



**TOWNSHIP OF MONTCLAIR
ESSEX COUNTY, NEW JERSEY
REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2012**

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PART I
REPORT ON EXAMINATION
FINANCIAL STATEMENTS
AND SUPPLEMENTARY EXHIBITS
DECEMBER 31, 2012



Independent Auditors' Report

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

Report on the Financial Statements

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 and for the years ended December 31, 2012 and 2011, the statements of revenues, expenditures and changes in fund balances for the year ended December 31, 2012 and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States; and audit requirements as prescribed by 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating

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the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Adverse Opinion

Management has prepared the financial statements 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.

Adverse Opinion

In our opinion, because of the Township's policy to prepare its financial statements on the basis of accounting discussed above, 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, 2012 or the results of its operations for the year then ended.

Unmodified Opinion

In our opinion, the regulatory basis financial statements referred to above present fairly, in all material respects, the respective financial position of the various funds of the Township of Montclair, Essex County, New Jersey, as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles and practices prescribed by the Division, as described in Note 1 to the financial statements.

Other Matters

Other Information

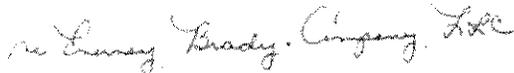
Our audit was conducted for the purpose of forming opinions on the regulatory basis financial statements that collectively comprise Township's basic financial statements. The accompanying supplementary sections and schedules of expenditures of federal and state awards, as required by *Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit 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* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The information included in the supplemental sections and schedules of expenditures of federal and state awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying

accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental sections and schedules of expenditures of federal and state awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 3,, 2013, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

Handwritten signature in cursive script, likely reading "The Currency, Brady, Company, LLC".

Livingston, New Jersey
July 3, 2013

Handwritten signature in cursive script, reading "John Lauria".

John Lauria, RMA
Licensed Registered Municipal Accountant # 403

TOWNSHIP OF MONTCLAIR
CURRENT FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2012 AND 2011

A
Sheet # 1

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Regular Fund</u>			
Current Assets:			
Cash - Checking	A-4	\$ 13,644,896.12	\$ 10,991,787.75
Cash - Cash Management Fund	A-6	3,469.63	3,467.68
Change Funds	A-7	525.00	525.00
		13,648,890.75	10,995,780.43
Due from State of New Jersey: (Ch. 129, P.L. 1976)	A-9	3,610.74	2,090.88
		13,652,501.49	10,997,871.31
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-10	2,791,164.69	3,064,484.89
Tax Title Liens	A-11	107,177.31	94,978.55
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	107,654.28	114,612.35
Revenue Accounts Receivable	A-15	4,504.18	2,500.00
Interfunds Receivable	A-17	82,947.48	95,243.39
		3,418,847.94	3,697,219.18
Deferred Charges:			
Special Emergency Authorizations (40A:4-53)	A-20	712,000.00	890,000.00
Emergency Appropriation (40A:4-46)	A-19	612,652.59	369,300.00
		1,324,652.59	1,259,300.00
		18,396,002.02	15,954,390.49
<u>Federal and State Grant Fund</u>			
Grants Receivable	A-16	916,423.96	599,354.40
Interfunds Receivable	A-18	523,487.68	629,816.71
		1,439,911.64	1,229,171.11
		\$ 19,835,913.66	\$ 17,183,561.60

TOWNSHIP OF MONTCLAIR
CURRENT FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2012 AND 2011

A
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Regular Fund</u>			
Appropriated Reserves:			
Encumbered	A-3, A-21	\$ 1,038,534.09	\$ 1,000,693.05
Unencumbered	A-3, A-21	2,974,736.63	2,261,184.20
Reserve for Tax Map	A-22		9,395.00
Reserve for Revaluation	A-23		10,980.26
Interfunds Payable	A-29	2,417,813.35	772,889.24
Accounts Payable	A-26	66,691.09	255.09
Due to State of New Jersey	A-27	10,340.00	10,155.00
Reserve for State Tax Appeals	A-24	300,000.00	600,000.00
Tax Overpayments	A-28	865,612.45	1,801,020.49
County Taxes Payable	A-31	51,885.70	53,164.86
Special Improvement District Taxes Payable	A-33		12,403.00
Capital Note Payable	A-34	712,000.00	1,259,300.00
Prepaid Taxes	A-35	1,055,892.72	986,522.41
Accumulated Revenue Unappropriated	A-38	137,474.00	137,474.00
		<hr/>	<hr/>
		9,630,980.03	8,915,436.60
Reserve for Receivables	Reserve	3,418,847.94	3,697,219.18
Fund Balance	A-1	5,346,174.05	3,341,734.71
		<hr/>	<hr/>
		18,396,002.02	15,954,390.49
 <u>Federal and State Grant Fund</u>			
Interfunds Payable	A-30	131,526.35	2,000.00
Due to Essex County	A-36	86,975.50	86,975.50
Appropriated Reserves for Federal and State Grants	A-37	1,204,724.77	1,063,018.82
Accumulated Revenue Unappropriated	A-38	16,685.02	77,176.79
		<hr/>	<hr/>
		1,439,911.64	1,229,171.11
		<hr/>	<hr/>
		\$ 19,835,913.66	\$ 17,183,561.60

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2012 AND 2011

A-1

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	A-2	\$ 1,100,000.00	\$ 464,000.00
Miscellaneous Revenue Anticipated	A-2	12,524,130.55	12,223,462.06
Receipts from Delinquent Taxes	A-2	2,855,861.62	3,404,740.36
Receipts from Current Taxes	A-2c	185,621,790.13	180,677,225.49
Nonbudget Revenue	A-2d	457,959.32	963,329.96
Other Credits to Income:			
Unexpended Balance of Appropriation			
Reserves	A-21	1,673,201.82	1,576,210.45
Interfund Receivables Liquidated	A-17	12,295.91	
Tax Overpayments Cancelled			180,755.98
Other Accounts Receivable Liquidated	A-14	109,207.35	
Reserve for Special Improvement Cancelled	A-33	12,403.00	
Reserve for Tax Maps Cancelled	A-22	9,395.00	
Reserve for Revaluation Cancelled	A-23	10,980.26	
Grant Reserves Cancelled	A-29	169,707.00	18,380.56
Special Deposits Cancelled	A-17	58,890.45	60,162.78
Total Income		<u>204,615,822.41</u>	<u>199,568,267.64</u>
<u>Expenditures</u>			
Budget Appropriations:	A-3	72,456,396.99	68,014,095.04
Refund of Prior Year Revenue	A-4	10,286.59	
State Tax Court Judgments	A-28	744,158.43	
County Taxes	A-31	30,944,909.40	30,285,630.78
Local School District Tax	A-32	97,509,698.00	97,509,698.00
Special Improvement District Tax	A-33	438,900.00	416,933.72
Decrease in Deferred School Tax			1,797,073.00
Interfunds Charges			7,125.24
Federal and State Receivables Cancelled	A-29	19,686.25	
Total Expenditures		<u>202,124,035.66</u>	<u>198,030,555.78</u>
Excess in Revenue		2,491,786.75	1,537,711.86
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which Are by			
Statute Deferred Charges to Budget of			
Succeeding Year	A-3	<u>612,652.59</u>	<u>1,259,300.00</u>
Statutory Excess to Fund Balance		3,104,439.34	2,797,011.86
<u>Fund Balance</u>			
Balance, Beginning of Year	A	<u>3,341,734.71</u>	<u>1,008,722.85</u>
		6,446,174.05	3,805,734.71
Decreased by:			
Utilized as Anticipated Revenue	A-1, A-2	<u>1,100,000.00</u>	<u>464,000.00</u>
Balance, End of Year	A	<u>\$ 5,346,174.05</u>	<u>\$ 3,341,734.71</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

A-2

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Anticipated	A-1	\$ 1,100,000.00	\$ 1,100,000.00	\$
Miscellaneous Revenue	A-1,2a	12,276,455.69	12,524,130.55	247,674.86
Receipts from Delinquent Taxes	A-1,2c	<u>2,800,000.00</u>	<u>2,855,861.62</u>	<u>55,861.62</u>
Sub-Total General Revenue		<u>16,176,455.69</u>	<u>16,479,992.17</u>	<u>303,536.48</u>
Amounts to be Raised by Taxation:				
Local Tax for Municipal Purposes	A-10	51,062,624.08		
Minimum Library Tax	A-10	2,283,825.00		
Addition to Local District School Tax	A-10	6,106,719.00		
	A-2c	<u>59,453,168.08</u>	<u>60,467,508.50</u>	<u>1,014,340.42</u>
Total General Revenue	A-3	75,629,623.77	76,947,500.67	1,317,876.90
Nonbudget Revenue	A-2d	_____	<u>457,959.32</u>	<u>457,959.32</u>
		<u>\$75,629,623.77</u>	<u>\$ 77,405,459.99</u>	<u>\$ 1,317,876.90</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, 2012

A-2a
Sheet # 1

	Ref.	Budget	Realized	(Deficit)
<u>Miscellaneous Revenue</u>				
Licenses:				
Alcoholic Beverages	A-15	\$ 58,000.00	\$ 58,500.00	\$ 500.00
Other Licenses	A-2b	122,000.00	122,412.00	412.00
Fees and Permits	A-2b	656,900.00	734,146.72	77,246.72
Fines and Costs:				
Municipal Court	A-15	1,507,700.00	1,227,189.33	(280,510.67)
Interest and Cost on Taxes	A-5	700,000.00	718,037.72	18,037.72
Interest on Investments and Deposits	A-15	82,000.00	101,519.61	19,519.61
State School Building Aid (Ch. 212, P.L. 1975)	A-15	28,231.00	1,768.00	(26,463.00)
Consolidated Municipal Property Tax Relief Aid	A-15	279,397.00	279,397.00	
Energy Receipts Tax	A-15	2,687,669.00	2,687,669.00	
Dedicated Uniform Construction Code Fees				
Offset with Appropriations:				
(N.J.S.A. 40A:4.36 and N.J.A.C. 5:23-4.17):				
Uniform Construction Code Fees	A-15	578,400.00	671,952.00	93,552.00
Interlocal Government Services:				
Health Services	A-15	202,200.00	193,631.00	(8,569.00)
Fire Services	A-15	771,528.00	790,958.56	19,430.56
Animal Control Services - Nutley	A-15	26,000.00	21,358.02	(4,641.98)
Animal Control Services - Verona	A-15	24,000.00	23,503.05	(496.95)
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	
Shade Tree-PSE&G	A-29	5,000.00	5,000.00	
Clean Communities Program	A-29	54,198.12	54,198.12	
Historic Trust - Watchung Plaza	A-29	18,665.00	18,665.00	
County of Essex Division of Senior Service - Public				
Health Nursing Program	A-29	15,790.00	15,790.00	
Safe Routes to School - Police	A-29	25,000.00	25,000.00	
Safe Routes to School - Engineer	A-29	105,000.00	105,000.00	
Montclair Board of Education:				
Nonpublic School Nursing School	A-29	114,853.00	114,853.00	
Cable Communication Grant - Comcast	A-29	5,000.00	5,000.00	
N.J. Highway Safety Grant	A-29	15,000.00	15,000.00	
Click it or Ticket Enforcement Grant	A-29	4,000.00	4,000.00	
Drive Sober or Get Pulled Over	A-29	9,400.00	9,400.00	
DOT - Transit Village	A-29	200,000.00	200,000.00	
Recycling Tonnage Grant	A-29	45,388.07	45,388.07	
NJEDA - Hazardous Discharge	A-29	103,612.00	103,612.00	
Unappropriated Grants	A-29	76,926.79	76,926.79	

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF MISCELLANEOUS REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

A-2a
Sheet # 2

	Ref.	Anticipated Budget	Realized	Excess or (Deficit)
<u>Miscellaneous Revenue</u>				
State and Federal Revenues Offset with Appropriations:				
Ambulance Subsidy Grant	A-29	\$ 14,987.00	\$ 14,987.00	\$
Essex County: Paris - Police Records Management	A-29	22,200.00	22,200.00	
Community Development Block Grant	A-29	197,727.00	197,727.00	
Historic Preservation	A-29	500.00	500.00	
Other Special Items:				
Anticipated Utility Operating Surplus - Sewer	A-15	100,000.00	100,000.00	
Uniform Fire Safety Act	A-15	30,000.00	59,126.00	29,126.00
Cable Television Franchise Fees	A-15	499,934.00	516,083.02	16,149.02
Section 8 - Administrative Costs	A-15	20,000.00	20,000.00	
Towing - Administrative Costs	A-15	2,300.00	3,966.00	1,666.00
Payment in Lieu of Taxes:				
Montclair Senior Housing Corp. (Orange Road)	A-15	84,631.00	97,439.00	12,808.00
First Montclair Housing Corp. (Walnut Street)	A-15	99,000.00	119,073.00	20,073.00
RTD Management Corp. (Lackawanna Plaza)	A-15	88,300.00	109,336.00	21,036.00
RTD Management Corp. (Union Gardens)	A-15	169,000.00	107,426.70	(61,573.30)
United Methodist Homes (Pineridge of Montclair)	A-15	23,000.00	26,884.00	3,884.00
MAG	A-15	74,800.00	99,842.00	25,042.00
Siena	A-15	944,221.71	949,527.88	5,306.17
11 Pine Street	A-15	216,961.00	217,760.62	799.62
Herod Redevelopment	A-15		95,658.67	95,658.67
Lease - Orange Road Parking Plaza	A-15	32,936.00	42,625.16	9,689.16
Alarm Registration Fees	A-15	175,000.00	238,549.66	63,549.66
Penalty on Delinquent Taxes (\$10,000 and Over)	A-15	95,000.00	139,496.60	44,496.60
Reimbursement of Debt Service - Sewer Utility Fund	A-15	175,000.00	175,000.00	
Administrative Fees - Police Off-Duty	A-15	45,000.00	63,897.25	18,897.25
Rear Yard Refuse Collection	A-15	30,000.00	53,050.00	23,050.00
Parking Authority Revenue Sharing - Montclair	A-15	500,000.00	500,000.00	
Salvation Army - Shelter Rent	A-15		10,000.00	10,000.00
Total Miscellaneous Revenue	A-1, A-2	\$ 12,276,455.69	\$ 12,524,130.55	\$ 247,674.86

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

A-2b

	<u>Ref.</u>		
<u>Other Licenses</u>			
Township Clerk	A-15	\$ 44,555.00	
Health Department	A-15	<u>77,857.00</u>	
	A-2a		<u>\$ 122,412.00</u>
 <u>Other Fees and Permits</u>			
Township Clerk	A-15	92,865.00	
Health Officer	A-15	61,169.00	
Planning Board	A-15	30,265.13	
Community Services	A-15	11,207.39	
Housing and Zoning	A-15	4,950.00	
Recreation	A-15	463,421.85	
Police	A-15	13,287.10	
Fire	A-15	17,411.25	
Collector	A-15	240.00	
Board of Adjustment	A-15	8,810.00	
Public Works	A-15	9,500.00	
Construction Code Official	A-15	<u>21,020.00</u>	
	A-2a		<u>\$ 734,146.72</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF REALIZED REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

A-2c

	<u>Ref.</u>		
<u>Receipts from Delinquent Taxes</u>			
Collections of Delinquent Taxes			
2012 Collections:			
Taxes	A-1, A-2, A-10		<u>\$ 2,855,861.62</u>
 <u>Allocation of Current Tax Collections</u>			
Collection of Current Taxes:			
2011 Collections	A-1, A-2, A-10	\$ 986,522.41	
2012 Collections	A-1, A-2, A-10	184,503,092.38	
Due from State of New Jersey	A-9, A-10	<u>132,175.34</u>	
	A-1		\$185,621,790.13
 Allocated to:			
County Taxes	A-31	30,944,909.40	
Local School District Taxes	A-32	97,509,698.00	
Special Improvement District Taxes	A-33	<u>438,900.00</u>	
			<u>128,893,507.40</u>
			56,728,282.73
 Plus: Appropriation for "Reserve for Uncollected Taxes"			
	A-3		<u>3,739,225.77</u>
 Realized for Support of Municipal Budget			
	A-2		<u>\$ 60,467,508.50</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, 2012

A-2d

	<u>Ref.</u>		
FEMA - 2011 Storm		\$ 34,412.95	
FEMA - Hurricane Irene		94,735.11	
Sale of Property		41,660.00	
Copies		541.15	
Fee for Dumpster		350.00	
Prior Year Budget Refunds		500.00	
Special Refuse Collection		500.00	
Motor Vehicle - Inspection Penalties		6,918.00	
Administrative Fee - Senior Citizen and Veteran Deductions		2,613.11	
Arena Commission		29,996.26	
Sale of Maps		108.00	
Vending Machine Commissions		2,502.54	
Sale of Bid Specifications		2,505.00	
City of Clifton - Animal Control		578.00	
Other		<u>233,634.20</u>	
	A-4		\$ 451,554.32
<u>Tax Collector</u>			
Return Check Fees		1,380.00	
Cost of Tax Sale		<u>5,025.00</u>	
	A-5		<u>6,405.00</u>
	A-1, A-2		<u>\$ 457,959.32</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

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	\$ 42,605.63	\$	\$ 394.37	\$
Other Expenses	13,800.00	13,800.00	10,234.42	706.00	2,859.58	
Township and Manager:						
Salaries and Wages	657,858.46	657,858.46	635,509.98		22,348.48	
Other Expenses	277,700.00	277,700.00	137,903.07	28,731.00	111,065.93	
Township Clerk:						
Salaries and Wages	272,082.40	272,082.40	261,373.22		10,709.18	
Other Expenses	34,450.00	34,450.00	17,984.94	343.39	16,121.67	
Election Expenses:						
Salaries and Wages	3,550.00	3,550.00	318.76		3,231.24	
Other Expenses	71,200.00	71,200.00	70,774.46		425.54	
Township Attorney:						
Salaries and Wages	248,000.00	248,000.00	239,453.52		8,546.48	
Other Expenses	170,000.00	170,000.00	160,780.80	8,925.10	294.10	
Municipal Court:						
Salaries and Wages	621,399.00	621,399.00	573,870.47		47,528.53	
Other Expenses	59,110.00	59,110.00	41,969.27	5,707.97	11,432.76	
Postage:						
Other Expenses	52,000.00	52,000.00	47,179.78		4,820.22	
	<u>2,524,149.86</u>	<u>2,524,149.86</u>	<u>2,239,958.32</u>	<u>44,413.46</u>	<u>239,778.08</u>	
<u>FINANCE DEPARTMENT</u>						
Administration:						
Salaries and Wages	79,000.00	79,000.00	74,071.80		4,928.20	
Other Expenses	85,950.00	85,950.00	83,314.15		2,635.85	
Accounting and Treasury:						
Salaries and Wages	237,000.00	237,000.00	225,372.40		11,627.60	
Other Expenses	16,875.00	16,875.00	15,697.50	559.38	618.12	
Tax Assessor:						
Salaries and Wages	226,500.00	226,800.00	226,783.54		16.46	
Other Expenses:	47,750.00	47,750.00	10,032.38	92.00	37,625.62	
Revaluation						
Miscellaneous						
Tax Collector:						
Salaries and Wages	135,100.00	135,100.00	132,077.15		3,022.85	
Other Expenses	24,450.00	24,450.00	23,870.53		579.47	
Auditing:						
Other Expenses	50,000.00	50,000.00	50,000.00			
	<u>902,625.00</u>	<u>902,925.00</u>	<u>841,219.45</u>	<u>651.38</u>	<u>61,054.17</u>	

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

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	\$ 227,200.00	\$ 227,200.00	\$ 222,076.31	\$	\$ 5,123.69	\$
Other Expenses	33,950.00	33,950.00	19,241.34	49.69	14,658.97	
Planning Board:						
Other Expenses	13,850.00	13,850.00	7,252.16	24.85	6,572.99	
Board of Adjustment:						
Other Expenses	9,900.00	9,900.00	5,243.95	24.85	4,631.20	
	<u>284,900.00</u>	<u>284,900.00</u>	<u>253,813.76</u>	<u>99.39</u>	<u>30,986.85</u>	
<u>DEPARTMENT OF ADMINISTRATION AND CODE ENFORCEMENT</u>						
Salaries and Wages	267,000.00	266,500.00	234,427.45		32,072.55	
Other Expenses	3,150.00	3,650.00	3,216.33		433.67	
	<u>270,150.00</u>	<u>270,150.00</u>	<u>237,643.78</u>		<u>32,506.22</u>	
<u>POLICE DEPARTMENT</u>						
Salaries and Wages	12,252,070.93	12,252,070.93	12,036,269.11		215,801.82	
Other Expenses	539,000.00	545,800.00	388,810.78	148,168.15	8,821.07	
	<u>12,791,070.93</u>	<u>12,797,870.93</u>	<u>12,425,079.89</u>	<u>148,168.15</u>	<u>224,622.89</u>	
<u>FIRE DEPARTMENT</u>						
Salaries and Wages	8,600,396.05	8,644,796.05	8,517,652.45		127,143.60	
Other Expenses	258,900.00	258,900.00	123,359.65	86,831.73	48,708.62	
	<u>8,859,296.05</u>	<u>8,903,696.05</u>	<u>8,641,012.10</u>	<u>86,831.73</u>	<u>175,852.22</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	43,502.12		14,500.71	
<u>PUBLIC WORKS DEPARTMENT</u>						
Community Services Administration:						
Salaries and Wages	478,174.00	478,174.00	454,968.38		23,205.62	
Other Expenses	33,150.00	33,150.00	28,988.43	1,195.93	2,965.64	
Engineering:						
Salaries and Wages	100,100.00	105,600.00	105,553.46		46.54	
Other Expenses	3,700.00	3,700.00	951.21	75.00	2,673.79	
Street Repairs and Maintenance:						
Salaries and Wages	455,579.00	455,579.00	290,452.45		165,126.55	
Other Expenses	33,700.00	33,700.00	19,850.50	83.80	13,765.70	
Storm Sewers Repairs and Maintenance:						
Salaries and Wages	126,758.00	126,758.00	70,462.40		56,295.60	
Other Expenses	14,950.00	14,950.00	11,678.27	62.22	3,209.51	

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TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

A-3
Sheet # 3

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
APPROPRIATIONS WITHIN "CAPS"						
PUBLIC WORKS DEPARTMENT						
Refuse Collection and Disposal:						
Salaries and Wages	\$ 865,051.00	\$ 865,051.00	\$ 826,864.26	\$	\$ 38,186.74	\$
Other Expenses	20,000.00	20,000.00	5,530.61	6,787.29	7,682.10	
Storm Clearance:						
Salaries and Wages	100,000.00	108,000.00	105,810.59		2,189.41	
Other Expenses	238,500.00	238,500.00	51,276.09	166,374.03	20,849.88	
Hurricane Sandy		612,652.59	64,207.50	79,942.00	468,503.09	
Traffic:						
Salaries and Wages	143,369.00	143,369.00	119,972.96		23,396.04	
Other Expenses	13,300.00	13,300.00	6,659.90	956.81	5,683.29	
Central Garage Operation:						
Salaries and Wages	222,871.00	222,871.00	201,405.77		21,465.23	
Other Expenses	259,900.00	259,900.00	225,971.28	18,330.24	15,598.48	
Building Maintenance:						
Salaries and Wages	96,839.60	96,839.60	51,363.73		45,475.87	
Other Expenses	74,300.00	74,300.00	71,570.03	874.49	1,855.48	
Parks Maintenance:						
Salaries and Wages	439,464.53	439,464.53	403,422.75		36,041.78	
Other Expenses	102,600.00	102,600.00	69,970.71	13,495.67	19,133.62	
Shade Trees:						
Salaries and Wages	269,602.78	269,602.78	170,487.39		99,115.39	
Other Expenses	62,550.00	62,550.00	40,558.16	4,889.26	17,102.58	
	<u>4,154,458.91</u>	<u>4,780,611.50</u>	<u>3,397,976.83</u>	<u>293,066.74</u>	<u>1,089,567.93</u>	
PARKS, RECREATION AND CULTURAL AFFAIRS DEPARTMENT						
Recreation Program:						
Salaries and Wages	548,323.81	548,323.81	521,792.53		26,531.28	
Other Expenses	67,700.00	67,700.00	47,444.80	932.39	19,322.81	
	<u>616,023.81</u>	<u>616,023.81</u>	<u>569,237.33</u>	<u>932.39</u>	<u>45,854.09</u>	
HEALTH AND HUMAN SERVICES DEPARTMENT						
Health Services:						
Salaries and Wages	443,845.00	496,986.57	496,931.94		54.63	
Other Expenses	50,550.00	50,550.00	25,123.00	11,628.84	13,798.16	
Nursing Services:						
Salaries and Wages	127,400.00	127,400.00	120,525.69		6,874.31	
Animal Control:						
Salaries and Wages	141,781.62	98,081.62	98,076.41		5.21	
Other Expenses	78,800.00	88,800.00	73,606.89	4,784.71	10,408.40	
	<u>842,376.62</u>	<u>861,818.19</u>	<u>814,263.93</u>	<u>16,413.55</u>	<u>31,140.71</u>	

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TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

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	\$ 248,625.00	\$ 248,625.00	\$ 204,321.77	\$	\$ 44,303.23	\$
Refuse Tipping Fees:						
Other Expenses	1,345,000.00	1,345,000.00	1,009,010.95	329,005.96	6,983.09	
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	3,710.82		189.18	
Montclair Early Childhood Corporation:						
Other Expenses	62,500.00	62,500.00	62,500.00			
	<u>2,225,025.00</u>	<u>2,225,025.00</u>	<u>1,844,543.54</u>	<u>329,005.96</u>	<u>51,475.50</u>	
Insurances:						
Liability Insurance	1,250,580.00	1,179,977.43	1,128,022.14	42,139.20	9,816.09	
Health Benefit Waiver	5,886,240.96	5,886,240.96	5,477,776.55		408,464.41	
Employee Group Insurance	208,000.00	208,000.00	208,000.00			
	<u>7,344,820.96</u>	<u>7,274,218.39</u>	<u>6,813,798.69</u>	<u>42,139.20</u>	<u>418,280.50</u>	
<u>SPECIAL PROGRAMS AND ACTIVITIES</u>						
Parks, Recreation and Cultural Affairs:						
Salaries and Wages						
Other Expenses	115,500.00	115,500.00	97,373.72	163.38	17,962.90	
<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	359,500.00	359,500.00	337,250.09		22,249.91	
Other Expenses	111,800.00	111,800.00	93,122.79	256.00	18,421.21	
	<u>471,300.00</u>	<u>471,300.00</u>	<u>430,372.88</u>	<u>256.00</u>	<u>40,671.12</u>	
<u>UNCLASSIFIED</u>						
Emergency Assistance Coalition:						
Other Expenses	50.00	50.00			50.00	
Utilities:						
Gasoline	325,000.00	325,000.00	296,584.44	28,316.61	98.95	
Fuel - Diesel	230,000.00	230,000.00	206,178.94	23,785.71	35.35	
Electricity	550,800.00	550,800.00	484,749.40	705.27	65,345.33	
Telephone	252,620.00	252,620.00	179,951.98	23,557.00	49,111.02	
Natural Gas	214,200.00	214,200.00	113,838.21	28.17	100,333.62	

TOWNSHIP OF MONTCLAIR
CURRENT FUND

A-3
Sheet # 5

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>UNCLASSIFIED</u>						
<u>Utilities:</u>						
Street Lighting	\$ 535,500.00	\$ 516,058.43	\$ 435,092.19	\$	\$ 80,966.24	\$
Water	13,250.00	13,250.00			13,250.00	
	<u>2,121,420.00</u>	<u>2,101,978.43</u>	<u>1,716,395.16</u>	<u>76,392.76</u>	<u>309,190.51</u>	
Total Operations Within CAPS	<u>43,581,119.97</u>	<u>44,188,169.99</u>	<u>40,366,191.50</u>	<u>1,038,534.09</u>	<u>2,783,444.40</u>	
<u>CONTINGENT</u>						
	<u>3,500.00</u>	<u>3,500.00</u>	<u>3,500.00</u>			
Total Operations Within CAPS	<u>43,584,619.97</u>	<u>44,191,669.99</u>	<u>40,369,691.50</u>	<u>1,038,534.09</u>	<u>2,783,444.40</u>	
<u>STATUTORY EXPENDITURES</u>						
<u>Contributions to:</u>						
Public Employees' Retirement System of N.J.	1,287,844.00	1,293,024.88	1,293,024.88			
Social Security System (OASI)	1,111,500.00	1,111,500.00	995,347.77		116,152.23	
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, 2012

A-3
Sheet # 6

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Cancelled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>STATUTORY EXPENDITURES</u>						
Contributions to:						
Police and Firemen's Retirement System of N.J. Pension Increase Fund Consolidated Police and Firemen's Pension System	\$ 4,562,095.00	\$ 4,562,095.00	\$ 4,562,095.00			
	79,742.00	80,163.69	80,163.69			
Total Statutory Expenditures	<u>7,041,681.00</u>	<u>7,047,283.57</u>	<u>6,930,631.34</u>		116,652.23	
Total Appropriations Within "CAPS"	<u>50,626,300.97</u>	<u>51,238,953.56</u>	<u>47,300,322.84</u>	<u>1,038,534.09</u>	<u>2,900,096.63</u>	
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>			48,338,856.93			
<u>OTHER OPERATIONS</u>						
Maintenance of Free Public Library	2,883,749.00	2,883,749.00	2,883,749.00			
Employee Group Insurance	314,549.00	314,549.00	314,549.00			
Reserve for Tax Appeals Pending	300,000.00	300,000.00	300,000.00			
	<u>3,498,298.00</u>	<u>3,498,298.00</u>	<u>3,498,298.00</u>			
<u>UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY INCREASED FEE REVENUE (N.J.A.C. 5:23-4.17)</u>						
Other Expenses	<u>56,153.05</u>	<u>56,153.05</u>	<u>56,153.05</u>			
<u>ADDITIONAL APPROPRIATIONS OFFSET BY REVENUES (N.J.S.A. 40A:4-43.3h)</u>						
Glen Ridge Fire Contract:						
Salaries and Wages	500,000.00	500,000.00	500,000.00			
Other Expenses	271,000.00	271,000.00	271,000.00			
Interlocal Government Health Service Contract:						
Salaries and Wages	202,200.00	202,200.00	202,200.00			
Interlocal Animal Control Services - Glen Ridge						
Salaries and Wages	75,000.00	75,000.00	18,750.00		56,250.00	
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	8,610.00		18,390.00	
Interlocal Animal Control Services Contract - Verona						
Salaries and Wages	24,000.00	24,000.00	24,000.00			
	<u>1,125,200.00</u>	<u>1,125,200.00</u>	<u>1,050,560.00</u>		<u>74,640.00</u>	

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

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:	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$	\$	\$
Shade Tree	5,000.00	5,000.00	5,000.00			
Historic Preservation	500.00	500.00	500.00			
NJEDA	103,612.00	103,612.00	103,612.00			
Community Development Block Grant	197,727.00	197,727.00	197,727.00			
Department of Transportation Trust Grant						
Transit Village	200,000.00	200,000.00	200,000.00			
Bulletproof Vest Fund	2,857.65	2,857.65	2,857.65			
Governor's Council on Alcohol and Drug Abuse:						
State Share	54,100.00	54,100.00	54,100.00			
Matching Funds	14,000.00	14,000.00	14,000.00			
Clean Community Program	54,198.12	54,198.12	54,198.12			
Nonpublic School Nursing Services	114,853.00	114,853.00	114,853.00			
Highway Safety Grant	15,000.00	15,000.00	15,000.00			
Cable Communication Grant	5,000.00	5,000.00	5,000.00			
Essex County PARIS Police Records	22,200.00	22,200.00	22,200.00			
Drive Sober or Get Pulled Over	5,000.00	5,000.00	5,000.00			
Click It or Ticket Enforcement Grant	4,000.00	4,000.00	4,000.00			
Essex County Department of Aging:						
Senior Citizen Public Health Nursing	15,504.00	15,504.00	15,504.00			
Drunk Driving Enforcement Fund	12,437.18	12,437.18	12,437.18			
Recycling Tonnage Grant	91,473.24	91,473.24	91,473.24			
Shaping NJ - Mini Grant						
Historic Trust -Watchung Plaza	18,665.00	18,665.00	18,665.00			
Historic Trust - Matching	2,560.00	2,560.00	2,560.00			
Body Armor Replacement Fund - Unappropriated	9,446.79	9,446.79	9,446.79			

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TOWNSHIP OF MONTCLAIR
CURRENT FUND

A-3
Sheet # 8

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

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 Routes to School Program - NJDOT	\$ 130,000.00	\$ 130,000.00	\$ 130,000.00	\$	\$	\$
2007 Local Arts Program Grant - First Night						
Fire Safety Incentive	1,000.00	1,000.00	1,000.00			
Ambulance Subsidy Grant	14,987.00	14,987.00	14,987.00			
U.S. Department of Homeland Security	9,500.00	9,500.00	9,500.00			
	<u>1,163,906.98</u>	<u>1,163,906.98</u>	<u>1,163,906.98</u>			
Total Operations Excluded from "CAPS"	<u>5,843,558.03</u>	<u>5,843,558.03</u>	<u>5,768,918.03</u>		<u>74,640.00</u>	
<u>CAPITAL IMPROVEMENTS</u>						
Capital Improvement Fund	<u>125,000.00</u>	<u>125,000.00</u>	<u>125,000.00</u>			
<u>DEBT SERVICE</u>						
Payment of Bond Principal	4,345,000.00	4,345,000.00	4,345,000.00			
Payment of Bond Anticipation Notes and Capital Notes	1,615,316.00	1,615,316.00	1,574,200.00			41,116.00
Interest on Bonds	2,286,770.00	2,194,589.55	2,193,118.82			1,470.73
Interest on Notes	263,003.00	263,003.00	260,162.87			2,840.13
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	44,000.00	44,000.00	43,912.12			87.88
Environmental Trust - Principal	43,200.00	43,200.00	42,404.88			795.12
Environmental Trust - Interest	16,000.00	16,000.00	15,656.26			343.74
	<u>8,613,289.00</u>	<u>8,521,108.55</u>	<u>8,474,454.95</u>			<u>46,653.60</u>
<u>DEFERRED CHARGES</u>						
Emergency Authorization	369,300.00	369,300.00	369,300.00			
Special Emergency Authorization - 5 Years	178,000.00	178,000.00	178,000.00			
	<u>547,300.00</u>	<u>547,300.00</u>	<u>547,300.00</u>			
<u>FOR LOCAL SCHOOL DISTRICT PURPOSES</u>						
Type I School District Debt Service:						
Payment of Bond Principal	2,675,000.00	2,675,000.00	2,675,000.00			
Payment of Bond Anticipation Notes	517,200.00	631,200.00	631,200.00			
Interest on Bonds	2,603,500.00	2,550,213.11	2,550,213.11			
Interest on Notes	339,250.00	370,717.34	370,717.34			
	<u>6,134,950.00</u>	<u>6,227,130.45</u>	<u>6,227,130.45</u>			
Total Appropriations Excluded from "CAPS"	<u>21,264,097.03</u>	<u>21,264,097.03</u>	<u>21,142,803.43</u>		<u>74,640.00</u>	<u>46,653.60</u>
Sub-Total Appropriations	<u>71,890,398.00</u>	<u>72,503,050.59</u>	<u>68,443,126.27</u>	<u>1,038,534.09</u>	<u>2,974,736.63</u>	<u>46,653.60</u>
Reserve for Uncollected Taxes	<u>3,739,225.77</u>	<u>3,739,225.77</u>	<u>3,739,225.77</u>			
Total Appropriations	<u>\$ 75,629,623.77</u>	<u>\$ 76,242,276.36</u>	<u>\$ 72,182,352.04</u>	<u>\$ 1,038,534.09</u>	<u>\$ 2,974,736.63</u>	<u>\$ 46,653.60</u>

Ref.

