



New Jersey- The Garden State

NEW JERSEY



COMPREHENSIVE ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED JUNE 30, 2009

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

ANDREW P. SIDAMON-ERISTOFF
State Treasurer

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Budget

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**STATE OF NEW JERSEY
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FISCAL YEAR ENDED JUNE 30, 2009
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State of New Jersey

CHRIS CHRISTIE
Governor

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KIM GUADAGNO
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CHARLENE M. HOLZBAUR
Director

March 5, 2010

Governor Chris Christie
Members of the State Legislature
New Jersey Citizens

In accordance with the provisions of N.J.S.A. 52:27B-46, we are pleased to transmit to you the New Jersey Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009. The Department of the Treasury's Office of Management and Budget prepared this report and is responsible for data accuracy as well as the completeness and fairness of the presentation, including all disclosures.

This Comprehensive Annual Financial Report 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 of the United States and Canada's (GFOA) review program for the Certificate of Achievement for Excellence in Financial Reporting.

The State operates in accordance with the standards provided in GASB Statements No. 34 and No. 35. The objectives of this reporting model, as reflected in these statements, are to provide a clear picture of the government as a single unified entity as well as providing traditional fund financial statements. All revenues, costs, assets, and liabilities of the State are shown to clearly portray the State's fiscal health. Management's Discussion and Analysis is included in order to provide users with an objective and easily readable analysis of New Jersey's financial performance for the fiscal year ended June 30, 2009. We are confident that the data is accurate in all material respects, that it is presented in a manner designed to set forth fairly the financial position and results of the State's operations as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain a reasonable understanding of the State's financial affairs have been included.

HIGHLIGHTS AND INITIATIVES

Actions undertaken during Fiscal Year 2009 were the result of the impact of the national recession on New Jersey and the consequences of past fiscal practices. The measures taken were designed to provide savings and utilize scarce resources for the State's most vulnerable citizens. They include:

- Senate Concurrent Resolution No. 39, approved by the voters on November 4, 2008, amended the State Constitution's Debt Limitation Clause. The State Legislature is now prohibited from enacting any law that creates or authorizes the creation of a debt or liability of an autonomous state corporate entity, which debt or liability has a pledge of an annual appropriation as the means to pay the principal of and interest on such debt or liability, unless a law authorizing the creation of that debt or liability for some single object or work distinctly specified therein shall have been submitted to the people and approved by a majority of the voters of the State. Voter approval is not required for any such law providing the means to pay the principal of and interest on such debt or liability subject to appropriations of an independent non-State source of revenue otherwise required to be appropriated pursuant to another provision of the State Constitution. Furthermore, voter approval is not needed for any law providing for the refinancing of all or a portion of any outstanding debts or liabilities of the State or of an autonomous State corporate entity provided that such law requires that the financing produces debt service savings.

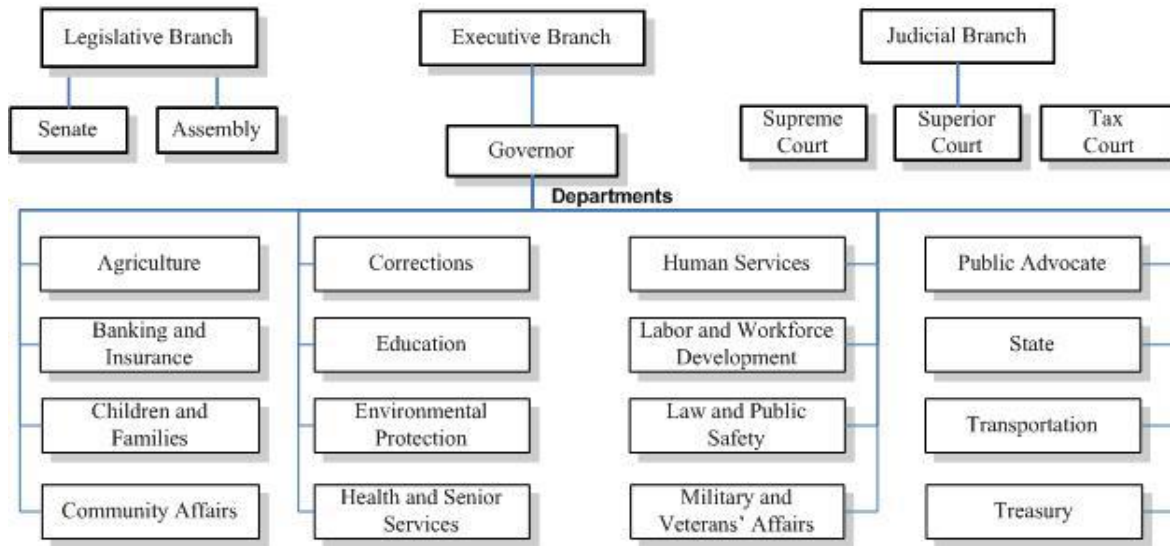
- The New Jersey Division of Purchase and Property awarded a new contract that will save taxpayers approximately \$559 million over the next five years in the cost to deliver pharmacy benefits to active and retired public workers in the State Health Benefits Program (SHBP) and the School Employees Health Benefits Program (SEHBP). Under the auspices of both the SHBP and the SEHBP, the New Jersey Division of Pensions and Benefits provides prescription drug benefits through a health coverage system that services approximately 800,000 lives including active, retired, and COBRA individuals and their dependents. Of this number, approximately 670,000 individuals receive prescription coverage under the State Plan. The delivery of these benefits has historically been a function of New Jersey's health plan administrator, which has provided benefits through a third-party contractor. In an effort to deliver these benefits at a lower cost to taxpayers, the Corzine Administration, through the State Health Benefits Commission and the SEHB Commission, directed that the pharmacy benefits component be managed separately and directly by the State by January 1, 2010. Absent this new contract, the aggregate cost of providing pharmacy benefits to covered employees, retirees, and dependents over the next five years is projected to be \$6.36 billion. Under the awarded contract, that cost would be reduced to \$5.8 billion, a savings of \$112 million annually. Approximately one-third of the savings will accrue to local governments and school participants in the State health plans.
- Fiscal Year 2009 experienced a decline of \$3.5 billion in revenue from the adopted budget. This revenue decline required spending reductions, use of dedicated fund balances, additional federal funds and the utilization of \$700 million of fund balance. As a result of these actions, the General Fund was able to end Fiscal Year 2009 with an unreserved-undesignated fund balance of \$614.2 million.
- The Fiscal Year 2010 Appropriations Act represented a \$4 billion reduction in the size of State government. Through February 9, 2010, a \$1.2 billion estimated revenue shortage, a \$121 million lower beginning fund balance, and \$872 million in additional spending needs have resulted in a Fiscal Year 2010 budget shortfall of \$2.2 billion. In response to the budget shortfall, approximately \$2 billion of budget savings are expected to be realized. Revenue enhancements, such as \$5 million for individuals reporting offshore income, \$20 million for the State implementing Powerball, and \$150 million in additional federal Recovery Act payments to offset costs from the Earned Income Tax Credit program have resulted in an additional \$175 million of revenue. These actions, in addition to addressing the budget shortfall, achieve an ending fund balance for Fiscal Year 2010 of approximately \$500 million as reflected in the Fiscal Year 2010 Appropriations Act.
- On January 20, 2010, Governor Chris Christie signed Executive Order No. 8 which provides for a single source from which citizens can identify and evaluate revenues and expenditures of funds derived from State taxes, fees, and other revenues and debts of the State. A new web site shall provide a central location for documents related to State finances with the Department of the Treasury responsible to publish reports on revenues, expenditures, state payroll, and debt.
- Executive Order No. 14, signed by Governor Chris Christie, directs that appropriations be placed in reserve to prevent future spending of sufficient amounts to ensure a balanced budget, a review of the budgets of all school districts to determine if funds are available that could be used to support the district's educational programs, a study of the projected costs to the State and local entities regarding previously negotiated employee salary structures with recommendations of alternatives for cost savings and reporting by the State Treasurer to the Governor of revenues and expenditures that may require future budgetary action.

NEW JERSEY GOVERNMENT

The Executive Branch is headed by the Office of the Chief Executive, which includes the Governor and staff that assist in the execution of the Governor's constitutional powers and duties. The Governor is the State's chief operating officer, and assists in directing and coordinating the activities of the various State departments. These duties include the implementation of new laws and activities, as well as ongoing responsibilities associated with existing laws, and other essential aspects of governing. The Office of the Chief Executive is active in the review and formulation of proposals of law that are ultimately submitted to the State Legislature. Staff assists in the development of public policy affecting the citizens of the State, and in the implementation of the State's fiscal plan once it is adopted.

The Executive Branch consists of 16 departments comprising approximately 66,500 employees on the payroll as of January 2009. The maximum number of departments permitted by the State Constitution is 20. Each department is headed by a single executive; four also have boards with policy-making and oversight responsibilities. Department heads and board members are appointed by the Governor with the advice and consent of the Senate, except for the Secretary of Agriculture, who is chosen by the Board of Agriculture with the approval of the Governor. Department heads continue in office until successors are named and confirmed by the Senate, with the exception of the Attorney General and the Secretary of State, who are appointed to serve during the Governor's term. The Executive Branch oversees the performance of 566 municipalities and 617 school districts, and the incarceration and rehabilitation of approximately 22,400 prisoners. The Executive Branch also provides social services for one out of eight New Jersey citizens, reliable transportation, and protection for the State's citizenry and environment.

ORGANIZATION OF NEW JERSEY STATE GOVERNMENT



The State Senate and the General Assembly comprise New Jersey’s Legislative Branch. There are 40 legislative districts with elections being held in odd-numbered years. There are 40 members of the State Senate. State Senators are elected to terms of four years, except for the election following a decennial census, in which case the term is for two years. There are 80 members of the General Assembly; each is elected to a two-year term. The Office of Legislative Services is a nonpartisan agency that provides legislators with legal, fiscal, research, information, and administrative services. It is organized with 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.

The Judicial Branch consists of the Supreme Court, the Appellate Division of the Superior Court, and the Tax Court. Judges are nominated by the Governor and must be confirmed by the Senate. Terms are for seven years. 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 seven million new cases are filed in New Jersey’s courts every year, including six million in Municipal Court and one million in Superior Court. These cases address matters concerning civil, criminal, and family law.

COMPONENT UNITS

This Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009 includes the accounts of 20 public authorities, and 12 State colleges and universities in accordance with the requirements of GASB Statement No. 14, *The Financial Reporting Entity*. Public authorities are legal, separate entities that are not operating departments of the State. Governing boards are vested with the power to independently manage. 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 18 – 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.

NEW JERSEY'S ECONOMIC CONDITION

The State and national economies continue to experience high unemployment rates, a weak employment picture, and weakness in personal income growth. For the calendar quarter ending in December 2009 the trend in New Jersey's payroll employment indicates that the rate of decrease slowed further to a negative 2.6 percent from a negative 3.1 percent in the previous quarter. The State's unemployment rate for December 2009 was 10.1 percent, slightly above the national unemployment rate of 10.0 percent for December, which has fallen to 9.7 percent for the month of January 2010.

Personal income continues to decline with year-ago growth rates remaining in the negative territory for the third straight quarter in 2009. According to the United States Bureau of Economic Analysis (release dated December 17, 2009), the preliminary growth rate for New Jersey's personal income declined at a rate of 1.6 percent for the third quarter of 2009, but came in below the revised growth rate of negative 1.9 percent for the second quarter of 2009. Although the trend is slightly better than in the prior quarter, it remains below 2008 results. Given the general economic recession in the United States economy, the average annual growth in personal income for New Jersey is expected to decline in 2009, but begin to improve in 2010.

The housing sector is expected to weaken further in the months ahead with housing permits in 2009 to stay below 20,000 units. New motor vehicle registrations declined in calendar year 2009 by 20.0 percent, following a 16 percent decline in 2008 and a decline of 4.3 percent in 2007. For the current Fiscal Year 2010, year to date through December of 2009, new motor vehicle registrations declined 7.0 percent compared to a year ago. New motor vehicle registrations are projected to remain below the 500,000 level in 2009 and 2010.

New Jersey's and the nation's economy are expected to recover slowly in 2010. According to the latest Beige Book (released on January 13, 2010), the Federal Reserve Board reported improving conditions in most parts of the economy. However, the weak labor market and tight credit conditions will constrain the growth path with a tenuous near-term recovery. The latest New Jersey economic forecasts from Global Insight, Moody's Economy.com, and Rutgers University expect economic conditions to improve in 2010.

New Jersey's economy is expected to follow the national trend for 2010. Employment is projected to decrease by an approximately 0.5 percent average annual rate in 2010 and grow by an average annual rate around 1.0 percent in 2011. Personal income is expected to grow at an annual average rate of around 3.6 percent in 2010 and 2011.

Inflation is expected to remain low during the economic recession and may not be a serious concern until consumer spending revives. Availability of credit, stability in the financial markets, and improvements in consumer and business confidence are critical factors necessary for an economic turnaround in the nation and in New Jersey.

The Statistical Section contains various State demographic and economic information.

BUDGET AND ACCOUNTING

Legal Level of Control

The State's Annual Appropriations Act includes the General Fund and certain Special Revenue Funds (Casino Control, Casino Revenue, Gubernatorial Elections, and Property Tax Relief Funds). Legal control is maintained within the departments at the appropriation line item level. Budgetary control is exercised at the department level by individual appropriations and allocations within 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. During the budget year, revisions to the annual Appropriations Act reflecting program changes or interdepartmental transfers of an administrative nature may be effected with certain Executive and Legislative Branch approvals. Under the "General Provisions" section of the State's annual Appropriations Act, management may amend the budget within a department with the Director of the Office of Management and Budget's approval. 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

For the various State departments, accounting records are maintained by a central accounting system. System operations are directed and supervised by the Office of Management and Budget. The State's annual budget is composed of individual appropriations to departments for specific programs and purposes. Component units maintain separate accounting systems.

Encumbrance accounting is employed to ensure that expenditures do not exceed appropriations and allocations. 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 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 that the evaluation of costs and benefits require managerial estimates and judgments. All internal control evaluations occur within this framework.

RELEVANT FINANCIAL POLICIES

The State Constitution mandates a balanced budget. It provides, 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. 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.

The Surplus Revenue Fund is part of the General Fund's resources and fund balance. The Surplus Revenue Fund was created as a rainy day fund. It accounts for excess revenues from prior fiscal years that are legislatively reserved 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.

The State's budgetary basis of accounting differs from that utilized to present fund financial statements in conformance with 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/or expenditures.

FINANCIAL TRENDS

Revenue History

Fiscal Year 2009 had an unprecedented decline in State budgeted revenue, realizing only \$28.9 billion. The economic woes, both nationally and locally, had a detrimental effect. The revenue collections for Fiscal Year 2009 were only \$234 million above Fiscal Year 2006 total collections. The Gross Income Tax collections were less than Fiscal Year 2006. The trend is continuing with the current Fiscal Year 2010 estimate at only \$27.5 billion. The Statistical Section provides a ten-year history of State budgeted revenue collections.

Pension and Other Post-employment Benefit Obligations (OPEB)

The State has not fully funded its pension plans for several years. The post-retirement medical program is funded only on a pay-as-you-go basis. This underfunding, coupled with the investment decline, has led to a current net pension obligation of \$6.4 billion and an OPEB obligation of \$6.6 billion. The unfunded actuarial accrued liability for state and local pension plans was \$34.4 billion as of June 30, 2008, an increase of \$6.1 billion from June 30, 2007. The OPEB unfunded actuarial accrued liability at June 30, 2008 was \$55.9 billion, an increase of \$5.3 billion from the prior year. For updated information, Fiscal Year 2009 actuarial reports are available at the State of New Jersey Department of the Treasury website at www.state.nj.us/treasury/pensions/actuarial-rpts.shtml.

Office of the State Comptroller

The Office of the State Comptroller is an independent office created with a statutory mission to bring greater efficiency, transparency, and fiscal accountability to the operation of all levels of New Jersey government. Its jurisdiction includes approximately 1,900 government units that stretch from State agencies to public institutions of higher education to independent authorities, municipal governments, county governments, and boards of education. The State Comptroller's first report examined the hiring and performance of external audit firms, which have long served as the primary vehicle for oversight of fiscal practices of local government units in New Jersey. Another report reviewed the expenditure of public funds to lobby State government and found that government entities that hire outside lobbying firms are not held to the same disclosure and transparency requirements as private companies. The office also has completed a series of audits, each of which included cost-saving recommendations. While the Audit Division is the larger of the State Comptroller's two divisions, the work of the Procurement Division is equally vital. The Procurement Division prescreens the legality of the proposed vendor selection process from all government contracts exceeding \$10 million and has post-award oversight responsibilities for such contracts exceeding \$2 million. As of the close of Fiscal Year 2009, the Procurement Division had received notice of 806 contracts with values exceeding \$2 million. Of the reviewed contracts, ten percent required some form of action which resulted in improved government procurement procedures.

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 are available on the State's web site at <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 Comprehensive Annual Financial Report for the fiscal year ended June 30, 2008. In order to qualify, a governmental entity must publish an easily readable and efficiently organized comprehensive annual financial report, the contents of which 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.

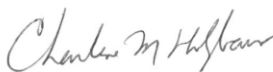
ACKNOWLEDGEMENTS

Finally, we would like to express our appreciation to the many dedicated professionals in the Office of Management and Budget and the Office of the State Auditor whose efforts made possible the preparation of this report. We believe that 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,



Andrew P. Sidamon-Eristoff
State Treasurer



Charlene M. Holzbaur
Director, Office of Management and Budget

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, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

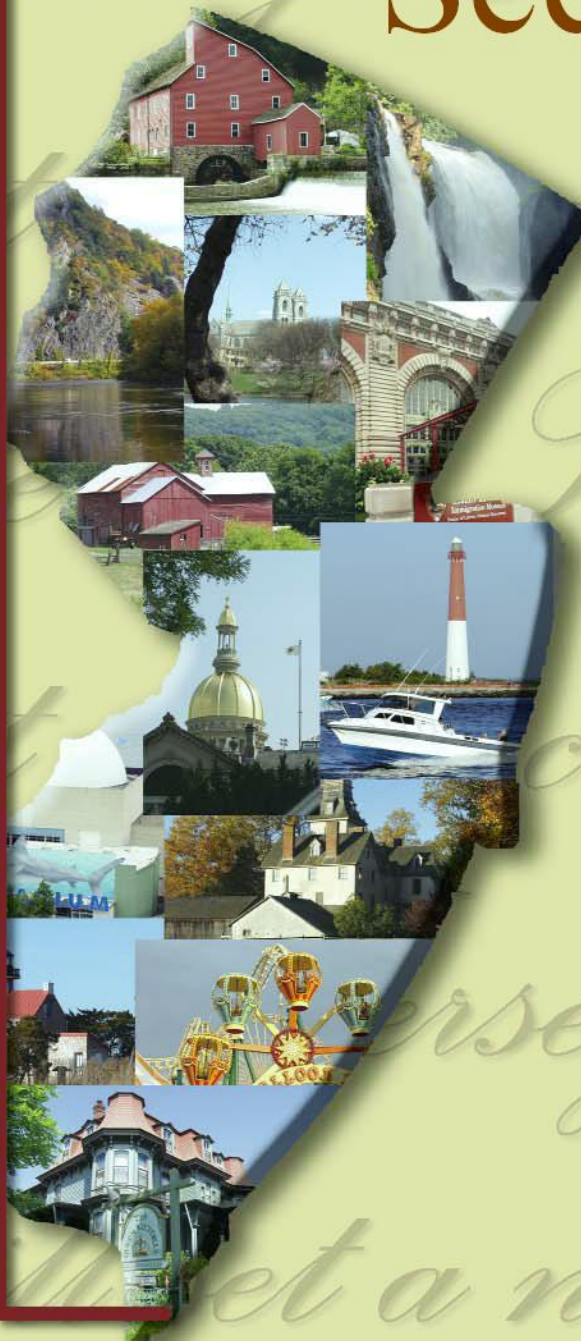


President

Executive Director

Together, we will set a new course for New Jersey. Together, we will set a new course for New Jersey. Together, we will set a new course for New Jersey. Together, we will set a new course for New Jersey. Together, we will set a new course for New Jersey.

Financial Section



LEGISLATIVE SERVICES COMMISSION

ASSEMBLYMAN
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BONNIE WATSON COLEMAN



New Jersey State Legislature

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The Honorable Chris Christie
Governor of New Jersey

The Honorable Stephen M. Sweeney
President of the Senate

The Honorable Sheila Y. Oliver
Speaker of the General Assembly

Mr. Albert Porroni
Executive Director
Office of Legislative Services

INDEPENDENT AUDITOR'S REPORT

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, 2009, which collectively comprise the State's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the State of New Jersey's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component units, the pensions and other employee benefits trust funds, and the Port Authority of New York and New Jersey which represent 100 percent of the assets and revenues of the aggregate discretely presented component units, 87 percent of the assets and 34 percent of the revenues and additions to fiduciary net assets (excluding the net decrease in the fair value of investments) of the aggregate remaining fund information, and 100 percent of the information disclosed in Note 2-E of the basic financial statements. Those

financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts and disclosures included for the discretely presented component units, the pensions and other employee benefits trust funds, and the Port Authority of New York and New Jersey, are based on the reports of the other auditors.

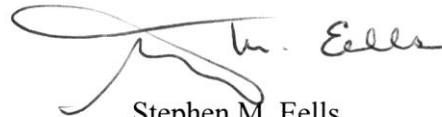
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the pensions and other employee benefits trust funds and two component units, the New Jersey Sports and Exposition Authority and the Casino Reinvestment Development Authority, were not audited in accordance with *Government Auditing Standards*. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State of New Jersey's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to previously 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, 2009, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 1, 2010 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* and should be considered in assessing the results of our audit.

The management's discussion and analysis, the budgetary comparison schedules, and the funding progress schedule for all pension trust funds and health benefits program fund are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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 – non-major funds section, other information section and the statistical section, 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 – non-major funds section and the other information section have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and the statistical section have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in black ink, appearing to read "Mr. Eells", with a large, stylized flourish extending to the left.

Stephen M. Eells
State Auditor
March 1, 2010

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, 2009. 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.

The State, since July 1, 2002, has been accounting and reporting under the standards outlined in the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Therefore, a majority of the information provided is not easily comparable to reporting periods prior to the fiscal year ended June 30, 2002. Year-to-year comparisons are provided in the Management's Discussion and Analysis and the Statistical Section. It is the intent of GASB Statement No. 34 to provide meaningful comparisons that will further explain the State's financial position and results of its operations.

FINANCIAL HIGHLIGHTS

Government-wide

- The primary government's assets total \$35.3 billion, a decrease of \$1.2 billion from the prior fiscal year. As of June 30, 2009, liabilities exceeded assets by \$21.1 billion. The State's unrestricted net assets, which represent net assets that have no statutory commitments and are available for discretionary use, totaled a negative \$33.1 billion. The negative balance is primarily a result of partially funding the annual pension costs to the State's 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 17 – Retirement Systems, Health Benefits, and Post-Retirement Medical Benefits). Financing activities that have contributed to the State's negative unrestricted net asset amount include liabilities from pension 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, 2009 component unit assets exceeded component unit liabilities by \$14.9 billion. Total component unit assets grew to \$39.5 billion, a \$1.3 billion increase in assets from the prior fiscal year. Higher investment balances and capital assets represent the majority of this increase.

Fund Level

- The State's governmental funds reported June 30, 2009 combined ending fund balances of \$8.1 billion, a decrease of \$2.0 billion from the prior fiscal year. The unreserved component of \$4.3 billion is comprised of \$1.1 billion representing unreserved – undesignated fund balances with the \$3.2 billion remainder reserved for specific, legislated purposes, management reserves, and constitutional dedications. The General Fund's total ending fund balance is \$3.1 billion, with \$614.2 million unreserved – undesignated.
- Proprietary Funds reported June 30, 2009 net assets of \$321.0 million. During the fiscal year, this amount decreased by \$995.7 million.

Long-term Debt

- The State's long-term debt obligations increased 15.4 percent, to \$51.2 billion, which includes a net increase in bonded debt of \$1.6 billion. During the fiscal year, the State issued \$3.2 billion in bonds. New money issuances represented \$2.5 billion primarily for transportation and education system improvements, while \$701.1 million represented four refunding transactions that provided the State with \$33.9 million in net present value savings. During Fiscal Year 2009, the State paid \$2.8 billion in debt service on its long-term obligations.
- Non-bonded portions of the State's long-term debt total \$15.7 billion. This amount represents a \$5.2 billion increase from the prior fiscal year and is mainly attributable to increases in net pension obligations as well as the State's 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
Scope	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
Required Financial Statements	* Statement of Net Assets * Statement of Activities	* Balance Sheet * Statement of Revenues, Expenditures, and Changes in Fund Balance	* Statement of Net Assets * Statement of Revenues, Expenses, and Changes in Net Assets * Statement of Cash Flows	* Statement of Fiduciary Net Assets * Statement of Changes in Fiduciary Net Assets
Accounting Basis and Measurement Focus	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
Types of Asset/Liability Information	All assets and liabilities, 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
Types of Inflow/Outflow Information	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 conforming to private sector accounting standards and provide 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 Assets** Presents all of the State's assets and liabilities and calculates net assets. Increases or decreases in the State's net assets 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 assets changed during the fiscal year. All changes in net assets 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 Assets 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** Certain State operations 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. The State Lottery Fund and the Unemployment Compensation Fund are two such examples.
- **Component Units** Legally separate operations and organizations for which the State has financial accountability are considered component units. The State has 20 authorities, of which the Garden State Preservation Trust, New Jersey Building Authority, New Jersey Schools Development Authority, New Jersey Transportation Trust Fund Authority, and the Tobacco Settlement Financing Corporation, Inc. are blended into governmental activities, and 12 college and universities that are reported as component units. These component units operate as business-type activities and are presented in two categories, major and non-major which is determined, generally, by the relative size of the entity's assets, liabilities, revenues, and expenses when compared to the total of the related component units. A list of the State's component units is shown in Notes 1B – Summary of Significant Accounting Policies – Financial Reporting Entity and Note 18 – Component Units in the Notes to the Financial Statements. Audit reports of the individual component units can be obtained from their respective administrative offices.

Reconciliation of Government-wide and Governmental Funds Financial Statements

The 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.
- Capital outlay spending results in capital assets on the government-wide financial statements, but are 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.
- Certain other outflows represent either increases or decreases in liabilities on the government-wide financial statements, but are reported as expenditures of the governmental funds financial statements.

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide financial statements and governmental funds 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 are 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 expended 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 Assets and Changes in Fiduciary Net Assets. 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 assist 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 is a Schedule of Funding Progress for all Pension and Other Employee Trust Funds.

Combining Financial Statements

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

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 Assets

The State ended Fiscal Year 2009 with combined net assets totaling a negative \$21.1 billion. This amount represents a decrease of \$8.7 billion from the prior fiscal year. Restricted net assets include 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. Invested in capital assets, net of related debt, includes land, land improvements, buildings and improvements, machinery and equipment, infrastructure (roads, bridges, and other immovable assets), and construction in progress. The deficit in unrestricted governmental net assets 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 that are required to be included in the government-wide financial statements.

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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2009</u>	<u>2008*</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008*</u>
Current and other noncurrent assets	\$ 13,004.6	\$ 14,770.4	\$ 1,658.2	\$ 2,241.8	\$ 14,662.8	\$ 17,012.2
Capital assets, net	20,628.5	19,493.2	-	-	20,628.5	19,493.2
Total Assets	<u>33,633.1</u>	<u>34,263.6</u>	<u>1,658.2</u>	<u>2,241.8</u>	<u>35,291.3</u>	<u>36,505.4</u>
Current liabilities	6,004.4	5,507.8	855.0	399.3	6,859.4	5,907.1
Noncurrent liabilities	49,099.1	42,530.7	482.2	525.8	49,581.3	43,056.5
Total Liabilities	<u>55,103.5</u>	<u>48,038.5</u>	<u>1,337.2</u>	<u>925.1</u>	<u>56,440.7</u>	<u>48,963.6</u>
Net Assets:						
Invested in capital assets, net of related debt	7,362.1	7,135.6	-	-	7,362.1	7,135.6
Restricted	4,298.6	5,492.5	321.0	1,316.7	4,619.6	6,809.2
Unrestricted	(33,131.1)	(26,403.0)	-	-	(33,131.1)	(26,403.0)
Total Net Assets	<u>\$ (21,470.4)</u>	<u>\$ (13,774.9)</u>	<u>\$ 321.0</u>	<u>\$ 1,316.7</u>	<u>\$ (21,149.4)</u>	<u>\$ (12,458.2)</u>

* Net Assets 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*.

Changes in Net Assets

The State's Fiscal Year 2009 net assets decreased by \$8.7 billion. Approximately 53.7 percent of the State's total revenue came from general taxes, while 27.4 percent was derived from operating grants. Charges for services amounted to 17.8 percent of total revenues, while other items such as capital grants, interest and investment earnings, and miscellaneous revenues accounted for the remainder. State expenditures cover a range of services. The largest expense, 25.0 percent was for educational, cultural, and intellectual development, which includes approximately \$1.0 billion 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 20.1 percent of total expenditures, while physical and mental health amounted to 18.0 percent. Other major expenditures focused on economic planning, development, and security; public safety and criminal justice; and community development and environmental management. During Fiscal Year 2009, governmental activity expense exceeded program revenues. This imbalance was mainly funded through \$27.8 billion of general revenues (mostly taxes and transfers). The remaining \$8.0 billion resulted in a decrease in net assets. Expenses from business-type activities in Fiscal Year 2009 exceeded revenue by \$184.1 million.

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

	Governmental Activities		Business-type Activities		Primary Government Total	
	2009	2008*	2009	2008	2009	2008*
Revenues						
Program revenues						
Charges for services	\$ 4,552.7	\$ 4,426.5	\$ 4,393.3	\$ 4,559.3	\$ 8,946.0	\$ 8,985.8
Operating grants	11,375.9	10,231.0	2,351.9	71.3	13,727.8	10,302.3
Capital grants	204.1	116.6	-	-	204.1	116.6
General revenues						
General taxes	26,910.6	30,441.3	-	-	26,910.6	30,441.3
Interest and investment earnings	25.0	181.3	-	-	25.0	181.3
Miscellaneous	890.5	753.6	-	-	890.5	753.6
Total Revenues	<u>43,958.8</u>	<u>46,150.3</u>	<u>6,745.2</u>	<u>4,630.6</u>	<u>50,704.0</u>	<u>50,780.9</u>
Expenses						
Public safety and criminal justice	3,087.7	3,211.8	-	-	3,087.7	3,211.8
Physical and mental health	10,589.0	10,177.4	-	-	10,589.0	10,177.4
Educational, cultural, and intellectual development	14,681.3	15,552.6	-	-	14,681.3	15,552.6
Community development and environmental management	2,271.8	2,502.0	-	-	2,271.8	2,502.0
Economic planning, development, and security	6,126.8	5,487.7	-	-	6,126.8	5,487.7
Transportation programs	1,859.2	1,717.9	-	-	1,859.2	1,717.9
Government direction, management, and control	11,846.1	11,598.7	-	-	11,846.1	11,598.7
Special government services	364.5	344.1	-	-	364.5	344.1
Interest expense	1,092.4	1,048.3	-	-	1,092.4	1,048.3
State Lottery Fund	-	-	1,645.7	1,667.6	1,645.7	1,667.6
Unemployment Compensation Fund	-	-	5,283.6	2,119.2	5,283.6	2,119.2
Total Expenses	<u>51,918.8</u>	<u>51,640.5</u>	<u>6,929.3</u>	<u>3,786.8</u>	<u>58,848.1</u>	<u>55,427.3</u>
Excess (Deficiency) Before Contributions and Transfers	(7,960.0)	(5,490.2)	(184.1)	843.8	(8,144.1)	(4,646.4)
Transfers	264.5	220.3	(811.6)	(670.3)	(547.1)	(450.0)
Increase (Decrease) in Net Assets	(7,695.5)	(5,269.9)	(995.7)	173.5	(8,691.2)	(5,096.4)
Net Assets - July 1	(13,774.9)	(8,505.0)	1,316.7	1,143.2	(12,458.2)	(7,361.8)
Net Assets - June 30	<u>\$ (21,470.4)</u>	<u>\$ (13,774.9)</u>	<u>\$ 321.0</u>	<u>\$ 1,316.7</u>	<u>\$ (21,149.4)</u>	<u>\$ (12,458.2)</u>

* Net Assets 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*.

Primary Government – Fiscal Year 2009 Revenues and Expenditures

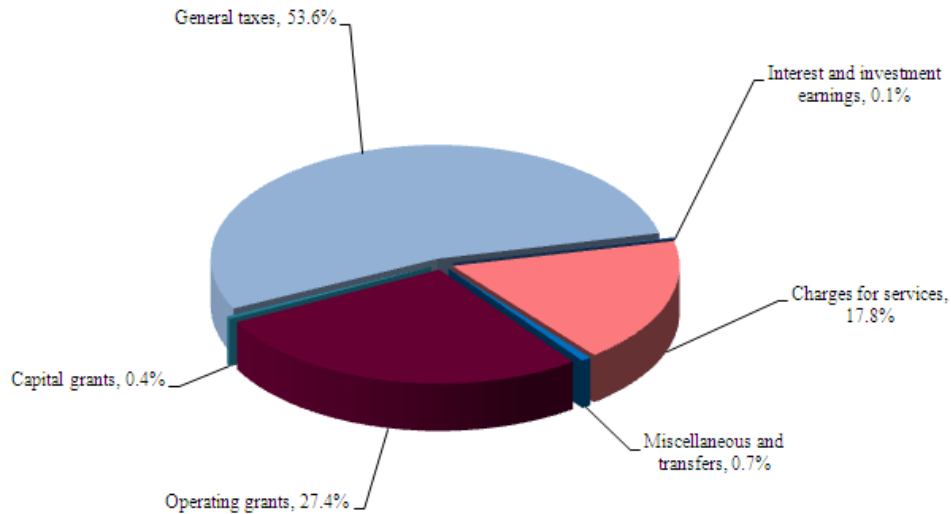
During Fiscal Year 2009, State revenues, including transfers, totaled \$50.2 billion, an increase of \$0.1 billion from the prior fiscal year. General taxes totaled \$26.9 billion and accounted for 53.6 percent of total State revenues for Fiscal Year 2009. The State’s Gross Income Tax totaled \$10.5 billion, the Sales and Use Tax totaled \$8.3 billion, and the Corporation Business Tax totaled \$2.7 billion. The State’s three major taxes comprised 79.5 percent of the total general taxes that were collected during Fiscal Year 2009, and the economic decline had the greatest impact on these three major taxes.

The State’s Fiscal Year 2009 Tax Amnesty program collections totaled \$748.9 million. The 43 day amnesty period which ran from May 4, 2009 through June 15, 2009, processed more than 108,500 payments. The program offered a waiver of all penalties, referral cost fees, and 50.0 percent of the balance of the interest that remained due as of May 1, 2009. A breakdown of the Fiscal Year 2009 Tax Amnesty program shows that the State received an additional \$392.6 million in Corporation Business Tax, \$151.9 million in Sales and Use Tax, and \$88.9 million in Gross Income Tax. The Fiscal Year 2009 Tax Amnesty program was the fourth in New Jersey’s history. A breakdown of amnesty revenue is located in the Statistical Section.

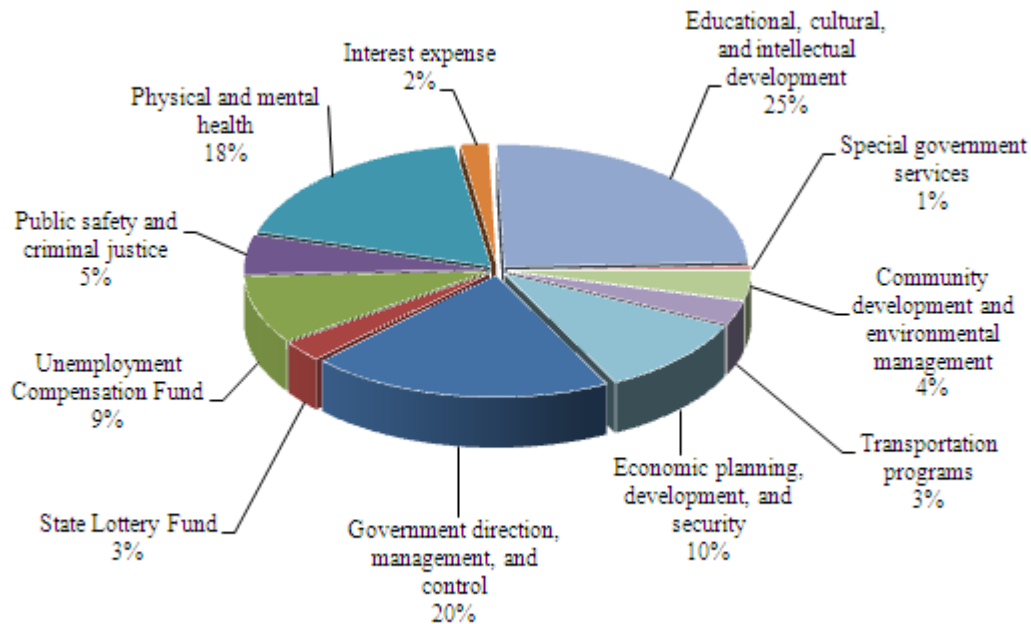
Fiscal Year 2009 expenditures totaled \$58.8 billion, an increase of \$3.4 billion from the prior fiscal year. Of that amount, \$3.2 billion reflects an increase in unemployment benefits paid due to the depressed economy and high unemployment. A \$0.6 billion increase in spending for economic planning, development, and security coupled with a \$0.4 billion increase in physical and mental health spending was offset by a \$0.9 billion decrease in education, cultural, and intellectual development spending. Overall, 42.9% percent of all State expenditures occurred in the areas of education, higher education, and physical and mental health.

The following pie charts depict primary government activities for revenues and expenditures for the fiscal year ended June 30, 2009:

**Revenues – Primary Government
Fiscal Year Ended June 30, 2009**



**Expenditures – Primary Government
Fiscal Year Ended June 30, 2009**



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

Component Units

Combined operating revenues and expenses for the State’s component units for Fiscal Year 2009 amounted to \$9.3 billion and \$11.3 billion respectively. Total operations along with other revenue and expenses contributed to total combined net assets at fiscal year end of \$14.9 billion. The component units received \$1.5 billion in State appropriations during Fiscal Year 2009.

MAJOR GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The focus of the State’s major 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, 2009 fund balances of \$8.1 billion. The \$2.0 billion decrease in fund balance was primarily from lower Fiscal Year 2009 revenues resulting from the economic downturn.

The American Recovery and Reinvestment Act of 2009 (“ARRA”) provided for federal fiscal stimulus funding to the State for Fiscal Years 2009 and 2010. Fiscal Year 2009 funding of \$804.2 million reflects \$637.9 million for enhanced Medicaid funding with the remainder primarily for fiscal stabilization which the State used as a resource for the General Fund.

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 \$3.1 billion, of which \$2.2 billion represented unreserved fund balances. During Fiscal Year 2009, total fund balance decreased by \$1.5 billion. The Surplus Revenue Fund is an account within the State’s General Fund that is used as a “Rainy Day Fund.” Surplus revenue is defined as an amount equivalent to 50.0 percent of the excess between the amount certified by the Governor at the time of the approval of the annual Appropriations Act and the amount of General Fund revenue reported from the annual financial report of the General Fund for that fiscal year. As of June 30, 2009 the State’s Surplus Revenue Fund had a balance of zero. During Fiscal Year 2009, the State withdrew \$741.7 million from the Surplus Revenue Fund.

On a budgetary basis, general revenues of \$28.8 billion were \$4.2 billion lower than the final budget. The negative variance was primarily the result of unearned federal and other grant revenues of \$2.0 billion, and declines in other revenues of \$1.4 billion, services and assessments of \$482.4 million, taxes of \$286.8 million, and licenses and fees of \$102.0 million. 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 \$3.1 billion lower than original appropriations 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 2009, the State's appropriation of federal funds and other grants exceeded expenditures by \$2.0 billion. These excess appropriations are available for use in future years. From a program perspective, under-spending in Fiscal Year 2009 includes, \$564.8 million from economic planning, development and security; \$519.4 million from community development and environmental management; \$505.8 million from educational, cultural, and intellectual development; \$494.2 million from government direction, management and control; \$464.2 million from public safety and criminal justice; \$401.2 million from physical and mental health; \$113.7 million from special government services; and \$74.5 million from transportation.

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 2009, \$12.1 billion of property tax relief expenditures were made. The Property Tax Relief Fund's Fiscal Year 2009 ending unreserved – undesignated fund balance is zero.

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 2009, gross revenues totaled \$2.5 billion, of which \$1.5 billion was returned in prizes, \$887.2 million went to state education and institutions, \$190.5 million was paid to sales agents and ticket vendors, and \$21.5 million covered Lottery operational and promotional expenses. As of June 30, 2009, the State Lottery, since its inception, has generated over \$46.9 billion in gross revenues, \$24.9 billion in prizes, and contributed \$18.2 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.

The economic difficulties experienced by the State of New Jersey and the nation have impacted claims against, and the funding of, the State's Unemployment Compensation fund. Under State law, the rates for employers are subject to automatic annual adjustment, as necessary, to maintain the Fund's sufficiency. The Fund operates independently and its obligations are not payable from the State's General Fund. In Fiscal Years 2008 and 2009, the State made voluntary contributions of \$260.0 million and \$120.0 million, respectively, from the General Fund to the Fund in order to minimize the automatic annual adjustments that would have otherwise occurred. The Fiscal Year 2010 Appropriations Act does not contain an appropriation to the Fund. To provide for sufficient cash flow to fund unemployment claims, commencing on March 2009, the State, under federal law, applied to the United States Department of Labor for cash advances. As of January 31, 2010, \$1.2 billion of such advances have been made. Until the economic conditions in the State improve, the total amount of such advances is likely to continue to increase. These advances are not obligations of the State's General Fund. In accordance with the provisions of current federal law, these advances are interest free and will continue to be interest free until January 1, 2011.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Administration of the State's capital assets falls under the purview of the Department of the Treasury. Capital assets are recorded in the State's capital asset system in the New Jersey Office of Management and Budget. The State has identified a significant amount of capital investment requirements for State facilities through the New Jersey Capital Budgeting and Planning Commission. Additionally, the Department of Transportation has identified significant requirements for additional bridge repair and maintenance. The budget and planning process prioritizes these requirements and recommends funding to meet them, as can be accommodated with available resources.

The Fiscal Year 2009 capital budget 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 \$770.0 million for State highways, \$205.0 million for local highways, and \$625.0 million for mass transit. During Fiscal Year 2009, the New Jersey Economic Development Authority issued \$575.0 million of School Facilities Construction Bonds to help fund the New Jersey Schools Development Authority's program. As of June 30, 2009, a total of \$7.9 billion of the \$12.5 billion school facilities construction bond program has been issued. For Fiscal Year 2009, another \$98.0 million of State funds were appropriated to the Garden State Preservation Trust for conservation purposes, while 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 \$20.6 billion as of June 30, 2009. Depreciation charges for Fiscal Year 2009 totaled \$617.5 million.

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

	Total Primary Government	
	2009	2008*
Land and Easements	\$ 4,580.6	\$ 4,418.0
Land Improvements	86.7	83.6
Buildings and Improvements	1,765.6	1,431.3
Machinery, Equipment and Software	255.4	272.5
Infrastructure	10,797.9	10,140.2
Sub-Total	17,486.2	16,345.6
Construction-In-Progress	3,142.3	3,147.6
Total	\$ 20,628.5	\$ 19,493.2

* Fiscal Year 2008 Capital Assets has been restated by \$303.2 million and the accumulated depreciation balance has been increased by \$36.2 million to reflect the revised land improvements, building improvements, and infrastructure.

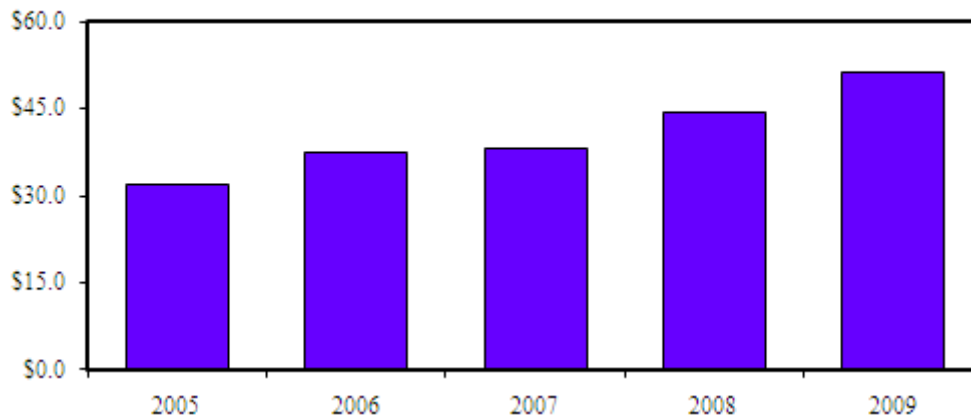
The funding for capital investment requirements are derived either from the State's operating budget or from legislative or voter approved bonded debt.

More detailed information about the State's capital assets is presented in the Notes to the Financial Statements, Note 7 – Capital Assets.

Debt Administration

As of June 30, 2009, New Jersey's outstanding long-term obligations totaled \$51.2 billion, a \$6.8 billion increase over the prior fiscal year. Long-term bonded debt obligations totaled \$35.5 billion, while other long-term obligations totaled \$15.7 billion. In addition, the State has \$10.1 billion of legislatively authorized bonding capacity that has not yet been issued. As of June 30, 2009, the legislatively authorized, but unissued debt, increased by \$1.8 billion (See Statistical Section – Legislatively Authorized But Unissued Debt, 2009 and 2008). The State's long-term obligations for the past five fiscal years are shown below:

**Long-Term Obligations
Fiscal Year 2005 to Fiscal Year 2009
(Expressed in Billions)**



ECONOMIC CONDITION AND OUTLOOK

New Jersey's economy weakened significantly subsequent to June 30, 2009. The latest New Jersey economic forecasts from Global Insight, Moody's Economy.com, and Rutgers University project the recessionary conditions of calendar year 2009 to continue into calendar year 2010 with slight improvement. However, the weak labor market and tight credit conditions will constrain the growth path with a tenuous near-term recovery.

The future economic outlook hinges on the success of the federal economic stimulus package and supportive fiscal and monetary policies. Availability of credit, stability in the financial markets and improvements in consumer and business confidence are critical factors necessary for an economic turnaround nationally and in New Jersey.

The State and the nation may experience further near term deterioration in growth and the expected pace of economic expansion may decline further if consumers, investors, and businesses become more concerned about the impact of the economic stimulus on the job situation, credit availability, financial market stress, and geopolitical tension. To a large extent, the future direction of the economy nationally and in New Jersey hinges on the assumptions regarding economic recession, energy prices, and stability in financial markets. Based on information available as of the date hereof, economic conditions of the State may begin to stabilize in calendar year 2010, but there are no assurances that this will occur.

REQUEST FOR INFORMATION

This Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009 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, 2009 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 also available at the following website: www.state.nj.us/treasury/omb.

*Basic Financial
Statements*



**STATE OF NEW JERSEY
STATEMENT OF NET ASSETS
JUNE 30, 2009**

	<u>Primary Government</u>			<u>Component Units</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 240,334,493	\$ 739,809	\$ 241,074,302	\$ 1,711,494,650
Investments	6,049,807,807	288,537,259	6,338,345,066	6,359,070,386
Receivables, net of allowances for uncollectibles				
Federal government	924,025,535	215,083,928	1,139,109,463	289,690,287
Departmental accounts	2,874,345,779	570,305,010	3,444,650,789	-
Loans	1,399,698,574	-	1,399,698,574	1,698,735,417
Mortgages	-	-	-	109,218,000
Other	944,220,396	75,726,489	1,019,946,885	478,859,721
Internal balances	(15,233,786)	15,233,786	-	-
Due from external parties	18,769,526	-	18,769,526	41,809,913
Inventories	-	-	-	148,658,263
Deferred charges	-	11,485,547	11,485,547	-
Other	348,907,966	-	348,907,966	237,680,907
Total Current Assets	<u>12,784,876,290</u>	<u>1,177,111,828</u>	<u>13,961,988,118</u>	<u>11,075,217,544</u>
Noncurrent Assets:				
Investments	-	481,049,232	481,049,232	4,260,842,554
Receivables, net of allowances for uncollectibles				
Loans	-	-	-	1,553,577,397
Mortgages	-	-	-	2,652,293,121
Other	-	-	-	99,992,790
Pension assets	6,748,375	-	6,748,375	-
Capital assets - nondepreciated	7,722,840,539	-	7,722,840,539	4,203,958,221
Capital assets - depreciated, net	12,905,795,966	-	12,905,795,966	15,116,072,295
Other	212,901,964	-	212,901,964	561,007,207
Total Noncurrent Assets	<u>20,848,286,844</u>	<u>481,049,232</u>	<u>21,329,336,076</u>	<u>28,447,743,585</u>
Total Assets	<u>33,633,163,134</u>	<u>1,658,161,060</u>	<u>35,291,324,194</u>	<u>39,522,961,129</u>

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

STATE OF NEW JERSEY
STATEMENT OF NET ASSETS (Continued)
JUNE 30, 2009

	<u>Primary Government</u>			
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	<u>Component Units</u>
LIABILITIES				
Current Liabilities:				
Accounts payable and accruals	2,815,567,129	329,684,620	3,145,251,749	1,214,293,221
Due to external parties	171,898,434	-	171,898,434	56,147,738
Interest payable	271,233,014	-	271,233,014	194,847,748
Deferred revenue	253,239,220	-	253,239,220	327,400,464
Current portion of long-term liabilities	2,117,377,440	130,630,005	2,248,007,445	1,038,214,325
Other	375,067,609	394,643,064	769,710,673	635,714,645
Total Current Liabilities	<u>6,004,382,846</u>	<u>854,957,689</u>	<u>6,859,340,535</u>	<u>3,466,618,141</u>
Noncurrent Liabilities:				
Net pension obligation	6,365,697,687	-	6,365,697,687	17,941,317
Net OPEB obligation	6,636,300,000	-	6,636,300,000	319,212,678
Pollution remediation obligation	101,828,621	-	101,828,621	24,373,223
Other	35,995,323,287	482,192,991	36,477,516,278	20,830,746,709
Total Noncurrent Liabilities	<u>49,099,149,595</u>	<u>482,192,991</u>	<u>49,581,342,586</u>	<u>21,192,273,927</u>
Total Liabilities	<u>55,103,532,441</u>	<u>1,337,150,680</u>	<u>56,440,683,121</u>	<u>24,658,892,068</u>
NET ASSETS				
Invested in capital assets, net of related debt	7,362,125,217	-	7,362,125,217	7,716,028,934
Restricted for:				
Capital projects	-	-	-	768,257,162
Public safety and criminal justice	89,091,954	-	89,091,954	-
Physical and mental health	104,975,147	-	104,975,147	-
Educational, cultural, and intellectual development	164,854,481	-	164,854,481	-
Community development and environmental management	2,531,863,471	-	2,531,863,471	-
Economic planning, development, and security	1,014,727,896	-	1,014,727,896	-
Transportation programs	193,403,230	-	193,403,230	-
Debt service	-	-	-	910,483,403
Unemployment	-	267,096,138	267,096,138	-
Other	199,711,708	53,914,242	253,625,950	3,578,865,558
Unrestricted	<u>(33,131,122,411)</u>	<u>-</u>	<u>(33,131,122,411)</u>	<u>1,890,434,004</u>
Total Net Assets	<u>\$ (21,470,369,307)</u>	<u>\$ 321,010,380</u>	<u>\$ (21,149,358,927)</u>	<u>\$ 14,864,069,061</u>

**STATE OF NEW JERSEY
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Functions - Programs				
Primary Government				
Governmental activities:				
Public safety and criminal justice	\$ 3,087,675,180	\$ 1,027,075,374	\$ 263,796,609	\$ 2,155,812
Physical and mental health	10,588,999,321	851,720,541	1,199,370,822	-
Educational, cultural, and intellectual development	14,681,301,052	119,855,840	820,000,716	-
Community development and environmental management	2,271,784,530	283,245,431	604,862,700	72,583,364
Economic planning, development, and security	6,126,839,115	1,185,183,906	871,835,643	-
Transportation programs	1,859,156,859	27,334,594	773,013,469	129,311,020
Government direction, management, and control	11,846,123,782	909,988,986	6,834,115,504	-
Special government services	364,491,141	148,316,716	8,943,474	-
Interest expense	<u>1,092,405,972</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>51,918,776,952</u>	<u>4,552,721,388</u>	<u>11,375,938,937</u>	<u>204,050,196</u>
Business-type activities:				
State Lottery Fund	1,645,706,015	2,538,114,880	2,528,987	-
Unemployment Compensation Fund	<u>5,283,619,899</u>	<u>1,855,154,419</u>	<u>2,349,381,126</u>	<u>-</u>
Total business-type activities	<u>6,929,325,914</u>	<u>4,393,269,299</u>	<u>2,351,910,113</u>	<u>-</u>
Total Primary Government	<u>\$ 58,848,102,866</u>	<u>\$ 8,945,990,687</u>	<u>\$ 13,727,849,050</u>	<u>\$ 204,050,196</u>
Component Units				
Authorities	\$ 5,731,199,872	\$ 2,450,732,452	\$ 1,165,139,888	\$ 1,159,089,322
Colleges and Universities	<u>5,537,293,544</u>	<u>2,692,226,878</u>	<u>1,803,509,959</u>	<u>32,523,289</u>
Total Component Units	<u>\$ 11,268,493,416</u>	<u>\$ 5,142,959,330</u>	<u>\$ 2,968,649,847</u>	<u>\$ 1,191,612,611</u>
General Revenues and Transfers				
Taxes:				
Gross Income Tax				
Sales and Use Tax				
Corporate Business Tax				
Other taxes				
Investment earnings				
Payments from State				
Miscellaneous				
Transfers				
Total general revenues and transfers				
Change in Net Assets				

Net Assets - July 1, 2008 (Restated)

Net Assets - June 30, 2009

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

Net (Expense) Revenue and Changes in Net Assets

Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (1,794,647,385)	\$ -	\$ (1,794,647,385)	\$ -
(8,537,907,958)	-	(8,537,907,958)	-
(13,741,444,496)	-	(13,741,444,496)	-
(1,311,093,035)	-	(1,311,093,035)	-
(4,069,819,566)	-	(4,069,819,566)	-
(929,497,776)	-	(929,497,776)	-
(4,102,019,292)	-	(4,102,019,292)	-
(207,230,951)	-	(207,230,951)	-
(1,092,405,972)	-	(1,092,405,972)	-
<u>(35,786,066,431)</u>	<u>-</u>	<u>(35,786,066,431)</u>	<u>-</u>
-	894,937,852	894,937,852	-
-	(1,079,084,354)	(1,079,084,354)	-
-	(184,146,502)	(184,146,502)	-
<u>(35,786,066,431)</u>	<u>(184,146,502)</u>	<u>(35,970,212,933)</u>	<u>-</u>
-	-	-	(956,238,210)
-	-	-	(1,009,033,418)
-	-	-	<u>(1,965,271,628)</u>
10,476,267,266	-	10,476,267,266	-
8,264,162,457	-	8,264,162,457	-
2,665,161,794	-	2,665,161,794	-
5,505,005,239	-	5,505,005,239	-
25,024,759	-	25,024,759	-
-	-	-	1,481,507,670
890,457,319	-	890,457,319	-
264,538,628	(811,559,764)	(547,021,136)	-
<u>28,090,617,462</u>	<u>(811,559,764)</u>	<u>27,279,057,698</u>	<u>1,481,507,670</u>
(7,695,448,969)	(995,706,266)	(8,691,155,235)	(483,763,958)
<u>(13,774,920,338)</u>	<u>1,316,716,646</u>	<u>(12,458,203,692)</u>	<u>15,347,833,019</u>
<u>\$ (21,470,369,307)</u>	<u>\$ 321,010,380</u>	<u>\$ (21,149,358,927)</u>	<u>\$ 14,864,069,061</u>

**STATE OF NEW JERSEY
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009**

	<u>General Fund</u>	<u>Property Tax Relief Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 67,740,804	\$ -	\$ 172,593,689	\$ 240,334,493
Investments	1,910,941,276	-	4,138,866,531	6,049,807,807
Receivables, net of allowances for uncollectibles				
Federal government	661,461,461	-	90,433,429	751,894,890
Departmental accounts	1,868,539,872	568,539,305	437,266,602	2,874,345,779
Loans	22,174,096	-	1,377,524,478	1,399,698,574
Other	194,772,306	-	361,213,858	555,986,164
Due from other funds	891,656,405	11,753,111	565,900,121	1,469,309,637
Advances to other funds	7,000,000	-	-	7,000,000
Other	19,692,387	-	100,752	19,793,139
Total Assets	<u>\$ 5,643,978,607</u>	<u>\$ 580,292,416</u>	<u>\$ 7,143,899,460</u>	<u>\$ 13,368,170,483</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable and accruals	1,667,594,314	55,970,752	1,092,002,064	2,815,567,130
Deferred revenue	238,547,680	-	160,397,540	398,945,220
Due to other funds	482,193,013	369,074,932	786,404,386	1,637,672,331
Advances from other funds	-	-	7,000,000	7,000,000
Other	155,586,223	153,050,057	66,431,329	375,067,609
Total Liabilities	<u>2,543,921,230</u>	<u>578,095,741</u>	<u>2,112,235,319</u>	<u>5,234,252,290</u>
Fund Balances				
Reserved for:				
Encumbrances	868,404,612	2,196,675	1,192,952,594	2,063,553,881
Other	46,156,341	-	1,716,572,369	1,762,728,710
Unreserved:				
General Fund	2,185,496,424	-	-	2,185,496,424
Special Revenue Funds	-	-	2,088,418,126	2,088,418,126
Capital Projects Funds	-	-	33,721,052	33,721,052
Total Fund Balances	<u>3,100,057,377</u>	<u>2,196,675</u>	<u>5,031,664,141</u>	<u>8,133,918,193</u>
Total Liabilities and Fund Balances	<u>\$ 5,643,978,607</u>	<u>\$ 580,292,416</u>	<u>\$ 7,143,899,460</u>	<u>\$ 13,368,170,483</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 ASSETS
JUNE 30, 2009

Total fund balances - governmental funds		\$ 8,133,918,193
Amounts reported for governmental activities in the statement of net assets are different as a result of the following items:		
The State has receivables which are not current resources and therefore are not reported in the fund perspective.		560,364,877
In the government-wide statements deferred issuance costs are capitalized and amortized over a period of years, but are reported as expenditures in the fund perspective.		329,114,218
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund perspective. These assets consist of :		
Infrastructure assets	\$ 17,466,616,436	
Buildings and improvements	3,419,287,749	
Land and land improvements	4,784,024,815	
Other capital assets	3,746,919,329	
Accumulated depreciation	<u>(8,788,211,824)</u>	20,628,636,505
Deferred tobacco settlement revenue recorded in the fund perspective is recognized as revenue and not deferred in the statement of net assets.		145,706,000
The pension and other assets are not current resources and therefore are not reported in the fund perspective.		219,650,954
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	(271,233,014)	
Current portion of long-term obligations	<u>(2,117,377,440)</u>	(2,388,610,454)
Noncurrent Liabilities		
Bonds and notes payable	(18,879,489,822)	
Installment obligations	(17,845,773,027)	
Loans payable	(1,279,358,087)	
Capital leases	(581,742,521)	
Compensated absences	(290,967,626)	
Unamortized deferral on refunding bonds	793,693,973	
Unamortized premium	(1,356,540,606)	
Tobacco Settlement Financing Corporation, Inc. Bonds	(4,512,783,386)	
Unamortized discount on Capital Appreciation Bonds	7,960,064,880	
Net pension obligation	(6,365,697,687)	
Net OPEB obligation	(6,636,300,000)	
Pollution remediation obligation	(101,828,621)	
Other noncurrent liabilities	<u>(2,427,070)</u>	(49,099,149,600)
Net assets of governmental activities		<u>\$ (21,470,369,307)</u>
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, 2009

	<u>General Fund</u>	<u>Property Tax Relief Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Taxes	\$ 14,142,387,477	\$ 11,088,033,218	\$ 1,708,611,545	\$ 26,939,032,240
Federal and other grants	9,889,434,758	-	804,848,498	10,694,283,256
Licenses and fees	1,086,432,369	-	107,675,303	1,194,107,672
Services and assessments	1,694,732,863	-	1,017,349,212	2,712,082,075
Investment earnings	(11,876,353)	-	86,870,212	74,993,859
Contributions	1,300	-	90,343	91,643
Other	2,377,165,326	-	457,195,437	2,834,360,763
Total Revenues	<u>29,178,277,740</u>	<u>11,088,033,218</u>	<u>4,182,640,550</u>	<u>44,448,951,508</u>
EXPENDITURES				
Current:				
Public safety and criminal justice	3,155,123,741	-	124,036,167	3,279,159,908
Physical and mental health	10,248,531,955	-	380,033,764	10,628,565,719
Educational, cultural, and intellectual development	4,459,036,818	9,417,048,180	1,016,052,329	14,892,137,327
Community development and environmental management	1,457,529,180	656,043,981	323,380,481	2,436,953,642
Economic planning, development, and security	5,116,785,197	-	1,086,195,714	6,202,980,911
Transportation programs	528,468,778	-	2,306,970,087	2,835,438,865
Government direction, management, and control	4,924,255,107	1,995,960,603	248,096,057	7,168,311,767
Special government services	345,739,138	-	205,768	345,944,906
Capital Outlay	32,037,435	-	-	32,037,435
Debt Service:				
Principal	255,525,482	-	383,611,030	639,136,512
Interest	150,193,817	-	693,542,576	843,736,393
Total Expenditures	<u>30,673,226,648</u>	<u>12,069,052,764</u>	<u>6,562,123,973</u>	<u>49,304,403,385</u>
Excess (deficiency) of revenues over expenditures	<u>(1,494,948,908)</u>	<u>(981,019,546)</u>	<u>(2,379,483,423)</u>	<u>(4,855,451,877)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	-	1,538,975,562	1,538,975,562
Transfers from other funds	2,146,515,469	846,814,862	3,255,018,217	6,248,348,548
Transfers to other funds	(3,227,941,657)	-	(2,752,864,502)	(5,980,806,159)
Other sources	1,677,059,770	-	6,130,225	1,683,189,995
Other uses	(648,001,199)	-	-	(648,001,199)
Total other financing sources (uses)	<u>(52,367,617)</u>	<u>846,814,862</u>	<u>2,047,259,502</u>	<u>2,841,706,747</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(1,547,316,525)</u>	<u>(134,204,684)</u>	<u>(332,223,921)</u>	<u>(2,013,745,130)</u>
Fund Balances - July 1, 2008 (Restated)	<u>4,647,373,902</u>	<u>136,401,359</u>	<u>5,363,888,062</u>	<u>10,147,663,323</u>
Fund Balances - June 30, 2009	<u>\$ 3,100,057,377</u>	<u>\$ 2,196,675</u>	<u>\$ 5,031,664,141</u>	<u>\$ 8,133,918,193</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 20, 2009

