

**TOWNSHIP OF DELRAN
COUNTY OF BURLINGTON**

REPORT OF AUDIT

**FOR THE YEAR ENDED
DECEMBER 31, 2016**

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TOWNSHIP OF DELRAN

PART I

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2016

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Council
Township of Delran
Delran, New Jersey 08075

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 Delran, in the County of Burlington, State of New Jersey, (Township) as of December 31, 2016 and 2015, 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, 2016, 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.

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 Delran, in the County of Burlington, State of New Jersey, as of December 31, 2016 and 2015, or the results of its operations and changes in fund balance for the years then ended.

Basis for Qualified Opinion on General Fixed Asset Group of Accounts - Regulatory Basis and Sewer Utility Capital Fund - Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis

The general fixed asset group of accounts - regulatory basis as of and for the year ended December 31, 2016, and sewer utility capital fund – statement of assets, liabilities, liabilities, reserves and fund balance - regulatory basis as of December 31, 2016 includes material differences between the Township's records and the results of the most recent independent appraisal. The differences were not adequately determined in the general fixed asset group of accounts - regulatory basis and sewer utility capital fund – statement of assets, liabilities, liabilities, reserves and fund balance - regulatory basis as of December 31, 2016 balances. The amount of the errors in the general fixed asset group of accounts - regulatory basis as of and for the year ended December 31, 2016, and sewer utility capital fund – statement of assets, liabilities, liabilities, reserves and fund balance - regulatory basis as of December 31, 2016 are not known.

Qualified Opinion on General Fixed Asset Group of Accounts - Regulatory Basis and Sewer Utility Capital Fund - Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis Regulatory Basis of Accounting

In our opinion, as a result of the effects of the matter described in the “*Basis for Qualified Opinion on General Fixed Asset Group of Accounts - Regulatory Basis and Sewer Utility Capital Fund - Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis*” paragraph, the general fixed asset group of accounts - regulatory basis and sewer utility capital fund – statement of assets, liabilities, liabilities, reserves and fund balance - regulatory basis are not presented fairly, in all material respects, for the Township of Delran, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2016, 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.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to previously, except for the general fixed asset group of accounts - regulatory basis as of and for the year ended December 31, 2016 and sewer utility capital fund – statement of assets, liabilities, liabilities, reserves and fund balance - regulatory basis as of December 31, 2016, present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Delran, in the County of Burlington, State of New Jersey, as of December 31, 2016 and 2015, 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, for the year ended December 31, 2016, 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.

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Emphasis of Matter

Prior Period Restatement

As a result of a change in reporting, the balance of the Township's length of service award program as of December 31, 2015 on the trust fund statement of assets, liabilities, reserves and fund balance - regulatory basis has been recorded, as discussed in note 18 to the financial statements. Our opinion is not modified with respect to this matter.

As a result of the preceding change in reporting, the balance of the Township's balance in due from trust other fund and reserves for receivables and other assets as of December 31, 2015 on the current fund statement of assets, liabilities, reserves and fund balance - regulatory basis has been recorded, as discussed in note 18 to the financial statements. Our opinion is not modified with respect to this matter.

As a result of a correction of an error, the balance of sewer capital improvement authorizations funded and unfunded as of December 31, 2015 on the sewer utility statement of assets, liabilities, reserves and fund balance - regulatory basis has been restated, as discussed in note 18 to the financial statements. 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 and schedules presented for the various funds 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 26, 2017 on our consideration of the Township of Delran, 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 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 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 of Delran's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

Voorhees New Jersey
June 26, 2017

**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 Council
Township of Delran
Delran, New Jersey 08075

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 Delran, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2016, 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 26, 2017. That report indicated that the Township of Delran'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. Additionally, our report included a qualified opinion on the general fixed asset group of accounts - regulatory basis as of and for the year ended December 31, 2016 and sewer utility capital fund – statement of assets, liabilities, liabilities, reserves and fund balance - regulatory basis as of December 31, 2016 as a result of material differences between the Township's records and the results of the most recent independent appraisal. Lastly, our report on the financial statements also included an emphasis of matter paragraph describing the restatement of trust fund statement of assets, liabilities, reserves and fund balance—regulatory basis as of December 31, 2015 as a result of the change in reporting and Sewer Capital Improvement Authorizations funded and unfunded as a result of the correction of an error.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township of Delran'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 of Delran's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township of Delran's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying *Schedule of Findings and Recommendations*, we identified certain deficiencies in internal control that we consider to be a material weakness and significant deficiencies.

