

# **TOWNSHIP OF HARRISON**

**COUNTY OF GLOUCESTER**

## **REPORT OF AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2014**

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**TOWNSHIP OF HARRISON**  
**PART 1**  
**REPORT OF AUDIT OF FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Township Committee  
Township of Harrison  
Mullica Hill, New Jersey 08062

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

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Harrison, in the County of Gloucester, State of New Jersey, as of December 31, 2014 and 2013, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2014 and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

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

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township'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, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

The effects on the financial statements of the variances between 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 Harrison, in the County of Gloucester, State of New Jersey, as of December 31, 2014 and 2013, or the results of its operations and changes in fund balance for the years then ended.

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

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Harrison, in the County of Gloucester, State of New Jersey, as of December 31, 2014 and 2013, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis, expenditures - regulatory basis of the various funds, and general fixed assets, for the year ended December 31, 2014 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note 1.

***Other Matter***

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township’s basic financial statements. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements.

The supplementary financial statements presented for the various funds and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information described in the previous paragraph is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated October 27, 2015 on our consideration of the Township of Harrison's, in the County of Gloucester, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Township of Harrison's internal control over financial reporting.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Henry J. Ludwigsen  
Certified Public Accountant  
Registered Municipal Accountant

Woodbury, New Jersey  
October 27, 2015

**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 Committee  
Township of Harrison  
Mullica Hill, New Jersey 08062

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey of the Township of Harrison, in the County of Gloucester, State of New Jersey, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated October 27, 2015. That report indicated that the Township of Harrison's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Township of Harrison'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 Township of Harrison'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be a significant deficiency. *Finding No. 2014-001*.

**Compliance and Other Matters**

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

**The Township of Harrison's Response to Findings**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

*Bowman & Company LLP*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

*Henry J. Ludwigsen*

Henry J. Ludwigsen  
Certified Public Accountant  
Registered Municipal Accountant

Woodbury, New Jersey  
October 27, 2015

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
As of December 31, 2014 and 2013

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Regular Fund:			
Cash and Cash Equivalents:			
Cash - Treasurer	SA-1	\$ 4,800,052.80	\$ 3,742,574.52
Cash - Tax Collector	SA-2	669,158.58	501,334.36
Change Funds	SA-9	250.00	250.00
Total Cash and Cash Equivalents		<u>5,469,461.38</u>	<u>4,244,158.88</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes	SA-4	508,067.52	464,459.89
Tax Title Liens Receivable	SA-5	181,546.38	219,390.09
Revenue Accounts Receivable	SA-3	46,856.49	28,159.86
Interfunds Receivable:			
Trust - Animal Control Fund	SB-3	11,327.91	9,560.74
Trust - Other Funds	SB-5		4,438.52
General Capital Fund	SC-3	1,146.60	434.04
Total Receivables and Other Assets with Full Reserves		<u>748,944.90</u>	<u>726,443.14</u>
Deferred Charges:			
Special Emergency Authorizations (40A:4-53)	SA-6	150,000.00	200,000.00
		<u>150,000.00</u>	<u>200,000.00</u>
Total Regular Fund		<u>6,368,406.28</u>	<u>5,170,602.02</u>
Federal and State Grant Fund:			
Cash - Municipal Financial Officer	SA-1	315,119.73	115,554.08
Federal and State Grants Receivable	SA-20	300,098.88	334,540.66
Due from Current Fund	SA-23	5,864.48	5,785.77
Total Federal and State Grant Fund		<u>621,083.09</u>	<u>455,880.51</u>
		<u>\$ 6,989,489.37</u>	<u>\$ 5,626,482.53</u>

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**TOWNSHIP OF HARRISON**  
CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
As of December 31, 2014 and 2013

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Regular Fund:			
Appropriation Reserves	A-3;SA-11	\$ 914,909.09	\$ 886,693.60
Reserve for Encumbrances	A-3;SA-11	5,425.86	9,617.44
Accounts Payable	A	1,756.00	1,756.00
Local District School Taxes Payable	SA-14	343,365.00	255,065.00
Regional High School Taxes Payable	SA-15	399,693.14	253,461.64
County Taxes Payable	SA-16	150,862.62	125,637.94
Municipal Open Space Local Taxes Payable	SA-17	25,014.28	11,548.14
Special Emergency Note Payable	SA-7	150,000.00	200,000.00
Tax Overpayments	SA-12	18,995.49	3,955.08
Prepaid Taxes	SA-13	213,361.35	211,657.99
Due Federal and State Grant Fund	SA-23	5,864.48	5,785.77
Due Trust - Other Funds	SB-5	4,889.30	
Due Sewer Operating Fund	SD-6	2,777.10	2,777.10
Due State of New Jersey:			
Senior Citizens and Veterans Deductions	SA-10	23,426.52	22,963.51
Marriage License Fees	SA-8	125.00	275.00
Reserve for:			
Liquor License	SA-3		300,000.00
Master Plan Revision	SA-19	127,859.40	181,673.20
		<u>2,388,324.63</u>	<u>2,472,867.41</u>
Total Other Liabilities and Reserves			
Reserve for Receivables and Other Assets	A	748,944.90	726,443.14
Fund Balance	A-1	3,231,136.75	1,971,291.47
		<u>6,368,406.28</u>	<u>5,170,602.02</u>
Total Regular Fund			
Federal and State Grant Fund:			
Reserve for Grants - Appropriated	SA-21	412,014.89	406,922.62
Reserve for Grants - Unappropriated	SA-22	54,328.83	22,064.71
Reserve for Encumbrances	SA-21	27,408.18	26,893.18
Due General Capital Fund	SA-1	127,331.19	
		<u>621,083.09</u>	<u>455,880.51</u>
Total Federal and State Grant Fund			
		<u>\$ 6,989,489.37</u>	<u>\$ 5,626,482.53</u>

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

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis  
 For The Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b>REVENUE AND OTHER INCOME REALIZED:</b>		
Fund Balance Utilized	\$ 530,000.00	\$ 2,595,917.00
Miscellaneous Revenues Anticipated	3,374,312.93	1,535,994.63
Receipts from Delinquent Taxes and Tax Title Liens	507,033.94	484,222.60
Receipts from Current Taxes	38,206,004.30	36,805,142.91
Non-Budget Revenue	147,492.32	163,308.97
Other Credits to Income:		
Animal Control Trust Fund Statutory Excess	520.19	9,527.24
Unexpended Balance of Appropriation Reserves	582,920.02	385,005.37
Cancellation of Reserve for Outside Police		7,684.47
Cancellation of Reserve for Revaluation of Real Property		13,813.64
Interfund Loans Returned	4,438.52	8,142.81
	<u>43,352,722.22</u>	<u>42,008,759.64</u>
Total Income		
<b>EXPENDITURES:</b>		
Budget Appropriations:		
Within "CAPS":		
Operations:		
Salaries and Wages	2,922,300.01	2,948,909.09
Other Expenses	2,663,328.00	2,553,626.06
Deferred Charges and Statutory Expenditures	693,909.00	672,359.00
Excluded from "CAPS":		
Operations	559,820.71	625,409.29
Capital Improvements	374,520.00	148,000.00
Debt Service	1,607,742.50	1,443,020.69
Deferred Charges	50,000.00	50,158.00
County Taxes	9,389,059.85	9,018,323.76
Local District School Taxes	12,025,743.00	11,849,143.00
Regional High School Taxes	9,314,193.00	9,021,723.00
Special District Taxes	1,123,842.00	1,307,027.00
Municipal Open Space Taxes	835,439.14	821,507.14
Other Debits to Income:		
Prior Year Senior Citizens and Veterans' Deductions Disallowed	500.00	1,500.00
Interfund Loans Advanced	2,479.73	
	<u>41,562,876.94</u>	<u>40,460,706.03</u>
Total Expenditures		
Excess Revenue and Other Income Realized Over Expenditures	1,789,845.28	1,548,053.61
<b>FUND BALANCE:</b>		
Balance January 1	1,971,291.47	3,019,154.86
	3,761,136.75	4,567,208.47
Decreased by:		
Utilized as Revenue	530,000.00	2,595,917.00
Balance December 31	<u>\$ 3,231,136.75</u>	<u>\$ 1,971,291.47</u>

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

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2014

	<u>Budget</u>	<u>Anticipated</u> Special N.J.S.A. <u>40A: 4-87</u>	<u>Realized</u>	<u>Excess or</u> <u>(Deficit)</u>
Surplus Anticipated	\$ 530,000.00		\$ 530,000.00	
Miscellaneous Revenues:				
Local Revenues				
Fees and Permits	20,600.00		21,490.66	\$ 890.66
Fines and Costs:				
Municipal Court	200,000.00		243,783.01	43,783.01
Interest and Costs on Taxes	110,000.00		130,097.68	20,097.68
Interest on Investments and Deposits	15,000.00		10,634.80	(4,365.20)
State Aid Without Offsetting Appropriations				
Energy Receipts Tax	542,592.00		542,592.00	
Dedicated Uniform Construction Code Fees Offset With Appropriations (N.J.S.40A:4-36 and N.J.A.C.5:23-4.17)				
Uniform Construction Code Fees	200,000.00		275,724.51	75,724.51
Special Items of General Revenue Anticipated with Prior Written Consent of the Director of the Division of Local Government Services:				
Public and Private Revenues Offset with Appropriations:				
Recycling Tonnage Grant	14,521.61		14,521.61	
Clean Communities Program	3,510.44		3,510.44	
Body Armor Replacement Fund Program	2,554.97		2,554.97	
Alcohol Education, Rehab and Enforcement Fund	1,477.69		1,477.69	
Other Special Items:				
Cable Television	41,825.56		41,825.56	
Alcoholic Beverages Licenses	2,000,000.00		2,000,000.00	
General Capital Fund Balance	86,100.00		86,100.00	
	<u>3,238,182.27</u>		<u>3,374,312.93</u>	<u>136,130.66</u>
Receipts from Delinquent Taxes	<u>400,000.00</u>		<u>507,033.94</u>	<u>107,033.94</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes including Reserve for Uncollected Taxes	<u>5,639,356.73</u>		<u>6,453,645.59</u>	<u>814,288.86</u>
Budget Totals	9,807,539.00		10,864,992.46	1,057,453.46
Non-Budget Revenues			147,492.32	147,492.32
	<u>\$ 9,807,539.00</u>	<u>\$ -</u>	<u>\$ 11,012,484.78</u>	<u>\$ 1,204,945.78</u>

(Continued)

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2014

Analysis of Realized Revenue

Allocation of Current Tax Collections:	
Revenue from Collections	\$ 38,206,004.30
Allocated to:	
County, School, Special District and Open Space Taxes	<u>32,688,276.99</u>
Amount for Support of Municipal Budget Appropriations	5,517,727.31
Add: Appropriation "Reserve for Uncollected Taxes"	<u>935,918.28</u>
Amount for Support of Municipal Budget Appropriations	<u>\$ 6,453,645.99</u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	\$ 464,033.17
Tax Title Lien Collections	<u>43,000.77</u>
Total Delinquent Tax Collections	<u>\$ 507,033.94</u>
Fees and Permits	
Municipal Improvement Search Officer Fees	
Clerk Fees	\$ 2,029.00
Planning Board Fees	10,825.15
Zoning Fees - Zoning Officer	5,459.51
Police Reports Fees	2,867.00
Tax Collector:	
Tax Search Fees	<u>310.00</u>
Total Fees and Permits	<u>\$ 21,490.66</u>
<u>Analysis for Non-Budget Revenue</u>	
Miscellaneous Revenue not Anticipated:	
Certified Copies	\$ 7,821.01
Raffle Licenses	140.00
Rent and Lease Income	10,200.00
Copies	62.52
Marriage Licenses	1,561.45
Recycling Bags and Cans	190.00
Division of Motor Vehicle Inspection Fees	25,007.63
Rental and Resale Housing Inspections	4,690.05
Grading Inspection Fees	2,635.03
Cancellation of Prior Year Checks	6.00
Courtroom Rent	2,400.00
Scrap Metal and Plastic	24,684.72
Polling Place Rent	3,922.50
Reimbursement of Prior Year Expenditures	1,673.13
Liquor Licenses	10,000.00
Cat Licenses	1,244.40
Miscellaneous	311.18
Senior Citizen and Veterans Deductions Administrative Fee	1,562.44
Tax Collector:	
Payment in Lieu of Taxes	46,846.84
Advertising Fees	2,353.42
Municipal Lien Recording Fees	<u>180.00</u>
	<u>\$ 147,492.32</u>
Tax Collector	\$ 49,380.26
Due from Animal Control Trust Fund	1,244.40
Treasurer	<u>96,867.66</u>
	<u>\$ 147,492.32</u>

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

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For The Year Ended December 31, 2014

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<b>OPERATIONS WITHIN "CAPS"</b>						
General Government:						
Administrative and Executive:						
Salaries and Wages	\$ 106,490.00	\$ 100,190.00	\$ 86,517.17		\$ 13,672.83	
Other Expenses	47,675.00	47,675.00	35,044.88		12,630.12	
Mayor and Committee:						
Salaries and Wages	22,178.00	22,178.00	22,173.48		4.52	
Other Expenses	2,950.00	3,050.00	2,969.80	\$ 75.00	5.20	
Township Clerk:						
Salaries and Wages	85,492.00	85,492.00	85,492.00			
Other Expenses	39,875.00	39,875.00	38,575.45	96.56	1,202.99	
Financial Administration:						
Salaries and Wages	120,000.00	115,000.00	114,713.41		286.59	
Other Expenses	96,290.00	96,290.00	60,675.76		35,614.24	
Automated Data Processing:						
Other Expenses	5,500.00	5,500.00	4,286.80		1,213.20	
Collection of Taxes:						
Salaries and Wages	51,330.00	51,330.00	50,556.31		773.69	
Other Expenses	7,350.00	7,350.00	5,633.32		1,716.68	
Legal Services and Costs:						
Other Expenses	272,000.00	270,000.00	168,961.00		101,039.00	
Engineering Services and Costs:						
Other Expenses	21,000.00	21,000.00	14,315.58		6,684.42	
Economic Development Council:						
Salaries and Wages	36,290.00	28,290.00	405.00		27,885.00	
Other Expenses	2,640.00	2,640.00	42.03		2,597.97	
Historic Preservation Committee:						
Salaries and Wages	6,240.00	6,240.00	6,239.74		0.26	
Other Expenses	5,960.00	5,960.00	3,698.75		2,261.25	
Municipal Land Use Law:						
Planning Board:						
Salaries and Wages	57,841.00	63,841.00	63,444.80		396.20	
Other Expenses	30,000.00	30,000.00	12,712.14		17,287.86	

(Continued)

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For The Year Ended December 31, 2014

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<b>OPERATIONS WITHIN "CAP" (Cont'd)</b>						
Municipal Land Use Law: (Cont'd)						
Zoning Board of Adjustment:						
Salaries and Wages	\$ 15,814.00	\$ 15,814.00	\$ 15,813.20		\$ 0.80	
Other Expenses	550.00	650.00	582.20		67.80	
<b>Subtotal General Government</b>	<b>1,033,465.00</b>	<b>1,018,365.00</b>	<b>792,852.82</b>	<b>\$ 171.56</b>	<b>225,340.62</b>	
Public Safety:						
Police:						
Salaries and Wages	1,546,740.00	1,546,740.00	1,418,651.02		128,088.98	
Other Expenses	129,350.00	129,350.00	86,159.02	2,067.70	41,123.28	
Emergency Management Services:						
Salaries and Wages	6,370.00	6,370.00	6,364.80		5.20	
Other Expenses	700.00	700.00	118.89		581.11	
Municipal Prosecutor:						
Salaries and Wages	16,150.00	16,750.00	16,750.00			
Other Expenses	200.00	200.00			200.00	
<b>Subtotal Public Safety</b>	<b>1,699,510.00</b>	<b>1,700,110.00</b>	<b>1,528,043.73</b>	<b>2,067.70</b>	<b>169,998.57</b>	
Public Works:						
Streets and Roads:						
Road Repair and Maintenance:						
Salaries and Wages	181,095.00	181,095.00	148,843.65		32,251.35	
Other Expenses	69,330.00	69,330.00	44,966.99		24,363.01	
Solid Waste Collection:						
Other Expenses	55,000.00	55,000.00	53,275.93		1,724.07	
Waste Disposal	365,000.00	365,000.00	330,510.95		34,489.05	
Public Buildings and Grounds:						
Salaries and Wages	152,195.00	152,195.00	149,434.12		2,760.88	
Other Expenses	76,930.00	76,930.00	54,145.69	196.62	22,587.69	
<b>Subtotal Public Works</b>	<b>899,550.00</b>	<b>899,550.00</b>	<b>781,177.33</b>	<b>196.62</b>	<b>118,176.05</b>	
Vehicle Maintenance:						
Salaries and Wages	52,075.00	52,075.00	46,454.63		5,620.37	
Other Expenses	64,000.00	64,000.00	57,183.96		6,816.04	
<b>Subtotal Vehicle Maintenance</b>	<b>116,075.00</b>	<b>116,075.00</b>	<b>103,638.59</b>		<b>12,436.41</b>	

(Continued)

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For The Year Ended December 31, 2014

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<b>OPERATIONS WITHIN "CAP" (Cont'd)</b>						
Health and Human Services:						
Board of Health:						
Salaries and Wages	\$ 936.00	\$ 936.00	\$ 935.74		0.26	
Other Expenses	50.00	50.00			\$ 50.00	
Donation to Harrison Township Historical Society	1,000.00	1,000.00			1,000.00	
Environmental Commission (N.J.S.A.40.56A-1 et seq)						
Other Expenses	5,190.00	5,190.00	2,221.27		2,968.73	
<b>Subtotal Health and Human Services</b>	<b>7,176.00</b>	<b>7,176.00</b>	<b>3,157.01</b>		<b>4,018.99</b>	
Park and Recreation Functions:						
Parks and Playgrounds:						
Salaries and Wages	59,920.00	62,920.00	62,237.71		682.29	
Other Expenses	11,150.00	11,150.00	9,730.12		1,419.88	
<b>Subtotal Recreation and Education</b>	<b>71,070.00</b>	<b>74,070.00</b>	<b>71,967.83</b>		<b>2,102.17</b>	
<b>Veterans Commission</b>	<b>500.00</b>	<b>500.00</b>			<b>500.00</b>	
<b>Additional Salaries and Wages</b>	<b>5,000.00</b>	<b>5,000.00</b>	<b>5,000.00</b>			
<b>Compensated Absences</b>	<b>114,635.01</b>	<b>114,635.01</b>	<b>114,635.01</b>			
Municipal Court:						
Salaries and Wages	99,200.00	99,200.00	99,200.00			
Other Expenses	15,275.00	15,275.00	12,440.99	\$ 403.50	2,430.51	
Public Defender:						
Other Expenses	2,100.00	2,100.00			2,100.00	
<b>Subtotal Municipal Court</b>	<b>116,575.00</b>	<b>116,575.00</b>	<b>111,640.99</b>	<b>403.50</b>	<b>4,530.51</b>	
JIF Administration:						
Salaries and Wages	18,970.00	18,970.00	18,070.00		900.00	
Insurance						
General Liability	103,330.00	103,330.00	103,330.00			
Workers Compensation	52,480.00	52,480.00	52,480.00			
Employee Group Health	717,333.00	717,333.00	555,949.11		161,383.89	
Employee Health Insurance Waivers	63,750.00	63,750.00	63,739.95		10.05	
<b>Subtotal Insurance</b>	<b>955,863.00</b>	<b>955,863.00</b>	<b>793,569.06</b>		<b>162,293.94</b>	

