



**TOWNSHIP OF CLARK  
COUNTY OF UNION, NEW JERSEY**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY SCHEDULES  
DECEMBER 31, 2014**



**Township of Clark  
County of Union, New Jersey**

**Financial Statements and Supplementary Schedules**

**December 31, 2014**

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40A:11-4

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## INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members  
of the Township Council  
Township of Clark  
County of Union  
Clark, New Jersey

### Report on the Financial Statements

We have audited the accompanying financial statements, which comprise the balance sheets-regulatory basis of the various funds and account group of the Township of Clark, ("Township"), County of Union, State of New Jersey, as of December 31, 2014 and 2013, the related statements of operations and changes in fund balances-regulatory basis and the related notes to the financial statements for the years then ended and the statement of fund balance-regulatory basis, the statements of revenues-regulatory basis and the statements of expenditures-regulatory basis for the year ended December 31, 2014, as listed in the financial statements section of the accompanying table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

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

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

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

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

As described in Note 1 to the financial statements, the financial statements are prepared by the Township on the basis of reporting provisions of the Division (regulatory basis), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

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 preceding paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2014 and 2013, or the results of its operations and changes in fund balances for the years then ended.

### **Basis for Disclaimer of Opinion on Length of Service Award Program Fund ("LOSAP")**

As described in Note 13, the financial statements of the Length of Service Award Program Fund ("LOSAP") have not been audited, and were not required by the Division to be audited nor were we engaged to audit the LOSAP financial statements as part of our audit of the Township's financial statements. The LOSAP financial activities are included in the Township's Trust Fund, and represent 31% and 35% of the assets and liabilities, respectively, of the Township's Trust Funds as of December 31, 2014 and 2013, respectively.

### **Disclaimer of Opinion on Length of Service Award Program Fund ("LOSAP")**

Due to the fact that we were not required by the Division to audit nor were we engaged to audit the LOSAP financial statements as part of our audit of the Township's financial statements, we do not express an opinion on the LOSAP financial statements.

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

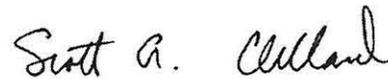
In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP financial statements been audited, the financial statements referred to above present fairly, in all material respects the balance sheets-regulatory basis of the various funds and account group of the Township as of December 31, 2014 and 2013, and the results of its operations and changes in fund balances of such funds – regulatory basis for the years then ended, and the revenues - regulatory basis and expenditures – regulatory basis of the various funds for the year ended December 31, 2014 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1 to the financial statements.

**Report on Supplementary Information as Required by the Division in Accordance with the Regulatory-Basis**

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information, as identified in the table of contents as Schedules 1-A through 5-E and the comments section, is presented for purposes of additional analysis as required by the Division and is not a required part of the 2014 regulatory - basis financial statements of the Township. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2015, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.



Scott A. Clelland  
Registered Municipal Accountant  
No. 455



WISS & COMPANY, LLP

Iselin, New Jersey  
June 19, 2015

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

### INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members  
of the Township Council  
Township of Clark  
County of Union  
Clark, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"); and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the regulatory-basis financial statements of the Township of Clark ("Township"), County of Union, New Jersey as of and for the year ended December 31, 2014, and the related notes to the financial statements, and have issued our report thereon dated June 19, 2015, in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the accounting practices prescribed by the Division and a disclaimed opinion since we did not audit and the Division does not require the Length of Services Award Program ("LOSAP") to be audited.

#### Internal Control Over Financial Reporting

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

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

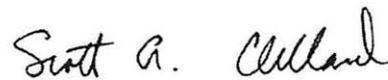
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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



Scott A. Clelland  
Registered Municipal Accountant  
No. 455



WISS & COMPANY, LLP

Iselin, New Jersey  
June 19, 2015

Current and Grant Fund

Exhibits

Township of Clark  
County of Union, New Jersey  
Current Fund

Balance Sheets

	<b>Reference</b>	<b>December 31,</b>	
		<b>2014</b>	<b>2013</b>
<b>Assets</b>			
Regular fund:			
Cash	1-A	\$ 4,542,018.63	\$ 3,942,445.00
Due from State of New Jersey - Senior Citizens and Veterans	4-A	2,705.48	-
Receivables with full reserves:			
Delinquent property taxes receivable	3-A	463,243.63	580,730.57
Tax title liens receivable	5-A	18,084.30	17,314.49
Revenue accounts receivable	6-A	25,124.96	23,706.86
	A	<u>506,452.89</u>	<u>621,751.92</u>
Total Assets		<u>5,051,177.00</u>	<u>4,564,196.92</u>
Grant Fund:			
Cash	15-A	50,707.13	76,420.35
Grants receivable	16-A	18,418.64	12,261.53
		<u>69,125.77</u>	<u>88,681.88</u>
		<u>\$ 5,120,302.77</u>	<u>\$ 4,652,878.80</u>

See accompanying notes to financial statements.

Township of Clark  
County of Union, New Jersey  
Current Fund

Balance Sheets

	<b>Reference</b>	<b>December 31,</b>	
		<b>2014</b>	<b>2013</b>
<b>Liabilities, reserves and fund balance</b>			
Liabilities:			
Appropriation reserves	A-3, 8-A	\$ 801,035.69	\$ 1,070,472.75
Encumbrances payable	A-3, 8-A	161,243.83	145,751.73
Prepaid taxes	10-A	264,000.30	249,014.22
Tax overpayments	11-A	193,508.63	209,110.39
Interfund payable	2-A	318,800.12	-
Due to State of New Jersey - Senior Citizens & Veterans	4-A	-	393.83
Due to State of New Jersey	7-A	225.00	4,150.00
Reserve for state tax appeals	12-A	100,000.00	100,000.00
		<u>1,838,813.57</u>	<u>1,778,892.92</u>
Reserve for receivables	A	506,452.89	621,751.92
Fund balance	A-1	2,705,910.54	2,163,552.08
		<u>3,212,363.43</u>	<u>2,785,304.00</u>
Grant Fund:			
Encumbrances payable	19-A	1,748.15	950.00
Reserve for appropriated grants	17-A	36,973.71	59,546.08
Reserve for unappropriated grants	18-A	30,403.91	28,185.80
		<u>69,125.77</u>	<u>88,681.88</u>
		<u>\$ 5,120,302.77</u>	<u>\$ 4,652,878.80</u>

See accompanying notes to financial statements.

Township of Clark  
County of Union, New Jersey  
Current Fund

Statements of Operations and Changes in Fund Balances

	<u>Reference</u>	<u>Year ended December 31,</u>	
		<u>2014</u>	<u>2013</u>
Revenue and other income realized:			
Fund balance utilized	A-2	\$ 1,592,000.00	\$ 1,580,000.00
Miscellaneous revenue anticipated	A-2	4,077,831.17	3,873,857.40
Receipts from delinquent taxes	A-2	595,915.74	587,907.19
Receipts from current taxes	A-2	57,136,407.88	55,684,454.84
Non-budget revenues	A-2	302,846.55	707,166.55
Other credits to income:			
Unexpended balance of appropriation reserves	8-A	781,960.67	1,126,489.37
Cancellation of grant reserve		-	559.00
Total revenues and other income		<u>64,486,962.01</u>	<u>63,560,434.35</u>
Expenditures:			
Budget expenditures	A-3	20,435,071.31	20,168,954.56
County taxes	3-A, 14-A	12,428,627.73	12,127,918.17
County share of added and omitted taxes	3-A, 13-A	74,734.85	34,925.54
Local district school tax	3-A, 9-A	29,400,105.00	29,125,245.00
Cancellation of grant receivable		-	559.00
Senior citizen deductions - prior year	4-A	14,064.66	-
Refund of prior year revenue		-	216,498.97
Total expenditures		<u>62,352,603.55</u>	<u>61,674,101.24</u>
Excess in revenue		2,134,358.46	1,886,333.11
Fund balance			
Balance, January 1	A	<u>2,163,552.08</u>	<u>1,857,218.97</u>
		4,297,910.54	3,743,552.08
Decreased by			
Utilization as anticipated revenue	A-1	<u>1,592,000.00</u>	<u>1,580,000.00</u>
Balance, December 31	A	<u>\$ 2,705,910.54</u>	<u>\$ 2,163,552.08</u>

See accompanying notes to the financial statements.

Township of Clark  
County of Union, New Jersey  
Current Fund

Statement of Revenues  
Year ended December 31, 2014

	Reference	Anticipated Budget	Realized	Excess or (Deficit)
Surplus anticipated	A-1	\$ 1,592,000.00	\$ 1,592,000.00	\$ -
<b>Miscellaneous revenues</b>				
Licenses:				
Alcoholic beverages	6-A	29,150.00	31,084.00	1,934.00
Other	6-A	5,900.00	5,949.00	49.00
Fees and permits	6-A	171,000.00	195,378.29	24,378.29
Fines and costs:				
Municipal Court	6-A	348,800.00	305,368.00	(43,432.00)
Interest and costs on taxes	6-A	134,600.00	138,662.73	4,062.73
Interest on investments and deposits	6-A	9,000.00	7,207.87	(1,792.13)
Anticipated Utility Operating Surplus	6-A	350,000.00	31,199.88	(318,800.12)
Consolidated municipal property tax relief aid	6-A	188,677.00	188,677.00	-
Energy receipts tax (P.L. 1977, Chapters 162 and 167)	6-A	1,599,850.00	1,599,850.00	-
Uniform Construction Code	6-A	607,000.00	1,153,376.00	546,376.00
Board of Education - trash removal	6-A	32,688.00	32,688.00	-
Recycling tonnage Grant	16-A	19,910.81	19,910.81	-
Drunk Driving Fund	16-A	3,094.22	3,094.22	-
Clean Communities Grant	16-A	24,938.20	24,938.20	-
Municipal Alliance Grant	16-A	20,423.00	20,423.00	-
Body Armor Grant	16-A	9,054.82	9,054.82	-
Uniform fire safety act	6-A	42,075.00	37,763.11	(4,311.89)
Cable TV Franchise fee	6-A	58,485.00	58,485.43	0.43
Cell Tower Rental	6-A	46,000.00	46,601.95	601.95
Hotel Tax	6-A	160,000.00	168,118.86	8,118.86
Total miscellaneous revenues	A-1	<u>3,860,646.05</u>	<u>4,077,831.17</u>	<u>217,185.12</u>
Receipts from delinquent taxes	A-1	<u>500,000.00</u>	<u>595,915.74</u>	<u>95,915.74</u>
Property tax for support of municipal budget appropriations:				
Local tax for municipal purposes	A-2, 3-A	15,494,426.00	16,094,940.30	600,514.30
Non-budget revenues	A-1, A-2		302,846.55	302,846.55
	Below	<u>\$ 21,447,072.05</u>	<u>\$ 22,663,533.76</u>	<u>\$ 1,216,461.71</u>
Budget revenue	A-3	\$ 21,418,259.80		
Special items of revenue	A-3	<u>28,812.25</u>		
	Above	<u>\$ 21,447,072.05</u>		

See accompanying notes to financial statements.

Township of Clark  
County of Union, New Jersey  
Current Fund

Statement of Revenues  
Year ended December 31, 2014

	<b>Reference</b>	<b>2014</b>
Analysis of realized revenues:		
Allocation of current tax collections:		
Revenue from collections	3-A	\$ 57,136,407.88
Less: Reserve for tax appeals pending		-
Current Taxes Realized	A-1	<u>57,136,407.88</u>
Allocated to:		
School and county taxes	3-A	<u>41,903,467.58</u> 15,232,940.30
Add: Reserve for uncollected taxes	A-3	<u>862,000.00</u>
Amount for support of municipal budget appropriations	A-2	<u>\$ 16,094,940.30</u>
Miscellaneous revenue not anticipated:		
Administrative Fee Senior Citizens & Veterans		\$ 3,945.83
FEMA Storm Reimbursement - Prior Year		97,574.82
Motor Vehicle Inspection Fines		9,839.00
Rental of Building		15,693.60
Scrap Metal		1,981.57
Police Salary Reimbursement		42,494.62
Union County Utilities		17,958.00
BOE Fuel Reimbursement - Prior Year		43,863.59
Other Reimbursements		29,449.66
Other		<u>40,045.86</u>
Total	A-1, A-2, 1-A	<u>\$ 302,846.55</u>

See accompanying notes to financial statements.

Township of Clark  
County of Union, New Jersey  
Current Fund

Statement of Expenditures

Year ended December 31, 2014

Appropriations	Appropriations		Expended		
	Budget	Budget after Modification	Paid or Charged	Reserved	Cancelled
<b>Operations within "CAPS"</b>					
General Government:					
Department of administration					
Business administration					
Salaries and wages	\$ 213,718.00	\$ 213,718.00	\$ 213,718.00	\$ -	\$ -
Other expenses	87,068.00	87,068.00	77,490.08	9,577.92	-
Mayor's office					
Salaries and wages	66,925.00	73,925.00	71,233.45	2,691.55	-
Other expenses	8,000.00	8,000.00	4,563.18	3,436.82	-
Township council					
Salaries and wages	45,675.00	45,675.00	45,134.07	540.93	-
Other expenses	25,000.00	25,000.00	13,168.74	11,831.26	-
Township clerk					
Salaries and wages	169,327.00	169,327.00	161,859.08	7,467.92	-
Other expenses	15,750.00	15,750.00	14,254.40	1,495.60	-
Elections					
Salaries and wages	2,601.00	2,601.00	1,980.29	620.71	-
Other expenses	12,000.00	12,000.00	10,162.37	1,837.63	-
Department of Revenue and Finance					
Directors office					
Salaries and wages	195,755.00	147,755.00	144,327.25	3,427.75	-
Other expenses	80,000.00	80,000.00	79,704.88	295.12	-
Division of revenue					
Collection of taxes					
Salaries and wages	59,438.00	59,438.00	56,889.55	2,548.45	-
Other expenses	13,000.00	12,000.00	11,615.34	384.66	-
Department of Assessment					
Assessment of taxes					
Salaries and wages	45,378.00	45,378.00	43,296.93	2,081.07	-
Other expenses	37,300.00	27,300.00	24,839.80	2,460.20	-
Department of Law					
Salaries and wages	28,828.00	28,828.00	26,328.00	2,500.00	-
Other expenses	110,000.00	110,000.00	75,174.29	34,825.71	-
Department of Engineering					
Other expenses	100,000.00	115,000.00	101,659.00	13,341.00	-
Planning Board - Municipal Land Use Law (NJSA 40:550-1)					
Salaries and wages	5,915.00	5,915.00	5,603.04	311.96	-
Other expenses	30,500.00	31,500.00	31,146.28	353.72	-
Board of adjustment					
Salaries and wages	5,915.00	5,915.00	5,603.00	312.00	-
Other expenses	7,800.00	12,800.00	5,844.84	6,955.16	-
Group insurance for employees					
Life insurance	11,000.00	21,000.00	15,641.70	5,358.30	-
Disability insurance	40,000.00	42,000.00	41,635.00	365.00	-
General liability	515,000.00	515,000.00	515,000.00	-	-
Employee group health	3,053,000.00	3,053,000.00	2,877,286.03	25,713.97	150,000.00
Health Benefit Waiver	22,000.00	22,000.00	19,000.00	3,000.00	-
Police					
Salaries and wages	4,383,538.00	4,393,538.00	4,392,281.55	1,256.45	-
Other expenses	281,175.00	292,175.00	270,823.93	21,351.07	-
Emergency management services					
Salaries and wages	7,216.00	7,216.00	7,030.46	185.54	-
Other expenses	10,100.00	10,100.00	9,413.17	686.83	-
First Aid Organization - Contribution	70,000.00	70,000.00	70,000.00	-	-
Department of Public Safety					
Directors office					
Salaries and wages	1,800.00	1,800.00	1,800.00	-	-

See accompanying notes to financial statements.

