

The State of New Jersey

2016

Fiscal Year



COMPREHENSIVE ANNUAL  
FINANCIAL REPORT



Chris Christie, Governor

Kim Guadagno, Lt. Governor



# State of New Jersey



## **Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2016**

**Chris Christie**  
*Governor*

**Kim Guadagno**  
*Lieutenant Governor*

**Ford M. Scudder**  
*State Treasurer*

**David Ridolfino**  
*Acting Director Office of Management and Budget*

**Michael A. Griffin**  
*Associate Director  
Financial Management*

**Mary E. Byrne**  
*Deputy Director  
Office of Management and  
Budget*

**James F. Kelly**  
*Assistant Director  
Financial Reporting*

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**STATE OF NEW JERSEY  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FISCAL YEAR ENDED JUNE 30, 2016  
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INTRODUCTION  

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SECTION







## State of New Jersey

**CHRIS CHRISTIE**  
*Governor*

**KIM GUADAGNO**  
*Lt. Governor*

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OFFICE OF MANAGEMENT AND BUDGET  
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*State Treasurer*

**DAVID RIDOLFINO**  
*Acting Director*

Telephone (609) 292-6746 / Facsimile (609) 633-8179

March 15, 2017

Governor Chris Christie  
Members of the State Legislature  
New Jersey Citizens

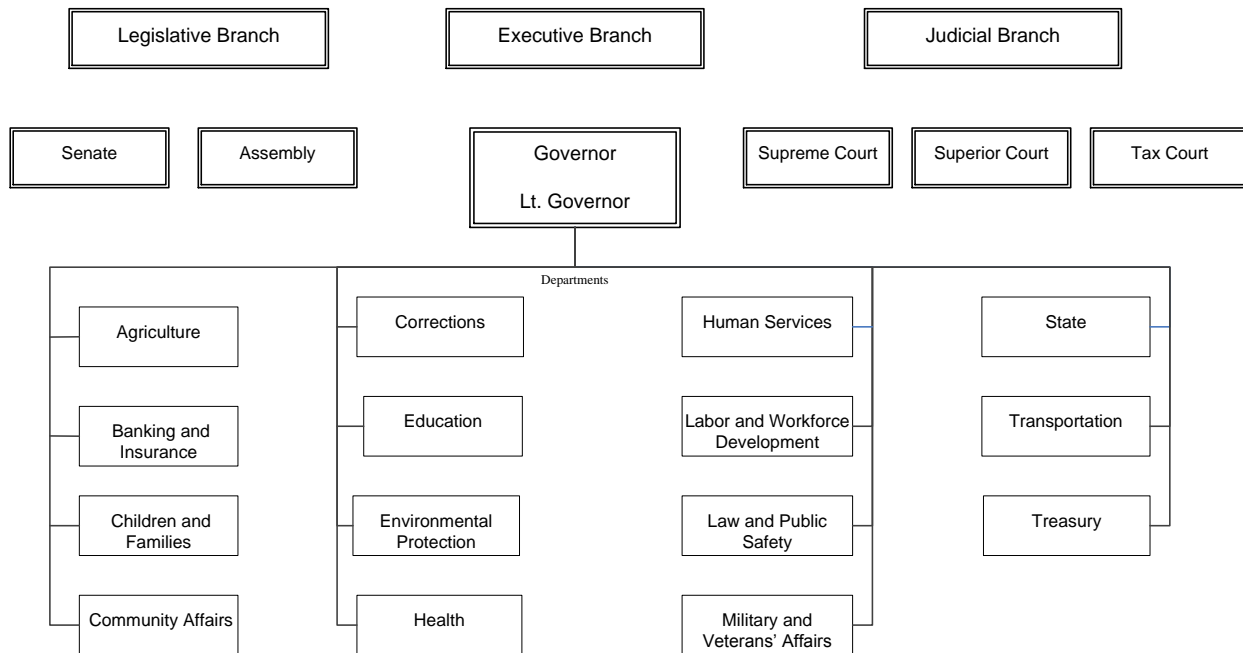
In accordance with the provisions of N.J.S.A.52:27B-46, it is our pleasure to transmit to you the State of New Jersey's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016. The Department of the Treasury's Office of Management and Budget prepared this report. The Department of the Treasury and the Office of Management and Budget are responsible for the accuracy, completeness, and fairness of all data presented, including all disclosures.

This CAFR presents the financial position and operating results of the State under generally accepted accounting principles (GAAP) applicable to state and local governments, as established by the Governmental Accounting Standards Board (GASB). The State also participates in the Government Finance Officers Association (GFOA) of the United States and Canada's Certificate of Achievement for Excellence in Financial Reporting review program.

The State operates in accordance with the standards provided in GASB Statements No. 34 and No. 35. In addition to providing traditional fund financial statements, the objective of this reporting model is to provide a single, unified, transparent picture of the State's fiscal health; thus, this CAFR clearly displays all of the State's revenues, costs, assets, and liabilities. This report also includes a Management's Discussion and Analysis section, which provides users with an objective and easy-to-read analysis of New Jersey's financial performance for the fiscal year ended June 30, 2016. We are confident that the data is accurate in all material respects and presented in a manner designed to set forth fairly the financial position and results of the State's operations, as measured by the fiscal activity of its various funds, and includes all disclosures necessary to enable the reader to gain a reasonable understanding of the State's financial affairs.

### **NEW JERSEY GOVERNMENT**

The State of New Jersey was one of the original 13 colonies and was the third state to ratify the United States Constitution in 1787. The original State Constitution was adopted on July 2, 1776 and was subsequently superseded by the State Constitution of 1844. A new State Constitution was prepared by a constitutional convention in 1947 and was ratified by voters of the State in the General Election held November 4, 1947. The State Constitution divides the powers of government between three co-equal independent branches: Legislative, Executive, and Judicial.



**Legislative:** The State’s bicameral Legislative Branch, which consists of a total of 120 members from 40 legislative districts with elections held in odd-numbered years, meets in annual sessions in Trenton, the State’s capital. The 40 members of the State Senate are elected to terms of four years, except for the election following a decennial census, in which case the term is for two years. The 80 members of the General Assembly are elected to terms of two years. Neither State Senators nor Assembly Members are subject to term limits. The Office of Legislative Services (OLS) is a nonpartisan agency that provides legislators with legal, fiscal, research, information, and administrative services. Key OLS positions include an executive director, a legislative counsel, the State Auditor, a legislative budget and finance officer, a director of central staff, a director of data management, and a director of administration.

**Executive:** The Office of the Chief Executive, which oversees the entire Executive Branch, consists of the Governor, the Lieutenant Governor, Cabinet-level department heads, and staff who are responsible for carrying out the Governor’s constitutional powers and duties. Upon direct election by a plurality of the State’s voters, both the Governor and the Lieutenant Governor may serve two successive terms of four years. With the exception of the Secretary of Agriculture, who is chosen by the Board of Agriculture with the Governor’s approval, the New Jersey State Constitution grants the Governor the authority to appoint the entire cabinet as well as all Superior Court Judges and county prosecutors, subject to confirmation by the New Jersey Senate. Department heads remain in office until their successors are named and confirmed by the Senate; the only exceptions are the Attorney General and the Secretary of State, who are appointed to serve throughout the Governor’s entire term. Although the State Constitution permits a maximum of 20 departments, the State’s payroll consisted of approximately 55,200 employees in 15 departments as of January 2016. The Executive Branch also oversees the performance of 565 municipalities and 599 school districts, and the incarceration and rehabilitation of approximately 18,000 prisoners. In addition to reliable transportation and protection for the State’s citizenry and environment, the Executive Branch provides social services for one out of every six New Jersey citizens.

**Judicial:** New Jersey’s Supreme Court consists of a Chief Justice, who is the administrative head of all courts under the State’s jurisdiction, as well as six Associate Justices. In addition to Municipal and Tax Courts located throughout the State, there are Superior Courts, with a minimum of two Judges, in each of New Jersey’s 21 counties. After nomination by the Governor and subsequent confirmation by the State Senate, all Supreme Court Justices and Superior Court Judges serve initial terms of seven years. Should they be deemed eligible by both the Governor and the State Senate, Supreme Court Justices and Superior Court Judges acquire tenure with retirement at age 70 as mandated by the State Constitution. For purposes of judicial administration, the State is divided into 15 vicinages, each consisting of a single county or a combination of counties. The Administrative Office of the Courts provides support services. Approximately 6.7 million new cases are filed in New Jersey’s courts every year, including 5.9 million in Municipal Court and 0.8 million in Superior Court. These cases address matters concerning civil, criminal, and family law.

## **COLLEGES AND UNIVERSITIES**

As of July 1, 2016, the higher education system in New Jersey includes three public research universities, eight State colleges and universities, 19 community colleges, 15 independent four-year colleges and universities, 11 proprietary institutions with degree-granting authority, 26 Talmudic institutions and theological seminaries, and one independent two-year religious college. In November 2012, New Jersey voters approved the \$750 million “Building our Future Bond Act” (P.L. 2012, c.141), and in April 2013, the State announced reauthorization of four additional higher education funding programs – the Higher Education Capital Improvement Fund (CIF); the Higher Education Facilities Trust Fund (HEFT); the Higher Education Technology Infrastructure Fund (HETI); and the Higher Education Equipment Leasing Fund (ELF). Together, these five programs will provide more than \$1.3 billion for the renewal of New Jersey’s higher education infrastructure. In November 2015, an additional round of funding from the Building our Future Bond Act and the CIF was announced. The remaining balance of the Building our Future Bond Act, \$34.3 million, and an additional \$146.0 million in CIF bond funds will be awarded during Fiscal Year 2017.

## **COMPONENT UNITS**

In accordance with the requirements of GASB Statement No. 14, *The Financial Reporting Entity*, this CAFR for fiscal year ended June 30, 2016, includes the accounts of 20 public authorities and 11 State public colleges and universities. Public authorities are legal, separate entities that are not operating departments of the State. Governing boards are vested with the power to independently manage and set policies for the organization. Each component unit is established for a specific purpose for the benefit of the State’s citizenry. GASB Statement No. 14 provides that the State’s financial statements should emphasize the primary government and permit financial statement users to distinguish between the primary government and its component units. As a result, the transmittal letter, Management’s Discussion and Analysis, and the financial statements focus on the primary government of the State and its activities, although information pertaining to the component units is presented. For additional information, please see Note 17 – Component Units.

Executive Order No. 122, signed on July 23, 2004, was established to direct the Board of Directors for each State Authority to create an Audit Committee whose members are to assist in the oversight of the financial reporting and audit processes of the Authority. Each member of the Audit Committee is independent of the Authority, with at least one member having a background in accounting or related financial expertise. The Audit Committee must assist the Board in retaining an independent auditor to conduct an audit. The auditor selection process must be based on public, competitive bidding principles and shall take place no less than once every five years. In order to ensure the independence of the auditor selection process, an evaluation committee shall be established by the Board to conduct the solicitation and evaluation of eligible auditors. The auditor selected shall report directly to the Audit Committee or the Board. At no time shall the auditor report to any staff member of the Authority. At least twice a year, the Audit Committee shall hold a private meeting with the auditor. In carrying out these duties, the Audit Committee shall proactively assist the Board in overseeing the integrity and quality of the Authority’s financial statements, the Authority’s compliance with legal, regulatory, and ethical requirements, the auditor’s performance and ability to perform, and the performance of the Authority’s own internal audit and internal control functions.

## **BUDGET AND ACCOUNTING**

### **Legal Level of Control**

The State’s annual Appropriations Act includes the General Fund, as well as certain Special Revenue Funds (Casino Control, Casino Revenue, Gubernatorial Elections, and Property Tax Relief). The departments maintain legal control at the appropriation line item level and exercise budgetary control by individual appropriations and allocations within annual appropriations to various programs and major expenditure objects. Program classifications represent a lower level operating program function, consisting of closely related activities with identifiable objectives or goals. Revisions to the annual Appropriations Act, reflecting program changes or interdepartmental transfers of an administrative nature, may be effected during the budget year with certain Executive and Legislative Branch approvals. Language, located in the “General Provisions” section of the State’s annual Appropriations Act, enables management to amend a department’s budget with approval by the Director of the Office of Management and Budget; under specific conditions, additional approval by the Office of Legislative Services is required. Only the State Legislature, however, may transfer appropriations between departments.

### **Accounting Systems**

The Office of Management and Budget directs and supervises a central accounting system, which maintains all accounting records for the various State departments. The State's annual budget provides individual appropriations to departments for specific programs and purposes, while component units maintain separate accounting systems.

To ensure expenditures do not exceed appropriations and allocations, the State employs encumbrance accounting. Purchase orders, contracts, and other commitments involving monetary expenditures are encumbrances. Any unencumbered and unexpended non-continuing appropriations lapse at fiscal year's end.

Consideration as to the adequacy of internal controls is paramount in developing and maintaining the State's accounting system. Internal accounting controls are designed to provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, and guarantee that financial records are reliable for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from its use, and the evaluation of costs and benefits requires managerial estimates and judgments. All internal control evaluations occur within this framework.

### **RELEVANT FINANCIAL POLICIES**

The New Jersey State Constitution, which mandates an annual balanced budget, directs, in part, that no money shall be drawn from the State Treasury but for appropriations made by law and that no law appropriating money for any State purpose shall be enacted if the appropriations contained therein, together with all prior appropriations made for the same fiscal period, shall exceed the total amount of the revenue on hand and anticipated to be available to meet such appropriations during such fiscal period, as certified by the Governor. Accordingly, during the fiscal year, the State may have to make several revenue and expenditure adjustments to ensure a positive fund balance. The State has had a balanced budget in every fiscal year since the adoption of the State Constitution in 1947.

Created as a "rainy day fund," the Surplus Revenue Fund is part of the General Fund's resources and fund balance, and accounts for excess revenues from prior fiscal years that are reserved legislatively and may be used to support current year's appropriations in the event that anticipated revenues in the General Fund are estimated to be less than those certified by the Governor upon approval of the annual Appropriations Act. The Surplus Revenue Fund was designed to build fund balance during economic upswings, and to be expended during economic downturns and emergency situations. Such an example occurred during Fiscal Year 2009 when, in response to the national recession, the State drained its entire Surplus Revenue Fund to help balance its budget. As of June 30, 2016, this Fund continued to have a zero balance.

The State employs a budgetary basis of accounting for all of its annual fiscal transactions. The budgetary basis differs from the GAAP basis, which is used to present fund financial statements, in that the former: 1) recognizes encumbrances as expenditures, 2) recognizes all federal revenues related to such encumbrances, and 3) reflects only current fiscal year transactions. The GAAP basis also requires that certain grants and other financial assistance be recorded as revenues and/or expenditures.

### **FINANCIAL TRENDS**

#### **NJ Transportation Trust Fund Authority Legislative Reauthorization**

On October 14, 2016, legislation was enacted reauthorizing the New Jersey Transportation Trust Fund Authority (TTFA) for a period of eight fiscal years. The eight year plan assumes a \$16.0 billion capital program which includes \$3.2 billion set-aside for Local Aid projects. Combined with anticipated federal funds, the entire capital program is expected to total \$32.0 billion.

The legislation reauthorizing the TTFA capital program impacted several State taxes. They are as follows:

- **Sales and Use Tax**  
Effective January 1, 2017, the Sales and Use Tax was reduced to 6.875 percent from its previous 7.00 percent rate. Further, on January 1, 2018, the Sales and Use Tax will be reduced to 6.625 percent from the current 6.875 percent rate.
- **New Jersey's Estate Tax**  
The Estate Tax will be phased out, replacing the current \$675,000 threshold with a \$2 million exclusion after January 1, 2017. The Estate Tax will be eliminated altogether as of January 1, 2018.

- **New Jersey's Earned Income Tax Credit**

The Earned Income Tax Credit for the working poor will rise to 35 percent from 30 percent beginning in tax year 2016.

- **Gross Income Tax**

The TTFA agreement will also provide a personal exemption on State income taxes for all New Jersey veterans honorably discharged from active service in the military or the National Guard.

- **Petroleum Products Gross Receipts Tax**

Effective November 1, 2016, the tax imposed under the Petroleum Products Gross Receipts Tax (PPRGT) increased in three major components: 1) a 12.85 percent increase in the tax rate on highway fuel with a phase-in of the diesel component; 2) a 4.25 percent increase in the tax rate on non-motor fuels; and 3) an additional four cents per gallon tax on diesel fuels that will begin in Fiscal Year 2018.

On November 8, 2016 the citizens of New Jersey voted in favor of a constitutional amendment. The amendment had the following effect:

- The amendment dedicated all Motor Fuels Tax revenue and Petroleum Products Gross Receipts Tax to the State transportation system. This amendment includes the Petroleum Products Gross Receipts Tax increase detailed above; and
- The amendment authorized \$12.0 billion of bonding capacity for the TTFA to cover project costs.

### **Revenue History**

The State-reported Fiscal Year 2016 revenue collections of \$32.9 billion just slightly below Fiscal Year 2015 revenue collections of \$33.1 billion. The greatest gain was in Corporate Banks and Financial Institutions Tax which grew by \$51.0 million or 40.1 percent. The New Jersey labor market continues to expand and unemployment has fallen to 4.7 percent with significantly greater labor force participation than the national average. With the current Fiscal Year 2017 revenue estimate projected to be \$34.4 billion, the State's economic recovery trend remains optimistic. The Statistical Section provides a 10-year history of State-budgeted revenue collections.

### **Pension and Other Postemployment Benefits (OPEB) Obligations**

In Fiscal Year 2016 the State funded the various defined benefit pension systems at 3/10<sup>th</sup> of the full actuarially determined contributions. The State implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, in Fiscal Year 2015. The new statement was designed to improve the accounting and financial reporting of public employee pensions by state and local governments and enhance the usefulness of pension information for making decisions and assessing accountability. Although the new statement is intended to improve comparability between public pension plans by standardizing the way certain financial data relating to plans are disclosed, it does not require plans to change their methods used to compute actual employer contributions to the plans. Employer contributions to the pension plans continue to be calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68 requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2015, which is required to be recorded on the financial statements, is \$93.2 billion.

The Fiscal Year 2017 Appropriations Act includes an appropriation to the pension plans of \$1.862 billion representing 4/10<sup>th</sup> of the full actuarially determined contribution.

The State provides post-retirement medical ("PRM") benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2016, the State paid PRM benefits for 144,675 State and local retirees.

The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2016, the State contributed \$1.829 billion to pay for pay-as-you-go PRM benefit costs incurred by covered retirees. The increase in the State's pay-as-you-go contribution between Fiscal Year 2015 and Fiscal Year 2016 is attributed to rising health care costs, an increase in the number of participants qualifying for State-paid PRM benefits at retirement and larger fund balance utilization in Fiscal Year 2015 than in Fiscal Year 2016. The Fiscal Year 2017 Appropriations Act includes \$1.930 billion as the State's contribution to fund pay-as-you-go PRM costs.

In accordance with the provisions of GASB Statement No. 43 and 45, the State is required to quantify and disclose its obligations to pay PRM to current and future retirees. The Fiscal Year 2015 actuarial accrued liability of the State to provide PRM to active and retired members of the pension plans, which is based upon GASB Statement No. 43 results as of July 1, 2015, has been measured to be \$67.5 billion, an increase of \$2.5 billion or 3.8 percent as compared to the Fiscal Year 2014 actuarial accrued liability of \$65.0 billion. The liability included as a long-term obligation in these financial statements, in accordance with GASB Statement No. 45, is \$32.3 billion compared to \$28.0 billion last year. Fiscal Year 2015 actuarial reports can be accessed via <http://www.state.nj.us/treasury/pensions/actuarial-rpts.shtml>.

#### **AUDIT INFORMATION**

The principal auditor of the State's reporting entity is the Office of the State Auditor, which resides in the Legislative Branch of State government. The State Auditor's examination was conducted in accordance with generally accepted auditing standards and its opinion precedes the Basic Financial Statements. Private sector public accounting firms have been used for the audits of separately issued component units and college and university financial statements. In addition, the Office of the State Auditor conducts periodic financial and expanded scope audits of various State agencies. Additional information regarding the State's financial status, including prior year budgets, appropriations acts, and financial reports, is available on the State's web site (<http://www.state.nj.us/treasury/omb/>).

#### **CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING**

The GFOA awarded the Certificate of Achievement for Excellence in Financial Reporting to the State of New Jersey for its CAFR for the fiscal year ended June 30, 2015. In order to qualify for this certificate, a governmental entity must publish an easily readable and efficiently organized comprehensive annual financial report, of which the contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. The State of New Jersey has received this award every year since 1993.

#### **ACKNOWLEDGEMENTS**

Finally, we express our grateful appreciation to the many dedicated professionals in the Office of Management and Budget and the Office of the State Auditor, whose work made possible the preparation of this report. We believe their combined efforts have produced a report that will provide a means for government, the financial community, decision makers, and concerned citizens to better understand and evaluate the State's financial condition.

Sincerely,



Ford M. Scudder  
State Treasurer



David Ridolfino  
Acting Director, Office of Management and Budget



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**State of New Jersey**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2015**

Executive Director/CEO

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FINANCIAL  
SECTION



LEGISLATIVE SERVICES COMMISSION

SENATOR  
STEPHEN M. SWEENEY  
*Chairman*

ASSEMBLYMAN  
JON M. BRAMNICK  
*Vice-Chairman*

SENATE

CHRISTOPHER J. CONNORS  
NIA H. GILL  
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## New Jersey State Legislature

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*State Auditor*

DAVID J. KASCHAK  
*Assistant State Auditor*

JOHN J. TERMYNA  
*Assistant State Auditor*

## INDEPENDENT AUDITOR'S REPORT

The Honorable Chris Christie  
Governor of New Jersey

The Honorable Stephen M. Sweeney  
President of the Senate

The Honorable Vincent Prieto  
Speaker of the General Assembly

Ms. Peri A. Horowitz  
Executive Director  
Office of Legislative Services

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of New Jersey, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the state's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 did not audit the financial statements of the pensions and other employee benefits trust funds and the Port Authority of New York and New Jersey which represent 92 percent of the assets and 41 percent of the revenues (including additions to fiduciary net assets) of the aggregate remaining fund information, and 100 percent of the information disclosed in Note 2-G of the basic financial statements, respectively. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts and disclosures included for the pensions and other employee benefits trust funds and the Port Authority of New York and New Jersey, are based solely on the reports of the other auditors. In addition, we did not audit the financial statements of the discretely presented component units. Our opinion on the aggregate discretely presented component units is based solely upon audit reports prepared by other auditors and furnished to us. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the pensions and other employee benefits trust funds, and three discretely presented component units, the New Jersey Turnpike Authority, the Higher Education Student Assistance Authority, and the Casino Reinvestment Development Authority, were not audited in accordance with *Government Auditing Standards*.

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.

## ***Opinions***

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of New Jersey as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

### *Adoption of New Accounting Pronouncements*

As discussed in Note 2A, the State of New Jersey adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application* and GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* as of July 1, 2015. Our opinion was not modified with respect to these matters.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules listed under Required Supplementary Information in the accompanying table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of New Jersey's basic financial statements. The introductory section, combining financial statements section, other information section, and statistical section, as listed in the table of contents, are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The combining financial statements section and the other information section are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the

combining financial statements section and the other information section are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2017 on our consideration of the State of New Jersey'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 State of New Jersey's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "Stephen M. Eells". The signature is fluid and cursive, with a large initial "S" and "M".

Stephen M. Eells  
State Auditor  
March 15, 2017

*Management's  
Discussion  
and  
Analysis*

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

The following narrative provides an overview and analysis concerning New Jersey State Government's financial performance of its activities for the fiscal year ended June 30, 2016. Readers should consider this information in conjunction with the transmittal letter, which precedes Management's Discussion and Analysis, and the State's financial statements, which follow.

### FINANCIAL HIGHLIGHTS

#### Government-wide

- The primary government's assets and deferred outflows of resources totaled \$56.2 billion, an increase of \$9.4 billion from the prior fiscal year after two restatements that resulted in a \$703 million increase in net position. Restatements were made to include an increase in capital assets and to reduce the overstated contributory life insurance payable. As of June 30, 2016, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$120.3 billion. The State's unrestricted net position, which represents net assets that have no statutory commitments and are available for discretionary use, totaled a negative \$137.0 billion. The negative balance is primarily a result of the State implementing, in Fiscal Year 2015, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* (See Note 15 – Retirement Systems) and the State's recognition of other postemployment benefits under GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (See Note 16 – Health Benefits and Post-Retirement Medical Benefits). Financing activities that have contributed to the State's negative unrestricted net position amount include liabilities from pension obligation bonds, the funding of a portion of local elementary and high school construction, and the securitization of a major portion of annual tobacco master settlement agreement receipts with no corresponding assets.
- June 30, 2016 component unit assets and deferred outflows of resources exceeded component unit liabilities and deferred inflows of resources by \$16.4 billion. Total component unit assets and deferred outflows of resources totaled \$51.1 billion, a \$1.2 billion increase from the prior fiscal year.

#### Fund Level

- The State's governmental funds reported June 30, 2016 combined ending fund balances of \$8.6 billion, a decrease of \$0.8 billion when compared to the prior fiscal year after a restatement to reflect the reduction of the overstated contributory life insurance payable. Fund balances are segregated into the following categories: nonspendable, restricted, committed, and unassigned. The nonspendable fund balance classification (\$20.4 million) includes amounts that are legally required to remain intact. The restricted fund balance classification (\$5.3 billion) is used when constraints have been placed upon the use of resources through enabling legislation initiated by voter referendum, constitutional provisions, debt covenants, or other external parties such as the federal government. The committed fund balance classification (\$2.8 billion) includes amounts that can only be used for purposes specified in enabling legislation with the consent of both the legislative and executive branches. In contrast to the restricted fund balance classification, amounts in this category may be redeployed for other purposes with appropriate due process. Finally, the unassigned fund balance (\$462.8 million) represents the fund balance amount that has not been restricted or committed to a specific purpose within the General Fund.
- During the fiscal year, the proprietary funds' net position increased by \$762.2 million resulting in net position of \$2.5 billion as of June 30, 2016.

#### Long-term Obligations

- The State's governmental long-term obligations increased 11.8 percent to \$171.6 billion, which includes a net decrease in bonded obligations of \$0.5 billion. During the fiscal year, the State issued \$3.4 billion in bonds. New money issuances represented \$1.2 billion primarily for transportation program improvements, while \$2.2 billion represented refunding transactions that provided the State with \$24.3 million in net present value savings. During Fiscal Year 2016, the State paid \$4.2 billion in debt service on its long-term obligations.
- Non-bonded portions of the State's governmental long-term obligations total \$128.9 billion. This amount represents a \$18.6 billion increase from the prior fiscal year and is mainly attributable to increases in the Net Pension Liability resulting from the implementation of GASB Statement No. 68 in Fiscal Year 2015 as well as the State's Net Other Postemployment Benefits (OPEB) Obligation.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The State’s basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This Comprehensive Annual Financial Report also contains required supplementary information (RSI) and other information, in addition to the basic financial statements.

**Major Features of the Basic Financial Statements**

Features	Government-wide Financial Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
<b>Scope</b>	Entire State government (except fiduciary funds) and the State's component units	State activities that are not proprietary or fiduciary	State activities that are operated similar to a private business	Instances in which the State is the trustee or agent for someone else's resources
<b>Required Financial Statements</b>	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balance	Statement of Net Position Statement of Revenues, Expenses, and Changes in Net Position Statement of Cash Flows	Statement of Fiduciary Net Position Statement of Changes in Fiduciary Net Position
<b>Accounting Basis and Measurement Focus</b>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
<b>Types of Asset/Liability Information</b>	All assets and deferred outflows of resources and all liabilities and deferred inflows of resources, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
<b>Types of Inflow/Outflow Information</b>	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the fiscal year Expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

## **Government-wide Financial Statements**

Government-wide financial statements provide a broad view of the State's operations in a manner similar to private sector business standards, as well as both short-term and long-term information regarding the State's overall financial position through the fiscal year end. The government-wide financial statements include the following two statements:

- **Statement of Net Position**

Presents all of the State's assets and deferred outflows of resources and liabilities and deferred inflows of resources and calculates net position. Increases or decreases in the State's net position over time may serve as a useful indicator as to whether or not the State's overall financial position is improving or deteriorating.

- **Statement of Activities**

Presents how the State's net position changed during the fiscal year. All changes in net position are reported when the underlying event occurs, giving rise to the change, regardless of the timing of related cash flows. This statement also presents a comparison between direct expenses and program revenues for each State function.

Both the Statement of Net Position and the Statement of Activities have separate sections that report three activities:

- **Governmental Activities**

The majority of State service functions fall into this category, which includes Executive, Legislative, and Judicial Branch operations. Governmental activity functions rely heavily on State taxes and federal grant receipts for funding their respective programs and functions.

- **Business-type Activities**

These operations, consisting of the State Lottery Fund and the Unemployment Compensation Fund, are legislatively able to charge fees to external users to recover all or a portion of the cost of the services provided and are, therefore, classified as business-type activities.

- **Component Units**

Legally separate operations and organizations for which the State has financial accountability are considered component units. Operating as business-type activities, financial statements of component units are presented discretely in either the major or non-major categories in both the Statement of Net Position and the Statement of Activities based upon the relative size of assets, liabilities, revenues, and expenses in relation to the total. The State's component units for the period covered by the Comprehensive Annual Financial Report, consist of 11 senior public institutions of higher education as well as 20 authorities; of the latter 20, five (the Garden State Preservation Trust, the New Jersey Building Authority, the New Jersey Schools Development Authority, the New Jersey Transportation Trust Fund Authority, and the Tobacco Settlement Financing Corporation) are blended into governmental activities. A complete list of the State's component units is shown in Note 1B – Summary of Significant Accounting Policies – Financial Reporting Entity and Note 17 – Component Units. Audit reports of the individual component units can be obtained from their respective administrative offices or websites.

## **Reconciliation of Government-wide and Governmental Funds Financial Statements**

This Comprehensive Annual Financial Report includes two schedules that reconcile the amount reported on the governmental funds financial statements (modified accrual basis of accounting) with government-wide financial statements (accrual basis of accounting). The following summarizes the major differences between the financial reporting impacts of transitioning from a modified accrual basis of accounting to a full accrual basis of accounting:

- Capital assets used in governmental activities are not reported on governmental funds financial statements;
- Deferred outflows and deferred inflows of resources on the government-wide financial statements are not reported on the governmental funds financial statements;
- Capital outlay spending results in capital assets on the government-wide financial statements, but is reported as expenditures on the governmental funds financial statements;
- Bond and note proceeds result in liabilities on the government-wide financial statements, but are recorded as other financing sources on the governmental funds financial statements; and
- Certain other outflows represent either increases or decreases in liabilities on the government-wide financial statements, but are reported as expenditures on the governmental funds financial statements.

For more detailed information, which is essential to a full understanding of the data provided in the government-wide financial statements and governmental funds financial statements, see “Notes to the Financial Statements.”

### **Fund Financial Statements**

A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equities or balances, and changes therein, which is segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The State’s fund financial statements reflect financial reporting practices in accordance with this definition. The State’s funds, which exclude component units, are divided into three categories: governmental, proprietary, and fiduciary.

- **Governmental Funds Financial Statements**

Most direct State services are financed through governmental funds, which are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The governmental funds financial statements focus on current inflows and outflows of expendable resources and the unexpended balances at the end of a fiscal year that are available for future spending. Governmental fund information helps determine whether or not there was an addition or a reduction in financial resources that can be spent in the near future to finance State programs.

The State’s governmental funds are the General Fund, Special Revenue Funds, and Capital Projects Funds. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The basic governmental funds financial statements can be found immediately following the government-wide financial statements.

- **Proprietary Funds Financial Statements**

Proprietary funds are used to account for State business-type activities. Since these funds charge fees to external users, they are known as enterprise funds. Proprietary funds provide the same information as government-wide financial statements and use the accrual basis of accounting.

- **Fiduciary Funds Financial Statements**

Fiduciary funds, which include State pension fund systems, are used to account for resources held by the State for the benefit of parties outside of State government. Fiduciary funds are reported using the accrual basis of accounting in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. Government-wide financial statements exclude fiduciary fund activity and balances since the assets are legislatively restricted in purpose and do not represent discretionary assets the State can use to fund its operations.

### **Notes to the Financial Statements**

The Notes to the Financial Statements provide additional background information that assists the reader in understanding the data provided in the government-wide financial statements and fund financial statements.

### **Required Supplementary Information**

The basic financial statements are followed by a required supplementary information section. This section includes budgetary schedules that reconcile the statutory intent of the program with fund balances in accordance with generally accepted accounting principles at fiscal year end as well as variances between the final budget and actual results on a budgetary basis. Also, there are various schedules relating to the State’s Net Pension Liability, Related Ratios, and Employer Contributions.

### **Combining Financial Statements**

Combining financial statements are presented for non-major governmental, proprietary, and fiduciary funds. Non-major funds are shown in the aggregate in the basic financial statements. Combining schedules are presented for the General Fund.

### **Other Information**

Information on New Jersey’s capital assets, long-term obligations, and non-major budgetary comparison schedules are displayed in this section. Schedules of Anticipated and Appropriated Revenues provide detailed information on major and miscellaneous taxes, fees, and other revenues. The Schedule of Anticipated Revenue provides further analysis by showing dollar and percentage variances of actual collections as compared to the original anticipation. The Schedule of Appropriations and Expenditures details the comparison of expenditures at the legal level of control to the final budget.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Net Position**

The State ended Fiscal Year 2016 with combined net position for the primary government totaling a negative \$120.3 billion. This amount represents a reduction of net position of \$7.1 billion from the prior fiscal year. Restricted net position includes funds used to pay unemployment claims and open space preservation. Capital assets, net of depreciation, are used by the State to provide services to citizens; consequently, these assets are not available for future spending. Net investment in capital assets includes land, land easements, land improvements, buildings and improvements, equipment and software, infrastructure (roads, bridges, and other immovable assets), and construction in progress. The deficit in unrestricted governmental net position arose primarily as a result of the cost of the State's school facilities construction program, depreciation expense related to capital assets, and certain liabilities, including but not limited to the Net Pension Liability and the Net OPEB Obligation, that are required to be included in the government-wide financial statements.

**Net Position  
For Fiscal Year Ended June 30  
(Expressed in Millions)**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	<b>2016</b>	<b>2015*</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015*</b>
Current and other noncurrent assets	\$ 12,939.1	\$ 13,497.0	\$ 2,996.6	\$ 2,180.6	\$ 15,935.7	\$ 15,677.6
Capital assets, net	27,710.9	26,374.5	-	-	27,710.9	26,374.5
<b>Total Assets</b>	<b>40,650.0</b>	<b>39,871.5</b>	<b>2,996.6</b>	<b>2,180.6</b>	<b>43,646.6</b>	<b>42,052.1</b>
Deferred outflows of resources	12,548.7	4,747.7	-	-	12,548.7	4,747.7
<b>Total Assets and Deferred Outflows of Resources</b>	<b>53,198.7</b>	<b>44,619.2</b>	<b>2,996.6</b>	<b>2,180.6</b>	<b>56,195.3</b>	<b>46,799.8</b>
Current liabilities	5,989.3	6,400.3	307.6	252.5	6,296.9	6,652.8
Noncurrent liabilities	169,075.0	150,474.1	227.8	229.2	169,302.8	150,703.3
<b>Total Liabilities</b>	<b>175,064.3</b>	<b>156,874.4</b>	<b>535.4</b>	<b>481.7</b>	<b>175,599.7</b>	<b>157,356.1</b>
Deferred inflows of resources	906.3	2,617.9	-	-	906.3	2,617.9
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>175,970.6</b>	<b>159,492.3</b>	<b>535.4</b>	<b>481.7</b>	<b>176,506.0</b>	<b>159,974.0</b>
<b>Net Position:</b>						
Net investment in capital assets	9,606.6	8,506.6	-	-	9,606.6	8,506.6
Restricted	4,576.7	4,472.3	2,461.1	1,698.9	7,037.8	6,171.2
Unrestricted	(136,955.1)	(127,852.0)	-	-	(136,955.1)	(127,852.0)
<b>Total Net Position</b>	<b>\$ (122,771.8)</b>	<b>\$ (114,873.1)</b>	<b>\$ 2,461.1</b>	<b>\$ 1,698.9</b>	<b>\$ (120,310.7)</b>	<b>\$ (113,174.2)</b>

\* Net Position was restated by \$703.0 million to reflect the following prior period adjustments: the inclusion of increased capital assets (\$138.2 million) and the reduction of overstated contributory life insurance payable (\$564.8 million).

**Changes in Net Position**

The State's Fiscal Year 2016 net position decreased by \$7.1 billion. Approximately 51.7 percent of the State's total revenues came from general taxes, while 28.0 percent was derived from operating grants. Charges for services amounted to 18.7 percent of total revenues, while other items such as capital grants and miscellaneous revenues accounted for the remainder. State expenses cover a range of services. The largest expense, 25.9 percent, was for educational, cultural, and intellectual development, which includes approximately \$459.2 million disbursed by the New Jersey Schools Development Authority (a blended component unit) to help finance school facilities construction. Government direction, management, and control amounted to 23.1 percent of total expenses, while physical and mental health amounted to 21.6 percent. Other major expenditures focused on economic planning, development, and security and public safety and criminal justice. During Fiscal Year 2016, governmental activity expenses exceeded program revenues. This imbalance was mainly funded through \$32.1 billion of general revenues (mostly taxes). The remaining \$7.9 billion resulted in a decrease in net position. Offsetting the governmental net position decrease, Business-type Activities reflected a net position increase of \$762.2 million as the Unemployment Compensation Fund's available resources exceeded the need to pay claims.

**Statement of Activities**  
**For Fiscal Year Ended June 30**  
**(Expressed in Millions)**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Primary Government Total</b>	
	<b>2016</b>	<b>2015*</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015*</b>
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 4,981.3	\$ 5,123.8	\$ 6,049.6	\$ 5,848.6	\$ 11,030.9	\$ 10,972.4
Operating grants	16,412.9	16,533.7	54.3	45.7	16,467.2	16,579.4
Capital grants	269.4	363.7	-	-	269.4	363.7
General revenues						
General taxes	30,463.4	30,771.2	-	-	30,463.4	30,771.2
Interest earnings	8.3	331.1	-	-	8.3	331.1
Miscellaneous	633.5	738.6	-	-	633.5	738.6
<b>Total Revenues</b>	<b>52,768.8</b>	<b>53,862.1</b>	<b>6,103.9</b>	<b>5,894.3</b>	<b>58,872.7</b>	<b>59,756.4</b>
<b>Expenses</b>						
Public safety and criminal justice	3,270.4	3,272.7	-	-	3,270.4	3,272.7
Physical and mental health	14,249.1	14,283.6	-	-	14,249.1	14,283.6
Educational, cultural, and intellectual development	17,135.4	16,409.7	-	-	17,135.4	16,409.7
Community development and environmental management	2,285.7	2,385.9	-	-	2,285.7	2,385.9
Economic planning, development, and security	6,241.9	6,484.7	-	-	6,241.9	6,484.7
Transportation programs	1,522.5	1,831.0	-	-	1,522.5	1,831.0
Government direction, management, and control	15,231.1	14,461.7	-	-	15,231.1	14,461.7
Special government services	338.6	357.5	-	-	338.6	357.5
Interest expense	1,382.5	1,328.0	-	-	1,382.5	1,328.0
State Lottery Fund	-	-	2,301.6	2,102.1	2,301.6	2,102.1
Unemployment Compensation Fund	-	-	2,053.1	2,200.8	2,053.1	2,200.8
<b>Total Expenses</b>	<b>61,657.2</b>	<b>60,814.8</b>	<b>4,354.7</b>	<b>4,302.9</b>	<b>66,011.9</b>	<b>65,117.7</b>
Excess (Deficiency) Before Transfers	(8,888.4)	(6,952.7)	1,749.2	1,591.4	(7,139.2)	(5,361.3)
Transfers	989.7	951.0	(987.0)	(960.0)	2.7	(9.0)
<b>Increase (Decrease) in Net Position</b>	<b>(7,898.7)</b>	<b>(6,001.7)</b>	<b>762.2</b>	<b>631.4</b>	<b>(7,136.5)</b>	<b>(5,370.3)</b>
<b>Net Position - July 1 (restated)</b>	<b>(114,873.1)</b>	<b>(108,871.4)</b>	<b>1,698.9</b>	<b>1,067.5</b>	<b>(113,174.2)</b>	<b>(107,803.9)</b>
<b>Net Position - June 30</b>	<b>\$ (122,771.8)</b>	<b>\$ (114,873.1)</b>	<b>\$ 2,461.1</b>	<b>\$ 1,698.9</b>	<b>\$ (120,310.7)</b>	<b>\$ (113,174.2)</b>

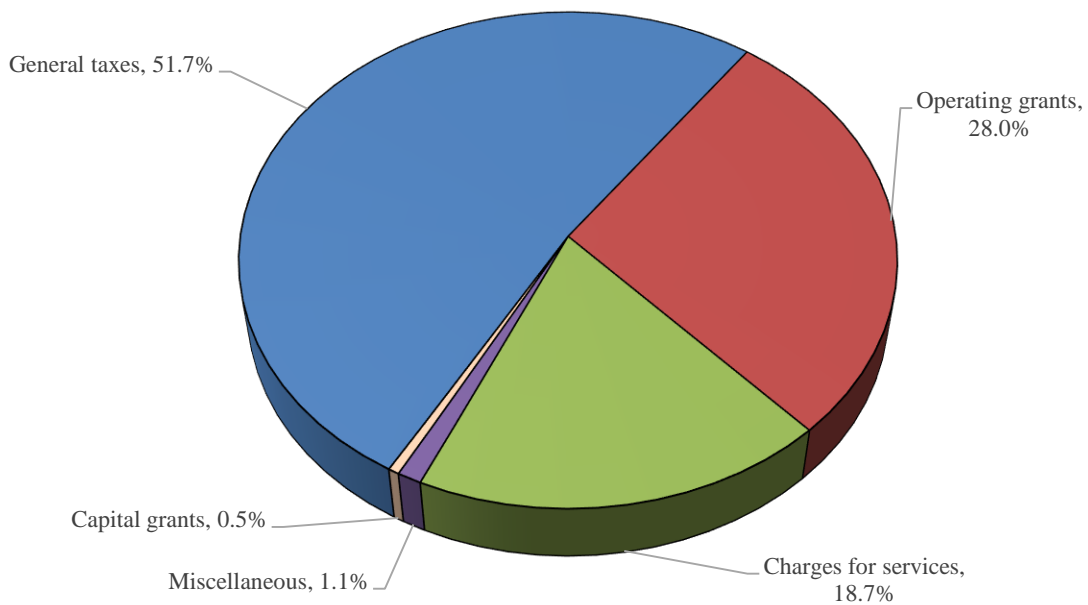
\* Fiscal Year 2015 has been reclassified to be comparable to the Fiscal Year 2016 presentation. For Fiscal Year 2016 rebates were modified to be treated as a reduction of expense versus the prior treatment as revenue.

**Primary Government – Fiscal Year 2016 Revenues and Expenses**

During Fiscal Year 2016, State revenues, including transfers, totaled \$58.9 billion or a decrease of \$0.9 billion when compared to the prior fiscal year. This decrease in total revenues is primarily attributable to decreases in interest earnings and general taxes, primarily the State’s Corporation Business Tax. General taxes totaled \$30.5 billion and accounted for 51.7 percent of total State revenues for Fiscal Year 2016. The State’s Gross Income Tax totaled \$13.4 billion, the Sales and Use Tax totaled \$9.2 billion, and the Corporation Business Tax totaled \$2.3 billion. The State’s three major taxes comprised 81.7 percent of the total general taxes that were collected during Fiscal Year 2016. General taxes decreased by \$307.8 million when compared to Fiscal Year 2015.

The following pie chart depicts the primary government revenue activity for the fiscal year ended June 30, 2016:

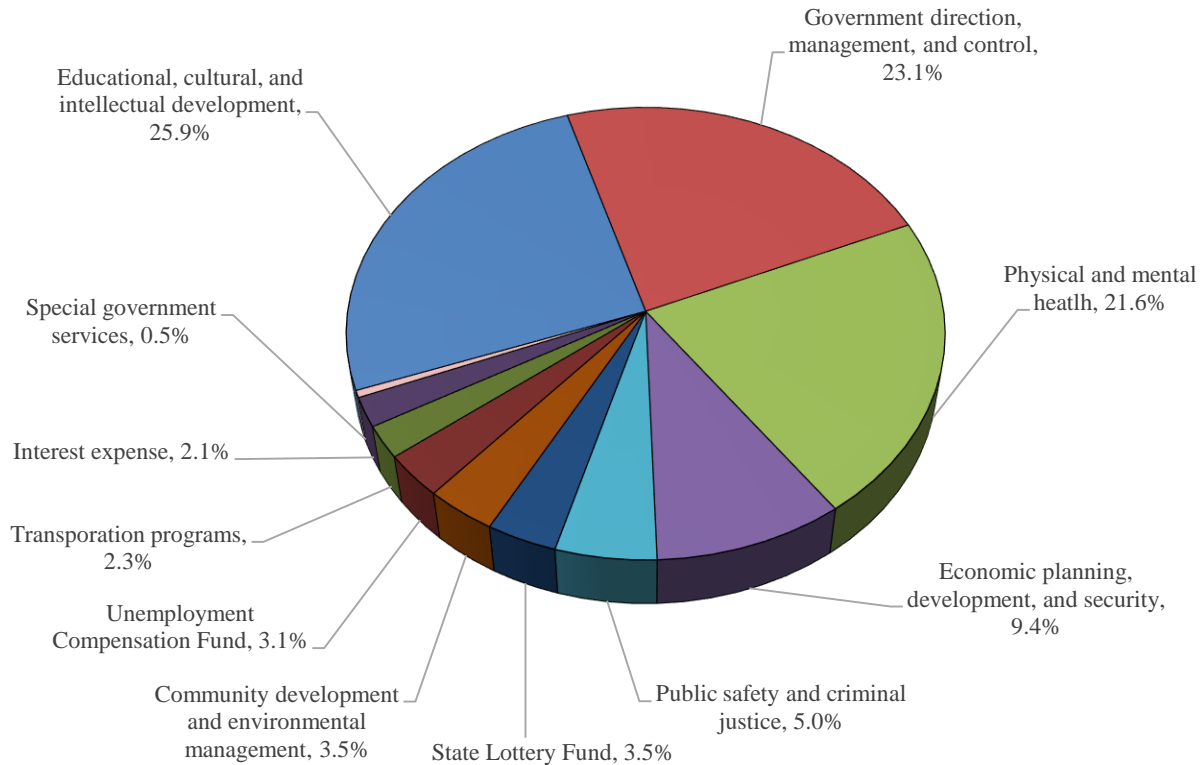
**Revenues – Primary Government  
Fiscal Year Ended June 30, 2016**



Fiscal Year 2016 expenses totaled \$66.0 billion, an increase of \$0.9 billion in comparison to the prior fiscal year. State spending increased by \$769.4 million in government direction, management, and control mainly due to the increase in the pension expense based on the requirements of GASB Statement No. 68 and \$725.7 million in educational, cultural, and intellectual development. Offsetting the aforementioned increases were decreases in transportation programs, \$308.5 million, and economic planning, development, and security, \$242.8 million.

The following pie chart depicts the primary government expenses activity for the fiscal year ended June 30, 2016:

**Expenses – Primary Government  
Fiscal Year Ended June 30, 2016**



Please see the Statistical Section for current and prior fiscal year revenue and expense comparisons.

**Component Units**

Combined operating revenues and expenses for the State’s component units for Fiscal Year 2016 amounted to \$12.8 billion and \$13.8 billion, respectively. Total operations along with other revenue and expenses contributed to total combined net assets at fiscal year end of \$16.4 billion. The component units received \$1.1 billion in State appropriations during Fiscal Year 2016.



## **MAJOR GOVERNMENTAL FUNDS FINANCIAL ANALYSIS**

The focus of the State's governmental funds reported in the fund financial statements is on near term inflows, outflows, and balance of expendable resources, which are essential elements in assessing the State's financing needs and serve as useful measures of the government's net resources available for future spending. The State's governmental funds reported June 30, 2016 fund balances of \$8.6 billion. The \$0.8 billion decrease in fund balance was primarily from lower Fiscal Year 2016 revenues.

### **General Fund**

The General Fund is the State's chief operating fund and is the fund into which all State revenues, not otherwise restricted by statute, are deposited. The General Fund's ending fund balance totaled \$3.9 billion of which \$462.8 million represented unassigned fund balance.

On a budgetary basis, general revenues of \$34.5 billion were \$5.5 billion lower than the final budget. The negative variance was the result of unearned federal and other grant revenues of \$2.5 billion and declines of \$2.3 billion in other revenues. Federal and other grant revenues are not earned unless there has been a grant award and eligible grant expenses incurred. To the extent that federal and grant appropriations are made in anticipation of grant awards and the incurrence of grant expenditures, grant revenues are budgeted.

Total expenditures were \$5.4 billion lower than original appropriations as set forth in the annual Appropriations Act plus supplemental appropriations enacted during the fiscal year. A major cause for under-spending resulted from the overestimate of federal funds. This practice allows the State to receive the maximum federal dollars that become available. During Fiscal Year 2016, the State's appropriation of federal funds and other grants exceeded expenditures by \$2.5 billion. These excess appropriations are available for use in future years. From a Fiscal Year 2016 program perspective, under-spending transpired in physical and mental health (\$2.4 billion); economic planning, development, and security (\$743.4 million); community development and environmental management (\$721.1 million); public safety and criminal justice (\$636.0 million); government direction, management, and control (\$438.6 million); educational, cultural, and intellectual development (\$311.5 million); transportation programs (\$108.5 million); and special government services (\$66.2 million).

### **Property Tax Relief Fund**

The Property Tax Relief Fund accounts for revenues from the Gross Income Tax and one-half percent of the Sales and Use Tax that is constitutionally dedicated for property tax relief. Appropriations from this fund must be used exclusively for the constitutional purpose of reducing or offsetting property taxes. During Fiscal Year 2016, \$14.0 billion of property tax relief expenditures were made. The Property Tax Relief Fund's Fiscal Year 2016 ending fund balance was \$18.3 million.

## **PROPRIETARY FUNDS FINANCIAL ANALYSIS**

### **State Lottery Fund**

Monies derived from the sale of State Lottery tickets are deposited into this fund. Disbursements are authorized for the payment of prizes to holders of winning Lottery tickets, vendor fees in the production and distribution of Lottery tickets, and for the administrative expenses of the Division of the State Lottery. Available fund balances are transferred to the State's General Fund in support of the amounts annually appropriated for State institutions and for education. The present value of obligations for future installment payments of Lottery prizes, which are funded by the purchase of deposit fund contracts and United States Government Treasury securities, are accounted for in this fund.

In Fiscal Year 2016, gross revenues totaled \$3.3 billion of which \$2.0 billion was returned in prizes; \$987.0 million went to State education and institutions; \$245.5 million was paid to sales agents and ticket vendors; and \$54.4 million covered Lottery operational and promotional expenses. As of June 30, 2016, the State Lottery, since its inception, has generated over \$67.3 billion in gross revenues, \$36.7 billion in prizes, and contributed \$25.0 billion to the State.

### **Unemployment Compensation Fund**

The Unemployment Compensation Fund accounts for monies deposited from employers' and employees' contributions for unemployment compensation, amounts credited or advances made by the federal government, and amounts received from any other source. After consideration is given to any claim for refund of overpayment of contributions, the Division of Employment Security transfers the remainder to the Treasurer of the United States for credit to the State of New Jersey Unemployment Compensation Fund. Total unemployment claims paid decreased by \$147.7 million in Fiscal Year 2016.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

New Jersey’s Office of Management and Budget, under the purview of the Department of the Treasury, is responsible for recording all capital assets in the State’s capital asset system. In addition to New Jersey’s Department of Transportation identifying significant requirements for bridge repair and maintenance, the New Jersey Commission on Capital Budgeting and Planning has identified a significant amount of capital investment requirements for State facilities. The State’s annual budget and planning process prioritizes these requirements and recommends funding, as can be accommodated within available resources. Over the last few years, New Jersey budgets have been built on limited resources.

The Fiscal Year 2016 capital appropriation included \$3.6 billion of State and matching federal funds for both the Department of Transportation and the New Jersey Transit Corporation. The State’s share, funded through the New Jersey Transportation Trust Fund Authority, produced \$464.9 million for State highway infrastructure, \$278.6 million for local highways, and \$503.5 million for mass transit. During Fiscal Year 2016, the New Jersey Economic Development Authority issued \$500.0 million of School Facilities Construction Bonds, net of refundings, to help fund the New Jersey Schools Development Authority’s program; accordingly, as of June 30, 2016, a total of \$10.1 billion of the \$12.6 billion school facilities construction bond program has been issued. The constitutional dedication of 4.0 percent of the Corporation Business Tax was appropriated to fund hazardous discharge cleanup, underground storage tank improvements, and surface water quality projects.

Capital asset data is shown below. The State’s investment in capital assets, net of accumulated depreciation, totaled \$27.7 billion as of June 30, 2016. Depreciation expense charges for Fiscal Year 2016 totaled \$1.0 billion.

**Capital Assets (Net of Accumulated Depreciation)  
As of June 30  
(Expressed in Millions)**

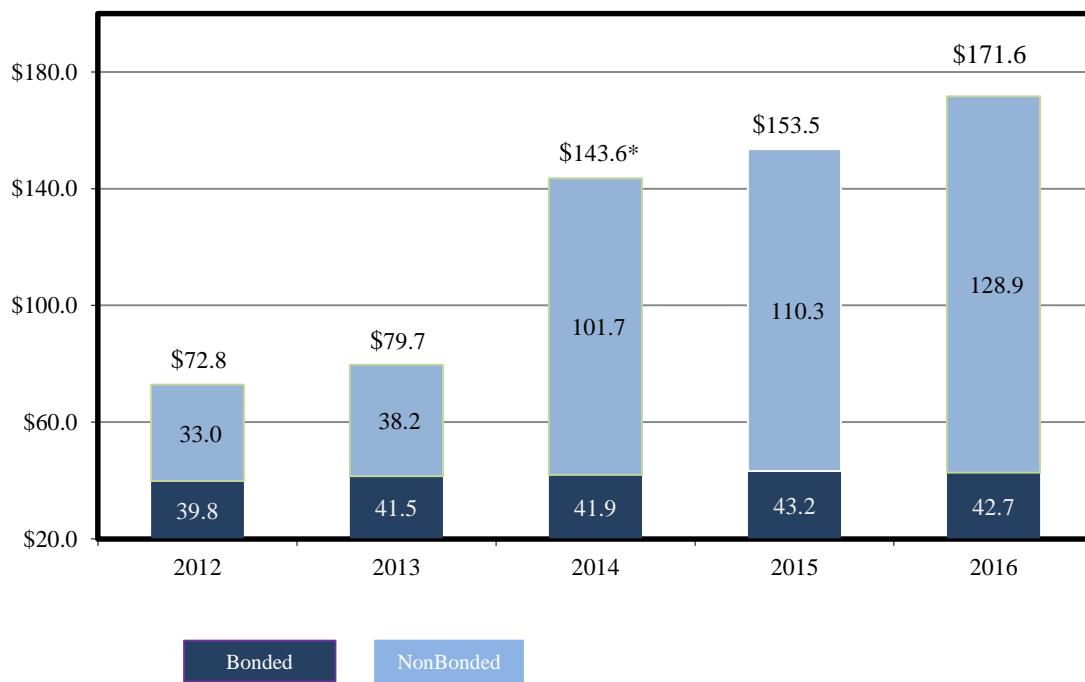
	Total Primary Government	
	2016	2015*
Land and Easements	\$ 5,220.6	\$ 5,152.1
Land Improvements	55.2	55.3
Buildings and Improvements	1,583.1	1,675.3
Equipment and Software	379.3	410.1
Infrastructure	17,314.9	16,538.5
Sub-Total	24,553.1	23,831.3
Construction-In-Progress	3,157.8	2,543.2
Total	\$ 27,710.9	\$ 26,374.5

\* The July 1, 2015 capital asset balance has been restated by \$138.2 million to reflect revised Construction in Progress amounts.

**Debt Administration**

As of June 30, 2016, New Jersey’s outstanding long-term obligations for governmental activities totaled \$171.6 billion, a \$18.1 billion increase over the prior fiscal year. Of the \$18.1 billion increase, \$18.6 billion is attributable to increases in the Net Pension Liability and Net OPEB Obligation offset by a \$0.5 billion reduction in bonded debt. Long-term bonded obligations totaled \$42.7 billion, while other long-term obligations totaled \$128.9 billion. In addition, the State has \$4.0 billion of legislatively authorized bonding capacity that has not yet been issued. As of June 30, 2016, the legislatively authorized but unissued debt decreased by \$1.1 billion (See Statistical Section – Legislatively Authorized But Unissued Debt, 2016 and 2015). In fiscal year 2015, the State implemented GASB Statement No. 68 which required the State to record its proportionate share of the Net Pension Liability for all State retirement systems. Only Fiscal Year 2014 was restated. Therefore, comparisons to Fiscal Years 2012 and 2013 are incompatible. The State’s long-term obligations for the past five fiscal years are shown below.

**Long-Term Bonded and Non-Bonded Obligations  
Fiscal Year 2012 to Fiscal Year 2016  
(Expressed in Billions)**



\* Due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* in Fiscal Year 2015, the July 1, 2014 Net Pension Obligation of \$15.9 billion was removed and replaced with a Net Pension Liability of \$74.8 billion.

For more detailed information about the State’s long-term debt activity, see Note 11 – Long-Term Obligations.

## **ECONOMIC CONDITION AND OUTLOOK**

The State's economic recovery continued in 2016. The State added 14,800 new private sector jobs over the course of the year. The State has gained 281,700 new private sector jobs since February 2010 and private sector payrolls are now higher than the pre-Recession peak by 33,200 jobs. Payroll growth in 2016 was led by the education and health services sector; trade, transportation and utilities sector; and manufacturing sector. The State's unemployment rate stood at 4.7 percent at the end of December 2016 which matched the national unemployment rate.

The State's housing market continued to recover with a solid year in 2016. Single-family home sales in 2016 were 15.1 percent higher than in 2015 while townhouse-condo sales were 8.8 percent higher in 2016 than in 2015. The number of residential building permits issued in 2016 remained above the 25,000 mark for the third year in a row. New car sales continued to rise in 2016 with the total for the year exceeding 600,000 for the first time since prior to the Great Recession. Aggregate personal income, which includes wage income as well as income from other sources such as assets or transfers, grew for a fourteenth consecutive quarter and reached a new all-time high at the end of the third quarter of 2016.

The national economy also continued to expand at a moderate pace in 2016. Real GDP grew by 1.6 percent in 2016. The labor market added 2.157 million jobs in 2016. Wage growth strengthened over the course of 2016 as a result of the continued improvement in the labor market. Average hourly earnings increased by 2.9 percent year-over-year in December 2016. Consumer price inflation picked up in 2016 as the headline CPI figure increased by 2.1 percent year-over-year in December. This is the first time that year-over-year growth in the headline figure has exceeded 2.0 percent since June 2014 which is when the price of oil began to decline.

The Federal Reserve Bank, through the Federal Open Market Committee (FOMC), raised the federal funds rate target by another quarter of a percentage point during its most recent meeting this past December. The target range is now between 0.50 and 0.75 percent. The FOMC had originally forecasted as many as four quarter point raises in 2016 but softer growth over the first half of the year combined with uncertainty in how global events would affect the U.S. economic outlook resulted in both a delay and reduction in the number of rate increases.

The U.S. economic recovery is expected to continue its moderate expansion according to the minutes from the December meeting of the FOMC. The median forecast for real GDP growth in 2017 is 2.1 percent according to the economic projections of meeting participants. As a result the federal funds rate target is expected to gradually rise over the course of 2017. The upside risk to the forecast, stronger economic growth, had increased because of the prospect of more expansionary fiscal policy under the new president. However, it was also noted that there is still considerable uncertainty about the breadth and scope of any future fiscal or economic policy, irrespective of how quickly it can be implemented.

## **REQUEST FOR INFORMATION**

This Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016 is designed to provide a general overview of the State of New Jersey's finances to our citizens, taxpayers, customers, investors, and creditors, and to demonstrate the State's accountability for the money it receives and the stewardship over its resources. Requests concerning any of the data presented in this Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016, or for additional information, should be addressed to the State of New Jersey, Office of Management and Budget, P.O. Box 221, 33 West State Street, Trenton, New Jersey, 08625. Historical copies of the Comprehensive Annual Financial Report, the State Budget, and the Appropriations Handbook are accessible via: <http://www.state.nj.us/treasury/omb>.

*Basic Financial  
Statements*

**STATE OF NEW JERSEY**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2016**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 148,027,205	\$ 371,908	\$ 148,399,113	\$ 3,802,522,351
Investments	5,454,537,768	276,511,374	5,731,049,142	7,044,456,968
Receivables, net of allowances for uncollectibles				
Federal government	765,026,583	1,635,941,573	2,400,968,156	438,755,726
Departmental accounts	3,651,306,101	819,504,616	4,470,810,717	-
Loans	1,691,309,668	-	1,691,309,668	162,455,376
Mortgages	-	-	-	106,300,000
Other	773,666,785	140,472,584	914,139,369	675,980,526
Internal balances	106,109,266	(106,109,266)	-	-
Due from external parties	29,754,896	-	29,754,896	166,124,862
Inventories	-	-	-	177,687,513
Deferred charges	-	2,741,064	2,741,064	-
Other	5,774,028	-	5,774,028	314,787,054
<b>Total Current Assets</b>	<u>12,625,512,300</u>	<u>2,769,433,853</u>	<u>15,394,946,153</u>	<u>12,889,070,376</u>
<b>Noncurrent Assets</b>				
Investments	-	227,170,016	227,170,016	4,122,445,015
Receivables, net of allowances for uncollectibles				
Loans	-	-	-	2,386,241,944
Mortgages	-	-	-	2,009,057,684
Other	-	-	-	170,354,266
Capital assets - nondepreciated	8,378,464,594	-	8,378,464,594	6,157,526,914
Capital assets - depreciated, net	19,332,441,032	-	19,332,441,032	21,453,023,472
Other	313,573,109	-	313,573,109	637,249,759
<b>Total Noncurrent Assets</b>	<u>28,024,478,735</u>	<u>227,170,016</u>	<u>28,251,648,751</u>	<u>36,935,899,054</u>
<b>Deferred Outflows of Resources</b>	<u>12,548,713,604</u>	<u>-</u>	<u>12,548,713,604</u>	<u>1,240,916,303</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>53,198,704,639</u>	<u>2,996,603,869</u>	<u>56,195,308,508</u>	<u>51,065,885,733</u>

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

**STATE OF NEW JERSEY**  
**STATEMENT OF NET POSITION (Continued)**  
**JUNE 30, 2016**

	<b>Primary Government</b>		<b>Total</b>	<b>Component Units</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>		
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts payable and accruals	2,118,950,817	222,450,281	2,341,401,098	1,419,084,319
Due to external parties	99,473,355	-	99,473,355	311,528,363
Interest payable	210,394,488	-	210,394,488	349,693,607
Unearned revenue	373,128,722	-	373,128,722	326,472,136
Current portion of long-term obligations	2,485,327,943	25,352,704	2,510,680,647	1,063,082,631
Refunds payable	382,395,494	58,782,041	441,177,535	-
Other	319,614,450	1,048,538	320,662,988	466,455,367
<b>Total Current Liabilities</b>	<b>5,989,285,269</b>	<b>307,633,564</b>	<b>6,296,918,833</b>	<b>3,936,316,423</b>
<b>Noncurrent Liabilities</b>				
Net pension liability	93,195,875,720	-	93,195,875,720	4,807,185,419
Net OPEB obligation	32,282,700,000	-	32,282,700,000	1,024,467,466
Revenue bonds payable, net	17,527,934,410	-	17,527,934,410	14,440,716,567
Installment obligations, net	16,082,755,850	-	16,082,755,850	2,744,488,029
Other	9,985,663,843	227,903,647	10,213,567,490	7,306,640,622
<b>Total Noncurrent Liabilities</b>	<b>169,074,929,823</b>	<b>227,903,647</b>	<b>169,302,833,470</b>	<b>30,323,498,103</b>
<b>Deferred Inflows of Resources</b>	<b>906,294,422</b>	<b>-</b>	<b>906,294,422</b>	<b>415,077,593</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>175,970,509,514</b>	<b>535,537,211</b>	<b>176,506,046,725</b>	<b>34,674,892,119</b>
<b>NET POSITION</b>				
<b>Net investment in capital assets</b>	9,606,582,911	-	9,606,582,911	10,348,028,125
<b>Restricted for:</b>				
Capital projects	-	-	-	207,323,732
Public safety and criminal justice	798	-	798	-
Physical and mental health	4,802,446	-	4,802,446	-
Educational, cultural, and intellectual development	727,470,240	-	727,470,240	-
Community development and environmental management	2,814,345,150	-	2,814,345,150	-
Economic planning, development and security	438,866,053	-	438,866,053	-
Transportation programs	6,360,207	-	6,360,207	-
Contributory life insurance	584,852,889	-	584,852,889	-
Debt service	-	-	-	1,117,642,308
Unemployment	-	2,449,619,665	2,449,619,665	-
Prize awards and State contributions	-	11,446,993	11,446,993	-
Other purposes	-	-	-	6,620,731,547
<b>Unrestricted</b>	<b>(136,955,085,569)</b>	<b>-</b>	<b>(136,955,085,569)</b>	<b>(1,902,732,098)</b>
<b>Total Net Position</b>	<b>\$ (122,771,804,875)</b>	<b>\$ 2,461,066,658</b>	<b>\$ (120,310,738,217)</b>	<b>\$ 16,390,993,614</b>

**STATE OF NEW JERSEY  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Functions - Programs</b>				
<b>Primary Government</b>				
Governmental activities:				
Public safety and criminal justice	\$ 3,270,433,240	\$ 1,078,006,849	\$ 466,258,637	\$ 2,023,309
Physical and mental health	14,249,049,383	961,181,890	498,048,372	-
Educational, cultural, and intellectual development	17,135,438,891	110,646,140	936,148,856	-
Community development and environmental management	2,285,724,424	318,208,987	1,436,237,657	102,450,215
Economic planning, development, and security	6,241,848,924	1,326,317,276	754,126,573	-
Transportation programs	1,522,468,864	20,145,047	1,193,191,550	164,898,914
Government direction, management, and control	15,231,061,378	1,018,834,633	11,111,111,166	-
Special government services	338,643,369	147,919,014	17,767,049	-
Interest expense	1,382,490,242	-	-	-
Total governmental activities	<u>61,657,158,715</u>	<u>4,981,259,836</u>	<u>16,412,889,860</u>	<u>269,372,438</u>
Business-type activities:				
State Lottery Fund	2,301,644,578	3,297,637,787	655,103	-
Unemployment Compensation Fund	2,053,072,754	2,752,027,260	53,601,418	-
Total business-type activities	<u>4,354,717,332</u>	<u>6,049,665,047</u>	<u>54,256,521</u>	<u>-</u>
<b>Total Primary Government</b>	<u>\$ 66,011,876,047</u>	<u>\$ 11,030,924,883</u>	<u>\$ 16,467,146,381</u>	<u>\$ 269,372,438</u>
<b>Component Units</b>				
Authorities	\$ 7,485,970,124	\$ 3,722,292,921	\$ 1,806,917,653	\$ 1,557,650,028
Colleges and Universities	6,329,337,837	3,356,183,451	2,112,148,719	292,045,540
<b>Total Component Units</b>	<u>\$ 13,815,307,961</u>	<u>\$ 7,078,476,372</u>	<u>\$ 3,919,066,372</u>	<u>\$ 1,849,695,568</u>
General Revenues and Transfers				
Taxes:				
Gross Income Tax				
Sales and Use Tax				
Corporation Business Tax				
Other taxes				
Investment earnings				
Payments from State				
Miscellaneous				
Transfers				
Total general revenues and transfers				
<b>Change in Net Position</b>				
<b>Net Position - July 1, 2015 (Restated)</b>				
<b>Net Position - June 30, 2016</b>				

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



**Net (Expense) Revenue and Changes in Net Assets**

<b>Primary Government</b>			
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Component Units</b>
\$ (1,724,144,445)	\$ -	\$ (1,724,144,445)	\$ -
(12,789,819,121)	-	(12,789,819,121)	-
(16,088,643,895)	-	(16,088,643,895)	-
(428,827,565)	-	(428,827,565)	-
(4,161,405,075)	-	(4,161,405,075)	-
(144,233,353)	-	(144,233,353)	-
(3,101,115,579)	-	(3,101,115,579)	-
(172,957,306)	-	(172,957,306)	-
(1,382,490,242)	-	(1,382,490,242)	-
<u>(39,993,636,581)</u>	<u>-</u>	<u>(39,993,636,581)</u>	<u>-</u>
-	996,648,312	996,648,312	-
-	752,555,924	752,555,924	-
-	1,749,204,236	1,749,204,236	-
<u>\$ (39,993,636,581)</u>	<u>\$ 1,749,204,236</u>	<u>\$ (38,244,432,345)</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ (399,109,522)
-	-	-	(568,960,127)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (968,069,649)</u>
13,355,992,259	-	13,355,992,259	-
9,245,305,461	-	9,245,305,461	-
2,299,017,311	-	2,299,017,311	-
5,563,047,890	-	5,563,047,890	-
8,330,443	-	8,330,443	-
-	-	-	1,052,885,512
633,531,948	-	633,531,948	-
989,725,259	(987,000,000)	2,725,259	-
<u>32,094,950,571</u>	<u>(987,000,000)</u>	<u>31,107,950,571</u>	<u>1,052,885,512</u>
(7,898,686,010)	762,204,236	(7,136,481,774)	84,815,863
(114,873,118,865)	1,698,862,422	(113,174,256,443)	16,306,177,751
<u>\$ (122,771,804,875)</u>	<u>\$ 2,461,066,658</u>	<u>\$ (120,310,738,217)</u>	<u>\$ 16,390,993,614</u>

**STATE OF NEW JERSEY  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2016**

	<u>General Fund</u>	<u>Property Tax Relief Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
<b>Cash and cash equivalents</b>	\$ 75,275,917	\$ -	\$ 72,751,288	\$ 148,027,205
<b>Investments</b>	1,664,861,971	-	3,789,675,797	5,454,537,768
<b>Receivables, net of allowances for uncollectibles</b>				
Federal government	616,065,283	-	6,091,853	622,157,136
Departmental accounts	2,729,372,355	560,276,959	361,656,787	3,651,306,101
Loans	320,290,441	-	1,371,019,227	1,691,309,668
Other	121,257,665	-	146,440,354	267,698,019
<b>Due from other funds</b>	764,185,452	10,582,235	218,304,032	993,071,719
<b>Other</b>	5,770,401	-	3,627	5,774,028
<b>Total Assets</b>	<u>\$ 6,297,079,485</u>	<u>\$ 570,859,194</u>	<u>\$ 5,965,942,965</u>	<u>\$ 12,833,881,644</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable and accruals	\$ 1,515,141,317	\$ 67,443,766	\$ 536,365,734	\$ 2,118,950,817
Unearned revenue	145,234,025	-	335,394,697	480,628,722
Due to other funds	221,102,635	276,617,206	458,961,071	956,680,912
Refunds payable	173,936,455	208,459,039	-	382,395,494
Other	317,653,174	-	1,961,276	319,614,450
<b>Total Liabilities</b>	<u>2,373,067,606</u>	<u>552,520,011</u>	<u>1,332,682,778</u>	<u>4,258,270,395</u>
<b>Fund Balances</b>				
Nonspendable	20,416,073	-	-	20,416,073
Restricted	1,062,267,957	-	4,210,255,749	5,272,523,706
Committed	2,378,534,462	18,339,183	423,004,438	2,819,878,083
Unassigned	462,793,387	-	-	462,793,387
<b>Total Fund Balances</b>	<u>3,924,011,879</u>	<u>18,339,183</u>	<u>4,633,260,187</u>	<u>8,575,611,249</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 6,297,079,485</u>	<u>\$ 570,859,194</u>	<u>\$ 5,965,942,965</u>	<u>\$ 12,833,881,644</u>

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

**STATE OF NEW JERSEY**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2016**

**Total fund balances of governmental funds** \$ 8,575,611,249

Amounts reported for governmental activities in the statement of net position are different as a result of the following items:

Some of the State's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds. 648,838,213

Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund perspective. These assets consist of :

Land and easements	\$ 5,220,565,397	
Land improvements	220,244,216	
Buildings and improvements	3,744,830,525	
Equipment and software	1,330,821,901	
Infrastructure	28,290,114,374	
Construction in progress	3,157,899,197	
Accumulated depreciation	<u>(14,253,569,984)</u>	27,710,905,626

The other noncurrent assets (Group Homes) are not current resources and therefore are not reported in the fund perspective. 313,573,109

Deferred outflows of resources are not current resources and therefore are not reported in the fund perspective. 12,548,713,604

Unearned tobacco settlement revenue recorded in the fund perspective is recognized as revenue in the statement of net position. 107,500,000

Some liabilities are not due and payable in the current period and therefore are not reported in the fund perspective. Those liabilities consist of:

Current Liabilities		
Accrued interest	(210,394,488)	
Current portion of long-term obligations	<u>(2,485,327,943)</u>	(2,695,722,431)
Noncurrent Liabilities		
General Obligation Bonds Payable	(1,739,985,000)	
Revenue Bonds Payable, net	(17,527,934,410)	
Installment Obligations, net	(16,082,755,850)	
Certificates of Participation	(42,841,296)	
Loans Payable	(1,279,358,087)	
Capital Leases	(494,144,900)	
Compensated Absences	(226,936,973)	
Unamortized Premium	(1,916,722,672)	
Tobacco Settlement Financing Corporation Bonds, net	(3,247,825,449)	
Net Pension Liability	(93,195,875,720)	
Net OPEB Obligation	(32,282,700,000)	
Other	<u>(1,037,849,466)</u>	(169,074,929,823)

Deferred inflows of resources are not current liabilities and therefore are not reported in the fund perspective. (906,294,422)

**Net Position of governmental activities** \$ (122,771,804,875)

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

**STATE OF NEW JERSEY**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>General Fund</u>	<u>Property Tax Relief Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Taxes	\$ 15,127,170,462	\$ 14,069,113,493	\$ 1,525,980,817	\$ 30,722,264,772
Federal and other grants	14,707,348,661	-	1,030,524,104	15,737,872,765
Licenses and fees	1,361,719,397	-	104,613,859	1,466,333,256
Services and assessments	2,029,174,784	-	1,189,631,424	3,218,806,208
Component Units and Port Authority	477,310,484	-	-	477,310,484
Investment earnings	7,128,913	-	12,044,408	19,173,321
Other	799,304,127	-	371,696,401	1,171,000,528
<b>Total Revenues</b>	<u>34,509,156,828</u>	<u>14,069,113,493</u>	<u>4,234,491,013</u>	<u>52,812,761,334</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
Public safety and criminal justice	3,180,827,422	23,259,432	98,597,698	3,302,684,552
Physical and mental health	14,094,954,284	107,831,132	41,584,864	14,244,370,280
Educational, cultural, and intellectual development	4,212,977,203	12,363,928,924	613,663,537	17,190,569,664
Community development and environmental management	1,967,036,443	260,211,310	160,956,376	2,388,204,129
Economic planning, development, and security	5,190,914,105	51,903,000	1,001,412,837	6,244,229,942
Transportation programs	744,054,085	-	2,004,918,022	2,748,972,107
Government direction, management, and control	5,810,680,013	1,214,414,081	264,763,488	7,289,857,582
Special government services	343,327,160	-	185,929	343,513,089
<b>Capital Outlay</b>	135,780,583	-	-	135,780,583
<b>Debt Service:</b>				
Principal	373,215,000	-	660,915,000	1,034,130,000
Interest	105,193,415	-	907,013,622	1,012,207,037
<b>Total Expenditures</b>	<u>36,158,959,713</u>	<u>14,021,547,879</u>	<u>5,754,011,373</u>	<u>55,934,518,965</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(1,649,802,885)</u>	<u>47,565,614</u>	<u>(1,519,520,360)</u>	<u>(3,121,757,631)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	551,366,169	-	626,800,000	1,178,166,169
Refunding bonds issued	2,089,230,000	-	-	2,089,230,000
Premiums/discounts	76,947,840	-	12,594,618	89,542,458
Payment to bond escrow agents	(2,024,386,196)	-	-	(2,024,386,196)
Transfers from other funds	2,411,998,447	-	2,834,071,395	5,246,069,842
Transfers to other funds	(1,986,190,512)	(60,088,987)	(2,210,045,658)	(4,256,325,157)
<b>Total Other Financing Sources (Uses)</b>	<u>1,118,965,748</u>	<u>(60,088,987)</u>	<u>1,263,420,355</u>	<u>2,322,297,116</u>
<b>Net Change in Fund Balance</b>	<u>(530,837,137)</u>	<u>(12,523,373)</u>	<u>(256,100,005)</u>	<u>(799,460,515)</u>
<b>Fund Balances - July 1, 2015 (Restated)</b>	<u>4,454,849,016</u>	<u>30,862,556</u>	<u>4,889,360,192</u>	<u>9,375,071,764</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 3,924,011,879</u>	<u>\$ 18,339,183</u>	<u>\$ 4,633,260,187</u>	<u>\$ 8,575,611,249</u>

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

**STATE OF NEW JERSEY**  
**RECONCILIATION OF THE CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

**Net change in fund balances of total governmental funds** \$ (799,460,515)

Amounts reported for governmental activities in the statement of activities are different as a result of the following items:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	\$ 2,275,195,082	
Depreciation expense	<u>(938,886,088)</u>	
Excess of capital outlay over depreciation expense		1,336,308,994

Bond proceeds provide current financial resources to governmental funds. However, issuing debt increases long-term obligations in the statement of net position. In the current period, proceeds were received from revenue and general obligation bonds. (626,800,000)

Some capital additions were financed through capital leases, certificates of participation and installment obligations. In the governmental funds these arrangements are considered a source of financing, but in the statement of net position, these arrangements are reported as an obligation. (551,366,169)

Repayment of long-term obligations is reported as an expenditure in governmental funds, but the repayment reduces long-term obligations in the statement of net position. In the current year, these retirements/repayments consist of:

General Obligation Bonds principal	373,215,000	
Revenue Bonds principal	629,325,000	
Capital Leases	54,146,385	
Installment Obligations	987,494,163	
Certificates of Participation	39,706,457	
Tobacco Settlement Financing Corporation Bonds	<u>49,520,000</u>	
Total long-term obligations		2,133,407,005

Some revenues will not be collected for several months after the fiscal year ends, they are not considered "available" revenues and are not accrued in the governmental funds. The Fiscal Year 2016 receivable balances decreased by this amount. (41,533,314)

Some revenues recorded in the statement of activities do not provide current financial resources and therefore are unearned in the fund perspective. (2,500,000)

In the government-wide statements certain items are capitalized and amortized over a period of years, but are reported as expenditures or other financing sources and uses in the fund perspective. These activities consist of:

Decrease in unamortized premiums	133,465,105	
Decrease in deferral on refunding issues	<u>(174,835,000)</u>	
Total capitalized and amortized items		(41,369,895)

Some items reported in the statement of activities do not require the use of current financial resources and therefore are reported as expenditures in governmental funds. These activities consist of:

Net increase in accrued interest	(299,141,036)	
Decrease in compensated absences, Medicaid, and other	45,453,490	
Increase in net pension liability	(14,314,049,096)	
Increase in OPEB obligations	(4,308,900,000)	
Increase in deferred outflow of resources	7,800,975,844	
Decrease in deferred inflow of resources	1,711,622,503	
Decrease in net pension assets	(3,206,565)	
Increase in other assets (Group Homes)	<u>61,872,744</u>	
Total additional expenditures		<u>(9,305,372,116)</u>

**Change in net position of governmental activities** **\$ (7,898,686,010)**

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

**STATE OF NEW JERSEY  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2016**

	<u>State Lottery Fund</u>	<u>Unemployment Compensation Fund</u>	<u>Total Proprietary Funds</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 84,665	\$ 287,243	\$ 371,908
Investments	276,487,703	23,671	276,511,374
Receivables, net of allowances for uncollectibles			
Federal government	-	1,635,941,573	1,635,941,573
Departmental accounts	-	819,504,616	819,504,616
Other	46,188,335	94,284,249	140,472,584
Due from other funds	-	7,638,335	7,638,335
Deferred charges	2,690,563	50,501	2,741,064
<b>Total Current Assets</b>	<u>325,451,266</u>	<u>2,557,730,188</u>	<u>2,883,181,454</u>
<b>Noncurrent Assets</b>			
Investments	227,170,016	-	227,170,016
<b>Total Noncurrent Assets</b>	<u>227,170,016</u>	<u>-</u>	<u>227,170,016</u>
<b>Total Assets</b>	<u>552,621,282</u>	<u>2,557,730,188</u>	<u>3,110,351,470</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable and accruals	174,869,721	47,580,560	222,450,281
Due to other funds	113,048,217	699,384	113,747,601
Refunds payable	-	58,782,041	58,782,041
Current portion of long-term obligations	25,352,704	-	25,352,704
Other	-	1,048,538	1,048,538
<b>Total Current Liabilities</b>	<u>313,270,642</u>	<u>108,110,523</u>	<u>421,381,165</u>
<b>Noncurrent Liabilities</b>			
Due in more than one year	227,903,647	-	227,903,647
<b>Total Noncurrent Liabilities</b>	<u>227,903,647</u>	<u>-</u>	<u>227,903,647</u>
<b>Total Liabilities</b>	<u>541,174,289</u>	<u>108,110,523</u>	<u>649,284,812</u>
<b>NET POSITION</b>			
Restricted for:			
Unemployment compensation	-	2,449,619,665	2,449,619,665
Prize awards and State contributions	11,446,993	-	11,446,993
<b>Total Net Position</b>	<u>\$ 11,446,993</u>	<u>\$ 2,449,619,665</u>	<u>\$ 2,461,066,658</u>

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

**STATE OF NEW JERSEY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>State Lottery Fund</u>	<u>Unemployment Compensation Fund</u>	<u>Total Proprietary Funds</u>
<b>OPERATING REVENUES</b>			
Sales and charges for services	\$ 3,289,846,714	\$ -	\$ 3,289,846,714
Assessments	-	2,743,571,716	2,743,571,716
From federal agencies	-	25,460,905	25,460,905
Other	35,915,039	1,057,038	36,972,077
<b>Total Operating Revenues</b>	<u>3,325,761,753</u>	<u>2,770,089,659</u>	<u>6,095,851,412</u>
<b>OPERATING EXPENSES</b>			
Unemployment compensation	-	2,053,072,754	2,053,072,754
Lottery prize awards	2,001,693,206	-	2,001,693,206
Other	299,951,372	-	299,951,372
<b>Total Operating Expenses</b>	<u>2,301,644,578</u>	<u>2,053,072,754</u>	<u>4,354,717,332</u>
<b>Operating Income (Loss)</b>	<u>1,024,117,175</u>	<u>717,016,905</u>	<u>1,741,134,080</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment income	655,103	28,140,513	28,795,616
Other	(28,123,966)	7,398,506	(20,725,460)
<b>Total Nonoperating Revenues (Expenses)</b>	<u>(27,468,863)</u>	<u>35,539,019</u>	<u>8,070,156</u>
<b>Income (Loss) Before Transfers</b>	996,648,312	752,555,924	1,749,204,236
Transfers to other funds	(987,000,000)	-	(987,000,000)
<b>Change in Net Position</b>	9,648,312	752,555,924	762,204,236
<b>Net Position - July 1, 2015</b>	<u>1,798,681</u>	<u>1,697,063,741</u>	<u>1,698,862,422</u>
<b>Net Position - June 30, 2016</b>	<u>\$ 11,446,993</u>	<u>\$ 2,449,619,665</u>	<u>\$ 2,461,066,658</u>

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

**STATE OF NEW JERSEY  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<b>State Lottery Fund</b>	<b>Unemployment Compensation Fund</b>	<b>Total Proprietary Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts received from customers	\$ 1,523,781,082	\$ -	\$ 1,523,781,082
Receipts from federal and local agencies	-	41,181,953	41,181,953
Receipts from state, local, and non-profits	-	122,493,799	122,493,799
Receipts from assessments	-	2,605,073,197	2,605,073,197
Payments to suppliers	(10,002,023)	-	(10,002,023)
Payments to prize winners	(383,423,272)	-	(383,423,272)
Payments for vendor commissions and fees	(96,561,724)	-	(96,561,724)
Claims paid	-	(2,758,018,032)	(2,758,018,032)
Cash flows from annuity operations			
Annuity receipts	36,079,204	-	36,079,204
Purchase of annuities	(2,307,648)	-	(2,307,648)
Payments of annuity prizes	(25,942,860)	-	(25,942,860)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>1,041,622,759</u>	<u>10,730,917</u>	<u>1,052,353,676</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers to other funds	(1,017,000,000)	-	(1,017,000,000)
Other	-	(10,621,904)	(10,621,904)
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<u>(1,017,000,000)</u>	<u>(10,621,904)</u>	<u>(1,027,621,904)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sales and maturities of investments	1,299,200,000	-	1,299,200,000
Purchase of investments	(1,342,450,000)	-	(1,342,450,000)
Proceeds from Northstar New Jersey	15,410,236	-	15,410,236
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>(27,839,764)</u>	<u>-</u>	<u>(27,839,764)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>(3,217,005)</u>	<u>109,013</u>	<u>(3,107,992)</u>
<b>Cash and Cash Equivalents - July 1, 2015</b>	<u>3,301,670</u>	<u>178,230</u>	<u>3,479,900</u>
<b>Cash and Cash Equivalents - June 30, 2016</b>	<u>\$ 84,665</u>	<u>\$ 287,243</u>	<u>\$ 371,908</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ 1,024,117,175	\$ 717,016,905	\$ 1,741,134,080
Net changes in assets and liabilities:			
Current assets	(14,882,428)	(691,861,400)	(706,743,828)
Noncurrent assets	1,355,052	-	1,355,052
Current liabilities	47,236,495	(14,424,588)	32,811,907
Noncurrent liabilities	(16,203,535)	-	(16,203,535)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 1,041,622,759</u>	<u>\$ 10,730,917</u>	<u>\$ 1,052,353,676</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>			
Change in fair value of investments	\$ (16,214,097)	\$ -	\$ (16,214,097)

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



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**STATE OF NEW JERSEY  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2016**

	<b>Agency Funds</b>	<b>Investment Trust Fund</b>
<b>ASSETS</b>		
<b>Cash and cash equivalents</b>	\$ 39,691,736	\$ 36,875,099
<b>Securities lending collateral</b>	-	-
<b>Investments</b>		
Cash Management Fund	90,723,647	-
Common Pension Fund D	-	-
Common Pension Fund E	-	-
Domestic Equities	-	-
Domestic Fixed Income	-	1,523,456,700
Equity Mutual Funds	-	-
Fixed Income Mutual Funds	-	-
<b>Receivables, net of allowances for uncollectibles</b>		
Members	-	-
Employers	316,085	-
Interest and dividends	-	1,038,826
Other	54,955	-
<b>Due from other funds</b>	36,114,288	-
<b>Other</b>	-	-
<b>Total Assets</b>	166,900,711	1,561,370,625
<b>LIABILITIES</b>		
<b>Accounts payable and accruals</b>	166,863,788	3,314,183
<b>Benefits payable</b>	-	-
<b>Securities lending collateral and rebates payable</b>	-	-
<b>Due to other funds</b>	36,923	1,374,279
<b>Total Liabilities</b>	166,900,711	4,688,462
<b>NET POSITION</b>		
<b>Held in Trust for Pension Benefits and Other Purposes</b>	\$ -	\$ 1,556,682,163

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

<b>Pension and Other Employee Benefits Trust Funds</b>	<b>Private Purpose Trust Funds</b>
\$ 10,351,800	\$ 1,305,571
1,298,508,410	-
1,729,169,845	12,030,755
45,840,206,401	-
25,062,510,418	-
678,024,900	-
-	-
2,687,843,042	-
394,909,679	-
175,854,374	-
2,033,529,713	-
4,255,408	-
-	-
63,359,067	-
2,431,626,562	-
<u>82,410,149,619</u>	<u>13,336,326</u>
186,193,736	4,367,644
1,670,264,802	-
1,296,943,638	-
28,218,207	125,487
<u>3,181,620,383</u>	<u>4,493,131</u>
<u>\$ 79,228,529,236</u>	<u>\$ 8,843,195</u>

**STATE OF NEW JERSEY  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Investment Trust Fund</u>	<u>Pension and Other Employee Benefits Trust Funds</u>	<u>Private Purpose Trust Funds</u>
<b>ADDITIONS</b>			
Contributions:			
Members	\$ -	\$ 2,728,399,275	\$ -
Employers	-	9,231,509,042	-
Other	<u>12,360,737,380</u>	<u>15,215,218</u>	<u>-</u>
<b>Total Contributions</b>	<u>12,360,737,380</u>	<u>11,975,123,535</u>	<u>-</u>
Investment Income:			
Net increase (decrease) in fair value of investments	-	(2,244,262,789)	-
Interest and dividends	<u>5,693,898</u>	<u>1,612,504,370</u>	<u>37,950</u>
<b>Total Investment Income</b>	<u>5,693,898</u>	<u>(631,758,419)</u>	<u>37,950</u>
Less investment expense	<u>-</u>	<u>16,906,200</u>	<u>-</u>
<b>Net Investment Income</b>	<u>5,693,898</u>	<u>(648,664,619)</u>	<u>37,950</u>
Miscellaneous	<u>-</u>	<u>-</u>	<u>35,791</u>
<b>Total Additions</b>	<u>12,366,431,278</u>	<u>11,326,458,916</u>	<u>73,741</u>
<b>DEDUCTIONS</b>			
Benefit payments	-	17,270,398,926	-
Refunds of contributions	-	202,432,865	-
Refunds and transfers to other systems	-	-	19,426
Administrative expense	1,374,279	52,553,872	-
Payments in accordance with trust agreements	-	-	641,892
Distributions to shareholders	<u>12,611,835,943</u>	<u>-</u>	<u>-</u>
<b>Total Deductions</b>	<u>12,613,210,222</u>	<u>17,525,385,663</u>	<u>661,318</u>
<b>Total Changes in Net Position Held in Trust</b>	<u>(246,778,944)</u>	<u>(6,198,926,747)</u>	<u>(587,577)</u>
<b>Net Position - July 1, 2015</b>	<u>1,803,461,107</u>	<u>85,427,455,983</u>	<u>9,430,772</u>
<b>Net Position - June 30, 2016</b>	<u>\$ 1,556,682,163</u>	<u>\$ 79,228,529,236</u>	<u>\$ 8,843,195</u>

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

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**STATE OF NEW JERSEY  
STATEMENT OF NET POSITION  
COMPONENT UNITS  
JUNE 30, 2016**

	<u>New Jersey Transit Corporation</u>	<u>New Jersey Turnpike Authority</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 140,229,726	\$ 337,120,110
Investments	44,087,310	1,080,934,908
Receivables, net of allowances for uncollectibles		
Federal government	281,226,565	-
Loans	-	-
Mortgages	-	-
Other	33,713,111	82,288,733
Due from external parties	132,934,756	559,714
Inventories	134,567,700	20,104,908
Other	24,061,828	31,237,944
<b>Total Current Assets</b>	<u>790,820,996</u>	<u>1,552,246,317</u>
<b>Noncurrent Assets</b>		
Investments	517,385,607	1,190,230,188
Receivables, net of allowances for uncollectibles		
Loans	-	-
Mortgages	-	-
Other	-	-
Capital assets - nondepreciated	1,084,740,909	3,346,203,064
Capital assets - depreciated, net	5,557,642,508	7,454,887,862
Other	15,743,917	-
<b>Total Noncurrent Assets</b>	<u>7,175,512,941</u>	<u>11,991,321,114</u>
<b>Deferred Outflows of Resources</b>	<u>178,814,596</u>	<u>219,929,658</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>8,145,148,533</u>	<u>13,763,497,089</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	389,413,659	187,260,761
Due to external parties	24,363,562	242,885,644
Interest payable	-	260,101,783
Unearned revenue	20,966,352	42,347,471
Current portion of long-term obligations	399,642,961	170,583,797
Other	62,380,838	-
<b>Total Current Liabilities</b>	<u>896,767,372</u>	<u>903,179,456</u>
<b>Noncurrent Liabilities</b>		
Net pension liability	549,339,352	435,014,902
Net OPEB liability	483,922,015	375,863,704
Revenue bonds payable, net	-	11,109,048,354
Installment obligations, net	-	-
Other	1,615,841,249	268,446,060
<b>Total Noncurrent Liabilities</b>	<u>2,649,102,616</u>	<u>12,188,373,020</u>
<b>Deferred Inflows of Resources</b>	<u>40,915,561</u>	<u>13,654,785</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>3,586,785,549</u>	<u>13,105,207,261</u>
<b>NET POSITION</b>		
<b>Net investment in capital assets</b>	5,369,784,696	858,384,449
<b>Restricted for:</b>		
Capital projects	7,541,284	-
Debt service	-	142,198,044
Other purposes	-	22,312,502
<b>Unrestricted</b>	(818,962,996)	(364,605,167)
<b>Total Net Position</b>	<u>\$ 4,558,362,984</u>	<u>\$ 658,289,828</u>

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

<u>Rutgers, The State University of New Jersey</u>	<u>Non-Major Component Units</u>	<u>Total Component Units</u>
\$ 333,471,000	\$ 2,991,701,515	\$ 3,802,522,351
556,865,000	5,362,569,750	7,044,456,968
39,748,000	117,781,161	438,755,726
10,133,000	152,322,376	162,455,376
-	106,300,000	106,300,000
341,869,000	218,109,682	675,980,526
-	32,630,392	166,124,862
4,131,000	18,883,905	177,687,513
8,564,000	250,923,282	314,787,054
<u>1,294,781,000</u>	<u>9,251,222,063</u>	<u>12,889,070,376</u>
1,011,352,000	1,403,477,220	4,122,445,015
58,744,000	2,327,497,944	2,386,241,944
-	2,009,057,684	2,009,057,684
95,813,000	74,541,266	170,354,266
539,691,000	1,186,891,941	6,157,526,914
2,899,627,000	5,540,866,102	21,453,023,472
318,627,000	302,878,842	637,249,759
<u>4,923,854,000</u>	<u>12,845,210,999</u>	<u>36,935,899,054</u>
<u>379,367,000</u>	<u>462,805,049</u>	<u>1,240,916,303</u>
<u>6,598,002,000</u>	<u>22,559,238,111</u>	<u>51,065,885,733</u>
406,005,000	436,404,899	1,419,084,319
-	44,279,157	311,528,363
12,879,000	76,712,824	349,693,607
93,044,000	170,114,313	326,472,136
57,943,000	434,912,873	1,063,082,631
90,547,000	313,527,529	466,455,367
<u>660,418,000</u>	<u>1,475,951,595</u>	<u>3,936,316,423</u>
1,644,741,000	2,178,090,165	4,807,185,419
-	164,681,747	1,024,467,466
-	3,331,668,213	14,440,716,567
1,911,384,000	833,104,029	2,744,488,029
202,317,000	5,220,036,313	7,306,640,622
<u>3,758,442,000</u>	<u>11,727,580,467</u>	<u>30,323,498,103</u>
<u>45,342,000</u>	<u>315,165,247</u>	<u>415,077,593</u>
<u>4,464,202,000</u>	<u>13,518,697,309</u>	<u>34,674,892,119</u>
1,601,474,000	2,518,384,980	10,348,028,125
50,946,000	148,836,448	207,323,732
9,009,000	966,435,264	1,117,642,308
1,088,686,000	5,509,733,045	6,620,731,547
(616,315,000)	(102,848,935)	(1,902,732,098)
<u>\$ 2,133,800,000</u>	<u>\$ 9,040,540,802</u>	<u>\$ 16,390,993,614</u>

**STATE OF NEW JERSEY  
STATEMENT OF ACTIVITIES  
COMPONENT UNITS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>New Jersey Transit Corporation</u>	<u>New Jersey Turnpike Authority</u>
<b>Expenses</b>	\$ 2,901,039,830	\$ 1,513,751,565
<b>Net (Expense) Revenue and Changes in Net Position</b>		
<b>Program Revenues</b>		
Charges for services	1,076,819,712	1,632,023,101
Operating grants and contributions	1,180,143,577	2,403,417
Capital grants and contributions	<u>332,811,947</u>	<u>-</u>
<b>Net (Expense) Revenue</b>	<u>(311,264,594)</u>	<u>120,674,953</u>
<b>General Revenue</b>		
Payments from State	<u>33,156,000</u>	<u>-</u>
<b>Total General Revenue</b>	<u>33,156,000</u>	<u>-</u>
<b>Change in Net Position</b>	(278,108,594)	120,674,953
<b>Net Position - Beginning of Year (Restated)</b>	<u>4,836,471,578</u>	<u>537,614,875</u>
<b>Net Position - End of Year</b>	<u>\$ 4,558,362,984</u>	<u>\$ 658,289,828</u>

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



<u>Rutgers, The State University of New Jersey</u>	<u>Non-Major Component Units</u>	<u>Total Component Units</u>
\$ 3,643,058,000	\$ 5,757,458,566	\$ 13,815,307,961
1,963,673,000	2,405,960,559	7,078,476,372
1,190,921,000	1,545,598,378	3,919,066,372
<u>136,712,000</u>	<u>1,380,171,621</u>	<u>1,849,695,568</u>
<u>(351,752,000)</u>	<u>(425,728,008)</u>	<u>(968,069,649)</u>
<u>439,930,000</u>	<u>579,799,512</u>	<u>1,052,885,512</u>
<u>439,930,000</u>	<u>579,799,512</u>	<u>1,052,885,512</u>
88,178,000	154,071,504	84,815,863
<u>2,045,622,000</u>	<u>8,886,469,298</u>	<u>16,306,177,751</u>
<u>\$ 2,133,800,000</u>	<u>\$ 9,040,540,802</u>	<u>\$ 16,390,993,614</u>

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*Notes to the  
Basic  
Financial Statements*

**STATE OF NEW JERSEY  
NOTES TO THE FINANCIAL STATEMENTS  
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**STATE OF NEW JERSEY**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Presentation**

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The financial statements have been prepared primarily from accounts and records maintained by the Director of the Office of Management and Budget. The financial data for the various public benefit corporations, authorities, commissions, colleges, and universities has been derived from reports prepared by those organizations based on their independent accounting systems.

