

NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
SOLID WASTE BALING FACILITY
FOR THE PERIOD
OCTOBER 1, 2011 TO SEPTEMBER 30, 2012

NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
SOLID WASTE BALING FACILITY

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INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners
New Jersey Meadowlands Commission

We have audited the Statement of Assets, Liabilities and Fund Balances and the Statement of Revenues, Expenditures and Changes in Fund Balance - Cash Basis of the New Jersey Meadowlands Commission Landfill Closure Escrow Fund Solid Waste Baling Facility for the fiscal year ended September 30, 2012. These Financial Statements are the responsibility of the management of the New Jersey Meadowlands Commission Landfill Closure Escrow Fund Solid Waste Baling Facility. Our responsibility is to express an opinion on the Financial Statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the Audit Requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (amended 1987). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether these Financial Statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in these Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of these Financial Statements. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2, these financial statements were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.



In our opinion, the Financial Statements referred to above present fairly, in all material respects, the financial position of the New Jersey Meadowlands Commission Landfill Closure Escrow Fund Solid Waste Baling Facility at September 30, 2012 and the results of operations of such fund for the fiscal year ended, on the basis of accounting as described in Note 2 and the Requirements of the Sanitary Landfill Closure and Contingency Act of 1981 (Amended 1987).



Steven D. Wielkotz, C.P.A.
Registered Municipal Accountant
No. CROO413



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Certified Public Accountants

Pompton Lakes, New Jersey

October 18, 2012

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

The Board of Commissioners
New Jersey Meadowlands Commission

Gentlemen:

We have audited the Statement of Assets, Liabilities and Fund Balance and the Statement of Revenues and Expenditures and Changes in Fund Balance - Cash Basis of the New Jersey Meadowlands Commission Landfill Closure Escrow Fund Solid Waste Baling Facility as of and for the year ended September 30, 2012, and have issued our report thereon dated October 18, 2012.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the audit requirements of the Sanitary Landfill Facility Closure and Contingency Fund Act of 1981 (amended 1987). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether these financial statements are free of material misstatement.

Compliance with laws and regulations applicable to the New Jersey Meadowlands Commission Landfill Closure Escrow Fund Solid Waste Baling Facility is the responsibility of the New Jersey Meadowlands Commission management. As part of obtaining reasonable assurance about whether these financial statements are free of material misstatement, we performed tests of the Commission's compliance with certain provisions of laws and regulations. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

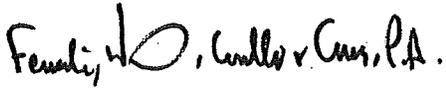
The results of our tests of compliance indicate that, with respect to the items tested, the New Jersey Meadowlands Commission Landfill Closure Escrow Fund Solid Waste Baling Facility complied in all material respects, with the provisions referred to in the third paragraph of this report; and with respect to the items not tested, nothing came to our attention that caused us to believe that the Commission had not complied, in all material respects with those provisions.



The report is intended solely for the information of the Board of Commissioners, Management and the Department of Environmental Protection State of New Jersey, Bureau of Solid Waste Regulation. This restriction is not intended to limit distribution of this report, which is a matter of public record.



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Pompton Lakes, New Jersey

October 18, 2012

NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
SOLID WASTE BALING FUND

STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE
SEPTEMBER 30, 2012

ASSETS

Cash and Cash Equivalents	\$4,949.53
Investments, at Market Value	891,727.15
	<hr/> 896,676.68
Accounts Receivable	0.00
	<hr/> <hr/> \$896,676.68

LIABILITIES AND FUND BALANCE

Liability - Due to General Operating Fund	498.00
Fund Balance	896,178.68
	<hr/> <hr/> \$896,676.68

See accompanying notes to the financial statements.

