

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY**

**AUDIT REPORT FOR YEAR  
ENDED DECEMBER 31, 2014**



**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY**

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**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX**

**PART I**

**INDEPENDENT AUDITOR'S REPORT  
AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members  
of the Borough Council  
County of Middlesex  
Borough of Jamesburg, New Jersey 08831

### Report on the Financial Statements

We have audited the accompanying comparative statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Borough of Jamesburg, County of Middlesex, State of New Jersey as of December 31, 2014 and 2013, and the related comparative statements of operations and changes in fund balance--regulatory basis for the years then ended, the related statements of revenues--regulatory basis, statement of expenditures--regulatory basis, and the related notes to the financial statements for the year ended December 31, 2014.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express 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 General of the United States; and in compliance with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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

As discussed in Note 1 to the financial statements, the Borough prepares its financial statements using accounting practices that demonstrate compliance with regulatory basis of accounting and budget laws of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

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

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

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Borough of Jamesburg, County of Middlesex, State of New Jersey, as of December 31, 2014 and 2013, or the results of its operations and changes in fund balance for the years then ended.

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

As discussed in Note 1, the financial statements of the Length of Service Award Program Fund (“LOSAP”) Trust Fund have not been audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, to audit nor were we engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Borough’s financial statements as of and for the years ended December 31, 2014 and 2013. The LOSAP Trust Fund financial activities are included in the Borough’s Trust Fund, and represent 9.79% and 9.43% of the assets and liabilities, respectively, of the Borough’s Trust Funds as of December 31, 2014 and 2013.

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

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP Trust Fund financial statements been audited as described in the “Basis for Qualified Opinion on Regulatory Basis of Accounting” paragraph, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Borough of Jamesburg, County of Middlesex, State of New Jersey, as of December 31, 2014 and 2013, and the results of its operations and changes in fund balance --regulatory basis of such funds for the years then ended, and the related statement of revenues--regulatory basis, statement of expenditures--regulatory basis of the various funds, and the related notes to financial statements, for the year ended December 31, 2014 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

## **Other Matters**

### **Report on Supplementary Information**

Our audit was made for the purpose of forming an opinion on the financial statements referred to in the first paragraph as a whole. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not a required part of the above 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 financial statements. Such 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 information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated April 09, 2015, on our consideration of the Borough of Jamesburg'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Jamesburg's internal control over financial reporting and compliance.

Respectfully submitted,

**HOLMAN FRENIA ALLISON, P. C.**

Robert W. Allison  
Certified Public Accountant  
Registered Municipal Accountant  
RMA #483

April 09, 2015  
Freehold, New Jersey

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

Honorable Mayor and Members  
of the Borough Council  
County of Middlesex  
Borough of Jamesburg, New Jersey 08831

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements-regulatory basis of the Borough of Jamesburg, County of Middlesex, State of New Jersey (herein referred to as “the Borough”), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Borough’s basic financial statements, and have issued our report thereon dated March 13, 2015. Our report on the financial statements-regulatory basis was modified to indicate that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather with the regulatory basis prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States, to meet the requirements of the State of New Jersey for municipal government entities as described in Note 1. Our report on the financial statements-regulatory basis included a qualified opinion on the financial statements of the Length of Service Award Program Fund (“LOSAP”) Trust Fund. The LOSAP Trust Fund financial statements were not audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, to audit nor were we engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Borough’s financial statements as of and for the year ended December 31, 2014. With the exception of the LOSAP Trust Fund our opinion on the financial statements-regulatory basis was unmodified.

**Internal Control Over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination

of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 Borough's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

### **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* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

**HOLMAN FRENIA ALLISON, P.C.**

Robert W. Allison  
Certified Public Accountant  
Registered Municipal Accountant  
RMA #483

April 09, 2015  
Freehold, New Jersey

**BASIC FINANCIAL STATEMENTS**

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**CURRENT FUND**

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**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES  
AND FUND BALANCE - REGULATORY BASIS  
December 31, 2014 and 2013**

<u>Assets</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Current Fund:			
Cash - Treasurer	A-4	\$ 1,115,139.75	\$ 1,130,194.54
Change Funds	A-6	300.00	300.00
		<u>1,115,439.75</u>	<u>1,130,494.54</u>
Receivables With Full Reserves:			
Property Taxes Receivable	A-8	280,849.25	217,820.04
Tax Title Lien Receivable	A-15	573.44	-
Property Acquired for Taxes at Assessed Valuation	A-9	4,000.00	4,000.00
Revenue Accounts Receivable	A-10	8,424.12	7,236.43
Due From:			
Former Treasurer and/or Bonding Company	A-11	65,278.37	66,064.37
Trust Funds	A-12	95.60	9.41
General Capital Fund	A-13	35.58	5.50
		<u>359,256.36</u>	<u>295,135.75</u>
		<u>1,474,696.11</u>	<u>1,425,630.29</u>
Grant Fund:			
Due From Current Fund	A-16	36,317.54	17,010.43
		<u>36,317.54</u>	<u>17,010.43</u>
Total Assets		<u>\$ 1,511,013.65</u>	<u>\$ 1,442,640.72</u>

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

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES**  
**AND FUND BALANCE - REGULATORY BASIS**  
**December 31, 2014 and 2013**

<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Appropriation Reserves	A-3,A-17	\$ 222,117.40	\$ 235,253.43
Encumbrances Payable	A-18	6,457.89	6,601.55
Prepaid Taxes	A-19	71,951.09	74,385.80
Due To:			
State of New Jersey - Marriage			
License Fees	A-20	150.00	200.00
Grant Fund	A-14	36,317.54	17,010.43
Local District School Taxes Payable	A-21	149,813.00	277,167.00
		<u>486,806.92</u>	<u>610,618.21</u>
Reserve for Receivables	A	359,256.36	295,135.75
Fund Balance	A-1	628,632.83	519,876.33
		<u>987,889.19</u>	<u>815,012.08</u>
		<u>1,474,696.11</u>	<u>1,425,630.29</u>
Grant Fund:			
Reserve for Encumbrances	A-26	-	1,772.42
Reserve for State and Federal Grants:			
Appropriated	A-24	7,312.18	6,860.49
Unappropriated	A-25	29,005.36	8,377.52
		<u>36,317.54</u>	<u>17,010.43</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 1,511,013.65</u>	<u>\$ 1,442,640.72</u>

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

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -**  
**REGULATORY BASIS**  
**Years ended December 31, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 430,000.00	\$ 785,000.00
Miscellaneous Revenue Anticipated	831,866.53	915,754.40
Receipts From Delinquent Taxes	217,575.20	276,033.51
Receipts From Current Taxes	13,384,897.94	13,176,034.75
Non-Budget Revenue	222,753.28	143,440.10
Other Credits To Income:		
Interfunds Returned	14.91	13,891.23
Former Treasurer's Reimbursement	786.00	601.00
Unexpended Balance of Appropriation Reserves	116,106.89	88,641.98
	<hr/>	<hr/>
Total Revenues	15,204,000.75	15,399,396.97
	<hr/>	<hr/>
Expenditures:		
Budget Appropriations:		
Operations:		
Salaries and Wages	2,553,221.00	2,448,275.00
Other Expenses	1,735,403.27	2,027,183.28
Capital Improvements	96,000.00	105,000.00
Deferred Charges and Statutory Expenditures	571,673.00	646,317.00
Interfunds Advanced	131.18	14.91
Local District School Taxes Payable	7,548,602.00	7,604,931.00
County Taxes Payable	1,590,008.13	1,589,447.71
County Share of Added and Omitted Taxes	556.75	994.19
County Open Space Taxes	129,704.92	134,988.74
Special District Taxes Payable	439,944.00	416,944.00
	<hr/>	<hr/>
Total Expenditures	14,665,244.25	14,974,095.83
	<hr/>	<hr/>
Excess in Revenue	538,756.50	425,301.14
	<hr/>	<hr/>
Fund Balance, January 1	519,876.33	879,575.19
	<hr/>	<hr/>
	1,058,632.83	1,304,876.33
Decreased By:		
Utilized as Anticipated Revenue	430,000.00	785,000.00
	<hr/>	<hr/>
Fund Balance, December 31	\$ 628,632.83	\$ 519,876.33
	<hr/>	<hr/>

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

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENT OF REVENUES - REGULATORY BASIS**  
**Year ended December 31, 2014**

	<u>Budget</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Surplus Anticipated	\$ 430,000.00	\$ 430,000.00	\$ -
Miscellaneous Revenues:			
Licenses:			
Alcoholic Beverages	12,876.00	12,876.00	-
Other	7,400.00	8,135.50	735.50
Fees and Permits:			
Other	8,000.00	4,250.00	(3,750.00)
Fines and Costs:			
Municipal Court	138,000.00	137,082.82	(917.18)
Interest and Costs on Taxes	75,000.00	61,505.15	(13,494.85)
Interest on Investments and Deposits	1,000.00	1,788.16	788.16
Cable Franchise Fees	72,652.78	72,652.78	-
Consolidated Municipal Property Tax Relief Aid	37,260.00	35,109.00	(2,151.00)
Energy Receipts Taxes	376,645.00	378,796.00	2,151.00
Third Party Billing	36,618.00	23,998.38	(12,619.62)
State and Federal Revenues Offset With			
Appropriations:			
Recycling Tonnage Grant	5,232.33	5,232.33	-
Clean Communities Program	8,364.75	8,364.75	-
Alcohol Education and Rehabilitation Fund	1,161.04	1,161.04	-
Drive Sober	5,000.00	5,000.00	-
Click it or Ticket	4,000.00	4,000.00	-
Body Armor Fund	1,984.15	1,984.15	-
Special Items of Revenue Anticipated			
with Prior Written Consent of the			
Director of Local Government Services:			
FEMA	39,265.02	39,265.02	-
Uniform Fire Safety Act	28,888.00	30,665.45	1,777.45
Total Miscellaneous Revenues	<u>859,347.07</u>	<u>831,866.53</u>	<u>(27,480.54)</u>
Receipts From Delinquent Taxes	<u>215,000.00</u>	<u>217,575.20</u>	<u>2,575.20</u>
Amount To Be Raised By Taxes for Support of			
Municipal Budget:			
Local Tax for Municipal Purposes Including			
Minimum Library Tax	<u>3,753,247.30</u>	<u>3,777,379.24</u>	<u>24,131.94</u>
Total General Revenues	5,257,594.37	5,256,820.97	(773.40)
Non-Budget Revenues	<u>-</u>	<u>222,753.28</u>	<u>222,753.28</u>
	<u>\$ 5,257,594.37</u>	<u>\$ 5,479,574.25</u>	<u>\$ 221,979.88</u>

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

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
Year ended December 31, 2014**

Analysis of Realized Revenues

Revenue From Collections:		
2013 Collections	\$	74,385.80
2014 Collections		13,280,636.80
State Share of Senior Citizens' and Veterans' Deductions		<u>29,875.34</u>
		\$ 13,384,897.94
Allocated To:		
School, County and Special District Taxes		<u>9,908,815.80</u>
		3,476,082.14
Increased By:		
Reserve for Uncollected Taxes		<u>301,297.10</u>
Amount for Support of Municipal Budget		<u>\$ 3,777,379.24</u>
Receipts From Delinquent Taxes:		
2014 Collections		<u>\$ 217,575.20</u>
Non-Budget Revenues:		
Miscellaneous Collector	\$	1,144.00
Library		36,339.61
Clerk's Office		206.83
Police Work		95,108.50
Miscellaneous		1,608.07
Property Maintenance Registration		18,625.00
Serv. P.I.L.O.T.		7,416.39
Barkley Village - P.I.L.O.T.		27,720.00
Recycling		3,316.78
Police Reports		2,367.50
Sale of Municipal Assets		400.00
Reimbursements		6,668.87
Certified Copies		4,705.50
Dental Reimbursements		11,778.72
Senior Citizens and Veterans Administration Fee		597.51
Motor Vehicle Fines		<u>4,750.00</u>
		<u>\$ 222,753.28</u>

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

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**Year ended December 31, 2014**