Township of Clark  
County of Union, New Jersey  
Current Fund

Statement of Expenditures

Year ended December 31, 2014

Appropriations	Appropriations		Expended		
	Budget	Budget after Modification	Paid or Charged	Reserved	Cancelled
<b>Operations within "CAPS" (continued)</b>					
Fire					
Salaries and wages	\$ 39,984.00	\$ 39,984.00	\$ 36,410.50	\$ 3,573.50	\$ -
Other expenses	167,440.00	179,440.00	179,440.00	-	-
Fire Hydrant Services	305,000.00	305,000.00	273,381.96	31,618.04	-
Uniform Fire Safety Act					
Fire Official					
Salaries and wages	87,232.00	87,232.00	87,232.00	-	-
Other expenses	15,300.00	15,300.00	15,300.00	-	-
Bureau of roads, road repair and maintenance					
Salaries and wages	832,529.00	832,529.00	775,673.21	56,855.79	-
Other expenses	285,900.00	305,900.00	286,018.60	19,881.40	-
Building and grounds					
Salaries and wages	175,157.00	175,157.00	158,632.28	16,524.72	-
Other expenses	150,000.00	160,000.00	153,435.24	6,564.76	-
Department of shade tree					
Other expenses	10,000.00	10,000.00	10,000.00	-	-
Division of health and welfare					
Bureau of health					
Salaries and wages	82,223.00	82,223.00	81,911.10	311.90	-
Other expenses	18,245.00	18,245.00	15,256.06	2,988.94	-
Department of Senior Citizens Affairs					
Salaries and wages	62,560.00	62,560.00	29,467.86	33,092.14	-
Other expenses	16,000.00	21,000.00	16,751.92	4,248.08	-
Dog regulation					
Other expenses	11,000.00	11,000.00	11,000.00	-	-
Services of visiting nurses - contractual	4,000.00	4,000.00	4,000.00	-	-
Department of recreation					
Salaries and wages	215,767.00	245,767.00	229,808.92	15,958.08	-
Other expenses	27,000.00	28,000.00	26,969.87	1,030.13	-
Celebration of public events, anniversary or holiday					
Other expenses	25,000.00	30,000.00	6,375.90	23,624.10	-
Street Lighting	300,000.00	300,000.00	243,195.67	56,804.33	-
Municipal Court					
Salaries and Wages	205,328.00	205,328.00	193,819.64	11,508.36	-
Other expenses	18,000.00	18,000.00	11,599.49	6,400.51	-
Division of Code Enforcement					
Construction Code Official					
Salaries and wages	268,946.00	274,946.00	265,352.60	9,593.40	-
Other expenses	38,150.00	40,150.00	38,786.07	1,363.93	-
Unclassified					
Grass Collection	100,000.00	100,000.00	93,772.00	6,228.00	-
Leaf Collection	71,000.00	60,000.00	-	60,000.00	-
Recycling	85,662.00	85,662.00	40,371.24	45,290.76	-
Clean Up	30,000.00	30,000.00	30,000.00	-	-
Municipal Services Act	55,000.00	55,000.00	14,721.75	40,278.25	-
Environmental commission					
Other expenses	100.00	100.00	-	100.00	-
Utilities	230,000.00	230,000.00	178,497.87	51,502.13	-
Telephone - all departments	40,000.00	40,000.00	29,697.48	10,302.52	-
Gas - diesel	225,000.00	225,000.00	182,386.56	42,613.44	-
Reserve for compensated absence	50,000.00	58,000.00	58,000.00	-	-
<b>Total operations within "CAPS"</b>	<b>14,008,245.00</b>	<b>14,098,245.00</b>	<b>13,222,773.49</b>	<b>725,471.51</b>	<b>150,000.00</b>

See accompanying notes to financial statements.

Township of Clark  
County of Union, New Jersey  
Current Fund

Statement of Expenditures

Year ended December 31, 2014

Appropriations	Appropriations		Expended		
	Budget	Budget after Modification	Paid or Charged	Reserved	Cancelled
<b>Operations within "CAPS"</b>					
<b>(continued)</b>					
<b>Deferred charges and statutory expenditures-municipal within "CAPS"</b>					
STATUTORY EXPENDITURES:					
Contribution to:					
Public Employees' Retirement System	\$ 396,363.00	\$ 356,363.00	\$ 355,959.00	\$ 404.00	\$ -
Social security system (O.A.S.I.)	610,000.00	610,000.00	580,540.66	29,459.34	-
Police and Firemen's Retirement System of NJ	815,893.00	763,893.00	763,142.00	751.00	-
Unemployment Compensation					
Insurance	5,000.00	5,000.00	5,000.00	-	-
Defined Contribution Retirement Plan	1,000.00	1,000.00	1,000.00	-	-
Total deferred charges and statutory expenditures - municipal within "CAPS"	1,828,256.00	1,736,256.00	1,705,641.66	30,614.34	-
Total general appropriations for municipal purposes within "CAPS"	15,836,501.00	15,834,501.00	14,928,415.15	756,085.85	150,000.00
<b>Operations - excluded from "CAPS"</b>					
Maintenance of Free Public Library	803,642.00	803,642.00	803,642.00	-	-
Maintenance of 911					
Salaries and wages	601,678.00	601,678.00	558,286.93	43,391.07	-
Other expenses	51,598.00	53,598.00	52,539.23	1,058.77	-
Length of service award program (L.O.S.A.P.)	60,000.00	60,000.00	60,000.00	-	-
Recycling Tax Appropriation	500.00	500.00	-	500.00	-
Interlocal Municipal Service Agreements					
Trash removal - Clark Board of Ed.	32,688.00	32,688.00	32,688.00	-	-
Public and Private Programs Offset by revenues:					
DWI Program	3,094.22	3,094.22	3,094.22	-	-
Municipal Alliance Grant:					
Municipal Alliance	20,423.00	20,423.00	20,423.00	-	-
Local match	5,105.00	5,105.00	5,105.00	-	-
Matching Funds	667.00	667.00	667.00	-	-
Recycling Tonnage Grant	19,910.81	19,910.81	19,910.81	-	-
Body Armor Grant	5,180.77	9,054.82	9,054.82	-	-
Clean Communities	-	24,938.20	24,938.20	-	-
Total operations - excluded from "CAPS"	1,604,486.80	1,635,299.05	1,590,349.21	44,949.84	-
<b>Capital improvements excluded from "CAPS"</b>					
Capital Improvement Fund	100,000.00	100,000.00	100,000.00	-	-
Total Capital Improvements Excluded From "CAPS"	100,000.00	100,000.00	100,000.00	-	-
<b>Municipal Debt Service - Excluded from "CAPS"</b>					
Payment of bond principal	1,115,000.00	1,115,000.00	1,115,000.00	-	-
Payment of bond anticipation notes and capital notes	1,500,000.00	1,500,000.00	1,500,000.00	-	-
Interest on bonds	302,522.00	302,522.00	302,521.26	-	0.74
Interest on notes	97,750.00	97,750.00	97,750.00	-	-
Total municipal debt service - excluded from "CAPS"	3,015,272.00	3,015,272.00	3,015,271.26	-	0.74

See accompanying notes to financial statements.

Township of Clark  
County of Union, New Jersey  
Current Fund

Statement of Expenditures

Year ended December 31, 2014

Appropriations	Appropriations		Expended		
	Budget	Budget after Modification	Paid or Charged	Reserved	Cancelled
<b>Operations - excluded from "CAPS"</b> (Continued)					
Total general appropriations for municipal purposes excluded from "CAPS"	\$ 4,719,758.80	\$ 4,750,571.05	\$ 4,705,620.47	\$ 44,949.84	\$ 0.74
Subtotal general appropriations for municipal purposes	20,556,259.80	20,585,072.05	19,634,035.62	801,035.69	150,000.74
Reserve for uncollected taxes	862,000.00	862,000.00	862,000.00	-	-
Total general appropriations	<u>\$ 21,418,259.80</u>	<u>\$ 21,447,072.05</u>	<u>\$ 20,496,035.62</u>	<u>\$ 801,035.69</u>	<u>\$ 150,000.74</u>
	Below	Below	Below	A	

**Analysis of budget after modification**

	<u>Reference</u>	
2014 appropriations	A-2, Above	\$ 21,418,259.80
Special items of revenue	A-2, 17-A	28,812.25
	Above	<u>\$ 21,447,072.05</u>

**Analysis of paid or charged**

Reserve for uncollected taxes	A-2, Above	\$ 862,000.00
Reserve for grant expenditures - appropriated	17-A	77,421.05
Disbursed	1-A	19,395,370.74
Encumbered	A	161,243.83
	Above	<u>\$ 20,496,035.62</u>

See accompanying notes to financial statements.

Trust Fund

Exhibit

Township of Clark  
County of Union, New Jersey  
Trust Fund

Balance Sheets

	<b>Reference</b>	<b>December 31,</b>	
		<b>2014</b>	<b>2013</b>
<b>Assets</b>			
Animal Control Fund:			
Cash	1-B	\$ 12,513.93	\$ 10,593.78
		<u>12,513.93</u>	<u>10,593.78</u>
Other Funds:			
Cash	1-B	2,342,045.03	1,786,181.51
Funds held in trust-Length of Service Award Program-unaudited	B	<u>1,076,994.21</u>	<u>964,327.15</u>
		3,419,039.24	2,750,508.66
		<u>\$ 3,431,553.17</u>	<u>\$ 2,761,102.44</u>
<b>Liabilities and Reserves</b>			
Animal Control Fund:			
Reserve for expenditures	2-B	\$ 12,513.93	\$ 10,593.78
		<u>12,513.93</u>	<u>10,593.78</u>
Other Funds:			
Reserve for:			
Various trust deposits	3-B	2,342,045.03	1,786,181.51
Length of Service Award Program-unaudited	B	<u>1,076,994.21</u>	<u>964,327.15</u>
		3,419,039.24	2,750,508.66
		<u>\$ 3,431,553.17</u>	<u>\$ 2,761,102.44</u>

*See accompanying notes to financial statements.*

# General Capital Fund

## Exhibits

Township of Clark  
County of Union, New Jersey  
General Capital Fund

Balance Sheets

	<b>Reference</b>	<b>December 31</b>	
		<b>2014</b>	<b>2013</b>
<b>Assets</b>			
Cash	1-C, 2-C	\$ 802,626.41	\$ 369,550.61
State transportation aid receivable	10-C	195,000.00	242,500.00
Deferred charges to future taxation:			
Funded	3-C	6,692,000.00	7,807,000.00
Unfunded	4-C	12,221,000.00	10,946,000.00
		\$ 19,910,626.41	\$ 19,365,050.61
<b>Liabilities, reserves and fund balance</b>			
General serial bonds	8-C	\$ 6,692,000.00	\$ 7,807,000.00
Bond anticipation notes	7-C	11,061,000.00	9,775,000.00
Improvement authorizations - funded	6-C	268,098.86	91,044.76
Improvement authorizations - unfunded	6-C	779,074.28	981,176.20
Encumbrances payable	9-C	841,103.26	284,906.84
Capital improvement fund	5-C	171,603.50	306,603.50
Reserve for debt service	2-C	877.51	877.51
Reserve for flow rights	11-C	94,616.00	94,616.00
Fund balance	C-1	2,253.00	23,825.80
		\$ 19,910,626.41	\$ 19,365,050.61

*There were bonds and notes authorized but not issued on December 31, 2014 and 2013 in the amounts of \$1,160,000.00 and \$1,171,000.00, respectively (Schedule 12-C).*

*See accompanying notes to financial statements.*

Township of Clark  
County of Union, New Jersey  
General Capital Fund

Statement of Fund Balance

Year ended December 31, 2014

	<u>Reference</u>		
Balance, December 31, 2013	C	\$	23,825.80
Increased by:			
Premium on Bond Anticipation Notes	1-C		<u>58,427.20</u>
			82,253.00
Decreased by:			
Appropriated to Finance Improvement Authorizations	6-C		<u>80,000.00</u>
Balance, December 31, 2014	C	\$	<u><u>2,253.00</u></u>

*See accompanying notes to financial statements.*

# Swim Pool Utility Fund

## Exhibits

Township of Clark  
County of Union, New Jersey  
Swim Pool Utility Fund

Balance Sheets

		December 31	
	Reference	2014	2013
<b>Assets</b>			
Operating Fund:			
Cash	1-D	\$ 66,792.11	\$ 56,717.88
Total Operating Fund		<u>66,792.11</u>	<u>56,717.88</u>
Capital Fund:			
Cash	1-D	12,668.21	21,969.55
Fixed capital	3-D	1,651,631.79	1,618,930.45
Fixed capital authorized and uncompleted	9-D	<u>12,668.21</u>	<u>-</u>
Total Capital Fund		<u>1,676,968.21</u>	<u>1,640,900.00</u>
		<u>\$ 1,743,760.32</u>	<u>\$ 1,697,617.88</u>
<b>Liabilities, reserves and fund balance</b>			
Operating Fund:			
Liabilities:			
Accrued interest payable	5-D	\$ 2,028.75	\$ 3,148.97
Encumbrance payable	D-3	750.00	-
Appropriation reserves	D-3,2-D	<u>18,216.13</u>	<u>26,070.21</u>
		20,994.88	29,219.18
Fund balance	D-1	<u>45,797.23</u>	<u>27,498.70</u>
Total Operating Fund		<u>66,792.11</u>	<u>56,717.88</u>
Capital Fund:			
Bond anticipation notes payable	6-D	175,000.00	225,000.00
Improvement authorizations - funded	8-D	12,668.21	-
Reserve for amortization	7-D	1,476,631.79	1,393,930.45
Reserve for deferred amortization	10-D	12,668.21	-
Reserve for capital outlay	4-D	<u>-</u>	<u>21,969.55</u>
Total Capital Fund		<u>1,676,968.21</u>	<u>1,640,900.00</u>
		<u>\$ 1,743,760.32</u>	<u>\$ 1,697,617.88</u>

