

NEW ISSUE - BOOK-ENTRY ONLY

RATING: Moody's: "Aa1"

In the opinion of Gibbons P.C., Bond Counsel to the Township, assuming continuing compliance by the Township with certain tax covenants described herein, under existing law, interest on the Bonds (as defined herein) is excluded from the gross income of the owners of the Bonds for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and interest on the Bonds is not an item of tax preference under Section 57 of the Code for purposes of computing alternative minimum tax. In the case of certain corporate holders of the Bonds, interest on the Bonds will be included in the calculation of the alternative minimum tax as a result of the inclusion of interest on the Bonds in "adjusted current earnings" of certain corporations. Under existing law, interest on the Bonds and net gains from the sale of the Bonds are exempt from the tax imposed by the New Jersey Gross Income Tax Act. See "TAX MATTERS" herein.

\$3,700,000

TOWNSHIP OF OLD BRIDGE
County of Middlesex, New Jersey
ENERGY SAVINGS IMPROVEMENT BONDS, SERIES 2015
(BANK-QUALIFIED) (CALLABLE)

Dated: Date of Delivery

Due: August 1, as shown on inside front cover

The \$3,700,000 Energy Savings Improvement Bonds, Series 2015 (the "Bonds") of the Township of Old Bridge, New Jersey (the "Township") will be issued in registered form, and, when issued, will be registered in the name of Cede & Co. ("Cede"), as nominee for The Depository Trust Company, New York, New York ("DTC"), an automated depository for securities and clearing house transactions, which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form without certificates in the denominations of \$5,000 each or any integral multiple thereof. Provided DTC or its nominee Cede is the registered owner of the Bonds, payments of the principal and interest (payable semi-annually February 1, 2016 and on each August 1 and February 1 thereafter until maturity or earlier redemption) on the Bonds will be made directly to DTC or its nominee, which is obligated to remit such principal and interest to DTC Participants and Indirect Participants, as defined herein. DTC Participants and Indirect Participants, as defined herein, will be responsible for remitting such payments to the beneficial owners of the Bonds. See "BOOK-ENTRY ONLY SYSTEM" herein.

The Bonds are being issued pursuant to the Local Bond Law of New Jersey, constituting Chapter 2 of Title 40A of the New Jersey Statutes, as amended, an ordinance and resolutions in order to provide funds to (i) permanently finance certain energy savings improvements of the Township and (ii) pay certain costs incurred in connection with the issuance of the Bonds.

The full faith and credit of the Township are irrevocably pledged for the payment of the principal of, redemption premium, if any, and interest on the Bonds. The Bonds will be valid and binding general obligations of the Township payable as to principal, redemption premium, if any, and interest from the levy of *ad valorem* taxes levied upon all the taxable property within the Township, without limitation as to rate or amount.

The Bonds are subject to redemption prior to their respective maturity dates as described herein. See "OPTIONAL REDEMPTION PROVISIONS" herein.

The Bonds are offered when, as and if issued and delivered to the Underwriter, subject to prior sale, to withdrawal or modification of the offer without notice and to approval of legality by the law firm of Gibbons P.C., Newark, New Jersey, Bond Counsel to the Township, and certain other conditions described herein. It is anticipated that the Bonds will be available for delivery to DTC on or about October 28, 2015, in New York, New York, or at such other place and time as may be agreed to by the Township.

UBS FINANCIAL SERVICES

Dated: October 15, 2015

MATURITIES, INTEREST RATES, AND YIELDS**\$3,700,000 ENERGY SAVINGS IMPROVEMENT BONDS, SERIES 2015**

<u>Year</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Year</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Yield</u>
2016	\$185,000	2.000%	0.300%	2026	\$170,000	2.000%	2.100%
2017	195,000	2.000	0.650	2027	185,000	3.000	2.200
2018	85,000	2.000	0.850	2028	195,000	3.000	2.300
2019	100,000	2.000	1.050	2029	210,000	3.000	2.500
2020	110,000	2.000	1.250	2030	225,000	3.000	2.700
2021	120,000	2.000	1.400	2031	235,000	3.000	2.850
2022	130,000	2.000	1.550	2032	250,000	3.000	3.000
2023	140,000	2.000	1.750	2033	265,000	3.000	3.050
2024	150,000	2.000	1.850	2034	285,000	3.000	3.100
2025	160,000	2.000	2.000	2035	305,000	3.125	3.150

**TOWNSHIP OF OLD BRIDGE
IN THE COUNTY OF MIDDLESEX, NEW JERSEY**

MAYOR

Owen Henry, Jr.

TOWNSHIP COUNCIL

Debbie Walker, President
Mary Sohor, Vice President
Dr. James Anderson
Reginald Butler
Brian J. Cahill
Richard Greene
Joseph Mollis
Lucille Panos
Alan Rosencranz

ADMINISTRATOR

Christopher R. Marion

DIRECTOR OF FINANCE

Himanshu R. Shah

CLERK

Stella Ward

INDEPENDENT AUDITOR

Holman Frenia Allison, P.C.
Freehold, New Jersey

TOWNSHIP ATTORNEY

Mark Roselli, Esq.
Hamilton Square, New Jersey

BOND COUNSEL

Gibbons P.C.
Newark, New Jersey

No broker, dealer, salesperson or other person has been authorized by the Township to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by the foregoing. The information contained herein has been provided by the Township and other sources deemed reliable; however, no representation or warranty is made as to its accuracy or completeness and such information is not to be construed as a representation of accuracy or completeness by the Underwriter or, as to information from sources other than itself, by the Township. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in any of the information herein since the date hereof, or the date as of which such information is given, if earlier.

References in this Official Statement to laws, rules, regulations, resolutions, agreements, reports and documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein, and copies of which may be inspected at the offices of the Township during normal business hours.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which it is unlawful for any person to make such an offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than as contained in this Official Statements. If given or made, such other information or representations must not be relied upon as having been authorized by the Township or the Underwriter.

TOWNSHIP OF OLD BRIDGE, MIDDLESEX COUNTY, NEW JERSEY

TABLE OF CONTENTS

INTRODUCTION	1
DESCRIPTION OF THE BONDS	1
OPTIONAL REDEMPTION PROVISIONS	1
BOOK-ENTRY ONLY SYSTEM.....	2
AUTHORIZATION AND PURPOSE OF THE BONDS	4
PAYMENT OF AND SECURITY FOR THE BONDS	5
MARKET PROTECTION	5
PROVISIONS WITH REGARD TO TOWNSHIP GENERAL OBLIGATION DEBT	5
PENSION FUNDS.....	10
LITIGATION.....	10
LEGAL MATTERS.....	10
TAX MATTERS.....	11
SECONDARY MARKET DISCLOSURE.....	12
LEGALITY FOR INVESTMENT	14
UNDERWRITING	14
RATING	14
PREPARATION OF OFFICIAL STATEMENT	14
ADDITIONAL INFORMATION.....	15
MISCELLANEOUS	15
Appendix A: General Information of the Township of Old Bridge	A-1
Appendix B: Independent Auditor's Report and Financial Statements	B-1
Appendix C: Form of Continuing Disclosure Certificate	C-1
Appendix D: Notice of Sale.....	D-1
Appendix E: Form of Opinion of Gibbons P.C., Bond Counsel.....	E-1

[THIS PAGE INTENTIONALLY LEFT BLANK]

**OFFICIAL STATEMENT
RELATING TO
\$3,700,000 ENERGY SAVINGS IMPROVEMENT BONDS, SERIES 2015
OF THE TOWNSHIP OF OLD BRIDGE,
IN THE COUNTY OF MIDDLESEX, NEW JERSEY**

INTRODUCTION

This Official Statement, which includes the cover page and the appendices attached hereto, has been prepared by the Township of Old Bridge (the “Township”), in the County of Middlesex (the “County”), State of New Jersey (the “State”), and provides certain information relating to the Township in connection with the sale and issuance of \$3,700,000 Energy Savings Improvement Bonds, Series 2015 (the “Bonds”). This Official Statement has been executed by and on behalf of the Township by the Director of Finance and may be distributed in connection with the sale of the Bonds described herein.

DESCRIPTION OF THE BONDS

The Bonds shall be dated their date of delivery and will mature on August 1 of each year as shown on the inside front cover hereof. The Bonds shall bear interest from their date, payable on each February 1 and August 1, commencing February 1, 2016 (each, an “Interest Payment Date”), in each year until maturity or prior optional redemption at the rates per annum shown on the inside front cover page hereof. Principal of and interest on the Bonds will be paid to The Depository Trust Company, New York, New York (“DTC”), acting as Securities Depository, by the Director of Finance, acting as “Bond Registrar/Paying Agent”. Interest on the Bonds will be credited to the participants of DTC as listed on the records of DTC as of the fifteenth day of the month preceding the month in which such Interest Payment Date occurs (the “Record Dates” for the payment of interest on the Bonds).

The Bonds are issued as fully registered book-entry bonds in the form of one certificate for each maturity and in the principal amount of such maturity. The Bonds will be issued in book-entry form only. So long as DTC or its nominee, Cede & Co. (or any successor or assign), is the registered owner for the Bonds, payments of the principal of and interest on the Bonds will be made by the Paying Agent directly to Cede & Co., (or any successor or assign), as nominee for DTC. Disbursement of such payments to the participants of DTC is the responsibility of DTC. Disbursement of such payments to the beneficial owners is the responsibility of the DTC participants. See “BOOK-ENTRY ONLY SYSTEM” below.

OPTIONAL REDEMPTION PROVISIONS

The Bonds maturing on or prior to August 1, 2025 shall not be subject to redemption prior to their respective maturity dates. The Bonds maturing on or after August 1, 2026 shall be subject to redemption prior to their respective maturity dates, on or after August 1, 2025 at the option of the Township, either in whole or in part at any time in any order of maturity at one hundred percent (100%) of the principal amount of the Bonds being redeemed (the “Redemption Price”), plus in each case accrued interest thereon to the date fixed for redemption.

Notice of Redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of such Bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Township, at least thirty (30) but not more than sixty (60) days before the date fixed for redemption. However, so long as DTC (or any successor thereto) acts as Securities Depository for the Bonds, Notices of Redemption shall be sent to such depository and shall not be sent to the beneficial owners of the Bonds, and will be done in accordance with DTC procedures. Any failure of such depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any Notice of Redemption shall not affect the validity of the redemption proceedings. If the Township determines to redeem a portion of the Bonds of a maturity, such Bonds shall be selected by lot. If Notice of Redemption has been given as described herein, the Bonds, or the portion thereof called for redemption, shall be due and payable on the date fixed for redemption at the Redemption Price, together with accrued interest to the date fixed for redemption. Payment shall be made upon surrender of the Bonds redeemed.

BOOK-ENTRY ONLY SYSTEM

The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal and interest, and other payments on the Bonds to DTC Participants or Beneficial Owners defined below, confirmation and transfer of beneficial ownership interests in the Bonds and other related transactions by and between DTC, DTC Participants and Beneficial Owners, is based on certain information furnished by DTC to the Township. Accordingly, the Township does not make any representations concerning these matters.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding

company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks and trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults and proposed amendments to the bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Township as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Township, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the Township, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Township, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Township. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The Township may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the Township believes to be reliable, but the Township takes no responsibility for the accuracy thereof.

AUTHORIZATION AND PURPOSE OF THE BONDS

The Bonds have been authorized and are to be issued pursuant to the laws of the State of New Jersey, including the Local Bond Law constituting Chapter 2 of Title 40A of the New Jersey Statutes, as amended (N.J.S.A. 40A:2-1 et seq.), the ("Local Bond Law"), a bond ordinance adopted by the Township Council and by virtue of a resolution of the Township adopted on May 18, 2015, as amended on September 21, 2015, authorizing the Bonds (the "Resolution").

The Bonds are being issued to provide funds to (i) permanently finance certain energy savings improvements of the Township and (ii) pay certain costs incurred in connection with the issuance of the Bonds.

The projects to be funded in the sale are listed below.

<u>ORDINANCE NUMBER</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
2014-17	Energy Savings Improvements	<u>\$3,700,000</u>
	TOTAL	\$3,700,000

PAYMENT OF AND SECURITY FOR THE BONDS

The Bonds are general obligations of the Township and unless paid from other sources, the Township is authorized and required by law to levy *ad valorem* taxes on all property taxable by the Township for the payment of the principal of and interest on the Bonds without limitation as to rate or amount. Payment of such principal and interest, however, is not limited to any particular fund or source of revenue of the Township.

Enforcement of a claim for payment of principal of or interest on bonds or notes of the Township is subject to applicable provisions of Federal bankruptcy laws and to the provisions of statutes, if any, hereafter enacted by the Congress of the United States or the Legislature of the State of New Jersey, providing extension for payment of principal of or interest on the Bonds or imposing other constraints upon enforcement of such contracts insofar as any such constraints may be constitutionally applied. Under State law, a county, municipality or other political subdivision may file a petition under Federal bankruptcy laws and a plan for readjustment of its debt, but only after first receiving the approval of the State Municipal Finance Commission.

No principal or interest payments on Township indebtedness are past due. The Township has never defaulted on the payment of any bonds or notes.

MARKET PROTECTION

During the remainder of 2015, the Township does not anticipate issuing additional bonds. Based on the current financial condition of the Township, it is not anticipated that tax anticipation notes will be issued during 2015. The Township may issue bond anticipation notes during the remainder of 2015, as may be necessary.

PROVISIONS WITH REGARD TO TOWNSHIP GENERAL OBLIGATION DEBT

This summary does not purport to be a full and complete statement of all of the provisions referred to herein, and the cited statutes should be read in full for a complete understanding of all of said provisions.

Local Bond Law

The Local Bond Law (N.J.S.A. 40A:2-1 et. seq.). The Local Bond Law generally governs the issuance of bonds and notes by local units to finance certain capital improvements and appropriations. The Local Bond Law requires that bonds must mature within the statutory period of usefulness of the projects bonded and that bonds be retired in serial installments. A 5%

cash down payment is generally required toward the financing of capital expenditures. All bonds and notes issued by the Township are general (“full faith and credit”) obligations.

Debt Limits

Debt Limits. The net authorized debt of all local units which are municipalities in the State of New Jersey is generally limited by statute to an amount equal to 3.5% of its equalized valuation basis. The equalized valuation basis of the local unit is set by statute as the average for the last three years of the sum of the equalized value of all taxable real property and improvements and certain Class II railroad property within its boundaries, as annually determined by the State Department of the Treasury, Division of Taxation. Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit.

Exceptions To Debt Limits - Extensions Of Credit. The debt limit of a local unit may be exceeded with the approval of the Local Finance Board, and as permitted by other statutory exceptions. If all or any part of a proposed debt authorization would exceed its debt limit, the local unit must apply to the Local Finance Board for an extension of credit. If the Local Finance Board determines that a proposed debt authorization would not materially impair the ability of a local unit to meet its obligations or to provide essential services, and the Local Finance Board makes other statutory determinations, approval is granted.

School Debt. In the State of New Jersey, in a Type II school district without a Board of School Estimate, school debt authorized by the board of education must be approved by the registered voters of that school district. When the amount authorized exceeds the school district’s limit, the district may use the municipality’s share of available borrowing capacity upon approval of the proposed debt by the State Commissioner of Education and the Local Finance Board, and subsequently by the registered voters of the district. School debt of a Type I school district is authorized by a Board of School Estimate and the governing body of a local unit.

Local Budget Law

The Local Budget Law (N.J.S.A. 40A:4-1, et seq.). The foundation of the New Jersey local finance system is the annual budget. Every local unit must adopt an operating budget in the form required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the “Division”). Items of revenue and appropriation are regulated by law and must be certified by the Director of the Division (the “Director”) prior to final adoption of the budget. The Local Budget Law requires each local unit to appropriate sufficient funds for payment of current debt service, and the Director is required to review the adequacy of such appropriations.

The Director has no authority over individual operating appropriations, unless a specific amount is required by law, but the review focusing on anticipated revenues serves to protect the solvency of all local units. The budgets of local units must be in balance; i.e., total anticipated revenues must equal total appropriations.

If in any year a Local Unit's expenditures exceed (or are less than) its realized revenues for that year, then such deficit (excess) must be raised (accounted for) in the succeeding year's budget.

Real Estate Taxes. The same general principal that revenue cannot be anticipated in a budget in excess of that realized in the preceding year applies to property taxes. The Local Budget Law (N.J.S.A. 40A:4-29) provides that the maximum which may be anticipated is the sum produced by the multiplication of the amount of delinquent taxes unpaid and owing to the Local Unit on the first day of the current fiscal year by the percentage of collection of delinquent taxes for the year immediately preceding the current fiscal year.

The Local Budget Law (N.J.S.A. 40A:4-41) also provides with regard to current taxes that receipts from the collection of taxes levied or to be levied in the municipality, or in the case of a county for general county purposes and payable in the fiscal year, shall be anticipated in an amount which is not in excess of the percentage of taxes levied and payable during the next preceding fiscal year which was received in cash by the last day of such preceding fiscal year.

This provision requires that an additional amount (the "Reserve For Uncollected Taxes") be added to the tax levy required to balance the budget so that when the percentage collected of the prior year's tax levy is applied to the combined total, the product will at least be equal to the tax levy required to balance the budget. The Reserve For Uncollected Taxes is calculated to be the levy required to balance a local unit's budget multiplied by the prior year's percentage of uncollected taxes (or a lesser percentage).

Miscellaneous Revenues. The Local Budget Law (N.J.S.A. 40A:4-26) provides that no miscellaneous revenue from any source shall be included as an anticipated revenue in the budget in an amount in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the Director shall determine upon application by the governing body that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and shall certify such determination in writing to the local unit.

No budget or amendment thereof shall be adopted unless the Director shall have previously certified his approval thereof with the exception of the inclusion of categorical grants-in-aid contracts for their face amount with an offsetting appropriation.

Appropriation and Tax Levy CAP Limitations. Chapter 68 of the Pamphlet Laws of 1976 (N.J.S.A. 40A:4-45.1 et seq.), as amended and supplemented by P.L. 1983, c. 49, P.L. 1990, c.89, and by P.L. 2004, c.74 (the "CAP Law"), imposes restrictions which limit the allowable increase in municipal appropriations over the previous year's appropriations to the lesser of 102.5% or the increase in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services as published by the United States Department of Commerce (the "Cost-of-Living Adjustment"). If the Cost-of-Living Adjustment is less than or equal to 2.5% an increase equal to 3.5% will be permitted by adoption of an ordinance. If the Cost-of-Living Adjustment is greater than 2.5%, an increase in any amount above 2.5% will be permitted upon passage of a referendum. This limitation is subject to the following exceptions among others: (i) all debt service payments; (ii) the amount of revenue generated by the increase in

valuations within the municipality based solely on applying the preceding year's municipal tax rate to the apportionment valuation of new construction or improvements within the municipality and such increase shall be levied in direct proportion to said valuation; (iii) capital expenditures funded by any source; (iv) an increase involving certain defined categories of emergency appropriations as approved by the Director in certain cases; (v) amounts required to be paid pursuant to any contract between the municipality and any political subdivision or public body in connection with the provision and/or financing of projects for certain public purposes such as water, sewer, parking, senior citizens' housing or any similar purpose; or (vi) that portion of the municipal tax levy which represents funding to participate in any Federal or State aid program and amounts received or to be received from Federal, State or other funds in reimbursement for local expenditures.

Additionally, the Legislature of the State of New Jersey has previously enacted P.L. 2007, c. 62 (the "Property Tax Act") effective April 3, 2007, which imposed a 4% cap on the tax levy of a municipality, county, fire district or solid waste collection district, with certain exceptions and subject to a number of adjustments. The Property Tax Act has been amended by the provisions of P.L. 2010, c. 44 effective June 13, 2010 (the "Amendment") and applicable to the next budget year following enactment. The Amendment reduces the tax levy cap to 2% from 4%, limits exclusions only to capital expenditures, including debt service, certain increases in pension contributions and accrued liability for pension contributions in excess of 2%, certain healthcare cost increases in excess of 2% and extraordinary costs directly related to a declared emergency. Waivers from the Division of Local Government Services or the Local Finance Board are no longer available under the Amendment.

For municipalities, the levy cap is in addition to the existing appropriation cap; both cap laws must be met.

Deferral of Current Expenses. A local unit may make emergency appropriations after the adoption of a budget and the determination of the tax rate, but only to meet unforeseen pressing needs to protect or promote public health, safety, morals or welfare, or to provide temporary housing or public assistance. With limited exceptions set forth below, such appropriations must be included in full in the following year's budget. If such emergency appropriations exceed 3% of the adopted operating budget, consent of the Director is required (N.J.S.A. 40A:4-46, -47, -49). The exceptions are certain enumerated quasi-capital projects such as ice, snow, and flood damage to streets, roads and bridges, which may be amortized over three years, and tax map preparation, revision of ordinances, and master plan preparations, which may be amortized over five years (N.J.S.A. 40A:4-55, -55.3).

Under the CAP Law, emergency resolutions aggregating less than 3% of the previous year's final current operating appropriations may be raised in that portion of the budget outside its limitations if approved by at least two-thirds of the members of the governing body and the Director. Emergency resolutions that aggregate more than 3% of the previous year's final current operating appropriations must be raised within its limitations. Emergency resolutions for debt service, capital improvements, the Township's share of Federal or State grants and other statutorily permitted items are outside its limitation.

Budget Transfers. Budget transfers provide a degree of flexibility and afford a control mechanism. Transfers between major appropriation accounts are prohibited until the last two months of the year. Subaccounts (line items) within an appropriation are not subject to the same year-end transfer restriction; however, they are subject to internal review and approval.

Capital Budget. In accordance with the Local Budget Law, each local unit must adopt and annually revise a capital program budget. The capital budget, when adopted, does not constitute the approval or appropriation of funds, but sets forth a plan of the possible capital expenditures which the local unit may contemplate over a period of up to six years. Expenditures for capital purposes may be made either by ordinances adopted by the governing body of a local unit setting forth the items and the method of financing or from the annual operating budget if the items were detailed.

Operation of Utilities. Municipal public utilities are supported, in addition to the general taxing power upon real property, by the revenues generated by the respective operations of the utilities.

For each utility, there is established a separate budget. The anticipated revenues and appropriations for each utility are set forth in the separate budget. The budget is required to be balanced and to fully provide for debt service. The regulations regarding anticipation of revenue and deferral of charges apply equally to the budgets of the utilities.

Deficits or anticipated deficits in utility operations which cannot be provided for from utility surplus, if any, are required to be raised in the current or operating budget.

Local Fiscal Affairs Law

Local Fiscal Affairs Law (N.J.S.A. 40A:5-1, et seq.). This law regulates the nonbudgetary financial activities of local governments. The chief financial officer of a local unit must file annually with the Director a verified statement of the financial condition of the local unit. The statements of the Township are on file with its Clerk.

An independent examination of a local unit's financial statements must be performed annually by a licensed registered municipal accountant. The audit, conforming to the Division's "Requirements of Audit," includes recommendations for improvement of a local unit's financial procedures and must be filed with the Clerk within six months after the close of its fiscal year and, within five days thereafter, a certified duplicate copy must be filed in the office of the Director (N.J.S.A. 40A:5-6). The filing date of an audit may be extended by the Director upon a showing of good cause. A synopsis of the audit report, together with all recommendations made, must be published in a local newspaper within 30 days of its completion (N.J.S.A. 40A:5-7).

The report of Holman Frenia Allison, P.C., the Township's independent auditor, for the calendar year ending December 31, 2014 appears in Appendix B to this Official Statement.

Municipal Bankruptcy

Any county, municipality, school district or other political subdivision of the State has the power to file a petition with any United States court or courts in bankruptcy under the Federal bankruptcy act for the purpose of effecting a plan of readjustment of its debts or for the composition of its debts, provided that the approval of the Municipal Finance Commission of New Jersey has been obtained (N.J.S.A. 52:27-40). The powers of the Municipal Finance Commission of New Jersey have been vested in the Local Finance Board.

PENSION FUNDS

Township employees who are eligible for a pension plan are enrolled in one of two pension systems administered by the Division of Pensions, Treasury Department of the State of New Jersey. The two plans are the Public Employees' Retirement System and the Police and Firemen's Retirement System of New Jersey. The Division annually charges municipalities and other participating governmental units for their respective contributions to the plans based upon actuarial methods. A portion of the cost is contributed by the employees.

LITIGATION

In the opinion of Mark Roselli, Esq., the Township Attorney, there is no litigation pending or threatened, restraining or enjoining the issuance or delivery of the Bonds offered for sale or the levy or collection of any taxes to pay interest on or principal of the Bonds, or in any manner questioning the authority of proceedings for the issuance of the Bonds or for the levy or collection of said taxes. Moreover, to the best of the knowledge of the Township Attorney, currently there is no litigation presently pending or threatened that, in the opinion of the Township Attorney, would have a material adverse impact on the financial condition of the Township if adversely decided. In that regard, the Township is also currently a party to certain litigation entitled NL Industries v. Old Bridge Township et al., Civil Case No.: 3:13-cv-03493-MAS-TJB, that is being defended in Federal District Court, Trenton Vicinage, and presently it is not anticipated to have a material adverse impact on the financial condition of the Township if adversely decided against the Township.

LEGAL MATTERS

The legality of the Bonds will be subject to the final approving opinion of Gibbons P.C., Bond Counsel to the Township, whose approving legal opinion will be delivered with the Bonds substantially in the form set forth as Appendix E. Certain legal matters will be passed on for the Township by its Counsel, Mark Roselli, Esq., Hamilton Square, New Jersey.