	Appropriations		Expended			
	Budget	Budget After Modifications	Expended	Encumbered	Reserved	Cancelled
<b>GENERAL APPROPRIATIONS</b>						
Operations - Included within "CAPS"						
GENERAL GOVERNMENT						
General Administration:						
Salaries and Wages	\$ 17,110.00	\$ 17,110.00	\$ 17,109.14	\$ -	\$ 0.86	\$ -
Other Expenses	21,700.00	17,800.00	16,851.97	410.58	537.45	-
Mayor and Council:						
Salaries and Wages	34,600.00	34,600.00	34,599.96	-	0.04	-
Other Expenses	1,600.00	1,600.00	765.95	149.95	684.10	-
Municipal Clerk:						
Salaries and Wages	15,000.00	13,500.00	13,476.75	-	23.25	-
Other Expenses	5,000.00	5,000.00	3,858.21	-	1,141.79	-
Financial Administration (Treasury):						
Salaries and Wages	104,011.00	104,011.00	102,815.27	-	1,195.73	-
Other Expenses	2,380.00	1,580.00	1,276.76	-	303.24	-
Audit Services:						
Other Expenses	17,100.00	17,100.00	17,100.00	-	-	-
Revenue Administration (Tax Collection):						
Salaries and Wages	18,000.00	18,000.00	17,941.74	-	58.26	-
Other Expenses	2,000.00	2,000.00	1,543.70	-	456.30	-
Tax Assessment Administration:						
Salaries and Wages	18,300.00	18,300.00	18,259.97	-	40.03	-
Other Expenses	8,500.00	6,500.00	5,472.65	238.80	788.55	-
Legal Services (Legal Department):						
Other Expenses	6,300.00	14,300.00	9,859.00	-	4,441.00	-
Office on Aging:						
Other Expenses	1,600.00	1,600.00	725.00	-	875.00	-
Engineering Services:						
Other Expenses	4,000.00	-	-	-	-	-

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

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
Year ended December 31, 2014**

	Appropriations		Expended			
	Budget	Budget After Modifications	Expended	Encumbered	Reserved	Cancelled
<b>GENERAL APPROPRIATIONS</b>						
Operations - Included within "CAPS"						
Planning Board:						
Salaries and Wages	4,600.00	4,600.00	4,586.97	-	13.03	-
Other Expenses	5,650.00	5,650.00	4,811.00	-	839.00	-
Zoning Board of Adjustment:						
Salaries and Wages	43,000.00	40,500.00	40,500.00	-	-	-
Other Expenses	2,000.00	1,500.00	1,243.07	-	256.93	-
Insurance:						
Other Insurance:						
Other Expenses	35,300.00	35,300.00	32,550.72	-	2,749.28	-
Workers Compensation Insurance:						
Other Expenses	89,900.00	89,900.00	89,899.97	-	0.03	-
Employee Group Insurance:						
Other Expenses	440,000.00	446,000.00	444,959.01	-	1,040.99	-
Health Benefit Waiver	39,200.00	39,200.00	39,146.21	-	53.79	-
General Liability:						
Other Expenses	71,000.00	71,000.00	70,999.97	-	0.03	-
Computerized Data Processing:						
Other Expenses	14,000.00	13,000.00	12,294.00	-	706.00	-
<b>PUBLIC SAFETY</b>						
Police Department:						
Salaries and Wages	1,719,500.00	1,724,500.00	1,718,825.11	-	5,674.89	-
Other Expenses	71,600.00	72,600.00	67,486.77	2,813.56	2,299.67	-
Office of Emergency Management:						
Other Expenses	500.00	500.00	488.00	-	12.00	-
Fire Prevention:						
Salaries and Wages	20,000.00	20,000.00	16,779.46	-	3,220.54	-
Other Expenses	8,388.00	8,388.00	5,542.48	2,845.00	0.52	-

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

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**Year ended December 31, 2014**

	Appropriations		Expended		
	<u>Budget</u>	<u>Budget After Modifications</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Cancelled</u>
<b>GENERAL APPROPRIATIONS</b>					
Operations - Included within "CAPS"					
Municipal Prosecutor's Office:					
Salaries and Wages	8,200.00	8,200.00	7,999.92	-	200.08
<b>STREETS AND ROADS</b>					
Streets and Roads Maintenance:					
Salaries and Wages	173,500.00	173,500.00	162,464.03	-	11,035.97
Other Expenses	25,425.00	25,425.00	24,753.98	-	671.02
Building and Grounds:					
Other Expenses	22,000.00	19,200.00	17,359.79	-	1,840.21
<b>SANITATION</b>					
Solid Waste Collection:					
Other Expenses	102,500.00	102,500.00	100,555.00	-	1,945.00
Community Services Act (Condominium Costs)	60,000.00	60,000.00	-	-	60,000.00
Landlord Trash Reimbursement	26,000.00	26,000.00	11,644.67	-	14,355.33
<b>HEALTH AND WELFARE</b>					
Public Health Services (Board of Health):					
Salaries and Wages	3,400.00	3,400.00	3,339.77	-	60.23
Other Expenses	26,850.00	26,850.00	26,199.43	-	650.57
Animal Control Services:					
Salaries and Wages	15,600.00	15,600.00	15,238.80	-	361.20
<b>MUNICIPAL COURT</b>					
Salaries and Wages	89,900.00	89,900.00	87,580.06	-	2,319.94
Other Expenses	4,850.00	4,850.00	3,941.55	-	908.45

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

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**Year ended December 31, 2014**

	Appropriations		Expended		
	Budget	Budget After Modifications	Expended	Encumbered	Reserved
<b>GENERAL APPROPRIATIONS</b>					
Operations - Included within "CAPS"					
Public Defender (P.L. 1997, c.256):					
Salaries and Wages	1,500.00	1,500.00	1,500.00	-	-
<b>UNCLASSIFIED</b>					
Electricity	29,000.00	26,000.00	18,774.08	-	7,225.92
Street Lighting	50,000.00	53,000.00	45,731.07	-	7,268.93
Telephone (excluding equipment acquisition)	27,000.00	27,000.00	26,483.00	-	517.00
Gas (natural or propane)	19,000.00	19,000.00	11,832.08	-	7,167.92
Sewerage Processing and Disposal	6,400.00	8,400.00	8,017.20	-	382.80
Accumulated Leave Compensation	5,000.00	5,000.00	5,000.00	-	-
<b>Total Operations - Within "CAPS"</b>	<b>3,537,964.00</b>	<b>3,540,964.00</b>	<b>3,390,183.24</b>	<b>6,457.89</b>	<b>144,322.87</b>
<b>Detail:</b>					
Salaries and Wages	2,291,221.00	2,292,221.00	2,268,016.95	-	24,204.05
Other Expenses	1,246,743.00	1,248,743.00	1,122,166.29	6,457.89	120,118.82
<b>STATUTORY EXPENDITURES</b>					
Contribution To:					
Public Employees' Retirement System	91,495.00	91,495.00	91,495.00	-	-
Social Security System (O.A.S.I.)	180,000.00	177,000.00	160,015.16	-	16,984.84
Police and Firemen's Retirement System	303,178.00	303,178.00	303,178.00	-	-
<b>Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"</b>	<b>574,673.00</b>	<b>571,673.00</b>	<b>554,688.16</b>	<b>-</b>	<b>16,984.84</b>
<b>Total General Appropriations for Municipal Purposes - Within "CAPS"</b>	<b>4,112,637.00</b>	<b>4,112,637.00</b>	<b>3,944,871.40</b>	<b>6,457.89</b>	<b>161,307.71</b>

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

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**Year ended December 31, 2014**

	Appropriations		Expended		Cancelled
	Budget	Budget After Modifications	Expended	Encumbered	
<b>GENERAL APPROPRIATIONS</b>					
Operations - Excluded from "CAPS"					
Police Dispatch/911:					
Salaries and Wages	243,000.00	243,000.00	234,117.94	-	8,882.06
Other Expenses	54,800.00	54,800.00	53,915.18	-	884.82
LOSAP	8,500.00	8,500.00			8,500.00
Recycling Tax	5,000.00	5,000.00	4,254.39	-	745.61
Public Library:					
Other Expenses	144,124.00	144,124.00	141,886.51	-	2,237.49
NJPDES/Stormwater N.J.S.A. 40A:4-45.39(cc): Public Works S&W	18,000.00	18,000.00	18,000.00	-	-
Total Other Operations - Excluded from "CAPS"	473,424.00	473,424.00	452,174.02	-	21,249.98
Interlocal Municipal Service Agreements: Middlesex County:					
Gasoline	41,000.00	41,000.00	37,491.82	-	3,508.18
MCUA Solid Waste	105,000.00	105,000.00	85,527.32	-	19,472.68
MCIA Recycling	64,000.00	64,000.00	48,627.79	-	15,372.21
Total Interlocal Municipal Service Agreements	210,000.00	210,000.00	171,646.93	-	38,353.07

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
Year ended December 31, 2014**

	Appropriations		Expended		
	<u>Budget</u>	<u>Budget After Modifications</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Cancelled</u>
<b>GENERAL APPROPRIATIONS</b>					
Operations - Excluded from "CAPS"	36,618.00	36,618.00	35,411.36	-	1,206.64
<b>ADDITIONAL APPROPRIATIONS</b>					
OFFSET BY REVENUES					
First Aid Third Party Billing					
Total Additional Appropriations Offset By Revenues	36,618.00	36,618.00	35,411.36	-	1,206.64
<b>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</b>					
SFSP Fire District Payment	1,876.00	1,876.00	1,876.00	-	-
Click it or Ticket	4,000.00	4,000.00	4,000.00	-	-
Body Armor Fund	1,984.15	1,984.15	1,984.15	-	-
Alcohol Education and Rehabilitation Fund	1,161.04	1,161.04	1,161.04	-	-
Drive Sober	5,000.00	5,000.00	5,000.00	-	-
Clean Communities Program	8,364.75	8,364.75	8,364.75	-	-
Recycling Tonnage Grant	5,232.33	5,232.33	5,232.33	-	-
Total Public and Private Programs Offset By Revenues	27,618.27	27,618.27	27,618.27	-	-
Total Operations - Excluded From "CAPS"	747,660.27	747,660.27	686,850.58	-	60,809.69
<b>Detail:</b>					
Salaries and Wages	261,000.00	261,000.00	252,117.94	-	8,882.06
Other Expenses	486,660.27	486,660.27	434,732.64	-	51,927.63

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

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
Year ended December 31, 2014**

	Appropriations		Expended		
	Budget	Budget After Modifications	Expended	Encumbered	Reserved Cancelled
<b>GENERAL APPROPRIATIONS</b>					
Operations - Excluded from "CAPS"	96,000.00	96,000.00	96,000.00	-	-
Capital Improvements - Excluded From "CAPS"					
Capital Improvement Fund	96,000.00	96,000.00	96,000.00	-	-
Total Capital Improvements - Excluded From "CAPS"	96,000.00	96,000.00	96,000.00	-	-
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"	843,660.27	843,660.27	782,850.58	-	60,809.69
Subtotal General Appropriations	4,956,297.27	4,956,297.27	4,727,721.98	6,457.89	222,117.40
Reserve for Uncollected Taxes	301,297.10	301,297.10	301,297.10	-	-
Total General Appropriations	\$ 5,257,594.37	\$ 5,257,594.37	\$ 5,029,019.08	\$ 6,457.89	\$ 222,117.40
Budget as Adopted	\$ 5,240,229.62				
Added By N.J.S. 40A:4-87	17,364.75				
Reserve for Uncollected Taxes			\$ 301,297.10		
Cash Disbursements			4,701,979.71		
State and Federal Grants - Appropriated			25,742.27		
			\$ 5,029,019.08		

**TRUST FUND**

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**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
TRUST FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES  
AND RESERVES - REGULATORY BASIS  
December 31, 2014 and 2013**

