# TOWNSHIP OF BORDENTOWN
# COUNTY OF BURLINGTON

# REPORT OF AUDIT

## WITH
## SUPPLEMENTARY INFORMATION

## FOR THE YEAR ENDED
## DECEMBER 31, 2017

10250

# TOWNSHIP OF BORDENTOWN

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# TOWNSHIP OF BORDENTOWN

## PART I

## REPORT OF AUDIT OF FINANCIAL STATEMENTS

## FOR THE YEAR ENDED
## DECEMBER 31, 2017

# INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Bordentown
Bordentown, New Jersey 08505

**Report on the Financial Statements**

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Bordentown, in the County of Burlington, State of New Jersey (Township), as of December 31, 2017 and 2016, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township'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 Township's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America**

As described in note 1 to the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

**Adverse Opinion on Accounting Principles Generally Accepted in the United States of America**

In our opinion, because of the significance of the matter discussed in the "*Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America*" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Bordentown, in the County of Burlington, State of New Jersey, as of December 31, 2017 and 2016, or the results of its operations and changes in fund balance for the years then ended.

**Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Bordentown, in the County of Burlington, State of New Jersey, as of December 31, 2017 and 2016, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed asset group of accounts - regulatory basis, for the year ended December 31, 2017, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

**Emphasis of Matter**

*Prior Period Restatement*

As discussed in note 17 to the financial statements, the beginning balance of the general fixed asset group of accounts has been restated to correct errors from the prior year. Our opinion is not modified with respect to this matter.

**Other Matters**

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements.

The supplemental statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental statements and schedules described in the previous paragraph are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2018 on our consideration of the Township of Bordentown, in the County of Burlington, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Kirk N. Applegate

Kirk N. Applegate
Certified Public Accountant
Registered Municipal Accountant

Voorhees New Jersey
June 22, 2018

## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Bordentown
Bordentown, New Jersey 08505

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the Township of Bordentown, in the County of Burlington, State of New Jersey (Township), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated June 22, 2018. That report indicated that the Township's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our report on the financial statements included an emphasis of matter paragraph describing the restatement of the prior period financial statements resulting from the correction of a misstatement.

### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

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

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

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**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Kirk N. Applegate

Kirk N. Applegate
Certified Public Accountant
Registered Municipal Accountant

Voorhees New Jersey
June 22, 2018

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2017 and 2016

| | Ref. | Dec. 31, 2017 | Dec. 31, 2016 |
|---|---|---|---|
| ASSETS | | | |
| Regular Fund: | | | |
| Cash--Treasurer | SA-1 | $ 5,746,106.07 | $ 5,347,464.65 |
| Cash--Change Fund | A | 625.00 | 650.00 |
| Total Regular Fund | | 5,746,731.07 | 5,348,114.65 |
| Receivables and Other Assets with Full Reserves: | | | |
| Delinquent Property Taxes Receivable | SA-3 | 509,910.60 | 431,513.68 |
| Tax Title Liens Receivable | SA-4 | 17,026.45 | 23,094.99 |
| Property Acquired for Taxes--Assessed Valuation | A | 515,200.00 | 515,200.00 |
| Revenue Accounts Receivable | SA-5 | 42,106.46 | 60,177.64 |
| Insurance Claim Receivable | A-1 | | 175,000.00 |
| Due From: | | | |
| Trust - Open Space Fund | SA-11 | 296,715.07 | |
| General Capital Fund | SC-6 | 455,003.42 | |
| Total Receivable & Other Assets With Full Reserves | | 1,835,962.00 | 1,204,986.31 |
| Deferred Charges: | | | |
| Emergency Authorizations | A-3 | - | 190,010.49 |
| Total | | 7,582,693.07 | 6,743,111.45 |
| Federal and State Grant Fund: | | | |
| Federal & State Grants Receivable | SA-17 | 478,667.99 | 187,477.60 |
| Due from Current Fund | A | 397,452.26 | 223,959.82 |
| Total Federal & State Grants | | 876,120.25 | 411,437.42 |
| Total Assets | | $ 8,458,813.32 | $ 7,154,548.87 |

(Continued)

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2017 and 2016

| LIABILITIES, RESERVES AND FUND BALANCE | Ref. | Dec. 31, 2017 | Dec. 31, 2016 |
|---|---|---|---|
| Regular Fund: | | | |
| Liabilities: | | | |
| Appropriation Reserves | A-3 & SA-7 | $ 934,253.95 | $ 481,886.70 |
| Encumbrances Payable | A-3 & SA-7 | 214,380.08 | 204,612.57 |
| Due to State of New Jersey: | | | |
| Senior Citizens' and Veterans' Deductions | SA-2 | 34,360.56 | 33,860.56 |
| SBI Fingerprinting | A | 3,252.00 | 3,252.00 |
| Training Fees for New Construction | SA-8 | 17,857.00 | 11,266.00 |
| Marriage License Fees | SA-9 | 350.00 | 550.00 |
| Prepaid Taxes | SA-10 | 1,213,053.25 | 412,929.12 |
| Accounts Payable | SA-12 | | 85,966.80 |
| Payroll Deductions Payable | SA-13 | 22,163.38 | 40,629.12 |
| Due County for Added and Omitted Taxes and PILOT Payments | SA-15 | 17,880.77 | 49,273.50 |
| Regional School Taxes Payable | SA-16 | | 66,694.72 |
| Reserve for: | | | |
| Key Deposit | SA-6 | 9,354.00 | 8,604.00 |
| EMS Billings Refund | SA-6 | 50.00 | 50.00 |
| Revenue Reimbursement | SA-6 | 1,121.15 | 1,121.15 |
| Tax Sale Premiums | SA-6 | 172,100.00 | 557,100.00 |
| Elevator Inspection | SA-6 | 212.00 | 212.00 |
| Codification of Ordinance | SA-6 | 2,860.02 | 2,860.02 |
| Due to Outside Lien Holder | SA-6 | 439,950.32 | 21,559.56 |
| Insurance Reimbursement | SA-6 | 2,000.00 | 2,000.00 |
| Master Plan Re-Examination | SA-6 | 1,620.70 | 1,620.70 |
| FEMA Grant | SA-6 | | 29,228.17 |
| EMS Operating Surplus | SA-6 | 0.62 | 0.62 |
| Tax Appeals | SA-6 | 247,980.88 | 279,950.49 |
| Due to: | | | |
| Federal & State Grant Fund | A | 397,452.26 | 223,959.82 |
| Trust - Open Space Fund | SA-11 | | 3,284.93 |
| Trust - Animal Control Fund | SB-3 | 453.19 | |
| Trust - Other Fund | SB-3 | 20,645.17 | 84,535.38 |
| General Capital Fund | SC-6 | | 3,202.25 |
| Total Liabilities | | 3,753,351.30 | 2,610,210.18 |
| Reserves for Receivables and Other Assets | A | 1,835,962.00 | 1,204,986.31 |
| Fund Balance | A-1 | 1,993,379.77 | 2,927,914.96 |
| Total Regular Fund (Carried Forward) | | 7,582,693.07 | 6,743,111.45 |

(Continued)

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2017 and 2016

| | Ref. | Dec. 31, 2017 | Dec. 31, 2016 |
|---|---|---|---|
| LIABILITIES, RESERVES AND FUND BALANCE (CONT'D) | | | |
| Total Regular Fund (Brought Forward) | | $ 7,582,693.07 | $ 6,743,111.45 |
| State & Federal Grants: | | | |
| Unappropriated Reserves | SA-18 | 14,293.48 | 14,950.61 |
| Encumbrances Payable | SA-19 | 1,912.46 | 10,065.10 |
| Appropriated Reserves | SA-19 | 859,914.31 | 386,421.71 |
| Total State & Federal Grants | | 876,120.25 | 411,437.42 |
| Total Liabilities, Reserves & Fund Balance | | $ 8,458,813.32 | $ 7,154,548.87 |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statements of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2017 and 2016

| | Year 2017 | Year 2016 |
|---|---|---|
| Revenue and Other Income Realized | | |
| Fund Balance Utilized | $ 2,000,000.00 | $ 1,250,000.00 |
| Miscellaneous Revenues Anticipated | 4,855,826.14 | 4,719,898.20 |
| Receipts from Delinquent Taxes | 412,030.82 | 825,476.74 |
| Receipts from Current Taxes | 38,475,210.67 | 37,817,282.33 |
| Non-Budget Revenue | 856,720.13 | 711,611.95 |
| Other Credits to Income: | | |
| Unexpended Balance of Appropriation Reserves | 272,883.85 | 322,400.13 |
| Cancellation of Tax Overpayments | 210,747.55 | |
| Liquidation of Reserves for: | | |
| Insurance Claim Receivable | 175,000.00 | |
| Due from Trust - Animal Control Fund | | 16,616.82 |
| Prepaid Salaries | | 223,441.30 |
| Due from General Capital Fund | | 14.72 |
| Total Income | 47,258,419.16 | 45,886,742.19 |
| Expenditures | | |
| Budget & Emergency Appropriations: | | |
| Appropriations--Within "CAPS": | | |
| Operations: | | |
| Salaries and Wages | 3,812,488.89 | 3,832,275.00 |
| Other Expenses | 3,684,359.98 | 3,569,184.00 |
| Deferred Charges and Statutory Expenditures Municipal--Within "CAPS" | 992,799.05 | 951,698.00 |
| Operations--Excluded from "CAPS": | | |
| Salaries and Wages | 281,800.00 | 281,750.00 |
| Other Expenses | 1,385,855.61 | 984,115.65 |
| Capital Improvements--Excluded from "CAPS" | 415,000.00 | 237,500.00 |
| Municipal Debt Service--Excluded from "CAPS" | 1,670,129.12 | 1,343,015.63 |
| Deferred Charges--Excluded from "CAPS" | 190,010.49 | 230,423.73 |
| County Taxes Payable | 5,386,301.83 | 5,204,669.20 |
| Due County for Added and Omitted | 16,705.10 | 49,273.50 |
| Regional School District Taxes | 24,232,263.00 | 23,648,092.00 |
| Special District Taxes Payable: | | |
| Fire District No 1 & 2 | 2,692,367.00 | 2,609,792.00 |
| Municipal Open Space Taxes | 349,088.69 | 351,315.93 |
| Creation of Reserve for: | | |
| Insurance Claim Receivable | | 175,000.00 |
| Due from Capital Fund | 455,031.33 | |
| Due from Trust - Open Space Fund | 296,715.07 | |
| Refund of Prior Year Revenue | 332,039.19 | 2,290.10 |
| Total Expenditures | 46,192,954.35 | 43,470,394.74 |

(Continued)

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statements of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2017 and 2016

| | Year 2017 | Year 2016 |
|---|---|---|
| Excess in Revenue | $ 1,065,464.81 | $ 2,416,347.45 |
| Adjustment to Income Before Fund Balance: | | |
| Expenditures Included above which are by Statute Deferred Charges to Budget of Succeeding Year | - | 190,010.49 |
| Statutory Excess to Fund Balance | 1,065,464.81 | 2,606,357.94 |
| Fund Balance Jan. 1 | 2,927,914.96 | 1,571,557.02 |
| Total | 3,993,379.77 | 4,177,914.96 |
| Decreased by: | | |
| Utilized as Revenue | 2,000,000.00 | 1,250,000.00 |
| Fund Balance Dec. 31 | $ 1,993,379.77 | $ 2,927,914.96 |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2017

| | Anticipated Budget | Special NJSA 40A:4-87 | Realized | Excess or (Deficit) |
|---|---|---|---|---|
| Fund Balance Anticipated | $ 2,000,000.00 | $ - | $ 2,000,000.00 | $ - |
| Miscellaneous Revenues: | | | | |
| Licenses--Clerk | 80,000.00 | | 86,620.00 | 6,620.00 |
| Fees and Permits -- Other | 45,000.00 | | 65,648.00 | 20,648.00 |
| Fines and Costs--Municipal Court | 636,000.00 | | 446,935.06 | (189,064.94) |
| Interest and Costs on Taxes | 60,000.00 | | 95,598.66 | 35,598.66 |
| Interest on Investments and Deposits | 500.00 | | 564.06 | 64.06 |
| Verizon FIOS Franchise Fee | 94,335.59 | | 94,335.59 | |
| Comcast Franchise Fee | 69,761.98 | | 69,761.98 | |
| Consolidated Municipal Property Tax Relief Act | 38,185.00 | | 38,185.00 | |
| Energy Receipts Tax (P.L. 1997, Chapters 162 & 167) | 852,289.00 | | 852,289.00 | |
| Garden State Trust Fund | 3,558.00 | | 3,558.00 | |
| Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S. 40A:4-36 and N.J.A.C. 5:23-4.17) | | | | |
| Uniform Construction Code Fees | 455,000.00 | | 485,609.00 | 30,609.00 |
| Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services: | | | | |
| Inter-local Service Agreements Offset With Appropriations: | | | | |
| Inter-Local Service Agreement--Municipal Court | 129,500.00 | | 83,528.72 | (45,971.28) |
| Inter-Local Service Agreement--School Solid Waste Collection | 34,272.00 | | 31,536.00 | (2,736.00) |
| Inter-Local Service Agreement--School Safe Resource Officer | 40,000.00 | | 40,000.00 | |
| Additional Revenue Offset with Appropriations (N.J.S. 40A:4-445.3h) | | | | |
| EMS Billing Fees | 418,000.00 | | 440,221.32 | 22,221.32 |
| Public and Private Revenues Offset with Appropriations: | | | | |
| Municipal Alliance on Alcoholism & Drug Abuse | 14,804.00 | | 14,804.00 | |
| State of NJ Body Worn Camera Grant | 11,500.00 | | 11,500.00 | |
| Drunk Driving Enforcement Grant | 16,024.30 | | 16,024.30 | |
| Body Armor Replacement Grant | 2,424.77 | | 2,424.77 | |
| Recycling Tonnage Grant | 12,525.84 | | 12,525.84 | |
| NJDOT - Municipal Aid - Dunns Mills Resurfacing | | 193,000.00 | 193,000.00 | |
| Bikeway Program - Phase IV | | 250,000.00 | 250,000.00 | |

(Continued)

Exhibit A-2

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2017

| | Anticipated Budget | Special NJSA 40A:4-87 | Realized | Excess or (Deficit) |
|---|---|---|---|---|
| Miscellaneous Revenues (Continued): | | | | |
| Public and Private Revenues Offset with Appropriations: | | | | |
| Click It or Ticket | | $ 5,500.00 | $ 5,500.00 | |
| Municipal Alcohol Education & Rehabilitation Program | | 5,082.85 | 5,082.85 | |
| Clean Communities Grant | | 22,774.85 | 22,774.85 | |
| Other Special Items: | | | | |
| Reserve for Payment of Debt | $ 375,000.00 | | 375,000.00 | |
| Reserve for Payment of Debt - Open Space | 300,000.00 | | 300,000.00 | |
| Hotel & Motel Occupancy Fees | 270,000.00 | | 317,481.30 | $ 47,481.30 |
| PILOT - Affordable Housing | 67,000.00 | | 63,836.65 | (3,163.35) |
| PILOT - Waterfront | 240,773.70 | | 234,947.30 | (5,826.40) |
| PILOT - Waterfront Note | 6,010.95 | | | (6,010.95) |
| PILOT - Quik Check | 64,520.38 | | 57,030.90 | (7,489.48) |
| Capital Fund Surplus | 80,000.00 | | 80,000.00 | |
| NJ DMV Motor Vehicle Inspections | 16,473.84 | | 30,274.82 | 13,800.98 |
| FEMA Weather Event | 29,228.17 | | 29,228.17 | |
| | 4,462,687.52 | 476,357.70 | 4,855,826.14 | (83,219.08) |
| Receipts from Delinquent Taxes | 400,000.00 | - | 412,030.82 | 12,030.82 |
| Amount to be Raised by Taxes for Support of Municipal Budget: | | | | |
| Local Tax for Municipal Taxes | 6,276,195.92 | - | 6,389,102.09 | 112,906.17 |
| Budget Totals | 13,138,883.44 | 476,357.70 | 13,656,959.05 | 41,717.91 |
| Non-Budget Revenue | - | - | 856,720.13 | 856,720.13 |
| Total Revenue | $ 13,138,883.44 | $ 476,357.70 | $ 14,513,679.18 | $ 898,438.04 |

(Continued)

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2017

| | | |
|---|---|---|
| Analysis of Realized Revenues | | |
| Allocation of Current Tax Collections: | | |
| Revenue from Collections | $ | 38,475,210.67 |
| Less: | | |
| Allocated to: | | |
| School, County and Special District Taxes | | 32,676,725.62 |
| Balance for Support of Municipal Budget Appropriations | | 5,798,485.05 |
| Add: Appropriation "Reserve for Uncollected Taxes" | | 590,617.04 |
| Amount for Support of Municipal Budget Appropriations | $ | 6,389,102.09 |
| Receipts from Delinquent Taxes | | |
| Taxes Receivable | $ | 387,952.83 |
| Tax Title Liens Receivable | | 24,077.99 |
| | $ | 412,030.82 |
| Licenses--Clerk: | | |
| Alcoholic Beverages | $ | 24,380.00 |
| Other | | 62,240.00 |
| | $ | 86,620.00 |
| Analysis of Non-Budget Revenue | | |
| Miscellaneous | $ | 85,379.70 |
| JIF Safety Reimbursement | | 12,952.80 |
| PILOT Fees | | 541,697.70 |
| Insurance Dividends | | 132,504.00 |
| Sale of Assets | | 14,111.82 |
| Homstead, Senior and Veterans Admin Fee | | 2,256.40 |
| | | 788,902.42 |
| Interlocal Service Agreement - EMS (Revenue Accounts Receivable) | | 16,670.51 |
| Cancellation of Accounts Payable | | 51,147.20 |
| | $ | 856,720.13 |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

| | Appropriations | | Expended | | | Unexpended |
|---|---|---|---|---|---|---|
| | Budget | Budget After Modification | Expended | Encumbered | Reserved | Balance Canceled |
| OPERATIONS--WITHIN "CAPS" | | | | | | |
| General Government Functions | | | | | | |
| Administrative & Executive | | | | | | |
| Salaries and Wages | $ 105,000.00 | $ 99,800.00 | $ 71,538.02 | | | $ 28,261.98 |
| Other Expenses | 99,575.00 | 101,727.80 | 96,947.70 | $ 4,780.10 | | |
| Mayor & Committee | | | | | | |
| Salaries and Wages | 63,700.00 | 63,900.00 | 63,687.44 | | $ 212.56 | |
| Other Expenses | 2,300.00 | 2,300.00 | 390.00 | 30.00 | 1,880.00 | |
| Municipal Clerk | | | | | | |
| Salaries and Wages | 124,950.00 | 124,950.00 | 124,950.00 | | | |
| Other Expenses | 18,285.00 | 18,285.00 | 13,814.17 | 699.12 | 3,771.71 | |
| Financial Administration (Treasury) | | | | | | |
| Salaries and Wages | 154,150.00 | 129,747.20 | 118,579.66 | | 2,102.80 | 9,064.74 |
| Other Expenses | 41,750.00 | 56,750.00 | 54,290.45 | 422.66 | 2,036.89 | |
| Annual Audit | | | | | | |
| Other Expenses | 33,000.00 | 33,000.00 | 33,000.00 | | | |
| Revenue Administration (Tax Collection) | | | | | | |
| Salaries and Wages | 75,000.00 | 82,113.98 | 81,532.76 | | 581.22 | |
| Other Expenses | 15,600.00 | 15,736.02 | 15,736.02 | | | |
| Tax Assessment Administration | | | | | | |
| Salaries and Wages | 41,625.00 | 41,625.00 | 41,615.99 | | 9.01 | |
| Other Expenses | 50,270.00 | 50,270.00 | 19,651.70 | | 618.30 | 30,000.00 |
| Legal Services (Legal Department) | | | | | | |
| Other Expenses | 327,585.00 | 327,585.00 | 256,606.09 | | 70,978.91 | |
| Engineering Services | | | | | | |
| Other Expenses | 30,000.00 | 30,000.00 | 4,974.59 | | | 25,025.41 |
| Economic Development Commission | | | | | | |
| Other Expenses | 1,500.00 | 1,500.00 | 1,135.99 | | 364.01 | |
| Planning Board | | | | | | |
| Other Expenses | 5,550.00 | 9,550.00 | 3,972.75 | 440.00 | 5,137.25 | |
| Township Planner | 1,000.00 | 1,000.00 | | | | 1,000.00 |