TAX MATTERS

Exclusion of Interest on the Bonds from Gross Income for Federal Income Tax Purposes

The Internal Revenue Code of 1986, as amended (the “Code”), imposes certain requirements which must be met on the date of issuance and on a continuing basis subsequent to the issuance of the Bonds in order to assure that interest on the Bonds will be excluded from gross income for purposes of Federal income taxation under Section 103 of the Code. Failure of the Township to comply with such requirements may cause interest on the Bonds to lose the exclusion from gross income for Federal income tax purposes, retroactive to the date of the issuance of the Bonds. The Township will make certain representations in its tax certificate, which will be executed on the date of issuance of the Bonds, as to various tax requirements. The Township has covenanted to comply with the provisions of the Code applicable to the Bonds and has covenanted not to take any action or fail to take any action that would cause the interest on the Bonds to lose the exclusion from gross income under Section 103 of the Code or cause interest on the Bonds to be treated as an item of tax preference under Section 57 of the Code. Gibbons P.C., Bond Counsel to the Township, has relied upon the representations of the Township made in the tax certificate and has assumed continuing compliance by the Township with the above covenants in rendering its federal income tax opinions with respect to the exclusion of interest on the Bonds from gross income for federal income tax purposes and with respect to the treatment of interest on the Bonds for the purposes of alternative minimum tax.

Assuming the Township observes its covenants with respect to compliance with the Code, Gibbons P.C., Bond Counsel to the Township, is of the opinion that, under existing law, interest on the Bonds is excluded from the gross income of the owners of the Bonds for Federal income tax purposes pursuant to Section 103 of the Code and interest on the Bonds is not an item of tax preference under Section 57 of the Code for purposes of computing the alternative minimum tax.

Additional Federal Income Tax Consequences

In the case of certain corporate holders of the Bonds, interest on the Bonds will be included in the calculation of the alternative minimum tax as a result of the inclusion of interest on the Bonds in “adjusted current earnings” of certain corporations.

Prospective purchasers of the Bonds should be aware that ownership of, accrual of, receipt of, interest on, or disposition of, tax-exempt obligations, such as the Bonds, may have additional Federal income tax consequences for certain taxpayers, including without limitation, taxpayers eligible for the earned income credit, recipients of certain Social Security and certain Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, property and casualty companies, foreign corporations and certain S corporations. Prospective purchasers of the Bonds should consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

The Bonds have been designated by the Township as “Qualified Tax-Exempt Obligations” for purposes of Section 265(b)(3) of the Code. The Township intends that, by such designation of the Bonds, the Bonds will not be subject to Section 265(b)(1) of the Code, which relates to the complete disallowance of deduction for interest expense of certain financial institutions that is allocable to interest on certain tax-exempt obligations acquired by a financial institution after August 7, 1986. The interest expense of certain financial institutions allocable to Qualified Tax-Exempt Obligations is subject to Sections 291(a)(3) and 291(e)(1)(B) of the Code, relation to the non-deductibility of twenty (20) percent of the interest expense allocable to such tax-exempt obligations.

Bond Counsel expresses no opinion regarding any Federal tax consequences other than its opinions with regard to the exclusion of interest on the Bonds from gross income pursuant to Section 103 of the Code and interest on the Bonds not constituting an item of tax preference under Section 57 of the Code. Prospective purchasers of the Bonds should consult their tax advisors with respect to all other tax consequences (including, but not limited to, those listed above) of holding the Bonds.

State Taxation

Bond Counsel to the Township is of the opinion that, under existing law, interest on the Bonds and net gains from the sale of the Bonds are exempt from the tax imposed by the New Jersey Gross Income Tax Act.

Miscellaneous

Amendments to federal and state tax laws are proposed from time to time and could be enacted, and court decisions and administrative interpretations may be rendered, in the future. There can be no assurance that any such future amendments or actions will not adversely affect the value of the Bonds, the exclusion of interest on the Bonds from gross income, alternative minimum taxable income, state taxable income, or any combination from the date of issuance of the Bonds or any other date, or that such changes will not result in other adverse federal or state tax consequences.

THE ABOVE SUMMARY OF POSSIBLE TAX CONSEQUENCES IS NOT EXHAUSTIVE OR COMPLETE. ALL PURCHASERS OF THE BONDS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE POSSIBLE FEDERAL, STATE AND LOCAL INCOME TAX CONSEQUENCES OF OWNERSHIP OF THE BONDS.

SECONDARY MARKET DISCLOSURE

The Securities and Exchange Commission (the “SEC”) pursuant to the Securities Exchange Act of 1934, as amended and supplemented (the “Securities Exchange Act”) has adopted amendments to its Rule 15c2-12 (“Rule 15c2-12”) effective July 3, 1995 which generally prohibits a broker, dealer or municipal securities dealer (“Participating Underwriter”) from purchasing or selling municipal securities, such as the Bonds, unless the Participating

Underwriter has reasonably determined that an issuer of municipal securities or an obligated person has undertaken in a written agreement or contract for the benefit of holders of such securities to provide certain annual financial information and event notices to the Municipal Securities Rulemaking Board (“MSRB”) (the “Continuing Disclosure Requirements”).

On the date of delivery of the Bonds, the Township will enter into a Continuing Disclosure Certificate (the “Continuing Disclosure Certificate”) containing the Continuing Disclosure Requirements for the benefit of the beneficial holders of the Bonds pursuant to which the Township will agree to comply on a continuing basis with the Continuing Disclosure Requirements of Rule 15c2-12. Specifically, the Township will covenant for the benefit of the holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the Township by not later than October 1 of each fiscal year of the Township, commencing October 1, 2016 for the fiscal year ending December 31, 2015 (the “Annual Report”), and to provide notices of the occurrence of certain enumerated events. Notwithstanding the foregoing, if the fiscal year is not a calendar year then the Township shall provide certain financial information and operating data relating to the Township by not later than the first day of the tenth month of each fiscal year. The Annual Report will be filed by the Township with the MSRB. The notices of enumerated events will be filed by the Township with the MSRB. The specific nature of the information to be contained in the Annual Report or the notices of enumerated events is set forth in “Appendix C - Form of Continuing Disclosure Certificate”. These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12.

The Township filed its unaudited annual financial statements, in lieu of audited financial statements, on a timely basis, for fiscal years ended December 31, 2010, 2011, 2012 and 2013 with the MSRB’s Electronic Municipal Market Access (“EMMA”) system. Such unaudited annual financial statements contain some, but not all, of the relevant operating data prescribed by the Township’s continuing disclosure agreements. In addition, the Township filed its annual audited financial information for fiscal years ended December 31, 2010, 2011, 2012 and 2013 which contains most, but not all, of the relevant operating data. The Township’s most current adopted budget and annual debt statement, as required for certain of its outstanding obligations, has been filed for some, but not all of the past five (5) fiscal years.

The Township previously did not file notices in connection with certain filings of: (i) annual financial information; (ii) issuer and (iii) bond insurer rating changes. Such financial information (as described above), along with the appropriate notices, has been filed as of October 29, 2014.

The Township has retained Phoenix Advisors, LLC as Continuing Disclosure Agent to coordinate future filings.

LEGALITY FOR INVESTMENT

The State and all public officers, municipalities, counties, political subdivisions and public bodies and agencies thereof, all banks, trust companies, savings and loan associations, savings banks and institutions, building and loan associations, investment companies and other persons carrying on banking business, all insurance companies and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in the Bonds, and such Bonds are authorized security for any and all public deposits.

UNDERWRITING

The Bonds will be purchased at a public sale from the Township for reoffering by UBS Financial Services Inc. (the "Underwriter") at an aggregate purchase price of \$3,700,000.00. The Underwriter has purchased the Bonds in accordance with the Notice of Sale.

The Underwriter has agreed, subject to certain conditions, to purchase all but not less than all of the Bonds. If all of the Bonds are sold at the public offering yields set forth on the inside cover page of this Official Statement, the Underwriter anticipates total selling compensation, net of the insurance premium which is payable by the Underwriter, of \$62,909.45. The public offering yields of the Bonds may be changed from time to time by the Underwriter.

RATING

Moody's Investors Service, Inc. ("Moody's") has assigned a rating to the Bonds of "Aa1". Such rating reflects only the views of such organization and any desired explanation of the significance of such rating should be obtained from the rating agency furnishing the same, at the following address: Moody's Investors Service, Inc., at 7 World Trade Center at 250 Greenwich Street, New York, New York. There is no assurance such rating will continue for a given period of time or that such rating will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

PREPARATION OF OFFICIAL STATEMENT

The Township hereby states that the descriptions and statements herein, including financial statements, are true and correct in all material respects and it will confirm to the purchasers of the Bonds, by certificates signed by the Director of Finance, that to its knowledge such descriptions and statements, as of the date of this Official Statement, are true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading.

The firm of Holman Frenia Allison, P.C., Freehold, New Jersey, Certified Public Accountants and Registered Municipal Accountants, assisted in the preparation of information contained in this Official Statement, and takes responsibility for the audited financial statements to the extent specified in their Independent Auditors' Report as they appear in Appendix B.

All other information has been obtained from sources which the Township considers to be reliable and they make no warranty, guaranty of other representation with respect to the accuracy and completeness of such information.

Gibbons P.C. has not participated in the preparation of the financial or statistical information contained in this Official Statement, nor have they verified the accuracy, completeness or fairness thereof (except under the heading "TAX MATTERS") and, accordingly, expresses no opinion with respect thereto.

ADDITIONAL INFORMATION

Inquiries regarding this Official Statement may be directed to Himanshu R. Shah, Director of Finance, One Old Bridge Plaza, Old Bridge, New Jersey 08857, (732) 721-5600, ext. 2905.

MISCELLANEOUS

So far as any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of such statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holders of the Bonds. This Official Statement has been duly executed and delivered by the Chief Financial Officer for and on behalf of the Township.

TOWNSHIP OF OLD BRIDGE

/s/ Himanshu R. Shah
By: Himanshu R. Shah
Director of Finance

Dated: October 15, 2015

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX A

**GENERAL INFORMATION
OF THE TOWNSHIP OF OLD BRIDGE**

[THIS PAGE INTENTIONALLY LEFT BLANK]

Industrial and Commerical Assessed Valuation

<u>Tax Year</u>	<u>Assessed Valuation</u>
2004	\$ 406,072,600.00
2005	382,306,600.00
2006	383,330,900.00
2007	380,269,600.00
2008	384,905,500.00
2009	554,725,400.00
2010	551,894,100.00
2011	563,131,200.00
2012	559,665,300.00
2013	387,092,700.00
2014	377,884,600.00

The Township Council, the Old Bridge Township Economic Development Corporation and Township officials are available to assist commercial and industrial establishments interested in locating in the Township. They are aware of problems in various industries and, being business people themselves, are committed to industrial, as well as, commercial and residential growth. The vitality and viability of the future growth of the Township is revealed in the statistics of the last three years as they relate to the growth of the Township is revealed in the statistics of the last three years as they relate industrial and commercial assessed valuation. Approximately two-thirds of the industrially and commercially zoned land of the Township is still unoccupied.

Population Trends

<u>Year</u>	<u>Township of Old Bridge</u>	<u>County of Middlesex</u>	<u>State of New Jersey</u>
2010	65,375	809,858	8,791,894
2000	60,456	750,162	8,414,350
1990	56,475	671,780	7,730,188
1980	51,515	595,893	7,365,011

Number of Building Permits Issued

<u>Year</u>	<u>Township of Old Bridge</u>
2014	4,923
2013	5,040
2012	4,340
2011	4,244
2010	4,273
2009	3,868
2008	3,859
2007	4,472

LARGEST TAXPAYERS - 2014*

<u>Property Owner</u>	<u>2014 Assessed Valuation</u>
Middlesex Builders INC	20,000,000.00
Madison Realty Co	17,300,000.00
Route Nine Plaza LLC	15,227,200.00
Division of Pensions Lamar Asset Management Heritage Old Bridge, LLC	15,135,900.00
Aldercrest INC Sec 3	14,425,600.00
Aldercrest INC Sec 2	14,425,600.00
Aldercrest INC Sec 1	14,131,200.00
Wilf, Harry, Joe, Leonard, Zygmunt	14,000,000.00
MS Normandy OB Assoc % Vision Equit	11,700,000.00
Woodhaven Village INC	11,527,500.00

Bond Ordinance

<u>Ordinance Number</u>	<u>Description and Date of Final Adoption</u>	<u>Amount of New Money Bonds</u>
#14-17	Various Capital Equipment and Improvements for the Energy Savings Improvement Program	<u>\$ 3,700,000.00</u>

STATEMENT OF BONDED INDEBTEDNESS

As of December 31, 2014

GROSS DEBT

School Debt

Bonds Issued and Outstanding	\$ 37,560,000.00
------------------------------	------------------

Arena and Recreation Utility

Serial Bonds:

Issued and Outstanding	\$ 165,000.00	
Authorized But Not Issued	<u>474,850.00</u>	639,850.00

Municipal Debt (Other)

Serial Bonds

Issued and Outstanding:

General	21,710,000.00
---------	---------------

Authorized But Not Issued

Bonds/Bond Anticipation Notes

General Improvements	6,279,000.00
----------------------	--------------

Authorized But Not Issued	16,866,820.88
---------------------------	---------------

Green Acres Trust Loans	464,474.06
-------------------------	------------

Infrastructure Trust Loans	4,687,163.02
----------------------------	--------------

NJEDA Loan	<u>-</u>
------------	----------

	<u>50,007,457.96</u>
--	----------------------

TOTAL GROSS DEBT

88,207,307.96

DEDUCTIONS

School Leasehold

For School Purpose:

School Debt	<u>37,560,000.00</u>
-------------	----------------------

TOTAL DEDUCTIONS

37,560,000.00

STATUTORY NET DEBT

\$ 50,647,307.96

OVERLAPPING DEBT*

Old Bridge MUA	\$ 44,788,824.29
Middlesex County UA	12,031,426.00
Middlesex County	<u>41,029,608.55</u>
Total Overlapping Debt	<u>97,849,858.84</u>
Total Overall Debt	<u>148,497,166.80</u>
Average of Equalized Assessed Valuation of Real Property (2012, 2013, 2014) (State Certified Valuation)	<u>\$ 6,880,871,611.67</u>
Net Debt as a Percentage of Said Average Equalized Valuations (Statutory Net Debt)	0.74%
Total Overall Debt as a Percentage of Said Average Equalized Valuations (Total Overall Debt)	2.16%
Equalized Valuation of Real Property (Year 2014)	<u>\$ 6,949,041,180.00</u>
Net Debt as a Percentage of Said Assessed Equalized Valuation (Year 2014 Valuation) (Statutory Net Debt)	0.73%

The overlapping debt applicable to Middlesex County was computed based upon final Equalized Tax Table.

	Valuations	
	County	Township
Communication Equipment	\$ 121,304,117	\$ 3,523,100
Land	20,750,604,500	1,271,958,600
Improvements	34,092,593,750	2,119,868,400
Deductions	359,323,981	-
Additions	<u>41,315,797,026</u>	<u>3,412,232,155</u>
	<u>\$ 95,920,975,412.00</u>	<u>\$ 6,807,582,255</u>
Percentage of Equalized Assessed Valuation	7.097%	
Outstanding Net Debt:		
Net Debt as of December 31, 2014 (County Debt)	<u>\$ 578,120,091.00</u>	
Municipal Share of County Debt Based on Percentage of Equalized Valuation		<u>\$ 41,029,608.55</u>

CURRENT YEAR'S TAX COLLECTION DATA

<u>Year</u>	<u>Amount of Levy</u>	<u>Cash Collected Year of Levy</u>	<u>Percentage Collected Year of Levy</u>
2014	\$ 158,222,500.00	\$ 157,890,905.00	99.79%
2013	154,604,835.32	154,163,557.76	99.71%
2012	153,052,413.30	152,607,597.00	99.71%
2011	151,106,048.90	150,870,719.35	99.84%
2010	146,649,779.90	145,770,170.55	99.40%
2009	142,947,654.97	142,169,825.23	99.46%

DELINQUENT TAX COLLECTION DATA

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2014	\$ 1,565,448.00	\$ 103,165.00	1,668,613.00	1.05%
2013	1,456,642.48	88,635.00	1,545,277.48	1.00%
2012	1,313,879.30	94,059.01	1,407,938.31	0.92%
2011	1,082,637.62	66,140.79	1,148,778.41	0.76%
2010	1,001,650.89	72,202.34	1,073,853.23	0.73%
2009	883,597.71	64,975.00	948,572.71	0.66%

TAX TITLE LIENS

<u>Year</u>	<u>Balance Beginning</u>	<u>Added by Interest And Transfers</u>	<u>Sale Collections</u>	<u>Cancelled Transferred</u>	<u>Balance End</u>
2014	\$ 1,456,642.48	\$ 248,564.74	\$ 139,758.85	\$ -	1,565,448.37
2013	1,313,879.30	275,914.21	133,151.03	-	1,456,642.48
2012	1,082,637.62	254,159.22	18,309.28	4,608.26	1,313,879.30
2011	1,001,650.89	116,257.62	27,896.31	7,374.58	1,082,637.62
2010	883,736.35	117,914.54	-	-	1,001,650.89
2009	833,597.71	50,138.64	-	-	883,736.35

FORECLOSED PROPERTY

<u>Year</u>	<u>Balance Beginning</u>	<u>Sales Transfers and Adjustments</u>	<u>Assessed Value</u>	<u>Balance End</u>
2014	\$ 12,549,800.00	\$ -	\$ -	\$ 12,549,800.00
2013	12,549,800.00	-	-	12,549,800.00
2012	12,549,800.00	-	-	12,549,800.00
2011	12,549,800.00	-	-	12,549,800.00
2010	15,529,800.00	2,980,000.00	-	12,549,800.00
2009	12,573,900.00	2,955,900.00	-	9,618,000.00

COMPARATIVE TAX RATE AND NET ASSESSED VALUE*

<u>Year</u>		<u>Net Valuation Taxable</u>	<u>Total Tax Rate</u>	<u>Municipal Rate</u>	<u>Local School Rate</u>	<u>County Rate</u>
2014	\$	3,395,350,100	4.519	1.015	2.706	0.798
2013		3,395,470,040	4.421	1.007	2.635	0.779
2012		3,402,578,488	4.370	1.001	2.599	0.770
2011		3,404,867,872	4.317	0.980	2.588	0.749
2010		3,395,973,211	4.196	0.943	2.560	0.693
2009		3,393,150,787	4.111	0.863	2.544	0.704

BREAKDOWN OF 2014 RATABLES AND LEVY*

	<u>Assessed Valuation</u>	<u>Percentage</u>	<u>Percentage Commercial, Apartments and Industrial</u>
Vacant	\$ 54,531,000.00	1.61%	
Residential	2,787,731,500	82.19%	
Farm	10,160,200	0.30%	
Commercial	333,021,900	9.82%	61.74%
Industrial	44,862,700	1.32%	8.32%
Apartments	161,519,700	4.76%	29.94%
TOTALS	<u>\$ 3,391,827,000.00</u>	<u>100.00%</u>	<u>100.00%</u>

(Does not include the taxable value of machinery, implements, and equipment of telephone, telegraph, and messenger systems companies -- Assessed Valuation).

2014 TAX LEVY**

		<u>Tax Rate</u>
County Taxes	\$ 27,050,825.76	0.798
Local School Tax	91,883,650.00	2.706
Municipal	34,494,398.61	1.015
	<u>\$ 153,428,874.37</u>	<u>4.519</u>

* Source: Township Tax Assessor

** Source: Middlesex County 2014 Abstract of Ratables (Does not include fire district levies of \$4,157,675)

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX B

INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS

[THIS PAGE INTENTIONALLY LEFT BLANK]

TOWNSHIP OF OLD BRIDGE
AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2014

[THIS PAGE INTENTIONALLY LEFT BLANK]

**TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX**

PART I

**INDEPENDENT AUDITOR'S REPORTS
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

This page intentionally left blank

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Council
Township of Old Bridge
County of Middlesex
Old Bridge, New Jersey 08857

Report on the Financial Statements

We have audited the accompanying comparative statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Township of Old Bridge, County of Middlesex, State of New Jersey as of December 31, 2014 and 2013, and the related comparative statements of operations and changes in fund balance--regulatory basis for the years then ended, the related statements of revenues--regulatory basis, statement of expenditures--regulatory basis, and the related notes to the financial statements for the year ended December 31, 2014.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As discussed in Note 1 to the financial statements, the Township prepares its financial statements using accounting practices that demonstrate compliance with regulatory basis of accounting and budget laws of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Old Bridge, County of Middlesex, State of New Jersey, as of December 31, 2014 and 2013, or the results of its operations and changes in fund balance for the years then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

As discussed in Note 1, the financial statements of the Length of Service Award Program Fund (“LOSAP”) Trust Fund have not been audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, to audit nor were we engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Township’s financial statements as of and for the years ended December 31, 2014 and 2013. The LOSAP Trust Fund financial activities are included in the Township’s Trust Fund, and represent 2.72% and 2.95% of the assets and liabilities, respectively, of the Township’s Trust Funds as of December 31, 2014 and 2013.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP Trust Fund financial statements been audited as described in the “Basis for Qualified Opinion on Regulatory Basis of Accounting” paragraph, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Township of Old Bridge, County of Middlesex, State of New Jersey, as of December 31, 2014 and 2013, and the results of its operations and changes in fund balance --regulatory basis of such funds for the years then ended, and the related statements of revenues--regulatory basis, statement of expenditures--regulatory basis of the various funds, and the related notes to financial statements, for the year ended December 31, 2014 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 22, 2015, on our consideration of the Township of Old Bridge's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Old Bridge's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'R. Allison', written over a horizontal line.

Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
CR #483

April 22, 2015
Freehold, New Jersey

This page intentionally left blank



HOLMAN | FRENIA
ALLISON, P.C.

Certified Public Accountants & Consultants

680 Hooper Avenue, Bldg B, Suite 201, Toms River, NJ 08753 • Tel: 732.797.1333

618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612

912 Highway 33, Suite 2, Freehold, NJ 07728 • Tel: 732.409.0800

795 Canton Street, Troy, PA 16947 • Tel: 570.297.5090

926 Main Street, Suite 103, Rome, PA 18837 • Tel: 570.297.5090

www.hfacpas.com

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

Honorable Mayor and Members
of the Township Council
Township of Old Bridge
County of Middlesex
Old Bridge, New Jersey 08857

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Township of Old Bridge (herein referred to as "the Municipality"), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Municipality's basic financial statements, and have issued our report thereon dated April 22, 2015. Our report on the financial statements-regulatory basis was modified to indicate that the financial statements were not prepared and presented in accordance with accounting principles generally accepted in the United States of America but rather prepared and presented in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States, to meet the requirements of the State of New Jersey for municipal government entities as described in Note 1. Further, our report on the financial statements - regulatory basis included a qualified opinion on the financial statements of the Length of Service Award Program Fund ("LOSAP") Trust Fund. The LOSAP Trust Fund financial statements were not audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, to audit nor were we engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Township's financial statements as of and for the year ended December 31, 2014. With the exception of the LOSAP Trust Fund our opinion on the financial statements- regulatory basis was unmodified.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Municipality'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 Municipality's internal control. Accordingly, we do not express an opinion on the effectiveness of the Municipality'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 Municipality's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.



Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
CR #483

April 22, 2015
Freehold, New Jersey

BASIC FINANCIAL STATEMENTS

This page intentionally left blank

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013

<u>Assets</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Cash and Cash Equivalents	A-4	\$ 20,745,785.04	\$ 19,743,011.27				
Change Fund	A-5	650.00	650.00				
		<u>20,746,435.04</u>	<u>19,743,661.27</u>				
Due From State of New Jersey -							
Senior Citizens' and Veterans' Deductions	A-6	86,899.16	81,849.28	Appropriation Reserves	A-3, A-14	\$ 1,828,013.05	\$ 1,627,990.99
Receivables With Full Reserves:				Encumbrances Payable	A-15	2,315,559.82	2,518,450.39
Delinquent Property Taxes Receivable	A-7	103,164.77	88,635.22	Accounts Payable	A-16	2,027,243.36	2,017,164.81
Tax Title Liens Receivable	A-8	1,565,448.37	1,456,642.48	Prepaid Taxes	A-17	586,463.42	602,209.30
OBMUA Tax Title Lien	A-30	106,034.23	102,249.98	Tax Overpayments	A-18	170,573.01	131,114.50
Solid Waste Receivable	A-31	5,785.13	5,841.78	Due To Municipal Utilities Authority	A-19	571,263.32	715,572.49
Property Acquired for Taxes -				Due To State of New Jersey:			
Assessed Value	A-9	12,549,800.00	12,549,800.00	Code Enforcement Fees	A-20	36,427.00	19,310.00
Revenue Accounts Receivable	A-10	39,468.46	86,754.02	Marriage License Fees	A-21	1,675.00	2,125.00
Due From:				Special Emergency Note Payable	A-22	703,540.00	992,000.00
Animal Control Trust Fund	A-11	40,551.92	15,114.18	Due To Third Parties:			
Payroll Dedicated Trust Fund	A-12	-	64,178.25	Miscellaneous	A-23	156.15	257.30
		<u>14,410,252.88</u>	<u>14,369,215.91</u>	Outside Liens	A-23	234,435.86	133,530.81
				Various Reserves	A-24	4,086,071.72	3,914,936.68
				Reserve for FEMA Reimbursements	A-32	189,496.31	114,337.62
						<u>12,750,920.02</u>	<u>12,788,999.89</u>
Deferred Charges:							
Emergency Authorization	A-13	100,000.00	-	Reserve for Receivables	A	14,410,252.88	14,369,215.91
Special Emergency Authorization	A-13	703,540.00	992,000.00	Fund Balance	A-1	8,885,954.18	8,028,510.66
		<u>803,540.00</u>	<u>992,000.00</u>				
		<u>36,047,127.08</u>	<u>35,186,726.46</u>			<u>36,047,127.08</u>	<u>35,186,726.46</u>
Federal and State Grants:				Federal and State Grants:			
Cash and Cash Equivalents	A-4	977,776.29	725,460.23	Reserve for Federal and State Grants:			
Federal and State Grants Receivable	A-33	1,250,731.21	1,250,218.34	Appropriated	A-34	1,664,444.50	986,579.53
				Unappropriated	A-35	59,925.14	80,970.72
				Encumbrances Payable	A-28	504,137.86	908,128.32
		<u>2,228,507.50</u>	<u>1,975,678.57</u>			<u>2,228,507.50</u>	<u>1,975,678.57</u>
Total Assets		<u>\$ 38,275,634.58</u>	<u>\$ 37,162,405.03</u>	Total Liabilities, Reserves and Fund Balance		<u>\$ 38,275,634.58</u>	<u>\$ 37,162,405.03</u>

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

**TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND**

EXHIBIT A-1

**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 6,500,000.00	\$ 6,224,000.00
Miscellaneous Revenue Anticipated	14,007,561.82	13,868,296.59
Receipts From Delinquent Taxes	175,031.87	201,801.13
Receipts From Current Taxes	157,890,904.89	154,163,557.76
Non-Budget Revenues	1,230,415.20	1,372,651.02
Other Credits To Income:		
Unexpended Balance of		
Appropriation Reserves	2,165,125.48	2,023,363.86
Interfunds Returned	79,292.43	60,245.46
Statutory Excess Animal Control Trust Fund	40,551.92	15,114.18
Arena Utility Appropriation Reserves Returned	76,547.02	-
Prior Year Senior Citizen Deduction Allowed	-	750.00
Accounts Payable Cancelled	<u>516,186.82</u>	<u>207,178.72</u>
Total Revenue	<u>182,681,617.45</u>	<u>178,136,958.72</u>
<u>Expenditures</u>		
Interfunds Advanced	40,551.92	79,292.43
Budget Appropriations Within "CAPS":		
Operations:		
Salaries and Wages	20,093,164.00	19,492,142.00
Other Expenses	17,349,298.00	17,293,315.00
Deferred Charges and Statutory Expenditures:		
Other Expenses	4,055,509.62	4,688,094.00
Deferred Charges - Other	100.00	100.00
Budget and Emergency Appropriations Excluded From "CAPS":		
Operations:		
Salaries and Wages	784,827.38	462,875.65
Other Expenses	3,925,501.80	3,458,118.96
Capital Improvements	450,000.00	150,000.00
Municipal Debt service	5,234,571.39	5,029,526.75
Deferred Charges - Other	295,552.61	288,460.00
Prior Year Revenue Refunded	6,407.06	12,278.40
Prior Year Senior Citizen Deduction Disallowed	-	16,250.00
Reimbursed Capital Fund	-	555.47
Miscellaneous Result of Operations	13,264.36	-
Special District Taxes:		
Fire District Taxes	4,132,376.00	4,098,891.00
Local District School Taxes	91,883,650.00	89,456,174.00
County Taxes	27,050,825.77	26,428,577.16
Added/Omitted County Taxes	<u>108,574.02</u>	<u>66,259.49</u>
Total Expenditures	<u>175,424,173.93</u>	<u>171,020,910.31</u>
Excess in Revenue	7,257,443.52	7,116,048.41
Adjustment To Income Before Fund Balance:		
Expenditures Included Above Which Are		
By Statute Deferred Charges To Budget		
of Succeeding Year		
Emergency Authorization	<u>100,000.00</u>	<u>-</u>
	7,357,443.52	7,116,048.41
Fund Balance, January 1	<u>8,028,510.66</u>	<u>7,136,462.25</u>
	15,385,954.18	14,252,510.66
Decreased By:		
Fund Balance Utilized	<u>6,500,000.00</u>	<u>6,224,000.00</u>
Fund Balance, December 31	<u>\$ 8,885,954.18</u>	<u>\$ 8,028,510.66</u>

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

**TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A-2

<u>General Revenues</u>	<u>Anticipated Budget</u>	<u>Budget Amendments</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Fund Balance Utilized	\$ 6,500,000.00	\$ -	\$ 6,500,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	94,000.00	-	93,958.00	(42.00)
Other	100,000.00	-	106,011.00	6,011.00
Fees and Permits:				
Other	125,000.00	-	214,358.17	89,358.17
Fines and Costs:				
Municipal Court	1,000,000.00	-	660,130.51	(339,869.49)
Interest and Costs on Taxes	100,000.00	-	226,688.22	126,688.22
Interest on Investments and Deposits	70,000.00	-	96,480.18	26,480.18
Rent Stabilization Board Fees	50,000.00	-	61,440.00	11,440.00
Sports Complex and Recreation Fees	170,000.00	-	159,765.75	(10,234.25)
In Lieu of Taxes - Old Bridge Rotary Senior Housing	90,000.00	-	97,184.83	7,184.83
Cable Television Fees	290,000.00	-	346,386.80	56,386.80
Tower Rental Payments	170,000.00	-	182,635.60	12,635.60
Energy Receipts Tax	5,407,028.00	-	5,407,028.00	-
Consolidated Municipal Property Tax Relief	853,365.00	-	853,365.00	-
Garden State Trust Pilot	10,464.00	-	10,464.00	-
Uniform Construction Code Fees	1,200,000.00	-	2,199,070.00	999,070.00
Code Enforcement Fees	250,000.00	-	312,436.00	62,436.00
Interlocal Government Agreement				
Computer Services - Sayreville	48,000.00	-	48,000.00	-
Township Agency Gasoline	375,000.00	-	343,632.92	(31,367.08)
School SRO	490,519.00	-	495,330.00	4,811.00
Municipal Alliance Program	52,733.00	-	52,733.00	-
Recycling Tonnage Grant	78,820.72	-	78,820.72	-
Safe and Secure Community Program	60,000.00	-	60,000.00	-
Title III Middlesex County Office on Aging				
Information Assistance	6,000.00	-	6,000.00	-
Clean Communities Program	-	101,258.66	101,258.66	-
Bulletproof Vest Program	-	6,701.41	6,701.41	-
Click it or Ticket	-	4,000.00	4,000.00	-
Drunk Driving Enforcement	19,129.23	11,986.15	31,115.38	-
Physical Fitness Grant	-	3,500.00	3,500.00	-
Pedestrian Safety	-	2,500.00	2,500.00	-
Highway Safety Grant	-	165,159.50	165,159.50	-
Body Armor Grant /BVP	-	7,585.51	7,585.51	-
Emergency Management Preparedness Grant	-	10,000.00	10,000.00	-
NJDOT - Transportation Old Bridge Road	-	321,280.00	321,280.00	-
NJDOT - Transportation Texas Road	-	271,140.00	271,140.00	-
Mental Health	-	3,000.00	3,000.00	-
Drive Sober or Get Pulled Over	-	7,500.00	7,500.00	-
Transportation Grant	-	10,000.00	10,000.00	-
FEMA Reimbursement - Hurricane Sandy	288,460.00	-	288,460.00	-
General Capital Surplus:				
Capital Fund Surplus	200,000.00	-	200,000.00	-
Reimbursement of Library Expenses	400,000.00	-	462,442.66	62,442.66
Total Miscellaneous Revenues	11,998,518.95	925,611.23	14,007,561.82	1,083,431.64
Receipts From Delinquent Taxes	30,000.00	-	175,031.87	145,031.87
Amount To Be Raised By Taxes for Support of Municipal Budget	34,494,398.61	-	36,575,479.10	2,081,080.49
Sub-Total General Revenues	53,022,917.56	925,611.23	57,258,072.79	3,309,544.00
Non-Budget Revenues	-	-	1,230,415.20	1,230,415.20
	<u>\$ 53,022,917.56</u>	<u>\$ 925,611.23</u>	<u>\$ 58,488,487.99</u>	<u>\$ 4,539,959.20</u>

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

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT A-2

Analysis of Realized Revenues

Allocation of Current Tax Collections:		
Collected		\$ 157,890,904.89
Local District School Taxes Payable	\$ 91,883,650.00	
County Taxes Payable	27,050,825.77	
Added/Omitted County Taxes Payable	108,574.02	
Fire District Taxes Payable	4,132,376.00	
		<u>123,175,425.79</u>
		34,715,479.10
Add:		
Appropriation - Reserve for Uncollected Taxes		<u>1,860,000.00</u>
		<u>\$ 36,575,479.10</u>

Receipts From Delinquent Taxes

Tax Title Liens	\$ 139,758.85
Delinquent Taxes	<u>35,273.02</u>
	<u>\$ 175,031.87</u>

Miscellaneous Revenue Not Anticipated

Alarm Permits	\$ 1,120.00
Billboard Rentals	1,200.00
Bus Shelter Franchise	18,356.38
Cancelled Outstanding Checks	425.73
Certificate of Redemption Fee	75.00
Clothing Bin Permit	1,275.00
Credit Card Fees	15,024.57
Disability Refunds	2,258.47
DMV Inspection Fees	300.00
Duplicate Bills	2,075.00
Electric Utility Charges	67,744.20
Engineering Maps	1,249.00
Finger Printing Fees	5.00
George Bush Hall Rental	6,000.00
Gun Permits	3,429.00
Health Copies	16,090.00
Insurance Refund	84,767.08
Insurance Reimbursements Fire Other	314,952.11
Land Development Ordinances	4,640.00
Lien Cancellation Fee	6,052.00
Maps	15.00
Miscellaneous	111,292.63
Miscellaneous Tax Receipts	133,040.43
Online Payment Fee	2,679.00
PERS Refund	139,583.30
Planning and Engineering Salaries	25,196.37
Planning Maps	28.00
Police Reports	16,839.25
Premium of Tax Sales	2,300.00
Property Lists	1,450.00
Refund of Prior Year Expenses	176,662.17
Research Copies	199.40
Restitution	320.00
Retail Food/Beverage Late Payment Fee	740.00
Returned Check Fees	1,840.00
Road Opening Inspection Fees	300.00
Road Openings	7,600.00
Searches	90.00
Senior/Veterans Administration Costs Reimbursement	9,422.55
Solid Waste User Fees	148.86
Sr ID Picture Fees	356.50
Vacant Property Cleanup	52,836.57
Vending Machines Commissions	436.63
	<u>\$ 1,230,415.20</u>

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

**TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Adopted Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Cancelled</u>
ADMINISTRATIVE AND EXECUTIVE:						
Office of the Mayor:						
Salaries and Wages	\$ 61,445.00	\$ 62,445.00	\$ 62,283.31	\$ -	\$ 161.69	-
Other Expenses	7,300.00	7,300.00	2,832.09	486.55	3,981.36	-
Office of the Business Administrator:						
Salaries and Wages	196,470.00	205,470.00	197,346.64	-	8,123.36	-
Other Expenses	98,500.00	98,500.00	74,759.76	23,480.88	259.36	-
Office of Economic Development:						
Salaries and Wages	50,000.00	50,000.00	126.94	-	49,873.06	-
Other Expenses	2,100.00	2,100.00	-	64.95	2,035.05	-
Annual Audit:						
Other Expenses	55,000.00	55,000.00	47,400.00	1,000.00	6,600.00	-
Division of Human Resources:					-	
Salaries and Wages	199,919.00	201,919.00	199,062.16	-	2,856.84	-
Other Expenses	12,450.00	12,450.00	4,222.08	674.75	7,553.17	-
Vital Statistics:						
Salaries and Wages	24,163.00	24,163.00	23,561.31	-	601.69	-
Other Expenses	2,300.00	2,300.00	259.00	623.54	1,417.46	-
Elections:						
Salaries and Wages	3,500.00	3,500.00	1,771.51	-	1,728.49	-
Other Expenses	36,850.00	36,850.00	23,440.37	1,380.00	12,029.63	-
Governing Body:						
Salaries and Wages	49,001.00	49,001.00	48,961.61	-	39.39	-
Other Expenses	350.00	350.00	78.00	26.00	246.00	-
Office of the Clerk:						
Salaries and Wages	245,354.00	251,854.00	249,127.70	-	2,726.30	-
Other Expenses	93,100.00	93,100.00	59,062.79	3,066.68	30,970.53	-
Office of Tax Assessor:						
Salaries and Wages	336,215.00	336,215.00	292,313.82	-	43,901.18	-
Other Expenses	88,925.00	88,925.00	57,679.47	26,944.54	4,300.99	-
Group Insurance:						
Other Expenses	10,141,539.00	10,006,539.00	8,989,752.14	905,443.20	111,343.66	-
Health Insurance Waiver:						
Other Expenses	75,000.00	75,000.00	49,582.90	-	25,417.10	-
Historical Committee:						
Other Expenses	500.00	500.00	-	-	500.00	-
Rent Stabilization Board:						
Salaries and Wages	2,160.00	2,260.00	2,212.34	-	47.66	-
Other Expenses	3,000.00	4,000.00	3,400.00	50.00	550.00	-
TV Studio:						
Salaries and Wages	24,508.00	25,508.00	25,277.36	-	230.64	-
Other Expenses	8,600.00	8,600.00	485.95	4,157.99	3,956.06	-
Environmental Commission:						
Other Expenses	2,250.00	2,250.00	1,575.00	425.00	250.00	-
Open Space Committee:						
Other Expenses	250.00	250.00	-	-	250.00	-
Cultural Arts:						
Other Expenses	3,350.00	3,350.00	2,789.95	560.05	-	-
Human Relations Commission:						
Other Expenses	250.00	250.00	-	-	250.00	-
Celebration of Public Events:						
Other Expenses	8,000.00	8,000.00	1,022.93	431.57	6,545.50	-
Ethics Board:						
Other Expenses	1,500.00	1,500.00	-	-	1,500.00	-

**TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Adopted Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Cancelled</u>
DEPARTMENT OF FINANCE:						
Division of Treasury:						
Salaries and Wages	367,013.00	382,013.00	370,606.57	-	11,406.43	-
Other Expenses	1,550.00	1,550.00	763.32	692.75	93.93	-
Tax Collection:						
Salaries and Wages	108,216.00	108,216.00	102,387.28	-	5,828.72	-
Other Expenses	12,950.00	12,950.00	9,182.64	2,454.56	1,312.80	-
Data Processing:						
Salaries and Wages	202,340.00	206,540.00	206,279.75	-	260.25	-
Other Expenses	143,319.00	143,319.00	107,650.20	25,363.57	10,305.23	-
Purchasing:						
Salaries and Wages	40,956.00	40,956.00	39,345.72	-	1,610.28	-
Other Expenses	66,365.00	66,365.00	54,709.88	7,818.24	3,836.88	-
Liquidation of Tax Title Liens:						
Other Expenses	1,000.00	1,000.00	-	-	1,000.00	-
Interest - Tax Appeal/Tax Title Lien Redemption:						
Other Expenses	1,000.00	1,000.00	-	-	1,000.00	-
DEPARTMENT OF MUNICIPAL COURT:						
Salaries and Wages	302,172.00	302,172.00	289,427.55	-	12,744.45	-
Other Expenses	240,296.00	240,296.00	202,610.12	29,412.70	8,273.18	-
DEPARTMENT OF LAW:						
Other Expenses	304,638.00	304,638.00	289,671.85	10,767.24	4,198.91	-
Legal Settlements	5,000.00	5,000.00	-	-	5,000.00	-
DEPARTMENT OF PARKS/RECREATION/SOCIAL SERVICES:						
Division of Parks and Recreation:						
Salaries and Wages	1,189,263.00	1,214,263.00	1,197,712.05	-	16,550.95	-
Other Expenses	159,200.00	154,200.00	108,367.79	45,056.94	775.27	-
Division of Vehicle Maintenance:						
Salaries and Wages	72,462.00	73,462.00	73,462.00	-	-	-
Other Expenses	68,400.00	73,400.00	57,553.43	13,815.47	2,031.10	-
Food Bank:						
Other Expenses	750.00	750.00	279.69	63.22	407.09	-
Division of Senior Services:						
Salaries and Wages	360,626.00	360,626.00	302,137.59	-	58,488.41	-
Other Expenses	17,500.00	17,500.00	14,570.21	2,895.30	34.49	-
Division of Health and Human Services:						
Other Expenses	156,732.00	156,732.00	156,731.94	-	0.06	-
Division of Building Maintenance:						
Salaries and Wages	68,830.00	68,830.00	68,742.42	-	87.58	-
Other Expenses	191,550.00	231,550.00	186,342.82	43,532.09	1,675.09	-
DEPARTMENT OF PUBLIC SAFETY:						
Department of Police:						
Salaries and Wages	11,512,454.00	11,612,454.00	11,443,678.13	-	168,775.87	-
Other Expenses	182,925.00	182,925.00	163,475.80	16,371.10	3,078.10	-
Data Processing	274,301.00	274,301.00	132,249.19	124,852.87	17,198.94	-
Division of Vehicle Maintenance:						
Salaries and Wages	134,161.00	137,161.00	135,947.50	-	1,213.50	-
Other Expenses	130,100.00	130,100.00	79,852.31	15,253.80	34,993.89	-
Office of Emergency Management:						
Salaries and Wages	15,000.00	15,000.00	10,402.80	-	4,597.20	-
Other Expenses	16,250.00	16,250.00	8,885.91	6,916.32	447.77	-
Purchasing of Police Vehicles CH.PL 1985						
Other Expenses	100.00	100.00	-	-	100.00	-
First Aid Organization Contribution:						
Other Expenses	285,000.00	285,000.00	265,000.00	-	20,000.00	-

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

**TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Adopted Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Cancelled</u>
DEPARTMENT OF PUBLIC SAFETY (continued):						
Juvenile Conference:						
Other Expenses	2,100.00	2,100.00	1,750.00	-	350.00	-
Women's Advocacy Group:						
Other Expenses	1,250.00	1,250.00	-	-	1,250.00	-
Animal Control Warden:						
Other Expenses	140,000.00	140,000.00	140,000.00	-	-	-
DEPARTMENT OF COMMUNITY DEVELOPMENT:						
Division of Engineering:						
Salaries and Wages	394,544.00	394,544.00	367,503.60	-	27,040.40	-
Other Expenses	65,350.00	65,350.00	23,924.61	33,659.64	7,765.75	-
Division of Planning and Development:						
Salaries and Wages	182,655.00	182,655.00	175,142.42	-	7,512.58	-
Other Expenses	29,100.00	29,100.00	7,828.50	3,984.50	17,287.00	-
Planning Board:						
Salaries and Wages	27,440.00	27,440.00	24,415.25	-	3,024.75	-
Other Expenses	6,000.00	5,750.00	538.00	-	5,212.00	-
Zoning Board:						
Salaries and Wages	27,440.00	27,440.00	21,975.51	-	5,464.49	-
Other Expenses	5,750.00	6,000.00	3,373.00	1,015.00	1,612.00	-
DEPARTMENT OF PUBLIC WORKS:						
Division of Road Repair and Maintenance:						
Salaries and Wages	1,193,381.00	1,194,381.00	1,189,637.64	-	4,743.36	-
Other Expenses	198,900.00	148,900.00	112,150.44	17,929.75	18,819.81	-
Division of Vehicle Maintenance:						
Salaries and Wages	148,259.00	156,259.00	156,009.23	-	249.77	-
Other Expenses	152,710.00	222,710.00	137,517.34	62,010.32	23,182.34	-
Sanitation and Recycling:						
Salaries and Wages	3,363.00	3,363.00	2,529.02	-	833.98	-
Other Expenses	643,500.00	613,500.00	459,730.25	109,010.75	44,759.00	-
Snow Removal:						
Salaries and Wages	200,000.00	200,000.00	165,620.89	-	34,379.11	-
Other Expenses	527,000.00	577,000.00	497,060.54	32,719.08	47,220.38	-
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS						
OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17):						
Department of Community Development:						
Uniform Construction Code:						
Salaries and Wages	897,791.00	1,017,791.00	994,393.95	-	23,397.05	-
Other Expenses	486,223.00	481,223.00	407,560.62	47,105.89	26,556.49	-
Division of Code Enforcement:						
Salaries and Wages	277,063.00	287,063.00	284,018.32	-	3,044.68	-
Other Expenses	61,975.00	61,975.00	36,961.33	7,524.82	17,488.85	-
UNCLASSIFIED:						
Utilities:						
Gasoline	525,000.00	450,000.00	303,509.24	113,790.76	32,700.00	-
Electricity	550,000.00	549,000.00	386,033.25	111,539.60	51,427.15	-
Telephone	169,400.00	204,400.00	181,327.67	13,390.68	9,681.65	-
Natural Gas	65,000.00	65,000.00	26,310.75	26,644.46	12,044.79	-
Street Lighting	450,000.00	450,000.00	400,349.68	47,695.64	1,954.68	-
Water and Sewage	150,000.00	150,000.00	82,806.19	66,000.00	1,193.81	-
Sick Leave, Comp. Time & Termination Costs	700,000.00	700,000.00	700,000.00	-	-	-
Salary Adjustment	375,000.00	168,200.00	-	-	168,200.00	-
Private Community Reimbursement	300,000.00	300,000.00	-	253,900.00	46,100.00	-
Total Operations - Within "CAPS"	37,422,462.00	37,422,462.00	33,788,390.83	2,262,002.76	1,372,068.41	-
Contingent	20,000.00	20,000.00	1,753.70	3,200.00	15,046.30	-
Total Operations Including Contingent - Within "CAPS"	37,442,462.00	37,442,462.00	33,790,144.53	2,265,202.76	1,387,114.71	-
Detail:						
Salaries and Wages	19,993,164.00	20,093,164.00	19,423,419.89	-	669,744.11	-
Other Expenses	17,449,298.00	17,349,298.00	14,366,724.64	2,265,202.76	717,370.60	-

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

**TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Adopted Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Cancelled</u>
Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"						
DEFERRED CHARGES:						
Contribution to Arena	79,030.00	79,030.00	79,030.00	-	-	-
Over expenditure of Appropriations - Public Defender	2,800.00	2,800.00	2,800.00	-	-	-
Prior Year Bill	37,642.00	37,642.00	37,641.62	-	-	0.38
STATUTORY EXPENDITURES:	-	-	-	-	-	-
Contribution To:	-	-	-	-	-	-
Public Employees' Retirement System	952,962.00	952,962.00	846,053.47	-	106,908.53	-
Police and Fireman's Retirement System	2,146,866.00	2,146,866.00	1,945,830.91	-	201,035.09	-
Social Security System (O.A.S.I.)	811,210.00	811,210.00	701,863.70	-	109,346.30	-
Unemployment Compensation Insurance	25,000.00	25,000.00	20,062.04	-	4,937.96	-
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	4,055,510.00	4,055,510.00	3,633,281.74	-	422,227.88	0.38
Judgments	100.00	100.00	-	-	100.00	-
Total General Appropriations for Municipal Purposes - Within "CAPS"	41,498,072.00	41,498,072.00	37,423,426.27	2,265,202.76	1,809,442.59	0.38
GENERAL GOVERNMENT:						
Maintenance of Free Public Library (Ch. 82, P.L. 1985):						
Other Expenses	2,264,529.00	2,264,529.00	2,264,529.00	-	-	-
Length of Service Program Award:						
Other Expenses	50,000.00	50,000.00	-	50,000.00	-	-
Interlocal Agreement - Grant Writer:						
Other Expenses	41,000.00	41,000.00	40,642.94	357.06	-	-
Interlocal Agreement - Twp Agency Gasoline:						
Other Expenses	375,000.00	375,000.00	375,000.00	-	-	-
Interlocal Agreement - Computer Services:						
Salaries and Wages	48,000.00	48,000.00	48,000.00	-	-	-
Interlocal Agreement - School Resource Officer						
Salaries and Wages	352,095.00	352,095.00	352,095.00	-	-	-
Other Expenses	138,424.00	138,424.00	129,853.54	-	8,570.46	-
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES:						
Title III - Senior Citizen Info & Asst:						
Salaries and Wages	9,900.00	9,900.00	9,900.00	-	-	-
SFSP Fire District Payments:						
Other Expenses	22,053.00	22,053.00	22,053.00	-	-	-
Recycling Tonnage:						
Other Expenses	78,820.72	78,820.72	78,820.72	-	-	-
Click It or Ticket:						
Other Expenses	-	4,000.00	4,000.00	-	-	-
Drive Sober or Get Pulled Over:						
Salaries and Wages	-	7,500.00	7,500.00	-	-	-
Transportation Grant:						
Other Expenses	-	10,000.00	10,000.00	-	-	-
Highway Safety Grant:						
Other Expenses	-	165,159.50	165,159.50	-	-	-
Municipal Alliance Program:						
Salaries and Wages	26,367.00	26,367.00	26,367.00	-	-	-
Other Expenses	39,550.00	39,550.00	39,550.00	-	-	-
Clean Communities Program:						
Other Expenses	-	101,258.66	101,258.66	-	-	-
Matching Fund for Grants:						
Other Expenses	10,000.00	10,000.00	-	-	10,000.00	-
Emergency Management Preparedness:						
Other Expenses	-	10,000.00	10,000.00	-	-	-

