Calendar Year <u>2011</u>	Calendar Year <u>2010</u>	Calendar Year <u>2009</u>	Calendar Year <u>2008</u>	Calendar Year <u>2007*</u>
Tax Rate	<u>\$ 2.561</u>	<u>\$2.519</u>	<u>\$2.387</u>	<u>\$2.301</u>	<u>\$2.150</u>
Apportionment of Tax Rate:					
Municipal	\$ 0.716	\$0.668	\$0.612	\$0.589	\$0.530
County	0.407	0.395	0.379	0.364	0.360
County Open Space	0.014	0.015	0.015	0.015	0.010
School	<u>1.424</u>	<u>1.441</u>	<u>1.381</u>	<u>1.333</u>	<u>1.250</u>

\* Revaluation

**Assessed Valuation**

<u>Calendar Year</u>	<u>Amount</u>
2011	\$ 7,181,141,428.00
2010	7,323,196,626.00
2009	7,336,676,131.00
2008	7,335,108,076.00
2007 *	7,415,062,627.00

\* Revaluation

**Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2011	\$ 184,649,594.16	\$ 180,677,225.49	98.32 % *
2010	185,102,450.07	179,341,400.37	98.02 *
2009	175,800,129.23	172,671,254.44	98.17
2008	170,055,507.56	166,685,139.40	98.02
2007	159,949,008.23	157,414,053.44	98.42

\* Percentage of collection based on a reduction of the tax levy due to tax appeals in accordance with the provisions of N.J.S.A 40A:4-41c(2).

**Delinquent Taxes and Tax Title Liens**

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

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2011	\$ 94,978.55	\$ 3,064,484.49	\$ 3,159,463.04	1.71 %
2010	73,850.82	3,582,694.22	3,656,545.04	1.99
2009	53,115.72	2,997,756.73	3,050,872.45	1.73
2008	37,395.74	2,597,720.39	2,635,116.13	1.55
2007	29,924.39	2,507,561.03	2,537,485.42	1.59

**4. SPECIAL IMPROVEMENT DISTRICT ASSESSMENTS**

A Special Improvement District was established by ordinance of the Township, adopted on February 19, 2002, in accordance with the provisions of N.J.S.A. 40:56-65 et seq. for the purposes of promoting economic growth and employment within the Montclair Town Center Business District (the "District").

Properties within the geographic boundaries of the District are subject to the assessment. Tax exempt properties and properties exclusively in residential use are excluded from the special assessment.

The assessment for the year ending December 31, 2011 was \$416,933.72.

**5. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

The value of properties acquired by tax title lien liquidation is carried at the current assessed valuation.

<u>Year</u>	<u>Amount</u>
2011	\$ 317,900.00
2010	317,900.00
2009	317,900.00
2008	317,900.00
2007	317,900.00

**6. WATER CONSUMER ACCOUNTS RECEIVABLE**

The Township of Montclair maintains a utility fund for the billing and collection of water rents. The Township is divided into six sections for the purposes of billings which are done on a quarterly basis.

A comparison of Water Utility billings and collections for the past five years are as follows:

<u>Year</u>	<u>Billings</u>	<u>Cash Collections</u>
2011	\$ 6,793,027.73	\$ 6,485,761.34
2010	6,386,179.55	6,493,407.69
2009	5,831,991.48	5,983,765.32
2008	6,193,506.11	5,803,334.75
2007	5,942,625.96	5,773,834.22

Cash collections include realization of prior year uncollected balances.

**7. SEWER RENTS RECEIVABLE**

The Township of Montclair established a utility fund in the year 2006 for the billing and collection of sewer rents. The Township is divided into six sections for the purposes of billings which are done on a quarterly basis.

A comparison of Sewer Utility billings and collections for the past five years are as follows:

<u>Year</u>	<u>Billings</u>	<u>Collections</u>
2011	\$ 4,660,832.73	\$ 4,719,926.71
2010	4,538,124.87	4,433,937.19
2009	4,454,695.52	4,380,433.89
2008	4,255,146.53	4,215,133.44
2007	4,030,374.51	3,968,056.88

Cash collections include realization of prior year uncollected balances.

**8. FUND BALANCES APPROPRIATED**

	<u>Year</u>	<u>Balance</u> <u>Dec. 31</u>	<u>Utilized in</u> <u>Budgets of</u> <u>Succeeding Year</u>
Current Fund:	2011	\$ 3,341,734.71	\$ 1,100,000.00
	2010	1,008,722.85	464,000.00
	2009	1,651,323.39	1,500,000.00
	2008	3,519,998.70	3,350,000.00
	2007	4,263,669.15	3,605,000.00
Water Utility Operating Fund:	2011	\$ 1,691,546.29	\$ 271,895.00
	2010	1,309,633.02	19,000.00
	2009	789,039.96	350,000.00
	2008	680,321.13	375,000.00
	2007	351,736.55	250,000.00
Sewer Utility Operating Fund:	2011	\$ 2,861,617.71	\$ 1,627,039.00
	2010	2,658,880.45	
	2009	264,668.29	88,000.00
	2008	200,660.46	88,000.00
	2007	177,944.52	56,000.00
Parking Utility Operating Fund:	2011	\$ 23,791.79	\$
	2010	23,787.53	
	2009	23,785.00	
	2008	23,819.95	100.00
	2007	23,819.95	

**9. HEALTH BENEFITS**

P.L. 2011 Ch. 78 Section 39 established guidelines for implementing employee contributions to the cost of their health insurance coverage.

The benefit cost of coverage is the premium. For State Health Benefit Plan (“SHBP”) employers, the cost of coverage is the cost of medical and prescription coverage. For non-SHBP employers, the law requires that the cost of coverage includes all health care benefits; medical, prescription, dental, vision etc.

The base salary of the employees determines the percent of premium cost that is contributed.

The contribution is phased in at 25% per year:

- a) Immediately, for employees hired on June 28, 2011 and not subject to Collective Negotiations Agreement (“CNA”) that is in effect
- b) when a CNA that is in effect on June 28, 2011 expires or is in almost any way modified

Full contribution (Year 4) takes effect immediately for employees hired after June 28, 2011 who are not covered by a CNA or would be covered by a CNA that has expired.

When contributions begin, if the 1.5% of base salary calculation under Ch. 2 is greater than the standard contribution that amount is paid until the new contribution percentage is greater.

## 10. PENSIONS PLANS

### Description of Systems

Substantially all of the Township's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State Statute: the Public Employees' Retirement System ("PERS") or the Police and Firemen's Pension Fund ("PFRS"). These systems are sponsored and administered by the New Jersey Division of Pensions and Benefits. The PERS and the PFRS are considered cost sharing multiple-employer plans.

### Public Employees Retirement System

PERS was established January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide coverage, including postretirement health care, to substantially all full-time employees of the State or any County, Municipality, School district or public agency, provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after ten years of service and twenty-five years for health care coverage.

Tier 1 Members (members enrolled prior to July 1, 2007) are eligible for retirement at age sixty with an annual benefit generally determined to be  $1/55^{\text{th}}$  of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under 60 with 25 or more years of credited service. Members who retire early and are under age 55 receive retirement benefits as calculated in the above mentioned formula, but at a reduced rate ( $1/4$  of 1% for each month the member lacks of attaining age 55). Tier 2 Members (members enrolled July 1, 2007 to November 2, 2008) are eligible for retirement at age 66 with an annual benefit generally determined to be  $1/55^{\text{th}}$  of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to these under age 60 with 25 or more years of credited service. Members who retire early and are under age 60 receive retirement benefits as calculated in the above mentioned formula, but at a reduced rate ( $1/12^{\text{th}}$  of 1% each month the member lacks attaining age 60, but over age 55 and  $1/4$  of 1% for each month the member lacks of attaining age 55).

Chapter 89, P.L. 2008, established a minimum base salary of \$7,700 per year to be eligible for enrollment in Tier 3 of the PERS (members enrolled on or after November 2, 2008 and prior to May 21, 2010) are eligible for retirement at age 62 with an annual benefit generally determined to be  $1/55^{\text{th}}$  of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under age 62 with 25 or more years of credited service. Members who retires early and is under age 62 receives retirement benefits as calculated in the above mentioned formula, but at a reduced rate ( $1/12$  of 1% for each month the member lacks of attaining age 62 but over age 55 and  $1/4$  of 1% for each month the member lacks of attaining age 55).

Chapter 1, P.L. 2010, requires a minimum of 32 hours per week to be eligible to enroll in Tier 4 of PERS (members enrolled after May 21, 2010) and are eligible for retirement at age 62 with an annual benefit generally determined to be  $1/60^{\text{th}}$  of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under 62 with 25 of more years of credited service. Members who retire early and are under age 62, receive retirement benefits as calculated in the above mentioned formula, but at a reduced rate ( $1/12$  of 1% for each month the member lacks of attaining age 62 but over age 55 and  $1/4$  of 1% for each month the member lacks of attaining age 55). Chapter 1, P.L.2010 imposes a maximum compensation limits for PERS pension contributions for those who become members after May 21, 2010. For 2010, that amount is \$106,800.00. Any members hired after May 21, 2010 whose annual maximum compensation will be reached in any year, become a participant of the Defined Contribution Retirement Program ("DCRP") with regard to the remaining compensation, unless the member irrevocably elects to waive participation in the DCRP. For the amount of compensation in excess of the maximum compensation, 5.5 % will be deducted as a contribution for the purposes of the DCRP. The Township will be responsible for the DCRP's matching 3% contribution.

Tier 5 became effective as of June 28, 2011 and requires a minimum of 32 hours per week for local and school employees and 35 hours per week for state employees. Employees who do not work the minimum hours of work but earn over \$5,000.00 may participate in the Defined Contribution Retirement Plan. PERS salary limited to Social Security maximum wage, minimum age to retire is 65 and the annual retirement benefit equals years of service divided by 60 times average of last five years salary. Additional requirements and limitations apply for early retirements and veteran retirements.

#### Police and Firemen's Retirement System

PFRS was established July 1, 1944 under the provisions of N.J.S.A. 43:16A, to provide coverage to substantially all full-time county and municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees. Members may opt for Service Retirement if over age 55 or Special Retirement at any age if they have a minimum of 25 years of service or 20 years of service if enrolled in the PFRS as of January 18, 2000. Retirement benefits vary depending on age and years of service. Chapter 1, P.L. 2010 imposes a maximum compensation limit for officers who become members after May 21, 2010. For 2010, that amount is \$106,800.00. Any member hired after May 21, 2010, whose annual maximum compensation is reached in any year will become a participant of the DCRP with regard to the remaining compensation, unless the member irrevocably elects to waive participation in the DCRP. For the amount of compensation in excess of the maximum compensation, 5.5% will be deducted as a contribution for the purposes of the DCRP. The Township will be responsible for the DCRP's matching 3% contribution. Tier 5 requirements for PFRS enrollers after June 28, 2011 are the same as those under PERS.

#### Deferred Compensation Plan (Un-audited)

The Township offers its employees a Deferred Compensation Plan (the "DC Plan") created in accordance with the provisions of N.J.S.A. 43:15B-1 et seq., and the Internal Revenue Code, Section 457. The DC Plan, available to all municipal employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Statutory and regulatory requirements governing the establishment and operation of a Deferred Compensation Plan have been codified in the New Jersey Administrative Code under the reference N.J.A.C. 5:37.

The "Small Business Job Protective Act of 1996" (the "Act") revised several provisions of Section 457 of the Internal Revenue Code. A provision of the Act required that all existing plans be modified to provide that the funds be held for the exclusive benefit of the participating employees and their beneficiaries.

#### Consolidated Police and Firemen's Pension Fund

The Consolidated Police and Firemen's Pension Fund (CPFPF) is a defined benefit pension fund established in 1952 to replace, on an actuarial basis, 212 local police and firemen pension funds. The CPFPF membership is limited to policemen and firemen appointed prior to July 1, 1944. The liabilities of these funds were shared by two-thirds of the participating municipalities and one-third by the State. The CPFPF Board of Trustees has the responsibility for the proper administration of the retirement system.

Contributions Required and Made

Contributions made by employees for PERS and PFRS are currently 6.5% and 10% of their base wages, respectively. Employer contributions are actuarially determined on an annual basis by the Division of Pensions. Contributions to the plan for the prior three (3) fiscal years are as follows:

Year	PERS		PFRS		CPFPF
	Township	Employees	Township	Employees	Township
2011	\$ 1,488,174.00	\$ 620,670.64	\$ 5,540,321.00	\$ 1,787,005.07	\$ 76,779.96
2010	1,223,342.00	625,061.08	4,586,150.00	1,531,701.54	90,127.34
2009	1,019,882.00	641,119.25	4,083,868.00	153,077.06	119,348.53

For PERS, participants the contribution rate will increase another 1.0% over the next seven years beginning July 2012.

**11. DEFINED CONTRIBUTION RETIREMENT PROGRAM**

Description of System

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500.00 or more, with a tax sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. If the eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waive participation in the DCRP for that office or position. This waiver is irrevocable.

As of May 21, 2010, the municipal base salary required for eligibility in the DCRP was increased to \$5,000.00.

The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee and employer and through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment options provided by the employer.

The law requires that three classes of employees enroll in the DCRP, detailed as follows:

- All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may remain in the Public Employees' Retirement System (PERS),
- A Governor appointee with the advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.
- Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body which include the statutory untenured chief administrative officer such as the Business Administrator, County Administrator or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge.

Notwithstanding the foregoing requirements other employees who hold a professional license or certificate or meet other exceptions are permitted to remain to join or remain in PERS.

### Contributions Required and Made

Contributions made by employees for DCRP are currently at 5.5% of their base wages. Member contributions are matched by a 3.0% employer contribution. Contributions to the plan for the past year are as follows:

<u>Year</u>	<u>Township</u>	<u>Employees</u>
2011	<u>\$ 3,868.32</u>	<u>\$ 7,091.52</u>

## **12. POST-RETIREMENT BENEFITS OTHER THAN PENSIONS**

The Township contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A 52:14-17.25 et seq., to provide health benefits to State employees, retirees and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 89 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse and Medicare Part B reimbursement to retirees and their covered dependents.

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

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 supplemental information for the SHBP. That report may be obtained by writing to the State of New Jersey Division of Pensions and Benefits, P.O. Box 205, Trenton, New Jersey 08625-0295 or by visiting their website at [www.state.nj.us/treasurv/pensions/gasb-43-sept2008.pdf](http://www.state.nj.us/treasurv/pensions/gasb-43-sept2008.pdf).

The Township of Montclair, by contractual agreement, provides certain post-employment benefits to retired employees and their spouses for health insurance.

Eligible employees and spouses will be entitled to health care insurance coverage upon retirement under the rules of the New Jersey State Health Benefits Program, effective April 1, 2007. Eligible employees must attain the age of 62, have fifteen years of employment with the Township of Montclair, and contribute twenty (20%) percent of premium costs, with the Township contributing eighty (80%) percent.

### Funding Policy

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

The Township of Montclair's contributions to SHBP for the year ended December 31, 2011 was \$166,418.38 which equaled the required contribution for the year. There were approximately 22 retired participants eligible at December 31, 2011.

## **13. MUNICIPAL DEBT**

The Local Bond Law governs the issuance of bonds and notes to finance general capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Pursuant to N.J.S.A 40A:2-8, Bond Anticipation Notes, which are issued to temporarily finance capital projects, cannot be renewed past the third anniversary unless an amount equal to at least the first legally required installment is paid prior to each anniversary and must be paid off within ten years and five months or retired by the issuance of bonds.

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>Issued</u>			
General:			
Bonds, Notes and Loans	\$ 78,400,910.24	\$ 73,925,800.78	\$ 75,877,868.68
Water:			
Bonds, Notes and Loans	16,871,640.71	17,244,641.98	16,649,118.94
Sewer:			
Notes	2,198,000.00	2,211,000.00	1,442,905.00
Parking:			
Bonds and Notes	15,550,000.00	15,865,000.00	16,160,000.00
Total Issued	<u>113,020,550.95</u>	<u>109,246,442.76</u>	<u>110,129,892.62</u>
<u>Authorized but Not Issued</u>			
General:			
Bonds and Notes	5,437,167.93	7,225,687.44	8,447,451.13
Water:			
Bonds and Notes	2,278,191.00	2,376,591.00	4,045,989.00
Sewer:			
Bonds and Notes	2,050,500.00	450,500.00	5,826,095.00
	<u>9,765,858.93</u>	<u>10,052,778.44</u>	<u>18,319,535.13</u>
Less: Cash on Hand			
General	590,734.12	590,734.12	
Grants Receivable		235,628.29	
Reserve for Debt Service	4,693,833.44	992,728.71	
	<u>5,284,567.56</u>	<u>1,819,091.12</u>	
Net Bonds and Notes Issued and Authorized but Not Issued	<u>\$ 117,501,842.32</u>	<u>\$ 117,480,130.08</u>	<u>\$ 128,449,427.75</u>

Summary of Statutory Debt Condition – Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Statement and indicates a statutory net debt of 1.11%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$ 98,794,503.51	\$ 98,794,503.51	\$
Utility Debt	38,948,331.71	38,948,331.71	
General Debt	83,838,078.17	5,284,567.56	78,553,510.61
	<u>\$ 221,580,913.39</u>	<u>\$ 143,027,402.78</u>	<u>\$ 78,553,510.61</u>

Net Debt, \$78,553,510.61 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$7,093,658,166.67 equals 1.11%.

Borrowing Power Available Under N.J.S.A. 40:A2-6 as Amended

3 1/2% of Equalized Valuation Basis	\$ 248,278,035.83
Net Debt	<u>78,553,510.61</u>
Remaining Borrowing Capacity	<u>\$ 169,724,525.22</u>

School Debt Deductions

School debt is deductible up to the extent of 4.0% of the Average Equalized Assessed Valuations of real property for the Local School District.

Calculation of "Self-Liquidating Purposes" per N.J.S.A. 40A:2-45

Water Utility

Fund Balance and Cash Receipts from Fees, Rents or Other Charges for Year		\$ 6,700,171.37
Deductions:		
Operating and Maintenance Cost	\$ 5,212,610.00	
Debt Service	<u>1,340,982.88</u>	
		<u>6,553,592.88</u>
Excess in Revenue		<u>\$ 146,578.49</u>

There being an excess in revenue, all such utility debt is deductible.

Sewer Utility

Fund Balance and Cash Receipts from Fees, Rents or Other Charges for Year		\$ 4,872,226.41
Deductions:		
Operating and Maintenance Cost	\$ 4,334,675.00	
Debt Service	<u>216,000.00</u>	
		<u>4,550,675.00</u>
Excess in Revenue		<u>\$ 321,551.41</u>

There being an excess in revenue, all such utility debt is deductible.

Parking Utility

Fund Balance and Cash Receipts from Fees, Rents or Other Charges for Year		\$ 1,063,974.26
Deductions:		
Debt Service	<u>\$ 1,063,970.00</u>	
		<u>1,063,970.00</u>
Excess in Revenue		<u>\$ 4.26</u>

There being an excess in revenue, all such utility debt is deductible.

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

As of December 31, 2011, the Township's long-term debt is as follows:

**General Serial Bonds**

\$10,016,000, 2003 Bonds due in annual installments of \$900,000 through February 2012, interest at rate 3.50%.	\$ 900,000.00
\$3,495,000, 2003 Bonds due in annual installments of \$145,000 to \$485,000 through April 1, 2021, interest at rates from 5.15% to 5.80%.	2,960,000.00
\$9,465,000, 2005 Refunding Bonds due in annual installments of \$1,250,000 to \$1,455,000 through July 15, 2014, interest at rate of 5.00%.	4,150,000.00
\$19,215,000, 2006 Bonds due in annual installments of \$400,000 to \$2,000,000 through January 1, 2026, interest at rates from 4.50% to 4.625%.	18,415,000.00
\$8,252,000, 2008 Bonds due in annual installments of \$500,000 to \$1,200,000 through September 1, 2021, interest at rates from 3.50% to 4.00%.	7,602,000.00
\$18,519,000, 2011 Bonds due in annual installments of \$945,000 to \$1,889,000 through March 1, 2024, interest at rates from 3.00% to 4.00%.	18,519,000.00
\$4,960,000, 2011 Refunding Bonds due in annual installments of \$880,000 to \$1,075,000 starting February 1, 2013 through February 1, 2017, interest at rates from 3.00% to 5.00%.	<u>4,960,000.00</u>
	<u>\$ 57,506,000.00</u>

**Water Utility Bonds**

\$3,397,000, 2003 Bonds due in annual instalments of \$325,000 through February 1, 2012, interest at rate of 3.50% .	\$ 325,000.00
\$755,000, 2005 Bonds due in annual installments of \$110,000 to \$125,000 through July 15, 2014, interest at rate of 5.00%.	360,000.00
\$3,453,000, 2006 Bonds due in annual installments of \$50,000 to \$275,000 through January 1, 2027, interest at rates from 4.50% to 4.625%.	3,153,000.00
\$3,349,000, 2008 Bonds due in annual installments of \$30,000 to \$300,000 through September 1, 2026, interest at rates from 3.50% to 4.25%.	3,249,000.00
\$1,065,000, 2011 Bonds due in annual installments of \$100,000 to \$165,000 through March 1, 2021, interest at rates from 2.00% to 3.375%.	1,065,000.00
\$1,550,000, 2011 Refunding Bonds due in annual installments starting February 1, 2013 through February 1, 2017, interest at rates of 3.00% .	<u>1,550,000.00</u>
	<u>\$ 9,702,000.00</u>

**Parking Utility Bonds**

\$14,555,000, Series A Bonds due in annual installments of \$300,000 to \$880,000 through January 1, 2037, interest at rates from 4.50% to 4.625%.	\$ 13,740,000.00
\$1,890,000, Series B Bonds due in annual installments of \$30,000 to \$135,000 through January 1, 2037, interest at rates from 6.40% to 6.50%.	<u>1,810,000.00</u>
	<u>\$ 15,550,000.00</u>

A schedule of annual debt service for principal and interest for bonded debt is as follows:

**GENERAL BONDS**

Calendar Year	Total	General		Water Utility		Parking Utility	
		Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ 8,729,266.17	\$ 4,345,000.00	\$ 2,286,769.89	\$ 630,000.00	\$ 396,191.28	\$ 330,000.00	\$ 741,305.00
2013	8,639,860.93	4,525,000.00	2,034,258.06	670,000.00	349,830.37	335,000.00	725,772.50
2014	8,613,345.86	4,680,000.00	1,862,074.92	680,000.00	326,640.94	355,000.00	709,630.00
2015	8,057,878.93	4,285,000.00	1,709,651.92	700,000.00	305,462.01	365,000.00	692,765.00
2016	7,704,266.36	4,090,000.00	1,557,229.03	720,000.00	281,747.33	380,000.00	675,290.00
2017	7,617,144.71	4,170,000.00	1,401,604.95	735,000.00	253,559.76	400,000.00	656,980.00
2018	7,450,131.26	4,315,000.00	1,235,635.01	620,000.00	226,683.75	415,000.00	637,812.50
2019	7,269,211.26	4,340,000.00	1,064,040.01	610,000.00	202,383.75	435,000.00	617,787.50
2020	7,049,228.14	4,320,000.00	889,794.39	610,000.00	177,621.25	455,000.00	596,812.50
2021	6,276,760.64	3,602,000.00	729,189.39	740,000.00	151,065.00	480,000.00	574,506.25
2022	5,544,443.78	3,245,000.00	574,444.39	550,000.00	124,140.01	500,000.00	550,859.38
2023	5,959,290.65	3,835,000.00	427,472.51	550,000.00	100,577.51	520,000.00	526,240.63
2024	5,829,220.02	3,889,000.00	262,786.26	550,000.00	77,015.01	550,000.00	500,418.75
2025	3,784,190.02	2,000,000.00	132,506.26	550,000.00	53,452.51	575,000.00	473,231.25
2026	3,526,436.89	1,865,000.00	43,128.13	544,000.00	29,515.01	600,000.00	444,793.75
2027	1,293,610.01			243,000.00	5,619.38	630,000.00	414,990.63
2028	1,043,706.26					660,000.00	383,706.26
2029	1,040,987.51					690,000.00	350,987.51
2030	1,036,834.38					720,000.00	316,834.38
2031	1,036,084.38					755,000.00	281,084.38
2032	1,043,343.76					800,000.00	243,343.76
2033	1,033,728.13					830,000.00	203,728.13
2034	1,037,284.38					875,000.00	162,284.38
2035	1,038,618.76					920,000.00	118,618.76
2036	1,032,846.88					960,000.00	72,846.88
2037	1,039,737.50					1,015,000.00	24,737.50
	<u>\$ 113,727,457.57</u>	<u>\$ 57,506,000.00</u>	<u>\$ 16,210,585.12</u>	<u>\$ 9,702,000.00</u>	<u>\$ 3,061,504.87</u>	<u>\$ 15,550,000.00</u>	<u>\$ 11,697,367.58</u>

The interest reflected above is on the cash basis for all funds.

Green Acres Trust Loans Payable – General Capital Fund

The Township was awarded three loans from the State of New Jersey, Department of Environmental Protection, at an interest rate of 0.00% to 2.00% for renovations to Essex Park Pool and Project Youth Sports.

Essex Park Pool:

\$250,000, loan due in semi-annual installments through October 2012, interest at 2.00%.

\$ 15,315.68

Project Youth Sports:

\$250,000, loan due in semi-annual installments through May 2026, interest at 2.00%.

194,833.82

Project Youth Sports II:

\$250,000, loan due in semi-annual installments of \$6,410.26 through December 2029, interest free.

224,358.96

\$ 434,508.46

The following is a schedule of annual principal and interest payments for Green Acres Trust Loans:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 39,843.57	\$ 4,068.55	\$ 43,912.12
2013	24,763.21	3,603.11	28,366.32
2014	25,003.25	3,363.07	28,366.32
2015	25,248.13	3,118.19	28,366.32
2016	25,497.92	2,868.39	28,366.31
2017	25,752.74	2,613.58	28,366.32
2018	26,012.67	2,353.65	28,366.32
2019	26,277.84	2,088.48	28,366.32
2020	26,548.34	1,817.99	28,366.33
2021	26,824.25	1,542.06	28,366.31
2022	27,105.73	1,260.59	28,366.32
2023	27,392.86	973.46	28,366.32
2024	27,685.77	680.55	28,366.32
2025	27,984.56	381.76	28,366.32
2026	20,516.46	76.96	20,593.42
2027	12,820.52		12,820.52
2028	12,820.52		12,820.52
2029	6,410.12		6,410.12
	<u>\$ 434,508.46</u>	<u>\$ 30,810.39</u>	<u>\$ 465,318.85</u>

Environmental Infrastructure Loans Payable – General Capital Fund

The Township was awarded a loan in 2004 from New Jersey Environmental Infrastructure Trust in the sum of \$878,438.00. The loan portion of \$443,438.00 was issued interest free while the trust loan portion of \$435,000.00 was issued at various interest rates from 3.00% to 5.00%.

2004:

Payments are semi-annual through the year 2024

\$ 630,201.78

The following is a schedule of annual principal and interest payments for the Environmental Infrastructure Loan – General Capital Fund:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 43,130.73	\$ 15,656.26	\$ 58,786.99
2013	42,482.01	14,656.26	57,138.27
2014	41,833.29	13,656.26	55,489.55
2015	41,314.33	12,856.26	54,170.59
2016	49,038.93	12,056.26	61,095.19
2017	48,390.21	11,056.26	59,446.47
2018	47,579.32	9,806.26	57,385.58
2019	46,768.42	8,556.26	55,324.68
2020	54,201.10	7,306.26	61,507.36
2021	53,228.04	5,806.26	59,034.30
2022	52,254.96	4,306.26	56,561.22
2023	51,282.08	2,806.26	54,088.34
2024	58,698.36	1,531.26	60,229.62
	<u>\$ 630,201.78</u>	<u>\$ 120,056.38</u>	<u>\$ 750,258.16</u>

Environmental Infrastructure Loans Payable – Water Utility Fund

The Township was awarded four loans from the New Jersey Environmental Infrastructure Trust. The Fund Loan portion was issued interest free while the Trust Loan portion was issued at various interest rates from 4.00% to 5.70%.