(Continued)

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

| | Appropriations | | Expended | | | Unexpended |
|---|---|---|---|---|---|---|
| | Budget | Budget After Modification | Expended | Encumbered | Reserved | Balance Canceled |
| OPERATIONS--WITHIN "CAPS" (CONT'D) | | | | | | |
| General Government Functions (Cont'd) | | | | | | |
| Zoning Board of Adjustments | | | | | | |
| Other Expenses | $ 3,750.00 | $ 3,750.00 | $ 1,262.11 | | $ 2,487.89 | |
| Community Development | | | | | | |
| Salaries and Wages | 133,275.00 | 133,275.00 | 62,976.27 | | 298.73 | $ 70,000.00 |
| Other Expenses | 44,875.00 | 44,875.00 | 23,401.40 | $ 6,180.78 | 15,292.82 | |
| Municipal Court | | | | | | |
| Salaries and Wages | 286,175.00 | 286,175.00 | 254,013.71 | | 2,161.29 | 30,000.00 |
| Other Expenses | 40,700.00 | 40,700.00 | 26,201.13 | 1,920.43 | 2,578.44 | 10,000.00 |
| Municipal Prosecutor's Office | | | | | | |
| Other Expenses | 22,500.00 | 22,500.00 | 10,500.00 | 2,400.00 | 9,600.00 | |
| Public Defender | | | | | | |
| Other Expenses | 12,200.00 | 12,200.00 | 3,016.91 | | 9,183.09 | |
| Public Works Functions | | | | | | |
| Road Repairs and Maintenance | | | | | | |
| Salaries and Wages | 479,600.00 | 509,600.00 | 508,750.87 | | 849.13 | |
| Other Expenses | 146,635.00 | 176,635.00 | 107,457.67 | 24,120.74 | 5,056.59 | 40,000.00 |
| Solid Waste Collection | | | | | | |
| Contractual | 272,276.00 | 272,276.00 | 264,359.65 | 5,738.00 | 2,178.35 | |
| Other Expenses | 1,724.00 | 1,724.00 | 342.05 | 171.80 | 1,210.15 | |
| Buildings and Grounds | | | | | | |
| Salaries and Wages | 55,400.00 | 30,400.00 | 20,000.00 | | | 10,400.00 |
| Other Expenses | 55,000.00 | 55,000.00 | 40,294.65 | 793.88 | 13,911.47 | |
| Vehicle Maintenance (Including Police Vehicles) | | | | | | |
| Salaries and Wages | 82,000.00 | 52,000.00 | 42,851.22 | | 648.78 | 8,500.00 |
| Other Expenses | 117,500.00 | 117,500.00 | 99,388.90 | 2,805.64 | 15,305.46 | |
| Sewerage Processing & Disposal | | | | | | |
| Other Expenses | 10,000.00 | 8,500.00 | 2,967.56 | | 5,532.44 | |
| Landfill / Solid Waste Disposal Costs | | | | | | |
| Other Expenses | 316,500.00 | 346,500.00 | 282,853.25 | | 63,646.75 | |

(Continued)

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

| | Appropriations | | | | | |
|---|---|---|---|---|---|---|
| | Budget | Budget After Modification | Expended | Expended Encumbered | Expended Reserved | Unexpended Balance Canceled |
| OPERATIONS--WITHIN "CAPS" (CONT'D) | | | | | | |
| Health & Welfare | | | | | | |
| Public Health Services (Board of Health) | | | | | | |
| Other Expenses | $ 250.00 | $ 250.00 | | | | $ 250.00 |
| Environmental Health Services | | | | | | |
| Other Expenses | 1,310.00 | 1,310.00 | $ 350.00 | $ 73.00 | | 887.00 |
| Green Team Advisory Committee | | | | | | |
| Other Expenses | 8,690.00 | 8,690.00 | 1,432.02 | 11.98 | $ 246.00 | 7,000.00 |
| Insurance | | | | | | |
| General Liability Insurance | 107,070.00 | 107,070.00 | 107,070.00 | | | |
| Workers Compensation Insurance | 296,815.00 | 296,815.00 | 269,761.00 | | 27,054.00 | |
| Employee Group Health | 868,708.00 | 839,908.00 | 825,538.86 | | 14,369.14 | |
| Health Benefits Waiver | 16,200.00 | 50,880.57 | 50,880.57 | | | |
| Public Safety Functions | | | | | | |
| Office of Emergency Management | | | | | | |
| Salaries and Wages | 30,060.00 | 31,060.00 | 30,876.00 | | 184.00 | |
| Other Expenses | 10,185.00 | 10,185.00 | 1,846.60 | 81.33 | 3,257.07 | 5,000.00 |
| Police Department | | | | | | |
| Salaries and Wages | 2,220,950.00 | 2,190,069.43 | 2,066,346.42 | 4,076.67 | 44,646.34 | 75,000.00 |
| Other Expenses | 126,750.00 | 126,750.00 | 32,366.74 | 18,612.49 | 50,770.77 | 25,000.00 |
| Parks & Recreation Functions | | | | | | |
| Senior Community Center | | | | | | |
| Other Expenses | 10,000.00 | 10,000.00 | 4,826.13 | | 2,673.87 | 2,500.00 |
| Community Services Act (Condominium Community Costs) | | | | | | |
| Other Expenses | 120,000.00 | 129,000.00 | 117,421.77 | | 11,578.23 | |
| Maintenance of Parks | | | | | | |
| Salaries and Wages | 25.00 | 25.00 | | | | 25.00 |
| Other Expenses | 50.00 | 50.00 | | | | 50.00 |

(Continued)

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

| | Appropriations | | Expended | | | Unexpended |
|---|---|---|---|---|---|---|
| | Budget | Budget After Modification | Expended | Encumbered | Reserved | Balance Canceled |
| OPERATIONS--WITHIN "CAPS" (CONT'D) | | | | | | |
| Parks & Recreation Functions (Cont'd) | | | | | | |
| Celebration of Public Events | | | | | | |
| Other Expenses | $ 48,000.00 | $ 48,000.00 | $ 28,717.74 | | $ 1,782.26 | $ 17,500.00 |
| Recreation | | | | | | |
| Other Expenses | 2,525.00 | 2,525.00 | | | | 2,525.00 |
| Uniform Construction Code | | | | | | |
| Construction Official | | | | | | |
| Salaries and Wages | 321,500.00 | 314,000.00 | 265,286.75 | | 3,713.25 | 45,000.00 |
| Other Expenses | 42,250.00 | 42,250.00 | 2,635.82 | | 9,614.18 | 30,000.00 |
| Utility Expenses and Bulk Purchases | | | | | | |
| Traffic Signals & Control Devices | 50.00 | 50.00 | | | | 50.00 |
| Electricity | 50,000.00 | 50,000.00 | 43,605.18 | $ 6,388.92 | 5.90 | |
| Street Lighting | 200,000.00 | 200,000.00 | 164,347.34 | 19,223.28 | 16,429.38 | |
| Telecommunication Costs | 75,000.00 | 65,000.00 | 59,185.55 | 5,553.80 | 260.65 | |
| Water | 10,000.00 | 10,000.00 | 3,829.71 | | 2,170.29 | 4,000.00 |
| Gas (Natural or Propane) | 25,000.00 | 25,000.00 | 17,391.62 | 4,037.15 | 3,571.23 | |
| Gasoline, Diesel and Oil | 100,000.00 | 100,000.00 | 91,302.23 | 888.80 | 7,808.97 | |
| Other Common Operating Functions (Unclassified) | | | | | | |
| Veterans Advisory Committee | | | | | | |
| Other Expenses | 2,500.00 | 2,500.00 | 532.36 | 286.05 | 681.59 | 1,000.00 |
| Prior Year Bills | 5,025.00 | 5,025.00 | | | | 5,025.00 |
| Certificate of Fire Compliance | | | | | | |
| Other Expenses | 18,000.00 | 18,000.00 | 7,050.00 | | 3,000.00 | 7,950.00 |
| Total Operations including Contingent--Within "CAPS" | 7,987,863.00 | 7,987,863.00 | 6,945,661.09 | 109,736.62 | 441,451.16 | 491,014.13 |
| Detail: | | | | | | |
| Salaries and Wages | 4,173,410.00 | 4,088,740.61 | 3,753,005.11 | 4,076.67 | 55,407.11 | 276,251.72 |
| Other Expenses | 3,814,453.00 | 3,899,122.39 | 3,192,655.98 | 105,659.95 | 386,044.05 | 214,762.41 |

(Continued)

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

| | Appropriations | | | Expended | | Unexpended |
|---|---|---|---|---|---|---|
| | Budget | Budget After Modification | Expended | Encumbered | Reserved | Balance Canceled |
| DEFERRED CHARGES AND STATUTORY EXPENDITURES | | | | | | |
| MUNICIPAL-- WITHIN "CAPS" | | | | | | |
| Statutory Expenditures: | | | | | | |
| Public Employees' Retirement System | $ 202,100.00 | $ 202,100.00 | $ 194,246.40 | | | $ 7,853.60 |
| Social Security System (O.A.S.I.) | 365,500.00 | 365,500.00 | 321,413.90 | | $ 14,086.10 | 30,000.00 |
| Police and Fireman's Retirement System of NJ | 462,900.00 | 462,900.00 | 462,885.36 | | | 14.64 |
| Defined Contribution Retirement Plan | 3,025.00 | 3,025.00 | | | | 3,025.00 |
| Disability/Unemployment Compensation Insurance | 4,640.00 | 4,640.00 | 167.29 | | | 4,472.71 |
| Total Deferred Charges and Statutory Expenditures -- Municipal -- Within "CAPS" | 1,038,165.00 | 1,038,165.00 | 978,712.95 | $ - | 14,086.10 | 45,365.95 |
| Total General Appropriations for Municipal Purposes Within--"CAPS" | 9,026,028.00 | 9,026,028.00 | 7,924,374.04 | 109,736.62 | 455,537.26 | 536,380.08 |
| OPERATIONS EXCLUDED FROM "CAPS" | | | | | | |
| Mandated Expenditures Per N.J.S.A.40A:4-45.3g | | | | | | |
| Excluded from "CAPS" | | | | | | |
| Tax Appeals | | | | | | |
| Other Expenses | 505,100.00 | 505,100.00 | 69,747.95 | | 435,352.05 | |
| Interest on Tax Appeals | | | | | | |
| Other Expenses | 25.00 | 25.00 | | | 25.00 | |
| Recycling Tax Appropriations | | | | | | |
| Recycling Tax (NJSA 13:1E-96.5) | 11,500.00 | 11,500.00 | | | 11,500.00 | |
| SFSP Fire District Payments | 3,012.00 | 3,012.00 | 3,012.00 | | | |
| Interlocal Services Agreement | | | | | | |
| Municipal Court Services - City | | | | | | |
| Other Expenses | 129,500.00 | 129,500.00 | 129,500.00 | | | |
| School Safe Resource Officer | | | | | | |
| Salaries and Wages | 40,000.00 | 40,000.00 | 40,000.00 | | | |
| Solid Waste Collection - Regional | | | | | | |
| Salaries and Wages | 34,272.00 | 34,272.00 | 34,272.00 | | | |

(Continued)

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

| | Appropriations | | | | | Unexpended |
|---|---|---|---|---|---|---|
| | | Budget After | Expended | | | Balance |
| | Budget | Modification | Expended | Encumbered | Reserved | Canceled |
| OPERATIONS EXCLUDED FROM "CAPS" | | | | | | |
| Mandated Expenditures Per N.J.S.A.40A:4-45.3g | | | | | | |
| Excluded from "CAPS" - (CONT'D) | | | | | | |
| Additional Appropriations Offset by Revenues | | | | | | |
| EMS Services | | | | | | |
| Salaries and Wages | $ 309,300.00 | $ 309,300.00 | $ 277,143.52 | $ 807.66 | $ 3,848.82 | $ 27,500.00 |
| Other Expenses | 85,360.00 | 85,360.00 | 64,046.84 | 5,957.34 | 15,355.82 | |
| State and Federal Programs Offset by Revenues | | | | | | |
| Municipal Alliance on Alcoholism & Drug Abuse Grant | 11,103.00 | 11,103.00 | 11,103.00 | | | |
| Matching Funds for Grant | 14,804.00 | 14,804.00 | 14,804.00 | | | |
| Bordentown City | 3,701.00 | 3,701.00 | 3,701.00 | | | |
| NJDEP - Recreation Trails | | | | | | |
| Recycle Tonnage Grant | 12,525.84 | 12,525.84 | 12,525.84 | | | |
| NJ Body Armor Replacement Fund Grant | 2,424.77 | 2,424.77 | 2,424.77 | | | |
| Body Worn Camera Grant | 40,146.00 | 40,146.00 | 40,146.00 | | | |
| Drunk Driving Enforcement Grant | 16,024.30 | 16,024.30 | 16,024.30 | | | |
| NJDOT - Dunns Mill Resurfacing | | | | | | |
| (N.J.S.A. 40A:4-87, $193,000.00+) | | 193,000.00 | 193,000.00 | | | |
| Click It or Ticket (N.J.S.A. 40A:4-87, $5,500.00+) | | 5,500.00 | 5,500.00 | | | |
| NJDOT Bikeway Program | | | | | | |
| (N.J.S.A. 40A:4-87, $250,000.00+) | | 250,000.00 | 250,000.00 | | | |
| Municipal Alcohol Education & Rehabilitation Program | | | | | | |
| (N.J.S.A. 40A:4-87, $5,082.85+) | | 5,082.85 | 5,082.85 | | | |
| NJDEP - Clean Communities Program | | | | | | |
| (N.J.S.A. 40A:4-87, $22,774.85+) | | 22,774.85 | 22,774.85 | | | |
| Total Operations--Excluded from "CAPS" | 1,218,797.91 | 1,695,155.61 | 1,194,808.92 | 6,765.00 | 466,081.69 | 27,500.00 |
| Detail: | | | | | | |
| Salaries and Wages | 309,300.00 | 309,300.00 | 277,143.52 | 807.66 | 3,848.82 | 27,500.00 |
| Other Expenses | 909,497.91 | 1,385,855.61 | 917,665.40 | 5,957.34 | 462,232.87 | - |

(Continued)

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

| | Appropriations | | | Expended | | Unexpended |
|---|---|---|---|---|---|---|
| | Budget | Budget After Modification | Expended | Encumbered | Reserved | Balance Canceled |
| CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS" | | | | | | |
| Capital Improvement Fund | $ 85,000.00 | $ 85,000.00 | $ 85,000.00 | | | |
| Environmental Cleanup | 330,000.00 | 330,000.00 | 219,486.54 | $ 97,878.46 | $ 12,635.00 | |
| Total Capital Improvements--Excluded from "CAPS" | 415,000.00 | 415,000.00 | 304,486.54 | 97,878.46 | 12,635.00 | $ - |
| MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS" | | | | | | |
| Payment of Bond Principal | 1,050,000.00 | 1,050,000.00 | 1,050,000.00 | | | |
| Interest on Bonds | 622,394.00 | 622,394.00 | 620,129.12 | | | 2,264.88 |
| Interest on Notes | 6,011.00 | 6,011.00 | | | | 6,011.00 |
| Total Municipal Debt Service--Excluded from "CAPS" | 1,678,405.00 | 1,678,405.00 | 1,670,129.12 | - | - | 8,275.88 |
| DEFERRED CHARGES--EXCLUDED FROM "CAPS" | | | | | | |
| Emergency Authorizations | 190,010.49 | 190,010.49 | 190,010.49 | - | - | - |
| DEFERRED CHARGES--EXCLUDED FROM "CAPS" | | | | | | |
| Judgements (N.J.S.A. 40A:4-45.3cc) | 20,025.00 | 20,025.00 | - | - | - | 20,025.00 |
| Total General Appropriations for Municipal Purposes--Excluded from "CAPS" | 3,522,238.40 | 3,998,596.10 | 3,359,435.07 | 104,643.46 | 478,716.69 | 55,800.88 |
| Subtotal General Appropriations | 12,548,266.40 | 13,024,624.10 | 11,283,809.11 | 214,380.08 | 934,253.95 | 592,180.96 |
| Reserve for Uncollected Taxes | 590,617.04 | 590,617.04 | 590,617.04 | - | - | - |
| Total General Appropriations (Carried Forward) | $ 13,138,883.44 | $ 13,615,241.14 | $ 11,874,426.15 | $ 214,380.08 | $ 934,253.95 | $ 592,180.96 |

(Continued)

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

| | Appropriations | | | | | Unexpended |
|---|---|---|---|---|---|---|
| | | Budget After | Expended | | | Balance |
| | Budget | Modification | Expended | Encumbered | Reserved | Canceled |
| Total General Appropriations (Brought Forward) | $ 13,138,883.44 | $ 13,615,241.14 | $ 11,874,426.15 | $ 214,380.08 | $ 934,253.95 | $ 592,180.96 |

| | |
|---|---|
| Adopted Budget | $ 13,138,883.44 |
| Appropriated by N.J.S.A. 40A:4-87 | 476,357.70 |
| | $ 13,615,241.14 |

| | |
|---|---|
| Reserve for Uncollected Taxes | $ 590,617.04 |
| Reserve for Federal and State Grants | 577,086.61 |
| Emergency | 190,010.49 |
| Payroll Deductions Payable | 5,299,122.56 |
| Disbursed | 5,217,589.45 |
| | $ 11,874,426.15 |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF BORDENTOWN**
TRUST FUND
Statements of Assets, Liabilities and Reserves - Regulatory Basis
As of December 31, 2017 and 2016

| ASSETS | Ref. | Dec. 31, 2017 | Dec. 31, 2016 |
|---|---|---|---|
| Animal Control Fund: | | | |
| Cash--Treasurer | SB-1 | $ 7,382.51 | $ 19,778.21 |
| Due from Current Fund | SB-3 | 453.19 | |
| | | 7,835.70 | 19,778.21 |
| Open Space Trust Fund: | | | |
| Cash--Treasurer | SB-1 | 517,866.09 | 192,832.41 |
| Due from Current Fund | SB-3 | | 3,284.93 |
| | | 517,866.09 | 196,117.34 |
| Other Trust Funds: | | | |
| Cash--Treasurer | SB-1 | 4,723,178.45 | 3,007,958.78 |
| Due from Property Owners | SB-7 | | 800.00 |
| Due from Trust - Open Space Fund | SB-1 | 1,155.27 | |
| Due from Current Fund | SB-3 | 20,645.17 | 84,535.38 |
| Due from Vendors - Off Duty Police | SB-7 | 32,887.50 | 108,420.00 |
| | | 4,777,866.39 | 3,201,714.16 |
| | | $ 5,303,568.18 | $ 3,417,609.71 |

(Continued)