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. We consider the deficiency described in the accompanying *Schedule of Findings and Recommendations* as finding number 2016-001 to be a material weakness.

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. We consider the deficiencies described in the accompanying *Schedule of Findings and Recommendations* as finding numbers 2016-002 and 2016-003 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Delran'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 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, and which are described in the accompanying *Schedule of Findings and Recommendations* as findings number 2016-001 and 2016-002.

The Township of Delran's Response to Findings

The Township of Delran's response to the findings identified in our audit is described in the accompanying *Schedule of Findings and Recommendations*. The Township's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

TOWNSHIP OF DELRAN
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2016 and 2015

<u>ASSETS</u>	<u>Ref.</u>	<u>2016</u>	<u>(Restated)</u> <u>2015</u>
Regular Fund:			
Cash--Treasurer	SA-1	\$ 11,724,082.42	\$ 10,670,337.73
Cash--Change Fund	A	200.00	150.00
		<u>11,724,282.42</u>	<u>10,670,487.73</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-4	722,858.24	682,998.77
Tax Title Liens Receivable	SA-5	127,116.94	104,711.44
Property Acquired for Taxes--Assessed Valuation	A	282,015.00	282,015.00
Revenue Accounts Receivable	SA-6	22,570.67	26,433.09
Due from Sewer Operating Fund	D	30,463.65	
Due from Trust Other Fund	B	182,517.69	115,066.37
Due from Trust - Open Space Fund	B	1,313.14	14,971.02
Due from General Capital Fund	C	490.55	640.51
		<u>1,369,345.88</u>	<u>1,226,836.20</u>
Deferred Charges:			
Special Emergency Authorizations (40A:4-53)	SA-7	-	4,000.00
		<u>13,093,628.30</u>	<u>11,901,323.93</u>
Federal, State and Local Grant Fund:			
Cash--Treasurer	SA-1	463,444.97	672,589.90
Due from General Capital Fund	C	13,930.20	
Federal and State Grants Receivable	SA-18	259,661.43	93,758.43
		<u>737,036.60</u>	<u>766,348.33</u>
		<u>\$ 13,830,664.90</u>	<u>\$ 12,667,672.26</u>

TOWNSHIP OF DELRAN
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2016 and 2015

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2016</u>	<u>(Restated) 2015</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3 & SA-8	\$ 1,681,821.35	\$ 1,332,311.29
Reserve for Encumbrances	A-3 & SA-8	325,074.94	353,835.34
Payroll Deductions Payable	SA-13	50,631.48	47,240.26
Prepaid Licenses	SA-1 & SA-6	40,038.00	38,925.00
Due to State of New Jersey:			
Marriage License Fees	SA-9	725.00	450.00
Construction Code Office - Training Fees	SA-12	5,172.00	5,226.00
Senior Citizens' and Veterans' Deductions	SA-3	8,468.62	4,218.62
Prepaid Taxes	SA-10	432,058.46	447,200.43
Tax Overpayments	SA-11	33,631.71	23,150.86
Due County for Added and Omitted Taxes	SA-16	24,976.10	47,030.03
Reserve for:			
Master Plan	A	4,243.60	4,243.60
Reassessment	A	11,276.73	11,276.73
Codification of Ordinances	A	2,568.00	2,568.00
Tax Appeals	SA-1	208,953.75	250,000.00
Post Employment Benefits	A	100,000.00	100,000.00
		2,929,639.74	2,667,676.16
Reserves for Receivables and Other Assets	A	1,369,345.88	1,226,836.20
Fund Balance	A-1	8,794,642.68	8,006,811.57
		13,093,628.30	11,901,323.93
Federal, State and Local Grant Fund:			
Reserve for Encumbrances	SA-1 & SA-20	258,371.36	12,449.18
Unappropriated Reserves	SA-19	147,944.97	212,730.36
Appropriated Reserves	SA-20	330,720.27	541,168.79
		737,036.60	766,348.33
		\$ 13,830,664.90	\$ 12,667,672.26