Net change in fund balance - total governmental funds \$ (2,013,745,130)

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	\$ 1,718,115,747	
Depreciation expense	(582,725,829)	
Excess of capital outlay over depreciation expense		1,135,389,918

Bond proceeds provide current financial resources to governmental funds. However, issuing debt increases long-term obligations in the statement of net assets. In the current period, proceeds were received from revenue and general obligation bonds. (1,526,090,561)

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 assets, these arrangements are reported as an obligation. (1,022,327,435)

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

Bond principal retirement	574,169,999	
Capital lease payments	72,611,079	
Installment obligation retirement	499,319,991	
Certificates of participation retirement	26,942,067	
Tobacco Settlement Financing Corp., Inc. bond retirement	67,725,000	
Total long-term obligations repayment		1,240,768,136

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 2009 receivable balances increased by this amount. 27,995,140

Some revenues recorded in the statement of activities do not provide current financial resources and therefore are deferred in the fund perspective. 1,675,000

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	56,220,165	
Decrease in deferral on refunding issues	(71,960,265)	
Increase in deferred issuance costs	(1,691,034)	
Decrease in bond discount	(879,686)	
Total capitalized and amortized items		(18,310,820)

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

Net increase in accrued interest	(291,578,613)	
Increase in compensated absences, medicaid, and other	(68,036,680)	
Increase in pension assets	377,664	
Increase in net pension and OPEB obligations	(5,065,230,066)	
Increase in pollution remediation obligation	(101,828,621)	
Increase in other assets	5,493,099	
Total additional expenditures and revenue reductions		(5,520,803,217)

Change in net assets of governmental activities \$ (7,695,448,969)

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

STATE OF NEW JERSEY
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2009

	<u>State Lottery Fund</u>	<u>Unemployment Compensation Fund</u>	<u>Total Proprietary Funds</u>
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 404,690	\$ 335,119	\$ 739,809
Investments	287,452,803	1,084,456	288,537,259
Receivables, net of allowances for uncollectibles			
Federal government	-	215,083,928	215,083,928
Departmental accounts	-	570,305,010	570,305,010
Other	22,133,328	53,593,161	75,726,489
Due from other funds	-	141,762,074	141,762,074
Deferred charges	11,485,547	-	11,485,547
Total Current Assets	<u>321,476,368</u>	<u>982,163,748</u>	<u>1,303,640,116</u>
Noncurrent Assets			
Investments	481,049,232	-	481,049,232
Total Assets	<u>\$ 802,525,600</u>	<u>\$ 982,163,748</u>	<u>\$ 1,784,689,348</u>
LIABILITIES			
Current Liabilities			
Accounts payable and accruals	\$ 72,960,660	\$ 256,723,960	\$ 329,684,620
Due to other funds	108,185,953	18,342,335	126,528,288
Current portion of long-term obligations	130,630,005	-	130,630,005
Other	-	394,643,064	394,643,064
Total Current Liabilities	<u>311,776,618</u>	<u>669,709,359</u>	<u>981,485,977</u>
Noncurrent Liabilities			
Due in more than one year	482,192,991	-	482,192,991
Total Noncurrent Liabilities	<u>482,192,991</u>	<u>-</u>	<u>482,192,991</u>
Total Liabilities	<u>793,969,609</u>	<u>669,709,359</u>	<u>1,463,678,968</u>
NET ASSETS			
Restricted for:			
Unemployment compensation	-	267,096,138	267,096,138
Other purposes	8,555,991	45,358,251	53,914,242
Total Net Assets	<u>\$ 8,555,991</u>	<u>\$ 312,454,389</u>	<u>\$ 321,010,380</u>

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

STATE OF NEW JERSEY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>State Lottery Fund</u>	<u>Unemployment Compensation Fund</u>	<u>Total Proprietary Funds</u>
OPERATING REVENUES			
Sales and charges for services	\$ 2,503,266,384	\$ -	\$ 2,503,266,384
Assessments	-	1,854,842,121	1,854,842,121
From federal agencies	-	2,282,523,003	2,282,523,003
Other	34,848,496	312,298	35,160,794
Total Operating Revenues	<u>2,538,114,880</u>	<u>4,137,677,422</u>	<u>6,675,792,302</u>
OPERATING EXPENSES			
Unemployment compensation	-	5,283,619,899	5,283,619,899
Lottery prize awards	1,455,242,612	-	1,455,242,612
Other	190,463,403	-	190,463,403
Total Operating Expenses	<u>1,645,706,015</u>	<u>5,283,619,899</u>	<u>6,929,325,914</u>
Operating Income (Loss)	<u>892,408,865</u>	<u>(1,145,942,477)</u>	<u>(253,533,612)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	2,528,987	21,884,237	24,413,224
Other	-	44,973,886	44,973,886
Total Nonoperating Revenues (Expenses)	<u>2,528,987</u>	<u>66,858,123</u>	<u>69,387,110</u>
Income (Loss) Before Transfers	894,937,852	(1,079,084,354)	(184,146,502)
Transfers from other funds	-	120,000,000	120,000,000
Transfers to other funds	(908,743,161)	(22,816,603)	(931,559,764)
Change in Net Assets	(13,805,309)	(981,900,957)	(995,706,266)
Net Assets - July 1, 2008	<u>22,361,300</u>	<u>1,294,355,346</u>	<u>1,316,716,646</u>
Net Assets - June 30, 2009	<u>\$ 8,555,991</u>	<u>\$ 312,454,389</u>	<u>\$ 321,010,380</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, 2009**

	<u>State Lottery Fund</u>	<u>Unemployment Compensation Fund</u>	<u>Total Proprietary Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts received from customers	\$ 1,245,197,013	\$ -	\$ 1,245,197,013
Receipts from federal and local agencies	-	2,294,076,651	2,294,076,651
Receipts from assessments	-	1,764,019,081	1,764,019,081
Payments to suppliers	(51,666,109)	-	(51,666,109)
Payments to prize winners	(417,377,481)	-	(417,377,481)
Claims paid	-	(4,373,778,735)	(4,373,778,735)
Other receipts (payments)	120,307,829	-	120,307,829
Net cash provided (used) by operating activities	<u>896,461,252</u>	<u>(315,683,003)</u>	<u>580,778,249</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Loan from federal government	-	324,850,834	324,850,834
Transfers to other funds	(889,825,600)	(28,063,632)	(917,889,232)
Net cash provided (used) by noncapital financing activities	<u>(889,825,600)</u>	<u>296,787,202</u>	<u>(593,038,398)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sales and maturities of investments	1,270,944,000	19,000,000	1,289,944,000
Purchase of investments	(1,277,270,000)	-	(1,277,270,000)
Net cash provided (used) by investing activities	<u>(6,326,000)</u>	<u>19,000,000</u>	<u>12,674,000</u>
Net increase (decrease) in cash and cash equivalents	309,652	104,199	413,851
Cash and cash equivalents - July 1, 2008	95,038	230,920	325,958
Cash and cash equivalents - June 30, 2009	<u>\$ 404,690</u>	<u>\$ 335,119</u>	<u>\$ 739,809</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 892,408,865	\$ (1,145,942,477)	\$ (253,533,612)
Adjustments to reconcile operating income to net cash provided (used) by operating activities			
Net changes in assets and liabilities:			
Current assets	630,997	803,593,112	804,224,109
Noncurrent assets	44,293,612	-	44,293,612
Current liabilities	11,072,564	26,666,362	37,738,926
Noncurrent liabilities	(51,944,786)	-	(51,944,786)
Net cash provided (used) by operating activities	<u>\$ 896,461,252</u>	<u>\$ (315,683,003)</u>	<u>\$ 580,778,249</u>

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



**STATE OF NEW JERSEY
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2009**

	Agency Funds	Investment Trust Fund
ASSETS		
Cash and cash equivalents	\$ 13,241,195	\$ 215
Securities lending collateral	-	-
Investments	100,134,385	3,973,909,958
Receivables, net of allowances for uncollectibles		
Members	37,875	-
Employers	1,827,468	-
Interest and dividends	-	-
Departmental accounts	-	-
Other	41,822	7,362,697
Due from other funds	32,845,756	-
Other	-	-
Total Assets	148,128,501	3,981,272,870
LIABILITIES		
Accounts payable	145,958,930	-
Benefits payable	-	-
Securities lending collateral and rebates payable	-	-
Due to other funds	2,169,571	2,397,328
Total Liabilities	148,128,501	2,397,328
NET ASSETS		
Held in Trust for Pension Benefits and Other Purposes	\$ -	\$ 3,978,875,542

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

Pension and Other Employee Benefits Trust Funds	Private Purpose Trust Funds
\$ 13,811,708	\$ 821,461
4,789,560,967	-
65,377,876,565	10,788,081
190,236,900	-
3,590,648,911	-
740,821,238	-
-	9,008
-	-
140,386,205	-
1,017,702,948	-
<u>75,861,045,442</u>	<u>11,618,550</u>
85,462,236	3,895,162
1,048,643,537	-
4,812,363,318	-
10,662,954	4,873,200
<u>5,957,132,045</u>	<u>8,768,362</u>
<u>\$ 69,903,913,397</u>	<u>\$ 2,850,188</u>

**STATE OF NEW JERSEY
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Investment Trust Fund</u>	<u>Pension and Other Employee Benefits Trust Funds</u>	<u>Private Purpose Trust Funds</u>
ADDITIONS			
Contributions:			
Members	\$ -	\$ 2,085,248,438	\$ -
Employers	-	5,276,540,288	-
Other	<u>14,867,524,060</u>	<u>6,752,438</u>	<u>-</u>
Total Contributions	<u>14,867,524,060</u>	<u>7,368,541,164</u>	<u>-</u>
Investment Income:			
Net increase (decrease) in fair value of investments	-	(14,586,089,443)	-
Interest and dividends	<u>47,975,698</u>	<u>2,297,307,110</u>	<u>202,004</u>
Total Investment Income	<u>47,975,698</u>	<u>(12,288,782,333)</u>	<u>202,004</u>
Less investment expense	<u>-</u>	<u>12,433,012</u>	<u>-</u>
Net Investment Income	<u>47,975,698</u>	<u>(12,301,215,345)</u>	<u>202,004</u>
Miscellaneous	<u>-</u>	<u>-</u>	<u>61,901</u>
Total Additions	<u>14,915,499,758</u>	<u>(4,932,674,181)</u>	<u>263,905</u>
DEDUCTIONS			
Benefit payments	-	10,805,598,045	-
Refunds of contributions	-	143,758,062	-
Refunds and transfers to other systems	-	-	3,005,823
Administrative expense	2,397,328	50,826,186	-
Payments in accordance with trust agreements	-	-	113,604
Distributions to shareholders	<u>14,983,264,418</u>	<u>-</u>	<u>-</u>
Total Deductions	<u>14,985,661,746</u>	<u>11,000,182,293</u>	<u>3,119,427</u>
Total Changes in Net Assets Held in Trust	(70,161,988)	(15,932,856,474)	(2,855,522)
Net Assets - July 1, 2008	<u>4,049,037,530</u>	<u>85,836,769,871</u>	<u>5,705,710</u>
Net Assets - June 30, 2009	<u>\$ 3,978,875,542</u>	<u>\$ 69,903,913,397</u>	<u>\$ 2,850,188</u>

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



STATE OF NEW JERSEY
STATEMENT OF NET ASSETS
COMPONENT UNITS
JUNE 30, 2009

	<u>New Jersey Transit Corporation</u>	<u>New Jersey Turnpike Authority</u>	<u>Rutgers, The State University of New Jersey</u>
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 73,693,496	\$ 178,254,339	\$ 100,132,000
Investments	-	987,936,730	417,863,000
Receivables, net of allowances for uncollectibles			
Federal government	221,059,703	-	-
Loans	-	-	8,870,000
Mortgages	-	-	-
Other	27,164,759	37,517,080	105,788,000
Due from external parties	-	1,727,089	-
Inventories	110,446,115	20,820,930	4,467,000
Other	75,314,290	7,221,780	11,754,000
Total Current Assets	<u>507,678,363</u>	<u>1,233,477,948</u>	<u>648,874,000</u>
Noncurrent Assets			
Investments	2,003,172,531	12,029,580	631,219,000
Receivables, net of allowances for uncollectibles			
Loans	-	-	-
Mortgages	-	-	-
Other	5,427,527	-	84,388,000
Capital assets - nondepreciated	1,305,692,143	1,443,595,332	324,656,000
Capital assets - depreciated, net	6,135,284,846	2,911,337,428	1,456,938,000
Other	18,094,880	56,702,162	233,976,000
Total Noncurrent Assets	<u>9,467,671,927</u>	<u>4,423,664,502</u>	<u>2,731,177,000</u>
Total Assets	<u>9,975,350,290</u>	<u>5,657,142,450</u>	<u>3,380,051,000</u>
LIABILITIES			
Current Liabilities			
Accounts payable and accrued expenses	315,061,317	96,669,304	140,466,000
Due to external parties	36,015,728	-	-
Interest payable	-	93,929,025	-
Deferred revenue	18,075,337	2,394,600	56,122,000
Current portion of long-term obligations	245,980,440	425,337,071	37,134,000
Other	110,034,886	142,367,670	43,751,000
Total Current Liabilities	<u>725,167,708</u>	<u>760,697,670</u>	<u>277,473,000</u>
Noncurrent Liabilities			
Net pension obligation	-	-	-
Net OPEB obligation	153,603,581	76,729,982	-
Pollution remediation	20,067,750	-	-
Other	3,697,226,245	4,891,859,041	793,463,000
Total Noncurrent Liabilities	<u>3,870,897,576</u>	<u>4,968,589,023</u>	<u>793,463,000</u>
Total Liabilities	<u>4,596,065,284</u>	<u>5,729,286,693</u>	<u>1,070,936,000</u>
NET ASSETS			
Invested in capital assets, net of related debt	5,615,513,970	(811,076,206)	1,069,426,000
Restricted for:			
Capital projects	2,030,035	643,048,680	48,428,000
Debt service	-	93,624,170	10,671,000
Other purposes	-	149,578	650,913,000
Unrestricted	<u>(238,258,999)</u>	<u>2,109,535</u>	<u>529,677,000</u>
Total Net Assets	<u>\$ 5,379,285,006</u>	<u>\$ (72,144,243)</u>	<u>\$ 2,309,115,000</u>

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

University of Medicine and Dentistry of New Jersey	Non-Major Component Units	Total Component Units
\$ 130,794,000	\$ 1,228,620,815	\$ 1,711,494,650
159,777,000	4,793,493,656	6,359,070,386
20,617,000	48,013,584	289,690,287
3,286,000	1,686,579,417	1,698,735,417
-	109,218,000	109,218,000
199,521,000	108,868,882	478,859,721
-	40,082,824	41,809,913
11,243,000	1,681,218	148,658,263
43,014,000	100,376,837	237,680,907
<u>568,252,000</u>	<u>8,116,935,233</u>	<u>11,075,217,544</u>
173,897,000	1,440,524,443	4,260,842,554
29,810,000	1,523,767,397	1,553,577,397
-	2,652,293,121	2,652,293,121
-	10,177,263	99,992,790
23,382,000	1,106,632,746	4,203,958,221
965,250,000	3,647,262,021	15,116,072,295
17,393,000	234,841,165	561,007,207
<u>1,209,732,000</u>	<u>10,615,498,156</u>	<u>28,447,743,585</u>
<u>1,777,984,000</u>	<u>18,732,433,389</u>	<u>39,522,961,129</u>
318,179,000	343,917,600	1,214,293,221
-	20,132,010	56,147,738
3,753,000	97,165,723	194,847,748
60,598,000	190,210,527	327,400,464
12,157,000	317,605,814	1,038,214,325
303,000	339,258,089	635,714,645
<u>394,990,000</u>	<u>1,308,289,763</u>	<u>3,466,618,141</u>
-	17,941,317	17,941,317
-	88,879,115	319,212,678
-	4,305,473	24,373,223
710,690,000	10,737,508,423	20,830,746,709
<u>710,690,000</u>	<u>10,848,634,328</u>	<u>21,192,273,927</u>
<u>1,105,680,000</u>	<u>12,156,924,091</u>	<u>24,658,892,068</u>
379,806,000	1,462,359,170	7,716,028,934
8,660,000	66,090,447	768,257,162
27,508,000	778,680,233	910,483,403
313,144,000	2,614,658,980	3,578,865,558
(56,814,000)	1,653,720,468	1,890,434,004
<u>\$ 672,304,000</u>	<u>\$ 6,575,509,298</u>	<u>\$ 14,864,069,061</u>

**STATE OF NEW JERSEY
STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>New Jersey Transit Corporation</u>	<u>New Jersey Turnpike Authority</u>	<u>Rutgers, The State University of New Jersey</u>
Expenses	\$ 2,442,338,018	\$ 950,633,301	\$ 1,808,652,000
Net (Expense) Revenue and Changes in Net Assets			
Program Revenues			
Charges for services	828,888,276	844,049,964	746,891,000
Operating grants and contributions	646,342,285	22,906,972	724,776,000
Capital grants and contributions	<u>564,432,719</u>	<u>-</u>	<u>30,412,000</u>
Net (Expense) Revenue	<u>(402,674,738)</u>	<u>(83,676,365)</u>	<u>(306,573,000)</u>
General Revenue			
Payments from State	<u>348,200,000</u>	<u>4,540,879</u>	<u>305,252,000</u>
Total General Revenue	<u>348,200,000</u>	<u>4,540,879</u>	<u>305,252,000</u>
Change in Net Assets	(54,474,738)	(79,135,486)	(1,321,000)
Net Assets - Beginning of Year (Restated)	<u>5,433,759,744</u>	<u>6,991,243</u>	<u>2,310,436,000</u>
Net Assets - End of Year	<u>\$ 5,379,285,006</u>	<u>\$ (72,144,243)</u>	<u>\$ 2,309,115,000</u>

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

University of Medicine and Dentistry of New Jersey	Non-Major Component Units	Total Component Units
\$ 1,939,295,000	\$ 4,127,575,097	\$ 11,268,493,416
999,276,000	1,723,854,090	5,142,959,330
561,315,000	1,013,309,590	2,968,649,847
<u>-</u>	<u>596,767,892</u>	<u>1,191,612,611</u>
<u>(378,704,000)</u>	<u>(793,643,525)</u>	<u>(1,965,271,628)</u>
<u>254,347,000</u>	<u>569,167,791</u>	<u>1,481,507,670</u>
<u>254,347,000</u>	<u>569,167,791</u>	<u>1,481,507,670</u>
(124,357,000)	(224,475,734)	(483,763,958)
<u>796,661,000</u>	<u>6,799,985,032</u>	<u>15,347,833,019</u>
<u>\$ 672,304,000</u>	<u>\$ 6,575,509,298</u>	<u>\$ 14,864,069,061</u>

**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 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 component units. The Garden State Preservation Trust, the New Jersey Building Authority, the New Jersey Schools Development Authority, the Tobacco Settlement Financing Corporation, Inc., and the New Jersey Transportation Trust Fund Authority are blended component units since they provide services entirely or almost entirely to the State and thus are fiscally dependent upon the State. Additional pertinent information related to them is disclosed in the notes 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 18.

COLLEGES AND UNIVERSITIES

The College of New Jersey
Thomas Edison State College
Kean University
Montclair State University
New Jersey City University
New Jersey Institute of Technology
The William Paterson University of New Jersey
Ramapo College of New Jersey
Rowan University
Rutgers, The State University of New Jersey
The Richard Stockton College of New Jersey
University of Medicine and Dentistry 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 Meadowlands Commission
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, Inc.

C. Government-wide and Fund Financial Statements

The government-wide financial statements (the statement of net assets 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 assets measures not just current assets and liabilities, but also long-term assets and liabilities such as capital assets (including infrastructure assets) and long-term debt. The difference between the State's assets and its liabilities is its net assets. Net assets are displayed in three components - invested in capital assets, net of related debt; restricted; and unrestricted. Net assets are restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. The amount of net assets that are restricted by enabling legislation is disclosed in Note 14. 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 (1) unusual in nature, or (2) infrequent in occurrence. An extraordinary item is a transaction or other event that is both (1) unusual in nature and (2) 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), short and long-term liabilities, 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. Revenue refunds payable are recorded as other liabilities. 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 fixed 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.

Each proprietary fund has the option under Governmental Accounting Standards Board (GASB), Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, to elect to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989 unless FASB conflicts with GASB. The State has elected to not apply FASB pronouncements issued after the applicable date.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 nonoperating revenues and expenses. The State's enterprise funds are the Unemployment Compensation Fund and the State Lottery Fund.

The Unemployment Compensation Fund's principle 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 principle 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 enterprise 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 Appropriations Act enacted by the 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 from the Gross Income Tax 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 tax rate from six percent to seven percent; of the additional one percent, half a percent was dedicated to the Property Tax Relief Fund. Annual appropriations are made from the fund, pursuant to formulas established by the Legislature, to counties, municipalities, and school districts.
- c. State Lottery Fund - This fund accounts for monies derived from the sale of lottery tickets and the subsequent payment of prizes to holders of winning lottery tickets.
- d. Unemployment Compensation Fund - This fund accounts for assessments received from employers and employees for unemployment compensation, and amounts credited or advances made by the Federal government to be used to provide benefits to eligible unemployed workers.

2. Governmental Fund Types

- a. Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources (other than special assessments, private-purpose trusts, or major capital projects) that are legally restricted to expenditure for specific purposes such as education, environment, and health care.

- b. Capital Projects Funds - To account for financial resources, usually general obligation bonds, capital projects funds are used for the acquisition or construction of major capital facilities for State use such as mental health, educational and correctional facilities, and public transportation projects. Funds granted to other units of government are not classified as capital projects funds and are included as expenditures of special revenue funds.

3. Fiduciary Fund Types

- a. Pension and Other Employee Benefit 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.

4. Proprietary Fund Types

Enterprise Funds - These funds may be used to report any activity for which a fee is charged to external users for goods and services. Activities are required to be reported as enterprise funds if laws or regulations require that the activity's costs of providing services be recovered with fees and charges, rather than with taxes on similar revenues.

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 obligations of the U.S. Treasury, foreign governments, agencies, municipal or political subdivisions of the State, commercial paper, bankers acceptances, revenue obligations of public authorities, debt instruments of banks, collateralized notes and mortgages, certificates of deposit, repurchase agreements, equity and convertible equity securities, and other common types of investment securities.

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 Balance Sheet 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, letters of credit, or government securities 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, 2009, 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 uncollectable amounts and primarily consist of federal revenues, taxes, loans, interest, 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 assets 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, and development rights.
- b. Infrastructure assets such as roads, bridges, dams, highway lands, and rights-of-way.
- c. All general government buildings, including hospital, care, and correctional facilities.
- d. Land improvements, machinery and 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, machinery and equipment, and software are consolidated into one category.
- e. Capital projects in the process of construction.

To measure depreciation expense, the State used 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, 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 does not capitalize and depreciate works of art, historical treasures, and similar assets because the assets cannot be reasonably valued and/or the assets have inexhaustible useful lives. Capital assets utilized in the government funds are recorded as expenditures in the governmental fund financial statements.

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 assets as receivable from and payable to external parties.

H. Liabilities

1. Deferred Revenue

Deferred revenues at the fund level arise when potential revenue does not meet the available criterion for recognition in the current period. Deferred 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 deferred revenue is removed from the balance sheet and revenue is recognized. Deferred revenues at the government-wide level arise only when the State receives resources before it has a legal claim to these resources.

Deferred revenue in the General Fund, at both levels, consists principally of amounts due from the Port Authority of New York and New Jersey.

2. Deferred Compensation

The State offers its employees a deferred compensation plan (the Plan) created in accordance with Internal Revenue Code Section 457. The Plan, which is administered by the Department of the Treasury, Division of Pensions and Benefits, permits participants to defer a portion of their salary until future years. Amounts deferred under the Plan are not available to employees until termination, retirement, death, or an unforeseeable emergency.

Under current Internal Revenue Service regulations, all monies that are deferred and any other assets or income of the Plan shall be held in trust for the exclusive benefit of the participating employees and their beneficiaries. The State has no liability for losses under the Plan but does have the duty of due care that would be required of an ordinary prudent investor.

The State's Employees' Deferred Compensation Plan is reported as a pension (and other employee benefits) trust fund in the fund financial statements. The Plan is fiduciary in nature, and thus is not reported in the government-wide financial statements.

3. Accumulated Unpaid Sick and Vacation Benefits

Cash payments for accumulated sick leave balances are made to retiring employees upon regular retirement. The payment is based on fifty percent of the employee's sick leave accumulation, at the pay rate in effect at the time of retirement up to a maximum of \$15,000. Employees separating from State service prior to retirement are not entitled to payments for accumulated sick leave balances. Cash payments for sick leave at retirement are made from annual legislative appropriations on a "pay-as-you-go" basis. Sick leave accumulations may also be used by an employee for a personal illness or injury as a means of continuing regular pay.

Employees annually earn 12 to 25 vacation days based on years of service and are permitted to carry over those days earned within a one-year period. The liability for accumulated employee sick leave and for accumulated vacation pay is reflected in the government-wide financial statements and the proprietary fund financial statements as noncurrent liabilities if due in more than one year, and as current liabilities-current portion of long-term obligations, if due within a year.

4. Other Long-term Obligations

In addition to accumulated unpaid sick and vacation benefits, other long-term obligations include general obligation bonds, revenue bonds, capital leases, installment obligations, certificates of participation, loans payable, and other liabilities of a long-term nature. 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 its net or accreted value rather than at face value. Bonds and notes payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges in other assets and are amortized over the term of the related debt.

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.

I. Net Assets

1. Invested in Capital Assets, Net of Related Debt - This component of net assets 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 assets are reported as restricted when constraints placed on net asset use are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of the other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
3. Unrestricted - Unrestricted net assets consist of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."
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. Reserved for Encumbrances - Used to segregate a portion of fund balance to provide for expenditure upon vendor performance of purchase agreements.
2. Reserved for Surplus Revenue - Used to identify that portion of fund balance commonly called the "Rainy Day Fund" which represents excess revenues that have been set aside per P.L. 1990, c.44.

3. Reserved for Other - Used to earmark a portion of the fund balance to indicate it is either a resource currently unavailable for appropriation or expenditure, or a statutory restriction on current fund balance.
4. Unreserved - General Fund, Special Revenue Funds, and Capital Projects Funds - Represents the following:
 - a. Unreserved Designated - Continuing Appropriations - Used to represent that portion of fund balance which has been appropriated by the Legislature, as well as those portions of fund balance of non-budgeted governmental funds so designated by management.
 - b. Unreserved Designated - Unrealized Gains - Used to represent the portion of fund balance that resulted from the fair value reporting of investments, i.e., the difference between investments reported at fair value and the amortized cost of those investments.
 - c. Unreserved Undesignated - Used to represent that portion of fund balance resources available for appropriation.

K. Fiscal Year End Differences

The following component units have fiscal years that ended on December 31, 2008:

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 Meadowlands Commission
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. Change in Accounting Policy

The State has adopted GASB Statement No.49, *Accounting and Financial Reporting for Pollution Remediation Obligations*.

B. Restatement of Net Asset Balance and Fund Balance

As a result of the implementation of GASB No. 49, the beginning fund balance for the New Jersey Schools Development Authority, a blended component unit, as well as the net asset balance for governmental activities, has decreased by \$7.0 million. In addition, the July 1, 2008 net asset balance for governmental activities was increased by \$267.0 million to reflect revised land improvements, building improvements, and infrastructure balances, net of depreciation adjustments.

C. Reclassifications

The Retail Margin Fund has been reclassified from a Special Revenue Fund to an account within the General Fund. Consequently, the July 1, 2008 fund balance for the General Fund has increased by \$106.1 million and the July 1, 2008 fund balance for the Non-Major Governmental Funds has decreased by \$106.1 million.

D. Deficit Fund Balance

The New Jersey Schools Development Authority, a blended component unit, is reporting a deficit fund balance of \$29.5 million, mainly resulting from the adoption of GASB Statement No. 49.

E. Joint Ventures

The Port Authority of New York and New Jersey
225 Park Avenue South
New York, NY 10003-1604
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 agency 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, 2008 disclosed the following (expressed in millions):

Financial Position

	<u>Combined Total</u>
Total Assets	\$ 25,037.6
Total Liabilities	<u>15,206.2</u>
Net Assets	<u>\$ 9,831.4</u>

Operating Results

Operating Revenues	\$ 3,739.2
Operating Expenses	(2,463.7)
Depreciation and Amortization	(715.4)
Net Recoverables (Expenses) Related to the Events of September 11, 2001	<u>457.9</u>
Income from Operations	1,018.0
Non-operating Revenues (Expense), Net	<u>(123.9)</u>
Net Income	<u>\$ 894.1</u>

Changes in Net Assets

Balance January 1, 2008	\$ 8,937.3
Net Income	<u>894.1</u>
Balance December 31, 2008	<u>\$ 9,831.4</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, 2008, Port Authority debt consisted of the following (expressed in millions):

Bonds, Notes and Other Obligations

Consolidated Bonds and Notes	\$ 10,794.8
Special Project Bonds	1,118.1
Operating Asset Financing	510.8
Capital Asset Financing	<u>676.7</u>
	13,100.4
Less: Unamortized Discount and Premium	<u>(63.8)</u>
Total	<u>\$ 13,036.6</u>

F. 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 \$581.0 million, the amount of the present value of future lease payments by the State to the New Jersey Building Authority as of December 31, 2008.

In accordance with GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, an additional \$682.4 million 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, and Property Tax Relief 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 (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 highest 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 total average 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, 2009 the State's bank balances amounted to \$278.1 million. Of these balances, \$8.8 million was exposed to custodial credit risk as uninsured and uncollateralized.

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 domestic and international equities and exchange traded funds; covered call and put options; equity futures contracts; obligations of the U.S. Treasury, government agencies, corporations, obligations of international corporations, governments and agencies; bank loans; interest rate swap transactions; credit default swaps; fixed income exchange traded funds; U.S. Treasury futures contracts; New Jersey State and Municipal general obligations; public authority revenue obligations; collateralized notes and mortgages; commercial paper; certificates of deposit; repurchase agreements; bankers acceptances; guaranteed income contracts; funding agreements; money market funds; private equity; real estate; 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 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 primarily reflected as investments in the Statement of Fiduciary Net Assets, 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. All 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.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund and the Common Pension Funds. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290.

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. Except for the Casino Revenue Fund and the Casino Control Fund, investment earnings for these funds accrue to the General Fund.

Approximately \$611.7 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 balance sheet. 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):

	Amount Reported As Investments
Domestic fixed income securities	\$ 36,091.5
Domestic equities	17,317.0
International equities	11,998.6
Private equities	2,982.4
Absolute return strategy funds	2,743.3
Real estate	1,589.0
Mortgages	1,367.9
Bank loan funds	1,027.8
Annuity contracts	611.7
Commodity funds	547.1
Mutual funds	418.0
International fixed income securities	30.8
Repurchase agreements	2.6
Total investments	<u>76,727.7</u>
Unallocated administrative expenses and transaction exchanges	(445.6)
Net amount recorded as investments	<u><u>\$ 76,282.1</u></u>

As Reported on the Government-wide Statement of Net Assets and Statement of Fiduciary Net Assets:

	Current Investments	Non-Current Investments	Total
Governmental activities	\$ 6,049.8	\$ -	\$ 6,049.8
Business-type activities	288.5	481.1	769.6
Fiduciary funds	69,462.7	-	69,462.7
Total	<u><u>\$ 75,801.0</u></u>	<u><u>\$ 481.1</u></u>	<u><u>\$ 76,282.1</u></u>

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, 2009 the following limits were in effect.

Category	Minimum Rating			Limitation of Issuers' Outstanding Debt	Limitation of Issue	Other Limitations
	Moody's	S&P	Fitch			
Corporate obligations	Baa3	BBB-	BBB-	10%	25%	Not more than 5% of fund assets can be invested in one corporation
International corporate obligations	Baa3	BBB-	BBB-	10%	25%	Limited to not more than 5% of fund assets in any one issuer; not more than 10% of fund assets can be invested in this category
International government and agency obligations	Baa3	BBB-	BBB-	25%	Greater of 25% or \$10 million	-
Collateralized notes and mortgages	Baa3	BBB-	BBB-	-	25%	Not more than 5% of fund assets can be invested in one issuer
Commercial paper	P-1	A-1	F1	-	-	-
Certificates of deposit and bankers acceptances:						Certificates of deposit and bankers acceptances cannot exceed 10% of issuer's primary capital
Domestic	A3/P-1	A-/A-1	A-/F1	-	-	
International	Aa3/P-1	AA-/A-1	AA-/F1	-	-	
Credit default swap transactions	A1	A+	A+	-	-	Nominal value of net exposure to any one counterparty shall not exceed 10% of fund assets
Guaranteed income contracts	A3	A-	A-	-	-	-
Money market funds	-	-	-	-	-	Limited to 10% of the assets of the fund
Interest rate swap transactions	A1	A+	A+	-	-	Notional value of net exposure to any one counterparty shall not exceed 10% of fund assets
Repurchase agreements	Aa3	AA-	AA-	-	-	-
New Jersey state and municipal obligations	A3	A-	A-	10%	10%	Limit of 2% of fund assets can be invested in debt of any one entity
Public Authority revenue obligations	A3	A-	A-	-	10%	Limit of 2% of fund assets in any one authority
Mortgage backed pass through securities	A3	A-	A-	-	-	Limit of 5% of fund assets in any one issue
Mortgage backed senior debt securities	-	-	-	-	25%	Limit of 5% of fund assets in any one issue
Non-convertible preferred stocks of U.S. corporations	Baa3	BBB-	BBB-	10%	25%	Limit of 5% of fund assets in any one corporation
Bank loans	Baa3	BBB-	BBB-	-	-	Limit of 5% of fund assets

Effective December 15, 2008, up to five percent of the market value of the combined assets of the pension and annuity funds may be invested in corporate obligations, international corporate obligations, collateralized notes and mortgages, bank loans, non-convertible preferred stocks, and mortgage backed pass-through securities that do not meet the minimum credit rating requirements set forth above. Prior to that, the limitation excluded bank loans and non convertible preferred stocks.

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, 2009. The first table is for bonds rated by Moody's. The second table uses Standard and Poor's ratings for bonds not rated by Moody's (expressed in millions):

	Moody's Rating					
	Aaa	Aa	A	Baa	Ba	P-1
United States Treasury bills	\$ 8,984.9	\$ -	\$ -	\$ -	\$ -	\$ -
United States Treasury notes	2,178.7	-	-	-	-	-
United States Treasury TIPS	3,391.8	-	-	-	-	-
United States Treasury bonds	2,238.6	-	-	-	-	-
United States Treasury strips	664.2	-	-	-	-	-
United States Government Agency	290.5	-	-	-	-	-
Government agency strips	522.3	-	-	-	-	-
Title XI merchant marine notes	1.8	-	-	-	-	-
Federal farm credit bank bonds	74.2	-	-	-	-	-
Federal home loan bank discounted notes	41.4	-	-	-	-	-
Federal home loan mortgage corporation notes	282.8	-	-	0.1	0.1	-
Federal national mortgage association notes	27.3	-	-	-	-	-
Floating rate notes	-	-	11.3	26.8	2.5	-
Domestic corporate obligations	369.0	1,503.2	4,359.8	3,624.9	233.0	-
Convertible bonds	-	-	-	27.3	-	-
International corporate obligations	-	129.4	705.1	648.4	16.3	-
Repurchase agreements	2.6	-	-	-	-	-
International bonds and notes	70.7	85.1	-	-	-	-
Foreign government obligations	29.9	303.6	24.8	-	-	-
Municipal bonds	-	11.1	24.0	1.6	-	-
Remic/FHLMC/FNMA	618.5	-	-	-	-	-
Mortgages/FHLM/FNMA/GNMA	144.0	-	-	-	-	-
SBA pass through certificates	170.6	-	-	0.3	-	-
Asset backed obligations	32.5	29.6	-	105.0	-	-
Private export obligations	25.0	-	-	-	-	-
Commercial paper	-	50.7	-	-	-	2,061.4
Certificates of deposit	-	-	-	-	-	1,280.0
Other	7.7	0.7	2.5	3.5	0.8	0.4
	<u>\$ 20,169.0</u>	<u>\$ 2,113.4</u>	<u>\$ 5,127.5</u>	<u>\$ 4,437.9</u>	<u>\$ 252.7</u>	<u>\$ 3,341.8</u>

	Standard & Poors's Rating					
	A	AA	B	BB	BBB	CC
Domestic corporate obligations	\$ 26.6	\$ -	\$ -	\$ -	\$ 1.2	\$ 1.0
Convertible bonds	-	-	-	1.4	-	-
International corporate obligations	-	-	0.6	0.9	-	-
Asset backed obligations	-	21.2	-	-	-	-
	<u>\$ 26.6</u>	<u>\$ 21.2</u>	<u>\$ 0.6</u>	<u>\$ 2.3</u>	<u>\$ 1.2</u>	<u>\$ 1.0</u>

The tables do not include various domestic corporate obligations given a Standard & Poor's rating of CCC (\$1.8million); and D (\$1.1 million); and a Moody's rating of B (\$148.7 million); Bb (\$0.2 million); C (\$0.1 million); Ca (\$20.8 million); and Caa (\$67.6 million); international corporate obligations given a Moody's rating of B (\$28.2 million); C (\$0.6 million) and Caa (\$2.6 million); high yield structured notes given a Moody's rating of Caa (\$79.1 million); floating rate notes given a Moody's rating of B (\$6.3 million) and Caa (\$2.4 million); convertible bonds given a Moody's rating of B (\$0.5 million) and Caa (\$0.8 million); international floating rate notes given a Moody's rating of B (\$1.5 million); SBA pass through certificates given a Moody's rating of B (\$0.2 million); and Federal home loan mortgage association notes given a Moody's rating of B (\$0.1 million).

In addition, the Police and Firemen's mortgages of \$1,367.9 million, exchange traded funds of \$163.3 million, asset backed obligations of \$45.3 million, Federal home loan mortgage corporation notes of \$24.3 million, convertible bonds of \$10.1 million, international floating rate notes of \$10.0 million, foreign government obligations of \$9.9 million, domestic corporate obligations of \$4.0 million, and international corporate obligations of \$0.2 million are unrated.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Commercial paper must mature with 270 days. Certificates of deposits and bankers acceptance are limited to a term of one year or less. Repurchase agreements must mature with 30 days. The investment in guaranteed income contracts and funding agreements is limited to a term of ten years or less.

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, 2009 (expressed in millions):

	Total Fair Value	Maturities in Years			
		Less than 1	1-5	6-10	More than 10
United States Treasury bills	\$ 8,984.9	\$ 8,984.9	\$ -	\$ -	\$ -
United States Treasury notes	2,178.7	1,965.7	94.4	81.7	36.9
United States Treasury TIPS	3,391.8	73.2	0.2	0.3	3,318.1
United States Treasury bonds	2,238.6	-	-	-	2,238.6
United States Treasury strips	664.2	-	-	-	664.2
United States Government Agency	290.5	4.8	68.7	9.3	207.7
Government agency strips	522.3	-	-	-	522.3
Title XI merchant marine notes	1.8	-	-	-	1.8
Federal farm credit bank bonds	74.2	-	-	74.2	-
Federal home loan bank discounted notes	41.4	-	-	-	41.4
Federal home loan mortgage corporation notes	307.4	33.9	104.7	131.9	36.9
Federal national mortgage association notes	27.3	27.3	-	-	-
Floating rate notes	49.3	13.2	6.0	3.4	26.7
Domestic corporate obligations	10,363.0	261.1	657.7	3,106.8	6,337.4
Convertible bonds	40.1	-	2.2	1.3	36.6
International corporate obligations	1,532.3	0.4	14.5	308.7	1,208.7
Repurchase agreements	2.6	2.6	-	-	-
International floating rate notes	11.5	-	10.0	1.5	-
International bonds and notes	155.8	-	-	155.8	-
Foreign government obligations	368.2	15.2	24.6	75.2	253.2
Municipal bonds	36.7	-	-	-	36.7
Remic/FHLMC/FNMA	618.5	-	20.4	-	598.1
Mortgages/FHLM/FNMA/GNMA	144.0	-	7.3	4.2	132.5
Police and firemen's mortgages	1,367.9	-	-	-	1,367.9
High yield structured notes	79.1	-	79.1	-	-
SBA pass through certificates	171.1	-	0.2	170.9	-
Asset backed obligations	233.6	-	-	15.3	218.3
Private export obligations	25.0	-	-	25.0	-
Commercial paper	2,112.1	2,112.1	-	-	-
Certificates of deposit	1,280.0	1,280.0	-	-	-
Other	15.6	4.8	5.3	2.5	3.0
	<u>\$ 37,329.5</u>	<u>\$ 14,779.2</u>	<u>\$ 1,095.3</u>	<u>\$ 4,168.0</u>	<u>\$ 17,287.0</u>

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. The Common Pension Fund D account within this investment pool reflects the State's investments in global markets. Effective August 20, 2007, the fair value of international preferred and common stocks and issues convertible into common stocks, when combined with the fair value of international government and agency obligations, cannot exceed 30 percent of the fair value of the Common Pension Fund D account. Previously, this limitation was 22 percent. The market value of emerging market securities cannot exceed more than 1.5 times the percentage derived by dividing the total market capitalization of the companies included in the Morgan Stanley Capital International (MSCI) Emerging Market Index by the total market value of the assets held by Common Pension Fund D account. Not more than 10 percent of the market value of the emerging market securities can be invested in the common and preferred stock of any one corporation. The total amount of stock purchased in any one corporation cannot exceed 5 percent of its stock classes eligible to vote. State regulations permit entering into foreign exchange contracts for the purpose of hedging the international portfolio. The State held forward contracts at June 30, 2009 totaling \$4.9 billion and payables totaling approximately \$4.7 billion (with a \$126.0 million net exposure). At June 30, 2009, 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	Foreign Government Obligations	Alternative Investments
Australian dollar	\$ 656.7	\$ 656.7	\$ -	\$ -
Brazilian Real	91.4	91.4	-	-
British pound sterling	1,557.0	1,542.2	-	14.8
Canadian dollar	187.0	187.0	-	-
Chilean peso	3.4	3.4	-	-
Czech koruna	7.8	7.8	-	-
Danish krone	186.3	186.3	-	-
Euro dollar	3,706.6	3,485.0	29.9	191.7
Egyptian pound	19.0	19.0	-	-
Hong Kong dollar	457.4	457.4	-	-
Hungarian forint	7.5	7.5	-	-
Indonesian rupiah	31.5	31.5	-	-
Israeli shekel	14.3	14.3	-	-
Japanese yen	1,944.8	1,944.8	-	-
Malaysian ringgit	12.4	12.4	-	-
Mexican peso	9.0	9.0	-	-
New Taiwan dollar	10.8	10.8	-	-
Norwegian krone	176.7	176.7	-	-
Pakistan rupee	2.4	2.4	-	-
Philippines peso	0.7	0.7	-	-
Polish zolty	7.1	7.1	-	-
Singapore dollar	172.6	172.6	-	-
South African rand	89.6	89.6	-	-
South Korean won	105.0	105.0	-	-
Swedish krona	165.3	164.4	0.9	-
Swiss franc	879.4	879.4	-	-
Thailand baht	25.6	25.6	-	-
Turkish lira	39.1	39.1	-	-
	<u>\$ 10,566.4</u>	<u>\$ 10,329.1</u>	<u>\$ 30.8</u>	<u>\$ 206.5</u>

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 28 percent of the market value of the Pension Fund can be invested in alternative investments, with the individual categories of real estate, real assets, private equities, and absolute return strategy investments limited to 7 percent. The Common Pension Fund E account within the Common Pension Trust Fund pool reflects the State's alternative investments. Not more than 5 percent of the market value of Common Pension Fund E plus outstanding commitments may be committed to any one partnership or investment, without the prior written approval of the State Investment Council. The investments in Common Pension Fund E cannot comprise more than 20 percent of any one investment manager's total assets.

NOTE 5 - SECURITIES LENDING COLLATERAL

The securities lending collateral is subject to various risks. Among these risks are credit risk, concentration of credit risk, and interest rate risk. Agreements with the lending agents 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. These limits are consistent with Council regulations and internal policies for funds managed by the Division of Investment, Department of the Treasury.

The following limits became effective December 15, 2008:

Category	Minimum Rating			Limitation of Issuer's Outstanding Debt	Limitation of Issue	Other Limitations
	Moody's	S&P	Fitch			
Corporate obligations	A2	A	A	10%	25%	-
Collateralized notes and mortgages	Aa	AA	AA	-	25%	Limited to not more than 10% of the assets of the collateral portfolio
Commercial paper	P-1	A-1	F1	-	-	-
Certificates of deposit and bankers acceptances:						Uncollateralized certificates of deposit and bankers
Domestic	A2/P-1	A-/A-1	A-/F1	-	-	acceptances cannot exceed 10%
International	Aa3/P-1	AA-/A-1	AA-/F1	-	-	of issuer's primary capital
Guaranteed income contracts and funding agreements	A2	A	A	-	-	Limited to 5% of the assets of the collateral portfolio
Money market funds	-	-	-	-	-	Limited to 10% of the assets of the collateral portfolio

Through December 14, 2008, the following limits were effective:

Category	Minimum Rating			Limitation of Issuer's Outstanding Debt	Limitation of Issue	Other Limitations
	Moody's	S&P	Fitch			
Corporate obligations	Baa3	BBB-	BBB-	10%	25%	-
US finance company debt and bank debentures	Baa3	BBB-	BBB-	10%	25%	-
Collateralized notes and mortgages	Baa3	BBB-	BBB-	-	25%	Limited to not more than 10% of the assets of the collateral portfolio
Commercial paper	P-1	A-1	F1	-	-	-
Certificates of deposit and bankers acceptances:						Uncollateralized certificates of deposit and bankers
Domestic	A3/P-1	A-/A-1	A-/F1	-	-	acceptances cannot exceed
International	Aa3/P-1	AA-/A-1	AA-/F1	-	-	10% of issuer's primary capital
Guaranteed income contracts and funding agreements	A3	A-	A-	-	-	Limited to 5% of the assets of the collateral portfolio
Money market funds	-	-	-	-	-	Limited to 10% of the assets of the collateral portfolio

Prior to December 15, 2008, all investments in the collateral portfolio matured or were redeemed within one year, except that up to 25% of the portfolio may be invested in eligible securities which mature within 25 months; provided, however, that the average maturity of all investments shall not exceed one year. Effective December 15, 2008, all investments in the collateral portfolio must mature or be redeemed within one year.

Commercial paper maturities cannot exceed 270 days. Repurchase agreement maturities cannot exceed 30 days. Certificates of deposit and bankers acceptances must mature in one year or less.

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, except for U.S. Treasury and Government Agency Obligations. For money market funds, the total amount of shares or units purchased or acquired of any money market fund shall not exceed five percent of the shares or units outstanding of said money market fund. For collateralized notes, not more than two percent, of the assets of the collateral portfolio shall be invested in the obligations of any one issue, for mortgages, not more than five percent. For guaranteed income contracts, and funding agreements, the total investment in any one issuer shall be limited to 2.5 percent of the collateral portfolio. Prior to December 15, 2008 the State set individual issuer limits for commercial paper and certificate of deposits; subsequently, the State sets issuer limits for all investments in the collateral portfolio.

For securities exposed to credit risk in the collateral portfolio, the following table disclosures aggregate market value, by major credit quality rating category at June 30, 2009 (expressed in millions):

	Moody's Rating								Totals
	Aaa/AAA	Aa/AAA	Aa/AA	a/AA	Aa/A	A/A	A/AA	Not rated	
Corporate obligations	\$ -	\$ 99.8	\$ 642.4	\$ 15.0	\$ 109.7	\$ 759.9	\$ 169.0	\$ 29.6	\$ 1,825.4
Commercial paper	-	-	-	-	-	-	-	200.0	200.0
Certificates of deposit	-	-	100.0	-	100.0	-	-	50.0	250.0
Guaranteed investment contracts	-	-	100.0	-	-	-	150.0	-	250.0
Repurchase agreements	-	-	-	-	-	-	-	1,726.8	1,726.8
Money market funds	151.6	-	-	-	-	-	-	315.7	467.3
US Agencies	70.0	-	-	-	-	-	-	-	70.0
	<u>\$ 221.6</u>	<u>\$ 99.8</u>	<u>\$ 842.4</u>	<u>\$ 15.0</u>	<u>\$ 209.7</u>	<u>\$ 759.9</u>	<u>\$ 319.0</u>	<u>\$ 2,322.1</u>	<u>\$ 4,789.5</u>

At June 30, 2009, all investments in the collateral portfolio will mature in less than one year.

As of June 30, 2009, the Pension Funds had received cash collateral of \$4.8 billion and non-cash collateral of \$13.5 million of outstanding loaned investment securities having market values of \$4.7 billion.

NOTE 6 - RECEIVABLES

Fiduciary funds' receivables are not disclosed in the statement of net assets. 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 assets 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 19 – Contingent Liabilities.

These Federal receivables are reported in conformance with generally accepted accounting principles as defined in Statement No. 2 - *Grant, Entitlement and Shared Revenue Accounting and Reporting by State and Local Governments* published by the National Council on Governmental Accounting. 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 \$3.1 billion of Federal

government awards consisting of encumbrances and appropriation balances which are considered unearned and unrecorded as of June 30, 2009.

Federal receivable balances in the Unemployment Compensation Fund (\$215.1 million) represent unemployment contributions transferred to the Federal Reserve Bank for deposit in the Federal Unemployment Trust Fund. All monies are invested by the Federal Government and interest earnings are credited to the Unemployment Compensation Fund.

B. Departmental

Departmental accounts receivable of \$3.4 billion include amounts which were substantially collected within the one month period subsequent to June 30 and include most major tax revenues. Amounts included in these receivables but not collected within the one month period subsequent to June 30 are deemed to be collectible, and are reflected net of allowances (\$381.2 million).

C. Loans

Loans receivable of \$1.5 billion are reduced by allowances of \$70.5 million and include \$1.3 billion due from local units of government and other recipients for environmental projects, \$46.4 million loaned for economic development within local units of government, and \$11.6 million loaned for housing and mortgage assistance.

D. Other

Other receivables totaling \$1.8 billion are reduced by allowances of \$750.6 million and include tax receivables due of \$388.2 million, \$541.0 million due from the Port Authority of New York and New Jersey, \$145.8 million due from tobacco companies, and \$84.6 million due from proceeds of Motor Vehicle Commission bonds which are held by the trustee.

NOTE 7 – CAPITAL ASSETS

A summary of capital assets and related accumulated depreciation by category as of June 30 2009 is as follows (expressed in millions):

	<u>Balance July 1, 2008*</u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers/ Adjustments</u>	<u>Balance June 30, 2009</u>
Capital assets, not being depreciated:					
Land and easements	\$ 4,418.0	\$ 162.6	\$ -	\$ -	\$ 4,580.6
Construction in progress**	3,147.6	1,552.5	-	(1,557.8)	3,142.3
Capital assets, being depreciated:					
Land improvements	194.5	-	-	8.9	203.4
Buildings and improvements	3,001.3	10.8	24.2	431.4	3,419.3
Machinery, equipment, and software	565.1	41.0	15.7	14.2	604.6
Infrastructure	16,372.2	-	-	1,094.4	17,466.6
Total at historical cost	<u>27,698.7</u>	<u>1,766.9</u>	<u>39.9</u>	<u>(8.9)</u>	<u>29,416.8</u>
Less accumulated depreciation:					
Land improvements	110.9	5.8	-	-	116.7
Buildings and improvements	1,570.0	105.3	21.6	-	1,653.7
Machinery, equipment, and software	292.6	69.7	13.1	-	349.2
Infrastructure	6,232.0	436.7	-	-	6,668.7
Total accumulated depreciation	<u>8,205.5</u>	<u>617.5</u>	<u>34.7</u>	<u>-</u>	<u>8,788.3</u>
Governmental activities capital assets, net	<u>\$ 19,493.2</u>	<u>\$ 1,149.4</u>	<u>\$ 5.2</u>	<u>\$ (8.9)</u>	<u>\$ 20,628.5</u>

* The July 1, 2008 capital asset balance has been restated by a net \$303.2 million and the accumulated depreciation balance has been increased by \$36.2 million to reflect the revised land improvements, building improvements, and infrastructure.

** Construction in progress includes infrastructure projects and software in development.

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
Machinery and equipment	4-30
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	\$ 62.3
Physical and mental health	14.6
Educational, cultural, and intellectual development	16.7
Community development and environmental management	16.5
Economic planning development, and security	24.3
Transportation programs	444.5
Government direction, management, and control	32.3
Special government services	6.3
	<u>\$ 617.5</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, 2009 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>
Due from:							
General Fund	\$ -	\$ -	\$ 254.1	\$ -	\$ 120.2	\$ 107.9	\$ 482.2
Property Tax Relief Fund	275.2	-	9.1	-	20.7	64.0	369.0
Non-Major Governmental Funds	500.1	0.6	284.9	-	0.8	-	786.4
State Lottery Fund	108.2	-	-	-	-	-	108.2
Unemployment Compensation Fund	-	0.6	17.8	-	-	-	18.4
Fiduciary Funds	8.2	10.6	-	-	-	1.3	20.1
Total Due from	<u>\$ 891.7</u>	<u>\$ 11.8</u>	<u>\$ 565.9</u>	<u>\$ -</u>	<u>\$ 141.7</u>	<u>\$ 173.2</u>	<u>\$ 1,784.3</u>
Due to:							
General Fund	\$ -	\$ 275.2	\$ 500.1	\$ 108.2	\$ -	\$ 8.2	\$ 891.7
Property Tax Relief Fund	-	-	0.6	-	0.6	10.6	11.8
Non-Major Governmental Funds	254.1	9.1	284.9	-	17.8	-	565.9
Unemployment Compensation Fund	120.2	20.7	0.8	-	-	-	141.7
Fiduciary Funds	107.9	64.0	-	-	-	1.3	173.2
Total Due to	<u>\$ 482.2</u>	<u>\$ 369.0</u>	<u>\$ 786.4</u>	<u>\$ 108.2</u>	<u>\$ 18.4</u>	<u>\$ 20.1</u>	<u>\$ 1,784.3</u>

B. Transfer In/(Out)

Interfund transfers for the fiscal year ended June 30, 2009 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>
Transfers (out) to:							
General Fund	\$ -	\$ -	\$ (1,212.0)	\$ (908.7)	\$ (22.8)	\$ (3.0)	\$ (2,146.5)
Property Tax Relief Fund	(846.8)	-	-	-	-	-	(846.8)
Non-Major Governmental Funds	(2,261.1)*	-	(1,540.9)	-	-	-	(3,802.0)
Unemployment Compensation Fund	(120.0)	-	-	-	-	-	(120.0)
Total Transfers (Out)	<u>\$ (3,227.9)</u>	<u>\$ -</u>	<u>\$ (2,752.9)</u>	<u>\$ (908.7)</u>	<u>\$ (22.8)</u>	<u>\$ (3.0)</u>	<u>\$ (6,915.3)</u>
Transfers in from:							
General Fund	\$ -	\$ 846.8	\$ 1,714.1	\$ -	\$ 120.0	\$ -	\$ 2,680.9
Non-Major Governmental Funds	1,212.0	-	1,540.9	-	-	-	2,752.9
State Lottery Fund	908.7	-	-	-	-	-	908.7
Unemployment Compensation Fund	22.8	-	-	-	-	-	22.8
Fiduciary Funds	3.0	-	-	-	-	-	3.0
Total Transfers In	<u>\$ 2,146.5</u>	<u>\$ 846.8</u>	<u>\$ 3,255.0</u>	<u>\$ -</u>	<u>\$ 120.0</u>	<u>\$ -</u>	<u>\$ 6,368.3</u>
Net Transfers	<u>\$ (1,081.4)</u>	<u>\$ 846.8</u>	<u>\$ 502.1</u>	<u>\$ (908.7)</u>	<u>\$ 97.2</u>	<u>\$ (3.0)</u>	<u>\$ (547.0)</u>

* The New Jersey Schools Development Authority (a blended component unit included in the Non-Major Governmental Funds) has a fiscal year end of December 31, 2008. Due to the State having a June 30, 2009 fiscal year end, transactions between the New Jersey Schools Development 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 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. The \$1.8 billion of borrowings was repaid in full prior to the end of the fiscal year. Short-term debt activity for the year ended June 30, 2009 was as follows (expressed in millions):

	<u>Outstanding</u> <u>July 1, 2008</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Outstanding</u> <u>June 30, 2009</u>
Tax and Revenue Anticipation Notes	\$ --	\$ 1,800.0	\$ (1,800.0)	\$ --

NOTE 10 – LONG-TERM OBLIGATIONS

The State's long-term debt is divided into bonded and non-bonded categories. Bonded categories include General Obligation Bonds, Revenue Bonds Payable, certain Capital Leases, Installment Obligations, Certificates of Participation, Unamortized Premium, Tobacco Settlement Financing Corporation, Inc. Bonds ("TSFC"), Unamortized Deferral on Refunding, and Unamortized Interest on Capital Appreciation Bonds. Non-bonded categories include Accumulated Sick and Vacation Payable, certain Capital Leases, Loans Payable, Net Pension Obligation, Pollution Remediation Obligation, Other Postemployment Benefits, Other, and Deposit Fund Contracts.

A. Changes in Long-term Debt

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

	<u>Outstanding</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Outstanding</u> <u>June 30, 2009</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities					
<u>Bonded Debt</u>					
General Obligation Bonds	\$ 2,818.5	\$ 228.8	\$ 520.6	\$ 2,526.7	\$ 139.1
Revenue Bonds Payable	13,702.4	3,528.7	393.1	16,838.0	362.9
Capital Leases	286.5	-	17.1	269.4	18.0
Installment Obligations	18,218.0	1,372.2	873.8	18,716.4	870.7
Certificates of Participation	54.7	7.4	27.0	35.1	18.3
Unamortized Premium	1,412.8	55.1	111.3	1,356.6	-
Tobacco Settlement Financing Corporation, Inc.	4,591.4	-	66.8	4,524.6	11.8
Unamortized Deferral on Refunding	(865.7)	3.6	(68.4)	(793.7)	-
Unamortized Interest on Capital Appreciation Bonds	(6,347.6)	(1,899.3)	(286.8)	(7,960.1)	-
<u>Non-Bonded Debt</u>					
Accumulated Sick and Vacation Payable	595.9	344.9	305.0	635.8	344.9
Capital Leases	410.6	24.7	55.5	379.8	49.4
Loans Payable	1,279.4	-	-	1,279.4	-
Net Pension Obligation	4,759.3	1,606.3	-	6,365.6	-
Pollution Remediation Obligation	-	101.8	-	101.8	-
Other Postemployment Benefits	3,177.4	4,646.0	1,187.1	6,636.3	-
Other	276.7	302.3	274.2	304.8	302.3
Subtotal Governmental Activities	<u>44,370.3</u>	<u>10,322.5</u>	<u>3,476.3</u>	<u>51,216.5</u>	<u>2,117.4</u>
Business-type Activities					
Accumulated Sick and Vacation Payable	1.0	0.6	0.5	1.1	0.6
Deposit Fund Contracts	663.7	78.3	130.4	611.6	130.6
Subtotal Business-type Activities	<u>664.7</u>	<u>78.9</u>	<u>130.9</u>	<u>612.7</u>	<u>131.2</u>
Total Governmental and Business-type Activities	<u>\$ 45,035.0</u>	<u>\$ 10,401.4</u>	<u>\$ 3,607.2</u>	<u>\$ 51,829.2</u>	<u>\$ 2,248.6</u>

B. Debt Service Payments

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

Fiscal Year	Debt Service						Total
	General Obligation Bonds	Revenue Bonds	Capital Leases	Installment Obligations	Certificates of Participation	TSFC*	
2010	\$ 263.6	\$ 908.7	\$ 115.7	\$ 1,503.9	\$ 19.5	\$ 169.9	\$ 2,981.3
2011	398.2	927.0	106.0	1,231.8	11.2	173.6	2,847.8
2012	383.6	949.1	98.8	1,196.7	4.2	174.8	2,807.2
2013	379.1	950.0	81.3	1,201.8	1.2	175.9	2,789.3
2014	284.2	933.1	67.9	1,240.0	1.0	179.2	2,705.4
2015-2019	1,183.6	4,682.7	264.2	6,351.1	-	1,043.3	13,524.9
2020-2024	348.1	4,479.7	167.7	6,505.9	-	1,081.7	12,583.1
2025-2029	58.5	3,156.1	105.0	5,909.3	-	1,084.9	10,313.8
2030-2034	-	2,411.3	6.5	1,753.2	-	1,087.8	5,258.8
2035-2039	-	3,240.2	3.9	424.2	-	1,093.0	4,761.3
2040-2044	-	762.8	-	-	-	1,716.3	2,479.1
Total Minimum							
Payments	3,298.9	23,400.7	1,017.0	27,317.9	37.1	7,980.4	63,052.0
Interest	<u>(772.2)</u>	<u>(6,562.7)</u>	<u>(367.8)</u>	<u>(8,601.5)</u>	<u>(2.0)</u>	<u>(3,455.8)</u>	<u>(19,762.0)</u>
Principal	2,526.7	16,838.0	649.2	18,716.4	35.1	4,524.6	43,290.0
Unamortized Premium	164.3	725.7	-	466.6	-	-	1,356.6
Unamortized Deferral on Refunding	(69.8)	(276.5)	-	(91.6)	-	(355.8)	(793.7)
Unamortized Interest on Capital Appreciation Bonds	-	<u>(4,472.9)</u>	-	<u>(2,419.4)</u>	-	<u>(1,067.8)</u>	<u>(7,960.1)</u>
Total	<u>\$ 2,621.2</u>	<u>\$ 12,814.3</u>	<u>\$ 649.2</u>	<u>\$ 16,672.0</u>	<u>\$ 35.1</u>	<u>\$ 3,101.0</u>	<u>\$ 35,892.8</u>

* 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, 2009, the State had \$2.5 billion of State general obligation bonds outstanding with another \$702.5 million of bonding authorization remaining from various State general obligation bond acts. During the fiscal year, \$228.8 million of General Obligation debt was issued for various purposes, and the amount provided by the State's General Fund for debt service payments for Fiscal Year 2009 was \$405.7 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 2009, the State refunded \$228.8 million of general obligation debt. As a result, \$247.9 million of bonds have been refunded and are now considered to be 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 \$26.7 million and resulted in a net present value savings of \$6.0 million. As of June 30, 2009, the amount of defeased general obligation debt outstanding, but removed from the State's long-term obligations amounted to \$733.5 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, and the New Jersey Transportation Trust Fund Authority (TTFA). During Fiscal Year 2009, the TTFA issued \$3.4 billion of bonds, of which \$1.9 billion were capital appreciation bonds, used to fund transportation system improvements, while the NJBA issued \$90.5 million of refunding bonds in order to defease \$91.7 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 8 years was reduced by \$31.5 million which resulted in \$3.5 million in present value loss. Due to the nation's credit crisis, inefficiencies in the auction rate market resulted in TTFA having to remarket \$345.0 million of bonds during the fiscal year.