1999 Loan:

Payments are semi-annual through the year 2019. \$ 940,745.89

2001 Loan:

Payments are semi-annual through the year 2021. 787,289.89

2002 Loan:

Payments are semi-annual through the year 2022. 1,166,156.23

2010 Loan:

Payments are semi-annual through the year 2029. 679,298.70

\$ 3,573,490.71

The following is a schedule of annual principal and interest payments for the Environmental Infrastructure Loan – Water Capital Fund:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 337,075.76	\$ 97,677.50	\$ 434,753.26
2013	340,087.40	89,402.50	429,489.90
2014	351,120.20	80,740.00	431,860.20
2015	356,540.65	71,715.00	428,255.65
2016	303,698.33	62,315.00	366,013.33
2017	313,878.38	52,390.00	366,268.38
2018	323,866.19	41,940.00	365,806.19
2019	333,717.29	30,775.00	364,492.29
2020	238,376.14	19,175.00	257,551.14
2021	242,953.97	13,050.00	256,003.97
2022	156,060.19	6,875.00	162,935.19
2023	38,016.58	3,150.00	41,166.58
2024	38,016.58	2,750.00	40,766.58
2025	38,016.58	2,350.00	40,366.58
2026	38,016.58	1,950.00	39,966.58
2027	38,016.58	1,600.00	39,616.58
2028	43,016.58	1,200.00	44,216.58
2029	43,016.73	600.00	43,616.73
	<u>\$ 3,573,490.71</u>	<u>\$ 579,655.00</u>	<u>\$ 4,153,145.71</u>

Special Emergency Note

Outstanding Special Emergency Note is summarized as follows:

	<u>Interest Rate</u>	<u>Total</u>
Current Fund	Capital Note - No Interest	<u>\$ 1,259,300.00</u>

Bond Anticipation Notes

Outstanding Bond Anticipation Notes are summarized as follows:

<u>Notes</u>	<u>Rate</u>	<u>Amount</u>
General Capital Fund	1.50%	\$ 6,050,000.00
	1.25%	13,780,200.00
Water Utility Capital Fund	1.50%	907,000.00
	1.25%	2,689,150.00
Sewer Utility Capital Fund	1.50%	1,175,000.00
	1.25%	1,023,000.00
		<u>\$ 25,624,350.00</u>

Statutory requirements for providing sums equivalent to legally payable installments for the redemption of notes (Budget Appropriation) and permanent funding (Bond Issues) are summarized as follows:

Original Notes <u>Issued</u>	Legal Installments <u>Due</u>	Permanent Funding Required <u>as of May 1</u>
2006	2009 - 2016	2017
2007	2010 - 2017	2018
2008	2011 - 2018	2019
2009	2012 - 2019	2020
2010	2013 - 2020	2021
2011	2014 - 2021	2022

Bonds and Notes Authorized but Not Issued

There were Bonds and Notes Authorized but Not Issued in the following amounts:

	Balance Dec. 31, 2011
General Capital Fund:	
General Improvements	<u>\$ 5,779,796.43</u>
Water Utility Fund:	
General Improvements	<u>\$ 2,278,191.00</u>
Sewer Utility Fund:	
General Improvements	<u>\$ 2,050,500.00</u>

#### 14. SCHOOL DEBT

The Board of Education of the Township of Montclair is a Type I School District and the members of the Board of Education are appointed by the Mayor. A Board of School Estimate approves the school district tax levy after the final budget is determined by the Board of Education. The members of the Board of School Estimate include the Mayor, two members of the local school board and two members of the governing body. School debt, authorized by the Board of School Estimate, are obligations of the Township and school debt service is raised as part of the school tax levy. School debt is reported on the balance sheet of the General Capital Fund and is detailed as follows:

\$6,110,000, 2003 Bonds due in annual installments of \$500,000 through February 1, 2012, interest at 3.375%. Bonds were refunded.	\$ 500,000.00
\$2,035,000, 2005 Refunding Bonds due in annual installments of \$460,000 interest at 3.50%.	460,000.00
\$16,715,000, 2006 Bonds due in annual installments of \$450,000 to \$1,050,000 through January 1, 2028 interest at 4.25% to 4.50%.	15,465,000.00
\$14,600,000, 2008 Bonds due in annual installments of \$250,000 to \$1,050,000 through January 2028, interest at 3.50% to 5.00%.	14,200,000.00
\$9,662,000, 2010 Bonds due in annual installments of \$190,000 to \$847,000 through June 2030, interest at 2.00% to 4.00%.	9,637,000.00
\$21,660,000, 2011 Bonds due in annual installments of \$725,000 to \$1,450,000 through March 2031, interest at 2.75% to 4.625%.	21,660,000.00
\$2,750,000, 2011 Refunding Bonds due in annual installments of \$485,000 to \$595,000 through February 2017.	<u>2,750,000.00</u>
	<u>\$ 64,672,000.00</u>

A schedule of annual debt service for principal and interest for School Serial Bonds are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 2,675,000.00	\$ 2,603,431.22	\$ 5,278,431.22
2013	2,730,000.00	2,463,171.33	5,193,171.33
2014	2,905,000.00	2,358,481.41	5,263,481.41
2015	2,965,000.00	2,253,183.33	5,218,183.33
2016	3,235,000.00	2,142,148.40	5,377,148.40
2017	3,400,000.00	2,016,695.05	5,416,695.05
2018	3,240,000.00	1,885,798.50	5,125,798.50
2019	3,305,000.00	1,752,098.50	5,057,098.50
2020	3,370,000.00	1,615,323.50	4,985,323.50
2021	3,450,000.00	1,477,523.50	4,927,523.50
2022	3,530,000.00	1,337,511.00	4,867,511.00
2023	3,604,000.00	1,193,406.00	4,797,406.00
2024	3,778,000.00	1,041,003.50	4,819,003.50
2025	3,862,000.00	881,328.50	4,743,328.50
2026	4,016,000.00	715,573.00	4,731,573.00
2027	4,290,000.00	539,385.00	4,829,385.00
2028	4,439,000.00	352,168.75	4,791,168.75
2029	2,170,000.00	210,406.25	2,380,406.25
2030	2,258,000.00	115,750.00	2,373,750.00
2031	1,450,000.00	33,531.25	1,483,531.25
	<u>\$ 64,672,000.00</u>	<u>\$ 26,987,917.99</u>	<u>\$ 91,659,917.99</u>

Temporary Notes

Outstanding Temporary Notes for School purposes are summarized as follows:

<u>Notes</u>	<u>Interest Rate</u>	<u>Amount</u>
General Capital Fund	1.00%	\$ 18,200,000.00
	1.50%	<u>7,900,000.00</u>
		<u>\$ 26,100,000.00</u>

Bonds and Notes Authorized but Not Issued for School purposes in the following amount:

General Capital Fund	<u>\$8,022,503.51</u>
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**15. INTERFUND RECEIVABLES AND PAYABLES**

As of December 31, 2011, interfund receivables and payable that resulted from various interfund transactions were as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Current Fund	\$ 95,243.39	\$ 772,889.24
Federal and State Grant Fund	629,816.71	2,000.00
Assessment Trust Fund	54,600.41	54,311.20
Animal Control Trust Fund		2,503.00
General Trust Fund	137,392.57	21,053.06
General Capital Fund	529,848.84	1,067,436.76
Water Utility Operating Fund	1,866,271.19	
Water Utility Capital Fund		1,083,771.19
Sewer Utility Operating Fund	5,291.53	10,500.00
Sewer Utility Capital Fund		5,291.53
Parking Utility Operating Fund	74,961.76	52,113.17
Parking Utility Capital Fund	52,113.17	334,127.85
Payroll Fund		39,542.57
	<u>\$ 3,445,539.57</u>	<u>\$ 3,445,539.57</u>

**16. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING YEARS BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2011, the following deferred charges are shown on the balance sheet of the Current Fund:

	<u>Balance Dec. 31, 2011</u>	<u>2012 Budget Appropriation</u>
Current Fund:		
Emergency Authorization	\$ 369,300.00	\$ 369,300.00
Special Emergency Authorization	890,000.00	178,000.00
	<u>\$ 1,259,300.00</u>	<u>\$ 547,300.00</u>

**17. DEFERRED COMPENSATION PLAN**

The Township offers its employees a Deferred Compensation Plan created in accordance with the provisions of N.J.S.A. 43:15B-1 et seq., and the Internal Revenue Code, Section 457. The plan, available to all municipal employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Statutory and regulatory requirements governing the establishment and operation of Deferred Compensation Plans have been codified in the New Jersey Administrative Code under the reference N.J.A.C. 5:37.

The "Small Business Job Protective Act of 1996" revised several provisions of Section 457 of the Internal Revenue Code. A provision of the act required that all existing plans be modified to provide that the funds be held for the exclusive benefit of the participating employees and their beneficiaries

The Township authorized such modifications to their plan by resolution of the Township Council adopted April 6, 1999.

The administrators for the Township Deferred Compensation Plan are Lincoln Financial Group and Metropolitan Life Insurance Company.

**18. DEFERRED SCHOOL TAX**

The Local School District Tax was raised on the school year basis and liability deferred by statute, resulting in school tax payable set forth in liabilities computed as follows;

	Balance <u>Dec. 31, 2011</u>	Balance <u>Dec. 31, 2010</u>	Increase <u>(Decrease)</u>
* Balance of Tax	\$ 48,754,849.00	\$ 50,551,922.00	\$ (1,797,073.00)
Amount Deferred	<u>48,754,849.00</u>	<u>50,551,922.00</u>	<u>(1,797,073.00)</u>
Total Payable (Cash Liability)	<u>\$</u>	<u>\$</u>	<u>\$</u>

**19. RISK MANAGEMENT**

The Township is a member of the Garden State Municipal Joint Insurance Fund which provides coverage for Workers Compensation, General Liability, Property and Automobile coverage.

There have been no provisions included in the financial statements for claims incurred but not reported (IBNR) for the above listed coverage's as of December 31, 2011.

**20. CONTINGENT LIABILITIES**

**a. Compensated Absences**

The Township's policy for accrued sick and vacation benefits is summarized as follows:

Employees can only accrue one year of vacation days, Vacation must be taken within one year of accrual, unless authorized by the Township Manager.

Employees covered under the Public Employees' Retirement System can accumulate up to 225 sick days if they were employed by the Township prior to January 1, 1963, and 130 sick days for those employed after January 1, 1963. Terminal leave will be capped at \$5,000.00 for employees hired after June 1, 1994.

Employees covered under the Police and Firemen's Retirement System can accumulate up to 225 sick days if they were employed by the Township prior to January 1, 1963, and 130 sick days for those employed after January 1, 1963. Terminal leave will be capped at \$18,761.00 for employees hired after July 1, 1994.

It is estimated that the sum of \$2,575,746.32 computed internally at the 2011 salary rates would be payable to 45 officials and employees of the Township as of December 31, 2011 for accumulated sick and vacation days. This amount was not verified by audit. The Township has set up a reserve for accumulated absences of \$259,371.15 as of December 31, 2011.

Provision for the above are not reflected on the Financial Statements of the Township.

b. Tax Appeals

There were 127 appeals pending before the New Jersey Tax Court with assessed valuations of \$242,399,300. Potential liability was undeterminable.

Judgments favorable to the taxpayers generally extend to two years following the year judged and would also subject the Township to a liability for statutory interest based upon the amount of taxes refunded from the date of payment to the date of refund (R.S. 54:3-27.2).

c. Montclair Early Childhood Corporation – Loan

On March 3, 1998, the Township awarded a loan to the Montclair Early Childhood Corporation (MECC), a nonprofit corporation duly organized, in the principal sum of up to \$2,400,000.00. On January 15, 2000, the Township sold \$14,210,000.00 of General Obligation Bonds of which \$2,400,000.00 were loaned to the MECC. Under the terms of the Loan Agreement, the MECC is required to make payments to the Township sufficient to pay the principal and interest due under the Township debt schedule no later than five (5) business days prior to the date when such payments are due. Interest shall be calculated in the manner set forth in the bond sale agreement.

A schedule of annual debt service for principal and interest payable to the Township is detailed below:

Calendar Year	MECC - Loan Receivable	
	Principal	Interest
2008	\$ 254,000.00	\$ 89,582.00
2009	254,000.00	75,866.00
2010	254,000.00	61,896.00
2011	254,000.00	47,926.00
2012	254,000.00	33,956.00
2013	254,000.00	20,240.00
2014	114,000.00	6,270.00
	<u>\$1,638,000.00</u>	<u>\$ 335,736.00</u>

The Township has not received any payments since 2007.

d. Federal and State Awards

The Township participates in several federal and state grant programs which are governed by various rules and regulations of the grantor agencies; therefore to the extent that the Township has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at December 31, 2011 may be impaired. In the opinion of management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying statutory basis financial statements for such contingencies.

e. Litigation

There is no significant litigation or any contingent liabilities, unasserted claims or assessments or statutory violations which would affect the financial position or results of operations of the Township. General liability claims pending against the Township are handled by insurance carriers.

**21. SUBSEQUENT EVENTS**

The Township has evaluated subsequent events occurring after December 31, 2011 through May 25, 2012, which is the date the financial statements were available to be issued. Based on this evaluation, management has determined that the following subsequent event requires disclosure.

A note sale of \$8,805,000.00 consisting of \$5,984,000.00 Bond Anticipation Note and \$2,066,000.00 Water and Sewer Utility Note was held on March 1, 2012. A \$15,500,000.00 temporary note sale for School Improvements was also held on March 1, 2012.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS - TREASURER  
YEAR ENDED DECEMBER 31, 2011

A-4

	<u>Ref.</u>			<u>Regular Fund</u>
Balance, December 31, 2010	A		\$	9,359,739.81
Increased by Receipts:				
Miscellaneous Revenue Not Anticipated	A-2d	\$		953,249.34
Tax Collector	A-5			188,490,836.54
Petty Cash	A-8			3,500.00
Due from State of New Jersey:				
Senior Citizens' and Veterans' Deductions	A-9			140,268.49
Revenue Accounts Receivable	A-15			9,857,473.42
Interfunds Receivable	A-17			6,519,299.57
Library State Aid	A-25			17,359.00
Due to State of New Jersey	A-27			49,623.00
Interfunds Payable	A-29			14,270,347.04
Capital Note Payable	A-35			1,259,300.00
Contra Items:				
Appropriation Refunds	Contra			3,892,702.84
				<u>225,453,959.24</u>
				234,813,699.05
Decreased by Disbursements:				
Budget Appropriations	A-3			63,397,980.93
Petty Cash	A-8			3,500.00
Interfunds Receivable	A-17			6,514,128.90
Appropriation Reserves	A-21			2,424,294.91
Library State Aid	A-25			17,359.00
Accounts Payable	A-26			7,235.10
Due to State of New Jersey	A-27			50,364.00
Tax Overpayments Refunded	A-28			2,188,594.66
Interfunds Payable	A-29			15,120,203.79
County Taxes Payable	A-31			30,267,776.17
Local School District Tax	A-32			99,306,771.00
Special Improvement District Tax	A-33			418,000.00
Emergency Note Payable	A-34			213,000.00
Contra Items	Contra			3,892,702.84
				<u>223,821,911.30</u>
Balance, December 31, 2011	A		\$	<u>10,991,787.75</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENT - COLLECTOR  
YEAR ENDED DECEMBER 31, 2011

A-5

	<u>Ref.</u>	
Increased by Receipts:		
Interest and Costs on Taxes	A-2	\$ 778,903.40
Miscellaneous Revenue Not Anticipated	A-2d	10,080.62
Taxes Receivable	A-10	182,456,393.33
Revenue Accounts Receivable	A-15	808,152.89
Tax Overpayments	A-28	3,450,783.89
Prepaid Taxes	A-36	<u>986,522.41</u>
		<u>188,490,836.54</u>
Decreased by Disbursements:		
Paid to Treasurer	A-4	<u>188,490,836.54</u>
		<u>\$</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

CASH MANAGEMENT FUND  
YEAR ENDED DECEMBER 31, 2011

A-6

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$ 3,463.92
Increased by:		
Accrued Interest	A-15	<u>3.76</u>
Balance, December 31, 2011	A	<u>\$ 3,467.68</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

CHANGE FUNDS  
DECEMBER 31, 2011

A-7

	<u>Ref.</u>	
Balance, December 31, 2010	A	<u>\$ 525.00</u>
Balance, December 31, 2011	A	<u><u>\$ 525.00</u></u>
 <u>Analysis of Balance</u>		
Tax Collector		\$ 200.00
Municipal Court Clerk		220.00
Municipal Clerk		30.00
Building Inspector		25.00
Public Works (Recycling)		<u>50.00</u>
		<u><u>\$ 525.00</u></u>

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

PETTY CASH FUNDS  
DECEMBER 31, 2011

A-8

	<u>Funds Established</u>	<u>Fund Returned</u>
Treasurer	\$ 3,000.00	\$ 3,000.00
Public Works	150.00	150.00
Recreation Department	100.00	100.00
Municipal Clerk	100.00	100.00
Police Department	150.00	150.00
	<u>\$ 3,500.00</u>	<u>\$ 3,500.00</u>
	A-4	A-4

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

DUE FROM STATE OF NEW JERSEY  
PER CHAPTER 129, P.L. 1976  
YEAR ENDED DECEMBER 31, 2011

A-9

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$ 923.75
Increased by:		
Veterans' and Senior Citizens' Deductions per Tax Billings		\$ 141,000.00
Veterans' and Senior Citizens' Deductions Allowed by Tax Collector		<u>2,000.00</u>
		143,000.00
Less: Veterans' and Senior Citizens'		
Deductions Disallowed by Tax Collector		<u>1,564.38</u>
	A-2c, A-10	<u>141,435.62</u>
		142,359.37
Decreased by:		
Collections	A-4	<u>140,268.49</u>
Balance, December 31, 2011	A	<u>\$ 2,090.88</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY  
YEAR ENDED DECEMBER 31, 2011

A-10

Year	Balance	2011 Levy	Collections - Cash		State of New Jersey	Overpayment Applied	Cancelled	Transferred to Tax Title Liens	Balance
	Dec. 31, 2010		2010	2011					Dec. 31, 2011
2009	\$ 25,851.21	\$	\$	\$		\$	\$	\$ 25,851.21	
2010	3,556,843.01			3,404,740.36			122,312.28	27,280.77	
	<u>3,582,694.22</u>			3,404,740.36			122,312.28	53,131.98	
2011		184,649,594.16	1,215,845.48	179,051,652.97	141,435.62	268,291.42	942,940.22	3,152,788.53	
	<u>\$ 3,582,694.22</u>	<u>\$ 184,649,594.16</u>	<u>\$ 1,215,845.48</u>	<u>\$ 182,456,393.33</u>	<u>\$ 141,435.62</u>	<u>\$ 268,291.42</u>	<u>\$ 1,065,252.50</u>	<u>\$ 3,205,920.51</u>	
Ref.	A	Below	A-2c, A-36	A-2c, A-5	A-9	A-2b, A-28	Reserve	A-11	A

ANALYSIS OF 2011 PROPERTY TAX LEVY

			Ref.	
<u>Tax Yield</u>		<u>Tax Levy</u>		
General Property Tax	\$ 184,325,970.69	Local School District Tax:		
Added and Omitted	323,623.47	Levy	A-32	\$97,509,698.00
		Addition to Local School District Tax (Budget)	A-2	<u>4,712,469.00</u>
				\$ 102,222,167.00
		County Taxes:		
		County Tax	A-31	30,285,630.78
		Special Improvement District Tax	A-33	416,933.72
		Local Tax for Municipal Purposes:		
		Budget	A-2	51,438,656.54
		Additional Taxes Levied	Reserve	<u>286,206.15</u>
				51,724,862.69
	<u>\$ 184,649,594.16</u>			<u>\$ 184,649,594.19</u>

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

TAX TITLE LIENS  
YEAR ENDED DECEMBER 31, 2011

A-11

	<u>Ref.</u>		
Balance, December 31, 2010	A		\$ 73,850.82
Increased by:			
Transferred from Taxes Receivable	A-10	\$ 20,585.14	
Cost of Tax Sale	Reserve	<u>542.59</u>	
			<u>21,127.73</u>
Balance, December 31, 2011	A		<u>\$ 94,978.55</u>

PROPERTY ACQUIRED FOR TAXES  
(AT ASSESSED VALUATION)  
DECEMBER 31, 2011

A-12

	<u>Ref.</u>		
Balance, December 31, 2010	A		<u>\$ 317,900.00</u>
Balance, December 31, 2011	A		<u>\$ 317,900.00</u>

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

OTHER LIENS RECEIVABLE  
DECEMBER 31, 2011

A-13

	<u>Ref.</u>	<u>Demolition</u>
Balance, December 31, 2010	A	\$ 7,500.00
Balance, December 31, 2011	A	<u>\$ 7,500.00</u>
Analysis of Balance		
	<u>Block</u>	<u>Lot</u>
	4203	13
		<u>\$ 7,500.00</u>

OTHER ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

A-14

	<u>Ref.</u>	
Increased by:		
Interest Penalty on Delinquent Taxes - Net	Reserve	<u>\$ 114,612.35</u>
Balance, December 31, 2011	A	<u>\$ 114,612.35</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

A-15  
Sheet # 1

	Ref.	Balance	Accrued	Collections		Balance
		Dec. 31, 2010	in 2011	Treasurer	Collector	Dec. 31, 2011
Clerk:						
Licenses:						
Alcoholic Beverages	A-2	\$	\$ 59,000.00	\$ 59,000.00	\$	\$
Other	A-2b		48,940.00	48,940.00		
Fees and Permits			94,662.09	94,662.09		
Health Officer:						
Licenses	A-2b		77,415.00	77,415.00		
Fees and Permits	A-2b		80,545.00	80,545.00		
Planning Board:						
Fees and Permits	A-2b		13,755.00	13,755.00		
Community Services:						
Fees and Permits	A-2b		7,052.94	7,052.94		
Housing and Zoning:						
Fees and Permits	A-2b		2,750.00	2,750.00		
Recreation and Parks:						
Fees and Permits	A-2b		467,068.41	467,068.41		
Police Department:						
Fees and Permits	A-2b		14,757.00	14,757.00		
Fire:						
Fees and Permits	A-2b		13,935.75	13,935.75		
Collector:						
Tax Searches	A-2b		50.00		50.00	
Public Works:						
Fees and Permits	A-2b		5,200.00	5,200.00		
Board of Adjustment:						
Fees and Permits	A-2b		10,830.00	10,830.00		
Construction Code Official:						
Building Permits	A-2a		602,071.00	602,071.00		
Fees and Permits - Additional	A-2a		2,225.00	2,225.00		
Municipal Court:						
Fines and Costs	A-2a	108,020.14	1,567,823.30	1,675,843.44		
Parking Meters	A-2a					
Interest on Investments and Deposits	A-2a		113,890.95	113,890.95		
Rental of Testing Station	A-2a					
State School Building Aid (Ch. 212, P.L. 1975)	A-2a		15,860.00	15,860.00		
Energy Receipts Tax	A-2a		2,583,884.00	2,583,884.00		
Consolidated Municipal Property Tax Relief	A-2a		383,182.00	383,182.00		

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

A-15  
Sheet # 2

	Ref.	Balance	Accrued	Collections		Balance
		<u>Dec. 31, 2010</u>	<u>in 2011</u>	<u>Treasurer</u>	<u>Collector</u>	<u>Dec. 31, 2011</u>
Interlocal Government Services:						
Fire Services	A-2a	\$	\$ 971,528.00	\$ 971,528.00	\$	\$
Health Contracts	A-2a		205,534.00	205,534.00		
Animal Control Services:						
Glen Ridge	A-2a		8,587.00	8,587.00		
Nutley	A-2a		37,910.23	37,910.23		
Verona	A-2a		31,605.61	31,605.61		
Anticipated Utility Surplus - Water	A-2a		100,000.00	100,000.00		
Anticipated Utility Surplus - Sewer	A-2a		100,000.00	100,000.00		
Uniform Fire Safety Act	A-2a		51,689.30	51,689.30		
Cable Television Franchise Fee	A-2a		499,934.05	499,934.05		
Section 8 - Administrative Costs	A-2a		20,000.00	20,000.00		
Towing - Administrative Costs	A-2a		5,049.00	5,049.00		
Payments in Lieu of Taxes:						
Montclair Senior Housing Corp. (Orange Road)	A-2a		84,631.00		84,631.00	
First Montclair Housing Corp. (Walnut Street)	A-2a		108,743.00		108,743.00	
RTD Management Corp. (Lackawanna Plaza)	A-2a	11,700.00	91,054.00		102,754.00	
RTD Management Corp. (Union Gardens)	A-2a	92,335.50	77,021.00		169,356.50	
RTD Management Corp. (United Methodist Homes - Pineridge of Montclair)	A-2a		25,815.00		25,815.00	
MAG	A-2a		99,842.28		99,842.28	
11 Pine Street	A-2a		216,961.11		216,961.11	
Lease - Orange Road Parking Plaza	A-2a		44,057.97	44,057.97		
Capital Fund Surplus	A-2a		400,000.00	400,000.00		
Alarm Registration Fees	A-2a		187,475.09	187,475.09		
Rear Yard Refuse Collection	A-2a		64,525.00	64,525.00		
Parking Authority Revenue Sharing - Montclair	A-2a		500,000.00	500,000.00		
Reimbursement of Debt Service - Sewer Utility Operating	A-2a		175,000.00	175,000.00		
Penalty on Delinquent Taxes	A-2a		155,903.96	155,903.96		
Montclair Early Childhood Corp. - Debt Service Contribution	A-2a					
Salvation Army - Shelter Rent	A-2a	2,500.00				2,500.00
Sale of Municipal Assets	A-2a		300,000.00	300,000.00		
Administrative Fees - Police Off-Duty	A-2a		65,734.12	65,734.12		
		<u>\$ 214,555.64</u>	<u>\$ 10,793,498.16</u>	<u>\$ 10,197,400.91</u>	<u>\$ 808,152.89</u>	<u>\$ 2,500.00</u>
	<u>Ref.</u>	A	Reserve	Below	A-5	A

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

A-15  
Sheet # 3

	<u>Ref.</u>	<u>Collections</u> <u>2011</u>
Collections:		
Treasurer	A-4	\$ 9,857,473.42
Accrued Interest		
Cash Management Fund	A-6	3.76
Interfunds Payable	A-29	3,841.73
Unappropriated Revenue	A-40	300,000.00
Prepaid Revenue	A-37	<u>36,082.00</u>
	Sheet # 2	<u>\$ 10,197,400.91</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

FEDERAL AND STATE GRANT FUND RECEIVABLES  
YEAR ENDED DECEMBER 31, 2011

A-16  
Sheet # 1

	Balance Dec. 31, 2010	Realized in 2011	Collections	Cancelled	Balance Dec. 31, 2011
Municipal Alliance on Alcoholism and Drug Abuse:					
2007	\$ 6.06	\$	\$	\$ 6.06	\$
2010	42,215.80		38,699.34		3,516.46
2011		54,100.00			54,100.00
Shaping New Jersey - Mini-Grant		15,000.00	15,000.00		
Essex County Health Commission		3,477.60	3,477.60		
Emergency Notification Grant		25,000.00	24,989.25		10.75
Clean Communities Program:					
2005	30,187.30			30,187.30	
2011		55,074.21	55,074.21		
Safe and Secure Communities:					
2010	60,000.00		60,000.00		
2011		60,000.00			60,000.00
Alcohol Education, Rehabilitation and Enforcement Fund:					
Prior Years	1,245.24				1,245.24
2011		6,687.90	6,687.90		
Nonpublic School Nursing:					
2006	57,469.60			57,469.60	
2011		111,868.00	111,868.00		
Cable Communication Grant		5,000.00	5,000.00		
Commuter Bus Transportation Grant:					
2003	4,244.00			4,244.00	
2005	1,000.73			1,000.73	
N.J. Department of Environmental Protection:					
Environmental Service Program:					
2004	2,500.00			2,500.00	
Pandemic Influenza Preparedness	824.00			824.00	
National Association of Health Officers		5,000.00	5,000.00		
Body Armor Replacement Fund		12,207.04	12,207.04		
Senior Citizens Public Health Nursing					
2007	1.00			1.00	
2010	3,885.00		3,885.00		
2011		15,537.00	7,376.00		8,161.00
N.J. Department of Community Affairs:					
Statewide Livable Communities - Library Aid - 2005	50,000.00			50,000.00	
Recycling Tonnage Grant		38,053.11	38,053.11		
Department of Community Affairs:					
FDA Central Region Retail Food Spec.:					
2009	2,000.00		2,000.00		
2011		2,000.00			2,000.00
N.J. Department of Health and Senior Services:					
State Health Services Grant					
Influenza A - H1N1 Virus:					
2007	30,516.00				30,516.00
2011		10,000.00	9,984.14		15.86
Department of Environmental Protection					
Climate Showcase Communities Grant					
2010	75,000.00		31,656.25		43,343.75
U.S. Dept of Home Security					
Assistance to Firefighters:					
2010	93,565.00		68,300.00		25,265.00

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

FEDERAL AND STATE GRANT FUND RECEIVABLES  
YEAR ENDED DECEMBER 31, 2011

A-16  
Sheet # 2

	Balance Dec. 31, 2010	Realized in 2011	Collections	Cancelled	Balance Dec. 31, 2011
Bulletproof Vest Partnership Grant:					
2006	\$ 2,937.88	\$	\$	\$	\$ 2,937.88
2007	54.66				54.66
N.J. Highway Traffic Safety:					
You Drink, You Drive, You Lose:					
2005	250.00			250.00	
2006	100.00			100.00	
2011					
N.J. Highway Traffic Safety:					
Pedestrian Safety Education and Enforcement:					
2005	131.03			131.03	
2006	2,375.12			2,375.12	
2007	436.48			436.48	
2010	13,000.00		12,988.20		11.80
2011		16,000.00			16,000.00
Over the Limit, Under Arrest					
2007	125.00			125.00	
2010	5,000.00		5,000.00		
Click It or Ticket		4,000.00	4,000.00		
Local Domestic Preparedness					
2005	12,643.39			12,643.39	
U.S. Department of Energy:					
Energy Efficiency and Conservation Block Grant:					
2010	130,000.00		130,000.00		
County of Essex:					
Local Arts Program:					
2010	625.00		625.00		
Ed Byrne Memorial Justice Assistance:					
2009	16,876.00		1,200.00		15,676.00
2011					
New Jersey Department of Transportation:					
Safe Routes to School Program					
2007	324,000.00				324,000.00
Other Grants:					
NJLM Educational Foundation:					
Sustainable Jersey Small Grant:					
2010	12,500.00				12,500.00
	<u>\$ 975,714.29</u>	<u>\$ 439,004.86</u>	<u>\$ 653,071.04</u>	<u>\$ 162,293.71</u>	<u>\$ 599,354.40</u>
<u>Ref.</u>	A	A-39	Below	A-39	A
		<u>Ref.</u>			
Interfunds		A-18	\$ 635,864.00		
Applied from Unappropriated Reserves		A-40	17,207.04		
		Above	<u>\$ 653,071.04</u>		

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

INTERFUNDS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

A-17

	Ref.	Total Current Fund	Current Fund						Parking Utility Capital Fund
			Animal Control Trust Fund	Sewer Capital Fund	General Capital Fund	Water Operating Fund	Sewer Operating Fund	Payroll Account	
Balance, December 31, 2010:	A	\$ 88,118.15	\$ 3.00	\$	\$	\$ 5,170.67	\$	\$	\$ 82,944.48
Increased by:									
Advances	A-4	6,514,128.90	90.00	500,000.00		509,000.00	4,500,000.00	1,005,038.90	
Transferred from Interfunds Payable	A-29	12,295.91			12,295.91				
		<u>6,614,542.96</u>	<u>93.00</u>	<u>500,000.00</u>	<u>12,295.91</u>	<u>514,170.67</u>	<u>4,500,000.00</u>	<u>1,005,038.90</u>	<u>82,944.48</u>
Decreased by:									
Settlements	A-4	6,519,299.57	90.00	500,000.00		514,170.67	4,500,000.00	1,005,038.90	
Balance, December 31, 2011:	A	<u>\$ 95,243.39</u>	<u>3.00</u>	<u>\$</u>	<u>\$ 12,295.91</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>82,944.48</u>
<u>Analysis of Interfund Charge to Fund Balance</u>									
Balance December 31, 2011		\$ 95,243.39							
Balance December 31, 2010		<u>88,118.15</u>							
Net Charge to Operations	A-1	<u>\$ 7,125.24</u>							

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

INTERFUNDS RECEIVABLE  
FEDERAL AND STATE GRANT FUND  
YEAR ENDED DECEMBER 31, 2011

A-18

	Ref.	Total Federal and State Grant Fund	Federal and State Grant Fund	
			Current Fund	General Capital Fund
Balance, December 31, 2010	A	\$ 269,133.37	\$ 142,008.37	\$ 127,125.00
Increased by:				
Grant Match	A-39	183,232.00	183,232.00	
Anticipated Revenue	A-16	439,004.86	439,004.86	
Grants Received thru Current Fund:				
Grants Receivable	A-16	635,864.00	635,864.00	
Unappropriated Revenue	A-40	76,176.79	76,176.79	
		<u>1,334,277.65</u>	<u>1,334,277.65</u>	
		<u>1,603,411.02</u>	<u>1,476,286.02</u>	<u>127,125.00</u>
Decreased by:				
Grant Reserves Cancelled	A-39	18,380.56	18,380.56	
Budget Appropriation	A-39	439,004.86	439,004.86	
Grants Disbursed thru Current Fund	A-39	516,208.89	516,208.89	
		<u>973,594.31</u>	<u>973,594.31</u>	
Balance, December 31, 2011	A	<u>\$ 629,816.71</u>	<u>\$ 502,691.71</u>	<u>\$ 127,125.00</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

DEFERRED CHARGES  
YEAR ENDED DECEMBER 31, 2011

A-19

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$ 175,000.00
Increased by:		
2011 Appropriations:		
Emergency Authorizations		
(40A:4-47)	A-3	<u>369,300.00</u>
		544,300.00
Decreased by:		
2011 Appropriations	A-3	<u>175,000.00</u>
Balance, December 31, 2011	A	<u>\$ 369,300.00</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

DEFERRED CHARGES  
N.J.S.A. 40A:4-55 SPECIAL EMERGENCY  
YEAR ENDED DECEMBER 31, 2011

A-20

Date Authorized	Purpose	Net Amount Authorized	1/5 of Net Amount Authorized	Balance Dec. 31, 2010	Budget Appropriation	Budget Appropriation	Balance Dec. 31, 2011
11-14-11	Tax Maps	\$ 890,000.00	\$ 178,000.00	\$	\$ 890,000.00		\$ 890,000.00
2-28-06	Revaluation Program			213,000.00		213,000.00	
		<u>\$ 890,000.00</u>	<u>\$ 178,000.00</u>	<u>\$ 213,000.00</u>	<u>\$ 890,000.00</u>	<u>\$ 213,000.00</u>	<u>\$ 890,000.00</u>
	<u>Ref.</u>			A	A-3	A-3	A