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

TOWNSHIP OF DELRAN
CURRENT FUND
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 3,000,000.00	\$ 2,560,000.00
Miscellaneous Revenues Anticipated	3,039,625.62	2,645,328.66
Receipts from Delinquent Taxes	684,115.28	461,563.29
Receipts from Current Taxes	50,854,874.92	50,166,878.86
Non-Budget Revenue	129,478.53	168,497.10
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	1,296,725.28	1,107,029.88
Cancellation of Accounts Payable		9,989.21
Liquidation of Reserves for:		
Due from General Capital Fund	149.96	
Due from Trust - Open Space Fund	13,657.88	
Due from Trust - Other Fund		14,589.91
Due from Sewer Utility Operating - Other Fund		8,374.99
	<hr/>	<hr/>
Total Income	59,018,627.47	57,142,251.90
<u>Expenditures</u>		
Budget Appropriations:		
Operations--Within "CAPS":		
Salaries and Wages	5,769,316.94	5,866,813.68
Other Expenses	4,703,999.35	4,517,470.32
Deferred Charges and Statutory Expenditures		
Municipal--Within "CAPS"	1,455,610.00	1,380,913.13
Operations--Excluded from "CAPS":		
Salaries and Wages		39,089.41
Other Expenses	761,537.18	397,110.01
Capital Improvements--Excluded from "CAPS"	140,000.00	50,000.00
Municipal Debt Service--Excluded from "CAPS"	1,601,196.88	1,250,677.76
Deferred Charges and Statutory Expenditures:		
Special Emergency Authorization	4,000.00	4,000.00
County Taxes	6,112,539.87	6,355,030.20
Due County for Added and Omitted	24,976.10	47,030.03
Special Fire District Taxes	2,093,347.00	2,169,622.22
Local School District Taxes	32,137,856.00	30,910,794.00
Municipal Open Space Trust Tax	325,000.00	325,000.00
Due to State of New Jersey--Senior Citizens'		
Deductions Disallowed--Prior Years	2,500.00	2,500.00
Refund of Prior Year Revenues	1,002.07	
Creation of Reserve for:		
Due from Trust - Open Space Fund		14,971.02
Due from Sewer Operating Fund	30,463.65	
Due from Trust - Other Fund	67,451.32	75,804.94
	<hr/>	<hr/>
Total Expenditures	55,230,796.36	53,406,826.72
Statutory Excess to Fund Balance (Carried Forward)	3,787,831.11	3,735,425.18

TOWNSHIP OF DELRAN
CURRENT FUND
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Statutory Excess to Fund Balance (Brought Forward)	\$ 3,787,831.11	\$ 3,735,425.18
<u>Fund Balance</u>		
Balance Jan. 1	<u>8,006,811.57</u>	<u>6,831,386.39</u>
Decreased by:	11,794,642.68	10,566,811.57
Utilized as Revenue	<u>3,000,000.00</u>	<u>2,560,000.00</u>
Balance Dec. 31	<u><u>\$ 8,794,642.68</u></u>	<u><u>\$ 8,006,811.57</u></u>