(Continued)

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For The Year Ended December 31, 2014

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	
<b>OPERATIONS WITHIN "CAP" (Cont'd)</b>					
Code Enforcement & Administrator:					
Construction Official:					
Salaries and Wages	\$ 175,539.00	\$ 177,039.00	\$ 173,769.56		\$ 3,269.44
Other Expenses	4,570.00	4,570.00	3,484.36		1,085.64
<b>Subtotal State Uniform Construction Code</b>	<b>180,109.00</b>	<b>181,609.00</b>	<b>177,253.92</b>		<b>4,355.08</b>
Unclassified - Utilities:					
Electricity	68,000.00	68,000.00	47,491.96		20,508.04
Street Lighting	114,000.00	121,000.00	117,051.71		3,948.29
Telephone	38,000.00	38,000.00	33,916.09		4,083.91
Water	7,000.00	7,000.00	4,892.47		2,107.53
Natural Gas	19,000.00	20,000.00	19,059.80		940.20
Fuel Oil	20,000.00	22,000.00	20,733.29		1,266.71
Gasoline	120,000.00	120,000.00	65,669.26	\$ 2,586.48	51,744.26
<b>Subtotal Unclassified</b>	<b>386,000.00</b>	<b>396,000.00</b>	<b>308,814.58</b>	<b>2,586.48</b>	<b>84,598.94</b>
Contingent	100.00	100.00			100.00
<b>Total Operations Within "CAP"</b>	<b>5,585,628.01</b>	<b>5,585,628.01</b>	<b>4,791,750.87</b>	<b>5,425.86</b>	<b>788,451.28</b>
Detail:					
Salaries and Wages	2,930,500.01	2,922,300.01	2,705,701.35		216,598.66
Other Expenses	2,655,128.00	2,663,328.00	2,086,049.52	5,425.86	571,852.62
Deferred Charges and Statutory Expenditures - Municipal Within "CAP"					
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	146,150.00	146,150.00	146,146.81		3.19
Social Security System (O.A.S.I)	220,000.00	220,000.00	207,148.30		12,851.70
Police and Firemen's Retirement System	317,259.00	317,259.00	317,259.00		
Contribution New Jersey Unemployment	10,000.00	10,000.00	10,000.00		
Defined Contribution Retirement Program	500.00	500.00	167.09		332.91
<b>Total Deferred Charges and Statutory Expenditures - Municipal Within "CAP"</b>	<b>693,909.00</b>	<b>693,909.00</b>	<b>680,721.20</b>		<b>13,187.80</b>
<b>Total General Appropriations for Municipal Purposes Within "CAP"</b>	<b>6,279,537.01</b>	<b>6,279,537.01</b>	<b>5,472,472.07</b>	<b>5,425.86</b>	<b>801,639.08</b>

(Continued)

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For The Year Ended December 31, 2014

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered Reserved	
<b>OPERATIONS EXCLUDED FROM "CAP"</b>					
General Government:					
SFSP Fire District Payment	\$ 1,756.00	\$ 1,756.00	\$ 1,756.00		
<b>Subtotal General Government Outside "CAPS"</b>	<u>1,756.00</u>	<u>1,756.00</u>	<u>1,756.00</u>		
Shared Service Agreements:					
Solid Waste Collection - Logan Township	536,000.00	536,000.00	422,729.99	\$ 113,270.01	
<b>Subtotal Shared Service Agreements</b>	<u>536,000.00</u>	<u>536,000.00</u>	<u>422,729.99</u>	<u>113,270.01</u>	
State and Federal Programs Offset by Revenues:					
Recycling Tonnage Grant	14,521.61	14,521.61	14,521.61		
Clean Communities	3,510.44	3,510.44	3,510.44		
Alcohol Education, Rehab and Enforcement Fund	1,477.69	1,477.69	1,477.69		
Body Armor Replacement Fund Program	2,554.97	2,554.97	2,554.97		
<b>Total State and Federal Programs Offset by Revenues</b>	<u>22,064.71</u>	<u>22,064.71</u>	<u>22,064.71</u>		
<b>Total Operations Excluded from "CAPS"</b>	<u>559,820.71</u>	<u>559,820.71</u>	<u>446,550.70</u>	<u>113,270.01</u>	
Detail:					
Salaries and Wages					
Other Expenses	559,820.71	559,820.71	446,550.70	113,270.01	
<b>CAPITAL IMPROVEMENTS EXCLUDED FROM "CAP"</b>					
Capital Improvement Fund	374,520.00	374,520.00	374,520.00		
<b>Total Capital Improvements Excluded from "CAPS"</b>	<u>374,520.00</u>	<u>374,520.00</u>	<u>374,520.00</u>		

(Continued)

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For The Year Ended December 31, 2014

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<b>MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"</b>						
Payment of Bond Principal	\$ 935,000.00	\$ 935,000.00	\$ 935,000.00			
Payment of Bond Anticipation Notes and Capital Notes	86,100.00	86,100.00	86,100.00			
Interest on Bonds	529,643.00	529,643.00	529,642.50			\$ 0.50
Interest on Notes	57,000.00	57,000.00	57,000.00			
<b>Total Municipal Debt Service Excluded from "CAPS"</b>	<b>1,607,743.00</b>	<b>1,607,743.00</b>	<b>1,607,742.50</b>			<b>0.50</b>
<b>DEFERRED CHARGES EXCLUDED FROM "CAPS"</b>						
Special Emergency Authorizations - 5 years	50,000.00	50,000.00	50,000.00			
<b>Total Deferred Charges Excluded from "CAPS"</b>	<b>50,000.00</b>	<b>50,000.00</b>	<b>50,000.00</b>			
<b>Total General Appropriations For Municipal Purposes - Excluded from "CAPS"</b>	<b>2,592,083.71</b>	<b>2,592,083.71</b>	<b>2,478,813.20</b>		<b>\$ 113,270.01</b>	<b>0.50</b>
<b>Subtotal General Appropriations</b>	<b>8,871,620.72</b>	<b>8,871,620.72</b>	<b>7,951,285.27</b>	<b>\$ 5,425.86</b>	<b>914,909.09</b>	<b>0.50</b>
<b>Reserve for Uncollected Taxes</b>	<b>935,918.28</b>	<b>935,918.28</b>	<b>935,918.28</b>			
<b>Total General Appropriations</b>	<b>\$ 9,807,539.00</b>	<b>\$ 9,807,539.00</b>	<b>\$ 8,887,203.55</b>	<b>\$ 5,425.86</b>	<b>\$ 914,909.09</b>	<b>\$ 0.50</b>
Adopted Budget		\$ 9,807,539.00				
Reserve for Federal and State Grant Fund			\$ 22,064.71			
Deferred Charges			50,000.00			
Reserve for Uncollected Taxes			935,918.28			
Reimbursements - Treasurer			(182,633.58)			
Disbursed			8,061,854.14			
		<b>\$ 9,807,539.00</b>	<b>\$ 8,887,203.55</b>			

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

**TOWNSHIP OF HARRISON**  
**TRUST FUNDS**

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
As of December 31, 2014 and 2013

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Animal Control Fund:			
Cash	SB-1	\$ 57,006.51	\$ 54,582.04
Due from State of New Jersey	SB-4	70.20	70.20
		<u>57,076.71</u>	<u>54,652.24</u>
Trust Other Funds:			
Cash	SB-1	3,718,772.09	5,464,268.91
Due from Payroll Trust to Unemployment Trust	B	1,398.03	
Due from Current Fund	SB-5	4,889.30	
Due from Unemployment Trust to Payroll Trust	B		389.01
		<u>3,725,059.42</u>	<u>5,464,657.92</u>
Municipal Open Space Trust Fund:			
Cash	SB-1	1,516,339.96	1,476,456.62
Due from Current Fund	SB-7	25,014.28	11,548.14
		<u>1,541,354.24</u>	<u>1,488,004.76</u>
 Total Trust Funds		 <u>\$ 5,323,490.37</u>	 <u>\$ 7,007,314.92</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Animal Control Fund:			
Reserve for Animal Control Expenditures	SB-2	\$ 45,748.80	\$ 45,091.50
Due Current Fund	SB-3	11,327.91	9,560.74
		<u>57,076.71</u>	<u>54,652.24</u>
Trust Other Funds:			
Due Current Fund	SB-5		4,438.52
Due Unemployment Trust from Payroll Trust	B	1,398.03	-
Due Payroll Trust from Unemployment Trust	B		389.01

(Continued)

**TOWNSHIP OF HARRISON**  
**TRUST FUNDS**

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
As of December 31, 2014 and 2013

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Trust Other Funds (Continued):			
Reserve for Trust Other Funds			
Cash Bond	SB-6	\$ 946,736.39	\$ 1,402,563.47
Compensatory Plantings	SB-6	6,469.84	6,469.25
Compensated Absences	SB-6	62,795.35	44,976.75
Developers Escrow	SB-6	182,651.47	262,423.63
Dare Program	SB-6	-	1,845.23
Economic Development and Improvement	SB-6	131,735.75	131,548.76
Forfeited Funds	SB-6	7,255.01	179.98
Growth Share COAH Fees	SB-6	71,288.85	71,253.21
Housing Savings Trust	SB-6	344,392.79	232,264.90
Affordable Housing	SB-6	600,090.80	1,583,953.78
Mill Valley Escrow	SB-6	17,857.10	17,857.10
Outside Police Employment	SB-6	19,153.62	20,462.24
Parade	SB-6	11,892.92	4,288.50
Payroll	SB-6	42,519.16	27,198.48
POAA Trust	SB-6	172.94	164.72
Tax Title Lien Premium	SB-6	368,400.00	497,000.00
Tax Title Lien Redemption	SB-6	37,619.50	21,484.44
Public Defender	SB-6	5,243.88	3,177.07
Recreation Commission	SB-6	88,130.43	88,864.54
Recreation	SB-6	602,936.31	867,126.61
Recreation - Adult Community	SB-6	62,809.19	62,725.01
Senior Recreation	SB-6	4,750.72	5,373.65
Storm Recovery	SB-6	24,529.52	35,147.52
Tax Map Fees	SB-6	52,373.00	52,373.00
Unemployment Compensation	SB-6	27,672.66	14,930.30
Walnut Glen Escrow	SB-6	4,184.19	4,178.25
		<u>3,725,059.42</u>	<u>5,464,657.92</u>
Total Trust Other Funds			
Municipal Open Space Trust Fund:			
Reserve for Future Use	SB-7	<u>1,541,354.24</u>	<u>1,488,004.76</u>
		<u>1,541,354.24</u>	<u>1,488,004.76</u>
		<u>\$ 5,323,490.37</u>	<u>\$ 7,007,314.92</u>
Total Trust Funds			

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

**TOWNSHIP OF HARRISON**  
**TRUST FUND - MUNICIPAL OPEN SPACE**  
**Statement of Revenues -- Regulatory Basis**  
**For The Year Ended December 31, 2014**

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Amount to Be Raised By Taxation	\$ 821,973.00	\$ 835,439.14	\$ 13,466.14
Miscellaneous		<u>1,087.85</u>	<u>1,087.85</u>
Total Open Space Revenues	<u>\$ 821,973.00</u>	<u>\$ 836,526.99</u>	<u>\$ 14,553.99</u>

Analysis of Realized Revenues

Amount to be Raised by Taxation:

Receipts:

2014 Municipal Open Space Tax Levy

\$ 821,973.00

Due from Current Fund

2014 Added & Omitted Taxes

13,466.14

\$ 835,439.14

Miscellaneous:

Receipts

Interest Earned on Deposits

\$ 1,087.85

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

**TOWNSHIP OF HARRISON**  
**TRUST FUND - MUNICIPAL OPEN SPACE**  
**Statement of Expenditures -- Regulatory Basis**  
**For The Year Ended December 31, 2014**

	Appropriations		Expended			Unexpended Balance Cancelled
	Adopted Budget	Budget After Modifications	Paid or Charged	Encumbrances Payable	Reserved	
Debt Service:						
Payment of Bond Principal	\$ 375,000.00	\$ 375,000.00	\$ 375,000.00			
Payment of Bond Interest	408,177.50	408,177.50	408,177.50			
Reserve for Future Use	38,795.50	38,795.50	38,795.50			
Total Open Space Appropriations	<u>\$ 821,973.00</u>	<u>\$ 821,973.00</u>	<u>\$ 821,973.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**TOWNSHIP OF HARRISON**  
**GENERAL CAPITAL FUND**

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
As of December 31, 2014 and 2013

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Cash - Treasurer	SC-1	\$ 5,703,106.73	\$ 6,442,093.87
Due from Federal and State Grant Fund	SC-2	127,331.19	
Grant-In-Aid Receivable	SC-7	244,143.41	393,670.00
Deferred Charges to Future Taxation:			
Funded	SC-4	25,596,000.00	27,036,000.00
Unfunded	SC-5	11,638,743.00	4,552,343.00
		<u>\$ 43,309,324.33</u>	<u>\$ 38,424,106.87</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Due Current Fund	SC-3	\$ 1,146.60	\$ 434.04
Bond Anticipation Notes Payable	SC-9	5,086,643.00	4,552,343.00
Bonds Payable	SC-10	25,596,000.00	27,036,000.00
Improvement Authorizations:			
Funded	SC-8	2,343,420.90	2,704,248.26
Unfunded	SC-8	9,564,625.07	3,368,349.71
Encumbrances Payable	SC-8	272,670.68	234,834.18
Reserve for Preliminary Costs	SC-2	3,391.86	35,000.00
Reserve for Payment of Debt	SC-2	61,918.54	24,310.00
Capital Improvement Fund	SC-6	49,990.00	52,970.00
Fund Balance	C-1	329,517.68	415,617.68
		<u>\$ 43,309,324.33</u>	<u>\$ 38,424,106.87</u>

There were bonds and notes authorized but not issued in the amounts of \$6,552,100.00 and \$0.00 as of December 31, 2014 and 2013, respectively.

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

**TOWNSHIP OF HARRISON**  
**GENERAL CAPITAL FUND**  
Statement of Fund Balance -- Regulatory Basis  
For the Year Ended December 31, 2014

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Balance December 31, 2013	\$ 415,617.68
Decreased by:	
Disbursed to Current Fund:	
General Capital Surplus Anticipated as Revenue in Current Fund	<u>86,100.00</u>
Balance December 31, 2014	<u><u>\$ 329,517.68</u></u>

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

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY OPERATING FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis  
 As of December 31, 2014 and 2013

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Cash and Cash Equivalents:			
Municipal Financial Officer	SD-1	\$ 1,763,078.45	\$ 1,459,819.89
Sewer Clerk	SD-1	91,305.36	128,982.84
Change Fund	D	50.00	50.00
		<u>1,854,433.81</u>	<u>1,588,852.73</u>
Total Cash and Cash Equivalents			
Due from Sewer Utility Capital Fund	SE-3		89.14
Due from Current Fund	SD-6	2,777.10	2,777.10
		<u>1,857,210.91</u>	<u>1,591,718.97</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	SD-2	680,402.61	646,404.84
		<u>680,402.61</u>	<u>646,404.84</u>
		<u>\$ 2,537,613.52</u>	<u>\$ 2,238,123.81</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Appropriation Reserves	D-3;SD-3	\$ 150,595.61	\$ 206,921.32
Other Liabilities and Reserves:			
Encumbrances Payable	D-3;SD-3	27,076.26	130.44
Accrued Interest on Bonds and Notes	SD-4	144,339.00	134,995.00
Sewer Rent Overpayments	SD-5	1,851.72	1,555.10
Due Sewer Utility Capital Fund	SE-3	5,347.57	
		<u>329,210.16</u>	<u>343,601.86</u>
Reserve for Receivables	D	680,402.61	646,404.84
Fund Balance	D-1	1,528,000.75	1,248,117.11
		<u>\$ 2,537,613.52</u>	<u>\$ 2,238,123.81</u>

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

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY OPERATING FUND**  
 Statements of Operations and Changes in Operating Fund Balance -- Regulatory Basis  
 For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b>REVENUE AND OTHER INCOME REALIZED:</b>		
Operating Surplus Anticipated	\$ 377,315.00	\$ 321,154.00
Sewer Rents	1,949,093.09	1,776,584.85
Penalties and Interest	20,689.77	19,599.15
Miscellaneous	147,814.89	441,791.03
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	159,415.92	82,024.65
	<u>2,654,328.67</u>	<u>2,641,153.68</u>
Total Income		
<b>EXPENDITURES:</b>		
Budget Appropriations:		
Operating	1,064,300.00	1,022,389.00
Capital Improvements	52,500.00	52,500.00
Debt Service	821,915.89	790,109.87
Deferred Charges and Statutory Expenditures	58,414.14	53,340.00
Other Debits to Income:		
Refund of Prior Year Revenue		1,153.98
	<u>1,997,130.03</u>	<u>1,919,492.85</u>
Total Expenditures		
Excess in Revenue	657,198.64	721,660.83
<b>FUND BALANCE:</b>		
Balance January 1	<u>1,248,117.11</u>	<u>847,610.28</u>
	1,905,315.75	1,569,271.11
Decreased by:		
Utilized as Revenue	<u>377,315.00</u>	<u>321,154.00</u>
Balance December 31	<u><u>\$ 1,528,000.75</u></u>	<u><u>\$ 1,248,117.11</u></u>

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

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY OPERATING FUND**  
Statement of Revenues -- Regulatory Basis  
For The Year Ended December 31, 2014

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Operating Surplus Anticipated	\$ 377,315.00	\$ 377,315.00	
Rent	1,510,000.00	1,949,093.09	\$ 439,093.09
Penalties and Interest	10,000.00	20,689.77	10,689.77
Miscellaneous	100,000.00	147,814.89	47,814.89
	<u>1,620,000.00</u>	<u>2,117,597.75</u>	<u>497,597.75</u>
	<u>\$ 1,997,315.00</u>	<u>\$ 2,494,912.75</u>	<u>\$ 497,597.75</u>
Other Additions to Income:			
Unexpended Balance of Appropriation Reserves			<u>\$ 159,415.92</u>
 <u>Analysis of Realized Revenue</u>			
Rents:			
Consumer Accounts Receivable: Collected			<u>\$ 1,949,093.09</u>
Miscellaneous:			
Sewer Connection Fees			\$ 121,626.00
Miscellaneous			1,005.28
Interest Earned on Deposits:			
Sewer Operating Fund EIT Credits			23,334.33
Sewer Operating Fund			1,658.33
Sewer Collector's Account			25.79
Sewer Capital Fund			165.16
Total Miscellaneous			<u>\$ 147,814.89</u>
Treasurer Cash Receipts			\$ 2,828.77
Collector Cash Receipts			121,651.79
EIT Credits			23,334.33
			<u>\$ 147,814.89</u>

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

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY OPERATING FUND**  
Statement of Expenditures -- Regulatory Basis  
For The Year Ended December 31, 2014