<u>Assets</u>	<u>2014</u>	<u>2013</u>	<u>Liabilities and Reserves</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Animal Control Trust Fund:			Animal Control Trust Fund:			
Cash - Treasurer	B-1 \$ 3,670.87	\$ 859.83	Reserve for Animal Control Fund	B-3	\$ 3,666.48	\$ 859.83
			Expenditures	B-11	4.39	-
			Due To Current Fund	B-2	-	-
			Due To State of New Jersey		3,670.87	859.83
Trust - Other Fund:			Trust - Other Fund:			
Cash - Treasurer	B-1 528,058.49	541,662.96	Due To Current Fund	B-4	87.62	9.41
			Various Reserves	B-5	527,970.87	541,653.55
Payroll Agency Trust Fund:			Payroll Agency Trust Fund:			
Cash - Treasurer	B-6 3,529.39	437.54	Due To Current Fund	B-12	3.59	-
			Payroll Deductions Payable	B-6	3,525.80	437.54
			Unemployment Insurance Trust Fund:			
			Reserve for Unemployment Insurance	B-7	2,835.53	5,525.95
			Claims		3,529.39	437.54
Length of Service Award Program Fund ("LOSAP") - Reviewed: Investments	B-8 58,029.78	57,107.32	Length of Service Award Program Fund ("LOSAP") - Reviewed: Miscellaneous Reserves	B-10	58,029.78	57,107.32
Total Assets	\$596,124.06	\$605,593.60	Total Liabilities and Reserves		\$596,124.06	\$605,593.60

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

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**GENERAL CAPITAL FUND**

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**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
GENERAL CAPITAL FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES,  
RESERVES AND FUND BALANCE - REGULATORY BASIS  
December 31, 2014 and 2013**

<u>Assets</u>	<u>2014</u>	<u>2013</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Cash			Improvement Authorizations: Funded	C-5	\$ 658,151.88	\$ 664,751.27
Grants Receivable			Due To Current Fund	C-6	35.58	5.50
			Encumbrances Payable	C-9	3,236.98	8,364.66
			Reserve for:			
			Capital Improvement Fund	C-7	768.68	768.68
			Developer Contribution	C-8	20,000.00	20,000.00
			Fund Balance	C-1	147.48	147.48
<b>Total Assets</b>	<b>\$ 682,340.60</b>	<b>\$ 694,037.59</b>	<b>Total Liabilities, Reserves and Fund Balance</b>		<b>\$ 682,340.60</b>	<b>\$ 694,037.59</b>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
GENERAL CAPITAL FUND  
STATEMENT OF FUND BALANCE - REGULATORY BASIS  
Year ended December 31, 2014**

Balance, December 31, 2014 and 2013

\$ 147.48

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

**SEWER UTILITY FUND**

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**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**SEWER UTILITY FUND**  
**COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS**  
**December 31, 2014 and 2013**

Assets	Reference	2014	2013	Liabilities, Reserves and Fund Balance	Reference	2014	2013
Operating Fund:							
Cash - Treasurer	D-4	\$ 98,543.67	\$ 100,476.00				
Due From Sewer Utility Capital Fund	D-9	0.58	0.02	Operating Fund:			
		<u>98,544.25</u>	<u>100,476.02</u>	Liabilities:			
				Appropriation Reserves	D-3,D-8	\$ 30,374.21	\$ 1,149.25
Receivables With Offsetting Reserves:							
Sewer Rents Receivable	D-6	97,952.05	97,154.62	Reserve for Receivables	D	106,018.56	105,221.13
Due From Former Treasurer and/or Bonding Company	D-7	8,066.51	8,066.51	Fund Balance	D-1	68,170.04	99,326.77
		<u>106,018.56</u>	<u>105,221.13</u>			<u>174,188.60</u>	<u>204,547.90</u>
Total Operating Fund		<u>204,562.81</u>	<u>205,697.15</u>	Total Operating Fund		<u>204,562.81</u>	<u>205,697.15</u>
Capital Fund:				Capital Fund:			
Cash	D-4,D-5	545.58	545.02	Due To:			
Fixed Capital	D-10	826,487.32	826,487.32	Sewer Utility Operating fund	D-13	0.58	0.02
		<u>827,032.90</u>	<u>827,032.34</u>	Reserve for Amortization	D-12	826,487.32	826,487.32
Total Capital Fund		<u>827,032.90</u>	<u>827,032.34</u>	Capital Improvement Fund	D-11	545.00	545.00
Total Assets		<u>\$ 1,031,595.71</u>	<u>\$ 1,032,729.49</u>	Total Capital Fund		<u>827,032.90</u>	<u>827,032.34</u>
				Total Liabilities, Reserves and Fund Balance		<u>\$ 1,031,595.71</u>	<u>\$ 1,032,729.49</u>

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

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**SEWER UTILITY OPERATING FUND**  
**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -**  
**REGULATORY BASIS**  
**Years ended December 31, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
Revenue and Other Income Realized:		
Fund Balance Anticipated	\$ 53,196.00	\$ 40,000.00
Sewer Rents	862,255.57	850,740.11
Other:		
Miscellaneous Revenue Not Anticipated	9,354.45	88,688.61
Appropriation Reserves Lapsed	1,149.25	56.09
	<hr/>	<hr/>
Total Revenues	925,955.27	979,484.81
	<hr/>	<hr/>
Expenditures:		
Budget Appropriations:		
Operating	903,916.00	885,000.00
	<hr/>	<hr/>
Total Expenditures	903,916.00	885,000.00
	<hr/>	<hr/>
Excess in Revenue	22,039.27	94,484.81
	<hr/>	<hr/>
Fund Balance, January 1	99,326.77	44,841.96
	<hr/>	<hr/>
	121,366.04	139,326.77
Decreased By:		
Utilized as Anticipated Revenue	53,196.00	40,000.00
	<hr/>	<hr/>
Fund Balance, December 31	<u>\$ 68,170.04</u>	<u>\$ 99,326.77</u>

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

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
SEWER UTILITY OPERATING FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
Year ended December 31, 2014**

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Surplus Anticipated	\$ 53,196.00	\$ 53,196.00	\$ -
Sewer Rents	850,000.00	862,255.57	12,255.57
Miscellaneous Revenue	-	9,354.45	9,354.45
	<u>\$ 903,196.00</u>	<u>\$ 924,806.02</u>	<u>\$ 21,610.02</u>

Sewer Rents	<u>\$ 862,255.57</u>
Interest on Rents	\$ 9,251.95
Interest on Investments	<u>102.50</u>
	<u>\$ 9,354.45</u>
Cash	\$ 9,353.89
Due From Sewer Utility Capital Fund	<u>0.56</u>
	<u>\$ 9,354.45</u>

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

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
SEWER UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
Year ended December 31, 2014**

	<u>2014 Budget</u>	<u>Budget After Modification</u>	<u>Paid or Disbursed</u>	<u>Encumbered</u>	<u>Reserved</u>
Operating:					
Salaries and Wages	\$ 180,100.00	\$ 180,100.00	\$ 173,739.41	\$ -	\$ 6,360.59
Other Expenses	723,816.00	723,816.00	699,802.38	-	24,013.62
	<u>\$ 903,916.00</u>	<u>\$ 903,916.00</u>	<u>\$ 873,541.79</u>	<u>\$ -</u>	<u>\$ 30,374.21</u>

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

**GENERAL FIXED ASSETS ACCOUNT GROUP**

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**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
GENERAL FIXED ASSETS ACCOUNT GROUP  
COMPARATIVE STATEMENT OF ASSETS AND FUND BALANCE - REGULATORY BASIS  
December 31, 2014 and 2013**

<u>Assets</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Land	E-1	\$ 216,400.00	\$ 216,400.00			
Buildings	E-1	508,000.00	508,000.00			
Equipment	E-1	1,180,808.80	1,138,535.80			
Improvements	E-1	<u>81,522.00</u>	<u>81,522.00</u>	E-1	<u>\$ 1,986,730.80</u>	<u>\$ 1,944,457.80</u>
Total Assets		<u>\$ 1,986,730.80</u>	<u>\$ 1,944,457.80</u>	Total Fund Balance	<u>\$ 1,986,730.80</u>	<u>\$ 1,944,457.80</u>

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

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**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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**BOROUGH OF JAMESBURG**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 1. Summary of Significant Accounting Policies**

**A. Reporting Entity**

The financial statements of the Borough of Jamesburg, County of Middlesex, New Jersey (“the Borough”), include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Borough as required by *N.J.S.A.40A:5-5*. The financial statements of the Borough do not include the operations of the Board of Education, first aid organization or volunteer fire companies that are subject to separate audits.

**Component Unit** – The Borough of Jamesburg had no component units as defined by Governmental Accounting Board Statement No. 14.

**B. Descriptions of Funds**

The accounting policies of the Borough 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, and (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 Borough accounts for its financial transactions through the following separate funds:

**Current Fund** - resources and expenditures for government operations of a general nature, including Federal and State Grant funds.

**Dog Trust Fund** - dog license revenues and expenditures.

**Trust Other Funds** - sundry deposits held for satisfactory completion of specific work; receipts and disbursements for dedicated purposes.

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

**Sewer Utility Operating Fund** - revenue and expenditures necessary to operate a municipality owned water supply system from user fees.

**Sewer Utility Capital Fund** - resources, including Federal and State Grants in aid of construction, and expenditures for the acquisition of Sewer capital facilities, other than those acquired through the Sewer Utility Operating Fund, including the status of bonds and notes authorized for said purposes.

**General Fixed Asset Account Group** - to account for fixed assets used in general government operations.

**BOROUGH OF JAMESBURG**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 1. Summary of Significant Accounting Policies (continued):**

**C. Basis of Accounting**

The accounting policies of the Borough 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, and (the Division”). The basis of accounting prescribed is the regulatory, modified accrual basis of accounting.

**Revenues** – are recorded as received in cash except for certain amounts, which may be due from the State of New Jersey or the federal government as grants. The amounts recorded as property taxes receivable and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality which are susceptible of accrual are recorded as receivables with offsetting reserves.

**Expenditures** – are recorded on the “budgetary” basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a liability in the financial statements and constitute part of the Borough’s statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balance are automatically created at December 31<sup>st</sup> of each year and recorded as liabilities, except for amounts which may be cancelled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis.

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

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

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

**BOROUGH OF JAMESBURG**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 1. Summary of Significant Accounting Policies (continued):**

**General Fixed Assets** - in accordance with the Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division, the Borough has developed a fixed assets accounting and reporting system. Fixed assets acquired prior to January 1, 1987 are based on an inspection and appraisal prepared by an independent firm. All general fixed assets acquired after January 1, 1987 are recorded at cost. Capital leases are not reported in the General Fixed Assets.

Fixed assets used in governmental operations (general fixed assets) are required to be accounted for in the General Fixed Assets Account Group. Public domain (“infrastructure”) general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

No depreciation has been provided for the financial statements.

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

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

**Utility Fixed Assets** - accounting for utility fund “fixed capital” remains unchanged under the requirements of Technical Accounting Directive No. 85-2.

Property and equipment purchased by the Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represents charges to operations for the costs of acquisitions of property, equipment and improvements.

Property and equipment of the Sewer Utility Fund are not depreciated. Principal payments for Sewer Utility debt are recorded as expenditures in the Sewer Utility Statement of Operations.

**BOROUGH OF JAMESBURG**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 1. Summary of Significant Accounting Policies (continued):**

**D. Comparative Data**

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Borough's financial position and operations. However, comparative data have not been presented in each of the statements because their inclusion would make the statements unduly complex and difficult to read.

**E. Budgets**

The Borough is required by state law to adopt an annual budget for the Current Fund. Each budget is presented in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

The following steps are taken in establishing the budgetary data reflected in the financial statements:

1. Prior to February 10<sup>th</sup> of the budget year the Borough introduces a budget, which includes proposed expenditures and financing methods.
2. A public hearing is held 28 days after introduction, after a public hearing the budget may be adopted by the governing body.

Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

**F. Subsequent Events**

The Borough has evaluated subsequent events through April 09, 2015, the date the financial statements were available to be issued.