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

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2016

	<u>Anticipated</u> <u>Budget</u>	<u>Special</u> <u>N.J.S.40A:4-87</u>	<u>Realized</u>	<u>Excess or</u> <u>(Deficit)</u>
Fund Balance Anticipated	\$ 3,000,000.00	-	\$ 3,000,000.00	-
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	17,000.00		17,950.00	950.00
Other	33,000.00		62,422.00	29,422.00
Fees and Permits:				
Other	25,000.00		43,390.38	18,390.38
Fines and Costs:				
Municipal Court	265,000.00		313,602.30	48,602.30
Interest and Costs on Taxes	75,000.00		167,322.68	92,322.68
Interest on Investments and Deposits	7,500.00		21,565.08	14,065.08
Consolidated Municipal Property Tax Relief Act	53,847.00		53,847.00	
Energy Receipts Tax	1,225,254.00		1,225,254.00	
Dedicated Uniform Construction Code Fees Offset with Appropriation Uniform Construction Code Fees	120,000.00		317,474.00	197,474.00
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services: Additional Revenue Offset with Appropriations: Municipal Water Services	5,500.00			(5,500.00)
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services: State and Federal Revenues Offset with Appropriations: Safe and Secure Communities Program New Jersey Department of Transportation & Delaware Valley Regional Planning Commission - Tenby Chase Project Grant Burlington County Park Grant Recycling Tonnage Grant Click It or Ticket Municipal Court - Alcohol Education and Rehabilitation Program Clean Communities Grant Program Burlington County Police Body Camera Grant Drive Sober or Get Pulled Over Body Armor Replacement Fund Grant	60,000.00 182,175.00 250,000.00 30,555.36 5,000.00 7,312.20 38,319.46 13,930.20 5,000.00 2,905.96		60,000.00 182,175.00 250,000.00 30,555.36 5,000.00 7,312.20 38,319.46 13,930.20 5,000.00 2,905.96	

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Revenues -- Regulatory Basis
 For the Year Ended December 31, 2016

	<u>Anticipated</u> <u>Budget</u>	<u>Special</u> <u>N.J.S.40A:4-87</u>	<u>Realized</u>	<u>Excess or</u> <u>(Deficit)</u>
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services:				
Other Special Items:				
Rental Agreement--Delran Township Fire Commission	\$ 21,600.00	\$	21,600.00	
Reserve for Payment of Bonds--General Capital	200,000.00		200,000.00	
	<u>2,571,431.36</u>	<u>\$ 72,467.82</u>	<u>3,039,625.62</u>	<u>\$ 395,726.44</u>
Receipts from Delinquent Taxes	300,000.00	-	684,115.28	384,115.28
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	10,721,786.27	-	12,389,061.93	1,667,275.66
Budget Totals	16,593,217.63	72,467.82	19,112,802.83	2,519,585.20
Non-Budget Revenue			129,478.53	129,478.53
	<u>\$ 16,593,217.63</u>	<u>\$ 72,467.82</u>	<u>\$ 19,242,281.36</u>	<u>\$ 2,649,063.73</u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2016

Analysis of Realized Revenues

Allocation of Current Tax Collections:	
Revenue from Collections	\$ 50,854,874.92
Allocated to:	
School, County, Special District and Municipal Open Space Taxes	<u>40,693,718.97</u>
Balance for Support of Municipal Budget Appropriations	10,161,155.95
Add: Appropriation "Reserve for Uncollected Taxes"	<u>2,227,905.98</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 12,389,061.93</u></u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	<u><u>\$ 684,115.28</u></u>
<u>Analysis of Non-Budget Revenue</u>	
Miscellaneous Revenue Not Anticipated:	
Collected by Treasurer:	
Comcast Cable Fees	\$ 64,331.52
Outside Police Admin & Vehicle Fees	12,822.85
Property Maintenance Fees	3,800.00
Clear Channel Reimbursement	7,730.00
State of New Jersey Inspection Fine	2,600.00
Administrative Fee for Senior Citizens and Veterans Deductions	2,990.00
Vacant Property Registration Fees	16,375.00
Equipment Rental Fees	3,001.00
JIF Awards	4,275.00
Sale of Assets	<u>2,438.67</u>
Total Cash Collections	120,364.04
LOSAP Forfeitures	<u>9,114.49</u>
	<u><u>\$ 129,478.53</u></u>