*There were no bonds and notes authorized but not issued on December 31, 2014 and 2013.*

*See accompanying notes to financial statements.*

Township of Clark  
County of Union, New Jersey  
Swim Pool Utility Fund

Statements of Operations and Changes in Fund Balances

	Reference	Year ended December 31	
		2014	2013
Revenue and other income:			
Fund balance utilized	D-2	\$ 16,100.00	\$ 14,400.00
Membership fees	D-2	265,170.00	269,355.00
Miscellaneous revenue	D-2	59,058.32	53,991.76
Other credits to income:			
Unexpended balance of appropriation reserves	2-D	26,070.21	215.14
Total revenue and other income		<u>366,398.53</u>	<u>337,961.90</u>
Expenditures:			
Operating	D-3	244,948.00	229,300.00
Capital improvements	D-3	23,400.00	30,000.00
Debt service	D-3	50,852.00	50,000.00
Deferred charges and statutory expenditures	D-3	12,800.00	12,800.00
Total expenditures		<u>332,000.00</u>	<u>322,100.00</u>
Excess in revenue		34,398.53	15,861.90
Fund balance:			
Balance, January 1	D	<u>27,498.70</u>	<u>26,036.80</u>
		61,897.23	41,898.70
Decreased by utilized as anticipated revenue	D-2	<u>16,100.00</u>	<u>14,400.00</u>
Balance, December 31	D	<u>\$ 45,797.23</u>	<u>\$ 27,498.70</u>

*See accompanying notes to financial statements.*

Township of Clark  
 County of Union, New Jersey  
 Swim Pool Utility Fund

Statement of Revenues-Operating Fund

Year ended December 31, 2014

	<b>Reference</b>	<b>Budget Revenue</b>	<b>Realized</b>	<b>Excess</b>
Fund balance utilized	D-1	\$ 16,100.00	\$ 16,100.00	\$ -
Membership fees	D-1, 1-D	265,000.00	265,170.00	170.00
Miscellaneous	D-1, 1-D	50,900.00	59,058.32	8,158.32
		<u>\$ 332,000.00</u>	<u>\$ 340,328.32</u>	<u>\$ 8,328.32</u>
		D-3	D-1	

*See accompanying notes to financial statements.*

Township of Clark  
 County of Union, New Jersey  
 Swim Pool Utility Fund

Statement of Expenditures-Operating Fund

Year ended December 31, 2014

	Appropriations		Expended		
	Budget	Budget After Modification	Paid or Charged	Reserved	Cancelled
Operating:					
Salaries and wages	\$ 104,000.00	\$ 86,652.69	\$ 86,652.69	\$ -	\$ -
Other expenses	140,948.00	158,295.31	140,079.18	18,216.13	-
Capital Improvements:					
Capital outlay	23,400.00	23,400.00	23,400.00	-	-
Debt Service:					
Payment of bond anticipation notes	50,000.00	50,000.00	50,000.00	-	-
Interest on notes	852.00	852.00	852.00	-	-
Deferred charges and statutory expenditures:					
Social security system (O.A.S.I.)	11,400.00	11,400.00	11,400.00	-	-
Unemployment compensation insurance	1,400.00	1,400.00	1,400.00	-	-
	<u>\$ 332,000.00</u>	<u>\$ 332,000.00</u>	<u>\$ 313,783.87</u>	<u>\$ 18,216.13</u>	<u>\$ -</u>
<b>Reference</b>	D-2	D-2	Below	D	

**Analysis of paid or charged:**

Cash disbursed	1-D	\$ 312,181.87
Interest on notes	5-D	852.00
Encumbrances	D	750.00
	Above	<u>\$ 313,783.87</u>

See accompanying notes to financial statements.

# Sewer Utility Fund

## Exhibits

Township of Clark  
County of Union, New Jersey  
Sewer Utility Fund

Balance Sheets

		<b>December 31</b>	
<b>Reference</b>	<b>2014</b>	<b>2013</b>	
<b>Assets</b>			
Operating Fund:			
Cash	1-E	\$ 1,341,458.45	\$ 1,715,843.75
Interfund receivable	1-E	318,800.12	-
Sewer fees receivable	2-E	109,124.89	111,249.97
Other receivables	E-1	-	20,790.00
Total Operating Fund		1,769,383.46	1,847,883.72
Capital Fund:			
Cash	1-E	102,868.00	77,868.00
Fixed capital	E	22,212.00	22,212.00
Total Capital Fund		125,080.00	100,080.00
		\$ 1,894,463.46	\$ 1,947,963.72
<b>Liabilities, reserves and fund balance</b>			
Operating Fund:			
Liabilities:			
Appropriation reserves	3-E, E-3	\$ 89,951.05	\$ 45,709.05
Sewer overpayments	4-E	2,196.54	2,023.72
		92,147.59	47,732.77
Reserve for receivables	E	109,124.89	132,039.97
Fund balance	E-1	1,568,110.98	1,668,110.98
Total Operating Fund		1,769,383.46	1,847,883.72
Capital Fund:			
Reserve for capital outlay	5-E	102,868.00	77,868.00
Reserve for amortization	E	22,212.00	22,212.00
Total Capital Fund		125,080.00	100,080.00
		\$ 1,894,463.46	\$ 1,947,963.72

*There were no bonds and notes authorized but not issued at December 31, 2014 and 2013.*

*See accompanying notes to financial statements.*

Township of Clark  
County of Union, New Jersey  
Sewer Utility Fund

Statements of Operations and Changes in Fund Balances

	Reference	Year ended December 31	
		2014	2013
Revenue and other income:			
Fund Balance Utilized	E-2	\$ 100,000.00	\$ -
Sewer Fees	E-2	2,812,982.57	3,245,740.03
Miscellaneous revenue	E-2	22,508.26	14,294.84
Other credits to income:			
Accounts payable cancelled		-	528.84
Unexpended balance of appropriation reserves	3-E	45,709.05	124,205.72
Total revenue and other income		2,981,199.88	3,384,769.43
Expenditures:			
Operating	E-3	2,925,000.00	3,091,940.00
Capital Outlay	E-3	25,000.00	25,000.00
Surplus (current fund budget)	E-3	31,199.88	150,000.00
Other	E	-	20,790.00
Total expenditures		2,981,199.88	3,287,730.00
Excess in revenue		-	97,039.43
Fund balance:			
Balance, January 1	E	1,668,110.98	1,571,071.55
		1,668,110.98	1,668,110.98
Decreased by utilized as anticipated revenue	E-2	100,000.00	-
Balance, December 31	E	\$ 1,568,110.98	\$ 1,668,110.98

See accompanying notes to financial statements.

Township of Clark  
County of Union, New Jersey  
Sewer Utility Fund

Statement of Revenues - Operating Fund

Year ended December 31, 2014

	<b>Reference</b>	<b>Budget Revenue</b>	<b>Realized</b>	<b>(Deficit) Excess</b>
Fund Balance Utilized	E-1	\$ 100,000.00	\$ 100,000.00	\$ -
Sewer fees	E-1,1-E,2-E	3,200,000.00	2,812,982.57	(387,017.43)
Miscellaneous	E-1,1-E	-	22,508.26	22,508.26
	E-3	<u>\$ 3,300,000.00</u>	<u>\$ 2,935,490.83</u>	<u>\$ (364,509.17)</u>

*See accompanying notes to financial statements.*

Township of Clark  
County of Union, New Jersey  
Sewer Utility Fund

Statement of Expenditures - Operating Fund

Year ended December 31, 2014

	Appropriations		Expended		
	Budget	Budget After Modification	Paid or Charged	Reserved	Cancelled
Operating:					
Salaries and Wages	\$ 258,057.00	\$ 258,057.00	\$ 258,057.00	\$ -	\$ -
Other expenses:					
Rahway Valley Sewer Authority	2,221,965.00	2,221,965.00	2,221,965.00	-	-
Miscellaneous	444,978.00	444,978.00	355,026.95	89,951.05	-
Capital Outlay	25,000.00	25,000.00	25,000.00	-	-
Surplus (General Budget)	350,000.00	350,000.00	31,199.88	-	318,800.12
	<u>\$ 3,300,000.00</u>	<u>\$ 3,300,000.00</u>	<u>\$ 2,891,248.83</u>	<u>\$ 89,951.05</u>	<u>\$ 318,800.12</u>
<b>Reference</b>	E-2	E-2	1-E	E	E

See accompanying notes to financial statements.

# General Fixed Assets Account Group

## Exhibit

Township of Clark  
County of Union, New Jersey  
General Fixed Assets Account Group

Balance Sheets

	<b>December 31</b>	
	<b>2014</b>	<b>2013</b>
<b>Fixed Assets</b>		
Land and Land Improvements	\$ 5,457,805.00	\$ 5,457,805.00
Buildings and Building Improvements	7,333,818.00	7,132,995.00
Machinery and Equipment	6,795,155.00	6,388,962.00
	\$ 19,586,778.00	\$ 18,979,762.00
 <b>Reserve</b>		
Investment in General Fixed Assets	\$ 19,586,778.00	\$ 18,979,762.00

*See accompanying notes to financial statements.*

# Township of Clark

## Notes to Financial Statements

Years ended December 31, 2014 and 2013

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

#### **Reporting Entity**

The Governmental Accounting Standards Board (GASB) has established criteria to be used to determine which component units should be included in the financial statements of the oversight entity. The Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division") requires the financial statements of the Township of Clark ("Township") to be reported separately.

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

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

#### **Description of Funds**

The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes three fund types to be used by general purpose governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States (GAAP).

The accounting policies of the Township conform to the accounting principles applicable to municipalities, which have been prescribed by the Division. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Township 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

Township of Clark

Notes to Financial Statements

Years ended December 31, 2014 and 2013

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

the financial position and results of operations of a specific government activity. As required by the Division, the Township accounts for its financial transactions through the following individual funds and account group:

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

Trust Fund – records the receipts, custodianship and disbursement of monies in accordance with the purpose for which each reserve was established.

General Capital Fund – records the receipt and disbursement of funds for the acquisition of general infrastructure and other capital facilities, other than those acquired through the Current Fund. General bonds and notes payable are recorded in this fund offset by deferred charges to future taxation.

Swim Pool Utility Operating and Capital Funds – account for the operation and acquisition of capital facilities of the municipally-owned swimming pool.

Sewer Utility Operating and Capital Funds – account for the operation and acquisition of capital facilities of the municipally-owned sewer utility.

General Fixed Assets Account Group – utilized to account for land, buildings, machinery, equipment and vehicles that have been acquired by other governmental funds, other than utility funds.

**Basis of Accounting**

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from GAAP applicable to local governmental 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 revenue

Township of Clark

Notes to Financial Statements

Years ended December 31, 2014 and 2013

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

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 revenue 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.

Expenditures – are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuances of a purchase order in conjunction with the encumbrance accounting system. Unexpended or uncommitted appropriations at December 31 are reported as expenditures through the establishment of appropriation reserves unless cancelled by the governing body. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the Township's statutory appropriation reserve balance. GAAP requires expenditures in the Current Fund to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Appropriation Reserves – unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be cancelled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis. Appropriation reserves are not established under GAAP.

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.

Deferred Charges – the basis of accounting utilized by the Township requires that certain expenditures be deferred, and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories,

Township of Clark

Notes to Financial Statements

Years ended December 31, 2014 and 2013

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

overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for deferred charges on the Current Fund, Swim Pool Utility Fund or Sewer Utility Fund balance sheets. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance.

Compensated Absences – expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the Current Fund and the remaining obligations be recorded as a long-term obligation.

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 at the date of acquisition.

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

Interfunds – the advances from the Current Fund are reported as interfund receivables 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.

Inventories of Supplies – the costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories are not included on the various balance sheets. GAAP does not require the establishment of an offsetting reserve.

Township of Clark

Notes to Financial Statements

Years ended December 31, 2014 and 2013

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

Fixed Capital – Swim Pool and Sewer Utility – the property and equipment purchased by the Swim Pool Utility Fund and Sewer Utility Fund are recorded in its capital account at cost and is adjusted for dispositions and abandonments. The amount reported for reserve for amortization of fixed capital acquired on the balance sheet of the Swim Pool Utility and Sewer Utility Capital Funds represent the aggregate charges (capital outlay and debt service) to the operating budget and reserve for capital outlay for the costs of the acquisitions of property and equipment and proceeds from grants-in-aid. The Swim Pool Utility and Sewer Utility do not record depreciation of property and equipment.

GAAP does not require the establishment of a reserve for amortization of fixed capital, whereas it does require the recognition of depreciation of property and equipment by the Swim Pool Utility and Sewer Utility Fund.

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

Insurance Claims – Insurance claims incurred are not recorded as a liability but would be recorded as a liability under GAAP (see Note 11).

**Regulatory-Basis Financial Statements**

The GASB Codification also defines the financial statements of a governmental unit to be presented in the basic financial statements to be in accordance with GAAP. The Township presents the financial statements listed in the table of contents which are required by the Division and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

**Comparative Data**

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

**GASB to be Implemented in the 2015 Fiscal Year**

In June 2012, GASB issued Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27 ("GASB No. 68"). The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other

# Township of Clark

## Notes to Financial Statements

Years ended December 31, 2014 and 2013

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

entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The requirements of this Statement will improve the decision-usefulness of information in employer and governmental nonemployer contributing entity financial reports and will enhance its value for assessing accountability and interperiod equity by requiring recognition of the entire net pension liability and a more comprehensive measure of pension expense. The requirements of this Statement are effective for financial statements for periods ending on or after June 30, 2015. The Township has not completed the process of evaluating the impact that will result from adopting GASB No. 68.

### **Subsequent Events**

The Township has reviewed and evaluated all events and transactions from December 31, 2014 through June 19, 2015, the date that the financial statements were available for issuance. The effects of those events and transactions that provide additional pertinent information about conditions that existed at December 31, 2014 have been recognized in the accompanying financial statements.

## **2. Deposits and Investments**

### **Deposits**

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey that are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

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

The market value of the collateral must equal five percent of the average daily balance of public funds; or

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

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

Township of Clark

Notes to Financial Statements

Years ended December 31, 2014 and 2013

**2. Deposits and Investments (continued)**

Cash and cash equivalents include petty cash, change funds, amounts on deposit and short-term investments with original maturities of three months or less. Investments are stated at cost, which approximates fair value.

