

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
REPORT OF AUDIT
2013

NISIVOCCIA LLP
CERTIFIED PUBLIC ACCOUNTANTS

TOWNSHIP OF BYRAM

COUNTY OF SUSSEX

REPORT OF AUDIT

2013

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TOWNSHIP OF BYRAM

PART I

FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2013

Independent Auditors' Report

The Honorable Mayor and Members
of the Township Committee
Township of Byram
Byram, New Jersey

Report on the Financial Statements

We have audited the financial statements – regulatory basis - of the various funds of the Township of Byram, in the County of Sussex (the "Township") as of and for the years ended December 31, 2013 and 2012, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions 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, audit requirements prescribed by the Division, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

The Honorable Mayor and Members
of the Township Committee
Township of Byram
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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 1, the financial statements are prepared by the Township on the basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, which is a 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 *Basis for the Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly in accordance with accounting principles generally accepted in the United States of America the financial position of each fund of the Township as of December 31, 2013 and 2012, or the changes in financial position or where applicable, cash flows thereof for the years then ended.

Basis for Qualified Opinion

The Township's general fixed assets account group is stated at historical cost or estimated historical cost in the accompanying financial statements. The basis of accounting is not in conformity with U. S. generally accepted accounting principles but is in accordance with the accounting practices prescribed or permitted by the Division. As described in Note 1, based upon the underlying accounting records, we have not audited the general fixed assets account group.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects on the December 31, 2013 and 2012 financial statements of the matter described in the *Basis for Qualified Opinion* paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the various funds of the Township of Byram as of December 31, 2013 and 2012, and the results of operations and changes in fund balance, where applicable, of such funds, thereof for the years then ended on the basis of the accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, as described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements of the various funds that collectively comprise the Township's financial statements. The supplementary data schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedules of expenditures of federal and state awards, as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey's OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the financial statements.

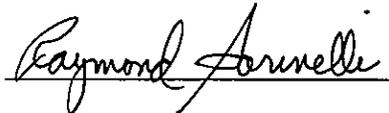
The supplementary data schedules and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the various fund financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the various fund financial statements or to the various fund 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 data schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 16, 2014 on our consideration of the Township of Byram's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Byram's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
April 16, 2014

NISIVOC CIA LLP



Raymond G. Sarinelli
Certified Public Accountant
Registered Municipal Accountant No. 383

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2013
CURRENT FUND

TOWNSHIP OF BYRAM
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2013	2012
<u>ASSETS</u>			
Cash and Cash Equivalents:			
Treasurer	A-4	\$ 4,778,115.29	\$ 4,025,504.52
Change Fund		450.00	250.00
		<u>4,778,565.29</u>	<u>4,025,754.52</u>
Due From State of New Jersey			
Senior Citizen and Veterans Deductions		9,586.31	8,791.10
Receivables and Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-7	570,175.00	612,248.79
Tax Title Liens Receivable	A-8	738,880.22	843,797.39
Property Acquired for Taxes at Assessed Valuation		2,268,500.00	1,704,800.00
Revenue Accounts Receivable	A-9	153,091.09	91,404.75
Due from Animal Control Fund	B	14,010.82	11,727.91
Due from General Capital Fund	C		102.69
Total Receivables and Other Assets With Full Reserves		<u>3,744,657.13</u>	<u>3,264,081.53</u>
Deferred Charges:			
Special Emergency Authorizations (40A:4-53)		90,000.00	120,000.00
		<u>90,000.00</u>	<u>120,000.00</u>
<u>TOTAL ASSETS</u>		<u>\$ 8,622,808.73</u>	<u>\$ 7,418,627.15</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Appropriation Reserves:			
Encumbered	A-3;A-11	\$ 269,327.08	\$ 189,034.93
Unencumbered	A-3;A-11	1,223,713.53	706,614.42
		1,493,040.61	895,649.35
Prepaid Taxes		144,673.96	135,360.81
Special Emergency Notes Payable	A-14	90,000.00	120,000.00
Accounts Payable - Vendors		7,442.00	6,738.00
Due to State of New Jersey:			
Marriage License Fees		250.00	
DCA Training Fees		4,543.47	2,247.47
Tax Overpayments		54,396.08	41,240.70

TOWNSHIP OF BYRAM
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

	Ref.	December 31,	
		2013	2012
<u>LIABILITIES, RESERVES AND FUND BALANCE (Cont'd)</u>			
Due to Other Trust Funds	B	\$ 63,954.26	\$ 109,809.93
Due to General Capital Fund	C	25,000.00	
Due to County of Sussex - Added & Omitted Taxes		10,928.25	4,120.66
Reserve for Sale of Municipal Assets		206,913.74	202,302.61
Reserve for Garden State Preservation Trust Fund			41,921.00
Reserve for Bike Path Improvements			303.57
Reserve for Pending Tax Appeals		641,892.74	493,818.00
Reserve for Revaluation		9,788.32	9,788.32
Reserve for Grant Funds - Appropriated:			
Drunk Driving Enforcement Fund		13,879.31	14,867.59
Stormwater Grant		16,936.00	16,936.00
Clean Communities		55.37	
Body Armor Replacement Fund		2,011.00	2,011.00
Municipal Alliance on Alcoholism and Drug Abuse		4,144.26	3,995.63
Recycling Tonnage Grant		6,607.98	9,616.74
RMP Compliance		7,500.00	7,500.00
Highlands Grant		61,239.50	61,239.50
Recreation Trails Grant		17,074.02	25,284.02
Reserve for Grant Funds - Unappropriated:			
Recycling Tonnage Grant		12,273.95	11,286.75
Body Armor Replacement Fund		2,098.31	2,186.44
		<u>2,896,643.13</u>	<u>2,218,224.09</u>
Reserve for Receivables and Other Assets	A	3,744,657.13	3,264,081.53
Fund Balance	A-1	<u>1,981,508.47</u>	<u>1,936,321.53</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 8,622,808.73</u>	<u>\$ 7,418,627.15</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BYRAM
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2013	2012
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 1,240,102.00	\$ 1,240,102.00
Miscellaneous Revenue Anticipated		1,380,311.46	1,147,366.31
Receipts from:			
Delinquent Taxes		620,069.65	595,917.50
Current Taxes		29,832,696.86	28,902,249.41
Nonbudget Revenue		235,273.50	221,974.17
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		429,638.62	247,573.08
Interfunds Returned		11,830.60	161,943.78
Cancellation of Accounts Payable			41,692.31
Cancellation of Tax Overpayments		212.27	
Cancellation of Reserve for Bike Path Improvements		0.57	
Cancellation of Reserve for Body Armor Replacement Fund		0.44	
		<u>33,750,135.97</u>	<u>32,558,818.56</u>
<u>Expenditures</u>			
Municipal Purposes		9,860,054.50	9,290,992.00
Local School District Taxes		11,257,614.00	11,048,664.00
County Taxes		5,029,235.50	4,744,304.38
Regional School District Taxes		6,029,905.00	5,886,275.16
Municipal Open Space		110,653.51	110,517.79
Refund of Prior Year Revenue		5,856.20	5,307.00
Increase in Reserve for Pending Tax Appeals		150,000.00	220,000.00
Accounts Payable - Refund of Prior Year Revenue		7,517.50	4,139.00
Interfunds Advanced		14,010.82	11,830.60
		<u>32,464,847.03</u>	<u>31,322,029.93</u>
Statutory Excess to Fund Balance		1,285,288.94	1,236,788.63
<u>Fund Balance</u>			
Balance January 1	A	<u>1,936,321.53</u>	<u>1,939,634.90</u>
		3,221,610.47	3,176,423.53
Decreased by:			
Utilized as Anticipated Revenue		<u>1,240,102.00</u>	<u>1,240,102.00</u>
Balance December 31	A	<u>\$ 1,981,508.47</u>	<u>\$ 1,936,321.53</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013

	<u>Budget</u>	<u>Added by NJSA 40A:4-87</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Fund Balance Anticipated	\$ 1,240,102.00		\$ 1,240,102.00	
Miscellaneous Revenue:				
Alcoholic Beverages	6,000.00		6,098.00	\$ 98.00
Fees and Permits	20,000.00		23,543.64	3,543.64
Municipal Court - Fines and Costs	115,500.00		97,454.28	18,045.72 *
Interest on Investments	4,000.00		5,609.18	1,609.18
Interest and Costs on Taxes	126,000.00		125,958.52	41.48 *
Consolidated Municipal Property Tax Relief Act	49,855.00		49,855.00	
Energy Receipts Tax (P.L. 1998, Chapters 162 & 167)	525,620.00		525,620.08	0.08
Garden State Preservation Trust Fund	41,920.00		41,921.00	1.00
Uniform Construction Code Fees	125,000.00		151,063.50	26,063.50
Reserve for Recycling Tonnage Grant	10,000.00		10,000.00	
Reserve for Clean Communities		\$ 18,801.26	18,801.26	
Municipal Alliance Program	11,420.00		11,420.00	
PSE&G Susquehanna Roseland Agreement	138,239.00	138,239.00	276,478.00	
Click It or Ticket Grant		4,000.00	4,000.00	
Reserve for Body Armor Replacement Fund	2,186.00		2,186.00	
Reserve for Bike Path Improvements	303.00		303.00	
No Net Loss		55,646.00		55,646.00 *
Sustainable Jersey		10,000.00	5,000.00	5,000.00 *
Community Stewardship Incentive		20,000.00		20,000.00 *
Reserve to Pay Debt Service	25,000.00		25,000.00	
	<u>1,201,043.00</u>	<u>246,686.26</u>	<u>1,380,311.46</u>	<u>67,417.80 *</u>

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013

	<u>Budget</u>	<u>Added by NJSA 40A:4-87</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Receipts from Delinquent Taxes	\$ 339,350.00		\$ 620,069.65	\$ 280,719.65
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	<u>8,020,514.00</u>		<u>8,592,927.85</u>	<u>572,413.85</u>
Budget Totals	10,801,009.00	\$ 246,686.26	11,833,410.96	<u><u>\$ 920,551.30</u></u>
Nonbudget Revenue			<u>235,273.50</u>	
	<u><u>\$ 10,801,009.00</u></u>	<u><u>\$ 246,686.26</u></u>	<u><u>\$ 12,068,684.46</u></u>	
<u>Ref.</u>	A-3	A-3		

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013
(continued)

Allocation of Current Tax Collections:

Revenue from Collection of Current Taxes		\$ 29,832,696.86
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Allocated to:

Local School District Taxes	\$ 11,257,614.00	
Regional High School Taxes	6,029,905.00	
County Taxes	5,029,235.50	
Open Space Trust	110,653.51	

22,427,408.01

Balance for Support of Municipal Budget		7,405,288.85
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Add: Appropriation "Reserve for Uncollected Taxes"		<u>1,187,639.00</u>
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Realized for Support of Municipal Budget		<u><u>\$ 8,592,927.85</u></u>
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Receipts from Delinquent Taxes:

Delinquent Tax Collections		\$ 581,160.39
Tax Title Liens Collections		<u>38,909.26</u>

\$ 620,069.65

Analysis of Fees and Permits:

Clerk Fees	\$ 3,660.39	
Planning/Zoning Board Fees	8,350.00	
Police Fees	1,918.85	
Board of Health Fees	9,614.40	

\$ 23,543.64

Analysis of Interest on Investments:

Collected/Received by Treasurer	\$ 3,733.18	
Due from Animal Control Trust Fund	25.08	
Due from Other Trust Fund	847.81	
Due from General Capital Fund	1,003.11	

\$ 5,609.18

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013
(continued)

Analysis of Nonbudget Revenue:

Treasurer:

Cable Television Franchise Fees	\$	34,215.00	
DMV Inspection Fees		450.00	
Miscellaneous Restitution		15,961.26	
Prior Year Click It or Ticket Grant		4,000.00	
FEMA Reimbursement		80,128.97	
Joint Insurance Dividend		42,485.00	
Recycling Fees		10,881.01	
Senior Citizen and Veteran Deductions Administrative Fee		1,492.16	
Other Miscellaneous		12,738.97	
			\$ 202,352.37

Prior Year Revenue Accounts Receivable Collected:

Recreation Trails Grant		8,223.93	
Municipal Alliance Grant		7,286.58	
			15,510.51

Tax Collector - Other Miscellaneous			3,410.86
Statutory Excess Due from Animal Control Trust Fund			13,999.76
			13,999.76
			\$ 235,273.50

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
GENERAL GOVERNMENT:					
General Administration:					
Salaries & Wages	\$ 215,500.00	\$ 215,500.00	\$ 196,333.64	\$ 19,166.36	
Other Expenses	68,150.00	68,150.00	49,902.86	18,247.14	
Mayor & Council:					
Salaries & Wages	17,500.00	17,500.00	17,500.00		
Other Expenses	9,500.00	9,500.00	6,723.91	2,776.09	
Municipal Clerk:					
Salaries & Wages	75,500.00	75,500.00	75,294.56	205.44	
Election:					
Other Expenses	7,500.00	7,500.00	6,182.75	1,317.25	
Financial Administration:					
Salaries & Wages	98,800.00	98,800.00	98,788.26	11.74	
Other Expenses	37,411.00	37,411.00	15,271.12	22,139.88	
Audit					
	28,980.00	28,980.00		28,980.00	
Tax Assessment Administration:					
Salaries & Wages	75,500.00	75,500.00	74,699.81	800.19	
Other Expenses	38,570.00	38,570.00	33,544.63	5,025.37	
Revenue Administration (Tax Collection):					
Salaries & Wages	43,500.00	43,500.00	43,295.93	204.07	
Other Expenses	7,300.00	7,300.00	6,744.93	555.07	
Legal Services and Costs:					
Other Expenses - Fees	115,000.00	115,000.00	79,162.28	35,837.72	
Environmental Commission:					
Other Expenses	2,600.00	2,600.00	2,492.81	107.19	

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
GENERAL GOVERNMENT (continued):					
Engineering Services:					
Other Expenses	\$ 40,000.00	\$ 40,000.00	\$ 32,980.20	\$ 7,019.80	
Municipal Land Use Law (N.J.S.A. 40A:55D-1):					
Planning Board:					
Salaries and Wages	20,000.00	20,000.00	19,985.86	14.14	
Other Expenses	41,350.00	41,350.00	20,803.25	20,546.75	
Zoning Commission:					
Salaries & Wages	29,500.00	29,500.00	29,331.11	168.89	
Other Expenses	500.00	500.00	199.00	301.00	
Insurance: (P.L. 2003, C.92)					
Employee Group Insurance	1,612,488.00	1,612,488.00	1,563,254.62	49,233.38	
Workers' Compensation	90,630.00	90,630.00	90,628.00	2.00	
General Liability Insurance	176,460.00	176,460.00	174,100.00	2,360.00	
Unemployment Insurance	100.00	100.00	100.00		
Employee Group Insurance-Health Benefit Waiver	40,000.00	40,000.00		40,000.00	
PUBLIC SAFETY :					
Fire:					
Other Expenses	88,525.00	98,525.00	87,546.52	10,978.48	
Uniform Fire Safety Act (P.L. 1983, Ch. 383):					
Fire Prevention Bureau:					
Salaries & Wages	2,400.00	2,400.00	2,207.14	192.86	
Other Expenses	1,500.00	1,500.00		1,500.00	
Office of Emergency Management:					
Other Expenses	3,000.00	3,000.00		3,000.00	

