

New Jersey Economic Development Authority

2015 Annual Report



New Jersey Economic Development Authority
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Message from EDA Board Chairman Al Koeppel

As Chair of the Board of the New Jersey Economic Development Authority (EDA), I am proud to report on another successful year in 2015 as the Authority advanced its mission to drive job creation and attract investment to the State. In line with its reputation, the EDA has maintained its steadfast commitment to furthering its mission while adhering to the highest standards of due diligence and fiduciary oversight.

Throughout the year, the EDA has tirelessly administered its portfolio of programs to support entrepreneurs, small businesses, large companies, developers and municipalities. The following pages document the results of those efforts, reporting on financial results and highlighting specific projects that embody the impact of EDA assistance and the spirit and determination of New Jersey's business community.

Of particular note in 2015 is the progress of projects approved under the Economic Opportunity Act. On the following pages, you will see this evidenced by companies marking milestones such as groundbreakings, construction, hiring of new employees, ribbon cuttings, and certifications that their obligations to qualify for tax credits have been met. The ripple effect of the Economic Opportunity Act is particularly evident in cities across the State, as commercial, residential, retail and academic projects begin to take hold.

The EDA has helped to advance impactful projects over the last year and I am proud of the role the Board has played in these efforts. From supporting emerging technology companies through its mentorship and incubator programs, to helping municipalities complete storm recovery projects, and attracting large out-of-state companies to cities that have historically suffered from disinvestment, the EDA staff and Board have performed with enthusiasm and integrity.

Congratulations to the Authority on another strong year, and many thanks to the Board for its unwavering support and exemplary service.

A handwritten signature in black ink, appearing to read "Al Koeppel". The signature is fluid and cursive, with the first name "Al" written in a large, stylized loop.

Al Koeppel
EDA Board Chair

Message from CEO Melissa Orsen and President & COO Tim Lizura

From financing programs for small businesses and not-for-profits, to mentoring and investment resources for technology and life sciences start-ups, to job creation and private investment spurred by tax credits under the Economic Opportunity Act, the impact of programs administered by the Authority was evident in many facets of the State's economy in 2015.

In total, the EDA finalized more than \$440 million in financing assistance through its lending programs in 2015, leveraging over \$669 million in total public/private investment and the creation of an estimated 1,440 new permanent jobs and 1,890 construction jobs. In addition, 51 incentive projects executed agreements in 2015 and are pending certification. These projects, supported with up to \$812.4 million in tax credits or reimbursements, involve over \$1 billion of anticipated private investment, the expected creation of 6,859 new permanent jobs and more than 2,840 construction jobs, and the retention of nearly 6,140 jobs "at risk" of leaving the State.

In keeping with the new tagline "EDA Was Here," which is the cornerstone of our small business awareness program, EDA and its staff were here, every day, all year, serving as an important resource for the companies that make up New Jersey's thriving economy.

The EDA often partners with financial institutions, local organizations and other State agencies to help borrowers bridge financing gaps and increase their access to capital. This includes offering low-interest loans, bond financing, and support for micro-lenders to increase their lending capacity and the technical assistance and training services they offer.

The EDA also continued its commitment to supporting the growth of New Jersey's technology sector in 2015. Notably, we launched the Executives-in-Residence (EIR) program at our Commercialization Center for Innovative Technologies (CCIT) in North Brunswick. Developed and designed in partnership with BioNJ, the EIR program taps into the breadth and depth of knowledge of New Jersey's life sciences executives in transition, benefitting both executives and CCIT tenants.

Our Sandy recovery team was hard at work throughout 2015, supporting nearly 500 small businesses and communities with over \$69 million in assistance through our Stronger New Jersey programs, funded under New Jersey's Community Development Block Grant – Disaster Recovery allocation.

The Fort Monmouth Economic Revitalization Authority (FMERA) also had an unprecedented year, issuing 10 Requests for Offers to Purchase (RFOTPs) and advancing a combined 270 acres for redevelopment at the Fort. With tech industry leader CommVault placing its roots on the Fort and Staten Island-based Tetherview moving in soon, FMERA is achieving restoration of the Fort's reputation for technology leadership in the Monmouth County region.

Finally, the work of the Partnership for Action team coupled with the powerful Economic Opportunity Act has continued to keep us all busy. The enhanced Grow New Jersey and Economic Redevelopment and Growth programs have successfully increased interest from businesses and developers inside and outside the State. Together with legacy incentive projects coming to fruition,

we celebrated a host of grand openings and groundbreakings across New Jersey in 2015, including new headquarters for Subaru in Camden, Goya in Jersey City, and Prudential Financial in Newark.



While EDA staff continued to display the high level of professionalism and competency they are well known for, we would also like to commend them for their ongoing commitment to the greater good. This was particularly evident during the holiday season, when staff executed the EDA’s first annual “Community Challenge.” Teams of employees engaged in projects that impacted more than ten not-for-profit organizations, including those serving victims of domestic violence, the elderly, foster children, abandoned and abused animals, and those suffering from poverty and/or homelessness and hunger. We are proud that the EDA’s Senior Leadership Team also took part in this effort, joining with Habitat for Humanity of Burlington County to help construct a home in Willingboro for a family of five, as pictured above.

As we move forward in 2016, we remain committed to growing New Jersey’s economy, helping to create quality jobs and stronger communities.

Melissa J. Orsen
EDA CEO

Timothy J. Lizura
EDA President & COO

2015 Activity

Lending Projects - Closed	
252	<i>Projects Assisted</i>
\$443.5 Million	<i>EDA Assistance</i>
\$669.1 Million	<i>Estimated Public/Private Investment</i>
1,892	<i>Estimated Construction Jobs</i>
1,441	<i>Estimated New Permanent Jobs</i>
3,195	<i>Existing Jobs Supported</i>

Incentive Projects - Executed Agreements/Pending Certification	
51	<i>Projects Assisted</i>
\$812.4 Million	<i>EDA Assistance</i>
\$1.09 Billion	<i>Estimated Public/Private Investment</i>
\$3.86 Billion*	<i>Estimated Net Benefit to State</i>
2,842	<i>Estimated Construction Jobs</i>
6,859	<i>Estimated New Permanent Jobs</i>
6,139	<i>Estimated Retained "At Risk" Jobs</i>

***Net Benefit related to \$737.1 million of EDA assistance approved under the Grow New Jersey and Economic Redevelopment and Growth (ERG) programs.**

EDA Mission
<p>The New Jersey Economic Development Authority (EDA) is an independent State agency that finances small and mid-sized businesses, administers tax incentives to retain and grow jobs, revitalizes communities through redevelopment initiatives, and supports entrepreneurial development by providing access to training and mentoring programs.</p>

Encouraging Job Creation and Community Investment



“This has truly been a team effort involving the state, as well as the county and city...we are thrilled to be coming back and look forward to creating new jobs in the City of Passaic.”

- Michael Ostroff, CEO, Patella Woodworking

With the continued collaboration of the Partnership for Action (PFA) and tax incentives through the New Jersey Economic Opportunity Act (EOA) adding to the State’s inherent strengths as a business location, small and large companies in industry sectors targeted for growth are choosing to locate and grow across New Jersey, with particular interest in the State’s cities.

In the financial services industry, companies such as Brown Brothers Harriman & Co., RBC Capital Markets and First Data Corporation have decided to expand operations in New Jersey. In August, JPMorgan Chase & Co. announced that it will be moving 2,150 jobs from Manhattan, bringing its total headcount in Jersey City to approximately 7,000. The company also expects to invest more than \$68 million to expand its regional technology and operations hub. This PFA-supported project was approved for Grow NJ tax credits of up to \$187 million over ten years to encourage the company to expand in New Jersey instead of locations in Delaware and Ohio. In addition to its job and capital investment commitments, JPMorgan Chase & Co. also invested \$1 million to provide skill-based job training for local residents over the next two years.

Companies in the manufacturing sector are also locating and growing in New Jersey. Patella Woodworking recently moved back to the State after relocating to New York in 2012. The company moved to a new 89,000-square-foot headquarters and manufacturing facility on the former site of the Hercules Chemical Company in the City of Passaic. Approved for Grow NJ tax credits of up to \$10.3 million, the manufacturer relocated from Orangeburg, New York and expects to create 70 new jobs. In addition to Grow NJ, the EDA also supported the company through the Premier Lender Program. Valley National Bank provided \$7.2 million in loans that were backed by a 50-percent EDA guarantee.



“As this development and other projects underway in Trenton move forward, we foresee this City becoming an increasingly vibrant destination and sought after place to live and work.”

- W. David Henderson, Principal, HHG

The EDA administers the legislatively-created Grow NJ program in strict accordance with the EOA statute. Applications must satisfy statutorily-established job and capital investment requirements, as well as undergo a material factor review to verify that the tax credits are material to the project advancing in New Jersey. Applications are also subject to a net benefit analysis to verify that the anticipated revenue resulting from the proposed project will be greater than the incentive amount.

Passaic City is one of five Garden State Growth Zones (GSGZ) established under the EOA. This designation affords cities most in need of investment with lower eligibility thresholds and higher incentive levels. Along with Passaic, projects located in Paterson, Trenton, Camden and Atlantic City also benefit from the enhanced incentives. Increased interest in these cities illustrates how key policy objectives outlined in the EOA are effectively being achieved.

Trenton’s designation as a GSGZ is helping to attract new investment and development to the State’s capital city.

Roebling Lofts, a mixed-use development being advanced by HHG Development Associates, will transform the old Roebling Steel building into rental lofts and apartments. Closed since the mid-1950’s, the structure represents the first of four John A. Roebling’s Sons buildings planned for rehabilitation by HHG. The project will include multi-family lofts, two-bedroom lofts, and one-bedroom units, all featuring high ceilings and large industrial windows. Future plans for the complex include an additional building housing loft-style units and restaurant/retail space to be built from the ground up.

The \$42 million project was approved for up to \$16.1 million in tax credits over 10 years through the residential Economic Redevelopment and Growth (ERG) program. As New Jersey’s key developer incentive program, ERG prioritizes development in smart growth locations with infrastructure in place, particularly in urban areas and those near train stations.



“Subaru’s decision, coupled with the long-standing commitment by Campbell, provides an excellent platform for further economic development and job creation in the city of Camden.”

- Gerard H. Sweeney, President & CEO, Brandywine Realty Trust

The City of Camden, also a GSGZ, continued its renaissance in 2015, with companies such as Subaru of America and Holtec International breaking ground last year.

In December, Subaru commenced construction of its new state-of-the-art headquarters and training/service center, located adjacent to Campbell Soup Company’s world headquarters. The Subaru campus will be the first new corporate headquarters in Knights Crossing, a new development by Brandywine Realty Trust. Subaru was approved for Grow NJ tax credits of up to \$117.8 million related to the retention of 500 jobs and the expected creation of 100 new jobs. Holtec International broke ground in July, paving the way for its new 600,000-square-foot manufacturing and technology center on the waterfront. Holtec was approved for up to \$260 million in Grow NJ tax credits and expects to create thousands of new jobs.



“We will work with the State of New Jersey and the City of Camden to leverage our plant to serve as a training academy to help young men and women, especially unemployed Camden residents and veterans, to acquire skills that yield well-paying jobs.”

- Dr. Kris Singh, Holtec's founder, president and CEO



"Partnering with RBH, Goldman Sachs, Prudential, NJEDA, the City of Newark, and the ICC allows us to bring our global headquarters and the world's largest indoor vertical farm close to where the consumer is, while also creating jobs."

- David Rosenberg, CEO, AeroFarms

In addition to GSGZs, the EOA targets investment in “distressed” areas of the State. Projects locating in these communities are also eligible for increased incentive levels. To date, over 90 percent of awards approved under the Grow NJ and ERG programs are for projects located in a targeted community.

In Newark, local officials helped to break ground in July on Aerofarms’ new headquarters and R&D center. The company aims to create the world’s largest aeroponic farm in a renovated warehouse in the Ironbound community. The project, which was approved for a commercial ERG of up to \$2.2 million and Grow NJ tax credits of up to \$6.5 million, is expected to create more than 69 new jobs and leverage private investment totaling more than \$42.5 million.

Also in Newark, grand openings were celebrated in 2015 for two projects supported under the legacy Urban Transit Hub Tax Credit Program.

In late September, Prudential Financial celebrated its new \$444-million, 20-story office tower on Broad Street. The company, which plans to house approximately 3,000 employees at the new facility, is also leading efforts to revitalize nearby Military Park. The 740,000-square-foot facility was built partially with the support of up to a \$211 million Urban Transit Hub tax credit approved by the EDA in 2012.

Also in September, officials marked the opening of 494 Broad Street, where Urban Transit Hub tax credits of up to \$37.4 million approved in 2012 helped to support the expansion of an office building that contains a Cablevision call center and several retail establishments. The project was expected to create 150 new jobs. During the term of the Hub award, 500 jobs must be located at the project site in order for the project to be in compliance.



“We believe the tax credits will translate into a significant economic boost to the region. Both Hackensack University Health Network and Seton Hall University look forward to building a world-class institution that will prepare future healthcare professionals to provide the best quality care and ultimately innovate the way healthcare is delivered in New Jersey.”

- Robert C. Garrett, President and CEO, Hackensack University Health Network, and Dr. A. Gabriel Esteban, President, Seton Hall University

Southern New Jersey also experienced a flurry of economic activity in 2015. At a job fair held in Pennsauken in September, the impact of the EOA was on full display as hundreds of new employees were sought from companies supported through the Grow NJ program. This includes lighting manufacturer Princeton Tec, expected to create 156 jobs at its new headquarters and assembly facility in Pennsauken.

In Atlantic County, Barrette Outdoor announced in October that it had moved into its new manufacturing facility in Galloway and was seeking to hire more than 250 people to fill the new positions that were material to their Grow NJ approval. Barrette was approved for tax credits of up to \$29.8 million to encourage the leading vinyl, wood and aluminum manufacturer to relocate to Galloway instead of consolidating its operations in Tennessee. The company’s new facilities are housed in the former Lenox plant, a 415,000-square-foot building that was vacant for more than a decade.

In addition to business attraction and retention, the EOA has also helped to advance projects that highlight the State’s commitment to higher education. The future Seton Hall-Hackensack School of Medicine, which will be the only private medical school in New Jersey, will be housed on the vacant former Roche corporate campus in Nutley and Clifton. The \$75 million project was approved in November for up to \$16.9 million in Grow NJ tax credits, and is expected to create more than 270 new jobs.

With the goal of bringing in the first class for fall 2017, the campus will hold roughly 500 medical students and faculty, in addition to an estimated 1,500 students and faculty associated with the nursing and health and medical sciences schools. The four-year medical school would serve as an anchor to the 119-acre site, drawing research and industry to the campus through collaborative partnership.



“The PRC Group wanted to work in partnership with the State, The College of New Jersey, and the community to create a vibrant retail and student housing center...we could not have done this work, at no financial cost to the College or State, without the 2009 Economic Stimulus Act allowing for private capital to be invested and form a Public Private Partnership.”

- Bob Kaye, CEO, The PRC Group

Other higher education projects include Campus Town, a new 12-acre, 278-square-foot residential, retail and office development on the campus of The College of New Jersey (TCNJ) in Ewing. Hailed as a model of collaboration, TCNJ partnered with The PRC Group on the mixed-use development, which celebrated its grand opening in August. The nearly \$85 million project was supported by a residential ERG of up to \$15.7 million, and was also approved by the EDA through the Higher Education Institution Public-Private Partnerships Program (P3). P3, overseen by EDA, permits a state or county college to enter into a private-public partnership allowing the private entity to assume full financial and administrative responsibility for an on-campus construction project as long as the college retains ownership of the land.

In Glassboro, the vast Rowan Boulevard project, a mixed-use development that will directly link Rowan University to the Borough’s downtown district, is moving forward. Supported with a residential ERG of up to \$22 million, 220 Rowan Boulevard celebrated a Topping Off ceremony in October. This phase of the project involves student housing, market-rate apartments, retail and office space, and parking. Rowan Boulevard was also supported under P3 and with tax-exempt and taxable bonds issued by the EDA.

Fueling Innovation in the Garden State



“Indiegrove is a space for entrepreneurs to focus and interact with like-minded individuals looking to grow their businesses and gain independence. We are thankful to the EDA for helping to make our expansion possible and look forward to accommodating even more members in the months and years ahead.”

- Indiegrove Founder Zahra Amanpour

Through continuous outreach, programs and events, the EDA sustained its efforts to grow New Jersey’s vibrant technology ecosystem in 2015. With a focus on providing a continuum of assistance to support the industry, the EDA’s diverse array of resources includes financing and tax credits, real estate and mentoring.

In January, EDA approved a \$175,000 loan to help co-working space Indiegrove nearly double its footprint in downtown Jersey City from 6,000 square feet to 10,268 square feet. For entrepreneurs and startup companies with limited cash flow, co-working spaces do not require members to sign long-term leases and foster mentoring networks for their members.

Another way the EDA helps increase available capital for growing technology companies is through its investment in venture funds. In 2015, the EDA approved a \$2.5 million limited partnership investment in Edison VIII, an Edison Partners venture fund that will invest in 20-25 growth stage technology businesses across four industry sectors: financial technology, healthcare information technology, marketing technology, and enterprise 2.0. The EDA invested in four previous Edison Partners funds from which a total of \$195.8 million was invested in 45 New Jersey-based technology companies.

In total, the EDA has committed \$40 million to 12 venture funds that have leveraged the EDA’s investments in New Jersey businesses by more than 62 times.



“The NOL funding, as well as the great programs and support we get from EDA, are, and will be, paramount to our success. The funding enables us to quicken the pace of our product enhancements and research and development by providing funding to expand our software development team. This leads to quicker revenue growth for the company.”

- Bob Gold, Gold Group Enterprises CEO

Growing companies can also take advantage of the State’s Technology Business Tax Credit Certificate Transfer (NOL) Program, which enables eligible technology and biotechnology companies to sell New Jersey tax losses and/or research and development tax credits to raise cash to finance their growth and operations.

Last year, the EDA approved 41 companies to share a total of \$47.4 million through the program. Since its inception in 1999, more than 500 businesses have been approved for awards totaling over \$860 million. Gold Group Enterprises, which uses its proprietary cloud-based software platform to help clients in a variety of industries expand their digital footprint, took advantage of the program in 2015. The company is based in Clark and has an office in Asbury Park.

The NOL program also supports companies like Akers Biosciences. Located in West Deptford, Akers Biosciences has spent over 25 years developing, manufacturing and supplying rapid screening and testing products -- known as “assays” -- designed to deliver quicker and more cost-effective healthcare data to healthcare providers and consumers. Berkeley Heights-based Edge Therapeutics, a biotechnology company that discovers, develops and seeks to commercialize novel hospital-based therapies capable of transforming treatment paradigms in the management of acute, life-threatening conditions, benefited from the NOL program last year and also received nearly \$2 million in investments under the State’s Angel Investor Tax Credit Program.

Signed into law by Governor Christie in 2013, the Angel Investor Tax Credit Program offers a 10 percent refundable tax credit against New Jersey corporation business or gross income tax for qualified investments in an emerging technology business with a physical presence in New Jersey and that conducts research, manufacturing, or technology commercialization in the state.



“Falling under the CCIT umbrella establishes an immediate sense of familiarity and reputation with our clients. As importantly, not only do we have state-of-the-art laboratories, we also have access to well-equipped conference rooms, friendly administrative staff, scientific resources such as autoclaves and other analytical instruments.”

Shridhar Kamat, Pharmaceutical Development Associate, Kamat Pharmatech

In 2015, the EDA approved 213 applications through the program, representing investment of more than \$50 million of private capital into developing technology and life sciences companies. Since the program’s inception, 422 applications have been approved for investments totaling more than \$125 million.

Taxis Pharmaceuticals, a producer of pharmaceuticals targeting multidrug-resistant bacterial infections, raised more than \$1.1 million as a result of the Angel Investor Tax Credit Program. A graduate of the EDA’s Commercialization Center for Innovative Technologies (CCIT), the growing company now rents larger space on the Technology Centre of New Jersey campus, also in North Brunswick.

Home to nearly two dozen seed-stage life sciences companies, CCIT offers its tenants affordable lab and office space, as well as a wealth of resources, including help identifying funding sources, educational sessions and networking opportunities. In 2015, CCIT welcomed two new tenants, Pre-D Partners and SunGen Pharma. Additionally, existing tenant companies PDS Biotechnology, Hudson BioPharma, Ascendia Pharmaceutical and Kamat Pharmatech all expanded their presence at the facility.

The EDA has launched several programs at CCIT in recent years to further enhance its support of the industry. This includes the Executives-in-Residence (EIR) Program, which commenced in February 2015 in collaboration with BioNJ. Designed for high-level biotechnology executives currently in transition, the program taps into the State’s broad life sciences talent pool and enables tenant companies to seek advice on a range of topics, including business development, commercialization, partnering and licensing, health economics, and reimbursement.



“Each potential investor gave us encouragement and we made a number of contacts, which are very valuable to us going forward.”

- Dr. Mary Potasek, Simphotek Co-founder and President

Businesses such as CCIT tenant VEESAG Mobile have taken advantage of the opportunity to meet one-on-one with advisors right in their building. VEESAG Mobile develops wearable technology aimed at helping people maintain their independence, remain healthier and live better. The company has also attended New Jersey Founders & Funders events held at CCIT. Hosted semi-annually, New Jersey Founders & Funders enables early-stage businesses to meet with potential investors in ten-minute, one-on-one “speed dating” sessions to discuss strategy, business models and funding opportunities. Four events held to date – including those held in March and October 2015 - have introduced more than 120 entrepreneurs to investors.

Along with the EIR Program and New Jersey Founders & Funders, CCIT also offers its tenants access to other educational and support opportunities such as “Lunch and Learns” and the “Meet with Money” series, during which investors and local enterprises speak about best practices in their industry. In 2015, nine investors and entrepreneurs came to speak to CCIT tenants through these two series.

For more established companies, the EDA offers Grow NJ, which was strengthened through the Economic Opportunity Act to offer enhanced benefits to companies in targeted industries, including technology, life sciences, energy and health. The Act also reduced the threshold to qualify for Grow NJ to as low as 10 fulltime jobs for technology startups and also lowered the minimum capital investment threshold for these emerging companies.



"Axtria's project keeps 100 jobs right where they belong, here in New Jersey, and brings with it an expected 75 additional positions. Attracting this type of job-creating investment is critical to success in today's 21st century innovation economy."

- Lt. Governor Kim Guadagno

In 2015, nearly \$200 million in Grow NJ tax credits were approved for companies in the greater technology industry, including Axtria Inc., which recently celebrated the opening of its newly expanded facility in Berkeley Heights. The big data and analytics firm, approved for up to \$3.65 million in tax credits, expects to create 75 new jobs and invest an estimated \$1.1 million to support its expansion.

