

Report of Audit
on the
Financial Statements
of the
Township of Cranford
in the
County of Union
New Jersey
for the
Year Ended
December 31, 2014

TOWNSHIP OF CRANFORD

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TOWNSHIP OF CRANFORD

PART I

INDEPENDENT AUDITOR'S REPORT ON
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SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2014 AND 2013



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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Township Committee
Township of Cranford
County of Union
Cranford, New Jersey 07016

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Township of Cranford, as of December 31, 2014 and 2013, the related statement of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Township's regulatory 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 regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the regulatory 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 of Cranford'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 Township of Cranford'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 regulatory 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 regulatory financial statements, the regulatory financial statements are prepared by the Township of Cranford on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements 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 various individual funds and account group of the Township of Cranford as of December 31, 2014 and 2013, or the results of its operations and changes in fund balance for the years then ended of the revenues or expenditures for the year ended December 31, 2014.

Opinion on Regulatory Basis of Accounting

In our opinion, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets of the various individual funds and account group as of December 31, 2014 and 2013, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statement of revenues and expenditures and changes in fund balance for the year ended December 31, 2014 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Cranford's regulatory financial statements. The supplementary information and data and the schedules of expenditures of state financial assistance listed in the table of contents as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* are presented for purposes of additional analysis and are not a required part of the regulatory financial statements.

The supplemental information and schedules listed above and also listed in the table of contents are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the regulatory financial statements. Such information has been subjected to the auditing procedures applied in the audit of the regulatory financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory financial statements or to the regulatory financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed and data in the table of contents, schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the regulatory financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2015 on our consideration of the Township of Cranford's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Cranford's internal control over financial reporting and compliance.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 50

June 3, 2015

CURRENT FUND

TOWNSHIP OF CRANFORD

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2014</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>
<u>ASSETS</u>			
Cash	A-4	\$ 8,379,002.83	\$ 8,922,958.61
Cash - Change Fund	A-6	600.00	600.00
Due State of New Jersey - Chapter 20, P.L.1971	A-16	1,916.45	3,556.85
Grants Receivable	A-19	337,650.35	711,802.13
		<u>\$ 8,719,169.63</u>	<u>\$ 9,638,917.59</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-7	\$ 972,592.60	\$ 1,176,744.13
Tax Title Liens Receivable	A-8	16,576.11	8,865.45
Delinquent Sewer Taxes Receivable	A-32	120,266.76	128,564.71
Sewer Charge Liens Receivable	A-33	427.26	9.44
Property Acquired for Taxes - Assessed Valuation	A-26	3,765,400.00	3,765,400.00
Revenue Accounts Receivable	A-9	57,408.93	38,125.62
Interfunds Receivable	A-10	52,402.86	209,919.67
	A	<u>\$ 4,985,074.52</u>	<u>\$ 5,327,629.02</u>
Deferred Charges:			
Special Emergency Authorizations	A-12	\$ 160,000.00	\$ 240,000.00
Overexpenditure of Appropriations	A-12		14,036.34
Overexpenditure of Appropriation Reserves	A-12		8,572.68
		<u>\$ 160,000.00</u>	<u>\$ 262,609.02</u>
		<u>\$ 13,864,244.15</u>	<u>\$ 15,229,155.63</u>

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

TOWNSHIP OF CRANFORD

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2014</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Liabilities:			
Appropriation Reserves	A-3:A-13	\$ 1,368,982.54	\$ 1,004,937.82
Prepaid Taxes	A-17	449,925.25	236,524.55
Interfunds Payable	A-10	414,012.02	152,709.97
Encumbrances Payable	A-34	446,813.32	931,080.53
Accounts Payable	A-20	67,697.03	51,695.97
County Taxes Payable	A-14	98,519.83	65,454.96
Tax Overpayments	A-18	253.01	43,112.49
Sewer Overpayments	A-31	39.15	989.07
Emergency Note Payable	A-25	160,000.00	240,000.00
Tax Anticipation Note Payable	A-30		2,500,000.00
Reserve For:			
Grants - Unappropriated	A-23	43,862.80	5,998.63
Grants - Appropriated	A-24	398,553.33	383,022.67
DCA Fees	A-28	11,847.00	19,739.00
Sale of Municipal Assets	A-22	75,000.00	
Prepaid Sewer Taxes	A-29	1,042.20	41,321.82
Outside Liens	A-27	935.10	1,311.05
Maintenance of Free Public Library	A-21	5,173.78	1,441.32
Police Outside Overtime	A-35		105,675.56
Library	A-5	62,916.87	62,109.44
		\$ 3,605,573.23	\$ 5,847,124.85
Reserve for Receivables and Other Assets	A	4,985,074.52	5,327,629.02
Fund Balance	A-1	5,273,596.40	4,054,401.76
		\$ 13,864,244.15	\$ 15,229,155.63

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENTS OF OPERATIONS AND CHANGE
IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2014</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2013</u>
<u>REVENUE AND OTHER INCOME</u>			
Fund Balance Utilized	A-2	\$ 1,500,000.00	\$ 1,763,500.00
Miscellaneous Revenue Anticipated	A-2	10,311,651.31	10,212,823.56
Receipts from Delinquent Taxes	A-2	1,173,429.73	1,215,686.98
Receipts from Current Taxes	A-2	92,297,441.79	90,663,834.98
Non-Budget Revenue	A-2	489,783.11	402,258.24
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-13	780,389.19	924,692.30
Interfunds Returned		156,516.81	
Grants unappropriated canceled	A-23	5,998.63	
Tax Overpayments Canceled	A-18	18,766.30	
<u>Total Income</u>		<u>\$ 106,733,976.87</u>	<u>\$ 105,182,796.06</u>
<u>EXPENDITURES</u>			
Budget Appropriations:			
Operations Within "CAPS":			
Operating	A-3	\$ 22,638,514.38	\$ 21,532,234.00
Deferred Charges and Statutory Expenditures	A-3	2,736,716.82	2,915,480.00
Operations Excluded From "CAPS":			
Operating	A-3	3,853,048.98	4,635,498.78
Capital Improvements	A-3	300,000.00	100,000.00
Municipal Debt Service	A-3	3,769,355.09	3,734,745.83
Deferred Charges	A-3	80,000.00	433,500.00
County Taxes	A-14	19,731,341.91	19,795,165.39
County Share of Added Taxes	A-14	98,519.83	65,179.52
Local District School Tax	A-15	50,411,243.00	49,163,577.00
Special District Tax	A-11	178,734.00	169,209.00
Senior Citizens Deduction Adjustment	A-16	3,000.00	
Refund of Prior Year's Revenue	A-4	214,308.22	206,097.73
Interfunds Advanced			119,176.04
<u>Total Expenditures</u>		<u>\$ 104,014,782.23</u>	<u>\$ 102,869,863.29</u>
Excess in Revenue		\$ 2,719,194.64	\$ 2,312,932.77
Adjustments to Income Before Fund Balance:			
Expenditures Included above which are Deferred			
Charges to Budget of Succeeding Year			14,036.34
Statutory Excess to Fund Balance		\$ 2,719,194.64	\$ 2,326,969.11
<u>Fund Balance</u>			
Balance, January 1	A	4,054,401.76	3,490,932.65
		<u>\$ 6,773,596.40</u>	<u>\$ 5,817,901.76</u>
Decreased by:			
Utilization as Anticipated Revenue	A-1:A-2	1,500,000.00	1,763,500.00
Fund Balance, December 31	A	<u>\$ 5,273,596.40</u>	<u>\$ 4,054,401.76</u>

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	REF.	ANTICIPATED BUDGET	SPECIAL NJS 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	A-1	\$ 1,500,000.00		\$ 1,500,000.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-9	\$ 25,900.00		\$ 26,100.00	\$ 200.00
Other	A-2	4,000.00		13,670.75	9,670.75
Fees and Permits:					
Construction Code Official	A-2	1,000,000.00		1,291,014.00	291,014.00
Other	A-2	170,000.00		139,821.27	(30,178.73)
Fines:					
Municipal Court	A-9	371,000.00		419,905.72	48,905.72
Interest and Cost on Taxes	A-9	290,000.00		298,756.32	8,756.32
Parking Meters	A-9	750,000.00		748,888.97	(1,111.03)
Interest on Investments and Deposits	A-9	9,000.00		12,737.35	3,737.35
Energy Receipts Tax	A-9	2,900,712.00		2,900,712.00	
Conservation Center Fees	A-9	200,000.00		205,530.00	5,530.00
Ambulance Fees	A-9	295,000.00		316,248.69	21,248.69
Clean Communities Program	A-19		36,869.00	36,869.00	
Drunk Driving Enforcement Fund	A-19		59,507.12	59,507.12	
Click it or Ticket	A-19		4,000.00	4,000.00	
Federal Bulletproof Vest Program	A-19	1,287.83		1,287.83	
Drive Sober or Get Pulled Over	A-19		4,175.00	4,175.00	
Alcohol Education Rehabilitation Fund	A-19		3,603.89	3,603.89	
Body Armor Replacement Fund	A-19		4,548.86	4,548.86	
Union County Kids Trust Grant	A-19		85,000.00	85,000.00	
Municipal Alliance	A-19	29,100.00		29,100.00	
Cable TV Franchise Tax	A-9	310,000.00		327,209.36	17,209.36
Capital Fund Balance	A-9	300,000.00		300,000.00	
Borough Of Winfield Park Police Dispatch	A-9	21,088.00		21,622.32	534.32
Uniform Fire Safety Act	A-9	90,000.00		90,326.45	326.45
NJ Housing Finance Agency - P.I.L.O.T.	A-9	127,120.00		135,951.00	8,831.00
Cranford Lincoln Associates - P.I.L.O.T.	A-9	35,147.00		39,644.00	4,497.00
Library Cost Allocation	A-9	30,000.00		30,000.00	
Developer Debt	A-9	116,441.00		120,191.50	3,750.50
Hotel Tax	A-9	120,000.00		125,150.58	5,150.58
Sewer Flow Use Charge		2,300,000.00		2,449,440.44	149,440.44
Tax Sale Premiums	A-8	25,000.00		38,800.00	13,800.00
Cell Tower Lease	A-9	32,126.00		31,838.89	(287.11)
	A-1	\$ 9,552,921.83	\$ 197,703.87	\$ 10,311,651.31	\$ 561,025.61
Receipts from Delinquent Taxes	A-1	\$ 1,050,000.00		\$ 1,173,429.73	\$ 123,429.73
Amount to be Raised by Taxation for Support of Municipal Budget:					
Local Tax for Municipal Purposes	A-2:A-7	\$ 21,526,422.38		\$ 22,284,508.95	\$ 758,086.57
Minimum Library Tax	A-2:A-7	1,253,094.10		1,253,094.10	
		22,779,516.48		23,537,603.05	758,086.57
<u>Budget Totals</u>		\$ 34,882,438.31	\$ 197,703.87	\$ 36,522,684.09	\$ 1,442,541.91
Non-Budget Revenue	A-1:A-2			489,783.11	489,783.11
		\$ 34,882,438.31	\$ 197,703.87	\$ 37,012,467.20	\$ 1,932,325.02
	REF.	A-3	A-3		

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

REF.

Allocation of Current Tax Collections:		
Revenue From Collections	A-1:A-7	\$ 92,297,441.79
Allocated to:		
School and County Taxes		70,241,104.74
Special District Taxes		178,734.00
		\$ 21,877,603.05
Add: Appropriation - "Reserve for Uncollected Taxes"	A-3	1,660,000.00
Amount for Support of Municipal Budget Appropriations	A-2	\$ 23,537,603.05
Licenses - Other:		
Clerk	A-9	\$ 4,060.00
Board of Health	A-9	9,610.75
	A-2	\$ 13,670.75
Fees and Permits - Other:		
Board of Health	A-9	\$ 25,236.92
Engineer	A-9	7,085.00
Police	A-9	40,831.35
Recreation	A-9	14,180.00
Board of Adjustment	A-9	34,101.00
Planning Board	A-9	4,456.00
Fire Department	A-9	13,321.00
Tax/Tax Assessor	A-9	610.00
	A-2	\$ 139,821.27
Uniform Construction Code Fees	A-9	\$ 1,291,474.00
Less: Refunds	A-4	460.00
		\$ 1,291,014.00
<u>Analysis of Non-Budget Revenues</u>		
Senior Citizen and Veterans Administration Fee		\$ 4,355.40
Reimbursement of Costs		48,360.21
Storm Reimbursements		155,497.67
Union County Utilities Authority Rebate		27,798.00
Miscellaneous		253,771.83
	A-2:A-4	\$ 489,783.11

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>UNEXPENDED</u>
	<u>BUDGET</u>	<u>BUDGET AFTER</u>	<u>PAID OR</u>	<u>RESERVED</u>	<u>BALANCE</u>
		<u>MODIFICATION</u>	<u>CHARGED</u>		<u>CANCELED</u>
<u>OPERATIONS WITHIN "CAPS"</u>					
<u>GENERAL GOVERNMENT</u>					
Administrative and Executive:					
Salaries and Wages	\$ 198,349.00	\$ 238,349.00	\$ 232,456.14	\$ 5,892.86	\$
Other Expenses	131,800.00	131,800.00	100,272.63	31,527.37	
Channel 35					
Salaries and Wages	50,000.00	57,000.00	54,796.23	2,203.77	
Other Expenses	14,000.00	14,000.00	9,593.12	4,406.88	
Elections:					
Other Expenses	17,500.00	17,500.00	16,005.10	1,494.90	
Township Committee:					
Salaries and Wages	13,244.00	13,844.00	13,685.25	158.75	
Other Expenses	27,500.00	27,500.00	18,789.01	8,710.99	
Township Clerk:					
Salaries and Wages	196,381.50	206,381.50	202,735.64	3,645.86	
Other Expenses	79,100.00	79,100.00	53,655.58	25,444.42	
Financial Administration:					
Salaries and Wages	274,656.22	274,656.22	260,152.08	14,504.14	
Other Expenses	110,000.00	120,000.00	102,672.98	17,327.02	
Audit	39,650.00	34,650.00	34,650.00		
Assessment of Taxes:					
Salaries and Wages	119,739.00	129,739.00	126,567.49	3,171.51	
Other Expenses	69,900.00	69,900.00	45,161.87	24,738.13	
Collection of Taxes:					
Salaries and Wages	147,954.72	157,954.72	155,568.69	2,386.03	
Other Expenses	27,676.00	28,676.00	28,135.80	540.20	
Legal Services and Costs:					
Other Expenses	500,000.00	626,000.00	600,125.23	25,874.77	
Public Defender:					
Salaries and Wages	4,000.00	4,000.00	1,333.32	2,666.68	
Insurance:					
General Liability	510,000.00	510,000.00	418,595.50	91,404.50	
Workers' Compensation	365,818.20	365,818.20	317,100.00	48,718.20	
Employee Group Health	4,283,600.00	4,283,600.00	4,077,115.81	206,484.19	
Group Insurance - Health Benefit Waiver	50,000.00	50,000.00	34,366.37	15,633.63	

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
GENERAL GOVERNMENT (CONTINUED)					
Engineering Services and Costs:					
Salaries and Wages	200,000.00	170,000.00	163,173.12	6,826.88	
Other Expenses	15,700.00	45,700.00	40,884.60	4,815.40	
Public Buildings and Grounds:					
Other Expenses	430,200.00	430,200.00	346,189.17	84,010.83	
Municipal Land Use Law - Planning Board (N.J.S. 40:55D-1):					
Salaries and Wages					
Other Expenses	16,000.00	16,000.00	12,603.53	3,396.47	
Zoning Board of Adjustment:					
Other Expenses	21,900.00	8,900.00	777.08	8,122.92	
ZONING/PLANNING BOARD OF ADJUSTMENT					
Salaries and Wages	116,090.00	125,090.00	124,311.45	778.55	
Other Expenses	5,100.00	5,100.00	3,525.49	1,574.51	
PUBLIC SAFETY					
Police:					
Salaries and Wages	5,558,298.86	5,578,298.86	5,468,197.34	110,101.52	
Other Expenses	227,800.00	247,719.00	245,027.37	2,691.63	
Fire:					
Salaries and Wages	3,113,161.27	3,113,161.27	2,981,064.95	132,096.32	
Other Expenses	462,200.00	462,200.00	433,758.15	28,441.85	
Uniform Fire Safety Act:					
Other Expenses	89,795.45	89,795.45	89,092.94	702.51	
Emergency Management Services:					
Salaries and Wages	120,000.00	120,000.00	103,731.64	16,268.36	
Other Expenses	33,500.00	33,500.00	26,631.14	6,868.86	
EMERGENCY MANAGEMENT					
Other Expenses	10,000.00	25,000.00	10,000.00	15,000.00	

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

			<u>EXPENDED</u>		<u>UNEXPENDED</u>
	<u>BUDGET</u>	<u>BUDGET AFTER</u>	<u>PAID OR</u>	<u>RESERVED</u>	<u>BALANCE</u>
		<u>MODIFICATION</u>	<u>CHARGED</u>		<u>CANCELED</u>
<u>STREETS AND ROADS</u>					
Road Repairs and Maintenance:					
Salaries and Wages	1,542,262.92	1,507,662.92	1,465,338.42	42,324.50	
Other Expenses	402,400.00	391,900.00	284,367.52	107,532.48	
Communications:					
Other Expenses	93,350.00	93,350.00	92,127.30	1,222.70	
Conservation Center:					
Salaries and Wages	32,500.00	32,500.00	26,202.05	6,297.95	
Other Expenses	169,500.00	169,500.00	159,200.42	10,299.58	
Recycling:					
Other Expenses	199,408.40	199,408.40	181,151.09	18,257.31	
<u>HEALTH AND WELFARE (BOARD OF HEALTH -</u>					
<u>LOCAL HEALTH AGENCY)</u>					
Board of Health:					
Salaries and Wages	82,588.00	92,588.00	91,920.49	667.51	
Other Expenses	85,950.00	88,450.00	86,870.95	1,579.05	
Environmental Commission					
Other Expenses	3,000.00	3,000.00	1,084.80	1,915.20	
Animal Control					
Other Expenses	55,272.00	55,272.00	28,290.00	26,982.00	
<u>RECREATION AND EDUCATION</u>					
Recreation:					
Salaries and Wages	182,415.00 \$	182,415.00	173,424.89	8,990.11	
Salaries and Wages - Youth Services	28,448.00	28,448.00	24,754.25	3,693.75	
Other Expenses	40,000.00	40,000.00	36,223.89	3,776.11	
Celebration of Public Events:					
Other Expenses	5,250.00	5,250.00	5,189.70	60.30	
Senior Citizens' Bus Transportation Program:					
Salaries and Wages	21,045.00	21,045.00	20,587.63	457.37	
Municipal Court:					
Salaries and Wages	191,809.02	201,809.02	199,747.11	2,061.91	
Other Expenses	17,045.00	17,045.00	14,319.88	2,725.12	