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 facilities such as the Trenton Office Complex and Greystone Psychiatric Hospital.

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 2009, these authorities issued \$1.4 billion of bonds, of which, \$1.0 billion was mostly used to finance school facilities projects and fund other capital costs. The remaining \$381.9 million were refunding bonds that were issued in order to defease \$374.5 million 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 24 years were reduced by \$90.8 million and resulted in a net present value gain of \$31.3 million. The State's installment obligations outstanding as of June 30, 2009 total \$18.7 billion. Total authorized but unissued installment obligations equal \$5.0 billion as of June 30, 2009.

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. 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 refunding bonds.

I. Tobacco Settlement Financing Corporation, Inc. (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, the TSFC issued \$3.46 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.

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.

J. Unamortized Deferral on Refunding

Under GASB Statement No. 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities*, unamortized deferral on refunding shows the actual gain or loss on refunding transactions. Gains are shown as an asset and amortized over the shorter of the life of the refunding bonds or the bonds that were refunded. During fiscal year 2009, the State issued \$701.1 million of refunding bonds that are to be amortized over a time period of 1 year to 9 years. GASB Statement No. 23 defines a gain/loss as the total outstanding amount of the old bonds minus the new refunding bonds issued minus the cost of issuance on the new refunding bonds. The refunding bonds have a total loss of \$793.7 million.

K. Unamortized Interest on Capital Appreciation Bonds

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

L. Accumulated Sick and Vacation Payable

Pursuant to GASB Statement No. 16, *Accounting for Compensated Balances*, Accumulated Sick and Vacation payable represents the liability due to employees for unused sick and vacation time.

M. 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 group homes for the developmentally disabled.

N. Loans Payable

The New Jersey Automobile Insurance Guaranty Fund has 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.

O. Net Pension Obligation

Net Pension Obligation (NPO) represents a \$6.4 billion pension fund liability due to the Judicial Retirement System, the State Police Retirement System, the Consolidated Police and Firemen's Retirement System, and the Teachers' Pension and Annuity Fund. Financial reporting requirements for net pension fund obligations fall under the purview of GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*.

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 of New Jersey 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 clean up/remediation through a feasibility study contract; implement the required/recommended remediation action through construction contractors; and maintain and monitor the operations of the clean up 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, 2009 is \$101.8 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. Balances as of July 1, 2008 were not restated due to lack of available information.

Q. Other Postemployment Benefits

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, 2009 is estimated to be \$6.6 billion.

R. 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 liability of the State. This includes Medicaid benefit claims (\$300.5 million of which \$172.1 million is federally reimbursable) which have been incurred but not reported. This obligation also includes \$4.3 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*.

S. Proprietary Funds/Business-type Activities

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 \$611.6 million are recorded as non-current liabilities in both the fund financial statements and the government-wide statements.

T. Moral Obligation Bonds

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 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, 2008, 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 2009 in the amount of \$7.5 million.

NOTE 11 - 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, 2009 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 2009 and Fiscal Year 2008 are detailed below (expressed in millions):

<u>Type of Claim</u>	<u>Fiscal Year 2009</u>	<u>Fiscal Year 2008 *</u>
Tort	\$ 15.5	\$ 15.0
Workers' compensation	74.7	70.2
Automobile	4.0	4.5

Property exposure is handled by a commercial insurance carrier. There were no reductions in commercial insurance coverage during the fiscal year ended June 30, 2009. 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 has 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 is liable for reimbursement to the issuer of the financial guaranty policy insurance commitment for any payments made. This financial guaranty policy insurance commitment expires on July 1, 2016.

* Fiscal Year 2008 totals have been revised.

NOTE 12 – DERIVATIVES

A. Interest Rate Swap Agreements

The State has obtained long-term financing in the form of voter-approved General Obligation Debt and other obligations for which voter approval is not needed and has not otherwise been sought. Non-voter approved long-term financings include debt obligations such as revenue bonds, certificates of participation, and installment obligations. The State pays debt service on these debt obligations pursuant to a State contract or a lease it enters into with the issuer, subject to annual appropriations made by the State Legislature. These debt obligations include, but are not limited to, certain bonds issued through State public authorities such as the New Jersey Building Authority, the New Jersey Economic Development Authority, and the New Jersey Transportation Trust Fund Authority. In connection with certain bonds issued, or anticipated, through these public authorities, the State has entered into Interest Rate Exchange Agreements (Swap Agreements). As of June 30, 2009 the State has 28 active swap agreements with 11 swap providers for a combined, notional amount of \$4.4 billion.

On August 6, 2008 the New Jersey Economic Development Authority issued \$342,115,000 of its 2008 Series A refunding bonds. The proceeds were used to refund its 2003 Series A and Series B bonds and to pay the costs of termination of the related 2003 swap agreement.

On September 11, 2008 the New Jersey Sports and Exposition Authority issued \$208,025,000 of its 2008 Series B and C refunding bonds. The proceeds were used to currently refund its 1992 Series C bonds, advance refund its 2000 Series A bonds, and to pay a portion of the costs of terminating the Authority's 1992 Swap Agreement.

B. Interest Rate Swap Agreements – Synthetic Rate

The State, acting through its public authorities, has 19 swap agreements outstanding in connection with \$2,045.9 million in variable rate bonds. In each case, the State, acting through its public authorities, issued bonds bearing interest at a variable rate and simultaneously entered into one or more swap agreements with various swap providers. Under the terms of the swap agreements, the State will pay a fixed rate on a notional amount of bonds outstanding while the swap counterparty pays a variable rate on the same notional amount which is anticipated to, over time, match the variable interest rate on the bonds.

During Fiscal Years 2008 and 2009, a number of actions were taken to reverse the economic terms of existing interest rate swaps for which there were either no longer variable rate bonds outstanding or for which new variable rate bonds were not able to be issued. These actions included entering into fixed receiver swaps in May 2008 and May 2009 to reverse a portion of the payments under existing swaps for a period of time. These actions leave the State with a net fixed rate of interest on the related swap agreements through September 1, 2014, 2015, and May 1, 2011, respectively.

<u>Issuer/Series</u>	<u>Notional Amount (\$ Millions)</u>	<u>Effective Date</u>	<u>Synthetic Rate</u>	<u>Rate Received</u>
<u>NJ Transportation Trust Fund Authority</u>				
2003 Series B-1	\$ 85.000	1/30/03	3.565 %	67% of the 1-month LIBOR
2003 Series B-2	85.000	1/30/03	3.537	67% of the 1-week LIBOR
2003 Series B-3	50.000	1/30/03	3.630	67% of the 1-month LIBOR
2003 Series B-4	62.500	1/30/03	3.675	67% of the 1-week LIBOR
2003 Series B-5	62.500	1/30/03	3.675	67% of the 1-week LIBOR
<u>NJ Economic Development Authority</u>				
School Facilities Construction Program				
2004 Series R (3 Swap Agreements)	399.957	9/1/06	4.407	71.98% of the 1-month LIBOR
	88.733	11/1/06	4.324	75% of the 1-month LIBOR + 5.25 basis points
2008 Series V (11 Swap Agreements)	344.620	9/1/04	4.063	71.13% of the 1-month LIBOR
	446.835	3/1/05	4.176	74.24% of the 1-month LIBOR
	358.085	3/1/06	4.296	70.80% of the 1-month LIBOR
	391.165	9/1/07	4.399	71.57% of the 1-month LIBOR
	380.515	5/1/08	75% of the 1-month LIBOR	3.036% fixed rate
	250.000	5/1/09	4.513	62% of the 1-month LIBOR + 40 basis points
	250.000	5/5/09	62% of the 1-month LIBOR + 40 basis points	1.119% fixed rate
2009 Series X	250.000	11/1/08	4.489	62% of the 1-month LIBOR + 40 basis points
<u>NJ Building Authority</u>				
2003 Series A (6 Swap Agreements)	175.225	8/20/03	3.640	62% of the 1-month LIBOR + 20 basis points

The bonds and the related swap agreements listed above have final maturities ranging from May 1, 2011 through March 1, 2035. The swap agreements total current notional amount is \$3,430.1 million. The amount of associated bonds that are outstanding as of June 30, 2009 total \$2,045.9 million. Under the swap agreements, the State pays the counterparties a fixed payment ranging from 3.537 percent to 4.513 percent and receives a variable payment as computed for each associated variable rate transaction as shown above. In regards to the first fixed rate transaction, the State pays a counterparty a variable rate payment equal to 75 percent of the 1-month LIBOR while receiving a fixed payment at a rate of 3.036 percent. In the second fixed rate transaction, the State pays a counterparty a variable rate payment equal to 62 percent of the 1-month LIBOR plus 40 basis points while receiving a fixed payment at a rate of 1.119 percent. The swap provider calculates the variable rate, as well as the dollar amount that is owed by the swap counterparty. The remarketing agent determines the variable interest rate that is applied to the bonds. The State confirms all calculations to ensure accuracy.

C. Interest Rate Swap Agreements – Forward Strategy

The State of New Jersey had entered into two swap agreements in association with \$750.0 million of future bond transactions involving the New Jersey Economic Development Authority's School Facilities Construction Program. The purpose of entering into the swap agreements was to take advantage of "locking in" historically low fixed interest rates for bonds that are to be issued in the future.

A description of each current forward swap agreement is as follows:

New Jersey Economic Development Authority

<u>Issuer/Series</u>	<u>Notional Amount (\$ Millions)</u>	<u>Effective Date</u>	<u>Synthetic Fixed Rate</u>	<u>Variable Rate Received</u>
School Facilities Construction Program	250.000	11/1/09	4.549	62% of the 1-month LIBOR + 40 basis points
School Facilities Construction Program	500.000	5/1/10	4.251	62% of the 1-month LIBOR + 40 basis points

D. Interest Rate Swap Agreements - Fair Value

As of June 30, 2009, the State, acting through its public authorities, is party to 28 swap agreements. General interest rates have declined since the execution of the swap agreements which were executed between January 20, 2003 and May 5, 2009. As a result, the projected net present value of the State’s entire portfolio as of June 30, 2009 is negative \$535.7 million. A breakdown of this amount is shown below:

<u>Authority/Issuer</u>	<u>Net Present Value (\$ Millions)</u>
NJ Building Authority	\$ (14.920)
NJ Economic Development Authority	
School Facilities Construction Program	(508.418)
NJ Transportation Trust Fund Authority	(12.349)
Total	<u><u>\$ (535.687)</u></u>

The amounts shown above are the amounts that the State would pay to swap counterparties in the event that all the State’s swap agreements were terminated on June 30, 2009. The swap agreements could only be terminated for certain events of default listed in each swap agreement document, including a swap counterparty default. In the event of a swap counterparty default, it is likely that this event would be remedied through the assignment to an alternate swap counterparty.

E. Interest Rate Swap Agreements - Credit Risk

The swap agreement contracts required that each swap counterparty shall have a credit rating from at least one nationally recognized statistical rating agency that is within the two highest investment grade categories at the time the swap contract was entered into. Ratings, which are obtained from any other nationally recognized statistical rating agencies for such swap counterparty shall also be within the three highest investment rated categories, or the payment obligations of the swap counterparty shall also be unconditionally guaranteed by an entity with such credit ratings. The swap agreements also require that should the credit rating of a swap counterparty fall below the rating required, that the obligations of such swap counterparty shall be fully and continuously collateralized by direct obligations of, or obligations the principal and interest on which are guaranteed by, the United States of America, at the agreed upon collateral threshold levels pursuant to the Credit Support Annex. The collateral threshold levels are adjusted based on counterparty ratings as set forth in the Credit Support Annex. Even though some of the mark to market values of the swap agreements have in the past, and are currently positive, none of these positive mark to market values have resulted in collateral posting under the Credit Support Annex. No collateral posting is required as of June 30, 2009.

F. Interest Rate Swap Agreements - Basis Risk

The swap agreements expose the State to basis risk should the relationship between LIBOR and actual variable rate payments on the related bonds diverge. The effect of this difference in basis is indicated by the difference between the anticipated variable rate and the actual variable rate.

G. Interest Rate Swap Agreements - Termination Risk

Each swap agreement contract uses the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The Schedule to the Master Agreement includes “additional

termination events”, providing that the swap agreements may be terminated if either the State’s or a swap counterparty’s credit quality rating falls below certain levels generally, below “BBB-” or “Baa1”. The State or the swap counterparties may terminate the swap agreements if the other party fails to perform under the terms of the contract. If one or more of the swap agreements is terminated, the related variable rate bonds would no longer be hedged and the State would no longer be effectively paying a synthetic fixed rate with respect to those bonds. Also, if at the time of termination the swap agreement has a negative fair value, the State would incur a loss and would be required to settle with the swap counterparty at the swap agreement’s fair value. If at the time of a termination the swap agreement has a positive fair value, the State would incur a gain and would be able to settle with the swap counterparty at the swap agreement’s fair value.

NOTE 13 - OTHER LIABILITIES – CURRENT

Other liabilities presented in the statement of net assets consist principally of revenue refunds payable to taxpayers of \$356.9 million, and \$324.9 million borrowed from the Federal government by the Unemployment Compensation Fund. Until the economic conditions in the State improve, such federal borrowings are likely to increase.

In addition, the New Jersey Schools Development Authority reflects other liabilities of \$63.5 million which represent deposits received from local school districts to fund the local share portion of Regular Operating District school facility projects, or to cover certain ineligible costs pertaining to projects in the Schools Development Authority school districts.

NOTE 14 - FUND BALANCES/NET ASSETS RESTRICTED BY ENABLING LEGISLATION

A. Reserved - Other

In the fund financial statements, reservations of fund balance classified as “reserved - other” consist principally of legally mandated escrow balances and long-term loans and receivables due from individuals, municipalities, and authorities that are considered not currently available for expenditure in subsequent accounting periods. In addition, balances have been reserved in the following funds for purposes described below.

General Fund

The \$46.2 million reservation in the General Fund that is considered not currently available for appropriations consists principally of long-term advances and receivables due from individuals, estates, and other funds (\$20.4 million), a portion of bond receipts which is earmarked to pay debt service in the next fiscal year (\$13.8 million), a portion of the 4 percent constitutionally dedicated Corporation Business Tax revenues reserved for environmental cleanup projects in excess of allowable expenditures (\$5.1 million), and other items (\$6.9 million).

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 1 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, \$94.7 million has been reserved as of June 30, 2009.

New Jersey Schools Development Authority

In this fund, \$0.4 million has been reserved for Qualified Zone Academies and prepayments.

New Jersey Transportation Trust Fund Authority

An amount of \$0.3 million has been reserved for future debt service payments.

Tobacco Settlement Financing Corporation, Inc.

The \$261.0 million reservation represents money reserved for future debt service payments on outstanding bonds payable.

B. Unreserved

In the fund financial statements, unreserved consists of designated for continuing appropriations, designated for unrealized gains, and undesignated.

General Fund

The \$2.2 billion unreserved balance consists of \$1,571.3 million designated for continuing appropriations and \$614.2 million undesignated.

C. Net Assets Restricted by Enabling Legislation

As of June 30, 2009, the Statement of Net Assets reported \$4.3 billion of restricted net assets. Net assets are restricted when constraints from external parties can compel the State to comply with legally enforceable enabling legislation requiring that resources be used for a specific purpose.

NOTE 15 – OTHER FINANCING SOURCES/USES-OTHER

The following items were recorded as other financing sources (uses) –other in the fund financial statements (expressed in millions):

	<u>General Fund</u>	<u>Non-Major Funds</u>	<u>Total Governmental Funds</u>
Installment obligations issued	\$ 990.3	\$ -	\$ 990.3
Refunding debt issued	648.0	-	648.0
Capital lease acquisitions	24.7	-	24.7
Certificates of participation issued	7.4	-	7.4
Premium related to refunding debt issued	6.7	-	6.7
Premium related to revenue bonds	-	6.1	6.1
Payments to escrow agents on refunding bonds	(648.0)	-	(648.0)
Other Financing Sources (Uses) - Other	<u>\$ 1,029.1</u>	<u>\$ 6.1</u>	<u>\$ 1,035.2</u>

NOTE 16 – 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, 2009 are as follows (expressed in millions):

<u>Fiscal Year</u>	<u>Amount</u>
2010	\$ 39.4
2011	26.1
2012	21.3
2013	17.0
2014	15.1
2015-2019	44.1
2020-2022	<u>1.8</u>
Total Future Minimum Lease Payments	<u>\$ 164.8</u>

NOTE 17 – RETIREMENT SYSTEMS, HEALTH BENEFITS, AND POST-RETIREMENT MEDICAL BENEFITS

A. RETIREMENT SYSTEMS

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

Consolidated Police and Firemen's Pension Fund (CPFPPF)--established in January 1952, under the provisions of N.J.S.A. 43:16 to provide coverage to municipal police and firemen who were appointed prior to July 1, 1944. The fund is a closed system with no active members.

Judicial Retirement System (JRS)--established in June 1973, under the provisions of N.J.S.A. 43:6A to provide coverage to all members of the State judiciary system. Membership is mandatory for such employees with vesting after 5 years of successive service as a judge and 10 years in the aggregate of public service.

Police and Firemen's Retirement System (PFRS)--established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees with vesting occurring after 10 years of membership.

Prison Officers' Pension Fund (POPF)--established in January 1941, under the provisions of N.J.S.A. 43:7 to provide coverage to various employees of the State penal institutions who were appointed prior to January 1, 1960. The fund is a closed system with no active members. New employees of the State penal institutions are enrolled in the Police and Firemen's Retirement System.

Public Employees' Retirement System (PERS)--established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

State Police Retirement System (SPRS)--established in July 1965, under the provisions of N.J.S.A. 53:5A to provide coverage to all uniformed officers and troopers of the State Police in the State. Membership is mandatory and vesting occurs after 10 years of membership.

Teachers' Pension and Annuity Fund (TPAF)--established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

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 Pensions Adjustment Fund (PAF) which provides cost of living increases, equal to 60 percent of the change in the average consumer price index, to eligible retirees in some State-sponsored pension systems which are the CPFPPF, POPF, and CPF. This benefit is funded by the State as benefit allowances become payable.

The cost of living increase for PFRS, PERS, TPAF, SPRS, and JRS are funded directly by each of the respective systems and are considered in the annual actuarial calculation of the required State contribution for the system.

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.

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 trusts. The financial reports may be accessed via the New Jersey Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

Basis of Accounting

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

Significant Legislation

P.L. 2009, c.19, effective March 17, 2009 provides an option for local employers to contribute 50 percent of the normal and accrued liability contribution amounts certified by the PERS and PFRS for payments due in State fiscal year 2009. This law also provides that a local employer may pay 100 percent of the required contribution. Such an employer will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries for PERS and PFRS 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 State fiscal year ending June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

P.L. 2008, c.89, effective November 1, 2008, increased the TPAF and PERS eligibility age for unreduced benefits from age 60 to age 62 for members hired on or after November 1, 2008; changed the early retirement provisions; increased the minimum annual compensation required for membership eligibility for new members on or after the effective date of this law.

P.L. 2008, c.21, effective June 24, 2008, provided early retirement incentive program to eligible State employees in the Executive Branch of State government and eligible Judiciary employees in the Judicial Branch of State government who applied to retire on or after March 1, 2008 but by July 15, 2008 and retired by August 1, 2008.

P.L. 2007, c.103, certain parts effective July 1, 2007, provided for the following: changed contribution rates of TPAF, PERS, and Defined Contribution Retirement Program (DCRP) to 5.5 percent of annual compensation; imposed an annual maximum wage contribution base and a new retirement age to new employees; implemented changes to State Health Benefits Program (SHBP) which included the creation of the School Employees' Health Benefit Program (SEHBP) and established an employee contribution of 1.5 percent of the employee's base salary.

Investment Valuation

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund, Common Pension Fund A, Common Pension Fund B, Common Pension Fund D, and Common Pension Fund E. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290.

Funded Status and Funding Progress

As of June 30, 2008, the most recent actuarial valuation date, the aggregate funded ratio for the retirement systems (TPAF, PERS, PFRS, POPF, CPFPPF, JRS, and SPRS) is 72.6 percent with an unfunded actuarial accrued liability of \$34.4 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded systems is 69.6 percent and \$23.0 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS and PFRS is 77.2 percent and \$11.4 billion.

The required supplementary information regarding the funded status and funding progress of the retirement systems is based on 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 schedule of funding progress in the required supplementary information presents multi-year trend information about whether the actuarial value of plans 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 retirement systems 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 limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the June 30, 2008 actuarial valuation, the projected unit credit was used as the actuarial cost method, and the five year average of market value was used as the asset valuation method for the retirement systems. The actuarial assumptions included (1) 8.25 percent for investment rate of return for all the retirement systems except POPF and CPFPPF, and (2) 5.45 percent for projected salary increases for all the retirement systems except TPAF and PFRS.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions based on percentages ranging from 3.00 percent to 8.50 percent of employees' annual compensation.

Annual Pension Cost (APC)

Per the requirements of GASB Statement No. 27 for the year ended June 30, 2009 for CPFPPF and TPAF, which are cost sharing plans with special funding situations, and for JRS, POPF, and SPRS, which are single employer plans, the annual pension cost differs from the annual required contribution. For PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, annual pension cost equals contributions made. The annual pension cost for the fiscal year ending June 30, 2009 and related information, including a summary of the significant actuarial methods and assumptions used by the retirement systems, are presented on the following pages.

The calculation of the employer contribution rates on the following pages, for State and Local, for all the retirement systems except PFRS, is the APC divided by the covered payroll in the Schedule of Funding Progress per the actuarial valuations as of June 30, 2007. PFRS used the covered payroll per the actuarial valuation as of June 30, 2006 for this calculation.

	<u>CPFPE</u>	<u>JRS</u>	<u>PFRS</u>
Annual Pension Cost (APC)			
State:			
June 30, 2007	\$ 1,015,627	\$ 25,134,303	\$ 127,404,777
June 30, 2008	(4,301,717)	27,387,083 *	133,510,475 *
June 30, 2009	(41,617)	30,340,168	39,568,000
Local:			
June 30, 2007	-	-	422,743,218
June 30, 2008	-	-	647,288,920 *
June 30, 2009	-	-	696,476,702
Contributions Made			
State:			
June 30, 2007	1,783,902	13,355,587	127,404,777
June 30, 2008	522,176	12,913,890 *	133,510,475 *
June 30, 2009	1,256,398	3,643,000	39,568,000
Local:			
June 30, 2007	-	-	422,743,218
June 30, 2008	-	-	647,288,920 *
June 30, 2009	-	-	696,476,702
Percentage of APC Contributed			
State:			
June 30, 2007	175.6%	53.1%	100.0%
June 30, 2008	(12.1)%	47.2% *	100.0%
June 30, 2009	(3,019.0)%	12.0%	100.0%
Local:			
June 30, 2007	-	-	100.0%
June 30, 2008	-	-	100.0%
June 30, 2009	-	-	100.0%
Net Pension Obligation			
State:			
June 30, 2007	6,690,308	9,942,504	-
June 30, 2008	1,866,415	24,415,697 *	-
June 30, 2009	568,400	51,112,865	-
Local:			
June 30, 2007	-	-	-
June 30, 2008	-	-	-
June 30, 2009	-	-	-
Contribution rates			
State	N/A	48.0%	7.8%
State-related employers	N/A	N/A	25.1%
Employees	N/A	3.0%	8.5%
Significant Actuarial Assumptions and Methods			
Date of actuarial valuation	6/30/08	6/30/08	6/30/08
Actuarial cost method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization method	Level Dollar Closed	Level Percent Open	Level Percent Open
Payroll growth rate for amortization	N/A	4.0%	4.0%
Remaining amortization period	1 year	30 years	30 years
Asset valuation method	Five Year Average of Market Value	Five Year Average of Market Value	Five Year Average of Market Value
Actuarial assumptions			
Investment rate of return	2.00%	8.25%	8.25%
Projected salary increases	N/A	5.45%	7.20%
Cost-of-Living adjustments	N/A	1.80%	1.80%

* Restated

		POPF	PERS	SPRS	TPAF
Annual Pension Cost (APC)					
State:	June 30, 2007	\$ 129,444	\$ 215,629,964	\$ 61,668,569	\$ 1,466,081,478
	June 30, 2008	(79,506)	234,560,830 *	84,618,483 *	1,626,177,420
	June 30, 2009	(377,664)	79,296,935	93,288,971	1,697,374,216
Local:	June 30, 2007	-	242,230,174	-	-
	June 30, 2008	-	412,129,536 *	-	-
	June 30, 2009	-	562,174,538	-	-
Contributions Made					
State:	June 30, 2007	-	215,629,964	29,875,748	690,794,259
	June 30, 2008	-	234,560,830 *	36,443,502 *	695,275,811
	June 30, 2009	-	79,296,935	10,244,000	198,653,193
Local:	June 30, 2007	-	242,230,174	-	-
	June 30, 2008	-	412,129,536 *	-	-
	June 30, 2009	-	562,174,538	-	-
Percentage of APC Contributed					
State:	June 30, 2007	-	100.0%	48.4%	47.1%
	June 30, 2008	-	100.0%	43.1%*	42.8%
	June 30, 2009	-	100.0%	11.0%	11.7%
Local:	June 30, 2007	-	100.0%	-	-
	June 30, 2008	-	100.0%	-	-
	June 30, 2009	-	100.0%	-	-
Net Pension Obligation					
State:	June 30, 2007	(6,291,205)	-	269,629,462	3,483,544,376
	June 30, 2008	(6,370,711)	-	317,804,443 *	4,414,445,985
	June 30, 2009	(6,748,375)	-	400,849,414	5,913,167,008
Local:	June 30, 2007	-	-	-	-
	June 30, 2008	-	-	-	-
	June 30, 2009	-	-	-	-
Contribution rates					
State		N/A	1.8%	33.9%	18.7%
State-related employers		N/A	8.0%	N/A	N/A
Employees		N/A	5.5%	7.5%	5.5%
			(8.5% for County Prosecutors)		
Significant Actuarial Assumptions and Methods					
Date of actuarial valuation		6/30/08	6/30/08	6/30/08	6/30/08
Actuarial cost method		Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization method		Level Dollar Closed	Level Percent Open	Level Percent Open	Level Percent Open
Payroll growth rate for amortization		N/A	4.0%	4.0%	4.0%
Remaining amortization period		1 year	30 years	30 years	30 years
Asset valuation method		Market Value	Five Year Average Market Value	Five Year Average Market Value	Five Year Average Market Value
Actuarial assumptions					
Investment rate of return		5.00%	8.25%	8.25%	8.25%
Projected salary increases		N/A	5.45%	5.45%	5.74%
Cost-of-Living adjustments		N/A	1.80%	1.80%	1.80%

* Restated

The Annual Pension cost (APC) and Net Pension Obligation (NPO) for the single employer plans and cost sharing plans with special funding situations, which are administered by the State of New Jersey for the fiscal year ending June 30, 2009 are presented below:

	SINGLE EMPLOYER PLANS		
	JRS	POPF	SPRS
Annual Required Contribution, June 30, 2009	\$ 29,809,782	\$ (6,748,375)	\$ 86,385,254
Interest adjustment on NPO	2,014,295	(318,536)	26,218,867
Adjustment to Annual Required Contribution	(1,483,909)	6,689,247	(19,315,150)
APC as of June 30, 2009	30,340,168	(377,664)	93,288,971
Total Fiscal Year 2009 Contributions	3,643,000	-	10,244,000
Increase (Decrease) in NPO	26,697,168	(377,664)	83,044,971
NPO as of June 30, 2008	24,415,697 *	(6,370,711)	317,804,443 *
NPO as of June 30, 2009	\$ 51,112,865	\$ (6,748,375)	\$ 400,849,414

	COST SHARING PLANS WITH SPECIAL FUNDING SITUATIONS		
	CPFPE	TPAF	TOTAL ALL PLANS
Annual Required Contribution, June 30, 2009	\$ 1,824,798	\$ 1,601,478,508	\$ 1,712,749,967
Interest adjustment on NPO	37,328	364,191,794	392,143,748
Adjustment to Annual Required Contribution	(1,903,743)	(268,296,086)	(284,309,641)
APC as of June 30, 2009	(41,617)	1,697,374,216	1,820,584,074
Total Fiscal Year 2009 Contributions	1,256,398	198,653,193	213,796,591
Increase (Decrease) in NPO	(1,298,015)	1,498,721,023	1,606,787,483
NPO as of June 30, 2008	1,866,415	4,414,445,985	4,752,161,829 *
NPO as of June 30, 2009	\$ 568,400	\$ 5,913,167,008	\$ 6,358,949,312

* Restated

B. HEALTH BENEFITS AND POST-RETIREMENT MEDICAL BENEFITS

As a result of implementing 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 Benefits Program (SHBP), the Prescription Drug Program (PDP), and Post-Retirement Medical (PRM) of the PERS and TPAF are combined and reported as Pension and Other Employee Benefit Trust Funds. Specifically, the SHBP-State, the PDP-State, and the PRM of the PERS are combined and reported as Health Benefits Program Fund-State classified as a single employer plan. The SHBP-Local, the PDP-Local, and the PRM of the TPAF-Local are combined and reported as Health Benefits Program Fund-Local Government classified as a cost-sharing multiple-employer plan. The post-retirement benefit programs had a total of 484 state and local participating employers and contributing entities for Fiscal Year 2009.

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

Health Benefits Program Fund (HBPF)-Local Education (including Prescription Drug Program Fund) – The State of New Jersey provides free coverage to members of the Teachers' Pension and Annuity Fund who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of P.L. 1992, c.126, the State also provides free coverage to members of the Public Employees' Retirement System and Alternate Benefits Program 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.

Health Benefits Program Fund (HBPF)-Local Government (including Prescription Drug Program Fund) – Certain local employers who participate in the State Health Benefits Program provide health insurance coverage to

their employees at retirement. Under provisions of P.L. 1997, c.330, 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.

Health Benefits Program Fund (HBPF)-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 Prescription Drug Program Fund (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 Division of Pensions and Benefits website at 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 June 30, 2008, the most recent actuarial valuation date, the State had a \$55.9 billion unfunded actuarial accrued liability for other postemployment benefits (OPEB) which is made up of \$19.8 billion for state active and retired members and \$36.1 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 is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events in 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 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 the point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the June 30, 2008, actuarial valuation, the projected unit credit was used as the actuarial cost method, and the market value was used as asset valuation method for the OPEB. The actuarial assumptions included 4.50 percent for investment rate of return for the OPEB.

Post-Retirement Medical Benefits Contribution

P.L. 1987, c.384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (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, 2009, there were 84,590 retirees

receiving post-retirement medical benefits, and the State contributed \$837.7 million 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 \$87.0 million for 7,255 eligible retired members for Fiscal Year 2009. 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 free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$116.9 million toward Chapter 126 benefits for 13,320 eligible retired members in Fiscal Year 2009.

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 \$24.4 million in the current year to provide benefits under Chapter 330 to qualified retirees.

The Annual OPEB Cost (AOC) and Net OPEB Obligation (NOO) for the state-funded post-retirement medical obligations for the fiscal year ending June 30, 2009 is presented below:

AOC as of June 30, 2009	\$ 4,646,000,000
Total Fiscal Year 2009 Contributions	<u>1,187,200,000</u>
Increase in NOO	3,458,800,000
NOO as of June 30, 2008	<u>3,177,400,000</u>
NOO as of June 30, 2009	<u>\$ 6,636,200,000</u>

NOTE 18 – COMPONENT UNITS

A. Authorities

The accounts of public authorities, private not-for-profit corporations, and similar entities (hereinafter called Authorities) in the accompanying financial statements are derived from their most recently issued annual financial statements. Authorities are legally separate entities that are not operating departments of the State.

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. All other Authorities have been discretely presented as major and non-major component units in the State's financial statements in accordance with GASB Statement No. 14, *The Financial Reporting Entity*.

The Authorities are managed independently, outside the appropriated budget process, and their powers generally are vested in a governing board. Authorities are established for a variety of purposes for the benefit of the State's citizenry, such as financing economic development, public transportation, low cost housing, environmental protection, and capital development for health and education. In addition, they are not subject to State constitutional restrictions on the incurrence of debt, which apply to the State itself, and may issue bonds and notes within legislatively authorized amounts.

The Governor, with the approval of the State Senate, 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 to the Governor

and the State Legislature annual budget information on operations and capital construction. The Governor has from time to time exercised the statutory power to veto actions.

These component units are included in the State's reporting entity because of the significance of their operational or financial relationship with the State. 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)
1014 Atlantic Avenue, P.O. Box 749
Atlantic City, New Jersey 08401
www.njcrda.com

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

Higher Education Student Assistance Authority (N.J.S.A. 18A:71A-1 et. seq.)
4 Quakerbridge Plaza, P.O. Box 545
Trenton, New Jersey 08625-0545
www.hesaa.org

This Authority was established to provide a single agency for the coordination and delivery of student financial assistance in the State. The Authority 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. The authority also administers the State Tuition Aid Grants (TAG), scholarship programs, and the State 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
www.njeda.com

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

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

The New Jersey Educational Facilities Authority 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 its debt instruments (bonds, notes, and other obligations). The Authority may finance academic and auxiliary facilities for the public and independent institutions of higher education.

New Jersey Environmental Infrastructure Trust (N.J.S.A. 58:11B-4)
3131 Princeton Pike - Building 6, Suite 201
Lawrenceville, New Jersey 08648
www.njeit.org

The New Jersey Environmental Infrastructure Trust loans and guarantees debt incurred by local government units in financing the cost of wastewater treatment system projects. The Trust may from time to time issue bonds, notes, or other obligations in any principal amounts that the Trust deems necessary, up to an aggregate principal amount of \$600 million, in order to provide sufficient funds to carry out its statutory purpose.

New Jersey Health Care Facilities Financing Authority (N.J.S.A. 26:2I-4)
South Clinton and Yard Avenues, Station Plaza Bldg. #4
P.O. Box 366
Trenton, New Jersey 08625
www.njhcffa.com

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

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 08650-2085
www.state.nj.us/dca/hmfa

The Housing and Mortgage Finance Agency 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, the Agency 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, the Agency also provides 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 Meadowlands Commission (N.J.S.A. 13:17-5)
1 DeKorte Park Plaza
Lyndhurst, New Jersey 07071
www.njmeadowlands.gov

The New Jersey Meadowlands Commission is the planning and zoning agency for the reclaiming, planning, development, redevelopment, and enhancement, including open space acquisition of the 19,730 acre Meadowlands District. The District consists of waterways, tidal flow lands, woodlands, marsh, and meadows contained within portions of 14 municipalities and two counties; Bergen and Hudson. Through the issuance, if needed, of tax-exempt bonds and notes, the Commission is able to raise needed funds.

New Jersey Redevelopment Authority (P.L. 1996, c.62)
150 West State Street, P.O. Box 790
Trenton, New Jersey 08625
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)
50 State Route 120
East Rutherford, New Jersey 07073
www.njsea.com

The New Jersey Sports and Exposition Authority is engaged in the business of owning, operating, and managing sports, entertainment, wagering, and convention facilities throughout the State. It has been responsible for the financing, construction, and management of the Meadowlands Racetrack and Giants Stadium, both of which opened in 1976, and the Continental Airlines Arena which opened in July, 1981. The Authority is charged with the responsibility to own, operate, and build various facilities, located in the State, including the Atlantic City Convention and Visitors Authority, for athletic and entertainment events, trade shows, and other expositions, and is authorized to issue bonds and notes and to provide the terms and security thereof.

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

New Jersey Transit Corporation (NJ TRANSIT) is empowered to acquire, own, operate, and contract for the operation of public transportation services. NJ TRANSIT receives operating subsidies principally from the State by legislative appropriation and the Federal Government by defined formula grants under the Federal Transit Administration. These government grants are used to support the operation of public transportation services. NJ TRANSIT provides these services through the operation of 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 propulsion costs and the cost of maintaining right-of-way.

New Jersey Turnpike Authority (N.J.S.A. 27:23-3)
581 Main Street, P.O. Box 5042
Woodbridge, New Jersey 07095-5042
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. Furthermore, the Authority may issue turnpike revenue bonds or notes of the Authority, subject to prior approval by the Governor and by either or both the State Treasurer and Director, Division of Budget and Accounting, payable solely from tolls and other revenues of the Authority. 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
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 and the Spruce Run/Round Valley Reservoir water supply system. The Authority may, upon the request of a municipality, county, the State, or agencies thereof, 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)
Second and Beckett Streets
Camden, New Jersey 08103
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, including 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
www.sjta.com

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

B. Colleges and Universities

As a result of P.L. 1986, c.42 and c.43, State colleges, whose revenues and expenditures were previously accounted for in the General Fund of the State of New Jersey, were given autonomous status effective July 1, 1987.

The financial statements of the 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*. These component units are included in the State’s reporting entity due to the significance of their operational or financial relationships and fiscal dependency with the State. The colleges and universities are funded through State appropriations, tuition, federal grants, and private donations and grants. Since the colleges and universities are similar in nature and function, their statements have been discretely presented in the statement of net assets and the statement of activities. They are presented in two categories, major and nonmajor. This distinction is determined by the relative size of an entity’s assets, liabilities, revenues, and expenditures in relation to the total of all the colleges and universities. Pursuant to GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, all of the State colleges and universities’ financial statements include the financial activity related to foundations and other similar organizations within the colleges and universities.

Separately issued independent audited financial statements and accompanying notes may be directly obtained from the colleges and universities. Addresses and websites of the colleges and universities are as follows:

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

Thomas Edison State College
(N.J.S.A. 18A:62-1)
101 West State Street
Trenton, New Jersey 08608
www.tesc.edu

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

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

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

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

The William Paterson University of New Jersey
(N.J.S.A. 18A:62-1)
358 Hamburg Turnpike
Wayne, New Jersey 07470
www.wpunj.edu

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

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

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

The Richard Stockton College of New Jersey
(N.J.S.A. 18A:62-1)
P.O. Box 195
Pomona, New Jersey 08420
www2.stockton.edu

University of Medicine and Dentistry of New Jersey
(N.J.S.A. 18A:64G-4)
335 George Street, 4th Floor
New Brunswick, New Jersey 08903
www.umdnj.edu

NOTE 19 - 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, 2009, the exact amount involved in these legal proceedings is not fully determinable.

Unapplied overpayments of Corporate 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, 2009 there was approximately \$259.0 million of overpayments.

New Jersey Lawyers' Fund for Client Protection

Claims of approximately \$15.6 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 \$4.1 million. The ultimate disposition of these claims is not determinable at this time.

New Jersey Spill Compensation Fund

Various claims totaling approximately \$30.1 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, 2009 there were approximately \$706.0 million of overpayments.

Sanitary Landfill Facility Contingency Fund

Various claims totaling approximately \$18.0 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, Inc.

In 2006 through 2009 certain of the tobacco companies withheld a portion of their annual payment claiming that the settling states, of which the State is one, did not diligently enforce a statute (the "Model Statute") in 2003 through 2006 which requires tobacco companies that did not enter into the settlement to make certain payments for in-state tobacco product sales. In the event that the State is determined to not have diligently enforced the Model Statute in any year, the State faces a reduction in the amount of annual payments it receives in the subsequent years. In no event can the reduction exceed the amount of the payment due in the year that it failed to diligently enforce the Model Statute. This puts New Jersey's 2004 through 2006 MSA payments at risk, with a potential liability for years 2003 through 2006 of \$1 billion. Ultimately, New Jersey expects to be able to prove that it diligently enforced its Model Statute.

University of Medicine and Dentistry of New Jersey – Self Insurance Reserve Fund

The State has the ultimate liability for tort and malpractice claims in excess of the resources of the Fund.

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 \$95.7 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, 2009, audits of expenditures for Fiscal Year 2008 and prior years may not be completed. Disallowances which may result from these audits are not determinable at this time. As of June 30, 2009, it is management's opinion that disallowances, if any, would not be material.

NOTE 20 – SUBSEQUENT EVENTS

Short-term Debt

For Fiscal Year 2010, the State authorized the issuance of \$2.25 billion in short-term debt. The aggregate principal is 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 August 12, 2009 the State issued \$1.925 billion of tax and revenue anticipation notes that bear an interest rate of 2.5 percent per annum. The notes have a June 24, 2010 final maturity. On December 10, 2009 the State issued another \$325.0 million in tax and revenue anticipation notes that bear an interest rate of 2.5 percent per annum. The notes have a June 24, 2010 final maturity. The State has issued all of its Fiscal Year borrowing authorization.

Long-term Obligations

On August 20, 2009 the New Jersey Economic Development Authority, in accordance with the Educational Facilities Construction and Financing Act, issued \$200.0 million in School Facilities Construction Bonds 2009 Series BB. Proceeds are to be used for the purpose of partially funding the school facilities construction program. The 2009 Series BB Bonds were issued as serial bonds. Interest on the bonds is payable semi-annually on March 1 and September 1, commencing on March 1, 2010. The final maturity on the 2009 Series BB Bonds is September 1, 2034.

On December 1, 2009 the New Jersey Building Authority issued \$30.925 million in State Building Revenue Refunding Bonds, 2009 Series B. The bonds were issued to partially refund the 2002 Series B Bonds and the 2004 Series B Bonds. Interest is payable semi-annually on June 15 and December 15, commencing on June 15, 2010. Final maturity on the bonds is December 15, 2022.

On December 9, 2009 the New Jersey Transportation Trust Fund Authority issued \$150.0 million of its Transportation System Bonds, 2009 Series C to provide funds for various transportation system improvements undertaken by the New Jersey Department of Transportation and the New Jersey Transit Corporation. The 2009 Series C Bonds have been issued in a variable rate mode set at a weekly interest rate. Interest is paid on the first business day of each month. The first interest payment date is January 4, 2010. Final maturity on the bonds is June 15, 2032.

On December 14, 2009 the New Jersey Economic Development Authority issued \$26.9 million of federally taxable Revenue Refunding Bonds Series 2009 for the New Jersey Performing Arts Center Project. The bonds were issued to refund the Authority's outstanding 1996 Series A and Series C Bonds. The Series 2009 Bonds were issued as fixed rate debt. Interest on the bonds is payable semi-annually on June 15 and December 15, commencing on December 15, 2010. The final maturity on the Series 2009 Bonds is June 15, 2016.

On December 17, 2009 the State of New Jersey issued \$209.2 million of general obligation bonds for various, voter-approved purposes which included a tax-exempt series totaling \$205.0 million and a taxable series totaling \$4.2 million. Interest is payable semi-annually on June 1 and December 1, commencing on December 1, 2010. Final maturity on the bonds is June 1, 2030.

On December 23, 2009 the New Jersey Transportation Trust Fund Authority issued \$147.5 million of its Transportation System Bonds, 2009 Series D to provide funds for various transportation system improvements undertaken by the New Jersey Department of Transportation and the New Jersey Transit Corporation. The 2009 Series D Bonds have been issued in a variable rate mode set at a weekly interest rate. Interest is paid on the first business day of each month. The first interest payment date is January 4, 2010. Final maturity on the bonds is June 15, 2032.

On January 14, 2010 the New Jersey Transportation Trust Fund Authority issued \$859.3 million of its Transportation System Bonds, 2010 Series A and Series B to provide funds for various transportation system improvements undertaken by the New Jersey Department of Transportation and the New Jersey Transit Corporation. The 2010 Series A and 2010 Series B Bonds were issued as fixed rate debt. Interest on the bonds is payable semi-annually on June 15 and December 15, commencing on June 15, 2010. The final maturity on the 2010 Series A and 2010 Series B Bonds is December 15, 2040.

Calendar Year 2009 Ballot Measure – Green Acres Funding

On November 3, 2009 voters approved the Green Acres, Water Supply, and Floodplain Protection and Farmland and Historic Preservation Bond Act of 2009. The ballot measure authorizes the issuance of \$400.0 million in State general obligation bonds for the acquiring and developing of lands for recreation and conservation purposes. This includes the preservation of farmland and funding historic preservation, as well as “Blue Acre” projects, which allows the State to purchase flood-prone properties from willing sellers.

Unemployment Compensation Trust Fund

To provide for sufficient cash flow to fund unemployment claims, commencing March 2009, the State, under federal law, applied to the United States Department of Labor for cash advances. As of January 31, 2010, \$1.2 billion of such advances have been made. As of June 30, 2009, the amount borrowed was \$324.9 million. In accordance with the provisions of current federal law, these advances are interest free and will continue to be interest free until January 1, 2011.

*Required
Supplementary
Information*



**STATE OF NEW JERSEY
BUDGETARY COMPARISON SCHEDULE
MAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR JUNE 30, 2009**

	<u>General Fund</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 15,214,856,000	\$ 14,429,157,176	\$ 14,142,387,477	\$ (286,769,699)
Federal and other grants	9,442,761,781	11,305,126,379	9,346,812,948	(1,958,313,431)
Licenses and fees	1,216,293,101	1,188,388,003	1,086,432,369	(101,955,634)
Services and assessments	2,551,083,000	2,539,364,125	2,056,932,864	(482,431,261)
Investment earnings	18,074,000	2,713,573	22,930,717	20,217,144
Contributions	1,000	1,000	1,300	300
Other	3,651,363,432	3,610,158,579	2,190,782,294	(1,419,376,285)
Total Revenues	<u>32,094,432,314</u>	<u>33,074,908,835</u>	<u>28,846,279,969</u>	<u>(4,228,628,866)</u>
OTHER FINANCING SOURCES				
Transfers from other funds	<u>2,102,826,000</u>	<u>2,380,143,313</u>	<u>2,271,193,058</u>	<u>(108,950,255)</u>
Total Other Financing Sources	<u>2,102,826,000</u>	<u>2,380,143,313</u>	<u>2,271,193,058</u>	<u>(108,950,255)</u>
Total Revenues and Other Financing Sources	<u>34,197,258,314</u>	<u>35,455,052,148</u>	<u>31,117,473,027</u>	<u>(4,337,579,121)</u>
EXPENDITURES				
Public safety and criminal justice	3,610,271,113	3,618,219,243	3,154,001,754	464,217,489
Physical and mental health	10,309,909,281	10,682,738,913	10,281,570,973	401,167,940
Educational, cultural, and intellectual development	5,210,479,718	5,253,780,970	4,748,018,234	505,762,736
Community development and environmental management	2,103,164,118	2,068,547,981	1,549,152,461	519,395,520
Economic planning, development, and security	4,861,231,705	5,019,866,177	4,455,115,223	564,750,954
Transportation programs	649,286,547	622,271,806	547,743,149	74,528,657
Government direction, management, and control	5,940,875,944	5,631,057,416	5,136,829,737	494,227,679
Special government services	466,611,221	452,774,975	339,042,240	113,732,735
Total Expenditures	<u>33,151,829,647</u>	<u>33,349,257,481</u>	<u>30,211,473,771</u>	<u>3,137,783,710</u>
OTHER FINANCING USES				
Transfers to other funds	<u>1,329,075,667</u>	<u>1,841,454,667</u>	<u>1,325,948,667</u>	<u>515,506,000</u>
Total Other Financing Uses	<u>1,329,075,667</u>	<u>1,841,454,667</u>	<u>1,325,948,667</u>	<u>515,506,000</u>
Total Expenditures and Other Financing Uses	<u>34,480,905,314</u>	<u>35,190,712,148</u>	<u>31,537,422,438</u>	<u>3,653,289,710</u>
Net change in fund balance	(283,647,000)	264,340,000	(419,949,411)	(684,289,411)
Fund Balances - July 1, 2008	<u>400,447,000</u>	<u>469,826,956</u>	<u>469,826,956</u>	<u>-</u>
Fund Balances - June 30, 2009	<u>\$ 116,800,000</u>	<u>\$ 734,166,956</u>	<u>\$ 49,877,545</u>	<u>\$ (684,289,411)</u>

Property Tax Relief Fund

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget</u>
\$ 13,222,522,926	\$ 10,740,522,926	\$ 11,088,033,218	\$ 347,510,292
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>13,222,522,926</u>	<u>10,740,522,926</u>	<u>11,088,033,218</u>	<u>347,510,292</u>
-	1,230,109,000	846,814,862	(383,294,138)
-	1,230,109,000	846,814,862	(383,294,138)
<u>13,222,522,926</u>	<u>11,970,631,926</u>	<u>11,934,848,080</u>	<u>(35,783,846)</u>
-	-	-	-
-	-	-	-
10,521,458,011	9,606,500,885	9,416,032,179	190,468,706
658,612,000	600,582,661	640,828,981	(40,246,320)
-	-	-	-
-	-	-	-
2,042,452,915	1,862,495,380	1,995,369,553	(132,874,173)
-	-	-	-
<u>13,222,522,926</u>	<u>12,069,578,926</u>	<u>12,052,230,713</u>	<u>17,348,213</u>
-	-	-	-
-	-	-	-
<u>13,222,522,926</u>	<u>12,069,578,926</u>	<u>12,052,230,713</u>	<u>17,348,213</u>
-	(98,947,000)	(117,382,633)	(18,435,633)
-	98,947,159	98,947,159	-
<u>\$ -</u>	<u>\$ 159</u>	<u>\$ (18,435,474)</u>	<u>\$ (18,435,633)</u>

(Continued on next page)

**STATE OF NEW JERSEY
BUDGETARY COMPARISON SCHEDULE
MAJOR GOVERNMENTAL FUNDS (Continued)
FOR THE FISCAL YEAR JUNE 30, 2009**

	Total Major Governmental Funds			
	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
REVENUES				
Taxes	\$ 28,437,378,926	\$ 25,169,680,102	\$ 25,230,420,695	\$ 60,740,593
Federal and other grants	9,442,761,781	11,305,126,379	9,346,812,948	(1,958,313,431)
Licenses and fees	1,216,293,101	1,188,388,003	1,086,432,369	(101,955,634)
Services and assessments	2,551,083,000	2,539,364,125	2,056,932,864	(482,431,261)
Investment earnings	18,074,000	2,713,573	22,930,717	20,217,144
Contributions	1,000	1,000	1,300	300
Other	3,651,363,432	3,610,158,579	2,190,782,294	(1,419,376,285)
Total Revenues	<u>45,316,955,240</u>	<u>43,815,431,761</u>	<u>39,934,313,187</u>	<u>(3,881,118,574)</u>
OTHER FINANCING SOURCES				
Transfers from other funds	2,102,826,000	3,610,252,313	3,118,007,920	(492,244,393)
Total Other Financing Sources	<u>2,102,826,000</u>	<u>3,610,252,313</u>	<u>3,118,007,920</u>	<u>(492,244,393)</u>
Total Revenues and Other Financing Sources	<u>47,419,781,240</u>	<u>47,425,684,074</u>	<u>43,052,321,107</u>	<u>(4,373,362,967)</u>
EXPENDITURES				
Public safety and criminal justice	3,610,271,113	3,618,219,243	3,154,001,754	464,217,489
Physical and mental health	10,309,909,281	10,682,738,913	10,281,570,973	401,167,940
Educational, cultural, and intellectual development	15,731,937,729	14,860,281,855	14,164,050,413	696,231,442
Community development and environmental management	2,761,776,118	2,669,130,642	2,189,981,442	479,149,200
Economic planning, development, and security	4,861,231,705	5,019,866,177	4,455,115,223	564,750,954
Transportation programs	649,286,547	622,271,806	547,743,149	74,528,657
Government direction, management, and control	7,983,328,859	7,493,552,796	7,132,199,290	361,353,506
Special government services	466,611,221	452,774,975	339,042,240	113,732,735
Total Expenditures	<u>46,374,352,573</u>	<u>45,418,836,407</u>	<u>42,263,704,484</u>	<u>3,155,131,923</u>
OTHER FINANCING USES				
Transfers to other funds	1,329,075,667	1,841,454,667	1,325,948,667	515,506,000
Total Other Financing Uses	<u>1,329,075,667</u>	<u>1,841,454,667</u>	<u>1,325,948,667</u>	<u>515,506,000</u>
Total Expenditures and Other Financing Uses	<u>47,703,428,240</u>	<u>47,260,291,074</u>	<u>43,589,653,151</u>	<u>3,670,637,923</u>
Net change in fund balance	(283,647,000)	165,393,000	(537,332,044)	(702,725,044)
Fund Balances - July 1, 2008	<u>400,447,000</u>	<u>568,774,115</u>	<u>568,774,115</u>	<u>-</u>
Fund Balances - June 30, 2009	<u>\$ 116,800,000</u>	<u>\$ 734,167,115</u>	<u>\$ 31,442,071</u>	<u>\$ (702,725,044)</u>

**STATE OF NEW JERSEY
BUDGETARY COMPARISON SCHEDULE
BUDGET-TO-GAAP RECONCILIATION--MAJOR FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

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

	General Fund	Property Tax Relief Fund
Sources/inflows of resources:		
Total revenues and other financing sources--actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 31,117,473,027	\$ 11,934,848,080
Differences--budget to GAAP:		
Receipt of federal food stamp coupons is not a budgetary resource but is revenue for financial reporting purposes (GASB 24).	682,411,923	-
Federal revenue related to encumbrances is a budgetary resource but is not earned on a GAAP basis.	(116,973,508)	-
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.	1,184,420,059	-
Proceeds and premiums from the sale of general obligation refunding bonds are not inflows of budgetary resources but are other financing sources for financial reporting purposes.	203,996,935	-
Proceeds and premiums from the sale of installment obligation bonds including refundings are not inflows of budgetary resources but are other financing sources for financial reporting purposes.	288,642,776	-
Excess anticipated revenue transferred from Fund Balance - Reserved for Surplus Revenue is a budgetary resource but is not revenue for financial reporting purposes.	(362,200,000)	-
Revenues in other funds are not inflows of budgetary resources but have been incorporated into revenues for financial reporting purposes.	4,081,767	-
Total revenues and other financing sources as reported on the GAAP-basis statement of revenues, expenditures, and changes in fund balances--governmental funds	\$ 33,001,852,979	\$ 11,934,848,080
GAAP-basis statement of revenues, expenditures, and changes in fund balances--governmental funds reconciliation:		
Total revenues	\$ 29,178,277,740	
Transfers from other funds	2,146,515,469	
Other sources	1,677,059,770	
Total revenues and other financing sources	\$ 33,001,852,979	

**STATE OF NEW JERSEY
BUDGETARY COMPARISON SCHEDULE
BUDGET-TO-GAAP RECONCILIATION--MAJOR FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

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

	General Fund	Property Tax Relief Fund
Uses/outflows of resources:		
Total expenditures and other financing uses--actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 31,537,422,438	\$ 12,052,230,713
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.	(1,432,218,133)	(1,198,179)
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.	902,920,722	18,020,230
Loans and travel advances are outflows of budgetary resources but are not expenditures for financial reporting purposes.	45,792	36,000
Miscellaneous accruals are not outflows of budgetary resources but are expenditures for financial reporting purposes.	532,974,569	(36,000)
Distribution of federal food stamp coupons is not a budgetary outflow but is an expenditure for financial reporting purposes (GASB 24).	682,411,923	-
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.	1,184,420,059	-
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.	203,996,935	-
Additions to other debt are not budgetary outflows but are expenditures and other financing uses for financial reporting purposes.	288,642,776	-
Expenditures in other funds are not outflows of budgetary resources but have been incorporated into expenditures for financial reporting purposes.	648,552,423	-
Total expenditures and other financing uses as reported on the GAAP-basis statement of revenues, expenditures, and changes in fund balances--governmental funds	\$ 34,549,169,504	\$ 12,069,052,764
 GAAP-basis statement of revenues, expenditures, and changes in fund balances--governmental funds reconciliation:		
Total expenditures	30,673,226,648	
Transfers to other funds	3,227,941,657	
Other uses	648,001,199	
Total expenditures and other financing uses	\$ 34,549,169,504	

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 Funds). 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.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
PENSION TRUST FUNDS AND HEALTH BENEFITS PROGRAM FUND

Plan/Actuarial Valuation	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
OPEB - State						
June 30, 2006	-	58,059,000,000	58,059,000,000	-	-	N/A
June 30, 2007	-	50,649,500,000	50,649,500,000	-	-	N/A
June 30, 2008	-	55,913,500,000	55,913,500,000	-	20,180,200,000	277.1%
PERS - State						
June 30, 2006	10,668,645,162	14,797,684,446	4,129,039,284	72.1%	4,253,564,219	97.1%
June 30, 2007	11,024,255,608	16,028,875,601	5,004,619,993	68.8%	4,434,933,181	112.8%
June 30, 2008	11,200,668,671	17,072,702,680	5,872,034,009	65.6%	4,609,019,779	127.4%
PERS - Local						
June 30, 2006	16,699,827,172	20,273,979,840	3,574,152,668	82.4%	6,730,309,209	53.1%
June 30, 2007	17,690,520,507	21,764,214,593	4,073,694,086	81.3%	6,983,534,635	58.3%
June 30, 2008	18,217,749,414	23,173,183,973	4,955,434,559	78.6%	7,206,781,046	68.8%
TPAF						
June 30, 2006	35,531,294,790	46,539,868,653	11,008,573,863	76.3%	8,748,623,186	125.8%
June 30, 2007	36,714,578,745	49,161,247,363	12,446,668,618	74.7%	9,077,628,813	137.1%
June 30, 2008	36,664,627,629	51,754,814,521	15,090,186,892	70.8%	9,419,083,203	160.2%
PFRS - State						
June 30, 2006	2,082,930,162	3,082,176,677	999,246,515	67.6%	506,084,434	197.4%
June 30, 2007	2,215,697,407	3,426,631,813	1,210,934,406	64.7%	527,556,519	229.5%
June 30, 2008	2,316,017,361	3,749,118,910	1,433,101,549	61.8%	527,495,741	271.7%
PFRS - Local						
June 30, 2006	18,281,315,556	22,907,522,660	4,626,207,104	79.8%	2,772,915,465	166.8%
June 30, 2007	19,500,229,156	24,562,195,443	5,061,966,287	79.4%	2,932,283,180	172.6%
June 30, 2008	20,437,541,909	26,871,106,532	6,433,564,623	76.1%	3,068,758,436	209.6%
SPRS						
June 30, 2006	1,970,398,511	2,319,656,532	349,258,021	84.9%	263,220,592	132.7%
June 30, 2007	2,066,754,160	2,485,649,230	418,895,070	83.1%	275,301,995	152.2%
June 30, 2008	2,127,263,509	2,609,164,869	481,901,360	81.5%	281,087,566	171.4%
JRS						
June 30, 2006	369,493,799	493,778,007	124,284,208	74.8%	62,492,250	198.9%
June 30, 2007	379,364,939	524,970,330	145,605,391	72.3%	63,144,685	230.6%
June 30, 2008	380,964,713	553,284,647	172,319,934	68.9%	67,159,516	256.6%
CPFPF						
June 30, 2006	22,453,828	24,749,667	2,295,839	90.7%	-	N/A
June 30, 2007	19,336,247	21,090,186	1,753,939	91.7%	-	N/A
June 30, 2008	15,705,984	17,319,488	1,613,504	90.7%	-	N/A
POPF						
June 30, 2006	14,014,718	8,236,295	(5,778,423)	170.2%	-	N/A
June 30, 2007	13,499,361	7,378,386	(6,120,975)	183.0%	-	N/A
June 30, 2008	12,890,441	6,789,017	(6,101,424)	189.9%	-	N/A

Note: The 6/30/2009 Pension Actuarial Reports are available at <http://www.state.nj.us/treasury/pensins/actuarial-rpts.htm>.