**B. Financial Reporting Entity**

For financial reporting purposes the State of New Jersey includes all fund types, departments, and agencies of the State, as well as boards, commissions, authorities, colleges, and universities for which the State is financially accountable. The following circumstances set forth the State's financial accountability for a legally separate organization:

1. The State is financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the State.
2. The State may be financially accountable if an organization is fiscally dependent on the State regardless of whether the organization has (a) a separately elected governing board or (b) a jointly appointed board.

Entities for which the State is financially accountable, and have a financial benefit or burden relationship, such as boards, commissions, authorities, colleges and universities are considered component units. These component units are included in the State's reporting entity because of the significance of their operational or financial relationships with the State. Component units are either discretely presented or blended. Discrete presentation entails reporting component unit financial data in columns separate from the financial data of the primary government (the State). Blending requires the component unit's balances and transactions to be reported in a manner similar to the balances and transactions of the State.

The following organizations comprise the State's blended component units:

**Garden State Preservation Trust** - The Garden State Preservation Trust is a blended component unit based on the governing body which is substantively the same as the governing body of the primary government. It provides services entirely, or almost entirely, to the primary government. The total debt outstanding, including leases, is expected to be repaid entirely with the resources of the primary government.

**New Jersey Building Authority** - The New Jersey Building Authority is a blended component unit based on its governing body which is substantively the same as the governing body of the primary government. It provides services entirely, or almost entirely, to the primary government or otherwise exclusively, or almost exclusively, benefits the primary government. The total debt outstanding, including leases, is expected to be repaid entirely with the resources of the primary government.

**New Jersey Schools Development Authority** - The New Jersey Schools Development Authority is a blended component unit based on its governing body which is substantively the same as the governing body of the primary government. It provides services entirely, or almost entirely, to the primary government. Its total debt outstanding, including leases, is expected to be repaid entirely with the resources of the primary government.

**Tobacco Settlement Financing Corporation** - The Tobacco Settlement Financing Corporation is a blended component unit based on GASB Technical Bulletin No. 2004-1, *Tobacco Settlement Recognition and Financial Reporting Issues*, in accordance with paragraph 53b, "usually the services provided by a blended component unit are financing services provided solely to the primary government."

**New Jersey Transportation Trust Fund Authority** - The New Jersey Transportation Trust Fund Authority is a blended component unit based on its governing body which is substantively the same as the governing body of the primary government. It provides services entirely, or almost entirely, to the primary government. The total debt outstanding, including leases, is expected to be repaid entirely or almost entirely with the resources of the primary government.

All other component units have been discretely presented. Descriptions of the discretely presented component units and addresses from which complete financial statements of the respective component units can be obtained is detailed in Note 17.

#### **COLLEGES AND UNIVERSITIES**

The College of New Jersey  
Kean University  
Montclair State University  
New Jersey City University  
New Jersey Institute of Technology  
Ramapo College of New Jersey  
Rowan University  
Rutgers, The State University of New Jersey  
Stockton University  
Thomas Edison State University  
The William Paterson University of New Jersey

#### **AUTHORITIES**

Casino Reinvestment Development Authority  
Garden State Preservation Trust  
Higher Education Student Assistance Authority  
New Jersey Building Authority  
New Jersey Economic Development Authority  
New Jersey Educational Facilities Authority  
New Jersey Environmental Infrastructure Trust  
New Jersey Health Care Facilities Financing Authority  
New Jersey Housing and Mortgage Finance Agency  
New Jersey Redevelopment Authority  
New Jersey Schools Development Authority  
New Jersey Sports and Exposition Authority  
New Jersey Transit Corporation  
New Jersey Transportation Trust Fund Authority  
New Jersey Turnpike Authority  
New Jersey Water Supply Authority  
South Jersey Port Corporation  
South Jersey Transportation Authority  
Tobacco Settlement Financing Corporation  
University Hospital

### **C. Government-wide and Fund Financial Statements**

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these government-wide statements. Governmental activities, which normally are supported by taxes and intragovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The statement of net position measures not just current assets and liabilities, but also long-term assets and liabilities such as capital assets (including infrastructure assets) and long-term obligations and deferred outflows of resources and deferred inflows of resources. The difference between the State's assets and deferred outflows of resources and its liabilities and deferred inflows of resources is its net position. Net position is displayed in three components - invested in capital assets, restricted, and unrestricted. Net position is restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. The amount of net position that is restricted by enabling legislation is disclosed in Note 13. When both restricted and unrestricted resources are available for use, generally it is the State's policy to use restricted resources first, then unrestricted resources as they are needed.

The statement of activities is presented in a format that reports the net (expense) revenue of the State's individual functions. The net (expense) revenue format reports the relative financial burden of each of the State's functions on its taxpayers. This format identifies the extent to which each function of the government draws from the general revenues of the State or is self-financed through licenses, fees, permits, and other revenues.

Program revenues originate from the program or from parties other than the government's taxpayers or citizens as a whole and reduce the expenses of the function to be financed by general revenues. Categories of program revenues that are separately reported in the statement are charges for services, program specific operating grants and contributions, and program specific capital grants and contributions. Charges for services are revenues from exchange or exchange-like transactions with external parties that purchase, use, or directly benefit from the program's goods, services, or privileges. These revenues include fees charged for specific services, licenses and permits, and operating special assessments, as well as payments from exchange transactions with other governments. Program specific operating and capital grants and contributions are revenues from mandatory and voluntary nonexchange transactions with external parties that are restricted for use in a particular program. All other revenues are general revenues, including all taxes, even if levied for a specific purpose. A special item is a significant transaction or other event within the control of management that is either unusual in nature or infrequent in occurrence. An extraordinary item is a transaction or other event that is both unusual in nature and infrequent in occurrence.

In the statement of activities, all expenses are reported by function except those that are special or extraordinary items. Each function reports direct expenses – those specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Some functions, such as government direction, management and control, include expenses that are indirect expenses of other functions. The State does not allocate indirect expenses to the other functions.

Separate financial statements are provided for governmental funds, proprietary funds, fiduciary funds, and component units. However, the fiduciary funds are not included in the government-wide statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

#### **D. Measurement Focus and Basis of Accounting**

**Government-wide Financial Statements** - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The government-wide financial statements report all financial and capital assets (including infrastructure assets), deferred outflows of resources, short and long-term liabilities, deferred inflows of resources, revenues, expenses, gains, and losses using the economic resources measurement focus and the accrual basis of accounting. Activity and balances resulting from exchange and exchange-like transactions are recognized when the exchange takes place; those resulting from nonexchange transactions are recognized based on the provisions of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**Governmental Fund Financial Statements** - The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the current financial resources measurement focus, only current assets and liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

In accordance with the modified accrual basis, revenues are recognized when they become susceptible to accrual; that is, when they become both measurable and available to finance expenditures of the fiscal period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Generally, these revenues which are considered to be susceptible to accrual include amounts received during the three month period subsequent to June 30 that were earned as of June 30. On an exception basis, the State will occasionally accrue amounts received after this three month period but within twelve months subsequent to June 30. Those revenues which are considered to be susceptible to accrual include sales tax, individual income taxes, corporate income taxes, and federal grants. Licenses, fees, permits and other sources are recognized when received since they normally are measurable only at that time. Unapplied overpayments of Corporation Business Tax and Gross Income Tax are recorded when a final determination is made as to the ultimate disposition of the overpayments.

Expenditures are recognized when the related fund liabilities are incurred. Expenditures for compensated absences, claims, and judgments are recorded to the extent they would normally be liquidated with available financial resources. Disbursements for prepaid expenses, inventory items, and capital assets are recorded when expenditures are incurred. Expenditures for principal and interest on general obligation long-term debt are recognized when due.

**Proprietary Funds, Fiduciary Funds, and Component Units Financial Statements** - The financial statements of the proprietary funds, fiduciary funds, and component units are reported using the economic resources measurement focus and the accrual basis of accounting, similar to the government-wide statements previously described.

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, incorporates into GASB's authoritative literature certain accounting and financial reporting guidance included in the Financial Accounting Standards Board (FASB) pronouncements which does not conflict with or contradict GASB pronouncements, and eliminates the option to apply post-November 30, 1989 FASB pronouncements that do not conflict with or contradict GASB pronouncements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The State's proprietary funds are the Unemployment Compensation Fund and the State Lottery Fund.

The Unemployment Compensation Fund's principal ongoing operations consist of assessments received from employers and employees and the subsequent disbursement of monies to persons entitled to receive unemployment benefits. Collections and disbursements to eligible recipients are classified as operating revenues and expenses. The State Lottery Fund's principal ongoing operations, which are classified as operating revenues and expenses, consist of receipts from lottery ticket sales and subsequent disbursements of monies to lottery winners.

## **E. Fund Accounting**

The financial activities of the State are recorded in individual funds, each of which is deemed to be a separate accounting entity. The State uses fund accounting to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts, which represent the fund's assets, liabilities, residual equities or balances, revenues, and expenditures or expenses. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements, with non-major funds being combined into a single column.

### **1. Major Funds**

The State reports the General Fund and the Property Tax Relief Fund as major governmental funds. The State also reports the State Lottery Fund and the Unemployment Compensation Fund as major proprietary funds. Descriptions are as follows:

- a. General Fund - This fund accounts for all State revenues not otherwise restricted by statute. The largest part of the total financial operations of the State is accounted for in the General Fund. Most revenues received from taxes, federal sources, and certain miscellaneous revenue items are recorded in this fund. The Annual Appropriations Act enacted by the State Legislature provides the basic framework for the operations of the General Fund.
- b. Property Tax Relief Fund - This fund accounts for revenues from the New Jersey Gross Income Tax and a portion of the New Jersey Sales and Use Tax. Revenues realized are dedicated by the State Constitution. All receipts from taxes levied on personal income of individuals, estates, and trusts must be appropriated exclusively for the purpose of reducing or offsetting property taxes. P.L. 2006, c.44 increased the Sales and Use Tax rate to seven percent from six percent. Of the additional one percent, one half of a percent was dedicated to the Property Tax Relief Fund. Annual appropriations are made from the fund, pursuant to formulas established by the State Legislature to counties, municipalities, and school districts.
- c. State Lottery Fund - Monies derived from the sale of State lottery tickets are deposited into this fund. Disbursements are authorized for the payment of prizes to holders of winning lottery tickets and for the administrative expenses of the Division of State Lottery. Remaining balances are paid to the General Fund in support of the amounts annually appropriated for State institutions and for education. The present value of obligations for future installment payments of lottery prizes funded by the purchase of deposit fund contracts are accounted for in this fund.
- d. Unemployment Compensation Fund - This fund accounts for monies deposited from contributions of employers and employees for unemployment compensation, amounts credited or advances made by the federal government, and amounts received herein from any other source. After consideration is given to any claim for refund of overpayment of contributions, the remainder is transferred by the Division of Employment Security to the Treasurer of the United States for credit to the State of New Jersey Unemployment Compensation Fund and held by the Treasurer of the United States in the State of New Jersey Unemployment Trust Fund. Drawdowns against the State of New Jersey Unemployment Trust Fund are made by requests submitted to the Treasurer of the United



States by the Division of Employment Security on an as-needed basis, whereby amounts are transferred back to the Unemployment Compensation Fund and are then disbursed by the Division of Employment Security to persons entitled to receive unemployment benefits. Any shortfall in the Unemployment Compensation Fund needed to pay benefits is covered by federal statutes, which authorize advances from the federal government for unemployment benefits. Such advances are repayable by increased rates on federally taxable wages reported by New Jersey employers, or the advances may be repaid out of the fund assets at any time by the Governor.

## **2. Governmental Fund Types**

- a. Special Revenue Funds - These funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term, "proceeds of specific revenue sources," establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.
- b. Capital Projects Funds - These funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

## **3. Fiduciary Fund Types**

- a. Pension and Other Employee Benefits Trust Funds - These funds report resources that are required to be held in trust for members and beneficiaries of defined benefit pension plans, defined contribution plans, other post-employment benefit plans, and other employee benefit plans, such as the deferred compensation plan.
- b. Investment Trust Fund - This fund reports an investment pool that consolidates monies from municipalities, counties, school districts, and any other public body, corporate or politic.
- c. Private Purpose Trust Funds - These funds report all other trust arrangements for which principal and income benefit individuals, private organizations, or other governments.
- d. Agency Funds - These funds report resources held by the State in a purely custodial capacity. These funds typically involve only the receipt, temporary investment, and remittance of the resources to external parties.

## **F. Appropriations and Outstanding Debt**

The State Constitution provides that the Legislature may not create a debt (where total outstanding debt would exceed one percent of total appropriations for the year) unless such law has been submitted to the people at a general election and approved by a majority of the legally qualified voters. After approval by the electorate, and prior to any bond sale, the Legislature may make appropriations up to the legally authorized amount of such bonds, which enables the State to enter into contracts with vendors.

## **G. Assets**

### **1. Cash and Cash Equivalents**

Deposits encompass the State's cash on deposit with financial institutions and several cash equivalents, including certificates of deposit. All deposits, including cash equivalents that are subject to federal or state depository insurance, generally are classified as deposits. Only investments with an original maturity of three months or less are considered to be cash equivalents. See Note 3 for details.

### **2. Investments**

Statutes of the State of New Jersey and regulations of the State Investment Council authorize the Division of Investment to invest in global equities; non-convertible preferred stocks, covered call and put options; futures contracts; obligations of the U.S. Treasury, government agencies, corporations, international governments and agencies; global diversified credit investments; interest rate swap transactions; state and municipal general obligations; public authority revenue obligations; collateralized notes and mortgages; commercial paper; certificates of deposit; repurchase agreements; money market funds; private equity funds; real estate funds; other real assets; and absolute return strategy funds. Investee institutions and organizations are prescribed by the statutes and regulations based on such criteria as minimum capital, dividend paying history, credit history, and other evaluation factors.

In addition to the amounts invested directly, most of the funds included herein participate in the State of New Jersey Cash Management Fund wherein amounts also contributed by other units of government are combined into a large scale investment program. The Pension Trust Funds also participate in a Common Pension Trust Fund pool whereby amounts contributed by the various Pension Trust Funds are combined for the purpose of investment. Participation in the Cash Management Fund investment pool and the Common Pension Trust Fund investment pool by State funds is reflected as investments in the Balance Sheets of the respective funds. Amounts contributed to the Cash Management Fund investment pool by local governments and other entities which are not part of the State's reporting entity, are reflected as investments in the statement of net position of the Investment Trust Fund.

Amounts contributed to the Cash Management Fund investment pool are recorded at cost, which approximates fair value. Any differences between cost and fair value for Cash Management Fund pool investments are immaterial. Other investments are recorded at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. See Note 4 for additional details.

### **3. Securities Lending Collateral**

The Pension Trust Funds participate in securities lending programs with their custodian banks, whereby securities are loaned to brokers and, in return, the Pension Trust Funds have rights to the collateral received. All of the securities held in the Common Pension Trust Fund investment pool are eligible for the securities lending program. Collateral received may consist of cash, irrevocable bank letters of credit, or U.S. Treasury obligations having a market value equal to or exceeding 102 percent (U.S. dollar denominated) or 105 percent (non-U.S. dollar denominated) of the value of the loaned securities at the time the loan is made. The contracts with the Common Pension Trust Fund investment pool custodian banks require them to indemnify the investment pool if the brokers fail to return the securities or fail to pay the investment pool for income distributions by the securities' issuers while the securities are on loan. The securities loans can be terminated by notification by either the broker or the investment pool. The term to maturity of the securities loans is generally matched with the term to maturity of the investment of cash collateral. As of June 30, 2016, the Pension Trust Funds have no aggregate credit risk exposure to brokers because the collateral amount held by the Pension Trust Funds exceeded the market value of the securities on loan. See Note 5 for additional details.

### **4. Receivables**

Receivables in the State's governmental, fiduciary, and proprietary funds, component units - authorities, and component units - college and university funds are stated net of allowances for uncollectible amounts and primarily consist of federal grants, taxes, assessments, loans, interest and dividends, contributions due from employers and members to the respective pension funds, mortgages, and other receivables. See Note 6 for details.

### **5. Capital Assets**

Capital assets are tangible and intangible assets that are used in operations and that have initial useful lives that extend beyond a single reporting period. Capital assets are reported in the statement of net position at cost or historical cost based on appraisals or other acceptable methods when historical cost information is not available. Donated fixed assets are recorded at estimated fair value at the time of donation. The State's capital assets consist of:

- a. All land, including parks, forests, easements, development rights, highways, and right-of-ways.
- b. Infrastructure assets such as roads, bridges, and dams.
- c. All general government buildings, including hospital, care, and correctional facilities.
- d. Land improvements, equipment, software, and motor vehicles used in general operations with a unit cost of at least \$25,000, \$20,000, \$100,000, and \$30,000 respectively. For the purpose of reporting, equipment and software are consolidated into one category.
- e. Capital assets in the process of construction.

To measure depreciation expense, the State uses the straight-line method, whereby the historical cost (or other capitalized amount) of depreciable assets, less their estimated salvage values, is allocated in equal annual amounts over the estimated useful lives of the assets. To estimate the useful lives of its capital assets, the State uses guidelines from

industry organizations. There is no depreciation recorded for land, easements, construction in progress, and rights-of-way.

Capital leases which are classified as capital assets are recorded in amounts equal to the lesser of the fair value of the asset or the present value of the future net minimum lease payments at the inception of the lease.

The State possesses certain capital assets that have not been capitalized and depreciated because the assets cannot be reasonably valued and/or the assets have inexhaustible useful lives. Examples of these assets include, but are not limited to statues, monuments, forts, lighthouses, and various capitol related furnishings. Collections, such as historical documents, artifacts, works of art, rare library books, and antique furnishings are not capitalized. These assets are exempted from capitalization as the State maintains the collections for reasons other than financial gain; the collections are protected, kept unencumbered, cared for and preserved; and the collections are subject to an organizational policy requiring that the proceeds from sales of collection items be used to acquire other items for collection. See Note 7 for additional details.

## **6. Interfund/Intrafund Transactions**

Interfund Transactions - During the course of normal operations, the State has numerous routine transactions between funds, including expenditures, and transfers of resources to provide administrative services, program services, debt service, and compliance with legal mandates, such as legislation requiring the transfer of investment earnings from a capital project fund to the General Fund. In the fund financial statements, these transactions generally are recorded as transfers to/transfers from other funds and due to/due from other funds. Operating transfers represent legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended and do not represent reimbursement of expenses.

Intrafund Transactions - Intrafund transactions, as a result of contracts among departments within the same fund, are considered expenditures by the contractor and revenues by the contractee in the fund financial statements.

As a general rule, intrafund revenues and expenditures, interfund transfers, and interfund receivables and payables have been eliminated in the government-wide financial statements. An exception is the net residual amounts due between governmental and business-type activities, which is recorded as internal balances. Receivables from and payables to fiduciary funds are recorded in the statement of net position as receivable from and payable to external parties.

## **7. Deferred Outflow of Resources**

A deferred outflow of resources is a consumption of net assets by the government that is applicable to a future reporting period. In the government-wide statements, governmental activities column, the deferred outflows of resources represents two items: (1) the unamortized deferral on refundings, and (2) the sources of changes in the pension liability resulting from changes in assumptions and changes in proportion and differences between employer contributions and proportionate share of contributions.

## **H. Liabilities**

### **1. Unearned Revenue**

Unearned revenues at the fund level arise when potential revenue does not meet the available criterion for recognition in the current period. Unearned revenues also arise when resources are received by the State before it has a legal claim. In subsequent periods, when the revenue recognition criterion is met, or when the State has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized. Unearned revenues at the government-wide level arise only when the State receives resources before it has a legal claim to these resources.

Unearned revenue consists principally of amounts due from the Port Authority of New York and New Jersey as well as tobacco settlement receipts.

## 2. Long-term Obligations

The State's long-term obligations are divided into bonded and non-bonded categories. Bonded categories include general obligation bonds, revenue bonds, certain capital leases, installment obligations, certificates of participation, unamortized premium, Tobacco Settlement Financing Corporation Bonds (TSFC), and unamortized interest on capital appreciation bonds. Non-bonded categories include compensated absences, certain capital leases, loans payable, net pension liability, pollution remediation obligation, other postemployment benefits obligation, other, and deposit fund contracts. The liability for long-term items described above is reflected in the government-wide financial statements and the proprietary fund financial statements as noncurrent liabilities, due in more than one year and as current liabilities-current portion of long-term obligations, if due within a year.

Bond and note premiums and discounts are amortized to interest expense based on the straight-line method. Capital appreciation bonds are reported at their net or accreted value rather than at face value. Bonds and notes payable are reported net of the applicable bond premium or discount.

In the governmental fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

## 3. Deferred Inflow of Resources

A deferred inflow of resources is an acquisition of net assets by the government that is applicable to a future reporting period. In the government-wide statements, governmental activities column, the deferred inflows of resources represent the net differences between projected and actual investment earnings on pension plan investments and changes in proportion and differences between employer contributions and proportionate share of contributions.

## I. Net Position

1. **Net Investment in Capital Assets** - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. **Restricted** - Net position is reported as restricted when constraints placed on its use are either: externally imposed by creditors, grantors, contributors, or laws or regulations of the other governments, or imposed by law through constitutional provisions or enabling legislation.
3. **Unrestricted** - Unrestricted net position consists of assets that do not meet the definition of "restricted" or "invested in capital assets".
4. **Held in Trust for Pension Benefits and Other Purposes** - This is used to accumulate all active member, State, and other employer contributions and investment income from which all benefit payments are made; also used to accumulate resources received as a result of trust arrangements or to accumulate resources held for investment.

## J. Fund Balances

1. **Nonspendable** - Fund balance includes amounts that are not in a spendable form or are legally or contractually required to be maintained intact (i.e., the principal of a permanent fund).
2. **Restricted** - Fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers or imposed by law through constitutional provisions, or through enabling legislation.
3. **Committed** - Fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
4. **Assigned** - Fund balance comprises amounts intended to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

5. **Unassigned** - Fund balance is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Based on the definitions of the restricted, committed, and assigned fund balance classifications, positive unassigned amounts can exist only in the General Fund. The State's General Fund reflects both committed and unassigned fund balances. Initially, expenditures are made from existing committed fund balances, and if necessary, additional expenditures are made from unassigned fund balances.

**K. Fiscal Year End Differences**

The following component units have fiscal years that ended on December 31, 2015:

**Component Units – Authorities**

Casino Reinvestment Development Authority  
New Jersey Economic Development Authority  
New Jersey Educational Facilities Authority  
New Jersey Health Care Facilities Financing Authority  
New Jersey Housing and Mortgage Finance Agency  
New Jersey Redevelopment Authority  
New Jersey Sports and Exposition Authority  
New Jersey Turnpike Authority  
South Jersey Port Corporation  
South Jersey Transportation Authority

**Special Revenue Funds**

New Jersey Building Authority (blended component unit)  
New Jersey Schools Development Authority (blended component unit)

## NOTE 2 - OTHER ACCOUNTING DISCLOSURES

### A. Changes in Accounting Policy

In Fiscal Year 2016 the State adopted two new Governmental Accounting Standards Board (GASB) standards as follows:

GASB Statement No. 72, *Fair Value Measurement and Application*. This statement addresses accounting and financial reporting issues related to fair value measurements.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this statement is to identify - in the context of the current governmental financial reporting environment - the hierarchy of generally accepted accounting principles (GAAP).

All applicable provisions of these new statements have been incorporated into the financial statements and notes.

### B. Restatement of Net Position

The July 1, 2015 Net Position for the primary government was adjusted for the following:

	<b>Government-wide Net Position</b>
Balance July 1, 2015 - As Reported	\$ (113,877,235,349)
Prior Period Adjustments (correction of an error):	
Increase in Capital Assets	138,246,116
Decrease in Contributory Life Insurance Payable	<u>564,732,790</u>
<b>Balance July 1, 2015 - Restated</b>	<b><u>\$ (113,174,256,443)</u></b>

### C. Restatement of Fund Balance

The June 30, 2015 Restricted Fund Balance has been increased by \$564,732,790 to reflect the correction of the overstated contributory life insurance payable:

	<b>Total Governmental Funds Fund Balance</b>
Balance July 1, 2015 - As Reported	\$ 8,810,338,974
Adjustment	<u>564,732,790</u>
<b>Balance July 1, 2015 - Restated</b>	<b><u>\$ 9,375,071,764</u></b>

### D. Reclassifications

The contributory life insurance components, previously included in the General Fund, are now recorded in a separate special revenue fund.

### E. Deficit Net Position

The Health Benefits Program Fund-State is on an actuarial basis of accounting, therefore, it has recorded a claims liability of \$280.6 million. There are sufficient cash balances to pay claims that are billed to the fund.

## **F. Deficit Fund Balance**

It is anticipated that bond sales during Fiscal Year 2017 will relieve the current deficit fund balances in the Cultural Centers and Historic Preservation Fund and the 2009 Green Acres Fund.

## **G. Joint Ventures**

**The Port Authority of New York and New Jersey  
4 World Trade Center  
150 Greenwich Street, 23<sup>rd</sup> Floor  
New York, NY 10007  
[www.panynj.gov](http://www.panynj.gov)**

Joint ventures are independently constituted entities generally created by two or more governments for a specific purpose such as contracting and maintaining an interstate bridge. Pursuant to current financial reporting standards, the State does not record its equity in joint ventures. The only significant joint venture in which the State of New Jersey participates is the Port Authority of New York and New Jersey. Individually published financial statements may be obtained by writing the Port Authority of New York and New Jersey at the above mentioned address. Other joint ventures are immaterial.

The Port Authority is a municipal corporate instrumentality of the States of New York and New Jersey created by compact between the two states in 1921 with the consent of the Congress of the United States. It is authorized and directed to plan, develop, and operate terminals and other facilities of transportation and commerce, and to advance projects in the general fields of transportation, economic development, and world trade that contribute to promoting and protecting the commerce and economy of the Port District, defined in the compact, which comprises an area of about 1,500 square miles in both states, centering about New York Harbor. The Governor of each State appoints six of the twelve members of the governing Board of Commissioners, subject to confirmation by the respective State Senate. Each Governor has from time to time exercised the statutory power to veto the actions of the commissioners from their state.

The commissioners serve six-year overlapping terms as public officials without compensation. They establish Authority policy, appoint an Executive Director to implement it, and also appoint a General Counsel to act as legal advisor to the Board and to the Executive Director. The Authority undertakes only those projects authorized by the two states.

The compact envisions the Port Authority as being financially self-sustaining and, as such, it must obtain the funds necessary for the construction or acquisition of facilities upon the basis of its own credit, its reserve funds, and its future revenues. The Authority has neither the power to pledge the credit of either state or any municipality nor to levy taxes or assessments.

Consolidated financial statements for the Port Authority (including the Passenger Facility Charges Program) for the fiscal year ended December 31, 2015 disclosed the following (expressed in millions):

<b>Financial Position</b>	
	<u>Combined Total</u>
Total Assets and Deferred Outflows of Resources	\$ 44,600.8
Total Liabilities and Deferred Inflow of Resources	<u>29,071.2</u>
<b>Net Position</b>	<u><u>\$ 15,529.6</u></u>
<b>Operating Results</b>	
Operating Revenues	\$ 5,075.3
Operating Expenses	(2,900.7)
Depreciation and Amortization	<u>(1,189.0)</u>
Income from Operations	985.6
Non-operating Revenues (Expense), Net	<u>(205.8)</u>
<b>Net Income</b>	<u><u>\$ 779.8</u></u>
<b>Changes in Net Position</b>	
Balance January 1, 2015, Restated	\$ 14,749.8
Net Income	<u>779.8</u>
<b>Balance December 31, 2015</b>	<u><u>\$ 15,529.6</u></u>

Except for Special Project Bonds, the Authority's debt is secured by its full faith and credit, its reserve funds, or a pledge of future revenues. Special Project Bonds are secured by a mortgage on the financed properties. At December 31, 2015, Port Authority debt consisted of the following (expressed in millions):

<b>Bonds, Notes, and Other Obligations</b>	
Consolidated Bonds and Notes	\$ 21,787.8
Special Project Bonds	1,451.1
Operating Asset Financing	503.7
Capital Asset Financing	<u>1,976.4</u>
	25,719.0
Less: Unamortized Discount	<u>(15.2)</u>
<b>Total</b>	<u><u>\$ 25,703.8</u></u>

#### **H. Other**

In accordance with GASB Statement No. 14, *The Financial Reporting Entity*, the debt and assets of the New Jersey Building Authority have been reduced for presentation herein in the amount of \$463.4 million, the amount of the present value of future lease payments by the State to the New Jersey Building Authority as of December 31, 2015.

In accordance with GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, an additional \$1.3 billion in federal grant revenues and economic planning, development, and security expenditures has been recorded.



### **NOTE 3 - CASH AND CASH EQUIVALENTS**

All funds maintain their own individual bank account(s) except for the Casino Control, Casino Revenue, Gubernatorial Elections, Special Transportation, Property Tax Relief, and Long Term Obligation and Capital Expenditure Funds which are in the General Fund bank accounts. The balances of cash for these funds held in the General Fund, after receipt and disbursement transactions, are accounted for and reflected in the respective due from or due to accounts on the balance sheet presented in the fund financial statements.

New Jersey Revised Statutes (c.52:18-16.1) set the policy that the State Treasurer must follow when depositing State funds and for the collateralization of such funds. The relationship between the face amount of the collateral and the amount of a deposit is not statutory but is stipulated by the State Treasurer. All bank accounts in which the State Treasurer deposits funds must be collateralized. Securities pledged as collateral must consist of obligations of, or be guaranteed by the United States or the State of New Jersey. Securities are pledged in the State Treasurer's name and held by a custodian bank under a custodian agreement.

Collateral requirements for demand accounts and time accounts for banks having less than \$15 million in State deposits per month require 100 percent coverage of the average aggregate daily balance of the preceding month. For banks that have State deposits which total \$15 million or more per month, the amount of collateral required is 120 percent of the average aggregate daily balance on deposit in the bank during each calendar quarter of the year. The State Department of the Treasury monitors the level of collateral required to be maintained by the banks.

GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, requires that the State disclose bank deposits that are subject to custodial credit risk. The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the State will not be able to recover deposits or will not be able to recover collateral securities that may be in the possession of an outside party. As of June 30, 2016, the State's bank balances amounted to \$477.7 million. Of these balances, \$282.6 million was exposed to custodial credit risk as uninsured and uncollateralized. Of the \$282.6 million, \$279.9 million represents uninvested cash in the State of New Jersey Cash Management Fund. The cash is held in the custodian's Institutional Liquid Reserve Fund overnight and invested the following business day.

### **NOTE 4 – INVESTMENTS**

Statutes of the State of New Jersey and regulations of the State Investment Council authorize the Division of Investment to invest in global equity investments; non-convertible preferred stocks; covered call and put options; futures contracts; obligations of the U.S. Treasury, government agencies, corporations, international governments and agencies; global diversified credit investments; interest rate swap transactions; state and municipal general obligations; public authority revenue obligations; collateralized notes and mortgages; commercial paper; certificates of deposit; repurchase agreements; money market funds; private equity funds; real estate funds; other real assets; and absolute return strategy funds. Investee institutions and organizations are prescribed by the statutes and regulations based on such criteria as minimum capital, dividend paying history, credit history, and other evaluation factors.

The purchase, sale, receipt of income, and other transactions affecting investments are governed by custodial agreements between the investing funds through the State Treasurer and custodian banks as agents for the funds. State laws and policies set forth the requirements of such agreements and other particulars as to the size of the custodial institution, amount of the portfolio to be covered by the agreements, and other pertinent matters.

Federal securities, including those held as collateral on repurchase agreements, are maintained at Federal Reserve Banks in Philadelphia and New York through the custodian banks, in trust for the State of New Jersey. A significant portion of corporate equity and debt securities are maintained by the Depository Trust Company (DTC) through the custodian banks in trust for the State of New Jersey.

Securities not maintained by the Federal Reserve Banks or DTC are in the name of a designated nominee representing the securities of a particular State fund which establishes the State fund's unconditional right to the securities. The custodian banks, as agents for the State funds, maintain internal accounting records identifying the securities maintained by the Federal Reserve Banks and the DTC as securities owned by or pledged to the State funds.

In addition to the amounts invested directly, most of the funds included herein participate in the State of New Jersey Cash Management Fund wherein amounts also contributed by other units of government are combined into a large scale investment program. The Pension Trust Funds also participate in a Common Pension Trust Fund pool whereby amounts contributed by the various Pension Trust Funds are combined for the purpose of investment. Participation in the Cash Management Fund investment pool and several Common Pension Trust Fund investment pools by State funds is reflected as investments in the Balance Sheets/Statement of Net Position of the respective funds. Amounts contributed to the Cash Management Fund

investment pool by local governments and other entities which are not part of the State's reporting entity, are primarily reflected as investments in the Statement of Fiduciary Net Position, Investment Trust Fund.

Amounts contributed to the Cash Management Fund investment pool are recorded at cost, which approximates fair value. Any differences between cost and fair value for Cash Management Fund investment pool investments are immaterial. All other investments are recorded at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between independent market participants at the measurement date.

Casino Control, Casino Revenue, Gubernatorial Elections, Special Transportation, and Property Tax Relief Funds do not maintain separate investment accounts. Since cash transactions are handled by and through the General Fund as described in Note 3, any available cash balances for these funds reside in the General Fund and are combined with other balances for either participation in the State of New Jersey Cash Management Fund or direct investment as part of the General Fund large scale investment program.

Approximately \$252.5 million of investments represents deposit fund contracts for future installment payments of lottery prizes. Lottery prizes are funded by the purchase of deposit fund contracts which, when matured, will provide amounts sufficient for future payment of installment prizes. Purchases of deposit fund contracts are recorded as an expenditure in the State Lottery Fund in the year of purchase. Annuity contracts are carried at their current contract values which are based upon their original purchase price adjusted for credited interest and amounts already received. The estimated fair value of annuity contracts approximates the carrying value reflected in the statement of net position. In the event of default in making future payments by the insurance company from which the contracts were purchased, the State Lottery Commission would be liable for such future payments.

Investments for all funds are as follows (expressed in millions):

	<b>Amount Reported As Investments</b>
Domestic equities	\$ 20,899.5
Domestic fixed income securities	19,526.8
International equities	12,174.4
Absolute return strategy funds	8,551.4
Private equities	7,383.0
Real estate	3,368.2
International fixed income securities	2,751.7
Equity mutual funds	2,687.8
Global diversified credit funds	2,589.1
Real assets	1,728.0
Fixed income mutual funds	687.6
Opportunistic private equity investments	335.4
Annuity contracts	252.5
Put options	0.7
<b>Total investments</b>	<b>82,936.1</b>
Unallocated administrative expenses and transaction exchanges	1,041.0
<b>Net amount recorded as investments</b>	<b>\$ 83,977.1</b>

As Reported on the Government-wide Statement of Net Position and Statement of Fiduciary Net Position (expressed in millions):

	<u>Current Investments</u>	<u>Non-Current Investments</u>	<u>Total</u>
Governmental activities	\$ 5,454.5	\$ -	\$ 5,454.5
Business-type activities	276.5	227.2	503.7
Fiduciary funds	78,018.9	-	78,018.9
<b>Total</b>	<u>\$ 83,749.9</u>	<u>\$ 227.2</u>	<u>\$ 83,977.1</u>

The asset allocation policy as of June 30, 2016 for the pensions funds are as follows:

<u>Asset Class</u>	<u>Target</u>
Absolute return/risk mitigation	5.00%
Total risk mitigation	<u>5.00</u>
Cash equivalents	5.00
U.S. Treasury TIPS	1.50
U.S. Treasuries	1.50
Total liquidity	<u>8.00</u>
Investment grade credit	8.00
Public high yield	2.00
Global diversified credit	5.00
Credit oriented hedge funds	3.75
Debt related private equity	1.00
Debt related real estate	0.80
Police and Firemen's Mortgage Program	1.20
Total income	<u>21.75</u>
Commodities	0.50
Private real asset	2.00
Equity related real estate	5.25
Total real return	<u>7.75</u>
U.S. equity	26.00
Non-U.S. developed markets equity	13.25
Emerging markets equity	6.50
Equity oriented hedge funds	3.75
Buyouts/venture capital	8.00
Total global growth	<u>57.50</u>
<b>Total</b>	<u>100.00%</u>

The asset allocation policy is reviewed on at least an annual fiscal year basis.

#### A. Deposit and Investment Risk Disclosure

The State's investments are subject to various risks. Among these risks are credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. Each one of these risks is discussed in more detail below.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The credit risk of a debt instrument is measured by nationally recognized statistical rating agencies such as Moody's Investors Service, Inc. (Moody's), Standard & Poor's Corporation (S&P), or Fitch Ratings (Fitch). Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. There are no restrictions in the amount that can be invested in United States Treasury and government agency securities. State regulations require minimum credit ratings for certain categories of fixed income obligations and limit the amount that can be invested in any one issuer or issue. As of June 30, 2016 the following limits were in effect:

Category	Minimum Rating <sup>1</sup>			Limitation of Issuers' Outstanding Debt	Limitation of Issue	Other Limitations
	Moody's	S&P	Fitch			
Global debt obligations	Baa3	BBB-	BBB-	10%	-	Not more than 5% of fund assets can be invested in any one issuer
International government and agency obligations	Baa3	BBB-	BBB-	25%	25%	Not more than 5% of fund assets can be invested in this category
Collateralized notes and mortgages	Baa3	BBB-	BBB-	-	25%	Not more than 5% of fund assets can be invested in any one issuer; not more than 5% of fund assets can be invested in this category
Commercial paper	P-1	A-1	F1	-	-	Not more than 5% of fund assets can be invested in any one issuer
Certificates of deposit						Cannot exceed 10% of issuer's primary capital; not more than 5% of fund assets can be invested in any one issuer
Domestic	A3/P-1	A-/A-1	A-/F1	-	-	
International	Aa3/P-1	AA-/A-1	AA-/F1	-	-	
Global diversified credit investments:						
Direct bank loans	Baa3	BBB-	BBB-	10%	-	Not more than 7% of fund assets can be invested in this category; not more than 5% of fund assets can be invested in any one issuer
Funds	Baa3	BBB-	BBB-	-	-	
Swap transactions	Baa2	BBB	BBB	-	-	Notional value of net exposure to any one counterparty shall not exceed 1% of fund assets; notional value shall not exceed 5% of fund assets but may be increased to 10% for a fixed period of time
Repurchase agreements						
Bank or trust company	-	-	-	-	-	-
Broker	P-1	A-1	F1	-	-	-
State, municipal and public authority obligations	A3	A-	A-	10%	10%	Not more than 2% of fund assets can be invested in debt of any one obligor
Mortgage backed						Not more than 10% of fund assets can be invested in this category
pass-through securities	A3	A-	A-	-	-	
senior debt securities	-	-	-	-	25%	
Non-convertible preferred stocks	Baa3	BBB-	BBB-	10%	25%	Not more than 5% of fund assets can be invested in any one issuer

<sup>1</sup> Short term ratings (e.g. P-1, A-1, F1) are used for commercial paper and certificates of deposit.

The above table does not include Prudential Retirement investments for the New Jersey State Employees Deferred Compensation Plan (NJSEDCP). The NJSEDCP consists of a number of individual investment managers, which individually have investment guidelines that they comply with and follow.

Up to eight percent of the market value of the combined assets of the pension funds may be invested in global debt obligations, collateralized notes and mortgages, global diversified credit investments, non-convertible preferred stocks, and mortgage backed pass-through securities that do not meet the minimum credit rating requirements set forth above.

The total amount of a particular class of stock directly purchased of any one entity by the pension funds cannot exceed 10 percent of that class of stock outstanding. The total amount of shares or interests directly purchased or acquired of any one exchange traded fund or global, regional or country fund by the pension funds shall not exceed 10 percent of the total shares outstanding or interests of such fund.

For securities exposed to credit risk in the fixed income portfolio, the following tables disclose aggregate fair value, by major credit quality rating category at June 30, 2016. The tables include the fixed income securities held directly by the Pension Trust Funds. The first table is for fixed income securities rated by Moody's. The second table uses Standard and Poor's ratings for fixed income securities not rated by Moody's (expressed in millions):

	<b>Moody's Rating</b>					
	Aaa	Aa	A	Baa	B	P-1
United States Treasury notes	\$ 167.9	\$ -	\$ -	\$ -	\$ -	\$ -
United States Treasury TIPS	1,480.6	-	-	-	-	-
United States Treasury bonds	725.4	-	-	-	-	-
United States Government Agency Mortgages/FHLMC/FNMA/GNMA	5,649.8	-	121.3	-	-	-
Domestic corporate obligations	368.6	349.1	713.3	1,260.0	669.1	-
International corporate obligations	16.1	100.3	125.4	65.1	68.8	-
Foreign government obligations	410.7	1,707.4	56.2	-	-	-
SBA passthrough certificates	12.4	-	-	-	-	-
Asset backed obligations	4.1	-	-	-	-	-
Bank Loans	-	-	-	0.9	4.3	-
Certificates of deposit	-	-	-	-	-	1,555.0
Commercial paper	-	-	-	-	-	4,744.8
Other	14.5	197.5	86.4	-	-	-
<b>Total</b>	<u>\$ 8,875.5</u>	<u>\$ 2,354.3</u>	<u>\$ 1,102.6</u>	<u>\$ 1,326.0</u>	<u>\$ 742.2</u>	<u>\$ 6,299.8</u>

	<b>Standard &amp; Poor's Rating</b>					
	AA	A	BBB	BB	B	CCC
Domestic corporate obligations	\$ -	\$ -	\$ 231.5	\$ 11.2	\$ 12.4	\$ 1.7
International corporate obligations	-	-	-	15.3	8.6	1.3
Foreign government obligations	-	40.5	-	-	-	-
Other	8.0	18.2	-	1.0	133.5	11.9
<b>Total</b>	<u>\$ 8.0</u>	<u>\$ 58.7</u>	<u>\$ 231.5</u>	<u>\$ 27.5</u>	<u>\$ 154.5</u>	<u>\$ 14.9</u>

The above tables do not include various domestic corporate obligations given a Moody's rating of A1 (\$64.1 million), Ba (\$518.1 million), Ca (\$4.4 million), Caa (\$356.7 million), and Standard and Poor's rating of D (\$0.8 million). They also do not include international corporate obligations given a Moody's rating of Ba (\$100.4 million), Ca (\$2.1 million), Caa (\$27.6 million), and a Standard and Poor's rating of D (\$0.3 million). Also not included are bank loan investments given a Moody's rating of Ba (\$1.8 million), C (\$0.1 million), and Caa (\$3.3 million).

The tables do not include certain domestic and international corporations and certain fixed income mutual funds which invest in an underlying portfolio of fixed income securities totaling \$690.7 million, and do not have a Moody's or Standard and Poor's rating.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Commercial paper must mature within 270 days. Certificates of deposits are limited to a term of one year or less. Repurchase agreements must mature within 30 days. State regulations permit the pension funds to enter into foreign exchange contracts for the purpose of hedging the international portfolio.

The following table summarizes the maturities (or, in the case of Remics, Police and Firemen's mortgages, and mortgage backed securities, the expected average life) of the fixed income portfolio at June 30, 2016 (expressed in millions):

	<b>Total Fair Value</b>	<b>Maturities in Years*</b>			
		<b>Less than 1</b>	<b>1-5</b>	<b>6-10</b>	<b>More than 10</b>
United States Treasury notes	\$ 167.9	\$ 114.1	\$ 49.6	\$ 4.2	\$ -
United States Treasury TIPS	1,480.6	-	555.0	849.7	75.9
United States Treasury bonds	725.4	50.0	206.0	469.4	-
United States Government Agency	5,771.1	5,196.3	275.9	298.9	-
Mortgages/FHLMC/FNMA/GNMA	25.4	-	0.3	3.1	22.0
Domestic corporate obligations	4,563.3	253.3	1,494.7	1,888.7	926.6
International corporate obligations	531.3	37.6	283.9	160.4	49.4
Foreign government obligations	2,214.8	124.1	806.7	1,060.8	223.2
SBA passthrough certificates	12.4	0.2	12.2	-	-
Asset backed obligations	4.1	-	2.0	-	2.1
Certificates of deposit	1,555.0	1,555.0	-	-	-
Commercial paper	4,744.8	4,744.8	-	-	-
Bank Loans	11.2	0.9	4.6	5.7	-
Other	324.7	-	26.2	12.3	286.2
<b>Total</b>	<b>\$ 22,132.0</b>	<b>\$ 12,076.3</b>	<b>\$ 3,717.1</b>	<b>\$ 4,753.2</b>	<b>\$ 1,585.4</b>

\* \$833.9 million of investments do not have specific maturity dates.

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. As mentioned previously, the State's Pension Trust Funds participate in the Common Pension Trust Fund pool, which invests in global markets.

At June 30, 2016, the State had the following foreign currency exposure based on exchange rates in effect for such day (expressed in millions of U.S. dollars):

Currency	Total Fair Value	Equities	Fixed Income	Alternative Investments
Australian dollar	\$ 546.3	\$ 546.3	\$ -	\$ -
Brazilian real	227.2	227.2	-	-
Canadian dollar	801.3	720.8	80.5	-
Chilean peso	16.1	16.1	-	-
Columbian peso	1.2	-	1.2	-
Czech koruna	26.5	26.5	-	-
Danish krone	158.0	158.0	-	-
Euro dollar	2,689.2	2,092.2	-	597.0
Hong Kong dollar	734.3	734.3	-	-
Hungarian forint	28.2	28.2	-	-
Indonesian rupiah	114.8	114.8	-	-
Japanese yen	1,783.5	1,783.5	-	-
Malaysian ringgit	31.8	31.8	-	-
Mexican peso	108.9	108.9	-	-
Moroccan dirham	1.5	1.5	-	-
New Israeli sheqel	4.7	4.7	-	-
New Taiwan dollar	20.3	20.3	-	-
New Zealand dollar	0.2	0.2	-	-
Norwegian krone	58.4	58.4	-	-
Pakistan rupee	27.2	27.2	-	-
Philippines peso	68.4	68.4	-	-
Polish zolty	47.1	47.1	-	-
Qutari rial	5.3	5.3	-	-
Singapore dollar	88.6	88.6	-	-
South African rand	202.5	202.5	-	-
South Korean won	434.7	434.7	-	-
Swedish krona	215.6	215.6	-	-
Swiss franc	743.7	743.7	-	-
Thailand baht	72.6	72.6	-	-
Turkish lira	85.1	85.1	-	-
UAE dirham	11.9	11.9	-	-
United Kingdom pound sterling	1,666.7	1,435.9	-	230.8
<b>Total</b>	\$ 11,021.8	\$ 10,112.3	\$ 81.7	\$ 827.8

The State's interests in alternative investments may contain elements of credit, currency, and market risk. Such risks include, but are not limited to, limited liquidity, absence of regulatory oversight, dependence upon key individuals, emphasis on speculative investments (both derivatives and non-marketable investments), and nondisclosure of portfolio composition. State regulations require that not more than 38 percent of the market value of the pension funds can be invested in alternative investments, with limits on the individual categories of real estate (nine percent), real assets (seven percent), private equity (12 percent), and absolute return strategy (15 percent). Not more than five percent of the market value invested through direct investments, separate accounts, fund-of-funds, commingled funds, co-investments and joint ventures in global diversified credit, private equity, real asset and absolute return strategy investments, plus outstanding commitments, may be committed to any one partnership or investment. These investments cannot comprise more than 20 percent of any one investment manager's total assets.

## **B. Derivatives**

The Pension Trust Funds invest in derivative securities. A derivative security is an investment whose value is derived from other financial instruments such as commodity prices, bonds and stock prices, or a market index. The Pension Trust Funds' derivative securities are considered investment derivative instruments. The fair value of all derivative securities is reported in the statement of fiduciary net position, and the change in fair value is recorded in the statement of changes in fiduciary net position as net increase in fair value of investments.

Derivative transactions involve, to varying degrees, credit risk and market risk. Credit risk is the possibility that a loss may occur because a party to a transaction fails to perform according to terms. Market risk includes, but is not limited to, the possibility that a change in interest rate risk, foreign currency risk or the value of the underlying securities will cause the value of a financial instrument to decrease or become more costly to settle. The market or the value of underlying security, or securities, risk associated with derivatives, the prices of which are constantly fluctuating, is regulated by imposing limits as to the types, amounts and degree of risk that the Pension Trust Funds may undertake as set forth in State Regulations.

The Pension Trust Funds may use financial futures to replicate an underlying security or indices they wish to hold in the portfolio. In certain instances, it may be beneficial to own a futures contract rather than the underlying security. Additionally, the Pension Trust Funds may use future contracts to improve the yield or adjust the duration of the fixed income portfolio or may sell futures contracts to hedge the portfolio. A financial futures contract is an agreement between a buyer and a seller that is based on a referenced item, such as financial indices, or interest rates or a financial instrument such as equity or fixed income securities, physical commodities or currencies. Futures contracts may call for physical delivery of specified quantity of the underlying asset of a specified price (futures or strike price) and date, or be settled in cash. Future contracts must be traded on a securities exchange or over the counter market. The net change in the future contracts value is settled daily in cash with the exchanges. The cash to fulfill these obligations is held in a margin account. As the market value of the futures contract varies from the original contract price, a gain or loss is paid to or received from the clearinghouse and recognized in the statement of changes in fiduciary net position. The Pension Trust Funds had no investments in futures at June 30, 2016.

Foreign currency forward contracts are used as a means to hedge against currency risks in the Pension Trust Funds. Foreign currency forward contracts are agreements to buy or sell a specific amount of a foreign currency at a specified delivery or maturity date for an agreed upon price. Foreign currency forward contracts are marked to market on a daily basis with the change in fair value included in investment income in the statement of changes in fiduciary net position.

The Pension Trust Funds utilize covered call and put options in an effort to add value to or reduce the risk level in the portfolio. Options are agreements that give the owner of the option the right, but not obligation, to buy (in the case of a call option) or to sell (in the case of a put option) a specific amount of an asset for a specific price (called the strike price) on or before a specified expiration date. The Pension Trust Funds enter into covered calls when it writes (or sells) call options on underlying stocks held by the Pension Trust Funds or stock indices. The Pension Trust Funds enter into covered put options when it purchases put options on underlying stocks held by the Pension Trust Funds or stock indices. The Pension Trust Funds enter into put spreads when it purchases put options while simultaneously writing put options on the same underlying securities or indices at a lower strike price. The purchaser of put options pays a premium at the outset of the agreement and stands to gain from an unfavorable change (i.e., a decrease) in the price of the instrument underlying the option. The writer of call options receives a premium at the outset of the agreement and may bear the risk of an unfavorable change (i.e., an increase) in the price of the instrument underlying the option.



As of June 30, 2016, Pension Trust Fund's derivative investments included foreign currency forward contracts and equity options:

	<b>Notional value (local currency)</b>	<b>Receivable</b>	<b>Payable</b>	<b>Change in fair value</b>
<b>Foreign currency forward contracts:</b>				
Sell:				
Euro	€ 425,000,000	\$ 476,107,500	\$ 474,399,459	\$ 1,708,041
Japanese yen	¥ 1,500,000,000	132,128,904	146,349,617	(14,220,713)
Pound sterling	£ 50,000,000	68,650,000	66,884,935	1,765,065
<b>Total Forward contracts</b>		<u>\$ 676,886,404</u>	<u>\$ 687,634,011</u>	<u>\$ (10,747,607)</u>
<b>Options:</b>				
Purchased Options:				
Puts	\$ 104,943,000	\$ 668,750	\$ (1,391,250)	
Written Options:				
Put	104,943,000	(135,000)	810,000	
Call	290,357,010	(2,871,381)	(286,311)	
<b>Total Options</b>	<u>\$ 500,243,010</u>	<u>\$ (2,337,631)</u>	<u>\$ (867,561)</u>	

Certain alternative investment funds and partnerships may use derivative instruments to hedge against market risk and to enhance investment returns. At any point during the year, the Pension Trust Funds may have additional exposure to derivatives primarily through limited liability vehicles such as limited partnerships and commingled investment funds.

### C. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between independent market participants at the measurement date. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The three levels of the fair value hierarchy are as follows:

Level 1 – Quoted prices are available in active markets for identical investments as of the reporting date.

Level 2 – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Level 3 – Pricing inputs are unobservable for the investment and inputs into the determination of fair value require significant management judgment or estimation, including assumptions about risk.

Investments are reported at fair value as follows:

- Domestic and international equity securities and exchange traded funds are valued using closing sales prices reported on recognized securities exchanges on which the securities are principally traded: These securities are included as Level 1 in the chart below. For listed securities having no sales reported and for unlisted securities, such securities will be valued based upon the last reported bid price: These securities are included as Level 2 in the chart below.
- Fixed income and equity mutual funds are valued using the published daily closing prices reported by Prudential and are included as Level 1 in the chart below.
- Foreign and domestic government, agency and corporate obligations, municipal bonds, mortgages, bank loans and asset backed securities are valued using an evaluated price which is based on a compilation of primarily observable market information or broker quotes in a non-active market. These are included as Level 2 in the chart below.
- Foreign exchange contracts are valued using industry recognized market-based models to calculate the value that a holder or counterparty would receive within the bid-ask spread, in an orderly transaction under current market conditions. These securities are included as Level 2 in the chart below.
- Options are valued using closing sales prices reported on recognized securities exchanges on which the securities are principally traded. These securities are included as Level 1 in the chart below.
- Distributions from private equity vehicles are received as the underlying investments are liquidated. The Plan's ownership interest in partners' capital can never be redeemed, but could be sold subject to approval by the fund's management. As of June 30, 2016 a buyer (or buyers) for these investments have not yet been identified. The partnership interest may be sold at an amount different from the net asset value (NAV) per share (or its equivalent) of the Plan's ownership interest in partners' capital.
- The valuation methods for investments measured at the NAV per share (or its equivalent) is presented in the table below.

The following table summarizes the fair value hierarchy of the investment portfolio as of June 30, 2016 (expressed in millions):

	<b>Fair Value Measurements Using</b>			
	<b>June 30, 2016</b>	<b>Quoted Prices in Active Market for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Investments by fair value</b>				
Equity securities				
Domestic equities	\$ 20,899.5	\$ 20,899.5	\$ -	\$ -
International equities	12,174.4	12,172.6	1.8	-
Equity mutual funds	2,687.8	2,687.8	-	-
Total equity securities	<u>35,761.7</u>	<u>35,759.9</u>	<u>1.8</u>	<u>-</u>
Debt securities				
United States Government Agency	5,771.1	-	5,771.1	-
Commercial paper	4,744.8	-	4,744.8	-
Corporate obligations	4,563.2	-	4,563.2	-
Foreign government obligations	2,214.8	-	2,214.8	-
United States Treasury Tips	1,480.6	-	1,480.6	-
United States Treasury bonds	725.4	-	725.4	-
Exchange Traded Funds	834.0	834.0	-	-
International corporate obligations	531.4	-	531.4	-
Municipals obligations	324.6	-	324.6	-
Annuity contracts	252.5	45.4	207.1	-
United States Treasury notes	167.9	-	167.9	-
Mortgages (FHLMC/ FNMA/ GNMA)	25.4	-	25.4	-
SBA pass through certificates	12.4	-	12.4	-
Bank loans	11.2	-	11.2	-
Asset backed securities	4.1	-	4.1	-
Total debt securities	<u>21,663.4</u>	<u>879.4</u>	<u>20,784.0</u>	<u>-</u>
<b>Total investments by fair value level</b>	<u>\$ 57,425.1</u>	<u>\$ 36,639.3</u>	<u>\$ 20,785.8</u>	<u>\$ -</u>
<b>Investments measured at the net asset value (NAV)</b>				
Buyout funds	\$ 6,105.4			
Opportunistic hedge funds	3,802.3			
Real estate funds - Equity	2,895.0			
Credit oriented hedge funds	2,591.8			
Global diversified credit funds	2,589.1			
Equity oriented hedge funds	1,791.4			
Real asset funds	1,728.0			
Debt related funds	708.4			
Venture capital funds	476.6			
Real estate funds - Debt	473.2			
Multi-Strategy	365.9			
Opportunistic private equity funds	335.4			
Secondary funds	92.5			
<b>Total investments measured at NAV</b>	<u>\$ 23,955.0</u>			
<b>Investments measured at cost:</b>				
Certificates of deposit	1,555.0			
<b>Total investments measured at cost</b>	<u>\$ 1,555.0</u>			
<b>Investment derivative instruments</b>				
Purchased options (assets)	\$ 0.7	\$ 0.7	\$ -	
Foreign currency forward contracts	687.6	-	687.6	
Foreign currency forward contracts	(676.9)	-	(676.9)	
Options written (liabilities)	(3.0)	(3.0)	-	
<b>Total investment derivative instruments</b>	<u>\$ 8.4</u>	<u>\$ (2.3)</u>	<u>\$ 10.7</u>	

The following table represents the unfunded commitments, redemptions frequency and redemption notice period for investments measured at NAV as of June 30, 2016 (expressed in millions):

	Fair Value	Unfunded Commitments	Redemption Frequency (if currently Eligible)	Notice Period
Buyout private equity funds <sup>1</sup>	\$ 6,105.4	\$ 2,744.1	None	N/A
Opportunistic hedge funds <sup>2</sup>	3,802.3	58.7	Monthly, quarterly	2-90 days
Real estate funds - Equity <sup>3</sup>	2,895.0	1,989.6	Quarterly	90 days
Global diversified credit funds <sup>4</sup>	2,591.7	1,398.4	Semi-annual	90 days
Credit oriented hedge funds <sup>5</sup>	2,589.1	180.2	Monthly, quarterly, semi-annual, annually	45-60 days
Equity oriented hedge funds <sup>6</sup>	1,791.4	496.5	Quarterly, semi-annual, annually	45-92 days
Real asset funds <sup>7</sup>	1,728.0	1,255.9	Daily, monthly	1-30 days
Debt related private equity funds <sup>8</sup>	708.4	822.4	None	N/A
Venture capital private equity funds <sup>9</sup>	476.6	101.9	None	N/A
Real estate funds -Debt <sup>10</sup>	473.2	472.9	Quarterly	90 days
Multi-Strategy hedge funds <sup>11</sup>	366.0	-	Quarterly	None
Opportunistic private equity funds <sup>12</sup>	335.4	307.7	None	N/A
Secondary private equity funds <sup>13</sup>	92.5	28.8	None	N/A
<b>Total investment measured at the NAV</b>	<b>\$ 23,955.0</b>	<b>\$ 9,857.1</b>		

**Notes:**

- 1 Private equity buyout funds includes investments in 68 partnership vehicles which invest primarily in the equity of established operating companies in order to restructure the target company's reserve capital, management and/or organizational structure or facilitate ongoing growth of the firm. Return on investment is typically realized through an initial public offering, sale or merger of the company, or a recapitalization. The fair value of the investments in this type have been determined using the NAV per share (or its equivalent) of the investment. It is expected that the underlying assets will be liquidated over the next 1 to 12 years.
- 2 Opportunistic hedge funds includes investments in nine hedge funds that invest in speculative opportunities with high net market exposure across varied markets. Opportunistic funds include global macro funds, commodity trading advisor funds, and funds employing other similar strategies. Investments representing approximately 16% of the value of the investments in this type cannot be redeemed because the investments include restrictions. As of June 30, 2016, this remaining redemption restriction period is 18 months. The fair value of the investments in this type have been determined using the NAV per share (or its equivalent) of the investment.
- 3 Real estate equity funds includes investments in 40 funds or separate accounts that make investments in the equity of the underlying asset, where the investor acts as a shareholder in a specific property and receives a share of the rental income the property generates. Investments representing approximately 73% of real estate equity investments can never be redeemed. Distributions from each fund and separate account will be received as the underlying investments are liquidated. It is expected that the underlying assets will be liquidated over the next 2 to 10 years. The fair value of the investments in this type have been determined using the NAV per share (or its equivalent) of the investment.
- 4 Global diversified credit funds includes investments in 14 funds and separate account investments that make investment in mezzanine debt, credit structured products, commercial and residential mortgage-backed securities, commercial and residential whole loans, and other similar strategies. Investments representing approximately 82% of the value of the investments in this type cannot be redeemed because the investments include restrictions. As of June 30, 2016, these remaining redemption restriction periods range from 9 to 40 months. Investments representing approximately 4% can never be redeemed. Distributions from each investment will be received as the underlying investments of the funds and separate accounts are liquidated. It is expected that the underlying assets will be liquidated over the next 3 to 8 years. The fair value of the investments in this type have been determined using the NAV per share (or its equivalent) of the investment.
- 5 Credit oriented hedge funds includes investments in 13 hedge fund and separate account strategies that includes both credit and distressed debt funds. Credit strategies typically invest both long and short in high yield and high-grade bonds, and structured products using fundamental credit analysis. These securities tend to be relatively liquid. Distressed debt strategies take advantage of corporate securities in default, under bankruptcy protection, in distress, or in liquidation. These securities are often illiquid. Investments representing approximately 42% of the value of the investments cannot be redeemed because the investment includes restrictions that do not allow for redemptions. As of June 30, 2016, these remaining redemption restriction periods range from 3 to 30 months. Three investments valued at \$527 million at June 30, 2016 have a 25% investor-level gate restriction. The fair value of the investments in this type have been determined using the NAV per share (or its equivalent) of the investment.

- 6 Equity oriented hedge funds includes investments in 16 hedge fund and separate account strategies that includes both equity long/short and event driven funds. Equity long/short funds hold a combination of long and short positions primarily in publicly traded equities. Event driven funds invest in merger arbitrage, capital structure arbitrage, relative value, activist or other similar strategies. Investments representing approximately 31% of the value of the investments cannot be redeemed because the investment includes restrictions that do not allow for redemptions. As of June 30, 2016, these remaining redemption restriction periods range from 9 to 24 months. One investment valued at \$108 million at June 30, 2016 has a 25% investor-level gate restriction. The fair value of the investments in this type have been determined using the NAV per share (or its equivalent) of the investment.
- 7 Real assets funds includes investments in 19 fund or separate account strategies which invests in the equity or debt of infrastructure, energy, utilities, water, timber, agriculture, metals, mining, and commodity-related and commodity-linked investments. Real asset investments include investments in products, services and technology related to the above. Investments representing approximately 80% can never be redeemed. Distributions from each fund and separate account will be received as the underlying investments are liquidated. It is expected that the underlying assets will be liquidated over the next 3 to 12 years. The fair value of the investments in this type have been determined using the NAV per share (or its equivalent) of the investment.
- 8 Debt related private equity funds includes investments in 24 funds employing distressed, turnaround and mezzanine debt strategies. Distressed debt involves purchasing debt securities that are trading at a distressed level, in anticipation that those securities will have a higher market valuation and generate profit at a future date, or strategies, which take a position to potentially gain control of an asset. Turnaround investments focus on purchasing equity in companies that are in distress, and aim to subsequently restore the company to profitability. Mezzanine debt strategies provide a middle level of financing in leveraged buyouts, which is below the senior debt layer and above the equity layer. A typical mezzanine investment includes a loan to the borrower, in addition to the borrower's issuance of equity in the form of warrants, common stock, preferred stock, or some other equity investment. Distributions from each fund will be received as the underlying investments of the funds are liquidated. It is expected that the underlying assets of the funds will be liquidated over the next 1 to 12 years.
- 9 Venture capital private equity funds includes investments in six partnership vehicles that make equity investments primarily in-high growth companies during their early or expansion stages. These companies may or may not have revenues or a client base and in most cases will not be cash flow positive. Distributions from each vehicle will be received as the underlying investments are liquidated. It is expected that the underlying assets will be liquidated over the next 2 to 12 years.
- 10 Real estate debt funds includes investments in 6 funds or separate accounts that make investments in the debt of the underlying asset, where the investor acts as a lender to the property owner and receives an interest rate on the loan. Investments representing approximately 58% of real estate debt investments can never be redeemed. Distributions from each fund and separate account will be received as the underlying investments are liquidated. It is expected that the underlying assets will be liquidated over the next five to eight years. The fair value of the investments in this type have been determined using the NAV per share (or its equivalent) of the investment.
- 11 Multi-strategy hedge funds includes investments in five hedge funds that pursue multiple strategies to diversify risks and reduce volatility. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments.
- 12 Opportunistic private equity funds includes investments in three funds and separate accounts which acquire minority equity interests in investment management companies. Investments representing approximately 76% of the value of the investments have a perpetual term and cannot be redeemed. Investments representing approximately 24% of the value of the investments can be redeemed after 9 years or December 2025. The fair value of the investments in this type have been determined using the NAV per share (or its equivalent) of the investment.
- 13 Secondary private equity funds includes investments in six funds that purchase secondary interests in private equity partnerships. The underlying investments represent ownership interests in private equity funds managed by buyout or venture capital firms after the capital has been deployed. Distributions from each fund will be received as the underlying investments are liquidated. It is expected that the underlying assets will be liquidated over the next three to ten years.

## NOTE 5 - SECURITIES LENDING COLLATERAL

The State Investment Council policies permit the Common Pension Funds and several of the individual pension plan portfolios to participate in securities lending programs, whereby securities are loaned to brokers or other borrowers and, in return, the Funds have rights to the collateral received. The publicly traded securities held by the Common Pension Funds and the pension plans, are eligible for the securities lending program. Collateral received may consist of cash, irrevocable bank letters of credit, or U.S. Treasury obligations having a market value equal to or exceeding 102 percent (U.S. dollar denominated) or 105 percent (non-U.S. dollar denominated) of the value of the loaned securities at the time the loan is made. Collateral is marked to market daily and adjusted as needed to maintain the required minimum level.

For loans of U.S. government securities or sovereign debt issued by non-U.S. governments, in the event that the market value of the collateral falls below 100 percent of the market value of the outstanding loaned securities to an individual borrower, or the market value of the collateral of all loans of such securities falls below the collateral requirement, additional collateral shall be transferred by the borrower to the respective funds no later than the close of the next business day so that the market value of such additional collateral together with collateral previously delivered meets the collateral requirements.

For loans of all other types of securities, in the event that the market value of the collateral falls below the collateral requirement of either 102 percent or 105 percent (depending on whether the securities are denominated in U.S. dollars or a foreign currency, respectively) of the market value of the outstanding loaned securities to an individual borrower, additional collateral shall be transferred in an amount that will increase the aggregate of the borrower's collateral to meet the collateral requirements. As of June 30, 2016, the Common Pension Funds have no aggregate credit risk exposure to borrowers because the collateral amount held by the Common Pension Funds exceeded the market value of the securities on loan.

The contract with the securities lending agent requires them to indemnify the Common Pension Funds and pension plans if the brokers or other borrowers fail to return the securities and provides that collateral securities may be sold in the event of a borrower default. The Common Pension Funds and pension plans are also indemnified for any loss of principal or interest on collateral invested in repurchase agreements. The Common Pension Funds and pension plans cannot participate in any dividend reinvestment program or vote with respect to any securities that are on loan on the applicable record date. The securities loans can be terminated by notification by either the borrower or the Common Pension Funds and pension plans. The term to maturity of the securities loans is generally matched with the term to maturity of the investment of the collateral.

The securities lending collateral is subject to various risks. Among these risks are custodial credit risk, credit risk, concentration of credit risk, and interest rate risk. Securities lending collateral is invested in repurchase agreements, the maturities of which cannot exceed 30 days. The collateral for repurchase agreements is limited to obligations of the U.S. Government or certain U.S. Government agencies, collateralized notes and mortgages and corporate obligations meeting certain minimum rating criteria. Total exposure to any individual issuer is limited consistent with internal policies for funds managed by the Division of Investment.

For securities exposed to credit risk in the collateral portfolio, the following table disclosures aggregate fair value, by major credit quality rating category at June 30, 2016 (expressed in millions):

	<b>Rating</b>		
	<b>Aaa/AAA</b>	<b>Not Rated</b>	<b>Total</b>
Repurchase Agreements	\$ 821.0	\$ -	\$ 821.0
State Street Institutional Liquid Reserves Fund	-	401.0	401.0
Cash Overdraft	-	74.9	74.9
<b>Totals</b>	<u>\$ 821.0</u>	<u>\$ 475.9</u>	<u>\$ 1,296.9</u>

Custodial credit risk for investments is the risk that the Pension Funds will not recover the value of the investments, which are in the possession of an outside party, if the counterparty to the transaction does not fulfill its obligations. The repurchase agreements' underlying securities are held in the Common Pension Fund's name.

As of June 30, 2016, the Pension Funds had outstanding loaned investment securities with an aggregate fair value of \$1,272.9 million and did not hold any noncash collateral. There were no borrowers or lending agent default losses, and no recoveries or prior-period losses during the year.

## **NOTE 6 - RECEIVABLES**

Fiduciary funds' receivables are not disclosed in the statement of net position. However, these receivables are disclosed in the fund financial statements and consist primarily of amounts due from employers and employees and accrued earnings on investments. Receivables presented in the statement of net position are described below.

### **A. Federal**

Federal government grant awards are established against State appropriations. Most Federal government receivables are comprised of amounts expended against grant awards, the expenditure of which is the basis of reimbursement. Since all amounts due from the Federal government are considered to be collectible, no allowance has been established for doubtful collections. Also see Note 18 – Contingent Liabilities.

These Federal receivables are reported in conformance with generally accepted accounting principles as defined by the National Council on Governmental Accounting Statement No. 2 - *Grant, Entitlement and Shared Revenue Accounting and Reporting by State and Local Governments*. Inasmuch as encumbrances do not constitute expenditures, and since recognition of grants and entitlements as revenue is primarily based on expenditures, there is an additional \$3.3 billion of Federal government awards consisting of encumbrances which are considered unearned and unrecorded as of June 30, 2016.

### **B. Departmental**

Departmental accounts receivable of \$4.5 billion are reported net of allowances of \$624.2 million and is mostly comprised of major tax revenues substantially collected within the one month period subsequent to June 30. Amounts included in these receivables, but not collected within the one month period subsequent to June 30, 2016 are deemed to be collectible.

### **C. Loans**

Loans receivable of \$1.7 billion are reported net of allowances of \$63.6 million. Major loan receivables include \$1.6 billion loaned to local units of government and other recipients for environmental projects; \$32.6 million loaned for economic development projects within local units of government; and \$5.6 million loaned for housing and mortgage assistance projects.

### **D. Other**

Other receivables of \$0.9 billion are reported net of allowances of \$557.1 million. Major other receivables include \$506.0 million of Transfer Inheritance Tax and Public Utility Gross Receipts and Franchise Taxes due from taxpayers; \$118.5 million due from the Port Authority of New York and New Jersey; \$107.5 million due from the tobacco companies; \$19.2 million due from proceeds of Motor Vehicle Commission bonds which are held by the trustee; and \$5.6 million due from the utility industry.

## NOTE 7 – CAPITAL ASSETS

A summary of capital assets and related accumulated depreciation by category as of June 30, 2016 is as follows (expressed in millions):

	<u>Balance July 1, 2015*</u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers/ Adjustments</u>	<u>Balance June 30, 2016</u>
Capital assets, not being depreciated:					
Land and easements	\$ 5,152.1	\$ 73.2	\$ 0.1	\$ (4.6)	\$ 5,220.6
Construction in progress	2,543.2	2,188.4	-	(1,573.8)	3,157.8
Capital assets, being depreciated:					
Land improvements	212.3	-	-	8.0	220.3
Buildings and improvements	3,763.0	5.2	33.0	9.7	3,744.9
Equipment and software	1,265.7	55.5	40.8	50.4	1,330.8
Infrastructure	26,752.9	-	1.3	1,538.5	28,290.1
Total at historical cost	<u>39,689.2</u>	<u>2,322.3</u>	<u>75.2</u>	<u>28.2</u>	<u>41,964.5</u>
Less accumulated depreciation:					
Land improvements	157.0	8.1	-	-	165.1
Buildings and improvements	2,087.7	108.7	25.4	(9.2)	2,161.8
Equipment and software	855.6	125.3	39.2	9.8	951.5
Infrastructure	10,214.4	761.1	0.3	-	10,975.2
Total accumulated depreciation	<u>13,314.7</u>	<u>1,003.2</u>	<u>64.9</u>	<u>0.6</u>	<u>14,253.6</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 26,374.5</u>	<u>\$ 1,319.1</u>	<u>\$ 10.3</u>	<u>\$ 27.6</u>	<u>\$ 27,710.9</u>

\* The July 1, 2015 capital asset balance has been restated by \$138.2 million to reflect revised Construction in Progress amounts.

Capital Assets were acquired by functions of the primary government as follows (expressed in millions):

	<u>Amount</u>
Public safety and criminal justice	\$ 124.8
Physical and mental health	10.6
Educational, cultural, and intellectual development	30.8
Community development and environmental management	108.3
Economic planning, development, and security	14.2
Transportation programs	1,995.0
Government direction, management, and control	24.2
Special government services	14.4
<b>Total</b>	<u>\$ 2,322.3</u>



## A. Items Not Capitalized and Depreciated

The State possesses certain capital assets that have not been capitalized and depreciated because the assets cannot be reasonably valued and/or the assets have inexhaustible useful lives. Examples of these assets include, but are not limited to statues, monuments, forts, lighthouses, and various capitol related furnishings. Collections, such as historical documents, artifacts, works of art, rare library books, and antique furnishings are not capitalized. These assets are exempted from capitalization as the State maintains the collections for reasons other than financial gain; the collections are protected, kept unencumbered, cared for and preserved; and the collections are subject to an organizational policy requiring that the proceeds from sales of collection items be used to acquire other items for collections.

## B. Depreciation and Useful Lives

Capital assets are depreciated using the straight line method. The State assigned useful lives that were most suitable for the particular assets. Estimated useful lives were in an allowable range as follows:

<u>Asset</u>	<u>Years</u>
Land improvements	10-50
Building and improvements	12-60
Equipment and software	3-30
Infrastructure	4-70

Depreciation was charged to functions of the primary government as follows (expressed in millions):

	<u>Amount</u>
Public safety and criminal justice	\$ 101.9
Physical and mental health	22.4
Educational, cultural, and intellectual development	24.9
Community development and environmental management	15.7
Economic planning, development, and security	15.9
Transportation programs	766.9
Government direction, management, and control	46.0
Special government services	9.5
<b>Total</b>	<u>\$ 1,003.2</u>

## NOTE 8 - INTERFUND TRANSACTIONS

During the course of normal operations, the State has numerous routine transactions between funds, including interfund loans, expenditures, and transfers of resources to provide administrative services, program services, debt service, and compliance with legal mandates, such as legislation requiring the transfer of investment earnings from a capital project fund to the General Fund. In the fund financial statements, these transactions generally are recorded as transfers in/transfers (out) and due to/due from other funds. Operating transfers represent legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended and do not represent reimbursement of expenses.

### A. Due From/Due To Other Funds

The balances of current interfund receivables and payables at June 30, 2016 are presented below (expressed in millions):

	<u>General Fund</u>	<u>Property Tax Relief Fund</u>	<u>Non-Major Governmental Funds</u>	<u>State Lottery Fund</u>	<u>Unemployment Compensation Fund</u>	<u>Fiduciary Funds</u>	<u>Total</u>
<b>Due from:</b>							
General Fund	\$ -	\$ -	\$ 121.3	\$ -	\$ 0.3	\$ 99.5	\$ 221.1
Property Tax Relief Fund	268.6	-	1.6	-	6.4	-	276.6
Non-Major Governmental Funds	362.9	0.2	95.0	-	0.9	-	459.0
State Lottery Fund	113.0	-	-	-	-	-	113.0
Unemployment Compensation Fund	-	0.3	0.4	-	-	-	0.7
Fiduciary Funds	19.7	10.1	-	-	-	-	29.8
<b>Total Due from</b>	<u>\$ 764.2</u>	<u>\$ 10.6</u>	<u>\$ 218.3</u>	<u>\$ -</u>	<u>\$ 7.6</u>	<u>\$ 99.5</u>	<u>\$ 1,100.2</u>
<b>Due to:</b>							
General Fund	\$ -	\$ 268.6	\$ 362.9	\$ 113.0	\$ -	\$ 19.7	\$ 764.2
Property Tax Relief Fund	-	-	0.2	-	0.3	10.1	10.6
Non-Major Governmental Funds	121.3	1.6	95.0	-	0.4	-	218.3
Unemployment Compensation Fund	0.3	6.4	0.9	-	-	-	7.6
Fiduciary Funds	99.5	-	-	-	-	-	99.5
<b>Total Due to</b>	<u>\$ 221.1</u>	<u>\$ 276.6</u>	<u>\$ 459.0</u>	<u>\$ 113.0</u>	<u>\$ 0.7</u>	<u>\$ 29.8</u>	<u>\$ 1,100.2</u>

### B. Transfer In/(Out)

Interfund transfers for the fiscal year ended June 30, 2016 are presented below (expressed in millions):

	<u>General Fund*</u>	<u>Property Tax Relief Fund</u>	<u>Non-Major Governmental Funds*</u>	<u>State Lottery Fund</u>	<u>Unemployment Compensation Fund</u>	<u>Fiduciary Funds</u>	<u>Total</u>
<b>Transfers (out) to:</b>							
General Fund	\$ -	\$ (60.1)	\$ (1,364.9)	\$ (987.0)	\$ -	\$ -	\$ (2,412.0)
Non-Major Governmental Funds	(1,986.2)	-	(845.1)	-	-	-	(2,831.3)
<b>Total Transfers (Out)</b>	<u>\$ (1,986.2)</u>	<u>\$ (60.1)</u>	<u>\$ (2,210.0)</u>	<u>\$ (987.0)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,243.3)</u>
<b>Transfers in from:</b>							
General Fund	\$ -	\$ -	\$ 1,988.9	\$ -	\$ -	\$ -	\$ 1,988.9
Property Tax Relief Fund	60.1	-	-	-	-	-	60.1
Non-Major Governmental Funds	1,364.9	-	845.1	-	-	-	2,210.0
State Lottery Fund	987.0	-	-	-	-	-	987.0
<b>Total Transfers In</b>	<u>\$ 2,412.0</u>	<u>\$ -</u>	<u>\$ 2,834.0</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,246.0</u>
<b>Net Transfers</b>	<u>\$ 425.8</u>	<u>\$ (60.1)</u>	<u>\$ 624.0</u>	<u>\$ (987.0)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2.7</u>

\* The New Jersey Building Authority (a blended component unit included in the Non-Major Governmental Funds) has a fiscal year end of December 31, 2015. Due to the State having a June 30, 2016 fiscal year end, transactions between the New Jersey Building Authority and the General Fund have created an imbalance within the transfers.