**BOROUGH OF JAMESBURG**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 2. Cash and Cash Equivalents**

The Borough is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at December 31, 2014, and reported at fair value are as follows:

	<u><b>2014</b></u>
<b>Deposits:</b>	
Demand Deposits	<u><u>\$ 1,944,832.48</u></u>
 <b>Reconciliation of Statements of Assets, Liabilities, Reserves and Fund Balance:</b>	
Current	\$ 1,115,439.75
Animal Control	3,670.87
Other Trust	528,058.49
Payroll Agency Trust	3,529.39
Unemployment Trust	2,835.53
General Capital Fund	192,209.20
Sewer Utility Operating Fund	98,543.67
Sewer Utility Capital Fund	<u>545.58</u>
	<u><u>\$ 1,944,832.48</u></u>

**Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. The Districts does not have a deposit policy for custodial credit risk. As of December 31, 2014, the District's bank balance of \$1,964,351.23 was insured and collateralized as follows:

Insured	\$ 250,000.00
Uninsured and Uncollateralized	196,308.88
Collateralized in the District's Name Under GUDPA	<u>1,518,042.35</u>
	<u><u>\$ 1,964,351.23</u></u>

**BOROUGH OF JAMESBURG**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 3: Interfund Receivables and Payables**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2014:

	<u>Due From</u>	<u>Due To</u>
Current Fund	\$ 36,317.54	\$ 131.18
Grant Fund		36,317.54
General Capital	35.58	
Sewer Operating		0.58
Sewer Capital	0.58	
Trust Other	87.62	
Payroll Agency	3.59	
Animal Control	4.39	
	<u>\$ 36,449.30</u>	<u>\$ 36,449.30</u>

The purpose of these interfunds is short-term borrowings.

**Note: 4: Property Taxes**

The following is a three-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous two years.

**Comparison of Tax Rate Information**

	2014	2013	2012
Total Tax Rate	<u>\$5.785</u>	<u>\$5.658</u>	<u>\$5.527</u>
Apportionment of Tax Rate:			
Municipal	1.588	1.539	1.497
County	0.729	0.730	0.746
Local School	3.281	3.212	3.119
Special District	0.187	0.177	0.165

**Net Valuation Taxable:**

2014	<u>\$ 236,203,523</u>	
2013		<u>\$ 236,719,949</u>
2012		<u>\$ 239,102,903</u>

**BOROUGH OF JAMESBURG**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note: 4: Property Taxes (continued)**

**Comparison of Tax Levies and Collection Currently**

YEAR	TAX LEVY	CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2014	\$ 13,672,937.77	\$ 13,384,897.94	97.89%
2013	13,402,605.64	13,176,034.75	98.31%
2012	13,220,676.21	12,854,769.33	97.23%

**Delinquent Taxes and Tax Title Liens**

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2014	\$ 573.44	\$ 280,849.25	\$ 281,422.69	2.10%
2013	-	217,820.04	217,820.04	1.65%
2012	-	276,033.51	276,033.51	2.19%

**Note: 5: Property Acquired By Tax Title Lien Liquidation**

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

YEAR	AMOUNT
2014	\$ 4,000.00
2013	4,000.00
2012	4,000.00

**BOROUGH OF JAMESBURG**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 6: Sewer Utility Service Charges**

The following is a three-year comparison of water-sewer utility charges (rents) for the current and previous two years.

YEAR ENDED DECEMBER 31	BEGINNING RECEIVABLE	LEVY	TOTAL	CASH COLLECTIONS	COLLECTION PERCENTAGE
2014	\$ 97,154.62	\$ 863,053.00	\$ 960,207.62	\$ 862,255.57	89.80%
2013	85,739.98	862,154.75	947,894.73	850,740.11	89.75%
2012	84,598.08	825,061.25	909,659.33	823,919.35	90.57%

**Note 7. Capital Debt**

**Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding:**

**Borrowing Power Under 40A:2-6:**

3 1/2% of Equalized Valuation Bases (Municipal) Net Debt	\$ 15,502,922.62
	<u>-</u>
Remaining Borrowing Power	<u><u>\$ 15,502,922.62</u></u>

**Calculation of Self-Liquidating Purpose - Sewer Utility per N.J.S.40A:2-45**

Cash Receipts From Fees, Rents & Other Charges	<u>\$ 872,759.27</u>
Deductions:	
Operating & Maintenance Costs	\$ 903,916.00
Debt Service per Sewer Utility Operating Fund	<u>903,916.00</u>
Excess/(Deficit) Revenue - Not Self Liquidating	<u><u>\$ (31,156.73)</u></u>

**BOROUGH OF JAMESBURG**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 7. Capital Debt (continued)**

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Bond anticipation notes are issued to temporarily finance capital projects, prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance and so on. Tax anticipation notes are issued if the cash on hand is not sufficient to carry on normal operations of the municipality at any time during the year. Such notes are authorized by a resolution adopted by the governing body.

**Note 8. Bond Anticipation Notes**

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

On December 31, 2014, the Borough had no Bond Anticipation Notes outstanding.

**Note 9. Accrued Compensated Absences**

The Borough has established a Compensated Absences Trust Fund to set aside funds for future payments of compensated absences. At December 31, 2014 the balance of the fund was \$17,665.00. It is estimated that, at December 31, 2014, accrued benefits for compensated absences are valued at \$401,754.47.

**BOROUGH OF JAMESBURG**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 10. Fund Balances Appropriated**

The following schedule details the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets:

<b>Year</b>	<b>Balance December 31,</b>	<b>Utilized In Budget of Succeeding Year</b>	<b>Percentage of Fund Balance Used</b>
<b>Current Fund</b>			
2014	\$ 628,632.83	\$ 620,000.00	98.63%
2013	519,876.33	430,000.00	82.71%
2012	879,575.19	785,000.00	89.25%
2011	282,622.08	280,000.00	99.07%
2010	592,248.19	590,000.00	99.62%
<b>Sewer Utility Fund</b>			
2014	\$ 68,107.04	\$ 53,916.00	79.16%
2013	99,326.77	53,196.00	53.56%
2012	44,841.96	40,000.00	89.20%
2011	98,327.86	60,000.00	61.02%
2010	32,726.77	32,000.00	97.78%

**Note 11. Deferred Charges to be Raised in Succeeding Budgets**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2014, the Borough had no deferred charges to be raised in succeeding budgets.

**Note 12. Joint Insurance Pool**

The Borough of Jamesburg is a member of the Middlesex County Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

- Workers' Compensation & Employer's Liability
- General & Automobile Liability
- Public Officials & Law Enforcement Liability
- Casualty & Crime Coverage
- Property – Blanket Building & Contents
- Boiler & Machinery
- Equipment Floater
- Blanket Bond for Treasurer & Tax Collector/CFO

**BOROUGH OF JAMESBURG**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 12. Joint Insurance Pool (continued)**

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the fund's actuary. The commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Borough's agreement with the pool provides that the pool will be self-sustaining through member premiums and will reinsure through commercial insurance for claims in excess of \$500,000 for each insured event.

The Fund publishes its own financial report for the year ended December 31, 2014, which can be obtained from:

Middlesex County Municipal Joint Insurance Fund  
1 Jocama Blvd., Suite 2b  
Old Bridge, New Jersey 08857

**Note 13. Unemployment Compensation Insurance**

Effective January 1, 1978, most municipal employees were eligible for unemployment compensation insurance (N.J.S.A. 43:21-3 et seq.). The Borough has elected to provide a self-insured plan whereby the municipal cost and employee contributions are deposited in a trust fund from which claims, if any, will be paid. All funds collected from employees are transmitted to the state for this period. The Reserve for Unemployment Compensation Insurance at December 31, 2014 and 2013 totaled \$2,835.53 and \$5,525.95, respectively.

**Note 14. Pension**

**A. Plan Description**

The Borough of Jamesburg contributes to a cost-sharing multiple-employer defined benefit pension plan, Public Employees' Retirement System (P.E.R.S.) and Police and Fireman's Retirement System (P.F.R.S.), administered by the State of New Jersey, Division of Pensions and Benefits. It provides retirement, disability, medical and death benefits to plan members and beneficiaries. The State of New Jersey P.E.R.S. and P.F.R.S. programs were established as of January 1, 1955 and July 1, 1944, respectively. The programs were established under the provisions of *N.J.S.A.43:15A* and *N.J.S.A.43:16A* which assigns authority to establish and amend benefit provisions to the plan's board of trustees. P.E.R.S. and P.F.R.S. issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625, or calling (609) 984-1684.

**BOROUGH OF JAMESBURG**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 14. Pension (continued)**

**B. Vesting and Benefit Provisions**

The vesting and benefit provisions of P.E.R.S. are set by *N.J.S.A.43:15A* and *43.3B*. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The P.E.R.S. provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Chapter 78, P.L. 2011 changed this for employees enrolled after June 28, 2011. See Note 5C below.

**C. Significant Legislation**

During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for P.E.R.S. were reduced.

New Legislation signed by the Acting Governor (Chapter 133, Public Laws 2001) changed the formula for calculating retirement benefits for all current and future non-veteran retirees from N/60 to N/55 (a 9.09% increase). This legislation, signed June 29, 2001, provides that all members of the P.F.R.S. and the PERS will have their pensions calculated on the basis of years of credit divided by 55. It also provides that all current retirees will have their original pension recalculated under the N/55 formula. Starting February 1, 2002, pension cost of living adjustments will be based on the new original pension.

**BOROUGH OF JAMESBURG**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 14: Pension Plans (continued)**

**C. Significant Legislation (continued)**

Effective June 28, 2011, Chapter 78, P.L. 2011 reformed various pension and health benefits provisions. Employees hired after June 28, 2011 and enrolled in P.E.R.S. will be enrolled in a new tier, Tier 5. Full retirement for Tier 5 P.E.R.S. members will be age 65 and 30 years of service. Tier 3 was added to P.F.R.S. for enrollees after June 28, 2011. Tier 3 retirees will have a maximum retirement benefit of 65% of final compensation after 30 years of service.

All cost of living adjustments are frozen until the pension fund reaches a “target funded ratio”.

Chapter 78 also requires all covered employees to contribute a prescribed percentage towards their health costs.

**D. Funding Policy**

The System’s designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the System is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction. The System’s Board of Trustees is primarily responsible for the administration of the System according to the State of New Jersey administrative code, all obligations of the System will be assumed by the State of New Jersey should the System terminate.

The contribution policy is set by *N.J.S.A.43:15A*, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and *N.J.S.A.18:66*, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. P.E.R.S. provide for employee contributions of 6.5%, effective October 1, 2011, of employees’ annual compensation as defined. The rate will increase over the next seven years to 7.5%. Employers are required to contribute at an actuarially determined rate in both P.F.R.S. and P.E.R.S. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits and post-retirement medical premiums.

Plan members are required to contribute 6.5%, effective October 1, 2011, of their annual covered salary for P.E.R.S, 10%, effective October 1, 2011, of their annual covered salary for P.F.R.S. and the Borough is required to contribute at an actuarially determined rate. The contribution requirements of plan members and the Borough are established and may be amended by the plan’s board of trustees. The Borough of Jamesburg’s contributions to P.E.R.S. for the years ending December 31, 2014, 2013 and 2012 were \$91,495.00, \$93,026.00 and \$96,873.00, respectively, equal to the required contributions for each year and to P.F.R.S. for the years ending December 31, 2014, 2013 and 2012 were \$303,178.00, \$330,291.00 and \$309,900.00, respectively, equal to the required contributions for each year.

**BOROUGH OF JAMESBURG**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 15: Length of Service Awards Program**

The Borough's Length of Service Awards Program (LOSAP) was created by a Borough Ordinance adopted on September 2, 2003 pursuant to Section 457 (e)(11)(13) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the Length of Service Award Program as enacted into federal law in 1997. The voters of the Borough of Jamesburg approved the adoption of the LOSAP at the general election held on November 4, 2003, and the first year of eligibility for entrance into the LOSAP by qualified volunteers was calendar year 2004. The LOSAP provides tax deferred income benefits to active volunteer firefighters and emergency squad members.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Borough or its creditors. Since the Borough does not have a fiduciary relationship with the LOSAP, the balances and activities of the LOSAP are not reported in the Borough's financial statements.

As required by *N.J.A.C.5:30-14.49*, the Borough must have an annual review of its LOSAP performed in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

**Note 16. Deferred Compensation**

The Borough offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefits of participating employees and not be accessible by the Borough or its creditors. Since the Borough does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Borough's financial statements.