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
PUBLIC SAFETY :					
Police:					
Salaries & Wages	\$ 1,836,500.00	\$ 1,825,275.00	\$ 1,727,937.01	\$ 97,337.99	
Other Expenses	126,250.00	126,250.00	89,093.69	37,156.31	
First Aid Organization Contribution	25,500.00	25,500.00	25,500.00		
Police Radio & Communication and 911 - Contractual	176,500.00	187,725.00	173,578.88	14,146.12	
Municipal Court:					
Salaries & Wages	71,500.00	72,500.00	72,181.07	318.93	
Other Expenses	10,100.00	9,100.00	4,675.93	4,424.07	
Municipal Prosecutor:					
Other Expenses - Fees	25,000.00	25,000.00	13,350.00	11,650.00	
STREETS AND ROADS:					
Road Repair and Maintenance:					
Salaries & Wages	729,950.00	729,950.00	663,050.58	66,899.42	
Other Expenses - Miscellaneous	281,250.00	281,250.00	271,860.80	9,389.20	
Other Expenses-Improvements to Streets and Roads	70,000.00	70,000.00	70,000.00		
Other Expenses - Fleet Maintenance	123,500.00	123,500.00	104,954.40	18,545.60	
Public Building and Grounds:					
Salaries & Wages	55,500.00	55,500.00	55,494.21	5.79	
Other Expenses	33,000.00	33,000.00	27,377.42	5,622.58	
Garbage Removal - Contractual	670,000.00	670,000.00	582,826.88	87,173.12	
Recycling:					
Salaries & Wages	5,700.00	5,700.00	4,880.25	819.75	
Other Expenses	10,000.00	10,000.00		10,000.00	

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
HEALTH AND WELFARE:					
Animal Control:					
Salaries & Wages	\$ 9,500.00	\$ 9,500.00	\$ 8,342.68	\$ 1,157.32	
Other Expenses	9,250.00	9,250.00	7,500.00	1,750.00	
Board of Health:					
Other Expenses	400.00	400.00		400.00	
RECREATION AND EDUCATION:					
Parks and Playgrounds:					
Salaries & Wages	66,000.00	66,000.00	65,970.96	29.04	
Other Expenses	6,150.00	6,150.00	6,045.52	104.48	
Senior Citizens' Transportation:					
Salaries & Wages	22,500.00	22,500.00	20,907.98	1,592.02	
Senior Citizens' Program:					
Other Expenses	9,000.00	9,000.00	9,000.00		
Recreation Land Lease:					
Other Expenses	976.00	976.00	975.90	0.10	
Celebration of Public Events:					
Other Expenses	2,000.00	2,000.00	2,000.00		
UNIFORM CONSTRUCTION CODE:					
Construction Code Official:					
Salaries & Wages	130,000.00	130,000.00	129,533.25	466.75	
Other Expenses	7,475.00	7,475.00	5,215.82	2,259.18	

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
UNCLASSIFIED:					
Utilities:					
Gasoline	\$ 125,000.00	\$ 123,000.00	\$ 95,779.50	\$ 27,220.50	
Electricity	87,000.00	84,000.00	38,080.94	45,919.06	
Heating Oil	120,000.00	117,000.00	45,399.44	71,600.56	
Street Lighting	36,000.00	36,000.00	28,783.82	7,216.18	
Telephone	25,500.00	23,500.00	19,845.84	3,654.16	
Municipal Sewer Charges	6,575.00	6,575.00	6,475.95	99.05	
Accumulated Sick and Vacation	100.00	100.00	100.00		
Total Operations Within "CAPS"	7,901,440.00	7,901,440.00	7,103,791.91	797,648.09	
Detail:					
Salaries & Wages	3,505,450.00	3,495,225.00	3,305,834.30	189,390.70	
Other Expenses	4,395,990.00	4,406,215.00	3,797,957.61	608,257.39	
STATUTORY EXPENDITURES:					
Public Employee's Retirement System	151,309.00	151,309.00	151,309.00		
Contribution to Social Security System (O.A.S.I.)	275,000.00	275,000.00	240,958.48	34,041.52	
Police and Fireman's Retirement System of NJ	412,686.00	412,686.00	412,686.00		
DCRP	6,000.00	6,000.00	4,208.00	1,792.00	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	844,995.00	844,995.00	809,161.48	35,833.52	
Total General Appropriations for Municipal Purposes Within "CAPS"	8,746,435.00	8,746,435.00	7,912,953.39	833,481.61	

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
OPERATIONS EXCLUDED FROM "CAPS":					
Musconetcong Sewer Authority Fees	\$ 49,000.00	\$ 49,000.00	\$ 36,009.65	\$ 12,990.35	
Employee Group Insurance (P.L. 2007, C.62)	77,512.00	77,512.00		77,512.00	
Recycling Tax	10,500.00	10,500.00	7,924.53	2,575.47	
STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES:					
Municipal Alliance Program	11,420.00	11,420.00	11,370.72	49.28	
Click It or Ticket Grant (N.J.S.A 40A:4-87, + \$4,000.00)		4,000.00	4,000.00		
Reserve for Bike Path Improvements	303.00	303.00		303.00	
PSE&G Susquehanna Roseland Agreement (N.J.S.A 40A:4-87, + \$138,239.00)	138,239.00	276,478.00	87,397.41	189,080.59	
Clean Communities Grant (N.J.S.A 40A:4-87, + \$18,801.26)		18,801.26	8,758.90	10,042.36	
Reserve for Body Armor Replacement Fund	2,186.00	2,186.00		2,186.00	
Reserve for Recycling Tonnage Grant	10,000.00	10,000.00		10,000.00	
No Net Loss Grant (N.J.S.A 40A:4-87, + \$55,646.00)		55,646.00	153.13	55,492.87	
Sustainable Jersey Easement Grant (N.J.S.A 40A:4-87, + \$10,000.00)		10,000.00		10,000.00	
Community Stewardship Incentive Grant (N.J.S.A 40A:4-87, + \$20,000.00)		20,000.00		20,000.00	
Total Operations Excluded from "CAPS"	299,160.00	545,846.26	155,614.34	390,231.92	
Detail:					
Other Expenses	299,160.00	545,846.26	155,614.34	390,231.92	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS":					
Capital Improvement Fund	75,000.00	75,000.00	75,000.00		
Supplement to Roseville Road Phase 4/Tamarack Rd.	50,000.00	50,000.00	50,000.00		
Drainage Improvements	5,000.00	5,000.00	5,000.00		
Total Capital Improvements - Excluded from "CAPS"	130,000.00	130,000.00	130,000.00		

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS":					
Payment of Bond Principal	\$ 195,000.00	\$ 195,000.00	\$ 195,000.00		
Payment of Bond Anticipation Notes and Capital Notes	123,733.00	123,733.00	123,733.00		
Interest on Bonds	22,425.00	22,425.00	22,425.00		
Interest on Notes	21,212.00	21,212.00	21,212.00		
Loan Repayments for Principal and Interest	43,530.00	43,530.00	43,528.24		\$ 1.76
Payment of Interest on Emergency Notes	1,875.00	1,875.00	1,875.00		
Total Municipal Debt Service - Excluded from "CAPS"	407,775.00	407,775.00	407,773.24		1.76
DEFERRED CHARGES - EXCLUDED FROM "CAPS":					
Special Emergency Authorizations- 5 Years (N.J.S.A.40A:4-53)	30,000.00	30,000.00	30,000.00		
Total Deferred Charges - Municipal - Excluded from "CAPS":	30,000.00	30,000.00	30,000.00		
Total General Appropriations - Excluded from "CAPS"	866,935.00	1,113,621.26	723,387.58	\$ 390,231.92	1.76
Subtotal General Appropriations	9,613,370.00	9,860,056.26	8,636,340.97	1,223,713.53	1.76
Reserve for Uncollected Taxes	1,187,639.00	1,187,639.00	1,187,639.00		
Total General Appropriations	\$ 10,801,009.00	\$ 11,047,695.26	\$ 9,823,979.97	\$ 1,223,713.53	\$ 1.76

Ref.

A

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013
(Continued)

	<u>Ref.</u>	<u>Analysis of</u>	
		<u>Budget After Modification</u>	<u>Paid or Charged</u>
Adopted Budget	A-2	\$ 10,801,009.00	
Added by N.J.S.A. 40A:4-87	A-2	246,686.26	
		<u>\$ 11,047,695.26</u>	
Reserve for Uncollected Taxes			\$ 1,187,639.00
Reserve for Encumbrances	A		269,327.08
Deferred Charges - Special Emergency Authorization			30,000.00
Due Other Trust Fund			100.00
Due General Capital Fund			25,000.00
Cash Disbursed			<u>8,365,180.12</u>
			9,877,246.20
Less: Appropriation Refunds			<u>53,266.23</u>
			<u>\$ 9,823,979.97</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2013
TRUST FUNDS

TOWNSHIP OF BYRAM
COMPARATIVE BALANCE SHEET - TRUST FUNDS - REGULATORY BASIS

	Ref.	December 31,	
		2013	2012
<u>ASSETS</u>			
Animal Control Fund:			
Cash and Cash Equivalents:			
Treasurer	B-4	\$ 38,925.22	\$ 39,899.11
Due from State of New Jersey:			
Board of Health		91.20	
		<u>39,016.42</u>	<u>39,899.11</u>
Other Trust Funds:			
Cash and Cash Equivalents	B-4	2,437,583.15	2,657,206.43
Due from Current Fund	A	63,954.26	109,809.93
		<u>2,501,537.41</u>	<u>2,767,016.36</u>
<u>TOTAL ASSETS</u>		<u>\$ 2,540,553.83</u>	<u>\$ 2,806,915.47</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Animal Control Fund:			
Due to State of New Jersey:			
Board of Health			\$ 9.60
Due to Current Fund	A	\$ 14,010.82	11,727.91
Reserve for Animal Control Expenditures	B-6	25,005.60	28,161.60
		<u>39,016.42</u>	<u>39,899.11</u>
Other Trust Funds:			
Master Escrow		438,564.93	398,403.48
Reserve for:			
Recreation Deposits		137,158.63	142,267.24
State Unemployment Insurance		69,367.78	61,416.69
Outside Police Services		49,468.62	49,319.96
Public Defender		7,303.50	5,045.00
Drainage		30,676.48	30,676.48
Open Space		360,511.01	662,590.94
Open Space - Debt Service		444,382.38	531,982.38
Park Project		7,065.04	7,065.04
Housing Rehabilitation		205,316.64	214,784.17
School Diesel Agreement		1,582.95	1,582.96

TOWNSHIP OF BYRAM
COMPARATIVE BALANCE SHEET - TRUST FUNDS - REGULATORY BASIS

		December 31,	
<u>Ref.</u>	2013	2012	
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Other Trust Funds:			
Reserve for:			
Cranberry Lake	\$ 53,652.27	\$ 50,568.34	
Byram Day		100.00	
Tax Sale Premiums	61,400.00	99,200.00	
Parking Offense Adjudication Act	314.00	308.00	
Municipal Alliance	81.00	81.00	
Snow Removal	181,844.44	118,844.44	
Affordable Housing	3,361.46	493.96	
Sick and Vacation Leave	449,486.28	392,286.28	
	<u>2,501,537.41</u>	<u>2,767,016.36</u>	
 <u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>\$ 2,540,553.83</u>	<u>\$ 2,806,915.47</u>	

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BYRAM
ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013

NOT APPLICABLE

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BYRAM
ASSESSMENT TRUST FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013

NOT APPLICABLE

TOWNSHIP OF BYRAM
ASSESSMENT TRUST FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2013

NOT APPLICABLE

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2013
GENERAL CAPITAL FUND

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	<u>Ref.</u>	<u>December 31,</u>	
		<u>2013</u>	<u>2012</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 2,108,430.08	\$ 1,604,040.39
Due from Current Fund	A	25,000.00	
Due from State of New Jersey:			
Department of Transportation		37,500.00	50,000.00
Deferred Charges to Future Taxation:			
Funded		1,526,023.93	1,814,784.44
Unfunded	C-4	1,823,036.00	1,696,944.00
<u>TOTAL ASSETS</u>		<u>\$ 5,519,990.01</u>	<u>\$ 5,165,768.83</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Bond Anticipation Notes Payable	C-7	\$ 1,823,036.00	\$ 1,696,944.00
Serial Bonds Payable	C-8	1,063,000.00	1,318,000.00
Green Acres Loan Payable #1	C-9	96,771.03	107,116.80
Green Acres Loan Payable #2	C-9A	366,252.90	389,667.64
Improvement Authorizations:			
Funded	C-5	413,936.89	30,364.74
Unfunded	C-5	531,589.18	457,104.95
Due to Current Fund	A		102.69
Capital Improvement Fund	C-6	267,938.43	256,613.43
Reserve For:			
Drainage		55,000.00	50,000.00
Road Resurfacing		124,500.00	74,500.00
Field Irrigation		40,000.00	40,000.00
Department of Public Works Equipment			50,000.00
Fire Department Grant		49,782.16	49,782.16
Payment of Debt Service		354,454.58	379,454.58
Streets and Road Improvements		60,000.00	
Fund Balance	C-1	273,728.84	266,117.84
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 5,519,990.01</u>	<u>\$ 5,165,768.83</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref</u>	
Balance December 31, 2012	C	\$ 266,117.84
Increased by:		
Premium on Note Sale		<u>7,611.00</u>
Balance December 31, 2013	C	<u>\$ 273,728.84</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2013
WATER OPERATING FUND

NOT APPLICABLE

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2013
SEWER OPERATING FUND

TOWNSHIP OF BYRAM
SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	<u>Ref.</u>	<u>December 31,</u>	
		<u>2013</u>	<u>2012</u>
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	E-4	\$ 364,724.87	\$ 317,377.74
Due from Sewer Utility Capital Fund	E	5.40	17.73
Receivables with Full Reserves:			
Consumer Accounts Receivable and Liens	E-6	27,791.51	14,772.47
 Total Operating Fund		 <u>392,521.78</u>	 <u>332,167.94</u>
Capital Fund:			
Cash and Cash Equivalents	E-4	128,780.28	261,247.05
Fixed Capital	E-7	2,220,025.00	2,220,025.00
Fixed Capital Authorized and Uncompleted	E-8	343,000.00	343,000.00
 Total Capital Fund		 <u>2,691,805.28</u>	 <u>2,824,272.05</u>
 <u>TOTAL ASSETS</u>		 <u><u>\$ 3,084,327.06</u></u>	 <u><u>\$ 3,156,439.99</u></u>

TOWNSHIP OF BYRAM
SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2013	2012
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	E-3;E-9	\$ 54,808.84	\$ 74,033.13
Encumbered	E-3;E-9	4,798.71	6,138.83
Total Appropriation Reserves		<u>59,607.55</u>	<u>80,171.96</u>
Accrued Interest on Wastewater Treatment Loans		5,835.00	7,700.00
Accrued Interest on Notes		453.70	514.04
Prepaid Sewer Rents		16,686.91	23,455.58
Sewer Overpayments			1,888.25
		<u>82,583.16</u>	<u>113,729.83</u>
Reserve for Receivables	E	27,791.51	14,772.47
Fund Balance	E-1	<u>282,147.11</u>	<u>203,665.64</u>
Total Operating Fund		<u>392,521.78</u>	<u>332,167.94</u>
Bond Anticipation Notes Payable	E-14	138,000.00	158,000.00
Wastewater Treatment Loan Payable	E-16	345,322.95	456,229.86
Due to Sewer Utility Operating Fund	E	5.40	17.73
Improvement Authorizations:			
Funded	E-10	22,974.95	54,125.91
Unfunded	E-10	38,799.93	145,603.41
Capital Improvement Fund	E-11	67,000.00	61,500.00
Deferred Reserve for Amortization	E-12	205,000.00	185,000.00
Reserve for Amortization	E-13	<u>1,874,702.05</u>	<u>1,763,795.14</u>
Total Capital Fund		<u>2,691,805.28</u>	<u>2,824,272.05</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 3,084,327.06</u>	<u>\$ 3,156,439.99</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BYRAM
SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	<u>Year Ended December 31</u>	
		<u>2013</u>	<u>2012</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 20,606.00	\$ 50,000.00
Rents		312,357.96	331,595.76
Miscellaneous Revenue Not Anticipated		7,135.30	8,567.00
Other Credits to Income:			
Sewer Overpayments Cancelled		12.90	
Unexpended Balance of Appropriation Reserves		72,696.83	33,524.71
Total Income		<u>412,808.99</u>	<u>423,687.47</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		166,719.00	205,519.00
Capital Improvements		5,500.00	5,500.00
Debt Service		141,202.52	135,549.73
Deferred Charges and Statutory Expenditures		300.00	300.00
Refund of Prior Year Revenue			562.96
Total Expenditures		<u>313,721.52</u>	<u>347,431.69</u>
Excess in Revenue/Statutory Excess to Fund Balance		99,087.47	76,255.78
<u>Fund Balance</u>			
Balance January 1	E	203,665.64	177,409.86
		302,753.11	253,665.64
Decreased by:			
Utilized as Anticipated Revenue		20,606.00	50,000.00
Balance December 31	E	<u>\$ 282,147.11</u>	<u>\$ 203,665.64</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
STATEMENT OF SEWER CAPITAL FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOT APPLICABLE