	Appropriations		Expended				Unexpended Balance Canceled
	Adopted Budget	Budget After Modifications	Paid or Charged	Encumbrances Payable	Reimbursements	Reserved	
Operating:							
Salaries and Wages	\$ 435,000.00	\$ 435,000.00	\$ 428,315.26			\$ 6,684.74	
Other Expenses	646,000.00	629,300.00	521,228.08	\$ 27,076.26	\$ 9,755.85	90,751.51	
Capital Improvement Fund	2,500.00	2,500.00	2,500.00				
Capital Outlay	50,000.00	50,000.00				50,000.00	
<b>Total Operating</b>	<b>1,133,500.00</b>	<b>1,116,800.00</b>	<b>952,043.34</b>	<b>27,076.26</b>	<b>9,755.85</b>	<b>147,436.25</b>	
Debt Service:							
Payment of Bond Principal	470,850.00	470,850.00	470,812.93				\$ 37.07
Interest on Bonds	310,350.00	323,250.00	323,197.00				53.00
Interest on Notes	24,200.86	28,000.86	27,905.96				94.90
<b>Total Debt Service</b>	<b>805,400.86</b>	<b>822,100.86</b>	<b>821,915.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>184.97</b>
Deferred Charges:							
Cash Deficit Ordinance 08-1997	4,696.14	4,696.14	4,696.14				
<b>Total Deferred Charges</b>	<b>4,696.14</b>	<b>4,696.14</b>	<b>4,696.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Statutory Expenditures:							
Contribution to							
Public Employees' Retirement System	18,518.00	18,518.00	18,518.00				
Social Security System (O.A.S.I)	35,000.00	35,000.00	31,840.64			3,159.36	
Unemployment Compensation Insurance	200.00	200.00	200.00				
<b>Total Statutory Expenditures</b>	<b>53,718.00</b>	<b>53,718.00</b>	<b>50,558.64</b>	<b>-</b>	<b>-</b>	<b>3,159.36</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$ 1,997,315.00</b>	<b>\$ 1,997,315.00</b>	<b>\$ 1,829,214.01</b>	<b>\$ 27,076.26</b>	<b>\$ 9,755.85</b>	<b>\$ 150,595.61</b>	<b>\$ 184.97</b>
Accrued Interest on Bonds and Loans			\$ 323,197.00				
Accrued Interest on Notes			27,905.96				
Cash Disbursements			1,473,414.91				
Due Sewer Utility Capital Fund			4,696.14				
Cash Reimbursements - Collector					\$ 2,986.55		
Cash Reimbursements - Operating					6,769.30		
			<u>\$ 1,829,214.01</u>		<u>\$ 9,755.85</u>		

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

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY CAPITAL FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis  
 As of December 31, 2014 and 2013

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Cash and Cash Equivalents	SE-1	\$ 2,576,714.68	\$ 921,576.60
Due from Sewer Utility Operating Fund	SE-3	5,347.57	
Fixed Capital	SE-5	13,199,280.73	13,058,102.93
Fixed Capital Authorized and Uncompleted	SE-6	6,396,166.00	4,535,194.00
		<u>\$ 22,177,508.98</u>	<u>\$ 18,514,873.53</u>
 <u>LIABILITIES AND RESERVES</u> 			
Due Sewer Utility Operating Fund	SE-3		\$ 89.14
Serial Bonds Payable	SE-8	\$ 5,839,000.00	5,969,000.00
Sewer Loans Payable	SE-9	3,250,851.50	3,599,081.43
Bond Anticipation Notes Payable	SE-10	3,810,532.00	1,934,028.00
Improvement Authorizations:			
Funded	SE-7	102,101.83	100,363.55
Unfunded	SE-7	2,111,681.17	318,469.22
Encumbrances Payable	SE-7	15,249.98	54,877.27
Reserve for:			
Developer Contribution	SE-2	118,143.00	118,143.00
Preliminary Expenditures	SE-2	1,113.25	1,113.25
Payment of Debt	SE-2	91,637.34	67,935.83
Capital Improvement Fund	SE-4	54,516.00	52,016.00
Deferred Reserve for Amortization	SE-12	-	80,000.00
Reserve for Amortization	SE-13	6,567,381.93	6,006,491.36
Fund Balance	E-1	215,300.98	213,265.48
		<u>\$ 22,177,508.98</u>	<u>\$ 18,514,873.53</u>

There were bonds and notes authorized but not issued in the amounts of \$173,496.00 and \$0.00 as of December 31, 2014 and 2013 respectively.

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

**TOWNSHIP OF HARRISON**  
SEWER UTILITY CAPITAL FUND  
Statement of Fund Balance -- Regulatory Basis  
For the Year Ended December 31, 2014

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Balance December 31, 2013	\$ 213,265.48
Increased by:	
Cancellation of Funded Improvement Authorizations	<u>2,035.50</u>
Balance December 31, 2014	<u><u>\$ 215,300.98</u></u>

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

**TOWNSHIP OF HARRISON**  
Statement Of General Fixed Asset Group Of Accounts  
For The Year Ended December 31, 2014

	Balance December 31, 2013	Additions	Deletions	Balance December 31, 2014
General Fixed Assets:				
Land	\$ 17,100,889.00			\$ 17,100,889.00
Buildings	2,628,853.00			2,628,853.00
Equipment	3,627,987.00	\$ 43,715.00		3,671,702.00
Investment in General Fixed Assets	<u>\$ 23,357,729.00</u>	<u>\$ 43,715.00</u>	<u>\$ -</u>	<u>\$ 23,401,444.00</u>
Total Investment in General Fixed Assets	<u>\$ 23,357,729.00</u>	<u>\$ 43,715.00</u>	<u>\$ -</u>	<u>\$ 23,401,444.00</u>

The accompanying notes to the financial statements are an integral part of this statement.

**TOWNSHIP OF HARRISON**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2014**

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Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of Financial Reporting Entity** - The Township of Harrison was incorporated in 1844 and is located in southeastern corner of Gloucester County, New Jersey approximately twenty miles south of the City of Philadelphia. The present population according to the 2010 estimated census is 12,417.

The Municipality has a Township form of government consisting of five members who hold office for a term of three years. The Mayor is appointed by the remaining members of the Township Committee each year. Executive and administrative responsibility rests with the Mayor, who is assisted by the Township Administrator and Township Clerk.

**Component Units** - The Township of Harrison had no component units as defined by Governmental Accounting Standards Board Statement No. 14, as amended by GASB Statements No. 39 and No. 61.

**Basis of Accounting, Measurement Focus and Basis of Presentation** - The financial statements of the Township of Harrison contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this Note.

In accordance with the "Requirements", the Township of Harrison accounts for its financial transactions through the use of separate funds which are described as follows:

**Current Fund** - The Current Fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State Grant Funds.

**Trust Funds** - The various Trust Funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

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

**Sewer Utility Operating and Capital Funds** - The Sewer Utility Operating and Capital Funds account for the operations and acquisition of capital facilities of the municipally owned Sewer Utility.

**Budgets and Budgetary Accounting** - The Township of Harrison must adopt an annual budget for its current and sewer utility funds in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

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Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Budgets and Budgetary Accounting (Cont'd)**

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements.

**Cash, Cash Equivalents and Investments** - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost. Consequently, unrealized gain or loss on investments has not been recorded in accordance with Governmental Accounting Standards Board Statement No. 31.

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units.

The cash management plan adopted by the Harrison Township requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

**Interfunds** - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

**Inventories of Supplies** - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

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**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**General Fixed Assets** - Accounting for Governmental Fixed Assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a Statement of General Fixed Assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that includes accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of Federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage or theft.

**Utility Fixed Assets** - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not represent replacement cost or current value. The Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property and equipment and improvements and contributed capital.

**Foreclosed Property** - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

**Fund Balance** - Fund Balances included in the current fund and utility operating fund represent amounts available for anticipation as revenue in future years budgets, with certain restrictions.

**Deferred Charges** - The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

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Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Liens Sold for Other Governmental Units** - Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

**Revenues** - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance 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.

**Property Tax Revenues** - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Gloucester, Township of Harrison School District, Clearview Regional High School District, and Township of Harrison Fire District No. 1. Unpaid property taxes are subject to tax sale in accordance with the statutes.

**School Taxes** - The municipality is responsible for levying, collecting and remitting school taxes for the Township of Harrison School District and the Clearview Regional High School District. Operations is charged for the Township's share of the amount required to be raised by taxation to operate the school districts for the period from July 1 to June 30, increased by the amount deferred at December 31, 2013 and decreased by the amount deferred at December 31, 2014.

**County Taxes** - The municipality is responsible for levying, collecting and remitting county taxes for the County of Gloucester. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

**Fire District Taxes** - The municipality is responsible for levying, collecting, and remitting Fire District Taxes for Township of Harrison Fire District No. 1. Operations are charged for the full amount required to be raised by taxation to support the districts for the year.

**Reserve for Uncollected Taxes** - The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Township's annual budget protects the Township from taxes not paid currently. The Reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

**Compensated Absences and Postemployment Benefits** - Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Expenditures** - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; whereas interest on utility indebtedness is on the accrual basis.

**Appropriation Reserves** - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end 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.

**Long-Term Debt** - Long-Term Debt, relative to the acquisition of capital assets, is recorded as a liability in the General Capital and Utility Capital Funds. Where an improvement is a "local improvement", i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the Trust Fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

Note 2: **CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2014, the Township's bank balances of \$21,802,259.35 were exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 2,078,570.08
Insured	750,000.00
Uninsured and Collateralized with Securities Held by Pledging Financial Institutions	<u>18,973,689.27</u>
Total	<u>\$ 21,802,259.35</u>

Note 3: **PROPERTY TAXES**

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

**Comparative Schedule of Tax Rates**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010*</u>
Tax Rate	\$ 2.787	\$ 2.728	\$ 2.634	\$ 2.580	\$ 2.611
Apportionment of Tax Rate:					
Municipal	\$ 0.411	\$ 0.365	\$ 0.347	\$ 0.287	\$ 0.272
County	0.588	0.574	0.539	0.541	0.583
County Library	0.047	0.045	0.045	0.044	0.046
County Open Space	0.041	0.042	0.043	0.044	0.046
Local School	0.878	0.877	0.859	0.860	0.865
Regional High School	0.679	0.668	0.644	0.646	0.642
Fire District	0.083	0.097	0.097	0.098	0.097
Municipal Open Space	0.060	0.060	0.060	0.060	0.060

**Assessed Valuation**Year

2014	\$ 1,369,955,043.00
2013	1,349,931,288.00
2012	1,340,009,975.00
2011	1,326,110,524.00
2010*	1,323,185,474.00

\*Revaluation

**Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2014	\$ 38,802,008.42	\$ 38,206,004.30	98.46%
2013	37,345,536.01	36,805,142.91	98.55%
2012	35,614,966.77	35,014,258.10	98.31%
2011*	34,611,903.32	33,963,459.40	98.13%
2010*	34,618,804.98	34,060,644.06	98.39%

\*State tax appeals pursuant to R.S. 54:3-21 et seq and/or R.S. 54:48-1 et seq approved by resolution of the governing body prior to introduction of municipal budget may be deducted from the tax levy when determining tax collection percentage. Judgments in the amount of \$100,294.92 and \$280,782.59 were adjusted above for the years ending December 31, 2011 and 2010 respectively.

**Delinquent Taxes and Tax Title Liens**

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2014	\$ 181,546.38	\$ 508,067.52	\$ 689,613.90	1.78%
2013	219,390.09	464,459.89	683,849.98	1.83%
2012	184,469.17	495,522.00	679,991.17	1.91%
2011	177,121.18	522,585.51	699,706.69	2.02%
2010	327,469.52	460,059.57	787,529.09	2.27%

Note 3: **PROPERTY TAXES (CONT'D)**

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

<u>Year</u>	<u>Number</u>
2014	15
2013	41
2012	36
2011	30
2010	29

Note 4: **PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

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

<u>Year</u>	<u>Amount</u>
2014	None
2013	None
2012	None
2011	None
2010	None

Note 5: **SEWER UTILITY SERVICE CHARGES**

The following is a five-year comparison of sewer utility service charges (rents) for the current and previous four years.

<u>Year</u>	<u>Balances Beginning of Year</u>		<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
	<u>Receivable</u>	<u>Liens</u>				
2014	\$ 646,404.84	None	\$ 1,983,090.86	\$ 2,629,495.70	\$ 1,949,093.09	74.12%
2013	541,397.52	None	1,881,592.17	2,422,989.69	1,776,584.85	73.32%
2012	223,188.80	\$ 1,549.32	2,316,994.78	2,541,732.90	2,000,487.55	78.71%
2011	142,255.22	1,427.32	1,590,392.58	1,734,075.12	1,509,337.00	87.04%
2010	49,204.33	None	1,637,176.39	1,686,380.72	1,542,825.50	91.49%

Note 6: **FUND BALANCES APPROPRIATED**

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

<u>Year</u>	<u>Balance December 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<b><u>Current Fund</u></b>			
2014	\$ 3,231,136.75	\$ 2,054,400.00	63.58%
2013	1,971,291.47	531,000.00	26.94%
2012	3,019,154.86	2,595,917.00	85.98%
2011	3,775,563.21	3,060,511.00	81.06%
2010	3,406,933.61	2,825,000.00	82.92%
<b><u>Sewer Utility Operating Fund</u></b>			
2014	\$ 1,528,000.75	\$ 471,982.00	30.89%
2013	1,248,117.11	377,315.00	30.23%
2012	847,610.28	321,154.00	37.89%
2011	362,403.99	102,495.00	28.28%
2010	473,047.98	141,499.50	29.91%

Note 7: **INTERFUND RECEIVABLES AND PAYABLES**

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

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$ 12,474.51	\$ 38,545.16
Federal and State Grant Fund	5,864.48	127,331.19
Trust - Animal Control Fund		11,327.91
Trust - Municipal Open Space Fund	25,014.28	
Trust - Other Fund	4,889.30	
General Capital Fund	127,331.19	1,146.60
Sewer Utility Operating Fund	2,777.10	5,347.57
Sewer Utility Capital Fund	5,347.57	
	<u>\$ 183,698.43</u>	<u>\$ 183,698.43</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During 2015, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 8: **PENSION PLANS**

The Township of Harrison contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), which are administered by the New Jersey Division of Pensions and Benefits. In addition, Township employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan and is also administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey  
 Division of Pensions and Benefits  
 P.O. Box 295  
 Trenton, New Jersey 08625-0295

**Public Employees' Retirement System** - The PERS was established in 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase was effective with the payroll period that began immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 6.5% plus an additional 1.0% phased-in over seven years. The phase-in of the additional incremental member contribution amount began July 1, 2012 and increases each subsequent July 1. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The Township is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Pension Deferral</u>	<u>Total Liability</u>	<u>Paid by Township</u>
2014	\$ 31,426.00	\$ 126,556.00	\$ 6,686.00	\$ 164,668.00	\$ 164,668.00
2013	51,319.00	102,099.00	6,492.00	159,910.00	159,910.00
2012	64,102.00	107,633.00	6,409.00	178,144.00	178,144.00

**Police and Firemen's Retirement System** - The PFRS was established in 1944. The PFRS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:16A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the Police and Firemen's Retirement System are required to contribute 8.5% of their annual covered salary. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 10% in October, 2011. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

Note 8: **PENSION PLANS (CONT'D)**

The Township is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>2009 Deferral</u>	<u>Total Liability</u>	<u>Paid by Township</u>
2014	\$ 120,690.00	\$ 180,452.00	\$ 16,117.00	\$ 317,259.00	\$ 317,259.00
2013	127,810.00	154,330.00	15,699.00	297,839.00	297,839.00
2012	155,277.00	162,131.00	15,585.00	332,993.00	332,993.00

**Pension Deferral** – Public Law 2009, c.19 (S-21) was enacted on March 17, 2009 and allowed the Division of Pensions and Benefits to provide non-state government pension system employers the option of paying the full amount, or an amount that reflects a 50 percent reduction of the normal and accrued liability component of the PERS and PFRS obligations for payments due in the State fiscal year ending June 30, 2009. The payments were due on April 1, 2009 (with a grace period until April 30). Repayments began April of 2012 over a 15 year period. The amount will fluctuate based on pension system investment earnings on the deferred amount.

The Township applied for and received approval from the Local Finance Board to defer a portion of the 2009 liability due for both PERS and PFRS.

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program (“DCRP”) is a single-employer defined contribution pension fund which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Division of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township’s contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The Township’s contributions were \$2,835.77 for 2014 and \$162.64 for, 2013 and 2012 respectively.

**Related Party Investments** - The Division of Pensions and Benefits does not invest in securities issued by the Township.

**Note 9: POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN**

**Plan Description** - The Township contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. The Township provides post employment health care benefits, at its cost, to certain police officers and their spouses or surviving spouses. This entitlement requires that police officers retire from service with the Township, be covered by any collective bargaining agreement between the Township and the Fraternal Order of Police, Local 178, have at least twenty years service with the Township and have served at least twenty-five years as a police officer in any capacity and in any jurisdiction in which that service is eligible for credit in the Police and Firemen's Pension System. The health care benefits will be in a form consistent with that provided to all active members of the Township Police whose service is covered by any collective bargaining agreement between the Township and the Fraternal Order of Police, Local 178.

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

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

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis. The Township funds these benefits on a pay-as-you-go basis. Coverage is for retired employees and spouse only. Benefits include prescriptions for employee and spouse only. Dependent children are not included in these benefits. The Township will pay the cost of premiums for health insurance, including prescription coverage, for retirees at the rate equivalent to the current premium the Township is offering at the time of retirement.

The Township contributions to SHBP for the years ended December 31, 2014, 2013 and 2012 were \$185,302.58, \$121,152.39 and \$69,156.12 which equaled the required contributions for each year. There were eight retired participants eligible at December 31, 2014, seven retired participants eligible at December 31, 2013 and four retired participants eligible at December 31, 2012.

**Note 10: COMPENSATED ABSENCES**

According to the policy effective February 17, 2004 and revised April 21, 2008, full-time employees and part-time employees working at least twenty hours a week receive sick, vacation, and personal days. Vacation time granted is based on the number of years of completed service. Vacation time must be used in the calendar year. Carryover of vacation time must be approved by the Township Administrator and cannot exceed two work weeks. Part-time employees receive vacation time on a prorated basis. Upon termination or retirement, employees with at least one year of service are paid for all accumulated vacation time. Full-time employees receive three personnel days per year and part-time employees receive personal days on a prorated basis. Personal days may not be carried over into the next year and are not paid upon termination or retirement. Full-time employees receive ten sick days per year and part-time employees receive sick days on a prorated basis. Sick days may be accumulated up to fifty days.

Note 10: **COMPENSATED ABSENCES (CONT'D)**

Upon retirement, employees with at least fifteen years of service may be paid for accumulated sick time up to fifty days not to exceed \$2,500.00. Employees with at least twenty years of service may be paid for accumulated sick time up to fifty days not to exceed \$3,000.00. Employees with at least twenty-five years of service may be paid for accumulated sick time up to fifty days not to exceed \$3,500.00.