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

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2016

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered Reserved	
OPERATIONS--WITHIN "CAPS"					
<u>Department of Administration</u>					
<u>Division of Administration:</u>					
Business Administration Office					
Salaries and Wages	\$ 161,672.00	\$ 161,672.00	\$ 145,668.04	\$ 16,003.96	
Other Expenses	66,850.00	66,850.00	51,487.12	3,665.85	11,697.03
Mayor and Council					
Salaries and Wages	14,855.00	14,855.00	14,659.24	147.75	195.76
Other Expenses	3,900.00	3,900.00	2,913.71		838.54
Public Relations					
Other Expenses	6,000.00	6,000.00	1,086.64		4,913.36
Office of Municipal Clerk					
Salaries and Wages	55,681.00	55,681.00	48,092.94	714.20	7,588.06
Other Expenses	22,600.00	22,600.00	18,447.80		3,438.00
Insurance					
General Liability	237,502.00	237,502.00	237,502.00		
Workers Compensation	178,574.00	178,574.00	178,574.00		
Employee Group Health	1,324,603.00	1,324,603.00	941,232.63	9,429.85	373,940.52
Health Benefit Waiver	20,000.00	20,000.00	14,500.00		5,500.00
<u>Department of Finance</u>					
<u>Division of Accounts and Controls:</u>					
Municipal Auditor					
Audit Services	28,000.00	28,000.00	28,000.00		
Treasurer					
Salaries and Wages	135,674.00	135,674.00	118,553.89	149.46	17,120.11
Other Expenses	26,650.00	26,650.00	26,437.72		62.82
<u>Division of Revenue:</u>					
Bureau of Assessments					
Salaries and Wages	47,940.00	47,940.00	46,999.98		940.02
Other Expenses	34,460.00	34,460.00	21,301.41		13,158.59
Bureau of Collections					
Salaries and Wages	155,355.00	155,355.00	138,052.34		17,302.66
Other Expenses	13,550.00	13,550.00	7,739.58	1,195.21	4,615.21

(Continued)

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2016

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS--WITHIN "CAPS" (CONTD):						
<u>Department of Engineering</u>						
Township Engineer						
Other Expenses	\$ 45,000.00	\$ 43,905.51	\$ 14,733.00	\$ 895.00	\$ 28,277.51	
<u>Department of Law</u>						
Township Solicitor			108,916.50			
Other Expenses	100,000.00	108,916.50				
<u>Department of Public Safety</u>						
Division of Police:						
Police						
Salaries and Wages	3,501,999.00	3,501,999.00	3,288,044.83		213,954.17	
Other Expenses	264,000.00	264,000.00	121,456.03	141,184.78	1,359.19	
School Traffic Guards						
Salaries and Wages	94,000.00	94,000.00	89,177.72		4,822.28	
Other Expenses	500.00	500.00	500.00			
First Aid Organization--Contribution	100.00	100.00			100.00	
Municipal Court						
Salaries and Wages	148,804.00	148,804.00	146,180.14		2,623.86	
Other Expenses	11,968.00	11,968.00	10,528.05	418.85	1,021.10	
Public Defender						
Other Expenses	6,887.00	6,887.00			6,887.00	
Division of Emergency Management						
Office of Emergency Management						
Salaries and Wages	3,195.00	3,195.00	3,132.00		63.00	
Other Expenses	1,000.00	1,000.00			1,000.00	
<u>Department of Public Works</u>						
Division of Roads and Public Property:						
Streets and Roads						
Salaries and Wages	878,671.00	878,671.00	836,879.00		41,792.00	
Other Expenses	201,000.00	201,000.00	60,603.64	35,443.22	104,953.14	
Solid Waste Collection						
Other Expenses	450,000.00	450,000.00	413,799.36		36,200.64	