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BYRAM
SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Anticipated	Realized	Excess or Deficit *
Operating Surplus Anticipated	\$ 20,606.00	\$ 20,606.00	
Sewer Rents	300,000.00	312,357.96	\$ 12,357.96
	320,606.00	332,963.96	12,357.96
Miscellaneous Revenue Not Anticipated		7,135.30	7,135.30
	\$ 320,606.00	\$ 340,099.26	\$ 19,493.26

Sewer Rents

Sewer Rent Collections		\$ 287,014.16
Overpayments Applied		1,888.22
Prepaid Sewer		23,455.58
		\$ 312,357.96

Analysis of Miscellaneous Revenue Not Anticipated

Treasurer:

Interest on Sewer Deposits	\$ 204.03	
Interest on Sewer Rents	4,651.76	
Other Sewer Fees	2,168.26	
		\$ 7,024.05
Due from Sewer Utility Capital Fund:		
Interest on Deposits		111.25
		\$ 7,135.30

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BYRAM
SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Appropriations		Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 100.00	\$ 100.00		\$ 100.00	
Other Expenses	101,419.00	101,419.00	\$ 58,095.69	43,323.31	
Musconetcong Sewerage Authority Fee	65,200.00	65,200.00	54,014.47	11,185.53	
Capital Improvements:					
Capital Improvement Fund	5,500.00	5,500.00	5,500.00		
Debt Service:					
Payment of Wastewater Loans Principal	110,907.00	110,907.00	110,907.00		
Payment of Bond Anticipation Notes	20,000.00	20,000.00	20,000.00		
Interest on Bonds	15,205.00	15,205.00	8,756.07		\$ 6,448.93
Interest on Notes	1,975.00	1,975.00	1,539.45		435.55
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	100.00	100.00		100.00	
Social Security System (O.A.S.I.)	100.00	100.00		100.00	
Unemployment Compensation Insurance	100.00	100.00	100.00		
	<u>\$ 320,606.00</u>	<u>\$ 320,606.00</u>	<u>\$ 258,912.68</u>	<u>\$ 54,808.84</u>	<u>\$ 6,884.48</u>

Ref.

E

Analysis of Paid or Charged

Cash Disbursed		\$ 249,788.72
Accrued Interest on Loans		8,756.07
Accrued Interest on Notes		1,539.45
Encumbered	E	4,798.71
		<u>264,882.95</u>
Less: Refunded		<u>5,970.27</u>
		<u>\$ 258,912.68</u>

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2013
PUBLIC ASSISTANCE FUND

NOT APPLICABLE

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2013
BOND AND INTEREST FUND

NOT APPLICABLE

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2013
GENERAL FIXED ASSETS ACCOUNT GROUP
UNAUDITED

TOWNSHIP OF BYRAM
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
UNAUDITED

	December 31,	
<u>ASSETS</u>	2013	2012
Land	\$ 972,600.00	\$ 972,600.00
Buildings	1,758,533.00	1,758,533.00
Equipment and Vehicles	5,046,250.87	4,999,722.12
<u>TOTAL ASSETS</u>	<u>\$ 7,777,383.87</u>	<u>\$ 7,730,855.12</u>
<u>RESERVES</u>		
Reserve for Fixed Assets	\$ 7,777,383.87	\$ 7,730,855.12
<u>TOTAL RESERVES</u>	<u>\$ 7,777,383.87</u>	<u>\$ 7,730,855.12</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Except as noted below, the financial statements of the Township of Byram include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of Byram, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the Township of Byram do not include the operations of the Volunteer Fire and First Aid Squads.

Governmental Accounting Standards Board publication Codification of Government Accounting and Financial Reporting Standards ("GASB"), Section 2100 "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate tax-exempt entities that meet specific criteria (i.e., benefit of economic resources, access/entitlement to resources and significance) should be included in the financial reporting entities. As the financial reporting entity was established in accordance with New Jersey statutes, the requirements of Codification Section 2100 were not followed and, accordingly, the reporting entity could be different from accounting principles generally accepted in the United States of America.

B. Description of Funds

The accounting policies of the Township of Byram conform to the accounting practices applicable to municipalities which have been prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Such 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 Township of Byram accounts for its financial transactions through the following separate funds:

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

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

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

Sewer Utility and Capital Funds – Account for the operations and acquisition of capital facilities of the municipally owned sewer utility.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

B. Description of Funds (Cont'd)

General Fixed Assets Account Group (Unaudited) – Estimated values of land, buildings and certain fixed assets of the Township as discussed in Note 1E – “Basis of Accounting”.

C. Basis of Accounting

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The following is a summary of the significant accounting policies.

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey and for the prepayment of future years' revenue. Grant revenue is realized in the operating funds when it is budgeted and in the capital funds when improvements are authorized. The amounts recorded as property taxes and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund.

Expenditures are charged to operations generally based on budgeted amounts. Exceptions to this general rule include:

1. Accumulated unpaid vacation, sick pay and other employee amounts are not accrued.
2. Prepaid expenses, such as insurance premiums applicable to subsequent periods, are charged to current budget appropriations in total.
3. Principal and interest on long-term debt are recognized when due.

Expenditures, if any, in excess of appropriations, appropriation reserves or ordinances become deferred charges which must be raised by future taxes. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be 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.

Had the Township's financial statements been prepared under generally accepted accounting principles, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; Federal and State grants and assistance would be recognized when earned, not when received; inventories would not be reflected as expenditures at the time of purchase; and fixed assets purchased by the Sewer Utility Capital Fund would be depreciated.

The cash basis of accounting is followed in the Trust and Capital Funds.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

D. Deferred Charges to Future Taxation

The General Capital Fund balance sheet includes both funded and unfunded deferred charges. Funded means that bonds have been issued and are being paid off on a serial basis. Unfunded means that the debt has been authorized but not permanently financed. A municipality can eliminate an unfunded deferred charge by raising it in the budget, or collecting a grant. The unfunded deferred charge may also be funded by selling bonds, by loans or by capital leases.

E. Other significant accounting policies include:

Management Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue and expenditures/expenses during the period reported. Actual results could differ from those estimates.

Cash and Cash Equivalents – Amounts include petty cash, change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

Investments – Investments are stated a cost or amortized cost, which approximates market.

Allowance for Uncollectible Accounts – No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Compensated Absences - Expenditures relating to unused vested accumulated vacation and sick pay are not recorded until paid.

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

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

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

Grants Receivable - Grants receivable represent the total grant awards less amounts collected to date. Because the amount of grant funds to be collected are dependent on the total costs eligible for reimbursement, the actual amount collected may be less than the total amount awarded.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

E. Other significant accounting policies include (Cont'd):

General Fixed Assets (Unaudited) – General fixed assets are recorded at cost, except for land which is recorded at assessed value, and buildings, which are recorded at replacement value. Infrastructure assets are not included in general fixed assets, as per state directive. Major renewals and betterments are charged to the asset accounts; maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their fair market value on the date donated. No depreciation has been provided for on general fixed assets. The total value recorded for general fixed assets is offset by a “Reserve for Fixed Assets”. When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly. Assets recorded in the General Fixed Assets Account Group may also be recorded in the Current Fund, General Capital Fund and Sewer Utility Fund. The values recorded in the general fixed assets account group and the capital funds may not always agree due to differences in valuation methods, timing of recognition of assets, and the recognition of infrastructures. Fixed assets are reviewed for impairment.

Property and equipment purchased by the Sewer Utility Fund are recorded in the capital account at cost. The amount shown does not purport to represent replacement costs or current value. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Sewer Utility Capital Fund represent charges to operations for the costs of acquisitions of property, equipment and improvements. The Sewer Utility does not record depreciation on fixed assets.

- F. Budget/Budgetary Control – Annual appropriated budgets are usually prepared in the first quarter for the Current, Sewer Utility Operating and Open Space Trust Funds. The budgets are submitted to the governing body and the Division of Local Government Services. Budgets are prepared using the cash basis of accounting. The legal level of budgetary control is established at the line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the flexible chart of accounts referenced in N.J.S.A. 40A. All budget amendments/transfers must be approved by the Township during the year.

Note 2: Long-Term Debt

The Local Bond Law governs the issuance of bond to finance general Township capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds. The Township’s full faith and credit and taxing power have been pledged to the payment of the general obligation debt principal and interest.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 2: Long-Term Debt

Summary of Municipal Debt

	December 31,		
	2013	2012	2011
<u>Issued</u>			
General:			
Bonds, Loans and Notes	\$ 3,349,059.93	\$ 3,511,728.44	\$ 3,793,029.72
Sewer Utility:			
Bonds, Loans and Notes	483,322.95	614,229.86	576,200.36
	<u>3,832,382.88</u>	<u>4,125,958.30</u>	<u>4,369,230.08</u>
Less:			
Open Space - Debt Service Reserve	444,382.38	531,982.38	517,589.25
Reserve to Pay Debt Service	354,454.58	379,454.58	411,754.58
	<u>798,836.96</u>	<u>911,436.96</u>	<u>929,343.83</u>
Net Bonds and Notes Issued and Authorized but not Issued	<u>\$ 3,033,545.92</u>	<u>\$ 3,214,521.34</u>	<u>\$ 3,439,886.25</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 Revised Annual Debt Statement and indicates a statutory net debt of .25%.

	Gross Debt	Deductions	Net Debt
School Debt	\$ 5,205,000.00	\$ 5,205,000.00	
Sewer Utility Debt	483,322.95	483,322.95	
General Debt	3,349,059.93	798,836.96	\$ 2,550,222.97
	<u>\$ 9,037,382.88</u>	<u>\$ 6,487,159.91</u>	<u>\$ 2,550,222.97</u>

Net Debt: \$2,550,222.97 divided by Average Equalized Valuations of \$1,034,895,880.33 of Real Property = .25%.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013

(Continued)

Note 2: Long-Term Debt (Cont'd)

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

3-1/2% Average Equalized Valuation of Real Property	\$36,221,355.81
Net Debt	<u>2,550,222.97</u>
Remaining Borrowing Power	<u>\$33,671,132.84</u>

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

Cash Receipts from Fees, Rents or Other Charges for Year	\$ 340,099.26
Deductions:	
Operating and Maintenance Cost	\$ 167,019.00
Debt Service	<u>141,202.52</u>
	<u>308,221.52</u>
Excess in Revenue	<u>\$ 31,877.74</u>

Footnote: If there is an "excess in revenue", all such utility debt is deductible. If there is a "deficit", then utility debt is not deductible to the extent of 20 times such deficit amount.

The foregoing debt information is in agreement with the Revised Annual Debt Statement filed by the Chief Financial Officer.

Summary of Municipal Debt Issued and Outstanding - Current Year

Fund	Balance 12/31/2012	Additions	Retirements	Balance 12/31/2013
Serial Bonds:				
General Capital Fund	\$ 598,000.00		\$ 195,000.00	\$ 403,000.00
Open Space Trust Fund	720,000.00		60,000.00	660,000.00
Bond Anticipation Notes:				
General Capital Fund	1,696,944.00	\$ 1,823,036.00	1,696,944.00	1,823,036.00
Sewer Utility Capital Fund	158,000.00	138,000.00	158,000.00	138,000.00
Loans Payable:				
General Capital				
Green Acres Loans #1	107,116.80		10,345.77	96,771.03
Green Acres Loans #2	389,667.64		23,414.74	366,252.90
Sewer Utility Capital Fund:				
Wastewater Treatment Loan	456,229.86		110,906.91	345,322.95
	<u>\$ 4,125,958.30</u>	<u>\$ 1,961,036.00</u>	<u>\$ 2,254,611.42</u>	<u>\$ 3,832,382.88</u>

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Municipal Debt Issued and Outstanding - Prior Year

Fund	Balance 12/31/2011	Additions	Retirements	Balance 12/31/2012
Serial Bonds:				
General Capital Fund	\$ 793,000.00		\$ 195,000.00	\$ 598,000.00
Open Space Trust Fund	780,000.00		60,000.00	720,000.00
Bond Anticipation Notes:				
General Capital Fund	1,690,150.00	\$ 1,696,944.00	1,690,150.00	1,696,944.00
Sewer Utility Capital Fund	15,000.00	158,000.00	15,000.00	158,000.00
Loans Payable:				
General Capital				
Green Acres Loans #1	117,258.72		10,141.92	107,116.80
Green Acres Loans #2	412,621.00		22,953.36	389,667.64
Sewer Utility Capital Fund:				
Wastewater Treatment Loans	561,200.36		104,970.50	456,229.86
	<u>\$ 4,369,230.08</u>	<u>\$ 1,854,944.00</u>	<u>\$ 2,098,215.78</u>	<u>\$ 4,125,958.30</u>

Analysis of Debt Issued and Outstanding:

General Capital Serial Bonds

Final Maturity	Interest Rate	Amount
10/1/2015	3.75%	\$ 403,000.00

Open Space Serial Bonds

Final Maturity	Interest Rate	Amount
10/1/2024	3.75-4.00%	\$ 660,000.00

General Capital Green Acres Loans Payable

Final Maturity	Interest Rate	Amount
3/18/2022	2.00%	\$ 96,771.03
5/17/2027	2.00%	366,252.90
		<u>\$ 463,023.93</u>

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 2: Long-Term Debt (Cont'd)

General Capital - Bond Anticipation Notes Payable

<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
9/26/2014	1.25%	\$ 25,000.00
9/26/2014	1.25%	96,600.00
9/26/2014	1.25%	274,000.00
9/26/2014	1.25%	515,788.00
9/26/2014	1.25%	189,473.00
9/26/2014	1.25%	352,350.00
9/26/2014	1.25%	120,000.00
9/26/2014	1.25%	249,825.00
		<u>\$ 1,823,036.00</u>

Sewer Utility Capital - Bond Anticipation Notes Payable

<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
9/26/2013	1.25%	<u>\$ 138,000.00</u>

Sewer Utility Capital - New Jersey Wastewater Treatment Loans Payable

<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
9/30/2016	0.00%	\$ 135,322.95
9/30/2016	2.00%	210,000.00
		<u>\$ 345,322.95</u>

Total Debt Issued and Outstanding	<u>\$ 3,832,382.88</u>
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Wastewater Treatment Loans

On October 15, 1996, the Township of Byram entered into two loan agreements with the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection Fund (the "Fund"), and the New Jersey Wastewater Treatment Trust (the "Trust"), in the aggregate amount of \$1,802,284 which represents direct obligations of the Township. The loan agreements were obtained to finance a portion of the cost of wastewater treatment system projects.

Principal payments to the Fund commenced on August 1, 1997, and will continue on a semiannual basis over 17 years at zero interest. Principal payments to the Trust commenced on August 1, 2000, and will continue on semiannual basis over 20 years. It is expected that interest will be paid from trust bond proceeds on deposit in the capitalized interest account (as defined in the bond resolution), and earnings thereon in the debt service reserve fund (as defined in the bond resolution) transferred to such capitalized interest account. The Township will nevertheless be responsible for all such interest payments to the extent such trust bond proceeds and interest earnings are not available from the capitalized interest account.