## NOTE 9 - SHORT-TERM DEBT

### Tax and Revenue Anticipation Notes

The State issues short-term debt instruments in the form of Tax and Revenue Anticipation Notes (TRAN) in advance of income tax and corporation business tax collections, depositing the proceeds in the General Fund. These notes are used to provide effective cash management to fund the imbalances that occur between the collection of revenues and the disbursement of appropriations of the General Fund and Property Tax Relief Fund. For Fiscal Year 2016, the State, under a resolution executed by the Treasurer on July 1, 2015, authorized the issuance of \$2.6 billion of TRAN. On July 1, 2015 the State issued \$1.9 billion of TRAN through a private placement. These notes bear interest from their date of issuance through maturity or earlier redemption by the State at an adjustable rate per annum equal to the London Interbank Offered Rate (LIBOR) plus 40 basis points.

Short-term debt activity for the year ended June 30, 2016 was as follows (expressed in millions):

	<u>Outstanding</u> <u>July 1, 2015</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Outstanding</u> <u>June 30, 2016</u>
Tax and Revenue Anticipation Notes - Series 2016 A	\$ -	\$ 1,900.0	\$ (1,900.0)	\$ -
<b>Total Tax and Revenue Anticipation Notes</b>	<u>\$ -</u>	<u>\$ 1,900.0</u>	<u>\$ (1,900.0)</u>	<u>\$ -</u>

## NOTE 10 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Deferred outflows and inflows of resources reported on the statement of net position as of June 30, 2016 consists of the following (expressed in millions):

### Deferred Outflows and Inflows of Resources

<b>Deferred Outflows:</b>	<u>Governmental</u> <u>Activities</u>
Unamortized deferral on refundings of long-term obligations	\$ 883.0
Deferred outflows related to Pensions	11,665.7
<b>Total Deferred Outflows</b>	<u>\$ 12,548.7</u>
<b>Deferred Inflows Related to Pensions</b>	<u>\$ 906.3</u>

Deferred outflows of resources in the statement of net position consists of unamortized deferral on refunding of long-term obligations and pension related amounts. The \$883.0 million of unamortized deferral on refunding of long-term obligations is in accordance with GASB No. 65, *Items Previously Reported as Assets and Liabilities*, implemented in Fiscal Year 2014. The pension related amounts consist of: 1) changes in assumptions of \$9,603.8 million; 2) employer contributions of \$1,288.8 million subsequent to the measurement date; 3) difference between expected and actual experience of \$635.7 million; 4) changes in proportion and differences between employer contributions and proportionate share of contributions of \$125.8 million; and, 5) net difference between projected and actual investment earnings on pension plan investments of \$11.6 million.

Deferred inflows of resources in the statement of net position consists of; 1) net difference between projected and actual investment earnings on pension plan investments of \$676.5 million; 2) changes in proportion of \$148.0 million; 3) differences between expected and actual experience of \$51.6 million; and, 4) changes in assumptions of \$30.2 million.

## NOTE 11 – LONG-TERM OBLIGATIONS

The State's long-term obligations are divided into bonded and non-bonded categories. Bonded categories include General Obligation Bonds, Revenue Bonds Payable, certain Capital Leases, Installment Obligations, Certificates of Participation, Tobacco Settlement Financing Corporation (TSFC) Bonds, Unamortized Interest on Capital Appreciation Bonds, and Unamortized Premium. Non-bonded categories include Compensated Absences, certain Capital Leases, Loans Payable, Net OPEB Obligation, Net Pension Liability, Pollution Remediation Obligation, and Deposit Fund Contracts.

### A. Changes in Long-term Obligations

The following schedule represents the changes in the State's long-term obligations (expressed in millions):

	<b>Outstanding July 1, 2015</b>	<b>Additions</b>	<b>Deductions</b>	<b>Outstanding June 30, 2016</b>	<b>Amounts Due within One Year</b>
<b>Governmental Activities</b>					
<b><u>Bonded Debt</u></b>					
General Obligation Bonds	\$ 2,372.7	\$ 131.3	\$ 512.4	\$ 1,991.6	\$ 251.7
Revenue Bonds Payable	22,421.1	724.4	726.9	22,418.6	675.4
Less: Unamortized Interest on CABS	(4,561.2)	-	(168.2)	(4,393.0)	(177.7)
Revenue Bonds Payable, net	17,859.9	724.4	558.7	18,025.6	497.7
Capital Leases	298.4	-	13.2	285.2	13.9
Installment Obligations	18,504.7	2,457.9	2,762.7	18,199.9	1,273.9
Less: Unamortized Interest on CABS	(1,221.5)	-	(192.3)	(1,029.2)	(186.0)
Installment Obligations Payable, net	17,283.2	2,457.9	2,570.4	17,170.7	1,087.9
Certificates of Participation	79.9	38.8	39.7	79.0	36.2
Tobacco Settlement Financing Corporation (TSFC) Bonds	4,272.9	-	49.5	4,223.4	28.7
Less: Unamortized Interest on CABS	(982.4)	-	(17.3)	(965.1)	(18.3)
TSFC Bonds, net	3,290.5	-	32.2	3,258.3	10.4
Unamortized Premium	2,050.2	98.0	231.5	1,916.7	-
<b><u>Non-Bonded Debt</u></b>					
Compensated Absences	556.8	320.7	329.8	547.7	320.7
Capital Leases	285.2	12.6	40.9	256.9	34.0
Loans Payable	1,279.4	-	-	1,279.4	-
Net OPEB Obligation	27,973.8	6,143.7	1,834.8	32,282.7	-
Net Pension Liability	78,881.8	14,314.0	-	93,195.8	-
Pollution Remediation	80.9	2.8	-	83.7	-
Other	1,226.1	274.0	313.1	1,187.0	232.8
<b>Subtotal Governmental Activities</b>	<b>\$ 153,518.8</b>	<b>\$ 24,518.2</b>	<b>\$ 6,476.7</b>	<b>\$ 171,560.3</b>	<b>\$ 2,485.3</b>
<b>Business-type Activities</b>					
Compensated Absences	\$ 0.7	\$ 0.4	\$ 0.4	\$ 0.7	\$ -
Deposit Fund Contracts	268.6	21.3	37.4	252.5	25.4
<b>Subtotal Business-type Activities</b>	<b>269.3</b>	<b>21.7</b>	<b>37.8</b>	<b>253.2</b>	<b>25.4</b>
<b>Total Governmental and Business-type Activities</b>	<b>\$ 153,788.1</b>	<b>\$ 24,539.9</b>	<b>\$ 6,514.5</b>	<b>\$ 171,813.5</b>	<b>\$ 2,510.7</b>

## B. Debt Service Payments

The following schedule represents debt service payments for the next five fiscal years and thereafter (expressed in millions):

<b>Debt Service</b>							
<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Revenue Bonds</b>	<b>Capital Leases</b>	<b>Installment<sup>1</sup> Obligations</b>	<b>Certificates of Participation</b>	<b>TSFC<sup>2</sup></b>	<b>Total</b>
2017	\$ 251.7	\$ 675.4	\$ 47.9	\$ 1,273.9	\$ 36.2	\$ 28.7	\$ 2,313.8
2018	235.4	704.0	49.7	1,346.2	29.8	34.2	2,399.3
2019	234.8	734.7	51.5	1,165.5	12.0	36.5	2,235.0
2020	266.8	773.8	46.6	1,221.6	1.0	35.9	2,345.7
2021	205.8	810.7	41.1	1,239.5	-	79.9	2,377.0
2022-2026	342.6	4,608.7	148.2	6,520.8	-	458.6	12,078.9
2027-2031	258.3	4,578.8	94.4	4,129.2	-	582.5	9,643.2
2032-2036	196.2	4,102.3	60.7	918.3	-	740.7	6,018.2
2037-2041	-	4,758.0	0.2	384.9	-	2,226.4	7,369.5
2042-2046	-	672.2	0.3	-	-	-	672.5
2047-2063	-	-	1.5	-	-	-	1.5
<b>Total Principal</b>	<b>1,991.6</b>	<b>22,418.6</b>	<b>542.1</b>	<b>18,199.9</b>	<b>79.0</b>	<b>4,223.4</b>	<b>47,454.6</b>
2017	91.3	748.4	35.1	708.3	0.9	142.9	1,726.9
2018	78.9	717.3	31.2	680.8	0.5	141.5	1,650.2
2019	67.0	683.4	26.4	643.7	0.1	139.8	1,560.4
2020	54.2	652.3	21.9	606.4	-	138.0	1,472.8
2021	42.4	607.3	18.7	569.5	-	136.3	1,374.2
2022-2026	133.4	2,403.3	58.6	2,231.6	-	624.0	5,450.9
2027-2031	75.3	1,647.4	22.3	820.3	-	503.7	3,069.0
2032-2036	18.3	1,157.0	4.0	221.3	-	348.9	1,749.5
2037-2041	-	625.9	0.2	47.0	-	146.8	819.9
2042-2046	-	67.5	0.2	-	-	-	67.7
2047-2063	-	-	0.3	-	-	-	0.3
<b>Total Interest</b>	<b>560.8</b>	<b>9,309.8</b>	<b>218.9</b>	<b>6,528.9</b>	<b>1.5</b>	<b>2,321.9</b>	<b>18,941.8</b>
2017	343.0	1,423.8	83.0	1,982.2	37.1	171.6	4,040.7
2018	314.3	1,421.3	80.9	2,027.0	30.3	175.7	4,049.5
2019	301.8	1,418.1	77.9	1,809.2	12.1	176.3	3,795.4
2020	321.0	1,426.1	68.5	1,828.0	1.0	173.9	3,818.5
2021	248.2	1,418.0	59.8	1,809.0	-	216.2	3,751.2
2022-2026	476.0	7,012.0	206.8	8,752.4	-	1,082.6	17,529.8
2027-2031	333.6	6,226.2	116.7	4,949.5	-	1,086.2	12,712.2
2032-2036	214.5	5,259.3	64.7	1,139.6	-	1,089.6	7,767.7
2037-2041	-	5,383.9	0.4	431.9	-	2,373.2	8,189.4
2042-2046	-	739.7	0.5	-	-	-	740.2
2047-2063	-	-	1.8	-	-	-	1.8
<b>Total Principal and Interest</b>	<b>\$ 2,552.4</b>	<b>\$ 31,728.4</b>	<b>\$ 761.0</b>	<b>\$ 24,728.8</b>	<b>\$ 80.5</b>	<b>\$ 6,545.3</b>	<b>\$ 66,396.4</b>

### Notes:

<sup>1</sup> Fiscal Years 2017-2018, 2026 and 2028 include maturing Floating Rate Notes that the State anticipates refunding prior to maturity.

<sup>2</sup> The State is not liable for debt issued by the TSFC.

### **C. General Obligation Bonds**

The State is empowered by voters to authorize, issue, and incur debt subject to certain constitutional restrictions. General obligation bond acts are both legislatively and voter-approved and are backed by the State's full faith and credit. As of June 30, 2016, the State had \$2.0 billion of State general obligation bonds outstanding with another \$768.2 million of bonding authorization remaining from various State general obligation bond acts. The amount provided by the State's General Fund for debt service payments for Fiscal Year 2016 was \$478.4 million.

The State has refunded various outstanding general obligation bonds. Refunding bond proceeds are used to purchase and deposit United States Treasury Obligations – State and Local Government Series or open market U.S. Treasury Securities into a separate irrevocable trust fund held by a trustee. The investments and the fixed earnings that accrue are sufficient to fully service the defeased debt until it is called or matures. For financial reporting purposes, the refunded debt is considered defeased at the time the refunding bonds have been issued. Therefore, the refunded debt is removed as a liability from the State's long-term obligations.

During Fiscal Year 2016, the State issued \$131.3 million of general obligation refunding bonds. As a result, \$139.2 million of bonds have been refunded and are now considered defeased. The liability has been removed from the State's long-term obligations. Total debt service payments over the next 7 years were reduced by \$8.0 million and resulted in a net present value savings of \$8.1 million. As of June 30, 2016, the amount of defeased general obligation debt outstanding, but removed from the State's long-term obligations, amounted to \$288.1 million.

### **D. Revenue Bonds Payable**

This debt classification represents bond issuances whose segment of debt service is derived solely from legally restricted revenues. Revenue bonds include debt issued by the New Jersey Building Authority (NJBA), the Garden State Preservation Trust (GSPT), and the New Jersey Transportation Trust Fund Authority (TTFA). During Fiscal Year 2016, the TTFA issued \$626.8 million of bonds used to fund transportation system improvements. During Fiscal Year 2016, the NJBA issued \$97.6 million of refunding bonds used to defease \$101.9 million of existing debt. As a result, the refunded bonds' liability has been removed from the State's long-term obligations. Total debt service payments over the next 11 years were decreased by \$3.6 million which resulted in \$3.5 million in present value savings. The GSPT issued zero debt. Total authorized but unissued revenue bonds equal \$0 as of June 30, 2016.

### **E. Capital Leases (Bonded)**

Capital Leases represent long-term contractual debt obligations that the State has with various State authorities, for the purpose of utilizing office space for State operations and program usage. This includes the design, acquisition, and construction or renovation of certain facilities. The New Jersey Health Care Facilities Financing Authority (HCFFA) issued no debt during Fiscal Year 2016.

### **F. Installment Obligations**

Installment Obligations represent agreements between the State and several authorities which have issued bonds for the purpose of purchasing or constructing facilities to be rented by the State or to provide financing for other State projects. The State agrees to make payments equal to the corresponding authority's debt service, subject to and dependent upon appropriations being made from time to time by the State Legislature. At the conclusion of the term of the installment obligation agreement, title to the various facilities is transferred to the State, except in the case of the School Facilities Construction Program. During Fiscal Year 2016, these authorities issued \$2.5 billion of bonds, of which \$2.0 billion were refunding bonds, that were issued in order to defease \$1.8 billion of existing debt. The liability on these refunded bonds has been removed from the State's long-term obligations. Total debt service payments over the next 11 years were decreased by \$27.8 million and resulted in a net present value savings of \$12.7 million. The State's installment obligations outstanding as of June 30, 2016 total \$18.2 billion. Total authorized but unissued installment obligations equal \$3.3 billion as of June 30, 2016.

### **G. Certificates of Participation**

These obligations represent several Lines of Credit that were drawn on to finance State equipment needs through the State's Master Lease Program.

## **H. Tobacco Settlement Financing Corporation (TSFC)**

In November 1998, the State entered into a Master Settlement Agreement with participating cigarette manufacturers, 46 states, and six other United States jurisdictions in the settlement of certain smoking-related litigation. During Fiscal Year 2003, the State sold to the newly established TSFC, the State's right, title, and beneficial ownership interest in the State's right to receive tobacco settlement rights under the Master Settlement Agreement and decree of Final Judgment. In return, in 2002 and 2003, the TSFC issued \$3.5 billion of bonds to pay for the tobacco settlement rights. Proceeds of the two bond issuances were used to fund General Fund expenditures during Fiscal Year 2003 and Fiscal Year 2004. During Fiscal Year 2007, \$4.7 billion of refunding bonds were issued, of which \$1.1 billion were capital appreciation bonds. The State retains 23.74 percent of the Tobacco Settlement Receipts.

During Fiscal Year 2003, the TSFC was presented as a discreet component unit of the State. Since then, the State adopted GASB Technical Bulletin No. 2004-1, *Tobacco Settlement Recognition and Financial Reporting Issues*. As a result, the TSFC is required to be shown as a blended component unit of the State. Bonds issued by the TSFC are the sole obligation of the TSFC. The State is not liable for any debt issued by the TSFC nor is the debt dependent on any dedicated stream of revenue generated by the State.

On March 7, 2014, the TSFC entered into a credit enhancement transaction. Pursuant to the Series 2007-1B Pledge Agreement, the TSFC pledged an additional 15.99 percent of the TSRs received on and after July 1, 2016, to be applied to the optional redemption of the Series 2007-1B bonds. Pursuant to the Series 2007-1C Pledge Agreement, the TSFC additionally pledged 7.75 percent of the TSRs received on and after July 1, 2016, to be applied to the optional redemption of the Series 2007-1C bonds. As a result of these Pledge Agreements, a bond enhancement premium of \$96.5 million was received by the TSFC in Fiscal Year 2014, of which \$91.6 million was paid to the State of New Jersey, in accordance with the Pledge Agreements, and the remaining \$4.9 million was paid to various professionals as a transaction fee.

## **I. Unamortized Interest on Capital Appreciation Bonds**

Unamortized Interest on Capital Appreciation Bonds represents the unaccrued interest value on zero coupon bonds that have been issued.

## **J. Unamortized Premium**

GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, requires bond premiums to be deferred and amortized over the life of the bonds.

## **K. Compensated Absences**

Pursuant to GASB Statement No. 16, *Accounting for Compensated Absences*, Compensated Absences represents the liability due to employees for unused sick and vacation time.

## **L. Capital Leases (Non-bonded)**

Capital Leases represent long-term contractual obligations that the State has entered into for the purpose of utilizing office space for State operations and program usage. Examples of non-bonded capital leases include motor vehicle inspection stations, State government office buildings, and State Police facilities.

## **M. Loans Payable**

The New Jersey Automobile Insurance Guaranty Fund received a \$1.3 billion loan from the New Jersey Property-Liability Insurance Guaranty Association. The loan was made in an effort to depopulate the New Jersey Automobile Insurance Guaranty Fund and to help satisfy its unfunded liability.

## **N. Net OPEB Obligation**

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, effective for periods beginning after December 15, 2006, requires the reporting of future Other Postemployment Benefits (OPEB) as a general long-term obligation of the State. Based upon an actuarial valuation, the OPEB obligation as of June 30, 2016 is estimated to be \$32.3 billion.

## **O. Net Pension Liability**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, effective for fiscal years beginning after June 30, 2014, requires the reporting of net pension liability as a general long-term obligation of the State. GASB Statement No. 68 requires participating employers in cost sharing plans to recognize their proportionate share of the collective net pension liability, collective deferred inflows of resources, collective deferred outflows of resources and collective pension expense, excluding that attributable to employer-paid member contributions. The net pension liability represents the liability of employers and nonemployer contributing entities to employees for defined benefit pensions. The liability is measured as the portion of the present value of projected benefit payments to be provided through the pension plans to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plans' fiduciary net position. The Net Pension Liability as of June 30, 2016 is \$93.2 billion.

## **P. Pollution Remediation Obligation**

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, effective for periods beginning after December 15, 2007, requires the reporting of Pollution Remediation Obligations as a general long-term obligation of the State. The Pollution Remediation Obligation represents contractual commitments of the State with either vendors to clean up hazardous waste contaminated sites or the administrative authorization to proceed to clean up identified hazardous waste contaminated sites. Pollution remediation activities include the engagement of contractors to define the extent of the hazardous waste contamination through a remedial investigative contract, outline the method of cleanup/remediation through a feasibility study contract, implement the required/recommended remediation action through construction contractors, and maintain and monitor the operations of the cleanup remedy at the site.

The Pollution Remediation Obligation estimates that appear in this report are subject to change over time. Cost may vary due to price fluctuations, changes in technology, changes in potential responsible parties, results of environmental studies, changes to statutes or regulations and other factors that could result in revisions to these estimates. Prospective recoveries from responsible parties may reduce the State's obligation.

The estimated liability as of June 30, 2016 is \$83.7 million. The reported amount represents the unexpended balances of those cleanup actions in which the State has obligated itself to commence remediation. The reported amounts represent the prospective outlays for existing remediation activities and not anticipated remediation work that may be addressed by the site's responsible parties at some future time or date.

## **Q. Other**

This obligation represents unamortized long-term claims which are required to be reported under National Council on Governmental Accounting Statement No. 1 as a general long-term obligation of the State. This includes Business Employment Incentive Program (BEIP) grants of \$726.6 million which have been incurred but not reported. This also includes Medicaid benefit claims (\$207.5 million of which \$127.3 million is federally reimbursable) which have been incurred but not reported. South Jersey Port Corporation obligation of \$197.5 million, and Unclaimed Property of \$40.0 million deemed to be payable to other states is also included. Governmental Accounting Standards Board (GASB) Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees* resulted in the inclusion of the State's estimated future obligation relating to the South Jersey Port Corporation bonds. This obligation also includes \$15.4 million of capitalized software liability which is required to be reported in accordance with GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*.

## **R. Deposit Fund Contracts**

Large Lottery prizes are paid out to winners over a period of multiple years. Current Lottery proceeds are used to purchase deposit fund contracts which will provide sufficient amounts for future payment of installment prizes. Future payments of installment prizes in the present value of \$252.5 million are recorded as liabilities in both the fund financial statements and the government-wide statements.

## **S. Nonexchange Financial Guarantees**

The authorizing legislation for certain State entities provides for specific budgetary procedures with respect to certain obligations issued by these entities. Pursuant to such legislation, a designated official is required to certify any deficiency in debt service funds maintained to meet payments of principal and interest on the obligations and a State appropriation in the amount of the deficiency is to be made. However, the State Legislature is not legally bound to make an appropriation. Bonds issued pursuant to authorizing legislation of this type are sometimes referred to as "moral obligation" bonds. There is no statutory limitation on the amount of "moral obligation" bonds which may be issued by eligible State entities. Currently, bonds issued by the South Jersey Port Corporation, the New Jersey Housing and Mortgage Finance Agency, and the Higher Education Student



Assistance Authority fall under this category. Furthermore, the New Jersey Housing and Mortgage Finance Agency and the Higher Education Student Assistance Authority have not had a deficiency in their respective debt service funds which required the State to appropriate funds.

The State, when necessary, provides the South Jersey Port Corporation with funds to cover all debt service and property tax requirements when the Corporation's earned revenues are anticipated to be insufficient to cover these obligations. On December 1, 2015, the Corporation certified that it would be unable to provide sufficient funds from operations for debt service, and therefore, required a State appropriation for Fiscal Year 2016 in the amount of \$18.9 million.

## NOTE 12 - RISK MANAGEMENT AND INSURANCE COVERAGE

The State is self-insured and self-administered for tort, workers' compensation, and automobile liability claims. As of June 30, 2016 no liability for unpaid claims has been established since the amount of loss cannot be reasonably estimated, however, any unpaid claims are not expected to be material. Claims are reported as expenditures in the General Fund in the year they are paid. Amounts expended for tort, workers' compensation, and automobile liability claims for Fiscal Year 2016 and Fiscal Year 2015 are detailed below (expressed in millions):

<u>Type of Claim</u>	<u>Fiscal Year</u>	
	<u>2016</u>	<u>2015</u>
Tort	\$ 10.2	\$ 22.3
Workers' compensation	91.8	86.8
Automobile	1.1	5.2

Property exposure is handled by a commercial insurance carrier. There were no reductions in commercial insurance coverage during the fiscal year ended June 30, 2016. No settlements exceeded commercial insurance coverage during each of the past three fiscal years. The State does not participate in any risk pools.

The State had obtained a financial guaranty policy insurance commitment to cover potential permanent losses on investments by non-state participants in the State of New Jersey Cash Management Fund-External Portion (Investment Trust Fund). The State was liable for reimbursement to the issuer of the financial guaranty policy insurance commitment for any payments made. The State had two policies in place. The first expired on December 1, 2012 and the second financial guaranty policy insurance commitment expired on July 1, 2016. Neither policy was renewed upon expiration.

## NOTE 13 - NET ASSETS RESTRICTED BY ENABLING LEGISLATION/GOVERNMENTAL FUND BALANCES

### A. Net Assets Restricted by Enabling Legislation

As of June 30, 2016, \$4.6 billion of restricted net assets are reported in the Statement of Net Position. Net assets are restricted when constraints have been placed upon the use of resources through enabling legislation initiated by voter referendum, constitutional provisions, debt covenants, or other external parties such as the federal government. Unexpended debt proceeds that are recorded as assets and restricted fund balance in the governmental funds (\$0.7 billion) have been deducted from the restricted net asset balance.

### B. Governmental Fund Balances

In the governmental fund financial statements, fund balances are segregated into the following categories: nonspendable, restricted, committed, and unassigned.

#### **Nonspendable**

The nonspendable fund balance classification includes amounts in the New Jersey Cultural Trust Fund (\$20.0 million) and the State of New Jersey Tischler Memorial Fund (\$0.4 million) that are legally required to remain intact.

**Restricted**

Similar to the net assets restricted by enabling legislation definition, the restricted fund balance classification is used when constraints have been placed upon the use of resources through enabling legislation initiated by voter referendum, constitutional provisions, debt covenants, or other external parties such as the federal government.

**Restricted Fund Balance – School Bond Reserve:**

**Fund for Support of Free Public Schools**

New Jersey statutes provide for the establishment of a school bond reserve within this fund. The school bond reserve consists of two accounts, the old school bond reserve account and the new school bond reserve account. The old school bond reserve account shall be funded in an amount equal to at least 1.5 percent of the aggregate issued and outstanding bonded indebtedness of counties, municipalities, or school districts for school purposes for all such indebtedness issued prior to July 1, 2003. The new school bond reserve account shall be funded in an amount equal to at least one percent of the aggregate issued and outstanding bonded indebtedness of counties, municipalities, or school districts for school purposes for all such indebtedness issued on or after July 1, 2003, exclusive of bonds for debt service, which is provided by State appropriations. Accordingly, of the total \$148.4 million restricted fund balance, \$69.7 million has been reserved as of June 30, 2016, for the school bond reserve.

**Committed**

The committed fund balance classification is used for amounts that can only be used for purposes specified in enabling legislation, with the consent of both the legislative and executive branches. In contrast to the restricted fund balance classification, amounts in this category may be redeployed for other purposes with appropriate due process.

As mentioned above, both restricted and committed fund balances, respectively, may only be used for purposes specified in enabling legislation. Within these balances, however, money has been set aside (encumbered) pending vendor performance. In addition, within these balances are long-term loans and other items such as legally mandated reserves and escrow balances that represent balances that are not currently available for expenditure in subsequent accounting periods.

**Unassigned**

Unassigned balance is \$462.8 million. This classification represents fund balance that has not been restricted or committed to specific purposes within the General Fund (\$469.8 million), and also includes the deficit fund balance reported in the 2009 Green Acres Fund (\$7.0 million).

**NOTE 14 – OPERATING LEASES**

The State of New Jersey has commitments to lease certain land, buildings, and equipment under arrangements representing operating leases. Future minimum rental commitments for noncancelable operating leases as of June 30, 2016 are as follows (expressed in millions):

<u>Fiscal Year</u>	<u>Amount</u>
2017	\$ 65.4
2018	46.9
2019	35.7
2020	26.8
2021	16.6
2022 - 2026	29.9
2027 - 2030	1.0
<b>Total Future Minimum Lease Payments</b>	<b>\$ 222.3</b>

**NOTE 15 – RETIREMENT SYSTEMS**

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems; pension plans) covering substantially all state and local government employees.

**A. Descriptions of Retirement Systems**

**Consolidated Police and Firemen's Pension Fund (CPFPPF):**

The State of New Jersey CPFPPF is a single-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about CPFPPF, please refer to the Division’s Comprehensive Annual Financial Report (CAFR) which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

There are no active members in CPFPPF. Additionally, based on the recent actuarial valuation, there was no normal cost or accrued liability contribution required by the State for the fiscal year ended June 30, 2015. The vesting and benefit provisions were set by N.J.S.A. 43:16.

**Judicial Retirement System (JRS):**

The State of New Jersey JRS is a single-employer defined benefit pension plan administered by the Division. For additional information about JRS, please refer to the Division’s CAFR which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

The vesting and benefit provisions are set by N.J.S.A. 43:6A. JRS provides retirement benefits as well as death and disability benefits. Retirement is mandatory at age 70. Service retirement benefits are available to members who have reached certain ages and various years of service. Benefits of 75% of final salary are available to members at age 70 with 10 or more years of judicial service; members between ages 65-69 with 15 or more years of judicial service or between ages 60-64 with 20 or more years of judicial service. Benefits of 50% of final salary are available to those with both judicial service and non-judicial service for which five or more consecutive years were judicial service. These benefits are available at age 65 or older with 15 years or more of aggregate service or age 60 or older with 20 or more years of aggregate service. Benefits of 2% of final salary for each year of public service up to 25 years plus 1% of final salary for each year in excess of 25 years are available at age 60 with five consecutive years of judicial service plus 15 years in the aggregate of public service or at age 60 while serving as a judge.

Early retirement benefits of 2% of final salary for each year of service up to 25 years and 1% of final salary for each year over 25 years is available to members who retire before age 60, have five or more consecutive years of judicial service, and 25 or more years in aggregate public service. The amount of benefits is actuarially reduced for the number of months remaining until the member reaches age 60.

**Police and Firemen's Retirement System (PFRS):**

The State of New Jersey PFRS is a cost-sharing multiple-employer defined benefit pension plan administered by the Division. For additional information about PFRS, please refer to the Division’s CAFR which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement benefits as well as death and disability benefits. All benefits vest after ten years of service, except disability benefits which vest after four years of service.

The following represents the membership tiers for PFRS:

<b>Tier</b>	<b>Definition</b>
1	Members who were enrolled prior to May 22, 2010
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
3	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tier 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case, benefits would begin at age 55 equal to 2% of final compensation for each year of service.

**Prison Officers' Pension Fund (POPF):**

The State of New Jersey POPF is a single-employer defined benefit pension plan administered by the Division. For additional information about POPF, please refer to the Division’s CAFR which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

There are no active members in POPF. Additionally, based on the recent actuarial valuation, there was no normal cost or accrued liability contribution required by the State for the fiscal year ended June 30, 2015. The vesting and benefit provisions were set by N.J.S.A. 43:7.

**Public Employees' Retirement System (PERS):**

The State of New Jersey PERS is a cost-sharing multiple-employer defined benefit pension plan administered by the Division. For additional information about PERS, please refer to the Division's CAFR which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members before age 62 with 25 or more years of service credit, and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

**State Police Retirement System (SPRS):**

The State of New Jersey SPRS is a single-employer defined benefit pension plan administered by the Division. For additional information about SPRS, please refer to the Division's CAFR which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

The vesting and benefit provisions are set by N.J.S.A. 53:6A. SPRS provides retirement benefits as well as death and disability benefits. All benefits vest after ten years of service, as defined, and members are always fully vested in their contributions. Mandatory retirement is at age 55. Voluntary retirement is prior to age 55 with 20 years of credited service. Benefit is an annual retirement allowance equal to the greater of (a), (b), or (c), as follows: (a) 50% of final compensation; (b) for members retiring with 25 or more years of service, 65% of final compensation, plus 1% for each year of service in excess of 25 years, to a maximum of 70% of final compensation; (c) for members as of August 29, 1985 who would not have 20 years of service by age 55, benefit as defined in (a) above. For members as of August 29, 1985 who would have 20 years of service but would not have 25 years of service at age 55, benefit as defined in (a) above plus 3% for each year of service.

**Teachers' Pension and Annuity Fund (TPAF):**

The State of New Jersey TPAF is a cost-sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the Division. For additional information about TPAF, please refer to the Division's CAFR which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. 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.

The following represents the membership tiers for TPAF:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members before age 62 with 25 or more years of service credit, and tier 5 members before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

#### Other Pension Funds

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The State or local governmental employers do not appropriate funds to SACT.

The State also administers the Central Pension Fund (CPF) which is a single-employer noncontributory defined benefit plan for special groups which are not included in other State-administered systems.

The State also administers the Pension Adjustment Fund (PAF). Prior to the adoption of pension reform legislation in 2011 (P.L. 2011, c.78), it provided cost-of-living increases, equal to 60% of the change in the average consumer price index, to eligible retirees in some State-sponsored pension systems which are the CPF, CPFPF, and POPF. Cost-of-living increases provided under the State's Pension Adjustment Program are currently suspended as a result of the reform legislation. This benefit is funded by the State as benefit allowances become payable.

Likewise, while the cost-of-living increase for JRS, PFRS, PERS, SPRS, and TPAF is suspended, the cost-of-living adjustment is still funded directly by each of the respective systems.

According to State law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

#### Single-Employer Plan Membership

Single-employer defined membership pension plans consisted of the following as of June 30, 2015:

#### Number of Employees Covered By Single-Employer Defined Benefit Plans

	<u>Consolidated Police and Firemen's Pension Fund</u>	<u>Judicial Retirement System</u>	<u>Prison Officers' Pension Fund</u>	<u>State Police Retirement System</u>
Inactive plan members or beneficiaries currently receiving benefits	124	586	98	3,511
Inactive plan members entitled to but not yet receiving benefits	-	4	-	-
Active plan members	-	404	-	2,676
<b>Total</b>	<u>124</u>	<u>994</u>	<u>98</u>	<u>6,187</u>

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems, funds, and trust. The financial reports may be accessed via the New Jersey Division of Pensions and Benefits website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

## **B. Basis of Presentation**

TPAF - The schedules of employer and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of TPAF and the State as an employer/nonemployer entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of TPAF or the State.

PERS - The Schedules present amounts that are considered elements of the financial statements of PERS or the participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers.

PFRS - The Schedules present amounts that are considered elements of the financial statements of PFRS, its participating employers, or the State as nonemployer entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PFRS, the participating employers, or the State.

CPFPF, JRS, POPF, and SPRS - The Schedules present amounts that are considered elements of the financial statement of each related fund or the State of New Jersey. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of each related fund or the State.

The amounts presented in the Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of each fund to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

## **C. Allocation Methodology and Reconciliation to Financial Statements**

### **1. Teachers' Pension Annuity Fund (TPAF)**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB No. 68), requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective pension expense excluding that attributable to employer-paid member contributions. The employer and nonemployer allocation percentages presented in the Schedules are based on the ratio of the State's contributions made as an employer and nonemployer toward the actuarially determined contribution amount adjusted by locations who participated in the State early retirement incentives to total contributions to TPAF during the fiscal year ended June 30, 2015. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedules of pension amounts by employer and nonemployer may result in immaterial differences.

The contribution policy for TPAF is set by N.J.S.A 18A:66 and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2015, the State's pension contribution was less than the actuarial determined amount.

### **2. Public Employees' Retirement System (PERS)**

GASB No. 68 requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective pension expense excluding that attributable to employer-paid member contributions. The employer allocation percentages presented in the Schedules are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the fiscal year ended June 30, 2015. Employer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of pension amounts by employer may result in immaterial differences.

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective pension expense excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the State and local groups of the plan.

To facilitate the separate actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group in the Schedules. The allocation percentages for each group as of June 30, 2015 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2015.

The contribution policy for PERS is set by N.J.S.A. 15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2015, the State's pension contribution was less than the actuarial determined amount.

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

### **3. Police and Firemen's Retirement System (PFRS)**

GASB No. 68 requires participating employers in PFRS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective pension expense excluding that attributable to employer-paid member contributions. The employer and nonemployer allocation percentages presented in the schedule of employer and nonemployer allocations and applied to amounts presented in the schedule of pension amounts by employer and nonemployer are based on the ratio of the contributions of an individual employer to the total contributions of PFRS during the measurement period from July 1, 2014 through June 30, 2015. Employer and nonemployer allocation percentages have been rounded for presentation purposes, therefore, amounts presented in the schedule of pension amounts by employer and nonemployer may result in immaterial differences. Contributions from employers are recognized when due, based on statutory requirements.

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate actuarial valuations are prepared to determine the actuarially determined contribution rate by group. Following this method, the measurement of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective pension expense excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the State and local groups of the plan.

To facilitate the separate actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedule of pension amounts by employer and nonemployer. The allocation percentages for each group as of June 30, 2015 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2015.

A special funding situation exists for the local employers of the Police and Fire Retirement System of New Jersey. The State of New Jersey, as a nonemployer, is required to pay the additional costs incurred by local employers under Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. For the fiscal year ended June 30, 2015, the State special funding situation net pension liability amount of \$1,460,720,421 is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. For the fiscal year ending June 30, 2015, the State special funding situation pension expense of \$182,203,735 is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2015. The pension expense is deemed to be a State administrative expense due to the special funding situation.

The contribution policy for PFRS is set by N.J.S.A 43:16A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution amount is based on an actuarially determined amount which includes the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2015, the State's pension contribution was less than the actuarial determined amount.

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

**D. Special Funding Situations**

**1. Teachers' Pension Annuity Fund**

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer.

**2. Police and Firemen's Retirement System**

Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State, if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993, and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer.

**E. Collective Net Pension Liability**

**1. Components of Net Pension Liability**

The components of the net pension liability of the participating employers for PFRS as of June 30, 2015 are as follows:

	<b>Police and Firemen's Retirement System</b>		
	<b>2015</b>		
	<b>State</b>	<b>Local</b>	<b>Total</b>
Total pension liability	\$ 6,053,301,057	\$ 41,464,464,848	\$ 47,517,765,905
Plan fiduciary net position	1,759,628,691	23,347,230,230	25,106,858,921
Net pension liability	<u>\$ 4,293,672,366</u>	<u>\$ 18,117,234,618</u>	<u>\$ 22,410,906,984</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	29.07%	56.31%	52.84%

The components of the net pension liability of the participating employers for PERS as of June 30, 2015 are as follows:

	<b>Public Employees' Retirement System</b>		
	<b>2015</b>		
	<b>State</b>	<b>Local</b>	<b>Total</b>
Total pension liability	\$ 31,614,118,524	\$ 43,109,580,038	\$ 74,723,698,562
Plan fiduciary net position	7,891,982,987	20,661,583,919	28,553,566,906
Net pension liability	<u>\$ 23,722,135,537</u>	<u>\$ 22,447,996,119</u>	<u>\$ 46,170,131,656</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	24.96%	47.93%	38.21%



The components of the net pension liability of the participating employers for the defined benefit plans at June 30, 2015 are as follows:

**Components Net Pension Liability**

	<u>CPFPF</u>	<u>JRS</u>	<u>PFRS</u>	<u>POPF</u>
Total pension liability	\$ 10,218,402	\$ 878,964,581	\$ 47,517,765,905	\$ 7,226,313
Plan fiduciary net position	2,427,950	212,783,371	25,106,858,921	6,704,568
Net pension liability	<u>\$ 7,790,452</u>	<u>\$ 666,181,210</u>	<u>\$ 22,410,906,984</u>	<u>\$ 521,745</u>

**Plan fiduciary net position as a percentage of the total pension liability**

23.76%	24.21%	52.84%	92.78%
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	<u>PERS</u>	<u>SPRS</u>	<u>TPAF</u>
Total pension liability	\$ 74,723,698,562	\$ 4,821,505,776	\$ 89,182,662,000
Plan fiduciary net position	28,553,566,906	1,867,709,110	25,604,797,560
Net pension liability	<u>\$ 46,170,131,656</u>	<u>\$ 2,953,796,666</u>	<u>\$ 63,577,864,440</u>

**Plan fiduciary net position as a percentage of the total pension liability**

38.21%	38.74%	28.71%
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The total pension liability was determined by actuarial valuations as of July 1, 2014, which was rolled forward to June 30, 2015, using the following actuarial assumptions, applied to all periods in the measurement:

**Actuarial Assumptions**

	<u>CPFPF</u>	<u>JRS</u>	<u>PFRS</u>	<u>POPF</u>
Inflation rate	3.04%	3.04%	3.04%	3.04%
Salary increases:				
Through 2021	N/A	2.50%	2.60%-9.48% based on age	N/A
Thereafter	N/A	3.50%	3.60%-10.48% based on age	N/A
Investment rate of return	3.80%	7.90%	7.90%	3.80%
Mortality rate table	RP-2000	RP-2000	RP-2000	RP-2000
Period of actuarial experience study upon which actuarial assumptions were based	N/A*	July 1, 2011 - June 30, 2014	July 1, 2010 - June 30, 2013	N/A*
	<u>PERS</u>	<u>SPRS</u>	<u>TPAF</u>	
Inflation rate	3.04%	3.04%	2.50%	
Salary increases:				
Through 2021	2.15%-4.40% based on age	3.45%	Varies based on experience	
Thereafter	3.15%-5.40% based on age	4.45%	Varies based on experience	
Investment rate of return	7.90%	7.90%	7.90%	
Mortality rate table	RP-2000	RP-2000	RP-2000	
Period of actuarial experience study upon which actuarial assumptions were based	July 1, 2008 - June 30, 2011	July 1, 2011 - June 30, 2014	July 1, 2009 - June 30, 2012	

N/A - This is a closed plan. There are no active employees.

Adjustments for mortality improvements are based on Society of Actuaries Scale AA.

## 2. Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in pension plans' target asset allocation as of June 30, 2015 are summarized in the following table:

<b>Long-term Expected Real Rate of Return</b>							
<b>Asset Class</b>	<b>CPFPP</b>	<b>JRS</b>	<b>PFRS</b>	<b>POPF</b>	<b>PERS</b>	<b>SPRS</b>	<b>TPAF</b>
Cash	1.04%	1.04%	1.04%	1.04%	1.04%	1.04%	0.53%
U.S. treasuries	-	1.64%	1.64%	-	1.64%	1.64%	-
U.S. government bonds	-	-	-	-	-	-	1.39%
U.S. credit bonds	-	-	-	-	-	-	2.72%
Investment grade credit	-	1.79%	1.79%	-	1.79%	1.79%	-
Mortgages	-	1.62%	1.62%	-	1.62%	1.62%	2.54%
High yield bonds	-	4.03%	4.03%	-	4.03%	4.03%	4.57%
Inflation-indexed bonds	-	3.25%	3.25%	-	3.25%	3.25%	1.47%
Broad U.S. equities	-	8.52%	8.52%	-	8.52%	8.52%	5.63%
Developed foreign equities	-	6.88%	6.88%	-	6.88%	6.88%	6.22%
Emerging market equities	-	10.00%	10.00%	-	10.00%	10.00%	8.46%
Private equity	-	12.41%	12.41%	-	12.41%	12.41%	9.15%
Hedge funds/absolute return	-	4.72%	4.72%	-	4.72%	4.72%	-
Multi strategy	-	-	-	-	-	-	4.59%
Equity hedge	-	-	-	-	-	-	5.68%
Distressed	-	-	-	-	-	-	4.30%
Real estate (property)	-	6.83%	6.83%	-	6.83%	6.83%	3.97%
Commodities	-	5.32%	5.32%	-	5.32%	5.32%	3.58%
Timber	-	-	-	-	-	-	4.09%
Farmland	-	-	-	-	-	-	4.61%
Global debt excluding U.S.	-	(0.40%)	(0.40%)	-	(0.40%)	(0.40%)	-
Real estate investment trusts	-	5.12%	5.12%	-	5.12%	5.12%	-

## 3. Discount Rates

The discount rates used to measure the total pension liabilities of each pension plan as of June 30, 2015 are in the following table. The single blended discount rate per pension plan was based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015, based on the Bond Buyer GO 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rates assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of employers' contributions.

Based on those assumptions, the pension plans' fiduciary net positions were projected to be available to make projected future benefit payments of current plan members through crossover periods shown in the following table per pension plan. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through the crossover periods, and the municipal bond rate was applied to projected benefit payments after those periods in determining the total pension liabilities.

<u>Pension Plan</u>	<u>Discount Rate</u>
Consolidated Police and Firemen's Pension Fund	3.80%
Judiciary Retirement System	4.12%
Police and Firemen's Retirement System	5.79%
Prison Officers' Pension Fund	3.80%
Public Employees' Retirement System	4.90%
State Police Retirement System	4.59%
Teachers' Pension and Annuity Fund	4.13%

The following table represents the crossover period, if applicable, for each defined benefit plan:

	<u>CPFPPF</u>	<u>JRS</u>	<u>PFRS</u>	<u>POPF</u>	<u>PERS</u>	<u>SPRS</u>	<u>TPAF</u>
Period of projected benefit payments for which the following rates were applied:							
Long-term expected rate of return	Not applicable	Through June 30, 2022	Through June 30, 2045	Not applicable	Through June 30, 2033	Through June 30, 2033	Through June 30, 2027
Municipal bond rate*	All periods	From July 1, 2022 and thereafter	From July 1, 2045 and thereafter	All periods	From July 1, 2033 and thereafter	From July 1, 2033 and thereafter	From July 1, 2027 and thereafter

\*The municipal bond return rate used is 3.80%. The source is the Bond Buyer GO 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

#### 4. Sensitivity of Net Pension Liability

The following presents the net pension liability of each pension plan calculated using the discount rates as disclosed above as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

<u>Pension Plan</u>	<u>Rates</u>	<u>At 1% decrease</u>	<u>At current discount rate</u>	<u>At 1% increase</u>
CPFPPF	(2.80%, 3.80%, 4.80%)	\$ 8,213,139	\$ 7,790,452	\$ 7,403,670
JRS	(3.12%, 4.12%, 5.12%)	759,725,112	666,181,210	586,482,742
PFRS	(4.79%, 5.79%, 6.79%)	29,053,805,391	22,410,906,984	16,996,545,615
POPF	(2.80%, 3.80%, 4.80%)	880,826	521,745	196,015
PERS	(3.90%, 4.90%, 5.90%)	55,702,235,475	46,170,131,656	38,191,749,890
SPRS	(3.59%, 4.59%, 5.59%)	3,714,159,123	2,953,796,665	2,347,389,106
TPAF	(3.13%, 4.13%, 5.13%)	75,559,915,440	63,577,864,440	53,254,610,440

#### F. Collective Deferred Outflows of Resources and Deferred Inflows of Resources

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the year ended June 30, 2015:

**Judicial Retirement System**

	<u>Year of deferral</u>	<u>Amortization period</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b>Deferred Outflows of Resources:</b>						
Changes of assumptions	2014	3.84 years	\$ 19,900,576	\$ -	\$ 7,007,245	\$ 12,893,331
<b>Total</b>			<u>\$ 19,900,576</u>	<u>\$ -</u>	<u>\$ 7,007,245</u>	<u>\$ 12,893,331</u>
<b>Deferred Inflows of Resources:</b>						
Changes of assumptions	2015	3.60 years	\$ -	\$ 41,873,530	\$ 11,631,536	\$ 30,241,994
Difference between expected and actual experience	2015	3.60 years	-	1,733,197	481,444	1,251,753
Difference between projected and actual earnings on pension plan investments	2014	5 years	14,670,661	-	3,667,665	11,002,996
	2015	5 years	-	(8,098,588)	(1,619,718)	(6,478,870)
Subtotal			<u>14,670,661</u>	<u>(8,098,588)</u>	<u>2,047,947</u>	<u>4,524,126</u>
<b>Total</b>			<u>\$ 14,670,661</u>	<u>\$ 35,508,139</u>	<u>\$ 14,160,927</u>	<u>\$ 36,017,873</u>

**Police and Firemen's Retirement System**

	<u>Year of deferral</u>	<u>Amortization period</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b>Deferred Outflows of Resources:</b>						
State:						
Difference between projected and actual earnings on pension plan investments	2014	5 years	\$ (87,789,694)	\$ -	\$ (21,947,423)	\$ (65,842,271)
	2015	5 years	-	96,779,273	19,355,855	77,423,418
Subtotal			<u>(87,789,694)</u>	<u>96,779,273</u>	<u>(2,591,568)</u>	<u>11,581,147</u>
Changes of assumptions	2014	6.17 years	72,234,687	-	13,971,893	58,262,794
	2015	5.53 years	-	466,416,499	84,342,947	382,073,552
Subtotal			<u>72,234,687</u>	<u>466,416,499</u>	<u>98,314,840</u>	<u>440,336,346</u>
Subtotal State			<u>(15,555,007)</u>	<u>563,195,772</u>	<u>95,723,272</u>	<u>451,917,493</u>
Local:						
Changes of assumptions	2014	6.17 years	472,261,128	-	91,346,447	380,914,681
	2015	5.53 years	-	3,289,057,973	594,766,360	2,694,291,613
Subtotal Local			<u>472,261,128</u>	<u>3,289,057,973</u>	<u>686,112,807</u>	<u>3,075,206,294</u>
<b>Total</b>			<u>\$ 456,706,121</u>	<u>\$ 3,852,253,745</u>	<u>\$ 781,836,079</u>	<u>\$ 3,527,123,787</u>
<b>Deferred Inflows of Resources:</b>						
State:						
Difference between expected and actual experience	2015	5.53 years	\$ -	\$ 39,739,980	\$ 7,186,253	\$ 32,553,727
Local:						
Difference between expected and actual experience	2015	5.53 years	-	175,382,458	31,714,730	143,667,728
Difference between projected and actual earnings on pension plan investments	2014	5 years	1,283,652,103	-	320,913,025	962,739,078
	2015	5 years	-	(841,058,873)	(168,211,775)	(672,847,098)
Subtotal			<u>1,283,652,103</u>	<u>(841,058,873)</u>	<u>152,701,250</u>	<u>289,891,980</u>
Subtotal Local			<u>1,283,652,103</u>	<u>(665,676,415)</u>	<u>184,415,980</u>	<u>433,559,708</u>
<b>Total</b>			<u>\$ 1,283,652,103</u>	<u>\$ (625,936,435)</u>	<u>\$ 191,602,233</u>	<u>\$ 466,113,435</u>

**Public Employees' Retirement System**

	<u>Year of deferral</u>	<u>Amortization period</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b>Deferred Outflows of Resources:</b>						
State:						
Difference between expected and actual experience	2015	5.72 years	\$ -	\$ 401,805,013	\$ 70,245,632	\$ 331,559,381
Changes of assumptions	2014	6.44 years	443,874,767	-	81,594,626	362,280,141
	2015	5.72 years	-	1,752,396,102	306,362,955	1,446,033,147
Subtotal			443,874,767	1,752,396,102	387,957,581	1,808,313,288
Subtotal State			443,874,767	2,154,201,115	458,203,213	2,139,872,669
Local:						
Difference between expected and actual experience	2015	5.72 years	-	648,990,145	113,459,816	535,530,329
Changes of assumptions	2014	6.44 years	588,743,291	-	108,224,870	480,518,421
	2015	5.72 years	-	2,339,161,359	408,944,294	1,930,217,065
Subtotal			588,743,291	2,339,161,359	517,169,164	2,410,735,486
Subtotal Local			588,743,291	2,988,151,504	630,628,980	2,946,265,815
<b>Total</b>			<b>\$ 1,032,618,058</b>	<b>\$ 5,142,352,619</b>	<b>\$ 1,088,832,193</b>	<b>\$ 5,086,138,484</b>

**Deferred Inflows of Resources:**

State:						
Difference between projected and actual earnings on pension plan investments	2014	5 years	\$ 610,858,254	\$ -	\$ 152,714,563	\$ 458,143,691
	2015	5 years	-	(426,291,324)	(85,258,265)	(341,033,059)
Subtotal State			610,858,254	(426,291,324)	67,456,298	117,110,632
Local:						
Difference between projected and actual earnings on pension plan investments	2014	5 years	1,115,773,278	-	278,943,320	836,829,958
	2015	5 years	-	(594,886,692)	(118,977,338)	(475,909,354)
Subtotal Local			1,115,773,278	(594,886,692)	159,965,982	360,920,604
<b>Total</b>			<b>\$ 1,726,631,532</b>	<b>\$(1,021,178,016)</b>	<b>\$ 227,422,280</b>	<b>\$ 478,031,236</b>

**State Police Retirement System**

	<u>Year of deferral</u>	<u>Amortization period</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b>Deferred Outflows of Resources:</b>						
Changes of assumptions	2014	5.14 years	\$ 74,654,429	\$ -	\$ 18,032,471	\$ 56,621,958
	2015	5.34 years	-	435,691,094	81,590,093	354,101,001
Subtotal			74,654,429	435,691,094	99,622,564	410,722,959
Difference between expected and actual experience	2015	5.34 years	-	35,245,543	6,600,289	28,645,254
<b>Total</b>			<b>\$ 74,654,429</b>	<b>\$ 470,936,637</b>	<b>\$ 106,222,853</b>	<b>\$ 439,368,213</b>
<b>Deferred Inflows of Resources:</b>						
Difference between projected and actual earnings on pension plan investments	2014	5 years	\$ 122,037,662	\$ -	\$ 30,509,415	\$ 91,528,247
	2015	5 years	-	(70,424,003)	(14,084,801)	(56,339,202)
<b>Total</b>			<b>\$ 122,037,662</b>	<b>\$ (70,424,003)</b>	<b>\$ 16,424,614</b>	<b>\$ 35,189,045</b>

**Teachers' Pension and Annuity Fund**

	<u>Year of Deferral</u>	<u>Amortization Period</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b>Deferred Outflows of Resources:</b>						
Changes of assumptions	2014	8.5 years	\$ 2,306,623,861	\$ -	\$ 307,549,848	\$ 1,999,074,013
	2015	8.3 years	-	5,913,556,000	712,476,627	5,201,079,373
Subtotal			<u>2,306,623,861</u>	<u>5,913,556,000</u>	<u>1,020,026,475</u>	<u>7,200,153,386</u>
Difference between expected and actual experience	2015	8.3 years	-	365,228,278	44,003,407	321,224,871
<b>Total</b>			<u>\$ 2,306,623,861</u>	<u>\$ 6,278,784,278</u>	<u>\$ 1,064,029,882</u>	<u>\$ 7,521,378,257</u>
<b>Deferred Inflows of Resources:</b>						
Difference between expected and actual experience	2015	8.5 years	\$ 21,969,019	\$ -	\$ 2,929,202	\$ 19,039,817
Difference between projected and actual earnings on pension plan investments	2014	5 years	1,741,236,574	-	435,309,144	1,305,927,430
	2015	5 years	-	(963,210,302)	(192,642,060)	(770,568,242)
Subtotal			<u>1,741,236,574</u>	<u>(963,210,302)</u>	<u>242,667,084</u>	<u>535,359,188</u>
<b>Total</b>			<u>\$ 1,763,205,593</u>	<u>\$ (963,210,302)</u>	<u>\$ 245,596,286</u>	<u>\$ 554,399,005</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in pension expense excluding that attributable to employer-paid member contributions as follows:

**Judicial Retirement System  
For the Fiscal Year Ending June 30,**

<u>Year</u>	<u>Amount</u>
2016	\$ (7,153,682)
2017	(8,274,841)
2018	(9,315,735)
2019	1,619,716
<b>Total</b>	<u>\$ (23,124,542)</u>

**Police and Firemen's Retirement System  
For the Fiscal Year Ending June 30,**

<u>Year</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
2016	\$ 88,537,019	\$ 501,696,827	\$ 590,233,846
2017	88,537,019	501,696,827	590,233,846
2018	88,537,017	501,696,824	590,233,841
2019	110,484,440	822,609,850	933,094,290
2020	43,268,271	313,946,258	357,214,529
<b>Total</b>	<u>\$ 419,363,766</u>	<u>\$ 2,641,646,586</u>	<u>\$ 3,061,010,352</u>

**Prison Officers' Pension Fund  
For the Fiscal Year Ending June 30,**

<u>Year</u>	<u>Amount</u>
2016	\$ 129,723
2017	129,723
2018	129,724
2019	59,170
<b>Total</b>	<u><u>\$ 448,340</u></u>

**Public Employees' Retirement System  
For the Fiscal Year Ending June 30,**

<u>Year</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
2016	\$ 390,746,915	\$ 470,662,998	\$ 861,409,913
2017	390,746,915	470,662,998	861,409,913
2018	390,746,913	470,663,000	861,409,913
2019	543,461,477	749,606,320	1,293,067,797
2020	307,059,817	423,749,895	730,809,712
<b>Total</b>	<u><u>\$ 2,022,762,037</u></u>	<u><u>\$ 2,585,345,211</u></u>	<u><u>\$ 4,608,107,248</u></u>

**State Police Retirement System  
For the Fiscal Year Ending June 30,**

<u>Year</u>	<u>Amount</u>
2016	\$ 89,798,239
2017	89,798,239
2018	89,798,237
2019	104,799,726
2020	29,984,727
<b>Total</b>	<u><u>\$ 404,179,168</u></u>

**Teachers' Pension and Annuity Fund  
For the Fiscal Year Ending June 30,**

<u>Year</u>	<u>Amount</u>
2016	\$ 818,433,596
2017	818,433,596
2018	818,433,598
2019	1,253,742,742
2020	1,061,100,680
Thereafter	2,196,835,040
<b>Total</b>	<u><u>\$ 6,966,979,252</u></u>

## G. Pension Expense

The components of allocable pension expense, which exclude amounts attributable to employer paid member contributions and employer specific pension expense for change in proportion, for the fiscal year ending June 30, 2015 are as follows:

### Judicial Retirement System

	<u>Amount</u>
Service cost	\$ 30,702,986
Interest on total pension liability	41,473,055
Member contributions	(6,310,124)
Administrative expense	168,763
Expected investment return net of investment expenses	(16,574,230)
Recognition (amortization) of deferred outflows/inflows of resources:	
Changes of assumptions	(4,624,291)
Difference between expected and actual experience	(481,444)
Difference between projected and actual investment earnings on pension plan investments	(2,047,947)
<b>Pension expense</b>	<u><u>\$ 42,306,768</u></u>

### Police and Firemen's Retirement System

	<u>State</u>	<u>Local</u>	<u>Total</u>
Service cost	\$ 136,450,938	\$ 857,797,745	\$ 994,248,683
Interest on total pension liability	343,335,742	2,337,328,558	2,680,664,300
Member contributions	(52,636,087)	(334,355,554)	(386,991,641)
Administrative expense	709,472	3,821,540	4,531,012
Expected investment return net of investment expenses	(139,760,405)	(1,720,676,417)	(1,860,436,822)
Pension expense related to specific liabilities of individual employers	(8,453)	(26,153,976)	(26,162,429)
Recognition (amortization) of deferred outflows/inflows of resources:			
Changes of assumptions	98,314,840	686,112,807	784,427,647
Difference between expected and actual experience	(7,186,253)	(31,714,730)	(38,900,983)
Difference between projected and actual investment earnings on pension plan investments	(2,591,568)	(152,701,250)	(155,292,818)
<b>Pension expense</b>	<u><u>\$ 376,628,226</u></u>	<u><u>\$ 1,619,458,723</u></u>	<u><u>\$ 1,996,086,949</u></u>

### Prison Officers' Pension Fund

	<u>Amount</u>
Interest on total pension liability	\$ 331,362
Administrative expense	5,843
Expected investment return net of investment expenses	(302,201)
Recognition (amortization) of deferred outflows/inflows of resources:	
Changes of assumptions	163,490
Difference between expected and actual experience	(296,620)
Difference between projected and actual investment earnings on pension plan investments	59,169
Recognition of prior years' deferred outflows resources	70,554
<b>Pension expense</b>	<u><u>\$ 31,597</u></u>



**Public Employees' Retirement System**

	<u>State</u>	<u>Local</u>	<u>Total</u>
Service cost	\$ 641,598,269	\$ 882,033,117	\$ 1,523,631,386
Interest on total pension liability	1,545,656,516	2,102,031,837	3,647,688,353
Member contributions	(317,328,033)	(487,904,202)	(805,232,235)
Administrative expense	7,370,381	16,391,479	23,761,860
Expected investment return net of investment expenses	(637,098,716)	(1,501,906,413)	(2,139,005,129)
Pension expense related to specific liabilities of individual employers	(153,860)	(8,722,101)	(8,875,961)
Recognition (amortization) of deferred outflows/inflows of resources:			
Changes of assumptions	387,957,581	517,169,164	905,126,745
Difference between expected and actual experience	70,245,632	113,459,816	183,705,448
Difference between projected and actual investment earnings on pension plan investments	(67,456,298)	(159,965,982)	(227,422,280)
<b>Pension expense</b>	<u>\$ 1,630,791,472</u>	<u>\$ 1,472,586,715</u>	<u>\$ 3,103,378,187</u>

**State Police Retirement System**

	<u>Amount</u>
Service cost	\$ 93,740,921
Interest on total pension liability	216,980,562
Member contributions	(22,315,430)
Administrative expense	351,723
Expected investment return net of investment expenses	(145,956,784)
Recognition (amortization) of deferred outflows/inflows of resources:	
Changes of assumptions	99,622,564
Difference between expected and actual experience	6,600,289
Difference between projected and actual investment earnings on pension plan investments	(16,424,614)
<b>Pension expense</b>	<u>\$ 232,599,231</u>

**Teachers' Pension and Annuity Fund**

	<u>Amount</u>
Service cost	\$ 2,022,411,197
Interest on total pension liability	3,797,032,970
Member contributions	(740,296,265)
Administrative expense	13,890,081
Expected investment return net of investment expenses	(2,029,273,228)
Pension expense related to specific liabilities of individual employers	(197,307)
Recognition (amortization) of deferred outflows/inflows of resources:	
Changes of assumptions	1,020,026,475
Differences between expected and actual experience	41,074,205
Difference between projected and actual investment earnings on pension plan investments	(242,667,084)
<b>Pension expense</b>	<u>\$ 3,882,001,044</u>

## H. Additional Information

For additional information and supporting documents regarding GASB Statement No. 67, *Financial Reporting for Pension Plans—An Amendment of GASB Statement No. 25* and GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, please refer to the New Jersey Department of the Treasury, Division of Pensions website at: <http://www.state.nj.us/treasury/pensions>.

### NOTE 16 - HEALTH BENEFITS AND POST-RETIREMENT MEDICAL BENEFITS

As a result of Governmental Accounting Standards Board (GASB) Statement No. 43, *Financial Reporting for Post-employment Benefit Plans Other than Pension Plans* (OPEB), effective for fiscal year 2007, the State Health Benefit Program (SHBP) and the Prescription Drug Program (PDP) and Post-Retirement Medical (PRM) of the Public Employees' Retirement System (PERS) and the Teachers' Pension Annuity Fund (TPAF) are combined and reported as State Health Benefit Program Funds. The post-retirement benefit programs had a total of 584 state and local participating employers for fiscal year 2016.

The State of New Jersey sponsors and administers the following health benefit programs covering substantially all State and local government employees:

**State Health Benefit Program Fund - Local Education** (including Prescription Drug Program Fund) – The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents. Also, education employees are eligible for the PDP coverage after 60 days of employment.

**State Health Benefit Program Fund - Local Government** (including Prescription Drug Program Fund) – Certain local employers who participate in the SHBP provide health insurance coverage to their employees at retirement. Under the provisions of Chapter 330, P.L. 1997, the State of New Jersey provides partially funded benefits to local police officers and firefighters who retire with 25 years of service (or on disability) from an employer who does not provide coverage. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program by paying the cost of the insurance for themselves and their covered dependents. Also, local employees are eligible for the PDP coverage after 60 days of employment.

**State Health Benefit Program Fund - State** (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.25 provides medical coverage to qualified active and retired participants. Under P.L. 1977, c.136, the State of New Jersey pays for the health insurance coverage of all enrolled retired State employees (regardless of age) whose pensions are based upon 25 years or more of credited service or a disability retirement regardless of years of service. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program by paying the cost of the insurance for themselves and their covered dependents. The PDP was established in December 1974, under N.J.S.A. 52:14-17.29 to provide coverage to employees and their eligible dependents for drugs which under federal or State law may be dispensed only upon a prescription written by a physician. State employees are eligible for PDP coverage after 60 days of employment.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above funds. The financial reports may be accessed via the New Jersey Division of Pensions and Benefits website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

#### Basis of Accounting

The financial statements of the health benefit programs are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the health benefit programs. Benefits or refunds are recognized when due and payable in accordance with the terms of the health benefit programs.

#### Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair values.

## **Funded Status and Funding Progress**

As of July 1, 2015, the most recent actuarial valuation date, the unfunded actuarial accrued liability for OPEB is \$67.5 billion which is made up of \$25.9 billion for State active and retired members and \$41.6 billion for education employees and retirees that become the obligation of the State of New Jersey upon retirement.

The required supplementary information regarding the funded status and funding progress of the OPEB includes actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

The required schedule of funding progress in the required supplementary information presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the OPEB in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at that point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

## **Actuarial Methods and Assumptions**

In the July 1, 2015 OPEB actuarial valuation, the projected unit credit was used as the actuarial cost method. The actuarial assumptions included an assumed investment rate of return of 4.50 percent.

## **Post-Retirement Medical Benefits Contributions**

P.L. 1987, c.384 and P.L. 1990, c.6 required the TPAF and the PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2016, there were 110,512 retirees receiving post-retirement medical benefits, and the State contributed \$1.37 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

Commencing on July 1, 1997, State employees attaining 25 years of service credit after this date in a State administered retirement system and those who retire on disability who elect the NJ Direct 10 Plan shall be subject to premium sharing based on the negotiated contracts.

P.L. 1977, c.136, provides for the State's General Fund to pay health benefits on a pay-as-you-go basis for all enrolled retired State employees, regardless of retirement date, under two provisions. The first is for State employees whose pensions are based on 25 years or more of credited service (except those who elect a deferred retirement). The second is for retired State employees who are eligible for a disability retirement regardless of years of service. The State contributed \$181.9 million for 10,725 eligible retired members for fiscal year 2016. This benefit covers the Police and Firemen's Retirement System, the Prison Officers' Pension Fund, the Judicial Retirement System, the Central Pension Fund, the State Police Retirement System, and the Alternate Benefit Program.

The State is also responsible for the cost attributable to P.L. 1992 c.126 which provides employer-paid health benefits to members of PERS and ABP who retired from a board of education or county college with 25 years of service. The State paid \$231.2 million toward Chapter 126 benefits for 20,045 eligible retired members in fiscal year 2016.

P.L. 1997, c.330 provides State paid post-retirement health benefits to qualified retirees of the Police and Firemen's Retirement System and the Consolidated Police and Firemen's Pension Fund and to dependents of qualified retirees. The State is responsible for 80 percent of the premium for the category of coverage elected by the retiree under the State managed care plan or a health maintenance organization participating in the program, whichever provides the lower charge. The State contributed \$48.3 million in the current year to provide benefits under Chapter 330 to qualified retirees.

## **Annual OPEB Cost (AOC)**

The annual OPEB cost for the fiscal year ending June 30, 2016 and related information, including a summary of the significant actuarial methods and assumptions used by OPEB, are presented on the following pages.

The calculation of the employer contributions rates on the following page for OPEB represents the AOC divided by the covered payroll as reflected in the Schedule of Funding Progress per the actuarial valuations as of July 1, 2015.

**Other Post-employment Benefit Plans (OPEB)**

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**Annual OPEB Cost (AOC)**

<b>State:</b>	June 30, 2014	\$	4,951,100,000
	June 30, 2015		6,045,300,000
	June 30, 2016		6,143,700,000

**Contributions Made**

<b>State:</b>	June 30, 2014	\$	1,554,100,000
	June 30, 2015		1,645,200,000
	June 30, 2016		1,834,800,000

**Percentage of AOC Contributed**

<b>State:</b>	June 30, 2014	31.4%
	June 30, 2015	27.2%
	June 30, 2016	29.9%

**Net OPEB Obligation (NOO)**

<b>State:</b>	June 30, 2014	\$	23,573,700,000
	June 30, 2015		27,973,800,000
	June 30, 2016		32,282,700,000

**Contribution rates**

State	30.6%
Employees	N/A

**Significant Actuarial Assumptions and Methods**

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Date of actuarial valuation	6/30/15
Actuarial cost method	Projected Unit Credit
Amortization method	Level Dollar, Open
Remaining amortization period	30 years
Actuarial assumptions	
Investment rate of return	4.50% (assuming no prefunding)
Projected salary increases	N/A
Cost-of-Living adjustments	N/A

For pre-Medicare Preferred Provider Organization (PPO) medical benefits, this amount initially is 6.0 percent and decreases to a 5.0 percent long-term trend rate after ten years. For post-65 PPO medical benefits, the trend rate is 4.5 percent. For HMO medical benefits, the trend rate is initially 6.0 percent and decreases to a 5.0 percent long-term trend rate after ten years. For prescription drug benefits, the initial trend rate is 11.0 percent and decreases to a 5.0 percent long-term trend rate after nine years. For the Medicare Part B reimbursement, the trend rate is 5.0 percent. This reflects the known underlying cost of the Part B premium.

The AOC and the NOO for the State-funded post-retirement medical obligations for the fiscal year ending June 30, 2016 are presented below:

Annual Required Contribution, June 30, 2016	\$ 6,602,200,000
Interest Adjustment on NOO	1,258,900,000
Adjustment to Annual Required Contribution	<u>(1,717,400,000)</u>
AOC as of June 30, 2016	6,143,700,000
Total Fiscal Year 2016 Contribution	<u>1,834,800,000</u>
Increase in NOO	4,308,900,000
NOO as of June 30, 2015	<u>27,973,800,000</u>
<b>NOO as of June 30, 2016</b>	<u><u>\$ 32,282,700,000</u></u>

### Additional Information

For additional information and supporting documents regarding health benefits and post-retirement medical coverage, please refer to the New Jersey Department of the Treasury, Division of Pensions website at: <http://www.state.nj.us/treasury/pensions>.

## NOTE 17 – COMPONENT UNITS

### A. Authorities

Managed independently of the appropriated budget process, the Authorities are legally separate entities with powers generally vested in a governing board. Established for the benefit of the State's citizenry, Authorities exist for a variety of purposes such as financing economic development, public transportation, low-cost housing, environmental protection, and capital development for health and education. Unlike the State itself, Authorities are not subject to State constitutional restrictions on the incurrence of debt; however, similar to the State, Authorities may issue bonds and notes within legislatively authorized amounts.

With the approval of the State Senate, the Governor appoints the members of the board of most Authorities. Authorities generally submit annual reports to the Governor, the State Legislature, and the Director, Division of Budget and Accounting on their operations and finances accompanied by an independent auditor's report thereon. Authorities also submit annual budget information on operations and capital construction to the Governor and the State Legislature. From time to time, the Governor has exercised the statutory power to veto actions.

The activities of the Garden State Preservation Trust, the New Jersey Building Authority, the New Jersey Schools Development Authority, the New Jersey Transportation Trust Fund Authority, and the Tobacco Settlement Financing Corporation have been blended into the financial activities of the State as Special Revenue Funds.

In accordance with GASB Statement No. 14, *The Financial Reporting Entity*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*, all other Authorities have been presented discretely as major and non-major component units in the State's financial statements. These component units are included in the State's reporting entity because of the significance of their operational or financial relationship with the State. Financial statements for the Authorities are derived from their most recently issued financial statements. Descriptions of the discretely presented Authorities, and addresses from which separately issued audited financial statements and accompanying notes may be obtained, are provided below:

**Casino Reinvestment Development Authority (N.J.S.A. 5:12-153)**  
**15 S. Pennsylvania Avenue**  
**Atlantic City, New Jersey 08401**  
**<http://www.njrda.com>**

The Casino Reinvestment Development Authority (CRDA) was created to maintain public confidence in the casino gaming industry as a tool of urban redevelopment throughout New Jersey, and to facilitate the direct redevelopment of blighted areas by providing eligible projects in which licensees (casinos) can invest. CRDA encourages investment in, or financing of, projects which are made as part of a comprehensive plan to improve blighted areas or targeted to benefit low-through middle-income residents. CRDA is also responsible for promoting the tourist industry in New Jersey, especially in Atlantic County.

On February 1, 2011, the Governor of the State of New Jersey signed legislation that provided for the establishment of the Atlantic City Tourism District and for the transfer of the Atlantic City Convention & Visitors Authority (“ACCVA”), together with its functions, powers, and duties, to the Casino Reinvestment Development Authority (“CRDA”). The tourism district is an area in which the CRDA has authority to impose land use regulations, implement a tourism district master plan promoting cleanliness, commercial development and safety within the tourism district, undertake redevelopment projects, and institute public safety infrastructure improvements. The CRDA assumed the ACCVA’s powers, duties, assets, and responsibilities on April 10, 2013 pursuant to P. L. 2011, c. 18. The transfer was retroactive to April 1, 2013.

**Higher Education Student Assistance Authority (N.J.S.A. 18A:71A-1 et. seq.)**  
**4 Quakerbridge Plaza, P.O. Box 545**  
**Trenton, New Jersey 08619-0545**  
**<http://www.hesaa.org>**

New Jersey’s Higher Education Student Assistance Authority (HESAA) was established to provide a single statewide agency for the coordination and delivery of student financial assistance. HESAA serves as the Guaranty Agency for the Federal Family Education Loan (FFEL) program and the issuer of State of New Jersey College Loans to Assist State Students (NJCLASS) supplementary loan program. In addition to administering the delivery of a number of need-and merit-based State scholarship programs, to include Tuition Aid Grants (TAG), New Jersey Student Tuition Assistance Reward Scholarship (NJSTARS), and World Trade Center Scholarship Fund, HESAA oversees the State’s 529 College Savings Program, known as the New Jersey Better Educational Savings Trust (NJBEST).

**New Jersey Economic Development Authority (N.J.S.A. 34:1B-4)**  
**36 West State Street, P.O. Box 990**  
**Trenton, New Jersey 08625-0990**  
**<http://www.njeda.com>**

The New Jersey Economic Development Authority is authorized to arrange long-term, low-interest financing, as well as other forms of assistance to private firms and companies, for the purpose of maintaining and expanding employment opportunities and enlarging New Jersey’s tax base for State and local governments.

**New Jersey Educational Facilities Authority (N.J.S.A. 18A:72A-4)**  
**103 College Road East, 2<sup>nd</sup> Floor**  
**Princeton, New Jersey 08540-6612**  
**<http://www.njefa.com>**

The New Jersey Educational Facilities Authority (NJEFA) provides a means for New Jersey public and independent colleges and universities to construct additional facilities through the financial resources of a public authority empowered to sell their debt instruments (bonds, notes, and other obligations). NJEFA may finance academic and auxiliary facilities for the State’s public and independent institutions of higher education.

**New Jersey Environmental Infrastructure Trust (N.J.S.A. 58:11B-4)**  
**3131 Princeton Pike, Bldg. 4, Suite 216**  
**Lawrenceville, New Jersey 08648-2201**  
**<http://www.njeit.org>**

The New Jersey Environmental Infrastructure Trust provides low-cost financing for the construction of environmental infrastructure projects that enhance and protect ground and surface water resources, ensure the safety of drinking water supplies, and make possible responsible and sustainable economic development.

Working in partnership with the New Jersey Department of Environmental Protection, the Trust has devised a system to leverage the funds available from the federal government to make money available at the lowest possible cost. The financing program has provided funds to local and county government units, as well as some private water companies, to finance wastewater systems, combined sewer overflow abatement, nonpoint source pollution control, safe drinking water supplies, and open space acquisition.

**New Jersey Health Care Facilities Financing Authority (N.J.S.A. 26:2I-4)**  
**22 South Clinton Avenue, Station Plaza, Bldg. #4**  
**P.O. Box 366**  
**Trenton, New Jersey 08625-0366**  
**<http://www.njhcffa.com>**

The New Jersey Health Care Facilities Financing Authority provides low-cost capital financing for the State's public and private not-for-profit health care institutions.

**New Jersey Housing and Mortgage Finance Agency (N.J.S.A. 55:14K-4)**  
**637 South Clinton Avenue, P.O. Box 18550**  
**Trenton, New Jersey 08650**  
**<http://www.state.nj.us/dca/hmfa>**

The Housing and Mortgage Finance Agency (HMFA) makes mortgage and improvement loans to nonprofit and limited dividend sponsors for the construction or major rehabilitation of rental apartment housing for low-and moderate-income families and senior citizens. In addition to providing financing, HMFA monitors and provides technical support in the planning, construction, and management of all developments in its portfolio. Its mortgage loan funds come from the sale of tax-exempt revenue bonds.

In promoting the availability of affordable homeownership financing, HMFA also provide low-interest mortgage and improvement loans to eligible residents throughout the State. Proceeds from the sale of tax-exempt mortgage revenue bonds enable the Agency to finance the purchase and improvement of one to four unit residences.

**New Jersey Redevelopment Authority (P.L. 1996, c.62)**  
**150 West State Street, 2<sup>nd</sup> Floor, P.O. Box 790**  
**Trenton, New Jersey 08625**  
**<http://www.njra.us>**

The New Jersey Redevelopment Authority provides assistance in the redevelopment and revitalization of New Jersey cities. The Authority provides financial, managerial, and technical assistance to persons, firms, or corporations that wish to undertake industrial, commercial, or civic projects within qualified municipalities.

**New Jersey Sports and Exposition Authority (N.J.S.A. 5:10-4)**  
**One DeKorte Park Plaza**  
**P.O. Box 640**  
**Lyndhurst, NJ 07071**  
**<http://www.njsea.com>**

The New Jersey Sports and Exposition Authority (NJSEA) owns, operates, and manages a variety of sports, entertainment, wagering, and convention facilities throughout New Jersey; it also has been responsible for the financing, construction, and management of the Meadowlands Racetrack, the IZOD Center, and the MetLife stadium. In addition to being authorized to issue bonds and notes and provide the terms and security thereof, NJSEA is charged with the responsibility to own, operate, and build various facilities for athletic and entertainment events, trade shows, and other expositions located throughout the State. Effective February 5, 2015, the New Jersey Meadowlands Commission merged and became part of the New Jersey Sports and Exposition Authority.

**New Jersey Transit Corporation (N.J.S.A. 27:25-1)**  
**One Penn Plaza East**  
**Newark, New Jersey 07105**  
**<http://www.njtransit.com>**

New Jersey Transit Corporation (NJ TRANSIT) is empowered to acquire, own, operate, and contract for the operation of public transportation services. Both the State, by legislative appropriation, and the federal government, by defined formula grants under the Federal Transit Administration, provide NJ TRANSIT with operating subsidies. NJ TRANSIT uses these subsidies to operate public transportation services through bus and commuter rail subsidiaries.

NJ TRANSIT also contracts with several motor bus carriers for certain transportation services; under these contracts, NJ TRANSIT has the right to set fares and coordinate service levels and schedules. In addition, NJ TRANSIT contracts with the National Railroad Passenger Corporation (Amtrak) for the use of Amtrak's Northeast Corridor, including the cost of maintaining right-of-way as well as propulsion costs.

**New Jersey Turnpike Authority (N.J.S.A. 27:23-3)**  
**1 Turnpike Plaza, P.O. Box 5042**  
**Woodbridge, New Jersey 07095-5042**  
**<http://www.state.nj.us/turnpike>**

The New Jersey Turnpike Authority is authorized to construct, maintain, repair, and operate turnpike projects at locations established by law. Subject to prior approval by the Governor and by either or both the State Treasurer and the Director, Division of Budget and Accounting, the Authority also may issue turnpike revenue bonds or notes that are payable solely from Authority tolls and other revenues. Effective July 9, 2003, the New Jersey Highway Authority merged and became part of the New Jersey Turnpike Authority.

**New Jersey Water Supply Authority (N.J.S.A. 58:1B-4)**  
**1851 State Route 31, P.O. Box 5196**  
**Clinton, New Jersey 08809**  
**<http://www.njwsa.org>**

The New Jersey Water Supply Authority is authorized to acquire, finance, construct, and operate water supply systems. The Authority currently operates and maintains the Delaware and Raritan Canal Transmission Center, the Spruce Run/Round Valley Reservoirs Complex, and the Manasquan Reservoir Water Supply System. Upon the request of a municipality, county, the State, or agencies thereof, the Authority may enter into a contract to provide services for any water system project. All projects undertaken by the Authority shall conform to the recommendations of the New Jersey Statewide Water Supply Plan. Bonds of the Authority may be issued to finance these projects, and the debt service on the bonds is payable from the revenues and other funds of the Authority.

**South Jersey Port Corporation (N.J.S.A. 12:11A-1)**  
**101 Joseph A. Balzano Blvd.**  
**Camden, New Jersey 08103**  
**<http://www.southjerseyport.com>**

The South Jersey Port Corporation is empowered to establish, acquire, construct, rehabilitate, improve, operate, and maintain marine terminals in the South Jersey Port District, to include Mercer, Burlington, Camden, Gloucester, Salem, Cumberland, and Cape May counties. To this end, the Corporation may issue tax-exempt revenue bonds subject to the provisions and restrictions of its Marine Terminal Bond Resolution, which mandates the distribution of funds to various Port Corporation funds.

**South Jersey Transportation Authority (P.L. 1991, c.252)**  
**Farley Service Plaza, P.O. Box 351**  
**Hammonton, New Jersey 08037**  
**<http://www.sjta.com>**

The South Jersey Transportation Authority is authorized and empowered to acquire, construct, maintain, operate, and support transportation projects to include the Atlantic City Expressway, the Atlantic City International Airport terminal, and the parking facilities in Atlantic City. Subject to prior approval by the Governor and by either or both the State Treasurer and the Director, Division of Budget and Accounting, the Authority also may issue revenue bonds or notes, which are payable solely from Authority tolls and other revenues.



**University Hospital (P.L. 2012, c.45)**  
**150 Bergen Street**  
**Newark, New Jersey 07103**  
**<http://www.uhnj.org>**

In accordance with Public Law 2012, c.45, the New Jersey Medical and Health Science Education and Restructuring Act (the Restructuring Act), effective July 1, 2013, University Hospital (the Hospital), a public institution of healthcare and a body politic of the State of New Jersey was separated from University of Medicine and Dentistry of New Jersey as a new stand-alone entity and is the primary teaching hospital for the Newark-based schools of the Rutgers School of Biomedical and Health Sciences. The Hospital shall maintain its public mission to provide a comprehensive healthcare program and services in collaboration with the Newark-based schools of the Rutgers School of Biomedical and Health Sciences. The Hospital is committed to act in accordance with the spirit and intent of the “Agreements Reached between Community and Government Negotiators Regarding New Jersey College of Medicine and Dentistry and Related Matters of April 30, 1968.”

**B. Colleges and Universities**

Enactment of P.L. 1986, c.42 and c.43, provided autonomous status for New Jersey’s eight State colleges and universities. Prior to the July 1, 1987 effective date of this legislation, revenues and expenses for these public institutions of higher education were included in the General Fund of the State of New Jersey.

The financial statements of all eleven of the State’s Senior Public institutions of higher education (three Public Research universities and the aforementioned eight State colleges and universities) have been prepared in accordance with GASB Statement No. 35, *Basic Financial Statements – and Management’s Discussion and Analysis – for Public Colleges and Universities*. Due to the significance of their operational or financial relationships and fiscal dependency with the State, these component units are included in the State’s reporting entity. State appropriations, tuition, federal grants, and private donations and grants provide funding for these institutions. Based upon the relative size of assets, liabilities, revenues, and expenses in relation to the total, the financial statements of these institutions have been presented discretely in either the major or non-major categories in both the Statement of Net Position and the Statement of Activities. In addition, pursuant to GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, the financial statements of all eleven institutions include financial activities related to their foundations and other similar organizations.

Effective July 1, 2013, the “New Jersey Medical and Health Sciences Education Restructuring Act” of 2012 abolished the University of Medicine and Dentistry of New Jersey (UMDNJ), transferred UMDNJ’s various schools and institutes to Rutgers University and Rowan University, respectively, and established Rowan University as a public research university. University Hospital in Newark, New Jersey was established as a body corporate and politic and maintained its status as the principal teaching hospital of the New Jersey Medical School, New Jersey Dental School and other medical education programs located in Newark, New Jersey. University Hospital, by law, is a separate discretely presented component unit (Authority) of the State.

Separately issued independent audited financial statements and accompanying notes may be obtained directly from the State’s Senior Public institutions of higher education at the following addresses and websites:

**The College of New Jersey**  
**(N.J.S.A. 18A:62-1)**  
**2000 Pennington Road**  
**Ewing, New Jersey 08628**  
**<http://www.tcnj.edu>**

**Kean University**  
**(N.J.S.A. 18A:62-1)**  
**1000 Morris Avenue**  
**Union, New Jersey 07083**  
**<http://www.kean.edu>**

**Montclair State University**  
**(N.J.S.A. 18A:62-1)**  
**One Normal Avenue**  
**Montclair, New Jersey 07043**  
**<http://www.montclair.edu>**

**Stockton University**  
**(N.J.S.A. 18A:62-1)**  
**101 Vera King Farris Drive, N119**  
**Galloway, New Jersey 08205**  
**<http://www.stockton.edu>**

**Rowan University**  
**(N.J.S.A. 18A:62-1)**  
**201 Mullica Hill Road**  
**Glassboro, New Jersey 08028**  
**<http://www.rowan.edu>**

**Rutgers, The State University of New Jersey**  
**(N.J.S.A. 18A:65-12)**  
**96 Davidson Road**  
**Piscataway, New Jersey 08854**  
**<http://www.rutgers.edu>**

**New Jersey City University**  
(N.J.S.A. 18A:62-1)  
2039 Kennedy Boulevard  
Jersey City, New Jersey 07305-1597  
<http://www.njcu.edu>

**Thomas Edison State University**  
(N.J.S.A. 18A:62-1)  
111 West State Street  
Trenton, New Jersey 08608  
<http://www.tesu.edu>

**New Jersey Institute of Technology**  
(N.J.S.A. 18A:64E-4)  
323 Dr. Martin Luther King Jr. Boulevard  
Newark, New Jersey 07102  
<http://www.njit.edu>

**William Paterson University of New Jersey**  
(N.J.S.A. 18A:62-1)  
300 Pompton Road  
Wayne, New Jersey 07470  
<http://www.wpunj.edu>

**Ramapo College of New Jersey**  
(N.J.S.A. 18A:62-1)  
505 Ramapo Valley Road  
Mahwah, New Jersey 07430  
<http://www.ramapo.edu>

## **NOTE 18 - CONTINGENT LIABILITIES**

### **General Fund**

At any given time, there are various numbers of tort, contract, and other claims and cases pending against the State, State agencies, and employees, seeking recovery of monetary damages. The claims filed can represent significant amounts and include, but are not limited to, issues regarding pensions and education funding. The majority of these claims have historically proven to be substantially less value than originally claimed. The State does not formally estimate its reserve representing potential exposure for these claims and cases. As of June 30, 2016, the exact amount involved in these legal proceedings is not fully determinable.

Unapplied overpayments of Corporation Business Tax are recorded when a final determination is made as to the ultimate disposition of the overpayment. These overpayments only become a liability based upon a taxpayer filing a request for the refund. As of June 30, 2016 there was approximately \$840.0 million of overpayments.

### **New Jersey Lawyers' Fund for Client Protection**

Claims of approximately \$34.4 million have been filed against this Fund by individuals and companies seeking reimbursement for losses resulting from the alleged dishonest conduct by members of the Bar of the State of New Jersey. Under present rules and regulations of the Fund, the total maximum amount that may be awarded from this Fund is \$5.6 million. The ultimate disposition of these claims is not determinable at this time.

### **New Jersey Spill Compensation Fund**

Various claims totaling approximately \$17.1 million have been filed against this Fund by third parties for damages caused by spills. In addition, there are a number of similar claims for unspecified dollar amounts which are pending. The ultimate disposition of these claims is not determinable at this time.

### **Property Tax Relief Fund**

Unapplied overpayments of Gross Income Tax are recorded when a final determination is made as to the ultimate disposition of the overpayment. These overpayments only become a liability based upon a taxpayer filing a request for the refund. As of June 30, 2016 there were approximately \$2,615.0 million of overpayments.

### **Sanitary Landfill Facility Contingency Fund**

Two claims totaling approximately \$0.3 million have been filed against this Fund by individuals, local municipalities, and school districts. In addition, there are a number of similar claims for unspecified dollar amounts which are pending. The ultimate disposition of these claims is not determinable at this time.

## **Tobacco Settlement Financing Corporation**

The following is information about arbitration of disputes under the multi-state Master Settlement Agreement (“MSA”), which settled litigation with participating tobacco companies.

Tobacco Settlement Financing Corporation (“TSFC”) was not a party to the arbitration and the arbitration did not involve any claims against TSFC; rather the arbitration involved the State as a signatory to the MSA. This information is being provided because the State assigned its right to all tobacco settlement receipts under the MSA to TSFC.

On December 14, 2012, New Jersey joined other states in a settlement of the disputes for 2003 through 2012, as well as potential disputes for 2013 and 2014. The settlement included both 2013 payments to New Jersey from a disputed payments account and credits to the participating manufacturers for MSA payments due in each April, from 2013 through 2017. The settlement was challenged by other states before the arbitration panel. On March 12, 2013, the arbitration panel entered a Stipulated Partial Settlement and Award (“Stipulated Award”) implementing the settlement. Some of the objecting states moved to have the Stipulated Award vacated prior to the distribution of settlement funds in April 2013. However, those actions were not successful and, in April 2013, pursuant to the settlement, New Jersey received approximately \$170.0 million more in 2013 MSA payments than it would have otherwise received, but will receive a total of approximately \$75.0 million less from 2014 through 2017. Some modest decreased payments can be expected in later years, but, as is always the case with long term projections of MSA payments, such payments are subject to too many variables to estimate the impact.

## **Medical Malpractice Self Insurance Fund**

The State has the ultimate liability for tort and malpractice claims in excess of the resources of the Fund. The University of Medicine and Dentistry of New Jersey (UMDNJ) – Self-Insurance Reserve Fund was dissolved as of July 1, 2013. A new fund was established; the Medical Malpractice Self-Insurance Fund, which encompasses three successor entities; University Hospital, Rowan University, which includes UMDNJ’s former school of Osteopathic Medicine, and Rutgers University, which now includes all other components of the former UMDNJ. As of June 30, 2016 projected unpaid claims were \$171.1 million. Fund management is presently evaluating the claims. There has been no determination as to the ultimate amount for which this Fund will be liable.