As of December 31, 2014 and 2013, cash and cash equivalents of the Township consisted of certificates of deposit and demand deposit accounts.

The carrying amount of the Township's deposits at December 31, 2014 was \$9,273,697 (excludes petty cash) and the bank balance was \$9,588,899. Of this amount, \$500,000 was covered by federal depository insurance. The New Jersey Governmental Unit Deposit Protection Act ("GUDPA") covered the bank balance of \$8,960,790. \$128,109 held in the Township agency account is not covered by GUDPA.

The carrying amount of the Township's deposits at December 31, 2013 was \$8,056,990 (excludes petty cash) and the bank balance was \$8,141,378. Of this amount, \$500,000 was covered by federal depository insurance and the remaining \$7,502,428 was covered by a collateral pool maintained by the bank as required by New Jersey Statutes in accordance with the New Jersey Governmental Unit Deposit Protection Act ("GUDPA"). \$138,950 held in the Township agency account is not covered by GUDPA.

GASB Statement No. 40 requires that the Township disclose whether its deposits are exposed to custodial credit risk (risk that in the event of failure of the counterparty, the Township would not be able to recover the value of its deposit or investment). Deposits are considered to be exposed to custodial credit risk if they are: uncollateralized (securities are not pledged to the depositor), collateralized with the securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the name of the Township.

The Township does not have a policy for the management of custodial credit risk, other than depositing all of its funds in banks covered by GUDPA. At least five percent of the Township's deposits were fully collateralized by funds held by the financial institution, but not in the name of the Township. Due to the nature of GUDPA, further information is not available regarding the full amount that is collateralized.

**Investments**

New Jersey statutes permit the Township to purchase the following types of securities.

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Association or of any United States Bank for Cooperatives which have a maturity date not greater than twelve months from the date of purchase.

# Township of Clark

## Notes to Financial Statements

Years ended December 31, 2014 and 2013

### **2. Deposits and Investments (continued)**

- a. Bonds and other obligations of the Township or bonds or other obligations of school districts, which are part of the Township or school districts located within the Township.
- b. Bonds or other obligations, having a maturity date of not more than twelve months from the date of purchase, that are approved by the New Jersey Department of Treasury, Division of Investments.

*Custodial Credit Risk:* All of the Township's investments are insured or registered in the Township's name or held by an entity as its agent in the Township's name. The Township does not have a policy for custodial credit risk for its investments.

*Concentration of Credit Risk:* The Township places no limit on the amount the Township may invest in any one issuer.

*Credit Risk:* The Township does not have an investment policy regarding the management of credit risk. GASB 40 requires that disclosures be made as to the credit rating of all debt security investments except for obligations of the U.S. Government or investments guaranteed by the U.S. Government.

*Interest Rate Risk:* The Township does not have a policy to limit interest rate risk, however, its practice is typically to invest in investments with short maturities.

During 2014 and 2013, the Township had no investments.

### **3. School Debt**

The Township of Clark Board of Education is a Type II School District. As such, the members of the Board of Education are elected by the citizens of the Township and school appropriations are set by a Board of Education. Bonds and notes authorized by voter referendum to finance capital expenditures are general obligations of the Board of Education and, as such, are reported on the balance sheet of the Board of Education.

### **4. Long-Term Debt**

The Local Bond Law governs that issuance of bonds to finance general municipal capital expenditures. All bonds issued by the Township are general obligations bonds backed by the full faith and credit of the Township. Bond Anticipation Notes, which are issued to temporarily finance capital projects, must be paid off within ten years or retired by the issuance of bonds.

Township of Clark

Notes to Financial Statements

Years ended December 31, 2014 and 2013

**4. Long-Term Debt (continued)**

**Summary of Municipal Debt (excluding Type II School Debt)**

The Township's debt is summarized as follows:

	<u>2014</u>	<u>2013</u>
Issued:		
General:		
Bonds and notes	\$ 17,753,000	\$ 17,582,000
Swim Pool Utility:		
Notes	175,000	225,000
Total issued	<u>17,928,000</u>	<u>17,807,000</u>
Authorized but not issued:		
General:		
Bonds and notes	<u>1,160,000</u>	<u>1,171,000</u>
Net bonds and notes issued and authorized but not issued	<u>\$ 19,088,000</u>	<u>\$ 18,978,000</u>

**Summary of Statutory Debt Condition (Annual Debt Statement)**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.80%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
General debt	\$ 18,913,000	\$ 878	\$ 18,912,122
School debt	14,930,000	14,930,000	-
Swim Pool Utility debt	175,000	175,000	-
	<u>\$ 34,018,000</u>	<u>\$ 15,105,878</u>	<u>\$ 18,912,122</u>

Township of Clark

Notes to Financial Statements

Years ended December 31, 2014 and 2013

**4. Long-Term Debt (continued)**

Net debt \$18,912,122 divided by equalized valuation basis per N.J.S. 40A:2-2, as amended, \$2,375,421,823 equals 0.80%.

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

Equalized valuation basis* - December 31, 2014	<u>\$ 2,375,421,823</u>
3 1/2% of equalized valuation basis	\$ 83,139,764
Net debt	<u>18,912,122</u>
Remaining borrowing power	<u>\$ 64,227,642</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 the last three (3) preceding years.

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

Calendar Year	General		Total
	Principal	Interest	
2015	\$ 1,150,000	\$ 259,315	\$ 1,409,315
2016	1,570,000	214,753	1,784,753
2017	1,640,000	153,915	1,793,915
2018	1,710,000	90,365	1,800,365
2019	622,000	24,103	646,103
	<u>\$ 6,692,000</u>	<u>\$ 742,451</u>	<u>\$ 7,434,451</u>

The Township has one serial bond issue outstanding at December 31, 2014 and 2013. At December 31, 2014 and 2013, there was \$6,692,000 and \$7,807,000, respectively, of serial bonds payable. The bonds were original issued in the amount of \$9,042,000 on August 15, 2005 at an interest rate of 3.875%. The annual principal payments are due through August 15, 2019. The bond issue interest is recorded on the cash basis for general debt. The interest is paid semi-annually at a rate of 3.875%.

Bond anticipation notes were issued in the General Capital Fund and Swim Pool Utility Capital Fund at an interest rate of 0.75% and mature on March 20, 2015 (see schedules 7-C and 6-D). At December 31, 2014 and 2013, there were notes outstanding of \$11,236,000 and \$10,000,000, respectively, of bond anticipation notes outstanding.

Township of Clark

Notes to Financial Statements

Years ended December 31, 2014 and 2013

**5. Fund Balances Appropriated**

The following fund balances at December 31, 2014 were appropriated in the 2014 budget:

Current Fund	\$ 2,150,000
Swim Pool Utility Operating Fund	17,052
Sewer Utility Operating Fund	193,564

The following fund balances at December 31, 2013 were appropriated in the 2014 budget:

Current Fund	\$ 1,592,000
Swim Pool Utility Operating Fund	16,100
Sewer Utility Operating Fund	100,000

**6. 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 the 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 are recorded as cash liabilities in the financial statements are as follows:

	<b>Balance December 31,</b>	
	<b>2014</b>	<b>2013</b>
Prepaid taxes	<u>\$ 264,000</u>	<u>\$ 249,014</u>

## Township of Clark

### Notes to Financial Statements

Years ended December 31, 2014 and 2013

#### **7. Pension Plans**

Substantially, all Township employees participate in the Public Employees' Retirement System or the Police and Firemen's Retirement System. The Division of Pensions within the Treasury Department of the State of New Jersey is the administrator of the funds and charges municipalities annually for their respective contributions. The plans provide retirement and disability benefits, annual cost sharing multiple-employer defined benefit plans and as such do not maintain separate records for each municipality in the state and, therefore, the actuarial data for the Township is not available. The Division of Pensions issues publicly available financial reports for each of the plans that include financial statements and required supplementary information. The reports may be obtained by writing the State of New Jersey, Division of Pensions.

Covered employees are required by State statute to contribute a certain percentage of their salary to the plan. Each member's percentage is based on age determined at the effective date of enrollment. In addition, the PERS and PFRS bill the Township annually at an actuarially determined rate for its required contribution. The current rate is 6.92% and 10%, respectively, of annual covered payroll. The contribution requirements of plan members and the Township are established and may be amended by the Board of Trustees of the respective plan. The Township's contributions to the PERS for the years ended December 31, 2014, 2013 and 2012 were \$355,959, \$388,053 and \$380,961, respectively, equal to the required contributions for each year. The Township's contributions to the PFRS for the years ended December 31, 2014, 2013 and 2012 were \$763,142, \$802,352 and \$838,006, respectively, equal to the required contributions for each year.

#### **Other Post-Retirement Benefits Other Than Pension State Health Benefits Program (SHBP)**

**Plan Description:** The Township contributes to the State Health Benefits Program (SHBP) a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pension 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/audit-rpts-2013/sbhp-2013.pdf>

Township of Clark

Notes to Financial Statements

Years ended December 31, 2014 and 2013

**7. Pension Plans (continued)**

**Plan Coverage:** All active employees, including their dependents, are eligible to participate in the SHBP, upon completion of a sixty day waiting period. Retirees with twenty five years or more of active service with the Township are also eligible to participate in the SHBP.

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

Contributions to pay for the health premiums of participating employees in the SHBP are billed to the Township on a monthly basis. Eligible employees and retirees have the option of choosing from six medical benefit plans (NJ Direct15, NJ Direct10, Aetna, Freedom10, Aetna Freedom15, Aetna HMO or Horizon HMO) with rates ranging from \$679.97 for a single participant to \$1,867.91 for family coverage.

The Township's contributions to SHBP for post-retirement benefits for the years ended December 31, 2014, 2013, and 2012 were \$1,078,968, \$993,910 and \$906,575, respectively, which equaled the required contributions for each year.

**8. Compensated Absences**

As discussed in Note 1 and in accordance with accounting principles prescribed by the Division, the cash basis of accounting is followed for recording the Township's liability related to unused vacation and sick pay. The Township permits certain employees within limits to accumulate unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. The estimated current cost of such unpaid compensation would approximate \$1,090,008 and \$1,156,074 at December 31, 2014 and December 31, 2013, respectively. In accordance with New Jersey accounting principles, this amount is not reported as an expenditure or liability in the accompanying financial statements. As of December 31, 2014 and 2013, \$334,471 and \$276,471, respectively, was set aside in a trust fund reserve for the payment of compensated absences. The Township appropriated \$200,000 in its 2015 adopted budget for accrued sick and vacation liabilities.

## Township of Clark

### Notes to Financial Statements

Years ended December 31, 2014 and 2013

#### **9. Tax Appeals**

There are several tax appeals pending before the State Tax Court of New Jersey requesting a reduction of assessments for the year 2014 and prior. 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. 40A:2-51. The Township has made a provision from tax revenues, in the amount of \$100,000 for these appeals in the event that the tax reductions are granted. In accordance with the National Council on Governmental Accounting Statement 4, *Accounting and Financial Reporting Principles for Claims and Judgments and Compensated Absences*, the Township charges to current fund operations or a reduction of current tax collections, all state board judgments rendered during the year which will be paid from expendable available resources. The Township's share of the County taxes paid on any successful tax appeal would result in appropriate reductions applied against the County tax levy of the following year.

#### **10. Commitments and Contingencies**

The Township receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes.

Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by the grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2014, the Township estimates that no material liabilities will result from such audits.

The Township is involved in certain legal proceedings, the resolution and impact on the financial statements of which, individually or in the aggregate, in the opinion of management as advised by legal counsel, would not be significant to the accompanying financial statements.

Township of Clark

Notes to Financial Statements

Years ended December 31, 2014 and 2013

**11. Risk Management**

The Township has established a self-insurance program that enables the governing body of the local unit to provide insurance coverage for its exposure to a wide variety of property and liability casualty risks. The Township self-insures for professional liability, general liability and workers' compensation exposures up to \$100,000 per occurrence. The Township participates in a Joint Insurance Fund ("JIF"), which currently serves as administrator of the Township's insurance program. The joint insurance pool is a public utility risk pool currently operating as a common risk management and insurance program for municipalities in New Jersey. The JIF covers all Township claims in excess of \$100,000 per occurrence and is funded by Township budget appropriations to pay for premiums that are assessed annually. The JIF is expected to be self-sustaining through member premiums, of which the Township portion is reported as expenditure in the Township's financial statements. In addition, the Township is not aware of any claims pending that have a demand in excess of these coverages. There have been no settlements which exceeded insurance coverage for each of the past three fiscal years.

The audit report for the fiscal year ended December 31, 2014 was not available as of the date of this report. Selected, summarized information for the NJMSIJIF as of December 31, 2013 and 2012 (latest information available) is as follows:

	<u>2013</u>	<u>2012</u>
Total Assets	<u>\$ 10,965,295</u>	<u>\$ 10,646,958</u>
Fund Surplus	<u>\$ 3,999,850</u>	<u>\$ 4,297,147</u>
Total Revenues	<u>\$ 4,954,521</u>	<u>\$ 5,385,906</u>
Total Expenses	<u>\$ 4,797,697</u>	<u>\$ 4,646,580</u>
Net Income for the Year Ended December 31, 2013	<u>\$ 156,824</u>	<u>\$ 739,326</u>

## Township of Clark

### Notes to Financial Statements

Years ended December 31, 2014 and 2013

#### **12. Deferred Compensation**

The Township of Clark offers its employees a Deferred Compensation Plan, created in accordance with the provisions of N.J.S. 43:15B-1 et.seq., and the Internal Revenue Code, Section 457. The plan, available to all municipal employees, permits them to defer of a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

Statutory and regulatory requirements governing the establishment and operation of Deferred Compensation Plans have been codified in the New Jersey Administrative Code under the reference N.J.A.C. 5:37.

The "Small Business Job Protective Act of 1996" revised several provisions of Section 457 of the Internal Revenue Code. A provision of the act required that all existing plans be modified to provide that the funds be held for the exclusive benefit of the participating employees and their beneficiaries.

The administrators for the Township of Clark Deferred Compensation Plan are MetLife and Lincoln Financial.

The plan's assets are not the property of the Township and therefore are not presented in the financial statements. As of December 31, 2014 and 2013 the amounts held in trust, amounted to \$2,679,469 and \$2,848,350, respectively.

#### **13. Length of Service Award Program (LOSAP) - Unaudited**

The Township has established a LOSAP in accordance with N.J.A.C. 5:30-14. Annually, the Township appropriates funds and makes contributions into the LOSAP on behalf of its active emergency service volunteers that are tax-deferred income benefits.