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>EXPENDED</u>		<u>UNEXPENDED BALANCE CANCELED</u>
			<u>PAID OR CHARGED</u>	<u>RESERVED</u>	
STATE UNIFORM CONSTRUCTION CODE (N.J.S.A. 52:270-120 ET. SEQ.)					
Construction Official:					
Salaries and Wages	450,584.00	467,584.00	463,429.75	4,154.25	
Other Expenses	24,460.00	24,460.00	15,977.38	8,482.62	
<u>UNCLASSIFIED:</u>					
Salary Adjustment	255,193.82	193.82		193.82	
<u>UTILITIES:</u>					
Motor Oils and Fuels:					
Other Expenses	235,500.00	235,500.00	200,471.21	35,028.79	
Street Lighting:					
Other Expenses	285,000.00	285,000.00	276,291.04	8,708.96	
Utilities - All	585,000.00	585,000.00	528,358.93	56,641.07	
<u>TOTAL OPERATIONS WITHIN "CAPS"</u>	<u>22,638,595.38</u>	<u>22,638,514.38</u>	<u>21,327,830.51</u>	<u>1,310,683.87</u>	
DEFERRED CHARGES AND STATUTORY EXPENDITURES-					
<u>MUNICIPAL WITHIN "CAPS"</u>					
Emergency Authorizations:					
Overexpenditure of Appropriation and Reserves	22,609.02	22,609.02	22,609.02		
Deficit in Animal Control	1.20	1.20	1.20		
Prior Years Bill:					
Robert Guertin	16,220.30	16,220.30	16,220.30		
John Pienciak	1,198.80	1,198.80	1,198.80		
James Washbourne	2,218.40	2,218.40	2,218.40		
Carol Abram	2,894.40	2,894.40	2,894.40		
Barbara Bitz	2,508.80	2,508.80	2,508.80		
Miyoko Cavalla	692.40	692.40	692.40		
Camille Colaneri	4,723.10	4,723.10	4,723.10		

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>EXPENDED</u>		<u>UNEXPENDED BALANCE CANCELED</u>
			<u>PAID OR CHARGED</u>	<u>RESERVED</u>	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES- MUNICIPAL WITHIN "CAPS"</u>					
Prior Years Bill (Continued):					
Janet Barton	10,502.00	10,502.00	10,502.00		
Ann Reagan	5,828.40	5,828.40	5,828.40		
Dorothy Tillman	10,992.00	10,992.00	10,992.00		
Pat Kopak	2,210.00	2,210.00	2,210.00		
Statutory Expenditures:					
Contribution to:					
Public Employee's Retirement System	435,603.00	435,603.00	435,603.00		
Social Security System	480,000.00	500,000.00	481,191.97	18,808.03	
Consolidated Police and Firemen's Pension Fund	20,000.00	81.00	80.86	0.14	
Police and Firemen's Retirement System	1,668,434.00	1,668,434.00	1,668,434.00		
Unemployment Insurance	50,000.00	50,000.00	50,000.00		
<u>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES-MUNICIPAL WITHIN "CAPS"</u>	<u>2,736,635.82</u>	<u>2,736,716.82</u>	<u>2,717,908.65</u>	<u>18,808.17</u>	
<u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</u>	<u>\$ 25,375,231.20</u>	<u>\$ 25,375,231.20</u>	<u>\$ 24,045,739.16</u>	<u>\$ 1,329,492.04</u>	<u>\$</u>
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>					
Rahway Valley Sewerage Authority:					
Operating Expenses	991,555.35	991,555.35	991,041.61	513.74	
Debt Service Requirements	952,670.83	952,670.83	952,670.83		
Maintenance Free Public Library	1,253,094.10	1,253,094.10	1,238,659.79	14,434.31	
Communications - 911:					
Salaries and Wages	355,224.00	355,224.00	330,681.55	24,542.45	
LOSAP	44,050.00	44,050.00	44,050.00		
Police Dispatch:					
Salaries and Wages	21,088.00	21,088.00	21,088.00		

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

			EXPENDED		UNEXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED
<u>PUBLIC AND PRIVATE PROGRAMS OFF-SET BY REVENUES</u>					
Clean Communities Program (40A:4-87 + \$36,869.00)		36,869.00	36,869.00		
Municipal Alcohol Education/Rehabilitation Program (40A:4-87 + \$3,603.89)		3,603.89	3,603.89		
UC Kids Trust Program (40A:4-87 + \$50,000.00)		50,000.00	50,000.00		
UC Kids Trust Grant 2011 Game Room (40A:4-87 + \$50,000.00)		35,000.00	35,000.00		
Federal Bulletproof Partnership	1,287.83	1,287.83	1,287.83		
Drive Sober or Get Pulled Over (40A:4-87 + \$4,175.00)		4,175.00	4,175.00		
Drunk Driving Enforcement Fund (40A:4-87 + \$59,507.12)		59,507.12	59,507.12		
Click It Or Ticket (40A:4-87 + \$4,000.00)		4,000.00	4,000.00		
Municipal Alliance	29,100.00	29,100.00	29,100.00		
Municipal Alliance - Match	7,275.00	7,275.00	7,275.00		
State Body Armor Replacement Program (40A:4-87 + \$4,548.86)		4,548.86	4,548.86		
<u>TOTAL OPERATIONS EXCLUDED FROM "CAPS"</u>	<u>3,655,345.11</u>	<u>3,853,048.98</u>	<u>3,813,558.48</u>	<u>39,490.50</u>	
Detail:					
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u>					
Capital Improvement Fund	300,000.00	300,000.00	300,000.00		
<u>TOTAL CAPITAL IMPROVEMENTS EXCLUDED FROM "CAPS"</u>	<u>300,000.00</u>	<u>300,000.00</u>	<u>300,000.00</u>		
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>					
Payment of Bond Principal	1,635,000.00	1,635,000.00	1,635,000.00		
Payment of Bond Anticipation Notes and Capital Notes	803,324.00	803,324.00	785,358.00		17,966.00
Interest on Bonds	697,941.00	697,941.00	697,940.17		0.83
Interest on Notes	124,000.00	124,000.00	113,824.02		10,175.98
Green Trust Loan Program:					
Loan Repayments for Principal and Interest	13,992.00	13,992.00	13,991.22		0.78
NJ Infrastructure Loan Program					
Loan Repayments for Principal and Interest	537,605.00	537,605.00	523,241.68		14,363.32
<u>TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>	<u>3,811,862.00</u>	<u>3,811,862.00</u>	<u>3,769,355.09</u>		<u>42,506.91</u>

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>UNEXPENDED</u>
	<u>BUDGET</u>	<u>BUDGET AFTER</u>	<u>PAID OR</u>	<u>RESERVED</u>	<u>BALANCE</u>
		<u>MODIFICATION</u>	<u>CHARGED</u>		<u>CANCELED</u>
<u>DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"</u>					
Special Emergency Authorizations N.J.S.A. 40A:4-55	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00		\$
<u>TOTAL DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"</u>	<u>80,000.00</u>	<u>80,000.00</u>	<u>80,000.00</u>		
<u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"</u>	<u>7,847,207.11</u>	<u>8,044,910.98</u>	<u>7,962,913.57</u>	<u>39,490.50</u>	<u>42,506.91</u>
SUB-TOTAL GENERAL APPROPRIATIONS	33,222,438.31	33,420,142.18	32,008,652.73	1,368,982.54	42,506.91
RESERVE FOR UNCOLLECTED TAXES	1,660,000.00	1,660,000.00	1,660,000.00		
<u>TOTAL GENERAL APPROPRIATIONS</u>	<u>\$ 34,882,438.31</u>	<u>\$ 35,080,142.18</u>	<u>\$ 33,668,652.73</u>	<u>\$ 1,368,982.54</u>	<u>\$ 42,506.91</u>
<u>REF.</u>	A-2		A-1	A:A-1	
Budget Appropriations	A-3	\$ 34,882,438.31			
Appropriation by 40A:4-87	A-2	197,703.87			
		<u>\$ 35,080,142.18</u>			
Encumbrances Payable	A-34		\$ 408,828.90		
Reserve for Uncollected Taxes	A-2		1,660,000.00		
Reserve for Grants-Appropriated	A-24		235,366.70		
Deferred Charges	A-12		102,609.02		
Cash Disbursements	A-4		31,947,258.88		
			<u>\$ 34,354,063.50</u>		
Less: Refunds	A-4		685,410.77		
			<u>\$ 33,668,652.73</u>		

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

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TRUST FUND

"B"

TOWNSHIP OF CRANFORD

TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2014</u>	<u>BALANCE DECEMBER 31, 2013</u>
<u>ASSETS</u>			
Assessment Trust Fund:			
Cash	B-2:B-4	\$ 2,131.24	\$ 69,285.88
Assessments Receivable	B-3		14,982.37
		<u>\$ 2,131.24</u>	<u>\$ 84,268.25</u>
Animal Control Fund:			
Cash	B-2	\$ 66,387.03	\$ 79,340.89
Deficit in Reserve for Expenditures	B-5		1.20
		<u>\$ 66,387.03</u>	<u>\$ 79,342.09</u>
Other Funds:			
Cash	B-2	\$ 3,858,182.86	\$ 2,720,487.00
Community Development Block Grants Receivable	B-7	54,947.57	67,470.07
Interfund Receivable	B-13	295,178.00	176,273.46
Municipal Alliance Receivable	B-1		13,990.45
Hanson Park	B-10		7,662.00
		<u>\$ 4,208,308.43</u>	<u>\$ 2,985,882.98</u>
		<u>\$ 4,276,826.70</u>	<u>\$ 3,149,493.32</u>
<u>LIABILITIES, RESERVES AND FUND BALANCES</u>			
Assessment Trust Fund:			
Overpayment of Assessments	B-18	\$	\$ 203.31
Interfunds Payable	B-6	2,131.24	84,064.94
		<u>\$ 2,131.24</u>	<u>\$ 84,268.25</u>
Animal Control Fund:			
Reserve for Expenditures	B-16	\$ 28,747.06	\$ 43,200.86
Due State of New Jersey	B-15	51.00	51.00
Interfunds Payable	B-19	37,588.97	36,090.23
		<u>\$ 66,387.03</u>	<u>\$ 79,342.09</u>
Other Funds:			
Interfunds Payable	B-13	\$ 503,865.94	\$ 503,865.94
Reserve for:			
Miscellaneous Reserves	B-12	1,743,290.38	1,431,192.16
Payroll Deductions Payable	B-11	133,766.59	9,428.33
Bonds and Notes	B-14	102.00	102.00
Escrow Deposits	B-17	1,602,810.53	836,937.15
District Management Corporation	B-9	101,664.17	70,778.90
Community Development Block Grant	B-8	122,808.82	133,578.50
		<u>\$ 4,208,308.43</u>	<u>\$ 2,985,882.98</u>
		<u>\$ 4,276,826.70</u>	<u>\$ 3,149,493.32</u>

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

GENERAL CAPITAL FUND

"C"

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2014</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2013</u>
<u>ASSETS</u>			
Cash	C-2	\$ 735,300.03	\$ 2,462,720.84
Deferred Charges to Future Taxation:			
Funded	C-5	20,543,434.81	22,602,890.89
Unfunded	C-6	22,375,425.10	17,745,463.35
Grants Receivable	C-7	2,061,999.01	2,913,539.95
Local Homeowners Receivable	C-13	1,045,503.00	1,045,503.00
Due From Cranford Board of Education	C-4	24,153.00	24,153.00
Due From State of NJ - Infrastructure Loan Receivable	C-18	638,342.00	1,376,432.00
Interfunds Receivable	C-15	718,128.39	659,758.00
		<u>\$ 48,142,285.34</u>	<u>\$ 48,830,461.03</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-10	\$ 15,000,000.00	\$ 16,635,000.00
Bond Anticipation Notes	C-9	16,024,773.00	14,347,727.00
Green Trust Loans Payable	C-12	154,065.36	164,813.78
NJ Infrastructure Loan Payable	C-16	5,389,369.45	5,803,077.11
Interfunds Payable	C-15		160,265.11
Reserve for:			
Miscellaneous	C-17	9,000.00	9,000.00
Improvement Authorizations:			
Funded	C-8	943,451.76	3,334,107.28
Unfunded	C-8	5,392,747.71	4,148,450.81
Contracts Payable	C-14	4,985,437.86	2,782,910.77
Capital Improvement Fund	C-11	43,870.00	30,870.00
Reserve for Building Insurance	C-20		1,003,760.00
Reserve for Debt Service	C-19	6,061.66	7,561.66
Fund Balance	C-1	193,508.54	402,917.51
		<u>\$ 48,142,285.34</u>	<u>\$ 48,830,461.03</u>

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

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>		
Balance, December 31, 2013	C	\$	402,917.51
Increased by:			
Premium on Sale of Notes	C-2		90,591.03
		\$	<u>493,508.54</u>
Decreased by:			
Payment to Current Fund as Anticipated Revenue	C-2		<u>300,000.00</u>
Balance, December 31, 2014	C	\$	<u><u>193,508.54</u></u>

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

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SWIM POOL UTILITY FUND

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2014</u>	<u>BALANCE DECEMBER 31, 2013</u>
Operating Fund:			
Cash	D-4	\$ 371,127.47	\$ 358,320.08
Cash - Change Fund	D-7	25.00	25.00
Interfunds Receivable	D-11	58.03	58.03
		<u>371,210.50</u>	<u>358,403.11</u>
<u>Total Operating Fund</u>		<u>\$ 371,210.50</u>	<u>\$ 358,403.11</u>
Capital Fund:			
Cash	D-4	\$ 54,177.10	\$ 54,440.03
Fixed Capital	D-10	5,297,928.34	5,297,928.34
Fixed Capital Authorized and Uncompleted	D-9	170,000.00	170,000.00
		<u>5,522,105.44</u>	<u>5,522,368.37</u>
<u>Total Capital Fund</u>		<u>\$ 5,522,105.44</u>	<u>\$ 5,522,368.37</u>
		<u>\$ 5,893,315.94</u>	<u>\$ 5,880,771.48</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3:D-12	\$ 185,400.62	\$ 139,556.09
Encumbrances Payable	D-13	13,850.56	45,059.48
Interfunds Payable	D-11	108,407.02	106,812.02
Accrued Interest on Notes	D-14	10,230.37	6,890.41
		<u>317,888.57</u>	<u>298,318.00</u>
Fund Balance	D-1	53,321.93	60,085.11
<u>Total Operating Fund</u>		<u>\$ 371,210.50</u>	<u>\$ 358,403.11</u>
Capital Fund:			
Bond Anticipation Notes	D-6	\$ 213,584.00	\$ 282,017.00
Improvement Authorizations:			
Unfunded	D-15	30,069.07	30,332.00
Capital Improvement Fund	D-16	24,050.00	24,050.00
Interfunds Payable	D-19	58.03	58.03
Reserve for Deferred Amortization	D-18	280,416.00	141,983.00
Reserve for Amortization	D-17	4,973,928.34	5,043,928.34
		<u>5,522,105.44</u>	<u>5,522,368.37</u>
<u>Total Capital Fund</u>		<u>\$ 5,522,105.44</u>	<u>\$ 5,522,368.37</u>
		<u>\$ 5,893,315.94</u>	<u>\$ 5,880,771.48</u>

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

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2014</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2013</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	D-1:D-2	\$ 60,000.00	\$ 65,285.00
Membership Fees	D-2	1,303,570.50	1,304,901.75
Miscellaneous	D-2	430,035.98	417,516.41
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-12	<u>119,877.34</u>	<u>90,215.78</u>
<u>TOTAL INCOME</u>		<u>\$ 1,913,483.82</u>	<u>\$ 1,877,918.94</u>
<u>EXPENDITURES</u>			
Budget and Emergency Appropriations:			
Operating	D-3	\$ 1,710,564.00	\$ 1,706,535.00
Municipal Debt Service	D-3	73,183.00	73,233.00
Deferred Charges and Statutory Expenditures	D-3	<u>76,500.00</u>	<u>74,500.00</u>
<u>TOTAL EXPENDITURES</u>		<u>\$ 1,860,247.00</u>	<u>\$ 1,854,268.00</u>
Excess in Revenue		\$ 53,236.82	\$ 23,650.94
<u>Fund Balance</u>			
Balance, January 1	D	<u>60,085.11</u>	<u>101,719.17</u>
		<u>\$ 113,321.93</u>	<u>\$ 125,370.11</u>
Decreased by:			
Utilization by Swim Pool Operating Budget	D-1:D-2	<u>\$ 60,000.00</u>	<u>\$ 65,285.00</u>
Balance, December 31	D	<u><u>\$ 53,321.93</u></u>	<u><u>\$ 60,085.11</u></u>

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

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>(DEFICIT)</u>
Fund Balance Anticipated	D-1	\$ 60,000.00	\$ 60,000.00	\$
Membership Fees	D-1:D-4	1,383,314.00	1,303,570.50	(79,743.50)
Miscellaneous	D-1:D-4	<u>417,000.00</u>	<u>430,035.98</u>	<u>13,035.98</u>
	D-3	\$ <u><u>1,860,314.00</u></u>	\$ <u><u>1,793,606.48</u></u>	\$ <u><u>(66,707.52)</u></u>

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

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
Operating:					
Salaries and Wages	\$ 977,064.00	\$ 977,064.00	\$ 935,018.43	\$ 42,045.57	
Other Expenses	<u>733,500.00</u>	<u>733,500.00</u>	<u>595,246.92</u>	<u>138,253.08</u>	
<u>Total Operating</u>	<u>\$ 1,710,564.00</u>	<u>\$ 1,710,564.00</u>	<u>\$ 1,530,265.35</u>	<u>\$ 180,298.65</u>	
Debt Service:					
Payment of Notes	\$ 68,500.00	\$ 68,500.00	\$ 68,433.00		\$ 67.00
Interest on Notes	<u>4,750.00</u>	<u>4,750.00</u>	<u>4,750.00</u>		
	<u>\$ 73,250.00</u>	<u>\$ 73,250.00</u>	<u>\$ 73,183.00</u>		<u>\$ 67.00</u>
Statutory Expenditures:					
Contributions to:					
Social Security System	\$ 76,500.00	\$ 76,500.00	\$ 71,398.03	\$ 5,101.97	
<u>Total Statutory Expenditures</u>	<u>\$ 76,500.00</u>	<u>\$ 76,500.00</u>	<u>\$ 71,398.03</u>	<u>\$ 5,101.97</u>	
	<u>\$ 1,860,314.00</u>	<u>\$ 1,860,314.00</u>	<u>\$ 1,674,846.38</u>	<u>\$ 185,400.62</u>	<u>\$ 67.00</u>
REF.	D-2		D-1	D:D-1	
Cash Disbursements	D-4		\$ 1,656,886.12		
Encumbrances Payable	D-13		13,850.56		
Accrued Interest on Notes	D-14		<u>4,750.00</u>		
			<u>1,675,486.68</u>		
Less: Refunds	D-3		<u>(640.30)</u>		
			<u>\$ 1,674,846.38</u>		

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

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GENERAL FIXED ASSETS ACCOUNT GROUP

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TOWNSHIP OF CRANFORD
GENERAL FIXED ASSET ACCOUNT GROUP
BALANCE SHEETS - REGULATORY BASIS

	BALANCE DECEMBER <u>31, 2014</u>	BALANCE DECEMBER <u>31, 2013</u>
General Fixed Assets:		
Land	\$ 38,904,500.00	\$ 38,982,900.00
Buildings	23,391,200.00	23,391,200.00
Machinery and Equipment	<u>9,985,992.00</u>	<u>8,874,520.00</u>
<u>TOTAL GENERAL FIXED ASSETS</u>	<u>\$ 72,281,692.00</u>	<u>\$ 71,248,620.00</u>
Investment in General Fixed Assets:	<u>\$ 72,281,692.00</u>	<u>\$ 71,248,620.00</u>
	<u>\$ 72,281,692.00</u>	<u>\$ 71,248,620.00</u>

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

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF CRANFORD

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2014 AND 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of Cranford is an instrumentality of the State of New Jersey, established to function as a municipality. The Township Committee consists of elected officials and is responsible for the fiscal control of the Township.