## **Capital Projects Funds**

Due to delays in construction and design problems, various claims for damages have been filed with respect to the Special Transportation Fund in the amount of \$41.0 million. Fund management is presently evaluating the claims. There has been no determination as to the ultimate amount for which this Fund will be liable.

## **Federal Programs**

Under the terms of various grant awards, expenditures from federal funds are subject to audit. As of June 30, 2016, audits of expenditures for Fiscal Year 2015 and prior years may not be completed. Disallowances which may result from these audits are not determinable at this time. In addition, Medicaid disallowances may be issued during federal Fiscal Year 2016 (which ends September 30, 2016) or 2017 (which ends September 30, 2017) based on a series of federal Office of the Inspector General program audits of claim documentation and cost allocation methodologies. The Department of Human Services disputes these findings and is taking steps to minimize the final impact of these audits. Eighteen audits which in the aggregate total in the hundreds of millions of dollars, are currently in draft or final form but, due to the possible revisions or appeals, the final amounts and timing of any repayments are uncertain. The State is unable at this time to estimate its exposure.

## **NOTE 19 – SUBSEQUENT EVENTS**

### **Short-term Debt**

For Fiscal Year 2017, the State authorized the issuance of short-term notes. The short-term note proceeds are to be used to provide effective cash flow management to fund the imbalances that occur in the collection of revenues and the disbursement of appropriations. On July 1, 2016, the State authorized \$1.9 billion of Tax and Revenue Anticipation Notes, Series Fiscal 2017, of which, \$1.5 billion was issued on July 6, 2016, and \$250.0 million was issued on September 15, 2016. The Notes were issued at a rate equal to 70 percent of one month LIBOR plus a spread of 0.375 percent per annum, adjusting monthly, with accrued interest payable at final maturity on June 28, 2017.

## Long-term Obligations

On July 26, 2016, the Higher Education Capital Improvement Fund issued \$252.3 million of term refunding loans. Interest on the loans ranges from 1.48 to 3.44 percent per annum and is payable March 1 and September 1, commencing on September 1, 2016.

On July 28, 2016, the Health Care Facilities Financing Authority defeased \$50.0 million of bonds related to the Hospital Asset Transformation Program (St. Michael's Hospital, Series 2008 A).

On September 14, 2016, the New Jersey Economic Development Authority issued \$46.9 million of 2016 Series A Biomedical Research Facilities Bonds. Interest on the bonds ranges from 3.0 to 5.0 percent per annum and is payable July 15 and January 15, commencing on July 15, 2017.

On November 2, 2016, the New Jersey Transportation Trust Fund Authority issued \$3.2 billion of Federal Highway Reimbursement Revenue Notes Series 2016 A and 2016 B for the purpose of paying State Transportation System Costs. Interest on the Series A notes ranges from 4.1 to 5.0 percent per annum and is payable June 15 and December 15, commencing December 15, 2016. Final maturity of the notes is June 15, 2031. The 2016 Sub-Series A-1 notes maturing on or after June 15, 2027 are subject to optional redemption prior to maturity at the option of the Authority, at any time on or after June 15, 2026. The 2016 Sub-Series A-2 notes are subject to optional redemption prior to maturity at the option of the Authority, at any time on or after June 15, 2018. Interest on the Series B notes ranges from 2.9 to 3.1 percent per annum and is payable June 15 and December 15, commencing December 15, 2016. Final maturity of the notes is June 15, 2026.

On December 8, 2016, the New Jersey Economic Development Authority issued \$342.9 million of School Facilities Construction Bonds, 2016 Series AAA, \$554.0 million 2016 Series BBB Refunding Bonds, and \$180.2 million 2016 Series CCC Refunding Bonds. Interest on the Series AAA Bonds ranges from 4.0 to 5.5 percent per annum and is payable June 15 and December 15, commencing on June 15, 2017. Interest on the Series BBB Bonds ranges from 4.75 to 5.5 percent per annum and is payable June 15 and December 15, commencing on June 15, 2017. Interest on the Series CCC Bonds ranges from 3.882 to 5.756 percent per annum and is payable June 15 and December 15, commencing on June 15, 2017.

On December 20, 2016, the New Jersey Educational Facilities Authority issued \$142.7 million of Higher Education Capital Improvement Fund Revenue Bonds, 2016 Series B. Interest on the bonds ranges from 3.0 to 5.0 percent per annum and is payable March 1 and September 1, commencing on September 1, 2017.

On December 21, 2016, the State issued \$300.0 million of General Obligation Bonds to fund various capital programs of the State. Interest on the bonds ranges from 3.0 to 5.0 percent per annum and is payable June 1 and December 1, commencing on June 1, 2017. Bonds maturing on and after June 1, 2028 are redeemable at the option of the State, in whole or in part, at par, on any date on or after June 1, 2027.

On January 23, 2017, the New Jersey Economic Authority issued \$627.7 million of Transportation Project Sublease Revenue Bonds and Refunding Bonds. Interest on the bonds ranges from 4.0 to 5.0 percent per annum and is payable May 1 and November 1, commencing on November 1, 2017.

Business Employment Incentive Program (BEIP) was established as a grant program for businesses in 1996. Due to a backlog in the program and the lack of appropriations to support it, 2015 legislation was established by which companies who were owed grant payments could apply to have those grants converted to tax credits, starting in 2017. The five year payout schedule was modified in 2016 as follows: fiscal year 2017: 5 percent; fiscal year 2018: 20 percent; fiscal years 2019-2021: 25 percent annually.

## Litigation

### *Lehman Brothers Litigation*

In 2009 the Tobacco Settlement Financing Corporation (TSFC) filed a claim against Lehman Brothers Holding Company (LBHI) and Lehman Brothers Special Financing, Inc. (LBSF) for its guaranteed return on investment of \$81.6 million from investments held at Lehman Brothers (LB) prior to their Chapter 11 bankruptcy. In August 2015, a settlement was reached in the amount of \$53 million for both claims. The Corporation's claim against LBSF is expected to be treated as a Class 4A Claim, while the Corporation's claim against LBHI is expected to be treated as a Class 9A Claim. On October 1, 2015, TSFC received \$30.2 million in settlement payments. Additional payments totaling \$1.5 million were received during fiscal year 2016, and \$0.8 million during fiscal year 2017. At this time, it is not known by management if any additional payments will be received.

*Required  
Supplementary  
Information*

**STATE OF NEW JERSEY  
BUDGETARY COMPARISON SCHEDULE  
MAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>General Fund</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Taxes	\$ 15,405,211,000	\$ 15,501,596,000	\$ 15,127,170,462	\$ (374,425,538)
Federal and other grants	16,095,049,133	15,907,814,525	13,449,447,989	(2,458,366,536)
Licenses and fees	1,540,524,177	1,448,457,188	1,361,690,847	(86,766,341)
Services and assessments	2,422,940,050	2,345,729,957	2,035,228,922	(310,501,035)
Investment earnings	5,000	375,536	6,226,512	5,850,976
Other	5,673,025,666	4,757,253,983	2,498,630,591	(2,258,623,392)
Total Revenues	<u>41,136,755,026</u>	<u>39,961,227,189</u>	<u>34,478,395,323</u>	<u>(5,482,831,866)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers from other funds	<u>2,555,626,000</u>	<u>2,582,165,177</u>	<u>2,543,572,724</u>	<u>(38,592,453)</u>
Total Other Financing Sources	<u>2,555,626,000</u>	<u>2,582,165,177</u>	<u>2,543,572,724</u>	<u>(38,592,453)</u>
<b>Total Revenues and Other Financing Sources</b>	<u>43,692,381,026</u>	<u>42,543,392,366</u>	<u>37,021,968,047</u>	<u>(5,521,424,319)</u>
<b>EXPENDITURES</b>				
Public safety and criminal justice	3,951,633,287	3,900,571,530	3,264,583,647	635,987,883
Physical and mental health	18,242,604,173	17,577,615,489	15,160,064,941	2,417,550,548
Educational, cultural, and intellectual development	4,416,710,446	4,636,075,043	4,324,583,237	311,491,806
Community development and environmental management	2,415,088,935	2,349,250,705	1,628,139,802	721,110,903
Economic planning, development, and security	4,995,334,190	4,817,199,298	4,073,818,836	743,380,462
Transportation programs	821,123,580	825,949,834	717,499,590	108,450,244
Government direction, management, and control	6,959,857,289	6,781,957,892	6,343,341,169	438,616,723
Special government services	436,748,613	423,783,062	357,558,312	66,224,750
Total Expenditures	<u>42,239,100,513</u>	<u>41,312,402,853</u>	<u>35,869,589,534</u>	<u>5,442,813,319</u>
<b>OTHER FINANCING USES</b>				
Transfers to other funds	<u>1,486,690,513</u>	<u>1,486,690,513</u>	<u>1,486,690,513</u>	<u>-</u>
Total Other Financing Uses	<u>1,486,690,513</u>	<u>1,486,690,513</u>	<u>1,486,690,513</u>	<u>-</u>
<b>Total Expenditures and Other Financing Uses</b>	<u>43,725,791,026</u>	<u>42,799,093,366</u>	<u>37,356,280,047</u>	<u>5,442,813,319</u>
<b>Net Change in Fund Balance</b>	<u>(33,410,000)</u>	<u>(255,701,000)</u>	<u>(334,312,000)</u>	<u>(78,611,000)</u>
<b>Fund Balances - July 1, 2015</b>	<u>528,031,000</u>	<u>806,405,000</u>	<u>806,405,000</u>	<u>-</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 494,621,000</u>	<u>\$ 550,704,000</u>	<u>\$ 472,093,000</u>	<u>\$ (78,611,000)</u>

**Property Tax Relief Fund**

<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget</b>
\$ 14,685,821,403	\$ 14,178,621,403	\$ 14,069,113,493	\$ (109,507,910)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>14,685,821,403</u>	<u>14,178,621,403</u>	<u>14,069,113,493</u>	<u>(109,507,910)</u>
-	<u>323,037,000</u>	-	<u>(323,037,000)</u>
-	<u>323,037,000</u>	-	<u>(323,037,000)</u>
<u>14,685,821,403</u>	<u>14,501,658,403</u>	<u>14,069,113,493</u>	<u>(432,544,910)</u>
24,500,000	25,098,962	22,569,728	2,529,234
120,232,255	123,171,624	104,683,925	18,487,699
12,822,938,657	12,778,448,057	12,407,745,036	370,703,021
259,655,082	266,002,980	251,852,803	14,150,177
51,903,000	53,171,895	50,363,939	2,807,956
-	-	-	-
1,235,732,409	1,265,942,885	1,178,646,075	87,296,810
-	-	-	-
<u>14,514,961,403</u>	<u>14,511,836,403</u>	<u>14,015,861,506</u>	<u>495,974,897</u>
-	-	<u>60,088,987</u>	<u>(60,088,987)</u>
-	-	<u>60,088,987</u>	<u>(60,088,987)</u>
<u>14,514,961,403</u>	<u>14,511,836,403</u>	<u>14,075,950,493</u>	<u>435,885,910</u>
170,860,000	(10,178,000)	(6,837,000)	3,341,000
<u>98,823,000</u>	<u>10,178,000</u>	<u>10,178,000</u>	<u>-</u>
<u>\$ 269,683,000</u>	<u>\$ -</u>	<u>\$ 3,341,000</u>	<u>\$ 3,341,000</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**BUDGETARY COMPARISON SCHEDULE**  
**MAJOR GOVERNMENTAL FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<b>Total Major Governmental Funds</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget</b>
<b>REVENUES</b>				
Taxes	\$ 30,091,032,403	\$ 29,680,217,403	\$ 29,196,283,955	\$ (483,933,448)
Federal and other grants	16,095,049,133	15,907,814,525	13,449,447,989	(2,458,366,536)
Licenses and fees	1,540,524,177	1,448,457,188	1,361,690,847	(86,766,341)
Services and assessments	2,422,940,050	2,345,729,957	2,035,228,922	(310,501,035)
Investment earnings	5,000	375,536	6,226,512	5,850,976
Other	5,673,025,666	4,757,253,983	2,498,630,591	(2,258,623,392)
Total Revenues	<u>55,822,576,429</u>	<u>54,139,848,592</u>	<u>48,547,508,816</u>	<u>(5,592,339,776)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers from other funds	<u>2,555,626,000</u>	<u>2,905,202,177</u>	<u>2,543,572,724</u>	<u>(361,629,453)</u>
Total Other Financing Sources	<u>2,555,626,000</u>	<u>2,905,202,177</u>	<u>2,543,572,724</u>	<u>(361,629,453)</u>
<b>Total Revenues and Other Financing Sources</b>	<u>58,378,202,429</u>	<u>57,045,050,769</u>	<u>51,091,081,540</u>	<u>(5,953,969,229)</u>
<b>EXPENDITURES</b>				
Public safety and criminal justice	3,976,133,287	3,925,670,492	3,287,153,375	638,517,117
Physical and mental health	18,362,836,428	17,700,787,113	15,264,748,866	2,436,038,247
Educational, cultural, and intellectual development	17,239,649,103	17,414,523,100	16,732,328,273	682,194,827
Community development and environmental management	2,674,744,017	2,615,253,685	1,879,992,605	735,261,080
Economic planning, development, and security	5,047,237,190	4,870,371,193	4,124,182,775	746,188,418
Transportation programs	821,123,580	825,949,834	717,499,590	108,450,244
Government direction, management, and control	8,195,589,698	8,047,900,777	7,521,987,244	525,913,533
Special government services	436,748,613	423,783,062	357,558,312	66,224,750
Total Expenditures	<u>56,754,061,916</u>	<u>55,824,239,256</u>	<u>49,885,451,040</u>	<u>5,938,788,216</u>
<b>OTHER FINANCING USES</b>				
Transfers to other funds	<u>1,486,690,513</u>	<u>1,486,690,513</u>	<u>1,546,779,500</u>	<u>(60,088,987)</u>
Total Other Financing Uses	<u>1,486,690,513</u>	<u>1,486,690,513</u>	<u>1,546,779,500</u>	<u>(60,088,987)</u>
<b>Total Expenditures and Other Financing Uses</b>	<u>58,240,752,429</u>	<u>57,310,929,769</u>	<u>51,432,230,540</u>	<u>5,878,699,229</u>
<b>Net Change in Fund Balance</b>	137,450,000	(265,879,000)	(341,149,000)	(75,270,000)
<b>Fund Balances - July 1, 2015</b>	626,854,000	816,583,000	816,583,000	-
<b>Fund Balances - June 30, 2016</b>	<u>\$ 764,304,000</u>	<u>\$ 550,704,000</u>	<u>\$ 475,434,000</u>	<u>\$ (75,270,000)</u>



**STATE OF NEW JERSEY  
BUDGETARY COMPARISON SCHEDULE  
BUDGET-TO-GAAP RECONCILIATION - MAJOR FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

**Explanation of differences between budgetary inflows and outflows  
and GAAP revenues and expenditures**

	<b>General Fund</b>	<b>Property Tax Relief Fund</b>
<b>Sources/inflows of resources:</b>		
Total revenues and other financing sources - actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 37,021,968,047	\$ 14,069,113,493
Differences - budget to GAAP:		
Receipt of federal food stamp coupons is not a budgetary resource but is revenue for financial reporting purposes (GASB 24).	1,253,711,020	-
Proceeds and premiums from the sale of school construction bonds by the Economic Development Authority are not inflows of budgetary resources but are other financing sources for financial reporting purposes.	1,088,315,599	-
Additions to general obligation debt are not inflows of budgetary resources but are other financing sources for financial reporting purposes.	149,679,242	-
Proceeds and premiums from the sale of installment obligation bonds are not inflows of budgetary resources but are other financing sources for financial reporting purposes.	84,414,414	-
Additions to other debt are not inflows of budgetary resources but are financing sources for financial reporting purposes.	51,366,169	-
<b>Total revenues and other financing sources as reported on the GAAP-basis statement of revenues, expenditures, and changes in fund balances - governmental funds</b>	<b>\$ 39,649,454,491</b>	<b>\$ 14,069,113,493</b>
GAAP-basis statement of revenues, expenditures, and changes in fund balances - governmental funds reconciliation:		
Total revenues	\$ 34,328,248,768	\$ 14,069,113,493
Transfers from other funds	2,603,661,714	-
Other sources	2,717,544,009	-
<b>Total revenues and other financing sources</b>	<b>\$ 39,649,454,491</b>	<b>\$ 14,069,113,493</b>

**STATE OF NEW JERSEY  
BUDGETARY COMPARISON SCHEDULE  
BUDGET-TO-GAAP RECONCILIATION - MAJOR FUNDS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

**Explanation of differences between budgetary inflows and outflows  
and GAAP revenues and expenditures**

	<b>General Fund</b>	<b>Property Tax Relief Fund</b>
<b>Uses/outflows of resources:</b>		
Total expenditures and other financing uses - actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 37,356,280,047	\$ 14,075,950,493
<b>Differences - budget to GAAP:</b>		
Encumbrances for items ordered but not received are reported in the year the resources are encumbered for budgetary purposes, but in the year the items are received for financial reporting purposes.	(801,915,744)	(3,766,141)
Expenditures in prior budget fiscal year accounts are reported in the year the resources are encumbered for budgetary purposes, but in the year the funds are disbursed for financial reporting purposes.	710,030,244	9,452,514
Distribution of federal food stamp coupons is not a budgetary outflow but is an expenditure for financial reporting purposes (GASB 24).	1,253,711,020	-
School construction bonds proceeds distributed to the New Jersey Schools Development Authority are not outflows of budgetary resources but are expenditures and other financing uses for financial reporting purposes.	1,088,315,599	-
General obligation refunding bonds proceeds deposited with fiscal agent are not outflows of budgetary resources but are expenditures and other financing uses for financial reporting purposes.	149,679,242	-
Installment obligation refunding bonds proceeds deposited with fiscal agent are not outflows of budgetary resources but are expenditures and other financing uses for financial reporting purposes.	84,414,414	-
Additions to other debt are not budgetary outflows but are expenditures and other financing uses for financial reporting purposes.	51,366,169	-
<b>Total expenditures and other financing uses as reported on the GAAP-basis statement of revenues, expenditures, and changes in fund balances - governmental funds</b>	<b>\$ 39,891,880,991</b>	<b>\$ 14,081,636,866</b>
 GAAP-basis statement of revenues, expenditures, and changes in fund balances - governmental funds reconciliation:		
Total expenditures	\$ 35,880,804,283	\$ 14,021,547,879
Transfers to other funds	1,986,690,512	60,088,987
Other uses	2,024,386,196	-
<b>Total expenditures and other financing uses</b>	<b>\$ 39,891,880,991</b>	<b>\$ 14,081,636,866</b>

**STATE OF NEW JERSEY**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**Budgetary Process**

The Appropriations Act provides annual departmental budgets for the General Fund and certain special revenue funds (Casino Control, Casino Revenue, Gubernatorial Elections, and Property Tax Relief). The State Legislature enacts the Appropriations Act through passage of specific departmental appropriations, the sum of which may not exceed estimated resources. It is a constitutional requirement that the Budget be balanced. The Governor certifies the revenues. Before signing the Appropriations Act, the Governor may veto or reduce any specific appropriation, subject to State Legislative override. Once passed and signed, the Appropriations Act becomes the State's financial plan for the coming fiscal year. Spending authority contained in the Appropriations Act may be revised by supplemental appropriations approved by both the State Legislature and the Governor. Expenditures are presented on the accompanying budgetary basis financial statements by statewide program classifications, not by the legal level of budgetary control. Detail at the departmental level is presented on the accompanying Schedules of Appropriations and Expenditures.

For the General Fund and budgeted special revenue funds, budgetary control (legal control) is maintained within the department (as indicated on the organization chart shown in the Transmittal Letter) at the appropriation line item level. Program classifications represent a lower level, operating program function, consisting of closely related activities with identifiable objectives or goals. Program classification examples include Water Supply Management, Forestry Management, Shellfish and Marine Fisheries Management, in the Department of Environmental Protection. Revisions to the Appropriations Act during the fiscal year may be effected with certain executive and legislative branch approvals. In accordance with the "General Provisions" section of the Appropriations Act, the Executive Branch may amend the budget within a department with the approval of the Director of the Division of Budget and Accounting. Under specific conditions, additional approval by the Office of Legislative Services is required. Only the State Legislature, however, may transfer appropriations between departments. Transfers within a department are permitted within certain guidelines and Executive Branch approval.

Appropriations are authorized for expenditure during the fiscal year and for a period of one month thereafter, and unencumbered appropriations lapse at the end of the fiscal year, unless otherwise specified by the Appropriations Act.

The State's budgetary basis of accounting differs from that utilized to present fund financial statements in conformance with generally accepted accounting principles (GAAP). The main differences between the budgetary basis and the GAAP basis used to present fund financial statements, are that under the budgetary basis encumbrances are recognized as expenditures, the federal revenue related to such encumbrances is also recognized, and the budgetary basis reflects transactions only for the current fiscal year. In addition, under the GAAP basis in the fund financial statements, certain grants and other financial assistance are required to be recorded as revenues and expenditures.

The Budgetary Comparison Schedule displays the undesignated-unreserved fund balance for the original budget, final budget, and actual amounts (budgetary basis). The beginning fund balance for the original budget is estimated as of July 1 while the beginning fund balance for the final budget and actual amount columns represent actual amounts.

**STATE OF NEW JERSEY**  
**SCHEDULE OF CHANGES IN THE STATE'S NET PENSION LIABILITY AND RELATED RATIOS<sup>1</sup>**  
**SINGLE-EMPLOYER PENSION PLANS**  
**FOR THE FISCAL YEAR ENDED JUNE 30**

**Consolidated Police and Firemen's Pension Fund**

	<b>2015</b>	<b>2014<sup>2</sup></b>
<b>Total pension liability:</b>		
Interest on the total pension liability	\$ 504,066	\$ 632,080
Effect of economic/demographic (gains) or losses	(993,528)	-
Effect of assumptions changes or inputs	193,719	163,528
Benefit payments	(2,445,627)	(2,942,035)
<b>Net change in total pension liability</b>	<b>(2,741,370)</b>	<b>(2,146,427)</b>
<b>Total pension liability - Beginning</b>	<b>12,959,772</b>	<b>15,106,199</b>
<b>Total pension liability - Ending</b>	<b>\$ 10,218,402</b>	<b>\$ 12,959,772</b>
<b>Plan fiduciary net position:</b>		
Contributions - employer	\$ 1,577,751	\$ 1,900,831
Net investment income	198	585
Benefit payments, including refunds of employee contributions	(2,445,627)	(2,942,035)
Administrative expense	(8,003)	(9,566)
<b>Net change in plan fiduciary net position</b>	<b>(875,681)</b>	<b>(1,050,185)</b>
<b>Plan fiduciary net position - Beginning</b>	<b>3,303,631</b>	<b>4,353,816</b>
<b>Plan fiduciary net position - Ending</b>	<b>\$ 2,427,950</b>	<b>\$ 3,303,631</b>
<b>Net pension liability - Ending</b>	<b>\$ 7,790,452</b>	<b>\$ 9,656,141</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>23.76%</b>	<b>25.49%</b>
<b>Covered-employee payroll</b>	<b>N/A</b>	<b>N/A</b>
<b>State's net pension liability as a percentage of covered employee payroll</b>	<b>N/A</b>	<b>N/A</b>

**Notes:**

<sup>1</sup> Schedule is intended to show information for 10 years. The State will report prospectively starting with Fiscal Year 2014.

<sup>2</sup> The Fiscal Year 2014 pension liability has been recalculated using a revised discount rate.

**STATE OF NEW JERSEY**  
**SCHEDULE OF CHANGES IN THE STATE'S NET PENSION LIABILITY AND RELATED RATIOS<sup>1</sup>**  
**SINGLE-EMPLOYER PENSION PLANS**  
**FOR THE FISCAL YEAR ENDED JUNE 30**

**Judicial Retirement System**

	<u>2015</u>	<u>2014<sup>2</sup></u>
<b>Total pension liability:</b>		
Service cost	\$ 30,702,986	\$ 32,123,341
Interest on the total pension liability	41,473,055	40,332,123
Effect of economic/demographic (gains) or losses	(1,733,197)	-
Effect of assumptions changes or inputs	(41,873,530)	26,907,821
Transfers from other systems	2,081,523	-
Benefit payments	(52,430,016)	(49,604,080)
<b>Net change in total pension liability</b>	<u>(21,779,179)</u>	<u>49,759,205</u>
<b>Total pension liability - Beginning</b>	900,743,760	850,984,555
<b>Total pension liability - Ending</b>	<u>\$ 878,964,581</u>	<u>\$ 900,743,760</u>
<b>Plan fiduciary net position:</b>		
Contributions - employer	\$ 17,031,026	\$ 15,874,857
Contributions - employee	6,310,124	5,096,577
Net investment income	8,475,641	34,448,036
Transfers from other systems	2,081,523	-
Benefit payments, including refunds of employee contributions	(52,430,016)	(49,604,080)
Administrative expense	(168,762)	(162,372)
<b>Net change in plan fiduciary net position</b>	<u>(18,700,464)</u>	<u>5,653,018</u>
<b>Plan fiduciary net position - Beginning</b>	231,483,835	225,830,817
<b>Plan fiduciary net position - Ending</b>	<u>\$ 212,783,371</u>	<u>\$ 231,483,835</u>
<b>Net pension liability - Ending</b>	<u>\$ 666,181,210</u>	<u>\$ 669,259,925</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	24.21%	25.70%
<b>Covered-employee payroll</b>	\$ 66,028,491	\$ 67,810,110
<b>State's net pension liability as a percentage of covered employee payroll</b>	1,008.93%	986.96%

**Notes:**

<sup>1</sup> Schedule is intended to show information for 10 years. The State will report prospectively starting with Fiscal Year 2014.

<sup>2</sup> The Fiscal Year 2014 pension liability has been recalculated using a revised discount rate.

**STATE OF NEW JERSEY**  
**SCHEDULE OF CHANGES IN THE STATE'S NET PENSION LIABILITY AND RELATED RATIOS<sup>1</sup>**  
**SINGLE-EMPLOYER PENSION PLANS**  
**FOR THE FISCAL YEAR ENDED JUNE 30**

**Prison Officers' Pension Fund**

	<u>2015</u>	<u>2014<sup>2</sup></u>
<b>Total pension liability:</b>		
Interest on the total pension liability	\$ 331,362	\$ 401,659
Effect of economic/demographic (gains) or losses	(296,620)	-
Effect of assumptions changes or inputs	163,490	129,449
Benefit payments	(1,377,505)	(1,583,408)
<b>Net change in total pension liability</b>	<u>(1,179,273)</u>	<u>(1,052,300)</u>
<b>Total pension liability - Beginning</b>	8,405,586	9,457,886
<b>Total pension liability - Ending</b>	<u>\$ 7,226,313</u>	<u>\$ 8,405,586</u>
<b>Plan fiduciary net position:</b>		
Contributions - employer	\$ 698,360	\$ 793,174
Net investment income	6,355	7,368
Benefit payments, including refunds of employee contributions	(1,377,505)	(1,583,408)
Administrative expense	(5,843)	(5,853)
<b>Net change in plan fiduciary net position</b>	<u>(678,633)</u>	<u>(788,719)</u>
<b>Plan fiduciary net position - Beginning</b>	7,383,201	8,171,920
<b>Plan fiduciary net position - Ending</b>	<u>\$ 6,704,568</u>	<u>\$ 7,383,201</u>
<b>Net pension liability - Ending</b>	<u>\$ 521,745</u>	<u>\$ 1,022,385</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	92.78%	87.84%
<b>Covered-employee payroll</b>	N/A	N/A
<b>State's net pension liability as a percentage of covered employee payroll</b>	N/A	N/A

**Notes:**

<sup>1</sup>Schedule is intended to show information for 10 years. The State will report prospectively starting with Fiscal Year 2014.

<sup>2</sup>The Fiscal Year 2014 pension liability has been recalculated using a revised discount rate.

**STATE OF NEW JERSEY**  
**SCHEDULE OF CHANGES IN THE STATE'S NET PENSION LIABILITY AND RELATED RATIOS<sup>1</sup>**  
**SINGLE-EMPLOYER PENSION PLANS**  
**FOR THE FISCAL YEAR ENDED JUNE 30**

**State Police Retirement System**

	<b>2015</b>	<b>2014<sup>2</sup></b>
<b>Total pension liability:</b>		
Service cost	\$ 93,740,921	\$ 93,623,020
Interest on the total pension liability	216,980,562	209,010,706
Effect of economic/demographic (gains) or losses	35,245,543	-
Effect of assumptions changes or inputs	435,691,094	92,686,900
Transfers from other systems	222,557	-
Benefit payments	(206,493,624)	(197,958,938)
<b>Net change in total pension liability</b>	<b>575,387,053</b>	<b>197,361,688</b>
<b>Total pension liability - Beginning</b>	<b>4,246,118,723</b>	<b>4,048,757,035</b>
<b>Total pension liability - Ending</b>	<b>\$ 4,821,505,776</b>	<b>\$ 4,246,118,723</b>
<b>Plan fiduciary net position:</b>		
Contributions - employer	\$ 38,527,297	\$ 36,436,923
Contributions - employee	22,315,431	24,034,496
Net investment income	75,532,779	287,098,217
Transfers from other systems	222,557	-
Benefit payments, including refunds of employee contributions	(206,493,624)	(197,958,938)
Administrative expense	(351,723)	(280,026)
<b>Net change in plan fiduciary net position</b>	<b>(70,247,283)</b>	<b>149,330,672</b>
<b>Plan fiduciary net position - Beginning</b>	<b>1,937,956,394</b>	<b>1,788,625,722</b>
<b>Plan fiduciary net position - Ending</b>	<b>\$ 1,867,709,111</b>	<b>\$ 1,937,956,394</b>
<b>Net pension liability - Ending</b>	<b>\$ 2,953,796,665</b>	<b>\$ 2,308,162,329</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>38.74%</b>	<b>45.64%</b>
<b>Covered-employee payroll</b>	<b>\$ 262,496,289</b>	<b>\$ 262,063,829</b>
<b>State's net pension liability as a percentage of covered employee payroll</b>	<b>1,125.27%</b>	<b>880.76%</b>

**Notes:**

<sup>1</sup> Schedule is intended to show information for 10 years. The State will report prospectively starting with Fiscal Year 2014.

<sup>2</sup> The Fiscal Year 2014 pension liability has been replaced using a revised discount rate.

**STATE OF NEW JERSEY**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**SINGLE-EMPLOYER PENSION PLANS\***  
**FOR THE FISCAL YEAR ENDED JUNE 30**  
**(Expressed in Millions)**

	<u>Actuarially determined contribution</u>		<u>Actual employer contribution</u>		<u>Difference (unfunded)</u>	<u>Covered payroll</u>	<u>Actual employer contribution as a percentage of covered payroll</u>
<b>Consolidated Police and Firemen's Pension Fund</b>							
2015	\$ -	\$	-	\$	-	N/A	N/A
2014	0.9		-		(0.9)	N/A	N/A
2013	1.1		0.9		(0.2)	N/A	N/A
2012	1.2		0.2		(1.0)	N/A	N/A
2011	0.5		-		(0.5)	N/A	N/A
2010	1.7		-		(1.7)	N/A	N/A
2009	1.8		1.3		(0.5)	N/A	N/A
2008	2.4		0.5		(1.9)	N/A	N/A
2007	8.5		1.8		(6.7)	N/A	N/A
2006	13.9		6.4		(7.5)	N/A	N/A
<b>Judicial Retirement System</b>							
2015	\$ 45.1	\$	17.0	\$	(28.1)	\$ 66.0	25.76 %
2014	43.9		15.9		(28.0)	67.8	23.45
2013	45.4		12.3		(33.1)	67.5	18.22
2012	42.5		6.0		(36.5)	67.4	8.90
2011	38.5		0.7		(37.8)	71.7	0.98
2010	32.5		1.0		(31.5)	70.1	1.43
2009	29.8		1.7		(28.1)	67.2	2.53
2008	27.2		12.9		(14.3)	63.1	20.44
2007	25.2		12.7		(12.5)	62.5	20.32
2006	23.2		8.0		(15.2)	60.5	13.22
<b>State Police Retirement System</b>							
2015	\$ 110.9	\$	38.5	\$	(72.4)	\$ 262.5	14.67 %
2014	105.1		36.4		(68.7)	262.1	13.89
2013	99.9		27.8		(72.1)	283.2	9.82
2012	98.9		13.5		(85.4)	275.2	4.91
2011	114.1		2.2		(111.9)	290.0	0.76
2010	91.4		1.0		(90.4)	287.3	0.35
2009	86.4		5.6		(80.8)	281.1	1.99
2008	78.8		36.4		(42.4)	275.3	13.22
2007	56.5		29.3		(27.2)	263.2	11.13
2006	47.2		12.9		(34.3)	241.8	5.33

\*There are no active members in the Prison Officers' Pension Fund. Based on the recent actual valuation, there was no normal cost or accrued liability contribution required by the State for the fiscal year ended June 30, 2015.

Assumptions used in calculating actuarially determined contribution are presented in Note 15.



**STATE OF NEW JERSEY**  
**SCHEDULE OF EMPLOYER (STATE) CONTRIBUTIONS**  
**COST-SHARING EMPLOYER PENSION PLANS**  
**FOR THE FISCAL YEAR ENDED JUNE 30**  
**(Expressed in Millions)**

	<u>Statutorily required employer contribution</u>		<u>Actual employer contribution</u>		<u>Difference (unfunded)</u>		<u>Covered payroll</u>		<u>Actual employer contribution as a percentage of covered payroll</u>
<b>Public Employees' Retirement System</b>									
2015	\$	1,263.7	\$	131.9	\$	(1,131.8)	\$	4,443.6	2.97 %
2014		1,182.0		143.6		(1,038.4)		4,543.4	3.16
2013		604.7		78.9		(525.8)		4,556.7	1.73
2012		425.6		60.5		(365.1)		4,571.0	1.32
2011		264.1		54.6		(209.5)		4,608.9	1.18
2010		124.9		30.9		(94.0)		4,564.9	0.68
2009		754.2		250.7		(503.5)		4,627.1	5.42
2008		580.4		224.2		(356.2)		4,609.0	4.86
2007		506.3		212.3		(294.0)		4,434.9	4.79
2006		459.9		220.2		(239.7)		4,253.6	5.18
<b>Police and Firemen's Retirement System</b>									
2015	\$	483.9	\$	124.4	\$	(359.5)	\$	494.3	25.17 %
2014		461.1		130.1		(331.0)		507.0	25.66
2013		236.8		66.8		(170.0)		510.8	13.08
2012		167.0		49.6		(117.4)		517.3	9.59
2011		112.5		40.1		(72.4)		526.1	7.62
2010		53.6		21.8		(31.8)		530.7	4.11
2009		373.5		201.7		(171.8)		525.9	38.35
2008		339.5		200.8		(138.7)		527.5	38.07
2007		299.1		197.8		(101.3)		527.6	37.49
2006		271.8		188.5		(83.3)		506.1	37.25
<b>Teachers' Pensions and Annuity Fund</b>									
2015	\$	2,737.2	\$	1,094.9	\$	(1,642.3)	\$	10,305.5	10.62 %
2014		2,544.8		763.4		(1,781.4)		10,162.3	7.51
2013		2,306.6		504.3		(1,802.3)		10,038.8	5.02
2012		2,158.3		392.0		(1,766.3)		9,779.2	4.01
2011		2,148.2		613.8		(1,534.4)		9,682.3	6.34
2010		2,009.8		287.1		(1,722.7)		10,025.4	2.86
2009		1,826.7		-		(1,826.7)		9,747.0	-
2008		1,526.2		62.4		(1,463.8)		9,419.1	0.66
2007		1,348.1		64.4		(1,283.7)		9,077.6	0.71
2006		1,286.1		663.8		(622.3)		8,748.6	7.59

**STATE OF NEW JERSEY**  
**SCHEDULE OF NET PENSION LIABILITY<sup>1</sup>**  
**COST-SHARING EMPLOYER PENSIONS PLANS**  
**FOR THE FISCAL YEAR ENDED JUNE 30**  
**(Expressed in Millions)**

**Public Employees' Retirement System**

	<b>2015</b>	<b>2014<sup>2</sup></b>
<b>Employer's portion of the collective net pension liability</b>	44.06%	44.46%
<b>Employer's proportionate share of the collective net pension liability</b>	\$ 20,344.6	\$ 17,274.1
<b>Employer's covered payroll</b>	\$ 4,443.6	\$ 4,543.4
<b>Employer's proportionate share of the collective net pension liability as a percentage of the employer's covered payroll</b>	457.84%	380.20%
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	38.21%	42.74%

**Notes:**

<sup>1</sup> Schedule is intended to show information for 10 years. The State will report prospectively starting with Fiscal Year 2014.

<sup>2</sup> Fiscal Year 2014 has been revised.

**STATE OF NEW JERSEY**  
**SCHEDULE OF NET PENSION LIABILITY<sup>1</sup>**  
**COST-SHARING EMPLOYER PENSIONS PLANS**  
**FOR THE FISCAL YEAR ENDED JUNE 30**  
**(Expressed in Millions)**

**Police and Firemen's Retirement System (Special Funding)**

	<b>2015</b>	<b>2014<sup>2</sup></b>
<b>Employer's portion of the collective net pension liability</b>	18.40%	19.51%
<b>Employer's proportionate share of the collective net pension liability</b>	\$ 4,122.8	\$ 3,412.1
<b>Nonemployer proportionate share of the collective net pension liability</b>	0.76%	0.81%
<b>Total proportionate share of the collective net pension liability</b>	\$ 4,293.7	\$ 3,553.1
<b>Employer's covered payroll</b>	\$ 494.3	\$ 507.0
<b>Employer's proportionate share of the collective net pension liability as a percentage of the employer's covered payroll</b>	834.07%	673.00%
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	52.84%	58.86%

**Notes:**

<sup>1</sup> Schedule is intended to show information for 10 years. The State will report prospectively starting with Fiscal Year 2014.

<sup>2</sup> Fiscal Year 2014 has been revised.

**STATE OF NEW JERSEY**  
**SCHEDULE OF NET PENSION LIABILITY<sup>1</sup>**  
**COST-SHARING EMPLOYER PENSIONS PLANS**  
**FOR THE FISCAL YEAR ENDED JUNE 30**  
**(Expressed in Millions)**

**Teachers' Pension and Annuity Fund (Special Funding)**

	<b>2015</b>	<b>2014<sup>2</sup></b>
<b>Employer's portion of the collective net pension liability</b>	0.59%	0.68%
<b>Employer's proportionate share of the collective net pension liability</b>	\$ 373.6	\$ 366.3
<b>Nonemployer proportionate share of the collective net pension liability</b>	99.41%	99.32%
<b>Total proportionate share of the collective net pension liability</b>	\$ 63,577.9	\$ 53,813.1
<b>Employer's covered payroll</b>	\$ 10,305.5	\$ 10,162.3
<b>Employer's proportionate share of the collective net pension liability as a percentage of the employer's covered payroll</b>	3.63%	3.60%
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	28.71%	33.64%

**Notes:**

<sup>1</sup> Schedule is intended to show information for 10 years. The State will report prospectively starting with Fiscal Year 2014.

<sup>2</sup> Fiscal Year 2014 has been revised.

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**STATE OF NEW JERSEY**  
**SCHEDULE OF FUNDING PROGRESS\***  
**HEALTH BENEFITS PROGRAM FUND (OPEB)**  
**FOR THE FISCAL YEAR ENDED JUNE 30**  
**(Expressed in Millions)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Actuarial value of assets</b>	\$ -	\$ -	\$ -
<b>Actuarial accrued liability</b>	\$ 67,503.3	\$ 65,046.2	\$ 53,000.1
<b>Unfunded actuarial accrued liability</b>	\$ 67,503.3	\$ 65,046.2	\$ 53,000.1
<b>Funded ratio</b>	-	-	-
<b>Covered payroll</b>	\$ 19,937.6	\$ 20,081.7	\$ 20,964.3
<b>Unfunded actuarial accrued liability as a percentage of covered payroll</b>	338.6%	323.9%	252.8%

\* Schedule is intended to show information for 10 years. The State will report prospectively starting with Fiscal Year 2008.

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 51,502.6	\$ 48,949.7	\$ 59,281.9	\$ 56,782.5	\$ 55,913.5
\$ 51,502.6	\$ 48,949.7	\$ 59,281.9	\$ 56,782.5	\$ 55,913.5
-	-	-	-	-
\$ 20,513.9	\$ 20,286.7	\$ 20,870.0	\$ 20,794.4	\$ 20,180.2
251.1%	241.3%	284.1%	273.1%	277.1%

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*Combining  
Financial Statements  
and  
Schedules*

**STATE OF NEW JERSEY  
COMBINING BALANCE SHEET  
GENERAL FUND  
JUNE 30, 2016**

	<u>General Fund</u>	<u>Beaches and Harbor Fund</u>	<u>Building Our Future Fund</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 23,754,978	\$ 6,405	\$ 3,547,096
<b>Investments</b>	818,296,330	908,717	164,054,252
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	616,065,283	-	-
Departmental accounts	2,728,756,682	-	-
Loans	20,417,217	-	-
Other	118,532,426	-	-
<b>Due from other funds</b>	794,925,845	-	-
<b>Other</b>	5,770,401	-	-
<b>Total Assets</b>	<u>\$ 5,126,519,162</u>	<u>\$ 915,122</u>	<u>\$ 167,601,348</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ 1,363,780,874	\$ -	\$ -
Unearned revenue	145,234,025	-	-
Due to other funds	224,885,890	2,769	747,979
Refunds payable	173,936,455	-	-
Other	317,653,174	-	-
Total Liabilities	<u>\$2,225,490,418</u>	<u>2,769</u>	<u>747,979</u>
<b>Fund Balances</b>			
Nonspendable	-	-	-
Restricted	139,888,342	912,353	166,853,369
Committed	2,291,374,317	-	-
Unassigned	469,766,085	-	-
Total Fund Balances	<u>\$2,901,028,744</u>	<u>912,353</u>	<u>166,853,369</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 5,126,519,162</u>	<u>\$ 915,122</u>	<u>\$ 167,601,348</u>

<u>Clean Waters Fund</u>	<u>Cultural Centers and Historic Preservation Fund</u>	<u>2003 Dam, Lake and Stream Project Revolving Loan Fund</u>	<u>2003 Dam, Lake, Stream, and Flood Control Project Fund</u>
\$ 52,829	\$ 40,746	\$ 5,056,297	\$ 662,249
10,675	22,157	28,500,984	7,541,243
-	-	-	-
-	-	-	-
-	-	50,806,384	-
-	-	229,837	-
-	-	-	-
-	-	-	-
<u>\$ 63,504</u>	<u>\$ 62,903</u>	<u>\$ 84,593,502</u>	<u>\$ 8,203,492</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
33	100,273	-	24,792
-	-	-	-
-	-	-	-
<u>33</u>	<u>100,273</u>	<u>-</u>	<u>24,792</u>
-	-	-	-
63,471	-	84,593,502	8,178,700
-	-	-	-
-	(37,370)	-	-
<u>63,471</u>	<u>(37,370)</u>	<u>84,593,502</u>	<u>8,178,700</u>
<u>\$ 63,504</u>	<u>\$ 62,903</u>	<u>\$ 84,593,502</u>	<u>\$ 8,203,492</u>

(Continued on next page)

**STATE OF NEW JERSEY  
COMBINING BALANCE SHEET  
GENERAL FUND (Continued)  
JUNE 30, 2016**

	<b>1992 Dam Restoration and Clean Waters Trust Fund</b>	<b>1989 Development Potential Bank Transfer Fund</b>	<b>Developmental Disabilities Waiting List Reduction Fund</b>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 1,789,312	\$ 76,936	\$ 245,412
<b>Investments</b>	9,989,764	580,695	882,080
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	5,698,607	-	-
Other	39,007	-	-
<b>Due from other funds</b>	-	-	-
<b>Other</b>	-	-	-
<b>Total Assets</b>	\$ 17,516,690	\$ 657,631	\$ 1,127,492
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ -	\$ -	\$ 30,865
Unearned revenue	-	-	-
Due to other funds	-	23,867	2,688
Refunds payable	-	-	-
Other	-	-	-
<b>Total Liabilities</b>	-	23,867	33,553
<b>Fund Balances</b>			
Nonspendable	-	-	-
Restricted	17,516,690	633,764	1,093,939
Committed	-	-	-
Unassigned	-	-	-
<b>Total Fund Balances</b>	17,516,690	633,764	1,093,939
<b>Total Liabilities and Fund Balances</b>	\$ 17,516,690	\$ 657,631	\$ 1,127,492

<b>Dredging and Containment Facility Fund</b>	<b>1996 Economic Development Site Fund</b>	<b>Emergency Flood Control Fund</b>	<b>Emergency Services Fund</b>
\$ 386,669	\$ 181,046	\$ 154	\$ 16,889
11,593,915	32,623	284,825	2,125,793
-	-	-	-
-	-	-	-
-	248,106	-	-
-	-	-	-
2,274,063	-	-	94,623
-	-	-	-
<u>\$ 14,254,647</u>	<u>\$ 461,775</u>	<u>\$ 284,979</u>	<u>\$ 2,237,305</u>
\$ 631,897	\$ -	\$ -	\$ -
-	-	-	-
429,975	-	868	-
-	-	-	-
-	-	-	-
<u>1,061,872</u>	<u>-</u>	<u>868</u>	<u>-</u>
-	-	-	-
13,192,775	461,775	284,111	-
-	-	-	2,237,305
-	-	-	-
<u>13,192,775</u>	<u>461,775</u>	<u>284,111</u>	<u>2,237,305</u>
<u>\$ 14,254,647</u>	<u>\$ 461,775</u>	<u>\$ 284,979</u>	<u>\$ 2,237,305</u>

(Continued on next page)

**STATE OF NEW JERSEY  
COMBINING BALANCE SHEET  
GENERAL FUND (Continued)  
JUNE 30, 2016**

	<u>1996 Environmental Cleanup Fund</u>	<u>1989 Farmland Preservation Fund</u>	<u>1992 Farmland Preservation Fund</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 52,667	\$ 100	\$ 100
<b>Investments</b>	19,707,026	231,961	48,862
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	-	-	-
Other	-	-	-
<b>Due from other funds</b>	-	-	-
<b>Other</b>	-	-	-
<b>Total Assets</b>	<u>\$ 19,759,693</u>	<u>\$ 232,061</u>	<u>\$ 48,962</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ -	\$ -	\$ -
Unearned revenue	-	-	-
Due to other funds	-	-	-
Refunds payable	-	-	-
Other	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>			
Nonspendable	-	-	-
Restricted	19,759,693	232,061	48,962
Committed	-	-	-
Unassigned	-	-	-
<b>Total Fund Balances</b>	<u>19,759,693</u>	<u>232,061</u>	<u>48,962</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 19,759,693</u>	<u>\$ 232,061</u>	<u>\$ 48,962</u>

<u>1995 Farmland Preservation Fund</u>	<u>2007 Farmland Preservation Fund</u>	<u>2009 Farmland Preservation Fund</u>	<u>2007 Green Acres Fund</u>
\$ 26,295	\$ 445,504	\$ 353,282	\$ 784,473
1,025,372	12,330,305	32,926,105	9,197,901
-	-	-	-
-	-	93,313	-
-	-	-	4,304,194
-	-	-	9,063
-	13,398	-	-
-	-	-	-
<u>\$ 1,051,667</u>	<u>\$ 12,789,207</u>	<u>\$ 33,372,700</u>	<u>\$ 14,295,631</u>
\$ -	\$ 2,174	\$ 3,925	\$ 8,500
-	-	-	-
-	-	2,315,787	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>2,174</u>	<u>2,319,712</u>	<u>8,500</u>
-	-	-	-
1,051,667	12,787,033	31,052,988	14,287,131
-	-	-	-
-	-	-	-
<u>1,051,667</u>	<u>12,787,033</u>	<u>31,052,988</u>	<u>14,287,131</u>
<u>\$ 1,051,667</u>	<u>\$ 12,789,207</u>	<u>\$ 33,372,700</u>	<u>\$ 14,295,631</u>

(Continued on next page)

**STATE OF NEW JERSEY  
COMBINING BALANCE SHEET  
GENERAL FUND (Continued)  
JUNE 30, 2016**

	<u>2009 Green Acres Fund</u>	<u>Green Trust Fund</u>	<u>1981 Hazardous Discharge Fund</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 3,332,859	\$ 823,723	\$ 711
<b>Investments</b>	1,364,995	35,800,384	180,789
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	1,573,050	15,783,638	-
Other	-	64,470	-
<b>Due from other funds</b>	-	-	-
<b>Other</b>	-	-	-
<b>Total Assets</b>	<u>\$ 6,270,904</u>	<u>\$ 52,472,215</u>	<u>\$ 181,500</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ 23,935	\$ -	\$ -
Unearned revenue	-	-	-
Due to other funds	13,182,297	-	551
Refunds payable	-	-	-
Other	-	-	-
<b>Total Liabilities</b>	<u>13,206,232</u>	<u>-</u>	<u>551</u>
<b>Fund Balances</b>			
Nonspendable	-	-	-
Restricted	-	52,472,215	180,949
Committed	-	-	-
Unassigned	(6,935,328)	-	-
<b>Total Fund Balances</b>	<u>(6,935,328)</u>	<u>52,472,215</u>	<u>180,949</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 6,270,904</u>	<u>\$ 52,472,215</u>	<u>\$ 181,500</u>



<u>1986 Hazardous Discharge Fund</u>	<u>Higher Education Facility Renovation and Rehabilitation Fund</u>	<u>1992 Historic Preservation Fund</u>	<u>1995 Historic Preservation Fund</u>
\$ 1,043,327	\$ 16,354	\$ 19,537	\$ 26,726
29,089,229	122,084	11,093	29,887
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 30,132,556</u>	<u>\$ 138,438</u>	<u>\$ 30,630</u>	<u>\$ 56,613</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
30,132,556	138,438	30,630	56,613
-	-	-	-
-	-	-	-
<u>30,132,556</u>	<u>138,438</u>	<u>30,630</u>	<u>56,613</u>
<u>\$ 30,132,556</u>	<u>\$ 138,438</u>	<u>\$ 30,630</u>	<u>\$ 56,613</u>

(Continued on next page)

**STATE OF NEW JERSEY  
COMBINING BALANCE SHEET  
GENERAL FUND (Continued)  
JUNE 30, 2016**

	<b>2007 Historic Preservation Fund</b>	<b>2009 Historic Preservation Fund</b>	<b>Historic Preservation Revolving Loan Fund</b>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 452,995	\$ 113,817	\$ 499,092
<b>Investments</b>	1,668,777	2,399,584	3,974,387
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	-	-	10,055
Other	-	-	-
<b>Due from other funds</b>	-	-	-
<b>Other</b>	-	-	-
<b>Total Assets</b>	<b>\$ 2,121,772</b>	<b>\$ 2,513,401</b>	<b>\$ 4,483,534</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ 32,201	\$ 26,277	\$ -
Unearned revenue	-	-	-
Due to other funds	158,090	434,641	-
Refunds payable	-	-	-
Other	-	-	-
<b>Total Liabilities</b>	<b>190,291</b>	<b>460,918</b>	<b>-</b>
<b>Fund Balances</b>			
Nonspendable	-	-	-
Restricted	1,931,481	2,052,483	4,483,534
Committed	-	-	-
Unassigned	-	-	-
<b>Total Fund Balances</b>	<b>1,931,481</b>	<b>2,052,483</b>	<b>4,483,534</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,121,772</b>	<b>\$ 2,513,401</b>	<b>\$ 4,483,534</b>

<u>Housing Assistance Fund</u>	<u>Jobs, Education and Competitiveness Fund</u>	<u>Judiciary Superior Court - Miscellaneous Fund</u>	<u>1996 Lake Restoration Fund</u>
\$ 1,272,789	\$ 37	\$ 12,014,079	\$ 875,995
4,119,696	37,938	4,324,439	352,759
-	-	-	-
-	-	-	-
933,054	-	-	236,487
-	-	-	867
-	-	-	-
-	-	-	-
<u>\$ 6,325,539</u>	<u>\$ 37,975</u>	<u>\$ 16,338,518</u>	<u>\$ 1,466,108</u>
\$ -	\$ -	\$ 16,326,841	\$ -
-	-	-	-
12,555	116	11,677	-
-	-	-	-
-	-	-	-
<u>12,555</u>	<u>116</u>	<u>16,338,518</u>	<u>-</u>
-	-	-	-
6,312,984	37,859	-	1,466,108
-	-	-	-
-	-	-	-
<u>6,312,984</u>	<u>37,859</u>	<u>-</u>	<u>1,466,108</u>
<u>\$ 6,325,539</u>	<u>\$ 37,975</u>	<u>\$ 16,338,518</u>	<u>\$ 1,466,108</u>

(Continued on next page)

**STATE OF NEW JERSEY  
COMBINING BALANCE SHEET  
GENERAL FUND (Continued)  
JUNE 30, 2016**

	<b>Long Term Obligation and Capital Expenditure Fund</b>	<b>Mortgage Assistance Fund</b>	<b>Natural Resources Fund</b>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ -	\$ 73,051	\$ 2,340
<b>Investments</b>	-	1,780,099	835,887
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	-	4,636,050	-
Other	-	2,075,636	-
<b>Due from other funds</b>	1,414,566	-	-
<b>Other</b>	-	-	-
<b>Total Assets</b>	<u>\$ 1,414,566</u>	<u>\$ 8,564,836</u>	<u>\$ 838,227</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ 80,210	\$ -	\$ -
Unearned revenue	-	-	-
Due to other funds	-	2,081,021	2,547
Refunds payable	-	-	-
Other	-	-	-
<b>Total Liabilities</b>	<u>80,210</u>	<u>2,081,021</u>	<u>2,547</u>
<b>Fund Balances</b>			
Nonspendable	-	-	-
Restricted	-	6,483,815	835,680
Committed	1,334,356	-	-
Unassigned	-	-	-
<b>Total Fund Balances</b>	<u>1,334,356</u>	<u>6,483,815</u>	<u>835,680</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 1,414,566</u>	<u>\$ 8,564,836</u>	<u>\$ 838,227</u>

<u>1995 New Jersey Coastal Blue Acres Trust Fund</u>	<u>New Jersey Cultural Trust Fund</u>	<u>New Jersey Federal-State Rural Rehabilitation Fund</u>	<u>1989 New Jersey Green Acres Fund</u>
\$ 832,211	\$ 475,885	\$ 362	\$ 2,814
4,550,963	22,093,026	703,840	868,447
-	-	-	-
-	-	-	-
340,043	-	-	-
2,165	57,154	-	-
-	-	-	-
-	-	-	-
<u>\$ 5,725,382</u>	<u>\$ 22,626,065</u>	<u>\$ 704,202</u>	<u>\$ 871,261</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	20,000,000	-	-
5,725,382	-	-	871,261
-	2,626,065	704,202	-
-	-	-	-
<u>5,725,382</u>	<u>22,626,065</u>	<u>704,202</u>	<u>871,261</u>
<u>\$ 5,725,382</u>	<u>\$ 22,626,065</u>	<u>\$ 704,202</u>	<u>\$ 871,261</u>

(Continued on next page)

**STATE OF NEW JERSEY  
COMBINING BALANCE SHEET  
GENERAL FUND (Continued)  
JUNE 30, 2016**

	<u>1992 New Jersey Green Acres Fund</u>	<u>1995 New Jersey Green Acres Fund</u>	<u>1989 New Jersey Green Trust Fund</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 32,649	\$ 2,843	\$ 1,180,478
<b>Investments</b>	416,804	98,141	35,463,405
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	-	-	10,447,533
Other	-	-	57,018
<b>Due from other funds</b>	-	-	-
<b>Other</b>	-	-	-
<b>Total Assets</b>	<u>\$ 449,453</u>	<u>\$ 100,984</u>	<u>\$ 47,148,434</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ -	\$ -	\$ -
Unearned revenue	-	-	-
Due to other funds	-	-	-
Refunds payable	-	-	-
Other	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>			
Nonspendable	-	-	-
Restricted	449,453	100,984	47,148,434
Committed	-	-	-
Unassigned	-	-	-
<b>Total Fund Balances</b>	<u>449,453</u>	<u>100,984</u>	<u>47,148,434</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 449,453</u>	<u>\$ 100,984</u>	<u>\$ 47,148,434</u>

<u>1992 New Jersey Green Trust Fund</u>	<u>1995 New Jersey Green Trust Fund</u>	<u>1995 New Jersey Inland Blue Acres Fund</u>	<u>New Jersey Local Development Financing Fund</u>
\$ 480,577	\$ 5,147,096	\$ -	\$ -
12,801,730	12,588,779	4,167	39,772,347
-	-	-	-
-	-	-	-
7,903,155	17,374,132	-	9,857,898
39,608	107,001	-	39,687
-	-	-	-
-	-	-	-
<u>\$ 21,225,070</u>	<u>\$ 35,217,008</u>	<u>\$ 4,167</u>	<u>\$ 49,669,932</u>
\$ -	\$ -	\$ -	\$ 37,955
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>37,955</u>
-	-	-	-
21,225,070	35,217,008	4,167	49,631,977
-	-	-	-
-	-	-	-
<u>21,225,070</u>	<u>35,217,008</u>	<u>4,167</u>	<u>49,631,977</u>
<u>\$ 21,225,070</u>	<u>\$ 35,217,008</u>	<u>\$ 4,167</u>	<u>\$ 49,669,932</u>

(Continued on next page)

**STATE OF NEW JERSEY  
COMBINING BALANCE SHEET  
GENERAL FUND (Continued)  
JUNE 30, 2016**

	<b>Pinelands Infrastructure Trust Fund</b>	<b>Resource Recovery and Solid Waste Disposal Facility Fund</b>	<b>Shore Protection Fund</b>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 824,916	\$ 33,533	\$ 61,774
<b>Investments</b>	8,013,647	464,192	5,758,035
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	222,065	-	-
Other	3,726	-	-
<b>Due from other funds</b>	-	-	-
<b>Other</b>	-	-	-
<b>Total Assets</b>	<u>\$ 9,064,354</u>	<u>\$ 497,725</u>	<u>\$ 5,819,809</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ -	\$ -	\$ -
Unearned revenue	-	-	-
Due to other funds	-	-	17,697
Refunds payable	-	-	-
Other	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>17,697</u>
<b>Fund Balances</b>			
Nonspendable	-	-	-
Restricted	9,064,354	497,725	5,802,112
Committed	-	-	-
Unassigned	-	-	-
<b>Total Fund Balances</b>	<u>9,064,354</u>	<u>497,725</u>	<u>5,802,112</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 9,064,354</u>	<u>\$ 497,725</u>	<u>\$ 5,819,809</u>



<u>State Land Acquisition and Development Fund</u>	<u>State of New Jersey Tischler Memorial Fund</u>	<u>Stormwater Management and Combined Sewer Overflow Abatement Fund</u>	<u>Unclaimed Personal Property Trust Fund</u>
\$ 64,594	\$ -	\$ 218,785	\$ -
140,373	611,030	5,655,748	220,952,709
-	-	-	-
-	-	-	522,360
-	-	-	-
-	-	-	-
-	-	-	106,059
-	-	-	-
<u>\$ 204,967</u>	<u>\$ 611,030</u>	<u>\$ 5,874,533</u>	<u>\$ 221,581,128</u>
\$ -	\$ -	\$ -	\$ 134,155,663
-	-	-	-
428	-	-	7,362,205
-	-	-	-
-	-	-	-
<u>428</u>	<u>-</u>	<u>-</u>	<u>141,517,868</u>
-	416,073	-	-
204,539	-	5,874,533	-
-	194,957	-	80,063,260
-	-	-	-
<u>204,539</u>	<u>611,030</u>	<u>5,874,533</u>	<u>80,063,260</u>
<u>\$ 204,967</u>	<u>\$ 611,030</u>	<u>\$ 5,874,533</u>	<u>\$ 221,581,128</u>

(Continued on next page)

**STATE OF NEW JERSEY  
COMBINING BALANCE SHEET  
GENERAL FUND (Continued)  
JUNE 30, 2016**

	<b>Urban and Rural Centers Unsafe Buildings Demolition Revolving Loan Fund</b>	<b>1992 Wastewater Treatment Fund</b>	<b>Water Conservation Fund</b>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 2,174,872	\$ 2,730,446	\$ 87,939
<b>Investments</b>	12,191,444	14,247,785	705,785
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	7,799,615	26,139,087	-
Other	-	-	-
<b>Due from other funds</b>	-	-	-
<b>Other</b>	-	-	-
<b>Total Assets</b>	<u>\$ 22,165,931</u>	<u>\$ 43,117,318</u>	<u>\$ 793,724</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ -	\$ -	\$ -
Unearned revenue	-	-	-
Due to other funds	-	-	2,151
Refunds payable	-	-	-
Other	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>2,151</u>
<b>Fund Balances</b>			
Nonspendable	-	-	-
Restricted	22,165,931	43,117,318	791,573
Committed	-	-	-
Unassigned	-	-	-
<b>Total Fund Balances</b>	<u>22,165,931</u>	<u>43,117,318</u>	<u>791,573</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 22,165,931</u>	<u>\$ 43,117,318</u>	<u>\$ 793,724</u>

<b>2003 Water Resources and Wastewater Treatment Fund</b>	<b>Water Supply Fund</b>	<b>Eliminations</b>	<b>Total General Fund</b>
\$ 2,705,075	\$ 172,197	\$ -	\$ 75,275,917
3,559,721	56,816,241	-	1,664,861,971
-	-	-	616,065,283
-	-	-	2,729,372,355
36,209,236	99,350,835	-	320,290,441
-	-	-	121,257,665
-	-	(34,643,102)	764,185,452
-	-	-	5,770,401
<u>\$ 42,474,032</u>	<u>\$ 156,339,273</u>	<u>\$ (34,643,102)</u>	<u>\$ 6,297,079,485</u>
\$ -	\$ -	\$ -	\$ 1,515,141,317
-	-	-	145,234,025
-	3,944,840	(34,643,102)	221,102,635
-	-	-	173,936,455
-	-	-	317,653,174
<u>-</u>	<u>3,944,840</u>	<u>(34,643,102)</u>	<u>2,373,067,606</u>
-	-	-	20,416,073
42,474,032	152,394,433	-	1,062,267,957
-	-	-	2,378,534,462
-	-	-	462,793,387
<u>42,474,032</u>	<u>152,394,433</u>	<u>-</u>	<u>3,924,011,879</u>
<u>\$ 42,474,032</u>	<u>\$ 156,339,273</u>	<u>\$ (34,643,102)</u>	<u>\$ 6,297,079,485</u>

**STATE OF NEW JERSEY**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>General Fund</u>	<u>Beaches and Harbor Fund</u>	<u>Building Our Future Fund</u>
<b>REVENUES</b>			
Taxes	\$ 15,127,170,462	\$ -	\$ -
Federal and other grants	14,707,348,661	-	-
Licenses and fees	1,361,690,847	-	-
Services and assessments	2,029,174,784	-	-
Component Units and Port Authority	477,310,484	-	-
Investment earnings	6,226,512	2,769	747,979
Other	619,327,018	-	-
<b>Total Revenues</b>	<u>34,328,248,768</u>	<u>2,769</u>	<u>747,979</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	3,180,253,376	-	-
Physical and mental health	14,094,954,284	-	-
Educational, cultural, and intellectual development	4,045,259,074	-	167,813,683
Community development and environmental management	1,904,686,797	-	-
Economic planning, development, and security	5,189,312,700	-	-
Transportation programs	741,673,983	-	-
Government direction, management, and control	5,767,147,911	-	34,774,738
Special government services	343,327,160	-	-
<b>Capital Outlay</b>	135,780,583	-	-
<b>Debt Service:</b>			
Principal	373,215,000	-	-
Interest	105,193,415	-	-
<b>Total Expenditures</b>	<u>35,880,804,283</u>	<u>-</u>	<u>202,588,421</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(1,552,555,515)</u>	<u>2,769</u>	<u>(201,840,442)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	551,366,169	-	-
Refunding bonds issued	2,089,230,000	-	-
Premiums/discounts	76,947,840	-	-
Payment to bond escrow agents	(2,024,386,196)	-	-
Transfers from other funds	2,603,661,714	-	-
Transfers to other funds	(1,986,690,512)	(2,769)	(747,979)
<b>Total Other Financing Sources (Uses)</b>	<u>1,310,129,015</u>	<u>(2,769)</u>	<u>(747,979)</u>
<b>Net Change in Fund Balance</b>	<u>(242,426,500)</u>	<u>-</u>	<u>(202,588,421)</u>
<b>Fund Balances - July 1, 2015</b>	<u>3,143,455,244</u>	<u>912,353</u>	<u>369,441,790</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 2,901,028,744</u>	<u>\$ 912,353</u>	<u>\$ 166,853,369</u>

<u>Clean Waters Fund</u>	<u>Cultural Centers and Historic Preservation Fund</u>	<u>2003 Dam, Lake and Stream Project Revolving Loan Fund</u>	<u>2003 Dam, Lake, Stream, and Flood Control Project Fund</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
32	67	90,601	24,792
-	-	938,943	-
<u>32</u>	<u>67</u>	<u>1,029,544</u>	<u>24,792</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	255,000	899,426
-	16,000	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	16,000	255,000	899,426
<u>32</u>	<u>(15,933)</u>	<u>774,544</u>	<u>(874,634)</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
(32)	(67)	-	(24,792)
<u>(32)</u>	<u>(67)</u>	<u>-</u>	<u>(24,792)</u>
-	(16,000)	774,544	(899,426)
63,471	(21,370)	83,818,958	9,078,126
<u>\$ 63,471</u>	<u>\$ (37,370)</u>	<u>\$ 84,593,502</u>	<u>\$ 8,178,700</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<b>1992 Dam Restoration and Clean Waters Trust Fund</b>	<b>1989 Development Potential Bank Transfer Fund</b>	<b>Developmental Disabilities Waiting List Reduction Fund</b>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Component Units and Port Authority	-	-	-
Investment earnings	29,458	1,783	2,688
Other	120,892	-	-
<b>Total Revenues</b>	<u>150,350</u>	<u>1,783</u>	<u>2,688</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	(95,554)
Community development and environmental management	172,702	-	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
<b>Capital Outlay</b>	-	-	-
<b>Debt Service:</b>			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>172,702</u>	<u>-</u>	<u>(95,554)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(22,352)</u>	<u>1,783</u>	<u>98,242</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	-	-	-
Refunding bonds issued	-	-	-
Premiums/discounts	-	-	-
Payment to bond escrow agents	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	-	(23,867)	(2,688)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(23,867)</u>	<u>(2,688)</u>
<b>Net Change in Fund Balance</b>	<u>(22,352)</u>	<u>(22,084)</u>	<u>95,554</u>
<b>Fund Balances - July 1, 2015</b>	<u>17,539,042</u>	<u>655,848</u>	<u>998,385</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 17,516,690</u>	<u>\$ 633,764</u>	<u>\$ 1,093,939</u>

<u>Dredging and Containment Facility Fund</u>	<u>1996 Economic Development Site Fund</u>	<u>Emergency Flood Control Fund</u>	<u>Emergency Services Fund</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
42,392	99	868	4,216
-	-	-	-
<u>42,392</u>	<u>99</u>	<u>868</u>	<u>4,216</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
2,380,102	-	-	-
1,045,024	92,851	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>3,425,126</u>	<u>92,851</u>	<u>-</u>	<u>-</u>
<u>(3,382,734)</u>	<u>(92,752)</u>	<u>868</u>	<u>4,216</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
(429,975)	-	(868)	-
<u>(429,975)</u>	<u>-</u>	<u>(868)</u>	<u>-</u>
<u>(3,812,709)</u>	<u>(92,752)</u>	<u>-</u>	<u>4,216</u>
17,005,484	554,527	284,111	2,233,089
<u>\$ 13,192,775</u>	<u>\$ 461,775</u>	<u>\$ 284,111</u>	<u>\$ 2,237,305</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>1996 Environmental Cleanup Fund</u>	<u>1989 Farmland Preservation Fund</u>	<u>1992 Farmland Preservation Fund</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Component Units and Port Authority	-	-	-
Investment earnings	60,711	518	104
Other	-	-	-
<b>Total Revenues</b>	<u>60,711</u>	<u>518</u>	<u>104</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	470,274	-	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
<b>Capital Outlay</b>	-	-	-
<b>Debt Service:</b>			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>470,274</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(409,563)</u>	<u>518</u>	<u>104</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	-	-	-
Refunding bonds issued	-	-	-
Premiums/discounts	-	-	-
Payment to bond escrow agents	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>(409,563)</u>	<u>518</u>	<u>104</u>
<b>Fund Balances - July 1, 2015</b>	<u>20,169,256</u>	<u>231,543</u>	<u>48,858</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 19,759,693</u>	<u>\$ 232,061</u>	<u>\$ 48,962</u>



<u>1995 Farmland Preservation Fund</u>	<u>2007 Farmland Preservation Fund</u>	<u>2009 Farmland Preservation Fund</u>	<u>2007 Green Acres Fund</u>	<u>2009 Green Acres Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
3,124	40,490	122,753	43,852	10,658
-	-	-	97,299	-
<u>3,124</u>	<u>40,490</u>	<u>122,753</u>	<u>141,151</u>	<u>10,658</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	1,752,646	18,520,938	7,649,769	22,846,155
-	-	-	-	-
-	-	3,965,921	364	17,297
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	1,752,646	22,486,859	7,650,133	22,863,452
<u>3,124</u>	<u>(1,712,156)</u>	<u>(22,364,106)</u>	<u>(7,508,982)</u>	<u>(22,852,794)</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	(2,302,389)	-	-
-	-	(2,302,389)	-	-
<u>3,124</u>	<u>(1,712,156)</u>	<u>(24,666,495)</u>	<u>(7,508,982)</u>	<u>(22,852,794)</u>
1,048,543	14,499,189	55,719,483	21,796,113	15,917,466
<u>\$ 1,051,667</u>	<u>\$ 12,787,033</u>	<u>\$ 31,052,988</u>	<u>\$ 14,287,131</u>	<u>\$ (6,935,328)</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Green Trust Fund</u>	<u>1981 Hazardous Discharge Fund</u>	<u>1986 Hazardous Discharge Fund</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Component Units and Port Authority	-	-	-
Investment earnings	109,685	551	88,629
Other	300,783	-	-
<b>Total Revenues</b>	<u>410,468</u>	<u>551</u>	<u>88,629</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	4,798,076	-	(9,575)
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
<b>Capital Outlay</b>	-	-	-
<b>Debt Service:</b>			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>4,798,076</u>	<u>-</u>	<u>(9,575)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(4,387,608)</u>	<u>551</u>	<u>98,204</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	-	-	-
Refunding bonds issued	-	-	-
Premiums/discounts	-	-	-
Payment to bond escrow agents	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	-	(551)	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(551)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>(4,387,608)</u>	<u>-</u>	<u>98,204</u>
<b>Fund Balances - July 1, 2015</b>	<u>56,859,823</u>	<u>180,949</u>	<u>30,034,352</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 52,472,215</u>	<u>\$ 180,949</u>	<u>\$ 30,132,556</u>



**STATE OF NEW JERSEY**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Historic Preservation Revolving Loan Fund</u>	<u>Housing Assistance Fund</u>	<u>Jobs, Education and Competitiveness Fund</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Component Units and Port Authority	-	-	-
Investment earnings	12,109	12,555	116
Other	572	-	-
<b>Total Revenues</b>	<u>12,681</u>	<u>12,555</u>	<u>116</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
<b>Capital Outlay</b>	-	-	-
<b>Debt Service:</b>			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>12,681</u>	<u>12,555</u>	<u>116</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	-	-	-
Refunding bonds issued	-	-	-
Premiums/discounts	-	-	-
Payment to bond escrow agents	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	-	(12,555)	(116)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(12,555)</u>	<u>(116)</u>
<b>Net Change in Fund Balance</b>	12,681	-	-
<b>Fund Balances - July 1, 2015</b>	4,470,853	6,312,984	37,859
<b>Fund Balances - June 30, 2016</b>	<u>\$ 4,483,534</u>	<u>\$ 6,312,984</u>	<u>\$ 37,859</u>

<u>1996 Lake Restoration Fund</u>	<u>Long Term Obligation and Capital Expenditure Fund</u>	<u>Mortgage Assistance Fund</u>	<u>Natural Resources Fund</u>	<u>1995 New Jersey Coastal Blue Acres Trust Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,075	-	5,385	2,547	13,866
<u>5,369</u>	<u>-</u>	<u>2,075,968</u>	<u>-</u>	<u>7,388</u>
<u>6,444</u>	<u>-</u>	<u>2,081,353</u>	<u>2,547</u>	<u>21,254</u>
-	574,046	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	330	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>574,376</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>6,444</u>	<u>(574,376)</u>	<u>2,081,353</u>	<u>2,547</u>	<u>21,254</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	(2,081,021)	(2,547)	-
<u>-</u>	<u>-</u>	<u>(2,081,021)</u>	<u>(2,547)</u>	<u>-</u>
<u>6,444</u>	<u>(574,376)</u>	<u>332</u>	<u>-</u>	<u>21,254</u>
<u>1,459,664</u>	<u>1,908,732</u>	<u>6,483,483</u>	<u>835,680</u>	<u>5,704,128</u>
<u>\$ 1,466,108</u>	<u>\$ 1,334,356</u>	<u>\$ 6,483,815</u>	<u>\$ 835,680</u>	<u>\$ 5,725,382</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>New Jersey Cultural Trust Fund</u>	<u>New Jersey Federal- State Rural Rehabilitation Fund</u>	<u>1989 New Jersey Green Acres Fund</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Component Units and Port Authority	-	-	-
Investment earnings	525,443	2,144	2,646
Other	-	-	-
<b>Total Revenues</b>	<u>525,443</u>	<u>2,144</u>	<u>2,646</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	340,310	-	-
Special government services	-	-	-
<b>Capital Outlay</b>			
<b>Debt Service:</b>			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>340,310</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>185,133</u>	<u>2,144</u>	<u>2,646</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	-	-	-
Refunding bonds issued	-	-	-
Premiums/discounts	-	-	-
Payment to bond escrow agents	-	-	-
Transfers from other funds	500,000	-	-
Transfers to other funds	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>500,000</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>685,133</u>	<u>2,144</u>	<u>2,646</u>
<b>Fund Balances - July 1, 2015</b>	<u>21,940,932</u>	<u>702,058</u>	<u>868,615</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 22,626,065</u>	<u>\$ 704,202</u>	<u>\$ 871,261</u>

<u>1992 New Jersey Green Acres Fund</u>	<u>1995 New Jersey Green Acres Fund</u>	<u>1989 New Jersey Green Trust Fund</u>	<u>1992 New Jersey Green Trust Fund</u>	<u>1995 New Jersey Green Trust Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,270	299	113,966	38,077	38,290
-	-	190,485	156,588	378,175
<u>1,270</u>	<u>299</u>	<u>304,451</u>	<u>194,665</u>	<u>416,465</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	2,409,661	1,853,947	300,000
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>2,409,661</u>	<u>1,853,947</u>	<u>300,000</u>
<u>1,270</u>	<u>299</u>	<u>(2,105,210)</u>	<u>(1,659,282)</u>	<u>116,465</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,270</u>	<u>299</u>	<u>(2,105,210)</u>	<u>(1,659,282)</u>	<u>116,465</u>
448,183	100,685	49,253,644	22,884,352	35,100,543
<u>\$ 449,453</u>	<u>\$ 100,984</u>	<u>\$ 47,148,434</u>	<u>\$ 21,225,070</u>	<u>\$ 35,217,008</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>1995 New Jersey Inland Blue Acres Fund</u>	<u>New Jersey Local Development Financing Fund</u>	<u>Pinelands Infrastructure Trust Fund</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	28,550	-
Services and assessments	-	-	-
Component Units and Port Authority	-	-	-
Investment earnings	13	95,855	24,416
Other	-	352,264	16,474
<b>Total Revenues</b>	<u>13</u>	<u>476,669</u>	<u>40,890</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	671
Economic planning, development, and security	-	639,945	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
<b>Capital Outlay</b>	-	-	-
<b>Debt Service:</b>			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>639,945</u>	<u>671</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>13</u>	<u>(163,276)</u>	<u>40,219</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	-	-	-
Refunding bonds issued	-	-	-
Premiums/discounts	-	-	-
Payment to bond escrow agents	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>13</u>	<u>(163,276)</u>	<u>40,219</u>
<b>Fund Balances - July 1, 2015</b>	<u>4,154</u>	<u>49,795,253</u>	<u>9,024,135</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 4,167</u>	<u>\$ 49,631,977</u>	<u>\$ 9,064,354</u>





**STATE OF NEW JERSEY**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Unclaimed Personal Property Trust Fund</u>	<u>Urban and Rural Centers Unsafe Buildings Demolition Revolving Loan Fund</u>	<u>1992 Wastewater Treatment Fund</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Component Units and Port Authority	-	-	-
Investment earnings	(1,731,175)	39,219	44,463
Other	<u>175,303,858</u>	<u>17,630</u>	<u>-</u>
<b>Total Revenues</b>	<u>173,572,683</u>	<u>56,849</u>	<u>44,463</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	3,140,490	-	-
Special government services	-	-	-
<b>Capital Outlay</b>	-	-	-
<b>Debt Service:</b>			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>3,140,490</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>170,432,193</u>	<u>56,849</u>	<u>44,463</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	-	-	-
Refunding bonds issued	-	-	-
Premiums/discounts	-	-	-
Payment to bond escrow agents	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(181,473,205)	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>(181,473,205)</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>(11,041,012)</u>	<u>56,849</u>	<u>44,463</u>
<b>Fund Balances - July 1, 2015</b>	<u>91,104,272</u>	<u>22,109,082</u>	<u>43,072,855</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 80,063,260</u>	<u>\$ 22,165,931</u>	<u>\$ 43,117,318</u>

<u>Water Conservation Fund</u>	<u>2003 Water Resources and Wastewater Treatment Fund</u>	<u>Water Supply Fund</u>	<u>Eliminations</u>	<u>Total General Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ 15,127,170,462
-	-	-	-	14,707,348,661
-	-	-	-	1,361,719,397
-	-	-	-	2,029,174,784
-	-	-	-	477,310,484
2,151	10,934	164,913	-	7,128,913
-	-	14,421	-	799,304,127
<u>2,151</u>	<u>10,934</u>	<u>179,334</u>	<u>-</u>	<u>34,509,156,828</u>
-	-	-	-	3,180,827,422
-	-	-	-	14,094,954,284
-	-	-	-	4,212,977,203
-	-	272,497	-	1,967,036,443
-	-	-	-	5,190,914,105
-	-	-	-	744,054,085
-	-	-	-	5,810,680,013
-	-	-	-	343,327,160
-	-	-	-	135,780,583
-	-	-	-	373,215,000
-	-	-	-	105,193,415
-	-	272,497	-	36,158,959,713
<u>2,151</u>	<u>10,934</u>	<u>(93,163)</u>	<u>-</u>	<u>(1,649,802,885)</u>
-	-	-	-	551,366,169
-	-	-	-	2,089,230,000
-	-	-	-	76,947,840
-	-	-	-	(2,024,386,196)
-	-	-	-	2,411,998,447
(2,151)	-	(3,944,839)	(192,163,267)	(1,986,190,512)
<u>(2,151)</u>	<u>-</u>	<u>(3,944,839)</u>	<u>192,163,267</u>	<u>1,118,965,748</u>
-	10,934	(4,038,002)	-	(530,837,137)
791,573	42,463,098	156,432,435	-	4,454,849,016
<u>\$ 791,573</u>	<u>\$ 42,474,032</u>	<u>\$ 152,394,433</u>	<u>\$ -</u>	<u>\$ 3,924,011,879</u>

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**STATE OF NEW JERSEY  
BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE  
JUNE 30, 2016**

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Total Non-Major Governmental Funds</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 70,855,424	\$ 1,895,864	\$ 72,751,288
Investments	3,756,487,413	33,188,384	3,789,675,797
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	535,068	5,556,785	6,091,853
Departmental accounts	361,656,787	-	361,656,787
Loans	1,367,019,227	4,000,000	1,371,019,227
Other	127,262,715	19,177,639	146,440,354
<b>Due from other funds</b>	92,319,435	125,984,597	218,304,032
<b>Other</b>	3,627	-	3,627
<b>Total Assets</b>	<u>\$ 5,776,139,696</u>	<u>\$ 189,803,269</u>	<u>\$ 5,965,942,965</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ 402,255,476	\$ 134,110,258	\$ 536,365,734
Unearned revenue	335,394,697	-	335,394,697
Due to other funds	458,940,278	20,793	458,961,071
Other	1,961,276	-	1,961,276
<b>Total Liabilities</b>	<u>1,198,551,727</u>	<u>134,131,051</u>	<u>1,332,682,778</u>
<b>Fund Balances</b>			
Restricted	4,190,436,121	19,819,628	4,210,255,749
Committed	387,151,848	35,852,590	423,004,438
<b>Total Fund Balances</b>	<u>4,577,587,969</u>	<u>55,672,218</u>	<u>4,633,260,187</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 5,776,139,696</u>	<u>\$ 189,803,269</u>	<u>\$ 5,965,942,965</u>

**STATE OF NEW JERSEY**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Total Non-Major Governmental Funds</u>
<b>REVENUES</b>			
Taxes	\$ 1,525,980,817	\$ -	\$ 1,525,980,817
Federal and other grants	131,920,205	898,603,899	1,030,524,104
Licenses and fees	104,613,859	-	104,613,859
Services and assessments	1,189,563,146	68,278	1,189,631,424
Investment earnings	11,913,914	130,494	12,044,408
Other	371,696,401	-	371,696,401
<b>Total Revenues</b>	<u>3,335,688,342</u>	<u>898,802,671</u>	<u>4,234,491,013</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	97,320,623	1,277,075	98,597,698
Physical and mental health	41,584,864	-	41,584,864
Educational, cultural, and intellectual development	613,663,537	-	613,663,537
Community development and environmental management	158,337,317	2,619,059	160,956,376
Economic planning, development, and security	1,001,412,837	-	1,001,412,837
Transportation programs	19,764,199	1,985,153,823	2,004,918,022
Government direction, management, and control	264,222,235	541,253	264,763,488
Special government services	185,929	-	185,929
<b>Debt Service:</b>			
Principal	660,915,000	-	660,915,000
Interest	907,013,622	-	907,013,622
<b>Total Expenditures</b>	<u>3,764,420,163</u>	<u>1,989,591,210</u>	<u>5,754,011,373</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(428,731,821)</u>	<u>(1,090,788,539)</u>	<u>(1,519,520,360)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	626,800,000	-	626,800,000
Premiums/discounts	12,594,618	-	12,594,618
Transfers from other funds	1,989,089,749	844,981,646	2,834,071,395
Transfers to other funds	(2,210,024,865)	(20,793)	(2,210,045,658)
<b>Total Other Financing Sources (Uses)</b>	<u>418,459,502</u>	<u>844,960,853</u>	<u>1,263,420,355</u>
<b>Net Change in Fund Balance</b>	(10,272,319)	(245,827,686)	(256,100,005)
<b>Fund Balances - July 1, 2015</b>	<u>4,587,860,288</u>	<u>301,499,904</u>	<u>4,889,360,192</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 4,577,587,969</u>	<u>\$ 55,672,218</u>	<u>\$ 4,633,260,187</u>

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**STATE OF NEW JERSEY  
COMBINING BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2016**

	<u>Alcohol Education, Rehabilitation and Enforcement Fund</u>	<u>Atlantic City Parking Fees Fund</u>	<u>Atlantic City Projects-Room Fund</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 147,951	\$ 5,833	\$ 1,002,408
<b>Investments</b>	5,631,386	97,866	4,870,267
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	-	-
Departmental accounts	-	1,783,131	457,147
Loans	-	-	-
Other	-	-	-
<b>Due from other funds</b>	1,833,333	-	977,117
<b>Other</b>	-	-	-
<b>Total Assets</b>	<u>\$ 7,612,670</u>	<u>\$ 1,886,830</u>	<u>\$ 7,306,939</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ 587,402	\$ 1,589,641	\$ 7,306,939
Unearned revenue	-	-	-
Due to other funds	2,308,570	297,189	-
Other	-	-	-
<b>Total Liabilities</b>	<u>2,895,972</u>	<u>1,886,830</u>	<u>7,306,939</u>
<b>Fund Balances</b>			
Restricted	-	-	-
Committed	4,716,698	-	-
<b>Total Fund Balances</b>	<u>4,716,698</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 7,612,670</u>	<u>\$ 1,886,830</u>	<u>\$ 7,306,939</u>



<u>Atlantic City Tourism Promotion Fund</u>	<u>Board of Bar Examiners</u>	<u>Boarding House Rental Assistance Fund</u>	<u>Body Armor Replacement Fund</u>
\$ 820,907	\$ 8,795	\$ 1,006,578	\$ 800,409
380,806	3,539,206	169,619	5,344,979
-	-	-	-
1,459,207	-	-	-
-	-	109,148	-
-	-	-	-
-	-	-	791
-	-	-	-
<u>\$ 2,660,920</u>	<u>\$ 3,548,001</u>	<u>\$ 1,285,345</u>	<u>\$ 6,146,179</u>
\$ 1,683,803	\$ 830,460	\$ -	\$ 222,881
-	-	-	-
977,117	-	-	398,324
-	-	-	-
<u>2,660,920</u>	<u>830,460</u>	<u>-</u>	<u>621,205</u>
-	-	-	-
-	2,717,541	1,285,345	5,524,974
-	2,717,541	1,285,345	5,524,974
<u>\$ 2,660,920</u>	<u>\$ 3,548,001</u>	<u>\$ 1,285,345</u>	<u>\$ 6,146,179</u>

(Continued on next page)

**STATE OF NEW JERSEY  
COMBINING BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)  
JUNE 30, 2016**

	<u>Casino Control Fund</u>	<u>Casino Revenue Fund</u>	<u>Casino Simulcasting Fund</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 50,350	\$ -	\$ 170,700
<b>Investments</b>	-	-	3,278
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	-	-
Departmental accounts	13,781	16,741,631	-
Loans	-	-	-
Other	-	-	-
<b>Due from other funds</b>	11,677,691	24,106,435	-
<b>Other</b>	-	-	-
<b>Total Assets</b>	<u>\$ 11,741,822</u>	<u>\$ 40,848,066</u>	<u>\$ 173,978</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ 7,962,679	\$ 9,594,662	\$ -
Unearned revenue	1,783,056	-	-
Due to other funds	-	-	173,978
Other	-	-	-
<b>Total Liabilities</b>	<u>9,745,735</u>	<u>9,594,662</u>	<u>173,978</u>
<b>Fund Balances</b>			
Restricted	-	-	-
Committed	1,996,087	31,253,404	-
<b>Total Fund Balances</b>	<u>1,996,087</u>	<u>31,253,404</u>	<u>-</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 11,741,822</u>	<u>\$ 40,848,066</u>	<u>\$ 173,978</u>

<u>Casino Simulcasting Special Fund</u>	<u>Catastrophic Illness in Children Relief Fund</u>	<u>Clean Communities Account Fund</u>	<u>Clean Energy Fund</u>
\$ 546,370	\$ 2,413,214	\$ 1,492,160	\$ 5,113,210
458,959	388,042	1,552,153	252,919,684
-	-	-	-
-	8,780,067	1,054,326	45,502,207
-	-	-	-
-	-	-	-
136,998	5,608	-	-
-	-	-	-
<u>\$ 1,142,327</u>	<u>\$ 11,586,931</u>	<u>\$ 4,098,639</u>	<u>\$ 303,535,101</u>
\$ -	\$ -	\$ -	\$ 20,619,554
-	-	-	-
-	7,994,495	-	90,194,301
-	-	-	-
<u>-</u>	<u>7,994,495</u>	<u>-</u>	<u>110,813,855</u>
-	3,592,436	-	-
<u>1,142,327</u>	<u>-</u>	<u>4,098,639</u>	<u>192,721,246</u>
<u>1,142,327</u>	<u>3,592,436</u>	<u>4,098,639</u>	<u>192,721,246</u>
<u>\$ 1,142,327</u>	<u>\$ 11,586,931</u>	<u>\$ 4,098,639</u>	<u>\$ 303,535,101</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR SPECIAL REVENUE FUNDS (Continued)**  
**JUNE 30, 2016**