**TOWNSHIP OF BORDENTOWN**
TRUST FUND
Statements of Assets, Liabilities and Reserves - Regulatory Basis
As of December 31, 2017 and 2016

| LIABILITIES AND RESERVES | Ref. | Dec. 31, 2017 | Dec. 31, 2016 |
|---|---|---|---|
| Animal Control Fund: | | | |
| Due to General Capital Fund | SB-2 | | $ 17,260.00 |
| Account Payable | SB-4 | $ 1,897.23 | 331.80 |
| Reserve for Animal Control | SB-4 | 5,811.87 | 2,055.61 |
| Due to State of NJ | SB-5 | 126.60 | 130.80 |
| | | 7,835.70 | 19,778.21 |
| Open Space Trust Fund: | | | |
| Encumbrances Payable | B-3 | 21,515.41 | 5,183.75 |
| Due to Trust - Other Fund | SB-1 | 1,155.27 | |
| Due to Current Fund | SB-3 | 296,715.07 | |
| Reserve - Municipal Open Space | SB-6 | 198,480.34 | 190,933.59 |
| | | 517,866.09 | 196,117.34 |
| Other Funds: | | | |
| Account Payable - Due to Officers for Off Duty Police | SB-7 | 1,886.64 | 10,325.73 |
| Encumbrances Payable | SB-7 | 279,412.08 | 11,590.09 |
| Reserve - Builders Trust | SB-7 | 2,000,885.38 | 1,912,221.79 |
| Reserve - UC & TDI Fund | SB-7 | 73,263.87 | 68,285.16 |
| Reserve - Street Opening Fund | SB-7 | 46,734.50 | 38,302.50 |
| Reserve - Special Law Enforcement Fund | SB-7 | 179,654.11 | 188,875.53 |
| Reserve - Federal Forfeit Trust Fund | SB-7 | 15,057.79 | 49,168.12 |
| Reserve - First Aid Contributions | SB-7 | 4,185.00 | 4,185.00 |
| Reserve - Public Defender Fees | SB-7 | | 8,129.09 |
| Reserve - POAA | SB-7 | 1,292.00 | 1,208.00 |
| Reserve - Affordable Housing | SB-7 | 1,969,259.29 | 698,967.30 |
| Reserve - Sign Donations | SB-7 | 2,520.00 | 2,520.00 |
| Reserve - READ Foundation | SB-7 | 3,854.21 | 3,838.21 |
| Reserve - Roadway Contrib Dunns/Rising | SB-7 | 77,580.00 | 77,580.00 |
| Reserve - Storm Recovery Trust Fund | SB-7 | 34,514.44 | 38,447.72 |
| Reserve - Community Map Donations | SB-7 | 3,050.00 | 3,050.00 |
| Reserve - Fourth of July Donations | SB-7 | 3,395.67 | 3,614.44 |
| Reserve - Civic Events Donations | SB-7 | 5,572.23 | 8,205.77 |
| Reserve - Veteran's Day Ceremony | SB-7 | 2,607.71 | 1,670.71 |
| Reserve - Veteran's Park Donations | SB-7 | 6,189.39 | 6,189.39 |
| Reserve - Developers Tree Planting Donations | SB-7 | 9,430.00 | 7,425.00 |
| Reserve - Recycling Program | SB-7 | 581.36 | 973.89 |
| Reserve - Dog Park Donations | SB-7 | 359.26 | 359.26 |
| Reserve - Recreation Donations | SB-7 | 56,581.46 | 56,581.46 |
| | | 4,777,866.39 | 3,201,714.16 |
| | | $ 5,303,568.18 | $ 3,417,609.71 |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF BORDENTOWN**
TRUST - OPEN SPACE
Statements of Operations and Changes in Reserve for Future Use - Regulatory Basis
For the Years Ended December 31, 2017 and 2016

| | Year 2017 | Year 2016 |
|---|---|---|
| REVENUE REALIZED: | | |
| Amount to be Raised by Taxation | $ 349,088.69 | $ 351,315.93 |
| Reserves Utilized | 190,933.59 | 132,192.06 |
| Farmland Lease | 7,440.00 | 7,440.00 |
| Cancellation of Prior Year Encumbrances | | 52,079.16 |
| Total Income | 547,462.28 | 543,027.15 |
| EXPENDITURES: | | |
| Budget Appropriations: | | |
| Payment of Bond Principal | 300,000.00 | 300,000.00 |
| Reserve for Future Use | 48,981.94 | 52,093.56 |
| Total Budget Appropriations | 348,981.94 | 352,093.56 |
| Statutory Excess to Reserve For Future Use | 198,480.34 | 190,933.59 |
| RESERVE FOR FUTURE USE: | | |
| Balance January 1 | 190,933.59 | 132,192.06 |
| Decreased by: | | |
| Utilized as Revenue | 190,933.59 | 132,192.06 |
| Balance December 31 | $ 198,480.34 | $ 190,933.59 |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF BORDENTOWN**
TRUST - OPEN SPACE
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2017

| | Adopted Budget | Realized | Excess |
|---|---|---|---|
| Amount to be Raised by Taxation | $ 348,005.08 | $ 349,088.69 | $ 1,083.61 |
| Reserve for Future Use | 196,117.34 | 190,933.59 | (5,183.75) |
| Farmland Lease | 7,440.00 | 7,440.00 | |
| | $ 551,562.42 | $ 547,462.28 | $ (4,100.14) |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF BORDENTOWN**
TRUST - OPEN SPACE
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

| | Appropriations | | Expended | | Unexpended Balance |
|---|---|---|---|---|---|
| | Original Budget | Budget After Modification | Disbursed | Encumbered | Canceled |
| Payment of Bond Principal | $ 300,000.00 | $ 300,000.00 | $ 300,000.00 | | |
| Reserve for Future Use | 251,562.42 | 251,562.42 | 27,466.53 | $ 21,515.41 | $ 202,580.48 |
| | $ 551,562.42 | $ 551,562.42 | $ 327,466.53 | $ 21,515.41 | $ 202,580.48 |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF BORDENTOWN**
GENERAL CAPITAL FUND
Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2017 and 2016

| ASSETS | Ref. | Dec. 31, 2017 | Dec. 31, 2016 |
|---|---|---|---|
| Cash & Investments | SC-2 | $ 4,271,287.77 | $ 7,020,168.03 |
| Deferred Charges to Future Taxation: | | | |
| Funded | SC-3 | 18,020,000.00 | 19,070,000.00 |
| Unfunded | SC-4 | 10,390,905.00 | 8,273,405.00 |
| Due From Current Fund | SC-6 | | 3,202.25 |
| Due From Trust - Animal Control Fund | SC-7 | | 17,260.00 |
| Grants Receivable | SC-5 | 2,003,594.29 | 1,870,146.29 |
| Total Assets | | $ 34,685,787.06 | $ 36,254,181.57 |
| **LIABILITIES, RESERVES AND FUND BALANCE** | | | |
| Due to Current Fund | SC-6 | $ 455,003.42 | |
| Capital Improvement Fund | SC-8 | 4,315.00 | $ 26,815.00 |
| Improvement Authorizations: | | | |
| Funded | SC-9 | 1,843,550.94 | 3,048,832.45 |
| Unfunded | SC-9 | 10,212,355.67 | 8,194,273.39 |
| Reserves for: | | | |
| Grants Receivable | SC-2 | 1,940,448.00 | 1,807,000.00 |
| Encumbrances | SC-10 | 874,631.22 | 2,474,997.92 |
| Payment of Debt Service | SC-11 | 1,335,421.79 | 999,201.79 |
| Bond Anticipation Notes | SC-12 | | 553,000.00 |
| General Serial Bonds | SC-13 | 18,020,000.00 | 19,070,000.00 |
| Fund Balance | C-1 | 61.02 | 80,061.02 |
| | | $ 34,685,787.06 | $ 36,254,181.57 |

There were bonds and notes authorized but not issued on December 31, 2017 of $10,390,905.00 and 2016 of $7,720,405.00.

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF BORDENTOWN**
GENERAL CAPITAL FUND
Statement of Fund Balance - Regulatory Basis
For the Year Ended December 31, 2017

| | | |
|---|---|---|
| Balance Dec. 31, 2016 | $ | 80,061.02 |
| Decreased by: | | |
| Miscellaneous Revenue Anticipated - Capital Surplus | | 80,000.00 |
| Balance Dec. 31, 2017 | $ | 61.02 |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF BORDENTOWN**
GENERAL FIXED ASSET GROUP OF ACCOUNTS
Statement of General Fixed Asset Group of Accounts - Regulatory Basis
For the Year Ended December 31, 2017

| | (Restated) Balance Dec. 31, 2016 | Additions | Deletions | Adjustments* | Balance Dec. 31, 2017 |
|---|---|---|---|---|---|
| General Fixed Assets: | | | | | |
| Land | $ 9,645,000.00 | | | | $ 9,645,000.00 |
| Buildings | 4,778,400.00 | | | | 4,778,400.00 |
| Equipment & Vehicles | 4,173,866.00 | $ 759,294.00 | $ 177,201.00 | $ (715,690.00) | 4,040,269.00 |
| Total General Fixed Assets | $ 18,597,266.00 | $ 759,294.00 | $ 177,201.00 | $ (715,690.00) | $ 18,463,669.00 |
| Total Investment in General Fixed Assets | $ 18,597,266.00 | $ 759,294.00 | $ 177,201.00 | $ (715,690.00) | $ 18,463,669.00 |

*During the Township's most recent inventory of the General Fixed Asset Account Group all items below $5,000.00 were removed.

The accompanying Notes to Financial Statements are an integral part of this statement.

## Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Description of Financial Reporting Entity** - The Township of Bordentown ("Township"), in the County of Burlington, incorporated in 1852, is located in the center of New Jersey approximately seven miles from Trenton. The population according to the latest census is 11,367 with a land area of 10 square miles. The Township provides to its citizens the following services: public safety, sanitation, recreation, public improvements, planning and zoning and general administrative services.

The Township is governed by an elected committee ("Committee") consisting of five members who serve three-year terms. The Mayor is chief executive officer of the Township and is annually appointed by the Committee at the beginning of each fiscal year. The functions of the Committee, as the governing body, are legislative.

Administrative responsibilities are assigned to the Township Administrator. The Committee establishes policy. The Administrator is responsible for the day-to-day operations of the Township and implementing and administering policy.

**Component Units** - The financial statements of the component units of the Township are not presented in accordance with Governmental Accounting Standards Board (GASB) Statements No. 14, *The Financial Reporting Entity,* as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, and GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14.* If the provisions of the aforementioned GASB Statements had been complied with, the financial statements of the following component units would have been either blended or discretely presented with the financial statements of the Township, the primary government:

Bordentown Sewerage Authority
954 Farnsworth Ave
Bordentown, NJ 08505

Annual financial reports may be inspected directly at the office of the component unit during regular business hours.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation** - The financial statements of the Township contain all funds and account groups in accordance with the *Requirements of Audit* ("*Requirements*") as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the *Requirements* are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these *Requirements*. In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this note.

## Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)

In accordance with the *Requirements*, the Township accounts for its financial transactions through the use of separate funds and an account group which are described as follows:

**Current Fund** - The Current Fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

**Trust Funds** - The various Trust Funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

**General Capital Fund** - The General Capital Fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

**General Fixed Asset Group of Accounts** - The general fixed asset group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other governmental funds.

**Budgets and Budgetary Accounting** - The Township must adopt an annual budget for its current and open space trust funds in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements.

**Cash, Cash Equivalents and Investments** - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost; therefore, unrealized gains or losses on investments have not been recorded.

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies.

## Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

**Cash, Cash Equivalents and Investments (Cont'd)** - N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

The cash management plan adopted by the Township requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

**Interfunds** - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

**Inventories of Supplies** - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

**General Fixed Assets** - Accounting for governmental fixed assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and *Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Part 200, §200.12), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of $5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed asset group of accounts, reflecting the activity for the year, must be included in the Township's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that include accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of Federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

## Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

**Foreclosed Property** - Foreclosed property is recorded in the current fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the general fixed asset group of accounts. If such property is converted to a municipal use, it will be recorded in the general fixed asset group of accounts.

**Deferred Charges** - The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

**Liens Sold for Other Governmental Units** - Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

**Fund Balance** - Fund Balance included in the current fund represents amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

**Revenues** - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from federal and state grants is realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's current fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

**Property Tax Revenues** - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Burlington, Bordentown Regional School District and Township of Bordentown Fire Districts No. 1 and No. 2. Unpaid property taxes are subject to tax sale in accordance with the statutes.

**School Taxes** - The municipality is responsible for levying, collecting and remitting school taxes for the Bordentown Regional School District. Operations is charged for the Township's share of the amount required to be raised by taxation for the period from January 1 to December 31. The Township does not defer any school taxes.

**County Taxes** - The municipality is responsible for levying, collecting and remitting county taxes for the County of Burlington. County taxes are determined on a calendar year by the County Board of Taxation based upon the ratables required to be certified to them on January 10 of each year. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

**Fire District Taxes** - The municipality is responsible for levying, collecting, and remitting Fire District Taxes for Township of Bordentown Fire Districts No. 1 and No. 2. Operations is charged for the full amount required to be raised from taxation to operate the Fire District for the period from January 1 to December 31.

## Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

**Reserve for Uncollected Taxes** - The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Township's annual budget protects the Township from taxes not paid currently. The Reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

**Expenditures** - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

Appropriations for principal and interest payments on outstanding general capital bonds and notes are provided on the cash basis.

**Appropriation Reserves** - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

**Long-Term Debt** - Long-Term Debt, relative to the acquisition of capital assets, is recorded as a liability in the General Capital Fund. Where an improvement is a "local Improvement", i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the Trust Fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

**Compensated Absences** - Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis.

**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 Police and Firemen's Retirement System (PFRS) and the Public Employees' Retirement System (PERS), and additions to/deductions from PFRS' and PERS' fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

## Note 2: CASH AND CASH EQUIVALENTS

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first $250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

## Note 2: CASH AND CASH EQUIVALENTS (CONT'D)

As of December 31, 2017, the Township's bank balances of $15,208,597.25 were exposed to custodial credit risk as follows:

| | | |
|---|---|---|
| Insured by FDIC | $ | 750,000.00 |
| Insured by GUDPA | | 12,385,130.59 |
| Uninsured and Uncollateralized | | 2,073,466.66 |
| Total | $ | 15,208,597.25 |

## Note 3: PROPERTY TAXES

The following is a five year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years.

**Comparative Schedule of Tax Rates**

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| Apportionment of Tax Rate: | | | | | |
| Municipal | $0.541 | $0.540 | $0.540 | $0.544 | $0.549 |
| Municipal Open Space | 0.030 | 0.030 | 0.030 | 0.030 | 0.030 |
| County | 0.466 | 0.450 | 0.450 | 0.416 | 0.414 |
| Regional School District | 2.090 | 2.038 | 1.978 | 1.873 | 1.826 |
| Total Tax Rate (1) | $3.127 | $3.058 | $2.998 | $2.863 | $2.819 |
| Special District Rates: | | | | | |
| Fire District No. 1 | $0.260 | $0.252 | $0.206 | $0.194 | $0.199 |
| Fire District No. 2 | 0.220 | 0.213 | 0.203 | 0.194 | 0.179 |

(1) Excludes Special District Rates

**Assessed Valuation**

| Year | Assessed Valuation |
|---|---|
| 2017 | $ 1,159,322,203.00 |
| 2016 | 1,160,103,244.00 |
| 2015 | 1,159,654,679.00 |
| 2014 | 1,177,714,026.00 |
| 2013 | 1,159,599,778.00 |

## Note 3: PROPERTY TAXES (CONT'D)

The following is a five year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years (Cont'd).

### Comparison of Tax Levies and Collections

| Year | Tax Levy (Net of Appeals) | Collections | Percentage of Collections |
|---|---|---|---|
| 2017 | $ 39,047,532.85 | $ 38,475,210.67 | 98.53% |
| 2016 | 38,234,984.13 | 37,817,282.33 | 98.91% |
| 2015 | 37,418,377.58 | 36,517,398.26 | 97.59% |
| 2014 | 36,246,899.75 | 34,879,814.31 | 96.23% |
| 2013 | 35,560,199.01 | 34,442,129.92 | 96.86% |

### Delinquent Taxes and Tax Title Liens

| Year | Tax Title Liens | Delinquent Taxes | Total Delinquent | Percentage of Tax Levy |
|---|---|---|---|---|
| 2017 | $ 17,026.45 | $ 509,910.60 | $ 526,937.05 | 1.35% |
| 2016 | 23,094.99 | 431,513.68 | 454,608.67 | 1.19% |
| 2015 | 33,814.86 | 881,828.63 | 915,643.49 | 2.45% |
| 2014 | 45,454.22 | 349,188.66 | 394,642.88 | 1.09% |
| 2013 | 27,032.47 | 991,824.26 | 1,018,856.73 | 2.87% |

The following comparison is made of the number of tax title liens receivable on December 31 of the last five years:

| Year | Number of Tax Title Liens Receivable |
|---|---|
| 2017 | 6 |
| 2016 | 4 |
| 2015 | 7 |
| 2014 | 5 |
| 2013 | 3 |

## Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, for the current and previous four years was as follows:

| Year | Amount |
|---|---|
| 2017 | $ 515,200.00 |
| 2016 | 515,200.00 |
| 2015 | 515,200.00 |
| 2014 | 515,200.00 |
| 2013 | 515,200.00 |

## Note 5: FUND BALANCES APPROPRIATED

The following schedule details the amount of fund balances available in the Current Fund at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets.

| Year | Balance Dec. 31 | Utilized in Budget of Succedding Year | Percentage of Fund Balance Used |
|---|---|---|---|
| 2017 | $ 1,993,379.77 | $ 1,215,000.00 | 60.95% |
| 2016 | 2,927,914.96 | 2,000,000.00 | 68.31% |
| 2015 | 1,571,557.02 | 1,250,000.00 | 79.54% |
| 2014 | 1,955,225.27 | 1,393,500.00 | 71.27% |
| 2013 | 887,110.04 | 452,000.00 | 50.95% |

## Note 6: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2017:

| Fund | Interfunds Receivable | Interfunds Payable |
|---|---|---|
| Current Fund | $ 751,718.49 | $ 418,550.62 |
| Federal and State Grant Fund | 397,452.26 | |
| Trust-Animal Control | 453.19 | |
| Trust-Other Funds | 21,800.44 | |
| Truth-Open Space | | 297,870.34 |
| Capital Fund | | 455,003.42 |
| | $ 1,171,424.38 | $ 1,171,424.38 |

The interfund receivables and payables above predominately resulted from cash received and payments made by certain funds on behalf of other funds. During 2018, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

## Note 7: PENSION PLANS

A substantial number of the Township's employees participate in one of the following defined benefit pension plans: the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered by the New Jersey Division of Pensions and Benefits. In addition, employees have the option to participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This Plan is administered by Prudential Financial for the New Jersey Division of Pensions and Benefits. Each Plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
http://www.state.nj.us/treasury/pensions/financial-reports.shtml

## Note 7: PENSION PLANS (CONT'D)

### General Information about the Pension Plans

### Plan Descriptions

**Public Employees' Retirement System** - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Township, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS.

**Police and Firemen's Retirement System** - The Police and Firemen's Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. The PFRS's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PFRS is mandatory for substantially all full-time police and firemen of the Township. The PFRS's Board of Trustees is primarily responsible for the administration of the PFRS.

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in PFRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least $5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least $5,000.00 annually.

### Vesting and Benefit Provisions

**Public Employees' Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. The PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the 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 21, 2010 |
| 4 | Members who were eligible to enroll after May 21, 2010 and prior to June 28, 2011 |
| 5 | Members who were eligible to enroll on or after June 28, 2011 |

## Note 7: PENSION PLANS (CONT'D)

### General Information about the Pension Plans (Cont'd)

### Vesting and Benefit Provisions (Cont'd)

**Public Employees' Retirement System (Cont'd)** - 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 with 25 years or more of service credit 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 age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Police and Firemen's Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except disability benefits, which vest after four years of service.

The following represents the membership tiers for PFRS:

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

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

**Defined Contribution Retirement Program** - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

## Note 7: PENSION PLANS (CONT'D)

### General Information about the Pension Plans (Cont'd)

#### Contributions

**Public Employees' Retirement System** - 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 7.20% in State fiscal year 2017. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 366, P.L. 2001) was 10% in State fiscal year 2017. Employers' contribution are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The Township's contractually required contribution rate for the year ended December 31, 2017 was 14.39% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2017, the Township's contractually required contribution to the pension plan for the year ended December 31, 2017 is $206,270.00, and is payable by April 1, 2018. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2016, the Township's contractually required contribution to the pension plan for the year ended December 31, 2016 was $189,732.00, which was paid on April 1, 2017. Employee contributions to the Plan during the year ended December 31, 2017 were $108,765.09.

**Police and Firemen's Retirement System** - The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate was 10% in State fiscal year 2017. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

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

The Township's contractually required contribution rate for the year ended December 31, 2017 was 28.57% of the Township's covered payroll. This amount was actuarially determined as the 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.

## Note 7: PENSION PLANS (CONT'D)

### General Information about the Pension Plans (Cont'd)

**Contributions (Cont'd)**

**Police and Firemen's Retirement System (Cont'd)** - Based on the most recent PFRS measurement date of June 30, 2017, the Township's contractually required contribution to the pension plan for the year ended December 31, 2017 is $553,250.00, and is payable by April 1, 2018. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2016, the Township's contractually required contribution to the pension plan for the year ended December 31, 2016 was $459,229.00, which was paid on April 1, 2017. Employee contributions to the Plan during the year ended December 31, 2017 were $205,280.10.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Township, for the year ended December 31, 2017 was 2.79% of the Township's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2017, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2017 is $54,053.00, and is payable by April 1, 2018. Based on the PFRS measurement date of June 30, 2016, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2016 was $34,620.00, which was paid on April 1, 2017.

**Defined Contribution Retirement Program** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

For the year ended December 31, 2017, there were no employees participating in DCRP.

### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

**Public Employees' Retirement System** - At December 31, 2017, the Township's proportionate share of the PERS net pension liability was $5,183,151.00. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2017. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2017 measurement date, the Township's proportion was .0222659233%, which was an increase of .0009089838% from its proportion measured as of June 30, 2016.