The EDA also approved B Positive National Blood Services, LLC for Grow NJ tax credits of up to \$3.5 million in 2015 to encourage the life sciences firm to expand its operations in Glassboro over a location in Pennsylvania. If the South Jersey location is chosen, the company expects to create 65 new jobs and invest over \$1 million to renovate the space in accordance with Federal Drug Administration standards for a plasma collection site.

With the support of up to \$39.3 million in Grow NJ tax credits, Audible Inc. is creating a new engineering and development hub on James St. in Newark, just blocks from its Washington Street headquarters. The project, expected to create 350 new jobs, will leverage an estimated \$56.7 million of private investment. A subsidiary of Amazon.com, Audible is the world's largest seller and producer of downloadable audiobooks and other spoken-word information and entertainment.

Grow NJ is also helping to build on the cluster of technology and life sciences companies located in Mercer and Middlesex counties. Systech, a global technology leader in product safety and consumer and brand protection, is considering an expansion in Plainsboro with the support of up to \$11.7 million in approved Grow NJ tax credits. Start-up pharmaceutical technology company Adare Pharmaceuticals is considering Lawrence for its offices with the support of up to \$1.9 million in approved Grow NJ tax credits. Together, these companies would create an estimated 210 new jobs and leverage more than \$5.6 million of private investment.

Increasing Access to Capital

Who connected a N.J. manufacturer to funding for a new facility?

As a manufacturer of industrial hose products, Flexline is an expert in creating connections. When they wanted to expand, they turned to another expert in creating connections - the New Jersey Economic Development Authority (EDA). Through a loan backed by an EDA guarantee, Flexline was able to expand into a new facility in Kenilworth. We can do the same for you. Our loan participation, guarantee, line of credit guarantee, direct loan, and tax-exempt bond financing programs empower businesses of all sizes to reach their goals. So if your business needs to connect with capital, we're here for you.



To find out how the EDA can help your business access financing, call 609-858-6767 or visit NJEDA.com.



The EDA often partners with financial institutions, local organizations and other State agencies to help borrowers bridge financing gaps and increase their access to capital. This includes offering low-interest loans, bond financing, and support for micro-lenders to increase their lending capacity and the technical assistance and training services they offer.

To raise awareness of programs for small businesses, the EDA launched a print and digital marketing campaign in October. The campaign features the theme “EDA Was Here,” anecdotally showcasing how businesses have used the EDA’s financing programs to overcome challenges, meet their needs and grow. The campaign includes print ads in various New Jersey business publications, as well as search engine marketing and digital display ads on various business websites.

Union County manufacturer Flexline is currently featured in publications throughout the State as part of the campaign. Flexline was approved for a \$1.35 million PNC Bank loan through the Premier Lender Program, backed by a 25 percent EDA guarantee. The loan supported the acquisition of a commercial building to house the company’s operations in Kenilworth. The Premier Lender Program lowers the cost of borrowing for small businesses through the EDA’s alliance with commercial banking partners.

Carton Brewing in Atlantic Highlands received lines of credit from Provident Bank totaling \$2.29 million, with a 50 percent EDA guarantee. The brewery, which samples beer on-premise and self-distributes to over 350 bars, restaurants and liquor stores, will use the financing to expand its business, including the purchase of equipment and the acquisition of an adjacent building.



"It's important to us to continue doing what we do in our neighborhood and we appreciate the support of the State, Provident Bank, and our customers as we grow."

- Augie Carton, Carton Brewing

The EDA also offers direct loans through the Small Business Fund. Habitat for Humanity of Burlington County received a loan to purchase the building it had been leasing in Maple Shade since 2014. Prior to that, the entity's corporate offices and "ReStore" operations had been located in Cinnaminson. The move to Maple Shade was driven by the goal of expanding, and attracting more customers to the "ReStore," which sells donated, secondhand items to raise money for the organization.



"The financing the EDA provided has helped us to settle into a more permanent home and build lasting relationships with volunteers and other stakeholders."

- John Garton, Controller, Habitat for Humanity of Burlington County



“Tri-Power’s client base consists of biomedical, pharmaceutical and aerospace clients, mostly in the Northeast, so Denville is an ideal location. It was important to us to invest in the community, our employees’ workplace and in the future of NJ where we have built our business and grown our client base; and the State’s support was instrumental in making that happen.”

- Robert Mastice, Managing Director/Co-Owner, Tri-Power

The Small Business Fund requires that a business be in operation for at least one full year. Not-for-profit corporations that have been operating for at least three full years may also be eligible.

Morris County-based Tri-Power Consulting also received a loan through the Small Business Fund. Tri-Power used their funding to help establish a permanent home in Denville. The engineering, design, manufacturing and consulting business was established in 1996 and works with a diverse range of Fortune 500 leaders.

Through the New Jersey Advantage Program, a partnership with TD Bank, family-owned Aldo Design Group closed on both a line of credit for working capital, and a loan to refinance an existing mortgage. The Carteret-based company is a leading flooring and interior products resource for retail and commercial customers and homebuilders of all sizes.

The New Jersey Advantage Program provides financing to creditworthy New Jersey businesses committed to job creation and retention. The program offers loans and lines of credit financed by TD Bank up to \$5 million, with an EDA guarantee of up to 50 percent. Companies benefit from optional fixed or variable below-market interest rates.



“The financing provided by the New Jersey Advantage Program will improve our cash flow, allowing us to invest more in growing our business and finding even more ways to be the best resource we can to our clients.”

- Albert Benavides, President, Aldo Design Group

Beyond the support of its lending programs, the EDA offers affordable bond financing solutions to credit-worthy manufacturing companies seeking financing for capital improvements and expansions. EDA provides a link from Main Street to Wall Street for small and mid-sized manufacturers in New Jersey, as well as not-for-profit organizations, giving them access to capital they may not be able to obtain on their own and enabling them to borrow money at a lower cost.

Tax-exempt bonds for manufacturing companies can be used for real estate acquisitions, new equipment, machinery, building construction, and renovations. Tax-exempt bonds for not-for-profit organizations seeking capital to expand community services can be used to finance land and building acquisitions, new construction and renovations, equipment purchases, debt refinancing and working capital.

In the manufacturing sector, Frederick Goldman, Inc. took advantage of the longer terms and lower costs associated with bonds issued by the EDA. The jewelry manufacturer closed on \$7.5 million in tax-exempt bonds to purchase a new facility in Secaucus for its operations. The bonds were directly purchased by Investors Savings Bank and will help the company acquire and renovate the 88,000-square-foot building. The company was also approved by the EDA for tax credits through Grow NJ to encourage the company’s relocation to New Jersey and the creation of over 250 new jobs.

Not-for-profit organization Hudson Community Enterprises, Inc. closed on a \$1.5 million tax-exempt bond, directly purchased by The Provident Bank, to refinance conventional debt and acquire machinery and equipment. Established in 1957, the Jersey City-based organization has business operations throughout New Jersey and offers a range of education, training, and employment opportunities for youth with disabilities exiting school, adults with disabilities in its vocational rehabilitation programs, as well as community residents facing other barriers to employment.



“Our goal is to provide valuable resources to people who are looking to start new careers. The capital from GNEC has helped us to pay rent and purchase equipment, which enabled us to operate and have revenue coming in sooner than we would have without GNEC’s help.

- Suresh V. Sagi, M.D., President, AAHSC

In addition to bank partners, EDA makes capital available to financial intermediary organizations that can effectively reach small businesses in local markets, including micro-lenders and Community Development Financial Organizations (CDFIs). These organizations have the ability to offer term loans and lines of credit to micro-enterprises and small companies not qualified for traditional bank financing, extending the state’s reach to underserved communities and businesses.

Since 2010, the EDA has provided a total of \$4.2 million to CDFIs through its Loans to Lenders Program, including UCEDC, Greater Newark Enterprises Corporation (GNEC) and New Jersey Community Capital (NJCC).

The EDA and GNEC visited the Academy of Allied Health Sciences (AAHSC) in Newark in August. The full-time health sciences school received a \$25,000 working capital loan. Housed in a state-of-the-art 5,200-square-foot facility, AAHSC’s mission is to provide students, many of whom are low income, disadvantaged and displaced workers, with the skills needed for a career in allied healthcare. AAHSC also features a scholarship program for military spouses. The school boasts a near perfect graduate job placement record.

Earlier in the summer, the EDA and NJCC visited Parlor Gallery in Asbury Park, a woman-owned, gallery which received a \$20,000 working capital loan from NJCC. Parlor Gallery, which has a staff of four, used the working capital loan to support the creation of marketing materials and other operating costs.



“The support EDA and NJCC provided has helped us build our client base and raise awareness of events and exhibits at the gallery. It’s exciting to see our vision of educating and advising collectors coming to life.”

- Jenn Hampton, Director/Curator, Parlor Gallery

In addition to financing, the EDA has also established a strategic partnership with UCEDC to increase the array of training and technical assistance services available to entrepreneurs and small businesses in the State. UCEDC offers a wide variety of free and low-cost training workshops, including a series of courses that help develop financial and business literacy for business owners at all stages of maturation and a comprehensive program that walks entrepreneurs through all aspects of starting a business, culminating in the development of a business plan. UCEDC also offers a range of financing vehicles.

In 2015, UCEDC trained or mentored more than 1,900 entrepreneurs, conducted 97 business training workshops, and provided \$1.4 million in loans to 65 small businesses, 69 percent of which were minority- or woman-owned enterprises.

Raquel Gonzalez of Jersey City found the expert business advice she and her husband Joe needed to build their commercial farming business when she enrolled in a recent UCEDC Entrepreneurship 101 training program. During the six-week program, she learned how to realistically assess her business concept and assumptions and determine if she was personally ready for small business ownership. Raquel’s business, Lonchando Farms, will produce fresh vegetables, herbs and leafy greens, such as lettuce, spinach and micro greens. With a rapidly growing “foodie” scene in Jersey City, Raquel believes she’ll have plenty of customers interested in these crops.

A statewide organization, UCEDC has established a presence in Camden and Asbury Park to enable local entrepreneurs, businesses, and students to benefit from its programs. Also in 2015, UCEDC entered into a partnership with the City of Atlantic City, establishing another satellite location for entrepreneurial counseling and training.



“With a Biology degree and a research background, I had no real grounding in marketing, finance, business planning etc. This course taught me step by step how to develop my business plan...and I love the ongoing relationship that I have with the staff of UCEDC - I can reach out to them for any questions I might have.”

- Raquel Gonzalez, Founder, Lonchando Farms

Rebuilding and Resilience Efforts Continue



“Booth Movers survived, thanks, in part to our Stronger NJ Business Grant. Revenue has increased by at least 10 percent each year since the storm.”

- Adam Padla, Vice President, Booth Movers

EDA continued its support of the State’s rebuilding and resiliency efforts in 2015, approving over 175 businesses for more than \$27.6 million in Stronger NJ Business grants and loans.

In October, the State marked the third anniversary of Superstorm Sandy, with State officials commemorating the milestone by hosting a roundtable with local business owners at Booth Movers in Moonachie. At the time of the storm, 18 inches of water poured into the company's offices and two warehouses. Flood waters destroyed customers' possessions, office furniture and equipment.

Irvington-based Primo Baby is a family-owned manufacturer of baby care products which are sold at ToysRUS, Buy Buy Baby and Amazon. The company’s buildings sustained major wind damage during the storm. According to Paulette Zazzara, President, Primo Baby, “We have been in business in this area for 68 years, and Sandy was by far the most disruptive event we have experienced. The Stronger NJ Business Grant Program has helped us stay on track so we can continue being a valuable resource for our high-profile customers.”

Dr. Celeste Kunz, a horse veterinarian in Millstone, was approved for a Stronger NJ Business Grant in 2015 to support working capital needs following extensive equipment and structural repairs after damage from hurricane-force winds during Superstorm Sandy. Included were repairs to a highly-specialized equine hyperbaric chamber.



“Recovering from the storm created some unexpected cash flow challenges. The Stronger NJ Business Grant has helped me to maintain the high standard of care I strive for.”
- Dr. Celeste Kunz, Equine Veterinarian, Millstone

Other Stronger NJ Business assistance approved in 2015 includes grants for Jamaican Me Crazy, a variety store in Margate; Girasole Restaurant and Lounge in Atlantic City; and Compound Engineering Solutions in Clifton. Businesses approved for loans in 2015 included Atlas Refinery in Newark; Barnacle Bill’s Amusements in North Ortlely; and Gateway Marina in Highlands.

Through the Neighborhood and Community Revitalization (NCR) Program, many of the 35 approved projects achieved milestones in 2015. Berry Lane Park in Jersey City was supported by an NCR Development and Public Improvement grant of \$5 million. The 17-acre park has newly constructed ball fields, courts, tree planting, landscaping, paths and other amenities, and is designed to return storm waters to mitigate flooding.



“Bringing back activity that increases the value of a community is good for our health and great for local economies, and what makes that possible is working together. We are proud to support Jersey City in cleaning up and transforming this property into the largest municipally owned and operated park in the city.”

- Gina McCarthy, Administrator, Environmental Protection Agency

As part of the EDA's efforts to improve resilience in the State, the \$7 million Retail Fuel Station (RFS) grant program allowed retail fuel stations to develop faster and more reliable access to back-up power during an energy emergency. All retail fuel stations statewide with a minimum gasoline capacity of 18,000 gallons were eligible to apply before the March 2015 deadline. When the program first launched in December 2013, it was limited to those stations in close proximity to evacuation routes with minimum gasoline storage capacity of 30,000 gallons. Eligibility was expanded in January 2015 to stations statewide that met minimum fuel storage requirements. The voluntary program is funded through the federal Hazard Mitigation Grant Program.

Fifty-eight of the 134 stations approved by the EDA have installed their back-up systems. Of those, 32 are through permanent generators and 26 are quick connect systems. To date, \$4.16 million has been allocated to 134 total applicants. As a reimbursement program, funds are not disbursed until completion of all required inspections, installation, and submission of all required documentation.

EDA Executive Team



Melissa Orsen
Chief Executive Officer



Timothy J. Lizura
President & Chief Operating Officer



Maureen Hassett
*Senior Vice President,
Governance,
Communications &
Strategic Initiatives*



Frederick J. Cole
*Senior Vice President,
Operations*



Lori Matheus
*Senior Vice President,
Finance & Development*

EDA Board Members

Chairman

Alfred C. Koeppe
Former CEO, Newark Alliance
Former President & COO, PSEG
Former CEO, Bell Atlantic-New Jersey

Vice Chairman

Joseph A. McNamara
Director, Laborers-Employers Cooperation
and Education Trust & Health & Safety

Ex-Officio Members

Richard J. Badolato
Acting Commissioner, New Jersey
Department of Banking & Insurance

Bob Martin
Commissioner, New Jersey Department of
Environmental Protection

Ford M. Scudder
Acting State Treasurer

Harold J. Wirths
Commissioner, New Jersey Department of
Labor & Workforce Development

Public Members

Philip B. Alagia
Essex County Chief of Staff

Laurence M. Downes
Chairman and CEO, New Jersey Resources

Fred. B. Dumont
Business Manager, Heat & Frost Insulators
and Allied Workers Local 89
Vice President, New Jersey State Building and
Construction Trades Council

Massiel Medina Ferrara
Planning Director, County of Hudson

David R. Huber
SVP & CFO, Horizon Blue Cross Blue Shield of
NJ

Charles H. Sarlo, Esq.
Law Office/VP and General Counsel, DMR
Architects

Alternate Public Members

William J. Albanese, Sr.
General Manager, A&A Industrial Piping Inc.

Patrick R. Delle Cava
Business Manager, International Brotherhood
of Electrical Workers, Local 102

Harold Imperatore
Proprietor, The Bernards Inn

Nonvoting Member

Rodney Sadler
Economic Recovery Board for Camden

Certifications Pursuant to E.O. 37

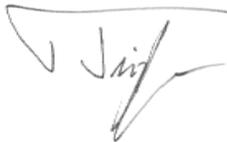
June 14, 2016

In accordance with Executive Order No. 37, the New Jersey Economic Development Authority's 2015 Annual Report also serves as the comprehensive report of the Authority's operations. This report highlights the significant action of the Authority for the year, including the degree of success the EDA had in promoting the State's economic growth strategies and other policies.

The report of independent auditors, Ernst & Young, dated May 31, 2016, is attached and completes the EDA's requirements concerning the preparation of a comprehensive report required by Executive Order No. 37.

I, Tim Lizura, certify that during 2015, the Authority has, to the best of my knowledge, followed all of the Authority's standards, procedures and internal controls.

I further certify that the financial information provided to the auditor in connection with the audit is, to the best of my knowledge, accurate and that such information, to the best of my knowledge, fairly represents the financial condition and operational results of the Authority for the year in question.



Timothy J. Lizura
EDA President & COO

I, Richard LoCascio, certify that the financial information provided to the auditor in connection with the audit is, to the best of my knowledge, accurate and that such information, to the best of my knowledge, fairly represents the financial condition and operational results of the Authority for the year in question.



Richard LoCascio, CPA
Controller

FINANCIAL STATEMENTS

New Jersey Economic Development Authority
Years Ended December 31, 2015 and 2014
With Report of Independent Auditors

Ernst & Young LLP



Building a better
working world

New Jersey Economic Development Authority

Financial Statements

Years Ended December 31, 2015 and 2014

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Report of Independent Auditors

Management and Members of the Authority
New Jersey Economic Development Authority

We have audited the accompanying basic financial statements of the New Jersey Economic Development Authority (the “Authority”), a component unit of the State of New Jersey, as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Authority’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in 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.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2015 and 2014, and the changes in its financial position and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Change in Method of Accounting for Pensions

As discussed in Note 2 to the financial statements, the Authority changed its method for accounting and financial reporting of pensions as a result of the adoption of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27* and Governmental Accounting Standards Board Statement No. 71, *Pension Transition for Contributions Made Subsequent To the Measurement Date – an Amendment of GASB Statement No. 68*, both effective January 1, 2014. Our opinion is not modified with respect to this matter.

Required Supplementary Information

U.S. generally accepted accounting principles require that management’s discussion and analysis, the schedule of funding progress of the postemployment healthcare plan, the schedule of the Authority’s proportionate share of the net pension liability and the schedule of the Authority’s contributions to the Public Employees’ Retirement System (PERS) as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Ernst + Young LLP

May 31, 2016

New Jersey Economic Development Authority
(a component unit of the State of New Jersey)

Management's Discussion and Analysis

Years Ended December 31, 2015 and 2014

This section of the New Jersey Economic Development Authority's ("Authority" or "NJEDA") annual financial report presents management's discussion and analysis of the Authority's financial performance during the fiscal years ended on December 31, 2015 and 2014. Please read it in conjunction with the Authority's financial statements and accompanying notes.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual financial report consists of three parts: Management's Discussion and Analysis, the basic financial statements, and required supplementary information. The Authority is a self-supporting entity and follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short- and long-term financial information about the activities and operations of the Authority. These statements are presented in a manner similar to a private business engaged in such activities as real estate development, investment banking, commercial lending, construction management and consultation. While detailed sub-fund information is not presented, separate accounts are maintained for each program or project to control and manage money for particular purposes or to demonstrate that the Authority is properly using specific appropriations, grants and bond proceeds.

2015 FINANCIAL HIGHLIGHTS

- The Authority's total net position increased \$13.6 million (or 2.7%).
- The net pension liability increased \$20.1 million (or 70.3%) due to a change in the Authority's proportion of the State of New Jersey's net pension liability.
- Finance fees increased \$4.0 million (or 44.4%) due to increased activity in specific incentive-based programs offered by the Authority.
- Other revenue increased \$7.4 million (or 99.9%) due largely to distributions received from venture fund investments in which the Authority is a limited partner.
- Salaries and Benefits expenses increased \$12.4 million (or 55.6%) due to additional contributions made to the employee Post Employment Benefit Trust in order to fully fund the obligation and the increase in pension expense per the Schedules of Employer Allocations and Schedules of Pension Amounts by Employer received from the State.

- Federal and state appropriations, net of all program payments, increased \$20.6 million (or 476.1%) due largely to additional CDBG-Disaster Recovery funding received for the Stronger NJ Business programs.

2014 FINANCIAL HIGHLIGHTS

- As the result of a restatement due to the implementation of GASB 68/71 as of January 1, 2014, non-current liabilities increased \$28.6 million due to recognition of the Authority's share of the State of New Jersey's net pension liability.

FINANCIAL ANALYSIS OF THE AUTHORITY

Net Position. The following table summarizes the changes in Net Position at December 31, 2015, 2014 and 2013:

	2015*	2014*	2013*	Current Year % Increase/ (Decrease)	Prior Year % Increase/ (Decrease)
	<i>(As Restated)</i>				
Assets:					
Other assets	\$ 490,368,781	\$ 474,260,875	\$ 524,015,191	3.4%	(9.5)%
Capital assets, net	86,152,710	91,371,783	84,474,935	(5.7)%	8.2%
Total assets	576,521,491	565,632,658	608,490,126	1.9%	(7.0)%
Deferred outflows of resources:					
Accumulated decrease in fair value of hedging derivatives	-	-	1,115,345	-	(100.0)%
Deferred outflow related to pension	18,728,245	2,482,701	-	654.3%	-
Liabilities:					
Pension payable	1,866,720	1,260,522	-	48.1%	100.0%
Long-term debt	57,381,589	38,316,585	41,636,457	49.8%	(8.0)%
Other liabilities	21,621,325	26,839,046	31,846,016	(19.4)%	(15.7)%
Total liabilities	80,869,634	66,416,153	73,482,473	21.8%	(9.6)%
Deferred inflows of resources:					
Accumulated decrease in fair value of hedging derivatives	-	-	1,115,345	-	(100.0)%
Deferred inflow related to pension	783,660	1,706,067	-	(54.1)%	100.0%
Net position:					
Net investment in capital assets	82,856,031	87,235,047	46,874,681	(5.0)%	86.1%
Restricted	22,583,026	22,420,545	22,388,440	0.7%	0.1%
Unrestricted	408,157,385	390,337,547	465,744,532	4.6%	(16.2)%
Total net position	\$ 513,596,442	\$ 499,993,139	\$ 535,007,653	2.7%	(6.5)%

*Includes blended component unit, (refer to Note 1)

During 2015, the Authority's combined net position increased \$13.6 million (or 2.7%) due to:

\$ 10.8	Million	Petroleum Underground Storage Tank ("PUST") grant award payments and loan disbursements
\$ 9.6	Million	Hazardous Discharge Site Remediation Fund ("HDSRF") disbursements
\$ 2.5	Million	Municipal Economic Recovery Initiative grant award payments
\$ (33.8)	Million	Net receipts from CDBG-Disaster Recovery funds for the Stronger NJ Business programs.
\$ (2.7)	Million	Net receipts from the State relating to Other Programs

During 2014, the Authority's combined net position decreased \$35.0 million (or 6.5%) due to:

\$ 10.5	Million	Petroleum Underground Storage Tank ("PUST") grant award payments and loan disbursements
\$ 8.3	Million	Hazardous Discharge Site Remediation Fund ("HDSRF") disbursements
\$ 11.3	Million	Municipal Economic Recovery Initiative grant award payments
\$ (24.2)	Million	Net receipts from the State relating to Other Programs
\$ 29.1	Million	Recognition of pension liability for Authority employees

Operating Activities. The Authority charges financing fees that may include an application fee, commitment fee, closing fee, document execution fee and an annual servicing fee. The Authority also charges an agency fee for the administration of financial programs for various government agencies; a program service fee for the administration of Authority programs that are service-provider based, rather than based on the exchange of assets such as the commercial lending program; and a real estate development fee for real estate activities undertaken on behalf of governmental entities and commercial enterprises. The Authority may also generate a return on investments in venture capital funds which invest, in whole or in part, in New Jersey based businesses. Interest income on investments, notes and intergovernmental obligations is recognized as earned. Grant revenue is earned when the Authority has complied with the terms and conditions of the grant agreements. The Authority also earns income from operating leases and interest income on lease revenue from capital lease financings. Late fees are charged to borrowers delinquent in their monthly loan payments. All forms of revenue accrue to the benefit of the program for which the underlying source of funds is utilized. The Authority considers all activity to be operating activities, except as described in the following section.