**Note 17. Contingent Liabilities**

**State and Federal Financial Assistance**

The Borough receives financial assistance from the State of New Jersey and the U. S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the financial assistance agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors.

As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2014, the Borough estimates that no material liabilities will result from such audits.

**BOROUGH OF JAMESBURG**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 17. Contingent Liabilities (continued)**

**Litigation**

The Borough is involved in legal and administrative proceedings and claims of various types. While any litigation contains an element of uncertainty, Borough Officials, based upon the opinion of the Borough's Counsel, presently believe that the outcome of each such proceeding or claim which is pending or know to be threatened, or all of them combined, will not have a material adverse effect on the Borough's financial position or adversely affect the Borough's ability to levy, collect and enforce the collection of taxes or other revenue for the payment of its bonds or other obligations.

**Note 18. Post-Retirement Health Benefits**

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

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. On February 24, 1981, the Borough authorized participation in the SHBP's post-retirement benefit program through resolution number 78-2-24-81. Eligibility to participate in the SHBP's post-retirement benefit program begins after 25 years of credited service with the Borough. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly-available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey 08625-0295 or by visiting their website at <http://www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf>.

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

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Borough on a monthly basis. Plan members or beneficiaries receiving benefits do not make any contributions.

The Borough's contributions to SHBP for year ended December 31, 2014 was \$183,892.32, which equaled the required contributions for the year. There were approximately 9 retired participants eligible at December 31, 2014.

**BOROUGH OF JAMESBURG**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 19. Fixed Assets**

The following schedule is a summarization of the changes in General Fixed Assets for the fiscal year ended December 31, 2014:

	Balance December 31, <u>2013</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2014</u>
Land	\$ 216,400.00	\$ -	\$ -	\$ 216,400.00
Building	508,000.00	-	-	508,000.00
Equipment	1,138,535.80	66,799.00	24,526.00	1,180,808.80
Improvements	<u>81,522.00</u>	<u>-</u>	<u>-</u>	<u>81,522.00</u>
 Total	 <u>\$ 1,944,457.80</u>	 <u>\$ 66,799.00</u>	 <u>\$ 24,526.00</u>	 <u>\$ 1,986,730.80</u>

**Note 20. School Taxes**

The Jamesburg School District Tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the Current Fund liabilities as follows:

	Balance December 31,	
	2014	2013
Local School Tax		
Balance of Tax	\$ 3,704,813.00	\$ 3,632,167.00
Deferred	<u>3,555,000.00</u>	<u>3,355,000.00</u>
 Local School Tax Payable	 <u>\$ 149,813.00</u>	 <u>\$ 277,167.00</u>

**SUPPLEMENTARY SCHEDULES**

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**CURRENT FUND**

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**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF CURRENT CASH - TREASURER  
Year ended December 31, 2014**

Balance, December 31, 2013		\$ 1,130,194.54
Increased By Receipts:		
Miscellaneous Revenue Not Anticipated	\$ 222,753.28	
Petty Cash	500.00	
Property Taxes Receivable	13,498,212.00	
Revenue Accounts Receivable	805,640.91	
State and Federal Grants	46,170.11	
Prepaid Taxes	71,951.09	
Due From:		
State of New Jersey - Senior Citizens' and Veterans' Deductions	29,875.34	
Former Treasurer	786.00	
Trust - Other Fund	361.58	
General Capital Fund	5.50	
Due To State of New Jersey - Marriage License Fees	900.00	
	<u>          </u>	<u>14,677,155.81</u>
		15,807,350.35
Decreased By Disbursements:		
2014 Budget Appropriations	4,701,979.71	
Petty Cash	500.00	
Grant Expenditures	25,090.58	
Grant Encumbrances Payable	1,772.42	
2013 Appropriation Reserves	125,748.09	
Due To State of New Jersey - Marriage License Fees	950.00	
Local District School Taxes Payable	7,675,956.00	
County Taxes Payable	1,720,269.80	
Special District Taxes Payable	439,944.00	
	<u>          </u>	<u>14,692,210.60</u>
Balance, December 31, 2014		<u><u>\$ 1,115,139.75</u></u>

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**SCHEDULE OF PETTY CASH FUNDS**  
**Year ended December 31, 2014**

Balance, December 31, 2013	\$ -
Increased By:	
Cash Received	<u>500.00</u>
	500.00
Decreased By:	
Cash Disbursed	<u>500.00</u>
	500.00
Balance, December 31, 2014	<u><u>\$ -</u></u>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF CHANGE FUNDS  
Year ended December 31, 2014**

Balance, December 31, 2014 and 2013

300.00

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**SCHEDULE OF DUE FROM STATE OF NEW JERSEY**  
**FOR SENIOR CITIZENS' AND VETERANS' DEDUCTIONS**  
**Year ended December 31, 2014**

Balance, December 31, 2013		\$ -
Increased By:		
Senior Citizens' and Veterans' Deductions		
Allowed Per Tax Billings		<u>30,750.00</u>
		30,750.00
Decreased By:		
Cash Receipts	\$ 29,875.34	
Senior Citizens' and Veterans' Deductions		
Disallowed	<u>874.66</u>	
		<u>30,750.00</u>
Balance, December 31, 2014		<u><u>\$ -</u></u>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF PROPERTY TAXES RECEIVABLE AND ANALYSIS OF LEVY  
Year ended December 31, 2014**

<u>Year</u>	Balance December 31, <u>2013</u>	2014 <u>Levy</u>	Added <u>Taxes</u>	<u>2013</u>	<u>2014</u>	State Share of Senior Citizens' and Veterans' <u>Deductions</u>	Remitted and <u>Cancelled</u>	Balance December 31, <u>2014</u>
2013	\$ 217,820.04	-	-	-	\$ 217,575.20	-	\$ 244.84	\$ -
2014	-	13,668,523.63	4,414.14	74,385.80	13,280,636.80	29,875.34	7,190.58	280,849.25
	<u>\$ 217,820.04</u>	<u>\$ 13,668,523.63</u>	<u>\$ 4,414.14</u>	<u>\$ 74,385.80</u>	<u>\$ 13,498,212.00</u>	<u>\$ 29,875.34</u>	<u>\$ 7,435.42</u>	<u>\$ 280,849.25</u>

Transferred to Tax Title Liens  
Cancelled

\$ 573.44
<u>6,861.98</u>
<u>\$ 7,435.42</u>

Analysis of Property Tax Levy

Tax Yield:	
General Purpose Tax	\$ 13,228,579.63
Special District Taxes	439,944.00
Added Taxes (N.J.S.A. 54:4-63.1 et seq.)	<u>4,414.14</u>
	<u>\$ 13,672,937.77</u>
Local District School Taxes (Abstract)	
County Taxes (Abstract)	\$ 7,748,602.00
Due County for Added Taxes	1,719,713.05
Fire District No. 1 (Abstract)	556.75
	<u>439,944.00</u>
	\$ 9,908,815.80
Local Tax for Municipal Purpose	
Add: Additional Tax Levied	3,753,247.30
	<u>10,874.67</u>
	<u>3,764,121.97</u>
	<u>\$ 13,672,937.77</u>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF PROPERTY ACQUIRED FOR TAXES AT ASSESSED VALUATION  
Year ended December 31, 2014**

Balance, December 31, 2014 and 2013

\$ 4,000.00

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE  
Year ended December 31, 2014**

	Balance December 31, <u>2013</u>	Accrued in <u>2014</u>	Collected By <u>Treasurer</u>	Balance December 31, <u>2014</u>
Licenses:				
Alcoholic Beverages	\$ -	\$ 12,876.00	\$ 12,876.00	\$ -
Other	-	8,135.50	8,135.50	-
Fees and Permits:				
Other	-	4,250.00	4,250.00	-
Fines and Costs:				
Municipal Court	7,236.43	138,270.51	137,082.82	8,424.12
Interest and Costs on Taxes	-	61,505.15	61,505.15	-
Interest on Investments and Deposits	-	1,788.16	1,788.16	-
Cable Franchise Fees	-	72,652.78	72,652.78	-
Consolidated Municipal Property Tax Relief Aid	-	35,109.00	35,109.00	-
Energy Receipts Taxes	-	378,796.00	378,796.00	-
Third Party Billing	-	23,998.38	23,998.38	-
State and Federal Revenues Offset With Appropriations:				
Recycling Tonnage Grant	-	5,232.33	5,232.33	-
Clean Communities Program	-	8,364.75	8,364.75	-
Alcohol Education and Rehabilitation Fund	-	1,161.04	1,161.04	-
Drive Sober	-	5,000.00	5,000.00	-
Clicket or Ticket	-	4,000.00	4,000.00	-
Body Armor Fund	-	1,984.15	1,984.15	-
Special Items of Revenue Anticipated with Prior Written Consent of the Director of Local Government Services:				
FEMA	-	39,265.02	39,265.02	-
Uniform Fire Safety Act	-	30,665.45	30,665.45	-
	<u>\$ 7,236.43</u>	<u>\$ 833,054.22</u>	<u>\$ 831,866.53</u>	<u>\$ 8,424.12</u>

Cash	\$ 805,640.91
Due From:	
Trust Funds	447.77
General Capital Fund	35.58
Grants Receivable	<u>25,742.27</u>
	<u><u>\$ 831,866.53</u></u>

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**SCHEDULE OF DUE FROM FORMER TREASURER AND/OR BONDING COMPANY**  
**Year ended December 31, 2014**

Balance, December 31, 2013	\$ 66,064.37
Decreased By:	
Cash Collected	<u>786.00</u>
Balance, December 31, 2014	<u><u>\$ 65,278.37</u></u>

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**SCHEDULE OF DUE FROM TRUST - OTHER FUND**  
**Year ended December 31, 2014**

Balance, December 31, 2013	\$	9.41
Increased By:		
Interest Earned		<u>447.77</u>
		457.18
Decreased By:		
Cash Receipts		<u>361.58</u>
Balance, December 31, 2014	\$	<u><u>95.60</u></u>

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**SCHEDULE OF DUE FROM GENERAL CAPITAL FUND**  
**Year ended December 31, 2014**

Balance, December 31, 2013	\$ 5.50
Increased By:	
Interest on Investments	<u>35.58</u>
	41.08
Decreased By:	
Cash Receipts	<u>5.50</u>
Balance, December 31, 2014	<u><u>\$ 35.58</u></u>

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**SCHEDULE OF DUE (FROM)/TO GRANT FUND**  
**Year ended December 31, 2014**

Balance, December 31, 2013		\$ 17,010.43
Increased By:		
Grants - Appropriated	\$25,742.27	
Cash Receipts	<u>46,170.11</u>	
		<u>71,912.38</u>
		88,922.81
Decreased By:		
Grants Receivable	25,742.27	
Encumbrances	1,772.42	
Cash Disbursements	<u>25,090.58</u>	
		<u>52,605.27</u>
Balance, December 31, 2014		<u><u>\$ 36,317.54</u></u>

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**SCHEDULE OF TAX TITLE LIENS RECEIVABLE**  
**Year ended December 31, 2014**

Balance, December 31, 2013	\$ -
Increased By:	
Transferred from Tax Receivable	<u>573.44</u>
Balance, December 31, 2014	<u><u>\$ 573.44</u></u>

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**GRANT FUND**  
**SCHEDULE OF DUE FROM/(TO) CURRENT FUND**  
**Year ended December 31, 2014**

Balance, December 31, 2013		\$ 17,010.43
Increased By:		
Grants - Appropriated	\$ 25,742.27	
Cash Receipts	46,170.11	
		71,912.38
		88,922.81
Decreased By:		
Grants Receivable	25,742.27	
Encumbrances	1,772.42	
Cash Disbursements	25,090.58	
		52,605.27
Balance, December 31, 2014		\$ 36,317.54

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF 2013 APPROPRIATION RESERVES  
Year ended December 31, 2014**