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

**TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Adopted Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Cancelled</u>
PUBLIC AND PRIVATE PROGRAMS OFFSET						
BY REVENUES (cont'd):						
NJDOT - Transportation Old Bridge Road:						
Other Expenses	-	321,280.00	321,280.00	-	-	-
NJDOT - Transportation Texas Road:						
Other Expenses	-	271,140.00	271,140.00	-	-	-
Mental Health:						
Other Expenses	-	3,000.00	3,000.00	-	-	-
Bulletproof Vest Program						
Other Expenses	-	6,701.41	6,701.41	-	-	-
Physical Fitness:						
Other Expenses	-	3,500.00	3,500.00	-	-	-
Pedestrian Safety:						
Other Expenses	-	2,500.00	2,500.00	-	-	-
Drunk Driving Enforcement Grant:						
Salaries and Wages	19,129.23	31,115.38	31,115.38	-	-	-
Body Armor Grant:						
Other Expenses	-	7,585.51	7,585.51	-	-	-
Safe and Secure Community Program:						
Salaries and Wages	309,850.00	309,850.00	309,850.00	-	-	-
Total Operations - Excluded From "CAPS"	3,784,717.95	4,710,329.18	4,641,401.66	50,357.06	18,570.46	-
Detail:						
Salaries and Wages	765,341.23	784,827.38	784,827.38	-	-	-
Other Expenses	3,019,376.72	3,925,501.80	3,856,574.28	50,357.06	18,570.46	-
Capital Improvements - Excluded From "CAPS"						
CAPITAL IMPROVEMENTS:						
Capital Improvement Fund	350,000.00	450,000.00	450,000.00	-	-	-
Total Capital Improvements - Excluded From "CAPS"	350,000.00	450,000.00	450,000.00	-	-	-
Municipal Debt Service - Excluded From "CAPS"						
Payment of Bond Principal	4,098,500.00	4,098,500.00	4,098,500.00	-	-	-
Payment of Bond Anticipation Notes and Capital Notes	383,000.00	383,000.00	383,000.00	-	-	-
Interest on Bonds	581,940.00	581,940.00	581,938.50	-	-	1.50
Interest on Notes	68,722.00	68,722.00	68,721.23	-	-	0.77
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	93,276.00	93,276.00	93,274.78	-	-	1.22
EDA Loan Program:						
Loan Repayments for Principal and Interest	9,137.00	9,137.00	9,136.88	-	-	0.12
Total Municipal Debt Service - Excluded From "CAPS"	5,234,575.00	5,234,575.00	5,234,571.39	-	-	3.61
Deferred Charges - Municipal - Excluded From "CAPS"						
DEFERRED CHARGES:						
Special Emergency Authorizations	288,460.00	288,460.00	288,460.00	-	-	-
Unfunded Capital	7,092.61	7,092.61	7,092.61	-	-	-
Total Deferred Charges - Municipal - Excluded From "CAPS"	295,552.61	295,552.61	295,552.61	-	-	-

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

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Adopted Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Cancelled</u>
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"	9,664,845.56	10,690,456.79	10,621,525.66	50,357.06	18,570.46	3.61
Subtotal General Appropriations	51,162,917.56	52,188,528.79	48,044,951.93	2,315,559.82	1,828,013.05	3.99
Reserve for Uncollected Taxes	1,860,000.00	1,860,000.00	1,860,000.00	-	-	-
Total General Appropriations	<u>\$ 53,022,917.56</u>	<u>\$ 54,048,528.79</u>	<u>\$ 49,904,951.93</u>	<u>\$ 2,315,559.82</u>	<u>\$ 1,828,013.05</u>	<u>\$ 3.99</u>

Original Budget	\$ 53,022,917.56
Amended by 40A:4-87	925,611.23
Emergency - Capital Improvement Fund	<u>100,000.00</u>
	<u>\$ 54,048,528.79</u>

Cash Disbursed	\$ 46,325,210.75
Reserve for Uncollected Taxes	1,860,000.00
Deferred Charges - Emergency	288,460.00
Reserve for Appropriated Grants	<u>1,431,281.18</u>
	<u>\$ 49,904,951.93</u>

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
TRUST FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013

<u>Assets</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>	<u>Liabilities and Reserves</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Animal Control Fund				Animal Control Fund			
Cash	B-1	\$ 87,723.82	\$ 66,005.18	Reserve for Expenditure	B-3	\$ 47,051.90	\$ 50,891.00
				Due To State of New Jersey	B-2	120.00	-
				Due To Current Fund	B-4	40,551.92	15,114.18
						87,723.82	66,005.18
Unemployment Insurance				Unemployment Insurance			
Cash	B-1	11,448.75	50,787.34	Reserve for Unemployment Insurance Benefits	B-5	11,448.75	50,787.34
Confiscated Fund:				Confiscated Fund:			
Cash	B-1	118,637.90	125,158.86	Reserve for Expenditures	B-7	118,637.90	125,158.86
Woodhaven Special Escrow:				Woodhaven Special Escrow:			
Cash	B-1	811,376.01	795,792.36	Reserve for Woodhaven Special Escrow	B-8	811,376.01	795,792.36
Open Space:				Open Space:			
Cash	B-1	896,361.70	1,393,619.70	Reserve for Open Space	B-9	896,361.70	1,393,619.70
Community Development Block Grant				Community Development Block Grant			
Cash	B-1	88,297.17	99,019.66	Reserve for Community Development Block Grant	B-11	542,304.97	602,245.49
Due From Housing and Urban Development	B-10	453,940.40	503,225.83				
Due from Program Income	B-17	67.40	-			542,304.97	602,245.49
				Trust - Other Funds:			
		542,304.97	602,245.49	Various Reserves	B-12	17,819,681.68	15,998,799.71
Trust - Other Funds:				Due to Current Fund	B-13	-	64,178.25
Cash	B-1	18,164,568.43	16,215,788.63	Payroll Deductions Payable	B-14	344,886.75	152,810.67
		18,164,568.43	16,215,788.63			18,164,568.43	16,215,788.63
Length of Service Award Program "LOSAP" (Unaudited)				Length of Service Award Program "LOSAP" (Unaudited)			
Investments in LOSAF	B-15	576,966.23	584,163.37	Reserve for LOSAP Funds	B-16	576,966.23	584,163.37
Total Assets		\$ 21,209,387.81	\$ 19,833,560.93	Total Liabilities and Reserves		\$ 21,209,387.81	\$ 19,833,560.93

This page intentionally left blank

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013

<u>Assets</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Cash and Cash Equivalents				General Serial Bonds	C-6	\$ 21,710,000.00	\$ 16,375,000.00
Due From State of NJ - Green Acres				N.J.E.D.A. Loan Payable	C-7	-	9,000.00
Deferred Charges To Future Taxation:				Green Trust Loan - Geick Park	C-8	464,474.06	617,469.43
Funded	C-2, C-3	\$ 3,514,643.74	\$ 3,200,535.85	Infrastructure Loan Payable	C-9	4,687,163.02	5,147,311.73
Unfunded	C	1,900,000.00	1,900,000.00	Bond Anticipation Notes Payable	C-11	6,279,000.00	11,508,000.00
				Encumbrances Payable	C-12	2,953,227.50	4,611,909.03
				Improvement Authorizations:			
				Funded	C-10	2,066,276.67	3,045,789.21
				Unfunded	C-10	14,020,950.65	7,005,647.87
				Capital Improvement Fund	C-14	11,440.00	36,940.00
				Reserve for Highpointe Traffic Light	C	60,000.00	60,000.00
				Reserve for Premium from Notes and Bonds	C-13	381,362.98	168,023.80
				Reserve for State Grants Receivable	C	1,900,000.00	1,900,000.00
				Fund Balance	C-1	888,206.82	23,287.60
Total Assets		\$ 55,422,101.70	\$ 50,508,378.67	Total Liabilities, Reserves and Fund Balance		\$ 55,422,101.70	\$ 50,508,378.67

There were bonds and notes authorized but not issued on December 31, 2014 of \$16,866,820.88 and on December 31, 2013 of \$11,751,061.66.

**TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	\$ 23,287.60
Increased By:	
Improvement Authorization Cancelled	<u>1,064,919.22</u>
	1,088,206.82
Decreased By:	
Utilized in Current Fund Budget	
As Revenue	<u>200,000.00</u>
Balance, December 31, 2014	<u><u>\$ 888,206.82</u></u>

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

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
ARENA AND RECREATION UTILITY FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013

<u>Assets</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>	<u>Liabilities, Reserves and Fund Balances</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Operating Fund:				Operating Fund:			
Cash and Cash Equivalents	D-5	\$	145,012.16	Appropriation Reserves	D-3, D-7	\$	61,984.62
Change Fund	D	800.00	800.00	Sales Tax Payable	D-8	25.75	19.45
				Accounts Payable	D-18	2,185.89	17,547.66
				Encumbrances Payable	D-10	55,071.23	81,712.30
				Accrued Interest on Bonds and Notes	D-14	3,300.00	4,468.49
				Subtotal		154,306.70	165,732.52
Deferred Charges:				Fund Balance		606.59	606.59
Deficit in Operations	D-13	9,101.13	-	Total Operating Fund		154,913.29	166,339.11
Total Operating Fund		154,913.29	166,339.11	Capital Fund:			
				Encumbrances Payable	D-20	4,801.79	4,165.00
				General Serial Bonds	D-12	165,000.00	225,000.00
				Improvement Authorizations:			
				Unfunded	D-16	387,711.42	35,153.00
				Funded	D-16	192,900.00	180,723.42
				Reserve for Amortization	D-15	2,159,805.94	2,099,805.94
	D-5, D-6	177,516.21	185,894.42	Deferred Reserve for Amortization	D	9,000.00	9,000.00
	D-11	2,149,805.94	2,149,805.94	Capital Improvement Fund	D-9	53,899.29	67,799.29
	D-21	658,850.00	299,000.00	Fund Balance	D-4	13,053.71	13,053.71
Total Capital Fund		2,986,172.15	2,634,700.36	Total Capital Fund		2,986,172.15	2,634,700.36
Total Assets		\$ 3,141,085.44	\$ 2,801,039.47	Total Liabilities, Reserves and Fund Balances		\$ 3,141,085.44	\$ 2,801,039.47

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

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
ARENA AND RECREATION UTILITY FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>Revenue and Other Income Realized</u>		
Arena Fees	\$ 515,105.62	\$ 541,755.01
Deficit (General Budget)	79,030.00	170,630.79
Miscellaneous Revenues Not Anticipated	792.76	2,248.50
	<hr/>	<hr/>
Total Revenue	594,928.38	714,634.30
	<hr/>	<hr/>
<u>Expenditures</u>		
Operating	503,779.00	491,553.00
Capital Improvements	5,000.00	5,000.00
Deferred Charges	-	49,511.79
Public Employees' Retirement System	11,657.00	-
Social Security	15,762.00	15,000.00
Debt Service	67,831.51	136,666.00
Budget Returned to Current Fund	-	16,903.51
	<hr/>	<hr/>
Total Expenditures	604,029.51	714,634.30
	<hr/>	<hr/>
(Deficit)/Excess in Revenue	(9,101.13)	-
Adjustment to Income Before Fund Balance:		
Expenditure Included Above Which Are By		
Statute Deferred Charges to Budget of		
Succeeding Year:		
Deficit in Operations	9,101.13	-
	<hr/>	<hr/>
Statutory Excess in Revenue	-	-
Balance, January 1	606.59	606.59
	<hr/>	<hr/>
Balance, December 31	\$ 606.59	\$ 606.59
	<hr/>	<hr/>

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

**TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
ARENA AND RECREATION UTILITY FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Anticipated <u>Revenue</u>	<u>Realized</u>	Excess/ <u>(Deficit)</u>
Arena Fees	\$ 525,000.00	\$ 515,105.62	\$ (9,894.38)
Deficit (General Budget)	79,029.51	79,030.00	0.49
Miscellaneous Revenues Not Anticipated	-	792.76	792.76
	<hr/>		
Total Miscellaneous Revenues	\$ 604,029.51	\$ 594,928.38	\$ (9,101.13)
	<hr/> <hr/>		

Analysis of Miscellaneous Revenues Anticipated

Arena Fees	\$ 515,105.62
Deficit (General Budget)	79,030.00
	<hr/>
	\$ 594,135.62
	<hr/> <hr/>

Analysis of Miscellaneous Revenues Not Anticipated

Interest on Investments	\$ 772.76
Miscellaneous	20.00
	<hr/>
	\$ 792.76
	<hr/> <hr/>

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

**TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
ARENA AND RECREATION UTILITY FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
Operating:				
Salaries and Wages	\$ 206,042.00	\$ 206,042.00	\$ 171,117.53	\$ 34,924.47
Other Expenses	297,737.00	297,737.00	241,609.13	56,127.87
Capital Improvements:				-
Capital Improvement Fund	5,000.00	5,000.00	5,000.00	-
Statutory Expenditures:				
Contribution To:				
Public Employees' Retirement System	11,657.00	11,657.00	11,657.00	-
Social Security System (O.A.S.I.)	15,762.00	15,762.00	13,090.51	2,671.49
Debt Service:				-
Payment of Bond Principal	60,000.00	60,000.00	60,000.00	-
Interest on Bonds	7,831.51	7,831.51	7,831.51	-
	<u>\$ 604,029.51</u>	<u>\$ 604,029.51</u>	<u>\$ 510,305.68</u>	<u>\$ 93,723.83</u>

Encumbrances Payable	\$ 55,071.23
Cash Disbursements	447,402.94
Accrued Interest Payable on Bonds	<u>7,831.51</u>
	<u><u>\$ 510,305.68</u></u>

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

**TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
ARENA AND RECREATION UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2014 and 2013

\$ 13,053.71

This page intentionally left blank

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
SOLID WASTE UTILITY FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	<u>2013</u>
<u>Revenue and Other Income Realized</u>		
Miscellaneous Revenue Not Anticipated	\$ -	\$ 2.94
		-
Total Revenue	-	2.94
<u>Expenditures</u>		
Transferred to Current Fund	-	2,428.91
Total Expenditures	-	2,428.91
Deficit in Revenue	-	(2,425.97)
Balance, January 1,	-	2,425.97
Balance, December 31,	\$ -	\$ -

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

This page intentionally left blank

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
PARKING UTILITY FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013

<u>Assets</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Operating Fund:				Operating Fund:			
Cash and Cash Equivalents	F-4	\$ 315,064.53	\$ 311,391.81	Appropriation Reserves	F-3, F-7	\$ 20,584.52	\$ 48,392.61
Total Operating Fund		<u>315,064.53</u>	<u>311,391.81</u>	Due To Old Bridge Board of Education	F-9	202.00	315.00
				Encumbrances Payable	F-12	57,807.19	9,416.74
				Accounts Payable	F-14	-	500.00
				Subtotal		78,593.71	58,624.35
				Fund Balance		236,470.82	252,767.46
				Total Operating Fund		<u>315,064.53</u>	<u>311,391.81</u>
Capital Fund:				Capital Fund:			
Cash and Cash Equivalents	F-5, F-6	562,595.83	468,495.83	Encumbrances Payable	F	6,883.75	6,883.75
Fixed Capital	F-8	750,000.00	750,000.00	Improvement Authorizations:			
				Funded	F-10	217,512.08	217,512.08
				Reserve for Amortization	F-11	750,000.00	750,000.00
				Capital Improvement Fund	F-13	338,200.00	244,100.00
Total Capital Fund		<u>1,312,595.83</u>	<u>1,218,495.83</u>	Total Capital Fund		<u>1,312,595.83</u>	<u>1,218,495.83</u>
Total Assets		<u>\$ 1,627,660.36</u>	<u>\$ 1,529,887.64</u>	Total Liabilities, Reserves and Fund Balance		<u>\$ 1,627,660.36</u>	<u>\$ 1,529,887.64</u>

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

**TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
PARKING UTILITY FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
<u>Revenue and Other Income Realized</u>		
Surplus Anticipated	\$ 60,748.00	\$ -
Parking Permits	43,761.28	50,169.56
Parking Meter Fees	130,049.77	157,621.03
Appropriation Reserves Lapsed	51,463.78	63,437.06
Miscellaneous Revenue Not Anticipated:		
Interest Earned	1,676.53	1,500.43
Cancellation of Prior Year Accounts Payable	500.00	
	<hr/>	<hr/>
Total Revenue	288,199.36	272,728.08
	<hr/>	<hr/>
<u>Expenditures</u>		
Operating	148,500.00	88,500.00
Capital Improvements	94,100.00	94,100.00
Social Security	1,148.00	400.00
	<hr/>	<hr/>
Total Expenditures	243,748.00	183,000.00
	<hr/>	<hr/>
Excess in Revenue	44,451.36	89,728.08
Balance, January 1	252,767.46	163,039.38
	<hr/>	<hr/>
	297,218.82	252,767.46
Decreased By:		
Fund Balance Utilized	60,748.00	-
	<hr/>	<hr/>
Balance, December 31	\$ 236,470.82	\$ 252,767.46
	<hr/> <hr/>	<hr/> <hr/>

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

**TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
PARKING UTILITY FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Anticipated <u>Revenue</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Utilized	\$ 60,748.00	\$ 60,748.00	\$ -
Parking Meter Fees	50,000.00	43,761.28	(6,238.72)
Parking Permits	133,000.00	130,049.77	(2,950.23)
Miscellaneous Revenues Not Anticipated	-	1,676.53	1,676.53
	<u>\$ 243,748.00</u>	<u>\$ 236,235.58</u>	<u>\$ (7,512.42)</u>

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

**TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
PARKING UTILITY FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
Operating:				
Salaries and Wages	\$ 15,000.00	\$ 15,000.00	\$ 7,429.16	\$ 7,570.84
Other Expenses	133,500.00	133,500.00	121,065.99	12,434.01
Capital Improvements:				
Capital Improvement Fund	94,100.00	94,100.00	94,100.00	-
Statutory Expenditures:				
Social Security (O.A.S.I.)	1,148.00	1,148.00	568.33	579.67
	<u>\$ 243,748.00</u>	<u>\$ 243,748.00</u>	<u>\$ 223,163.48</u>	<u>\$ 20,584.52</u>
Encumbrances Payable			\$ 57,807.19	
Cash Disbursements			<u>165,356.29</u>	
			<u>\$ 223,163.48</u>	

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

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE -
REGULATORY BASIS
DECEMBER 31, 2014 AND 2013

		Balance December 31, <u>2014</u>	Balance December 31, <u>2013</u>
General Fixed Assets:			
Land	G-1	\$ 49,590,900.00	\$ 49,590,900.00
Buildings	G-1	30,274,095.74	30,274,095.74
Equipment	G-1	10,907,147.84	10,620,472.60
		<hr/>	<hr/>
Total General Fixed Assets		\$ 90,772,143.58	\$ 90,485,468.34
		<hr/>	<hr/>
Investment in General Fixed Assets	G-1	\$ 90,772,143.58	\$ 90,485,468.34
		<hr/>	<hr/>

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

This page intentionally left blank

**TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

This page intentionally left blank

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity

The Township of Old Bridge, County of Middlesex, New Jersey ("Township") is managed under the Mayor-Council form of government authorized under Plan E of the "Faulkner Act of 1950." The financial statements of the Township include every board, body, officer or commission maintained wholly or in part by funds appropriated by the Township, as required by the provision of N.J.S. 40A:5-5. Included within the financial statements are taxes levied, collected and turned over to the School Board, County of Middlesex and Fire Districts.

Component Unit – The Township of Old Bridge had no component units as defined by Governmental Accounting Standards Board Statement No. 14.

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

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

Current Fund – The Current Fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

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

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

Utility Operating and Capital Funds - accounts for the operations and acquisition of capital facilities of the municipal owned Arena and Recreation and Parking Utilities.

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

General Fixed Asset Account Group - to account for fixed assets used in general government operations.

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

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of Local Government Services, with the permission of the Local Finance Board. Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements. Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

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

New Jersey municipal units are required by *N.J.S.A.40A:5-14* to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. *N.J.S.A.40A:5-15.1* provides a list of investments, which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local utilities and other state agencies. *N.J.S.A.17:9-41* et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

Public depositories include State or federally chartered banks savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units.

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

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

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

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

General Fixed Assets – Property and equipment purchased by the Current and General Capital Fund are recorded as expenditures at the time of purchase and are not capitalized. All interest costs are recorded as expenditures when paid.

Accounting for governmental Fixed Assets, as promulgated by Technical Accounting Directive No. 85-2 as issued by the Division of Local Government Services, differs in certain respects from accounting principles generally accepted in the United States of America. The following is a brief description of the provisions of the Directive:

Fixed assets used in governmental operations (General Fixed Assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available, except for land, which is valued at estimated market value. No depreciation has been provided for in the financial statements. Donated general fixed assets are valued at their estimated fair market value on the date received.

Expenditures for construction in progress are recorded in the General Capital Fund until such time as the construction is completed and put into operation. Fixed assets acquired through grants-in-aid or contributed capital has not been accounted for separately.

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

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

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

Fund Balance – Fund Balance included in the Current Fund represent the amount available for anticipation as revenue in future year's budgets, with certain restrictions.

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

Property Tax Revenues – are collected in quarterly installments due February 1, May 1, August 1 and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Middlesex, Township of Old Bridge School District and the Township Fire Districts. Unpaid property taxes are subject to tax sale in accordance with statutes.

School Taxes – The municipality is responsible for levying, collecting and remitting school taxes for the Township of Old Bridge School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district a for the period from July 1 to June 30, increased by the amount deferred at December 31, 2013 and decreased by the amount deferred at December 31, 2014.

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

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

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

Expenditures – are recorded on the “budgetary” basis of accounting. Generally, expenditures are recorded when an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed as required by Technical Accounting Directive No. 85-1. When an expenditure is paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

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

Appropriation Reserves – Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts, which may be 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.

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

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

Subsequent Events - The Township of Old Bridge has evaluated subsequent events occurring after December 31, 2014 through the date of April 22, 2015, which is the date the financial statements were available to be issued.

Length of Service Award Program (“LOSAP”)

The Township has established a Volunteer Length of Service Award Plan (“LOSAP”) (“Plan”) to ensure retention of the Township’s volunteer First Aid Squad members. The Plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of a “Length of Service Award Plan under Section 457(e)11 of the Internal Revenue Code”.

LOSAP Trust Fund have not been audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, to audit nor were we engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Township’s financial statements.

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 2. Cash and Cash Equivalents

The Township is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at December 31, 2014 and reported at fair value are as follows:

Type	Carrying Value
Deposits	
Demand Deposits	\$ 46,616,807
Total Deposits	<u>\$ 46,616,807</u>
The Township's Cash and Cash Equivalents are Reported as Follows:	
Current Fund	\$ 20,745,785
Federal and State Grant Fund	977,776
Trust Other Fund	20,090,690
Animal Control Fund	87,724
Capital Fund	3,514,644
Arena Utility	322,528
Parking Utility	<u>877,660</u>
Total Cash and Cash Equivalents	<u>\$ 46,616,807</u>

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned. Although the Township does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA.

However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity funds or funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of December 31, 2014, the Township's bank balance of \$46,618,258 was insured or collateralized as follows:

Insured	\$ 689,115
Uninsured and uncollateralized	20,090,690
Collateralized in the District's Name Under GUDPA	<u>25,838,453</u>
Total	<u>\$ 46,618,258</u>

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 3. Investments

A. Custodial Credit Risk

For an investment, custodial credit risk is a risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Township and are held by either the counterparty or the counterparty's trust department or agent but not in the Township's name. All of the Township's investments are held in the name of the Township and are collateralized by GUDPA.

B. Investment Interest Rate Risk

Interest rate risk is the risk that changes in interest rates that will adversely affect the fair value of an investment. The Township has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

C. Investment Credit Risk

The Township has no investment policy that limits its investment choices other than the limitation of state law as follows:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- Any obligation that a federal agency or 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 obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the Township or bonds or other obligations of the local unit or units within which the Township is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the Township;
- Local Government investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities.

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 3. Investments (continued):

	Fair Value (LOSAP)	Book Value	Total Reported Value
2014:			
Uninsured and Collateralized:			
Collateral held by pledging financial Institution's Trust Department but not in the Township's name	\$ <u>576,966</u>	\$ <u>576,966</u>	\$ <u>576,966</u>
2013:			
Uninsured and Collateralized:			
Collateral held by pledging financial Institution's Trust Department but not in the Township's name	\$ <u>584,163</u>	\$ <u>584,163</u>	\$ <u>584,163</u>

Note 4. Property Taxes

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

Comparison Tax Rate Information

	2014	2013	2012
Total Tax Rate	\$ 4.519	\$ 4.421	\$ 4.370
Apportionment of Tax Rate:			
Municipal	1.015	1.007	1.001
County	0.798	0.779	0.770
Local School	2.706	2.635	2.599

Net Valuation Taxable

2014	\$ <u>3,395,350,100</u>	
2013	\$ <u>3,395,470,040</u>	
2012		\$ <u>3,402,578,488</u>

TOWNSHIP OF OLD BRIDGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)**

Note 4. Property Taxes (continued)

Comparison of Tax Levies and Collection Currently

Year	Tax Levy	Cash Collections	Percentage Of Collection
2014	\$ 158,222,500	\$ 157,890,905	99.79%
2013	154,604,835	154,163,558	99.71%
2012	153,052,413	152,607,597	99.71%

Delinquent Taxes and Tax Title Liens

Year Ended December 31	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage Of Tax Levy
2014	\$ 1,565,448	\$ 103,165	\$ 1,668,613	1.05%
2013	1,456,642	88,635	1,545,278	1.00%
2012	1,313,879	94,059	1,407,938	0.92%

Note 5. Property Acquired By Tax Title Lien Liquidation

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

Year	Amount
2014	\$ 12,549,800
2013	12,549,800
2012	12,549,800

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 6. Fund Balances Appropriated

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

Year	Balance December 31,	Utilized In Budget of Succeeding Year	Percentage of Fund Balance Used
Current Fund			
2014	\$ 8,885,954	\$ 6,500,000	73.15%
2013	8,028,511	6,500,000	80.96%
2012	7,136,462	6,224,000	87.21%
2011	7,109,174	6,224,000	87.55%
2010	6,662,331	5,780,651	86.77%
Arena Utility Fund			
2014	\$ 607	-	0.00%
2013	607	-	0.00%
2012	607	-	0.00%
2011	607	-	0.00%
2010	607	-	0.00%
Parking Utiltiy Fund			
2014	\$ 236,471	\$ 17,700	7.49%
2013	252,767	60,748	24.03%
2012	163,039	-	0.00%
2011	98,148	1,211	1.23%
2010	182,722	166,243	90.98%

Note 7. Interfund Receivables and Payables

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

Fund	Interfunds Receivable	Interfunds Payable
Current Fund	\$ 40,552	\$ -
Animal Control Fund		40,552
Total	<u>\$ 40,552</u>	<u>\$ 40,552</u>

The purpose of these interfunds was short-term borrowings.