According to the police contract effective January 1, 2010, officers receive sick, vacation, and personal days. Vacation time granted is based on the number of years of service. Upon termination or retirement, accumulated vacation time is not paid. Officers receive three personnel days per year which may not be carried over into the next year. Upon termination or retirement, accumulated vacation time is not paid. Officers receive one-hundred and twelve hours of sick time per year of employment not to exceed 2,250 hours. Upon retirement, officers may be paid for sick hours at a rate of two for every five hours earned.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that at December 31, 2014 and 2013, accrued benefits for compensated absences are valued at \$205,955.37 and \$179,007.32, respectively.

Note 11: **CAPITAL DEBT****Summary of Debt**

	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b><u>Issued</u></b>			
General:			
Bond and Notes	\$ 30,682,643.00	\$ 31,588,343.00	\$ 29,998,181.00
Sewer:			
Bond, Loan and Notes	12,900,383.50	11,502,109.43	11,323,442.17
Total Issued	<u>43,583,026.50</u>	<u>43,090,452.43</u>	<u>41,321,623.17</u>
<b><u>Authorized But Not Issued</u></b>			
General:			
Bond and Notes	6,552,100.00	-	158.00
Sewer:			
Bond and Notes	173,496.00	-	19.00
Total Authorized but Not Issued	<u>6,725,596.00</u>	<u>-</u>	<u>177.00</u>
Total Issued and Authorized but Not Issued	<u>50,308,622.50</u>	<u>43,090,452.43</u>	<u>41,321,800.17</u>
Deductions:			
Reserve for Payment of Debt	61,918.54	24,310.00	-
Self-Liquidating Debt	13,073,879.50	11,502,109.43	11,323,461.17
Total Deductions	<u>13,135,798.04</u>	<u>11,526,419.43</u>	<u>11,323,461.17</u>
Net Debt	<u>\$ 37,172,824.46</u>	<u>\$ 31,564,033.00</u>	<u>\$ 29,998,339.00</u>

Note 11: **CAPITAL DEBT (CONT'D)****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 indicated a statutory net debt of 2.686%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School District	\$ 9,503,748.14	\$ 9,503,748.14	
Local School District	7,010,000.00	7,010,000.00	
Sewer Utility	13,073,879.50	13,073,879.50	
General	37,234,743.00	61,918.54	\$ 37,172,824.46
	<u>\$ 66,822,370.64</u>	<u>\$ 29,649,546.18</u>	<u>\$ 37,172,824.46</u>

Net Debt \$37,172,824.46 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$1,384,039,979.67 equals 2.686%.

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

3 1/2% of Equalized Valuation Basis (Municipal) Net Debt	\$ 48,441,399.29 <u>37,172,824.46</u>
Remaining Borrowing Power	<u>\$ 11,268,574.83</u>

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

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Credits for the Year	\$ 2,654,328.67
Deductions:	
Operating and Maintenance Cost	\$ 1,175,214.14
Debt Service	<u>821,915.89</u>
Total Deductions	<u>1,997,130.03</u>
Excess in Revenue	<u>\$ 657,198.64</u>

A revised Annual Debt Statement should be filed by the Chief Financial Officer.

Note 11: **CAPITAL DEBT (CONT'D)**

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

<u>Year</u>	<u>General</u>		<u>Sewer Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2015	\$ 1,400,000.00	\$ 1,079,913.89	\$ 115,000.00	\$ 243,021.94	\$ 2,837,935.83
2016	1,515,000.00	1,037,002.50	125,000.00	239,497.50	\$ 2,916,500.00
2017	1,610,000.00	778,902.50	135,000.00	200,035.00	2,723,937.50
2018	1,685,000.00	723,202.50	150,000.00	195,597.50	2,753,800.00
2019	1,780,000.00	663,077.50	165,000.00	190,647.50	2,798,725.00
2020-2024	9,655,000.00	2,430,387.50	1,255,000.00	858,587.50	14,198,975.00
2025-2029	3,755,000.00	1,170,587.50	1,625,000.00	605,943.76	7,156,531.26
2030-2034	3,500,000.00	553,075.00	1,850,000.00	308,750.00	6,211,825.00
2035	696,000.00	27,840.00	419,000.00	16,760.00	1,159,600.00
	<u>\$ 25,596,000.00</u>	<u>\$ 8,463,988.89</u>	<u>\$ 5,839,000.00</u>	<u>\$ 2,858,840.70</u>	<u>\$ 42,757,829.59</u>

**Schedule of Annual Debt Service for Principal and Interest for Loans Outstanding**

<u>Year</u>	<u>Sewer Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2015	\$ 370,962.87	\$ 90,612.50	\$ 461,575.37
2016	373,361.16	81,312.50	454,673.66
2017	388,221.66	71,768.50	459,990.16
2018	368,712.10	61,112.50	429,824.60
2019	378,812.20	51,175.00	429,987.20
2020-2023	1,370,781.51	89,737.50	1,460,519.01
	<u>\$ 3,250,851.50</u>	<u>\$ 445,718.50</u>	<u>\$ 3,696,570.00</u>

Note 12: **SCHOOL TAXES**

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

	<u>Balance Dec. 31,</u>	
	<u>2014</u>	<u>2013</u>
Local School Tax:		
Balance of Tax	\$ 6,012,871.50	\$ 5,924,571.50
Deferred	<u>5,669,506.50</u>	<u>5,669,506.50</u>
Local School Tax Payable	<u>\$ 343,365.00</u>	<u>\$ 255,065.00</u>
Regional High School Tax:		
Balance of Tax	\$ 4,657,093.00	\$ 4,510,861.50
Deferred	<u>4,257,399.86</u>	<u>4,257,399.86</u>
Regional High School Tax Payable	<u>\$ 399,693.14</u>	<u>\$ 253,461.64</u>

Note 13: **JOINT INSURANCE POOL**

The Township of Harrison is a member of the Gloucester County Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

- Workers' Compensation and Employer's Liability
- Liability other than Motor Vehicles
- Property Damage other than Motor Vehicles
- General Liability
- Automobile Liability
- Public Employees Blanket Bond
- Property Including Boiler and Machinery

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

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

Gloucester, Salem and Cumberland County  
Municipal Joint Insurance Fund  
P.O. Box 442  
Hammonton, New Jersey 08037

Note 14: **NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE**

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State. The following is a summary of Township contributions, reimbursements to the State for benefits paid and the ending balance of the Township's trust fund for the current and previous two years:

<u>Year</u>	<u>Township Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014	\$ 10,000.00	\$ 2,628.23	\$ 27,672.66
2013	10,400.00	2,434.13	14,930.30
2012	10,000.00	13,072.51	1,866.98

It is estimated that there are no unreimbursed payments on behalf of the Township at December 31, 2014.

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**Note 15: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2014, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

	<b><u>Balance</u></b> <b><u>Dec. 31, 2014</u></b>	<b><u>2015 Budget</u></b> <b><u>Appropriation</u></b>
Current Fund:		
Special Emergency Authorizations	\$150,000.00	\$50,000.00

The appropriations in the 2015 Budget as adopted are not less than that required by the statutes.

**Note 16: LEASE OBLIGATIONS**

At December 31, 2014, the Township had lease agreements in effect for the following:

Operating:  
    Six (6) Canon Copiers

The following is an analysis of operating leases.

Operating Leases – The Township's lease in 2014 is on a month to month basis and as such there are no future minimum rental payments under the current operating lease agreement.

Rental payments under operating leases for the year 2014 were \$10,200.00.

**Note 17: OPEN SPACE, RECREATION AND FARMLAND PRESERVATION TRUST**

On November 4, 1997, November 5, 2002 and November 8, 2005 pursuant to P.L. 1997, c. 24 (N.J.S.A. 40:12-15.1 et seq.), the voters of the Township of Harrison authorized the establishment of the Township of Harrison Open Space, Recreation and Farmland Preservation Trust Fund effective January 1, 1998, for the purpose of raising revenue for the acquisition of lands and interests in lands for the conservation of farmland and open space. Overall, as a result of the three referendums, the Township levies a tax not to exceed six cents per one hundred dollars of equalized valuation. Amounts raised by taxation are assessed, levied and collected in the same manner and at the same time as other taxes. Future increases in the tax rate or to extend the authorization must be authorized by referendum. All revenue received is accounted for in a Trust Fund dedicated by rider (N.J.S.A. 40A:4-39) for the purposed stated. Interest earned on the investment of these funds is credited to the Township of Harrison Open Space, Recreation and Farmland Preservation Trust Funds.

**Note 18: LITIGATION**

The Township is a defendant in legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation will have no effect regarding the Township's financial statements.

Note 19: **SUBSEQUENT EVENTS**

Subsequent to December 31, the Township of Harrison authorized additional Bonds and Notes as follows:

	<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
General Capital:			
Bonds and Notes:			
	Various Pieces of Equipment and Various Capital Improvements	Introduced: May 18, 2015 Adopted: June 1, 2015	\$ 745,750.00
Sewer Utility Capital:			
Bonds and Notes:			
	Various Pieces of Equipment and Various Capital Improvements	Introduced: May 18, 2015 Adopted: June 1, 2015	\$ 802,000.00

**SUPPLEMENTAL EXHIBITS**

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Current Cash -- Treasurer  
For the Year Ended December 31, 2014

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2013	\$ 3,742,574.52	\$ 115,554.08
Increased by Receipts:		
Tax Collector	\$ 38,665,613.64	
Miscellaneous Revenue Anticipated	2,920,062.56	\$ 19.11
Miscellaneous Revenue Not Anticipated	96,867.66	
Due State of New Jersey:		
Senior Citizen and Veterans Deductions	78,121.92	
Marriage License Fees	1,050.00	
Due Trust Other Fund	5,946.04	
Due from Trust Other Fund	3,705.78	
Due from Animal Control Trust Fund	3.94	
Due General Capital Fund		127,331.19
Due from General Capital Fund	238.44	
Due from Federal and State Grant Fund	97.82	
Federal and State Grants Receivable		34,441.78
Federal and State Grants Unappropriated		54,328.83
Reimbursements:		
Reimbursement of 2014 Appropriations	182,633.58	
Reimbursement of Appropriation Reserves	2,017.31	
Special Emergency Notes Payable Renewal	150,000.00	
Petty Cash Fund	100.00	
	42,106,458.69	216,120.91
	45,849,033.21	331,674.99
Decreased by Disbursements:		
2014 Appropriations	8,061,854.14	
2013 Appropriation Reserves	315,408.33	
Reserve for Federal and State Grants - Appropriated		16,457.44
County Taxes Payable	9,363,835.17	
Regional High School District Taxes Payable	9,167,961.50	
Local District School Taxes Payable	11,937,443.00	
Fire District Taxes Payable	1,123,842.00	
Municipal Open Space Taxes Payable	821,973.00	
Refund of Tax Overpayments	1,549.47	
Due State of New Jersey:		
Marriage License Fees	1,200.00	
Due Current Fund		97.82
Special Emergency Notes Payable Renewal	150,000.00	
Special Emergency Notes Payable	50,000.00	
Reserve For:		
Master Plan Revisions	53,813.80	
Petty Cash	100.00	
	41,048,980.41	16,555.26
Total Cash Disbursements	41,048,980.41	16,555.26
Balance December 31, 2014	\$ 4,800,052.80	\$ 315,119.73

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Current Cash - Tax Collector  
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 501,334.36
Increased by:		
Receipts:		
Taxes Receivable	\$ 38,379,473.83	
Tax Overpayments	17,336.62	
Tax Title Liens	43,000.77	
Prepaid Taxes	213,361.35	
Revenue Accounts Receivable:		
Interest and Costs on Taxes	\$ 130,097.68	
Fees and Permits - Tax Searches	310.00	
Interest Earned on Deposits and Investments	477.35	
	130,885.03	
Miscellaneous Revenue Not Anticipated:		
Payment in Lieu of Taxes	46,846.84	
Advertising Fees	2,353.42	
Municipal Lien Recording Fees	180.00	
	49,380.26	
		38,833,437.86
		39,334,772.22
Decreased by:		
Disbursements:		
Disbursed to Treasurer	38,665,613.64	
		38,665,613.64
Balance December 31, 2014		\$ 669,158.58

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
 Statement of Revenue Accounts Receivable  
 For the Year Ended December 31, 2014

	Balance Dec. 31, 2013	Accrued in 2014	Collected	Balance Dec. 31, 2014
Miscellaneous Revenues:				
Local Revenues				
Fees and Permits		\$ 21,490.66	\$ 21,490.66	
Fines and Costs:				
Municipal Court	\$ 18,071.27	240,820.07	243,783.01	\$ 15,108.33
Interest and Costs on Taxes		130,097.68	130,097.68	
Interest on Investments and Deposits		10,634.80	10,634.80	
State Aid Without Offsetting Appropriations				
Energy Receipts Tax		542,592.00	542,592.00	
Dedicated Uniform Construction Code Fees Offset				
With Appropriations (N.J.S.40A:4-36 and N.J.A.C.5:23-4.17)				
Uniform Construction Code Fees	10,088.59	297,384.08	275,724.51	31,748.16
Special Items of General Revenue Anticipated with Prior Written Consent of the Director of the Division of Local Gov't Services:				
Other Special Items:				
Cable Television		41,825.56	41,825.56	
Alcoholic Beverages Licenses		2,000,000.00	2,000,000.00	
General Capital Fund Balance		86,100.00	86,100.00	
 Total	 \$ 28,159.86	 \$ 3,370,944.85	 \$ 3,352,248.22	 \$ 46,856.49
 Tax Collector		\$ 130,885.03	\$ 130,885.03	
Due from Trust Other Fund		324.00	324.00	
Due from Animal Control Trust Fund		6.52	6.52	
Due from General Capital Fund		951.00	951.00	
Due from Federal and State Grant Fund		19.11	19.11	
Reserve for Alcoholic Beverages Licenses		300,000.00	300,000.00	
Treasurer		2,938,759.19	2,920,062.56	
		<u>\$ 3,370,944.85</u>	<u>\$ 3,352,248.22</u>	

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Taxes Receivable and Analysis of Property Tax Levy  
For The Year Ended December 31, 2014

Year	Balance Dec. 31, 2013	2014 Levy	Added	2013 Collections	2014 Collections	Due From / (To) State of New Jersey	Canceled	Penalty Assessment	Tax Overpayments Applied	Transferred To Tax Title Liens	Balance Dec. 31, 2014
2011	\$ 1.27						\$ 1.27				
2012	6.80				6.80						
2013	464,451.82				463,279.63	\$ (500.00)		\$ 746.74	\$ 746.74	\$ 1,672.19	
	464,459.89				463,286.43	(500.00)	1.27	746.74	746.74	1,672.19	-
2014		\$ 38,179,737.45	\$ 622,270.97	\$ 211,657.99	37,916,187.40	78,158.91	65,144.16	3,200.04		25,992.48	\$ 508,067.52
	\$ 464,459.89	\$ 38,179,737.45	\$ 622,270.97	\$ 211,657.99	\$ 38,379,473.83	\$ 77,658.91	\$ 65,145.43	\$ 3,946.78	\$ 746.74	\$ 27,664.67	\$ 508,067.52

Analysis of 2014 Property Tax Levied

Tax Yield:

General Property Tax	\$ 37,055,895.45
Fire District Tax	1,123,842.00
Added Taxes (54:4-63.1 et seq.)	<u>622,270.97</u>
	<u>\$ 38,802,008.42</u>

Tax Levy:

Regional High School Tax (Abstract)	\$ 9,314,193.00
Local District School Tax (Abstract)	12,025,743.00
County Taxes:	
County Tax (Abstract)	\$ 8,046,827.91
County Library Tax (Abstract)	630,883.92
County Open Space Preservation (Abstract)	560,485.40
Due County for Added and Omitted Taxes	<u>150,862.62</u>
Total County Taxes	9,389,059.85
Fire District Taxes (Amount Certified)	1,123,842.00
Municipal Open Space Tax:	
Municipal Open Space (Abstract)	821,973.00
Municipal Open Space for Added and Omitted Tax	<u>13,466.14</u>
Total Municipal Open Space Tax	835,439.14
Local Tax for Municipal Purposes Levied (Abstract)	5,639,356.73
Add: Added and Omitted Tax	457,942.21
Add: Additional Tax Levied	<u>16,432.49</u>
Local Tax for Municipal Purposes Levied	<u>6,113,731.43</u>
	<u>\$ 38,802,008.42</u>

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
**Statement of Tax Title Liens**  
**For The Year Ended December 31, 2014**

<hr/>		
Balance December 31, 2013		\$ 219,390.09
Increased by:		
Sale of Property Taxes - Prior Years	\$ 1,672.19	
Interest & Costs Accrued to Tax sale	146.83	
Transferred from Taxes Receivable - 2014	<u>25,992.48</u>	
		<u>27,811.50</u>
		247,201.59
Decreased by:		
Canceled by Resolution	22,654.44	
Collections	<u>43,000.77</u>	
		<u>65,655.21</u>
Balance December 31, 2014		<u><u>\$ 181,546.38</u></u>

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
 Statement of Deferred Charges  
 Special Emergency Appropriation Per N.J.S.A. 40A:4-55  
 For The Year Ended December 31, 2014

<u>Date Authorized</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2013</u>	<u>Authorized in 2014</u>	<u>Amount Raised in the 2014 Budget</u>	<u>Balance Dec. 31, 2014</u>
02/06/12	Master Plan Revisions	\$ 250,000.00	\$ 50,000.00	\$ 200,000.00		\$ 50,000.00	\$ 150,000.00
				<u>\$ 200,000.00</u>	<u>\$ -</u>	<u>\$ 50,000.00</u>	<u>\$ 150,000.00</u>

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
 Statement of Special Emergency Notes Payable  
 For The Year Ended December 31, 2014

<u>Purpose</u>	<u>Original Issue</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2013</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2014</u>
Revisions to Master Plan	\$ 250,000.00	03/21/12	03/19/13 03/17/14	03/18/14 03/16/15	0.98% 1.05%	\$ 200,000.00		\$ 200,000.00	
							\$ 150,000.00		\$ 150,000.00
						<u>\$ 200,000.00</u>	<u>\$ 150,000.00</u>	<u>\$ 200,000.00</u>	<u>\$ 150,000.00</u>
							Renewed \$ 150,000.00	\$ 150,000.00	
							Paid	50,000.00	
							<u>\$ 150,000.00</u>	<u>\$ 200,000.00</u>	

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
 Statement of Due to State of New Jersey -- Marriage License Fees  
 For the Year Ended December 31, 2014

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Balance December 31, 2013	\$	275.00
Increased by:		
Receipts		1,050.00
		1,325.00
Decreased by:		
Disbursements		1,200.00
Balance December 31, 2014	\$	125.00

**Exhibit SA-9**

**CURRENT FUND**  
 Statement of Change Funds  
 For the Year Ended December 31, 2014

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		Balance Dec. 31, 2014 <u>and 2013</u>
Tax Collector	\$	50.00
Municipal Clerk		100.00
Municipal Court		100.00
	\$	250.00

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Due to State of New Jersey  
Senior Citizens and Veterans' Deductions  
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 22,963.51
Increased by:		
Received from State of New Jersey		78,121.92
		101,085.43
Decreased by:		
Deductions per Tax Billing:		
Senior Citizens	\$ 9,250.00	
Veterans	68,750.00	
Deductions Allowed by Collector:		
Senior Citizens - 2014 Taxes	1,250.00	
Veterans - 2014 Taxes	500.00	
	\$ 79,750.00	
Less:		
Deductions Disallowed by Collector:		
Senior Citizens - 2014 Taxes	1,341.09	
Veterans - 2014 Taxes	250.00	
Senior Citizens - 2013 Taxes	500.00	
	2,091.09	
Total State Share Applied to Taxes Receivable		77,658.91
Balance December 31, 2014		\$ 23,426.52