Except as noted below, the financial statements of the Township of Cranford include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of Cranford, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township of Cranford do not include the operations of the municipal library or the local school district, inasmuch as their activities are administered by separate boards.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes the presentation of basic financial statements into three fund types, the governmental, proprietary and fiduciary funds, as well as government-wide financial reporting that must be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

The accounting policies of the Township of Cranford conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Township of Cranford are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity. As required by the Division of Local Government Services, the Township accounts for its financial transactions through the following individual funds and account groups:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

Current Fund - resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Fund - receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

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

Swim Pool Utility Operating and Capital Funds - account for the operations and acquisition of capital facilities of the municipally owned Swim Pool Utility.

General Fixed Asset Account Group - utilized to account for property, land, buildings and equipment that has been acquired by other governmental funds.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local government units. The more significant accounting policies and differences in the State of New Jersey are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Federal and state grants are realized as revenues when anticipated in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township, which are susceptible to accrual, are also recorded as receivables with offsetting reserves and recorded as revenues when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Expenditures - are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances, at December 31st, are reported as a cash liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance.

Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital 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.

Encumbrances - Contractual orders, at December 31, are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - The proceeds from the sale of municipal assets can be held in a reserve until anticipated as revenue in a future budget. GAAP requires such proceeds to be recorded as revenue in the year of sale.

Interfunds - 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. GAAP does not require the establishment of an offsetting reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets - N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Township as part of its basic financial statements. General Fixed Assets are defined as nonexpendable personal and real property having a physical existence, a useful life of more than one year and an acquisition cost of \$5,000.00 or more per unit. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Asset Account Group rather than in a governmental fund. No depreciation has been provided on General Fixed Assets or reported in the financial statements.

The Township has developed a fixed assets accounting and reporting system based on an inspection and valuation prepared by an outside appraiser. Fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

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

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

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Capital - Swim Pool Utility

Accounting for utility fund "fixed capital" remains uncharged under the requirements of NJAC 5:30-5.6.

Property and equipment purchased by the Swim Pool Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized. The balances in 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, equipment and improvements. The utility does not record depreciation on fixed assets.

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be held in accordance with GAAP. The Township presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

The Township considers petty cash, change funds, cash in banks, and Certificates of Deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

The Township of Cranford had the following cash and cash equivalents at December 31, 2014:

<u>Fund Type</u>	<u>Bank Balance</u>	<u>Reconciling Items</u>		<u>Reconciled Balance</u>
		<u>Additions</u>	<u>Deletions</u>	
Current Fund	\$8,127,037.70	\$579,615.81	\$327,650.68	\$8,379,002.83
Assessment Trust Fund	2,186.15		54.91	2,131.24
Animal Control Trust Fund	75,653.63		9,266.60	66,387.03
Other Trust Fund	4,078,810.40	\$42,452.23	263,079.77	3,858,182.86
General Capital Fund	801,342.51		66,042.48	735,300.03
Swim Pool Utility:				
Operating	353,064.15	23,394.51	5,331.19	371,127.47
Capital	54,253.07		75.97	54,177.10
	<u>\$13,492,347.61</u>	<u>\$645,462.55</u>	<u>\$671,501.60</u>	<u>\$13,466,308.56</u>

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits (Continued)

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Township does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2014, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank, \$529,188.80 was covered by Federal Depository Insurance, \$12,963,158.81 was covered under the provisions of NJGUDPA.

B. Investments

The purchase of investments by the Township is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by Local Units;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

The Township of Cranford's investment activities during the year were in accordance with the above New Jersey Statute. As of December 31 2014, the Township had no investment in any securities as described above. Based upon the limitation set forth by New Jersey Statute 40A:5-15.1, the Township is generally not exposed to credit risky custodial risks, concentration of credit risks, and internal note risks for its investments nor is it exposed to foreign currency for its deposits and investments.

NOTE 3: MUNICIPAL TERM DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years of financed by the issuance of bonds. A summary of bond, loan and note transactions for the year ended December 31, 2014 are detailed on Exhibits "C-9," "C-10", "C-12", "C-16" and "D-6."

SUMMARY OF MUNICIPAL DEBT

	<u>YEAR 2014</u>	<u>YEAR 2013</u>	<u>YEAR 2012</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 36,568,207.81	\$ 36,950,617.89	\$ 35,192,763.62
Swim Pool Utility:			
Bonds and Notes	<u>213,584.00</u>	<u>282,017.00</u>	<u>345,900.00</u>
Net Debt Issued	<u>36,781,791.81</u>	<u>37,232,634.89</u>	<u>35,538,663.62</u>
Less: Reserve for Debt Service	6,061.66	7,561.66	549.50
Less: Cash on Hand to Pay Notes		107,089.64	
Less: Refunding Bonds (N.J.S.A 40A:2-52)		<u>1,094,600.00</u>	<u>1,589,800.00</u>
	<u>\$ 36,775,730.15</u>	<u>\$ 36,023,383.59</u>	<u>\$ 33,948,314.12</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	<u>6,350,652.10</u>	<u>3,504,825.99</u>	<u>6,470,567.58</u>
Total Authorized but not Issued	<u>6,350,652.10</u>	<u>3,504,825.99</u>	<u>6,470,567.58</u>
Net Bonds and Notes Issued and and Authorized but not issued	<u>\$ 43,126,382.25</u>	<u>\$ 39,528,209.58</u>	<u>\$ 40,418,881.70</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SUMMARY OF STATUTORY DEBT CONDITION
(ANNUAL DEBT STATEMENT)

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.121%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Local School District Debt	\$ 12,130,000.00	\$ 12,130,000.00	\$ -0-
Utility Debt	213,584.00		213,584.00
General Debt	<u>42,918,859.91</u>	<u>6,061.66</u>	<u>42,912,798.25</u>
	<u>\$ \$55,262,443.91</u>	<u>\$ \$12,136,061.66</u>	<u>\$ \$43,126,382.25</u>

NET DEBT \$43,126,382.25 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.A. 40A:2-2, AS AMENDED, \$3,846,190,387.30 EQUALS 1.121%.

BORROWING POWER UNDER N.J.S.A. 40A:2-6 AS AMENDED

Equalized Valuation Basis* - December 31, 2014	\$3,846,190,387.30
3-1/2 of Equalized Valuation Basis	134,616,663.56
Net Debt	<u>43,126,382.25</u>
Remaining Borrowing Power	<u>\$91,490,281.31</u>

*Equalized Valuation Basis is the average of the equalized valuation of real estate, including improvements, and the assessed valuation of Class II Railroad Property of the Township of Cranford for the last three (3) preceding years.

CALCULATION OF "SELF-LIQUIDATING PURPOSE"
SWIM POOL UTILITY PER N.J.S.A. 40A:2-45

Surplus Anticipated and Total Cash Receipts from Fees, Rents, or Other Charges for the Year	\$ 1,793,671.48
Deductions:	
Operating and Maintenance Cost	\$ 1,787,064.00
Debt Service	<u>73,250.00</u>
Total Deductions	<u>1,860,314.00</u>
(Deficit) in Revenue – not self-liquidating	<u>\$ (66,642.52)</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

General Serial Bonds:

	OUTSTANDING BALANCE DECEMBER <u>31, 2014</u>
\$10,000,000.00 in General Improvement Bonds dated December 15, 2005, due in remaining annual installments ranging between \$1,150,000.00 and \$1,300,000.00 beginning August 15, 2015 and ending August 15, 2018 with interest at 3.75%	\$4,925,000.00
\$5,497,000.00 in General Improvement Bonds dated August 15, 2006, due in remaining annual installments ranging between \$70,000.00 and \$437,000.00 beginning August 15, 2015 and ending August 15, 2037 with interest ranging between 4.30% and 4.35%	\$5,247,000.00
\$1,603,000.00 in General Improvement Bonds dated August 15, 2006, due in remaining annual installments ranging between \$30,000.00 and \$123,000.00 beginning August 15, 2015 and ending August 15, 2037 with interest ranging between 6.25% and 6.30%	\$1,493,000.00
\$3,885,000.00 in Refunding Bonds dated August 15, 2013, due in remaining annual installments ranging between \$560,000.00 and \$565,000.00 beginning August 15, 2015 and ending August 15, 2020 with interest ranging between 3.00% and 4.50%	<u>\$3,335,000.00</u>
	<u><u>\$15,000,000.00</u></u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST
FOR BONDED DEBT ISSUED AND OUTSTANDING DECEMBER 31, 2014

CALENDAR	GENERAL CAPITAL		
<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2015	\$1,810,000.00	\$633,391.00	\$2,443,391.00
2016	1,840,000.00	568,743.50	2,408,743.50
2017	1,970,000.00	502,878.50	2,472,878.50
2018	1,990,000.00	426,398.50	2,416,398.50
2019	690,000.00	348,961.00	1,038,961.00
2020-2024	1,540,000.00	1,405,922.50	2,945,922.50
2025-2029	1,505,000.00	1,096,607.50	2,601,607.50
2030-2034	2,070,000.00	685,547.50	2,755,547.50
2035-2037	1,585,000.00	154,330.50	1,739,330.50
	<u>\$15,000,000.00</u>	<u>\$5,822,780.50</u>	<u>\$20,822,780.50</u>

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND
INTEREST FOR GREEN LOAN TRUST PAYABLE DECEMBER 31, 2014

CALENDAR			
<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2015	\$10,964.46	\$3,026.76	\$13,991.22
2016	11,184.85	2,806.37	13,991.22
2017	11,409.66	2,581.56	13,991.22
2018	11,638.99	2,352.23	13,991.22
2019	11,872.95	2,118.27	13,991.22
2020-2023	49,926.65	6,038.21	55,964.86
2024-2027	47,067.80	1,901.46	48,969.26
	<u>\$154,065.36</u>	<u>\$20,824.86</u>	<u>\$174,890.22</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST
FOR INFRASTRUCTURE LOAN PAYABLE DECEMBER 31, 2014

CALENDAR YEAR	TOTAL	TRUST LOAN		FUND LOAN
		PRINCIPAL	INTEREST	PRINCIPAL
2015	\$537,227.06	\$196,820.00	\$112,366.72	\$228,040.34
2016	541,540.24	206,863.00	104,924.16	229,753.08
2017	536,902.60	211,930.00	97,056.54	227,916.06
2018	539,312.13	222,028.00	88,408.70	228,875.43
2019	532,069.78	227,160.00	78,901.38	226,008.40
2020-2024	2,659,715.96	1,294,144.00	235,771.82	1,129,800.14
2025-2029	621,256.25	272,619.00	23,907.58	324,729.67
2030-2032	166,042.81	49,305.00	3,360.48	113,377.33
	<u>\$6,134,066.83</u>	<u>\$2,680,869.00</u>	<u>\$744,697.38</u>	<u>\$2,708,500.45</u>

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

At December 31, 2014, the Township has authorized but not issued bonds and notes as follows:

General Capital Fund	<u>\$6,350,652.10</u>
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BOND ANTICIPATION NOTES

	Interest Rate	Maturity Dates	Amount
General Capital Fund	1.00%	1/30/2015	\$8,662,688.00
General Capital Fund	1.00%	5/22/2015	6,655,000.00
General Capital Fund	0.45%	5/22/2015	503,230.00
General Capital Fund	0.50%	9/11/2015	203,855.00
Swim Pool Utility Capital Fund	1.00%	1/30/2015	<u>213,584.00</u>
			<u>\$16,238,357.00</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

EMERGENCY NOTE

	<u>Interest Rate</u>	<u>Maturity Dates</u>	<u>Amount</u>
Current Fund	0.50%	9/11/2015	<u>\$160,000.00</u>

NOTE 4: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2014 which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2015 were as follows:

Current Fund	\$1,845,000.00
Swim Pool Utility Fund	\$ 46,000.00

NOTE 5: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The Township bills and collects its own property taxes and also taxes for the County and local school district. The collections and remittance of county and school taxes are accounted for in the Current Fund. Township property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Township's Current Fund.

Taxes Collected in Advance - Taxes collected in advance and recorded as cash liabilities in the financial statements are as follows:

	<u>BALANCE DECEMBER 31, 2014</u>	<u>BALANCE DECEMBER 31, 2013</u>
Prepaid Taxes	<u>\$449,925.25</u>	<u>\$236,524.55</u>

NOTE 6: 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 Balance Sheet of the Current and Trust Funds:

	BALANCE DECEMBER 31, <u>2014</u>	2015 BUDGET <u>APPROPRIATION</u>	BALANCE TO SUCCEEDING <u>YEARS</u>
Current Fund:			
Special Emergency			
Appropriations	\$ 160,000.00	\$ 80,000.00	\$ 80,000.00
	\$ <u>160,000.00</u>	\$ <u>80,000.00</u>	\$ <u>80,000.00</u>

NOTE 7: PENSION PLANS

Township employees, who are eligible for a pension plan, are enrolled in one of three pension systems administered by the Division of Pensions, Treasury Department of the State of New Jersey. The plans are: the Public Employees' Retirement System, the Police and Firemen's Retirement System, and the Consolidated Police and Firemen's Pension Fund of New Jersey. The Division annually charges participating government units for their respective contributions to the plans based upon actuarial methods. Certain portions of the costs are contributed by the employees. The Township's share of pension costs, which is based upon the annual billings received from the State, amounted to \$2,104,117.86 for 2014, \$2,335,404.14 for 2013 and \$2,395,167.79 for 2012.

Information as to the comparison of the actuarially computed value of vested benefits with the system's assets is not available from the State Retirement System and, therefore, is not presented.

NOTE 8: COMPENSATED ABSENCES

Under the existing policy of the Township, employees are allowed to accumulate unused sick pay over the life of their working careers which may be taken as time off or paid at a later date at an agreed upon rate. The accumulated cost of such unpaid compensation is not required to be reported in the financial statements as presented and has not been determined, but is probably material. The Township annually appropriates the amounts that are required to be paid in that year's budget.

NOTE 9: LITIGATION

The Township Attorney's letter did not indicate any litigation, claims or contingent liabilities that are either not covered by the Township's insurance carrier or would have a material financial impact on the Township.

NOTE 10: TAX APPEALS

There are several tax appeals filed with the State Tax Court of New Jersey requesting a reduction of assessments for the year 2014. Any reduction in assessed valuation will result in a refund of prior years' taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.A. 40A:2-51.

NOTE 11: CONTINGENT LIABILITIES

The Township participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. The state and federal grants received and expended in 2014 were subject to the Single Audit Act Amendments of 1996, which mandates that grant revenues and expenditures be audited in conjunction with the Township's annual audit. Findings and questioned costs, if any, relative to federal and state financial assistance programs will be discussed in detail in Part II, Schedule of Findings and Questioned Costs. In addition, these programs are also subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2014, the Township does not believe that any material liabilities will result from such audits.

NOTE 12: RISK MANAGEMENT

The Township is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township is a member of the Statewide Insurance Fund (the "Fund"), which was formed in accordance with P.L. 1983, C. 372 entitled "An Act Concerning Joint Insurance Funds for Local Government Units of Government." The Fund provides insurance coverage covering each of the above-mentioned risks of loss. The Township's contribution to the Fund is based on actuarial assumptions determined by the Fund's actuary. The Fund also purchases commercial insurance for claims in excess of coverage provided by the Fund.

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. Below is a summary of Township contributions, employee contributions, reimbursements to the State for benefits paid, and the ending balance of the Township's expendable trust fund for the current and previous two years:

<u>Year</u>	<u>Township Contributions and Interest</u>		<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014	\$	111,414.61	\$ 4,727.98	\$ 301,950.30
2013		100,164.84	16,764.27	195,263.67
2012		172,917.38	53,221.00	111,863.10

NOTE 13: DEFERRED COMPENSATION

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all Township employees, permits them to defer a portion of their salaries until future years. The Township does not make any contribution to the Plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardships. In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of Internal Revenue Code Section 457(g), the Township's Plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of Plan participants and beneficiaries. All assets and income under the Plan are held in trust, in annuity contracts or custodial accounts.

All assets of the Plan are held by one of two independent administrators, ICMA and Lincoln National Life Insurance Company.

The accompanying financial statements do not include the Township's Deferred Compensation Plan activities.

NOTE 14: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheets at December 31, 2014:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 52,402.86	\$ 328,174.37
Assessment Trust Fund		2,131.24
Animal Control Fund		37,588.97
Trust Other Fund	238,990.35	533,515.94
General Capital Fund	718,128.39	
Swim Pool Utility Operating Fund	58.03	108,407.02
Swim Pool Capital Operating Fund		58.03
Net Payroll Account	295.94	
	<u>\$ 1,009,875.57</u>	<u>\$ 1,009,875.57</u>

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were made.

NOTE 15: LENGTH OF SERVICE AWARDS PROGRAM

During 2004, the Township of Cranford adopted an ordinance establishing a Length of Service Awards Program for the members of the Cranford Volunteer Fire Department and the Cranford Volunteer Rescue Squad pursuant to N.J.S.A. 40A:14-183 *et seq.*

All assets of the plan are held by an independent administrator, the Lincoln National Life Insurance Company.