In accordance with N.J.A.C 5:30-14, the funds held in the LOSAP remain the assets of the Township until they are distributed and as such are subject to the claims of the Township's general creditors.

As of December 31, 2014 and 2013, there was \$1,076,994 and \$964,327, respectively, held in the LOSAP and is recorded in the Trust Fund of the Township as funds held in trust. The plan is administered by Lincoln Financial Group. The Township also held money in other trust in the amount of \$37,884 and \$27,857 for LOSAP as of December 31, 2014 and 2013, respectively.

Township of Clark  
Notes to Financial Statements  
Years ended December 31, 2014 and 2013

**14. Interfund Receivables and Payables**

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

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
Current Fund		\$ 318,800.12
Sewer Utility Operating Fund	\$ 318,800.12	
Total	<u>\$ 318,800.12</u>	<u>\$ 318,800.12</u>

Current and Grant Fund  
Schedules

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of Cash Receipts and Disbursements

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	A	\$ 3,942,445.00
Increased by receipts:		
Taxes receivable	3-A	57,099,664.27
Revenue accounts receivable	6-A	4,000,410.12
Miscellaneous revenue not anticipated	A-2	302,846.55
State of New Jersey senior citizens and veterans deductions	4-A	190,041.51
Prepaid taxes	10-A	264,000.30
Tax overpayments	11-A	206,356.49
Construction Code Fees - Due State	7-A	76,141.00
Marriage Licenses - Due State	7-A	2,300.00
Interfund received	2-A	318,800.12
		<u>62,460,560.36</u>
Decreased by disbursements:		
2014 appropriations	7-A	19,395,370.74
2013 appropriation reserves	7-A	434,263.81
County taxes	14-A	12,428,627.73
Added taxes due County	13-A	74,734.85
Local district school taxes	9-A	29,400,105.00
Tax overpayments	11-A	45,518.60
Cosntruction Code Fees - Due State	7-A	79,866.00
Marriage Licenses - Due State	7-A	2,500.00
		<u>2,500.00</u>
Balance, December 31, 2014	A	<u>\$ 4,542,018.63</u>

Township of Clark  
County of Union, New Jersey  
Current Fund

## Schedule of Interfund Payable

Year ended December 31, 2014

	<u>Reference</u>	<u>Sewer Utility Operating Fund</u>
Balance, December 31, 2013	A	\$ -
Increased by cash received	1-A	<u>318,800.12</u>
Balance, December 31, 2014	A	<u><u>\$ 318,800.12</u></u>

Township of Clark  
 County of Union, New Jersey  
 Current Fund

Schedule of Taxes Receivable and Analysis of Property Tax Levy  
 Year ended December 31, 2014

	Balance December 31,2013	2014 Levy	Added	Collections		State Share of Veteran and Senior Citizens	Cancelled	Overpayments Applied	Transferred to Tax Title Liens	Balance December 31,2014
				2013	2014					
2013	\$ 580,730.57		\$ 15,185.17		\$ 595,915.74					
	580,730.57		15,185.17		595,915.74					
2014		\$ 57,670,778.01		\$ 249,014.22	56,503,748.53	\$ 207,205.48	\$ 70,356.69	\$ 176,439.65	\$ 769.81	\$ 463,243.63
	\$ 580,730.57	\$ 57,670,778.01	\$ 15,185.17	\$ 249,014.22	\$ 57,099,664.27	\$ 207,205.48	\$ 70,356.69	\$ 176,439.65	\$ 769.81	\$ 463,243.63
Reference	A	Below		Below, 10-A	1-A, Below	4-A, Below		11-A, Below	5-A	A

**Reference**

Collected in 2014	Above	\$ 56,503,748.53
Collected in 2013	Above	249,014.22
Senior citizens and veterans deductions (net)	Above	207,205.48
Overpayments applied	11-A	176,439.65
	A-2	\$ 57,136,407.88

**Analysis of 2014 tax levy**

Tax yield:		
General purpose tax		\$ 57,325,833.34
Added and omitted taxes (54:4-63.1 et seq.)		344,944.67
	Above	\$ 57,670,778.01
Tax levy:		
Local district school tax (abstract)	A-1,9-A	\$ 29,400,105.00
County tax (abstract)	A-1,14-A	12,428,627.73
Due County for added and omitted taxes (54:4-63.1 et seq.)	A-1,13-A	74,734.85
	A-2	41,903,467.58
Local tax for municipal purposes (abstract)	A-2	15,494,426.00
Additional tax levied		272,884.43
	Above	\$ 57,670,778.01

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of Due (to) from State of New Jersey -  
Senior Citizens and Veterans Deductions

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	A	\$ (393.83)
Increased by:		
Senior citizens and veterans deductions levy per tax duplicate	Below	204,500.00
Senior citizens and veterans deductions allowed by tax collector	Below	<u>4,500.00</u>
		208,606.17
Decreased by:		
Cash received	1-A	190,041.51
Prior year senior citizens deductions disallowed	A-1	\$ 6,564.66
Senior citizens deductions disallowed by tax collector	Below	1,794.52
Adjustment	A-1	<u>7,500.00</u>
		<u>15,859.18</u>
Balance, December 31, 2014	A	<u>\$ 2,705.48</u>
<b>Analysis of realized revenue</b>		
Senior citizens and veterans deductions per tax billing	Above	\$ 204,500.00
Senior citizens and veterans deductions allowed by tax collector - 2014	Above	<u>4,500.00</u>
		209,000.00
Senior citizens and veterans deductions disallowed - 2014 taxes	Above	<u>1,794.52</u>
	3-A	<u>\$ 207,205.48</u>

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of Tax Title Liens

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	A	\$ 17,314.49
Increased by:		
Transferred from taxes receivable	3-A	<u>769.81</u>
Balance, December 31, 2014	A	<u><u>\$ 18,084.30</u></u>

Township of Clark  
County of Union, New Jersey  
Current Fund

## Schedule of Revenue Accounts Receivable

Year ended December 31, 2014

	Reference	Balance December 31, 2013	Accrued in 2014	Received	Balance December 31, 2014
Licenses:					
Alcoholic beverages	A-2	\$ -	\$ 31,084.00	\$ 31,084.00	\$ -
Other	A-2	-	5,949.00	5,949.00	-
Fees and permits	A-2	-	195,378.29	195,378.29	-
Fines and costs:					
Municipal court	A-2	23,706.86	306,786.10	305,368.00	25,124.96
Interest and costs on taxes	A-2	-	138,662.73	138,662.73	-
Interest on investments and deposits	A-2	-	7,207.87	7,207.87	-
Anticipated Utility Operating Surlus	A-2	-	31,199.88	31,199.88	-
Consolidated municipal property tax relief aid	A-2	-	188,677.00	188,677.00	-
Energy receipts tax (P.L. 1977, Chapters 162 and 167)	A-2	-	1,599,850.00	1,599,850.00	-
Uniform construction code	A-2	-	1,153,376.00	1,153,376.00	-
Board of education - trash removal	A-2	-	32,688.00	32,688.00	-
Uniform fire safety act	A-2	-	37,763.11	37,763.11	-
Cable tv franchise fee	A-2	-	58,485.43	58,485.43	-
Omnipoint cell tower rental	A-2	-	46,601.95	46,601.95	-
Hotel tax	A-2	-	168,118.86	168,118.86	-
		<u>\$ 23,706.86</u>	<u>\$ 4,001,828.22</u>	<u>\$ 4,000,410.12</u>	<u>\$ 25,124.96</u>
Reference	A			1-A	A

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of Due to State of New Jersey

Year ended December 31, 2014

	<u>Reference</u>	<u>Total</u>	<u>Construction Code Fees</u>	<u>Marriage Licenses</u>
Balance, December 31, 2013	A	\$ 4,150.00	\$ 3,725.00	\$ 425.00
Increased by:				
Cash receipts	1-A	78,441.00	76,141.00	2,300.00
		82,591.00	79,866.00	2,725.00
Decreased by:				
Cash disbursements	1-A	82,366.00	79,866.00	2,500.00
Balance, December 31, 2014	A	\$ 225.00	\$ -	\$ 225.00

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of 2013 Appropriation Reserves

Year ended December 31, 2014

	<b>Balance December 31, 2013</b>	<b>Balance After Transfer</b>	<b>Expended</b>	<b>Balance Lapsed</b>
General Government:				
Department of administration				
Business administration				
Salaries and wages	\$ 7,641.82	\$ 7,641.82	\$ -	\$ 7,641.82
Other expenses	28,783.52	39,373.96	12,633.09	26,740.87
Mayor's office				
Salaries and wages	0.04	0.04	-	0.04
Other expenses	2,974.28	2,974.28	-	2,974.28
Township council				
Salaries and wages	0.24	0.24	-	0.24
Other expenses	11,045.43	11,568.43	6,579.00	4,989.43
Township clerk				
Salaries and wages	2,227.38	2,227.38	-	2,227.38
Other expenses	4,528.87	4,693.75	413.37	4,280.38
Elections				
Other expenses	1,556.53	1,556.53	-	1,556.53
Department of revenue and finance				
Directors office				
Salaries and wages	8,999.96	8,999.96	-	8,999.96
Other expenses	10,377.61	11,343.61	1,029.28	10,314.33
Division of revenue				
Collection of taxes				
Salaries and wages	2,345.50	2,345.50	-	2,345.50
Other expenses	2,114.71	2,114.71	-	2,114.71
Department of assessment				
Assessments of taxes				
Salaries and wages	2,039.88	2,039.88	-	2,039.88
Other expenses	17,259.95	17,259.95	-	17,259.95
Department of law				
Other expenses	22,995.01	22,995.01	6,523.10	16,471.91
Department of engineering				
Other expenses	10,095.00	20,095.00	17,966.25	2,128.75
Planning board - municipal land use law (NJSA 40:550-1)				
Salaries and wages	306.00	306.00	-	306.00
Other expenses	10,197.73	11,057.93	5,547.23	5,510.70
Board of adjustment				
Salaries and wages	623.96	623.96	-	623.96
Other expenses	1,574.10	1,574.10	-	1,574.10
Group insurance for employees				
Insurance and Bonding				
Life insurance	33.73	33.73	-	33.73
Disability benefits	5,102.86	5,102.86	-	5,102.86
Employee group health	536.40	536.40	-	536.40
	181,019.42	181,230.42	315.90	180,914.52

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of 2013 Appropriation Reserves

Year ended December 31, 2014

	<b>Balance December 31, 2013</b>	<b>Balance After Transfer</b>	<b>Expended</b>	<b>Balance Lapsed</b>
Police				
Salaries and wages	\$ 22,895.19	\$ 22,895.19	\$ 15,577.53	\$ 7,317.66
Other expenses	25,653.37	35,757.58	15,856.35	19,901.23
Emergency management services				
Salaries and wages	275.08	275.08	-	275.08
Other expenses	1,100.85	2,838.72	2,607.41	231.31
Fire				
Salaries and wages	1,632.57	1,632.57	-	1,632.57
Other expenses	4,404.20	24,523.42	20,516.45	4,006.97
Fire hydrant services	52,223.22	73,481.39	56,742.42	16,738.97
Uniform fire safety act				
Fire official				
Salaries and wages	1,076.08	1,076.08	-	1,076.08
Other expenses	1,015.87	1,668.89	773.43	895.46
Bureau of roads, road repair and maintenance				
Salaries and wages	83,259.84	63,259.84	-	63,259.84
Other expenses	48,348.60	78,878.64	70,050.04	8,828.60
Traffic lights				
Other expenses	5,000.00	5,000.00	-	5,000.00
Buildings and grounds				
Salaries and wages	22,052.50	22,052.50	-	22,052.50
Other expenses	26,434.16	32,221.06	10,096.70	22,124.36
Department of shade tree				
Other expenses	3,590.00	3,590.00	-	3,590.00
Division of health and welfare				
Bureau of health				
Salaries and wages	314.16	314.16	-	314.16
Other expenses	2,823.95	5,123.95	230.00	4,893.95
Department of senior citizens affairs				
Salaries and wages	26,109.91	26,109.91	-	26,109.91
Other expenses	471.19	556.19	237.44	318.75
Services of visiting nurse - contractual	595.00	735.00	385.00	350.00
Department of recreation				
Salaries and wages	985.91	985.91	-	985.91
Other expenses	1,530.52	1,987.52	549.53	1,437.99
Celebration of public events	1,280.00	5,249.00	3,969.00	1,280.00
Street lighting	50,002.51	50,002.51	24,153.14	25,849.37

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of 2013 Appropriation Reserves

Year ended December 31, 2014

	<b>Balance December 31, 2013</b>	<b>Balance After Transfer</b>	<b>Expended</b>	<b>Balance Lapsed</b>
Municipal court				
Salaries and wages	\$ 1,000.24	\$ 1,000.24	\$ -	\$ 1,000.24
Other expenses	325.27	370.30	370.30	-
Division of Code Enforcement				
Construction Code Official				
Salaries and wages	9,402.08	9,402.08	-	9,402.08
Other expenses	30,711.89	30,936.25	323.07	30,613.18
Unclassified				
Grass collection	15,021.84	15,021.84	-	15,021.84
Leaf collection	71,000.00	71,000.00	52,304.00	18,696.00
Recycling	9,187.00	9,187.00	8,275.00	912.00
Clean Up	3,189.36	3,189.36	-	3,189.36
Municipal Services Act	42,522.75	45,245.64	15,363.12	29,882.52
Environmental commission				
Other expenses	100.00	100.00	-	100.00
Utilities	68,516.73	78,342.26	30,926.92	47,415.34
Telephone - all departments	18,434.37	18,434.37	3,252.25	15,182.12
Gas - diesel	22,618.63	50,892.77	43,886.84	7,005.93
STATUTORY EXPENDITURES:				
Contribution to:				
Social security system (O.A.S.I.)	52,484.96	52,485.29	-	52,485.29
Maintenance of Free Public Library	0.33	-	-	-
Maintenance of 911:				
Salaries and wages	1,701.20	1,701.20	1,279.25	421.95
Other expenses	5,322.49	9,526.32	5,531.40	3,994.92
Recycling Tax Appropriation	500.00	500.00	-	500.00
Municipal Alliance	979.00	979.00	-	979.00
	<u>\$ 1,070,472.75</u>	<u>\$ 1,216,224.48</u>	<u>\$ 434,263.81</u>	<u>\$ 781,960.67</u>
<b>Reference</b>	Below	Below	1-A	A-1