Also, an annual administrative fee of three tenths of one percent (.3%) of the initial principal amount of the loan or such less amount, if any, as the Trust may approve from time to time is payable on these loans.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013

(Continued)

Note 2: Long-Term Debt (Cont'd)

Green Acres Loan Payable

On March 27, 2002, the Township of Byram entered into a loan agreement with the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection Fund (the "Fund"), in the aggregate amount of \$200,000 which represents direct obligations of the Township. The loan agreements were obtained to finance a portion of the Multi-Park Development project.

Principal payments on the Loan commenced on March 18, 2003, and will continue on an annual basis over 20 years at 2.00% interest. The Township will be responsible for all such interest and principal payments.

On August 14, 2007, the Township of Byram entered into a loan agreement with the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection Fund (the "Fund"), in the aggregate amount of \$500,000 (two separate loans for \$250,000 each) which represents direct obligations of the Township. The loan agreements were obtained to finance a portion of the C.O. Johnson Park project.

Principal payments on the Loan commenced on May 17, 2008, and will continue on an annual basis over 20 years at 2.00% interest. The Township will be responsible for all such interest and principal payments.

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

Calendar Year	General	Open Space	Sewer Utility*	Total
2013	\$ 260,953.24	\$ 87,600.00	\$ 126,306.91	\$ 474,860.15
2014	258,640.71	85,350.00	120,588.54	464,579.25
2015	254,140.74	83,100.00	122,725.07	459,965.81
2016	43,528.22	80,850.00	126,089.34	250,467.56
2017	43,528.23	78,600.00		122,128.23
2018-2022	211,422.83	291,900.00		503,322.83
2023-2027	139,912.26	194,400.00		334,312.26
	<u>\$ 1,212,126.23</u>	<u>\$ 901,800.00</u>	<u>\$ 495,709.86</u>	<u>\$ 2,609,636.09</u>

* Principal and interest on the Wastewater Treatment Loan has been included in full and has not been offset by any interest earnings or credits which may be available.

Note 3: Fund Balances Appropriated

Fund balances at December 31, 2013 which was included in the adopted budget as appropriated and as anticipated revenue for the year ending December 31, 2014 budget were as follows:

Current Fund	\$ 1,240,102.00
Sewer Utility Operating Fund	20,606.00

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 4: School District Taxes

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district. The Township of Byram has not elected to defer school taxes.

Note 5: Deferred Charges to be Raised in Succeeding Years

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2013, the following deferred charge is shown on the balance sheet of the Current Fund:

	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>To be</u> <u>Raised in</u> <u>2014 Budget</u>	<u>Balance to</u> <u>Succeeding</u> <u>Years' Budgets</u>
<u>Current Fund</u>			
Special Emergency Authorization	\$ 90,000.00	\$ 30,000.00	\$ 60,000.00

The appropriation in the 2014 budget will not be less than that required by statute.

Note 6: Pension Plans

Township employees are enrolled in one of two cost sharing multiple-employer public employee retirement systems: the Public Employees' Retirement System (PERS), the Police and Firemen's Retirement System (PFRS) of New Jersey; or the Defined Contribution Retirement Program (DCRP). The State of New Jersey sponsors and administers the PERS and the PFRS which cover substantially all Township employees. Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. As a general rule, all full-time employees are eligible to join the PERS or the PFRS. However, if an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP.

Employees who are members of PERS and retire at a specified age according to the relevant tier category for that employee are entitled to a retirement benefit based upon a formula which takes "final average salary" during years of creditable service. Vesting occurs after 8 to 10 years of service. Enrolled PFRS members may retire at age 55 with a minimum of 10 years of service required for vesting. The DCRP provides eligible members with a tax- sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

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

The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The employee contributions for PFRS are 10.00% of employees' annual compensation, as defined. For PERS, the contribution rate was 6.64% effective July 1, 2012 and increased to 6.78% effective July 1, 2013. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 6: Pension Plans (Cont'd)

Employers are required to contribute at an actuarially determined rate in both funds. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

Township contributions to PFRS amounted to \$412,686, \$454,744 and \$385,468 for 2013, 2012, and 2011, respectively. Township contributions to PERS amounted to \$151,309, \$141,221, and \$139,778 for 2013, 2012, and 2011, respectively.

The employee and employer contributions for the DCRP were \$4,208.00, \$4,550.39 and \$3,417.45, for 2013, 2012 and 2011, respectively.

Note 7: Accrued Sick and Vacation Benefits

The Township permits employees to accrue a limited amount of unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed-upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$577,122 at December 31, 2013. This amount is not reported either as an expenditure or a liability. It is expected that the cost of such unpaid compensation would be included in the Township's budget operating expenditures in the year in which it is used. This amount is partially reserved in the Reserve for Sick and Vacation Leave of \$449,386 on the Trust Fund balance sheet at December 31, 2013.

Note 8: Post-Retirement Benefits

In addition to the pension benefits described in Note 6, the Township provides other post-retirement benefits to certain clerical, public works and police employees. Clerical and public works employees are eligible for life insurance, medical, hospitalization and dental care benefits providing they meet certain eligibility requirements. To be eligible for these benefits, the employee must have been employed by the Township at the time of retirement with at least 25 or more years of service or at least 15 or more years of service and reached the age of 62, or at least 10 or more years of service if retirement is caused by disability for which a disability pension of 50% or more has been approved.

Police are eligible for family health plan, life insurance and dental benefits. To be eligible for continued benefits, the retiree must retire pursuant to the New Jersey Police and Firemen's Pension statutes. A retired police employee may apply not to be covered for medical and dental benefits in exchange for a cash payment equal to one-half of the savings in cost to the Township for providing coverage for one year.

All eligible employees must apply for full federal health care benefits at the earliest opportunity. The Township will provide "wrap around" coverage if available, in lieu of standard benefits, after eligibility for federal health benefits is established.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013

(Continued)

Note 8: Post-Retirement Benefits (Cont'd)

The Township's portion of post-retirement benefits is funded on a pay-as-you-go basis from the Current Fund operating budget. During 2013 and 2012, the Township recognized expenditures/expenses in the amount of \$719,089 and \$543,645, respectively.

Funding Policy

The Township is not required to nor does it contribute the annual required contribution (ARC) per N.J.S.A. 40A:4-1 et. seq. There is currently no provision under State statute for the Township to accrue funds, create a trust or issue debt to finance their other post employment benefit ("OPEB") liability.

Currently, there are no contribution requirements of plan members.

The Township accounts for certain post-employment health care benefits provided in accordance with Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Employers that participate in *single-employer* or *agent multiple-employer defined benefit* OPEB plans (sole and agent employers) are required to measure and disclose an amount for annual OPEB cost on the accrual basis of accounting. Annual OPEB cost is equal to the employer's annual required contribution to the plan (ARC), with certain adjustments if the employer has a net OPEB obligation for past under- or over contributions.

The ARC is defined as the employer's required contributions for the year, calculated in accordance with certain parameters, and includes (a) the normal cost for the year and (b) a component for amortization of the total unfunded actuarial accrued liabilities (or funding excess) of the plan over a period not to exceed thirty years. If the methods and assumptions used in determining a plan's funding requirements meet the parameters, the same methods and assumptions are required for financial reporting by both a plan and its participating employer(s). However, if a plan's method of financing does not meet the parameters (for example, the plan is financed on a pay-as-you-go basis), the parameters nevertheless apply for financial reporting purposes.

The Township as a sole employer should recognize OPEB expense in an amount equal to annual OPEB cost. Net OPEB obligations, if any, should be displayed as liabilities (or assets) in the financial statements.

Annual OPEB Cost and Net OPEB Obligation

The Township's annual OPEB cost is calculated based on the annual required contribution (ARC) of the employer. The Township has engaged an actuary to calculate the ARC and related information per the provisions of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial accrued liabilities over a period not to exceed 30 years, with an assumption that payroll increases by 4% per year.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 8: Post-Retirement Benefits (Cont'd)

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include economic assumptions; benefit assumptions and demographic assumptions. Economic assumptions include the discount and health care cost trend rates. Benefit assumptions encompass the initial per capita costs rates for medical coverage. Finally, demographic assumptions include probabilities concerning retirement, mortality, termination without being eligible for benefits, disability, participation rates and coverage levels. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and included the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the 2011 actuarial valuation, the projected unit credit cost method was used. Under this method, the present value of benefits is allocated uniformly over an employee's expected working lifetime. For medical benefits, the initial rate utilized is 9.0% and decreases to a 5.0% long-term trend rate for all medical benefits in 2020.

Annual OPEB Cost per Actuarial Valuation

The table on the following page shows the components of the Township's annual OPEB cost for the year, the amount actually contribution to the plan and the Township's obligation to the Plan at December 31, 2011, 2012 and 2013:

Benefit Obligations and Normal Cost

	<u>Valuation December 31,</u>		
	<u>2011</u>	<u>2012</u>	<u>2013</u>
Actuarial accrued liability (AAL)	\$ 20,269,770	N/A	N/A
Unfunded actuarial accrued liability (UAAL)	20,269,770	N/A	N/A
Normal cost at beginning of year	703,227	N/A	N/A
Amortization factor based on 30 years	1,244,392	N/A	N/A
Annual covered payroll	N/A	N/A	N/A
UAAL as a percentage of covered payroll	N/A	N/A	N/A

Since it has fewer than 200 plan members the Township follows the three year rotation cycle. The table above and on the following page indicates N/A in the year when a valuation report was not available.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 8: Post-Retirement Benefits (Cont'd)

Level Dollar Amortization
Calculation of ARC under Projected Unit Credit Cost Method

	Valuation December 31,		
	2011	2012	2013
ARC normal cost with interest to end of year	703,227	N/A	N/A
Amortization of unfunded actuarial accrued liability (UAAL) over 30 years with interest at year end	1,244,392	N/A	N/A
Annual Required Contribution (ARC)	1,947,619		
Interest on net OPEB obligation	-0-		
Adjustment to ARC	-0-		
Annual OPEB cost (expense)	1,947,619		
Pay as you go benefits			
Net OPEB expense at December 31,:			
2011, 2012 and 2013, respectively	1,947,619		
Prior year	11,203,500	N/A	N/A
Net OPEB obligation December 31,:			
2011, 2012 and 2013, respectively	<u>\$ 13,151,119</u>	<u>N/A</u>	<u>N/A</u>
Unfunded actuarial accrued liability (December 31, 2011)			<u>\$ 20,269,770</u>
Unfunded actuarial accrued liability (December 31, 2012)			<u>N/A</u>
Projected unfunded actuarial accrued liability (December 31, 2013)			<u>N/A</u>

Funding Status and Funding Progress

As of December 31, 2011, the actuarial accrued liability for benefits was \$20,269,770 all of which is unfunded.

Note 9: Deferred Compensation

The Board offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan, which is administered by Nationwide, permits participants to defer a portion of their salary until future years. Amounts deferred under the plan is not available to employees until termination, retirement, death or unforeseeable emergency.

Note 10: Selected Tax Information

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 10: Selected Tax Information (Cont'd)

The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and the imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the prior year may be placed in lien at a tax sale held after April 1 and through December 31. Unpaid taxes of the current year may be placed in lien at a tax sale held after December 10.

	<u>2013</u>	<u>2012*</u>	<u>2011</u>
<u>Tax Rate</u>	\$ 3.27	\$ 3.18	\$ 2.55
<u>Apportionment of Tax Rate</u>			
Municipal	0.87	0.85	0.70
County	0.54	0.51	0.45
Local School	1.21	1.19	0.98
Regional School	0.65	0.63	0.51
<u>Assessed Valuations</u>			
2013	\$ 930,380,987.00		
2012		\$ 932,256,721.00	
2011			\$ 1,104,306,570.00

* Revaluation of Property Taxes

Comparison of Tax Levies and Collections Currently

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collections</u>
2013	\$ 30,508,356.65	\$ 29,832,696.86	97.79%
2012	29,643,131.70	28,902,249.41	97.50%
2011	29,160,377.29	28,441,926.26	97.54%

Also, increases in future tax levies can also be warranted if revenue sources outside of those directly generated by the municipality, such as federal or state aid, should decline without corresponding decreases in budgeted expenditures.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 11: Cash and Cash Equivalents

Cash and cash equivalents include change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. The Township classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB Statement No. 40 *Governmental Accounting Standards Board Deposit and Investment Risk Disclosures* require disclosure of the level of custodial credit risk assumed by the Township in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial risk is the risk that in the event of bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Township ensures that any deposit or investments matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Township limits its investments to those authorized in its cash management plan which are permitted under state statutes as detailed below and on the following page.

Deposits:

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

New Jersey statutes 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 5% of the average daily balance of public funds on deposit.

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

All collateral must be deposited with the Federal Reserve Bank, 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 BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 11: Cash and Cash Equivalents (Cont'd)

Investments

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund; or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) above;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in statute; and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 11: Cash and Cash Equivalents (Cont'd)

Investments (Cont'd)

As of December 31, 2013, cash and cash equivalents of the Township of Byram consisted of the following:

<u>Fund</u>	<u>Change Funds</u>	<u>Checking Accounts</u>	<u>NJ Cash Management Fund</u>	<u>Total</u>
Current Fund	\$ 450.00	\$ 4,576,489.07	\$ 201,626.22	\$ 4,778,565.29
Animal Control Trust Fund		38,925.22		38,925.22
Other Trust Fund		2,437,583.15		2,437,583.15
General Capital Fund		2,108,430.08		2,108,430.08
Sewer Utility Operating Fund		364,724.87		364,724.87
Sewer Utility Capital Fund		128,780.28		128,780.28
	<u>\$ 450.00</u>	<u>\$ 9,654,932.67</u>	<u>\$ 201,626.22</u>	<u>\$ 9,857,008.89</u>

During the period ended December 31, 2013, the Township did not hold any investments. The carrying amount of the Township's cash and cash equivalents at December 31, 2013, was \$9,857,008.89 and the bank balance was \$9,874,904.58. The \$201,626.22 invested with the State of New Jersey Cash Management Fund is uninsured and/or unregistered.

During the period ended December 31, 2012, the Township did not hold any investments other than certificates of deposit. The carrying amount of the Township's cash and cash equivalents at December 31, 2012, was \$8,905,525.24 and the bank balance was \$9,088,785.88. The \$201,513.04 invested with the State of New Jersey Cash Management Fund was uninsured and/or unregistered.

Note 12: Risk Management

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Township of Byram is a member of the Statewide Insurance Fund, (the "Fund"). The Fund is a risk-sharing public entity risk pool that is both an insured and self-administered group of municipalities established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum.

The following coverages are offered by these funds to its members:

- a.) Workers' Compensation and Employers' Liability
- b.) General Liability and Auto Liability
- c.) Property Damage
- d.) Boiler and Machinery
- e.) Law Enforcement Liability
- f.) Public Officials' Liability
- g.) Employment Practice Liability
- h.) Crime
- i.) Umbrella Liability
- j.) Environmental Impairment Liability
- k.) Excess Liability

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 12: Risk Management (Cont'd)

As a member of the Fund, the Township could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities.

The fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body.

The December 31, 2013 audit report of the Statewide Insurance Fund is not filed as of the date of this audit. Selected financial information for the Fund as of December 31, 2012 is as follows:

	<u>Statewide Insurance Fund</u>
Total Assets	\$ 35,903,110.00
Net Position	\$ 4,749,231.00
Total Revenue	\$ 23,147,328.00
Total Expenses	\$ 22,992,413.00
Change in Net Position	\$ 154,915.00
Members Dividends	\$ -0-

Financial statements for this fund are available at the Office of the Executive Director:

Statewide Insurance Fund
26 Columbia Turnpike PO Box 678
Florham Park, New Jersey 07932
(973) 549-1900

The Township of Byram is also a member of the North Jersey Municipal Employee Benefits Fund, (the "Fund"). The Fund is both an insured and self-administered group of municipalities established for the purpose of providing certain employee benefits for member municipalities in order to keep local property taxes at a minimum.