At December 31, 2017, the Township's proportionate share of the PERS pension expense, calculated by the Plan as of the June 30, 2017 measurement date is $535,103.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2017, the Township's contribution to PERS was $189,732.00, and was paid on April 1, 2017.

## Note 7: PENSION PLANS (CONT'D)

### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

**Police and Firemen's Retirement System** - At December 31, 2017, the Township's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

| | |
|---|---|
| Township's Proportionate Share of Net Pension Liability | $ 9,650,771.00 |
| State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township | 1,080,968.00 |
| | $ 10,731,739.00 |

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2017. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2017 measurement date, the Township's proportion was .0625128205%, which was an increase of .0061892419% from its proportion measured as of June 30, 2016. Likewise, at June 30, 2017, the State of New Jersey's proportion, on-behalf of the Township, was .0625128205%, which was an increase of .0061892419% from its proportion, on-behalf of the Township, measured as of June 30, 2016.

At December 31, 2017, the Township's proportionate share of the PFRS pension expense, calculated by the Plan as of the June 30, 2017 measurement date is $1,179,869.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2017, the Township's contribution to PFRS was $459,229.00, and was paid on April 1, 2017.

At December 31, 2017, the State's proportionate share of the PFRS pension expense, associated with the Township, calculated by the Plan as of the June 30, 2017 measurement date is $132,227.00. This on-behalf expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

## Note 7: PENSION PLANS (CONT'D)

### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

**Deferred Outflows of Resources and Deferred Inflows of Resources** - At December 31, 2017, the Township had deferred outflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | | |
|---|---|---|---|
| | PERS | PFRS | Total |
| Differences between Expected and Actual Experience | $ 122,045.00 | $ 62,609.00 | $ 184,654.00 |
| Changes of Assumptions | 1,044,226.00 | 1,190,048.00 | 2,234,274.00 |
| Net Difference between Projected and Actual Earnings on Pension Plan Investments | 35,294.00 | 184,159.00 | 219,453.00 |
| Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions | 510,040.00 | 1,122,333.00 | 1,632,373.00 |
| Township Contributions Subsequent to the Measurement Date | 103,135.00 | 276,625.00 | 379,760.00 |
| | $ 1,814,740.00 | $ 2,835,774.00 | $ 4,650,514.00 |

$103.135.00 and $276,625.00 for PERS and PFRS, respectively, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2018. These amounts were based on an estimated April 1, 2019 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2017 to the Township's year end of December 31, 2017.

## Note 7: PENSION PLANS (CONT'D)

### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - At December 31, 2017, the Township had deferred inflows of resources related to pensions from the following sources:

| | Deferred Inflows of Resources | | |
|---|---|---|---|
| | PERS | PFRS | Total |
| Differences between Expected and Actual Experience | $ - | $ 56,642.00 | $ 56,642.00 |
| Changes of Assumptions | 1,040,398.00 | 1,580,514.00 | 2,620,912.00 |
| Net Difference between Projected and Actual Earnings on Pension Plan Investments | - | - | - |
| Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions | 11,470.00 | 26,874.00 | 38,344.00 |
| Township Contributions Subsequent to the Measurement Date | - | - | - |
| | $ 1,051,868.00 | $ 1,664,030.00 | $ 2,715,898.00 |

## Note 7: PENSION PLANS (CONT'D)

### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - The Township will amortize the above other deferred outflow of resources and deferred inflows of resources related to pensions over the following number of years:

| | PERS | | PFRS | |
|---|---|---|---|---|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between Expected and Actual Experience | | | | |
| Year of Pension Plan Deferral: | | | | |
| June 30, 2014 | - | - | - | - |
| June 30, 2015 | 5.72 | - | - | 5.53 |
| June 30, 2016 | 5.57 | - | - | 5.58 |
| June 30, 2017 | 5.48 | - | 5.59 | - |
| Changes of Assumptions | | | | |
| Year of Pension Plan Deferral: | | | | |
| June 30, 2014 | 6.44 | - | 6.17 | - |
| June 30, 2015 | 5.72 | - | 5.53 | - |
| June 30, 2016 | 5.57 | - | 5.58 | - |
| June 30, 2017 | - | 5.48 | - | 5.59 |
| Net Difference between Projected and Actual Earnings on Pension Plan Investments | | | | |
| Year of Pension Plan Deferral: | | | | |
| June 30, 2014 | - | 5.00 | - | 5.00 |
| June 30, 2015 | - | 5.00 | - | 5.00 |
| June 30, 2016 | 5.00 | - | 5.00 | - |
| June 30, 2017 | 5.00 | - | 5.00 | - |
| Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions | | | | |
| Year of Pension Plan Deferral: | | | | |
| June 30, 2014 | 6.44 | 6.44 | 6.17 | 6.17 |
| June 30, 2015 | 5.72 | 5.72 | 5.53 | 5.53 |
| June 30, 2016 | 5.57 | 5.57 | 5.58 | 5.58 |
| June 30, 2017 | 5.48 | 5.48 | 5.59 | 5.59 |

## Note 7: PENSION PLANS (CONT'D)

### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - Other amounts included as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future periods as follows:

| Year Ending Dec 31, | PERS | PFRS | Total |
|---|---|---|---|
| 2018 | $ 270,806.00 | $ 417,400.00 | $ 688,206.00 |
| 2019 | 332,916.00 | 618,012.00 | 950,928.00 |
| 2020 | 239,662.00 | 231,590.00 | 471,252.00 |
| 2021 | (92,850.00) | (276,346.00) | (369,196.00) |
| 2022 | (90,797.00) | (95,537.00) | (186,334.00) |
| | $ 659,737.00 | $ 895,119.00 | $ 1,554,856.00 |

### Actuarial Assumptions

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

| | PERS | PFRS |
|---|---|---|
| Inflation Rate | 2.25% | 2.25% |
| Salary Increases: | | |
| Through 2026 | 1.65% - 4.15% Based on Age | 2.10% - 8.98% Based on Age |
| Thereafter | 2.65% - 5.15% Based on Age | 3.10% - 9.98% Based on Age |
| Investment Rate of Return | 7.00% | 7.00% |
| Mortality Rate Table | RP-2000 | RP-2000 |
| Period of Actuarial Experience Study upon which Actuarial Assumptions were Based | July 1, 2011 - June 30, 2014 | July 1, 2010 - June 30, 2013 |

## Note 7: PENSION PLANS (CONT'D)

### Actuarial Assumptions (Cont'd)

For PERS, preretirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, 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 2013 using a generational approach based on the Plan actuary's modified MP-2014 projection scale. Postretirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

For PFRS, preretirement mortality rates were based on the RP-2000 Preretirement mortality tables projected thirteen years using Projection Scale BB and then projected on a generational basis using the Plan actuary's modified 2014 projection scales. Post-retirement mortality rates for male service retirements and beneficiaries are based the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and three years using the Plan actuary's modified 2014 projection scales and further projected on a generational basis using the Plan actuary's modified 2014 projection scales. Postretirement mortality rates for female service retirements and beneficiaries were based on the RP-2000 Combined Healthy Mortality Tables projected thirteen years using Projection Scale BB and then three years using the Plan actuary's modified 2014 projection scales and further projected on a generational basis using the Plan actuary's modified 2014 projection scales. Disability mortality rates were based on special mortality tables used for the period after disability retirement.

For PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's and PFRS's target asset allocation as of June 30, 2017 are summarized in the following table:

## Note 7: PENSION PLANS (CONT'D)

### Actuarial Assumptions (Cont'd)

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|---|---|---|
| Absolute Return/Risk Mitigation | 5.00% | 5.51% |
| Cash Equivalents | 5.50% | 1.00% |
| U.S. Treasuries | 3.00% | 1.87% |
| Investment Grade Credit | 10.00% | 3.78% |
| Public High Yield | 2.50% | 6.82% |
| Global Diversified Credit | 5.00% | 7.10% |
| Credit Oriented Hedge Funds | 1.00% | 6.60% |
| Debt Related Private Equity | 2.00% | 10.63% |
| Debt Related Real Estate | 1.00% | 6.61% |
| Private Real Estate | 2.50% | 11.83% |
| Equity Related Real Estate | 6.25% | 9.23% |
| U.S. Equity | 30.00% | 8.19% |
| Non-U.S. Developed Markets Equity | 11.50% | 9.00% |
| Emerging Markets Equity | 6.50% | 11.64% |
| Buyouts/Venture Capital | 8.25% | 13.08% |
| | 100.00% | |

**Discount Rate -** The discount rate used to measure the total pension liability at June 30, 2017 was 5.00% for PERS and 6.14% for PFRS. For both PERS and PFRS, the respective single blended discount rates were based on the long-term expected rate of return on pension Plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rates assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current Plan members through 2040 for PERS and through 2057 for PFRS; therefore, the long-term expected rate of return on Plan investments was applied to projected benefit payments through 2040 for PERS and through 2057 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liabilities.

## Note 7: PENSION PLANS (CONT'D)

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

**Public Employees' Retirement System (PERS)** - The following presents the Township's proportionate share of the net pension liability at June 30, 2017, the Plan's measurement date, calculated using a discount rate of 5.00%, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

| | PERS | | |
|---|---|---|---|
| | 1% Decrease (4.00%) | Current Discount Rate (5.00%) | 1% Increase (6.00%) |
| Township's Proportionate Share of the Net Pension Liability | $ 6,430,051.00 | $ 5,183,151.00 | $ 4,144,329.00 |

**Police and Firemen's Retirement System (PFRS)** - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the Township's annual required contribution. As such, the net pension liability as of June 30, 2017, the Plan's measurement date, for the Township and the State of New Jersey, calculated using a discount rate of 6.14%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

| | PFRS | | |
|---|---|---|---|
| | 1% Decrease (5.14%) | Current Discount Rate (6.14%) | 1% Increase (7.14%) |
| Township's Proportionate Share of the Net Pension Liability | $ 12,715,686.00 | $ 9,650,771.00 | $ 7,132,595.00 |
| State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township | 1,424,264.36 | 1,080,968.00 | 798,911.00 |
| | $ 14,139,950.36 | $ 10,731,739.00 | $ 7,931,506.00 |

### Pension Plan Fiduciary Net Position

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 respective fiduciary net position of the PERS and PFRS and additions to/deductions from PERS and PFRS' respective fiduciary net position have been determined on the same basis as they are reported by PERS and PFRS. Accordingly, 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. For additional information about PERS and PFRS, please refer to the Plan's Comprehensive Annual Financial Report (CAFR) which can be found at http://www.state.nj.us/treasury/pensions/financial-reports.shtml.

## Note 7: PENSION PLANS (CONT'D)

### Supplementary Pension Information

In accordance with GASBS 68, the following information is also presented for the PERS and PFRS Pension Plans. These schedules are presented to illustrate the requirements to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

***Schedule of the Township's Proportionate Share of the Net Pension Liability - Public Employees' Retirement System (PERS) (Last Five Years)***

| | Measurement Date Ended June 30, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| Township's Proportion of the Net Pension Liability | 0.0222659233% | 0.0213569395% | 0.0204036886% |
| Township's Proportionate Share of the Net Pension Liability | $ 5,183,151.00 | $ 6,325,313.00 | $ 4,580,219.00 |
| Township's Covered Payroll (Plan Measurement Period) | $ 1,524,500.00 | $ 1,431,748.00 | $ 1,234,980.00 |
| Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 339.99% | 441.79% | 370.87% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 48.10% | 40.14% | 47.93% |

| | Measurement Date Ended June 30, | |
|---|---|---|
| | 2014 | 2013 |
| Township's Proportion of the Net Pension Liability | 0.0179287412% | 0.0180858254% |
| Township's Proportionate Share of the Net Pension Liability | $ 3,356,502.00 | $ 3,456,561.00 |
| Township's Covered Payroll (Plan Measurement Period) | $ 1,170,896.00 | $ 1,213,268.00 |
| Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 286.66% | 284.90% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 52.08% | 48.72% |

## Note 7: PENSION PLANS (CONT'D)

### Supplementary Pension Information (Cont'd)

***Schedule of the Township's Contributions - Public Employees' Retirement System (PERS) (Last Five Years)***

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| Township's Contractually Required Contribution | $ 206,270.00 | $ 189,732.00 | $ 175,417.00 |
| Township's Contribution in Relation to the Contractually Required Contribution | (206,270.00) | (189,732.00) | (175,417.00) |
| Township's Contribution Deficiency (Excess) | $ - | $ - | $ - |
| Township's Covered Payroll (Calendar Year) | $ 1,433,721.00 | $ 1,495,628.00 | $ 1,411,198.00 |
| Township's Contributions as a Percentage of Covered Payroll | 14.39% | 12.69% | 12.43% |

| | Year Ended December 31, | |
|---|---|---|
| | 2014 | 2013 |
| Township's Contractually Required Contribution | $ 147,791.00 | $ 136,273.00 |
| Township's Contribution in Relation to the Contractually Required Contribution | (147,791.00) | (136,273.00) |
| Township's Contribution Deficiency (Excess) | $ - | $ - |
| Township's Covered Payroll (Calendar Year) | $ 1,283,427.00 | $ 1,189,360.00 |
| Township's Contributions as a Percentage of Covered Payroll | 11.52% | 11.46% |

## Note 7: PENSION PLANS (CONT'D)

### Supplementary Pension Information (Cont'd)

***Schedule of the Township's Proportionate Share of the Net Pension Liability - Police and Firemen's Retirement System (PFRS) (Last Five Years)***

| | Measurement Date Ended June 30, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| Township's Proportion of the Net Pension Liability | 0.0625128205% | 0.0563235786% | 0.0566224423% |
| Township's Proportionate Share of the Net Pension Liability | $ 9,650,771.00 | $ 10,759,244.00 | $ 9,431,325.00 |
| State's Proportionate Share of the Net Pension Liability associated with the Township | 1,080,968.00 | 903,510.00 | 827,096.00 |
| Total | $ 10,731,739.00 | $ 11,662,754.00 | $ 10,258,421.00 |
| Township's Covered Payroll (Plan Measurement Period) | $ 2,023,520.00 | $ 1,800,240.00 | $ 1,793,128.00 |
| Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 476.93% | 597.66% | 525.97% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 58.60% | 52.01% | 56.31% |

| | Measurement Date Ended June 30, | |
|---|---|---|
| | 2014 | 2013 |
| Township's Proportion of the Net Pension Liability | 0.0512673947% | 0.0508483163% |
| Township's Proportionate Share of the Net Pension Liability | $ 6,448,963.00 | $ 6,759,825.00 |
| State's Proportionate Share of the Net Pension Liability associated with the Township | 694,445.00 | 630,098.00 |
| Total | $ 7,143,408.00 | $ 7,389,923.00 |
| Township's Covered Payroll (Plan Measurement Period) | $ 1,685,872.00 | $ 1,551,388.00 |
| Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 382.53% | 435.73% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 62.41% | 58.70% |

## Note 7: PENSION PLANS (CONT'D)

### Supplementary Pension Information (Cont'd)

***Schedule of the Township's Contributions - Police and Firemen's Retirement System (PFRS) (Last Five Years)***

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| Township's Contractually Required Contribution | $ 553,250.00 | $ 459,229.00 | $ 460,256.00 |
| Township's Contribution in Relation to the Contractually Required Contribution | (553,250.00) | (459,229.00) | (460,256.00) |
| Township's Contribution Deficiency (Excess) | $ - | $ - | $ - |
| Township's Covered Payroll (Calendar Year) | $ 1,936,569.00 | $ 2,024,689.00 | $ 1,854,013.00 |
| Township's Contributions as a Percentage of Covered Payroll | 28.57% | 22.68% | 24.82% |

| | Year Ended December 31, | |
|---|---|---|
| | 2014 | 2013 |
| Township's Contractually Required Contribution | $ 393,769.00 | $ 370,978.00 |
| Township's Contribution in Relation to the Contractually Required Contribution | (393,769.00) | (370,978.00) |
| Township's Contribution Deficiency (Excess) | $ - | $ - |
| Township's Covered Payroll (Calendar Year) | $ 1,843,205.00 | $ 1,684,852.00 |
| Township's Contributions as a Percentage of Covered Payroll | 21.36% | 22.02% |

## Note 7: PENSION PLANS (CONT'D)

### Other Notes to Supplementary Pension Information

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

Changes in Benefit Terms - None

Changes in Assumptions - For 2017, the discount rate changed to 5.00% and the long-term rate of return changed to 7.00%. For 2016, the discount rate changed to 3.98%, the long-term expected rate of return changed to 7.65% from 7.90%, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the Plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter. For 2015, the discount rate changed to 4.90%. In addition, the social security wage base was set at $118,500.00 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at $265,000.00 for 2015, increasing 3.00% per annum, compounded annually. For 2014, the discount rate was 5.39%.

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

Changes in Benefit Terms - In 2017, Chapter 26, P.L. 2016 increased the accidental death benefit payable to children if there is no surviving spouse to 70% of final compensation.

Changes in Assumptions - For 2017, the discount rate changed to 6.14% and the long-term rate of returned changed to 7.00%. For 2016, the discount rate changed to 5.55%, the long-term expected rate of return changed to 7.65% from 7.90%, and the mortality improvement scale incorporated the Plan actuary's modified 2014 projection scale. Further, salary increases were assumed to increase between 2.10% and 8.98% (based on age) through fiscal year 2026 and 3.10% and 9.98% (based on age) for each fiscal year thereafter. For 2015, the discount rate changed to 5.79% and demographic assumptions were revised in accordance with the results of the July 1, 2010 - June 30, 2013 experience study. For 2014, the discount rate was 6.32%.

## Note 8: COMPENSATED ABSENCES

Full-time employees are entitled to fifteen paid sick leave days each year. Unused sick leave may be accumulated and carried forward to the subsequent year. Vacation days not used during the year may not be accumulated.

The Township compensates employees for unused sick leave upon termination or retirement. The current policy provides one compensated day for every two days accumulated. There is a maximum pay-out of fifty days pay, and is paid at the rate of pay upon termination or retirement up to $12,000.00 for Police Officers and $7,500.00 for all other employees.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2017, accrued benefits for compensated absences are valued at $340,473.96.

## Note 9: DEFERRED COMPENSATION SALARY ACCOUNT

The Township offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

## Note 10: LEASE OBLIGATIONS

At December 31, 2017, the Township had lease agreements in effect for the following:

Operating:
Seven Photocopy Machines
One Postage Machine

**Operating Leases** - Future minimum lease payments under operating lease agreements are as follows:

| Year | Amount |
|---|---|
| 2018 | $21,304.68 |
| 2019 | 21,304.68 |
| 2020 | 21,304.68 |
| 2021 | 21,304.68 |
| 2022 | 4,186.47 |
| | $89,405.19 |

Rental payments under operating leases for the year 2017 were $18,768.21.

## Note 11: CAPITAL DEBT

### General Obligation Bonds

General Obligation Bonds, Series 2009 - On February 10, 2009, the Township issued $4,000,000.00 in general obligation bonds, with interest rates ranging from 3.25% to 4.00%. The bonds were issued to finance the acquisition of various properties within the Township for the purpose of preserving open space. The final maturity of the bonds is February 15, 2028.

General Obligation Refunding Bonds, Series 2014 - On April 17, 2014, the Township issued $8,181,000.00 in general obligation bonds, with interest rates ranging from 2.00% to 4.00%. The bonds were issued for the purpose of financing the cost of various capital improvements. The final maturity of the bonds is March 1, 2042.

General Obligation Refunding Bonds, Series 2016 - On June 1, 2016, the Township issued $6,010,000.00 in general obligation bonds, with interest rates ranging from 1.00% to 3.00%. The bonds were issued for the purpose of financing the cost of various capital improvements. The final maturity of the bonds is March 1, 2041.

## Note 11: CAPITAL DEBT (CONT'D)

### Burlington County Bridge Commission – Guaranteed Pooled Loan Revenue Refunding Bonds

On March 11, 2013, the Township entered into a guaranteed pooled loan agreement with the Burlington County Bridge Commission with interest rates ranging from 2.00% to 5.00%. The proceeds were used to advance refund a 2004 loan with the Burlington County Bridge Commission. The final maturity of the loan is December 1, 2024.

### Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding

| Year | Principal | Interest | Total |
|---|---|---|---|
| 2018 | $ 1,120,000.00 | $ 556,793.78 | $ 1,676,793.78 |
| 2019 | 1,150,000.00 | 523,206.28 | 1,673,206.28 |
| 2020 | 1,180,000.00 | 486,868.78 | 1,666,868.78 |
| 2021 | 1,215,000.00 | 448,856.28 | 1,663,856.28 |
| 2022 | 1,250,000.00 | 409,306.28 | 1,659,306.28 |
| 2023-2027 | 6,000,000.00 | 1,440,056.31 | 7,440,056.31 |
| 2028-2032 | 2,720,000.00 | 796,309.39 | 3,516,309.39 |
| 2033-2037 | 1,800,000.00 | 436,750.00 | 2,236,750.00 |
| 2038-2042 | 1,585,000.00 | 157,925.00 | 1,742,925.00 |
| | $ 18,020,000.00 | $ 5,256,072.10 | $ 23,276,072.10 |

### Summary of Debt

The following schedule represents the Township's summary of debt for the current and two previous years:

| | Year 2017 | Year 2016 | Year 2015 |
|---|---|---|---|
| **Issued** | | | |
| General: | | | |
| Bonds and Notes | $ 18,020,000.00 | $ 19,623,000.00 | $ 15,345,000.00 |
| **Authorized and Not Issued** | | | |
| General: | | | |
| Bonds and Notes | 10,390,905.00 | 7,720,405.00 | 7,730,405.00 |
| Total Issued and Authorized and Not Issued | 28,410,905.00 | 27,343,405.00 | 23,075,405.00 |
| **Deductions** | | | |
| Funds Temporarily Held to Pay Bonds and Notes | 3,275,869.79 | 2,806,201.79 | 2,962,161.79 |
| Net Debt | $ 25,135,035.21 | $ 24,537,203.21 | $ 20,113,243.21 |

## Note 11: CAPITAL DEBT (CONT'D)

### Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 1.901%.

| | Gross Debt | Deductions | Net Debt |
|---|---|---|---|
| Regional School District | $ 24,980,495.58 | $ 24,980,495.58 | |
| General | 28,410,905.00 | 3,275,869.79 | $ 25,135,035.21 |
| | $ 53,391,400.58 | $ 28,256,365.37 | $ 25,135,035.21 |

Net Debt $25,135,035.21 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, $1,321,884,988.33 equals 1.901%.

| | |
|---|---|
| 3.5% of Equalized Valuation Basis (Municipal) | $ 46,265,974.59 |
| Net Debt | 25,135,035.21 |
| Remaining Borrowing Power | $ 21,130,939.38 |

The revised Annual Debt Statement should be filed by the Chief Financial Officer.

## Note 12: RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**Property and Liability Insurance** - The Township maintains commercial insurance coverage for property, liability, vehicle, surety bonds, etc.

**New Jersey Unemployment Compensation Insurance** - The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State.

The following is a summary of Township contributions, reimbursements to the State for benefits paid and the ending balance of the Township's trust fund for the current and previous two years:

| Year | Township Contributions | Employee Contributions | Prior Year Refunds | Expenses Paid | Ending Balance |
|---|---|---|---|---|---|
| 2017 | | $ 6,735.77 | | $ 1,757.06 | $ 73,263.87 |
| 2016 | $ 5,000.00 | 6,481.56 | $24,344.93 | 1,035.50 | 68,285.16 |
| 2015 | 17,500.00 | 6,571.99 | | 23,489.74 | 33,494.17 |

## Note 12: RISK MANAGEMENT (CONT'D)

**Joint Insurance Pool** - The Township is a member of several joint insurance funds. The Township maintains the following funds and coverage:

Statewide Excess Liability Fund – Umbrella Liability Coverage
Statewide Workers' Compensation Fund – Workers' Compensation Coverage

Contributions to the Fund, including a reserve for contingencies, are payable in various installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Funds publish their own financial reports for the year ended December 31, 2017, which can be obtained from:

Burlington County Municipal Joint Insurance Fund
6000 Sagemore Drive, Suite 6203
Marlton, New Jersey 08053

## Note 13: 1986 SERVICE CONTRACT

The Township entered into a service contract with the Bordentown Sewerage Authority and the City of Bordentown. Under the 1986 Service Contract, should certain items of expense exceed certain items of receipts during any fiscal year, then upon certification by the Authority to the City and Township not later than January 15, next succeeding the completion of such fiscal year of the amount of such excess, each municipality is obligated to pay to the Authority its proportionate share of such excess in an amount to be computed in accordance with the 1986 Service Contract.

At any time after five years from the date of the 1986 Service Contract, and after the payment in full of all obligations of the Authority, including all outstanding bonds, the 1986 Service Contract, upon two years notice to the Authority and to each of the municipalities, may be terminated by the Authority or either municipality.

## Note 14: OPEN SPACE PRESERVATION TRUST

On November 2, 1999, pursuant to P.L. 1997, c. 24 (N.J.S.A. 40:12-15.1 et seq.), the voters of the Township authorized the establishment of the Township of Bordentown Open Space Preservation Trust Fund effective January 1, 2000, for the purpose of raising revenue for the acquisition of lands and interests in lands for the conservation of open space. As a result, the Township levies a tax not to exceed three cents per one hundred dollars of equalized valuation. Amounts raised by taxation are assessed, levied and collected in the same manner and at the same time as other taxes. Future increases in the tax rate or to extend the authorization must be authorized by referendum. All revenue received is accounted for in a trust fund dedicated by rider (N.J.S.A. 40A:4-39) for the purposed stated. Interest earned on the investment of these funds is credited to the Township of Bordentown Open Space Preservation Trust Fund.

## Note 15: CONTINGENCIES

**Grantor Agencies** - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Township expects such amount, if any, to be immaterial.

**Litigation** - The Township is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

## Note 16: CONCENTRATIONS

The Township depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the Township is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

## Note 17: RESTATEMENT

Because of a correction of an error related to the addition of assets to the general fixed asset group of accounts during the year ended December 31, 2016, the beginning balance as of December 31, 2016 has been restated.

The effect on the financial statements as reported for December 31, 2016 is as follows:

| | As Previously Reported Balance Dec. 31, 2016 | Restatement | As Restated Balance Dec. 31, 2016 |
|---|---|---|---|
| General Fixed Assets: | | | |
| Land | $ 9,645,000.00 | | $ 9,645,000.00 |
| Buildings | 4,778,400.00 | | 4,778,400.00 |
| Equipment & Vehicles | 4,057,207.00 | $ 116,659.00 | 4,173,866.00 |
| Total General Fixed Assets | $ 18,480,607.00 | $ 116,659.00 | $ 18,597,266.00 |
| Total Investment in General Fixed Assets | $18,480,607.00 | $ 116,659.00 | $18,597,266.00 |

## Note 18: SUBSEQUENT EVENTS

**Tax Appeals** - As of December 31, 2017, several tax appeals were on file against the Township. Based upon information provided by the tax assessor, if such appeals are not settled in favor of the Township, the estimated impact of the tax refunds could be material.

**Authorization of Debt** - Subsequent to December 31, the Township authorized additional bonds and notes as follows:

| Ordinance | Purpose | Adoption | Authorization |
|---|---|---|---|
| 2018-14 | Various Capital Improvements | 5/7/2018 | $ 3,990,000.00 |
| 2018-15 | Improvements within the Waterfront Village Redevelopment Area | 5/7/2018 | 6,650,000.00 |

# SUPPLEMENTAL EXHIBITS

# SUPPLEMENTAL EXHIBITS

# CURRENT FUND

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Current Cash per N.J.S.A. 40A:5-5--Treasurer
For the Year Ended December 31, 2017

| | | Regular | Federal and State Grant Fund |
|---|---|---|---|
| Balance Dec. 31, 2016 | | $ 5,347,464.65 | $ - |
| Increased by Receipts: | | | |
| Revenue Accounts Receivable | $ 1,257,107.93 | | |
| Interest and Cost on Taxes | 95,598.66 | | |
| Verizon FIOS Franchise Fee | 69,761.98 | | |
| Comcast Franchise Fee | 94,335.59 | | |
| Consolidated Municipal Property Tax Relief Act | 38,185.00 | | |
| Energy Receipts Tax (P.L. 1997, Chapters 162 & 167) | 852,289.00 | | |
| Garden State Trust Fund | 3,558.00 | | |
| EMS Fees | 440,221.32 | | |
| Hotel & Motel Occupancy Fees | 317,481.30 | | |
| Pilot Affordable Housing | 63,836.65 | | |
| NJ DMV Motor Vehicle Inspections | 30,274.82 | | |
| Miscellaneous Revenue Not Anticipated | 788,902.42 | | |
| Due from State of New Jersey--Senior Citizens' and Veterans' Deductions | 87,500.00 | | |
| Taxes Receivable | 38,363,234.38 | | |
| Prepaid Taxes | 1,148,725.47 | | |
| Tax Title Liens Receivable | 24,077.99 | | |
| Tax Overpayments | 320,786.23 | | |
| PILOT - Waterfront | 234,947.30 | | |
| PILOT - Quik Check | 57,030.90 | | |
| Other Reserves | 828,145.69 | | |
| Due to State of New Jersey--State Training Fees for New Construction | 33,656.00 | | |
| Due to State of New Jersey--Marriage License Fees | 1,525.00 | | |
| Due to Federal and State Grant Fund | 130,042.44 | | |
| Due to Trust - Animal Control Fund | 453.19 | | |
| Due to Trust - Other Fund | 64,056.58 | | |
| Deposit of Change Fund | 25.00 | | |
| Insurance Claim Receivable | 175,000.00 | | |
| County Share of PILOTS | 59,196.74 | | |
| School Share of PILOTS | 3,744.79 | | |
| Federal and State Grant Fund: | | | |
| Federal and State Grants | | | $ 241,789.09 |
| | | 45,583,700.37 | |
| Carried Forward | | 50,931,165.02 | 241,789.09 |

(Continued)

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Current Cash per N.J.S.A. 40A:5-5--Treasurer
For the Year Ended December 31, 2017

| | | Regular | | Federal and State Grant Fund |
|---|---|---|---|---|
| Brought Forward | | $ 50,931,165.02 | | $ 241,789.09 |
| Decreased by Disbursements: | | | | |
| 2017 Appropriations | $ 5,217,589.45 | | | |
| 2016 Appropriation Reserves | 413,615.42 | | | |
| Accounts Payable | 34,819.60 | | | |
| Payroll Deductions Payable | 5,317,588.30 | | | |
| County Taxes | 5,386,301.83 | | | |
| County Share of Added and Omitted Taxes and PILOT Payments | 107,294.57 | | | |
| Regional District School Taxes and PILOT Payments | 24,302,702.51 | | | |
| Special Fire District Taxes | 2,692,367.00 | | | |
| Municipal Open Space Taxes | 349,088.69 | | | |
| Tax Overpayments | 104,394.20 | | | |
| Refund of Prior Year Revenue | 332,039.19 | | | |
| Due to State of New Jersey--State Training Fees for New Construction | 27,065.00 | | | |
| Due to State of New Jersey--Marriage License Fees | 1,725.00 | | | |
| Other Reserves | 825,974.54 | | | |
| Due to Trust - Other Fund | 69,291.40 | | | |
| Due from General Capital Fund | 3,202.25 | | | |
| Federal and State Grant Fund: | | | | |
| Encumbrances Payable - Grants | | | $ 10,015.10 | |
| Due to Current Fund | | | 130,042.44 | |
| Reserve for Federal and State Grant Funds--Appropriated | | | 101,731.55 | |
| | | 45,185,058.95 | | 241,789.09 |
| Balance Dec. 31, 2017 | | $ 5,746,106.07 | | $ - |

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Due to State of New Jersey for Senior Citizens' and Veterans' Deductions
For the Year Ended December 31, 2017

| | | |
|---|---|---|
| Balance Dec. 31, 2016 | | $ 33,860.56 |
| Increased by: | | |
| Collections | | 87,500.00 |
| | | 121,360.56 |
| Decreased by: | | |
| Senior Citizens' Deductions per Tax Billings | $ 11,750.00 | |
| Veterans' Deductions per Tax Billings | 76,750.00 | |
| Senior Citizens' Deductions Allowed by Tax Collector | 1,250.00 | |
| Senior Citizens' Deductions Disallowed by Tax Collector | (4,000.00) | |
| Veterans' Deductions Allowed by Tax Collector | 1,250.00 | |
| | | 87,000.00 |
| Balance Dec. 31, 2017 | | $ 34,360.56 |

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2017

| Year | Balance Dec. 31, 2016 | 2017 Levy | Collections 2016 | Collections 2017 | Due from State of New Jersey | Canceled | Transfer to Tax Title Liens | Balance Dec. 31, 2017 |
|---|---|---|---|---|---|---|---|---|
| 2012 | $ 4,682.25 | | | | | | | $ 4,682.25 |
| 2013 | 6,565.62 | | | | | | | 6,565.62 |
| 2014 | 7,012.06 | | | $ 317.23 | | | | 6,694.83 |
| 2015 | 14,141.98 | | | 7,024.26 | | | $ 107.53 | 7,010.19 |
| 2016 | 399,111.77 | | | 380,111.34 | $ 500.00 | $ 4,460.67 | 6,774.25 | 7,265.51 |
| | 431,513.68 | $ - | $ - | 387,452.83 | 500.00 | 4,460.67 | 6,881.78 | 32,218.40 |
| 2017 | | 39,047,532.85 | 412,929.12 | 37,975,781.55 | 86,500.00 | 84,783.11 | 9,846.87 | 477,692.20 |
| | $ 431,513.68 | $ 39,047,532.85 | $ 412,929.12 | $ 38,363,234.38 | $ 87,000.00 | $ 89,243.78 | $ 16,728.65 | $ 509,910.60 |

Analysis of 2017 Tax Levy

| | | | |
|---|---|---|---|
| **Tax Yield** | | | |
| General Purpose Tax | $ 38,945,176.30 | | |
| Added Taxes (54:4-63.1 et seq.) | 121,734.25 | | |
| | | $ 39,066,910.55 | |
| Less: Reduction Due to Tax Appeals | | (19,377.70) | |
| | | | $ 39,047,532.85 |
| **Tax Levy** | | | |
| Regional District School Tax | | $ 24,232,263.00 | |
| Municipal Open Space | | 349,088.69 | |
| Special Fire District | | 2,692,367.00 | |
| County Taxes: | | | |
| County Tax | $ 5,386,301.83 | | |
| Due County for Added Taxes | 16,705.10 | | |
| Total County Taxes | | 5,403,006.93 | |
| Local Tax for Municipal Purposes | 6,276,195.92 | | |
| Add: Additional Tax Levied | 94,611.31 | | |
| Local Tax for Municipal Purposes Levied | | 6,370,807.23 | |
| | | | $ 39,047,532.85 |

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Tax Title Liens Receivable
For the Year Ended December 31, 2017

| | | | |
|---|---|---|---|
| Balance Dec. 31, 2016 | | | $ 23,094.99 |
| Increased by: | | | |
| Transfer from Prior Year Taxes Receivable | $ 6,881.78 | | |
| Transfer from 2017 Taxes Receivable | 9,846.87 | | |
| | | $ 16,728.65 | |
| Interest and Costs | | 1,280.80 | |
| | | | 18,009.45 |
| | | | 41,104.44 |
| Decreased by: | | | |
| Receipts | | | 24,077.99 |
| Balance Dec. 31, 2017 | | | $ 17,026.45 |

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2017

| | Balance Dec. 31, 2016 | Accrued in 2017 | Collections | Due From General Capital Fund | Balance Dec. 31, 2017 |
|---|---|---|---|---|---|
| Licenses: | | | | | |
| Alcoholic Beverages | | $ 24,380.00 | $ 24,380.00 | | |
| Other | | 62,240.00 | 62,240.00 | | |
| Fees and Permits | | 65,648.00 | 65,648.00 | | |
| Interlocal Service Agreement - Court | $ 13,107.13 | 70,421.59 | 83,528.72 | | |
| Interlocal Service Agreement - School Waste Removal | 14,400.00 | 34,272.00 | 31,536.00 | | $ 17,136.00 |
| Interlocal Service Agreement - School Resource Officer | 16,000.00 | 40,000.00 | 40,000.00 | | 16,000.00 |
| Interlocal Service Agreement - Bordentown City EMS | 16,670.51 | 8,970.46 | 16,670.51 | | 8,970.46 |
| Municipal Court | | | | | |
| Fines and Costs | | 446,935.06 | 446,935.06 | | |
| Construction Code Official | | | | | |
| Fees and Permits | | 485,609.00 | 485,609.00 | | |
| Interest on Investments and Deposits | | 564.06 | 560.64 | $ 3.42 | |
| | $ 60,177.64 | $ 1,239,040.17 | $ 1,257,107.93 | $ 3.42 | $ 42,106.46 |

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Other Reserves
For the Year Ended December 31, 2017

| | Balance Dec. 31, 2016 | Cash Receipts | Realized as Revenue | Cash Disbursements | Balance Dec. 31, 2017 |
|---|---|---|---|---|---|
| Key Deposit | $ 8,604.00 | $ 5,250.00 | | $ 4,500.00 | $ 9,354.00 |
| EMS Billings Refund | 50.00 | | | | 50.00 |
| Revenue Reimbursement | 1,121.15 | | | | 1,121.15 |
| Tax Sale Premiums | 557,100.00 | 129,900.00 | | 514,900.00 | 172,100.00 |
| Elevator Inspection | 212.00 | | | | 212.00 |
| Codification of Ordinances | 2,860.02 | | | | 2,860.02 |
| Due to Outside Lien Holder | 21,559.56 | 692,995.69 | | 274,604.93 | 439,950.32 |
| Insurance Reimbursement | 2,000.00 | | | | 2,000.00 |
| Master Plan Re-Examination | 1,620.70 | | | | 1,620.70 |
| FEMA Grant | 29,228.17 | | $ 29,228.17 | | |
| EMS Operating Surplus | 0.62 | | | | 0.62 |
| Tax Appeals | 279,950.49 | | | 31,969.61 | 247,980.88 |
| | $ 904,306.71 | $ 828,145.69 | $ 29,228.17 | $ 825,974.54 | $ 877,249.69 |

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2017

| | Balance December 31, 2016 Encumbered | Balance December 31, 2016 Reserved | Balance After Modification | Expended | Balance Lapsed |
|---|---|---|---|---|---|
| OPERATIONS--WITHIN "CAPS" | | | | | |
| General Government Functions | | | | | |
| Administrative & Executive | | | | | |
| Other Expenses | $ 4,018.33 | $ 3,143.08 | $ 10,161.41 | $ 6,430.77 | $ 3,730.64 |
| Mayor & Committee | | | | | |
| Salaries and Wages | | 206.79 | 206.79 | | 206.79 |
| Other Expenses | | 2,205.11 | 2,205.11 | | 2,205.11 |
| Municipal Clerk | | | | | |
| Salaries and Wages | | 29.18 | 29.18 | | 29.18 |
| Other Expenses | 1,281.62 | 2,264.95 | 3,546.57 | 1,241.24 | 2,305.33 |
| Financial Administration (Treasury) | | | | | |
| Salaries and Wages | | 658.73 | 658.73 | | 658.73 |
| Other Expenses | 2,403.02 | 423.90 | 2,826.92 | 2,826.92 | |
| Revenue Administration (Tax Collection) | | | | | |
| Salaries and Wages | | 400.00 | 400.00 | | 400.00 |
| Other Expenses | | 812.39 | 812.39 | | 812.39 |
| Tax Assessment Administration | | | | | |
| Other Expenses | | 13,867.63 | 13,867.63 | 5,871.00 | 7,996.63 |
| Legal Services (Legal Department) | | | | | |
| Other Expenses | 20,033.13 | 20,006.51 | 60,039.64 | 58,281.77 | 1,757.87 |
| Engineering Services | | | | | |
| Other Expenses | 7,950.00 | 2,050.00 | 10,000.00 | 10,000.00 | |
| Economic Development Commission | | | | | |
| Other Expenses | | 5,644.01 | 644.01 | | 644.01 |
| Planning Board | | | | | |
| Other Expenses | | 2,843.50 | 2,843.50 | | 2,843.50 |
| Township Planner | | 1,000.00 | 1,000.00 | | 1,000.00 |
| Zoning Board of Adjustments | | | | | |
| Other Expenses | | 2,477.50 | 2,477.50 | | 2,477.50 |
| Community Development | | | | | |
| Salaries and Wages | | 17,285.41 | 285.41 | | 285.41 |
| Other Expenses | 960.55 | 1,696.94 | 2,657.49 | 1,248.55 | 1,408.94 |
| Municipal Court | | | | | |
| Salaries and Wages | | 248.45 | 248.45 | | 248.45 |
| Other Expenses | 2,691.92 | 3,198.66 | 5,890.58 | 4,760.85 | 1,129.73 |
| Municipal Prosecutor's Office | | | | | |
| Other Expenses | | 9,600.00 | 1,600.00 | 1,200.00 | 400.00 |
| Public Defender | | | | | |
| Other Expenses | | 6,000.00 | 6,000.00 | | 6,000.00 |
| Public Works Functions | | | | | |
| Road Repairs and Maintenance | | | | | |
| Salaries and Wages | | 1,524.38 | 1,524.38 | | 1,524.38 |
| Other Expenses | 8,690.90 | 10,792.56 | 19,483.46 | 6,088.57 | 13,394.89 |
| Solid Waste Collection | | | | | |
| Contractual | | 82.44 | 82.44 | | 82.44 |
| Other Expenses | 124.61 | 1,324.70 | 1,449.31 | 409.61 | 1,039.70 |
| Buildings and Grounds | | | | | |
| Other Expenses | 2,951.50 | 13,282.09 | 16,233.59 | 5,609.14 | 10,624.45 |
| Vehicle Maintenance (Including Police Vehicles) | | | | | |
| Salaries and Wages | | 4,374.18 | 374.18 | | 374.18 |
| Other Expenses | 12,365.54 | 695.07 | 23,060.61 | 22,756.74 | 303.87 |
| Landfill / Solid Waste Disposal Costs | | | | | |
| Other Expenses | | 33,664.17 | 23,664.17 | 23,156.01 | 508.16 |