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2016

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS--WITHIN "CAPS" (CONTD):						
<u>Department of Public Works</u>						
Recycling						
Salaries and Wages	\$ 150,057.00	\$ 150,057.00	\$ 65,534.71	\$ 84,522.29		
Other Expenses	22,500.00	22,500.00	13,593.36	4,248.89	4,657.75	
Public Buildings and Grounds						
Other Expenses	131,000.00	131,000.00	108,650.73	20,417.06	1,932.21	
Division of Parks and Recreation:						
Recreation Committee						
Salaries and Wages	6,500.00	7,400.94	5,771.50		1,629.44	
Other Expenses	19,800.00	19,800.00	15,515.82	487.27	3,796.91	
Juvenile Conference Committee						
Other Expenses	100.00	100.00			100.00	
<u>Department of Health</u>						
Division of Health:						
Salaries and Wages	45,000.00	45,000.00	38,743.73		6,256.27	
Other Expenses	200.00	200.00		155.68	44.32	
Dog Regulation:						
Other Expenses	21,000.00	21,000.00			21,000.00	
<u>Statutory Agencies</u>						
<u>Municipal Land Use Law (N.J.S.40-55D-1)</u>						
Zoning Board of Adjustments						
Other Expenses	12,325.00	12,325.00	9,277.24	258.01	2,789.75	
Municipal Prosecutor						
Other Expenses	16,233.00	16,233.00		15,575.00	658.00	
Planning Board						
Salaries and Wages	40,000.00	40,000.00	36,739.26		3,260.74	
Other Expenses	12,350.00	12,350.00	5,318.21	328.08	6,703.71	
Council on Affordable Housing						
Other Expenses	20,000.00	21,094.49	19,198.93	1,895.56		
Zoning Officer						
Salaries and Wages	12,000.00	12,000.00	12,000.00			

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2016

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS--WITHIN "CAPS" (CONTD):						
Statutory Agencies						
Landfill/Solid Waste Disposal Costs	\$ 455,000.00	\$ 455,000.00	\$ 415,051.43	\$	\$ 39,948.57	
Utility Purchases and Bulk Purchases						
Electricity/Gas	230,000.00	220,182.56	153,482.64	\$ 2,859.85	63,840.07	
Street Lighting	220,000.00	220,000.00	181,506.62		38,493.38	
Telephone	35,000.00	35,000.00	25,274.39	1,892.45	7,833.16	
Water	55,000.00	55,000.00	29,114.14	1,374.24	24,511.62	
Gasoline	175,000.00	175,000.00	52,357.80		122,642.20	
P.L. 2000 Chapter 26:						
Solid Waste Service to Apartments	115,000.00	115,000.00	37,046.26		77,953.74	
Collection	73,000.00	73,000.00	23,685.32		49,314.68	
Disposal						
State Uniform Construction Code:						
Construction Official	247,013.00	247,013.00	205,149.05		41,863.95	
Salaries and Wages	27,300.00	27,300.00	14,119.29	338.68	12,842.03	
Other Expenses						
<u>Unclassified:</u>						
Salary Adjustment	5,000.00	5,000.00			5,000.00	
Accumulated Absences	50,000.00	50,000.00	50,000.00			
Prior Year Bill: Grande Snow 2012 and 2013	7,881.00	7,881.00	5,814.00		2,067.00	
Prior Year Bill: Grande Water Service	19,867.29	19,867.29	19,867.29			
Green Team Other Expenses	1,200.00	1,200.00	143.73		1,056.27	
Interest on Developers Deposits	2,000.00	2,000.00			2,000.00	
Total Operations--Within "CAPS"	10,468,316.29	10,468,316.29	8,678,154.76	243,074.94	1,547,086.59	\$ -
Contingent	5,000.00	5,000.00	5,000.00	-	-	-
Total Operations Including Contingent--Within "CAPS"	10,473,316.29	10,473,316.29	8,683,154.76	243,074.94	1,547,086.59	-
Detail:						
Salaries and Wages	5,768,416.00	5,769,316.94	5,303,878.37	-	465,438.57	-
Other Expenses	4,704,900.29	4,703,999.35	3,379,276.39	243,074.94	1,081,648.02	-