The following health benefit coverages are offered by this fund to its members:

- a.) Medical
- b.) Prescription
- c.) Dental

As a member of the Fund, the Township could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 12: Risk Management (Cont'd)

The fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body.

The December 31, 2013 audit report of the North Jersey Municipal Employee Benefits Fund is not filed as of the date of this audit. Selected financial information for the Fund as of December 31, 2012 is as follows:

	North Jersey Municipal Employee Benefits Fund
Total Assets	\$ 17,484,472.00
Net Position	\$ 14,745,677.00
Total Revenue	\$ 39,017,316.00
Total Expenses	\$ 33,409,538.00
Change in Net Position	\$ 4,407,778.00
Members Dividends	\$ 1,200,000.00

Financial statements for these funds are available at the Office of the Executive Director:

PERMA Risk Management Services
6 Campus Drive, Suite 16
Parsippany, NJ 07054
(973) 587-0555

New Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State.

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

<u>Year</u>	<u>Township Contributions</u>	<u>Interest Earned</u>	<u>Employees Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2013	\$ -0-	\$ 35.26	\$ 8,172.29	\$ 256.46	\$ 69,367.78
2012	-0-	50.07	100.00	442.82	61,416.69
2011	-0-	77.39	8,022.18	3,933.32	61,709.44

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 13: Interfund Receivables and Payables

The following interfund balances remain on the balance sheet at December 31, 2013:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Current Fund	\$ 14,010.82	\$ 88,954.26
Animal Control Fund		14,010.82
Other Trust Funds	63,954.26	
General Capital Fund	25,000.00	
Sewer Utility Operating Fund	5.40	
Sewer Utility Capital Fund		5.40
	<u>\$ 102,970.48</u>	<u>\$ 102,970.48</u>

The Township's interfund receivable in Current Fund is a result of the statutory excess in the Animal Control Fund. The interfund payable from Current Fund is a 2013 budget appropriation due to the Other Trust Funds for Reserve for Sick and Vacation Leave and Snow Removal offset by Police Outside expenses paid by the Current Fund on behalf of the Other Trust Funds. The interfund receivable in the General Capital Fund is a 2013 budget appropriation for Capital Improvement Fund that has not been received in cash. The Chief Financial Officer monitors all interfunds for these accounts and liquidates them on a monthly basis. The balances remaining at December 31, 2013, represent activity not liquidated by year end which were subsequently liquidated in January 2014.

Note 14: Economic Dependency

The Township of Byram receives a substantial amount of support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Township's programs and activities.

Note 15: Contingent Liabilities

The Township is periodically involved in various lawsuits arising in the normal course of business, including claims for property damage, personal injury, and various contract disputes. The Township vigorously contests all lawsuits and believes the ultimate resolution would not have a material adverse effect on their financial position.

The Township has been advised that a number of tax appeals have been filed. Potential refunds on tax appeals could be as much as \$640,000. A reserve for pending tax appeals in the amount of \$641,892.74 has been recorded as a liability as of December 31, 2013.

Amounts received or receivable from grantors, principally the federal and state governments are subject to regulatory requirements and adjustments by the agencies. Any disallowed claims, including amounts previously recognized by the Township as revenue would constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantors cannot be determined at this time, although Township officials expect such amounts, if any, to be immaterial.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2013
(Continued)

Note 16: Open Space Trust Reserve

The Township created an Open Space Trust Fund with a tax levy of \$.02 per \$100 of assessed valuation in 1999. The funds collected are used to acquire and maintain open space property in the Township. The 2013 Open Space tax levy was \$110,653.51. The balance of the Open Space Trust Fund as of December 31, 2013 was \$317,242.88.

The Township of Byram also received grants for the acquisition of open space land previously purchased by the municipality in previous years. The intention of the municipality is to use this funding to offset the debt issued to acquire these properties. These funds are being held in a Reserve for Open Space – Debt Service on the Other Trust Fund balance sheet. The reserve disbursed \$444,382.38 during the current year to fund the debt service payments of the current year. The balance of the Open Space Trust Fund – Debt Service as of December 31, 2013 was \$360,511.01.

TOWNSHIP OF BYRAM
SUPPLEMENTARY DATA

TOWNSHIP OF BYRAM
OFFICIALS IN OFFICE AND SURETY BONDS
YEAR ENDED DECEMBER 31, 2013

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
James Oscovitch	Mayor	
Scott Olson	Councilman	
Marie Raffay	Councilwoman	
Nisha Kash	Councilman	
David Gray	Councilman	
Joseph A. Sabatini	Township Manager	(A)
Marie Kenia	Chief Financial Officer and Tax/Sewer Collector	(A)
Richard Bowe	Magistrate	(A)
Mary Beth Swanson	Court Administrator	(A)
Richard O'Connor	Building Inspector	(A)
Penny Hostenstein	Tax Assessor	(A)
Doris J. Flynn	Township Clerk	(A)

All bonds were examined and were properly executed.

(A) A Blanket Position Bond for \$1,000,000 was issued by Statewide Insurance Fund and covers those noted above and also covers the Road Superintendent, Environmental Commission and Industrial Commission.

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2013
CURRENT FUND

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2012	A	\$ 4,025,504.52
Increased by Receipts:		
Tax Collector		\$ 31,196,823.40
Revenue Accounts Receivable		1,213,577.45
Miscellaneous Revenue Not Anticipated		202,352.37
Due Animal Control Trust Fund:		
Prior Year Interfund Returned		11,741.93
Due Other Trust Fund :		
Prior Year Interfund Returned		1,950.00
Interest Due Current Fund		454.74
Due General Capital Fund		
Prior Year Interfund Returned		1,105.80
Due State of New Jersey:		
Marriage License Fees		700.00
DCA Training Fees		7,344.00
Veterans and Senior Citizens' Deductions		73,108.22
Appropriation Refunds		53,266.23
Reserve for Sale of Municipal Assets		4,611.13
Unappropriated Reserve for Recycling Tonnage		10,987.20
Special Emergency Notes Payable		90,000.00
Unappropriated Reserve for Body Armor Replacement Fund		2,098.31
		32,870,120.78
		36,895,625.30

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF CASH

	<u>Ref.</u>	
Decreased by Disbursements:		
2013 Appropriation Expenditures	\$ 8,365,180.12	
2012 Appropriation Reserves	285,706.73	
Change Fund	200.00	
Local School Taxes	11,257,614.00	
Regional School Taxes	6,029,905.00	
County Taxes	5,022,427.91	
Due Other Trust Funds:		
Open Space Tax Levy	110,653.51	
Prior Year Interfund Returned	121,603.94	
Police Outside Duty Paid on Behalf of Other Trust Fund	46,008.66	
Due General Capital Fund:		
Reserve for Street and Road Improvements	60,000.00	
Redemption of Outside Liens	644,317.29	
Due State of New Jersey:		
DCA Training Fees	5,048.00	
Marriage License Fees	450.00	
Reserve for Pending Tax Appeals	1,925.26	
Appropriated Grant Reserves:		
Recycling Tonnage Grant	3,008.76	
Recreation Trails Grant	8,210.00	
Drunk Driving Enforcement Fund	988.28	
Refund of Prior Year Revenue	5,856.20	
Accounts Payable	6,813.50	
Special Emergency Notes Payable	120,000.00	
Tax Overpayments	21,592.85	
		\$ 32,117,510.01
Balance December 31, 2013	A	\$ 4,778,115.29

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2013

Increased by Receipts:

Taxes Receivable	\$ 30,202,456.21
Tax Title Liens	38,909.26
Interest and Costs on Taxes	125,958.52
2014 Prepaid Taxes	144,673.96
Tax Overpayments	37,097.30
Outside Liens	644,317.29
Other Miscellaneous	<u>3,410.86</u>

\$ 31,196,823.40

TOWNSHIP OF BYRAM
SCHEDULE OF CASH - GRANT FUNDS
YEAR ENDED DECEMBER 31, 2013

NOT APPLICABLE

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>		
Balance December 31, 2012	A		\$ 843,797.39
Increased by:			
Transfer from Taxes Receivable		\$ 110,304.54	
Interest and Costs on Tax Sale		<u>2,865.19</u>	
			<u>113,169.73</u>
			956,967.12
Decreased by:			
Redeemed		38,909.26	
Cancelled		38,866.52	
Transferred to Foreclosure		<u>140,311.12</u>	
			<u>218,086.90</u>
Balance December 31, 2013	A		<u>\$ 738,880.22</u>

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Accrued In</u> <u>2013</u>	<u>Collected by</u> <u>Treasurer</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
Municipal Clerk:				
Alcoholic Beverage Licenses		\$ 6,098.00	\$ 6,098.00	
Fees and Permits		3,660.39	3,660.39	
Planning/Zoning Board Fees:				
Fees and Permits		8,350.00	8,350.00	
Police:				
Fees and Permits		1,918.85	1,918.85	
Board of Health:				
Fees and Permits		9,614.40	9,614.40	
Construction Code Official:				
Fees and Permits		151,063.50	151,063.50	
Municipal Court:				
Fines and Costs	\$ 7,727.47	94,005.13	97,454.28	\$ 4,278.32
Interest on Deposits		3,733.18	3,733.18	
Consolidated Municipal Property Tax Relief Program		49,855.00	49,855.00	
Energy Receipts Taxes		525,620.08	525,620.08	
Clean Communities Grant	223.40	18,801.26	18,801.26	223.40
Highlands Grant	64,687.50			64,687.50
No Net Loss Grant		55,646.00		55,646.00
PSE&G Agreement		276,478.00	276,478.00	
Community Stewardship Incentive Grant		20,000.00		20,000.00
Sustainable Jersey Easment Grant		10,000.00	5,000.00	5,000.00
Reserve to Pay Debt Service		25,000.00	25,000.00	
Municipal Alliance Grant	9,948.33	11,420.00	18,706.58	2,661.75
Click It or Ticket Grant		4,000.00	4,000.00	
Recreation Trails Grant	8,818.05		8,223.93	594.12
	<u>\$ 91,404.75</u>	<u>\$ 1,275,263.79</u>	<u>\$ 1,213,577.45</u>	<u>\$ 153,091.09</u>

Ref.

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TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2013

NOT APPLICABLE

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF 2012 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2013

	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Balance After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
GENERAL GOVERNMENT:				
General Administration:				
Salaries & Wages	\$ 1,342.32	\$ 1,342.32		\$ 1,342.32
Other Expenses	21,400.32	21,400.32	\$ 5,767.77	15,632.55
Mayor & Council:				
Other Expenses	5,646.88	5,646.88	2,526.01	3,120.87
Clerk:				
Salaries & Wages	135.00	135.00		135.00
Election:				
Other Expenses	2,134.91	2,134.91		2,134.91
Financial Administration:				
Salaries & Wages	4,307.30	4,307.30	1,655.54	2,651.76
Other Expenses	23,478.63	23,478.63	20,187.35	3,291.28
Audit Fees	28,980.00	28,980.00	28,980.00	
Assessment of Taxes:				
Salaries & Wages	585.94	585.94		585.94
Other Expenses	20,111.48	20,111.48	4,517.29	15,594.19
Revenue Administration (Tax Collection):				
Salaries & Wages	1,462.14	1,462.14	1,264.60	197.54
Other Expenses	1,580.10	1,580.10	1,244.00	336.10
Legal Services and Costs:				
Other Expenses - Fees	31,231.59	31,231.59	6,081.48	25,150.11
Environmental Commission:				
Other Expenses	1,670.58	1,670.58		1,670.58
Engineering Services:				
Other Expenses	19,387.12	19,387.12	11,248.00	8,139.12
Municipal Land Use Law:				
Planning Board:				
Salaries & Wages	362.94	362.94		362.94
Other Expenses	23,337.08	23,337.08	3,021.60	20,315.48
Zoning Commission:				
Salaries & Wages	31.00	31.00		31.00
Other Expenses	186.16	186.16		186.16
Insurance: (P.L. 2003, C.92)				
Employee Group Insurance	18,863.88	18,863.88		18,863.88
General Liability Insurance	75.50	75.50		75.50
Employee Group Insurance-Health Benefit	1,963.49	1,963.49		1,963.49

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF 2012 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2013
(Continued)

	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Balance After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
PUBLIC SAFETY				
Uniform Fire Safety Act:				
Fire Prevention Bureau:				
Salaries & Wages	\$ 303.50	\$ 303.50		\$ 303.50
Other Expenses	163.80	163.80		163.80
Fire:				
Other Expenses	20,361.03	20,361.03	\$ 20,067.68	293.35
Office of Emergency Management:				
Other Expenses	3,000.00	3,000.00		3,000.00
Police:				
Salaries & Wages	7,050.31	7,050.31	7,050.31	
Other Expenses	63,105.50	63,105.50	48,480.74	14,624.76
Other Expenses - Radio & Comm. 911	1,672.64	1,672.64		1,672.64
Municipal Court:				
Salaries & Wages	236.60	236.60		236.60
Other Expenses	7,019.13	7,019.13	63.62	6,955.51
Municipal Prosecutor:				
Other Expenses - Fees	16,000.00	16,000.00	9,000.00	7,000.00
STREETS AND ROADS:				
Road Repairs and Maintenance:				
Salaries & Wages	120,280.66	120,280.66	106,129.96	14,150.70
Other Expenses - Miscellaneous	152,756.78	152,756.78	152,213.88	542.90
Other Expenses - Improvements to Streets & Roads	11,405.89	11,405.89	6,000.00	5,405.89
Other Expenses - Fleet Maintenance	24,757.48	24,757.48	9,190.66	15,566.82
Public Building and Grounds:				
Salaries & Wages	169.60	169.60		169.60
Other Expenses	9,503.28	9,503.28	3,771.97	5,731.31
Garbage Removal - Contractual	4,063.11	4,063.11	857.00	3,206.11
Recycling:				
Salaries & Wages	673.40	673.40		673.40
Other Expenses	10,000.00	10,000.00		10,000.00
HEALTH AND WELFARE:				
Board of Health:				
Other Expenses	400.00	400.00		400.00
Animal Control:				
Salaries & Wages	980.50	980.50	169.40	811.10
Other Expenses	875.00	875.00		875.00

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF 2012 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2013
(Continued)

	Balance Dec. 31, 2012	Balance After Modification	Paid or Charged	Balance Lapsed
RECREATION AND EDUCATION:				
Parks and Playground:				
Salaries & Wages	\$ 194.00	\$ 194.00		\$ 194.00
Other Expenses	1,008.13	1,008.13	\$ 168.00	840.13
Senior Citizens Transportation:				
Salaries & Wages	3,137.70	3,137.70	393.50	2,744.20
Recreation Land Lease:				
Other Expenses	0.10	0.10		0.10
Celebration of Public Events				
Other Expenses	176.84	176.84		176.84
UNIFORM CONSTRUCTION CODE:				
Construction Code Official:				
Salaries & Wages	69.60	69.60		69.60
Other Expenses	3,138.37	3,138.37	125.95	3,012.42
UNCLASSIFIED:				
Utilities:				
Heating Oil	82,508.79	82,508.79	247.44	82,261.35
Street Lighting	7,977.33	7,977.33	1,747.88	6,229.45
Electricity	41,969.31	41,969.31	1,392.47	40,576.84
Gasoline	51,646.82	51,646.82	8,246.26	43,400.56
Telephone	5,446.91	5,446.91	822.91	4,624.00
Municipal Sewer Charges	97.55	97.55		97.55
Accumulated Sick and Vacation	100.00	100.00	100.00	
Social Security System (O.A.S.I.)	22,696.23	22,696.23	1,724.18	20,972.05
DCRP	1,234.14	1,234.14		1,234.14
Musconetcong Sewer Authority Fees	7,477.15	7,477.15		7,477.15
Recycling Tax Appropriation	2,807.28	2,807.28	642.75	2,164.53
STATE AND FEDERAL PROGRAMS				
OFFSET BY REVENUES:				
Clean Communities Grant	610.60	610.60	610.60	
Municipal Alliance Program	299.93	299.93	299.93	

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF 2012 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2013
(Continued)

Balance Dec. 31, 2012	Balance After Modification	Paid or Charged	Balance Lapsed
\$ 895,649.35	\$ 895,649.35	\$ 466,010.73	\$ 429,638.62

Ref.