Appropriation Reserves, Dec. 31, 2013	A	\$ 1,070,472.75
Encumbrances, Dec. 31, 2013	A	<u>145,751.73</u>
	Above	<u>\$ 1,216,224.48</u>

Township of Clark  
 County of Union, New Jersey  
 Current Fund

Schedule of Local District School Tax

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	A	\$ -
Increased by tax levy	A-1, 3-A	<u>29,400,105.00</u>
		29,400,105.00
Decreased by: Payments	1-A	<u>29,400,105.00</u>
Balance, December 31, 2014	A	<u><u>\$ -</u></u>

Township of Clark  
County of Union, New Jersey  
Current Fund

## Schedule of Prepaid Taxes

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	A	\$ 249,014.22
Increased by:		
Cash received	1-A	<u>264,000.30</u>
		513,014.52
Decreased by:		
Applied to 2014 taxes receivable	3-A	<u>249,014.22</u>
Balance, December 31, 2014	A	<u><u>\$ 264,000.30</u></u>

Schedule 11-A

## Schedule of Tax Overpayments

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	A	\$ 209,110.39
Increased by:		
Overpayments received in 2014	1-A	<u>206,356.49</u>
		415,466.88
Decreased by:		
Applied	3-A	\$ 176,439.65
Cash disbursed	1-A	<u>45,518.60</u>
		<u>221,958.25</u>
Balance, December 31, 2014	A	<u><u>\$ 193,508.63</u></u>

Township of Clark  
 County of Union, New Jersey  
 Current Fund

## Schedule of Reserve for Tax Appeals

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2014 and 2013	A	<u>\$ 100,000.00</u>

## Schedule of Due to County for Added and Omitted Taxes

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	A	\$ -
Increased by county share of 2013 levy:		
Added taxes (R.S. 54:4-61 et. Seq.)	A-1, 3-A	<u>74,734.85</u>
		74,734.85
Decreased by:		
Paid	1-A	<u>74,734.85</u>
Balance, December 31, 2014	A	<u>\$ -</u>

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of County Taxes Payable

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	A	\$ -
Increased by:		
2014 levy (including county open space)	A-1, 3-A	<u>12,428,627.73</u>
		12,428,627.73
Decreased by:		
Payments	1-A	<u>12,428,627.73</u>
Balance, December 31, 2014	A	<u><u>\$ -</u></u>

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of Cash Receipts and Disbursements - Grant Fund

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	A	\$ 76,420.35
Increased by Receipts:		
Grants Receivable	16-A	\$ 43,078.14
Matching Funds for Grants	17-A	5,772.00
Grants Unappropriated	18-A	<u>30,403.91</u>
		<u>79,254.05</u>
		155,674.40
Decreased by Disbursements:		
Encumbrances paid	19-A	<u>104,967.27</u>
Balance, December 31, 2014	A	<u><u>\$ 50,707.13</u></u>

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of Grants Receivable-Grant Fund

Year ended December 31, 2014

<b>Grant</b>	<b>Balance December 31, 2013</b>	<b>2014 Budget Revenue Realized</b>	<b>2014 Received</b>	<b>Balance December 31, 2014</b>
Body Armor	\$ -	\$ 9,054.82	\$ 9,054.82	\$ -
Clean Communities	-	24,938.20	24,938.20	-
Drunk Driving Enforcement	-	3,094.22	3,094.22	-
Recycling Tonnage	-	19,910.81	19,910.81	-
Municipal Alliance Grant	12,261.53	20,423.00	14,265.89	18,418.64
<b>Total</b>	<b>\$ 12,261.53</b>	<b>\$ 77,421.05</b>	<b>\$ 71,263.94</b>	<b>\$ 18,418.64</b>
	A	A-2, 17-A	Below	A

**Reference**

Cash Received	15-A	\$ 43,078.14
Transferred from Unappropriated - reserve for grants	18-A	<u>28,185.80</u>
	Above	<u>\$ 71,263.94</u>

Township of Clark  
 County of Union, New Jersey  
 Current Fund

Schedule of Reserve for Grant Expenditures - Appropriated - Grant Fund

Year ended December 31, 2014

Grant	Balance December 31, 2013	Transferred from 2014 Budget Appropriations		Expended	Balance December 31, 2014
		Budget	Appropriation By 40A:4-87		
Body Armor	\$ 4,361.85	\$ 5,180.77	\$ 3,874.05	\$ 13,416.67	\$ -
Clean Communities	29,449.66	-	24,938.20	54,387.86	-
Drunk Driving Enforcement	6,520.96	3,094.22	-	2,203.75	7,411.43
Municipal Alliance	19,213.61	26,195.00	-	15,846.33	29,562.28
Recycling Tonnage Grant	-	19,910.81	-	19,910.81	-
	<u>\$ 59,546.08</u>	<u>\$ 54,380.80</u>	<u>\$ 28,812.25</u>	<u>\$ 105,765.42</u>	<u>\$ 36,973.71</u>

Reference	A	Below	Below	19-A	A
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Grants appropriated-budget	\$ 48,608.80
Grants appropriated-Chapter 159s	28,812.25
A-3, 16-A	77,421.05
Matching Funds - Budget	5,772.00
A-3, 15-A	
Above	<u>\$ 83,193.05</u>

Township of Clark  
County of Union, New Jersey  
Current Fund

Schedule of Unappropriated Reserve for Grants - Grant Fund

Year ended December 31, 2014

<u>Grant</u>	<b>Balance December 31, 2013</b>	<b>Transferred To 2014 Budget Appropriations</b>	<b>Cash Received</b>	<b>Balance December 31, 2013</b>
Recycling Tonnage	\$ 19,910.81	\$ 19,910.81	\$ 25,883.74	\$ 25,883.74
Body Armor	5,180.77	5,180.77	-	-
Drunk Driving	3,094.22	3,094.22	4,520.17	4,520.17
	<u>\$ 28,185.80</u>	<u>\$ 28,185.80</u>	<u>\$ 30,403.91</u>	<u>\$ 30,403.91</u>
	A	16-A	15-A	A

Schedule 19-A

Schedule of Encumbrances Payable - Grant Fund

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	A	\$ 950.00
Increased by Encumbrances Incurred	17-A	<u>105,765.42</u>
		106,715.42
Decreased by:		
Encumbrances paid	15-A	<u>104,967.27</u>
Balance, December 31, 2014	A	<u>\$ 1,748.15</u>

Trust Fund

Schedules

Township of Clark  
County of Union, New Jersey  
Trust Fund

Schedule of Cash Receipts and Disbursements

Year ended December 31, 2014

	<b>Reference</b>	<b>Animal Control</b>	<b>Other</b>
Balance, December 31, 2013	B	\$ 10,593.78	\$ 1,786,181.51
Increased by receipts:			
Dog license fees	2-B	11,209.40	
Cat license fees	2-B	1,585.80	
Due to State of NJ	Below	1,098.00	
Reserve for:			
Various trust deposits	3-B		15,244,305.28
Budget appropriation	2-B	11,000.00	
Miscellaneous	2-B	3,964.64	
		<u>39,451.62</u>	<u>17,030,486.79</u>
Decreased by disbursements:			
Expenditures under			
R.S.4:19-15.11	2-B	25,839.69	
Due to State of NJ	Above	1,098.00	
Reserve for:			
Various trust deposits	3-B		14,688,441.76
		<u>26,937.69</u>	<u>14,688,441.76</u>
Balance, December 31, 2014	B	<u>\$ 12,513.93</u>	<u>\$ 2,342,045.03</u>

Township of Clark  
County of Union, New Jersey  
Trust Fund

Schedule of Reserve for Animal Control Fund Expenditures

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	B	\$ 10,593.78
Increased by:		
Dog license fees collected	1-B	11,209.40
Cat license fees collected	1-B	1,585.80
Budget appropriation	1-B	11,000.00
Miscellaneous	1-B	<u>3,964.64</u>
		38,353.62
Decreased by:		
Expenditures under R.S. 4:19-15.11	1-B	<u>25,839.69</u>
Balance, December 31, 2014	B	<u>\$ 12,513.93</u>
License fees collected:		
2012		\$ 12,587.15
2013		<u>11,240.75</u>
		<u>\$ 23,827.90</u>

Township of Clark  
County of Union, New Jersey  
Other Trust Fund

Schedule of Reserve for Various Trust Deposits

Year ended December 31, 2014

	<b>Balance December 31, 2013</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Balance December 31, 2014</b>
Miscellaneous Trust Funds	\$ 1,064,731.27	\$ 1,701,295.99	\$ 1,679,016.28	\$ 1,087,010.98
Forfeited Funds	11,554.68	61,981.53	13,021.50	60,514.71
Housing Trust	1.00	-	-	1.00
Developers Escrow	544,915.65	5,019,325.35	4,599,771.54	964,469.46
Unemployment	80,684.49	19,712.00	21,802.54	78,593.95
Insurance	24,596.85	298,643.25	297,084.66	26,155.44
Payroll	4,502.32	5,284,863.87	5,285,488.10	3,878.09
Agency	55,195.25	2,858,483.29	2,792,257.14	121,421.40
	<u>\$ 1,786,181.51</u>	<u>\$ 15,244,305.28</u>	<u>\$ 14,688,441.76</u>	<u>\$ 2,342,045.03</u>
<b>Reference</b>	B	1-B	1-B	B

# General Capital Fund

## Schedules

Township of Clark  
County of Union, New Jersey  
General Capital Fund

Schedule of Cash Receipts and Disbursements

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	C	\$ 369,550.61
Increased by cash receipts:		
Bond anticipation notes issued	7-C	11,061,000.00
Capital improvement fund	5-C	100,000.00
State road aid	10-C	242,500.00
Premium on bond anticipation notes	C-1	<u>58,427.20</u>
		11,831,477.81
Decreased by cash disbursements:		
Bond anticipation notes	7-C	8,275,000.00
Improvement authorizations-encumbrances paid	9-C	<u>2,753,851.40</u>
Balance, December 31, 2014	C	<u>\$ 802,626.41</u>

Township of Clark  
County of Union, New Jersey  
General Capital Fund

Schedule of Analysis of General Capital Cash

	Reference	Balance December 31	
		2014	2013
Capital improvement fund	5-C	\$ 171,603.50	\$ 306,603.50
State transportation aid receivable	C	(195,000.00)	(242,500.00)
Encumbrances payable	9-C	841,103.26	284,906.84
Reserve for debt service	C	877.51	877.51
Reserve for flow rights	11-C	94,616.00	94,616.00
Fund balance	C-1	2,253.00	23,825.80
Improvement Authorizations:			
03-09	Sewer Pump Stations	5,221.95	5,221.95
04-04	William Robinson Historic Trust	48,215.67	48,215.67
08-03	Improvements to Orchard Street	772.17	4,134.05
09-05	Acquisition of Garbage truck	14,205.78	52,057.56
10-14	Various Road Programs	-	4,038.90
10-18	Fire Department Equipment	90.90	90.90
11-12	2011 Road Improvement	-	4,481.41
11-13	Acquisition of DPW Vehicles	7,063.71	22,387.80
11-17	Acquisition of Fire Dept. Equipment	-	3,852.80
11-22	Purchase of 4 Wheel Drive Police Vehicles	14,049.15	14,373.24
11-24	Acq of Fire Dept Command Vehicle	600.00	600.00
12-02	Ambulatory Mini Bus	4,060.00	4,060.00
12-08	2012 Road Program	130,271.52	621,176.29
12-09	Fire Dept Bunker Gear/Radio Equipment	16,376.44	16,376.44
12-12	Bunker Gear, Hose & Ancillary	421.25	421.25
13-02	Telecommunication Equipment	7,463.82	9,899.00
13-08	2013 Road Program	4,038.46	(642,043.04)
13-08	New Automotive Vehicles	51,775.80	(194,633.00)
13-08	911 Communication Equipment	-	(75,797.01)
13-14	Fire Code Enforcement Vehicle	506.75	2,306.75
14-01	Acq. Of Two Rescue Pumpers	1,133.09	-
14-01	Imp. To Municipal Facilities	134,009.46	-
14-05	Parking Improvements Valley Road School	(380,000.00)	-
14-13	Various Capital Improvements	20,129.19	-
14-15	Imp. To Westfield Ave & Terminal Ave.	165,012.89	-
14-19	Roadway Improvements Clark Commons	(358,244.86)	-
	C	\$ 802,626.41	\$ 369,550.61

Township of Clark  
County of Union, New Jersey  
General Capital Fund

## Schedule of Deferred Charges to Future Taxation-Funded

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	C	\$ 7,807,000.00
Decreased by:		
Bonds paid by budget appropriations	8-C	<u>1,115,000.00</u>
Balance, December 31, 2014	C	<u>\$ 6,692,000.00</u>