Non-Operating Activities. The Authority earns interest on idle cash and investments, and may derive income from the sale of capital assets, as well as the receipt of state and federal appropriations which are used to administer specific programs on behalf of the State of New Jersey, and which directly benefit New Jersey based businesses. The Authority considers this activity to be non-operating in nature.

The following table summarizes the changes in operating and non-operating activities between fiscal years 2015, 2014 and 2013:

	2015*	2014*	2013*	Current Year % Increase/ (Decrease)	Prior Year % Increase/ (Decrease)
	<i>(As Restated)</i>				
Operating revenues:					
Financing fees	\$ 13,117,822	\$ 9,086,134	\$ 6,760,175	44.4%	34.4%
Lease revenue	11,066,759	13,986,329	10,960,188	(20.9)%	27.6%
Interest income:					
Notes	5,014,739	5,463,086	5,626,492	(8.2)%	(2.9)%
Other	14,847,756	7,426,396	20,670,318	99.9%	(64.1)%
Total operating revenues	<u>44,047,076</u>	<u>35,961,945</u>	<u>44,017,173</u>	22.5%	(18.3)%
Operating expenses:					
Administrative expenses	39,647,125	28,477,801	21,134,052	39.2%	34.7%
Interest expense	346,079	1,804,038	1,508,847	(80.8)%	19.6%
Depreciation	6,616,729	8,376,241	6,618,900	(21.0)%	26.6%
Loss provisions – net	2,134,193	5,620,945	5,611,132	(62.0)%	0.2%
Program costs	7,950,955	6,626,109	7,390,962	20.0%	(10.3)%
Total operating expenses	<u>56,695,081</u>	<u>50,905,134</u>	<u>42,263,893</u>	11.4%	20.4%
Operating (loss) income	<u>(12,648,005)</u>	<u>(14,943,189)</u>	<u>1,753,280</u>	(15.4)%	(952.3)%
Nonoperating revenues and (expenses):					
Interest income – investments	1,696,602	1,919,165	2,413,709	(11.6)%	(20.5)%
State appropriations	14,069,332	12,906,993	11,591,125	9.0%	11.4%
Program payments	(38,263,793)	(73,704,320)	(53,117,614)	(48.1)%	38.8%
Federal appropriations	49,170,712	65,133,093	9,304,316	(24.5)%	600.0%
Gain on sale of assets	–	22,353,371	–	(100.0)%	100.0%
Other expense	(421,545)	(274,074)	(735,139)	(53.8)%	(62.7)%
Total nonoperating revenues and (expenses), net	<u>26,251,308</u>	<u>28,334,228</u>	<u>(30,543,603)</u>	(7.4)%	(192.8)%
Income (loss) before special item	13,603,303	13,391,039	(28,790,323)	1.6%	(146.5)%
Technology Centre Cost- adjustment	–	(19,569,699)	–	(100.0)%	100.0%
Change in net position	<u>13,603,303</u>	<u>(6,178,660)</u>	<u>(28,790,323)</u>	320.2%	(78.5)%
Beginning net position	<u>499,993,139**</u>	<u>506,171,799**</u>	<u>563,797,976</u>		
Ending net position	<u>\$ 513,596,442</u>	<u>\$ 499,993,139</u>	<u>\$ 535,007,653</u>		

*Includes blended component unit, (Refer to Note 1)

**Restated for GASB 68/71

Operating Revenues

In 2015, the Authority's operating revenues were positively impacted by a \$4.0 million increase in financing fees, led by increased activity in the bond and incentive programs over the prior year. Other operating revenues were favorably impacted by the receipt of \$7.0 million in venture fund distributions and warrants resulting from the Authority's capital investments. Overall operating revenues increased by \$8.1 million.

Operating Expenses

In 2015, total operating expenses increased by \$5.8 million due largely to an increase of \$8.8 million in salary and benefits as a result of the Authority making additional contributions to its employee Post Employment Benefit Trust and \$3.6 million in additional pension expense pursuant to GASB 68, offset by a decrease of \$3.5 million in loss provision expenses, related to the paydown of notes in the loan portfolio, as well as a decrease of \$1.8 million in depreciation expense related to the sale of property the previous December. The \$8.8 million increase in 2014, was mainly attributable to an increase in administrative expenses of \$7.5 million largely related to additional staff needed to administer the Stronger NJ Business programs.

Non-Operating Revenues and Expenses – net

In 2015, non-operating revenues and expenses – net, decreased by \$2.1 million and increased by \$58.9 million in 2014. This was partly due to the fluctuation in Federal and State appropriations offset by program payments. In 2014, the Authority received \$65.1 million in Federal appropriations due to additional CDBG-Disaster Recovery funding received for the Stronger NJ Business programs. In addition, on January 30, 2014 the Authority and Camden Urban Renewal Limited Partnership (“CCURLP”) entered into a sale agreement with Cooper’s Ferry Partnership (“Cooper’s”) to sell the CCURLP building and the Authority’s land. The gain on the sale of the land and building amounted to \$22.4 million, which was a one-time revenue source in 2014.

Allowance for Credit Losses

The Authority has aligned its allowance policy to that practiced in the financial services industry. Allowances for doubtful notes and guarantee payments are determined in accordance with guidelines established by the Office of the Comptroller of the Currency. The Authority accounts for its potential loss exposure through the use of risk ratings. These specifically assigned risk ratings are updated to account for changes in financial condition of the borrower or guarantor, delinquent payment history, loan covenant violations, and changing economic conditions.

The assigned risk rating classifications are consistent with the ratings used by the Office of the Comptroller of the Currency. Each risk rating is assigned a specific loss factor in accordance with the severity of the classification. Each month an analysis is prepared using the current loan balances, existing exposure on guarantees, and the assigned risk rating to determine the adequacy of the reserve. Any adjustments needed to adequately provide for potential credit losses (recoveries) are reported as a Loss Provision (Recovery).

The following table summarizes the Loan Allowance activity for the end of the period from December 31, 2013 through December 31, 2015:

December 31, 2013		
Allowance for loan losses	\$ 23,372,283	
Accrued guarantee losses	<u>2,276,336</u>	
Total allowance		25,648,619
2014 Provision for credit losses-net	4,444,521	
2014 Write-offs	<u>(8,823,647)</u>	<u>(4,379,126)</u>
December 31, 2014		
Allowance for loan losses	18,716,964	
Accrued guarantee losses	<u>2,552,529</u>	
Total allowance		21,269,493
2015 Provision for credit losses-net	6,807,325	
2015 Write-offs	<u>(2,503,606)</u>	<u>4,303,719</u>
December 31, 2015		
Allowance for loan losses	24,190,532	
Accrued guarantee losses	<u>1,382,681</u>	
Total allowance		<u>\$ 25,573,213</u>

The Authority's write-down and Loan Loss Reserve policies closely align with the reporting requirements of the banking industry. When management determines that the probability of collection is less than 50% of the remaining balance, it is the policy to assign a Loss rating to the account. For an account rated as Loss, a loss provision is recognized for the entire loan balance.

Loans are written-off against the Loss Allowance when it is determined that the probability of collection within the near term is remote. The recognition of a loss does not automatically release the borrower from the obligation to pay the debt. Should the borrower, guarantors, or collateral position improve in the future, any and all steps necessary to preserve the right to collect these obligations will be taken.

Aggregate gross loan and guarantee exposure at December 31, 2015, was \$210,087,421, of which \$188,481,219 or 89.7% is for loans and \$21,606,202 for issued loan guarantees.

Aggregate gross loan and guarantee exposure at December 31, 2014, was \$176,569,291, of which \$155,745,493 or 88.2% is for loans and \$20,823,798 for issued loan guarantees.

At December 31, 2015 the Authority maintained a Credit Loss Allowance of \$25,573,213 or 12.2% of total exposure to cover potential losses in the loan and guaranty portfolio. Total write-offs for the year ended December 31, 2015, were \$2,503,606 or 1.2% of the loan and guaranty exposure.

At December 31, 2014 the Authority maintained a Credit Loss Allowance of \$21,269,493 or 12.1% of total exposure to cover potential losses in the loan and guaranty portfolio. Total write-offs for the year ended December 31, 2014, were \$8,823,647 or 5.0% of the loan and guaranty exposure.

The 2015 Loss Provisions – Net, of \$1.3 million, are related to the following detailed information:

\$ 6,807,325 Loan and Guarantee Program activity
 \$ (5,463,681) Authority’s share in Venture Capital Funds and Capital Investments

The 2014 Loss Provisions – Net, of \$5.5 million, are related to the following detailed information:

\$ 5,022,757 Loan and Guarantee Program activity
 \$ 500,688 Authority’s share in Venture Capital Funds and Capital Investments

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The Authority independently, or in cooperation with a private or governmental entity, acquires, invests in and/or develops vacant industrial sites, existing facilities, unimproved land, equipment and other real estate for private or governmental use. Sites developed and equipment purchased for private use are marketed or leased to businesses that will create new job opportunities and tax ratables for the municipalities. Sites are developed for governmental use for a fee and also may be leased to the State or State entities. For the majority of these leases, future minimum lease rental payments are equal to the debt service payments related to the bonds or notes issued for the applicable property.

The following table summarizes the change in Capital Assets-Net between fiscal year 2015, 2014 and 2013:

	2015	2014	2013	Current Year % Increase/ (Decrease)	Prior Year % Increase/ (Decrease)
Land	\$ 28,983,065	\$ 27,582,065	\$ 23,382,313	5.1%	18.0%
Construction in progress	–	3,345	1,310	(100)%	155.3%
Total nondepreciable capital assets	<u>28,983,065</u>	<u>27,585,410</u>	<u>23,383,623</u>	5.1%	18.0%
Building	98,343,729	98,343,729	97,364,839	0.0%	1.0%
Leasehold improvements	47,195,145	47,195,145	36,859,763	0.0%	28.0%
Total depreciable capital assets	<u>145,538,874</u>	<u>145,538,874</u>	<u>134,224,602</u>	0.0%	8.4%
Less accumulated depreciation	<u>(88,369,229)</u>	<u>(81,752,501)</u>	<u>(73,133,290)</u>	8.1%	11.8%
Capital assets – net	<u>\$ 86,152,710</u>	<u>\$ 91,371,783</u>	<u>\$ 84,474,935</u>	(5.7)%	8.2%

More detailed information about the Authority’s capital assets is presented in the Notes to the financial statements.

Capital Debt. At year end, the Authority had \$9,296,679 of gross note principal outstanding; a net decrease of 8.3%, due to the paydown of notes related to property in the City of Camden. More detailed information about the Authority’s capital debt is presented in the Notes to the financial statements.

The following table summarizes the changes in capital debt between fiscal year 2015, 2014 and 2013:

	2015	2014	2013	Current Year % Increase/ (Decrease)	Prior Year % Increase/ (Decrease)
Bonds payable – gross	\$ –	\$ –	\$ 32,765,000	0.0%	(100.0)%
Notes payable	<u>9,296,679</u>	<u>10,136,737</u>	<u>10,835,254</u>	(8.3)%	(6.4)%
Total bonds and notes payable	<u>\$ 9,296,679</u>	<u>\$ 10,136,737</u>	<u>\$ 43,600,254</u>	(8.3)%	(76.8)%

CONTACTING THE AUTHORITY’S FINANCIAL MANAGEMENT

This financial report is designed to provide New Jersey citizens, and our customers, clients, investors and creditors, with a general overview of the Authority’s finances and to demonstrate the Authority’s accountability for the appropriations and grants that it receives. If you have questions about this report or need additional information, contact Customer Care at (609) 858-6700, CustomerCare@njeda.com, NJEDA, P.O. Box 990, Trenton, NJ 08625-0990, or visit our web site at: www.njeda.com.

New Jersey Economic Development Authority
(a component unit of the State of New Jersey)

Statements of Net Position

	December 31	
	2015	2014
	<i>(As Restated)</i>	
Assets		
Current assets:		
Cash and cash equivalents – restricted	\$ 55,442,717	\$ 66,394,747
Cash and cash equivalents – unrestricted	19,471,146	33,288,119
Investments	73,269,694	57,764,007
Receivables:		
Notes	9,743,356	14,591,440
Accrued interest on notes	228,181	437,757
Accrued interest on investments	589,301	499,617
Intergovernmental	–	48,612
Leases	100,000	100,000
Other receivables	4,149,514	5,664,807
Total receivables	14,810,352	21,342,233
Prepays and other current assets	694,686	772,988
Total current assets	163,688,595	179,562,094
Noncurrent assets		
Investments – restricted	–	4,173,586
Investments – unrestricted	152,238,443	144,758,640
Capital investments – unrestricted	7,946,808	11,737,271
Receivables:		
Notes	178,737,863	141,154,053
Accrued interest on notes	5,088,888	4,574,830
Unamortized discount	(663,451)	(494,224)
Total notes receivables	183,163,300	145,234,659
Allowance for doubtful notes and guarantees	(24,190,532)	(18,716,964)
Net notes receivable	158,972,768	126,517,695
Leases receivable, net	6,753,033	6,734,019
Total receivables	165,725,801	133,251,714
Prepays and other noncurrent assets	769,134	777,570
Nondepreciable capital assets	28,983,065	27,585,410
Depreciable capital assets, net	57,169,645	63,786,373
Total capital assets, net	86,152,710	91,371,783
Total noncurrent assets	412,832,896	386,070,564
Total assets	576,521,491	565,632,658
Deferred outflows of resources		
Deferred outflows from pension	18,728,245	2,482,701

New Jersey Economic Development Authority
(a component unit of the State of New Jersey)

Statements of Net Position (continued)

	December 31	
	2015	2014
	<i>(As Restated)</i>	
Liabilities		
Current liabilities:		
Accrued liabilities	\$ 3,626,762	\$ 3,571,463
Pension payable	1,866,720	1,260,522
Unearned lease revenues	1,548,494	1,367,914
Deposits	4,331,297	7,701,094
Notes payable	656,015	448,042
Accrued interest payable	64,521	132,601
Total current liabilities	12,093,809	14,481,636
Noncurrent liabilities		
Net pension liability	48,740,925	28,627,890
Notes payable	8,640,664	9,688,695
Unearned lease revenues	10,011,555	11,065,403
Accrued guarantee losses	1,382,681	2,552,529
Total noncurrent liabilities	68,775,825	51,934,517
Total liabilities	80,869,634	66,416,153
Deferred inflows of resources		
Deferred inflows from pension	783,660	1,706,067
Net position		
Net investment in capital assets	82,856,031	87,235,047
Restricted by Federal agreement	22,583,026	22,420,545
Unrestricted	408,157,385	390,337,547
Total net position	\$ 513,596,442	\$ 499,993,139

See accompanying notes.

New Jersey Economic Development Authority
(a component unit of the State of New Jersey)

Statements of Revenues, Expenses and Changes in Net Position

	Year Ended December 31	
	2015	2014
	<i>(As Restated)</i>	
Operating revenues		
Financing fees	\$ 13,117,822	\$ 9,086,134
Interest income – notes	5,014,739	5,463,086
Financing lease revenue	119,014	119,014
Operating lease revenue	10,947,745	13,867,315
Agency fees	2,100,236	2,496,515
Program services	758,744	632,220
Real estate development	894,037	1,049,087
Distributions and warrants	7,005,792	2,870,774
Other	4,088,947	377,800
Total operating revenue	44,047,076	35,961,945
Operating expenses		
Salaries and benefits	34,821,089	22,385,779
General and administrative	4,826,036	6,092,022
Interest	346,079	1,804,038
Program costs	7,950,955	6,626,109
Depreciation	6,616,729	8,376,241
Loss provisions – net	2,134,193	5,620,945
Total operating expenses	56,695,081	50,905,134
Operating (loss)	(12,648,005)	(14,943,189)
Nonoperating revenues and expenses		
Interest income – investments	1,696,602	1,919,165
Unrealized loss in investment securities	(421,545)	(274,074)
Gain on sale of assets – net	–	22,353,371
State appropriations	14,069,332	12,906,993
Federal appropriations	49,170,712	65,133,093
Program payments	(38,263,793)	(73,704,320)
Nonoperating revenues– net	26,251,308	28,334,228
Income before special item	13,603,303	13,391,039
Technology Centre cost-adjustment	–	(19,569,699)
Change in net position	13,603,303	(6,178,660)
Net position – beginning of year (restated for GASB 68/71)	499,993,139	506,171,799
Net position – end of year	\$ 513,596,442	\$ 499,993,139

See accompanying notes.

New Jersey Economic Development Authority
(a component unit of the State of New Jersey)

Statements of Cash Flows

	Year Ended December 31	
	2015	2014
Cash flows from operating activities		
Cash receipts from financing fees	\$ 12,560,124	\$ 9,034,574
Interest from notes	4,038,592	6,501,682
Lease rents	10,315,064	12,866,698
Agency fees	2,100,236	2,496,515
Program services	4,838,644	1,048,075
Distributions	-	174,148
Real estate development	982,403	843,431
General and administrative expenses paid	(33,570,427)	(27,404,164)
Program costs paid	(8,091,942)	(9,384,093)
Collection of notes receivable	23,440,094	32,976,597
Loans disbursed	(59,161,163)	(40,865,986)
Deposits received	27,704,995	2,909,992
Deposits released	(31,478,191)	(1,926,120)
Net cash used in operating activities	<u>(46,321,571)</u>	<u>(10,728,651)</u>
Cash flows from noncapital financing activities		
Deposits	-	(42,222)
Program funding received	48,612	120,834
Interest refunded (paid) on notes and revenue bonds	56,226	(1,721,273)
Issuance and servicing costs paid	(5,926)	(457,144)
Appropriations received	62,837,903	88,168,670
Program payments	(37,579,068)	(79,506,441)
Loan Pool 2 Financing	-	19,836,722
Net cash provided by noncapital financing activities	<u>25,357,747</u>	<u>26,399,146</u>
Cash flows from capital and related financing activities		
Payment of bonds and notes	(840,058)	(38,396,013)
Interest paid on bonds and notes	(229,608)	(1,759,678)
Purchase of capital assets	(1,401,000)	(31,962,853)
Sale of capital assets	-	32,269,500
Net cash used in capital and related financing activities	<u>(2,470,666)</u>	<u>(39,849,044)</u>
Cash flows from investing activities		
Interest from investments	1,606,919	2,176,299
Return on capital investments	16,292,017	751,928
Purchase of investments	(21,606,584)	(2,490,236)
Proceeds from sales and maturities of investments	2,373,135	50,064,696
Net cash (used in) provided by investing activities	<u>(1,334,513)</u>	<u>50,502,687</u>
Net (decrease) increase in cash and cash equivalents	(24,769,003)	26,324,138
Cash and cash equivalents – beginning of year	99,682,866	73,358,728
Cash and cash equivalents – end of year	<u>\$ 74,913,863</u>	<u>\$ 99,682,866</u>

New Jersey Economic Development Authority
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Statements of Cash Flows (continued)

	Year Ended December 31	
	2015	2014
Reconciliation of operating loss		
to net cash used in operating activities		
Operating loss	\$ (12,648,005)	\$ (14,943,189)
Adjustments to reconcile operating (loss) income		
to net cash (used in) provided by operating activities:		
Loss provisions-net	2,134,192	4,907,959
Depreciation	6,616,729	8,376,241
Amortization of discounts	(769,917)	362,685
Cash provided by nonoperating activities	179,307	4,005,685
Change in assets and liabilities:		
Notes receivables	(35,739,333)	(8,027,898)
Accrued interest receivables-notes	(306,979)	(83,978)
Lease payment receivables	100,000	127,803
Other receivables	1,742,477	(1,793,213)
Prepays and other noncurrent assets	13,499	(1,104,979)
Capital investments	(7,005,792)	(2,818,233)
Accrued liabilities	3,155,725	453,516
Unearned lease revenues	(873,268)	(867,153)
Accrued interest payables	(68,080)	(349,631)
Deposits	(3,353,282)	626,365
Other liabilities	501,156	399,369
Net cash used in operating activities	\$ (46,321,571)	\$ (10,728,651)
Noncash investing activities		
Unrealized loss in investment securities	\$ (421,545)	\$ (274,074)

See accompanying notes.

New Jersey Economic Development Authority
(a component unit of the State of New Jersey)

Notes to Financial Statements

December 31, 2015 and 2014

Note 1: Nature of the Authority

The New Jersey Economic Development Authority (“Authority”) is a public body corporate and politic, constituting an instrumentality and component unit of the State of New Jersey (“State”). The Authority was established by Chapter 80, P.L. 1974 (“Act”) on August 7, 1974, as amended and supplemented, primarily to provide financial assistance to companies for the purpose of maintaining and expanding employment opportunities in the State and increasing tax rates in underserved communities. The Act prohibits the Authority from obligating the credit of the State in any manner. The Authority assists for-profit and non-profit enterprises with access to capital and primarily offers the following products and services:

(a) Bond Financing

The Authority issues tax-exempt private activity bonds and taxable bonds. The proceeds from these single issue or composite series bonds are used to provide long-term, below-market interest loans to eligible entities, which include certain 501(c)(3) nonprofit organizations, manufacturers, exempt public facilities, solid waste facilities, and local, county, and State governmental agencies for capital improvements including real estate acquisition, equipment, machinery, building construction and renovations. All such bonds are special conduit debt obligations of the Authority, are payable solely from the revenues pledged with respect to the issue, and do not constitute an obligation against the general credit of the Authority.

