

**TOWNSHIP OF MAHWAH**

Financial Statements  
with Additional Financial Information

December 31, 2012

(With Independent Auditor's Report Thereon)

**TOWNSHIP OF MAHWAH**

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

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

#### **Independent Auditor's Report**

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

#### **Report on the Financial Statements**

We have audited the accompanying regulatory basis balance sheets of the various funds, except for the Deferred Award Revolving Fund, and account groups as of December 31, 2012 and 2011 of the Township of Mahwah, New Jersey, and the related regulatory basis statements of operations and changes in fund balances for the years then ended and the related regulatory basis statements of revenues and statements of expenditures of the Current Fund, Water Utility and Sewer Utility Funds for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

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

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

#### ***Auditor's Responsibility***

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

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

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

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

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

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

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

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

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Mahwah, New Jersey, as of December 31, 2012 and 2011 and the changes in financial position for the years then ended.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Township of Mahwah, New Jersey, as of December 31, 2012 and 2011 and the related statement of operations and changes in fund balances for the years then ended and the related and the related statement of revenues and statements of expenditures of the Current Fund, Water Utility and Sewer Utility Funds for the year ended December 31, 2012 on the regulatory basis of accounting described in note 1.



## ***Other Matters***

### ***Additional Financial Information***

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

The accompanying Balance Sheet and Note for the Deferred Award Revolving Fund for the years ended December 31, 2012 and 2011 were not audited, and in accordance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and we were not engaged to audit the Deferred Award Revolving Fund. Accordingly, we do not express an opinion on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated July 22, 2013 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Township of Mahwah's internal control over financial reporting and compliance.

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

Louis C. Mai, Registered Municipal Accountant  
No. CR00217

July 22, 2013

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

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

#### **Independent Auditor's Report**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying regulatory basis balance sheets of the various funds and account groups as of December 31, 2012 and 2011 of the Township of Mahwah, New Jersey, and the related regulatory basis statements of operations and changes in fund balances for the years then ended and the related regulatory basis statements of revenues and statements of expenditures of the Current fund, Water Utility and Sewer Utility funds for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise Township of Mahwah, New Jersey's (the Township) basic financial statements, and have issued our report thereon dated July 22, 2013

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

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

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

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

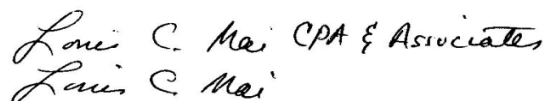
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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



Louis C. Mai CPA & Associates  
Louis C. Mai

Louis C. Mai, Registered Municipal Accountant  
No. CR00217

July 22, 2013

## FINANCIAL STATEMENTS

## TOWNSHIP OF MAHWAH

Balance Sheet  
Regulatory Basis

## Current Fund

December 31, 2012 and 2011

<b>Assets</b>	<b>Ref.</b>	<b>2012</b>	<b>2011</b>
<b>Regular Fund:</b>			
Cash - checking	A-4	\$ 10,455,187	10,314,660
Change Fund - cash		750	750
Due from State of New Jersey - Senior Citizens' and Veterans' deductions	A-6	<u>4,886</u>	<u>5,622</u>
		<u>10,460,823</u>	<u>10,321,032</u>
<b>Receivables and other assets with full reserves:</b>			
Delinquent property taxes receivable	A-7	493,789	480,272
Tax title liens	A-8	259,554	268,351
Foreclosed property	A-25	1,353,400	1,353,400
Revenue accounts receivable	A-9	26,066	33,405
<b>Due from:</b>			
Other Trust Funds	A-21	112	280
General Capital Fund	A-21	17	19
Dog License Fund	A-21	7,108	4,787
Federal and State Grants Fund	A-21	<u>253,436</u>	<u>277,646</u>
		<u>2,393,482</u>	<u>2,418,160</u>
<b>Deferred charges:</b>			
Special emergency authorizations (40A-4:53)	A-3	—	120,000
Emergency authorizations (40A:4-47)	A-3	<u>—</u>	<u>62,000</u>
		<u>12,854,305</u>	<u>12,921,192</u>
<b>Federal and State Grant Fund:</b>			
Grants receivable	A-22	<u>472,470</u>	<u>614,601</u>
		<u>\$ 13,326,775</u>	<u>13,535,793</u>

TOWNSHIP OF MAHWAH

Balance Sheet  
Regulatory Basis

Current Fund

December 31, 2012 and 2011

<b>Liabilities, Reserves and Fund Balance</b>	<b>Ref.</b>	<b>2012</b>	<b>2011</b>
<b>Regular Fund:</b>			
Liabilities:			
Appropriation reserves	A-3,A-10	\$ 1,172,930	1,624,588
Encumbrances payable	A-15	1,102,790	1,055,949
Tax overpayments	A-16	11,959	24,563
Prepaid taxes	A-17	457,998	623,677
Prepaid health licenses	A-18	500	1,420
Due to:			
County for added taxes	A-14	17,473	10,898
Affordable Housing Trust Fund	A-21	—	338
Reserve for arbitrage rebate payable	A-26	30,000	30,000
Various reserves	A-20	404,545	555,082
Reserve for tax appeals	A-19	964,591	604,698
Unappropriated reserves	A-11	31,591	31,591
		<u>4,194,377</u>	<u>4,562,804</u>
Reserve for receivables and other assets		2,393,482	2,418,160
Fund balance	A-1	<u>6,266,446</u>	<u>5,940,228</u>
		<u>12,854,305</u>	<u>12,921,192</u>
<b>Federal and State Grant Fund:</b>			
Due to Regular Fund	A-21	253,436	277,646
Appropriated reserves	A-23	134,013	202,972
Encumbrances payable	A-27	80,055	97,317
Unappropriated reserves	A-24	4,966	36,666
		<u>472,470</u>	<u>614,601</u>
		<u>\$ 13,326,775</u>	<u>13,535,793</u>

See accompanying notes to financial statements.

## TOWNSHIP OF MAHWAH

Statement of Operations and Changes in Fund Balance  
Regulatory Basis

## Current Fund

Years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Revenue and other income realized:		
Fund balance utilized	\$ 3,250,000	3,825,000
Miscellaneous revenue anticipated	9,825,633	8,950,377
Receipts from delinquent taxes	519,115	466,446
Receipts from current taxes	91,175,069	89,710,674
Non-budget revenues	980,711	1,091,802
Other credits to income:		
Budget appropriations canceled	24,647	10
Unexpended balance of appropriation reserves	730,401	746,856
Interfunds returned	29,296	85,107
Grant reserves cancelled	8,949	2,280
Voided checks	1,633	702
Reserves cancelled	—	29,345
Accounts payable canceled	61,436	4,719
Total income	<u>106,606,890</u>	<u>104,913,318</u>
Expenditures:		
Budget and emergency appropriations:		
Appropriations within "CAPS":		
Operations:		
Salaries and wages	12,453,850	11,917,500
Other expenses	10,237,759	10,796,848
Deferred charges and statutory expenditures	2,684,550	2,867,727
Appropriations excluded from "CAPS":		
Operations:		
Other expenses	3,021,783	3,041,638
Capital improvements	209,500	200,000
Municipal debt service	3,516,110	3,502,615
Deferred charges	182,584	120,000
County taxes	14,034,235	13,022,492
Amount due County for added and omitted taxes	17,474	10,898
Local district school taxes	56,092,169	55,129,066
Municipal open space tax	570,869	574,011
Interfunds advanced	129	277,944
Cancellation Grants receivable	6,520	480
Prior year senior citizens deductions cancelled	1,250	2,616
Refund of prior year revenue	1,890	3,075
Total expenditures	<u>103,030,672</u>	<u>101,466,910</u>
Excess in revenue	3,576,218	3,446,408
Adjustments to income before surplus:		
Expenditures included above which are by statute deferred charges to budget of succeeding year - emergency appropriations	<u>—</u>	<u>62,000</u>
Statutory excess to fund balance	3,576,218	3,508,408
Fund balance, January 1	<u>5,940,228</u>	<u>6,256,820</u>
	9,516,446	9,765,228
Decreased by utilized as anticipated revenue	<u>3,250,000</u>	<u>3,825,000</u>
Fund balance, December 31	<u>\$ 6,266,446</u>	<u>5,940,228</u>

See accompanying notes to financial statements.

## TOWNSHIP OF MAHWAH

Statement of Revenues  
Regulatory Basis

## Current Fund

Year ended December 31, 2012

	<u>Budget</u>	<u>Realized</u>	<u>Excess (deficit)</u>
Fund balance anticipated	\$ 3,250,000	3,250,000	—
Miscellaneous revenues:			
Licenses:			
Alcoholic beverages	30,000	31,560	1,560
Other	40,000	46,648	6,648
Fees and permits	50,000	59,378	9,378
Fines and costs - municipal court	350,000	499,849	149,849
Interest and costs on taxes	105,000	112,114	7,114
Interest on investments and deposits	10,000	17,365	7,365
Rental of Township owned property	200,000	258,082	58,082
Fire Safety Act fees	145,000	174,100	29,100
Energy Receipts Tax (P.L. 1999, Ch 162 & 167)	4,909,572	4,909,572	—
Garden State Trust Fund	3,844	3,844	—
Uniform construction code fees	875,000	1,078,981	203,981
Recycling Tonnage Grant	77,398	77,398	—
Drunk Driving Enforcement Fund	11,589	11,589	—
Clean Communities Programs	38,827	38,827	—
Alcohol Education and Rehabilitation Act	5,774	5,774	—
Municipal Alliance on Alcoholism and Drug Abuse	12,157	12,157	—
United States Department of Highway Traffic Safety (pass through the State of New Jersey - Highlands Water Protection:			
Regional Master Plan - Compliance Aid	129,100	129,100	—
State of New Jersey - Department of Law and Public Safety			
Division of Criminal Justice - Body Armor Fund	4,846	4,846	—
United States Department of Homeland Security (pass through the State of New Jersey Office of Homeland Security) - Continental			
Soldiers Park - Bridges	21,375	21,375	—
State of New Jersey - Department of Transportation:			
Ridge Road Section 6	146,500	146,500	—
County of Bergen:			
Open Space Trust Fund	42,500	42,500	—
Swim and Tennis Club fees	149,500	154,368	4,868
Reserve for Open Space Fund	575,000	575,000	—
Reserve for Payment of Debt	331,000	331,000	—
Library Contribution	182,557	182,557	—
Municipal Hotel/Motel Occupancy Tax	625,000	749,179	124,179
Cable television Franchise Fee	135,000	151,970	16,970
	<u>9,206,539</u>	<u>9,825,633</u>	<u>619,094</u>

(Continued)



TOWNSHIP OF MAHWAH

Statement of Revenues  
Regulatory Basis

Current Fund

Year ended December 31, 2012

	<u>Budget</u>	<u>Realized</u>	<u>Excess (deficit)</u>
Receipts from delinquent taxes	\$ 415,000	519,115	104,115
Amount to be raised by taxes for support of municipal budget:			
Local Tax for Municipal Purposes including Reserve for Uncollected taxes	19,840,087		
Minimum Library Tax	2,145,178		
Total Amount to be Raised	<u>21,985,265</u>	<u>23,010,991</u>	<u>1,025,726</u>
Budget totals	<u>\$ 34,856,804</u>	36,605,739	<u>1,748,935</u>
Non-budget revenues		980,711	
		<u>\$ 37,586,450</u>	
Allocation of current tax collections:			
Revenue from collections		\$ 91,875,069	
Allocated to:			
School, County and Open Space taxes		70,714,745	
Reserve for tax appeals		<u>700,000</u>	
Balance for support of municipal budget		20,460,324	
Add appropriation reserve for uncollected taxes		<u>2,550,667</u>	
Amount for support of municipal budget		<u>\$ 23,010,991</u>	
Receipts from delinquent taxes:			
Delinquent tax collections		\$ 485,098	
Tax title liens		<u>34,017</u>	
		<u>\$ 519,115</u>	
Miscellaneous revenue not anticipated:			
Reimbursements		\$ 522,010	
Van Driver (Federal - Title III)		29,610	
County Reimbursement - Van (State Department of Health and Sr. Services)		10,000	
Cops in Shops		2,400	
NJ Office of Emergency Management (FEMA)		225,171	
Concession stand		1,000	
Sale of assets		63,107	
Housing fees		13,450	
Recycling fees		84,269	
Copy duplication fees		2,382	
911 services		4,228	
Cat Licenses		2,395	
Senior Center		1,853	
Administrative fee Senior and Veterans deductions		4,203	
Motor Vehicle Inspection Fines		3,100	
Forfeited Bail		1,265	
Seized Confiscated Funds		9,500	
Miscellaneous		<u>768</u>	
		<u>\$ 980,711</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

Current Fund

Year ended December 31, 2012

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
General appropriations:						
Operations within "CAPS":						
Legislation:						
Township Council:						
Salaries and wages	\$ 50,000	—	50,000	43,000	7,000	—
Other expenses	3,750	—	3,750	2,348	1,402	—
Office of the Township Clerk:						
Salaries and wages	181,950	—	181,950	180,091	1,859	—
Other expenses	22,877	—	22,877	11,379	11,498	—
Election:						
Salaries and wages	3,450	500	3,950	3,538	412	—
Other expenses	25,200	(500)	24,700	22,897	1,803	—
Animal Control:						
Other expenses	37,000	—	37,000	33,480	3,520	—
Administration:						
Office of the Mayor:						
Salaries and wages	15,000	—	15,000	15,000	—	—
Other expenses	4,750	—	4,750	2,363	2,387	—
Office of the Business Administrator:						
Salaries and wages	309,250	11,000	320,250	319,083	1,167	—
Other expenses	38,270	(6,000)	32,270	25,044	7,226	—
Insurance:						
Comprehensive business liability insurance:						
Other expenses	400,000	—	400,000	388,928	11,072	—
Employee medical insurance:						
Other expenses	3,750,000	—	3,750,000	3,692,101	57,899	—
Workers Compensation Insurance:						
Other expenses	450,000	—	450,000	445,289	4,711	—
Employee optical plan:						
Other expenses	30,000	—	30,000	30,000	—	—
Employee physicals:						
Other expenses	47,500	—	47,500	37,500	10,000	—
Health Benefit Waiver	7,500	—	7,500	6,655	845	—

(Continued)

## TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

## Current Fund

Year ended December 31, 2012

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Employee life insurance:						
Other expenses	\$ 40,000	—	40,000	27,178	12,822	—
Insurance miscellaneous:						
Other expenses	55,000	—	55,000	49,587	5,413	—
Unemployment Compensation Insurance						
Other expenses	30,000	—	30,000	30,000	—	—
Health and Safety Programs						
Other expenses	12,000	—	12,000	8,306	3,694	—
Division of Law:						
Other expenses	235,000	15,000	250,000	232,933	17,067	—
Division of Engineering:						
Other expenses	60,000	—	60,000	57,433	2,567	—
Municipal Land Use Law (N.J.S.A. 40:55):						
Division of Planning and Zoning:						
Salaries and wages	200,550	—	200,550	189,217	11,333	—
Other expenses	90,200	—	90,200	63,343	26,857	—
Division of Finance:						
Bureau of Treasury:						
Salaries and wages	229,800	—	229,800	229,271	529	—
Other expenses	4,575	—	4,575	4,080	495	—
Bureau of Collections:						
Salaries and wages	174,400	—	174,400	173,792	608	—
Other expenses	9,807	—	9,807	7,691	2,116	—
Bureau of Assessment:						
Salaries and wages	147,600	—	147,600	147,551	49	—
Other expenses	28,350	—	28,350	27,626	724	—
Auditor:						
Other expenses	33,000	—	33,000	26,500	6,500	—
Department of Public Works:						
DPW administration:						
Salaries and wages	81,300	—	81,300	79,328	1,972	—
Other expenses	1,050	—	1,050	605	445	—

(Continued)

## TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

## Current Fund

Year ended December 31, 2012

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
DPW streets and roads:						
Salaries and wages	\$ 400,600	—	400,600	400,534	66	—
Other expenses	98,900	—	98,900	83,058	15,842	—
DPW buildings and grounds:						
Salaries and wages	339,950	—	339,950	337,807	2,143	—
Other expenses	169,815	—	169,815	157,332	12,483	—
DPW emergency services:						
Other expenses	48,700	—	48,700	34,930	13,770	—
DPW parks and playgrounds:						
Salaries and wages	177,550	—	177,550	177,503	47	—
Other expenses	60,664	—	60,664	46,377	14,287	—
DPW recycling:						
Salaries and wages	441,800	(17,500)	424,300	420,611	3,689	—
Other expenses	22,308	—	22,308	20,738	1,570	—
DPW motor pool:						
Salaries and wages	71,900	—	71,900	71,163	737	—
Other expenses	273,800	(10,000)	263,800	243,630	20,170	—
DPW snow removal:						
Salaries and wages	160,000	(62,500)	97,500	41,287	56,213	—
Other expenses	225,000	(75,000)	150,000	103,700	46,300	—
DPW overtime:						
Salaries and wages	141,000	47,500	188,500	175,091	13,409	—
Sanitation:						
Collection service:						
Other expenses	796,000	(20,000)	776,000	765,167	10,833	—
Disposal:						
Other expenses	675,000	—	675,000	648,642	26,358	—
Disposal/Recyclables:						
Other expenses	15,000	—	15,000	14,714	286	—
Municipal Services Act:						
Other expenses	190,000	—	190,000	164,773	25,227	—

(Continued)

## TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

## Current Fund

Year ended December 31, 2012

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Board of Health:						
Board of Health administration:						
Salaries and wages	\$ 249,350	1,500	250,850	250,294	556	—
Other expenses	23,675	(1,500)	22,175	14,120	8,055	—
Health Officer services (Paramus):						
Other expenses	38,000	—	38,000	37,690	310	—
Visiting Nurse service:						
Other expenses	34,118	—	34,118	34,118	—	—
Department of Police:						
Police administration:						
Salaries and wages	598,150	—	598,150	598,035	115	—
Other expenses	142,560	—	142,560	139,927	2,633	—
Police records:						
Salaries and wages	82,550	—	82,550	82,514	36	—
Police patrol:						
Salaries and wages	5,932,100	87,500	6,019,600	6,013,086	6,514	—
Police dispatchers:						
Salaries and wages	298,900	—	298,900	296,908	1,992	—
Police detectives:						
Salaries and wages	466,100	—	466,100	464,522	1,578	—
Police juvenile:						
Salaries and wages	—	—	—	—	—	—
Police crossing guards:						
Salaries and wages	55,000	500	55,500	55,199	301	—
Police purchase of police cars:						
Other expenses	111,889	10,000	121,889	121,871	18	—
Police supplemental programs: Municipal Alliance/ DARE						
Other expenses	500	—	500	—	500	—

(Continued)

TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

Current Fund

Year ended December 31, 2012

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Emergency Management:						
Bureau of Emergency Management:						
Salaries and wages	\$ 18,000	—	18,000	17,990	10	—
Other expenses	51,850	—	51,850	43,765	8,085	—
Fire Department:						
Salaries and wages	84,500	—	84,500	83,163	1,337	—
Other expenses	154,500	—	154,500	138,068	16,432	—
Bureau of Fire Prevention:						
Salaries and wages	84,300	—	84,300	82,731	1,569	—
Other expenses	3,500	—	3,500	2,462	1,038	—
Aid to Volunteer Fire Companies:						
Other expenses	10,000	—	10,000	10,000	—	—
Division of Human Services:						
Salaries and wages	116,450	—	116,450	115,635	815	—
Other expenses	1,450	—	1,450	422	1,028	—
Senior Citizens activities:						
Salaries and wages	101,150	—	101,150	101,079	71	—
Other expenses	59,830	—	59,830	50,130	9,700	—
Access Transportation:						
Salaries and wages	73,100	—	73,100	71,555	1,545	—
Other expenses	1,200	—	1,200	96	1,104	—
Boards, Commissions and Committees:						
Environmental Commission:						
Salaries and wages	3,500	—	3,500	3,500	—	—
Other expenses	3,700	—	3,700	755	2,945	—
Housing Commission:						
Salaries and wages	3,500	—	3,500	3,500	—	—
Other expenses	1,050	—	1,050	—	1,050	—

(Continued)

TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

Current Fund

Year ended December 31, 2012

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Historic Preservation Commission:						
Salaries and wages	\$ 3,500	—	3,500	3,500	—	—
Other expenses	3,850	—	3,850	90	3,760	—
Recreation:						
Salaries and wages	70,000	6,300	76,300	76,121	179	—
Other expenses	107,511	(6,300)	101,211	87,626	13,585	—
Municipal Pool:						
Salaries and wages	117,000	—	117,000	115,219	1,781	—
Other expenses	110,645	—	110,645	89,340	21,305	—
Municipal Prosecutor						
Other expenses	45,000	—	45,000	42,800	2,200	—
Municipal Court:						
Salaries and wages	244,000	20,000	264,000	262,782	1,218	—
Other expenses	23,450	(10,000)	13,450	10,361	3,089	—
Public Defender:						
Other expenses	28,500	—	28,500	19,396	9,104	—
Computer Equipment/Consultant	40,000	—	40,000	40,000	—	—
Community Cable Television:						
Other expenses	3,300	—	3,300	1,858	1,442	—
Uniform Construction Code-Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):						
Uniform Construction Code official:						
Salaries and wages	268,050	—	268,050	267,180	870	—
Other expenses	15,600	—	15,600	6,996	8,604	—
Building Sub-code official:						
Salaries and wages	94,350	—	94,350	94,114	236	—
Plumbing Sub-code official:						
Salaries and wages	85,500	200	85,700	85,615	85	—
Electrical Sub-code official:						
Salaries and wages	103,900	(900)	103,000	96,327	6,673	—
Fire Sub-code official:						
Salaries and wages	80,500	200	80,700	80,518	182	—

(Continued)

## TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

## Current Fund

Year ended December 31, 2012

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Unclassified:						
Central accounts:						
Gasoline	\$ 208,500	—	208,500	189,536	18,964	—
Fuel oil - Diesel	142,000	15,000	157,000	129,172	27,828	—
Electricity	325,000	—	325,000	248,919	76,081	—
Street lighting	220,000	—	220,000	177,584	42,416	—
Telephone	117,360	—	117,360	99,687	17,673	—
Telecommunication	3,000	—	3,000	2,488	512	—
Natural gas	106,000	—	106,000	58,988	47,012	—
Heating oil	22,500	—	22,500	22,181	319	—
Photocopying	38,000	—	38,000	33,730	4,270	—
Printing and binding	36,345	—	36,345	19,028	17,317	—
Postage	68,510	—	68,510	59,876	8,634	—
Office supplies	26,150	—	26,150	17,250	8,900	—
Salary Adjustment Account	5,000	(5,000)	—	—	—	—
Tuition Reimbursement Account	2,000	—	2,000	945	1,055	—
Total operations within "CAPS"	22,686,609	—	22,686,609	21,792,556	894,053	—
Contingent	5,000	—	5,000	—	5,000	—
Total operations including contingent-within "CAPS"	22,691,609	—	22,691,609	21,792,556	899,053	—
Detail:						
Salaries and wages	12,364,550	89,300	12,453,850	12,324,954	128,896	—
Other expenses (including contingent)	10,327,059	(89,300)	10,237,759	9,467,602	770,157	—
	22,691,609	—	22,691,609	21,792,556	899,053	—
Deferred charges and statutory expenditures - municipal within "CAPS":						
Deferred Charges:						
Prior year bills	909	—	909	909	—	—
Statutory expenditures - contributions to:						
Public Employees retirement System	613,114	—	613,114	613,114	—	—
Social Security System (O.A.S.I.)	525,000	—	525,000	497,491	27,509	—
Police and Firemen's Retirement System of N.J.	1,542,527	—	1,542,527	1,542,527	—	—
Defined Contribution Retirement Program (DCRP)	3,000	—	3,000	1,632	1,368	—
Total deferred charges and statutory expenditures - municipal within "CAPS"	2,684,550	—	2,684,550	2,655,673	28,877	—

(Continued)



TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

Current Fund

Year ended December 31, 2012

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Total general appropriations for municipal purposes within "CAPS"	\$ 25,376,159	—	25,376,159	24,448,229	927,930	—
Operations excluded from "CAPS" - mandated expenditures per N.J.S.A. 40A:4-45.3g:						
Maintenance - Free Public Library (Chapter 82, PL 1985):						
Other expenses	2,145,178	—	2,145,178	2,145,178	—	—
Reserve for Pending Tax Appeals	250,000	—	250,000	250,000	—	—
Length of Service Award Program (L.O.S.A.P.)	245,000	—	245,000	—	245,000	—
Employee medical insurance:	—	—	—	—	—	—
Recycling Tax	35,000	—	35,000	35,000	—	—
Public and private programs offset by revenues:						
Alcohol Education Rehabilitation Fund	5,774	—	5,774	5,774	—	—
Drunk Driving Enforcement Act	11,589	—	11,589	11,589	—	—
NJ Clean Communities Grant	38,827	—	38,827	38,827	—	—
U.S. Department of Homeland Security(pass through the NJ Office of Emergency Management) - Continental Soldiers Park - Bridges	21,375	—	21,375	21,375	—	—
State of New Jersey - Dept of Law and Public Safety: Division of Criminal Justice - Body Armor Fund	4,846	—	4,846	4,846	—	—
State of New Jersey - Highlands Water Protection:						
Regional Master Plan - Compliance Aid	129,100	—	129,100	129,100	—	—
County of Bergen - Open Space Trust Fund	42,500	—	42,500	42,500	—	—
Municipal Alliance on Alcoholism and Drug Abuse	12,157	—	12,157	12,157	—	—
Municipal Alliance on Alcoholism and Drug Abuse - Match	3,039	—	3,039	3,039	—	—
Recycling Tonnage Grant	77,398	—	77,398	77,398	—	—
Total operations-excluded from "CAPS"	3,021,783	—	3,021,783	2,776,783	245,000	—
Detail:						
Other expenses	3,021,783	—	3,021,783	2,776,783	245,000	—
	3,021,783	—	3,021,783	2,776,783	245,000	—

(Continued)

TOWNSHIP OF MAHWAH

Statement of Expenditures  
Regulatory Basis

Current Fund

Year ended December 31, 2012

	Appropriations			Expended		
	Budget	Transfers	Budget after modification	Paid or charged	Reserved	Canceled
Capital improvements excluded from "CAPS":						
Capital Improvement Fund	\$ 63,000	—	63,000	63,000	—	—
NJ Department of Transportation:						
Ridge Road - Section 6	146,500	—	146,500	146,500	—	—
Total capital improvements excluded from "CAPS"	209,500	—	209,500	209,500	—	—
Municipal debt service excluded from "CAPS":						
Payment of bond principal	2,045,000	—	2,045,000	2,045,000	—	—
Payment of bond anticipation notes	500,000	—	500,000	500,000	—	—
Interest on bonds	861,910	—	861,910	837,267	—	24,643
Interest on notes	109,200	—	109,200	109,196	—	4
Total municipal debt service excluded from "CAPS"	3,516,110	—	3,516,110	3,491,463	—	24,647
Deferred charges - municipal - excluded from "CAPS":						
Emergency Authorization	120,000	—	120,000	120,000	—	—
Special Emergency Authorization	62,000	—	62,000	62,000	—	—
Deferred charges to future taxation - unfunded						
Ordinance 1518	441	—	441	441	—	—
Ordinance 1558	143	—	143	143	—	—
Total deferred charges - municipal - excluded from "CAPS"	182,584	—	182,584	182,584	—	—
Total general appropriations excluded from "CAPS"	6,929,977	—	6,929,977	6,660,330	245,000	24,647
Subtotal general appropriations	32,306,136	—	32,306,136	31,108,559	1,172,930	24,647
Reserve for uncollected taxes	2,550,667	—	2,550,667	2,550,667	—	—
Total general appropriations	\$ 34,856,803	—	34,856,803	33,659,226	1,172,930	24,647
<u>Analysis of paid or charged</u>						
Cash disbursed				\$ 29,017,080		
Transferred to Appropriated Reserves - Grant Fund				493,105		
Deferred Charges				182,000		
Reserve for tax appeals				250,000		
Due to General Capital				584		
Capital Improvement Fund				63,000		
Reserve for uncollected taxes				2,550,667		
Reserve for encumbrances				1,102,790		
				\$ 33,659,226		

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Balance Sheet  
Regulatory Basis

Trust Funds

December 31, 2012 and 2011

Assets	<u>Ref.</u>	<u>2012</u>	<u>2011</u>
Dog License Fund:			
Cash	B-1	\$ 30,880	27,707
Due from State of New Jersey	B-3	22	3
		<u>30,902</u>	<u>27,710</u>
Other Trust Funds:			
Cash	B-1	5,763,335	6,124,138
Due from Current Fund	B-7	—	60
		<u>5,763,335</u>	<u>6,124,198</u>
Unemployment Compensation Fund - cash	B-1	<u>256,480</u>	<u>223,462</u>
Uniform Construction Code Fund - cash	B-1	<u>9,469</u>	<u>9,972</u>
Deferred Award Revolving Fund - investment ( <b>UNAUDITED</b> )		<u>2,190,459</u>	<u>1,862,978</u>
		<u>\$ 8,250,645</u>	<u>8,248,320</u>
<b>Liabilities and Reserves</b>			
Dog License Fund:			
Due to Current Fund	B-7	\$ 7,108	4,787
Reserve for Dog License Fund expenditures	B-2	23,794	22,923
		<u>30,902</u>	<u>27,710</u>
Other Trust Funds:			
Reserve for special deposits	B-4	2,187,238	2,437,137
Due to Current Fund	B-7	112	—
Reserve for recreation expenses	B-8	9,207	9,147
Reserve for Other Trust Fund expenses	B-9	3,566,778	3,677,914
		<u>5,763,335</u>	<u>6,124,198</u>
Unemployment Compensation Fund - Reserve for State Unemployment Insurance	B-5	<u>256,480</u>	<u>223,462</u>
Uniform Construction Code Fund- Training Fees: Reserve for Uniform Construction Code training fees	B-6	<u>9,469</u>	<u>9,972</u>
Deferred Award Revolving Fund ( <b>UNAUDITED</b> ) Plan net assets		<u>2,190,459</u>	<u>1,862,978</u>
		<u>\$ 8,250,645</u>	<u>8,248,320</u>

See accompanying notes to financial statements.

## TOWNSHIP OF MAHWAH

Balance Sheet  
Regulatory Basis

## General Capital Fund

December 31, 2012 and 2011

<b>Assets</b>	<b>Ref.</b>	<b>2012</b>	<b>2011</b>
Cash	C-2,C-3	\$ 3,287,904	2,529,997
Deferred charges to future taxation unfunded	C-6	6,910,720	5,692,454
Deferred charges to future taxation funded	C-5	23,910,000	26,205,000
		<u>30,820,720</u>	<u>31,897,454</u>
		<u>\$ 34,108,624</u>	<u>34,427,451</u>
<b>Liabilities, Reserves and Fund Balance</b>			
Encumbrances payable	C-9	\$ 776,848	109,129
Bond anticipation notes	C-11	6,800,000	5,475,000
Improvement authorizations:			
Funded	C-8	209,919	189,671
Unfunded	C-8	372,485	158,105
Due to Current Fund	C-4	17	19
Reserve for payment of debt	C-10	1,689,732	2,020,732
Serial bonds payable	C-12	23,910,000	26,205,000
Capital Improvement Fund	C-7	1,497	24,647
Fund balance	C-1	348,126	245,148
		<u>\$ 34,108,624</u>	<u>34,427,451</u>

There were bonds and notes authorized but not issued at December 31, 2012 and 2011 of \$110,720 and \$217,454 respectively (Exhibit C-13).

See accompanying notes to financial statements.

**TOWNSHIP OF MAHWAH**

Statement of Fund Balance  
Regulatory Basis

General Capital Fund

Years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Balance, Beginning of year	\$ 245,148	154,756
Increased by:		
Unexpended bond issue costs	18,860	—
Premium on sale of notes	84,118	90,392
	<u>102,978</u>	<u>90,392</u>
Balance, End of year	\$ <u>348,126</u>	<u>245,148</u>

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Balance Sheet  
Regulatory Basis

Water Utility Fund

December 31, 2012 and 2011

<b>Assets</b>	<b>Ref.</b>	<b>2012</b>	<b>2011</b>
<b>Operating Fund:</b>			
Cash	D-5	\$ 5,670,018	5,178,308
Change Fund - Water Utility Collector		50	50
Due from Water Utility Capital Fund	D-13	<u>10</u>	<u>4</u>
		<u>5,670,078</u>	<u>5,178,362</u>
<b>Receivables with full reserve:</b>			
Water accounts receivable	D-8	<u>323,941</u>	<u>174,735</u>
Total Operating Fund		<u>5,994,019</u>	<u>5,353,097</u>
<b>Capital Fund:</b>			
Cash	D-5,D-6	2,143,096	2,144,547
Fixed capital	D-10	8,472,805	8,472,805
Fixed capital authorized and uncompleted	D-11	<u>21,886,006</u>	<u>20,786,006</u>
Total Capital Fund		<u>32,501,907</u>	<u>31,403,358</u>
		<u>\$ 38,495,926</u>	<u>36,756,455</u>

TOWNSHIP OF MAHWAH

Balance Sheet  
Regulatory Basis

Water Utility Fund

December 31, 2012 and 2011

<b>Liabilities, Reserves and Fund Balance</b>	<b>Ref.</b>	<b>2012</b>	<b>2011</b>
<b>Operating Fund:</b>			
Liabilities:			
Appropriation reserves	D-3,D-20	\$ 658,626	837,918
Encumbrances	D-3,D-20	354,288	335,249
Accounts payable	D-23	3,804	7,192
Accrued interest on notes payable	D-12	17,325	22,383
Premium on water liens	D-24	10,700	10,700
Overpayments	D-9	1,930	2,585
Due to Sewer Operating Fund	D-25	1,415	—
		<u>1,048,088</u>	<u>1,216,027</u>
Reserve for receivables		323,941	174,735
Fund balance	D-1	<u>4,621,990</u>	<u>3,962,335</u>
<b>Total Operating Fund</b>		<u>5,994,019</u>	<u>5,353,097</u>
<b>Capital Fund:</b>			
Encumbrances	D-18	94,014	1,571,220
Bond anticipation notes	D-7	7,700,000	6,800,000
Reserve for amortization	D-14	17,592,805	16,842,805
Improvement authorizations:			
Funded	D-17	230	230
Unfunded	D-17	4,244,163	3,313,011
Deferred reserve for amortization	D-15	2,387,750	2,387,750
Reserve for various improvements	D-16	16,000	—
Due to Water Utility Operating Fund	D-13	10	4
Capital Improvement Fund	D-19	111,369	61,369
Reserve for payment of debt	D-22	56,816	56,816
Fund balance	D-4	<u>298,750</u>	<u>370,153</u>
<b>Total Capital Fund</b>		<u>32,501,907</u>	<u>31,403,358</u>
		<u>\$ 38,495,926</u>	<u>36,756,455</u>

There were bonds and notes authorized but not issued at December 31, 2011 and 2012 of \$3,228,256 and \$2,678,256 respectively (Exhibit D-21).

See accompanying notes to financial statements.