*Combining
Financial Statements
Non-Major Funds*

**STATE OF NEW JERSEY
BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2009**

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Total Non-Major Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 165,999,997	\$ 6,593,692	\$ 172,593,689
Investments	4,110,121,994	28,744,537	4,138,866,531
Receivables, net of allowances for uncollectibles			
Federal government	-	90,433,429	90,433,429
Departmental accounts	363,382,753	73,883,849	437,266,602
Loans	1,372,524,478	5,000,000	1,377,524,478
Other	276,569,883	84,643,975	361,213,858
Due from other funds	358,478,233	207,421,888	565,900,121
Other	100,752	-	100,752
Total Assets	<u>\$ 6,647,178,090</u>	<u>\$ 496,721,370</u>	<u>\$ 7,143,899,460</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 840,473,010	\$ 251,529,054	\$ 1,092,002,064
Deferred revenue	160,397,540	-	160,397,540
Due to other funds	648,401,006	138,003,380	786,404,386
Advances from other funds	7,000,000	-	7,000,000
Other	66,431,329	-	66,431,329
Total Liabilities	<u>1,722,702,885</u>	<u>389,532,434</u>	<u>2,112,235,319</u>
Fund Balances			
Reserved for:			
Encumbrances	1,124,484,710	68,467,884	1,192,952,594
Other	1,711,572,369	5,000,000	1,716,572,369
Unreserved:			
Designated-continuing appropriations	1,623,441,553	38,721,052	1,662,162,605
Designated-unrealized gains	3,242,663	-	3,242,663
Undesignated	461,733,910	(5,000,000)	456,733,910
Total Fund Balances	<u>4,924,475,205</u>	<u>107,188,936</u>	<u>5,031,664,141</u>
Total Liabilities and Fund Balances	<u>\$ 6,647,178,090</u>	<u>\$ 496,721,370</u>	<u>\$ 7,143,899,460</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, 2009

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Total Non-Major Governmental Funds</u>
REVENUES			
Taxes	\$ 1,708,611,545	\$ -	\$ 1,708,611,545
Federal and other grants	58,891,953	745,956,545	804,848,498
Licenses and fees	107,675,303	-	107,675,303
Services and assessments	1,017,074,846	274,366	1,017,349,212
Investment earnings	84,875,245	1,994,967	86,870,212
Contributions	90,343	-	90,343
Other	457,195,437	-	457,195,437
Total Revenues	<u>3,434,414,672</u>	<u>748,225,878</u>	<u>4,182,640,550</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	106,166,459	17,869,708	124,036,167
Physical and mental health	380,033,764	-	380,033,764
Educational, cultural, and intellectual development	1,016,052,329	-	1,016,052,329
Community development and environmental management	323,380,481	-	323,380,481
Economic planning, development, and security	1,085,954,195	241,519	1,086,195,714
Transportation programs	60,454,935	2,246,515,152	2,306,970,087
Government direction, management, and control	248,089,291	6,766	248,096,057
Special government services	205,768	-	205,768
Debt Service:			
Principal	383,611,030	-	383,611,030
Interest	693,542,576	-	693,542,576
Total Expenditures	<u>4,297,490,828</u>	<u>2,264,633,145</u>	<u>6,562,123,973</u>
Excess (deficiency) of revenues over expenditures	<u>(863,076,156)</u>	<u>(1,516,407,267)</u>	<u>(2,379,483,423)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	1,538,975,562	-	1,538,975,562
Transfers from other funds	1,757,999,373	1,497,018,844	3,255,018,217
Transfers to other funds	(2,752,428,828)	(435,674)	(2,752,864,502)
Other sources	6,130,225	-	6,130,225
Total other financing sources (uses)	<u>550,676,332</u>	<u>1,496,583,170</u>	<u>2,047,259,502</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(312,399,824)</u>	<u>(19,824,097)</u>	<u>(332,223,921)</u>
Fund Balances - July 1, 2008 (Restated)	<u>5,236,875,029</u>	<u>127,013,033</u>	<u>5,363,888,062</u>
Fund Balances - June 30, 2009	<u>\$ 4,924,475,205</u>	<u>\$ 107,188,936</u>	<u>\$ 5,031,664,141</u>



**STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2009**

	<u>Alcohol Education, Rehabilitation and Enforcement Fund</u>	<u>Atlantic City Parking Fees Fund</u>	<u>Atlantic City Projects-Room Fund</u>
ASSETS			
Cash and cash equivalents	\$ 747,071	\$ 5,156	\$ 829,414
Investments	3,583,424	6,398	2,039,286
Receivables, net of allowances for uncollectibles			
Departmental accounts	79,892	2,276,805	7,980,212
Loans	-	-	-
Other	-	-	-
Due from other funds	5,500,000	-	2,263,713
Other	-	-	-
Total Assets	<u>\$ 9,910,387</u>	<u>\$ 2,288,359</u>	<u>\$ 13,112,625</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 93,785	\$ 2,276,805	\$ 7,980,212
Deferred revenue	-	-	-
Due to other funds	1,944,622	-	-
Advances from other funds	-	-	-
Other	-	-	-
Total Liabilities	<u>2,038,407</u>	<u>2,276,805</u>	<u>7,980,212</u>
Fund Balances			
Reserved for:			
Encumbrances	3,432,469	-	-
Other	-	-	-
Unreserved:			
Designated-continuing appropriations	4,439,511	11,554	5,132,413
Designated-unrealized gains	-	-	-
Undesignated	-	-	-
Total Fund Balances	<u>7,871,980</u>	<u>11,554</u>	<u>5,132,413</u>
Total Liabilities and Fund Balances	<u>\$ 9,910,387</u>	<u>\$ 2,288,359</u>	<u>\$ 13,112,625</u>

Atlantic City Tourism Promotion Fund	Beaches and Harbor Fund	Board of Bar Examiners	Boarding House Rental Assistance Fund
\$ 2,542,108	\$ 297,241	\$ 4,460	\$ 677,385
1,146,246	1,072,029	6,640,012	166,938
1,035,686	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 4,724,040</u>	<u>\$ 1,369,270</u>	<u>\$ 6,644,472</u>	<u>\$ 844,323</u>
\$ 374,529	\$ -	\$ 1,541,997	\$ -
-	-	-	-
2,263,713	16,917	-	-
-	-	-	-
-	-	-	-
<u>2,638,242</u>	<u>16,917</u>	<u>1,541,997</u>	<u>-</u>
-	-	-	-
-	-	-	-
2,085,798	1,352,353	5,102,475	844,323
-	-	-	-
-	-	-	-
<u>2,085,798</u>	<u>1,352,353</u>	<u>5,102,475</u>	<u>844,323</u>
<u>\$ 4,724,040</u>	<u>\$ 1,369,270</u>	<u>\$ 6,644,472</u>	<u>\$ 844,323</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009

	<u>Body Armor Replacement Fund</u>	<u>Capital City Redevelopment Loan and Grant Fund</u>	<u>Casino Control Fund</u>
ASSETS			
Cash and cash equivalents	\$ 3,313,641	\$ 212,599	\$ 51,000
Investments	206,359	984,627	-
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	-	10,013,850
Loans	-	510,984	-
Other	-	-	-
Due from other funds	-	-	8,308,340
Other	-	-	-
Total Assets	<u>\$ 3,520,000</u>	<u>\$ 1,708,210</u>	<u>\$ 18,373,190</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 10,000	\$ 17,526	\$ 4,936,101
Deferred revenue	-	-	11,539,000
Due to other funds	25,102	234,993	-
Advances from other funds	-	-	-
Other	-	-	-
Total Liabilities	<u>35,102</u>	<u>252,519</u>	<u>16,475,101</u>
Fund Balances			
Reserved for:			
Encumbrances	184,460	-	987,197
Other	-	510,984	-
Unreserved:			
Designated-continuing appropriations	3,300,438	944,707	910,892
Designated-unrealized gains	-	-	-
Undesignated	-	-	-
Total Fund Balances	<u>3,484,898</u>	<u>1,455,691</u>	<u>1,898,089</u>
Total Liabilities and Fund Balances	<u>\$ 3,520,000</u>	<u>\$ 1,708,210</u>	<u>\$ 18,373,190</u>

<u>Casino Revenue Fund</u>	<u>Casino Simulcasting Fund</u>	<u>Casino Simulcasting Special Fund</u>	<u>Catastrophic Illness in Children Relief Fund</u>
\$ -	\$ 438,197	\$ 2,764,917	\$ 582,168
-	18,088	2,583,553	134,689
37,385,168	-	-	9,052,253
-	-	-	-
-	-	-	-
34,711,466	-	-	226,789
-	-	-	-
<u>\$ 72,096,634</u>	<u>\$ 456,285</u>	<u>\$ 5,348,470</u>	<u>\$ 9,995,899</u>
\$ 28,975,846	\$ -	\$ 118	\$ -
7,000	-	-	-
-	456,285	-	9,036,957
-	-	-	-
-	-	-	-
<u>28,982,846</u>	<u>456,285</u>	<u>118</u>	<u>9,036,957</u>
43,113,788	-	-	40,748
-	-	-	-
-	-	5,348,352	918,194
-	-	-	-
-	-	-	-
<u>43,113,788</u>	<u>-</u>	<u>5,348,352</u>	<u>958,942</u>
<u>\$ 72,096,634</u>	<u>\$ 456,285</u>	<u>\$ 5,348,470</u>	<u>\$ 9,995,899</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009

	<u>Clean Communities Account Fund</u>	<u>Clean Energy Fund</u>	<u>Clean Waters Fund</u>
ASSETS			
Cash and cash equivalents	\$ 3,696,255	\$ 6,219,962	\$ 24,330
Investments	1,329,334	286,059,351	1,129,541
Receivables, net of allowances for uncollectibles			
Departmental accounts	135,946	-	-
Loans	-	-	-
Other	-	30,853,452	-
Due from other funds	1,348,389	-	-
Other	-	-	-
Total Assets	<u>\$ 6,509,924</u>	<u>\$ 323,132,765</u>	<u>\$ 1,153,871</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ 24,191,138	\$ -
Deferred revenue	-	-	-
Due to other funds	1,707,247	931,517	17,912
Advances from other funds	-	-	-
Other	-	-	-
Total Liabilities	<u>1,707,247</u>	<u>25,122,655</u>	<u>17,912</u>
Fund Balances			
Reserved for:			
Encumbrances	544	204,841,073	-
Other	-	-	-
Unreserved:			
Designated-continuing appropriations	4,802,133	93,169,037	1,135,959
Designated-unrealized gains	-	-	-
Undesignated	-	-	-
Total Fund Balances	<u>4,802,677</u>	<u>298,010,110</u>	<u>1,135,959</u>
Total Liabilities and Fund Balances	<u>\$ 6,509,924</u>	<u>\$ 323,132,765</u>	<u>\$ 1,153,871</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>	<u>1992 Dam Restoration and Clean Waters Trust Fund</u>	<u>1989 Development Potential Bank Transfer Fund</u>
\$ 100,814	\$ 1,869,113	\$ 1,441,292	\$ 1,290,817	\$ 20,154
122,480	41,469,648	10,990,821	9,510,448	7,105,603
-	-	-	-	-
-	31,188,392	-	7,108,954	-
42,000	229,642	-	40,074	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 265,294</u>	<u>\$ 74,756,795</u>	<u>\$ 12,432,113</u>	<u>\$ 17,950,293</u>	<u>\$ 7,125,757</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
6,696	-	255,821	-	53,443
-	-	-	-	-
-	-	-	-	-
<u>6,696</u>	<u>-</u>	<u>255,821</u>	<u>-</u>	<u>53,443</u>
1,010,000	48,033,811	12,201,218	-	-
-	31,188,392	-	7,108,954	-
-	-	-	10,841,339	7,072,314
-	-	-	-	-
<u>(751,402)</u>	<u>(4,465,408)</u>	<u>(24,926)</u>	<u>-</u>	<u>-</u>
<u>258,598</u>	<u>74,756,795</u>	<u>12,176,292</u>	<u>17,950,293</u>	<u>7,072,314</u>
<u>\$ 265,294</u>	<u>\$ 74,756,795</u>	<u>\$ 12,432,113</u>	<u>\$ 17,950,293</u>	<u>\$ 7,125,757</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009

	<u>Developmental Disabilities Waiting List Reduction Fund</u>	<u>Disciplinary Oversight Committee</u>	<u>Division of Motor Vehicles Surcharge Fund</u>
ASSETS			
Cash and cash equivalents	\$ 508,386	\$ 5,142,491	\$ -
Investments	5,440,445	-	7,203
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	-	11,472,346
Loans	-	-	-
Other	-	1,960	-
Due from other funds	-	-	-
Other	-	-	-
Total Assets	<u>\$ 5,948,831</u>	<u>\$ 5,144,451</u>	<u>\$ 11,479,549</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 12,381	\$ 2,980,377	\$ 11,479,549
Deferred revenue	-	-	-
Due to other funds	111,054	-	-
Advances from other funds	-	-	-
Other	-	-	-
Total Liabilities	<u>123,435</u>	<u>2,980,377</u>	<u>11,479,549</u>
Fund Balances			
Reserved for:			
Encumbrances	1,419,135	-	-
Other	-	-	-
Unreserved:			
Designated-continuing appropriations	4,406,261	2,164,074	-
Designated-unrealized gains	-	-	-
Undesignated	-	-	-
Total Fund Balances	<u>5,825,396</u>	<u>2,164,074</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 5,948,831</u>	<u>\$ 5,144,451</u>	<u>\$ 11,479,549</u>

<u>Dredging and Containment Facility Fund</u>	<u>Drinking Water State Revolving Fund</u>	<u>1996 Economic Development Site Fund</u>	<u>Emergency Flood Control Fund</u>	<u>Emergency Medical Technician Training Fund</u>
\$ 94,294	\$ 6,623,710	\$ 99,026	\$ 12,787	\$ 353,213
20,807,305	61,754,631	1,571,100	345,916	1,052,344
-	-	-	-	-
-	175,661,694	1,848,169	-	-
-	-	-	-	-
-	591,838	-	-	-
-	-	-	-	-
<u>\$ 20,901,599</u>	<u>\$ 244,631,873</u>	<u>\$ 3,518,295</u>	<u>\$ 358,703</u>	<u>\$ 1,405,557</u>
\$ 46,780	\$ 201,828	\$ -	\$ -	\$ 208,716
-	1,314,498	-	-	-
631,000	-	-	5,459	475,977
-	-	-	-	-
-	-	-	-	-
<u>677,780</u>	<u>1,516,326</u>	<u>-</u>	<u>5,459</u>	<u>684,693</u>
23,544,372	27,090,361	-	-	6,105
-	175,661,694	1,848,169	-	-
-	25,056,163	1,670,126	353,244	714,759
-	-	-	-	-
<u>(3,320,553)</u>	<u>15,307,329</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>20,223,819</u>	<u>243,115,547</u>	<u>3,518,295</u>	<u>353,244</u>	<u>720,864</u>
<u>\$ 20,901,599</u>	<u>\$ 244,631,873</u>	<u>\$ 3,518,295</u>	<u>\$ 358,703</u>	<u>\$ 1,405,557</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009

	<u>Emergency Services Fund</u>	<u>Enterprise Zone Assistance Fund</u>	<u>1996 Environmental Cleanup Fund</u>
ASSETS			
Cash and cash equivalents	\$ 103,342	\$ 7,387,425	\$ 298,808
Investments	8,159,284	322,872,701	3,141,247
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	-	-
Loans	10,000	-	-
Other	-	-	-
Due from other funds	-	7,757,854	-
Other	-	-	-
Total Assets	<u>\$ 8,272,626</u>	<u>\$ 338,017,980</u>	<u>\$ 3,440,055</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 139,271	\$ 10,372,588	\$ 247,238
Deferred revenue	-	-	-
Due to other funds	313,000	35,157,168	-
Advances from other funds	-	-	-
Other	-	-	-
Total Liabilities	<u>452,271</u>	<u>45,529,756</u>	<u>247,238</u>
Fund Balances			
Reserved for:			
Encumbrances	2,257,637	130,188,663	3,448,068
Other	10,000	-	-
Unreserved:			
Designated-continuing appropriations	5,552,718	161,674,842	-
Designated-unrealized gains	-	-	-
Undesignated	-	624,719	(255,251)
Total Fund Balances	<u>7,820,355</u>	<u>292,488,224</u>	<u>3,192,817</u>
Total Liabilities and Fund Balances	<u>\$ 8,272,626</u>	<u>\$ 338,017,980</u>	<u>\$ 3,440,055</u>

<u>1989 Farmland Preservation Fund</u>	<u>1992 Farmland Preservation Fund</u>	<u>1995 Farmland Preservation Fund</u>	<u>Fund for Support of Free Public Schools</u>	<u>Garden State Farmland Preservation Trust Fund</u>
\$ 22,506	\$ 69,145	\$ 182,857	\$ 680,695	\$ 3,794,887
55,160	548,178	3,352,985	126,351,995	162,882,709
-	-	-	-	-
-	-	-	-	-
-	-	-	134,760	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 77,666</u>	<u>\$ 617,323</u>	<u>\$ 3,535,842</u>	<u>\$ 127,167,450</u>	<u>\$ 166,677,596</u>
\$ -	\$ -	\$ 476,600	\$ -	\$ 35,063,195
-	-	-	-	-
-	-	-	2,087,078	2,782,984
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>476,600</u>	<u>2,087,078</u>	<u>37,846,179</u>
-	-	479,963	-	11,757,394
-	-	-	94,727,509	-
77,666	617,323	2,579,279	-	117,074,023
-	-	-	2,385,479	-
-	-	-	27,967,384	-
<u>77,666</u>	<u>617,323</u>	<u>3,059,242</u>	<u>125,080,372</u>	<u>128,831,417</u>
<u>\$ 77,666</u>	<u>\$ 617,323</u>	<u>\$ 3,535,842</u>	<u>\$ 127,167,450</u>	<u>\$ 166,677,596</u>

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STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009

	<u>Garden State Green Acres Preservation Trust Fund</u>	<u>Garden State Historic Preservation Trust Fund</u>	<u>Global Warming Solutions Fund</u>
ASSETS			
Cash and cash equivalents	\$ 4,500,026	\$ 461,214	\$ 743,099
Investments	231,698,105	27,934,006	11,518,679
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	-	-
Loans	52,059,584	-	-
Other	220,761	-	15,224,412
Due from other funds	-	-	-
Other	-	-	-
Total Assets	<u>\$ 288,478,476</u>	<u>\$ 28,395,220</u>	<u>\$ 27,486,190</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 130,247	\$ 357,180	\$ 8,708,363
Deferred revenue	-	-	-
Due to other funds	4,880,618	533,436	1,553,040
Advances from other funds	-	-	-
Other	-	-	-
Total Liabilities	<u>5,010,865</u>	<u>890,616</u>	<u>10,261,403</u>
Fund Balances			
Reserved for:			
Encumbrances	146,051,515	13,303,094	1,393,684
Other	15,813,221	-	-
Unreserved:			
Designated-continuing appropriations	121,602,875	14,201,510	15,831,103
Designated-unrealized gains	-	-	-
Undesignated	-	-	-
Total Fund Balances	<u>283,467,611</u>	<u>27,504,604</u>	<u>17,224,787</u>
Total Liabilities and Fund Balances	<u>\$ 288,478,476</u>	<u>\$ 28,395,220</u>	<u>\$ 27,486,190</u>

<u>Green Trust Fund</u>	<u>Gubernatorial Elections Fund</u>	<u>Hazardous Discharge Fund of 1981</u>	<u>Hazardous Discharge Fund of 1986</u>	<u>Hazardous Discharge Site Cleanup Fund</u>
\$ 3,998,715	\$ -	\$ 711	\$ 1,119,689	\$ 9,405,673
19,179,530	-	183,128	18,830,697	107,895,360
-	469,560	-	-	852,663
45,541,118	-	-	-	-
195,892	-	-	-	8,302,494
-	-	-	78,707	1,352,894
-	-	-	-	-
<u>\$ 68,915,255</u>	<u>\$ 469,560</u>	<u>\$ 183,839</u>	<u>\$ 20,029,093</u>	<u>\$ 127,809,084</u>
\$ -	\$ 104,609	\$ -	\$ 1,915,016	\$ 1,735,496
-	-	-	-	-
-	364,951	2,890	-	13,262,875
-	-	-	-	-
-	-	-	-	-
-	469,560	2,890	1,915,016	14,998,371
20,598,869	-	-	8,081,887	9,938,756
45,541,118	-	-	-	8,302,494
-	-	180,949	10,032,190	94,569,463
-	-	-	-	-
2,775,268	-	-	-	-
<u>68,915,255</u>	<u>-</u>	<u>180,949</u>	<u>18,114,077</u>	<u>112,810,713</u>
<u>\$ 68,915,255</u>	<u>\$ 469,560</u>	<u>\$ 183,839</u>	<u>\$ 20,029,093</u>	<u>\$ 127,809,084</u>

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STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009

	<u>Health Care Subsidy Fund</u>	<u>Higher Education Facility Renovation and Rehabilitation Fund</u>	<u>1992 Historic Preservation Fund</u>
ASSETS			
Cash and cash equivalents	\$ 19,761,065	\$ 16,352	\$ 316,518
Investments	34,794,973	120,155	969,474
Receivables, net of allowances for uncollectibles			
Departmental accounts	3,845,137	-	-
Loans	-	-	-
Other	-	-	-
Due from other funds	112,855,277	-	-
Other	-	-	-
Total Assets	<u>\$ 171,256,452</u>	<u>\$ 136,507</u>	<u>\$ 1,285,992</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 98,481	\$ -	\$ 141,936
Deferred revenue	-	-	-
Due to other funds	169,150,911	-	-
Advances from other funds	-	-	-
Other	-	-	-
Total Liabilities	<u>169,249,392</u>	<u>-</u>	<u>141,936</u>
Fund Balances			
Reserved for:			
Encumbrances	-	8,100	829,766
Other	-	-	-
Unreserved:			
Designated-continuing appropriations	2,007,060	22,253	17,136
Designated-unrealized gains	-	-	-
Undesignated	-	106,154	297,154
Total Fund Balances	<u>2,007,060</u>	<u>136,507</u>	<u>1,144,056</u>
Total Liabilities and Fund Balances	<u>\$ 171,256,452</u>	<u>\$ 136,507</u>	<u>\$ 1,285,992</u>

<u>1995 Historic Preservation Fund</u>	<u>Historic Preservation Revolving Loan Fund</u>	<u>Horse Racing Injury Compensation Fund</u>	<u>Housing Assistance Fund</u>	<u>Jobs, Education and Competitiveness Fund</u>
\$ 101,870	\$ 450,390	\$ 208,854	\$ 619,037	\$ -
366,763	4,088,703	2,318,136	4,180,274	1,200,071
-	-	-	-	-
-	49,702	-	2,204,983	-
-	-	-	1,924	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 468,633</u>	<u>\$ 4,588,795</u>	<u>\$ 2,526,990</u>	<u>\$ 7,006,218</u>	<u>\$ 1,200,071</u>
\$ 83,067	\$ -	\$ -	\$ -	\$ 26,068
-	-	-	-	-
-	-	-	67,914	25,697
-	-	-	-	-
-	-	-	-	-
<u>83,067</u>	<u>-</u>	<u>-</u>	<u>67,914</u>	<u>51,765</u>
330,545	-	-	-	580,913
-	49,702	-	2,204,983	-
55,021	3,799,645	2,526,990	4,324,675	444,460
-	-	-	-	-
-	739,448	-	408,646	122,933
<u>385,566</u>	<u>4,588,795</u>	<u>2,526,990</u>	<u>6,938,304</u>	<u>1,148,306</u>
<u>\$ 468,633</u>	<u>\$ 4,588,795</u>	<u>\$ 2,526,990</u>	<u>\$ 7,006,218</u>	<u>\$ 1,200,071</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009

	<u>Jobs, Science and Technology Fund</u>	<u>Korean Veterans' Memorial Fund</u>	<u>1996 Lake Restoration Fund</u>
ASSETS			
Cash and cash equivalents	\$ 587	\$ 513	\$ 163,422
Investments	425	-	1,329,915
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	6,188	-
Loans	-	-	869,943
Other	-	-	4,443
Due from other funds	-	-	-
Other	-	-	-
Total Assets	<u>\$ 1,012</u>	<u>\$ 6,701</u>	<u>\$ 2,367,723</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 979	\$ -	\$ -
Deferred revenue	-	-	-
Due to other funds	7	-	-
Advances from other funds	-	-	-
Other	-	-	-
Total Liabilities	<u>986</u>	<u>-</u>	<u>-</u>
Fund Balances			
Reserved for:			
Encumbrances	-	-	67,289
Other	-	-	869,943
Unreserved:			
Designated-continuing appropriations	26	6,701	1,430,491
Designated-unrealized gains	-	-	-
Undesignated	-	-	-
Total Fund Balances	<u>26</u>	<u>6,701</u>	<u>2,367,723</u>
Total Liabilities and Fund Balances	<u>\$ 1,012</u>	<u>\$ 6,701</u>	<u>\$ 2,367,723</u>

<u>Lead Hazard Control Assistance Fund</u>	<u>Luxury Tax Fund</u>	<u>Medical Malpractice Liability Insurance Premium Assistance Fund</u>	<u>Mortgage Assistance Fund</u>	<u>Municipal Landfill Closure and Remediation Fund</u>
\$ 341,178	\$ 6,450	\$ 717,168	\$ 574,955	\$ 68,135
12,543,737	94,661	1,038,561	332,286	-
-	4,000,118	-	-	-
2,479,449	-	-	9,369,922	-
58,900	-	-	693,269	-
-	133,927	218,898	-	-
-	-	-	-	-
<u>\$ 15,423,264</u>	<u>\$ 4,235,156</u>	<u>\$ 1,974,627</u>	<u>\$ 10,970,432</u>	<u>\$ 68,135</u>
\$ 140,979	\$ 4,003,142	\$ 145,163	\$ -	\$ -
-	-	-	-	-
881,262	1,104	-	737,969	-
-	-	-	-	-
-	-	-	-	-
<u>1,022,241</u>	<u>4,004,246</u>	<u>145,163</u>	<u>737,969</u>	<u>-</u>
2,366,173	-	-	-	-
2,479,449	-	-	9,369,922	-
9,555,401	96,983	1,829,464	862,541	68,135
-	-	-	-	-
-	133,927	-	-	-
<u>14,401,023</u>	<u>230,910</u>	<u>1,829,464</u>	<u>10,232,463</u>	<u>68,135</u>
<u>\$ 15,423,264</u>	<u>\$ 4,235,156</u>	<u>\$ 1,974,627</u>	<u>\$ 10,970,432</u>	<u>\$ 68,135</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009

	<u>Natural Resources Fund</u>	<u>New Home Warranty Security Fund</u>	<u>New Jersey Building Authority</u>
ASSETS			
Cash and cash equivalents	\$ 386	\$ 2,727,448	\$ 7,885,788
Investments	2,738,991	23,278,242	156,515,262
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	34,794	-
Loans	-	-	-
Other	-	-	714
Due from other funds	-	10,033,274	-
Other	-	-	-
Total Assets	<u>\$ 2,739,377</u>	<u>\$ 36,073,758</u>	<u>\$ 164,401,764</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 84,664	\$ -	\$ 18,327,312
Deferred revenue	-	-	-
Due to other funds	48,291	161,617	-
Advances from other funds	-	-	-
Other	-	-	2,840,647
Total Liabilities	<u>132,955</u>	<u>161,617</u>	<u>21,167,959</u>
Fund Balances			
Reserved for:			
Encumbrances	2,315,800	-	-
Other	-	-	-
Unreserved:			
Designated-continuing appropriations	290,622	35,912,141	143,233,805
Designated-unrealized gains	-	-	-
Undesignated	-	-	-
Total Fund Balances	<u>2,606,422</u>	<u>35,912,141</u>	<u>143,233,805</u>
Total Liabilities and Fund Balances	<u>\$ 2,739,377</u>	<u>\$ 36,073,758</u>	<u>\$ 164,401,764</u>

<u>1995 New Jersey Coastal Blue Acres Trust Fund</u>	<u>New Jersey Cultural Trust Fund</u>	<u>1983 New Jersey Green Acres Fund</u>	<u>1989 New Jersey Green Acres Fund</u>	<u>1992 New Jersey Green Acres Fund</u>
\$ 322,946	\$ 543,085	\$ 123	\$ 1,206,946	\$ 469,304
2,439,042	24,218,224	19,948,731	4,952,720	814,507
-	-	-	-	-
768,848	-	-	-	-
4,795	102,359	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 3,535,631</u>	<u>\$ 24,863,668</u>	<u>\$ 19,948,854</u>	<u>\$ 6,159,666</u>	<u>\$ 1,283,811</u>
\$ -	\$ 401,398	\$ -	\$ 162	\$ -
-	-	-	-	-
-	-	314,882	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>401,398</u>	<u>314,882</u>	<u>162</u>	<u>-</u>
-	452,470	3,381	306,725	37,664
768,848	-	-	-	-
2,766,783	23,566,768	-	2,932,353	123,405
-	443,032	-	-	-
-	-	19,630,591	2,920,426	1,122,742
<u>3,535,631</u>	<u>24,462,270</u>	<u>19,633,972</u>	<u>6,159,504</u>	<u>1,283,811</u>
<u>\$ 3,535,631</u>	<u>\$ 24,863,668</u>	<u>\$ 19,948,854</u>	<u>\$ 6,159,666</u>	<u>\$ 1,283,811</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009

	<u>1995 New Jersey Green Acres Fund</u>	<u>1989 New Jersey Green Trust Fund</u>	<u>1992 New Jersey Green Trust Fund</u>
ASSETS			
Cash and cash equivalents	\$ 408,484	\$ 1,678,257	\$ 1,194,540
Investments	4,469,521	40,699,889	17,717,485
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	-	-
Loans	-	39,721,147	28,226,204
Other	-	221,132	141,338
Due from other funds	-	-	-
Other	-	-	-
Total Assets	<u>\$ 4,878,005</u>	<u>\$ 82,320,425</u>	<u>\$ 47,279,567</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 560	\$ -	\$ -
Deferred revenue	-	-	-
Due to other funds	-	-	-
Advances from other funds	-	-	-
Other	-	-	-
Total Liabilities	<u>560</u>	<u>-</u>	<u>-</u>
Fund Balances			
Reserved for:			
Encumbrances	402,901	33,507,875	11,947,505
Other	-	39,721,147	28,226,204
Unreserved:			
Designated-continuing appropriations	4,474,544	5,034,527	7,105,858
Designated-unrealized gains	-	-	-
Undesignated	-	4,056,876	-
Total Fund Balances	<u>4,877,445</u>	<u>82,320,425</u>	<u>47,279,567</u>
Total Liabilities and Fund Balances	<u>\$ 4,878,005</u>	<u>\$ 82,320,425</u>	<u>\$ 47,279,567</u>

<u>1995 New Jersey Green Trust Fund</u>	<u>1995 New Jersey Inland Blue Acres Fund</u>	<u>New Jersey Lawyers' Assistance Program</u>	<u>New Jersey Lawyers' Fund for Client Protection</u>	<u>New Jersey Local Development Financing Fund</u>
\$ 941,709	\$ 85,394	\$ 3,849	\$ 1,776,767	\$ -
24,837,123	660,854	1,257,504	17,515,649	18,418,457
-	-	-	-	-
41,875,139	-	-	-	31,223,990
218,891	-	-	146,651	69,078
-	-	-	-	-
-	-	-	15,064	-
<u>\$ 67,872,862</u>	<u>\$ 746,248</u>	<u>\$ 1,261,353</u>	<u>\$ 19,454,131</u>	<u>\$ 49,711,525</u>
\$ -	\$ -	\$ 159,727	\$ 344,576	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>159,727</u>	<u>344,576</u>	<u>-</u>
16,440,034	1,442	-	-	-
41,875,139	-	-	-	31,223,990
9,557,689	-	1,101,626	18,695,403	18,487,535
-	-	-	414,152	-
-	744,806	-	-	-
<u>67,872,862</u>	<u>746,248</u>	<u>1,101,626</u>	<u>19,109,555</u>	<u>49,711,525</u>
<u>\$ 67,872,862</u>	<u>\$ 746,248</u>	<u>\$ 1,261,353</u>	<u>\$ 19,454,131</u>	<u>\$ 49,711,525</u>

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STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009

	<u>New Jersey Racing Industry Special Fund</u>	<u>New Jersey Schools Development Authority</u>	<u>New Jersey Spill Compensation Fund</u>
ASSETS			
Cash and cash equivalents	\$ 1,727,726	\$ 1,408,106	\$ 5,675,344
Investments	3,054,797	328,852,460	11,990,001
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	-	-
Loans	-	-	-
Other	-	1,215,308	7,318,591
Due from other funds	-	-	201,274
Other	-	-	-
Total Assets	<u>\$ 4,782,523</u>	<u>\$ 331,475,874</u>	<u>\$ 25,185,210</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 1,841,116	\$ 297,490,516	\$ 737,268
Deferred revenue	-	-	-
Due to other funds	-	-	15,698,437
Advances from other funds	-	-	-
Other	-	63,514,563	-
Total Liabilities	<u>1,841,116</u>	<u>361,005,079</u>	<u>16,435,705</u>
Fund Balances			
Reserved for:			
Encumbrances	-	-	315,132
Other	-	368,627	6,801,086
Unreserved:			
Designated-continuing appropriations	2,941,407	-	1,633,287
Designated-unrealized gains	-	-	-
Undesignated	-	(29,897,832)	-
Total Fund Balances	<u>2,941,407</u>	<u>(29,529,205)</u>	<u>8,749,505</u>
Total Liabilities and Fund Balances	<u>\$ 4,782,523</u>	<u>\$ 331,475,874</u>	<u>\$ 25,185,210</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>	<u>Petroleum Overcharge Reimbursement Fund</u>	<u>Pinelands Infrastructure Trust Fund</u>
\$ 826,285	\$ 31,844	\$ 4,480,568	\$ 308,639	\$ 20,582
8,423,529	424,693,446	52,908,430	6,286,375	8,751,382
-	-	28,523,038	-	-
-	-	-	1,500,000	2,073,225
-	-	-	-	31,383
8,270,357	106,921,000	3,245,431	-	-
-	-	-	-	-
<u>\$ 17,520,171</u>	<u>\$ 531,646,290</u>	<u>\$ 89,157,467</u>	<u>\$ 8,095,014</u>	<u>\$ 10,876,572</u>
\$ 442,144	\$ 19,466	\$ 7,611,001	\$ 10,546	\$ -
-	-	-	893,588	-
416,656	207,421,888	16,514,659	-	-
-	-	-	-	-
-	-	14,327	-	-
<u>858,800</u>	<u>207,441,354</u>	<u>24,139,987</u>	<u>904,134</u>	<u>-</u>
5,260,402	-	42,254,541	334,717	72,320
-	262,581	-	1,500,000	2,073,225
11,400,969	-	22,762,939	1,369,162	1,242,327
-	-	-	-	-
-	323,942,355	-	3,987,001	7,488,700
<u>16,661,371</u>	<u>324,204,936</u>	<u>65,017,480</u>	<u>7,190,880</u>	<u>10,876,572</u>
<u>\$ 17,520,171</u>	<u>\$ 531,646,290</u>	<u>\$ 89,157,467</u>	<u>\$ 8,095,014</u>	<u>\$ 10,876,572</u>

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STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009

	<u>Pollution Prevention Fund</u>	<u>Real Estate Guaranty Fund</u>	<u>Resource Recovery and Solid Waste Disposal Facility Fund</u>
ASSETS			
Cash and cash equivalents	\$ 576,374	\$ 193,749	\$ 33,533
Investments	1,143,887	1,683,811	628,824
Receivables, net of allowances for uncollectibles			
Departmental accounts	1,765,350	-	-
Loans	-	-	-
Other	-	-	-
Due from other funds	-	91,138	-
Other	-	-	-
Total Assets	<u>\$ 3,485,611</u>	<u>\$ 1,968,698</u>	<u>\$ 662,357</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ -	\$ -
Deferred revenue	-	-	-
Due to other funds	1,866,694	-	-
Advances from other funds	-	-	-
Other	-	-	-
Total Liabilities	<u>1,866,694</u>	<u>-</u>	<u>-</u>
Fund Balances			
Reserved for:			
Encumbrances	-	-	-
Other	-	-	-
Unreserved:			
Designated-continuing appropriations	1,618,917	1,968,698	493,795
Designated-unrealized gains	-	-	-
Undesignated	-	-	168,562
Total Fund Balances	<u>1,618,917</u>	<u>1,968,698</u>	<u>662,357</u>
Total Liabilities and Fund Balances	<u>\$ 3,485,611</u>	<u>\$ 1,968,698</u>	<u>\$ 662,357</u>

<u>Safe Drinking Water Fund</u>	<u>Sanitary Landfill Facility Contingency Fund</u>	<u>Shore Protection Fund</u>	<u>State Disability Benefit Fund</u>	<u>State Land Acquisition and Development Fund</u>
\$ 1,396,203	\$ 1,387,361	\$ 100,000	\$ 9,509	\$ 24,878
2,973,994	14,330,305	11,021,693	184,671,040	1,082,136
171,739	-	-	223,647,601	-
-	-	-	-	-
-	96,196	-	974,521	-
30,653	379	-	22,982,653	-
-	-	85,688	-	-
<u>\$ 4,572,589</u>	<u>\$ 15,814,241</u>	<u>\$ 11,207,381</u>	<u>\$ 432,285,324</u>	<u>\$ 1,107,014</u>
\$ -	\$ 271,185	\$ -	\$ 43,815,883	\$ -
-	-	-	-	-
3,045,936	-	159,754	89,721,023	17,191
-	-	-	-	-
-	-	-	61,792	-
<u>3,045,936</u>	<u>271,185</u>	<u>159,754</u>	<u>133,598,698</u>	<u>17,191</u>
3,442	1,402,912	-	-	-
-	-	-	-	-
1,492,558	14,140,144	2,328,488	298,686,626	1,089,823
-	-	-	-	-
30,653	-	8,719,139	-	-
<u>1,526,653</u>	<u>15,543,056</u>	<u>11,047,627</u>	<u>298,686,626</u>	<u>1,089,823</u>
<u>\$ 4,572,589</u>	<u>\$ 15,814,241</u>	<u>\$ 11,207,381</u>	<u>\$ 432,285,324</u>	<u>\$ 1,107,014</u>

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STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009

	<u>State-Owned Real Property Fund</u>	<u>State Recreation and Conservation Land Acquisition and Development Fund</u>	<u>State Recycling Fund</u>
ASSETS			
Cash and cash equivalents	\$ 45,248	\$ 5,386	\$ 1,378,150
Investments	3,900,574	-	28,142,553
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	-	4,892,596
Loans	-	-	5,435
Other	-	-	-
Due from other funds	-	-	7,029,672
Other	-	-	-
Total Assets	<u>\$ 3,945,822</u>	<u>\$ 5,386</u>	<u>\$ 41,448,406</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ -	\$ -
Deferred revenue	-	-	-
Due to other funds	-	5,386	1,000,000
Advances from other funds	-	-	7,000,000
Other	-	-	-
Total Liabilities	<u>-</u>	<u>5,386</u>	<u>8,000,000</u>
Fund Balances			
Reserved for:			
Encumbrances	-	-	223,218
Other	-	-	5,435
Unreserved:			
Designated-continuing appropriations	-	-	33,219,753
Designated-unrealized gains	-	-	-
Undesignated	3,945,822	-	-
Total Fund Balances	<u>3,945,822</u>	<u>-</u>	<u>33,448,406</u>
Total Liabilities and Fund Balances	<u>\$ 3,945,822</u>	<u>\$ 5,386</u>	<u>\$ 41,448,406</u>

Stormwater Management and Combined Sewer Overflow Abatement Fund	Superior Court of New Jersey Trust Fund	Supplemental Workforce Fund for Basic Skills	Tobacco Settlement Financing Corporation, Inc.	Tobacco Settlement Fund
\$ 64,595	\$ 3,914,145	\$ 691,023	\$ -	\$ 11,827
2,745,193	260,890,716	12,614,263	295,849,000	20,476
-	-	7,762,954	-	-
-	-	-	-	-
-	19	-	145,815,000	34,590,585
-	-	487,119	-	-
-	-	-	-	-
<u>\$ 2,809,788</u>	<u>\$ 264,804,880</u>	<u>\$ 21,555,359</u>	<u>\$ 441,664,000</u>	<u>\$ 34,622,888</u>
\$ -	\$ 263,751,739	\$ 2,118,021	\$ 34,918,000	\$ -
-	-	-	145,706,000	-
-	-	4,464,596	-	-
-	-	-	-	-
-	-	-	-	-
-	263,751,739	6,582,617	180,624,000	-
6,707,418	-	7,177,426	-	-
-	-	-	261,040,000	-
-	1,053,141	7,795,316	-	34,622,888
-	-	-	-	-
(3,897,630)	-	-	-	-
<u>2,809,788</u>	<u>1,053,141</u>	<u>14,972,742</u>	<u>261,040,000</u>	<u>34,622,888</u>
<u>\$ 2,809,788</u>	<u>\$ 264,804,880</u>	<u>\$ 21,555,359</u>	<u>\$ 441,664,000</u>	<u>\$ 34,622,888</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009

	<u>Tourism Improvement and Development Fund</u>	<u>Trial Attorney Certification Program</u>	<u>Unclaimed Child Support Trust Fund</u>
ASSETS			
Cash and cash equivalents	\$ 14,157	\$ 1,577	\$ 134,857
Investments	39,305	117,215	2,696,912
Receivables, net of allowances for uncollectibles			
Departmental accounts	994,090	-	-
Loans	-	-	-
Other	-	-	-
Due from other funds	-	-	-
Other	-	-	-
Total Assets	<u>\$ 1,047,552</u>	<u>\$ 118,792</u>	<u>\$ 2,831,769</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 903,314	\$ 101,291	\$ -
Deferred revenue	-	-	-
Due to other funds	126,427	-	-
Advances from other funds	-	-	-
Other	-	-	-
Total Liabilities	<u>1,029,741</u>	<u>101,291</u>	<u>-</u>
Fund Balances			
Reserved for:			
Encumbrances	-	-	-
Other	-	-	-
Unreserved:			
Designated-continuing appropriations	17,811	17,501	2,831,769
Designated-unrealized gains	-	-	-
Undesignated	-	-	-
Total Fund Balances	<u>17,811</u>	<u>17,501</u>	<u>2,831,769</u>
Total Liabilities and Fund Balances	<u>\$ 1,047,552</u>	<u>\$ 118,792</u>	<u>\$ 2,831,769</u>

<u>Unclaimed Utility Deposits Trust Fund</u>	<u>Unemployment Compensation Auxiliary Fund</u>	<u>Universal Services Fund</u>	<u>University of Medicine and Dentistry of New Jersey - Self-Insurance Reserve Fund</u>	<u>Urban and Rural Centers Unsafe Buildings Demolition Revolving Loan Fund</u>
\$ 1,513,629	\$ 153	\$ 4,511,612	\$ 518,884	\$ 1,272,854
4,657,754	9,127,734	15,245,847	2,791,079	7,820,232
-	-	-	2,218,738	-
-	-	-	-	12,774,281
-	4,000,000	25,501,854	-	-
-	-	22,869,946	2,344	-
-	-	-	-	-
<u>\$ 6,171,383</u>	<u>\$ 13,127,887</u>	<u>\$ 68,129,259</u>	<u>\$ 5,531,045</u>	<u>\$ 21,867,367</u>
\$ -	\$ -	\$ 15,174,314	\$ 2,731,501	\$ -
-	-	-	-	-
75,756	6,097,658	43,900,000	-	-
-	-	-	-	-
-	-	-	-	-
<u>75,756</u>	<u>6,097,658</u>	<u>59,074,314</u>	<u>2,731,501</u>	<u>-</u>
-	-	-	-	3,710,448
-	-	3,791,957	-	12,774,281
6,095,627	7,030,229	5,262,988	2,799,544	298,636
-	-	-	-	-
-	-	-	-	5,084,002
<u>6,095,627</u>	<u>7,030,229</u>	<u>9,054,945</u>	<u>2,799,544</u>	<u>21,867,367</u>
<u>\$ 6,171,383</u>	<u>\$ 13,127,887</u>	<u>\$ 68,129,259</u>	<u>\$ 5,531,045</u>	<u>\$ 21,867,367</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009

	<u>Vietnam Veterans'</u> <u>Memorial Fund</u>	<u>Volunteer</u> <u>Emergency Service</u> <u>Organizations Loan</u> <u>Fund</u>	<u>Wastewater</u> <u>Treatment Fund</u>
ASSETS			
Cash and cash equivalents	\$ 6,422	\$ 244,854	\$ 4,311,746
Investments	315	2,093,471	309,465,656
Receivables, net of allowances for uncollectibles			
Departmental accounts	77,221	-	-
Loans	-	1,036,669	762,991,034
Other	-	-	-
Due from other funds	-	-	937,454
Other	-	-	-
Total Assets	<u>\$ 83,958</u>	<u>\$ 3,374,994</u>	<u>\$ 1,077,705,890</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ -	\$ -
Deferred revenue	-	-	937,454
Due to other funds	-	-	-
Advances from other funds	-	-	-
Other	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>937,454</u>
Fund Balances			
Reserved for:			
Encumbrances	-	90,000	214,328,234
Other	-	1,036,669	762,991,034
Unreserved:			
Designated-continuing appropriations	83,958	2,248,325	26,218,466
Designated-unrealized gains	-	-	-
Undesignated	-	-	73,230,702
Total Fund Balances	<u>83,958</u>	<u>3,374,994</u>	<u>1,076,768,436</u>
Total Liabilities and Fund Balances	<u>\$ 83,958</u>	<u>\$ 3,374,994</u>	<u>\$ 1,077,705,890</u>

<u>1992 Wastewater Treatment Fund</u>	<u>Water Conservation Fund</u>	<u>2003 Water Resources and Wastewater Treatment Fund</u>	<u>Water Supply Fund</u>	<u>Water Supply Replacement Trust Fund</u>
\$ 4,218,929	\$ 87,938	\$ 58,854	\$ 1,706,165	\$ 951
11,672,684	714,921	12,656,824	78,978,914	74,024
-	-	-	-	-
15,649,320	-	13,604,453	92,171,839	-
-	-	-	117,485	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 31,540,933</u>	<u>\$ 802,859</u>	<u>\$ 26,320,131</u>	<u>\$ 172,974,403</u>	<u>\$ 74,975</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	11,286	-	230,562	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>11,286</u>	<u>-</u>	<u>230,562</u>	<u>-</u>
13,756,258	-	567,908	45,222,377	54,563
15,649,320	-	13,604,453	92,171,839	-
2,135,355	-	12,147,770	35,349,625	20,412
-	-	-	-	-
-	791,573	-	-	-
<u>31,540,933</u>	<u>791,573</u>	<u>26,320,131</u>	<u>172,743,841</u>	<u>74,975</u>
<u>\$ 31,540,933</u>	<u>\$ 802,859</u>	<u>\$ 26,320,131</u>	<u>\$ 172,974,403</u>	<u>\$ 74,975</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009

	<u>Worker and Community Right to Know Fund</u>	<u>Workers' Compensation Security Fund</u>	<u>Total Non-Major Special Revenue Funds</u>
ASSETS			
Cash and cash equivalents	\$ 995,358	\$ 6,767,669	\$ 165,999,997
Investments	2,280,541	47,287,763	4,110,121,994
Receivables, net of allowances for uncollectibles			
Departmental accounts	4,688,808	-	363,382,753
Loans	-	-	1,372,524,478
Other	-	-	276,569,883
Due from other funds	27,447	-	358,478,233
Other	-	-	100,752
Total Assets	<u>\$ 7,992,154</u>	<u>\$ 54,055,432</u>	<u>\$ 6,647,178,090</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ -	\$ 840,473,010
Deferred revenue	-	-	160,397,540
Due to other funds	7,124,688	-	648,401,006
Advances from other funds	-	-	7,000,000
Other	-	-	66,431,329
Total Liabilities	<u>7,124,688</u>	<u>-</u>	<u>1,722,702,885</u>
Fund Balances			
Reserved for:			
Encumbrances	-	-	1,124,484,710
Other	-	-	1,711,572,369
Unreserved:			
Designated-continuing appropriations	867,466	54,055,432	1,623,441,553
Designated-unrealized gains	-	-	3,242,663
Undesignated	-	-	461,733,910
Total Fund Balances	<u>867,466</u>	<u>54,055,432</u>	<u>4,924,475,205</u>
Total Liabilities and Fund Balances	<u>\$ 7,992,154</u>	<u>\$ 54,055,432</u>	<u>\$ 6,647,178,090</u>



STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDING JUNE 30, 2009

	<u>Alcohol Education, Rehabilitation and Enforcement Fund</u>	<u>Atlantic City Parking Fees Fund</u>	<u>Atlantic City Projects-Room Fund</u>
REVENUES			
Taxes	\$ 11,000,000	\$ 27,237,285	\$ 31,541,008
Federal and other grants	-	-	-
Licenses and fees	2,643,801	-	-
Services and assessments	-	-	-
Investment earnings	92,749	975	29,749
Contributions	-	-	-
Other	-	-	87,273
Total Revenues	<u>13,736,550</u>	<u>27,238,260</u>	<u>31,658,030</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	1,702,661	-	-
Physical and mental health	581,800	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	9,063,481	27,237,285	28,513,671
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>11,347,942</u>	<u>27,237,285</u>	<u>28,513,671</u>
Excess (deficiency) of revenues over expenditures	<u>2,388,608</u>	<u>975</u>	<u>3,144,359</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(1,944,622)	-	-
Other sources	-	-	-
Total other financing sources (uses)	<u>(1,944,622)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>443,986</u>	<u>975</u>	<u>3,144,359</u>
Fund Balances - July 1, 2008 (Restated)	<u>7,427,994</u>	<u>10,579</u>	<u>1,988,054</u>
Fund Balances - June 30, 2009	<u>\$ 7,871,980</u>	<u>\$ 11,554</u>	<u>\$ 5,132,413</u>

<u>Atlantic City Tourism Promotion Fund</u>	<u>Beaches and Harbor Fund</u>	<u>Board of Bar Examiners</u>	<u>Boarding House Rental Assistance Fund</u>
\$ 4,422,278	\$ -	\$ -	\$ -
-	-	-	-
-	-	2,369,747	-
-	-	-	-
4,147	16,917	89,914	2,569
-	-	-	-
-	-	69,750	165,190
<u>4,426,425</u>	<u>16,917</u>	<u>2,529,411</u>	<u>167,759</u>
-	-	2,980,428	-
-	-	-	-
-	-	-	-
-	-	-	-
4,313,304	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>4,313,304</u>	<u>-</u>	<u>2,980,428</u>	<u>-</u>
<u>113,121</u>	<u>16,917</u>	<u>(451,017)</u>	<u>167,759</u>
-	-	-	-
-	-	-	-
-	(16,917)	-	-
-	-	-	-
-	(16,917)	-	-
113,121	-	(451,017)	167,759
<u>1,972,677</u>	<u>1,352,353</u>	<u>5,553,492</u>	<u>676,564</u>
<u>\$ 2,085,798</u>	<u>\$ 1,352,353</u>	<u>\$ 5,102,475</u>	<u>\$ 844,323</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2009

	<u>Body Armor Replacement Fund</u>	<u>Capital City Redevelopment Loan and Grant Fund</u>	<u>Casino Control Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	64,310,288
Services and assessments	-	-	-
Investment earnings	66,316	16,855	157,396
Contributions	-	-	-
Other	4,181,510	614	-
Total Revenues	<u>4,247,826</u>	<u>17,469</u>	<u>64,467,684</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	3,493,945	-	40,570,457
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	464,672	-	27,440,181
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>3,958,617</u>	<u>-</u>	<u>68,010,638</u>
Excess (deficiency) of revenues over expenditures	<u>289,209</u>	<u>17,469</u>	<u>(3,542,954)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(5,025,102)	(234,993)	-
Other sources	-	-	-
Total other financing sources (uses)	<u>(5,025,102)</u>	<u>(234,993)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(4,735,893)</u>	<u>(217,524)</u>	<u>(3,542,954)</u>
Fund Balances - July 1, 2008 (Restated)	<u>8,220,791</u>	<u>1,673,215</u>	<u>5,441,043</u>
Fund Balances - June 30, 2009	<u>\$ 3,484,898</u>	<u>\$ 1,455,691</u>	<u>\$ 1,898,089</u>

<u>Casino Revenue Fund</u>	<u>Casino Simulcasting Fund</u>	<u>Casino Simulcasting Special Fund</u>	<u>Catastrophic Illness in Children Relief Fund</u>
\$ 350,548,945	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	8,959,711
-	303	59,731	61,473
-	-	-	-
34,786,496	455,982	4,639,822	-
<u>385,335,441</u>	<u>456,285</u>	<u>4,699,553</u>	<u>9,021,184</u>
-	-	3,387,390	-
372,208,924	-	-	73,072
32,517,988	-	-	-
-	-	-	-
2,440,000	-	-	-
44,670,063	-	-	-
-	-	-	-
92,000	-	-	-
-	-	-	-
-	-	-	-
<u>451,928,975</u>	<u>-</u>	<u>3,387,390</u>	<u>73,072</u>
<u>(66,593,534)</u>	<u>456,285</u>	<u>1,312,163</u>	<u>8,948,112</u>
-	-	-	-
54,629,048	-	-	-
-	(456,285)	-	(14,036,957)
-	-	-	-
<u>54,629,048</u>	<u>(456,285)</u>	<u>-</u>	<u>(14,036,957)</u>
(11,964,486)	-	1,312,163	(5,088,845)
55,078,274	-	4,036,189	6,047,787
<u>\$ 43,113,788</u>	<u>\$ -</u>	<u>\$ 5,348,352</u>	<u>\$ 958,942</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2009

	<u>Clean Communities Account Fund</u>	<u>Clean Energy Fund</u>	<u>Clean Waters Fund</u>
REVENUES			
Taxes	\$ 18,725,409	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	243,889,227	-
Investment earnings	60,680	3,539,314	17,912
Contributions	-	-	-
Other	-	315,781	-
Total Revenues	<u>18,786,089</u>	<u>247,744,322</u>	<u>17,912</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	17,447,474	-	-
Economic planning, development, and security	-	154,658,203	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	36,949
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>17,447,474</u>	<u>154,658,203</u>	<u>36,949</u>
Excess (deficiency) of revenues over expenditures	<u>1,338,615</u>	<u>93,086,119</u>	<u>(19,037)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	-	(10,931,517)	(17,912)
Other sources	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(10,931,517)</u>	<u>(17,912)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>1,338,615</u>	<u>82,154,602</u>	<u>(36,949)</u>
Fund Balances - July 1, 2008 (Restated)	<u>3,464,062</u>	<u>215,855,508</u>	<u>1,172,908</u>
Fund Balances - June 30, 2009	<u>\$ 4,802,677</u>	<u>\$ 298,010,110</u>	<u>\$ 1,135,959</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>	<u>1992 Dam Restoration and Clean Waters Trust Fund</u>	<u>1989 Development Potential Bank Transfer Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
6,696	740,854	255,821	125,078	110,253
-	-	-	-	-
-	759,945	-	150,843	-
<u>6,696</u>	<u>1,500,799</u>	<u>255,821</u>	<u>275,921</u>	<u>110,253</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	124,542	7,483,390	11,937	20,000
-	-	-	-	-
-	-	-	-	-
295,591	1,746,945	942,197	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>295,591</u>	<u>1,871,487</u>	<u>8,425,587</u>	<u>11,937</u>	<u>20,000</u>
<u>(288,895)</u>	<u>(370,688)</u>	<u>(8,169,766)</u>	<u>263,984</u>	<u>90,253</u>
-	-	-	-	-
-	-	-	-	-
(6,696)	-	(255,821)	-	(53,444)
-	-	-	-	-
<u>(6,696)</u>	<u>-</u>	<u>(255,821)</u>	<u>-</u>	<u>(53,444)</u>
(295,591)	(370,688)	(8,425,587)	263,984	36,809
554,189	75,127,483	20,601,879	17,686,309	7,035,505
<u>\$ 258,598</u>	<u>\$ 74,756,795</u>	<u>\$ 12,176,292</u>	<u>\$ 17,950,293</u>	<u>\$ 7,072,314</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2009

	Developmental Disabilities Waiting List Reduction Fund	Disciplinary Oversight Committee	Division of Motor Vehicles Surcharge Fund
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	9,342,213	-
Services and assessments	-	-	163,296,191
Investment earnings	111,054	106,266	64,469
Contributions	-	-	-
Other	-	555,223	-
Total Revenues	<u>111,054</u>	<u>10,003,702</u>	<u>163,360,660</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	68,900	10,235,932	10,843,164
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	1,842,521	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	184,745	-	152,517,496
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>2,096,166</u>	<u>10,235,932</u>	<u>163,360,660</u>
Excess (deficiency) of revenues over expenditures	<u>(1,985,112)</u>	<u>(232,230)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(111,054)	-	-
Other sources	-	-	-
Total other financing sources (uses)	<u>(111,054)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(2,096,166)</u>	<u>(232,230)</u>	<u>-</u>
Fund Balances - July 1, 2008 (Restated)	<u>7,921,562</u>	<u>2,396,304</u>	<u>-</u>
Fund Balances - June 30, 2009	<u>\$ 5,825,396</u>	<u>\$ 2,164,074</u>	<u>\$ -</u>

Dredging and Containment Facility Fund	Drinking Water State Revolving Fund	1996 Economic Development Site Fund	Emergency Flood Control Fund	Emergency Medical Technician Training Fund
\$ -	\$ -	\$ -	\$ -	\$ -
-	26,648,255	-	-	-
-	-	-	-	-
-	-	-	-	1,945,021
400,785	1,346,219	24,497	5,459	77,331
-	-	-	-	-
-	-	-	-	-
<u>400,785</u>	<u>27,994,474</u>	<u>24,497</u>	<u>5,459</u>	<u>2,022,352</u>
-	-	-	-	-
-	-	-	-	3,001,278
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
3,443,583	-	-	-	-
2,955,913	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>6,399,496</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,001,278</u>
<u>(5,998,711)</u>	<u>27,994,474</u>	<u>24,497</u>	<u>5,459</u>	<u>(978,926)</u>
-	-	-	-	-
-	-	-	-	-
(631,000)	(3,425,892)	-	(5,459)	(4,475,979)
-	-	-	-	-
<u>(631,000)</u>	<u>(3,425,892)</u>	<u>-</u>	<u>(5,459)</u>	<u>(4,475,979)</u>
(6,629,711)	24,568,582	24,497	-	(5,454,905)
26,853,530	218,546,965	3,493,798	353,244	6,175,769
<u>\$ 20,223,819</u>	<u>\$ 243,115,547</u>	<u>\$ 3,518,295</u>	<u>\$ 353,244</u>	<u>\$ 720,864</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2009

	<u>Emergency Services Fund</u>	<u>Enterprise Zone Assistance Fund</u>	<u>1996 Environmental Cleanup Fund</u>
REVENUES			
Taxes	\$ -	\$ 103,048,895	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	40,500	-
Services and assessments	-	-	-
Investment earnings	204,197	4,545,127	55,909
Contributions	-	-	-
Other	-	355,991	-
Total Revenues	<u>204,197</u>	<u>107,990,513</u>	<u>55,909</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	348,618	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	284,503	5,232,667	441,074
Economic planning, development, and security	-	64,921,338	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>633,121</u>	<u>70,154,005</u>	<u>441,074</u>
Excess (deficiency) of revenues over expenditures	<u>(428,924)</u>	<u>37,836,508</u>	<u>(385,165)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(6,313,000)	(35,157,169)	-
Other sources	-	-	-
Total other financing sources (uses)	<u>(6,313,000)</u>	<u>(35,157,169)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(6,741,924)</u>	<u>2,679,339</u>	<u>(385,165)</u>
Fund Balances - July 1, 2008 (Restated)	<u>14,562,279</u>	<u>289,808,885</u>	<u>3,577,982</u>
Fund Balances - June 30, 2009	<u>\$ 7,820,355</u>	<u>\$ 292,488,224</u>	<u>\$ 3,192,817</u>

<u>1989 Farmland Preservation Fund</u>	<u>1992 Farmland Preservation Fund</u>	<u>1995 Farmland Preservation Fund</u>	<u>Fund for Support of Free Public Schools</u>	<u>Garden State Farmland Preservation Trust Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	4,443,214	-
-	-	-	-	-
1,071	10,063	61,294	4,409,456	3,136,328
-	-	-	-	-
-	-	83,800	-	299,380
<u>1,071</u>	<u>10,063</u>	<u>145,094</u>	<u>8,852,670</u>	<u>3,435,708</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
7,906	100,739	863,291	-	98,347,409
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>7,906</u>	<u>100,739</u>	<u>863,291</u>	<u>-</u>	<u>98,347,409</u>
<u>(6,835)</u>	<u>(90,676)</u>	<u>(718,197)</u>	<u>8,852,670</u>	<u>(94,911,701)</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	(6,530,292)	13,522,763
-	-	-	-	(2,759,104)
-	-	-	-	-
-	-	-	<u>(6,530,292)</u>	<u>10,763,659</u>
(6,835)	(90,676)	(718,197)	2,322,378	(84,148,042)
<u>84,501</u>	<u>707,999</u>	<u>3,777,439</u>	<u>122,757,994</u>	<u>212,979,459</u>
<u>\$ 77,666</u>	<u>\$ 617,323</u>	<u>\$ 3,059,242</u>	<u>\$ 125,080,372</u>	<u>\$ 128,831,417</u>

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STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2009

	<u>Garden State Green Acres Preservation Trust Fund</u>	<u>Garden State Historic Preservation Trust Fund</u>	<u>Garden State Preservation Trust</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Investment earnings	4,388,552	404,959	-
Contributions	-	-	-
Other	1,202,474	4,258	-
Total Revenues	<u>5,591,026</u>	<u>409,217</u>	<u>-</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	106,516,783	-	-
Economic planning, development, and security	-	6,055,796	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
Debt Service:			
Principal	-	-	15,000
Interest	-	-	59,146,677
Total Expenditures	<u>106,516,783</u>	<u>6,055,796</u>	<u>59,161,677</u>
Excess (deficiency) of revenues over expenditures	<u>(100,925,757)</u>	<u>(5,646,579)</u>	<u>(59,161,677)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	20,284,145	6,078,553	99,047,138
Transfers to other funds	(4,880,618)	(533,436)	(39,885,461)
Other sources	-	-	-
Total other financing sources (uses)	<u>15,403,527</u>	<u>5,545,117</u>	<u>59,161,677</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(85,522,230)</u>	<u>(101,462)</u>	<u>-</u>
Fund Balances - July 1, 2008 (Restated)	<u>368,989,841</u>	<u>27,606,066</u>	<u>-</u>
Fund Balances - June 30, 2009	<u>\$ 283,467,611</u>	<u>\$ 27,504,604</u>	<u>\$ -</u>

<u>Global Warming Solutions Fund</u>	<u>Green Trust Fund</u>	<u>Gubernatorial Elections Fund</u>	<u>Hazardous Discharge Fund of 1981</u>	<u>Hazardous Discharge Fund of 1986</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
25,209	370,410	-	2,890	246,999
-	-	-	-	-
47,319,194	986,743	499,754	-	-
<u>47,344,403</u>	<u>1,357,153</u>	<u>499,754</u>	<u>2,890</u>	<u>246,999</u>
-	-	5,412,838	-	-
-	-	-	-	-
-	-	-	-	-
27,066,576	8,548,727	-	-	2,431,194
1,500,000	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>28,566,576</u>	<u>8,548,727</u>	<u>5,412,838</u>	<u>-</u>	<u>2,431,194</u>
<u>18,777,827</u>	<u>(7,191,574)</u>	<u>(4,913,084)</u>	<u>2,890</u>	<u>(2,184,195)</u>
-	-	-	-	-
-	-	3,984,229	-	2,726,917
(1,553,040)	-	(161,255)	(2,890)	-
-	-	-	-	-
<u>(1,553,040)</u>	<u>-</u>	<u>3,822,974</u>	<u>(2,890)</u>	<u>2,726,917</u>
17,224,787	(7,191,574)	(1,090,110)	-	542,722
-	76,106,829	1,090,110	180,949	17,571,355
<u>\$ 17,224,787</u>	<u>\$ 68,915,255</u>	<u>\$ -</u>	<u>\$ 180,949</u>	<u>\$ 18,114,077</u>

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STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2009

	<u>Hazardous Discharge Site Cleanup Fund</u>	<u>Health Care Subsidy Fund</u>	<u>Higher Education Facility Renovation and Rehabilitation Fund</u>
REVENUES			
Taxes	\$ -	\$ 379,816,089	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	32,991,978	184,589,841	-
Investment earnings	1,589,873	1,350,836	2,136
Contributions	-	-	-
Other	-	-	-
Total Revenues	<u>34,581,851</u>	<u>565,756,766</u>	<u>2,136</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	8,100
Community development and environmental management	5,146,016	-	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>5,146,016</u>	<u>-</u>	<u>8,100</u>
Excess (deficiency) of revenues over expenditures	<u>29,435,835</u>	<u>565,756,766</u>	<u>(5,964)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	4,179,531	103,039,189	-
Transfers to other funds	(26,266,862)	(685,350,912)	-
Other sources	-	-	-
Total other financing sources (uses)	<u>(22,087,331)</u>	<u>(582,311,723)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	7,348,504	(16,554,957)	(5,964)
Fund Balances - July 1, 2008 (Restated)	<u>105,462,209</u>	<u>18,562,017</u>	<u>142,471</u>
Fund Balances - June 30, 2009	<u>\$ 112,810,713</u>	<u>\$ 2,007,060</u>	<u>\$ 136,507</u>