(b) Loans/Guarantees/Investments and Tax Incentives

The Authority directly provides loans, loan participations, loan guarantees and line of credit guarantees to for-profit and not-for-profit enterprises for various purposes to include: the acquisition of fixed assets; building construction and renovation; financing for working capital; technological development; and infrastructure improvements. The Authority also may provide financial assistance in the form of convertible debt, and take an equity position in technology and life sciences companies through warrant options. In addition to lending and investing its own financial resources, the Authority administers several business growth programs supported through State appropriation/allocation, including the technology business tax certificate transfer program, the angel investor tax credit program, tax credits for film industry and digital media projects, job creation and retention incentive grants and tax credits, tax credits for capital investment in urban areas, and reimbursement grants based on incremental revenues generated

New Jersey Economic Development Authority
(a component unit of the State of New Jersey)

Notes to Financial Statements (continued)

Note 1: Nature of the Authority (continued)

by redevelopment projects. Other state mandated programs include loans/grants to support hazardous discharge site remediation and petroleum underground storage tank remediation.

(c) Real Estate Development

The Authority independently, or in cooperation with a private or another governmental entity, acquires, invests in and/or develops vacant industrial sites, existing facilities, unimproved land, equipment and other real estate for private or governmental use. Sites developed and equipment purchased for private use are marketed or leased to businesses that will create new job opportunities and tax ratables for municipalities. Sites are developed for governmental use for a fee and also may be leased to the State or State entities.

(d) Stronger NJ Business Programs

In 2013, the Authority was awarded a sub-grant from the New Jersey Department of Community Affairs for the purpose of administering a portion of the State's Community Development Block Grant Disaster Recovery allocation to support the recovery of businesses impacted by Superstorm Sandy. To achieve this, the Authority may provide grants and loans to eligible businesses, as well as financial assistance to governmental entities to support community development, neighborhood revitalization and other public improvement projects.

Component Units

The financial statements include the accounts of the Authority and its blended component unit, the Camden County Urban Renewal Limited Partnership ("CCURLP"). All intercompany transactions and balances are eliminated.

CCURLP is a real estate joint venture which provides services for the exclusive benefit of the Authority. CCURLP is a Limited Partnership made up of two corporate entities, Bergen of New Jersey, Inc. and Aegis Camden Partners, Inc. Bergen has a 33.33% interest in CCURLP and Aegis has 66.67% interest in CCURLP. The Boards of all three entities are made up of Authority officers and CCURLP actions were subject to Authority Board approval. On January 30, 2014 the Authority and CCURLP entered into a sale agreement with Cooper's Ferry Partnership ("Cooper's") to sell the CCURLP building and the Authority's land. The purchase closed as of

New Jersey Economic Development Authority
(a component unit of the State of New Jersey)

Notes to Financial Statements (continued)

Note 1: Nature of the Authority (continued)

December 30, 2014. The proceeds from the sale were then used to defease the 2002 Series A and B Bonds. The Authority continued to have rights in the CCURLP entity as of December 31, 2014 as the related debt was not redeemed until February 2015. As of December 31, 2015, the entity continued to exist as a legally-separate entity, although was inactive during 2015. As the Board of the Authority is the same as the Board of CCURLP and the Authority has operational responsibility for CCURLP, it is considered a blended component unit. It is anticipated that CCURLP will be dissolved in 2016.

The Authority’s financial statements do not include the accounts of the New Jersey Community Development Entity (“NJCDE”), a component unit. NJCDE is a separate legal entity whose primary mission is to provide investment capital for low-income communities, on behalf of the Authority, through the allocation of federal New Markets Tax Credits. The Authority does not deem the operations of the NJCDE to be significant to the operations of the Authority. As of December 31, 2015 and 2014, total NJCDE assets were \$2,312,586 and \$2,604,732, respectively.

Related Party Transactions

The Authority has contracted with several other State entities to administer certain loan programs on their behalf for a fee. In order for the Authority to effectively administer the programs, the Authority has custody of the cash accounts for each program. The cash in these accounts, however, is not an asset of the Authority and, accordingly, the balances in these accounts have not been included in the Authority’s statements of net position. The cash balances total \$61,633,799 and \$69,600,123 at December 31, 2015 and 2014, respectively. The following is a summary of the programs that the Authority manages on behalf of other State entities:

Department/Board	Program	2015	2014
Treasury	Local Development Financing Fund	\$ 39,322,320	\$ 38,237,288
Board of Public Utilities	BPU Clean Energy Program	22,311,479	31,362,835

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 2: Summary of Significant Accounting Policies

(a) Basis of Accounting and Presentation

The Authority is a self-supporting entity and follows enterprise fund reporting; accordingly, the accompanying financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. While detailed sub-fund information is not presented, separate accounts are maintained for each program and include certain funds that are legally designated as to use. Administrative expenses are allocated to the various programs.

In its accounting and financial reporting, the Authority follows the pronouncements of the Governmental Accounting Standards Board (“GASB”).

(b) Revenue Recognition

The Authority charges various program financing fees that may include an application fee, commitment fee, closing fee, annual servicing fee and a document execution fee. The Authority also charges a fee for the administration of financial programs for various government agencies and for certain real estate development and management activities. Fees are recognized when earned. Grant revenue is recognized when the Authority has complied with the terms and conditions of the grant agreements. The Authority recognizes interest income on lease revenue by amortizing the discount over the life of the related agreement. Operating lease revenue is recognized pursuant to the terms of the lease.

When available, it is the Authority’s policy to first use restricted resources for completion of specific projects.

(c) Cash Equivalents

Cash equivalents are highly liquid debt instruments with original maturities of three months or less and units of participation in the State of New Jersey Cash Management Fund (“NJCMF”).

New Jersey Economic Development Authority
(a component unit of the State of New Jersey)

Notes to Financial Statements (continued)

Note 2: Summary of Significant Accounting Policies (continued)

(d) Investments

All investments, except for investment agreements, are stated at fair value. The fair value of investment securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers. The Authority also invests in various types of joint ventures and uses the cost method to record the acquisition of such investments, as the Authority lacks the ability to exercise significant control in the ventures. Under the cost method, the Authority records the investment at its historical cost and recognizes as income dividends received from net earnings of the Fund. Dividends received in excess of earnings are considered a return of investment and reduce the cost basis. These investments typically have a long time horizon from when the Authority makes its initial investment to when it may receive any return on the investment. The Authority maintains a valuation allowance on specific investments when there is either a series of taxable losses or other factors may indicate that a decrease in value has occurred that is other than temporary. Capital investments are reported net of this valuation allowance.

(e) Guarantees Receivable

Payments made by the Authority under its various guarantee programs are reported as Guarantees Receivable. These receivables are expected to be recovered either from the lender, as the lender continues to service the loan, or from the liquidation of the underlying collateral. Recoveries increase Worth (see Note 8).

(f) Allowance for Doubtful Notes and Accrued Guarantee Losses

Allowances for doubtful notes and accrued guarantee losses are determined in accordance with guidelines established by the Office of Comptroller of Currency. These guidelines include classifications based on routine portfolio reviews of various factors that impact collectability.

(g) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the New Jersey Public Employee Retirement System (PERS) and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 2: Summary of Significant Accounting Policies (continued)

they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(h) Operating and Non-Operating Revenues and Expenses

The Authority defines operating revenues and expenses as relating to activities resulting from providing bond financing, direct lending, incentives, and real estate development to commercial businesses, certain not-for-profit entities, and to local, county and State governmental entities. Non-operating revenues and expenses include income earned on the investment of funds, proceeds from the sale of certain assets, State and Federal appropriations and program payments.

(i) Taxes

The Authority is exempt from all Federal and State income taxes and real estate taxes.

(j) Capitalization Policy

Unless material, it is the Authority's policy to expense all expenditures of an administrative nature. Administrative expenditures typically include expenses directly incurred to support staff operations, such as automobiles, information technology hardware and software, office furniture, and equipment.

With the exception of immaterial tenant fit-out costs of retail space that is sublet from the State of New Jersey, the Authority capitalizes all expenditures related to the acquisition of land, construction and renovation of buildings.

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 2: Summary of Significant Accounting Policies (continued)

(k) Depreciation Policy

Capital assets are stated at cost. Depreciation is computed using the straight-line method over the following estimated economic useful lives of the assets:

Building	20 years
Building improvements	20 years
Leasehold improvements	Term of the lease
Tenant fit-out	Term of the lease
Vehicles	Expensed
Furniture and equipment	Expensed

(l) New Accounting Standards Adopted

In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions* (“GASB 68”). The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014. GASB 68 was implemented in the current fiscal year ending December 31, 2015. The implementation requires that the beginning net position for the earliest period presented be restated. Therefore, net position was restated as of January 1, 2014.

The implementation of GASB 68 resulted in the Authority reporting a Net Pension Liability as of January 1, 2014. The Authority’s Net Position as of January 1, 2014 and December 31, 2014 and the Statement of Revenues, and Expenses and Changes in Net Position for December 31, 2014 have been restated to reflect the required adjustments.

In November 2013, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB 68* (“GASB 71”). The objective of this Statement is to address an issue regarding application of the transition provisions of GASB 68. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or non-employer contributing entity to a defined benefit pension plan after the measurement date of the government’s beginning net pension liability. This Statement amends GASB 68 to require that, at transition, a government recognize a beginning deferred

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 2: Summary of Significant Accounting Policies (continued)

outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. GASB 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts. The provisions of GASB 71 are required to be applied simultaneously with the provisions of GASB 68. As a result, GASB 71 has been implemented in conjunction with GASB 68 in these financial statements.

As a result, the following restatements have been made to the Authority's financial statements.
(in thousands)

	As Previously Reported	Adjustment	As Restated
As of January 1, 2014			
Net position	\$ 535,008	\$ (28,836)	\$ 506,172
For the year ended December 31, 2014			
Salaries and benefits	22,110	276	22,386
Operating expenses	50,629	276	50,905
Operating loss	(14,667)	(276)	(14,943)
Change in net position	(5,903)	(276)	(6,179)
As of December 31, 2014			
Net pension liability	–	(28,628)	(28,628)
Deferred outflows of resources:			
Changes in assumptions	–	900	900
Changes in proportion	–	322	322
Contributions subsequent to measurement date	–	1,261	1,261
Deferred inflows of resources:			
Net difference between projected and actual earnings on pension plan investments	–	(1,706)	(1,706)
Accrued pension payable	–	(1,261)	(1,261)
Net position	\$ 529,105	\$ (29,112)	\$ 499,993

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 2: Summary of Significant Accounting Policies (continued)

In March 2016, GASB issued statement No. 82, *Pension Issues*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting Pension Plans*, No. 68 *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of this Statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. The Authority has chosen to early implement this standard.

(m) Recent and Upcoming Accounting Pronouncements

GASB Statement No. 72, *Fair Value Measurement and Application*, was issued in February 2015. The scope of this Statement is to improve financial reporting by clarifying the definition of fair value for financial reporting purposes, establishing general principles for measuring fair value, providing additional fair value application guidance, and enhancing disclosures about concepts and definitions established in Concepts Statement No. 6, *Measurement of Elements of Financial Statements, and other relevant literature*. The Statement is effective for fiscal years beginning after June 15, 2015. The Authority is in the process of evaluating the impact of its adoption on the financial statements.

GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* were issued in June 2015. The requirements of this Statement extend the approach to accounting and financial reporting established in Statement 68 to all pensions, with modifications as necessary to reflect that for accounting and financial reporting

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Notes to Financial Statements (continued)

Note 2: Summary of Significant Accounting Policies (continued)

purposes, any assets accumulated for pensions that are provided through pension plans that are not administered through trusts that meet the criteria specified in Statement 68 should not be considered pension plan assets. It also requires that information similar to that required by Statement 68 be included in notes to financial statements and required supplementary information by all similarly situated employers and non-employer contributing entities. This Statement also clarifies the application of certain provisions of Statements 67 and 68 with regard to the following issues:

- Information that is required to be presented as notes to the 10-year schedules of required supplementary information about investment-related factors that significantly affect trends in the amounts reported.
- Accounting and financial reporting for separately financed specific liabilities of individual employers and non-employer contributing entities for defined benefit pensions.
- Timing of employer recognition of revenue for the support of non-employer contributing entities not in a special funding situation.

The Statement is effective for fiscal years beginning after June 15, 2015. The Authority is in the process of evaluating the impact of its adoption on the financial statements.

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* was issued in June 2015. Statement 74 replaces GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. Statement 74 addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. The Statement follows the framework for financial reporting of defined benefit OPEB plans in Statement 45 by requiring a statement of fiduciary net position and a statement of changes in fiduciary net position. The Statement requires more extensive note disclosures and required supplementary information related to the measurement of the OPEB liabilities for which assets have been accumulated, including information about the annual money-weighted rates of return on plan investments. Statement 74 also sets forth note disclosure requirements for defined contribution OPEB plans. The Statement is effective for fiscal years beginning after June 15, 2016. This Statement will not have an impact on the Authority's financial statements.

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Notes to Financial Statements (continued)

Note 2: Summary of Significant Accounting Policies (continued)

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, was issued in June 2015. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.

This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. In addition, this Statement details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specified criteria and for employers whose employees are provided with defined contribution OPEB. This Statement also addresses certain circumstances in which a non-employer entity provides financial support for OPEB of employees of another entity. In this Statement, distinctions are made regarding the particular requirements depending upon whether the OPEB plans through which the benefits are provided are administered through trusts that meet the following criteria:

- Contributions from employers and non-employer contributing entities to the OPEB plan and earnings on those contributions are irrevocable.
- OPEB plan assets are dedicated to providing OPEB to plan members in accordance with the benefit terms.

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Notes to Financial Statements (continued)

Note 2: Summary of Significant Accounting Policies (continued)

- OPEB plan assets are legally protected from the creditors of employers, Non-employer contributing entities, the OPEB plan administrator, and the plan members.

The Statement is effective for fiscal years beginning after June 15, 2017. The Authority is in the process of evaluating the impact of its adoption on the financial statements.

In June 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify – in the context of the current governmental financial reporting environment – the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. The provisions of this Statement are effective for fiscal years beginning after June 15, 2015. The Authority is currently evaluating the impact this standard will have on its financial statements.

In August 2015, GASB issued Statement No. 77 (“GASB No. 77”), *Tax Abatement Disclosures*. The objective of this Statement is to provide financial statement users with essential information about the nature and magnitude of the reduction in tax revenues through tax abatement programs in order to better assess (a) whether current-year revenues were sufficient to pay for current-year services, (b) compliance with finance-related legal or contractual requirements, (c) where a government’s financial resources come from and how it uses them, and (d) financial position and economic condition and how they have changed over time. The provisions of this statement are effective for fiscal years beginning after December 15, 2015. This Statement will not have an impact on the Authority’s financial statements.

In December 2015, GASB issued Statement No. 78 (“GASB No. 78”), *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of GASB No. 68. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. The provisions of this statement are effective for fiscal years beginning after December 15, 2015. The Authority is currently evaluating the impact that this standard will have on its financial statements.

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Notes to Financial Statements (continued)

Note 2: Summary of Significant Accounting Policies (continued)

In December 2015, GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants* (“GASB No. 79”). The objective of this Statement is to address for certain external investment pools and their participants, the accounting and financial reporting implications that result from changes in the regulatory provisions referenced by previous accounting and financial reporting standards. The provisions of this statement are effective for fiscal years beginning after December 15, 2015. The Authority is currently evaluating the impact this standard will have on its financial statements.

In January 2016, GASB issued Statement No. 80, *Blending Requirements for Certain Component Units* (“GASB 80”). The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity*, as amended. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. The Authority is currently evaluating the impact this standard will have on its financial statements.

In March 2016, GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets presenting its beneficial interest in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interest. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period.

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Notes to Financial Statements (continued)

Note 2: Summary of Significant Accounting Policies (continued)

The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively. This Statement will not have an impact on the Authority's financial statements.

Note 3: Deposits and Investments

(a) Cash and Cash Equivalents

Operating cash is held in the form of Negotiable Order of Withdrawal ("NOW") accounts, money market accounts, and certificates of deposit. At December 31, 2015, the Authority's bank balance was \$29,393,099. Of the bank balance, \$750,000 was insured with Federal Deposit Insurance.

Cash equivalents consist mainly of money held in the New Jersey Cash Management Fund (the "NJCMF"). The NJCMF is managed by the State's Division of Investment under the Department of the Treasury. All investments must fall within the guidelines set forth by the Regulations of the State Investment Council. The Division of Investment is permitted to invest in a variety of securities to include obligations of the U.S. Government and certain of its agencies, certificates of deposit, commercial paper, repurchase agreements, bankers' acceptances and loan participation notes. Investment guidelines provide that all investments in the NJCMF should mature or are to be redeemed within one year, except that up to 25% of the NJCMF may be invested in eligible securities which mature within 25 months; provided, however, that the average maturity of all investments in the NJCMF shall not exceed one year. Cash equivalents are stated at fair value.

Pursuant to GASB Statement No. 40, *Deposit and Investment Risk Disclosures* ("GASB 40"), the Authority's NOW accounts, as well as money market accounts and certificates of deposit, are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the Authority would not be able to recover the value of its deposit or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are: uninsured, uncollateralized (securities are not pledged to the depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the government's (NJEDA) name. At December 31, 2015 and 2014, all of the Authority's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk.

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Notes to Financial Statements (continued)

Note 3: Deposits and Investments (continued)

Cash deposits at December 31, 2015 and 2014 were as follows:

Deposit Type	2015	2014
NOW Accounts	\$ 13,647,327	\$ 27,666,466
Money Market Accounts	9,170,675	9,169,450
Certificates of Deposit	4,190,357	6,392,946
Total deposits	\$ 27,008,359	\$ 43,228,862

(b) Investments

Pursuant to the Act, the funds of the Authority may be invested in any direct obligations of, or obligations as to which the principal and interest thereof is guaranteed by, the United States of America or other obligations as the Authority may approve. Accordingly, the Authority directly purchases permitted securities and enters into interest-earning investment contracts.

As of December 31, 2015 the Authority's total investments, excluding capital investments, amounted to \$225,508,137. The Authority's investment portfolio ("Portfolio") is comprised of short to medium term bonds and is managed by a financial institution for the Authority. These investments include obligations guaranteed by the U.S. Government, Government Sponsored Enterprises, Money Market Funds, Corporate Debt rated at least AA-/Aa3 by Standard & Poors or Moody's, and Repurchase Agreements. The Portfolio is managed with the investment objectives of: preserving capital, maintaining liquidity, achieving superior yields, and providing consistent returns over time. In order to limit interest rate risk, investments are laddered, with maturities ranging from several months to a maximum of five years.

Investment of bond proceeds is made in accordance with the Authority's various bond resolutions. The bond resolutions generally permit the investment of funds held by the trustee in the following: (a) obligations of, or guaranteed by, the State or the U.S. Government; (b) repurchase agreements secured by obligations noted in (a) above; (c) interest-bearing deposits, in any bank or trust company, insured or secured by a pledge of obligations noted in (a) above; (d) NJCMF; (e) shares of an open-end diversified investment company which invests in obligations with maturities of less than one year of, or guaranteed by, the U.S. Government or Government Agencies; and (f) non-participating guaranteed investment contracts.

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Notes to Financial Statements (continued)

Note 3: Deposits and Investments (continued)

In order to maintain adequate liquidity, significant Authority funds are invested in the NJCMF, which typically earns returns that mirror short term interest rates. Monies can be freely added or withdrawn from the NJCMF on a daily basis without penalty. At December 31, 2015 and 2014 the Authority's balance in the NJCMF is \$51,894,092 and \$62,782,253, respectively.

(c) Special Purpose Investments

Pursuant to the Authority's mission, from time to time, in order to expand employment opportunities in the State and to spur economic development opportunities, the Authority, with the authorization of the Board, will make special purpose investments. These special purpose investments include the following:

The Authority is a limited partner in various venture funds formed with the primary purpose of providing venture capital to exceptionally talented entrepreneurs dedicated to the application of proprietary technologies or unique services in emerging markets and whose companies are in the expansion stage. At December 31, 2015 and 2014, the aggregate value of the Authority's investment in these funds is \$7,946,808 and \$11,487,271, respectively. As a limited partner, the Authority receives financial reports from the managing partner of the funds, copies of which may be obtained by contacting the Authority.

At December 31, 2014, the Authority held other equity investments of \$250,000. The investments were held in the form of stock. Value is based on analysis of companies' prospects in conjunction with valuations of comparable companies. This asset was sold in 2015.

Custodial Credit Risk

Pursuant to GASB 40, the Authority's investments are profiled to determine if they are exposed to Custodial Credit Risk. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government (NJEDA), and are held by either: the counterparty (institution that pledges collateral to government or that buys/sells investments for government) or the counterparty's trust department or agent but not in the name of the government. Investment pools such as the NJCMF and open ended mutual funds including Mutual Bond Funds are deemed not to have custodial credit risk. As of December 31, 2015, no investments are subject to custodial credit risk as securities in the Portfolio are held in the name of the Authority.

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Notes to Financial Statements (continued)

Note 3: Deposits and Investments (continued)

Concentration of Credit Risk

The Authority does not have an investment policy regarding concentration of credit risk, however, the Authority's practice is to limit investments in certain issuers. No more than 10% of the Authority funds may be invested in individual corporate and municipal issuers; and no more than 10% in individual U.S. Government Agencies. At December 31, 2015 more than 5 percent of the Authority's investments are in: Federal Home Loan Bank ("FHLB"), Federal Farm Credit Bank ("FFCB"), and Federal Home Loan Mortgage Corp ("FHLMC"). These investments are 6.89% (\$16,077,038), 7.82% (\$18,247,215), and 8.30% (\$19,378,066), respectively, of the Authority's total investments. These four investments are included in the U.S. Government Agency category of investments. Investments issued by or guaranteed by the U.S. Government, mutual fund investments, and pooled investments are exempt from this requirement.

Credit Risk

The Authority does not have an investment policy regarding the management of Credit Risk, as outlined above. GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or investments guaranteed by the U.S. government. All investments in U.S. Agencies are rated Aaa by Moody's and AA+ by Standard & Poors ("S&P"). The mutual bond fund was rated AAA by S&P. Corporate bonds were rated AA/AA+/AA-, by S&P. Municipal bonds are rated AA by S&P. The NJCMF is not rated.

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Notes to Financial Statements (continued)

Note 3: Deposits and Investments (continued)

Interest Rate Risk

The Authority does not have a policy to limit interest rate risk, however, its practice is to hold investments to maturity.