Under this program, each volunteer that performs the minimum amount of service will have an annual amount of \$1,300.00 deposited into a tax deferred income account that will earn interest for the volunteer. The cost will be budgeted annually in the budget of the Township and is anticipated to be \$23,000.00 in 2015.

The accompanying financial statements do not include the Township's Length of Service Awards Program's activities. The Township's Length of Service Awards Program's financial statements are contained in a separate review report, as required by state regulations.

NOTE 16: GASB 45: OTHER POST-RETIREMENT BENEFITS

Plan Description. The Township contributes to the State Health Benefits Program (SHBP) a cost-sharing, multiple-employer defined benefit postemployment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 *et seq.* to provide health benefits to State employees, retirees, and their dependents. The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents. The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at <http://www.state.nj.us/treasury/pensions>.

NOTE 16: GASB 45: OTHER POST-RETIREMENT BENEFITS (CONTINUED)

Funding Policy. Contributions to pay for the health premiums of participating employees in the SHBP are billed to the Township on a monthly basis. Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. In accordance with Chapter 62, P.L. 1994, post-retirement medical benefits have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

NOTE 17: SUBSEQUENT EVENTS

The Township has evaluated subsequent events occurring after the financial statement date through June 3, 2015 which is the date the financial statements were available to be issued. Based upon this evaluation, the Township has determined that there are no subsequent events needed to be disclosed.

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TOWNSHIP OF CRANFORD

SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2014

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF CASH-COLLECTOR-TREASURER

	REF.		
Balance, December 31, 2013	A		\$ 8,922,958.61
Increased by Receipts:			
Taxes Receivable	A-7	\$ 92,997,984.53	
Revenue Accounts Receivable	A-9	7,634,579.17	
Miscellaneous Revenue Not Anticipated	A-2	489,783.11	
Interfunds	A-10	859,331.73	
Outside Liens	A-27	392,724.59	
Reserve for DCA Fees	A-28	44,273.00	
Maintenance of Free Public Library	A-21	9,834.00	
Sale of Municipal Assets	A-22	75,000.00	
Tax Overpayments	A-18	54,145.88	
Prepaid Taxes	A-17	449,925.25	
State of New Jersey-Chapter 20,P.L.1971	A-16	214,769.86	
Grants - Unappropriated	A-23	43,862.80	
Sewer Charges Receivable	A-32	2,408,118.62	
Sewer Charges Overpayments	A-31	2,760.58	
Police Outside Overtime	A-36	39,137.77	
Appropriation Refunds	A-3	685,410.77	
Prepaid Sewer Charges	A-29	1,042.20	
Grants Receivable	A-19	602,243.48	
			107,004,927.34
			\$ 115,927,885.95
Decreased by Disbursements:			
2014 Appropriations	A-3	\$ 31,947,258.88	
2013 Appropriation Reserves	A-13	683,873.82	
Encumbrances Payable	A-20	5,729.52	
County Taxes	A-14	19,796,796.87	
Local District School Tax	A-15	50,411,243.00	
Refund of Tax Overpayments	A-18	58,006.08	
Interfunds	A-10	441,512.87	
Emergency Note Payable	A-25	80,000.00	
Tax Anticipation Note Payable	A-30	2,500,000.00	
Police Outside Overtime	A-36	144,813.33	
Reserve for DCA Fees	A-28	52,165.00	
Maintenance of Free Public Library	A-21	6,101.54	
Refund of Prior Year Revenue	A-1	214,308.22	
Refund of Construction Code Fees	A-2	460.00	
Refund of Sewer Flow Charges	A-31	3,710.50	
Outside Liens	A-27	393,100.54	
DMC Levy Payable	A-11	178,734.00	
Grants - Appropriated	A-24	631,068.95	
			107,548,883.12
Balance, December 31, 2014	A		\$ 8,379,002.83

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF RESERVE FOR LIBRARY

REF.

Balance, December 31, 2013	A	\$ 62,109.44
Increased by:		
Transferred from Appropriation Reserve	A-13	\$ <u>807.43</u>
		62,916.87
Balance, December 31, 2014	A	\$ <u><u>62,916.87</u></u>

"A-6"

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF CHANGE FUNDS

REF.

Balance, December 31, 2013 and
December 31, 2014

A

\$ 600.00

OFFICE

Collector
Municipal Court

\$ 500.00
100.00

\$ 600.00

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

<u>YEAR</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>2014 LEVY</u>	<u>IN 2013</u>	<u>COLLECTED IN 2014</u>	<u>CANCELLED</u>	<u>TAX OVERPAYMENTS APPLIED</u>	<u>TRANSFERRED TO TAX TITLE LIENS</u>	<u>BALANCE DECEMBER 31, 2014</u>
2013 and Prior	\$ 1,176,744.13	\$	\$	\$ 1,153,196.75		\$ 20,232.98	\$	\$ 3,314.40
2014		93,602,394.34	236,524.55	92,060,917.24	326,857.68		8,816.67	969,278.20
	<u>\$ 1,176,744.13</u>	<u>\$ 93,602,394.34</u>	<u>\$ 236,524.55</u>	<u>\$ 93,214,113.99</u>	<u>\$ 326,857.68</u>	<u>\$ 20,232.98</u>	<u>\$ 8,816.67</u>	<u>\$ 972,592.60</u>
<u>REF.</u>	A		A-2:A-17	A-2			A-8	A
Collector	A-4			\$ 92,997,984.53				
State of New Jersey	A-16			216,129.46				
				<u>\$ 93,214,113.99</u>				

ANALYSIS OF 2014 PROPERTY TAX LEVY

TAX YIELD

General Purpose Tax	\$ 92,933,934.30
Added Taxes (54:4-63.1 et seq.)	489,726.04
District Management Corporation	178,734.00
	<u>\$ 93,602,394.34</u>

TAX LEVY

Local District School Tax (Abstract)	A-15	\$ 50,411,243.00
County Taxes:		
County Tax (Abstract)	A-14	\$ 19,731,341.91
Due County for Added Taxes (54:4-63.1 et seq.)	A-14	<u>98,519.83</u>
<u>Total County Taxes</u>		19,829,861.74
District Management Corporation	A-11	\$ 178,734.00
Local Tax for Municipal Purposes (Abstract)	A-2	21,526,422.38
Minimum Library Tax	A-2	1,253,094.10
Add. Additional Tax Levied		<u>403,039.12</u>
		23,182,555.60
		<u>\$ 93,602,394.34</u>

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>		
Balance, December 31, 2013	A	\$	8,865.45
Increased by:			
Transfers From Taxes Receivable	A-7	\$	8,816.67
Interest and Costs			<u>49.00</u>
			<u>8,865.67</u>
			17,731.12
Decreased by:			
Cash Receipts	A-4		<u>1,155.01</u>
Balance, December 31, 2014	A	\$	<u><u>16,576.11</u></u>

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>ACCRUED IN 2014</u>	<u>COLLECTED BY COLLECTOR- TREASURER</u>	<u>BALANCE DECEMBER 31, 2014</u>
Alcoholic Beverage Licenses	A-2	\$	\$ 26,100.00	\$ 26,100.00	\$
Clerk:					
Licenses-Other	A-2		4,060.00	4,060.00	
Board of Health:					
Licenses-Other	A-2		9,610.75	9,610.75	
Fees and Permits	A-2		25,236.92	25,236.92	
Engineer:					
Fees and Permits	A-2		7,085.00	7,085.00	
Police Department:					
Fees and Permits	A-2		40,831.35	40,831.35	
Recreation Department:					
Fees and Permits	A-2		14,180.00	14,180.00	
Board of Adjustment					
Fees and Permits	A-2		34,101.00	34,101.00	
Planning Board :					
Fees and Permits	A-2		4,456.00	4,456.00	
Assessor	A-2		600.00	600.00	
Tax Search Fees	A-2		10.00	10.00	
Fire Department:					
Fees and Permits	A-2		13,321.00	13,321.00	
Municipal Court:					
Fines and Costs	A-2	38,125.62	439,189.03	419,905.72	57,408.93
Construction Code Fees	A-2		1,291,474.00	1,291,474.00	
Interest and Costs on Taxes	A-2		298,756.32	298,756.32	
Parking Meters	A-2		748,888.97	748,888.97	
Interest on Investments and Deposits	A-2		12,737.35	12,737.35	
Conservation Center Fees	A-2		205,530.00	205,530.00	
Energy Receipts Tax	A-2		2,900,712.00	2,900,712.00	
Borough of Winfield Park Police Dispatch	A-2		21,622.32	21,622.32	
Cable T.V. Franchise Tax	A-2		327,209.36	327,209.36	
Hotel Tax	A-2		125,150.58	125,150.58	
Ambulance Fees	A-2		316,248.69	316,248.69	
Uniform Fire Safety Act	A-2		90,326.45	90,326.45	
NJ Housing Finance Agency-P.I.L.O.T	A-2		135,951.00	135,951.00	
Cranford Lincoln Associates - P.I.L.O.T	A-2		39,644.00	39,644.00	
Developer Debt	A-2		120,191.50	120,191.50	
Library Cost Allocation	A-2		30,000.00	30,000.00	
Cell Tower Lease	A-2		31,838.89	31,838.89	
Capital Fund Balance	A-2		300,000.00	300,000.00	
Tax Sale Premiums	A-2		38,800.00	38,800.00	
		<u>\$ 38,125.62</u>	<u>\$ 7,653,862.48</u>	<u>\$ 7,634,579.17</u>	<u>\$ 57,408.93</u>
	<u>REF.</u>	<u>A</u>		<u>A-4</u>	<u>A</u>

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>ASSESSMENT TRUST FUND</u>	<u>ANIMAL CONTROL TRUST FUND</u>	<u>TRUST OTHER FUND</u>	<u>GENERAL CAPITAL FUND</u>	<u>SWIM POOL UTILITY OPERATING FUND</u>
Balance, December 31, 2013:							
Due From	A	\$ 208,919.67	\$ 15.44	\$ 13,965.60	\$	\$ 160,265.11	\$ 34,673.52
Due To	A	<u>152,709.97</u>			<u>152,709.97</u>		
Cash Receipts	A-4	859,331.73	15.44	21,066.20	189,287.85	567,699.98	81,262.26
Cash Disbursements	A-4	<u>441,512.87</u>	<u>2,131.24</u>	<u>21,103.70</u>	<u>70,405.69</u>	<u>265,014.98</u>	<u>82,857.26</u>
Balance, December 31, 2014:							
Due From	A	\$ 52,402.86	\$ <u>2,131.24</u>	\$ <u>14,003.10</u>	\$	\$	\$ <u>36,268.52</u>
Due To	A	<u><u>414,012.02</u></u>			<u><u>271,592.13</u></u>	<u><u>142,419.89</u></u>	

"A-11"

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF SPECIAL DISTRICT TAXES

REF.

Increased by:		
2014 Levy	A-1:A-7	\$ <u>178,734.00</u>
Decreased by:		
Cash Disbursements	A-4	\$ <u><u>178,734.00</u></u>

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

<u>PURPOSE</u>	BALANCE DECEMBER <u>31, 2013</u>	REDUCED IN <u>2014</u>	BALANCE DECEMBER <u>31, 2014</u>
Overexpenditure of Appropriation Reserves	\$ 8,572.68	\$ 8,572.68	\$
Overexpenditure of Appropriations	14,036.34	14,036.34	
Emergency Appropriation (N.J.S.A. 40A:4-53)	<u>240,000.00</u>	<u>80,000.00</u>	<u>160,000.00</u>
	<u>\$ 262,609.02</u>	<u>\$ 102,609.02</u>	<u>\$ 160,000.00</u>
<u>REF.</u>	A	A:3	A

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF 2013 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2013	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<u>SALARIES AND WAGES</u>				
Administrative and Executive	\$ 98.73	\$ 98.73	\$	\$ 98.73
Township Clerk	8,837.35	8,837.35	5,383.23	3,454.12
Financial Administration	66.67	66.67		66.67
Assessment of Taxes	205.82	205.82		205.82
Collection of Taxes	246.92	246.92		246.92
Public Defender		333.33	333.33	
Engineering Services and Costs	2,224.36	2,224.36		2,224.36
Municipal Land Use Law (N.J.S. 40:55d-1):				
Planning Board	645.05	645.05		645.05
Zoning Board of Adjustment	8,000.10	8,000.10		8,000.10
Police	182,623.73	113,123.73		113,123.73
Fire	41,779.30	41,779.30		41,779.30
Road Repair and Maintenance	17,678.64	25,678.64	25,240.28	438.36
Communications	10,959.47	10,959.47		10,959.47
Communications - 911	48,494.03	48,494.03		48,494.03
Conservation Center	23,448.30	23,448.30		23,448.30
Board of Health	4.59	4.59		4.59
Recreation	599.48	1,159.48	560.00	599.48
Senior Citizen Bus Transportation	1,486.22	1,486.22		1,486.22
Construction Code Official	291.53	291.53		291.53
Municipal Court	11,179.98	11,179.98		11,179.98
<u>OTHER EXPENSES</u>				
Administrative and Executive	222.28	30,963.64	16,714.27	14,249.37
Township Committee	11.62	2,784.68	2,730.06	54.62
Township Clerk	25,429.23	26,494.04	1,563.14	24,930.90
Financial Administration	190.35	31,357.08	31,302.08	55.00
Audit		39,000.00	39,000.00	
Assessment of Taxes	10,976.12	11,265.22	423.20	10,842.02
Collection of Taxes	3,319.62	5,097.12	5,097.12	
Legal Services and Costs	3,099.54	117,204.10	46,082.54	71,121.56
Engineering Services and Costs	3,491.01	5,203.08	2,342.07	2,861.01
Public Buildings and Grounds	63,951.32	128,461.62	53,942.53	74,519.09
Municipal Land Use Law (N.J.S. 40:55d-1):				
Planning Board	4,166.20	5,166.20	2,000.00	3,166.20
Zoning Board of Adjustment	2,001.63	20,839.71	12,988.08	7,851.63
Group Insurance-Health Benefit Waiver	8,003.06	8,003.06		8,003.06
Employee Group Health	62,372.53	63,409.38	42,232.14	21,177.24
General Liability Insurance	910.40	910.40		910.40
LOSAP				
Workers' Compensation	6,376.00	6,376.00		6,376.00
Police	5,395.86	10,510.44	9,938.38	572.06
Fire	31,316.48	71,227.21	41,593.67	29,633.54
Uniform Fire Safety Act	670.56	41,040.68	39,737.46	1,303.22
Emergency Management Services	8,181.06	8,181.06		8,181.06
Road Repair and Maintenance	105,599.36	122,654.22	78,940.49	43,713.73

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF 2013 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2013	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<u>OTHER EXPENSES (CONTINUED)</u>				
Communications	\$ 26,352.15	\$ 46,211.49	\$ 20,980.51	\$ 25,230.98
Conservation Center	15,592.43	57,632.03	37,886.60	19,745.43
Recycling	17,635.00	17,635.00	12,347.50	5,287.50
Board of Health	5,016.18	5,300.46	532.18	4,768.28
Celebration of Public Events: Anniversary or Holiday	70.02	1,120.02	140.21	979.81
Recreation	2,046.83	3,744.40	1,697.57	2,046.83
Construction Code Official	767.38	1,156.84	389.46	767.38
Municipal Court	6,382.44	6,580.91	189.90	6,391.01
Motor Oils and Fuels	29,929.10	44,063.30	25,414.03	18,649.27
Street Lighting	14,603.72	25,603.72	4,999.55	20,604.17
Utilities-ALL	78,308.54	79,820.76	60,609.62	19,211.14
Contribution to:				
Public Employee's Retirement System	0.02	34,500.02	34,445.20	54.82
Consolidated Police and Firemen's Pension Fund	5,940.84	5,940.84		5,940.84
Social Security System	4,443.26	4,443.26		4,443.26
Maintenance of Free Public Library	43,295.41	48,635.43	48,635.43	
Salary Adjustment	50,000.00	50,000.00		50,000.00
	<u>\$ 1,004,937.82</u>	<u>\$ 1,436,801.02</u>	<u>\$ 706,411.83</u>	<u>\$ 780,389.19</u>

REF.