(Continued)

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2016

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	
DEFERRED CHARGES AND STATUTORY EXPENDITURES MUNICIPAL--WITHIN "CAPS"					
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System	\$ 214,523.00	\$ 214,523.00	\$ 214,523.00		
Social Security System (O.A.S.I.)	500,000.00	500,000.00	386,041.77		\$ 113,958.23
Police and Firemen's Retirement System	737,087.00	737,087.00	737,087.00		
Defined Contribution Retirement Program	3,000.00	3,000.00	781.22		2,218.78
Unemployment Compensation Insurance	1,000.00	1,000.00	198.00		802.00
Total Deferred Charges and Statutory Expenditures--Municipal--Within "CAPS"	1,455,610.00	1,455,610.00	1,338,630.99	-	116,979.01
Total General Appropriations for Municipal Purposes Within--"CAPS"	11,928,926.29	11,928,926.29	10,021,785.75	243,074.94	1,664,065.60
OPERATIONS EXCLUDED FROM "CAPS"					
Statutory Expenditures:					
SFSP Fire District Payment	5,162.00	5,162.00	5,162.00		
Length of Service Awards Program	82,000.00	82,000.00		82,000.00	
Landfill Recycling Fees	27,000.00	27,000.00	14,744.25		12,255.75
Employee Group Health	22,008.00	22,008.00	22,008.00		
Municipal Water Services					
Other Expenses	5,500.00	5,500.00			5,500.00
Public and Private Programs Off-Set by Revenues					
Municipal Court - Alcohol Education and Rehabilitation Program (N.J.S.A. 40A:4-87, \$7,312.20+)		7,312.20	7,312.20		
New Jersey Department of Transportation & Delaware Regional Planning Commission - Tenby Chase Project Grant	182,175.00	182,175.00	182,175.00		
Recycling Tonnage Grant	30,555.36	30,555.36	30,555.36		
Safe and Secure Communities Program	84,669.00	84,669.00	84,669.00		
Burlington County Police Body Camera Grant (N.J.S.A. 40A:4-87, \$13,930.20+)		13,930.20	13,930.20		
Click It or Ticket (N.J.S.A. 40A:4-87, \$5,000.00+)		5,000.00	5,000.00		

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2016

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered Reserved	
<u>Public and Private Programs Off-Set by Revenues (Cont'd)</u>					
Drive Sober or Get Pulled Over (N.J.S.A. 40A:4-87, \$5,000.00+)	\$ 250,000.00	\$ 5,000.00	\$ 5,000.00		
Burlington County Park Grant		250,000.00	250,000.00		
Body Armor Replacement Fund Grant		2,905.96	2,905.96		
Clean Communities Grant Program (N.J.S.A. 40A:4-87, \$2,905.96+)					
		38,319.46	38,319.46		
<u>Total Operations--Excluded from "CAPS"</u>	689,069.36	761,537.18	661,781.43	\$ 82,000.00	\$ 17,755.75
Detail:					
Salaries and Wages					
Other Expenses	689,069.36	761,537.18	661,781.43	82,000.00	17,755.75
<u>CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"</u>					
Capital Improvement Fund	140,000.00	140,000.00	140,000.00		
<u>MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"</u>					
Payment of Bond Principal	1,212,000.00	1,212,000.00	1,212,000.00		
Payment of Bond Anticipation Notes and Capital Notes	170,626.00	170,626.00	169,677.00		949.00
Interest on Bonds	175,690.00	175,690.00	175,685.20		4.80
Interest on Notes	45,000.00	45,000.00	43,834.68		1,165.32
<u>Total Municipal Debt Service--Excluded from "CAPS"</u>	1,603,316.00	1,603,316.00	1,601,196.88		2,119.12
<u>DEFERRED CHARGES -- MUNICIPAL -- EXCLUDED FROM "CAPS"</u>					
Deferred Charges:					
Special Emergency Authorizations - 5 Years	4,000.00	4,000.00	4,000.00		
<u>Total General Appropriations for Municipal Purposes--Excluded from "CAPS"</u>	2,436,385.36	2,508,853.18	2,406,978.31	82,000.00	17,755.75
<u>Subtotal General Appropriations (Carried Forward)</u>	14,365,311.65	14,437,779.47	12,428,764.06	325,074.94	1,681,821.35