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
 Statement of Appropriation Reserves  
 For The Year Ended December 31, 2014

	<u>Balance December 31, 2013</u>		<u>Transfers</u>	<u>Balance After</u>	<u>Paid or</u>	<u>Lapsed to</u>
	<u>Encumbered</u>	<u>Reserved</u>				
<b>OPERATIONS WITHIN "CAPS"</b>						
General Government:						
Administrative and Executive:						
Salaries and Wages		\$ 17,083.98		\$ 17,083.98		\$ 17,083.98
Other Expenses	\$ 3,417.31	9,981.68		13,398.99	\$ 367.52	13,031.47
Mayor and Committee:						
Salaries and Wages		0.24		0.24		0.24
Other Expenses		152.80		152.80		152.80
Township Clerk:						
Salaries and Wages		436.11		436.11		436.11
Other Expenses		4,517.90		4,517.90	786.72	3,731.18
Financial Administration:						
Salaries and Wages		2,428.59		2,428.59		2,428.59
Other Expenses	125.00	31,280.54		31,405.54	20,596.93	10,808.61
Automated Data Processing:						
Other Expenses		1,189.80		1,189.80	993.20	196.60
Collection of Taxes:						
Salaries and Wages		1,810.09		1,810.09		1,810.09
Other Expenses		1,257.45		1,257.45		1,257.45
Legal Services and Costs:						
Other Expenses		115,167.39		115,167.39	4,689.52	110,477.87
Engineering Services and Costs:						
Other Expenses		1,487.16		1,487.16	450.00	1,037.16
Economic Development Council:						
Salaries and Wages		1,020.00		1,020.00		1,020.00
Other Expenses		2,541.00		2,541.00		2,541.00
Historic Preservation Committee:						
Other Expenses	100.00	3,703.75		3,803.75		3,803.75
Municipal Land Use Law:						
Planning Board:						
Salaries and Wages		1,233.47		1,233.47		1,233.47
Other Expenses		4,504.85		4,504.85	539.48	3,965.37
Zoning Board of Adjustment:						
Salaries and Wages		0.04		0.04		0.04
Other Expenses		33.26		33.26		33.26
Public Safety:						
Police:						
Salaries and Wages		124,961.20		124,961.20		124,961.20
Other Expenses	3,313.00	16,485.44		19,798.44	7,365.76	12,432.68
Emergency Management Services:						
Other Expenses		230.00		230.00		230.00
Municipal Prosecutor:						
Salaries and Wages		142.50		142.50		142.50
Other Expenses		200.00		200.00		200.00
Public Works:						
Streets and Roads:						
Road Repair and Maintenance:						
Salaries and Wages		14,833.86	\$ (10,900.00)	3,933.86		3,933.86
Other Expenses		22,058.47		22,058.47	14,900.96	7,157.51
Solid Waste Collection:						
Other Expenses	990.00	590.99		1,580.99		1,580.99
Waste Disposal		24,894.07	4,000.00	28,894.07	14,114.25	14,779.82
Public Buildings and Grounds:						
Salaries and Wages		28,340.85		28,340.85		28,340.85
Other Expenses	502.13	14,956.20		15,458.33	3,803.40	11,654.93
Vehicle Maintenance:						
Salaries and Wages		7,045.41		7,045.41		7,045.41
Other Expenses	130.00	19,879.68	600.00	20,609.68	20,409.66	200.02
Health and Human Services:						
Board of Health:						
Other Expenses		49.78		49.78		49.78
Donation to Harrison Township Historical Society		1,000.00		1,000.00		1,000.00
Environmental Commission						
Other Expenses	760.00	1,682.83		2,442.83		2,442.83

(Continued)

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For The Year Ended December 31, 2014

	Balance December 31, 2013		Transfers	Balance After Modification	Paid or Charged	Lapsed to Fund Balance
	Encumbered	Reserved				
<b>OPERATIONS WITHIN "CAPS" (Cont'd)</b>						
Park and Recreation Functions:						
Parks and Playgrounds:						
Salaries and Wages		\$ 1,400.98		\$ 1,400.98		\$ 1,400.98
Other Expenses		1,511.04		1,511.04		1,511.04
Veterans Commission		500.00		500.00		500.00
Additional Salaries and Wages		5,000.00		5,000.00	\$ 5,000.00	
Municipal Court:						
Salaries and Wages		9.49		9.49		9.49
Other Expenses	\$ 280.00	1,978.35		2,258.35	406.00	1,852.35
Public Defender:						
Other Expenses		2,100.00		2,100.00		2,100.00
JIF Administration:						
Salaries and Wages		650.31		650.31		650.31
Insurance						
Employee Group Health		164,184.09		164,184.09	91,781.72	72,402.37
Employee Health Insurance Waivers		236.63		236.63		236.63
Code Enforcement & Administrator:						
Construction Official:						
Salaries and Wages		2,449.25		2,449.25		2,449.25
Other Expenses		1,918.55		1,918.55		1,918.55
Unclassified - Utilities:						
Electricity		17,031.32		17,031.32	5,468.77	11,562.55
Street Lighting		13,528.90		13,528.90	8,771.58	4,757.32
Telephone		1,547.98	\$ 800.00	2,347.98	2,265.46	82.52
Water		1,628.20		1,628.20	429.57	1,198.63
Natural Gas		525.20	1,500.00	2,025.20	1961.59	63.61
Fuel Oil		13,811.23		13,811.23	4,655.43	9,155.80
Gasoline		16,775.06		16,775.06	9,806.89	6,968.17
Contingent		100.00		100.00		100.00
<b>Total Operations Within "CAP"</b>	<b>9,617.44</b>	<b>724,067.96</b>	<b>(4,000.00)</b>	<b>729,685.40</b>	<b>219,564.41</b>	<b>510,120.99</b>
<b>Deferred Charges and Statutory Expenditures - Municipal Within "CAP"</b>						
<b>Statutory Expenditures:</b>						
Contribution to:						
Social Security System (O.A.S.I)		6,962.03		6,962.03		6,962.03
Defined Contribution Retirement Program		2,668.68		2,668.68	2,668.68	
<b>Total Deferred Charges and Statutory Expenditures</b>		<b>9,630.71</b>		<b>9,630.71</b>	<b>2,668.68</b>	<b>6,962.03</b>
<b>OPERATIONS EXCLUDED FROM "CAP"</b>						
General Government:						
Solid Waste Collection (N.J.S.A. 40A:4-45.3kk)		32,638.40	4,000.00	36,638.40	34,714.43	1,923.97
Insurance Employee Group		34,840.00		34,840.00		34,840.00
<b>General Government Outside "CAPS"</b>		<b>67,478.40</b>	<b>4,000.00</b>	<b>71,478.40</b>	<b>34,714.43</b>	<b>36,763.97</b>
Shared Service Agreements:						
Solid Waste Collection - Logan Township		85,516.53		85,516.53	56,443.50	29,073.03
<b>Total Shared Service Agreements</b>		<b>85,516.53</b>		<b>85,516.53</b>	<b>56,443.50</b>	<b>29,073.03</b>
	<b>\$ 9,617.44</b>	<b>\$ 886,693.60</b>	<b>\$ -</b>	<b>\$ 896,311.04</b>	<b>\$ 313,391.02</b>	<b>\$ 582,920.02</b>
					Cash Disbursements	\$ 315,408.33
					Reimbursements	(2,017.31)
						<u>\$ 313,391.02</u>

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Tax Overpayments  
For the Year Ended December 31, 2014

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Balance December 31, 2013		\$ 3,955.08
Increased by:		
Overpayments Received by Collector		17,336.62
		21,291.70
Decreased by:		
Applied to Taxes - 2013 Taxes	\$ 746.74	
Refunded	1,549.47	
		2,296.21
Balance December 31, 2014		\$ 18,995.49

## Exhibit SA-13

**CURRENT FUND**  
Statement of Prepaid Taxes  
For the Year Ended December 31, 2014

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Balance December 31, 2013		\$ 211,657.99
Increased by:		
Collections - 2015 Taxes		213,361.35
		425,019.34
Decreased by:		
Applied to 2014 Taxes Receivable		211,657.99
Balance December 31, 2014		\$ 213,361.35

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Local District School Taxes Payable  
For The Year Ended December 31, 2014

<hr/>		
Balance December 31, 2013		
School Tax Payable	\$ 255,065.00	
School Tax Deferred	<u>5,669,506.50</u>	
		\$ 5,924,571.50
Increased by:		
School Year Levy - July 1, 2014 - June 30, 2015		<u>12,025,743.00</u>
		17,950,314.50
Decreased by:		
Disbursements		<u>11,937,443.00</u>
Balance December 31, 2014		
School Tax Payable	343,365.00	
School Tax Deferred	<u>5,669,506.50</u>	
Total Local District School Taxes Payable		<u><u>\$ 6,012,871.50</u></u>
2014 Liability for Local District Tax		
Tax Paid		\$ 11,937,443.00
Tax Payable - December 31, 2014		<u>343,365.00</u>
		12,280,808.00
Less: Tax Payable - December 31, 2013		<u>255,065.00</u>
Amount Charged to 2014 Operations		<u><u>\$ 12,025,743.00</u></u>

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Regional High School Taxes Payable  
For The Year Ended December 31, 2014

<hr/>		
Balance December 31, 2013		
School Tax Payable	\$ 253,461.64	
School Tax Deferred	<u>4,257,399.86</u>	
		\$ 4,510,861.50
Increased by:		
School Year Levy - July 1, 2014 - June 30, 2015		<u>9,314,193.00</u>
		13,825,054.50
Decreased by:		
Disbursements		<u>9,167,961.50</u>
Balance December 31, 2014		
School Tax Payable	399,693.14	
School Tax Deferred	<u>4,257,399.86</u>	
Total Regional High School Taxes Payable		<u><u>\$ 4,657,093.00</u></u>
2014 Liability for Regional High School Tax		
Tax Paid		\$ 9,167,961.50
Tax Payable - December 31, 2014		<u>399,693.14</u>
		9,567,654.64
Less: Tax Payable - December 31, 2013		<u>253,461.64</u>
Amount Charged to 2014 Operations		<u><u>\$ 9,314,193.00</u></u>

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of County Taxes Payable  
For The Year Ended December 31, 2014

Balance December 31, 2013		\$ 125,637.94
Increased by:		
2014 Tax Levy:		
General County	\$ 8,046,827.91	
County Library	630,883.92	
Open Space Preservation	560,485.40	
Added and Omitted Taxes	<u>150,862.62</u>	
		<u>9,389,059.85</u>
		9,514,697.79
Decreased by:		
Disbursements		<u>9,363,835.17</u>
Balance December 31, 2014		<u><u>\$ 150,862.62</u></u>
County Taxes Payable - Added and Omitted Taxes		<u><u>\$ 150,862.62</u></u>

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Municipal Open Space Taxes Payable  
For The Year Ended December 31, 2014

Balance December 31, 2013		\$	11,548.14
Increased by:			
2014 Tax Levy:			
Open Space Preservation		\$	821,973.00
Added and Omitted Taxes			<u>13,466.14</u>
			<u>835,439.14</u>
			846,987.28
Decreased by:			
Disbursements			<u>821,973.00</u>
Balance December 31, 2014		\$	<u><u>25,014.28</u></u>
Open Space Taxes Payable - Added and Omitted Taxes		\$	<u><u>25,014.28</u></u>

**TOWNSHIP OF HARRISON**  
CURRENT FUND  
Statement of Fire District Taxes Payable  
For The Year Ended December 31, 2014

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Increased by:		
2014 Tax Levy	\$	1,123,842.00
Decreased by:		
Disbursements	\$	<u>1,123,842.00</u>

**TOWNSHIP OF HARRISON**  
**CURRENT FUND**  
Statement of Reserve for Master Plan Revision  
For The Year Ended December 31, 2014

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Balance December 31, 2013	\$ 181,673.20
Decreased by:	
Disbursements	<u>53,813.80</u>
Balance December 31, 2014	<u><u>\$ 127,859.40</u></u>

**TOWNSHIP OF HARRISON**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Federal and State Grants Receivable  
For the Year Ended December 31, 2014

Program	Balance Dec. 31, 2013	Anticipated as Revenue in 2014 Budget	Anticipated by 40A:4-87	Received	Balance Dec. 31, 2014
<b>Federal Grants:</b>					
Bulletproof Vest Partnership Grant	\$ 785.50				\$ 785.50
Local Domestic Preparedness Equipment Grant Award	4,551.00				4,551.00
Click It or Ticket	200.00				200.00
Municipal Stormwater Regulation Program	4,234.00				4,234.00
N.J. Transportation Trust Fund Authority Act - Union Road	2,208.37				2,208.37
N.J. Transportation Trust Fund Authority Act - Bishop Road	43,622.16				43,622.16
N.J. Transportation Trust Fund Authority Act - Union Road Phase II	54,490.57				54,490.57
N.J. Transportation Trust Fund Authority Act - Bishop Road Phase II	29,461.02				29,461.02
N.J. Transportation Trust Fund Authority Act - Bishop Road Phase III	67,319.43				67,319.43
N.J. Transportation Trust Fund Authority Act - Bishop Road Phase IV	95,325.61			\$ 34,441.78	60,883.83
<b>Total Federal Grants</b>	<b>302,197.66</b>	<b>-</b>	<b>-</b>	<b>34,441.78</b>	<b>267,755.88</b>
<b>State Grants:</b>					
Body Armor Replacement Fund Program		\$ 2,554.97		2,554.97	-
Over the Limit, Under Arrest Impaired Driving Crackdown Grant	2,625.00				2,625.00
Alcohol Education, Rehab and Enforcement Fund		1,477.69		1,477.69	-
Municipal Alliance on Alcoholism and Drug Abuse	29,718.00				29,718.00
Recycling Tonnage Grant		14,521.61		14,521.61	-
Clean Communities Program		3,510.44		3,510.44	-
<b>Total State Grants</b>	<b>32,343.00</b>	<b>22,064.71</b>	<b>-</b>	<b>22,064.71</b>	<b>32,343.00</b>
<b>Total All Grants</b>	<b>\$ 334,540.66</b>	<b>\$ 22,064.71</b>	<b>\$ -</b>	<b>\$ 56,506.49</b>	<b>\$ 300,098.88</b>
Anticipated in Budget		\$ 22,064.71	\$ -		
Cash Received in Federal and State Grant Fund				\$ 34,441.78	
Unappropriated Grants				22,064.71	
		<b>\$ 22,064.71</b>	<b>\$ -</b>	<b>\$ 56,506.49</b>	

**TOWNSHIP OF HARRISON**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal and State Grants--Appropriated  
For the Year Ended December 31, 2014

Program	Balance Dec. 31, 2013	2014 Budget Appropriations	Appropriation By 40A:4-87	Paid or Charged	Balance Dec. 31, 2014
<b>Federal Grants:</b>					
Bulletproof Vest Partnership Grant	\$ 1,266.98				\$ 1,266.98
Local Domestic Preparedness Equipment Grant Award	332.00				332.00
Municipal Stormwater Regulation Program	14,852.22				14,852.22
N.J. Transportation Trust Fund Authority Act - Colson Lane/Union Road	4,990.24				4,990.24
N.J. Transportation Trust Fund Authority Act - Union Road	2,208.37				2,208.37
N.J. Transportation Trust Fund Authority Act - Bishop Road	24,271.39				24,271.39
N.J. Transportation Trust Fund Authority Act - Union Road Phase II	42,730.56				42,730.56
N.J. Transportation Trust Fund Authority Act - Bishop Road Phase II	24,712.52				24,712.52
N.J. Transportation Trust Fund Authority Act - Bishop Road Phase III	43,822.83			-	43,822.83
N.J. Transportation Trust Fund Authority Act - Bishop Road Phase IV	50,276.89				50,276.89
<b>Total Federal Grants</b>	<b>209,464.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>209,464.00</b>
<b>State Grants:</b>					
Body Armor Replacement Fund Program	5,245.31	\$ 2,554.97		\$ 1,508.00	6,292.28
Municipal Drug Alliance Program	4,963.00				4,963.00
Over the Limit, Under Arrest 2007 Impaired Driving Crackdown Grant	2,400.00				2,400.00
Over the Limit, Under Arrest Impaired Driving Crackdown Grant	200.00				200.00
Recycling Tonnage Grant	31,115.70	14,521.61		6,429.55	39,207.76
Drunk Driving Enforcement Fund	10,497.94			3,981.39	6,516.55
Clean Communities Program	111,784.28	3,510.44		4,003.50	111,291.22
Neighborhood Preservation Balanced Housing Program	121.72				121.72
Municipal Court Alcohol Education, Rehabilitation and Enforcement Fund	18,319.78	1,477.69		1,050.00	18,747.47
Municipal Alliance to Prevent Alcoholism and Drug Abuse	7,190.00				7,190.00
Match Due Township of Mantua	5,578.75				5,578.75
State and Local All Hazards Emergency Operation Planning Program	42.14				42.14
<b>Total State Grants</b>	<b>197,458.62</b>	<b>22,064.71</b>	<b>-</b>	<b>16,972.44</b>	<b>202,550.89</b>
<b>Total All Grants</b>	<b>\$ 406,922.62</b>	<b>\$ 22,064.71</b>	<b>\$ -</b>	<b>\$ 16,972.44</b>	<b>\$ 412,014.89</b>
Cash Disbursements by Federal and State Grant Fund				\$ 16,457.44	
Reserve for Encumbrances				27,408.18	
Liquidation of Prior Year Encumbrances				(26,893.18)	
				<u>\$ 16,972.44</u>	

**TOWNSHIP OF HARRISON**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Federal and State Grants Unappropriated  
For the Year Ended December 31, 2014

Program	Balance Dec. 31, 2013	2014 Budget Revenue Realized	Received	Balance Dec. 31, 2014
State Grants:				
Recycling Tonnage Grant	\$ 14,521.61	\$ 14,521.61	\$ 23,802.44	\$ 23,802.44
Alcohol Education, Rehab and Enforcement Fund	1,477.69	1,477.69	472.64	472.64
Drunk Driving Enforcement			2,837.31	2,837.31
Drug Abuse Resistance Education			1,845.38	1,845.38
Body Armor Replacement Fund	2,554.97	2,554.97	3,188.32	3,188.32
Clean Communities Program	3,510.44	3,510.44	22,182.74	22,182.74
<b>Total State Grants</b>	<u>22,064.71</u>	<u>22,064.71</u>	<u>54,328.83</u>	<u>54,328.83</u>
<b>Total All Grants</b>	<u>\$ 22,064.71</u>	<u>\$ 22,064.71</u>	<u>\$ 54,328.83</u>	<u>\$ 54,328.83</u>
			<u>\$ 54,328.83</u>	
Cash Received in Federal and State Grant Fund			<u>\$ 54,328.83</u>	

**TOWNSHIP OF HARRISON**  
**FEDERAL AND STATE GRANT FUND**  
**Statement of Due From Current Fund**  
**For the Year Ended December 31, 2014**