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011

	Balance Dec. 31, 2010		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<u>General Government</u>					
Township Council:					
Salaries and Wages	\$	\$ 125.12	\$ 125.12	\$	\$ 125.12
Other Expenses	534.85	1,699.88	2,234.73	652.52	1,582.21
Township Manager:					
Salaries and Wages		27,736.93	27,736.93	14,535.26	13,201.67
Other Expenses	16,308.91	26,349.53	40,658.44	17,310.00	23,348.44
Township Clerk:					
Salaries and Wages		19,211.78	19,211.78	5,811.20	13,400.58
Other Expenses	525.43	12,908.66	13,434.09	1,084.23	12,349.86
Election Expense:					
Salaries and Wages		1,219.24	1,219.24		1,219.24
Other Expenses		451.78	451.78		451.78
Township Attorney:					
Salaries and Wages		5,006.52	5,006.52	4,142.95	863.57
Other Expenses	25.50	71,155.55	71,181.05	34,707.00	36,474.05
Municipal Court:					
Salaries and Wages		3,569.58	12,069.58	11,263.66	805.92
Other Expenses	3,648.26	9,681.01	13,329.27	3,547.15	9,782.12
Postage:					
Other Expenses	2,694.00	10,720.05	13,414.05	2,694.00	10,720.05
<u>Finance Department</u>					
Administration:					
Salaries and Wages		9,495.95	9,495.95		9,495.95
Other Expenses	15,241.54	24,266.92	39,508.46	24,079.67	15,428.79
Accounting and Treasury:					
Salaries and Wages		13,803.16	11,803.16	9,014.87	2,788.29
Other Expenses	1,115.14	4,463.08	5,578.22	1,714.57	3,863.65
Assessor's Office:					
Salaries and Wages		4,364.85	4,364.85	4,169.98	194.87
Other Expenses	7,418.93	26,001.93	33,420.86	17,491.43	15,929.43
Tax Collector:					
Salaries and Wages		7,633.32	7,633.32	4,771.27	2,862.05
Other Expenses	69.25	152.12	221.37		221.37

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011

	Balance Dec. 31, 2010		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<u>Finance Department</u>					
Auditing:					
Other Expenses	\$	\$ 45,060.00	\$ 45,060.00	\$ 39,894.00	\$ 5,166.00
<u>Planning and Community Development</u>					
Administration:					
Salaries and Wages		13,565.68	13,565.68	4,459.15	9,106.53
Other Expenses	3,554.53	8,273.33	11,827.86	3,527.65	8,300.21
Municipal Land Use Law (N.J.S.A. 40:55D-1):					
Planning Board:					
Other Expenses	2,597.01	3,481.57	6,078.58	2,808.93	3,269.65
Board of Adjustment:					
Other Expenses	499.23	1,364.51	1,863.74	1,822.34	41.40
<u>Administration and Code Enforcement Department</u>					
Salaries and Wages		28,946.10	28,946.10	9,751.17	19,194.93
Other Expenses	186.05	177.72	363.77	186.05	177.72
<u>Police Department</u>					
Salaries and Wages		876,927.70	876,927.70	501,539.61	375,388.09
Other Expenses	108,650.86	21,488.18	130,139.04	94,734.41	35,404.63
<u>Fire Department</u>					
Salaries and Wages		66,354.23	198,354.23	196,700.51	1,653.72
Other Expenses	46,185.24	1,270.49	54,455.73	48,958.15	5,497.58
<u>Public Works Department</u>					
Community Services Administration:					
Salaries and Wages		8,430.67	10,430.67	9,631.22	799.45
Other Expenses	1,902.14	1,394.96	3,297.10	1,647.87	1,649.23
Engineering:					
Salaries and Wages		25,891.32	15,891.32	6,750.71	9,140.61
Other Expenses	1,354.05	1,898.49	3,252.54	636.58	2,615.96

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011

	Balance Dec. 31, 2010		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<u>Public Works Department</u>					
<u>Street Repairs and Maintenance:</u>					
Salaries and Wages	\$	\$ 11,286.87	\$ 11,286.87	\$ 7,260.87	\$ 4,026.00
Other Expenses	559.90	11,439.79	11,999.69	603.06	11,396.63
<u>Sanitary and Storm Sewer Maintenance:</u>					
Salaries and Wages		995.24	2,995.24	2,134.41	860.83
Other Expenses	830.35	1,588.84	2,419.19	271.75	2,147.44
<u>Refuse Collection and Disposal:</u>					
Salaries and Wages		63,462.68	63,462.68	15,664.87	47,797.81
Other Expenses	6,969.96	10,240.29	17,210.25	7,066.83	10,143.42
<u>Storm Clearance:</u>					
Salaries and Wages		4,892.88	7,892.88	7,458.57	434.31
Other Expenses	71,419.54	12,069.18	83,488.72	36,193.43	47,295.29
<u>Traffic:</u>					
Salaries and Wages		3,222.75	3,222.75	2,699.93	522.82
Other Expenses	3,555.35	1,182.57	6,737.92	4,839.68	1,898.24
<u>Central Garage Operation:</u>					
Salaries and Wages		25,589.80	25,589.80	5,939.39	19,650.41
Other Expenses	26,635.22	44,989.35	71,624.57	25,697.29	45,927.28
<u>Building Maintenance:</u>					
Salaries and Wages		10,191.09	10,191.09	865.91	9,325.18
Other Expenses	9,067.89	13,215.53	25,283.42	15,766.73	9,516.69
<u>Parks Maintenance:</u>					
Salaries and Wages		64,400.71	64,400.71	7,746.70	56,654.01
Other Expenses	15,747.30	9,191.51	24,938.81	15,640.49	9,298.32
<u>Shade Trees:</u>					
Salaries and Wages		25,675.95	25,675.95	4,857.16	20,818.79
Other Expenses	1,387.67	24,653.56	26,041.23	17,035.43	9,005.80

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011

	Balance Dec. 31, 2010		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<u>Parks, Recreation and Cultural Affairs Department</u>					
Recreation Programs:					
Salaries and Wages	\$	\$ 9,338.36	\$ 9,338.36	\$ 6,575.68	\$ 2,762.68
Other Expenses	4,312.19	22,948.29	27,260.48	4,353.96	22,906.52
<u>Health and Human Services Department</u>					
Health Services:					
Salaries and Wages		85,485.17	55,485.17	11,960.00	43,525.17
Other Expenses	3,039.63	11,252.85	14,292.48	3,642.49	10,649.99
Nursing Services:					
Salaries and Wages		4,504.95	4,504.95	3,571.79	933.16
Other Expenses					
Administration of Public Assistance:					
Salaries and Wages		12,617.94	12,617.94		12,617.94
Other Expenses		1,353.75	1,353.75		1,353.75
Animal Control:					
Salaries and Wages		4,521.59	4,521.59	3,657.59	864.00
Other Expenses	5,334.01	4,138.90	13,972.91	11,183.58	2,789.33
<u>Miscellaneous and Other</u>					
Refuse Tipping Fees:					
Other Expenses	73,661.09	447,907.33	451,568.42	281,984.60	169,583.82
Mandatory Recycling Act:					
Other Expenses		39,848.00	39,848.00		39,848.00
Insurances:					
Liability		134,510.29	134,510.29	76,430.05	58,080.24
Employee Group Insurance	132,015.61	143,615.43	225,631.04	135,082.65	90,548.39
Cable T.V.:					
Salaries and Wages		10,000.00	10,000.00		10,000.00
Other Expenses		2,500.00	2,500.00		2,500.00
Defined Contribution Retirement Plan		30.42	30.42		30.42

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011

	Balance Dec. 31, 2010		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<u>Special Programs and Activities</u>					
<u>Parks, Recreation and Cultural</u>					
<u>Affairs:</u>					
Other Expenses	\$ 4,555.95	\$ 10,878.82	\$ 15,434.77	\$ 3,520.29	\$ 11,914.48
<u>Uniform Construction Code - Appropriations Offset</u>					
<u>by Dedicated Revenues</u>					
Salaries and Wages		27,920.80	17,920.80	7,658.10	10,262.70
Other Expenses	2,709.66	11,529.33	14,238.99	3,139.17	11,099.82
<u>Unclassified</u>					
<u>Emergency Assistance Coalition:</u>					
Other Expenses		50.00	50.00		50.00
<u>Utilities:</u>					
Gasoline	21,591.00	20,008.95	51,599.95	48,650.80	2,949.15
Fuel - Diesel	6,715.41	7,012.02	28,727.43	26,794.52	1,932.91
Electricity	11,246.13	142,282.15	178,528.28	178,528.28	-
Telephone	14,691.47	25,887.88	40,579.35	34,870.66	5,708.69
Natural Gas		78,544.48	78,544.48	78,386.84	157.64
Street Lighting	170,025.61	52,871.18	222,896.79	218,152.33	4,744.46
Water		8,188.94	8,188.94		8,188.94
<u>Contingent</u>	913.60	2,586.40	3,500.00	1,862.80	1,637.20
<u>Statutory Expenditures</u>					
Contributions to Social Security System		139,563.93	99,563.93	23,970.62	75,593.31
<u>Total Appropriations Within "CAPS"</u>	<u>799,495.46</u>	<u>3,184,728.65</u>	<u>3,984,224.11</u>	<u>2,421,757.41</u>	<u>1,562,466.70</u>

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011

	Balance Dec. 31, 2010		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<u>Other Operations</u>					
Maintenance of Free Public Library	\$	\$	\$	\$	\$
Interlocal Municipal Service Agreements:					
Interlocal Nursing Services - Nutley:					
Other Expenses	3,832.00	12,449.25	16,281.25	2,537.50	13,743.75
Total Appropriations Excluded from "CAPS"	3,832.00	12,449.25	16,281.25	2,537.50	13,743.75
<b>Total</b>	<b>\$ 803,327.46</b>	<b>\$ 3,197,177.90</b>	<b>\$4,000,505.36</b>	<b>\$2,424,294.91</b>	<b>\$ 1,576,210.45</b>
<u>Ref.</u>	A	A	A-4	A-1	

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

RESERVE FOR TAX MAP  
DECEMBER 31, 2011

A-22

	<u>Ref.</u>	
Balance, December 31, 2010	A	<u>\$ 9,395.00</u>
Balance, December 31, 2011	A	<u><u>\$ 9,395.00</u></u>

RESERVE FOR REVALUATION  
DECEMBER 31, 2011

A-23

	<u>Ref.</u>	
Balance, December 31, 2010	A	<u>\$ 10,980.26</u>
Balance, December 31, 2011	A	<u><u>\$ 10,980.26</u></u>

RESERVE FOR TAX APPEALS  
YEAR ENDED DECEMBER 31, 2011

A-24

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$ 300,000.00
Increased by:		
2011 Budget Appropriations	A-3	<u>300,000.00</u>
Balance, December 31, 2011	A	<u><u>\$ 600,000.00</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

RESERVE FOR MAINTENANCE OF  
FREE PUBLIC LIBRARY WITH STATE AID  
YEAR ENDED DECEMBER 31, 2011

A-25

	<u>Ref.</u>	
Increased by:		
State Aid	A-4	\$17,359.00
Decreased by:		
Payments	A-4	<u>17,359.00</u>
		<u>\$</u>

ACCOUNTS PAYABLE  
YEAR ENDED DECEMBER 31, 2011

A-26

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$ 7,490.19
Decreased by:		
Cash Disbursements	A-4	<u>7,235.10</u>
Balance, December 31, 2011	A	<u>\$ 255.09</u>

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

DUE TO STATE OF NEW JERSEY  
YEAR ENDED DECEMBER 31, 2011

A-27

	Ref.	<u>Total</u>	<u>Construction Training Fees</u>	<u>Marriage Surcharge Fees</u>
Balance, December 31, 2010	A	\$ 10,896.00	\$ 10,196.00	\$ 700.00
Increased by:				
Collections	A-4	<u>49,623.00</u>	<u>45,238.00</u>	<u>4,385.00</u>
		60,519.00	55,434.00	5,085.00
Decreased by:				
Payments	A-4	<u>50,364.00</u>	<u>46,129.00</u>	<u>4,235.00</u>
Balance, December 31, 2011	A	<u>\$ 10,155.00</u>	<u>\$ 9,305.00</u>	<u>\$ 850.00</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

TAX OVERPAYMENTS  
YEAR ENDED DECEMBER 31, 2011

A-28

	<u>Ref.</u>		
Balance, December 31, 2010	A		\$ 987,878.66
Increased by:			
Cash Receipts	A-5		<u>3,450,783.89</u>
			4,438,662.55
Decreased by:			
Cancelled	A-1	\$ 180,755.98	
Refunds	A-4	2,188,594.66	
Applied to Taxes	A-10	<u>268,291.42</u>	
			<u>2,637,642.06</u>
Balance, December 31, 2011	A		<u>\$ 1,801,020.49</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

INTERFUNDS PAYABLE  
YEAR ENDED DECEMBER 31, 2011

A-29

	Ref.	Total	Federal and State Grant Fund	Assessment Trust Fund	General Trust Fund	General Capital Fund	Water Capital Fund
Balance, December 31, 2010	A	\$ 1,465,603.15	\$ 142,008.37	\$ 39,729.04	\$ 25,427.80	\$ 1,201,635.07	\$ 56,802.87
Increased by:							
Budget Appropriation	A-3	666,236.86	622,236.86		23,000.00	21,000.00	
Transferred to Interfunds Receivable	A-17	12,295.91			12,295.91		
Advances	A-4	14,270,347.04	712,040.79	6,114.22	1,010,245.24	11,541,946.79	1,000,000.00
		<u>14,948,879.81</u>	<u>1,334,277.65</u>	<u>6,114.22</u>	<u>1,045,541.15</u>	<u>11,562,946.79</u>	<u>1,000,000.00</u>
		<u>16,414,482.96</u>	<u>1,476,286.02</u>	<u>45,843.26</u>	<u>1,070,968.95</u>	<u>12,764,581.86</u>	<u>1,056,802.87</u>
Decreased by;							
Settlements	A-4	15,120,203.79	516,208.89		1,010,245.24	12,536,946.79	1,056,802.87
Revenue Accounts Receivable	A-15	3,841.73			560.93	3,280.80	
Miscellaneous Revenue Unanticipated	A-1	78,543.34	18,380.56		60,162.78		
Anticipated Revenue	A-2	439,004.86	439,004.86				
		<u>15,641,593.72</u>	<u>973,594.31</u>		<u>1,070,968.95</u>	<u>12,540,227.59</u>	<u>1,056,802.87</u>
Balance, December 31, 2011	A	<u>\$ 772,889.24</u>	<u>\$ 502,691.71</u>	<u>\$ 45,843.26</u>	<u>\$</u>	<u>\$ 224,354.27</u>	<u>\$</u>

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TOWNSHIP OF MONTCLAIR  
CURRENT FUND

INTERFUND PAYABLE  
FEDERAL AND STATE GRANT FUND  
DECEMBER 31, 2011

A-30

	<u>Ref.</u>	<u>General Trust Fund</u>
Balance, December 31, 2010	A	<u>\$ 2,000.00</u>
Balance, December 31, 2011	A	<u>\$ 2,000.00</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

COUNTY TAXES  
YEAR ENDED DECEMBER 31, 2011

A-31

	<u>Ref.</u>		
Balance, December 31, 2010	A		\$ 35,310.25
Increased by:			
2011 Tax Levy		\$ 29,192,271.18	
2011 Open Space		1,040,194.74	
2011 Added and Omitted		<u>53,164.86</u>	
	A-1, A-2c, A-10		<u>30,285,630.78</u>
			<u>30,320,941.03</u>
Decreased by:			
Payments	A-4		<u>30,267,776.17</u>
Balance, December 31, 2011	A		<u><u>\$ 53,164.86</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

LOCAL SCHOOL DISTRICT TAX  
YEAR ENDED DECEMBER 31, 2011

A-32

	<u>Ref.</u>	
Balance, December 31, 2010	Below	\$ 50,551,922.00
Increased by:		
Levy - School Year July 1, 2011 to June 30, 2012	A-1, A-2c, A-10	<u>97,509,698.00</u> <u>148,061,620.00</u>
Decreased by:		
Payments	A-4	<u>99,306,771.00</u>
Balance, December 31, 2011		
School Tax Deferred	Below	<u>\$ 48,754,849.00</u>
<u>Analysis of Decrease in Deferred School Tax</u>		
Deferred School Tax December 31, 2010	Above	\$ 50,551,922.00
Deferred School Tax December 31, 2011	Above	<u>48,754,849.00</u>
Charge to Operations	A-1	<u>\$ 1,797,073.00</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

SPECIAL IMPROVEMENT DISTRICT TAXES PAYABLE  
YEAR ENDED DECEMBER 31, 2011

A-33

	<u>Ref.</u>	
Balance, December 31, 2010:	A	\$ 13,469.28
Increased by:		
2011 Tax Levy	A-1, A-2c, A-10	<u>416,933.72</u>
		430,403.00
Decreased by:		
Payments	A-4	<u>418,000.00</u>
Balance, December 31, 2011	A	<u>\$ 12,403.00</u>

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TOWNSHIP OF MONTCLAIR  
CURRENT FUND

EMERGENCY NOTE PAYABLE  
YEAR ENDED DECEMBER 31, 2011

A-34

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$ 213,000.00
Decreased by:		
Cash Disbursements	A-4	<u>213,000.00</u>
Balance, December 31, 2011		<u>\$</u>

CAPITAL NOTE PAYABLE  
YEAR ENDED DECEMBER 31, 2011

A-35

	<u>Ref.</u>	
Increased by:		
Cash Receipts	A-4	<u>\$ 1,259,300.00</u>
Balance, December 31, 2011	A	<u>\$ 1,259,300.00</u>

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

PREPAID TAXES  
YEAR ENDED DECEMBER 31, 2011

A-36

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$ 1,215,845.48
Increased by:		
Collection - 2012 Taxes	A-5	<u>986,522.41</u>
		2,202,367.89
Decreased by:		
Applied to 2011 Taxes Receivable	A-10	<u>1,215,845.48</u>
Balance, December 31, 2011	A	<u><u>\$ 986,522.41</u></u>

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TOWNSHIP OF MONTCLAIR  
CURRENT FUND

PREPAID REVENUE  
YEAR ENDED DECEMBER 31, 2011

A-37

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$ 36,082.00
Decreased by:		
Applied to Revenue Accounts Receivable	A-15	<u>36,082.00</u>
Balance, December 31, 2011		<u><u>\$</u></u>

DUE TO ESSEX COUNTY  
FEDERAL AND STATE GRANT FUND  
YEAR ENDED DECEMBER 31, 2011

A-38

	<u>Ref.</u>	
Increased by:		
Municipal Alliance on Drugs - Reserves Cancelled	A-39	<u>\$ 86,975.50</u>
Balance, December 31, 2011	A	<u><u>\$ 86,975.50</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

A-39  
Sheet # 1

FEDERAL AND STATE GRANTS  
APPROPRIATED RESERVES  
YEAR ENDED DECEMBER 31, 2011

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Transferred</u> <u>from Budget</u> <u>Appropriation</u>	<u>Expended</u> <u>Cash</u> <u>Disbursements</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
<b>Grants</b>					
Municipal Alliance on Alcohol and Drug Abuse					
2006	\$ 66,138.32	\$	\$	\$ 66,138.32	\$
2007	12,531.06			12,531.06	
2008	15,908.92			15,908.92	
2009	14,525.00			14,525.00	
2010	35,757.06		22,496.72		13,260.34
2011		67,625.00	30,647.16		36,977.84
Clean Communities Program:					
2006	2,137.70			2,137.70	
2008	9,900.00			9,900.00	
2010	44,151.99				44,151.99
2011		55,074.21			55,074.21
Shaping New Jersey - Mini-Grant		15,000.00	1,278.44		13,721.56
Recycling Tonnage Grant		38,053.11			38,053.11
Commuter Bus Transportation Grant:					
2004	9,702.29			9,702.29	
N.J. Department of Environmental Protection:					
Environmental Service Program:					
2004	2,500.00			2,500.00	
N.J. State Police - F.I.F.I.S. Match:					
2002	5,156.64			5,156.64	
Safe and Secure Communities		229,707.00			229,707.00
Nonpublic School Nursing:					
2010	36,349.80		36,349.80		
2011		111,868.00	90,300.70		21,567.30
Hepatitis B Project:					
2001	1,457.78			1,457.78	
Body Armor Replacement Fund:					
Prior Years	32,580.76		26,057.95		6,522.81
2011		12,207.04			12,207.04
Emergency Notification Plan		25,000.00	23,423.52		1,576.48
Alcohol Education, Rehabilitation and Enforcement Fund:					
2008 - 2009	5,217.47		300.00		4,917.47
2010	6,786.86				6,786.86
2011		6,687.90			6,687.90
Statewide Livable Community - MTC					
Playground Renovations 2004	50,000.00			50,000.00	
Drunk Driving Enforcement Fund:					
2010	16,575.45		13,010.00		3,565.45
Essex County Division on Aging:					
Senior Citizen Public Health Nursing:					
2007	30.10			30.10	
2010	427.00			427.00	
2011		15,537.00	15,537.00		
N.J. Council on Arts					
2006	2,167.00			2,167.00	
Department of Community Affairs:					
Scheduling Service	300.00			300.00	
N.J. Highway Traffic Safety:					
You Drink, You Drive, You Lose:					
2006	100.00			100.00	
Click It or Ticket		4,000.00	1,400.00		2,600.00
Pedestrian Safety Education and Enforcement:					
2007	436.48			436.48	
2010	12,000.00		12,000.00		
2011		16,000.00	2,400.00		13,600.00
Over the Limit Under Arrest:					
2007	6.32			6.32	
2010	5,000.00		2,275.00		2,725.00

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

A-39  
Sheet # 2

FEDERAL AND STATE GRANTS  
APPROPRIATED RESERVES  
YEAR ENDED DECEMBER 31, 2011

	Balance Dec. 31, 2010	Transferred from Budget Appropriation	<u>Expended</u> Cash Disbursements	Cancelled	Balance Dec. 31, 2011
<u>Grants</u>					
HHS Office:					
Pandemic Influenza Preparedness: 2008	\$ 235.22	\$	\$	\$ 235.22	\$
State Health Services Grant					
Influenza A - H1N1 Virus					
2009	53,775.69			53,775.69	
2011		10,000.00	9,984.01		15.99
Division of Highway Safety Traffic Safety: 2006 and Prior Years	4,000.00				4,000.00
New Jersey Department of Transportation: Safe Routes to School Program					
2007	324,000.00				324,000.00
Lead Identification Testing:					
2009	2,900.00		2,880.00	20.00	
State of N.J. Tobacco Control					
2008	7,060.00			7,060.00	
2010	5,940.00				5,940.00
Justice Assistance Grant					
2007	1,758.50			1,758.50	
2009	17,593.50		15,312.50	2,281.00	
Local Law Enforcement Block Grant:					
2003	7,208.36			7,208.36	
U.S. Department of Home Security: FEMA - Assistance to Firefighter:					
2004	19,300.10				19,300.10
2005	571.84				571.84
2008	13,365.07				13,365.07
2010	106,514.00		71,065.13		35,448.87
Bulletproof Vest Partnership Grant:					
2006	3,223.86		3,223.86		
2007	3,315.25		3,315.25		
Department of Environmental Protection: Climate Showcase Communities Grant:					
2010	75,000.00		34,486.90		40,513.10
U.S. Department of Energy: Energy Efficiency and Conservation Block Grant:					
2010	145,000.00		72,646.66		72,353.34
<u>Other Grants:</u>					
Interlocal Agreements:					
Montclair Board of Education - 2005	1,020.00			1,020.00	
Borough of Glen Ridge - 2005	50.00			50.00	
Association of New Jersey Environmental Commission:					
2006 and Prior Years	2.19			2.19	
National Association of County Health Officers:					
2007	880.24		166.34	713.90	
2008	4,480.00		24.43		4,455.57
2011		5,000.00			5,000.00
Emergency Preparedness Grant - 2009	2.50	3,477.60			3,480.10
Safety Incentive Award					
2010	100.30			100.30	
Mountainside Health Foundation:					
2010	9,500.00				9,500.00
NJLIM Educational Foundation: Sustainable Jersey Small Grant:					
2010	25,000.00		21,756.00		3,244.00
Cable Communication Grant		5,000.00			5,000.00
Retail Program Standards Initiative		2,000.00	1,921.47		78.53
Partners in Health Foundation - TV 34 News and Views:					
2010	5,000.00		1,950.05		3,049.95
	<u>\$ 1,224,640.62</u>	<u>\$ 622,236.86</u>	<u>\$ 516,208.89</u>	<u>\$ 267,649.77</u>	<u>\$ 1,063,018.82</u>

<u>Ref.</u>	A	Below	A-18	Below	A
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Ref.

Budget Appropriations	A-16	\$ 439,004.86			
Grant Match	A-18	183,232.00			
Cancelled against Grants Receivable	A-16			\$ 162,293.71	
Due to Current Fund	A-18			18,380.56	
Due to Essex County	A-38			86,975.50	
		<u>\$ 622,236.86</u>		<u>\$ 267,649.77</u>	

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

ACCUMULATED REVENUE UNAPPROPRIATED  
YEAR ENDED DECEMBER 31, 2011

A-40

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Increase</u>	<u>Decrease</u> <u>Anticipated as</u> <u>Current Fund</u> <u>Revenue</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Regular				
Proceeds from Sale of Municipal Assets	\$ 437,474.00	\$	\$ 300,000.00	\$ 137,474.00
<u>Federal and State Grant Fund</u>				
Recycling Tonnage Grant		46,085.17		46,085.17
Homeland Security - Fire		9,500.00		9,500.00
Drunk Driving Enforcement Fund		8,037.18		8,037.18
Bulletproof Vest Program		2,857.65		2,857.65
Donation - Police		250.00		250.00
Body Amor Grant	12,207.04	9,446.79	12,207.04	9,446.79
National Association of County Health Officers:				
MRC Unit	5,000.00		5,000.00	
Safety Incentive Award	1,000.00			1,000.00
	<u>18,207.04</u>	<u>76,176.79</u>	<u>17,207.04</u>	<u>77,176.79</u>
	<u>\$ 455,681.04</u>	<u>#VALUE!</u>	<u>\$ 317,207.04</u>	<u>\$ 214,650.79</u>
<u>Ref.</u>	A	A-18	A-15, A-16	A

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

CASH RECEIPTS AND DISBURSEMENTS - TREASURER  
YEAR ENDED DECEMBER 31, 2011

B-2

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>	<u>General Trust Fund</u>	
Balance, December 31, 2010	B	\$ 17,854.60	\$ 2,840,601.82	
Increased by:				
Due from Montclair Housing Agency	B-7		999.96	
Community Development Block Grants	B-8		155,317.93	
Due from Municipal Court	B-9		52,015.50	
Other Accounts Receivable	B-10		1,165.47	
Interfunds Receivable	B-11		1,093,432.64	
Various Reserves and Deposits	B-13		6,280,470.76	
Section "8" Voucher Program	B-17		3,663,055.77	
State Registration Fees	B-12	1,416.60		
Donations for Animal Shelter	B-18	14,551.49		
Collection of Animal Control Fees	B-19	8,009.04		
State Unemployment Compensation Insurance	B-20		204.07	
		<u>23,977.13</u>		<u>11,246,662.10</u>
		41,831.73		14,087,263.92
Decreased by:				
Interfunds Receivable	B-11		1,091,988.94	
Payments to State	B-12	1,420.80		
Various Reserves and Deposits	B-13		6,205,255.81	
Community Development Block Grants	B-16		148,902.92	
Section "8" Voucher Program	B-17		3,558,919.54	
Animal Shelter Expenditures	B-18	4,652.65		
Expenditures Under R.S. 4:19-15.11	B-19	1,416.24		
Unemployment Claims Payable	B-20		76,739.50	
		<u>7,489.69</u>		<u>11,081,806.71</u>
Balance, December 31, 2011	B	<u>\$ 34,342.04</u>	<u>\$ 3,005,457.21</u>	

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TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

ANALYSIS OF ASSESSMENT CASH AND INVESTMENTS  
YEAR ENDED DECEMBER 31, 2011

B-3

	Balance	Transfers		Balance
	December 31, 2010	From	To	December 31, 2011
<u>General Accounts</u>				
Fund Balance	\$	\$	\$ 289.21	\$ 289.21
Current Fund Interfund	(39,729.04)	6,114.22		(45,843.26)
General Trust Fund Interfund	(8,757.15)			(8,757.15)
General Capital Fund Interfund	48,486.19		5,825.01	54,311.20
	<u>\$</u>	<u>\$ 6,114.22</u>	<u>\$ 6,114.22</u>	<u>\$</u>

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

ASSESSMENTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

B-4

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Date of Confirmation</u>	<u>Annual Installments</u>	<u>Due Dates</u>	<u>Balance December 31, 2010</u>		<u>Collected</u>	<u>Balance December 31, 2011</u>	
					<u>Pledged</u>	<u>Unpledged</u>		<u>Pledged</u>	<u>Unpledged</u>
02-41	Resurfacing and Curbing of Briar Hill Road	7-01-04	10	7-01 -12/13	<u>\$ 5,825.01</u>	<u>\$8,452.55</u>	<u>\$6,114.22</u>	<u>\$</u>	<u>\$8,163.34</u>
				<u>Ref.</u>	B	B	B-11		B

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

DUE FROM MONTCLAIR PUBLIC LIBRARY  
YEAR ENDED DECEMBER 31, 2011

B-5

	<u>Ref.</u>	
Balance, December 31, 2010	B	\$ 444.83
Decreased by:		
Cancelled	B-11	<u>444.83</u>
Balance, December 31, 2011		<u>\$</u>

DUE FROM MONTCLAIR BOARD OF EDUCATION  
YEAR ENDED DECEMBER 31, 2011

B-6

	<u>Ref.</u>	
Balance, December 31, 2010	B	\$ 4,626.14
Decreased by:		
Cancelled	B-11	<u>4,626.14</u>
Balance, December 31, 2011		<u>\$</u>

DUE FROM MONTCLAIR HOUSING AGENCY  
YEAR ENDED DECEMBER 31, 2011

B-7

	<u>Ref.</u>	
Balance, December 31, 2010		\$ 37,730.68
Decreased by:	B	
Collections	B-2	<u>999.96</u>
Balance, December 31, 2011	B	<u>\$ 36,730.72</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

B-8

<u>Program</u> <u>Year</u>		<u>Balance</u> <u>Dec. 31, 2010</u>	<u>2011</u> <u>Grants</u>	<u>Collections</u>	<u>Due from General</u> <u>Capital Fund</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
2008	ADA Improvements Municipal Building Entrance	\$ 9,010.00	\$	\$	\$ 9,010.00	\$
2009	Municipal Building ADA Elevator	93,350.00			93,350.00	
2010	Traffic Signal Installation Elm Street and Washington Street	237,595.00		155,317.93		82,277.07
2011	Bay Street Parking Lot		41,650.00			41,650.00
		<u>\$ 339,955.00</u>	<u>\$41,650.00</u>	<u>\$ 155,317.93</u>	<u>\$ 102,360.00</u>	<u>\$ 123,927.07</u>
	<u>Ref.</u>	B	B-16	B-2	B-11	B

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

DUE FROM MUNICIPAL COURT  
YEAR ENDED DECEMBER 31, 2011

B-9

	<u>Ref.</u>		
Balance, December 31, 2010	B		\$ 3,552.00
Increased by:			
Parking Offenses Adjudication Act		\$ 28,796.00	
Public Defender Application Fees		<u>19,667.50</u>	
	B-13		<u>48,463.50</u>
			52,015.50
Decreased by:			
Collections	B-2		<u>52,015.50</u>
Balance, December 31, 2011			<u><u>\$</u></u>

OTHER ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

B-10

	<u>Ref.</u>		
Balance, December 31, 2010	B		\$ 8,408.61
Decreased by:			
Collections	B-2	\$ 1,165.47	
Cancelled	B-11	<u>7,243.14</u>	
			<u>8,408.61</u>
Balance, December 31, 2011			<u><u>\$</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