	<u>Clean Water State Revolving Fund</u>	<u>Contributory Life Insurance Fund</u>	<u>Disciplinary Oversight Committee</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 407,383	\$ 479,691	\$ 355,324
<b>Investments</b>	43,465,753	599,018,439	7,189,321
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	-	-
Departmental accounts	-	681,138	-
Loans	230,587,403	-	-
Other	-	-	-
<b>Due from other funds</b>	1,098,035	-	-
<b>Other</b>	-	-	-
<b>Total Assets</b>	<u>\$ 275,558,574</u>	<u>\$ 600,179,268</u>	<u>\$ 7,544,645</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ -	\$ 15,326,379	\$ 4,010,486
Unearned revenue	1,111,641	-	-
Due to other funds	-	-	-
Other	-	-	-
<b>Total Liabilities</b>	<u>1,111,641</u>	<u>15,326,379</u>	<u>4,010,486</u>
<b>Fund Balances</b>			
Restricted	274,446,933	584,852,889	-
Committed	-	-	3,534,159
<b>Total Fund Balances</b>	<u>274,446,933</u>	<u>584,852,889</u>	<u>3,534,159</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 275,558,574</u>	<u>\$ 600,179,268</u>	<u>\$ 7,544,645</u>

<b>Division of Motor Vehicles Surcharge Fund</b>	<b>Drinking Water State Revolving Fund</b>	<b>Emergency Medical Technician Training Fund</b>	<b>Enterprise Zone Assistance Fund</b>
\$ 3,239,418	\$ 898,686	\$ 26,095	\$ 704,582
142,032	50,697,711	4,069,498	9,663,241
-	535,068	-	-
3,633,692	-	-	15,282,629
-	292,586,532	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 7,015,142</u>	<u>\$ 344,717,997</u>	<u>\$ 4,095,593</u>	<u>\$ 25,650,452</u>
\$ 7,015,142	\$ 166,895	\$ 141,528	\$ -
-	-	-	-
-	535,068	534,015	25,650,452
-	-	-	-
<u>7,015,142</u>	<u>701,963</u>	<u>675,543</u>	<u>25,650,452</u>
-	344,016,034	-	-
-	-	3,420,050	-
<u>-</u>	<u>344,016,034</u>	<u>3,420,050</u>	<u>-</u>
<u>\$ 7,015,142</u>	<u>\$ 344,717,997</u>	<u>\$ 4,095,593</u>	<u>\$ 25,650,452</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR SPECIAL REVENUE FUNDS (Continued)**  
**JUNE 30, 2016**

	<u>Fund for Support of Free Public Schools</u>	<u>Garden State Farmland Preservation Trust Fund</u>	<u>Garden State Green Acres Preservation Trust Fund</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 481,531	\$ 310,543	\$ 213,562
<b>Investments</b>	146,422,814	10,232,591	39,821,377
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	-	-	43,828,803
Other	158,161	-	225,481
<b>Due from other funds</b>	1,884,329	-	-
<b>Other</b>	-	-	-
<b>Total Assets</b>	<u>\$ 148,946,835</u>	<u>\$ 10,543,134</u>	<u>\$ 84,089,223</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ -	\$ 74,268	\$ 15,108
Unearned revenue	-	-	-
Due to other funds	555,995	297,925	4,531,138
Other	-	-	-
<b>Total Liabilities</b>	<u>555,995</u>	<u>372,193</u>	<u>4,546,246</u>
<b>Fund Balances</b>			
Restricted	148,390,840	10,170,941	79,542,977
Committed	-	-	-
<b>Total Fund Balances</b>	<u>148,390,840</u>	<u>10,170,941</u>	<u>79,542,977</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 148,946,835</u>	<u>\$ 10,543,134</u>	<u>\$ 84,089,223</u>

<b>Garden State Historic Preservation Trust Fund</b>	<b>Global Warming Solutions Fund</b>	<b>Gubernatorial Elections Fund</b>	<b>Hazardous Discharge Site Cleanup Fund</b>	<b>Health Care Subsidy Fund</b>
\$ 86,411	\$ 11,212	\$ -	\$ 1,291,611	\$ 7,134,802
3,869,991	34,725	-	465,362,496	66,689,327
-	-	-	-	-
-	-	468,157	3,117,282	5,294,213
-	-	-	-	-
-	-	-	-	-
-	15,860	641,955	9,999	34,068,318
-	-	-	-	-
<u>\$ 3,956,402</u>	<u>\$ 61,797</u>	<u>\$ 1,110,112</u>	<u>\$ 469,781,388</u>	<u>\$ 113,186,660</u>
\$ 65,217	\$ 29,108	\$ -	\$ 757,886	\$ -
-	-	-	225,000,000	-
12,698	-	-	10,212,540	108,508,766
-	-	-	-	-
<u>77,915</u>	<u>29,108</u>	<u>-</u>	<u>235,970,426</u>	<u>108,508,766</u>
3,878,487	-	-	233,810,962	-
-	32,689	1,110,112	-	4,677,894
<u>3,878,487</u>	<u>32,689</u>	<u>1,110,112</u>	<u>233,810,962</u>	<u>4,677,894</u>
<u>\$ 3,956,402</u>	<u>\$ 61,797</u>	<u>\$ 1,110,112</u>	<u>\$ 469,781,388</u>	<u>\$ 113,186,660</u>

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**STATE OF NEW JERSEY**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR SPECIAL REVENUE FUNDS (Continued)**  
**JUNE 30, 2016**

	<u>Horse Racing Injury Compensation Fund</u>	<u>Lead Hazard Control Assistance Fund</u>	<u>Luxury Tax Fund</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 55,520	\$ 484,178	\$ 5,346
<b>Investments</b>	1,533	20,807	231,716
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	-	-
Departmental accounts	-	523	5,128,965
Loans	-	9,154,580	-
Other	-	-	-
<b>Due from other funds</b>	-	-	-
<b>Other</b>	-	-	-
<b>Total Assets</b>	<u>\$ 57,053</u>	<u>\$ 9,660,088</u>	<u>\$ 5,366,027</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ -	\$ -	\$ 5,366,027
Unearned revenue	-	-	-
Due to other funds	-	30,705	-
Other	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>30,705</u>	<u>5,366,027</u>
<b>Fund Balances</b>			
Restricted	-	-	-
Committed	57,053	9,629,383	-
<b>Total Fund Balances</b>	<u>57,053</u>	<u>9,629,383</u>	<u>-</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 57,053</u>	<u>\$ 9,660,088</u>	<u>\$ 5,366,027</u>



<u>Mandatory Continuing Legal Education Fund</u>	<u>Medical Malpractice Self Insurance Fund</u>	<u>Municipal Landfill Closure and Remediation Fund</u>	<u>New Home Warranty Security Fund</u>	<u>New Jersey Building Authority</u>
\$ 6,699	\$ 5,070,274	\$ 68,135	\$ 2,826,816	\$ 22,179
1,344,517	1,311,301	-	1,456,735	51,361,731
-	-	-	-	-
-	7,876,999	-	-	-
-	-	-	-	-
-	-	-	-	-
-	12,000,000	-	-	-
-	-	-	-	-
<u>\$ 1,351,216</u>	<u>\$ 26,258,574</u>	<u>\$ 68,135</u>	<u>\$ 4,283,551</u>	<u>\$ 51,383,910</u>
\$ 165,788	\$ 9,720,734	\$ -	\$ -	\$ 21,996,918
-	-	-	-	-
-	-	-	1,508,623	-
-	-	-	-	297,490
<u>165,788</u>	<u>9,720,734</u>	<u>-</u>	<u>1,508,623</u>	<u>22,294,408</u>
-	-	-	-	29,089,502
<u>1,185,428</u>	<u>16,537,840</u>	<u>68,135</u>	<u>2,774,928</u>	<u>-</u>
<u>1,185,428</u>	<u>16,537,840</u>	<u>68,135</u>	<u>2,774,928</u>	<u>29,089,502</u>
<u>\$ 1,351,216</u>	<u>\$ 26,258,574</u>	<u>\$ 68,135</u>	<u>\$ 4,283,551</u>	<u>\$ 51,383,910</u>

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**STATE OF NEW JERSEY**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR SPECIAL REVENUE FUNDS (Continued)**  
**JUNE 30, 2016**

	<u>New Jersey Lawyers' Assistance Program</u>	<u>New Jersey Lawyers' Fund for Client Protection</u>	<u>New Jersey Racing Industry Special Fund</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 3,564	\$ 6,936,566	\$ 1,719,309
<b>Investments</b>	1,574,359	11,992,499	895,158
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	-	-	-
Other	-	17,682	-
<b>Due from other funds</b>	-	-	-
<b>Other</b>	-	3,627	-
<b>Total Assets</b>	<u>\$ 1,577,923</u>	<u>\$ 18,950,374</u>	<u>\$ 2,614,467</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ 225,672	\$ 1,165,757	\$ -
Unearned revenue	-	-	-
Due to other funds	-	-	-
Other	-	-	-
<b>Total Liabilities</b>	<u>225,672</u>	<u>1,165,757</u>	<u>-</u>
<b>Fund Balances</b>			
Restricted	-	-	-
Committed	<u>1,352,251</u>	<u>17,784,617</u>	<u>2,614,467</u>
<b>Total Fund Balances</b>	<u>1,352,251</u>	<u>17,784,617</u>	<u>2,614,467</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 1,577,923</u>	<u>\$ 18,950,374</u>	<u>\$ 2,614,467</u>

<u>New Jersey Schools Development Authority</u>	<u>New Jersey Spill Compensation Fund</u>	<u>New Jersey Spinal Cord Research Fund</u>	<u>New Jersey Transportation Trust Fund Authority</u>	<u>New Jersey Workforce Development Partnership Fund</u>
\$ 1,629,703	\$ 3,266,989	\$ 76,586	\$ 1,044,476	\$ -
615,935,600	17,345,227	11,687,744	199,962,715	53,173,483
-	-	-	-	-
-	1,508,374	-	-	33,492,116
-	-	-	-	-
1,048,777	6,254,196	-	-	-
-	-	652,142	-	302,800
-	-	-	-	-
<u>\$ 618,614,080</u>	<u>\$ 28,374,786</u>	<u>\$ 12,416,472</u>	<u>\$ 201,007,191</u>	<u>\$ 86,968,399</u>
\$ 68,695,069	\$ 93,593	\$ 79,294	\$ -	\$ 2,346,563
-	-	-	-	-
-	15,951,574	3,818,378	93,523,360	31,017,915
<u>1,636,910</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>70,331,979</u>	<u>16,045,167</u>	<u>3,897,672</u>	<u>93,523,360</u>	<u>33,364,478</u>
548,282,101	-	-	107,483,831	53,603,921
-	12,329,619	8,518,800	-	-
<u>548,282,101</u>	<u>12,329,619</u>	<u>8,518,800</u>	<u>107,483,831</u>	<u>53,603,921</u>
<u>\$ 618,614,080</u>	<u>\$ 28,374,786</u>	<u>\$ 12,416,472</u>	<u>\$ 201,007,191</u>	<u>\$ 86,968,399</u>

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**STATE OF NEW JERSEY**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR SPECIAL REVENUE FUNDS (Continued)**  
**JUNE 30, 2016**

	<u>Petroleum Overcharge Reimbursement Fund</u>	<u>Pollution Prevention Fund</u>	<u>Real Estate Guaranty Fund</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 378,916	\$ 563,495	\$ 453,411
<b>Investments</b>	2,134,440	390,666	704,308
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	-	-
Departmental accounts	-	1,225,859	-
Loans	-	-	-
Other	-	-	-
<b>Due from other funds</b>	-	4,622	85,460
<b>Other</b>	-	-	-
<b>Total Assets</b>	<u>\$ 2,513,356</u>	<u>\$ 2,184,642</u>	<u>\$ 1,243,179</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ -	\$ -	\$ -
Unearned revenue	-	-	-
Due to other funds	400,000	948,959	-
Other	-	-	-
<b>Total Liabilities</b>	<u>400,000</u>	<u>948,959</u>	<u>-</u>
<b>Fund Balances</b>			
Restricted	-	-	-
Committed	2,113,356	1,235,683	1,243,179
<b>Total Fund Balances</b>	<u>2,113,356</u>	<u>1,235,683</u>	<u>1,243,179</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 2,513,356</u>	<u>\$ 2,184,642</u>	<u>\$ 1,243,179</u>

<u>Remediation Guarantee Fund</u>	<u>Safe Drinking Water Fund</u>	<u>Sanitary Landfill Facility Contingency Fund</u>	<u>State Disability Benefit Fund</u>	<u>State-Owned Real Property Fund</u>
\$ 2,812,380	\$ 2,910,619	\$ 639,733	\$ -	\$ 1,331,950
24,227,233	1,567,333	792,210	108,227,918	249,649
-	-	-	-	-
424,664	5,516	156,981	180,788,910	-
-	-	-	-	-
-	-	-	2,640,355	-
-	-	-	2,311,758	-
-	-	-	-	-
<u>\$ 27,464,277</u>	<u>\$ 4,483,468</u>	<u>\$ 1,588,924</u>	<u>\$ 293,968,941</u>	<u>\$ 1,581,599</u>
\$ -	\$ -	\$ -	\$ 47,739,192	\$ -
-	-	-	-	-
-	2,733,095	-	868,212	-
-	-	-	26,876	-
-	<u>2,733,095</u>	-	<u>48,634,280</u>	-
27,464,277	-	-	245,334,661	-
-	1,750,373	1,588,924	-	1,581,599
<u>27,464,277</u>	<u>1,750,373</u>	<u>1,588,924</u>	<u>245,334,661</u>	<u>1,581,599</u>
<u>\$ 27,464,277</u>	<u>\$ 4,483,468</u>	<u>\$ 1,588,924</u>	<u>\$ 293,968,941</u>	<u>\$ 1,581,599</u>

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**STATE OF NEW JERSEY**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR SPECIAL REVENUE FUNDS (Continued)**  
**JUNE 30, 2016**

	<u>State Recycling Fund</u>	<u>Superior Court of New Jersey Trust Fund</u>	<u>Supplemental Workforce Fund for Basic Skills</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 1,339,453	\$ 1,151,560	\$ 79,276
<b>Investments</b>	5,175,769	163,619,575	6,127,178
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	-	-
Departmental accounts	7,036,826	-	9,429,427
Loans	-	-	-
Other	-	-	-
<b>Due from other funds</b>	-	-	84,800
<b>Other</b>	-	-	-
<b>Total Assets</b>	<u>\$ 13,552,048</u>	<u>\$ 164,771,135</u>	<u>\$ 15,720,681</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ -	\$ 164,504,664	\$ 231,090
Unearned revenue	-	-	-
Due to other funds	7,929,060	-	2,043,827
Other	-	-	-
<b>Total Liabilities</b>	<u>7,929,060</u>	<u>164,504,664</u>	<u>2,274,917</u>
<b>Fund Balances</b>			
Restricted	-	-	13,445,764
Committed	5,622,988	266,471	-
<b>Total Fund Balances</b>	<u>5,622,988</u>	<u>266,471</u>	<u>13,445,764</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 13,552,048</u>	<u>\$ 164,771,135</u>	<u>\$ 15,720,681</u>

<u>Tobacco Settlement Financing Corporation</u>	<u>Tourism Improvement and Development District Act</u>	<u>Trial Attorney Certification Program</u>	<u>Unclaimed Child Support Trust Fund</u>	<u>Unclaimed Utility Deposits Trust Fund</u>
\$ -	\$ 51,763	\$ 1,742	\$ 681,564	\$ 158,880
288,275,000	2,028	200,656	2,740,219	5,698,448
-	-	-	-	-
-	1,662,037	-	-	10,949
-	-	-	-	-
107,500,000	-	8,612	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 395,775,000</u>	<u>\$ 1,715,828</u>	<u>\$ 211,010</u>	<u>\$ 3,421,783</u>	<u>\$ 5,868,277</u>
\$ 20,000	\$ 1,600,828	\$ 78,859	\$ -	\$ 131,461
107,500,000	-	-	-	-
25,521,000	115,000	-	-	1,199,099
-	-	-	-	-
<u>133,041,000</u>	<u>1,715,828</u>	<u>78,859</u>	<u>-</u>	<u>1,330,560</u>
262,734,000	-	-	-	-
-	-	132,151	3,421,783	4,537,717
<u>262,734,000</u>	<u>-</u>	<u>132,151</u>	<u>3,421,783</u>	<u>4,537,717</u>
<u>\$ 395,775,000</u>	<u>\$ 1,715,828</u>	<u>\$ 211,010</u>	<u>\$ 3,421,783</u>	<u>\$ 5,868,277</u>

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**STATE OF NEW JERSEY**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR SPECIAL REVENUE FUNDS (Continued)**  
**JUNE 30, 2016**

	<u>Unemployment Compensation Auxiliary Fund</u>	<u>Unemployment Compensation Interest Repayment Fund</u>	<u>Universal Services Fund</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ -	\$ -	\$ 1,003,909
<b>Investments</b>	9,624,340	2,311,885	16,702,266
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	-	-
Departmental accounts	-	225,901	4,948,147
Loans	-	-	-
Other	3,834,000	-	5,575,451
<b>Due from other funds</b>	396,722	10,405	-
<b>Other</b>	-	-	-
<b>Total Assets</b>	<u>\$ 13,855,062</u>	<u>\$ 2,548,191</u>	<u>\$ 28,229,773</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ -	\$ -	\$ -
Unearned revenue	-	-	-
Due to other funds	9,193,551	-	5,912,451
Other	-	-	-
<b>Total Liabilities</b>	<u>9,193,551</u>	<u>-</u>	<u>5,912,451</u>
<b>Fund Balances</b>			
Restricted	-	-	-
Committed	4,661,511	2,548,191	22,317,322
<b>Total Fund Balances</b>	<u>4,661,511</u>	<u>2,548,191</u>	<u>22,317,322</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 13,855,062</u>	<u>\$ 2,548,191</u>	<u>\$ 28,229,773</u>



<u>Vietnam Veterans' Memorial Fund</u>	<u>Volunteer Emergency Service Organizations Loan Fund</u>	<u>Wastewater Treatment Fund</u>	<u>Worker and Community Right to Know Fund</u>	<u>Total Non-Major Special Revenue Funds</u>
\$ 24,253	\$ 883,135	\$ 3,089,720	\$ 863,589	\$ 70,855,424
219	118,549	426,951,097	315,741	3,756,487,413
-	-	-	-	535,068
69,775	-	-	3,396,210	361,656,787
-	498,013	790,254,748	-	1,367,019,227
-	-	-	-	127,262,715
-	-	-	14,257	92,319,435
-	-	-	-	3,627
<u>\$ 94,247</u>	<u>\$ 1,499,697</u>	<u>\$ 1,220,295,565</u>	<u>\$ 4,589,797</u>	<u>\$ 5,776,139,696</u>
\$ 93,929	\$ -	\$ -	\$ -	\$ 402,255,476
-	-	-	-	335,394,697
-	-	-	3,042,898	458,940,278
-	-	-	-	1,961,276
<u>93,929</u>	<u>-</u>	<u>-</u>	<u>3,042,898</u>	<u>1,198,551,727</u>
-	-	1,220,295,565	-	4,190,436,121
318	1,499,697	-	1,546,899	387,151,848
<u>318</u>	<u>1,499,697</u>	<u>1,220,295,565</u>	<u>1,546,899</u>	<u>4,577,587,969</u>
<u>\$ 94,247</u>	<u>\$ 1,499,697</u>	<u>\$ 1,220,295,565</u>	<u>\$ 4,589,797</u>	<u>\$ 5,776,139,696</u>

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Alcohol Education, Rehabilitation and Enforcement Fund</u>	<u>Atlantic City Parking Fees Fund</u>	<u>Atlantic City Projects-Room Fund</u>
<b>REVENUES</b>			
Taxes	\$ 11,000,000	\$ 17,381,415	\$ 21,221,642
Federal and other grants	-	-	-
Licenses and fees	1,839,628	-	-
Services and assessments	-	-	-
Investment earnings	14,992	320	15,813
Other	-	-	-
<b>Total Revenues</b>	<u>12,854,620</u>	<u>17,381,735</u>	<u>21,237,455</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	1,650,865	-	-
Physical and mental health	9,903,705	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	-	17,381,735	21,237,455
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
<b>Debt Service:</b>			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>11,554,570</u>	<u>17,381,735</u>	<u>21,237,455</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>1,300,050</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	-	-	-
Premiums/discounts	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(1,757,993)	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>(1,757,993)</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(457,943)	-	-
<b>Fund Balances - July 1, 2015</b>	<u>5,174,641</u>	<u>-</u>	<u>-</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 4,716,698</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Atlantic City Tourism Promotion Fund</u>	<u>Board of Bar Examiners</u>	<u>Boarding House Rental Assistance Fund</u>	<u>Body Armor Replacement Fund</u>
\$ 3,170,730	\$ -	\$ -	\$ -
-	-	-	-
-	1,733,112	-	-
-	-	-	-
1,779	12,815	517	9,531
-	97,060	2,244	3,735,273
<u>3,172,509</u>	<u>1,842,987</u>	<u>2,761</u>	<u>3,744,804</u>
-	3,494,614	-	3,258,296
-	-	-	-
-	-	-	-
-	-	-	-
3,172,509	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>3,172,509</u>	<u>3,494,614</u>	<u>-</u>	<u>3,258,296</u>
<u>-</u>	<u>(1,651,627)</u>	<u>2,761</u>	<u>486,508</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	(398,325)
-	-	-	(398,325)
-	(1,651,627)	2,761	88,183
-	4,369,168	1,282,584	5,436,791
<u>\$ -</u>	<u>\$ 2,717,541</u>	<u>\$ 1,285,345</u>	<u>\$ 5,524,974</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR SPECIAL REVENUE FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Casino Control Fund</u>	<u>Casino Revenue Fund</u>	<u>Casino Simulcasting Fund</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ 209,191,676	\$ -
Federal and other grants	-	-	-
Licenses and fees	39,814,166	-	-
Services and assessments	-	-	-
Investment earnings	9,055	-	10
Other	-	51,465	173,968
<b>Total Revenues</b>	<u>39,823,221</u>	<u>209,243,141</u>	<u>173,978</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	40,035,139	-	-
Physical and mental health	-	28,440,525	-
Educational, cultural, and intellectual development	-	154,446,000	-
Community development and environmental management	-	-	-
Economic planning, development, and security	-	2,196,000	-
Transportation programs	-	16,567,297	-
Government direction, management, and control	6,053,543	-	-
Special government services	-	92,000	-
<b>Debt Service:</b>			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>46,088,682</u>	<u>201,741,822</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(6,265,461)</u>	<u>7,501,319</u>	<u>173,978</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	-	-	-
Premiums/discounts	-	-	-
Transfers from other funds	-	173,978	-
Transfers to other funds	-	-	(173,978)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>173,978</u>	<u>(173,978)</u>
<b>Net Change in Fund Balance</b>	<u>(6,265,461)</u>	<u>7,675,297</u>	<u>-</u>
<b>Fund Balances - July 1, 2015</b>	<u>8,261,548</u>	<u>23,578,107</u>	<u>-</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 1,996,087</u>	<u>\$ 31,253,404</u>	<u>\$ -</u>

<u>Casino Simulcasting Special Fund</u>	<u>Catastrophic Illness in Children Relief Fund</u>	<u>Clean Communities Account Fund</u>	<u>Clean Energy Fund</u>
\$ -	\$ -	\$ 27,362,650	\$ -
-	-	-	-
-	-	-	-
-	9,091,062	-	344,665,000
2,331	2,914	22,595	582,173
<u>1,548,051</u>	<u>-</u>	<u>-</u>	<u>211,002</u>
<u>1,550,382</u>	<u>9,093,976</u>	<u>27,385,245</u>	<u>345,458,175</u>
1,577,676	-	-	-
-	118,020	-	-
-	-	-	-
-	-	26,799,843	-
-	-	-	161,800,281
-	-	-	-
-	-	-	-
-	-	-	-
<u>1,577,676</u>	<u>118,020</u>	<u>26,799,843</u>	<u>161,800,281</u>
<u>(27,294)</u>	<u>8,975,956</u>	<u>585,402</u>	<u>183,657,894</u>
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>(7,994,495)</u>	<u>-</u>	<u>(115,234,301)</u>
<u>-</u>	<u>(7,994,495)</u>	<u>-</u>	<u>(115,234,301)</u>
<u>(27,294)</u>	<u>981,461</u>	<u>585,402</u>	<u>68,423,593</u>
<u>1,169,621</u>	<u>2,610,975</u>	<u>3,513,237</u>	<u>124,297,653</u>
<u>\$ 1,142,327</u>	<u>\$ 3,592,436</u>	<u>\$ 4,098,639</u>	<u>\$ 192,721,246</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR SPECIAL REVENUE FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Clean Water State Revolving Fund</u>	<u>Contributory Life Insurance Fund</u>	<u>Disciplinary Oversight Committee</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	62,163,132	-	-
Licenses and fees	-	-	12,027,376
Services and assessments	-	-	-
Investment earnings	111,962	1,929,959	15,207
Other	-	96,385,569	463,622
<b>Total Revenues</b>	<u>62,275,094</u>	<u>98,315,528</u>	<u>12,506,205</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	-	-	12,308,654
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	9,923,430	-	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	78,195,429	-
Special government services	-	-	-
<b>Debt Service:</b>			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>9,923,430</u>	<u>78,195,429</u>	<u>12,308,654</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>52,351,664</u>	<u>20,120,099</u>	<u>197,551</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	-	-	-
Premiums/discounts	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(3,770,573)	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>(3,770,573)</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	48,581,091	20,120,099	197,551
<b>Fund Balances - July 1, 2015</b>	<u>225,865,842</u>	<u>564,732,790</u>	<u>3,336,608</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 274,446,933</u>	<u>\$ 584,852,889</u>	<u>\$ 3,534,159</u>

<u>Division of Motor Vehicles Surcharge Fund</u>	<u>Drinking Water State Revolving Fund</u>	<u>Emergency Medical Technician Training Fund</u>	<u>Enterprise Zone Assistance Fund</u>
\$ -	\$ -	\$ -	\$ 84,484,219
-	19,534,389	-	-
-	-	-	-
137,603,818	-	1,888,251	-
2,149	177,330	7,129	23,163
-	-	-	-
<u>137,605,967</u>	<u>19,711,719</u>	<u>1,895,380</u>	<u>84,507,382</u>
-	-	-	-
-	-	1,188,805	-
-	-	-	-
-	23,219,401	-	-
-	-	-	-
-	-	-	-
137,605,967	-	-	-
-	-	-	-
-	-	-	-
<u>137,605,967</u>	<u>23,219,401</u>	<u>1,188,805</u>	<u>-</u>
-	<u>(3,507,682)</u>	<u>706,575</u>	<u>84,507,382</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	(2,830,969)	(534,017)	(84,507,382)
-	(2,830,969)	(534,017)	(84,507,382)
-	(6,338,651)	172,558	-
-	350,354,685	3,247,492	-
<u>\$ -</u>	<u>\$ 344,016,034</u>	<u>\$ 3,420,050</u>	<u>\$ -</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR SPECIAL REVENUE FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Fund for Support of Free Public Schools</u>	<u>Garden State Farmland Preservation Trust Fund</u>	<u>Garden State Green Acres Preservation Trust Fund</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	8,158,764	-	-
Services and assessments	-	-	-
Investment earnings	828,856	48,448	130,058
Other	-	1,100	1,221,240
<b>Total Revenues</b>	<u>8,987,620</u>	<u>49,548</u>	<u>1,351,298</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	9,246,373	9,283,431
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
<b>Debt Service:</b>			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>9,246,373</u>	<u>9,283,431</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>8,987,620</u>	<u>(9,196,825)</u>	<u>(7,932,133)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	-	-	-
Premiums/discounts	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(6,830,430)	(297,925)	(4,531,138)
<b>Total Other Financing Sources (Uses)</b>	<u>(6,830,430)</u>	<u>(297,925)</u>	<u>(4,531,138)</u>
<b>Net Change in Fund Balance</b>	2,157,190	(9,494,750)	(12,463,271)
<b>Fund Balances - July 1, 2015</b>	<u>146,233,650</u>	<u>19,665,691</u>	<u>92,006,248</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 148,390,840</u>	<u>\$ 10,170,941</u>	<u>\$ 79,542,977</u>



<b>Garden State Historic Preservation Trust Fund</b>	<b>Garden State Preservation Trust</b>	<b>Global Warming Solutions Fund</b>	<b>Gubernatorial Elections Fund</b>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
12,698	-	233	-
-	-	-	566,431
<u>12,698</u>	<u>-</u>	<u>233</u>	<u>566,431</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	340,508	-
1,302,939	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	58,840,000	-	-
-	38,797,217	-	-
<u>1,302,939</u>	<u>97,637,217</u>	<u>340,508</u>	<u>-</u>
<u>(1,290,241)</u>	<u>(97,637,217)</u>	<u>(340,275)</u>	<u>566,431</u>
-	-	-	-
-	-	-	-
-	97,637,217	-	-
<u>(12,698)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(12,698)</u>	<u>97,637,217</u>	<u>-</u>	<u>-</u>
<u>(1,302,939)</u>	<u>-</u>	<u>(340,275)</u>	<u>566,431</u>
<u>5,181,426</u>	<u>-</u>	<u>372,964</u>	<u>543,681</u>
<u>\$ 3,878,487</u>	<u>\$ -</u>	<u>\$ 32,689</u>	<u>\$ 1,110,112</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR SPECIAL REVENUE FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Hazardous Discharge Site Cleanup Fund</u>	<u>Health Care Subsidy Fund</u>	<u>Horse Racing Injury Compensation Fund</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ 418,518,626	\$ -
Federal and other grants	-	-	-
Licenses and fees	24,071,326	-	-
Services and assessments	46,879,675	355,516,406	2,201,547
Investment earnings	1,297,235	155,765	5
Other	-	-	-
<b>Total Revenues</b>	<u>72,248,236</u>	<u>774,190,797</u>	<u>2,201,552</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	-	-	2,319,871
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	16,526,536	-	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
<b>Debt Service:</b>			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>16,526,536</u>	<u>-</u>	<u>2,319,871</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>55,721,700</u>	<u>774,190,797</u>	<u>(118,319)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	-	-	-
Premiums/discounts	-	-	-
Transfers from other funds	-	30,383,026	-
Transfers to other funds	(26,823,078)	(813,342,100)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(26,823,078)</u>	<u>(782,959,074)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	28,898,622	(8,768,277)	(118,319)
<b>Fund Balances - July 1, 2015</b>	<u>204,912,340</u>	<u>13,446,171</u>	<u>175,372</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 233,810,962</u>	<u>\$ 4,677,894</u>	<u>\$ 57,053</u>

<u>Lead Hazard Control Assistance Fund</u>	<u>Legal Services Fund</u>	<u>Luxury Tax Fund</u>	<u>Mandatory Continuing Legal Education Fund</u>
\$ -	\$ -	\$ 29,659,604	\$ -
-	-	-	-
13,750	9,160,205	-	796,533
-	-	-	-
114	-	706	2,050
-	-	-	-
<u>13,864</u>	<u>9,160,205</u>	<u>29,660,310</u>	<u>798,583</u>
-	-	-	515,155
-	-	-	-
-	-	-	-
-	-	-	-
336,452	-	-	-
-	-	-	-
-	-	29,660,310	-
-	-	-	-
-	-	-	-
<u>336,452</u>	<u>-</u>	<u>29,660,310</u>	<u>515,155</u>
<u>(322,588)</u>	<u>9,160,205</u>	<u>-</u>	<u>283,428</u>
-	-	-	-
-	-	-	-
-	-	-	-
<u>(30,705)</u>	<u>(9,160,205)</u>	<u>-</u>	<u>-</u>
<u>(30,705)</u>	<u>(9,160,205)</u>	<u>-</u>	<u>-</u>
<u>(353,293)</u>	<u>-</u>	<u>-</u>	<u>283,428</u>
<u>9,982,676</u>	<u>-</u>	<u>-</u>	<u>902,000</u>
<u>\$ 9,629,383</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,185,428</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR SPECIAL REVENUE FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Medical Malpractice Self Insurance Fund</u>	<u>Municipal Landfill Closure and Remediation Fund</u>	<u>New Home Warranty Security Fund</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ 62,949	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	652,878
Services and assessments	12,264,596	-	2,771,320
Investment earnings	22,040	-	6,410
Other	-	-	134,309
<b>Total Revenues</b>	<u>12,286,636</u>	<u>62,949</u>	<u>3,564,917</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	62,949	813,176
Economic planning, development, and security	44,093,944	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
<b>Debt Service:</b>			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>44,093,944</u>	<u>62,949</u>	<u>813,176</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(31,807,308)</u>	<u>-</u>	<u>2,751,741</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	-	-	-
Premiums/discounts	-	-	-
Transfers from other funds	44,000,000	-	-
Transfers to other funds	-	-	(1,508,622)
<b>Total Other Financing Sources (Uses)</b>	<u>44,000,000</u>	<u>-</u>	<u>(1,508,622)</u>
<b>Net Change in Fund Balance</b>	12,192,692	-	1,243,119
<b>Fund Balances - July 1, 2015</b>	<u>4,345,148</u>	<u>68,135</u>	<u>1,531,809</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 16,537,840</u>	<u>\$ 68,135</u>	<u>\$ 2,774,928</u>

<u>New Jersey Building Authority</u>	<u>New Jersey Lawyers' Assistance Program</u>	<u>New Jersey Lawyers' Fund for Client Protection</u>	<u>New Jersey Racing Industry Special Fund</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	829,033	4,181,260	416,148
-	-	-	-
50,693	4,839	61,339	7,020
-	-	266,676	21,533,924
<u>50,693</u>	<u>833,872</u>	<u>4,509,275</u>	<u>21,957,092</u>
-	896,264	6,713,992	24,011,871
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
4,836,099	-	-	-
-	-	-	-
77,325,000	-	-	-
<u>22,310,094</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>104,471,193</u>	<u>896,264</u>	<u>6,713,992</u>	<u>24,011,871</u>
<u>(104,420,500)</u>	<u>(62,392)</u>	<u>(2,204,717)</u>	<u>(2,054,779)</u>
-	-	-	-
-	-	-	-
100,146,869	-	-	-
-	-	-	-
<u>100,146,869</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(4,273,631)</u>	<u>(62,392)</u>	<u>(2,204,717)</u>	<u>(2,054,779)</u>
<u>33,363,133</u>	<u>1,414,643</u>	<u>19,989,334</u>	<u>4,669,246</u>
<u>\$ 29,089,502</u>	<u>\$ 1,352,251</u>	<u>\$ 17,784,617</u>	<u>\$ 2,614,467</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR SPECIAL REVENUE FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>New Jersey Schools Development Authority</u>	<u>New Jersey Spill Compensation Fund</u>	<u>New Jersey Spinal Cord Research Fund</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ 23,677,719	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	559,220	-
Services and assessments	-	-	-
Investment earnings	559,825	50,274	30,481
Other	954,201	861,607	3,646,488
<b>Total Revenues</b>	<u>1,514,026</u>	<u>25,148,820</u>	<u>3,676,969</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	1,933,809
Educational, cultural, and intellectual development	459,217,537	-	-
Community development and environmental management	-	1,065,461	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
<b>Debt Service:</b>			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>459,217,537</u>	<u>1,065,461</u>	<u>1,933,809</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(457,703,511)</u>	<u>24,083,359</u>	<u>1,743,160</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	-	-	-
Premiums/discounts	-	-	-
Transfers from other funds	500,000,000	-	-
Transfers to other funds	-	(23,951,574)	(3,818,378)
<b>Total Other Financing Sources (Uses)</b>	<u>500,000,000</u>	<u>(23,951,574)</u>	<u>(3,818,378)</u>
<b>Net Change in Fund Balance</b>	42,296,489	131,785	(2,075,218)
<b>Fund Balances - July 1, 2015</b>	<u>505,985,612</u>	<u>12,197,834</u>	<u>10,594,018</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 548,282,101</u>	<u>\$ 12,329,619</u>	<u>\$ 8,518,800</u>

<u>New Jersey Transportation Trust Fund Authority</u>	<u>New Jersey Workforce Development Partnership Fund</u>	<u>Petroleum Overcharge Reimbursement Fund</u>	<u>Pollution Prevention Fund</u>
\$ -	\$ 115,321,835	\$ -	\$ -
36,089,341	-	-	-
-	-	-	-
-	-	-	1,264,831
1,288,444	149,977	6,714	1,186
-	-	-	-
<u>37,377,785</u>	<u>115,471,812</u>	<u>6,714</u>	<u>1,266,017</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	22,190,367	-	-
3,196,902	-	-	-
-	-	-	-
-	-	-	-
475,230,000	-	-	-
<u>701,103,311</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,179,530,213</u>	<u>22,190,367</u>	<u>-</u>	<u>-</u>
<u>(1,142,152,428)</u>	<u>93,281,445</u>	<u>6,714</u>	<u>1,266,017</u>
626,800,000	-	-	-
12,594,618	-	-	-
1,216,748,659	-	-	-
<u>(844,981,646)</u>	<u>(91,821,983)</u>	<u>(400,000)</u>	<u>(948,959)</u>
<u>1,011,161,631</u>	<u>(91,821,983)</u>	<u>(400,000)</u>	<u>(948,959)</u>
(130,990,797)	1,459,462	(393,286)	317,058
<u>238,474,628</u>	<u>52,144,459</u>	<u>2,506,642</u>	<u>918,625</u>
<u>\$ 107,483,831</u>	<u>\$ 53,603,921</u>	<u>\$ 2,113,356</u>	<u>\$ 1,235,683</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR SPECIAL REVENUE FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Real Estate Guaranty Fund</u>	<u>Remediation Guarantee Fund</u>	<u>Safe Drinking Water Fund</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ 5,305,414	\$ 2,715,713
Federal and other grants	-	-	-
Licenses and fees	85,460	-	-
Services and assessments	-	-	-
Investment earnings	2,146	70,209	6,449
Other	-	-	-
<b>Total Revenues</b>	<u>87,606</u>	<u>5,375,623</u>	<u>2,722,162</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	10,395	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
<b>Debt Service:</b>			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>10,395</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>77,211</u>	<u>5,375,623</u>	<u>2,722,162</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	-	-	-
Premiums/discounts	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	-	-	(2,733,096)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>(2,733,096)</u>
<b>Net Change in Fund Balance</b>	<u>77,211</u>	<u>5,375,623</u>	<u>(10,934)</u>
<b>Fund Balances - July 1, 2015</b>	<u>1,165,968</u>	<u>22,088,654</u>	<u>1,761,307</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 1,243,179</u>	<u>\$ 27,464,277</u>	<u>\$ 1,750,373</u>



<u>Sanitary Landfill Facility Contingency Fund</u>	<u>State Disability Benefit Fund</u>	<u>State-Owned Real Property Fund</u>	<u>State Recycling Fund</u>
\$ -	\$ 488,386,037	\$ -	\$ 29,319,459
-	-	-	-
-	-	-	-
1,977,779	25,260,703	-	-
2,978	420,074	449	24,826
-	4,053,816	1,581,150	-
<u>1,980,757</u>	<u>518,120,630</u>	<u>1,581,599</u>	<u>29,344,285</u>
-	-	-	-
-	-	-	-
-	-	-	-
1,949,330	-	-	3,505,942
-	526,297,256	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>1,949,330</u>	<u>526,297,256</u>	<u>-</u>	<u>3,505,942</u>
<u>31,427</u>	<u>(8,176,626)</u>	<u>1,581,599</u>	<u>25,838,343</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	(32,249,142)	-	(22,929,060)
-	(32,249,142)	-	(22,929,060)
31,427	(40,425,768)	1,581,599	2,909,283
<u>1,557,497</u>	<u>285,760,429</u>	<u>-</u>	<u>2,713,705</u>
<u>\$ 1,588,924</u>	<u>\$ 245,334,661</u>	<u>\$ 1,581,599</u>	<u>\$ 5,622,988</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR SPECIAL REVENUE FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Superior Court of New Jersey Trust Fund</u>	<u>Supplemental Workforce Fund for Basic Skills</u>	<u>Tobacco Settlement Financing Corporation</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ 32,249,951	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Investment earnings	489,673	36,746	473,000
Other	-	-	203,632,000
<b>Total Revenues</b>	<u>489,673</u>	<u>32,286,697</u>	<u>204,105,000</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	338,593	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	-	27,272,663	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	248,000
Special government services	-	-	-
<b>Debt Service:</b>			
Principal	-	-	49,520,000
Interest	-	-	144,803,000
<b>Total Expenditures</b>	<u>338,593</u>	<u>27,272,663</u>	<u>194,571,000</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>151,080</u>	<u>5,014,034</u>	<u>9,534,000</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	-	-	-
Premiums/discounts	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	-	(1,989,094)	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(1,989,094)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	151,080	3,024,940	9,534,000
<b>Fund Balances - July 1, 2015</b>	<u>115,391</u>	<u>10,420,824</u>	<u>253,200,000</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 266,471</u>	<u>\$ 13,445,764</u>	<u>\$ 262,734,000</u>

<u>Tourism Improvement and Development District Act</u>	<u>Trial Attorney Certification Program</u>	<u>Unclaimed Child Support Trust Fund</u>	<u>Unclaimed Utility Deposits Trust Fund</u>
\$ 6,951,178	\$ -	\$ -	\$ -
-	-	-	-
-	275,000	-	-
-	-	-	-
38	935	8,349	1,161,405
-	7,150	170,538	3,844,663
<u>6,951,216</u>	<u>283,085</u>	<u>178,887</u>	<u>5,006,068</u>
-	199,633	-	-
-	-	-	-
-	-	-	-
-	-	-	-
6,836,216	-	-	-
-	-	-	-
-	-	79,669	7,543,218
-	-	-	-
-	-	-	-
<u>6,836,216</u>	<u>199,633</u>	<u>79,669</u>	<u>7,543,218</u>
<u>115,000</u>	<u>83,452</u>	<u>99,218</u>	<u>(2,537,150)</u>
-	-	-	-
-	-	-	-
-	-	-	-
(115,000)	-	-	(1,199,099)
<u>(115,000)</u>	<u>-</u>	<u>-</u>	<u>(1,199,099)</u>
-	83,452	99,218	(3,736,249)
-	48,699	3,322,565	8,273,966
<u>\$ -</u>	<u>\$ 132,151</u>	<u>\$ 3,421,783</u>	<u>\$ 4,537,717</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR SPECIAL REVENUE FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<b>Unemployment Compensation Auxiliary Fund</b>	<b>Unemployment Compensation Interest Repayment Fund</b>	<b>Universal Services Fund</b>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	723,914	244,002,969
Investment earnings	17,574	6,175	117,710
Other	22,247,664	-	-
<b>Total Revenues</b>	<u>22,265,238</u>	<u>730,089</u>	<u>244,120,679</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	-	-	167,284,625
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
<b>Debt Service:</b>			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>167,284,625</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>22,265,238</u>	<u>730,089</u>	<u>76,836,054</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	-	-	-
Premiums/discounts	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(24,193,551)	-	(75,912,451)
<b>Total Other Financing Sources (Uses)</b>	<u>(24,193,551)</u>	<u>-</u>	<u>(75,912,451)</u>
<b>Net Change in Fund Balance</b>	(1,928,313)	730,089	923,603
<b>Fund Balances - July 1, 2015</b>	<u>6,589,824</u>	<u>1,818,102</u>	<u>21,393,719</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 4,661,511</u>	<u>\$ 2,548,191</u>	<u>\$ 22,317,322</u>

<u>Vietnam Veterans' Memorial Fund</u>	<u>Volunteer Emergency Service Organizations Loan Fund</u>	<u>Wastewater Treatment Fund</u>	<u>Worker and Community Right to Know Fund</u>	<u>Total Non-Major Special Revenue Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,525,980,817
-	-	14,133,343	-	131,920,205
-	-	-	-	104,613,859
-	-	-	3,451,275	1,189,563,146
-	361	1,416,018	1,645	11,913,914
93,929	10,141	4,201,120	-	371,696,401
<u>93,929</u>	<u>10,502</u>	<u>19,750,481</u>	<u>3,452,920</u>	<u>3,335,688,342</u>
-	-	-	-	97,320,623
-	-	-	-	41,584,864
-	-	-	-	613,663,537
-	-	55,600,937	-	158,337,317
-	-	-	-	1,001,412,837
-	-	-	-	19,764,199
-	-	-	-	264,222,235
93,929	-	-	-	185,929
-	-	-	-	660,915,000
-	-	-	-	907,013,622
93,929	-	55,600,937	-	3,764,420,163
<u>-</u>	<u>10,502</u>	<u>(35,850,456)</u>	<u>3,452,920</u>	<u>(428,731,821)</u>
-	-	-	-	626,800,000
-	-	-	-	12,594,618
-	-	-	-	1,989,089,749
-	-	-	(3,042,898)	(2,210,024,865)
-	-	-	(3,042,898)	418,459,502
-	10,502	(35,850,456)	410,022	(10,272,319)
<u>318</u>	<u>1,489,195</u>	<u>1,256,146,021</u>	<u>1,136,877</u>	<u>4,587,860,288</u>
<u>\$ 318</u>	<u>\$ 1,499,697</u>	<u>\$ 1,220,295,565</u>	<u>\$ 1,546,899</u>	<u>\$ 4,577,587,969</u>

**STATE OF NEW JERSEY  
COMBINING BALANCE SHEET  
CAPITAL PROJECTS FUNDS  
JUNE 30, 2016**

	<u>2007 Blue Acres Fund</u>	<u>2009 Blue Acres Fund</u>	<u>Correctional Facilities Construction Fund of 1987</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 1,606,392	\$ 84,053	\$ 798
<b>Investments</b>	2,227,180	6,752,777	-
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	-	2,277,178	-
Loans	-	-	-
Other	-	-	-
<b>Due from other funds</b>	-	-	-
<b>Total Assets</b>	<u>\$ 3,833,572</u>	<u>\$ 9,114,008</u>	<u>\$ 798</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ 3,765	\$ 15,957	\$ -
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<u>3,765</u>	<u>15,957</u>	<u>-</u>
<b>Fund Balances</b>			
Restricted	3,829,807	9,098,051	798
Committed	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Fund Balances</b>	<u>3,829,807</u>	<u>9,098,051</u>	<u>798</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 3,833,572</u>	<u>\$ 9,114,008</u>	<u>\$ 798</u>

<u>Energy Conservation Fund</u>	<u>Motor Vehicle Commission Fund</u>	<u>New Jersey Bridge Rehabilitation and Improvement and Railroad Right-of-Way Preservation Fund</u>	<u>Public Purpose Buildings and Community-Based Facilities Construction Fund</u>
\$ 6,202	\$ 115,825	\$ 6,452	\$ 5,271
274,328	17,385,458	2,375,368	246,551
-	-	-	-
-	-	-	-
-	19,171,107	-	-
-	-	-	-
<u>\$ 280,530</u>	<u>\$ 36,672,390</u>	<u>\$ 2,381,820</u>	<u>\$ 251,822</u>
\$ -	\$ 819,800	\$ -	\$ -
836	-	7,239	751
<u>836</u>	<u>819,800</u>	<u>7,239</u>	<u>751</u>
279,694	-	2,374,581	251,071
-	35,852,590	-	-
<u>279,694</u>	<u>35,852,590</u>	<u>2,374,581</u>	<u>251,071</u>
<u>\$ 280,530</u>	<u>\$ 36,672,390</u>	<u>\$ 2,381,820</u>	<u>\$ 251,822</u>

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**STATE OF NEW JERSEY  
COMBINING BALANCE SHEET  
CAPITAL PROJECTS FUNDS (Continued)  
JUNE 30, 2016**

	<u>Special Transportation Fund</u>	<u>1999 Statewide Transportation and Local Bridge Fund</u>	<u>Total Capital Projects Funds</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ -	\$ 70,871	\$ 1,895,864
<b>Investments</b>	-	3,926,722	33,188,384
<b>Receivables, net of allowances for uncollectibles</b>			
Federal government	3,279,607	-	5,556,785
Loans	4,000,000	-	4,000,000
Other	6,532	-	19,177,639
<b>Due from other funds</b>	<u>125,984,597</u>	<u>-</u>	<u>125,984,597</u>
<b>Total Assets</b>	<u>\$ 133,270,736</u>	<u>\$ 3,997,593</u>	<u>\$ 189,803,269</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ 133,270,736	\$ -	\$ 134,110,258
Due to other funds	<u>-</u>	<u>11,967</u>	<u>20,793</u>
<b>Total Liabilities</b>	<u>133,270,736</u>	<u>11,967</u>	<u>134,131,051</u>
<b>Fund Balances</b>			
Restricted	-	3,985,626	19,819,628
Committed	<u>-</u>	<u>-</u>	<u>35,852,590</u>
<b>Total Fund Balances</b>	<u>-</u>	<u>3,985,626</u>	<u>55,672,218</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 133,270,736</u>	<u>\$ 3,997,593</u>	<u>\$ 189,803,269</u>



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**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>2007 Blue Acres Fund</u>	<u>2009 Blue Acres Fund</u>	<u>Correctional Facilities Construction Fund of 1987</u>
<b>REVENUES</b>			
Federal and other grants	\$ -	\$ -	\$ -
Services and assessments	-	-	-
Investment earnings	<u>6,253</u>	<u>22,028</u>	<u>-</u>
<b>Total Revenues</b>	<u>6,253</u>	<u>22,028</u>	<u>-</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	-	-	25,323
Community development and environmental management	(632,856)	3,251,915	-
Transportation programs	-	-	-
Government direction, management, and control	<u>-</u>	<u>541,253</u>	<u>-</u>
<b>Total Expenditures</b>	<u>(632,856)</u>	<u>3,793,168</u>	<u>25,323</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>639,109</u>	<u>(3,771,140)</u>	<u>(25,323)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from other funds	-	-	-
Transfers to other funds	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	639,109	(3,771,140)	(25,323)
<b>Fund Balances - July 1, 2015</b>	<u>3,190,698</u>	<u>12,869,191</u>	<u>26,121</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 3,829,807</u>	<u>\$ 9,098,051</u>	<u>\$ 798</u>

<u>Energy Conservation Fund</u>	<u>Motor Vehicle Commission Fund</u>	<u>New Jersey Bridge Rehabilitation and Improvement and Railroad Right-of-Way Preservation Fund</u>	<u>Public Purpose Buildings and Community-Based Facilities Construction Fund</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
<u>836</u>	<u>81,420</u>	<u>7,239</u>	<u>751</u>
<u>836</u>	<u>81,420</u>	<u>7,239</u>	<u>751</u>
-	1,251,752	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>1,251,752</u>	<u>-</u>	<u>-</u>
<u>836</u>	<u>(1,170,332)</u>	<u>7,239</u>	<u>751</u>
-	-	-	-
<u>(836)</u>	<u>-</u>	<u>(7,239)</u>	<u>(751)</u>
<u>(836)</u>	<u>-</u>	<u>(7,239)</u>	<u>(751)</u>
-	(1,170,332)	-	-
<u>279,694</u>	<u>37,022,922</u>	<u>2,374,581</u>	<u>251,071</u>
<u>\$ 279,694</u>	<u>\$ 35,852,590</u>	<u>\$ 2,374,581</u>	<u>\$ 251,071</u>

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**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**CAPITAL PROJECTS FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Special Transportation Fund</u>	<u>1999 Statewide Transportation and Local Bridge Fund</u>	<u>Total Capital Projects Funds</u>
<b>REVENUES</b>			
Federal and other grants	\$ 898,603,899	\$ -	\$ 898,603,899
Services and assessments	68,278	-	68,278
Investment earnings	-	11,967	130,494
<b>Total Revenues</b>	<u>898,672,177</u>	<u>11,967</u>	<u>898,802,671</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety and criminal justice	-	-	1,277,075
Community development and environmental management	-	-	2,619,059
Transportation programs	1,985,153,823	-	1,985,153,823
Government direction, management, and control	-	-	541,253
<b>Total Expenditures</b>	<u>1,985,153,823</u>	<u>-</u>	<u>1,989,591,210</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,086,481,646)</u>	<u>11,967</u>	<u>(1,090,788,539)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from other funds	844,981,646	-	844,981,646
Transfers to other funds	-	(11,967)	(20,793)
<b>Total other financing sources (uses)</b>	<u>844,981,646</u>	<u>(11,967)</u>	<u>844,960,853</u>
<b>Net Change in Fund Balance</b>	(241,500,000)	-	(245,827,686)
<b>Fund Balances - July 1, 2015</b>	<u>241,500,000</u>	<u>3,985,626</u>	<u>301,499,904</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ -</u>	<u>\$ 3,985,626</u>	<u>\$ 55,672,218</u>

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**STATE OF NEW JERSEY  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
AGENCY FUNDS  
JUNE 30, 2016**

	<u>Alternate Benefit Program Fund</u>	<u>Dental Expense Program</u>	<u>Judiciary Bail Fund</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 1,050,138	\$ 35,083	\$ 114,861
<b>Investments</b>			
Cash Management Fund	712,038	40,175,944	29,205,965
<b>Receivables, net of allowances for uncollectibles</b>			
Employers	-	-	-
Other	54,272	-	-
<b>Due from other funds</b>	<u>35,023,405</u>	<u>1,090,883</u>	<u>-</u>
<b>Total Assets</b>	<u><u>\$ 36,839,853</u></u>	<u><u>\$ 41,301,910</u></u>	<u><u>\$ 29,320,826</u></u>
<b>LIABILITIES</b>			
<b>Accounts payable and accruals</b>	\$ 36,833,743	\$ 41,301,910	\$ 29,320,826
<b>Due to other funds</b>	<u>6,110</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<u><u>\$ 36,839,853</u></u>	<u><u>\$ 41,301,910</u></u>	<u><u>\$ 29,320,826</u></u>

<u>Judiciary Child Support and Paternity Fund</u>	<u>Judiciary Probation Fund</u>	<u>Judiciary Special Civil Fund</u>
\$ 32,611,355	\$ 99,060	\$ -
-	7,387,518	2,736,966
-	-	-
-	-	-
<u>\$ 32,611,355</u>	<u>\$ 7,486,578</u>	<u>\$ 2,736,966</u>
\$ 32,611,355	\$ 7,486,578	\$ 2,736,966
-	-	-
<u>\$ 32,611,355</u>	<u>\$ 7,486,578</u>	<u>\$ 2,736,966</u>

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**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS (Continued)**  
**JUNE 30, 2016**

	<u>Luxury Tax Development Fund</u>	<u>Pension Adjustment Fund</u>	<u>Resource Recovery Investment Tax Fund</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 411,010	\$ 1,737,674	\$ 99,784
<b>Investments</b>			
Cash Management Fund	5,759,945	525,341	474,718
<b>Receivables, net of allowances for uncollectibles</b>			
Employers	-	316,085	-
Other	-	683	-
<b>Due from other funds</b>	-	-	-
<b>Total Assets</b>	<u>\$ 6,170,955</u>	<u>\$ 2,579,783</u>	<u>\$ 574,502</u>
<b>LIABILITIES</b>			
<b>Accounts payable and accruals</b>	\$ 6,170,955	\$ 2,555,803	\$ 574,502
<b>Due to other funds</b>	-	23,980	-
<b>Total Liabilities</b>	<u>\$ 6,170,955</u>	<u>\$ 2,579,783</u>	<u>\$ 574,502</u>



<u>Solid Waste Service Tax Fund</u>	<u>Wage and Hour Trust Fund</u>	<u>Total Agency Funds</u>
\$ 81,347	\$ 3,451,424	\$ 39,691,736
933,772	2,811,440	90,723,647
-	-	316,085
-	-	54,955
-	-	36,114,288
<u>\$ 1,015,119</u>	<u>\$ 6,262,864</u>	<u>\$ 166,900,711</u>
\$ 1,015,119	\$ 6,256,031	\$ 166,863,788
-	6,833	36,923
<u>\$ 1,015,119</u>	<u>\$ 6,262,864</u>	<u>\$ 166,900,711</u>

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
<b>ALTERNATE BENEFIT PROGRAM FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 528,538	\$ 165,089,956	\$ 164,568,356	\$ 1,050,138
Investments				
Cash Management Fund	1,171,987	190,208,339	190,668,288	712,038
Receivables, net - other	45,062	54,272	45,062	54,272
Due from other funds	34,317,183	35,023,405	34,317,183	35,023,405
<b>Total Assets</b>	<u>\$ 36,062,770</u>	<u>\$ 390,375,972</u>	<u>\$ 389,598,889</u>	<u>\$ 36,839,853</u>
<b>Liabilities</b>				
Accounts payable and accruals	\$ 35,887,485	\$ 37,461,670	\$ 36,515,412	\$ 36,833,743
Due to other funds	175,285	6,110	175,285	6,110
<b>Total Liabilities</b>	<u>\$ 36,062,770</u>	<u>\$ 37,467,780</u>	<u>\$ 36,690,697</u>	<u>\$ 36,839,853</u>
<b>DENTAL EXPENSE PROGRAM</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ 37,005,871	\$ 36,970,788	\$ 35,083
Investments				
Cash Management Fund	41,039,074	214,364,549	215,227,679	40,175,944
Due from other funds	1,694,077	134,102,227	134,705,421	1,090,883
<b>Total Assets</b>	<u>\$ 42,733,151</u>	<u>\$ 385,472,647</u>	<u>\$ 386,903,888</u>	<u>\$ 41,301,910</u>
<b>Liabilities</b>				
Accounts payable and accruals	\$ 42,733,151	\$ 42,824,357	\$ 44,255,598	\$ 41,301,910
<b>Total Liabilities</b>	<u>\$ 42,733,151</u>	<u>\$ 42,824,357</u>	<u>\$ 44,255,598</u>	<u>\$ 41,301,910</u>
<b>JUDICIARY BAIL FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 105,627	\$ 105,611,959	\$ 105,602,725	\$ 114,861
Investments				
Cash Management Fund	27,005,965	10,378,411	8,178,411	29,205,965
<b>Total Assets</b>	<u>\$ 27,111,592</u>	<u>\$ 115,990,370</u>	<u>\$ 113,781,136</u>	<u>\$ 29,320,826</u>
<b>Liabilities</b>				
Accounts payable and accruals	\$ 27,111,592	\$ 69,365,474	\$ 67,156,240	\$ 29,320,826
<b>Total Liabilities</b>	<u>\$ 27,111,592</u>	<u>\$ 69,365,474</u>	<u>\$ 67,156,240</u>	<u>\$ 29,320,826</u>

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
<b>JUDICIARY CHILD SUPPORT AND PATERNITY FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 27,304,953	\$ 1,391,520,342	\$ 1,386,213,940	\$ 32,611,355
<b>Total Assets</b>	<u>\$ 27,304,953</u>	<u>\$ 1,391,520,342</u>	<u>\$ 1,386,213,940</u>	<u>\$ 32,611,355</u>
<b>Liabilities</b>				
Accounts payable and accruals	\$ 27,304,953	\$ 1,391,520,342	\$ 1,386,213,940	\$ 32,611,355
<b>Total Liabilities</b>	<u>\$ 27,304,953</u>	<u>\$ 1,391,520,342</u>	<u>\$ 1,386,213,940</u>	<u>\$ 32,611,355</u>
<b>JUDICIARY PROBATION FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 110,540	\$ 66,632,699	\$ 66,644,179	\$ 99,060
Investments				
Cash Management Fund	7,413,519	16,392,713	16,418,714	7,387,518
<b>Total Assets</b>	<u>\$ 7,524,059</u>	<u>\$ 83,025,412</u>	<u>\$ 83,062,893</u>	<u>\$ 7,486,578</u>
<b>Liabilities</b>				
Accounts payable and accruals	\$ 7,524,059	\$ 47,923,653	\$ 47,961,134	\$ 7,486,578
<b>Total Liabilities</b>	<u>\$ 7,524,059</u>	<u>\$ 47,923,653</u>	<u>\$ 47,961,134</u>	<u>\$ 7,486,578</u>
<b>JUDICIARY SPECIAL CIVIL FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 60,463	\$ 58,420,575	\$ 58,481,038	\$ -
Investments				
Cash Management Fund	3,222,967	10,059,606	10,545,607	2,736,966
<b>Total Assets</b>	<u>\$ 3,283,430</u>	<u>\$ 68,480,181</u>	<u>\$ 69,026,645</u>	<u>\$ 2,736,966</u>
<b>Liabilities</b>				
Accounts payable and accruals	\$ 3,283,430	\$ 44,731,004	\$ 45,277,468	\$ 2,736,966
<b>Total Liabilities</b>	<u>\$ 3,283,430</u>	<u>\$ 44,731,004</u>	<u>\$ 45,277,468</u>	<u>\$ 2,736,966</u>

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
<b>LUXURY TAX DEVELOPMENT FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 411,010	\$ -	\$ -	\$ 411,010
Investments				
Cash Management Fund	5,742,396	17,549	-	5,759,945
<b>Total Assets</b>	<u>\$ 6,153,406</u>	<u>\$ 17,549</u>	<u>\$ -</u>	<u>\$ 6,170,955</u>
<b>Liabilities</b>				
Accounts payable and accruals	\$ 6,153,406	\$ 17,549	\$ -	\$ 6,170,955
<b>Total Liabilities</b>	<u>\$ 6,153,406</u>	<u>\$ 17,549</u>	<u>\$ -</u>	<u>\$ 6,170,955</u>
<b>PENSION ADJUSTMENT FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 560,467	\$ 1,186,389	\$ 9,182	\$ 1,737,674
Investments				
Cash Management Fund	1,838,470	696,801	2,009,930	525,341
Receivables, net - employers	426,251	1,386,409	1,496,575	316,085
Receivables, net - other	641	11,021	10,979	683
<b>Total Assets</b>	<u>\$ 2,825,829</u>	<u>\$ 3,280,620</u>	<u>\$ 3,526,666</u>	<u>\$ 2,579,783</u>
<b>Liabilities</b>				
Accounts payable and accruals	\$ 2,783,644	\$ 3,108,169	\$ 3,336,010	\$ 2,555,803
Due to other funds	42,185	23,980	42,185	23,980
<b>Total Liabilities</b>	<u>\$ 2,825,829</u>	<u>\$ 3,132,149</u>	<u>\$ 3,378,195</u>	<u>\$ 2,579,783</u>
<b>RESOURCE RECOVERY INVESTMENT TAX FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 99,784	\$ -	\$ -	\$ 99,784
Investments				
Cash Management Fund	473,272	1,446	-	474,718
<b>Total Assets</b>	<u>\$ 573,056</u>	<u>\$ 1,446</u>	<u>\$ -</u>	<u>\$ 574,502</u>
<b>Liabilities</b>				
Accounts payable and accruals	\$ 573,056	\$ 1,446	\$ -	\$ 574,502
<b>Total Liabilities</b>	<u>\$ 573,056</u>	<u>\$ 1,446</u>	<u>\$ -</u>	<u>\$ 574,502</u>

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
<b>SOLID WASTE SERVICE TAX FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 81,347	\$ -	\$ -	\$ 81,347
Investments				
Cash Management Fund	930,927	2,845	-	933,772
<b>Total Assets</b>	<u>\$ 1,012,274</u>	<u>\$ 2,845</u>	<u>\$ -</u>	<u>\$ 1,015,119</u>
<b>Liabilities</b>				
Accounts payable and accruals	\$ 1,012,274	\$ 2,845	\$ -	\$ 1,015,119
<b>Total Liabilities</b>	<u>\$ 1,012,274</u>	<u>\$ 2,845</u>	<u>\$ -</u>	<u>\$ 1,015,119</u>
<b>WAGE AND HOUR TRUST FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 2,891,778	\$ 1,637,791	\$ 1,078,145	\$ 3,451,424
Investments				
Cash Management Fund	2,804,607	6,833	-	2,811,440
<b>Total Assets</b>	<u>\$ 5,696,385</u>	<u>\$ 1,644,624</u>	<u>\$ 1,078,145</u>	<u>\$ 6,262,864</u>
<b>Liabilities</b>				
Accounts payable and accruals	\$ 5,694,588	\$ 1,637,999	\$ 1,076,556	\$ 6,256,031
Due to other funds	1,797	6,625	1,589	6,833
<b>Total Liabilities</b>	<u>\$ 5,696,385</u>	<u>\$ 1,644,624</u>	<u>\$ 1,078,145</u>	<u>\$ 6,262,864</u>
<b>TOTAL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 32,154,507	\$ 1,827,105,582	\$ 1,819,568,353	\$ 39,691,736
Investments				
Cash Management Fund	91,643,184	442,129,092	443,048,629	90,723,647
Receivables, net - employers	426,251	1,386,409	1,496,575	316,085
Receivables, net - other	45,703	65,293	56,041	54,955
Due from other funds	36,011,260	169,125,632	169,022,604	36,114,288
<b>Total Assets</b>	<u>\$ 160,280,905</u>	<u>\$ 2,439,812,008</u>	<u>\$ 2,433,192,202</u>	<u>\$ 166,900,711</u>
<b>Liabilities</b>				
Accounts payable and accruals	\$ 160,061,638	\$ 1,638,594,508	\$ 1,631,792,358	\$ 166,863,788
Due to other funds	219,267	36,715	219,059	36,923
<b>Total Liabilities</b>	<u>\$ 160,280,905</u>	<u>\$ 1,638,631,223</u>	<u>\$ 1,632,011,417</u>	<u>\$ 166,900,711</u>

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**PENSION AND OTHER EMPLOYEE BENEFITS TRUST FUNDS**  
**JUNE 30, 2016**

	<u>Alternate Benefit Long-Term Disability Fund</u>	<u>Central Pension Fund</u>	<u>Consolidated Police and Firemen's Pension Fund</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ -	\$ 16,834	\$ 97,183
<b>Securities lending collateral</b>	-	-	-
<b>Investments</b>			
Cash Management Fund	136,110	6,686	1,683,801
Common Pension Fund D	-	-	-
Common Pension Fund E	-	-	-
Domestic Equities	-	-	-
Equity Mutual Funds	-	-	-
Fixed Income Mutual Funds	-	-	-
<b>Receivables, net of allowances for uncollectibles</b>			
Members	-	-	-
Employers	-	-	-
Interest and dividends	-	3	16
<b>Due from other funds</b>	-	-	-
<b>Other</b>	1,738,668	1,281	288,358
<b>Total Assets</b>	<u>1,874,778</u>	<u>24,804</u>	<u>2,069,358</u>
<b>LIABILITIES</b>			
<b>Accounts payable and accruals</b>	-	-	-
<b>Benefits payable</b>	-	24,704	171,508
<b>Securities lending collateral and rebates payable</b>	-	-	-
<b>Due to other funds</b>	-	100	2,922
<b>Total Liabilities</b>	<u>-</u>	<u>24,804</u>	<u>174,430</u>
<b>NET POSITION</b>			
<b>Held in Trust for Pension Benefits and Other Purposes</b>	<u>\$ 1,874,778</u>	<u>\$ -</u>	<u>\$ 1,894,928</u>

<b>Defined Contribution Retirement Program</b>	<b>Health Benefits Program Fund - Local Education</b>	<b>Health Benefits Program Fund - Local Government</b>	<b>Health Benefits Program Fund - State</b>	<b>Judicial Retirement System</b>
\$ 28,189	\$ 773,632	\$ 315,923	\$ 817,433	\$ 223,043
-	-	-	-	3,272,055
5,139,626	355,989,124	321,057,191	11,889,276	8,327,661
-	-	-	-	115,510,746
-	-	-	-	58,519,326
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	65,268
-	-	-	-	-
-	-	-	-	390
26,200	-	-	27,866,356	434,781
-	56,935,873	111,908,763	1,703,916	1,663,990
<u>5,194,015</u>	<u>413,698,629</u>	<u>433,281,877</u>	<u>42,276,981</u>	<u>188,017,260</u>
-	114,225	1,915,702	5,271,073	-
88,239	339,608,092	163,993,167	280,648,918	4,595,199
-	-	-	-	3,268,112
<u>1,611</u>	<u>1,141,410</u>	<u>472,575</u>	<u>968,391</u>	<u>154,129</u>
<u>89,850</u>	<u>340,863,727</u>	<u>166,381,444</u>	<u>286,888,382</u>	<u>8,017,440</u>
<u>\$ 5,104,165</u>	<u>\$ 72,834,902</u>	<u>\$ 266,900,433</u>	<u>\$ (244,611,401)</u>	<u>\$ 179,999,820</u>

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**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**PENSION AND OTHER EMPLOYEE BENEFITS TRUST FUNDS (Continued)**  
**JUNE 30, 2016**

	<u>New Jersey State Employees' Deferred Compensation Plan</u>	<u>Police and Firemen's Retirement System</u>	<u>Prison Officers' Pension Fund</u>
<b>ASSETS</b>			
<b>Cash and cash equivalents</b>	\$ 14,031	\$ 1,609,548	\$ 206,780
<b>Securities lending collateral</b>	-	392,745,430	-
<b>Investments</b>			
Cash Management Fund	17,510,020	244,143,777	5,958,633
Common Pension Fund D	-	13,864,778,564	-
Common Pension Fund E	-	7,693,273,548	-
Domestic Equities	477,803,009	-	-
Equity Mutual Funds	2,687,843,042	-	-
Fixed Income Mutual Funds	394,909,679	-	-
<b>Receivables, net of allowances for uncollectibles</b>			
Members	-	47,024,719	-
Employers	-	990,775,175	-
Interest and dividends	635,110	3,304,248	10
<b>Due from other funds</b>	-	4,446,571	-
<b>Other</b>	-	1,341,079,625	49,875
<b>Total Assets</b>	<u>3,578,714,891</u>	<u>24,583,181,205</u>	<u>6,215,298</u>
<b>LIABILITIES</b>			
<b>Accounts payable and accruals</b>	1,221,100	5,450,197	683
<b>Benefits payable</b>	-	196,307,805	100,898
<b>Securities lending collateral and rebates payable</b>	-	392,272,151	-
<b>Due to other funds</b>	-	4,424,388	2,484
<b>Total Liabilities</b>	<u>1,221,100</u>	<u>598,454,541</u>	<u>104,065</u>
<b>NET POSITION</b>			
<b>Held in Trust for Pension Benefits and Other Purposes</b>	<u>\$ 3,577,493,791</u>	<u>\$ 23,984,726,664</u>	<u>\$ 6,111,233</u>



<u>Public Employees' Retirement System</u>	<u>State Police Retirement System</u>	<u>Supplemental Annuity Collective Trust</u>	<u>Teachers' Pension and Annuity Fund</u>	<u>Total Pension and Other Employee Benefits Trust Funds</u>
\$ 2,143,605	\$ 1,587,746	\$ 103,078	\$ 2,414,775	\$ 10,351,800
459,324,528	30,479,331	-	412,687,066	1,298,508,410
330,384,293	31,939,826	879,755	394,124,066	1,729,169,845
16,215,167,356	1,075,987,507	-	14,568,762,228	45,840,206,401
8,927,262,759	585,745,952	-	7,797,708,833	25,062,510,418
-	-	200,221,891	-	678,024,900
-	-	-	-	2,687,843,042
-	-	-	-	394,909,679
46,256,691	776	376,641	82,130,279	175,854,374
1,017,341,280	-	-	25,413,258	2,033,529,713
28,203	2,128	252,171	33,129	4,255,408
21,463,772	1,394,376	17,385	7,709,626	63,359,067
625,702,646	16,367,373	-	274,186,194	2,431,626,562
<u>27,645,075,133</u>	<u>1,743,505,015</u>	<u>201,850,921</u>	<u>23,565,169,454</u>	<u>82,410,149,619</u>
99,421,414	75,978	292,294	72,431,070	186,193,736
313,402,651	17,542,424	250,902	353,530,295	1,670,264,802
458,771,017	30,442,602	-	412,189,756	1,296,943,638
11,409,441	481,899	3,491	9,155,366	28,218,207
<u>883,004,523</u>	<u>48,542,903</u>	<u>546,687</u>	<u>847,306,487</u>	<u>3,181,620,383</u>
<u>\$ 26,762,070,610</u>	<u>\$ 1,694,962,112</u>	<u>\$ 201,304,234</u>	<u>\$ 22,717,862,967</u>	<u>\$ 79,228,529,236</u>

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PENSION AND OTHER EMPLOYEE BENEFITS TRUST FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Alternate Benefit Long-Term Disability Fund</u>	<u>Central Pension Fund</u>	<u>Consolidated Police and Firemen's Pension Fund</u>
<b>ADDITIONS</b>			
Contributions:			
Members	\$ -	\$ -	\$ -
Employers	1,738,668	280,500	148,000
Other	-	22,214	1,196,017
<b>Total Contributions</b>	<u>1,738,668</u>	<u>302,714</u>	<u>1,344,017</u>
Investment Income:			
Net increase (decrease) in fair value of investments	34	-	346
Interest and dividends	3,431	176	13,059
<b>Total Investment Income</b>	<u>3,465</u>	<u>176</u>	<u>13,405</u>
Less investment expense	-	-	2,549
<b>Net Investment Income</b>	<u>3,465</u>	<u>176</u>	<u>10,856</u>
<b>Total Additions</b>	<u>1,742,133</u>	<u>302,890</u>	<u>1,354,873</u>
<b>DEDUCTIONS</b>			
Benefit payments	1,500,000	296,847	1,881,252
Refunds of contributions	-	6,043	-
Administrative expense	-	-	6,643
<b>Total Deductions</b>	<u>1,500,000</u>	<u>302,890</u>	<u>1,887,895</u>
<b>Total Changes in Net Assets Held in Trust</b>	242,133	-	(533,022)
<b>Net Position - July 1, 2015</b>	<u>1,632,645</u>	<u>-</u>	<u>2,427,950</u>
<b>Net Position - June 30, 2016</b>	<u>\$ 1,874,778</u>	<u>\$ -</u>	<u>\$ 1,894,928</u>

<b>Defined Contribution Retirement Program</b>	<b>Health Benefits Program Fund - Local Education</b>	<b>Health Benefits Program Fund - Local Government</b>	<b>Health Benefits Program Fund - State</b>	<b>Judicial Retirement System</b>
\$ -	\$ 54,570,018	\$ 52,682,811	\$ 431,274,290	\$ 9,271,869
2,750,910	2,824,618,676	1,316,195,962	1,998,551,825	14,794,774
-	-	-	-	726,284
<u>2,750,910</u>	<u>2,879,188,694</u>	<u>1,368,878,773</u>	<u>2,429,826,115</u>	<u>24,792,927</u>
1,275	78,199	71,005	(6,956)	(6,342,413)
<u>12,829</u>	<u>1,168,638</u>	<u>1,162,131</u>	<u>327,133</u>	<u>3,642,336</u>
14,104	1,246,837	1,233,136	320,177	(2,700,077)
-	-	-	-	21,872
<u>14,104</u>	<u>1,246,837</u>	<u>1,233,136</u>	<u>320,177</u>	<u>(2,721,949)</u>
<u>2,765,014</u>	<u>2,880,435,531</u>	<u>1,370,111,909</u>	<u>2,430,146,292</u>	<u>22,070,978</u>
889,089	2,947,827,761	1,395,376,640	2,549,202,032	54,686,521
-	-	-	-	-
<u>-</u>	<u>4,641,652</u>	<u>1,921,770</u>	<u>3,938,054</u>	<u>168,008</u>
<u>889,089</u>	<u>2,952,469,413</u>	<u>1,397,298,410</u>	<u>2,553,140,086</u>	<u>54,854,529</u>
1,875,925	(72,033,882)	(27,186,501)	(122,993,794)	(32,783,551)
<u>3,228,240</u>	<u>144,868,784</u>	<u>294,086,934</u>	<u>(121,617,607)</u>	<u>212,783,371</u>
<u>\$ 5,104,165</u>	<u>\$ 72,834,902</u>	<u>\$ 266,900,433</u>	<u>\$ (244,611,401)</u>	<u>\$ 179,999,820</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PENSION AND OTHER EMPLOYEE BENEFITS TRUST FUNDS (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>New Jersey State Employees' Deferred Compensation Plan</u>	<u>Police and Firemen's Retirement System</u>	<u>Prison Officers' Pension Fund</u>
<b>ADDITIONS</b>			
Contributions:			
Members	\$ 180,268,889	\$ 388,681,408	\$ -
Employers	-	961,499,567	-
Other	-	6,848,771	634,217
<b>Total Contributions</b>	<u>180,268,889</u>	<u>1,357,029,746</u>	<u>634,217</u>
Investment Income:			
Net increase (decrease) in fair value of investments	10,620,196	(648,865,408)	1,295
Interest and dividends	10,385,463	500,010,147	18,804
<b>Total Investment Income</b>	21,005,659	(148,855,261)	20,099
Less investment expense	247,860	1,837,898	2,032
<b>Net Investment Income</b>	<u>20,757,799</u>	<u>(150,693,159)</u>	<u>18,067</u>
<b>Total Additions</b>	<u>201,026,688</u>	<u>1,206,336,587</u>	<u>652,284</u>
<b>DEDUCTIONS</b>			
Benefit payments	163,247,570	2,316,135,014	1,240,307
Refunds of contributions	-	8,040,939	-
Administrative expense	190,880	4,292,891	5,312
<b>Total Deductions</b>	<u>163,438,450</u>	<u>2,328,468,844</u>	<u>1,245,619</u>
<b>Total Changes in Net Assets Held in Trust</b>	37,588,238	(1,122,132,257)	(593,335)
<b>Net Position - July 1, 2015</b>	<u>3,539,905,553</u>	<u>25,106,858,921</u>	<u>6,704,568</u>
<b>Net Position - June 30, 2016</b>	<u>\$ 3,577,493,791</u>	<u>\$ 23,984,726,664</u>	<u>\$ 6,111,233</u>

<u>Public Employees' Retirement System</u>	<u>State Police Retirement System</u>	<u>Supplemental Annuity Collective Trust</u>	<u>Teachers' Pension and Annuity Fund</u>	<u>Total Pension and Other Employee Benefits Trust Funds</u>
\$ 821,305,787	\$ 22,818,295	\$ 5,814,213	\$ 761,711,695	\$ 2,728,399,275
1,273,425,342	37,435,541	-	800,069,277	9,231,509,042
3,926,053	54,000	-	1,807,662	15,215,218
<u>2,098,657,182</u>	<u>60,307,836</u>	<u>5,814,213</u>	<u>1,563,588,634</u>	<u>11,975,123,535</u>
(799,550,199)	(53,947,388)	772,851	(747,095,626)	(2,244,262,789)
<u>571,561,244</u>	<u>34,796,068</u>	<u>4,557,071</u>	<u>484,845,840</u>	<u>1,612,504,370</u>
(227,988,955)	(19,151,320)	5,329,922	(262,249,786)	(631,758,419)
<u>9,226,688</u>	<u>132,734</u>	<u>-</u>	<u>5,434,567</u>	<u>16,906,200</u>
(237,215,643)	(19,284,054)	5,329,922	(267,684,353)	(648,664,619)
<u>1,861,441,539</u>	<u>41,023,782</u>	<u>11,144,135</u>	<u>1,295,904,281</u>	<u>11,326,458,916</u>
3,493,323,473	213,306,727	20,342,949	4,111,142,744	17,270,398,926
136,328,442	129,423	-	57,928,018	202,432,865
<u>23,285,920</u>	<u>334,630</u>	<u>-</u>	<u>13,768,112</u>	<u>52,553,872</u>
<u>3,652,937,835</u>	<u>213,770,780</u>	<u>20,342,949</u>	<u>4,182,838,874</u>	<u>17,525,385,663</u>
(1,791,496,296)	(172,746,998)	(9,198,814)	(2,886,934,593)	(6,198,926,747)
<u>28,553,566,906</u>	<u>1,867,709,110</u>	<u>210,503,048</u>	<u>25,604,797,560</u>	<u>85,427,455,983</u>
<u>\$ 26,762,070,610</u>	<u>\$ 1,694,962,112</u>	<u>\$ 201,304,234</u>	<u>\$ 22,717,862,967</u>	<u>\$ 79,228,529,236</u>

**STATE OF NEW JERSEY  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 PRIVATE PURPOSE TRUST FUNDS  
 JUNE 30, 2016**

	<b>Insurance Annuity Trust Fund</b>	<b>Motor Vehicle Security Responsibility Fund</b>
<b>ASSETS</b>		
<b>Cash and cash equivalents</b>	\$ 100	\$ 27,993
<b>Investments</b>		
Cash Management Fund	187,539	235,274
<b>Total Assets</b>	187,639	263,267
<b>LIABILITIES</b>		
<b>Accounts payable and accruals</b>	-	-
<b>Due to other funds</b>	-	717
<b>Total Liabilities</b>	-	717
<b>NET POSITION</b>		
<b>Held in Trust for Pension Benefits and Other Purposes</b>	\$ 187,639	\$ 262,550

<u>Unclaimed County Deposits Trust Fund</u>	<u>Unclaimed Insurance Payments on Deposit Accounts Fund</u>	<u>Total Private Purpose Trust Funds</u>
\$ 1,051,785	\$ 225,693	\$ 1,305,571
5,172,284	6,435,658	12,030,755
<u>6,224,069</u>	<u>6,661,351</u>	<u>13,336,326</u>
4,367,644	-	4,367,644
83,464	41,306	125,487
<u>4,451,108</u>	<u>41,306</u>	<u>4,493,131</u>
<u>\$ 1,772,961</u>	<u>\$ 6,620,045</u>	<u>\$ 8,843,195</u>

**STATE OF NEW JERSEY  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
PRIVATE PURPOSE TRUST FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Insurance Annuity Trust Fund</u>	<u>Motor Vehicle Security Responsibility Fund</u>
<b>ADDITIONS</b>		
Investment income:		
Interest and dividends	\$ 554	\$ 717
Total Investment Income	554	717
Miscellaneous	6,000	-
<b>Total Additions</b>	<u>6,554</u>	<u>717</u>
<b>DEDUCTIONS</b>		
Refunds and transfers to other systems	-	717
Payments in accordance with trust agreements	-	-
<b>Total Deductions</b>	<u>-</u>	<u>717</u>
<b>Total Changes in Net Position Held in Trust</b>	6,554	-
<b>Net Position - July 1, 2015</b>	<u>181,085</u>	<u>262,550</u>
<b>Net Position - June 30, 2016</b>	<u>\$ 187,639</u>	<u>\$ 262,550</u>



<u>Unclaimed County Deposits Trust Fund</u>	<u>Unclaimed Insurance Payments on Deposit Accounts Fund</u>	<u>Total Private Purpose Trust Funds</u>
\$ 16,078	\$ 20,601	\$ 37,950
16,078	20,601	37,950
<u>20,866</u>	<u>8,925</u>	<u>35,791</u>
<u>36,944</u>	<u>29,526</u>	<u>73,741</u>
-	18,709	19,426
<u>388,717</u>	<u>253,175</u>	<u>641,892</u>
<u>388,717</u>	<u>271,884</u>	<u>661,318</u>
(351,773)	(242,358)	(587,577)
<u>2,124,734</u>	<u>6,862,403</u>	<u>9,430,772</u>
<u>\$ 1,772,961</u>	<u>\$ 6,620,045</u>	<u>\$ 8,843,195</u>

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF NET POSITION**  
**NON-MAJOR COMPONENT UNITS**  
**JUNE 30, 2016**

	<u>Authorities</u>	<u>Colleges and Universities</u>	<u>Total Non-Major Component Units</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 2,332,421,097	\$ 659,280,418	\$ 2,991,701,515
Investments	4,992,299,284	370,270,466	5,362,569,750
Receivables, net of allowances for uncollectibles			
Federal government	78,632,809	39,148,352	117,781,161
Loans	148,996,535	3,325,841	152,322,376
Mortgages	106,300,000	-	106,300,000
Other	115,371,450	102,738,232	218,109,682
Due from external parties	25,565,640	7,064,752	32,630,392
Inventories	18,883,905	-	18,883,905
Other	60,506,469	190,416,813	250,923,282
<b>Total Current Assets</b>	<u>7,878,977,189</u>	<u>1,372,244,874</u>	<u>9,251,222,063</u>
<b>Noncurrent Assets</b>			
Investments	729,962,185	673,515,035	1,403,477,220
Receivables, net of allowances for uncollectibles			
Loans	2,310,095,229	17,402,715	2,327,497,944
Mortgages	2,005,501,684	3,556,000	2,009,057,684
Other	32,631,398	41,909,868	74,541,266
Capital assets - nondepreciated	599,461,292	587,430,649	1,186,891,941
Capital assets - depreciated, net	1,559,231,396	3,981,634,706	5,540,866,102
Other	50,043,850	252,834,992	302,878,842
<b>Total Noncurrent Assets</b>	<u>7,286,927,034</u>	<u>5,558,283,965</u>	<u>12,845,210,999</u>
<b>Deferred Outflows of Resources</b>			
	<u>208,478,669</u>	<u>254,326,380</u>	<u>462,805,049</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>15,374,382,892</u>	<u>7,184,855,219</u>	<u>22,559,238,111</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued expenses	169,877,415	266,527,484	436,404,899
Due to external parties	42,987,545	1,291,612	44,279,157
Interest payable	51,317,779	25,395,045	76,712,824
Unearned revenue	56,054,004	114,060,309	170,114,313
Current portion of long-term obligations	333,512,553	101,400,320	434,912,873
Other	262,301,646	51,225,883	313,527,529
<b>Total Current Liabilities</b>	<u>916,050,942</u>	<u>559,900,653</u>	<u>1,475,951,595</u>
<b>Noncurrent Liabilities</b>			
Net pension liability	685,355,643	1,492,734,522	2,178,090,165
Net OPEB liability	164,681,747	-	164,681,747
Revenue bonds payable, net	3,331,668,213	-	3,331,668,213
Installment obligations, net	-	833,104,029	833,104,029
Other	2,965,617,426	2,254,418,887	5,220,036,313
<b>Total Noncurrent Liabilities</b>	<u>7,147,323,029</u>	<u>4,580,257,438</u>	<u>11,727,580,467</u>
<b>Deferred Inflows of Resources</b>			
	<u>25,439,611</u>	<u>289,725,636</u>	<u>315,165,247</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>8,088,813,582</u>	<u>5,429,883,727</u>	<u>13,518,697,309</u>
<b>NET POSITION</b>			
Net investment in capital assets	1,059,570,092	1,458,814,888	2,518,384,980
<b>Restricted for:</b>			
Capital projects	15,838,355	132,998,093	148,836,448
Debt service	887,948,488	78,486,776	966,435,264
Other purposes	4,970,779,918	538,953,127	5,509,733,045
<b>Unrestricted</b>	351,432,457	(454,281,392)	(102,848,935)
<b>Total Net Position</b>	<u>\$ 7,285,569,310</u>	<u>\$ 1,754,971,492</u>	<u>\$ 9,040,540,802</u>

**STATE OF NEW JERSEY  
 COMBINING STATEMENT OF ACTIVITIES  
 NON-MAJOR COMPONENT UNITS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Authorities</u>	<u>Colleges and Universities</u>	<u>Total Non-Major Component Units</u>
<b>Expenses</b>	\$ 3,071,178,729	\$ 2,686,279,837	\$ 5,757,458,566
 <b>Net (Expense) Revenue and Changes in Net Position</b>			
<b>Program Revenues</b>			
Charges for services	1,013,450,108	1,392,510,451	2,405,960,559
Operating grants and contributions	624,370,659	921,227,719	1,545,598,378
Capital grants and contributions	<u>1,224,838,081</u>	<u>155,333,540</u>	<u>1,380,171,621</u>
<b>Net (Expense) Revenue</b>	<u>(208,519,881)</u>	<u>(217,208,127)</u>	<u>(425,728,008)</u>
 <b>General Revenue</b>			
Payments from State	<u>260,650,443</u>	<u>319,149,069</u>	<u>579,799,512</u>
<b>Total General Revenue</b>	<u>260,650,443</u>	<u>319,149,069</u>	<u>579,799,512</u>
 <b>Change in Net Position</b>	 52,130,562	 101,940,942	 154,071,504
 <b>Net Position - Beginning of Year (Restated)</b>	 <u>7,233,438,748</u>	 <u>1,653,030,550</u>	 <u>8,886,469,298</u>
<b>Net Position - End of Year</b>	<u>\$ 7,285,569,310</u>	<u>\$ 1,754,971,492</u>	<u>\$ 9,040,540,802</u>

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF NET POSITION**  
**NON-MAJOR COMPONENT UNITS - AUTHORITIES**  
**JUNE 30, 2016**