A-3 Sheet 9

A-3 Sheet 9

A

A

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

A-3
Sheet # 9

	<u>Ref.</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>
Adopted Budget	A-2	\$ 74,916,325.58	\$
Added by N.J.S.A. 40A:4-87	A-2	713,298.19	
Emergency Authorization	A-19	612,652.59	
Reserve for Uncollected Taxes	A-2c	(3,739,225.77)	3,739,225.77
Cash Disbursements	A-4		66,161,910.92
Interfunds Receivable	A-17		253,089.00
Deferred Charges	A-19		369,300.00
Deferred Charges - Special Emergency	A-20		178,000.00
Reserve for Tax Appeals	A-24		300,000.00
Interfunds Payable	A-29		33,479.37
Reserve for Grant Expenditures	A-37		1,147,346.98
Cancelled	A-3 Sh. 8	(46,653.60)	
	A-1	<u>\$ 72,456,396.99</u>	<u>\$ 72,182,352.04</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2012 AND 2011

B
Sheet # 1

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Assessment Trust Fund</u>			
Assessments Receivable:			
Unpledged	B-4	\$ 4,080.57	\$ 8,163.34
Interfunds Receivable	B-7	58,683.18	54,600.41
		<u>62,763.75</u>	<u>62,763.75</u>
 <u>Animal Control Trust Fund</u>			
Cash - Checking	B-2	<u>46,946.44</u>	<u>34,342.04</u>
 <u>General Trust Fund</u>			
Cash - Checking	B-2	3,146,560.33	3,005,457.21
Due from Montclair Housing Agency	B-5	35,730.76	36,730.72
Due from County of Essex - Community Development Block Grant Programs	B-6	197,727.00	123,927.07
Interfunds Receivable	B-7	457,214.33	137,392.57
		<u>3,837,232.42</u>	<u>3,303,507.57</u>
		<u>\$ 3,946,942.61</u>	<u>\$ 3,400,613.36</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUSTS FUNDS

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2012 AND 2011

B
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Assessment Trust Fund</u>			
Interfunds Payable	B-10	\$ 54,311.20	\$ 54,311.20
Reserve for:			
Assessments and Assessment Liens	B-11	4,080.57	8,163.34
Fund Balance	B-1	4,371.98	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-8	474.00	
Interfunds Payable	B-10	2,503.00	2,503.00
Reserve for:			
Animal Shelter Expenditures	B-14	26,303.45	18,697.35
Animal Control Trust Fund Expenditures	B-15	17,665.99	13,141.69
		<u>46,946.44</u>	<u>34,342.04</u>
<u>General Trust Fund</u>			
Interfunds Payable	B-10	8,757.15	21,053.06
Special Deposits	B-9	3,373,958.04	2,986,407.89
Reserve for:			
Community Development Block Grant	B-12	197,727.00	121,960.02
Section 8 Voucher Program	B-13	195,660.58	113,028.37
State Unemployment Trust Fund Expenditures	B-16	61,129.65	61,058.23
		<u>3,837,232.42</u>	<u>3,303,507.57</u>
		<u>\$ 3,946,942.61</u>	<u>\$ 3,400,613.36</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

STATEMENT OF FUND BALANCE
ASSESSMENT TRUST
YEAR ENDED DECEMBER 31, 2012

B-1

	<u>Ref.</u>	
Balance December 31, 2011	B	\$ 289.21
Increased by:		
Collection of Unpledged Receivables	B-11	<u>4,082.77</u>
Balance, December 31, 2012	B	<u>\$ 4,371.98</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2012 AND 2011

C

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Cash - Checking	C-2	\$ 13,547,327.30	\$ 17,363,666.75
Grants Receivable	C-4	1,345,673.00	1,357,381.50
Interfunds Receivable	C-9	2,086,723.80	529,848.84
Note Receivable	C-6	712,000.00	1,259,300.00
Loans Receivable	C-5		1,638,000.00
Due from Improvement District	C-7	15,000.00	15,000.00
Due from Montclair Parking Authority	C-8	18,201.22	18,201.22
Deferred Charges to Future Taxation:			
Funded	C-10	116,279,735.94	123,242,710.24
Unfunded	C-11	57,282,901.96	58,799,137.32
		<u>\$ 191,287,563.22</u>	<u>\$ 204,223,245.87</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-24	\$ 53,301,000.00	\$ 57,506,000.00
School Serial Bonds	C-23	61,997,000.00	64,672,000.00
Environmental Infrastructure Loan Payable	C-22	587,071.05	630,201.78
Green Acres Loans Payable	C-21	394,664.89	434,508.46
Bond Anticipation Notes	C-20	45,342,000.00	45,930,200.00
Interfunds Payable	C-14	297,151.54	1,067,436.76
Improvement Authorizations:			
Funded	C-13	3,129,285.70	4,448,500.26
Unfunded	C-13	22,750,673.94	21,212,361.38
Capital Improvement Fund	C-12	169,833.83	206,514.83
Reserve for:			
Future Improvements	C-15	116,097.34	40,092.34
Repayment of Urban Development Action Grants	C-16	26,955.51	26,955.51
Grants Receivable	C-17	1,304,023.00	1,357,381.50
Loans Receivable	C-18		1,638,000.00
Debt Service	C-19	668,250.00	4,693,833.44
Fund Balance	C-1	1,203,556.42	359,259.61
		<u>\$ 191,287,563.22</u>	<u>\$ 204,223,245.87</u>
 Bonds and Notes Authorized but Not Issued:			
General		\$ 7,657,154.43	\$ 5,437,167.93
School		4,579,080.28	8,022,503.51
	C-25	<u>\$ 12,236,234.71</u>	<u>\$ 13,459,671.44</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

C-1

	<u>Ref.</u>		
Balance, December 31, 2011	C		\$ 359,259.61
Increased by:			
Premium on Sale of Notes and Bonds	C-2	\$ 158,954.02	
Other Revenue	C-2	<u>907,410.79</u>	
			1,066,364.81
			<u>1,425,624.42</u>
Decreased by:			
Appropriated to Finance Improvement Authorizations	C-13		<u>222,068.00</u>
Balance, December 31, 2012	C		<u><u>\$1,203,556.42</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2012 AND 2011

D
Sheet # 1

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Operating Fund</u>			
Cash	D-5	\$ 3,598,012.35	\$ 1,030,093.73
Change Fund	D-7	200.00	200.00
		<u>3,598,212.35</u>	<u>1,030,293.73</u>
 Interfunds Receivable	 D-11	 <u>55,949.41</u>	 <u>1,866,271.19</u>
		3,654,161.76	2,896,564.92
<u>Receivables and Inventory with Full Reserves:</u>			
Consumer Accounts Receivable	D-12	1,001,427.19	909,340.19
Inventory - Materials and Supplies	D-13	126,298.65	126,298.65
		<u>1,127,725.84</u>	<u>1,035,638.84</u>
		<u>4,781,887.60</u>	<u>3,932,203.76</u>
 <u>Capital Fund</u>			
Cash - Checking	D-5, D-9	363,026.54	1,540,745.73
Loans Receivable	D-10	298,090.60	1,496,800.60
Interfunds Receivable	D-11	747.73	
Fixed Capital	D-14	25,922,306.96	23,626,744.36
Fixed Capital - Authorized and Uncompleted	D-15	15,132,250.37	16,850,312.97
		<u>41,716,422.20</u>	<u>43,514,603.66</u>
		<u>\$ 46,498,309.80</u>	<u>\$47,446,807.42</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2012 AND 2011

D
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCES</u>	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	D-4, D-16	\$ 24,846.91	\$ 87,616.42
Unencumbered	D-4, D-16	816,628.73	885,523.93
Accrued Interest on Bonds	D-17	146,654.18	159,941.67
Accrued Interest on Notes	D-18	8,913.49	12,453.56
Accrued Interest on Loans	D-19	37,688.56	40,698.97
Due State of New Jersey - Surcharge	D-20	3,488.11	3,300.28
Water Overpayments	D-21	15,383.00	15,483.80
		<u>1,053,602.98</u>	<u>1,205,018.63</u>
Reserve for Receivables and Inventory		1,127,725.84	1,035,638.84
Fund Balance	D-1	<u>2,600,558.78</u>	<u>1,691,546.29</u>
		<u>4,781,887.60</u>	<u>3,932,203.76</u>
 <u>Capital Fund</u>			
Serial Bonds	D-29	9,072,000.00	9,702,000.00
N.J. Environmental Infrastructure Trust			
Loan Payable	D-28	3,236,414.95	3,573,490.71
Bond Anticipation Notes	D-27	3,882,475.00	3,596,150.00
Improvement Authorizations:			
Funded	D-22	221,623.74	229,824.01
Unfunded	D-22	2,793,756.88	3,896,422.50
Capital Improvement Fund	D-23	64,756.53	43,631.53
Interfunds Payable	D-24	6,397.65	1,083,771.19
Reserves for:			
Amortization	D-25	21,589,945.01	20,492,869.25
Deferred Amortization	D-26	768,356.37	834,356.37
Fund Balance	D-2	80,696.07	62,088.10
		<u>41,716,422.20</u>	<u>43,514,603.66</u>
		<u>\$ 46,498,309.80</u>	<u>\$47,446,807.42</u>
Bonds and Notes Authorized but Not Issued	D-30	<u>\$ 2,505,366.00</u>	<u>\$ 2,278,191.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGES IN FUND BALANCE - OPERATING FUND
REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2012 AND 2011

D-1

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	D-3	\$ 271,895.00	\$ 19,000.00
Rents	D-3	6,358,416.41	6,485,761.34
Miscellaneous Revenue	D-3	197,537.97	195,410.03
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-16	844,514.93	404,334.78
		<u>7,672,364.31</u>	<u>7,104,506.15</u>
<u>Expenditures</u>			
Budgets Expenditures:			
Operating	D-4	4,637,760.00	4,878,910.00
Capital Improvements	D-4	50,000.00	50,000.00
Debt Service	D-4	1,466,815.82	1,340,982.88
Statutory Expenditures	D-4	336,881.00	333,700.00
		<u>6,491,456.82</u>	<u>6,603,592.88</u>
Excess in Revenue		1,180,907.49	500,913.27
<u>Fund Balance</u>			
Balance, Beginning of Year	D	1,691,546.29	1,309,633.02
		<u>2,872,453.78</u>	<u>1,810,546.29</u>
Decreased by:			
Utilized as Anticipated Revenue:			
Water Operating Fund Budget	D-3	271,895.00	19,000.00
Current Fund Budget			100,000.00
		<u>271,895.00</u>	<u>119,000.00</u>
Balance, End of Year	D	<u>\$ 2,600,558.78</u>	<u>\$ 1,691,546.29</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

STATEMENT OF WATER CAPITAL FUND BALANCE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

D-2

	<u>Ref.</u>		
Balance, December 31, 2011	D		\$ 62,088.10
Increased by:			
Premium on Sales of Notes:			
Cash Received	D-5	\$ 17,860.24	
Interfund Receivable	D-11	<u>747.73</u>	
			<u>18,607.97</u>
Balance, December 31, 2012	D		<u>\$ 80,696.07</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

STATEMENT OF REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

D-3

Source	Ref.	2012 Budget	Realized	Excess (Deficit)
Fund Balance Utilized	D-1	\$ 271,895.00	\$ 271,895.00	\$
Rents	D-1, D-12	6,195,000.00	6,358,416.41	163,416.41
Miscellaneous Revenue	D-1, Below	90,000.00	197,537.97	107,537.97
	D-4	\$ 6,556,895.00	\$ 6,827,849.38	\$ 270,954.38
 <u>Analysis of Realized Revenue</u>				
Miscellaneous Revenue:				
Interest on Delinquent Rents		\$ 96,129.30		
Glen Ridge Management Fee		27,025.00		
Interest on Investments		15,959.43		
Miscellaneous		58,424.24		
	Above		\$ 197,537.97	
 Collections:				
Treasurer	D-5		\$ 9,561.78	
Collector	D-6		181,578.54	
Interfunds Receivable	D-11		6,397.65	
	Above		\$ 197,537.97	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

D-4

Appropriation	Budget	Modified Budget	Paid or Charged	Expended		Balance Cancelled
				Encumbered	Unencumbered	
<u>Operating</u>						
Salaries and Wages	\$ 1,200,000.00	\$ 1,187,000.00	\$ 847,097.21	\$	\$ 339,902.79	\$
Other Expenses	2,771,560.00	2,771,560.00	2,295,725.19	24,846.91	450,987.90	
<u>Commercial</u>						
Salaries and Wages	602,500.00	615,500.00	612,447.23		3,052.77	
Other Expenses	63,700.00	63,700.00	41,014.73		22,685.27	
	<u>4,637,760.00</u>	<u>4,637,760.00</u>	<u>3,796,284.36</u>	<u>24,846.91</u>	<u>816,628.73</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	630,000.00	630,000.00	630,000.00			
Payment on Bond Anticipation Notes and Capital Notes	35,300.00	35,300.00	35,125.00			175.00
Interest on Bonds	382,200.00	382,200.00	351,534.30			30,665.70
Interest on Notes	50,000.00	50,000.00	43,548.14			6,451.86
Environmental Trust Fund - Principal	337,076.00	337,076.00	337,075.76			0.24
Environmental Trust Fund - Interest	97,678.00	97,678.00	69,532.62			28,145.38
	<u>1,532,254.00</u>	<u>1,532,254.00</u>	<u>1,466,815.82</u>			<u>65,438.18</u>
<u>Statutory Expenditures</u>						
Contribution to:						
Public Employees' Retirement System	157,000.00	157,000.00	157,000.00			
Social Security System	172,381.00	172,381.00	172,381.00			
Unemployment Compensation Insurance	7,500.00	7,500.00	7,500.00			
	<u>336,881.00</u>	<u>336,881.00</u>	<u>336,881.00</u>			
	<u>\$ 6,556,895.00</u>	<u>\$ 6,556,895.00</u>	<u>\$ 5,649,981.18</u>	<u>\$ 24,846.91</u>	<u>\$ 816,628.73</u>	<u>\$ 65,438.18</u>

Ref.

D-3

Sheet # 2

D

D

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

D-4
Sheet # 2

	<u>Ref.</u>	
Cash Disbursed	D-5	\$5,185,366.12
Accrued Interest on Bonds	D-17	351,534.30
Accrued Interest on Notes	D-18	43,548.14
Accrued Interest on Loans	D-19	<u>69,532.62</u>
	Sheet # 1	<u>\$5,649,981.18</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2012 AND 2011

E
Sheet # 1

<u>ASSETS</u>	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Operating Fund</u>			
Cash - Checking	E-5	\$ 2,391,560.00	\$ 3,162,710.23
Change Fund	E-7	200.00	200.00
		<u>2,391,760.00</u>	<u>3,162,910.23</u>
Interfund Receivable	E-9		5,291.53
		<u>2,391,760.00</u>	<u>3,168,201.76</u>
Receivables and Inventory with Full Reserves:			
Consumer Accounts Receivable	E-10	703,111.84	661,266.72
Inventory - Materials and Supplies	E-11	14,454.22	14,454.22
		<u>717,566.06</u>	<u>675,720.94</u>
		 <u>3,109,326.06</u>	 <u>3,843,922.70</u>
<u>Capital Fund</u>			
Cash	E-5, E-8	103,251.97	918,175.07
Interfund Receivable	E-9	698,606.64	
Fixed Capital Authorized and Uncompleted	E-12	5,485,000.00	4,385,000.00
		<u>6,286,858.61</u>	<u>5,303,175.07</u>
		 <u>\$ 9,396,184.67</u>	 <u>\$ 9,147,097.77</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2012 AND 2011

E
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	E-4, E-13	\$ 10,404.99	\$ 12,299.77
Unencumbered	E-4, E-13	234,931.33	256,582.32
Accrued Interest on Notes	E-14	9,946.51	12,733.06
Sewer Overpayments	E-15	14,882.33	14,468.90
Interfunds Payable	E-18	747,191.35	10,500.00
		<u>1,017,356.51</u>	<u>306,584.05</u>
Reserve for Receivables and Inventory		717,566.06	675,720.94
Fund Balance	E-1	1,374,403.49	2,861,617.71
		<u>3,109,326.06</u>	<u>3,843,922.70</u>
<u>Capital Fund</u>			
Bond Anticipation Notes	E-21	2,174,525.00	2,198,000.00
Improvements Authorizations:			
Funded	E-16	606,807.96	23,665.80
Unfunded	E-16	1,563,516.11	2,765,096.71
Capital Improvement Fund	E-17	620,500.00	120,500.00
Interfunds Payable	E-18		5,291.53
Reserve for:			
Amortization	E-19	7,500.00	7,500.00
Deferred Amortization	E-20	1,252,875.00	129,000.00
Fund Balance	E-2	61,134.54	54,121.03
		<u>6,286,858.61</u>	<u>5,303,175.07</u>
		<u>\$ 9,396,184.67</u>	<u>\$ 9,147,097.77</u>
Bonds and Notes Authorized But Not Issued	E-22	<u>\$ 2,050,100.00</u>	<u>\$ 2,050,500.00</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, 2012 AND 2011

E-1

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Revenues and Other Income Realized</u>			
Fund Balance Utilized	Below	\$ 1,627,039.00	\$
Sewer Charges	E-3	4,581,677.86	4,719,926.71
Sewer Flow Usage Fees - Reservoir Ridge			66,470.00
Sewer Connection Fee			
Non-Budget Revenue	E-3	74,921.94	85,829.70
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	E-13	253,663.47	121,577.96
		<u>6,537,302.27</u>	<u>4,993,804.37</u>
 <u>Expenditures</u>			
Budget Expenditures:			
Operating	E-4	4,413,261.00	4,278,875.00
Capital Improvements	E-4	1,600,000.00	45,000.00
Debt Service	E-4	226,416.49	216,000.00
Statutory Expenditures	E-4	57,800.00	55,800.00
Refund of Prior Year Revenue			95,392.11
		<u>6,297,477.49</u>	<u>4,691,067.11</u>
 Excess in Revenue		 239,824.78	 302,737.26
 <u>Fund Balance</u>			
Balance, Beginning of Year	E	2,861,617.71	2,658,880.45
		<u>3,101,442.49</u>	<u>2,961,617.71</u>
 Decreased by:			
Utilized as Anticipated Revenue:			
Sewer Operating Fund Budget	Above	1,627,039.00	
Current Fund Budget	E-5	100,000.00	100,000.00
		<u>1,727,039.00</u>	<u>100,000.00</u>
 Balance, End of Year	 E	 <u>\$ 1,374,403.49</u>	 <u>\$ 2,861,617.71</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY CAPITAL FUND

STATEMENT OF FUND BALANCE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

E-2

	<u>Ref.</u>		
Balance, December 31, 2011	E		\$ 54,121.03
Increased by:			
Premium on Sale of Notes:			
Cash Receipts	E-5	\$ 6,046.46	
Interfund Receivable	E-9	<u>967.05</u>	
			<u>7,013.51</u>
Balance, December 31, 2012	E		<u>\$ 61,134.54</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2012

E-3

	<u>Ref.</u>	<u>2012 Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Utilized	E-1	\$ 1,627,039.00	\$ 1,627,039.00	
Sewer Charges	E-1, E-10	4,610,622.00	4,581,677.86	(28,944.14)
Sewer Flow Usage Fee:				
Reservoir Ridge		66,000.00		(66,000.00)
		<u>6,303,661.00</u>	<u>6,208,716.86</u>	<u>(94,944.14)</u>
 Non-Budget Revenue	 E-1, Below		 <u>74,921.94</u>	 <u>74,921.94</u>
	E-4	<u>\$ 6,303,661.00</u>	<u>\$ 6,283,638.80</u>	<u>\$ (20,022.20)</u>

Ref.

Nonbudget Revenue

Interest Earned on Investments:

Collections	E-6	\$ 6,514.73
Interfunds Receivable	E-9	2,360.41
Interest on Delinquent Rents	E-6	49,419.94
Glen Ridge Management Fee	E-6	4,504.16
Miscellaneous	E-6	784.70
New Service	E-6	<u>11,338.00</u>
	Above	<u>\$ 74,921.94</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

E-4
Sheet # 1

Appropriation	Budget	Modified Budget	Paid	Expended		Balance Canceled
				Encumbered	Unencumbered	
<u>Operating</u>						
Salaries and Wages	\$ 515,000.00	\$ 515,000.00	\$ 450,980.80	\$	\$ 64,019.20	\$
Other Expenses	439,925.00	439,643.09	261,344.34	10,404.99	167,893.76	
Passaic Valley Sewer Commission	3,412,936.00	3,413,217.91	3,413,217.91			
Third River Sewer	1,400.00	1,400.00	1,334.36		65.64	
Second River Sewer	44,000.00	44,000.00	41,047.27		2,952.73	
	<u>4,413,261.00</u>	<u>4,413,261.00</u>	<u>4,167,924.68</u>	<u>10,404.99</u>	<u>234,931.33</u>	
<u>Capital Improvements</u>						
Capital Improvement Fund	1,600,000.00	1,600,000.00	1,600,000.00			
<u>Debt Service</u>						
Payment on Bond Anticipation						
Notes and Capital Notes	23,800.00	23,875.00	23,875.00			
Interest on Notes	33,800.00	33,725.00	27,541.49			6,183.51
Reimbursement for Sewer Share of Current Debt Service	175,000.00	175,000.00	175,000.00			
	<u>232,600.00</u>	<u>232,600.00</u>	<u>226,416.49</u>			<u>6,183.51</u>
<u>Statutory Expenditures</u>						
Contribution to:						
Public Employees' Retirement System	28,300.00	28,300.00	28,300.00			
Social Security System	26,000.00	26,000.00	26,000.00			
Unemployment Compensation Insurance	3,500.00	3,500.00	3,500.00			
	<u>57,800.00</u>	<u>57,800.00</u>	<u>57,800.00</u>			
	<u>\$ 6,303,661.00</u>	<u>\$ 6,303,661.00</u>	<u>\$ 6,052,141.17</u>	<u>\$ 10,404.99</u>	<u>\$ 234,931.33</u>	<u>\$ 6,183.51</u>

Ref.

E-3

Sheet # 2

E

E

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

STATEMENT OF EXPENDITURES
REGULATORY BASS
YEAR ENDED DECEMBER 31, 2012

E-4
Sheet # 2

	<u>Ref.</u>	<u>Paid or Charged</u>
Cash Disbursed	E-5	\$ 6,024,599.68
Accrued Interest on Notes	E-14	<u>27,541.49</u>
	Sheet # 1	<u>\$ 6,052,141.17</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2012 AND 2011

F

<u>ASSETS</u>	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Operating Fund</u>			
Cash - Checking	F-4	\$ 2,090,746.49	\$ 943.28
Accrued Interest Receivable	F-6		374,462.42
Interfunds Receivable	F-8	74,961.76	74,961.76
		<u>2,165,708.25</u>	<u>450,367.46</u>
<u>Capital Fund</u>			
Cash	F-4	334,127.85	
Due from Montclair Parking Authority	F-7		282,014.68
Interfunds Receivable	F-8		52,113.17
Fixed Capital	F-9	16,445,000.00	16,445,000.00
		<u>16,779,127.85</u>	<u>16,779,127.85</u>
		<u>\$ 18,944,836.10</u>	<u>\$ 17,229,495.31</u>

LIABILITIES, RESERVES AND FUND BALANCE

<u>Operating Fund</u>			
Accrued Interest on Bonds	F-10	\$ 366,797.50	\$ 374,462.50
Interfunds Payable	F-11		52,113.17
Accounts Payable	F-13	63,803.91	
Fund Balance	F-1	1,735,106.84	23,791.79
		<u>2,165,708.25</u>	<u>450,367.46</u>
<u>Capital Fund</u>			
Serial Bonds	F-13	15,220,000.00	15,550,000.00
Interfunds Payable	F-11	334,127.85	334,127.85
Reserve for Amortization	F-12	1,225,000.00	895,000.00
		<u>16,779,127.85</u>	<u>16,779,127.85</u>
		<u>\$ 18,944,836.10</u>	<u>\$ 17,229,495.31</u>

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, 2012 AND 2011

F-1

	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
<u>Revenues and Other Income Realized</u>			
Contribution from Montclair Parking Authority	F-2	\$ 1,071,260.00	\$ 1,063,970.00
Non-Budget Revenue	F-2	<u>1,711,315.05</u>	<u>4.26</u>
		<u>2,782,575.05</u>	<u>1,063,974.26</u>
 <u>Expenditures</u>			
Budget Appropriations:			
Debt Service	F-3	<u>1,071,260.00</u>	<u>1,063,970.00</u>
Excess in Revenue		1,711,315.05	4.26
 <u>Fund Balance</u>			
Balance, Beginning of Year	F	<u>23,791.79</u>	<u>23,787.53</u>
Balance, End of Year	F	<u>\$ 1,735,106.84</u>	<u>\$ 23,791.79</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2012

F-2

	<u>Ref.</u>	<u>2012 Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
<u>Source:</u>				
Contribution from Montclair Parking Authority	F-1, F-4	\$ 1,071,260.00	\$ 1,071,260.00	\$
Non-Budget Revenue	F-1, Below		<u>1,711,315.05</u>	<u>1,711,315.05</u>
	F-3	<u>\$ 1,071,260.00</u>	<u>\$ 2,782,575.05</u>	<u>\$ 1,711,315.05</u>

Analysis of Realized Revenue

Nonbudget Revenue

Interest on Deposits		\$ 30.75
Dissolution of Authority - Cash on Hand		<u>1,711,284.30</u>
	F-4, Above	<u>\$ 1,711,315.05</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2012

F-3

	<u>Budget</u>	<u>Expended</u> Paid or Charged	<u>Balance</u> <u>Cancelled</u>
<u>Debt Service</u>			
Bonds Payable	\$ 330,000.00	\$ 330,000.00	\$
Interest on Bonds	741,260.00	741,260.00	
	<u>\$ 1,071,260.00</u>	<u>\$ 1,071,260.00</u>	<u>\$</u>

	<u>Ref.</u>	F-2	F-1, Below
	<u>Ref.</u>		
Cash Disbursed	F-4	\$ 330,000.00	
Accrued Interest on Bonds	F-10	<u>741,260.00</u>	
	Above	<u>\$ 1,071,260.00</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CAPITAL FIXED ASSETS

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2012 AND 2011

G

	<u>2012</u>	<u>2011</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>11,911,848.35</u>	<u>12,148,317.15</u>
	<u>\$ 124,347,048.35</u>	<u>\$ 124,583,517.15</u>
 <u>RESERVE</u>		
Investment in Capital Fixed Assets	<u>\$ 124,347,048.35</u>	<u>\$ 124,583,517.15</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF MONTCLAIR

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2012

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.A. 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 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.

Capital Fixed Assets - These accounts reflect estimated valuations of land, buildings and certain moveable fixed assets of the Township.

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 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; interest on Utility Debt is recorded on the accrual basis..

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, 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 and Payable

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, 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 immaterial 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 and differ from the financial statements required by GAAP. In addition, the Division requires the financial statements 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.