(Continued)

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2017

| | Balance December 31, 2016 Encumbered | Balance December 31, 2016 Reserved | Balance After Modification | Expended | Balance Lapsed |
|---|---|---|---|---|---|
| OPERATIONS--WITHIN "CAPS" (CONT'D) | | | | | |
| Health & Welfare | | | | | |
| Public Health Services (Board of Health) | | | | | |
| Other Expenses | | $ 250.00 | $ 250.00 | | $ 250.00 |
| Environmental Health Services | | | | | |
| Other Expenses | $ 6.36 | 4.85 | 11.21 | $ 6.36 | 4.85 |
| Green Team Advisory Committee | | | | | |
| Other Expenses | 50.90 | 632.63 | 683.53 | | 683.53 |
| Insurance | | | | | |
| Workers Compensation Insurance | | 3,272.00 | 3,272.00 | | 3,272.00 |
| Employee Group Health | | 14,682.29 | 14,682.29 | | 14,682.29 |
| Public Safety Functions | | | | | |
| Office of Emergency Management | | | | | |
| Salaries and Wages | | 213.88 | 213.88 | | 213.88 |
| Other Expenses | 303.24 | 6,635.75 | 938.99 | 938.99 | |
| Police Department | | | | | |
| Salaries and Wages | | 50,432.92 | 144,432.92 | 142,020.50 | 2,412.42 |
| Other Expenses | 81,534.01 | 37,988.20 | 54,522.21 | 16,244.17 | 38,278.04 |
| Parks & Recreation Functions | | | | | |
| Senior Community Center | | | | | |
| Other Expenses | | 4,439.77 | 4,439.77 | 3,500.00 | 939.77 |
| Community Services Act (Condominium Community Costs) | | | | | |
| Other Expenses | 19,628.02 | 11,149.43 | 30,777.45 | 28,813.34 | 1,964.11 |
| Maintenance of Parks | | | | | |
| Salaries and Wages | | 25.00 | 25.00 | | 25.00 |
| Other Expenses | | 50.00 | 50.00 | | 50.00 |
| Celebration of Public Events | | | | | |
| Other Expenses | | 2,818.18 | 818.18 | | 818.18 |
| Recreation | | | | | |
| Other Expenses | | 2,525.00 | 2,525.00 | | 2,525.00 |
| Uniform Construction Code | | | | | |
| Construction Official | | | | | |
| Salaries and Wages | | 2,189.86 | 189.86 | | 189.86 |
| Other Expenses | 30,964.96 | 8,952.67 | 31,917.63 | 30,800.64 | 1,116.99 |
| Utility Expenses and Bulk Purchases | | | | | |
| Traffic Signals & Control Devices | | 50.00 | 50.00 | | 50.00 |
| Electricity | 321.52 | 9,427.08 | 9,748.60 | 1,386.02 | 8,362.58 |
| Street Lighting | | 34,233.53 | 34,233.53 | 15,788.52 | 18,445.01 |
| Telecommunication Costs | 4,344.16 | 11,472.51 | 15,816.67 | 5,227.40 | 10,589.27 |
| Water | | 18.23 | 18.23 | | 18.23 |
| Gas (Natural or Propane) | | 13,306.20 | 13,306.20 | 2,166.91 | 11,139.29 |
| Gasoline, Diesel and Oil | | 17,703.57 | 17,703.57 | 4,256.66 | 13,446.91 |
| Other Common Operating Functions (Unclassified) | | | | | |
| Prior Year Bills | | 25.00 | 25.00 | | 25.00 |
| Certificate of Fire Compliance | | | | | |
| Other Expenses | | 3,880.00 | 3,880.00 | 1,940.00 | 1,940.00 |
| Total Operations including Contingent--Within "CAPS" | 200,624.29 | 398,180.88 | 598,805.17 | 402,970.68 | 195,834.49 |
| Detail: | | | | | |
| Salaries and Wages | | 77,588.78 | 148,588.78 | 142,020.50 | 6,568.28 |
| Other Expenses | 200,624.29 | 320,592.10 | 450,216.39 | 260,950.18 | 189,266.21 |

(Continued)

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2017

| | Balance December 31, 2016 Encumbered | Balance December 31, 2016 Reserved | Balance After Modification | Expended | Balance Lapsed |
|---|---|---|---|---|---|
| DEFERRED CHARGES AND STATUTORY EXPENDITURES | | | | | |
| MUNICIPAL-- WITHIN "CAPS" | | | | | |
| Statutory Expenditures: | | | | | |
| Public Employees' Retirement System | | $ 50.00 | $ 50.00 | | $ 50.00 |
| Social Security System (O.A.S.I.) | | 47,957.73 | 47,957.73 | | 47,957.73 |
| Defined Contribution Retirement Plan | | 25.00 | 25.00 | | 25.00 |
| Total Deferred Charges and Statutory Expenditures -- Municipal -- Within "CAPS" | $ - | 48,032.73 | 48,032.73 | $ - | 48,032.73 |
| Total General Appropriations for Municipal Purposes Within--"CAPS" | 200,624.29 | 446,213.61 | 646,837.90 | 402,970.68 | 243,867.22 |
| OPERATIONS EXCLUDED FROM "CAPS" | | | | | |
| Mandated Expenditures Per N.J.S.A.40A:4-45.3g | | | | | |
| Excluded from "CAPS" | | | | | |
| Interest on Tax Appeals | | | | | |
| Other Expenses | | 25.00 | 25.00 | | 25.00 |
| Recycling Tax Appropriations | | | | | |
| Recycling Tax (NJSA 13:1E-96.5) | | 1,335.00 | 1,335.00 | 750.00 | 585.00 |
| Additional Appropriations Offset by Revenues | | | | | |
| EMS Services | | | | | |
| Salaries and Wages | | 7,461.00 | 7,461.00 | | 7,461.00 |
| Other Expenses | 3,988.28 | 26,852.09 | 30,840.37 | 9,894.74 | 20,945.63 |
| Total Operations--Excluded from "CAPS" | 3,988.28 | 35,673.09 | 39,661.37 | 10,644.74 | 29,016.63 |
| Detail: | | | | | |
| Salaries and Wages | | 7,461.00 | 7,461.00 | | 7,461.00 |
| Other Expenses | 3,988.28 | 28,212.09 | 32,200.37 | 10,644.74 | 21,555.63 |
| Total General Appropriations | $ 204,612.57 | $ 481,886.70 | $ 686,499.27 | $ 413,615.42 | $ 272,883.85 |

Exhibit SA-8

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Due to New Jersey Department of Community Affairs
State Training Fees for New Construction
For the Year Ended December 31, 2017

| | |
|---|---|
| Balance Dec. 31, 2016 | $ 11,266.00 |
| Increased by: | |
| Training Fees Collected | 33,656.00 |
| | 44,922.00 |
| Decreased by: | |
| Training Fees Disbursed | 27,065.00 |
| Balance Dec. 31, 2017 | $ 17,857.00 |

Exhibit SA-9

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Due to State of New Jersey - Youth and Family Services
State Fee for Marriage Licenses
For the Year Ended December 31, 2017

| | |
|---|---|
| Balance Dec. 31, 2016 | $ 550.00 |
| Increased by: | |
| State Fees Collected | 1,525.00 |
| | 2,075.00 |
| Decreased by: | |
| State Fees Disbursed | 1,725.00 |
| Balance Dec. 31, 2017 | $ 350.00 |

Exhibit SA-10

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2017

| | | |
|---|---|---|
| Balance Dec. 31, 2016 (2017 Taxes) | | $ 412,929.12 |
| Increased by: | | |
| Collections--2018 Taxes | $ 1,148,725.47 | |
| Transferred from Tax Overpayments | 64,327.78 | |
| | | 1,213,053.25 |
| | | 1,625,982.37 |
| Decreased by: | | |
| Application to 2017 Taxes Receivable | | 412,929.12 |
| Balance Dec. 31, 2017 (2018 Taxes) | | $ 1,213,053.25 |

Exhibit SA-11

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Due to / from Municipal Open Space Trust Fund
For the Year Ended December 31, 2017

| | | |
|---|---|---|
| Balance Dec. 31, 2016 - Due to | | $ 3,284.93 |
| Increased by: | | |
| 2017 Tax Levy | $ 348,005.08 | |
| Added and Omitted Tax Levy | 1,083.61 | |
| | | 349,088.69 |
| | | 352,373.62 |
| Decreased by: | | |
| Disbursements: | | |
| Tax Levy Transferred to Trust - Open Space | 349,088.69 | |
| Realized as Miscellaneous Revenue Anticipated - Reserve for Payment of Debt - Open Space | 300,000.00 | |
| | | 649,088.69 |
| Balance Dec. 31, 2017 - Due from | | $ (296,715.07) |

Exhibit SA-12

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Accounts Payable
For the Year Ended December 31, 2017

| | | |
|---|---|---|
| Balance Dec. 31, 2016 | | $ 85,966.80 |
| Decreased by: | | |
| Cancelled to MRNA | $ 51,147.20 | |
| Disbursements | 34,819.60 | |
| | | $ 85,966.80 |

Exhibit SA-13

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Payroll Deductions Payable
For the Year Ended December 31, 2017

| | |
|---|---|
| Balance Dec. 31, 2016 | $ 40,629.12 |
| Increased by: | |
| Receipts for Salaries and Payroll Deductions | 5,299,122.56 |
| | 5,339,751.68 |
| Decreased by: | |
| Disbursements | 5,317,588.30 |
| Balance Dec. 31, 2017 | $ 22,163.38 |

Exhibit SA-14

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2017

| | | |
|---|---|---|
| Cash Receipts | | $ 320,786.23 |
| Refund Overpayments | $ 104,394.20 | |
| Cancel Tax Overpayments | 152,064.25 | |
| Transfer to Prepaid Tax | 64,327.78 | |
| | | $ 320,786.23 |

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Due County for Added and Omitted Taxes and PILOT Payments
For the Year Ended December 31, 2017

| | | | |
|---|---|---|---|
| Balance Dec. 31, 2016: | | | |
| Omitted and Added Taxes (2015) | | $ 957.19 | |
| Added Taxes (2016) | | 47,414.51 | |
| Omitted Taxes (2016) | | 901.80 | |
| | | | $ 49,273.50 |
| Increased by County Share of: | | | |
| Omitted and Added Taxes (2016) | $ 450.90 | | |
| Added Taxes (2017) | 13,141.28 | | |
| Omitted Taxes (2016) | 3,112.92 | | |
| | | 16,705.10 | |
| PILOT Payments (2017) | | 59,196.74 | |
| | | | 75,901.84 |
| | | | 125,175.34 |
| Decreased by: | | | |
| Payments | | | 107,294.57 |
| Balance Dec. 31, 2017: | | | |
| Omitted and Added Taxes (2016) | | 450.90 | |
| Added Taxes (2017) | | 13,141.28 | |
| Omitted Taxes (2016) | | 3,112.92 | |
| PILOT Payments (2017) | | 1,175.67 | |
| | | | $ 17,880.77 |

**Exhibit SA-16**

**TOWNSHIP OF BORDENTOWN**
CURRENT FUND
Statement of Regional School Tax Payable
For the Year Ended December 31, 2017

| | | |
|---|---|---|
| Balance Dec. 31, 2016: | | $ 66,694.72 |
| Levy--Calendar Year 2017 | $ 24,232,263.00 | |
| PILOT - Due to School | 3,744.79 | |
| | | 24,236,007.79 |
| | | 24,302,702.51 |
| Payments | | $ 24,302,702.51 |

Exhibit SA-17

**TOWNSHIP OF BORDENTOWN**
FEDERAL AND STATE GRANT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2017

| Program | Balance Dec. 31, 2016 | 2017 Revenue | Receipts | Balance Dec. 31, 2017 |
|---|---|---|---|---|
| Federal Grants: | | | | |
| Click It or Ticket | | $ 5,500.00 | $ 5,500.00 | |
| Impaired Driving | | 5,500.00 | 5,500.00 | |
| Body Worn Camera Grant | | 11,500.00 | 11,500.00 | |
| | $ - | 22,500.00 | 22,500.00 | $ - |
| State Grants: | | | | |
| Municipal Alliance on Alcoholism & Drug Abuse | 13,477.60 | 14,804.00 | 19,613.61 | 8,667.99 |
| Drunk Driving Enforcement | | 16,024.30 | 16,024.30 | |
| NJDOT - Municipal Aid - Dunns Mills Resurfacing | | 193,000.00 | 147,000.00 | 46,000.00 |
| Bikeway Program - Phase IV | | 250,000.00 | | 250,000.00 |
| Municipal Park Development Program | 150,000.00 | | | 150,000.00 |
| Clean Communities Grant | | 22,774.85 | 22,774.85 | |
| Recycling Tonnage Grant | | 6,043.82 | 6,043.82 | |
| NJDEP Recreation Trails | 24,000.00 | | | 24,000.00 |
| Municipal Alcohol Education & Rehabilitation Program | | 5,082.85 | 5,082.85 | |
| Body Armor Replacement Grant | | 2,749.66 | 2,749.66 | |
| | 187,477.60 | 510,479.48 | 219,289.09 | 478,667.99 |
| | $ 187,477.60 | $ 532,979.48 | $ 241,789.09 | $ 478,667.99 |

**TOWNSHIP OF BORDENTOWN**
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants - Unappropriated
For the Year Ended December 31, 2017

| Program | Balance Dec. 31, 2016 | Grants Receivable | Revenue 2017 Budget | Balance Dec. 31, 2017 |
|---|---|---|---|---|
| Federal Grants: | | | | |
| Click It or Ticket | | $ 5,500.00 | $ 5,500.00 | |
| Impaired Driving | | 5,500.00 | | $ 5,500.00 |
| Body Worn Camera Grant | | 11,500.00 | 11,500.00 | |
| | $ - | 22,500.00 | 17,000.00 | 5,500.00 |
| State Grants: | | | | |
| Municipal Alliance on Alcoholism & Drug Abuse | | 14,804.00 | 14,804.00 | |
| Drunk Driving Enforcement | | 16,024.30 | 16,024.30 | |
| NJDOT - Municipal Aid - Dunns Mills Resurfacing | | 193,000.00 | 193,000.00 | |
| Bikeway Program - Phase IV | | 250,000.00 | 250,000.00 | |
| Clean Communities Grant | | 22,774.85 | 22,774.85 | |
| Recycling Tonnage Grant | 12,525.84 | 6,043.82 | 12,525.84 | 6,043.82 |
| Municipal Alcohol Education & Rehabilitation Program | | 5,082.85 | 5,082.85 | |
| Body Armor Replacement Grant | 2,424.77 | 2,749.66 | 2,424.77 | 2,749.66 |
| | 14,950.61 | 510,479.48 | 516,636.61 | 8,793.48 |
| | $ 14,950.61 | $ 532,979.48 | $ 533,636.61 | $ 14,293.48 |

Exhibit SA-19

**TOWNSHIP OF BORDENTOWN**
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal, State and Local Grants - Appropriated
For the Year Ended December 31, 2017

| Program | Balance Dec. 31, 2016 | 2017 Budget Appropriations | Paid or Charged | Cancelled Prior Year Encumbrances | Balance Dec. 31, 2017 |
|---|---|---|---|---|---|
| Local Grants: | | | | | |
| Nuetro Inc. - Room to Run Dog Park Project Grant | $ 16.23 | | | | $ 16.23 |
| Comcast Cable TV Technology Grant | 493.46 | | | | 493.46 |
| Total Local Grants | 509.69 | $ - | $ - | $ - | 509.69 |
| Federal Grants: | | | | | |
| Body Worn Camera Grant | | 40,146.00 | | | 40,146.00 |
| Click It or Ticket | | 5,500.00 | 5,500.00 | | |
| Total Federal Grants | - | 45,646.00 | 5,500.00 | - | 40,146.00 |
| State Grants: | | | | | |
| Municipal Alliance on Alcoholism & Drug Abuse | 37,010.00 | 29,608.00 | 14,300.00 | | 52,318.00 |
| Burl. Cty - Municipal Park Development Program | 123,460.00 | | | | 123,460.00 |
| NJDEP Rec. Trails | 24,000.00 | | 4,720.26 | | 19,279.74 |
| Drunk Driving Enforcement Grant | 37,962.15 | 16,024.30 | 43,067.15 | | 10,919.30 |
| Recycling Tonnage Grant | 23,532.76 | 12,525.84 | 18,433.16 | | 17,625.44 |
| Body Armor Replacement Grant | 2,684.27 | 2,424.77 | | | 5,109.04 |
| Municipal Alcohol Education & Rehabilitation Program | 28,312.90 | 5,082.85 | 13,259.27 | | 20,136.48 |
| NJDOT - Municipal Aid - Dunns Mills Resurfacing | | 193,000.00 | 995.00 | | 192,005.00 |
| Bikeway Program - Phase IV | | 250,000.00 | | | 250,000.00 |
| Sustainable Jersey | | | | 50.00 | 50.00 |
| Clean Communities Grant | 98,503.00 | 22,774.85 | 3,369.17 | | 117,908.68 |
| Stop the Violence Against Women | 693.44 | | | | 693.44 |
| Compliance Inspection Fire Services | 650.00 | | | | 650.00 |
| Municipal Stormwater Program | 233.50 | | | | 233.50 |
| Police Appreciation Grant | 500.00 | | | | 500.00 |
| Make It Click Grant | 6,370.00 | | | | 6,370.00 |
| Buckle Up South Jersey Grant | 2,000.00 | | | | 2,000.00 |
| Total State Grants | 385,912.02 | 531,440.61 | 98,144.01 | 50.00 | 819,258.62 |
| | $ 386,421.71 | $ 577,086.61 | $ 103,644.01 | $ 50.00 | $ 859,914.31 |

| | |
|---|---|
| Current Year Encumbrances | $ 1,912.46 |
| Disbursed | 101,731.55 |
| | $ 103,644.01 |

