

EXHIBIT IV

**NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
KEEGAN LANDFILL FACILITY
FOR THE PERIOD
OCTOBER 1, 2013 TO SEPTEMBER 30, 2014**

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

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INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners
New Jersey Meadowlands Commission

We have audited the accompanying financial statements of the New Jersey Meadowlands Commission Landfill Closure Escrow Fund Keegan Landfill Facility, which comprise the statement of assets, liabilities and fund balance as of September 30, 2014 and the related statement of revenues, expenditures and changes in fund balances for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the audit requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (Amended 1987). Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the statement of assets, liabilities and fund balance of the New Jersey Meadowlands Commission Landfill Closure Escrow Fund Keegan Landfill Facility, as of September 30, 2014, and the revenues it received and expenditures it paid for the year then ended, in accordance with the financial reporting provisions of the audit requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (Amended 1987) as described in Note 1.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the basis of the financial reporting provisions of the audit requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (Amended 1987), which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the audit requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (Amended 1987). Our opinion is not modified with respect to that matter.

Restriction on Use

This report is intended solely for the information and use of management, New Jersey Meadowlands Commission and the Department of Environmental Protection, State of New Jersey, Bureau of Solid Waste Regulation and the audit requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (Amended 1987) and is not intended to be and should not be used by anyone other than these specified parties.



FERRAIOLI, WIELKOTZ, CERULLO, & CUVA, P.A.
Certified Public Accountants
Pompton Lakes, New Jersey

October 10, 2014



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

The Board of Commissioners
New Jersey Meadowlands Commission

We have audited, 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), the statement of assets, liabilities and fund balance and the statement of revenues and expenditures and changes in fund balance of the New Jersey Meadowlands Commission Landfill Closure Escrow Fund Keegan Landfill Facility (the Facility) as of and for the year ended September 30, 2014 and the related notes to the financial statements, and have issued our report thereon dated October 10, 2014, which was adverse due to being presented in accordance with Landfill Closure and Contingency basis of accounting.

Internal Control Over Financial Reporting

In planning and performing our audit of the statement of assets, liabilities and fund balance and the statement of revenues and expenditures and changes in fund balance, we considered the Facility's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the statement of assets, liabilities and fund balance and the statement of revenues and expenditures and changes in fund balance, but not for the purpose of expressing an opinion on the effectiveness of the Facility's internal control. Accordingly, we do not express an opinion on the effectiveness of the Facility's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Facility's statement of assets, liabilities and fund balance and the statement of revenues and expenditures and changes in fund balance are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under the Landfill Closure and Contingency Act.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Facility's internal control or on compliance. This report is an integral part of an audit performed in accordance with the Landfill Closure and Contingency Act in considering the Facility's internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.

Ferraioli, Wielkottz, Cerullo & Cuva, P.A.

FERRAIOLI, WIELKOTZ, CERULLO, & CUVA, P.A.
Certified Public Accountants
Pompton Lakes, New Jersey

October 10, 2014



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

STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE
SEPTEMBER 30, 2014

ASSETS

Cash and Cash Equivalents	\$1,736,301.01
Investments, at Market Value	
	<u>1,736,301.01</u>
Accounts Receivable	<u>30,656.00</u>
	<u>\$1,766,957.01</u>

FUND BALANCE

Fund Balance	<u>1,766,957.01</u>
	<u>\$1,766,957.01</u>

See accompanying notes to the financial statements.

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE PERIOD OCTOBER 1, 2013 TO SEPTEMBER 30, 2014

Month	Number of Tons Accepted	Date of Deposit	Dollars Deposited	Income on Invested Funds	Total
October, 2013	35,409	11/19/13	\$35,409.00	\$5.39	\$35,414.39
November, 2013	25,231	12/16/13	25,231.00	5.80	25,236.80
December, 2013	23,080	01/16/14	23,080.00	2,311.69	25,391.69
January, 2014	18,638	02/18/14	18,638.00	6.58	18,644.58
February, 2014	10,706	03/20/14	10,706.00	7.16	10,713.16
March, 2014	23,595	04/01/14	23,595.00	6.53	23,601.53
April, 2014	30,215	05/16/14	30,215.00	7.31	30,222.31
May, 2014	34,674	06/13/14	34,674.00	7.19	34,681.19
June, 2014	36,040	07/14/14	36,040.00	416.31	36,456.31
July, 2014	41,727	08/18/14	41,727.00	7.78	41,734.78
August, 2014	36,865	09/16/14	36,865.00	8.50	36,873.50
September, 2014	30,556	10/10/14	30,556.00	8.68	30,564.68
			<u>\$346,836.00</u>	<u>\$2,798.92</u>	<u>349,634.92</u>

Realized Gain/(Loss) on Sale of Investments
 Unrealized Gain/(Loss) on Ending Market Value of Investments

Less: Trustee Fees
 Withdrawals

Net Increase/(Decrease) in Fund Balance

Fund Balance, Beginning of Period

Fund Balance, End of Period

Financial Institution(s):
 TD Wealth Management
 #76-T241-01-07

(1,999.81)
 (1,500.00)
 0.00
 346,135.11
1,420,821.90
\$1,766,957.01

See accompanying notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

**NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
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NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD OCTOBER 1, 2013 TO SEPTEMBER 30, 2014**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The New Jersey Meadowlands Commission Landfill Closure Escrow Fund Keegan Landfill Facility was established by the New Jersey Meadowlands Commission in January 2009, 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.

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 Facility 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 Facility.

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, 2014, \$0 of the Commission's bank balance of \$1,736,301.01 was exposed to custodial credit risk.

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NOTES TO FINANCIAL STATEMENTS, CONTINUED
FOR THE PERIOD OCTOBER 1, 2013 TO SEPTEMBER 30, 2014

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

Investments

As of September 30, 2014, the Commission had no investments.

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.

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NOTES TO FINANCIAL STATEMENTS, CONTINUED
FOR THE PERIOD OCTOBER 1, 2013 TO SEPTEMBER 30, 2014**

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 February 2014 deposit was originally submitted on February 18, 2014, however due to a change in the banks wire transfer procedures the transfer was actually made on March 3, 2014. This is not considered an exception based upon circumstances.

NOTE 5: SUBSEQUENT EVENTS

The Commission has evaluated subsequent events through October 10, 2014, the date which the financial statements were available to be issued and no other items were noted for disclosure.