As of December 31, 2015 and 2014, the Authority had the following investments and maturities:

Investment Type	December 31, 2015			Fair Value as of December 31, 2014
	Fair Value	Investments Less than 1 Year	Maturities 1-5 Years	
Debt Securities:				
U.S. Treasuries	\$ 110,742,530	\$ 44,084,590	\$ 66,657,940	\$ 78,681,783
U.S. Agencies	53,702,320	12,859,238	40,843,082	59,572,745
Corporate Bonds	48,572,019	12,135,509	36,436,510	59,493,359
Municipal Bonds	8,300,911	–	8,300,911	2,555,400
Mutual Bond Funds	201,769	201,769	–	64,696
NJ Cash Management Fund	51,894,092	51,894,092	–	62,782,253
Total debt securities	273,413,641	121,175,198	152,238,443	263,150,236
Special purpose investments:				
Venture Fund Investments	7,946,808	–	7,946,808	11,487,271
Other Equity Investments	–	–	–	250,000
Total special purpose investments	7,946,808	–	7,946,808	11,737,271
Subtotal	281,360,449	121,175,198	160,185,251	274,887,507
Less amounts reported as cash equivalents	(52,095,861)	(52,095,861)	–	(62,846,949)
Total investments	\$ 229,264,588	\$ 69,079,337	\$ 160,185,251	\$ 212,040,558

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 4: Notes Receivable

Notes receivable consist of the following:

	December 31	
	2015	2014
Economic Development Fund (“EDF”) loan program; interest ranging up to 6.1%; maximum term 30 years	\$ 51,018,169	\$ 53,292,153
Economic Recovery Fund (“ERF”) loan and guarantee programs; interest ranging up to 9.8%; maximum term of 12 years	90,371,127	81,394,481
Hazardous Discharge Site Remediation (“HDSR”) loan program; interest ranging up to 5.5%; maximum term of 5 years	2,095,834	2,379,492
Municipal Economic Recovery Initiative (“MERI”) loan program; interest ranging up to 3.0%; maximum term of 12 years	709,624	769,802
Stronger NJ Business (SNJ) loan program; interest ranging up to 1.81%; maximum term of 30 years	44,286,465	17,909,565
	\$ 188,481,219	\$ 155,745,493

Aggregate Notes Receivable activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Loan Disbursements	Loan Receipts	Write-offs, Adjustments, Restructures – Net	Ending Balance	Amounts Due Within One Year
EDF/ERF	\$ 134,686,634	\$ 31,154,858	\$ (23,060,758)	\$ (1,391,438)	\$ 141,389,296	\$ 8,996,958
HDSR	2,379,492	35,500	(319,158)	–	2,095,834	67,533
MERI	769,802	–	(60,178)	–	709,624	64,007
SNJ	17,909,565	27,970,804	–	(1,593,904)	44,286,465	614,858
	\$155,745,493	\$ 59,161,162	\$ (23,440,094)	\$ (2,985,342)	\$ 188,481,219	\$ 9,743,356

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 5: Leases

(a) Leases Receivable

The Authority has a financing lease relating to the issuance of Bonds and Notes Payable. Bond and Note proceeds finance specific projects. The financing lease provides for basic rental payments, by the tenant to the Authority, in an amount at least equal to the amount of debt service on the Bonds and Notes. In the event of default by the tenant to make rental payments, the Authority generally has recourse, including, but not limited to, taking possession and selling or subletting the leased premises and property.

The outstanding lease is as follows:

Lease Description	2015	2014
NY Daily News, through January 23, 2021	\$ 7,448,102	\$ 7,548,102
Unamortized discount	(595,069)	(714,083)
Aggregate lease payments receivable – net	<u>\$ 6,853,033</u>	<u>\$ 6,834,019</u>

Aggregate lease receipts due through 2019 and thereafter are as follows:

2016	\$ 100,000
2017	100,000
2018	100,000
2019	100,000
2020	100,000
2021-2022	6,948,102
	<u>\$ 7,448,102</u>

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 5: Leases (continued)

Lease payments receivable activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Reductions	Ending Balance	Amount Receivable Within One Year
Gross receivable	\$ 7,548,102	\$ (100,000)	\$ 7,448,102	\$ 100,000
Discount	(714,083)	119,014	(595,069)	
Net receivable	\$ 6,834,019	\$ 19,014	\$ 6,853,033	

(b) Operating Leases

(i) Authority as Lessor

At December 31, 2015, capital assets with a carrying value of \$174,521,939 and accumulated depreciation of \$88,369,229 are leased to commercial enterprises. These leases generally provide the tenant with renewal and purchase options. Aggregate minimum lease receipts are expected as follows:

2016	\$ 6,509,220
2017	5,511,382
2018	4,756,025
2019	3,681,715
2020	2,939,515
2021-2025	11,353,028
2026-2030	947,223
2031-2035	420,300
2036-2040	420,300
2041-2044	336,240
	\$ 36,874,948

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Notes to Financial Statements (continued)

Note 5: Leases (continued)

(ii) Authority as Lessee

The Authority leases commercial property, buildings, and office space for use by Authority staff. Aggregate rental expense for the current year amounted to \$70,250. Aggregate future lease obligations are as follows:

2016		\$ 77,513
2017		79,626
2018		81,751
2019		43,962
		\$ 282,852

Note 6: Capital Assets

Capital asset activity for the years ended December 31, 2015 and 2014 was as follows:

	December 31, 2014	Additions	Reductions	December 31, 2015
Capital assets not being depreciated:				
Land	\$ 27,582,065	\$ 1,401,000	\$ –	\$ 28,983,065
Construction in progress	3,345	–	(3,345)	–
Capital assets being depreciated:				
Buildings	98,343,729	–	–	98,343,729
Leasehold improvements	47,195,145	–	–	47,195,145
Capital assets – gross	173,124,284	1,401,000	(3,345)	174,521,939
Less: accumulated depreciation	81,752,501	6,616,728	–	88,369,229
Capital assets – net	\$ 91,371,783	\$ (5,215,728)	\$ (3,345)	\$ 86,152,710

	December 31, 2013	Additions	Reductions	December 31, 2014
Capital assets not being depreciated:				
Land	\$ 23,382,313	\$ 8,199,752	\$ (4,000,000)	\$ 27,582,065
Construction in progress	1,310	3,345	(1,310)	3,345
Capital assets being depreciated:				
Buildings	97,364,839	28,978,890	(28,000,000)	98,343,729
Leasehold improvements	36,859,763	10,335,382	–	47,195,145
Capital assets – gross	157,608,225	47,517,369	(32,001,310)	173,124,284
Less: accumulated depreciation	73,133,290	30,703,082	(22,083,871)	81,752,501
Capital assets – net	\$ 84,474,935	\$ 16,814,287	\$ (9,917,439)	\$ 91,371,783

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Notes to Financial Statements (continued)

Note 6: Capital Assets (continued)

In 2015, the Authority purchased a 4 acre tract of land in the City of Camden, from the Parking Authority of the City of Camden at a purchase price of \$1.4 million. The land, which had been used as a surface parking lot, will be used for commercial development, consistent with the Authority's mission.

In 2014, the Authority sold a building and related land in Camden. The property had been leased to a defense contractor. The transaction resulted in a gain on the sale of the land and building amounting to \$22.4 million.

Note 7: Notes Payable

Generally, Notes Payable are special obligations of the Authority payable solely from loan payments, lease rental payments and other revenues, funds and other assets pledged under the notes and do not constitute obligations against the general credit of the Authority. Note proceeds are used to fund specific programs and projects and are not co-mingled with other Authority funds.

The outstanding notes are as follows:

	December 31,	
	2015	2014
Community Development Investments, LLC; interest at 5%; principal and interest due monthly with payments based solely on receipt of surcharge revenue. The note was scheduled to mature on 5/12/14; however, full repayment is subject to receipt of surcharge revenue.	\$ 2,000,000	\$ 2,000,000
City of Camden, NJ; interest at 6%; principal and interest due monthly with payments based solely on receipt of surcharge revenue. The note is scheduled to mature on 2/5/16; however, full repayment is subject to receipt of surcharge revenue.	1,296,679	2,136,737
FirstEnergy Corp./JCP&L; interest at 3%; interest only due monthly through 11/12/20; principal due at maturity on 11/12/20	1,000,000	1,000,000
Public Service New Millennium Economic Development Fund, LLC; interest at 2%; interest only due monthly through 11/7/20; principal due at maturity on 11/7/20	5,000,000	5,000,000
	\$ 9,296,679	\$ 10,136,737

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Notes to Financial Statements (continued)

Note 7: Notes Payable (continued)

At December 31, 2015, aggregate debt service requirements of notes payable through 2020 are as follows:

	Principal	Interest	Total
2016	\$ 656,015	\$ 342,856	\$ 998,871
2017	703,490	249,884	953,374
2018	746,350	215,897	962,247
2019	793,834	177,166	971,000
2020	6,396,990	124,252	6,521,242
Total	\$ 9,296,679	\$ 1,110,055	\$ 10,406,734

Notes payable activity for the years ended December 31, 2015 and 2014 was as follows:

December 31, 2014	Additions	Reductions	December 31, 2015	Amounts Due Within One Year
\$ 10,136,737	\$ -	\$ (840,058)	\$ 9,296,679	\$ 656,015

December 31, 2013	Additions	Reductions	December 31, 2014	Amounts Due Within One Year
\$ 10,835,254	\$ -	\$ (698,517)	\$ 10,136,737	\$ 448,042

Note 8: Commitments and Contingencies

(a) Loan and Bond Guarantee Programs

The Authority has a special binding obligation regarding all guarantees to the extent that funds are available in the guarantee accounts as specified in the guarantee agreements. Guarantees are not, in any way, a debt or liability of the State.

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Notes to Financial Statements (continued)

Note 8: Commitments and Contingencies (continued)

(1) Economic Recovery Fund

The guarantee agreements restrict the Authority from approving any loan or bond guarantee if, at the time of approval, the Debt (exposure and commitments) to Worth (the amount on deposit and available for payment) ratio is greater than 5 to 1. At any time, payment of the guarantee is limited to the amount of Worth within the guarantee program account. Principal payments on guaranteed loans and bonds reduce the Authority's exposure. At December 31, 2015, Debt was \$13,208,521 and Worth was \$131,586,103, with a ratio of 0.10 to 1.

(2) New Jersey Business Growth Fund

The Authority guarantees between 25% and 50% of specific, low-interest loans to New Jersey companies, made by one of its preferred lenders, with a maximum aggregate exposure to the Authority not to exceed \$10 million and, at no time will the Authority pay more than \$10 million, net, of guarantee demands. At December 31, 2015, aggregate exposure and related worth within the Business Growth Fund account are both \$9,395,058.

(3) New Jersey Global Growth Fund

The Authority guarantees up to 50% of any approved term loan or line of credit to New Jersey companies, made by one of its premier lenders, with a maximum aggregate exposure to the Authority not to exceed \$10 million and, at no time will the Authority pay more than \$10 million, net, of guarantee demands. At December 31, 2015, aggregate exposure and related worth within the NJ Global Growth Fund account are both \$10,000,000.

(4) State Small Business Credit Initiative Fund

The Federal grant agreement restricts the Authority from approving any loan or bond guarantee if, at the time of approval, the Debt (exposure and commitments) to Worth (the amount on deposit and available for payment) ratio is greater than 1 to 1. At any time, payment of the guarantee is limited to the amount of Worth within the State Small Business Credit Initiative Fund. At December 31, 2015, Debt was \$3,386,513 and Worth was \$4,645,923, with a ratio of 0.73 to 1.

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Notes to Financial Statements (continued)

Note 8: Commitments and Contingencies (continued)

(b) Loan Program Commitments and Project Financings

At December 31, 2015 the Authority has \$11,280,471 of loan commitments not yet closed or disbursed and \$78,440,868 of project financing commitments.

(c) New Markets Tax Credit Program

On December 28, 2005, the Authority loaned \$31,000,000 to a limited liability company (“company”), to facilitate their investment in a certified community development entity (“entity”) whose primary mission is to provide loan capital for commercial projects in low-income areas throughout New Jersey. The company also received an equity investment from a private corporation (“corporation”). The company then invested the combined proceeds in the entity, which was awarded an allocation in Federal tax credits under the New Markets Tax Credit Program.

During 2007, the Authority made two additional New Markets commitments. On September 24, 2007 the Authority facilitated a transaction in which \$3,500,000 in credits were allocated (no Authority funds were utilized). On September 26, 2007, the Authority loaned \$20,296,000 to another company with terms similar to the first transaction.

During 2008, the Authority closed three additional New Markets commitments. A total of \$37,000,000 in credits were allocated (no Authority funds were utilized).

In 2009, one New Markets commitment was closed. A total of \$12,419,151 in credits were allocated (no Authority funds were utilized).

On February 28, 2013, the first New Markets loan pool, created in 2005, ceased operations, as the investor exercised its option to sell its membership interest.

On September 29, 2014, the second New Markets loan pool, created in 2007, ceased operations, as that investor also exercised its option to sell its membership interest.

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 8: Commitments and Contingencies (continued)

As part of the remaining agreements, the corporation will claim the Federal tax credits in exchange for their investment. Claiming these credits carries the risk of recapture, whereby an event occurs that would negate the credit taken, causing it to be returned with interest. Based on the agreements between the Authority and the respective companies, the Authority will provide a guaranty to the corporation against adverse consequences caused by a recapture event. As of December 31, 2015 the aggregate exposure to the Authority for the remaining transactions described above is \$15,020,000. The Authority has determined the likelihood of paying on the guaranty, at this time, is remote.

Note 9: State and Federal Appropriations and Program Payments

The Authority receives appropriations from the State of New Jersey, as part of the State's annual budget, for purposes of administering certain grant programs enacted by State statute, and has also received appropriations from the United States Department of Housing and Urban Development, via the State of New Jersey, for purposes of administering certain loan and grant programs in connection with the aftermath of Superstorm Sandy in October 2012. The Authority recognizes the disbursement of these funds to grantees as program payments. For the year ended December 31, 2015 state and federal appropriations and program payments were \$14,069,332, \$49,170,712, and \$38,263,793, respectively.

Note 10: Litigation

The Authority is involved in several lawsuits that, in the opinion of the management of the Authority, will not have a material effect on the accompanying financial statements.

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 11: Employee Benefits

(a) Public Employees Retirement System of New Jersey (“PERS”)

The Authority’s employees participate in the PERS, a cost sharing multiple-employer defined benefit plan administered by the State. The Authority’s contribution is based upon an actuarial computation performed by the PERS. Employees of the Authority are required to participate in the PERS and contribute 7.06% of their annual compensation. The PERS also provides death and disability benefits. All benefits and contribution requirements are established, or amended, by State statute.

Benefits Provided

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

The following represents the membership tiers for PERS:

Tier Definition

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60, and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62, and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62, and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age of his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

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Notes to Financial Statements (continued)

Note 11: Employee Benefits (continued)

Contributions Made

The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 6.92% in State fiscal year ended June 30, 2015, and is 7.06% as of December 31, 2015. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. Employers' contribution amounts are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. The Authority's contractually required contribution rate for the year ended December 31, 2015 and 2014, was 11.80% and 8.67% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Authority were \$1,260,522 and \$1,137,077 for the years ended December 31, 2015 and 2014.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

The implementation of GASB 68 resulted in the Authority reporting a net pension liability for calendar years 2015 and 2014. The Statement required the Authority to recognize a net pension liability for the difference between the present value of the projected benefits for past service known as the Total Pension Liability ("TPL") and the restricted resources held in trust for the payment of pension benefits, known as the Fiduciary Net Position ("FNP").

At December 31, 2015 and 2014, the Authority reported a liability of \$48.7 million and \$28.6 million for its proportionate share of the net pension liability for PERS. The net pension liability was measured as of June 30, 2015 and June 30, 2014, respectively, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of July 1, 2014 and July 1, 2013. The actuarial valuations were rolled forward to June 30, 2014 and June 30, 2015 using update procedures. The Authority's proportion of the net pension liability was based on a projection of the long-term share of contribution to the pension plans relative to the projected contributions of all participating State agencies, actuarially determined. At

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 11: Employee Benefits (continued)

December 31, 2015, the Authority's proportion was .21713% which was an increase of .06423% from its proportion measured as of December 31, 2014.

For the years ended December 31, 2015 and 2014, the Authority recognized pension expense of \$4,811,804 and \$1,413,001 for PERS. Pension expense is reported in the Authority's financial statements as part of salaries and employee benefits expense.

At December 31, 2015, the Authority reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ —	\$ 783,660
Changes of assumptions or other inputs	5,234,386	—
Changes in proportion	10,464,352	—
Difference between expected and actual experience	1,162,787	—
Contributions subsequent to the measurement date	1,866,720	—
	\$ 18,728,245	\$ 783,660

Deferred outflows of resources of \$1,866,720 resulted from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year 1 (2016)	\$ 3,376,442
Year 2 (2017)	3,376,442
Year 3 (2018)	3,376,442
Year 4 (2019)	3,376,442
Year 5 (2020)	2,572,097
	\$ 16,077,865

At December 31, 2014, the Authority reported deferred outflows of resources of \$2,482,701 and deferred inflows of resources of \$1,706,067.

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 11: Employee Benefits (continued)

Actuarial Methods and Assumptions

The total pension liability in the June 30, 2015 actuarial valuation was determined based on an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015 using update procedures. The key actuarial assumptions are summarized as follows:

Inflation:	3.04%
Salary increase:	2.15%–5.40%
Investment rate of return:	7.90%
Cost of living adjustment	No cost of living adjustment is assumed

Mortality rates were based on the RP-2000 Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

Discount Rate

The discount rate used to measure the total pension liability was 4.90% and 5.39% at June 30, 2015 and June 30, 2014. This single blended discount rate was based on the long term rate of return of 7.90% and the municipal bond rates of 3.80% and 4.29% as of June 30, 2015 and 2014 respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The contribution percentage is the average percentage of the annual actual contribution paid over the annual actuarially determined contribution during the most recent five-year period. Based on those assumptions, the pension Plan's fiduciary net position was projected to be available to make projected future benefit payments of current Plan members until fiscal year 2033.

Expected Rate of Return on Investments

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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Notes to Financial Statements (continued)

Note 11: Employee Benefits (continued)

The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
PERS:		
Cash	5.00%	1.04%
U.S Treasuries	1.75	1.64
Investment Grade Credit	10.00	1.79
Mortgages	2.10	1.62
High Yield Bonds	2.00	4.03
Inflation-Indexed Bonds	1.50	3.25
Broad US Equities	27.25	8.52
Developed Foreign Equities	12.00	6.88
Emerging Market Equities	6.40	10.00
Private Equity	9.25	12.41
Hedge Funds/Absolute Return	12.00	4.72
Real Estate (Property)	2.00	6.83
Commodities	1.00	5.32
Global Debt ex US	3.50	-0.40
REIT	4.25	5.12

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 4.90% for PERS as well as the proportionate share of the net pension liability using a 1.00 percent increase or decrease from the current discount rate as of December 31, 2015:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
PERS (3.90%, 4.90%, 5.90%)	\$ 60,579,006	\$ 48,740,925	\$ 38,815,963

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 11: Employee Benefits (continued)

Detailed information about the Plan's fiduciary net position is available in a separately issued financial report. The State of New Jersey, Department of the Treasury, Division of Pension and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information for the PERS. Information on the total Plan funding status and progress, required contributions and trend information is available on the State's web site at www.state.nj.us/treasury/pensions/annrpts.shtml in the Comprehensive Annual Financial Report of the State of New Jersey, Division of Pensions and Benefits.

(b) Postemployment Health Care and Insurance Benefits

The Authority sponsors a single employer postemployment benefits plan that provides benefits in accordance with State statute, through the State Health Benefits Bureau, to its retirees having 25 years or more of service in the PERS, and 30 years or more of service if hired after June 28, 2011, or to employees approved for disability retirement. Health benefits and prescription benefits provided by the plan are at no cost to eligible retirees who had accumulated 20 years of service credit as of June 30, 2010. All other future retirees will contribute to a portion of their health and prescription premiums. Upon turning 65 years of age, a retiree must utilize Medicare as their primary coverage, with State Health Benefits providing supplemental coverage. In addition, life insurance is provided at no cost to the Authority and the retiree in an amount equal to 3/16 of their average salary during the final 12 months of active employment.

Since the Authority is a participating employer in the State Health Benefits Bureau, the Authority does not issue a separate stand-alone financial report regarding other postemployment benefits. The State of New Jersey, Department of the Treasury, Division of Pension and Benefits, issues publicly available financial reports that include the financial statements for the State Health Benefits Program Funds. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pension and Benefits, P.O. Box 295, Trenton, New Jersey, 08625-0295.

The State has the authority to establish and amend the benefit provisions offered and contribution requirements.

Pursuant to GASB Statement No. 45 ("GASB 45"), *Accounting & Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the Authority obtained an actuarially determined calculation for this obligation, and has established and funded an irrevocable trust for the payments required by this obligation.

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 11: Employee Benefits (continued)

The Authority's annual other postemployment benefits ("OPEB") cost for the plan is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially determined in accordance with the parameters of GASB 45. This represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year, and to amortize any unfunded actuarial accrued liability ("UAAL") or excess over a period not to exceed 30 years. The Authority elected to amortize the UAAL over one year in 2006. The Authority's annual OPEB cost for the years ended December 31, 2015 and 2014, and the related information for the Plan are as follows (dollar amounts in thousands):

	2015	2014
Annual required contribution (ARC)	\$ 9,014	\$ 891
Contributions made	9,014	1,205
(Decrease)/increase in net OPEB obligation	–	(314)
Net OPEB obligation – beginning of year	–	314
Net OPEB obligation – end of year	\$ –	\$ –

The Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for fiscal years 2015, 2014 and 2013 are as follows (dollar amounts in thousands):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2015	\$ 9,014	100.0%	\$ –
December 31, 2014	891	135.2%	–
December 31, 2013	850	63.1%	314

As of December 31, 2015, the actuarial accrued liability for benefits was \$30,100,655, none of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$15,818,820, and the ratio of unfunded actuarial accrued liability to the covered payroll was 48.1%.

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Notes to Financial Statements (continued)

Note 11: Employee Benefits (continued)

To fund its OPEB obligation, the Authority has established an irrevocable trust and set aside monies (plan assets) in a bank account administered by a Trustee for the payment of future OPEB obligations. As of December 31, 2015, the balance was \$31,151,042 and investment earnings on the account were \$272,546 in 2015. The plan assets are reported at fair value.

Actuarial valuations of an ongoing plan involve estimates and assumptions about the probability of occurrence of future events, such as employment, mortality, and healthcare costs. Amounts determined regarding the funded status of the plan and the annual required contributions of the Authority are subject to continual revision as actual results are compared with past expectations and new estimates are made regarding the future. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of benefit cost sharing between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

For the January 1, 2015 actuarial valuation, the projected unit credit actuarial cost method was used. In this method benefits are attributed from date of hire to the date of decrement. In the actuarial assumptions the investment return on plan assets was projected at an annual rate of 4%. The healthcare cost trend assumed in the actuarial valuation includes an initial annual healthcare cost trend rate of 7.5% annually, decreasing by 0.5% per year to an ultimate rate of 5% effective 2020 and thereafter. Both rates include a 4% inflation assumption. The unfunded actuarial accrued liability is being amortized over a 30-year closed period on a level-dollar basis.