	<b>Casino Reinvestment Development Authority</b>	<b>Higher Education Student Assistance Authority</b>	<b>New Jersey Economic Development Authority</b>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 289,797,277	\$ 634,361,081	\$ 74,913,863
Investments	41,328,859	4,698,724,391	73,269,694
Receivables, net of allowances for uncollectibles			
Federal government	-	5,285,296	-
Loans	-	98,860,362	14,810,352
Mortgages	-	-	-
Other	21,198,979	55,440,162	-
Due from external parties	-	648,006	-
Inventories	-	-	-
Other	-	-	694,686
<b>Total Current Assets</b>	<u>352,325,115</u>	<u>5,493,319,298</u>	<u>163,688,595</u>
<b>Noncurrent Assets</b>			
Investments	-	-	160,185,251
Receivables, net of allowances for uncollectibles			
Loans	14,887,955	1,816,135,021	165,725,801
Mortgages	53,960,684	-	-
Other	-	-	-
Capital assets - nondepreciated	190,113,982	-	28,983,065
Capital assets - depreciated, net	326,224,094	3,212,965	57,169,645
Other	21,376,716	-	769,134
<b>Total Noncurrent Assets</b>	<u>606,563,431</u>	<u>1,819,347,986</u>	<u>412,832,896</u>
<b>Deferred Outflows of Resources</b>	<u>8,911,782</u>	<u>2,715,760</u>	<u>18,728,245</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>967,800,328</u>	<u>7,315,383,044</u>	<u>595,249,736</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued expenses	28,699,385	11,923,106	5,493,482
Due to external parties	-	55,066	-
Interest payable	14,587,346	9,300,644	64,521
Unearned revenue	4,631,213	-	1,548,494
Current portion of long-term obligations	27,980,568	153,500,000	656,015
Other	-	3,709,060	4,331,297
<b>Total Current Liabilities</b>	<u>75,898,512</u>	<u>178,487,876</u>	<u>12,093,809</u>
<b>Noncurrent Liabilities</b>			
Net pension liability	17,965,955	-	48,740,925
Net OPEB liability	-	-	-
Revenue bonds payable, net	553,309,651	2,155,695,000	-
Other	-	29,886,391	20,034,900
<b>Total Noncurrent Liabilities</b>	<u>571,275,606</u>	<u>2,185,581,391</u>	<u>68,775,825</u>
<b>Deferred Inflows of Resources</b>	<u>7,788,511</u>	<u>-</u>	<u>783,660</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>654,962,629</u>	<u>2,364,069,267</u>	<u>81,653,294</u>
<b>NET POSITION</b>			
<b>Net investment in capital assets</b>	319,540,879	-	82,856,031
<b>Restricted for:</b>			
Capital projects	-	-	-
Debt service	48,882,519	245,214,461	-
Other purposes	739,235	4,706,099,316	22,583,026
<b>Unrestricted</b>	<u>(56,324,934)</u>	<u>-</u>	<u>408,157,385</u>
<b>Total Net Position</b>	<u>\$ 312,837,699</u>	<u>\$ 4,951,313,777</u>	<u>\$ 513,596,442</u>

<b>New Jersey Educational Facilities Authority</b>	<b>New Jersey Environmental Infrastructure Trust</b>	<b>New Jersey Health Care Facilities Financing Authority</b>	<b>New Jersey Housing and Mortgage Finance Agency</b>
\$ 72,501	\$ 167,293,517	\$ 7,713,000	\$ 882,025,000
8,582,850	27,942,891	-	19,271,000
-	-	-	-
-	22,793,394	390,000	315,000
-	-	-	106,300,000
-	2,863,290	1,921,000	6,208,000
-	-	-	2,953,000
-	-	-	-
17,443	52,390	3,029,000	35,727,000
<u>8,672,794</u>	<u>220,945,482</u>	<u>13,053,000</u>	<u>1,052,799,000</u>
-	88,374,438	-	319,004,000
-	23,489,547	1,443,000	275,757,000
-	-	-	1,951,541,000
-	-	-	-
-	-	-	1,225,000
72,319	134,574	41,000	7,075,000
-	-	-	27,898,000
<u>72,319</u>	<u>111,998,559</u>	<u>1,484,000</u>	<u>2,582,500,000</u>
<u>779,818</u>	<u>-</u>	<u>1,220,000</u>	<u>93,272,000</u>
<u>9,524,931</u>	<u>332,944,041</u>	<u>15,757,000</u>	<u>3,728,571,000</u>
188,828	1,505,150	419,000	8,283,000
-	-	-	21,124,000
-	-	-	15,841,000
-	-	1,772,000	-
-	-	-	129,086,000
-	-	-	231,075,000
<u>188,828</u>	<u>1,505,150</u>	<u>2,191,000</u>	<u>405,409,000</u>
3,644,819	-	5,679,000	62,473,000
334,881	-	-	74,504,000
-	-	-	-
19,398	-	-	2,349,573,000
<u>3,999,098</u>	<u>-</u>	<u>5,679,000</u>	<u>2,486,550,000</u>
<u>160,991</u>	<u>-</u>	<u>91,000</u>	<u>1,807,000</u>
<u>4,348,917</u>	<u>1,505,150</u>	<u>7,961,000</u>	<u>2,893,766,000</u>
72,319	134,574	41,000	8,300,000
-	-	-	-
-	114,362,495	-	380,829,000
-	186,677,927	-	26,869,000
5,103,695	30,263,895	7,755,000	418,807,000
<u>\$ 5,176,014</u>	<u>\$ 331,438,891</u>	<u>\$ 7,796,000</u>	<u>\$ 834,805,000</u>

(Continued on next page)

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF NET POSITION**  
**NON-MAJOR COMPONENT UNITS - AUTHORITIES (Continued)**  
**JUNE 30, 2016**

	<u>New Jersey Redevelopment Authority</u>	<u>New Jersey Sports and Exposition Authority</u>	<u>New Jersey Water Supply Authority</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 1,268,407	\$ 23,488,878	\$ 45,685,995
Investments	-	24,229,868	2,491,019
Receivables, net of allowances for uncollectibles			
Federal government	-	-	-
Loans	282,427	-	-
Mortgages	-	-	-
Other	-	4,984,061	4,456,055
Due from external parties	-	247,111	-
Inventories	-	-	-
Other	31,660	284,341	1,012,080
<b>Total Current Assets</b>	<u>1,582,494</u>	<u>53,234,259</u>	<u>53,645,149</u>
<b>Noncurrent Assets</b>			
Investments	25,558,323	-	11,527,173
Receivables, net of allowances for uncollectibles			
Loans	12,656,905	-	-
Mortgages	-	-	-
Other	3,083,764	12,230,634	-
Capital assets - nondepreciated	-	-	39,158,738
Capital assets - depreciated, net	74,471	290,177,979	101,223,347
Other	-	-	-
<b>Total Noncurrent Assets</b>	<u>41,373,463</u>	<u>302,408,613</u>	<u>151,909,258</u>
<b>Deferred Outflows of Resources</b>	<u>242,820</u>	<u>5,104,722</u>	<u>3,646,920</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>43,198,777</u>	<u>360,747,594</u>	<u>209,201,327</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued expenses	198,612	6,496,792	1,595,014
Due to external parties	297,360	-	-
Interest payable	-	676,310	-
Unearned revenue	-	32,580,006	3,155,654
Current portion of long-term obligations	-	-	1,276,652
Other	-	503,472	-
<b>Total Current Liabilities</b>	<u>495,972</u>	<u>40,256,580</u>	<u>6,027,320</u>
<b>Noncurrent Liabilities</b>			
Net pension liability	1,850,083	38,551,552	21,534,789
Net OPEB liability	-	-	-
Revenue bonds payable, net	-	-	-
Other	2,460,114	64,252,845	64,954,602
<b>Total Noncurrent Liabilities</b>	<u>4,310,197</u>	<u>102,804,397</u>	<u>86,489,391</u>
<b>Deferred Inflows of Resources</b>	<u>412,914</u>	<u>4,970,105</u>	<u>3,075,869</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>5,219,083</u>	<u>148,031,082</u>	<u>95,592,580</u>
<b>NET POSITION</b>			
<b>Net investment in capital assets</b>	74,471	287,685,474	98,890,303
<b>Restricted for:</b>			
Capital projects	15,838,355	-	-
Debt service	-	-	3,876,937
Other purposes	-	20,213,968	-
<b>Unrestricted</b>	<u>22,066,868</u>	<u>(95,182,930)</u>	<u>10,841,507</u>
<b>Total Net Position</b>	<u>\$ 37,979,694</u>	<u>\$ 212,716,512</u>	<u>\$ 113,608,747</u>

<u>South Jersey Port Corporation</u>	<u>South Jersey Transportation Authority</u>	<u>University Hospital</u>	<u>Total Non-Major Authorities</u>
\$ 41,403,292	\$ 66,479,286	\$ 97,919,000	\$ 2,332,421,097
9,424,306	80,700,406	6,334,000	4,992,299,284
-	477,513	72,870,000	78,632,809
-	11,545,000	-	148,996,535
-	-	-	106,300,000
9,203,821	6,429,082	2,667,000	115,371,450
21,717,523	-	-	25,565,640
1,382,176	56,729	17,445,000	18,883,905
446,777	2,190,092	17,021,000	60,506,469
<u>83,577,895</u>	<u>167,878,108</u>	<u>214,256,000</u>	<u>7,878,977,189</u>
-	-	125,313,000	729,962,185
-	-	-	2,310,095,229
-	-	-	2,005,501,684
-	-	17,317,000	32,631,398
169,549,032	170,431,475	-	599,461,292
96,242,785	475,227,217	202,356,000	1,559,231,396
-	-	-	50,043,850
<u>265,791,817</u>	<u>645,658,692</u>	<u>344,986,000</u>	<u>7,286,927,034</u>
<u>2,628,163</u>	<u>12,247,439</u>	<u>58,981,000</u>	<u>208,478,669</u>
<u>351,997,875</u>	<u>825,784,239</u>	<u>618,223,000</u>	<u>15,374,382,892</u>
9,426,883	9,467,163	86,181,000	169,877,415
454,785	208,334	20,848,000	42,987,545
7,248,084	3,599,874	-	51,317,779
8,475,574	738,063	3,153,000	56,054,004
11,805,000	9,014,318	194,000	333,512,553
-	10,673,817	12,009,000	262,301,646
<u>37,410,326</u>	<u>33,701,569</u>	<u>122,385,000</u>	<u>916,050,942</u>
14,148,921	59,906,599	410,860,000	685,355,643
-	89,842,866	-	164,681,747
249,343,562	373,320,000	-	3,331,668,213
1,786,550	85,192,626	347,457,000	2,965,617,426
<u>265,279,033</u>	<u>608,262,091</u>	<u>758,317,000</u>	<u>7,147,323,029</u>
<u>2,527,351</u>	<u>1,794,210</u>	<u>2,028,000</u>	<u>25,439,611</u>
<u>305,216,710</u>	<u>643,757,870</u>	<u>882,730,000</u>	<u>8,088,813,582</u>
17,131,924	205,106,117	39,737,000	1,059,570,092
-	-	-	15,838,355
24,725,567	63,716,509	6,341,000	887,948,488
1,382,176	6,215,270	-	4,970,779,918
3,541,498	(93,011,527)	(310,585,000)	351,432,457
<u>\$ 46,781,165</u>	<u>\$ 182,026,369</u>	<u>\$ (264,507,000)</u>	<u>\$ 7,285,569,310</u>

**STATE OF NEW JERSEY  
COMBINING STATEMENT OF ACTIVITIES  
NON-MAJOR COMPONENT UNITS - AUTHORITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Casino Reinvestment Development Authority</u>	<u>Higher Education Student Assistance Authority</u>	<u>New Jersey Economic Development Authority</u>
<b>Expenses</b>	\$ 105,848,391	\$ 1,535,737,350	\$ 94,958,874
<b>Net (Expense) Revenue and Changes in Net Position</b>			
<b>Program Revenues</b>			
Charges for services	53,495,154	22,423,790	39,032,337
Operating grants and contributions	57,658,628	281,112,960	55,460,508
Capital grants and contributions	<u>-</u>	<u>1,209,579,857</u>	<u>-</u>
<b>Net (Expense) Revenue</b>	<u>5,305,391</u>	<u>(22,620,743)</u>	<u>(466,029)</u>
<b>General Revenue</b>			
Payments from State	<u>-</u>	<u>-</u>	<u>14,069,332</u>
<b>Total General Revenue</b>	<u>-</u>	<u>-</u>	<u>14,069,332</u>
<b>Change in Net Position</b>	5,305,391	(22,620,743)	13,603,303
<b>Net Position - Beginning of Year (Restated)</b>	<u>307,532,308</u>	<u>4,973,934,520</u>	<u>499,993,139</u>
<b>Net Position - End of Year</b>	<u>\$ 312,837,699</u>	<u>\$ 4,951,313,777</u>	<u>\$ 513,596,442</u>



<u>New Jersey Educational Facilities Authority</u>	<u>New Jersey Environmental Infrastructure Trust</u>	<u>New Jersey Health Care Facilities Financing Authority</u>	<u>New Jersey Housing and Mortgage Finance Agency</u>
\$ 2,339,635	\$ 5,467,918	\$ 3,888,000	\$ 334,494,000
3,486,547	6,951,057	4,173,000	158,869,000
5,777	2,651,916	37,000	186,184,000
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,152,689</u>	<u>4,135,055</u>	<u>322,000</u>	<u>10,559,000</u>
<u>-</u>	<u>64,334,182</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>64,334,182</u>	<u>-</u>	<u>-</u>
1,152,689	68,469,237	322,000	10,559,000
<u>4,023,325</u>	<u>262,969,654</u>	<u>7,474,000</u>	<u>824,246,000</u>
<u>\$ 5,176,014</u>	<u>\$ 331,438,891</u>	<u>\$ 7,796,000</u>	<u>\$ 834,805,000</u>

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**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF ACTIVITIES**  
**NON-MAJOR COMPONENT UNITS - AUTHORITIES (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>New Jersey Redevelopment Authority</u>	<u>New Jersey Sports and Exposition Authority</u>	<u>New Jersey Water Supply Authority</u>
<b>Expenses</b>	\$ 6,560,766	\$ 97,161,705	\$ 23,514,984
 <b>Net (Expense) Revenue and Changes in Net Position</b>			
<b>Program Revenues</b>			
Charges for services	1,038,042	78,301,910	27,990,035
Operating grants and contributions	703,378	207,078	1,037,954
Capital grants and contributions	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net (Expense) Revenue</b>	<u>(4,819,346)</u>	<u>(18,652,717)</u>	<u>5,513,005</u>
 <b>General Revenue</b>			
Payments from State	<u>-</u>	<u>26,000,000</u>	<u>-</u>
<b>Total General Revenue</b>	<u>-</u>	<u>26,000,000</u>	<u>-</u>
 <b>Change in Net Position</b>	 (4,819,346)	 7,347,283	 5,513,005
 <b>Net Position - Beginning of Year (Restated)</b>	 <u>42,799,040</u>	 <u>205,369,229</u>	 <u>108,095,742</u>
<b>Net Position - End of Year</b>	<u>\$ 37,979,694</u>	<u>\$ 212,716,512</u>	<u>\$ 113,608,747</u>

<u>South Jersey Port Corporation</u>	<u>South Jersey Transportation Authority</u>	<u>University Hospital</u>	<u>Total Non-Major Authorities</u>
\$ 53,712,117	\$ 130,533,989	\$ 676,961,000	\$ 3,071,178,729
24,312,912	107,177,324	486,199,000	1,013,450,108
10,428,730	1,865,730	27,017,000	624,370,659
<u>5,125,224</u>	<u>6,842,000</u>	<u>3,291,000</u>	<u>1,224,838,081</u>
<u>(13,845,251)</u>	<u>(14,648,935)</u>	<u>(160,454,000)</u>	<u>(208,519,881)</u>
<u>18,898,929</u>	<u>-</u>	<u>137,348,000</u>	<u>260,650,443</u>
<u>18,898,929</u>	<u>-</u>	<u>137,348,000</u>	<u>260,650,443</u>
5,053,678	(14,648,935)	(23,106,000)	52,130,562
<u>41,727,487</u>	<u>196,675,304</u>	<u>(241,401,000)</u>	<u>7,233,438,748</u>
<u>\$ 46,781,165</u>	<u>\$ 182,026,369</u>	<u>\$ (264,507,000)</u>	<u>\$ 7,285,569,310</u>

**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF NET POSITION**  
**NON-MAJOR COMPONENT UNITS - COLLEGES AND UNIVERSITIES**  
**JUNE 30, 2016**

	<u>The College of New Jersey</u>	<u>Kean University</u>	<u>Montclair State University</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 36,498,000	\$ 151,123,348	\$ 83,344,604
Investments	58,206,000	29,812,664	103,931,527
Receivables, net of allowances for uncollectibles			
Federal government	-	2,407,110	5,637,376
Loans	841,000	253,411	533,413
Other	13,969,000	5,470,662	25,250,500
Due from external parties	-	2,994,772	2,511,980
Other	21,068,000	3,493,592	2,362,919
<b>Total Current Assets</b>	<u>130,582,000</u>	<u>195,555,559</u>	<u>223,572,319</u>
<b>Noncurrent Assets</b>			
Investments	50,616,000	8,791,541	161,930,821
Receivables, net of allowances for uncollectibles			
Loans	2,810,000	2,003,044	3,113,087
Mortgages	-	-	-
Other	-	126,499	4,950,996
Capital assets - nondepreciated	93,653,000	65,359,522	120,546,803
Capital assets - depreciated, net	545,228,000	417,252,047	789,336,758
Other	31,418,000	1,711,588	2,374,945
<b>Total Noncurrent Assets</b>	<u>723,725,000</u>	<u>495,244,241</u>	<u>1,082,253,410</u>
<b>Deferred Outflows of Resources</b>	<u>47,366,000</u>	<u>29,667,119</u>	<u>24,553,456</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>901,673,000</u>	<u>720,466,919</u>	<u>1,330,379,185</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued expenses	36,617,000	18,594,657	41,393,955
Due to external parties	-	-	-
Interest payable	-	5,987,734	8,438,898
Unearned revenue	913,000	13,074,794	23,705,414
Current portion of long-term obligations	14,287,000	12,163,002	11,357,979
Other	4,289,000	3,228,839	8,628,421
<b>Total Current Liabilities</b>	<u>56,106,000</u>	<u>53,049,026</u>	<u>93,524,667</u>
<b>Noncurrent Liabilities</b>			
Net pension liability	142,810,000	148,257,328	190,114,728
Installment obligations, net	-	-	-
Other	376,499,000	331,245,105	442,805,851
<b>Total Noncurrent Liabilities</b>	<u>519,309,000</u>	<u>479,502,433</u>	<u>632,920,579</u>
<b>Deferred Inflows of Resources</b>	<u>724,000</u>	<u>13,695,468</u>	<u>232,719,201</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>576,139,000</u>	<u>546,246,927</u>	<u>959,164,447</u>
<b>NET POSITION</b>			
<b>Net investment in capital assets</b>	283,072,000	160,384,404	210,520,700
<b>Restricted for:</b>			
Capital projects	2,181,000	34,664,093	-
Debt service	10,017,000	2,456,918	18,247,960
Other purposes	28,213,000	30,828,079	152,809,545
<b>Unrestricted</b>	<u>2,051,000</u>	<u>(54,113,502)</u>	<u>(10,363,467)</u>
<b>Total Net Position</b>	<u>\$ 325,534,000</u>	<u>\$ 174,219,992</u>	<u>\$ 371,214,738</u>

<u>New Jersey City University</u>	<u>New Jersey Institute of Technology</u>	<u>Ramapo College of New Jersey</u>	<u>Rowan University</u>	<u>Stockton University</u>
\$ 27,437,929	\$ 79,378,000	\$ 69,777,000	\$ 80,287,936	\$ 9,410,748
44,503,307	23,835,000	23,000	45,711,056	13,449,074
1,475,440	27,189,000	-	-	1,142,488
-	268,000	164,000	-	317,673
13,248,861	4,220,000	6,614,000	2,524,046	8,661,251
-	1,558,000	-	-	-
89,157	1,424,000	22,314,000	98,828,929	12,588,458
<u>86,754,694</u>	<u>137,872,000</u>	<u>98,892,000</u>	<u>227,351,967</u>	<u>45,569,692</u>
21,730,729	230,401,000	16,476,000	79,099,844	98,644,510
706,720	1,646,000	635,000	4,188,348	1,981,651
-	3,556,000	-	-	-
1,651,804	31,747,000	731,000	-	2,702,569
31,537,693	-	24,070,000	194,801,411	35,209,275
246,714,270	393,043,000	305,426,000	584,522,210	281,078,609
941,496	1,011,000	89,000	205,214,842	10,074,121
<u>303,282,712</u>	<u>661,404,000</u>	<u>347,427,000</u>	<u>1,067,826,655</u>	<u>429,690,735</u>
<u>21,819,613</u>	<u>22,719,000</u>	<u>10,048,000</u>	<u>49,313,307</u>	<u>21,912,161</u>
<u>411,857,019</u>	<u>821,995,000</u>	<u>456,367,000</u>	<u>1,344,491,929</u>	<u>497,172,588</u>
9,693,147	30,788,000	12,035,000	67,525,702	22,691,291
-	1,179,000	-	-	-
3,567,413	7,401,000	-	-	-
2,533,871	12,965,000	6,438,000	30,564,405	9,433,617
8,674,691	12,293,000	7,150,000	18,604,766	7,563,354
11,599,247	12,201,000	1,984,000	23,880	4,395,105
<u>36,068,369</u>	<u>76,827,000</u>	<u>27,607,000</u>	<u>116,718,753</u>	<u>44,083,367</u>
136,181,673	135,999,000	88,667,000	267,337,449	163,839,503
-	-	-	659,477,394	-
235,618,046	350,431,000	242,202,000	28,134,656	230,468,311
<u>371,799,719</u>	<u>486,430,000</u>	<u>330,869,000</u>	<u>954,949,499</u>	<u>394,307,814</u>
<u>1,021,792</u>	<u>1,808,000</u>	<u>3,037,000</u>	<u>23,355,847</u>	<u>1,701,742</u>
<u>408,889,880</u>	<u>565,065,000</u>	<u>361,513,000</u>	<u>1,095,024,099</u>	<u>440,092,923</u>
65,897,833	138,838,000	78,145,000	174,075,989	85,279,878
-	32,885,000	63,268,000	-	-
4,790,004	6,445,000	-	18,455,000	10,674,894
14,423,302	90,058,000	19,977,000	148,239,978	28,007,542
(82,144,000)	(11,296,000)	(66,536,000)	(91,303,137)	(66,882,649)
<u>\$ 2,967,139</u>	<u>\$ 256,930,000</u>	<u>\$ 94,854,000</u>	<u>\$ 249,467,830</u>	<u>\$ 57,079,665</u>

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**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF NET POSITION**  
**NON-MAJOR COMPONENT UNITS - COLLEGES AND UNIVERSITIES (Continued)**  
**JUNE 30, 2016**

	<b>Thomas Edison State University</b>	<b>The William Paterson University of New Jersey</b>	<b>Total Non-Major Colleges and Universities</b>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 12,670,409	\$ 109,352,444	\$ 659,280,418
Investments	34,267,929	16,530,909	370,270,466
Receivables, net of allowances for uncollectibles			
Federal government	880,877	416,061	39,148,352
Loans	-	948,344	3,325,841
Other	8,490,858	14,289,054	102,738,232
Due from external parties	-	-	7,064,752
Other	472,660	27,775,098	190,416,813
<b>Total Current Assets</b>	<u>56,782,733</u>	<u>169,311,910</u>	<u>1,372,244,874</u>
<b>Noncurrent Assets</b>			
Investments	5,824,590	-	673,515,035
Receivables, net of allowances for uncollectibles			
Loans	-	318,865	17,402,715
Mortgages	-	-	3,556,000
Other	-	-	41,909,868
Capital assets - nondepreciated	4,583,327	17,669,618	587,430,649
Capital assets - depreciated, net	66,272,400	352,761,412	3,981,634,706
Other	-	-	252,834,992
<b>Total Noncurrent Assets</b>	<u>76,680,317</u>	<u>370,749,895</u>	<u>5,558,283,965</u>
<b>Deferred Outflows of Resources</b>	<u>8,771,017</u>	<u>18,156,707</u>	<u>254,326,380</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>142,234,067</u>	<u>558,218,512</u>	<u>7,184,855,219</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued expenses	8,897,937	18,290,795	266,527,484
Due to external parties	112,612	-	1,291,612
Interest payable	-	-	25,395,045
Unearned revenue	9,740,341	4,691,867	114,060,309
Current portion of long-term obligations	1,297,842	8,008,686	101,400,320
Other	1,936,799	2,939,592	51,225,883
<b>Total Current Liabilities</b>	<u>21,985,531</u>	<u>33,930,940</u>	<u>559,900,653</u>
<b>Noncurrent Liabilities</b>			
Net pension liability	63,735,273	155,792,568	1,492,734,522
Installment obligations, net	-	173,626,635	833,104,029
Other	13,253,846	3,761,072	2,254,418,887
<b>Total Noncurrent Liabilities</b>	<u>76,989,119</u>	<u>333,180,275</u>	<u>4,580,257,438</u>
<b>Deferred Inflows of Resources</b>	<u>2,148,349</u>	<u>9,514,237</u>	<u>289,725,636</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>101,122,999</u>	<u>376,625,452</u>	<u>5,429,883,727</u>
<b>NET POSITION</b>			
Net investment in capital assets	57,230,271	205,370,813	1,458,814,888
<b>Restricted for:</b>			
Capital projects	-	-	132,998,093
Debt service	-	7,400,000	78,486,776
Other purposes	7,621,092	18,775,589	538,953,127
<b>Unrestricted</b>	<u>(23,740,295)</u>	<u>(49,953,342)</u>	<u>(454,281,392)</u>
<b>Total Net Position</b>	<u>\$ 41,111,068</u>	<u>\$ 181,593,060</u>	<u>\$ 1,754,971,492</u>

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**STATE OF NEW JERSEY  
COMBINING STATEMENT OF ACTIVITIES  
NON-MAJOR COMPONENT UNITS - COLLEGES AND UNIVERSITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>The College of New Jersey</u>	<u>Kean University</u>	<u>Montclair State University</u>
<b>Expenses</b>	\$ 234,150,000	\$ 237,224,010	\$ 419,600,482
<b>Net (Expense) Revenue and Changes in Net Position</b>			
<b>Program Revenues</b>			
Charges for services	151,277,000	130,310,404	255,434,144
Operating grants and contributions	49,044,000	89,718,757	121,337,000
Capital grants and contributions	<u>39,435,000</u>	<u>-</u>	<u>12,670,118</u>
<b>Net (Expense) Revenue</b>	<u>5,606,000</u>	<u>(17,194,849)</u>	<u>(30,159,220)</u>
<b>General Revenue</b>			
Payments from State	<u>27,177,000</u>	<u>37,812,208</u>	<u>35,859,000</u>
<b>Total General Revenue</b>	<u>27,177,000</u>	<u>37,812,208</u>	<u>35,859,000</u>
<b>Change in Net Position</b>	32,783,000	20,617,359	5,699,780
<b>Net Position - Beginning of Year</b>	<u>292,751,000</u>	<u>153,602,633</u>	<u>365,514,958</u>
<b>Net Position - End of Year</b>	<u><u>\$ 325,534,000</u></u>	<u><u>\$ 174,219,992</u></u>	<u><u>\$ 371,214,738</u></u>



<u>New Jersey City University</u>	<u>New Jersey Institute of Technology</u>	<u>Ramapo College of New Jersey</u>	<u>Rowan University</u>	<u>Stockton University</u>
\$ 202,820,457	\$ 359,014,000	\$ 153,321,000	\$ 511,830,121	\$ 239,864,955
100,268,774	154,884,000	114,218,000	221,364,854	102,744,865
67,679,979	171,228,000	24,813,000	183,937,214	106,308,919
6,872,843	3,240,000	846,000	75,283,511	6,292,482
<u>(27,998,861)</u>	<u>(29,662,000)</u>	<u>(13,444,000)</u>	<u>(31,244,542)</u>	<u>(24,518,689)</u>
<u>24,154,000</u>	<u>35,440,000</u>	<u>14,953,000</u>	<u>86,583,000</u>	<u>18,391,000</u>
<u>24,154,000</u>	<u>35,440,000</u>	<u>14,953,000</u>	<u>86,583,000</u>	<u>18,391,000</u>
(3,844,861)	5,778,000	1,509,000	55,338,458	(6,127,689)
<u>6,812,000</u>	<u>251,152,000</u>	<u>93,345,000</u>	<u>194,129,372</u>	<u>63,207,354</u>
<u>\$ 2,967,139</u>	<u>\$ 256,930,000</u>	<u>\$ 94,854,000</u>	<u>\$ 249,467,830</u>	<u>\$ 57,079,665</u>

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**STATE OF NEW JERSEY**  
**COMBINING STATEMENT OF ACTIVITIES**  
**NON-MAJOR COMPONENT UNITS - COLLEGES AND UNIVERSITIES (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Thomas Edison State University</u>	<u>The William Patterson University of New Jersey</u>	<u>Total Non-Major Colleges and Universities</u>
<b>Expenses</b>	\$ 97,411,851	\$ 231,042,961	\$ 2,686,279,837
<b>Net (Expense) Revenue and Changes in Net Position</b>			
<b>Program Revenues</b>			
Charges for services	49,456,447	112,551,963	1,392,510,451
Operating grants and contributions	34,075,111	73,085,739	921,227,719
Capital grants and contributions	<u>3,826,286</u>	<u>6,867,300</u>	<u>155,333,540</u>
<b>Net (Expense) Revenue</b>	<u>(10,054,007)</u>	<u>(38,537,959)</u>	<u>(217,208,127)</u>
<b>General Revenue</b>			
Payments from State	<u>8,422,861</u>	<u>30,357,000</u>	<u>319,149,069</u>
<b>Total General Revenue</b>	<u>8,422,861</u>	<u>30,357,000</u>	<u>319,149,069</u>
<b>Change in Net Position</b>	(1,631,146)	(8,180,959)	101,940,942
<b>Net Position - Beginning of Year</b>	<u>42,742,214</u>	<u>189,774,019</u>	<u>1,653,030,550</u>
<b>Net Position - End of Year</b>	<u>\$ 41,111,068</u>	<u>\$ 181,593,060</u>	<u>\$ 1,754,971,492</u>

**STATE OF NEW JERSEY  
DESCRIPTION OF FUNDS**

**Alcohol Education, Rehabilitation and Enforcement Fund (P.L. 1983, c.531)**

**Special Revenue Fund**

Annual deposits of \$11 million are made to this fund from annual Alcohol Beverage Excise Tax collections. The enabling legislation dedicates 75 percent toward alcohol rehabilitation, 15 percent toward enforcement, and 10 percent toward education. Additionally, a \$100 fee paid by persons convicted of operating a motor vehicle under the influence of intoxicating liquor or drugs is deposited into this fund to be used for the screening, evaluation, education, and referral of persons who have been convicted of driving while intoxicated.

**Alternate Benefit Long-Term Disability Fund**

**Pension Trust Fund**

The fund is employer-funded for long-term disability. Benefits are paid to those members of the Alternate Benefit Program Fund who have been disabled for two years or more since October 1, 1986.

**Alternate Benefit Program Fund (N.J.S.A. 18A:66-167 et seq.)**

**Agency Fund**

Faculty members of public institutions of higher education and certain administrative and professional titles are allowed to participate in a defined contribution plan. The employer contributes eight percent of base or contractual salary and then is reimbursed through this fund. The State's appropriation equals the amount needed to reimburse the employers for their contribution.

**Atlantic City Parking Fees Fund (P.L. 1993, c.159)**

**Special Revenue Fund**

A \$3 fee per diem is imposed for each vehicle parked, garaged, or stored in any casino hotel parking space. As per P.L. 2003, c.116 effective July 1, 2007, of the \$3 fee collected, \$2.50 is remitted to the Casino Reinvestment Development Authority (CRDA). The remaining \$.50 is deposited into the Casino Revenue Fund.

**Atlantic City Projects-Room Fund (P.L. 2001, c.221)**

**Special Revenue Fund**

The Atlantic City Projects-Room Fund facilitates the development of entertainment-retail projects in specified districts located within Atlantic City and promotes the revitalization of other urban areas throughout the State. Room Fund revenue is comprised of Tourism Promotion Fee receipts limited to annual Luxury Tax receipts that exceed the pre-determined baseline amount for a given district. Project Fund revenue is comprised of Sales and Use Tax receipts received from the entertainment-retail vendors within each district project. These funds shall be used by the Casino Reinvestment Development Authority for eligible projects in the corridor regions of Atlantic City.

**Atlantic City Tourism Promotion Fund (P.L. 1991, c.376)**

**Special Revenue Fund**

This fund accounts for revenues collected from a \$2 fee per diem for each occupied room in any hotel providing casino gaming and \$1 fee per diem for each occupied room in any other hotel in the eligible municipality. The revenues are collected, certified, and distributed on a monthly basis to the Atlantic City Convention and Visitors Authority and a portion to the Atlantic City Projects-Room Fund. Amounts expended are solely for the purpose of promoting tourism, conventions, resorts, and casino gaming.

**Beaches and Harbor Fund (P.L. 1977, c.208)**

**General Fund**

An amount of \$30 million of General Obligation bonds was authorized to research, plan, acquire, develop, construct, and maintain beaches and harbors.

**2007 Blue Acres Fund (P.L. 2007, c.119)**

**Capital Projects**

An amount of \$12 million of General Obligation bonds was authorized from the Green Acres, Farmland, Blue Acres, and Historic Preservation Bond Act of 2007 for the purpose of acquiring land by the State for recreation and conservation purposes in the floodways of the Delaware River, Passaic River, or Raritan River and their respective tributaries.

**2009 Blue Acres Fund (P.L. 2009, c.117)**

**Capital Projects**

An amount of \$24 million of General Obligation bonds was authorized from the Green Acres, Water Supply and Floodplain Protection, Farmland and Historic Preservation Bond Act of 2009 for the purpose of State acquisition of land for recreation and conservation purposes that has been damaged by, or may be prone to incurring damage caused by, storms or storm-related flooding or that may buffer or protect other lands from such damage.

**Board of Bar Examiners (R. 1:27B1)**

**Special Revenue Fund**

This fund was established for the purposes of drafting bar essay examination questions, reviewing applications, and preparing, administering, and grading bar examinations. Revenues are generated by payments made by candidates for admission to the Bar of the State of New Jersey. Revenues include examination fees, late fee charges, certificates of good standing, license name changes, and copying fees.

**Boarding House Rental Assistance Fund (N.J.S.A. 55:14K-14)**

**Special Revenue Fund**

A \$1 million appropriation (\$750 thousand from the Casino Revenue Fund and \$250 thousand from the General Fund) initially funded the Boarding House Rental Assistance Fund. This fund finances life safety improvement loans by the New Jersey Housing and Mortgage Finance Agency for the benefit of residents of boarding homes; and to account for the repayments for such life safety improvement loans.

**Body Armor Replacement Fund (P.L. 1997, c.177)**

**Special Revenue Fund**

One dollar for every bail forfeiture and one dollar added to the amount of each fine and penalty collected under authority of any law for any violation of Title 39 of the revised statutes or any other motor vehicle or traffic violation are deposited in this fund. This fund is used primarily for the purchase of body vests for law enforcement and correction officers.

**Building Our Future Fund (P.L. 2012, c.41)**

**General Fund**

An amount of \$750 million of General Obligation bonds was authorized to provide capital project grants to New Jersey's public and private institutions of higher education in order to increase academic capacity. Grants were allocated as follows: \$300 million for the public research universities; \$247.5 million for the State colleges and universities established pursuant to chapter 64 of Title 18A of the New Jersey Statutes; \$150 million for the county colleges; and \$52.5 million for the private institutions of higher education, other than a private institution having a total endowment of more than \$1 billion.

**Casino Control Fund (N.J.S.A. 5:12-143)**

**Special Revenue Fund**

This fund accounts for fees from the issuance and annual renewal of casino licenses and other license fees. The Casino Control Commission and the Division of Gaming Enforcement are funded by Casino Control Fund appropriations.

**Casino Revenue Fund (N.J.S.A. 5:12-145)**

**Special Revenue Fund**

This fund accounts for the tax on gross revenue generated by the casinos and internet gaming. Gross revenue refers to the total of all sums actually received by a licensee from gaming operations less the total sums paid out as winnings to patrons. Other taxes and fees deposited into this fund are the Casino Room Fee, Progressive Slot Tax, and a portion of the Casino Parking Fee. Appropriations from this fund must be used to provide for reductions in property taxes, utility charges, and other specified expenses of eligible senior citizens.

**Casino Simulcasting Fund (P.L. 1992, c.19)**

**Special Revenue Fund**

Casino simulcasting is defined as the simultaneous transmission by picture of running or harness horse races conducted at race tracks to Atlantic City casinos and pari-mutuel wagering at those gambling establishments on the results of those races. One half of a percent of the pari-mutuel pool generated at the casino is deposited into this fund and is used for services to benefit senior citizens.

**Casino Simulcasting Special Fund (P.L. 1992, c.19)**

**Special Revenue Fund**

After multiple formula distributions, a portion of the remaining balance and all breakage moneys and outstanding pari-mutuel ticket monies resulting from casino wagering on out-of-state race tracks are deposited into this fund. The funds are disbursed as operating subsidies to the Atlantic City Racetrack, Atlantic City casinos conducting simulcasting, and for other miscellaneous purposes.

**Catastrophic Illness in Children Relief Fund (P.L. 1987, c.370)**

**Special Revenue Fund**

This fund provides assistance to children and their families whose medical expenses due to a child's "catastrophic illness" extend beyond the families' available resources. Revenue is derived from a \$1.50 annual surcharge per employee for all employers who are subject to the New Jersey Unemployment Compensation Law.

**Central Pension Fund**

**Pension Trust Fund**

This fund administers a series of noncontributory pension acts. Benefits are funded on a pay-as-you-go basis in accordance with the governing statute and the rules and regulations of the State House Commission.

**Clean Communities Account Fund (P.L. 1985, c.533)**

**Special Revenue Fund**

A user fee on sales of litter-generating products is credited to this fund. Fund resources are primarily used to provide State aid to eligible municipalities for programs of litter pickup and removal, including the establishment of an "Adopt-A-Highway" program. A small portion of the available balance is to be used for a State program of litter pickup and removal, as well as enforcement of litter-related laws.

**Clean Energy Fund (P.L. 1999, c.23)**

**Special Revenue Fund**

This fund accounts for revenues collected from a "societal benefit charge" on monthly utility bills. Funds generated from this charge are used to support clean energy initiatives.

**Clean Waters Fund (P.L. 1976, c.92)**

**General Fund**

An amount of \$120 million of General Obligation bonds was authorized to research, plan, acquire, develop, construct, and maintain water supply and wastewater treatment facilities.

**Clean Water State Revolving Fund (P.L. 2009, c.77)**

**Special Revenue Fund**

This fund is the depository for the receipt of federal capitalization grants and other funds made available to the State for clean water projects and set-asides pursuant to the "Water Quality Act of 1987" and any amendatory and supplementary acts thereto.

**Consolidated Police and Firemen's Pension Fund (N.J.S.A. 43:16)**

**Pension Trust Fund**

This fund was established to place 212 local police and firemen pension funds on an actuarial basis. The membership consists of policemen and firemen that were appointed prior to July 1, 1944. This fund has no active members. All police and firemen currently appointed are enrolled in the Police and Firemen's Retirement System (PFRS). Any unfunded liability of the CPFPPF is an obligation of the State.

**Contributory Group Insurance Premium Fund (N.J.S.A. 43:15A-91)**

**Special Revenue Fund**

The Contributory Group Insurance Premium Fund represents the accumulation of member group insurance contributions in excess of premiums disbursed to the insurance carrier since the inception of the contributory death benefit program plus reserves held by the insurance carriers. Members are required by statute to participate in the contributory group insurance plan in the first year of membership and may cancel the contributory coverage thereafter.

**Correctional Facilities Construction Fund of 1987 (P.L. 1987, c.178)**

**Capital Projects Fund**

An amount of \$198 million of General Obligation bonds was authorized for the planning, erection, acquisition, improvement, construction, reconstruction, development, extension, rehabilitation, demolition, and equipment of State and county correctional facilities.

**Cultural Centers and Historic Preservation Fund (P.L. 1987, c.265)**

**General Fund**

An amount of \$100 million of General Obligation bonds was authorized for the purpose of financing the construction and development of cultural centers (\$40 million); the restoration, repair, or rehabilitation of historic structures in the State (\$25 million); and for the purpose of providing for grants and loans to assist municipalities, counties, and other units of local government to acquire and develop lands for recreation and conservation purposes (\$35 million).

**2003 Dam, Lake and Stream Project Revolving Loan Fund (P.L. 2003, c.162)**

**General Fund**

An amount of \$110 million of General Obligation bonds was authorized to make low-interest loans to owners of dams, lakes or streams, or private lake associations for dam restoration and repair projects, lake dredging and restoration projects, or stream cleaning and desnagging projects.

**2003 Dam, Lake, Stream and Flood Control Project Fund (P.L. 2003, c.162)**

**General Fund**

An amount of \$40 million of General Obligation bonds was authorized to provide assistance, other than full or matching grants, to owners of dams, lakes or streams, or private lake associations for dam restoration and repair projects, lake dredging and restoration projects, or stream cleaning and desnagging projects, and for State flood control projects or State dam restoration and repair projects.

**1992 Dam Restoration and Clean Waters Trust Fund (P.L. 1992, c.88)**

**General Fund**

An amount of \$20 million of General Obligation bonds was authorized from the Green Acres, Clean Water, Farmland, and Historic Preservation Bond Act of 1992 to finance dam restoration and inland water projects and loans.

**Defined Contribution Retirement Program (N.J.S.A. 43:15c)**  
**Pension Trust Fund**

Individuals eligible for membership include State or Local Officials who are elected or appointed on or after July 1, 2007; employees enrolled in the PERS or TPAF on or after July 1, 2007 who earn salary in excess of established annual maximum compensation limits (equivalent to annual maximum wage base for Social Security deductions); employees enrolled in the PFRS or SPRS after May 21, 2010 who earn salary in excess of established annual maximum compensation limits (equivalent to annual maximum wage base for Social Security deductions); and employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary required for PERS or TPAF Tier 3 enrollment or do not work the minimum hours per week required for PERS or TPAF Tier 4 and Tier 5 enrollments.

**Dental Expense Program (N.J.S.A. 52:14-17.29)**

**Agency Fund**

This program helps meet the dental expenses for eligible state and local employees, retirees, and their dependents. There are two separate benefit types available. The Dental Expense Program (DEP) is a self-insured indemnity plan. Included are full coverage of eligible diagnostic and preventive services and substantial benefits for covered restorative services. For active employees there is an annual benefit maximum of \$3,000 and a separate lifetime \$1,000 maximum for child orthodontic services. The DEP also has a “discount network” of providers who have contracts with the insurance carrier which reduces the cost of services to the employee and to the program. In addition to the DEP, there are several Dental Plan Organizations (DPOs) participating in the State program. Similar to HMOs for health care, the DPOs pay for benefits rendered by contracted providers. The DEP is available to employees of the State of New Jersey, including employees of certain independent agencies, such as the State colleges and universities. Although the cost sharing is subject to bargaining contracts, at this time all State employees use the same rule: the State pays for at least one-half of the cost of coverage. The DEP is offered to local employees whose employers have elected to participate.

Retirees who participate in the State Health Benefits Plan are permitted to enroll themselves and eligible dependents in the DEP at the time of retirement, but are subject to a maximum annual benefit limit of \$1,500. The retiree pays the entire cost.

**1989 Development Potential Bank Transfer Fund (P.L. 1989, c.183)**

**General Fund**

An amount of \$20 million of General Obligation bonds was authorized to provide for the acquisition and development rights of land by the State for recreation and conservation purposes.

**Developmental Disabilities Waiting List Reduction Fund (P.L. 1994, c.108)**

**General Fund**

An amount of \$160 million of General Obligation bonds was authorized for the purpose of planning, construction, reconstruction, development, erection, acquisition, extension, improvement, rehabilitation, and equipping of community-based residential facilities for clients on the New Jersey Department of Human Services’ Developmental Disabilities Waiting List.

**Disciplinary Oversight Committee (R. 1:20-2)**

**Special Revenue Fund**

This fund was established for the purpose of performing random audits of the books and records of New Jersey attorneys for compliance with standards established by the Supreme Court of New Jersey. Revenues are generated from annual attorney assessments paid by bar members. Each nonexempt member of the Bar is required to pay \$25 annually in their second year of practice and \$148 for attorneys in their third to forty-ninth year.

**Division of Motor Vehicles Surcharge Fund (P.L. 1994, c.57)**

**Special Revenue Fund**

This fund consists of surcharge and Unsafe Driver collections for the payment of principal and interest applicable to New Jersey Economic Development Authority bonds for the Motor Vehicle Commission, Special Needs Housing Program, and Motor Vehicle Surcharge bonds. Excess funds are available for transfer to the State’s General Fund.

**Dredging and Containment Facility Fund (P.L. 1996, c.70)**

**General Fund**

An amount of \$185 million of General Obligation bonds was authorized for the construction of subaqueous pits, the construction of containment facilities, projects related to the decontamination of dredged materials, and dredging projects. Additionally, an amount of \$20 million of General Obligation bonds was authorized for the purpose of dredging navigation channels located in the port region.

**Drinking Water State Revolving Fund (P.L. 1998, c.84)**

**Special Revenue Fund**

This fund is the depository for the receipt of federal capitalization grants and other funds made available to the State for drinking water projects and set-asides pursuant to the Federal Safe Drinking Water Act.

**1996 Economic Development Site Fund (P.L. 1996, c.70)**

**General Fund**

An amount of \$20 million of General Obligation bonds was authorized for the purchase of real property, equipment, and any building, construction, and miscellaneous site improvements associated with an economic development site.

**Emergency Flood Control Fund (P.L. 1978, c.78)**

**General Fund**

An amount of \$25 million of General Obligation bonds was authorized to acquire, develop, construct, and maintain flood control facilities and for the development of a comprehensive flood control master plan.

**Emergency Medical Technician Training Fund (P.L. 1992, c.143)**

**Special Revenue Fund**

An amount of \$0.50 added to each fine, penalty, and forfeiture imposed and collected under authority of law for any violation of the provisions of Title 39 of the revised statutes or any other motor vehicle or traffic violation is deposited in this fund. This fund annually reimburses any private agency, organization, or entity which is certified by the Commissioner of Health to provide training and testing for volunteer ambulance, first aid, and rescue squad personnel who are seeking emergency medical technician-ambulance (EMT-A) or emergency medical technician-defibrillation (EMT-D) certification and/or recertification that are not otherwise reimbursed.

**Emergency Services Fund (N.J.S.A. 52:14E-5)**

**General Fund**

General Fund appropriations are credited to the fund and, on an as needed basis, reimburse municipalities or counties for damage or excess costs as a result of an emergency.

**Energy Conservation Fund (P.L. 1980, c.68)**

**Capital Projects Fund**

Of the \$50 million of General Obligation bonds that was authorized, \$3 million is appropriated for energy audits and \$47 million is appropriated for energy-saving renovations to educational facilities, institutions, and public buildings of the State.

**Enterprise Zone Assistance Fund (P.L. 1983, c.303)**

**Special Revenue Fund**

The purpose of this fund is to provide relief in certain areas of economic distress, by reducing Sales and Use Tax paid by up to one half of the current tax rate. The revenue generated in these zones is made available to the municipalities located within the Urban Enterprise Zones for various approved revitalization projects.

**1996 Environmental Cleanup Fund (P.L. 1996, c.70)**

**General Fund**

An amount of \$70 million of General Obligation bonds was authorized to provide for the remediation of hazardous discharge sites and for the construction of water supply facilities to replace potable water supplies determined to be contaminated or threatened by discharge.



**1989 Farmland Preservation Fund (P.L. 1989, c.183)**

**General Fund**

An amount of \$50 million of General Obligation bonds was authorized for the purpose of farmland preservation for agricultural use and production.

**1992 Farmland Preservation Fund (P.L. 1992, c.88)**

**General Fund**

An amount of \$50 million of General Obligation bonds was authorized from the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992 for farmland preservation and agricultural use.

**1995 Farmland Preservation Fund (P.L. 1995, c.204)**

**General Fund**

An amount of \$50 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995 for the purpose of farmland preservation and agricultural use.

**2007 Farmland Preservation Fund (P.L. 2007, c.119)**

**General Fund**

An amount of \$73 million of General Obligation bonds was authorized from the Green Acres, Farmland, Blue Acres, and Historic Preservation Bond Act of 2007 for the purpose of farmland preservation. Of the amount authorized pursuant to this act, not more than 5 percent shall be utilized for administrative costs of the fund.

**2009 Farmland Preservation Fund (P.L. 2009, c.117)**

**General Fund**

An amount of \$146 million of General Obligation bonds was authorized from the Green Acres, Water Supply and Floodplain Protection, and Farmland and Historic Preservation Bond Act of 2009 for the purpose of farmland preservation. Of the amount authorized pursuant to this act, not more than 5 percent shall be utilized for administrative costs of the fund.

**Fund for Support of Free Public Schools (N.J.S.A. 18A:56-1)**

**Special Revenue Fund**

The fund consists of proceeds from the sale of riparian lands, rents received on leased riparian State lands, licenses and fees related to such lands, and the income from earnings on investments. Interest income supports General Fund appropriations set forth by the Annual Appropriations Act for the support of free public schools.

The fund provides for the establishment of a school bond reserve which consists of two accounts. For bonds issued prior to July 1, 2003, the old school bond reserve account is funded in an amount equal to at least 1.5 percent of the aggregate issued and outstanding bonded indebtedness of counties, municipalities, or school districts for school purposes. For bonds issued on or after July 1, 2003, the new school bond reserve account is funded in an amount equal to at least 1.0 percent of the aggregate issued and outstanding bonded indebtedness of counties, municipalities, or school districts for school purposes, exclusive of bonds for debt service, which is provided by State appropriations.

**Garden State Farmland Preservation Trust Fund (P.L. 1999, c.152)**

**Special Revenue Fund**

The Garden State Farmland Preservation Trust Fund was authorized for the preservation of farmland for agricultural use and production. It receives funding from the Garden State Preservation Trust.

**Garden State Green Acres Preservation Trust Fund (P.L. 1999, c.152)**

**Special Revenue Fund**

The Garden State Green Acres Preservation Trust Fund was authorized for the acquisition and development of lands by the State for recreation and conservation purposes. It receives funding from the Garden State Preservation Trust.

**Garden State Historic Preservation Trust Fund (P.L. 1999, c.152)**

**Special Revenue Fund**

The Garden State Historic Preservation Trust Fund was authorized for the work relating to the conservation, improvement, repair, restoration, or stabilization of historic property. It receives funding from the Garden State Preservation Trust.

**Garden State Preservation Trust (P.L. 1999, c.152)**

**Special Revenue Fund**

The Trust was created to provide funding to the Garden State Farmland Preservation Trust Fund, the Garden State Green Acres Preservation Trust Fund, and the Garden State Historic Preservation Trust Fund for the preservation of open space, farmland and historic properties within the means provided by the 1998 constitutional amendment which dedicated \$98 million annually in Sales and Use Tax revenues for such purposes. In 2003, voters approved a new constitutional amendment, P.L. 2004, c.126 that granted the Garden State Preservation Trust the authorization to issue up to \$1.15 billion in bonds.

**General Fund**

This fund accounts for all State revenues not otherwise restricted by statute. The largest part of the total financial operations of the State is accounted for in the General Fund. Most revenues received from taxes, federal sources, and certain miscellaneous revenue items are recorded in this Fund. The Annual Appropriations Act enacted by the State Legislature provides the basic framework for the operations of the General Fund.

**Global Warming Solutions Fund (P.L. 2007, c.340)**

**Special Revenue Fund**

Revenue in this fund is generated quarterly from the sale of emission allowances. Disbursements are made to provide grants and financial assistance for efficiency projects and efforts to reduce greenhouse gases.

**2007 Green Acres Fund (P.L. 2007, c.119)**

**General Fund**

An amount of \$109 million of General Obligation bonds was authorized from the Green Acres, Farmland, Blue Acres, and Historic Preservation Bond Act of 2007 to provide monies for public acquisition and development of land for recreation and conservation purposes.

**2009 Green Acres Fund (P.L. 2009, c.117)**

**General Fund**

An amount of \$218 million of General Obligation bonds was authorized from the Green Acres, Water Supply and Floodplain Protection, and Farmland and Historic Preservation Bond Act of 2009 to provide monies for public acquisition and development of land for recreation and conservation purposes.

**Green Trust Fund (P.L. 1983, c.354)**

**General Fund**

An amount of \$83 million of General Obligation bonds was authorized from the 1983 New Jersey Green Acres Fund for the purpose of making loans and grants to local government units for the acquisition and development of lands for recreation and conservation.

**Gubernatorial Elections Fund (N.J.S.A. 54A:9-25.1)**

**Special Revenue Fund**

This fund accounts for receipts from the one dollar designation on New Jersey Gross Income Tax returns. When indicated by a taxpayer, one dollar of the tax is reserved from gross income tax revenues (Property Tax Relief Fund) and credited to the Gubernatorial Elections Fund. These funds are available for appropriation pursuant to The New Jersey Campaign Contributions and Expenditures Reporting Act, as amended.

**Hazardous Discharge Fund of 1981 (P.L. 1981, c.275)**

**General Fund**

An amount of \$100 million of General Obligation bonds was authorized for the identification, cleanup, and removal of hazardous discharges.

**Hazardous Discharge Fund of 1986 (P.L. 1986, c.113)**

**General Fund**

An amount of \$200 million of General Obligation bonds was authorized for the purpose of financing the cost of identification, cleanup, and removal of hazardous discharges.

### **Hazardous Discharge Site Cleanup Fund (P.L. 1985, c.247)**

#### **Special Revenue Fund**

This fund was established for the purposes of preparing feasibility studies, engineering designs, and undertaking other work necessary for the cleanup or mitigation of hazardous discharge sites in the State. An amount of \$100 million was appropriated from the Hazardous Discharge Fund of 1981. Sources of revenue are comprised of collections for Natural Resources Damages (NRDs, or past costs in site cleanups) and Responsible Party (RP, or future site cleanup costs). Collections also include oversight bills for cleanup as well as legal settlements for past costs of cleanup.

### **Health Benefits Program Fund - Local Education (P.L. 2007, c.103)**

#### **Pension Trust Fund**

The State of New Jersey provides medical and prescription drug coverage to members of the Public Employees' Retirement System, Teachers' Pension and Annuity Fund, and the Alternate Benefit Program who retire from a board of education or county college with 25 years of service or on a disability retirement. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents. Also, education employees are eligible for the Prescription Drug Program coverage after 60 days of employment.

### **Health Benefits Program Fund – Local Government (N.J.S.A. 52:14-17.25 et seq.)**

#### **Pension Trust Fund**

The Health Benefits Program Fund, which includes the Prescription Drug Program Fund (N.J.S.A. 52:14-17.29) provides medical and prescription drug coverage to active and retired local government employees who are qualified members of the Public Employees' Retirement System, Teachers' Pension and Annuity Fund, and the Alternate Benefit Program who retire from a board of education or county college with 25 years of service or are on a disability retirement. Active employees may enroll in the preferred provider organization which includes two options named NJ DIRECT10 and NJ DIRECT15 or a health maintenance organization (HMO) plan. An HMO provides employees with complete coverage including wellness and preventative care for medical services provided by affiliated physicians and hospitals. NJ DIRECT is a preferred provider organization that combines managed care with the option of reimbursement for services performed by out of network physicians, hospitals, or laboratories. An active local employee or dependent is required to pay a co-payment when visiting an HMO or NJ DIRECT affiliated physician. The prescription drug program helps meet the cost of drugs prescribed for eligible employees and their dependents for use outside of hospitals, nursing homes, or other institutions. Included are those drugs which, as required by federal law, can be dispensed only upon a written prescription ordered by a physician. This program covers the full cost of a prescription item dispensed by a licensed participating pharmacy, less a co-payment for eligible prescription and prescription refill. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program by paying the cost of the insurance for themselves and their covered dependents.

### **Health Benefits Program Fund – State (N.J.S.A. 52:14-14.25 et seq.)**

#### **Pension Trust Fund**

The Health Benefits Program Fund, which includes the Prescription Drug Program Fund (N.J.S.A. 52:14-17.29), provides medical and prescription drug coverage to qualified active and retired State employees, including employees of certain independent agencies, such as colleges and universities. Active employees may enroll in NJ DIRECT15 or a health maintenance organization (HMO) plan. Most active employees pay a percentage of the premium for the level of coverage selected by the employee, which ranges from 3 percent for the lowest paid employees to 35 percent for the highest paid employees. An HMO provides employees with complete coverage including wellness and preventive care for medical services provided by affiliated physicians and hospitals. NJ DIRECT15 is a preferred provider organization that combines managed care with the option of reimbursement for services performed by out of network physicians, hospitals, or laboratories. An active State employee or a dependent is required to pay a co-payment when visiting an HMO or NJ DIRECT15 affiliated physician. The prescription drug program helps meet the cost of drugs prescribed for eligible employees and their dependents for use outside of hospitals, nursing homes, or other institutions. Included are those drugs which, as required by federal law, can be dispensed only upon a written prescription ordered by a physician. This program covers the full cost of a prescription item dispensed by a licensed participating pharmacy, less a co-payment for eligible prescription and prescription refill.

Under P.L. 1977, c.136, the State pays for the health insurance coverage including prescription drug coverage of all enrolled retired State employees whose pensions are based upon 25 years or more of credited service or a disability retirement regardless of years of service, if earned prior to July 1, 2007. State retirees who earn their 25 years after July 1, 2007 or go out on a disability retirement after July 1, 2007 are subject to a 1.5 percent of their pension allowance if they do not participate in the retiree wellness program. Under P.L. 2011, c.78, future State retirees who had less than 20 years of pension credit on June 28, 2011, the effective date of Chapter 78, will be required to pay a percentage of the cost of their health insurance coverage at retirement provided they retire with 25 or more years of pension service credit. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program by paying the cost of the insurance for themselves and their covered dependents.

**Health Care Subsidy Fund (P.L. 1992, c.160)**

**Special Revenue Fund**

This fund is comprised of revenues from alcohol, cigarette and tobacco taxes, HMO assessments, hospital assessments, cosmetic surgery taxes, ambulatory facility fees, General Fund appropriations, interest, and penalties. Monies are used to distribute charity and other uncompensated care disproportionate share payments to hospitals; provide subsidies for the Family Care-CHIP program; and provide financial assistance for hospitals, other health care initiatives, and hospital bond assistance.

**Higher Education Facility Renovation and Rehabilitation Fund (P.L. 1990, c.126)**

**General Fund**

The sum of \$45 million of General Obligation bonds was appropriated from the Jobs, Education and Competitiveness Fund for the renovation and rehabilitation of existing higher education buildings at various State colleges and universities.

**1992 Historic Preservation Fund (P.L. 1992, c.88)**

**General Fund**

An amount of \$25 million of General Obligation bonds was authorized from the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992 for the purpose of providing State matching grants to assist State agencies or entities, local government units, and qualifying tax-exempt, non-profit organizations to meet the historic preservation project cost for historic properties, structures, facilities, or sites owned or leased on a long-term basis by those agencies, entities, units, or organizations.

**1995 Historic Preservation Fund (P.L. 1995, c.204)**

**General Fund**

An amount of \$10 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995. This fund provides matching grants to assist State agencies or entities, local government units, and qualified tax-exempt, non-profit organizations to meet historic preservation project costs.

**2007 Historic Preservation Fund (P.L. 2007, c.119)**

**General Fund**

An amount of \$6 million of General Obligation bonds was authorized from the Green Acres, Farmland, Blue Acres, and Historic Preservation Bond Act of 2007 for the purpose of providing State matching grants to assist State agencies or entities, local government units, and qualifying tax-exempt, non-profit organizations to meet the cost of preservation of historic properties.

**2009 Historic Preservation Fund (P.L. 2009, c.117)**

**General Fund**

An amount of \$12 million of General Obligation bonds was authorized from the Green Acres, Water Supply and Floodplain Protection, and Farmland and Historic Preservation Bond Act of 2009 for the purpose of providing State matching grants to assist State agencies or entities, local government units, and qualifying tax-exempt, nonprofit organizations to meet the cost of preservation of historic properties.

**Historic Preservation Revolving Loan Fund (P.L. 1991, c.41)**

**General Fund**

The sum of \$3 million was appropriated to the Historic Preservation Revolving Loan Fund for the purpose of making low interest loans to counties, municipalities, or tax-exempt, non-profit organizations to finance the costs of acquiring, restoring, repairing, or rehabilitating historic structures.

**Horse Racing Injury Compensation Fund (P.L. 1995, c.329)**

**Special Revenue Fund**

The purpose of this fund is to provide workers' compensation coverage to employees in the thoroughbred and standardbred horse racing industries. The costs of providing coverage is funded from assessments to both the thoroughbred and standardbred industries based on their respective experience rating.

**Housing Assistance Fund (P.L. 1968, c.127)**

**General Fund**

An amount of \$12.5 million was authorized for interest rate subsidies on contracts and agreements with qualified mortgagors and mortgagees of housing developments to decrease rental and carrying charges to low and moderate income occupants of such housing and to provide financial assistance to qualified housing developments that were constructed, financed, or rehabilitated under federal law and moderate income financing programs.

**Insurance Annuity Trust Fund (Superior Court of New Jersey, Law Division, Morris County Docket No. L-081390-83)**

**Private Purpose Trust Fund**

This fund was established to account for deposits made by Western National Life Insurance Company or its assignees on behalf of the State of New Jersey resulting from a lawsuit filed against the State. Monies are held in trust on behalf of the claimant until such time the claimant is released from State care.

**Jobs, Education and Competitiveness Fund (P.L. 1988, c.78)**

**General Fund**

An amount of \$350 million of General Obligation bonds was authorized for the construction, reconstruction, development, extension, improvement, and equipment of classrooms, academic buildings, libraries, computer facilities, and other higher education buildings at New Jersey's public and private institutions of higher education; the establishment and construction of advanced technology centers at public and private institutions of higher education; and for the expansion and construction of additional facilities at, and acquisition of additional and upgraded equipment for, existing advanced technology centers sponsored by the New Jersey Commission on Science and Technology.

**Judicial Retirement System (N.J.S.A. 43:6A)**

**Pension Trust Fund**

This system provides pension benefits to members of the State Judiciary. The system is maintained on an actuarial reserve basis.

**Judiciary Bail Fund (R.3:26)**

**Agency Fund**

The purpose of this fund is to serve as a repository for the collection of bail, the return of bail to the surety, and the remittance of associated revenues to the proper governmental agency.

**Judiciary Child Support and Paternity Fund (Social Security Act, Title IV-D, as amended)**

**Agency Fund**

The purpose of this fund is to serve as a repository for the collection of child support obligations and the subsequent remittance to the proper recipients.

**Judiciary Probation Fund (N.J.S.A. 2C:46-4)**

**Agency Fund**

The purpose of this fund is to serve as a repository for the collection and disbursement of court imposed financial obligations associated with the statewide probation function.

**Judiciary Special Civil Fund (R.6)**

**Agency Fund**

The purpose of this fund is to serve as a repository for the collection and disbursement of funds collected by the Special Civil Part of the Superior Court of New Jersey.

**Judiciary Superior Court - Miscellaneous Fund (N.J. Court Rules, Parts II, IV, V, VI, VIII)**

**General Fund**

The purpose of this fund is to serve as a repository for the collection and disbursement of various fees, fines, and costs collected by court divisions of the Superior Court of New Jersey. These monies are separate and distinct from those included under the Superior Court of New Jersey Trust Fund.

**1996 Lake Restoration Fund (P.L. 1996, c.70)**

**General Fund**

An amount of \$5 million of General Obligation bonds was authorized for the removal of sand, silt, mud, sediment, rocks, stumps, vegetation, algae blooms, or other materials from lakes, or the abatement and control of pollution caused by storm water runoff, soil erosion, or other types of non-point source or point source pollution.

**Lead Hazard Control Assistance Fund (P.L. 2003, c.311)**

**Special Revenue Fund**

This fund was established for the purpose of providing grants or loans to eligible homeowners to make their homes lead-safe. Funds are received from various sources, including a \$20 fee assessed to homeowners of multiple dwelling units and a portion of the Sales and Use Tax generated on the sale of paint.

**Legal Services Fund (P.L. 1996, c.52)**

**Special Revenue Fund**

Revenues generated from the increase in certain filing fees in civil actions are credited to the fund and are used to provide legal services to the poor in civil matters, funding for ten Superior Court judgeships, and support to Rutgers-Newark Law School, Rutgers-Camden Law School, and Seton Hall Law School for clinical programs which provide free legal representation to the poor.

**Long Term Obligation and Capital Expenditure Fund (P.L. 2008, c.22)**

**General Fund**

Monies remaining in the fund have been appropriated for various capital construction projects throughout the State.

**Luxury Tax Development Fund (N.J.S.A. 40:48-8.30a (B))**

**Agency Fund**

This fund was established for the deposit of Luxury Tax revenues in excess of statutory requirements. Development funds are dedicated for various housing projects in Atlantic City.

**Luxury Tax Fund (N.J.S.A. 40:48-8.30a (B), (P.L. 1991, c.375)**

**Special Revenue Fund**

This fund accounts for tax revenues collected on rooms, beverages, and amusements. These tax revenues are dedicated to the payment of debt service on bonds issued for the construction of the Convention Hall facilities, then to subsidize the Convention Center operating budget deficits. The remaining balances are available to provide housing opportunities for low and moderate income families.

**Mandatory Continuing Legal Education Fund (R: 1:42)**

**Special Revenue Fund**

This fund was established to assist the Supreme Court of New Jersey in the administration of the continuing legal education of attorneys holding license to practice in the State of New Jersey. Revenues are generated by payments made by continuing legal education providers and attorneys.

**Medical Malpractice Self Insurance Fund**

**Special Revenue Fund**

This fund is the successor to the University of Medicine and Dentistry of New Jersey Self-Insurance Reserve Fund which was dissolved as of July 1, 2013 as a result of the New Jersey Medical and Health Sciences Education Restructuring Act (the "Act"). The Act transfers all schools, institutes, and centers of UMDNJ, other than the School of Osteopathic Medicine which was transferred to Rowan University, to Rutgers University. University Hospital became an independent entity. Medical malpractice claims against Rutgers, University Hospital, and Rowan are paid from this fund. Revenues are derived from General Fund appropriations, as well as contributions from University affiliated hospitals and from University faculty members.

**Mortgage Assistance Fund (P.L. 1976, c.94)**

**General Fund**

An amount of \$25 million of General Obligation bonds was authorized for mortgage assistance and to spur construction, rehabilitation, and maintenance of housing for senior citizens and families of low and moderate income, and to provide funds for second mortgages and for a neighborhood preservation program.

**Motor Vehicle Commission Fund (P.L. 2003, c.13)**

**Capital Projects Fund**

The Motor Vehicle Security and Customer Service Act created the Motor Vehicle Commission Fund which authorized the issuance of \$160 million in installment obligation bonds. An amount of \$10 million was transferred to the Administrative Office of the Courts for improvements to the automated traffic system. The remainder was used to make capital improvements to Motor Vehicle Commission facilities.

**Motor Vehicle Security Responsibility Fund (N.J.S.A. 39:6-30.1)**

**Private Purpose Trust Fund**

Security deposits made by motorists not having the required minimum motor vehicle insurance coverage in the State, who have been involved in a motor vehicle accident resulting in bodily injury or death and/or property damage, are recorded in this fund. The deposits may be disbursed in satisfaction of judgments rendered or returned to the motorist upon release of liability.

**Municipal Landfill Closure and Remediation Fund (P.L. 1996, c.124)**

**Special Revenue Fund**

This fund is dedicated for the purpose of reimbursing a developer who enters into a certified redevelopment agreement related to the closure, remediation, and redevelopment of municipal landfill sites. Costs of the closure and remediation of the municipal solid waste landfill may be eligible for a 75 percent reimbursement upon the commencement of a business operation within a redevelopment project. The reimbursements are made from designated Sales and Use Tax collections.

**Natural Resources Fund (P.L. 1980, c.70)**

**General Fund**

An amount of \$145 million of General Obligation bonds was authorized to fund state and local projects for resource recovery, sewage treatment, water supply, dam restoration, and harbor clean-up projects.

**New Home Warranty Security Fund (N.J.S.A. 46:3B-7)**

**Special Revenue Fund**

Monies received from participating builders of dwellings not previously occupied, excluding those constructed solely for lease, are deposited into this fund. Payments are authorized by approved claims of owners for defects in new homes covered by the new home warranty.

**New Jersey Bridge Rehabilitation and Improvement and Railroad Right-of-Way Preservation Fund (P.L. 1989, c.180)**

**Capital Projects Fund**

An amount of \$115 million of General Obligation bonds was authorized for the purposes of rehabilitating and improving bridges in the State and the preservation and acquisition of railroad rights-of-way.

**New Jersey Building Authority (N.J.S.A. 52:18A-78.4)**

**Special Revenue Fund**

The New Jersey Building Authority is authorized to construct and rehabilitate office buildings and related facilities for use by State agencies. The Authority is authorized to issue bonds and notes to provide funds for the construction and the rehabilitation of the projects. Debt service on outstanding bonds is paid through lease agreements with the State.

**1995 New Jersey Coastal Blue Acres Trust Fund (P.L. 1995, c.204)**

**General Fund**

An amount of \$15 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995 for the purpose of providing State grants and loans to assist local government units to meet the coastal blue acres cost of acquiring, for recreation and conservation purposes, lands in the coastal area that have been damaged by, or may be prone to incurring damage caused by, storms or storm-related flooding, or may buffer or protect other lands from such damage.

**New Jersey Cultural Trust Fund (P.L. 2000, c.76)**

**General Fund**

This fund annually receives a General Fund appropriation. The appropriation, as well as accumulated investment earnings, shall be used for capital facilities projects that improve cultural or historical properties and facilities; endowment development; and payments to ensure the institutional and financial stability of qualified organizations in New Jersey. A qualified organization is defined as a tax-exempt, non-profit organization whose primary mission is to promote the performing, visual, and creative arts in New Jersey, or to promote or preserves history and humanities in New Jersey.

**New Jersey Federal-State Rural Rehabilitation Fund (N.J.S.A. 52:18A-1 et seq.)**

**General Fund**

This fund was established to receive monies from the federal government which are available for loans to farmers in New Jersey.

**1989 New Jersey Green Acres Fund (P.L. 1989, c.183)**

**General Fund**

An amount of \$90 million of General Obligation bonds was authorized from the 1989 Open Space Preservation Bond Act to provide monies for State grants to assist local governmental entities to acquire and develop land for recreation and conservation purposes.

**1992 New Jersey Green Acres Fund (P.L. 1992, c.88)**

**General Fund**

An amount of \$80 million of General Obligation bonds was authorized from the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992 for the purpose of acquiring and developing land by the State for recreation and conservation purposes.

**1995 New Jersey Green Acres Fund (P.L. 1995, c.204)**

**General Fund**

An amount of \$115 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995 to provide monies for public acquisition and development of land for recreation and conservation purposes.

**1989 New Jersey Green Trust Fund (P.L. 1989, c.183)**

**General Fund**

An amount of \$140 million of General Obligation bonds was authorized from the 1989 Open Space Preservation Bond Act to provide monies for public acquisition and development of land for recreation and conservation purposes.

**1992 New Jersey Green Trust Fund (P.L. 1992, c.88)**

**General Fund**

An amount of \$120 million of General Obligation bonds was authorized from the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992 for the purpose of providing State grants and loans to assist local governmental entities to acquire and develop land for recreation and conservation.



**1995 New Jersey Green Trust Fund (P.L. 1995, c.204)**

**General Fund**

An amount of \$135 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995 to provide monies for public acquisition and development of land for recreation and conservation purposes.

**1995 New Jersey Inland Blue Acres Fund (P.L. 1995, c.204)**

**General Fund**

An amount of \$15 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995 for the purpose of acquiring inland blue acres for recreation and conservation purposes and lands in the floodway of the Passaic River and its tributaries that have been damaged by, or may be prone to incurring damage caused by, storms or storm related flooding, or that may buffer or protect other lands from such damage.

**New Jersey Lawyers' Assistance Program (R. 1:28B)**

**Special Revenue Fund**

This fund provides assistance to members of the New Jersey Bar, law students, and law school graduates who have an alcohol, drug abuse, and/or gambling problems. Each nonexempt member of the Bar is required to pay \$10 annually.

**New Jersey Lawyers' Fund for Client Protection (R. 1:28-7)**

**Special Revenue Fund**

This fund was established for the purpose of reimbursing, to the extent and in the manner provided by rules and regulations, losses resulting from dishonest conduct by members of the Bar of the State of New Jersey. Annual payments are made to this fund by each member of the Bar of the State of New Jersey. The annual payment required is \$25 for attorneys in their third or fourth year of admission to the Bar, and \$50 for attorneys in their fifth through forty-ninth years.

**New Jersey Local Development Financing Fund (N.J.S.A. 34:1B-36)**

**General Fund**

An amount of \$45 million of General Obligation bonds was authorized to capitalize the New Jersey Local Development Financing Fund. The fund provides financial assistance to municipal governments, local development corporations, and other organizations sponsoring commercial and industrial projects which encourage municipal economic development.

**New Jersey Racing Industry Special Fund (P.L. 2001, c.199)**

**Special Revenue Fund**

The New Jersey Racing Industry Special Fund accounts for inactive or dormant wagering accounts, breakage and outstanding pari-mutuel money exceeding required racing costs and the excess takeout rate. Money deposited shall be disbursed monthly by the New Jersey Racing Commission primarily to those holding permits to conduct horse racing.

**New Jersey Schools Development Authority**

**Special Revenue Fund**

The New Jersey Schools Development Authority, as successor to the New Jersey Schools Construction Corporation, functions solely for the construction of schools in areas formerly known as "Abbott Districts." The New Jersey Schools Development Authority is an independent authority that is in, but not of, the Department of the Treasury. Legislation that established the New Jersey Schools Development Authority encompassed a package of statutory amendments on program and governance reform. The New Jersey Economic Development Authority is responsible for financing New Jersey Schools Development Authority projects. The New Jersey Economic Development Authority has been legislatively authorized to issue \$12.5 billion of bonds on behalf of the New Jersey Schools Development Authority.

In 1998, the New Jersey Supreme Court ruled in the Abbott v. Burke case that the State must provide 100 percent funding for all school renovation and construction projects in special-needs school districts. According to the Court, aging, unsafe and overcrowded buildings prevented children from receiving the "thorough and efficient" education required under the New Jersey Constitution. In response, the New Jersey Educational Facilities Construction and Financing Act was enacted on July 18, 2000, in order to create the New Jersey Schools Construction Corporation to effectively launch the School Construction Program. Full funding for approved projects was authorized for the 31 special-needs districts, known as Abbots. Grants totaling 40 percent of eligible costs were made available to the remaining districts, now known as Regular Operating Districts. Overall, the act authorized \$8.90 billion in funding for the Abbots districts, \$3.45 billion for Regular Operating Districts, and \$150 million for vocational districts.

**New Jersey Spill Compensation Fund (N.J.S.A. 58:10-23.11i)**

**Special Revenue Fund**

Receipts from taxes and penalties levied on each owner or operator of a major facility of hazardous substances are deposited in this fund. The tax is measured by the number of barrels of hazardous substances of the first transfer to the major facility. Payments may be authorized for clean-up costs, removal costs, research, and payments of approved claims.

**New Jersey Spinal Cord Research Fund (P.L. 1999, c.201)**

**Special Revenue Fund**

A \$1 surcharge on motor vehicle fines and penalties are credited to this fund. Money collected shall be used exclusively for the purpose of making grants for approved spinal cord research projects at qualified research institutions.

**New Jersey State Employees' Deferred Compensation Plan (N.J.S.A. 52:18A-164)**

**Pension Trust Fund**

This fund represents the activity of the deferred compensation plan by which amounts contributed by participating employees are invested through various investment options. Included in the fund are those amounts contributed by participants through payroll withholding, plus investment earnings and appreciation in asset values related to those monies.

**New Jersey Transportation Trust Fund Authority (N.J.S.A. 27:1B-4)**

**Special Revenue Fund**

The New Jersey Transportation Trust Fund Authority was created to provide the payment for and financing of all, or a portion of, the costs incurred by the Department of Transportation and the New Jersey Transit Corporation for the planning, acquisition, engineering, construction, reconstruction, repair, and rehabilitation of the State's transportation system.

**New Jersey Workforce Development Partnership Fund (P.L. 1992, c.44)**

**Special Revenue Fund**

This fund was established to provide qualified displaced, disadvantaged, and employed workers with employment and training services most likely to provide the greatest opportunity for long range career advancement with high levels of productivity and earning power. The program shall provide those services by means of training grants or customized training services, provided the funding is not available from federal or other sources. Each worker and employer shall contribute to the fund an amount equal to 0.025 percent of the workers' wages based on an annual wage limit. These funds will reduce contributions to the Unemployment Compensation Fund.

**Pension Adjustment Fund (N.J.S.A. 43:3B)**

**Agency Fund**

The Pension Adjustment Fund (PAF) is a pay-as-you-go multiple-employer defined benefit plan which was established in 1958 under the provisions of N.J.S.A. 43:3B. The PAF provides a cost-of-living increase through a yearly State appropriation which is disbursed monthly to the Consolidated Police and Firemen's Pension Fund, Prison Officers' Pension Fund, and the Central Pension Fund.

**Petroleum Overcharge Reimbursement Fund (P.L. 1987, c.231)**

**Special Revenue Fund**

The Petroleum Overcharge Reimbursement Fund accounts for monies received by the State from the federal government pursuant to court settlements with various petroleum companies and distributors as payments for overcharges for petroleum products. Appropriations are made from the fund for energy efficiency and conservation programs.

**Pinelands Infrastructure Trust Fund (P.L. 1985, c.302)**

**General Fund**

An amount of \$30 million of General Obligation bonds was authorized for the purpose of providing grants and loans to local governmental entities for transportation, wastewater treatment, water supply, and other infrastructure capital projects necessary to accommodate development in the pinelands area.

**Police and Firemen's Retirement System (N.J.S.A. 43:16A)**

**Pension Trust Fund**

All police and firemen, appointed after June 1944 in municipalities where local police and firemen pension funds existed or where this system was adopted by referendum or resolution, are required to become members of this system. Certain State and county employees are also covered. Employer obligations are paid by the local employers and the State. This fund is maintained on an actuarial reserve basis.

**Pollution Prevention Fund (P.L. 1991, c.235)**

**Special Revenue Fund**

This fund was established to fund the implementation of a comprehensive pollution prevention program which integrates the air pollution, water pollution, and hazardous waste management programs. The fund is credited with a \$2 per employee fee imposed upon employers and collected by the New Jersey Department of Labor.

**Prison Officers' Pension Fund (N.J.S.A. 43:7)**

**Pension Trust Fund**

This is a closed system for certain employees of State penal institutions and is funded on a pay-as-you-go basis.

**Property Tax Relief Fund (N.J.S.A. 54A:9-25)**

**Special Revenue Fund**

This fund accounts for revenues from the New Jersey Gross Income Tax and a portion of the New Jersey Sales and Use Tax. Revenues realized are dedicated by the State Constitution. All receipts from taxes levied on personal income of individuals, estates, and trusts must be appropriated exclusively for the purpose of reducing or offsetting property taxes. P.L. 2006, c.44 increased the Sales and Use Tax rate to seven percent from six percent. Of the additional one percent, half was dedicated to the Property Tax Relief Fund. Annual appropriations are made from the fund, pursuant to formulas established by the State Legislature, to counties, municipalities, and school districts.

**Public Employees' Retirement System (N.J.S.A. 43:15A)**

**Pension Trust Fund**

Most public employees in New Jersey, not required to become members of another contributory retirement program, are required to enroll in this system. The retirement benefits of this system are coordinated, but not integrated, with Social Security. This fund is maintained on an actuarial reserve basis.

**Public Purpose Buildings and Community-Based Facilities Construction Fund (P.L. 1989, c.184)**

**Capital Projects Fund**

An amount of \$125 million of General Obligation bonds was authorized for the purpose of planning, construction, reconstruction, development, erection, acquisition, extension, improvement, rehabilitation, and equipping the State and community-based human services facilities and State correctional facilities.

**Real Estate Guaranty Fund (N.J.S.A. 45:15-34)**

**Special Revenue Fund**

Monies received from additional fees on annual licenses of real estate brokers and real estate salesmen are deposited in this fund. Claim payments, as certified by court orders, are made to persons aggrieved by the embezzlement, conversion, or unlawful obtaining of money or property by a licensed real estate broker or a real estate salesman, or an unlicensed employee of a real estate broker.

**Remediation Guarantee Fund (P.L. 1993, c. 139)**

**Special Revenue Fund**

The fund was established in order to remediate, or contract for the remediation of, any real property for which a person was required to establish a remediation funding source pursuant to section 25 of P.L. 1993, c.139, and where that person fails to conduct or properly conduct that remediation. The remediation funding source surcharge shall be in an amount equal to 1 percent of the required amount of the remediation funding source required to be maintained. An amount of \$5 million was appropriated from the Hazardous Discharge Fund of 1986.

### **Resource Recovery and Solid Waste Disposal Facility Fund (P.L. 1985, c.330)**

#### **General Fund**

An amount of \$85 million of General Obligation bonds was authorized to provide funds for loans or grants to local government units for the construction of resource recovery facilities and environmentally sound sanitary landfill facilities.

### **Resource Recovery Investment Tax Fund (P.L. 1985, c.38)**

#### **Agency Fund**

Receipts generated by the investment tax and waste importation tax plus any interest earned thereon, levied upon all owners or operators of sanitary landfill facilities who accept solid waste for disposal, are deposited in this fund. The revenues are then allocated to counties based on statutory regulations.

### **Safe Drinking Water Fund (N.J.S.A. 58:12A-12)**

#### **Special Revenue Fund**

This fund accounts for tax revenues collected from owners or operators of public community water systems pursuant to the Safe Drinking Water Act. Monies in this fund are subject to appropriation to the Department of Environmental Protection for all costs associated with the department's administration of programs set forth in the Act.

### **Sanitary Landfill Facility Contingency Fund (N.J.S.A. 13:1E-100)**

#### **Special Revenue Fund**

Receipts from taxes and penalties levied upon each owner or operator of every sanitary landfill facility are deposited in this fund. The tax is levied per cubic yard of solids and per gallon of liquids. The fund shall be liable for all direct and indirect damages resulting from the operations or closure of any sanitary landfill.

### **Shore Protection Fund (P.L. 1983, c.356)**

#### **General Fund**

An amount of \$50 million of General Obligation bonds was authorized for the purpose of State projects and the making of State grants and loans to counties and municipalities for researching, planning, acquiring, developing, constructing, and maintaining shore protection projects. Of the total available, \$40 million was allocated for State shore protection projects and for State grants to counties and municipalities. The remaining \$10 million was allocated for State loans to counties and municipalities.

### **Solid Waste Service Tax Fund (P.L. 1985, c.38)**

#### **Agency Fund**

Receipts generated by the solid waste services tax plus any interest earned thereon, levied upon all owners or operators of sanitary landfill facilities who accept solid waste for disposal, are deposited in this fund. The revenues are then allocated to provide state aid to counties.

### **Special Transportation Fund (N.J.S.A. 27:1B-21)**

#### **Capital Projects Fund**

This fund was established in accordance with the enactment provisions of the New Jersey Transportation Trust Fund Authority. The fund accounts for the receipt of resources from the New Jersey Transportation Trust Fund Authority and related federal grant awards and the expenditure of these funds for authorized public transportation projects. The funds can only be expended by the Department of Transportation pursuant to appropriations or authorizations made by the State Legislature.

### **State Disability Benefit Fund (N.J.S.A. 43:21-46a)**

#### **Special Revenue Fund**

Worker and employer deposits that are subject to the contribution section on taxable wages under the State's unemployment compensation law are recorded in this fund. Deposits are also made from special assessments, fines, penalties, and investment earnings. Payments from the fund may be made to persons entitled to disability benefits, family leave benefits, and benefits not covered by the Workers' Compensation Law, for authorized refunds of contributions, and for administrative expenses.

**State Land Acquisition and Development Fund (P.L. 1978, c.118)**

**General Fund**

An amount of \$200 million of General Obligation bonds was authorized for State and local acquisition and development to continue efforts to conserve open space and provide recreation areas. Half of the amount is allocated to urban areas.

**State Lottery Fund (N.J.S.A. 5:9-21)**

**Proprietary Fund**

Monies derived from the sale of State lottery tickets are deposited into this fund. Disbursements are authorized for the payment of prizes to holders of winning lottery tickets and for the administrative expenses of the Division of State Lottery. Remaining balances are paid to the General Fund in support of the amounts annually appropriated for State institutions and for education. The present value of obligations for future installment payments of lottery prizes funded by the purchase of deposit fund contracts are accounted for in this fund.

**State of New Jersey Cash Management Fund-External Portion (N.J.S.A. 52:18A-90.4)**

**Investment Trust Fund**

This fund serves as an investment pool to consolidate monies for municipalities, counties, school districts, and any other public body corporate or politic.

**State of New Jersey Tischler Memorial Fund (N.J.S.A. 52:18A-1 et seq.)**

**General Fund**

This fund was established under the authority of the State Treasurer in accordance with the terms of a bequest to the State of New Jersey. The principal amount of the bequest is to be invested in a prudent manner and the income from such investment is to be used for library materials.

**State-Owned Real Property Fund (P.L. 2007, c.108)**

**Special Revenue Fund**

Proceeds from the sale of surplus, State-owned real property are deposited into this fund. The monies in the fund are dedicated only for the relief of State debt or to assist in funding capital improvement projects.

**State Police Retirement System (N.J.S.A. 53:5A)**

**Pension Trust Fund**

This system is the State Police Retirement and Benevolent Fund's successor. All uniformed officers and troopers of the Division of State Police in the New Jersey Department of Law and Public Safety are required to enroll. This system is maintained on an actuarial reserve basis.

**State Recycling Fund (N.J.S.A. 12:1E-92)**

**Special Revenue Fund**

Beginning on April 1, 2008, a \$3 per ton tax is levied on the owner or operator of every solid waste facility as well as on solid waste collectors that transport solid waste for out-of-state disposal. Monies in the fund are used for: direct recycling grants to counties and municipalities; aid to counties for preparing, revising, and implementing solid waste management plans; State recycling program planning and program funding; aid to counties for public information and education programs concerning recycling programs; and for State grants to institutions of higher education to conduct research in recycling.

**1999 Statewide Transportation and Local Bridge Fund (P.L. 1999, c.181)**

**Capital Projects Fund**

An amount of \$500 million of General Obligation bonds was authorized for the purpose of rehabilitating and improving State transportation, including local bridges. Of this sum, \$250 million was reserved for grants to county and municipal governments for the cost of rehabilitation and improvement of structurally deficient bridges carrying county or municipal roads including railroad overhead bridges. The remaining \$250 million is reserved for transportation projects.

## **Stormwater Management and Combined Sewer Overflow Abatement Fund (P.L. 1989, c.181)**

### **General Fund**

An amount of \$50 million of General Obligation bonds was authorized for the purpose of providing grants and loans to local government units for the cost of projects identified pursuant to the stormwater management and combined sewer overflow abatement project priority list.

## **Superior Court of New Jersey Trust Fund (R. 4:57-2 to 5)**

### **Special Revenue Fund**

This fund accounts for monies representing deposits made in court as a result of litigation, including foreclosures, condemnations, liquidations, dissolutions, good faith deposits by liability insurers, sale of infants' lands, insolvencies, receiverships, and interpleaders. Disbursements from the fund are authorized by court order.

## **Supplemental Annuity Collective Trust (N.J.S.A. 52:18A-110)**

### **Pension Trust Fund**

Any active, contributing member of several State-administered retirement systems may enroll in this program. Members agree to make voluntary additional contributions through their pension funds to purchase variable retirement annuities in order to supplement the benefits provided by their basic system. Some employers agree to purchase tax-sheltered annuities for the same purpose for certain eligible public employees.

## **Supplemental Workforce Fund for Basic Skills (P.L. 2002, c.152)**

### **Special Revenue Fund**

The monies in this fund are used for basic skills training, reemployment services, and training programs for displaced and disadvantaged workers. Each worker shall contribute 0.0175 percent of their wages based on an annual wage limit to the Fund as determined by paragraph (3) of subsection (b) of R.S. 43:21-7.