NEW JERSEY MEADOWLANDS COMMISSION
 (A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
 LANDFILL CLOSURE ESCROW FUND
 SOLID WASTE BALING FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE PERIOD OCTOBER 1, 2011 TO SEPTEMBER 30, 2012

Month	Number of Tons Accepted	Date of Deposit	Dollars Deposited	Income on Invested Funds	Total
October, 2011				\$525.15	\$525.15
November, 2011				2,500.18	2,500.18
December, 2011				0.15	0.15
January, 2012				4,800.82	4,800.82
February, 2012				1,187.67	1,187.67
March, 2012				1,693.94	1,693.94
April, 2012				525.21	525.21
May, 2012				2,500.21	2,500.21
June, 2012				0.22	0.22
July, 2012				5,804.77	5,804.77
August, 2012				1,187.76	1,187.76
September, 2012				600.03	600.03
			<u>\$0.00</u>	<u>\$21,326.11</u>	<u>21,326.11</u>
Realized Gain/(Loss) on Sale of Investments					(953.20)
Unrealized Gain/(Loss) on Ending Market Value of Investments					(8,807.67)
Less: Trustee Fees Withdrawals					(4,855.72)
					(100,000.00)
Net Increase/(Decrease) in Fund Balance					(93,290.48)
Fund Balance, Beginning of Period					989,469.16
Fund Balance, End of Period					<u>\$896,178.68</u>

Financial Institution(s):
 Bank of America
 #51-16-200-8559054

See accompanying notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

**NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
SOLID WASTE BALING FACILITY
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD OCTOBER 1, 2011 TO SEPTEMBER 30, 2012**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The New Jersey Meadowlands Commission Landfill Closure Escrow Fund Solid Waste Baling Facility has been established by the New Jersey Meadowlands Commission in January 1982, in compliance with New Jersey Public Law 1981, C. 306, the Sanitary Landfill Closure and Contingency Fund Act. A portion of the funds received for solid and liquid wastes accepted for disposal during the year are deposited to the fund in order to have funds available for the cost of future closure of the landfill. No withdrawals therefore may be made without written approval by the New Jersey State Department of Environmental Protection.

In December 1997, this site stopped accepting household solid waste and in January 2008, this site stopped accepting all waste. The Fund continues to operate to account for the interest earned on the funds on deposit for future closure expenditures.

NOTE 2: BASIS OF ACCOUNTING

The financial statements of the New Jersey Meadowlands Commission Landfill Closure Escrow Account have been prepared on the cash basis of accounting; consequently certain revenues recognized when received rather than when earned, and certain expenses are recognized when cash is disbursed rather than when the obligation is incurred.

The Fund is considered part of the Commission and does not include all of the operations of the Commission. Accordingly, the accompanying financial statements report only that portion of the Commission that deals with the Fund.

NOTE 3: CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Commission's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes that are treated as cash equivalents. As of September 30, 2012, \$0 of the Commission's bank balance of \$4,949.53 was exposed to custodial credit risk.

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FOR THE PERIOD OCTOBER 1, 2011 TO SEPTEMBER 30, 2012

NOTE 3: CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)

Investments

As of September 30, 2012, the Commission had the following investments and maturities:

Investment Type	Market Value	Investment Maturities (in Years)		
		Less Than 1	1-5	6-10
Federal Home Loan Banks	\$234,111.10	30,155.10	203,956.00	
Federal Home Loan Mortgage	226,729.00	0.00	226,729.00	
U.S. Treasury Notes	259,100.65		259,100.65	
Federal National Mortgage Association	<u>171,786.40</u>	<u>171,786.40</u>		
Total	<u>\$891,727.15</u>	<u>\$201,941.50</u>	<u>\$689,785.65</u>	<u>\$0.00</u>

Investment Rate Risk

The purchases of U.S. Treasury and Agency Investments carry investment rate risk where a possible rise in interest rates could lead to a fair value loss in the current value of such securities. The Meadowlands Commission follows the guidance provided by the Governmental Accounting Standards Board for accounting for either increases or decreases in fair value of securities.

Credit Risk

New Jersey Statutes limits investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America; obligations of federal agencies; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk

The Commission places no limit on the amount the Commission may invest in any one issuer.

NOTE 4: DEPOSITS TO ESCROW FUND

Deposits to the escrow fund are required to be made on or before the 20th day of the month following their receipt.

The facility ceased operations on December 31, 2008 and, therefore, the final deposit was made on January 19, 2009.