<u>1992 Historic Preservation Fund</u>	<u>1995 Historic Preservation Fund</u>	<u>Historic Preservation Revolving Loan Fund</u>	<u>Horse Racing Injury Compensation Fund</u>	<u>Housing Assistance Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	2,835,835	-
22,302	9,631	62,923	31,748	65,990
-	-	-	-	-
-	-	2,138	-	1,924
<u>22,302</u>	<u>9,631</u>	<u>65,061</u>	<u>2,867,583</u>	<u>67,914</u>
-	-	-	2,966,487	-
-	-	-	-	-
-	-	-	-	-
386,170	334,540	-	-	-
-	-	-	-	-
106,043	36,949	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>492,213</u>	<u>371,489</u>	<u>-</u>	<u>2,966,487</u>	<u>-</u>
<u>(469,911)</u>	<u>(361,858)</u>	<u>65,061</u>	<u>(98,904)</u>	<u>67,914</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	(67,914)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(67,914)</u>
(469,911)	(361,858)	65,061	(98,904)	-
<u>1,613,967</u>	<u>747,424</u>	<u>4,523,734</u>	<u>2,625,894</u>	<u>6,938,304</u>
<u>\$ 1,144,056</u>	<u>\$ 385,566</u>	<u>\$ 4,588,795</u>	<u>\$ 2,526,990</u>	<u>\$ 6,938,304</u>

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STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2009

	<u>Jobs, Education and Competitiveness Fund</u>	<u>Jobs, Science and Technology Fund</u>	<u>Korean Veterans' Memorial Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Investment earnings	25,697	7	-
Contributions	-	-	6,701
Other	-	-	-
Total Revenues	<u>25,697</u>	<u>7</u>	<u>6,701</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	538,411	1,586	-
Community development and environmental management	-	-	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	15,858
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>538,411</u>	<u>1,586</u>	<u>15,858</u>
Excess (deficiency) of revenues over expenditures	<u>(512,714)</u>	<u>(1,579)</u>	<u>(9,157)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(25,697)	(7)	-
Other sources	-	-	-
Total other financing sources (uses)	<u>(25,697)</u>	<u>(7)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(538,411)</u>	<u>(1,586)</u>	<u>(9,157)</u>
Fund Balances - July 1, 2008 (Restated)	<u>1,686,717</u>	<u>1,612</u>	<u>15,858</u>
Fund Balances - June 30, 2009	<u>\$ 1,148,306</u>	<u>\$ 26</u>	<u>\$ 6,701</u>

<u>1996 Lake Restoration Fund</u>	<u>Lead Hazard Control Assistance Fund</u>	<u>Legal Services Fund</u>	<u>Luxury Tax Fund</u>	<u>Medical Malpractice Liability Insurance Premium Assistance Fund</u>
\$ -	\$ -	\$ -	\$ 27,242,018	\$ -
-	-	-	-	-
-	1,481,924	11,169,651	-	-
-	-	-	-	293,301
20,467	236,761	-	1,440	21,130
-	-	-	-	-
18,059	-	-	-	-
<u>38,526</u>	<u>1,718,685</u>	<u>11,169,651</u>	<u>27,243,458</u>	<u>314,431</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	2,951,277	-	-	122,386
-	-	-	-	-
-	-	-	27,108,091	-
-	-	-	-	-
-	-	-	-	-
-	2,951,277	-	27,108,091	122,386
<u>38,526</u>	<u>(1,232,592)</u>	<u>11,169,651</u>	<u>135,367</u>	<u>192,045</u>
-	-	-	-	-
-	-	-	-	-
-	(881,262)	(11,169,651)	-	-
-	-	-	-	-
-	<u>(881,262)</u>	<u>(11,169,651)</u>	<u>-</u>	<u>-</u>
38,526	(2,113,854)	-	135,367	192,045
2,329,197	16,514,877	-	95,543	1,637,419
<u>\$ 2,367,723</u>	<u>\$ 14,401,023</u>	<u>\$ -</u>	<u>\$ 230,910</u>	<u>\$ 1,829,464</u>

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STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2009

	<u>Mortgage Assistance Fund</u>	<u>Municipal Landfill Closure and Remediation Fund</u>	<u>Natural Resources Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Investment earnings	44,700	-	48,291
Contributions	-	-	-
Other	693,269	1,833,814	-
Total Revenues	<u>737,969</u>	<u>1,833,814</u>	<u>48,291</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	3,291,482	1,833,814	762,524
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>3,291,482</u>	<u>1,833,814</u>	<u>762,524</u>
Excess (deficiency) of revenues over expenditures	<u>(2,553,513)</u>	<u>-</u>	<u>(714,233)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(737,969)	-	(48,291)
Other sources	-	-	-
Total other financing sources (uses)	<u>(737,969)</u>	<u>-</u>	<u>(48,291)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(3,291,482)</u>	<u>-</u>	<u>(762,524)</u>
Fund Balances - July 1, 2008 (Restated)	<u>13,523,945</u>	<u>68,135</u>	<u>3,368,946</u>
Fund Balances - June 30, 2009	<u>\$ 10,232,463</u>	<u>\$ 68,135</u>	<u>\$ 2,606,422</u>

<u>New Home Warranty Security Fund</u>	<u>New Jersey Building Authority</u>	<u>1995 New Jersey Coastal Blue Acres Trust Fund</u>	<u>New Jersey Cultural Trust Fund</u>	<u>1983 New Jersey Green Acres Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
720,112	-	-	-	-
3,804,819	-	-	-	-
534,045	4,272,797	37,536	1,135,040	314,882
-	-	-	-	-
235,792	-	15,850	-	-
<u>5,294,768</u>	<u>4,272,797</u>	<u>53,386</u>	<u>1,135,040</u>	<u>314,882</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,119,125	-	-	-	6,650
-	-	-	-	-
-	-	-	-	-
-	29,822,607	-	1,034,566	-
-	-	-	-	-
-	58,291,030	-	-	-
-	38,586,144	-	-	-
<u>1,119,125</u>	<u>126,699,781</u>	<u>-</u>	<u>1,034,566</u>	<u>6,650</u>
<u>4,175,643</u>	<u>(122,426,984)</u>	<u>53,386</u>	<u>100,474</u>	<u>308,232</u>
-	-	-	-	-
-	95,886,860	-	621,000	-
(4,661,618)	-	-	-	(314,882)
-	-	-	-	-
<u>(4,661,618)</u>	<u>95,886,860</u>	<u>-</u>	<u>621,000</u>	<u>(314,882)</u>
(485,975)	(26,540,124)	53,386	721,474	(6,650)
<u>36,398,116</u>	<u>169,773,929</u>	<u>3,482,245</u>	<u>23,740,796</u>	<u>19,640,622</u>
<u>\$ 35,912,141</u>	<u>\$ 143,233,805</u>	<u>\$ 3,535,631</u>	<u>\$ 24,462,270</u>	<u>\$ 19,633,972</u>

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STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2009

	<u>1989 New Jersey Green Acres Fund</u>	<u>1992 New Jersey Green Acres Fund</u>	<u>1995 New Jersey Green Acres Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Investment earnings	76,220	12,535	74,966
Contributions	-	-	-
Other	-	-	271,630
Total Revenues	<u>76,220</u>	<u>12,535</u>	<u>346,596</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	23,935	28,752	337,583
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	92,372
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>23,935</u>	<u>28,752</u>	<u>429,955</u>
Excess (deficiency) of revenues over expenditures	<u>52,285</u>	<u>(16,217)</u>	<u>(83,359)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	-	-	-
Other sources	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>52,285</u>	<u>(16,217)</u>	<u>(83,359)</u>
Fund Balances - July 1, 2008 (Restated)	<u>6,107,219</u>	<u>1,300,028</u>	<u>4,960,804</u>
Fund Balances - June 30, 2009	<u>\$ 6,159,504</u>	<u>\$ 1,283,811</u>	<u>\$ 4,877,445</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>	<u>1995 New Jersey Inland Blue Acres Fund</u>	<u>New Jersey Lawyers' Assistance Program</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	736,529
-	-	-	-	-
662,176	272,662	409,363	11,264	15,527
-	-	-	-	-
857,881	621,201	923,039	-	-
<u>1,520,057</u>	<u>893,863</u>	<u>1,332,402</u>	<u>11,264</u>	<u>752,056</u>
-	-	-	-	529,233
-	-	-	-	-
-	-	-	-	-
7,335,724	2,110,660	5,476,643	314,328	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>7,335,724</u>	<u>2,110,660</u>	<u>5,476,643</u>	<u>314,328</u>	<u>529,233</u>
<u>(5,815,667)</u>	<u>(1,216,797)</u>	<u>(4,144,241)</u>	<u>(303,064)</u>	<u>222,823</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>(5,815,667)</u>	<u>(1,216,797)</u>	<u>(4,144,241)</u>	<u>(303,064)</u>	<u>222,823</u>
<u>88,136,092</u>	<u>48,496,364</u>	<u>72,017,103</u>	<u>1,049,312</u>	<u>878,803</u>
<u>\$ 82,320,425</u>	<u>\$ 47,279,567</u>	<u>\$ 67,872,862</u>	<u>\$ 746,248</u>	<u>\$ 1,101,626</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2009

	<u>New Jersey Lawyers' Fund for Client Protection</u>	<u>New Jersey Local Development Financing Fund</u>	<u>New Jersey Racing Industry Special Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	3,792,567	30,382	-
Services and assessments	-	-	645,210
Investment earnings	919,045	254,945	8,396
Contributions	-	-	-
Other	774,465	1,004,890	16,119,115
Total Revenues	<u>5,486,077</u>	<u>1,290,217</u>	<u>16,772,721</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	4,868,948	-	13,953,801
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	-	2,111,742	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>4,868,948</u>	<u>2,111,742</u>	<u>13,953,801</u>
Excess (deficiency) of revenues over expenditures	<u>617,129</u>	<u>(821,525)</u>	<u>2,818,920</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	-	-	-
Other sources	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>617,129</u>	<u>(821,525)</u>	<u>2,818,920</u>
Fund Balances - July 1, 2008 (Restated)	<u>18,492,426</u>	<u>50,533,050</u>	<u>122,487</u>
Fund Balances - June 30, 2009	<u>\$ 19,109,555</u>	<u>\$ 49,711,525</u>	<u>\$ 2,941,407</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>
\$ -	\$ 23,837,238	\$ -	\$ -	\$ 97,523,606
-	-	-	-	-
32,650	6,205,387	-	-	-
-	-	-	-	-
13,599,072	305,887	182,215	5,374,555	1,109,733
-	-	-	-	-
190,144	838,401	4,075,697	-	131,406
<u>13,821,866</u>	<u>31,186,913</u>	<u>4,257,912</u>	<u>5,374,555</u>	<u>98,764,745</u>
-	-	-	-	-
-	-	4,168,690	-	-
981,143,723	-	-	-	-
-	3,248,822	-	-	-
-	-	-	-	34,482,677
-	-	-	12,341,289	-
-	-	-	-	-
-	-	-	-	-
-	-	-	257,580,000	-
-	-	-	434,764,755	-
<u>981,143,723</u>	<u>3,248,822</u>	<u>4,168,690</u>	<u>704,686,044</u>	<u>34,482,677</u>
<u>(967,321,857)</u>	<u>27,938,091</u>	<u>89,222</u>	<u>(699,311,489)</u>	<u>64,282,068</u>
-	-	-	1,538,975,562	-
450,000,000	-	-	895,000,000	-
-	(28,428,023)	(416,656)	(1,497,018,844)	(71,388,047)
-	-	-	6,130,225	-
<u>450,000,000</u>	<u>(28,428,023)</u>	<u>(416,656)</u>	<u>943,086,943</u>	<u>(71,388,047)</u>
(517,321,857)	(489,932)	(327,434)	243,775,454	(7,105,979)
<u>487,792,652</u>	<u>9,239,437</u>	<u>16,988,805</u>	<u>80,429,482</u>	<u>72,123,459</u>
<u>\$ (29,529,205)</u>	<u>\$ 8,749,505</u>	<u>\$ 16,661,371</u>	<u>\$ 324,204,936</u>	<u>\$ 65,017,480</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2009

	Petroleum Overcharge Reimbursement Fund	Pinelands Infrastructure Trust Fund	Pollution Prevention Fund
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	1,653,692
Investment earnings	68,214	80,132	8,851
Contributions	-	-	-
Other	-	91,703	-
Total Revenues	<u>68,214</u>	<u>171,835</u>	<u>1,662,543</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	359,794	-	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>359,794</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(291,580)</u>	<u>171,835</u>	<u>1,662,543</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	-	-	(1,853,728)
Other sources	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,853,728)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(291,580)</u>	<u>171,835</u>	<u>(191,185)</u>
Fund Balances - July 1, 2008 (Restated)	<u>7,482,460</u>	<u>10,704,737</u>	<u>1,810,102</u>
Fund Balances - June 30, 2009	<u>\$ 7,190,880</u>	<u>\$ 10,876,572</u>	<u>\$ 1,618,917</u>

Real Estate Guaranty Fund	Resource Recovery and Solid Waste Disposal Facility Fund	Safe Drinking Water Fund	Sanitary Landfill Facility Contingency Fund	Shore Protection Fund
\$ -	\$ -	\$ 3,274,187	\$ -	\$ -
-	-	-	-	-
91,138	-	-	-	-
-	-	-	1,702,011	-
25,913	9,677	51,393	189,971	159,754
-	-	-	-	-
-	-	26,639	5,866	-
<u>117,051</u>	<u>9,677</u>	<u>3,352,219</u>	<u>1,897,848</u>	<u>159,754</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	1,004,363	38,587
17,942	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>17,942</u>	<u>-</u>	<u>-</u>	<u>1,004,363</u>	<u>38,587</u>
<u>99,109</u>	<u>9,677</u>	<u>3,352,219</u>	<u>893,485</u>	<u>121,167</u>
-	-	-	-	-
-	-	-	-	-
-	-	(3,045,936)	-	(159,754)
-	-	-	-	-
-	-	<u>(3,045,936)</u>	<u>-</u>	<u>(159,754)</u>
99,109	9,677	306,283	893,485	(38,587)
<u>1,869,589</u>	<u>652,680</u>	<u>1,220,370</u>	<u>14,649,571</u>	<u>11,086,214</u>
<u>\$ 1,968,698</u>	<u>\$ 662,357</u>	<u>\$ 1,526,653</u>	<u>\$ 15,543,056</u>	<u>\$ 11,047,627</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2009

	<u>State Disability Benefit Fund</u>	<u>State Land Acquisition and Development Fund</u>	<u>State-Owned Real Property Fund</u>
REVENUES			
Taxes	\$ 574,059,415	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	33,996,396	-	-
Investment earnings	1,554,773	17,191	31,172
Contributions	-	-	-
Other	14,167,014	-	654,257
Total Revenues	<u>623,777,598</u>	<u>17,191</u>	<u>685,429</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	463,769,409	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	36,949	-
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>463,769,409</u>	<u>36,949</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>160,008,189</u>	<u>(19,758)</u>	<u>685,429</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(89,207,081)	(17,191)	-
Other sources	-	-	-
Total other financing sources (uses)	<u>(89,207,081)</u>	<u>(17,191)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	70,801,108	(36,949)	685,429
Fund Balances - July 1, 2008 (Restated)	<u>227,885,518</u>	<u>1,126,772</u>	<u>3,260,393</u>
Fund Balances - June 30, 2009	<u>\$ 298,686,626</u>	<u>\$ 1,089,823</u>	<u>\$ 3,945,822</u>

State Recreation and Conservation Land Acquisition and Development Fund	State Recycling Fund	Stormwater Management and Combined Sewer Overflow Abatement Fund	Superior Court of New Jersey Trust Fund	Supplemental Workforce Fund for Basic Skills
\$ -	\$ 23,261,186	\$ -	\$ -	\$ 27,904,836
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
5,393	308,693	57,300	4,170,139	247,604
-	-	-	-	-
-	28,472	-	-	-
<u>5,393</u>	<u>23,598,351</u>	<u>57,300</u>	<u>4,170,139</u>	<u>28,152,440</u>
-	-	-	4,499,434	-
-	-	-	-	-
-	-	-	-	-
448,649	9,557,660	1,320,437	-	-
-	-	-	-	31,154,887
-	-	-	-	-
-	-	203,219	-	-
-	-	-	-	-
-	-	-	-	-
<u>448,649</u>	<u>9,557,660</u>	<u>1,523,656</u>	<u>4,499,434</u>	<u>31,154,887</u>
<u>(443,256)</u>	<u>14,040,691</u>	<u>(1,466,356)</u>	<u>(329,295)</u>	<u>(3,002,447)</u>
-	-	-	-	-
-	-	-	-	-
(5,386)	-	-	-	(2,450,669)
-	-	-	-	-
<u>(5,386)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,450,669)</u>
(448,642)	14,040,691	(1,466,356)	(329,295)	(5,453,116)
<u>448,642</u>	<u>19,407,715</u>	<u>4,276,144</u>	<u>1,382,436</u>	<u>20,425,858</u>
<u>\$ -</u>	<u>\$ 33,448,406</u>	<u>\$ 2,809,788</u>	<u>\$ 1,053,141</u>	<u>\$ 14,972,742</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2009

	<u>Tobacco Settlement Financing Corporation, Inc.</u>	<u>Tobacco Settlement Fund</u>	<u>Tourism Improvement and Development Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ 5,169,150
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Investment earnings	6,951,000	32,073	431
Contributions	-	-	-
Other	218,796,000	68,633,434	-
Total Revenues	<u>225,747,000</u>	<u>68,665,507</u>	<u>5,169,581</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	-	-	5,029,806
Transportation programs	-	-	-
Government direction, management, and control	487,000	-	-
Special government services	-	-	-
Debt Service:			
Principal	67,725,000	-	-
Interest	161,045,000	-	-
Total Expenditures	<u>229,257,000</u>	<u>-</u>	<u>5,029,806</u>
Excess (deficiency) of revenues over expenditures	<u>(3,510,000)</u>	<u>68,665,507</u>	<u>139,775</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	-	(69,307,549)	(126,427)
Other sources	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(69,307,549)</u>	<u>(126,427)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(3,510,000)</u>	<u>(642,042)</u>	<u>13,348</u>
Fund Balances - July 1, 2008 (Restated)	<u>264,550,000</u>	<u>35,264,930</u>	<u>4,463</u>
Fund Balances - June 30, 2009	<u>\$ 261,040,000</u>	<u>\$ 34,622,888</u>	<u>\$ 17,811</u>

<u>Trial Attorney Certification Program</u>	<u>Unclaimed Child Support Trust Fund</u>	<u>Unclaimed Utility Deposits Trust Fund</u>	<u>Unemployment Compensation Auxiliary Fund</u>	<u>Universal Services Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
265,200	-	-	-	-
-	-	-	-	293,528,842
2,193	41,504	75,756	394,146	609,613
-	-	-	-	-
6,095	40,856	2,703,000	15,786,567	-
<u>273,488</u>	<u>82,360</u>	<u>2,778,756</u>	<u>16,180,713</u>	<u>294,138,455</u>
304,223	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	213,273,572
-	-	-	-	-
-	22,508	1,778,371	-	-
-	-	-	-	-
-	-	-	-	-
<u>304,223</u>	<u>22,508</u>	<u>1,778,371</u>	<u>-</u>	<u>213,273,572</u>
<u>(30,735)</u>	<u>59,852</u>	<u>1,000,385</u>	<u>16,180,713</u>	<u>80,864,883</u>
-	-	-	-	-
-	-	-	-	-
-	-	(75,756)	(29,279,471)	(77,900,000)
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>(75,756)</u>	<u>(29,279,471)</u>	<u>(77,900,000)</u>
(30,735)	59,852	924,629	(13,098,758)	2,964,883
48,236	2,771,917	5,170,998	20,128,987	6,090,062
<u>\$ 17,501</u>	<u>\$ 2,831,769</u>	<u>\$ 6,095,627</u>	<u>\$ 7,030,229</u>	<u>\$ 9,054,945</u>

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STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2009

	University of Medicine and Dentistry of New Jersey - Self-Insurance Reserve Fund	Urban and Rural Centers Unsafe Buildings Demolition Revolving Loan Fund	Vietnam Veterans' Memorial Fund
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	8,684,738	-	-
Investment earnings	42,894	120,350	5
Contributions	-	-	83,642
Other	-	24,012	-
Total Revenues	<u>8,727,632</u>	<u>144,362</u>	<u>83,647</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	14,928,088	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	97,910
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>14,928,088</u>	<u>-</u>	<u>97,910</u>
Excess (deficiency) of revenues over expenditures	<u>(6,200,456)</u>	<u>144,362</u>	<u>(14,263)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	9,000,000	-	-
Transfers to other funds	-	-	-
Other sources	-	-	-
Total other financing sources (uses)	<u>9,000,000</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>2,799,544</u>	<u>144,362</u>	<u>(14,263)</u>
Fund Balances - July 1, 2008 (Restated)	<u>-</u>	<u>21,723,005</u>	<u>98,221</u>
Fund Balances - June 30, 2009	<u>\$ 2,799,544</u>	<u>\$ 21,867,367</u>	<u>\$ 83,958</u>

Volunteer Emergency Service Organizations Loan Fund	Wastewater Treatment Fund	1992 Wastewater Treatment Fund	Water Conservation Fund
\$ -	\$ -	\$ -	\$ -
-	32,243,698	-	-
-	-	-	-
-	-	-	-
32,278	8,143,481	282,712	11,286
-	-	-	-
23,734	10,000,000	-	-
<u>56,012</u>	<u>50,387,179</u>	<u>282,712</u>	<u>11,286</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	2,526,614	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>2,526,614</u>	<u>-</u>	<u>-</u>
<u>56,012</u>	<u>47,860,565</u>	<u>282,712</u>	<u>11,286</u>
-	-	-	-
-	-	-	-
-	(1,450,794)	-	(11,286)
-	-	-	-
<u>-</u>	<u>(1,450,794)</u>	<u>-</u>	<u>(11,286)</u>
56,012	46,409,771	282,712	-
3,318,982	1,030,358,665	31,258,221	791,573
<u>\$ 3,374,994</u>	<u>\$ 1,076,768,436</u>	<u>\$ 31,540,933</u>	<u>\$ 791,573</u>

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STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2009

	2003 Water Resources and Wastewater Treatment Fund	Water Supply Fund	Water Supply Replacement Trust Fund
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Investment earnings	236,841	1,609,822	1,139
Contributions	-	-	-
Other	2,810	653,536	-
Total Revenues	<u>239,651</u>	<u>2,263,358</u>	<u>1,139</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	2,160,107	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	775,927	-	-
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>775,927</u>	<u>2,160,107</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(536,276)</u>	<u>103,251</u>	<u>1,139</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	-	(4,230,562)	-
Other sources	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(4,230,562)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(536,276)</u>	<u>(4,127,311)</u>	<u>1,139</u>
Fund Balances - July 1, 2008 (Restated)	<u>26,856,407</u>	<u>176,871,152</u>	<u>73,836</u>
Fund Balances - June 30, 2009	<u>\$ 26,320,131</u>	<u>\$ 172,743,841</u>	<u>\$ 74,975</u>

<u>Worker and Community Right to Know Fund</u>	<u>Workers' Compensation Security Fund</u>	<u>Total Non-Major Special Revenue Funds</u>
\$ -	\$ -	\$ 1,708,611,545
-	-	58,891,953
-	-	107,675,303
4,354,016	29,904,017	1,017,074,846
32,246	698,266	84,875,245
-	-	90,343
-	22,704	457,195,437
<u>4,386,262</u>	<u>30,624,987</u>	<u>3,434,414,672</u>
-	-	106,166,459
-	-	380,033,764
-	-	1,016,052,329
-	-	323,380,481
-	18,688,621	1,085,954,195
-	-	60,454,935
-	-	248,089,291
-	-	205,768
-	-	383,611,030
-	-	693,542,576
-	18,688,621	4,297,490,828
<u>4,386,262</u>	<u>11,936,366</u>	<u>(863,076,156)</u>
-	-	1,538,975,562
-	-	1,757,999,373
(7,124,688)	-	(2,752,428,828)
-	-	6,130,225
<u>(7,124,688)</u>	<u>-</u>	<u>550,676,332</u>
(2,738,426)	11,936,366	(312,399,824)
3,605,892	42,119,066	5,236,875,029
<u>\$ 867,466</u>	<u>\$ 54,055,432</u>	<u>\$ 4,924,475,205</u>

**STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2009**

	<u>Correctional Facilities Construction Fund</u>	<u>Correctional Facilities Construction Fund of 1987</u>	<u>Energy Conservation Fund</u>
ASSETS			
Cash and cash equivalents	\$ 14,096	\$ 95,066	\$ 6,202
Investments	584,196	732,904	277,880
Receivables, net of allowances for uncollectibles			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	-	-	-
Other	-	-	-
Due from other funds	-	-	-
Total Assets	<u>\$ 598,292</u>	<u>\$ 827,970</u>	<u>\$ 284,082</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ 15,976	\$ -
Due to other funds	<u>9,219</u>	<u>11,567</u>	<u>4,388</u>
Total Liabilities	<u>9,219</u>	<u>27,543</u>	<u>4,388</u>
Fund Balances			
Reserved for:			
Encumbrances	-	315,508	6,062
Other	-	-	-
Unreserved:			
Designated-continuing appropriations	589,073	484,919	273,632
Undesignated	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>589,073</u>	<u>800,427</u>	<u>279,694</u>
Total Liabilities and Fund Balances	<u>\$ 598,292</u>	<u>\$ 827,970</u>	<u>\$ 284,082</u>

<u>Human Services Facilities Construction Fund</u>	<u>Motor Vehicle Commission Fund</u>	<u>New Jersey Bridge Rehabilitation and Improvement and Railroad Right-of-Way Preservation Fund</u>
\$ 1,051	\$ 5,705,830	\$ 6,452
26,778	4,172,364	6,256,985
-	-	-
-	-	-
-	-	-
-	84,636,075	-
-	-	-
<u>\$ 27,829</u>	<u>\$ 94,514,269</u>	<u>\$ 6,263,437</u>
\$ 15,573	\$ 1,516,863	\$ -
<u>607</u>	<u>10,616,759</u>	<u>98,738</u>
<u>16,180</u>	<u>12,133,622</u>	<u>98,738</u>
-	53,203,174	1,488,468
-	-	-
11,649	29,177,473	4,676,231
-	-	-
<u>11,649</u>	<u>82,380,647</u>	<u>6,164,699</u>
<u>\$ 27,829</u>	<u>\$ 94,514,269</u>	<u>\$ 6,263,437</u>

(Continued on next page)

**STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS (Continued)
JUNE 30, 2009**

	<u>Public Purpose Buildings and Community-Based Facilities Construction Fund</u>	<u>Public Purpose Buildings Construction Fund</u>	<u>Special Transportation Fund</u>
ASSETS			
Cash and cash equivalents	\$ 107,230	\$ 111,853	\$ -
Investments	1,513,742	135,791	-
Receivables, net of allowances for uncollectibles			
Federal government	-	-	90,433,429
Departmental accounts	-	-	73,883,849
Loans	-	-	5,000,000
Other	-	-	7,900
Due from other funds	-	-	207,421,888
Total Assets	<u>\$ 1,620,972</u>	<u>\$ 247,644</u>	<u>\$ 376,747,066</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ 5,901	\$ 249,796,119
Due to other funds	<u>39,429</u>	<u>2,151</u>	<u>126,950,947</u>
Total Liabilities	<u>39,429</u>	<u>8,052</u>	<u>376,747,066</u>
Fund Balances			
Reserved for:			
Encumbrances	385,395	-	-
Other	-	-	5,000,000
Unreserved:			
Designated-continuing appropriations	1,196,148	239,592	-
Undesignated	<u>-</u>	<u>-</u>	<u>(5,000,000)</u>
Total Fund Balances	<u>1,581,543</u>	<u>239,592</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 1,620,972</u>	<u>\$ 247,644</u>	<u>\$ 376,747,066</u>

State Facilities for Handicapped Fund	1999 Statewide Transportation and Local Bridge Fund	Total Non-Major Capital Projects Funds
\$ 1,846	\$ 544,066	\$ 6,593,692
14,567	15,029,330	28,744,537
-	-	90,433,429
-	-	73,883,849
-	-	5,000,000
-	-	84,643,975
-	-	207,421,888
<u>\$ 16,413</u>	<u>\$ 15,573,396</u>	<u>\$ 496,721,370</u>
\$ -	\$ 178,622	\$ 251,529,054
-	269,575	138,003,380
-	448,197	389,532,434
-	13,069,277	68,467,884
-	-	5,000,000
16,413	2,055,922	38,721,052
-	-	(5,000,000)
<u>16,413</u>	<u>15,125,199</u>	<u>107,188,936</u>
<u>\$ 16,413</u>	<u>\$ 15,573,396</u>	<u>\$ 496,721,370</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Correctional Facilities Construction Fund</u>	<u>Correctional Facilities Construction Fund of 1987</u>	<u>Energy Conservation Fund</u>
REVENUES			
Federal and other grants	\$ -	\$ -	\$ -
Services and assessments	-	-	-
Investment earnings	<u>9,219</u>	<u>11,567</u>	<u>4,388</u>
Total Revenues	<u>9,219</u>	<u>11,567</u>	<u>4,388</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	7,655	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>7,655</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>9,219</u>	<u>3,912</u>	<u>4,388</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	-	-	-
Transfers to other funds	<u>(9,219)</u>	<u>(11,567)</u>	<u>(4,388)</u>
Total other financing sources (uses)	<u>(9,219)</u>	<u>(11,567)</u>	<u>(4,388)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	(7,655)	-
Fund Balances - July 1, 2008	<u>589,073</u>	<u>808,082</u>	<u>279,694</u>
Fund Balances - June 30, 2009	<u>\$ 589,073</u>	<u>\$ 800,427</u>	<u>\$ 279,694</u>

<u>Human Services Facilities Construction Fund</u>	<u>Motor Vehicle Commission Fund</u>	<u>New Jersey Bridge Rehabilitation and Improvement and Railroad Right-of-Way Preservation Fund</u>
\$ -	\$ -	\$ -
-	-	-
<u>607</u>	<u>1,559,069</u>	<u>98,738</u>
<u>607</u>	<u>1,559,069</u>	<u>98,738</u>
-	16,952,965	-
-	-	-
-	-	-
-	<u>6,766</u>	-
-	<u>16,959,731</u>	-
<u>607</u>	<u>(15,400,662)</u>	<u>98,738</u>
-	-	-
<u>(607)</u>	-	<u>(98,738)</u>
<u>(607)</u>	-	<u>(98,738)</u>
-	(15,400,662)	-
<u>11,649</u>	<u>97,781,309</u>	<u>6,164,699</u>
<u>\$ 11,649</u>	<u>\$ 82,380,647</u>	<u>\$ 6,164,699</u>

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STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Public Purpose Buildings and Community-Based Facilities Construction Fund</u>	<u>Public Purpose Buildings Construction Fund</u>	<u>Special Transportation Fund</u>
REVENUES			
Federal and other grants	\$ -	\$ -	\$ 745,956,545
Services and assessments	-	-	274,366
Investment earnings	<u>39,429</u>	<u>2,151</u>	<u>-</u>
Total Revenues	<u>39,429</u>	<u>2,151</u>	<u>746,230,911</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	903,187	5,901	-
Economic planning, development, and security	241,519	-	-
Transportation programs	-	-	2,243,249,755
Government direction, management, and control	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>1,144,706</u>	<u>5,901</u>	<u>2,243,249,755</u>
Excess (deficiency) of revenues over expenditures	<u>(1,105,277)</u>	<u>(3,750)</u>	<u>(1,497,018,844)</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	-	-	1,497,018,844
Transfers to other funds	<u>(39,429)</u>	<u>(2,151)</u>	<u>-</u>
Total other financing sources (uses)	<u>(39,429)</u>	<u>(2,151)</u>	<u>1,497,018,844</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(1,144,706)	(5,901)	-
Fund Balances - July 1, 2008	<u>2,726,249</u>	<u>245,493</u>	<u>-</u>
Fund Balances - June 30, 2009	<u>\$ 1,581,543</u>	<u>\$ 239,592</u>	<u>\$ -</u>

<u>State Facilities for Handicapped Fund</u>	<u>1999 Statewide Transportation and Local Bridge Fund</u>	<u>Total Non-Major Capital Projects Funds</u>
\$ -	\$ -	\$ 745,956,545
-	-	274,366
224	269,575	1,994,967
224	269,575	748,225,878
-	-	17,869,708
-	-	241,519
-	3,265,397	2,246,515,152
-	-	6,766
-	3,265,397	2,264,633,145
224	(2,995,822)	(1,516,407,267)
-	-	1,497,018,844
-	(269,575)	(435,674)
-	(269,575)	1,496,583,170
224	(3,265,397)	(19,824,097)
16,189	18,390,596	127,013,033
\$ 16,413	\$ 15,125,199	\$ 107,188,936

STATE OF NEW JERSEY
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
JUNE 30, 2009

	<u>Alternate Benefit Program Fund</u>	<u>Dental Expense Program</u>	<u>Judiciary Bail Fund</u>
ASSETS			
Cash and cash equivalents	\$ 1,486,556	\$ -	\$ 179,118
Investments	4,100,606	24,495,836	28,277,965
Receivables, net of allowances for uncollectibles			
Members	37,875	-	-
Employers	-	-	-
Other	-	-	41,822
Due from other funds	<u>31,805,466</u>	<u>1,015,483</u>	<u>-</u>
Total Assets	<u><u>\$ 37,430,503</u></u>	<u><u>\$ 25,511,319</u></u>	<u><u>\$ 28,498,905</u></u>
LIABILITIES			
Accounts payable and accruals	\$ 37,126,753	\$ 25,444,628	\$ 28,498,905
Due to other funds	<u>303,750</u>	<u>66,691</u>	<u>-</u>
Total Liabilities	<u><u>\$ 37,430,503</u></u>	<u><u>\$ 25,511,319</u></u>	<u><u>\$ 28,498,905</u></u>

<u>Judiciary Child Support and Paternity Fund</u>	<u>Judiciary Probation Fund</u>	<u>Judiciary Special Civil Fund</u>
\$ 7,194,884	\$ 197,026	\$ 135,201
14,979,687	9,826,519	3,791,967
-	-	-
-	-	-
-	-	-
-	-	-
<u>\$ 22,174,571</u>	<u>\$ 10,023,545</u>	<u>\$ 3,927,168</u>
\$ 22,174,571	\$ 10,023,545	\$ 3,927,168
-	-	-
<u>\$ 22,174,571</u>	<u>\$ 10,023,545</u>	<u>\$ 3,927,168</u>

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STATE OF NEW JERSEY
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS (Continued)
JUNE 30, 2009

	<u>Luxury Tax Development Fund</u>	<u>Pension Adjustment Fund</u>	<u>Resource Recovery Investment Tax Fund</u>
ASSETS			
Cash and cash equivalents	\$ 39,319	\$ 2,175,952	\$ 100,299
Investments	8,801,652	1,094,235	467,216
Receivables, net of allowances for uncollectibles			
Members	-	-	-
Employers	-	1,827,468	-
Other	-	-	-
Due from other funds	<u>1,104</u>	<u>23,703</u>	<u>-</u>
Total Assets	<u>\$ 8,842,075</u>	<u>\$ 5,121,358</u>	<u>\$ 567,515</u>
LIABILITIES			
Accounts payable and accruals	\$ 8,842,075	\$ 3,361,228	\$ 567,515
Due to other funds	<u>-</u>	<u>1,760,130</u>	<u>-</u>
Total Liabilities	<u>\$ 8,842,075</u>	<u>\$ 5,121,358</u>	<u>\$ 567,515</u>

<u>Solid Waste Service Tax Fund</u>	<u>Wage and Hour Trust Fund</u>	<u>Total Agency Funds</u>
\$ 85,465	\$ 1,647,375	\$ 13,241,195
1,515,730	2,782,972	100,134,385
-	-	37,875
-	-	1,827,468
-	-	41,822
-	-	32,845,756
<u>\$ 1,601,195</u>	<u>\$ 4,430,347</u>	<u>\$ 148,128,501</u>
\$ 1,601,195	\$ 4,391,347	\$ 145,958,930
-	39,000	2,169,571
<u>\$ 1,601,195</u>	<u>\$ 4,430,347</u>	<u>\$ 148,128,501</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2009</u>
ALTERNATE BENEFIT PROGRAM FUND				
Assets				
Cash and cash equivalents	\$ 355,364	\$ 142,458,610	\$ 141,327,418	\$ 1,486,556
Investments	7,083,286	186,334,504	189,317,184	4,100,606
Receivables, net - members	146,671	37,875	146,671	37,875
Due from other funds	30,272,192	43,817,164	42,283,890	31,805,466
Total Assets	<u>\$ 37,857,513</u>	<u>\$ 372,648,153</u>	<u>\$ 373,075,163</u>	<u>\$ 37,430,503</u>
Liabilities				
Accounts payable	\$ 34,174,495	\$ 37,946,518	\$ 34,994,260	\$ 37,126,753
Due to other funds	3,683,018	12,315,449	15,694,717	303,750
Total Liabilities	<u>\$ 37,857,513</u>	<u>\$ 50,261,967</u>	<u>\$ 50,688,977</u>	<u>\$ 37,430,503</u>
DENTAL EXPENSE PROGRAM				
Assets				
Cash and cash equivalents	\$ -	\$ 33,541,425	\$ 33,541,425	\$ -
Investments	27,054,709	110,506,240	113,065,113	24,495,836
Due from other funds	1,153,157	2,503,154	2,640,828	1,015,483
Total Assets	<u>\$ 28,207,866</u>	<u>\$ 146,550,819</u>	<u>\$ 149,247,366</u>	<u>\$ 25,511,319</u>
Liabilities				
Accounts payable	\$ 28,177,734	\$ 61,787,081	\$ 64,520,187	\$ 25,444,628
Due to other funds	30,132	51,514	14,955	66,691
Total Liabilities	<u>\$ 28,207,866</u>	<u>\$ 61,838,595</u>	<u>\$ 64,535,142</u>	<u>\$ 25,511,319</u>
JUDICIARY BAIL FUND				
Assets				
Cash and cash equivalents	\$ 63,020	\$ 104,692,928	\$ 104,576,830	\$ 179,118
Investments	32,844,965	10,087,699	14,654,699	28,277,965
Receivables, net - other	41,822	-	-	41,822
Total Assets	<u>\$ 32,949,807</u>	<u>\$ 114,780,627</u>	<u>\$ 119,231,529</u>	<u>\$ 28,498,905</u>
Liabilities				
Accounts payable	\$ 32,949,807	\$ 89,957,846	\$ 94,408,748	\$ 28,498,905
Due to other funds	-	1,550,699	1,550,699	-
Total Liabilities	<u>\$ 32,949,807</u>	<u>\$ 91,508,545</u>	<u>\$ 95,959,447</u>	<u>\$ 28,498,905</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2009</u>
JUDICIARY CHILD SUPPORT AND PATERNITY FUND				
Assets				
Cash and cash equivalents	\$ 9,056,941	\$ 3,338,855,516	\$ 3,340,717,573	\$ 7,194,884
Investments	10,112,049	122,006,340	117,138,702	14,979,687
Total Assets	<u>\$ 19,168,990</u>	<u>\$ 3,460,861,856</u>	<u>\$ 3,457,856,275</u>	<u>\$ 22,174,571</u>
Liabilities				
Accounts payable	\$ 19,168,990	\$ 1,390,346,130	\$ 1,387,340,549	\$ 22,174,571
Due to other funds	-	477,339	477,339	-
Total Liabilities	<u>\$ 19,168,990</u>	<u>\$ 1,390,823,469</u>	<u>\$ 1,387,817,888</u>	<u>\$ 22,174,571</u>
JUDICIARY PROBATION FUND				
Assets				
Cash and cash equivalents	\$ 74,664	\$ 69,335,007	\$ 69,212,645	\$ 197,026
Investments	9,853,519	18,280,854	18,307,854	9,826,519
Total Assets	<u>\$ 9,928,183</u>	<u>\$ 87,615,861</u>	<u>\$ 87,520,499</u>	<u>\$ 10,023,545</u>
Liabilities				
Accounts payable	\$ 9,928,183	\$ 51,753,465	\$ 51,658,103	\$ 10,023,545
Due to other funds	-	398,854	398,854	-
Total Liabilities	<u>\$ 9,928,183</u>	<u>\$ 52,152,319</u>	<u>\$ 52,056,957</u>	<u>\$ 10,023,545</u>
JUDICIARY SPECIAL CIVIL FUND				
Assets				
Cash and cash equivalents	\$ -	\$ 95,949,676	\$ 95,814,475	\$ 135,201
Investments	2,386,967	24,418,148	23,013,148	3,791,967
Total Assets	<u>\$ 2,386,967</u>	<u>\$ 120,367,824</u>	<u>\$ 118,827,623</u>	<u>\$ 3,927,168</u>
Liabilities				
Accounts payable	\$ 2,386,967	\$ 69,559,978	\$ 68,019,777	\$ 3,927,168
Due to other funds	-	130,148	130,148	-
Total Liabilities	<u>\$ 2,386,967</u>	<u>\$ 69,690,126</u>	<u>\$ 68,149,925</u>	<u>\$ 3,927,168</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2009</u>
LUXURY TAX DEVELOPMENT FUND				
Assets				
Cash and cash equivalents	\$ 61,316	\$ 11,829,107	\$ 11,851,104	\$ 39,319
Investments	10,460,825	5,140,827	6,800,000	8,801,652
Due from other funds	-	5,001,104	5,000,000	1,104
Total Assets	<u>\$ 10,522,141</u>	<u>\$ 21,971,038</u>	<u>\$ 23,651,104</u>	<u>\$ 8,842,075</u>
Liabilities				
Accounts payable	\$ 10,522,141	\$ 5,319,934	\$ 7,000,000	\$ 8,842,075
Total Liabilities	<u>\$ 10,522,141</u>	<u>\$ 5,319,934</u>	<u>\$ 7,000,000</u>	<u>\$ 8,842,075</u>
PENSION ADJUSTMENT FUND				
Assets				
Cash and cash equivalents	\$ 664,256	\$ 3,021,946	\$ 1,510,250	\$ 2,175,952
Investments	3,202,059	3,206,810	5,314,634	1,094,235
Receivables, net - employers	1,374,460	5,323,680	- 4,870,672	1,827,468
Due from other funds	31,143	56,961	64,401	23,703
Total Assets	<u>\$ 5,271,918</u>	<u>\$ 11,609,397</u>	<u>\$ 11,759,957</u>	<u>\$ 5,121,358</u>
Liabilities				
Accounts payable	\$ 3,427,362	\$ -	\$ 66,134	\$ 3,361,228
Due to other funds	1,844,556	5,886,885	5,971,311	1,760,130
Total Liabilities	<u>\$ 5,271,918</u>	<u>\$ 5,886,885</u>	<u>\$ 6,037,445</u>	<u>\$ 5,121,358</u>
RESOURCE RECOVERY INVESTMENT TAX FUND				
Assets				
Cash and cash equivalents	\$ 100,299	\$ -	\$ -	\$ 100,299
Investments	460,027	7,189	-	467,216
Total Assets	<u>\$ 560,326</u>	<u>\$ 7,189</u>	<u>\$ -</u>	<u>\$ 567,515</u>
Liabilities				
Accounts payable	\$ 560,326	\$ 7,189	\$ -	\$ 567,515
Total Liabilities	<u>\$ 560,326</u>	<u>\$ 7,189</u>	<u>\$ -</u>	<u>\$ 567,515</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2009</u>
SOLID WASTE SERVICE TAX FUND				
Assets				
Cash and cash equivalents	\$ 283,594	\$ 51,889	\$ 250,018	\$ 85,465
Investments	1,492,403	23,327	-	1,515,730
Receivables, net - departmental	25,945	-	25,945	-
Total Assets	<u>\$ 1,801,942</u>	<u>\$ 75,216</u>	<u>\$ 275,963</u>	<u>\$ 1,601,195</u>
Liabilities				
Accounts payable	\$ 1,801,942	\$ 604,118	\$ 804,865	\$ 1,601,195
Total Liabilities	<u>\$ 1,801,942</u>	<u>\$ 604,118</u>	<u>\$ 804,865</u>	<u>\$ 1,601,195</u>
WAGE AND HOUR TRUST FUND				
Assets				
Cash and cash equivalents	\$ 1,280,807	\$ 3,306,379	\$ 2,939,811	\$ 1,647,375
Investments	2,748,972	39,000	5,000	2,782,972
Total Assets	<u>\$ 4,029,779</u>	<u>\$ 3,345,379</u>	<u>\$ 2,944,811</u>	<u>\$ 4,430,347</u>
Liabilities				
Accounts payable	\$ 3,989,669	\$ 3,301,379	\$ 2,899,701	\$ 4,391,347
Due to other funds	40,110	39,000	40,110	39,000
Total Liabilities	<u>\$ 4,029,779</u>	<u>\$ 3,340,379</u>	<u>\$ 2,939,811</u>	<u>\$ 4,430,347</u>
TOTAL AGENCY FUNDS				
Assets				
Cash and cash equivalents	\$ 11,940,261	\$ 3,803,042,483	\$ 3,801,741,549	\$ 13,241,195
Investments	107,699,781	480,050,938	487,616,334	100,134,385
Receivables, net - members	146,671	37,875	146,671	37,875
Receivables, net - employers	1,374,460	5,323,680	4,870,672	1,827,468
Receivables, net - departmental	25,945	-	25,945	-
Receivables, net - other	41,822	-	-	41,822
Due from other funds	31,456,492	51,378,383	49,989,119	32,845,756
Total Assets	<u>\$ 152,685,432</u>	<u>\$ 4,339,833,359</u>	<u>\$ 4,344,390,290</u>	<u>\$ 148,128,501</u>
Liabilities				
Accounts payable	\$ 147,087,616	\$ 1,710,583,638	\$ 1,711,712,324	\$ 145,958,930
Due to other funds	5,597,816	20,849,888	24,278,133	2,169,571
Total Liabilities	<u>\$ 152,685,432</u>	<u>\$ 1,731,433,526</u>	<u>\$ 1,735,990,457</u>	<u>\$ 148,128,501</u>

**STATE OF NEW JERSEY
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
PENSION AND OTHER EMPLOYEE BENEFITS TRUST FUNDS
JUNE 30, 2009**

	<u>Alternate Benefit Long-Term Disability Fund</u>	<u>Central Pension Fund</u>	<u>Consolidated Police and Firemen's Pension Fund</u>
ASSETS			
Cash and cash equivalents	\$ -	\$ 40,245	\$ 145,126
Securities lending collateral	-	-	-
Investments	1,530,783	63,708	9,550,462
Receivables, net of allowances for uncollectibles			
Members	-	-	-
Employers	-	-	-
Interest and dividends	-	3	881
Due from other funds	-	-	2,407,529
Other	-	-	27,039
Total Assets	<u>1,530,783</u>	<u>103,956</u>	<u>12,131,037</u>
LIABILITIES			
Accounts payable	-	40,498	4,436
Benefits payable	-	24,839	717,246
Securities lending collateral and rebates payable	-	-	-
Due to other funds	-	38,619	24,272
Total Liabilities	<u>-</u>	<u>103,956</u>	<u>745,954</u>
NET ASSETS			
Held in Trust for Pension Benefits and Other Purposes	<u>\$ 1,530,783</u>	<u>\$ -</u>	<u>\$ 11,385,083</u>

<u>Health Benefits Program Fund - Local Education</u>	<u>Health Benefits Program Fund - Local Government</u>	<u>Health Benefits Program Fund - State</u>	<u>Judicial Retirement System</u>
\$ 604,875	\$ 88,221	\$ -	\$ 349,196
-	-	-	20,017,557
554,847,446	213,083,182	74,051,529	258,989,940
-	-	-	-
-	-	-	-
-	-	-	2,140,768
7,419	8,011	25,908,153	1,499,097
<u>36,568,653</u>	<u>46,809,578</u>	<u>1,249,515</u>	<u>1,079,953</u>
<u>592,028,393</u>	<u>259,988,992</u>	<u>101,209,197</u>	<u>284,076,511</u>
769,912	731,011	3,783,711	8,562
188,145,343	87,137,911	188,121,542	3,207,628
-	-	-	20,109,921
-	-	-	122,064
<u>188,915,255</u>	<u>87,868,922</u>	<u>191,905,253</u>	<u>23,448,175</u>
<u>\$ 403,113,138</u>	<u>\$ 172,120,070</u>	<u>\$ (90,696,056)</u>	<u>\$ 260,628,336</u>

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STATE OF NEW JERSEY
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
PENSION AND OTHER EMPLOYEE BENEFITS TRUST FUNDS (Continued)
JUNE 30, 2009

	<u>New Jersey State Employees' Deferred Compensation Plan</u>	<u>Police and Firemen's Retirement System</u>	<u>Prison Officers' Pension Fund</u>
ASSETS			
Cash and cash equivalents	\$ 1,053	\$ 4,271,644	\$ 249,414
Securities lending collateral	-	1,101,108,256	-
Investments	1,779,242,545	15,834,665,515	11,864,102
Receivables, net of allowances for uncollectibles			
Members	-	45,787,013	-
Employers	-	1,846,025,140	-
Interest and dividends	1,633,218	162,071,758	705
Due from other funds	-	13,699,011	91,604
Other	-	316,275,343	-
Total Assets	<u>1,780,876,816</u>	<u>19,323,903,680</u>	<u>12,205,825</u>
LIABILITIES			
Accounts payable	1,454,751	2,322,702	1,577
Benefits payable	-	123,923,746	214,823
Securities lending collateral and rebates payable	-	1,106,064,807	-
Due to other funds	-	2,662,810	2,505
Total Liabilities	<u>1,454,751</u>	<u>1,234,974,065</u>	<u>218,905</u>
NET ASSETS			
Held in Trust for Pension Benefits and Other Purposes	<u>\$ 1,779,422,065</u>	<u>\$ 18,088,929,615</u>	<u>\$ 11,986,920</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>
\$ 2,532,487	\$ 426,116	\$ 2,167,145	\$ 2,936,186	\$ 13,811,708
1,648,597,960	126,864,795	-	1,892,972,399	4,789,560,967
20,359,565,734	1,529,038,893	121,220,178	24,630,162,548	65,377,876,565
60,981,283	776	399,560	83,068,268	190,236,900
1,674,661,967	-	-	69,961,804	3,590,648,911
251,183,393	19,663,115	223,166	303,904,231	740,821,238
25,209,328	3,886,652	30,766	67,638,635	140,386,205
421,016,809	19,812,188	16,457	174,847,413	1,017,702,948
<u>24,443,748,961</u>	<u>1,699,692,535</u>	<u>124,057,272</u>	<u>27,225,491,484</u>	<u>75,861,045,442</u>
41,138,733	9,755	88,222	35,108,366	85,462,236
200,258,845	10,975,623	1,002,890	244,913,101	1,048,643,537
1,656,637,134	127,482,909	-	1,902,068,547	4,812,363,318
2,902,558	323,840	5,644	4,580,642	10,662,954
<u>1,900,937,270</u>	<u>138,792,127</u>	<u>1,096,756</u>	<u>2,186,670,656</u>	<u>5,957,132,045</u>
<u>\$ 22,542,811,691</u>	<u>\$ 1,560,900,408</u>	<u>\$ 122,960,516</u>	<u>\$ 25,038,820,828</u>	<u>\$ 69,903,913,397</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION AND OTHER EMPLOYEE BENEFITS TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Alternate Benefit Long-Term Disability Fund</u>	<u>Central Pension Fund</u>	<u>Consolidated Police and Firemen's Pension Fund</u>
ADDITIONS			
Contributions:			
Members	\$ -	\$ -	\$ -
Employers	2,685,591	376,688	1,276,151
Other	-	21,861	5,641,890
Total Contributions	<u>2,685,591</u>	<u>398,549</u>	<u>6,918,041</u>
Investment Income:			
Net increase (decrease) in fair value of investments	(8)	-	3,926
Interest and dividends	42,884	3,642	146,107
Total Investment Income	<u>42,876</u>	<u>3,642</u>	<u>150,033</u>
Less investment expense	-	-	7,849
Net Investment Income	<u>42,876</u>	<u>3,642</u>	<u>142,184</u>
Total Additions	<u>2,728,467</u>	<u>402,191</u>	<u>7,060,225</u>
DEDUCTIONS			
Benefit payments	2,685,591	387,230	8,844,291
Refunds of contributions	-	14,961	-
Administrative expense	-	-	13,234
Total Deductions	<u>2,685,591</u>	<u>402,191</u>	<u>8,857,525</u>
Total Changes in Net Assets Held in Trust	42,876	-	(1,797,300)
Net Assets - July 1, 2008	<u>1,487,907</u>	<u>-</u>	<u>13,182,383</u>
Net Assets - June 30, 2009	<u>\$ 1,530,783</u>	<u>\$ -</u>	<u>\$ 11,385,083</u>

<u>Health Benefits Program Fund - Local Education</u>	<u>Health Benefits Program Fund - Local Government</u>	<u>Health Benefits Program Fund - State</u>	<u>Judicial Retirement System</u>
\$ 43,665,060	\$ 32,601,795	\$ 121,909,694	\$ 3,032,945
1,485,349,109	605,936,940	1,383,127,598	1,696,891
-	-	-	-
<u>1,529,014,169</u>	<u>638,538,735</u>	<u>1,505,037,292</u>	<u>4,729,836</u>
(123)	(4,029)	(901)	(63,342,467)
<u>9,086,774</u>	<u>3,937,401</u>	<u>3,351,026</u>	<u>7,126,249</u>
9,086,651	3,933,372	3,350,125	(56,216,218)
-	-	-	14,043
<u>9,086,651</u>	<u>3,933,372</u>	<u>3,350,125</u>	<u>(56,230,261)</u>
<u>1,538,100,820</u>	<u>642,472,107</u>	<u>1,508,387,417</u>	<u>(51,500,425)</u>
1,597,440,396	685,681,514	1,612,455,899	37,665,006
-	-	-	-
<u>4,014,614</u>	<u>2,007,307</u>	<u>4,014,614</u>	<u>202,023</u>
<u>1,601,455,010</u>	<u>687,688,821</u>	<u>1,616,470,513</u>	<u>37,867,029</u>
(63,354,190)	(45,216,714)	(108,083,096)	(89,367,454)
<u>466,467,328</u>	<u>217,336,784</u>	<u>17,387,040</u>	<u>349,995,790</u>
<u>\$ 403,113,138</u>	<u>\$ 172,120,070</u>	<u>\$ (90,696,056)</u>	<u>\$ 260,628,336</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION AND OTHER EMPLOYEE BENEFITS TRUST FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>New Jersey State Employees' Deferred Compensation Plan</u>	<u>Police and Firemen's Retirement System</u>	<u>Prison Officers' Pension Fund</u>
ADDITIONS			
Contributions:			
Members	\$ 172,895,622	\$ 326,491,066	\$ -
Employers	-	913,302,011	-
Other	-	-	1,088,687
Total Contributions	<u>172,895,622</u>	<u>1,239,793,077</u>	<u>1,088,687</u>
Investment Income:			
Net increase (decrease) in fair value of investments	(349,842,469)	(3,272,278,029)	(625)
Interest and dividends	15,344,461	537,680,410	200,875
Total Investment Income	<u>(334,498,008)</u>	<u>(2,734,597,619)</u>	<u>200,250</u>
Less investment expense	264,373	1,236,820	2,495
Net Investment Income	<u>(334,762,381)</u>	<u>(2,735,834,439)</u>	<u>197,755</u>
Total Additions	<u>(161,866,759)</u>	<u>(1,496,041,362)</u>	<u>1,286,442</u>
DEDUCTIONS			
Benefit payments	75,870,854	1,463,420,411	2,181,622
Refunds of contributions	-	6,299,957	-
Administrative expense	511,311	6,526,510	8,341
Total Deductions	<u>76,382,165</u>	<u>1,476,246,878</u>	<u>2,189,963</u>
 Total Changes in Net Assets Held in Trust	 (238,248,924)	 (2,972,288,240)	 (903,521)
 Net Assets - July 1, 2008	 <u>2,017,670,989</u>	 <u>21,061,217,855</u>	 <u>12,890,441</u>
Net Assets - June 30, 2009	<u>\$ 1,779,422,065</u>	<u>\$ 18,088,929,615</u>	<u>\$ 11,986,920</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>
\$ 741,911,167	\$ 18,652,049	\$ 7,866,241	\$ 616,222,799	\$ 2,085,248,438
774,672,945	5,644,059	-	102,472,305	5,276,540,288
-	-	-	-	6,752,438
<u>1,516,584,112</u>	<u>24,296,108</u>	<u>7,866,241</u>	<u>718,695,104</u>	<u>7,368,541,164</u>
(4,603,832,999)	(349,862,626)	(36,661,464)	(5,910,267,629)	(14,586,089,443)
<u>823,656,696</u>	<u>51,475,837</u>	<u>3,190,710</u>	<u>842,064,038</u>	<u>2,297,307,110</u>
(3,780,176,303)	(298,386,789)	(33,470,754)	(5,068,203,591)	(12,288,782,333)
<u>7,173,996</u>	<u>88,308</u>	<u>-</u>	<u>3,645,128</u>	<u>12,433,012</u>
<u>(3,787,350,299)</u>	<u>(298,475,097)</u>	<u>(33,470,754)</u>	<u>(5,071,848,719)</u>	<u>(12,301,215,345)</u>
<u>(2,270,766,187)</u>	<u>(274,178,989)</u>	<u>(25,604,513)</u>	<u>(4,353,153,615)</u>	<u>(4,932,674,181)</u>
2,307,094,491	131,974,745	10,330,455	2,869,565,540	10,805,598,045
96,087,637	158,163	-	41,197,344	143,758,062
20,195,797	585,685	-	12,746,750	50,826,186
<u>2,423,377,925</u>	<u>132,718,593</u>	<u>10,330,455</u>	<u>2,923,509,634</u>	<u>11,000,182,293</u>
(4,694,144,112)	(406,897,582)	(35,934,968)	(7,276,663,249)	(15,932,856,474)
<u>27,236,955,803</u>	<u>1,967,797,990</u>	<u>158,895,484</u>	<u>32,315,484,077</u>	<u>85,836,769,871</u>
<u>\$ 22,542,811,691</u>	<u>\$ 1,560,900,408</u>	<u>\$ 122,960,516</u>	<u>\$ 25,038,820,828</u>	<u>\$ 69,903,913,397</u>

**STATE OF NEW JERSEY
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
PRIVATE PURPOSE TRUST FUNDS
JUNE 30, 2009**

	Insurance Annuity Trust Fund	Motor Vehicle Security Responsibility Fund
ASSETS		
Cash and cash equivalents	\$ 12,100	\$ 25,573
Investments	131,058	238,318
Receivables, net of allowances for uncollectibles		
Departmental accounts	-	-
Total Assets	143,158	263,891
LIABILITIES		
Accounts payable	-	260,031
Due to other funds	-	3,761
Total Liabilities	-	263,792
NET ASSETS		
Held in Trust for Pension Benefits and Other Purposes	\$ 143,158	\$ 99

<u>Unclaimed County Deposits Trust Fund</u>	<u>Unclaimed Insurance Payments on Deposit Accounts Fund</u>	<u>Total Private Purpose Trust Funds</u>
\$ 780,831	\$ 2,957	\$ 821,461
10,238,360	180,345	10,788,081
-	9,008	9,008
<u>11,019,191</u>	<u>192,310</u>	<u>11,618,550</u>
3,635,131	-	3,895,162
4,846,842	22,597	4,873,200
<u>8,481,973</u>	<u>22,597</u>	<u>8,768,362</u>
<u>\$ 2,537,218</u>	<u>\$ 169,713</u>	<u>\$ 2,850,188</u>

**STATE OF NEW JERSEY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PRIVATE PURPOSE TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Insurance Annuity Trust Fund</u>	<u>Motor Vehicle Security Responsibility Fund</u>
ADDITIONS		
Investment income:		
Interest and dividends	\$ 2,017	\$ 3,761
Total Investment Income	2,017	3,761
Miscellaneous	6,000	-
Total Additions	<u>8,017</u>	<u>3,761</u>
DEDUCTIONS		
Refunds and transfers to other systems	-	3,761
Payments in accordance with trust agreements	-	-
Total Deductions	<u>-</u>	<u>3,761</u>
Total Changes in Net Assets Held in Trust	8,017	-
Net Assets - July 1, 2008	<u>135,141</u>	<u>99</u>
Net Assets - June 30, 2009	<u>\$ 143,158</u>	<u>\$ 99</u>

<u>Unclaimed County Deposits Trust Fund</u>	<u>Unclaimed Insurance Payments on Deposit Accounts Fund</u>	<u>Total Private Purpose Trust Funds</u>
\$ 194,128	\$ 2,098	\$ 202,004
194,128	2,098	202,004
<u>55,901</u>	<u>-</u>	<u>61,901</u>
<u>250,029</u>	<u>2,098</u>	<u>263,905</u>
3,000,000	2,062	3,005,823
<u>113,428</u>	<u>176</u>	<u>113,604</u>
<u>3,113,428</u>	<u>2,238</u>	<u>3,119,427</u>
(2,863,399)	(140)	(2,855,522)
<u>5,400,617</u>	<u>169,853</u>	<u>5,705,710</u>
<u>\$ 2,537,218</u>	<u>\$ 169,713</u>	<u>\$ 2,850,188</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF NET ASSETS
NON-MAJOR COMPONENT UNITS
JUNE 30, 2009