A

A-1

Balance, December 31, 2013

A

\$ 1,004,937.82

Encumbrances Payable

A-34

481,863.20

\$ 1,486,801.02

Cash Disbursements

A-4

\$ 683,873.82

Reserve for Library

A-5

807.43

Accounts Payable

A-20

21,730.58

\$ 706,411.83

"A-14"

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

	<u>REF.</u>		
Balance, December 31, 2013	A	\$	65,454.96
Increased by:			
2014 Tax Levy:			
County Taxes	A-1:A-7	\$	19,731,341.91
County Share of Added Taxes	A-1:A-7		<u>98,519.83</u>
			19,829,861.74
		\$	<u>19,895,316.70</u>
Decreased by:			
Cash Disbursements	A-4		<u>19,796,796.87</u>
Balance, December 31, 2014	A	\$	<u><u>98,519.83</u></u>

"A-15"

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX

Increased by:			
2014 Levy	A-1:A-7	\$	<u>50,411,243.00</u>
Decreased by:			
Cash Disbursements	A-4	\$	<u><u>50,411,243.00</u></u>

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF DUE STATE OF NEW JERSEY
PER CHAPTER 20, P.L. 1971

	<u>REF.</u>		
Balance, December 31, 2013 (Due From)	A	\$	3,556.85
Increased by:			
Deductions per Tax Duplicate:			
Senior Citizens		\$	29,750.00
Veterans			188,750.00
Senior Citizens and Veterans Allowed by Collector			<u>3,250.00</u>
			221,750.00
		\$	<u>225,306.85</u>
Decreased by:			
Senior Citizens Disallowed by Collector			
Current Year		\$	5,620.54
State Adjustment	A-1		3,000.00
Received From State of New Jersey	A-4		<u>214,769.86</u>
			<u>223,390.40</u>
Balance, December 31, 2014 (Due From)	A	\$	<u><u>1,916.45</u></u>

SUMMARY OF 2014 EXEMPTIONS

Senior Citizens and Veterans Exemptions			
Per Tax Billings		\$	218,500.00
Senior Citizens and Veterans Exemptions			
Allowed by Tax Collector			<u>3,250.00</u>
		\$	221,750.00
Senior Citizens and Veterans Exemptions			
Disallowed by Tax Collector			<u>5,620.54</u>
	A-7	\$	<u><u>216,129.46</u></u>

"A-17"

TOWNSHIP OF CRANFORD
CURRENT FUND
SCHEDULE OF PREPAID TAXES

	<u>REF.</u>		
Balance, December 31, 2013 (2014 Taxes)	A	\$	236,524.55
Increased by:			
Collection of 2015 Taxes	A-4		449,925.25
		\$	<u>686,449.80</u>
Decreased by:			
Application to 2014 Taxes Receivable	A-7		<u>236,524.55</u>
Balance, December 31, 2014 (2015 Taxes)	A	\$	<u><u>449,925.25</u></u>

"A-18"

SCHEDULE OF TAX OVERPAYMENTS

Balance, December 31, 2013	A	\$	43,112.49
Increased by:			
Overpayments in 2014	A-4		54,145.88
		\$	<u>97,258.37</u>
Decreased by:			
Refund of Overpayments	A-4	\$	58,006.08
Canceled	A-1		18,766.30
Applied	A-7		<u>20,232.98</u>
			<u>97,005.36</u>
Balance, December 31, 2014	A	\$	<u><u>253.01</u></u>

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF GRANTS RECEIVABLE

<u>PROGRAM</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>ACCRUED</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2014</u>
Clean Communities Program	\$	\$ 36,869.00	\$ 36,869.00	\$
Alcohol Education Rehabilitation Fund	3.00	3,603.89	3,603.89	3.00
Federal Bulletproof Vest Program	3,434.65	1,287.83	1,287.83	3,434.65
Drive Sober or Get Pulled Over	6,875.00	4,175.00	4,175.00	6,875.00
Pedestrian Safety Grant	1.00			1.00
Body Armor Replacement Fund		4,548.86	4,548.86	
Safe Routes to School	28.00			28.00
Click It or Ticket		4,000.00	4,000.00	
Drunk Driving Enforcement Fund		59,507.12	59,507.12	
Municipal Alliance	15,203.00	29,100.00	7,315.00	36,988.00
River Cleaning Project	330,000.00		221,581.19	108,418.81
DOT South Avenue Paving	205,000.00		129,929.03	75,070.97
Union County Kids Recreation		85,000.00	29,426.56	55,573.44
Green Communities	3,000.00			3,000.00
Union County River Cleaning	100,000.00		100,000.00	
H1N1 Grant	473.48			473.48
Union County Recycling Enhancement Grant	7,500.00			7,500.00
Homeland Security Firefighter Grant	40,284.00			40,284.00
	<u>\$ 711,802.13</u>	<u>\$ 228,091.70</u>	<u>\$ 602,243.48</u>	<u>\$ 337,650.35</u>
<u>REF.</u>	A	A-2	A-4	A

"A-20"

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF ACCOUNTS PAYABLE

	<u>REF.</u>	
Balance, December 31, 2013	A	\$ 51,695.97
Increased by:		
2013 Appropriation Reserves	A-13	21,730.58
		\$ <u>73,426.55</u>
Decreased by:		
Cash Disbursements	A-4	<u>5,729.52</u>
Balance, December 31, 2014	A	\$ <u><u>67,697.03</u></u>

"A-21"

SCHEDULE OF RESERVE FOR MAINTENANCE OF
FREE PUBLIC LIBRARY

Balance, December 31, 2013	A	\$ 1,441.32
Increased by:		
Cash Receipts	A-4	9,834.00
		\$ <u>11,275.32</u>
Decreased by:		
Cash Disbursements	A-4	<u>6,101.54</u>
Balance, December 31, 2014	A	\$ <u><u>5,173.78</u></u>

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

REF.

Increased by:			
Cash Receipts	A-4	\$	75,000.00
Balance, December 31, 2014	A	\$	<u>75,000.00</u>

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF RESERVE FOR GRANTS-UNAPPROPRIATED

	BALANCE DECEMBER <u>31, 2013</u>	CASH <u>RECEIPTS</u>	<u>CANCELED</u>	BALANCE DECEMBER <u>31, 2014</u>
Pedestrian Safety	\$ 5,998.63	\$	\$ 5,998.63	\$
Recycling Grant		43,862.80		43,862.80
	<u>\$ 5,998.63</u>	<u>\$ 43,862.80</u>	<u>\$ 5,998.63</u>	<u>\$ 43,862.80</u>
<u>REF.</u>	A	A-4	A-1	A

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

<u>GRANT</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>BALANCE AFTER TRANSFERS</u>	<u>2014 BUDGET APPROPRIATION</u>	<u>EXPENDED</u>	<u>BALANCE DECEMBER 31, 2014</u>
Clean Communities Program	\$ 65,120.39	\$ 76,440.01	\$ 36,869.00	\$ 40,919.96	\$ 72,389.05
Alcohol Education Rehabilitation Fund	5,356.52	5,356.52	3,603.89		8,960.41
Federal Bulletproof Vest Program	755.60	755.60	1,287.83		2,043.43
Drive Sober or Get Pulled Over	6,450.00	6,450.00	4,175.00	4,175.00	6,450.00
Pedestrian Safety Grant	1.37	1.37			1.37
Body Armor Replacement Fund	10,279.61	10,279.61	4,548.86	14,828.47	
Sustainable NJ Grant	2,011.42	2,011.42			2,011.42
Homeland Security Firefighter Grant	9,630.00	9,630.00			9,630.00
H1N1 Grant	10,000.00	10,000.00			10,000.00
Union County Kids Trust Grant Program			85,000.00	21,866.12	63,133.88
Click it or Ticket			4,000.00	4,000.00	
Drunk Driving Enforcement Fund			59,507.12	59,507.12	
Recycling Tonnage Grant	41,507.63	47,507.63		22,207.98	25,299.65
Municipal Alliance	7,581.18	9,236.18	29,100.00	8,470.51	29,865.67
Municipal Alliance-Match	3,743.96	4,247.96	7,275.00	3,894.50	7,628.46
River Cleaning Project	90,900.00	330,000.00		288,700.00	41,300.00
DOT South Avenue Paving	17,361.29	205,000.00		187,638.71	17,361.29
Green Communities			3,000.00	3,000.00	
Union County River Cleaning	100,000.00	100,000.00		9,845.00	90,155.00
Union County Senior Focus Grant	12,323.70	12,323.70			12,323.70
	<u>\$ 383,022.67</u>	<u>\$ 829,240.00</u>	<u>\$ 238,366.70</u>	<u>\$ 669,053.37</u>	<u>\$ 398,553.33</u>
<u>REF.</u>	<u>A</u>		<u>A-3</u>		<u>A</u>

Balance, December 31, 2013

A

\$ 383,022.67

Encumbrances Payable

A-34

449,217.33

\$ 832,240.00

Cash Disbursements

A-4

\$ 631,068.95

Encumbrances Payable

A-34

37,984.42

\$ 669,053.37

"A-25"

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF EMERGENCY NOTE PAYABLE

	<u>REF.</u>	
Balance, December 31, 2013	A	\$ 240,000.00
Decreased by:		
Cash Disbursements	A-4	<u>80,000.00</u>
Balance, December 31, 2014	A	\$ <u>160,000.00</u>

"A-26"

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
AT ASSESSED VALUATION

Balance, December 31, 2013 and December 31, 2014	A	\$ <u>3,765,400.00</u>
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"A-27"

SCHEDULE OF RESERVE FOR OUTSIDE LIENS

Balance, December 31, 2013	A	\$ 1,311.05
Increased by:		
Cash Receipts	A-4	<u>392,724.59</u>
		\$ <u>394,035.64</u>
Decreased by:		
Cash Disbursements	A-4	<u>393,100.54</u>
Balance, December 31, 2014	A	\$ <u>935.10</u>

"A-28"

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF RESERVE FOR DCA FEES

	<u>REF.</u>	
Balance, December 31, 2013	A	\$ 19,739.00
Increased by:		
Cash Receipts	A-4	<u>44,273.00</u>
		\$ <u>64,012.00</u>
Decreased by:		
Cash Disbursements	A-4	<u>52,165.00</u>
Balance, December 31, 2014	A	\$ <u><u>11,847.00</u></u>

"A-29"

SCHEDULE OF PREPAID SEWER CHARGES

Balance, December 31, 2013	A	\$ 41,321.82
Increased by:		
Cash Receipts	A-4	<u>1,042.20</u>
		\$ <u>42,364.02</u>
Decreased by:		
Applied to Sewer Charges Receivable	A-32	<u>41,321.82</u>
Balance, December 31, 2014	A	\$ <u><u>1,042.20</u></u>

"A-30"

SCHEDULE OF TAX ANTICIPATION NOTE PAYABLE

Balance, December 31, 2013	A	\$ 2,500,000.00
Decreased by:		
Cash Disbursements	A-4	\$ <u><u>2,500,000.00</u></u>

"A-31"

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF SEWER CHARGE OVERPAYMENTS

	<u>REF.</u>		
Balance, December 31, 2013	A	\$	989.07
Increased by:			
Cash Receipts	A-4		<u>2,760.58</u>
		\$	3,749.65
Decreased by:			
Refunded	A-4	\$	<u>3,710.50</u>
Balance, December 31, 2014	A	\$	<u><u>39.15</u></u>

"A-32"

SCHEDULE OF SEWER CHARGES RECEIVABLE

Balance, December 31, 2013	A	\$	128,564.71
Increased by:			
Sewer Billing			<u>2,441,349.04</u>
		\$	2,569,913.75
Decreased by:			
Cash Receipts	A-4	\$	2,408,118.62
Prepayments Applied	A-29		41,321.82
Transferred from Sewer Charge Liens Receivable	A-33		<u>206.55</u>
			<u>2,449,646.99</u>
Balance, December 31, 2014	A	\$	<u><u>120,266.76</u></u>

"A-33"

SCHEDULE OF SEWER CHARGE LIENS RECEIVABLE

Balance, December 31, 2013	A	\$	9.44
Increased by:			
Transferred from Sewer Tax Receivable	A-32	\$	206.55
Sewer Tax Liens			<u>211.27</u>
			<u>417.82</u>
Balance, December 31, 2014	A	\$	<u><u>427.26</u></u>

"A-34"

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>REF</u>		
Balance, December 31, 2013	A	\$	931,080.53
Increased by:			
2014 Budget	A-3	\$	408,828.90
Federal and State Grants Appropriated	A-24		<u>37,984.42</u>
			446,813.32
		\$	<u>1,377,893.85</u>
Decreased by:			
Transferred to Appropriation Reserves	A-13	\$	481,863.20
Grants Appropriated	A-24		<u>449,217.33</u>
			<u>931,080.53</u>
Balance, December 31, 2014	A	\$	<u><u>446,813.32</u></u>

"A-35"

SCHEDULE OF RESERVE FOR OUTSIDE OVERTIME

Balance, December 31, 2013	A	\$	105,675.56
Increased by:			
Cash Receipts	A-4	\$	<u>39,137.77</u>
			144,813.33
Decreased by:			
Cash Disbursements	A-4	\$	<u><u>144,813.33</u></u>

"B-1"

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF MUNICIPAL ALLIANCE RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2013	B	\$	13,990.45
Decreased by:			
Cash Receipts	B-2	\$	<u><u>13,990.45</u></u>

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF CASH-TREASURER

	<u>REF.</u>	<u>ASSESSMENT</u>	<u>ANIMAL CONTROL</u>	<u>OTHER</u>
Balance, December 31, 2013	B	\$ 69,285.88	\$ 79,340.89	\$ 2,720,487.00
Increased by Receipts:				
License Fees Collected	B-16	\$	\$ 20,287.79	\$
Deficit in Reserve	B-5		1.20	
Due State of New Jersey	B-15		1,335.60	
Assessments Receivable	B-3	14,982.37		
Hanson Park	B-10			7,662.00
Municipal Alliance	B-1			13,990.45
Interfunds	B-6:B-13:B-19	4,487.47	1,498.74	622,530.66
Community Development Block Grants	B-7			37,852.26
Interest Earned - CDBG Funds	B-8			46.91
Payroll Deductions	B-11			13,120,169.00
Miscellaneous Trust Deposits	B-12			1,473,178.24
Escrow Deposits	B-17			918,635.32
District Management Corporation	B-9			178,810.87
		<u>19,469.84</u>	<u>23,123.33</u>	<u>16,372,875.71</u>
		\$ <u>88,755.72</u>	\$ <u>102,464.22</u>	\$ <u>19,093,362.71</u>
Decreased by Disbursements:				
Community Development Block Grants	B-8	\$	\$	\$ 36,146.35
Expenditures Under R.S. 4:19-15.11	B-16		34,741.59	
Due State of New Jersey	B-15		1,335.60	
District Management Corporation	B-9			147,925.60
Assessments Overpayments	B-18	203.31		
Payroll Deductions	B-11			12,995,830.74
Interfunds	B-6:B-13:B-19	86,421.17		741,435.20
Miscellaneous Trust Deposits	B-12			1,161,080.02
Escrow Deposits	B-17			152,761.94
		<u>86,624.48</u>	<u>36,077.19</u>	<u>15,235,179.85</u>
Balance, December 31, 2014	B	\$ <u><u>2,131.24</u></u>	\$ <u><u>66,387.03</u></u>	\$ <u><u>3,858,182.86</u></u>

"B-3"

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF ASSESSMENTS RECEIVABLE

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF CONFIRMATION</u>	<u>ANNUAL INSTALLMENTS</u>	<u>DUE DATES</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>RECEIPTS</u>
2014-242	Centennial Avenue	02/24/04	5	11/1/14	\$ <u>14,982.37</u>	\$ <u>14,982.37</u>
				<u>REF.</u>	B	B-2:B-4

TOWNSHIP OF CRANFORD

TRUST FUND

ANALYSIS OF ASSESSMENT FUND CASH

	BALANCE DECEMBER 31, 2013	RECEIPTS			BALANCE DECEMBER 31, 2014
		ASSESSMENTS AND LIENS	INTERFUNDS	DISBURSEMENTS	
Due Current Fund	\$ 15.44	\$	\$ 4,487.47	\$ 2,371.67	\$ 2,131.24
Assessment Receivable	(14,982.37)	14,982.37			
Assessment Overpayments	203.31			203.31	
Due General Capital Fund	84,049.50			84,049.50	
	<u>\$ 69,285.88</u>	<u>\$ 14,982.37</u>	<u>\$ 4,487.47</u>	<u>\$ 86,624.48</u>	<u>\$ 2,131.24</u>
<u>REF.</u>	B	B-3	B-6	B-6	B

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF DEFICIT IN RESERVE FOR
ANIMAL CONTROL EXPENDITURES

REF.

Balance, December 31, 2013	B	\$	1.20
Decreased by:			
Cash Receipts	B-2	\$	<u>1.20</u>

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF INTERFUNDS - ASSESSMENT TRUST FUND

	<u>REF.</u>	<u>TOTAL</u>	<u>CURRENT FUND</u>	<u>GENERAL CAPITAL</u>
Balance, December 31, 2013				
Due To	B	\$ 84,064.94	\$ 15.44	\$ 84,049.50
Cash Receipts	B-2:B-4	4,487.47	4,487.47	
Cash Disbursements	B-2:B-4	<u>86,421.17</u>	<u>2,371.67</u>	<u>84,049.50</u>
Balance, December 31, 2014				
Due To	B	\$ <u>2,131.24</u>	\$ <u>2,131.24</u>	\$ <u></u>

"B-7"

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF COMMUNITY DEVELOPMENT BLOCK
GRANTS RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2013	B	\$	67,470.07
Increased by:			
Grants Received	B-8		25,329.76
		\$	<u>92,799.83</u>
Decreased by:			
Cash Receipts	B-2		<u>37,852.26</u>
Balance, December 31, 2014	B	\$	<u><u>54,947.57</u></u>

"B-8"

SCHEDULE OF COMMUNITY DEVELOPMENT BLOCK
GRANTS RESERVE

Balance, December 31, 2013	B	\$	133,578.50
Increased by:			
Grants Received	B-7	\$	25,329.76
Interest	B-2		<u>46.91</u>
			25,376.67
		\$	<u>158,955.17</u>
Decreased by:			
Cash Disbursements	B-2		<u>36,146.35</u>
Balance, December 31, 2014	B	\$	<u><u>122,808.82</u></u>

"B-9"

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF RESERVE FOR DISTRICT MANAGEMENT CORPORATION

	<u>REF.</u>	
Balance, December 31, 2013	B	\$ 70,778.90
Increased by:		
Miscellaneous Receipts	B-2	178,810.87
		\$ <u>249,589.77</u>
Decreased by:		
Cash Disbursements	B-2	<u>147,925.60</u>
Balance, December 31, 2014	B	\$ <u><u>101,664.17</u></u>

"B-10"

SCHEDULE OF HANSON PARK GRANT

Balance, December 31, 2013	B	\$ 7,662.00
Decreased by:		
Cash Receipts	B-2	\$ <u><u>7,662.00</u></u>

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF RESERVE FOR PAYROLL DEDUCTIONS

	<u>REF.</u>	
Balance, December 31, 2013	B	\$ 9,428.33
Increased by:		
Cash Receipts	B-2	<u>13,120,169.00</u>
		\$ <u>13,129,597.33</u>
Decreased by:		
Cash Disbursements	B-2	<u>12,995,830.74</u>
Balance, December 31, 2014	B	\$ <u><u>133,766.59</u></u>

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF RESERVE FOR MISCELLANEOUS DEPOSITS

	BALANCE DECEMBER 31, 2013	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE DECEMBER 31, 2014
Medical Reimbursement	\$ 8,775.18	\$ 5,095.74	\$ 3,976.09	\$ 9,894.83
Public Defender	16,386.17	13,354.00	8,399.98	21,340.19
Sign Fund	436.30			436.30
Tax Sale Premiums	633,000.00	758,300.00	540,100.00	851,200.00
POAA	13,726.66	3,348.00	7,196.21	9,878.45
Cable TV Donations	6,155.86	560.00		6,715.86
Developer's Deposits	66,126.12	10,311.72		76,437.84
State Unemployment Insurance	195,263.67	111,414.61	4,727.98	301,950.30
Enrichment	107,849.08	221,740.25	183,995.68	145,593.65
Recycling	58.46	22,528.43	14,543.39	8,043.50
DMC Donations	1,046.00	1,025.00		2,071.00
Forfeiture Account	19,472.77	15,100.34	16,532.02	18,041.09
Body Armor	1,625.96	1,358.55		2,984.51
DWI Funds	2,659.57			2,659.57
Hanson Park Canoe Club	5,250.00			5,250.00
Environmental Trust Fund	164.16			164.16
Fire Penalties	8,516.99	2,500.00		11,016.99
LOSAP	29,550.00	44,050.00	49,200.00	24,400.00
Deposits		300.00		300.00
Citizens Academy	800.00			800.00
Post Office Donations	36,906.14			36,906.14
Third Party Tax Liens	21,052.39			21,052.39
Municipal Alliance	3,071.55	2,000.00	1,303.67	3,767.88
Insurance Damage	10,087.35		7,022.00	3,065.35
Police Outside Overtime		209,827.30	204,540.18	5,287.12
Sunuco Deposit	1,800.00			1,800.00
C.O.A.H.		17,577.00		17,577.00
Snow Removal	241,411.78	32,787.30	119,542.82	154,656.26
	<u>\$ 1,431,192.16</u>	<u>\$ 1,473,178.24</u>	<u>\$ 1,161,080.02</u>	<u>\$ 1,743,290.38</u>
<u>REF.</u>	B	B-2	B-2	B