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, 2012, 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, 2012 was \$37,143,850.73. 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>2012</u>	Calendar Year <u>2011</u>	Calendar Year <u>2010</u>	Calendar Year <u>2009</u>
Tax Rate	<u>\$3.253</u>	<u>\$2.561</u>	<u>\$2.519</u>	<u>\$ 2.387</u>
Apportionment of Tax Rate:				
Municipal	\$0.924	\$0.716	\$0.668	\$ 0.612
County	0.517	0.407	0.395	0.379
County Open Space	0.018	0.014	0.015	0.015
School	<u>1.794</u>	<u>1.424</u>	<u>1.441</u>	<u>1.381</u>

Assessed Valuation

Calendar Year <u>Year</u>	<u>Amount</u>
2012	\$ 5,775,681,589.00
2011	7,181,141,428.00
2010	7,323,196,626.00
2009	7,336,676,131.00
2008	7,335,108,076.00

Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2012	\$ 188,639,731.58	\$ 185,621,790.13	98.40 %
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

* 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>
2012	\$ 107,177.31	\$ 2,791,164.69	\$ 2,898,342.00	1.54 %
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

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, 2012 was \$438,900.00.

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>
2012	\$ 317,900.00
2011	317,900.00
2010	317,900.00
2009	317,900.00
2008	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.

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

<u>Year</u>	<u>Billings</u>	<u>Cash Collections</u>
2012	\$ 6,450,503.41	\$ 6,358,416.41
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

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.

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

<u>Year</u>	<u>Billings</u>	<u>Collections</u>
2012	\$ 4,623,522.98	\$ 4,581,677.86
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

Cash collections include realization of prior year uncollected balances.

8. FUND BALANCES APPROPRIATED

	<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized in Budgets of Succeeding Year</u>
Current Fund:	2012	\$ 5,346,174.05	\$ 1,394,651.84
	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
Water Utility Operating Fund:	2012	\$ 2,600,558.78	\$ 497,757.00
	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
Sewer Utility Operating Fund:	2012	\$ 1,374,403.49	\$ 334,592.00
	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
Parking Utility Operating Fund:	2012	\$ 1,735,106.84	\$ 800,000.00
	2011	23,791.79	
	2010	23,787.53	
	2009	23,785.00	
	2008	23,819.95	100.00

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 is the premium charged for the respective employees' coverage. 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) for employees hired on or after June 28, 2011 and not subject to Collective Negotiations Agreement ("CNA") that is in effect, the initial phase in is upon date of hire
- 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 Town'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 10 years of service and 25 years for health care coverage.

Tier 1 Members (members enrolled prior to July 1, 2007) are eligible for retirement at age 60 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of 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 1/55th 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 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 (1/12th 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) and are eligible for retirement at age 62 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each

year of membership during years of creditable service. Early retirement is available to those under age 62 with 25 or 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, 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 1/60th 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 maximum compensation limits for PERS pension contributions for those who become members after May 21, 2010. For 2012, 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 the 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 2012, 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 (CPFPPF) is a defined benefit pension fund established in 1952 to replace, on an actuarial basis, 212 local police and firemen pension funds. The CPFPPF 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 CPFPPF 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% respectively of their base wages. 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		CPFPPF
	Township	Employees	Township	Employees	Township
2012	\$ 1,478,324.88	\$ 663,054.44	\$ 4,562,095.00	\$ 1,817,682.02	\$ 80,163.69
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

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

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 and 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>
2012	<u>\$ 3,710.82</u>	<u>\$ 5,359.20</u>

12. POST-RETIREMENT BENEFITS OTHER THAN PENSIONS

The Township contributes to the State Health Benefits Program (the "SHBP"), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. The 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. The 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.

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 15 years of employment with the Township, and contribute 20% of premium costs, with the Township contributing 80%.

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's contributions to the SHBP for the year ended December 31, 2012 was \$370,436.00 which equaled the required contribution for the year. There were approximately 37 retired participants eligible at December 31, 2012.

The Township has left the State Health Benefit Plan effective November 1, 2012.

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>2012</u>	<u>2011</u>	<u>2010</u>
<u>Issued</u>			
General:			
Bonds, Notes and Loans	\$ 73,338,735.94	\$ 78,400,910.24	\$ 73,925,800.78
Water:			
Bonds, Notes and Loans	16,190,889.95	16,871,640.71	17,244,641.98
Sewer:			
Notes	2,174,525.00	2,198,000.00	2,211,000.00
Parking:			
Bonds and Notes	<u>15,220,000.00</u>	<u>15,550,000.00</u>	<u>15,865,000.00</u>
Total Issued	<u>106,924,150.89</u>	<u>113,020,550.95</u>	<u>109,246,442.76</u>
 <u>Authorized but Not Issued</u>			
General:			
Bonds and Notes	7,657,154.43	5,437,167.93	7,225,687.44
Water:			
Bonds and Notes	2,505,366.00	2,278,191.00	2,376,591.00
Sewer:			
Bonds and Notes	<u>2,050,100.00</u>	<u>2,050,500.00</u>	<u>450,500.00</u>
	<u>12,212,620.43</u>	<u>9,765,858.93</u>	<u>10,052,778.44</u>
 Less: Cash on Hand			
General	668,250.00	590,734.12	590,734.12
Grants Receivable			235,628.29
Reserve for Debt Service		<u>4,693,833.44</u>	<u>992,728.71</u>
	<u>668,250.00</u>	<u>5,284,567.56</u>	<u>1,819,091.12</u>
 Net Bonds and Notes Issued and Authorized but Not Issued			
	<u>\$ 118,468,521.32</u>	<u>\$ 117,501,842.32</u>	<u>\$ 117,480,130.08</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 1.176%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$ 92,862,080.28	\$ 92,862,080.28	\$
Utility Debt	38,140,880.95	38,140,880.95	
General Debt	<u>80,995,890.37</u>	<u>668,250.00</u>	<u>80,327,640.37</u>
	<u>\$ 211,998,851.60</u>	<u>\$ 131,671,211.23</u>	<u>\$ 80,327,640.37</u>

Net Debt, \$80,327,640.37 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$6,831,195,579.00 equals 1.176%.

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

3 1/2% of Equalized Valuation Basis	\$ 239,091,845.27
Net Debt	<u>80,327,640.37</u>
Remaining Borrowing Capacity	<u>\$ 158,764,204.90</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		\$ 6,827,849.38
Deductions:		
Operating and Maintenance Cost	\$ 4,974,641.00	
Debt Service	<u>1,466,815.82</u>	
		<u>6,441,456.82</u>
Excess in Revenue		<u>\$ 386,392.56</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		\$ 6,283,638.80
Deductions:		
Operating and Maintenance Cost	\$ 4,471,061.00	
Debt Service	<u>226,416.49</u>	
		<u>4,697,477.49</u>
Excess in Revenue		<u>\$ 1,586,161.31</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		\$ 1,071,290.75
Deductions:		
Debt Service	<u>\$ 1,071,260.00</u>	
		<u>1,071,260.00</u>
Excess in Revenue		<u>\$ 30.75</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, 2012, the Township's long-term debt is as follows:

\$3,495,000, 2003 Bonds, due in annual installments of \$175,000 through April 1, 2013, interest at rate of 5.35%. Bonds refunded in 2012.	\$ 175,000.00
\$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%.	2,695,000.00
\$19,215,000, 2006 Bonds, due in annual installments of \$450,000 to \$2,000,000 through January 1, 2026, interest at rates from 4.50% to 4.625%.	18,015,000.00
\$8,252,000, 2008 Bonds, due in annual installments of \$550,000 to \$1,200,000 through September 1, 2021, interest at rates from 3.50% to 4.00%.	7,102,000.00
\$18,519,000, 2011 Bonds, due in annual installments of \$1,025,000 to \$1,889,000 through March 1, 2024, interest at rates from 3.00% to 4.00%.	17,574,000.00
\$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%.	4,960,000.00
\$2,780,000, 2012 Pension Refunding Bonds, due in annual installments of \$55,000 to \$455,000 starting April 1, 2013 through April 1, 2021, interest at rates from .79% to 3.053%.	<u>2,780,000.00</u>
	<u>\$ 53,301,000.00</u>

Water Utility Bonds

\$755,000, 2005 Bonds, due in annual installments of \$110,000 to \$125,000 through July 15, 2014, interest at rate of 5.00%.	\$ 235,000.00
\$3,453,000, 2006 Bonds, due in annual installments of \$65,000 to \$275,000 through January 1, 2027, interest at rates from 4.50% to 4.625%.	3,103,000.00
\$3,349,000, 2008 Bonds, due in annual installments of \$50,000 to \$300,000 through September 1, 2026, interest at rates from 3.50% to 4.25%.	3,219,000.00
\$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%.	965,000.00
\$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 \$305,000 to \$880,000 through January 1, 2037, interest at rates from 4.50% to 4.625%.	\$ 13,440,000.00
\$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>1,780,000.00</u>
	<u>\$ 15,220,000.00</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
2013	\$ 8,828,841.40	\$ 4,580,000.00	\$ 2,168,238.53	\$ 670,000.00	\$ 349,830.37	\$ 335,000.00	\$ 725,772.50
2014	9,672,687.87	5,360,000.00	2,241,416.93	680,000.00	326,640.94	355,000.00	709,630.00
2015	9,159,472.24	5,025,000.00	2,071,245.23	700,000.00	305,462.01	365,000.00	692,765.00
2016	8,841,040.22	4,885,000.00	1,899,002.89	720,000.00	281,747.33	380,000.00	675,290.00
2017	8,787,121.57	5,020,000.00	1,721,581.81	735,000.00	253,559.76	400,000.00	656,980.00
2018	8,641,487.14	5,210,000.00	1,531,990.89	620,000.00	226,683.75	415,000.00	637,812.50
2019	8,528,402.26	5,290,000.00	1,373,231.01	610,000.00	202,383.75	435,000.00	617,787.50
2020	8,289,044.27	5,320,000.00	1,129,610.52	610,000.00	177,621.25	455,000.00	596,812.50
2021	7,527,891.22	4,652,000.00	930,319.97	740,000.00	151,065.00	480,000.00	574,506.25
2022	6,842,068.78	4,390,000.00	727,069.39	550,000.00	124,140.01	500,000.00	550,859.38
2023	7,263,040.65	5,045,000.00	521,222.51	550,000.00	100,577.51	520,000.00	526,240.63
2024	7,130,970.02	5,159,000.00	294,536.26	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>\$ 118,499,476.50</u>	<u>\$ 63,801,000.00</u>	<u>\$ 16,785,100.33</u>	<u>\$ 9,072,000.00</u>	<u>\$ 2,665,313.59</u>	<u>\$ 15,220,000.00</u>	<u>\$ 10,956,062.58</u>

The above General Bonds debt schedule includes the March 8, 2013 Bond Sale of \$ 10,500,000.00.

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

Green Acres Trust Loans Payable – General Capital Fund

The Township has two loans remaining from the State of New Jersey, Department of Environmental Protection, at an interest rate of 0.00% to 2.00% for Project Youth Sports.

Project Youth Sports:

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

\$ 183,126.45

Project Youth Sports II:

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

211,538.44

\$ 394,664.89

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

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>\$ 394,664.89</u>	<u>\$ 26,741.84</u>	<u>\$ 421,406.73</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 interest rates ranging from 3.00% to 5.00%.

2004:

Payments are semi-annual through the year 2024

\$ 587,071.05

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>
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>\$ 587,071.05</u>	<u>\$ 104,400.12</u>	<u>\$ 691,471.17</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 interest ranging from 4.00% to 5.70%.

1999 Loan:

Payments are semi-annual through the year 2019. \$ 803,914.11

2001 Loan:

Payments are semi-annual through the year 2021. 715,063.36

2002 Loan:

Payments are semi-annual through the year 2022. 1,071,155.36

2010 Loan:

Payments are semi-annual through the year 2029. 646,282.12

\$ 3,236,414.95

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>
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>\$ 3,236,414.95</u>	<u>\$ 481,977.50</u>	<u>\$ 3,718,392.45</u>

Special Emergency Note

Outstanding Special Emergency Note is as follows:

	<u>Interest Rate</u>	<u>Total</u>
Current Fund	Capital Note - No Interest	<u>\$ 712,000.00</u>

Bond Anticipation Notes

Outstanding Bond Anticipation Notes are summarized as follows:

<u>Notes</u>	<u>Rate</u>	<u>Amount</u>
General Capital Fund	1.00%	\$ 12,505,200.00
	1.25%	6,550,800.00
Water Utility Capital Fund	1.00%	900,875.00
	1.25%	2,981,600.00
Sewer Utility Capital Fund	1.00%	1,165,125.00
	1.25%	1,009,400.00
		<u>\$ 25,113,000.00</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 Issued	Legal Installments Due	Permanent Funding Required as of May 1
2008	2011 - 2018	2019
2009	2012 - 2019	2020
2010	2013 - 2020	2021
2011	2014 - 2021	2022
2012	2015 - 2022	2023

Bonds and Notes Authorized but Not Issued

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

	Balance Dec. 31, 2012
General Capital Fund:	
General Improvements	\$ 7,657,154.43
Water Utility Fund:	
General Improvements	\$ 2,505,366.00
Sewer Utility Fund:	
General Improvements	\$ 2,050,100.00

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:

\$16,715,000, 2006 Bonds, due in annual installments of \$450,000 to \$1,050,000 through January 1, 2028 interest at 4.50%.	\$ 15,165,000.00
\$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%.	13,700,000.00
\$9,662,000, 2010 Bonds, due in annual installments of \$220,000 to \$847,000 through June 2030, interest at 4.00%.	9,447,000.00
\$21,660,000, 2011 Bonds, due in annual installments of \$765,000 to \$1,450,000 through March 2031, interest at 2.75% to 4.625%.	20,935,000.00
\$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>\$ 61,997,000.00</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>
2013	\$ 2,730,000.00	\$ 2,892,283.41	\$ 5,622,283.41
2014	3,885,000.00	3,231,831.41	7,116,831.41
2015	4,015,000.00	3,085,933.33	7,100,933.33
2016	4,350,000.00	2,931,598.40	7,281,598.40
2017	4,590,000.00	2,754,095.05	7,344,095.05
2018	4,500,000.00	2,561,948.50	7,061,948.50
2019	4,630,000.00	2,363,623.50	6,993,623.50
2020	4,765,000.00	2,158,848.50	6,923,848.50
2021	4,915,000.00	1,949,548.50	6,864,548.50
2022	5,065,000.00	1,734,536.00	6,799,536.00
2023	5,209,000.00	1,511,931.00	6,720,931.00
2024	5,453,000.00	1,277,528.50	6,730,528.50
2025	5,607,000.00	1,054,166.00	6,661,166.00
2026	5,831,000.00	842,776.13	6,673,776.13
2027	6,175,000.00	618,025.63	6,793,025.63
2028	6,399,000.00	379,118.75	6,778,118.75
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	<u>1,450,000.00</u>	<u>33,531.25</u>	<u>1,483,531.25</u>
	<u>\$ 83,997,000.00</u>	<u>\$ 31,707,480.11</u>	<u>\$ 115,704,480.11</u>

The above annual debt schedule includes the March 8, 2013 bond sale of \$22,000,000.00

Temporary Notes

Outstanding Temporary Notes for School purposes are as follows:

<u>Notes</u>	<u>Interest Rate</u>	<u>Amount</u>
General Capital Fund	1.00%	\$ 9,336,000.00
	1.25%	1,450,000.00
	1.50%	<u>15,500,000.00</u>
		<u>\$ 26,286,000.00</u>

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

General Capital Fund	<u>\$4,579,080.28</u>
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15. INTERFUND RECEIVABLES AND PAYABLES

As of December 31, 2012, 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	\$ 82,947.48	\$ 2,417,813.35
Federal and State Grant Fund	523,487.68	131,526.35
Assessment Trust Fund	58,683.18	54,311.20
Animal Control Trust Fund		2,503.00
General Trust Fund	457,214.33	8,757.15
General Capital Fund	2,086,723.80	297,151.54
Water Utility Operating Fund	55,949.41	
Water Utility Capital Fund	747.73	6,397.65
Sewer Utility Operating Fund		747,191.35
Sewer Utility Capital Fund	698,606.64	
Parking Utility Operating Fund	74,961.76	
Parking Utility Capital Fund		334,127.85
Payroll Account		<u>39,542.57</u>
	<u>\$ 4,039,322.01</u>	<u>\$ 4,039,322.01</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, 2012, the following deferred charges are shown on the balance sheet of the Current Fund:

	<u>Balance Dec. 31, 2012</u>	<u>2013 Budget Appropriation</u>
Current Fund:		
Emergency Authorization	\$ 612,652.59	\$ 612,652.59
Special Emergency Authorization	<u>712,000.00</u>	<u>178,000.00</u>
	<u>\$ 1,324,652.59</u>	<u>\$ 790,652.59</u>

which \$2,400,000.00 was loaned to the MECC. Under the terms of the loan, 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. The remaining balance of \$1,638,000.00 was cancelled by Township resolution in 2013.

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, 2012 may be impaired. In the opinion of management, there are no significant contingent liabilities relating to noncompliance 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

The Township is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the Township.

20. SUBSEQUENT EVENTS

The Township has evaluated subsequent events occurring after December 31, 2012 through July 3, 2013, 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.

The Township dissolved the Montclair Parking Authority as of December 31, 2012 and transferred all operations to the Parking Utility Fund. All funds were transferred and are reported in the "F" section of the audit report.

A note sale of \$2,039,000.00 consisting of Water and Sewer Utility Note was held on March 1, 2013.

A bond sale was held on March 8, 2013 consisting of \$10,500,000.00 of General Improvements Bonds and \$22,000,000.00 of School Bonds. The detailed debt schedule schedules reported under Note 13 and Note 14 include the bond sale.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS - TREASURER
YEAR ENDED DECEMBER 31, 2012

A-4

	<u>Ref.</u>		<u>Regular Fund</u>
Balance, December 31, 2011	A		\$ 10,991,787.75
Increased by Receipts:			
Miscellaneous Revenue Not Anticipated	A-2d	\$ 451,554.32	
Tax Collector	A-5	191,458,356.75	
Petty Cash	A-8	3,500.00	
Due from State of New Jersey:			
Senior Citizens' and Veterans' Deductions	A-9	130,655.48	
Revenue Accounts Receivable	A-15	8,830,675.56	
Interfunds Receivable	A-17	28,982.00	
Library State Aid	A-25	16,670.00	
Accounts Payable	A-26	66,691.09	
Due to State of New Jersey	A-27	53,118.00	
Interfunds Payable	A-29	16,006,703.93	
Capital Note Payable	A-34	712,000.00	
Contra Items:			
Appropriation Refunds	Contra	<u>3,553,110.71</u>	
			<u>221,312,017.84</u>
			232,303,805.59
Decreased by Disbursements:			
Prior Year Revenue Refunded	A-1	10,286.59	
Budget Appropriations	A-3	66,161,910.92	
Petty Cash	A-8	3,500.00	
Interfunds Receivable	A-17	20,397.00	
Appropriation Reserves	A-21	1,588,675.43	
Library State Aid	A-25	16,670.00	
Accounts Payable	A-26	255.09	
Due to State of New Jersey	A-27	52,933.00	
Tax Overpayments Refunded	A-28	1,884,513.65	
Interfunds Payable	A-29	15,212,570.52	
County Taxes Payable	A-31	30,946,188.56	
Local School District Tax	A-32	97,509,698.00	
Special Improvement District Tax	A-33	438,900.00	
Emergency Note Payable	A-34	1,259,300.00	
Contra Items	Contra	<u>3,553,110.71</u>	
			<u>218,658,909.47</u>
Balance, December 31, 2012	A		<u>\$ 13,644,896.12</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENT - COLLECTOR
YEAR ENDED DECEMBER 31, 2012

A-5

	<u>Ref.</u>	
Increased by Receipts:		
Interest and Costs on Taxes	A-2	\$ 718,037.72
Miscellaneous Revenue Not Anticipated	A-2d	6,405.00
Other Accounts Receivable	A-14	109,207.35
Taxes Receivable	A-10	187,358,954.00
Revenue Accounts Receivable	A-15	1,823,187.87
Tax Overpayments	A-28	386,672.09
Prepaid Taxes	A-35	1,055,892.72
		<hr/> 191,458,356.75
Decreased by Disbursements:		
Paid to Treasurer	A-4	191,458,356.75
		<hr/> <hr/> \$

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
CURRENT FUND

CASH MANAGEMENT FUND
YEAR ENDED DECEMBER 31, 2012

A-6

	<u>Ref.</u>	
Balance, December 31, 2011	A	\$ 3,467.68
Increased by:		
Accrued Interest	A-15	<u>1.95</u>
Balance, December 31, 2012	A	<u>\$ 3,469.63</u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

CHANGE FUNDS
DECEMBER 31, 2012

A-7

	<u>Ref.</u>	
Balance, December 31, 2011	A	<u>\$ 525.00</u>
Balance, December 31, 2012	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, 2012

A-8

	<u>Funds Established</u>	<u>Funds 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, 2012

A-9

	<u>Ref.</u>	
Balance, December 31, 2011	A	\$ 2,090.88
Increased by:		
Veterans' and Senior Citizens' Deductions per Tax Billings		\$ 131,750.00
Veterans' and Senior Citizens' Deductions Allowed by Tax Collector		<u>2,500.00</u>
		134,250.00
Less: Veterans' and Senior Citizens' Deductions Disallowed by Tax Collector		
		<u>2,074.66</u>
	A-2c, A-10	<u>132,175.34</u>
		<u>134,266.22</u>
Decreased by:		
Collections	A-4	<u>130,655.48</u>
Balance, December 31, 2012	A	<u><u>\$ 3,610.74</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
CURRENT FUND

TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
YEAR ENDED DECEMBER 31, 2012

A-10

Year	Balance	2012 Levy	Collections - Cash		State of New Jersey	Cancelled	Transferred to Tax Title Liens	Balance
	Dec. 31, 2011		2011	2012				Dec. 31, 2012
2009	\$ 25,851.21	\$	\$	\$	\$	\$	\$	\$ 25,851.21
2010	27,280.77							27,280.77
2011	3,011,352.91			2,855,861.62		119,895.95		35,595.34
	<u>3,064,484.89</u>			<u>2,855,861.62</u>		<u>119,895.95</u>		<u>88,727.32</u>
2012		188,639,731.58	986,522.41	184,503,092.38	132,175.34	303,305.32	12,198.76	2,702,437.37
	<u>\$ 3,064,484.89</u>	<u>\$ 188,639,731.58</u>	<u>\$ 986,522.41</u>	<u>\$ 187,358,954.00</u>	<u>\$ 132,175.34</u>	<u>\$ 423,201.27</u>	<u>\$ 12,198.76</u>	<u>\$ 2,791,164.69</u>
<u>Ref.</u>	A	Below	A-2c, A-35	A-2c, A-5	A-9	Reserve	A-11	A

ANALYSIS OF 2012 PROPERTY TAX LEVY

		<u>Ref.</u>		
<u>Tax Yield</u>			<u>Tax Levy</u>	
General Property Tax	\$ 188,324,245.41		Local School District Tax:	
Added and Omitted	315,486.17		Levy	A-32 \$97,509,698.00
			Addition to Local School District Tax (Budget)	A-2 <u>6,106,719.00</u>
				\$103,616,417.00
			County Taxes:	
			County Tax	A-31 30,944,909.40
			Special Improvement District Tax	A-33 438,900.00
			Local Tax for Municipal Purposes:	
			Budget	A-2 51,062,624.08
			Minimum Library Tax	A-2 2,283,825.00
			Additional Taxes Levied	Reserve <u>293,056.10</u>
				<u>53,639,505.18</u>
	<u>\$ 188,639,731.58</u>			<u>\$ 188,639,731.58</u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

TAX TITLE LIENS
YEAR ENDED DECEMBER 31, 2012

A-11

	<u>Ref.</u>	
Balance, December 31, 2011	A	\$ 94,978.55
Increased by:		
Transferred from Taxes Receivable	A-10	<u>12,198.76</u>
Balance, December 31, 2012	A	<u>\$ 107,177.31</u>

PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)
DECEMBER 31, 2012

A-12

	<u>Ref.</u>	
Balance, December 31, 2011	A	<u>\$ 317,900.00</u>
Balance, December 31, 2012	A	<u>\$ 317,900.00</u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

OTHER LIENS RECEIVABLE
DECEMBER 31, 2012

A-13

	<u>Ref.</u>	<u>Demolition</u>
Balance, December 31, 2011	A	<u>\$ 7,500.00</u>
Balance, December 31, 2012	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, 2012

A-14

	<u>Ref.</u>	
Balance December 31, 2011	A	\$ 114,612.35
Increased by:		
Interest Penalty on Delinquent Taxes - Net	Reserve	<u>102,249.28</u> 216,861.63
Decreased by:		
Collections	A-1, A-5	<u>109,207.35</u>
Balance, December 31, 2012	A	<u>\$ 107,654.28</u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

A-15
Sheet # 1

	Ref.	Balance Dec. 31, 2011	Accrued in 2012	Collections		Balance Dec. 31, 2012
				Treasurer	Collector	
Clerk:						
Licenses:						
Alcoholic Beverages	A-2	\$	\$ 58,500.00	\$ 58,500.00	\$	\$
Other	A-2b		44,555.00	44,555.00		
Fees and Permits			92,865.00	92,865.00		
Health Officer:						
Licenses	A-2b		77,857.00	77,857.00		
Fees and Permits	A-2b		61,169.00	61,169.00		
Planning Board:						
Fees and Permits	A-2b		30,265.13	30,265.13		
Community Services:						
Fees and Permits	A-2b		11,207.39	11,207.39		
Housing and Zoning:						
Fees and Permits	A-2b		4,950.00	4,950.00		
Recreation and Parks:						
Fees and Permits	A-2b		463,421.85	463,421.85		
Police Department:						
Fees and Permits	A-2b		13,287.10	13,287.10		
Fire:						
Fees and Permits	A-2b		17,411.25	17,411.25		
Collector:						
Tax Searches	A-2b		240.00		240.00	
Public Works:						
Fees and Permits	A-2b		9,500.00	9,500.00		
Board of Adjustment:						
Fees and Permits	A-2b		8,810.00	8,810.00		
Construction Code Official:						
Building Permits	A-2a		671,952.00	671,952.00		
Fees and Permits - Additional	A-2a		21,020.00	21,020.00		
Municipal Court:						
Fines and Costs	A-2a		1,227,189.33	1,227,189.33		
Parking Meters	A-2a					
Interest on Investments and Deposits	A-2a		101,519.61	101,519.61		
State School Building Aid (Ch. 212, P.L. 1975)	A-2a		1,768.00	1,768.00		
Energy Receipts Tax	A-2a		2,687,669.00	2,687,669.00		
Consolidated Municipal Property Tax Relief	A-2a		279,397.00	279,397.00		

TOWNSHIP OF MONTCLAIR
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

A-15
Sheet # 2

	Ref.	Balance Dec. 31, 2011	Accrued in 2012	Collections		Balance Dec. 31, 2012
				Treasurer	Collector	
Interlocal Government Services:						
Fire Services	A-2a	\$	\$ 790,958.56	\$ 790,958.56	\$	\$
Health Contracts	A-2a		193,631.00	193,631.00		
Animal Control Services:						
Nutley	A-2a		21,358.02	21,358.02		
Verona	A-2a		23,503.05	23,503.05		
Anticipated Utility Surplus - Water	A-2a					
Anticipated Utility Surplus - Sewer	A-2a		100,000.00	100,000.00		
Uniform Fire Safety Act	A-2a		59,126.00	59,126.00		
Cable Television Franchise Fee	A-2a		516,083.02	516,083.02		
Section 8 - Administrative Costs	A-2a		20,000.00	20,000.00		
Towing - Administrative Costs	A-2a		3,966.00	3,966.00		
Payments in Lieu of Taxes:						
Montclair Senior Housing Corp. (Orange Road)	A-2a		97,439.00		97,439.00	
First Montclair Housing Corp. (Walnut Street)	A-2a		119,073.00		119,073.00	
RTD Management Corp. (Lackawanna Plaza)	A-2a		109,336.00		109,336.00	
RTD Management Corp. (Union Gardens)	A-2a		107,426.70		107,426.70	
RTD Management Corp. (United Methodist Homes - Pineridge of Montclair)	A-2a		26,884.00		26,884.00	
MAG	A-2a		99,842.00		99,842.00	
11 Pine Street	A-2a		217,760.62		217,760.62	
Siena	A-2a		954,032.06		949,527.88	4,504.18
55 Glenridge	A-2a		1,437.50		1,437.50	
Herod Redevelopment	A-2a		94,221.17		94,221.17	
Lease - Orange Road Parking Plaza	A-2a		42,625.16	42,625.16		
Alarm Registration Fees	A-2a		238,549.66	238,549.66		
Rear Yard Refuse Collection	A-2a		53,050.00	53,050.00		
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		139,496.60	139,496.60		
Salvation Army - Shelter Rent	A-2a	2,500.00	7,500.00	10,000.00		
Administrative Fees - Police Off-Duty	A-2a		63,897.25	63,897.25		
		<u>\$ 2,500.00</u>	<u>\$ 10,660,750.03</u>	<u>\$ 8,835,557.98</u>	<u>\$ 1,823,187.87</u>	<u>\$ 4,504.18</u>
	Ref.	A	Reserve	Below	A-5	A

TOWNSHIP OF MONTCLAIR
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

A-15
Sheet # 3

	<u>Ref.</u>	<u>Collections</u> <u>2012</u>
Collections:		
Treasurer	A-4	\$ 8,830,675.56
Accrued Interest	A-6	1.95
Interfunds Receivable	A-17	192.23
Interfunds Payable	A-29	<u>4,688.24</u>
	Sheet # 2	<u>\$ 8,835,557.98</u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

FEDERAL AND STATE GRANT FUND RECEIVABLES
YEAR ENDED DECEMBER 31, 2012

A-16
Sheet #1

	Balance Dec. 31, 2011	Realized in 2012	Collections	Cancelled	Balance Dec. 31, 2012
Municipal Alliance on Alcoholism and Drug Abuse:					
2012	\$	\$ 54,100.00	\$	\$	\$ 54,100.00
2010	3,516.46			3,516.46	0.00
2011	54,100.00		49,759.47		4,340.53
Fire Incentive Program		1,000.00	1,000.00		
Emergency Notification Grant	10.75			10.75	
Clean Communities Program		54,198.12	54,198.12		
Shade Tree - PSEG		5,000.00	5,000.00		
Division on Aging - Citizen Services		15,790.00	11,834.00		3,956.00
Safe and Secure Communities:					
2012		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	
Nonpublic School Nursing:					
2012		114,853.00	114,853.00		
Cable Communication Grant		5,000.00	5,000.00		
DOT - Transit Village		200,000.00			200,000.00
Essex County - Police Records Management		22,200.00			22,200.00
N.J. Department of Environmental Protection:					
Hazardous Discharge Program		103,612.00	53,112.81		50,499.19
Ambulance Subsidy Grant		14,987.00	14,987.00		
CDBG Projects		197,727.00		197,727.00	
Body Armor Replacement Fund		9,446.79	9,446.79		
Senior Citizens Public Health Nursing:					
2011	8,161.00		8,161.00		
Homeland Security Grant		9,500.00	9,500.00		
Historic Preservation		500.00	375.00		125.00
Historic Trust - Watchung Plaza		18,665.00			18,665.00
Recycling Tonnage Grant		91,473.24	91,473.24		
Department of Community Affairs:					
FDA Central Region Retail Food Spec.:					
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	15.86			15.86	0.00
Department of Environmental Protection					
Climate Showcase Communities Grant					
2010	43,343.75		19,510.97		23,832.78
U.S. Dept of Home Security					
Assistance to Firefighters:					
2010	25,265.00				25,265.00