	<u>Authorities</u>	<u>Colleges and Universities</u>	<u>Total Non-Major Component Units</u>
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 1,015,827,351	\$ 212,793,464	\$ 1,228,620,815
Investments	4,074,061,445	719,432,211	4,793,493,656
Receivables, net of allowances for uncollectibles			
Federal government	13,163,426	34,850,158	48,013,584
Loans	1,683,571,166	3,008,251	1,686,579,417
Mortgages	109,218,000	-	109,218,000
Other	62,645,595	46,223,287	108,868,882
Due from external parties	32,086,069	7,996,755	40,082,824
Inventories	1,681,218	-	1,681,218
Other	72,105,681	28,271,156	100,376,837
Total Current Assets	<u>7,064,359,951</u>	<u>1,052,575,282</u>	<u>8,116,935,233</u>
Noncurrent Assets			
Investments	793,580,775	646,943,668	1,440,524,443
Receivables, net of allowances for uncollectibles			
Loans	1,509,505,002	14,262,395	1,523,767,397
Mortgages	2,652,293,121	-	2,652,293,121
Other	-	10,177,263	10,177,263
Capital assets - nondepreciated	558,342,850	548,289,896	1,106,632,746
Capital assets - depreciated, net	1,312,852,458	2,334,409,563	3,647,262,021
Other	163,804,024	71,037,141	234,841,165
Total Noncurrent Assets	<u>6,990,378,230</u>	<u>3,625,119,926</u>	<u>10,615,498,156</u>
Total Assets	<u>14,054,738,181</u>	<u>4,677,695,208</u>	<u>18,732,433,389</u>
LIABILITIES			
Current Liabilities			
Accounts payable and accrued expenses	187,212,770	156,704,830	343,917,600
Due to external parties	18,945,000	1,187,010	20,132,010
Interest payable	62,482,902	34,682,821	97,165,723
Deferred revenue	132,412,672	57,797,855	190,210,527
Current portion of long-term obligations	267,436,687	50,169,127	317,605,814
Other	308,667,743	30,590,346	339,258,089
Total Current Liabilities	<u>977,157,774</u>	<u>331,131,989</u>	<u>1,308,289,763</u>
Noncurrent Liabilities			
Net pension obligation	17,941,317	-	17,941,317
Net OPEB obligation	88,879,115	-	88,879,115
Pollution remediation	-	4,305,473	4,305,473
Other	8,353,906,195	2,383,602,228	10,737,508,423
Total Noncurrent Liabilities	<u>8,460,726,627</u>	<u>2,387,907,701</u>	<u>10,848,634,328</u>
Total Liabilities	<u>9,437,884,401</u>	<u>2,719,039,690</u>	<u>12,156,924,091</u>
NET ASSETS			
Invested in capital assets, net of related debt	485,024,975	977,334,195	1,462,359,170
Restricted for:			
Capital projects	33,252,052	32,838,395	66,090,447
Debt service	704,547,727	74,132,506	778,680,233
Other purposes	2,321,484,770	293,174,210	2,614,658,980
Unrestricted	<u>1,072,544,256</u>	<u>581,176,212</u>	<u>1,653,720,468</u>
Total Net Assets	<u>\$ 4,616,853,780</u>	<u>\$ 1,958,655,518</u>	<u>\$ 6,575,509,298</u>

**STATE OF NEW JERSEY
STATEMENT OF ACTIVITIES
NON-MAJOR COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Authorities</u>	<u>Colleges and Universities</u>	<u>Total Non-Major Component Units</u>
Expenses	\$ 2,338,228,553	\$ 1,789,346,544	\$ 4,127,575,097
Net (Expense) Revenue and Changes in Net Assets			
Program Revenues			
Charges for services	777,794,212	946,059,878	1,723,854,090
Operating grants and contributions	495,890,631	517,418,959	1,013,309,590
Capital grants and contributions	<u>594,656,603</u>	<u>2,111,289</u>	<u>596,767,892</u>
Net (Expense) Revenue	<u>(469,887,107)</u>	<u>(323,756,418)</u>	<u>(793,643,525)</u>
General Revenue			
Payments from State	<u>246,661,323</u>	<u>322,506,468</u>	<u>569,167,791</u>
Total General Revenue	<u>246,661,323</u>	<u>322,506,468</u>	<u>569,167,791</u>
Change in Net Assets	(223,225,784)	(1,249,950)	(224,475,734)
Net Assets - Beginning of Year (Restated)	<u>4,840,079,564</u>	<u>1,959,905,468</u>	<u>6,799,985,032</u>
Net Assets - End of Year	<u><u>\$ 4,616,853,780</u></u>	<u><u>\$ 1,958,655,518</u></u>	<u><u>\$ 6,575,509,298</u></u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF NET ASSETS
NON-MAJOR COMPONENT UNITS - AUTHORITIES
JUNE 30, 2009

	Casino Reinvestment Development Authority	Higher Education Student Assistance Authority	New Jersey Economic Development Authority
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 309,393	\$ 502,175,787	\$ 10,144,574
Investments	209,705,655	2,140,537,264	286,349,976
Receivables, net of allowances for uncollectibles			
Federal government	-	12,664,802	-
Loans	-	1,559,162,337	24,217,172
Mortgages	-	-	-
Other	13,739,363	19,459,939	-
Due from external parties	-	-	-
Inventories	-	-	-
Other	-	-	551,109
Total Current Assets	223,754,411	4,234,000,129	321,262,831
Noncurrent Assets			
Investments	-	-	249,126,408
Receivables, net of allowances for uncollectibles			
Loans	-	-	183,111,537
Mortgages	119,431,121	-	-
Capital assets - nondepreciated	83,850,990	-	26,660,726
Capital assets - depreciated, net	73,670	705,203	90,748,598
Other	33,349,802	7,505,202	192,612
Total Noncurrent Assets	236,705,583	8,210,405	549,839,881
Total Assets	460,459,994	4,242,210,534	871,102,712
LIABILITIES			
Current Liabilities			
Accounts payable and accrued expenses	14,725,002	40,676,831	3,028,397
Due to external parties	-	-	-
Interest payable	3,985,506	6,605,022	1,493,865
Deferred revenue	-	-	1,527,679
Current portion of long-term obligations	10,598,997	5,840,000	10,235,000
Other	-	1,426,049	9,732,937
Total Current Liabilities	29,309,505	54,547,902	26,017,878
Noncurrent Liabilities			
Net pension obligation	-	-	-
Net OPEB obligation	-	-	-
Other	476,880,712	2,160,130,801	114,180,977
Total Noncurrent Liabilities	476,880,712	2,160,130,801	114,180,977
Total Liabilities	506,190,217	2,214,678,703	140,198,855
NET ASSETS			
Invested in capital assets, net of related debt	73,670	-	58,654,324
Restricted for:			
Capital projects	-	-	-
Debt service	32,252,957	39,950,585	-
Other purposes	-	1,987,581,246	31,239,841
Unrestricted	(78,056,850)	-	641,009,692
Total Net Assets	\$ (45,730,223)	\$ 2,027,531,831	\$ 730,903,857

New Jersey Educational Facilities Authority	New Jersey Environmental Infrastructure Trust	New Jersey Health Care Facilities Financing Authority	New Jersey Housing and Mortgage Finance Agency
\$ 59,167	\$ 330,107,476	\$ 1,000	\$ 65,707,000
9,562,562	344,599,343	3,188,000	819,985,000
-	-	-	-
-	85,148,607	506,000	5,641,000
-	-	-	109,218,000
39,772	-	2,033,000	8,246,000
-	-	-	2,136,000
-	-	-	-
25,483	34,558,925	2,519,000	1,077,000
<u>9,686,984</u>	<u>794,414,351</u>	<u>8,247,000</u>	<u>1,012,010,000</u>
-	46,519,315	-	477,021,000
-	1,018,434,563	1,583,000	285,745,000
-	-	-	2,532,862,000
-	-	-	1,225,000
210,313	51,310	162,000	11,388,000
-	8,869,980	-	27,409,000
<u>210,313</u>	<u>1,073,875,168</u>	<u>1,745,000</u>	<u>3,335,650,000</u>
<u>9,897,297</u>	<u>1,868,289,519</u>	<u>9,992,000</u>	<u>4,347,660,000</u>
334,945	31,261,507	449,000	291,000
-	-	-	18,945,000
-	-	-	27,733,000
-	-	1,087,000	-
-	80,835,000	-	93,775,000
-	-	-	223,397,000
<u>334,945</u>	<u>112,096,507</u>	<u>1,536,000</u>	<u>364,141,000</u>
-	-	-	-
2,926	-	-	29,807,000
129,095	1,374,524,359	-	2,955,852,000
<u>132,021</u>	<u>1,374,524,359</u>	<u>-</u>	<u>2,985,659,000</u>
<u>466,966</u>	<u>1,486,620,866</u>	<u>1,536,000</u>	<u>3,349,800,000</u>
210,313	-	162,000	12,613,000
-	-	-	-
-	244,458,364	-	320,790,000
-	108,305,680	-	156,232,000
9,220,018	28,904,609	8,294,000	508,225,000
<u>\$ 9,430,331</u>	<u>\$ 381,668,653</u>	<u>\$ 8,456,000</u>	<u>\$ 997,860,000</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF NET ASSETS
NON-MAJOR COMPONENT UNITS - AUTHORITIES (Continued)
JUNE 30, 2009

	New Jersey Meadowlands Commission	New Jersey Redevelopment Authority	New Jersey Sports and Exposition Authority
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 5,989,527	\$ 4,764,909	\$ 5,796,000
Investments	50,383,374	-	126,957,000
Receivables, net of allowances for uncollectibles			
Federal government	-	-	-
Loans	-	8,896,050	-
Mortgages	-	-	-
Other	9,032,359	2,650,929	-
Due from external parties	-	-	25,625,000
Inventories	-	-	-
Other	-	-	16,998,000
Total Current Assets	65,405,260	16,311,888	175,376,000
Noncurrent Assets			
Investments	4,228,684	-	-
Receivables, net of allowances for uncollectibles			
Loans	-	20,630,902	-
Mortgages	-	-	-
Capital assets - nondepreciated	24,458,514	-	192,241,000
Capital assets - depreciated, net	6,714,816	13,262	604,832,000
Other	108,042	21,779,714	47,811,000
Total Noncurrent Assets	35,510,056	42,423,878	844,884,000
Total Assets	100,915,316	58,735,766	1,020,260,000
LIABILITIES			
Current Liabilities			
Accounts payable and accrued expenses	7,637,146	86,063	66,946,000
Due to external parties	-	-	-
Interest payable	-	-	16,926,000
Deferred revenue	1,212,606	-	126,276,000
Current portion of long-term obligations	-	-	49,523,000
Other	2,237,724	1,078,174	56,341,000
Total Current Liabilities	11,087,476	1,164,237	316,012,000
Noncurrent Liabilities			
Net pension obligation	1,032,318	-	15,814,000
Net OPEB obligation	2,402,081	-	1,900,000
Other	9,851,918	-	768,243,000
Total Noncurrent Liabilities	13,286,317	-	785,957,000
Total Liabilities	24,373,793	1,164,237	1,101,969,000
NET ASSETS			
Invested in capital assets, net of related debt	31,173,330	13,262	47,201,000
Restricted for:			
Capital projects	-	18,307,821	-
Debt service	-	-	13,172,000
Other purposes	36,704,159	-	-
Unrestricted	8,664,034	39,250,446	(142,082,000)
Total Net Assets	\$ 76,541,523	\$ 57,571,529	\$ (81,709,000)

New Jersey Water Supply Authority	South Jersey Port Corporation	South Jersey Transportation Authority	Total Non-Major Authorities
\$ 32,676,409	\$ 2,624,893	\$ 55,471,216	\$ 1,015,827,351
-	22,875,740	59,917,531	4,074,061,445
-	-	498,624	13,163,426
-	-	-	1,683,571,166
-	-	-	109,218,000
-	2,398,321	5,045,912	62,645,595
4,325,069	-	-	32,086,069
76,895	1,421,844	182,479	1,681,218
2,865,998	11,105,779	2,404,387	72,105,681
<u>39,944,371</u>	<u>40,426,577</u>	<u>123,520,149</u>	<u>7,064,359,951</u>
16,685,368	-	-	793,580,775
-	-	-	1,509,505,002
-	-	-	2,652,293,121
28,391,112	26,066,605	175,448,903	558,342,850
119,353,206	115,493,706	363,106,374	1,312,852,458
10,204,086	-	6,574,586	163,804,024
<u>174,633,772</u>	<u>141,560,311</u>	<u>545,129,863</u>	<u>6,990,378,230</u>
<u>214,578,143</u>	<u>181,986,888</u>	<u>668,650,012</u>	<u>14,054,738,181</u>
2,570,722	5,600,642	13,605,515	187,212,770
-	-	-	18,945,000
-	2,960,053	2,779,456	62,482,902
1,265,360	479,390	564,637	132,412,672
4,982,857	5,870,000	5,776,833	267,436,687
-	366,800	14,088,059	308,667,743
<u>8,818,939</u>	<u>15,276,885</u>	<u>36,814,500</u>	<u>977,157,774</u>
-	1,094,999	-	17,941,317
-	271,000	54,496,108	88,879,115
95,483,571	119,205,000	279,424,762	8,353,906,195
95,483,571	120,570,999	333,920,870	8,460,726,627
<u>104,302,510</u>	<u>135,847,884</u>	<u>370,735,370</u>	<u>9,437,884,401</u>
47,277,890	21,852,700	265,793,486	485,024,975
-	-	14,944,231	33,252,052
12,447,252	10,989,744	30,486,825	704,547,727
-	1,421,844	-	2,321,484,770
50,550,491	11,874,716	(13,309,900)	1,072,544,256
<u>\$ 110,275,633</u>	<u>\$ 46,139,004</u>	<u>\$ 297,914,642</u>	<u>\$ 4,616,853,780</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF ACTIVITIES
NON-MAJOR COMPONENT UNITS - AUTHORITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Casino Reinvestment Development Authority</u>	<u>Higher Education Student Assistance Authority</u>	<u>New Jersey Economic Development Authority</u>
Expenses	\$ 69,937,466	\$ 968,100,959	\$ 285,768,618
Net (Expense) Revenue and Changes in Net Assets			
Program Revenues			
Charges for services	48,525,265	193,469,403	3,504,883
Operating grants and contributions	14,126,227	83,221,684	59,481,314
Capital grants and contributions	-	553,759,778	-
Net (Expense) Revenue	<u>(7,285,974)</u>	<u>(137,650,094)</u>	<u>(222,782,421)</u>
General Revenue			
Payments from State	-	-	207,939,119
Total General Revenue	<u>-</u>	<u>-</u>	<u>207,939,119</u>
Change in Net Assets	(7,285,974)	(137,650,094)	(14,843,302)
Net Assets - Beginning of Year (Restated)	<u>(38,444,249)</u>	<u>2,165,181,925</u>	<u>745,747,159</u>
Net Assets - End of Year	<u>\$ (45,730,223)</u>	<u>\$ 2,027,531,831</u>	<u>\$ 730,903,857</u>

New Jersey Educational Facilities Authority	New Jersey Environmental Infrastructure Trust	New Jersey Health Care Facilities Financing Authority	New Jersey Housing and Mortgage Finance Agency
\$ 2,563,692	\$ 64,538,192	\$ 3,675,000	\$ 218,769,000
3,351,932	5,624,295	3,925,000	32,030,000
223,087	65,031,000	473,000	194,365,000
-	-	-	-
1,011,327	6,117,103	723,000	7,626,000
-	-	-	-
-	-	-	-
1,011,327	6,117,103	723,000	7,626,000
8,419,004	375,551,550	7,733,000	990,234,000
\$ 9,430,331	\$ 381,668,653	\$ 8,456,000	\$ 997,860,000

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF ACTIVITIES
NON-MAJOR COMPONENT UNITS - AUTHORITIES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>New Jersey Meadowlands Commission</u>	<u>New Jersey Redevelopment Authority</u>	<u>New Jersey Sports and Exposition Authority</u>
Expenses	\$ 67,470,212	\$ 2,809,401	\$ 494,917,000
Net (Expense) Revenue and Changes in Net Assets			
Program Revenues			
Charges for services	26,831,210	585,991	319,449,000
Operating grants and contributions	20,459,633	2,004,289	5,329,000
Capital grants and contributions	-	-	28,246,000
Net (Expense) Revenue	<u>(20,179,369)</u>	<u>(219,121)</u>	<u>(141,893,000)</u>
General Revenue			
Payments from State	-	-	26,165,000
Total General Revenue	<u>-</u>	<u>-</u>	<u>26,165,000</u>
Change in Net Assets	(20,179,369)	(219,121)	(115,728,000)
Net Assets - Beginning of Year (Restated)	<u>96,720,892</u>	<u>57,790,650</u>	<u>34,019,000</u>
Net Assets - End of Year	<u>\$ 76,541,523</u>	<u>\$ 57,571,529</u>	<u>\$ (81,709,000)</u>

<u>New Jersey Water Supply Authority</u>	<u>South Jersey Port Corporation</u>	<u>South Jersey Transportation Authority</u>	<u>Total Non-Major Authorities</u>
\$ 25,431,081	\$ 34,799,994	\$ 99,447,938	\$ 2,338,228,553
25,586,504	22,813,879	92,096,850	777,794,212
696,542	770,879	49,708,976	495,890,631
-	98,095	12,552,730	594,656,603
<u>851,965</u>	<u>(11,117,141)</u>	<u>54,910,618</u>	<u>(469,887,107)</u>
-	12,557,204	-	246,661,323
-	12,557,204	-	246,661,323
851,965	1,440,063	54,910,618	(223,225,784)
<u>109,423,668</u>	<u>44,698,941</u>	<u>243,004,024</u>	<u>4,840,079,564</u>
<u>\$ 110,275,633</u>	<u>\$ 46,139,004</u>	<u>\$ 297,914,642</u>	<u>\$ 4,616,853,780</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF NET ASSETS
NON-MAJOR COMPONENT UNITS - COLLEGES AND UNIVERSITIES
JUNE 30, 2009

	<u>The College of New Jersey</u>	<u>Thomas Edison State College</u>	<u>Kean University</u>
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 7,864,000	\$ 4,200,197	\$ 61,208,651
Investments	97,848,000	39,803,679	43,039,330
Receivables, net of allowances for uncollectibles			
Federal government	956,000	774,161	1,830,763
Loans	749,000	-	241,498
Other	2,072,000	4,482,174	3,094,008
Due from external parties	-	-	3,527,017
Other	4,320,000	805,999	3,570,775
Total Current Assets	<u>113,809,000</u>	<u>50,066,210</u>	<u>116,512,042</u>
Noncurrent Assets			
Investments	46,299,000	1,717,819	98,371,530
Receivables, net of allowances for uncollectibles			
Loans	3,410,000	-	1,466,886
Other	-	-	72,295
Capital assets - nondepreciated	94,851,000	3,586,810	170,913,241
Capital assets - depreciated, net	425,317,000	30,887,323	165,191,558
Other	39,745,000	-	4,653,660
Total Noncurrent Assets	<u>609,622,000</u>	<u>36,191,952</u>	<u>440,669,170</u>
Total Assets	<u>723,431,000</u>	<u>86,258,162</u>	<u>557,181,212</u>
LIABILITIES			
Current Liabilities			
Accounts payable and accrued expenses	17,680,000	5,658,336	36,750,385
Due to external parties	-	7,010	-
Interest payable	8,131,000	-	4,184,367
Deferred revenue	1,693,000	7,188,388	6,292,086
Current portion of long-term obligations	4,992,000	670,166	4,093,903
Other	2,540,000	1,198,763	2,776,861
Total Current Liabilities	<u>35,036,000</u>	<u>14,722,663</u>	<u>54,097,602</u>
Noncurrent liabilities			
Pollution remediation obligation	-	-	-
Other	349,250,000	2,194,915	331,483,263
Total Noncurrent Liabilities	<u>349,250,000</u>	<u>2,194,915</u>	<u>331,483,263</u>
Total Liabilities	<u>384,286,000</u>	<u>16,917,578</u>	<u>385,580,865</u>
NET ASSETS			
Invested in capital assets, net of related debt	254,588,000	31,806,730	68,067,505
Restricted for:			
Capital projects	-	93	26,198,302
Debt service	-	-	13,221,367
Other purposes	12,072,000	6,137,365	18,493,659
Unrestricted	<u>72,485,000</u>	<u>31,396,396</u>	<u>45,619,514</u>
Total Net Assets	<u>\$ 339,145,000</u>	<u>\$ 69,340,584</u>	<u>\$ 171,600,347</u>

<u>Montclair State University</u>	<u>New Jersey City University</u>	<u>New Jersey Institute of Technology</u>	<u>The William Paterson University of New Jersey</u>	<u>Ramapo College of New Jersey</u>
\$ 30,893,141	\$ 5,312,892	\$ 12,329,000	\$ 29,385,321	\$ 839,000
146,991,107	37,664,630	15,271,000	74,996,366	55,030,000
660,282	879,520	23,386,000	757,775	1,059,000
674,251	-	200,000	626,157	94,000
10,439,656	6,065,242	8,976,000	3,170,233	178,000
-	-	-	742,762	3,539,000
4,395,313	580,339	7,050,000	1,608,755	2,317,000
<u>194,053,750</u>	<u>50,502,623</u>	<u>67,212,000</u>	<u>111,287,369</u>	<u>63,056,000</u>
99,889,580	14,237,278	83,084,000	66,555,375	6,833,000
3,252,230	614,330	2,126,000	575,232	848,000
-	670,376	-	1,659,857	2,607,000
87,399,801	25,430,330	22,689,000	42,018,159	6,042,000
356,640,602	148,299,353	212,858,000	241,286,024	268,359,000
4,845,736	4,097,301	4,881,000	5,168,594	-
<u>552,027,949</u>	<u>193,348,968</u>	<u>325,638,000</u>	<u>357,263,241</u>	<u>284,689,000</u>
<u>746,081,699</u>	<u>243,851,591</u>	<u>392,850,000</u>	<u>468,550,610</u>	<u>347,745,000</u>
22,383,916	7,668,608	10,782,000	16,195,587	10,027,000
-	-	1,180,000	-	-
8,226,773	2,795,440	3,750,000	-	-
12,675,727	1,926,776	8,828,000	4,540,872	5,797,000
5,944,104	3,699,118	7,539,000	7,261,767	6,746,000
4,345,676	3,561,503	6,982,000	2,249,351	1,699,000
<u>53,576,196</u>	<u>19,651,445</u>	<u>39,061,000</u>	<u>30,247,577</u>	<u>24,269,000</u>
-	4,305,473	-	-	-
<u>376,849,513</u>	<u>117,117,971</u>	<u>173,532,000</u>	<u>185,505,861</u>	<u>242,215,000</u>
<u>376,849,513</u>	<u>121,423,444</u>	<u>173,532,000</u>	<u>185,505,861</u>	<u>242,215,000</u>
<u>430,425,709</u>	<u>141,074,889</u>	<u>212,593,000</u>	<u>215,753,438</u>	<u>266,484,000</u>
133,844,020	65,189,001	81,527,000	177,971,568	33,577,000
-	-	-	-	5,990,000
12,263,634	5,400,223	-	17,927,787	375,000
44,674,452	7,651,252	51,745,000	13,110,299	12,108,000
124,873,884	24,536,226	46,985,000	43,787,518	29,211,000
<u>\$ 315,655,990</u>	<u>\$ 102,776,702</u>	<u>\$ 180,257,000</u>	<u>\$ 252,797,172</u>	<u>\$ 81,261,000</u>

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STATE OF NEW JERSEY
COMBINING STATEMENT OF NET ASSETS
NON-MAJOR COMPONENT UNITS - COLLEGES AND UNIVERSITIES (Continued)
JUNE 30, 2009

	<u>Rowan University</u>	<u>The Richard Stockton College of New Jersey</u>	<u>Total Non-Major Colleges and Universities</u>
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 56,698,421	\$ 4,062,841	\$ 212,793,464
Investments	32,124,960	176,663,139	719,432,211
Receivables, net of allowances for uncollectibles			
Federal government	3,888,461	658,196	34,850,158
Loans	-	423,345	3,008,251
Other	4,133,333	3,612,641	46,223,287
Due from external parties	187,976	-	7,996,755
Other	3,488,547	134,428	28,271,156
Total Current Assets	<u>100,521,698</u>	<u>185,554,590</u>	<u>1,052,575,282</u>
Noncurrent Assets			
Investments	166,056,952	63,899,134	646,943,668
Receivables, net of allowances for uncollectibles			
Loans	-	1,969,717	14,262,395
Other	5,167,735	-	10,177,263
Capital assets - nondepreciated	67,158,752	28,200,803	548,289,896
Capital assets - depreciated, net	318,794,419	166,776,284	2,334,409,563
Other	3,593,974	4,051,876	71,037,141
Total Noncurrent Assets	<u>560,771,832</u>	<u>264,897,814</u>	<u>3,625,119,926</u>
Total Assets	<u>661,293,530</u>	<u>450,452,404</u>	<u>4,677,695,208</u>
LIABILITIES			
Current Liabilities			
Accounts payable and accrued expenses	12,502,002	17,056,996	156,704,830
Due to external parties	-	-	1,187,010
Interest payable	7,595,241	-	34,682,821
Deferred revenue	6,705,726	2,150,280	57,797,855
Current portion of long-term obligations	6,536,544	2,686,525	50,169,127
Other	2,975,769	2,261,423	30,590,346
Total Current Liabilities	<u>36,315,282</u>	<u>24,155,224</u>	<u>331,131,989</u>
Noncurrent liabilities			
Pollution remediation obligation	-	-	4,305,473
Other	340,922,238	264,531,467	2,383,602,228
Total Noncurrent Liabilities	<u>340,922,238</u>	<u>264,531,467</u>	<u>2,387,907,701</u>
Total Liabilities	<u>377,237,520</u>	<u>288,686,691</u>	<u>2,719,039,690</u>
NET ASSETS			
Invested in capital assets, net of related debt	80,269,776	50,493,595	977,334,195
Restricted for:			
Capital projects	650,000	-	32,838,395
Debt service	20,435,800	4,508,695	74,132,506
Other purposes	118,521,605	8,660,578	293,174,210
Unrestricted	<u>64,178,829</u>	<u>98,102,845</u>	<u>581,176,212</u>
Total Net Assets	<u>\$ 284,056,010</u>	<u>\$ 161,765,713</u>	<u>\$ 1,958,655,518</u>



STATE OF NEW JERSEY
COMBINING STATEMENT OF ACTIVITIES
NON-MAJOR COMPONENT UNITS - COLLEGES AND UNIVERSITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>The College of New Jersey</u>	<u>Thomas Edison State College</u>	<u>Kean University</u>
Expenses	\$ 175,755,000	\$ 78,406,376	\$ 207,408,944
Net (Expense) Revenue and Changes in Net Assets			
Program Revenues			
Charges for services	112,052,000	31,840,195	104,116,674
Operating grants and contributions	42,728,000	31,646,868	68,901,906
Capital grants and contributions	<u>-</u>	<u>8,281</u>	<u>-</u>
Net (Expense) Revenue	<u>(20,975,000)</u>	<u>(14,911,032)</u>	<u>(34,390,364)</u>
General Revenue			
Payments from State	<u>34,215,000</u>	<u>13,682,718</u>	<u>39,071,500</u>
Total General Revenue	<u>34,215,000</u>	<u>13,682,718</u>	<u>39,071,500</u>
Change in Net Assets	13,240,000	(1,228,314)	4,681,136
Net Assets - Beginning of Year (Restated)	<u>325,905,000</u>	<u>70,568,898</u>	<u>166,919,211</u>
Net Assets - End of Year	<u>\$ 339,145,000</u>	<u>\$ 69,340,584</u>	<u>\$ 171,600,347</u>

<u>Montclair State University</u>	<u>New Jersey City University</u>	<u>New Jersey Institute of Technology</u>	<u>The William Paterson University of New Jersey</u>	<u>Ramapo College of New Jersey</u>
\$ 274,070,278	\$ 133,837,800	\$ 240,866,000	\$ 178,875,320	\$ 128,645,000
182,761,274	51,969,452	92,700,000	100,957,422	78,668,000
73,049,380	47,668,921	89,852,000	47,694,867	33,686,000
169,974	458,569	381,000	245,182	-
<u>(18,089,650)</u>	<u>(33,740,858)</u>	<u>(57,933,000)</u>	<u>(29,977,849)</u>	<u>(16,291,000)</u>
<u>45,014,250</u>	<u>30,387,500</u>	<u>43,958,000</u>	<u>38,301,750</u>	<u>18,804,000</u>
<u>45,014,250</u>	<u>30,387,500</u>	<u>43,958,000</u>	<u>38,301,750</u>	<u>18,804,000</u>
26,924,600	(3,353,358)	(13,975,000)	8,323,901	2,513,000
<u>288,731,390</u>	<u>106,130,060</u>	<u>194,232,000</u>	<u>244,473,271</u>	<u>78,748,000</u>
<u>\$ 315,655,990</u>	<u>\$ 102,776,702</u>	<u>\$ 180,257,000</u>	<u>\$ 252,797,172</u>	<u>\$ 81,261,000</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF ACTIVITIES
NON-MAJOR COMPONENT UNITS - COLLEGES AND UNIVERSITIES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Rowan University</u>	<u>The Richard Stockton College of New Jersey</u>	<u>Total Non-Major Colleges and Universities</u>
Expenses	\$ 221,236,117	\$ 150,245,709	\$ 1,789,346,544
Net (Expense) Revenue and Changes in Net Assets			
Program Revenues			
Charges for services	112,617,297	78,377,564	946,059,878
Operating grants and contributions	31,619,491	50,571,526	517,418,959
Capital grants and contributions	848,283	-	2,111,289
Net (Expense) Revenue	<u>(76,151,046)</u>	<u>(21,296,619)</u>	<u>(323,756,418)</u>
General Revenue			
Payments from State	35,799,500	23,272,250	322,506,468
Total General Revenue	<u>35,799,500</u>	<u>23,272,250</u>	<u>322,506,468</u>
Change in Net Assets	(40,351,546)	1,975,631	(1,249,950)
Net Assets - Beginning of Year (Restated)	<u>324,407,556</u>	<u>159,790,082</u>	<u>1,959,905,468</u>
Net Assets - End of Year	<u>\$ 284,056,010</u>	<u>\$ 161,765,713</u>	<u>\$ 1,958,655,518</u>

**STATE OF NEW JERSEY
DESCRIPTION OF FUNDS**

Alcohol Education, Rehabilitation and Enforcement Fund (N.J.S.A. 54:32C)

Special Revenue Fund

Annual deposits of \$11 million are made to this fund from annual Alcohol Beverage Excise Tax collections. The enabling legislation dedicates 75.0 percent toward alcohol rehabilitation, 15.0 percent toward enforcement, and 10.0 percent toward education. Additionally, a \$40 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. Effective July 1, 2007, the first \$1.50 is remitted to the Casino Reinvestment Development Authority (CRDA). Of the remaining \$1.50, the first \$0.50 is deposited into the Casino Revenue Fund while the remaining \$1.00 is remitted to the CRDA.

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 for 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. Amounts expended are solely for the purpose of promoting tourism, conventions, resorts, and casino gaming.

Beaches and Harbor Fund (P.L. 1977, c.208)

Special Revenue Fund

An amount of \$30 million of General Obligation bonds was authorized to research, plan, acquire, develop, construct, and maintain beaches and harbors.

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 \$1.0 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 exclusively for the purchase of body vests for law enforcement officers and correction officers.

Capital City Redevelopment Loan and Grant Fund (P.L. 1987, c.58)

Special Revenue Fund

This fund was established for the redevelopment and revitalization of the City of Trenton. The State has established the Capital City Redevelopment Corporation to operate within the boundaries of the Trenton district, which plans, coordinates, and promotes the public and private development of that district in a manner that enhances the Trenton area's vitality as a place of commerce, recreation, and culture and as an area which to conduct public business and visit historic sites. Redevelopment projects are funded annually via General Fund appropriation.

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. 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 Complimentary Tax, 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. A portion of the revenue generated from casino simulcasting 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

A portion of the revenue generated from casino simulcasting is deposited into this fund and is 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 the Clean Communities Account Fund. Twenty-five percent of the annual amount credited to the fund, but not more than \$4 million per year, is appropriated to the State Recycling Fund to provide recycling grants to municipalities and counties for local recycling programs. The balance is used to provide grants to eligible municipalities for programs of litter pickup and removal; and is also used for a State program of litter pickup and removal and of 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)

Special Revenue 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.

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 appointed prior to July 1, 1944. The liabilities of these local funds are shared: two-thirds by the participating counties and municipalities and one-third by the State.

Correctional Facilities Construction Fund (P.L. 1982, c.120)

Capital Projects Fund

An amount of \$170 million of General Obligation bonds was authorized for construction of new medium security prisons, county assistance programs, and renovations and modifications to existing State facilities.

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)

Special Revenue 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)

Special Revenue 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)

Special Revenue 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)

Special Revenue 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.

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)

Special Revenue 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)

Special Revenue 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.

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 principle and interest applicable to New Jersey Economic Development Authority bonds for the Market Transition Facility, 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)

Special Revenue 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)

Special Revenue 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)

Special Revenue 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 and Senior Services to provide training and testing for volunteer ambulance, first aid, and rescue squad personnel who are seeking emergency medical tech-ambulance and defibrillation intermediate, or who are taking refresher courses or recertification for which that entity is not otherwise reimbursed.

Emergency Services Fund (N.J.S.A. 52:14E-5)

Special Revenue Fund

General Fund appropriations, on an as needed basis, reimburse municipalities or counties for damage or excess costs as a result of an emergency. Payments must be certified by the Governor's Advisory Council and approved by the Governor.

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)

Special Revenue 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)

Special Revenue 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)

Special Revenue 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)

Special Revenue Fund

An amount of \$50 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation Bond Act of 1995, and Blue Acres Bond Act of 1995 for the purpose of farmland preservation and agricultural use.

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 purchase of emission allowances. Disbursements are made to provide grants and financial assistance for efficiency projects and efforts to reduce greenhouse gases.

Green Trust Fund (P.L. 1983, c.354)

Special Revenue 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)

Special Revenue 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)

Special Revenue 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.

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 1.5 percent of salary for State Health Benefits Plan medical coverage regardless of the chosen plan or selected level of coverage. 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. A small number of employees are represented by bargaining units that have not yet settled their contracts. These employees and their dependents continue to be enrolled in the Traditional Plan or NJ PLUS. 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. 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 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)

Special Revenue 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)

Special Revenue 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 nonprofit 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)

Special Revenue Fund

An amount of \$10 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation, and Blue Acres Act of 1995. This fund provides matching grants to assist State agencies or entities, local government units, and qualified tax-exempt nonprofit organizations to meet historic preservation project costs.

Historic Preservation Revolving Loan Fund (P.L. 1991, c.41)

Special Revenue 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)

Special Revenue 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.

Human Services Facilities Construction Fund (P.L. 1984, c.157)

Capital Projects Fund

An amount of \$60 million of General Obligation bonds was authorized for the planning, construction, reconstruction, development, erection, acquisition, extension, improvement, rehabilitation, and equipping of human services facilities.

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)

Special Revenue 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.

Jobs, Science and Technology Fund (P.L. 1984, c.99)

Special Revenue Fund

An amount of \$90 million of General Obligation bonds was authorized for the establishment and construction of a network of advanced technology centers at public and private institutions of higher education; providing for the construction and improvement of technical and engineering facilities and for high technology job training and retraining programs at public and private institutions of higher education.

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.

Korean Veterans' Memorial Fund (P.L. 1996, c.72)

Special Revenue Fund

The Korean Veterans' Memorial Fund is credited with funds collected by the Korean Veterans' Memorial Committee as well as income tax designations. The purpose of this fund is to provide maintenance to the memorial which is located in Atlantic City.

1996 Lake Restoration Fund (P.L. 1996, c.70)

Special Revenue 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.

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 revenues collected under the provisions of the Luxury Tax Fund Act. The act amends existing statutes wherein Atlantic City imposes a tax on certain sales and services. A portion of these tax revenues are dedicated to the payment of debt service on bonds issued for the construction of Convention Hall facilities, to subsidize Convention Center operating budget deficits, and to provide housing opportunities for low and moderate income families.

Medical Malpractice Liability Insurance Premium Assistance Fund (P.L. 2004, c.17)

Special Revenue Fund

This fund was established to provide medical malpractice liability insurance premium relief to certain health care providers who have experienced or are experiencing a liability insurance premium increase in an amount established by regulation by the Department of Banking and Insurance. Revenues in the fund are generated from a \$3 per employee surcharge on those businesses who are subject to the "unemployment compensation law" and an annual \$75 assessment of certain health care professionals and attorneys.

Mortgage Assistance Fund (P.L. 1976, c.94)

Special Revenue 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 75.0 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)

Special Revenue 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)

Special Revenue Fund

An amount of \$15 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation Bond Act of 1995, 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)

Special Revenue Fund

The Annual Appropriations Act provides funding to a dedicated non-lapsing account in the General Fund. The State Treasurer transfers an amount equal to donations made to the Cultural Trust Fund subject to the availability of monies in the dedicated account. Interest or other monies earned on the deposits made to the fund shall be used for assisting in the funding of capital facilities projects and endowment development, and contributing to the financial stability of qualified organizations in New Jersey.

1983 New Jersey Green Acres Fund (P.L. 1983, c.354)

Special Revenue Fund

An amount of \$135 million of General Obligation bonds was authorized for public acquisition and development of land for recreation and conservation purposes. Of this amount, \$52 million has been allocated for the acquisition and development of land by the State. An amount of \$83 million has been transferred to the Green Trust Fund for grants or loans to local governmental entities for acquisition or development of land.

1989 New Jersey Green Acres Fund (P.L. 1989, c.183)

Special Revenue 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)

Special Revenue 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)

Special Revenue Fund

An amount of \$115 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation Bond Act of 1995, and the 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)

Special Revenue 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)

Special Revenue 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)

Special Revenue Fund

An amount of \$135 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation Bond Act of 1995, 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)

Special Revenue Fund

An amount of \$15 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation Bond Act of 1995, 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 \$3 annually if in their second year of practice and \$6 annually for attorneys in their third year to forty-ninth year.

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.

New Jersey Local Development Financing Fund (N.J.S.A. 34:1B-36)

Special Revenue 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 Abbotts. Grants totaling 40 percent of eligible costs were made available to the remaining districts, now known as Regular Operating Districts. Overall, the act authorized \$9.9 billion in funding for the Abbotts districts, \$2.5 billion for Regular Operating Districts, and \$100 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. Beginning January 1, 1993, 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)

Special Revenue 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, 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.

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 the planning, construction, reconstruction, development, erection, acquisition, extension, improvement, rehabilitation, and the equipping of State and community-based human services facilities and State correctional facilities.

Public Purpose Buildings Construction Fund (P.L. 1980, c.119)

Capital Projects Fund

An amount of \$159 million of General Obligation bonds was authorized for construction of public purpose buildings, including \$50 million for facilities for the mentally retarded, \$67 million for correctional facilities, \$7 million for a veterans' long-term care facility, \$3.5 million for facilities for children in need of supervision, and \$21.5 million for facilities for the mentally ill. The fund also provided \$10 million to the Department of Human Services for the establishment of a loan guarantee fund to encourage the construction of long-term care facilities that provide Medicaid funded beds.

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.

Resource Recovery and Solid Waste Disposal Facility Fund (P.L. 1985, c.330)

Special Revenue 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)

Special Revenue 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 and benefits not covered by the Workers' Compensation Law, for authorized refunds of contributions, and for administrative expenses.

State Facilities for Handicapped Fund (P.L. 1973, c.149)

Capital Projects Fund

An amount of \$25 million of General Obligation bonds was authorized for the expansion and renovation of the Marie H. Katzenbach School for the Deaf and for the planning, acquisition, improvements, and construction of regional day-school facilities to educate children with severe handicaps.

State Land Acquisition and Development Fund (P.L. 1978, c.118)

Special Revenue 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-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 Recreation and Conservation Land Acquisition and Development Fund (P.L. 1974, c.102)

Special Revenue Fund

An amount of \$200 million of General Obligation bonds was authorized to enable the State to acquire and develop land and to provide for State grants to assist municipalities, counties, and other units of local government to acquire and develop land for recreation and conservation purposes.

State Recycling Fund (N.J.S.A. 12:1E-92)

Special Revenue Fund

Beginning on April 1, 2008, a \$3.00 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. Revenues also consist of transfers from the Clean Communities Account Fund and the Solid Waste Service Tax Fund. 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)

Special Revenue 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.

Supplemental Annuity Collective Trust (N.J.S.A. 52:18A-110)

Pension Trust Fund

Any active, contributing member of the seven 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 (PL 2002, c.152)

Special Revenue Fund

The monies in this fund are used for the basic skills training; reemployment services, and training programs for displaced 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

Most employees in every school district in the State and in the county vocational schools, as well as certain employees in the State Department of Education, are members of this system. The system of retirement benefits is coordinated, but not integrated, with Social Security. The fund is maintained on an actuarial reserve basis.

Tobacco Settlement Financing Corporation, Inc. (P.L. 2002, c.32)

Special Revenue Fund

The Tobacco Settlement Financing Corporation, Inc. 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 46 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.

Tobacco Settlement Fund

Special Revenue Fund

Payments received from the Master Settlement Agreement (MSA), dated November 23, 1998, are deposited into this fund. The MSA is the national settlement reached with the tobacco industry in which participating states are expected to be paid in perpetuity.

Tourism Improvement and Development Fund (P.L. 1992, c.165)

Special Revenue Fund

This fund was established for the deposit of tax revenues collected from predominantly tourism related sales, such as the occupancy of every hotel room subject to tax and receipts from the sale of food or drink, except those sold through vending machines. These funds are to be used to fund tourism facility improvements without placing the onus on the permanent residents and businesses.

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 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, 75.0 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.

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.

University of Medicine and Dentistry of New Jersey - Self-Insurance Reserve Fund (N.J.S.A. 52:18A-1 et seq.)

Special Revenue Fund

This fund was established by a trust agreement between the State and the University of Medicine and Dentistry of New Jersey to cover malpractice claims against the hospitals and the University. This insurance is required by the New Jersey Health Care Facilities Financing Authority for protection of the Authority's bondholders. Revenues are derived from General Fund appropriations, as well as contributions from University affiliated hospitals and from University faculty members.

Urban and Rural Centers Unsafe Buildings Demolition Revolving Loan Fund (P.L. 1997, c.125)

Special Revenue 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)

Special Revenue 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)

Special Revenue 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)

Special Revenue 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.

2003 Water Resources and Wastewater Treatment Trust Fund (P.L. 2003, c.162)

Special Revenue Fund

An amount of \$5 million of General Obligation bonds was authorized to establish reserve accounts to secure debt issued by the New Jersey Environmental Infrastructure Trust and loan guarantee accounts to secure debt issued by a local government unit. Monies in the reserve and loan guarantee accounts may be made available to the New Jersey Department of Environmental Protection, with the concurrence of the New Jersey Environmental Infrastructure Trust, for temporary use by the department in implementing the provisions of the Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project Bond Act of 2003.

Water Supply Fund (P.L. 1981, c.261)

Special Revenue 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.

Water Supply Replacement Trust Fund (P.L. 1988, c.106)

Special Revenue Fund

P.L. 1986 c.144 created a surtax on the corporate business tax to be deposited into the Hazardous Discharge Site Cleanup Fund. Of the amount deposited, \$60 million was transferred to this fund to provide loans to municipalities or municipally owned public water systems for the purpose of providing a permanent alternate water supply to persons whose principal source of potable water is contaminated or is threatened with contamination by hazardous substances.

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 and Senior Services, Department of Environmental Protection, Department of Labor and Workforce Development, and the Department of the Treasury in connection with the Act's provisions.

Workers' Compensation Security Fund (P.L. 2004, c.179)

Special Revenue Fund

Monies received from assessments levied against mutual and stock insurance carriers writing workers' compensation insurance in the State are deposited into this fund. Payments are made to persons entitled to receive workers' compensation when a mutual or stock carrier is determined to be insolvent.

The 2009 Comprehensive Annual Financial Statements was produced using a software application designed to automate the table of contents, pagination, and assembled for double sided printing. As a result, blank pages have been intentionally inserted to maintain pagination and to insure proper publication of row headings.

The Internet files were produced using Adobe Professional. The Adobe version used to view the document and the conversion process from a word processing document to the PDF format may impact the appearance of the documents; however, the CAFR document will print correctly.

*Other
Information*

**STATE OF NEW JERSEY
CAPITAL ASSETS
SCHEDULE OF CHANGES IN GROSS CAPITAL ASSETS BY FUNCTION
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Balance July 1, 2008*</u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers/ Adjustments**</u>	<u>Balance June 30, 2009</u>
FUNCTION:					
Public safety and criminal justice	\$ 1,766,411,381	\$ 149,909,655	\$ 5,507,006	\$ (3,592,990)	\$ 1,907,221,040
Physical and mental health	317,353,140	26,417,601	12,889,258	4,555,499	335,436,982
Educational, cultural, and intellectual development	429,043,251	15,241,460	-	12,282,655	456,567,366
Community development and environmental management	2,701,457,022	135,970,242	1,016,663	(2,192,813)	2,834,217,788
Economic planning, development, and security	274,400,190	10,979,484	2,278,652	5,097,759	288,198,781
Transportation programs	21,202,967,875	1,379,656,146	2,488,833	(1,232,765)	22,578,902,423
Government direction, management, and control	708,666,070	45,425,958	12,829,267	3,462,589	744,725,350
Special government services	<u>298,433,653</u>	<u>3,386,156</u>	<u>2,958,681</u>	<u>(27,282,529)</u>	<u>271,578,599</u>
Total Gross Capital Assets By Function	<u>\$ 27,698,732,582</u>	<u>\$ 1,766,986,702</u>	<u>\$ 39,968,360</u>	<u>\$ (8,902,595)</u>	<u>\$ 29,416,848,329</u>

* The opening balances have been restated by \$303,242,191 to reflect revised land improvements, building improvements, and infrastructure.

** 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, 2009**

	<u>Land and Easements</u>	<u>Land Improvements</u>	<u>Buildings and Improvements</u>
FUNCTION:			
Public safety and criminal justice	\$ 21,509,543	\$ 63,954,847	\$ 1,403,315,343
Physical and mental health	1,126,205	867,063	223,381,329
Educational, cultural, and intellectual development	7,755,565	13,551,833	343,346,143
Community development and environmental management	2,293,074,721	73,022,416	304,973,218
Economic planning, development, and security	1,281,286	221,819	197,155,957
Transportation programs	2,239,548,010	9,383,769	197,824,813
Government direction, management, and control	13,899,906	41,841,630	486,117,419
Special government services	<u>2,408,922</u>	<u>577,280</u>	<u>263,173,527</u>
Total Gross Capital Assets By Function	<u>\$ 4,580,604,158</u>	<u>\$ 203,420,657</u>	<u>\$ 3,419,287,749</u>

<u>Machinery, Equipment, and Software</u>	<u>Infrastructure</u>	<u>Construction in Progress</u>	<u>Total</u>
\$ 166,549,270	\$ 45,293,555	\$ 206,598,482	\$ 1,907,221,040
44,390,711	6,633,126	59,038,548	335,436,982
59,513,777	12,633,427	19,766,621	456,567,366
19,894,754	121,381,497	21,871,182	2,834,217,788
85,779,133	1,276,527	2,484,059	288,198,781
114,235,944	17,268,802,378	2,749,107,509	22,578,902,423
110,748,253	10,595,926	81,522,216	744,725,350
3,571,106	-	1,847,764	271,578,599
\$ 604,682,948	\$ 17,466,616,436	\$ 3,142,236,381	\$ 29,416,848,329

**STATE OF NEW JERSEY
CAPITAL ASSETS
SCHEDULE OF CHANGES IN ACCUMULATED DEPRECIATION BY FUNCTION
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

FUNCTION:	<u>Balance July 1, 2008*</u>	<u>Depreciation Expense</u>	<u>Deductions</u>	<u>Transfers/ Adjustments**</u>	<u>Balance June 30, 2009</u>
Public safety and criminal justice	\$ 831,505,636	\$ 62,304,118	\$ 7,402,001	\$ 69,787	\$ 886,477,540
Physical and mental health	114,055,179	14,591,986	11,249,834	208,023	117,605,354
Educational, cultural, and intellectual development	214,523,544	16,691,950	-	7,645,440	238,860,934
Community development and environmental management	237,467,861	16,527,816	189,435	(347,806)	253,458,436
Economic planning, development, and security	91,727,930	24,334,134	2,276,486	197,794	113,983,372
Transportation programs	6,328,623,950	444,477,724	2,300,935	340,703	6,771,141,442
Government direction, management, and control	283,403,792	32,255,062	11,350,877	1,143,257	305,451,234
Special government services	104,178,103	6,312,607	-	(9,257,198)	101,233,512
Total Accumulated Depreciation By Function	<u>\$ 8,205,485,995</u>	<u>\$ 617,495,397</u>	<u>\$ 34,769,568</u>	<u>\$ -</u>	<u>\$ 8,788,211,824</u>

* The opening balances have been restated by \$36,207,628 to reflect revised land improvements, building improvements, and infrastructure.

** Transfers/Adjustments represent a reclassification of accumulated depreciation among statewide functions.



**STATE OF NEW JERSEY
SCHEDULE OF LONG-TERM DEBT
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	General Obligation Bonds		
	Amount Authorized	Amount Unissued	Year Authorized
Bonded Debt			
General Obligation Bond Act			
Clean Waters	\$ 120,000,000	\$ 3,750,000	1976
Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project	200,000,000	68,750,000	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	200,000,000	2007
Green Acres, Farmland and Historic Preservation, and Blue Acres	340,000,000	21,000,000	1995
Hazardous Discharge	100,000,000	43,000,000	1981
Hazardous Discharge	200,000,000	48,000,000	1986
Jobs, Education and Competitiveness	350,000,000	-	1988
Natural Resources	145,000,000	9,600,000	1980
New Jersey Bridge Rehabilitation and Improvement and Railroad Right-of-Way Preservation	115,000,000	-	1989
New Jersey Green Acres	135,000,000	14,500,000	1983
New Jersey Green Acres, Clean Water, Farmland and Historic Preservation	345,000,000	23,780,000	1992
New Jersey Open Space Preservation	300,000,000	26,000,000	1989
Pinelands Infrastructure Trust	30,000,000	8,000,000	1985
Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development	300,000,000	119,000,000	1996
Public Purpose Buildings and Community-Based Facilities Construction	125,000,000	5,000,000	1989
Refunding Bonds	5,220,479,598	-	1985
Resource Recovery and Solid Waste Disposal Facility	85,000,000	-	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	16,000,000	1989
Urban and Rural Centers Unsafe Buildings Demolition	20,000,000	-	1997
Water Supply	350,000,000	93,400,000	1981
Subtotal General Obligation Bond Acts	\$ 9,740,479,598	\$ 702,380,000	
General Obligation Debt-Capital Appreciation Bonds Subject to Accretion			
Total General Obligation Bonds - Government-Wide Basis			
Revenue Bonds Payable			
Capital Leases			
Installment Obligations			
Certificates of Participation			
Unamortized Premium			
Tobacco Settlement Financing Corporation			
Unamortized Deferral on Refunding			
Unamortized Interest on Capital Appreciation Bonds			
Subtotal Bonded Debt			
Non-Bonded Debt			
Accumulated Sick and Vacation Payable			
Capital Leases			
Loans Payable			
Net Pension Obligation			
Pollution Remediation Obligation			
Net OPEB Obligation			
Other			
Subtotal Non-Bonded Debt			
Total Debt			

Outstanding July 1, 2008	Issued	Retired	Outstanding June 30, 2009
\$ 1,225,000	\$ -	\$ 45,000	\$ 1,180,000
128,525,000	-	5,960,000	122,565,000
32,310,000	-	8,755,000	23,555,000
355,000	-	25,000	330,000
10,835,000	-	1,475,000	9,360,000
-	-	-	-
74,245,000	-	19,780,000	54,465,000
1,185,000	-	560,000	625,000
22,135,000	-	7,905,000	14,230,000
5,395,000	-	2,405,000	2,990,000
16,140,000	-	2,255,000	13,885,000
6,855,000	-	3,580,000	3,275,000
-	-	-	-
43,385,000	-	10,100,000	33,285,000
7,890,000	-	3,175,000	4,715,000
-	-	-	-
125,300,000	-	6,765,000	118,535,000
6,710,000	-	2,940,000	3,770,000
2,142,215,482	228,760,000	382,180,482	1,988,795,000
3,620,000	-	2,350,000	1,270,000
2,730,000	-	550,000	2,180,000
158,130,000	-	37,625,000	120,505,000
8,445,000	-	1,250,000	7,195,000
3,715,000	-	3,715,000	-
-	-	-	-
2,801,345,482	228,760,000	503,395,482	2,526,710,000
17,189,518	-	17,189,518	-
2,818,535,000	228,760,000	520,585,000	2,526,710,000
13,702,395,001	3,528,745,000	393,130,001	16,838,010,000
286,555,000	-	17,115,000	269,440,000
18,218,030,853	1,372,165,000	873,764,991	18,716,430,862
54,708,079	7,364,027	26,942,067	35,130,039
1,412,760,771	55,082,810	111,302,975	1,356,540,606
4,591,408,700	-	66,845,314	4,524,563,386
(865,654,238)	3,566,324	(68,393,941)	(793,693,973)
(6,347,598,350)	(1,899,299,429)	(286,832,899)	(7,960,064,880)
33,871,140,816	3,296,383,732	1,654,458,508	35,513,066,040
595,855,821	344,852,743	304,888,195	635,820,369
410,551,760	24,673,408	55,496,079	379,729,089
1,279,358,087	-	-	1,279,358,087
4,759,367,621	1,606,330,066	-	6,365,697,687
-	101,828,621	-	101,828,621
3,177,400,000	4,646,000,000	1,187,100,000	6,636,300,000
276,655,015	302,300,077	274,227,945	304,727,147
10,499,188,304	7,025,984,915	1,821,712,219	15,703,461,000
\$ 44,370,329,120	\$ 10,322,368,647	\$ 3,476,170,727	\$ 51,216,527,040

**STATE OF NEW JERSEY
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	Casino Control Fund			
	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and fees	75,282,951	73,475,951	64,310,288	(9,165,663)
Investment earnings	500,000	200,000	157,396	(42,604)
Other	-	-	-	-
Total Revenues	<u>75,782,951</u>	<u>73,675,951</u>	<u>64,467,684</u>	<u>(9,208,267)</u>
OTHER FINANCING SOURCES				
Transfers from other funds	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues and Other Financing Sources	<u>75,782,951</u>	<u>73,675,951</u>	<u>64,467,684</u>	<u>(9,208,267)</u>
EXPENDITURES				
Public safety and criminal justice	46,451,873	46,451,873	40,592,453	5,859,420
Physical and mental health	-	-	-	-
Educational, cultural, and intellectual development	-	-	-	-
Economic planning, development, and security	-	-	-	-
Transportation programs	-	-	-	-
Government direction, management, and control	29,631,078	29,631,078	27,217,240	2,413,838
Special government services	-	-	-	-
Total Expenditures	<u>76,082,951</u>	<u>76,082,951</u>	<u>67,809,693</u>	<u>8,273,258</u>
OTHER FINANCING USES				
Transfers to other funds	-	-	-	-
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>76,082,951</u>	<u>76,082,951</u>	<u>67,809,693</u>	<u>8,273,258</u>
Net change in fund balance	(300,000)	(2,407,000)	(3,342,009)	(935,009)
Fund Balances - July 1, 2008	<u>300,000</u>	<u>3,007,477</u>	<u>3,007,477</u>	<u>-</u>
Fund Balances - June 30, 2009	<u>\$ -</u>	<u>\$ 600,477</u>	<u>\$ (334,532)</u>	<u>\$ (935,009)</u>

Casino Revenue Fund

Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
\$ 412,759,000	\$ 348,996,000	\$ 350,548,945	\$ 1,552,945
-	-	-	-
1,500,000	-	-	-
34,840,471	34,840,471	34,786,496	(53,975)
449,099,471	383,836,471	385,335,441	1,498,970
500,000	18,994,000	54,629,048	35,635,048
500,000	18,994,000	54,629,048	35,635,048
449,599,471	402,830,471	439,964,489	37,134,018
-	-	-	-
381,533,455	341,844,934	372,134,963	(30,290,029)
32,516,000	29,133,565	32,516,000	(3,382,435)
2,440,000	2,186,182	2,440,000	(253,818)
33,018,016	29,583,360	33,018,000	(3,434,640)
-	-	-	-
92,000	82,430	92,000	(9,570)
449,599,471	402,830,471	440,200,963	(37,370,492)
-	-	-	-
-	-	-	-
449,599,471	402,830,471	440,200,963	(37,370,492)
-	-	(236,474)	(236,474)
-	-	-	-
\$ -	\$ -	\$ (236,474)	\$ (236,474)

(Continued on next page)

**STATE OF NEW JERSEY
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	Gubernatorial Elections Fund			
	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and fees	-	-	-	-
Investment earnings	-	-	-	-
Other	700,000	700,000	499,754	(200,246)
Total Revenues	700,000	700,000	499,754	(200,246)
OTHER FINANCING SOURCES				
Transfers from other funds	3,127,000	4,410,000	3,984,229	(425,771)
Total Other Financing Sources	3,127,000	4,410,000	3,984,229	(425,771)
Total Revenues and Other Financing Sources	3,827,000	5,110,000	4,483,983	(626,017)
EXPENDITURES				
Public safety and criminal justice	4,918,745	6,038,745	5,412,969	625,776
Physical and mental health	-	-	-	-
Educational, cultural, and intellectual development	-	-	-	-
Economic planning, development, and security	-	-	-	-
Transportation programs	-	-	-	-
Government direction, management, and control	-	-	-	-
Special government services	-	-	-	-
Total Expenditures	4,918,745	6,038,745	5,412,969	625,776
OTHER FINANCING USES				
Transfers to other funds	161,255	161,255	161,255	-
Total Other Financing Uses	161,255	161,255	161,255	-
Total Expenditures and Other Financing Uses	5,080,000	6,200,000	5,574,224	625,776
Net change in fund balance	(1,253,000)	(1,090,000)	(1,090,241)	(241)
Fund Balances - July 1, 2008	1,253,000	1,090,110	1,090,110	-
Fund Balances - June 30, 2009	\$ -	\$ 110	\$ (131)	\$ (241)

Total Non-Major Governmental Funds

Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
\$ 412,759,000	\$ 348,996,000	\$ 350,548,945	\$ 1,552,945
75,282,951	73,475,951	64,310,288	(9,165,663)
2,000,000	200,000	157,396	(42,604)
35,540,471	35,540,471	35,286,250	(254,221)
<u>525,582,422</u>	<u>458,212,422</u>	<u>450,302,879</u>	<u>(7,909,543)</u>
3,627,000	23,404,000	58,613,277	35,209,277
<u>3,627,000</u>	<u>23,404,000</u>	<u>58,613,277</u>	<u>35,209,277</u>
529,209,422	481,616,422	508,916,156	27,299,734
51,370,618	52,490,618	46,005,422	6,485,196
381,533,455	341,844,934	372,134,963	(30,290,029)
32,516,000	29,133,565	32,516,000	(3,382,435)
2,440,000	2,186,182	2,440,000	(253,818)
33,018,016	29,583,360	33,018,000	(3,434,640)
29,631,078	29,631,078	27,217,240	2,413,838
92,000	82,430	92,000	(9,570)
<u>530,601,167</u>	<u>484,952,167</u>	<u>513,423,625</u>	<u>(28,471,458)</u>
161,255	161,255	161,255	-
<u>161,255</u>	<u>161,255</u>	<u>161,255</u>	<u>-</u>
530,762,422	485,113,422	513,584,880	(28,471,458)
(1,553,000)	(3,497,000)	(4,668,724)	(1,171,724)
<u>1,553,000</u>	<u>4,097,587</u>	<u>4,097,587</u>	<u>-</u>
<u>\$ -</u>	<u>\$ 600,587</u>	<u>\$ (571,137)</u>	<u>\$ (1,171,724)</u>

**STATE OF NEW JERSEY
BUDGETARY COMPARISON SCHEDULE
BUDGET-TO-GAAP RECONCILIATION--NON-MAJOR FUNDS
FOR THE FISCAL YEAR JUNE 30, 2009**

**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>
Sources/inflows of resources:			
Total revenues and other financing sources--actual amounts (budgetary basis) from the budgetary comparison schedule	\$64,467,684	\$439,964,489	\$4,483,983
Differences--budget to GAAP:			
No reconciling items.	-	-	-
	<hr/>	<hr/>	<hr/>
Total revenues and other financing sources as reported on the GAAP-basis statement of revenues, expenditures, and changes in fund balances--governmental funds	<u>\$64,467,684</u>	<u>\$439,964,489</u>	<u>\$4,483,983</u>
 Uses/outflows of resources:			
Total expenditures and other financing uses--actual amounts (budgetary basis) from the budgetary comparison schedule	\$67,809,693	\$440,200,963	\$5,574,224
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.	(364,609)	(31,212,230)	-
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.	565,554	42,940,242	(131)
	<hr/>	<hr/>	<hr/>
Total expenditures and other financing uses as reported on the GAAP-basis statement of revenues, expenditures, and changes in fund balances--governmental funds	<u>\$68,010,638</u>	<u>\$451,928,975</u>	<u>\$5,574,093</u>

STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>ANTICIPATED TO JUNE 30, 2009</u>	<u>REALIZED TO JUNE 30, 2009 AMOUNT</u>	<u>PERCENT</u>	<u>REALIZATION OVER (UNDER) ANTICIPATED</u>
MAJOR TAXES				
Sales	\$ 8,578,000,000	\$ 7,722,703,126	90	\$ (855,296,874)
Sales - Energy	558,000,000	541,459,331	97	(16,540,669)
Sales Tax Dedication	(683,000,000)	(611,765,951)	90	71,234,049
Corporation Business	2,670,000,000	2,621,976,416	98	(48,023,584)
Corporation Business - Energy	141,600,000	43,185,378	30	(98,414,622)
Transfer Inheritance	671,870,000	653,439,759	97	(18,430,241)
Motor Fuels	557,830,000	538,166,711	96	(19,663,289)
Insurance Premium	446,640,000	430,866,184	96	(15,773,816)
Motor Vehicle Fees	391,725,000	361,739,280	92	(29,985,720)
Realty Transfer	352,740,000	193,617,781	55	(159,122,219)
Cigarette	234,404,000	216,311,930	92	(18,092,070)
Petroleum Products Gross Receipts	229,800,000	222,513,056	97	(7,286,944)
Alcoholic Beverage Excise	93,320,000	94,487,892	101	1,167,892
Corporation Banks and Financial Institutions	86,350,000	144,741,199	168	58,391,199
Tobacco Products Wholesale Sales	16,860,000	16,367,295	97	(492,705)
Public Utility Excise	10,751,000	12,255,206	114	1,504,206
Savings Institutions	-	125	-	125
TOTAL MAJOR TAXES	<u>14,356,890,000</u>	<u>13,202,064,718</u>	92	<u>(1,154,825,282)</u>
MISCELLANEOUS TAXES, FEES, REVENUES				
Executive Branch:				
Department of Agriculture:				
Fertilizer Inspection Fees	366,000	366,000	100	-
Miscellaneous Revenue	7,000	3,295	47	(3,705)
Total Department of Agriculture	<u>373,000</u>	<u>369,295</u>	99	<u>(3,705)</u>
Department of Banking and Insurance:				
Actuarial Services	55,000	(35,724)	-	(90,724)
Banking Assessments	9,800,000	9,790,353	100	(9,647)
Banking Licenses and Other Fees	3,250,000	2,198,390	68	(1,051,610)
FAIR Act Administration	19,000,000	21,776,070	115	2,776,070
Fraud Fines	2,000,000	1,091,689	55	(908,311)
HMO Covered Lives	1,595,000	2,675,068	168	1,080,068
Insurance - Examination Billings	2,500,000	2,886,443	115	386,443
Insurance - Special Purpose Assessment	14,000,000	9,944,178	71	(4,055,822)
Insurance Fraud Prevention	33,000,000	31,133,196	94	(1,866,804)
Insurance Licenses and Other Fees	25,480,000	56,400,638	221	30,920,638
Real Estate Commission	10,000,000	11,906,477	119	1,906,477
Total Department of Banking and Insurance	<u>120,680,000</u>	<u>149,766,778</u>	124	<u>29,086,778</u>