	Balance December 31, <u>2013</u>	Balance After <u>Modifications</u>	Paid or <u>Charged</u>	<u>Lapsed</u>
<b>GENERAL GOVERNMENT</b>				
General Administration:				
Salaries and Wages	\$ 156.57	\$ 156.57	\$ -	\$ 156.57
Other Expenses	357.87	357.87	50.05	307.82
Mayor and Council:				
Salaries and Wages	0.04	0.04	-	0.04
Other Expenses	0.30	0.30	-	0.30
Municipal Clerk:				
Salaries and Wages	1,457.09	57.09	-	57.09
Other Expenses	106.07	106.07	-	106.07
Financial Administration (Treasury):				
Salaries and Wages	1,960.83	360.83	-	360.83
Other Expenses	524.72	524.72	-	524.72
Revenue Administration (Tax Collection):				
Salaries and Wages	2,059.14	59.14	-	59.14
Other Expenses	1,252.70	1,252.70	-	1,252.70
Tax Assessment Administration:				
Salaries and Wages	29.90	29.90	-	29.90
Other Expenses	1,367.52	1,367.52	525.96	841.56
Legal Services (Legal Department):				
Other Expenses	974.25	974.25	156.00	818.25
Office on Aging:				
Other Expenses	900.00	900.00	560.00	340.00
Engineering Services:				
Other Expenses	62.00	62.00	-	62.00
Planning Board:				
Salaries and Wages	34.81	34.81	-	34.81
Other Expenses	470.00	470.00	-	470.00
Zoning Board of Adjustment:				
Salaries and Wages	37.50	37.50	-	37.50
Other Expenses	878.38	878.38	-	878.38
Insurance:				
Other Insurance:				
Other Expenses	2,731.04	2,731.04	480.00	2,251.04
Employee Group Insurance:				
Other Expenses	9,528.60	9,528.60	-	9,528.60
Health Benefit Waiver	54.50	54.50	-	54.50
Computerized Data Processing:				
Other Expenses	237.30	523.30	286.00	237.30
<b>PUBLIC SAFETY</b>				
Police Department:				
Salaries and Wages	179.37	179.37	-	179.37
Other Expenses	1,285.30	4,224.92	3,822.93	401.99
Office of Emergency Management:				
Other Expenses	406.24	406.24	-	406.24
Fire Prevention:				
Salaries and Wages	93.01	93.01	-	93.01
Other Expenses	89.24	89.24	-	89.24
Municipal Prosecutor's Office:				
Salaries and Wages	36.57	36.57	-	36.57
<b>STREETS AND ROADS</b>				
Streets and Roads Maintenance:				
Salaries and Wages	4,828.48	4,828.48	-	4,828.48
Other Expenses	307.69	1,287.69	1,109.74	177.95
Building and Grounds:				
Other Expenses	121.35	2,517.28	2,395.93	121.35

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF 2013 APPROPRIATION RESERVES  
Year ended December 31, 2014**

	Balance December 31, <u>2013</u>	Balance After <u>Modifications</u>	Paid or <u>Charged</u>	<u>Lapsed</u>
<b>SANITATION</b>				
Solid Waste Collection:				
Other Expenses	1,559.00	1,559.00	385.00	1,174.00
Community Services Act (Condominium Costs)	60,000.00	60,000.00	47,962.91	12,037.09
Landlord Trash Reimbursement	14,787.32	14,787.32	11,612.00	3,175.32
<b>HEALTH AND WELFARE</b>				
Public Health Services (Board of Health):				
Salaries and Wages	12.47	12.47	-	12.47
Other Expenses	379.62	379.62	-	379.62
Animal Control Services:				
Salaries and Wages	61.12	61.12	-	61.12
<b>MUNICIPAL COURT</b>				
Salaries and Wages	827.17	827.17	-	827.17
Other Expenses	2,443.16	2,443.16	-	2,443.16
<b>UNCLASSIFIED</b>				
Electricity	3,504.38	3,504.38	3,504.38	-
Street Lighting	5,022.63	5,022.63	5,022.63	-
Telephone (excluding equipment acquisition)	2,171.59	2,171.59	356.17	1,815.42
Gas (natural or propane)	977.36	5,977.36	5,409.39	567.97
Sewerage Processing and Disposal	1,276.35	1,276.35	398.25	878.10
<b>STATUTORY EXPENDITURES</b>				
Contribution To:				
Social Security System (O.A.S.I.)	2,625.53	2,625.53	-	2,625.53
Police Dispatch/911:				
Salaries and Wages	3,077.45	3,077.45	-	3,077.45
LOSAP	8,500.00	8,500.00	5,475.10	3,024.90
Recycling Tax	1,133.53	1,133.53	331.68	801.85
Public Library:				
Other Expenses	7,303.57	7,303.57	7,303.57	-
Interlocal Municipal Service Agreements:				
Middlesex County:				
Gasoline	7,920.65	7,920.65	3,991.25	3,929.40
Monroe Twp MUA- Contractual	42,708.70	42,708.70	5,706.60	37,002.10
MCUA Solid Waste	22,095.87	22,095.87	6,602.32	15,493.55
MCIA Recycling	13,657.13	13,657.13	11,619.78	2,037.35
<b>ADDITIONAL APPROPRIATIONS</b>				
<b>OFFSET BY REVENUES</b>				
First Aid Third Party Billing	680.45	680.45	680.45	-
Total General Appropriations	<u>\$ 235,253.43</u>	<u>\$ 241,854.98</u>	<u>\$ 125,748.09</u>	<u>\$ 116,106.89</u>
Appropriation Reserves		\$ 235,253.43		
Encumbrances Payable		<u>6,601.55</u>		
		<u>\$ 241,854.98</u>		

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**SCHEDULE OF ENCUMBRANCES PAYABLE**  
**Year ended December 31, 2014**

Balance, December 31, 2013	\$ 6,601.55
Increased By:	
2013 Appropriations	<u>6,457.89</u>
	13,059.44
Decreased By:	
Transferred To Appropriation Reserves	<u>6,601.55</u>
Balance, December 31, 2014	<u><u>\$ 6,457.89</u></u>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF PREPAID TAXES  
Year ended December 31, 2014**

Balance, December 31, 2013	\$ 74,385.80
Increased By:	
2015 Taxes Collected in 2014	<u>71,951.09</u>
	146,336.89
Decreased By:	
Applied To 2014 Taxes Receivable	<u>74,385.80</u>
Balance, December 31, 2014	<u><u>\$ 71,951.09</u></u>

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**SCHEDULE OF DUE TO STATE OF NEW JERSEY - MARRIAGE LICENSE FEES**  
**Year ended December 31, 2014**

Balance, December 31, 2013	\$ 200.00
Increased By:	
Cash Receipts	<u>900.00</u>
	1,100.00
Decreased By:	
Cash Disbursements	<u>950.00</u>
Balance, December 31, 2014	<u><u>\$ 150.00</u></u>

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE**  
**Year ended December 31, 2014**

Balance, December 31, 2013		
School Tax Payable	\$ 277,167.00	
School Tax Deferred	<u>3,355,000.00</u>	
		\$ 3,632,167.00
Increased By:		
Levy - School Year July 1, 2014 to June 30, 2015		<u>7,748,602.00</u>
		11,380,769.00
Decreased By:		
Payment		<u>7,675,956.00</u>
Balance, December 31, 2014		
School Tax Payable	149,813.00	
School Tax Deferred	<u>3,555,000.00</u>	
		<u>\$ 3,704,813.00</u>
2014 Liability for Local District School Taxes		
Taxes Paid		\$ 7,675,956.00
Taxes Payable, December 31, 2014		<u>149,813.00</u>
		7,825,769.00
Taxes Payable, December 31, 2013		<u>277,167.00</u>
Amount Charged To 2014 Operations		<u>\$ 7,548,602.00</u>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
CURRENT FUND  
SCHEDULE OF COUNTY TAXES PAYABLE  
Year ended December 31, 2014**

Balance, December 31, 2013		\$ -
Increased By:		
2014 Levy	\$ 1,590,008.13	
2014 Due To County for Added Taxes	556.75	
County Open Space Preservation Tax	<u>129,704.92</u>	
		<u>1,720,269.80</u>
		1,720,269.80
Decreased By:		
Payment		<u>1,720,269.80</u>
Balance, December 31, 2014		<u><u>\$ -</u></u>

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**CURRENT FUND**  
**SCHEDULE OF SPECIAL DISTRICT TAXES PAYABLE**  
**Year ended December 31, 2014**

Balance, December 31, 2013	\$ -
Increased By:	
2014 Levy	<u>439,944.00</u>
	439,944.00
Decreased By:	
Payment	<u>439,944.00</u>
Balance, December 31, 2014	<u><u>\$ -</u></u>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
GRANT FUND  
SCHEDULE OF RESERVE FOR STATE AND FEDERAL GRANTS - APPROPRIATED  
Year ended December 31, 2014**

<u>Grants</u>	Balance December 31, <u>2013</u>	Transferred From 2014 <u>Budget</u>	2014 Cancelled/ <u>Expended</u>	Balance December 31, <u>2014</u>
Drunk Driving Enforcement Fund	\$ 4,224.50	\$ -	\$ 1,786.35	\$ 2,438.15
Body Armor Fund	1,910.56	1,984.15	826.00	3,068.71
Recycling Tonnage Grant	-	5,232.33	4,017.62	1,214.71
Clean Communities	-	8,364.75	8,364.75	-
Click it or Ticket	-	4,000.00	4,000.00	-
Drive Sober	-	5,000.00	5,000.00	-
Alcohol Education and Rehabilitation Fund	725.43	1,161.04	1,295.86	590.61
	<u>\$ 6,860.49</u>	<u>\$ 25,742.27</u>	<u>\$ 25,290.58</u>	<u>\$ 7,312.18</u>
Cash Disbursements			\$ 25,090.58	
State and Federal Grants Receivable			<u>200.00</u>	
			<u>\$ 25,290.58</u>	

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**GRANT FUND**  
**SCHEDULE OF RESERVE FOR STATE AND FEDERAL GRANTS - UNAPPROPRIATED**  
**Year ended December 31, 2014**

<u>Grants</u>	Balance December 31, <u>2013</u>	Budget <u>Appropriations</u>	Cash <u>Received</u>	Balance December 31, <u>2014</u>
Body Armor Fund	\$ 1,984.15	\$ 1,984.15	\$ 1,596.57	\$ 1,596.57
Recycling Tonnage	5,232.33	5,232.33	26,345.35	26,345.35
Alcohol Education	1,161.04	1,161.04	1,063.44	1,063.44
	<u>\$ 8,377.52</u>	<u>\$ 8,377.52</u>	<u>\$ 29,005.36</u>	<u>\$ 29,005.36</u>

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**GRANT FUND**  
**SCHEDULE OF RESERVE FOR ENCUMBRANCES**  
**Year ended December 31, 2014**

Balance, December 31, 2013	\$ 1,772.42
Decreased By:	
Cash Disbursement	<u>1,772.42</u>
Balance, December 31, 2014	<u><u>\$ -</u></u>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
GRANT FUND  
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE  
Year ended December 31, 2014**

<u>Grants</u>	Balance December 31, 2013	Budget Realized as Revenue	<u>Received</u>	<u>Cancelled</u>	Transferred From <u>Unappropriated</u>	Balance December 31, 2014
Alcohol Education and Rehabilitation	\$ -	\$ 1,161.04	\$ -	\$ -	\$ 1,161.04	\$ -
Clean Communities	-	8,364.75	8,364.75	-	-	-
Body Armor Grant	-	1,984.15	-	-	1,984.15	-
Recycling Tonnage Grant	-	5,232.33	-	-	5,232.33	-
Drive Sober	-	5,000.00	4,900.00	100.00	-	-
Click it or Ticket	-	4,000.00	3,900.00	100.00	-	-
	<u>\$ -</u>	<u>\$ 25,742.27</u>	<u>\$ 17,164.75</u>	<u>\$ 200.00</u>	<u>\$ 8,377.52</u>	<u>\$ -</u>

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**TRUST FUND**

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**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
TRUST FUND  
SCHEDULE OF TRUST CASH - TREASURER  
Year ended December 31, 2014**