INTERFUNDS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

B-11

	Ref.	Assessment Trust Fund			General Trust Fund					
		Total Assessment Trust Fund	Current Fund	General Trust Fund	Total General Trust Fund	General Capital Fund	Current Fund	Federal and State Grant Fund	Animal Control Trust Fund	Payroll Fund
Balance, December 31, 2010	B	\$ 48,486.19	\$ 39,729.04	\$ 8,757.15	\$ 69,470.37	\$	\$ 25,427.80	\$ 2,000.00	\$ 2,500.00	\$ 39,542.57
Increased by:										
Advances	B-2				1,091,988.94		1,067,090.54			24,898.40
Assessments Receivable	B-4	6,114.22	6,114.22							
Transfer to Interfunds Payable	B-14				12,295.91		12,295.91			
General Trust Fund Revenue										
Deposited in General Capital	B-8				102,360.00	102,360.00				
Special Deposit - Public Defender	B-13				23,000.00		23,000.00			
Cancellation of Accounts Receivable	B-5, B-6, B-10				12,314.11		12,314.11			
		<u>6,114.22</u>	<u>6,114.22</u>		<u>1,241,958.96</u>	<u>102,360.00</u>	<u>1,114,700.56</u>			<u>24,898.40</u>
		54,600.41	45,843.26	8,757.15	1,311,429.33	102,360.00	1,140,128.36	2,000.00	2,500.00	64,440.97
Decreased by:										
Settlements	B-2				1,093,432.64		1,068,534.24			24,898.40
Community Development Block Grant	B-16				9,010.00	9,010.00				
Cancellation of Special Deposits	B-13				71,594.12		71,594.12			
					<u>1,174,036.76</u>	<u>9,010.00</u>	<u>1,140,128.36</u>			<u>24,898.40</u>
Balance, December 31, 2011	B	\$ 54,600.41	\$ 45,843.26	\$ 8,757.15	\$ 137,392.57	\$ 93,350.00	\$	\$ 2,000.00	\$ 2,500.00	\$ 39,542.57

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TOWNSHIP OF MONTCLAIR  
TRUSTS FUNDS

DUE TO STATE OF NEW JERSEY  
YEAR ENDED DECEMBER 31, 2011

B-12

	<u>Ref.</u>		
Balance, December 31, 2010	B		\$ 4.20
Increased by:			
Registration Fees		\$ 953.00	
Pilot Clinic Fund Fees		190.60	
Population Control Fees		<u>273.00</u>	
	B-2		<u>1,416.60</u>
			<u>1,420.80</u>
Decreased by:			
Payments	B-2		<u>1,420.80</u>
Balance, December 31, 2011			<u><u>\$</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

SPECIAL DEPOSITS  
YEAR ENDED DECEMBER 31, 2011

B-13

	Balance Dec. 31, 2010	Receipts	Disbursements	Adjustment	Balance Dec. 31, 2011
Recycling Program	\$ 243,680.33	\$ 936,066.21	\$ 1,063,711.21	\$	\$ 116,035.33
Railroad Station Projects	108,558.55	42,960.00	5,662.84		145,855.71
Recreation	39,060.63	41,215.00	35,500.36		44,775.27
Parking Adjudication Fines	8,901.03		667.05	28,796.00	37,029.98
D.A.R.E. Donations	2,564.13	333.00			2,897.13
Uniform Fire Safety Act	80,001.05	31,426.00	29,160.32		82,266.73
Child Fire Safety	6,675.00	983.00			7,658.00
Body Armor Settlement	11,609.50				11,609.50
Police Off-Duty	51,128.79	891,105.00	859,492.35	(62,741.44)	20,000.00
Firemen Off-Duty	6,705.16	20,976.53	20,829.00	(6,852.69)	
Reserve for First Nite	346.76	32,265.00	26,613.08		5,998.68
Developers' Escrow	117,117.71	32,259.53		(87,164.14)	62,213.10
Performance Bonds	8,881.18				8,881.18
Planning Escrow Deposits	63,461.70	83,245.72	76,887.52	16,288.19	86,108.09
Inspection Escrow Deposits	32,375.96			45,304.88	77,680.84
Payment in Lieu of Bonds	10,479.20				10,479.20
Rental Security:					
Walnut Street	3,150.00				3,150.00
Bellevue Avenue	9,000.00				9,000.00
Mountain Avenue	1,000.00				1,000.00
Fire - Right-to-Know	595.00				595.00
LEA - Penalty Account	32,619.53	619.00			33,238.53
Snow Removal	53,948.62				53,948.62
Collector's Redemption Account	231,243.60	2,648,031.39	2,910,963.78	35,471.07	3,782.28
Public Defender Application Fees	1,556.00		45,500.50	43,944.50	
Bonsal Wildlife	2,000.00		2,000.00		
Hurricane Floyd Storm Damage Funds	3,331.27				3,331.27
Edgemont Memorial	2,314.05		279.00		2,035.05
Edgemont Playground	2,068.20				2,068.20
Various Self-Insurances	31,724.44				31,724.44
Health Program	90,007.24	58,639.02	32,559.80		116,086.46
Forfeited Assets	5,235.28	3,244.62	4,132.00		4,347.90
Miscellaneous	2,393.99	170.00		(2,563.99)	
Contributions for Public Memorials	713.00			(713.00)	
Voucher Program- COAH	426,876.66	85,560.59	154,297.00		358,140.25
Crime Prevention	100.00				100.00
Accumulated Absences		254,371.15			254,371.15
Premium on Tax Sales	1,217,900.00	1,117,000.00	937,000.00	(9,900.00)	1,388,000.00
Municipal Alliance Contribution	2,000.00				2,000.00
	<u>\$2,911,323.56</u>	<u>\$ 6,280,470.76</u>	<u>\$ 6,205,255.81</u>	<u>\$ (130.62)</u>	<u>\$ 2,986,407.89</u>
Ref.	B	B-2	B-2	Below	B
			Ref.		
		Due from Municipal Court	B-9	\$ 48,463.50	
		Interfunds Receivable:			
		Reserves Cancelled	B-11	(71,594.12)	
		Budget Appropriation	B-11	23,000.00	
				<u>\$ (130.62)</u>	

TOWNSHIP OF MONTCLAIR  
TRUSTS FUNDS

INTERFUNDS PAYABLE  
YEAR ENDED DECEMBER 31, 2011

B-14

	Ref.	Assessment	Total	<u>Animal Control Trust Fund</u>		Total	Current	Assessment
		Trust Fund General Capital Fund	Animal Control Trust Fund	Current Fund	General Trust Fund	General Trust Fund		
Balance, December 31, 2010	B	\$ 54,311.20	\$ 2,503.00	\$ 3.00	\$ 2,500.00	\$ 8,757.15	\$	\$ 8,757.15
Increased by:								
Transferred from Interfunds Receivable	B-11					12,295.91	12,295.91	
Balance, December 31, 2011	B	<u>\$ 54,311.20</u>	<u>\$ 2,503.00</u>	<u>\$ 3.00</u>	<u>\$ 2,500.00</u>	<u>\$ 21,053.06</u>	<u>\$ 12,295.91</u>	<u>\$ 8,757.15</u>

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TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

RESERVE FOR ASSESSMENTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

B-15

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2010 Unpledged</u>	<u>Applied to Fund Balance</u>	<u>Balance Dec. 31, 2011 Unpledged</u>
02-41	Resurfacing and Curbing of Briar Hill Road	<u>\$ 8,452.55</u>	<u>\$ 289.21</u>	<u>\$ 8,163.34</u>
	<u>Ref.</u>	B	B-1	B

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011

B-16

Program Year	<u>Analysis of Balance</u>	<u>Balance Dec. 31, 2010</u>	<u>2011 Grants</u>	<u>Expenditures</u>	<u>Balance Dec. 31, 2011</u>
1997	Montclair Neighborhood Development Corporation	\$ 956.00	\$	\$	\$ 956.00
2008	ADA Improvements Municipal Building Entrance	9,010.00		9,010.00	
2009	Municipal Building ADA Elevator	93,350.00		93,350.00	
2010	Traffic Signal Installation Elm Street and Washington Street	134,906.94		55,552.92	79,354.02
2011	Bay Street Parking Lot		41,650.00		41,650.00
		<u>\$ 238,222.94</u>	<u>\$ 41,650.00</u>	<u>\$ 157,912.92</u>	<u>\$ 121,960.02</u>
	<u>Ref.</u>	B	B-8	Below	B
			<u>Ref.</u>		
	Cash Disbursements		B-2	\$ 148,902.92	
	Due to General Capital Fund		B-11	9,010.00	
				<u>\$ 157,912.92</u>	

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TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

RESERVE FOR SECTION "8" VOUCHER PROGRAM  
YEAR ENDED DECEMBER 31, 2011

B-17

	<u>Ref.</u>	
Balance, December 31, 2010	B	\$ 8,892.14
Increased by:		
Housing and Urban Development Assistance:		
Cash Received		\$ 3,341,886.00
Interest Earned		647.75
Prior Year Outstanding Checks Cancelled		14,911.28
Adjustment		7.01
Payments Received from Other Municipalities and Other Sources		<u>305,603.73</u>
	B-2	<u>3,663,055.77</u>
		<u>3,671,947.91</u>
Decreased by:		
Housing Assistance Payments		3,280,099.04
Administrative Expenses		<u>278,820.50</u>
	B-2	<u>3,558,919.54</u>
Balance, December 31, 2011	B	<u><u>\$ 113,028.37</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

RESERVE FOR ANIMAL SHELTER EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011

B-18

	<u>Ref.</u>	
Balance, December 31, 2010	B	\$ 8,798.51
Increased by:		
Donations	B-2	<u>14,551.49</u>
		23,350.00
Decreased by:		
Expenditures	B-2	<u>4,652.65</u>
Balance, December 31, 2011	B	<u>\$ 18,697.35</u>

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011

B-19

	<u>Ref.</u>	
Balance, December 31, 2010	B	\$ 6,548.89
Increased by:		
Dog License Fees Collected		\$ 7,325.40
Cat License Fees Collected		566.50
Interest Earned		<u>117.14</u>
		8,009.04
	B-2	<u>14,557.93</u>
Decreased by:		
Expenditures Under R.S. 4:19-15.11	B-2	<u>1,416.24</u>
Balance, December 31, 2011	B	<u>\$ 13,141.69</u>

<u>License Fees Collected</u>	<u>Year</u>	<u>Amount</u>
	2010	\$ 6,453.20
	2009	<u>6,983.60</u>
		<u>\$ 13,436.80</u>

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

RESERVE FOR STATE UNEMPLOYMENT TRUST FUND EXPENDITURES    B-20  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance, December 31, 2010	B	\$ 137,593.66
Increased by:		
Interest Earned	B-2	<u>204.07</u>
		137,797.73
Decreased by:		
Unemployment Claims Payable	B-2	<u>76,739.50</u>
Balance, December 31, 2011	B	<u>\$ 61,058.23</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION  
YEAR ENDED DECEMBER 31, 2011

C-2

	<u>Ref.</u>		
Balance, December 31, 2010	C		\$ 12,118,353.89
Increased by Receipts:			
Premium on Sale of Notes and Bonds	C-1	\$ 212,437.78	
Interfunds Receivable	C-10	12,616,232.56	
Grants Receivable	C-4	578,246.79	
Due from Improvement District	C-8	10,000.00	
Due from Parking Authority	C-9	1,071,387.58	
Capital Improvement Fund	C-14	125,000.00	
interfunds Payable	C-15	257,677.93	
Reserve to Pay Debt Service	C-20	3,701,104.73	
School Serial Bonds	C-25	21,660,000.00	
General Serial Bonds	C-26	18,519,000.00	
Bond Anticipation Notes Issued	C-22	<u>45,930,200.00</u>	
			<u>104,681,287.37</u>
			<u>116,799,641.26</u>
Increased by Disbursements:			
Revenue Realized in Current Fund	C-1	400,000.00	
Interfunds	C-10	11,617,951.76	
Notes Receivable	C-7	1,259,300.00	
Due from Montclair Parking Authority	C-9	1,071,387.50	
Interfunds Payable	C-15	155,317.93	
Reserves for Future Improvements	C-16	218,907.66	
Improvement Authorizations	C-13	12,736,309.66	
Bond Anticipation Notes Redeemed	C-22	<u>71,976,800.00</u>	
			<u>99,435,974.51</u>
Balance, December 31, 2011	C		<u>\$ 17,363,666.75</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

ANALYSIS OF CASH  
YEAR ENDED DECEMBER 31, 2011

	Balance December 31, 2010	Receipts		Disbursements			Transfers		Balance December 31, 2011
		Bond Anticipation Notes	Other	Improvement Authorizations	Bond Anticipation Notes	Other	From	To	
<u>Improvement Authorizations</u>									
General Improvements:									
#98-11	\$ 137,797.27	\$	\$	\$ 2,526.26	\$	\$ 135,271.01	\$	\$	
#00-06	7,931.64					246.70			7,684.94
#00-09	580.73					283.73			297.00
#00-10	3,934.19					905.56			3,028.63
#00-13	(261.16)								(261.16)
#00-29	(6,503.52)	6,500.00							(3.52)
#01-05	(300.00)								(300.00)
#01-09, 01-55	2,512.30								2,512.30
#01-19	19,581.48								19,581.48
#01-20	3,597.93								3,597.93
#01-21	1,950.00								1,950.00
#01-22	84,760.00								84,760.00
#02-11	(114,234.69)	114,200.00							(34.69)
#02-23	5,909.45								5,909.45
#02-26	35,960.70								35,960.70
#02-27	180,964.28								180,964.28
#02-39	845.94								845.94
#02-40	1,813.79								1,813.79
#02-41	(4,500.00)								(4,500.00)
#03-08	(121,868.90)	121,800.00							(68.90)
#03-09	5,191.02								5,191.02
#03-10	7,277.35								7,277.35
#03-12	5,311.06								5,311.06
#03-41	78,955.51								78,955.51
#03-42	51,334.59								51,334.59
#03-44	62,763.24			3,131.98					59,631.26
#03-45	31,104.62			2,017.94					29,086.68
#04-03	13,442.14								13,442.14
#04-06	5,810.67								5,810.67
#04-07	2,884.23								2,884.23
#04-08	2,163.80								2,163.80
#04-09	(7,400.87)	7,400.00							(0.87)
#04-10	9,688.38								9,688.38
#04-20	(15,326.00)	4,175.00							(11,151.00)

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TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

ANALYSIS OF CASH  
YEAR ENDED DECEMBER 31, 2011

	Balance December 31, 2010	Receipts		Disbursements			Transfers		Balance December 31, 2011
		Bond Anticipation Notes	Other	Improvement Authorizations	Bond Anticipation Notes	Other	From	To	
#04-35	\$ (2,606.89)	\$ 2,600.00	\$	\$	\$	\$	\$	\$	\$ (6.89)
#04-45	58,097.99			38,467.17					19,630.82
#04-46	99,267.63			642.52					98,625.11
#04-47	1,620.35			14.64					1,605.71
#04-48	33,477.22			6,120.95					27,356.27
#04-49	(134,581.74)	134,550.00		105.98					(137.72)
#05-08	82,891.17			755.16					82,136.01
#05-15	(38,693.17)								(38,693.17)
#05-25	795.39			139.50					655.89
#05-37	(476.93)	475.00		151.56					(153.49)
#05-40, 07-52	1,162,722.38	300,000.00		185,387.58					1,277,334.80
#06-01	93,554.51								93,554.51
#06-37	930,709.14	500,000.00		140,084.26					1,290,624.88
#06-78	9.63			97.99					(88.36)
#07-06	106,683.79			88,262.52					18,421.27
#07-19	(287,885.89)								(287,885.89)
#07-34, 08-25	137,079.95			22,218.41					114,861.54
#07-40	70,611.36			65,722.25					4,889.11
#07-41	1,021,710.52			132,901.75					888,808.77
#07-49	58,175.16			58,175.16					
#08-10	452,314.72			64,431.01					387,883.71
#08-42	76,174.54			76,174.54					
#08-43	(15,673.32)			5,185.00					(20,858.32)
#08-44	731,372.42			274,295.28					457,077.14
#09-11	29,956.87			33,906.40					(3,949.53)
#09-16, 09-51	443,530.89			201,895.03					250,645.86
#09-52a	1,031,419.31	500,000.00		573,310.33			9,010.00		250,645.86
#09-52b1	7,500.00						235,618.29		1,193,727.27
#09-52b2	12,500.00								7,500.00
#09-52b3	26,750.00								12,500.00
#09-65	12,857.35								26,750.00
#10-12	(54,086.02)	400,000.00		227,132.97					12,857.35
#10-13	(239,952.39)	600,000.00		840,800.84					118,781.01
#10-70	16,250.00	200,000.00		54,181.00					(480,753.23)
#11-14		250,000.00		620.46				25,000.00	162,069.00
#11-18		50,000.00		1,168.68				3,750.00	274,379.54
#11-19				474,338.74				342,628.50	52,581.32
#11-20		500,000.00		34,787.76				12,500.00	(131,710.24)
#11-67									477,712.24
#11-72		5,061,700.00		4,919,730.47					141,969.53

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TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

ANALYSIS OF CASH  
YEAR ENDED DECEMBER 31, 2011

	Balance December 31, 2010	Receipts		Disbursements			Transfers		Balance December 31, 2011
		Bond Anticipation Notes	Other	Improvement Authorizations	Bond Anticipation Notes	Other	From	To	
<u>Improvement Authorizations</u>									
School Improvements:									
#98-16	\$ 27,217.44	\$	\$	\$	\$	\$	\$	\$	\$ 27,217.44
#98-31	277,535.73								277,535.73
#99-12	283,213.84								283,213.84
#00-16	110,014.71								110,014.71
#01-25	12,911.65								12,911.65
#01-36	21,496.82								21,496.82
#01-40	(168,885.45)								(168,885.45)
#02-09	226,569.10								226,569.10
#03-30, 04-22	14,072.34			66.23					14,006.11
#04-21	(1,434,085.19)	3,500,000.00		389,671.15					1,676,243.66
#05-24	92,239.31				8,500.00			8,500.00	92,239.31
#06-30	711,313.26			164,856.97	12,500.00			12,500.00	546,456.29
#07-26	795,905.59			176,837.71					619,067.88
#08-14	573,264.00			833,603.03					(260,339.03)
#09-20	1,265,106.43			1,115,155.35					149,951.08
#10-28	1,066,663.38	1,400,000.00		1,166,485.68					1,300,177.70
#11-41		500,000.00		360,751.45					139,248.55
<u>Other Accounts</u>									
Fund Balance	410,114.83		212,437.78			400,000.00		136,707.00	359,259.61
Capital Improvement Fund	122,764.83		125,000.00				41,250.00		206,514.83
Loans Receivable	(1,638,000.00)								(1,638,000.00)
Due from Improvement District	(25,000.00)		10,000.00						(15,000.00)
Due from Montclair Parking Authority	(18,201.30)		1,071,387.58			1,071,387.50			(18,201.22)
Note Receivable						1,259,300.00			(1,259,300.00)
Grants Receivable			578,246.79				578,246.79		
Deferred Charges to Future Taxation - Unfunded									
General Trust Fund			257,677.93			155,317.93	9,010.00		93,350.00
Current Fund Interfund	(1,201,635.07)		12,616,232.56			11,617,951.76	21,000.00		(224,354.27)
Federal and State Grant Fund									
Interfund	127,125.00								127,125.00
Assessment Trust Fund Interfund	(54,311.20)								(54,311.20)
Water Operating Fund Interfund	772,000.00								772,000.00
Parking Utility Operating Fund									
Interfund	74,961.76								74,961.76
Contra									

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TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

ANALYSIS OF CASH  
YEAR ENDED DECEMBER 31, 2011

	Balance December 31, 2010	Receipts			Disbursements			Transfers		Balance December 31, 2011
		Bond Anticipation Notes	Other	Improvement Authorizations	Bond Anticipation Notes	Other	From	To		
<u>Other Accounts</u>										
Parking Utility Capital Fund										
Interfund	\$ (251,183.37)	\$	\$	\$	\$	\$	\$	\$	\$ (251,183.37)	
Reserve for Future Improvements	259,000.00					218,907.66			40,092.34	
Reserve for Repayment of UDAG	26,955.51								26,955.51	
Reserves for Loans Receivable	1,638,000.00								1,638,000.00	
Reserve for Debt Service	992,728.71		3,701,104.73						4,693,833.44	
Bond Anticipation Note Cash:										
Ordinance #08-10	295,332.75								295,332.75	
Ordinance #05-24	295,401.37								295,401.37	
	<u>\$ 12,118,353.89</u>	<u>\$ 14,153,400.00</u>	<u>\$ 18,572,087.37</u>	<u>\$ 12,736,309.66</u>	<u>\$ 21,000.00</u>	<u>\$ 14,722,864.85</u>	<u>\$ 786,213.79</u>	<u>\$ 786,213.79</u>	<u>\$ 17,363,666.75</u>	
Ref.	C								C	

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND  
 GRANTS RECEIVABLE  
 YEAR ENDED DECEMBER 31, 2011

C-4

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Balance December 31, 2010</u>	<u>Grants</u>	<u>Collections</u>	<u>Balance December 31, 2011</u>
<u>Federal Grants</u>					
County of Essex:					
Community Development Block Grants:					
09-52A	Portland Place improvements	\$ 166,300.00	\$	\$ 166,300.00	\$
<u>State Grants</u>					
New Jersey Dept of Environmental Protection:					
11-20	Green Acres Program: Edgemont Pond		1,000,000.00		1,000,000.00
New Jersey Dept of Transportation:					
11-19	South Mountain Avenue		700,000.00	342,628.50	357,371.50
09-52A	Llewellyn Road	69,328.29		69,318.29	10.00
		<u>\$ 235,628.29</u>	<u>\$ 1,700,000.00</u>	<u>\$ 578,246.79</u>	<u>\$ 1,357,381.50</u>
	<u>Ref.</u>	C	C-18	C-2	C

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

LOANS RECEIVABLE  
DECEMBER 31, 2011

C-5

	<u>Ref.</u>	
Balance, December 31, 2010	C	<u>\$ 1,638,000.00</u>
Balance, December 31, 2011	C	<u>\$ 1,638,000.00</u>
 <u>Analysis of Balance</u>		
Montclair Early Childhood Center		<u>\$ 1,638,000.00</u>

REGIONAL CONTRIBUTION AGREEMENTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

C-6

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$ 1,050,000.00
Decreased by:		
Cancelled	C-21	<u>1,050,000.00</u>
Balance, December 31, 2011		<u>\$</u>

NOTE RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

C-7

	<u>Ref.</u>	
Increased by:		
Cash Disbursements	C-2	<u>\$ 1,259,300.00</u>
Balance, December 31, 2011	C	<u>\$ 1,259,300.00</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

DUE FROM IMPROVEMENT DISTRICT  
YEAR ENDED DECEMBER 31, 2011

C-8

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$ 25,000.00
Decreased by:		
Collections	C-2	<u>10,000.00</u>
Balance, December 31, 2011	C	<u><u>\$ 15,000.00</u></u>

DUE FROM MONTCALIR PARKING AUTHORITY  
YEAR ENDED DECEMBER 31, 2011

C-9

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$ 18,201.30
Increased by:		
Cash Disbursements	C-2	<u>1,071,387.50</u> 1,089,588.80
Decreased by:		
Cash Receipts	C-2	<u>1,071,387.58</u>
Balance, December 31, 2011	C	<u><u>\$ 18,201.22</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

INTERFUNDS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

C-10

	<u>Ref.</u>	<u>Total</u>	<u>Current Fund</u>	<u>Assessment Trust Fund</u>	<u>Parking Utility Capital Fund</u>
Balance, December 31, 2010	C	\$ 1,507,129.64	\$ 1,201,635.07	\$ 54,311.20	\$ 251,183.37
Increased by:					
Advances	C-2	11,617,951.76	11,617,951.76		
Budget Appropriations:					
Bond Anticipation Note - School	C-12	<u>21,000.00</u>	<u>21,000.00</u>		
		<u>13,146,081.40</u>	<u>12,840,586.83</u>	<u>54,311.20</u>	<u>251,183.37</u>
Decreased by:					
Settlements	C-2	<u>12,616,232.56</u>	<u>12,616,232.56</u>		
Balance, December 31, 2011	C	<u>\$ 529,848.84</u>	<u>\$ 224,354.27</u>	<u>\$ 54,311.20</u>	<u>\$ 251,183.37</u>

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - FUNDED  
YEAR ENDED DECEMBER 31, 2011

C-11

	<u>Ref.</u>		
Balance, December 31, 2010	C		\$ 88,407,800.78
Increased by:			
Refunding Bonds Issued:			
School Issue	C-25	\$ 2,750,000.00	
General Issue	C-26	4,960,000.00	
Transferred from Deferred Charges -			
Unfunded	C-12	<u>40,179,000.00</u>	
			<u>47,889,000.00</u>
			136,296,800.78
Decreased by:			
Refunded Bonds			
	C-25, C-26	7,926,000.00	
2011 Budget Appropriation:			
Green Acres Loan	C-23	39,311.10	
Infrastructure Loan	C-24	43,779.44	
School Bonds	C-25	1,755,000.00	
Municipal Bonds	C-26	<u>3,290,000.00</u>	
			<u>13,054,090.54</u>
Balance, December 31, 2011	C		<u>\$ 123,242,710.24</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED  
YEAR ENDED DECEMBER 31, 2011

Ordinance Number	Improvements	Balance Dec. 31, 2010	2011 Authorizations	Cancel	Collections	Funded by Budget Appropriation	Transferred to Deferred Taxation - Funded	Balance Dec. 31, 2011	December 31, 2011		Unexpended Improvement Authorization
									Bond Anticipation Notes	Expended	
00-06	Various Street Improvements	\$ 541.40	\$	\$ 541.40	\$	\$	\$	\$	\$	\$	\$
00-09	Various Capital Improvements	500.00		500.00							
00-10	Various Capital Improvements	500.00		500.00							
00-13	Various Library Capital Improvements	500.00		238.84				261.16			261.16
00-29	Various Capital Improvements	7,046.00		542.48				6,503.52	6,500.00		3.52
01-05	Various Pool Improvements	300.00						300.00			300.00
01-09,01-55	Acquisition and/or Improvement of Property	500.00						500.00			500.00
01-20	Various Capital Improvements	500.00						500.00			500.00
01-21	Various Capital Improvements	500.00						500.00			500.00
01-22	Various Capital Improvements	500.00						500.00			500.00
02-11	Reconstruction of Various Streets	118,357.76						118,357.76	114,200.00		4,157.76
02-23	Various Library Capital Improvements	3,000.00						3,000.00			3,000.00
02-41	Resurfacing and Curbing of Briar Hill Road	4,500.00						4,500.00			4,500.00
03-08	Various Street Improvements (DOT)	131,055.50						131,055.50	121,800.00		9,255.50
03-09	Street and Drainage Improvements	44,082.62						44,082.62			44,082.62
03-11	Street and Drainage Improvements	19,720.46						19,720.46			19,720.46
03-45	Various Library Capital Improvements	478,890.00					466,890.00	12,000.00			12,000.00
04-06	Street and Drainage Improvements	262.63						262.63			262.63
04-09	Development of Calming Plan for the Nishuane Road and Enfield, Virginia and Franklin Avenues Area (CDBG)	50,730.00						50,730.00	7,400.00		43,330.00
04-10	Street and Drainage Improvements on Bay Street (CDBG)	1,687.85						1,687.85			1,687.85
04-20	Streetscape Improvements on Valley Road	15,441.55						15,441.55	4,175.00		11,266.55
04-35	Reconstruction of Sanitary Sewer System	83,124.00						83,124.00	2,600.00		80,524.00
04-45	Various Capital Improvements	1,432,720.00					1,378,720.00	54,000.00			54,000.00
04-46	Various Capital Improvements	1,229,860.00					1,160,860.00	69,000.00			69,000.00
04-47	Various Capital Improvements	217,100.00					216,100.00	1,000.00			1,000.00
04-48	Various Capital Improvements	2,652,660.00					2,630,660.00	22,000.00			22,000.00
04-49	Various Library Capital Improvements	459,775.00					182,775.00	277,000.00	134,550.00		142,450.00
05-08	Acquisition of Communication Equipment	1,445,785.00					1,430,785.00	15,000.00			15,000.00
05-15	Refunding Bond	38,693.17						38,693.17		38,693.17	
05-25	Renovation of Police Dispatch Control	266,135.00					262,211.00	3,924.00			3,924.00
05-37	Acquisition of Land	315,200.00					292,200.00	23,000.00	475.00		22,525.00
05-40	Various Capital Improvements	5,126,111.04					4,800,000.00	326,111.04	300,000.00		26,111.04
06-37	Various Capital Improvements	5,094,891.47					4,226,799.00	868,092.47	500,000.00		368,092.47
06-78	Preliminary Design and Planning of Day Care Facility	59,750.00						58,000.00			1,750.00
07-06	Various Capital Improvements	1,650,075.00						1,413,000.00			237,075.00
07-19	Acquisition of Property	295,000.00						295,000.00			295,000.00
07-34,8-25	Various Capital Improvements	1,707,625.00				103,500.00		1,604,125.00	1,396,500.00		207,625.00
07-40	Various Library Capital Improvements	142,500.00						139,300.00			2,500.00
07-41	Various Capital Improvements	1,969,780.68						1,910,780.68	1,842,000.00		68,780.68
8-10	Various Capital Improvements	1,634,667.25						1,557,167.25	1,557,167.25		
8-42	Tax Appeals Refunding	576,000.00						384,000.00			384,000.00
8-43	Removal and Replacement of Trees	188,100.00						188,100.00		20,858.32	17,241.68
8-44	Various Capital Improvements	1,942,512.70						1,942,512.70	1,600,000.00		342,512.70
9-11	Orange Road Redevelopment	150,000.00						150,000.00	125,000.00		21,050.47
9-16,9-51	Various Capital Improvements	698,500.00						698,500.00		3,949.53	48,500.00
9-52a	Various Capital Improvements	2,828,334.25			235,618.29			2,592,715.96	2,500,000.00		92,715.96
9-52b1	Improvements to Clary Anderson Arena	142,500.00						142,500.00			142,500.00
9-52b2	Paving and Resurfacing and Restoration	237,500.00						237,500.00			237,500.00
9-52b3	Acquisition and Resurfacing of Property	508,250.00						508,250.00			508,250.00
9-65	Tax Appeals Refunding	1,366,000.00				314,000.00		1,052,000.00	940,000.00		112,000.00
10-12	Multi-purpose	501,639.36						501,639.36	400,000.00		101,639.36
10-13	Traffic Calming Improvements	1,126,700.00						1,126,700.00	600,000.00	480,753.23	45,946.77
10-70	Multi-purpose	308,750.00						308,750.00	200,000.00		108,750.00

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TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED  
YEAR ENDED DECEMBER 31, 2011

Ordinance Number	Improvements	Balance Dec. 31, 2010	2011 Authorization	Cancel	Collections	Funded by Budget Appropriation	Transferred to Deferred Taxation - Funded	Balance Dec. 31, 2011	Analysis of Balance December 31, 2011		
									Bond Anticipation Notes	Expended	Unexpended Improvement Authorization
11-14	Pavement and Restoration - South Park Place	\$	\$ 475,000.00	\$	\$	\$	\$	\$ 475,000.00	\$ 250,000.00	\$	\$ 225,000.00
11-18	Shade Tree Improvements		71,250.00					71,250.00	50,000.00		21,250.00
11-19	Improvements to South Mountain Ave		700,000.00		342,628.50			357,371.50		131,710.24	225,661.26
11-20	Improvements to Edgemont Pond		1,000,000.00					1,000,000.00	500,000.00		500,000.00
11-67	Pavement and Restoration - South Park Place		237,500.00					237,500.00			237,500.00
11-72	Tax Appeal Refunding		5,061,700.00					5,061,700.00	5,061,700.00		
<b>School</b>											
98-31	Various School Improvements		373.60					373.60			373.60
00-16	Various School Improvements		408.00					408.00			408.00
01-25	Various School Improvements		600.00					600.00			600.00
01-36	Various School Improvements		700.00					700.00			700.00
01-40	Various School Improvements		171,445.24					171,445.24			171,445.24
02-09	Various School Improvements		109,357.52					109,357.52			109,357.52
04-21	Various School Improvements	26,535,491.15				8,500.00	10,286,901.37	16,240,089.78	13,200,000.00		3,040,089.78
05-24	Various School Improvements		5,973,098.63				5,973,098.63				
6-30	Various School Improvements		4,462,340.00				3,500,000.00	949,840.00			949,840.00
7-26	Various School Improvements		4,381,520.00			12,500.00	1,900,000.00	2,481,520.00	1,800,000.00		681,520.00
8-14	Various School Improvements		5,346,848.00					5,346,848.00	4,250,000.00	260,339.03	836,508.97
9-20	Various School Improvements		3,853,200.00					3,853,200.00	3,450,000.00		403,200.00
10-28	Multi-purpose		2,986,360.00					2,986,360.00	2,900,000.00		86,360.00
11-41	Various School Improvements		1,686,360.00					1,686,360.00	500,000.00		1,186,360.00
		<u>\$ 91,097,096.83</u>	<u>\$ 9,231,810.00</u>	<u>\$ 2,322.72</u>	<u>\$ 578,246.79</u>	<u>\$ 770,200.00</u>	<u>\$ 40,179,000.00</u>	<u>\$ 58,799,137.32</u>	<u>\$ 45,634,867.25</u>	<u>\$ 936,303.52</u>	<u>\$ 12,227,966.55</u>
	<u>Ref.</u>	<u>C</u>	<u>C-13</u>	<u>C-13</u>	<u>C-18</u>	<u>Below</u>	<u>C-11</u>	<u>C</u>	<u>Below</u>	<u>C-5</u>	<u>C-13</u>
					<u>Ref.</u>						
			Interfunds Receivable		C-10	\$ 21,000.00					
			Bond Anticipation Notes		C-22	749,200.00					
						<u>\$ 770,200.00</u>					
								<u>Ref.</u>			
							Bond Anticipation Notes Payable	C-22	\$ 45,930,200.00		
							Less: Cash on Hand to Pay Notes	C-3	295,332.75		
									<u>\$ 45,634,867.25</u>		