Balance December 31, 2013		\$	5,785.77
Decreased by:			
Interest Earned on Deposits	\$	19.11	
Grant Funds Anticipated in Current Fund		<u>22,064.71</u>	
			<u>22,083.82</u>
			(16,298.05)
Increased by:			
Disbursed to Current Fund:			
Due Current Fund		78.71	
Interest Earned on Investments		19.11	
Grant Funds Appropriated in Current Fund		<u>22,064.71</u>	
			<u>22,162.53</u>
Balance December 31, 2014		\$	<u><u>5,864.48</u></u>

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**

**TOWNSHIP OF HARRISON**  
**TRUST FUNDS**  
Statement of Trust Cash Per N.J.S. 40A:5-5 - Treasurer  
For the Year Ended December 31, 2014

	<u>Animal Control Fund</u>	<u>Trust Other Fund</u>	<u>Municipal Open Space</u>
Balance December 31, 2013	\$ 54,582.04	\$ 5,464,268.91	\$ 1,476,456.62
Increased by Receipts:			
Animal Control License Fees	\$ 21,045.18		
State Registration Fees Collected	2,712.60		
Due Current Fund - Interest Earned on Deposits	6.52	\$ 393.97	
Due Current Fund - Cat License Fees	1,244.40		
Due Unemployment Trust		1,787.04	
Municipal Open Space Tax Levy			\$ 821,973.00
Interest Earned on Deposits		9,306.95	1,087.85
Trust Fund Reserve Deposits		<u>5,310,473.45</u>	
Total Receipts	<u>25,008.70</u>	<u>5,321,961.41</u>	<u>823,060.85</u>
	79,590.74	10,786,230.32	2,299,517.47
Decreased by Disbursements:			
Expenditures Under R.S. 4:19-15.11	19,867.69		
State of New Jersey	2,712.60		
Due Current Fund - Interest Earned on Deposits	3.94	69.97	
Due Current Fund	-	3,705.78	
Trust Fund Reserve Expenditures		<u>7,063,682.48</u>	<u>783,177.51</u>
Total Disbursements	<u>22,584.23</u>	<u>7,067,458.23</u>	<u>783,177.51</u>
Balance December 31, 2014	<u>\$ 57,006.51</u>	<u>\$ 3,718,772.09</u>	<u>\$ 1,516,339.96</u>

**TOWNSHIP OF HARRISON**  
**TRUST FUND - ANIMAL CONTROL FUND**  
 Statement of Reserve for Animal Control Expenditures  
 For The Year Ended December 31, 2014

Balance December 31, 2013		\$ 45,091.50
Increased by:		
License Fees Collected	\$ 21,041.40	
Miscellaneous	3.78	
	21,045.18	66,136.68
Decreased by:		
Expenditures Under R.S. 4:19-15.11	19,867.69	
Statutory Excess Due Current Fund	520.19	
	20,387.88	45,748.80
Balance December 31, 2014		\$ 45,748.80

<u>License Fees Collected</u>	
Year	Amount
2012	\$ 21,910.20
2013	23,838.60
	\$ 45,748.80
	\$ 45,748.80

**TOWNSHIP OF HARRISON**  
**TRUST FUND - ANIMAL CONTROL FUND**  
**Statement of Due Current Fund**  
**For The Year Ended December 31, 2014**

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Balance December 31, 2013		\$ 9,560.74
Increased by:		
Interest Earned on Deposits	\$ 6.52	
Cat License Fees	1,244.40	
Statutory Excess	520.19	
		1,771.11
		11,331.85
Decreased by:		
Disbursed to Current Fund:		
Interest Earned on Deposits		3.94
Balance December 31, 2014		\$ 11,327.91

## Exhibit SB-4

**TRUST FUND - ANIMAL CONTROL FUND**  
**Statement of Due From State of New Jersey**  
**For The Year Ended December 31, 2014**

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Balance December 31, 2013		\$ 70.20
Increased by:		
State Registration Fees		2,712.60
		2,782.80
Decreased by:		
Disbursements to State of New Jersey		2,712.60
Balance December 31, 2014		\$ 70.20

**TOWNSHIP OF HARRISON**  
**TRUST OTHER FUND**  
Statement of Due to / (from) Current Fund  
For the Year Ended December 31, 2014

<u>Trust Other Fund</u>	<u>Increased by</u>		<u>Decreased by</u>			<u>Balance Dec. 31, 2014</u>
	<u>Balance Dec. 31, 2013</u>	<u>Interest Earnings</u>	<u>Disbursed to Current Fund</u>		<u>Received in Current Fund</u>	
			<u>Due Current</u>	<u>Interest Due</u>		
Developers Escrow	\$ 324.93	\$ 193.40	\$ 324.93			\$ 193.40
Mill Valley Escrow	506.42	26.10				532.52
Outside Police Employment	0.81	2.78				3.59
Net Payroll	3,378.62	12.76	3,378.62	\$ 12.76	\$ 5,946.04	(5,946.04)
Tax Title Lien Premium	216.29	87.20				303.49
Tax Title Lien Redemption	9.22	1.45				10.67
Tax Map Fees	2.23	70.28	2.23	57.21		13.07
<b>Total</b>	<b>\$ 4,438.52</b>	<b>\$ 393.97</b>	<b>\$ 3,705.78</b>	<b>\$ 69.97</b>	<b>\$ 5,946.04</b>	<b>\$ (4,889.30)</b>

**TOWNSHIP OF HARRISON**  
**TRUST OTHER FUND**  
Statement of Reserves and Special Deposits  
For The Year Ended December 31, 2014

	Balance Dec. 31, 2013	Increased by			Decreased by		Balance Dec. 31, 2014
		Interest Earnings	Due from Payroll Trust	Received in Current Fund	Receipts	Disbursements	
Cash Bond	\$ 1,402,563.47	\$ 1,582.08			\$ 24,565.70	\$ 481,974.86	\$ 946,736.39
Compensatory Plantings	6,469.25	0.59					6,469.84
Compensated Absences	44,976.75	74.54			114,876.80	97,132.74	62,795.35
Developers Escrow	262,423.63	-			540,549.13	620,321.29	182,651.47
Dare Program	1,845.23	0.15				1,845.38	
Economic Development and Improvement	131,548.76	186.99					131,735.75
Forfeited Funds	179.98	0.03			7,075.00		7,255.01
Growth Share COAH Fees	71,253.21	35.64					71,288.85
Housing Trust	232,264.90	270.08			130,560.09	18,702.28	344,392.79
Affordable Housing	1,583,953.78	6,137.02				990,000.00	600,090.80
Mill Valley Escrow	17,857.10						17,857.10
Outside Police Employment	20,462.24				61,598.50	62,907.12	19,153.62
Parade	4,288.50	0.38			11,500.00	3,895.96	11,892.92
Payroll	27,198.48			\$ 5,946.04	3,515,703.41	3,506,328.77	42,519.16
POAA Trust	164.72	0.22			8.00		172.94
Tax Title Lien Premium	497,000.00				201,200.00	329,800.00	368,400.00
Tax Title Lien Redemption	21,484.44				474,239.49	458,104.43	37,619.50
Public Defender	3,177.07	6.81			6,810.00	4,750.00	5,243.88
Recreation Commission	88,864.54	6.78			145,575.24	146,316.13	88,130.43
Recreation	867,126.61	858.11				265,048.41	602,936.31
Recreation - Adult Community	62,725.01	84.18					62,809.19
Senior Recreation	5,373.65	0.50			62,650.58	63,274.01	4,750.72
Storm Recovery	35,147.52	34.87				10,652.87	24,529.52
Tax Map Fees	52,373.00						52,373.00
Unemployment Compensation	14,930.30	22.04	\$ 1,787.04		13,561.51	2,628.23	27,672.66
Walnut Glen Escrow	4,178.25	5.94					4,184.19
<b>TOTAL</b>	<b>\$ 5,459,830.39</b>	<b>\$ 9,306.95</b>	<b>\$ 1,787.04</b>	<b>\$ 5,946.04</b>	<b>\$ 5,310,473.45</b>	<b>\$ 7,063,682.48</b>	<b>\$ 3,723,661.39</b>

**TOWNSHIP OF HARRISON**  
**TRUST FUND - MUNICIPAL OPEN SPACE**  
**Statement of Reserve for Future Use**  
**For The Year Ended December 31, 2014**

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Balance December 31, 2013		\$ 1,488,004.76
Increased by:		
2014 Levy	\$ 821,973.00	
2014 Added/Omitted Taxes	13,466.14	
Interest Earned on Deposits	1,087.85	
		836,526.99
		2,324,531.75
Decreased by:		
Expended		783,177.51
Balance December 31, 2014		\$ 1,541,354.24
 <u>Analysis of Balance:</u>		
Cash		\$ 1,516,339.96
Due from Current Fund		25,014.28
Reserve for Future Use		\$ 1,541,354.24

**SUPPLEMENTAL EXHIBITS**  
**GENERAL CAPITAL FUND**

**TOWNSHIP OF HARRISON**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash Per N.J.S. 40A:5-5 -- Treasurer  
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 6,442,093.87
Increased by Receipts:		
Budget Appropriations:		
Capital Improvement Fund	\$ 374,520.00	
Improvement Authorization Reimbursements	37,765.60	
Due Current Fund - Interest Earned on Deposits	951.00	
Grant Receivable	347,195.40	
Bond Anticipation Notes	5,086,643.00	
Reserve for Payment of Debt - Premium on Bond Anticipation Notes	37,608.54	5,884,683.54
		12,326,777.41
Decreased by Disbursements:		
Improvement Authorizations	2,039,481.10	
Bond Anticipation Notes	4,466,243.00	
Disbursed to Current Fund:		
Surplus Anticipated as Revenue in Current Fund	86,100.00	
Due Current Fund	238.44	
Reserve for Preliminary Costs	31,608.14	6,623,670.68
Balance December 31, 2014		\$ 5,703,106.73

**TOWNSHIP OF HARRISON**  
**GENERAL CAPITAL FUND**  
 Analysis of General Capital Cash and Investments  
 For the Year Ended December 31, 2014

	Balance Dec. 31, 2013	Receipts			Disbursements			Transfers		Balance Dec. 31, 2014
		Budget Appropriation	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	From	To	
General Capital Fund Balance	\$ 415,617.68						\$ 86,100.00			\$ 329,517.68
Capital Improvement Fund	52,970.00	\$ 374,520.00						\$ 377,500.00		49,990.00
Due to Current Fund	434.04			\$ 951.00						1,146.60
Due from Federal and State Grant Fund								127,331.19		(127,331.19)
Grants Receivable	(393,670.00)			347,195.40				325,000.00	\$ 127,331.19	(244,143.41)
Reserve for Preliminary Costs	35,000.00						31,608.14			3,391.86
Reserve for Payment of Debt	24,310.00			37,608.54						61,918.54
Reserve for Encumbrances	234,834.18							234,834.18	272,670.68	272,670.68
Improvement Authorizations:										
Ordinance										
Number										
25-2001	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	37,307.75								37,307.75
37-2001	Renovations to the Municipal Building including the Construction of an Addition with the Acquisition of All Materials and Equipment and Completion of All Work Necessary	0.66								0.66
38-2001	Engineering (Phase I) for the Shared Services Facility with the Acquisition of All Materials and Equipment and Completion of All Work Necessary	119,500.00			\$ 9,657.14			65,767.00		44,075.86
17-2003	Completion of Phase II Construction for the Public Works Complex	54,000.00								54,000.00
14-2004	Acquisition and Development of Real Property	164,962.32			1,388.64					163,573.68
31-2005	Completion of Phase II Construction for the Public Works Complex and Shared Services Facility as Amended	63,717.51						13,150.00	13,150.00	63,717.51
32-2005	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	65,484.01			11,366.66					54,117.35
16-2006	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	45,133.52			2,712.80					42,420.72
26-2006	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements							22,370.00	22,370.00	
08-2007	Various Capital Improvements to the Walters Road Athletic Complex and the Acquisition of Various Capital Equipment and the Completion of Various Capital Improvements for the Public Works Facility	474,968.24								474,968.24
26-2007	Acquisition of Various Pieces of Equipment and the Completion of Various Capital Improvements	20,441.81			3,347.36					17,094.45
01-2009	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	3,718.81								3,718.81
32-2010	Completion of the Forrest Woods Site Improvements	100,717.32						100,717.32		-
36-2011	Completion of Various Improvements to Recreational Facilities in and for the Township	1,040,903.39			3,457.60	17,145.94		1,055.47	11,455.47	1,037,615.05
40-2011	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	774,397.16								729,533.77
31-2012	Acquisition of Various Pieces of Equipment	143,392.92	\$ 1,636,081.00		44,863.39	\$ 1,636,081.00		49,354.45	49,354.45	95,633.54
26-2013	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	2,593,952.55		2,830,162.00	4,308.00	1,001,653.31	2,830,162.00	56,493.49	122,477.55	1,662,591.30
28-2013;										
19-2014	Installation of Pedestrian Tunnel at Breakneck Road	370,000.00			30,000.00	550,000.00			150,000.00	-
05-2014	Reconstruction of Heilig Road					164,648.51			175,000.00	10,351.49
21-2014	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements			620,400.00		173,209.36		60,182.17	377,500.00	764,508.47
36-2014	Acquisition of Equipment for Public Works Department							100,717.32		100,717.32
		<b>\$ 6,442,093.87</b>	<b>\$ 374,520.00</b>	<b>\$ 5,086,643.00</b>	<b>\$ 423,520.54</b>	<b>\$ 2,039,481.10</b>	<b>\$ 4,466,243.00</b>	<b>\$ 1,438,053.37</b>	<b>\$ 1,438,053.37</b>	<b>\$ 5,703,106.73</b>

**TOWNSHIP OF HARRISON**  
**GENERAL CAPITAL FUND**  
Statement of Due to Current Fund  
For the Year Ended December 31, 2014

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Balance December 31, 2013		\$	434.04
Increased by:			
Interest Earned on Deposits			951.00
			1,385.04
Decreased by:			
Disbursed to Current Fund:			
Due Current Fund			238.44
Balance December 31, 2014		\$	1,146.60

## Exhibit SC-4

**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation - Funded  
For the Year Ended December 31, 2014

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Balance December 31, 2013		\$	27,036,000.00
Increased by:			
Issuance of 2014 General Obligation Refunding Bonds			4,810,000.00
			31,846,000.00
Decreased by:			
Budget Appropriation:			
Payment of Bonds Payable	\$		1,310,000.00
Refunded Bonds			4,940,000.00
Payment of Bonds Payable			6,250,000.00
Balance December 31, 2014		\$	25,596,000.00

**TOWNSHIP OF HARRISON**  
**GENERAL CAPITAL FUND**  
 Statement of Deferred Charges to Future Taxation--Unfunded  
 For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Balance Dec. 31, 2013	2014 Authorizations	Payment of Bond Anticipation Notes	Balance Dec. 31, 2014	Analysis of Balance December 31, 2014		
						Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
40-2011	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	\$ 1,722,181.00		\$ 86,100.00	\$ 1,636,081.00	\$ 1,636,081.00		
26-2013	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	2,830,162.00			2,830,162.00	2,830,162.00		
21-2014	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements		\$ 7,172,500.00		7,172,500.00	620,400.00		\$ 6,552,100.00
		<u>\$ 4,552,343.00</u>	<u>\$ 7,172,500.00</u>	<u>\$ 86,100.00</u>	<u>\$ 11,638,743.00</u>	<u>\$ 5,086,643.00</u>	<u>\$ -</u>	<u>\$ 6,552,100.00</u>
	Improvement Authorizations - Unfunded							\$ 9,564,625.07
	Less: Unexpended Proceeds of Bond Anticipation Notes Issued:							
	Ordinance No. 40-2011					\$ 729,533.77		
	Ordinance No. 26-2013					1,662,591.30		
	Ordinance No. 21-2014					<u>620,400.00</u>		
								<u>3,012,525.07</u>
								<u>\$ 6,552,100.00</u>

**TOWNSHIP OF HARRISON**  
**GENERAL CAPITAL FUND**  
Statement of Capital Improvement Fund  
For the Year Ended December 31, 2014

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Balance December 31, 2013		\$	52,970.00
Increased by:			
2014 Budget Appropriation			374,520.00
			427,490.00
Decreased by:			
Appropriation to Finance Improvement Authorizations			377,500.00
Balance December 31, 2014		\$	49,990.00

## Exhibit SC-7

**GENERAL CAPITAL FUND**  
Statement of Grant-In-Aid Receivable  
For the Year Ended December 31, 2014

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Balance December 31, 2013		\$	393,670.00
Increased by:			
Grant Award - Ordinance 05-2014	\$	175,000.00	
Grant Award - Ordinance 19-2014		150,000.00	
			325,000.00
			718,670.00
Decreased by:			
Grants Received		347,195.40	
Grants Received in Federal and State Grant Fund		127,331.19	
			474,526.59
Balance December 31, 2014		\$	244,143.41

**TOWNSHIP OF HARRISON**  
**GENERAL CAPITAL FUND**  
 Statement of Improvement Authorizations  
 For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Date	Ordinance		Balance December 31, 2013		2014 Authorizations	Liquidation of Prior Year Encumbrances	Paid or Charged	Reappropriated by Ordinance	Balance December 31, 2014	
			Amount		Funded	Unfunded					Funded	Unfunded
25-2001	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	06/04/01	\$ 1,680,576.00		\$ 37,307.75						\$ 37,307.75	
37-2001	Renovations to the Municipal Building Including the Construction of an Addition with the Acquisition of all Materials and Equipment and Completion of All Work Necessary	10/01/01	650,000.00		0.66							0.66
38-2001	Engineering (Phase I) for the Shared Services Facility, with the Acquisition of all Materials and Equipment and Completion of all Work Necessary	10/01/01	449,100.00		119,500.00			\$ 75,424.14				44,075.86
17-2003	Completion of Phase II Construction for the Public Works Complex	04/21/03	1,100,000.00		54,000.00							54,000.00
14-2004	Acquisition and Development of Real Property	04/05/04	725,000.00		164,962.32				1,388.64			163,573.68
31-2005	Completion of Phase II Construction for the Public Works Complex and Shared Services Facility, As Amended	07/05/05	700,000.00		63,717.51		\$ 13,150.00	13,150.00				63,717.51
32-2005	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	07/05/05	2,016,928.00		65,484.01			11,366.66				54,117.35
16-2006	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	06/05/06	1,728,778.00		45,133.52			2,712.80				42,420.72
26-2006	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	09/18/06	1,900,920.00					22,370.00	22,370.00			
08-2007	Various Capital Improvements to the Walters Road Athletic Complex and the Acquisition of Various Capital Equipment and the Completion of Various Capital Improvements for the Public Works Facility	02/20/07	900,000.00		474,968.24							474,968.24
26-2007	Acquisition of Various Pieces of Equipment and the Completion of Various Capital Improvements	06/18/07	3,687,502.00		20,441.81			3,347.36				17,094.45
01-2009	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	02/17/09	377,000.00		3,718.81							3,718.81
32-2010	Completion of the Forrest Woods Site Improvements	10/04/10	344,937.80		100,717.32					\$ (100,717.32)		
36-2011	Completion of Various Improvements to Recreational Facilities in and for the Township	07/18/11	1,908,741.01		1,040,903.39			11,455.47	14,743.81			1,037,615.05
40-2011	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	10/22/11	2,091,770.00			\$ 774,397.16		49,354.45	94,217.84			\$ 729,533.77
31-2012	Acquisition of Various Pieces of Equipment	07/02/12	585,488.00		143,392.92			16,026.71	63,786.09			95,633.54
26-2013	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	07/15/13	2,979,117.00			2,593,952.55		122,477.55	1,053,838.80			1,662,591.30
28-2013; 19-2014	Installation of Pedestrian Tunnel at Breakneck Road	07/15/13	520,000.00		370,000.00		\$ 150,000.00	520,000.00				
05-2014	Reconstruction of Heilig Road	02/19/14	175,000.00				175,000.00	164,648.51				10,351.49
21-2014	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	08/04/14	7,550,000.00				7,550,000.00	233,391.53				144,108.47
36-2014	Acquisition of Equipment for Public Works Department	12/01/14	100,717.32								100,717.32	
			<u>\$ 2,704,248.26</u>	<u>\$ 3,368,349.71</u>	<u>\$ 7,875,000.00</u>	<u>\$ 234,834.18</u>	<u>\$ 2,274,386.18</u>	<u>\$ -</u>	<u>\$ 2,343,420.90</u>	<u>\$ 9,564,625.07</u>		