# SUPPLEMENTAL EXHIBITS

# TRUST FUND

Exhibit SB-1

**TOWNSHIP OF BORDENTOWN**
TRUST FUND
Statement of Cash per N.J.S. 40A:5-5--Treasurer
For Year Ended December 31, 2017

| | Animal Control | | Open Space | | Other | |
|---|---|---|---|---|---|---|
| Balance Dec. 31, 2016 | | $ 19,778.21 | | $192,832.41 | | $ 3,007,958.78 |
| Increased by Receipts: | | | | | | |
| Due to State of NJ | $ 1,196.40 | | | | | |
| Dog License Fees | 5,318.60 | | | | | |
| Cat License Fees | 690.00 | | | | | |
| Chicken License Fees Collected | 40.00 | | | | | |
| Late Fees Collected | 520.00 | | | | | |
| Shared Service Agreement Fees Collected | 40,141.98 | | | | | |
| Due from Current Fund | | | | | $ 23,658.38 | |
| Due To Trust - Other Fund | | | $ 1,155.27 | | | |
| Reserve - Open Space Trust Fund | | | 356,528.69 | | | |
| Reserve - Builders Trust | | | | | 566,012.34 | |
| Reserve - Off Duty Police Employment | | | | | 472,852.50 | |
| Reserve - Special Law Enforcement Fund | | | | | 17,323.50 | |
| Reserve - Street Opening Fund | | | | | 9,232.00 | |
| Reserve - Housing Fees COAH | | | | | 1,804,494.46 | |
| | | 47,906.98 | | 357,683.96 | | 2,893,573.18 |
| | | 67,685.19 | | 550,516.37 | | 5,901,531.96 |
| Decreased by Disbursements: | | | | | | |
| Due to State of NJ | 1,200.60 | | | | | |
| Due to Current Fund | 453.19 | | | | | |
| Due to General Capital Fund | 17,260.00 | | | | | |
| Accounts / Encumbrances Payable | 331.80 | | 5,183.75 | | | |
| Expenditures Under R.S.4:19-15.11 | 41,057.09 | | | | | |
| Reserve - Open Space Trust Fund | | | 27,466.53 | | | |
| Reserve - Special Law Enforcement Fund | | | | | 26,544.92 | |
| Reserve - Federal Forfeit Trust Fund | | | | | 30,503.43 | |
| Reserve - Builders Trust | | | | | 477,348.75 | |
| Reserve - Off Duty Police Employment | | | | | 375,753.16 | |
| Reserve - UC & TDI Fund | | | | | 1,757.06 | |
| Reserve - Housing Fees COAH | | | | | 266,446.19 | |
| | | 60,302.68 | | 32,650.28 | | 1,178,353.51 |
| Balance Dec. 31, 2017 | | $ 7,382.51 | | $517,866.09 | | $ 4,723,178.45 |

Exhibit SB-2

**TOWNSHIP OF BORDENTOWN**
TRUST - ANIMAL CONTROL
Statement of Due to General Capital Fund
For Year Ended December 31, 2017

| | |
|---|---|
| Balance Dec. 31, 2016 | $ 17,260.00 |
| Decreased by: | |
| Interfund Returned | $ 17,260.00 |

Exhibit SB-3

**TOWNSHIP OF BORDENTOWN**
TRUST FUNDS
Statement of Due from / (to) Current Fund
For Year Ended December 31, 2017

| | Animal Control Fund | Open Space Trust Fund | Trust - Other Fund |
|---|---|---|---|
| Balance Dec. 31, 2016 | $ - | $ 3,284.93 | $ 84,535.38 |
| Increased by: | | | |
| Miscellaneous Trust Reserves - Cash Received in Current Fund | | | 53,485.00 |
| Interfund Advanced | 453.19 | | |
| Employee Unemployment Contributions | | | 6,735.77 |
| | 453.19 | - | 60,220.77 |
| | 453.19 | 3,284.93 | 144,756.15 |
| Decreased by: | | | |
| Cash Disbursed by Current Fund for Miscellaneous Trust Reserves | | | 69,291.40 |
| Due to Current Fund: | | | |
| Budget Refund - Off Duty Police Employment Funds | | | 31,161.20 |
| Reserve to Pay Debt - Open Space - Realized as Miscellaneous Revenue Anticipated | | 300,000.00 | |
| Cash Receipts: | | | |
| Interest Earned on Deposits - Realized as Miscellaneous Revenue Anticipated in Current Fund | | | 559.67 |
| Prior Year Employee Unemployment Contributions | | | 7,827.64 |
| Interfund Returned | | | 15,271.07 |
| | - | 300,000.00 | 124,110.98 |
| Balance Dec. 31, 2017 | $ 453.19 | $ (296,715.07) | $ 20,645.17 |

Exhibit SB-4

**TOWNSHIP OF BORDENTOWN**
TRUST - ANIMAL CONTROL
Statement of Reserve for Animal Control Expenditures
For Year Ended December 31, 2017

| | | |
|---|---|---|
| Balance Dec. 31, 2016 | | $ 2,055.61 |
| Increased by: | | |
| Receipts: | | |
| Dog License Fees Collected | $ 5,318.10 | |
| Dog License Replacement Fees Collected | 0.50 | |
| Cat License Fees Collected | 690.00 | |
| Chicken License Fees Collected | 40.00 | |
| Late Fees Collected | 520.00 | |
| Shared Service Agreement Fees Collected | 40,141.98 | |
| | | 46,710.58 |
| | | 48,766.19 |
| Decreased by: | | |
| Expenditures Under R.S.4:19-15.11 | 41,057.09 | |
| Accounts Payable | 1,897.23 | |
| | | 42,954.32 |
| Balance Dec. 31, 2017 | | $ 5,811.87 |

Animal License Fees Collected

| Year | Amount |
|---|---|
| 2015 | $ 5,325.90 |
| 2016 | 5,358.30 |
| | $ 10,684.20 |

Exhibit SB-5

**TOWNSHIP OF BORDENTOWN**
TRUST - ANIMAL CONTROL
Statement of Due to State of New Jersey
For Year Ended December 31, 2017

| | |
|---|---|
| Balance Dec. 31, 2016 | $ 130.80 |
| Increased by: | |
| Cash Receipts: | |
| State Fees Collected | 1,196.40 |
| | 1,327.20 |
| Decreased by: | |
| Disbursed to State | 1,200.60 |
| Balance Dec. 31, 2017 | $ 126.60 |

**TOWNSHIP OF BORDENTOWN**
TRUST - OPEN SPACE
Statement of Reserve Open Space Trust Fund
For Year Ended December 31, 2017

| | | |
|---|---|---|
| Balance Dec. 31, 2016 | | $ 190,933.59 |
| Increased by: | | |
| Received: | | |
| Open Space Taxes | $ 348,005.08 | |
| Open Space Added and Omitted Taxes | 1,083.61 | |
| | 349,088.69 | |
| Farmland Lease | 7,440.00 | |
| | | 356,528.69 |
| | | 547,462.28 |
| Decreased by: | | |
| Expended: | | |
| Reserve for Future Use | 27,466.53 | |
| Due to Current: | | |
| Principal on Debt Service | 300,000.00 | |
| | 327,466.53 | |
| Reserved for Encumbrances | 21,515.41 | |
| | | 348,981.94 |
| Balance Dec. 31, 2017 | | $ 198,480.34 |

Exhibit SB-7

**TOWNSHIP OF BORDENTOWN**
TRUST - OTHER
Statement of Miscellaneous Trust Reserves
For Year Ended December 31, 2017

| | Balance Dec. 31, 2016 | Receipts | Disbursements | Due From (to) Other Funds Increase | Due From (to) Other Funds Decrease | Accounts Receivable | Accounts / Encumbrances Payable | Balance Dec. 31, 2017 |
|---|---|---|---|---|---|---|---|---|
| Reserve - Builders Trust | $1,912,221.79 | $ 566,012.34 | $ 477,348.75 | | | | | $2,000,885.38 |
| Reserve - Off Duty Police Employment | | 472,852.50 | 375,753.16 | $ 1,155.27 | $ 31,161.20 | $ (75,532.50) | $ (8,439.09) | |
| Reserve - UC & TDI Fund | 68,285.16 | | 1,757.06 | 6,735.77 | | | | 73,263.87 |
| Reserve - Street Opening Fund | 38,302.50 | 9,232.00 | | | | (800.00) | | 46,734.50 |
| Reserve - Special Law Enforcement Fund | 188,875.53 | 17,323.50 | 26,544.92 | | | | | 179,654.11 |
| Reserve - Federal Forfeit Trust Fund | 49,168.12 | | 30,503.43 | | | | 3,606.90 | 15,057.79 |
| Reserve - Public Defender Fees | 8,129.09 | | | 9,054.00 | 17,183.09 | | | |
| Reserve - POAA | 1,208.00 | | | 84.00 | | | | 1,292.00 |
| Reserve - Affordable Housing | 698,967.30 | 1,804,494.46 | 266,446.19 | | | | 267,756.28 | 1,969,259.29 |
| Reserve - READ Foundation | 3,838.21 | | | 440.00 | 424.00 | | | 3,854.21 |
| Reserve - Storm Recovery Trust Fund | 38,447.72 | | | | 3,933.28 | | | 34,514.44 |
| Reserve - Fourth of July Donations | 3,614.44 | | | 28,125.00 | 28,343.77 | | | 3,395.67 |
| Reserve - Civic Events Donations | 8,205.77 | | | 14,325.00 | 17,744.73 | | (786.19) | 5,572.23 |
| Reserve - Veteran's Day Ceremony | 1,670.71 | | | 1,007.00 | 70.00 | | | 2,607.71 |
| Reserve - Developers Tree Planting Donations | 7,425.00 | | | | 750.00 | | (2,755.00) | 9,430.00 |
| Reserve - Recycling Program | 973.89 | | | 450.00 | 842.53 | | | 581.36 |
| Reserve - Roadway Contrib Dunns/Rising | 77,580.00 | | | | | | | 77,580.00 |
| Reserve - Community Map Donations | 3,050.00 | | | | | | | 3,050.00 |
| Reserve - Veteran's Park Donations | 6,189.39 | | | | | | | 6,189.39 |
| Reserve - Sign Donations | 2,520.00 | | | | | | | 2,520.00 |
| Reserve - First Aid Contributions | 4,185.00 | | | | | | | 4,185.00 |
| Reserve - Dog Park Donations | 359.26 | | | | | | | 359.26 |
| Reserve - Recreation Donations | 56,581.46 | | | | | | | 56,581.46 |
| | $3,179,798.34 | $2,869,914.80 | $1,178,353.51 | $ 61,376.04 | $100,452.60 | $ (76,332.50) | $ 259,382.90 | $4,496,567.67 |

| | |
|---|---|
| Cash Received in Current Fund | $ 53,485.00 |
| Cash Received in Trust - Open Space Fund | 1,155.27 |
| Payroll Deductions Payable | 6,735.77 |
| | $ 61,376.04 |

| | |
|---|---|
| Cash Disbursed in Current Fund | $ 69,291.40 |
| Interfund - Budget Refund | 31,161.20 |
| | $100,452.60 |

# SUPPLEMENTAL EXHIBITS

# GENERAL CAPITAL FUND

**TOWNSHIP OF BORDENTOWN**
GENERAL CAPITAL FUND
Statement of General Capital Cash and Investments per N.J.S. 40A:5-5--Treasurer
For the Year Ended December 31, 2017

| | | |
|---|---|---|
| Balance Dec. 31, 2016 | | $ 7,020,168.03 |
| Increased by Receipts: | | |
| Interest on Investments - Due to Current Fund | $ 26.86 | |
| Received from Current Fund | 3,202.25 | |
| Received from Trust - Animal Control Fund | 17,260.00 | |
| Grants Receivable | 711,220.00 | |
| Capital Improvement Fund | 85,000.00 | |
| | | 816,709.11 |
| | | 7,836,877.14 |
| Decreased by Disbursements: | | |
| Bond Anticipation Notes Paid with Note Proceeds | 553,000.00 | |
| Improvement Authorizations | 948,337.75 | |
| Due from Current Fund | 23.44 | |
| Encumbrances Payable | 2,064,228.18 | |
| | | 3,565,589.37 |
| Balance Dec. 31, 2017 | | $ 4,271,287.77 |

**TOWNSHIP OF BORDENTOWN**
GENERAL CAPITAL FUND
Statement of General Capital Cash and Investments
For the Year Ended December 31, 2017

| | Balance Dec. 31, 2016 | Receipts: Miscellaneous | Disbursements: Improvement Authorizations | Disbursements: Bond Anticipation Notes | Disbursements: Miscellaneous | Transfers: From | Transfers: To | Balance Dec. 31, 2017 |
|---|---|---|---|---|---|---|---|---|
| Fund Balance | $ 80,061.02 | | | | | $ 80,000.00 | | $ 61.02 |
| Grants Receivable | (1,870,146.29) | $ 711,220.00 | | | | 844,668.00 | | (2,003,594.29) |
| Capital Improvement Fund | 26,815.00 | 85,000.00 | | | | 107,500.00 | | 4,315.00 |
| Due to / (from) Current Fund | (3,202.25) | 3,229.11 | | | $ 23.44 | | $ 455,000.00 | 455,003.42 |
| Due to / (from) Trust - Animal Control Fund | (17,260.00) | 17,260.00 | | | | | | |
| Reserve for Encumbrances Payable | 2,474,997.92 | | | | 2,064,228.18 | 2,323.07 | 466,184.55 | 874,631.22 |
| Reserve to Pay Debt - County Open Space | 224,201.79 | | | | | | 161,220.00 | 385,421.79 |
| Reserve to Pay Debt - Green Acres | 775,000.00 | | | | | 375,000.00 | 550,000.00 | 950,000.00 |
| Reserve for Grants Receivables | 1,807,000.00 | | | | | 711,220.00 | 844,668.00 | 1,940,448.00 |
| General Improvement Authorizations: | | | | | | | | |
| Ordinance Number | | | | | | | | |
| 2007-19, 2011-13 Improvements to Northern Community Park | 11,676.25 | | | | | | | 11,676.25 |
| 2007-33 & 2009-17 Various Capital Improvements | 46,706.00 | | | | | | 11.75 | 46,717.75 |
| 2009-28 Various Capital Improvements | (46,748.50) | | | | | | | (46,748.50) |
| 2011-22 Improvements within the Waterfront Village Redevelopment Area | 585,250.60 | | $ 6,010.95 | $ 553,000.00 | | | | 26,239.65 |
| 2011-25 Tax Appeals Refunding | 76,088.21 | | | | | 76,088.21 | | |
| 2012-5 Tax Appeals Refunding | 25,970.56 | | | | | 25,970.56 | | |
| 2012-6 Various Capital Improvements and Related Expenses | 79,042.52 | | | | | | 2,311.32 | 81,353.84 |
| 2012-11 Repair and Resurfacing of Hedding Road | (32,383.11) | | | | | | | (32,383.11) |
| 2013-03 Acquisition of Land and Building | 87,288.88 | | | | | | | 87,288.88 |
| 2013-08 Various Capital Improvements to the Public Works Building and Acquisition of Police Equipment | 32,703.00 | | 27,437.70 | | | | | 5,265.30 |

(Continued)

Exhibit SC-2

TOWNSHIP OF BORDENTOWN
GENERAL CAPITAL FUND
Statement of General Capital Cash and Investments
For the Year Ended December 31, 2017

| | | | Receipts | Disbursements | | | | Transfers | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Balance Dec. 31, 2016 | Miscellaneous | Improvement Authorizations | Bond Anticipation Notes | Miscellaneous | | From | To | Balance Dec. 31, 2017 |
| General Improvement Authorizations (Cont'd): | | | | | | | | | | |
| Ordinance Number | | | | | | | | | | |
| 2014-6(a) | Various Capital Improvements to General Road and Public Works Equipment | $ 32,623.92 | | | | | | | | $ 32,623.92 |
| 2014-6(b) & 2015-6 | Acquisition of Public Works Equipment | 23,403.09 | | | | | $ | 4,142.02 | | 19,261.07 |
| 2015-13(a) | Acquisition of Public Works Equipment and Construction of Public Works Improvements | 177,793.83 | | $ 89.26 | | | | 30.00 | | 177,674.57 |
| 2015-13(b) | Acquisition of Police Equipment | 19,710.90 | | 19,615.89 | | | | | | 95.01 |
| 2016-06(a) | Various Road and Street Improvements | 985,647.05 | | 231,367.43 | | | | 471,945.70 | | 282,333.92 |
| 2016-06(b) | Renovations to Municipal Buildings | 810,716.23 | | 267,822.52 | | | | 260,264.88 | $ 390,000.00 | 672,628.83 |
| 2016-06(c) | Public Works Vehicles and Equipment | 341,968.87 | | 34,836.74 | | | | 30,293.26 | | 276,838.87 |
| 2016-06(d) | Police Equipment | 220,518.12 | | 186,635.77 | | | | 24,053.69 | | 9,828.66 |
| 2016-06(e) | Ambulance Improvements & Modifications | 20,588.21 | | | | | | | | 20,588.21 |
| 2016-06(f) | Renovations to the Municipal Building | 24,136.21 | | | | | | | | 24,136.21 |
| 2017-06 | Repairs to Culvert under Orchard Avenue | | | 71,462.72 | | | | 65,455.00 | 37,500.00 | (99,417.72) |
| 2017-19(a) | Various Road and Street Repairs | | | 1,000.00 | | | | | 67,500.00 | 66,500.00 |
| 2017-19(b) | Renovations to Municipal Buildings | | | | | | | | 1,250.00 | 1,250.00 |
| 2017-19(c) | Various Equipment and Improvements | | | | | | | | 1,250.00 | 1,250.00 |
| 2017-20 | 2015 and 2016 Tax Appeals | | | 102,058.77 | | | | | 102,058.77 | |
| | | $ 7,020,168.03 | $ 816,709.11 | $ 948,337.75 | $ 553,000.00 | $ 2,064,251.62 | $ | 3,078,954.39 | $ 3,078,954.39 | $ 4,271,287.77 |

**TOWNSHIP OF BORDENTOWN**
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2017

| | |
|---|---|
| Balance Dec. 31, 2016 | $ 19,070,000.00 |
| Decreased by: | |
| 2017 Budget Appropriation: | |
| Bond Principal | 1,050,000.00 |
| Balance Dec. 31, 2017 | $ 18,020,000.00 |

**TOWNSHIP OF BORDENTOWN**
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Unfunded
For the Year Ended December 31, 2017

| Ordinance Number | Improvement Description | Balance Dec. 31, 2016 | 2017 Authorizations | Balance Dec. 31, 2017 | Analysis of Balance Dec. 31, 2017: Expenditures | Analysis of Balance Dec. 31, 2017: Unexpended Improvement Authorizations |
|---|---|---|---|---|---|---|
| 2009-28 | Various Capital Improvements | $ 46,748.50 | | $ 46,748.50 | $ 46,748.50 | |
| 2011-22 | Improvements within the Waterfront Village Redevelopment Area | 8,123,000.00 | | 8,123,000.00 | | $ 8,123,000.00 |
| 2012-6 | Various Capital Improvements and Related Expenses | 405.00 | | 405.00 | | 405.00 |
| 2012-11 | Repair and Resurfacing of Hedding Road | 100,000.00 | | 100,000.00 | 32,383.11 | 67,616.89 |
| 2015-13(a) | Acquisition of Public Works Equipment and Construction of Public Works Improvements | 3,251.50 | | 3,251.50 | | 3,251.50 |
| 2017-06 | Repairs to Culvert under Orchard Avenue | | $ 737,500.00 | 737,500.00 | 99,417.72 | 638,082.28 |
| 2017-19(a) | Various Road and Street Repairs | | 1,337,500.00 | 1,337,500.00 | | 1,337,500.00 |
| 2017-19(b) | Renovations to Municipal Buildings | | 23,750.00 | 23,750.00 | | 23,750.00 |
| 2017-19(c) | Various Equipment and Improvements | | 18,750.00 | 18,750.00 | | 18,750.00 |
| | | $ 8,273,405.00 | $ 2,117,500.00 | $ 10,390,905.00 | $ 178,549.33 | $ 10,212,355.67 |

Exhibit SC-5

**TOWNSHIP OF BORDENTOWN**
GENERAL CAPITAL FUND
Statement of Grants Receivable
For the Year Ended December 31, 2017

| Grant Description | Balance Dec. 31, 2016 | Grants Awarded | Cash Received | Balance Dec. 31, 2017 |
|---|---|---|---|---|
| Department of Transportation Grant | $ 246,000.00 | | | $ 246,000.00 |
| Burlington County Open Space Grant | 1,011,000.00 | | $ 161,220.00 | 849,780.00 |
| State Green Acres Grant | 550,000.00 | | 550,000.00 | |
| Federal Emergency Management Agency Grant | 63,146.29 | $ 844,668.00 | | 907,814.29 |
| | $ 1,870,146.29 | $ 844,668.00 | $ 711,220.00 | $ 2,003,594.29 |