Township of Clark  
County of Union, New Jersey  
General Capital Fund

Schedule of Deferred Charges to Future Taxation-Unfunded

Year ended December 31, 2014

Ordinance Number	Improvements Authorization	Balance December 31, 2013	2014 Authorizations	Funded by Budget Appropriation Notes Paid	Balance December 31, 2014	Analysis of Balance December 31, 2014		
						Bond Anticipation Notes	Expenditures	Unexpended Authorizations-Unfunded
General Improvements:								
04-01	Building Improvements	\$ 275,000.00	\$ -	\$ 275,000.00	\$ -	\$ -	\$ -	\$ -
04-03	Road/Library/Public Works	275,000.00	-	275,000.00	-	-	-	-
04-17	Removal of underground storage tanks	65,000.00	-	65,000.00	-	-	-	-
05-08	Equipment and machinery	620,000.00	-	220,000.00	400,000.00	400,000.00	-	-
05-10	Parking lot, roller hockey rink, road improvements	360,000.00	-	30,000.00	330,000.00	330,000.00	-	-
06-12	Improvements to Municipal Facilities	476,000.00	-	254,000.00	222,000.00	222,000.00	-	-
07-07	Road/Recreation Improvements/Police Dispatch System	2,005,000.00	-	130,000.00	1,875,000.00	1,875,000.00	-	-
08-03	Various Improvements/Acq Garbage Truck	699,000.00	-	86,000.00	613,000.00	613,000.00	-	-
09-03	Improvements to Municipal Building	680,000.00	-	35,000.00	645,000.00	645,000.00	-	-
09-05	Acquisition of garbage truck	185,000.00	-	35,000.00	150,000.00	150,000.00	-	-
09-10	2009 Road Program	615,000.00	-	35,000.00	580,000.00	580,000.00	-	-
10-14	Various Road Improvements	1,115,000.00	-	60,000.00	1,055,000.00	1,055,000.00	-	-
11-12	2011 Road Improvement	810,000.00	-	-	810,000.00	810,000.00	-	-
11-13	Acq of DPW Vehicles	220,000.00	-	-	220,000.00	220,000.00	-	-
11-22	Purchase of 4 Wheel Drive Police Vehicles	170,000.00	-	-	170,000.00	170,000.00	-	-
12-08	2012 Road Program	1,290,000.00	-	-	1,290,000.00	1,290,000.00	-	-
13-08	Various Improvements	1,086,000.00	-	-	1,086,000.00	1,086,000.00	-	-
14-01	Various Capital Improvements	-	1,615,000.00	-	1,615,000.00	1,615,000.00	-	-
14-05	Valley Road School	-	380,000.00	-	380,000.00	-	380,000.00	-
14-15	Improvements to Westfield Ave & Terminal Ave	-	305,000.00	-	305,000.00	-	-	305,000.00
14-19	Roadway Improvements - Clark Commons	-	475,000.00	-	475,000.00	-	358,244.56	116,755.44
		<u>\$ 10,946,000.00</u>	<u>\$ 2,775,000.00</u>	<u>\$ 1,500,000.00</u>	<u>\$ 12,221,000.00</u>	<u>\$ 11,061,000.00</u>	<u>\$ 738,244.56</u>	<u>\$ 421,755.44</u>
Reference		C	6-C, 12-C	7-C	C	7-C	2-C	Below
<b>Reference</b>								
	Improvement authorizations - unfunded		6-C					\$ 779,074.28
	Bond anticipation note proceeds unexpended:							
08-03	Improvements to Orchard Street	2-C, 6-C					\$ 772.17	
09-05	Acq. Of Garbage Truck	2-C, 6-C					14,205.78	
11-13	Acq of DPW Vehicles	2-C, 6-C					7,063.71	
11-22	Purchase of 4 Wheel Drive Police Vehicles	2-C, 6-C					14,049.15	
12-08	2012 Road Program	2-C, 6-C					130,271.52	
13-08	2013 Road Program	2-C, 6-C					4,038.46	
13-08	New Automotive Vehicles	2-C, 6-C					51,775.80	
14-01	Acq. Of Two Rescue Pumps	2-C, 6-C					1,133.09	
14-01	Improvements to Municipal Facilities	2-C, 6-C					134,009.46	
								<u>357,319.14</u>
		Above						<u>\$ 421,755.14</u>

Township of Clark  
County of Union, New Jersey  
General Capital Fund

## Schedule of Capital Improvement Fund

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	C	\$ 306,603.50
Increased by:		
Budget appropriation	1-C	<u>100,000.00</u>
		406,603.50
Decreased by:		
Appropriated to finance improvement authorizations	6-C	<u>235,000.00</u>
Balance, December 31, 2014	C	<u><u>\$ 171,603.50</u></u>

Township of Clark  
 County of Union, New Jersey  
 General Capital Fund

Schedule of Improvement Authorizations

Year ended December 31, 2014

Ordinance Number	Improvement Authorizations	Date	Ordinance Amount	Balance December 31, 2013		2014 Authorizations	Paid or Charged	Balance December 31, 2014	
				Funded	Unfunded			Funded	Unfunded
<b>General Improvements</b>									
03-09	Rehabilitation of Various Sanitary Sewer	03/17/03	\$ 150,000.00	\$ 5,221.95	\$ -	\$ -	\$ -	\$ 5,221.95	\$ -
04-04	William Robinson Historic Trust	07/19/04	186,000.00	48,215.67	-	-	-	48,215.67	-
08-03	Various Improvements/Acq Garbage Truck	04/09/08	850,000.00	-	4,134.05	-	3,361.88	-	772.17
09-05	Acq. Of Garbage Truck	03/02/09	300,000.00	-	52,057.56	-	37,851.78	-	14,205.78
10-14	Various Road Improvements	06/21/10	1,350,000.00	-	4,038.90	-	4,038.90	-	-
10-18	Fire Department Equipment	08/16/10	20,000.00	90.90	-	-	-	90.90	-
11-12	2011 Road Improvement	05/02/11	1,000,000.00	-	4,481.41	-	4,481.41	-	-
11-13	Acq of DPW Vehicles	05/02/11	235,000.00	-	22,387.80	-	15,324.09	-	7,063.71
11-17	Acq of Fire Dept Equipment	09/19/11	25,700.00	3,852.80	-	-	3,852.80	-	-
11-22	Purchase of 4 Wheel Drive Police Vehicles	11/21/11	180,000.00	-	14,373.24	-	324.09	-	14,049.15
11-24	Acq of Fire Dept Command Vehicle	12/19/11	40,000.00	600.00	-	-	-	600.00	-
12-02	Ambulatory Mini Bus	01/17/12	75,000.00	4,060.00	-	-	-	4,060.00	-
12-08	2012 Road Program	08/20/12	1,500,000.00	-	706,176.29	-	575,904.77	-	130,271.52
12-09	Fire Dept Bunker Gear/Radio Equip	09/17/12	70,000.00	16,376.44	-	-	-	16,376.44	-
12-12	Bunker Gear, Hose & Ancillary	12/17/12	20,000.00	421.25	-	-	-	421.25	-
13-02	Telecommunication Equipment	02/27/13	80,000.00	9,899.00	-	-	2,435.18	7,463.82	-
13-08	2013 Road Program	05/20/13	800,000.00	-	117,956.96	-	113,918.50	-	4,038.46
13-08	New Automotive Vehicles	05/20/13	265,000.00	-	55,367.00	-	3,591.20	-	51,775.80
13-08	911 Communication Equipment	05/20/13	80,000.00	-	202.99	-	202.99	-	-
13-14	Fire Code Enforcement Vehicle	09/16/13	50,000.00	2,306.75	-	-	1,800.00	506.75	-
14-01	Acq. Of Two Rescue Pumpers	01/21/14	1,300,000.00	-	-	1,300,000.00	1,298,866.91	-	1,133.09
14-01	Improvements to Municipal Facilities	01/21/14	400,000.00	-	-	400,000.00	265,990.54	-	134,009.46
14-05	Parking Improvements Valley Road School	04/07/14	400,000.00	-	-	400,000.00	400,000.00	-	-
14-13	Various Capital Improvements	05/19/14	185,000.00	-	-	185,000.00	164,870.81	20,129.19	-
14-15	Improvements to Westfield Ave. and Terminal Ave.	06/02/14	500,000.00	-	-	500,000.00	29,987.11	165,012.89	305,000.00
14-19	Roadway Improvements Clark Commons	07/07/14	500,000.00	-	-	500,000.00	383,244.86	-	116,755.14
				<b>\$ 91,044.76</b>	<b>\$ 981,176.20</b>	<b>\$ 3,285,000.00</b>	<b>\$ 3,310,047.82</b>	<b>\$ 268,098.86</b>	<b>\$ 779,074.28</b>
<b>Reference</b>				C	C	Below	9-C	C	C, 4-C
Deferred Charges - Unfunded				4-C		\$ 2,775,000.00			
Capital Improvement Fund				5-C		235,000.00			
State Aid Receivable				10-C		195,000.00			
Capital Surplus				C-1		80,000.00			
				Above		<u>\$ 3,285,000.00</u>			

Township of Clark  
County of Union, New Jersey  
General Capital Fund

Schedule of Bond Anticipation Notes

Year ended December 31, 2014

Ordinance No.	Description	Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2013	Increased	Decreased	Balance December 31, 2014	
04-01	Building improvements	06/02/04	03/20/14	03/20/15	0.75%	\$ 275,000.00	\$ -	\$ 275,000.00	\$ -	
04-03	Road/Library/Public Works	06/02/04	03/20/14	03/20/15	0.75%	275,000.00	-	275,000.00	-	
04-17	Removal of underground storage tanks	04/01/05	03/20/14	03/20/15	0.75%	65,000.00	-	65,000.00	-	
05-08	Equipment and machinery	04/01/05	03/20/14	03/20/15	0.75%	620,000.00	400,000.00	620,000.00	400,000.00	
05-10	Parking lot, roller hockey rink, road improvements	10/31/05	03/20/14	03/20/15	0.75%	360,000.00	330,000.00	360,000.00	330,000.00	
06-12	DPW Equipment and Machinery & Imp to Municipal Facilities	03/30/07	03/20/14	03/20/15	0.75%	476,000.00	222,000.00	476,000.00	222,000.00	
07-07	Road/Recreation Improvements/Police Dispatch System	06/28/07	03/20/14	03/20/15	0.75%	2,005,000.00	1,875,000.00	2,005,000.00	1,875,000.00	
08-03	Dump Truck/Municipal Facilities	03/26/09	03/20/14	03/20/15	0.75%	699,000.00	613,000.00	699,000.00	613,000.00	
09-03	Improvements to Municipal Building	03/26/09	03/20/14	03/20/15	0.75%	680,000.00	645,000.00	680,000.00	645,000.00	
09-05	Garbage Truck	03/26/09	03/20/14	03/20/15	0.75%	185,000.00	150,000.00	185,000.00	150,000.00	
09-10	2009 Road Program	03/26/10	03/20/14	03/20/15	0.75%	615,000.00	580,000.00	615,000.00	580,000.00	
10-14	Various Road Improvements	03/25/11	03/20/14	03/20/15	0.75%	1,115,000.00	1,055,000.00	1,115,000.00	1,055,000.00	
11-12	2011 Road Program	03/23/12	03/20/14	03/20/15	0.75%	810,000.00	810,000.00	810,000.00	810,000.00	
11-13	Acq of DPW Vehicles	03/23/12	03/20/14	03/20/15	0.75%	220,000.00	220,000.00	220,000.00	220,000.00	
11-22	Acq of Fire Department Equipment	03/23/12	03/20/14	03/20/15	0.75%	170,000.00	170,000.00	170,000.00	170,000.00	
12-08	2012 Road Program	03/22/13	03/20/14	03/20/15	0.75%	1,205,000.00	1,290,000.00	1,205,000.00	1,290,000.00	
13-08	Various Capital Improvements	03/20/14	03/20/14	03/20/15	0.75%	-	1,086,000.00	-	1,086,000.00	
14-01	Various Capital Improvements	03/20/14	03/20/14	03/20/15	0.75%	-	1,615,000.00	-	1,615,000.00	
						<u>\$ 9,775,000.00</u>	<u>\$ 11,061,000.00</u>	<u>\$ 9,775,000.00</u>	<u>\$ 11,061,000.00</u>	
						<b>Reference</b>	C	Below	Below	C, 4-C
Renewals							1-C	\$ 8,275,000.00	\$ 8,275,000.00	
Notes issued for cash							1-C, 12-C	2,786,000.00	-	
Notes paid by Current Fund budget							1-C, 4-C	-	1,500,000.00	
							Above	<u>\$ 11,061,000.00</u>	<u>\$ 9,775,000.00</u>	

Township of Clark  
 County of Union, New Jersey  
 General Capital Fund

Schedule of General Serial Bonds

Year ended December 31, 2014

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2013	Decreased by Serial Bonds Paid	Balance December 31, 2014
			Date	Amount				
General improvement	08/15/05	\$9,042,000.00	08/15/15	\$1,150,000.00	3.875%			
			08/15/16	1,570,000.00	3.875%			
			08/15/17	1,640,000.00	3.875%			
			08/15/18	1,710,000.00	3.875%			
			08/15/19	622,000.00	3.875%			
						\$ 7,807,000.00	\$ 1,115,000.00	\$ 6,692,000.00
						\$ 7,807,000.00	\$ 1,115,000.00	\$ 6,692,000.00
					<b>Reference</b>	C	3-C	C

Township of Clark  
County of Union, New Jersey  
General Capital Fund

## Schedule of Encumbrances Payable

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	C	\$ 284,906.84
Increased by:		
Encumbrances charged	6-C	<u>3,310,047.82</u>
		3,594,954.66
Decreased by:		
Cash disbursements	1-C	<u>2,753,851.40</u>
Balance, December 31, 2014	C	<u><u>\$ 841,103.26</u></u>

Township of Clark  
 County of Union, New Jersey  
 General Capital Fund

## Schedule of State Aid Receivable

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	C	\$ 242,500.00
Increase by grants awarded	6-C	<u>195,000.00</u> 437,500.00
Decreased by receipts	1-C	<u>242,500.00</u>
Balance, December 31, 2014	C, Below	<u><u>\$ 195,000.00</u></u>
<b>Analysis of balance</b>		
D.O.T. grant:		
2014 Road Program (14-15)	Above	<u>\$ 195,000.00</u> <u>\$ 195,000.00</u>

## Schedule of Reserve for Flow Rights

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2014 and 2013	C	<u><u>\$ 94,616.00</u></u>

Township of Clark  
County of Union, New Jersey  
General Capital Fund

Schedule of Bonds and Notes Authorized but not Issued

Year ended December 31, 2014

Ordinance No.	Improvement Description	Balance December 31, 2013	Increased by 2014 Authorizations	Notes Issued	Balance December 31, 2014
12-08	2012 Road Program	\$ 85,000.00	\$ -	\$ 85,000.00	\$ -
13-08	Various Improvements	1,086,000.00	-	1,086,000.00	-
14-01	Various Improvements	-	1,615,000.00	1,615,000.00	-
14-05	Valley Road School	-	380,000.00	-	380,000.00
14-15	Improvements to Westfield Ave & Terminal Ave	-	305,000.00	-	305,000.00
14-19	Roadway Imp. Clark Commons	-	475,000.00	-	475,000.00
		<u>\$ 1,171,000.00</u>	<u>\$ 2,775,000.00</u>	<u>\$ 2,786,000.00</u>	<u>\$ 1,160,000.00</u>
<b>Reference</b>		C	4-C	7-C	C

# Swim Pool Utility Fund

## Schedules

Township of Clark  
 County of Union, New Jersey  
 Swim Pool Utility Funds

Schedule of Cash Receipts and Disbursements

Year ended December 31, 2014

	<u>Reference</u>	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2013	D	\$ 56,717.88	\$ 21,969.55
Increased by receipts:			
Membership fees	D-2	265,170.00	
Miscellaneous	D-2	59,058.32	
		<u>380,946.20</u>	<u>21,969.55</u>
Decreased by disbursements:			
Budget appropriations	D-3	312,181.87	
Improvement authorizations	8-D		9,301.34
Accrued interest on notes	5-D	1,972.22	
		<u>314,154.09</u>	
Balance, December 31, 2014	D	<u>\$ 66,792.11</u>	<u>\$ 12,668.21</u>
 <b><u>Analysis of Swim Pool Utility Capital Cash</u></b>			
		<u>2014</u>	<u>2013</u>
Reserve for capital outlay	D		\$ 21,969.55
Improvement authorizations-Ordinance #14-10	D	\$ 12,668.21	
		<u>\$ 12,668.21</u>	<u>\$ 21,969.55</u>