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
CURRENT FUND

FEDERAL AND STATE GRANT FUND RECEIVABLES
YEAR ENDED DECEMBER 31, 2012

A-16
Sheet #2

	Balance Dec. 31, 2011	Realized in 2012	Collections	Cancelled	Balance Dec. 31, 2012
Bulletproof Vest Partnership Grant:					
2006	\$ 2,992.54	\$		\$ 2,992.54	\$
2012		2,857.65	2,857.65		
N.J. Highway Traffic Safety Grant		15,000.00			15,000.00
N.J. Highway Traffic Safety:					
Pedestrian Safety Education and Enforcement:					
2010	11.80			11.80	
2011	16,000.00		15,999.00	1.00	
Drive Sober or Get Pulled Over					
2012		9,400.00	9,400.00		
Click It or Ticket		4,000.00	4,000.00		
Drunk Driving Enforcement Grant		8,037.18	8,037.18		
Ed Byrne Memorial Justice Assistance:					
2009	15,676.00				15,676.00
New Jersey Department of Transportation:					
Safe Routes to School Program:					
2007	324,000.00		58,709.66		265,290.34
Police		25,000.00	9,540.00		15,460.00
Engineer		105,000.00	22,985.88		82,014.12
Other Grants:					
NJLM Educational Foundation:					
Sustainable Jersey Small Grant:					
2010	12,500.00		12,500.00		
	<u>\$ 599,354.40</u>	<u>\$ 1,147,346.98</u>	<u>\$ 594,240.77</u>	<u>\$ 236,036.65</u>	<u>\$ 916,423.96</u>
<u>Ref.</u>	A	A-37	Below	A-37	A
		<u>Ref.</u>			
Interfunds		A-18	\$ 517,313.98		
Applied from Unappropriated Reserves		A-38	76,926.79		
		Above	<u>\$ 594,240.77</u>		

TOWNSHIP OF MONTCLAIR
CURRENT FUND

INTERFUNDS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

A-17

	Ref.	Current Fund				
		Total Current Fund	Animal Control Trust Fund	General Trust Fund	Water Operating Fund	Parking Utility Capital Fund
Balance, December 31, 2011:	A	\$ 95,243.39	\$ 3.00	\$ 12,295.91	\$	\$ 82,944.48
Increased by:						
Special Deposits Cancelled	A-1	58,890.45		58,890.45		
Anticipated Revenue	A-15	192.23		192.23		
Advances	A-4	20,397.00	463.00	14,059.00	5,875.00	
Transferred to Interfunds Payable	A-29	190,295.41		190,295.41		
		<u>269,775.09</u>	<u>463.00</u>	<u>263,437.09</u>	<u>5,875.00</u>	
		<u>365,018.48</u>	<u>466.00</u>	<u>275,733.00</u>	<u>5,875.00</u>	<u>82,944.48</u>
Decreased by:						
Budget Appropriation	A-3	253,089.00		253,089.00		
Settlements	A-4	28,982.00	463.00	22,644.00	5,875.00	
		<u>282,071.00</u>	<u>463.00</u>	<u>275,733.00</u>		
Balance, December 31, 2012:	A	<u>\$ 82,947.48</u>	<u>\$ 3.00</u>	<u>\$</u>	<u>\$</u>	<u>\$ 82,944.48</u>
<u>Analysis of Net Credit to Fund Balance</u>						
Balance December 31, 2011		\$ 95,243.39				
Balance December 31, 2012		<u>82,947.48</u>				
Net Credit to Operations	A-1	<u>\$ 12,295.91</u>				

TOWNSHIP OF MONTCLAIR
CURRENT FUND

INTERFUNDS RECEIVABLE
FEDERAL AND STATE GRANT FUND
YEAR ENDED DECEMBER 31, 2012

A-18

	Ref.	Total Federal and State Grant Fund	Federal and State Grant Fund	
			Current Fund	General Capital Fund
Balance, December 31, 2011	A	<u>\$ 629,816.71</u>	<u>\$ 502,691.71</u>	<u>\$ 127,125.00</u>
Increased by:				
Grant Match	A-37	16,560.00	16,560.00	
Grants Received through Current Fund:				
Grants Receivable	A-16	517,313.98	517,313.98	
Unappropriated Revenue	A-38	16,435.02	16,435.02	
		<u>550,309.00</u>	<u>550,309.00</u>	
		<u>1,180,125.71</u>	<u>1,053,000.71</u>	<u>127,125.00</u>
Decreased by:				
Grant Reserves Cancelled	A-37	150,020.75	150,020.75	
Grants Disbursed through Current Fund	A-37	506,617.28	506,617.28	
		<u>656,638.03</u>	<u>656,638.03</u>	
Balance, December 31, 2012	A	<u>\$ 523,487.68</u>	<u>\$ 396,362.68</u>	<u>\$ 127,125.00</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
CURRENT FUND

DEFERRED CHARGES
YEAR ENDED DECEMBER 31, 2012

A-19

	<u>Ref.</u>	
Balance, December 31, 2011	A	\$ 369,300.00
Increased by:		
2012 Appropriations:		
Emergency Authorizations (40A:4-47)	A-3	<u>612,652.59</u> 981,952.59
Decreased by:		
2012 Appropriations	A-3	<u>369,300.00</u>
Balance, December 31, 2012	A	<u>\$ 612,652.59</u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

DEFERRED CHARGES
N.J.S.A. 40A:4-55 SPECIAL EMERGENCY
YEAR ENDED DECEMBER 31, 2012

A-20

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2011</u>	<u>Budget Appropriation</u>	<u>Balance Dec. 31, 2012</u>
11-14-11	Accumulated Absences	\$ 890,000.00	\$ 178,000.00	<u>\$ 890,000.00</u>	<u>\$ 178,000.00</u>	<u>\$ 712,000.00</u>
	<u>Ref.</u>			A	A-3	A

-06-

TOWNSHIP OF MONTCLAIR
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2012

	Balance Dec. 31, 2011		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<u>General Government</u>					
Township Council:					
Salaries and Wages	\$	\$ 125.14	\$ 125.14	\$	\$ 125.14
Other Expenses		4,595.03	4,595.03	485.00	4,110.03
Township Manager:					
Salaries and Wages		13,426.40	13,426.40		13,426.40
Other Expenses	16,605.37	54,590.15	71,195.52	19,865.73	51,329.79
Township Clerk:					
Salaries and Wages		6,865.30	6,865.30		6,865.30
Other Expenses	1,411.33	3,050.09	4,461.42	1,578.70	2,882.72
Election Expense:					
Salaries and Wages		1,598.02	1,598.02		1,598.02
Other Expenses		6,269.78	6,269.78	80.00	6,189.78
Township Attorney:					
Salaries and Wages		609.64	609.64		609.64
Other Expenses	14,299.10	116,776.24	131,075.34	9,480.84	121,594.50
Municipal Court:					
Salaries and Wages		7,832.97	7,832.97	(1,952.12)	9,785.09
Other Expenses	7,783.26	13,504.56	21,287.82	7,155.84	14,131.98
Postage:					
Other Expenses		1,960.23	1,960.23		1,960.23
<u>Finance Department</u>					
Administration:					
Salaries and Wages		510.36	510.36		510.36
Other Expenses	2,881.93	2,850.00	5,731.93	5,232.70	499.23
Accounting and Treasury:					
Salaries and Wages		12,802.48	12,802.48		12,802.48
Other Expenses	1,648.85	2,793.40	4,442.25	437.35	4,004.90
Assessor's Office:					
Salaries and Wages		6,393.44	6,393.44		6,393.44
Other Expenses	140,007.00	37,984.31	177,991.31	141,187.00	36,804.31
Tax Collector:					
Salaries and Wages		1,831.17	1,831.17		1,831.17
Other Expenses	304.50	5.60	310.10	304.50	5.60

TOWNSHIP OF MONTCLAIR
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2012

	Balance Dec. 31, 2011		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<u>Finance Department</u>					
Auditing:					
Other Expenses	\$	\$ 42,725.00	\$ 42,725.00	\$ 41,315.00	\$ 1,410.00
<u>Planning and Community Development</u>					
Administration:					
Salaries and Wages		9,372.15	9,372.15		9,372.15
Other Expenses	1,830.35	6,458.69	8,289.04	4,121.12	4,167.92
Municipal Land Use Law (N.J.S.A. 40:55D-1):					
Planning Board:					
Other Expenses	335.71	5,707.79	4,693.50	1,435.71	3,257.79
Board of Adjustment:					
Other Expenses	37.05	495.52	1,882.57	1,387.05	495.52
<u>Administration and Code Enforcement Department</u>					
Salaries and Wages		868.82	868.82		868.82
Other Expenses		12.09	12.09		12.09
<u>Police Department</u>					
Salaries and Wages		416,751.13	416,751.13	3,838.82	412,912.31
Other Expenses	95,838.21	41,746.37	137,584.58	112,911.64	24,672.94
<u>Fire Department</u>					
Salaries and Wages		70,790.63	70,790.63		70,790.63
Other Expenses	65,765.40	10,743.06	76,508.46	65,538.49	10,969.97
<u>Public Works Department</u>					
Community Services Administration:					
Salaries and Wages		38,666.14	38,666.14	38,600.00	66.14
Other Expenses	2,176.96	1,929.55	4,106.51	2,058.09	2,048.42
Engineering:					
Salaries and Wages		42,701.68	42,701.68		42,701.68
Other Expenses	389.85	2,446.41	2,836.26	206.95	2,629.31

TOWNSHIP OF MONTCLAIR
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2012

	Balance Dec. 31, 2011		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<u>Public Works Department</u>					
Street Repairs and Maintenance:					
Salaries and Wages	\$	\$ 50,307.15	\$ 50,307.15	\$ 50,300.00	\$ 7.15
Other Expenses	1,431.70	2,143.52	3,575.22	2,841.61	733.61
Sanitary and Storm Sewer Maintenance:					
Salaries and Wages		1,030.77	1,030.77		1,030.77
Other Expenses	253.66	991.55	1,245.21	230.00	1,015.21
Refuse Collection and Disposal:					
Salaries and Wages		17,477.02	17,477.02		17,477.02
Other Expenses	8,061.61	184.88	8,246.49	7,232.44	1,014.05
Storm Clearance:					
Salaries and Wages		37.99	37.99		37.99
Other Expenses	136,298.30	200,879.03	337,177.33	337,096.81	80.52
Traffic:					
Salaries and Wages		33.87	33.87		33.87
Other Expenses	1,232.28	1,505.18	2,737.46	676.53	2,060.93
Central Garage Operation:					
Salaries and Wages		25,398.07	25,398.07		25,398.07
Other Expenses	31,646.71	13,470.54	45,117.25	33,387.62	11,729.63
Building Maintenance:					
Salaries and Wages		5,584.26	5,584.26		5,584.26
Other Expenses	7,811.51	6,448.25	14,259.76	8,071.34	6,188.42
Parks Maintenance:					
Salaries and Wages	239.57	24,555.05	24,794.62	239.57	24,555.05
Other Expenses	14,562.10	15,248.24	29,810.34	12,845.92	16,964.42
Shade Trees:					
Salaries and Wages		55,813.86	55,813.86	55,800.00	13.86
Other Expenses	3,306.31	7,288.52	10,594.83	3,209.16	7,385.67

TOWNSHIP OF MONTCLAIR
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2012

	Balance Dec. 31, 2011		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<u>Parks, Recreation and Cultural Affairs Department</u>					
Recreation Programs:					
Salaries and Wages	\$	\$ 2,087.61	\$ 2,087.61		\$ 2,087.61
Other Expenses	5,551.92	23,470.83	29,022.75	5,716.09	23,306.66
<u>Health and Human Services Department</u>					
Health Services:					
Salaries and Wages		26,488.69	26,488.69		26,488.69
Other Expenses	4,349.48	20,071.86	24,421.34	6,192.64	18,228.70
Nursing Services:					
Salaries and Wages		11,875.31	11,875.31		11,875.31
Other Expenses					
Animal Control:					
Salaries and Wages		9,420.15	6,420.15	6,420.15	
Other Expenses	19,946.11	2,261.24	25,207.35	25,207.35	
<u>Miscellaneous and Other</u>					
Unemployment Insurance					
Other Expenses		7,808.18	7,808.18		7,808.18
Refuse Tipping Fees:					
Other Expenses	135,305.08	50,733.82	186,038.90	96,536.63	89,502.27
Insurances:					
Liability	87,882.10	90,495.38	178,377.48	87,882.10	90,495.38
Health Benefit Waiver		200.00	200.00		200.00
Employee Group Insurance	32,488.00	128,963.17	161,451.17	59,445.56	102,005.61
Defined Contribution Retirement Plan		31.68	31.68		31.68

TOWNSHIP OF MONTCLAIR
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2012

	Balance Dec. 31, 2011		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<u>Special Programs and Activities</u>					
Parks, Recreation and Cultural Affairs:					
Other Expenses	\$ 5,250.00	\$ 613.79	\$ 5,863.79	\$ 5,250.00	\$ 613.79
Uniform Construction Code - Appropriations Offset					
<u>by Dedicated Revenues</u>					
Salaries and Wages		64,259.89	64,259.89		64,259.89
Other Expenses	26,208.47	7,972.78	34,181.25	26,039.53	8,141.72
<u>Unclassified</u>					
Emergency Assistance Coalition:					
Other Expenses		50.00	50.00		50.00
Utilities:					
Gasoline	64,722.36		64,722.36	26,832.53	37,889.83
Fuel - Diesel	18,456.10	8,634.47	27,090.57	20,420.10	6,670.47
Electricity	24,179.15	62,976.32	87,155.47	63,495.84	23,659.63
Telephone	18,852.28	36,323.08	55,175.36	54,855.71	319.65
Natural Gas	1,343.38	55,065.64	56,409.02	15,797.85	40,611.17
Street Lighting		117,842.31	117,842.31	117,831.44	10.87
Water		12,931.66	12,931.66		12,931.66
<u>Contingent</u>					
		3,500.00	3,500.00		3,500.00
<u>Statutory Expenditures</u>					
Contributions to Social Security System		83,901.75	83,901.75		83,901.75
Consolidated Police and Fire Pension Fund		500.00	500.00		500.00
Total Appropriations Within "CAPS"	1,000,693.05	2,244,666.70	3,245,359.75	1,585,122.93	1,660,236.82

TOWNSHIP OF MONTCLAIR
CURRENT FUND

RESERVE FOR TAX MAP
YEAR ENDED DECEMBER 31, 2012

A-22

	<u>Ref.</u>	
Balance, December 31, 2011	A	\$ 9,395.00
Decreased by:		
Cancelled	A-1	<u>9,395.00</u>
Balance, December 31, 2012		<u><u>\$</u></u>

RESERVE FOR REVALUATION
YEAR ENDED DECEMBER 31, 2012

A-23

	<u>Ref.</u>	
Balance, December 31, 2011	A	\$ 10,980.26
Decreased by:		
Cancelled	A-1	<u>10,980.26</u>
Balance, December 31, 2012		<u><u>\$</u></u>

RESERVE FOR TAX APPEALS
YEAR ENDED DECEMBER 31, 2012

A-24

	<u>Ref.</u>	
Balance, December 31, 2011	A	\$ 600,000.00
Increased by:		
2012 Budget Appropriations	A-3	<u>300,000.00</u>
		900,000.00
Decreased by:		
Applied to Tax Overpayments	A-28	<u>600,000.00</u>
Balance, December 31, 2012	A	<u><u>\$ 300,000.00</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, 2012

A-25

	<u>Ref.</u>	
Increased by:		
State Aid	A-4	\$ 16,670.00
Decreased by:		
Payments	A-4	<u>16,670.00</u>
Balance, December 31, 2012		<u><u>\$</u></u>

ACCOUNTS PAYABLE
YEAR ENDED DECEMBER 31, 2012

A-26

	<u>Ref.</u>	
Balance, December 31, 2011	A	\$ 255.09
Increased by:		
Cash Receipts	A-4	<u>66,691.09</u>
		66,946.18
Decreased by:		
Cash Disbursements	A-4	<u>255.09</u>
Balance, December 31, 2012	A	<u><u>\$ 66,691.09</u></u>
 <u>Analysis of Balance</u>		
PILOT - Due to County of Essex		<u><u>\$ 66,691.09</u></u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

DUE TO STATE OF NEW JERSEY
YEAR ENDED DECEMBER 31, 2012

A-27

	<u>Ref.</u>	<u>Total</u>	<u>Construction Training Fees</u>	<u>Marriage Surcharge Fees</u>
Balance, December 31, 2011	A	\$ 10,155.00	\$ 9,305.00	\$ 850.00
Increased by:				
Collections	A-4	53,118.00	48,893.00	4,225.00
		<u>63,273.00</u>	<u>58,198.00</u>	<u>5,075.00</u>
Decreased by:				
Payments	A-4	52,933.00	48,983.00	3,950.00
Balance, December 31, 2012	A	<u>\$ 10,340.00</u>	<u>\$ 9,215.00</u>	<u>\$ 1,125.00</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
CURRENT FUND

TAX OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2012

A-28

	<u>Ref.</u>		
Balance, December 31, 2011	A		\$ 1,801,020.49
Increased by:			
State Tax Court Judgments	A-1	\$ 744,158.43	
Cash Receipts	A-5	386,672.09	
Transferred from Reserve for Tax Appeals	A-24	<u>600,000.00</u>	
			<u>1,730,830.52</u>
			3,531,851.01
Decreased by:			
Refunds	A-4	1,884,513.65	
Due to General Capital Fund	A-29	<u>781,724.91</u>	
			<u>2,666,238.56</u>
Balance, December 31, 2012	A		<u>\$ 865,612.45</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
CURRENT FUND

INTERFUNDS PAYABLE
YEAR ENDED DECEMBER 31, 2012

A-29

	Ref.	Total	Federal and State Grant Fund	Assessment Trust Fund	General Trust Fund	General Capital Fund	Sewer Operating Fund
Balance, December 31, 2011	A	\$ 772,889.24	\$ 502,691.71	\$ 45,843.26	\$	\$ 224,354.27	\$
Increased by:							
Budget Appropriation	A-3	33,479.37	33,479.37				
Tax Overpayments Paid	A-28	781,724.91				781,724.91	
Grant Receivables Cancelled	A-1	19,686.25	19,686.25				
Transferred from Interfunds Receivable	A-17	190,295.41			190,295.41		
Advances	A-4	16,006,703.93	537,149.00	4,082.77		14,465,472.16	1,000,000.00
		<u>17,031,889.87</u>	<u>590,314.62</u>	<u>4,082.77</u>	<u>190,295.41</u>	<u>15,247,197.07</u>	<u>1,000,000.00</u>
		<u>17,804,779.11</u>	<u>1,093,006.33</u>	<u>49,926.03</u>	<u>190,295.41</u>	<u>15,471,551.34</u>	<u>1,000,000.00</u>
Decreased by:							
Settlements	A-4	15,212,570.52	526,936.65			13,685,633.87	1,000,000.00
Revenue Accounts Receivable	A-15	4,688.24				4,688.24	
Grants Reserves Cancelled	A-1	169,707.00	169,707.00				
		<u>15,386,965.76</u>	<u>696,643.65</u>		<u>0.00</u>	<u>13,690,322.11</u>	<u>1,000,000.00</u>
Balance, December 31, 2012	A	<u>\$ 2,417,813.35</u>	<u>\$ 396,362.68</u>	<u>\$ 49,926.03</u>	<u>\$ 190,295.41</u>	<u>\$ 1,781,229.23</u>	<u>\$</u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

INTERFUND PAYABLE
FEDERAL AND STATE GRANT FUND
YEAR ENDED DECEMBER 31, 2012

A-30

	<u>Ref.</u>	<u>General Trust Fund</u>
Balance, December 31, 2011	A	\$ 2,000.00
Increased by:		
Recycling Expenditures in Trust Fund	A-37	<u>129,526.35</u>
Balance, December 31, 2012	A	<u>\$ 131,526.35</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
CURRENT FUND

COUNTY TAXES
YEAR ENDED DECEMBER 31, 2012

A-31

	<u>Ref.</u>	
Balance, December 31, 2011	A	\$ 53,164.86
Increased by:		
2012 Tax Levy		\$ 29,881,440.48
2012 Open Space		1,011,583.18
2012 Added and Omitted		<u>51,885.74</u>
	A-1, A-2c, A-10	<u>30,944,909.40</u>
		<u>30,998,074.26</u>
Decreased by:		
Payments	A-4	<u>30,946,188.56</u>
Balance, December 31, 2012	A	<u><u>\$ 51,885.70</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
CURRENT FUND

LOCAL SCHOOL DISTRICT TAX
YEAR ENDED DECEMBER 31, 2012

A-32

	<u>Ref.</u>	
Balance, December 31, 2011	Below	\$ 48,754,849.00
Increased by:		
Levy - School Year July 1, 2011 to June 30, 2012	A-1, A-2c, A-10	<u>97,509,698.00</u> 146,264,547.00
Decreased by:		
Payments	A-4	<u>97,509,698.00</u>
Balance, December 31, 2012		
Deferred School Tax	Below	<u>\$ 48,754,849.00</u>
<u>Analysis of Deferred School Tax</u>		
Deferred School Tax December 31, 2011	Above	\$ 48,754,849.00
Deferred School Tax December 31, 2012	Above	<u>48,754,849.00</u>
		<u>\$</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
CURRENT FUND

CAPITAL NOTE PAYABLE
YEAR ENDED DECEMBER 31, 2012

A-34

	<u>Ref.</u>	
Balance, December 31, 2011	A	\$ 1,259,300.00
Increased by:		
Cash Receipts	A-4	<u>712,000.00</u>
		1,971,300.00
Decreased by:		
Cash Disbursements	A-4	<u>1,259,300.00</u>
Balance, December 31, 2012	A	<u>\$ 712,000.00</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
CURRENT FUND

PREPAID TAXES
YEAR ENDED DECEMBER 31, 2012

A-35

	<u>Ref.</u>	
Balance, December 31, 2011	A	\$ 986,522.41
Increased by:		
Collection - 2013 Taxes	A-5	<u>1,055,892.72</u>
		2,042,415.13
Decreased by:		
Applied to 2012 Taxes Receivable	A-10	<u>986,522.41</u>
Balance, December 31, 2012	A	<u>\$ 1,055,892.72</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
CURRENT FUND

DUE TO ESSEX COUNTY
FEDERAL AND STATE GRANT FUND
YEAR ENDED DECEMBER 31, 2012

A-36

	<u>Ref.</u>	
Balance, December 31, 2011	A	<u>\$ 86,975.50</u>
Balance, December 31, 2012	A	<u>\$ 86,975.50</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
CURRENT FUND

FEDERAL AND STATE GRANTS
APPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2012

A-37
Sheet # 1

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	Balance Dec. 31, 2011	Transferred from Budget Appropriation	Added by NJSA 40A-4-87	Expended Cash Disbursements	Cancelled	Balance Dec. 31, 2012
<u>Grants</u>						
Municipal Alliance on Alcohol and Drug Abuse						
2012	\$	\$ 68,100.00	\$	\$ 30,813.27	\$	\$ 37,286.73
2010	13,260.34			20.00	13,240.34	
2011	36,977.84			19,336.70		17,641.14
Clean Communities Program:						
2010	44,151.99			44,151.99		
2011	55,074.21			55,074.21		
2012			54,198.12			54,198.12
Shaping New Jersey - Mini-Grant	13,721.56			13,688.74	32.82	(0.00)
Recycling Tonnage Grant	38,053.11	46,085.17	45,388.07	129,526.35		
Historic Trust - Watchung Plaza		21,225.00				21,225.00
Safe and Secure Communities	229,707.00				169,707.00	60,000.00
Nonpublic School Nursing:						
2012	-	114,853.00		94,846.85		20,006.15
2011	21,567.30			21,567.30		0.00
Body Armor Replacement Fund:						
Prior Years	6,522.81			6,522.81		(0.00)
2011	12,207.04			12,207.04		
2012		9,446.79		7,390.36		2,056.43
Emergency Notification Plan	1,576.48			1,566.00	10.48	(0.00)
Alcohol Education, Rehabilitation and Enforcement Fund:						
2008 - 2009	4,917.47			2,932.60	1,245.24	739.63
2010	6,786.86					6,786.86
2011	6,687.90					6,687.90
Drunk Driving Enforcement Fund:						
2010 - 2012	3,565.45	8,037.18		11,602.63		
Essex County Division on Aging:						
Senior Citizen Public Health Nursing:						
2012		15,504.00	286.00	15,504.00		286.00
N.J. Highway Traffic Safety:						
Click It or Ticket	2,600.00	4,000.00		4,000.00		2,600.00
Pedestrian Safety Education and Enforcement:						
2011	13,600.00			11,400.00		2,200.00
Over the Limit Under Arrest:						
2010	2,725.00					2,725.00
Drive Sober or Get Pulled Over		5,000.00	4,400.00			9,400.00

TOWNSHIP OF MONTCLAIR
CURRENT FUND
 FEDERAL AND STATE GRANTS
 APPROPRIATED RESERVES
 YEAR ENDED DECEMBER 31, 2012

A-37
 Sheet # 2

	<u>Balance</u> Dec. 31, 2011	<u>Transferred</u> from Budget <u>Appropriation</u>	<u>Added by</u> NJSA 40A-4-87	<u>Expended</u> Cash <u>Disbursements</u>	<u>Cancelled</u>	<u>Balance</u> Dec. 31, 2012
Highway Safety Grant	\$	\$ 15,000.00	\$	\$ 1,749.00	\$	\$ 13,251.00
State Health Services Grant						
Influenza A - H1N1 Virus						
2011	15.99				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			10,110.00		313,890.00
Police		25,000.00		11,100.00		13,900.00
Engineer		105,000.00		35,990.64		69,009.36
State of N.J. Tobacco Control						
2010	5,940.00					5,940.00
U.S. Department of Homeland 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	35,448.87			9,940.00		25,508.87
Other		9,500.00				9,500.00
Department of Environmental Protection:						
Climate Showcase Communities Grant:						
2010	40,513.10			1,069.05		39,444.05
U.S. Department of Energy:						
Energy Efficiency and Conservation Block						
Grant:						
2010	72,353.34			68,082.71		4,270.63
Bulletproof Vest Partnership Grant:						
2012		2,857.65				2,857.65
Shade Tree - PSEG			5,000.00			5,000.00
Historic Preservation			500.00			500.00
Safe and Secure			60,000.00			60,000.00
NJEDA - Hazardous Discharge			103,612.00			103,612.00
DOT - Transit Village			200,000.00			200,000.00
CDBG Projects			197,727.00		197,727.00	
Ambulance Subsidy Grant			14,987.00			14,987.00
Essex Cty. PARIS - Police Records			22,200.00	9,850.00		12,350.00
National Association of County Health						
Officers:						
2008	4,455.57			359.84		4,095.73
2011	5,000.00			572.19		4,427.81

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TOWNSHIP OF MONTCLAIR
CURRENT FUND

FEDERAL AND STATE GRANTS
APPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2012

A-37
Sheet # 3

	Balance Dec. 31, 2011	Transferred from Budget Appropriation	Added by NJSA 40A-4-87	Expended Cash Disbursements	Cancelled	Balance Dec. 31, 2012
Fire Incentive Grant	\$	\$ 1,000.00	\$	\$	\$	\$ 1,000.00
Emergency Preparedness Grant - 2009	3,480.10			2,688.35		791.75
Mountainside Health Foundation:						
2010	9,500.00					9,500.00
Sustainable Jersey Small Grant:						
2010	3,244.00			1,161.00		2,083.00
Cable Communication Grant	5,000.00		5,000.00			10,000.00
Retail Program Standards Initiative	78.53				78.53	
Partners in Health Foundation - TV 34						
News and Views:						
2010	3,049.95			1,320.00		1,729.95
	<u>\$ 1,063,018.82</u>	<u>\$ 450,608.79</u>	<u>\$ 713,298.19</u>	<u>\$ 636,143.63</u>	<u>\$ 386,057.40</u>	<u>\$ 1,204,724.77</u>
<u>Ref.</u>	A	Below	A-3	Below	Below	A
	<u>Ref.</u>					
Anticipated Budget	A-3	\$ 434,048.79		\$	\$	
Grant Match	A-18	16,560.00				
Cancelled against Grants Receivable	A-16				236,036.65	
Due to Current Fund	A-18			506,617.28	150,020.75	
Due to General Trust Fund	A-30			129,526.35		
		<u>\$ 450,608.79</u>		<u>\$ 636,143.63</u>	<u>\$ 386,057.40</u>	

TOWNSHIP OF MONTCLAIR
CURRENT FUND

ACCUMULATED REVENUE UNAPPROPRIATED
YEAR ENDED DECEMBER 31, 2012

A-38

	<u>Balance</u> <u>Dec. 31. 2011</u>	<u>Increase</u>	<u>Decrease</u> <u>Anticipated as</u> <u>Current Fund</u> <u>Revenue</u>	<u>Balance</u> <u>Dec. 31. 2012</u>
<u>Regular</u>				
Proceeds from Sale of Municipal Assets	\$ 137,474.00			\$ 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	4,973.08	8,037.18	4,973.08
Bulletproof Vest Program	2,857.65		2,857.65	
Donation - Police	250.00			250.00
Body Amor Grant	9,446.79	9,519.27	9,446.79	9,519.27
Alcohol, Education and Rehabilitation Safety Incentive Award	1,000.00	1,942.67	1,000.00	1,942.67
	<u>77,176.79</u>	<u>16,435.02</u>	<u>76,926.79</u>	<u>16,685.02</u>
	<u>\$ 214,650.79</u>	<u>\$ 16,435.02</u>	<u>\$ 76,926.79</u>	<u>\$ 154,159.02</u>
<u>Ref.</u>	A	A-18	A-16	A

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

CASH RECEIPTS AND DISBURSEMENTS - TREASURER
YEAR ENDED DECEMBER 31, 2012

B-2

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>	<u>General Trust Fund</u>
Balance, December 31, 2011	B	\$ 34,342.04	\$ 3,005,457.21
Increased by:			
Due from Montclair Housing Agency	B-5	\$	\$ 999.96
Interfunds Receivable	B-7		51,404.84
Various Reserves and Deposits	B-9		6,566,592.20
Section 8 Voucher Program	B-13		3,714,569.82
State Registration Fees	B-8	1,432.20	
Donations for Animal Shelter	B-14	11,659.56	
Collection of Animal Control Fees	B-15	8,215.30	
State Unemployment Compensation Insurance	B-16		71.42
		<u>21,307.06</u>	<u>10,333,638.24</u>
		55,649.10	13,339,095.45
Decreased by:			
Interfunds Receivable	B-7		51,212.61
Payments to State	B-8	958.20	
Various Reserves and Deposits	B-9		6,503,242.40
Community Development Block Grants	B-12		6,142.50
Section 8 Voucher Program	B-13		3,631,937.61
Animal Shelter Expenditures	B-14	4,053.46	
Expenditures Under R.S. 4:19-15.11	B-15	3,691.00	
		<u>8,702.66</u>	<u>10,192,535.12</u>
Balance, December 31, 2012	B	<u>\$ 46,946.44</u>	<u>\$ 3,146,560.33</u>