## TOWNSHIP OF MAHWAH

Statement of Operations and Changes in Fund Balance  
Regulatory Basis

## Water Utility Operating Fund

Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Revenue and other income realized:		
Fund balance utilized	\$ 2,116,220	1,993,883
Rents	4,862,966	4,643,021
Tapping and capacity fees	21,570	39,180
Water Capital Fund Balance	130,000	202,000
Miscellaneous revenue not anticipated	32,717	47,944
Other credits to income:		
Unexpended balances of appropriation reserves	780,458	647,043
Accounts payable cancelled	4,875	22,773
Cancellation of accrued interest on notes	103,341	52,284
Total income	<u>8,052,147</u>	<u>7,648,128</u>
Expenditures:		
Budget Appropriations:		
Salaries and wages	1,012,800	1,035,300
Other expenses	2,297,002	2,227,383
Insurance	646,750	586,750
Capital Improvement Fund	50,000	—
Capital outlay	130,000	202,000
Debt service	951,068	950,000
Deferred charges and statutory expenditures	188,600	184,450
Refund of prior year revenue	52	2,629
Total expenditures	<u>5,276,272</u>	<u>5,188,512</u>
Excess in revenue	2,775,875	2,459,616
Fund balance, January 1	<u>3,962,335</u>	<u>3,496,602</u>
	6,738,210	5,956,218
Decreased by utilized as anticipated revenue	<u>2,116,220</u>	<u>1,993,883</u>
Fund balance, December 31	<u>\$ 4,621,990</u>	<u>3,962,335</u>

See accompanying notes to financial statements.



**TOWNSHIP OF MAHWAH**

Statement of Revenues  
Regulatory Basis

Water Utility Operating Fund

Year Ended December 31, 2012

	<u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Fund balance anticipated	\$ 2,116,220	2,116,220	—
Rents	3,000,000	4,862,966	1,862,966
Tapping and capacity fees	30,000	21,570	(8,430)
Water Utility Capital - Fund Balance	<u>130,000</u>	<u>130,000</u>	<u>—</u>
	<u>\$ 5,276,220</u>	7,130,756	<u>1,854,536</u>
Miscellaneous revenue not anticipated		<u>32,717</u>	
		<u>\$ 7,163,473</u>	

**Analysis of Miscellaneous Revenue Not Anticipated**

Interest	\$ 14,550
Interest on water rents	13,669
Miscellaneous revenues	<u>4,427</u>
Cash receipts	32,646
Due from Water Utility Capital Fund	<u>71</u>
	<u>\$ 32,717</u>

See accompanying notes to financial statements.

**TOWNSHIP OF MAHWAH**

Statement of Expenditures  
Regulatory Basis

Water Utility Operating Fund

Year Ended December 31, 2012

	<u>Budget</u>	<u>Budget after modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
Operating:				
Salaries and wages	\$ 1,012,800	1,012,800	956,197	56,603
Other expenses	2,297,002	2,297,002	1,791,997	505,005
Insurance	646,750	646,750	560,968	85,782
Capital Improvement:				
Capital Improvement Fund	50,000	50,000	50,000	—
Capital Outlay	130,000	130,000	130,000	—
Debt service:				
Payment of Bond Anticipation Notes and Capital Notes	750,000	750,000	750,000	—
Interest on notes	200,000	200,000	200,000	—
Deferred charges- Prior Year Bill	1,068	1,068	1,068	
Statutory expenditures - contribution to:				
Public Employees' Retirement System	91,100	91,100	91,100	—
Social Security System (O.A.S.I.)	82,500	82,500	71,264	11,236
Unemployment compensation insurance	15,000	15,000	15,000	—
	<u>\$ 5,276,220</u>	<u>5,276,220</u>	<u>4,617,594</u>	<u>658,626</u>
Encumbrances			\$ 354,288	
Accrued interest on notes			200,000	
Due from Water Capital Fund			50,000	
Cash disbursed			<u>4,013,306</u>	
			<u>\$ 4,617,594</u>	

See accompanying notes to financial statements.

**TOWNSHIP OF MAHWAH**

Statement of Fund Balance  
Regulatory Basis

Water Utility Capital Fund

Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Balance, Beginning of year	\$ <u>370,153</u>	<u>487,425</u>
Increased by:		
Premium on sale of notes	<u>58,597</u>	<u>84,728</u>
	<u>58,597</u>	<u>84,728</u>
	428,750	572,153
Decreased by budget appropriation	<u>130,000</u>	<u>202,000</u>
Balance, End of year	\$ <u><u>298,750</u></u>	<u><u>370,153</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MAHWAH

Balance Sheet  
Regulatory Basis

Sewer Utility Fund

December 31, 2012 and 2011

Assets	Ref.	2012	2011
Operating Fund:			
Cash	E-6	\$ 3,704,951	3,420,842
Due from:			
Sewer Utility Capital Fund	E-23	2	1
Water Utility Operating Fund	E-13	1,415	—
Sewer Utility Assessment Trust Fund	E-27	652	582
		<u>2,069</u>	<u>583</u>
Receivables with full reserves:			
Sewer rents	E-8	225,624	182,027
Total Operating Fund		<u>3,932,644</u>	<u>3,603,452</u>
Capital Fund:			
Cash	E-6,E-7	578,970	609,085
Fixed Capital	E-28	20,667,175	18,501,375
Fixed capital authorized and uncompleted	E-10	4,750,200	7,016,000
Total Capital Fund		<u>25,996,345</u>	<u>26,126,460</u>
Assessment Trust Fund:			
Cash	E-6	1,613,149	869,322
Assessments receivable	E-20	1,814,157	292,114
Total Assessment Trust Fund		<u>3,427,306</u>	<u>1,161,436</u>
		<u>\$ 33,356,295</u>	<u>30,891,348</u>

TOWNSHIP OF MAHWAH

Balance Sheet  
Regulatory Basis

Sewer Utility Fund

December 31, 2012 and 2011

<b>Liabilities, Reserves and Fund Balance</b>	<b>Ref.</b>	<b>2012</b>	<b>2010</b>
<b>Operating Fund:</b>			
Appropriation reserves	E-3,E-12	\$ 317,369	164,710
Reserve for encumbrances	E-3,E-12	38,944	63,132
Accounts payable	E-9	762	—
Sewer overpayments	E-18	10,041	4,025
Reserve for arbitrage refund	E-25	45,000	45,000
Due to Water Operating Fund	E-13	—	—
Accrued interest on notes	E-24	23,000	38,267
		<u>435,116</u>	<u>315,134</u>
Reserve for receivables		225,624	182,027
Fund balance	E-1	3,271,904	3,106,291
<b>Total Operating Fund</b>		<u>3,932,644</u>	<u>3,603,452</u>
<b>Capital Fund:</b>			
Reserve for encumbrances	E-15	46,035	141,336
Bond anticipation notes payable	E-21	1,734,200	4,480,000
Reserve for:			
Amortization	E-17	21,183,675	18,437,875
Payment of debt	E-22	44,242	44,242
Deferred reserve for amortization	E-16	226,300	226,300
Capital Improvement Fund	E-19	146,947	196,947
Due to Sewer Utility Operating Fund	E-23	2	1
Improvement authorizations:			
Unfunded	E-14	2,272,962	2,288,097
Fund balance	E-4	341,982	311,662
<b>Total Capital Fund</b>		<u>25,996,345</u>	<u>26,126,460</u>
<b>Assessment Trust Fund:</b>			
Due to Sewer Utility Operating Fund	E-27	652	582
Bond anticipation notes payable	E-29	2,265,800	—
Reserve for assessments and liens	E-11	168,263	292,114
Fund balance	E-5	992,591	868,740
<b>Total Assessment Trust Fund</b>		<u>3,427,306</u>	<u>1,161,436</u>
		<u>\$ 33,356,295</u>	<u>30,891,348</u>

There were bonds and notes authorized but not issued at December 31, 2012 and 2011 of \$2,273,200 and \$2,373,200 respectively (Exhibit E-26).

See accompanying notes to financial statements.

## TOWNSHIP OF MAHWAH

Statement of Operations and Changes in Fund Balance  
Regulatory Basis

## Sewer Utility Operating Fund

Years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Revenue and other income realized:		
Fund balance utilized	\$ 1,663,710	1,597,570
Rents	5,666,992	5,751,038
Sewer Capital Fund Balance	50,000	202,000
Miscellaneous revenues not anticipated	55,465	76,661
Other credits to income:		
Unexpended balances of appropriation reserves	184,989	232,926
Accrued interest on notes canceled	123,253	79,178
Prior year accounts payable cancelled	—	1,039
Current appropriation cancelled	<u>120,000</u>	<u>—</u>
Total income	<u>7,864,409</u>	<u>7,940,412</u>
Expenditures:		
Budget appropriations:		
Operating	5,098,010	5,090,195
Capital improvements	170,000	—
Debt service	655,000	550,000
Deferred charges and statutory expenditures	110,700	107,375
Refund prior year revenue	<u>1,376</u>	<u>—</u>
Total expenditures	<u>6,035,086</u>	<u>5,949,570</u>
Excess in revenue	1,829,323	1,990,842
Fund balance, January 1	<u>3,106,291</u>	<u>2,713,019</u>
	4,935,614	4,703,861
Decreased by utilized as anticipated revenue	<u>1,663,710</u>	<u>1,597,570</u>
Fund balance, December 31	<u>\$ 3,271,904</u>	<u>3,106,291</u>

See accompanying notes to financial statements.

**TOWNSHIP OF MAHWAH**

Statement of Revenues  
Regulatory Basis

Sewer Utility Operating Fund

Year ended December 31, 2012

	<u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Fund balance appropriated	\$ 1,663,710	1,663,710	—
Sewer rents	4,200,000	5,666,992	1,466,992
Sewer Utility Capital - Fund Balance	120,000	—	(120,000)
Sewer Utility Capital - Capital Improvement Fund	<u>50,000</u>	<u>50,000</u>	<u>—</u>
	<u>\$ 6,033,710</u>	<u>7,380,702</u>	<u>1,346,992</u>
Miscellaneous revenues not anticipated		<u>55,465</u>	
		<u>\$ 7,436,167</u>	

**Analysis of Revenues Not Anticipated**

Interest on investments	\$ 24,352
Interest on Sewer rents	13,589
Miscellaneous	<u>17,524</u>
	55,465
Less interest earned in Capital and Assessment Funds	<u>20,286</u>
Cash	<u>\$ 35,179</u>

See accompanying notes to financial statements.

**TOWNSHIP OF MAHWAH**

Statement of Expenditures  
Regulatory Basis

Sewer Utility Operating Fund

Year ended December 31, 2012

	<u>Budget</u>	<u>Budget after modifi- cation</u>	<u>Paid or charged</u>	<u>Reserved</u>	<u>Cancelled</u>
Operating:					
Salaries and wages	\$ 606,800	606,800	517,882	88,918	—
Other expenses	198,210	198,210	138,231	59,979	—
Insurance	368,000	368,000	281,884	86,116	—
NW Bergen County Utilities Authority	3,925,000	3,925,000	3,852,515	72,485	—
Capital Improvements:					
Capital Outlay	170,000	170,000	50,000	—	120,000
Debt service:					
Payment of bond anticipation notes and Capital notes	480,000	480,000	480,000	—	—
Interest on notes	175,000	175,000	175,000	—	—
Statutory expenditures - contribution to:					
Public Employees' Retirement System	58,700	58,700	58,700	—	—
Social Security System	47,000	47,000	37,129	9,871	—
Unemployment compensation insurance	5,000	5,000	5,000	—	—
	<u>\$ 6,033,710</u>	<u>6,033,710</u>	<u>5,596,341</u>	<u>317,369</u>	<u>120,000</u>
Cash disbursed			\$ 5,382,397		
Accrued interest on notes			175,000		
Encumbrances			<u>38,944</u>		
			<u>\$ 5,596,341</u>		

See accompanying notes to financial statements.



**TOWNSHIP OF MAHWAH**

Statement of Fund Balance  
Regulatory Basis

Sewer Utility Capital Fund

Years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Balance, Beginning of year	\$ 311,662	471,729
Increased by:		
Premium on sale of notes	<u>30,320</u>	<u>41,933</u>
	341,982	513,662
Decreased by:		
Anticipated in Sewer Operating Budget	<u>—</u>	<u>202,000</u>
Balance, End of year	<u>\$ 341,982</u>	<u>311,662</u>

See accompanying notes to financial statements.

**TOWNSHIP OF MAHWAH**

Statement of Operations and Changes in Fund Balance  
Regulatory Basis

Sewer Utility Assessment Trust Fund

Years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Fund balance, January 1,	\$ 868,740	735,483
Increased by:		
Sewer assessments collected	<u>123,851</u>	<u>133,257</u>
Fund balance, December 31,	<u><u>\$ 992,591</u></u>	<u><u>868,740</u></u>

See accompanying notes to financial statements.

**TOWNSHIP OF MAHWAH**

Statement of General Fixed Assets  
Regulatory Basis

General Fixed Asset Account Group

December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Land	\$ 20,432,174	20,328,759
Buildings	20,580,763	20,580,763
Vehicular equipment	14,619,010	14,452,193
General equipment and machinery	<u>5,544,245</u>	<u>5,454,307</u>
Total fixed assets	<u>\$ 61,176,192</u>	<u>60,816,022</u>

See accompanying notes to financial statements.

## TOWNSHIP OF MAHWAH

### Notes to Financial Statements

December 31, 2012

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

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

##### *Reporting Entity*

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

##### *Fund Accounting*

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

##### *Fund Types*

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

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

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

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

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

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

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

## TOWNSHIP OF MAHWAH

### Notes to Financial Statements

December 31, 2012

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

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

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

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

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

The Township follows the following accounting policies:

##### **Revenues**

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

##### **Expenditures**

Current Fund, General Capital Fund and Utility Fund expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the encumbrance accounting system. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the Township's statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital bonds and notes are provided on a cash basis; interest on general capital indebtedness is on the cash basis. Trust Fund expenditures are accounted for on the cash basis.

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

## TOWNSHIP OF MAHWAH

### Notes to Financial Statements

December 31, 2012

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

#### ***Foreclosed Property***

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

#### ***Interfund Receivables***

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

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

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

#### ***Fixed Assets***

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

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

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

## TOWNSHIP OF MAHWAH

### Notes to Financial Statements

December 31, 2012

#### *Use of Estimates*

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

#### (2) *Retirement Systems*

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

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

Police and Firemen's Retirement Systems (PFRS)--is a cost-sharing multiple-employer contributory defined benefit plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A to provide retirement, death and disability benefits to substantially all full time county and municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees with vesting occurring after 10 years of membership.

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

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

##### *Other Pension Funds*

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

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

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

## TOWNSHIP OF MAHWAH

### Notes to Financial Statements

December 31, 2012

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

#### ***Significant Legislation***

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

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

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of  $\frac{1}{4}$  of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rates increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates will increase in October 2011. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be a least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

#### ***Funding Policy***

##### ***Contribution Requirements:***

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



**TOWNSHIP OF MAHWAH**

Notes to Financial Statements

December 31, 2012

noncontributory death benefits in the PFRS and PERS. In the PERS the employer contribution includes funding for post-retirement medical premiums.

**Township Contributions:**

The Township's required contributions were as follows:

		For the Year Ended December 31,				
		2012	2011	2010	2009	2008
PERS	\$	762,914	761,744	616,635	522,615	390,397
PFRS	\$	1,542,527	1,752,196	1,378,992	1,346,627	1,234,122

**(3) Municipal Debt**

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

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Issued:			
General - bonds and notes	\$ 30,710,000	31,680,000	33,040,000
Water Utility - notes	7,700,000	6,800,000	8,000,000
Sewer Utility - notes	1,734,200	4,480,000	5,008,500
Sewer Utility - Assessment notes	2,265,800	—	—
Total issued	42,410,000	42,960,000	46,048,500
Authorized but not issued:			
General - bonds and notes	110,720	217,454	530,803
Water Utility - bonds and notes	2,678,255	3,228,256	2,792,178
Sewer Utility - bonds and notes	2,273,200	2,373,200	2,244,700
Total authorized but not issued	5,062,175	5,818,910	5,567,681
Total bonds and notes issued and authorized but not issued	\$ 47,472,175	48,778,910	51,616,181

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

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicates a statutory net debt of .45%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local school district debt	\$ 17,147,000	17,147,000	—
Water Utility debt	10,378,255	10,378,255	—
Sewer Utility debt	6,273,200	6,273,200	—
General debt	30,820,720	1,689,732	29,130,988
	\$ 64,619,175	35,488,187	29,130,988

Net debt of \$29,130,988 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$6,466,336,304 equals .45%.

**TOWNSHIP OF MAHWAH**

Notes to Financial Statements

December 31, 2012

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

3-1/2% of equalized valuation basis (municipal)	\$226,321,770
Net debt	<u>29,130,988</u>
Remaining borrowing power	<u>\$ 197,190,783</u>

On October 15, 2004 the Township sold \$17,165,000 of general improvement bonds at interest rates from 2.5% to 4.20% payable each April 15 and October 15 until maturity. The bonds mature on October 15, 2005 through 2024. There are \$1,700,000 and \$12,690,000 of bonds outstanding at December 31, 2012 and 2011, respectively.

On February 25, 2009 the Township sold \$14,855,000 of General Improvement Refunding Bonds at interest rates from .95% to 5.00% payable each June 1, and December 1 until maturity. The bonds mature on December 1, 2009 through 2020. There are \$12,405,000 and \$13,515,000 of bonds outstanding at December 31, 2012 and 2011, respectively.

On February 23, 2012 the Township sold \$9,965,000 of General Improvement Refunding Bonds to advance refund \$10,215,000 of the 2004 Bonds at interest rates from 2.00% to 5.00% payable each April 15 and October 15 until maturity. The bonds mature on April 15, 2012 through 2024. There is \$9,805,000 of bonds outstanding at December 31, 2012.