## **Teachers' Pension and Annuity Fund (N.J.S.A. 18A-66)**

### **Pension Trust Fund**

This fund's designated purpose is to provide retirement benefits, death, disability and medical benefits to certain qualified members. Membership in the fund is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners and employees of the Department of Education who have titles that are unclassified, professional, and certified. This fund is maintained on an actuarial reserve basis.

## **Tobacco Settlement Financing Corporation (P.L. 2002, c.32)**

### **Special Revenue Fund**

The Tobacco Settlement Financing Corporation has been established in, but not of, the Department of the Treasury. The State sold to the corporation rights, title, and interest in, and the right to receive 76.26 percent of the amounts payable under the 1998 Master Settlement Agreement (MSA) reached between 47 states and the major tobacco companies. Receipts (76.26 percent) under the MSA are pledged to the bondholders, with the remaining 23.74 percent as well as any unpledged revenue available to the State. Receipts equaling 23.74 percent as well as any unpledged revenues from the Master Settlement Agreement (MSA) reached between 47 states and the major tobacco companies are deposited into the General Fund.

## **Tourism Improvement and Development District Act (P.L. 1992, c.165)**

### **Special Revenue Fund**

This fund accounts for a tax of up to 2 percent on predominantly tourism related retail receipts and an assessment of 1.85 percent. Amounts are expended to promote economic growth and employment related to a tourism economy, and to encourage tourism improvement and development districts to finance the acquisition, maintenance, operation, and support of convention center facilities.

## **Trial Attorney Certification Program (R. 1:39-1 (h))**

### **Special Revenue Fund**

This fund was established to assist the New Jersey Supreme Court in the administration of the certification function for civil or criminal trial attorneys. Revenues are generated by payments made by members of the Bar of the State of New Jersey and sponsors of Continuing Legal Education (CLE) programs.

### **Unclaimed Child Support Trust Fund (P.L. 1995, c.115)**

#### **Special Revenue Fund**

All monies received, as abandoned child support are deposited into this fund. Each year, 45 days after the receipt of such funds, payments are made to the Judiciary consisting of the Federal Government's Title IV-D share. The remaining portions are used to pay claims duly presented and allowed and all expenses and costs incurred by the State of New Jersey.

### **Unclaimed County Deposits Trust Fund (P.L. 1992, c.173)**

#### **Private Purpose Trust Fund**

All monies received as unclaimed county deposits are deposited in this fund. Each year 75 percent of the deposits received from a respective county are paid to that county. The remaining portion is retained in the fund and used to pay claims duly presented and allowed and all expenses and costs incurred by the State of New Jersey.

### **Unclaimed Insurance Payments on Deposit Accounts Fund**

#### **Private Purpose Trust Fund**

The Unclaimed Deposits Amendment Act of 1993 (UDAA) controls the disposition of unclaimed insurance payments on deposit accounts for insured depository institutions which are placed into receivership after July 28, 1993. Pursuant to the UDAA, unclaimed insurance deposits are placed into this fund and held for ten years. Payments will be made to the owner upon determining that such individual or entity is the rightful owner of such funds. At the end of the ten-year period, any remaining deposits will be forwarded to the Federal Deposit Insurance Corporation.

### **Unclaimed Personal Property Trust Fund (P.L. 1989, c.58)**

#### **General Fund**

The funds received by the State from holders reporting unclaimed property to the State Treasurer, and monies remitted to the Unclaimed Property administrator as a result of audit findings, are deposited into the Unclaimed Personal Property Trust Fund (UPPTF). The Unclaimed Property program established by the State Legislature essentially provides that after certain periods of time have expired during which monies have remained inactive or unclaimed or instruments have remained outstanding or unnegotiated, a presumption arises that the property has been abandoned. The abandonment period for bank accounts (savings, checking, and certificates of deposit), bank checks, money orders, travelers checks, credits, accounts payable, and dividend checks is three years. Payroll checks, utility deposits, and funds held by governmental agencies are deemed abandoned after one year. Insurance funds relating to annuities and matured life insurance policies are considered abandoned after three years. Life insurance proceeds payable as a result of an insured attaining limiting age are abandoned after two years.

Once unclaimed property is received by the State, the State Treasurer serves as the custodian, conservator, and trustee of the unclaimed property for the benefit of the original or apparent owner. Unless the administrator deems it prudent and advisable to do otherwise, 75 percent of all funds received shall be transferred to the General State Fund. The remaining portion shall be retained in the trust fund, administered and invested by the State Treasurer, and used to pay claims duly presented and allowed and all expenses and costs incurred by the State of New Jersey.

### **Unclaimed Utility Deposits Trust Fund (P.L. 2000, c.132)**

#### **Special Revenue Fund**

All monies received in unclaimed property deposits from electric and gas utilities are deposited into this fund. Each year, unless the administrator deems it prudent and advisable to do otherwise, the administrator shall pay to the New Jersey Statewide Heating Assistance and Referral for Energy Services, a non-profit corporation, or to another statewide non-profit energy assistance organization designated by the Board of Public Utilities within 45 days of the receipt of such funds, 75 percent of the unclaimed utility deposits received from each of the electric and gas utilities by the administrator. Money received from the administrator shall be used exclusively for the payment of expenses associated with the restoration of electric or gas service, or to prevent the termination of electric or gas service. The remaining portion is retained in the fund and used to pay claims duly presented and allowed.

### **Unemployment Compensation Auxiliary Fund (N.J.S.A. 43:21-14g)**

#### **Special Revenue Fund**

Amounts collected as penalties and interest assessed against employers who have failed to make payment of contributions required under the Unemployment Compensation Law to the State on a timely basis are deposited in this fund. Payments from the fund are authorized for the refund of any interest and/or penalty credited hereto, determined to have been collected or remitted by mistake. The remaining amounts may be expended by appropriations for administrative costs of the Unemployment Compensation Law and for costs of programs which generate employment, such as the Work Incentive Program, authorized training programs, and economic development activities.

### **Unemployment Compensation Fund (N.J.S.A. 43:21-9a)**

#### **Proprietary Fund**

This fund accounts for monies deposited from contributions of employers and employees for unemployment compensation, amounts credited or advances made by the federal government, and amounts received herein from any other source.

After consideration is given to any claim for refund of overpayment of contributions, the remainder is transferred by the Division of Employment Security to the Treasurer of the United States for credit to the State of New Jersey Unemployment Compensation Fund and held by the Treasurer of the United States in the State of New Jersey Unemployment Trust Fund. Drawdowns against the State of New Jersey Unemployment Trust Fund are made by requests submitted to the Treasurer of the United States by the Division of Employment Security on an as-needed basis, whereby amounts are transferred back to the Unemployment Compensation Fund and are then disbursed by the Division of Employment Security to persons entitled to receive unemployment benefits.

Any shortfall in the Unemployment Compensation Fund needed to pay benefits is covered by federal statutes, which authorize advances from the federal government for unemployment benefits. Such advances are repayable by increased rates on federally taxable wages reported by New Jersey employers, or the advances may be repaid out of the fund assets at any time by the Governor.

### **Unemployment Compensation Interest Repayment Fund (N.J.S.A. 21-14.3)**

#### **Special Revenue Fund**

This fund shall be used solely for the purpose of paying interest due on advances made by the federal government to the State of New Jersey Unemployment Trust Fund. A special assessment on applicable employers shall be deposited into this fund and used to pay interest expenses. Any residual balances may be transferred to the Unemployment Compensation Auxiliary Fund.

### **Universal Services Fund (P.L. 1999, c.23)**

#### **Special Revenue Fund**

Monies deposited into this fund are generated from a “societal benefit charge” on monthly utility bills. The funds generated from the charge support the Lifeline program, clean energy initiatives, and provide financial assistance to low income utility customers.

### **Urban and Rural Centers Unsafe Buildings Demolition Revolving Loan Fund (P.L. 1997, c.125)**

#### **General Fund**

An amount of \$20 million of General Obligation bonds was authorized to provide financing for the demolition and disposal of unsafe buildings in urban and rural centers.

### **Vietnam Veterans' Memorial Fund (P.L. 1985, c.494)**

#### **Special Revenue Fund**

This fund receives monies from donations and income tax designations to fund the Vietnam Veterans' Memorial honoring New Jersey veterans of the Vietnam conflict.

### **Volunteer Emergency Service Organizations Loan Fund (P.L. 1987, c.8)**

#### **Special Revenue Fund**

The purpose of this fund is to provide low-interest loans to volunteer emergency service organizations for the purpose of modernizing or replacing outmoded or unsafe emergency vehicles, apparatus, equipment, or facilities, or to establish facilities to meet an increasing demand for a higher level of service in the communities in which they serve. Revenues consist of General Fund appropriations and interest on loan repayments.

### **Wage and Hour Trust Fund (N.J.S.A. 34:11-57)**

#### **Agency Fund**

The Wage and Hour Trust Fund consists of four agency accounts which are used to collect wage settlements from employers who are deemed to have violated one or more of the various components of the New Jersey Wage and Hour Law; and to disburse the funds collected to employees who are entitled to receive the wages.



**Wastewater Treatment Fund (P.L. 1985, c.329)**

**Special Revenue Fund**

An amount of \$190 million of General Obligation bonds was authorized for the purpose of financing the cost of construction of wastewater treatment systems. Of the total amount authorized, \$145 million is allocated for the purpose of making grants and low or zero interest loans to local government units for financing the cost of the construction of wastewater treatment systems. In addition, this fund is the depository for the receipt of federal capitalization grants made available to the State for the purpose of financing wastewater treatment systems.

**1992 Wastewater Treatment Fund (P.L. 1992, c.88)**

**General Fund**

An amount of \$45 million was authorized for the purpose of making zero percent loans to local governmental entities for wastewater treatment system projects, in order to bring such systems into full compliance with permits issued pursuant to the Water Pollution Control Act; to provide adequate wastewater treatment in areas where large numbers of septic systems have malfunctioned or become obsolete; or to connect an obsolete or malfunctioning wastewater treatment system to another wastewater treatment system.

**Water Conservation Fund (P.L. 1969, c.127)**

**General Fund**

An amount of \$271 million of General Obligation bonds was authorized to conduct research, plan, acquire, develop, construct, and maintain water supply and wastewater treatment facilities for the preservation, sale, or exchange of water for potable, industrial, commercial, irrigational, recreational, and other public purposes.

**2003 Water Resources and Wastewater Treatment Fund (P.L. 2003, c.162)**

**General Fund**

An amount of \$45 million of General Obligation bonds was authorized to provide loans to, or on behalf of, local governmental entities or public water utilities to finance the costs of water resources projects or to make improvements to water supply facilities, or to provide loans to, or on behalf of, local governmental entities to finance the costs of wastewater treatment system projects.

**Water Supply Fund (P.L. 1981, c.261)**

**General Fund**

An amount of \$350 million of General Obligation bonds was authorized to provide loans for State or local projects for the rehabilitation, repair, or consolidation of antiquated, damaged, or inadequately operating water supply facilities, as recommended by the New Jersey Water Supply Master Plan.

**Worker and Community Right to Know Fund (N.J.S.A. 34:5A-1)**

**Special Revenue Fund**

This fund was established to account for all fees collected from employers pursuant to the Worker and Community Right to Know Act. Monies in the fund are allocated for expenses incurred by the Department of Health, Department of Environmental Protection, Department of Labor and Workforce Development, and the Department of the Treasury in connection with the Act's provisions.

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*Other  
Information*

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**STATE OF NEW JERSEY  
CAPITAL ASSETS  
SCHEDULE OF CHANGES IN GROSS CAPITAL ASSETS BY FUNCTION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Balance July 1, 2015<sup>1</sup></u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers/ Adjustments<sup>2</sup></u>	<u>Balance June 30, 2016</u>
<b>FUNCTION:</b>					
Public safety and criminal justice	\$ 2,273,519,620	\$ 124,803,733	\$ 23,280,216	\$ 11,986,089	\$ 2,387,029,226
Physical and mental health	505,791,622	10,572,653	12,485,166	2,064,036	505,943,145
Educational, cultural, and intellectual development	567,590,927	30,818,688	10,991,246	(5,745,185)	581,673,184
Community development and environmental management	3,412,041,510	108,286,819	7,949,677	2,945,185	3,515,323,837
Economic planning, development, and security	400,232,516	14,218,894	9,483,168	14,046,163	419,014,405
Transportation programs	31,347,180,529	1,995,032,751	8,294,221	(643,263)	33,333,275,796
Government direction, management, and control	906,570,862	24,218,320	2,132,371	3,435,515	932,092,326
Special government services	<u>276,352,942</u>	<u>14,372,074</u>	<u>601,325</u>	<u>-</u>	<u>290,123,691</u>
<b>Total Gross Capital Assets By Function</b>	<u>\$ 39,689,280,528</u>	<u>\$ 2,322,323,932</u>	<u>\$ 75,217,390</u>	<u>\$ 28,088,540</u>	<u>\$ 41,964,475,610</u>

<sup>1</sup> Beginning Balance was restated by \$138,246,116 across all statewide functions for Construction in Progress.

<sup>2</sup> Transfers/Adjustments represent a revaluation and reclassification of assets among statewide functions.

**STATE OF NEW JERSEY  
CAPITAL ASSETS  
SCHEDULE OF GROSS CAPITAL ASSETS BY FUNCTION  
JUNE 30, 2016**

	<u>Land and Easements</u>	<u>Land Improvements</u>	<u>Buildings and Improvements</u>
<b>FUNCTION:</b>			
Public safety and criminal justice	\$ 28,803,910	\$ 71,658,326	\$ 1,493,456,599
Physical and mental health	2,169,082	10,391,173	376,012,897
Educational, cultural, and intellectual development	6,062,915	15,522,041	353,228,048
Community development and environmental management	2,760,464,319	89,399,675	275,715,552
Economic planning, development, and security	1,376,679	2,116,943	227,967,898
Transportation programs	2,411,241,896	9,921,941	216,836,454
Government direction, management, and control	7,697,759	20,131,186	540,169,533
Special government services	<u>2,748,837</u>	<u>1,102,931</u>	<u>261,443,544</u>
<b>Total Gross Capital Assets By Function</b>	<u>\$ 5,220,565,397</u>	<u>\$ 220,244,216</u>	<u>\$ 3,744,830,525</u>

<u>Equipment and Software</u>	<u>Infrastructure</u>	<u>Construction in Progress</u>	<u>Total</u>
\$ 502,693,220	\$ 68,829,232	\$ 221,587,939	\$ 2,387,029,226
40,657,564	6,252,400	70,460,029	505,943,145
134,402,851	13,317,759	59,139,570	581,673,184
27,058,616	154,246,953	208,438,722	3,515,323,837
160,515,317	1,276,527	25,761,041	419,014,405
159,162,619	28,039,194,729	2,496,918,157	33,333,275,796
300,335,134	6,465,849	57,292,865	932,092,326
5,996,580	530,925	18,300,874	290,123,691
\$ 1,330,821,901	\$ 28,290,114,374	\$ 3,157,899,197	\$ 41,964,475,610

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**STATE OF NEW JERSEY  
CAPITAL ASSETS  
SCHEDULE OF CHANGES IN ACCUMULATED DEPRECIATION BY FUNCTION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<b>FUNCTION:</b>	<u>Balance July 1, 2015</u>	<u>Depreciation Expense</u>	<u>Deductions</u>	<u>Transfers/ Adjustments*</u>	<u>Balance June 30, 2016</u>
Public safety and criminal justice	\$ 1,308,861,382	\$ 101,921,059	\$ 21,694,729	\$ 1,031,964	\$ 1,390,119,676
Physical and mental health	193,309,110	22,400,133	102,572	(1,844,021)	213,762,650
Educational, cultural, and intellectual development	351,137,544	24,925,852	18,046,866	(1,034,901)	356,981,629
Community development and environmental management	312,951,321	15,669,893	7,949,677	(6,952,594)	313,718,943
Economic planning, development, and security	234,141,447	15,923,509	6,918,203	6,787,794	249,934,547
Transportation programs	10,359,281,550	766,933,204	7,603,639	262,459	11,118,873,574
Government direction, management, and control	435,983,206	45,990,186	1,988,230	2,274,438	482,259,600
Special government services	119,018,336	9,478,851	601,324	23,502	127,919,365
<b>Total Accumulated Depreciation By Function</b>	<u>\$ 13,314,683,896</u>	<u>\$ 1,003,242,687</u>	<u>\$ 64,905,240</u>	<u>\$ 548,641</u>	<u>\$ 14,253,569,984</u>

\* Transfers/Adjustments represent a revaluation and reclassification of accumulated depreciation among statewide functions.

**STATE OF NEW JERSEY  
CAPITAL ASSETS  
SCHEDULE OF ACCUMULATED DEPRECIATION BY FUNCTION  
JUNE 30, 2016**

<b>FUNCTION:</b>	<u>Land Improvements</u>	<u>Buildings and Improvements</u>
Public safety and criminal justice	\$ 53,632,629	\$ 994,011,239
Physical and mental health	4,141,316	176,259,093
Educational, cultural, and intellectual development	10,737,269	243,882,181
Community development and environmental management	72,074,441	163,709,544
Economic planning, development, and security	1,370,134	99,262,921
Transportation programs	7,904,134	114,764,948
Government direction, management, and control	14,779,710	247,045,708
Special government services	<u>504,639</u>	<u>122,892,772</u>
<b>Total Accumulated Depreciation by Function</b>	<u>\$ 165,144,272</u>	<u>\$ 2,161,828,406</u>

<u>Equipment and Software</u>	<u>Infrastructure</u>	<u>Total</u>
\$ 316,278,609	\$ 26,197,199	\$ 1,390,119,676
31,394,412	1,967,829	213,762,650
94,564,378	7,797,801	356,981,629
19,731,735	58,203,223	313,718,943
148,356,733	944,759	249,934,547
120,184,206	10,876,020,286	11,118,873,574
216,723,220	3,710,962	482,259,600
<u>4,252,067</u>	<u>269,887</u>	<u>127,919,365</u>
<u><u>\$ 951,485,360</u></u>	<u><u>\$ 10,975,111,946</u></u>	<u><u>\$ 14,253,569,984</u></u>

**STATE OF NEW JERSEY**  
**ACCUMULATED DEPRECIATION AS A PERCENTAGE OF CAPITAL ASSETS BY CATEGORY\***  
**FOR THE FISCAL YEAR ENDED JUNE 30**

<u>Capital Assets</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Land Improvements	75.0 %	74.0 %	67.4 %	64.2 %
Buildings and Improvements	57.7	55.5	54.4	55.4
Equipment	71.0	67.8	65.9	73.0
Software	72.1	67.4	66.7	55.0
Infrastructure	38.8	38.2	38.3	37.6

\* Calculated by dividing the Accumulated Depreciation by the Capital Asset for that category.

**STATE OF NEW JERSEY**  
**ACCUMULATED DEPRECIATION AS A PERCENTAGE OF CAPITAL ASSETS BY FUNCTION\***  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<u>Capital Assets</u>	<u>Public safety and criminal justice</u>	<u>Physical and mental health</u>	<u>Educational, cultural, and intellectual development</u>
Land Improvements	74.8 %	39.9 %	69.2 %
Building Improvements	66.6	46.9	69.0
Equipment	68.6	72.9	84.3
Software	55.9	80.1	66.6
Infrastructure	38.1	31.5	58.6

\* Calculated by dividing the Accumulated Depreciation by the Capital Asset for that function.

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
63.1 %	60.8 %	58.9 %	57.4 %	55.8 %
54.1	52.9	50.8	48.4	54.5
72.7	71.6	66.2	62.2	59.5
45.6	32.9	36.2	45.2	28.2
36.8	38.8	38.5	38.2	38.1

<u>Community development and environmental management</u>	<u>Economic planning, development, and security</u>	<u>Transportation programs</u>	<u>Government direction, management, and control</u>	<u>Special government services</u>
80.6 %	64.7 %	79.7 %	73.4 %	45.8 %
59.4	43.5	52.9	45.7	47.0
74.3	78.7	75.8	64.2	74.2
56.7	98.3	72.4	78.8	54.4
37.7	74.0	38.8	57.4	50.8

**STATE OF NEW JERSEY  
SCHEDULE OF LONG-TERM OBLIGATIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	General Obligation Bonds		
	Amount Authorized	Amount Unissued	Year Authorized
<b>Bonded Debt</b>			
<b>General Obligation Bond Act</b>			
Building Our Future	\$ 750,000,000	\$ 200,000,000	2012
Clean Waters	120,000,000	3,400,000	1976
Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project	200,000,000	38,750,000	2003
Developmental Disabilities Waiting List Reduction and Human Services Facilities Construction	160,000,000	-	1994
Energy Conservation	50,000,000	1,600,000	1980
Green Acres, Cultural Centers, and Historic Preservation	100,000,000	1,000,000	1987
Green Acres, Farmland, Blue Acres, and Historic Preservation	200,000,000	27,500,000	2007
Green Acres, Farmland and Historic Preservation, and Blue Acres	340,000,000	18,000,000	1995
Green Acres, Water Supply and Floodplain Protection, and Farmland and Historic Preservation	400,000,000	170,200,000	2009
Hazardous Discharge	100,000,000	43,000,000	1981
Hazardous Discharge	200,000,000	38,000,000	1986
Natural Resources	145,000,000	9,600,000	1980
New Jersey Green Acres	135,000,000	14,500,000	1983
New Jersey Green Acres, Clean Water, Farmland and Historic Preservation	345,000,000	12,880,000	1992
New Jersey Open Space Preservation	300,000,000	22,600,000	1989
Pinelands Infrastructure Trust	30,000,000	6,750,000	1985
Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development	300,000,000	72,800,000	1996
Public Purpose Buildings and Community-Based Facilities Construction	125,000,000	5,000,000	1989
Refunding Bonds	6,134,329,598	-	1985
State Land Acquisition and Development	200,000,000	-	1978
Statewide Transportation and Local Bridge	500,000,000	-	1999
Stormwater Management and Combined Sewer Overflow Abatement	50,000,000	9,500,000	1989
Water Supply	350,000,000	73,150,000	1981
<b>Subtotal General Obligation Bond Acts</b>	<b>\$ 11,234,329,598</b>	<b>\$ 768,230,000</b>	
Revenue Bonds Payable			
Less: Unamortized interest on CABS			
Capital Leases			
Installment Obligations			
Less: Unamortized interest on CABS			
Certificates of Participation			
Tobacco Settlement Financing Corporation			
Less: Unamortized interest on CABS			
Unamortized Premium			
<b>Subtotal Bonded Debt</b>			
<b>Non-Bonded Debt</b>			
Compensated Absences			
Capital Leases			
Loans Payable			
Net OPEB Obligation			
Net Pension Liability			
Pollution Remediation Obligation			
Other			
<b>Subtotal Non-Bonded Debt</b>			
<b>Total Obligations</b>			

<u>Outstanding July 1, 2015</u>	<u>Issued</u>	<u>Retired</u>	<u>Outstanding June 30, 2016</u>
\$ 543,650,000	\$ -	\$ 17,165,000	\$ 526,485,000
515,000	-	450,000	65,000
53,240,000	-	43,475,000	9,765,000
3,995,000	-	3,860,000	135,000
60,000	-	60,000	-
3,520,000	-	3,305,000	215,000
83,770,000	-	29,640,000	54,130,000
10,370,000	-	7,570,000	2,800,000
219,030,000	-	7,690,000	211,340,000
-	-	-	-
9,365,000	-	345,000	9,020,000
1,220,000	-	1,220,000	-
-	-	-	-
10,010,000	-	7,945,000	2,065,000
1,795,000	-	1,175,000	620,000
485,000	-	255,000	230,000
85,200,000	-	42,195,000	43,005,000
-	-	-	-
1,324,710,000	131,325,000	331,830,000	1,124,205,000
440,000	-	415,000	25,000
6,665,000	-	6,665,000	-
6,860,000	-	3,010,000	3,850,000
7,795,000	-	4,105,000	3,690,000
<u>2,372,695,000</u>	<u>131,325,000</u>	<u>512,375,000</u>	<u>1,991,645,000</u>
22,421,135,000	724,385,000	726,910,000	22,418,610,000
(4,561,200,528)	-	(168,220,475)	(4,392,980,053)
298,420,000	-	13,230,000	285,190,000
18,504,711,622	2,457,905,000	2,762,729,163	18,199,887,459
(1,221,530,697)	-	(192,314,886)	(1,029,215,811)
79,956,700	38,764,682	39,706,457	79,014,925
4,272,855,001	-	49,520,000	4,223,335,001
(982,348,887)	-	(17,254,203)	(965,094,684)
<u>2,050,187,777</u>	<u>98,048,674</u>	<u>231,513,779</u>	<u>1,916,722,672</u>
<u>43,234,880,988</u>	<u>3,450,428,356</u>	<u>3,958,194,835</u>	<u>42,727,114,509</u>
556,750,955	320,675,896	329,813,982	547,612,869
285,188,484	12,601,487	40,916,385	256,873,586
1,279,358,087	-	-	1,279,358,087
27,973,800,000	6,143,700,000	1,834,800,000	32,282,700,000
78,881,826,624	14,314,049,096	-	93,195,875,720
80,903,286	2,757,423	-	83,660,709
<u>1,226,135,113</u>	<u>273,997,489</u>	<u>313,070,316</u>	<u>1,187,062,286</u>
<u>110,283,962,549</u>	<u>21,067,781,391</u>	<u>2,518,600,683</u>	<u>128,833,143,257</u>
<u>\$ 153,518,843,537</u>	<u>\$ 24,518,209,747</u>	<u>\$ 6,476,795,518</u>	<u>\$ 171,560,257,766</u>

**STATE OF NEW JERSEY  
BUDGETARY COMPARISON SCHEDULE  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Casino Control Fund</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and fees	56,033,550	43,720,550	39,814,166	(3,906,384)
Investment earnings	6,000	6,000	9,055	3,055
Other	-	-	-	-
<b>Total Revenues</b>	<u>56,039,550</u>	<u>43,726,550</u>	<u>39,823,221</u>	<u>(3,903,329)</u>
<b>EXPENDITURES</b>				
Public safety and criminal justice	47,456,825	41,923,538	39,227,846	2,695,692
Physical and mental health	-	-	-	-
Educational, cultural, and intellectual development	-	-	-	-
Economic planning, development, and security	-	-	-	-
Transportation programs	-	-	-	-
Government direction, management, and control	8,582,725	7,582,012	5,960,375	1,621,637
Special government services	-	-	-	-
<b>Total Expenditures</b>	<u>56,039,550</u>	<u>49,505,550</u>	<u>45,188,221</u>	<u>4,317,329</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from other funds	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	-	(5,779,000)	(5,365,000)	414,000
<b>Fund Balances - July 1, 2015</b>	<u>-</u>	<u>6,039,000</u>	<u>6,039,000</u>	<u>-</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ -</u>	<u>\$ 260,000</u>	<u>\$ 674,000</u>	<u>\$ 414,000</u>



**Casino Revenue Fund**

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget</u>
\$ 204,079,428	\$ 208,554,428	\$ 209,191,676	\$ 637,248
-	-	-	-
-	-	-	-
-	-	51,465	51,465
<u>204,079,428</u>	<u>208,554,428</u>	<u>209,243,141</u>	<u>688,713</u>
-	-	-	-
28,640,138	28,581,807	28,147,161	434,646
154,446,000	154,131,444	152,891,456	1,239,988
2,196,000	2,191,527	2,173,897	17,630
18,880,290	18,841,837	18,634,531	207,306
-	-	-	-
92,000	91,813	91,074	739
<u>204,254,428</u>	<u>203,838,428</u>	<u>201,938,119</u>	<u>1,900,309</u>
175,000	175,000	173,978	(1,022)
<u>175,000</u>	<u>175,000</u>	<u>173,978</u>	<u>(1,022)</u>
-	4,891,000	7,479,000	2,588,000
-	-	-	-
<u>\$ -</u>	<u>\$ 4,891,000</u>	<u>\$ 7,479,000</u>	<u>\$ 2,588,000</u>

(Continued on next page)

**STATE OF NEW JERSEY  
BUDGETARY COMPARISON SCHEDULE  
NON-MAJOR GOVERNMENTAL FUNDS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Gubernatorial Elections Fund</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and fees	-	-	-	-
Investment earnings	-	-	-	-
Other	<u>730,445</u>	<u>778,764</u>	<u>566,431</u>	<u>(212,333)</u>
<b>Total Revenues</b>	<u>730,445</u>	<u>778,764</u>	<u>566,431</u>	<u>(212,333)</u>
<b>EXPENDITURES</b>				
Public safety and criminal justice	30,445	30,445	-	30,445
Physical and mental health	-	-	-	-
Educational, cultural, and intellectual development	-	-	-	-
Economic planning, development, and security	-	-	-	-
Transportation programs	-	-	-	-
Government direction, management, and control	-	-	-	-
Special government services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures</b>	<u>30,445</u>	<u>30,445</u>	<u>-</u>	<u>30,445</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	700,000	748,319	566,431	(181,888)
<b>Fund Balances - July 1, 2015</b>	<u>700,000</u>	<u>543,681</u>	<u>543,681</u>	<u>-</u>
<b>Fund Balances - June 30, 2016</b>	<u>\$ 1,400,000</u>	<u>\$ 1,292,000</u>	<u>\$ 1,110,112</u>	<u>\$ (181,888)</u>

**Total Non-Major Governmental Funds**

<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget</b>
\$ 204,079,428	\$ 208,554,428	\$ 209,191,676	\$ 637,248
56,033,550	43,720,550	39,814,166	(3,906,384)
6,000	6,000	9,055	3,055
<u>730,445</u>	<u>778,764</u>	<u>617,896</u>	<u>(160,868)</u>
<u>260,849,423</u>	<u>253,059,742</u>	<u>249,632,793</u>	<u>(3,426,949)</u>
47,487,270	41,953,983	39,227,846	2,726,137
28,640,138	28,581,807	28,147,161	434,646
154,446,000	154,131,444	152,891,456	1,239,988
2,196,000	2,191,527	2,173,897	17,630
18,880,290	18,841,837	18,634,531	207,306
8,582,725	7,582,012	5,960,375	1,621,637
<u>92,000</u>	<u>91,813</u>	<u>91,074</u>	<u>739</u>
<u>260,324,423</u>	<u>253,374,423</u>	<u>247,126,340</u>	<u>6,248,083</u>
<u>175,000</u>	<u>175,000</u>	<u>173,978</u>	<u>(1,022)</u>
<u>175,000</u>	<u>175,000</u>	<u>173,978</u>	<u>(1,022)</u>
700,000	(139,681)	2,680,431	2,820,112
<u>700,000</u>	<u>6,582,681</u>	<u>6,582,681</u>	<u>-</u>
<u>\$ 1,400,000</u>	<u>\$ 6,443,000</u>	<u>\$ 9,263,112</u>	<u>\$ 2,820,112</u>

**STATE OF NEW JERSEY  
BUDGETARY COMPARISON SCHEDULE  
BUDGET-TO-GAAP RECONCILIATION - NON-MAJOR FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

**Explanation of differences between budgetary inflows and outflows  
and GAAP revenues and expenditures**

	<u>Casino Control Fund</u>	<u>Casino Revenue Fund</u>	<u>Gubernatorial Elections Fund</u>
<b>Sources/inflows of resources:</b>			
Total revenues and other financing sources - actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 39,823,221	\$ 209,417,119	\$ 566,431
Differences - budget to GAAP:			
None	-	-	-
<hr/>			
<b>Total revenues and other financing sources as reported on the GAAP - basis statement of revenues, expenditures, and changes in fund balances - governmental funds</b>	<u>\$ 39,823,221</u>	<u>\$ 209,417,119</u>	<u>\$ 566,431</u>
<b>Uses/outflows of resources:</b>			
Total expenditures and other financing uses - actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 45,188,221	\$ 201,938,119	\$ -
Differences - budget to GAAP:			
Encumbrances for items ordered but not received are reported in the year the resources are encumbered for budgetary purposes, but in the year the items are received for financial reporting purposes.	112,705	(1,776,406)	-
Expenditures in prior budget fiscal year accounts are reported in the year the resources are encumbered for budgetary purposes, but in the year the funds are disbursed for financial reporting purposes.	787,756	1,580,109	-
<hr/>			
<b>Total expenditures and other financing uses as reported on the GAAP-basis statement of revenues, expenditures, and changes in fund balances - governmental funds</b>	<u>\$ 46,088,682</u>	<u>\$ 201,741,822</u>	<u>\$ -</u>

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**STATE OF NEW JERSEY  
SCHEDULE OF ANTICIPATED REVENUE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	ANTICIPATED TO JUNE 30, 2016	<u>REALIZED TO JUNE 30, 2016</u>		REALIZATION OVER (UNDER) ANTICIPATED
		AMOUNT	PERCENT	
<b>MAJOR TAXES</b>				
Sales	\$ 9,079,706,000	\$ 9,203,341,805	101	\$ 123,635,805
Sales Tax Dedication	(688,000,000)	(690,723,689)	100	(2,723,689)
Sales Energy	151,500,000	41,963,656	28	(109,536,344)
Corporation Business Tax	2,677,164,000	2,295,378,575	86	(381,785,425)
Corporation Business Energy	20,000,000	3,638,735	18	(16,361,265)
Transfer Inheritance	755,000,000	769,688,165	102	14,688,165
Insurance Premium	660,000,000	597,561,041	91	(62,438,959)
Motor Fuels	534,906,000	554,472,717	104	19,566,717
Motor Vehicles Fees	472,070,000	473,632,446	100	1,562,446
Realty Transfer	309,112,000	313,556,078	101	4,444,078
Petroleum Products Gross Receipts	215,000,000	214,760,068	100	(239,932)
Corporation Banks and Financial Institutions	165,000,000	178,190,722	108	13,190,722
Cigarette	147,610,000	167,459,282	113	19,849,282
Alcoholic Beverage Excise	107,000,000	105,798,624	99	(1,201,376)
Tobacco Products Wholesale Sales	21,800,000	23,510,450	108	1,710,450
Public Utility Excise (Reform)	15,500,000	17,151,540	111	1,651,540
<b>TOTAL MAJOR TAXES</b>	<u>14,643,368,000</u>	<u>14,269,380,215</u>	97	<u>(373,987,785)</u>
<b>MISCELLANEOUS TAXES, FEES, REVENUES</b>				
<b>Executive Branch:</b>				
<b>Department of Agriculture:</b>				
Fertilizer Inspection Fees	366,000	366,000	100	-
Miscellaneous Revenue	2,000	1,670	84	(330)
<b>Total Department of Agriculture</b>	<u>368,000</u>	<u>367,670</u>	100	<u>(330)</u>
<b>Department of Banking and Insurance:</b>				
Actuarial Services	39,000	22,050	57	(16,950)
Banking - Assessments	13,888,000	11,525,510	83	(2,362,490)
Banking - Licenses and Other Fees	1,900,000	2,037,160	107	137,160
Fraud Fines	1,250,000	1,512,098	121	262,098
HMO Covered Lives	373,000	394,107	106	21,107
Insurance - Examination Billings	1,000,000	1,038,772	104	38,772
Insurance - Licenses and Other Fees	53,787,000	44,343,089	82	(9,443,911)
Insurance - Special Purpose Assessment	41,210,000	33,848,371	82	(7,361,629)
Insurance Fraud Prevention	30,006,000	23,294,946	78	(6,711,054)
Real Estate Commission	4,500,000	3,915,594	87	(584,406)
<b>Total Department of Banking and Insurance</b>	<u>147,953,000</u>	<u>121,931,697</u>	82	<u>(26,021,303)</u>
<b>Department of Children and Families:</b>				
Child Care Licensing	320,000	295,632	92	(24,368)
Contract Recoveries	14,500,000	11,975,030	83	(2,524,970)
Divorce Filing Fees	1,300,000	1,342,100	103	42,100
Marriage License/Civil Union Fees	1,150,000	1,150,000	100	-
<b>Total Department of Children and Families</b>	<u>17,270,000</u>	<u>14,762,762</u>	85	<u>(2,507,238)</u>

**STATE OF NEW JERSEY  
SCHEDULE OF ANTICIPATED REVENUE  
GENERAL FUND (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<b>ANTICIPATED TO JUNE 30, 2016</b>	<b>REALIZED TO JUNE 30, 2016 AMOUNT</b>	<b>PERCENT</b>	<b>REALIZATION OVER (UNDER) ANTICIPATED</b>
<b>Department of Community Affairs:</b>				
Affordable Housing and Neighborhood Preservation - Fair Housing	41,232,000	41,232,000	100	-
Construction Fees	16,541,000	16,541,000	100	-
Fire Safety	17,274,000	17,274,000	100	-
Housing Inspection Fees	10,565,000	10,565,000	100	-
Miscellaneous Revenue	-	195	-	195
Planned Real Estate Development Fees	750,000	750,000	100	-
<b>Total Department of Community Affairs</b>	<b>86,362,000</b>	<b>86,362,195</b>	<b>100</b>	<b>195</b>
<b>Department of Corrections:</b>				
Miscellaneous Revenue	-	152,760	-	152,760
<b>Total Department of Corrections</b>	<b>-</b>	<b>152,760</b>	<b>-</b>	<b>152,760</b>
<b>Department of Education:</b>				
Audit of Recoveries	150,000	166,285	111	16,285
Audit of Enrollments	1,300,000	1,299,529	100	(471)
Nonpublic Schools Handicapped and Auxiliary Recoveries	4,500,000	13,357,028	297	8,857,028
Nonpublic Schools Textbook Recoveries	1,000,000	2,035,441	204	1,035,441
School Construction Inspection Fees	400,000	817,267	204	417,267
State Board of Examiners	4,770,000	4,770,000	100	-
<b>Total Department of Education</b>	<b>12,120,000</b>	<b>22,445,550</b>	<b>185</b>	<b>10,325,550</b>
<b>Department of Environmental Protection:</b>				
Air Pollution Fees - Minor Sources	9,643,000	8,130,608	84	(1,512,392)
Air Pollution Fees - Title V Operating Permits	5,000,000	4,476,038	90	(523,962)
Air Pollution Fines	1,340,000	1,555,350	116	215,350
Clean Water Enforcement Act	1,600,000	2,055,640	128	455,640
Coastal Area Facility Review Act	1,685,000	1,685,000	100	-
Endangered Species Tax Checkoff	158,000	158,000	100	-
Environmental Infrastructure Financing Program Administrative Fee	5,000,000	5,000,000	100	-
Excess Diversion	170,000	179,407	106	9,407
Freshwater Wetlands Fees	3,020,000	3,020,000	100	-
Freshwater Wetlands Fines	300,000	137,464	46	(162,536)
Hazardous Waste Fees	3,300,000	4,244,760	129	944,760
Hazardous Waste Fines	450,000	694,622	154	244,622
Hunters' and Anglers' Licenses	11,983,000	11,983,000	100	-
Industrial Site Recovery Act	25,000	48,608	194	23,608
Laboratory Certification Fees	2,855,000	2,770,215	97	(84,785)
Laboratory Certification Fines	30,000	757,750	2,526	727,750

**STATE OF NEW JERSEY  
SCHEDULE OF ANTICIPATED REVENUE  
GENERAL FUND (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	ANTICIPATED TO JUNE 30, 2016	<u>REALIZED TO JUNE 30, 2016</u>		REALIZATION OVER (UNDER) ANTICIPATED
		AMOUNT	PERCENT	
Marina Rentals	885,000	851,993	96	(33,007)
Marine Lands - Preparation and Filing Fees	145,000	102,135	70	(42,865)
Medical Waste	5,100,000	5,032,296	99	(67,704)
Miscellaneous Revenue	-	17,656	-	17,656
New Jersey Pollutant Discharge Elimination System/Stormwater Permits	16,700,000	16,700,000	100	-
Parks Management Fees and Permits	4,300,000	4,333,007	101	33,007
Parks Management Fines	50,000	82,749	165	32,749
Pesticide Control Fees	4,400,000	4,400,000	100	-
Pesticide Control Fines	25,000	29,505	118	4,505
Radiation Protection Fees	3,300,000	3,086,461	94	(213,539)
Radiation Protection Fines	110,000	202,047	184	92,047
Radon Testers Certification	235,000	241,757	103	6,757
Shellfish and Marine Fisheries	-	98	-	98
Solid Waste - Utility Regulation Assessments	3,100,000	3,100,000	100	-
Solid Waste Fines	1,000,000	1,261,350	126	261,350
Solid Waste Management Fees	6,665,000	6,771,535	102	106,535
Solid and Hazardous Waste Disclosure	202,000	210,300	104	8,300
Stream Encroachment	3,345,000	3,404,952	102	59,952
Toxic Catastrophe Prevention Fees	1,540,000	1,595,696	104	55,696
Toxic Catastrophe Prevention Fines	100,000	171,537	172	71,537
Treatment Works Approval	1,200,000	1,568,156	131	368,156
Underground Storage Tanks Fees	700,000	653,555	93	(46,445)
Water Allocation	2,425,000	2,425,000	100	-
Water Supply Management Regulations	1,245,000	1,452,135	117	207,135
Water/Wastewater Operators Licenses	210,000	210,000	100	-
Waterfront Development Fees	3,245,000	2,621,781	81	(623,219)
Waterfront Development Fines	20,000	39,756	199	19,756
Well Permits/Well Drillers/Pump Installers Licenses	1,100,000	1,100,000	100	-
Wetlands	120,000	99,257	83	(20,743)
Worker Community Right to Know - Fines	10,000	4,750	48	(5,250)
<b>Total Department of Environmental Protection</b>	<u>108,036,000</u>	<u>108,665,926</u>	101	<u>629,926</u>
<b>Department of Health:</b>				
Admission Charge Hospital Assessment	6,000,000	6,000,000	100	-
Federal Funds - Graduate Medical Education	17,000,000	-	-	(17,000,000)
Health Care Reform	1,200,000	1,200,000	100	-
Licenses, Fines, Permits, Penalties, and Fees	2,540,000	2,540,000	100	-
Miscellaneous Revenue	150,000	613	-	(149,387)
<b>Total Department of Health</b>	<u>26,890,000</u>	<u>9,740,613</u>	36	<u>(17,149,387)</u>



**STATE OF NEW JERSEY**  
**SCHEDULE OF ANTICIPATED REVENUE**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	ANTICIPATED TO JUNE 30, 2016	<u>REALIZED TO JUNE 30, 2016</u>		REALIZATION OVER (UNDER) ANTICIPATED
		AMOUNT	PERCENT	
<b>Department of Human Services:</b>				
Early Periodic Screening, Diagnosis, and Treatment	7,880,000	7,685,011	98	(194,989)
Medicaid Uncompensated Care - Acute	201,617,000	285,698,794	142	84,081,794
Medicaid Uncompensated Care - Mental Health	34,556,000	33,763,427	98	(792,573)
Medicaid Uncompensated Care - Psychiatric	177,640,000	176,219,928	99	(1,420,072)
Medicaid Assistance - Federal Match on PAAD/ Medicaid Dual Eligibles	350,000	3,457	1	(346,543)
Miscellaneous Revenue	2,634,000	617,972	23	(2,016,028)
Patients' and Residents' Cost Recovery - Developmental Disabilities	13,255,000	21,310,814	161	8,055,814
Patients' and Residents' Cost Recovery - Psychiatric Hospitals	76,384,000	78,794,000	103	2,410,000
School Based Medicaid	47,521,000	24,889,867	52	(22,631,133)
<b>Total Department of Human Services</b>	<u>561,837,000</u>	<u>628,983,270</u>	112	<u>67,146,270</u>
<b>Department of Labor and Workforce Development:</b>				
Miscellaneous Revenue	155,000	136,450	88	(18,550)
Special Compensation Fund	1,924,000	1,479,530	77	(444,470)
Workers' Compensation Assessment	13,561,000	13,561,000	100	-
Workplace Standards - Licenses, Permits, and Fines	4,358,000	4,358,000	100	-
<b>Total Department of Labor and Workforce Development</b>	<u>19,998,000</u>	<u>19,534,980</u>	98	<u>(463,020)</u>
<b>Department of Law and Public Safety:</b>				
Beverage Licenses	4,199,000	4,199,000	100	-
Casino Fines	-	245,683	-	245,683
Charities Registration Section	556,000	556,000	100	-
Consumer Affairs	830,000	831,145	100	1,145
Controlled Dangerous Substances	100,000	100,000	100	-
Forfeiture Funds	1,000,000	1,000,000	100	-
Legalized Games of Chance Control	1,200,000	1,200,000	100	-
Miscellaneous Revenue	20,000	125,915	630	105,915
New Jersey Cemetery Board	4,000	4,000	100	-
Private Employment Agencies	258,000	258,000	100	-
Recreational Boating	2,100,000	1,963,404	93	(136,596)
Securities Enforcement	13,394,000	13,394,000	100	-
Settlements	110,000,000	2,622,060	2	(107,377,940)
State Board of Architects	333,000	333,000	100	-
State Board of Audiology and Speech- Language Pathology Advisory	357,000	357,000	100	-
State Board of Certified Public Accountants	35,000	35,000	100	-
State Board of Chiropractors	396,000	396,000	100	-
State Board of Cosmetology and Hairstyling	312,000	312,000	100	-
State Board of Court Reporting	63,000	63,000	100	-
State Board of Dentistry	2,540,000	2,540,000	100	-
State Board of Electrical Contractors	53,000	53,000	100	-
State Board of HVAC Contractors	448,000	448,000	100	-
State Board of Marriage Counselor Examiners	158,000	158,000	100	-
State Board of Massage and Bodyworks	53,000	53,000	100	-
State Board of Master Plumbers	32,000	32,000	100	-
State Board of Medical Examiners	2,660,000	2,660,000	100	-
State Board of Mortuary Science	126,000	126,000	100	-

**STATE OF NEW JERSEY**  
**SCHEDULE OF ANTICIPATED REVENUE**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	ANTICIPATED TO JUNE 30, 2016	<u>REALIZED TO JUNE 30, 2016</u>		REALIZATION OVER (UNDER) ANTICIPATED
		AMOUNT	PERCENT	
State Board of Nursing	6,710,000	6,710,000	100	-
State Board of Occupational Therapists and Assistants	326,000	326,000	100	-
State Board of Ophthalmic Dispensers and Ophthalmic Technicians	242,000	242,000	100	-
State Board of Optometrists	21,000	21,000	100	-
State Board of Orthotics and Prosthetics	2,000	2,000	100	-
State Board of Pharmacy	219,000	219,000	100	-
State Board of Physical Therapy	403,000	403,000	100	-
State Board of Polysommography	7,000	7,000	100	-
State Board of Professional Engineers and Land Surveyors	560,000	560,000	100	-
State Board of Professional Planners	119,000	119,000	100	-
State Board of Psychological Examiners	49,000	49,000	100	-
State Board of Real Estate Appraisers	543,000	543,000	100	-
State Board of Respiratory Care	200,000	200,000	100	-
State Board of Social Workers	35,000	35,000	100	-
State Board of Veterinary Medical Examiners	35,000	35,000	100	-
State Police - Fingerprint Fees	3,694,000	3,694,000	100	-
State Police - Other Licenses	348,000	410,483	118	62,483
State Police - Private Detective Licenses	185,000	164,593	89	(20,407)
Victims of Violent Crime Compensation	3,372,000	3,372,000	100	-
Weights and Measures - General	2,612,000	2,612,000	100	-
<b>Total Department of Law and Public Safety</b>	<u>160,909,000</u>	<u>53,789,283</u>	33	<u>(107,119,717)</u>
<b>Department of Military and Veterans' Affairs:</b>				
Soldiers' Homes	52,840,000	54,130,292	102	1,290,292
<b>Total Department of Military and Veterans' Affairs</b>	<u>52,840,000</u>	<u>54,130,292</u>	102	<u>1,290,292</u>
<b>Department of State:</b>				
Miscellaneous Revenue	-	24,783	-	24,783
<b>Total Department of State</b>	<u>-</u>	<u>24,783</u>	-	<u>24,783</u>
<b>Department of Transportation:</b>				
Air Safety Fund	965,000	892,861	93	(72,139)
Applications and Highway Permits	2,000,000	2,000,000	100	-
Autonomous Transportation Authorities	53,500,000	53,500,000	100	-
Drunk Driving Fines	400,000	400,000	100	-
Good Driver	79,900,000	79,826,830	100	(73,170)
Interest on Purchase of Right of Way	5,000	-	-	(5,000)
Logo Sign Program Fees	300,000	300,000	100	-
Maritime Program Receipts	2,000,000	1,925,978	96	(74,022)
Miscellaneous Revenue	40,000	40,325	101	325
Outdoor Advertising	740,000	740,000	100	-
<b>Total Department of Transportation</b>	<u>139,850,000</u>	<u>139,625,994</u>	100	<u>(224,006)</u>

**STATE OF NEW JERSEY  
SCHEDULE OF ANTICIPATED REVENUE  
GENERAL FUND (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>ANTICIPATED TO JUNE 30, 2016</u>	<u>REALIZED TO JUNE 30, 2016</u>		<u>REALIZATION OVER (UNDER) ANTICIPATED</u>
		<u>AMOUNT</u>	<u>PERCENT</u>	
<b>Department of the Treasury:</b>				
Assessment on Real Property Greater Than \$1 Million	129,000,000	131,197,145	102	2,197,145
Assessments - Cable TV	5,121,000	2,988,000	58	(2,133,000)
Assessments - Public Utility	30,975,000	26,382,666	85	(4,592,334)
Cable Television (CATV) Universal Access	8,905,000	9,094,381	102	189,381
Commercial Recording - Expedited	1,150,000	1,150,000	100	-
Commissions (Notary)	1,300,000	1,216,919	94	(83,081)
Domestic Security	36,200,000	37,822,152	104	1,622,152
Dormitory Safety Trust Fund - Debt Service Recovery	5,636,000	-	-	(5,636,000)
Equipment Leasing Fund - Debt Service Recovery	4,143,000	-	-	(4,143,000)
General Revenue - Fees (Commercial Recording and UCC)	60,000,000	63,523,661	106	3,523,661
Higher Education Capital Improvement Fund - Debt Service Recovery	19,472,000	-	-	(19,472,000)
Hotel/Motel Occupancy Tax	105,000,000	98,400,760	94	(6,599,240)
Investment Earnings	-	5,862,340	-	5,862,340
Miscellaneous Revenue	950,000	1,265,573	133	315,573
New Jersey Public Broadcasting Authority	-	9,000,000	-	9,000,000
New Jersey Public Records Preservation	26,900,000	33,624,384	125	6,724,384
Nuclear Emergency Response Assessment	4,467,000	5,537,000	124	1,070,000
Office of Dispute Settlement Medication	50,000	38,975	-	(11,025)
Public Defender Client Receipts	3,750,000	3,551,321	95	(198,679)
Public Utility Fines	1,000,000	2,091,834	209	1,091,834
Public Utility Gross Receipts and Franchise Taxes (Water/Sewer)	118,000,000	124,187,102	105	6,187,102
Railroad Tax - Class II	4,600,000	4,637,651	101	37,651
Railroad Tax - Franchise	7,000,000	6,960,745	99	(39,255)
Rate Counsel	8,316,000	6,709,000	81	(1,607,000)
Surplus Property	1,700,000	1,892,881	111	192,881
Tax Referral Cost Recovery Fee	8,000,000	10,960,287	137	2,960,287
Telephone Assessment	122,200,000	122,149,890	100	(50,110)
Tire Clean-Up Surcharge	9,500,000	9,874,730	104	374,730
Tobacco Settlement Financing Corporation - Master Settlement Agreement Payments	52,228,000	53,344,108	102	1,116,108
<b>Total Department of Treasury</b>	<u>775,563,000</u>	<u>773,463,505</u>	100	<u>(2,099,495)</u>
<b>Other Sources:</b>				
Miscellaneous Revenue	10,200,000	1,861,281	18	(8,338,719)
<b>Total Other Sources</b>	<u>10,200,000</u>	<u>1,861,281</u>	18	<u>(8,338,719)</u>

**STATE OF NEW JERSEY  
SCHEDULE OF ANTICIPATED REVENUE  
GENERAL FUND (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	ANTICIPATED TO JUNE 30, 2016	<u>REALIZED TO JUNE 30, 2016</u>		REALIZATION OVER (UNDER) ANTICIPATED
		AMOUNT	PERCENT	
<b>Interdepartmental Accounts</b>				
Administration and Investment of Pension and Health Benefit Funds - Recoveries	2,810,000	2,510,282	89	(299,718)
Employee Maintenance Deductions	300,000	314,926	105	14,926
Fringe Benefit Recoveries from Colleges and Universities	194,259,000	207,625,953	107	13,366,953
Fringe Benefit Recoveries from Federal and Other Funds	336,305,000	350,782,655	104	14,477,655
Fringe Benefit Recoveries from School Districts	45,200,000	46,526,964	103	1,326,964
Indirect Cost Recoveries - DEP Other Funds	11,100,000	11,744,827	106	644,827
Market Transition Facility Revenue Fund	55,400,000	40,006,581	72	(15,393,419)
Rent of State Building Space	3,470,000	3,491,569	101	21,569
Social Security Recoveries from Federal and Other Funds	61,831,000	62,771,209	102	940,209
<b>Total Interdepartmental Accounts</b>	<u>710,675,000</u>	<u>725,774,966</u>	102	<u>15,099,966</u>
<b>Judicial Branch:</b>				
Court Fees	54,630,000	50,675,240	93	(3,954,760)
<b>Total Judicial Branch</b>	<u>54,630,000</u>	<u>50,675,240</u>	93	<u>(3,954,760)</u>
<b>TOTAL MISCELLANEOUS TAXES, FEES, REVENUES</b>	<u>2,885,501,000</u>	<u>2,812,292,767</u>	97	<u>(73,208,233)</u>
<b>INTERFUND TRANSFERS</b>				
Beaches and Harbor Fund	1,000	2,769	277	1,769
Building Our Future Fund	195,000	747,979	384	552,979
Clean Waters Fund	-	32	-	32
Cultural Center and Historical Preservation Fund	-	67	-	67
Dam, Lake, Stream and Flood Control Project Fund - 2003	11,000	24,792	225	13,792
Developmental Disabilities Waiting List Reduction Fund	1,000	2,688	269	1,688
Dredging and Containment Facility Fund	454,000	429,975	95	(24,025)
Emergency Flood Control	-	868	-	868
Energy Conservation Fund	-	836	-	836
Enterprise Zone Assistance Fund	80,479,000	83,450,345	104	2,971,345
Fund for the Support of Free Public Schools	4,668,000	5,021,603	108	353,603
Garden State Farmland Preservation Trust Fund	2,051,000	2,024,557	99	(26,443)
Garden State Green Acres Preservation Trust Fund	5,573,000	4,531,138	81	(1,041,862)
Garden State Historic Preservation Trust Fund	672,000	605,430	90	(66,570)
Hazardous Discharge Fund	-	551	-	551
Hazardous Discharge Site Cleanup Fund	18,903,000	18,276,401	97	(626,599)
Housing Assistance Fund	5,000	12,555	251	7,555
Jobs, Education and Competitiveness Fund	-	116	-	116
Judiciary Bail Fund	33,000	86,992	264	53,992
Judiciary Probation Fund	9,000	20,614	214	11,614
Judiciary Special Civil Fund	4,000	8,563	214	4,563
Judiciary Superior Court Miscellaneous Fund	3,000	11,677	389	8,677
Legal Services Fund	11,000,000	9,160,205	83	(1,839,795)
Mortgage Assistance Fund	475,000	2,081,021	438	1,606,021
Motor Vehicle Security Responsibility Fund	1,000	717	72	(283)

**STATE OF NEW JERSEY**  
**SCHEDULE OF ANTICIPATED REVENUE**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>ANTICIPATED</u> <u>TO</u> <u>JUNE 30, 2016</u>	<u>REALIZED TO JUNE 30, 2016</u>		<u>REALIZATION</u> <u>OVER (UNDER)</u> <u>ANTICIPATED</u>
		<u>AMOUNT</u>	<u>PERCENT</u>	
NJ Bridge Rehabilitation and Improvement and R.R. Right-of-Way Preservation Fund	3,000	7,239	241	4,239
Natural Resources Fund	1,000	2,547	255	1,547
New Jersey Spill Compensation Fund	16,744,000	15,924,213	95	(819,787)
New Jersey Workforce Development Partnership Fund	32,021,000	30,375,082	95	(1,645,918)
Pollution Prevention Fund	1,016,000	948,959	93	(67,041)
Public Purpose Buildings and Community-Based Facilities Construction Fund	-	751	-	751
Safe Drinking Water Fund	2,556,000	2,364,034	92	(191,966)
Shore Protection Fund	7,000	17,697	253	10,697
Spinal Cord Research Fund	-	3,500,000	-	3,500,000
State Disability Benefit Fund	38,709,000	29,473,826	76	(9,235,174)
State Land Acquisition and Development Fund	1,000	428	43	(572)
State Lottery Fund	1,000,000,000	987,000,000	99	(13,000,000)
State Lottery Fund - Administration	13,271,000	10,048,217	76	(3,222,783)
State of New Jersey Cash Management Fund	1,563,000	1,374,279	88	(188,721)
Statewide Transportation and Local Bridge Fund	7,000	11,967	171	4,967
Supplemental Workforce Fund for Basic Skills	2,000,000	1,989,094	99	(10,906)
Unclaimed Insurance Payments on Deposit Accounts Trust Fund	8,000	18,709	234	10,709
Unclaimed Personal Property Trust Fund	174,111,000	174,111,000	100	-
Unclaimed Utility Deposits Trust Fund	7,000	1,199,099	17,130	1,192,099
Unemployment Compensation Auxiliary Fund	13,322,000	13,193,551	99	(128,449)
Universal Services Fund	67,337,000	67,337,000	100	-
Wage and Hour Trust Fund	2,000	6,833	342	4,833
Water Conservation Fund	1,000	2,151	215	1,151
Water Supply Fund	4,384,000	3,944,839	90	(439,161)
Worker and Community Right to Know Fund	2,763,000	2,655,794	96	(107,206)
<b>TOTAL INTERFUND TRANSFERS</b>	<u>1,494,372,000</u>	<u>1,472,009,800</u>	99	<u>(22,362,200)</u>
 <b>TOTAL REVENUES, GENERAL FUND</b>	 <u><b>\$ 19,023,241,000</b></u>	 <u><b>\$ 18,553,682,782</b></u>	 <b>98</b>	 <u><b>\$ (469,558,218)</b></u>

**STATE OF NEW JERSEY  
SCHEDULES OF ANTICIPATED REVENUE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

**CASINO CONTROL FUND**

	ANTICIPATED TO JUNE 30, 2016	REALIZED TO JUNE 30, 2016		REALIZATION OVER/(UNDER) ANTICIPATED
		AMOUNT	PERCENT	
Licenses and Fees	\$ 55,196,000	\$ 39,814,166	72	\$ (15,381,834)
Investment Earnings	6,000	9,055	151	3,055
<b>TOTAL CASINO CONTROL FUND</b>	<b>\$ 55,202,000</b>	<b>\$ 39,823,221</b>	<b>72</b>	<b>\$ (15,378,779)</b>

**CASINO REVENUE FUND**

	ANTICIPATED TO JUNE 30, 2016	REALIZED TO JUNE 30, 2016		REALIZATION OVER/(UNDER) ANTICIPATED
		AMOUNT	PERCENT	
Gross Revenue Tax	\$ 194,161,000	\$ 201,054,091	104	\$ 6,893,091
Other Casino Taxes and Fees	9,849,000	8,189,049	83	(1,659,951)
Casino Simulcasting Fund	175,000	173,978	99	(1,022)
<b>TOTAL CASINO REVENUE FUND</b>	<b>\$ 204,185,000</b>	<b>\$ 209,417,118</b>	<b>103</b>	<b>\$ 5,232,118</b>

**GUBERNATORIAL ELECTIONS FUND**

	ANTICIPATED TO JUNE 30, 2016	REALIZED TO JUNE 30, 2016		REALIZATION OVER/(UNDER) ANTICIPATED
		AMOUNT	PERCENT	
Taxpayers' Designations	\$ 700,000	\$ 487,648	70	\$ (212,352)
<b>TOTAL GUBERNATORIAL ELECTIONS FUND</b>	<b>\$ 700,000</b>	<b>\$ 487,648</b>	<b>70</b>	<b>\$ (212,352)</b>

**PROPERTY TAX RELIEF FUND**

	ANTICIPATED TO JUNE 30, 2016	REALIZED TO JUNE 30, 2016		REALIZATION OVER/(UNDER) ANTICIPATED
		AMOUNT	PERCENT	
Gross Income Tax	\$ 13,930,000,000	\$ 13,355,992,259	96	\$ (574,007,741)
Sales Tax Dedication	710,100,000	713,121,234	100	3,021,234
<b>TOTAL PROPERTY TAX RELIEF FUND</b>	<b>\$ 14,640,100,000</b>	<b>\$ 14,069,113,493</b>	<b>96</b>	<b>\$ (570,986,507)</b>

**STATE OF NEW JERSEY  
SCHEDULE OF APPROPRIATED REVENUE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

**GENERAL FUND**

	<u>STATE</u>	<u>FEDERAL</u>	<u>DEDICATED AND REVOLVING</u>	<u>TOTAL</u>
<b>LEGISLATIVE BRANCH</b>	\$ -	\$ -	\$ 566	\$ 566
<b>EXECUTIVE BRANCH</b>				
Chief Executive	-	-	760,000	760,000
Agriculture	2,495,940	457,559,045	4,945,711	465,000,696
Banking and Insurance	13,590	356,722	1,160,853	1,531,165
Children and Families	72,974	234,687,626	54,857,974	289,618,574
Community Affairs	23,590,506	1,055,977,025	81,056,033	1,160,623,564
Corrections	-	2,963,869	49,451,800	52,415,669
Education	889,338	881,828,655	14,644,737	897,362,730
Environmental Protection	45,065,625	51,595,428	49,534,246	146,195,299
Health	12,763,381	299,505,018	700,026,268	1,012,294,667
Human Services	1,103,422	10,852,380,080	1,474,625,392	12,328,108,894
Labor and Workforce Development	29,152,185	349,702,220	288,582,811	667,437,216
Law and Public Safety	138,948,553	280,032,950	154,100,191	573,081,694
Military and Veterans' Affairs	5,192,599	55,557,274	482,462	61,232,335
State	270,196	22,522,207	14,887,826	37,680,229
Transportation	2,831,720	8,031,263	912,374,328	923,237,311
Treasury	68,220,898	17,807,632	1,348,086,222	1,434,114,752
Interdepartmental	167,282	-	49,198,140	49,365,422
<b>TOTAL EXECUTIVE BRANCH</b>	<u>330,778,209</u>	<u>14,570,507,014</u>	<u>5,198,774,994</u>	<u>20,100,060,217</u>
<b>JUDICIAL BRANCH</b>	<u>2,650,150</u>	<u>1,366,753</u>	<u>95,229,067</u>	<u>99,245,970</u>
<b>TOTAL GENERAL FUND</b>	<u>\$ 333,428,359</u>	<u>\$ 14,571,873,767</u>	<u>\$ 5,294,004,627</u>	<u>\$ 20,199,306,753</u>

**STATE OF NEW JERSEY**  
**SCHEDULE OF APPROPRIATIONS AND EXPENDITURES**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
<b>DIRECT STATE SERVICES</b>			
<b>Legislative Branch</b>	\$ 77,156,713	\$ 18,135,793	\$ 77,918,336
<b>Executive Branch</b>			
Chief Executive's Office	6,722,000	277,593	5,987,576
Agriculture	7,308,000	3,153,073	9,943,170
Banking and Insurance	64,013,000	1,047,008	50,662,142
Children and Families	266,282,000	252,123	260,129,646
Community Affairs	40,226,000	17,655,373	55,233,111
Corrections	935,619,000	31,477,468	900,475,087
Education	90,842,515	1,957,250	76,914,803
Environmental Protection	226,155,166	61,811,432	252,282,846
Health	46,151,000	15,146,069	52,706,355
Human Services	606,914,000	90,076,023	614,237,583
Labor and Workforce Development	93,994,000	33,342,958	109,983,259
Law and Public Safety	477,077,000	216,990,192	631,555,436
Military and Veterans' Affairs	94,750,000	8,318,375	97,143,974
State	31,622,000	680,485	27,297,196
Transportation	80,520,000	17,329,420	89,523,116
Treasury	492,715,069	90,592,836	505,548,347
Miscellaneous Executive Commissions	776,000	14,125	785,833
Interdepartmental Accounts	2,872,863,289	30,438,283	2,762,707,320
<b>Total Executive Branch</b>	<u>6,434,550,039</u>	<u>620,560,086</u>	<u>6,503,116,800</u>
<b>Judicial Branch</b>	<u>709,753,000</u>	<u>(10,226,429)</u>	<u>660,116,134</u>
<b>TOTAL DIRECT STATE SERVICES</b>	<u>\$ 7,221,459,752</u>	<u>\$ 628,469,450</u>	<u>\$ 7,241,151,270</u>



<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ 1,333,833	\$ -	\$ 16,040,337
-	81,809	930,208
139,459	363	378,081
391,113	12,987,238	1,019,515
3,109,819	3,294,658	-
1,263,207	409,327	975,728
36,779,026	24,956,805	4,885,550
8,652,069	6,467,930	764,963
12,383,984	3,703,997	19,595,771
4,194,786	4,353,053	42,875
15,609,686	41,196,515	25,946,239
4,527,110	8,980,783	3,845,806
12,358,859	11,113,356	39,039,541
1,783,640	278,827	3,861,934
3,924,024	814,381	266,884
3,732,924	1,036,238	3,557,142
32,535,135	22,684,988	22,539,435
31	-	4,261
29,513,373	40,011,378	71,069,501
<u>170,898,245</u>	<u>182,371,646</u>	<u>198,723,434</u>
<u>27,757,682</u>	<u>(4,889)</u>	<u>11,657,644</u>
<u>\$ 199,989,760</u>	<u>\$ 182,366,757</u>	<u>\$ 226,421,415</u>

**STATE OF NEW JERSEY**  
**SCHEDULE OF APPROPRIATIONS AND EXPENDITURES**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
<b>GRANTS-IN-AID</b>			
<b>Executive Branch</b>			
Agriculture	\$ 6,818,000	\$ 773,438	\$ 7,183,237
Children and Families	845,078,000	29,273,354	851,270,441
Community Affairs	44,390,000	8,281,992	41,492,807
Corrections	109,561,000	(2,467,462)	103,589,511
Education	5,085,000	-	2,049,858
Environmental Protection	2,125,000	94,655,825	1,968,420
Health	378,321,000	3,192,881	306,645,353
Human Services	5,486,619,124	(39,468,782)	5,177,829,982
Labor and Workforce Development	70,528,000	2,467,462	63,533,974
Law and Public Safety	17,364,000	-	9,650,100
Military and Veterans' Affairs	2,514,000	(66,200)	2,283,944
State	1,214,091,000	2,778,712	1,190,123,082
Transportation	33,156,000	420,340	33,156,000
Treasury	207,005,000	3,070,490	158,857,858
Interdepartmental Accounts	1,161,497,000	(18,940,876)	1,128,393,414
<b>Total Executive Branch</b>	<u>9,584,152,124</u>	<u>83,971,174</u>	<u>9,078,027,981</u>
<b>TOTAL GRANTS-IN-AID</b>	<u>\$ 9,584,152,124</u>	<u>\$ 83,971,174</u>	<u>\$ 9,078,027,981</u>
<b>STATE AID</b>			
<b>Executive Branch</b>			
Agriculture	\$ 5,616,000	\$ 77	\$ 5,615,176
Community Affairs	1,600,000	113,512	1,503,651
Education	533,873,719	(2,817,000)	526,297,677
Environmental Protection	6,160,000	782,535	5,963,898
Human Services	265,863,000	24,283,615	239,422,261
Law and Public Safety	-	1,711,694	592,380
State	15,005,000	-	15,005,000
Treasury	34,228,000	942,192	32,002,613
<b>Total Executive Branch</b>	<u>862,345,719</u>	<u>25,016,625</u>	<u>826,402,656</u>
<b>TOTAL STATE AID</b>	<u>\$ 862,345,719</u>	<u>\$ 25,016,625</u>	<u>\$ 826,402,656</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ -	\$ -	\$ 408,201
10,568,109	12,512,804	-
6,178,273	3,160,000	1,840,912
-	3,096,941	407,086
2,885,235	149,907	-
-	100,000	94,712,405
46,417,127	27,537,346	914,055
35,735,192	109,162,696	124,422,472
9,461,486	2	-
6,590,166	1,123,734	-
55,505	108,351	-
5,779,431	20,019,310	947,889
272,206	-	148,134
1,699,362	44,538,732	4,979,538
-	14,162,710	-
<u>125,642,092</u>	<u>235,672,533</u>	<u>228,780,692</u>
<u>\$ 125,642,092</u>	<u>\$ 235,672,533</u>	<u>\$ 228,780,692</u>
\$ -	\$ 901	\$ -
-	128,827	81,034
4,681,848	77,194	-
261,323	-	717,314
2,277,992	48,446,362	-
1,119,314	-	-
-	-	-
251,000	2,225,035	691,544
<u>8,591,477</u>	<u>50,878,319</u>	<u>1,489,892</u>
<u>\$ 8,591,477</u>	<u>\$ 50,878,319</u>	<u>\$ 1,489,892</u>

**STATE OF NEW JERSEY**  
**SCHEDULE OF APPROPRIATIONS AND EXPENDITURES**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
<b>CAPITAL CONSTRUCTION</b>			
<b>Executive Branch</b>			
Corrections	-	5,394,847	1,320,738
Education	-	428,388	-
Environmental Protection	72,514,000	141,883,009	43,569,456
Human Services	-	1,022,398	(60,199)
Law and Public Safety	-	3,205,579	163,404
Military and Veterans' Affairs	-	4,528,001	3,369,647
Transportation	1,199,928,000	84,187,400	1,216,748,659
Treasury	-	2,578,144	276,543
Interdepartmental Accounts	210,666,000	42,127,196	202,595,193
<b>Total Executive Branch</b>	<u>1,483,108,000</u>	<u>285,354,962</u>	<u>1,467,983,441</u>
<b>TOTAL CAPITAL CONSTRUCTION</b>	<u>\$ 1,483,108,000</u>	<u>\$ 285,354,962</u>	<u>\$ 1,467,983,441</u>
<b>DEBT SERVICE</b>			
<b>Executive Branch</b>			
Environmental Protection	\$ 46,469,000	\$ (1,112,218)	\$ 37,724,896
Treasury	399,366,000	1,112,218	400,108,955
<b>Total Executive Branch</b>	<u>445,835,000</u>	<u>-</u>	<u>437,833,851</u>
<b>TOTAL DEBT SERVICE</b>	<u>\$ 445,835,000</u>	<u>\$ -</u>	<u>\$ 437,833,851</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
861,241	-	3,212,868
-	-	428,388
52,680,353	1,947,000	116,200,200
83,673	-	998,924
238,379	-	2,803,796
626,222	-	532,132
3,383,600	62,901,341	1,081,800
1,824,545	-	477,056
12,635,864	4,205,000	33,357,139
<u>72,333,877</u>	<u>69,053,341</u>	<u>159,092,303</u>
<u>\$ 72,333,877</u>	<u>\$ 69,053,341</u>	<u>\$ 159,092,303</u>
-	-	-
-	7,631,886	-
-	369,263	-
-	8,001,149	-
<u>\$ -</u>	<u>\$ 8,001,149</u>	<u>\$ -</u>

**STATE OF NEW JERSEY**  
**SCHEDULE OF APPROPRIATIONS AND EXPENDITURES**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR JUNE 30, 2016**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
<b>FEDERAL</b>			
<b>Executive Branch</b>			
Agriculture	513,810,061	41,003,261	423,258,334
Banking and Insurance	885,000	289,727	356,722
Children and Families	549,422,450	43,842,224	558,643,717
Community Affairs	456,679,000	195,426,657	537,406,905
Corrections	8,539,270	2,658,445	3,721,006
Education	873,807,000	38,848,752	653,339,628
Environmental Protection	174,076,959	114,310,329	84,614,215
Health	634,492,211	90,670,299	444,698,884
Human Services	10,809,863,510	41,549,244	8,842,596,190
Labor and Workforce Development	490,993,613	66,286,208	297,078,004
Law and Public Safety	286,509,329	214,092,555	230,154,581
Military and Veterans' Affairs	104,642,188	9,153,522	35,842,797
State	31,125,802	1,506,595	19,536,112
Transportation	16,316,000	59,048,109	59,782,799
Treasury	9,134,000	4,624,478	10,152,207
<b>Total Executive Branch</b>	<u>14,960,296,393</u>	<u>923,310,405</u>	<u>12,201,182,101</u>
<b>Judicial Branch</b>	<u>120,254,000</u>	<u>2,618,727</u>	<u>110,572,844</u>
<b>TOTAL FEDERAL</b>	<u>\$ 15,080,550,393</u>	<u>\$ 925,929,132</u>	<u>\$ 12,311,754,945</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
55,417,689	-	76,137,299
10,587	-	807,418
16,281,566	-	18,339,391
(66,906,144)	-	181,604,896
737,039	-	6,739,670
181,985,400	-	77,330,724
55,303,629	-	148,469,444
29,246,740	-	251,216,886
108,126,303	-	1,900,690,261
74,789,858	-	185,411,959
25,762,105	-	244,685,198
6,326,391	-	71,626,522
4,476,345	-	8,619,940
434,053	-	15,147,257
91,796	-	3,514,475
492,083,357	-	3,190,341,340
1,369,308	-	10,930,575
\$ 493,452,665	\$ -	\$ 3,201,271,915

**STATE OF NEW JERSEY**  
**SCHEDULE OF APPROPRIATIONS AND EXPENDITURES**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
<b>REVOLVING FUNDS</b>			
<b>Legislative Branch</b>	\$ -	\$ 566	\$ -
<b>Executive Branch</b>			
Community Affairs	-	21,910,287	17,099,641
Corrections	-	27,950,961	23,892,107
Education	-	3,188,118	2,497,210
Environmental Protection	-	3,638,823	2,487,537
Health	-	23,304,488	19,692,183
Human Services	-	19,855,960	9,534,307
Labor and Workforce Development	-	1,010,875	615,134
Law and Public Safety	-	456,263	525
State	-	454,073	120,278
Transportation	-	10,330,050	8,973,183
Treasury	-	107,201,947	68,828,801
<b>Total Executive Branch</b>	<u>-</u>	<u>219,301,845</u>	<u>153,740,906</u>
<b>TOTAL REVOLVING FUNDS</b>	<u>\$ -</u>	<u>\$ 219,302,411</u>	<u>\$ 153,740,906</u>



<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ -	\$ -	\$ 566
2,182,215	1,000,000	1,628,431
581,826	-	3,477,028
79,721	-	611,187
898,733	-	252,553
2,209,759	-	1,402,546
1,875,114	5,604,032	2,842,507
349,097	-	46,644
31,635	-	424,103
6,238	-	327,557
549,172	-	807,695
<u>11,419,917</u>	<u>13,000,000</u>	<u>13,953,229</u>
<u>20,183,427</u>	<u>19,604,032</u>	<u>25,773,480</u>
<u>\$ 20,183,427</u>	<u>\$ 19,604,032</u>	<u>\$ 25,774,046</u>

**STATE OF NEW JERSEY**  
**SCHEDULE OF APPROPRIATIONS AND EXPENDITURES**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
<b>ALL OTHER</b>			
<b>Legislative Branch</b>	\$ -	\$ 15,336	\$ -
<b>Executive Branch</b>			
Chief Executive's Office	-	763,809	739,179
Agriculture	-	11,074,459	5,889,296
Banking and Insurance	-	2,050,922	1,264,933
Children and Families	-	57,227,268	53,570,814
Community Affairs	-	82,156,718	39,432,073
Corrections	-	32,364,551	24,029,567
Education	-	25,627,860	18,191,316
Environmental Protection	-	119,605,206	52,827,917
Health	-	755,612,332	677,611,145
Human Services	-	1,480,189,999	1,464,806,470
Labor and Workforce Development	-	293,585,487	214,081,323
Law and Public Safety	-	238,849,674	194,211,258
Military and Veterans' Affairs	-	1,709,325	744,938
State	-	19,320,433	13,980,798
Transportation	-	930,916,388	801,160,341
Treasury	-	1,277,911,890	1,147,162,300
Interdepartmental Accounts	-	38,634,638	33,127,938
<b>Total Executive Branch</b>	-	5,367,600,959	4,742,831,606
<b>Judicial Branch</b>	-	140,029,469	56,647,106
<b>TOTAL ALL OTHER</b>	\$ -	\$ 5,507,645,764	\$ 4,799,478,712

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ -	\$ -	\$ 15,336
-	-	24,630
245,109	-	4,940,054
777	-	785,212
335,325	1,648,772	1,672,357
15,337,008	7,284,450	20,103,187
445,367	-	7,889,617
502,654	-	6,933,890
29,830,182	-	36,947,107
20,547,848	4,632,769	52,820,570
3,109,682	640,797	11,633,050
4,586,128	-	74,918,036
17,359,157	807,787	26,471,472
267,561	-	696,826
1,025,932	1,501,350	2,812,353
18,896,380	1,141,677	109,717,990
25,145,398	30,115,716	75,488,476
2,676,684	-	2,830,016
<u>140,311,192</u>	<u>47,773,318</u>	<u>436,684,843</u>
<u>13,291,959</u>	<u>-</u>	<u>70,090,404</u>
<u>\$ 153,603,151</u>	<u>\$ 47,773,318</u>	<u>\$ 506,790,583</u>

**STATE OF NEW JERSEY**  
**SCHEDULE OF APPROPRIATIONS AND EXPENDITURES**  
**GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
<b>GENERAL FUND SUMMARY</b>			
<b>Legislative Branch</b>	\$ 77,156,713	\$ 18,151,695	\$ 77,918,336
<b>Executive Branch</b>			
Chief Executive's Office	6,722,000	1,041,402	6,726,755
Agriculture	533,552,061	56,004,308	451,889,213
Banking and Insurance	64,898,000	3,387,657	52,283,797
Children and Families	1,660,782,450	130,594,969	1,723,614,617
Community Affairs	542,895,000	325,544,539	692,168,188
Corrections	1,053,719,270	97,378,810	1,057,028,016
Education	1,503,608,234	67,233,368	1,279,290,492
Environmental Protection	527,500,125	535,574,941	481,439,186
Health	1,058,964,211	887,926,069	1,501,353,920
Human Services	17,169,259,634	1,617,508,457	16,348,366,594
Labor and Workforce Development	655,515,613	396,692,990	685,291,694
Law and Public Safety	780,950,329	675,305,957	1,066,327,684
Military and Veterans' Affairs	201,906,188	23,643,023	139,385,299
State	1,291,843,802	24,740,298	1,266,062,466
Transportation	1,329,920,000	1,102,231,707	2,209,344,098
Treasury	1,142,448,069	1,488,034,195	2,322,937,624
Miscellaneous Executive Commissions	776,000	14,125	785,833
Interdepartmental Accounts	4,245,026,289	92,259,241	4,126,823,865
<b>Total Executive Branch</b>	<u>33,770,287,275</u>	<u>7,525,116,056</u>	<u>35,411,119,341</u>
<b>Judicial Branch</b>	<u>830,007,000</u>	<u>132,421,768</u>	<u>827,336,084</u>
<b>TOTAL GENERAL FUND SUMMARY</b>	<u>\$ 34,677,450,988</u>	<u>\$ 7,675,689,519</u>	<u>\$ 36,316,373,761</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ 1,333,833	\$ -	\$ 16,056,239
-	81,809	954,838
55,802,258	1,264	81,863,634
402,477	12,987,238	2,612,145
30,294,820	17,456,233	20,011,749
(41,945,441)	11,982,604	206,234,188
39,404,499	28,053,746	26,611,819
198,786,927	6,695,031	86,069,152
151,358,203	13,382,882	416,894,795
102,616,259	36,523,168	306,396,933
166,817,642	205,050,402	2,066,533,453
93,713,680	8,980,785	264,222,444
63,459,615	13,044,877	313,424,110
9,059,319	387,178	76,717,415
15,211,970	22,335,041	12,974,623
27,268,335	65,079,256	130,460,018
72,967,153	112,933,734	121,643,753
31	-	4,261
44,825,921	58,379,088	107,256,656
<u>1,030,043,668</u>	<u>613,354,336</u>	<u>4,240,885,986</u>
<u>42,418,949</u>	<u>(4,890)</u>	<u>92,678,625</u>
<u>\$ 1,073,796,450</u>	<u>\$ 613,349,446</u>	<u>\$ 4,349,620,850</u>

**STATE OF NEW JERSEY**  
**SCHEDULE OF APPROPRIATIONS AND EXPENDITURES**  
**CASINO CONTROL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
<b>DIRECT STATE SERVICES</b>			
<b>Executive Branch</b>			
Law and Public Safety	\$ 47,036,000	\$ 420,824	\$ 39,331,130
Treasury	8,166,000	416,725	6,049,483
<b>TOTAL CASINO CONTROL FUND</b>	<u>\$ 55,202,000</u>	<u>\$ 837,549</u>	<u>\$ 45,380,613</u>

**STATE OF NEW JERSEY**  
**SCHEDULE OF APPROPRIATIONS AND EXPENDITURES**  
**CASINO REVENUE FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
<b>DIRECT STATE SERVICES</b>			
<b>Executive Branch</b>			
Human Services	\$ 871,000	\$ 13,138	\$ 811,275
Law and Public Safety	92,000	-	92,000
<b>GRANTS-IN-AID</b>			
<b>Executive Branch</b>			
Health	529,000	-	413,177
Human Services	181,673,000	-	179,520,729
Labor and Workforce Development	2,196,000	-	2,196,000
<b>STATE AID</b>			
<b>Executive Branch</b>			
Transportation	18,824,000	56,290	5,503,889
<b>TOTAL CASINO REVENUE FUND</b>	<u>\$ 204,185,000</u>	<u>\$ 69,428</u>	<u>\$ 188,537,070</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ 591,167	\$ 6,855,775	\$ 678,752
16,409	2,474,914	41,919
\$ 607,576	\$ 9,330,689	\$ 720,671
\$ 607,576	\$ 9,330,689	\$ 720,671

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ 38,779	\$ 8,946	\$ 25,138
-	-	-
54,022	61,801	-
2,041,370	110,901	-
-	-	-
13,320,111	56,290	-
\$ 15,454,282	\$ 237,938	\$ 25,138
\$ 15,454,282	\$ 237,938	\$ 25,138

**STATE OF NEW JERSEY  
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES  
PROPERTY TAX RELIEF FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
<b>GRANTS-IN-AID</b>			
<b>Executive Branch</b>			
Treasury	\$ 559,700,000	\$ 537	\$ 541,832,267
<b>STATE AID</b>			
<b>Executive Branch</b>			
Community Affairs	715,915,000	(319,380,918)	394,584,876
Corrections	22,500,000	-	21,259,432
Education	12,243,642,000	19,335,961	12,219,970,950
Environmental Protection	2,700,000	754,000	1,403,462
Human Services	168,134,000	4,001,255	159,706,328
Law and Public Safety	2,000,000	-	2,000,000
Treasury	396,503,000	341,010,568	734,710,854
<b>TOTAL PROPERTY TAX RELIEF FUND</b>	<u>\$ 14,111,094,000</u>	<u>\$ 45,721,403</u>	<u>\$ 14,075,468,169</u>



<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ -	\$ 17,868,270	\$ -
250,000	1,699,206	-
-	1,240,568	-
1,331,082	37,709,182	3,966,747
2,048,278	2,260	-
79,612	7,033,000	5,316,315
-	-	-
50,580	2,752,134	-
<u>\$ 3,759,552</u>	<u>\$ 68,304,620</u>	<u>\$ 9,283,062</u>

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STATISTICAL  
SECTION



**STATE OF NEW JERSEY  
STATISTICAL SECTION  
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**STATE OF NEW JERSEY  
NET POSITION BY COMPONENT  
FOR THE FISCAL YEAR ENDED JUNE 30  
(Expressed in Millions)**

	<u>2016</u>	<u>2015<sup>1</sup></u>	<u>2014<sup>2</sup></u>	<u>2013<sup>3</sup></u>
<b><u>Governmental Activities</u></b>				
Net investment in capital assets	\$ 9,606.6	\$ 8,506.6	\$ 7,870.8	\$ 7,343.4
Restricted	4,576.7	4,472.3	3,429.5	3,678.9
Unrestricted	<u>(136,955.1)</u>	<u>(127,852.0)</u>	<u>(120,171.7)</u>	<u>(57,551.2)</u>
<b>Total</b>	<u>(122,771.8)</u>	<u>(114,873.1)</u>	<u>(108,871.4)</u>	<u>(46,528.9)</u>
<b><u>Business-type Activities</u></b>				
Restricted	2,461.1	1,698.9	1,067.5	453.1
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>2,461.1</u>	<u>1,698.9</u>	<u>1,067.5</u>	<u>453.1</u>
<b><u>Total Primary Government</u></b>				
Net investment in capital assets	9,606.6	8,506.6	7,870.8	7,343.4
Restricted	7,037.8	6,171.2	4,497.0	4,132.0
Unrestricted	<u>(136,955.1)</u>	<u>(127,852.0)</u>	<u>(120,171.7)</u>	<u>(57,551.2)</u>
<b>Total</b>	<u>\$ (120,310.7)</u>	<u>\$ (113,174.2)</u>	<u>\$ (107,803.9)</u>	<u>\$ (46,075.8)</u>

**Notes:**

- <sup>1</sup> Net Position was restated by \$703.0 million to reflect the following prior period adjustments: the inclusion of increased capital assets (\$138.2 million) and the reduction of overstated contributory life insurance payable (\$564.8 million).
- <sup>2</sup> Net Position was restated to reflect the following: implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, resulting in the removal of the Net Pension Obligation of \$15,949.4 million, the addition of a Net Pension Liability of \$74,773.7 million offset by deferred outflows of resources of \$753.5 million; a decrease of capitalized software liability of \$52.0 million related to the State Lottery resulting from the assignment of the software contract to Northstar; and a decrease in capital assets of \$229.8 million offset by a decrease in accumulated depreciation of \$62.4 million across all statewide functions and categories.
- <sup>3</sup> Net Position was restated to reflect the following: implementation of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, resulting in \$301.6 million in debt issuance costs, previously reported as assets and amortized, being immediately recognized in the current reporting period; implementation of GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, resulting in an increase in non-bonded debt of \$184.1 million relating to the South Jersey Port Corporation bonds; an increase in capital assets of \$60.4 million and an increase in accumulated depreciation of \$4.7 million across all statewide functions and categories; and an increase in unamortized premium on bonds payable of \$52.5 million due to over amortization in prior years.
- <sup>4</sup> Net Position was restated by \$633.8 million to reflect prior period adjustments for inclusion of: long-term obligations of Business Employment Incentive Grants (\$630.1) million, capital leases (\$39.5) million, and unclaimed personal property (\$31.0) million, offset by increase in capital assets, net of accumulated depreciation \$49.3 million, and increase in Other Assets (group homes), net of accumulated amortization \$17.5 million.

Information presented is based on the accrual basis of accounting.

<u>2012<sup>4</sup></u>	<u>2011</u>	<u>2010</u>	<u>2009<sup>5</sup></u>	<u>2008<sup>6</sup></u>	<u>2007</u>
\$ 7,192.2	\$ 6,999.7	\$ 6,439.8	\$ 7,362.1	\$ 7,135.6	\$ 6,452.0
3,536.3	3,877.3	4,364.6	4,298.6	5,492.5	5,796.5
<u>(51,134.4)</u>	<u>(44,297.2)</u>	<u>(39,005.6)</u>	<u>(33,419.6)</u>	<u>(26,403.0)</u>	<u>(20,753.5)</u>
<u>(40,405.9)</u>	<u>(33,420.2)</u>	<u>(28,201.2)</u>	<u>(21,758.9)</u>	<u>(13,774.9)</u>	<u>(8,505.0)</u>
12.1	10.9	10.2	321.0	1,316.7	1,143.2
<u>(253.1)</u>	<u>(794.9)</u>	<u>(776.6)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(241.0)</u>	<u>(784.0)</u>	<u>(766.4)</u>	<u>321.0</u>	<u>1,316.7</u>	<u>1,143.2</u>
7,192.2	6,999.7	6,439.8	7,362.1	7,135.6	6,452.0
3,548.4	3,888.2	4,374.8	4,619.6	6,809.2	6,939.7
<u>(51,387.5)</u>	<u>(45,092.1)</u>	<u>(39,782.2)</u>	<u>(33,419.6)</u>	<u>(26,403.0)</u>	<u>(20,753.5)</u>
<u>\$ (40,646.9)</u>	<u>\$ (34,204.2)</u>	<u>\$ (28,967.6)</u>	<u>\$ (21,437.9)</u>	<u>\$ (12,458.2)</u>	<u>\$ (7,361.8)</u>

<sup>5</sup> Net Position was restated by \$288.5 million to reflect the implementation of GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*.