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TOWNSHIP OF MONTCLAIR
TRUST FUNDS

ANALYSIS OF ASSESSMENT CASH AND INVESTMENTS
YEAR ENDED DECEMBER 31, 2012

B-3

	Transfers			Balance December 31, 2012
	Balance December 31, 2011	From	To	
<u>General Accounts</u>				
Fund Balance	\$ 289.21	\$	\$ 4,082.77	\$ 4,371.98
Current Fund Interfund	(45,843.26)	4,082.77		(49,926.03)
General Trust Fund Interfund	(8,757.15)			(8,757.15)
General Capital Fund Interfund	54,311.20			54,311.20
	<u>\$</u>	<u>\$ 4,082.77</u>	<u>\$ 4,082.77</u>	<u>\$</u>

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

ASSESSMENTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

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, 2011</u>		<u>Collected</u>	<u>Balance December 31, 2012</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	7-01-13	\$	\$8,163.34	\$4,082.77	\$	\$4,080.57
				<u>Ref.</u>		B	B-7		B

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

DUE FROM MONTCLAIR HOUSING AGENCY
YEAR ENDED DECEMBER 31, 2012

B-5

Balance, December 31, 2011	<u>Ref.</u>	\$ 36,730.72
	B	
Decreased by:		
Collections	B-2	<u>999.96</u>
Balance, December 31, 2012	B	<u>\$ 35,730.76</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

B-6

<u>Program</u>		<u>Balance</u>	<u>2012</u>	<u>Cancelled</u>	<u>Balance</u>
<u>Year</u>		<u>Dec. 31, 2011</u>	<u>Grants</u>		<u>Dec. 31, 2012</u>
2010	Traffic Signal Installation Elm Street and Washington Street	\$ 82,277.07	\$	\$ 82,277.07	\$
2011	Bay Street Parking Lot	41,650.00		41,650.00	
2012	Glenridge Avenue Streetscape		179,727.00		179,727.00
2012	Handicap Pool Lifts		18,000.00		18,000.00
		<u>\$ 123,927.07</u>	<u>\$ 197,727.00</u>	<u>\$123,927.07</u>	<u>\$ 197,727.00</u>
		<u>Ref.</u>	B	B-12	Below
				<u>Ref.</u>	
			Cancelled against Reserve	B-12	\$ 115,817.52
			Interfund Receivable	B-7	<u>8,109.55</u>
					<u>\$ 123,927.07</u>

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

INTERFUNDS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

B-7

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, 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
Increased by:										
Advances	B-2			51,212.61		51,212.61				
Assessments Receivable	B-4	4,082.77	4,082.77							
General Trust Fund Revenue Deposited in Current Fund	B-9			8,585.00		8,585.00				
Special Deposits	B-9			382,615.35		253,089.00	129,526.35			
Cancellation of CDBG Receivable	B-6			8,109.55		8,109.55				
		<u>4,082.77</u>	<u>4,082.77</u>	<u>450,522.51</u>		<u>320,996.16</u>	<u>129,526.35</u>			
		<u>58,683.18</u>	<u>49,926.03</u>	<u>8,757.15</u>	<u>587,915.08</u>	<u>93,350.00</u>	<u>320,996.16</u>	<u>131,526.35</u>	<u>2,500.00</u>	<u>39,542.57</u>
Decreased by:										
Settlements	B-2			51,404.84		51,404.84				
Transfer from Interfunds Payable	B-10			12,295.91		12,295.91				
Cancellation of Special Deposits	B-9			67,000.00		67,000.00				
				<u>130,700.75</u>		<u>130,700.75</u>				
Balance, December 31, 2012	B	<u>\$ 58,683.18</u>	<u>\$ 49,926.03</u>	<u>\$ 8,757.15</u>	<u>\$ 457,214.33</u>	<u>\$ 93,350.00</u>	<u>\$ 190,295.41</u>	<u>\$ 131,526.35</u>	<u>\$ 2,500.00</u>	<u>\$ 39,542.57</u>

TOWNSHIP OF MONTCLAIR
TRUSTS FUNDS

DUE TO STATE OF NEW JERSEY
YEAR ENDED DECEMBER 31, 2012

B-8

	<u>Ref.</u>		
Increased by:			
Registration Fees		\$ 971.00	
Pilot Clinic Fund Fees		194.20	
Population Control Fees		<u>267.00</u>	
	B-2		\$ 1,432.20
Decreased by:			
Payments	B-2		<u>958.20</u>
Balance, December 31, 2012	B		<u><u>\$ 474.00</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

SPECIAL DEPOSITS
YEAR ENDED DECEMBER 31, 2012

B-9

	Balance Dec. 31, 2011	Receipts	Disbursements	Balance Dec. 31, 2012
Recycling Program	\$ 116,035.33	\$ 1,022,635.06	\$ 1,137,542.78	\$ 1,127.61
Railroad Station Projects	145,855.71	43,160.00	3,980.57	185,035.14
Recreation	44,775.27	26,805.00	26,179.48	45,400.79
Parking Adjudication Fines	37,029.98	34,622.00		71,651.98
D.A.R.E. Donations	2,897.13	250.00		3,147.13
Uniform Fire Safety Act	82,266.73	36,111.95	38,550.88	79,827.80
Child Fire Safety	7,658.00	1,508.00		9,166.00
Body Armor Settlement	11,609.50		11,609.50	
Police Off-Duty	20,000.00	1,006,637.30	998,354.84	28,282.46
Firemen Off-Duty		21,076.50	20,113.50	963.00
Reserve for First Nite	5,998.68	4,080.00	20.00	10,058.68
Developers' Escrow	62,213.10	8.87	32,250.00	29,971.97
Performance Bonds	8,881.18			8,881.18
Planning Escrow Deposits	86,108.09	192,919.25	95,219.59	183,807.75
Inspection Escrow Deposits	77,680.84			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	33,238.53	817.00		34,055.53
Snow Removal	53,948.62			53,948.62
Collector's Redemption Account	3,782.28	2,731,648.16	2,674,208.25	61,222.19
Public Defender Application Fees		45,750.00	45,750.00	
Reserve for 4th of July		1,000.00	1,000.00	
Hurricane Floyd Storm Damage Funds	3,331.27		3,331.27	
Edgemont Memorial	2,035.05		97.41	1,937.64
Edgemont Playground	2,068.20			2,068.20
Various Self-Insurances	31,724.44			31,724.44
Health Program	116,086.46	36,983.91	26,732.10	126,338.27
Forfeited Assets	4,347.90	1,590.49	3,372.41	2,565.98
Cultural Affairs		300.00		300.00
Voucher Program- COAH	358,140.25	166,789.06	236,993.02	287,936.29
Crime Prevention	100.00			100.00
Accumulated Absences	254,371.15		228,936.80	25,434.35
Premium on Tax Sales	1,388,000.00	1,583,000.00	986,000.00	1,985,000.00
Municipal Alliance Contribution	2,000.00	100.00		2,100.00
	<u>\$ 2,986,407.89</u>	<u>\$ 6,957,792.55</u>	<u>\$ 6,570,242.40</u>	<u>\$ 3,373,958.04</u>

Ref.

B

Below

Below

B

Ref.

Cash Receipts and Disbursements	B-2	\$ 6,566,592.20	\$ 6,503,242.40
Interfunds Receivable:			
Reserves Cancelled	B-7		67,000.00
Cash Received in Current Fund	B-7	8,585.00	
Current Fund Expenditures	B-7	382,615.35	
		<u>\$ 6,957,792.55</u>	<u>\$ 6,570,242.40</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
TRUSTS FUNDS

INTERFUNDS PAYABLE
YEAR ENDED DECEMBER 31, 2012

B-10

	Ref.	Assessment	Total	Animal Control Trust Fund		Total	Current	Assessment
		Trust Fund General Capital Fund	Animal Control Trust Fund	Current Fund	General Trust Fund	General Trust Fund		
Balance, December 31, 2011	B	\$ 54,311.20	\$ 2,503.00	\$ 3.00	\$ 2,500.00	\$ 21,053.06	\$ 12,295.91	\$ 8,757.15
Decreased by:								
Transferred to Interfunds Receivable	B-7					12,295.91	12,295.91	
Balance, December 31, 2012	B	<u>\$ 54,311.20</u>	<u>\$ 2,503.00</u>	<u>\$ 3.00</u>	<u>\$ 2,500.00</u>	<u>\$ 8,757.15</u>	<u>\$</u>	<u>\$ 8,757.15</u>

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR ASSESSMENTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

B-11

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2011 Unpledged</u>	<u>Applied to Fund Balance</u>	<u>Balance Dec. 31, 2012 Unpledged</u>
02-41	Resurfacing and Curbing of Briar Hill Road	<u>\$ 8,163.34</u>	<u>\$ 4,082.77</u>	<u>\$ 4,080.57</u>
	<u>Ref.</u>	B	B-1	B

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT EXPENDITURES
YEAR ENDED DECEMBER 31, 2012

B-12

Program Year	Analysis of Balance	Balance Dec. 31, 2011	2012 Grants	Expenditures	Cancelled	Balance Dec. 31, 2012
1997	Montclair Neighborhood Development Corporation					
2010	Traffic Signal Installation Elm Street and Washington Street	\$ 956.00	\$	\$	\$ 956.00	\$
		79,354.02			79,354.02	
2011	Bay Street Parking Lot	41,650.00		6,142.50	35,507.50	
2012	Glenridge Avenue Streetscape		179,727.00			179,727.00
2012	Handicap Pool Lifts		18,000.00			18,000.00
		<u>\$ 121,960.02</u>	<u>\$ 197,727.00</u>	<u>\$ 6,142.50</u>	<u>\$ 115,817.52</u>	<u>\$ 197,727.00</u>
	<u>Ref.</u>	B	B-6	B-2	B-6	B

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR SECTION 8 VOUCHER PROGRAM
YEAR ENDED DECEMBER 31, 2012

B-13

	<u>Ref.</u>	
Balance, December 31, 2011	B	\$ 113,028.37
Increased by:		
Housing and Urban Development Assistance:		
Cash Received		\$ 3,321,221.00
Interest Earned		905.86
Recovery of Funds		1,913.00
Payments Received from Other Municipalities and Other Sources		<u>390,529.96</u>
	B-2	<u>3,714,569.82</u>
		<u>3,827,598.19</u>
Decreased by:		
Housing Assistance Payments		3,350,733.00
Administrative Expenses		<u>281,204.61</u>
	B-2	<u>3,631,937.61</u>
Balance, December 31, 2012	B	<u>\$ 195,660.58</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR ANIMAL SHELTER EXPENDITURES
YEAR ENDED DECEMBER 31, 2012

B-14

	<u>Ref.</u>	
Balance, December 31, 2011	B	\$ 18,697.35
Increased by:		
Donations	B-2	<u>11,659.56</u>
		30,356.91
Decreased by:		
Expenditures	B-2	<u>4,053.46</u>
Balance, December 31, 2012	B	<u><u>\$ 26,303.45</u></u>

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TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES
YEAR ENDED DECEMBER 31, 2012

B-15

	<u>Ref.</u>		
Balance, December 31, 2011	B		\$ 13,141.69
Increased by:			
Dog License Fees Collected		\$ 6,602.80	
Late Fees and Replacement Fees		861.00	
Cat License Fees Collected		600.00	
Interest Earned		<u>151.50</u>	
	B-2		<u>8,215.30</u>
			<u>21,356.99</u>
Decreased by:			
Expenditures Under R.S. 4:19-15.11	B-2		<u>3,691.00</u>
Balance, December 31, 2012	B		<u><u>\$ 17,665.99</u></u>

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR STATE UNEMPLOYMENT TRUST FUND EXPENDITURES B-16
YEAR ENDED DECEMBER 31, 2012

	<u>Ref.</u>	
Balance, December 31, 2011	B	\$ 61,058.23
Increased by:		
Interest Earned	B-2	<u>71.42</u>
Balance, December 31, 2012	B	<u>\$ 61,129.65</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION
YEAR ENDED DECEMBER 31, 2012

C-2

	<u>Ref.</u>		
Balance, December 31, 2011	C		\$ 17,363,666.75
Increased by Receipts:			
Premium on Sale of Notes and Bonds	C-1	\$ 158,954.02	
Other Receipts	C-1	907,410.79	
Note Receivable	C-6	1,259,300.00	
Grants Receivable	C-4	298,762.50	
Interfunds Receivable	C-9	14,890,357.45	
Due from Parking Authority	C-8	704,507.54	
Capital Improvement Fund	C-12	125,000.00	
Interfunds Payable	C-14	2,236,905.53	
Reserve to Pay Debt Service	C19	179,474.80	
Bond Anticipation Notes Issued	C-20	<u>45,342,000.00</u>	
			<u>66,100,672.63</u>
			83,464,339.38
Increased by Disbursements:			
Interfunds Receivable	C-9	16,337,232.41	
Notes Receivable	C-6	712,000.00	
Due from Montclair Parking Authority	C-8	704,507.54	
Interfunds Payable	C-14	3,007,190.75	
Reserves for Future Improvements	C-15	33,995.00	
Improvement Authorizations	C-13	5,397,286.38	
Bond Anticipation Notes Redeemed	C-20	<u>43,724,800.00</u>	
			<u>69,917,012.08</u>
Balance, December 31, 2012	C		<u><u>\$ 13,547,327.30</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

ANALYSIS OF CASH
YEAR ENDED DECEMBER 31, 2012

	Receipts			Disbursements			Transfers		Balance December 31, 2012
	Balance December 31, 2011	Bond Anticipation Notes	Other	Improvement Authorizations	Bond Anticipation Notes	Other	From	To	
<u>Improvement Authorizations</u>									
General Improvements:									
#00-06	\$ 7,684.94	\$	\$	\$	\$	\$	\$	\$	\$ 7,684.94
#00-09	297.00								297.00
#00-10	3,028.63								3,028.63
#00-13	(261.16)								(261.16)
#00-29	(3.52)								(3.52)
#01-05	(300.00)								(300.00)
#01-09, 01-55	2,512.30								2,512.30
#01-19	19,581.48			8,902.60					10,678.88
#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	(34.69)								(34.69)
#02-23	5,909.45								5,909.45
#02-26	35,960.70								35,960.70
#02-27	180,964.28			10,676.40					170,287.88
#02-39	845.94								845.94
#02-40	1,813.79								1,813.79
#02-41	(4,500.00)								(4,500.00)
#03-08	(68.90)								(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			7,956.90					70,998.61
#03-42	51,334.59			679.98					50,654.61
#03-44	59,631.26								59,631.26
#03-45	29,086.68								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	(0.87)								(0.87)
#04-10	9,688.38								9,688.38
#04-20	(11,151.00)								(11,151.00)

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

ANALYSIS OF CASH
YEAR ENDED DECEMBER 31, 2012

	Receipts			Disbursements			Transfers		Balance December 31, 2012
	Balance December 31, 2011	Bond Anticipation Notes	Other	Improvement Authorizations	Bond Anticipation Notes	Other	From	To	
#04-35	\$ (6.89)	\$	\$	\$	\$	\$	\$	\$	\$ (6.89)
#04-45	19,630.82			2,985.00					16,645.82
#04-46	98,625.11			14,491.77					84,133.34
#04-47	1,605.71								1,605.71
#04-48	27,356.27								27,356.27
#04-49	(137.72)								(137.72)
#05-08	82,136.01								82,136.01
#05-15	(38,693.17)								(38,693.17)
#05-25	655.89								655.89
#05-37	(153.49)			10,000.00					(10,153.49)
#05-40, 07-52	1,277,334.80			84,495.33					1,192,839.47
#06-01	93,554.51								93,554.51
#06-37	1,290,624.88			254,133.17					1,036,491.71
#06-78	(88.36)								(88.36)
#07-06	18,421.27			69,775.47					(51,354.20)
#07-19	(287,885.89)								(287,885.89)
#07-34, 08-25	114,861.54	147,500.00		106,676.81	103,450.00				52,234.73
#07-40	4,889.11				3,170.00				1,719.11
#07-41	888,808.77			128,045.62	69,730.00				691,033.15
#08-10	387,883.71			77,168.53	92,525.00				218,190.18
#08-42					192,000.00				(192,000.00)
#08-43	(20,858.32)				17,000.00				(37,858.32)
#08-44	457,077.14			82,722.19	49,000.00				325,354.95
#09-11	(3,949.53)				4,325.00				(8,274.53)
#09-16, 09-51	250,645.86			52,472.47	5,900.00				192,273.39
#09-52a	1,193,727.27			363,156.18					830,571.09
#09-52b1	7,500.00								7,500.00
#09-52b2	12,500.00	237,500.00		231,000.00					19,000.00
#09-52b3	26,750.00						26,750.00		
#09-65	12,857.35			124,857.35	314,000.00				(426,000.00)
#10-12	118,781.01			83,338.25					35,442.76
#10-13	(480,753.23)			6,983.09					(487,736.32)
#10-70	162,069.00			125,078.00					36,991.00
#11-14	274,379.54	162,500.00		424,495.00					12,384.54
#11-18	52,581.32								52,581.32
#11-19	(131,710.24)		296,762.50	9,187.16					155,865.10
#11-20	465,212.24			17,622.89					447,589.35
#11-67	12,500.00			141,223.98					(128,723.98)
#11-72	141,969.53			141,969.53	723,100.00				(723,100.00)
#12-17								25,350.00	25,350.00
#12-26				369.19					(369.19)
#12-27		50,000.00		53,412.18				4,500.00	1,087.82
#12-31		202,500.00		2,052.12				20,213.00	220,660.88

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

ANALYSIS OF CASH
YEAR ENDED DECEMBER 31, 2012

	Balance December 31, 2011	Receipts		Disbursements			Transfers		Balance December 31, 2012
		Bond Anticipation Notes	Other	Improvement Authorizations	Bond Anticipation Notes	Other	From	To	
<u>Improvement Authorizations</u>									
<u>General Improvements (Continued):</u>									
#12-35	\$	\$	\$	\$ 58,413.60	\$	\$	\$	\$ 222,068.00	\$ 163,654.40
#12-36				10,164.01				42,788.00	32,623.99
#12-40				75,143.27				30,750.00	(44,393.27)
#12-41				20,770.91				57,205.00	36,434.09
#12-42				718.36				7,625.00	6,906.64
School Improvements:									
#98-16	27,217.44						27,217.44		
#98-31	277,535.73						277,909.33	373.60	(0.00)
#99-12	283,213.84						283,213.84		
#00-16	110,014.71						110,422.71	408.00	
#01-25	12,911.65						13,511.65	600.00	
#01-36	21,496.82						22,196.82	700.00	
#01-40	(168,885.45)						2,559.79	171,445.24	
#02-09	226,569.10						335,926.62	109,357.52	
#03-30, 04-22	14,006.11						14,006.11		
#04-21	1,676,243.66			93,788.40	383,200.00			5,396,778.87	6,596,034.13
#05-24	92,239.31						92,239.31		
#06-30	546,456.29			46,267.89					500,188.40
#07-26	619,067.88			19,756.61	111,400.00				487,911.27
#08-14	(260,339.03)	700,000.00		405,172.67	75,000.00				(40,511.70)
#09-20	149,951.08	250,000.00		167,381.37	39,000.00				193,569.71
#10-28	1,300,177.70			334,615.12					965,562.58
#11-41	139,248.55	600,000.00		823,353.25					(84,104.70)
#12-32		1,450,000.00		705,813.76					744,186.24
<u>Other Accounts</u>									
Fund Balance	359,259.61		1,066,364.81				222,068.00		1,203,556.42
Capital Improvement Fund	206,514.83		125,000.00				188,431.00	26,750.00	169,833.83
Loans Receivable	(1,638,000.00)								(1,638,000.00)
Due from Improvement District	(15,000.00)								(15,000.00)
Due from Montclair Parking Authority	(18,201.22)								(18,201.22)
Note Receivable	(1,259,300.00)		1,259,300.00			712,000.00			(712,000.00)
General Trust Fund	93,350.00								93,350.00
Current Fund Interfund	(224,354.27)		14,890,357.45				16,337,232.41	110,000.00	(1,781,229.23)
CDBG									

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TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

ANALYSIS OF CASH
YEAR ENDED DECEMBER 31, 2012

	Balance December 31, 2011	Receipts		Disbursements			Transfers		Balance December 31, 2012
		Bond Anticipation Notes	Other	Improvement Authorizations	Bond Anticipation Notes	Other	From	To	
<u>Other Accounts(Continued)</u>									
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		122,047.50			894,047.50			
Parking Utility Operating Fund Interfund	74,961.76								74,961.76
Parking Utility Capital Fund Interfund	(251,183.37)								(251,183.37)
Water Capital Fund Interfund			921,314.94			920,567.21			747.73
Sewer Operating Fund Interfund			1,193,543.09			1,192,576.04			967.05
Reserve for Future Improvements	40,092.34					33,995.00			116,097.34
Reserve for Repayment of UDAG	26,955.51						110,000.00		26,955.51
Reserves for Loans Receivable	1,638,000.00								1,638,000.00
Reserve for Debt Service	4,693,833.44		179,474.80				5,270,262.95	1,065,204.71	668,250.00
Bond Anticipation Note Cash:									
Ordinance #08-10	295,332.75								295,332.75
Ordinance #05-24	295,401.37						295,401.37		
	<u>\$ 17,363,666.75</u>	<u>\$ 3,800,000.00</u>	<u>\$ 20,054,165.09</u>	<u>\$ 5,397,286.38</u>	<u>\$ 2,182,800.00</u>	<u>\$ 20,090,418.16</u>	<u>\$ 7,292,116.94</u>	<u>\$ 7,292,116.94</u>	<u>\$ 13,547,327.30</u>

Ref. C

C

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

C-4

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Balance December 31, 2011</u>	<u>Grants</u>	<u>Collections</u>	<u>Balance December 31, 2012</u>
<u>Federal Grants</u>					
County of Essex:					
Community Development Block Grants:					
12-17	Resurfacing of Bay Street Lot	\$	\$ 41,650.00	\$	\$ 41,650.00
 <u>State Grants</u>					
New Jersey Dept. of Environmental Protection:					
Green Acres Program:					
11-20	Edgemont Pond	1,000,000.00			1,000,000.00
 New Jersey Dept. of Transportation:					
11-19	South Mountain Avenue - Sec. 1	357,371.50		296,762.50	60,609.00
12-26	South Mountain Avenue - Sec. 2		243,404.00		243,404.00
09-52A	Llewellyn Road	10.00			10.00
		<u>\$ 1,357,381.50</u>	<u>\$ 285,054.00</u>	<u>\$ 296,762.50</u>	<u>\$ 1,345,673.00</u>
	<u>Ref.</u>	C	C-13	C-2	C

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

LOANS RECEIVABLE
DECEMBER 31, 2012

C-5

	<u>Ref.</u>	
Balance, December 31, 2011	C	\$ 1,638,000.00
Decreased by:		
Cancelled by Resolution	C-18	<u>1,638,000.00</u>
Balance, December 31, 2012		<u><u>\$</u></u>

NOTE RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

C-6

	<u>Ref.</u>	
Balance, December 31, 2011	C	\$ 1,259,300.00
Increased by:		
Cash Disbursements	C-2	<u>712,000.00</u>
		<u>1,971,300.00</u>
Decreased by:		
Cash Receipts	C-2	<u>1,259,300.00</u>
Balance, December 31, 2012	C	<u><u>\$ 712,000.00</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

DUE FROM IMPROVEMENT DISTRICT
YEAR ENDED DECEMBER 31, 2012

C-7

	<u>Ref.</u>	
Balance, December 31, 2011	C	\$ <u>15,000.00</u>
Balance, December 31, 2012	C	\$ <u><u>15,000.00</u></u>

DUE FROM MONTCLAIR PARKING AUTHORITY
YEAR ENDED DECEMBER 31, 2012

C-8

	<u>Ref.</u>	
Balance, December 31, 2011	C	\$ 18,201.22
Increased by:		
Cash Disbursements	C-2	<u>704,507.54</u>
		722,708.76
Decreased by:		
Cash Receipts	C-2	<u>704,507.54</u>
Balance, December 31, 2012	C	\$ <u><u>18,201.22</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

INTERFUNDS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

C-9

	<u>Ref.</u>	<u>Total</u>	<u>Current Fund</u>	<u>Assessment Trust Fund</u>	<u>Parking Utility Capital Fund</u>
Balance, December 31, 2011	C	\$ 529,848.84	\$ 224,354.27	\$ 54,311.20	\$ 251,183.37
Increased by:					
Advances	C-2	16,337,232.41	16,337,232.41		
Reserve for Future Improvements	C-15	110,000.00	110,000.00		
		<u>16,977,081.25</u>	<u>16,671,586.68</u>	<u>54,311.20</u>	<u>251,183.37</u>
Decreased by:					
Settlements	C-2	<u>14,890,357.45</u>	<u>14,890,357.45</u>		
Balance, December 31, 2012	C	<u>\$ 2,086,723.80</u>	<u>\$ 1,781,229.23</u>	<u>\$ 54,311.20</u>	<u>\$ 251,183.37</u>

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TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
YEAR ENDED DECEMBER 31, 2012

C-10

	<u>Ref.</u>		
Balance, December 31, 2011	C		\$ 123,242,710.24
Increased by:			
General Issue	C-24		<u>2,780,000.00</u>
			126,022,710.24
Decreased by:			
Refunded Bonds	C-24	\$ 2,640,000.00	
2012 Budget Appropriation:			
Green Acres Loan	C-21	39,843.57	
Infrastructure Loan	C-22	43,130.73	
School Bonds	C-23	2,675,000.00	
Municipal Bonds	C-24	<u>4,345,000.00</u>	
			<u>9,742,974.30</u>
Balance, December 31, 2012	C		<u><u>\$ 116,279,735.94</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
YEAR ENDED DECEMBER 31, 2012

Ordinance Number	Improvements	Balance Dec. 31, 2011	2012 Authorizations	Cancel	Collections	Funded by Budget Appropriation	Balance Dec. 31, 2011	December 31, 2012		
								Bond Anticipation Notes	Expended	Unexpended Improvement Authorization
		\$	\$	\$	\$	\$	\$		\$	\$
00-13	Various Library Capital Improvements	261.16					261.16		261.16	
00-29	Various Capital Improvements	6,503.52					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	34.69	4,123.07
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	68.90	9,186.60
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	12,000.00					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	0.87	43,329.13
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	11,151.00	115.55
04-35	Reconstruction of Sanitary Sewer System	83,124.00					83,124.00	2,600.00	6.89	80,517.11
04-45	Various Capital Improvements	54,000.00					54,000.00			54,000.00
04-46	Various Capital Improvements	69,000.00					69,000.00			69,000.00
04-47	Various Capital Improvements	1,000.00					1,000.00			1,000.00
04-48	Various Capital Improvements	22,000.00					22,000.00			22,000.00
04-49	Various Library Capital Improvements	277,000.00					277,000.00	134,550.00	137.72	142,312.28
05-08	Acquisition of Communication Equipment	15,000.00					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	3,924.00					3,924.00			3,924.00
05-37	Acquisition of Land	23,000.00					23,000.00	475.00	10,153.49	12,371.51
05-40	Various Capital Improvements	326,111.04					326,111.04	300,000.00		26,111.04
06-37	Various Capital Improvements	868,092.47					868,092.47	500,000.00		368,092.47
06-78	Preliminary Design and Planning of Day Care Facility	1,750.00					1,750.00		88.36	1,661.64
07-06	Various Capital Improvements	237,075.00					237,075.00		51,354.20	185,720.80
07-19	Acquisition of Property	295,000.00					295,000.00		287,885.89	7,114.11
07-34,8-25	Various Capital Improvements	1,604,125.00				103,450.00	1,500,675.00	1,440,550.00		60,125.00
07-40	Various Library Capital Improvements	139,300.00				3,170.00	136,130.00	133,630.00		2,500.00
07-41	Various Capital Improvements	1,910,780.68				69,730.00	1,841,050.68	1,772,270.00		68,780.68
8-10	Various Capital Improvements	1,557,167.25				92,525.00	1,464,642.25	1,464,642.25		
8-42	Tax Appeals Refunding	384,000.00				192,000.00	192,000.00	192,000.00		
8-43	Removal and Replacement of Trees	188,100.00				17,000.00	171,100.00	133,000.00	20,858.32	17,241.68
8-44	Various Capital Improvements	1,942,512.70				49,000.00	1,893,512.70	1,551,000.00		342,512.70
9-11	Orange Road Redevelopment	150,000.00				4,325.00	145,675.00	120,675.00	3,949.53	21,050.47
9-16,9-51	Various Capital Improvements	698,500.00				5,900.00	692,600.00	644,100.00		48,500.00
9-52a	Various Capital Improvements	2,592,715.96					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						
9-65	Tax Appeals Refunding	1,052,000.00				314,000.00	738,000.00	626,000.00	112,000.00	101,639.36
10-12	Multi-purpose	501,639.36					501,639.36	400,000.00		38,963.68
10-13	Traffic Calming Improvements	1,126,700.00					1,126,700.00	600,000.00	487,736.32	108,750.00
10-70	Multi-purpose	308,750.00					308,750.00	200,000.00		

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TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2012

C-12

	<u>Ref.</u>		
Balance, December 31, 2011	C		\$ 206,514.83
Increased by:			
Budget Appropriations	C-2	\$ 125,000.00	
Improvement Authorization Cancelled	C-13	<u>26,750.00</u>	
			<u>151,750.00</u>
			358,264.83
Decreased by:			
Appropriated to Finance Improvement Authorizations	C-13		<u>188,431.00</u>
Balance, December 31, 2012	C		<u><u>\$ 169,833.83</u></u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2012