Bond debt service requirements at December 31, 2012 were as follows;

<b>Year Ended <u>December 31,</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>
2013	\$ 1,960,000	948,106
2014	2,055,000	873,831
2015	2,140,000	793,512
2016	2,225,000	716,112
2017	2,270,000	641,438
2018-2022	11,250,000	1,826,311
2023-2024	<u>2,010,000</u>	<u>81,550</u>
	<u>\$ 23,910,000</u>	<u>5,880,760</u>

**(4) Bond Anticipation Notes**

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

**TOWNSHIP OF MAHWAH**

Notes to Financial Statements

December 31, 2012

At December 31, 2011 and 2012, the Township had outstanding bond anticipation notes as follows:

	<u>2011</u>	<u>2012</u>
Sewer Utility Capital Fund	\$ 4,480,000	1,734,200
Sewer Utility Assessment Fund	0	2,265,800
Water Utility Capital Fund	6,800,000	7,700,000
General Capital Fund	5,475,000	6,800,000

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

**(5) Fund Balances Appropriated**

Fund balances appropriated and included as anticipated revenue in the 2013 budgets are as follows:

Current Fund	\$ 3,895,000
Water Utility Operating Fund	2,213,240
Sewer Utility Operating Fund	1,669,150

**(6) Deferred Charges to be Raised in Succeeding Budgets**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2012, the Township Current Fund had the following deferred charges to be raised in the 2013 or subsequent budgets.

	<b>Balance, Dec. 31, <u>2012</u></b>	<b>2013 Budget <u>Appropriation</u></b>
Current Fund:		
Special emergencies	\$0	0
Emergency	0	0

**(7) Deferred Compensation Plans**

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

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

## TOWNSHIP OF MAHWAH

### Notes to Financial Statements

December 31, 2012

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

The Township permits employees to accrue unused vacation pay, which may be taken as time off or paid at a later date upon absence. It is estimated that the current cost of such unpaid compensation approximates \$2,448,774 and \$2,614,092 for the years ended December 31, 2011 and 2012 respectively.. This amount, in accordance with state accounting requirements, is not reported either as an expenditure or liability.

#### **(9) Contingencies**

Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2012. The Township is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the Township does not recognize a liability, if any, until these cases have been adjudicated. Funding of any ultimate liability would be provided for in succeeding years' budgets or through a refunding bond ordinance which would allow the Township to fund these liabilities over a number of years.

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

The Township participates in numerous Federal and State of New Jersey grant programs which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the Township has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivables at December 31, 2012 may be impaired. In the opinion of the Township, there are no significant contingent liabilities relating to compliance with rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying financial statements for such contingencies.

#### **(10) Risk Retention Program**

On January 1, 2012 the Township medical self insurance policy was renewed with a maximum annual retention per individual of \$60,000 and a minimum annual aggregate deductible of approximately \$5,059,886. This amount was funded with budget appropriations from the Current, Water and Sewer Utility Funds which amounts were not totally expended in 2012. Employees contributed approximately \$187,996 towards the cost of coverage.

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

#### **(11) Fixed Assets**

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

Fixed assets used in governmental operation (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("Infrastructure") general fixed assets consisting of certain

**TOWNSHIP OF MAHWAH**

Notes to Financial Statements

December 31, 2012

improvement other than building, such as roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems are not capitalized.

The Township's fixed assets are summarized as follows:

	<b>Balance</b>			<b>Balance</b>
	<b>Dec 31, 2010</b>	<b>Additions</b>	<b>Dispositions</b>	<b>Dec. 31, 2011</b>
<b>General Fixed Assets:</b>				
Land and buildings	\$ 19,832,750	496,009	—	20,328,759
Buildings	20,580,763	—	—	20,580,763
Vehicular equipment	13,832,018	875,150	254,975	14,452,193
General equipment	5,439,225	15,082	—	5,454,307
	<u>59,684,756</u>	<u>1,386,241</u>	<u>254,975</u>	<u>60,816,022</u>
<b>Water Utility</b>				
Acq. and impvt. of plant	157,623	—	—	157,623
Bond issue expenses	1,665	—	—	1,665
Professional services	62,397	—	—	62,397
Interest	12,342	—	—	12,342
General equipment	148,361	—	—	148,361
Pump house and pumps	91,372	—	—	91,372
Supply and distrib. system	6,090,444	—	—	6,090,444
Vehicle equipment	72,810	—	—	72,810
Wells	978,957	—	—	978,957
Acquisition of land	856,834	—	—	856,834
	<u>8,472,805</u>	<u>—</u>	<u>—</u>	<u>8,472,805</u>
<b>Sewer Utility:</b>				
Sanitary sewer system	17,858,408	—	—	17,858,408
Sewer cleaning machine	90,000	—	—	90,000
Sewer jet truck	196,692	—	—	196,692
Darlington Project	241,275	—	—	241,275
Generators	65,000	—	—	65,000
Sewer mains	50,000	—	—	50,000
	<u>\$ 18,501,375</u>	<u>—</u>	<u>—</u>	<u>18,501,375</u>

**TOWNSHIP OF MAHWAH**

Notes to Financial Statements

December 31, 2012

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

**TOWNSHIP OF MAHWAH**

Notes to Financial Statements

December 31, 2012

**(12) Interfund Balances**

The Township has interfund balances at December 31, 2011 and 2012 as follows:

	2011		2012	
	Due From	Due To	Due From	Due To
Current Fund:				
Other Trust Fund	\$ 280		112	\$
Dog License Fund	4,787		7,108	
Federal and State Grant Fund	277,646		253,436	
General Capital Fund	19		17	
Water Operating Fund		\$		
Affordable Housing Trust		338		
Federal and State Grant Fund:				
Current Fund		277,646		253,436
Other Trust Fund:				
Current Fund		280		112
Affordable Housing Trust:				
Current Fund	338			
Dog License Fund:				
Current Fund		4,787		7,108
General Capital Fund:				
Current Fund		19		17
Water Utility Operating Fund:				
Water Utility Capital Fund	4		10	
Current Fund				
Sewer Utility Operating Fund				1,415
Water Utility Capital Fund:				
Water Utility Operating Fund		4		10
Sewer Utility Operating Fund:				
Sewer Utility Capital Fund	1		2	
Sewer Utility Assessment Fund	582		652	
Water Utility Operating Fund			1,415	
Sewer Utility Capital Fund:				
Sewer Utility Operating Fund		1		2
Sewer Utility Assessment Fund:				
Sewer Utility Operating Fund		582		652

## TOWNSHIP OF MAHWAH

### Notes to Financial Statements

December 31, 2012

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

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

Township activity for the years ended December 31, 2011 and 2012 are as follows; contributions for the year amounted to \$205,134 and \$210,576, distributions were \$63,118 and \$92,320, account fees were \$5,500 and \$6,322 and the (loss)/gain on investments was (\$13,889) and \$215,548. The total value of plan assets at December 31, 2011 and 2012 were \$1,862,977 and \$2,190,459 as determined by the trustees.

#### **(14) Cash**

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

##### *Deposits*

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

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

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

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

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

GASB Statement No. 40, Deposit and Investment Risk Disclosures, requires disclosure of bank deposits that are subject to custodial credit risk. The custodial credit risk for deposits is the risk that, in the event of the failure of a depository institution, the Township will not be able to recover deposits or will not be able to recover collateral securities that may be in the possession of an outside party. As of



## TOWNSHIP OF MAHWAH

### Notes to Financial Statements

December 31, 2012

December 31, 2012 the Township's bank deposits are insured or covered by the State's Government Unit Deposit Protection Act.

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

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

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

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

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

*Funding Policy.* The contributions requirements of the Township and plan members are established and may be amended by the governing body. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2012 and 2011 the Township contributed \$1,720,078 and \$1,183,088, respectively to the plan. There are no required contributions from retirees.

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

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

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

ADDITIONAL FINANCIAL INFORMATION

## TOWNSHIP OF MAHWAH

## Schedule of Cash - Treasurer

## Current Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ <u>10,314,660</u>
Increased by receipts:	
Collector of taxes	92,029,782
Revenue accounts receivable	8,820,290
Miscellaneous revenue not anticipated	980,711
Due from State of New Jersey	210,167
Due to Grant Fund - appropriated grants received	589,011
Due to Grant Fund - unappropriated grants received	4,966
Prepaid health licenses	500
Various reserves	181,822
Due from Dog License Fund	8,287
Due from General Capital Fund	267,606
Due from Other Trust Fund	280
Due from Housing	12,219
Prior year checks cancelled	<u>1,633</u>
	<u>103,107,274</u>
	<u>113,421,934</u>
Decreased by disbursements:	
Budget appropriations	29,017,080
Appropriation reserves	1,910,146
Local district school taxes	56,092,169
County taxes	14,034,235
Municipal open space tax	570,869
Due County for added taxes	10,898
Various reserves	128,356
Due from Dog License Fund	3,500
Due from Housing	12,557
Grant expenditures	570,377
Tax overpayment refunds	24,563
Refund of tax appeals	590,107
Refund of prior year revenue	<u>1,890</u>
	<u>102,966,747</u>
Balance, December 31, 2012	\$ <u><u>10,455,187</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Cash - Tax Collector

Current Fund

Year ended December 31, 2012

Receipts:		
Taxes receivable	\$	91,525,808
Tax overpayments		11,959
Prepaid taxes		457,998
Tax title liens receivable		<u>34,017</u>
Decreased by deposit in Treasurer's account	\$	<u><u>92,029,782</u></u>

**TOWNSHIP OF MAHWAH**

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

Current Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ <u>5,622</u>
Increased by:	
Senior Citizens' deductions per duplicate	36,500
Veterans' deductions per duplicate	172,750
Senior Citizens' deductions allowed by tax collector	3,732
Veterans' deductions allowed by tax collector	<u>1,750</u>
	<u>214,732</u>
	<u>220,354</u>
Decreased by:	
Cash received	210,167
Senior Citizens' and Veterans' deductions disallowed	4,051
Senior Citizens' and Veterans' deductions disallowed - 2011	<u>1,250</u>
	<u>215,468</u>
Balance, December 31, 2012	\$ <u><u>4,886</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Taxes Receivable

Current Fund

Year ended December 31, 2012

Year	Balance, Dec. 31, 2011	2012 levy	Added Taxes	Cash collections		Transferred to tax title liens	Cancelled	Balance, Dec. 31, 2012
				2011	2012			
2011	480,272		5,120	—	485,098	294	—	—
	480,272	—	5,120	—	485,098	294	—	—
2012	—	92,708,206	115,025	623,677	91,251,392	24,927	429,446	493,789
	\$ 480,272	92,708,206	120,145	623,677	91,736,490	25,221	429,446	493,789
Senior Citizens' and Veterans' deductions					\$ 210,682			
Cash					91,525,808			
					\$ 91,736,490			

**Analysis of Property Tax Levy**

Tax yield:

General purpose tax	\$ 92,708,206
Added and omitted taxes	115,025
	<u>\$ 92,823,231</u>

Tax levy:

County taxes	\$ 13,873,569
County Open Space	160,665
Local district school taxes	56,092,169
Due County for added taxes	17,473
Local tax for municipal purposes	21,985,265
Municipal open space	570,869
Additional taxes levied	123,221
	<u>\$ 92,823,231</u>

**TOWNSHIP OF MAHWAH**

Schedule of Tax Title Liens

Current Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ 268,351
Increased by:	
Transferred from taxes receivable	<u>25,220</u>
	<u>25,220</u>
	293,571
Decreased by:	
Cash received	<u>34,017</u>
	<u>34,017</u>
Balance, December 31, 2012	<u><u>\$ 259,554</u></u>

## TOWNSHIP OF MAHWAH

## Schedule of Revenue Accounts Receivable

## Current Fund

Year ended December 31, 2012

	<b>Balance, Dec. 31, 2011</b>	<b>Accrued in 2012</b>	<b>Collected by Treasurer</b>	<b>Balance, Dec. 31, 2012</b>
Clerk:				
Alcoholic beverage license	\$ —	31,560	31,560	—
Licenses - other	—	46,648	46,648	—
Fees and permits	—	59,378	59,378	—
Fines and costs - municipal court	33,405	492,510	499,849	26,066
Interest and costs on taxes	—	112,114	112,114	—
Interest on investments and deposits	—	17,365	17,365	—
Rental of Township owned property	—	258,082	258,082	—
Fire Safety Act fees	—	174,100	174,100	—
Energy Receipts Tax (P.L. 1999, Ch 162 & 167)	—	4,909,572	4,909,572	—
Garden State Trust Fund	—	3,844	3,844	—
Uniform construction code official	—	1,078,981	1,078,981	—
Swim and Tennis Club fees	—	154,368	154,368	—
Reserve for Open Space	—	575,000	575,000	—
Reserve for Debt Service	—	331,000	331,000	—
Municipal Hotel/Motel Occupancy Tax	—	749,179	749,179	—
Library Contribution	—	182,557	182,557	—
Cable television franchise fee	—	151,970	151,970	—
	<u>\$ 33,405</u>	<u>9,176,258</u>	<u>9,335,567</u>	<u>26,066</u>
Cash			\$ 8,820,290	
Reserve for Payment of Debt			331,000	
Due from General Capital - interest			188	
Due from Other Trust - interest			112	
Reserve for Library Contribution			182,557	
Prepaid health licenses			<u>1,420</u>	
			<u>\$ 9,335,567</u>	



## TOWNSHIP OF MAHWAH

## Schedule of Appropriation Reserves

## Current Fund

Year ended December 31, 2012

	Balance Dec. 31, 2011	Transfer of encum- brances	Transfers	Balance after transfers	Paid or charged	Unexpended balances lapsed
General appropriations:						
Operations within "CAPS":						
Legislation:						
Township Council:						
Salaries and wages	5,542	—	—	5,542	—	5,542
Other expenses	1,913	95	—	2,008	—	2,008
Office of the Township Clerk:						
Salaries and wages	1,319	—	—	1,319	—	1,319
Other expenses	4,301	6,163	—	10,464	5,174	5,290
Election:						
Salaries and wages	201	—	—	201	—	201
Other expenses	4,248	500	—	4,748	200	4,548
Animal Control:						
Other expenses	1,741	—	—	1,741	—	1,741
Administration:						
Office of the Mayor:						
Other expenses	20	217	100	337	122	215
Office of the Business Administrator:						
Salaries and wages	3,014	—	—	3,014	—	3,014
Other expenses	3,091	6,219	(100)	9,210	5,320	3,890
Insurance:						
Comprehensive business liability insurance:						
Other expenses	5,669	101,735	—	107,404	101,734	5,670
Employee medical insurance:						
Other expenses	524,337	7,617	—	531,954	531,954	—
Workers Compensation Insurance:						
Other expenses	869	108,533	—	109,402	108,533	869
Employee physicals:						
Other expenses	5,000	35,335	—	40,335	20,900	19,435
Employee life insurance:						
Other expenses	11,655	—	—	11,655	—	11,655
Insurance miscellaneous:						
Other expenses	10,177	—	—	10,177	—	10,177
Health and Safety Programs						
Other expenses	4,492	5,627	—	10,119	5,627	4,492
Division of Law:						
Other expenses	67,144	24,485	—	91,629	65,059	26,570
Division of Engineering:						
Other expenses	1,768	15,438	—	17,206	14,242	2,964
Municipal Land Use Law (N.J.S.A. 40:55):						
Division of Planning and Zoning:						
Salaries and wages	2,806	—	—	2,806	—	2,806
Other expenses	19,031	15,583	—	34,614	15,274	19,340
Division of Finance:						
Bureau of Treasury:						
Salaries and wages	632	—	—	632	—	632
Other expenses	581	—	—	581	—	581
Bureau of Collections:						
Salaries and wages	11,035	—	—	11,035	—	11,035
Other expenses	1,809	600	—	2,409	566	1,843
Bureau of Assessment:						
Salaries and wages	339	—	—	339	—	339
Other expenses	517	20,375	—	20,892	20,375	517

(continued)

## TOWNSHIP OF MAHWAH

## Schedule of Appropriation Reserves

## Current Fund

Year ended December 31, 2012

	Balance Dec. 31, 2011	Transfer of encum- brances	Transfers	Balance after transfers	Paid or charged	Unexpended balances lapsed
General appropriations:						
Auditor:						
Other expenses	8,700	—	—	8,700	—	8,700
DPW administration:						
Salaries and wages	2,085	(1)	—	2,084	—	2,084
Other expenses	708	439	—	1,147	440	707
DPW streets and roads:						
Salaries and wages	410	—	—	410	—	410
Other expenses	16,596	29,853	—	46,449	25,041	21,408
DPW buildings and grounds:						
Salaries and wages	488	—	—	488	—	488
Other expenses	5,082	26,202	—	31,284	22,828	8,456
DPW emergency services:						
Other expenses	2,176	19,828	—	22,004	14,355	7,649
DPW parks and playgrounds:						
Salaries and wages	342	—	—	342	—	342
Other expenses	9,197	26,889	—	36,086	26,060	10,026
DPW recycling:						
Salaries and wages	16,132	—	—	16,132	—	16,132
Other expenses	3,380	583	—	3,963	704	3,259
DPW motor pool:						
Salaries and wages	624	—	—	624	250	374
Other expenses	4,277	150,042	—	154,319	137,867	16,452
DPW snow removal:						
Salaries and wages	14,633	—	(10,000)	4,633	—	4,633
Other expenses	28,306	39,408	(17,000)	50,714	31,861	18,853
DPW overtime:						
Salaries and wages	13,040	—	—	13,040	—	13,040
Sanitation:						
Collection service:						
Other expenses	9,235	62,833	—	72,068	62,833	9,235
Disposal:						
Other expenses	16,820	49,456	—	66,276	48,544	17,732
Disposal/Recyclables:						
Other expenses	7,943	1,975	—	9,918	810	9,108
Municipal Services Act:						
Other expenses	31,852	6,258	—	38,110	26,258	11,852
Board of Health:						
Board of Health administration:						
Salaries and wages	1,211	—	—	1,211	74	1,137
Other expenses	8,884	2,381	—	11,265	2,021	9,244
Visiting Nurse service:						
Other expenses	1	—	—	1	—	1
West Bergen Mental Health Agreement:						
Other expenses	2,600	—	—	2,600	—	2,600
Department of Police:						
Police administration:						
Salaries and wages	255	—	—	255	—	255
Other expenses	17,572	21,404	—	38,976	21,926	17,050
Police records:						
Salaries and wages	408	—	—	408	—	408
Police patrol:						
Salaries and wages	15,250	—	—	15,250	—	15,250
Police dispatchers:						
Salaries and wages	7,673	—	—	7,673	—	7,673