Analysis of Balance @12/31/12

Unencumbered	A	\$	189,034.93	
Encumbered	A		706,614.42	
			\$ 895,649.35	

Analysis of Paid or Charged

Cash Disbursed		\$	285,706.73
Due to Other Trust - Reserve for Snow Removal			63,000.00
Due to Other Trust - Reserve for Sick and Vacation Leave			57,100.00
Due to General Capital - Reserve for Road Improvements			60,000.00
Appropriated Grant Reserves:			
Municipal Alliance			148.63
Clean Communities			55.37
			\$ 466,010.73

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2013

Increased by:

Levy - Calendar Year 2013

\$ 11,257,614.00

Decreased by:

Payments to Local School District

\$ 11,257,614.00

CURRENT FUND
SCHEDULE OF REGIONAL HIGH SCHOOL DISTRICT TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2013

Increased by:

Levy - Calendar Year 2013

\$ 6,029,905.00

Decreased by:

Payments to Regional High School District

\$ 6,029,905.00

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF SPECIAL EMERGENCY NOTES PAYABLE

Ord. No.	Improvement Description	Date of			Interest Rate	Balance Dec. 31, 2012	Issued	Matured	Balance Dec. 31, 2013
		Original Issue	Issue	Maturity					
16-06	Revaluation Notes	09/29/11	09/27/12	09/27/13	1.250%	\$ 120,000.00		\$ 120,000.00	
			09/26/13	09/26/14	1.250%		\$ 90,000.00		\$ 90,000.00
						<u>\$ 120,000.00</u>	<u>\$ 90,000.00</u>	<u>\$ 120,000.00</u>	<u>\$ 90,000.00</u>
				<u>Ref.</u>		A			A

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2013
TRUST FUNDS

TOWNSHIP OF BYRAM
TRUST FUNDS
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Balance December 31, 2012	B	\$ 39,899.11	\$ 2,657,206.43
Increased by Receipts:			
Due Current Fund:			
Interest on Investments		\$ 25.08	\$ 847.81
Prior Year Interfund Returned			121,603.94
Dog License Fees		13,009.20	
State Registration Fees		1,807.80	
Miscellaneous Fees		3,003.00	
Master Escrow Deposits			115,654.45
Tax Sale Premiums			2,300.00
Parking Offense Adjudication Act			6.00
Unemployment Insurance Deposits			8,207.55
Public Defender Deposits			6,758.50
Reserve for School Diesel Agreement			33,058.35
Reserve for Outside Police Services			47,397.50
Reserve for Snow Removal			4,962.73
Open Space Trust:			
Interest on Investments			627.46
Tax Levy			110,653.51
Cranberry Lake Deposits			3,595.00
Housing Rehabilitation Deposits			8,000.00
Recreation Deposits			75,379.14
Affordable Housing Deposits			8,552.50
		17,845.08	547,604.44
		57,744.19	3,204,810.87

TOWNSHIP OF BYRAM
TRUST FUNDS
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u> <u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Decreased by Disbursements:		
Due Current Fund:		
Prior Year Interfund Returned	\$ 11,741.93	\$ 1,950.00
Interest Earned		454.74
State of New Jersey Board of Health	1,908.60	
Expenditures Under R.S. 4:19-15.11	5,168.44	
Master Escrow Expenditures		75,493.00
Tax Sale Premiums		40,100.00
Byram Day		100.00
Unemployment Insurance Expenditures		256.46
Open Space Trust:		
Open Space Expenditures		413,360.90
Debt Service Expenditures		87,600.00
Reserve for School Diesel Agreement		33,058.36
Reserve for Outside Police Services		1,240.18
Cranberry Lake Expenditures		511.07
Housing Rehabilitation Expenditures		17,467.53
Public Defender Expenditures		4,500.00
Reserve for Snow Removal		4,962.73
Recreation Expenditures		80,487.75
Affordable Housing		5,685.00
	\$ 18,818.97	\$ 767,227.72
Balance December 31, 2013	B \$ 38,925.22	\$ 2,437,583.15

TOWNSHIP OF BYRAM
ANIMAL CONTROL TRUST FUND
SCHEDULE OF ANIMAL CONTROL FUND CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2013

NOT APPLICABLE

TOWNSHIP OF BYRAM
ASSESSMENT TRUST FUND
ANALYSIS OF CASH
YEAR ENDED DECEMBER 31, 2013

NOT APPLICABLE

TOWNSHIP OF BYRAM
ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2012	B	\$ 28,161.60
Increased by:		
Dog License Fees:		
Collected in Current Year		\$ 13,009.20
Miscellaneous Fees		3,003.00
		16,012.20
		44,173.80
Decreased by:		
Expenditures Under R.S. 4:19-15.11		5,168.44
Statutory Excess Due to Current Fund		13,999.76
		19,168.20
Balance December 31, 2013	B	\$ 25,005.60
<u>License Fees Collected</u>		
<u>Year</u>		<u>Amount</u>
2011		\$ 12,426.00
2012		12,579.60
		25,005.60
Maximum Allowable Reserve		\$ 25,005.60

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2013
GENERAL CAPITAL FUND

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2012	C	\$ 1,604,040.39
Increased by:		
Budget Appropriation:		
Capital Improvement Fund	\$ 50,000.00	
Down Payment on Improvements - Reserve for Road Resurfacing	50,000.00	
Reserve for Drainage	5,000.00	
Deferred Charges to Future Taxation Unfunded	123,733.00	
State of New Jersey:		
Department of Transportation	162,500.00	
Improvement Authorization Refunds	4,750.00	
Premium on Note Sale	7,611.00	
Bond Anticipation Notes	1,823,036.00	
Reserve for Streets and Road Improvements	60,000.00	
Due Current Fund		
Interest	1,003.11	
Due Sewer Utility Operating Fund	21,599.79	
Due Sewer Utility Capital Fund	276,000.00	
Due Open Space Trust Fund	350,000.00	
	2,935,232.90	4,539,273.29
Decreased by:		
Improvement Authorizations	410,193.62	
Bond Anticipation Notes	1,696,944.00	
Reserve to Pay Debt Service Anticipated in 2013 Budget	25,000.00	
Due Current Fund:		
Interest	1,105.80	
Due Sewer Utility Operating Fund	21,599.79	
Due Sewer Utility Capital Fund	276,000.00	
	2,430,843.21	
Balance December 31, 2013	C	\$ 2,108,430.08

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
ANALYSIS OF CASH

	Balance/ (Deficit) Dec. 31, 2012	Receipts			Disbursements			Transfers		Balance/ (Deficit) Dec. 31, 2013	
		Miscellaneous	Budget Appropriation	Bond Anticipation Notes	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	From	To		
Capital Fund Balance	\$ 266,117.84	\$ 7,611.00								\$ 273,728.84	
Capital Improvement Fund	256,613.43	25,000.00	\$ 50,000.00				\$ 63,675.00			267,938.43	
Due Current Fund	102.69	637,835.61				\$ 662,938.30				(25,000.00)	
Due from NJ Department of Transportation	(50,000.00)	162,500.00					150,000.00			(37,500.00)	
Due Sewer Utility Capital Fund		276,000.00				276,000.00					
Due Sewer Utility Operating Fund		21,599.79				21,599.79					
Due Open Space - Trust Fund		350,000.00					350,000.00				
Reserve for Road Resurfacing	74,500.00	50,000.00								124,500.00	
Reserve for Field Irrigation	40,000.00									40,000.00	
Reserve for Drainage	50,000.00		5,000.00							55,000.00	
Reserve for Payment of Debt Service	379,454.58					25,000.00				354,454.58	
Reserve for Public Works Equipment	50,000.00						50,000.00				
Reserve for Streets and Roads		60,000.00								60,000.00	
Reserve for Fire Department Grant	49,782.16									49,782.16	
<u>Ord. No.</u>	<u>Improvement Description</u>										
06-97	Various General Improvements	3,073.49								3,073.49	
14-06	Various Capital Improvements	15,291.25								15,291.25	
16-06	Acquisition of Rescue Vehicle		28,000.00	\$ 25,000.00		\$ 53,000.00					
10-07	Various Capital Improvements	55,487.96	34,000.00	96,600.00	\$ 9,930.80	130,600.00				45,557.16	
11-08	Various Capital Improvements	1,546.88	14,100.00	274,000.00	428.75	288,100.00				1,118.13	
11-09	Various Capital Improvements	34,425.20	37,106.00	515,788.00		552,894.00				34,425.20	
07-10	Various Capital Improvements	40,175.00	10,527.00	189,473.00	12,578.30	200,000.00				27,596.70	
05-11	Various Capital Improvements	252,335.49		352,350.00	7,930.63	352,350.00				244,404.86	
05-12	Various Road Improvements	85,134.42		120,000.00		120,000.00	75,000.00			10,134.42	
05-13	Various Capital Improvements		4,750.00	249,825.00	187,897.29			\$ 113,675.00		180,352.71	
06-13	Improvements to Roseville Road				186,413.35			225,000.00		38,586.65	
11-13	Improvements to Tamarack Park				5,014.50			350,000.00		344,985.50	
		<u>\$ 1,604,040.39</u>	<u>\$ 1,590,546.40</u>	<u>\$ 178,733.00</u>	<u>\$ 1,823,036.00</u>	<u>\$ 410,193.62</u>	<u>\$ 1,696,944.00</u>	<u>\$ 985,538.09</u>	<u>\$ 688,675.00</u>	<u>\$ 688,675.00</u>	<u>\$ 2,108,430.08</u>

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord. No.	Improvement Description	Balance Dec. 31, 2012	2013 Authorizations	Funded By Budget Appropriation	Balance Dec. 31, 2013	Analysis of Balance December 31, 2013		Unexpended Improvement Authorizations
						Bond Anticipation Notes	Expenditures	
16-06	Acquisition of Rescue Vehicle	\$ 53,000.00		\$ 28,000.00	\$ 25,000.00	\$ 25,000.00		
10-07	Various Capital Improvements	130,600.00		34,000.00	96,600.00	96,600.00		
11-08	Various Capital Improvements	288,100.00		14,100.00	274,000.00	274,000.00		
11-09	Various Capital Improvements	552,894.00		37,106.00	515,788.00	515,788.00		
07-10	Various Capital Improvements	200,000.00		10,527.00	189,473.00	189,473.00		
05-11	Various Capital Improvements	352,350.00			352,350.00	352,350.00		
05-12	Various Road Improvements	120,000.00			120,000.00	120,000.00		
05-13	Various Capital Improvements		\$ 249,825.00		249,825.00	249,825.00		
		<u>\$1,696,944.00</u>	<u>\$ 249,825.00</u>	<u>\$ 123,733.00</u>	<u>\$1,823,036.00</u>	<u>\$1,823,036.00</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Improvement Authorizations - Unfunded	\$ 531,589.18
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:	
Ordinance 10-07 (Various Capital Improvements)	(33,557.16)
Ordinance 11-08 (Various Capital Improvements)	(1,118.13)
Ordinance 11-09 (Various Capital Improvements)	(34,425.20)
Ordinance 07-10 (Various Capital Improvements)	(27,596.70)
Ordinance 05-11 (Various Capital Improvements)	(244,404.86)
Ordinance 05-12 (Various Road Improvements)	(10,134.42)
Ordinance 05-13 (Various Capital Improvements)	(180,352.71)
	<u>\$ -0-</u>

**TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Ord. No.	Improvement Description	Ordinance		Balance December 31, 2012		2013 Authorizations						Balance December 31, 2013		
		Date	Amount	Funded	Unfunded	Capital Improvement Fund	Department of Transportation Grant	Reserve for Department of Public Works Equipment	Open Space	Deferred Charges to Future Taxation Unfunded	Transfers	Paid or Charged	Funded	Unfunded
06-97	Various Improvements	09/15/97	\$750,000.00	\$ 3,073.49									\$ 3,073.49	
08-07	Various Capital Improvements	05/07/07	15,900.00	15,291.25									15,291.25	
10-07	Various Capital Improvements	06/04/07	284,100.00	12,000.00	\$ 43,487.96									
11-08	Various Capital Improvements	07/21/08	325,000.00		1,546.88							\$ 9,930.80	12,000.00	\$ 33,557.16
11-09	Various Capital Improvements	05/18/09	620,000.00		34,425.20							428.75		1,118.13
07-10	Various Capital Improvements	06/07/10	425,000.00		40,175.00							12,578.30		34,425.20
05-11	Various Capital Improvements	06/02/11	465,000.00		252,335.49							7,930.63		27,596.70
05-12	Various Road Improvements	06/06/12	370,000.00		85,134.42									244,404.86
05-13	Various Capital Improvements	05/21/13	363,500.00			\$ 63,675.00		\$ 50,000.00		\$ 249,825.00		183,147.29		10,134.42
06-13	Improvements to Roseville Road	05/21/13	150,000.00				\$ 150,000.00				75,000.00	186,413.35		38,586.65
11-13	Improvements to Tamarack Park	06/05/13	350,000.00						\$ 350,000.00			5,014.50		180,352.71
				<u>\$ 30,364.74</u>	<u>\$ 457,104.95</u>	<u>\$ 63,675.00</u>	<u>\$ 150,000.00</u>	<u>\$ 50,000.00</u>	<u>\$ 350,000.00</u>	<u>\$ 249,825.00</u>	<u>\$ -0-</u>	<u>\$ 405,443.62</u>	<u>\$ 413,936.89</u>	<u>\$ 531,589.18</u>
		Ref.		C	C								C	C
												Cash Disbursed	410,193.62	
												less: Refunds	(4,750.00)	
													<u>\$ 405,443.62</u>	

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2012	C	\$ 256,613.43
Increased by:		
2013 Budget Appropriation:		
Due from Current Fund		\$ 25,000.00
Cash Received		50,000.00
		75,000.00
		331,613.43
Decreased by:		
Appropriated to Finance Improvement Authorizations		63,675.00
		63,675.00
Balance December 31, 2013	C	\$ 267,938.43

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Ord. No.	Improvement Description	Date of			Interest Rate	Balance Dec. 31, 2012	Issued	Matured	Balance Dec. 31, 2013
		Original Issue	Issue	Maturity					
16-06	Acquisition of Rescue Vehicle	10/06/06	09/27/12 09/26/13	09/27/13 09/26/14	1.250% 1.250%	\$ 53,000.00	\$ 25,000.00	\$ 53,000.00	\$ 25,000.00
10-07	Various Capital Improvements	10/05/07	09/27/12 09/26/13	09/27/13 09/26/14	1.250% 1.250%	130,600.00	96,600.00	130,600.00	96,600.00
11-08	Various Capital Improvements	10/02/08	09/27/12 09/26/13	09/27/13 09/26/14	1.250% 1.250%	288,100.00	274,000.00	288,100.00	274,000.00
11-09	Various Capital Improvements	10/01/09	09/27/12 09/26/13	09/27/13 09/26/14	1.250% 1.250%	552,894.00	515,788.00	552,894.00	515,788.00
07-10	Various Capital Improvements	09/30/10	09/27/12 09/26/13	09/27/13 09/26/14	1.250% 1.250%	200,000.00	189,473.00	200,000.00	189,473.00
05-11	Various Capital Improvements	09/29/11	09/27/12 09/26/13	09/27/13 09/26/14	1.250% 1.250%	352,350.00	352,350.00	352,350.00	352,350.00
05-12	Various Road Improvements	09/27/12	09/27/12 09/26/13	09/27/13 09/26/14	1.250% 1.250%	120,000.00	120,000.00	120,000.00	120,000.00
05-13	Various Road Improvements	09/26/13	09/26/13	09/26/14	1.250%		249,825.00		249,825.00
						<u>\$ 1,696,944.00</u>	<u>\$ 1,823,036.00</u>	<u>\$ 1,696,944.00</u>	<u>\$ 1,823,036.00</u>
<u>Ref.</u>						C			C
							\$ 1,573,211.00	\$ 1,573,211.00	
							249,825.00		
								123,733.00	
							<u>\$ 1,823,036.00</u>	<u>\$ 1,696,944.00</u>	