Description	Number	Ordinance Date	Amount	Balance Dec. 31, 2011		Authorizations	Paid or Charged	Cancelled	Balance Dec. 31, 2012	
				Funded	Unfunded				Funded	Unfunded
General Improvements				\$ 7,684.94	\$	\$	\$	\$	\$ 7,684.94	\$
Reconstruction of Various Streets	00-06	03/07/00	\$ 520,800.00	\$ 7,684.94	\$	\$	\$	\$	297.00	
Various Capital Improvements	00-09	04/18/00	808,600.00		297.00				3,028.63	
Various Capital Improvements	00-10	04/18/00	1,194,960.00		3,028.63				2,512.30	500.00
Various Capital Improvements	01-09/01-55	02/27/01	104,000.00		2,512.30	500.00			10,678.88	
Purchase/Redevelopment of Property	01-19	04/24/01	1,047,280.00		19,581.48		8,902.60		3,597.93	500.00
Various Capital Improvements	01-20	04/24/01	1,404,610.00		3,597.93	500.00			1,950.00	500.00
Various Capital Improvements	01-21	04/24/01	506,480.00		1,950.00	500.00			84,760.00	500.00
Various Park Improvements	01-22	04/24/01	2,756,000.00		84,760.00	500.00				4,123.07
Various Capital Improvements	02-11	04/16/02	519,750.00			4,123.07			5,909.45	3,000.00
Various Street Improvements (CDBG)	02-23	06/25/02	213,200.00		5,909.45				35,960.70	
Various Library Capital Improvements	02-26	06/25/02	620,360.00		35,960.70		10,676.40		170,287.88	
Various Capital Improvements	02-27	06/25/02	1,021,800.00		180,964.28				845.94	
Various Park Improvements	02-39	09/17/02	525,000.00		845.94					
Reconstruction of North Willow Street (CDBG)	02-40	09/17/02	285,250.00		1,813.79				1,813.79	
Various Street Improvements (0011)	03-08	03/11/03	202,650.00			9,186.60			5,191.02	44,082.62
Various Street Improvements (CDBG)	03-09	03/11/03	234,859.00		5,191.02	44,082.62			7,277.35	
Various Street Improvements (CDBG)	03-10	03/11/03	355,971.00		7,277.35					19,720.46
Various Street Improvements (CDBG)	03-11	03/11/03	143,358.00			19,720.46			5,311.06	
Various Street Improvements (CDBG)	03-12	03/11/03	78,000.00		5,311.06				70,998.61	
Various Capital Improvements	03-41	07/22/03	1,250,100.00		78,955.51		7,956.90		50,654.61	
Various Capital Improvements	03-42	07/22/03	1,465,700.00		51,334.59		679.98		59,631.26	
Various Capital Improvements	03-44	07/22/03	3,042,000.00		59,631.26				29,086.68	12,000.00
Various Library Capital Improvements	03-45	07/22/03	590,700.00		41,086.68				13,442.14	
Town-Wide Fiber Optic Network Project	04-03	02/03/04	260,000.00		13,442.14				5,810.67	262.63
Various Street Improvements (CDBG)	04-06	03/30/04	136,888.00		5,810.67					
Greenwood Parking Plaza Development (CDBG)	04-07	03/30/04	78,750.00		2,884.23				2,884.23	
(CDBG)		03/30/04	63,000.00		2,163.80				2,163.80	
Development of Caiming Plan for the Nishuane Road and Enfield, Virginia and Franklin Avenues Area (CDBG)	04-09	03/30/04	53,267.00			43,329.13				43,329.13
Street and Drainage Improvements on Bay Street (CDBG)	04-10	03/30/04	124,194.00		9,688.38	1,687.85			9,688.38	1,687.85
Streetscape Improvements on Valley Road (DOT)	04-20	04/20/04	203,685.00			115.55				115.55
Reconstruction of Sanitary Sewer System	04-35	03/30/04	970,000.00			80,517.11			25,645.82	45,000.00
Various Capital Improvements	04-45	03/30/04	1,695,200.00		28,630.82	45,000.00	2,985.00		84,133.34	69,000.00
Various Capital Improvements	04-46	03/30/04	1,595,600.00		98,625.11	69,000.00	14,491.77		1,605.71	1,000.00
Various Capital Improvements	04-47	08/10/04	248,600.00		1,605.71	1,000.00			27,356.27	22,000.00
Various Capital Improvements	04-48	08/10/04	2,964,000.00		27,356.27	22,000.00				142,312.28
Various Library Capital Improvements	04-49	08/10/04	501,700.00			142,312.28			82,136.01	15,000.00
Acquisition of Communication Equipment	05-08	02/22/05	1,700,000.00		82,136.01	15,000.00			655.89	3,924.00
Renovation of Police Dispatch Control	05-25	05/17/05	313,000.00		655.89					
Acquisition of Land	05-37	08/09/05	340,000.00			22,371.51	10,000.00		892,839.47	326,111.04
Acquisition of Land	05-40	08/23/05	6,991,015.00		977,334.80	326,111.04	84,495.33			
Various Capital Improvements	06-01								93,554.51	
Improvement to Various Parks and Baseball Fields	06-37	01/31/06	525,000.00		93,554.51		254,133.17		536,491.71	868,092.47
Various Capital Improvements	06-78	06/27/06	6,260,650.00		790,624.88	868,092.47				1,661.64
Preliminary Design and Planning of Day Care Facility	07-06	12/19/06	65,000.00			1,661.64	69,775.47		185,720.80	
Various Capital Improvements	07-19	01/23/07	1,828,500.00		18,421.27	237,075.00			7,114.11	
Acquisition of Property		04/10/07	295,000.00			7,114.11				

TOWNSHIP OF MONTLCIAR
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2012

Description	Number	Ordinance Date	Amount	Balance Dec. 31, 2011		Authorizations	Paid or Charged	Cancelled	Balance Dec. 31, 2012	
				Funded	Unfunded				Funded	Unfunded
Various Capital Improvements	07-34/08-25	06/12/07	\$ 1,797,500.00	\$	\$ 322,486.54	\$	\$ 106,676.81	\$	\$	\$ 215,809.73
Various Library Capital Improvements	07-40	09/11/07	150,000.00		7,389.11					7,389.11
Various Capital Improvements	07-41	09/11/07	2,330,500.00		957,589.45		128,045.62			829,543.83
Various Capital Improvements	08-10	02/19/08	2,260,000.00		387,883.71		77,168.53			310,715.18
Tax Appeals Refunding	08-42	10/21/08	960,000.00							
Removal and Replacement of Trees	08-43	10/21/08	198,000.00		17,241.68					17,241.68
Various Capital Improvements	08-44	10/29/08	2,106,000.00		799,589.84		82,722.19			716,867.65
Orange Road Redevelopment	09-11	03/10/09	150,000.00		21,050.47					21,050.47
Various Capital Improvements	09-16/09-51	04/07/09	715,000.00		299,145.86		52,472.47			246,673.39
Various Capital Improvements	09-52a	09/22/09	3,200,000.00		1,286,443.23		363,156.18			923,287.05
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		231,000.00			19,000.00
Acquisition and Resurfacing of Property	09-52b3	10/06/09	535,000.00	26,750.00	508,250.00			535,000.00		
Tax Appeals Refunding	09-65	10/20/09	1,680,000.00		124,857.35		124,857.35			
Various Capital Improvements	10-12	03/09/10	584,000.00		220,420.37					137,082.12
Traffic Calming Improvements	10-13	12/28/10	1,186,000.00		45,946.77					38,963.68
Various Capital Improvements	10-10	12/01/10	325,000.00		270,819.00					145,741.00
Pavement and Restoration of S.Park Plaza	11-14	04/05/11	500,000.00	24,379.54	475,000.00		424,495.00			74,884.54
Shade Tree Improvement	11-18	04/21/11	75,000.00	2,581.32	71,250.00				2,581.32	71,250.00
Improvement to South Mountain Ave	11-19	04/21/11	700,000.00		225,661.26		9,187.16			216,474.10
Improvement to Edgemont Pond	11-20	04/21/11	1,000,000.00		965,212.24		17,622.89			947,589.35
Pavement and Restoration of S.Park Plaza	11-67	11/01/11	250,000.00	12,500.00	237,500.00		141,223.98			108,776.02
Tax Appeals Refunding	11-72	12/06/11	5,061,700.00		141,969.53		141,969.53			
Resurfacing of Bay Street Parking Lot	12-17	03/20/12	67,000.00			67,000.00			25,350.00	41,650.00
Paving of South Mountain Avenue	12-26	04/03/12	726,500.00			726,500.00	369.19			726,130.81
Pavement and Restoration of S.Park Plaza	12-27	04/17/12	90,000.00			90,000.00	53,412.18			36,587.82
Various Capital Improvements	12-31	05/01/12	404,250.00			404,250.00	2,052.12		18,160.88	384,037.00
Various Capital Improvements	12-35	05/22/12	222,068.00			222,068.00	58,413.60		163,654.40	
Various Capital Improvements	12-36	05/22/12	855,750.00			855,750.00	10,164.01		32,623.99	812,962.00
Acquisition of Vehicles	12-40	06/12/12	615,000.00			615,000.00	75,143.27			539,856.73
Various Capital Improvements	12-41	06/12/12	1,144,080.00			1,144,080.00	20,770.91		36,434.09	1,086,875.00
Acquisition of Ambulance	12-42	06/12/12	152,500.00			152,500.00	718.36		6,906.64	144,875.00
School Improvements										
Various School Improvements	98-16	05/12/98	3,160,816.00		27,217.44					27,217.44
Various School Improvements	98-31	07/21/98	6,500,000.00		277,535.73					277,909.33
Various School Improvements	99-12	05/04/99	2,930,751.00		283,213.84					283,213.84
Various School Improvements	00-18	05/02/00	2,020,408.00		110,014.71					110,422.71
Various School Improvements	01-25	04/24/01	340,600.00		12,911.65					13,511.65
Various School Improvements	01-36	05/22/01	603,200.00		21,496.82					22,196.82
Various School Improvements	01-40	08/08/01	3,271,515.00		2,559.79					2,559.79
Various School Improvements	02-09	04/16/02	7,733,482.00	226,569.10	109,357.52					335,926.62
Various School Improvements	03-30/04-22	03/22/03	16,140,823.00		14,006.11					14,006.11
Various School Improvements	04-21	05/04/04	36,692,256.00		5,011,734.81		93,788.40			4,917,946.41
Various School Improvements	05-24	05/17/05	7,006,514.00		92,239.31				92,239.31	
Various School Improvements	06-30	05/09/06	4,649,840.00	546,456.29		949,840.00			500,188.40	949,840.00
Various School Improvements	07-26	05/08/07	4,381,520.00		1,300,587.88		19,756.61			1,280,831.27
Various School Improvements	08-14	04/15/08	5,346,848.00		836,508.97		405,172.67			431,336.30
Various School Improvements	09-20	05/05/09	3,853,200.00		553,151.08		167,381.37			385,769.71
Various School Improvements	10-28	06/22/10	2,986,360.00		1,386,537.70					1,051,922.58
Various School Improvements	11-41	07/12/11	1,686,360.00		1,325,608.55					502,255.30
Various School Improvements	12-32	05/01/12	3,053,440.00				705,813.76			2,347,626.24
				\$ 4,448,500.26	\$ 21,212,361.38	\$ 7,330,588.00	\$ 5,397,286.38	\$ 1,714,203.62	\$ 3,129,285.70	\$ 22,750,673.94

Reference

C	C	Below	C-2	Below	C	C
	Ref.					
Capital Surplus	C-1	\$ 222,068.00		\$		
CDBG Grant Receivable	C-13	41,650.00				
Deferred Charge to Future Taxation - Unfunded	C-11	6,878,439.00		622,248.91		
Reserve for Payment of Debt Service	C-19			1,065,204.71		
Capital Improvement Fund	C-12	188,431.00		26,750.00		
	Above	\$ 7,330,588.00		\$ 1,714,203.62		

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

INTERFUNDS PAYABLE
YEAR ENDED DECEMBER 31, 2012

C-14

	Ref.	Total	Trust Fund	Federal and State Grant Fund	Water Utility Capital Fund	Sewer Utility Operating Fund	Water Utility Operating Fund	Parking Utility Operating Fund
Balance, December 31, 2011	C	\$ 1,067,436.76	\$ 93,350.00	\$ 127,125.00	\$	\$	\$ 772,000.00	\$ 74,961.76
Increased by:								
Advances	C-2	2,236,905.53			921,314.94	1,193,543.09	122,047.50	
		<u>3,304,342.29</u>	<u>93,350.00</u>	<u>127,125.00</u>	<u>921,314.94</u>	<u>1,193,543.09</u>	<u>894,047.50</u>	<u>74,961.76</u>
Decreased by:								
Settlements	C-2	3,007,190.75			920,567.21	1,192,576.04	894,047.50	
Balance, December 31, 2012	C	<u>\$ 297,151.54</u>	<u>\$ 93,350.00</u>	<u>\$ 127,125.00</u>	<u>\$ 747.73</u>	<u>\$ 967.05</u>	<u>\$</u>	<u>\$ 74,961.76</u>

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

RESERVE FOR FUTURE IMPROVEMENTS
YEAR ENDED DECEMBER 31, 2012

C-15

	<u>Ref.</u>	
Balance, December 31, 2011	C	\$ 40,092.34
Increased by:		
Interfund Receivable	C-9	110,000.00
		<u>150,092.34</u>
Decreased by:		
Preliminary Engineering Costs	C-2	<u>33,995.00</u>
Balance, December 31, 2012	C	<u>\$ 116,097.34</u>

RESERVE FOR REPAYMENT
OF URBAN DEVELOPMENT ACTION GRANT
DECEMBER 31, 2012

C-16

	<u>Ref.</u>	
Balance, December 31, 2011	C	<u>\$ 26,955.51</u>
Balance, December 31, 2012	C	<u>\$ 26,955.51</u>

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

RESERVE FOR GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

C-17

Ordinance Number	Purpose	Balance December 31, 2011	Grants	Collections	Balance December 31, 2012
<u>State Grants</u>					
New Jersey Department of Transportation:					
11-19	South Mountain Avenue - Sec. 1	\$ 357,371.50	\$	\$ 296,762.50	\$ 60,609.00
12-26	South Mountain Avenue - Sec. 2		243,404.00		243,404.00
09-52A	Llewellyn Road	10.00			10.00
Department of Environmental Protection:					
Green Acres Program:					
11-20	Edgemont Pond	1,000,000.00			1,000,000.00
		<u>\$ 1,357,381.50</u>	<u>\$ 243,404.00</u>	<u>\$ 296,762.50</u>	<u>\$ 1,304,023.00</u>
	<u>Ref.</u>	C	C-4	C-11	C

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

RESERVE FOR LOANS RECEIVABLE
DECEMBER 31, 2012

C-18

	<u>Ref.</u>	
Balance, December 31, 2011	C	\$ 1,638,000.00
Decreased by:		
Cancelled	C-4	<u>1,638,000.00</u>
Balance, December 31, 2012		<u><u>\$</u></u>

RESERVE FOR PAYMENT OF DEBT SERVICE
YEAR ENDED DECEMBER 31, 2012

C-19

	<u>Ref.</u>	
Balance, December 31, 2011	C	\$ 4,693,833.44
Increased by:		
Cash Received on Funded Authorizations	C-2	\$ 179,474.80
Funded Improvement Authorizations Cancelled	C-13	<u>1,065,204.71</u>
		<u>1,244,679.51</u>
		5,938,512.95
Decreased by:		
Applied to Deferred Charges to Future Taxation - Unfunded	C-11	<u>5,270,262.95</u>
Balance, December 31, 2012	C	<u><u>\$ 668,250.00</u></u>

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2012

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance December 31, 2011	Increase	Decrease	Balance December 31, 2012
	<u>General</u>							
07-40	Various Capital Improvements	12-18-08	03-14-13	1.00 %	\$ 71,800.00	\$ 68,630.00	\$ 71,800.00	\$ 68,630.00
		12-16-10	03-14-13	1.00	65,000.00	65,000.00	65,000.00	65,000.00
07-41	Various Capital Improvements	12-18-08	03-14-13	1.00	1,541,000.00	1,482,300.00	1,541,000.00	1,482,300.00
		12-18-09	03-14-13	1.00	300,426.00	289,396.00	300,426.00	289,396.00
		12-16-10	03-14-13	1.00	574.00	574.00	574.00	574.00
08-10	Various Capital Improvements	12-18-08	03-14-13	1.00	1,452,500.00	1,375,150.00	1,452,500.00	1,375,150.00
		12-18-09	03-14-13	1.00	300,000.00	284,825.00	300,000.00	284,825.00
		12-16-10	03-14-13	1.00	100,000.00	100,000.00	100,000.00	100,000.00
08-25	Various Capital Improvements	12-18-08	03-14-13	1.00	1,396,500.00	1,293,050.00	1,396,500.00	1,293,050.00
		12-14-12	03-14-13	1.00		147,500.00		147,500.00
08-42	Tax Appeal Refunding	12-18-08	12-13-13	1.25	384,000.00	192,000.00	384,000.00	192,000.00
08-43	Various Capital Improvements	3-13-09	3-08-13	1.00	150,000.00	133,000.00	150,000.00	133,000.00
08-44	Various Capital Improvements	3-13-09	3-08-13	1.00	1,100,000.00	1,051,000.00	1,100,000.00	1,051,000.00
		3-11-10	3-08-13	1.00	500,000.00	500,000.00	500,000.00	500,000.00
09-11	Orange Road Development	12-18-09	03-14-13	1.00	125,000.00	120,675.00	125,000.00	120,675.00
9-16	Various Capital Improvements	12-18-09	03-14-13	1.00	350,000.00	344,100.00	350,000.00	344,100.00
		12-16-10	03-14-13	1.00	300,000.00	300,000.00	300,000.00	300,000.00
09-52-A	Various Capital Improvements	3-11-10	3-08-13	1.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2012

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance December 31, 2011	Increase	Decrease	Balance December 31, 2012
	<u>General</u>							
09-65	Tax Appeals Refunding	12-30-09	12-13-13	1.25 %	\$ 940,000.00	\$ 626,000.00	\$ 940,000.00	\$ 626,000.00
05-40	Various Capital Improvements	03-10-11	3-08-13	1.00	300,000.00	300,000.00	300,000.00	300,000.00
06-37	Various Capital Improvements	03-10-11	3-08-13	1.00	500,000.00	500,000.00	500,000.00	500,000.00
09-52a	Various Capital Improvements	03-10-11	3-08-13	1.00	500,000.00	500,000.00	500,000.00	500,000.00
10-12	Various Capital Improvements	03-10-11	3-08-13	1.00	400,000.00	400,000.00	400,000.00	400,000.00
10-13	Various Capital Improvements	03-10-11	3-08-13	1.00	600,000.00	600,000.00	600,000.00	600,000.00
00-29	Various Capital Improvements	12-15-11	12-13-13	1.25	6,500.00	6,500.00	6,500.00	6,500.00
02-11	Various Capital Improvements	12-15-11	12-13-13	1.25	114,200.00	114,200.00	114,200.00	114,200.00
03-08	Various Capital Improvements	12-15-11	12-13-13	1.25	121,800.00	121,800.00	121,800.00	121,800.00
04-09	Various Capital Improvements	12-15-11	12-13-13	1.25	7,400.00	7,400.00	7,400.00	7,400.00
04-20	Various Capital Improvements	12-15-11	12-13-13	1.25	4,175.00	4,175.00	4,175.00	4,175.00
04-35	Various Capital Improvements	12-15-11	12-13-13	1.25	2,600.00	2,600.00	2,600.00	2,600.00
04-49	Various Capital Improvements	12-15-11	12-13-13	1.25	134,550.00	134,550.00	134,550.00	134,550.00
05-37	Various Capital Improvements	12-15-11	12-13-13	1.25	475.00	475.00	475.00	475.00
09-52, 11-14	Various Capital Improvements	12-15-11 12-14-12	3-08-13 3-14-13	1.00 1.00	250,000.00	250,000.00 400,000.00	250,000.00	250,000.00 400,000.00

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TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2012

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance December 31, 2011	Increase	Decrease	Balance December 31, 2012
	<u>General</u>							
10-70	Various Capital Improvements	12-15-11	12-13-13	1.25 %	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00
11-18	Shade Tree Improvements	12-15-11	12-13-13	1.25	50,000.00	50,000.00	50,000.00	50,000.00
11-20	Various Capital Improvements	12-15-11	12-13-13	1.25	500,000.00	500,000.00	500,000.00	500,000.00
11-72	Tax Appeal Refunding	12-15-11	12-13-13	1.25	5,061,700.00	4,338,600.00	5,061,700.00	4,338,600.00
12-27	Pavement Restoration at South Park Plaza	12-14-12	12-13-13	1.25		50,000.00		50,000.00
12-31	Various Capital Improvements	12-14-12	12-13-13	1.25		202,500.00		202,500.00
					<u>19,830,200.00</u>	<u>19,056,000.00</u>	<u>19,830,200.00</u>	<u>19,056,000.00</u>
	<u>School</u>							
04-21	Various School Improvements	3-13-09	3-08-13	1.50	7,400,000.00	6,994,200.00	7,400,000.00	6,994,200.00
		3-11-10	3-08-13	1.50	2,300,000.00	2,300,000.00	2,300,000.00	2,300,000.00
7-26	Various School Improvements	12-18-08	3-08-13	1.50	1,300,000.00	1,188,600.00	1,300,000.00	1,188,600.00
		12-16-10	3-08-13	1.50	500,000.00	500,000.00	500,000.00	500,000.00
08-14	Various School Improvements	12-18-09	3-14-13	1.00	2,000,000.00	1,925,000.00	2,000,000.00	1,925,000.00
		3-11-10	3-08-13	1.50	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00
		12-16-10	3-14-13	1.00	750,000.00	750,000.00	750,000.00	750,000.00
		12-14-12	3-14-13	1.00		700,000.00		700,000.00
09-20	Various School Improvements	12-18-09	3-14-13	1.00	1,000,000.00	961,000.00	1,000,000.00	961,000.00
		3-11-10	3-08-13	1.50	1,700,000.00	1,700,000.00	1,700,000.00	1,700,000.00
		12-16-10	3-14-13	1.00	750,000.00	750,000.00	750,000.00	750,000.00
		12-14-12	3-14-13	1.00		250,000.00		250,000.00
10-28	Multi-Purpose	12-16-10	3-14-13	1.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00

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TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2012

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Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance December 31, 2011	Increase	Decrease	Balance December 31, 2012	
	<u>School</u>								
04-21	Various School Improvements	3-10-11	3-08-13	1.50 %	\$ 3,500,000.00	\$ 1,317,200.00	\$ 3,500,000.00	\$ 1,317,200.00	
10-28	Various School Improvements	12-15-11	3-14-13	1.00	1,400,000.00	1,400,000.00	1,400,000.00	1,400,000.00	
11-41	Various School Improvements	12-15-11	3-14-13	1.00	500,000.00	500,000.00	500,000.00	500,000.00	
		12-14-12	3-14-13	1.00		600,000.00		600,000.00	
12-32	Various School Improvements	12-14-12	12-13-13	1.25		1,450,000.00		1,450,000.00	
					<u>26,100,000.00</u>	<u>26,286,000.00</u>	<u>26,100,000.00</u>	<u>26,286,000.00</u>	
					<u>\$ 45,930,200.00</u>	<u>\$ 45,342,000.00</u>	<u>\$ 45,930,200.00</u>	<u>\$ 45,342,000.00</u>	
					<u>Ref.</u>	C	C-2	Below	C
					<u>Ref.</u>				
Cash Disbursements					C-2		\$ 43,724,800.00		
Budget Appropriation					C-11		2,205,400.00		
							<u>\$ 45,930,200.00</u>		

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

GREEN ACRES TRUST LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2012

C-21
Sheet # 1

Description	Amount of Original Issue	Maturities of Loan Outstanding December 31, 2012		Interest Rate	Balance December 31, 2011	Decrease	Balance December 31, 2012
		Date	Amount				
Essex Park Pool	\$ 250,000.00				% \$ 15,315.68	\$ 15,315.68	\$
Project Youth Sports	250,000.00	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	2.00	194,833.82	11,707.37	183,126.45
Project Youth Sports II	250,000.00	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	*			

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

GREEN ACRES TRUST LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2012

C-21
Sheet # 2

Description	Amount of Original Issue	Maturities of Loan Outstanding December 31, 2012			Balance December 31, 2011	Decrease	Balance December 31, 2012
		Date	Amount	Interest Rate			
Project Youth Sports II	\$ 250,000.00	2024	\$ 12,820.52	*	224,358.96	12,820.52	211,538.44
		2025	12,820.52	*			
		2026	12,820.52	*			
		2027	12,820.52	*			
		2028	12,820.52	*			
		2029	6,410.12	*			
					<u>\$ 434,508.46</u>	<u>\$ 39,843.57</u>	<u>\$ 394,664.89</u>
				Ref.	C	C-10	C

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* Interest Free

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2012

C-22
Sheet # 1

	Original Issue		Loan Maturities Outstanding		Interest Rate	Balance December 31, 2011	Decrease	Balance December 31, 2012
	Date	Amount	Date	Amount				
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	\$ 335,000.00	\$ 20,000.00	\$ 315,000.00
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	*			

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2012

C-22
Sheet # 2

	<u>Original Issue</u>		<u>Loan Maturities Outstanding</u>		<u>Interest Rate</u>	<u>Balance December 31, 2011</u>	<u>Decrease</u>	<u>Balance December 31, 2012</u>
	<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>				
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>295,201.78</u>	<u>23,130.73</u>	<u>272,071.05</u>
						<u>\$ 630,201.78</u>	<u>\$ 43,130.73</u>	<u>\$ 587,071.05</u>
					<u>Ref.</u>	C	C-10	C

* Interest Free

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

SERIAL BONDS - SCHOOL
YEAR ENDED DECEMBER 31, 2012

Purpose	Date of Issue	Issue Amount	Maturities of Bonds Outstanding Dec. 31, 2012		Interest Rate	Balance Dec. 31, 2011	Decrease	Balance Dec. 31, 2012
			Date	Amount				
School Improvements	3-01-03	\$ 6,110,000.00				\$ 500,000.00	\$ 500,000.00	\$
Refunding School	6-01-05	2,035,000.00				460,000.00	460,000.00	
School Improvements	5-15-06	16,715,000.00	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	15,465,000.00	300,000.00	15,165,000.00
School Improvements	5-15-08	14,600,000.00	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	14,200,000.00	500,000.00	13,700,000.00
School Improvements	6-08-10	9,662,000.00	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, 2012

Purpose	Date of Issue	Issue Amount	Maturities of Bonds Outstanding Dec. 31, 2012		Interest Rate	Balance Dec. 31, 2011	Decrease	Balance Dec. 31, 2012	
			Date	Amount					
School Improvements (Continued)	6-08-10	\$ 9,662,000.00	6-01-25	\$ 640,000.00	4.00 %	\$ 9,637,000.00	\$ 190,000.00	\$ 9,447,000.00	
			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	3-01-13	765,000.00	2.75	21,660,000.00	725,000.00	20,935,000.00	
			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							
Refunding School	8-01-11	2,750,000.00	2-01-13	495,000.00	3.00	2,750,000.00		2,750,000.00	
			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>\$ 64,672,000.00</u>	<u>\$ 2,675,000.00</u>	<u>\$ 61,997,000.00</u>	
						Ref.	C	C-10	C

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TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

GENERAL SERIAL BONDS
YEAR ENDED DECEMBER 31, 2012

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2012</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Bonds Issued</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2012</u>			
			<u>Date</u>	<u>Amount</u>								
General Improvements	3-01-03	\$10,016,000.00			%	\$ 900,000.00	\$	\$ 900,000.00	\$			
Pension Obligation	10-01-03	3,495,000.00	4-01-13	175,000.00	5.35	2,960,000.00		2,785,000.00	175,000.00			
Refunding Bonds	6-01-05	9,465,000.00	7-15-13	1,445,000.00	5.00	4,150,000.00		1,455,000.00	2,695,000.00			
			7-15-14	1,250,000.00	5.00							
General Improvements	5-15-06	19,215,000.00	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					18,415,000.00	400,000.00	18,015,000.00
			General Improvements	9-01-08	8,252,000.00					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				7,602,000.00	500,000.00	7,102,000.00				

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TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

GENERAL SERIAL BONDS
YEAR ENDED DECEMBER 31, 2012

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2012</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2011</u>	<u>Bonds Issued</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2012</u>			
			<u>Date</u>	<u>Amount</u>								
General Improvements	3-01-11	\$18,519,000.00	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	\$	\$ 945,000.00	\$17,574,000.00		
			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		
Pension Refunding Bonds	10-01-12	2,780,000.00	4-01-13	55,000.00	0.790							
			4-01-14	245,000.00	0.891							
			4-01-15	270,000.00	1.247							
			4-01-16	295,000.00	1.660							
			4-01-17	320,000.00	1.960							
			4-01-18	345,000.00	2.371							
			4-01-19	380,000.00	2.521							
			4-01-20	415,000.00	2.853							
			4-01-21	455,000.00	3.053			2,780,000.00		2,780,000.00		
								<u>\$ 57,506,000.00</u>	<u>\$ 2,780,000.00</u>	<u>\$ 6,985,000.00</u>	<u>\$ 53,301,000.00</u>	
					<u>Ref.</u>	C	C-10	Below	C			
					<u>Ref.</u>							
					Budget Appropriation	C-10		\$ 4,345,000.00				
					Refunded Bonds	C-10		2,640,000.00				
					<u>\$ 6,985,000.00</u>							

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* Term Bonds - Sinking Fund Installment

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2012

Ordinance Number	Improvement Description	Balance December 31, 2011	Authorizations	Grant Receipts	Bond Anticipation Notes Issued	Cancelled	Balance December 31, 2012
	<u>General Improvements</u>						
00-13	Various Capital Improvements	\$ 261.16	\$	\$	\$	\$	\$ 261.16
00-29	Various Capital Improvements	3.52					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	4,157.76					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	9,255.50					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	43,330.00					43,330.00
04-10	Street and Drainage Improvements	1,687.85					1,687.85
04-20	Streetscape Improvements on Valley Road	11,266.55					11,266.55
04-35	Reconstruction of Sanitary Sewer System	80,524.00					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	142,450.00					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	22,525.00					22,525.00
05-40	Various Capital Improvements	26,111.04					26,111.04
06-37	Various Capital Improvements	368,092.47					368,092.47
06-78	Preliminary Design and Planning of Day Care Facility	1,750.00					1,750.00
07-06	Various Capital Improvements	237,075.00					237,075.00
07-19	Acquisition of Property	295,000.00					295,000.00

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TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2012

Ordinance Number	Improvement Description	Balance December 31, 2011	Authorizations	Grant Receipts	Bond Anticipation Notes Issued	Cancelled	Balance December 31, 2012
	<u>General Improvements</u>						
07-34, 08-25	Various Capital Improvements	\$ 207,625.00	\$	\$	\$ 147,500.00	\$	\$ 60,125.00
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	92,715.96					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		0.00
09-52b3	Acquisition and Resurfacing of Property	508,250.00				508,250.00	0.00
09-65	Tax Appeal Refunding	112,000.00					112,000.00
10-12	Multi-Purpose	101,639.36					101,639.36
10-13	Traffic Calming Improvements	526,700.00					526,700.00
10-70	Multi-Purpose	108,750.00					108,750.00
11-14	Pavement and Restoration - South Park Place	225,000.00			162,500.00		62,500.00
11-18	Shade Tree Improvements	21,250.00					21,250.00
11-19	Improvements to South Mountain Ave	357,371.50		296,762.50			60,609.00
11-20	Improvements to Edgemont Pond	500,000.00					500,000.00
11-67	Pavement and Restoration - South Park Place	237,500.00					237,500.00
12-26	Paving South Mountain Arena		726,500.00				726,500.00
12-27	Pavement and Restoration - South Park Place		85,500.00		50,000.00		35,500.00
12-31	Various Capital Improvements		384,037.00		202,500.00		181,537.00
12-36	Various Capital Improvements		812,962.00				812,962.00
12-40	Acquisition of Vehicles		584,250.00				584,250.00
12-41	Various Capital Improvements		1,086,875.00				1,086,875.00
12-42	Acquisition of Ambulance		144,875.00				144,875.00
		5,437,167.93	3,824,999.00	296,762.50	800,000.00	508,250.00	7,657,154.43

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TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2012