(continued)

## TOWNSHIP OF MAHWAH

## Schedule of Appropriation Reserves

## Current Fund

Year ended December 31, 2012

	Balance Dec. 31, 2011	Transfer of encum- brances	Transfers	Balance after transfers	Paid or charged	Unexpended balances lapsed
General appropriations:						
Police detectives:						
Salaries and wages	2,803	—	—	2,803	—	2,803
Police crossing guards:						
Salaries and wages	1,522	—	—	1,522	—	1,522
Police purchase of police cars:						
Other expenses	1,374	105,326	—	106,700	105,360	1,340
Police supplemental programs: Municipal Alliance/ DARE						
Other expenses	1,000	—	—	1,000	—	1,000
Emergency Management:						
Bureau of Emergency Management:						
Salaries and wages	10	—	—	10	—	10
Other expenses	5,705	10,072	—	15,777	10,617	5,160
Fire Department:						
Salaries and wages	2,176	—	—	2,176	1,787	389
Other expenses	8,432	55,553	(5,000)	58,985	46,108	12,877
Bureau of Fire Prevention:						
Salaries and wages	675	—	—	675	—	675
Other expenses	711	823	—	1,534	773	761
Division of Human Services:						
Salaries and wages	547	—	—	547	—	547
Other expenses	824	21	—	845	21	824
Senior Citizens activities:						
Salaries and wages	146	—	—	146	—	146
Other expenses	8,500	8,250	—	16,750	6,245	10,505
Access Transportation:						
Salaries and wages	479	—	—	479	—	479
Other expenses	620	—	—	620	—	620
Boards, Commissions and Committees:						
Environmental Commission:						
Other expenses	4,230	—	—	4,230	—	4,230
Housing Commission:						
Other expenses	1,105	—	—	1,105	—	1,105
Historic Preservation Commission:						
Other expenses	4,550	60	—	4,610	41	4,569
Recreation:						
Salaries and wages	10,150	—	—	10,150	—	10,150
Other expenses	21,759	11,018	—	32,777	10,716	22,061
Municipal Pool:						
Salaries and wages	8,831	—	—	8,831	—	8,831
Other expenses	15,529	21,967	—	37,496	19,783	17,713
Municipal Prosecutor						
Other expenses	8,200	3,267	—	11,467	3,267	8,200
Municipal Court:						
Salaries and wages	10,498	—	—	10,498	—	10,498
Other expenses	13,702	1,342	—	15,044	1,523	13,521
Public Defender:						
Other expenses	7,534	6,000	—	13,534	7,720	5,814
Computer Equipment/Consultant	9,230	4,384	—	13,614	9,162	4,452
Community Cable Television:						
Other expenses	3	70	—	73	35	38
Uniform Construction Code-Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):						
Uniform Construction Code official:						
Salaries and wages	387	—	—	387	77	310
Other expenses	6,033	4,574	—	10,607	4,574	6,033
Building Sub-code official:						
Salaries and wages	1,428	—	—	1,428	—	1,428
Plumbing Sub-code official:						
Salaries and wages	1,742	—	—	1,742	390	1,352

(continued)

TOWNSHIP OF MAHWAH

Schedule of Appropriation Reserves

Current Fund

Year ended December 31, 2012

	<u>Balance Dec. 31, 2011</u>	<u>Transfer of encum- brances</u>	<u>Transfers</u>	<u>Balance after transfers</u>	<u>Paid or charged</u>	<u>Unexpended balances lapsed</u>
General appropriations:						
Electrical Sub-code official:						
Salaries and wages	15,589	—	—	15,589	—	15,589
Fire Sub-code official:						
Salaries and wages	216	—	—	216	—	216
Unclassified:						
Central accounts:						
Gasoline	10,010	2,687	11,000	23,697	17,872	5,825
Fuel oil - Diesel	13,198	—	22,500	35,698	29,826	5,872
Electricity	52,622	—	(11,500)	41,122	18,856	22,266
Street lighting	31,624	—	—	31,624	18,568	13,056
Telephone	2,646	10,374	5,000	18,020	11,212	6,808
Natural gas	39,986	—	(15,000)	24,986	9,381	15,605
Heating oil	5,762	4,286	—	10,048	3,394	6,654
Photocopying	5,220	5,800	—	11,020	4,664	6,356
Printing and binding	10,985	5,444	—	16,429	5,444	10,985
Postage	9,621	—	—	9,621	—	9,621
Office supplies	7,442	4,144	—	11,586	3,835	7,751
Tuition Reimbursement Account	2,000	—	—	2,000	—	2,000
Deferred charges and statutory expenditures - municipal within "CAPS":						
Statutory expenditures - contributions to:						
Social Security System (O.A.S.I.)	19,109	—	—	19,109	—	19,109
Defined Contribution Retirement Program (DCRP)	1,800	—	—	1,800	254	1,546
Operations excluded from "CAPS" - mandated expenditures per						
N.J.S.A. 40A:4-45.3g:						
Length of Service Award Program (L.O.S.A.P.)	225,000	—	20,000	245,000	210,576	34,424
Recycling Tax	3,471	4,415	—	7,886	2,382	5,504
Employee medical insurance:	68,721	—	—	68,721	68,721	—
	<u>\$ 1,624,588</u>	<u>1,055,949</u>	<u>—</u>	<u>2,680,537</u>	<u>1,950,136</u>	<u>730,401</u>
					Disbursed \$ 1,910,146	
					Accounts payable <u>39,990</u>	
					<u>\$ 1,950,136</u>	

**TOWNSHIP OF MAHWAH**

Schedule of Unappropriated Reserves

Current Fund

Year ended December 31, 2012

	<b>Balance Dec. 31, 2011</b>	<b>Balance Dec. 31, 2012</b>
Security deposit - sublease	\$ 426	426
Security deposit	<u>31,165</u>	<u>31,165</u>
	<u>\$ 31,591</u>	<u>31,591</u>

**TOWNSHIP OF MAHWAH**

Schedule of Local District School  
Taxes Payable

Current Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$	—
Increased by tax levy		<u>56,092,169</u>
		56,092,169
Decreased by payments		<u>56,092,169</u>
Balance, December 31, 2012	\$	<u><u>—</u></u>

**TOWNSHIP OF MAHWAH**  
 Schedule of County Taxes Payable  
 Current Fund  
 Year ended December 31, 2012

Balance, December 31, 2011		\$	<u>—</u>
Increased by:			
Increased by County tax levy			13,873,569
County Open Space Preservation			<u>160,666</u>
			<u>14,034,235</u>
			14,034,235
Decreased by:			
Payments			<u>14,034,235</u>
Balance, December 31, 2012		\$	<u><u>—</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Due County for Added  
and Omitted Taxes

Current Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$	10,898
Increased by 2011 added taxes		<u>17,473</u>
		28,371
Decreased by payments		<u>10,898</u>
Balance, December 31, 2012	\$	<u><u>17,473</u></u>



**TOWNSHIP OF MAHWAH**

Schedule of Encumbrances Payable

Current Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ 1,055,949
Increased by budget encumbrances	<u>1,102,790</u>
	2,158,739
Decreased by:	
Transfer to Appropriation Reserves	<u>1,055,949</u>
Balance, December 31, 2012	<u><u>\$ 1,102,790</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Tax Overpayments

Current Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ 24,563
Increased by cash receipts	<u>11,959</u>
	36,522
Decreased by:	
Cash disbursed	<u>24,563</u>
Balance, December 31, 2012	<u><u>\$ 11,959</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Prepaid Taxes

Current Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$	623,677
Increased by cash receipts		<u>457,998</u>
		1,081,675
Decreased by transfer to taxes receivable		<u>623,677</u>
Balance, December 31, 2012	\$	<u><u>457,998</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Prepaid Health Licenses

Current Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ 1,420
Increased by cash receipts	<u>500</u>
	1,920
Decreased by revenue realized	<u>1,420</u>
Balance, December 31, 2012	<u><u>\$ 500</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Tax Appeals

Current Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ <u>604,698</u>
Increased by:	
Contested amount of taxes collected pending appeal	700,000
Budget appropriations	<u>250,000</u>
	<u>950,000</u>
	1,554,698
Decreased by cash disbursements for tax refunds	<u>590,107</u>
Balance, December 31, 2012	\$ <u><u>964,591</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Various Reserves

Current Fund

Year ended December 31, 2012

	<u>Accounts payable</u>	<u>Premium on tax sale</u>	<u>Excess Library Funds</u>	<u>Burial Disinterment</u>	<u>Marriage Lic. and Domestic Partnership</u>	<u>Totals</u>
Balance, December 31, 2011	\$ 291,840	80,200	182,557	10	475	555,082
Increased by:						
Cash receipts	—	168,200	11,282	15	2,325	181,822
Appropriation reserves	39,990	—	—	—	—	39,990
	<u>39,990</u>	<u>168,200</u>	<u>11,282</u>	<u>15</u>	<u>2,325</u>	<u>221,812</u>
	<u>331,830</u>	<u>248,400</u>	<u>193,839</u>	<u>25</u>	<u>2,800</u>	<u>776,894</u>
Decreased by:						
Cancellation	61,436	—	—	—	—	61,436
Realized revenue	—	—	182,557	—	—	182,557
Cash disbursed	20,806	105,200	—	—	2,350	128,356
	<u>82,242</u>	<u>105,200</u>	<u>182,557</u>	<u>—</u>	<u>2,350</u>	<u>372,349</u>
Balance, December 31, 2012	<u>\$ 249,588</u>	<u>143,200</u>	<u>11,282</u>	<u>25</u>	<u>450</u>	<u>404,545</u>

## TOWNSHIP OF MAHWAH

## Schedule of Interfunds

## Current Fund

Year ended December 31, 2012

	<b>Dog License Fund</b>	<b>Other Trust Fund</b>	<b>General Capital Fund</b>	<b>Water Utility Operating Fund</b>	<b>Federal and State Grant Fund</b>	<b>Housing Trust</b>
Balance, December 31, 2011, due from (to)	\$ 4,787	280	19	—	277,646	(338)
Increased by:						
Cash disbursed	3,500	—	—	—	—	12,557
Statutory excess	7,108	—	—	—	—	—
Grant encumbrances paid by Current Fund	—	—	—	—	97,317	—
Interest earned	—	112	188	—	—	—
Debt service reserve anticipated	—	—	331,000	—	—	—
Grant receivables	—	—	—	—	490,066	—
Cancellation of Appropriated Reserves	—	—	—	—	8,949	—
Grant expenditures paid by Current Fund	—	—	—	—	473,060	—
	<u>10,608</u>	<u>112</u>	<u>331,188</u>	<u>—</u>	<u>1,069,392</u>	<u>12,557</u>
	15,395	392	331,207	—	1,347,038	12,219
Decreased by:						
Cash receipts	8,287	280	267,606	—	—	12,219
Unappropriated grants received deposited in Current Fund	—	—	—	—	4,966	—
Grant receipts deposited in Current Fund	—	—	—	—	589,011	—
Deferred Charges Funded	—	—	584	—	—	—
2012 Budget Appropriation	—	—	63,000	—	—	—
Grants Appropriated	—	—	—	—	493,105	—
Cancellation of Grants receivable	—	—	—	—	6,520	—
	<u>8,287</u>	<u>280</u>	<u>331,190</u>	<u>—</u>	<u>1,093,602</u>	<u>12,219</u>
Balance, December 31, 2012, due from (to)	\$ <u>7,108</u>	<u>112</u>	<u>17</u>	<u>—</u>	<u>253,436</u>	<u>—</u>

TOWNSHIP OF MAHWAH

Schedule of Grants Receivable

Federal and State Grant Fund

Year ended December 31, 2012

	<b>Balance, Dec. 31, 2011</b>	<b>Awarded in 2012</b>	<b>Received</b>	<b>Canceled</b>	<b>Balance, Dec. 31, 2012</b>
Drunk Driving Enforcement Grant	\$ —	11,589	11,589	—	—
FEMA	—	21,375	21,375	—	—
NJ Highlands Water Protection	—	129,100	7,573	—	121,527
NJ DEP Flood Management	37,877	—	—	—	37,877
County of Bergen:					
Replacement of Pulis Avenue Bridge	82,080	—	—	—	82,080
Open Space - Winters Pond	100,000	—	100,000	—	—
Recycling Tonnage Grant	—	77,398	77,398	—	—
US Department of Homeland Security (Pass Through):					
FY 2010 Buffer Zone Protection Program	124,633	—	—	—	124,633
Alcohol Education and Rehabilitation Act	—	5,774	5,774	—	—
Municipal Alliance on Alcoholism and Drug Abuse	3,302	12,157	13,157	250	2,052
NJ Dept. of LPS - Div. of Criminal Justice Body Armor Fund	—	4,846	4,846	—	—
State of New Jersey - Department of Transportation:					
Ridge Road	—	146,500	109,875	—	36,625
Airmount Road Section 2	37,500	—	37,500	—	—
United States Department of Transportation ( NJ Division of Highway					
Drive Sober or Get Pulled Over	5,000	—	5,000	—	—
Clean Communities	—	38,827	38,827	—	—
County of Bergen:					
Open Space Trust Fund - Veterans Park	94,494	42,500	108,224	6,270	22,500
Office of County Prosecutor - Mahwah Municipal Escrow - Police	129,715	—	84,539	—	45,176
	<u>\$ 614,601</u>	<u>490,066</u>	<u>625,677</u>	<u>6,520</u>	<u>472,470</u>
			\$ 589,011		
Due from Current Fund			<u>36,666</u>		
Transferred from unappropriated reserves			<u>\$ 625,677</u>		



## TOWNSHIP OF MAHWAH

## Schedule of Appropriated Reserves

## Federal and State Grant Fund

Year ended December 31, 2012

	<b>Balance, Dec. 31, 2011</b>	<b>Transferred from budget</b>	<b>Appropriation by 40A:4-87</b>	<b>Expended</b>	<b>Canceled</b>	<b>Balance, Dec. 31, 2012</b>
US Department of Homeland Security (Pass Through)	\$					
FY 2010 Buffer Zone Protection Program	124,633	—	—	124,556	—	77
NJ Highlands Water Protection	—	129,100	—	119,128	—	9,972
FEMA	—	21,375	—	17,950	3,425	—
Bergen County Open Space - Winters Pond	3,670	20,000	22,500	18,459	5,211	22,500
Bergen County Prosecutor's Office						
Escrow Account - Police Department	45,176	—	—	—	—	45,176
Alcohol Education Rehabilitation Fund	—	—	5,774	5,774	—	—
Drunk Driving Enforcement Act	15,938	—	11,589	7,009	—	20,518
NJ Clean Communities Grant	—	—	38,827	36,902	—	1,925
NJ Dept. L&PS:						
Body Armor Fund	267	4,846	—	4,235	—	878
Drive Sober or Get Pulled over	5,000	—	—	5,000	—	—
Municipal Alliance on Alcoholism and Drug Abuse	7,626	12,157	—	16,905	313	2,565
Municipal Alliance on Alcoholism and Drug Abuse - Match	—	3,039	—	3,039	—	—
Recycling Tonnage Grant	662	31,820	45,578	47,658	—	30,402
NJDOT Ridge Road Section 6	—	—	146,500	146,500	—	—
	<u>\$ 202,972</u>	<u>222,337</u>	<u>270,768</u>	<u>553,115</u>	<u>8,949</u>	<u>134,013</u>
Encumbrances				\$ 80,055		
Due to Current Fund				<u>473,060</u>		
				<u>\$ 553,115</u>		

**TOWNSHIP OF MAHWAH**

Schedule of Unappropriated Reserves

Federal and State Grant Fund

Year ended December 31, 2012

	<b>Balance, Dec. 31, 2011</b>	<b>Transferred to budget</b>	<b>Received</b>	<b>Balance, Dec. 31, 2012</b>
State:				
Body Armor Fund	\$ 4,846	4,846	4,966	4,966
Recycling Tonnage Grant	31,820	31,820	—	—
	<u>\$ 36,666</u>	<u>36,666</u>	<u>4,966</u>	<u>4,966</u>

**TOWNSHIP OF MAHWAH**

Schedule of Foreclosed Property

Current Fund

Year ended December 31, 2012

Balance, December 31, 2012 and 2011	\$ <u>1,353,400</u>
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**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Arbitrage Rebate Payable

Current Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ <u>30,000</u>
Balance, December 31, 2012	\$ <u>30,000</u>

**TOWNSHIP OF MAHWAH**

Schedule of Encumbrances Payable

Federal and State Grant Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ 97,317
Increased by encumbrances authorized	<u>80,055</u>
	177,372
Decreased by:	
Paid by Current Fund	<u>97,317</u>
Balance, December 31, 2012	<u><u>\$ 80,055</u></u>

## TOWNSHIP OF MAHWAH

## Schedule of Cash - Treasurer

## Trust Funds

Year ended December 31, 2012

	<u>Dog License Fund</u>	<u>Other Trust Funds</u>	<u>Unemployment Compensation Fund</u>	<u>Uniform Construction Code Training Fees</u>
Balance, December 31, 2011	\$ 27,707	6,124,138	223,462	9,972
Increased by receipts:				
Dog license fees	13,584	—	—	—
Due to State of New Jersey	2,702	—	—	—
Recreation contributions	—	55,570	—	—
Reserve for Other Expenses	—	5,626,545	—	—
Due from Current Fund	—	13,614	—	—
Special deposits	—	472,138	—	—
Deposits	—	—	64,532	—
Training fees collected	—	—	—	61,235
	<u>16,286</u>	<u>6,167,867</u>	<u>64,532</u>	<u>61,235</u>
	<u>43,993</u>	<u>12,292,005</u>	<u>287,994</u>	<u>71,207</u>
Decreased by disbursements:				
Payments to State of New Jersey	2,721	—	31,514	61,738
Dog license expenditures	2,105	—	—	—
Due to Current Fund	8,287	13,442	—	—
Recreation expenses	—	55,510	—	—
Special deposits - refunded	—	722,037	—	—
Reserve for Other Expenses	—	5,737,681	—	—
	<u>13,113</u>	<u>6,528,670</u>	<u>31,514</u>	<u>61,738</u>
Balance, December 31, 2012	\$ <u>30,880</u>	<u>5,763,335</u>	<u>256,480</u>	<u>9,469</u>