Exhibit SC-6

**TOWNSHIP OF BORDENTOWN**
GENERAL CAPITAL FUND
Statement of Due from / to Current Fund
For the Year Ended December 31, 2017

| | | |
|---|---|---|
| Balance Dec. 31, 2016 (Due from) | | $ 3,202.25 |
| Increased by: | | |
| Miscellaneous Revenue Anticipated - Reserve to Pay Debt | $ 375,000.00 | |
| Miscellaneous Revenue Anticipated - Capital Surplus | 80,000.00 | |
| Interest on Investments (Cash Received) | 26.86 | |
| | | 455,026.86 |
| | | 458,229.11 |
| Decreased by: | | |
| Interfund Returned (Cash Received) | 3,202.25 | |
| Interest Earned - Disbursed to Current Fund as Anticipated Revenue | 23.44 | |
| | | 3,225.69 |
| Balance Dec. 31, 2017 (Due to) | | $ 455,003.42 |

Exhibit SC-7

**TOWNSHIP OF BORDENTOWN**
GENERAL CAPITAL FUND
Statement of Due from Trust - Animal Control Fund
For the Year Ended December 31, 2017

| | |
|---|---|
| Balance Dec. 31, 2016 | $ 17,260.00 |
| Cash Receipts: | |
| Interfund Returned | $ 17,260.00 |

Exhibit SC-8

**TOWNSHIP OF BORDENTOWN**
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2017

| | |
|---|---|
| Balance Dec. 31, 2016 | $ 26,815.00 |
| Increased by: | |
| 2017 Budget Appropriation | 85,000.00 |
| | 111,815.00 |
| Decreased by: | |
| Appropriated to Finance Improvement Authorizations | 107,500.00 |
| Balance Dec. 31, 2017 | $ 4,315.00 |

TOWNSHIP OF BORDENTOWN
GENERAL CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2017

| Ordinance Number | Improvement Description | Ordinance Date | Ordinance Amount | Balance Dec. 31, 2016 Funded | Balance Dec. 31, 2016 Unfunded | 2017 Authorizations Capital Improvement Funded | 2017 Authorizations Deferred Charges to Future Taxation-Unfunded | Paid or Charged | Reappropriated | Prior Year Encumbrances Cancelled | Balance Dec. 31, 2017 Funded | Balance Dec. 31, 2017 Unfunded |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| General Improvements: | | | | | | | | | | | | |
| 2007-19, 2011-13 | Improvements to Northern Community Park | 9/24/2007 | $ 742,235.00 | $ 11,676.25 | | | | | | | $ 11,676.25 | |
| 2007-33 & 2009-17 | Roadway Restriping | 11/26/2007 | 46,886.00 | 46,706.00 | | | | | | $ 11.75 | 46,717.75 | |
| 2011-22 | Improvements within the Waterfront Village Redevelopment Area | 12/12/2011 | 12,500,000.00 | 32,250.60 | $ 8,123,000.00 | | | $ 6,010.95 | | | 26,239.65 | $ 8,123,000.00 |
| 2011-25 | Tax Appeals Refunding | 11/28/2011 | 1,693,375.00 | 76,088.21 | | | | | $ (76,088.21) | | | |
| 2012-5 | Tax Appeals Refunding | 5/21/2012 | 568,000.00 | 25,970.56 | | | | | (25,970.56) | | | |
| 2012-6 | Various Capital Improvements and Related Expenses | 5/21/2012 | 793,900.00 | 79,042.52 | 405.00 | | | | | 2,311.32 | 81,353.84 | 405.00 |
| 2012-11 | Repair and Resurfacing of Hedding Road | 11/26/2012 | 250,000.00 | | 67,616.89 | | | | | | | 67,616.89 |
| 2013-3 | Acquisition of Land and Building | 1/28/2013 | 600,000.00 | 87,288.88 | | | | | | | 87,288.88 | |
| 2013-8 | Various Capital Improvements to the Public Works Building and Acquisition of Police Equipment | 5/6/2013 | 1,913,000.00 | 32,703.00 | | | | 27,437.70 | | | 5,265.30 | |
| 2014-6(a) | Various Capital Improvements to General Road and Public Works Equipment | 1/27/2014 | 2,033,181.00 | 32,623.92 | | | | | | | 32,623.92 | |
| 2014-6(b) & 2015-6 | Acquisition of Public Works Equipment | 1/27/2014<br>4/13/2015 | 55,000.00<br>59,252.00 | 23,403.09 | | | | 4,142.02 | | | 19,261.07 | |
| 2015-13(a) | Acquisition of Public Works Equipment and Construction of Public Works Imorovements | 8/17/2015 | 545,953.54 | 177,793.83 | 3,251.50 | | | 119.26 | | | 177,674.57 | 3,251.50 |
| 2015-13(b) | Acquisition of Police Equipment | 8/17/2015 | 108,669.19 | 19,710.90 | | | | 19,615.89 | | | 95.01 | |
| 2016-06(a) | Various Road and Street Improvements | 4/18/2016 | 2,440,697.68 | 985,647.05 | | | | 313,313.13 | (390,000.00) | | 282,333.92 | |
| 2016-06(b) | Renovations to Municipal Buildings | 4/18/2016 | 1,678,071.03 | 810,716.23 | | | | 528,087.40 | 390,000.00 | | 672,628.83 | |
| 2016-06(c) | Public Works Vehicles and Equipment | 4/18/2016 | 669,158.91 | 341,968.87 | | | | 65,130.00 | | | 276,838.87 | |
| 2016-06(d) | Police Equipment | 4/18/2016 | 429,847.96 | 220,518.12 | | | | 210,689.46 | | | 9,828.66 | |
| 2016-06(e) | Ambulance Improvements & Modifications | 4/18/2016 | 155,588.21 | 20,588.21 | | | | | | | 20,588.21 | |
| 2016-06(f) | Renovations to the Municipal Building | 4/18/2016 | 26,636.21 | 24,136.21 | | | | | | | 24,136.21 | |
| 2017-06 | Repairs to Culvert under Orchard Avenue | 4/24/2017 | 775,000.00 | | | $ 37,500.00 | $ 737,500.00 | 136,917.72 | | | | 638,082.28 |
| 2017-19(a) | Various Road and Street Repairs | 10/16/2017 | 1,405,000.00 | | | 67,500.00 | 1,337,500.00 | 1,000.00 | | | 66,500.00 | 1,337,500.00 |
| 2017-19(b) | Renovations to Municipal Buildings | 10/16/2017 | 25,000.00 | | | 1,250.00 | 23,750.00 | | | | 1,250.00 | 23,750.00 |
| 2017-19(c) | Various Equipment and Improvements | 10/16/2017 | 20,000.00 | | | 1,250.00 | 18,750.00 | | | | 1,250.00 | 18,750.00 |
| 2017-20 | 2015 and 2016 Tax Appeals | 9/11/2017 | 102,058.77 | | | | | 102,058.77 | 102,058.77 | | | |
| | | | | $ 3,048,832.45 | $ 8,194,273.39 | $ 107,500.00 | $ 2,117,500.00 | $ 1,414,522.30 | $ - | $ 2,323.07 | $ 1,843,550.94 | $ 10,212,355.67 |

| | |
|---|---|
| Disbursed | $ 948,337.75 |
| Current Year Encumbrances Payable | 466,184.55 |
| | $ 1,414,522.30 |

**TOWNSHIP OF BORDENTOWN**
GENERAL CAPITAL FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2017

| | | |
|---|---|---|
| Balance Dec. 31, 2016 | | $ 2,474,997.92 |
| Increased by: | | |
| 2017 Encumbrances | | 466,184.55 |
| | | 2,941,182.47 |
| Decreased by: | | |
| Cash Disbursements | $ 2,064,228.18 | |
| Prior Year Encumbrances Cancelled | 2,323.07 | |
| | | 2,066,551.25 |
| Balance Dec. 31, 2017 | | $ 874,631.22 |

Schedule of Encumbrances Dec. 31, 2017

| Ordinance Number | Amount |
|---|---|
| 2007-33 & 2009-17 | $ 2,562.58 |
| 2007-19 & 2011-13 | 16,803.96 |
| 2012-6 | 3,450.00 |
| 2013-8 | 53,745.70 |
| 2014-6(a) | 11,600.85 |
| 2014-6(b) / 2015-6 | 4,142.02 |
| 2015-13(a) | 30.00 |
| 2016-06(a) | 365,220.78 |
| 2016-06(b) | 297,273.38 |
| 2016-06(c) | 30,293.26 |
| 2016-06(d) | 24,053.69 |
| 2017-06 | 65,455.00 |
| | $ 874,631.22 |

**TOWNSHIP OF BORDENTOWN**
GENERAL CAPITAL FUND
Statement of Reserve for Payment of Debt Service
For the Year Ended December 31, 2017

| | | |
|---|---|---|
| Balance Dec. 31, 2016 | | $ 999,201.79 |
| Increased by: | | |
| County Open Space Grant Receivable | $ 161,220.00 | |
| Green Acres Grant Receivable | 550,000.00 | |
| | | 711,220.00 |
| | | 1,710,421.79 |
| Decreased by: | | |
| Reserve to Pay Debt - Anticipated as Revenue in Current Fund | | 375,000.00 |
| Balance Dec. 31, 2017 | | $ 1,335,421.79 |

**TOWNSHIP OF BORDENTOWN**
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2017

| Ordinance Number | Improvement Description | Issue of Original Note | Date of Issue | Date of Maturity | Interest Rate | Balance Dec. 31, 2016 | Redeemed with Note Proceeds |
|---|---|---|---|---|---|---|---|
| 2011-22 | Improvements within the Waterfront Village Redevelopment Area | 4/22/13 | 2/12/16 | 2/11/17 | 1.09% | $ 553,000.00 | $ 553,000.00 |

**TOWNSHIP OF BORDENTOWN**
GENERAL CAPITAL FUND
Statement of General Serial Bonds
For the Year Ended December 31, 2017

| Purpose | Date of Issue | Original Issue | Date | Amount | Interest Rate | Balance Dec. 31, 2016 | Paid by Budget Appropriation | Balance Dec. 31, 2017 |
|---|---|---|---|---|---|---|---|---|
| General Obligation Bonds, Series 2009 | 2-10-2009 | $ 4,000,000.00 | 2/15/18 | $ 230,000.00 | 3.25% | | | |
| | | | 2/15/19 | 230,000.00 | 3.50% | | | |
| | | | 2/15/20 | 230,000.00 | 3.75% | | | |
| | | | 2/15/21 | 230,000.00 | 4.00% | | | |
| | | | 2/15/22 | 230,000.00 | 4.00% | | | |
| | | | 2/15/23 | 230,000.00 | 4.00% | | | |
| | | | 2/15/24 | 230,000.00 | 4.00% | | | |
| | | | 2/15/25 | 230,000.00 | 4.00% | | | |
| | | | 2/15/26 | 240,000.00 | 4.00% | | | |
| | | | 2/15/27 | 250,000.00 | 4.00% | | | |
| | | | 2/15/28 | 250,000.00 | 4.00% | $ 2,810,000.00 | $ 230,000.00 | $ 2,580,000.00 |
| County Guaranteed Pooled Loan Revenue Refunding Bonds, Series 2013A-1 | 3-11-2013 | 3,210,000.00 | 12/1/18 | 300,000.00 | 5.00% | | | |
| | | | 12/1/19 | 315,000.00 | 5.00% | | | |
| | | | 12/1/20 | 330,000.00 | 5.00% | | | |
| | | | 12/1/21 | 345,000.00 | 5.00% | | | |
| | | | 12/1/22 | 350,000.00 | 5.00% | | | |
| | | | 12/1/23 | 350,000.00 | 5.00% | | | |
| | | | 12/1/24 | 350,000.00 | 4.00% | 2,625,000.00 | 285,000.00 | 2,340,000.00 |
| General Obligation Bonds, Series 2014 | 4-17-2014 | 8,181,000.00 | 3/1/18 | 365,000.00 | 2.00% | | | |
| | | | 3/1/19 | 375,000.00 | 2.00% | | | |
| | | | 3/1/20 | 385,000.00 | 2.00% | | | |
| | | | 3/1/21 | 395,000.00 | 2.00% | | | |
| | | | 3/1/22 | 420,000.00 | 2.00% | | | |
| | | | 3/1/23 | 440,000.00 | 2.13% | | | |
| | | | 3/1/24 | 460,000.00 | 2.25% | | | |
| | | | 3/1/25 | 525,000.00 | 3.00% | | | |
| | | | 3/1/26 | 535,000.00 | 3.00% | | | |
| | | | 3/1/27 | 545,000.00 | 3.00% | | | |
| | | | 3/1/28 | 100,000.00 | 3.00% | | | |
| | | | 3/1/29 | 110,000.00 | 3.00% | | | |
| | | | 3/1/30 | 115,000.00 | 3.00% | | | |
| | | | 3/1/31 | 125,000.00 | 3.25% | | | |
| | | | 3/1/32 | 140,000.00 | 3.25% | | | |

(Continued)

**TOWNSHIP OF BORDENTOWN**
GENERAL CAPITAL FUND
Statement of General Serial Bonds
For the Year Ended December 31, 2017

| Purpose | Date of Issue | Original Issue | Date | Amount | Interest Rate | Balance Dec. 31, 2016 | Paid by Budget Appropriation | Balance Dec. 31, 2017 |
|---|---|---|---|---|---|---|---|---|
| General Obligation Bonds, Series 2014 (Cont'd) | 4-17-2014 | $ 8,181,000.00 | 3/1/33 | $ 150,000.00 | 3.50% | | | |
| | | | 3/1/34 | 160,000.00 | 3.50% | | | |
| | | | 3/1/35 | 175,000.00 | 4.00% | | | |
| | | | 3/1/36 | 190,000.00 | 4.00% | | | |
| | | | 3/1/37 | 210,000.00 | 4.00% | | | |
| | | | 3/1/38 | 225,000.00 | 4.00% | | | |
| | | | 3/1/39 | 245,000.00 | 4.00% | | | |
| | | | 3/1/40 | 265,000.00 | 4.00% | | | |
| | | | 3/1/41 | 290,000.00 | 4.00% | | | |
| | | | 3/1/42 | 315,000.00 | 4.00% | $ 7,625,000.00 | $ 365,000.00 | $ 7,260,000.00 |
| General Obligation Bonds, Series 2016 | 6-1-2016 | 6,010,000.00 | 3/1/18 | 225,000.00 | 1.00% | | | |
| | | | 3/1/19 | 230,000.00 | 2.00% | | | |
| | | | 3/1/20 | 235,000.00 | 2.00% | | | |
| | | | 3/1/21 | 245,000.00 | 2.00% | | | |
| | | | 3/1/22 | 250,000.00 | 2.00% | | | |
| | | | 3/1/23 | 255,000.00 | 2.00% | | | |
| | | | 3/1/24 | 260,000.00 | 2.00% | | | |
| | | | 3/1/25 | 365,000.00 | 2.00% | | | |
| | | | 3/1/26 | 365,000.00 | 2.00% | | | |
| | | | 3/1/27 | 370,000.00 | 2.00% | | | |
| | | | 3/1/28 | 370,000.00 | 2.00% | | | |
| | | | 3/1/29 | 375,000.00 | 2.13% | | | |
| | | | 3/1/30 | 375,000.00 | 2.50% | | | |
| | | | 3/1/31 | 380,000.00 | 3.00% | | | |
| | | | 3/1/32 | 380,000.00 | 3.00% | | | |
| | | | 3/1/33 | 385,000.00 | 3.00% | | | |
| | | | 3/1/34 | 375,000.00 | 3.00% | | | |
| | | | 3/1/35 | 50,000.00 | 3.00% | | | |
| | | | 3/1/36 | 50,000.00 | 3.00% | | | |
| | | | 3/1/37 | 55,000.00 | 3.00% | | | |
| | | | 3/1/38 | 60,000.00 | 3.00% | | | |
| | | | 3/1/39 | 60,000.00 | 3.00% | | | |
| | | | 3/1/40 | 60,000.00 | 3.00% | | | |
| | | | 3/1/41 | 65,000.00 | 3.00% | 6,010,000.00 | 170,000.00 | 5,840,000.00 |
| | | | | | | $ 19,070,000.00 | $ 1,050,000.00 | $ 18,020,000.00 |

**TOWNSHIP OF BORDENTOWN**
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2017

| Ordinance Number | Improvement Description | Balance Dec. 31, 2016 | 2017 Authorizations | Bond Anticipation Notes Redeemed With Note Proceeds | Balance Dec. 31, 2017 |
|---|---|---|---|---|---|
| 2009-28 | Various Capital Improvements | $ 46,748.50 | | | $ 46,748.50 |
| 2011-22 | Improvements within the Waterfront Village Redevelopment | 7,570,000.00 | | $ 553,000.00 | 8,123,000.00 |
| 2012-06 | Various Capital Improvements and Related Expenses | 405.00 | | | 405.00 |
| 2012-11 | Repair and Resurfacing of Hedding Road | 100,000.00 | | | 100,000.00 |
| 2015-13(a) | Acquisition of Public Works Equipment and Construction of Public Works Improvements | 3,251.50 | | | 3,251.50 |
| 2017-06 | Repairs to Culvert under Orchard Avenue | | $ 737,500.00 | | 737,500.00 |
| 2017-19(a) | Various Road and Street Improvements | | 1,337,500.00 | | 1,337,500.00 |
| 2017-19(b) | Renovations to Municipal Buildings | | 23,750.00 | | 23,750.00 |
| 2017-19(c) | General Equipment and Other Improvements | | 18,750.00 | | 18,750.00 |
| | | $ 7,720,405.00 | $ 2,117,500.00 | $ 553,000.00 | $ 10,390,905.00 |

# TOWNSHIP OF BORDENTOWN

## PART II

## SCHEDULE OF FINDINGS AND RECOMMENDATIONS

## FOR THE YEAR ENDED

## DECEMBER 31, 2017

**TOWNSHIP OF BORDENTOWN**
Schedule of Findings and Recommendations
For the Year Ended December 31, 2017

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***Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**None.**

**TOWNSHIP OF BORDENTOWN**
Summary Schedule of Prior Year Audit Findings
and Recommendations as Prepared by Management

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This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with *Government Auditing Standards.*

## FINANCIAL STATEMENT FINDINGS

### Finding No. 2016-001

**Condition**
Our audit of employee benefits revealed that several employee's health benefit deductions were not calculated in accordance with Chapter 78, L.2011.

**Current Status**
This condition has been corrected.

### Finding No. 2016-002

**Condition**
The Township failed to reconcile the court's regular and bail accounts in a timely manner.

**Current Status**
This condition has been corrected.

### Finding No. 2016-003

**Condition**
The Township's general fixed asset record did not include a majority of assets that were purchased in 2016, as required by N.J.A.C. 5:30-5.6.

**Current Status**
This condition has been corrected.

### Finding No. 2016-004

**Condition**
N.J.A.C. 5:30-5.2 requires the Township to maintain an encumbrance accounting system for all funds. During our audit, we noted that there was a break down in the internal controls related to the Township's encumbrance accounting system that resulted in encumbrances not being recorded, recorded for incorrect amounts and lacking proper supporting documentation.

**Current Status**
This condition has been corrected.

### Finding No. 2016-005

**Condition**
During our audit, we noted that there was a break down in the internal controls over the Township's voucher and payment processes resulting in vouchers/invoices not being available for audit. Retention of Records is required by N.J.S.A. 40A:5-17.

**Current Status**
This condition has been corrected.

## TOWNSHIP OF BORDENTOWN
Officials in Office and Surety Bonds

The following officials were in office during the period under audit:

| Name | Title | Surety Bond |
|---|---|---|
| Steven Benowitz | Mayor | |
| Eugene Fuzy | Deputy Mayor | |
| James Cann | Committee Member | |
| Eric Holliday | Committee Member | |
| Jill Popko | Committee Member | |
| Michael Theokas | Township Administrator | $1,000,000.00(A) |
| David Kocian | Chief Financial Officer (January 1, 2017 to May 31, 2017) | 1,000,000.00(A) |
| Jeffery Elsasser | Tax Collector (January 1, 2017 to May 31, 2017) | 1,000,000.00(A) |
| | Chief Financial Officer / Tax Collector (June 1, 2017 to December 31, 2017) | |
| Colleen M. Eckert | Township Clerk | 1,000,000.00(A) |

(A) Public Employees' Dishonesty and Faithful Performance Blanket Position Bond, Multiple Coverage with Municipal Excess Joint Insurance Fund.

All Township employees, including court employees, are under the (A) Public Employees' Faithful Performance\Dishonesty Crime Coverage listed above. During the course of our examination, we reviewed all Bonds and found them to be properly executed.

## APPRECIATION

I express my appreciation for the assistance and courtesies rendered by the Township of Bordentown officials during the course of the audit.

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Kirk N. Applegate
Certified Public Accountant
Registered Municipal Accountant