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 8. Pension

A. Plan Description

The Township of Old Bridge contributes to a cost-sharing multiple-employer defined benefit pension plan, Public Employees' Retirement System (P.E.R.S.) and Police and Fireman's Retirement System (P.F.R.S.), administered by the State of New Jersey, Division of Pensions and Benefits. The Public Employees' Retirement System (P.E.R.S.) was established in January 1955 under the provisions of N.J.S.A.43:15A and the Public Fireman's Retirement System (P.F.R.S.) was established as of July 1, 1944 under the provisions of N.J.S.A.43:16A. Both plans were set up to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

The State of New Jersey P.F.R.S. program as established as of July 1, 1944. The program was established under the provisions of N.J.S.A.43:16A, which assigns authority to establish and amend, benefit provisions to the plans' board of trustees. P.F.R.S. issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: State of New Jersey, Department of Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625, or calling (609) 984-1684.

B. Vesting and Benefit Provisions

The vesting and benefit provisions of PERS are set by N.J.S.A.43:15A and 43.3B. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Chapter 78, P.L. 2012 changed this for employees enrolled after June 28, 2012. See Note 6C below.

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 8. Pension (continued):

C. Significant Legislation

During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for PERS were reduced.

New Legislation signed by the Acting Governor (Chapter 133, Public Laws 2001) changed the formula for calculating retirement benefits for all current and future non-veteran retirees from N/60 to N/55 (a 9.09% increase). This legislation, signed June 29, 2001, provides that all members of the PFRS and the PERS will have their pensions calculated on the basis of years of credit divided by 55. It also provides that all current retirees will have their original pension recalculated under the N/55 formula. Starting February 1, 2002, pension cost of living adjustments will be based on the new original pension.

Effective June 28, 2012, Chapter 78, P.L. 2012 reformed various pension and health benefits provisions. Employees hired after June 28, 2012 and enrolled in PERS will be enrolled in a new tier, Tier 5. Full retirement for Tier 5 PERS members will be age 65 and 30 years of service. Tier 3 was added to PFRS for enrollees after June 28, 2012. Tier 3 retirees will have a maximum retirement benefit of 65% of final compensation after 30 years of service.

All cost of living adjustments are frozen until the pension fund reaches a "target funded ratio".

Chapter 78 also requires all covered employees to contribute a prescribed percentage towards their health costs.

D. Contribution Requirements

The contribution policy is set by N.J.S.A.43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A.18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provide for employee contributions of 6.5%, effective October 1, 2012, of employees' annual compensation as defined. The rate will increase over the next seven years to 7.5%. Employers are required to contribute at an actuarially determined rate in both PFRS and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits and post-retirement medical premiums.

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 8. Pension (continued):

D. Contribution Requirements (continued)

Plan members are required to contribute 10%, effective October 1, 2012, of their annual covered salary for P.F.R.S. and Old Bridge Township is required to contribute at an actuarially determined rate. The contribution requirements of plan members and are established and may be amended by the plan's board of trustees. The Township's contributions to P.E.R.S. for the years ending December 31, 2014, 2013 and 2012 were 972,651, \$1,098,295 and \$1,189,648, respectively, equal to the required contributions for each year, and to P.F.R.S. for the years ending December 31, 2014, 2013 and 2012 were \$2,007,617, \$2,532,899 and \$2,384,179, respectively, equal to the required contributions for each year.

Note 9. Long-Term Debt

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments with the statutory period of usefulness. Bonds issued by the Township are general obligations bonds backed by the full faith and credit of the Township. Bond anticipation notes are issued to temporarily finance capital projects prior to the issuance of serial bonds. The terms of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance and so on. Tax anticipation notes are issued if the cash on hand is not sufficient to carry on normal operations of the municipality at any time during the year. Such notes are authorized by a resolution adopted by the governing body.

During the fiscal year ended December 31, 2014 the following changes occurred in long-term debt:

Issued	<u>Summary of Debt</u>		
	Year 2014	Year 2013	Year 2012
General:			
Bonds, Notes & Loans	\$ 33,140,637	\$ 33,656,781	\$ 36,644,189
Arena & Recreation Utility:			
Bonds & Notes & Loans	165,000	225,000	350,450
General:			
Authorized but Not Issued	16,866,821	11,751,062	12,243,062
Arena & Recreation Utility:			
Authorized but Not Issued	474,850	115,000	1,000
Total	<u>\$ 50,647,308</u>	<u>\$ 45,747,843</u>	<u>\$ 49,238,701</u>

TOWNSHIP OF OLD BRIDGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)**

Note 9. Capital Debt (continued)

Summary of Statutory Debt Condition – Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of .66%:

	Gross Debt	Deductions	Net Debt
Local School Debt	\$ 37,560,000	\$ 37,560,000	-
Arena Utility	639,850		639,850
General	50,007,458	-	50,007,458
			<hr/>
Total	\$ 88,207,308	\$ 37,560,000	\$ 50,647,308

Net Debt \$50,647,308 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$6,880,871,612 equals .736%.

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

3½% of Equalized Valuation Basis (Municipal)	\$240,830,506
Net Debt	<u>50,647,308</u>
Remaining Borrowing Power	<u>\$190,183,198</u>

**Calculation of "Self-Liquidating Purposes"
Arena & Recreation Utility per N.J.S.A. 40A:2-45**

Cash Receipts From Fees, Rents or Other Charges for the Year	\$ 515,898
Deductions:	
Operating and Maintenance Costs	531,198
Debt Service	<u>67,831</u>
Excess/(Deficit) in Revenue	<u>\$ (83,131)</u>

**Calculation of "Self-Liquidating Purposes"
Parking Utility per N.J.S.A. 40A:2-45**

Cash Receipts From Fees, Rents or Other Charges for the Year	\$ 175,488
Deductions:	
Operating and Maintenance Costs	<u>149,648</u>
Excess/(Deficit) in Revenue	<u>\$ 25,840</u>

TOWNSHIP OF OLD BRIDGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)**

Note 9. Capital Debt (continued):

Bond Anticipation Notes (See Exhibit C-11) – Notes mature April 20, 2015 @ 1.00%

<u>December 31,</u> <u>2013</u>	<u>Issued</u>	<u>Retired</u>	<u>December 31,</u> <u>2014</u>
\$ 11,508,000	\$ 6,279,000	\$ 11,508,000	\$ 6,279,000

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding (See Exhibit C-6, C-7, C-9, & D-12)

NJEIT Trust Payable				
	State Principal	Trust Principal	Trust Interest	Total
2015	\$ 299,720	\$ 175,000	\$ 90,913	\$ 565,633
2016	303,923	185,000	82,813	571,735
2017	301,398	195,000	71,263	567,661
2018	303,417	205,000	64,513	572,929
2019	304,801	215,000	54,263	574,064
2020 - 2024	1,293,904	905,000	109,075	2,307,979
Total	\$ 2,807,163	\$ 1,880,000	\$ 472,838	\$ 5,160,001

<u>December 31,</u> <u>2013</u>	<u>Issued</u>	<u>Retired</u>	<u>December 31,</u> <u>2014</u>	<u>Due Within</u> <u>1 Year</u>
\$ 5,147,312	\$ -	\$ 460,149	\$ 4,687,163	\$ 474,720

Green Trust Payable				
2015	\$ 156,071	\$ 8,514	\$ 164,585	
2016	159,208	5,377	164,585	
2017	68,666	2,643	71,309	
2018	49,938	1,263	51,201	
2019	30,591	460	31,051	
	\$ 464,474	\$ 18,257	\$ 482,731	

<u>December 31,</u> <u>2013</u>	<u>Issued</u>	<u>Retired</u>	<u>December 31,</u> <u>2014</u>	<u>Due Within</u> <u>1 Year</u>
\$ 617,469	\$ -	\$ 152,995	\$ 464,474	\$ 156,071

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 9. Capital Debt (continued):

Lease/Purchase Agreements

The Township has entered into a lease/purchase agreement with the Middlesex County Improvement Authority ("MCIA") for the acquisition of equipment and other capital projects. Financing for these programs is provided from the proceeds of sales of MCIA Bonds, which are guaranteed by the County of Middlesex. Lease payments are structured to match the maturing principal and interest on the underlying MCIA Bonds, which includes all costs of issuance, plus annual "Administrative" and "Trustee" fees. Interest rates on lease commitments range from 1.50% to 3.00%. In September 30, 2014, the Township made a lease agreement with MCIA in the amount of \$316,829.04. There were no payments due in the year 2014. The Township had \$316,829.04 outstanding balance at December 31, 2014.

Year	General		Fees	Total
	Principal	Interest		
2015	\$ 55,925	\$ 7,004	\$ 787	\$ 63,716
2016	56,460	6,470	617	63,547
2017	57,589	5,340	445	63,374
2018	59,316	3,612	336	63,264
2019	61,096	1,832	-	62,928
Total	<u>\$ 290,386</u>	<u>\$ 24,258</u>	<u>\$ 2,185</u>	<u>\$ 316,829</u>

As of December 31, 2014, the Township's long-term debt is as follows:

General Capital Fund				Balance, December 31, 2014
Description	Date of Issue	Original Issue	Rate	
General Improvement	07/11/08	18,595,000	Various	\$ 10,345,000
Refunding Bonds	10/03/12	3,750,000	Various	1,565,000
*Refunding Bonds	03/05/14	9,800,000	Various	<u>9,800,000</u>
				<u>\$ 21,710,000</u>

*Issued in March of 2014, with principal amounts due starting in 2015 and continuing through 2014 with interest rates ranging from 2.0%-2.5%.

Arena and Recreation Utility Fund				Balance, December 31, 2014
Description	Date of Issue	Original Issue	Rate	
Arena Utility	07/11/08	\$ 525,000.00	Various	<u>\$ 165,000</u>
				<u>\$ 165,000</u>

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 10. Deferred School District Taxes

The Old Bridge Township School District Tax has been raised and Current Fund had no liabilities as December 31, 2014

Note 11. Risk Management

Effective for the 2002 Fund year, the Township became a member of the Central Jersey Joint Insurance Fund ("Fund"). This fund provides for a pooling of self-retained risks of insurable losses, as well as cost-effective excess and reinsurance coverages. The Township had previously operated a risk management program which included significant self-insured risk retention, and had established a Self-Insurance Trust Fund to account for this activity. Reserves available in the Self-Insurance Trust Fund may be utilized to make contributions towards the settlement of residual claims or the Township may redirect these funds to any other lawful purpose.

Note 12. Other Post Retirement Benefits – GASB 45

The Township provides health benefits through its group insurance plan to certain retirees and their dependents, as follows:

The former employer assumes the cost if the retired employee meets certain requirements. The Plan Sponsor has agreed to pay retiree coverage if:

1. he or she has 25 or more years of service with the Township of Old Bridge; or
2. he or she retired on an approved disability retirement (10 years of service required for civilian and 4 years of service for police); or
3. reached 62 years of age with 15 or more years of service with the Township of Old Bridge;
4. the employer has agreed to pay for coverage of a surviving spouse of a retiree who qualified under the provision listed above until the retiree's death with up to 2 years of additional coverage upon the death of the retiree.

At December 31, 2013, approximately 144 retirees were receiving non-contributory health coverage benefits. No estimate of the annual cost to the Township of retiree health benefits has been made.

The contribution requirements of Plan members and the participating agencies are established and may be amended through the collective bargaining process or by action of the Mayor and/or Township Council.

The Township obtained an actual report as of 12/31/2013 which indicates that the total liability of the Other Post Employment Benefits is approximately \$137,310,099.00

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 12. Other Post Retirement Benefits – GASB 45 (continued)

The Township's annual Other Post Employment Benefit ("OPEB") cost (expense) is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially-determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the Township's annual OPEB cost for the year, the amount actually contributed to the Plan, and the Township's net OPEB obligation:

Annual required contribution	\$ 12,501,708
Interest on net OPEB obligation	1,741,381
Adjustment to annual required contribution	(2,273,388)
Annual OPEB cost (expense)	11,969,701
Contributions made – Projected	<u>(3,621,426)</u>
Increase in net OPEB obligation	8,348,275
Net OPEB Obligation –beginning of year	<u>38,697,346</u>
Net OPEB Obligation – end of year	<u>\$ 47,045,621</u>

The funded status of the Plan for the Township as of January 1, 2014 was as follows:

Actuarial Accrued Liability ("AAL")	\$ 137,310,099
Actuarial Value of Plan Assets	
Unfunded Actuarial Accrued Liability ("UAAL")	\$ 137,310,099
Funded Ratio (Actuarial Value of Plan Assets/ AAL)	0.00%
Covered Payroll (Active Plan Members)	Not Available
UAAL as a percentage of Covered Payroll	Not Available

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health-care cost trend. 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 the plan members) and include 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 the effects of short-term volatility in actuarial accrued liabilities, consistent with the long-term perspective of the calculations.

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 12. Other Post Retirement Benefits – GASB 45 (continued)

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed - Projected</u>	<u>Net OPEB Obligation</u>
12/31/2011	\$ 8,999,859	47%	\$ 27,321,110
12/31/2012	\$ 14,831,850	23%	\$ 38,697,346
12/31/2013	\$ 11,969,701	30%	\$ 47,045,621

In the January 1, 2014 actuarial valuation, the projected unit credit cost method was used. A rate of 4.50% was utilized as the discount rate and the amount of increase in the normal cost amount. The unfunded accrued liability is being amortized as a level dollar amount using an open period of 30 years.

Note 13. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2014, the following deferred charges are shown on the balance sheets of the various funds:

	<u>Balance 12/31/2014</u>	<u>2015 Budget Appropriation</u>	<u>Balance to Succeeding Budgets</u>
Current Fund:			
Special Emergency Appropriations - 5 Years	\$ 703,540	\$ 288,460	\$ 415,080
Emergency Appropriation -1 Year	100,000	100,000	-

Note 14. Length of Service Award Program (“LOSAP”)

The Township has established a Volunteer Length of Service Award Plan (“LOSAP”) (“Plan”) to ensure retention of the Township’s volunteer First Aid Organizations members. The Plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of a “Length of Service Award Plan under Section 457(e)11 of the Internal Revenue Code”.

Annual Contributions – The annual contribution to be made by the Township for each active volunteer member was \$1,150 for the year ended December 31, 2014. Township made contribution of \$24,035 in 2014.

Appropriations – Appropriations for the purpose of funding the Township’s LOSAP shall be included as a separate line item in the Township’s budget.

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 14. Length of Service Award Program (“LOSAP”) (continued)

Periodic Increases – Notwithstanding the provisions above, the annual contribution to be made by the Township for each active volunteer member shall be subject to periodic increases based upon the “Consumer Price Index Factor” pursuant to subsection f. of section 3 of P.L. 1997, c.388 (*N.J.S.A.40A:14-185*).

Criteria for Eligibility; Contributions; Points – Any active volunteer member shall be eligible to participate in the LOSAP Plan immediately upon commencement of the member’s performance of active emergency service in the Old Bridge Township First Aid Organizations. Annual contributions shall only be made by the Township, however, for those active volunteer members who have earned the minimum number of points performing certain volunteer services on a yearly basis.

Determination as to Eligibility – The Old Bridge Township First Aid Organizations shall provide to the Township Chief Financial Officer, acting as the Plan Administrator of the LOSAP Plan, a certified list as to the active volunteer members who are initially eligible to participate in the Plan as of January 1, 2000 and those who are eligible to participate as of each January 1 thereafter. The Plan Administrator shall forward the provisions of *N.J.A.C.5:30-14.10*. The decision of the Township Council as to such active member’s eligibility shall be binding upon the Plan Administrator, Participants, beneficiaries and any and all other persons having an interest hereunder, subject to appropriate judicial review.

Terms of Participation – The Plan Administrator shall have the right to require any active volunteer member at the time of his or her becoming a participant to agree, in writing, to be bound by the terms, covenants and conditions of the LOSAP and accompanying trust. Each participant shall furnish to the Plan Administrator all pertinent information required for the administration of the LOSAP. The Plan Administrator shall rely upon all such information furnished.

Vesting – The active volunteer member shall not be permitted to receive a distribution of the fund in his or her LOSAP account until the completion of a five-year vesting period.

Termination of Service – Any participant who terminates service as an active volunteer member shall cease to participate hereunder. A former participant may resume participation immediately upon returning to the service of the Old Bridge Township First Aid Organizations as an active volunteer member.

Any active volunteer member who terminates service with the Old Bridge Township First Aid Organizations, subsequently returns to service and again becomes a participant shall be treated as a new participant for purposes of eligibility unless said participant was fully vested prior to his or her termination from service.

Reporting Requirements – *N.J.A.C.5:30-14.49* requires that the Township perform a separate review report of the Plan in accordance with the American Institute of Certified Public Accounts Statements for Accounting and Auditing Review Services.

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 15. General Fixed Assets

The following schedule is a summarization of the changes in General Fixed Assets for the fiscal year ended December 31, 2014:

	December 31, 2013	Additions	Deletions	December 31, 2014
Fixed Assets not being depreciated:				
Land	\$ 49,590,900	\$ -	\$ -	\$ 49,590,900
Buildings & Improvements	30,274,096	-	-	30,274,096
Machinery & Equipment	10,620,473	295,363	(8,688)	10,907,148
Capital assets not being depreciated	\$ 90,485,468	\$ 295,363	\$ (8,688)	\$ 90,772,144

All additions are recorded at cost.

Note 16. Deferred Compensation Salary Account

The Township has instituted a Deferred Compensation Plan ("Plan") pursuant to Section 457b of the Internal Revenue Code ("Code") and P.L. 1977, C.381; P.L. 1978, C.39; P.L. 1980, C.78; and P.L. 1997, C.116 of the Statutes of New Jersey.

The Plan is an arrangement whereby a public employer may establish a Plan and permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations.

The Township has engaged a private contractor to administer the Plan.

The Township adopted a resolution on June 8, 1998 amending its Plan in accordance with the amendments to Section 457 of the Code included in the Small Business Job Protection Act of 1996. This legislation eliminated provisions of the law that required compensation which was deferred under the Plan to remain assets of the employer. The Plan amendment specifies that Plan assets are held "for the exclusive benefit of Plan participants and their beneficiaries". Accordingly, the financial statements of the Plan are not included in the Township's financial statements for periods ending subsequent to June 30, 1998.

Note 17. Contingencies

A. Accrued Sick, Vacation and Compensation Time

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation, sick pay and compensation time. The Township permits certain employees within limits to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. The estimated current cost of such unpaid compensation would approximate \$5,346,139 at December 31, 2014. In accordance with New Jersey accounting principles, this amount is not reported as an expenditure or liability in the accompanying financial statements.

TOWNSHIP OF OLD BRIDGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (continued)

Note 17. Contingencies (continued)

B. Unemployment Compensation Insurance

Effective January 1, 1978, most municipal employees were eligible for unemployment compensation insurance (*N.J.S.A.43:21-3 et. seq.*). The Township has elected to provide a self-insured plan whereby the municipal cost and employee contributions are deposited in a trust fund from which claims, if any, will be paid. The reserve for unemployment compensation insurance at December 31, 2014 was \$11,448.75.

C. Litigation

The Township is involved in legal and administrative proceedings and claims of various types. While any litigation contains an element of uncertainty, Township Officials, based upon the opinion of the Township's Counsel, presently believe that the outcome of each such proceeding or claim which is pending or know to be threatened, or all of them combined, will not have a material adverse effect on the Township's financial position or adversely affect the Township's ability to levy, collect and enforce the collection of taxes or other revenue for the payment of its bonds or other obligations.

D. Federal and State Grants

The Township receives financial assistance from the U.S. Government and the State of New Jersey in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require payment to the grantor agency. As of December 31, 2014 the Township estimates that no material liabilities will result from such audits.

E. Debt Guarantees

The Township guarantees the debt of the Old Bridge Municipal Utilities Authority and Redevelopment Agency. At December 31, 2014, the bonded and bank debt of those entities was \$44,788,824 and \$4,378,425, respectively.

SELECTED FINANCIAL INFORMATION

This page intentionally left blank

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

CONDENSED COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	Six Months End <u>2009</u>	<u>SFY 2009</u>
Assets							
Cash and Cash Equivalents	\$ 20,745,785.04	\$ 19,743,011.27	\$ 18,683,841.97	\$ 17,543,722.23	\$ 13,643,900.69	\$ 16,580,449.69	\$ 12,957,452.12
Change Fund	<u>650.00</u>	<u>650.00</u>	<u>650.00</u>	<u>700.00</u>	<u>700.00</u>	<u>700.00</u>	<u>650.00</u>
	<u>20,746,435.04</u>	<u>19,743,661.27</u>	<u>18,684,491.97</u>	<u>17,544,422.23</u>	<u>13,644,600.69</u>	<u>16,581,149.69</u>	<u>12,958,102.12</u>
Due From State of New Jersey - Senior Citizens' and Veterans' Deductions	<u>86,899.16</u>	<u>81,849.28</u>	<u>83,499.30</u>	<u>76,357.48</u>	<u>74,947.26</u>	<u>85,755.46</u>	<u>356,629.79</u>
Receivables With Full Reserves:							
Delinquent Property Taxes Receivable	103,164.77	88,635.22	94,059.01	66,140.79	72,202.34	884,198.27	64,975.56
Tax Title Liens Receivable	1,565,448.37	1,456,642.48	1,313,879.30	1,082,637.62	1,001,650.89	883,736.35	833,597.71
OBMUA Tax Title Lien	106,034.23	102,249.98	107,771.76				
Solid Waste Receivable	5,785.13	5,841.78					
Property Acquired for Taxes - Assessed Value	12,549,800.00	12,549,800.00	12,549,800.00	12,549,800.00	12,549,800.00	15,529,800.00	12,573,900.00
Revenue Accounts Receivable	39,468.46	86,754.02	88,011.84	104,442.20	116,852.37	50,202.44	61,751.66
Interfund Loans Receivable	<u>40,551.92</u>	<u>79,292.43</u>	<u>60,245.46</u>	<u>115,246.30</u>	<u>97,903.83</u>	<u>56,298.43</u>	<u>93,022.28</u>
	<u>14,410,252.88</u>	<u>14,369,215.91</u>	<u>14,213,767.37</u>	<u>13,918,266.91</u>	<u>13,838,409.43</u>	<u>17,404,235.49</u>	<u>13,627,247.21</u>
Deferred Charges:							
Over Expenditure of Budget Appropriation					175,868.28		
Special Emergency Authorization	703,540.00	992,000.00	1,442,300.00				
Emergency Authorization	<u>100,000.00</u>			<u>178,000.00</u>	<u>57,000.00</u>		<u>335,000.00</u>
	<u>803,540.00</u>	<u>992,000.00</u>	<u>1,442,300.00</u>	<u>178,000.00</u>	<u>232,868.28</u>	<u>-</u>	<u>335,000.00</u>
Federal and State Grants:							
Cash and Cash Equivalents	977,776.29	725,460.23	1,280,046.73	1,231,333.39	1,161,592.59	1,394,399.32	1,540,274.45
Federal and State Grants Receivable	<u>1,250,731.21</u>	<u>1,250,218.34</u>	<u>1,127,456.49</u>	<u>694,013.51</u>	<u>1,326,034.09</u>	<u>344,145.44</u>	<u>565,862.79</u>
	<u>2,228,507.50</u>	<u>1,975,678.57</u>	<u>2,407,503.22</u>	<u>1,925,346.90</u>	<u>2,487,626.68</u>	<u>1,738,544.76</u>	<u>2,106,137.24</u>
Total Assets	<u>\$ 38,275,634.58</u>	<u>\$ 37,162,405.03</u>	<u>\$ 36,831,561.86</u>	<u>\$ 33,642,393.52</u>	<u>\$ 30,278,452.34</u>	<u>\$ 35,809,685.40</u>	<u>\$ 29,383,116.36</u>