**TOWNSHIP OF MAHWAH**

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

Trust Funds

Year ended December 31, 2012

Balance, December 31, 2011	\$	22,923
Increased by:		
Licenses and fees		<u>13,584</u>
		<u>36,507</u>
Decreased by:		
Expenditures under R.S. 4:19-15.11:		
Excess balance due to Current Fund		7,108
Expenses paid by Current Fund		3,500
Other disbursements		<u>2,105</u>
		<u>12,713</u>
Balance, December 31, 2012	\$	<u><u>23,794</u></u>
2010 license revenue	\$	13,863
2011 license revenue		<u>9,931</u>
	\$	<u><u>23,794</u></u>

**TOWNSHIP OF MAHWAH**

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

Trust Funds

Year ended December 31, 2012

Balance, December 31, 2011	\$	(3)
Increased by cash collected		<u>2,702</u>
		2,699
Decreased by cash disbursed		<u>2,721</u>
Balance, December 31, 2012	\$	<u><u>(22)</u></u>



**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Special Deposits -  
Other Trust Funds

Trust Funds

Year ended December 31, 2012

Balance, December 31, 2011	\$ 2,437,137
Increased by:	
Deposits	<u>472,138</u>
	2,909,275
Decreased by disbursements	<u>722,037</u>
Balance, December 31, 2012	<u><u>\$ 2,187,238</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for State  
Unemployment Insurance -  
Unemployment Compensation Fund

Trust Funds

Year ended December 31, 2012

Balance, December 31, 2011	\$ <u>223,462</u>
Increased by:	
Budget appropriation	50,000
Employee contributions	14,456
Interest	<u>76</u>
	<u>64,532</u>
	287,994
Decreased by disbursed State of New Jersey	<u>31,514</u>
Balance, December 31, 2012	\$ <u><u>256,480</u></u>

**TOWNSHIP OF MAHWAH**

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

Trust Funds

Year ended December 31, 2012

Balance, December 31, 2011	\$	9,972
Increased by training fees collected		<u>61,235</u>
		71,207
Decreased by cash disbursements		<u>61,738</u>
Balance, December 31, 2012	\$	<u><u>9,469</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Due to (from) Current

Trust Funds

Year ended December 31, 2012

	<b>Dog License Fund</b>	<b>Affordable Housing</b>	<b>Escrow</b>	<b>Soil</b>	<b>Total</b>
Balance, December 31, 2011, Due to	\$ 4,787	(338)	274	4	4,727
Increased by:					
Payments by Current Fund	3,500	—	—	—	3,500
Excess balance in Dog License fund	7,108	—	—	—	7,108
Cash received	—	12,557	1,004	53	13,614
	<u>10,608</u>	<u>12,557</u>	<u>1,004</u>	<u>53</u>	<u>24,222</u>
	<u>15,395</u>	<u>12,219</u>	<u>1,278</u>	<u>57</u>	<u>28,949</u>
Decreased by:					
Cash disbursed	<u>8,287</u>	<u>12,219</u>	<u>1,170</u>	<u>53</u>	<u>21,729</u>
Balance, December 31, 2012, Due to	<u>\$ 7,108</u>	<u>—</u>	<u>108</u>	<u>4</u>	<u>7,220</u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Recreation  
Expenses - Other Trust Funds

Trust Funds

Year ended December 31, 2012

Balance, December 31, 2011	\$ 9,147
Increased by contributions	<u>55,570</u>
	64,717
Decreased by cash disbursements	<u>55,510</u>
Balance, December 31, 2012	<u><u>\$ 9,207</u></u>

## TOWNSHIP OF MAHWAH

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

## Trust Funds

Year ended December 31, 2011

	<b>Balance, Dec. 31, 2011</b>	<b>Increased</b>	<b>Decreased</b>	<b>Balance, Dec. 31, 2012</b>
Reserve for:				
Historic Preservation	\$ 3,062	36	—	3,098
Self Insurance - Optical	7,769	40,231	41,696	6,304
Open Space	220,438	579,600	670,260	129,778
Lien Redemption	25,023	178,900	203,923	—
Community Donation	14,485	300	1,750	13,035
Access Transportation	38,765	3,383	—	42,148
Municipal Court	1,136	62	300	898
Celebration of Public Events	21,178	14,100	13,847	21,431
Beautification project	587	2	—	589
Winter Park	3,589	525	500	3,614
Affordable Housing	2,087,564	195,060	28,719	2,253,905
Development fees	349,532	9,002	8,000	350,534
Shade Tree	71,639	—	—	71,639
Sidewalk	154,271	31,350	10,287	175,334
Senior Center	7,302	400	—	7,702
Outside Detail	106,887	117,035	136,490	87,432
Self Insurance	427,587	4,317,214	4,486,961	257,840
Self Insurance - Section 125 Plan	17,853	84,826	80,715	21,964
Developers' escrow - Soil Movement	119,247	54,519	54,233	119,533
	<u>\$ 3,677,914</u>	<u>5,626,545</u>	<u>5,737,681</u>	<u>3,566,778</u>

**TOWNSHIP OF MAHWAH**

Schedule of Cash - Treasurer

General Capital Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ <u>2,529,997</u>
Increased by receipts:	
Interest earned	188
Bond anticipation note proceeds	1,825,000
Premium on sale of notes	84,118
Bonds issued	9,965,000
Unexpended bond issue costs	<u>18,860</u>
	<u>11,893,166</u>
	<u>14,423,163</u>
Decreased by disbursements:	
Due from Current Fund	267,606
Improvement authorizations	<u>10,867,653</u>
	<u>11,135,259</u>
Balance, December 31, 2012	\$ <u><u>3,287,904</u></u>

TOWNSHIP OF MAHWAH

Schedule of Analysis of General Capital Cash

General Capital Fund

December 31, 2012

Encumbrances payable	\$ 776,848
Due to Current Fund	17
Reserve for payment of debt	1,689,732
Capital Improvement Fund	1,497
Fund balance	348,126

Improvement Authorizations:

<b>Ordinance number</b>	<b>Improvement description</b>	
1241	Various improvements	9,823
1362/1415/1427	Various improvements	18,947
1387	Various improvements	18,015
1420	Various capital improvements	92,462
1446	Various capital improvements	16,795
1488	Acquisition of land	53,877
1518	Various capital improvements	1,075
1546	Various improvements	(649)
1576	Various capital improvements	20,153
1612	Various capital improvements	(877)
1643	Various capital improvements	(416)
1672	Various capital improvements	(9,576)
1692	Various capital improvements	(2,881)
1707	Various capital improvements	254,936
		<u>\$ 3,287,904</u>



**TOWNSHIP OF MAHWAH**

Schedule of Amount Due from /(to) Current Fund

General Capital Fund

Year ended December 31, 2012

Balance, December 31, 2011 (Due To)	\$ <u>(19)</u>
Increased by:	
Interfund transfer	267,606
Deferred charge raised in budget	584
Budget appropriation	<u>63,000</u>
	<u>331,190</u>
	<u>331,171</u>
Decreased by:	
Interest earned	188
Debt service reserve anticipated	<u>331,000</u>
	<u>331,188</u>
Balance, December 31, 2012 (Due To)	\$ <u><u>(17)</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Deferred Charges to  
Future Taxation Funded

General Capital Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ 26,205,000
Increased by bond sale	<u>9,965,000</u>
	36,170,000
Decreased by bonds paid	<u>12,260,000</u>
Balance, December 31, 2012	<u><u>\$ 23,910,000</u></u>

TOWNSHIP OF MAHWAH

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year ended December 31, 2012

Ordinance number	Description	Balance, Dec. 31, 2011	Authorizations	Notes paid	Bonds Issued	Cancelled/ Reauthorized	Balance, Dec. 31, 2012	Analysis of balance		
								Bond anticipation notes	Expended	Unexpended balance of improvement authorizations
1518	Various capital improvements	\$ 811,941	—	150,000	—	441	661,500	661,500	—	—
1546	Various improvements	1,001,288	—	175,000	—	—	826,288	805,000	649	20,639
1558	Renovation of Police Building	332,143	—	25,000	—	143	307,000	307,000	—	—
1576	Various capital improvements	103,935	—	—	—	—	103,935	103,000	—	935
1612	Various capital improvements	1,670,670	—	150,000	—	—	1,520,670	1,494,000	877	25,793
1643	Various capital improvements	333,227	—	—	—	—	333,227	328,500	416	4,311
1665	Various Road Improvements	475,000	—	—	—	—	475,000	475,000	—	—
1672	Various capital improvements	299,250	—	—	—	—	299,250	270,000	9,576	19,674
1692	Various capital improvements	665,000	—	—	—	—	665,000	656,000	2,881	6,119
1703	V; Refunding Bonds	—	11,350,000	—	9,965,000	1,385,000	—	—	—	—
1707	Various capital improvements	—	1,718,850	—	—	—	1,718,850	1,700,000	—	18,850
		<u>\$ 5,692,454</u>	<u>13,068,850</u>	<u>500,000</u>	<u>9,965,000</u>	<u>1,385,584</u>	<u>6,910,720</u>	<u>6,800,000</u>	<u>14,399</u>	<u>96,321</u>
										Improvement authorizations unfunded \$ 372,485
										Less - Unexpended note proceeds:
										Ordinance 1518 1,075
										Ordinance 1576 20,153
										Ordinance 1707 254,936
										<u>276,164</u>
										<u>\$ 96,321</u>

**TOWNSHIP OF MAHWAH**

Schedule of Capital Improvement Fund

General Capital Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ 24,647
Increased by:	
Budget appropriation	63,000
	<u>87,647</u>
Decreased by appropriated to finance improvement authorizations	<u>86,150</u>
Balance, December 31, 2012	\$ <u><u>1,497</u></u>

TOWNSHIP OF MAHWAH

Schedule of Improvement Authorizations

General Capital Fund

Year ended December 31, 2012

Ordinance number	Improvement description	Ordinance Original Amount	Balance, December 31, 2011		Authorizations	Expended	Authorizations Canceled	Balance, December 31, 2012	
			Funded	Unfunded				Funded	Unfunded
1241	Various improvements	\$ 1,310,715	9,823	—	—	—	—	9,823	—
1362/ 1415/1427	Various improvements	3,220,165	18,947	—	—	—	—	18,947	—
1387	Various improvements	2,695,500	18,015	—	—	—	—	18,015	—
1420	Various capital improvements	3,421,000	92,462	—	—	—	—	92,462	—
1446	Various capital improvements	4,652,200	19,463	—	—	2,668	—	16,795	—
1488	Various capital improvements	2,915,400	30,961	—	—	(22,916)	—	53,877	—
1518	Various capital improvements	1,746,000	—	1,647	—	572	—	—	1,075
1546	Various improvements	1,981,000	—	21,187	—	548	—	—	20,639
1576	Various capital improvements	1,191,000	—	25,297	—	4,209	—	—	21,088
1612	Various capital improvements	2,209,500	—	24,991	—	(802)	—	—	25,793
1643	Various capital improvements	664,000	—	4,721	—	410	—	—	4,311
1672	Various capital improvements	315,000	—	30,262	—	10,588	—	—	19,674
1692	Various capital improvements	700,000	—	50,000	—	43,881	—	—	6,119
1703	Various capital improvements	11,350,000	—	—	11,350,000	9,965,000	1,385,000	—	—
1707	Various capital improvements	1,805,000	—	—	1,805,000	1,531,214	—	—	273,786
			\$ 189,671	158,105	13,155,000	11,535,372	1,385,000	209,919	372,485
	Deferred Charges Unfunded				\$ 13,068,850				
	Capital Improvement Fund				86,150				
					\$ 13,155,000				
	Encumbrances				\$ 1,489,331				
	Encumbrances canceled				(821,612)				
	Cash				10,867,653				
					\$ 11,535,372				

**TOWNSHIP OF MAHWAH**

Schedule of Encumbrances Payable

General Capital Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$	109,129
Increased by improvement authorization encumbrances		<u>1,489,331</u>
		1,598,460
Decreased by encumbrances canceled		<u>821,612</u>
Balance, December 31, 2012	\$	<u><u>776,848</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Payment of Debt

General Capital Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$	2,020,732
Decreased by:		
Anticipation as Current Fund revenue		<u>331,000</u>
Balance, December 31, 2012	\$	<u><u>1,689,732</u></u>

## TOWNSHIP OF MAHWAH

## Schedule of Bond Anticipation Notes

## General Capital Fund

Year ended December 31, 2012

<u>Ordinance number</u>	<u>Purpose</u>	<u>Original date of issue</u>	<u>Date of issue</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance, Dec. 31, 2011</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance, Dec. 31, 2012</u>
1518	Various capital improvements	8/17/06	8/9/12	8/9/13	1.500%	775,000	625,000	775,000	625,000
1518	Various capital improvements	8/12/10	8/9/12	8/9/13	1.500%	36,500	36,500	36,500	36,500
1546	Various capital improvements	8/17/06	8/9/12	8/9/13	1.500%	875,000	700,000	875,000	700,000
1546	Various capital improvements	8/12/10	8/9/12	8/9/13	1.500%	55,000	55,000	55,000	55,000
1546	Various Road Improvements	8/11/11	8/9/12	8/9/13	1.500%	50,000	50,000	50,000	50,000
1558	Expansion of police department	8/13/09	8/9/12	8/9/13	1.500%	200,000	175,000	200,000	175,000
1558	Expansion of police department	8/12/10	8/9/12	8/9/13	1.500%	128,500	128,500	128,500	128,500
1558	Expansion of police department	8/11/11	8/9/12	8/9/13	1.500%	3,500	3,500	3,500	3,500
1576	Various capital improvements	8/12/10	8/9/12	8/9/13	1.500%	79,000	79,000	79,000	79,000
1576	Various capital improvements	8/11/11	8/9/12	8/9/13	1.500%	20,000	20,000	20,000	20,000
1576	Various capital improvements	8/9/12	8/9/12	8/9/13	1.500%	—	4,000	—	4,000
1612	Various capital improvements	8/14/08	8/9/12	8/9/13	1.500%	800,000	700,000	800,000	700,000
1612	Various capital improvements	8/13/09	8/9/12	8/9/13	1.500%	750,000	700,000	750,000	700,000
1612	Various capital improvements	8/12/10	8/9/12	8/9/13	1.500%	78,500	78,500	78,500	78,500
1612	Various capital improvements	8/11/11	8/9/12	8/9/13	1.500%	15,000	15,000	15,000	15,000
1612	Various capital improvements	8/9/12	8/9/12	8/9/13	1.500%	—	500	—	500
1643	Various capital improvements	8/12/10	8/9/12	8/9/13	1.500%	247,500	247,500	247,500	247,500
1643	Various capital improvements	8/11/11	8/9/12	8/9/13	1.500%	60,500	60,500	60,500	60,500
1643	Various capital improvements	8/9/12	8/9/12	8/9/13	1.500%	—	20,500	—	20,500
1665	Various Road Improvements	8/12/10	8/9/12	8/9/13	1.500%	475,000	475,000	475,000	475,000
1672	Various capital improvements	8/11/11	8/9/12	8/9/13	1.500%	270,000	270,000	270,000	270,000
1692	Various capital improvements	8/11/11	8/9/12	8/9/13	1.500%	556,000	556,000	556,000	556,000
1692	Various capital improvements	8/9/12	8/9/12	8/9/13	1.500%	—	100,000	—	100,000
1707	Various capital improvements	8/9/12	8/9/12	8/9/13	1.500%	—	1,700,000	—	1,700,000
						<u>\$ 5,475,000</u>	<u>6,800,000</u>	<u>5,475,000</u>	<u>6,800,000</u>
					Renewal		\$ 4,975,000	4,975,000	
					Issued		1,825,000	—	
					Paid from budget appropriation		—	500,000	
							<u>\$ 6,800,000</u>	<u>5,475,000</u>	



## TOWNSHIP OF MAHWAH

## Schedule of Serial Bonds Payable

## General Capital Fund

Year ended December 31, 2012

Date of Issue	Purpose	Original Issue	Maturity of Bonds			Balance, Dec. 31, 2011	Bonds Issued	Bonds paid	Balance, Dec. 31, 2012
			Date	Outstanding Amount	Interest Rate				
Oct. 15, 2004	General Improvement Bond	\$ 17,165,000	10/15/13	825,000	3.500	\$ 12,690,000	—	10,990,000	1,700,000
			10/15/14	875,000	3.625				
Feb. 25, 2009	General Improvement Refunding Bonds	14,885,000	12/01/13	1,135,000	4.000	13,515,000	—	1,110,000	12,405,000
			12/01/14	1,180,000	3.000				
			12/01/15	1,260,000	4.000				
	(Bonds maturing on or after Dec. 1, 2020 are subject to redemption on or after Dec. 1, 2019)		12/01/16	400,000	2.375				
			12/01/16	905,000	3.500				
			12/01/17	1,285,000	4.000				
			12/01/18	1,275,000	3.250				
			12/01/19	1,250,000	5.000				
			12/01/20	1,250,000	5.000				
			12/01/21	1,250,000	4.000				
			12/01/22	1,215,000	5.000				
Feb. 23, 2012	General Improvement Refunding Bonds	10,215,000	3/15/15	880,000	3.000				
			3/15/16	920,000	3.000				
			3/15/17	985,000	4.000				
	(Bonds maturing on or after Oct. 15, 2022 are subject to redemption on or after Oct. 15, 2021)		3/15/18	1,010,000	4.000				
			3/15/19	1,005,000	4.000				
			3/15/20	1,005,000	3.000				
			3/15/21	990,000	5.000				
			3/15/22	1,000,000	5.000				
			3/15/23	760,000	4.000				
			3/15/23	250,000	5.000				
			3/15/24	1,000,000	4.000				
						\$ 26,205,000	9,965,000	12,260,000	23,910,000