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF INTERFUNDS - TRUST OTHER FUND

	<u>REF.</u>	<u>TOTAL</u>	<u>ANIMAL CONTROL FUND</u>	<u>CURRENT FUND</u>	<u>NET PAYROLL</u>	<u>GENERAL CAPITAL</u>
Balance, December 31, 2013						
Due From	B	\$ 176,273.46	\$ 22,124.63	\$ 154,148.83		
Due To	B	503,865.94			\$ 295.94	\$ 503,570.00
Cash Receipts	B-2	622,530.66		622,530.66		
Cash Disbursements	B-2	<u>741,435.20</u>	<u>1,461.24</u>	<u>739,973.96</u>		
Balance, December 31, 2014						
Due From	B	295,178.00	\$ <u>23,585.87</u>	\$ <u>271,592.13</u>		
Due To	B	\$ <u><u>503,865.94</u></u>			\$ <u><u>295.94</u></u>	\$ <u><u>503,570.00</u></u>

"B-14"

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF RESERVE FOR BONDS AND NOTES

	<u>REF.</u>	
Balance, December 31, 2013 and December 31, 2014	B	\$ <u>102.00</u>

"B-15"

SCHEDULE OF DUE STATE OF NEW JERSEY
ANIMAL CONTROL FUND

Balance, December 31, 2013	B	\$ 51.00
Increased by:		
Cash Receipts	B-2	<u>1,335.60</u>
		\$ <u>1,386.60</u>
Increased by:		
Cash Disbursements	B-2	<u>1,335.60</u>
Balance, December 31, 2014 (Due To)	B	\$ <u>51.00</u>

"B-16"

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>REF.</u>		
Balance, December 31, 2013	B	\$	43,200.86
Increased by:			
Dog License Fees Collected	B-2	\$	16,058.30
Miscellaneous	B-2		81.39
Cat License Fees Collected	B-2		<u>4,148.10</u>
		\$	<u>20,287.79</u>
			63,488.65
Decreased by:			
Expenditures Under R.S.4:19-15.11	B-2		<u>34,741.59</u>
Balance, December 31, 2014	B	\$	<u><u>28,747.06</u></u>

LICENSE FEES COLLECTED

<u>YEAR</u>	<u>AMOUNT</u>
2013	\$ 17,488.30
2012	<u>21,776.60</u>
	<u><u>\$ 39,264.90</u></u>

"B-17"

SCHEDULE OF ESCROW DEPOSITS

Balance, December 31, 2013	B	\$	836,937.15
Increased by:			
Cash Receipts	B-2		<u>918,635.32</u>
		\$	<u>1,755,572.47</u>
Decreased by:			
Cash Disbursements	B-2		<u>152,761.94</u>
Balance, December 31, 2014	B	\$	<u><u>1,602,810.53</u></u>

"B-18"

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF OVERPAYMENT OF ASSESSMENTS

	<u>REF.</u>		
Balance, December 31, 2013	B	\$	203.31
Decreased by:			
Cash Disbursements	B-2	\$	<u>203.31</u>

"B-19"

SCHEDULE OF INTERFUNDS-ANIMAL CONTROL FUND

		<u>CURRENT</u>	<u>TRUST OTHER</u>
Balance, December 31, 2013 (Due To)	B	\$ 13,965.60	\$ 22,124.63
Increased by:			
Cash Receipts	B-2	<u>37.50</u>	<u>1,461.24</u>
Balance, December 31, 2014 (Due To)	B	\$ <u>14,003.10</u>	\$ <u>23,585.87</u>

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>		
Balance, December 31, 2013	C	\$	2,462,720.84
Increased by Receipts:			
Budget Appropriations:			
Capital Improvement Fund	C-11	\$	300,000.00
Grants Receivable	C-7		1,091,540.94
Bond Anticipation Notes	C-9		16,024,773.00
Interfunds Receivable	C-15		86,360.90
Loan Receivable	C-18		738,090.00
Deferred Charges to Future Taxation			287,680.25
Premium on Sale of Notes	C-1		90,591.03
			<u>18,619,036.12</u>
		\$	21,081,756.96
Decreased by Disbursements:			
Contracts Payable	C-14	\$	6,177,591.53
Bond Anticipation Notes	C-9		13,562,369.00
Interfunds	C-15		304,996.40
Reserve for Debt Service	C-19		1,500.00
Capital Fund Balance Utilized in Current Fund	C-1		300,000.00
			<u>20,346,456.93</u>
Balance, December 31, 2014	C:C-3	\$	<u><u>735,300.03</u></u>

"C-3"

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

ANALYSIS OF CASH

BALANCE
DECEMBER
31, 2014

Fund Balance	\$ 193,508.54
Improvement Authorizations Funded Set Forth on "C-8"	943,451.76
Improvement Authorizations Expended As Set Forth on Exhibit "C-6"	(3,770,781.88)
Improvement Authorizations Unfunded - Unexpended Proceeds of Notes "C-6"	2,812,877.49
Grants Receivable	(2,061,999.01)
Local Homeowners Receivable	(1,045,503.00)
Due From State of New Jersey Infrastructure Loan Receivable	(638,342.00)
Capital Improvement Fund	43,870.00
Contracts Payable	4,985,437.86
Reserve for Debt Service	6,061.66
Miscellaneous Reserves	9,000.00
Due From Cranford Board of Education	(24,153.00)
Interfunds Receivable	<u>(718,128.39)</u>
	\$ <u><u>735,300.03</u></u>

REF.

C-2

"C-4"

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF DUE FROM CRANFORD BOARD OF EDUCATION

REF.

Balance, December 31, 2013 and
December 31, 2014

C

\$ 24,153.00

"C-5"

SCHEDULE OF DEFERRED CHARGES
TO FUTURE TAXATION - FUNDED

Balance, December 31, 2013

C

\$ 22,602,890.89

Decreased by:

Budget Appropriation to Pay Bonds

C-10

\$ 1,635,000.00

Budget Appropriation to Pay Infrastructure Loans

C-16

413,707.66

Budget Appropriation to Pay Green Trust Loans

C-12

10,748.42

2,059,456.08

Balance, December 31, 2014

C

\$ 20,543,434.81

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2014	ANALYSIS OF BALANCE, DECEMBER 31, 2014		
			BOND ANTICIPATION NOTES	EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
91-26	DMC and Hansen Park	\$ 76,974.62	\$ 76,974.00	\$ 0.62	\$
01-38/03-27/5-37					
06-28/07-35/11-31	Construction of a Municipal Parking Garage	1,278,975.59	503,230.00	699,367.93	76,377.66
02-04	Storm Drainage and Flood Management Improvements	1,029,697.00	1,029,697.00		
03-03	Various Capital Improvements Including Purchase of Equipment	262,820.00	262,820.00		
05-01	Acquisition of Ambulance	43,312.31	43,312.00	0.31	
05-12/09-35	Various Improvements	1,298,483.00	1,298,483.00		
06-10	Multi-Purpose	93,971.90	93,971.00	0.90	
06-11	Sidewalks-Centennial Avenue	140,350.00	140,350.00		
06-24	Multi-Purpose	279,630.00	279,630.00		
07-07	Various Public Improvements	324,330.00	324,330.00		
07-16	Reconstruction of High Street Foot Bridge	492,584.00	492,584.00		
08-18	Various Public Improvements	602,164.00	602,164.00		
09-36	Construction of Crane Place	425,894.00	425,894.00		
09-37	Various Sewer Projects	37,090.00			37,090.00
10-30	Acquisition of Real Property for Recreation and Municipality	1,786,594.00	1,786,594.00		
10-43	Various Improvements	488,000.00	488,000.00		
11-10	Refunding	208,400.00	208,400.00		
11-30	Various Public Improvements	1,109,485.00	1,109,485.00		
09-11	Installation of Turf Field	258,000.00	203,855.00	35,827.94	18,317.06
12-01	Refunding	391,000.00	391,000.00		
12-15	Reconstruction of Lower Level-Municipal Building	1,904,504.53	1,904,500.00	4.53	
12-19	Various Improvements	666,445.40	518,000.00		148,445.40
12-21	Multi-Purpose	1,296,900.00	1,200,000.00		96,900.00
12-37	Various Storm Improvements	427,500.00		57,104.45	370,395.55
13-03	Purchase of Computer Equipment	66,000.00	66,000.00		
13-15	Various Improvements and Acquisitions	599,500.00	599,500.00		
13-16	Multi-Purpose	1,238,000.00	1,238,000.00		
14-06	Various Public Improvements	738,000.00	738,000.00		
14-14	Various Public Improvements	4,810,819.75		2,978,475.20	1,832,344.55
		\$ 22,375,425.10	\$ 16,024,773.00	\$ 3,770,781.88	\$ 2,579,870.22
	REF.	C	C-9	C-3	
Improvement Authorizations-Unfunded	C-8			\$	5,392,747.71
Less: Bond Anticipation Note Proceeds					
Unexpended Ordinances-Various	C-3				2,812,877.49
				\$	2,579,870.22

TOWNSHIP OF CRANFORD
GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE

	<u>REF.</u>	
Balance, December 31, 2013	C	\$ 2,913,539.95
Increased by:		
Grants Awarded	C-8	240,000.00
		\$ <u>3,153,539.95</u>
Decreased by:		
Cash Receipts	C-2	<u>1,091,540.94</u>
Balance, December 31, 2014	C	\$ <u><u>2,061,999.01</u></u>

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2013		2014 AUTHORIZATIONS	NET PAID OR CHARGED	BALANCE DECEMBER 31, 2014	
			FUNDED	UNFUNDED			FUNDED	UNFUNDED
General Improvements								
01-38/03-27/								
05-37/06-28/07-35	Construction of a Municipal Parking Garage	\$ 6,100,000.00	\$	\$ 76,377.66	\$	\$		76,377.66
02-04	Storm Drainage and Flood Management Improvements	9,250,000.00		280,977.18		6,971.79		274,005.39
05-12	Various Capital Improvements	2,132,650.00		173,766.34		105,990.26		67,776.08
06-11	Sidewalk Improvements-Centennial Avenue	200,000.00		7,650.71		262.94		7,387.77
06-24	Multi-Purpose	564,000.00		4,597.21		262.94		4,334.27
07-07	Various Public Improvements	677,700.00		253,013.99		14,582.94		238,431.05
07-16	Reconstruction of High Street Footbridge	600,000.00		95,761.56		30,922.37		64,839.19
08-18	Various Public Improvements	878,000.00		62,708.23		7,748.98		54,959.25
09-11	Installation of Turf Field	606,500.00		18,889.81		572.75		18,317.06
09-34	Various Public Improvements	372,000.00	169,954.07				169,954.07	
09-36	Reconstruction of Crane Place	500,000.00		55,828.97		49,512.94		6,316.03
09-37	Various Sewer Projects	1,038,000.00	125,196.82	37,090.00		4,133.40	121,063.42	37,090.00
10-24	Turf Field, Playground Equipment and Fence	50,000.00	50,000.00			48,272.37	1,727.63	
10-30	Acquisition of Real Property for Recreation and Other Municipal Purposes	1,925,000.00		7,238.02		262.94		6,975.08
10-42	Hillside Avenue Tunnel	40,000.00	39,753.88			2,426.68	37,327.20	
10-43	Various Improvements	900,000.00		293,394.18		262.94		293,131.24
10-46	Holly Street, Phase II	200,000.00	8,275.56				8,275.56	
11-10	Refunding	521,000.00		36,132.85		32,080.51		4,052.34
11-30	Various Public Improvements, Replace Equipment	1,165,000.00		29,453.73		4,819.69		24,634.04
12-01	Refunding	1,173,000.00		10,078.77		444.89		9,633.88
12-13	Elevation of Homes	4,182,014.00	2,940,926.95			2,559,273.94	381,653.01	
12-15	Reconstruction of Lower Level-Municipal Building	3,500,000.00		445,896.70		42,583.57		403,313.13
12-19	Various Improvements	830,000.00		620,826.35		8,536.32		612,290.03
12-21	Multi-Purpose	1,361,800.00		697,094.79		243,372.60		453,722.19
12-37	Various Storm Improvements	580,000.00		379,603.80		9,208.25		370,395.55
13-03	Purchase of Computer Equipment	69,500.00		2,991.44		1,879.22		1,112.22
13-15	Various Improvements & Acquisitions	630,000.00		150,445.45		134,468.68		15,976.77
13-16	Multi-Purpose	1,300,500.00		408,633.07		177,682.97		230,950.10
14-06	Various Public Improvements	775,000.00			775,000.00	490,617.16		284,382.84
14-14	Various Public Improvements	5,455,000.00			5,455,000.00	3,622,655.45		1,832,344.55
14-16	Various Improvements to Municipal Building	1,003,760.00			1,003,760.00	780,309.13	223,450.87	
			\$ 3,334,107.28	\$ 4,148,450.81	\$ 7,233,760.00	\$ 8,380,118.62	\$ 943,451.76	\$ 5,392,747.71
		REF.	C	C		C-14	C-C-3	C-C-6
Capital Improvement Fund								
	C-11				\$ 287,000.00			
Bond Refunding Proceeds	C-20				1,003,760.00			
Grants Receivable	C-7				240,000.00			
Deferred Charges to Future Taxation - Unfunded					5,703,000.00			
					\$ 7,233,760.00			

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ISSUE OF ORIGINAL NOTE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>INCREASE</u>	<u>DECREASE</u>	<u>BALANCE DECEMBER 31, 2014</u>
05-01	Acquisition of Ambulance	01/06/06	02/01/13	01/31/14	0.50%	\$ 63,330.00	\$	\$ 63,330.00	\$
05-01	Acquisition of Ambulance	01/06/06	01/30/14	01/30/15	1.00%		43,312.00		43,312.00
05-12; 09-35	Various Improvements	01/06/05	02/01/13	01/31/14	0.50%	1,391,696.00		1,391,696.00	
05-12; 09-35	Various Improvements	01/06/05	01/30/14	01/30/15	1.00%		1,298,483.00		1,298,483.00
06-10	Multi-Purpose	01/05/07	02/01/13	01/31/14	0.50%	107,146.00		107,146.00	
06-10	Multi-Purpose	01/05/07	01/30/14	01/30/15	1.00%		93,971.00		93,971.00
06-24	Multi-Purpose	01/05/07	02/01/13	01/31/14	0.50%	299,604.00		299,604.00	
06-24	Multi-Purpose	01/05/07	01/30/14	01/30/15	1.00%		279,630.00		279,630.00
02-04	Flood Management Improvements	09/12/07	02/01/13	01/31/14	0.50%	1,043,612.00		1,043,612.00	
02-04	Flood Management Improvements	09/12/07	01/30/14	01/30/15	1.00%		1,029,697.00		1,029,697.00
91-26	DMC Improvements	09/12/07	02/01/13	01/31/14	0.50%	83,460.00		83,460.00	
91-26	DMC Improvements	09/12/07	01/30/14	01/30/15	1.00%		76,974.00		76,974.00
03-03	Various Capital Improvements	08/01/08	02/01/13	01/31/14	0.50%	280,365.00		280,365.00	
03-03	Various Capital Improvements	08/01/08	01/30/14	01/30/15	1.00%		262,820.00		262,820.00
06-11	Centennial Avenue Sidewalks	01/05/07	02/01/13	01/31/14	0.50%	150,375.00		150,375.00	
06-11	Centennial Avenue Sidewalks	01/05/07	01/30/14	01/30/15	1.00%		140,350.00		140,350.00
07-07	Various Capital Improvements	09/12/07	02/01/13	01/31/14	0.50%	334,064.00		334,064.00	
07-07	Various Capital Improvements	09/12/07	01/30/14	01/30/15	1.00%		324,330.00		324,330.00
07-16	Reconst. of High Street Foot Bridge	08/01/08	02/01/13	01/31/14	0.50%	512,288.00		512,288.00	
07-16	Reconst. of High Street Foot Bridge	08/01/08	01/30/14	01/30/15	1.00%		492,584.00		492,584.00
08-18	Various Public Improvements	08/01/08	02/01/13	01/31/14	0.50%	618,873.00		618,873.00	
08-18	Various Public Improvements	08/01/08	01/30/14	01/30/15	1.00%		602,164.00		602,164.00
09-36	Reconst. of Crane Parkway	06/04/10	02/01/13	01/31/14	0.50%	450,947.00		450,947.00	
09-36	Reconst. of Crane Parkway	06/04/10	01/30/14	01/30/15	1.00%		425,894.00		425,894.00
10-30	Acquisition of Real Property for Recreation and Other Purposes	08/25/10	02/01/13	01/31/14	0.50%	1,809,797.00		1,809,797.00	
10-30	Acquisition of Real Property for Recreation and Other Purposes	08/25/10	01/30/14	01/30/15	1.00%		1,786,594.00		1,786,594.00
10-43	Various Improvements	02/04/11	02/01/13	01/31/14	0.50%	501,000.00		501,000.00	
10-43	Various Improvements	02/04/11	01/30/14	01/30/15	1.00%		488,000.00		488,000.00
11-10	Refunding Bond Ordinance	05/17/11	02/01/13	01/31/14	0.50%	312,600.00		312,600.00	
11-10	Refunding Bond Ordinance	05/17/11	01/30/14	01/30/15	1.00%		208,400.00		208,400.00
11-30	Various Public Improvements	02/03/12	02/01/13	01/31/14	0.50%	1,109,485.00		1,109,485.00	
11-30	Various Public Improvements	02/03/12	01/30/14	01/30/15	1.00%		1,109,485.00		1,109,485.00
01-38	Parking Garage	06/26/12	06/23/13	05/23/14	1.25%	503,230.00		503,230.00	
01-38	Parking Garage	06/26/12	05/22/14	05/22/15	0.45%		503,230.00		503,230.00
12-01	Refunding Bond Ordinance	05/23/12	05/23/13	05/23/14	1.25%	782,000.00		782,000.00	
12-01	Refunding Bond Ordinance	05/23/12	05/23/14	05/22/15	1.00%		391,000.00		391,000.00
12-15	Reconstruction of Lower Level	05/23/13	05/23/13	05/23/14	1.25%	2,000,000.00		2,000,000.00	
12-15	Reconstruction of Lower Level	05/23/13	05/23/14	05/22/15	1.00%		1,904,500.00		1,904,500.00
12-19	Various Improvements	05/23/13	05/23/13	05/23/14	1.25%	518,000.00		518,000.00	
12-19	Various Improvements	05/23/13	05/23/14	05/22/15	1.00%		518,000.00		518,000.00
12-21	Multi-Purpose	05/23/13	05/23/13	05/23/14	1.25%	1,200,000.00		1,200,000.00	
12-21	Multi-Purpose	05/23/13	05/23/14	05/22/15	1.00%		1,200,000.00		1,200,000.00
13-03	Purchase of Computer Equipment	05/23/14	05/23/14	05/22/15	1.00%		66,000.00		66,000.00
13-15	Various Improvements	05/23/14	05/23/14	05/22/15	1.00%		599,500.00		599,500.00
13-16	Multi-Purpose	05/23/14	05/23/14	05/22/15	1.00%		1,238,000.00		1,238,000.00
14-06	Various Public Improvements	05/23/14	05/23/14	05/22/15	1.00%		738,000.00		738,000.00

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ISSUE OF ORIGINAL NOTE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>INCREASE</u>	<u>DECREASE</u>	<u>BALANCE DECEMBER 31, 2014</u>
09-11	Installation of Turf Field	04/24/10	09/15/13	09/12/14	0.85%	275,855.00		275,855.00	
09-11	Installation of Turf Field	04/24/10	09/12/13	09/11/15	0.50%		203,855.00		203,855.00
						<u>\$ 14,347,727.00</u>	<u>\$ 16,024,773.00</u>	<u>\$ 14,347,727.00</u>	<u>\$ 16,024,773.00</u>
						<u>REF. C</u>	<u>C-2</u>		<u>C:C-6</u>
					Notes Paid by Budget			\$ 785,358.00	
					Cash Disbursements	C-2		<u>13,562,369.00</u>	
								<u>\$ 14,347,727.00</u>	

"C-11"

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>	
Balance, December 31, 2013	C	\$ 30,870.00
Increased by:		
2014 Budget Appropriation	C-2	300,000.00
		\$ <u>330,870.00</u>
Decreased by:		
Appropriation to Finance Improvement Authorizations	C-8	<u>287,000.00</u>
Balance, December 31, 2014	C	\$ <u><u>43,870.00</u></u>

"C-12"

SCHEDULE OF GREEN TRUST LOANS PAYABLE

Balance, December 31, 2013	C	\$ 164,813.78
Decreased by:		
Loans Paid by Budget	C-5	<u>10,748.42</u>
Balance, December 31, 2014	C	\$ <u><u>154,065.36</u></u>

"C-13"

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF LOCAL HOMEOWNERS RECEIVABLE

REF.