Ordinance Number	Improvement Description	Balance December 31, 2011	Authorizations	Cash on Hand	Bond Anticipation Notes Issued	Cancelled	Balance December 31, 2012
	<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		168,885.45		2,559.79	
02-09	Various School Improvements	109,357.52				109,357.52	
04-21	Various School Improvements	3,335,491.15	1,887,398.63	5,101,377.50			121,512.28
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			700,000.00		396,848.00
09-20	Various School Improvements	403,200.00			250,000.00		153,200.00
10-28	Multi-Purpose	86,360.00					86,360.00
11-14	Various School Improvements	1,186,360.00			600,000.00		586,360.00
12-32	Various School Improvements		3,053,440.00		1,450,000.00		1,603,440.00
		<u>8,022,503.51</u>	<u>4,940,838.63</u>	<u>5,270,262.95</u>	<u>3,000,000.00</u>	<u>113,998.91</u>	<u>4,579,080.28</u>
		<u>\$ 13,459,671.44</u>	<u>\$ 8,765,837.63</u>	<u>\$ 5,567,025.45</u>	<u>\$ 3,800,000.00</u>	<u>\$ 622,248.91</u>	<u>\$ 12,236,234.71</u>
		Ref. C					C

TOWNSHIP OF MONTCLAIR
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS COLLECTOR - TREASURER
YEAR ENDED DECEMBER 31, 2012

D-5

	<u>Ref.</u>	<u>Operating Fund</u>		<u>Capital Fund</u>	
Balance, December 31, 2011	D	\$	\$ 1,030,093.73	\$	\$ 1,540,745.73
Increased by Receipts:					
Premium on Sales of Notes	D-2			17,860.24	
Miscellaneous Revenue	D-3, D-24	9,561.78		6,397.65	
Collector	D-6	6,553,493.23			
Petty Cash Funds	D-8	150.00			
Loans Receivable	D-10			1,198,710.00	
Interfund Receivable	D-11	1,974,852.45			
Water Overpayments	D-21	1,512.72			
Capital Improvement Fund	D-23			50,000.00	
Bond Anticipation Notes	D-27			3,882,475.00	
			<u>8,539,570.18</u>		<u>5,155,442.89</u>
			9,569,663.91		6,696,188.62
Decreased by Disbursements:					
Budget Appropriations	D-4	5,185,366.12			
Petty Cash Funds	D-8	150.00			
Interfunds Receivable	D-11	158,133.02			
Appropriation Reserves	D-16	128,625.42			
Accrued Interest on Bonds	D-17	364,821.79			
Accrued Interest on Notes	D-18	47,088.21			
Accrued Interest on Loans	D-19	72,543.03			
Due to State of New Jersey	D-20	13,310.45			
Water Overpayments	D-21	1,613.52			
Improvement Authorizations	D-22			1,688,365.89	
Interfund Payable	D-24			1,083,771.19	
Bond Anticipation Notes	D-27			3,561,025.00	
			<u>5,971,651.56</u>		<u>6,333,162.08</u>
Balance, December 31, 2012	D		<u>\$ 3,598,012.35</u>		<u>\$ 363,026.54</u>

TOWNSHIP OF MONTCLAIR
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS COLLECTOR
YEAR ENDED DECEMBER 31, 2012

D-6

	<u>Ref.</u>	
Increased by:		
Miscellaneous Revenue	D-3	\$ 181,578.54
Consumer Accounts Receivable	D-12	6,358,416.41
Due to State of New Jersey	D-20	<u>13,498.28</u>
		<u>6,553,493.23</u>
Decreased by:		
Turnovers to Treasurer	D-5	<u>6,553,493.23</u>
		<u>\$</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
WATER UTILITY

CHANGE FUNDS
DECEMBER 31, 2012

D-7

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 200.00
Balance, December 31, 2012	D	<u>\$ 200.00</u>

PETTY CASH FUNDS
YEAR ENDED DECEMBER 31, 2012

D-8

	<u>Ref.</u>	
Increased by:		
Petty Cash Fund Established	D-5	\$ 150.00
Decreased by:		
Petty Cash Fund Returned	D-5	<u>150.00</u>
Balance, December 31, 2012		<u>\$</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
WATER UTILITY

ANALYSIS OF CAPITAL CASH
YEAR ENDED DECEMBER 31, 2012

D-9

	Balance Dec. 31, 2011	Receipts		Disbursements		Transfers		Balance Dec. 31, 2012
		Bond Anticipation Notes	Other	Improvement Authorizations	Other	From	To	
<u>Improvement Authorizations</u>								
<u>General Improvements:</u>								
#99-14	\$ (68,458.60)		\$	\$ 2,490.00	\$	\$		\$ (70,948.60)
#01-11	(510,985.79)		1,198,710.00					687,724.21
#01-24	1,598.50			1,325.27				273.23
#02-33	(71,360.97)			22,477.28				(93,838.25)
#02-34	(7,386.77)	27,650.00		111,045.56	27,650.00			(118,432.33)
#03-13	800.00							800.00
#03-46	12,966.90							12,966.90
#05-39	147,113.61							147,113.61
#06-39	125,791.99	852,100.00		19,188.97	852,500.00			106,203.02
#07-50	74,773.30	788,875.00		62,377.32	788,875.00			12,395.98
#08-35	71,230.87	892,000.00		44,429.82	892,000.00			26,801.05
#09-35	(91,920.47)			544,733.12				(636,653.59)
#09-69	361,560.34	500,000.00		462,772.28	500,000.00			(101,211.94)
#10-73	269,782.00	500,000.00		181,847.66	500,000.00			87,934.34
#11-74	35,750.00	321,850.00		235,678.61				121,921.39
#12-73							28,875.00	28,875.00
<u>Other Accounts</u>								
Fund Balance	62,088.10		17,860.24				747.73	80,696.07
Capital Improvement Fund	43,631.53		50,000.00			28,875.00		64,756.53
General Capital Fund Interfund						747.73		(747.73)
Water Operating Fund Interfund	1,083,771.19		6,397.65		1,083,771.19			6,397.65
	<u>\$ 1,540,745.73</u>	<u>\$ 3,882,475.00</u>	<u>\$ 1,272,967.89</u>	<u>\$ 1,688,365.89</u>	<u>\$ 4,644,796.19</u>	<u>\$ 29,622.73</u>	<u>\$ 29,622.73</u>	<u>\$ 363,026.54</u>
Ref.	D					Contra	Contra	D

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TOWNSHIP OF MONTCLAIR
WATER UTILITY

LOANS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

D-10

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 1,496,800.60
Decreased by:		
Collections	D-5	<u>1,198,710.00</u>
Balance, December 31, 2012	D	<u>\$ 298,090.60</u>
 <u>Analysis of Balance</u>		
<u>N.J. Environmental Infrastructure</u>		
Trust Loan:		
Ordinance #09-35		<u>\$ 298,090.60</u>

TOWNSHIP OF MONTCLAIR
WATER UTILITY

INTERFUNDS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

D-11

	Ref.	Total Water Operating Fund	Water Operating Fund			Water Capital Fund
			General Capital Fund	Water Capital Fund	Sewer Operating Fund	General Capital Fund
Balance, December 31, 2011	D	\$ 1,866,271.19	\$ 772,000.00	\$ 1,083,771.19	\$ 10,500.00	\$
Increased by:						
Interest on Deposit	D-3	6,397.65		6,397.65		
Interest on Note Sale	D-2					747.73
Advances	D-5	158,133.02			158,133.02	
		<u>164,530.67</u>		<u>6,397.65</u>	<u>158,133.02</u>	<u>747.73</u>
		2,030,801.86	772,000.00	1,090,168.84	168,633.02	747.73
Decreased by:						
Settlements	D-5	1,974,852.45	772,000.00	1,083,771.19	119,081.26	
Balance, December 31, 2012	D	<u>\$ 55,949.41</u>	<u>\$</u>	<u>\$ 6,397.65</u>	<u>\$ 49,551.76</u>	<u>\$ 747.73</u>

TOWNSHIP OF MONTCLAIR
WATER UTILITY

CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

D-12

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 909,340.19
Increased by:		
Water Rents Levied - Net	Reserve	<u>6,450,503.41</u>
		7,359,843.60
Decreased by;		
Collections	D-1, D-3, D-6	<u>6,358,416.41</u>
Balance, December 31, 2012	D	<u>\$ 1,001,427.19</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
WATER UTILITY

INVENTORY - MATERIALS AND SUPPLIES
DECEMBER 31, 2012

D-13

	<u>Ref.</u>	
Balance, December 31, 2011	D	<u>\$ 126,298.65</u>
Balance, December 31, 2012	D	<u>\$ 126,298.65</u>

FIXED CAPITAL
YEAR ENDED DECEMBER 31, 2012

D-14

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 23,626,744.36
Increased by:		
Transferred from Fixed Capital	D-15	<u>2,295,562.60</u>
Balance, December 31, 2012	D	<u>\$ 25,922,306.96</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
WATER UTILITY

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
YEAR ENDED DECEMBER 31, 2012

D-15

Ordinance Number	Description	Balance Dec. 31, 2011	2012 Authorizations	Transferred to Fixed Capital	Balance Dec. 31, 2012
99-14	Replacement of Lead Water Service Pipes	\$ 2,295,562.60	\$	\$ 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	715,000.00			715,000.00
12-73	Various Water Utility Improvements		577,500.00		577,500.00
		<u>\$ 16,850,312.97</u>	<u>\$ 577,500.00</u>	<u>\$ 2,295,562.60</u>	<u>\$ 15,132,250.37</u>

Ref.

D

D-22

D-14

D

TOWNSHIP OF MONTCLAIR
WATER UTILITY

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2012

D-16

	Balance Dec. 31, 2011		Balance After Transfers	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Unencumbered</u>			
<u>Operating</u>					
Salaries and Wages	\$	\$ 339,804.72	\$ 339,804.72	\$	\$ 339,804.72
Other Expenses	87,616.42	439,230.30	526,846.72	108,135.42	418,711.30
<u>Commercial</u>					
Salaries and Wages		61,434.54	61,434.54		61,434.54
Other Expenses		37,554.37	37,554.37	20,490.00	17,064.37
<u>Statutory Expenditures</u>					
Unemployment Compensation Insurance		7,500.00	7,500.00		7,500.00
	<u>\$ 87,616.42</u>	<u>\$ 885,523.93</u>	<u>\$ 973,140.35</u>	<u>\$ 128,625.42</u>	<u>\$ 844,514.93</u>
<u>Ref.</u>	D	D		D-5	D-1

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TOWNSHIP OF MONTCLAIR
WATER UTILITY

ACCRUED INTEREST ON BONDS
YEAR ENDED DECEMBER 31, 2012

D-17

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 159,941.67
Increased by:		
Budget Appropriation	D-4	351,534.30
		511,475.97
Decreased by:		
Payments	D-5	364,821.79
Balance, December 31, 2012	D	\$ 146,654.18

Analysis of Balance

Principal Outstanding Dec. 31, 2012	Interest Rate		Accrued		Period	Amount
			From	To		
\$ 235,000.00	5.00	%	7-15-12	12-31-12	5.5 Months	\$ 5,385.42
1,335,000.00	4.50		7-01-12	12-31-12	6 Months	30,037.50
1,768,000.00	4.625		7-01-12	12-31-12	6 Months	40,885.00
285,000.00	3.50		9-01-12	12-31-12	4 Months	3,325.00
640,000.00	3.75		9-01-12	12-31-12	4 Months	8,000.00
1,700,000.00	4.00		9-01-12	12-31-12	4 Months	22,666.67
300,000.00	4.125		9-01-12	12-31-12	4 Months	4,125.00
294,000.00	4.25		9-01-12	12-31-12	4 Months	4,165.00
600,000.00	3.00		9-01-12	12-31-12	4 Months	6,000.00
100,000.00	2.00		9-01-12	12-31-12	4 Months	666.67
100,000.00	3.125		9-01-12	12-31-12	4 Months	1,041.67
165,000.00	3.375		9-01-12	12-31-12	4 Months	1,856.25
1,270,000.00	3.00		8-01-12	12-31-12	5 Months	15,875.00
280,000.00	2.25		8-01-12	12-31-12	5 Months	2,625.00
\$ 9,072,000.00						\$ 146,654.18

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TOWNSHIP OF MONTCLAIR
WATER UTILITY

ACCRUED INTEREST ON NOTES
YEAR ENDED DECEMBER 31, 2012

D-18

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 12,453.56
Increased by:		
Budget Appropriation	D-4	43,548.14
		<u>56,001.70</u>
Decreased by:		
Payments	D-5	47,088.21
Balance, December 31, 2012	D	<u>\$ 8,913.49</u>

Analysis of Balance

Notes Outstanding Dec. 31, 2012	Interest Rate	%	<u>Accrued</u>		<u>Period</u>	<u>Amount</u>
			<u>From</u>	<u>To</u>		
\$ 900,875.00	1.00	%	3-10-12	12-31-12	290 Days	\$ 7,257.05
<u>2,689,150.00</u>	1.25		12-15-11	12-31-12	16 Days	<u>1,656.44</u>
<u>\$ 3,590,025.00</u>						<u>\$ 8,913.49</u>

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TOWNSHIP OF MONTCLAIR
WATER UTILITY

ACCRUED INTEREST ON LOANS
YEAR ENDED DECEMBER 31, 2012

D-19

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 40,698.97
Increased by:		
Budget Appropriation	D-4	69,532.62
		110,231.59
Decreased by:		
Payments	D-5	72,543.03
		72,543.03
Balance, December 31, 2012	D	\$ 37,688.56

Analysis of Balance

<u>Principal Outstanding Dec. 31, 2012</u>	<u>Interest Rate</u>	<u>Accrued</u>		<u>Period</u>	<u>Amount</u>
		<u>From</u>	<u>To</u>		
\$ 415,000.00	5.50	%	8-01-12	12-31-12	5 Months \$ 9,510.42
195,000.00	5.70		8-01-12	12-31-12	5 Months 4,631.25
40,000.00	5.50		8-01-12	12-31-12	5 Months 916.67
255,000.00	5.00		8-01-12	12-31-12	5 Months 5,312.50
100,000.00	4.75		8-01-12	12-31-12	5 Months 1,979.17
5,000.00	5.00		8-01-12	12-31-12	5 Months 104.17
95,000.00	5.25		8-01-12	12-31-12	5 Months 2,078.13
415,000.00	5.00		8-01-12	12-31-12	5 Months 8,645.83
70,000.00	4.75		8-01-12	12-31-12	5 Months 1,385.42
50,000.00	5.00		8-01-12	12-31-12	5 Months 1,145.83
10,000.00	4.00		8-01-12	12-31-12	5 Months 166.67
10,000.00	5.00		8-01-12	12-31-12	5 Months 208.33
10,000.00	3.00		8-01-12	12-31-12	5 Months 125.00
40,000.00	4.00		8-01-12	12-31-12	5 Months 666.67
10,000.00	3.50		8-01-12	12-31-12	5 Months 145.83
40,000.00	4.00		8-01-12	12-31-12	5 Months 666.67
\$ 1,760,000.00					\$ 37,688.56

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TOWNSHIP OF MONTCLAIR
WATER UTILITY

DUE TO STATE OF NEW JERSEY WATER SURCHARGE
YEAR ENDED DECEMBER 31, 2012

D-20

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 3,300.28
Increased by:		
Collections	D-6	<u>13,498.28</u>
		16,798.56
Decreased by:		
Payments	D-5	<u>13,310.45</u>
Balance, December 31, 2012	D	<u><u>\$ 3,488.11</u></u>

TOWNSHIP OF MONTCLAIR
WATER UTILITY

WATER OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2012

D-21

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 15,483.80
Increased by:		
Collections	D-5	<u>1,512.72</u>
		16,996.52
Decreased by:		
Refunds	D-5	<u>1,613.52</u>
Balance, December 31, 2012	D	<u><u>\$ 15,383.00</u></u>

TOWNSHIP OF MONTCLAIR
WATER UTILITY

WATER IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2012

D-22

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Improvement Description	Ordinance		Balance Dec. 31, 2011		2012 Authorizations	Paid or Charged	Balance Dec. 31, 2012		
	Number	Date	Amount	Funded			Unfunded	Funded	Unfunded
Replacement of Lead Water Service Pipes	99-14	7-20-99	\$2,705,000.00	\$	\$ 2,490.00	\$ 2,490.00	\$	\$	
Reconstruction of Watchung Avenue Pump Station	01-11	4-10-01	1,484,000.00		10,974.21			10,974.21	
Various Water System Improvements	01-24	4-10-01	1,931,280.00	1,598.50		1,325.27	273.23		
Reconstruction of Grove Street Pumping Station	02-33	7-23-02	2,020,500.00		114,453.03	22,477.28		91,975.75	
Construction of Facilities for the Nishuane Well	02-34	7-23-02	1,060,000.00		974,387.23	111,045.56		863,341.67	
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	12,966.90			12,966.90		
Various Water System Improvements	05-39	9-13-05	1,190,000.00	178,708.61			178,708.61		
Various Water System Improvements	06-39	6-27-06	1,022,000.00		196,691.99	19,188.97		177,503.02	
Various Water System Improvements	07-50	11-12-07	850,000.00		75,273.30	62,377.32		12,895.98	
Various Water System Improvements	08-35	9-23-08	980,000.00		102,230.87	44,429.82		57,801.05	
Replacement of Glenfield Public Supply Well	09-35	6-23-09	800,000.00		708,079.53	544,733.12		163,346.41	
Various Water System Improvements	09-69	11-10-09	825,000.00		645,310.34	462,772.28		182,538.06	
Various Water System Improvements	10-73	12-07-10	650,000.00		387,282.00	181,847.66		205,434.34	
Various Water System Improvements	11-74	11-1-11	715,000.00	35,750.00	679,250.00	235,678.61		479,321.39	
Various Water System Improvements	12-73	12-28-12	577,500.00				28,875.00	548,625.00	
				<u>\$229,824.01</u>	<u>\$ 3,896,422.50</u>	<u>\$577,500.00</u>	<u>\$1,688,365.89</u>	<u>\$221,623.74</u>	<u>\$2,793,756.88</u>
		Ref.		D	D	D-15	D-5	D	D

TOWNSHIP OF MONTCLAIR
WATER UTILITY

CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2012

D-23

	<u>Ref.</u>	
Balance, December 31, 2011	D	\$ 43,631.53
Increased by:		
Budget Appropriation	D-5	<u>50,000.00</u>
		93,631.53
Decreased by:		
Appropriated to Finance Improvement		
Authorizations:		
#12-73	D-26	<u>28,875.00</u>
Balance, December 31, 2012	D	<u>\$ 64,756.53</u>

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TOWNSHIP OF MONTCLAIR
WATER UTILITY

INTERFUND PAYABLE
YEAR ENDED DECEMBER 31, 2012

D-24

	<u>Ref.</u>	<u>Water Capital Fund</u> <u>Water Operating Fund</u>
Balance, December 31, 2011	D	\$ 1,083,771.19
Increased by:		
Interest on Deposit	D-5	<u>6,397.65</u> 1,090,168.84
Decreased by:		
Settlements	D-5	<u>1,083,771.19</u>
Balance, December 31, 2012	D	<u><u>\$ 6,397.65</u></u>

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TOWNSHIP OF MONTCLAIR
WATER UTILITY

RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2012

D-25

	<u>Ref.</u>		
Balance, December 31, 2011	D		\$ 20,492,869.25
Increased by:			
Transferred from Deferred Reserve			
Amortization	D-26	\$ 130,000.00	
N.J. Environmental Infrastructure Trust			
Loan Paid by Operating Budget	D-28	337,075.76	
Serial Bonds Paid by Operating Budget	D-29	<u>630,000.00</u>	
			<u>1,097,075.76</u>
Balance, December 31, 2012	D		<u>\$ 21,589,945.01</u>

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TOWNSHIP OF MONTCLAIR
WATER UTILITY

DEFERRED RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2012

D-26

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Ordinance Number	Description	Balance Dec. 31, 2011	Increase	Notes Paid by Budget Appropriation	To Reserve for Amortization	Balance Dec. 31, 2012
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	73,600.00		15,000.00		88,600.00
07-50	Various Water System Improvements	48,500.00		12,125.00		60,625.00
08-35	Various Water System Improvements	49,000.00		8,000.00		57,000.00
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
12-73	Various Water Utility Improvements	<u> </u>	<u>28,875.00</u>	<u> </u>	<u> </u>	<u>28,875.00</u>
		<u>\$ 834,356.37</u>	<u>\$ 28,875.00</u>	<u>\$ 35,125.00</u>	<u>\$ 130,000.00</u>	<u>\$ 768,356.37</u>
	Ref.	D	D-23	D-27	D-25	D

TOWNSHIP OF MONTCLAIR
WATER UTILITY

BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2012

D-27

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2011	Increase	Decrease	Balance Dec. 31, 2012	
06-39	Various Water System Improvements	12-21-06	12-13-13	1.25%	\$ 867,500.00	\$ 852,100.00	\$ 867,500.00	\$ 852,100.00	
07-50	Various Water System Improvements	12-18-08	12-13-13	1.25	394,000.00	388,000.00	394,000.00	388,000.00	
		03-13-09	3-8-13	1.00	407,000.00	400,875.00	407,000.00	400,875.00	
08-35	Various Water System Improvements	12-18-09	12-13-13	1.25	500,000.00	492,000.00	500,000.00	492,000.00	
		12-16-10	12-13-13	1.25	400,000.00	400,000.00	400,000.00	400,000.00	
09-69	Various Water System Improvements	03-11-10	3-8-13	1.00	250,000.00	250,000.00	250,000.00	250,000.00	
		03-10-11	3-8-13	1.00	250,000.00	250,000.00	250,000.00	250,000.00	
02-34	Various Water System Improvements	12-15-11	12-13-13	1.25	27,650.00	27,650.00	27,650.00	27,650.00	
10-73	Various Water System Improvements	12-15-11	12-13-13	1.25	500,000.00	500,000.00	500,000.00	500,000.00	
11-74	Various Water System Improvements	12-14-12	12-13-13	1.25	_____	321,850.00	_____	321,850.00	
					<u>\$ 3,596,150.00</u>	<u>\$ 3,882,475.00</u>	<u>\$ 3,596,150.00</u>	<u>\$ 3,882,475.00</u>	
					<u>Ref.</u>	D	D-5	Below	D
					<u>Ref.</u>				
					Cash Disbursements		D-5	\$ 3,561,025.00	
					Paid by Budget Appropriation		D-26	35,125.00	
							<u>\$ 3,596,150.00</u>		

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TOWNSHIP OF MONTCLAIR
WATER UTILITY

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2012

D-28

	Original Issue		Balance December 31, 2011	Decrease	Balance December 31, 2012
	Date	Amount			
Trust Share	11-04-99	\$ 1,245,000.00	\$ 675,000.00	\$ 70,000.00	\$ 605,000.00
Fund Share	11-04-99	1,295,000.00	265,745.89	66,831.78	198,914.11
Trust Share	11-08-01	660,000.00	425,000.00	35,000.00	390,000.00
Fund Share	11-08-01	706,820.00	362,289.89	37,226.53	325,063.36
Trust Share	11-07-02	915,000.00	625,000.00	45,000.00	580,000.00
Fund Share	11-07-02	962,135.00	541,156.23	50,000.87	491,155.36
Trust Share	3-10-10	180,000.00	175,000.00	5,000.00	170,000.00
Fund Share	3-10-10	550,993.00	504,298.70	28,016.58	476,282.12
			<u>\$ 3,573,490.71</u>	<u>\$ 337,075.76</u>	<u>\$ 3,236,414.95</u>
	Reference		D	D-25	D

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TOWNSHIP OF MONTCLAIR
WATER UTILITY

SERIAL BONDS
YEAR ENDED DECEMBER 31, 2012

D-29

Purpose	Date of Issue	Amount of Original Issue	Bonds Outstanding Dec. 31, 2012		Interest Rate	Balance Dec. 31, 2011	Decrease	Balance Dec. 31, 2012
			Date	Amount				
Water Improvements	3-01-03	\$ 3,397,000.00			%	\$ 325,000.00	\$ 325,000.00	\$
Water Refunding	6-01-05	755,000.00	7-15-13 7-15-14	125,000.00 110,000.00	5.00 5.00	360,000.00	125,000.00	235,000.00
Water Improvements	5-15-06	3,453,000.00	1-01-13 1-01-14 1-01-15/16 1-01-17 1-01-18 1-01-19/20 1-01-21 1-01-22/26 1-01-27	65,000.00 100,000.00 110,000.00 160,000.00 270,000.00 260,000.00 275,000.00 250,000.00 243,000.00	4.50 4.50 4.50 4.50 4.50 4.50 4.625 4.625 4.625	3,153,000.00	50,000.00	3,103,000.00
Water Improvements	9-01-08	3,349,000.00	9-01-13 9-01-14 9-01-15 9-01-16/17 9-01-18 9-01-19/20 9-01-21/24 9-01-25 9-01-26	60,000.00 50,000.00 175,000.00 195,000.00 250,000.00 250,000.00 300,000.00 300,000.00 294,000.00	3.50 3.50 3.50 3.75 3.75 4.00 4.00 4.15 4.25	3,249,000.00	30,000.00	3,219,000.00
Water Improvements	3-01-11	1,065,000.00	3-01-13 3-01-14 3-01-15/19 3-01-20 3-01-21	100,000.00 100,000.00 100,000.00 100,000.00 165,000.00	3.00 2.00 3.00 3.125 3.375	1,065,000.00	100,000.00	965,000.00
Water Refunding	8-15-11	1,550,000.00	2-01-13 2-01-14 2-01-15 2-01-16 2-01-17	320,000.00 320,000.00 315,000.00 315,000.00 280,000.00	3.00 3.00 3.00 3.00 3.00	1,550,000.00		1,550,000.00
						<u>\$ 9,702,000.00</u>	<u>\$ 630,000.00</u>	<u>\$ 9,072,000.00</u>
					Ref.	D	D-25	D

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TOWNSHIP OF MONTCLAIR
WATER UTILITY

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2012

D-30

Ordinance Number	Improvement Description	Balance December 31, 2011	Authorizations	Bond Anticipation Notes Issued	Balance December 31, 2012
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	981,774.00			981,774.00
05-39	Various Water Improvements	31,595.00			31,595.00
06-39	Various Water Improvements	70,900.00	400.00		71,300.00
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	283,750.00			283,750.00
10-73	Various Water Improvements	117,500.00			117,500.00
11-74	Various Water Improvements	679,250.00		321,850.00	357,400.00
12-73	Various Water Improvements		548,625.00		548,625.00
		<u>\$ 2,278,191.00</u>	<u>\$ 549,025.00</u>	<u>\$ 321,850.00</u>	<u>\$ 2,505,366.00</u>
	<u>Ref</u>	D			D

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION - TREASURER
DECEMBER 31, 2012

E-5

	<u>Ref.</u>	<u>Operating Fund</u>		<u>Capital Fund</u>
Balance, December 31, 2011	E	\$ 3,162,710.23	\$	\$ 918,175.07
Increased by Receipts:				
Premium on Sales of Notes	E-2			6,046.46
Collector	E-6	4,654,239.39		
Interfunds Receivable	E-9	863,329.42		
Sewer Overpayments	E-15	806.89		
Capital Improvement Fund	E-17			1,600,000.00
Interfunds Payable	E-18	1,049,571.76		152,360.41
Bond Anticipation Notes	E-21			1,879,950.00
		<u>6,567,947.46</u>		<u>3,638,356.87</u>
		9,730,657.69		4,556,531.94
Decreased by Disbursements:				
Anticipated Revenue - Current Fund	E-1	100,000.00		
Budget Appropriations	E-4	6,024,599.68		
Interfunds Receivable	E-9	158,037.89		
Appropriation Reserves	E-13	15,218.62		
Accrued Interest on Notes	E-14	30,328.04		
Sewer Overpayments	E-15	393.46		
Improvements Authorizations	E-16			1,718,438.44
Interfund Payable	E-18	1,010,520.00		855,291.53
Bond Anticipation Notes	E-21			1,879,550.00
		<u>7,339,097.69</u>		<u>4,453,279.97</u>
Balance, December 31, 2012	E	<u>\$ 2,391,560.00</u>		<u>\$ 103,251.97</u>

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

CASH RECEIPTS AND DISBURSEMENTS - COLLECTOR
YEAR ENDED DECEMBER 31, 2012

E-6

	<u>Ref.</u>	
Increased by:		
Miscellaneous Revenue Not Anticipated	E-3	\$ 72,561.53
Consumer Accounts Receivable	E-10	<u>4,581,677.86</u>
		4,654,239.39
Decreased by:		
Turnovers to Treasurer	E-5	<u>4,654,239.39</u>
		<u>\$</u>

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

CHANGE FUNDS
DECEMBER 31, 2012

E-7

	<u>Ref.</u>	
Balance, December 31, 2011	E	<u>\$ 200.00</u>
Balance, December 31, 2012	E	<u><u>\$ 200.00</u></u>

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

ANALYSIS OF CAPITAL CASH
YEAR ENDED DECEMBER 31, 2012

E-8

	Balance Dec. 31, 2011	Receipts Other	Disbursements		Transfers		Balance Dec. 31, 2012
			Improvement Authorizations	Other	From	To	
<u>Improvement Authorizations</u>							
General Improvements:							
#06-38, 07-44	\$ 61,411.14	\$	\$	\$	\$	\$	\$ 61,411.14
#08-11	(37,174.43)		15,067.00				(52,241.43)
#08-36	135,837.67	400.00	120,150.74				16,086.93
#09-17	398,665.80		133,783.83				264,881.97
#09-70	180,145.98		174,035.93				6,110.05
#11-54	(623.65)		782,208.90				(782,832.55)
#12-21			493,192.04			1,100,000.00	606,807.96
<u>Other Accounts</u>							
Fund Balance	54,121.03	6,046.46				967.05	61,134.54
Capital Improvement Fund	120,500.00	1,600,000.00			1,100,000.00		620,500.00
General Capital Interfund					967.05		(967.05)
Sewer Operating Fund Interfund	5,291.53	152,360.41		855,291.53			(697,639.59)
	<u>\$ 918,175.07</u>	<u>\$ 1,758,806.87</u>	<u>\$ 1,718,438.44</u>	<u>\$ 855,291.53</u>	<u>\$ 1,100,967.05</u>	<u>\$ 1,100,967.05</u>	<u>\$ 103,251.97</u>
<u>Ref.</u>	E						E

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

INTERFUNDS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

E-9

	<u>Ref.</u>	<u>Sewer Operating Fund</u>		<u>Sewer Capital Fund</u>	
		<u>Sewer Capital</u>	<u>Payroll Agency</u>	<u>General Capital</u>	<u>Operating Fund</u>
Balance, December 31, 2011	E	\$ 5,291.53	\$	\$	\$
Increased by:					
Interest on Deposit	E-3	2,360.41			
Premium on Sale of Notes	E-2			967.05	
Advances	E-5	150,000.00	8,037.89		
Transferred from/to Interfunds Payable	E-18	697,639.59			697,639.59
		<u>855,291.53</u>	<u>8,037.89</u>	<u>967.05</u>	<u>697,639.59</u>
Decreased by:					
Settlements	E-5	<u>855,291.53</u>	<u>8,037.89</u>		
Balance, December 31, 2012	E	<u>\$</u>	<u>\$</u>	<u>\$ 967.05</u>	<u>\$ 697,639.59</u>

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

E-10

	<u>Ref.</u>	
Balance, December 31, 2011	E	\$ 661,266.72
Increased by:		
Sewer Charges Levied - Net	Reserve	<u>4,623,522.98</u>
		5,284,789.70
Decreased by:		
Collections	E-3, E-6	<u>4,581,677.86</u>
Balance, December 31, 2012	E	<u><u>\$ 703,111.84</u></u>

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

INVENTORY - MATERIALS AND SUPPLIES
DECEMBER 31, 2012

E-11

	<u>Ref.</u>	
Balance, December 31, 2011	E	<u>\$ 14,454.22</u>
Balance, December 31, 2012	E	<u><u>\$ 14,454.22</u></u>