**TOWNSHIP OF MAHWAH**

Schedule of Bonds and Notes Authorized but not Issued

General Capital Fund

Year ended December 31, 2012

<b>Ordinance number</b>	<b>Description</b>	<b>Balance, Dec. 31, 2011</b>	<b>2012 authorizations</b>	<b>Debt Issued</b>	<b>Cancellation/Reappropriated</b>	<b>Balance, Dec. 31, 2012</b>
1518	Various improvements	\$ 441	—	—	441	—
1546	Various improvements	21,288	—	—	—	21,288
1558	Renovation of Police Building	143	—	—	143	—
1576	Various capital improvements	4,935	—	4,000	—	935
1612	Varios capital improvements	27,170	—	500	—	26,670
1643	Various capital improvements	25,227	—	20,500	—	4,727
1672	Various capital improvements	29,250	—	—	—	29,250
1692	Various capital improvements	109,000	—	100,000	—	9,000
1703	Refunding Bonds	—	11,350,000	9,965,000	1,385,000	—
1707	Various capital improvements	—	1,718,850	1,700,000	—	18,850
		<u>\$ 217,454</u>	<u>13,068,850</u>	<u>11,790,000</u>	<u>584</u>	<u>110,720</u>

TOWNSHIP OF MAHWAH

Schedule of Cash - Treasurer

Water Utility Fund

Year Ended December 31, 2012

	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2011	\$ 5,178,308	2,144,547
Increased by receipts:		
Water rents	4,862,966	—
Tapping and capacity fees	21,570	—
Miscellaneous revenue not anticipated	32,646	—
Note proceeds	—	1,650,000
Premium on notes	—	58,597
Premium on water liens	11,600	—
Interest earned	—	71
Due from Water Utility Capital Fund	80,065	—
Overpayments	1,930	—
Reserve for various improvements	—	16,000
Due from Sewer Utility Operating Fund	7,031	—
	<u>5,017,808</u>	<u>1,724,668</u>
	<u>10,196,116</u>	<u>3,869,215</u>
Decreased by disbursements:		
Accounts payable	—	1,599,727
Budget appropriations	4,013,306	—
Appropriation reserves	391,222	—
Refund of prior year revenue	52	—
Due from Sewer Utility - Operating Fund	5,616	—
Accrued Interest on Notes	101,717	—
Premium on water liens refunded	11,600	—
Water overpayments refunded	2,585	—
Due to Water Utility Operating Fund	—	80,065
Improvement authorizations	—	46,327
	<u>4,526,098</u>	<u>1,726,119</u>
Balance, December 31, 2012	\$ <u>5,670,018</u>	<u>2,143,096</u>

**TOWNSHIP OF MAHWAH**

Schedule of Analysis of Capital Fund Cash

Water Utility Capital Fund

December 31, 2012

Encumbrances	\$ 94,014
Reserve for various improvements	16,000
Due to Water Utility Operating Fund	10
Capital Improvement Fund	111,369
Reserve for payment of debt	56,816
Fund balance	298,750

Improvement authorizations:

<b>Ordinance number</b>	<b>Improvement description</b>	
1165/1183	Various water improvements	3,718
1361/1394	Various improvements	230
1519/1567	Various improvements	29,951
1544	Various improvements	(40)
1575	Various improvements	2,588
1613	Various improvements	160,056
1647	Various improvements	374,944
1677	Improvements to Ford Well Field	(79,910)
1708	Various improvements	<u>1,074,600</u>
		<u>\$ 2,143,096</u>

TOWNSHIP OF MAHWAH

Schedule of Bond Anticipation Notes Payable

Water Utility Capital Fund

Year ended December 31, 2012

Ordinance number	Purpose	Original date of issue	Date of issue	Date of maturity	Interest rate	Balance, Dec. 31, 2011	Increase	Decrease	Balance, Dec. 31, 2012
1519/1567	Various improvements	Oct. 19, 2006	Oct. 11, 2012	Oct. 11, 2013	1.00%	\$ 250,000	200,000	250,000	200,000
1544	Various improvements	Oct. 19, 2006	Oct. 11, 2012	Oct. 11, 2013	1.00%	125,500	—	125,500	—
1165/1183	Various improvements	Oct. 16, 2008	Oct. 11, 2012	Oct. 11, 2013	1.00%	20,000	—	20,000	—
1519/1567	Various improvements	Oct. 16, 2008	Oct. 11, 2012	Oct. 11, 2013	1.00%	850,000	725,000	850,000	725,000
1544	Various improvements	Oct. 16, 2008	Oct. 11, 2012	Oct. 11, 2013	1.00%	50,000	—	50,000	—
1575	Various improvements	Oct. 16, 2008	Oct. 11, 2012	Oct. 11, 2013	1.00%	315,000	300,000	315,000	300,000
1613	Various improvements	Oct. 16, 2008	Oct. 11, 2012	Oct. 11, 2013	1.00%	507,500	425,000	507,500	425,000
1165/1183	Various improvements	Oct. 15, 2009	Oct. 11, 2012	Oct. 11, 2013	1.00%	50,000	—	50,000	—
1244/1371	Acquisition - water meters	Oct. 15, 2009	Oct. 11, 2012	Oct. 11, 2013	1.00%	50,000	25,000	50,000	25,000
1519/1567	Various improvements	Oct. 15, 2009	Oct. 11, 2012	Oct. 11, 2013	1.00%	355,000	300,000	355,000	300,000
1575	Various improvements	Oct. 15, 2009	Oct. 11, 2012	Oct. 11, 2013	1.00%	10,000	—	10,000	—
1613	Various improvements	Oct. 15, 2009	Oct. 11, 2012	Oct. 11, 2013	1.00%	85,000	—	85,000	—
1575	Various improvements	Oct. 14, 2010	Oct. 11, 2012	Oct. 11, 2013	1.00%	2,230,000	2,200,000	2,230,000	2,200,000
1677	Ford Well Field	Oct. 14, 2010	Oct. 11, 2012	Oct. 11, 2013	1.00%	1,602,000	1,600,000	1,602,000	1,600,000
1244/1371	Acquisition - water meters	Oct. 13, 2011	Oct. 11, 2012	Oct. 11, 2013	1.00%	187,150	175,000	187,150	175,000
1519/1567	Various improvements	Oct. 13, 2011	Oct. 11, 2012	Oct. 11, 2013	1.00%	110,000	100,000	110,000	100,000
1575	Various improvements	Oct. 13, 2011	Oct. 11, 2012	Oct. 11, 2013	1.00%	2,850	—	2,850	—
1708	Various improvements	Oct. 11, 2012	Oct. 11, 2012	Oct. 11, 2013	1.00%	—	1,075,000	—	1,075,000
1613	Various improvements	Oct. 11, 2012	Oct. 11, 2012	Oct. 11, 2013	1.00%	—	25,000	—	25,000
1677	Ford Well Field	Oct. 11, 2012	Oct. 11, 2012	Oct. 11, 2013	1.00%	—	175,000	—	175,000
1519/1647	Various improvements	Oct. 11, 2012	Oct. 11, 2012	Oct. 11, 2013	1.00%	—	375,000	—	375,000
						<u>\$ 6,800,000</u>	<u>7,700,000</u>	<u>6,800,000</u>	<u>7,700,000</u>
				Renewed			\$ 6,050,000	6,050,000	
				Issued			1,650,000	—	
				Paid not renewed			—	750,000	
							<u>\$ 7,700,000</u>	<u>6,800,000</u>	

**TOWNSHIP OF MAHWAH**

Schedule of Water Accounts Receivable

Water Utility Operating Fund

Year Ended December 31, 2012

Balance, December 31, 2011	\$	174,735
Increased by water rents levied		<u>5,012,172</u>
		5,186,907
Decreased by:		
Water rents collected		<u>4,862,966</u>
Balance, December 31, 2012	\$	<u><u>323,941</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Water Overpayments

Water Utility Operating Fund

Year Ended December 31, 2012

Balance, December 31, 2011	\$	2,585
Increased by water overpayments		<u>1,930</u>
		4,515
Decreased by disbursements		<u>2,585</u>
Balance, December 31, 2012	\$	<u><u>1,930</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Fixed Capital

Water Utility Capital Fund

Year ended December 31, 2012

	<b>Balance, Dec. 31, 2011</b>	<b>Balance, Dec. 31, 2012</b>
	<u>2011</u>	<u>2012</u>
Acquisition and improvement of plant	\$ 157,623	157,623
Bond issue expenses	1,665	1,665
Professional services	62,397	62,397
Interest	12,342	12,342
General equipment	148,361	148,361
Pump house and pumps	91,372	91,372
Improvement of water supply and distribution system	6,090,444	6,090,444
Vehicle equipment	72,810	72,810
Wells	978,957	978,957
Acquisition of land	<u>856,834</u>	<u>856,834</u>
	<u>\$ 8,472,805</u>	<u>8,472,805</u>



TOWNSHIP OF MAHWAH

Schedule of Fixed Capital Authorized and Uncompleted

Water Utility Capital Fund

Year Ended December 31, 2012

<u>Ordinance number</u>	<u>Improvement description</u>	<u>Original Amount</u>	<u>Balance, Dec. 31, 2011</u>	<u>Increased</u>	<u>Balance, Dec. 31, 2012</u>
1165/1183	Various water improvements	\$ 6,200,000	6,200,000	—	6,200,000
1244	Acquisition-water meters	600,000	600,000	—	600,000
1361/ 1394	Various improvements	2,897,000	2,897,000	—	2,897,000
1371	Acquisition-water meters	900,000	900,000	—	900,000
1388	Various improvements	400,000	400,000	—	400,000
1519/1567	Various improvements	2,270,000	2,495,000	—	2,495,000
1544	Various improvements	638,000	638,000	—	638,000
1575	Various improvements	2,875,000	2,861,006	—	2,861,006
1613	Various improvements	1,030,000	1,030,000	—	1,030,000
1677	Improvements to Ford Well Field	2,765,000	2,765,000	—	2,765,000
1708	Various improvements	1,100,000	—	1,100,000	1,100,000
			<u>\$ 20,786,006</u>	<u>1,100,000</u>	<u>21,886,006</u>

**TOWNSHIP OF MAHWAH**

Schedule of Accrued Interest  
on Notes

Water Utility Operating Fund  
Year Ended December 31, 2012

Balance, December 31, 2011	\$	22,383
Increased by:		
Budget appropriation		<u>200,000</u>
		<u>222,383</u>
Decreased by:		
Payments		101,717
Cancellations		<u>103,341</u>
		<u>205,058</u>
Balance, December 31, 2012	\$	<u><u>17,325</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Amount Due from Water Utility Capital Fund

Water Utility Operating Fund  
Year Ended December 31, 2012

Balance, December 31, 2011	\$ <u>4</u>
Increased by:	
Interest earned in Capital Fund	71
Capital Fund Balance anticipated	<u>130,000</u>
	<u>130,071</u>
	130,075
Decreased by:	
Capital Improvement Fund	50,000
Cash received	<u>80,065</u>
	<u>130,065</u>
Balance, December 31, 2012	\$ <u><u>10</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Amortization

Water Utility Capital Fund

Year Ended December 31, 2012

Balance, December 31, 2011	\$ <u>16,842,805</u>
Increased by:	
Bond anticipation notes paid	<u>750,000</u>
Balance, December 31, 2012	\$ <u><u>17,592,805</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Deferred Reserve for  
Amortization

Water Utility Capital Fund  
Year Ended December 31, 2012

Balance, December 31, 2011	\$ <u>2,387,750</u>
Balance, December 31, 2012	\$ <u>2,387,750</u>

**Analysis of Balance**

Ordinance #1165/1183	\$ 1,796,000
Ordinance #1244	30,000
Ordinance #1361/ 1394	144,850
Ordinance #1371	45,000
Ordinance #1388	20,000
Ordinance #1519	113,500
Ordinance #1544	31,900
Ordinance #1567	11,250
Ordinance #1575	143,750
Ordinance #1613	<u>51,500</u>
	\$ <u>2,387,750</u>

**TOWNSHIP OF MAHWAH**

Schedule of Reverse for Various Improvements

Water Utility Capital Fund

Year Ended December 31, 2012

Balance, December 31, 2011	\$	—
Increased by cash receipt		<u>16,000</u>
Balance, December 31, 2012	\$	<u><u>16,000</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Improvement Authorizations

Water Utility Capital Fund

Year Ended December 31, 2012

<b>Ordinance number</b>	<b>Improvement description</b>	<b>Balance, December 31, 2011</b>		<b>Authorizations</b>	<b>Expended</b>	<b>Balance, December 31, 2012</b>	
		<b>Amount</b>	<b>Unfunded</b>			<b>Funded</b>	<b>Unfunded</b>
1165/1183	Various water improvements	—	812,779	—	61	—	812,718
1244/1371	Acquisition - water meters	—	7,832	—	7,832	—	—
1361/1394	Various improvements	230	185,000	—	—	230	185,000
1519/1567	Various improvements	—	83,496	—	(1,705)	—	85,201
1544	Various improvements	—	255,712	—	152	—	255,560
1575	Various improvements	—	26,994	—	—	—	26,994
1613	Various improvements	—	372,724	—	26,668	—	346,056
1647	Renovation of Campgaw Water Tank	—	375,880	—	936	—	374,944
1677	Improvements to Ford Well Field	—	1,192,594	—	134,504	—	1,058,090
1708	Various Improvements	—	—	1,100,000	400	—	1,099,600
		<u>\$ 230</u>	<u>3,313,011</u>	<u>1,100,000</u>	<u>168,848</u>	<u>230</u>	<u>4,244,163</u>
	Cash				\$ 46,327		
	Encumbrances				<u>122,521</u>		
					<u>\$ 168,848</u>		

**TOWNSHIP OF MAHWAH**

Schedule of Encumbrances Payable

Water Utility Capital Fund

Year Ended December 31, 2012

Balance, December 31, 2011	\$ 1,571,220
Increased by charges to improvement authorizations	<u>122,521</u>
	1,693,741
Decreased by:	
Disbursements	<u>1,599,727</u>
	<u>1,599,727</u>
Balance, December 31, 2012	\$ <u><u>94,014</u></u>



**TOWNSHIP OF MAHWAH**

Schedule of Capital Improvement Fund

Water Utility Capital Fund

Year Ended December 31, 2012

Balance, December 31, 2011	\$ <u><u>61,369</u></u>
Increased by:	
Budget appropriation	<u>50,000</u>
Balance, December 31, 2012	\$ <u><u>111,369</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Appropriation Reserves

Water Utility Operating Fund

Year Ended December 31, 2012

	<b>Balance Dec. 31, 2011</b>	<b>Transfer of encum- brances</b>	<b>Balance after transfers</b>	<b>Paid or charged</b>	<b>Balance lapsed</b>
Salaries and wages	\$ 156,873	—	156,873	250	156,623
Other expenses	585,877	316,638	902,515	374,555	527,960
Insurance	74,145	18,611	92,756	17,844	74,912
Capital Improvement:					
Capital Outlay	8,734	—	8,734	60	8,674
Statutory expenditures - contribution to: Social Security System (O.A.S.I.)	12,289	—	12,289	—	12,289
	<u>\$ 837,918</u>	<u>335,249</u>	<u>1,173,167</u>	<u>392,709</u>	<u>780,458</u>
		Accounts payable		1,487	
		Cash		<u>391,222</u>	
				<u>392,709</u>	

**TOWNSHIP OF MAHWAH**

Schedule of Bonds and Notes Authorized but not Issued

Water Utility Capital Fund

Year Ended December 31, 2012

<b>Ordinance number</b>	<b>Description</b>	<b>Balance, Dec. 31, 2011</b>	<b>Increased by Authorizations</b>	<b>Decreased by Issued</b>	<b>Balance, Dec. 31, 2012</b>
1165/1183	Various water improvements	\$ 809,000	—	—	809,000
1361/1394	Various improvements	185,000	—	—	185,000
1519/1567	Various improvements	55,250	—	—	55,250
1544	Various improvements	255,600	—	—	255,600
1575	Various improvements	24,406	—	—	24,406
1613	Various improvements	361,000	—	175,000	186,000
1647	Renovation of Campgaw Tank	375,000	—	375,000	—
1677	Improvements to Ford Well Field	1,163,000	—	25,000	1,138,000
1708	Various improvements	—	1,100,000	1,075,000	25,000
		<u>\$ 3,228,256</u>	<u>1,100,000</u>	<u>1,650,000</u>	<u>2,678,256</u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Payment of Debt

Water Utility Capital Fund

Year Ended December 31, 2012

Balance, December 31, 2011	\$ <u>56,816</u>
Balance, December 31, 2012	\$ <u>56,816</u>

**TOWNSHIP OF MAHWAH**

Schedule of Accounts Payable

Water Utility Operating Fund

Year Ended December 31, 2012

Balance, December 31, 2011	\$	7,192
Increased by:		
Transfer from appropriation reserves		<u>1,487</u>
		8,679
Decreased by:		
Cancellations		<u>4,875</u>
		<u>4,875</u>
Balance, December 31, 2012	\$	<u><u>3,804</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Premium on Water Liens

Water Utility Operating Fund

Year Ended December 31, 2012

Balance, December 31, 2011	\$	10,700
Increased by premiums collected		<u>11,600</u>
		22,300
Decreased by premiums disbursed		<u>11,600</u>
Balance December 31, 2012	\$	<u><u>10,700</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Due To Sewer Utility Operating Fund

Water Utility Operating Fund

Year Ended December 31, 2012

Balance, December 31, 2011	\$	—
Increased by cash received		<u>7,031</u>
		7,031
Decreased by cash disbursed		<u>5,616</u>
Balance December 31, 2012	\$	<u><u>1,415</u></u>