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TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2011

Description	Ordinance		Amount	Balance Dec. 31, 2010		Authorizations	Paid or Charged	Cancelled	Balance Dec. 31, 2011	
	Number	Date		Funded	Unfunded				Funded	Unfunded
<u>General Improvements</u>										
General Improvements Upgrade HVAC and Electrical	98-11	5-12-98	\$ 712,400.00	\$ 137,797.27	\$	\$	\$ 2,526.26	\$135,271.01	\$	\$
Reconstruction of Various Streets	00-06	3-07-00	520,800.00	7,931.64	541.40			788.10	7,684.94	
Various Capital Improvements	00-09	4-18-00	808,600.00	580.73	500.00			783.73	297.00	
Various Capital Improvements	00-10	4-18-00	1,194,960.00	3,934.19	500.00			1,405.56	3,028.63	
Various Library Capital Improvements	00-13	4-18-00	218,400.00		238.84			238.84		
Various Street Improvements	00-29	6-13-00	378,000.00		542.48			542.48		
Purchase/Redevelopment of Property	01-09/01-55	2-27-01	104,000.00	2,512.30	500.00				2,512.30	500.00
Various Capital Improvements	01-19	4-24-01	1,047,280.00	19,581.48					19,581.48	
Various Capital Improvements	01-20	4-24-01	1,404,610.00	3,597.93	500.00				3,597.93	500.00
Various Park Improvements	01-21	4-24-01	506,480.00	1,950.00	500.00				1,950.00	500.00
Various Capital Improvements	01-22	4-24-01	2,756,000.00	84,760.00	500.00				84,760.00	500.00
Various Street Improvements (CDBG)	02-11	4-16-02	519,750.00		4,123.07					4,123.07
Various Library Capital Improvements	02-23	6-25-02	213,200.00	5,909.45	3,000.00				5,909.45	3,000.00
Various Capital Improvements	02-26	6-25-02	620,360.00	35,960.70					35,960.70	
Various Capital Improvements	02-27	6-25-02	1,021,800.00	180,964.28					180,964.28	
Various Park Improvements	02-39	9-17-02	525,000.00	845.94					845.94	
Reconstruction of North Willow Street (CDBG)	02-40	9-17-02	285,250.00	1,813.79					1,813.79	
Various Street Improvements (0011)	03-08	3-11-03	202,650.00		9,186.60					9,186.60
Various Street Improvements (CDBG)	03-09	3-11-03	234,859.00	5,191.02	44,082.62				5,191.02	44,082.62
Various Street Improvements (CDBG)	03-10	3-11-03	355,971.00	7,277.35					7,277.35	
Various Street Improvements (CDBG)	03-11	3-11-03	143,358.00		19,720.46					19,720.46
Various Capital Improvements	03-12	3-11-03	78,000.00	5,311.06					5,311.06	
Various Capital Improvements	03-41	7-22-03	1,250,100.00	78,955.51					78,955.51	
Various Capital Improvements	03-42	7-22-03	1,465,700.00	51,334.59					51,334.59	
Various Capital Improvements	03-44	7-22-03	3,042,000.00	62,763.24			3,131.98		59,631.26	
Various Library Capital Improvements	03-45	7-22-03	590,700.00		43,104.62		2,017.94		41,086.68	
Town-Wide Fiber Optic Network Project	04-03	2-03-04	260,000.00	13,442.14					13,442.14	
Various Street Improvements (CDBG)	04-06	3-30-04	136,888.00	5,810.67	262.63				5,810.67	262.63
Greenwood Parking Plaza Development (CDBG)	04-07	3-30-04	78,750.00	2,884.23					2,884.23	

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2011

Description	Ordinance			Balance Dec. 31, 2010		Authorizations	Paid or Charged	Cancelled	Balance Dec. 31, 2011	
	Number	Date	Amount	Funded	Unfunded				Funded	Unfunded
<u>General Improvements</u>										
Resurfacing of Lackawanna Plaza (CDBG)	04-08	3-30-04	\$ 63,000.00	\$ 2,163.80	\$	\$	\$	\$	\$ 2,163.80	\$
Development of Calming Plan for the Nishuane Road and Enfield, Virginia and Franklin Avenues Area (CDBG)	04-09	3-30-04	53,267.00		43,329.13					43,329.13
Street and Drainage Improvements on Bay Street (CDBG)	04-10	3-30-04	124,194.00	9,688.38	1,687.85				9,688.38	1,687.85
Streetscape Improvements on Valley Road (DOT)	04-20	4-20-04	203,685.00		115.55					115.55
Reconstruction of Sanitary Sewer System	04-35	3-30-04	970,000.00		80,517.11					80,517.11
Various Capital Improvements	04-45	3-30-04	1,695,200.00		112,097.99		38,467.17		28,630.82	45,000.00
Various Capital Improvements	04-46	3-30-04	1,595,600.00		168,267.63		642.52		98,625.11	69,000.00
Various Capital Improvements	04-47	8-10-04	248,600.00		2,620.35		14.64		1,605.71	1,000.00
Various Capital Improvements	04-48	8-10-04	2,964,000.00		55,477.22		6,120.95		27,356.27	22,000.00
Various Library Capital Improvements	04-49	8-10-04	501,700.00		142,418.26		105.98			142,312.28
Acquisition of Communication Equipment	05-08	2-22-05	1,700,000.00		97,891.17		755.16		82,136.01	15,000.00
Renovation of Police Dispatch Control	05-25	5-17-05	313,000.00		4,719.39		139.50		655.89	3,924.00
Acquisition of Land	05-37	8-09-05	340,000.00		22,523.07		151.56			22,371.51
Various Capital Improvements	05-40	8-23-05	6,991,015.00		1,488,833.42		185,387.58		977,334.80	326,111.04
Improvement to Various Parks and Baseball Fields	06-01	1-31-06	525,000.00	93,554.51					93,554.51	
Various Capital Improvements	06-37	6-27-06	6,260,650.00		1,798,801.61		140,084.26		790,624.88	868,092.47
Preliminary Design and Planning of Day Care Facility	06-78	12-19-06	65,000.00		1,759.63		97.99			1,661.64
Various Capital Improvements	07-06	1-23-07	1,828,500.00		343,758.79		88,262.52		18,421.27	237,075.00
Acquisition of Property	07-19	4-10-07	295,000.00		7,114.11					7,114.11
Various Capital Improvements	07-34/08-25	6-12-07	1,797,500.00		344,704.95		22,218.41			322,486.54
Various Library Capital Improvements	07-40	9-11-07	150,000.00		73,111.36		65,722.25			7,389.11
Various Capital Improvements	07-41	9-11-07	2,330,500.00		1,090,491.20		132,901.75			957,589.45
Tax Appeals Refunding	07-49	10-23-07	2,000,000.00		58,175.16		58,175.16			
Various Capital Improvements	08-10	2-19-08	2,260,000.00		452,314.72		64,431.01			387,883.71
Tax Appeals Refunding	08-42	10-21-08	960,000.00		76,174.54		76,174.54			
Removal and Replacement of Trees	08-43	10-21-08	198,000.00		22,426.68		5,185.50			17,241.68
Various Capital Improvements	08-44	10-29-08	2,106,000.00		1,073,885.12		274,295.28			799,589.84
Orange Road Redevelopment	09-11	3-10-09	150,000.00		54,956.87		33,906.40			21,050.47
Various Capital Improvements	09-16/09-51	4-07-09	715,000.00		492,030.89		192,885.03			299,145.86
Various Capital Improvements	09-52a	9-22-09	3,200,000.00		1,859,753.56		573,310.33			1,286,443.23
Improvements to Clary Anderson Arena	09-52b1	10-06-09	150,000.00	7,500.00	142,500.00				7,500.00	142,500.00
Paving and Resurfacing and Restoration	09-52b2	10-16-09	250,000.00	12,500.00	237,500.00				12,500.00	237,500.00
Acquisition and Resurfacing of Property	09-52b3	10-06-09	535,000.00	26,750.00	508,250.00				26,750.00	508,250.00

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2011

Description	Ordinance		Balance Dec. 31, 2010		Authorizations	Paid or Charged	Cancelled	Balance Dec. 31, 2011		
	Number	Date	Amount	Funded				Unfunded	Funded	Unfunded
<u>General Improvements</u>										
Tax Appeals Refunding	09-65	10-20-09	\$1,680,000.00	\$	\$ 124,857.35	\$	\$	\$	\$ 124,857.35	
Various Capital Improvements	10-12	3-09-10	584,000.00	10,000.00	437,553.34		227,132.97		220,420.37	
Traffic Calming Improvements	10-13	12-28-10	1,186,000.00		886,747.61		840,800.84		45,946.77	
Various Capital Improvements	10-70	12-07-10	325,000.00	16,250.00	308,750.00		54,181.00		270,819.00	
Pavement and Restoration of S.Park Plaza	11-14	4-5-11	500,000.00			500,000.00	620.46	24,379.54	475,000.00	
Shade Tree Improvement	11-18	4-21-11	75,000.00			75,000.00	1,168.68	2,581.32	71,250.00	
Improvement to South Mountain Ave	11-19	4-21-11	700,000.00			700,000.00	474,338.74		225,661.26	
Improvement to Edgemont Pond	11-20	4-21-11	1,000,000.00			1,000,000.00	34,787.76		965,212.24	
Pavement and Restoration of S.Park Plaza	11-67	11-1-11	250,000.00			250,000.00		12,500.00	237,500.00	
Tax Appeals Refunding	11-72	12-6-11	5,061,700.00			5,061,700.00	4,919,730.47		141,969.53	
<u>School Improvements</u>										
Various School Improvements	98-16	5-12-98	3,160,816.00	27,217.44				27,217.44		
Various School Improvements	98-31	7-21-98	6,500,000.00	277,535.73	373.60			277,535.73	373.60	
Various School Improvements	99-12	5-04-99	2,930,751.00	283,213.84				283,213.84		
Various School Improvements	00-16	5-02-00	2,020,408.00	110,014.71	408.00			110,014.71	408.00	
Various School Improvements	01-25	4-24-01	340,600.00	12,911.65	600.00			12,911.65	600.00	
Various School Improvements	01-36	5-22-01	603,200.00	21,496.82	700.00			21,496.82	700.00	
Various School Improvements	01-40	8-08-01	3,271,515.00		2,559.79				2,559.79	
Various School Improvements	02-09	4-16-02	7,733,482.00	226,569.10	109,357.52			226,569.10	109,357.52	
Various School Improvements	03-30//04-22	3-22-03	16,140,823.00	14,072.34			66.23	14,006.11		
Various School Improvements	04-21	5-04-04	36,692,256.00		5,401,405.96		389,671.15		5,011,734.81	
Various School Improvements	05-24	5-17-05	7,006,514.00	92,239.31				92,239.31		
Various School Improvements	06-30	5-09-06	4,649,840.00		1,661,153.26		164,856.97	546,456.29	949,840.00	
Various School Improvements	07-26	5-08-07	4,381,520.00		1,477,425.69		176,837.71		1,300,587.88	
Various School Improvements	08-14	4-15-08	5,346,848.00		1,670,112.00		833,603.03		836,508.97	
Various School Improvements	09-20	5-05-09	3,853,200.00		1,668,306.43		1,115,155.35		553,151.08	
				<u>\$ 1,964,787.14</u>	<u>27,289,343.88</u>	<u>\$9,273,060.00</u>	<u>\$ 12,727,299.66</u>	<u>\$139,029.72</u>	<u>\$4,448,500.26</u>	<u>\$21,212,361.38</u>
		<u>Ref.</u>		C	C	Below	Below	Below	C	C
		Capital Surplus			C-1	\$	\$	\$136,707.00		
		Cash Disbursements			C-2		12,736,309.66			
		Interfunds Payable			C-15		(9,010.00)			
		Deferred Charge to Future Taxation - Unfunded			C-12	9,231,810.00		2,322.72		
		Capital Improvement Fund			C-14	41,250.00				
					Above	<u>\$9,273,060.00</u>	<u>\$ 12,727,299.66</u>	<u>\$139,029.72</u>		

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

CAPITAL IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2011

C-14

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$ 122,764.83
Increased by:		
Budget Appropriations	C-2	<u>125,000.00</u>
		247,764.83
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-13	<u>41,250.00</u>
Balance, December 31, 2011	C	<u>\$ 206,514.83</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

INTERFUNDS PAYABLE  
YEAR ENDED DECEMBER 31, 2011

C-15

	Ref.	Total	Trust Fund	Federal and State Grant Fund	Utility Operating Fund	Utility Operating Fund
Balance, December 31, 2010	C	\$ 974,086.76	\$	\$ 127,125.00	\$ 772,000.00	\$ 74,961.76
Increased by:						
Advances	C-2	257,677.93	257,677.93			
		<u>1,231,764.69</u>	<u>257,677.93</u>	<u>127,125.00</u>	<u>772,000.00</u>	<u>74,961.76</u>
Decreased by:						
Settlements	C-2	155,317.93	155,317.93			
Charged to Improvement Authorization in Error	C-13	9,010.00	9,010.00			
		<u>164,327.93</u>	<u>164,327.93</u>			
Balance, December 31, 2011	C	<u>\$ 1,067,436.76</u>	<u>\$ 93,350.00</u>	<u>\$ 127,125.00</u>	<u>\$ 772,000.00</u>	<u>\$ 74,961.76</u>

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

RESERVE FOR FUTURE IMPROVEMENTS  
YEAR ENDED DECEMBER 31, 2011

C-16

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$ 259,000.00
Decreased by:		
Preliminary Engineering Costs	C-2	<u>218,907.66</u>
Balance, December 31, 2011	C	<u>\$ 40,092.34</u>

RESERVE FOR REPAYMENT  
OF URBAN DEVELOPMENT ACTION GRANT  
DECEMBER 31, 2011

C-17

	<u>Ref.</u>	
Balance, December 31, 2010	C	<u>\$ 26,955.51</u>
Balance, December 31, 2011	C	<u>\$ 26,955.51</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

RESERVE FOR GRANTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

C-18

Ordinance Number	Purpose	Balance December 31, 2010	Grants	Collections	Balance December 31, 2011
<u>Federal Grants</u>					
County of Essex:					
Community Development Block Grants:					
09-52A	Portland Place Improvements	\$ 166,300.00	\$	\$ 166,300.00	\$
<u>State Grants</u>					
New Jersey Department of Transportation:					
11-19	South Mountain Avenue		700,000.00	342,628.50	357,371.50
09-52A	Llewellyn Road	69,328.29		69,318.29	10.00
Department of Environmental Protection:					
Green Acres Program:					
11-20	Edgemont Pond		1,000,000.00		1,000,000.00
		<u>\$ 235,628.29</u>	<u>\$ 1,700,000.00</u>	<u>\$ 578,246.79</u>	<u>\$ 1,357,381.50</u>
<u>Ref.</u>	C		C-4	C-12	C

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

RESERVE FOR LOANS RECEIVABLE  
DECEMBER 31, 2011

C-19

	<u>Ref.</u>	
Balance, December 31, 2010	C	<u>\$ 1,638,000.00</u>
Balance, December 31, 2011	C	<u>\$ 1,638,000.00</u>

RESERVE FOR PAYMENT OF DEBT SERVICE  
YEAR ENDED DECEMBER 31, 2011

C-20

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$ 992,728.71
Increased by:		
Cash Received on Funded Authorizations	C-2	<u>3,701,104.73</u>
Balance, December 31, 2011	C	<u>\$ 4,693,833.44</u>

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

RESERVE FOR REGIONAL CONTRIBUTION AGREEMENTS  
YEAR ENDED DECEMBER 31, 2011

C-21

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$ 1,050,000.00
Decreased by:		
Cancelled	C-6	<u>1,050,000.00</u>
Balance, December 31, 2011		<u><u>\$</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2011

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance December 31, 2010	Increase	Decrease	Balance December 31, 2011
	<u>General</u>							
03-45	Various Library Capital Improvements	12-21-06	3-10-11		\$ 466,890.00	\$	\$ 466,890.00	\$
04-45	Various Capital Improvements	12-21-06	3-10-11		1,378,720.00		1,378,720.00	
04-46	Various Capital Improvements	12-21-06	3-10-11		1,160,860.00		1,160,860.00	
04-47	Various Capital Improvements	12-21-06	3-10-11		216,100.00		216,100.00	
04-48	Various Capital Improvements	12-21-06	3-10-11		2,630,660.00		2,630,660.00	
04-49	Various Library Capital Improvements	12-21-06	3-10-11		182,775.00		182,775.00	
05-08	Acquisition of Digital Trunked Communications System	12-21-06	3-10-11		1,430,785.00		1,430,785.00	
05-25	Renovation of a Police Dispatch Center	12-21-06	3-10-11		262,211.00		262,211.00	
05-37	Acquisition of Land	12-21-06	3-10-11		292,200.00		292,200.00	
05-40/07-52	Various Capital Improvements	12-21-06	3-10-11		4,800,000.00		4,800,000.00	
06-37	Various Capital Improvements	12-21-06	3-10-11		4,226,799.00		4,226,799.00	
06-78	Various Capital Improvements	12-18-07	3-10-11		58,000.00		58,000.00	

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2011

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance December 31, 2010	Increase	Decrease	Balance December 31, 2011
07-06	<u>General</u> Various Capital Improvements				\$ 1,413,000.00	\$	\$ 1,413,000.00	\$
07-40	Various Capital Improvements	12-18-08	12-14-12	1.25	75,000.00	71,800.00	75,000.00	71,800.00
		12-16-10	12-14-12	1.25	65,000.00	65,000.00	65,000.00	65,000.00
07-41	Various Capital Improvements	12-18-08	12-14-12	1.25	1,600,000.00	1,541,000.00	1,600,000.00	1,541,000.00
		12-18-09	12-14-12	1.25	300,426.00	300,426.00	300,426.00	300,426.00
		12-16-10	12-14-12	1.25	574.00	574.00	574.00	574.00
08-10	Various Capital Improvements	12-18-08	12-14-12	1.25	1,530,000.00	1,452,500.00	1,530,000.00	1,452,500.00
		12-18-09	12-14-12	1.25	300,000.00	300,000.00	300,000.00	300,000.00
		12-16-10	12-14-12	1.25	100,000.00	100,000.00	100,000.00	100,000.00
08-25	Various Capital Improvements	12-18-08	12-14-12	1.25	1,500,000.00	1,396,500.00	1,500,000.00	1,396,500.00
08-42	Tax Appeal Refunding	12-18-08	12-14-12	1.25	576,000.00	384,000.00	576,000.00	384,000.00
08-43	Various Capital Improvements	3-13-09	3-09-12	1.50	150,000.00	150,000.00	150,000.00	150,000.00
08-44	Various Capital Improvements	3-13-09	3-09-12	1.50	1,100,000.00	1,100,000.00	1,100,000.00	1,100,000.00
		3-11-10	3-09-12	1.50	500,000.00	500,000.00	500,000.00	500,000.00
09-11	Orange Road Development	12-18-09	12-14-12	1.25	125,000.00	125,000.00	125,000.00	125,000.00

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2011

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance December 31, 2010	Increase	Decrease	Balance December 31, 2011
	<u>General</u>							
9-16	Various Capital Improvements	12-18-09	12-17-10					
		12-18-09	12-14-12	1.25	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00
		12-16-10	12-14-12	1.25	300,000.00	300,000.00	300,000.00	300,000.00
09-52-A	Various Capital Improvements	3-11-10	3-09-12	1.50	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00
09-65	Tax Appeals Refunding	12-30-09	12-14-12	1.25	1,254,000.00	940,000.00	1,254,000.00	940,000.00
05-40	Various Capital Improvements	03-10-11	3-09-12	1.50		300,000.00		300,000.00
06-37	Various Capital Improvements	03-10-11	3-09-12	1.50		500,000.00		500,000.00
09-52a	Various Capital Improvements	03-10-11	3-09-12	1.50		500,000.00		500,000.00
10-12	Various Capital Improvements	03-10-11	3-09-12	1.50		400,000.00		400,000.00
10-13	Various Capital Improvements	03-10-11	3-09-12	1.50		600,000.00		600,000.00
00-29	Various Capital Improvements	12-15-11	12-14-12	1.25		6,500.00		6,500.00
02-11	Various Capital Improvements	12-15-11	12-14-12	1.25		114,200.00		114,200.00
03-08	Various Capital Improvements	12-15-11	12-14-12	1.25		121,800.00		121,800.00
04-09	Various Capital Improvements	12-15-11	12-14-12	1.25		7,400.00		7,400.00
04-20	Various Capital Improvements	12-15-11	12-14-12	1.25		4,175.00		4,175.00
04-35	Various Capital Improvements	12-15-11	12-14-12	1.25		2,600.00		2,600.00
04-49	Various Capital Improvements	12-15-11	12-14-12	1.25		134,550.00		134,550.00
05-37	Various Capital Improvements	12-15-11	12-14-12	1.25		475.00		475.00
09-52,11-14	Various Capital Improvements	12-15-11	12-14-12	1.25		250,000.00		250,000.00

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TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2011

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance December 31, 2010	Increase	Decrease	Balance December 31, 2011
10-70	Various Capital Improvements	12-15-11	12-14-12	1.25	\$	\$ 200,000.00	\$	\$ 200,000.00
11-18	Shade Tree Improvements	12-15-11	12-14-12	1.25		50,000.00		50,000.00
11-20	Various Capital Improvements	12-15-11	12-14-12	1.25		500,000.00		500,000.00
11-72	Tax Appeal Refunding	12-15-11	12-14-12	1.25		5,061,700.00		5,061,700.00
					<u>30,345,000.00</u>	<u>19,830,200.00</u>	<u>30,345,000.00</u>	<u>19,830,200.00</u>
	<u>School</u>							
04-21	Various School Improvements	3-13-09	3-09-12	1.50	17,400,000.00	7,400,000.00	17,400,000.00	7,400,000.00
		3-11-10	3-09-12	1.50	2,300,000.00	2,300,000.00	2,300,000.00	2,300,000.00
05-24	Various School Improvements				4,608,000.00		4,608,000.00	
					960,500.00		960,500.00	
					700,000.00		700,000.00	
06-30	Various School Improvements	12-21-06	3-10-11		1,850,000.00		1,850,000.00	
		12-18-07	3-10-11		962,500.00		962,500.00	
		12-18-08	3-10-11		700,000.00		700,000.00	
7-26	Various School Improvements	12-18-08	12-14-12	1.25	3,200,000.00	1,300,000.00	3,200,000.00	1,300,000.00
		12-16-10	12-14-12	1.25	500,000.00	500,000.00	500,000.00	500,000.00
08-14	Various School Improvements	12-18-09	12-14-12	1.25	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00
		3-11-10	3-09-12	1.50	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00
		12-16-10	12-14-12	1.25	750,000.00	750,000.00	750,000.00	750,000.00
09-20	Various School Improvements	12-18-09	12-14-12	1.25	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
		3-11-10	3-09-12	1.50	1,700,000.00	1,700,000.00	1,700,000.00	1,700,000.00
		12-16-10	12-14-12	1.25	750,000.00	750,000.00	750,000.00	750,000.00
10-28	Multi-Purpose	12-16-10	12-14-12	1.25	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2011

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance December 31, 2010	Increase	Decrease	Balance December 31, 2011
04-21	Various School Improvements	3-10-11	3-09-12	1.50	\$	\$ 3,500,000.00	\$	\$ 3,500,000.00
10-28	Various School Improvements	12-15-11	12-14-12	1.25		1,400,000.00		1,400,000.00
11-41	Various School Improvements	12-15-11	12-14-12	1.25		500,000.00		500,000.00
					<u>42,381,000.00</u>	<u>26,100,000.00</u>	<u>42,381,000.00</u>	<u>26,100,000.00</u>
					<u>\$ 72,726,000.00</u>	<u>\$ 45,930,200.00</u>	<u>\$ 72,726,000.00</u>	<u>\$ 45,930,200.00</u>
				<u>Ref.</u>	C	C-2	Below	C
					<u>Ref.</u>			
					C-2		\$ 71,976,800.00	
					C-12		749,200.00	
							<u>\$ 72,726,000.00</u>	

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TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

GREEN ACRES TRUST LOAN PAYABLE  
YEAR ENDED DECEMBER 31, 2011

C-23  
Sheet # 1

Description	Amount of Original Issue	Maturities of Loan Outstanding December 31, 2011		Interest Rate	Balance December 31, 2010	Decrease	Balance December 31, 2011
		Date	Amount				
Essex Park Pool	\$ 250,000.00	4-22-2012	\$ 7,619.74	2.00	\$ 30,329.58	\$ 15,013.90	\$ 15,315.68
		10-22-2012	7,695.94				
Project Youth Sports	250,000.00	2012	11,707.37	2.00	206,310.50	11,476.68	194,833.82
		2013	11,942.69				
		2014	12,182.73				
		2015	12,427.61				
		2016	12,677.40				
		2017	12,932.22				
		2018	13,192.15				
		2019	13,457.32				
		2020	13,727.82				
		2021	14,003.73				
		2022	14,285.21				
		2023	14,572.34				
		2024	14,865.25				
		2025	15,164.04				
2026	7,695.94						
Project Youth Sports II	250,000.00	2012	12,820.52	*	206,310.50	11,476.68	194,833.82
		2013	12,820.52				
		2014	12,820.52				
		2015	12,820.52				
		2016	12,820.52				
		2017	12,820.52				
		2018	12,820.52				
		2019	12,820.52				
		2020	12,820.52				
		2021	12,820.52				
2022	12,820.52						
2023	12,820.52						

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TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

GREEN ACRES TRUST LOAN PAYABLE  
YEAR ENDED DECEMBER 31, 2011

C-23  
Sheet # 2

Description	Amount of Original Issue	Maturities of Loan Outstanding December 31, 2011		Interest Rate	Balance December 31, 2010	Decrease	Balance December 31, 2011
		Date	Amount				
Project Youth Sports II	\$ 250,000.00	2024	\$ 12,820.52	*			
		2025	12,820.52	*			
		2026	12,820.52	*			
		2027	12,820.52	*			
		2028	12,820.52	*			
		2029	6,410.12	*	237,179.48	12,820.52	224,358.96
					<u>\$ 473,819.56</u>	<u>\$ 39,311.10</u>	<u>\$ 434,508.46</u>
				Ref.	C	C-11	C

\* Interest Free

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE  
YEAR ENDED DECEMBER 31, 2011

C-24  
Sheet # 1

	Original Issue		Loan Maturities Outstanding December 31, 2011		Interest Rate	Balance		Balance December 31, 2011
	Date	Amount	Date	Amount		December 31, 2010	Decrease	
Trust Share	10-14-04	\$ 435,000.00	8-01-2012	\$ 20,000.00	5.00			
			8-01-2013	20,000.00	5.00			
			8-01-2014	20,000.00	4.00			
			8-01-2015	20,000.00	4.00			
			8-01-2016	25,000.00	4.00			
			8-01-2017	25,000.00	5.00			
			8-01-2018	25,000.00	5.00			
			8-01-2019	25,000.00	5.00			
			8-01-2020	30,000.00	5.00			
			8-01-2021	30,000.00	5.00			
			8-01-2022	30,000.00	5.00			
			8-01-2023	30,000.00	4.25			
			8-01-2024	35,000.00	4.375	\$ 355,000.00	\$ 20,000.00	\$ 335,000.00
Fund Share	10-14-04	443,438.00	2-01-2012	5,078.22	*			
			8-01-2012	18,052.51	*			
			2-01-2013	4,753.86	*			
			8-01-2013	17,728.15	*			
			2-01-2014	4,429.50	*			
			8-01-2014	17,403.79	*			
			2-01-2015	4,170.02	*			
			8-01-2015	17,144.31	*			
			2-01-2016	3,910.53	*			
			8-01-2016	20,128.40	*			
			2-01-2017	3,586.17	*			
			8-01-2017	19,804.04	*			
			2-01-2018	3,180.73	*			
			8-01-2018	19,398.59	*			
			2-01-2019	2,775.28	*			
			8-01-2019	18,993.14	*			

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TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE  
YEAR ENDED DECEMBER 31, 2011

C-24  
Sheet # 2

	Original Issue		Loan Maturities Outstanding December 31, 2011		Interest Rate	Balance December 31, 2010	Decrease	Balance December 31, 2011
	Date	Amount	Date	Amount				
Fund Share	10-14-04	\$ 443,438.00	2-01-2020	\$ 2,369.83	*			
			8-01-2020	21,831.27	*			
			2-01-2021	1,883.30	*			
			8-01-2021	21,344.74	*			
			2-01-2022	1,396.76	*			
			8-01-2022	20,858.20	*			
			2-01-2023	910.23	*			
			8-01-2023	20,371.85	*			
			2-01-2024	496.67	*			
			8-01-2024	23,201.69	*			
						<u>318,981.22</u>	<u>23,779.44</u>	<u>295,201.78</u>
						<u>\$ 673,981.22</u>	<u>\$ 43,779.44</u>	<u>\$ 630,201.78</u>
					Ref.	C	C-11	C

\* Interest Free

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

SERIAL BONDS - SCHOOL  
YEAR ENDED DECEMBER 31, 2011

Purpose	Date of Issue	Issue Amount	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance Dec. 31, 2010	Bonds Issued	Decrease	Balance Dec. 31, 2011
			Date	Amount					
School Improvements	3-01-03	\$ 6,110,000.00	2-01-12	\$ 500,000.00	3.375 %	\$ 3,810,000.00		\$ 3,310,000.00	\$ 500,000.00
Refunding School	6-01-05	2,035,000.00	7-15-12	460,000.00	3.50	940,000.00		480,000.00	460,000.00
School Improvements	5-15-06	16,715,000.00	1-01-12	300,000.00	4.25				
			1-01-13	300,000.00	4.50				
			1-01-14	400,000.00	4.50				
			1-01-15/26	1,000,000.00	4.50				
			1-01-27	1,200,000.00	4.50				
			1-01-28	1,265,000.00	4.50	15,915,000.00		450,000.00	15,465,000.00
School Improvements	5-15-08	14,600,000.00	5-15-12	500,000.00	5.00				
			5-15-13	950,000.00	5.00				
			5-15-14	850,000.00	5.00				
			5-15-15	250,000.00	3.50				
			5-15-16	450,000.00	5.00				
			5-15-17	650,000.00	4.00				
			5-15-18	900,000.00	5.00				
			5-15-19/22	900,000.00	4.00				
			5-15-23	900,000.00	4.13				
			5-15-24	1,000,000.00	4.13				
			5-15-25	1,000,000.00	4.25				
			5-15-26/28	1,050,000.00	4.25	14,500,000.00		300,000.00	14,200,000.00
School Improvements	6-08-10	9,662,000.00	6-01-12	190,000.00	2.00				
			6-01-13	220,000.00	2.00				
			6-01-14	260,000.00	2.50				
			6-01-15	290,000.00	2.50				
			6-01-16	330,000.00	2.50				
			6-01-17	360,000.00	2.50				
			6-01-18	400,000.00	3.00				
			6-01-19	430,000.00	4.00				
			6-01-20	460,000.00	3.25				
			6-01-21	500,000.00	3.25				
			6-01-22	540,000.00	3.50				
			6-01-23	570,000.00	3.50				
			6-01-24	600,000.00	4.00				

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TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

SERIAL BONDS - SCHOOL  
YEAR ENDED DECEMBER 31, 2011

Purpose	Date of Issue	Issue Amount	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance Dec. 31, 2010	Bonds Issued	Decrease	Balance Dec. 31, 2011
			Date	Amount					
School Improvements (Continued)	6-08-10	\$ 9,662,000.00	6-01-25	\$ 640,000.00	4.00 %	\$ 9,662,000.00	\$	\$ 25,000.00	\$ 9,637,000.00
			6-01-26	700,000.00	4.00				
			6-01-27	730,000.00	4.00				
			6-01-28	770,000.00	4.00				
			6-01-29	800,000.00	4.00				
			6-01-30	847,000.00	4.00				
School Improvements	3-01-11	21,660,000.00	3-01-12	725,000.00	2.75				
			3-01-13	765,000.00	2.75				
			3-01-14	800,000.00	3.00				
			3-01-15	835,000.00	3.00				
			3-01-16	870,000.00	3.00				
			3-01-17	905,000.00	3.00				
			3-01-18	940,000.00	3.00				
			3-01-19	975,000.00	4.00				
			3-01-20	1,010,000.00	4.00				
			3-01-21	1,050,000.00	4.00				
			3-01-22	1,090,000.00	3.75				
			3-01-23	1,134,000.00	4.00				
			3-01-24	1,178,000.00	4.00				
			3-01-25	1,222,000.00	4.00				
			3-01-26	1,266,000.00	4.10				
			3-01-27	1,310,000.00	4.20				
			3-01-28	1,354,000.00	4.375				
3-01-29	1,370,000.00	4.375							
3-01-30	1,411,000.00	4.50							
3-01-31	1,450,000.00	4.625	21,660,000.00	21,660,000.00					
Refunding School	8-01-11	2,750,000.00	2-01-13	495,000.00	3.00				
			2-01-14	595,000.00	3.00				
			2-01-15	590,000.00	3.00				
			2-01-16	585,000.00	3.00				
			2-01-17	485,000.00	3.00				
						<u>\$ 44,827,000.00</u>	<u>\$ 24,410,000.00</u>	<u>\$ 4,565,000.00</u>	<u>\$ 64,672,000.00</u>

Ref.