Balance, December 31, 2013 and
December 31, 2014

C

\$ 1,045,503.00

"C-14"

SCHEDULE OF CONTRACTS PAYABLE

Balance, December 31, 2013

C

\$ 2,782,910.77

Increased by:

Improvement Authorizations Charged

C-8

8,380,118.62

11,163,029.39

Decreased by:

Cash Disbursements

C-2

6,177,591.53

Balance, December 31, 2014

C

\$ 4,985,437.86

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>SWIM POOL OPERATING FUND</u>	<u>TRUST OTHER FUND</u>	<u>ASSESSMENT FUND</u>	<u>CURRENT FUND</u>
Balance, December 31, 2013:						
Due To	C	\$ 659,758.00	\$ 72,138.50	\$ 503,570.00	\$ 84,049.50	
Due From	C	160,265.11				\$ 160,265.11
Cash Receipts	C-2	86,360.90			84,049.50	2,311.40
Cash Disbursements	C-2	<u>304,996.40</u>	<u></u>	<u></u>	<u></u>	<u>304,996.40</u>
Balance, December 31, 2014:						
Due To	C	<u>718,128.39</u>	<u>\$ 72,138.50</u>	<u>\$ 503,570.00</u>	<u>\$</u>	<u>\$ 142,419.89</u>

"C-16"

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF NJ INFRASTRUCTURE LOANS PAYABLE

	<u>REF.</u>	
Balance, December 31, 2013	C	\$ 5,803,077.11
Decreased by:		
Loans Paid by Budget	C-5	<u>413,707.66</u>
Balance, December 31, 2014	C	\$ <u><u>5,389,369.45</u></u>

"C-17"

SCHEDULE OF MISCELLANEOUS RESERVES

Balance, December 31, 2013 and December 31, 2014	C	\$ <u><u>9,000.00</u></u>
	Tree Planting	\$ 4,000.00
	Miscellaneous	<u>5,000.00</u>
		\$ <u><u>9,000.00</u></u>

"C-18"

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF INFRASTRUCTURE LOAN RECEIVABLE

	<u>REF.</u>	
Balance, December 31, 2013	C	\$ 1,376,432.00
Decreased by:		
Receipts	C-2	<u>738,090.00</u>
Balance, December 31, 2014	C	<u><u>\$ 638,342.00</u></u>

"C-19"

SCHEDULE OF RESERVE FOR DEBT SERVICE

Balance, December 31, 2013	C	\$ 7,561.66
Decreased by:		
Cash Disbursements	C-2	<u>1,500.00</u>
Balance, December 31, 2014	C	<u><u>\$ 6,061.66</u></u>

"C-20"

SCHEDULE OF RESERVE FOR BUILDING INSURANCE

Balance, December 31, 2013	C	\$ 1,003,760.00
Decreased by:		
Improvement Authorizations	C-8	<u><u>\$ 1,003,760.00</u></u>

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2014</u>
91-26	DMC and Hansen Park	\$ 0.62
05-01	Ambulance	0.31
01-38/03-27/05-47/06-28/7-35/11-31	Construction of a Municipal Parking Garage	775,745.59
06-10	Multi-Purpose	0.90
09-11	Installation of Turf Field	54,145.00
09-37	Various Sewer Projects	37,090.00
12-15	Reconstruction of Lower Level-Municipal Building	4.53
12-19	Various Improvements	148,445.40
12-21	Multi-Purpose	96,900.00
12-37	Various Storm Improvements	427,500.00
14-14	Various Public Improvements	<u>4,810,819.75</u>
		<u>\$ 6,350,652.10</u>

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>	<u>OPERATING</u>	<u>CAPITAL</u>
Balance, December 31, 2013	D	\$ 358,320.08	\$ 54,440.03
Increased by Receipts:			
Interfunds	D-11:D-19	\$ 4,779.45	\$ 75.97
Bond Anticipation Notes	D-6		213,584.00
Appropriation Refunds	D-3	640.30	
Membership	D-2	1,303,570.50	
Miscellaneous	D-2	430,035.98	
430,035.98		<u>1,739,026.23</u>	<u>213,659.97</u>
		\$ 2,097,346.31	\$ 268,100.00
Decreased by Disbursements:			
2014 Appropriations	D-3	\$ 1,656,886.12	\$
2013 Appropriation Reserves	D-12	64,738.23	
Accrued Interest	D-14	1,410.04	
Interfunds	D-11:D-19	3,184.45	75.97
Bond Anticipation Notes	D-6		213,584.00
Contracts Payable	D-8		262.93
		<u>1,726,218.84</u>	<u>213,922.90</u>
Balance, December 31, 2014	D:D-5	\$ <u>371,127.47</u>	\$ <u>54,177.10</u>

"D-5"

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY FUND

SCHEDULE OF SWIM POOL UTILITY CAPITAL CASH

	BALANCE DECEMBER <u>31, 2014</u>
Capital Improvement Fund	\$ 24,050.00
Interfunds Payable	58.03
Improvement Authorizations	<u>30,069.07</u>
	\$ <u><u>54,177.10</u></u>

REF.

D-4

TOWNSHIP OF CRANFORD
SWIM POOL UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ISSUE OF ORIGINAL NOTE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>INCREASE</u>	<u>DECREASE</u>	<u>BALANCE DECEMBER 31, 2014</u>
03-04	Various Pool Improvements	10/10/03	02/01/13	1/31/14	0.50%	\$ 12,840.00	\$	\$ 12,840.00	\$
03-04	Various Pool Improvements	10/10/03	01/30/14	1/30/15	1.00%		6,285.00		6,285.00
03-04	Various Pool Improvements	01/07/05	02/01/13	1/31/14	0.50%	112,860.00		112,860.00	
03-04	Various Pool Improvements	01/07/05	01/30/14	1/30/15	1.00%		56,565.00		56,565.00
10-15	Various Pool Improvements	06/04/10	02/01/13	1/31/14	0.50%	156,317.00		156,317.00	
10-15	Various Pool Improvements	06/04/10	01/30/14	1/30/15	1.00%		150,734.00		150,734.00
						<u>\$ 282,017.00</u>	<u>\$ 213,584.00</u>	<u>\$ 282,017.00</u>	<u>\$ 213,584.00</u>
					<u>REF.</u>	D	D-4		D
			Cash Disbursements	D-4				\$ 213,584.00	
			Notes Paid by Budget	D-18				<u>68,433.00</u>	
								<u>\$ 282,017.00</u>	

"D-7"

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY OPERATING FUND

SCHEDULE OF CHANGE FUND

REF.

Balance, December 31, 2013 and
December 31, 2014

D

\$ 25.00

TOWNSHIP OF CRANFORD
SWIM POOL UTILITY CAPITAL FUND
SCHEDULE OF CONTRACTS PAYABLE

	<u>REF.</u>		
Increased by:			
Improvement Authorizations	D-15	\$	262.93
Decreased by:			
Cash Disbursements	D-4	\$	<u><u>262.93</u></u>

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>ORDINANCE AMOUNT</u>	<u>BALANCE DECEMBER 31, 2014</u>	<u>BALANCE DECEMBER 31, 2013</u>
	General Improvements:			
10-15	Various Pool Improvements	\$ 170,000.00	\$ <u>170,000.00</u>	\$ <u>170,000.00</u>
			\$ <u><u>170,000.00</u></u>	\$ <u><u>170,000.00</u></u>
		<u>REF.</u>	D	D

"D-10"

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

BALANCE
DECEMBER
31, 2014

Swim Pool Facilities:
Orange Avenue
Centennial Avenue
Pool Improvements
General Equipment

\$	1,242,525.00
	2,000,449.00
	1,280,000.00
	<u>774,954.34</u>
\$	<u><u>5,297,928.34</u></u>

REF.

D

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY OPERATING FUND

SCHEDULE OF INTERFUNDS

		<u>TOTAL</u>	<u>DUE SWIM POOL CAPITAL FUND</u>	<u>DUE CURRENT FUND</u>	<u>DUE CAPITAL FUND</u>
Balance, December 31, 2013:					
Due From	D	\$ 58.03	\$ 58.03		
Due To	D	106,812.02		\$ 34,673.52	\$ 72,138.50
Increased by:					
Cash Receipts	D-4	4,779.45		4,779.45	
Decreased by:					
Cash Disbursements	D-4	<u>3,184.45</u>		<u>3,184.45</u>	
Balance, December 31, 2014:					
Due From	D	58.03	<u>\$ 58.03</u>		
Due To	D	<u>\$ 108,407.02</u>		<u>\$ 36,268.52</u>	<u>\$ 72,138.50</u>

"D-12"

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY OPERATING FUND

SCHEDULE OF 2013 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2013	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Operating:				
Salaries and Wages	\$ 56,357.94	\$ 56,357.94	176.77 \$	56,181.17
Other Expenses	77,383.52	122,443.00	64,561.46	57,881.54
Statutory Expenditures:				
Social Security	<u>5,814.63</u>	<u>5,814.63</u>		<u>5,814.63</u>
	\$ <u>139,556.09</u>	\$ <u>184,615.57</u>	<u>64,738.23</u> \$	<u>119,877.34</u>
<u>REF.</u>	D:D-12		D-4	D-1
Balance, December 31, 2014	D-12	\$ 139,556.09		
Encumbrances Payable	D-13	<u>45,059.48</u>		
		\$ <u>184,615.57</u>		

"D-13"

TOWNSHIP OF CRANFORD
SWIM POOL UTILITY OPERATING FUND
SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>REF.</u>	
Balance, December 31, 2013	D	\$ 45,059.48
Increased by:		
Charges to 2014 Appropriations	D-3	13,850.56
		\$ <u>58,910.04</u>
Decreased by:		
Transferred to 2013 Appropriation Reserves	D-12	<u>45,059.48</u>
Balance, December 31, 2014	D	\$ <u><u>13,850.56</u></u>

"D-14"

SCHEDULE OF ACCRUED INTEREST ON NOTES

Balance, December 31, 2013	D	\$ 6,890.41
Increased by:		
Budget Appropriation	D-3	4,750.00
		\$ <u>11,640.41</u>
Decreased by:		
Cash Disbursements	D-4	<u>1,410.04</u>
Balance, December 31, 2014	D	\$ <u><u>10,230.37</u></u>

"D-15"

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>ORDINANCE AMOUNT</u>	<u>BALANCE DECEMBER 31, 2013</u>	<u>PAID OR CHARGED</u>	<u>BALANCE DECEMBER 31, 2014</u>
<u>General Improvements:</u>					
10-15	Various Pool Improvements	\$ 170,000.00	\$ <u>30,332.00</u>	\$ <u>262.93</u>	\$ <u>30,069.07</u>
			\$ <u>30,332.00</u>	\$ <u>262.93</u>	\$ <u>30,069.07</u>
		<u>REF.</u>	D	D-8	D

"D-16"

TOWNSHIP OF CRANFORD
SWIM POOL UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

REF.

Balance, December 31, 2013 and December 31, 2014	D	\$ <u>24,050.00</u>
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"D-17"

SCHEDULE OF RESERVE FOR AMORTIZATION

Balance, December 31, 2013	D	\$ 5,043,928.34
Decreased by:		
Transfer to Reserve for Deferred Amortization	D-18	<u>70,000.00</u>
Balance, December 31, 2014	D	\$ <u>4,973,928.34</u>

"D-18"

SCHEDULE OF RESERVE FOR DEFERRED AMORTIZATION

Balance, December 31, 2013	D	\$ 141,983.00
Increased by:		
Notes Paid by Budget	D-6	68,433.00
Transferred from Reserve for Amortization	D-17	<u>70,000.00</u>
		<u>138,433.00</u>
Balance, December 31, 2014	D	\$ <u>280,416.00</u>

TOWNSHIP OF CRANFORD
SWIM POOL UTILITY CAPITAL FUND
SCHEDULE OF INTERFUNDS PAYABLE

	<u>REF.</u>	
Balance, December 31, 2013	D	\$ 58.03
Increased by:		
Cash Receipts	D-4	75.97
		\$ <u>134.00</u>
Decreased by:		
Cash Disbursements	D-4	\$ <u>75.97</u>
Balance, December 31, 2014	D	\$ <u><u>58.03</u></u>

TOWNSHIP OF CRANFORD

SINGLE AUDIT SECTION

PART II

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

REPORTS ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE
PROGRAMS AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH U.S. OMB CIRCULAR A-133

SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS



SUPLEE, CLOONEY & COMPANY

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

The Honorable Mayor and Members
of the Township Committee
Township of Cranford
County of Union
Cranford, New Jersey 07016

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the Township of Cranford, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements, and have issued our report thereon dated June 3, 2015. Our report disclosed that, as described in Note 1 to the financial statements, the Township of Cranford prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the regulatory financial statements, we considered the Township's 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's internal control.

SUPLEE, CLOONEY & COMPANY

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 Township of Cranford's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's 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*. However, we noted an instance of noncompliance which are discussed in Part III, Comments and Recommendations Section of this report.

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 of Cranford's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Cranford's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 50

June 3, 2015



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO MAJOR FEDERAL
FINANCIAL ASSISTANCE PROGRAMS AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH U.S. OMB CIRCULAR A -133**

The Honorable Mayor and Members
of the Township Committee
Township of Cranford
County of Union
Cranford, New Jersey 07016

Report on Compliance for Each Major Federal Program

We have audited the Township of Cranford's 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 of Cranford'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 of Cranford'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; 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 of Cranford'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 of Cranford's compliance.

SUPLEE, CLOONEY & COMPANY

Opinion on Each Major Federal Program

In our opinion, the Township of Cranford 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 the year ended December 31, 2014.

Report on Internal Control Over Compliance

Management of the Township of Cranford 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 of Cranford'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 Cranford'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.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 50

June 3, 2015

TOWNSHIP OF CRANFORD

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2014

FEDERAL GRANTOR/PASS THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANTOR'S NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	RECEIVED	EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2014
			FROM	TO				
<u>Department of Transportation</u>								
<u>Pass Through State of New Jersey</u>								
New Jersey Trust Fund Authority:								
Improvement of Orange Ave.	20.205	6320-480-078-6320-ADA-TCAP-6010	Continuous		\$ 250,000.00	\$	\$	\$ 247,723.28
Hillside Avenue Resurfacing	20.205	6320-480-078-6320-AG5-TCAP-6010	Continuous		150,000.00			149,707.60
South Union/Lincoln Avenues Traffic Light	20.205	6320-480-078-6320-AJG-6010	Continuous		200,000.00		11,666.03	200,000.00
Walnut Underpass		07-480-078-6320-AJZ-6010	Continuous		185,000.00		6,799.75	185,000.00
Safe Routes to School			Continuous		75,074.00			75,074.00
Various Public Improvements-Incolna Ave Sec. 3 Ord.14-14	20.205	480-078-6320-ALL-6010	Continuous		190,000.00	142,500.00	142,500.00	142,500.00
South Avenue Paving	20.205	480-078-6320-ALC-6010	Continuous		205,000.00	129,929.03	138.71	187,638.71
Various Public Improvements-Ord. 14-14	20.205	480-078-6320-ALW-6010	Continuous		115,000.00	80,598.75	80,598.75	80,598.75
						353,027.78	250,239.56	1,798,002.25
<u>NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION</u>								
Drive Sober or Get Pulled Over	20.602		Continuous		4,400.00			2,350.00
Drive Sober or Get Pulled Over	20.602		Continuous		4,400.00			
Drive Sober or Get Pulled Over	20.602		Continuous		4,175.00	4,175.00	4,175.00	4,175.00
Click It or Ticket	20.602		Continuous		4,000.00	4,000.00	4,000.00	4,000.00
						8,175.00	8,175.00	10,525.00
<u>U. S. Department of Agriculture</u>								
Emergency Watershed Protection	10.923		6/5/13	41,623.00	330,000.00	221,581.19	49,600.00	288,700.00
<u>U. S. Department of Housing and Urban Development</u>								
<u>Pass Through County of Union</u>								
Community Development Block Grants:								
Community Development Block Grant - Prior Year	14.218	765-042-4900-004-178900	9/1/11	8/31/12	72,430.50			
Community Development Block Grant - Year XXXIX-406	14.218	765-042-4900-004-178900	9/1/13	8/31/14	7,478.50	7,478.50	7,478.50	7,478.50
Community Development Block Grant - Year XXXIX-111	14.218	765-042-4900-004-178900	9/1/13	8/31/14	10,000.00	10,000.00	10,000.00	10,000.00
Community Development Block Grant - Year XXXIX-216	14.218	765-042-4900-004-178900	9/1/13	8/31/14	4,522.50	4,522.50	4,522.50	4,522.20
Community Development Block Grant - Year XXXIX-217	14.218	765-042-4900-004-178900	9/1/13	8/31/14	11,951.26	11,951.26	3,186.22	11,951.26
Community Development Block Grant - Year XXXIX-218	14.218	765-042-4900-004-178900	9/1/13	8/31/14	3,900.00	3,900.00	3,900.00	3,900.00
Community Development Block Grant - Year XXXX-406	14.218	765-042-4900-004-178900	9/1/14	8/31/15	10,000.00		2,303.41	2,303.41
Community Development Block Grant - Year XXXX-217	14.218	765-042-4900-004-178900	9/1/14	8/31/15	13,690.00		3,855.72	3,855.72
Community Development Block Grant - Year XXXX-111	14.218	765-042-4900-004-178900	9/1/14	8/31/15	20,000.00			
Community Development Block Grant - Year XXXX-218	14.218	765-042-4900-004-178900	9/1/14	8/31/15	4,900.00		900.00	900.00
						37,852.26	36,146.35	44,911.09
<u>U.S. Department of Justice</u>								
Bulletproof Vest Partnership Program	16.607		Continuous		7,800.00			7,044.40
Bulletproof Vest Partnership Program	16.607		Continuous		1,287.83	1,287.83		
						1,287.83		7,044.40