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 12: Compensated Absences

In accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, the Authority recorded current liabilities in the amount of \$916,415 and \$913,649 as of December 31, 2015 and 2014, respectively. The liability as of those dates is the value of employee accrued vacation time and vested estimated sick leave benefits that are probable of payment to employees upon retirement. The vested sick leave benefit to eligible retirees for unused accumulated sick leave is calculated at the lesser of ½ the value of earned time or \$15,000. The payment of sick leave benefits, prior to retirement, is dependent on the occurrence of sickness as defined by Authority policy; therefore, such non-vested benefits are not accrued.

Note 13: Long-Term Liabilities

During 2015, the following changes in long-term liabilities are reflected in the statement of net position:

	Beginning Balance	Additions	Deductions	Ending Balance
Net pension liability	\$ 28,627,890	\$ 20,113,035	\$ –	\$ 48,740,925
Notes payable	9,688,695	–	(1,048,031)	8,640,664
Unearned lease revenue	11,065,403	–	(1,053,848)	10,011,555
Accrued guarantee losses	2,552,529	553,490	(1,723,338)	1,382,681
Total long-term liabilities	\$ 51,934,517	\$ 20,666,525	\$ (3,825,217)	\$ 68,775,825

For further information, see Notes 7 and 11.

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 14: Net Position

The Authority's Net Position is categorized as follows:

- Net investment in capital assets
- Restricted
- Unrestricted

Net investment in capital assets includes capital assets net of accumulated depreciation used in the Authority's operations as well as capital assets that result from the Authority's real estate development and operating lease activities. Restricted net position include net position that have been restricted in use in accordance with State law, as well as Federal grant proceeds intended for specific projects, such as the State Small Business Credit Initiative ("SSBCI"). Unrestricted net position include all net position not included above.

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 15: Condensed Combining Information

The following are Condensed Statements of Net Position as of December 31, 2015, Condensed Statements of Revenues, Expenses and Changes in Net Position for the Year Ended December 31, 2015 and Condensed Statements of Cash Flows for the year ended December 31, 2015.

**New Jersey Economic Development Authority
Condensed Statements of Net Position
December 31, 2015**

	NJEDA	CCURLP	Eliminations	Total
Assets				
Current assets	\$ 157,315,490	\$ 11,588,392	\$ (5,215,287)	\$ 163,688,595
Capital assets	86,152,710	–	–	86,152,710
Other assets	326,680,186	–	–	326,680,186
Total assets	\$ 570,148,386	\$ 11,588,392	\$ (5,215,287)	\$ 576,521,491
Deferred outflow of resources				
Deferred outflows related to pension	\$ 18,728,245	\$ –	\$ –	\$ 18,728,245
Liabilities				
Current liabilities	\$ 23,488,045	\$ 5,215,287	\$ (5,215,287)	\$ 23,488,045
Long-term liabilities	57,381,589	–	–	57,381,589
Total liabilities	\$ 80,869,634	\$ 5,215,287	\$ (5,215,287)	\$ 80,869,634
Deferred inflow of resources				
Deferred inflow related to pension	\$ 783,660	\$ –	\$ –	\$ 783,660
Net Position				
Net investment in capital assets	\$ 82,856,031	\$ –	\$ –	\$ 82,856,031
Restricted	22,583,026	–	–	22,583,026
Unrestricted	401,784,280	6,373,105	–	408,157,385
Total net position	\$ 507,223,337	\$ 6,373,105	\$ –	\$ 513,596,442

New Jersey Economic Development Authority
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Notes to Financial Statements (continued)

Note 15: Condensed Combining Information (continued)

**New Jersey Economic Development Authority
Condensed Statements of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2015**

	NJEDA	CCURLP	Eliminations	Total
Operating revenues	\$ 44,047,076	\$ –	\$ –	\$ 44,047,076
Operating expenses	50,018,419	59,933	–	50,078,352
Depreciation	6,616,729	–	–	6,616,729
Operating loss	(12,588,072)	(59,933)	–	(12,648,005)
Non-operating revenues	64,882,321	54,325	–	64,936,646
Non-operating expense	(38,685,338)	–	–	(38,685,338)
Total non-operating revenues, net	26,196,983	54,325	–	26,251,308
Change in net position	13,608,911	(5,608)	–	13,603,303
Net position, beginning of year*	493,614,426	6,378,713	–	499,993,139
Net position, end of year	\$ 507,223,337	\$ 6,373,105	\$ –	\$ 513,596,442

*Adjusted for GASB 68/71

**New Jersey Economic Development Authority
Condensed Statements of Cash Flows
Year Ended December 31, 2015**

	NJEDA	CCURLP	Eliminations	Total
Net cash provided by (used in)				
operating activities	\$ (46,077,219)	\$ (244,352)	\$ –	\$ (46,321,571)
Noncapital financing activities	25,357,747	–	–	25,357,747
Capital and relating financing activities	(2,470,666)	–	–	(2,470,666)
Investing activities	(3,577,633)	2,243,120	–	(1,334,513)
Net increase (decrease)	(26,767,771)	1,998,768	–	(24,769,003)
Beginning cash and cash equivalents				
balance	94,283,598	5,399,268	–	99,682,866
Ending cash and cash equivalents balance	\$ 67,515,827	\$ 7,398,036	\$ –	\$ 74,913,863

Required Supplementary Information

New Jersey Economic Development Authority
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Schedule of Funding Progress of the Postemployment Healthcare Plan

The funding status of the postemployment health care plan as of December 31, 2015 (based on January 1, 2015 valuation date), and the preceding two actuarial valuation dates of January 1, 2012 and 2009 are as follows (dollars in thousands):

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll (b-a)/(c)
1/1/2015	\$ 22,498	\$ 30,101	\$ 7,603	74.7%	\$ 15,819	48.1%
1/1/2012	18,374	20,794	2,420	88.4	10,472	23.1
1/1/2009	13,363	16,299	2,936	82.0	11,507	25.5

New Jersey Economic Development Authority
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Schedule of the Authority's Proportionate Share of the Net Pension Liability

	2015 PERS	2014 PERS
Authority's proportion of the net pension liability	.21713%	.15290%
Authority's proportionate share of the net pension liability	\$ 48,740,925	\$ 28,627,890
Authority's covered-employee payroll	\$ 15,434,227	\$ 12,440,364
Authority's proportionate share of the net pension liability as a percentage as a percentage of its covered-employee payroll	315.80%	230.12%
Plan fiduciary net position as a percentage of the total pension liability	38.21%	42.74%

The amounts presented for each fiscal year were determined as of June 30.

New Jersey Economic Development Authority
(a component unit of the State of New Jersey)

Schedule of the Authority's Contributions to the Public Employees' Retirement System (PERS)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually required contribution	\$ 1,866,720	\$ 1,260,522	\$ 1,137,100	\$ 1,188,900	\$ 1,262,300	\$ 1,292,500	\$ 1,029,900	\$ 743,700	\$ 549,444	\$ 303,648
Contributions in relation to the contractually required contribution	1,866,720	1,260,522	1,137,100	1,188,900	1,262,300	1,292,500	1,029,900	743,700	549,444	303,648
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's covered employee payroll	\$ 15,818,820	\$ 14,535,358	\$ 10,970,510	\$ 10,472,305	\$ 12,062,333	\$ 13,183,135	\$ 13,769,583	\$ 11,114,716	\$ 9,333,073	\$ 8,596,556
Contributions as a percentage of covered employee payroll	11.80%	8.67%	10.37%	11.35%	10.46%	9.80%	7.48%	6.69%	5.89%	3.53%

New Jersey Economic Development Authority
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Notes to Schedule of the Authority's Contributions to the Public Employees' Retirement System (PERS)

Notes to Schedule:

Valuation Date Actuarially determined contribution rates are calculated as of July 1, two years prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine the actuarially determined employer contributions are as follows:

Actuarial Cost Method	Projected Unit Credit Method
Amortization Method	Level Dollar Amortization
Remaining Amortization Period	30 years
Asset Valuation Method	A five year average of market value
Investment Rate of Return	7.9% for 2015, 2014 and 2013, 7.95% for 2012, 8.25% for 2011, 2010 2009, 2008, 2007 and 2006
Inflation	3.01%
Salary Increases	2.15% – 5.40% for 2015 through 2013, 4.52% for 2012, 5.45% for 2011, 2010 2009, 2008, 2007 and 2006
Mortality	RP-2000 Employee Preretirement Mortality Table for male and female active participants. Mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2012 using a generational approach based on Projection Scale AA. Prior to 2012, the RP-2000 Employee Preretirement Mortality table was used and was set back 4 years for females.

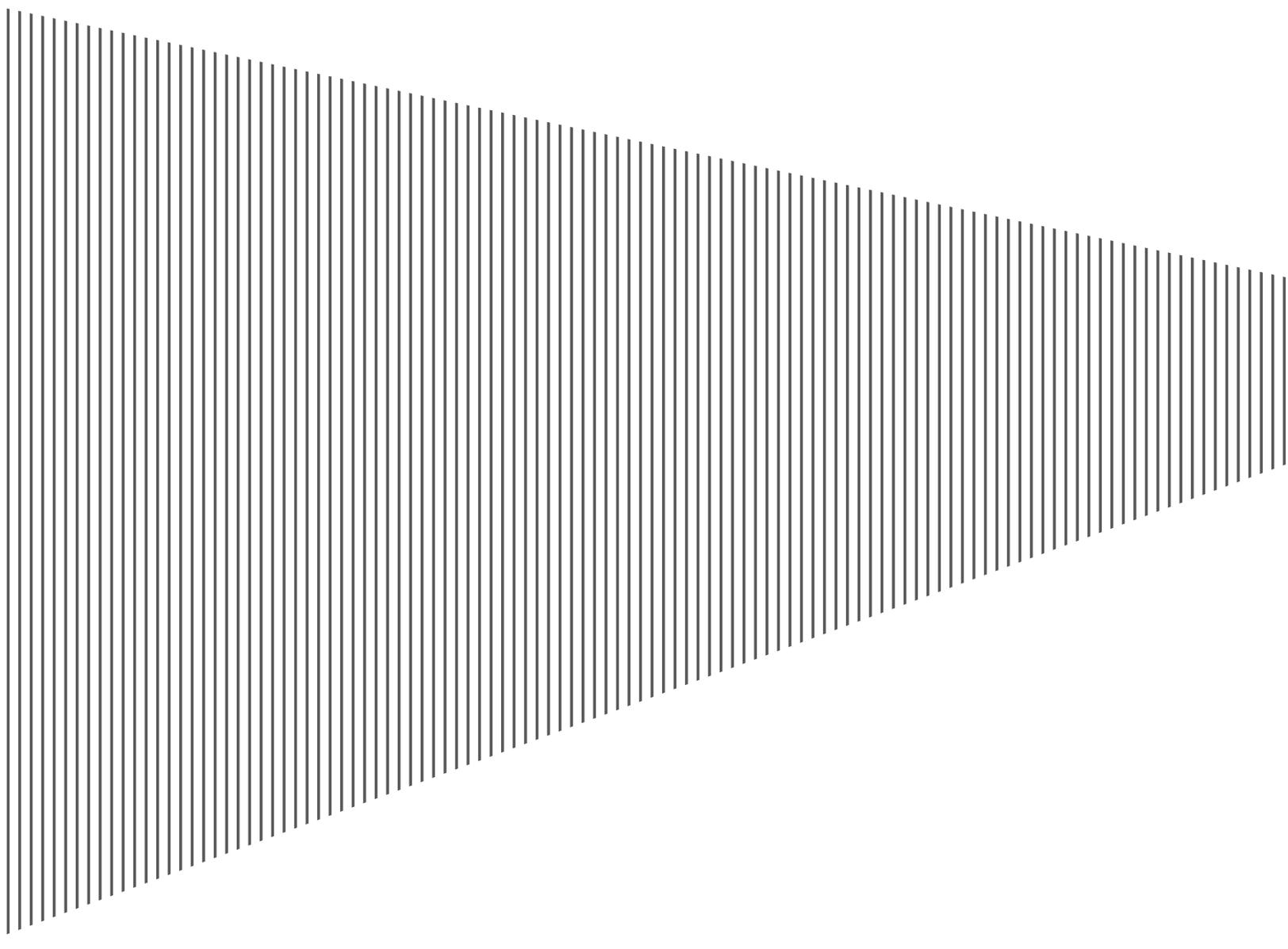
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2015 EDA Project List

ATLANTIC COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Cardiff Petroleum, Inc.	Egg Harbor City	RT					Retail Fuel Station-Generator Incentive
City of Pleasantville (City Center Redevelopment)	Pleasantville City	SR					Hazardous Site Remediation - Municipal
City of Atlantic City (Atlantic City Boardwalk)	Atlantic City	EX				253	NCR Recreation
City of Brigantine Central Business District Assoc Associated Improvements	Brigantine City	EX				5	NCR Recreation
City of Somers Point	Somers Point City	EX				3	NCR Recreation
City of Brigantine Central Business District Assoc Associated Improvements	Brigantine City	GF				6	NCR Streetscape
City of Margate	Margate City	GF				3	NCR Streetscape
City of Pleasantville	Pleasantville City	GF				4	NCR Streetscape
DGMB Casino, LLC *	Atlantic City			296		209	Economic Redevelopment Growth
Tropicana Atlantic City Corp. **	Atlantic City	CM				171	Economic Redevelopment Growth-Grant EOA
10 projects				296		654	

BERGEN COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
WJJ & Company LLC d/b/a Papertec	Garfield City	MF	20	2			Direct Loan
ADPP Enterprises Inc. (Carlstadt)	Carlstadt Borough	RT					Retail Fuel Station-Generator Incentive
ADPP Enterprises Inc. (Mahwah 193 Rt 17 N)	Mahwah Township	RT					Retail Fuel Station-Generator Incentive
AME Management Inc. (Ramsey)	Ramsey Borough	RT					Retail Fuel Station-Generator Incentive
Bergen Convenience Flagship Inc.	Ridgewood Village	RT					Retail Fuel Station-Generator Incentive
LUKOIL North America LLC (Rutherford)	Rutherford Borough	RT					Retail Fuel Station-Generator Incentive
Paks Fast Service Inc.	Mahwah Township	RT					Retail Fuel Station-Generator Incentive
Tiger Service Station, Inc.	Englewood City	RT					Retail Fuel Station-Generator Incentive
Cedar Barista USA LLC	Carlstadt Borough	DS	6	6			Main Street Assistance Line
Borough of Little Ferry	Little Ferry Borough	GF				33	NCR Recreation
24 Park Way, LLC	Upper Saddle River Borough	MF	210	13		4	Stand-Alone Bond
Ben Porat Yosef, Inc.	Paramus Borough	NP	100	12			Stand-Alone Bond
Cable Solutions Inc	Moonachie Borough	SV	6				Stronger NJ Business Loan Program
Cable Solutions Inc	Moonachie Borough	SV	6				Stronger NJ Business Loan Program
Rayco II World of Spoilers, Inc.	Little Ferry Borough	RT	2	2			Stronger NJ Business Loan Program
333-103 Holding Co, LLC	Westwood Borough	SV	3	2			Statewide Loan Pool
Megas Yeeros LLC	Lyndhurst Township	MF		165		17	Statewide Loan Pool
West Ivy Englewood, LLC	Englewood City	SV	3	2		1	Statewide Loan Pool
Wiseway, LLC	Teaneck Township	CM	43	8			Statewide Loan Pool
Catellus Teterboro Development Urban Renewal, LLC **	Teterboro Borough	RT		776		327	Economic Redevelopment Growth
ENER-G Rudox, Inc. **	East Rutherford Borough	MF	30		30	13	Grow New Jersey Tax Credit-EOA
Sony Music Entertainment **	Rutherford Borough	SV	97	50		17	Grow New Jersey Tax Credit-EOA
United Water Management and Services Inc **	Paramus Borough	EX	294		294	35	Grow New Jersey Tax Credit-EOA
23 projects			820	1,038	324	447	

BURLINGTON COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Habitat For Humanity, Burlington County, New Jersey Affiliate, Inc.	Maple Shade Borough	NP	20	10			Direct Loan
APCO Petroleum Corporation (Bordentown 1080 Rt 206)	Bordentown City	RT					Retail Fuel Station-Generator Incentive
APCO Petroleum Corporation (Lumberton)	Lumberton Township	RT					Retail Fuel Station-Generator Incentive

continued

BURLINGTON COUNTY (continued)							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
APCO Petroleum Corporation (Marlton)	Evesham Township	RT					Retail Fuel Station-Generator Incentive
APCO Petroleum Corporation (Tabernacle)	Tabernacle Township	RT					Retail Fuel Station-Generator Incentive
G&B Business Associates, Inc.	Florence Township	RT					Retail Fuel Station-Generator Incentive
LUKOIL North America LLC (Mt Laurel)	Mount Laurel Township	RT					Retail Fuel Station-Generator Incentive
Township of Southampton (Former Stokes Cannery)	Southampton Township	SR					Hazardous Site Remediation - Municipal
Association Headquarters, Inc. **	Mount Laurel Township	SV	175	60	175	15	Grow New Jersey Tax Credit-EOA
9 projects			195	70	175	15	

CAMDEN COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
DA Barrett RE LLC	Haddonfield Borough	SV	6	6			New Jersey Business Growth Fund
Ellis Real Estate Holdings, LLC	Gloucester City	RH	2	1			New Jersey Business Growth Fund
Jersey GM Stevens Enterprises LLC and Table Top Fashions, Inc.	Gloucester Township	SV	12	5			New Jersey Business Growth Fund
R & W Investments and Technitool Inc	Berlin Township	MF	15	3			New Jersey Business Growth Fund
Cooperative Business Assistance Corporation	Camden City	NP		7			Direct Loan
Broadway Housing Partners LLC **	Camden City	HS		26		108	Economic Recovery Board - Camden
Broadway Housing Partners LLC	Camden City	HS					Economic Recovery Board - Camden
Camden Coalition of Healthcare Providers	Camden City	NP	80	17			Economic Recovery Board - Camden
Trinity Live Entertainment and Events, LLC	Camden City	SV	1	2			Economic Recovery Board - Camden
APCO Petroleum Corporation (Voorhees)	Voorhees Township	RT					Retail Fuel Station-Generator Incentive
Grove I Partnership	Haddonfield Borough	SR					Hazardous Site Remediation - Commercial
Raymond Porutski	Waterford Township	SR					Hazardous Site Remediation - Commercial
Borough of National Park (Robert Hawthorne Landfill)	Gloucester Township	SR					Hazardous Site Remediation - Municipal
LEAP Academy University Charter School, Inc.	Camden City	NP	134	2			Stand-Alone Bond
MSC State & River LLC	Camden City	NP	48	38		224	Stand-Alone Bond
Ragmen LLC	Pennsauken Township	CM	48	2			Statewide Loan Pool
WebiMax LLC *	Camden		103	21	50	1	EOA Grow NJ
Broadway Housing Partners LLC	Camden City	SV		15		57	Economic Redevel Growth-Tax Credit-EOA
Dicalite Management Group, Inc. **	Pennsauken Township	MF		36		4	Grow New Jersey Tax Credit-EOA
Plastics Consulting and Manufacturing Company, Inc and Science Pump Corporation **	Camden City	MF	20	8	20	7	Grow New Jersey Tax Credit-EOA
The Cooper Health System **	Camden City	NP	353	19	353	24	Grow New Jersey Tax Credit-EOA
21 projects			822	208	423	425	

CAPE MAY COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
The Kings Cottage Enterprises	Cape May City	SV					New Jersey Business Growth Fund
Greater Wildwoods Tourism Improvement and Development	Wildwood City	SV	14				Community Economic Development
Cape May City	Cape May City	EX				18	NCR Recreation
Sea Isle City (Landis Avenue) (Landis Avenue) (Lan (Landis Avenue)	Sea Isle City	GF				12	NCR Streetscape
Malusa and Sons, Inc. and Antonio Malusa and Franc and Frances Malusa	Wildwood City	RT		12		11	Stronger NJ Business Loan Program
Atlantis O.C. Holding Limited Liability Company	Ocean City City	SV	14	4			Statewide Loan Pool
6 projects			28	16		41	

continued

CUMBERLAND COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
South Vineland Petroleum, Inc.	Vineland City	RT					Retail Fuel Station-Generator Incentive
City of Millville ((Shones Auto Body))	Millville City	SR					Hazardous Site Remediation - Municipal
Millville Rescue Squad, Inc. d/b/a Medical Respos	Millville City	NP	189				Main Street Assistance Line
Univision Communications Inc., and Subsidiaries **	Vineland City	SV		70		20	Grow New Jersey Tax Credit-EOA
4 projects			189	70	0	20	

ESSEX COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Ancyma, Inc.	Maplewood Township	DS	30	20			Direct Loan
Community Asset Preservation Corporation	Newark City	NP	5	4			Direct Loan
RLK Realty LLC and Flame Cut Steel Inc.	Irvington Township	MF	2	6			Direct Loan
Hampton Hills Associates	Newark City	SR					Hazardous Site Remediation - Commercial
Hampton Hills Associates (Hampton Hill Apartments)	Newark City	SR					Hazardous Site Remediation - Commercial
Eastern Nursing Services I, Inc. and Eastern Nursing Services II, Inc.	Newark City	RH	13				Main Street Assistance Line
The Housing Authority of the City of Newark	Newark City	EX				37	NCR Recreation
Uncommon Properties VI, LLC	Newark City	NP		88		30	Stand-Alone Bond
Atlas Refinery, Inc.	Newark City	MF	18	20			Stronger NJ Business Loan Program
102 Dorsa, LLC	Livingston Township	SV	10	6			Statewide Loan Pool
A&H Holdings LLC	Newark City	CM		16			Statewide Loan Pool
Phone.com, Inc.	Newark City	TC	14	16			Edison Innovation VC Growth Fund
Prudential Financial Inc., and/or Affiliates *	Newark			400		1343	Urban Transit Hub Tax Credit Program
TDAF I Pru Hotel Urban Renewal Company LLC *	Newark			105		145	Economic Redevelopment Growth
Washington Street University Housing Assoc., LLC **	Newark City	SV				200	Economic Redevel Growth-Tax Credit-EOA
Schenker, Inc. **	Newark City	TP	90	25	90		Grow New Jersey Tax Credit-EOA
16 projects			182	706	90	1,755	