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2012	Matured	Balance Dec. 31, 2013
			Outstanding December 31, 2013					
			Date	Amount				
General Improvement Bonds	10/01/05	\$ 1,793,000.00	10/01/14	\$ 200,000.00	3.750%			
			10/01/15	203,000.00	3.750%	\$ 598,000.00	\$ 195,000.00	\$ 403,000.00
Open Space Bonds	10/01/05	1,140,000.00	10/01/14	60,000.00	3.750%			
			10/01/15	60,000.00	3.750%			
			10/01/16	60,000.00	3.750%			
			10/01/17	60,000.00	3.750%			
			10/01/18	60,000.00	3.750%			
			10/01/19	60,000.00	3.750%			
			10/01/20	60,000.00	3.750%			
			10/01/21	60,000.00	4.000%			
			10/01/22	60,000.00	4.000%			
			10/01/23	60,000.00	4.000%			
			10/01/24	60,000.00	4.000%			
						720,000.00	60,000.00	660,000.00
						<u>\$ 1,318,000.00</u>	<u>\$ 255,000.00</u>	<u>\$1,063,000.00</u>
					<u>Ref.</u>	C		C

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF GREEN ACRES LOAN PAYABLE #1

Balance December 31, 2012	<u>Ref.</u> C	\$ 107,116.80
Decreased by:		
Loan Payments		<u>10,345.77</u>
Balance December 31, 2013	C	<u>\$ 96,771.03</u>

SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS
OUTSTANDING DECEMBER 31, 2013

<u>Payment Number</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance of Loan</u>
					\$ 96,771.03
23	03/18/14	2.00%	\$ 967.71	\$ 5,250.61	91,520.42
24	09/18/14	2.00%	915.20	5,303.11	86,217.31
25	03/18/15	2.00%	862.17	5,356.15	80,861.16
26	09/18/15	2.00%	808.61	5,409.71	75,451.45
27	03/18/16	2.00%	754.51	5,463.80	69,987.65
28	09/18/16	2.00%	699.88	5,518.44	64,469.21
29	03/18/17	2.00%	644.69	5,573.63	58,895.58
30	09/18/17	2.00%	588.96	5,629.36	53,266.22
31	03/18/18	2.00%	532.66	5,685.66	47,580.56
32	09/18/18	2.00%	475.81	5,742.51	41,838.05
33	03/18/19	2.00%	418.38	5,799.94	36,038.11
34	09/18/19	2.00%	360.38	5,857.94	30,180.17
35	03/18/20	2.00%	301.80	5,916.52	24,263.65
36	09/18/20	2.00%	242.64	5,975.68	18,287.97
37	03/18/21	2.00%	182.88	6,035.44	12,252.53
38	09/18/21	2.00%	122.53	6,095.79	6,156.74
39	03/18/22	2.00%	61.57	6,156.74	-0-
			<u>\$ 8,940.38</u>	<u>\$ 96,771.03</u>	

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF GREEN ACRES LOAN PAYABLE #2

Balance December 31, 2012	Ref. C	\$ 389,667.64
Decreased by:		
Loan Payments		23,414.74
Balance December 31, 2013	C	<u>\$ 366,252.90</u>

SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS
OUTSTANDING DECEMBER 31, 2013

Payment Number	Maturity Date	Interest Rate	Payment of		Balance of Loan
			Interest	Principal	
					\$ 183,126.45
13	05/17/14	2.0%	\$ 1,831.26	\$ 5,941.63	177,184.82
14	11/17/14	2.0%	1,771.85	6,001.05	171,183.77
15	05/17/15	2.0%	1,711.84	6,061.06	165,122.71
16	11/17/15	2.0%	1,651.23	6,121.67	159,001.04
17	05/17/16	2.0%	1,590.01	6,182.89	152,818.15
18	11/17/16	2.0%	1,528.18	6,244.72	146,573.43
19	05/17/17	2.0%	1,465.73	6,307.16	140,266.27
20	11/17/17	2.0%	1,402.66	6,370.24	133,896.03
21	05/17/18	2.0%	1,338.96	6,433.94	127,462.09
22	11/17/18	2.0%	1,274.62	6,498.28	120,963.81
23	05/17/19	2.0%	1,209.64	6,563.26	114,400.55
24	11/17/19	2.0%	1,144.01	6,628.89	107,771.66
25	05/17/20	2.0%	1,077.72	6,695.18	101,076.48
26	11/17/20	2.0%	1,010.76	6,762.13	94,314.35
27	05/17/21	2.0%	943.14	6,829.76	87,484.59
28	11/17/21	2.0%	874.85	6,898.05	80,586.54
29	05/17/22	2.0%	805.87	6,967.03	73,619.51
30	11/17/22	2.0%	736.19	7,036.70	66,582.81

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF GREEN ACRES LOAN PAYABLE #2

SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS
OUTSTANDING DECEMBER 31, 2013

Payment Number	Maturity Date	Interest Rate	Payment of		Balance of Loan
			Interest	Principal	
31	05/17/23	2.0%	\$ 665.83	\$ 7,107.07	\$ 59,475.74
32	11/17/23	2.0%	594.76	7,178.14	52,297.60
33	05/17/24	2.0%	522.98	7,249.92	45,047.68
34	11/17/24	2.0%	450.48	7,322.42	37,725.26
35	05/17/25	2.0%	377.25	7,395.65	30,329.61
36	11/17/25	2.0%	303.30	7,469.60	22,860.01
37	05/17/26	2.0%	228.60	7,544.30	15,315.71
38	11/17/26	2.0%	153.16	7,619.74	7,695.97
39	05/17/27	2.0%	76.96	7,695.97	-0-
			<u>\$ 26,741.84</u>	<u>\$ 183,126.45</u>	

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF GREEN ACRES LOAN PAYABLE #2

SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS
OUTSTANDING DECEMBER 31, 2013

Payment Number	Maturity Date	Interest Rate	Payment of		Balance of Loan
			Interest	Principal	
					\$ 183,126.45
13	05/17/14	2.0%	\$ 1,831.26	\$ 5,941.63	177,184.82
14	11/17/14	2.0%	1,771.85	6,001.05	171,183.77
15	05/17/15	2.0%	1,711.84	6,061.06	165,122.71
16	11/17/15	2.0%	1,651.23	6,121.67	159,001.04
17	05/17/16	2.0%	1,590.01	6,182.89	152,818.15
18	11/17/16	2.0%	1,528.18	6,244.72	146,573.43
19	05/17/17	2.0%	1,465.73	6,307.16	140,266.27
20	11/17/17	2.0%	1,402.66	6,370.24	133,896.03
21	05/17/18	2.0%	1,338.96	6,433.94	127,462.09
22	11/17/18	2.0%	1,274.62	6,498.28	120,963.81
23	05/17/19	2.0%	1,209.64	6,563.26	114,400.55
24	11/17/19	2.0%	1,144.01	6,628.89	107,771.66
25	05/17/20	2.0%	1,077.72	6,695.18	101,076.48
26	11/17/20	2.0%	1,010.76	6,762.13	94,314.35
27	05/17/21	2.0%	943.14	6,829.76	87,484.59
28	11/17/21	2.0%	874.85	6,898.05	80,586.54
29	05/17/22	2.0%	805.87	6,967.03	73,619.51
30	11/17/22	2.0%	736.19	7,036.70	66,582.81
31	05/17/23	2.0%	665.83	7,107.07	59,475.74
32	11/17/23	2.0%	594.76	7,178.14	52,297.60
33	05/17/24	2.0%	522.98	7,249.92	45,047.68
34	11/17/24	2.0%	450.48	7,322.42	37,725.26
35	05/17/25	2.0%	377.25	7,395.65	30,329.61
36	11/17/25	2.0%	303.30	7,469.60	22,860.01
37	05/17/26	2.0%	228.60	7,544.30	15,315.71
38	11/17/26	2.0%	153.16	7,619.74	7,695.97
39	05/17/27	2.0%	76.96	7,695.97	-0-
			<u>\$ 26,741.84</u>	<u>\$ 183,126.45</u>	

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ord. Number</u>	<u>Ord. Date</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2012</u>	<u>2013 Appropriations</u>	<u>Funded by Budget Appropriation</u>	<u>Bond Anticipation Notes Issued</u>	<u>Bond Anticipation Notes Redeemed</u>	<u>Balance Dec. 31, 2013</u>
16-06	09/05/06	Acquisition of Rescue Vehicle			\$ 28,000.00	\$ 25,000.00	\$ 53,000.00	
10-07	06/04/07	Various Capital Improvements			34,000.00	96,600.00	130,600.00	
11-08	07/21/08	Various Capital Improvements			14,100.00	274,000.00	288,100.00	
11-09	05/18/09	Various Capital Improvements			37,106.00	515,788.00	552,894.00	
07-10	06/07/10	Various Capital Improvements			10,527.00	189,473.00	200,000.00	
05-11	06/21/11	Various Capital Improvements				352,350.00	352,350.00	
05-12	06/06/12	Various Road Improvements				120,000.00	120,000.00	
05-13	05/21/13	Various Capital Improvements		\$ 249,825.00		249,825.00		
			<u>\$ -0-</u>	<u>\$ 249,825.00</u>	<u>\$ 123,733.00</u>	<u>\$ 1,823,036.00</u>	<u>\$ 1,696,944.00</u>	<u>\$ -0-</u>

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2013
WATER OPERATING FUND

NOT APPLICABLE

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2013
SEWER OPERATING FUND

TOWNSHIP OF BYRAM
SEWER UTILITY FUND
SCHEDULE OF CASH - TREASURER

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2012	\$ 317,377.74	\$ 261,247.05
Increased by Receipts:		
Consumer Accounts Receivable	\$ 287,014.16	
Sewer Overpayments	12.87	
Prepaid Sewer Rents	16,686.91	
Miscellaneous Revenue not Anticipated:		
Interest on Sewer Deposits	204.03	
Interest on Sewer Rents	4,651.76	
Other Sewer Fees	2,168.26	
Due Sewer Utility Capital Fund	20,123.58	
Due Sewer Utility Operating Fund:		
Interest Earned		\$ 111.25
Bond Anticipation Notes		20,000.00
Appropriation Refund	5,970.27	
Budget Appropriation:		
Capital Improvement Fund		5,500.00
	<u>336,831.84</u>	<u>25,611.25</u>
	654,209.58	286,858.30
Decreased by Disbursements:		
2013 Budget Appropriations	249,788.72	
2012 Appropriation Reserves	7,475.13	
Accrued Interest on Wastewater Loans	10,621.07	
Accrued Interest on Bond Anticipation Notes	1,599.79	
Improvement Authorizations		137,954.44
Due Sewer Utility Capital Fund	20,000.00	
Due Sewer Utility Operating Fund		20,123.58
	<u>289,484.71</u>	<u>158,078.02</u>
Balance December 31, 2013	<u>\$ 364,724.87</u>	<u>\$ 128,780.28</u>

TOWNSHIP OF BYRAM
SEWER UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2013

NOT APPLICABLE

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
ANALYSIS OF SEWER CAPITAL CASH

	Balance Dec. 31, 2012	Receipts			Disbursements		Balance Dec. 31, 2013	
		Budget Appropriation	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous		
Capital Improvement Fund	\$ 61,500.00	\$ 5,500.00					\$ 67,000.00	
Due Sewer Utility Operating Fund	17.73		\$ 20,000.00	\$ 111.25		\$ 20,123.58	5.40	
<u>Ord. No.</u>	<u>Improvement Description</u>							
09-03	Sewer Utility Improvements	54,125.91			\$ 31,150.96		22,974.95	
06-12	Sewer Utility Improvements	145,603.41			106,803.48		38,799.93	
		<u>\$ 261,247.05</u>	<u>\$ 5,500.00</u>	<u>\$ 20,000.00</u>	<u>\$ 111.25</u>	<u>\$ 137,954.44</u>	<u>\$ 20,123.58</u>	<u>\$ 128,780.28</u>

Ref.

E

E

TOWNSHIP OF BYRAM
SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2012	E	\$ 14,772.47
Increased by:		
Sewer Rents Levied		325,377.00
		340,149.47
Decreased by Collections:		
Sewer Rents	\$ 287,014.16	
Overpayments Applied	1,888.22	
Prepaid Sewer Rents Applied	23,455.58	
		312,357.96
Balance December 31, 2013	E	\$ 27,791.51

TOWNSHIP OF BYRAM
SEWER UTILITY OPERATING FUND
SCHEDULE OF LIENS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2013

NOT APPLICABLE

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	Balance Dec. 31, 2012	Balance Dec. 31, 2013
Sewer Plant	<u>\$ 2,220,025.00</u>	<u>\$ 2,220,025.00</u>
<u>Ref.</u>	E	E

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Amount</u>	<u>Balance Dec. 31, 2012</u>	<u>Balance Dec. 31, 2013</u>
Sewer Utility Improvements	05/05/03	\$ 185,000.00	\$ 185,000.00	\$ 185,000.00
Sewer Utility Improvements	09/27/12	158,000.00	<u>158,000.00</u>	<u>158,000.00</u>
			<u>\$ 343,000.00</u>	<u>\$ 343,000.00</u>
		<u>Ref.</u>	E	E

TOWNSHIP OF BYRAM
SEWER UTILITY OPERATING FUND
SCHEDULE OF 2012 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Balance After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 100.00	\$ 100.00		\$ 100.00
Other Expenses	68,056.23	68,056.23	\$ 7,475.13	60,581.10
Musconetcong Sewerage Authority Fee	11,715.73	11,715.73		11,715.73
Statutory Expenditures:				
Contribution to:				
Public Employees' Retirement System	100.00	100.00		100.00
Social Security System (O.A.S.I.)	100.00	100.00		100.00
Unemployment Compensation Insurance	100.00	100.00		100.00
	<u>\$ 80,171.96</u>	<u>\$ 80,171.96</u>	<u>\$ 7,475.13</u>	<u>\$ 72,696.83</u>

Ref.