Source: Municipal Audit Reports

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

CONDENSED COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	Six Months End <u>2009</u>	<u>SFY 2009</u>
Liabilities, Reserves and Fund Balance							
Appropriation Reserves	\$ 1,828,013.05	\$ 1,627,990.99	\$ 1,978,357.57	\$ 2,042,350.03	\$ 968,515.93	\$ 690,536.25	\$ 1,093,422.56
Encumbrances Payable	2,315,559.82	2,518,450.39	2,638,059.29	1,794,757.88	2,030,209.43	1,380,404.66	2,179,953.53
Accounts Payable	2,027,243.36	2,017,164.81	1,667,483.32	1,447,989.71	605,995.85	545,127.52	649,834.95
Prepaid Taxes	586,463.42	602,209.30	620,265.26	555,090.66	471,355.47	430,405.14	296,802.26
Tax Overpayments	170,573.01	131,114.50	158,467.59	82,616.94	279,173.29	61,572.42	43,629.93
Due to Trust Other Fund		-	25,100.00	50,000.00			
Miscellaneous Liabilities	843,959.33	1,862,795.60	3,329,400.67	3,444,755.83	2,461,791.18	35,393.91	363,321.76
Special Emergency Note Payable	703,540.00		1,442,300.00				
Reserves for Specific Purposes	<u>4,275,568.03</u>	<u>4,029,274.30</u>	<u>1,214,395.32</u>	<u>1,272,044.21</u>	<u>473,044.21</u>	<u>2,558,181.03</u>	<u>2,687,685.73</u>
	<u>12,750,920.02</u>	<u>12,788,999.89</u>	<u>13,073,829.02</u>	<u>10,689,605.26</u>	<u>7,290,085.36</u>	<u>5,701,620.93</u>	<u>7,314,650.72</u>
Reserve for Receivables	14,410,252.88	14,369,215.91	14,213,767.37	13,918,266.91	13,838,409.43	17,404,235.49	13,627,247.21
Fund Balance	<u>8,885,954.18</u>	<u>8,028,510.66</u>	<u>7,136,462.25</u>	<u>7,109,174.45</u>	<u>6,662,330.87</u>	<u>10,965,284.22</u>	<u>6,335,081.19</u>
Total Regular Fund	<u>36,047,127.08</u>	<u>35,186,726.46</u>	<u>34,424,058.64</u>	<u>31,717,046.62</u>	<u>27,790,825.66</u>	<u>34,071,140.64</u>	<u>27,276,979.12</u>
Federal and State Grants:							
Reserve for Federal and State Grants:							
Appropriated	1,664,444.50	986,579.53	1,756,193.79	1,617,231.11	2,338,056.85	776,052.65	826,210.90
Unappropriated	59,925.14	80,970.72	89,025.95	87,177.63	5,000.00		1.31
Encumbrances Payable	504,137.86	908,128.32	562,283.48	220,938.16	144,569.83	962,492.11	1,245,000.78
Interfund Loans Payable							<u>34,924.25</u>
	<u>2,228,507.50</u>	<u>1,975,678.57</u>	<u>2,407,503.22</u>	<u>1,925,346.90</u>	<u>2,487,626.68</u>	<u>1,738,544.76</u>	<u>2,106,137.24</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 38,275,634.58</u>	<u>\$ 37,162,405.03</u>	<u>\$ 36,831,561.86</u>	<u>\$ 33,642,393.52</u>	<u>\$ 30,278,452.34</u>	<u>\$ 35,809,685.40</u>	<u>\$ 29,383,116.36</u>

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY

CURRENT FUND

CONDENSED COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY ACCOUNTING BASIS

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	Six Months End <u>2009</u>	<u>SFY 2009</u>
<u>Revenue and Other Income Realized</u>							
Fund Balance Utilized	\$ 6,500,000.00	\$ 6,224,000.00	\$ 6,224,000.00	\$ 5,780,651.00	\$ 10,083,605.00	\$ 271,251.00	\$ 7,800,000.00
Miscellaneous - From Other Than Local							
Property Tax Levy	18,115,680.69	17,547,599.83	17,794,407.22	21,195,044.21	18,792,112.04	16,347,156.02	20,992,291.24
Collection of Delinquent Taxes and Tax							
Title Liens	175,031.87	201,801.13	37,851.72	65,536.75	873,313.03	25,196.25	229,787.86
Collection of Current Tax Levy	<u>157,890,904.89</u>	<u>154,163,557.76</u>	<u>152,607,596.62</u>	<u>150,370,719.35</u>	<u>146,456,953.10</u>	<u>72,831,173.98</u>	<u>142,746,451.61</u>
Total Revenues	<u>182,681,617.45</u>	<u>178,136,958.72</u>	<u>176,663,855.56</u>	<u>177,411,951.31</u>	<u>176,205,983.17</u>	<u>89,474,777.25</u>	<u>171,768,530.71</u>
<u>Expenditures</u>							
Budget Expenditures:							
Municipal Purposes	52,188,524.80	50,862,632.36	53,118,625.44	53,753,176.80	55,624,850.93	26,600,795.22	52,946,208.40
Cou 0	27,159,399.79	26,494,836.65	26,240,840.15	25,529,386.09	24,251,275.96	12,921,827.78	24,438,530.33
Local District School Taxes	91,883,650.00	89,456,174.00	88,422,634.50	88,111,309.00	86,925,434.00	43,291,569.50	85,994,209.00
Fire District Taxes	4,132,376.00	4,098,891.00	3,966,757.00	3,826,897.00	3,712,211.00	1,749,383.50	3,853,325.50
Other Expenditures	<u>60,223.34</u>	<u>108,376.30</u>	<u>106,010.67</u>	<u>141,687.84</u>	<u>144,427.91</u>	<u>9,747.22</u>	<u>109,565.84</u>
Total Expenditures	<u>175,424,173.93</u>	<u>171,020,910.31</u>	<u>171,854,867.76</u>	<u>171,362,456.73</u>	<u>170,658,199.80</u>	<u>84,573,323.22</u>	<u>167,341,839.07</u>
Excess in Revenue	7,257,443.52	7,116,048.41	4,808,987.80	6,049,494.58	5,547,783.37	4,901,454.03	4,426,691.64
Adjustments to Income Before Surplus							
Expenditures Included Above Which							
Are by Statute Deferred Charges							
To Succeeding Years	<u>100,000.00</u>		<u>1,442,300.00</u>	<u>178,000.00</u>	<u>232,868.28</u>		<u>335,000.00</u>
Statutory Excess in Revenue	7,357,443.52	7,116,048.41	6,251,287.80	6,227,494.58	5,780,651.65	4,901,454.03	4,761,691.64
Fund Balance, Beginning of Year	<u>8,028,510.66</u>	<u>7,136,462.25</u>	<u>7,109,174.45</u>	<u>6,662,330.87</u>	<u>10,965,284.22</u>	<u>6,335,081.19</u>	<u>9,373,389.55</u>
	15,385,954.18	14,252,510.66	13,360,462.25	12,889,825.45	16,745,935.87	11,236,535.22	14,135,081.19
Decreased By:							
Fund Balance Utilized	<u>6,500,000.00</u>	<u>6,224,000.00</u>	<u>6,224,000.00</u>	<u>5,780,651.00</u>	<u>10,083,605.00</u>	<u>271,251.00</u>	<u>7,800,000.00</u>
Fund Balance, End of Year	<u>\$ 8,885,954.18</u>	<u>\$ 8,028,510.66</u>	<u>\$ 7,136,462.25</u>	<u>\$ 7,109,174.45</u>	<u>\$ 6,662,330.87</u>	<u>\$ 10,965,284.22</u>	<u>\$ 6,335,081.19</u>

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY

TRUST FUND

CONDENSED COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

Assets	2014	2013	2012	2011	2010	Six Months End 2009	SFY 2009
Animal Control Fund; Cash and Cash Equivalents	\$ 87,723.82	\$ 66,005.18	\$ 19,764.63	\$ 39,273.94	\$ 42,605.64	\$ 821.68	\$ 1,634.55
Deficit in Expenditures							
Total Animal Control Fund	87,723.82	66,005.18	19,764.63	39,273.94	42,605.64	821.68	1,634.55
Unemployment Insurance: Cash	11,448.75	50,787.34	13,668.82	12,203.28	71,697.37	67,829.40	68,207.09
Total Unemployment Insurance	11,448.75	50,787.34	13,668.82	12,203.28	71,697.37	67,829.40	68,207.09
Confiscated Funds: Cash and Cash Equivalents	118,637.90	125,158.86	92,048.58	107,708.05	105,349.21	95,218.77	86,881.12
Total Confiscated	118,637.90	125,158.86	92,048.58	107,708.05	105,349.21	95,218.77	86,881.12
Woodhaven Special Escrow: Cash and Cash Equivalents	811,376.01	795,792.36	794,532.17	791,939.86	784,441.24	774,706.06	769,066.30
Total Woodhaven Special Escrow	811,376.01	795,792.36	794,532.17	791,939.86	784,441.24	774,706.06	769,066.30
Open Space Trust: Cash and Cash Equivalents	896,361.70	1,393,619.70	1,805,974.32	2,189,971.00	4,931,654.70	4,569,148.41	4,455,597.81
Total Open Space Trust	896,361.70	1,393,619.70	1,805,974.32	2,189,971.00	4,931,654.70	4,569,148.41	4,455,597.81
Community Development Block Grant: Cash and Cash Equivalents	88,297.17	99,019.66	24,830.88	56,217.68	61,090.18	118,794.44	133,944.68
Due from program income	67.40						
Due from Housing and Urban Development	453,940.40	503,225.83	569,032.76	608,465.81	597,710.85	679,725.16	403,841.06
Total Community Dev. Block Grant	542,304.97	602,245.49	593,863.64	664,683.49	658,801.03	798,519.60	537,785.74
Trust - Other Fund: Cash and Equivalents	18,164,568.43	16,215,788.63	14,310,623.24	13,321,609.98	14,566,025.06	14,819,076.30	19,174,657.61
Due from Current Fund			25,100.00	50,000.00			
Deficit - Public Defender						640.72	339.01
Length of Service Award Program (LOSAP) "Reviewed"	576,966.23	584,163.37	507,014.47	379,732.39	382,941.71	258,100.06	229,528.19
Total Trust - Other Fund	18,741,534.66	16,799,952.00	14,842,737.71	13,751,342.37	14,948,966.77	15,077,817.08	19,404,524.81
Total Assets	\$ 21,209,387.81	\$ 19,833,560.93	\$ 18,162,589.87	\$ 17,557,121.99	\$ 21,543,515.96	\$ 21,384,061.00	\$ 25,323,697.42

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY

TRUST FUND

CONDENSED COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

Liabilities and Reserves	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	Six Months End <u>2009</u>	<u>SFY 2009</u>
Animal Control Fund:							
Reserve for Expenditures	\$ 47,051.90	\$ 66,005.18	\$ 19,764.63			\$ 821.68	
Reserve for Encumbrances							
Due to Current Fund	40,551.92			\$ 39,268.14	\$ 42,308.64		\$ 1,174.35
Dut to State of NJ	120.00						
Other Liabilities				5.80	297.00		460.20
Total Animal Control Fund	<u>87,723.82</u>	<u>66,005.18</u>	<u>19,764.63</u>	<u>39,273.94</u>	<u>42,605.64</u>	<u>821.68</u>	<u>1,634.55</u>
Unemployment Insurance:							
Reserve for Unemployment Insurance Benefits	<u>11,448.75</u>	<u>50,787.34</u>	<u>13,668.82</u>	<u>12,203.28</u>	<u>71,697.37</u>	<u>67,829.40</u>	<u>68,207.09</u>
Total Unemployment Insurance	<u>11,448.75</u>	<u>50,787.34</u>	<u>13,668.82</u>	<u>12,203.28</u>	<u>71,697.37</u>	<u>67,829.40</u>	<u>68,207.09</u>
Confiscated Funds:							
Reserved for Confiscated Funds	<u>118,637.90</u>	<u>125,158.86</u>	<u>92,048.58</u>	<u>107,708.05</u>	<u>105,349.21</u>	<u>95,218.77</u>	<u>86,881.12</u>
Total Confiscated	<u>118,637.90</u>	<u>125,158.86</u>	<u>92,048.58</u>	<u>107,708.05</u>	<u>105,349.21</u>	<u>95,218.77</u>	<u>86,881.12</u>
Woodhaven Special Escrow:							
Reserve for Woodhaven Special Escrow	<u>811,376.01</u>	<u>795,792.36</u>	<u>794,532.17</u>	<u>791,939.86</u>	<u>784,441.24</u>	<u>774,706.06</u>	<u>769,066.30</u>
Total Woodhaven Special Escrow	<u>811,376.01</u>	<u>795,792.36</u>	<u>794,532.17</u>	<u>791,939.86</u>	<u>784,441.24</u>	<u>774,706.06</u>	<u>769,066.30</u>
Open Space Trust:							
Reserve for Open Space	<u>896,361.70</u>	<u>1,393,619.70</u>	<u>1,805,974.32</u>	<u>2,189,971.00</u>	<u>4,931,654.70</u>	<u>4,569,148.41</u>	<u>4,455,597.81</u>
Total Open Space Trust	<u>896,361.70</u>	<u>1,393,619.70</u>	<u>1,805,974.32</u>	<u>2,189,971.00</u>	<u>4,931,654.70</u>	<u>4,569,148.41</u>	<u>4,455,597.81</u>
Community Development Block Grant:							
Reserve for Community Development Block Grant	<u>542,304.97</u>	<u>602,245.49</u>	<u>593,863.64</u>	<u>664,683.49</u>	<u>658,801.03</u>	<u>798,519.60</u>	<u>537,785.74</u>
Total Community Dev. Block Grant	<u>542,304.97</u>	<u>602,245.49</u>	<u>593,863.64</u>	<u>664,683.49</u>	<u>658,801.03</u>	<u>798,519.60</u>	<u>537,785.74</u>
Trust - Other Fund:							
Various Reserves	17,819,681.68	15,998,799.71	14,101,763.16	13,194,005.27	14,508,504.73	14,617,957.63	19,099,402.41
Due to Current Fund		64,178.25	60,245.46	75,978.16	55,595.19	56,298.43	56,923.64
Payroll Deduction Payable	344,886.75	152,810.67	173,714.62	101,626.55	1,925.14	145,460.96	18,670.57
Reserve for LOSAP Funds "Reviewed"	<u>576,966.23</u>	<u>584,163.37</u>	<u>507,014.47</u>	<u>379,732.39</u>	<u>382,941.71</u>	<u>258,100.06</u>	<u>229,528.19</u>
Total Trust - Other Fund	<u>18,741,534.66</u>	<u>16,799,952.00</u>	<u>14,842,737.71</u>	<u>13,751,342.37</u>	<u>14,948,966.77</u>	<u>15,077,817.08</u>	<u>19,404,524.81</u>
Total Liabilities	<u>\$ 21,209,387.81</u>	<u>\$ 19,833,560.93</u>	<u>\$ 18,162,589.87</u>	<u>\$ 17,557,121.99</u>	<u>\$ 21,543,515.96</u>	<u>\$ 21,384,061.00</u>	<u>\$ 25,323,697.42</u>

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY

GENERAL CAPITAL FUND

CONDENSED COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

Assets	2014	2013	2012	2011	2010	Six Months End 2009	SFY 2009
Cash and Cash Equivalents	\$ 3,514,643.74	\$ 3,200,535.85	\$ 3,791,770.23	\$ 5,869,626.09	\$ 6,100,562.64	\$ 6,130,183.55	\$ 3,993,462.57
State Grants Receivable	1,900,000.00	1,600,000.00	1,600,000.00	1,600,000.00	1,600,000.00	52,800.00	52,800.00
Due from County of Middlesex					500,000.00		
Due from Grant							-
Deferred Charges to Future Taxation:							
Funded	26,861,637.08	23,259,061.66	26,776,188.85	31,175,195.46	36,047,435.80	40,705,855.51	44,170,667.04
Unfunded	23,145,820.88	22,148,781.16	22,111,061.66	21,736,021.62	24,886,021.62	17,332,213.62	14,786,930.46
	<u>\$ 55,422,101.70</u>	<u>\$ 50,208,378.67</u>	<u>\$ 54,279,020.74</u>	<u>\$ 60,380,843.17</u>	<u>\$ 69,134,020.06</u>	<u>\$ 64,221,052.68</u>	<u>\$ 63,003,860.07</u>
Liabilities, Reserves, and Fund Balance							
Serial Bonds Payable	\$ 21,710,000.00	\$ 16,375,000.00	\$ 20,264,550.00	\$ 23,945,350.00	\$ 28,105,300.00	\$ 32,064,600.00	\$ 34,997,000.00
Bond Anticipation Notes	6,279,000.00	11,508,000.00	9,868,000.00	10,228,000.00	7,538,000.00	6,048,000.00	1,880,000.00
NJEDA Loan Payable	-	9,000.00	18,000.00	27,000.00	36,000.00	45,000.00	54,000.00
Green Trust Loan Payable	464,474.06	617,469.43	798,081.54	975,134.88	1,148,699.56	1,318,844.33	1,402,655.36
Infrastructure Loan Payable	4,687,163.02	5,147,311.73	5,608,281.07	6,054,844.39	6,501,270.29	6,940,899.89	7,302,551.97
M.C.I.A Loan Payable			87,276.24	172,866.19	256,165.95	336,511.29	414,459.71
Encumbrances Payable	2,953,227.50	4,611,909.03	1,679,229.43	1,518,715.82	934,732.74	959,844.73	2,384,877.48
Reserve for Highpointe	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00		60,000.00
Reserve for Library Roof Repair							96,786.04
Reserve for State Grants Receivable	1,900,000.00	1,600,000.00	1,600,000.00	1,600,000.00	1,600,000.00		
Other Reserves	381,362.98	168,023.80	133,781.00	93,066.50	31,653.06	115,238.72	691.21
Capital Improvement Fund	11,440.00	36,940.00	18,940.00	1,440.00	1,440.00	96,882.00	91,882.00
Improvement Authorizations:							
Funded	2,066,276.67	3,045,789.21	3,306,927.54	4,161,559.86	4,774,738.53	4,203,584.09	4,406,043.67
Unfunded	14,020,950.65	7,005,647.87	10,812,666.32	11,522,838.96	18,065,993.36	11,629,148.12	9,152,696.14
Fund Balance	<u>888,206.82</u>	<u>23,287.60</u>	<u>23,287.60</u>	<u>20,026.57</u>	<u>80,026.57</u>	<u>462,499.51</u>	<u>760,216.49</u>
Total Liabilities, Reserves and Fund Balance	<u>55,422,101.70</u>	<u>50,208,378.67</u>	<u>54,279,020.74</u>	<u>60,380,843.17</u>	<u>69,134,020.06</u>	<u>64,221,052.68</u>	<u>63,003,860.07</u>
Memo: Bonds and Notes							
Authorized but not Issued	<u>\$ 16,866,820.88</u>	<u>\$ 11,751,061.66</u>	<u>\$ 12,243,061.66</u>	<u>\$ 11,508,021.62</u>	<u>\$ 17,348,021.62</u>	<u>\$ 11,284,213.62</u>	<u>\$ 12,906,930.46</u>

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY

ARENA AND RECREATION UTILITY FUND

CONDENSED COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

Assets	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	Six Months End <u>2009</u>	<u>SFY 2009</u>
Operating Fund:							
Cash and Cash Equivalents	\$ 145,012.16	\$ 165,539.11	\$ 110,996.86	\$ 95,121.54	\$ 53,179.57	\$ 40,946.34	\$ 14,081.12
Cash - Change Fund	800.00	800.00	500.00	500.00	500.00	500.00	500.00
Operating Deficit	<u>9,101.13</u>	<u></u>	<u>49,511.79</u>	<u>19,138.55</u>	<u>13,862.04</u>	<u></u>	<u></u>
Total Operating Fund	<u>154,913.29</u>	<u>166,339.11</u>	<u>161,008.65</u>	<u>114,760.09</u>	<u>67,541.61</u>	<u>41,446.34</u>	<u>14,581.12</u>
Capital Fund:							
Cash and Cash Equivalents	177,516.21	185,894.42	262,576.42	257,576.42	312,576.42	307,576.42	305,076.42
Fixed Capital	2,149,805.94	2,149,805.94	2,149,805.94	2,149,805.94	2,149,805.94	2,133,668.49	2,133,668.49
Fixed Capital Authoized and Uncompleted	<u>658,850.00</u>	<u>299,000.00</u>	<u>185,000.00</u>	<u>185,000.00</u>	<u>185,000.00</u>	<u>244,862.50</u>	<u>244,862.50</u>
Total Capital Fund	<u>2,986,172.15</u>	<u>2,634,700.36</u>	<u>2,597,382.36</u>	<u>2,592,382.36</u>	<u>2,647,382.36</u>	<u>2,686,107.41</u>	<u>2,683,607.41</u>
Total Assets	<u>\$ 3,141,085.44</u>	<u>\$2,801,039.47</u>	<u>\$2,758,391.01</u>	<u>\$2,707,142.45</u>	<u>\$2,714,923.97</u>	<u>\$2,727,553.75</u>	<u>\$ 2,698,188.53</u>

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY

ARENA AND RECREATION UTILITY FUND

CONDENSED COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

Liabilities, Reserves, and Fund Balance	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	Six Months End <u>2009</u>	<u>SFY 2009</u>
Operating Fund:							
Appropriation Reserves	\$ 93,723.83	\$ 61,984.62	\$ 72,675.71	\$ 64,903.94	\$ 45,143.08	\$ 14,588.48	\$ 2,802.86
Reserve for Encumbrances	55,071.23	81,712.30	75,146.64	41,830.07	12,792.99	15,909.61	612.13
Sales Tax Payable	25.75	19.45	56.08	20.66	41.62	33.01	
Accrued Interest on Bonds and Notes	3,300.00	4,468.49	5,843.17	7,398.83	8,957.33	10,308.65	10,559.50
Due to Current Fund							0.04
Accounts Payable	2,185.89	17,547.66	4,580.46				
Special Emergency Notes			2,100.00				
Fund Balance	<u>606.59</u>	<u>606.59</u>	<u>606.59</u>	<u>606.59</u>	<u>606.59</u>	<u>606.59</u>	<u>606.59</u>
Total Operating Fund	<u>154,913.29</u>	<u>166,339.11</u>	<u>161,008.65</u>	<u>114,760.09</u>	<u>67,541.61</u>	<u>41,446.34</u>	<u>14,581.12</u>
Capital Fund:							
General Serial Bonds	165,000.00	225,000.00	350,450.00	539,650.00	729,700.00	910,400.00	975,000.00
Bond Anticipation Notes							
Due to Arena and Recreation							
Encumbrances Payable	4,801.79	4,165.00					
Capital Improvement Fund	53,899.29	67,799.29	68,799.29	63,799.29	58,799.29	53,799.29	51,299.29
Improvement Authorizations:							
Funded	192,900.00	180,723.42	180,723.42	180,723.42	180,723.42	5,723.42	5,723.42
Unfunded	387,711.42	35,153.00	1,000.00	1,000.00	1,000.00	219,725.05	219,725.05
Reserve for Amortization	2,159,805.94	2,099,805.94	1,974,355.94	1,785,155.94	1,595,105.94	1,458,130.99	1,393,530.99
Deferred Reserve for Amortization	9,000.00	9,000.00	9,000.00	9,000.00	9,000.00	9,000.00	9,000.00
Fund Balance	<u>13,053.71</u>	<u>13,053.71</u>	<u>13,053.71</u>	<u>13,053.71</u>	<u>73,053.71</u>	<u>29,328.66</u>	<u>29,328.66</u>
Total Capital Fund	<u>2,986,172.15</u>	<u>2,634,700.36</u>	<u>2,597,382.36</u>	<u>2,592,382.36</u>	<u>2,647,382.36</u>	<u>2,686,107.41</u>	<u>2,683,607.41</u>
Total Liabilities and Reserves	<u><u>3,141,085.44</u></u>	<u><u>2,801,039.47</u></u>	<u><u>2,758,391.01</u></u>	<u><u>2,707,142.45</u></u>	<u><u>2,714,923.97</u></u>	<u><u>2,727,553.75</u></u>	<u><u>2,698,188.53</u></u>
Memo: Bonds and Notes							
Authorized but not Issued	<u><u>\$ 474,850.00</u></u>	<u><u>\$ 115,000.00</u></u>	<u><u>\$ 1,000.00</u></u>	<u><u>\$ 1,000.00</u></u>	<u><u>\$ 1,000.00</u></u>	<u><u>\$ 1,000.00</u></u>	<u><u>\$ 1,000.00</u></u>

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY

ARENA AND RECREATION UTILITY OPERATING FUND

CONDENSED COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY ACCOUNTING BASIS