## TOWNSHIP OF MAHWAH

## Schedule of Cash

## Sewer Utility Fund

Year ended December 31, 2012

	<u>Operating</u>	<u>Capital</u>	<u>Assessment</u>
Balance, December 31, 2011	\$ 3,420,842	609,085	869,322
Increased by receipts:			
Sewer rents	5,666,992	—	—
Miscellaneous revenues not anticipated	35,179	—	—
Due from Sewer Utility Capital Fund	50,011	—	—
Due to Water Operating Fund	5,615	—	—
Due from Sewer Assessment Fund	20,204	—	—
Due to Sewer Utility Operating Fund	—	12	20,274
Premium on sale of notes	—	30,320	—
Sewer overpayments	12,702	—	—
Assessments receivable	—	—	743,757
	<u>5,790,703</u>	<u>30,332</u>	<u>764,031</u>
	<u>9,211,545</u>	<u>639,417</u>	<u>1,633,353</u>
Decreased by disbursements:			
Budget appropriations	5,382,397	—	—
Appropriation reserves	42,091	—	—
Accrued interest on notes	67,014	—	—
Due to Water Utility Operating Fund	7,030	—	—
Due to Sewer Utility Operating Fund	—	50,011	20,204
Improvement authorizations	—	10,436	—
Refund of overpayments	6,686	—	—
Refund of prior year revenue	1,376	—	—
	<u>5,506,594</u>	<u>60,447</u>	<u>20,204</u>
Balance, December 31, 2012	\$ <u><u>3,704,951</u></u>	<u><u>578,970</u></u>	<u><u>1,613,149</u></u>



**TOWNSHIP OF MAHWAH**

Schedule of Analysis of Cash

Sewer Utility Capital Fund

December 31, 2012

Reserve for encumbrances		\$	46,035
Reserve for payment of debt			44,242
Due to Sewer Utility Operating Fund			2
Capital Improvement Fund			146,947
Fund balance			341,982
Improvement authorizations:			
<b>Ordinance</b>			
<b>number</b>	<b>Improvement description</b>		
1507/ 1553/1566	Sanitary Sewer Phase V		155
1545	Improvements to sanitary sewer system		(393)
		\$	<u>578,970</u>

**TOWNSHIP OF MAHWAH**

Schedule of Sewer Rents Receivable

Sewer Utility Operating Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$	182,027
Increased by sewer rents levied		<u>5,710,589</u>
		5,892,616
Decreased by sewer rents collected		<u>5,666,992</u>
Balance, December 31, 2012	\$	<u><u>225,624</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Accounts Payable

Sewer Utility Operating Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$	—
Increased by:		
Transfer from appropriation reserve		<u>762</u>
Balance, December 31, 2012	\$	<u><u>762</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Fixed Capital Authorized and Uncompleted

Sewer Utility Capital Fund

Year ended December 31, 2012

<u>Ordinance number</u>	<u>Improvement description</u>	<u>Balance, Dec. 31, 2012</u>	<u>Project Completed</u>	<u>Balance, Dec. 31, 2011</u>
1507/1553/1566	Improvements to sanitary sewer system Phase V	\$ 6,455,000	2,265,800	4,189,200
1545	Various improvements	<u>561,000</u>	<u>—</u>	<u>561,000</u>
		<u>\$ 7,016,000</u>	<u>2,265,800</u>	<u>4,750,200</u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Assessments and Liens  
Utility Assessment Trust Fund

Sewer Utility Operating Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$	292,114
Decreased by collections		<u>123,851</u>
Balance, December 31, 2012	\$	<u><u>168,263</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Appropriation Reserves

Sewer Utility Operating Fund

Year ended December 31, 2012

	<b>Balance Dec. 31, 2011</b>	<b>Encum- brances</b>	<b>Balance after transfers</b>	<b>Paid or charged</b>	<b>Balance lapsed</b>
Operating:					
Salaries and wages	\$ 47,248	—	47,248	249	46,999
Other expenses	33,088	57,128	90,216	36,667	53,549
Insurance	48,172	6,004	54,176	5,877	48,299
NW Bergen County Utility Authority	21,727	—	21,727	—	21,727
Capital Improvements					
Capital Outlay	8,734	—	8,734	60	8,674
Deferred charges:					
Statutory expenditures - contribution to: Social Security System	5,741	—	5,741	—	5,741
	<u>\$ 164,710</u>	<u>63,132</u>	<u>227,842</u>	<u>42,853</u>	<u>184,989</u>
			Cash	42,091	
			Accounts payable	762	
				<u>42,853</u>	

**TOWNSHIP OF MAHWAH**

Schedule of Due from/(to) Water Operating Fund

Sewer Utility Operating Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$	—
Increased by collections from tax sale		<u>5,615</u>
		5,615
Decreased by transfer		<u>7,030</u>
Balance, December 31, 2012	\$	<u><u>(1,415)</u></u>





**TOWNSHIP OF MAHWAH**

Schedule of Encumbrances Payable

Sewer Utility Capital Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$	141,336
Increased by encumbrances		<u>2,688</u>
		144,024
Decreased by:		
Cancellations		<u>97,989</u>
Balance, December 31, 2012	\$	<u><u>46,035</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Deferred Reserve  
for Amortization

Sewer Utility Capital Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ <u>226,300</u>
Balance, December 31, 2012	\$ <u>226,300</u>

**Analysis of Balance**

Ordinance #1343	190,000
Ordinance #1447	8,250
Ordinance #1545	<u>28,050</u>
	\$ <u>226,300</u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Amortization

Sewer Utility Capital Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ <u>18,437,875</u>
Increased by:	
Assessments confirmed	2,265,800
Budget appropriation for payment of bond anticipation notes	<u>480,000</u>
	<u>2,745,800</u>
Balance, December 31, 2012	\$ <u><u>21,183,675</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Sewer Overpayments

Sewer Operating Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$	4,025
Increased by cash received		<u>12,702</u>
		16,727
Decreased by refunded		<u>6,686</u>
Balance, December 31, 2012	\$	<u><u>10,041</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Capital Improvement Fund

Sewer Utility Capital Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$	196,947
Decreased by budget anticipation		<u>50,000</u>
Balance, December 31, 2012	\$	<u><u>146,947</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Assessments Receivable

Sewer Utility Assessment Fund

Year ended December 31, 2012

<u>Ordinance number</u>	<u>Improvement description</u>	<u>Date of confirmation</u>	<u>Balance, Dec. 31, 2011</u>	<u>Assessments Confirmed</u>	<u>Assessments collected</u>	<u>Balance, Dec. 31, 2012</u>
1343	Construction of sanitary sewer system - Phase IV	May 12, 2005	\$ \$ 292,114	—	123,852	168,262
	Construction of sanitary sewer system - Phase V	Mar. 31, 2012	—	2,265,800	619,905	1,645,895
			\$ 292,114	2,265,800	743,757	1,814,157

TOWNSHIP OF MAHWAH

Schedule of Bond Anticipation Notes Payable

Sewer Utility Capital Fund

Year ended December 31, 2012

<u>Ordinance number</u>	<u>Purpose</u>	<u>Original date of issue</u>	<u>Date of issue</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance, Dec. 31, 2011</u>	<u>Increased</u>	<u>Paid</u>	<u>Balance, Dec. 31, 2012</u>
1343/1390	Improvements to sanitary sewer system	Jun. 19, 2002	Jun. 9, 2011	Jun. 8, 2012	1.50%	\$ 158,500	—	158,500	—
1447	Various sewer improvements	Jun. 14, 2007	Jun. 9, 2011	Jun. 8, 2012	1.50%	6,750	—	6,750	—
507/1553/1566	Sanitary sewer - Phase V	Jun. 14, 2007	Jun. 7, 2012	Jun. 7, 2013	1.00%	4,150,000	1,634,200	4,150,000	1,634,200
1545	Various sewer improvements	Jun. 14, 2007	Jun. 7, 2012	Jun. 7, 2013	1.00%	164,750	100,000	164,750	100,000
						<u>\$ 4,321,500</u>	<u>1,734,200</u>	<u>4,480,000</u>	<u>1,734,200</u>
					Renewed		\$ 1,734,200	1,734,200	
					Transferred to Assessment Fund		—	2,265,800	
					Paid by budget appropriation		—	480,000	
							<u>\$ 1,734,200</u>	<u>4,480,000</u>	

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Payment of Debt

Sewer Utility Capital Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ <u>44,242</u>
Balance, December 31, 2012	\$ <u>44,242</u>



**TOWNSHIP OF MAHWAH**

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

Sewer Utility Operating Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ <u>1</u>
Increased by	
Anticipated Capital Fund Balance	50,000
Interest earned	<u>12</u>
	<u>50,012</u>
	50,013
Decreased by:	
Interfund returned	<u>50,011</u>
Balance, December 31, 2012	\$ <u><u>2</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Accrued Interest on Notes

Sewer Utility Operating Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ 38,267
Increased by:	
Budget appropriation	<u>175,000</u>
	213,267
Decreased by:	
Cancellation	123,253
Cash disbursed	<u>67,014</u>
	<u>190,267</u>
Balance, December 31, 2012	<u><u>\$ 23,000</u></u>

**TOWNSHIP OF MAHWAH**

Schedule of Reserve for Arbitrage Payable

Sewer Utility Operating Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ <u>45,000</u>
Balance, December 31, 2012	\$ <u>45,000</u>

**TOWNSHIP OF MAHWAH**

Schedule of Bonds and Notes Authorized  
but not Issued

Sewer Utility Capital Fund

Year ended December 31, 2012

<u>Ordinance number</u>	<u>Improvement</u>	<u>Balance, Dec. 31, 2011</u>	<u>Cancelled</u>	<u>Balance, Dec. 31, 2012</u>
1447	Various improvements	\$ 100,000	100,000	—
1545	Various improvements	268,200	—	268,200
1507/1553/1566	Sanitary sewer Stage V	<u>2,005,000</u>	<u>—</u>	<u>2,005,000</u>
		<u>\$ 2,373,200</u>	<u>100,000</u>	<u>2,273,200</u>

**TOWNSHIP OF MAHWAH**

Schedule of Due from Sewer  
Utility Assessment Trust Fund

Sewer Utility Operating Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ 582
Increased by interest collected in assessment fund	<u>20,274</u>
	20,856
Decreased by interest transfer	<u>20,204</u>
Balance, December 31, 2012	<u><u>\$ 652</u></u>

## TOWNSHIP OF MAHWAH

Schedule of Fixed Capital

Sewer Utility Capital Fund

Year ended December 31, 2012

Account	Balance, Dec. 31, 2011	Transfer from Authorized Uncompleted	Cancelled	Balance, Dec. 31, 2012
Sanitary sewer system	\$ 17,858,408	2,265,800	100,000	20,024,208
Sewer cleaning machine	90,000	—	—	90,000
Sewer jet truck	196,692	—	—	196,692
Sanitary sewer - Darlington Project	241,275	—	—	241,275
Generators	65,000	—	—	65,000
Sewer mains	50,000	—	—	50,000
	\$ 18,501,375	2,265,800	100,000	20,667,175

**TOWNSHIP OF MAHWAH**

Schedule of Bond Anticipation Notes Payable

Sewer Utility Assessment Fund

Year ended December 31, 2012

<b>Ordinance number</b>	<b>Purpose</b>	<b>Original date of issue</b>	<b>Date of issue</b>	<b>Date of maturity</b>	<b>Interest rate</b>	<b>Balance, Dec. 31, 2011</b>	<b>Increased</b>	<b>Balance, Dec. 31, 2012</b>
1507/1553/ 1566	Sanitary Sewer - Phase V	Jun. 14, 2007	Jun. 7, 2012	Jun. 7, 2013	1.00%	\$ <u>—</u>	<u>2,265,800</u>	<u>2,265,800</u>
						\$ <u>—</u>	<u>2,265,800</u>	<u>2,265,800</u>
						Transferred from Sewer Capital	\$ <u>2,265,800</u>	
							\$ <u>2,265,800</u>	

**TOWNSHIP OF MAHWAH**

Schedule of Amount Due from Water Utility Operating Fund

Sewer Utility Operating Fund

Year ended December 31, 2012

Balance, December 31, 2011	\$ <u>          —</u>
Increased by	
Collections in Water Utility Operating Fund	2,305
Cash receipts	<u>4,725</u>
	<u>7,030</u>
	7,030
Decreased by:	
Returned check	200
Tax sale	<u>5,415</u>
	<u>5,615</u>
Balance, December 31, 2012	\$ <u><u>          1,415</u></u>



**TOWNSHIP OF MAHWAH**

Schedule of Changes in General Fixed Assets

General Fixed Assets Account Group

Year Ended December 31, 2012

Category	Balance Dec. 31, 2011	Additions	Deletions	Balance Dec. 31, 2012
Land	\$ 20,328,759	103,415	—	20,432,174
Buildings	20,580,763	—	—	20,580,763
Vehicular equipment	14,452,193	299,749	132,932	14,619,010
General equipment and machinery	5,454,307	104,533	14,595	5,544,245
	<u>\$ 60,816,022</u>	<u>507,697</u>	<u>147,527</u>	<u>61,176,192</u>

SUPPLEMENTARY DATA

**TOWNSHIP OF MAHWAH**

Supplementary Data

December 31, 2012

**Comparative Schedule of Tax Rate Information**

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Tax rate	\$ 1.626	1.580	2.124
Apportionment of tax rate:			
Municipal	0.385	0.381	0.493
Municipal Open Space	0.010	0.010	0.010
County	0.247	0.228	0.323
Local school	0.984	0.961	1.298
Assessed valuation:			
2012		\$ 5,701,611,777	
2011		5,735,375,297	
2010		4,148,146,994	

**Comparison of Tax Levies and Collections Currently**

<u>Year</u>	<u>Tax levy</u>	<u>Currently</u>	
		<u>Cash collections</u>	<u>Percentage of collection</u>
2012	\$ 92,823,231	91,875,069	98.98 %
2011	90,694,305	89,985,674	99.22
2010	88,664,398	87,687,234	98.90
2009	85,757,635	84,997,722	99.11
2008	81,868,720	81,215,922	99.20

**Delinquent Taxes and Tax Title Liens**

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

<u>Dec.31</u>	<u>Amount of tax title liens</u>	<u>Amount of delinquent taxes</u>	<u>Total delinquent</u>	<u>Percentage of tax levy</u>
2012	\$ 259,554	493,789	753,343	0.81 %
2011	268,351	480,272	748,623	0.83
2010	234,912	459,245	694,157	0.78
2009	190,824	408,645	599,469	0.70
2008	165,014	458,047	623,061	0.76

(Continued)

**TOWNSHIP OF MAHWAH**

Supplementary Data

**Property Acquired by Tax Title Lien Liquidation**

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

<u>Year</u>	<u>Amount</u>
2012	\$ 1,353,400
2011	1,353,400
2010	1,353,400
2009	1,353,400
2008	1,353,400

**Comparison of Water Utility Levies**

<u>Year</u>	<u>Levy</u>	<u>Cash collections</u>	<u>Percent collected</u>
2012	\$ 5,012,172	4,862,966	97%
2011	4,550,161	4,643,021	102%
2010	4,463,753	4,404,570	99%
2009	3,266,870	3,187,055	98%
2008	2,729,068	2,864,644	105%

**Comparison of Sewer Utility Levies**

<u>Year</u>	<u>Levy</u>	<u>Cash collections</u>	<u>Percent collected</u>
2012	\$ 5,710,589	5,666,992	99%
2011	5,733,668	5,751,038	100%
2010	5,437,955	5,487,694	101%
2009	4,840,314	4,749,157	98%
2008	4,631,048	4,695,419	101%

(Continued)

**TOWNSHIP OF MAHWAH**

Supplementary Data

**Comparative Schedule of Fund Balances**

<u>Fund</u>	<u>Year</u>	<u>Balance, Dec.31</u>	<u>Utilized in budget of succeeding year</u>	<u>Percent utilized</u>
Current	2012	\$ 6,266,446	3,895,000	62%
	2011	5,940,228	3,250,000	55%
	2010	6,256,820	3,825,000	61%
	2009	6,983,611	4,625,000	66%
	2008	7,287,814	4,750,000	65%
Water Utility Operating	2012	\$ 4,621,990	2,213,240	48%
	2011	3,962,335	2,116,220	53%
	2010	3,496,602	1,993,883	57%
	2009	2,323,412	1,790,733	77%
	2008	2,882,778	2,238,883	78%
Sewer Utility Operating	2012	\$ 3,271,904	1,669,150	51%
	2011	3,106,291	1,663,710	54%
	2010	2,713,019	1,597,570	59%
	2009	2,544,392	1,620,455	64%
	2008	2,871,287	1,401,450	49%

(Continued)

**TOWNSHIP OF MAHWAH**

Supplementary Data

**Officials in Office and Surety Bonds**

The following officials were in office on December 31, 2012

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

**TOWNSHIP OF MAHWAH**

General Comments and Recommendations

Year ended December 31, 2012

## TOWNSHIP OF MAHWAH

### General Comments

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

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

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

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

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

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

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

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

"WHEREAS, the penalty for nonpayment of taxes becoming delinquent on and after July 1, 2010, shall be at the rate of eight per centum (8%) per year for the first \$1,500 of delinquency and eighteen per centum (18%) per year on amounts over \$1,500; and WHEREAS, Section 54:4-67 of the Revised Statutes has been amended to allow the Tax Collector to collect no interest if payment of any installment is made within ten (10) days after the date upon which the same became payable, provided it meets with the approval of the Mayor and Council; BE IT RESOLVED, that the Tax Collector is granted permission to withhold interest charges for a period of ten (10) days after the date upon which the installment became payable, provided it is received within the period."

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

(Continued)



**TOWNSHIP OF MAHWAH**

General Comments

**Delinquent Taxes and Tax Title Liens**

The last tax sale was held on March 21, 2012 and was complete.

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

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

<u>Year</u>	<u>Number of liens</u>
2012	10
2011	11
2010	10
2009	8

**Status of Prior Year Comments**

The prior year comments were corrected.

**Other Comments**

None noted

**Recommendations**

None noted.