Analysis of Balance @ 12/31/2012:

Unencumbered	E	\$ 74,033.13
Encumbered	E	<u>6,138.83</u>
		<u>\$ 80,171.96</u>

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance December 31, 2012		Paid or Charged	Balance December 31, 2013	
		Date	Amount	Funded	Unfunded		Funded	Unfunded
09-03	Sewer Utility Improvements	05/05/03	\$ 185,000.00	\$ 54,125.91		\$ 31,150.96	\$ 22,974.95	
06-12	Sewer Utility Improvements	09/27/12	158,000.00		\$ 145,603.41	106,803.48		\$ 38,799.93
				\$ 54,125.91	\$ 145,603.41	\$ 137,954.44	\$ 22,974.95	\$ 38,799.93
			<u>Ref.</u>	E	E		E	E

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2012	E	\$ 61,500.00
Increased by:		
2013 Budget Appropriation		<u>5,500.00</u>
Balance December 31, 2013	E	<u>\$ 67,000.00</u>

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Balance Dec. 31, 2012</u>	<u>Funded by Budget Appropriation</u>	<u>Balance Dec. 31, 2013</u>
Sewer Utility Improvements	05/05/03	\$ 185,000.00		\$ 185,000.00
Sewer Utility Improvements	09/27/12		\$ 20,000.00	20,000.00
		<u>\$ 185,000.00</u>	<u>\$ 20,000.00</u>	<u>\$ 205,000.00</u>
	<u>Ref.</u>	E		E

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2012	E	\$ 1,763,795.14
Loans Paid by Operating Budget		<u>110,906.91</u>
Balance December 31, 2013	E	<u>\$ 1,874,702.05</u>

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Ord. No.	Improvement Description	Original Issue	Date of		Interest Rate	Balance Dec. 31, 2012	Issued	Matured	Balance Dec. 31, 2013
			Issue	Maturity					
06-12	Sewer Utility Improvements	09/27/12	09/27/12	09/27/13	1.250%	\$ 158,000.00	\$ 138,000.00	\$ 158,000.00	\$ 138,000.00
			09/26/13	09/26/14	1.250%				
						<u>\$ 158,000.00</u>	<u>\$ 138,000.00</u>	<u>\$ 158,000.00</u>	<u>\$ 138,000.00</u>
					<u>Ref.</u>	E			E
			Issued				\$ 138,000.00	\$ 138,000.00	
			Paid by Budget Appropriation					20,000.00	
							<u>\$ 138,000.00</u>	<u>\$ 158,000.00</u>	

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2013

NOT APPLICABLE

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY WASTEWATER TREATMENT LOAN PAYABLE

Balance December 31, 2012	<u>Ref.</u> E	\$ 456,229.86
Decreased by:		
Matured		110,906.91
Balance December 31, 2013	E	\$ 345,322.95

NEW JERSEY WASTEWATER TREATMENT LOAN PAYABLE - FUND
SCHEDULE OF PRINCIPAL PAYMENTS OUTSTANDING DECEMBER 31, 2013

Year	Principal	Balance of Loan
		\$ 135,322.95
2014	\$ 43,828.54	91,494.41
2015	44,605.07	46,889.34
2016	46,889.34	-0-
	\$ 135,322.95	

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY WASTEWATER TREATMENT LOAN PAYABLE
(Continued)

NEW JERSEY WASTEWATER TREATMENT LOAN PAYABLE - TRUST
SCHEDULE OF PRINCIPAL PAYMENTS OUTSTANDING DECEMBER 31, 2013

<u>Year</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance of Loan</u>
			\$ 210,000.00
2014	\$ 11,760.00	\$ 65,000.00	145,000.00
2015	8,120.00	70,000.00	75,000.00
2016	4,200.00	75,000.00	-0-
	<u>\$ 24,080.00</u>	<u>\$ 210,000.00</u>	

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

NOT APPLICABLE

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2013
PUBLIC ASSISTANCE FUND

NOT APPLICABLE

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2013
BOND AND INTEREST FUND

NOT APPLICABLE

TOWNSHIP OF BYRAM

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2013

TOWNSHIP OF BYRAM
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

Federal Funding Department	Federal Program	CFDA #	Pass Through Entity ID	Grant Name	Grant Period		Grant Award Amount	Grant Receipts	Amount of Expenditures	Cumulative Expenditures
					From	To				
Department of Environmental Protection (Passed through New Jersey Department of Environmental Protection)	Recreation Trails Program	20.219	N/A	Recreation Trail Improvements	01/01/07	12/31/14	\$ 25,000.00	\$ 8,223.93	\$ 8,210.00	\$ 13,205.77
Department of Homeland Security (Passed through New Jersey Department of Law and Public Safety)	Disaster Grants-Public Assistance-F.E.M.A	97.036	N/A	N/A	01/01/12	12/31/13	80,128.97	80,128.97	80,128.97 *	80,128.97
Department of Transportation (Passed through New Jersey Department of Transportation)	State Highway Projects	20.205	N/A	Roseville Road Phase III	01/01/11	12/31/12	165,000.00	50,000.00		165,000.00
				Roseville Road Phase IV	01/01/13	12/31/13	150,000.00	112,500.00	150,000.00	150,000.00
(Passed through New Jersey Department of Law and Public Safety)	Click it or Ticket	20.605	100-066-1160-113-YHTS-6120	N/A	01/01/12	12/31/12	4,000.00	4,000.00		4,000.00
					01/01/13	12/31/13	4,000.00	4,000.00	4,000.00	4,000.00
Total Department of Transportation								170,500.00	154,000.00	323,000.00
TOTAL FEDERAL AWARDS								\$ 258,852.90	\$ 242,338.97	\$ 416,334.74

N/A - Not Available/Applicable

* - Expended in Prior Years

SEE NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWNSHIP OF BYRAM
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

New Jersey Agency or Department	Name of Program	State Grant Award Number	Grant Period		Grant Award	Amount Received	Amount of Expenditures	Cumulative Expenditures
			From	To				
Department of Environmental Protection	Clean Communities Act	765-042-4900- 004-V42Y-6020	01/01/12	12/31/13	\$ 16,237.00		\$ 555.23	\$ 555.23
			01/01/13	12/31/14	18,801.26	\$ 18,801.26	8,758.90	87,583.90
	Recycling Grant	752-042-4900-001- V42Y-6020	01/01/12	12/31/13	11,286.75		3,008.76	3,008.76
			01/01/13	12/31/13	10,987.20	10,987.20		
	No Net Loss Grant		01/01/13	12/31/14	20,000.00		153.13	153.13
Subtotal - Department of Environmental Protection						29,788.46	12,476.02	125,913.92
Department of the Treasury Passed through Sussex County	Governor's Council on Alcoholism and Drug Abuse	200-475- 665120-60	01/01/12	12/31/13	11,420.00	7,286.58	151.30	11,404.73
			01/01/13	12/31/13	11,420.00	11,420.00	11,370.72	11,370.72
Subtotal - Department of the Treasury						18,706.58	11,522.02	35,212.85
Department of Law and Public Safety	Drunk Driving Enforcement Fund	100-078-6400- 260-YYYY	01/01/08	12/31/13	14,219.62		988.28	8,560.77
	Body Armor Replacement Fund	718-066-1020 001-YCJS-6120	01/01/13	12/31/14	2,098.31	2,098.31		
Subtotal - Department of Law and Public Safety						2,098.31	988.28	11,607.77
TOTAL STATE AWARDS						\$ 50,593.35	\$ 24,986.32	\$ 185,546.54

SEE NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWNSHIP OF BYRAM
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2013

Note 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (the "Schedules") includes the federal and state grant activity of the Township of Mendham under programs of the federal and state governments for the year ended December 31, 2013. The information in these schedules is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States and Local Governments, and Non-Profit Organizations* and New Jersey's OMB Circular NJOMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the Township, they are not intended to and do not present the financial position, changes in fund balance or cash flows of the Township.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governmental Units*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

Note 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

Note 4. STATE LOANS OUTSTANDING

The Township of Byram has the following loans outstanding as of December 31, 2013:

Department of Environmental Protection:	
Green Acres #1	\$ 96,771.03
Green Acres #2	366,252.90
Wastewater Treatment Loan	345,322.95

Currently the Township is in the process of repaying these loan balances. There were no loan receipts or expenditures in the current year. The projects which relate to the loans are complete.



Mount Arlington Corporate Center
 200 Valley Road, Suite 300
 Mt. Arlington, NJ 07856
 973-328-1825 | 973-328-0507 Fax

Lawrence Business Center
 11 Lawrence Road
 Newton, NJ 07860
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Report on Internal Control Over
 Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements
 Performed in Accordance with *Government Auditing Standards*

Independent Auditors' Report

The Honorable Mayor and Members
 of the Township Committee
 Township of Byram
 Byram, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements – *regulatory basis* - of the various funds of the Township of Byram, in the County of Sussex (the "Township") as of and for the years ended December 31, 2013 and 2012, and the related notes to the financial statements and have issued our report thereon dated April 16, 2014. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. That qualified report also indicated that we did not audit the general fixed assets account group.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township'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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that

we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as Finding 2013-01, that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free of 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*.

The Township's Response to the Finding

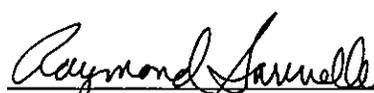
The Township's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. The Township's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Mount Arlington, New Jersey
April 16, 2014

NISIVOCCIA LLP



Raymond G. Sarinelli
Certified Public Accountant
Registered Municipal Accountant No. 383

TOWNSHIP OF BYRAM
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2013

Summary of Auditors' Results:

- The Independent Auditors' Report expresses a qualified opinion on the Township's financial statements, prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, as the general fixed assets account group was not audited.
- A significant deficiency disclosed during the audit of the financial statements is reported in the *Independent Auditors' 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*. No material weaknesses are reported.
- No instances of noncompliance material to the financial statements of the Township which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- The Township was not subject to the single audit provisions of Federal OMB Circular A-133 and New Jersey's OMB Circular 04-04 for the year ended December 31, 2013 as both state and federal grant expenditures were less than the single audit thresholds of \$500,000 identified in the Circulars.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit disclosed the following significant deficiency required to be reported under Generally Accepted Government Auditing Standards:

Finding 2013-01

Segregation of Duties

The Township does not maintain an adequate segregation of duties with respect to the recording and treasury functions. Segregation of duties refers to separating those functions that place too much control over a transaction or class of transactions that would enable a person to perpetuate errors and prevent detection within a reasonable period of time. The various departments/offices of the Township are responsible for the issuance of permits and licenses; collections of taxes and permit and license fees; and recording of collections. Also, the reconciliation of bank accounts, the preparation of the general ledger for the various funds as well as the preparation of payroll are performed by one person, the Chief Financial Officer. This is due, in part, to the limited number of personnel of the Township and the decentralized nature of governmental collection procedures. Accordingly, management and the Township Committee should be aware of this situation and realize that the concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view.

Management's Response

The finding was evaluated, however, due to budgetary constraints, no resolution can be made at this time.

Findings and Questioned Costs for Federal Awards:

- Not applicable since federal expenditures were below the single audit threshold.

TOWNSHIP OF BYRAM
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2013
Continued

Findings and Questioned Costs for State Awards:

- Not Applicable since State expenditures were below the single audit threshold

TOWNSHIP OF BYRAM
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2013

The Township's prior year audit finding regarding segregation of duties has not been resolved and is included as finding 2013-1.

TOWNSHIP OF BYRAM

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2013

TOWNSHIP OF BYRAM
COMMENTS AND RECOMMENDATIONS

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

N.J.S. 40A:11-3 states:

a. " When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. 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 \$25,000. 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.

b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, c.198 (C.40A: 11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L.1999 c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L.1971, c.198 (C.40A11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made."

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, 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."

Effective January 1, 2011 and thereafter the bid threshold in accordance with N.J.S.A. 40A:11-3 is \$17,500, and with a qualified purchasing agent the threshold may be up to \$36,000.

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

TOWNSHIP OF BYRAM
COMMENTS AND RECOMMENDATIONS
(Continued)

Contracts and Agreements Required to be Advertised for N.J.S.A. 40A:11-4 (Cont'd)

The minutes indicated that bids were requested by public advertising per N.J.S. 40A:11-4. The minutes also indicated that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services," per N.J.S. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. None were noted.

Collection of Interest on Delinquent Taxes and Assessments

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

On January 3, 2013, the governing body adopted the following resolution authorizing interest to be charged on delinquent taxes charges:

BE IT RESOLVED by the Mayor and Council of the Township of Byram, Sussex County, New Jersey, that the rate of interest charges on delinquent taxes in this Township shall be as follows:

On all delinquents to and including December 31, 2013, at the rate or rates heretofore governing, and on all delinquents on and after January 1, 2013 at the rate of 8% per annum for and upon the first \$1,500 of the delinquency, the rate of 18% per annum for and upon any amount of the delinquency in excess of \$1,500, and the rate of 6% per annum for and upon any amount in excess of \$10,000; and that a grace period of 10 days will be allowed on taxes due February 1, May 1, August 1, and November 1. If taxes are not paid by the 10th, interest shall be charged from the due date.

BE IT RESOLVED, that the collector of the Township be and hereby directed to collect interest on all taxes accordingly.

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

Delinquent Taxes and Tax Title Liens

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

<u>Year</u>	<u>Tax Title Liens</u>
2013	88
2012	98
2011	93

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

TOWNSHIP OF BYRAM
COMMENTS AND RECOMMENDATIONS
(Continued)

Verification of Delinquent Taxes and Other Charges

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

<u>Type</u>	<u>Number Mailed</u>
Payment of 2014 Taxes	20
Payment of 2013 Taxes	20
Delinquent Taxes	15
Tax Title Liens	5
Payment of 2014 Sewer Rents	10
Payment of 2013 Sewer Rents	10
Delinquent Sewer Rents	3

New Jersey Administrative Code Accounting Requirements

The Division of Local Government Services has established three (3) accounting requirements which are prescribed by the New Jersey Administrative Code. They are as follows:

1. Maintenance of an encumbrance accounting system.
2. Fixed assets accounting and reporting system.
3. General ledger accounting system.

The Township maintains an encumbrance accounting system, a fixed assets accounting and reporting system and a general ledger accounting system.

Segregation of Duties

The Township does not maintain an adequate segregation of duties with respect to the recording and treasury functions. Segregation of duties refers to separating those functions that place too much control over a transaction or class of transactions that would enable a person to perpetuate errors and prevent detection within a reasonable period of time. The various departments/offices of the Township are responsible for the issuance of permits and licenses; collection of taxes, and permit and license fees; and recording of these collections. Also the deposit and recording of receipts for the various funds, the reconciliation of the bank accounts, and the preparation of the general ledger are all performed by the Chief Financial Officer. This is due, in part, to the limited number of personnel of the Township and the decentralized nature of governmental collection procedures. Accordingly, management and the Township Committee should be aware of this situation and realize that the concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view.

Management's Response

The finding was evaluated, however due to budgetary constraints no resolution can be made at this time.

Tax Collection

During our review of the tax collectors records it was noted that several properties remain delinquent from the 2012 tax year. The properties are state owned; however, they have been assessed due to their lease to private homeowners.

It is recommended that the tax collector pursue collection on the delinquent properties.

TOWNSHIP OF BYRAM
COMMENTS AND RECOMMENDATIONS
(Continued)

Tax Collection (Cont'd)

Management Response

The tax collector will pursue collection on the delinquent balances.

Office of Recreation

Our review of the records of the recreation department revealed that deposits are not being made within 48 hours of receipt in every case. Additionally, the recreation department did not adhere to the Township's cash policy.

It is recommended that the recreation department adhere to the Township's cash policy as well as take greater care in ensuring that deposits are made within 48 hours.

Management Response

The recreation department will take greater care in ensuring that deposits are made within 48 hours. Additionally, the CFO will continue to review recreation department deposits to ensure the department is adhering to the Township's cash policy.

Municipal Court

The report of the Municipal Court has been forwarded to the Division of Local Government Services and the Township's Magistrate under separate cover. Reflected on the following page is a summary of receipts and disbursements for the year ended December 31, 2013.

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013

<u>AGENCY</u>	<u>BALANCE 12/31/2012</u>	<u>CASH RECEIVED</u>	<u>CASH DISBURSED</u>	<u>BALANCE 12/31/2013</u>
State of New Jersey	\$ 5,596.60	\$ 49,545.07	\$ 53,877.49	\$ 1,264.18
County of Sussex	4,974.00	43,820.50	47,153.00	1,641.50
Township of Byram	7,727.40	95,336.43	98,785.51	4,278.32
Diesel Fuel	180.00		180.00	
Fish and Game		315.00	40.00	275.00
Parks and Forest	100.00	150.00	250.00	
Weights and Measures	1,200.00	5,450.00	6,150.00	500.00
Conditional Discharge	70.00	230.00	300.00	
Restitution		203.00	203.00	
TOTAL	\$ 19,848.00	\$ 195,050.00	\$ 206,939.00	\$ 7,959.00

Status of Prior Year Recommendations

The Township has initiated a corrective action plan to resolve comments and recommendations from the 2012 audit report. Recommendations 2, 3 and 4 were resolved in the current year and recommendation 1 is included as a current year recommendation and is in the process of being implemented.

TOWNSHIP OF BYRAM
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. An adequate segregation of duties be maintained with respect to the recording and treasury functions.
2. The tax collector pursue collection on the delinquent properties.
3. The recreation department adhere to the Township's cash policy as well as take greater care in ensuring that deposits are made within 48 hours.