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>ANTICIPATED TO JUNE 30, 2009</u>	<u>REALIZED TO JUNE 30, 2009 AMOUNT</u>	<u>PERCENT</u>	<u>REALIZATION OVER (UNDER) ANTICIPATION</u>
Department of Children and Families:				
Child Care Licensing/Adoption Law	350,000	347,484	99	(2,516)
Marriage License Fees	1,309,000	1,245,712	95	(63,288)
Total Department of Children and Families	<u>1,659,000</u>	<u>1,593,196</u>	96	<u>(65,804)</u>
Department of Community Affairs:				
Affordable Housing and Neighborhood Preservation - Fair Housing	20,975,000	20,975,000	100	-
Construction Fees	15,954,000	15,954,000	100	-
Divorce Filing Fees	1,500,000	1,226,400	82	(273,600)
Fire Safety	16,067,000	16,067,000	100	-
Housing Inspection Fees	8,927,000	8,927,000	100	-
Miscellaneous Revenue	-	472	-	472
Planned Real Estate Development Fees	828,000	828,000	100	-
Total Department of Community Affairs	<u>64,251,000</u>	<u>63,977,872</u>	100	<u>(273,128)</u>
Department of Corrections:				
Miscellaneous Revenue	-	20,520	-	20,520
Total Department of Corrections	<u>-</u>	<u>20,520</u>	-	<u>20,520</u>
Department of Education:				
Audit Recoveries	425,000	3,496,345	823	3,071,345
Audit of Enrollments	205,000	27,895	14	(177,105)
Local School District Loan Recoveries - NJEDA	6,130,000	6,867,844	112	737,844
Nonpublic Schools Handicapped and Auxiliary Recoveries	6,000,000	14,985,288	250	8,985,288
Nonpublic Schools Textbook Recoveries	1,200,000	1,521,693	127	321,693
School Construction Inspection Fees	530,000	497,944	94	(32,056)
State Board of Examiners	4,800,000	4,800,000	100	-
Total Department of Education	<u>19,290,000</u>	<u>32,197,009</u>	167	<u>12,907,009</u>
Department of Environmental Protection:				
Air Pollution Fees - Minor Sources	6,300,000	5,894,092	94	(405,908)
Air Pollution Fees - Title V Operating Permits	10,700,000	11,080,409	104	380,409
Air Pollution Fines	2,800,000	6,064,458	217	3,264,458
Clean Water Enforcement Act	2,000,000	4,102,032	205	2,102,032
Coastal Area Facility Review Act	2,100,000	1,663,062	79	(436,938)
Endangered Species Tax Checkoff	158,000	158,000	100	-

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>ANTICIPATED</u>	<u>REALIZED TO JUNE 30, 2009</u>		<u>REALIZATION</u>
	<u>TO</u>	<u>AMOUNT</u>	<u>PERCENT</u>	<u>OVER (UNDER)</u>
	<u>JUNE 30, 2009</u>			<u>ANTICIPATION</u>
Environmental Infrastructure Financing				
Program Administrative Fee	5,000,000	5,000,000	100	-
Excess Diversion	230,000	173,355	75	(56,645)
Freshwater Wetlands Fees	4,258,000	2,809,987	66	(1,448,013)
Freshwater Wetlands Fines	300,000	1,132,083	377	832,083
Hazardous Waste Fees	3,949,000	4,172,061	106	223,061
Hazardous Waste Fines	700,000	627,547	90	(72,453)
Highlands Permitting	426,000	516,703	121	90,703
Hunters' and Anglers' Licenses	11,000,000	11,000,000	100	-
Industrial Site Recovery Act	1,045,000	433,170	41	(611,830)
Laboratory Certification Fees	2,400,000	798,534	33	(1,601,466)
Laboratory Certification Fines	80,000	53,231	67	(26,769)
Marina Rentals	885,000	885,000	100	-
Marine Lands - Preparation and Filing Fees	159,000	185,256	117	26,256
Medical Waste	4,400,000	4,450,606	101	50,606
Miscellaneous Revenue	-	1,902	-	1,902
New Jersey Pollutant Discharge Elimination System/				-
Stormwater Permits	16,700,000	16,700,000	100	-
Parks Management Fees and Permits	4,300,000	4,300,000	100	-
Parks Management Fines	140,000	107,190	77	(32,810)
Pesticide Control Fees	4,400,000	4,400,000	100	-
Pesticide Control Fines	80,000	97,906	122	17,906
Radiation Protection Fees	6,104,000	5,602,039	92	(501,961)
Radiation Protection Fines	90,000	151,635	168	61,635
Radon Testers Certification	280,000	228,201	82	(51,799)
Shellfish and Marine Fisheries	7,000	6,443	92	(557)
Solid and Hazardous Waste Disclosure	-	190,055	-	190,055
Solid Waste - Utility Regulation Assessments	3,100,000	3,100,000	100	-
Solid Waste Fines	650,000	1,682,795	259	1,032,795
Solid Waste Management Fees	9,900,000	7,920,094	80	(1,979,906)
Spring Meadow Golf Course	250,000	77,157	31	(172,843)
Stream Encroachment	3,710,000	2,653,814	72	(1,056,186)
Toxic Catastrophe Prevention Fees	1,615,000	1,522,317	94	(92,683)
Toxic Catastrophe Prevention Fines	50,000	64,775	130	14,775
Treatment Works Approval	1,780,000	2,155,245	121	375,245
Underground Storage Tanks Fees	1,200,000	1,259,505	105	59,505
Water Allocation	2,050,000	2,050,000	100	-
Water Supply Management Regulations	1,700,000	1,818,925	107	118,925
Water/Wastewater Operators Licenses	210,000	210,000	100	-
Waterfront Development Fees	2,931,000	2,324,355	79	(606,645)
Waterfront Development Fines	10,000	50,218	502	40,218

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	ANTICIPATED TO JUNE 30, 2009	REALIZED TO JUNE 30, 2009 AMOUNT	PERCENT	REALIZATION OVER (UNDER) ANTICIPATION
Well Permits / Well Drillers / Pump Installers Licenses	1,100,000	1,100,000	100	-
Wetlands	44,000	44,000	100	-
Worker Community Right to Know - Fines	60,000	53,049	88	(6,951)
Total Department of Environmental Protection	121,351,000	121,071,206	100	(279,794)
Department of Health and Senior Services:				
Admission Charge Hospital Assessment	6,000,000	6,000,000	100	-
Health Care Reform	1,200,000	1,200,000	100	-
Licenses, Fines, Permits, Penalties and Fees	790,000	790,000	100	-
Miscellaneous Revenue	400,000	70,476	18	(329,524)
Total Department of Health and Senior Services	8,390,000	8,060,476	96	(329,524)
Department of Human Services:				
Early Periodic Screening, Diagnosis and Treatment	-	1,009,080	-	1,009,080
Medicaid Uncompensated Care - Acute	239,059,000	275,190,420	115	36,131,420
Medicaid Uncompensated Care - Mental Health	37,075,000	37,074,943	100	(57)
Medicaid Uncompensated Care - Psychiatric	178,685,000	181,669,456	102	2,984,456
Medical Assistance - Federal Match on PAAD				
Medicaid Dual Eligibles	-	193,565	-	193,565
Miscellaneous Revenue	1,500,000	251,145	17	(1,248,855)
Patients' and Residents' Cost Recoveries -				
Developmental Disability	18,412,000	19,020,000	103	608,000
Psychiatric Hospitals	78,444,000	90,657,106	116	12,213,106
School Based Medicaid	-	20,408,418	-	20,408,418
Total Department of Human Services	553,175,000	625,474,133	113	72,299,133
Department of Labor and Workforce Development:				
Miscellaneous Revenue	155,000	137,395	89	(17,605)
Special Compensation Fund	1,778,000	1,778,000	100	-
Workers' Compensation Assessment	13,009,000	13,009,000	100	-
Workplace Standards - Licenses, Permits and Fines	4,720,000	4,720,000	100	-
Total Department of Labor and Workforce Development	19,662,000	19,644,395	100	(17,605)

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>ANTICIPATED</u>	<u>REALIZED TO JUNE 30, 2009</u>		<u>REALIZATION</u>
	<u>TO</u>	<u>AMOUNT</u>	<u>PERCENT</u>	<u>OVER (UNDER)</u>
	<u>JUNE 30, 2009</u>			<u>ANTICIPATION</u>
Department of Law and Public Safety:				
Beverage Licenses	3,960,000	3,960,000	-	-
Charities Registration Section	695,000	695,000	100	-
Consumer Affairs	-	7,200	-	7,200
Controlled Dangerous Substances	100,000	100,000	100	-
EDA School Construction Recoveries	166,000	463,478	279	297,478
Forfeiture Funds	-	250,000	-	250,000
Legalized Games of Chance Control	1,200,000	1,200,000	100	-
Miscellaneous Revenue	55,000	72,318	131	17,318
New Jersey Cemetery Board	22,000	22,000	100	-
Pleasure Boat Licenses	2,102,000	2,310,116	110	208,116
Private Employment Agencies	258,000	258,000	100	-
Securities Enforcement	8,994,000	8,994,000	100	-
State Board of Architects	360,000	360,000	100	-
State Board of Audiology and Speech - Language Pathology Advisory	14,000	14,000	100	-
State Board of Certified Public Accountants	850,000	850,000	100	-
State Board of Chiropractors	72,000	72,000	100	-
State Board of Cosmetology and Hairstyling	2,398,000	2,398,000	100	-
State Board of Court Reporting	5,000	5,000	100	-
State Board of Dentistry	180,000	180,000	100	-
State Board of Electrical Contractors	684,000	684,000	100	-
State Board of Marriage Counselor Examiners	362,000	362,000	100	-
State Board of Master Plumbers	283,000	283,000	100	-
State Board of Medical Examiners	4,403,000	4,403,000	100	-
State Board of Mortuary Science	191,000	191,000	100	-
State Board of Nursing	4,114,000	4,114,000	100	-
State Board of Occupational Therapists and Assistants	13,000	13,000	100	-
State Board of Ophthalmic Dispensers and Ophthalmic Technicians	11,000	11,000	100	-
State Board of Optometrists	239,000	239,000	100	-
State Board of Orthotics and Prosthetics	33,000	33,000	100	-
State Board of Pharmacy	1,195,000	1,195,000	100	-
State Board of Physical Therapy	20,000	20,000	100	-
State Board of Polysomnography	50,000	-	-	(50,000)
State Board of Professional Engineers and Land Surveyors	225,000	225,000	100	-
State Board of Professional Planners	117,000	70,635	60	(46,365)
State Board of Psychological Examiners	256,000	256,000	100	-
State Board of Real Estate Appraisers	78,000	78,000	100	-
State Board of Respiratory Care	22,000	22,000	100	-
State Board of Social Workers	633,000	633,000	100	-

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	ANTICIPATED TO JUNE 30, 2009	REALIZED TO JUNE 30, 2009 AMOUNT	PERCENT	REALIZATION OVER (UNDER) ANTICIPATION
State Board of Veterinary Medical Examiners	211,000	211,000	100	-
State Police - Fingerprint Fees	3,694,000	3,694,000	100	-
State Police - Nuclear Facilities Security Detail	1,600,000	1,594,090	100	(5,910)
State Police - Other Licenses	250,000	282,446	113	32,446
State Police - Private Detective Licenses	220,000	210,334	96	(9,666)
Victims of Violent Crime Compensation	430,000	430,000	100	-
Weights and Measures - General	2,612,000	2,612,000	100	-
Total Department of Law and Public Safety	43,377,000	44,077,617	102	700,617
Department of Military and Veterans' Affairs:				
Nuclear Facilities Security Detail	8,790,000	3,094,410	35	(5,695,590)
Soldiers' Homes	38,962,000	38,793,846	100	(168,154)
Total Department of Military and Veterans' Affairs	47,752,000	41,888,256	88	(5,863,744)
Department of the Public Advocate				
Office of Dispute Settlement Mediation	50,000	41,046	82	(8,954)
Rate Counsel	6,749,000	6,554,530	97	(194,470)
Total Department of the Public Advocate	6,799,000	6,595,576	97	(203,424)
Department of State:				
Governor's Teaching Scholars Program Loan Repayment	50,000	75,022	150	25,022
Miscellaneous Revenue	9,000	42,605	473	33,605
Total Department of State	59,000	117,627	199	58,627
Department of Transportation:				
Air Safety Fund	965,000	965,000	100	-
Applications and Highway Permits	1,300,000	1,300,000	100	-
Auto Body Repair Shop Licensing	-	-	-	-
Autonomous Transportation Authorities	24,500,000	24,291,667	99	(208,333)
Drunk Driving Fines	-	698,567	-	698,567
Good Driver	79,000,000	69,825,740	88	(9,174,260)
Interest on Purchase of Right of Way	5,000	15,256	305	10,256
Law Administration	-	(593,041)	-	(593,041)
Logo Sign Program Fees	300,000	300,000	100	-
Miscellaneous Revenue	-	48,710	-	48,710
Outdoor Advertising	740,000	740,000	100	-
Total Department of Transportation	106,810,000	97,591,899	91	(9,218,101)
Department of the Treasury:				
Assessment on Real Property Greater Than \$1 Million	122,460,000	75,643,549	62	(46,816,451)
Assessments - Cable TV	4,809,000	4,770,000	99	(39,000)
Assessments - Public Utility	31,200,000	30,878,063	99	(321,937)
Casino Fines	-	448,837	-	448,837

STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>ANTICIPATED</u>	<u>REALIZED TO JUNE 30, 2009</u>		<u>REALIZATION</u>
	<u>TO</u>	<u>AMOUNT</u>	<u>PERCENT</u>	<u>OVER (UNDER)</u>
	<u>JUNE 30, 2009</u>			<u>ANTICIPATION</u>
Coin Operated Telephones	3,800,000	5,106,355	134	1,306,355
Commercial Recording - Expedited	2,153,000	2,153,000	100	-
Commissions (Notary)	1,700,000	1,535,284	90	(164,716)
Domestic Security	34,500,000	29,987,345	87	(4,512,655)
Dormitory Safety Trust Fund - Debt Service Recovery	5,694,000	-	-	(5,694,000)
Enhanced Debt Collection	72,500,000	-	-	(72,500,000)
Equipment Leasing Fund - Debt Service Recovery	2,289,000	2,252,077	98	(36,923)
Escrow Interest - Construction Accounts	69,000	21,731	31	(47,269)
Fur Clothing Tax	2,000,000	825,954	41	(1,174,046)
General Revenues - Fees (Commercial Recording and UCC)	51,500,000	50,167,406	97	(1,332,594)
Higher Education Capital Improvement Fund -				
Debt Service Recovery	15,298,000	-	-	(15,298,000)
Hotel/Motel Occupancy Tax	90,000,000	74,261,839	83	(15,738,161)
Investment Earnings	18,000,000	4,555,154	-	(13,444,846)
Miscellaneous Revenue	2,200,000	1,543,471	70	(656,529)
New Jersey Public Records Preservation	28,300,000	18,925,725	67	(9,374,275)
Nuclear Emergency Response Assessment	4,346,000	5,424,000	125	1,078,000
Public Defender Client Receipts	4,900,000	4,469,469	91	(430,531)
Public Utilities Fines	1,000,000	523,000	52	(477,000)
Franchise Taxes (Water/Sewer)	87,225,000	94,610,036	108	7,385,036
Railroad Tax - Class II	4,000,000	33,009,561	825	29,009,561
Railroad Tax - Franchise	1,000,000	6,277,198	628	5,277,198
Surplus Property	1,500,000	1,580,512	105	80,512
Tax Referral Cost Recovery Fee	5,500,000	4,021,474	73	(1,478,526)
Telephone Assessment	129,000,000	130,635,997	101	1,635,997
Tire Clean - Up Surcharge	10,000,000	8,327,744	83	(1,672,256)
Transitional Energy Facilities Assessment	245,653,000	234,270,403	95	(11,382,597)
Total Department of the Treasury	<u>982,596,000</u>	<u>826,225,184</u>	<u>84</u>	<u>(156,370,816)</u>
Other Sources:				
Miscellaneous Revenue	500,000	28,836,070	5,767	28,336,070
Total Other Sources	<u>500,000</u>	<u>28,836,070</u>	<u>5,767</u>	<u>28,336,070</u>
Interdepartmental Accounts:				
Administration and Investment of Pension and				
Health Benefit Funds - Recoveries	3,114,000	2,147,922	69	(966,078)
Employee Maintenance Deductions	300,000	180,577	60	(119,423)
Fringe Benefit Recoveries from Colleges				
and Universities	170,120,000	171,014,761	101	894,761
Fringe Benefit Recoveries from Federal				
and Other Funds	257,145,000	248,638,901	97	(8,506,099)
Fringe Benefit Recoveries from				
School Districts	46,900,000	25,057,840	53	(21,842,160)

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	ANTICIPATED	REALIZED TO JUNE 30, 2009		REALIZATION
	TO JUNE 30, 2009	AMOUNT	PERCENT	OVER (UNDER) ANTICIPATION
Indirect Cost Recoveries - DEP Other Funds	8,100,000	9,746,643	120	1,646,643
MTF Revenue Fund	46,500,000	39,399,775	85	(7,100,225)
Rent of State Building Space	2,534,000	2,692,712	106	158,712
Social Security Recoveries from Federal and Other Funds	64,480,000	63,537,275	99	(942,725)
Total Interdepartmental Accounts	599,193,000	562,416,406	94	(36,776,594)
Judicial Branch:				
Court Fees	64,090,000	68,457,059	107	4,367,059
Total Judicial Branch	64,090,000	68,457,059	107	4,367,059
TOTAL MISCELLANEOUS TAXES, FEES, REVENUES	2,760,007,000	2,698,380,574	98	(61,626,426)
INTERFUND TRANSFERS				
Beaches and Harbor Fund	86,000	16,917	20	(69,083)
Body Armor Replacement Fund	-	5,000,000	-	5,000,000
Catastrophic Illness in Children Relief Fund	-	5,000,000	-	5,000,000
Clean Energy Fund	10,000,000	10,000,000	100	-
Clean Waters Fund	36,000	17,912	50	(18,088)
Correctional Facilities Construction Fund	15,000	9,219	61	(5,781)
Correctional Facilities Construction Fund of 1987	13,000	11,567	89	(1,433)
Cultural Centers and Historic Preservation Fund	125,000	6,696	5	(118,304)
Dam, Lake, Stream and Flood Control Project Fund - 2003	300,000	255,821	85	(44,179)
Developmental Disabilities Waiting List Reduction Fund	235,000	111,054	47	(123,946)
Dredging and Containment Facility Fund	390,000	390,000	100	-
Emergency Flood Control Fund	13,000	5,459	42	(7,541)
Emergency Medical Technician Training Fund	-	4,121,979	-	4,121,979
Emergency Services Fund	-	6,313,000	-	6,313,000
Energy Conservation Fund	15,000	4,388	29	(10,612)
Enterprise Zone Assistance Fund	8,958,000	31,497,701	352	22,539,701
Fund for Support of Free Public Schools	3,600,000	2,087,078	58	(1,512,922)
Garden State Farmland Preservation Trust Fund	1,795,000	1,730,104	96	(64,896)
Garden State Green Acres Preservation Trust Fund	5,249,000	4,880,618	93	(368,382)
Garden State Historic Preservation Trust Fund	616,000	533,436	87	(82,564)
Hazardous Discharge Fund of 1981	8,000	2,890	36	(5,110)
Hazardous Discharge Site Cleanup Fund	16,931,000	16,882,131	100	(48,869)
Health Care Subsidy Fund	-	14,700,000	-	14,700,000
Housing Assistance Fund	160,000	67,914	42	(92,086)
Human Services Facilities Construction Fund	-	607	-	607
Jobs, Education and Competitiveness Fund	43,000	25,697	60	(17,303)
Judiciary Bail Fund	1,095,000	495,128	45	(599,872)
Judiciary Child Support and Paternity Fund	265,000	-	-	(265,000)
Judiciary Probation Fund	305,000	142,636	47	(162,364)
Judiciary Special Civil Fund	65,000	36,995	57	(28,005)

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	ANTICIPATED TO JUNE 30, 2009	REALIZED TO JUNE 30, 2009 AMOUNT	PERCENT	REALIZATION OVER (UNDER) ANTICIPATION
Judiciary Superior Court Miscellaneous Fund	170,000	61,259	36	(108,741)
Legal Services Fund	10,410,000	11,169,651	107	759,651
Mortgage Assistance Fund	725,000	737,969	102	12,969
Motor Vehicle Security Responsibility Fund	13,000	3,761	29	(9,239)
Natural Resources Fund	125,000	48,291	39	(76,709)
New Jersey Bridge Rehabilitation and Improvement and Railroad Right-of-Way Preservation Fund	185,000	98,738	53	(86,262)
New Jersey Green Acres Fund - 1983	1,070,000	314,882	29	(755,118)
New Jersey Spill Compensation Fund	15,783,000	15,057,583	95	(725,417)
New Jersey Workforce Development Partnership Fund	17,567,000	27,246,844	155	9,679,844
Pollution Prevention Fund	1,549,000	1,549,000	100	-
Public Purpose Buildings and Community-Based Facilities Construction Fund	60,000	39,429	66	(20,571)
Public Purpose Buildings Construction Fund	8,000	2,151	27	(5,849)
Resource Recovery and Solid Waste Disposal Facility Fund	-	144	-	144
Safe Drinking Water Fund	2,433,000	2,424,032	100	(8,968)
School Fund Investment Account	4,030,000	2,108,554	52	(1,921,446)
Shore Protection Fund	295,000	159,754	54	(135,246)
Solid Waste Service Tax Fund	12,000	467	4	(11,533)
State Disability Benefit Fund	29,243,000	77,636,713	265	48,393,713
State Land Acquisition and Development Fund	-	17,191	-	17,191
State Lottery Fund	888,000,000	887,208,916	100	(791,084)
State Lottery Fund - Administration	22,118,000	19,034,245	86	(3,083,755)
State of New Jersey Cash Management Fund-External Portion	2,796,000	2,397,328	86	(398,672)
State Recreation and Conservation Land Acquisition and Development Fund	25,000	5,386	22	(19,614)
Statewide Transportation and Local Bridge Fund	1,556,000	269,575	17	(1,286,425)
Supplemental Workforce Fund for Basic Skills	2,000,000	2,000,000	100	-
Tobacco Settlement Fund	62,068,000	69,307,549	112	7,239,549
Unclaimed County Deposits Trust Fund	-	3,000,000	-	3,000,000
Unclaimed Personal Property Trust Fund	158,000,000	141,500,000	90	(16,500,000)
Unclaimed Utility Deposits Trust Fund	225,000	75,756	34	(149,244)
Unemployment Compensation Auxiliary Fund	26,357,000	29,279,471	111	2,922,471
Universal Services Fund	72,616,000	73,260,190	101	644,190
Wage and Hour Trust Fund	75,000	39,000	52	(36,000)
Water Conservation Fund	40,000	11,286	28	(28,714)
Water Supply Fund	4,321,000	4,230,562	98	(90,438)
Worker and Community Right to Know Fund	3,783,000	6,127,092	162	2,344,092
TOTAL INTERFUND TRANSFERS	1,377,976,000	1,480,769,716	107	102,793,716
TOTAL REVENUES, GENERAL FUND	\$ 18,494,873,000	\$ 17,381,215,008	94	\$ (1,113,657,992)

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
CASINO CONTROL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	ANTICIPATED TO JUNE 30, 2009	REALIZED TO JUNE 30, 2009		REALIZATION OVER (UNDER) ANTICIPATED
		AMOUNT	PERCENT	
Licenses Fees	\$ 74,639,000	\$ 64,310,288	86	\$ (10,328,712)
Investment Earnings	500,000	157,396	31	(342,604)
TOTAL CASINO CONTROL FUND	\$ 75,139,000	\$ 64,467,684	86	\$ (10,671,316)

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
CASINO REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	ANTICIPATED TO JUNE 30, 2009	REALIZED TO JUNE 30, 2009		REALIZATION OVER (UNDER) ANTICIPATED
		AMOUNT	PERCENT	
Gross Revenue Tax	\$ 389,963,000	\$ 329,336,474	84	\$ (60,626,526)
Other Casino Taxes and Fees	22,796,000	21,246,270	93	(1,549,730)
Casino Simulcasting Fund	500,000	456,285	91	(43,715)
Investment Earnings	1,500,000	-	-	(1,500,000)
TOTAL CASINO REVENUE FUND	\$ 414,759,000	\$ 351,039,029	85	\$ (63,719,971)

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GUBERNATORIAL ELECTIONS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	ANTICIPATED TO JUNE 30, 2009	REALIZED TO JUNE 30, 2009		REALIZATION OVER (UNDER) ANTICIPATED
		AMOUNT	PERCENT	
Taxpayers' Designations	\$ 700,000	\$ 499,754	71	\$ (200,246)
TOTAL GUBERNATORIAL ELECTIONS FUND	\$ 700,000	\$ 499,754	71	\$ (200,246)

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
PROPERTY TAX RELIEF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	ANTICIPATED TO JUNE 30, 2009	REALIZED TO JUNE 30, 2009		REALIZATION OVER (UNDER) ANTICIPATED
		AMOUNT	PERCENT	
Gross Income Tax	\$ 12,700,000,000	\$ 10,476,267,266	82	\$ (2,223,732,734)
Sales Tax Dedication	683,000,000	611,765,952	90	(71,234,048)
TOTAL PROPERTY TAX RELIEF FUND	\$ 13,383,000,000	\$ 11,088,033,218	83	\$ (2,294,966,782)

**STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATED REVENUE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>STATE</u>	<u>FEDERAL</u>	<u>DEDICATED AND REVOLVING</u>	<u>TOTAL</u>
LEGISLATIVE BRANCH	\$ -	\$ -	\$ 2,560	\$ 2,560
EXECUTIVE BRANCH				
Chief Executive	-	-	698,375	698,375
Agriculture	2,750,901	297,284,215	7,800,880	307,835,996
Banking and Insurance	87,000	-	1,726,977	1,813,977
Children and Families	-	126,695,050	58,035,192	184,730,242
Community Affairs	18,283,769	442,041,107	64,856,279	525,181,155
Corrections	-	8,807,141	63,321,561	72,128,702
Education	2,690,338	722,358,554	22,961,255	748,010,147
Environmental Protection	37,688,434	38,244,093	40,032,570	115,965,097
Health and Senior Services	13,672,909	355,183,934	327,898,986	696,755,829
Human Services	192,767,229	7,243,640,716	712,361,612	8,148,769,557
Labor and Workforce Development	57,705,082	371,459,286	210,188,694	639,353,062
Law and Public Safety	162,758,523	102,637,072	182,311,269	447,706,864
Military and Veterans' Affairs	3,118,307	53,842,225	268,072	57,228,604
Personnel	2,874,727	-	-	2,874,727
Public Advocate	-	-	395,810	395,810
State	6,021	28,582,853	28,080,802	56,669,676
Transportation	2,726,144	21,413,028	468,165,101	492,304,273
Treasury	77,902,378	2,261,352	1,279,863,149	1,360,026,879
Interdepartmental	621,420	-	-	621,420
TOTAL EXECUTIVE BRANCH	<u>575,653,182</u>	<u>9,814,450,626</u>	<u>3,468,966,584</u>	<u>13,859,070,392</u>
JUDICIAL BRANCH	<u>3,199,474</u>	<u>839,975</u>	<u>63,865,727</u>	<u>67,905,176</u>
TOTAL APPROPRIATED REVENUE	<u>\$ 578,852,656</u>	<u>\$ 9,815,290,601</u>	<u>\$ 3,532,834,871</u>	<u>\$ 13,926,978,128</u>

**STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATED REVENUE
CASINO REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>STATE</u>	<u>FEDERAL</u>	<u>DEDICATED AND REVOLVING</u>	<u>TOTAL</u>
EXECUTIVE BRANCH				
Health and Senior Services	\$ 34,752,698	\$ -	\$ -	\$ 34,752,698
TOTAL APPROPRIATED REVENUE	<u>\$ 34,752,698</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,752,698</u>

STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
DIRECT STATE SERVICES			
Legislative Branch	\$ 73,743,660	\$ 20,328,931	\$ 77,586,458
Executive Branch			
Chief Executive's Office	5,293,000	1,271,844	5,157,465
Agriculture	7,930,000	4,542,070	10,684,504
Banking and Insurance	70,340,000	1,002,965	64,750,764
Children and Families	320,636,000	6,450,431	320,234,770
Community Affairs	39,574,000	18,019,565	55,114,241
Corrections	1,021,828,000	3,556,631	804,010,140
Education	74,998,000	5,160,360	66,739,129
Environmental Protection	235,601,954	76,137,201	259,427,247
Health and Senior Services	64,813,000	23,996,641	80,763,792
Human Services	489,566,000	204,078,838	516,100,632
Labor and Workforce Development	82,650,000	63,020,909	130,050,996
Law and Public Safety	509,271,000	259,439,090	623,185,818
Military and Veterans' Affairs	90,562,073	7,391,744	90,214,050
Public Advocate	16,966,000	4,767,543	15,913,468
State	36,601,000	3,000,718	32,426,516
Transportation	81,921,000	23,061,747	93,292,464
Treasury	456,986,000	121,803,635	506,490,566
Miscellaneous Executive Commissions	1,456,000	20,414	1,474,620
Inter-Departmental Accounts	2,160,109,849	100,729,421	1,841,409,266
Total Executive Branch	<u>5,767,102,876</u>	<u>927,451,767</u>	<u>5,517,440,448</u>
Judicial Branch	<u>635,467,000</u>	<u>(11,353,570)</u>	<u>588,807,169</u>
TOTAL DIRECT STATE SERVICES	<u>\$ 6,476,313,536</u>	<u>\$ 936,427,128</u>	<u>\$ 6,183,834,075</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ 806,553	\$ 2,800,786	\$ 12,878,794
45,087	300,576	1,061,716
643,374	597,117	547,075
308,855	5,603,496	679,850
886,462	5,965,164	35
906,285	47,063	1,525,976
8,928,348	195,104,659	17,341,484
7,776,021	3,710,549	1,932,661
12,001,938	10,464,257	29,845,713
3,316,319	3,115,411	1,614,119
25,982,663	33,018,484	118,543,059
5,651,016	6,421,631	3,547,266
17,171,544	13,942,811	114,409,917
1,770,153	2,671,918	3,297,696
555,896	3,013,901	2,250,278
1,988,718	2,712,060	2,474,424
5,346,375	4,681,442	1,662,466
22,451,884	27,021,906	22,825,279
-	-	1,794
8,665,528	247,893,306	162,871,170
124,396,466	566,285,751	486,431,978
20,942,309	458,593	13,905,359
\$ 146,145,328	\$ 569,545,130	\$ 513,216,131

STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES (Continued)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
GRANTS-IN-AID			
Executive Branch			
Agriculture	\$ 4,075,000	\$ 1,743,056	\$ 4,773,709
Children and Families	755,067,000	(10,533,405)	689,015,912
Community Affairs	65,360,000	12,467,291	32,131,757
Corrections	120,033,000	10,859,499	117,953,144
Education	18,353,000	500,000	16,662,953
Environmental Protection	22,161,000	66,098,878	4,946,639
Health and Senior Services	1,249,211,000	(1,913,466)	1,039,689,039
Human Services	3,846,625,505	313,016,817	3,659,760,358
Labor and Workforce Development	189,524,000	(784,033)	176,447,761
Law and Public Safety	27,423,000	2,350,981	12,057,411
Military and Veterans' Affairs	3,174,000	509,089	2,291,549
State	1,171,697,000	43,625,821	1,196,961,814
Transportation	358,200,000	3,615,274	348,410,409
Treasury	429,340,000	82,524,154	281,837,284
Inter-Departmental Accounts	951,046,000	(37,485,204)	897,809,846
Total Executive Branch	<u>9,211,289,505</u>	<u>486,594,752</u>	<u>8,480,749,585</u>
Judicial Branch	<u>-</u>	<u>8,580</u>	<u>8,160</u>
TOTAL GRANTS-IN-AID	<u>\$ 9,211,289,505</u>	<u>\$ 486,603,332</u>	<u>\$ 8,480,757,745</u>
STATE AID			
Executive Branch			
Agriculture	\$ 10,873,000	\$ 3,920,032	\$ 11,301,444
Community Affairs	199,956,000	5,873,331	183,319,866
Education	982,463,000	15,048,344	931,497,360
Environmental Protection	9,236,000	940,328	6,330,617
Health and Senior Services	9,552,000	(13,500)	6,285,685
Human Services	453,117,000	25,608,390	475,371,145
Labor and Workforce Development	1,522,000	-	1,145,554
Law and Public Safety	11,000,000	12,306,965	2,820,459
State	34,856,000	10,276,408	25,100,035
Treasury	289,175,997	47,011,980	223,914,135
Total Executive Branch	<u>2,001,750,997</u>	<u>120,972,278</u>	<u>1,867,086,300</u>
TOTAL STATE AID	<u>\$ 2,001,750,997</u>	<u>\$ 120,972,278</u>	<u>\$ 1,867,086,300</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ 555,305	\$ 295,614	\$ 193,428
21,327,525	34,098,922	91,236
5,551,457	39,123,619	1,020,458
4,035,334	726,585	8,177,436
1,200,000	990,047	-
2,772,512	1,115,592	79,425,135
44,866,185	153,493,799	9,248,511
60,685,853	393,431,179	45,764,932
10,908,294	1,383,234	678
15,581,743	788,000	1,346,827
362,016	198,729	830,795
8,163,635	1,601,820	8,595,552
1,932,001	11,219,802	253,062
969,651	215,671,390	13,385,829
2,600	15,748,350	-
<u>178,914,111</u>	<u>869,886,682</u>	<u>168,333,879</u>
420	-	-
<u>\$ 178,914,531</u>	<u>\$ 869,886,682</u>	<u>\$ 168,333,879</u>
\$ -	\$ 3,303,075	\$ 188,513
1,583,651	20,764,438	161,376
450,494	65,463,676	99,814
3,347,176	494,577	3,958
1,227,658	2,025,157	-
-	3,341,046	13,199
307,794	68,652	-
16,447,887	1,650,000	2,388,619
-	20,032,373	-
5,050,858	77,787,910	29,435,074
<u>28,415,518</u>	<u>194,930,904</u>	<u>32,290,553</u>
<u>\$ 28,415,518</u>	<u>\$ 194,930,904</u>	<u>\$ 32,290,553</u>

STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES (Continued)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
CAPITAL CONSTRUCTION			
Legislative Branch	\$ -	\$ 2,338,494	\$ -
Executive Branch			
Agriculture	-	1,000,172	277,258
Children and Families	-	483,964	64,222
Corrections	-	12,649,346	896,342
Education	-	4,626,258	461,303
Environmental Protection	101,913,000	107,483,693	57,180,311
Health and Senior Services	-	148,966	55,183
Human Services	-	15,125,035	1,673,476
Law and Public Safety	-	10,633,575	969,148
Military and Veterans' Affairs	-	4,152,409	107,904
State	-	3,092	2,952
Transportation	895,000,000	-	895,000,000
Treasury	-	11,930,500	2,452,046
Inter-Departmental Accounts	209,400,000	79,705,170	213,251,951
Total Executive Branch	<u>1,206,313,000</u>	<u>247,942,180</u>	<u>1,172,392,096</u>
TOTAL CAPITAL CONSTRUCTION	<u>\$ 1,206,313,000</u>	<u>\$ 250,280,674</u>	<u>\$ 1,172,392,096</u>
DEBT SERVICE			
Executive Branch			
Environmental Protection	\$ 59,735,000	\$ (1,106)	\$ 59,733,894
Treasury	211,162,000	1,106	210,985,405
Total Executive Branch	<u>270,897,000</u>	<u>-</u>	<u>270,719,299</u>
TOTAL DEBT SERVICE	<u>\$ 270,897,000</u>	<u>\$ -</u>	<u>\$ 270,719,299</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ -	\$ -	\$ 2,338,494
715,592	7,322	-
-	419,742	-
1,579,566	34	10,173,404
292,106	290,373	3,582,476
39,583,610	4,505,764	108,127,008
-	93,783	-
1,333,596	2,174,658	9,943,305
1,622,524	982,771	7,059,132
766,963	695,265	2,582,277
-	118	22
-	-	-
675,843	7,755,474	1,047,137
8,449,159	6,002,000	61,402,060
<u>55,018,959</u>	<u>22,927,304</u>	<u>203,916,821</u>
<u>\$ 55,018,959</u>	<u>\$ 22,927,304</u>	<u>\$ 206,255,315</u>
-	-	-
\$ -	\$ 177,701	\$ -
-	177,701	-
<u>\$ -</u>	<u>\$ 177,701</u>	<u>\$ -</u>

STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES (Continued)
GENERAL FUND
FOR THE FISCAL YEAR JUNE 30, 2009

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
FEDERAL			
Legislative Branch	\$ -	\$ 875	\$ -
Executive Branch			
Agriculture	329,158,611	8,761,714	252,757,763
Children and Families	400,734,618	30,163,742	402,296,596
Community Affairs	647,236,703	(945,035)	409,573,767
Corrections	173,607,407	6,161,721	173,838,718
Education	1,110,124,333	68,076,199	517,985,655
Environmental Protection	174,995,018	13,772,513	31,393,136
Health and Senior Services	1,929,356,104	56,802,692	1,761,653,011
Human Services	4,660,067,545	227,254,305	4,593,425,847
Labor and Workforce Development	530,073,370	68,270,247	338,352,550
Law and Public Safety	244,940,475	77,645,056	77,266,930
Military and Veterans' Affairs	49,480,395	12,291,673	29,197,652
Public Advocate	1,650,000	166,832	1,160,903
State	35,835,660	477,136	27,535,439
Transportation	26,213,000	4,936,883	9,654,734
Treasury	5,535,000	5,701,917	3,195,711
Total Executive Branch	<u>10,319,008,239</u>	<u>579,537,595</u>	<u>8,629,288,412</u>
Judicial Branch	<u>98,776,400</u>	<u>2,580,312</u>	<u>91,505,821</u>
TOTAL FEDERAL	<u>\$ 10,417,784,639</u>	<u>\$ 582,118,782</u>	<u>\$ 8,720,794,233</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ -	\$ -	\$ 875
53,697,486	-	31,465,076
9,388,205	-	19,213,559
146,001,273	-	90,716,628
1,276,982	-	4,653,428
313,286,319	-	346,928,558
11,554,602	-	145,819,793
58,030,901	-	166,474,884
83,499,665	-	210,396,338
75,608,878	-	184,382,189
26,785,924	-	218,532,677
6,574,145	-	26,000,271
262,379	-	393,550
1,307,936	-	7,469,421
187,504	-	21,307,645
1,348,280	-	6,692,926
<u>788,810,479</u>	<u>-</u>	<u>1,480,446,943</u>
<u>741,537</u>	<u>-</u>	<u>9,109,354</u>
<u>\$ 789,552,016</u>	<u>\$ -</u>	<u>\$ 1,489,557,172</u>

STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES (Continued)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
REVOLVING FUNDS			
Legislative Branch	\$ -	\$ 2,560	\$ (160)
Executive Branch			
Community Affairs	-	16,042,129	9,374,442
Corrections	-	31,060,854	31,129,929
Education	-	3,973,027	2,486,497
Environmental Protection	-	930,421	496,734
Health and Senior Services	-	22,012,892	16,684,728
Human Services	-	6,719,007	6,316,617
Labor and Workforce Development	-	1,751,295	(165,945)
Law and Public Safety	-	1,771,551	208,697
State	-	1,518,305	883,536
Transportation	-	17,581,319	17,256,660
Treasury	-	107,172,640	79,799,987
Total Executive Branch	-	210,533,440	164,471,882
TOTAL REVOLVING FUNDS	<u>\$ -</u>	<u>\$ 210,536,000</u>	<u>\$ 164,471,722</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ -	\$ -	\$ 2,720
2,772,562	365,000	3,530,125
420,333	-	(489,408)
59,917	627,474	799,139
17,891	-	415,796
1,395,338	7,367	3,925,459
85,143	375,000	(57,753)
1,642,435	16,732	258,073
695,801	-	867,053
25,028	-	609,741
624	-	324,035
<u>12,236,023</u>	<u>3,350,262</u>	<u>11,786,368</u>
<u>19,351,095</u>	<u>4,741,835</u>	<u>21,968,628</u>
<u>\$ 19,351,095</u>	<u>\$ 4,741,835</u>	<u>\$ 21,971,348</u>

STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES (Continued)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
ALL OTHER			
Legislative Branch	\$ -	\$ 19,041	\$ 3,624
Executive Branch			
Chief Executive's Office	-	1,475,548	442,770
Agriculture	-	12,161,892	9,195,916
Banking and Insurance	-	2,308,940	1,342,852
Children and Families	-	69,086,026	65,595,893
Community Affairs	-	138,479,950	64,546,630
Corrections	-	39,419,901	29,969,569
Education	-	25,414,451	12,844,138
Environmental Protection	-	83,693,555	31,666,274
Health and Senior Services	-	398,775,250	307,266,928
Human Services	-	738,221,636	691,886,424
Labor and Workforce Development	-	215,610,439	171,234,874
Law and Public Safety	-	269,883,053	219,368,198
Military and Veterans' Affairs	-	1,152,337	319,719
Public Advocate	-	644,992	233,748
State	-	45,718,301	29,403,025
Transportation	-	513,706,329	328,297,094
Treasury	-	1,469,748,107	1,227,603,698
Inter-Departmental Accounts	-	6,894,742	270,876
Total Executive Branch	-	4,032,395,449	3,191,488,626
Judicial Branch	-	94,119,629	53,656,585
TOTAL ALL OTHER	\$ -	\$ 4,126,534,119	\$ 3,245,148,835

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ -	\$ -	\$ 15,417
-	-	1,032,778
1,273,206	8,405	1,684,365
-	-	966,088
522,070	-	2,968,063
41,829,314	269,776	31,834,230
582,705	3,284,470	5,583,157
663,957	7,922,917	3,983,439
20,560,159	3,235,325	28,231,797
24,670,403	15,213,986	51,623,933
8,151,359	14,262,506	23,921,347
165,461	800,000	43,410,104
18,981,041	7,743,133	23,790,681
245,884	50,000	536,734
149,666	-	261,578
13,298,052	187,554	2,829,670
59,232,931	16,628,994	109,547,311
17,038,339	45,123,838	179,982,232
476,025	-	6,147,841
<u>207,840,572</u>	<u>114,730,904</u>	<u>518,335,348</u>
<u>6,980,117</u>	<u>-</u>	<u>33,482,927</u>
<u>\$ 214,820,689</u>	<u>\$ 114,730,904</u>	<u>\$ 551,833,692</u>

STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES (Continued)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
GENERAL FUND SUMMARY			
Legislative Branch	\$ 73,743,660	\$ 22,689,901	\$ 77,589,922
Executive Branch			
Chief Executive's Office	5,293,000	2,747,392	5,600,235
Agriculture	352,036,611	32,128,936	288,990,594
Banking and Insurance	70,340,000	3,311,905	66,093,616
Children and Families	1,476,437,618	95,650,758	1,477,207,393
Community Affairs	952,126,703	189,937,231	754,060,703
Corrections	1,315,468,407	103,707,952	1,157,797,842
Education	2,185,938,333	122,798,639	1,548,677,035
Environmental Protection	603,641,972	349,055,483	451,174,852
Health and Senior Services	3,252,932,104	499,809,475	3,212,398,366
Human Services	9,449,376,050	1,530,024,028	9,944,534,499
Labor and Workforce Development	803,769,370	347,868,857	817,065,790
Law and Public Safety	792,634,475	634,030,271	935,876,661
Military and Veterans' Affairs	143,216,468	25,497,252	122,130,874
Public Advocate	18,616,000	5,579,367	17,308,119
State	1,278,989,660	104,619,781	1,312,313,317
Transportation	1,361,334,000	562,901,552	1,691,911,361
Treasury	1,392,198,997	1,845,894,039	2,536,278,832
Miscellaneous Executive Commissions	1,456,000	20,414	1,474,620
Inter-Departmental Accounts	3,320,555,849	149,844,129	2,952,741,939
Total Executive Branch	<u>28,776,361,617</u>	<u>6,605,427,461</u>	<u>29,293,636,648</u>
Judicial Branch	<u>734,243,400</u>	<u>85,354,951</u>	<u>733,977,735</u>
TOTAL GENERAL FUND SUMMARY	<u>\$ 29,584,348,677</u>	<u>\$ 6,713,472,313</u>	<u>\$ 30,105,204,305</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ 806,553	\$ 2,800,786	15,236,300
45,087	300,576	2,094,494
56,884,963	4,211,533	34,078,457
308,855	5,603,496	1,645,938
32,124,262	40,483,828	22,272,893
198,644,542	60,569,896	128,788,793
16,823,268	199,115,748	45,439,501
323,728,814	79,005,036	357,326,087
89,837,888	19,815,515	391,869,200
133,506,804	173,949,503	232,886,906
179,738,279	446,602,873	408,524,427
94,283,878	8,690,249	231,598,310
97,286,464	25,106,715	368,394,906
9,719,161	3,615,912	33,247,773
967,941	3,013,901	2,905,406
24,783,369	24,533,925	21,978,830
66,699,435	32,530,238	133,094,519
59,770,878	376,888,481	265,154,845
-	-	1,794
<u>17,593,312</u>	<u>269,643,656</u>	<u>230,421,071</u>
<u>1,402,747,200</u>	<u>1,773,681,081</u>	<u>2,911,724,150</u>
<u>28,664,383</u>	<u>458,593</u>	<u>56,497,640</u>
<u>\$ 1,432,218,136</u>	<u>\$ 1,776,940,460</u>	<u>\$ 2,983,458,090</u>

**STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES
CASINO CONTROL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
DIRECT STATE SERVICES			
Executive Branch			
Law and Public Safety	\$ 45,999,000	\$ 452,873	\$ 40,424,286
Treasury	29,440,000	191,078	27,020,798
TOTAL CASINO CONTROL FUND	<u>\$ 75,439,000</u>	<u>\$ 643,951</u>	<u>\$ 67,445,084</u>

**STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES
CASINO REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
DIRECT STATE SERVICES			
Executive Branch			
Health and Senior Services	\$ 871,000	\$ 221,770	\$ 906,007
Law and Public Safety	92,000	-	92,000
GRANTS-IN-AID			
Executive Branch			
Health and Senior Services	247,881,000	34,618,685	271,032,362
Human Services	130,457,000	-	130,457,000
Labor and Workforce Development	2,440,000	-	2,440,000
STATE AID			
Executive Branch			
Transportation	33,018,000	16	4,061,364
TOTAL CASINO REVENUE FUND	<u>\$ 414,759,000</u>	<u>\$ 34,840,471</u>	<u>\$ 408,988,733</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ 168,167	\$ 5,046,199	\$ 813,221
196,442	1,907,824	506,014
\$ 364,609	\$ 6,954,023	\$ 1,319,235

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ 32,290	\$ 121,329	\$ 33,144
-	-	-
2,223,304	9,244,019	-
-	-	-
-	-	-
28,956,636	-	16
\$ 31,212,230	\$ 9,365,348	\$ 33,160

**STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES
GUBERNATORIAL ELECTIONS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
DIRECT STATE SERVICES			
Executive Branch			
Law and Public Safety	\$ 6,200,000	\$ -	\$ 5,574,224
TOTAL GUBERNATORIAL ELECTIONS FUND	<u>\$ 6,200,000</u>	<u>\$ -</u>	<u>\$ 5,574,224</u>

**STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES
PROPERTY TAX RELIEF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
GRANTS-IN-AID			
Executive Branch			
Treasury	\$ 1,876,500,000	\$ -	\$ 1,839,091,450
STATE AID			
Executive Branch			
Community Affairs	847,493,000	(160,477,074)	663,164,288
Education	10,496,840,657	(168,989)	9,378,841,998
Environmental Protection	10,000,000	-	9,718,893
Treasury	165,406,000	168,989	160,215,905
TOTAL PROPERTY TAX RELIEF FUND	<u>\$ 13,396,239,657</u>	<u>\$ (160,477,074)</u>	<u>\$ 12,051,032,534</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ -	\$ -	\$ 625,776
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 625,776</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ -	\$ 37,408,550	\$ -
31,673	15,586,912	8,233,053
1,166,506	1,116,663,164	-
-	281,107	-
-	5,359,084	-
<u>\$ 1,198,179</u>	<u>\$ 1,175,298,817</u>	<u>\$ 8,233,053</u>

**STATE OF NEW JERSEY
STATISTICAL SECTION
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**STATE OF NEW JERSEY
NET ASSETS BY COMPONENT
FOR THE FISCAL YEAR ENDED JUNE 30
(Expressed in Millions)**

	<u>2009</u>	<u>2008*</u>	<u>2007</u>	<u>2006</u>
<u>Governmental Activities</u>				
Invested in capital assets, net of related debt	\$ 7,362.1	\$ 7,135.6	\$ 6,452.0	\$ 5,981.9
Restricted	4,298.6	5,492.5	5,796.5	5,625.8
Unrestricted	<u>(33,131.1)</u>	<u>(26,403.0)</u>	<u>(20,753.5)</u>	<u>(19,723.0)</u>
Total	<u><u>\$ (21,470.4)</u></u>	<u><u>\$ (13,774.9)</u></u>	<u><u>\$ (8,505.0)</u></u>	<u><u>\$ (8,115.3)</u></u>
<u>Business-type Activities</u>				
Restricted	\$ 321.0	\$ 1,316.7	\$ 1,143.2	\$ 1,500.6
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2.8)</u>
Total	<u><u>\$ 321.0</u></u>	<u><u>\$ 1,316.7</u></u>	<u><u>\$ 1,143.2</u></u>	<u><u>\$ 1,497.8</u></u>
<u>Total Primary Government</u>				
Invested in capital assets, net of related debt	\$ 7,362.1	\$ 7,135.6	\$ 6,452.0	\$ 5,981.9
Restricted	4,619.6	6,809.2	6,939.7	7,126.4
Unrestricted	<u>(33,131.1)</u>	<u>(26,403.0)</u>	<u>(20,753.5)</u>	<u>(19,725.8)</u>
Total	<u><u>\$ (21,149.4)</u></u>	<u><u>\$ (12,458.2)</u></u>	<u><u>\$ (7,361.8)</u></u>	<u><u>\$ (6,617.5)</u></u>

Note:

* Net Assets 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*.

Information presented is based on the accrual basis of accounting.

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 6,575.3	\$ 6,167.1	\$ 4,907.4	\$ 4,781.8
4,795.3	3,715.3	4,175.0	3,453.5
<u>(18,987.8)</u>	<u>(14,270.9)</u>	<u>(10,881.7)</u>	<u>(8,258.0)</u>
<u>\$ (7,617.2)</u>	<u>\$ (4,388.5)</u>	<u>\$ (1,799.3)</u>	<u>\$ (22.7)</u>
\$ 1,682.9	\$ 1,697.7	\$ 2,219.8	\$ 2,974.6
<u>(1.3)</u>	<u>-</u>	<u>-</u>	<u>(59.7)</u>
<u>\$ 1,681.6</u>	<u>\$ 1,697.7</u>	<u>\$ 2,219.8</u>	<u>\$ 2,914.9</u>
\$ 6,575.3	\$ 6,167.1	\$ 4,907.4	\$ 4,781.8
6,478.2	5,413.0	6,394.8	6,428.1
<u>(18,989.1)</u>	<u>(14,270.9)</u>	<u>(10,881.7)</u>	<u>(8,317.7)</u>
<u>\$ (5,935.6)</u>	<u>\$ (2,690.8)</u>	<u>\$ 420.5</u>	<u>\$ 2,892.2</u>

**STATE OF NEW JERSEY
CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30 (Expressed in Millions)**

	<u>2009</u>	<u>2008*</u>	<u>2007</u>
<u>Governmental Activities</u>			
Expenses			
Public safety and criminal justice	\$ 3,087.7	\$ 3,211.8	\$ 3,189.7
Physical and mental health	10,589.0	10,177.4	9,682.1
Educational, cultural, and intellectual development	14,681.3	15,552.6	14,968.4
Community development and environmental management	2,271.8	2,502.0	2,484.5
Economic planning, development, and security	6,126.8	5,487.7	5,300.7
Transportation programs	1,859.2	1,717.9	2,913.0
Government direction, management, and control	11,846.1	11,598.7	5,835.8
Special government services	364.5	344.1	327.5
Interest expense	1,092.4	1,048.3	975.0
Total Expenses	<u>51,918.8</u>	<u>51,640.5</u>	<u>45,676.7</u>
Program Revenues			
Charges for services	4,552.7	4,426.5	4,450.7
Operating grants	11,375.9	10,231.0	10,032.7
Capital grants and contributions	204.1	116.6	108.5
Total Program Revenues	<u>16,132.7</u>	<u>14,774.1</u>	<u>14,591.9</u>
Net (Expense) Revenue	<u>(35,786.1)</u>	<u>(36,866.4)</u>	<u>(31,084.8)</u>
General Revenues and Transfers			
Taxes	26,910.6	30,441.3	28,983.4
Investment earnings	25.0	181.3	271.7
Miscellaneous	890.5	753.6	752.9
Transfers	264.5	220.3	883.2
Special Item - gain on sale of tobacco rights	-	-	-
Total General Revenue and Transfers	<u>28,090.6</u>	<u>31,596.5</u>	<u>30,891.2</u>
Change in Net Assets	<u>(7,695.5)</u>	<u>(5,269.9)</u>	<u>(193.6)</u>
Net Assets - July 1	<u>(13,774.9)</u>	<u>(8,505.0)</u>	<u>(8,311.4)</u>
Net Assets - June 30	<u>\$ (21,470.4)</u>	<u>\$ (13,774.9)</u>	<u>\$ (8,505.0)</u>
<u>Business-type Activities</u>			
Expenses			
State Lottery Fund	\$ 1,645.7	\$ 1,667.6	\$ 1,544.2
Unemployment Compensation Fund	5,283.6	2,119.2	1,937.4
Other	-	-	-
Total Expenses	<u>6,929.3</u>	<u>3,786.8</u>	<u>3,481.6</u>
Program Revenues			
Charges for services	4,393.3	4,559.3	4,307.4
Operating grants	2,351.9	71.3	73.3
Total Program Revenues	<u>6,745.2</u>	<u>4,630.6</u>	<u>4,380.7</u>
Net (Expense) Revenue	<u>(184.1)</u>	<u>843.8</u>	<u>899.1</u>
General Revenues and Transfers			
Government subsidies and grants	-	-	-
Transfers	(811.6)	(670.3)	(883.2)
Total General Revenue and Transfers	<u>(811.6)</u>	<u>(670.3)</u>	<u>(883.2)</u>
Change in Net Assets	<u>(995.7)</u>	<u>173.5</u>	<u>15.9</u>
Net Assets - July 1	<u>1,316.7</u>	<u>1,143.2</u>	<u>1,127.3</u>
Net Assets - June 30	<u>\$ 321.0</u>	<u>\$ 1,316.7</u>	<u>\$ 1,143.2</u>
<u>Total Primary Government</u>			
Expenses	\$ 58,848.1	\$ 55,427.3	\$ 49,158.3
Program revenues	22,877.9	19,404.7	18,972.6
Net (Expense) Revenue	<u>(35,970.2)</u>	<u>(36,022.6)</u>	<u>(30,185.7)</u>
General revenues and other changes in net assets	27,279.0	30,926.2	30,008.0
Change in Net Assets	<u>(8,691.2)</u>	<u>(5,096.4)</u>	<u>(177.7)</u>
Net Assets - July 1	<u>(12,458.2)</u>	<u>(7,361.8)</u>	<u>(7,184.1)</u>
Net Assets - June 30	<u>\$ (21,149.4)</u>	<u>\$ (12,458.2)</u>	<u>\$ (7,361.8)</u>

Note:

* Net Assets 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.

Information presented is based on the accrual basis of accounting.

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 2,827.9	\$ 2,916.8	\$ 2,652.5	\$ 2,504.5	\$ 2,485.0
9,729.9	9,565.4	8,809.3	9,305.6	8,952.4
14,200.5	13,609.3	12,562.2	10,686.3	10,117.8
2,205.4	1,997.6	1,228.7	1,959.0	2,207.6
4,914.9	4,123.7	3,714.1	4,046.6	3,577.1
2,435.1	1,724.2	1,774.0	1,561.1	1,541.6
8,251.4	8,086.4	6,027.8	5,763.2	4,951.3
239.6	291.6	264.9	236.3	227.2
537.0	791.6	750.4	574.7	540.8
<u>45,341.7</u>	<u>43,106.6</u>	<u>37,783.9</u>	<u>36,637.3</u>	<u>34,600.8</u>
5,000.6	4,601.5	3,341.0	3,900.7	3,052.3
9,708.5	9,156.4	8,985.0	9,151.1	9,233.0
174.3	125.8	140.9	30.6	23.8
<u>14,883.4</u>	<u>13,883.7</u>	<u>12,466.9</u>	<u>13,082.4</u>	<u>12,309.1</u>
<u>(30,458.3)</u>	<u>(29,222.9)</u>	<u>(25,317.0)</u>	<u>(23,554.9)</u>	<u>(22,291.7)</u>
26,714.1	23,308.2	20,940.6	19,347.3	18,049.8
183.0	84.3	59.8	61.1	42.8
1,627.3	1,569.1	1,939.1	1,647.5	2,194.6
1,435.8	1,032.6	(211.7)	716.9	725.3
-	-	-	5.5	-
<u>29,960.2</u>	<u>25,994.2</u>	<u>22,727.8</u>	<u>21,778.3</u>	<u>21,012.5</u>
<u>(498.1)</u>	<u>(3,228.7)</u>	<u>(2,589.2)</u>	<u>(1,776.6)</u>	<u>(1,279.2)</u>
<u>(7,617.2)</u>	<u>(4,388.5)</u>	<u>(1,799.3)</u>	<u>(22.7)</u>	<u>1,256.5</u>
<u>\$ (8,115.3)</u>	<u>\$ (7,617.2)</u>	<u>\$ (4,388.5)</u>	<u>\$ (1,799.3)</u>	<u>\$ (22.7)</u>
\$ 1,573.3	\$ 1,476.4	\$ 1,413.2	\$ 1,339.0	\$ 1,304.7
1,828.5	1,948.5	2,481.5	2,876.3	2,497.1
<u>1,959.0</u>	<u>1,860.6</u>	<u>1,700.7</u>	<u>1,367.1</u>	<u>1,217.5</u>
<u>5,360.8</u>	<u>5,285.5</u>	<u>5,595.4</u>	<u>5,582.4</u>	<u>5,019.3</u>
5,859.9	5,898.4	5,317.5	4,706.4	4,032.0
102.9	103.6	481.8	897.8	847.9
<u>5,962.8</u>	<u>6,002.0</u>	<u>5,799.3</u>	<u>5,604.2</u>	<u>4,879.9</u>
602.0	716.5	203.9	21.8	(139.4)
-	-	-	-	246.8
<u>(785.8)</u>	<u>(732.6)</u>	<u>(726.0)</u>	<u>(716.9)</u>	<u>(725.3)</u>
<u>(785.8)</u>	<u>(732.6)</u>	<u>(726.0)</u>	<u>(716.9)</u>	<u>(478.5)</u>
<u>(183.8)</u>	<u>(16.1)</u>	<u>(522.1)</u>	<u>(695.1)</u>	<u>(617.9)</u>
1,681.6	1,697.7	2,219.8	2,914.9	3,532.8
<u>\$ 1,497.8</u>	<u>\$ 1,681.6</u>	<u>\$ 1,697.7</u>	<u>\$ 2,219.8</u>	<u>\$ 2,914.9</u>
\$ 50,702.5	\$ 48,392.1	\$ 43,379.3	\$ 42,219.7	\$ 39,620.1
20,846.2	19,885.7	18,266.2	18,686.6	17,189.0
<u>(29,856.3)</u>	<u>(28,506.4)</u>	<u>(25,113.1)</u>	<u>(23,533.1)</u>	<u>(22,431.1)</u>
<u>29,174.4</u>	<u>25,261.6</u>	<u>22,001.8</u>	<u>21,061.4</u>	<u>20,534.0</u>
(681.9)	(3,244.8)	(3,111.3)	(2,471.7)	(1,897.1)
<u>(5,935.6)</u>	<u>(2,690.8)</u>	<u>420.5</u>	<u>2,892.2</u>	<u>4,789.3</u>
<u>\$ (6,617.5)</u>	<u>\$ (5,935.6)</u>	<u>\$ (2,690.8)</u>	<u>\$ 420.5</u>	<u>\$ 2,892.2</u>

STATE OF NEW JERSEY
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30
(Expressed in Millions)

	<u>2009</u>	<u>2008</u>	<u>2007</u>
<u>General Fund</u>			
Reserved			
Encumbrances	\$ 868.4	\$ 923.9	\$ 974.4
Surplus Revenue	-	734.7	484.6
Other	46.2	65.8	251.4
Unreserved	<u>2,185.5</u>	<u>2,816.9</u>	<u>2,891.4</u>
Total	<u>\$ 3,100.1</u>	<u>\$ 4,541.3</u>	<u>\$ 4,601.8</u>
<u>All Other Governmental Funds</u>			
Reserved			
Encumbrances	\$ 1,195.1	\$ 1,247.4	\$ 1,232.2
Other	1,716.6	1,633.1	1,538.6
Unreserved			
Special Revenue Funds	2,088.4	2,639.2	3,149.7
Capital Projects Fund	<u>33.7</u>	<u>93.6</u>	<u>105.5</u>
Total	<u>\$ 5,033.8</u>	<u>\$ 5,613.3</u>	<u>\$ 6,026.0</u>
<u>Total</u>			
Reserved			
Encumbrances	\$ 2,063.5	\$ 2,171.3	\$ 2,206.6
Surplus Revenue	-	734.7	484.6
Other	1,762.8	1,698.9	1,790.0
Unreserved			
General Fund	2,185.5	2,816.9	2,891.4
Special Revenue Funds*	2,088.4	2,639.2	3,149.7
Capital Projects Fund	<u>33.7</u>	<u>93.6</u>	<u>105.5</u>
Total Governmental Funds	<u>\$ 8,133.9</u>	<u>\$ 10,154.6</u>	<u>\$ 10,627.8</u>

Note:

* As a result of implementing GASB Statement No. 43, *Financial Reporting For Post Employment Benefit Plans Other Than Pension Plans* for Fiscal Year 2007, three Special Revenue Funds were reclassified to Fiduciary Funds.