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	Six Months End <u>2009</u>	<u>SFY 2009</u>
<u>Revenue and Other Income Realized</u>							
Surplus Anticipated				\$ 60,000.00			\$ 24,000.00
Arena Fees	\$ 515,105.62	\$ 541,755.01	\$ 525,785.06	575,346.64	\$ 566,752.11	\$ 301,772.24	589,181.07
Capital Surplus							
Deficit (General Budget)	79,030.00	170,630.79	162,806.00	111,973.00	121,807.00	27,397.85	65,295.62
Appropriation Reserves Lapsed							
Miscellaneous Revenue Not Anticipated	792.76	2,248.50	1,803.04	3,513.35	4,385.41	2,598.59	8,729.31
Total Revenues	<u>594,928.38</u>	<u>714,634.30</u>	<u>690,394.10</u>	<u>750,832.99</u>	<u>692,944.52</u>	<u>331,768.68</u>	<u>687,206.00</u>
<u>Expenditures</u>							
Operating	503,779.00	491,553.00	489,421.00	516,481.00	470,112.00	243,462.00	468,525.00
Capital Improvements	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	2,500.00	5,000.00
Deferred & Statutory Expenditures	-	66,415.30	39,138.55	33,862.04	20,000.00	10,000.00	17,181.00
Public Employees retirement system	11,657.00						
Social security	15,762.00	15,000.00					
Debt Service	67,831.51	136,666.00	206,346.34	214,628.50	211,694.56	75,806.68	196,500.00
Total Expenditures	<u>604,029.51</u>	<u>714,634.30</u>	<u>739,905.89</u>	<u>769,971.54</u>	<u>706,806.56</u>	<u>331,768.68</u>	<u>687,206.00</u>
Excess in Revenue	(9,101.13)	-	(49,511.79)	(19,138.55)	(13,862.04)	-	-
Adjustments to Income Before Surplus Expenditures Included Above Which Are by Statute Deferred Charges To Succeeding Years	<u>9,101.13</u>		<u>49,511.79</u>	<u>19,138.55</u>	<u>13,862.04</u>		
Statutory Excess in Revenue	-	-	-	-	-	-	-
Fund Balance, Beginning of Year	<u>606.59</u>	<u>606.59</u>	<u>606.59</u>	<u>606.59</u>	<u>606.59</u>	<u>606.59</u>	<u>24,606.59</u>
	606.59	606.59	606.59	606.59	606.59	606.59	24,606.59
Decreased By:							
Fund Balance Utilized	<u>-</u>						<u>24,000.00</u>
Fund Balance, End of Year	<u>\$ 606.59</u>	<u>\$ 606.59</u>	<u>\$ 606.59</u>	<u>\$ 606.59</u>	<u>\$ 606.59</u>	<u>\$ 606.59</u>	<u>\$ 606.59</u>

Source: Municipal Audit Reports

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY

PARKING UTILITY FUND

CONDENSED COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

Assets	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	Six Months End <u>2009</u>	<u>SFY 2009</u>
Operating Fund:							
Cash and Cash Equivalents	<u>\$ 315,064.53</u>	<u>\$ 311,391.81</u>	<u>\$ 235,620.54</u>	<u>\$ 146,105.73</u>	<u>\$ 227,917.40</u>	<u>\$ 389,680.19</u>	<u>\$ 387,927.13</u>
Total Operating Fund	<u>315,064.53</u>	<u>311,391.81</u>	<u>235,620.54</u>	<u>146,105.73</u>	<u>227,917.40</u>	<u>389,680.19</u>	<u>387,927.13</u>
Capital Fund:							
Cash and Cash Equivalents	562,595.83	468,495.83	374,395.83	294,395.83	214,395.83	134,395.83	94,395.83
Fixed Capital	<u>750,000.00</u>	<u>750,000.00</u>	<u>750,000.00</u>	<u>750,000.00</u>	<u>750,000.00</u>	<u>750,000.00</u>	<u>750,000.00</u>
Total Capital Fund	<u>1,312,595.83</u>	<u>1,218,495.83</u>	<u>1,124,395.83</u>	<u>1,044,395.83</u>	<u>964,395.83</u>	<u>884,395.83</u>	<u>844,395.83</u>
Total Assets	<u>\$ 1,627,660.36</u>	<u>\$ 1,529,887.64</u>	<u>\$ 1,360,016.37</u>	<u>\$ 1,190,501.56</u>	<u>\$ 1,192,313.23</u>	<u>\$ 1,274,076.02</u>	<u>\$ 1,232,322.96</u>

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY

PARKING UTILITY FUND

CONDENSED COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

Liabilities, Reserves, and Fund Balance	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	Six Months End <u>2009</u>	<u>SFY 2009</u>
Operating Fund:							
Appropriation Reserves	\$ 20,584.52	\$ 48,392.61	\$ 60,231.74	\$ 44,140.86	\$ 35,260.78	\$ 20,268.85	\$ 55,060.61
Accounts Payable	-	500.00	500.00			1,000.00	
Reserve for Encumbrances	57,807.19	9,416.74	11,526.57	3,391.19	8,339.42	5,873.04	25,668.91
Due to OB Board of Education	202.00	315.00	322.85	426.10	595.10	832.01	1,263.35
Fund Balance	<u>236,470.82</u>	<u>252,767.46</u>	<u>163,039.38</u>	<u>98,147.58</u>	<u>183,722.10</u>	<u>361,706.29</u>	<u>305,934.26</u>
Total Operating Fund	<u>315,064.53</u>	<u>311,391.81</u>	<u>235,620.54</u>	<u>146,105.73</u>	<u>227,917.40</u>	<u>389,680.19</u>	<u>387,927.13</u>
Capital Fund:							
Encumbrances Payble	6,883.75	6,883.75	6,883.75	6,883.75	6,883.75	6,883.75	
Interfund Loans							
Reserve for Encumbrances							6,883.75
Capital Improvement Fund	338,200.00	244,100.00	350,000.00	270,000.00	190,000.00	110,000.00	70,000.00
Reserve for Amortization	750,000.00	750,000.00	750,000.00	750,000.00	750,000.00	750,000.00	750,000.00
Improvement Authorizations	<u>217,512.08</u>	<u>217,512.08</u>	<u>17,512.08</u>	<u>17,512.08</u>	<u>17,512.08</u>	<u>17,512.08</u>	<u>17,512.08</u>
Total Capital Fund	<u>1,312,595.83</u>	<u>1,218,495.83</u>	<u>1,124,395.83</u>	<u>1,044,395.83</u>	<u>964,395.83</u>	<u>884,395.83</u>	<u>844,395.83</u>
Total Liabilities and Reserves	<u>\$ 1,627,660.36</u>	<u>\$ 1,529,887.64</u>	<u>\$ 1,360,016.37</u>	<u>\$ 1,190,501.56</u>	<u>\$ 1,192,313.23</u>	<u>\$ 1,274,076.02</u>	<u>\$ 1,232,322.96</u>

TOWNSHIP OF OLD BRIDGE
COUNTY OF MIDDLESEX, NEW JERSEY

PARKING UTILITY OPERATING FUND

CONDENSED COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY ACCOUNTING BASIS

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	Six Months End <u>2009</u>	<u>SFY 2009</u>
<u>Revenue and Other Income Realized</u>							
Surplus Anticipated	\$ 60,748.00		\$ 1,211.00	\$ 166,243.00	\$ 231,565.00	\$ 21,328.00	\$ 115,484.00
Parking Permits	43,761.28	\$ 50,169.56	46,511.00	51,785.00	51,650.00	48,025.00	59,330.00
Parking Meter Fees	130,049.77	157,621.03	155,564.21	159,691.12	155,850.39	77,903.41	160,686.16
Lapse of Appropriation Reserves	51,463.78	63,437.06	45,174.99	40,745.96	15,850.50	59,625.12	56,812.50
Accounts Payable							462.19
Miscellaneous Revenue Not Anticipated	1,676.53	1,500.43	1,852.60	3,446.40	5,229.92	3,514.50	16,809.94
Cancellation of Prior year accounts payable	500.00						
Total Revenues	<u>288,199.36</u>	<u>272,728.08</u>	<u>250,313.80</u>	<u>421,911.48</u>	<u>460,145.81</u>	<u>210,396.03</u>	<u>409,584.79</u>
<u>Expenditures</u>							
Operating	148,500.00	88,500.00	102,711.00	98,743.00	174,065.00	87,046.00	177,984.00
Capital Improvements	94,100.00	94,100.00	80,000.00	80,000.00	80,000.00	40,000.00	80,000.00
Social Security	1,148.00	400.00	1,500.00	12,500.00	12,500.00	6,250.00	12,500.00
Surplus (General Budget)	<u>-</u>			<u>150,000.00</u>	<u>140,000.00</u>		
Total Expenditures	<u>243,748.00</u>	<u>183,000.00</u>	<u>184,211.00</u>	<u>341,243.00</u>	<u>406,565.00</u>	<u>133,296.00</u>	<u>270,484.00</u>
Excess in Revenue	44,451.36	89,728.08	66,102.80	80,668.48	53,580.81	77,100.03	139,100.79
Fund Balance, Beginning of Year	<u>252,767.46</u>	<u>163,039.38</u>	<u>98,147.58</u>	<u>183,722.10</u>	<u>361,706.29</u>	<u>305,934.26</u>	<u>282,317.47</u>
	297,218.82	252,767.46	164,250.38	264,390.58	415,287.10	383,034.29	421,418.26
Decreased By:							
Fund Balance Utilized	<u>60,748.00</u>		<u>1,211.00</u>	<u>166,243.00</u>	<u>231,565.00</u>	<u>21,328.00</u>	<u>115,484.00</u>
Fund Balance, End of Year	<u>\$ 236,470.82</u>	<u>\$ 252,767.46</u>	<u>\$ 163,039.38</u>	<u>\$ 98,147.58</u>	<u>\$ 183,722.10</u>	<u>\$ 361,706.29</u>	<u>\$ 305,934.26</u>

APPENDIX C

FORM OF CONTINUING DISCLOSURE CERTIFICATE

[THIS PAGE INTENTIONALLY LEFT BLANK]

CONTINUING DISCLOSURE CERTIFICATE

THIS CONTINUING DISCLOSURE CERTIFICATE is made as of October 1, 2015 by the Township of Old Bridge, New Jersey, a political subdivision duly organized under the laws of the State of New Jersey (the “Issuer”).

W I T N E S S E T H:

WHEREAS, the Issuer is issuing its Energy Savings Improvement Bonds, Series 2015 dated their date of delivery in the aggregate principal amount of \$3,700,000 (the “Bonds”) on the date hereof; and

WHEREAS, the Bonds are being issued pursuant to a resolution and bond ordinance adopted by the Issuer and a certificate signed by the Issuer on October 15, 2015; and

WHEREAS, the Securities and Exchange Commission (the “SEC”) pursuant to the Securities Exchange Act of 1934, as amended and supplemented (codified on the date hereof at 15 U.S.C. 77 et seq.) (the “Securities Exchange Act”) has adopted amendments to its Rule 15c2-12 (codified at 17 C.F.R. § 240.15c2-12) (“Rule 15c2-12”) effective July 3, 1995 which generally prohibit a broker, dealer, or municipal securities dealer from purchasing or selling municipal securities, such as the Bonds, unless such broker, dealer or municipal securities dealer has reasonably determined that an issuer of municipal securities or an obligated person has undertaken in a written agreement or contract for the benefit of holders of such securities to provide certain annual financial information and event notices to the Municipal Securities Rulemaking Board; and

WHEREAS, the Issuer represented in its Notice of Sale dated October 7, 2015 (the “Notice of Sale”) that it would deliver on the closing date for the Bonds a “Continuing Disclosure Certificate” pursuant to which the Issuer will agree to provide certain financial and operating data, and timely notice of certain enumerated events required to be disclosed on a continual basis pursuant to Rule 15c2-12; and

WHEREAS, on October 15, 2015, the Issuer accepted the bid of UBS Financial Services Inc., on behalf of itself and each of the original underwriters for the Bonds (each, a “Participating Underwriter”) for the purchase of the Bonds; and

WHEREAS, the execution and delivery of this Certificate has been duly authorized by the Issuer and all conditions, acts and things necessary and required to exist, to have happened, or to have been performed precedent to and in the execution and delivery of this Certificate, do exist, have happened and have been performed in regular form, time and manner; and

WHEREAS, the Issuer is executing this Certificate for the benefit of the Holders of the Bonds.

NOW, THEREFORE, for and in consideration of the premises and of the mutual representations, covenants and agreements herein set forth, the Issuer, its successors and assigns, do mutually promise, covenant and agree as follows:

ARTICLE I DEFINITIONS

Section 1.1 Terms Defined in Recitals. The following terms shall have the meanings set forth in the recitals hereto:

Bonds	Rule 15c2-12
Issuer	SEC
Notice of Sale	Securities Exchange Act
Participating Underwriter	

Section 1.2 Additional Definitions. The following additional terms shall have the meanings specified below:

“Annual Report” means Financial Statements and Operating Data provided at least annually.

“Bondholder” or “holder” or any similar term, when used with reference to a Bond or Bonds, means any person who shall be the registered owner of any outstanding Bond, including holders of beneficial interests in the Bonds.

“Business Day” means any day other than (a) a Saturday or Sunday, (b) a day on which commercial banks in New York, New York or in Old Bridge, New Jersey are authorized or required by law to close or (c) a day on which the New York Stock Exchange is closed.

“Disclosure Event” means any event described in subsection 2.1(d) of this Certificate.

“Disclosure Event Notice” means the notice to the MSRB as provided in subsection 2.4(a).

“Disclosure Representative” means the Director of Finance of the Issuer or his or her designee, or such other officer or employee as the Issuer shall designate from time to time.

“Dissemination Agent” means an entity acting in such capacity under this Certificate or any other successor entity designated in writing by the Issuer and which has filed a written acceptance of such designation.

“Final Official Statement” means the final Official Statement of the Issuer dated October 15, 2015 pertaining to the Bonds.

“Financial Statements” means the audited financial statements of the Issuer for each Fiscal Year and includes balance sheets, statements of changes in fund balances and statements of current funds, revenues, expenditures and other charges or statements which convey similar information.

“Fiscal Year” means the fiscal year of the Issuer. As of the date of this Certificate, the Fiscal Year of the Issuer begins on January 1 and closes on December 31 of each calendar year.

“GAAS” means generally accepted auditing standards as in effect from time to time, consistently applied.

“MSRB” means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“Operating Data” means the financial and statistical information of the Issuer of the type included in the Final Official Statement as Appendix A under the headings “Industrial and Commercial Assessed Valuation,” “Largest Taxpayers - 2014,” “Statement of Bond Indebtedness as of December 31, 2014,” “Overlapping Debt,” “Current Year’s Tax Collection Data,” “Delinquent Tax Collection Data,” “Tax Title Liens,” “Foreclosed Property,” “Comparative Tax Rate and Net Assessed Value,” “Breakdown of 2014 Ratables and Levy” and “2014 Tax Levy.”

“State” means the State of New Jersey.

Section 1.3 Interpretation. Words of masculine gender include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular include the plural and vice versa, and words importing persons include corporations, associations, partnerships (including limited partnerships), trusts, firms and other legal entities, including public bodies, as well as natural persons. Articles and Sections referred to by number mean the corresponding Articles and Sections of this Certificate. The terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms as used in this Certificate, refer to this Certificate as a whole unless otherwise expressly stated.

As the context shall require, the disjunctive term “or” shall be interpreted conjunctively as required to insure that the Issuer performs any obligations, mentioned in the passage in which such term appears.

The headings of this Certificate are for convenience only and shall not defined or limit the provisions hereof.

ARTICLE II

CONTINUING DISCLOSURE COVENANTS AND REPRESENTATIONS

Section 2.1 Continuing Disclosure Covenants of the Issuer. The Issuer agrees that it will provide, or shall cause the Dissemination Agent to provide:

(a) Not later than October 1 of each Fiscal Year, commencing October 1, 2016 for the Fiscal Year ending December 31, 2015, an Annual Report to the MSRB; Notwithstanding the foregoing, if the Fiscal Year is not a calendar year then the Issuer shall provide certain financial information and operating data relating to the Issuer by not later than the first day of the tenth month of each Fiscal Year;

(b) Not later than fifteen (15) days prior to the date of each year specified in subsection 2.1(a), a copy of the Annual Report to the Dissemination Agent, if the Issuer has appointed or engaged a Dissemination Agent;

(c) If audited Financial Statements are not submitted as part of the filing as set forth in subsection 2.1(a), the Issuer will submit unaudited financial statements with such filing, and will subsequently submit audited Financial Statements when and if available, to the MSRB;

(d) In a timely manner not in excess of ten business days following the occurrence of any of the Disclosure Events (hereinafter defined), to the MSRB, notice of any of the following events with respect to the Bonds (each, a “Disclosure Event”);

- (i) principal and interest delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modifications to rights of Bondholders; if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) defeasances;

- (x) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (xiii) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material.

(e) In a timely manner, to the MSRB, notice of a failure by the Issuer to provide the Annual Report within the period described in subsection 2.1(a) hereof.

Section 2.2 Continuing Disclosure Representations. The Issuer represents and warrants that:

(a) Financial Statements shall be prepared according to principles prescribed by the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey Pursuant to Chapter 5 of Title 40 of the New Jersey Statutes as in effect from time to time.

(b) Financial Statements prepared annually shall be audited in accordance with GAAS.

Section 2.3 Form of Annual Report.

(a) The Annual Report may be submitted as a single document or as separate documents comprising a package.

(b) Any or all of the items which must be included in the Annual Report may be incorporated by reference from other documents, including official statements of the Issuer or related public entities which have been submitted the MSRB or filed with the SEC. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

(c) The audited Financial Statements of the Issuer, if any, may be submitted separately from the balance of the Annual Report.

Section 2.4 Responsibilities, Duties, Immunities and Liabilities of the Dissemination Agent.

(a) If the Issuer or the Dissemination Agent (if one has been appointed or engaged by the Issuer) has determined it necessary to report the occurrence of a Disclosure Event, the Issuer or Dissemination Agent (if one has been appointed or engaged by the Issuer) shall file a notice of such occurrence with the MSRB (the “Disclosure Event Notice”) in the form provided by the Issuer.

(b) The Issuer and/or the Dissemination Agent (if one has been appointed or engaged by the Issuer) shall file a written report with the Issuer certifying that the Annual Report has been provided pursuant to this Certificate and stating the date it was provided.

Section 2.5 Appointment, Removal and Resignation of the Dissemination Agent.

(a) The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carry out its obligations under this Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent.

(b) The Dissemination Agent shall have only such duties as are specifically set forth in this Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents harmless against any loss, expense and liability which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent’s negligence or willful misconduct. The obligations of the Issuer under this subsection shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(c) The Dissemination Agent, or any successor thereto, may at any time resign and be discharged of its duties and obligations hereunder by giving not less than thirty (30) days written notice to the Issuer. Such resignation shall take effect on the date specified in such notice.

ARTICLE III
DISCLOSURE DEFAULT AND REMEDIES

Section 3.1 Disclosure Default. The occurrence and continuation of a failure or refusal by the Issuer to observe, perform or comply with any covenant, condition or agreement on its part to be observed or performed in this Certificate and such failure or refusal shall remain uncured for a period of thirty (30) days shall constitute a Disclosure Default hereunder.

Section 3.2 Remedies on Default.

(a) Any Bondholder, for the equal benefit and protection of all Bondholders similarly situated, may take whatever action at law or in equity against the Issuer and of the officers,

agents and employees of the Issuer which is necessary or desirable to enforce the specific performance and observance of any obligation, agreement or covenant of the Issuer under this Certificate and may compel the Issuer or any such officers, agents, or employees, except of the Dissemination Agent, to perform and carry out their duties under this Certificate; provided, that no person or entity shall be entitled to recover monetary damages hereunder under any circumstances.

(b) In case any Bondholder shall have proceeded to enforce its rights under this Certificate and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to any Bondholder, then and in every such case the Issuer and any Bondholder shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Issuer and any Bondholder shall continue as though no such proceeding had been taken.

(c) A default under this Certificate shall not be deemed a default under the Bonds, and the sole remedy under this Certificate in the event of any failure or refusal by the Issuer to comply with this Certificate shall be as set forth in subsection 3.2(a) of this Certificate.

ARTICLE IV MISCELLANEOUS

Section 4.1 Purposes of the Continuing Disclosure Certificate. This Certificate is being executed and delivered by the Issuer for the benefit of the Bondholders and in order to assist the Participating Underwriters in complying with clause (b)(5) of Rule 15c2-12.

Section 4.2 Additional Information. Nothing in this Certificate shall be deemed to prevent the Issuer from (a) disseminating any other information, using the means of dissemination set forth in this Certificate or any other means of communication, or (b) including any other information in any Annual Report or any Disclosure Event Notice, in addition to that which is required by this Certificate. If the Issuer chooses to include information in any Annual Report or any Disclosure Event Notice in addition to that which is specifically required by this Certificate, the Issuer shall have no obligation under this Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Report or any future Disclosure Event Notice.

Section 4.3 Notices. All notices required to be given or authorized shall be in writing and shall be sent by registered or certified mail to the Issuer, One Old Bridge Plaza, Old Bridge, New Jersey 08857, Attention: Himanshu R. Shah.

Section 4.4 Severability. If any provision of this Certificate shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 4.5 Amendments, Changes and Modifications.

(a) Without the consent of any Bondholders, the Issuer at any time and from time to time may enter into any amendments or modifications to this Certificate for any of the following purposes:

(i) to add to covenants and agreements of the Issuer hereunder for the benefit of the Bondholders, or to surrender any right or power conferred upon the Issuer by this Certificate;

(ii) to modify the contents, presentation and format of the Annual Report from time to time to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the Issuer or to reflect changes in the identity, nature or status of the Issuer or in the business, structure or operations of the Issuer or any mergers, consolidations, acquisitions or dispositions made by or affecting the Issuer; provided that any such modification shall comply with the requirements of Rule 15c2-12 as then in effect at the time of such modification; or

(iii) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to include any other provisions with respect to matters or questions arising under this Certificate which, in each case, comply with Rule 15c2-12 as then in effect at the time of such modification.

provided, that prior to approving any such amendment or modification, the Issuer determines that such amendment or modifications does not adversely affect the interests of the Holders of the Bonds in any material respect.

(b) Upon entering into any amendment or modification required or permitted by this Certificate, the Issuer shall deliver, or cause the dissemination Agent to deliver, to the MSRB written notice of any such amendment or modification.

(c) The Issuer shall be entitled to rely exclusively upon an opinion of counsel nationally recognized as expert in federal securities law acceptable to the Issuer to the effect that such amendments or modifications comply with the conditions and provisions of this Section 4.5.

Section 4.6 Amendments Required by Rule 15c2-12. The Issuer recognizes that the provisions of this Certificate are intended to enable the participating Underwriters to comply with Rule 15c2-12. If, as a result of a change in Rule 15c2-12 or in the interpretation thereof, a change in this Certificate shall be permitted or necessary to assure continued compliance with Rule 15c2-12 and upon delivery by any Participating Underwriter of an opinion of counsel nationally recognized as expert in federal securities law acceptable to the Issuer to the effect that such amendment shall be permitted or necessary to assure continued compliance by the Participating Underwriter with Rule 15c2-12 as so amended or interpreted, then the Issuer shall amend this Certificate to comply with and be bound by any such amendment to this Certificate to

the extent necessary or desirable to assure compliance with the provisions of Rule 15c2-12 and provide the written notice of such amendment as required by subsection 4.5(b) hereof.

Section 4.7 Governing Law. This Certificate shall be governed exclusively by and construed in accordance with the applicable laws of the State of New Jersey.

Section 4.8 Termination of Issuer's Continuing Disclosure Obligations. The continuing obligation of the Issuer under Section 2.1 hereof to provide the Annual Report and any Disclosure Event Notice and to comply with the other requirements of said Section shall terminate if and when either (a) the Bonds are no longer outstanding or (b) the Issuer no longer remains an "obligated person" (as defined in Rule 15c2-12(f)(10) with respect to the Bonds in either event, only after the Issuer delivers, or causes the Dissemination Agent to deliver, to the MSRB written notice to such effect. This Certificate shall be in full force and effect from the date hereof and shall continue in effect so long as any Bonds are Outstanding.

Section 4.9 Binding Effect. This Certificate shall inure to the benefit of and shall be binding upon the Issuer and its successors and assigns.

IN WITNESS WHEREOF, THE TOWNSHIP OF OLD BRIDGE, NEW JERSEY has caused this Certificate to be executed in its name and its corporate seal to be hereunto affixed and attested by its duly authorized officers, all as of the date first above written.

[SEAL]

TOWNSHIP OF OLD BRIDGE, NEW JERSEY

ATTEST:

By: _____
Himanshu R. Shah, Director of Finance

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX D

NOTICE OF SALE

[THIS PAGE INTENTIONALLY LEFT BLANK]

TOWNSHIP OF OLD BRIDGE,
IN THE COUNTY OF MIDDLESEX,
NEW JERSEY

NOTICE OF SALE OF
\$3,700,000
ENERGY SAVINGS IMPROVEMENT BONDS, SERIES 2015
(BOOK-ENTRY BONDS) (CALLABLE) (BANK-QUALIFIED)

ELECTRONIC PROPOSALS (the “Proposals”) only, will be received by the Director of Finance of the Township of Old Bridge in the County of Middlesex, New Jersey (the “Township”), for the purchase of all, but not less than all, of the Township’s \$3,700,000 Energy Savings Improvement Bonds, Series 2015 (the “Bonds”). **All Bids (as defined below) must be submitted in their entirety on Grant Street Group’s MuniAuction website (“MuniAuction”) in an open auction from 11:00 a.m. to 11:15 a.m., New York City time, unless otherwise extended by the two-minute rule described herein, on October 15, 2015 (see “Bid Date”). To bid via MuniAuction, Bidders (as defined below) must have (1) completed the registration form on either the MuniAuction or Grant Street Group (parent of MuniAuction, herein referred to as “Grant Street”) website; (2) requested and received admission to the Township’s auction, as described herein (see “Registration and Admission to Bid”); and (3) submitted a good faith deposit (the "Deposit"), in the form of a wire transfer, payable to the Township, in the amount of \$74,000 by no later than 11:00 a.m. New York City time on the Bid Date (see “Good Faith Deposit” below). The use of MuniAuction shall be at the Bidder’s risk and expense, and the Township shall have no liability whatsoever with respect thereto.**

Principal Amortization

Principal of the Bonds will be paid annually, subject to prior optional redemption, on the 1st day of August in the following years and in the following aggregate amounts:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2016	\$185,000	2026	\$170,000
2017	195,000	2027	185,000
2018	85,000	2028	195,000
2019	100,000	2029	210,000
2020	110,000	2030	225,000
2021	120,000	2031	235,000
2022	130,000	2032	250,000
2023	140,000	2033	265,000

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2024	150,000	2034	285,000
2025	160,000	2035	305,000

Interest Payment Dates

The Bonds will be dated the date of delivery (which is expected to be October 28, 2015) and will bear interest at the rate per annum specified by the successful bidder therefor in accordance herewith, payable on February 1, 2016 and semi-annually thereafter on the 1st day of August and February in each year until maturity or prior optional redemption.