	Animal Control Trust Fund	Trust - Other Funds
Balance, December 31, 2013	\$ 859.83	\$ 547,626.45
Increased By Receipts:		
Due To:		
Current Fund - Other	\$ -	\$ 430.99
Current Fund - Payroll	-	13.43
Current Fund - Animal Control	4.39	-
State of New Jersey - Dog License Fees	992.40	-
Municipal Licenses	6,292.00	-
Miscellaneous Receipts	1,887.00	-
Late Charges	780.00	-
Employees' Payroll Deductions and Contributions	-	3,088.26
Reserve for:		
Unemployment Insurance Claims	-	3.47
Various Reserves	-	963,362.34
	9,955.79	966,898.49
	10,815.62	1,514,524.94
Decreased By Disbursements:		
State of New Jersey - Dog License Fees	992.40	-
Due To Current Fund - Other	-	352.78
Due To Current Fund - Payroll	-	9.84
Reserve for:		
Animal Control Fund Expenditures	6,152.35	-
Unemployment Insurance Claims	-	2,693.89
Various Reserves	-	977,045.02
	7,144.75	980,101.53
Balance, December 31, 2014	\$ 3,670.87	\$ 534,423.41

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**ANIMAL CONTROL TRUST FUND**  
**SCHEDULE OF DUE TO STATE OF NEW JERSEY - LICENSE FEES**  
**Year ended December 31, 2014**

Balance, December 31, 2013	\$ -
Increased By:	
2014 State License Fees Collected	<u>992.40</u>
	992.40
Decreased By:	
Paid To State of New Jersey	<u>992.40</u>
Balance, December 31, 2014	<u><u>\$ -</u></u>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
ANIMAL CONTROL TRUST FUND  
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES  
Year ended December 31, 2014**

Balance, December 31, 2013	\$	859.83
Increased By:		
2014 Municipal License Fees Collected	\$	6,292.00
Miscellaneous Receipts		1,887.00
2014 Municipal License Late Fees Collected		780.00
		8,959.00
		9,818.83
Decreased By:		
Expenditures Under R.S. 4:19-15.11		6,152.35
Balance, December 31, 2014	\$	3,666.48

License Fees Collected

2013	\$	5,903.00
2012		5,419.80
	\$	11,322.80

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
TRUST - OTHER FUND  
SCHEDULE OF DUE TO CURRENT FUND  
Year ended December 31, 2014**

Balance, December 31, 2013	\$ 9.41
Increased By:	
Cash Receipts	<u>430.99</u>
	440.40
Decreased By:	
Cash Disbursements	<u>352.78</u>
Balance, December 31, 2014	<u><u>\$ 87.62</u></u>

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**TRUST - OTHER FUND**  
**SCHEDULE OF RESERVE FOR VARIOUS TRUSTS**  
**Year ended December 31, 2014**

	Balance December 31, <u>2013</u>	Cash <u>Receipts</u>	<u>Disbursements</u>	Balance December 31, <u>2014</u>
Municipal Court P.O.A.A.	\$ 70.00	\$ 6.00	\$ -	\$ 76.00
Tax Trust Premium	350,400.00	195,500.00	201,400.00	344,500.00
Fire Prevention	3,867.50	200.00	3,700.00	367.50
DARE	160.00	400.00	205.00	355.00
Sewer Escrow	19,203.46	-	-	19,203.46
Developers Escrow	19,201.95	21,500.00	20,563.80	20,138.15
Tax Title Liens	7,914.12	324,344.15	328,858.00	3,400.27
Escrow Interest Payable	345.16	1.52	346.68	-
Accumulated Absences	12,665.00	5,000.00	-	17,665.00
Recreation Trust	1,127.85	6,920.00	4,629.88	3,417.97
Scamporino Forsgate Cash Performance	7,625.14	350.41	-	7,975.55
Public Defender	260.00	-	100.00	160.00
Nicole & Angela Performance Bond	78,486.46	51.61	-	78,538.07
Reserve Joint Insurance Fund	2,478.45	1,331.15	831.15	2,978.45
Police Outside Employment	35,772.51	400,970.00	416,002.51	20,740.00
MLETA Forfeiture Funds	2,075.95	6,787.50	408.00	8,455.45
	<u>\$ 541,653.55</u>	<u>\$ 963,362.34</u>	<u>\$ 977,045.02</u>	<u>\$ 527,970.87</u>

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**PAYROLL AGENCY TRUST FUND**  
**SCHEDULE OF EMPLOYEES' PAYROLL DEDUCTIONS AND CONTRIBUTIONS PAYABLE**  
**Year ended December 31, 2014**

Balance, December 31, 2013	\$ 437.54
Increased By:	
Payroll Deductions and Municipal	
Share of Payroll Taxes	<u>3,088.26</u>
Balance, December 31, 2014	<u><u>\$ 3,525.80</u></u>

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**UNEMPLOYMENT INSURANCE TRUST FUND**  
**SCHEDULE OF RESERVE FOR UNEMPLOYMENT INSURANCE CLAIMS**  
**Year ended December 31, 2014**

Balance, December 31, 2013	\$ 5,525.95
Increased By:	
Cash Receipts	<u>3.47</u>
	5,529.42
Decreased By:	
Cash Disbursements	<u>2,693.89</u>
Balance, December 31, 2014	<u><u>\$ 2,835.53</u></u>

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP") (REVIEWED)**  
**SCHEDULE OF INVESTMENTS**  
**Year ended December 31, 2014**

Balance, December 31, 2013	\$	57,107.32
Increased By:		
Borough Contributions	\$	5,475.10
Earnings/Losses		3,113.71
		8,588.81
		65,696.13
Decreased By:		
Withdrawals		7,666.35
Balance, December 31, 2014	\$	58,029.78

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP") (REVIEWED)**  
**SCHEDULE OF DUE FROM CURRENT FUND**  
**Year ended December 31, 2014**

Balance, December 31, 2013	\$ -
Increased By:	
Appropriation Reserves	<u>5,475.10</u>
	5,475.10
Decreased By:	
Cash Receipts	<u>5,475.10</u>
Balance, December 31, 2014	<u><u>\$ -</u></u>

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP") (REVIEWED)**  
**SCHEDULE OF MISCELLANEOUS RESERVES**  
**Year ended December 31, 2014**

Balance, December 31, 2013		\$ 57,107.32
Increased By:		
Borough Contributions	\$ 5,475.10	
Earnings/Losses	<u>3,113.71</u>	
		<u>8,588.81</u>
		65,696.13
Decreased By:		
Withdrawals		<u>7,666.35</u>
Balance, December 31, 2014		<u><u>\$ 58,029.78</u></u>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
ANIMAL CONTROL TRUST FUND  
SCHEDULE OF DUE TO CURRENT FUND  
Year ended December 31, 2014**

Balance, December 31, 2013	\$ -
Increased By:	
Cash Receipts	<u>4.39</u>
Balance, December 31, 2014	<u><u>\$ 4.39</u></u>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
PAYROLL AGENCY TRUST FUND  
SCHEDULE OF DUE TO CURRENT FUND  
Year ended December 31, 2014**

Balance, December 31, 2013	\$ -
Increased By:	
Cash Receipts	<u>13.43</u>
	13.43
Decreased By:	
Cash Disbursements	<u>9.84</u>
Balance, December 31, 2014	<u><u>\$ 3.59</u></u>

**GENERAL CAPITAL FUND**

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**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
GENERAL CAPITAL FUND  
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - TREASURER  
Year ended December 31, 2014**

Balance, December 31, 2013		\$ 144,528.40
Increased By:		
Due From State - Grant Receivable	\$ 376,889.20	
Due To Current Fund	35.58	
Capital Improvement Fund	96,000.00	
		472,924.78
		617,453.18
Decreased By:		
Improvement Authorizations	425,238.48	
Due To Current Fund	5.50	
		425,243.98
Balance, December 31, 2014		\$ 192,209.20

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF ANALYSIS OF GENERAL CAPITAL FUND CASH**  
**Year ended December 31, 2014**

		Balance December 31, <u>2014</u>
Fund Balance	\$	147.48
Capital Improvement Fund		768.68
Due To Current Fund		35.58
Reserve for Gatzmer Traffic Light		20,000.00
Encumbrances Payable		3,236.98
<u>Improvement Authorizations</u>		
17-09 Sewer System Improvements		2,760.37
14-11 Buckelew Rehabilitation		5,201.52
10-12 Half Acre Road 2012 CDBG		(13,664.81)
05-13 Various Equipment		1,600.00
06-13 Streetscape Economic Development		1,895.44
09-13 CDBG Sewer Rehab		(12,221.86)
03-14 UST Remediation		18,785.01
05-14 Various Equipment		11,283.20
06-14 Buckalew Avenue - NJDOT		141,000.71
07-14 Reapprop Ord - Sewer Rehabilitation		11,380.90
08-14 Sewer Rehabilitation		-
	\$	<u>192,209.20</u>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
GENERAL CAPITAL FUND  
SCHEDULE OF GRANTS RECEIVABLE  
Year ended December 31, 2014**

Balance, December 31, 2013		\$ 549,509.19
Increased By:		
Grants Receivable		<u>335,708.00</u>
		885,217.19
Decreased By:		
Cash Receipts	\$ 376,889.20	
Improvement Authorization Cancelled	<u>18,196.59</u>	
		<u>395,085.79</u>
Balance, December 31, 2014		<u><u>\$ 490,131.40</u></u>
Ordinances		
Ord. 10-11 SRTS Sedgwick		\$ 269,000.00
Ord. 10-12 Half Acre CDBG		13,664.81
Ord. 09-13 CDBG Rehab		38,371.00
Ord. 06-14 Buckalew Avenue - NJDOT		133,387.59
Ord. 08-14 Sewer Rehabilitation		<u>35,708.00</u>
		<u><u>\$ 490,131.40</u></u>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
Year ended December 31, 2014**

Ordinance Number	Improvement Description	Ordinance Date	Balance December 31, 2013		2014 Authorizations	Transferred Encumbrances Payable	Paid or Charged	Cancelled	Balance December 31, 2014	
			Funded	Unfunded					Funded	Unfunded
17-09	General Improvements:	10/19/09	\$ 7,305.82	\$ -	\$ -	\$ -	\$ 4,545.45	\$ -	\$ 2,760.37	\$ -
04-11	Sewer System Improvements	03/19/11	3,000.92	-	-	-	3,000.92	-	-	-
10-11	Acquisition of Various Equipment	06/18/11	269,000.00	-	-	-	-	-	269,000.00	-
14-11	SRTS Sedgwick	07/23/11	238,343.42	-	-	-	233,141.90	-	5,201.52	-
06-12	Bucklew Rehabilitation	05/29/12	12,259.09	-	-	-	-	12,259.09	-	-
10-12	West Railroad II	12/30/12	26,604.60	-	-	-	4,517.93	22,086.67	-	-
03-13	Half Acre 2012 CDBG	01/27/13	3,743.57	-	-	-	3,743.57	-	-	-
05-13	UST Remediation	03/23/13	597.26	-	-	8,364.66	7,361.92	-	1,600.00	-
06-13	Various Equipment	03/23/13	65,525.59	-	-	-	57,692.65	5,937.50	1,895.44	-
09-13	Streetscape Economic Development	12/23/13	38,371.00	-	-	-	12,221.86	-	26,149.14	-
03-14	CDBG Sewer Rehab	02/26/14	-	-	40,000.00	-	21,214.99	-	18,785.01	-
05-14	UST Remediation	05/14/14	-	-	56,000.00	-	44,716.80	-	11,283.20	-
06-14	Various Equipment	06/18/14	-	-	300,000.00	-	25,611.70	-	274,388.30	-
07-14	Bucklew Avenue - NJDOT	10/08/14	-	-	22,086.67	-	10,705.77	-	11,380.90	-
08-14	Reappropri Ord - Sewer Rehabilitation	12/10/14	-	-	35,708.00	-	-	-	35,708.00	-
			\$ 664,751.27	\$ -	\$ 453,794.67	\$ 8,364.66	\$ 428,475.46	\$ 40,283.26	\$ 658,151.88	\$ -