GLOUCESTER COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Washington Petroleum, Inc.	Washington Township	RT					Retail Fuel Station-Generator Incentive
Provident Group - Rowan Properties L.L.C.	Glassboro Borough	NP			22	378	Stand-Alone Bond
SETO MP Holdings, LLC	West Deptford Township	OF	6	2			Statewide Loan Pool
TDH Penn Properties LLC	Washington Township	OF	2	3			Statewide Loan Pool
CDIP Paulsboro, LLC **	Paulsboro Borough	RT				100	Economic Redevelopment Growth-Grant EOA
Liscio's Italian Bakery, Inc. **	Glassboro Borough	MF	216	71	176	9	Grow New Jersey Tax Credit-EOA
6 projects			224	98	176	487	

HUDSON COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
1013 Bergenline LLC	Union City	WS	10				Direct Loan
2000 West Street, LLC	Union City	SV	2	10			Direct Loan
SCF Realty III LLC	Bayonne City	MF					Direct Loan
The Fred 101, LLC	Secaucus Town	MF					Direct Loan
Gurjot Petroleum LLC	Jersey City	RT					Retail Fuel Station-Generator Incentive
Holland Tunnel Service Center Inc.	Jersey City	RT					Retail Fuel Station-Generator Incentive
Lincoln Tiger LLC	Weehawken Township	RT					Retail Fuel Station-Generator Incentive
Harrison Redevelopment Agency (BDA-Frm Hartz Mount	Harrison Town	SR					Hazardous Site Remediation - Municipal

continued

HUDSON COUNTY (continued)							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Jersey City Redevelopment Agency (BDA Pittsburgh Metal & Graphic)	Jersey City	SR					Hazardous Site Remediation - Municipal
Jersey City Redevelopment Agency (Berry Lane Park) (BDA Hudson County Chromate)	Jersey City	SR					Hazardous Site Remediation - Municipal
Jersey City Redevelopment Agency (Berry Lane Park) (BDA Summit Metals Comp. Inc.)	Jersey City	SR					Hazardous Site Remediation - Municipal
Jersey City Redevelopment Agency	Jersey City	GF				39	NCR Recreation
City of Hoboken (City of Hoboken)	Hoboken City	GF				7	NCR Streetscape
Hudson Community Enterprises, Inc.	Jersey City	NP	475	30			Stand-Alone Bond
The Fred 101, LLC	Secaucus Town	MF		251			28 Stand-Alone Bond
West Campus Housing, LLC	Jersey City	NP		5		304	Stand-Alone Bond
Pastore Music, Inc.	Union City	RT	5				Stronger NJ Business Loan Program
Shelley Food Stores, Inc., II	Jersey City	WS		12			Stronger NJ Business Loan Program
Indiegrove LLC	Jersey City	OF	2			1	Tech Shared Space
Ahold eCommerce Sales Company LLC *	Jersey City			380		242	Urban Transit Hub Tax Credit Program
Goya Foods, Inc.*	Jersey City			175		750	Urban Transit Hub Tax Credit Program
Grand LHN I Urban Renewal LLC *	Jersey City			50		600	Urban Transit Hub Tax Credit Program
Port Imperial South LLC *	Weehawken			42		437	Economic Redevelopment Growth
Harrison Hotel 1, LLC, or affiliate *	Harrison			172		232	Economic Redevelopment Growth
Newport Office Center VI LLC *	Jersey City			1600		300	Economic Redevelopment Growth
AP&G Co., Inc. **	Bayonne City	MF		150		8	Grow New Jersey Tax Credit-EOA
Eltman Law, P.C. **	Jersey City	SV		80		8	Grow New Jersey Tax Credit-EOA
Fidelity Global Brokerage Group, Inc. **	Jersey City	SV		200		47	Grow New Jersey Tax Credit-EOA
First Data Corporation **	Jersey City	SV		74		8	Grow New Jersey Tax Credit-EOA
Forbes Media LLC **	Jersey City	SV		350		47	Grow New Jersey Tax Credit-EOA
Hugo Neu Recycling, LLC **	Kearny Town	RC		63		41	Grow New Jersey Tax Credit-EOA
IT Cosmetics, LLC **	Jersey City	WS	27	57		12	Grow New Jersey Tax Credit-EOA
Insight Catastrophe Group, LLC **	Jersey City	SV		31		3	Grow New Jersey Tax Credit-EOA
JPMorgan Chase Bank, N.A. **	Jersey City	SV	2,612	1,000	2,612	605	Grow New Jersey Tax Credit-EOA
Jacmel Jewelry Inc. **	Secaucus Town	WS		75		1	Grow New Jersey Tax Credit-EOA
Northern Leasing Systems Inc **	Jersey City	SV		92		10	Grow New Jersey Tax Credit-EOA
Principis Capital LLC **	Jersey City	SV		50		2	Grow New Jersey Tax Credit-EOA
RBC Capital Markets LLC **	Jersey City	SV		900		82	Grow New Jersey Tax Credit-EOA
TR U.S. Inc. and Subsidiaries **	Hoboken City	SV		450		22	Grow New Jersey Tax Credit-EOA
39 projects			3,133	6,299	2,612	3,836	

HUNTERDON COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Califon Exxon Inc.	Califon Borough	RT					Retail Fuel Station-Generator Incentive
Five Star Gas And Food Mart, Inc	Union Township	RT					Retail Fuel Station-Generator Incentive
Gill Petroleum Inc (Lebanon)	Lebanon Borough	RT					Retail Fuel Station-Generator Incentive
3 projects							

MERCER COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Blue Rock Holdings LLC and Advanced Infrastructure Design, Inc.	Hamilton Township	SV					New Jersey Business Growth Fund
APCO Petroleum Corporation (Ewing)	Ewing Township	RT					Retail Fuel Station-Generator Incentive
LUKOIL North America LLC (Princeton)	Princeton Borough	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey II, LLC (Mercerville-Hamilton Square)	Hamilton Township	RT					Retail Fuel Station-Generator Incentive
Estate of Dorothy Niece	Hopewell Township	SR					Hazardous Site Remediation - Commercial
Michael A. Tramontana	Trenton City	SR					Hazardous Site Remediation - Commercial
Trenton Business Assistance Corporation d/b/a Regional Business Assistance Corporation	Hamilton Township	NP	11				Loan to Lenders
Britton Realty of Lawrenceville, LLC	Lawrence Township	MF	60	5			Statewide Loan Pool

continued

MERCER COUNTY (continued)							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Building 101 Urban Renewal LLC **	Trenton City	RH				222	Economic Redevel Growth-Tax Credit-EOA
PRC Campus Centers, LLC **	Ewing Township	CM		325		150	Economic Redevel Growth-Tax Credit-EOA
Trent East Senior Apartments Urban Renewal Limited **	Trenton City	RH				73	Economic Redevel Growth-Tax Credit-EOA
Trent East Senior Apartments Urban Renewal Limited **	Trenton City	RH				63	Economic Redevel Growth-Tax Credit-EOA
Solvay USA **	West Windsor Township	MF	359	35	359	40	Grow New Jersey Tax Credit-EOA
13 projects			430	365	359	548	

MIDDLESEX COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Aldo Carpets, Inc.	Carteret Borough	RT	27	2		4	TD Bank New Jersey Advantage Program(L)
Benavides & Sons Realty, LLC	Carteret Borough	RT					TD Bank New Jersey Advantage Program(T)
Community Loan Fund of New Jersey, Inc.	New Brunswick City	NP			20		Direct Loan
MG Realty Holding, LLC	North Brunswick Township	SV	12	2		1	Direct Loan
APCO Petroleum Corporation (2836 Rt 27 N., North Brunswick)	North Brunswick Township	RT					Retail Fuel Station-Generator Incentive
APCO Petroleum Corporation (4217 Rt 1 S., South Brunswick)	South Brunswick Township	RT					Retail Fuel Station-Generator Incentive
APCO Petroleum Corporation (Cranbury)	Cranbury Township	RT					Retail Fuel Station-Generator Incentive
APCO Petroleum Corporation (S Brunswick 2040 Rt 130)	South Brunswick Township	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey II, LLC (78 GSP, Woodbridge)	Woodbridge Township	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey II, LLC (133 GSP North Woodbridge)	Woodbridge Township	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey, LLC (480 Amboy Ave., Woodbridge)	Woodbridge Township	RT					Retail Fuel Station-Generator Incentive
Perth Amboy City (BDA General Cable Corp.)	Perth Amboy City	SR					Hazardous Site Remediation - Municipal
Woodbridge Township (Alibani Property)	Woodbridge Township	SR					Hazardous Site Remediation - Municipal
Woodbridge Township (Industrial Highway Corp. BDA)	Woodbridge Township	SR					Hazardous Site Remediation - Municipal
CM&E Con, Inc.	Woodbridge Township	CT	15	6			Main Street Assistance Line
City of Perth Amboy	Perth Amboy City	EX				16	NCR Recreation
ALTYLA REALTY, LLC	Monroe Township	CM	9		6		Statewide Loan Pool
Alisha and Aryan Realty, LLC	South Brunswick Township	DS	9	21			Statewide Loan Pool
New Jersey Restaurant Group, LLC dba Tilted Kilt Pub and Eatery	South Brunswick Township	SV		30		2	Statewide Loan Pool
Pasricha Properties LLC	Edison Township	SV	15	3			Statewide Loan Pool
Tived Lane, LLC	Edison Township	RT	174			20	Statewide Loan Pool
Woodbridge Township Ambulance & Rescue Squad, Inc	Woodbridge Township	NP	36	12			Statewide Loan Pool
Boraie Development LLC of a New Entity to be formed (133 Somerset & Albany Sts) *	New Brunswick			50		1000	Urban Transit Hub Tax Credit Program
Grant Thornton LLP *	Woodbridge Township		53	34	53	4	Business Employment Incentive Program
Interpool, Inc. **	Plainsboro Township	TP		90	310	31	Grow New Jersey Tax Credit-EOA
Sandoz Inc. **	Plainsboro Township	MF	292	70	292	22	Grow New Jersey Tax Credit-EOA
Wenner Bread Products, Inc. **	New Brunswick City	MF		253		16	Grow New Jersey Tax Credit-EOA
iCIMS, Inc. **	Old Bridge Township	CM	48	239	239	15	Grow New Jersey Tax Credit-EOA
Maplewood Beverage Packers, LLC & its affiliates **	Woodbridge Township	MF	215	100	215		Grow New Jersey Tax Credit
29 projects			905	938	1,109	1,131	

continued

MONMOUTH COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Excellency Enterprise, LLC	Eatontown Borough	RT					Retail Fuel Station-Generator Incentive
LUKOIL North America LLC (Long Branch)	Long Branch City	RT					Retail Fuel Station-Generator Incentive
LUKOIL North America LLC (Wall)	Wall Township	RT					Retail Fuel Station-Generator Incentive
Petroleum Marketing Group, Inc. (Morganville)	Marlboro Township	RT					Retail Fuel Station-Generator Incentive
ERBA Company, Inc.	Ocean Township	SR					Hazardous Site Remediation - Commercial
George Adjami	Middletown Township	SR					Hazardous Site Remediation - Commercial
Monmouth Conservation Foundation (Chris River Plaza Marina)	Middletown Township	SR					Hazardous Site Remediation - Commercial
Township of Neptune (BDA Chidnese Property)	Neptune Township	SR					Hazardous Site Remediation - Municipal
Carton Brewing Company, LLC	Atlantic Highlands Borough	CM	10	20			Main Street Assistance Line
Carton Brewing Company, LLC	Atlantic Highlands Borough	CM					Main Street Assistance Line
Keyport Historical Society	Keyport Borough	NP					NCR Recreation
Asbury Park- Boardwalk Lighting Improvements	Asbury Park City	GF				8	NCR Streetscape
Borough of Belmar	Belmar Borough	GF					NCR Streetscape
Borough of Keansburg	Keansburg Borough	GF				10	NCR Streetscape
Borough of Oceanport (Borough of Oceanport) (Borou (Borough of Oceanport)	Oceanport Borough	GF				3	NCR Streetscape
Borough of Sea Bright	Sea Bright Borough	EX				11	NCR Streetscape
Long Branch City (Long Branch City) (Long Branch C (Long Branch City)	Long Branch City	GF				6	NCR Streetscape
Township of Neptune (Township of Neptune) (Townshi (Township of Neptune)	Neptune Township	GF				7	NCR Streetscape
Springpoint at the Atrium, Inc.	Red Bank Borough	NP	85	2			Stand-Alone Bond
Gateway Marina	Highlands Borough	SV	10	2			Stronger NJ Business Loan Program
Gateway Marina	Highlands Borough	SV					Stronger NJ Business Loan Program
Jamie Lee Hentschel DBA Nova Boutique	Sea Bright Borough	RT	1				Stronger NJ Business Loan Program
Margaritaville, Inc.	Union Beach Borough	SV					Stronger NJ Business Loan Program
S Kelly Corporation d/b/a The Mad Hatter and Kelly and Kelly Management Group, LLC	Sea Bright Borough	CM	30	50			Stronger NJ Business Loan Program
Shrewsbury River, Inc. and Shrewsbury River Associ Associates	Sea Bright Borough	SV		30		36	Stronger NJ Business Loan Program
Bayshore Holdings LLC & Tre Belle Figlie, LLC	Union Beach Borough	SV		1			Statewide Loan Pool
DOTBC Holdings, LLC & Carton Brewing Company, LLC (Co-Borrowers)	Atlantic Highlands Borough	CM					Statewide Loan Pool
IM Broad St., LLC and Business Automation Technolo Technologies, Inc.	Little Silver Borough	TC	12	2			Statewide Loan Pool
Festo Didactic Inc. **	Eatontown Borough	SV	50	36	50	7	Grow New Jersey Tax Credit-EOA
Marathon Data Operating Company, LLC **	Neptune Township	TC	74	35	74		Grow New Jersey Tax Credit-EOA
30 projects			272	178	124	88	

MORRIS COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Power Precision Realty Limited Liability Company	Denville Township	SV	20	12			Direct Loan
ADPP Enterprises Inc. (Mount Olive)	Mount Olive Township	RT					Retail Fuel Station-Generator Incentive
Fuel Max Inc.	Pequannock Township	RT					Retail Fuel Station-Generator Incentive
LUKOIL North America LLC (Succasunna Kenvil)	Roxbury Township	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey II, LLC (Mine Hill)	Mine Hill Township	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey, LLC (Montville)	Montville Township	RT					Retail Fuel Station-Generator Incentive

continued

MORRIS COUNTY (continued)							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
PMG New Jersey, LLC (Mount Olive)	Mount Olive Township	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey, LLC (Rockaway)	Rockaway Township	RT					Retail Fuel Station-Generator Incentive
Petroleum Marketing Group, Inc. (Morristown)	Morristown Town	RT					Retail Fuel Station-Generator Incentive
T&J Service Center Inc.	Madison Borough	RT					Retail Fuel Station-Generator Incentive
Wayne DeKorte T/A Mount Arlington Exxon	Mount Arlington Borough	RT					Retail Fuel Station-Generator Incentive
Wharton Hill Inc.	Wharton Borough	RT					Retail Fuel Station-Generator Incentive
AllTech International Inc. d/b/a T&B Car Wash d/b/ d/b/a T&B Car Wash	Parsippany-Troy Hills Township	SV	10	3			Stronger NJ Business Loan Program
125 East Halsey Road LLC and Farmplast, LLC	Parsippany-Troy Hills Township	MF	8	19			Statewide Loan Pool
291 Main Street LLC	Chatham Borough	SV	3	1			Statewide Loan Pool
Artech Information Systems L.L.C. **	Morris Township	OF	235	41	44	7	Grow New Jersey Tax Credit-EOA
16 projects			276	76	44	7	

STATEWIDE/MULTI COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Dakota Properties, Inc.	Statewide	NP	35	2			Stand-Alone Bond
Twin Oaks Community Services, Inc.	Statewide	NP	100	30			Stand-Alone Bond
2 projects			135	32	0	0	

OCEAN COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Hook TNT LLC	Stafford Township	SV	3	3			Direct Loan
Tuckers Management LLC	Beach Haven Borough	SV	50				Direct Loan
Dilek, Inc.	Brick Township	RT					Retail Fuel Station-Generator Incentive
Petroleum Marketing Group, Inc. (Brick)	Brick Township	RT					Retail Fuel Station-Generator Incentive
Petroleum Marketing Group, Inc. (Toms River)	Dover Township	RT					Retail Fuel Station-Generator Incentive
Tiger Tail 1 LLC	Lakewood Township	RT					Retail Fuel Station-Generator Incentive
Patricio and Omaira Villarroel	Point Pleasant Beach Borough	SR					Hazardous Site Remediation - Commercial
Township of Berkeley (Bayview Park)	Berkeley Township	SR					Hazardous Site Remediation - Municipal
Borough of Beach Haven	Beach Haven Borough	EX				50	NCR Catalytic
Borough of Beach Haven	Beach Haven Borough	GF					NCR Catalytic
Township of Lacey	Lacey Township	EX				12	NCR Recreation
Borough of South Toms River	South Toms River Borough	GF				6	NCR Streetscape
Township of Little Egg Harbor	Little Egg Harbor Township	EX				9	NCR Streetscape
Bnos Melech of Lakewood, Inc.	Lakewood Township	NP	40	12			Stand-Alone Bond
Cong Bnos Devorah Inc.	Lakewood Township	NP	80	20			Stand-Alone Bond
Congregation Birchas Chaim	Lakewood Township	NP	10	4			Stand-Alone Bond
Congregation Oros Bais Yaakov of Lakewood Inc	Lakewood Township	NP	40	2			Stand-Alone Bond
Talmud Torah Bais Avrohom	Lakewood Township	NP	30	20			Stand-Alone Bond
Yeshiva Gedola of Woodlake Village, Inc.	Lakewood Township	NP	16	5			Stand-Alone Bond
AFW 500, LLC	Seaside Heights Borough	SV	48				Stronger NJ Business Loan Program
AFW 500, LLC	Seaside Heights Borough	SV					Stronger NJ Business Loan Program
Barnacle Bills, Inc.	Seaside Heights Borough	RT	16	20			Stronger NJ Business Loan Program
Barnacle Bills, Inc.	Seaside Heights Borough	SV					Stronger NJ Business Loan Program
Charlroy Corporation d/b/a Charlroy Motel	Seaside Park Borough	SV	3	3			Stronger NJ Business Loan Program
Charlroy Corporation d/b/a Charlroy Motel	Seaside Park Borough	SV					Stronger NJ Business Loan Program

continued

OCEAN COUNTY (continued)							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Cimorelli, Storino & Storino	Seaside Heights Borough	SV	13				Stronger NJ Business Loan Program
Cimorelli, Storino & Storino	Seaside Heights Borough	SV					Stronger NJ Business Loan Program
DAKK Enterprises Limited Liability Company d/b/a J Joe Pop's Shore Bar and Restaurant	Ship Bottom Borough	RT	2		1		Stronger NJ Business Loan Program
J.C. Pisacreta, LLC dba Il Giardinello Beach Grill	Dover Township	SV	6				Stronger NJ Business Loan Program
J.C. Pisacreta, LLC dba Il Giardinello Beach Grill	Dover Township	SV					Stronger NJ Business Loan Program
Jo Ann Netta d/b/a Black Dog Cafe Deli	Beach Haven Borough	SV	1		1		Stronger NJ Business Loan Program
Key Harbor Marina LLC, et al	Ocean Township	SV	10		3		Stronger NJ Business Loan Program
Key Harbor Marina LLC, et al	Ocean Township	SV					Stronger NJ Business Loan Program
Lakewood Candies LLC	Lakewood Township	DS	12	10			Stronger NJ Business Loan Program
Lyceum Enterprises Inc.	Ship Bottom Borough	SV	9		7		Stronger NJ Business Loan Program
Lyceum Enterprises Inc.	Ship Bottom Borough	SV					Stronger NJ Business Loan Program
Mac's Dock Inc dba South Harbor Marine	Ocean Township	SV					Stronger NJ Business Loan Program
Mac's Dock Inc dba South Harbor Marine	Ocean Township	SV	6				Stronger NJ Business Loan Program
New Jersey Appliance Limited Liability Company	Lakewood Township	RT	1		2		Stronger NJ Business Loan Program
New Jersey Appliance Limited Liability Company	Lakewood Township	RT					Stronger NJ Business Loan Program
Opdyke Furniture, Inc.	Point Pleasant Borough	RT	30				Stronger NJ Business Loan Program
Pt. Pleasant Packing Inc.	Point Pleasant Beach Borough	CF	28		31		Stronger NJ Business Loan Program
Susskind & Almallah Eye Associates, P.A	Brick Township	RH					Stronger NJ Business Loan Program
Thomas Tweer & Robert Tweer, a general partnership Thomas Tweer & Robert Tweer a general partnership d/b/a Hobby Lobby Marine	Dover Township	RT	7				Stronger NJ Business Loan Program
Tipico Products Co., Inc. *	Lakewood Township	MF	98	30	98		Business Employment Incentive Program
Chambers Crescent LLC **	Lakewood Township	RH					Economic Redevel Growth-Tax Credit-EOA
46 projects			559	174	98	198	

PASSAIC COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Placko Signs LLC and 681 Van Houten LLC	Clifton City	MF	5				New Jersey Business Growth Fund
Tiger 23 Inc.	Wayne Township	RT					Retail Fuel Station-Generator Incentive
Edward R. Freed	Clifton City	SR					Hazardous Site Remediation - Commercial
Patella Construction Corpotation and 99 South Passaic LLC	Passaic City	MF				15	Local Development Financing Fund
Jimmy's Cookies, LLC d/b/a Jimmy's Cookies	Clifton City	MF					Main Street Assistance Line
Patella Construction Corp.	Passaic City	MF		70			Main Street Assistance Line
CHCC of Wayne, LLC	Wayne Township	NP	12		9		Stand-Alone Bond
Compounding Engineering Solutions Inc.	Clifton City	MF	8		7		Stronger NJ Business Loan Program
Compounding Engineering Solutions Inc.	Clifton City	MF					Stronger NJ Business Loan Program
Patella Construction Corp.	Passaic City	MF					Statewide Loan Pool
Scott Real Estate LLC	Wayne Township	DC	20	5			Statewide Loan Pool
Accurate Box Co. Inc. **	Paterson City	MF	224	51	224	102	Grow New Jersey Tax Credit-EOA
Jimmy's Cookies, LLC d/b/a Jimmy's Cookies **	Clifton City	MF	43	79	43	6	Grow New Jersey Tax Credit-EOA
Patella Construction Corp. **	Passaic City	MF		70		15	Grow New Jersey Tax Credit-EOA
14 projects			312	291	267	138	

continued

SOMERSET COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
Verizon Soucing LLC	Bernards Township	CM				120	Large Scale CHP - Fuel Cells Program
CHA Learning Centers Inc.	North Plainfield Borough	CM	60	3			Main Street Assistance Line
The Gill St. Bernard's School	Peapack-Gladstone Borough	NP	130	2			Stand-Alone Bond
62 Veronica LLC	Somerset	MF	15	35		2	Statewide Loan Pool
Biovail Americas Corporation **	Bridgewater Township	OF	274	550	274	60	Grow New Jersey Tax Credit-EOA
5 projects			479	590	274	182	