<sup>6</sup> Net Position was restated by \$267.1 million to reflect revised land improvements, building improvements and infrastructure balances, net of depreciation, offset by \$7.0 million as the result of implementing GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*.

**STATE OF NEW JERSEY  
CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30 (Expressed in Millions)**

	<u>2016</u>	<u>2015<sup>1</sup></u>	<u>2014<sup>2</sup></u>
<b><u>Governmental Activities</u></b>			
<b>Expenses</b>			
Public safety and criminal justice	\$ 3,270.4	\$ 3,272.7	\$ 3,459.9
Physical and mental health	14,249.1	14,283.6	12,933.2
Educational, cultural, and intellectual development	17,135.4	16,409.7	15,685.3
Community development and environmental management	2,285.7	2,385.9	2,274.3
Economic planning, development, and security	6,241.9	6,484.7	6,527.3
Transportation programs	1,522.5	1,831.0	1,907.8
Government direction, management, and control	15,231.1	14,461.7	11,725.3
Special government services	338.6	357.5	358.7
Interest expense	1,382.5	1,328.0	1,235.3
<b>Total Expenses</b>	<u>61,657.2</u>	<u>60,814.8</u>	<u>56,107.1</u>
<b>Program Revenues</b>			
Charges for services			
Public safety and criminal justice	1,078.0	1,108.6	1,111.4
Physical and mental health	961.2	861.3	848.7
Educational, cultural, and intellectual development	110.7	109.7	113.6
Community development and environmental management	318.2	406.4	342.3
Economic planning, development, and security	1,326.3	1,298.6	1,275.0
Transportation programs	20.2	26.1	30.5
Government direction, management, and control	1,018.8	897.6	880.1
Special government services	147.9	415.5	201.0
Operating grants and contributions	16,412.9	16,533.7	15,638.0
Capital grants and contributions	269.4	363.7	658.9
<b>Total Program Revenues</b>	<u>21,663.6</u>	<u>22,021.2</u>	<u>21,099.5</u>
<b>Net (Expense) Revenue</b>	<u>(39,993.6)</u>	<u>(38,793.6)</u>	<u>(35,007.6)</u>
<b>General Revenues and Transfers</b>			
Taxes	30,463.4	30,771.2	28,838.6
Investment earnings	8.3	331.1	16.3
Miscellaneous	633.5	738.6	916.7
Transfers	989.7	951.0	965.0
<b>Total General Revenue and Transfers</b>	<u>32,094.9</u>	<u>32,791.9</u>	<u>30,736.6</u>
<b>Change in Net Position</b>	<u>(7,898.7)</u>	<u>(6,001.7)</u>	<u>(4,271.0)</u>
<b>Net Position - July 1</b>	<u>(114,873.1)</u>	<u>(108,871.4)</u>	<u>(104,600.4)</u>
<b>Net Position - June 30</b>	<u>\$ (122,771.8)</u>	<u>\$ (114,873.1)</u>	<u>\$ (108,871.4)</u>

**Notes:**

- Net Position was restated by \$703.0 million to reflect the following prior period adjustments: the inclusion of increased capital assets (\$138.2 million) and the reduction of overstated contributory life insurance payable (\$564.8 million).
- Net Position was restated to reflect the following: implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, resulting in the removal of the Net Pension Obligation of \$15,949.4 million, the addition of a Net Pension Liability of \$74,773.7 million offset by deferred outflows of resources of \$753.5 million; a decrease of capitalized software liability of \$52.0 million related to the State Lottery resulting from the assignment of the software contract to Northstar; and a decrease in capital assets of \$229.8 million offset by a decrease in accumulated depreciation of \$62.4 million across all statewide functions and categories.
- Net Position was restated to reflect the following: implementation of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, resulting in \$301.6 million in debt issuance costs, previously reported as assets and amortized, being immediately recognized in the current reporting period; implementation of GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, resulting in an increase in non-bonded debt of \$184.1 million relating to the South Jersey Port Corporation bonds; an increase in capital assets of \$60.4 million and an increase in accumulated depreciation of \$4.7 million across all statewide functions and categories; and an increase in unamortized premium on bonds payable of \$52.5 million due to over amortization in prior years.

Information presented is based on the accrual basis of accounting.



	<u>2013<sup>3</sup></u>	<u>2012<sup>4</sup></u>	<u>2011</u>	<u>2010</u>	<u>2009<sup>5</sup></u>	<u>2008<sup>6</sup></u>	<u>2007</u>
\$	3,375.1	\$ 3,274.0	\$ 3,169.2	\$ 3,133.2	\$ 3,087.7	\$ 3,211.8	\$ 3,189.7
	11,777.2	11,794.4	11,392.4	10,989.6	10,589.0	10,177.4	9,682.1
	15,632.4	15,249.5	14,091.6	15,013.1	14,681.3	15,552.6	14,968.4
	1,708.4	1,560.6	1,694.1	2,166.9	2,271.8	2,502.0	2,484.5
	6,741.5	6,861.9	6,729.5	6,663.1	6,126.8	5,487.7	5,300.7
	2,144.9	1,715.9	1,927.5	2,017.7	1,859.2	1,717.9	2,913.0
	11,509.8	11,489.5	11,671.6	11,627.1	11,846.1	11,598.7	5,835.8
	344.5	342.1	348.9	337.9	364.5	344.1	327.5
	<u>1,354.3</u>	<u>1,275.8</u>	<u>1,227.7</u>	<u>1,125.9</u>	<u>1,092.4</u>	<u>1,048.3</u>	<u>975.0</u>
	<u>54,588.1</u>	<u>53,563.7</u>	<u>52,252.5</u>	<u>53,074.5</u>	<u>51,918.8</u>	<u>51,640.5</u>	<u>45,676.7</u>
	1,101.2	1,120.4	1,033.6	1,038.8	1,027.1	1,046.9	1,080.3
	861.5	858.7	912.3	875.7	851.7	853.2	714.0
	110.7	111.7	119.8	118.8	119.9	117.1	111.1
	271.0	271.1	302.5	381.5	283.2	282.7	271.5
	1,330.7	1,313.2	1,190.5	1,207.8	1,185.2	1,055.9	1,044.9
	32.2	30.5	27.5	24.0	27.3	11.7	15.5
	963.3	971.3	995.3	846.8	910.0	941.0	1,081.7
	163.4	144.0	154.5	128.2	148.3	118.0	131.7
	13,680.3	13,238.6	13,326.1	14,240.8	11,375.9	10,231.0	10,032.7
	<u>349.5</u>	<u>325.8</u>	<u>139.6</u>	<u>212.5</u>	<u>204.1</u>	<u>116.6</u>	<u>108.5</u>
	<u>18,863.8</u>	<u>18,385.3</u>	<u>18,201.7</u>	<u>19,074.9</u>	<u>16,132.7</u>	<u>14,774.1</u>	<u>14,591.9</u>
	(35,724.3)	(35,178.4)	(34,050.8)	(33,999.6)	(35,786.1)	(36,866.4)	(31,084.8)
	28,313.6	26,666.3	26,569.4	25,745.0	26,910.6	30,441.3	28,983.4
	335.8	(274.9)	48.9	(63.1)	(263.5)	181.3	271.7
	982.9	851.2	762.0	818.9	890.5	753.6	752.9
	<u>1,085.0</u>	<u>950.1</u>	<u>1,451.5</u>	<u>1,056.5</u>	<u>264.5</u>	<u>220.3</u>	<u>883.2</u>
	<u>30,717.3</u>	<u>28,192.7</u>	<u>28,831.8</u>	<u>27,557.3</u>	<u>27,802.1</u>	<u>31,596.5</u>	<u>30,891.2</u>
	(5,007.0)	(6,985.7)	(5,219.0)	(6,442.3)	(7,984.0)	(5,269.9)	(193.6)
	<u>(41,521.9)</u>	<u>(33,420.2)</u>	<u>(28,201.2)</u>	<u>(21,758.9)</u>	<u>(13,774.9)</u>	<u>(8,505.0)</u>	<u>(8,311.4)</u>
\$	<u>(46,528.9)</u>	<u>(40,405.9)</u>	<u>(33,420.2)</u>	<u>(28,201.2)</u>	<u>(21,758.9)</u>	<u>(13,774.9)</u>	<u>(8,505.0)</u>

<sup>4</sup> Net Position was restated by \$633.8 million to reflect prior period adjustments for inclusion of: long-term obligations of Business Employment Incentive Grants (\$630.1) million, capital leases (\$39.5) million, and unclaimed personal property (\$31.0) million, offset by increase in capital assets, net of accumulated depreciation \$49.3 million, and increase in Other Assets (group homes), net of accumulated amortization \$17.5 million.

<sup>5</sup> Net Position was restated by \$288.5 million to reflect the implementation of GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*.

<sup>6</sup> Net Position was restated by \$267.1 million to reflect revised land improvements, building improvements and infrastructure balances, net of depreciation, offset by \$7.0 million as the result of implementing GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*.

**STATE OF NEW JERSEY**  
**CHANGES IN NET POSITION (Continued)**  
**FOR THE FISCAL YEAR ENDED JUNE 30 (Expressed in Millions)**

	<u>2016</u>	<u>2015<sup>1</sup></u>	<u>2014<sup>2</sup></u>
<b><u>Business-type Activities</u></b>			
<b>Expenses</b>			
State Lottery Fund	\$ 2,301.6	\$ 2,102.1	\$ 1,985.6
Unemployment Compensation Fund	2,053.1	2,200.8	3,058.1
<b>Total Expenses</b>	<u>4,354.7</u>	<u>4,302.9</u>	<u>5,043.7</u>
<b>Program Revenues</b>			
Charges for services			
State Lottery Fund	3,297.6	3,062.9	2,942.2
Unemployment Compensation Fund	2,752.0	2,785.7	3,000.3
Operating grants	54.3	45.7	680.6
<b>Total Program Revenues</b>	<u>6,103.9</u>	<u>5,894.3</u>	<u>6,623.1</u>
<b>Net (Expense) Revenue</b>	1,749.2	1,591.4	1,579.4
<b>General Revenues and Transfers</b>			
Investment earnings	-	-	-
Transfers	(987.0)	(960.0)	(965.0)
<b>Total General Revenue and Transfers</b>	<u>(987.0)</u>	<u>(960.0)</u>	<u>(965.0)</u>
<b>Change in Net Assets</b>	762.2	631.4	614.4
<b>Net Position - July 1</b>	1,698.9	1,067.5	453.1
<b>Net Position - June 30</b>	<u>\$ 2,461.1</u>	<u>\$ 1,698.9</u>	<u>\$ 1,067.5</u>
 <b><u>Total Primary Government</u></b>			
Expenses	\$ 66,011.9	\$ 65,117.7	\$ 61,150.8
Program revenues	27,767.5	27,915.5	27,722.6
<b>Net (Expense) Revenue</b>	<u>(38,244.4)</u>	<u>(37,202.2)</u>	<u>(33,428.2)</u>
General revenues and other changes in net assets	31,107.9	31,831.9	29,771.6
<b>Change in Net Position</b>	(7,136.5)	(5,370.3)	(3,656.6)
<b>Net Position - July 1</b>	(113,174.2)	(107,803.9)	(104,147.3)
<b>Net Position - June 30</b>	<u>\$ (120,310.7)</u>	<u>\$ (113,174.2)</u>	<u>\$ (107,803.9)</u>

**Notes:**

- <sup>1</sup> Net Position was restated by \$703.0 million to reflect the following prior period adjustments: the inclusion of increased capital assets (\$138.2 million) and the reduction of overstated contributory life insurance payable (\$564.8 million).
- <sup>2</sup> Net Position was restated to reflect the following: implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, resulting in the removal of the Net Pension Obligation of \$15,949.4 million, the addition of a Net Pension Liability of \$74,773.7 million offset by deferred outflows of resources of \$753.5 million; a decrease of capitalized software liability of \$52.0 million related to the State Lottery resulting from the assignment of the software contract to Northstar; and a decrease in capital assets of \$229.8 million offset by a decrease in accumulated depreciation of \$62.4 million across all statewide functions and categories.
- <sup>3</sup> Net Position was restated to reflect the following: implementation of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, resulting in \$301.6 million in debt issuance costs, previously reported as assets and amortized, being immediately recognized in the current reporting period; implementation of GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, resulting in an increase in non-bonded debt of \$184.1 million relating to the South Jersey Port Corporation bonds; an increase in capital assets of \$60.4 million and an increase in accumulated depreciation of \$4.7 million across all statewide functions and categories; and an increase in unamortized premium on bonds payable of \$52.5 million due to over amortization in prior years.

Information presented is based on the accrual basis of accounting.

<u>2013<sup>3</sup></u>	<u>2012<sup>4</sup></u>	<u>2011</u>	<u>2010</u>	<u>2009<sup>5</sup></u>	<u>2008<sup>6</sup></u>	<u>2007</u>
\$ 1,899.2	\$ 1,845.6	\$ 1,724.3	\$ 1,705.0	\$ 1,645.7	\$ 1,667.6	\$ 1,544.2
4,666.5	5,822.3	7,206.7	8,214.4	5,283.6	2,119.2	1,937.4
<u>6,565.7</u>	<u>7,667.9</u>	<u>8,931.0</u>	<u>9,919.4</u>	<u>6,929.3</u>	<u>3,786.8</u>	<u>3,481.6</u>
2,981.0	2,797.6	2,676.9	2,648.3	2,538.1	2,579.3	2,392.3
3,143.0	3,055.2	2,780.3	2,172.5	1,855.2	1,980.0	1,915.1
2,220.8	3,309.1	4,408.5	4,953.4	2,351.9	71.3	73.3
<u>8,344.8</u>	<u>9,161.9</u>	<u>9,865.7</u>	<u>9,774.2</u>	<u>6,745.2</u>	<u>4,630.6</u>	<u>4,380.7</u>
1,779.1	1,494.0	934.7	(145.2)	(184.1)	843.8	899.1
-	(0.9)	-	-	-	-	-
<u>(1,085.0)</u>	<u>(950.1)</u>	<u>(952.3)</u>	<u>(942.2)</u>	<u>(811.6)</u>	<u>(670.3)</u>	<u>(883.2)</u>
<u>(1,085.0)</u>	<u>(951.0)</u>	<u>(952.3)</u>	<u>(942.2)</u>	<u>(811.6)</u>	<u>(670.3)</u>	<u>(883.2)</u>
694.1	543.0	(17.6)	(1,087.4)	(995.7)	173.5	15.9
<u>(241.0)</u>	<u>(784.0)</u>	<u>(766.4)</u>	<u>321.0</u>	<u>1,316.7</u>	<u>1,143.2</u>	<u>1,127.3</u>
<u>\$ 453.1</u>	<u>\$ (241.0)</u>	<u>\$ (784.0)</u>	<u>\$ (766.4)</u>	<u>\$ 321.0</u>	<u>\$ 1,316.7</u>	<u>\$ 1,143.2</u>
\$ 61,153.8	\$ 61,231.6	\$ 61,183.5	\$ 62,993.9	\$ 58,848.1	\$ 55,427.3	\$ 49,158.3
27,208.6	27,547.2	28,067.4	28,849.1	22,877.9	19,404.7	18,972.6
<u>(33,945.2)</u>	<u>(33,684.4)</u>	<u>(33,116.1)</u>	<u>(34,144.8)</u>	<u>(35,970.2)</u>	<u>(36,022.6)</u>	<u>(30,185.7)</u>
29,632.3	27,241.7	27,879.5	26,615.1	26,990.5	30,926.2	30,008.0
(4,312.9)	(6,442.7)	(5,236.6)	(7,529.7)	(8,979.7)	(5,096.4)	(177.7)
<u>(41,762.9)</u>	<u>(34,204.2)</u>	<u>(28,967.6)</u>	<u>(21,437.9)</u>	<u>(12,458.2)</u>	<u>(7,361.8)</u>	<u>(7,184.1)</u>
<u>\$ (46,075.8)</u>	<u>\$ (40,646.9)</u>	<u>\$ (34,204.2)</u>	<u>\$ (28,967.6)</u>	<u>\$ (21,437.9)</u>	<u>\$ (12,458.2)</u>	<u>\$ (7,361.8)</u>

<sup>4</sup> Net Position was restated by \$633.8 million to reflect prior period adjustments for inclusion of: long-term obligations of Business Employment Incentive Grants (\$630.1) million, capital leases (\$39.5) million, and unclaimed personal property (\$31.0) million, offset by increase in capital assets, net of accumulated depreciation \$49.3 million, and increase in Other Assets (group homes), net of accumulated amortization \$17.5 million.

<sup>5</sup> Net Position was restated by \$288.5 million to reflect the implementation of GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*.

<sup>6</sup> Net Position was restated by \$267.1 million to reflect revised land improvements, building improvements and infrastructure balances, net of depreciation, offset by \$7.0 million as the result of implementing GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*.

**STATE OF NEW JERSEY**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30**  
(Expressed in Millions)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b><u>General Fund</u></b>				
<b>Reserved</b>				
Encumbrances	\$ -	\$ -	\$ -	\$ -
Surplus Revenue	-	-	-	-
Other	-	-	-	-
<b>Unreserved</b>				
<b>Nonspendable</b>	20.4	20.4	20.4	20.4
<b>Restricted</b>	1,062.3	1,312.4	999.2	1,154.2
<b>Committed</b>	2,378.5	2,315.6	2,008.4	1,718.0
<b>Unassigned</b>	462.8	806.4	295.1	301.4
<b>Total General Fund</b>	<u>3,924.0</u>	<u>4,454.8</u>	<u>3,323.1</u>	<u>3,194.0</u>
<b><u>All Other Governmental Funds</u></b>				
<b>Reserved</b>				
Encumbrances	-	-	-	-
Other	-	-	-	-
<b>Unreserved</b>				
<b>Restricted <sup>2</sup></b>	4,210.2	4,292.2	3,381.0	3,813.2
<b>Committed</b>	441.4	628.1	415.1	420.2
<b>Total All Other Governmental Funds</b>	<u>4,651.6</u>	<u>4,920.3</u>	<u>3,796.1</u>	<u>4,233.4</u>
<b><u>Total</u></b>				
<b>Reserved</b>				
Encumbrances	-	-	-	-
Surplus Revenue	-	-	-	-
Other	-	-	-	-
<b>Unreserved</b>				
<b>Nonspendable</b>	20.4	20.4	20.4	20.4
<b>Restricted <sup>2</sup></b>	5,272.5	5,604.6	4,380.2	4,967.4
<b>Committed</b>	2,819.9	2,943.7	2,423.5	2,138.2
<b>Unassigned</b>	462.8	806.4	295.1	301.4
<b>Total Governmental Funds</b>	<u>\$ 8,575.6</u>	<u>\$ 9,375.1</u>	<u>\$ 7,119.2</u>	<u>\$ 7,427.4</u>

**Notes:**

<sup>1</sup> As a result of implementing GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, 53 Special Revenue Funds have been reclassified to the General Fund. In addition, new fund balance classifications are required.

<sup>2</sup> The June 30, 2015 Restricted fund balance has been increased by \$564.8 million to reflect the correction of the overstated Contributory Life Insurance payable.

Information presented is based on the modified accrual basis of accounting.

<u>2012</u>	<u>2011<sup>1</sup></u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ -	\$ -	\$ 799.0	\$ 868.4	\$ 923.9	\$ 974.4
-	-	-	-	734.7	484.6
-	-	47.3	46.2	65.8	251.4
-	-	1,833.9	2,185.5	2,816.9	2,891.4
20.4	20.4	-	-	-	-
884.2	985.9	-	-	-	-
1,570.7	1,896.9	-	-	-	-
425.4	864.1	-	-	-	-
<u>2,900.7</u>	<u>3,767.3</u>	<u>2,680.2</u>	<u>3,100.1</u>	<u>4,541.3</u>	<u>4,601.8</u>
-	-	1,127.3	1,195.1	1,247.4	1,232.2
-	-	1,882.0	1,716.6	1,633.1	1,538.6
-	-	1,697.2	2,122.1	2,732.8	3,255.2
3,494.6	3,417.8	-	-	-	-
458.6	1,127.7	-	-	-	-
<u>3,953.2</u>	<u>4,545.5</u>	<u>4,706.5</u>	<u>5,033.8</u>	<u>5,613.3</u>	<u>6,026.0</u>
-	-	1,926.3	2,063.5	2,171.3	2,206.6
-	-	-	-	734.7	484.6
-	-	1,929.3	1,762.8	1,698.9	1,790.0
-	-	3,531.1	4,307.6	5,549.7	6,146.6
20.4	20.4	-	-	-	-
4,378.8	4,403.7	-	-	-	-
2,029.3	3,024.6	-	-	-	-
425.4	864.1	-	-	-	-
<u>\$ 6,853.9</u>	<u>\$ 8,312.8</u>	<u>\$ 7,386.7</u>	<u>\$ 8,133.9</u>	<u>\$ 10,154.6</u>	<u>\$ 10,627.8</u>

**STATE OF NEW JERSEY**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30**  
**(Expressed in Millions)**

	<b>2016</b>	<b>2015<sup>1</sup></b>	<b>2014</b>	<b>2013</b>
<b>REVENUES</b>				
Taxes	\$ 30,722.3	\$ 30,876.2	\$ 28,998.6	\$ 28,343.1
Federal and other grants	15,737.9	16,088.8	14,357.5	12,666.5
Licenses and fees	1,466.3	1,460.2	1,371.9	1,322.2
Services and assessments	3,218.8	3,088.9	2,937.4	2,846.2
Component Units and Port Authority	477.3	682.1	-	-
Investment earnings	19.2	8.2	24.6	9.8
Other	1,171.0	1,278.1	3,775.0	3,593.1
<b>Total Revenues</b>	<u>52,812.8</u>	<u>53,482.5</u>	<u>51,465.0</u>	<u>48,780.9</u>
<b>EXPENDITURES</b>				
Public safety and criminal justice	3,302.7	3,282.5	3,600.0	3,519.4
Physical and mental health	14,244.4	14,266.9	12,992.6	11,801.5
Educational, cultural, and intellectual development	17,190.6	16,399.0	16,004.5	15,931.7
Community development and environmental management	2,388.2	2,533.2	2,445.8	1,881.0
Economic planning, development, and security	6,244.2	6,479.8	6,617.0	6,825.8
Transportation programs	2,749.0	2,741.7	2,946.5	2,855.3
Government direction, management, and control	7,289.9	6,588.4	7,043.8	6,555.5
Special government services	343.5	349.0	348.9	345.6
Capital Outlay	135.8	253.2	221.8	189.3
Debt Service:				
Principal	1,034.1	848.3	760.5	892.0
Interest	1,012.2	995.0	992.8	954.3
<b>Total Expenditures</b>	<u>55,934.6</u>	<u>54,737.0</u>	<u>53,974.2</u>	<u>51,751.4</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(3,121.8)</u>	<u>(1,254.5)</u>	<u>(2,509.2)</u>	<u>(2,970.5)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds, notes, installment obligations, COPS issued, and capital lease acquisitions	1,178.2	2,364.8	1,184.9	2,181.4
Refunding bonds issued	2,089.2	1,081.2	1,887.7	3,816.9
Premiums/discounts	89.5	194.6	51.1	277.6
Payment to bond escrow agents	(2,024.4)	(1,081.2)	(1,887.7)	(3,816.9)
Transfers from other funds	5,246.1	5,615.9	5,288.1	5,610.9
Transfers to other funds	(4,256.3)	(4,664.9)	(4,323.1)	(4,525.9)
<b>Total Other Financing Sources (Uses)</b>	<u>2,322.3</u>	<u>3,510.4</u>	<u>2,201.0</u>	<u>3,544.0</u>
<b>Net Change in Fund Balance</b>	<u>(799.5)</u>	<u>2,255.9</u>	<u>(308.2)</u>	<u>573.5</u>
<b>Fund balances - July 1</b>	<u>9,375.1</u>	<u>7,119.2</u>	<u>7,427.4</u>	<u>6,853.9</u>
<b>Fund balances - June 30</b>	<u>\$ 8,575.6</u>	<u>\$ 9,375.1</u>	<u>\$ 7,119.2</u>	<u>\$ 7,427.4</u>
<b>Debt Service as a percentage of noncapital expenditures:<sup>3</sup></b>	3.8%	3.5%	3.4%	3.7%

**Notes:**

<sup>1</sup> Fiscal Year 2015 has been reclassified to be comparable to the Fiscal Year 2016 presentation. For Fiscal Year 2016 a new revenue category was added, Component Units and Port Authority, and rebates were modified to be treated as a reduction of expense versus the prior treatment as revenue.

<sup>2</sup> As a result of implementing GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, fund balance was restated and reduced by \$7.0 million.

<sup>3</sup> Debt service as a percentage of noncapital expenditures is defined as total debt service divided by, total expenditures minus capital outlay and expenditures for capitalized assets included within the functional categories.

Information presented is based on the modified accrual basis of accounting.

	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
\$	26,637.8	\$ 26,555.1	\$ 25,858.7	\$ 26,939.0	\$ 30,404.5	\$ 29,123.4
	12,325.6	12,781.7	13,592.6	10,694.3	9,480.3	9,389.9
	1,274.3	1,296.4	1,239.4	1,194.1	1,252.9	1,361.5
	2,860.8	2,792.6	2,695.3	2,712.1	2,613.8	2,525.4
	-	-	-	-	-	-
	20.5	51.0	41.6	75.0	321.3	440.8
	3,308.1	2,611.7	2,773.7	2,834.5	2,537.9	2,424.8
	<u>46,427.1</u>	<u>46,088.5</u>	<u>46,201.3</u>	<u>44,449.0</u>	<u>46,610.7</u>	<u>45,265.8</u>
	3,360.7	3,267.1	3,321.5	3,279.2	3,317.5	3,247.0
	11,807.8	11,407.5	11,007.5	10,628.6	10,251.2	9,703.7
	15,499.1	14,313.6	15,233.0	14,892.1	15,760.9	15,173.6
	1,687.1	1,766.8	2,272.4	2,437.0	2,659.1	2,618.8
	6,917.6	6,773.5	6,706.5	6,203.0	5,603.1	5,376.6
	2,466.2	2,919.6	3,092.7	2,835.4	2,788.1	2,855.2
	6,622.9	6,170.6	6,775.3	7,168.3	7,946.5	6,783.5
	340.6	350.5	338.8	346.0	331.8	328.0
	122.5	81.7	39.1	32.0	318.6	105.0
	580.5	423.3	486.4	639.1	613.9	558.2
	920.7	834.7	856.7	843.7	805.4	779.7
	-	-	-	-	-	-
	<u>50,325.7</u>	<u>48,308.9</u>	<u>50,129.9</u>	<u>49,304.4</u>	<u>50,396.1</u>	<u>47,529.3</u>
	<u>(3,898.6)</u>	<u>(2,220.4)</u>	<u>(3,928.6)</u>	<u>(4,855.4)</u>	<u>(3,785.4)</u>	<u>(2,263.5)</u>
	1,437.5	1,681.7	2,108.0	2,561.4	3,034.6	752.8
	2,114.6	3,253.8	1,319.6	648.0	2,021.0	3,729.8
	52.0	193.0	16.9	12.8	93.2	7.2
	(2,114.5)	(3,433.5)	(1,319.6)	(648.0)	(2,056.9)	(3,742.9)
	4,784.8	5,485.1	6,113.8	6,248.3	5,822.2	5,255.6
	<u>(3,834.7)</u>	<u>(4,033.6)</u>	<u>(5,057.3)</u>	<u>(5,980.8)</u>	<u>(5,601.9)</u>	<u>(4,372.3)</u>
	<u>2,439.7</u>	<u>3,146.5</u>	<u>3,181.4</u>	<u>2,841.7</u>	<u>3,312.2</u>	<u>1,630.2</u>
	(1,458.9)	926.1	(747.2)	(2,013.7)	(473.2)	(633.3)
	8,312.8	7,386.7	8,133.9	10,147.6 <sup>2</sup>	10,627.8	11,261.1
\$	<u>6,853.9</u>	<u>\$ 8,312.8</u>	<u>\$ 7,386.7</u>	<u>\$ 8,133.9</u>	<u>\$ 10,154.6</u>	<u>\$ 10,627.8</u>
	3.1%	2.7%	2.8%	3.1%	2.9%	2.8%

**STATE OF NEW JERSEY**  
**FUND BALANCE SUMMARY FOR BUDGETED FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30**  
**(Expressed in Millions)**

<u>Budgeted Fund</u>	<b>Comprehensive Annual Financial Report</b>			
	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
General Fund	\$ 469.8	\$ 806.4	\$ 295.1	\$ 301.4
Surplus Revenue Fund	-	-	-	-
Property Tax Relief Fund	3.3	10.2	1.1	8.6
Casino Control Fund	0.7	6.0	3.8	3.2
Casino Revenue Fund	7.5	-	-	-
Gubernatorial Elections Fund	1.1	0.6	-	-
<b>Total</b>	<b>\$ 482.4</b>	<b>\$ 823.2</b>	<b>\$ 300.0</b>	<b>\$ 313.2</b>

<u>Budgeted Fund</u>	<b>Appropriations Act</b>			
	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
General Fund	\$ 494.7	\$ 140.4	\$ 302.8	\$ 465.1
Surplus Revenue Fund	-	-	-	-
Property Tax Relief Fund	269.7	247.4	-	183.0
Casino Control Fund	-	-	-	-
Casino Revenue Fund	-	-	-	-
Gubernatorial Elections Fund	1.4	0.7	-	-
<b>Total</b>	<b>\$ 765.8</b>	<b>\$ 388.5</b>	<b>\$ 302.8</b>	<b>\$ 648.1</b>

<u>Budgeted Fund</u>	<b>Dollar Variance</b>			
	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
General Fund	\$ (24.9)	\$ 666.0	\$ (7.7)	\$ (163.7)
Surplus Revenue Fund	-	-	-	-
Property Tax Relief Fund	(266.4)	(237.2)	1.1	(174.4)
Casino Control Fund	0.7	6.0	3.8	3.2
Casino Revenue Fund	7.5	-	-	-
Gubernatorial Elections Fund	(0.3)	(0.1)	-	-
<b>Total</b>	<b>\$ (283.4)</b>	<b>\$ 434.7</b>	<b>\$ (2.8)</b>	<b>\$ (334.9)</b>

**Source:**

New Jersey Department of the Treasury, Office of Management and Budget.



<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
\$ 441.4	\$ 864.1	\$ 794.3	\$ 614.2	\$ 469.8	\$ 1,410.4
-	-	-	-	734.7	484.6
2.4	5.8	10.0	-	99.0	690.7
1.8	2.8	-	(0.4)	3.0	1.5
-	-	-	-	-	1.0
1.0	0.5	-	-	-	-
<u>\$ 446.6</u>	<u>\$ 873.2</u>	<u>\$ 804.3</u>	<u>\$ 613.8</u>	<u>\$ 1,306.5</u>	<u>\$ 2,588.2</u>

<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
\$ 255.6	\$ 302.5	\$ 501.0	\$ 116.8	\$ 102.5	\$ 765.0
-	-	-	483.2	489.8	448.6
383.5	-	-	-	-	46.0
-	-	-	-	-	-
-	-	-	-	10.0	-
1.4	0.7	-	-	-	-
<u>\$ 640.5</u>	<u>\$ 303.2</u>	<u>\$ 501.0</u>	<u>\$ 600.0</u>	<u>\$ 602.3</u>	<u>\$ 1,259.6</u>

<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
\$ 185.8	\$ 561.6	\$ 293.3	\$ 497.4	\$ 367.3	\$ 645.4
-	-	-	(483.2)	244.9	36.0
(381.1)	5.8	10.0	-	99.0	644.7
1.8	2.8	-	(0.4)	3.0	1.5
-	-	-	-	(10.0)	1.0
(0.4)	(0.2)	-	-	-	-
<u>\$ (193.9)</u>	<u>\$ 570.0</u>	<u>\$ 303.3</u>	<u>\$ 13.8</u>	<u>\$ 704.2</u>	<u>\$ 1,328.6</u>

**STATE OF NEW JERSEY**  
**REVENUE SUMMARY FOR BUDGETED FUNDS\***  
**FOR THE FISCAL YEAR ENDED JUNE 30**  
**(Expressed in Millions)**

<u>Major Tax</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Gross Income Tax	\$ 13,356.0	\$ 13,250.0	\$ 12,311.7	\$ 12,108.6
Sales and Use Tax	9,267.7	9,146.0	8,849.4	8,454.8
Corporation Business Tax	2,299.0	2,738.7	2,112.9	2,371.4
Other Major Taxes	3,415.8	3,353.0	3,243.3	3,131.1
Miscellaneous Taxes, Fees	3,297.9	3,391.9	3,590.1	3,502.7
State Lottery	987.0	960.0	965.0	1,085.0
Casino Taxes and Fees	249.2	257.6	275.3	270.5
<b>Total</b>	<u>\$ 32,872.6</u>	<u>\$ 33,097.2</u>	<u>\$ 31,347.7</u>	<u>\$ 30,924.1</u>

\* Budgeted funds include the General Fund, the Property Tax Relief Fund, the Casino Revenue Fund, the Casino Control Fund, and the Gubernatorial Elections Fund.

**Source:**

New Jersey Department of the Treasury, Office of Management and Budget.

**STATE OF NEW JERSEY**  
**REVENUE SUMMARY FOR BUDGETED FUNDS\***  
**PERCENT DISTRIBUTION BY MAJOR TAX**  
**FOR THE FISCAL YEAR ENDED JUNE 30**

<u>Major Tax</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Gross Income Tax	40.6 %	40.0 %	39.3 %	39.2 %
Sales and Use Tax	28.2	27.6	28.2	27.3
Corporation Business Tax	7.0	8.3	6.7	7.7
Other Major Taxes	10.4	10.1	10.3	10.1
Miscellaneous Taxes, Fees	10.0	10.3	11.5	11.3
State Lottery	3.0	2.9	3.1	3.5
Casino Taxes and Fees	0.8	0.8	0.9	0.9
<b>Total</b>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

\* Budgeted funds include the General Fund, the Property Tax Relief Fund, the Casino Revenue Fund, the Casino Control Fund, and the Gubernatorial Elections Fund.

**Source:**

New Jersey Department of the Treasury, Office of Management and Budget.

	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
\$	11,128.4	\$ 10,617.0	\$ 10,322.9	\$ 10,476.3	\$ 12,605.5	\$ 11,727.2
	8,099.7	8,144.4	7,898.2	8,264.2	8,915.5	8,609.6
	2,037.0	2,344.4	2,144.6	2,665.2	3,062.4	3,084.9
	3,117.3	2,902.2	2,831.7	2,884.5	3,033.7	2,967.0
	3,463.3	3,394.6	3,398.4	3,292.4	3,598.9	3,465.9
	950.1	930.0	924.0	887.2	882.1	828.3
	290.7	327.1	360.2	415.5	486.0	525.8
\$	<u>29,086.5</u>	<u>\$ 28,659.7</u>	<u>\$ 27,880.0</u>	<u>\$ 28,885.3</u>	<u>\$ 32,584.1</u>	<u>\$ 31,208.7</u>

	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
	38.3 %	37.1 %	37.0 %	36.3 %	38.7 %	37.6 %
	27.8	28.5	28.3	28.6	27.4	27.6
	7.0	8.2	7.7	9.2	9.4	9.9
	10.7	10.1	10.2	10.0	9.3	9.4
	11.9	11.8	12.2	11.4	11.0	11.1
	3.3	3.2	3.3	3.1	2.7	2.7
	1.0	1.1	1.3	1.4	1.5	1.7
	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

**STATE OF NEW JERSEY**  
**REAL GROSS STATE PRODUCT BY INDUSTRY**  
**FOR THE CALENDAR YEAR ENDED DECEMBER 31**  
**(Expressed in Billions)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Gross State Product<sup>1</sup></b>	\$ 508.2	\$ 499.1	\$ 495.1	\$ 493.2
<b><u>Goods Producing Sector</u></b>				
Agriculture, forestry, fishing, and hunting	0.7	0.6	0.6	0.5
Mining	0.3	0.3	0.4	0.3
Manufacturing	38.2	40.6	38.8	39.1
Construction	18.8	17.7	17.8	17.0
<b><u>Private Service Producing Sector</u></b>				
Transportation and warehousing	14.6	14.8	15.0	15.0
Information	26.0	24.9	24.5	23.2
Utilities	9.7	9.8	9.6	9.2
Wholesale trade	42.2	40.8	39.4	38.4
Retail trade	31.3	30.3	29.0	28.1
Finance and insurance	29.2	28.9	33.5	35.0
Real estate, rental, and leasing	90.1	87.5	86.2	88.2
Services <sup>2</sup>	161.7	154.8	148.0	141.3
Other services	10.3	10.2	9.9	10.1
<b><u>Government Sector</u></b>	53.0	54.3	54.6	54.7
<b>Total Personal Income<sup>3</sup></b>	535.6	515.0	491.9	489.4

**Notes:**

<sup>1</sup> Gross State Product data, which is expressed in billions of chained Calendar Year 2009 dollars, has been revised for Calendar Years 2006 through 2014. Industry numbers do not sum to the total because of technical considerations.

<sup>2</sup> Services include professional and technical services, management of companies and enterprises, administrative and waste services, educational services, health care and social services, arts, entertainment and recreation, and accommodation and food services.

<sup>3</sup> Total Personal Income data, which is expressed in billions of current dollars, has been revised for Calendar Years 2006 through 2014.

**Source:**

New Jersey Department of the Treasury, Office of Revenue & Economic Analysis.  
United States Bureau of Economic Analysis.

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
	\$ 484.4	\$ 488.3	\$ 484.2	\$ 505.2	\$ 503.1	\$ 500.9
	0.6	0.7	1.0	0.7	0.7	0.9
	0.2	0.2	0.3	0.3	0.4	0.4
	42.1	46.0	46.4	54.7	53.3	51.7
	16.2	16.2	16.8	18.6	20.1	21.3
	15.6	15.5	14.8	15.7	15.6	16.1
	22.3	22.9	22.7	24.0	23.1	21.7
	9.3	9.4	7.9	8.7	8.7	8.6
	37.8	37.5	36.8	42.7	43.5	41.9
	28.2	28.3	27.9	29.1	30.2	30.8
	29.7	30.4	29.7	27.0	28.6	33.1
	87.5	87.5	85.6	85.7	84.4	81.5
	134.9	130.1	125.7	121.7	116.7	112.2
	9.9	9.9	10.3	10.8	11.3	11.6
	55.0	57.4	58.3	58.2	57.8	57.3
	473.6	450.8	440.4	455.2	439.8	419.6

**STATE OF NEW JERSEY  
GROSS INCOME TAX RATES (GIT)  
FOR THE CALENDAR YEAR ENDED DECEMBER 31**

**Top Income Tax Rate Is Applied To Taxable Income In Excess Of**

<u>Year</u>	<u>Top Rate</u>	<u>Single</u>	<u>Married Filing Jointly</u>	<u>Head of Household</u>	<u>Average Effective Rate*</u>
2007	8.97 %	\$ 500,000	\$ 500,000	\$ 500,000	3.27%
2008	8.97	500,000	500,000	500,000	3.20
2009	10.75	1,000,000	1,000,000	1,000,000	3.27
2010	8.97	500,000	500,000	500,000	3.13
2011	8.97	500,000	500,000	500,000	3.15
2012	8.97	500,000	500,000	500,000	3.39
2013	8.97	500,000	500,000	500,000	3.32
2014	8.97	500,000	500,000	500,000	3.28
2015	8.97	500,000	500,000	500,000	3.33
2016	8.97	500,000	500,000	500,000	3.10

\* Net tax divided by New Jersey Gross Income for full-time resident returns with a tax liability.  
Data for 2014 - 2016 are estimates based on projections.

**Source:**

New Jersey Department of the Treasury, Office of Revenue & Economic Analysis.

**STATE OF NEW JERSEY  
GROSS INCOME TAX (GIT) FILERS AND LIABILITY BY INCOME LEVEL  
2014 AS COMPARED TO 2005  
(GIT Liability Expressed in Millions)**

<u>Income Level</u>	<u>2014</u>				<u>2005</u>			
	<u>Number of Filers</u>	<u>Percent of Total</u>	<u>GIT Liability</u>	<u>Percent of Total</u>	<u>Number of Filers</u>	<u>Percent of Total</u>	<u>GIT Liability</u>	<u>Percent of Total</u>
\$500,001 and higher	55,322	2.0 %	\$ 4,404.8	40.2 %	37,652	1.4 %	\$ 3,215.2	39.6 %
\$250,001 - \$500,000	118,672	4.2	1,661.8	15.2	73,303	2.7	1,016.3	12.5
\$100,001 - \$250,000	604,119	21.4	3,112.6	28.4	452,686	16.5	2,131.0	26.3
\$75,001 - \$100,000	284,629	10.1	640.0	5.8	285,351	10.4	592.3	7.3
\$50,001 - \$75,000	442,006	15.7	598.1	5.5	443,647	16.2	558.4	6.9
\$35,001 - \$50,000	395,317	14.0	280.9	2.6	428,450	15.6	304.6	3.8
\$20,001 - \$35,000	480,690	17.0	172.4	1.6	564,735	20.5	213.1	2.6
\$10,001 - \$20,000	342,808	12.0	64.5	0.6	369,085	13.4	71.9	0.9
\$0 - \$10,000	100,648	3.6	10.0	0.1	90,600	3.3	8.2	0.1
<b>Total</b>	<b>2,824,211</b>	<b>100.0 %</b>	<b>\$ 10,945.1</b>	<b>100.0 %</b>	<b>2,745,509</b>	<b>100.0 %</b>	<b>\$ 8,111.0</b>	<b>100.0 %</b>

**Source:**

New Jersey Department of the Treasury, Office of Revenue & Economic Analysis.

**STATE OF NEW JERSEY  
TAXABLE SALES BY CATEGORY  
FOR THE CALENDAR YEAR ENDED DECEMBER 31\***

Year	Dollar Amount (Expressed in Millions)							Sales and Use Tax Rate
	Manufacturing	Wholesale	Retail	Service	Construction	Other	Total	
2006	\$ 5,067.9	\$ 4,516.2	\$ 58,705.3	\$ 25,597.2	\$ 2,074.2	\$ 1,335.1	\$ 97,295.9	7.0 %
2007	5,505.1	4,778.7	59,711.9	29,462.3	2,205.6	1,512.9	103,176.5	7.0
2008	5,705.2	4,462.3	57,051.9	29,145.5	2,142.0	1,721.2	100,228.1	7.0
2009	5,186.9	4,040.4	53,325.8	27,640.4	1,809.2	1,680.4	93,683.1	7.0
2010	5,775.9	4,131.6	54,145.3	28,626.7	1,895.4	1,693.4	96,268.3	7.0
2011	6,536.8	4,774.9	57,840.2	30,178.0	2,301.6	1,707.2	103,338.7	7.0
2012	6,893.7	4,923.9	58,768.6	30,091.4	2,309.2	1,711.8	104,698.6	7.0
2013	7,651.1	5,577.5	61,707.2	31,280.6	2,711.6	1,754.9	110,682.9	7.0
2014	7,971.5	5,760.8	62,797.8	32,288.9	2,821.0	1,794.9	113,434.9	7.0
2015	8,589.3	5,877.9	64,829.3	33,372.4	2,821.0	1,903.5	117,393.4	7.0

Year	Percent Distribution											
	Manufacturing	Wholesale	Retail	Service	Construction	Other	Total					
2006	5.3 %	4.6 %	60.3 %	26.3 %	2.1 %	1.4 %	100.0 %					
2007	5.3	4.6	57.9	28.6	2.1	1.5	100.0					
2008	5.7	4.5	56.9	29.1	2.1	1.7	100.0					
2009	5.6	4.3	56.9	29.5	1.9	1.8	100.0					
2010	6.0	4.3	56.2	29.7	2.0	1.8	100.0					
2011	6.3	4.6	56.0	29.2	2.2	1.7	100.0					
2012	6.6	4.7	56.1	28.7	2.2	1.7	100.0					
2013	6.9	5.0	55.8	28.3	2.4	1.6	100.0					
2014	7.0	5.1	55.4	28.5	2.5	1.5	100.0					
2015	7.3	5.0	55.2	28.4	2.4	1.7	100.0					

\* Data for 2010 through 2014 has been revised.

**Source:**

New Jersey Department of the Treasury, Office of Revenue & Economic Analysis and Division of Taxation.

**STATE OF NEW JERSEY**  
**RATIO OF OUTSTANDING LONG-TERM OBLIGATIONS - BONDED**  
**FOR THE FISCAL YEAR ENDED**  
**(Expressed in Thousands Except for General Long-Term Debt Ratios)**

<u>Governmental Activities</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b><u>Bonded Debt</u></b>			
General Obligation Bonds	\$ 1,991,645	\$ 2,372,695	\$ 2,157,465
Revenue Bonds Payable	22,418,610	22,421,135	21,956,915
Capital Leases	285,190	298,420	311,055
Installment Obligations	18,199,887	18,504,712	18,081,143
Certificates of Participation	79,015	79,957	84,964
Tobacco Settlement Financing Corporation	4,223,335	4,272,855	4,296,685
Unamortized Interest on Capital Appreciation Bonds	(6,387,291)	(6,765,080)	(7,136,807)
Unamortized Premium	1,916,723	2,050,188	2,083,864
<b>Total Bonded Debt</b>	<b><u>\$ 42,727,114</u></b>	<b><u>\$ 43,234,882</u></b>	<b><u>\$ 41,835,284</u></b>
New Jersey Total Personal Income <sup>1</sup>	\$ 555,114,179	\$ 537,026,391	\$ 516,019,664
Percentage of Personal Income <sup>2</sup>	7.7%	8.1%	8.1%
New Jersey Population <sup>1</sup>	8,946	8,935	8,925
General Obligation Debt Per Capita <sup>2</sup>	\$ 222.63	\$ 265.55	\$ 241.73
Total Long-Term Obligations Per Capita <sup>2</sup>	\$ 4,776.11	\$ 4,838.82	\$ 4,687.43

**Notes:**

<sup>1</sup> Fiscal Year 2016 data for New Jersey Total Personal Income and New Jersey Population are estimates; prior years reflect revisions.

<sup>2</sup> Debt expressed as a percentage of personal income equals total bonded debt divided by New Jersey personal income; general obligation debt per capita equals general obligation bonds divided by New Jersey population; total long-term obligations per capita equals total bonded debt divided by New Jersey population.

**Sources:**

New Jersey Department of the Treasury, Office of Management and Budget.

New Jersey Department of the Treasury, Office of Public Finance.

New Jersey Department of the Treasury, Office of Revenue & Economic Analysis.

United States Census Bureau, Population Division.



	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$	2,400,910	\$ 2,384,665	\$ 2,566,895	\$ 2,596,740	\$ 2,526,710	\$ 2,818,535	\$ 2,864,690
	21,544,905	20,698,950	19,770,565	18,576,710	16,838,010	13,702,395	12,739,620
	314,775	212,700	232,565	251,460	269,440	286,555	297,830
	18,243,358	18,293,915	18,714,603	18,968,688	18,716,431	18,218,030	17,185,158
	92,906	100,314	85,413	30,546	35,130	54,708	58,836
	4,293,892	4,444,092	4,469,033	4,492,958	4,524,563	4,591,409	4,643,694
	(7,503,490)	(7,863,770)	(8,216,199)	(8,556,994)	(7,960,065)	(6,347,598)	(6,522,644)
	2,119,262	1,518,506	1,403,949	1,323,722	1,356,541	1,412,761	1,397,407
	<u>\$ 41,506,518</u>	<u>\$ 39,789,372</u>	<u>\$ 39,026,824</u>	<u>\$ 37,683,830</u>	<u>\$ 36,306,760</u>	<u>\$ 34,736,795</u>	<u>\$ 32,664,591</u>
\$	494,040,279	\$ 490,610,937	\$ 473,742,591	\$ 451,895,490	\$ 442,746,079	\$ 455,850,397	\$ 438,838,772
	8.4%	8.1%	8.2%	8.3%	8.2%	7.6%	7.4%
	8,899	8,873	8,841	8,804	8,756	8,711	8,678
\$	269.80	\$ 268.76	\$ 290.34	\$ 294.95	\$ 288.57	\$ 323.56	\$ 330.11
\$	4,664.18	\$ 4,484.32	\$ 4,414.30	\$ 4,280.31	\$ 4,146.50	\$ 3,987.69	\$ 3,764.07

**STATE OF NEW JERSEY**  
**OUTSTANDING LONG-TERM OBLIGATIONS - NON-BONDED**  
**FOR THE FISCAL YEAR ENDED**  
**(Expressed in Thousands)**

	2016	2015	2014
<b><u>Non-bonded Debt</u></b>			
Compensated Absences	\$ 547,613	\$ 556,751	\$ 568,802
Capital Leases	256,874	285,188	316,975
Loans Payable	1,279,358	1,279,358	1,279,358
Net Other Postemployment Benefits (OPEB) Obligation	32,282,700	27,973,800	23,573,700
Net Pension Liability/Obligation	93,195,876	78,881,827	74,773,688
Pollution Remediation Obligation	83,661	80,903	73,964
Other	1,187,062	1,226,135	1,218,495
<b>Total Non-bonded Debt</b>	<b>128,833,144</b>	<b>110,283,962</b>	<b>101,804,982</b>
<b>Total Bonded Debt</b>	<b>42,727,114</b>	<b>43,234,882</b>	<b>41,835,284</b>
<b>Grand Total</b>	<b>\$ 171,560,258</b>	<b>\$ 153,518,844</b>	<b>\$ 143,640,266</b>

**Sources:**

New Jersey Department of the Treasury, Office of Management and Budget.  
New Jersey Department of the Treasury, Office of Public Finance.

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$	574,724	\$ 606,047	\$ 623,185	\$ 566,750	\$ 635,820	\$ 595,856	\$ 578,527
	353,929	379,352	311,219	351,766	379,729	410,552	384,982
	1,279,358	1,279,358	1,279,358	1,279,358	1,279,358	1,279,358	1,279,358
	20,176,700	16,818,300	13,501,000	10,028,800	6,636,300	3,177,400	-
	14,515,981	12,838,529	10,857,719	8,403,007	6,365,698	4,759,367	3,761,279
	86,162	92,175	80,401	92,654	101,829	-	-
	1,219,207	982,145	340,255	300,926	304,727	276,655	251,089
	<u>38,206,061</u>	<u>32,995,906</u>	<u>26,993,137</u>	<u>21,023,261</u>	<u>15,703,461</u>	<u>10,499,188</u>	<u>6,255,235</u>
	<u>41,506,518</u>	<u>39,789,372</u>	<u>39,026,824</u>	<u>37,683,830</u>	<u>36,306,760</u>	<u>34,736,795</u>	<u>32,664,591</u>
\$	<u>79,712,579</u>	<u>\$ 72,785,278</u>	<u>\$ 66,019,961</u>	<u>\$ 58,707,091</u>	<u>\$ 52,010,221</u>	<u>\$ 45,235,983</u>	<u>\$ 38,919,826</u>

**STATE OF NEW JERSEY  
STATE CONSTITUTION – LEGAL DEBT LIMITATIONS**

The State Constitution of 1947 provides that the Legislature shall not create a debt or liability in any fiscal year which, together with any previous debts or liabilities, shall exceed one percent of total appropriations for that fiscal year unless the same shall be authorized by a law for some single object or have been submitted to the people at a general election and approved by a majority of State voters. These Constitutional provisions do not apply to the creation of any debt or liability for purposes of war, repelling invasion, suppressing insurrection, or meeting emergencies caused by a disaster or an act of God (N.J. Const. art. VIII, § 2).

All general obligation bonded debt in New Jersey is entered into as a result of successful referenda. As the table below illustrates, the debt margin as defined by the Constitution would prohibit any other method of creation of such debt or liability.

**STATE OF NEW JERSEY  
CALCULATION OF LEGAL LIMITS  
(Expressed in Millions)**

<u>Fiscal Year</u>	<u>Total Appropriations For Budgeted Funds</u>	<u>Legal Debt Limit</u>
2007	\$ 31,022.8	\$ 310.2
2008	34,567.9	345.6
2009	33,059.2	330.5
2010	28,842.5	288.4
2011	29,447.2	294.5
2012	30,332.6	303.3
2013	31,728.8	317.3
2014	33,256.4	332.6
2015	33,125.1	331.3
2016	33,967.4	339.7

**Source:**

New Jersey Department of the Treasury, Office of Management and Budget.

**STATE OF NEW JERSEY**  
**LEGISLATIVELY AUTHORIZED BUT UNISSUED DEBT, 2016 AND 2015**  
(Expressed in Millions)

Debt Program*	Year	Amount		Unissued As Of	
		Authorized	6/30/2016	6/30/2015	
<b><u>General Obligation Bonds</u></b>					
Building Our Future	2012	\$ 750.0	\$ 200.0	\$	200.0
Clean Waters	1976	120.0	3.4		3.4
Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project	2003	200.0	38.7		38.7
Energy Conservation	1980	50.0	1.6		1.6
Green Acres, Cultural Centers, and Historic Preservation	1987	100.0	1.0		1.0
Green Acres, Farmland, Blue Acres, and Historic Preservation	2007	200.0	27.5		27.5
Green Acres, Farmland and Historic Preservation, and Blue Acres	1995	340.0	18.0		18.0
Green Acres, Water Supply and Floodplain Protection, and Farmland and Historic Preservation	2009	400.0	170.2		170.2
Hazardous Discharge	1981	100.0	43.0		43.0
Hazardous Discharge	1986	200.0	38.0		38.0
Natural Resources	1980	145.0	9.6		9.6
New Jersey Green Acres	1983	135.0	14.5		14.5
New Jersey Green Acres, Clean Water, Farmland and Historic Preservation	1992	345.0	12.9		12.9
New Jersey Open Space Preservation	1989	300.0	22.6		22.6
Pinelands Infrastructure Trust	1985	30.0	6.8		6.8
Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development	1996	300.0	72.8		72.8
Public Purpose Buildings and Community-Based Facilities Construction	1989	125.0	5.0		5.0
Stormwater Management and Combined Sewer Overflow Abatement	1989	50.0	9.5		9.5
Water Supply	1981	350.0	73.1		73.1
<b>Total General Obligation Bonds</b>		<u>4,240.0</u>	<u>768.2</u>		<u>768.2</u>
<b><u>Revenue Bonds Payable</u></b>					
<b><u>Transportation Trust Fund Authority</u></b>					
Transportation Program Bonds	2012	3,458.3	-		626.8
<b>Total Revenue Bonds Payable</b>		<u>3,458.3</u>	<u>-</u>		<u>626.8</u>
<b><u>Installment Obligations</u></b>					
<b><u>Economic Development Authority</u></b>					
Market Transition Facility	1994	750.0	44.7		44.7
School Facilities Construction	2000	8,600.0	454.1		454.1
School Facilities Construction	2008	3,950.0	1,987.0		2,487.0
Stem Cell, Life Sciences, and Biomedical Research Facilities	2006	270.0	270.0		270.0
<b><u>Educational Facilities Authority</u></b>					
Dormitory Safety Trust Fund	2000	90.0	10.8		10.8
Higher Education Capital Improvement Fund	1999	550.0	375.8		369.8
Higher Education Equipment Leasing Fund	1993	100.0	33.9		21.3
Higher Education Facilities Trust Fund	1993	220.0	30.4		20.1
Higher Education Technology Infrastructure Fund	1997	55.0	20.4		18.3
Public Library Project Fund	1999	45.0	23.1		20.5
<b>Total Installment Obligations</b>		<u>14,630.0</u>	<u>3,250.2</u>		<u>3,716.6</u>
<b>Grand Total</b>		<u>\$ 22,328.3</u>	<u>\$ 4,018.4</u>		<u>\$ 5,111.6</u>

\* The Legislature has authorized additional Revenue Bonds Payable and Installment Obligations programs. These programs, which do not have a limit on the amount of bonds that can be issued in order to fund their associated projects, are not included in this Statistical Section.

For debt issued after June 30, 2016, refer to Note 19 - Subsequent Events of the Notes to the Financial Statements.

**Source:**

New Jersey Department of the Treasury, Office of Public Finance.

**STATE OF NEW JERSEY  
DEBT SERVICE COVERAGE RATIO  
(Expressed in Millions Except for Coverage Ratio)**

**New Jersey Motor Vehicle Commission Bonds, Series 2003A**

P.L. 2003, c.13 enacted the State of New Jersey's Motor Vehicle Security and Customer Service Act, which abolished the Department of Transportation's Division of Motor Vehicles and created the New Jersey Motor Vehicle Commission (MVC), a discrete "In-But-Not-Of" agency within the Department of Transportation. During 2003, the State also authorized bond issuance to offset necessary capital expenditures for statewide MVC facility/technology enhancements. Repayment of these bonds, which do not require debt service payments to be made until maturation, derive from motor vehicle surcharge revenues. Scheduled final retirement of the MVC bonds occurs on July 1, 2015.

Fiscal Year	Motor Vehicle Surcharges	Debt Service			MTF/MVC Surplus	Coverage Ratio
		Principal	Interest	Total		
2013	\$ 118.3	\$ 53.5	\$ 19.8	\$ 73.3	\$ 45.0	1.6
2014	117.5	51.0	22.3	73.3	44.2	1.6
2015	116.6	48.4	24.9	73.3	43.3	1.6
2016	117.0	7.1	4.2	11.3	105.7	10.4

**Motor Vehicle Surcharges Revenue Bonds, 2004 Series A**

Enactment of P.L. 2004, c.70 enabled the State of New Jersey to authorize issuance of Motor Vehicle Surcharges (MVS) Revenue Bonds, which provided the State with the ability to dedicate an additional revenue source for the purpose of retiring previously issued bonds. Repayment of these bonds derives solely from: 1) unsafe driving surcharges, which are additional fines assessed by the New Jersey Motor Vehicle Commission and collected by the courts from drivers convicted of unsafe driving violations pursuant to P.L. 2000, c.75 et seq., and 2) excess motor vehicle violation surcharge revenues not required for repaying current outstanding debt service on the New Jersey Motor Vehicle Commission Bonds, Series 2003A, or after final retirement of these bonds on July 1, 2015. Scheduled final retirement of the MVS bonds occurs on July 1, 2034.

Fiscal Year	Unsafe Driver Surcharges	MTF/MVC Surplus	Net Available Revenue	Debt Service			Coverage Ratio
				Principal	Interest	Total	
2007	\$ 45.0	\$ 57.1	\$ 102.1	\$ -	\$ 37.8	\$ 37.8	2.7
2008	44.3	44.1	88.4	-	37.8	37.8	2.3
2009	35.9	55.7	91.6	-	37.8	37.8	2.4
2010	30.5	57.1	87.6	-	37.8	37.8	2.3
2011	27.5	60.1	87.6	-	37.8	37.8	2.3
2012	25.1	77.5	102.6	27.7	37.2	64.9	1.6
2013	22.8	45.0	67.8	-	36.6	36.6	1.9
2014	21.1	44.2	65.3	-	36.6	36.6	1.8
2015	20.6	43.3	63.9	-	36.6	36.6	1.7
2016	20.6	105.7	126.3	29.8	35.8	65.6	1.9

**Motor Vehicle Surcharges Revenue Bonds - Special Needs Housing Program,**  
**2005 Series A and 2007 Series A-1, A-2, & B**

P.L. 2005, c.163 enabled the State of New Jersey to authorize issuance of Motor Vehicle Surcharges (MVS) Revenue Bonds-Special Needs Housing Program to provide the New Jersey Housing and Mortgage Finance Agency with funds to develop community residences and permanent supportive housing for individuals with special needs. Repayment of these bonds derives solely from: 1) unsafe driving surcharges, which are additional fines assessed by the New Jersey Motor Vehicle Commission and collected by the courts from drivers convicted of unsafe driving violations pursuant to P.L. 2000, c.75 et seq., and 2) excess motor vehicle violation surcharge revenues not required for repaying current outstanding debt service on the New Jersey Motor Vehicle Commission Bonds, Series 2003A, or after final retirement of these bonds on July 1, 2015. Scheduled final retirement of the MVS - Special Needs Housing Program bonds, both 2005 Series A and 2007 Series A-1, A-2, & B, occurs on July 1, 2034.

Fiscal Year	MVS Surplus	Debt Service			Coverage Ratio
		Principal	Interest	Total	
2008	\$ 50.6	\$ -	\$ 1.8	\$ 1.8	28.1
2009	53.8	-	5.5	5.5	9.8
2010	49.8	-	5.5	5.5	9.1
2011	49.8	-	5.5	5.5	9.1
2012	37.7	-	5.5	5.5	6.9
2013	31.2	-	5.5	5.5	5.7
2014	28.7	-	5.5	5.5	5.2
2015	27.3	-	5.5	5.5	5.0
2016	60.7	10.2	11.9	22.1	2.7

**Tobacco Settlement Financing Corporation**  
**Tobacco Settlement Asset-Backed Bonds, Series 2007-1**

On November 23, 1998, the State of New Jersey, as well as 46 other states and six United States jurisdictions, entered into a Master Settlement Agreement (MSA) with participating cigarette manufacturers. Pursuant to a Purchase and Sale Agreement with the Tobacco Settlement Financing Corporation, (TSFC), New Jersey has sold 76.26 percent of its future rights to receive MSA payments. The purchase price of the State's future rights, title, and interest in Tobacco Settlement Revenues has been financed by the issuance of these bonds. TSFC has pledged these future payments in order to secure these bonds. The State is not obligated to pay, and neither the full faith and credit nor the taxing power of the State is pledged to the payment of, principal or interest on these bonds. Scheduled final retirement of these bonds occurs on June 1, 2041.

Fiscal Year	MSA Payments	Existing Surplus	Net Available Revenue	Debt Service *			Coverage Ratio
				Principal	Interest	Total	
2007	\$ 162.2	\$ 267.8	\$ 430.0	\$ 43.5	\$ 158.1	\$ 201.6	2.1
2008	199.6	264.6	464.2	53.2	163.3	216.5	2.1
2009	218.8	261.0	479.8	67.7	161.0	228.7	2.1
2010	182.6	260.6	443.2	32.5	158.1	190.6	2.3
2011	172.6	258.7	431.3	24.8	156.7	181.5	2.4
2012	184.4	265.7	450.1	25.8	155.6	181.4	2.5
2013	302.1	262.3	564.4	151.1	154.5	305.6	1.8
2014	157.3	250.2	407.5	21.8	147.6	169.4	2.4
2015	173.3	253.2	426.5	23.8	146.5	170.3	2.5
2016	172.0	262.7	434.7	49.5	144.8	194.3	2.2

**Cigarette Tax Revenue Bonds, Series 2004**

**Cigarette Tax Revenue Refunding Bonds, Series 2012**

Based on the provisions pursuant to P.L. 2004, c.68, funds for repayment of these bonds derive solely from the nonlapsing "Dedicated Cigarette Tax Revenue Fund." Effective July 1, 2009, the State of New Jersey's Cigarette Tax rate increased from \$2.58 to \$2.70 per pack of 20 cigarettes. Of the total Cigarette Tax charged per pack, the Fund receives \$0.65 in dedicated revenues. The surplus is returned to the General Fund. Scheduled final retirement of these bonds occurs on July 1, 2034.

<b>Fiscal Year</b>	<b>Cigarette Dedication</b>	<b>Existing Surplus</b>	<b>Net Available Revenue</b>	<b>Debt Service *</b>			<b>Coverage Ratio</b>
				<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
2007	\$ 152.9	\$ 10.1	\$ 163.0	\$ 59.6	\$ 79.5	\$ 139.1	1.2
2008	153.7	23.9	177.6	85.5	75.1	160.6	1.1
2009	144.3	17.0	161.3	84.5	70.6	155.1	1.0
2010	140.3	6.2	146.5	92.8	65.6	158.4	0.9
2011	145.5	-	145.5	82.9	61.6	144.5	1.0
2012	136.5	-	136.5	101.5	36.3	137.8	1.0
2013	160.4	-	160.4	40.2	48.3	88.5	1.8
2014	171.5	59.7	231.2	45.7	46.3	92.0	2.5
2015	166.6	139.2	305.8	67.4	44.0	111.4	2.7
2016	107.9	194.4	302.3	67.2	40.6	107.8	2.8

\* Includes optional accelerated payments.

**Sources:**

New Jersey Department of the Treasury, Office of Management and Budget.  
New Jersey Department of the Treasury, Office of Public Finance.



**STATE OF NEW JERSEY  
TEN LARGEST EMPLOYERS  
2015 AS COMPARED TO 2006**

<b>2015 Rank</b>	<b>Employer</b>	<b>New Jersey Employees</b>	<b>Percentage of Total New Jersey Employment</b>
1	New Jersey State Government	64,433	1.5 %
2	Wakefern Food Corporation (ShopRite)	40,000	0.9
3	Wal-Mart Stores, Inc.	17,405	0.4
4	United Parcel Services (UPS)	16,000	0.4
5	Verizon Communications	15,000	0.4
6	Johnson & Johnson	14,500	0.3
7	The Home Depot	13,806	0.3
8	United Airlines	11,800	0.3
9	Bank of America	11,000	0.3
10	Public Service Electric and Gas Company	10,500	0.2
		214,444	5.0 %

<b>2006 Rank</b>	<b>Employer</b>	<b>New Jersey Employees</b>	<b>Percentage of Total New Jersey Employment</b>
1	New Jersey State Government	79,191	1.9 %
2	Wakefern Food Corporation (ShopRite)	29,619	0.7
3	Verizon	17,500	0.4
4	United Parcel Service (UPS)	16,150	0.4
5	Harrar's Entertainment, Inc.	16,040	0.4
6	Johnson & Johnson	14,000	0.3
7	Wal-Mart Stores, Inc.	13,536	0.3
8	Home Depot	13,500	0.3
9	Continental Airlines	12,800	0.3
10	Pathmark Stores, Inc.	11,400	0.3
		223,736	5.3 %

**Notes:**

Aggregate New Jersey resident employment for Calendar Years 2015 and 2006 totaled 4.280 million and 4.233 million, respectively.  
New Jersey State Government data excludes State authorities, colleges, and universities.  
New Jersey Business' Top 100 Employers data derived from annual questionnaires submitted by private sector respondents, excluding government, higher education institutions, and non-profit hospitals.

**Sources:**

Saliba, G. N (2016, August). 44th annual top 100 employers. New Jersey Business, 62(8), 26-34.  
Saliba, G. N (2007, May). 35th annual top 100 employers. New Jersey Business, 53(5), 20-29.  
Data reprinted with permission from the New Jersey Business and Industry Association.

New Jersey Department of the Treasury, Office of Management and Budget.  
New Jersey Department of the Treasury, Office of Revenue & Economic Analysis.

**STATE OF NEW JERSEY  
POPULATION AND EMPLOYMENT TRENDS  
(Expressed in Thousands)**

<u>Year</u>	<u>New Jersey Population<sup>1</sup></u>	<u>Civilian Labor Force<sup>2</sup></u>	<u>Resident Employment<sup>2</sup></u>	<u>Resident Unemployment<sup>2</sup></u>	<u>New Jersey Unemployment Rate<sup>3</sup></u>	<u>United States Unemployment Rate<sup>3</sup></u>
2006	8,662	4,443	4,233	210	4.7 %	4.4 %
2007	8,678	4,441	4,249	192	4.3	4.8
2008	8,711	4,498	4,254	244	5.4	6.9
2009	8,756	4,549	4,135	415	9.1	9.9
2010	8,804	4,551	4,118	432	9.5	9.5
2011	8,841	4,568	4,142	426	9.3	8.6
2012	8,873	4,589	4,165	424	9.2	7.8
2013	8,899	4,534	4,167	367	8.1	6.9
2014	8,925	4,520	4,217	303	6.7	5.7
2015	8,935	4,545	4,292	253	5.6	5.0

**Notes:**

<sup>1</sup> Data for 2011 through 2014 has been revised to use intercensal population calculation.

<sup>2</sup> Civilian Labor Force, Resident Employment, and Resident Unemployment data for 2006 through 2014 has been revised.

<sup>3</sup> New Jersey Unemployment Rate and United States Unemployment Rate data for 2006 through 2014 has been revised.

**Sources:**

United States Census Bureau, Population Division.

New Jersey Department of the Treasury, Office of Revenue & Economic Analysis.

**STATE OF NEW JERSEY  
VALUATIONS OF TAXABLE REAL PROPERTY, PERSONAL, AND PER CAPITA INCOME  
(Expressed in Millions Except as Indicated)**

<u>Year</u>	<u>New Jersey Population<sup>1</sup> (Thousands)</u>	<u>Assessed Valuation of Property</u>	<u>True Valuation of Property</u>	<u>Personal Income<sup>2</sup></u>	<u>Per Capita Income<sup>2</sup> (Thousands)</u>
2006	8,662	\$ 665,683	\$ 1,079,838	\$ 418,876	\$ 48.3
2007	8,678	744,899	1,235,286	438,839	50.5
2008	8,711	834,782	1,326,297	455,850	52.3
2009	8,756	893,342	1,355,004	442,746	50.5
2010	8,804	959,282	1,331,604	451,895	51.3
2011	8,841	983,963	1,278,578	473,743	53.6
2012	8,873	988,356	1,235,474	490,611	55.3
2013	8,899	990,697	1,183,032	494,040	55.5
2014	8,925	971,600	1,158,322	516,020	57.8
2015	8,935	983,032	1,164,399	537,026	60.1

**Notes:**

<sup>1</sup> Data for 2011 through 2014 has been revised to use the intercensal population calculation.

<sup>2</sup> Data for 2006 through 2014 has been revised.

**Sources:**

United States Census Bureau, Population Division.

New Jersey Department of the Treasury, Office of Revenue & Economic Analysis.

**STATE OF NEW JERSEY  
EXPENDITURE SUMMARY FOR BUDGETED FUNDS\*  
FOR THE FISCAL YEAR ENDED JUNE 30**

**Dollar Amount (Expressed in Millions)**

<b>Fiscal Year</b>	<b>Direct</b>					<b>Total</b>
	<b>State Services</b>	<b>Grants- In-Aid</b>	<b>State Aid</b>	<b>Capital Construction</b>	<b>Debt Service</b>	
2007	\$ 6,624.7	\$ 10,196.6	\$ 12,320.3	\$ 1,241.2	\$ 427.8	\$ 30,810.6
2008	7,031.2	12,089.9	12,921.3	1,947.3	428.7	34,418.4
2009	6,404.4	10,904.7	12,141.7	1,227.6	270.7	30,949.1
2010	6,582.6	9,850.8	11,229.1	1,124.0	263.6	29,050.1
2011	6,707.0	9,169.3	11,486.4	1,174.2	120.4	28,657.3
2012	6,992.3	10,142.6	12,420.8	1,241.5	277.3	31,074.5
2013	7,177.5	9,750.6	13,319.0	1,272.6	430.6	31,950.3
2014	7,291.0	9,812.4	13,258.2	1,299.5	320.8	31,981.9
2015	7,417.7	10,022.9	13,892.6	1,304.2	380.1	33,017.5
2016	7,488.1	9,929.7	14,391.2	1,540.3	437.8	33,787.1

**Percent Distribution**

<b>Fiscal Year</b>	<b>Direct</b>					<b>Total</b>
	<b>State Services</b>	<b>Grants- In-Aid</b>	<b>State Aid</b>	<b>Capital Construction</b>	<b>Debt Service</b>	
2007	21.5 %	33.1 %	40.0 %	4.0 %	1.4 %	100.0 %
2008	20.4	35.1	37.5	5.7	1.3	100.0
2009	20.7	35.2	39.2	4.0	0.9	100.0
2010	22.6	33.9	38.6	3.9	1.0	100.0
2011	23.4	32.0	40.1	4.1	0.4	100.0
2012	22.5	32.6	40.0	4.0	0.9	100.0
2013	22.5	30.5	41.7	4.0	1.3	100.0
2014	22.8	30.7	41.4	4.1	1.0	100.0
2015	22.5	30.3	42.0	4.0	1.2	100.0
2016	22.2	29.4	42.6	4.6	1.2	100.0

**Note:**

\* Budgeted funds include the General Fund, the Property Tax Relief Fund, the Casino Revenue Fund, the Casino Control Fund, and the Gubernatorial Elections Fund.

**Source:**

New Jersey Department of the Treasury, Office of Management and Budget.

**STATE OF NEW JERSEY**  
**EXPENDITURES FOR BUDGETED FUNDS\***  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**  
**(Expressed in Millions)**

<u>Government Branch</u>	<u>Direct State Services</u>	<u>Grants- In-Aid</u>	<u>State Aid</u>	<u>Capital Construction</u>	<u>Debt Service</u>	<u>Total</u>
<b>Executive Branch</b>						
Chief Executive Office	\$ 6.0	\$ -	\$ -	\$ -	\$ -	\$ 6.0
Agriculture	10.1	7.2	5.6	-	-	22.9
Banking and Insurance	51.1	-	-	-	-	51.1
Children and Families	263.2	861.8	-	-	-	1,125.0
Community Affairs	56.5	47.7	396.3	-	-	500.5
Corrections	937.3	103.6	21.3	2.2	-	1,064.4
Education	85.6	4.9	12,752.3	-	-	12,842.8
Environmental Protection	264.7	2.0	9.7	96.3	37.7	410.4
Health	56.9	353.5	-	-	-	410.4
Human Services	630.7	5,395.1	401.5	-	-	6,427.3
Labor and Workforce						
Development	114.5	75.2	-	-	-	189.7
Law and Public Safety	683.9	16.2	3.7	0.4	-	704.2
Military and Veterans'						
Affairs	98.9	2.3	-	4.0	-	105.2
State	31.2	1,196.0	15.0	-	-	1,242.2
Transportation	93.2	33.4	18.8	1,220.1	-	1,365.5
Treasury	544.2	702.4	767.0	2.1	400.1	2,415.8
Miscellaneous	0.7	-	-	-	-	0.7
Interdepartmental	2,792.2	1,128.4	-	215.2	-	4,135.8
<b>Subtotal</b>	<u>6,720.9</u>	<u>9,929.7</u>	<u>14,391.2</u>	<u>1,540.3</u>	<u>437.8</u>	<u>33,019.9</u>
<b>Legislative Branch</b>	79.3	-	-	-	-	79.3
<b>Judicial Branch</b>	687.9	-	-	-	-	687.9
<b>Grand Total</b>	<u>\$ 7,488.1</u>	<u>\$ 9,929.7</u>	<u>\$ 14,391.2</u>	<u>\$ 1,540.3</u>	<u>\$ 437.8</u>	<u>\$ 33,787.1</u>

\* Budgeted funds include the General Fund, the Property Tax Relief Fund, the Casino Revenue Fund, the Casino Control Fund, and the Gubernatorial Elections Fund.

**Source:**

New Jersey Department of the Treasury, Office of Management and Budget.

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**STATE OF NEW JERSEY  
FULL-TIME PAID EMPLOYEES  
FOR THE CALENDAR YEAR STARTING JANUARY 1**

<u>Department/Agency</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Executive Branch</b>			
Agriculture	207	197	204
Banking and Insurance	452	471	474
Chief Executive's Office	98	97	112
Children and Families	6,549	6,557	6,546
Community Affairs	904	899	890
Corrections	7,592	7,790	7,933
Parole Board	572	597	588
Education	750	761	791
Environmental Protection	2,684	2,749	2,749
Health	1,064	1,132	1,148
Human Services	11,553	12,472	14,099
Labor and Workforce Development	2,695	2,770	2,884
Civil Service Commission	245	236	246
Public Employment Relations Commission	33	32	31
Law and Public Safety	6,244	6,277	6,392
Election Law Enforcement Commission	62	63	67
State Ethics Commission	10	10	11
Juvenile Justice Commission	1,106	1,119	1,142
Victims of Crime Compensation Office	31	28	29
Military and Veterans' Affairs	1,406	1,440	1,473
State	156	153	158
Commission on Higher Education	18	18	20
Public Broadcasting Authority	N/A	N/A	N/A
Higher Education Student Assistance Authority	128	136	150
Transportation	5,155	5,140	5,253
Treasury	3,156	3,273	3,262
Casino Control Commission	44	49	50
Office of Administrative Law	91	86	91
Office of Information Technology	733	724	739
Office of the Public Defender	1,190	1,183	1,175
Board of Public Utilities	228	227	232
Miscellaneous Executive Commissions	1	1	1
	<u>55,157</u>	<u>56,687</u>	<u>58,940</u>
<b>Legislative Branch</b>	483	483	485
<b>Judicial Branch</b>	8,793	8,848	8,893
	<u>64,433</u>	<u>66,018</u>	<u>68,318</u>

**Notes:**

Full-time paid employees were tabulated as of Pay Period No.1 in January for each year displayed. Certain offices within departments have been reorganized throughout various fiscal years. These offices have been displayed in a manner that meets the State organization chart.

Pursuant to P. L. 2010 c. 104, in Fiscal Year 2012, the New Jersey Public Broadcasting Authority sold its licenses and certain related assets to the New York Public Radio and WHYI.

**Source:**

New Jersey Department of the Treasury, Office of Management and Budget.

2013	2012	2011	2010	2009	2008	2007
207	205	207	216	224	245	256
495	487	500	419	423	464	480
107	111	104	90	83	84	92
6,625	6,494	6,790	6,866	6,913	6,986	6,482
895	931	1,025	1,064	1,076	1,129	1,149
8,098	8,195	8,381	8,898	9,311	9,259	9,338
607	615	639	676	696	695	724
799	761	768	804	850	883	922
2,722	2,744	2,842	2,956	3,051	3,241	3,305
1,185	1,562	1,672	1,764	1,850	1,978	2,060
14,476	14,570	14,838	15,166	15,449	15,684	15,739
2,902	2,977	3,080	3,128	3,167	3,418	3,583
244	224	222	237	294	326	338
32	31	31	33	34	36	33
6,414	6,596	6,835	7,194	7,341	7,590	7,848
68	63	65	71	71	68	71
10	11	12	12	13	13	15
1,214	1,326	1,462	1,574	1,624	1,685	1,750
29	32	32	35	30	38	46
1,475	1,471	1,488	1,475	1,486	1,511	1,493
160	214	194	208	212	215	196
18	15	13	16	18	18	18
N/A	N/A	124	132	138	150	156
151	152	163	170	183	191	196
5,278	5,155	5,400	5,695	5,880	6,161	6,415
3,369	3,341	3,450	3,515	3,579	3,757	3,792
57	58	262	281	293	312	336
93	96	99	93	98	104	107
710	717	779	809	816	894	907
1,148	1,086	1,060	1,065	1,031	1,070	1,023
239	244	259	267	268	283	301
1	1	1	2	2	2	2
<u>59,828</u>	<u>60,485</u>	<u>62,797</u>	<u>64,931</u>	<u>66,504</u>	<u>68,490</u>	<u>69,173</u>
486	492	487	515	520	512	523
<u>8,881</u>	<u>8,924</u>	<u>8,944</u>	<u>9,090</u>	<u>9,205</u>	<u>9,495</u>	<u>9,495</u>
<u><u>69,195</u></u>	<u><u>69,901</u></u>	<u><u>72,228</u></u>	<u><u>74,536</u></u>	<u><u>76,229</u></u>	<u><u>78,497</u></u>	<u><u>79,191</u></u>

**STATE OF NEW JERSEY  
OPERATING INDICATORS  
FOR THE FISCAL YEAR ENDED JUNE 30**

<b>Department/Agency</b>	<b>2016<sup>1</sup></b>	<b>2015<sup>2</sup></b>	<b>2014<sup>2</sup></b>
<b>Agriculture</b>			
Farmland Preservation			
Cumulative acres permanently preserved	225,146	217,146	210,065
<b>Children and Families</b>			
Active caseload - children receiving services	170,725	173,242	166,916
<b>Corrections</b>			
Average daily population - State Facilities	17,956	18,646	19,495
Parole Board			
Parolees under supervision	15,639	15,668	15,732
Total hearings	21,066	20,889	21,177
State hearings	15,160	15,249	15,071
<b>Education</b>			
Resident enrollment	1,410,379	1,415,468	1,415,589
Support per pupil	\$ 20,349	\$ 19,621	\$ 19,074
Local	\$ 10,814	\$ 10,620	\$ 10,366
State	\$ 8,930	\$ 8,411	\$ 8,123
Federal	\$ 605	\$ 590	\$ 585
<b>Health</b>			
Family Health Services			
Newborns screened-metabolic & genetic disorders	99,750	99,700	99,628
AIDS Services			
Number of clients tested and counseled	95,000	91,966	95,359
<b>Human Services</b>			
Work First New Jersey			
Average monthly recipients	66,478	83,199	92,061
Average monthly grant	\$ 128	\$ 129	\$ 130
Pharmaceutical Assistance to the Aged & Disabled			
Aged: Average monthly eligibles	89,100	92,675	94,603
Aged: Annual prescriptions	2,031,480	2,246,442	2,383,996
Disabled: Average monthly eligibles	27,261	27,025	26,771
Disabled: Annual prescriptions	654,264	681,030	722,817
<b>Labor and Workforce Development</b>			
Unemployment Insurance			
Covered workers	3,853,600	3,816,400	3,779,189
State Disability Insurance Plan			
Covered workers	2,665,600	2,640,000	2,623,500
Claims received	149,100	152,166	159,470
<b>Law and Public Safety</b>			
State Police Operations			
Criminal investigations	20,600	19,017	20,300
Accident investigations	40,000	42,364	40,000
General investigations	730,000	723,550	720,000
<b>Transportation</b>			
Motor Vehicle Services			
Registrations and title documents issued	11,166,964	10,922,733	10,126,762
Total licensed drivers	5,167,332	5,157,869	5,157,869
Total registered vehicles	6,128,270	6,069,922	5,703,368
Total NJ inspections/reinspections	2,418,975	2,390,778	2,590,898

**Notes:**

<sup>1</sup> Fiscal Year 2016 amounts are estimates.

<sup>2</sup> Fiscal Year 2014 and 2015 have been revised.

**Source:**

New Jersey Department of the Treasury, Office of Management and Budget, Fiscal Year 2017 Governor's Budget Message.



	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
	203,996	198,426	193,078	185,709	179,303	167,752	158,721
	156,339	167,337	159,689	158,117	150,356	142,339	156,707
	20,222	20,855	21,504	21,454	22,125	22,680	22,908
	15,932	16,250	15,976	15,929	15,656	14,770	14,320
	25,781	27,899	30,858	33,095	35,597	39,343	41,499
	18,046	19,759	21,428	23,996	25,285	28,716	29,348
	1,423,614	1,421,576	1,427,344	1,436,208	1,434,581	1,433,498	1,440,767
\$	18,867	\$ 18,530	\$ 17,464	\$ 17,849	\$ 17,193	\$ 17,038	\$ 16,256
\$	10,153	\$ 10,021	\$ 9,850	\$ 9,664	\$ 9,242	\$ 9,045	\$ 8,689
\$	8,114	\$ 7,723	\$ 6,872	\$ 6,518	\$ 7,393	\$ 7,454	\$ 7,002
\$	600	\$ 786	\$ 742	\$ 1,667	\$ 558	\$ 539	\$ 565
	99,523	100,600	102,315	105,000	108,909	111,123	111,607
	94,657	103,443	103,749	75,000	75,000	75,000	76,828
	101,937	107,189	105,647	98,418	96,889	99,500	103,094
\$	131	\$ 131	\$ 133	\$ 133	\$ 132	\$ 130	\$ 132
	98,953	105,689	109,728	112,660	124,327	130,051	138,084
	2,636,108	2,967,747	3,397,179	3,555,550	4,058,033	4,432,138	4,407,641
	26,003	27,429	26,912	25,354	29,225	28,563	28,509
	745,766	829,453	913,932	897,532	1,059,114	1,107,102	1,040,008
	3,738,799	3,702,911	3,673,299	3,681,516	3,794,084	3,904,700	3,899,300
	2,599,552	2,709,400	2,687,700	2,693,600	2,776,000	2,856,900	2,852,800
	158,598	161,714	163,714	171,100	171,241	171,368	171,885
	20,130	19,747	19,343	15,186	15,015	18,810	23,452
	39,200	39,668	40,731	34,578	33,163	42,238	44,415
	706,500	683,768	733,462	809,584	810,413	807,760	833,975
	9,547,826	10,022,884	9,806,553	10,297,294	10,175,714	11,078,091	9,528,128
	5,080,727	5,095,883	5,078,814	5,484,565	5,500,932	5,501,596	5,519,976
	5,283,099	5,584,763	5,343,306	5,724,040	5,701,297	5,846,217	6,362,199
	2,347,350	2,562,437	2,354,057	3,139,621	3,033,389	3,002,727	2,896,889

**STATE OF NEW JERSEY  
CAPITAL ASSET STATISTICS  
FOR THE FISCAL YEAR ENDED JUNE 30**

<b>Function</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Public safety and criminal justice</b>			
Adult and juvenile correctional institutions	27	27	27
State police stations	39	39	38
State police officers	2,684	2,640	2,490
Motor vehicle facilities	65	65	65
Number of active armories	29	29	29
Total acreage dedicated to function*	6,602	6,602	6,602
Total buildings dedicated to function*	1,546	1,554	1,556
<b>Physical and mental health</b>			
Number of mental health facilities	4	4	4
Average daily number of residents	1,607	1,618	1,636
Number of residential addiction treatment centers (RTCs)	5	4	4
Total acreage dedicated to function*	1,388	1,388	1,388
Total buildings dedicated to function*	345	345	346
<b>Educational, cultural, and intellectual development</b>			
Number of Regional Day Schools (RDS)	11	11	11
Number of developmental centers	5	5	7
Average daily number of residents	1,537	1,701	2,023
Total acreage dedicated to function*	2,719	2,719	2,719
Total buildings dedicated to function*	567	570	570
<b>Community development and environmental management</b>			
State parks, historic sites, natural areas, marinas, other	232	231	231
Land preservation acres (easements/farmland)*	92,670	90,250	87,653
Total acreage dedicated to function (includes preservation)*	837,702	831,577	826,499
Total buildings dedicated to function	2,097	2,097	2,096
<b>Economic planning, development, and security</b>			
Total acreage dedicated to function*	613	613	613
Total buildings dedicated to function*	141	142	140
<b>Transportation programs</b>			
Lane miles, state highways	13,344	13,341	13,341
Bridges, state owned	2,584	2,586	2,574
Facilities	97	93	88
Total acreage dedicated to function*	33,486	33,438	33,435
Total buildings dedicated to function*	613	608	600
<b>Government direction, management, and control</b>			
Total acreage dedicated to function*	4,295	4,295	4,295
Total buildings dedicated to function	167	165	163
<b>Special government services</b>			
Veteran homes and Residential Transitional Housing	5	5	5
Veterans in residence	1,064	1,053	928
Total acreage dedicated to function	77	77	77
Total buildings dedicated to function	33	33	33

\* Data for 2007 - 2015 has been revised.

**Source:**

New Jersey Department of the Treasury, Office of Management and Budget.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
27	31	32	32	35	38	38
38	38	43	34	34	34	35
2,454	2,669	2,814	3,001	3,050	3,030	2,971
65	65	65	70	72	75	77
29	31	31	31	32	32	33
6,601	6,601	6,601	6,601	6,601	6,601	6,601
1,577	1,583	1,579	1,578	1,580	1,583	1,577
4	4	5	5	5	5	5
1,651	1,732	1,791	1,870	2,005	2,135	2,223
4	4	4	7	6	6	6
1,388	1,388	1,388	1,388	1,388	1,388	1,388
342	342	341	341	340	340	339
11	11	11	11	12	12	12
7	7	7	7	7	7	7
2,315	2,434	2,587	2,703	2,785	2,897	2,987
2,719	2,719	2,719	2,719	2,719	2,719	2,719
569	569	572	572	574	570	565
231	231	231	231	231	231	231
84,901	82,491	80,547	78,564	76,844	72,271	70,218
813,302	808,027	803,134	797,463	790,615	779,283	767,847
2,105	2,181	2,220	2,220	2,215	2,198	2,220
613	613	613	613	613	613	613
140	139	138	135	124	123	119
13,341	13,305	13,305	13,518	13,508	13,493	13,485
2,575	2,578	2,585	2,585	2,577	2,578	2,579
88	88	87	87	87	87	89
33,434	33,433	33,431	33,430	33,430	33,428	33,427
601	600	603	600	575	572	558
4,295	4,295	4,295	4,295	4,295	4,295	4,295
162	161	161	161	179	179	179
4	3	3	3	3	3	3
916	914	911	913	913	914	932
77	77	77	77	77	77	77
33	33	32	32	32	31	31



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