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2012

E-13

	<u>Balance Dec. 31, 2011</u>		<u>Balance</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Unencumbered</u>	<u>After</u> <u>Transfers</u>		<u>Lapsed</u>
<u>Operating:</u>					
Salary and Wages	\$	\$ 62,650.63	\$ 62,650.63	\$	\$ 62,650.63
Other Expenses	12,299.77	185,083.47	197,383.24	15,218.62	182,164.62
Passaic Valley Sewer Commission		4,472.23	4,472.23		4,472.23
Second River Sewer		65.64	65.64		65.64
Third River Sewer		810.35	810.35		810.35
Unemployment Insurance		3,500.00	3,500.00		3,500.00
	<u>\$ 12,299.77</u>	<u>\$ 256,582.32</u>	<u>\$ 268,882.09</u>	<u>\$ 15,218.62</u>	<u>\$ 253,663.47</u>
<u>Ref.</u>	E	E		E-5	E-1

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

ACCRUED INTEREST ON NOTES
YEAR ENDED DECEMBER 31, 2012

E-14

	<u>Ref.</u>	
Balance, December 31, 2011	E	\$ 12,733.06
Increased by:		
Budget Appropriation	E-4	27,541.49
		40,274.55
Decreased by:		
Payments	E-5	30,328.04
		30,328.04
Balance, December 31, 2012	E	\$ 9,946.51

Analysis of Balance

<u>Notes Outstanding</u>	<u>Interest</u>	<u>Accrued</u>		<u>Period</u>	<u>Period</u>
Dec. 31, 2012	Rate	<u>From</u>	<u>To</u>		
\$ 1,009,400.00	1.25 %	12/14/2012	12/31/2012	16 Days	\$ 560.78
1,165,125.00	1.00	3/10/2012	12/31/2012	290 Days	9,385.73
					\$ 9,946.51

See Independent Auditors' Report

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

SEWER OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2012

E-15

	<u>Ref.</u>	
Balance, December 31, 2011	E	\$ 14,468.90
Increased by:		
Collections	E-5	806.89
		<u>15,275.79</u>
Decreased by:		
Refunds	E-5	393.46
		<u>393.46</u>
Balance, December 31, 2012	E	<u>\$ 14,882.33</u>

TOWNSHIP OF MONTCLAIR
SEWER UTILITY

SEWER IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2012

E-16

<u>Improvement Description</u>	<u>Number</u>	<u>Ordinance</u>		<u>Balance Dec. 31, 2011</u>		<u>2012 Authorizations</u>	<u>Paid or Charged</u>	<u>Balance Dec. 31, 2012</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	\$	\$ 123,411.14	\$	\$	\$	\$ 123,411.14
Various Sewer System Improvements	08-11	2-19-08	600,000.00		62,825.57		15,067.00		47,758.57
Repairs to Sewer Utility System	08-36	9-23-08	330,000.00		149,337.67		120,150.74		29,186.93
Various Sewer System Improvements	09-17	4-21-09	550,000.00	23,665.80	522,500.00		133,783.83		412,381.97
Various Sewer System Improvements	09-70	11-10-09	450,000.00		307,645.98		174,035.93		133,610.05
Refurbishment of the Sanitary Sewer	11-54	08-16-11	1,600,000.00		1,599,376.35		782,208.90		817,167.45
Various Sewer System Improvements	12-21	03-06-12	1,100,000.00			1,100,000.00	493,192.04	606,807.96	
				<u>\$ 23,665.80</u>	<u>\$ 2,765,096.71</u>	<u>\$ 1,100,000.00</u>	<u>\$ 1,718,438.44</u>	<u>\$ 606,807.96</u>	<u>\$ 1,563,516.11</u>
		<u>Ref.</u>		E	E	E-12	E-5	E	E

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TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2012

E-17

	<u>Ref.</u>	
Balance, December 31, 2011	E	\$ 120,500.00
Increased by:		
Budget Appropriation	E-5	<u>1,600,000.00</u>
		1,720,500.00
Decreased by:		
Appropriated to Finance Improvement	E-20	<u>1,100,000.00</u>
Balance, December 31, 2012	E	<u><u>\$ 620,500.00</u></u>

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

INTERFUNDS PAYABLE
YEAR ENDED DECEMBER 31, 2012

E-18

	Ref.	Sewer Operating Fund			Sewer Capital Fund
		Water Operating	Sewer Capital	Current Fund	Sewer Operating Fund
Balance, December 31, 2011	E	\$ 10,500.00	\$	\$	\$ 5,291.53
Increased by:					
Advances	E-5	49,571.76		1,000,000.00	150,000.00
Transferred from/to Interfunds Receivable	E-9		697,639.59		697,639.59
Interest on Deposit	E-5				2,360.41
		<u>49,571.76</u>	<u>697,639.59</u>	<u>1,000,000.00</u>	<u>850,000.00</u>
		60,071.76	697,639.59	1,000,000.00	855,291.53
Decreased by:					
Settlements	E-5	10,520.00		1,000,000.00	855,291.53
Balance, December 31, 2012	E	<u>\$ 49,551.76</u>	<u>\$ 697,639.59</u>	<u>\$</u>	<u>\$</u>

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

RESERVE FOR AMORTIZATION
DECEMBER 31, 2012

E-19

	<u>Ref.</u>	
Balance, December 31, 2011	E	<u>\$ 7,500.00</u>
Balance, December 31, 2012	E	<u><u>\$ 7,500.00</u></u>

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

DEFERRED RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2012

E-20

Ordinance Number	Improvement Description	Balance Dec. 31, 2011	Increase	Balance Dec. 31, 2012
06-38, 07-44	Various Sewer System Improvements	\$ 62,500.00	\$ 13,675.00	\$ 76,175.00
08-11	Various Sewer System Improvements		7,125.00	7,125.00
08-36	Repairs to Sewer Utility System	16,500.00	3,075.00	19,575.00
09-17	Various Sewer System Improvements	27,500.00		27,500.00
09-70	Various Sewer System Improvements	22,500.00		
12-21	Various Sewer System Improvements		1,100,000.00	1,100,000.00
		<u>\$ 129,000.00</u>	<u>\$ 1,123,875.00</u>	<u>\$ 1,252,875.00</u>
		Ref. E	Below	E
			Ref.	
	Capital Improvement Fund	E-17	\$ 1,100,000.00	
	Paid by Budget Appropriation	E-21	<u>23,875.00</u>	
			<u>\$ 1,123,875.00</u>	

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2012

E-21

Ordinance Number	Purpose	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2011	Increase	Decrease	Balance Dec. 31, 2012	
06-38, 07-44	Various Sewer System Improvements	12-21-06	12-14-12	12-13-13	1.25 %	\$ 377,500.00	\$ 364,760.00	\$ 377,500.00	\$ 364,760.00	
		12-18-08	12-14-12	12-13-13	1.25	294,500.00	75.00		294,575.00	
		12-18-09	12-14-12	12-13-13	1.25	50,405.00	49,485.00	50,405.00	49,485.00	
		12-16-10	12-14-12	12-13-13	1.25	595.00	580.00	595.00	580.00	
08-11	Various Sewer Improvements	3-13-09	3-09-12	3-08-13	1.00	500,000.00	492,875.00	500,000.00	492,875.00	
08-36	Repairs to Sewer Utility System	3-13-09	3-09-12	3-08-13	1.00	200,000.00	197,250.00	200,000.00	197,250.00	
		3-11-10	3-09-12	3-08-13	1.00	100,000.00	100,000.00	100,000.00	100,000.00	
09-17	Various Sewer Improvements	3-11-10	3-09-12	3-08-13	1.00	375,000.00	375,000.00	375,000.00	375,000.00	
09-70	Various Sewer Improvements	12-16-10	12-14-12	12-13-13	1.25	300,000.00	300,000.00	300,000.00	300,000.00	
						<u>\$ 2,198,000.00</u>	<u>\$ 1,880,025.00</u>	<u>\$ 1,903,500.00</u>	<u>\$ 2,174,525.00</u>	
						<u>Ref.</u>	E	Below	Below	E
						<u>Ref.</u>				
						Budget Appropriations	E-20	\$	\$ 23,875.00	
						Cash	E-5	1,879,950.00	1,879,550.00	
						Contra		75.00	75.00	
						Above	<u>\$ 1,880,025.00</u>	<u>\$ 1,903,500.00</u>		

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TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2012

E-22

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2011</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2012</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	400.00	13,100.00
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
		<u>\$ 2,050,500.00</u>	<u>\$ 400.00</u>	<u>\$ 2,050,100.00</u>
	<u>Ref.</u>	E		E

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION -
TREASURER
YEAR ENDED DECEMBER 31, 2012

F-4

	<u>Ref.</u>	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance, December 31, 2011	F	\$ 943.28	\$
Increased by Receipts:			
Interest on Deposits	F-2	30.75	
Contribution	F-2	1,071,260.00	
Dissolution of Parking Authority- Funds on Hand	F-2	1,711,284.30	
Accounts Receivable	F-7		282,014.68
Interfund Receivable	F-11		52,113.17
Accounts Payable	F-13	63,803.91	
Accrued Interest Receivable	F-6	366,797.50	
		<u>3,213,176.46</u>	<u>334,127.85</u>
			334,127.85
Increased by Disbursements:			
Budget Appropriations	F-3	330,000.00	
Interfund Payable	F-11	52,113.17	
Accrued Interest on Bonds	F-10	741,260.08	
		<u>1,123,373.25</u>	
Balance, December 31, 2012	F	<u>\$ 2,090,746.49</u>	<u>\$ 334,127.85</u>

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

ANALYSIS OF CAPITAL CASH
DECEMBER 31, 2012 AND 2011

F-5

	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
Other Accounts		
Due from Montclair Parking Authority	\$ (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></u>
	<u>\$</u>	<u>\$ 334,127.85</u>

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

ACCRUED INTEREST RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

F-6

	<u>Ref.</u>		
Balance, December 31, 2011	F		\$ 374,462.42
Decreased by:			
Collections	F-4	\$ 366,797.50	
Applied from Accrued Interest Payable	F-10	<u>7,664.92</u>	
			<u>374,462.42</u>
Balance, December 31, 2012			<u>\$</u>

DUE FROM MONTCLAIR PARKING AUTHORITY
YEAR ENDED DECEMBER 31, 2012

F-7

	<u>Ref.</u>		
Balance, December 31, 2011	F		\$ 282,014.68
Decreased by:			
Collections	F-4		<u>282,014.68</u>
Balance, December 31, 2012			<u>\$</u>

TOWNSHIP OF MONTCLAIR
PARKING AUTHORITY

INTERFUNDS RECEIVABLE
YEAR ENDED DECEMBER 31, 2012

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, 2011	F	\$ 74,961.76	\$ 52,113.17
Decreased by:			
Collections	F-4	<u> </u>	<u>52,113.17</u>
Balance, December 31, 2012	F	<u>\$ 74,961.76</u>	<u>\$</u>

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

FIXED CAPITAL
DECEMBER 31, 2012

F-9

	<u>Balance</u> <u>Dec. 31, 2011</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
Construction of Various Parking Decks	<u>\$ 16,445,000.00</u>	<u>\$ 16,445,000.00</u>
<u>Ref.</u>	F	F

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

ACCRUED INTEREST ON BONDS
YEAR ENDED DECEMBER 31, 2012

F-10

	<u>Ref.</u>			
Balance, December 31, 2011	F		\$	374,462.50
Increased by:				
Budget Appropriation	F-3			741,260.00
				1,115,722.50
Decreased by:				
Payments	F-4	\$ 741,260.08		
Excess Applied to Accrued Interest Receivable	F-6	7,664.92		
				748,925.00
Balance, December 31, 2012	F		\$	366,797.50

Analysis of Balance

Bonds Outstanding Dec. 31, 2012	Interest Rate		Accrued		Period	Amount
			From	To		
\$ 2,820,000.00	4.500	%	7/1/2012	12/31/2012	6 Months	\$ 63,450.00
10,620,000.00	4.625		7/1/2012	12/31/2012	6 Months	245,587.50
180,000.00	6.400		7/1/2012	12/31/2012	6 Months	5,760.00
1,600,000.00	6.500		7/1/2012	12/31/2012	6 Months	52,000.00
						52,000.00
						\$ 366,797.50

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

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2012

F-12

	<u>Ref.</u>	
Balance, December 31, 2011	F	\$ 895,000.00
Increased by:		
Serial Bonds Paid by Operating Budget:		
Current Year	F-13	<u>330,000.00</u>
Balance, December 31, 2012	F	<u>\$ 1,225,000.00</u>

ACCOUNTS PAYABLE
YEAR ENDED DECEMBER 31, 2012

F-13

	<u>Ref.</u>	
Increased by:		
Cash Receipts from Authority to Pay Year End Bills	F-4	<u>\$ 63,803.91</u>
Balance, December 31, 2012	F	<u>\$ 63,803.91</u>

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

SERIAL BONDS
YEAR ENDED DECEMBER 31, 2012

F-14
Sheet # 1

Purpose	Date of Issue	Amount of Original Issue	Bonds Outstanding		Interest Rate	Balance Dec. 31, 2011	Decreased	Balance Dec. 31, 2012
			Date	Amount				
Series A	5-15-06	\$ 14,555,000.00	1-01-12	\$ 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	\$ 13,740,000.00	\$ 300,000.00	\$ 13,440,000.00

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TOWNSHIP OF MONTCLAIR
PARKING UTILITY

SERIAL BONDS
YEAR ENDED DECEMBER 31, 2012

F-14
Sheet # 2

Purpose	Date of Issue	Amount of Original Issue	Bonds Outstanding		Interest Rate	Balance Dec. 31, 2011	Decreased	Balance Dec. 31, 2012
			Date	Amount				
Series B	5-15-06	\$ 1,890,000.00	1-01-12/13	\$ 30,000.00	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			
						\$ 1,810,000.00	\$ 30,000.00	\$ 1,780,000.00
						\$ 15,550,000.00	\$ 330,000.00	\$ 15,220,000.00
					Ref.	F	F-12	F

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PART II
REPORT ON INTERNAL CONTROL AND
OTHER MATTERS
SINGLE AUDIT ATTACHMENTS
ROSTER OF OFFICIALS
COMMENTS AND RECOMMENDATIONS
DECEMBER 31, 2012



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

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

We have audited, in accordance with the 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, the regulatory basis financial statements of the various funds of the Township of Montclair, Essex County, New Jersey (the "Township"), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise Township's basic financial statements, and have issued our report thereon dated July 3, 2013.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

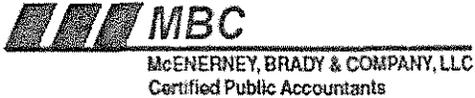
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in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



Livingston, New Jersey
July 3, 2013



John Lauria, RMA
Licensed Registered Municipal Accountant # 403



**Report on Compliance For Each Major Federal
Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of
Federal and State Awards Required by OMB Circular A-133 and New Jersey OMB Circular 04-04**

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

Report on Compliance for Each Major Federal and State Program

We have audited the Township of Montclair, County of Essex, New Jersey's (the "Township") compliance with the types of compliance requirements described in the *OMB Circular A-133* and *New Jersey OMB Circular 04-04 Compliance Supplements* that could have a direct and material effect on each of the Township's major programs for the year ended December 31, 2012. The Township's major programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Township's major programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and *New Jersey OMB Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Programs* (collectively, "OMB Circular A-133"). Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major 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 on compliance for each major program. However, our audit does not provide a legal determination of the Township's compliance.

Opinion on Each Major Program

In our opinion, the Township complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major programs for the year ended December 31, 2012.

Report on Internal Control Over Compliance

Management of the Township is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Township's internal control over compliance with the types of requirements that could have a direct and material effect on each major program to determine the auditing procedures that are

appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over compliance.

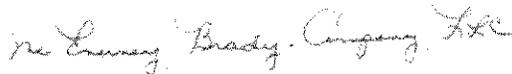
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the regulatory basis financial statements of the Township as of and for the year ended December 31, 2012, and have issued our report thereon dated July 3, 2013, which contained an unmodified opinion on those financial statements on the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our audit was conducted for the purpose of forming an opinion on the regulatory basis financial statements as a whole. The accompanying schedules of expenditures of federal and state awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the regulatory basis financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the regulatory basis financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal and state awards is fairly stated in all material respects in relation to the financial statements as a whole.



Livingston, New Jersey
July 3, 2013



John Lauria, RMA
Licensed Registered Municipal Accountant # 403

TOWNSHIP OF MONTCLAIR
COUNTY OF ESSEX

SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2012

SCHEDULE A
Sheet # 1

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Period</u>		<u>Revised Budget</u>	<u>Cash Receipts</u>	<u>Current Year Expenditures</u>	<u>Cumulative Expenditures</u>
		<u>From</u>	<u>To</u>				
U.S. Department of Housing and Urban Development: Passed -Through County of Essex Block Grant Program Year 2012	14.218	7-01-12	Completion	\$ 197,727.00	\$	\$	\$
Direct Award - Section 8 Housing	14.856	1-01-12	12-31-12	3,827,598.19	3,714,569.82	3,631,937.61	3,631,937.61
U.S. Department of Justice: Pass Through New Jersey Department of Law and Public Safety: Pedestrian Safety Grant	16.710	7-01-11	6-30-12	15,999.00	15,999.00	11,400.00	13,800.00
Bulletproof Vest Program	16.607	7-01-12	6-30-13	2,857.65	2,857.65		
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		9,940.00	83,005.13
		7-01-12	6-30-13	9,500.00	9,500.00		
Presidential Declared Disasters	97.036	10-29-12	Completion	854,754.86		854,754.86	854,754.86
U.S. Environmental Protection Agency: Passed Through Twp. Of Cherry Hill: Climate Showcase Communities Grant	66.041	7-01-10	6-30-11	75,000.00	19,510.97	1,069.05	35,555.95

TOWNSHIP OF MONTCLAIR
COUNTY OF ESSEX

SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2012

SCHEDULE A
Sheet # 2

Federal Grantor/Pass-Through <u>Grantor/Program Title</u>	Federal CFDA <u>Number</u>	<u>Grant Period</u>		Revised <u>Budget</u>	Cash <u>Receipts</u>	Current Year <u>Expenditures</u>	Cumulative <u>Expenditures</u>
		<u>From</u>	<u>To</u>				
U.S. Department of Transportation:							
Pass Through New Jersey Department of							
Transportation - Highway Safety:							
Click It or Ticket	20.602	7-01-11	6-30-12	\$ 4,000.00	\$	\$ 2,600.00	\$ 4,000.00
	20.602	7-01-12	6-30-13	4,000.00	4,000.00	1,400.00	1,400.00
Over the Limit Under Arrest	20.601	7-01-11	6-30-12	5,000.00			2,275.00
Drive Sober or Get Pulled Over	20.601	7-01-12	6-30-13	9,400.00	9,400.00		
Highway Safety Grant	20.602	7-01-12	6-30-13	15,000.00		1,749.00	1,749.00
					13,400.00	5,749.00	9,424.00
U.S. Department of Energy:							
Energy Efficiency and Conservation	81.128	7-01-10	Completion	155,000.00		68,082.71	150,729.37
U.S. Department of Health and Human Service:							
Older Americans Act - Title III:							
Passed through County of Essex:							
Senior Citizens' Public Health Nurse	13.991	7-01-11	6-30-12	15,537.00	8,161.00		15,534.00
Senior Citizens' Public Health Nurse	13.991	7-01-12	6-30-13	15,790.00	11,834.00	15,504.00	15,504.00
Total Federal Financial Assistance					\$ 3,795,832.44	\$ 4,598,437.23	\$ 4,904,848.75

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

TOWNSHIP OF MONTCLAIR
COUNTY OF ESSEX

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2012

SCHEDULE B
Sheet # 1

State Funding Department or Division	Program	State Account Number	Revised Grant Award	Grant Period		Cash Received	Expended	Cumulative Expended	
				From	To				
Community Affairs	Shaping New Jersey - Mini Grant		\$ 14,967.18	1/01/11	12/31/11	\$	\$ 13,688.74	\$ 14,967.18	
	Retail Food Program Standards Initiative		2,000.00	1/01/11	12/31/11	2,000.00		1,921.47	
						<u>2,000.00</u>	<u>13,688.74</u>	<u>16,888.65</u>	
Transportation	Transportation Trust Fund	6320-480-601385-61							
	South Mountain - Section 1		700,000.00	7/01/10	6/30/11	296,762.50	9,187.16	483,525.90	
	South Mountain - Section 2		243,404.00	7/01/11	6/30/12		369.00	369.00	
	Transit Village		200,000.00	7/01/12	7/01/13				
	Safe Routes to Schools Program		324,000.00	7/01/07	Completion	58,709.66	10,110.00	10,110.00	
			130,000.00	7/01/12	Completion	32,525.88	47,090.64	47,090.64	
						<u>387,998.04</u>	<u>66,756.80</u>	<u>541,095.54</u>	
Environmental Protection	Clean Communities	4900-765-178910-60	54,198.12	1/01/11	12/31/12	54,198.12			
			55,074.21	1/01/11	12/31/11		55,074.21	55,074.21	
			69,773.67	1/01/10	12/31/10		44,152.00	69,773.67	
	N.J.E.D.A. Hazardous Discharge		103,612.00	7/01/12	Completion	53,112.81			
	NJ Historic Preservation	487-542-320010-60	500.00	7/01/12	Completion	375.00			
	Historic Trust	487-542-320010-60	18,665.00	7/01/12	Completion				
	Recycling Tonnage Grant		38,053.11	7/01/11	6/30/12			38,053.11	38,053.11
			45,388.07	7/01/12	6/30/13	45,388.07	45,388.07	45,388.07	
			46,085.17	7/01/12	6/30/13	46,085.17	46,085.37	46,085.37	
	Green Acres Trust Program: Edgemont Pond		1,000,000.00	7/01/11	Completion		17,622.89	52,410.65	
	N.J. Environmental Infrastructure Program:								
	Ordinance #99-14		2,540,000.00	7/01/99	Completion		2,490.00	2,540,000.00	
	Ordinance #01-11		1,366,820.00	7/01/01	Completion	521,780.00		1,366,820.00	
Ordinance #02-33		1,877,135.00	7/01/02	Completion	173,079.00		1,877,135.00		
Ordinance #09-35		730,933.00	7/01/09	Completion	503,851.00	544,733.00	636,653.47		
						<u>1,397,869.17</u>	<u>793,598.65</u>	<u>6,727,393.55</u>	

TOWNSHIP OF MONTCLAIR
COUNTY OF ESSEX

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2012

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	Municipal Alliance Grant	2000-475-995120-60	\$ 54,100.00	1/01/11	12/31/11	\$ 49,759.47	\$ 19,336.70	\$ 54,100.00
			54,100.00	1/01/12	12/31/12			
	Tobacco Control Grant		5,940.00	1/01/10	12/31/10			
	Emergency Preparedness Grant		3,477.60	7/01/11	6/30/12		2,688.35	2,688.35
	Passed thru Montclair Board of Education: Non-Public School Nursing		111,868.00	7/01/11	6/30/12		21,567.30	111,868.00
			114,853.00	7/01/12	6/30/13	114,853.00	94,846.85	94,846.85
					<u>164,612.47</u>	<u>169,252.47</u>	<u>294,316.47</u>	
Law and Public Safety	Division of Criminal Justice:							
	Body Armor Fund 2009,2010	1020-718-066-1020-001	22,771.09	7/01/09	6/30/11		6,522.71	22,771.09
	Body Armor Fund 2011		12,207.04	7/01/11	6/30/12		12,207.00	12,207.00
	Body Armor Fund 2012		9,446.79	7/01/12	6/30/13	9,446.79	7,390.00	7,390.00
	Emergency Notification Services		24,989.52	7/01/11	6/30/12		1,566.00	24,989.52
	Safe and Secure Community Program		60,000.00	7/01/12	6/30/13			
			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		3,565.45	20,119.79
	Drunk Driving Enforcement		8,037.18	7/01/12	6/30/13	8,037.18	8,037.18	8,037.18
	Alcohol Education and Rehabilitation		11,162.97	7/01/08	Completion		2,932.60	3,636.48
	Alcohol Education and Rehabilitation		6,687.90	7/01/11	Completion			
Division of Archives and Records Management:								
PARIS Police Records		22,200.00	7/01/12	Completion	22,200.00	9,850.00	9,850.00	
					<u>39,683.97</u>	<u>52,070.94</u>	<u>109,001.06</u>	
					<u>\$ 1,992,163.65</u>	<u>\$ 1,095,367.60</u>	<u>\$ 7,688,695.27</u>	

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

TOWNSHIP OF MONTCLAIR

NOTES TO THE SCHEDULES OF FEDERAL AND STATE FINANCIAL ASSISTANCE DECEMBER 31, 2012

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, 2012:

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

NOTE 6 - FEDERAL EMERGENCY MANAGEMENT ASSISTANCE

The Township had eligible expenditures of \$173,200.00 for the 2011 storms. The Federal government share of seventy-five percent was reimbursed to the Township in the sum of \$129,148.00.

NOTE 7 - MAJOR PROGRAM AUDITED BY ANOTHER FIRM

The Township authorized another auditing firm to audit the Section 8 Housing Assistance Program for 2012. The report has not yet been issued.

**TOWNSHIP OF MONTCLAIR
COUNTY OF ESSEX**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2012**

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	_____ <input checked="" type="checkbox"/> _____ No
2) Were significant deficiencies identified that are not considered to be material weaknesses?	_____	Yes	_____ <input checked="" type="checkbox"/> _____ None Reported
Noncompliance material to basic financial statements noted?	_____	Yes	_____ <input checked="" type="checkbox"/> _____ No

Federal Awards Section

Internal control over major programs:			
1) Material weakness(es) identified?	_____	Yes	_____ <input checked="" type="checkbox"/> _____ No
2) Were significant deficiencies identified that are not considered to be material weaknesses?	_____	Yes	_____ <input checked="" type="checkbox"/> _____ 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	_____ <input checked="" type="checkbox"/> _____ No

Identification of major federal programs:

CFDA Numbers

14.856
97.036

Name of Federal Program or Cluster

Direct Award – Section 8 Housing
Presidential Declared Disaster

Dollar threshold used to distinguish between Type A and Type B Programs:			<u>\$300,000.00</u>
Auditee qualified as low-risk auditee?	_____ <input checked="" type="checkbox"/> _____	Yes	_____ No

**TOWNSHIP OF MONTCLAIR
COUNTY OF ESSEX**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2012**

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?	<u> √ </u>	Yes	<u> </u>	No
Internal control over major programs:				
1) Material weakness(es) identified	<u> </u>	Yes	<u> √ </u>	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	<u> </u>	Yes	<u> √ </u>	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

**TOWNSHIP OF MONTCLAIR
COUNTY OF ESSEX**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2012**

Section II – Financial Statement Findings

Finding #2012-1:

Criteria:

The Township is required by the State of New Jersey Division of Local Government Services regulations to implement policies and procedures to ensure that all activity is properly recorded and complete, as well as the safeguarding of assets.

Condition and Effect:

Cash reconciliations for the Payroll Accounts were not reconciled by Township employees. Unauthorized expenditures would not be detected if appropriate reconciliation of the Payroll Bank accounts are not prepared.

Recommendation:

That cash reconciliations for all Payroll bank accounts be prepared and filed on a monthly basis.

Management's Response:

Effort will be made to reconcile the Payroll bank accounts.

TOWNSHIP OF MONTCLAIR
COUNTY OF ESSEX

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2012

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 FINDINGS AND QUESTIONED COSTS
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, 2012:

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
<u>Township Council</u>		
Robert D. Jackson	Mayor	\$
Robert J. Russo	Deputy Mayor	
Rich McMahon	Councilor	
William L. Hurlock, Esq.	Councilor	
Robin Schlager	Councilor	
Sean M. Spiller	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	
Anthony 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 2012, 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
2011	35,595.34

A tax sale was held in October 2012 and was complete, except for one property which is in bankruptcy for years 2009-2011 and one property in 2011.

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

<u>Year</u>	<u>Number of Liens</u>
2012	6
2011	6
2010	5

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>	Number of Confirmations <u>Written</u>
Payments of 2012 and 2013 Taxes	25
Delinquent Taxes	25
Payments of Water and Sewer Utility Charges	25
Unpaid Water and Sewer Utility Charges	25
	<hr/>
	100
	<hr/>

There were no exceptions developed in connection with our examination.

Tax Collector

The approved 2012 tax levy was not in agreement with the financial reports for the Township. State tax court judgment reductions for prior years were also applied to the 2012 levy in error, which resulted in an under billing of tax accounts.

It is recommended that the Township's tax records be in agreement with the approved tax levy.

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 were not collected by the Township from all outside contractors relating to off-duty outside employment of police and fire personnel. This has resulted in the Township having to pay for the use of these officers. A detail record should be maintained listing the contractor, the fee paid by the contractor and cost of the Township employee for each project.

It is recommended that the Township collect fees from every contractor for outside employment of off-duty police and fire personnel before assigning the employees to projects.

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

- a) 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.
- b) A reconciling item has appeared on the bank reconciliation of the Township's General Capital account for a number of years. A review of subsequent month's activities did not disclose any activity related to this item. We have thus adjusted this amount and have added the item to the fund balance.

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

Payroll Fund

Cash reconciliations for the years 2007 through 2012 have not been prepared for the Payroll Account.

A list of payroll deductions payable was not available for audit review therefore we were unable to determine if the proper remittances were made to all appropriate agencies.

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

Administrative Procedures

Pension Eligibility

The State of New Jersey enacted legislation under Ch. 92 P.L. 2007 and codified under N.J.S.A. 43:15A-7.2 and 43:15c-2b(4). The law establishes that individuals performing professional services 1) under a contract awarded pursuant to N.J.S.A. 40A:11.5 and 1 or 2) under an independent contract as determined in accordance with rules and policy of the IRS are ineligible for membership in the State's Pension System – PERS. There was no "grandfathering" provisions under N.J.S.A. 43:15A-7.2. The municipalities were required to remove them from the pension rolls.

It appears that two individuals who are enrolled in PERS do not meet the requirements under the statutes. The two employees are the Assistant Township attorney and the prosecutor. The Township is awaiting an opinion from the State Division of Pensions regarding the eligibility of these positions. In addition, it appears that the Assistant Township attorney is not eligible for health benefits and should be removed.

Health Insurance

When reviewing the employee health benefit contributions, it was noted that some employees were being incorrectly calculated. It is also noted that employees receiving the health benefit waiver were in some instances not calculated correctly or were not eligible.

It is recommended that employee health benefit calculations be correctly calculated.

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 60 days from the state 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 2012.

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

A 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 the tax levy be proven to the Townships records.

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

That fees be collected from every outside contractor prior to the Township authorizing outside employment of off duty police officers and firemen.

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

* 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 bank accounts be prepared and filed on a monthly basis and a list of payroll deductions payable at year end be available for audit.

That all health benefit contributions be correctly calculated.

* Indicates prior year recommendations

The foregoing comments and recommendations are not of significant nature 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 would like to express to express our appreciation for the assistance and effort rendered by the Township officials and employees during the course of the examination.

Respectfully submitted,



McEnerney, Brady & Company, LLC
Certified Public Accountants



John Lauria, RMA
Licensed Registered Municipal Accountant # 403

Livingston, New Jersey
July 3, 2013