C

Below

Below

C

Ref.

Serial Bonds Issued  
Refunding Bonds  
Budget Appropriation  
Refunded Bonds

C-2  
C-11  
C-11  
C-11

\$ 21,660,000.00  
2,750,000.00

\$  
1,755,000.00  
2,810,000.00

\$ 24,410,000.00

\$ 4,565,000.00

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND  
  
GENERAL SERIAL BONDS  
YEAR ENDED DECEMBER 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance Dec. 31, 2010	Bonds Issued	Decrease	Balance Dec. 31, 2011
			Date	Amount					
General Improvements	3-01-03	\$10,016,000.00	2-01-12	\$ 900,000.00	3.50 %	\$ 6,916,000.00	\$	\$6,016,000.00	\$ 900,000.00
Pension Obligation	10-01-03	3,495,000.00	4-01-12	145,000.00	5.15				
			4-01-13	175,000.00	5.35				
			4-01-14	200,000.00	5.40				
			4-01-15	230,000.00	5.50				
			4-01-16	265,000.00	5.50				
			4-01-17	300,000.00	5.60				
			4-01-18	340,000.00	5.65				
			4-01-19	385,000.00	5.80				
			4-01-20	435,000.00	5.80				
			4-01-21	485,000.00	5.80		3,085,000.00		125,000.00
Refunding Bonds	6-01-05	9,465,000.00	7-15-12	1,455,000.00	5.00				
			7-15-13	1,445,000.00	5.00				
			7-15-14	1,250,000.00	5.00	5,615,000.00		1,465,000.00	4,150,000.00
General Improvements	5-15-06	19,215,000.00	1-01-12	400,000.00	4.50				
			1-01-13/14	450,000.00	4.50				
			1-01-15	700,000.00	4.50				
			1-01-16	600,000.00	4.50				
			1-01-17	700,000.00	4.50				
			1-01-18	1,800,000.00	4.50				
			1-01-19	1,700,000.00	4.50				
			1-01-20	1,550,000.00	4.50				
			1-01-21	700,000.00	4.625				
			1-01-22	1,500,000.00	4.625				
			1-01-23/25	2,000,000.00	4.625				
			1-01-26	1,865,000.00	4.625	18,715,000.00		300,000.00	18,415,000.00

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TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND  
  
GENERAL SERIAL BONDS  
YEAR ENDED DECEMBER 31, 2011

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2011		Interest Rate	Balance Dec. 31, 2010	Bonds Issued	Decrease	Balance Dec. 31, 2011					
			Date	Amount										
General Improvements	9-01-08	\$ 8,252,000.00	9-01-12	\$ 500,000.00	3.50 %	\$ 8,102,000.00	\$	\$	\$					
			9-01-13	550,000.00	3.50									
			9-01-14	700,000.00	3.50									
			9-01-15	1,200,000.00	3.50									
			9-01-16	900,000.00	3.75									
			9-01-17/18	750,000.00	3.75									
			9-01-19*	750,000.00	4.00									
			9-01-20*	750,000.00	4.00									
			9-01-21*	752,000.00	4.00									
General Improvements	3-01-11	18,519,000.00	3-01-12	945,000.00	3.00									
			3-01-13	1,025,000.00	3.00									
			3-01-14	1,105,000.00	3.00									
			3-01-15	1,185,000.00	3.00									
			3-01-16	1,265,000.00	3.00									
			3-01-17	1,345,000.00	3.00									
			3-01-18	1,425,000.00	3.00									
			3-01-19	1,505,000.00	3.00									
			3-01-20	1,585,000.00	3.125									
			3-01-21	1,665,000.00	3.375									
			3-01-22	1,745,000.00	3.625									
			3-01-23	1,835,000.00	3.75									
			3-01-24	1,889,000.00	4.00									
												18,519,000.00		18,519,000.00
			Refunding Bonds	8-01-11	4,960,000.00					2-01-13	880,000.00	3.00		
2-01-14	975,000.00	3.00												
2-01-15	970,000.00	3.00												
2-01-16	1,060,000.00	3.00												
2-01-17	1,075,000.00	5.00												
					4,960,000.00		4,960,000.00							
						<u>\$ 42,433,000.00</u>	<u>\$ 23,479,000.00</u>	<u>\$ 8,406,000.00</u>	<u>\$ 57,506,000.00</u>					
						<u>Ref.</u>	C	Below	Below	C				
						<u>Ref.</u>								
						Serial Bonds Issued	C-2	\$ 18,519,000.00	\$					
						Refunding Bonds	C-11	4,960,000.00						
						Budget Appropriation	C-11		3,290,000.00					
						Refunded Bonds	C-11		5,116,000.00					
								<u>\$ 23,479,000.00</u>	<u>\$ 8,406,000.00</u>					

\* Term Bonds - Sinking Fund Installment

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2011

Ordinance Number	Improvement Description	Balance December 31, 2010	Authorizations	Grant Receipts	Bond Anticipation Notes Issued	Cancelled	Balance December 31, 2011
	<u>General Improvements</u>						
00-06	Reconstruction of Walnut Street Sections I and II	\$ 541.40	\$	\$	\$	\$ 541.40	\$
00-09	Various Capital Improvements	500.00				500.00	
00-10	Various Capital Improvements	500.00				500.00	
00-13	Various Capital Improvements	500.00				238.84	261.16
00-29	Various Capital Improvements	7,046.00			6,500.00	542.48	3.52
01-05	Various Capital Improvements	300.00					300.00
01-09,01-55	Purchase and Development of Property	500.00					500.00
01-20	Various Capital Improvements	500.00					500.00
01-21	Various Park Capital Improvements	500.00					500.00
01-22	Various Capital Improvements	500.00					500.00
02-11	Reconstruction of Various Streets	118,357.76			114,200.00		4,157.76
02-23	Various Library Capital Improvements	3,000.00					3,000.00
02-41	Resurfacing and Curbing on Briar Hill Road	4,500.00					4,500.00
03-08	Reconstruction of Bellevue Avenue III	131,055.50			121,800.00		9,255.50
03-09	Street and Drainage Improvements	44,082.62					44,082.62
03-10, 03-11	Street and Drainage Improvements	19,720.46					19,720.46
03-45	Various Library Capital Improvements	12,000.00					12,000.00
04-06	Street and Drainage Improvements	262.63					262.63
04-09	Development of Calming Plan for the Nishuane Road and Enfield, Virginia and Franklin Avenues Area	50,730.00			7,400.00		43,330.00
04-10	Street and Drainage Improvements	1,687.85					1,687.85
04-20	Streetscape Improvements on Valley Road	15,441.55			4,175.00		11,266.55
04-35	Reconstruction of Sanitary Sewer System	83,124.00			2,600.00		80,524.00
04-45	Various Capital Improvements	54,000.00					54,000.00
04-46	Various Capital Improvements	69,000.00					69,000.00
04-47	Various Capital Improvements	1,000.00					1,000.00
04-48	Various Capital Improvements	22,000.00					22,000.00
04-49	Various Library Capital Improvements	277,000.00			134,550.00		142,450.00
05-08	Acquisition of Communication Equipment	15,000.00					15,000.00
05-15	Refunding Bond Issue	38,693.17					38,693.17
05-25	Renovation of Police Dispatch Control	3,924.00					3,924.00
05-37	Acquisition of Land	23,000.00			475.00		22,525.00
05-40	Various Capital Improvements	326,111.04			300,000.00		26,111.04
06-37	Various Capital Improvements	868,092.47			500,000.00		368,092.47
06-78	Preliminary Design and Planning of Day Care Facility	1,750.00					0.00
07-06	Various Capital Improvements	237,075.00					1,750.00
07-19	Acquisition of Property	295,000.00					237,075.00
							295,000.00

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2011

Ordinance Number	Improvement Description	Balance December 31, 2010	Authorizations	Grant Receipts	Bond Anticipation Notes Issued	Cancelled	Balance December 31, 2011
	<u>General Improvements</u>						
07-34, 08-25	Various Capital Improvements	\$ 207,625.00	\$	\$	\$	\$	\$ 207,625.00
07-40	Various Library Capital Improvements	2,500.00					2,500.00
07-41	Various Capital Improvements	68,780.68					68,780.68
08-43	Removal and Replacement of Trees	38,100.00					38,100.00
08-44	Various Capital Improvements	342,512.70					342,512.70
09-11	Orange Road Redevelopment	25,000.00					25,000.00
09-16, 09-51	Various Capital Improvements	48,500.00					48,500.00
09-52a	Various Capital Improvements	828,334.25		235,618.29	500,000.00		92,715.96
09-52b1	Improvements to Clary Anderson Arena	142,500.00					142,500.00
09-52b2	Pavement Resurfacing and Restoration S. Park	237,500.00					237,500.00
09-52b3	Acquisition and Resurfacing of Property	508,250.00					508,250.00
09-65	Tax Appeal Refunding	112,000.00					112,000.00
10-12	Multi-Purpose	501,639.36			400,000.00		101,639.36
10-13	Traffic Calming Improvements	1,126,700.00			600,000.00		526,700.00
10-70	Multi-Purpose	308,750.00			200,000.00		108,750.00
11-14	Pavement and Restoration - South Park Place		475,000.00		250,000.00		225,000.00
11-18	Shade Tree Improvements		71,250.00		50,000.00		21,250.00
11-19	Improvements to South Mountain Ave		700,000.00	342,628.50			357,371.50
11-20	Improvements to Edgemont Pond		1,000,000.00		500,000.00		500,000.00
11-67	Pavement and Restoration - South Park Place		237,500.00				237,500.00
11-72	Tax Appeal Refunding		5,061,700.00		5,061,700.00		0.00
		<u>7,225,687.44</u>	<u>7,545,450.00</u>	<u>578,246.79</u>	<u>8,753,400.00</u>	<u>2,322.72</u>	<u>5,437,167.93</u>

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TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2011

Ordinance Number	Improvement Description	Balance December 31, 2010	Authorizations	Cash on Hand	Bond Anticipation Notes Issued	Cancelled	Balance December 31, 2011
	<u>School Improvements</u>						
09-31	Various School Improvements	\$ 373.60	\$	\$	\$	\$	\$ 373.60
00-16	Various School Improvements	408.00					408.00
01-25	Various School Improvements	600.00					600.00
01-36	Various School Improvements	700.00					700.00
01-40	Various School Improvements	171,445.24					171,445.24
02-09	Various School Improvements	109,357.52					109,357.52
04-21	Various School Improvements	6,835,491.15			3,500,000.00		3,335,491.15
06-30	Various School Improvements	949,840.00					949,840.00
07-26	Various School Improvements	681,520.00					681,520.00
08-14	Various School Improvements	1,096,848.00					1,096,848.00
09-20	Various School Improvements	403,200.00					403,200.00
10-28	Multi-Purpose	1,486,360.00			1,400,000.00		86,360.00
11-14	Various School Improvements		1,686,360.00		500,000.00		1,186,360.00
		<u>11,736,143.51</u>	<u>1,686,360.00</u>		<u>5,400,000.00</u>		<u>8,022,503.51</u>
		<u>\$ 18,961,830.95</u>	<u>\$ 9,231,810.00</u>	<u>\$ 578,246.79</u>	<u>\$ 14,153,400.00</u>	<u>\$ 2,322.72</u>	<u>\$ 13,459,671.44</u>
<u>Ref.</u>		C	C-12	C-4	C-22	C-25	C

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TOWNSHIP OF MONTCLAIR  
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS COLLECTOR - TREASURER  
YEAR ENDED DECEMBER 31, 2011

D-5

	Ref.	Operating Fund		Capital Fund	
Balance, December 31, 2010	D	\$	\$ 317,972.51	\$	\$ 429,342.48
Increased by Receipts:					
Premium on Sales of Notes	D-2			16,759.62	
Miscellaneous Revenue	D-3		41,750.95		
Collector	D-6		6,630,626.25		
Petty Cash Funds	D-8		300.00		
Loans Receivable	D-10			2,549,096.00	
Interfunds Receivable	D-11		31,866.06	1,056,802.87	
Capital Improvement Fund	D-23			50,000.00	
Interfunds Payable	D-24		500,000.00	15,355.92	
Bond Anticipation Notes	D-27			3,596,150.00	
Serial Bonds Issued	D-29			1,065,000.00	
			<u>7,204,543.26</u>		<u>8,349,164.41</u>
			<u>7,522,515.77</u>		<u>8,778,506.89</u>
Decreased by Disbursements:					
Anticipated Revenue - Current Fund	D-1		100,000.00		
Budget Appropriations	D-4		5,132,927.92		
Petty Cash Funds	D-8		150.00		
Interfunds Receivable	D-11		31,866.06	1,000,000.00	
Appropriation Reserves	D-16		211,693.79		
Accrued Interest on Bonds	D-17		381,383.64		
Accrued Interest on Notes	D-18		37,886.74		
Accrued Interest on Loans	D-19		77,296.94		
Due to State of New Jersey	D-20		13,598.01		
Water Overpayments	D-21		448.27		
Improvement Authorizations	D-22			2,343,586.12	
Interfund Payable	D-24		505,170.67	10,675.04	
Bond Anticipation Notes	D-27			3,883,500.00	
			<u>6,492,422.04</u>		<u>7,237,761.16</u>
Balance, December 31, 2011	D		<u>\$ 1,030,093.73</u>		<u>\$ 1,540,745.73</u>

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS COLLECTOR  
YEAR ENDED DECEMBER 31, 2011

D-6

	<u>Ref.</u>	
Increased by:		
Miscellaneous Revenue	D-3	\$ 138,478.20
Consumer Accounts Receivable	D-12	6,478,182.04
Due to State of New Jersey	D-20	<u>13,966.01</u>
		<u>6,630,626.25</u>
Decreased by:		
Turnovers to Treasurer	D-5	<u>6,630,626.25</u>
Balance, December 31, 2011		<u><u>\$</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

CHANGE FUNDS  
DECEMBER 31, 2011

D-7

	<u>Ref.</u>	
Balance, December 31, 2010	D	\$ <u>200.00</u>
Balance, December 31, 2011	D	\$ <u><u>200.00</u></u>

PETTY CASH FUNDS  
YEAR ENDED DECEMBER 31, 2011

D-8

	<u>Ref.</u>	
Balance, December 31, 2010	D	\$ 150.00
Increased by:		
Petty Cash Fund Established	D-5	<u>150.00</u>
		300.00
Decreased by:		
Petty Cash Fund Returned	D-5	<u>300.00</u>
Balance, December 31, 2011		<u><u>\$</u></u>

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

ANALYSIS OF CAPITAL CASH  
YEAR ENDED DECEMBER 31, 2011

D-9

	Balance Dec. 31, 2010	Receipts		Disbursements		Transfers		Balance Dec. 31, 2011
		Bond Anticipation Notes	Other	Improvement Authorizations	Other	From	To	
<u>Improvement Authorizations</u>								
General Improvements:								
#99-14	\$ (68,458.60)	\$	\$	\$	\$	\$	\$	\$ (68,458.60)
#01-11	(150,527.59)		845,040.00	1,205,498.20				(510,985.79)
#01-24	1,598.50							1,598.50
#02-33	(1,548,749.29)		1,704,056.00	226,667.68				(71,360.97)
#02-34	(27,656.77)	27,650.00		7,380.00				(7,386.77)
#03-13	800.00							800.00
#03-46	31,881.98			18,915.08				12,966.90
#05-39	149,012.64			1,899.03				147,113.61
#06-39	126,909.41			1,117.42				125,791.99
#07-50	129,465.42			54,692.12				74,773.30
#08-35	413,865.91			342,635.04				71,230.87
#09-35	(38,058.86)			53,861.61				(91,920.47)
#09-69	279,762.28	250,000.00		168,201.94				361,560.34
#10-73	32,500.00	500,000.00		262,718.00				269,782.00
#11-74							35,750.00	35,750.00
<u>Other Accounts</u>								
Fund Balance	45,328.48		16,759.62					62,088.10
Capital Improvement Fund	29,381.53		50,000.00			35,750.00		43,631.53
Current Fund Interfund	(56,802.87)		1,056,802.87		1,000,000.00			0.00
Water Operating Fund Interfund	1,079,090.31		15,355.92		10,675.04			1,083,771.19
	<u>\$ 429,342.48</u>	<u>\$ 777,650.00</u>	<u>\$ 3,688,014.41</u>	<u>\$ 2,343,586.12</u>	<u>\$ 1,010,675.04</u>	<u>\$ 35,750.00</u>	<u>\$ 35,750.00</u>	<u>\$ 1,540,745.73</u>
Ref.	D					Contra	Contra	D

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

LOANS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

D-10

	<u>Ref.</u>		
Balance, December 31, 2010	D		\$ 4,455,334.00
Decreased by:			
Collections	D-5	\$ 2,549,096.00	
Cancelled:			
Loan Payable	D-28	265,193.00	
Reserve for Amortization	D-25	<u>144,244.40</u>	
			<u>2,958,533.40</u>
Balance, December 31, 2011	D		<u>\$ 1,496,800.60</u>

Analysis of Balance

N.J. Environmental Infrastructure

Trust Loan:

Ordinance #99-14	\$ 70,948.60
Ordinance #01-11	521,780.00
Ordinance #02-33	173,079.00
Ordinance #09-35	<u>730,993.00</u>
	<u>\$ 1,496,800.60</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

INTERFUNDS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

D-11

	Ref.	Total Water Operating Fund	Water Operating Fund			Water Capital Fund Current Fund	
			General Capital Fund	General Trust - Payroll	Water Capital Fund		Sewer Operating Fund
Balance, December 31, 2010	D	\$ 1,851,090.31	\$ 772,000.00	\$	\$ 1,079,090.31	\$	\$ 56,802.87
Increased by:							
Interest on Deposit	D-3	4,680.88			4,680.88		
Anticipated Revenue	D-3	10,500.00				10,500.00	
Advances	D-5	31,866.06		19,343.35	10,675.04	1,847.67	1,000,000.00
		<u>47,046.94</u>		<u>19,343.35</u>	<u>15,355.92</u>	<u>12,347.67</u>	<u>1,000,000.00</u>
		1,898,137.25	772,000.00	19,343.35	1,094,446.23	12,347.67	1,056,802.87
Decreased by:							
Settlements	D-5	<u>31,866.06</u>		<u>19,343.35</u>	<u>10,675.04</u>	<u>1,847.67</u>	<u>1,056,802.87</u>
Balance, December 31, 2011	D	<u>\$ 1,866,271.19</u>	<u>\$ 772,000.00</u>	<u>\$</u>	<u>\$ 1,083,771.19</u>	<u>\$ 10,500.00</u>	<u>\$</u>

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TOWNSHIP OF MONTCLAIR  
WATER UTILITY

CONSUMER ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

D-12

	<u>Ref.</u>		
Balance, December 31, 2010	D		\$ 602,073.80
Increased by:			
Water Rents Levied - Net	Reserve		<u>6,793,027.73</u>
			<u>7,395,101.53</u>
Decreased by:			
Collections	D-6	\$ 6,478,182.04	
Overpayments Applied	D-21	<u>7,579.30</u>	
	D-3		<u>6,485,761.34</u>
Balance, December 31, 2011	D		<u>\$ 909,340.19</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

INVENTORY - MATERIALS AND SUPPLIES  
DECEMBER 31, 2011

D-13

	<u>Ref.</u>	
Balance, December 31, 2010	D	<u>\$ 126,298.65</u>
Balance, December 31, 2011	D	<u><u>\$ 126,298.65</u></u>

FIXED CAPITAL  
DECEMBER 31, 2011

D-14

	<u>Ref.</u>	
Balance, December 31, 2010	D	<u>\$ 23,626,744.36</u>
Balance, December 31, 2011	D	<u><u>\$ 23,626,744.36</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
YEAR ENDED DECEMBER 31, 2011

D-15

Ordinance Number	Description	Balance Dec. 31, 2010	2011 Authorizations	Authorizations Cancelled	Balance Dec. 31, 2011
99-14	Replacement of Lead Water Service Pipes	\$ 2,705,000.00	\$	\$ 409,437.40	\$ 2,295,562.60
01-11	Reconstruction of Watchung Avenue Pump Station	1,484,000.00			1,484,000.00
01-24	Various Water System Improvements	1,920,350.37			1,920,350.37
02-33	Reconstruction of Grove Street Pumping Station	2,020,500.00			2,020,500.00
02-34	Construction of Facilities for the Nishuane Well	1,060,000.00			1,060,000.00
03-13	Various Water System Improvements	52,000.00			52,000.00
03-46	Various Water System Improvements	985,900.00			985,900.00
05-39	Various Water System Improvements	1,190,000.00			1,190,000.00
06-39	Various Water System Improvements	1,022,000.00			1,022,000.00
07-50	Various Water System Improvements	850,000.00			850,000.00
08-35	Various Water System Improvements	980,000.00			980,000.00
09-35	Replacement of Glenfield Public Supply Well	800,000.00			800,000.00
09-69	Various Water System Improvements	825,000.00			825,000.00
10-73	Various Water Utility Improvements	650,000.00			650,000.00
11-74	Various Water Utility Improvements	<u>715,000.00</u>	<u>715,000.00</u>		<u>715,000.00</u>
		<u>\$ 16,544,750.37</u>	<u>\$ 715,000.00</u>	<u>\$ 409,437.40</u>	<u>\$ 16,850,312.97</u>
		<u>Ref.</u>	D	D-22	D

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011

D-16

	Balance Dec. 31, 2010		Balance After Transfers	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Unencumbered</u>			
<u>Operating</u>					
Salaries and Wages	\$	\$ 120,949.78	\$ 120,949.78	\$ 20,371.89	\$ 100,577.89
Other Expenses	39,738.70	310,878.13	350,616.83	176,296.97	174,319.86
<u>Commercial</u>					
Salaries and Wages		104,811.88	104,811.88	1,404.89	103,406.99
Other Expenses	560.05	39,090.03	39,650.08	13,620.04	26,030.04
	<u>\$ 40,298.75</u>	<u>\$ 575,729.82</u>	<u>\$ 616,028.57</u>	<u>\$ 211,693.79</u>	<u>\$ 404,334.78</u>
<u>Ref.</u>	D	D		D-5	D-1

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

ACCRUED INTEREST ON BONDS  
YEAR ENDED DECEMBER 31, 2011

D-17

	<u>Ref.</u>	
Balance, December 31, 2010	D	\$ 160,276.04
Increased by:		
Budget Appropriation	D-4	381,049.27
		<u>541,325.31</u>
Decreased by:		
Payments	D-5	381,383.64
		<u>381,383.64</u>
Balance, December 31, 2011	D	<u>\$ 159,941.67</u>

Analysis of Balance

Principal Outstanding Dec. 31, 2011	Interest Rate		Accrued		Period	Amount
			From	To		
\$ 325,000.00	3.50	%	8-01-11	12-31-11	5 Months	\$ 4,739.58
360,000.00	5.00		7-15-11	12-31-11	5.5 Months	8,250.00
1,385,000.00	4.50		7-01-11	12-31-11	6 Months	31,162.50
1,768,000.00	4.625		7-01-11	12-31-11	6 Months	40,885.00
315,000.00	3.50		9-01-11	12-31-11	4 Months	3,675.00
640,000.00	3.75		9-01-11	12-31-11	4 Months	8,000.00
1,700,000.00	4.00		9-01-11	12-31-11	4 Months	22,666.67
300,000.00	4.125		9-01-11	12-31-11	4 Months	4,125.00
294,000.00	4.25		9-01-11	12-31-11	4 Months	4,165.00
700,000.00	3.00		9-01-11	12-31-11	4 Months	7,000.00
100,000.00	2.00		9-01-11	12-31-11	4 Months	666.67
100,000.00	3.125		9-01-11	12-31-11	4 Months	1,041.67
165,000.00	3.375		9-01-11	12-31-11	4 Months	1,856.25
1,270,000.00	3.00		8-01-11	12-31-11	5 Months	15,875.00
280,000.00	5.00		8-01-11	12-31-11	5 Months	5,833.33
<u>\$ 9,702,000.00</u>						<u>\$ 159,941.67</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

ACCRUED INTEREST ON NOTES  
YEAR ENDED DECEMBER 31, 2011

D-18

	<u>Ref.</u>	
Balance, December 31, 2010	D	\$ 8,068.16
Increased by:		
Budget Appropriation	D-4	42,272.14
		<u>50,340.30</u>
Decreased by:		
Payments	D-5	37,886.74
		<u>37,886.74</u>
Balance, December 31, 2011	D	<u>\$ 12,453.56</u>

Analysis of Balance

Notes Outstanding Dec. 31, 2011	Interest Rate		<u>Accrued</u>		<u>Period</u>	<u>Amount</u>
			<u>From</u>	<u>To</u>		
\$ 907,000.00	1.50	%	3-10-11	12-31-11	290 Days	\$ 10,959.58
2,689,150.00	1.25		12-15-11	12-31-11	16 Days	<u>1,493.98</u>
						<u>\$ 12,453.56</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

ACCRUED INTEREST ON LOANS  
YEAR ENDED DECEMBER 31, 2011

D-19

	<u>Ref.</u>	
Balance, December 31, 2010	D	\$ 43,792.71
Increased by:		
Budget Appropriation	D-4	<u>74,203.20</u>
		117,995.91
Decreased by:		
Payments	D-5	<u>77,296.94</u>
Balance, December 31, 2011	D	<u>\$ 40,698.97</u>

Analysis of Balance

Principal Outstanding Dec. 31, 2011	Interest Rate		Accrued		Period	Amount
			From	To		
\$ 480,000.00	5.50	%	8-01-11	12-31-11	5 Months	\$ 11,000.00
195,000.00	5.70		8-01-11	12-31-11	5 Months	4,631.25
70,000.00	5.50		8-01-11	12-31-11	5 Months	1,604.17
255,000.00	5.00		8-01-11	12-31-11	5 Months	5,312.50
100,000.00	4.75		8-01-11	12-31-11	5 Months	1,979.17
45,000.00	5.00		8-01-11	12-31-11	5 Months	937.50
95,000.00	5.25		8-01-11	12-31-11	5 Months	2,078.13
415,000.00	5.00		8-01-11	12-31-11	5 Months	8,645.83
70,000.00	4.75		8-01-11	12-31-11	5 Months	1,385.42
50,000.00	5.00		8-01-11	12-31-11	5 Months	1,145.83
10,000.00	4.00		8-01-11	12-31-11	5 Months	166.67
10,000.00	5.00		8-01-11	12-31-11	5 Months	208.33
10,000.00	3.00		8-01-11	12-31-11	5 Months	125.00
40,000.00	4.00		8-01-11	12-31-11	5 Months	666.67
10,000.00	3.50		8-01-11	12-31-11	5 Months	145.83
40,000.00	4.00		8-01-11	12-31-11	5 Months	<u>666.67</u>
<u>\$ 1,895,000.00</u>						<u>\$ 40,698.97</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

DUE TO STATE OF NEW JERSEY WATER SURCHARGE  
YEAR ENDED DECEMBER 31, 2011

D-20

	<u>Ref.</u>	
Balance, December 31, 2010	D	\$ 2,932.28
Increased by:		
Collections	D-6	<u>13,966.01</u>
		16,898.29
Decreased by:		
Payments	D-5	<u>13,598.01</u>
Balance, December 31, 2011	D	<u><u>\$ 3,300.28</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

WATER OVERPAYMENTS  
YEAR ENDED DECEMBER 31, 2011

D-21

	<u>Ref.</u>		
Balance, December 31, 2010	D		\$ 23,511.37
Decreased by:			
Refunds	D-5	\$ 448.27	
Overpayments Applied	D-12	<u>7,579.30</u>	
			<u>8,027.57</u>
Balance, December 31, 2011	D		<u><u>\$ 15,483.80</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

WATER IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2011

D-22

Improvement Description	Ordinance		Balance Dec. 31, 2010		2011 Authorizations	Paid or Charged	Cancelled	Balance Dec. 31, 2011		
	Number	Date	Amount	Funded				Unfunded	Funded	Unfunded
Replacement of Lead Water Service Pipes	99-14	7-20-99	\$2,705,000.00	\$	\$ 411,927.40	\$	\$ 409,437.40	\$	\$ 2,490.00	
Reconstruction of Watchung Avenue Pump Station	01-11	4-10-01	1,484,000.00		1,216,472.41	1,205,498.20			10,974.21	
Various Water System Improvements	01-24	4-10-01	1,931,280.00	1,598.50				1,598.50		
Reconstruction of Grove Street Pumping Station	02-33	7-23-02	2,020,500.00		341,120.71	226,667.68			114,453.03	
Construction of Facilities for the Nishuane Well	02-34	7-23-02	1,060,000.00		981,767.23	7,380.00			974,387.23	
Various Water System Improvements	03-13	3-11-03	52,000.00	800.00				800.00		
Various Water System Improvements	03-46	7-22-03	985,900.00	31,881.98		18,915.08		12,966.90		
Various Water System Improvements	05-39	9-13-05	1,190,000.00		180,607.64	1,899.03		178,708.61		
Various Water System Improvements	06-39	6-27-06	1,022,000.00		197,809.41	1,117.42			196,691.99	
Various Water System Improvements	07-50	11-12-07	850,000.00		129,965.42	54,692.12			75,273.30	
Various Water System Improvements	08-35	9-23-08	980,000.00		444,865.91	342,635.04			102,230.87	
Replacement of Glenfield Public Supply Well	09-35	6-23-09	800,000.00		761,941.14	53,861.61			708,079.53	
Various Water System Improvements	09-69	11-10-09	825,000.00	29,762.28	783,750.00	168,201.94			645,310.34	
Various Water System Improvements	10-73	12-07-10	650,000.00	32,500.00	617,500.00	262,718.00			387,282.00	
Various Water System Improvements	11-74	11-1-11	715,000.00			715,000.00		35,750.00	679,250.00	
				<u>\$ 96,542.76</u>	<u>\$ 6,067,727.27</u>	<u>\$ 715,000.00</u>	<u>\$ 2,343,586.12</u>	<u>\$ 409,437.40</u>	<u>\$ 229,824.01</u>	<u>\$ 3,896,422.50</u>
			Ref.	D	D	D-15	D-5	D-15	D	D