Capital Improvement Fund	\$ 377,500.00
Deferred Charges to Future Taxation-Unfunded	7,172,500.00
Grant Receivable	325,000.00
Cash Disbursements	\$ 2,039,481.10
Encumbrances Payable	272,670.68
Reimbursements	(37,765.60)
	<u>\$ 7,875,000.00</u>
	<u>\$ 2,274,386.18</u>

**TOWNSHIP OF HARRISON**  
**GENERAL CAPITAL FUND**  
Statement of Bond Anticipation Notes Payable  
For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Original Issue	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2013	Increased	Decreased	Balance Dec. 31, 2014
40-2011	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	\$ 1,987,181.00	11/23/11	11/18/13 11/14/14	11/17/14 11/13/15	1.25% 1.00%	\$ 1,722,181.00	\$ 1,636,081.00	\$ 1,722,181.00	\$ 1,636,081.00
26-2013	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	2,830,162.00	11/18/13	11/18/13 11/14/14	11/17/14 11/13/15	1.25% 1.00%	2,830,162.00	2,830,162.00	2,830,162.00	2,830,162.00
21-2014	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	620,400.00	11/14/14	11/14/14	11/13/15	1.00%		620,400.00		620,400.00
							<u>\$ 4,552,343.00</u>	<u>\$ 5,086,643.00</u>	<u>\$ 4,552,343.00</u>	<u>\$ 5,086,643.00</u>
								\$ 4,466,243.00	\$ 4,466,243.00	
								620,400.00	86,100.00	
								<u>620,400.00</u>		
								<u>\$ 5,086,643.00</u>	<u>\$ 4,552,343.00</u>	

Renewed  
Paid by Budget Appropriation  
Issued

**TOWNSHIP OF HARRISON**  
**GENERAL CAPITAL FUND**  
Statement of General Obligation Bonds  
For the Year Ended December 31, 2014

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding Dec. 31, 2014		Interest Rate	Balance Dec. 31, 2013	Issued	Refunded	Paid by Budget Appropriation	Balance Dec. 31, 2014
			Date	Amount						
General Obligation Bonds	08/1/06	\$ 8,500,000.00	08/01/15 08/01/16	\$ 395,000.00 420,000.00	4.250% 4.250%	\$ 6,145,000.00		\$ 4,940,000.00	\$ 390,000.00	\$ 815,000.00
General Obligation Refunding Bonds, Series 2009	11/03/09	3,165,000.00	12/01/15 12/01/16 12/01/17 12/01/18	405,000.00 420,000.00 425,000.00 435,000.00	4.000% 4.000% 5.000% 5.000%	2,080,000.00			395,000.00	1,685,000.00
General Obligation Bonds, Series 2010	08/18/10	20,111,000.00	08/01/15 08/01/16 08/01/17 08/01/18 08/01/19 08/01/20 08/01/21 08/01/22 08/01/23 08/01/24 08/01/25 08/01/26 08/1/2027-28 08/01/29 08/01/30 08/01/31 08/1/2032-34 08/01/35	600,000.00 675,000.00 740,000.00 775,000.00 1,225,000.00 1,275,000.00 1,300,000.00 1,375,000.00 1,450,000.00 1,475,000.00 600,000.00 625,000.00 650,000.00 675,000.00 700,000.00 700,000.00 700,000.00 696,000.00	2.000% 2.000% 2.250% 2.500% 3.000% 3.000% 3.000% 3.000% 3.000% 3.000% 3.125% 3.250% 3.375% 3.500% 3.625% 3.750% 4.000% 4.000%	18,811,000.00		525,000.00	18,286,000.00	
General Obligation Refunding Bonds, Series 2014	08/05/14	4,810,000.00	08/01/17 08/01/18 08/01/19 08/1/2020-23 08/01/24 08/01/25	445,000.00 475,000.00 555,000.00 555,000.00 560,000.00 555,000.00	4.000% 4.000% 3.000% 4.000% 4.000% 4.000%		\$ 4,810,000.00			4,810,000.00
						\$ 27,036,000.00	\$ 4,810,000.00	\$ 4,940,000.00	\$ 1,310,000.00	\$ 25,596,000.00
									\$ 935,000.00	
									375,000.00	
									\$ 1,310,000.00	

**TOWNSHIP OF HARRISON**  
**GENERAL CAPITAL FUND**  
 Schedule of Bonds and Notes Authorized But Not Issued  
 For the Year Ended December 31, 2014

<u>Ordinance</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2013</u>	<u>2014 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>	<u>Balance Dec. 31, 2014</u>
21-2014	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements		\$ 7,172,500.00	\$ 620,400.00	\$ 6,552,100.00
		\$ -	\$ 7,172,500.00	\$ 620,400.00	\$ 6,552,100.00

**SUPPLEMENTAL EXHIBITS**  
**SEWER UTILITY OPERATING FUND**

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY OPERATING FUND**  
**Statement of Sewer Utility Cash**  
**For The Year Ended December 31, 2014**

	<u>Operating</u>	<u>Sewer Collector</u>
Balance December 31, 2013	\$ 1,459,819.89	\$ 128,982.84
Increased by Receipts:		
Consumer Accounts Receivable		\$ 1,947,537.99
Overpayments		1,851.72
Penalties and Interest on Rents		20,689.77
Miscellaneous Revenue:		
Connection Fees		121,626.00
Miscellaneous	\$ 1,005.28	
Interest Earned on Deposits	1,823.49	25.79
EIT Credits	23,334.33	
Reimbursements	6,769.30	2,986.55
Sewer Clerk	2,132,395.30	
Due from Sewer Utility Capital Fund	89.14	
Due Sewer Utility Capital Fund	651.43	
	<u>2,166,068.27</u>	<u>2,094,717.82</u>
	3,625,888.16	2,223,700.66
Decreased by Disbursements:		
Disbursed to Sewer Utility Operating Fund		2,132,395.30
2014 Budget Appropriations	1,473,414.91	
2013 Appropriation Reserves	47,635.84	
Accrued Interest on Bonds and Notes	341,758.96	
	<u>1,862,809.71</u>	<u>2,132,395.30</u>
Total Cash Disbursements	<u>1,862,809.71</u>	<u>2,132,395.30</u>
Balance December 31, 2014	<u><u>\$ 1,763,078.45</u></u>	<u><u>\$ 91,305.36</u></u>

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY OPERATING FUND**  
Statement of Consumer Accounts Receivable  
For The Year Ended December 31, 2014

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Balance December 31, 2013		\$ 646,404.84
Increased by:		
Sewer Rents Levied - Net of Adjustments		1,983,090.86
		2,629,495.70
Decreased by:		
Collections	\$ 1,947,537.99	
Overpaid Sewer Rents Applied	1,555.10	
		1,949,093.09
Balance December 31, 2014		\$ 680,402.61

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY OPERATING FUND**  
**Statement of 2013 Appropriation Reserves**  
**For The Year Ended December 31, 2014**

	<u>Balance December 31, 2013</u>			<u>Lapsed to</u>
	<u>Appropriation</u>	<u>Encumbrances</u>	<u>Paid or</u>	<u>Fund</u>
	<u>Reserves</u>	<u>Payable</u>	<u>Charged</u>	<u>Balance</u>
Operating:				
Salaries and Wages	\$ 7,719.84			\$ 7,719.84
Other Expenses	144,900.04	\$ 130.44	\$ 47,635.84	97,394.64
Capital Outlay	50,000.00			50,000.00
Statutory Expenditures:				
Social Security System (O.A.S.I)	4,301.44			4,301.44
	\$ 206,921.32	\$ 130.44	\$ 47,635.84	\$ 159,415.92
Cash Disbursements			\$ 47,635.84	

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY OPERATING FUND**  
Statement of Accrued Interest on Bonds and Notes and Analysis of Balance  
For The Year Ended December 31, 2014

Balance December 31, 2013		\$ 134,995.00
Increased by:		
Budget Appropriation for:		
Interest on Bonds	\$ 323,197.00	
Interest on Notes	<u>27,905.96</u>	
		<u>351,102.96</u>
		486,097.96
Decreased by:		
Cash Disbursements		<u>341,758.96</u>
Balance December 31, 2014		<u><u>\$ 144,339.00</u></u>

Analysis of Accrued Interest - December 31, 2014

<u>Issue</u>	<u>Principal Outstanding Dec. 31, 2014</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
Sewer Serial Bonds	\$ 145,000.00	Various	08/01/14	12/31/14	153 Days	\$ 17,323.00
Sewer Serial Bonds	4,884,000.00	Various	08/01/14	12/31/14	153 Days	71,227.00
Sewer Serial Bonds	810,000.00	Various	08/01/14	12/31/14	153 Days	12,896.00
Sewer Serial Loans	50,000.00	Various	08/01/14	12/31/14	153 Days	1,046.00
Sewer Serial Loans	1,110,000.00	Various	08/01/14	12/31/14	153 Days	23,029.00
Sewer Serial Loans	730,000.00	Various	08/01/14	12/31/14	153 Days	13,806.00
Sewer Bond Anticipation Notes	3,810,532.00	1.00%	11/14/14	12/31/14	48 Days	<u>5,012.00</u>
						<u><u>\$ 144,339.00</u></u>

**TOWNSHIP OF HARRISON**  
SEWER UTILITY OPERATING FUND  
Statement of Utility Overpayments  
For The Year Ended December 31, 2014

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Balance December 31, 2013	\$ 1,555.10
Increased by:	
Overpayments Received by Collector	<u>1,851.72</u>
	3,406.82
Decreased by:	
Overpayments Applied to Consumer Accounts Receivable	<u>1,555.10</u>
Balance December 31, 2014	<u><u>\$ 1,851.72</u></u>

**TOWNSHIP OF HARRISON**  
SEWER UTILITY OPERATING FUND  
Statement of Due From Current Fund  
For The Year Ended December 31, 2014

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Balance December 31, 2014 and 2013	<u>\$ 2,777.10</u>
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**SUPPLEMENTAL EXHIBITS**  
**SEWER UTILITY CAPITAL FUND**

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Sewer Capital Cash per N.J.S. 40A:5-5 -- Treasurer  
For the Year Ended December 31, 2014

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Balance December 31, 2013		\$ 921,576.60
Increased by Receipts:		
Bond Anticipation Notes	\$ 3,810,532.00	
Capital Improvement Fund	2,500.00	
Reserve for Payment of Debt - Premium on Bond Anticipation Notes	23,701.51	
Due Sewer Utility Operating Fund - Interest Earned on Deposits	165.16	
		3,836,898.67
		4,758,475.27
Decreased by Disbursements:		
Improvement Authorizations	246,826.86	
Bond Anticipation Notes	1,934,028.00	
Due from Sewer Utility Operating Fund	651.43	
Due Sewer Utility Operating Fund - Interest Earned on Deposits	165.16	
Due Sewer Utility Operating Fund	89.14	
		2,181,760.59
Balance December 31, 2014		\$ 2,576,714.68

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY CAPITAL FUND**  
 Analysis of Sewer Utility Capital Cash and Investments  
 For the Year Ended December 31, 2014

	Balance/ (Deficit) Dec. 31, 2013	Receipts		Disbursements			Transfers		Balance/ (Deficit) Dec. 31, 2014
		Bond Anticipaton Notes	Miscellaneous	Improvement Authorizations	Bond Anticipaton Notes	Miscellaneous	From	To	
Capital Improvement Fund	\$ 52,016.00		\$ 2,500.00						\$ 54,516.00
Due Sewer Utility Fund	89.14		165.16			\$ 905.73	\$ 4,696.14		(5,347.57)
Reserve for Developer Contribution	118,143.00								118,143.00
Reserve for Preliminary Expenditures	1,113.25								1,113.25
Reserve for Payment of Debt	67,935.83		23,701.51						91,637.34
Reserve for Encumbrances	54,877.27						54,877.27	\$ 15,249.98	15,249.98
Excess Note Cash								45,814.70	45,814.70
Fund Balance	213,265.48							2,035.50	215,300.98
Improvement Authorizations:									
Ordinance									
Number									
08-1997	Construction of Mechanical Sludge Press and Related Support Facilities	(4,696.14)						4,696.14	
27-2007	Acquisition of Various Pieces of Sewer Equipment and Construction of Various Sewer Improvements	96,555.83						5,546.00	102,101.83
32-2011	Acquisition and Construction of a Sludge Press		\$ 1,300,000.00			\$ 1,300,000.00			
54-2012	Acquisition and Construction of a Sludge Press	3,807.72		\$ 23,403.93			2,035.50	21,631.71	
10-2013	Completion of Various Capital Improvements and Acquisition of Capital Equipment for the Sewer	267,132.37	525,000.00	165,655.22	525,000.00		12,476.00	27,699.56	116,700.71
11-2013	Completion of Various Sewer Utility Improvements	51,336.85	109,028.00	5,522.15	109,028.00		45,814.70		
22-2014	Completion of Various Capital Improvements and Acquisition of Capital Equipment for the Sewer		1,876,504.00	52,245.56			2,773.98		1,821,484.46
		<u>\$ 921,576.60</u>	<u>\$ 3,810,532.00</u>	<u>\$ 246,826.86</u>	<u>\$ 1,934,028.00</u>	<u>\$ 905.73</u>	<u>\$ 122,673.59</u>	<u>\$ 122,673.59</u>	<u>\$ 2,576,714.68</u>

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Due to / (from) Sewer Utility Operating Fund  
For the Year Ended December 31, 2014

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Balance December 31, 2013		\$	89.14
Increased by:			
Interest Earned on Deposits			165.16
			254.30
Decreased by:			
Disbursed to Sewer Utility Operation Fund:			
Due Sewer Utility Operating Fund - Interest Earned on Deposits	\$	165.16	
Due Sewer Utility Operating Fund		89.14	
Due from Sewer Utility Operating Fund		651.43	
Due from Sewer Utility Operating Fund:			
2014 Budget Appropriation		4,696.14	
			5,601.87
Balance December 31, 2014		\$	(5,347.57)

## Exhibit SE-4

**SEWER UTILITY CAPITAL FUND**  
Statement of Capital Improvement Fund  
For the Year Ended December 31, 2014

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Balance December 31, 2013		\$	52,016.00
Increased by:			
2014 Budget Appropriation			2,500.00
Balance December 31, 2014		\$	54,516.00

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY CAPITAL FUND**  
 Statement of Fixed Capital  
 For the Year Ended December 31, 2014

<u>Account</u>	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Additions by</u> <u>Ordinance</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
Sanitation Sewer	\$ 6,036,054.83		\$ 6,036,054.83
Sanitation Sewer Station Extension	198,216.96		198,216.96
General Equipment	454,585.24		454,585.24
Sludge Press	1,889,530.70	\$ 101,359.91	1,990,890.61
Auto Phone System	46,584.00		46,584.00
Preliminary Design Plant	300,000.00		300,000.00
Infiltration and Inflow Study	92,520.00		92,520.00
Sewer Equipment and Improvements	1,182,962.96	39,817.89	1,222,780.85
Pump Stations	2,857,648.24		2,857,648.24
	<u>\$ 13,058,102.93</u>	<u>\$ 141,177.80</u>	<u>\$ 13,199,280.73</u>

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY CAPITAL FUND**  
 Statement of Fixed Capital Authorized and Uncompleted  
 For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2013	2014 Authorizations	Costs to Fixed Capital	Authorization Canceled	Balance Dec. 31, 2014
		Date	Amount					
27-2007	Acquisition of Various Pieces of Sewer Equipment and Construction of Various Sewer Improvements	07/02/07	\$3,821,116.00	\$ 3,821,166.00				\$ 3,821,166.00
54-2012	Acquisition and Construction of a Sludge Press	12/27/12	80,000.00	80,000.00		\$ 77,964.50	\$ 2,035.50	
10-2013	Completion of Various Capital Improvements and Acquisition of Capital Equipment for the Sewer Utility			525,000.00				525,000.00
11-2013	Completion of Various Sewer Utility Improvements			109,028.00		63,213.30	45,814.70	
22-2014	Completion of Various Capital Improvements and Acquisition of Capital Equipment for the Sewer Utility				\$ 2,050,000.00			2,050,000.00
				<u>\$ 4,535,194.00</u>	<u>\$ 2,050,000.00</u>	<u>\$ 141,177.80</u>	<u>\$ 47,850.20</u>	<u>\$ 6,396,166.00</u>
					Completed Authorization Costs to Fixed Capital	<u>\$ 141,177.80</u>		

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY CAPITAL FUND**  
 Statement of Improvement Authorizations  
 For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Date	Ordinance		Balance December 31, 2013		2014 Authorizations	Liquidation of Prior Year Encumbrances	Paid or Charged	Canceled by Resolution	Balance December 31, 2014		
			Amount		Funded	Unfunded					Funded	Unfunded	
27-2007	Acquisition of Various Pieces of Sewer Equipment and Construction of Various Sewer Improvements	07/02/07	\$ 3,821,116.00		\$ 96,555.83			\$ 5,546.00			\$ 102,101.83		
54-2012	Acquisition and Construction of a Sludge Press	12/27/12	80,000.00		3,807.72			21,631.71	\$ 23,403.93	\$ 2,035.50			
10-2013	Completion of Various Capital Improvements and Acquisition of Capital Equipment for the Sewer Utility	04/01/13	525,000.00			\$ 267,132.37		27,699.56	178,131.22			\$ 116,700.71	
11-2013	Completion of Various Sewer Utility Improvements	04/01/13	109,028.00			51,336.85			5,522.15	45,814.70			
22-2014	Completion of Various Capital Improvements and Acquisition of Capital Equipment for the Sewer Utility	08/04/14	2,050,000.00				\$ 2,050,000.00		55,019.54			1,994,980.46	
			<u>\$ 100,363.55</u>	<u>\$ 318,469.22</u>	<u>\$ 2,050,000.00</u>	<u>\$ 54,877.27</u>	<u>\$ 262,076.84</u>	<u>\$ 47,850.20</u>	<u>\$ 102,101.83</u>	<u>\$ 2,111,681.17</u>			
Fixed Capital Authorized and Uncompleted							\$ 2,050,000.00			\$ 45,814.70			
Fund Balance											2,035.50		
Cash Disbursed									\$ 246,826.86				
Encumbrances Payable									15,249.98				
							<u>\$ 2,050,000.00</u>		<u>\$ 262,076.84</u>	<u>\$ 47,850.20</u>			