Township of Clark  
 County of Union, New Jersey  
 Swim Pool Utility Operating Fund

Schedule of 2013 Appropriation Reserves

Year ended December 31, 2014

	<u>Reserved</u>	<u>Budget After Modification</u>	<u>Balance Lapsed</u>
Operating:			
Salaries and wages	\$ 45.24	\$ 45.24	\$ 45.24
Other expenses	26,024.97	26,024.97	26,024.97
	<u>\$ 26,070.21</u>	<u>\$ 26,070.21</u>	<u>\$ 26,070.21</u>
<b><u>Reference</u></b>	D	D	D-1

Township of Clark  
 County of Union, New Jersey  
 Swim Pool Utility Capital Fund

## Schedule of Fixed Capital

Year ended December 31, 2014

	<b>Balance December 31, 2013</b>	<b>Increased by Capital Outlay</b>	<b>Increased by Transferred from Fixed Capital Authorized and Uncompleted</b>	<b>Balance December 31, 2014</b>
Construction	\$ 600,000.00	\$ -	\$ -	\$ 600,000.00
Swimming pool improvements	1,018,930.45	23,400.00	9,301.34	1,051,631.79
	<u>\$ 1,618,930.45</u>	<u>\$ 23,400.00</u>	<u>\$ 9,301.34</u>	<u>\$ 1,651,631.79</u>
<b>Reference</b>	D	D-3	9-D	D

## Schedule of Reserve for Capital Outlay

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	D	\$ 21,969.55
Decreased by:		
Transferred to improvement authorizations	8-D	<u>21,969.55</u>
Balance, December 31, 2014	D	<u>\$ -</u>

Township of Clark  
County of Union, New Jersey  
Swim Pool Utility Capital Fund

Schedule of Accrued Interest Payable

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	D	\$ 3,148.97
Increased by:		
Budget appropriation	D-3	852.00
		<u>4,000.97</u>
Decreased by:		
Cash disbursements	1-D	1,972.22
		<u>1,972.22</u>
 Balance, December 31, 2014	 D, Below	 <u><u>\$ 2,028.75</u></u>

**Analysis of accrued interest at December 31, 2014**

<u>From</u>	<u>To</u>	<u>Period</u>	<u>Rate</u>	<u>Principal</u>	<u>Interest</u>
3/20/2014	12/31/2014	283 days	0.75%	175,000.00	\$ 1,031.77
					996.98
Amount to be used in future years					<u>996.98</u>
					<u>\$ 2,028.75</u>
					Above
					<b>Reference</b>

Township of Clark  
 County of Union, New Jersey  
 Swim Pool Utility Capital Fund

Schedule of Bond Anticipation Notes

Year ended December 31, 2014

<b>Ordinance No.</b>	<b>Description</b>	<b>Original Issue</b>	<b>Date of Issue</b>	<b>Date of Maturity</b>	<b>Interest Rate</b>	<b>Balance December 31, 2013</b>	<b>Increased</b>	<b>Decreased</b>	<b>Balance December 31, 2014</b>
09-04/09-18	Swim Pool Improvements	03/26/09	03/20/14	03/20/15	0.75%	\$ 225,000.00	\$ 175,000.00	\$ 225,000.00	\$ 175,000.00
						<u>\$ 225,000.00</u>	<u>\$ 175,000.00</u>	<u>\$ 225,000.00</u>	<u>\$ 175,000.00</u>
<b>Reference</b>						D	Below	Below	D
						<b>Reference</b>			
						D-3	\$ 50,000.00		
Paid by budget appropriation							<u>\$ 175,000.00</u>	<u>175,000.00</u>	
Renewals						Above	<u>\$ 175,000.00</u>	<u>\$ 225,000.00</u>	

Township of Clark  
County of Union, New Jersey  
Swim Pool Utility Capital Fund

## Schedule of Reserve for Amortization

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	D	\$ 1,393,930.45
Increased by:		
Payment of bond anticipation notes by budget appropriation	D-3	50,000.00
Transferred from deferred reserve for amortization	10-D	9,301.34
Improvements charged to capital outlay appropriation	D-3	<u>23,400.00</u>
Balance, December 31, 2014	D	<u>\$ 1,476,631.79</u>

Township of Clark  
 County of Union, New Jersey  
 Swim Pool Utility Capital Fund

## Schedule of Improvement Authorizations

Year ended December 31, 2014

Ordinance Number	Improvement Authorizations	Ordinance		Balance	2014	Paid or Charged	Balance
		Date	Amount	December 31, 2013			December 31, 2014
				Funded	Authorizations		Funded
<b>General Improvements</b>							
14-10	Swim pool improvements	04/21/14	\$ 21,969.55	\$ -	\$ 21,969.55	\$ 9,301.34	\$ 12,668.21
				\$ -	\$ 21,969.55	\$ 9,301.34	\$ 12,668.21
			<b>Reference</b>	D	4-D, 9-D, 10-D	1-D, 3-D, 7-D	D

Township of Clark  
County of Union, New Jersey  
Swim Pool Utility Capital Fund

Schedule of Fixed Capital Authorized and Uncompleted

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	D	\$ -
Increased by amount authorized	8-D, 10-D	<u>21,969.55</u> 21,969.55
Decreased by transferred to fixed capital	3-D	<u>9,301.34</u>
Balance, December 31, 2014	D	<u><u>\$12,668.21</u></u>

Schedule of Deferred Reserve for Amortization

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	D	\$ -
Increased by fixed capital authorized	8-D, 9-D	<u>21,969.55</u> 21,969.55
Decreased by transferred to reserve for amortization	7-D	<u>9,301.34</u>
Balance, December 31, 2014	D	<u><u>\$12,668.21</u></u>

# Sewer Utility Fund

## Schedules

Township of Clark  
County of Union, New Jersey  
Sewer Utility Fund

Schedule of Cash Receipts and Disbursements

Year ended December 31, 2014

	<u>Reference</u>	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2013	E	\$ 1,715,843.75	\$ 77,868.00
Increased by receipts:			
Budget Appropriations	E-3	-	25,000.00
Sewer Fees	E-2,2-E	2,812,982.57	-
Sewer Overpayments	4-E	5,075.12	-
Miscellaneous	E-2	22,508.26	-
		<u>4,556,409.70</u>	<u>102,868.00</u>
Decreased by disbursements:			
Budget Appropriations	E-3	2,891,248.83	-
Interfund	E	318,800.12	-
Sewer Overpayments	4-E	4,902.30	-
Balance, December 31, 2014	E	<u>\$ 1,341,458.45</u>	<u>\$ 102,868.00</u>

Township of Clark  
County of Union, New Jersey  
Sewer Utility Operating Fund

## Schedule of Consumer Accounts Receivable

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	E	\$ 111,249.97
Increased by:		
Sewer Rents Levied		<u>2,810,857.49</u>
		2,922,107.46
Decreased by:		
Collections	E-2,1-E	<u>2,812,982.57</u>
Balance, December 31, 2014	E	<u><u>\$ 109,124.89</u></u>

Township of Clark  
 County of Union, New Jersey  
 Sewer Utility Operating Fund

Schedule of 2013 Appropriation Reserves

Year ended December 31, 2014

	<b><u>Balance</u></b> <b><u>Dec. 31, 2013</u></b>	<b><u>Balance After</u></b> <b><u>Transfers</u></b>	<b><u>Balance</u></b> <b><u>Lapsed</u></b>
Operating:			
Miscellaneous	\$ 45,709.05	\$ 45,709.05	\$ 45,709.05
	<u>\$ 45,709.05</u>	<u>\$ 45,709.05</u>	<u>\$ 45,709.05</u>
<b><u>Reference</u></b>	E		E-1

Township of Clark  
County of Union, New Jersey  
Sewer Utility Operating Fund

Schedule of Sewer Fee Overpayments

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	E	\$ 2,023.72
Increased by overpayments	1-E	<u>5,075.12</u> 7,098.84
Decreased by overpayments refunded	1-E	<u>4,902.30</u>
Balance, December 31, 2014	E	<u>\$ 2,196.54</u>

Schedule of Reserve for Capital Outlay

Year ended December 31, 2014

	<u>Reference</u>	
Balance, December 31, 2013	E	\$ 77,868.00
Increased by: Budget appropriation	E-3	<u>25,000.00</u>
Balance, December 31, 2014	E	<u>\$ 102,868.00</u>

## Comments Section

Township of Clark  
County of Union, New Jersey

Comments

Years ended December 31, 2014 and 2013

An audit of the financial accounts and transactions of the Township of Clark, County of Union, New Jersey ("Township") for the year ended December 31, 2014 and 2013, has recently been completed. The results of the audit are herewith set forth.

**Scope of Audit**

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

The audit did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed.

Revenues and receipts tested were verified as to source and amount insofar as the records permitted.

Our audit was made in accordance with auditing standards generally accepted in the United States and in compliance with the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division"). Therefore, our audit included the procedures noted above as well as tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

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

N.J.S. 40A:11-4 states "Every contract awarded by the contracting agent, for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold [40A:11-3], shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

Township of Clark  
County of Union, New Jersey

Comments (continued)

If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$36,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

The system of records did not provide for an accumulation of payments by categories of materials or supplies, or related work or labor. Disbursements were reviewed, however, to determine whether any clear cut violations existed.

The examination of expenditures revealed individual payments, contracts or agreements in excess of \$36,000 "for the performance of any work or the furnishing of labor materials and supplies or the hiring of teams or vehicles," other than where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S. 40A:11-5.

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

The governing body, on April 21, 1980 adopted a resolution pursuant to the provisions of R.S. 54:4-67, fixing the rate of delinquent taxes or assessments at 8% per annum on the first \$1,500 and a rate of 18% per annum on any amount in excess of \$1,500. On June 17, 1991, this was amended to add an additional penalty of 6% on delinquent taxes in excess of \$10,000. The Township adopts an annual resolution setting these interest rates.

An examination of the collector's records indicated that interest on delinquencies was calculated in accordance with the foregoing resolution, for items tested.

**Collection of Taxes and Other Charges**

Test verification of taxes and sewer utility billings was made in accordance with regulations issued by the Division.

Alternate procedures for non-replies were performed as follows:

- (1) Mechanical accuracy testing of tax or sewer calculation and verification of the assessed valuation.

Township of Clark  
County of Union, New Jersey

Comments (continued)

**Comparative Schedule of Tax Rate Information**

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Tax rate	\$7.86	\$7.75	\$7.61
Apportionment of tax rate:			
Municipal	\$2.02	\$1.98	\$1.93
Library	0.11	0.11	0.12
County	1.70	1.66	1.60
Local school	4.03	4.00	3.96
Net value taxable	\$729,800,398	\$728,728,109	\$729,346,387

**Comparison of Tax Levies and Collections**

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>Cash Collections</u>	<u>Percent of Collections</u>
2014	\$ 57,670,778	\$ 57,136,408	99.07%
2013	56,617,203	55,784,455	98.53
2012	55,606,836	54,991,233	98.89

**Delinquent Taxes and Tax Title Liens**

The delinquent taxes contained in the following tabulation are inclusive in each case, of delinquent taxes of the current year's levy. 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.

Township of Clark  
County of Union, New Jersey

Comments (continued)

Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage of Tax Levy
2014	\$ 18,084	\$ 463,244	\$ 481,328	0.83%
2013	17,314	580,731	598,045	1.06
2012	16,593	584,800	601,393	1.08

**Liens**

The last tax sale was held on September 29, 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 liens receivable on December 31, of the last three years:

Year	Number of Liens
2014	10
2013	10
2012	10

**Property Acquired by Tax Title Lien Liquidation**

No properties have been acquired in 2014 by foreclosure or deed, as a result of liquidation of tax title liens.

**Equalized Valuations – Real Property**

Year	Amount
2014	\$ 2,375,421,823
2013	2,350,257,180
2012	2,410,526,124

**Comparative Schedule of Sewer Utility Levies and Collections  
For the Years Ended December 31, 2014, 2013 and 2012**

Year	Levies	Collections *
2014	\$ 2,810,857	\$ 2,812,983
2013	3,172,279	3,245,740
2012	3,386,209	3,355,106

\*-Includes collection of prior year receivables.

**Comparative Schedule of Fund Balances**

	<b>Year</b>	<b>Balance December 31</b>	<b>Utilized in Budget of Succeeding Year</b>
Current Fund	2014	\$ 2,705,911	\$ 2,150,000
	2013	2,163,552	1,592,000
	2012	1,857,219	1,580,000
Swim Pool Utility Operating Fund	2014	45,797	17,052
	2013	27,499	16,100
	2012	26,037	14,400
Sewer Utility Operating Fund	2014	1,568,111	193,564
	2013	1,668,111	100,000
	2012	1,571,072	-

**Officials in Office and Surety Bonds**

<b>Name</b>	<b>Title</b>	<b>Amount of Bond</b>
Sal Bonaccorso	Mayor	*
William Smith	Council President	*
Steven Hund	Council Vice-President	*
Angel Albanese	Councilwoman	*
Alvin Barr	Councilman	*
Patrick O'Connor	Councilman	*
Frank Mazzarella	Councilman	*
Brian Toal	Councilman	*
John Laezza	Business Administrator	*
Loretta Caliguire	Tax Collector	**
Terance O'Neill	Chief Financial Officer	*
John DeSimone	Director of Public Safety	*
Edith Merkel	Township Clerk	*
Ralph Bernard	Director of Recreation	*
Joseph J. Triarsi	Municipal Attorney	*
Michael Ross	Tax Assessor	*
Nancy Raymond	Health Officer	*
Richard O'Connor	Township Engineer	*
Michael Khoda	Plumbing Inspector	*
Lorraine Disko	Court Administrator	*
Antonio Inacio	Judge	\$50,000
Michael Khoda	Construction Official	*
Pedro Matos	Police Chief	*
Frank Cerasa	Fire Chief	*

\* Covered by \$1,000,000 Public Employees Blanket Bond-New Jersey Municipal Self Insurer's Joint Insurance Fund.

\*\* Covered by \$1,000,000 Statutory Bond-Municipal Excess Liability Joint Insurance Fund.

## Comments and Recommendations

Township of Clark  
Comments and Recommendations  
Year ended December 31, 2014

**Cash Management**

*Cash Deposits \**

During our internal control testing over cash receipts, we identified instances in which monies collected by the various departments were not deposited into an official depository within 48 hours, as required by NJSA 40A:5-15.

We suggest that the Township strengthen internal procedures relating to the depositing of funds to ensure that all cash receipts are deposited within 48 hours of collection as required by state statute.

\*-repeat of prior year finding and recommendation.