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

CAPITAL IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2011

D-23

	<u>Ref.</u>	
Balance, December 31, 2010	D	\$ 29,381.53
Increased by:		
Budget Appropriation	D-5	<u>50,000.00</u>
		79,381.53
Decreased by:		
Appropriated to Finance Improvement		
Authorizations:		
#11-74	D-26	<u>35,750.00</u>
Balance, December 31, 2011	D	<u>\$ 43,631.53</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

INTERFUND PAYABLE  
YEAR ENDED DECEMBER 31, 2011

D-24

	<u>Ref.</u>	<u>Water Operating Fund Current Fund</u>	<u>Water Capital Fund Water Operating Fund</u>
Balance, December 31, 2010	D	\$ 5,170.67	\$ 1,079,090.31
Increased by:			
Interest on Deposit	D-5		4,680.88
Advances	D-5	500,000.00	10,675.04
		<u>505,170.67</u>	<u>1,094,446.23</u>
Decreased by:			
Settlements	D-5	<u>505,170.67</u>	<u>10,675.04</u>
Balance, December 31, 2011	D	<u>\$</u>	<u>\$ 1,083,771.19</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2011

D-25

	<u>Ref.</u>		
Balance, December 31, 2010	D		\$ 19,773,155.38
Increased by:			
N.J. Environmental Infrastructure Trust			
Loan Paid by Operating Budget	D-28	\$ 316,958.27	
Serial Bonds Paid by Operating Budget	D-29	<u>547,000.00</u>	
			<u>863,958.27</u>
			20,637,113.65
Decreased by:			
Improvement Authorizations Cancelled:			
Loan Receivable	D-10		<u>144,244.40</u>
Balance, December 31, 2011	D		<u>\$ 20,492,869.25</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

DEFERRED RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2011

D-26

Ordinance Number	Description	Balance Dec. 31, 2010	Increase	Notes Paid by Operating Budget	Balance Dec. 31, 2011
99-14	Replacement of Lead Water Service Pipes	\$ 130,000.00	\$	\$	\$ 130,000.00
01-11	Reconstruction of Watchung Avenue Pump Station	70,000.00			70,000.00
01-24	Various Water System Improvements	81,550.37			81,550.37
02-33	Reconstruction of Grove Street Pumping Station	96,230.00			96,230.00
02-34	Construction of Facilities for the Nishuane Well	50,576.00			50,576.00
03-13	Various Water System Improvements	3,000.00			3,000.00
03-46	Various Water System Improvements	47,900.00			47,900.00
05-39	Various Water System Improvements	74,500.00			74,500.00
06-39	Various Water System Improvements	58,100.00		15,500.00	73,600.00
07-50	Various Water System Improvements	42,500.00		6,000.00	48,500.00
08-35	Various Water System Improvements	49,000.00			49,000.00
09-69	Various Water System Improvements	41,250.00			41,250.00
10-73	Various Water Utility Improvements	32,500.00			32,500.00
11-74	Various Water Utility Improvements		35,750.00		35,750.00
		<u>\$ 777,106.37</u>	<u>\$ 35,750.00</u>	<u>\$ 21,500.00</u>	<u>\$ 834,356.37</u>
	<u>Ref.</u>	D	D-23	D-27	D

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TOWNSHIP OF MONTCLAIR  
WATER UTILITY

BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2011

D-27

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2010	Increase	Decrease	Balance Dec. 31, 2011	
05-39	Various Water System Improvements				\$ 1,065,000.00	\$	\$ 1,065,000.00	\$	
06-39	Various Water System Improvements	12-21-06	12-14-12	1.25%	883,000.00	867,500.00	883,000.00	867,500.00	
07-50	Various Water System Improvements	12-18-08	12-14-12	1.25%	400,000.00	394,000.00	400,000.00	394,000.00	
		03-13-09	3-9-12	1.50%	407,000.00	407,000.00	407,000.00	407,000.00	
08-35	Various Water System Improvements	12-18-09	12-14-12	1.25%	500,000.00	500,000.00	500,000.00	500,000.00	
		12-16-10	12-14-12	1.25%	400,000.00	400,000.00	400,000.00	400,000.00	
09-69	Various Water System Improvements	03-11-10	3-9-12	1.50%	250,000.00	250,000.00	250,000.00	250,000.00	
		03-10-11	3-9-12	1.50%		250,000.00	250,000.00	250,000.00	
02-34	Various Water System Improvements	12-15-11	12-14-12	1.25%		27,650.00		27,650.00	
10-73	Various Water System Improvements	12-15-11	12-14-12	1.25%		500,000.00		500,000.00	
					<u>\$ 3,905,000.00</u>	<u>\$ 3,596,150.00</u>	<u>\$ 3,905,000.00</u>	<u>\$ 3,596,150.00</u>	
					<u>Ref.</u>	D	D-5	Below	D
								<u>Ref.</u>	
					Cash Disbursements		D-5	\$ 3,883,500.00	
					Paid by Budget Appropriation		D-26	21,500.00	
								<u>\$ 3,905,000.00</u>	

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TOWNSHIP OF MONTCLAIR  
WATER UTILITY

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE  
YEAR ENDED DECEMBER 31, 2011

D-28

	Original Issue		Balance December 31, 2010	Decrease	Balance December 31, 2011
	Date	Amount			
Trust Share	11-04-99	\$ 1,245,000.00	\$ 740,000.00	\$ 65,000.00	\$ 675,000.00
Fund Share	11-04-99	1,295,000.00	596,831.94	331,086.05	265,745.89
Trust Share	11-08-01	660,000.00	455,000.00	30,000.00	425,000.00
Fund Share	11-08-01	706,820.00	397,303.30	35,013.41	362,289.89
Trust Share	11-07-02	915,000.00	665,000.00	40,000.00	625,000.00
Fund Share	11-07-02	962,135.00	589,191.46	48,035.23	541,156.23
Trust Share	3-10-10	180,000.00	180,000.00	5,000.00	175,000.00
Fund Share	3-10-10	550,993.00	532,315.28	28,016.58	504,298.70
			\$ 4,155,641.98	\$ 582,151.27	\$ 3,573,490.71
	Reference		D	Below	D
			Ref.		
	Paid by Budget Appropriation		D-25	\$ 316,958.27	
	Cancelled		D-10	265,193.00	
				\$ 582,151.27	

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TOWNSHIP OF MONTCLAIR  
WATER UTILITY

SERIAL BONDS  
YEAR ENDED DECEMBER 31, 2011

D-29

Purpose	Date of Issue	Amount of Original Issue	Bonds Outstanding		Interest Rate	Balance Dec. 31, 2010	Bonds Issued	Decrease	Balance Dec. 31, 2011
			Date	Amount					
Water Improvements	3-01-03	\$ 3,397,000.00	2-01-12	\$ 325,000.00	3.50 %	\$ 2,242,000.00	\$	\$ 1,917,000.00	\$ 325,000.00
Water Refunding	6-01-05	755,000.00	7-15-12/13	125,000.00	5.00	485,000.00		125,000.00	360,000.00
			7-15-14	110,000.00	5.00				
Water Improvements	5-15-06	3,453,000.00	1-01-12	50,000.00	4.50	3,178,000.00		25,000.00	3,153,000.00
			1-01-13	65,000.00	4.50				
			1-01-14	100,000.00	4.50				
			1-01-15/16	110,000.00	4.50				
			1-01-17	160,000.00	4.50				
			1-01-18	270,000.00	4.50				
			1-01-19/20	260,000.00	4.50				
			1-01-21	275,000.00	4.625				
			1-01-22/26	250,000.00	4.625				
			1-01-27	243,000.00	4.625				
			Water Improvements	9-01-08	3,349,000.00				
9-01-13	60,000.00	3.50							
9-01-14	50,000.00	3.50							
9-01-15	175,000.00	3.50							
9-01-16/17	195,000.00	3.75							
9-01-18	250,000.00	3.75							
9-01-19/20	250,000.00	4.00							
9-01-21/24	300,000.00	4.00							
9-01-25	300,000.00	4.15							
9-01-26	294,000.00	4.25							
Water Improvements	3-01-11	1,065,000.00				3-01-12/13	100,000.00	3.00	
			3-01-14	100,000.00	2.00				
			3-01-15/19	100,000.00	3.00				
			3-01-20	100,000.00	3.125				
			3-01-21	165,000.00	3.375				
Water Refunding	8-15-11	1,550,000.00	2-01-13	320,000.00	3.00	1,550,000.00			1,550,000.00
			2-01-14	320,000.00	3.00				
			2-01-15	315,000.00	3.00				
			2-01-16	315,000.00	3.00				
			2-01-17	280,000.00	3.00				
						<u>\$ 9,184,000.00</u>	<u>\$ 2,615,000.00</u>	<u>\$ 2,097,000.00</u>	<u>\$ 9,702,000.00</u>
						Ref.	D	Below	D
						Ref.			
						Bonds Refunded	Contra	\$ 1,550,000.00	\$ 1,550,000.00
						Bonds Paid	D-25	547,000.00	547,000.00
						Bonds Issued	D-5	1,065,000.00	1,065,000.00
						<u>\$ 2,615,000.00</u>	<u>\$ 2,097,000.00</u>		

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

BONDS AND NOTES AUTHORIZED BU NOT ISSUED  
YEAR ENDED DECEMBER 31, 2011

D-30

Ordinance Number	Improvement Description	Balance December 31, 2010	Authorizations	Bond Anticipation Notes Issued	Balance December 31, 2011
01-11	Reconstruction of Pumping Station	\$ 180.00	\$	\$	\$ 180.00
02-33	Reconstruction of Pumping Station - Grove Street	12,735.00			12,735.00
02-34	Construction of Nishuane Well	1,009,424.00		27,650.00	981,774.00
05-39	Various Water Improvements	31,595.00			31,595.00
06-39	Various Water Improvements	70,900.00			70,900.00
07-50	Various Water Improvements	500.00			500.00
08-35	Various Water Improvements	31,000.00			31,000.00
09-35	Replacement of Glenfield Public Supply Well	69,007.00			69,007.00
09-69	Various Water Improvements	533,750.00		250,000.00	283,750.00
10-73	Various Water Improvements	617,500.00		500,000.00	117,500.00
11-74	Various Water Improvements		679,250.00		679,250.00
		<u>\$ 2,376,591.00</u>	<u>\$ 679,250.00</u>	<u>\$ 777,650.00</u>	<u>\$ 2,278,191.00</u>
		<u>Ref</u>	D		D

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION - TREASURER  
DECEMBER 31, 2011

E-5

	<u>Ref.</u>	<u>Operating Fund</u>		<u>Capital Fund</u>
Balance, December 31, 2010	E	\$ 2,844,570.18	\$	\$ 1,093,896.32
Increased by Receipts:				
Premium on Sales of Notes	E-2			11,696.53
Collector	E-6	4,865,556.37		
Capital Improvement Fund	E-17			45,000.00
Interfunds Payable	E-18	4,510,500.00		19,171.98
Bond Anticipation Notes	E-21			2,198,000.00
		<u>9,376,056.37</u>		<u>2,273,868.51</u>
				3,367,764.83
Decreased by Disbursements:				
Anticipated Revenue - Current Fund	E-1	100,000.00		
Refund of Prior Year Revenue	E-1	95,392.11		
Budget Appropriations	E-4	4,298,792.91		
Appropriation Reserves	E-13	32,268.50		
Accrued Interest on Notes	E-14	27,561.35		
Sewer Overpayments	E-15	3,901.45		
Improvements Authorizations	E-16			236,942.56
Interfund Payable	E-18	4,500,000.00		14,647.20
Bond Anticipation Notes	E-21			2,198,000.00
		<u>9,057,916.32</u>		<u>2,449,589.76</u>
Balance, December 31, 2011	E	<u>\$ 3,162,710.23</u>		<u>\$ 918,175.07</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

CASH RECEIPTS AND DISBURSEMENTS - COLLECTOR  
YEAR ENDED DECEMBER 31, 2011

E-6

	<u>Ref.</u>	
Increased by:		
Miscellaneous Revenue Not Anticipated	E-3	\$ 81,304.92
Sanitary Sewer Connection Reservoir Ridge	E-3	66,470.00
Consumer Accounts Receivable	E-10	<u>4,717,781.45</u>
		4,865,556.37
Decreased by:		
Turnovers to Treasurer	E-5	<u>4,865,556.37</u>
Balance, December 31, 2011		<u><u>\$</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

CHANGE FUNDS  
DECEMBER 31, 2011

E-7

	<u>Ref.</u>	
Balance, December 31, 2010	E	<u>\$ 200.00</u>
Balance, December 31, 2011	E	<u><u>\$ 200.00</u></u>

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

ANALYSIS OF CAPITAL CASH  
YEAR ENDED DECEMBER 31, 2011

E-8

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Receipts</u> <u>Other</u>	<u>Disbursements</u>		<u>Balance</u> <u>Dec. 31, 2011</u>
			<u>Improvement</u> <u>Authorizations</u>	<u>Other</u>	
<u>Improvement Authorizations</u>					
<u>General Improvements:</u>					
#06-38, 07-44	\$ 73,172.07	\$	\$ 11,760.93	\$	\$ 61,411.14
#08-11	34,321.93		71,496.36		(37,174.43)
#08-36	144,556.74		8,719.07		135,837.67
#09-17	400,654.33		1,988.53		398,665.80
#09-70	322,500.00		142,354.02		180,145.98
#11-54			623.65		(623.65)
 <u>Other Accounts</u>					
Fund Balance	42,424.50	11,696.53			54,121.03
Capital Improvement Fund	75,500.00	45,000.00			120,500.00
Sewer Operating Fund Interfund	766.75	19,171.98		14,647.20	5,291.53
	<u>\$ 1,093,896.32</u>	<u>\$ 75,868.51</u>	<u>\$ 236,942.56</u>	<u>\$ 14,647.20</u>	<u>\$ 918,175.07</u>
<u>Ref.</u>	E	E-5	E-5	E-18	E

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TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

INTERFUNDS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

E-9

Sewer  
Operating Fund  
Sewer Capital  
Fund

	<u>Ref.</u>	
Balance, December 31, 2010	E	\$ 766.75
Increased by:		
Interest on Deposit	E-3	<u>4,524.78</u>
Balance, December 31, 2011	E	<u>\$ 5,291.53</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

CONSUMER ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

E-10

	<u>Ref.</u>		
Balance, December 31, 2010	E		\$ 720,360.70
Increased by:			
Sewer Charges Levied - Net	Reserve		<u>4,660,832.73</u>
			5,381,193.43
Decreased by:			
Collections	E-6	\$ 4,717,781.45	
Overpayments Applied	E-15	<u>2,145.26</u>	
	E-3		<u>4,719,926.71</u>
Balance, December 31, 2011	E		<u><u>\$ 661,266.72</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

INVENTORY - MATERIALS AND SUPPLIES  
DECEMBER 31, 2011

E-11

	<u>Ref.</u>	
Balance, December 31, 2010	E	<u>\$ 14,454.22</u>
Balance, December 31, 2011	E	<u><u>\$ 14,454.22</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
YEAR ENDED DECEMBER 31, 2011

E-12

<u>Ordinance Number</u>	<u>Description</u>	<u>Balance Dec. 31, 2010</u>	<u>2011 Authorizations</u>	<u>Balance Dec. 31, 2011</u>
04-27, 07-44	Various Sewer System Improvements	\$ 855,000.00	\$	\$ 855,000.00
08-11	Various Sewer Improvements	600,000.00		600,000.00
08-36	Repairs to Sewer Utility System	330,000.00		330,000.00
09-17	Various System Improvements	550,000.00		550,000.00
09-70	Various System Improvements	450,000.00		450,000.00
11-54	Various System Improvements	<u>                    </u>	<u>1,600,000.00</u>	<u>1,600,000.00</u>
		<u>\$ 2,785,000.00</u>	<u>\$ 1,600,000.00</u>	<u>\$ 4,385,000.00</u>

Ref.

E

E-16

E

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011

E-13

	<u>Balance Dec. 31, 2010</u>		<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
	<u>Encumbered</u>	<u>Unencumbered</u>			
<u>Operating:</u>					
Salary and Wages	\$	\$ 43,438.30	\$ 43,438.30	\$ 5,057.72	\$ 38,380.58
Other Expenses	10,855.63	98,955.17	109,810.80	27,210.78	82,600.02
Passaic Valley Sewer Commission		16.98	16.98		16.98
Second River Sewer		492.35	492.35		492.35
Third River Sewer		88.03	88.03		88.03
	<u>\$ 10,855.63</u>	<u>\$ 142,990.83</u>	<u>\$ 153,846.46</u>	<u>\$ 32,268.50</u>	<u>\$ 121,577.96</u>
<u>Ref.</u>	E	E		E-5	E-1

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

ACCRUED INTEREST ON NOTES  
YEAR ENDED DECEMBER 31, 2011

E-14

	<u>Ref.</u>	
Balance, December 31, 2010	E	\$ 12,294.41
Increased by:		
Budget Appropriation	E-4	28,000.00
		40,294.41
Decreased by:		
Payments	E-5	27,561.35
		27,561.35
Balance, December 31, 2011	E	\$ 12,733.06

Analysis of Balance

Notes Outstanding	Interest Rate	<u>Accrued</u>		<u>Period</u>		<u>Period</u>
		<u>From</u>	<u>To</u>			
\$ 1,175,000.00	1.50 %	12/15/2011	12/31/2011	15 Days		\$ 532.81
1,023,000.00	1.25	3/10/2011	12/31/2011	290 Days		14,197.92
						\$ 14,730.73

Note: The shortfall has been raised in the 2012 budget.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

SEWER OVERPAYMENTS  
YEAR ENDED DECEMBER 31, 2011

E-15

	<u>Ref.</u>		
Balance, December 31, 2010	E		\$ 20,515.61
Decreased by:			
Refunds	E-5	\$ 3,901.45	
Overpayments Applied	E-10	<u>2,145.26</u>	
			<u>6,046.71</u>
Balance, December 31, 2011	E		<u>\$ 14,468.90</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY

IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2011

E-16

<u>Improvement Description</u>	<u>Number</u>	<u>Ordinance</u>		<u>Balance</u> <u>Dec. 31, 2010</u>		<u>2011</u> <u>Authorizations</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Dec. 31, 2011</u>	
		<u>Date</u>	<u>Amount</u>	<u>Funded</u>	<u>Unfunded</u>			<u>Funded</u>	<u>Unfunded</u>
Various Sewer System Improvements	06-38	10-01-06	\$755,000.00						
	07-44	9-25-07	100,000.00	\$	\$ 135,172.07	\$	\$ 11,760.93	\$	123,411.14
Various Sewer System Improvements	08-11	2-19-08	600,000.00		134,321.93		71,496.36		62,825.57
Repairs to Sewer Utility System	08-36	9-23-08	330,000.00		158,056.74		8,719.07		149,337.67
Various Sewer System Improvements	09-17	4-21-09	550,000.00	25,654.33	522,500.00		1,988.53	23,665.80	522,500.00
Various Sewer System Improvements	09-70	11-10-09	450,000.00	22,500.00	427,500.00		142,354.02		307,645.98
Refurbishment of the Sanitary Sewer	11-54	08-16-11	1,600,000.00			1,600,000.00	623.65		1,599,376.35
				<u>\$ 48,154.33</u>	<u>\$ 1,377,550.74</u>	<u>\$ 1,600,000.00</u>	<u>\$ 236,942.56</u>	<u>\$ 23,665.80</u>	<u>\$ 2,765,096.71</u>
		<u>Ref.</u>		<u>E</u>	<u>E</u>	<u>E-12</u>	<u>E-5</u>	<u>E</u>	<u>E</u>

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

CAPITAL IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2011

E-17

	<u>Ref.</u>	
Balance, December 31, 2010	E	\$ 75,500.00
Increased by:		
Budget Appropriation	E-5	<u>45,000.00</u>
Balance, December 31, 2011	E	<u>\$ 120,500.00</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

INTERFUNDS PAYABLE  
YEAR ENDED DECEMBER 31, 2011

E-18

		<u>Sewer Operating Fund</u>		<u>Sewer Capital Fund</u>
	<u>Ref.</u>	<u>Water Operating</u>	<u>Current Fund</u>	<u>Sewer Operating Fund</u>
Balance, December 31, 2010	E	\$	\$	\$ 766.75
Increased by:				
Advances	E-5	10,500.00	4,500,000.00	14,647.20
Interest on Deposit	E-5			4,524.78
		10,500.00	4,500,000.00	19,938.73
Decreased by:				
Settlements	E-5		4,500,000.00	14,647.20
Balance, December 31, 2011	E	\$ 10,500.00	\$	\$ 5,291.53

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

RESERVE FOR AMORTIZATION  
DECEMBER 31, 2011

E-19

	<u>Ref.</u>	
Balance, December 31, 2010	E	<u>\$ 7,500.00</u>
Balance, December 31, 2011	E	<u><u>\$ 7,500.00</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

DEFERRED RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2011

E-20

Ordinance Number	Improvement Description	Balance Dec. 31, 2010	Notes Paid By Operating Budget	Balance Dec. 31, 2011
06-38, 07-44	Various Sewer System Improvements	\$ 49,500.00	\$ 13,000.00	\$ 62,500.00
08-36	Repairs to Sewer Utility System	16,500.00		16,500.00
09-17	Various Sewer System Improvements	27,500.00		27,500.00
09-70	Various Sewer System Improvements	22,500.00		22,500.00
		<u>\$ 116,000.00</u>	<u>\$ 13,000.00</u>	<u>\$ 129,000.00</u>
Ref.		E	E-21	E

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2011

E-21

Ordinance Number	Purpose	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2010	Increase	Decrease	Balance Dec. 31, 2011
06-38, 07-44	Various Sewer System Improvements	12-21-06	12-15-11	12-14-12	1.25 %	\$ 385,000.00	\$ 377,500.00	\$ 385,000.00	\$ 377,500.00
		12-18-08	12-15-11	12-14-12	1.25	300,000.00	294,500.00	300,000.00	294,500.00
		12-18-09	12-15-11	12-14-12	1.25	50,405.00	50,405.00	50,405.00	50,405.00
		12-16-10	12-15-11	12-14-12	1.25	595.00	595.00	595.00	595.00
08-11	Various Sewer Improvements	3-13-09	3-10-11	3-09-12	1.50	500,000.00	500,000.00	500,000.00	500,000.00
08-36	Repairs to Sewer Utility System	3-13-09	3-10-11	3-09-12	1.50	200,000.00	200,000.00	200,000.00	200,000.00
		3-11-10	3-10-11	3-09-12	1.50	100,000.00	100,000.00	100,000.00	100,000.00
09-17	Various Sewer Improvements	3-11-10	3-10-11	3-09-12	1.50	375,000.00	375,000.00	375,000.00	375,000.00
09-70	Various Sewer Improvements	12-16-10	12-15-11	12-14-12	1.25	300,000.00	300,000.00	300,000.00	300,000.00
						<u>\$ 2,211,000.00</u>	<u>\$ 2,198,000.00</u>	<u>\$ 2,211,000.00</u>	<u>\$ 2,198,000.00</u>
<u>Ref.</u>						E	Below	Below	E
<u>Ref.</u>									
Budget Appropriations						E-20	\$	\$ 13,000.00	
Renewals						E-5		<u>2,198,000.00</u>	<u>2,198,000.00</u>
						Above		<u>\$ 2,198,000.00</u>	<u>\$ 2,211,000.00</u>

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TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2011

E-22

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2010</u>	<u>2011 Authorizations</u>	<u>Balance Dec. 31, 2011</u>
06-38, 07-44	Various Sewer System Improvements	\$ 62,000.00	\$	\$ 62,000.00
08-11	Various Sewer Improvements	100,000.00		100,000.00
08-36	Repairs to Sewer Utility System	13,500.00		13,500.00
09-17	Various Sewer Improvements	147,500.00		147,500.00
09-70	Various Sewer Improvements	127,500.00		127,500.00
11-54	Various Sewer Improvements	1,600,000.00	1,600,000.00	1,600,000.00
		<u>\$ 450,500.00</u>	<u>\$ 1,600,000.00</u>	<u>\$ 2,050,500.00</u>
<u>Ref.</u>		E	E-16	E

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION -  
TREASURER  
YEAR ENDED DECEMBER 31, 2011

F-4

	<u>Ref.</u>	<u>Operating Fund</u>	
Balance, December 31, 2010	F	\$	\$ 938.94
Increased by Receipts:			
Interest on Deposits	F-2		4.26
Contribution	F-2		1,063,970.00
Accrued Interest Receivable	F-6		7,417.58
			<u>1,071,391.84</u>
Increased by Disbursements:			
Budget Appropriations	F-3		315,000.00
Accrued Interest on Bonds	F-10		756,387.50
			<u>1,071,387.50</u>
Balance, December 31, 2011	F		<u>\$ 943.28</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

ANALYSIS OF CAPITAL CASH  
DECEMBER 31, 2011 AND 2010

F-5

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Other Accounts		
Due from Montclair Parking Authority	\$ (282,014.68)	\$ (282,014.68)
Current Fund Interfund	82,944.48	82,944.48
General Capital Fund Interfund	251,183.37	251,183.37
Parking Utility Operating Fund Interfund	<u>(52,113.17)</u>	<u>(52,113.17)</u>
	<u>\$</u>	<u>\$</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

ACCRUED INTEREST RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

F-6

	<u>Ref.</u>	
Balance, December 31, 2010	F	\$ 381,880.00
Decreased by:		
Collection	F-4	<u>7,417.58</u>
Balance, December 31, 2011	F	<u>\$ 374,462.42</u>

DUE FROM MONTCLAIR PARKING AUTHORITY  
DECEMBER 31, 2011

F-7

	<u>Ref.</u>	
Balance, December 31, 2010	F	<u>\$ 282,014.68</u>
Balance, December 31, 2011	F	<u>\$ 282,014.68</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
PARKING AUTHORITY

INTERFUNDS RECEIVABLE  
DECEMBER 31, 2011

F-8

	<u>Ref.</u>	<u>Parking Utility Operating Fund General Capital Fund</u>	<u>Parking Utility Capital Fund Parking Utility Operating Fund</u>
Balance, December 31, 2010	F	<u>\$ 74,961.76</u>	<u>\$ 52,113.17</u>
Balance, December 31, 2011	F	<u><u>\$ 74,961.76</u></u>	<u><u>\$ 52,113.17</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

FIXED CAPITAL  
DECEMBER 31, 2011

F-9

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Construction of Various Parking Decks	<u>\$ 16,445,000.00</u>	<u>\$ 16,445,000.00</u>
<u>Ref.</u>	F	F

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

ACCRUED INTEREST ON BONDS  
YEAR ENDED DECEMBER 31, 2011

F-10

	<u>Ref.</u>	
Balance, December 31, 2010	F	\$ 381,880.00
Increased by:		
Budget Appropriation	F-3	748,970.00
		1,130,850.00
Decreased by:		
Payments	F-4	756,387.50
		756,387.50
Balance, December 31, 2011	F	\$ 374,462.50

Analysis of Balance

Bonds Outstanding Dec. 31, 2011	Interest Rate	Accrued		Period	Amount
		From	To		
\$ 3,120,000.00	4.500 %	7/1/2011	12/31/2011	6 Months	\$ 70,200.00
10,620,000.00	4.625	7/1/2011	12/31/2011	6 Months	245,587.50
210,000.00	6.400	7/1/2011	12/31/2011	6 Months	6,720.00
1,600,000.00	6.500	7/1/2011	12/31/2011	6 Months	52,000.00
					\$ 374,507.50

Note: The shortfall has been raised in the 2012 budget.

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

INTERFUNDS PAYABLE  
DECEMBER 31, 2011

F-11

		<u>Parking Utility Operating Fund</u>	<u>Total Parking Utility Capital Fund</u>	<u>Parking Utility Capital Fund</u>	
	<u>Ref.</u>	<u>Parking Utility Capital Fund</u>		<u>Current Fund</u>	<u>General Capital Fund</u>
Balance, December 31, 2010	F	<u>\$ 52,113.17</u>	<u>\$ 334,127.85</u>	<u>\$ 82,944.48</u>	<u>\$ 251,183.37</u>
Balance, December 31, 2011	F	<u>\$ 52,113.17</u>	<u>\$ 334,127.85</u>	<u>\$ 82,944.48</u>	<u>\$ 251,183.37</u>

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2011

F-12

	<u>Ref.</u>	
Balance, December 31, 2010	F	\$ 580,000.00
Increased by:		
Serial Bonds Paid by Operating		
Budget:		
Current Year	F-13	<u>315,000.00</u>
Balance, December 31, 2011	F	<u><u>\$ 895,000.00</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

SERIAL BONDS  
YEAR ENDED DECEMBER 31, 2011

F-13  
Sheet # 1

Purpose	Date of Issue	Amount of Original Issue	Bonds Outstanding		Interest Rate	Balance Dec. 31, 2010	Decreased	Balance Dec. 31, 2011
			Date	Amount				
Series A	5-15-06	\$ 14,555,000.00	1-01-12	\$ 300,000.00	4.50 %			
			1-01-13	305,000.00	4.50			
			1-01-14	320,000.00	4.50			
			1-01-15	330,000.00	4.50			
			1-01-16	340,000.00	4.50			
			1-01-17	360,000.00	4.50			
			1-01-18	370,000.00	4.50			
			1-01-19	390,000.00	4.50			
			1-01-20	405,000.00	4.50			
			1-01-21	430,000.00	4.625			
			1-01-22	445,000.00	4.625			
			1-01-23	465,000.00	4.625			
			1-01-24	490,000.00	4.625			
			1-01-25	510,000.00	4.625			
			1-01-26	530,000.00	4.625			
			1-01-27	555,000.00	4.625			
			1-01-28	580,000.00	4.625			
			1-01-29	610,000.00	4.625			
			1-01-30	635,000.00	4.625			
			1-01-31	665,000.00	4.625			
1-01-32	700,000.00	4.625						
1-01-33	725,000.00	4.625						
1-01-34	765,000.00	4.625						
1-01-35	800,000.00	4.625						
1-01-36	835,000.00	4.625						
1-01-37	880,000.00	4.625		\$ 14,025,000.00	\$ 285,000.00	\$ 13,740,000.00		

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

SERIAL BONDS  
YEAR ENDED DECEMBER 31, 2011

F-13  
Sheet # 2

Purpose	Date of Issue	Amount of Original Issue	Bonds Outstanding		Interest Rate	Balance Dec. 31, 2010	Decreased	Balance Dec. 31, 2011
			Date	Amount				
Series B	5-15-06	\$ 1,890,000.00	1-01-12/13	30,000.00	6.40			
			1-01-14/15	35,000.00	6.40			
			1-01-16/17	40,000.00	6.40			
			1-01-18/19	45,000.00	6.50			
			1-01-20/21	50,000.00	6.50			
			1-01-22/23	55,000.00	6.50			
			1-01-24	60,000.00	6.50			
			1-01-25	65,000.00	6.50			
			1-01-26	70,000.00	6.50			
			1-01-27	75,000.00	6.50			
			1-01-28/29	80,000.00	6.50			
			1-01-30	85,000.00	6.50			
			1-01-31	90,000.00	6.50			
			1-01-32	100,000.00	6.50			
			1-01-33	105,000.00	6.50			
			1-01-34	110,000.00	6.50			
			1-01-35	120,000.00	6.50			
			1-01-36	125,000.00	6.50			
			1-01-37	135,000.00	6.50			
						<u>\$ 15,865,000.00</u>	<u>\$ 315,000.00</u>	<u>\$ 15,550,000.00</u>
					Ref.	F	F-12	F

-217a-

**PART II**  
**REPORT ON INTERNAL CONTROL AND  
OTHER MATTERS**  
**SINGLE AUDIT ATTACHMENTS**  
**ROSTER OF OFFICIALS**  
**COMMENTS AND RECOMMENDATIONS**  
**DECEMBER 31, 2011**

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

The Honorable Mayor and Members  
of the Township Council  
Township of Montclair  
County of Essex  
Montclair, New Jersey 07042

We have audited the regulatory basis financial statements of the Township of Montclair, in the County of Essex, State of New Jersey (the "Township"), as of and for the year ended December 31, 2011, and have issued our report thereon dated May 25, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division").