Information presented is based on the modified accrual basis of accounting.

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 907.6	\$ 839.3	\$ 664.4	\$ 630.8	\$ 584.6
559.8	288.7	282.4	-	-
368.1	369.9	312.8	377.2	103.8
<u>2,522.7</u>	<u>1,689.5</u>	<u>1,491.6</u>	<u>1,243.8</u>	<u>1,240.3</u>
<u>\$ 4,358.2</u>	<u>\$ 3,187.4</u>	<u>\$ 2,751.2</u>	<u>\$ 2,251.8</u>	<u>\$ 1,928.7</u>
\$ 896.8	\$ 629.3	\$ 680.9	\$ 700.1	\$ 746.3
1,605.3	1,601.6	1,632.2	1,064.1	1,571.1
4,477.8	2,638.4	1,901.5	4,203.8	1,563.4
<u>119.1</u>	<u>143.3</u>	<u>170.5</u>	<u>168.2</u>	<u>(225.6)</u>
<u>\$ 7,099.0</u>	<u>\$ 5,012.6</u>	<u>\$ 4,385.1</u>	<u>\$ 6,136.2</u>	<u>\$ 3,655.2</u>
\$ 1,804.4	\$ 1,468.6	\$ 1,345.3	\$ 1,330.9	\$ 1,330.9
559.8	288.7	282.4	-	-
1,973.4	1,971.5	1,945.0	1,441.3	1,674.9
2,522.7	1,689.5	1,491.6	1,243.8	1,240.3
4,477.8	2,638.4	1,901.5	4,203.8	1,563.4
<u>119.1</u>	<u>143.3</u>	<u>170.5</u>	<u>168.2</u>	<u>(225.6)</u>
<u>\$ 11,457.2</u>	<u>\$ 8,200.0</u>	<u>\$ 7,136.3</u>	<u>\$ 8,388.0</u>	<u>\$ 5,583.9</u>

STATE OF NEW JERSEY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TOTAL GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30
(Expressed in Millions)

	<u>2009</u>	<u>2008</u>	<u>2007</u>
REVENUES			
Taxes	\$ 26,939.0	\$ 30,404.5	\$ 29,123.4
Federal and other grants	10,694.3	9,480.3	9,389.9
Licenses and fees	1,194.1	1,252.9	1,361.5
Services and assessments	2,712.1	2,613.8	2,525.4
Investment earnings	75.0	321.3	440.8
Contributions	0.1	0.5	0.1
Other	2,834.4	2,537.4	2,424.7
Total Revenues	<u>44,449.0</u>	<u>46,610.7</u>	<u>45,265.8</u>
EXPENDITURES			
Public safety and criminal justice	3,279.2	3,317.5	3,247.0
Physical and mental health	10,628.6	10,251.2	9,703.7
Educational, cultural, and intellectual development	14,892.1	15,760.9	15,173.6
Community development and environmental management	2,437.0	2,659.1	2,618.8
Economic planning, development, and security	6,203.0	5,603.1	5,376.6
Transportation programs	2,835.4	2,788.1	2,855.2
Government direction, management, and control	7,168.3	7,946.5	6,783.5
Special government services	346.0	331.8	328.0
Capital Outlay	32.0	318.6	105.0
Debt Service:			
Principal	639.1	613.9	558.2
Interest	843.7	805.4	779.7
Total Expenditures	<u>49,304.4</u>	<u>50,396.1</u>	<u>47,529.3</u>
Excess (deficiency) of revenues over expenditures	<u>(4,855.4)</u>	<u>(3,785.4)</u>	<u>(2,263.5)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	1,539.0	1,507.7	48.8
Transfers from (to) other funds	267.5	220.3	883.3
Other	1,035.2	1,584.2	698.1
Total	<u>2,841.7</u>	<u>3,312.2</u>	<u>1,630.2</u>
Change in Fund Balance	(2,013.7)	(473.2)	(633.3)
Fund balances - July 1 (Restated)	<u>10,147.6</u> ***	<u>10,627.8</u>	<u>11,261.1</u> *
Fund balances - June 30	<u>\$ 8,133.9</u>	<u>\$ 10,154.6</u>	<u>\$ 10,627.8</u>
Debt Service as a percentage of noncapital expenditures:**	3.0%	2.8%	2.8%

Notes:

* As a result of implementing GASB Statement No. 43, *Financial Reporting For Post Employment Benefit Plans Other Than Pension Plans*, three Special Revenue Funds were reclassified to Fiduciary Funds. This reclassification reduced the Fiscal Year 2007 beginning fund balance by \$196.1 million.

** 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.

*** 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.

Information presented is based on the modified accrual basis of accounting.

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 25,909.3	\$ 23,395.5	\$ 21,008.9	\$ 19,491.1	\$ 18,196.3
9,122.2	8,594.9	8,495.2	7,954.5	7,658.5
959.8	930.6	811.5	979.1	875.1
2,493.6	2,172.7	1,835.3	1,798.6	1,705.5
321.7	149.2	96.9	103.0	101.1
662.6	646.7	281.9	510.3	231.3
<u>3,628.9</u>	<u>3,508.8</u>	<u>3,213.8</u>	<u>6,560.9</u>	<u>3,560.6</u>
<u>43,098.1</u>	<u>39,398.4</u>	<u>35,743.5</u>	<u>37,397.5</u>	<u>32,328.4</u>
3,155.7	2,989.7	2,733.5	2,548.0	2,546.8
9,732.6	9,603.5	8,826.6	9,315.2	8,863.6
14,405.1	13,909.5	12,723.6	10,813.0	10,249.9
2,446.6	2,341.5	2,160.1	2,050.0	2,260.5
4,981.2	4,233.2	3,763.6	4,087.1	3,620.8
3,106.2	2,483.8	2,551.9	2,225.7	2,252.4
7,134.2	7,335.6	5,505.4	5,476.9	5,199.0
313.3	299.9	270.9	239.1	230.7
573.5	237.6	326.3	863.1	1,122.3
48.2	390.5	483.4	418.7	399.4
<u>361.3</u>	<u>623.3</u>	<u>650.5</u>	<u>457.8</u>	<u>439.2</u>
<u>46,257.9</u>	<u>44,448.1</u>	<u>39,995.8</u>	<u>38,494.6</u>	<u>37,184.6</u>
<u>(3,159.8)</u>	<u>(5,049.7)</u>	<u>(4,252.3)</u>	<u>(1,097.1)</u>	<u>(4,856.2)</u>
2,850.1	1,000.5	1,139.8	895.0	1,014.6
1,435.8	1,032.6	(211.7)	716.9	725.3
<u>2,131.1</u>	<u>4,080.3</u>	<u>2,072.5</u>	<u>2,289.3</u>	<u>1,122.3</u>
<u>6,417.0</u>	<u>6,113.4</u>	<u>3,000.6</u>	<u>3,901.2</u>	<u>2,862.2</u>
3,257.2	1,063.7	(1,251.7)	2,804.1	(1,994.0)
<u>8,200.0</u>	<u>7,136.3</u>	<u>8,388.0</u>	<u>5,583.9</u>	<u>7,577.9</u>
<u>\$ 11,457.2</u>	<u>\$ 8,200.0</u>	<u>\$ 7,136.3</u>	<u>\$ 8,388.0</u>	<u>\$ 5,583.9</u>
0.9%	2.3%	2.9%	2.3%	2.3%

STATE OF NEW JERSEY
FUND BALANCE SUMMARY FOR BUDGETED FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30
(Expressed in Millions)

<u>Budgeted Fund</u>	Comprehensive Annual Financial Report			
	2009	2008	2007	2006
General Fund	\$ 614.2	\$ 469.8	\$ 1,410.4	\$ 1,216.7
Surplus Revenue Fund	-	734.7	484.6	559.8
Debt Avoidance and Retirement Fund	-	-	-	-
Property Tax Relief Fund	-	99.0	690.7	2.6
Casino Control Fund	(0.4)	3.0	1.5	(1.6)
Casino Revenue Fund	-	-	1.0	1.0
	<u>\$ 613.8</u>	<u>\$ 1,306.5</u>	<u>\$ 2,588.2</u>	<u>\$ 1,778.5</u>

<u>Budgeted Fund</u>	Appropriations Act			
	2009	2008	2007	2006
General Fund	\$ 116.8	\$ 102.5	\$ 765.0	\$ 311.6
Surplus Revenue Fund	483.2	489.8	448.6	288.4
Debt Avoidance and Retirement Fund	-	-	-	-
Property Tax Relief Fund	-	-	46.0	-
Casino Control Fund	-	-	-	-
Casino Revenue Fund	-	10.0	-	-
	<u>\$ 600.0</u>	<u>\$ 602.3</u>	<u>\$ 1,259.6</u>	<u>\$ 600.0</u>

<u>Budgeted Fund</u>	Dollar Variance			
	2009	2008	2007	2006
General Fund	\$ 497.4	\$ 367.3	\$ 645.4	\$ 905.1
Surplus Revenue Fund	(483.2)	244.9	36.0	271.4
Debt Avoidance and Retirement Fund	-	-	-	-
Property Tax Relief Fund	-	99.0	644.7	2.6
Casino Control Fund	(0.4)	3.0	1.5	(1.6)
Casino Revenue Fund	-	(10.0)	1.0	1.0
	<u>\$ 13.8</u>	<u>\$ 704.2</u>	<u>\$ 1,328.6</u>	<u>\$ 1,178.5</u>

Source:

New Jersey Department of the Treasury, Office of Management and Budget.

2005	2004	2003	2002	2001	2000
\$ 461.7	\$ 376.5	\$ 373.0	\$ 292.3	\$ 388.7	\$ 187.7
288.6	282.4	-	-	720.0	698.2
-	-	-	-	20.8	-
27.9	175.2	-	-	160.0	397.7
1.3	4.9	4.3	-	(1.9)	(1.1)
-	22.7	-	-	-	-
<u>\$ 779.5</u>	<u>\$ 861.7</u>	<u>\$ 377.3</u>	<u>\$ 292.3</u>	<u>\$ 1,287.6</u>	<u>\$ 1,282.5</u>

2005	2004	2003	2002	2001	2000
\$ 109.6	\$ 248.6	\$ 110.4	\$ 298.9	\$ 175.0	\$ 171.4
288.0	-	-	720.0	650.3	608.1
-	-	-	-	-	-
-	-	-	-	39.9	-
2.4	-	-	-	-	-
-	1.5	-	0.6	5.0	-
<u>\$ 400.0</u>	<u>\$ 250.1</u>	<u>\$ 110.4</u>	<u>\$ 1,019.5</u>	<u>\$ 870.2</u>	<u>\$ 779.5</u>

2005	2004	2003	2002	2001	2000
\$ 352.1	\$ 127.9	\$ 262.6	\$ (6.6)	\$ 213.7	\$ 16.3
0.6	282.4	-	(720.0)	69.7	90.1
-	-	-	-	20.8	397.7
27.9	175.2	-	-	120.1	(1.1)
(1.1)	4.9	4.3	-	(1.9)	-
-	21.2	-	(0.6)	(5.0)	-
<u>\$ 379.5</u>	<u>\$ 611.6</u>	<u>\$ 266.9</u>	<u>\$ (727.2)</u>	<u>\$ 417.4</u>	<u>\$ 503.0</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>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Gross Income Tax	\$ 10,476.3	\$ 12,605.5	\$ 11,727.2	\$ 10,506.6
Sales and Use Tax	8,264.2	8,915.5	8,609.6	6,853.4
Corporation Business Tax	2,665.2	3,062.4	3,084.9	3,007.8
Other Major Taxes	2,884.5	3,033.7	2,967.0	3,544.7
Miscellaneous Taxes, Fees	3,292.4	3,598.9	3,465.9	3,324.0
State Lottery	887.2	882.1	828.3	844.2
Casino Taxes and Fees	415.5	486.0	525.8	570.3
Total	<u>\$ 28,885.3</u>	<u>\$ 32,584.1</u>	<u>\$ 31,208.7</u>	<u>\$ 28,651.0</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.

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>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Gross Income Tax	36.3 %	38.7 %	37.6 %	36.7 %
Sales and Use Tax	28.6	27.4	27.6	23.9
Corporation Business Tax	9.2	9.4	9.9	10.5
Other Major Taxes	10.0	9.3	9.4	12.4
Miscellaneous Taxes, Fees	11.4	11.0	11.1	11.6
State Lottery	3.1	2.7	2.7	2.9
Casino Taxes and Fees	1.4	1.5	1.7	2.0
Total	<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.

2005	2004	2003	2002	2001	2000
\$ 9,537.9	\$ 7,400.7	\$ 6,735.3	\$ 6,837.0	\$ 7,989.2	\$ 7,205.3
6,552.2	6,261.7	5,936.1	5,996.8	5,758.7	5,508.1
2,368.1	2,370.2	2,525.4	1,171.5	1,389.5	1,452.1
3,244.0	3,028.0	2,837.3	2,489.1	2,429.9	2,307.8
4,988.5	4,472.4	4,265.2	2,911.5	2,296.9	2,307.7
812.0	795.0	765.4	754.5	697.4	719.9
540.0	532.7	413.9	413.0	399.3	396.3
<u>\$ 28,042.7</u>	<u>\$ 24,860.7</u>	<u>\$ 23,478.6</u>	<u>\$ 20,573.4</u>	<u>\$ 20,960.9</u>	<u>\$ 19,897.2</u>

2005	2004	2003	2002	2001	2000
34.0 %	29.8 %	28.7 %	33.2 %	38.1 %	36.3 %
23.4	25.2	25.3	29.1	27.5	27.7
8.4	9.5	10.7	5.7	6.6	7.3
11.6	12.2	12.1	12.1	11.6	11.6
17.8	18.0	18.2	14.2	11.0	11.5
2.9	3.2	3.2	3.7	3.3	3.6
1.9	2.1	1.8	2.0	1.9	2.0
<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
SCHEDULE OF AMNESTY REVENUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

MAJOR TAXES

Sales	\$ 142,496,016
Sales - Energy	9,375,626
Corporation Business	392,624,885
Motor Fuels	2,195,967
Transfer Inheritance	19,992,507
Insurance Premium	207,059
Cigarette	3,788,088
Petroleum Products Gross Receipts	2,336,802
Corporation Banks and Financial Institutions	50,371,521
Alcoholic Beverage Excise	7,734
Tobacco Products Wholesale Sales	485,785
Total Major Taxes	<u>623,881,990</u>

MISCELLANEOUS TAXES, FEES, REVENUES

Hotel/Motel Occupancy Tax	463,695
Railroad Class II	31,342,069
Other Miscellaneous Revenue	1,684,319
Total Miscellaneous Taxes, Fees, Revenues	<u>33,490,083</u>

TOTAL GENERAL FUND

657,372,073

PROPERTY TAX RELIEF FUND

Gross Income Tax	88,878,918
TOTAL PROPERTY TAX RELIEF FUND	<u>88,878,918</u>

DEDICATED REVENUES

Spill Compensation Fund	201,274
State Recycling Fund	6,850
Sanitary Landfill Contingency Fund	379
Luxury Tax Fund	133,927
Safe Drinking Water Fund	30,653
Enterprise Zone Assistance Fund	624,719
Clean Communities Account Fund	1,348,389
Nursing Home Provider Assessment Fee	310,155
TOTAL DEDICATED REVENUES	<u>2,656,346</u>

TOTAL AMNESTY REVENUES

\$ 748,907,337



STATE OF NEW JERSEY
REAL GROSS STATE PRODUCT BY INDUSTRY
FOR THE CALENDAR YEAR ENDED DECEMBER 31
(Expressed in Billions)

	<u>2008**</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Gross State Product***				
<u>Goods Producing</u>				
Agriculture, forestry, fishing, and hunting	\$ 0.5	\$ 0.6	\$ 0.6	\$ 0.6
Mining	0.1	0.2	0.2	0.2
Manufacturing	36.6	38.0	37.2	34.7
Construction	10.0	10.5	12.0	12.7
Subtotal	<u>47.2</u>	<u>49.3</u>	<u>50.0</u>	<u>48.2</u>
<u>Private Service Producing</u>				
Transportation and warehousing	12.0	12.4	12.1	12.3
Information	25.9	25.4	23.4	22.2
Utilities	6.3	6.5	6.6	6.6
Wholesale trade	31.6	32.1	32.2	32.8
Retail trade	30.9	31.3	29.6	28.0
Finance and insurance	32.4	32.8	34.1	32.6
Real estate, rental, and leasing	60.1	59.0	58.7	59.2
Services*	101.5	96.9	95.8	94.1
Other services	7.1	7.0	7.1	7.2
Subtotal	<u>307.8</u>	<u>303.4</u>	<u>299.6</u>	<u>295.0</u>
Government	<u>35.3</u>	<u>35.2</u>	<u>35.1</u>	<u>35.8</u>
Grand Total	<u>\$ 390.3</u>	<u>\$ 387.9</u>	<u>\$ 384.7</u>	<u>\$ 379.0</u>
Total Personal Income***	\$ 442.1	\$ 428.4	\$ 404.5	\$ 376.9

Notes:

* 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.

** Calendar Year 2008 amounts are estimates.

*** Gross State Product and Total Personal Income for 2003 through 2007 has been revised.

Source:

Global Insight and the New Jersey Department of the Treasury, Division of Taxation.

<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
\$ 0.5	\$ 0.6	\$ 0.6	\$ 0.5	\$ 0.6	\$ 0.5
0.2	0.2	0.2	0.2	0.2	0.2
38.6	39.6	38.6	40.5	41.3	39.1
<u>13.1</u>	<u>13.0</u>	<u>13.6</u>	<u>13.7</u>	<u>12.8</u>	<u>12.7</u>
<u>52.4</u>	<u>53.4</u>	<u>53.0</u>	<u>54.9</u>	<u>54.9</u>	<u>52.5</u>
11.8	11.0	10.6	10.5	11.2	11.0
21.2	19.5	19.1	18.7	17.3	16.6
7.2	6.8	6.3	6.5	6.7	6.3
32.7	33.0	31.8	32.2	29.8	29.1
26.3	26.2	25.5	24.4	22.4	21.1
30.0	30.9	30.5	29.6	27.3	24.2
60.1	56.4	54.5	53.4	50.8	50.2
91.4	87.7	85.1	84.1	83.9	83.2
<u>7.0</u>	<u>6.9</u>	<u>6.8</u>	<u>6.7</u>	<u>6.7</u>	<u>6.6</u>
<u>287.7</u>	<u>278.4</u>	<u>270.2</u>	<u>266.1</u>	<u>256.1</u>	<u>248.3</u>
<u>35.6</u>	<u>35.0</u>	<u>34.7</u>	<u>34.2</u>	<u>33.7</u>	<u>33.3</u>
<u>\$ 375.7</u>	<u>\$ 366.8</u>	<u>\$ 357.9</u>	<u>\$ 355.2</u>	<u>\$ 344.7</u>	<u>\$ 334.1</u>
\$ 361.8	\$ 342.9	\$ 337.0	\$ 333.0	\$ 323.6	\$ 294.4

**STATE OF NEW JERSEY
GROSS INCOME TAX RATES
FOR THE CALENDAR YEAR ENDED DECEMBER 31**

Top Income Tax Rate Is Applied To Taxable Income In Excess Of

Year	Top Rate	Married Filing			Head of Household	Average Effective Rate*
		Single	Jointly			
2000	6.37 %	\$ 75,000	\$ 150,000	\$ 150,000	2.84 %	
2001	6.37	75,000	150,000	150,000	2.61	
2002	6.37	75,000	150,000	150,000	2.56	
2003	6.37	75,000	150,000	150,000	2.59	
2004	8.97	500,000	500,000	500,000	3.02	
2005	8.97	500,000	500,000	500,000	3.07	
2006	8.97	500,000	500,000	500,000	3.31	
2007	8.97	500,000	500,000	500,000	3.27	
2008	8.97	500,000	500,000	500,000	3.33	
2009	10.75	1,000,000	1,000,000	1,000,000	3.33	

* Net tax divided by New Jersey Gross Income for full-time resident returns with a tax liability. Data for 2008 and 2009 are estimates based on projections.

Source:

New Jersey Department of the Treasury, Division of Taxation.

**STATE OF NEW JERSEY
GROSS INCOME TAX (GIT) FILERS AND LIABILITY BY INCOME LEVEL
2007 AS COMPARED TO 1998
(GIT Liability Expressed in Millions)**

Income Level	2007				1998			
	Number of Filers	Percent of Total	GIT Liability	Percent of Total	Number of Filers	Percent of Total	GIT Liability	Percent of Total
\$500,001 and higher	51,187	1.3 %	\$ 4,631.0	46.1 %	24,135	0.7 %	\$ 1,602.1	31.6 %
\$250,001 - \$500,000	104,803	2.6	1,341.5	13.4	48,942	1.4	649.3	12.8
\$100,001 - \$250,000	651,217	16.4	2,701.2	26.9	351,335	10.0	1,377.3	27.2
\$75,001 - \$100,000	313,931	7.9	520.1	5.2	286,818	8.2	451.1	8.9
\$50,001 - \$75,000	521,451	13.1	537.7	5.3	487,140	13.9	475.1	9.4
\$35,001 - \$50,000	459,197	11.6	252.3	2.5	450,505	12.8	246.9	4.9
\$20,001 - \$35,000	594,242	15.0	117.2	1.2	630,786	17.9	186.9	3.7
\$10,001 - \$20,000	490,389	12.4	(28.9)	(0.3)	517,685	14.7	68.3	1.3
\$0 - \$10,000	781,100	19.7	(32.7)	(0.3)	718,748	20.4	9.0	0.2
Total	3,967,517	100.0 %	\$ 10,039.4	100.0 %	3,516,094	100.0 %	\$ 5,066.0	100.0 %

Source:

New Jersey Department of the Treasury, Division of Taxation.

**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	
1999	\$ 261.1	\$ 245.9	\$ 2,856.6	\$ 1,423.7	\$ 99.8	\$ 53.3	\$ 4,940.4	6.0 %
2000	274.7	251.8	3,066.3	1,483.5	110.0	60.9	5,247.2	6.0
2001	301.7	259.5	3,227.6	1,573.6	120.7	79.3	5,562.4	6.0
2002	251.4	236.4	3,267.6	1,498.4	107.9	73.8	5,435.5	6.0
2003	256.2	236.4	3,432.9	1,515.8	113.9	82.4	5,637.6	6.0
2004	284.9	265.2	3,587.2	1,574.2	128.2	92.4	5,932.1	6.0
2005	327.8	277.4	3,686.3	1,599.0	136.7	88.3	6,115.5	6.0
2006	395.9	318.7	4,036.6	1,782.9	160.0	107.8	6,801.9	7.0
2007	455.9	364.2	4,407.2	2,260.5	177.1	140.3	7,805.2	7.0
2008	480.2	336.0	4,166.5	2,149.2	172.9	167.2	7,472.0	7.0

Year	Percent Distribution												
	Manufacturing		Wholesale		Retail		Service		Construction		Other		Total
1999	5.3	%	5.0	%	57.8	%	28.8	%	2.0	%	1.1	%	100.0 %
2000	5.2		4.8		58.4		28.3		2.1		1.2		100.0
2001	5.4		4.7		58.0		28.3		2.2		1.4		100.0
2002	4.6		4.3		60.1		27.6		2.0		1.4		100.0
2003	4.5		4.2		60.9		26.9		2.0		1.5		100.0
2004	4.8		4.5		60.5		26.5		2.1		1.6		100.0
2005	5.4		4.5		60.3		26.2		2.2		1.4		100.0
2006	5.8		4.7		59.3		26.2		2.4		1.6		100.0
2007	5.8		4.7		56.4		29.0		2.3		1.8		100.0
2008	6.4		4.5		55.8		28.8		2.3		2.2		100.0

Notes:

* The New Jersey Sales and Use Tax rate increased to 7.0 percent from 6.0 percent effective July 15, 2006.

Source:

New Jersey Department of the Treasury, Division of Taxation.

STATE OF NEW JERSEY
RATIO OF OUTSTANDING LONG-TERM DEBT
2000-2009
(Expressed in Thousands Except for General Long-Term Debt Ratios)

<u>Governmental Activities</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>Bonded Debt</u>				
General Obligation Bonds	\$ 2,526,710	\$ 2,818,535	\$ 2,864,690	\$ 3,132,755
Revenue Bonds Payable	16,838,010	13,702,395	12,739,620	12,975,955
Capital Leases	269,440	286,555	297,830	308,575
Installment Obligations	18,716,431	18,218,030	17,185,158	16,896,002
Certificates of Participation	35,130	54,708	58,836	60,559
Unamortized Premium	1,356,541	1,412,761	1,397,407	1,500,850
Tobacco Settlement Financing Corporation	4,524,563	4,591,409	4,643,694	3,248,580
Unamortized Deferral on Refunding	(793,694)	(865,654)	(924,227)	(604,570)
Unamortized Interest on Capital Appreciation Bonds	(7,960,065)	(6,347,598)	(6,522,644)	(5,673,484)
Subtotal	35,513,066	33,871,141	31,740,364	31,845,222
<u>Non-Bonded Debt</u>				
Accumulated Sick and Vacation Payable	635,820	595,856	578,527	518,561
Capital Leases	379,729	410,552	384,982	430,768
Loans Payable	1,279,358	1,279,358	1,279,358	1,279,358
Net Pension Obligation	6,365,698	4,759,367	3,761,279	2,953,944
Other Pension Employment Benefits (OPEB) Liability	6,636,300	3,177,400	-	-
Pollution Remediation	101,829	-	-	-
Other	304,727	276,655	251,089	417,733
Subtotal	15,703,461	10,499,188	6,255,235	5,600,364
Grand Total	\$ 51,216,527	\$ 44,370,329	\$ 37,995,599	\$ 37,445,586
New Jersey Total Personal Income	\$ 437,608,000	\$ 442,116,000	\$ 428,425,000	\$ 404,474,000
Percentage of Personal Income*	8.1%	7.7%	7.4%	7.9%
New Jersey Population	8,718	8,683	8,653	8,640
General Obligation Debt Per Capita	\$ 289.83	\$ 324.60	\$ 331.06	\$ 362.59
Total Long-Term Debt Per Capita*	\$ 4,073.53	\$ 3,900.86	\$ 3,668.13	\$ 3,685.79

Notes:

* Debt as a percentage of personal income equals total bonded debt divided by New Jersey personal income and total debt per capita equals total bonded debt divided by New Jersey population.

New Jersey Total Personal Income and Population figures for 2009 are estimates and prior years may reflect revisions.

Source:

New Jersey Department of the Treasury, Office of Management and Budget.

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
\$	3,156,375	\$ 3,301,005	\$ 3,366,605	\$ 3,249,855	\$ 3,555,375	\$ 3,875,025
	7,856,005	7,229,340	6,520,530	5,885,515	5,119,160	5,289,155
	130,340	137,535	126,960	135,150	147,565	157,000
	15,373,185	11,741,335	10,149,031	9,062,246	8,990,688	8,428,873
	66,148	77,392	81,662	100,950	138,623	147,575
	1,204,377	498,641	365,248	193,961	-	-
	3,280,155	3,329,406	3,345,107	-	-	-
	(533,008)	(223,754)	(211,909)	(104,984)	-	-
	<u>(3,211,862)</u>	<u>(3,311,643)</u>	<u>(3,435,380)</u>	<u>(3,290,843)</u>	<u>(3,422,621)</u>	<u>(3,587,914)</u>
	<u>27,321,715</u>	<u>22,779,257</u>	<u>20,307,854</u>	<u>15,231,850</u>	<u>14,528,790</u>	<u>14,309,714</u>
	488,913	466,126	449,934	477,003	449,045	428,155
	538,926	553,984	515,331	413,130	117,190	79,584
	1,279,358	1,279,358	1,279,358	1,279,358	1,279,358	1,279,358
	1,796,799	845,563	115,033	81,687	54,576	18,513
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>397,545</u>	<u>377,766</u>	<u>332,019</u>	<u>320,083</u>	<u>228,980</u>	<u>-</u>
	<u>4,501,541</u>	<u>3,522,797</u>	<u>2,691,675</u>	<u>2,571,261</u>	<u>2,129,149</u>	<u>1,805,610</u>
\$	<u>31,823,256</u>	<u>\$ 26,302,054</u>	<u>\$ 22,999,529</u>	<u>\$ 17,803,111</u>	<u>\$ 16,657,939</u>	<u>\$ 16,115,324</u>
\$	376,912,000	\$ 361,822,000	\$ 342,858,000	\$ 337,010,000	\$ 332,951,000	\$ 323,554,000
	7.2%	6.3%	5.9%	4.5%	4.4%	4.4%
	8,635	8,621	8,590	8,547	8,491	8,431
\$	365.53	\$ 382.90	\$ 391.92	\$ 380.23	\$ 418.72	\$ 459.62
\$	3,164.07	\$ 2,642.30	\$ 2,364.13	\$ 1,782.13	\$ 1,711.08	\$ 1,697.27

**STATE OF NEW JERSEY
STATE CONSTITUTION – LEGAL DEBT LIMITATIONS**

The State Constitution 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 been submitted to the people at a general election and has been approved by a majority of voters. These Constitutional Provisions do not apply to the creation of debt for purposes of war, or to repel invasion, or to suppress insurrection, or to meet emergencies caused by disaster or act of God (Article VIII, Section 2, par. 3).

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>
2000	\$ 20,163.5	\$ 201.6
2001	21,842.8	218.4
2002	23,352.2	233.5
2003	23,726.4	237.2
2004	24,569.1	245.6
2005	28,644.8	286.4
2006	28,087.7	280.8
2007	31,022.8	310.2
2008	34,567.9	345.6
2009	33,059.2	330.5

Source:

New Jersey Department of the Treasury, Office of Management and Budget.

STATE OF NEW JERSEY
LEGISLATIVELY AUTHORIZED BUT UNISSUED DEBT, 2009 AND 2008
(Expressed in Millions)

<u>Debt Program*</u>	<u>Year</u>	<u>Amount Authorized</u>	<u>Unissued As Of</u>	
			<u>6/30/2009</u>	<u>6/30/2008</u>
<u>General Obligation Bonds**</u>				
Clean Waters	1976	\$ 120.0	\$ 3.8	\$ 3.8
Natural Resources	1980	145.0	9.6	9.6
Energy Conservation	1980	50.0	1.6	1.6
Water Supply	1981	350.0	93.4	93.4
Hazardous Discharge	1981	100.0	43.0	43.0
New Jersey Green Acres	1983	135.0	14.5	14.5
Pinelands Infrastructure Trust	1985	30.0	8.0	8.0
Hazardous Discharge	1986	200.0	48.0	48.0
New Jersey Green Acres, Cultural Centers and Historic Preservation	1987	100.0	1.0	1.0
Open Space Preservation	1989	300.0	26.0	26.0
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	16.0	16.0
New Jersey Green Acres, Clean Water, Farmland and Historic Preservation	1992	345.0	23.8	23.8
1995 New Jersey Green Acres, Farmland and Historic Preservation and Blue Acres	1995	340.0	21.0	21.0
Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development	1996	300.0	119.0	119.0
Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project	2003	200.0	68.8	68.8
Green Acres, Farmland, Blue Acres, and Historic Preservation Bonds	2007	200.0	200.0	200.0
Subtotal		<u>3,090.0</u>	<u>702.5</u>	<u>702.5</u>
<u>Revenue Bonds Payable</u>				
<u>Transportation Trust Fund Authority</u>				
Annual Capital Plan***	1995, 2006	<u>15,600.0</u>	<u>4,401.3</u>	<u>5,940.3</u>
Subtotal		<u>15,600.0</u>	<u>4,401.3</u>	<u>5,940.3</u>
<u>Installment Obligations</u>				
<u>Economic Development Authority</u>				
Market Transition Facility	1994	750.0	44.7	44.7
School Facilities Construction	2000, 2008	12,500.0	4,554.1	1,229.1
Stem Cell, Life Sciences, and Biomedical Research Facilities	2006	270.0	270.0	270.0
<u>Educational Facilities Authority</u>				
Equipment Leasing Fund	1993	100.0	95.3	86.6
Capital Improvement Fund	1999	550.0	0.6	0.6
Dormitory Safety Trust Fund	2000	90.0	10.8	10.8
Subtotal		<u>14,260.0</u>	<u>4,975.5</u>	<u>1,641.8</u>
Total		<u>\$ 32,950.0</u>	<u>\$ 10,079.3</u>	<u>\$ 8,284.6</u>

Notes:

For debt issued after June 30, 2009, please refer to Note 20 - Subsequent Events of the Notes to the Financial Statements.

* The Legislature has authorized additional programs for Revenue Bonds Payable and Installment Obligations. These programs do not have a limit on the amount of bonds that can be issued in order to fund their associated projects. Such programs are not included in this Statistical Section.

** An additional \$1 million in Emergency Housing Bonds (Act of 1946) remain authorized but are not to be issued.

*** The New Jersey Transportation Trust Fund Authority has been legislatively reauthorized to include capital programs through Fiscal Year 2011

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)

Market Transition Facility (MTF) Senior Lien Revenue Bonds Series 1994A and Series 2001A

MTF Senior Lien Revenue Bonds are repaid solely from surcharges assessed on drivers who commit certain violations. The violations for which surcharges are imposed are: (i) driving while intoxicated, (ii) receiving six or more motor vehicle points during a three year period preceding the imposition of the surcharge, (iii) driving without a license, (iv) driving without insurance, and (v) driving with a suspended license.

New Jersey Motor Vehicle Commission (MVC) Bonds, Series 2003A

The bonds will be repaid solely from surcharges that are being used to pay outstanding MTF Senior Lien Revenue Bonds as well as any other future bonds, notes, or other obligations hereafter issued under the same Bond Resolution. The MTF Senior Lien Revenue Bonds have a final maturity date of July 1, 2011. The New Jersey Motor Vehicle Commission Bonds, Series 2003A consist of capital appreciation bonds. Therefore, debt service payments are made when the bonds mature. Final maturities on the New Jersey Motor Vehicle Commission Bonds occur on July 1, 2012, July 1, 2013, July 1, 2014, and July 1, 2015.

Fiscal Year	Motor Vehicle	Debt Service			MTF/MVC	Coverage Ratio
	Surcharges	Principal	Interest	Total	Surplus	
2000	\$ 133.2	\$ 36.0	\$ 36.4	\$ 72.4	\$ 60.8	1.8
2001	126.4	37.8	34.6	72.4	54.0	1.7
2002	128.6	39.8	21.9	61.7	66.9	2.1
2003	134.3	38.2	27.5	65.7	68.6	2.0
2004	136.6	46.4	25.3	71.7	64.9	1.9
2005	130.0	49.6	22.0	71.6	58.4	1.8
2006	131.7	53.0	19.0	72.0	59.7	1.8
2007	129.0	55.6	16.3	71.9	57.1	1.8
2008	115.9	58.4	13.4	71.8	44.1	1.6
2009	127.5	61.5	10.3	71.8	55.7	1.8

Motor Vehicle Surcharges (MVS) Revenue Bonds, 2004 Series A

The MVS Revenue Bonds will be repaid solely from (i) unsafe driving surcharges, which are surcharges collected by the courts from drivers convicted of unsafe driving violations, (ii) surcharges that remain after funding debt service on MTF Senior Lien Revenue Bonds and New Jersey Motor Vehicle Commission Bonds, and (iii) all surcharges that are being used to amortize the MTF Senior Lien Revenue Bonds and New Jersey Motor Vehicle Commission Bonds after they have been fully retired.

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

Motor Vehicle Surcharge Revenue Bonds, Special Needs Housing Program
2005 Series A and 2007 Series A&B

The bonds will be repaid solely from (i) unsafe driving surcharges, which are surcharges collected by the courts from drivers convicted of unsafe driving violations, (ii) surcharges that remain after funding debt service on MTF Senior Lien Revenue Bonds and New Jersey Motor Vehicle Commission Bonds, and (iii) all surcharges that are being used to amortize the MTF Senior Lien Revenue Bonds and New Jersey Motor Vehicle Commission Bonds after they have been fully retired.

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

Tobacco Settlement Financing Corporation, Inc.
Tobacco Settlement Asset—Backed Bonds Series 2007-1

Pursuant to a Purchase and Sale Agreement between the State and the Tobacco Settlement Financing Corporation, Inc., the State has sold 76.26 percent of its future rights to receive payments under the Master Settlement Agreement (MSA) entered into by participating cigarette manufacturers, 46 states and six other United States jurisdictions. The purchase price of the State's future rights, title and interest in the Tobacco Settlement Revenues has been financed by the issuance of these bonds. The Tobacco Settlement Financing Corporation, Inc. has pledged these future payments in order to secure the Tobacco Settlement 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 the bonds.

Fiscal Year	MSA Payments	Existing Surplus	Net Available Revenue	Debt Service			Coverage Ratio
				Principal	Interest	Total	
2006	\$ 240.5	\$ 367.4	\$ 607.9	\$ 34.5	\$ 205.7	\$ 240.2	2.5
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

Cigarette Tax Revenue Bonds, Series 2004

The bonds will be repaid solely from a separate nonlapsing "Dedicated Cigarette Tax Revenue Fund" that will be credited on a monthly basis in an amount equal to 78.598 percent of the tax collected by the State from \$0.0325 per cigarette (i.e., \$0.65 per pack of 20 cigarettes). However, no credits of dedicated revenues may be made to the Dedicated Cigarette Tax Revenue Fund in any fiscal year until the legislatively required deposits of Cigarette Tax revenues into the State Cancer Research Fund and State Health Care Subsidy Fund have been made. Once these deposits occur, a "catch-up" mechanism temporarily credits all Cigarette Tax revenues to the Dedicated Cigarette Tax Revenue Fund until it reaches the level it otherwise would have reached if the deposits had not been made.

Fiscal Year	Cigarette Dedication	Existing Surplus	Net Available Revenue	Debt Service			Coverage Ratio
				Principal	Interest	Total	
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

Source:

New Jersey Department of the Treasury, Office of Management and Budget.

**STATE OF NEW JERSEY
TEN LARGEST EMPLOYERS
2008 AS COMPARED TO 1999**

2008 Rank	Employer	New Jersey Employees	Percentage of Total New Jersey Employment
1	New Jersey State Government	76,229	1.8 %
2	Wakefern Food Corporation	34,356	0.8
3	Verizon Communications	18,000	0.4
4	The Great Atlantic and Pacific Tea Company	17,406	0.4
5	Wal-Mart Stores, Inc.	16,868	0.4
6	United Parcel Service (UPS)	15,035	0.4
7	Harrah's Entertainment, LLC	14,773	0.3
8	Continental Airlines	14,000	0.3
9	Johnson & Johnson	14,000	0.3
10	The Home Depot	11,300	0.3
		<u>231,967</u>	<u>5.4 %</u>

1999 Rank	Employer	New Jersey Employees	Percentage of Total New Jersey Employment
1	New Jersey State Government	69,709	1.7 %
2	Wakefern Food Corporation	34,500	0.8
3	American Telephone & Telegraph	23,900	0.6
4	Lucent Technologies	20,000	0.5
5	Bell Atlantic Corp.	18,290	0.4
6	Pathmark Stores, Inc.	13,500	0.3
7	United Parcel Service (UPS)	13,450	0.3
8	The Prudential Insurance Company	13,351	0.3
9	Trump Hotel & Casino Resorts	13,325	0.3
10	Park Place Entertainment	12,078	0.3
		<u>232,103</u>	<u>5.5 %</u>

Notes:

Total New Jersey Employment for Calendar Year 2008 totaled 4.251 million.

Total New Jersey Employment for Calendar Year 1999 totaled 4.093 million.

New Jersey State Government excludes State Authorities, Colleges, and Universities.

Sources:

"New Jersey Business," New Jersey Business & Industry Association, "The Book of Lists and Solutions 2010, December 2009."

"New Jersey Business," New Jersey Business & Industry Association, "28th Annual Top 100 Employers, May 2000."

Data reprinted with permission from the New Jersey Business and Industry Association.

New Jersey Department of the Treasury, Office of Management and Budget.

**STATE OF NEW JERSEY
POPULATION AND EMPLOYMENT TRENDS
(Expressed in Thousands)**

Year	Population*	Civilian Labor Force**	Resident Employment**	Resident Unemployment**	New Jersey Unemployment Rate**	U.S. Unemployment Rate
1999	8,360	4,285	4,093	192	4.5 %	4.2 %
2000	8,431	4,288	4,130	158	3.7	4.0
2001	8,491	4,303	4,118	185	4.3	4.7
2002	8,547	4,371	4,117	254	5.8	5.8
2003	8,590	4,364	4,108	255	5.9	6.0
2004	8,621	4,359	4,144	215	4.9	5.5
2005	8,635	4,416	4,218	198	4.5	5.1
2006	8,640	4,477	4,270	208	4.6	4.6
2007	8,653	4,462	4,272	191	4.3	4.6
2008	8,683	4,497	4,251	246	5.5	5.8

* Data for 2000 through 2007 has been revised.

** Data for 2004 through 2007 has been revised.

Sources:

New Jersey Department of Labor, "New Jersey Economic Indicators."

New Jersey Department of Labor, Division of Planning and Research.

**STATE OF NEW JERSEY
VALUATIONS OF TAXABLE REAL PROPERTY, PERSONAL, AND PER CAPITA INCOME
(Expressed in Thousands Except as Indicated)**

Year	New Jersey Population*	Assessed Valuation of Property**	True Valuation of Property	Personal Income (Millions)**	Per Capita Income*
1999	8,360	\$ 455,710,137	\$ 539,354,740	\$ 294,385	\$ 35,215
2000	8,431	470,554,943	548,448,342	323,554	38,377
2001	8,491	493,857,109	645,145,129	332,951	39,213
2002	8,547	524,816,215	720,179,653	337,009	39,428
2003	8,590	567,908,706	820,922,044	342,858	39,916
2004	8,621	606,248,658	937,193,205	361,822	41,971
2005	8,635	664,530,816	1,079,838,476	376,912	43,651
2006	8,640	743,219,514	1,235,285,449	404,474	46,813
2007	8,653	833,112,487	1,326,296,906	428,425	49,511
2008	8,682	891,585,206	1,355,003,641	442,116	50,919

* Data for 2000 through 2007 has been revised.

** Data for 2005 through 2007 has been revised.

Sources:

New Jersey Department of the Treasury, Annual Report of the Division of Taxation.

New Jersey Department of Labor, Office of Demographic & Economic Analysis.

**STATE OF NEW JERSEY
EXPENDITURE SUMMARY FOR BUDGETED FUNDS*
FOR THE FISCAL YEAR ENDED JUNE 30**

Dollar Amount (Expressed in Millions)

Fiscal Year	Direct State Services	Grants-In-Aid	State Aid	Capital Construction	Debt Service	Total
2000	\$ 4,650.2	\$ 6,211.7	\$ 7,866.4	\$ 737.4	\$ 494.2	\$ 19,959.9
2001	5,012.6	6,210.0	8,408.2	1,171.0	525.0	21,326.8
2002	5,106.4	7,264.0	8,834.8	1,012.1	451.2	22,668.5
2003	5,437.5	8,035.2	9,163.6	1,075.4	430.4	24,142.1
2004	5,650.9	7,768.2	10,079.7	1,117.0	438.1	25,053.9
2005	6,146.0	10,230.4	10,878.3	1,106.1	260.3	28,621.1
2006	6,236.2	10,017.8	11,312.7	1,103.0	169.3	28,839.0
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

Percent Distribution

Fiscal Year	Direct State Services	Grants-In-Aid	State Aid	Capital Construction	Debt Service	Total
2000	23.3 %	31.1 %	39.4 %	3.7 %	2.5 %	100.0 %
2001	23.5	29.1	39.4	5.5	2.5	100.0
2002	22.5	32.0	39.0	4.5	2.0	100.0
2003	22.5	33.3	38.0	4.4	1.8	100.0
2004	22.6	31.0	40.2	4.5	1.7	100.0
2005	21.5	35.7	38.0	3.9	0.9	100.0
2006	21.6	34.8	39.2	3.8	0.6	100.0
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

* 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, 2009
(Expressed in Millions)

<u>Government Branch</u>	<u>Direct State Service</u>	<u>Grants- In-Aid</u>	<u>State Aid</u>	<u>Capital Construction</u>	<u>Debt Service</u>	<u>Total</u>
Executive Branch						
Chief Executive Office	\$ 5.2	\$ -	\$ -	\$ -	\$ -	\$ 5.2
Agriculture	11.3	5.3	11.3	1.0	-	28.9
Banking and Insurance	65.1	-	-	-	-	65.1
Children and Families	321.1	710.3	-	0.1	-	1,031.5
Community Affairs	56.0	37.7	848.1	-	-	941.8
Corrections	812.9	122.0	-	2.5	-	937.4
Education	74.5	17.9	10,311.9	0.8	-	10,405.1
Environmental Protection	271.4	7.7	19.4	96.8	59.7	455.0
Health and Senior Services	85.0	1,357.8	7.5	0.1	-	1,450.4
Human Services	542.1	3,850.9	475.4	3.0	-	4,871.4
Labor and Workforce Development	135.7	189.8	1.5	-	-	327.0
Law and Public Safety	686.6	27.6	19.3	2.6	-	736.1
Military and Veteran's Affairs	92.0	2.6	-	0.9	-	95.5
Public Advocate	16.5	-	-	-	-	16.5
State	34.4	1,205.1	25.1	-	-	1,264.6
Transportation	98.6	350.3	33.0	895.0	-	1,376.9
Treasury	556.2	2,121.9	389.2	3.1	211.0	3,281.4
Miscellaneous	1.5	-	-	-	-	1.5
Inter-Departmental	1,850.1	897.8	-	221.7	-	2,969.6
Subtotal	<u>5,716.2</u>	<u>10,904.7</u>	<u>12,141.7</u>	<u>1,227.6</u>	<u>270.7</u>	<u>30,260.9</u>
Legislative Branch	78.4	-	-	-	-	78.4
Judicial Branch	609.8	-	-	-	-	609.8
Grand Total	<u>\$ 6,404.4</u>	<u>\$ 10,904.7</u>	<u>\$ 12,141.7</u>	<u>\$ 1,227.6</u>	<u>\$ 270.7</u>	<u>\$ 30,949.1</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
FULL-TIME PAID EMPLOYEES**

<u>Department/Agency</u>	<u>January</u>		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Executive Branch			
Agriculture	224	245	256
Banking and Insurance	423	464	480
Chief Executive's Office	83	84	92
Children and Families	6,913	6,986	6,482
Community Affairs	1,076	1,129	1,149
Corrections	9,294	9,240	9,323
Parole Board	696	695	724
Education	850	883	922
Environmental Protection	3,051	3,241	3,305
Health and Senior Services	1,825	1,950	2,037
Human Services	15,449	15,684	15,739
Labor and Workforce Development	3,167	3,418	3,583
Public Employees Relations Commission	34	36	33
Law and Public Safety	7,324	7,571	7,832
Election Law Enforcement Commission	71	68	71
Executive Commission on Ethical Standards	13	13	15
Juvenile Justice	1,624	1,685	1,750
Military and Veterans' Affairs	1,486	1,511	1,493
Personnel	294	326	338
Public Advocate	170	190	158
State	212	215	196
Commission on Higher Education	18	18	18
Public Broadcasting Authority	138	150	156
Student Assistance	183	191	196
Transportation	5,880	6,161	6,415
Treasury	3,468	3,633	3,688
Casino Control Commission	293	312	336
Office of Administrative Law	98	104	107
Office of Information Technology	816	894	907
Public Defender	1,031	1,070	1,023
Board of Public Utilities/Ratepayer Advocate	268	283	301
Violent Crimes Compensation Agency	30	38	46
Miscellaneous Executive Commissions	2	2	2
Total	<u>66,504</u>	<u>68,490</u>	<u>69,173</u>
Legislative Branch	520	512	523
Judicial Branch	9,205	9,495	9,495
Grand Total	<u><u>76,229</u></u>	<u><u>78,497</u></u>	<u><u>79,191</u></u>

Notes:

Full-time paid employees were tabulated as of Pay Period No. 1 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 current State organization chart.

Source:

New Jersey Department of the Treasury, Office of Management and Budget.

2006	2005	2004	2003	2002	2001	2000
266	262	254	247	259	255	245
506	501	481	486	517	502	472
93	109	111	118	116	122	123
N/A	N/A	N/A	N/A	N/A	N/A	N/A
1,151	1,098	1,045	1,015	1,106	1,086	1,022
9,417	9,419	9,257	9,344	9,445	8,907	8,697
720	714	652	699	713	741	693
962	952	971	920	991	915	860
3,437	3,437	3,296	3,248	3,449	3,312	3,203
2,172	2,151	2,136	1,953	2,148	2,036	1,956
21,840	20,977	20,152	19,278	18,978	18,001	17,427
3,777	3,765	3,672	3,458	3,486	3,524	3,546
34	36	34	36	36	38	38
8,106	7,772	7,405	7,137	7,379	6,841	6,666
75	53	45	46	50	49	38
13	9	8	8	9	6	7
1,776	1,774	1,705	1,585	1,638	1,529	1,439
1,494	1,473	1,419	1,358	1,449	1,458	1,426
375	442	399	376	440	426	422
N/A	N/A	N/A	N/A	N/A	N/A	N/A
198	199	185	187	202	199	185
17	19	19	22	24	24	23
158	159	159	157	159	153	149
198	201	210	193	213	197	191
6,669	6,448	6,049	5,109	5,438	5,431	5,071
3,774	3,784	3,599	3,612	3,889	3,695	3,607
346	349	350	325	334	333	325
113	112	110	109	112	111	115
950	938	923	929	1,048	1,015	996
1,094	1,044	951	877	942	927	901
346	345	336	319	307	290	292
47	49	48	46	47	47	50
2	2	2	2	2	2	2
70,126	68,593	65,983	63,199	64,926	62,172	60,187
503	512	520	506	492	505	484
9,556	9,424	9,343	9,118	9,361	9,166	9,038
80,185	78,529	75,846	72,823	74,779	71,843	69,709

**STATE OF NEW JERSEY
OPERATING INDICATORS**

<u>Department/Agency</u>	<u>2009*</u>	<u>2008**</u>	<u>2007**</u>
Agriculture			
Farmland Preservation			
Cumulative acres permanently preserved	182,644	167,752	158,721
Children and Families			
Active caseload - children receiving services	153,811	142,339	156,707
Corrections			
Average daily population - State Facilities	22,403	22,680	22,908
Parole Board			
Parolees under supervision	15,656	14,770	14,320
Total hearings	41,260	39,343	41,499
State hearings	29,500	28,716	29,348
Education			
Resident enrollment	1,434,581	1,433,498	1,440,767
Support per pupil	\$ 17,235	\$ 17,037	\$ 16,256
Local	\$ 9,208	\$ 9,044	\$ 8,689
State	\$ 7,499	\$ 7,454	\$ 7,002
Federal	\$ 528	\$ 539	\$ 565
Health and Senior Services			
Family Health Services			
Newborns screened-metabolic & genetic disorders	112,000	111,123	111,607
HealthStart (prenatal)	31,000	33,071	29,167
AIDS Services			
Number of clients tested and counseled	75,000	75,000	76,828
Pharmaceutical Assistance to the Aged & Disabled			
Aged: Average monthly eligibles	126,788	130,051	138,084
Aged: Annual prescriptions	4,244,862	4,432,138	4,407,641
Disabled: Average monthly eligibles	28,904	28,563	28,509
Disabled: Annual prescriptions	1,141,130	1,107,102	1,040,008
Human Services			
Work First New Jersey			
Average monthly recipients	97,578	99,500	103,094
Average monthly grant	\$ 130.60	\$ 129.99	\$ 132.04
Labor and Workforce Development			
Unemployment Insurance			
Covered workers	3,853,800	3,904,700	3,899,300
State Disability Insurance Plan			
Covered workers	2,848,000	2,856,900	2,852,800
Claims received	171,500	171,368	171,885
Law and Public Safety			
State Police Operations			
Criminal investigations	20,000	18,810	23,452
Accident investigations	42,000	42,238	44,415
General investigations	810,000	807,760	833,975
Transportation			
Motor Vehicle Services			
Registrations and title documents issued	9,744,235	11,078,091	9,528,128
Total licensed drivers	5,501,596	5,501,596	5,519,976
Total registered vehicles	5,020,400	5,846,217	6,362,199
Total NJ inspections/reinspections	3,065,794	3,002,727	2,896,889

Notes:

* Fiscal Year 2009 amounts are estimates.

**Fiscal Years 2008 and 2007 have been revised.

Source:

New Jersey Department of the Treasury, Office of Management and Budget.

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
	147,925	137,947	127,038	110,476	94,806	80,381	66,375
	148,745	121,568	N/A	N/A	N/A	N/A	N/A
	23,008	22,932	23,006	22,867	22,561	23,109	24,946
	14,009	13,297	13,297	13,234	12,867	12,266	13,834
	45,733	44,338	42,377	39,910	42,060	47,265	35,300
	29,292	29,007	26,902	25,481	27,734	37,564	25,002
	1,448,232	1,446,815	1,441,748	1,424,773	1,395,131	1,357,160	1,327,643
\$	15,040	\$ 14,159	\$ 13,234	\$ 12,505	\$ 11,834	\$ 11,909	\$ 10,833
\$	8,108	\$ 7,597	\$ 7,103	\$ 6,702	\$ 6,375	\$ 6,424	\$ 6,013
\$	6,375	\$ 6,032	\$ 5,628	\$ 5,344	\$ 5,044	\$ 5,138	\$ 4,594
\$	557	\$ 530	\$ 503	\$ 459	\$ 415	\$ 347	\$ 226
	110,851	110,473	113,404	113,032	112,666	111,795	110,815
	35,439	36,500	35,000	31,000	30,103	31,000	32,000
	74,277	68,700	67,789	67,067	61,969	62,577	57,260
	146,142	148,280	148,349	147,841	150,280	140,023	137,305
	5,489,094	5,838,243	5,477,045	5,304,535	4,995,313	4,603,956	4,415,742
	29,492	28,274	27,902	27,247	26,933	24,728	23,400
	1,419,155	1,396,133	1,334,832	1,258,811	1,193,426	1,080,119	1,031,940
	112,192	116,188	112,280	107,143	112,773	123,236	146,090
\$	130.78	\$ 130.43	\$ 129.06	\$ 128.12	\$ 128.82	\$ 126.19	\$ 123.41
	3,877,600	3,836,301	3,813,549	3,778,630	3,801,600	3,883,400	3,772,368
	2,837,000	2,806,700	2,790,000	2,764,500	2,781,200	2,804,900	2,760,200
	168,188	172,919	174,232	170,958	164,627	167,405	166,393
	17,460	16,287	13,079	12,552	11,954	11,385	13,833
	43,858	45,001	41,263	39,724	37,833	33,368	32,714
	805,131	802,280	565,156	573,098	582,204	640,337	627,782
	9,774,684	10,202,096	10,386,777	10,558,682	10,320,282	10,156,100	10,232,544
	5,629,451	5,668,712	5,741,036	5,706,951	5,713,520	5,737,000	5,736,996
	6,537,486	6,781,736	7,055,501	7,302,521	7,043,077	6,924,006	6,774,155
	3,006,193	3,000,324	3,171,458	3,243,086	3,545,739	3,272,085	3,521,091

**STATE OF NEW JERSEY
CAPITAL ASSET STATISTICS
FOR THE FISCAL YEAR ENDED JUNE 30**

Function	2009	2008	2007
Public safety and criminal justice			
Adult and juvenile correctional institutions	35	38	38
State police stations	34	34	35
State police officers	3,050	3,030	2,971
Motor vehicle facilities	72	75	77
Number of active armories	32	32	33
Total acreage dedicated to function	7,009	6,792	6,724
Total buildings dedicated to function	1,640	1,622	1,607
Physical and mental health			
Number of mental health facilities	5	5	5
Average daily population	2,005	2,135	2,223
Total acreage dedicated to function	629	651	1,038
Total buildings dedicated to function	321	320	316
Educational, cultural, and intellectual development			
Number of schools	31	31	31
Number of developmental centers	7	7	7
Average number of residents	2,785	2,897	2,987
Total acreage dedicated to function	3,390	4,046	4,552
Total buildings dedicated to function	506	529	526
Community development and environmental management			
State parks, historic sites, natural areas, marinas, other*	231	231	231
Land preservation acres (easements/farmland)*	71,199	69,339	67,062
Total acreage dedicated to function (includes preservation)*	775,521	767,174	755,431
Total buildings dedicated to function	2,023	2,023	2,021
Economic planning, development, and security			
Number of residential centers	3	3	3
Number of group homes*	1,076	1,076	1,076
Total acreage dedicated to function*	1,679	1,679	1,679
Total buildings dedicated to function*	1,233	1,233	1,233
Transportation programs			
Lane miles, state highways	13,508	13,493	13,485
Bridges, state owned	2,577	2,578	2,579
Facilities	87	87	89
Total acreage dedicated to function	52,534	52,527	52,522
Total buildings dedicated to function	546	504	502
Government direction, management, and control			
Total acreage dedicated to function	3,740	3,274	3,044
Total buildings dedicated to function	313	312	310
Special government services			
Veteran homes	3	3	3
Veterans in residence	913	914	932
Total acreage dedicated to function	77	77	76
Total buildings dedicated to function	29	30	25

Notes:

* Data for 2008 through 2002 has been revised.

Source:

New Jersey Department of the Treasury, Office of Management and Budget.

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
38	39	39	39	39
35	35	35	35	38
2,963	2,823	2,669	2,664	2,769
80	80	80	80	80
33	33	33	33	33
6,725	6,712	6,712	6,667	6,665
1,569	1,552	1,537	1,515	1,482
5	6	6	6	6
2,303	2,284	2,237	2,240	2,211
1,038	1,038	1,023	1,023	1,023
324	322	322	321	317
30	30	30	30	31
7	7	7	7	7
3,061	3,096	3,145	3,233	3,365
4,552	4,551	4,551	4,551	4,525
530	527	523	522	518
231	230	230	230	230
54,455	50,896	39,026	31,884	27,371
727,959	706,240	675,552	664,436	649,521
1,963	1,948	1,928	1,911	1,896
3	3	3	3	3
1,047	1,003	969	951	930
1,676	1,627	1,593	1,575	1,554
1,204	1,082	1,014	1,001	974
11,178	11,120	11,107	11,073	11,061
2,581	2,364	2,366	2,349	2,367
89	89	89	89	89
52,510	52,509	50,569	48,862	48,816
502	488	477	476	467
3,044	3,044	3,044	3,039	3,037
325	322	316	316	315
3	3	3	3	3
875	815	786	767	815
76	76	76	76	76
29	26	26	26	24

NEW JERSEY HISTORICAL FACTS AND FIGURES

The State was one of the original thirteen 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 on November 4, 1947.

The State Constitution establishes a bicameral legislature, which meets in annual sessions in Trenton, the State capital. 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 members of the General Assembly are elected to two-year terms. The Governor is elected to a term of four years.

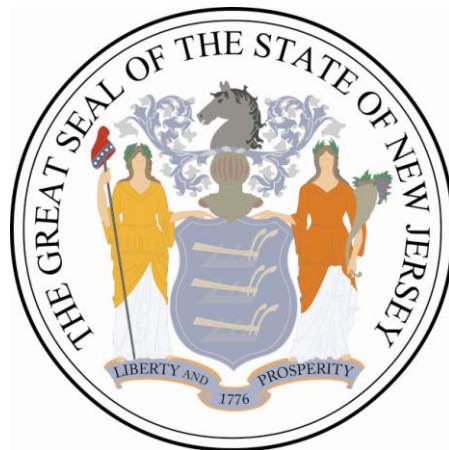
The State ranks fifth smallest in size, with an area of 7,418.8 square miles. The estimated population as of December 2008 was 8,683,000 making New Jersey the eleventh largest state in population, and the most densely populated of all the states, with an average of 1,171 people per square mile.

There are 16 departments of the Executive Branch of State Government. The maximum number of executive branch departments permitted by the State Constitution is 20.

The higher education system in New Jersey includes 26 private colleges, 19 community colleges, as well as 12 State institutions.

The State Seal

Pierre Eugene du Simitiere designed the State Seal and presented it in May 1777 to the Legislature. The three plows in the shield honor the state's agriculture tradition. During the Revolutionary War, New Jersey's economic power, as well as its military significance, was based on the fact that it was the breadbasket of the Mid-Atlantic region. Continental and British soldiers in the state were engaged in skirmishes aimed at securing exclusive access to New Jersey's farm stores and livestock herds as a source of army provisions. The helmet on the State Seal above the shield faces forward, an attitude denoting sovereignty and thus particularly fitting for one of the first governments created under the notion that the state itself is the sovereign. The helmet is also a symbol for the importance of human intelligence and honor to the affairs of state. The crest above the helmet is a horse's head. New Jersey was and still is a major center for horse breeding. The equestrian head also symbolizes the attributes of strength, speed, and utility in war or commerce. The supporting female figures are Liberty and Ceres. Liberty, on the viewer's left, carries a staff with the same kind of "Liberty cap" worn as a symbol of rebellion by patriots throughout the colonies. Ceres, the Roman goddess of grain, holds a cornucopia filled with harvested produce representing the extraordinary fertile soils and natural abundance of the state's fields, forests, and waters. Below them is a scroll bearing the motto "Liberty and Prosperity," and the year of statehood, 1776.



The State Flag

The official colors of New Jersey for use on the state flag and for other purposes were established by statute as buff and Jersey blue.



Other Legislative Designations

The State Fruit is the blueberry. The State Flower is the violet. The Eastern Goldfinch is the State Bird. The State Animal is the horse, while the State Fish is the brook trout. The knobbed whelk, commonly known as the conch is the State Shell. The red oak is the Official State Tree, while the dogwood is the State Memorial Tree. Inspired by a group of schoolchildren and not even classified as a bug, the honeybee was designated as the State Bug. The State Folk Dance is the square dance. The State Dinosaur is the Hadrosaurus Foulki, a 25-foot-long, duck-billed creature that was unearthed in a Haddonfield, New Jersey marl pit in October 1858, by William Parke Foulke.

The State Tall Ship is the A.J. Meerwald, a Delaware Bay oyster schooner launched in 1928. The ship is constructed of oak planks laid over oak frames, is 115 feet long, has a beam of 22 feet, 3 inches, and weighs 57 tons. In 1942, the tall ship was commandeered by the Maritime Commission under the War Powers Act for use by the Coast Guard as a fireboat. Five years later, it was returned to its owners and used as an oyster dredge, under power, without sails, until the industry vanished in 1957. The A.J. Meerwald was used as a clam dredge from 1959 until 1989, when it was turned over to The Delaware Bay Schooner Project. Today, the A.J. Meerwald serves as a floating classroom, promoting ecological and historical awareness of the bay and the waters of New Jersey.



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