Cash Disbursements \$ 425,238.48  
 Encumbrances Payable 3,236.98

\$428,475.46

Grants Receivable:  
 New Jersey Department of Transportation \$ 300,000.00  
 Middlesex County 35,708.00  
 Reappropriated 22,086.67  
 Capital Improvement Fund 96,000.00  
\$ 753,794.67

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
GENERAL CAPITAL FUND  
SCHEDULE OF DUE TO CURRENT FUND  
Year ended December 31, 2014**

Balance, December 31, 2013	\$ 5.50
Increased By:	
Interest Earned on Investments	<u>35.58</u>
	41.08
Decreased By:	
Cash Disbursements	<u>5.50</u>
Balance, December 31, 2014	<u><u>\$ 35.58</u></u>

**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF RESERVE FOR CAPITAL IMPROVEMENT FUND**  
**Year ended December 31, 2014**

Balance, December 31, 2013	\$ 768.68
Increased By:	
2014 Budget Appropriations	<u>96,000.00</u>
	96,768.68
Decreased By:	
Improvement Authorizations	<u>96,000.00</u>
Balance, December 31, 2014	<u><u>\$ 768.68</u></u>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
GENERAL CAPITAL FUND  
SCHEDULE OF RESERVE FOR DEVELOPER CONTRIBUTION  
Year ended December 31, 2014**

Balance, December 31, 2014 and 2013

\$ 20,000.00

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
GENERAL CAPITAL FUND  
SCHEDULE OF ENCUMBRANCES PAYABLE  
Year ended December 31, 2013**

Balance, December 31, 2013	\$ 8,364.66
Increased By:	
Improvement Authorizations	<u>3,236.98</u>
	11,601.64
Decreased By:	
Improvement Authorizations	<u>8,364.66</u>
Balance, December 31, 2014	<u><u>\$ 3,236.98</u></u>

**SEWER UTILITY FUND**

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**BOROUGH OF JAMESBURG**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**SEWER UTILITY FUND**  
**SCHEDULE OF SEWER UTILITY CASH - TREASURER**  
**Year ended December 31, 2014**

	Operating Fund	Capital Fund
Balance, December 31, 2013	\$ 100,476.00	\$ 545.02
Increased By Receipts:		
Miscellaneous Revenues Not Anticipated	\$ 9,353.89	
Sewer Rents Receivable	862,255.57	
Due From:		
Sewer Utility Capital Fund	-	\$ 0.56
	871,609.46	0.56
	972,085.46	545.58
Decreased By:		
2014 Budget Appropriations	873,541.79	-
	873,541.79	-
Balance, December 31, 2014	\$ 98,543.67	\$ 545.58

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF ANALYSIS OF SEWER UTILITY CAPITAL FUND CASH  
Year ended December 31, 2014**

	Balance December 31, <u>2014</u>
Due To Sewer Utility Operating Fund	\$ 0.58
Capital Improvement Fund	<u>545.00</u>
	<u><u>\$ 545.58</u></u>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF SEWER RENTS RECEIVABLE  
Year ended December 31, 2014**

Balance, December 31, 2013	\$ 97,154.62
Increased By:	
Sewer Rents Charged in 2014 (Net)	<u>863,053.00</u>
	960,207.62
Decreased By:	
Collections	<u>862,255.57</u>
Balance, December 31, 2014	<u><u>\$ 97,952.05</u></u>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF DUE FROM FORMER TREASURER  
AND/OR BONDING COMPANY  
Year ended December 31, 2014**

Balance, December 31, 2014 and 2013

\$ 8,066.51

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF APPROPRIATION RESERVES  
Year ended December 31, 2014**

	Balance December 31, <u>2014</u>	Modified <u>2014</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 1,010.20	\$ 1,010.20	\$ -	\$ 1,010.20
Other Expenses	139.05	139.05	-	139.05
	<u>\$ 1,149.25</u>	<u>\$ 1,149.25</u>	<u>\$ -</u>	<u>\$ 1,149.25</u>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF DUE FROM SEWER UTILITY CAPITAL FUND  
Year ended December 31, 2014**

Balance, December 31, 2013	\$ 0.02
Increased By:	
Sewer Utility Capital Fund	
Interest Income	<u>0.56</u>
Balance, December 31, 2014	<u><u>\$ 0.58</u></u>

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL  
Year ended December 31, 2014**

Balance, December 31, 2014 and 2013

\$ 826,487.32

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
Year ended December 31, 2014**

Balance, December 31, 2014 and 2013

\$ 545.00

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION  
Year ended December 31, 2014**

Balance, December 31, 2014 and 2013

\$ 826,487.32

**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF DUE TO SEWER UTILITY OPERATING FUND  
Year ended December 31, 2014**

Balance, December 31, 2013	\$ 0.02
Increased By:	
Cash Receipts	<u>0.56</u>
Balance, December 31, 2014	<u><u>\$ 0.58</u></u>

**GENERAL FIXED ASSETS ACCOUNT GROUP**

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**COUNTY OF MIDDLESEX, NEW JERSEY**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
**SCHEDULE OF GENERAL FIXED ASSETS**  
**Year ended December 31, 2014**

	Balance December 31, <u>2013</u>	Additions/ <u>Adjustments</u>	Deletions/ <u>Adjustments</u>	Balance December 31, <u>2014</u>
Land	\$ 216,400.00	\$ -	\$ -	\$ 216,400.00
Buildings	508,000.00	-	-	508,000.00
	-			
Equipment	1,138,535.80	66,799.00	24,526.00	1,180,808.80
	-			
Improvements	81,522.00	-	-	81,522.00
	<u>\$ 1,944,457.80</u>	<u>\$ 66,799.00</u>	<u>24,526.00</u>	<u>\$ 1,986,730.80</u>

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**BOROUGH OF JAMESBURG  
COUNTY OF MIDDLESEX, NEW JERSEY**

**PART II**

**COMMENTS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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The Honorable Mayor and Members  
of the Borough Council  
Borough of Jamesburg  
Jamesburg, New Jersey 08831

We have audited the financial statements – statutory basis of the Borough of Jamesburg in the County of Middlesex for the year ended December 31, 2014.

**Scope of Audit**

The audit covered the financial transactions of the Treasurer, Tax Collector, and Sewer Utility Collector, the activities of the Mayor and Council and the records of the various outside departments.

Cash on hand was counted and cash balances were reconciled with independent certifications obtained directly from the depositories.

The accrued and realized revenues for the various Borough Departments as shown on the Statements of Revenue and Revenue Accounts Receivable are presented as recorded in the Borough records.

In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

**GENERAL COMMENTS**

**Contracts and Agreements Required to be advertised by (N.J.S.A.40A:11-4)**

*N.J.S.A.40A:11-4* - Every contract or agreement, for the performance of any work or 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 \$36,000 except by contract or agreement.

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year.

Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made. The minutes indicate that bids were requested by public advertising for the following items:

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

### **Banking Proposals Buckelew Avenue Curb and Sidewalk Replacement Program**

A test was conducted to determine that expenditures greater than \$5,400 obtained solicitation of quotes. No exceptions were noted.

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

Purchases were made through the State Division of Purchases and Property and were approved by resolution of the Borough Council.

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

The compliance review of expenditures did not reveal any individual payments or contracts in excess of the statutory limit "for the performance of any work, or the furnishing of any materials, supplies or labor, or the hiring of teams or vehicles," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of *N.J.S.A.40A:11-6*.

### **Contracts and Agreements Requiring Solicitation of Quotations**

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$5,400 thereafter "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of (*N.J.S.A.40A:11-6.1*).

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

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

The governing body on January 7, 2014 adopted the following resolution authorizing interest to be charged on delinquent taxes:

**"BE IT RESOLVED** that the rate of interest to be charged for the nonpayment of taxes and water/sewer rents on the date when they become delinquent is hereby fixed as eight (8%) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18%) percent per annum on any amount in excess of One

**Collection of Interest on Delinquent Taxes and Assessments (continued):**

Thousand Five Hundred Dollars (\$1,500.00). The same to be calculated from the date of actual payment; provided, however, that no interest be charged if payment is made with ten (10) days after the date upon which same became payable.”

The Borough also charges an additional 6% penalty on delinquencies in excess of \$10,000 at the end of the calendar year.

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

**Tax Collector’s Annual Report**

*N.J.S.54:4-91* requires that on or before May 1<sup>st</sup> of each year, the Tax Collector shall file with the Treasurer and the governing body a statement of receipts during the preceding year as well as added assessments, taxes canceled and taxes unpaid as of December 31, all for the preceding tax year. This report was filed in 2014 with the governing body.

**Delinquent Taxes and Tax Title Liens**

The delinquent taxes at December 31, 2014 included real estate taxes for 2014.

The last tax sale was held on October 8, 2014 and was complete.

Inspection of 2014 tax sale certificates on file revealed that all tax sale certificates were available for audit.

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

<b>YEAR</b>	<b>NUMBER OF LIENS</b>
2014	1
2013	0
2012	0

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

**Deductions From Taxes**

The audit of senior citizen and veteran deductions on a test basis revealed that deductions appear reasonable.

## **Examination of Bills**

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a part payment or estimate.

## **Deposit of Funds Paid to Local Unit**

*N.J.S.40A:5-15* states:

“All moneys, including moneys collected by taxation, received from any source by or on behalf of any local unit or any board or department thereof shall within 48 hours after the receipt thereof, either;

- a. be paid to the officer charged with the custody of the general funds of the local unit, who shall deposit all such funds within 48 hours after the receipt thereof to the credit of the local unit in its designated legal depository, or;
- b. be deposited to the credit of the local unit in its designated legal depository.”

No exceptions were noted during our testing.

## **Payroll Fund**

The examination of the payroll fund included testing the detail computation of various deductions or other credits from the payroll of Borough employees, also, the examination ascertained that the accumulated withholdings were distributed to the proper agencies.

## **Municipal Court**

A separate report for the Municipal Court transactions was filed in accordance with the requirements of the Local Finance Board.

As part of the test of the municipal court records, no attempt was made to differentiate between fines due the Borough, County, or State, or to pass upon the authenticity of the preparation and procedures for complaints issued.

A test sample was selected of twenty (20) traffic and criminal cases processed through the system. The purpose of the test was to determine that traffic fines were levied in accordance with State Statutes, that payments were deposited intact and on a timely basis, that dispositions were entered in traffic and criminal dockets, closure procedures for delinquent traffic tickets were enforced and that proper procedures were in effect for defendants paying on a the partial payment system. This test disclosed no discrepancies regarding fines being properly levied, entering of dispositions and closure procedures.

The computer software does not allow for a posting distribution in the cash receipts journal when a transaction involves both a check and cash payment being made by the defendant. The computer system requires this particular type of transaction be posted as either entirely cash or check. As a result of this limitation no test can be conducted to determine if the receipt detail batch totals from the journal agree with the detail of cash and checks deposited for that particular day.

A review of the partial payment system indicated that collection procedures are being enforced to collect delinquent balances.

**Prior Year Findings**

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings. There were no prior year findings.

## OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2014:

<b>NAME</b>	<b>POSITION</b>	<b>AMOUNT OF SURETY BOND</b>
Marlene Lowande	Mayor	
Daria Ludas	Council President	
Brian Taylor	Council Member	
Sandy Sussman	Council Member	
Thomas Busco	Council Member	
Thomas Gibbons	Council Member	
Shannon Spillane	Council Member	
Tanya Pannucci	Acting Borough Clerk (01/01/14-06/17/14) Borough Clerk (06/18/14-12/31/14), Deputy Registrar	(A)
Denise Jawidizik	Chief Financial Officer, Tax Collector	(A)
Kelly Taylor	Sewer Utility Administrator, Registrar of Vital Statistics	(A)
Frederick C. Raffetto, Esq.	Solicitor	
Sharon Pyne	Court Administrator	(A)

(A) \$1,000,000 per loss is covered by the Middlesex Counties Joint Insurance Fund Crime Policy and Excess Crime Policy Public Employee Bond Declarations.

## **Acknowledgment**

We express our appreciation for the assistance and courtesies extended to the members of the audit team.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.

Robert W. Allison  
Certified Public Accountant  
Registered Municipal Accountant  
RMA #483

April 09, 2015  
Freehold, New Jersey