Redemption Provisions

The Bonds maturing on or prior to August 1, 2025 shall not be subject to redemption prior to their respective maturity dates. The Bonds maturing on or after August 1, 2026 shall be subject to redemption prior to their respective maturity dates, on or after August 1, 2025 at the option of the Township, either in whole or in part at any time in any order of maturity at one hundred percent (100%) of the principal amount of the Bonds being redeemed (the “Redemption Price”), plus in each case accrued interest thereon to the date fixed for redemption.

Notice of Redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of such Bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Township, at least thirty (30) but not more than sixty (60) days before the date fixed for redemption. However, so long as DTC (or any successor thereto) acts as Securities Depository for the Bonds, Notices of Redemption shall be sent to such depository and shall not be sent to the beneficial owners of the Bonds, and will be done in accordance with DTC procedures. Any failure of such depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any Notice of Redemption shall not affect the validity of the redemption proceedings. If the Township determines to redeem a portion of the Bonds of a maturity, such Bonds shall be selected by lot. If Notice of Redemption has been given as described herein, the Bonds, or the portion thereof called for redemption, shall be due and payable on the date fixed for redemption at the Redemption Price, together with accrued interest to the date fixed for redemption. Payment shall be made upon surrender of the Bonds redeemed.

Book-Entry-Only System

As long as DTC or its nominee, Cede & Co., is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made directly to Cede & Co., as nominee of DTC, which will credit payments of principal of and interest on the Bonds to the DTC participants as listed in the records of DTC as of each next preceding January 15 and July 15, respectively (the “Record Dates” for payment of interest on the Bonds), which participants will in turn credit such payments to the beneficial owners of the Bonds.

All Bidders of the Bonds must be participants of The Depository Trust Company, New York, New York (“DTC”) or affiliated with its participants. The Bonds will be issued in fully registered form, and when issued will be registered in the name of and held by Cede & Co., as the registered owner thereof and nominee for DTC, an automated depository for securities and clearinghouse for securities transactions.

Individual purchases of beneficial ownership interests in the Bonds will be made in book-entry form (without certificates) in the denomination of \$5,000 each or any integral multiple thereof. It shall be the obligation of the successful bidder to furnish to DTC an underwriter’s questionnaire and the denomination of the Bonds not less than seventy-two (72) hours prior to the delivery of the Bonds.

In the event that either DTC determines not to continue to act as securities depository for the Bonds or the Township determines that the beneficial owners of the Bonds be able to obtain bond certificates, the Township will appoint a paying agent and will issue and deliver replacement Bonds in the form of fully registered certificates.

Registration and Admission to Bid

To bid by MuniAuction, Bidders must first visit MuniAuction where, if they have never registered with either MuniAuction or Grant Street, they can register and then request admission to bid on the Bonds. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only NASD registered broker-dealers or dealer banks with DTC clearing arrangements will be eligible to bid. Bidders who have previously registered with MuniAuction may call MuniAuction at (412) 391-5555 (ext. 1370 Auction Support) for their ID Number or password. Rules governing the sale and the rules applicable to MuniAuction are available in the full Notice of Sale at www.muniauction.com.

Bidding Details

Bidders should be aware of the following bidding details associated with the sale of the Bonds:

1. **BIDDERS MUST SUBMIT THE GOOD FAITH DEPOSIT IN THE AMOUNT OF \$74,000 PAYABLE TO THE TOWNSHIP NO LATER THAN 11:00 A.M. ON THE BID DATE (SEE “GOOD FAITH DEPOSIT” BELOW).**
2. All Bids must be submitted on the MuniAuction website at www.grantstreet.com. **No telephone, facsimile, telegraph, telefax or personal delivery Bids will be accepted.**
3. All Bids for the Bonds must be submitted on an “All or None” basis. Bidders may change and submit Bids as provided for herein, but a submitted Bid may not be withdrawn.

4. Bidders are only permitted to submit Bids for the Bonds during the bidding period.
5. If any Bid on the auction becomes a leading Bid two (2) minutes, or less, prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such Bid was received by MuniAuction. The auction end time will continue to be extended, indefinitely, until a single leading Bid remains the leading Bid for at least two (2) minutes.
6. Bidders may change and submit Bids as many times as they like during the bidding time period; provided however, each and any Bid submitted subsequent to a Bidder's initial Bid must result in a lower true interest cost (as defined herein) when compared to the immediately preceding Bid of such Bidder. In the event that the revised Bid does not produce a lower true interest cost, the prior Bid will remain valid.
7. The last bid submitted by a Bidder before the end of the bidding time period will be compared to all other final Bids submitted by others to determine the winning Bidder or Bidders.
8. During the bidding, no Bidder will see any other Bidder's Bid, but Bidders will be able to see the ranking of their Bid relative to other Bids (i.e., "Leader", "Cover", "3rd", etc.).

Rules of MuniAuction

The rules of MuniAuction (the "Rules") can be viewed on MuniAuction and are incorporated herein by reference. Bidders must comply with the Rules in addition to the requirements of the Notice of Sale for the Township's Bonds dated the date hereof (the "Notice of Sale"). To the extent there is a conflict between the Rules and the Notice of Sale, the Notice of Sale shall control.

Rules

1. A Bidder submitting a Winning Bid is irrevocably obligated to purchase the Bonds at the rates and prices of the Winning Bid, if acceptable to the Township, as set forth in the related Notice of Sale. Winning Bids are not officially awarded to the Bidder until formally accepted by the Township.
2. Neither the Township, Bond Counsel nor MuniAuction (the "Auction Administrator") is responsible for technical difficulties which result in loss of Bidder's internet connection with MuniAuction; slowness in transmission of Bids; other technical problems, or any computational or data entry errors associated with using MuniAuction.

3. If for any reason a Bidder is disconnected from MuniAuction's Auction Page during the auction after having submitted a Winning Bid, such Bid is valid and binding upon the Bidder, unless the Township exercises its right to reject Bids, as set forth herein.
4. Bids that generate error messages are not accepted until the error is corrected and the Bid is received prior to the deadline.
5. Bidders accept and agree to abide by all terms and conditions specified in the Notice of Sale (including amendments, if any) related to each auction.
6. Neither the Township, Bond Counsel, nor the Auction Administrator is responsible to any Bidder for any defect or inaccuracy in the Notice of Sale, amendments, or the Preliminary Official Statement as they appear on MuniAuction.
7. Only Bidders who request and receive admission to an auction and who have submitted a good faith deposit as required by the terms of this Notice of Sale may submit Bids. Bond Counsel and the Auction Administrator reserve the right to deny access to MuniAuction to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.
8. Neither the Township, Bond Counsel, nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder's MuniAuction password.
9. If two (2) Bids are submitted in the auction by the same or two or more different Bidders and result in the same true interest cost, the first confirmed Bid received by MuniAuction prevails. Any change to a submitted Bid constitutes a new Bid, regardless of whether there is a corresponding change in true interest cost.
10. Bidders must compare their final Bids to those shown on the Observation Pages immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Pages they must report them to MuniAuction within fifteen (15) minutes after the bidding time period ends. Regardless of the final results reported by MuniAuction, bonds are definitively awarded to winning Bidders only upon official award by the Township. If, for any reason, the Township fails to: (i) award the Bonds to the winning Bidder reported by MuniAuction, or (ii) deliver the Bonds to the winning Bidders at settlement, neither Bond Counsel nor the Auction Administrator will be liable for damages.

Definitions

“Bid”	any confirmed purchase offer received by MuniAuction on or before the proposal submission deadline.
“Bidder”	any firm registered with either MuniAuction or Grant Street and approved for participation in auctions.
“Winning Bid”	any purchase offer made by a Bidder by clicking the “ Submit Bid” button and received by MuniAuction which, at the end of the bidding time period, results in the lowest true interest cost which is acceptable to the Township.

Bid Specifications

Each Proposal submitted must name the rate or rates of interest per annum to be borne by the Bonds bid for and the rate or rates named must be multiples of one-eighth or one-twentieth of one per centum. Not more than one rate may be named for Bonds of the same maturity. There is no limitation on the rates that may be named. The difference between the highest and lowest rates of interest named in the Proposal shall not exceed three percent (3%). Each Proposal submitted must be for all of the Bonds and the purchase price specified in the proposal must be not less than 100% of the aggregate par value of the Bonds or for more than 102% of the aggregate par value of the Bonds.

Award, Delivery And Payment

The Bonds will be awarded to the bidder on whose bid the total loan may be made at the lowest true interest cost. Such true interest cost shall be computed, as to each bid, by doubling the semiannual interest rate (compounded semiannually) necessary to discount the debt service payments from the payment dates to the date of the Bonds and the price bid, excluding accrued interest to the delivery date. No Proposal shall be considered that offers to pay an amount less than the principal amount of Bonds offered for sale or under which the total loan is made at an interest cost higher than the lowest true interest cost to the Township under any legally acceptable proposal. The bidder to which the Bonds are awarded (in the manner specified above) is herein referred to as the “Successful Bidder.”

It is expected that delivery of the Bonds to DTC and payment for the Bonds will take place on or about, October 28, 2015 at the offices of Gibbons P.C., bond counsel to the Township (“Bond Counsel”), in Newark, New Jersey or at such other place as may be agreed upon with the Successful Bidder. The Bonds will be delivered to DTC in single denominations for each maturity of each type of bond. PAYMENT FOR THE BONDS AT THE TIME OF ORIGINAL ISSUANCE AND DELIVERY SHALL BE IN IMMEDIATELY AVAILABLE FUNDS.

Change of Bid Date and Closing Date

The Township reserves the right to postpone, from time to time, the date established for the receipt of bids and will undertake to notify registered prospective bidders via notification published on MuniAuction. Prospective bidders may request notification by facsimile transmission of any such changes in the date or time for the receipt of bids by so advising, and furnishing their telecopier numbers to the Director of Finance of the Township at (732) 721-5600, ext. 2905 by 12:00 Noon, New York City time, on the day prior to the announced date for receipt of bids. In addition, the Township reserves the right to make changes to this Notice of Sale. Such changes will be announced on the MuniAuction.

A postponement of the bid date will be announced via MuniAuction not later than 11:00 a.m., New York City time, on the last business day prior to any announced date for receipt of bids, and an alternative sale date and time will be announced via MuniAuction by Noon, New York City time, not less than forty-eight (48) hours prior to such alternative date for receipt of bids.

On any such alternative date and time for receipt of bids, the Township will accept electronic bids for the purchase of the Bonds, such bids to conform in all respects to the provisions of this Notice of Sale, except for the changes in the date and time for receipt of bids and any other changes announced via MuniAuction at the time the date and time for receipt of bids are announced.

Right To Reject Bids; Waive Irregularities

The right is reserved to reject all bids, and any bid not complying with the terms of this Notice of Sale will be rejected. The Township reserves the right to reject any or all Proposals and so far as permitted by law, to waive any irregularity or informality in any or all Proposals.

Good Faith Deposit

The Deposit, in the form of an electronic transfer of immediately available federal funds in accordance with the wiring instructions contained in the immediately succeeding paragraph, in the amount of \$74,000 is required for each bid for the Bonds to be considered. A bidder shall transmit such funds to the following:

Amboy Bank, Old Bridge, New Jersey
ABA No.: 021204416
Account No.: 102253
Account Name: Township of Old Bridge General Capital Fund
Contact: Himanshu R. Shah, Director of Finance
Phone: (732) 721-5600, ext. 2905

Such funds must be received in the account identified immediately above no later than 11:00 a.m. New York City time on the date for receipt of bids, and must be accompanied by detailed wiring instructions for the return thereof in the event that such bidder is not the Successful

Bidder. Please note that the contact information provided immediately above should be used by bidders for the purposes of confirming receipt of electronic transfer of funds and the transmittal of instructions for the return of such electronic transfers of funds in the event such bidder is not the Successful Bidder. Electronic transfers of funds of unsuccessful bidders for the Bonds will be returned upon award of the Bonds. It is the intent of the Township that electronic transfers of funds will be returned via wire transfer to the unsuccessful bidders not later than 5:00 p.m. on the date for receipt of bids, provided that wiring instructions have been provided by such unsuccessful bidder at the time of transmission of the Deposit to the Township. The Township shall not bear any liability for any delay that may occur in the return of an electronic transfer of the Deposit to an unsuccessful bidder. Interest earned on the Deposit will be credited to the Township and will not be available to the Successful Bidder for the Bonds.

The Deposit of the Successful Bidder will be collected and the proceeds thereof retained by the Township to be applied in partial payment for the Bonds and no interest will be allowed or paid upon the amount thereof, but in the event the Successful Bidder shall fail to comply with the terms of its respective bid, the proceeds thereof will be retained as and for full liquidated damages. Award of the Bonds to the Successful Bidder or rejection of all bids is expected to be made within five hours after opening of the bids, but such Successful Bidder may not withdraw its Proposal for Bonds until after 5:00 p.m. of the day of such bid-opening and then only if such award has not been made prior to the withdrawal.

Bond Insurance

If the Bonds qualify for issuance of any policy of municipal bond insurance, any purchase of such policy shall be at the sole option and expense of the Successful Bidder. If the Bonds are to be insured, the Successful Bidder shall pay the premium therefor prior to the delivery of the Bonds. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued shall not in any way relieve the Successful Bidder of its contractual obligations arising from the acceptance of its Proposal for Bonds for the purchase of the Bonds.

CUSIP Numbers

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for the failure or refusal of the Successful Bidder to accept delivery of and pay for the Bonds. The CUSIP Service Bureau charges for the assignment of CUSIP numbers on the Bonds shall be the responsibility of and shall be paid for by the Successful Bidder.

Undertakings of the Successful Bidder

THE SUCCESSFUL BIDDER SHALL MAKE A BONA FIDE PUBLIC OFFERING OF THE BONDS AT THEIR RESPECTIVE INITIAL REOFFERING PRICES AND SHALL PROVIDE THE RELATED CERTIFICATION DESCRIBED BELOW.

The successful bidder shall within thirty (30) minutes after being notified of the award of the Bonds, advise the Township in writing (via facsimile transmission) of the initial reoffering

prices to the public of each maturity of the Bonds (the "Initial Reoffering Prices"). The successful bidder must, by facsimile transmission or delivery received by the Township within twenty-four (24) hours after notification of the award, furnish the following information to the Township to complete the Official Statement in final form, as described below:

- A. Selling compensation (aggregate total anticipated compensation to the underwriters expressed in dollars, based on the expectation that all the Bonds are sold at the prices or yields at which the successful bidder advised the Township that the Bonds were initially offered to the public).
- B. The identity of the underwriters if the successful bidder is part of a group or syndicate.
- C. Any other material information that the Township determines is necessary to complete the Official Statement in final form.

After the award of the bonds, the Township will prepare copies of the final Official Statement and will include therein such additional information concerning the reoffering of the bonds as the successful bidder may reasonably request. The successful bidder will be responsible to the Township in all aspects for the accuracy and completeness of information provided by such successful bidder with respect to such reoffering.

SIMULTANEOUSLY WITH OR BEFORE DELIVERY OF THE BONDS, THE SUCCESSFUL BIDDER SHALL FURNISH TO THE TOWNSHIP A CERTIFICATE ACCEPTABLE TO BOND COUNSEL (A COPY OF THE FORM OF SUCH CERTIFICATION IS AVAILABLE UPON REQUEST FROM BOND COUNSEL AT TELEPHONE NO. (973) 596-4777) TO THE EFFECT THAT (I) THE SUCCESSFUL BIDDER HAS MADE A BONA FIDE PUBLIC OFFERING OF THE BONDS AT THE INITIAL REOFFERING PRICES, (II) AS OF THE DATE OF THE SALE OF THE BONDS THE SUCCESSFUL BIDDER REASONABLY EXPECTED TO SELL A SUBSTANTIAL AMOUNT OF THE BONDS TO THE PUBLIC (EXCLUDING BOND HOUSES, BROKERS AND OTHER INTERMEDIARIES) AT THEIR RESPECTIVE INITIAL REOFFERING PRICES, AND (III) SUBSTANTIAL AMOUNTS OF THE BONDS WERE SOLD TO THE PUBLIC (EXCLUDING BOND HOUSES, BROKERS AND OTHER INTERMEDIARIES) AT THEIR RESPECTIVE INITIAL REOFFERING PRICES. Bond counsel advises that (i) such certificate must be made on the best knowledge, information and belief of the successful bidder, (ii) the sale to the public of 10% or more in par amount of the bonds of each maturity at the initial reoffering prices would be sufficient to certify as to the sale of a substantial amount of the bonds, and (iii) reliance on other facts as a basis for such certification would require evaluation by bond counsel to assure compliance with the statutory requirement to avoid the establishment of an artificial price for the Bonds.

Legal Opinions

The obligations hereunder to pay for and to accept delivery of the Bonds shall be conditioned on the availability and the delivery at the time of delivery of the Bonds of the approving opinion of the law firm of Gibbons P.C., Newark, New Jersey, bond counsel to the

Township, which will be furnished without cost to the Successful Bidder, substantially in the form set forth in the Official Statement distributed in preliminary form in connection with the sale of the Bonds. Such opinion shall state to the effect that the Bonds are valid and legally binding obligations of the Township, and that all the taxable property therein will be subject to the levy of ad valorem taxes, without limitation as to rate or amount, to pay the principal of the Bonds and the interest thereon; and will also state that under existing law, interest on the Bonds is excluded from gross income for purposes of Federal income taxation. The obligations hereunder to pay for and to accept delivery of the Bonds shall be further conditioned on the availability and delivery to the Successful Bidder, at the time of delivery of the Bonds, of (i) certificates from the Township Director of Finance in form satisfactory to Bond Counsel evidencing the proper execution and delivery of the Bonds, the receipt of payment therefor and the fact the Bonds will not be arbitrage obligations within the meaning of the Code; (ii) a certificate from the Township Attorney, in form and tenor satisfactory to Bond Counsel and dated as of the date of such delivery, to the effect that there is no litigation pending or (to the knowledge of the signer or signers thereof) threatened affecting the validity of the Bonds; and (iii) a certificate from the Township Director of Finance, in form and tenor satisfactory to Bond Counsel and dated as of the date of such delivery, to the effect that to the best of his knowledge of such and belief, and after reasonable investigation: (1) neither the Official Statement relating to the Bonds nor any amendment, or supplement thereto contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances in which they were made, not misleading; (2) since the date of the Official Statement (or the date of the most recent amendment or supplement thereto) no event has occurred which would make the statements therein untrue or, in the light of the circumstances in which they were made, misleading, and (3) there has not been any material adverse change in the operation or financial affairs of the Township since the date of such Official Statement.

Concerning The Preliminary Official Statement

The Township has issued an Official Statement with respect to the sale of the Bonds in preliminary form (the "Preliminary Official Statement") which the Township has deemed final as of its date for purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934 ("Rule 15c2-12"), except for certain omissions permitted thereunder and except for changes permitted by other applicable law.

The Preliminary Official Statement may be accessed via the internet on MuniAuction at www.muniauction.com. A printed version is also available upon request made to the Director of Finance of the Township at One Old Bridge Plaza, Old Bridge, New Jersey 08857 (telephone (732) 721-5600, ext. 2905).

Bank Qualified

The Bonds will be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Official Statement

The Township agrees to provide the successful bidder with up to fifty (50) copies of the final Official Statement adopted by the Township in relation to the sale by the Township of the Bonds within the period of time allowed under Rule 15c2-12, at the sole cost and expense of the Township, with any additional copies which the successful bidder shall reasonably request to be provided at the sole cost and expense of the successful bidder.

Continuing Disclosure

In order to assist the successful bidder in complying with Rule 15c2-12, the Township agrees to deliver on the Closing Date a Continuing Disclosure Certificate to be dated as of the Closing Date pursuant to which the Township shall agree to provide at the times and to the information repositories and other persons described in Rule 15c2-12 the financial or operating data required to be disclosed on a continuing basis pursuant to Rule 15c2-12.

Himanshu R. Shah
Director of Finance

Dated: October 7, 2015

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX E

OPINION OF GIBBONS P.C., BOND COUNSEL

[THIS PAGE INTENTIONALLY LEFT BLANK]

[FORM OF OPINION OF GIBBONS P.C.]

October __, 2015

Mayor and Township Council
Township of Old Bridge
One Old Bridge Plaza
Old Bridge, New Jersey 08857

Dear Mayor and Council Members:

We have examined certified copies of the proceedings of the Council of the Township of Old Bridge, in the County of Middlesex, State of New Jersey (the “Township”), including ordinances, affidavits and certificates delivered by officials of the Township, and other proofs submitted to us relative to the issuance and sale by the Township of its \$3,700,000 Energy Savings Improvement Bonds, Series 2015 (the “Bonds”) dated the date of delivery.

The Bonds are issued pursuant to the Local Bond Law, constituting Chapter 2 of Title 40A of the New Jersey Statutes (the “Local Bond Law”), a resolution of the Township adopted May 18, 2015, as amended on September 21, 2015, and a bond ordinance of the Township adopted in all respects duly adopted by the Council of the Township.

Each of the Bonds is dated their date of delivery, bears interest at the interest rates set forth on the inside front cover page of the Official Statement relating to the Bonds and matures on the dates and in the principal amounts as set forth below:

<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u>	<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u>
2016	\$185,000	2026	\$170,000
2017	195,000	2027	185,000
2018	85,000	2028	195,000
2019	100,000	2029	210,000
2020	110,000	2030	225,000
2021	120,000	2031	235,000
2022	130,000	2032	250,000
2023	140,000	2033	265,000
2024	150,000	2034	285,000
2025	160,000	2035	305,000

The Bonds are subject to redemption prior to their respective maturity date.

We have examined the Local Bond Law and such other laws and originals (or copies certified or otherwise identified to our satisfaction) of such instruments, certificates and documents as we deem necessary to render the opinions set forth herein. In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to the original documents of all documents submitted to us as copies.

Based upon the foregoing and subject to the qualifications set forth herein, we are of the opinion that:

1. The aforementioned proceedings and proofs show lawful authority for the issuance and sale of the Bonds pursuant to the Local Bond Law and other applicable provisions of law, and that the Bonds have been duly authorized, executed and delivered and are valid and legally binding obligations of the Township.

2. The Township has the power and is obligated to levy *ad valorem* taxes upon all the taxable property within the Township for the payment of the principal of and interest on the Bonds, without limitation as to rate or amount.

3. Under existing law, interest on the Bonds is excluded from the gross income of the owners of the Bonds for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and interest on the Bonds is not an item of tax preference under Section 57 of the Code for purposes of computing the alternative minimum tax. We express no opinion regarding any other Federal income tax consequences arising with respect to the Bonds.

4. Under existing law, interest on the Bonds and net gains on the sale thereof are exempt from the tax imposed by the New Jersey Gross Income Tax Act.

With respect to our federal income tax opinion, we note that the Code imposes certain requirements that must be met on the date of issuance and on a continuing basis subsequent to the issuance of the Bonds in order for interest on the Bonds to be excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Code. The Township has made certain representations and covenants in its tax certificate, which is executed on the date of issuance of the Bonds, as to various tax requirements. In addition, the Township has covenanted to comply with the provisions of the Code applicable to the Bonds and has covenanted not to take any action or fail to take any action to be taken which would cause the interest on the Bonds to lose the exclusion from gross income for Federal income tax purposes under Section 103 of the Code or cause interest on the Bonds to be treated as an item of tax preference under Section 57 of the Code. With your permission, we have relied upon the representations made in the tax certificate and have assumed continuing compliance by the Township with the above covenants in rendering our federal tax opinion with respect to the exclusion of interest on the Bonds from gross income for Federal income tax purposes and with respect to interest on the Bonds not constituting an item of tax preference.

Attention is called to the fact that for purposes of this letter we have not been requested to examine and have not examined any documents or information relating to the Township other than the certified copies of the proceedings and proofs referred to hereinabove, and no opinion is expressed as to any financial or other information, or the adequacy thereof, which has been or may be supplied to any purchaser of said Bonds.

Our opinion concerning the enforceability of the Bonds is subject to federal and state laws regarding bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights and remedies generally (including, without limitation, laws relating to fraudulent conveyance, and by general principles of law and equity (regardless of whether enforcement is considered or sought in proceedings at law or in equity) and by limitation on remedial rights under applicable law). Their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

The opinions expressed herein are based upon the laws and judicial decisions of the State of New Jersey and the federal laws and judicial decisions of the United States as of the date hereof and are subject to any amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for our opinions, or laws or judicial decisions hereafter enacted or rendered. Our engagement by the Township with respect to the opinions expressed herein does not require, and shall not be construed to constitute, a continuing obligation on our part to notify or otherwise inform the addressee hereof of the amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for this opinion letter or of laws or judicial decisions hereafter enacted or rendered which impact on this opinion letter.

This opinion letter is rendered to you in connection with the above described transaction. This opinion letter may not be relied upon by you for any other purpose, or relied upon by, or furnished to, any other person, firm or corporation without our prior written consent. This is only an opinion letter and not a warranty or guaranty of the matters discussed herein.

Very truly yours,

[THIS PAGE INTENTIONALLY LEFT BLANK]