SUSSEX COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
LUKOIL North America LLC (Hardyston)	Hardyston Township	RT					Retail Fuel Station-Generator Incentive
LUKOIL North America LLC (Sussex)	Sussex Borough	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey II, LLC (Sandyston)	Sandyston Township	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey II, LLC (Sparta)	Sparta Township	RT					Retail Fuel Station-Generator Incentive
4 projects			0	0	0	0	

UNION COUNTY							
Project	Municipality	Proj Type	Existing Jobs Supported	Estimated New Jobs	At Risk Retained Jobs	Construction Jobs	Program Name
BUF Health and Human Services Corporation, Inc.	Plainfield City	DC					Direct Loan
BUF Health and Human Services Corporation, Inc.	Plainfield City	NP					Direct Loan
PMG New Jersey, LLC (Rahway)	Rahway City	RT					Retail Fuel Station-Generator Incentive
Petroleum Marketing Group, Inc. (Elizabeth)	Elizabeth City	RT					Retail Fuel Station-Generator Incentive
Petroleum Marketing Group, Inc. (Linden)	Linden City	RT					Retail Fuel Station-Generator Incentive
Borough of Roselle Park (Roselle Park DPW)	Roselle Park Borough	SR					Hazardous Site Remediation - Municipal
3rd St Holdings, LLC	Elizabeth City	DS	20	10			Local Development Financing Fund
East Grand Associates Urban Renewal Entity, LLC	Elizabeth City	RT					Real Estate Impact Fund
BUF Health and Human Services Corporation, Inc.	Plainfield City	NP	95	2			Stand-Alone Bond
BUF Health and Human Services Corporation, Inc.	Plainfield City	NP					Stand-Alone Bond
Flamingo Properties LLC	Hillside Township	MF	25	5		1	Stand-Alone Bond
Puerto Rican Organization for Community Education and Economic Development, Inc.	Elizabeth City	NP	76	10			Stand-Alone Bond
Wakefern Food Corp. *	Elizabeth			350		821	Urban Transit Hub Tax Credit Program
D'Artagnan, Inc. **	Union Township	WS	115	52	115	20	Grow New Jersey Tax Credit-EOA
Pollaro Custom Furniture, Inc. **	Hillside Township	MF	50	55	50	4	Grow New Jersey Tax Credit-EOA
Sutherland Asset I, LLC **	New Providence Borough	OF	50	55	50	4	Grow New Jersey Tax Credit-EOA
ADPP Enterprises Inc. (Lopatcong)	Lopatcong Township	RT					Retail Fuel Station-Generator Incentive
ADPP Enterprises Inc. (Phillipsburg)	Phillipsburg Town	RT					Retail Fuel Station-Generator Incentive
ADPP Enterprises Inc. (Washington)	Washington Township	RT					Retail Fuel Station-Generator Incentive
PMG New Jersey II, LLC (Allamuchy)	Allamuchy Township	RT					Retail Fuel Station-Generator Incentive
20 projects			431	539	215	850	

* Completed/Certified

** Executed pending certification

Project Type Key			
CF: Commercial Fishing	EX: Exempt Public Facility	OF: Office Facility	TC: Technology
CM: Commercial	GF: Government Facility	RH: Residential Health Care	WS: Wholesale
CT: Construction T	HS: Housing	RT: Retail	
DC: Day Care	MF: Manufacturing	SR: Site Remediation	
DS: Distribution	NP: Not For Profit	SV: Services	

2015 Technology Business Tax Certificate Transfer Program

2015 List of Approved Sellers			
Company Name	Type	Municipality	County
Advaxis	Biotech	Princeton	Mercer
Agile Therapeutics	Biotech	Princeton	Mercer
Akers Biosciences, Inc.	Biotech	West Deptford	Gloucester
Alphion Corporation	Tech	Princeton Junction	Mercer
Angel Medical Systems, Inc.	Biotech	Shrewsbury	Monmouth
BioAegis Therapeutics, Inc.	Biotech	North Brunswick	Middlesex
Cancer Genetics, Inc.	Biotech	Rutherford	Bergen
Catheter Robotics, Inc.	Biotech	Mt. Olive	Morris
Celator Pharmaceuticals	Biotech	Ewing	Mercer
Celldex Research Corporation	Biotech	Phillipsburg	Warren
Connotate	Tech	New Brunswick	Middlesex
Cornerstone Pharmaceuticals, Inc.	Biotech	Cranbury	Middlesex
CytoSorbents, Inc.	Biotech	Monmouth Junction	Middlesex
DataMotion, Inc.	Tech	Florham Park	Morris
Dataram Corporation	Tech	Princeton	Mercer
DvTel, Inc.	Tech	Ridgefield Park	Bergen
Edge Therapeutics, Inc.	Biotech	Berkeley Heights	Union
Electromagnetic Technologies Industries, Inc.	Tech	Boonton	Morris
Elite Laboratories, Inc.	Biotech	Northvale	Bergen
Emisphere Technologies, Inc.	Biotech	Roseland	Essex
Eos Energy Storage	Tech	Edison	Middlesex
Flowonix Medical Inc.	Tech	Mt. Olive	Morris
Glowpoint, Inc.	Tech	Murray Hill	Union
Gold Group Enterprises, Inc.	Tech	Clark	Union
Hemispherx Biopharma, Inc.	Biotech	New Brunswick	Middlesex
Immunomedics, Inc.	Biotech	Morris Plains	Morris
Insmmed Incorporated	Biotech	Bridgewater	Somerset
Ivy Sports Medicine, LLC	Biotech	Montvale	Bergen
Liquid Light, Inc.	Tech	Monmouth Junction	Middlesex
Matinas Biopharma Holdings, Inc.	Biotech	Bedminster	Somerset
Ocean Power Technologies, Inc.	Tech	Pennington	Mercer
Orthobond Corporation	Tech	North Brunswick	Middlesex
Rive Technology, Inc.	Tech	South Brunswick	Middlesex
Roka Bioscience, Inc.	Biotech	Warren	Somerset
SightLogix, Inc.	Tech	Princeton	Mercer
Soligenix, Inc.	Biotech	Princeton	Mercer
Svelte Medical Systems, Inc.	Biotech	New Providence	Union
SymbolicIO Corporation	Tech	Edison	Middlesex
VaxInnate Corporation	Biotech	Cranbury	Middlesex
Voxware, Inc.	Tech	Hamilton	Mercer
Watchful Software Inc.	Tech	Medford	Burlington
41 companies		\$47.4 million	

2015 Angel Investor Tax Credit Program

2015 Approvals					
Investor	Technology Company	Tax Credit Amount	Investor	Technology Company	Tax Credit Amount
Shaklee Corporation	Just Greens LLC	\$ 100,000	Sarathi Roy	Eos Energy Storage	\$ 12,500
John Hui	Bergen Medical	\$ 2,500	Timothy G. LaLonde	Eos Energy Storage	\$ 17,500
David W. Marx	CircleBlack	\$ 25,000	Timothy G. LaLonde	Eos Energy Storage	\$ 5,000
David W. Marx	CircleBlack	\$ 10,000	David R. Quackenbush	Innovaci Incorporated	\$ 4,000
Kenneth and Susan Gruskin	CircleBlack	\$ 10,000	David R. Quackenbush	Innovaci Incorporated	\$ 2,000
Michael J. Castellano	CircleBlack	\$ 25,000	J Henry Scott	Innovaci Incorporated	\$ 10,000
Nancy I. & Martin E. Beaulieu	CircleBlack	\$ 25,000	Neil Desena	Innovaci Incorporated	\$ 5,000
Nancy I. & Martin E. Beaulieu	CircleBlack	\$ 10,000	River Capital Associates, LLC	Innovaci Incorporated	\$ 5,000
Pinehill Investments, LLC	CircleBlack	\$ 25,000	River Capital Associates, LLC	Innovaci Incorporated	\$ 10,000
Sandra Michel	CircleBlack	\$ 10,000	Andrew Brown	Inpensa, Inc.	\$ 7,500
Alan Merson	D3UC LLC	\$ 2,500	Domo, LLC	Inpensa, Inc.	\$ 10,000
Catherine M. Brown	D3UC LLC	\$ 2,500	Josh Burwick	Inpensa, Inc.	\$ 7,500
David Vaccari, Jr.	D3UC LLC	\$ 2,500	SGB Family Holdings, LP	Inpensa, Inc.	\$ 25,000
Erin and James Misgen	D3UC LLC	\$ 2,500	SGB Family Holdings, LP	Inpensa, Inc.	\$ 25,000
FatCube Limited	D3UC LLC	\$ 4,992	Alexandria Rascals, LLC	Inspirit Group, LLC	\$ 100,000
Marc A. Salvato	D3UC LLC	\$ 2,500	C. Parkhill Mays III	Inspirit Group, LLC	\$ 16,666
Margee S. Vaccari	D3UC LLC	\$ 2,500	C. Parkhill Mays III	Inspirit Group, LLC	\$ 10,000
Marie Muller-Noonan	D3UC LLC	\$ 2,500	David B. Pearl	Inspirit Group, LLC	\$ 10,000
Mark D. Vaccari	D3UC LLC	\$ 2,500	Fortuna 303, LLC	Inspirit Group, LLC	\$ 10,000
Prashant Patel	D3UC LLC	\$ 2,500	Fortuna 303, LLC	Inspirit Group, LLC	\$ 3,000
Steven Merson	D3UC LLC	\$ 5,000	Jane Kilcullen	Inspirit Group, LLC	\$ 10,000
Ted Calandra Sr.	D3UC LLC	\$ 5,000	Jane Kilcullen	Inspirit Group, LLC	\$ 10,000
William T. Guthrie	D3UC LLC	\$ 2,500	Jane Kilcullen	Inspirit Group, LLC	\$ 3,055
Piushbhai Patel	Drug Stores II LLC	\$ 6,250	John A. Spada	Inspirit Group, LLC	\$ 10,000
Snehal Patel	Drug Stores II LLC	\$ 6,250	Kilcullen Family Dynasty Trust	Inspirit Group, LLC	\$ 15,000
David & Leslie Rosenthal	Edge Therapeutics, Inc.	\$ 1,395	Kilcullen Family Dynasty Trust	Inspirit Group, LLC	\$ 22,922
David & Mary Comora	Edge Therapeutics, Inc.	\$ 10,462	Neil Ross	Inspirit Group, LLC	\$ 5,000
David & Susan Kalb	Edge Therapeutics, Inc.	\$ 13,253	SFP Enterprises, LP	Inspirit Group, LLC	\$ 100,000
David R. Victor Revocable Trust	Edge Therapeutics, Inc.	\$ 10,000	SFP Enterprises, LP	Inspirit Group, LLC	\$ 100,000
DJ&J, LLC	Edge Therapeutics, Inc.	\$ 25,000	Timothy and Suzanne Bates	Inspirit Group, LLC	\$ 5,000
Tianning Yu	Edge Therapeutics, Inc.	\$ 5,000	Alvin B. Krongard	Kiswe Mobile	\$ 60,000
Wayne Huepenbecker	Edge Therapeutics, Inc.	\$ 10,000	BEMP 2012, LLC	Kiswe Mobile	\$ 10,000
Babst Family Trust	Edge Therapeutics, Inc.	\$ 5,022	BEMP 2012, LLC	Kiswe Mobile	\$ 20,000
BioBrit, LLC	Edge Therapeutics, Inc.	\$ 50,000	BEMP 2012, LLC	Kiswe Mobile	\$ 20,000
Brian Leuthner	Edge Therapeutics, Inc.	\$ 1,700	Brauchli Media Enterprises LLC	Kiswe Mobile	\$ 4,500
George Kalil	Edge Therapeutics, Inc.	\$ 5,022	DJAC Enterprises LLC	Kiswe Mobile	\$ 4,500
Harry Kargman	Edge Therapeutics, Inc.	\$ 5,000	Hyoung Joo Kim	Kiswe Mobile	\$ 2,000
James J. Loughlin	Edge Therapeutics, Inc.	\$ 7,800	James Arthur Lynn	Kiswe Mobile	\$ 30,000
James J. Loughlin	Edge Therapeutics, Inc.	\$ 7,701	Jeong H. Kim Revocable Trust	Kiswe Mobile	\$ 340,000
Joel Yanowitz	Edge Therapeutics, Inc.	\$ 2,511	KB Investments LLC	Kiswe Mobile	\$ 13,500
Paul D. Ehrman	Edge Therapeutics, Inc.	\$ 2,093	Michael F. Thibault Revocable Tr	Kiswe Mobile	\$ 10,000
Robert Grinberg	Edge Therapeutics, Inc.	\$ 10,000	Raul Fernandez	Kiswe Mobile	\$ 20,000
Robert J. Spiegel	Edge Therapeutics, Inc.	\$ 15,000	Samuel A. Nunn, Jr.	Kiswe Mobile	\$ 10,000
Roger D. Bozarth	Edge Therapeutics, Inc.	\$ 4,511	Scott McCune	Kiswe Mobile	\$ 10,000
Roger D. Bozarth	Edge Therapeutics, Inc.	\$ 2,500	Terence L. Seese	Kiswe Mobile	\$ 4,500
NeuroCore Investment Partners LLC	ElectroCore LLC	\$ 358,300	The Roger Mody Revocable Trust	Kiswe Mobile	\$ 25,000
ETS Investors LLC	Energy Technology Savings	\$ 105,672	Theodore J. Leonsis Revocable Tr	Kiswe Mobile	\$ 7,000
Acme Operating Company, LLC	Eos Energy Storage	\$ 30,000	Two Trey LLC	Kiswe Mobile	\$ 60,000
Alina LLC	Eos Energy Storage	\$ 50,000	Wentworth Capital Investments	Kiswe Mobile	\$ 50,000
AltEnergy Storage, LLC	Eos Energy Storage	\$ 250,000	Wim Sweldens	Kiswe Mobile	\$ 30,000
AME Cloud Ventures, LLC	Eos Energy Storage	\$ 50,000	Yeon Cheon Oh	Kiswe Mobile	\$ 10,000
Andrew James Kelleher	Eos Energy Storage	\$ 100,000	Zachary E. Leonsis	Kiswe Mobile	\$ 3,000
Bruce Langone	Eos Energy Storage	\$ 6,452	Rasik Gondalia	Leading Pharma	\$ 250,000
David M. Cohen	Eos Energy Storage	\$ 16,566	Ronald Gold	Leading Pharma	\$ 250,000
David Schiff	Eos Energy Storage	\$ 10,000	Douglas C. Cline	Log Storm Security	\$ 60,000
David Schiff	Eos Energy Storage	\$ 7,500	Naseem Haffar	LugTrack LLC	\$ 12,500
Fisher EOS LLC	Eos Energy Storage	\$ 50,000	Fred Beans	Midawi Holdings	\$ 25,000
Glenn Oztemel	Eos Energy Storage	\$ 20,000	John Benis	Midawi Holdings	\$ 5,000
Glenn Oztemel	Eos Energy Storage	\$ 35,000	Morton Collins	Midawi Holdings	\$ 12,500
Global Equity Partners, LLC	Eos Energy Storage	\$ 10,000	Morton Collins	Midawi Holdings	\$ 10,000
Hawthorne II Investment LP	Eos Energy Storage	\$ 25,000	Morton Collins	Midawi Holdings	\$ 5,000
Jerry Labowitz	Eos Energy Storage	\$ 25,000	Theodore Marcus	Midawi Holdings	\$ 2,500
Jerry Labowitz	Eos Energy Storage	\$ 30,000	Nelson Ferreira	Novada Technologies	\$ 22,650
Matthew Lenhart	Eos Energy Storage	\$ 50,000	Nelson Ferreira	Novada Technologies	\$ 30,000
Michael Gamson	Eos Energy Storage	\$ 100,000	Daniil Fishteyn	OnTimeWorks LLC	\$ 12,500
Richard T Weiss Living Trust	Eos Energy Storage	\$ 25,000	Rachel Lyubovitzky	OnTimeWorks LLC	\$ 12,500

continued

2015 Angel Investor Tax Credit Program (continued)

2015 Approvals (continued)					
Investor	Technology Company	Tax Credit Amount	Investor	Technology Company	Tax Credit Amount
William K. Loss	OnTimeWorks LLC	\$ 50,000	Bruce Deichl	WorldWater & Solar Technologies	\$ 12,500
Carl Westcott	Princeton Infrared Technologies	\$ 20,000	Ira Kevelson	WorldWater & Solar Technologies	\$ 7,500
Hough Family Trust	Princeton Infrared Technologies	\$ 10,000	Christopher Palmer Miller	Zipz, Inc.	\$ 10,000
John E. Stoddard III	Princeton Infrared Technologies	\$ 10,000	James Formisano	Zipz, Inc.	\$ 10,802
Linehan Family Investments, LLC	Princeton Infrared Technologies	\$ 25,000	James Formisano	Zipz, Inc.	\$ 9,998
Parrish Family Trust	Princeton Infrared Technologies	\$ 10,000	James Rogan	Zipz, Inc.	\$ 3,941
Paul Duchen	Princeton Infrared Technologies	\$ 30,000	Jamie R Pollack Irrevocable Trust	Zipz, Inc.	\$ 12,499
Stephen W. McHugh	Princeton Infrared Technologies	\$ 10,000	Joseph Monte	Zipz, Inc.	\$ 15,833
William J. Roddy	Princeton Infrared Technologies	\$ 10,000	Margate Partners I	Zipz, Inc.	\$ 5,238
Darren Hammell	Princeton Power Systems	\$ 5,000	Mark S Pollack Irrevocable Trust	Zipz, Inc.	\$ 12,499
GHO Ventures LLC	Princeton Power Systems	\$ 113,538	Neil Desena	Zipz, Inc.	\$ 10,000
Kenneth W. McCauley	Princeton Power Systems	\$ 7,455	Neil Desena	Zipz, Inc.	\$ 17,766
Marshall J. Cohen Family Trust	Princeton Power Systems	\$ 15,129	Neil Desena	Zipz, Inc.	\$ 17,500
William & Anne Lennox Rev Trust	Princeton Power Systems	\$ 5,957	Nicholas Cassino	Zipz, Inc.	\$ 5,000
Rajiv and Sushma Lakhanpal	SPECTRAMD USA, INC	\$ 10,000	Nicholas Cassino	Zipz, Inc.	\$ 15,000
Rajiv and Sushma Lakhanpal	SPECTRAMD USA, INC	\$ 20,000	Pamela Sculler	Zipz, Inc.	\$ 5,000
Sandeep Tyagi	SPECTRAMD USA, INC	\$ 5,000	Patrick Scire	Zipz, Inc.	\$ 18,582
Sandeep Tyagi	SPECTRAMD USA, INC	\$ 15,000	River Capital Associates, LLC	Zipz, Inc.	\$ 30,000
Avtar S. Parhar	SPECTRAMD USA, INC	\$ 10,000	River Capital Associates, LLC	Zipz, Inc.	\$ 26,194
Bikramjit Singh	SPECTRAMD USA, INC	\$ 15,000	River Capital Associates, LLC	Zipz, Inc.	\$ 15,000
Harjit Singh	SPECTRAMD USA, INC	\$ 5,000	Salvatore Scire	Zipz, Inc.	\$ 5,238
Rajiv and Sushma Lakhanpal	SPECTRAMD USA, INC	\$ 15,000	The Patrick Scire 2001 GST Trust	Zipz, Inc.	\$ 20,000
Rajiv Lakhanpal	SPECTRAMD USA, INC	\$ 9,250	The Patrick Scire 2001 GST Trust	Zipz, Inc.	\$ 10,478
Raksha Trivedi	SPECTRAMD USA, INC	\$ 7,500	The Patrick Scire 2001 GST Trust	Zipz, Inc.	\$ 10,000
Reema Puri	SPECTRAMD USA, INC	\$ 15,000	TRT Holdings LLC	Zipz, Inc.	\$ 10,000
Sandeep Tyagi	SPECTRAMD USA, INC	\$ 10,000	TRT Holdings LLC	Zipz, Inc.	\$ 19,999
SpectraMD Inc.	SPECTRAMD USA, INC	\$ 22,500	TRUST FBO CATHERINE G. KNOPF	Zipz, Inc.	\$ 4,166
Sushma Lakhanpal	SPECTRAMD USA, INC	\$ 9,250	TRUST FBO CATHERINE G. KNOPF	Zipz, Inc.	\$ 8,331
Varinder Singh	SPECTRAMD USA, INC	\$ 10,000	TRUST FBO ELIZABETH A. KNOPF	Zipz, Inc.	\$ 4,166
Christopher Schlank	TAXIS Pharmaceuticals, Inc.	\$ 10,000	TRUST FBO ELIZABETH A. KNOPF	Zipz, Inc.	\$ 8,331
Ernest Mario	TAXIS Pharmaceuticals, Inc.	\$ 50,000	TRUST FBO EMILY C. KNOPF	Zipz, Inc.	\$ 3,125
Gregory G. Mario	TAXIS Pharmaceuticals, Inc.	\$ 5,000	TRUST FBO EMILY KNOPF	Zipz, Inc.	\$ 6,249
Mario Family Partners LP	TAXIS Pharmaceuticals, Inc.	\$ 50,000	TRUST FBO JAMES M. KNOPF	Zipz, Inc.	\$ 4,166
Gary Gelbfish, M.D.	Turnpoint Medical Devices, Inc.	\$ 19,950	TRUST FBO JAMES M. KNOPF	Zipz, Inc.	\$ 8,331
Betsy Dawson Cotton	United Silicon Carbide, Inc.	\$ 5,000	TRUST FBO JENNIFER S. KNOPF	Zipz, Inc.	\$ 3,125
John Christopher Dries	United Silicon Carbide, Inc.	\$ 75,000	TRUST FBO JENNIFER S. KNOPF	Zipz, Inc.	\$ 6,249
John Christopher Dries	United Silicon Carbide, Inc.	\$ 20,000	TRUST FBO LAURA M. KNOPF	Zipz, Inc.	\$ 6,249
David J. Leishman	VectraCor, Inc.	\$ 15,000	TRUST FBO LAURA M. KNOPF	Zipz, Inc.	\$ 3,125
James E. Pinkin	VectraCor, Inc.	\$ 15,000	TRUST FBO MAX B. KNOPF	Zipz, Inc.	\$ 3,125
Alan Dlugash	WorldWater & Solar Technologies	\$ 12,500	TRUST FBO MAX B. KNOPF	Zipz, Inc.	\$ 6,249
Alfred L. Cohen	WorldWater & Solar Technologies	\$ 50,000	213 application approvals		\$ 5,113,828