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY CAPITAL FUND**  
**Statement of Sewer Serial Bonds**  
**For the Year Ended December 31, 2014**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2013</u>	<u>Issued</u>	<u>Refunded</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2014</u>
			<u>Date</u>	<u>Amount</u>						
General Obligation Bonds, Series 2006	08/01/06	\$ 1,475,000.00	08/01/15	\$ 70,000.00	4.250%	\$ 1,045,000.00		\$ 830,000.00	\$ 70,000.00	\$ 145,000.00
			08/01/16	75,000.00	4.250%					
General Obligation Bonds, Series 2010	08/18/10	5,014,000.00	08/01/15	45,000.00	2.000%					
			08/01/16	50,000.00	2.000%					
			08/01/17	55,000.00	2.250%					
			08/01/18	70,000.00	2.500%					
			08/01/19	80,000.00	3.000%					
			08/01/20	95,000.00	3.000%					
			08/01/21	110,000.00	3.000%					
			08/01/22	120,000.00	3.000%					
			08/01/23	200,000.00	3.000%					
			08/01/24	270,000.00	3.000%					
			08/01/25	280,000.00	3.125%					
			08/01/26	290,000.00	3.250%					
			08/01/27	305,000.00	3.375%					
			08/01/28	315,000.00	3.375%					
			08/01/29	330,000.00	3.500%					
			08/01/30	340,000.00	3.625%					
			08/01/31	355,000.00	3.750%					
			08/01/32	370,000.00	4.000%					
			08/01/33	385,000.00	4.000%					
08/01/34	400,000.00	4.000%								
08/01/35	419,000.00	4.000%								
						4,924,000.00			40,000.00	4,884,000.00
General Obligation Refunding Bonds, Series 2014	08/05/14	4,810,000.00	08/01/2017-18	80,000.00	4.000%					
			08/01/19	85,000.00	3.000%					
			08/01/20	85,000.00	4.000%					
			08/01/2021-22	90,000.00	4.000%					
			08/01/23	95,000.00	4.000%					
			08/01/24	100,000.00	4.000%					
			08/01/25	105,000.00	4.000%					
						\$ 810,000.00				810,000.00
						<u>\$ 5,969,000.00</u>	<u>\$ 810,000.00</u>	<u>\$ 830,000.00</u>	<u>\$ 110,000.00</u>	<u>\$ 5,839,000.00</u>

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY CAPITAL FUND**  
**Statement of Sewer Loans Payable**  
**For the Year Ended December 31, 2014**

<u>Purpose</u>	<u>Series</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2013</u>	<u>Paid by Budget Appropriation</u>	<u>Prior Year Adjustment</u>	<u>Balance Dec. 31, 2014</u>
(1) Improvements to Sanitary Sewer System	1997A	08/01/97	08/01/17	4.00%-5.00%	\$ 52,417.00	\$ 15,000.00	\$ 12,583.00	\$ 50,000.00
(1) Improvements to Sanitary Sewer System	1997B	08/01/97	08/01/17	None	34,654.62	11,443.13		23,211.49
(1) Construction of Wastewater Treatment Plant	2002A	10/15/02	08/01/22	3.00%-5.25%	1,220,000.00	110,000.00		1,110,000.00
(1) Construction of Wastewater Treatment Plant	2002A	10/15/02	08/01/22	None	882,702.42	97,804.53		784,897.89
(1) Upgrade and Rehabilitation of Pump Stations No.'s 1,2,4 and 7	2003A	11/01/03	08/01/23	3.00%-5.00%	795,000.00	65,000.00		730,000.00
(1) Upgrade and Rehabilitation of Pump Stations No.'s 1,2,4 and 7	2003A	11/01/03	08/01/23	None	614,307.39	61,565.27		552,742.12
					<u>\$ 3,599,081.43</u>	<u>\$ 360,812.93</u>	<u>\$ 12,583.00</u>	<u>\$ 3,250,851.50</u>

(1) Environmental Infrastructure Trust Financing Program--State of New Jersey

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Sewer Capital Bond Anticipation Notes  
For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Date of Original Issue	Amount of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2013	Increased	Decreased	Balance Dec. 31, 2014
32-2011	Acquisition and Construction of a Sludge Press	12/28/12	\$ 1,300,000.00	11/18/13 11/14/14	11/17/14 11/13/15	1.25% 1.00%	\$ 1,300,000.00	\$ 1,300,000.00	\$ 1,300,000.00	\$ 1,300,000.00
10-2013	Completion of Various Capital Improvements and Acquisition of Capital Equipment for the Sewer Utility	05/09/13	525,000.00	11/18/13 11/14/14	11/17/14 11/13/15	1.25% 1.00%	525,000.00	525,000.00	525,000.00	525,000.00
11-2013	Completion of Various Sewer Utility Improvements	05/09/13	109,028.00	11/18/13 11/14/14	11/17/14 11/13/15	1.25% 1.00%	109,028.00	109,028.00	109,028.00	109,028.00
22-2014	Completion of Various Sewer Utility Improvements Acquisition of Capital Equipment for the Sewer Utility	11/14/14	1,876,504.00	11/14/14	11/13/15	1.00%		1,876,504.00		1,876,504.00
							<u>\$ 1,934,028.00</u>	<u>\$ 3,810,532.00</u>	<u>\$ 1,934,028.00</u>	<u>\$ 3,810,532.00</u>
								Renewed Issued	\$ 1,934,028.00 1,876,504.00	\$ 1,934,028.00
								<u>\$ 3,810,532.00</u>	<u>\$ 1,934,028.00</u>	

**TOWNSHIP OF HARRISON**  
**SEWER UTILITY CAPITAL FUND**  
 Statement of Bonds and Notes Authorized but Not Issued  
 For the Year Ended December 31, 2014

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2013</u>	<u>2014 Authorizations</u>	<u>Notes Issued</u>	<u>Balance Dec. 31, 2014</u>
22-2014	Completion of Various Sewer Utility Improvements Acquisition of Capital Equipment for the Sewer Utility		\$ 2,050,000.00	\$ 1,876,504.00	\$ 173,496.00
		\$ -	\$ 2,050,000.00	\$ 1,876,504.00	\$ 173,496.00

**TOWNSHIP OF HARRISON**  
SEWER UTILITY CAPITAL FUND  
Statement of Deferred Reserve for Amortization  
For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Balance Dec. 31, 2013	To Reserve For Amortization of Fixed Capital	Balance Dec. 31, 2014
10-1999 / 16-2000	Upgrade and Rehabilitation of Pump Station No. 2, 4 and 7, as Amended	\$ 80,000.00	\$ 80,000.00	\$ -

## Exhibit SE-13

SEWER UTILITY CAPITAL FUND  
Statement of Reserve for Amortization  
For the Year Ended December 31, 2014

Balance December 31, 2013		\$ 6,006,491.36
Increased by:		
Serial Bonds Paid by Sewer Utility Operating Fund	\$ 110,000.00	
Sewer Loans Paid by Sewer Utility Operating Fund	360,812.93	
Serial Bonds Paid by Refunding Bonds	20,000.00	
Cash Deficit Paid by Sewer Utility Operating Fund	4,696.14	
Transferred from Deferred Reserve for Amortization	<u>80,000.00</u>	<u>575,509.07</u>
		6,582,000.43
Decreased by:		
Cancellation of Funded Improvement Authorization	2,035.50	
Sewer Loans Payable Adjustment	<u>12,583.00</u>	<u>14,618.50</u>
Balance December 31, 2014		<u>\$ 6,567,381.93</u>

**TOWNSHIP OF HARRISON**  
**PART 2**  
**SINGLE AUDIT**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Township Committee  
Township of Harrison  
Mullica Hill, New Jersey 08062

***Report on Compliance for Each Major Federal Program***

We have audited the Township of Harrison's, in the County of Gloucester, State of New Jersey, compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of the Township's major federal programs for the year ended December 31, 2014. The Township's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Township's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Township's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Township's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the Township of Harrison complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for fiscal year ended December 31, 2014.

**Report on Internal Control Over Compliance**

Management of Township of Harrison is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Township's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township of Harrison's internal control over compliance.

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

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

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

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Henry J. Ludwigsen  
Certified Public Accountant  
Registered Municipal Accountant

Woodbury, New Jersey  
October 27, 2015

**TOWNSHIP OF HARRISON**  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended December 31, 2014

Federal Grantor/ Pass-through Grantor/ Program Title	Federal C.F.D.A. Number	Program or Award Amount	Grant Period		Balance Dec. 31, 2013	Receipts or Revenue Recognized	Disbursed/ Expended	Balance Dec. 31, 2014	(Memo Only)	
			From	To					Cash Received	Accumulated Expenditures
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>										
Passed through State of NJ Department of Transportation										
Reconstruction of Colson Lane and Union Road	20.205	\$ 35,000.00	Project Completion		\$ 4,990.24			\$ 4,990.24	\$ 35,000.00	\$ 30,009.76
Reconstruction of Union Road	20.205	150,000.00	Project Completion		2,208.37			2,208.37	147,791.63	147,791.63
Reconstruction of Union Road Phase II	20.205	160,000.00	Project Completion		42,730.56			42,730.56	105,509.43	117,269.44
Reconstruction of Bishop Road	20.205	144,000.00	Project Completion		24,271.39			24,271.39	100,377.84	119,728.61
Reconstruction of Bishop Road Phase II	20.205	175,000.00	Project Completion		24,712.52			24,712.52	145,538.98	150,287.48
Reconstruction of Bishop Road Phase III	20.205	200,000.00	Project Completion		43,822.83			43,822.83	132,680.57	156,177.17
Reconstruction of Bishop Road Phase IV	20.205	175,000.00	Project Completion		50,276.89			50,276.89	114,116.17	124,723.11
					193,012.80	-	-	193,012.80	781,014.62	845,987.20
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>										
Passed through State of NJ Department of Law and Public Safety										
Local Domestic Preparedness Equipment Grant	97.004	25,260.00	N/A		332.00			332.00	20,709.00	24,928.00
<b>U.S. DEPARTMENT OF JUSTICE</b>										
Passed through State of NJ Department of Law and Public Safety										
Bulletproof Vest Partnership Grant	16.607	3,510.00	N/A		1,266.98			1,266.98	2,724.50	2,243.02
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>										
Pass through State of NJ Environment Protection Agency										
Municipal Stormwater Regulation	66.463	21,170.00	N/A		14,852.22			14,852.22	16,936.00	6,317.78
Total Current Fund					209,464.00	-	-	209,464.00	821,384.12	879,476.00
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>										
Passed through State of NJ Department of Transportation										
Reconstruction of Heilig Road	20.205	175,000.00	Project Completion			\$ 175,000.00	\$ 164,648.51	10,351.49	127,331.19	164,648.51
Installation of Pedestrian Tunnel at Breakneck Road	20.205	500,000.00	Project Completion		350,000.00	150,000.00	500,000.00	-	347,195.40	500,000.00
Total General Capital Fund					350,000.00	325,000.00	664,648.51	10,351.49	474,526.59	664,648.51
<b>Total Federal Awards</b>					<b>\$ 559,464.00</b>	<b>\$ 325,000.00</b>	<b>\$ 664,648.51</b>	<b>\$ 219,815.49</b>	<b>\$ 1,295,910.71</b>	<b>\$ 1,544,124.51</b>
Analysis of Balance December 31, 2014										
Current Fund Reserve for Federal and State Grants Appropriated (Exhibit SA-21)								\$ 209,464.00		
General Capital Improvement Authorizations (Exhibit SC-8)								10,351.49		
								<b>\$ 219,815.49</b>		

The accompanying Notes to Financial Statements and Notes to Schedule of Federal Awards are an integral part of this schedule.

**TOWNSHIP OF HARRISON**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2014**

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Note 1: **GENERAL**

The accompanying schedule of expenditures of federal awards present the activity of all federal awards of the Township of Harrison, County of Gloucester, State of New Jersey. The Township is defined in the Notes to the Financial Statements, Note 1.

Note 2: **BASIS OF ACCOUNTING**

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, which is described in the Notes to the Financial Statements, Note 1.

Note 3: **RELATIONSHIP TO FINANCIAL STATEMENTS**

Amounts reported in the accompanying schedule agree with amounts reported in the Township's financial statements. Expenditures from awards are reported in the Township's financial statements as follows:

<b><u>Fund</u></b>	<b><u>Federal</u></b>
Current Fund	\$0.00
General Capital Fund	<u>664,648.51</u>
	<u>\$664,648.51</u>

Note 4: **MAJOR PROGRAMS**

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

**TOWNSHIP OF HARRISON**  
**PART 3**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

**HARRISON TOWNSHIP**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2014**

**Section 1- Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified?      yes   X   no

Significant deficiency(ies) identified?   X   yes      none reported

Noncompliance material to financial statements noted?      yes   X   no

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?      yes   X   no

Significant deficiency(ies) identified?      yes   X   none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?      yes   X   no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.205	DOT Highway Planning and Construction Program

Dollar threshold used to determine Type A programs \$ 300,000.00

Auditee qualified as low-risk auditee?      yes   X   no

**HARRISON TOWNSHIP**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2014**

**Section 1- Summary of Auditor's Results (Cont'd)**

**State Financial Assistance**

**Not Applicable**

Internal control over major programs:

Material weakness(es) identified? \_\_\_ yes \_\_\_ no

Significant deficiency(ies) identified? \_\_\_ yes \_\_\_ none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 or New Jersey Circular 15-08-OMB? \_\_\_ yes \_\_\_ no

Identification of major programs:

**GMIS Number(s)**

**Name of State Program**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dollar threshold used to determine Type A programs \$ \_\_\_\_\_

Auditee qualified as low-risk auditee? \_\_\_ yes \_\_\_ no

**TOWNSHIP OF HARRISON**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2014**

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***Section 2- Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Finding No. 2014-001**

**Criteria or Specific Requirement**

A sound framework of internal control is necessary to afford a reasonable basis for the Chief Financial Officer to assert that the information they provide can be relied upon. This requires that a complete and reasonably accurate general ledger be maintained for each fund to ensure adequate control over the preparation of financial statements including related disclosures.

**Condition**

The general ledger required numerous adjusting entries in order to achieve proper presentation of the financial statements.

**Context**

The general ledger required numerous adjusting entries in order to achieve proper presentation of the financial statements.

**Effect**

Without a properly maintained general ledger system, the immediate and current identification of assets, liabilities, revenues, expenditures and fund balance cannot be achieved.

**Cause**

Procedures have not been designed to reconcile all of various subsidiary records with control accounts maintained in the general ledger system on a periodic basis. This is due in part to time constraints imposed upon the Chief Financial Officer which prevented the reconciliation of interfunds and the recording of all necessary closing entries.

**Recommendation**

That the general ledger for all funds be accurately and completely maintained by the Chief Financial Officer in order to ensure adequate control over the preparation of financial statements including the related disclosures.

**View of Responsible Officials and Planned Corrective Action**

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

**TOWNSHIP OF HARRISON**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2014**

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***Section 3- Schedule of Federal Award Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by OMB Circular A-133.

**None**

**TOWNSHIP OF HARRISON**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2014**

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***Section 4- Schedule of State Financial Assistance Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by OMB Circular A-133 and State of New Jersey Circular 15-08-OMB.

**Not Applicable**

**HARRISON TOWNSHIP**  
**Summary Schedule of Prior Year Audit Findings**  
**And Questioned Costs as Prepared by Management**

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This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 15-08-OMB.

**FINANCIAL STATEMENT FINDINGS**

**Finding No. 2013-001**

**Condition**

The general ledger required numerous adjusting entries in order to achieve proper presentation of the financial statements.

**Current Status**

This condition remains as current year finding 2014-001.

**Planned Corrective Action**

The responsible officials will address the matter as part of their corrective action plan.

**TOWNSHIP OF HARRISON**  
 Officials in Office and Surety Bonds  
 For the Year Ended December 31, 2014

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Louis Manzo	Township Committee-Mayor	\$1,000,000(A)(B)
Dennis Clowney	Township Committee-Deputy Mayor	\$1,000,000(A)(B)
Donald Heim	Township Committee	\$1,000,000(A)(B)
Robert Shearer	Township Committee	\$1,000,000(A)(B)
Matthew Diggins	Township Committee	\$1,000,000(A)(B)
Mark Gravinese	Township Administrator	\$1,000,000(A)(B)
Dennis Chambers	Deputy Township Administrator	\$1,000,000(A)(B)
Diane Malloy	Township Clerk, Public Agency Compliance Officer, Municipal Improvement Search Clerk and Registrar of Vital Statistics	\$1,000,000(A)(B)
Daneen Fuss	Deputy Clerk and Deputy Registrar of Vital Statistics, Dog/Cat License Officer	\$1,000,000(A)(B)
Yvonne Bullock	Chief Financial Officer	\$1,000,000(A)(B)
D. Michelle Allen	Tax Collector and Sewer Utility Clerk	\$1,000,000(A)(B)
Maria Berkett	Tax Clerk and Assistant Sewer Utility Clerk	\$1,000,000(A)(B)
Thomas F. Mills	Chief of Police	\$1,000,000(A)(B)
Thomas North	Municipal Magistrate	\$1,000,000(A)(B)
Carla Rios	Municipal Court Administrator	\$1,000,000(A)(B)
Karen S. Crackovich	Deputy Municipal Court Administrator	\$1,000,000(A)(B)
Jeff Kier	Construction Code Official, Fire Sub-Code Official, and Building Sub-Code Official	\$1,000,000(A)(B)
Richard Falasco	Plumbing Sub-Code Official	\$1,000,000(A)(B)
John Leech	Housing Officer/Inspector	\$1,000,000(A)(B)
Suzanne Champion	Zoning/Health Officer	\$1,000,000(A)(B)
	Construction Control Person	\$1,000,000(A)(B)
Cyndi Quast	Planning Board Secretary	\$1,000,000(A)(B)
Charles Brown	Electrical Sub-Code Official	\$1,000,000(A)(B)
Frank Czeronka	Substitute Plumbing Inspector	\$1,000,000(A)(B)
Remington & Vernick	Township Engineer	
Brian Duffield	Township Solicitor	
Jerry Lonabaugh	Public Defender	

(A) Public Employee's blanket coverage through the Gloucester, Salem, Cumberland Counties Municipal Joint Insurance Fund has been in effect beginning January 1, 1995.

(B) Additional blanket coverage to \$1,000,000.00 through the Municipal Excess Liability Joint Insurance Fund.

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**APPRECIATION**

I express my appreciation for the assistance and courtesies rendered by the Township officials during the course of the audit.

Respectfully submitted,

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

A handwritten signature in black ink, appearing to read "Henry J. Ludwigsen". The signature is written in a cursive style with a prominent initial "H".

Henry J. Ludwigsen  
Certified Public Accountant  
Registered Municipal Accountant