TOWNSHIP OF CRANFORD

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2014

FEDERAL GRANTOR/PASS THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANTOR'S NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	RECEIVED	EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2014
			FROM	TO				
<u>U. S. Department of Homeland Security</u>								
Assistance to Firefighters	97.044		1/1/10	12/31/11	40,284.00			30,654.00
<u>Pass Through State of New Jersey</u>								
FEMA Disaster Grant	97.036		Continuous		514,670.30	155,497.67		514,670.30
FEMA Hazardous Mitigation Grant	97.039		Continuous		3,136,509.00	949,040.94	1,919,455.46	2,430,726.05
						<u>1,104,538.61</u>	<u>1,919,455.46</u>	<u>2,976,050.35</u>
						\$ <u>1,726,462.67</u>	\$ <u>2,263,616.37</u>	\$ <u>5,125,233.09</u>
		<u>TOTAL</u>						

SCHEDULE 2

TOWNSHIP OF CRANFORD

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2014

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<u>STATE GRANTOR/PROGRAM TITLE</u>	<u>STATE ACCOUNT NUMBER</u>	<u>FROM</u>	<u>TO</u>	<u>GRANT AWARD AMOUNT</u>	<u>RECEIVED</u>	<u>EXPENDITURES</u>	<u>CUMULATIVE EXPENDITURES DECEMBER 31, 2014</u>
<u>Department of Community Affairs</u>							
Alcohol Education and Rehabilitation Fund-Prior	9735-760-098-6020	Continuous		\$ 3,456.63	\$	\$	\$
Alcohol Education and Rehabilitation Fund	9735-760-098-6020	Continuous		1,899.89			
Alcohol Education and Rehabilitation Fund	9735-760-098-6020	Continuous		3,603.89	3,603.89		
Sustainable New Jersey		Continuous		4,000.00			1,988.58
					<u>3,603.89</u>	<u></u>	<u>1,988.58</u>
<u>Department of Law and Public Safety</u>							
Body Armor Replacement Fund-Prior	1020-718-066-1020	Continuous		10,279.61		10,279.61	10,279.61
Body Armor Replacement Fund	1020-718-066-1020	Continuous		4,548.86	4,548.86	4,548.86	4,548.86
Drunk Driving Enforcement Fund	1110-100-066-1110	Continuous		59,507.12	59,507.12	59,507.12	59,507.12
Pedestrian Safety Grant		Continuous		6,000.00			5,998.63
					<u>64,055.98</u>	<u>74,335.59</u>	<u>80,334.22</u>
<u>Department of Health and Senior Services</u>							
Municipal Alliance		1/1/13	12/31/13	20,976.00		6,815.51	20,210.33
Municipal Alliance		1/1/14	12/31/14	29,100.00	7,315.00		
					<u>7,315.00</u>	<u>6,815.51</u>	<u>20,210.33</u>
<u>Department of Environmental Protection</u>							
Clean Communities Program	4900-765-178900-60	1/1/12	12/31/12	56,811.47		25,806.37	56,811.47
Clean Communities Program	4900-765-178900-60	1/1/13	12/31/13	39,314.02		3,793.97	3,793.97
Clean Communities Program	4900-765-178900-60	1/1/14	12/31/14	36,869.00	36,869.00		
Green Communities		Continuous		3,000.00		3,000.00	3,000.00
Recycling Tonnage Grant	4900-752-042-4900	Continuous		47,507.63		16,207.98	22,207.98
					<u>36,869.00</u>	<u>48,808.32</u>	<u>85,813.42</u>
<u>TOTAL</u>					<u>\$ 111,843.87</u>	<u>\$ 129,959.42</u>	<u>\$ 188,346.55</u>

TOWNSHIP OF CRANFORD

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 2014

NOTE 1. GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal and state financial awards of the Township of Cranford, County of Union, New Jersey. All federal and state financial awards received directly from federal or state agencies, as well as federal financial awards passed through other government agencies is included on the Schedules of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting, other than generally accepted accounting principles. The basis of accounting, with exception, is described in Note 1 to the Township's financial statements - regulatory basis.

NOTE 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - REGULATORY BASIS

Amounts reported in the accompanying schedules agree with amounts reported in the Township's regulatory basis financial statements. These amounts are reported in either the Current Fund, General Capital Fund or Trust Other Fund. Reconciliations of revenues and expenses are presented on the following page.

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS-REGULATORY BASIS (CONTINUED)

Revenues:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Current Fund	\$ 515,182.89	\$ 111,843.87	\$ 129,426.56	\$ 756,453.32
General Capital Fund	1,172,139.69			1,172,139.69
Trust Fund	<u>37,852.26</u>	<u></u>	<u></u>	<u>37,852.26</u>
	<u>\$ 1,725,174.84</u>	<u>\$ 111,843.87</u>	<u>\$ 129,426.56</u>	<u>\$ 1,966,445.27</u>

Expenditures:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Current Fund	\$ 57,775.00	\$ 129,959.42	\$ 35,101.62	\$ 222,836.04
General Capital Fund	2,142,554.21			2,142,554.21
Trust Fund	<u>36,146.35</u>	<u></u>	<u></u>	<u>36,146.35</u>
	<u>\$ 2,236,475.56</u>	<u>\$ 129,959.42</u>	<u>\$ 35,101.62</u>	<u>\$ 2,401,536.60</u>

NOTE 5. OTHER

Matching contributions expended by the Township in accordance with terms of the various grants are not reported in the accompanying schedule.

TOWNSHIP OF CRANFORD
UNION COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014

Section I - Summary of Auditor's Results

Financial Statements

- | | |
|--|------------|
| (1) Type of Auditor Report Issued: | Unmodified |
| (2) Internal Control Over Financial Reporting: | |
| (a) Material weakness(es) identified? | No |
| (b) Significant deficiencies identified that are not considered to be material weaknesses? | No |
| (3) Noncompliance material to the financial statements noted during the audit? | No |

Federal Program(s)

- | | |
|---|------------|
| (1) Internal Control Over Major Federal Programs: | |
| (a) Material weakness(es) identified? | No |
| (b) Significant deficiencies identified that are not considered to be material weaknesses? | No |
| (2) Type of Auditor's Report issued on compliance for major federal program(s)? | Unmodified |
| (3) Any audit findings disclosed that are required to be reported in accordance with Circular OMB A-133 and listed in Section III of this schedule? | No |
| (4) Identification of Major Federal Program(s): | |

<u>Program</u>	<u>C.F.D.A. #</u>
US Department of Homeland Security FEMA Hazardous Mitigation	97.039

- | | |
|---|-----|
| (5) Program Threshold Determination: | |
| Type A Federal Program Threshold > \$300,000.00 | |
| Type B Federal Program Threshold <= \$300,000.00 | |
| (6) Auditee qualified as a low-risk auditee under OMB Circular A-133? | Yes |

TOWNSHIP OF CRANFORD
UNION COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014

Section I - Summary of Auditor's Results (Continued)

State Program(s)-Not Applicable

Section II - Financial Statement Audit - Reported Findings Under Government Auditing Standards

Internal Control Findings

None Reported

Compliance Findings

None Reported

Section III - Findings and Questioned Costs Relative to Major Federal and State Programs

Federal Programs - None Reported

State Programs - None Reported

Status of Prior Year Audit Findings - Not Applicable

PART III

TOWNSHIP OF CRANFORD

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2014

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - CURRENT FUND

	YEAR 2014		YEAR 2013	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 1,500,000.00	1.41%	\$ 1,763,500.00	1.68%
Miscellaneous - From Other Than Local				
Property Tax Levies	11,763,085.35	11.02%	11,539,774.10	10.97%
Collection of Delinquent Taxes and				
Tax Title Liens	1,173,429.73	1.10%	1,215,686.98	1.16%
Collection of Current Tax Levy	92,297,441.79	86.47%	90,663,834.98	86.20%
<u>TOTAL INCOME</u>	<u>106,733,956.87</u>	<u>100.00%</u>	<u>105,182,796.06</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	33,377,635.27	32.09%	33,351,458.61	32.42%
County Taxes	19,829,861.74	19.06%	19,860,344.91	19.31%
Local School Taxes	50,411,243.00	48.47%	49,163,577.00	47.79%
Other Expenditures	396,042.22	0.38%	494,482.77	0.48%
<u>TOTAL EXPENDITURES</u>	<u>104,014,782.23</u>	<u>100.00%</u>	<u>102,869,863.29</u>	<u>100.00%</u>
Excess in Revenue	2,719,174.64		2,312,932.77	
Adjustments to Income Before Fund Balance:				
Expenditures Included Above Which are Deferred				
Charges to Budget of Succeeding Year			14,036.34	
Statutory Excess to Fund Balance	2,719,174.64		2,326,969.11	
Fund Balance, January 1	4,054,401.76		3,490,932.65	
	6,773,576.40		5,817,901.76	
Less: Utilization as Anticipated Revenue	1,500,000.00		1,763,500.00	
Fund Balance, December 31	\$ <u>5,273,576.40</u>		\$ <u>4,054,401.76</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE
IN FUND BALANCE - SWIM POOL UTILITY FUND

	YEAR 2014		YEAR 2013	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 60,000.00	3.14%	\$ 65,285.00	3.48%
Collection of Membership Fees	1,303,570.50	68.13%	1,304,901.75	69.49%
Miscellaneous	430,035.98	22.47%	417,516.41	22.23%
Miscellaneous-From Other Than Pool Receipts	119,877.34	6.26%	90,215.78	4.80%
	<u>1,913,483.82</u>	<u>100.00%</u>	<u>1,877,918.94</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	1,710,564.00	91.95%	1,706,535.00	91.81%
Deferred Charges and Statutory Expenditures	76,500.00	4.11%	74,500.00	4.01%
Municipal Debt Service	73,183.00	3.93%	77,695.21	4.18%
	<u>1,860,247.00</u>	<u>100.00%</u>	<u>1,858,730.21</u>	<u>100.00%</u>
Excess in Revenue	53,236.82		23,650.94	
Fund Balance, January 1	<u>60,085.11</u>		<u>101,719.17</u>	
	113,321.93		125,370.11	
Less: Utilization as Anticipated Revenue	<u>60,000.00</u>		<u>65,285.00</u>	
Fund Balance, December 31	\$ <u>53,321.93</u>		\$ <u>60,085.11</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Tax Rate	<u>\$5.694</u>	<u>\$5.612</u>	<u>\$5.457</u>
Appointment of Tax Rate:			
Municipal	1.317	1.309	1.280
Municipal Library	0.077	0.081	0.083
County	1.234	1.212	1.135
Local School	<u>3.066</u>	<u>3.010</u>	<u>2.959</u>

Assessed Valuation:

Year 2014	\$	<u>1,635,584,905.00</u>	
Year 2013		\$	<u>1,633,218,303.00</u>
Year 2012			\$ <u>1,633,380,727.00</u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CURRENTLY</u>	
		<u>CASH COLLECTIONS</u>	<u>PERCENTAGE OF COLLECTION</u>
2014	\$ 93,602,394.34	\$ 92,297,441.79	98.61%
2013	\$ 92,158,846.84	\$ 90,663,834.98	98.38%
2012	\$ 89,431,629.30	\$ 87,964,838.74	98.36%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>DECEMBER</u> <u>31, YEAR</u>		<u>AMOUNT OF</u> <u>TAX TITLE</u> <u>LIENS</u>	<u>AMOUNT OF</u> <u>DELINQUENT</u> <u>TAXES</u>	<u>TOTAL</u> <u>DELINQUENT</u>	<u>PERCENTAGE</u> <u>OF TAX</u> <u>LEVY</u>
2014	\$	16,576.11	\$ 972,592.60	\$ 989,168.71	1.06%
2013	\$	8,865.45	\$ 1,176,744.13	\$ 1,185,609.58	1.29%
2012	\$	9,802.50	\$ 1,176,744.13	\$ 1,203,252.71	1.35%

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE</u> <u>DECEMBER 31</u>	<u>UTILIZED IN BUDGET</u> <u>OF SUCCEEDING</u> <u>YEAR</u>
Current Fund	2014	\$ 5,273,596.40	\$ 1,845,000.00
	2013	\$ 4,054,401.76	\$ 1,500,000.00
	2012	\$ 3,490,932.65	\$ 1,763,500.00
	2011	\$ 2,104,843.92	\$ 900,000.00
	2010	\$ 543,605.17	\$ 275,000.00
Swim Pool Utility Operating Fund	2014	\$ 53,321.93	\$ 46,000.00
	2013	\$ 60,085.11	\$ 60,000.00
	2012	\$ 101,719.17	\$ 65,285.00
	2011	\$ 98,399.28	\$ 10,000.00
	2010	\$ 128,659.55	\$ 9,291.00

OFFICIALS IN OFFICE AND SURETY BONDS

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

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>
Andis Kalnins	Mayor	*
Lisa Adubato	Deputy Mayor	*
Mary O'Connor	Commissioner	*
Robert D'Ambola	Commissioner	*
Thomas H. Hannen, Jr.	Commissioner	*
Terence Wall	Township Administrator	*
Lavona Patterson	CFO	*
Catherine Hendrickson	Tax Collector	*
Tara Rowley	Township Clerk	*
Heather Capone	Deputy Township Clerk	*
Paul Kobliska	Electrical Subcode Official	*
Diane Dabulas, Esq.	Township Attorney	*
Richard Belluscio	Construction Official	*
Robert Hudak	Zoning Officer	*
Christian Jessen	Plumbing Subcode Official	*
Peter Barnett	Tax Assessor	*
Stephen Robertazzi	Director of Parks/Recreation	*
Mark Cassidy	Magistrate	*
Lorraine Powell	Court Administrator	*
Beth Ann Marotta	Deputy Court Administrator	*
Robert P Donovan	Prosecutor	*
Eric Mason	Police Chief to March 1, 2014	*
James Woziak	Police Chief from March 1, 2014	*
Leonard Dolan III	Fire Chief	*
Jeffrey Young	Library Treasurer	*
Steve Patterson	Fire Subcode Official	*

* - All Township employees not having their own bond are covered for \$1,000,000.00 under Statewide Insurance Fund

GENERAL COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR N.J.S.A. 40A:11-4

"Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or the amount calculated by the Governor pursuant to Section 3 P.L. 1971 C. 198 (C. 40A:11-3), except by contract or agreement."

The bid threshold in accordance with N.J.S.A. 40A:11-4 was \$36,000.00.

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

The minutes indicate that bids were requested by public advertising for the following items:

- Vehicles
- Road/Sidewalk Improvements
- Animal Control Services
- Pay Stations
- Landscaping
- HVAC
- Pool Chemicals
- Flood Mitigation
- Building Repairs
- Leaf Collection
- Handicapped Ramps

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

The minutes indicate that resolutions authorizing contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5 were advertised during 2014 for the following professional services:

- Auditor and Financial Advisor
- Attorney/Legal
- Planner
- Architect
- Engineer

GENERAL COMMENTS (CONTINUED)

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

The statute provides the method for authorizing interest and the maximum rate to be charged for the non-payment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 1, 2014 adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

"BE IT RESOLVED by the Governing Body of the Township of Cranford that the rate of interest on delinquent taxes and assessments owed to the said Township of Cranford, be and it hereby is set at eight percent (8%) on the first One Thousand Five Hundred Dollars (\$1,500.00) of taxes due and eighteen percent (18%) of any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00). Such interest shall not be charged, however, on payments made within ten (10) days from the due date."

"BE IT FURTHER RESOLVED there will be a six percent (6%) penalty on delinquency of Ten Thousand Dollars (\$10,000.00) or more at the end of the calendar year."

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

DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held on September 16, 2014 and was complete.

Inspection of Tax Sale Certificates on file revealed that all Tax Sale Certificates were available for audit.

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

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2014	4
2013	4
2012	4

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

GENERAL COMMENTS (CONTINUED)

VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, consisting of the mailing of verification notices as follows:

<u>TYPE</u>	
Payments of 2015 Taxes	25
Payments of 2014 Taxes	25
Delinquent Taxes	25

OTHER COMMENTS

Interfunds

Transactions invariably occur in one fund which requires a corresponding entry to be made in another fund, thus creating interfund balances. References to the various balance sheets show the interfund balances remaining at year end. As a general rule all interfund balances should be closed out as of the end of the year.

It is the Township's policy to review and liquidate all interfund balances on a periodic basis.

Treasurer

While General Ledgers were maintained for all funds, several adjusting entries had to be made to each of the funds General Ledgers to reflect proper balances and bring them into balance with subsidiary ledgers

We noted that a dedication by rider was not obtained for several Other Trust reserve accounts.

We noted there are several grant/loan receivables in the Trust and Capital Funds which have been inactive for the past several years.

Payroll

The 2014 Net Payroll and Payroll Deduction bank reconciliation balances were not analyzed on a timely basis.

Purchasing

We noted that several purchase orders are processed as confirming orders. This is where goods have been received or services have been rendered prior to the issuance of a purchase order.

RECOMMENDATIONS

*That accurate General Ledgers be maintained for all funds and reconciled with subsidiary ledgers.

*That a Dedication by Rider be obtained for all Other Trust reserve accounts.

*That grant/loan receivables in the Trust and Capital Funds be investigated for collectability.

That the 2014 Net Payroll and Payroll Deduction bank reconciliation balances be analyzed on a timely basis.

*That the practice of issuing confirming purchase orders be discontinued.

*Prior Year Recommendations