As described in Note 1, the Township prepares its financial statements on a basis of accounting prescribed by the Division, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. However, we noted certain immaterial instances of noncompliance or other matters that we have reported to the management of the Township in the "Auditor's Comments and Recommendations" section of this report.

This report is intended solely for the information of the Township's governing body, management and the Division, and is not intended to be and should not be used by anyone other than these specified parties.



McEnerney, Brady & Company, LLC  
Certified Public Accountants



John Lauria, RMA  
Licensed Registered Municipal Accountant # 403

Livingston, New Jersey  
May 25, 2012



McENERNEY, BRADY & COMPANY, LLC  
Certified Public Accountants

**Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04**

The Honorable Mayor and Members  
of the Township Council  
Township of Montclair  
County of Essex  
Montclair, New Jersey 07042

**Compliance**

We have audited the Township of Montclair, County of Essex, State of New Jersey (the "Township"), compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement and New Jersey OMB Circular 04-04* that could have a direct and material effect on each of the major federal and state programs for the year ended December 31, 2011. The Township's federal and state programs are identified in the summary of the auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and state programs is the responsibility of the management of the Township. Our responsibility is to express an opinion on the Township's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; the standard applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of State, Local Governments, and Nonprofit Organizations*; and the provisions of the state Treasury Circular Letter 04-04 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Programs*. Those standards and Circulars require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Township's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Township's compliance with those requirements.

In our opinion, the Township complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2011.

293 Eisenhower Parkway, Livingston, NJ 07039  
(973) 535-2880

832 McLean Avenue, Yonkers, NY 10704  
(914) 237-3676

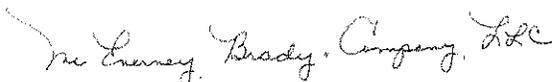
## Internal Control Over Compliance

Management of the Township is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered the Township's internal control over compliance with the requirements that could have a direct and material effect on a major federal and state programs to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and NJ OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over compliance.

A *deficiency in internal control* over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance*, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

Our consideration in internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

This report is intended solely for the information and use of the Township's governing body and management, State and Federal awarding agencies and the Division of Local Government Services, Department of Community Affairs, State of New Jersey. It is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



McEnerney, Brady & Company, LLC  
Certified Public Accountants



John Lauria, RMA  
Licensed Registered Municipal Accountant # 403

Livingston, New Jersey  
May 25, 2012

TOWNSHIP OF MONTCLAIR  
COUNTY OF ESSEX

SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL ASSISTANCE  
YEAR ENDED DECEMBER 31, 2011

SCHEDULE A  
Sheet # 1

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Period		Revised Budget	Cash Receipts	Current Year Expenditures	Cumulative Expenditures
		From	To				
U.S. Department of Housing and Urban Development:							
Passed -Thru County of Essex							
Block Grant	14.218						
Prior Years		7-01-97	Completion	\$ 956.00	\$	\$	\$
Program Year 2008		7-01-08	Completion	120,357.94	9,010.00	9,010.00	120,357.94
Program Year 2009		7-01-09	Completion	288,795.49	93,350.00	93,350.00	283,795.49
Program Year 2010		7-01-10	Completion	237,595.00	155,317.93	55,552.92	158,240.98
Program Year 2011		7-01-11	Completion	41,650.00			
Direct Award - Section "8" Housing	14.856			3,558,919.54	3,341,886.00	3,558,919.54	3,558,919.54
U.S. Department of Justice:							
Pass Thru New Jersey Department of Law and Public Safety:							
Justice Assistance Program	16.592	7-01-11	6-30-12	76,992.00		15,312.50	76,992.00
Pedestrian Safety Grant	16.710	7-01-10	6-30-11	13,000.00	12,988.20	12,000.00	13,000.00
Pedestrian Safety Grant	16.710	7-01-11	6-30-12	16,000.00		2,400.00	2,400.00
Bulletproof Vest Program	16.607	7-01-06	6-30-07	4,025.00		3,223.86	4,025.00
Bulletproof Vest Program	16.607	7-01-07	6-30-08	3,315.25		3,315.25	3,315.25
U.S. Department of Homeland Security:							
Assistance to Firefighters	97.044	7-01-04	6-30-05	50,688.00			31,387.90
		7-01-08	6-30-09	68,923.00			63,215.93
		7-01-10	6-30-11	97,663.00	68,300.00	71,065.13	73,065.13
U.S. Environmental Protection Agency:							
Passed Thru Twp. Of Cherry Hill:							
Climate Showcase Communities Grant	66.041	7-01-10	6-30-11	75,000.00	31,656.25	34,486.90	34,486.90

TOWNSHIP OF MONTCLAIR  
COUNTY OF ESSEX

SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL ASSISTANCE  
YEAR ENDED DECEMBER 31, 2011

SCHEDULE A  
Sheet # 2

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Period		Revised Budget	Cash Receipts	Current Year Expenditures	Cumulative Expenditures
		From	To				
U.S. Department of Transportation: Pass Thru New Jersey Department of Transportation - Highway Safety:							
Click It or Ticket	20.602	7-01-11	6-30-12	\$ 4,000.00	\$ 4,000.00	\$ 1,400.00	\$ 1,400.00
Over the Limit Under Arrest	20.	7-01-11	6-30-12	5,000.00	5,000.00	2,275.00	2,275.00
U.S. Department of Energy: Energy Efficiency and Conservation	81.128	7-01-10	Completion	155,000.00	130,000.00	72,646.66	82,646.66
U.S. Department of Health and Human Service: Older Americans Act - Title III: Passed thru County of Essex:							
Senior Citizens' Public Health Nurse	13.991	7-01-10	6-30-11	15,534.00	3,885.00		15,534.00
Senior Citizens' Public Health Nurse	13.991	7-01-11	6-30-12	15,537.00	7,376.00	15,537.00	15,537.00
Total Federal Financial Assistance					<u>\$ 3,862,769.38</u>	<u>\$ 3,950,494.76</u>	<u>\$ 4,540,594.72</u>

TOWNSHIP OF MONTCLAIR  
COUNTY OF ESSEX

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR EBDDED DECEMBER 31, 2011

SCHEDULE B  
Sheet # 1

<u>State Funding Department or Division</u>	<u>Program</u>	<u>State Account Number</u>	<u>Revised Grant Award</u>	<u>Grant Period</u>		<u>Cash Received</u>	<u>Expended</u>	<u>Cumulative Expended</u>
				<u>From</u>	<u>To</u>			
Community Affairs	Shaping New Jersey - Mini Grant		\$ 15,000.00	1/01/11	12/31/11	\$ 15,000.00	\$ 1,278.44	\$ 1,278.44
	Lead Identification Testing Grant		17,370.00	7/01/09	6/30/10		2,880.00	17,370.00
	Retail Food Program Standards Initiative		2,000.00	1/01/10	12/31/10	2,000.00		2,000.00
			2,000.00	1/01/11	12/31/11		1,921.47	1,921.47
					<u>17,000.00</u>	<u>6,079.91</u>	<u>22,569.91</u>	
Transportation	Transportation Trust Fund	6320-480-601385-61	700,000.00	7/01/10	6/30/11	342,628.50	474,338.74	474,338.74
			280,994.04	7/01/09	6/30/10	69,318.29	69,318.29	280,994.04
	Safe Routes to Schools Program		324,000.00	7/01/07	Completion	<u>411,946.79</u>	<u>543,657.03</u>	<u>755,332.78</u>
Environmental Protection	Clean Communities	4900-765-178910-60	55,074.21	1/01/11	12/31/11	55,074.21		
			69,773.67	1/01/10	12/31/10			25,621.68
	Recycling Tonnage Grant		38,053.11	7/01/11	6/30/12	38,053.11		
	Green Acres Trust Program: Edgemont Pond		1,000,000.00	7/01/11	Completion		34,787.76	34,787.76
	N.J. Environmental Infrastructure Program:							
	Ordinance #99-14		2,540,000.00					2,293,072.60
	Ordinance #01-11		1,366,820.00			845,040.00	1,099,292.41	1,366,820.00
Ordinance #02-33		1,877,135.00			1,704,056.00	197,755.71	1,877,135.00	
Ordinance #09-35		730,933.00				53,861.61	91,920.47	
					<u>2,642,223.32</u>	<u>1,385,697.49</u>	<u>5,689,357.51</u>	

TOWNSHIP OF MONTCLAIR  
COUNTY OF ESSEX

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR EBDED DECEMBER 31, 2011

SCHEDULE B  
Sheet # 2

<u>State Funding Department or Division</u>	<u>Program</u>	<u>State Account Number</u>	<u>Revised Grant Award</u>	<u>Grant Period</u>		<u>Cash Received</u>	<u>Expended</u>	<u>Cumulative Expended</u>	
				<u>From</u>	<u>To</u>				
Health	Health Officers - H1N1 Corrective Action		\$ 237,490.31	7/01/09	6/30/11	\$	\$	\$ 237,490.31	
			10,000.00	7/01/11	6/30/12	9,984.01	9,984.01	9,984.01	
	Municipal Alliance Grant	2000-475-995120-60	54,100.00	1/01/11	12/31/11		22,232.06	54,100.00	
			54,100.00	1/01/10	12/31/10	38,699.34	30,647.16	30,647.16	
	Tobacco Control Grant		4,340.00	1/01/08	12/31/08			4,340.00	
			5,940.00	1/01/10	12/31/10				
	Passed thru Montclair Board of Education: Non-Public School Nursing			137,030.00	7/01/10	6/30/11		36,349.80	137,030.00
				111,868.00	7/01/11	6/30/12	111,868.00	90,300.70	90,300.70
							<u>160,551.35</u>	<u>189,513.73</u>	<u>563,892.18</u>
	Law and Public Safety	Division of Criminal Justice:							
Body Armor Fund		1020-718-066-1020-001	10,359.67	7/01/08	6/30/09		9,809.67	10,359.67	
Body Armor Fund 2009,2010			22,771.09	7/01/09	6/30/11		16,248.28	16,248.28	
Body Armor Fund 2011			12,207.04	7/01/11	6/30/12	12,207.04			
Emergency Notification Services			25,000.00	7/01/11	6/30/12	24,989.25	23,423.52	23,423.52	
Safe and Secure Community Program			60,000.00	7/01/10	6/30/11	60,000.00		60,000.00	
			60,000.00	7/01/11	6/30/12				
Division of Motor Vehicles:									
Drunk Driving Enforcement		6400-100-078-6400	20,119.79	7/01/07	6/30/09		13,010.00	16,554.34	
Alcohol Education and Rehabilitation			12,408.21	7/01/08	Completion		300.00	703.88	
Alcohol Education and Rehabilitation		6,687.90	7/01/11	Completion	6,687.90				
						<u>103,884.19</u>	<u>62,791.47</u>	<u>127,289.69</u>	
						<u>\$ 3,335,605.65</u>	<u>\$ 2,187,739.63</u>	<u>\$ 7,158,442.07</u>	

See accompanying Notes to the Schedules of Federal and State Awards and Financial Assistance.

**TOWNSHIP OF MONTCLAIR**

**NOTES TO THE SCHEDULES OF FEDERAL  
AND STATE FINANCIAL ASSISTANCE  
DECEMBER 31, 2011**

**NOTE 1 - GENERAL**

The accompanying Schedules of Expenditures of Federal and State Financial Assistance present the activity of all federal and state financial assistance programs of the Township of Montclair (the "Township"). The Township is defined in Note 1 to the Township's regulatory basis financial statements. All federal and state financial assistance received directly from federal and state agencies as well as federal and state financial assistance passed-through other government agencies, is included on the Schedules of Expenditures of Federal Awards and State Financial Assistance.

**NOTE 2 - BASIS OF ACCOUNTING**

The accompanying Schedules of Expenditures of Federal and State Financial Assistance are presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting other than generally accepted accounting principles. This basis of accounting is described in Notes 1(c) and 1(d) to the Township's statutory basis financial statements.

**NOTE 3 - RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORT**

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

**NOTE 4 - RELATIONSHIP TO REGULATORY BASIS FINANCIAL STATEMENTS**

Amounts reported in the accompanying schedules agree with amounts reported in the Township's regulatory basis financial statements. Matching contributions expended by the Township in accordance with terms of the various grants are not reported in the accompanying schedules.

**NOTE 5 - FEDERAL AND STATE LOANS OUTSTANDING**

The Township has the following loans outstanding as of December 31, 2011:

General Capital Fund:		
Green Acres Loan	\$	434,508.46
Environmental Infrastructure Loan		630,201.78
Water Utility Capital Fund		
Environmental Infrastructure Loan		3,573,490.71

**TOWNSHIP OF MONTCLAIR  
COUNTY OF ESSEX**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2011**

*Section I - Summary of Auditor's Results*

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

**Financial Statements**

Type of auditor's report issued:	<u>Unqualified</u>		
Internal control over financial reporting:			
1) Material weakness(es) identified?	_____	Yes	_____ <u>√</u> _____ No
2) Were significant deficiencies identified that are not considered to be material weaknesses?	_____	Yes	_____ <u>√</u> _____ None Reported
Noncompliance material to basic financial statements noted?	_____	Yes	_____ <u>√</u> _____ No

**Federal Awards Section**

Internal control over major programs:			
1) Material weakness(es) identified?	_____	Yes	_____ <u>√</u> _____ No
2) Were significant deficiencies identified that are not considered to be material weaknesses?	_____	Yes	_____ <u>√</u> _____ None Reported
Type of auditor's report issued on compliance for major programs:			<u>Unqualified</u>
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133?	_____	Yes	_____ <u>√</u> _____ No

Identification of major federal programs:

**CFDA Numbers**

14.856

**Name of Federal Program or Cluster**

Direct Award – Section "8" Housing

Dollar threshold used to distinguish between Type A and Type B Programs:

\$300,000.00

Auditee qualified as low-risk auditee?	_____ <u>√</u> _____	Yes	_____ _____ No
----------------------------------------	----------------------	-----	-------------------

**TOWNSHIP OF MONTCLAIR  
COUNTY OF ESSEX**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2011**

*Section I - Summary of Auditor's Results*

**State Awards**

Dollar threshold used to distinguish between Type A  
and Type B programs:

\$300,000.00

Auditee qualified as low-risk auditee?

  √      Yes              No

Internal control over major programs:

1) Material weakness(es) identified

          Yes      √      No

2) Significant deficiencies identified that are not  
considered to be material weaknesses?

          Yes      √      None  
Reported

Type of auditor's report issued on compliance for  
major programs:

Unqualified

Any audit findings disclosed that are required to be reported  
in accordance with NJ OMB Circular Letter 04-04?

          Yes      √      No

Identification of major programs:

**State Grant/Project Number(s)**

**Name of State Program**

0713001-007

N.J. Environmental Infrastructure Loan  
Department of Transportation

**TOWNSHIP OF MONTCLAIR  
COUNTY OF ESSEX**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2011**

***Section II – Financial Statement Findings***

*Finding #2011-1:*

*Condition:*

Cash reconciliations for the Payroll Agency Account was not reconciled by Township employees.

*Criteria:*

Regulations of the division of Local Government Services require that all bank accounts be reconciled on a monthly basis.

*Effect:*

Unauthorized expenditures would not be detected if appropriate reconciliation of the Payroll Agency bank account is not prepared.

*Recommendation:*

That cash reconciliations for the Payroll Agency bank account be prepared and filed on a monthly basis.

*Response:*

Effort will be made to reconcile the Payroll Agency bank account.

TOWNSHIP OF MONTCLAIR  
COUNTY OF ESSEX

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2011

*Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs*

**Federal Awards**

None Reported

**State Awards**

None Reported

TOWNSHIP OF MONTCLAIR  
COUNTY OF ESSEX

SCHEDULE OF PRIOR YEAR AUDITOR FINDINGS  
YEAR ENDED DECEMBER 31, 2011

Federal Awards

There were no prior year audit findings for Federal Award Programs.

State Awards

There were no prior year audit findings for State Financial Assistance.

TOWNSHIP OF MONTCLAIR

OFFICIALS IN OFFICE AND REPORT ON SURETY BONDS

The following officials were in office on December 31, 2011:

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
<u>Township Council</u>		
Jerry Fried	Mayor	\$
Kathryn Weller-Demming	Deputy Mayor	
Roger S. Terry	Councilor	
Rich Murnick	Councilor	
Cary Africk	Councilor	
Nick Lewis	Councilor	
Renee E. Baskerville, M.D.	Councilor	
<u>Other Officials</u>		
Marc. D. Dashield	Township Manager	
Frank Mason	Chief Financial Officer	125,000.00 (1)
Linda S. Wanat	Municipal Clerk	
Antony Blasi	Township Comptroller	125,000.00 (1)
Maureen A. Montesano	Collector of Taxes, Water Rents And Sewer Charges	503,000.00 (2)
Tracy A. Ottey	Supervisor of Water Administration	100,000.00 (1)
Joan Kozeniesky	Tax Assessor	
Richard H. Insley	Judge	*
Joyce Hayes	Court Administrator	*
Ira Karasick	Township Attorney	

Corporate surety of the bonds listed above:

- (1) Travelers Casualty and Surety Company of America
- (2) Fidelity and Deposit Company of Maryland

Court personnel were covered by an Employee Dishonesty Surety Bond issued by the Fidelity and Deposit Company of Maryland in the amount of \$90,000.00 per occurrence.

\* An Employee Dishonest Bond, issued by Garden State Municipal Joint Insurance Fund, covers each employee in the amount of \$1,000,000.00 per Loss.

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

N.J.S.A. 40A:11-4, as amended, states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the Governing Body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or the amount calculated by the Governor pursuant to N.J. S.A. 40A: 11-3, except by contract or agreement."

It is pointed out that the Township Council have the responsibility of determining whether the expenditures in any category will exceed the threshold set for the fiscal year and, where question arises as to whether any contract or agreement might result in violation of the statute, the opinion of the Township Attorney should be sought before a commitment is made.

The bidding threshold for the period under review was \$36,000.00 in accordance with the provisions of N.J.S.A. 40A:11-3a, based on the appointment of a qualified purchasing agent.

Notwithstanding N.J.S.A. 40A:11-3a, P.L. 2005, Chapter 51 and N.J.S.A. 19:44A-20.5, known as the "Pay to Play Law", provides that a municipality is prohibited from executing any contract in excess of \$17,500.00, on or after January 1, 2006, to a business entity that made certain reportable contributions to any municipal committee of a political party if a member of that party is in office as a member of the governing body of the municipality when the contract is awarded, unless proposals or qualifications are solicited through a fair and open process.

It is further noted that contracts between \$17,500.00 and the municipal bidding threshold, known as "window contracts", can be issued by resolution of the governing body without competitive bidding if a non-fair and open process is implemented which prohibits reportable contributions by the business entity. The Township did not participate in this process.

The minutes indicate that bids were requested by public advertising for all purchases.

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

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

### **Purchases, Contracts or Agreements Not Required to be Advertised by N.J.S.A. 40A:11-6.1**

N.J.S.A. 40A:11-6.1 states, "Except contracts which require the performance of professional services, all contracts or agreements which do not require public advertising for bids and the estimated cost or price exceeds fifteen percent of the bid threshold or \$5,400.00, at least two quotations as to the cost or price, whenever practicable, shall be solicited by the contracting agent, and the contract or agreement shall be made with and awarded to the lowest responsible bidder."

Reference is made to the Local Public Contract Guidelines and Local Public Contract Regulations (1977) promulgated by the New Jersey Division of Local Government Services in the Department of Community Affairs.

### **Collection of Interest on Delinquent Taxes and Other Municipal Charges**

N.J.S.A. 54:4-67, as amended, provides the method for authorizing interest and the maximum rate to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The Governing Body, on June 24, 1980, adopted the following resolution authorizing interest to be charged on delinquent taxes as follows:

"BE IT RESOLVED by the Council of the Township of Montclair, in the County of Essex, that effective February 14, 1980, the rate of interest to be charged for delinquent real property taxes not in excess of \$1,500.00 shall be 8% per annum and until July 31, 1980, the rate of interest to be

charged for delinquent real property taxes in excess of \$1,500.00 shall be 12% per annum. Commencing August 1, 1980 the rate of interest to be charged for delinquent real property taxes in excess of \$1,500.00 shall be 18% per annum. Interest shall not be charged on any delinquent real property taxes if payment of any installments due is made within the 10 calendar day following the date upon which the same became payable."

The Governing Body, on June 24, 1997, adopted the following resolution authorizing a penalty on delinquent taxes as follows:

"BE IT RESOLVED by the Council of the Township of Montclair, in the County of Essex, that the Tax Collector be and she hereby is authorized to fix and charge a penalty to every taxpayer with a delinquency in excess of \$10,000.00 at the rate of 6% of such delinquent amount in accordance with the above statute. This resolution shall take effect for such excesses occurring and commencing in the 1997 tax year."

The Governing Body, on October 4, 1988, adopted the following resolution authorizing interest to be charged on delinquent utility bills as follows:

"BE IT RESOLVED by the Council of the Township of Montclair, in the County of Essex, effective November 1, 1988, in accordance with N.J.SA 40:14B-41, there shall be a penalty of 1½% per month on the unpaid amounts imposed on all bills for water rent which remain unpaid for over 30 days from the date the bill was presented by the Water Bureau."

The Governing Body, on May 23, 2006, adopted Ordinance 6-34 authorizing interest to be charged on delinquent sewer utility bills as follows:

"All charges payable to the Township for connection to or use of the Township sewage system and all charges for connection with and use of the Township sewers and drains shall accrue interest from the time they become due at the same rate as taxes upon real estate in the Township and shall be a lien upon the premises connected until paid, and the Township shall have the same remedies for collection thereof, with interest, costs and penalties as it has by law for the collection of taxes upon real estate."

It appears from an examination of the Collector's records that interest was generally collected in accordance with the provisions of the foregoing resolutions and ordinance.

**Delinquent Taxes and Tax Title Liens**

Delinquent taxes, exclusive of 2011, in the sum of \$53,131.98 are summarized as follows:

<u>Year</u>	<u>Amount</u>
2009	\$ 25,851.21
2010	27,280.77

A tax sale was held on October 17, 2011 and was complete except for one property which is in bankruptcy.

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

<u>Year</u>	<u>Number of Liens</u>
2011	6
2010	5
2009	4

Recourse to all means provided by the statutes should be taken to realize or eliminate tax title liens through collection or foreclosure in order to return such property to a tax paying basis.

**Verification of Delinquent Taxes and Other Charges**

A test verification of delinquent balances 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 of Confirmations Written</u>
Payments of 2011 and 2012 Taxes	25
Delinquent Taxes	25
Payments of Water and Sewer Utility Charges	25
Unpaid Water and Sewer Utility Charges	25
Tax Title Liens	-
	<hr/>
	100
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There were no exceptions developed in connection with our examination.

**Foreclosed Property**

A detailed list of foreclosed property was not available for audit review.

It is recommended that a detailed list of foreclosed property be available for audit review.

**Accounts Receivable**

An accounts receivable has remained open as of December 31, 2011 and is detailed as follows:

		<u>Amount</u>
Parking Utility Capital Fund	Due from Montclair Parking Authority	\$ 282,014.68

It is recommended that the accounts receivable item be reviewed and a determination made as to collectability or cancellation by Council resolution.

**Tax Collector**

The control records for 2011 taxes (delinquent and overpayments) were not in agreement with the detail listing of account balances.

It is recommended that listings of taxes receivable and tax overpayments be reconciled to the master controls.

**Animal Shelter**

During our review of the animal shelter, the following comments were noted:

There is no fee ordinance for reclaims, surrenders, animal control services or adoptions.

It is recommended that all fees collected by the animal shelter be approved by ordinance adopted by the Township Council.

**Premiums on Tax Sales**

A listing of premiums on tax sales as of December 31, 2011 did not agree to audit controls, as detailed in the following schedule;

Cash Controls	\$ (1,397,900.00)
Detailed Listing	<u>1,388,000.00</u>
Difference	<u>\$ (9,900.00)</u>

It is recommended that the list of premiums on tax sales be reconciled to cash controls. An adjustment has been made to the Township's cash control records to bring into agreement with the detailed listings maintained by the Tax Collector.

**Developer's Escrow**

A detailed list of developer's escrows was not available for audit review.

It is recommended that a detailed list of developer's escrows be available for audit review.

**Outside Employment of Off-Duty Municipal Police and Firemen**

It is noted that fees charged for the use of off-duty police cars was not authorized by ordinance adopted by the Township Council.

It is recommended that an ordinance authorizing fees for the use of off-duty police cars be adopted by the Township Council.

**Recreation Department**

A review of fees issued disclosed that the department can discount the applicant's activity fee if they qualify under the Township's public assistance guidelines. In some cases fees were discounted in which there was insufficient documentation to support the discounted fee.

It is recommended that all required documentation for discounted activity fees be available for audit.

**Dedication by Rider**

Certain accounts included on the balance sheet of the General Trust fund may be subject to the provisions of Dedication by Rider, N.J.S.A. 40A:4-39. Specifically, these accounts are detailed as follows:

- Railroad Station Projects
- DARE Donation
- Child Fire Safety
- Body Armor Settlement
- National Nite Out
- Fire – Right-to-Know
- LEA – Penalty Account
- Bonsal Wildlife
- Hurricane Floyd Storm Damage Funds
- Edgemont Memorial
- Edgemont Playground
- Health Program
- Contribution for Public Memorials
- Crime Prevention
- Municipal Alliance Contribution

It is recommended that resolution be adopted by the Governing Body requesting approval for insertion of certain accounts in the Municipal Budget under the provisions of N.J.S.A. 40A:4-39, "Dedication by Rider".

**Cash Deficits in Capital Funds**

In accordance with regulations of the Local Finance Board, capital ordinances over five years old cannot finance expenditures from cash not provided from its own resources. As of the date of this report there are number of ordinances, over five years old, having small cash deficits.

	<u>Year</u>	<u>Ordinance Number</u>	<u>Cash Deficit</u>
General Capital Fund:	2002	02-11	\$ 34.69
	2003	03-08	68.90
	2004	04-20	11,151.00
	2004	04-35	6.89
	2004	04-49	137.72
	2005	05-37	153.49
	2006	06-78	88.36
Water Capital Fund:	2002	02-34	7,386.77

Efforts should be continued to finance these ordinances.

**Capital Fund**

It was noted that expenditures were made directly from a balance sheet account reserve for future improvements without the Township adopting a capital ordinance which is not in accordance with State regulation. Expenditures can only be made through budget appropriations, dedication by riders, ordinance or directly from the capital improvement fund only if for preliminary engineering expenses.

It is recommended that capital expenditures be made only after the adoption of an ordinance.

**Montclair Early Childhood Corporation – Loan**

On March 3, 1998, the Township awarded a loan to the Montclair Early Childhood Corporation (MECC), a nonprofit corporation duly organized, in the principal sum of up to \$2,400,000.00. On January 1, 2000, the Township sold \$14,210,000.00 of General Obligation Bonds of which \$2,400,000.00 was loaned to the MECC. Under the terms of the Loan Agreement, the MECC was required to make payments to the Township sufficient to pay the principal and interest due under the Township debt schedule no later than five (5) business days prior to the date when such payments are due. Interest shall be calculated in the manner set forth in the bond sale agreement.

A schedule of annual debt service for principal and interest payable to the Township is detailed below:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 254,000.00	\$ 89,582.00
2009	254,000.00	75,866.00
2010	254,000.00	61,896.00
2011	254,000.00	47,926.00
2012	254,000.00	33,956.00
2013	254,000.00	20,240.00
2014	114,000.00	6,270.00
	<u>\$ 1,638,000.00</u>	<u>\$ 335,736.00</u>

The Township has not received any payments since 2007.

An offsetting reserve for the receivable has been set up so as not to affect the financial condition of the Township.

### **Payroll Fund**

Cash reconciliations for the years 2007, 2008, 2009, 2010 and 2011 have not been prepared for the Payroll Agency Account.

A list of payroll deductions payable was not available for audit review.

It is recommended that cash reconciliations for the Payroll Agency Account be prepared and filed on a monthly basis and that a list of payroll deductions payable be available for audit review.

### **Corrective Action Plan**

In accordance with the requirements of the Single Audit Act and regulations of the Division of Local Government Services, a Corrective Action Plan must be prepared by the Chief Financial Officer and filed with the Division within sixty days from the date the audit is received by the governing Body.

A Corrective Action Plan was prepared and filed by the Chief Financial Officer.

### **Status of Prior Years' Audit Recommendations**

A review was performed on all prior years' recommendations and corrective action was taken on all except for those marked with an asterisk in this year's recommendations.

### **Miscellaneous**

A report summarizing collections of Dog License Fees and remittances of State Registration Fees has been prepared and filed with the New Jersey Department of Health and the Division of Local Government Services.

Examination of the Free Public Library is the subject of a separate report.

Revenue and receipts were established and verified as to sources and amounts only insofar as the local records permitted.

In verifying expenditures, computations were made on a statistical sample of claims approved and paid. No attempt was made in this connection to establish proof of rendition, character or extent of services, nor quantities, nature, propriety of prices or receipt of materials, these elements being left necessarily to internal review in connection with approval of claims.

Individual payments of the Local School District Tax by Municipality were confirmed as received by the Secretary of the Board of Education for the year 2011.

The propriety of deductions for pensions, withholding tax, social security and other purposes from employees' individual salaries were tested.

A summary or synopsis of this report was prepared for publication and filed with the Township Clerk.

One copy of this report was filed with the New Jersey Division of Local Government Services in the Department of Community Affairs.

## RECOMMENDATIONS

\* That a detailed list of foreclosed property be available for audit review.

That listings of taxes receivables and overpayments be reconciled to the master controls.

That the accounts receivable due from the Montclair Early Childhood Center and the Montclair Parking Authority be reviewed and a determination made as to collectability or cancellation by Council resolution.

\* That all fees collected by the animal shelter be approved by ordinance adopted by the Township Council.

\* That a detailed list of developer's escrows be available for audit review.

That required supporting documentation for discounted activity fees be made available for audit review.

\* That an ordinance authorizing fees for the use of off-duty police cars be adopted by the Township Council.

\* That resolutions be adopted by the Governing Body requesting approval for insertion of certain account in the Municipal Budget under the provisions of N.J.S.A. 40A:4-39, "Dedication by Rider".

That capital expenditures be made only after adoption of an ordinance.

\* That cash reconciliations for the Payroll Agency bank accounts be prepared and filed on a monthly basis.

That a list of payroll deductions payable be available for audit review.

\* Indicates prior year recommendations

The foregoing comments and resultant recommendations are not of sufficient materiality whereby they would affect our ability to express an opinion on the financial statements taken as a whole.

We shall be pleased to confer with the Mayor and Township Council on questions that might arise with respect to any matters in this report.

We desire to express our appreciation for the assistance and the courtesies rendered by the Township officials and employees during the course of the examination.

Respectfully submitted,

A handwritten signature in cursive script that reads "McEnerney, Brady & Company, LLC".

McEnerney, Brady & Company, LLC  
Certified Public Accountants

A handwritten signature in cursive script that reads "John Lauria".

John Lauria, RMA  
Licensed Registered Municipal Accountant # 403

Livingston, New Jersey  
May 25, 2012