(Continued)

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2016

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
Subtotal General Appropriations (Brought Forward)	\$ 14,365,311.65	\$ 14,437,779.47	\$ 12,428,764.06	\$ 325,074.94	\$ 1,681,821.35	\$ 2,119.12
Reserve for Uncollected Taxes	<u>2,227,905.98</u>	<u>2,227,905.98</u>	<u>2,227,905.98</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Appropriations	<u>\$ 16,593,217.63</u>	<u>\$ 16,665,685.45</u>	<u>\$ 14,656,670.04</u>	<u>\$ 325,074.94</u>	<u>\$ 1,681,821.35</u>	<u>\$ 2,119.12</u>
Adopted Budget Appropriated by 40:4-87		<u>\$ 16,593,217.63</u>				
		<u>72,467.82</u>				
		<u>\$ 16,665,685.45</u>				
Reserve for Federal and State Grants--Appropriated Deferred Charges			\$ 595,198.18			
Reserve for Uncollected Taxes			4,000.00			
Payroll and Related Deductions Payable			2,227,905.98			
Disbursed			6,642,509.36			
			<u>5,187,056.52</u>			
			<u>\$ 14,656,670.04</u>			

TOWNSHIP OF DELRAN
TRUST FUND
 Statements of Assets, Liabilities and Reserves-- Regulatory Basis
 As of December 31, 2016 and 2015

<u>ASSETS</u>	<u>Ref.</u>	<u>2016</u>	<u>(Restated)</u> <u>2015</u>
Animal Control Fund:			
Cash--Treasurer	SB-1	\$ 7,591.83	\$ 16,048.90
Change Fund--Township Clerk	B	50.00	50.00
		<u>7,641.83</u>	<u>16,098.90</u>
Open Space Fund:			
Cash--Treasurer	SB-1	<u>2,078,592.06</u>	<u>1,981,815.30</u>
Other Funds:			
Cash--Treasurer	SB-1	2,331,665.24	2,518,981.17
Investments - Length of Service Awards Program	SB-2	629,568.01	532,849.01
Accounts Receivable - Outside Police	SB-10	4,880.00	1,600.00
		<u>2,966,113.25</u>	<u>3,053,430.18</u>
		<u>\$ 5,052,347.14</u>	<u>\$ 5,051,344.38</u>

(Continued)

TOWNSHIP OF DELRAN
TRUST FUND
 Statements of Assets, Liabilities and Reserves-- Regulatory Basis
 As of December 31, 2016 and 2015

<u>LIABILITIES AND RESERVES</u>	<u>Ref.</u>	<u>2016</u>	<u>(Restated)</u> <u>2015</u>
Animal Control Fund:			
Reserve for Animal Control	SB-5	\$ 7,641.83	\$ 16,098.90
Open Space Fund:			
Due to Current Fund	SB-7	1,313.14	14,971.02
Reserve for Open Space	SB-6	1,886,050.10	1,775,615.46
Reserve for Payment of Debt	B	191,228.82	191,228.82
		<u>2,078,592.06</u>	<u>1,981,815.30</u>
Other Funds:			
Accounts Payable	SB-8	77,971.52	76,255.91
Prepaid Outside Police	SB-9	15,485.00	14,440.00
Due to Current Fund	SB-3	182,517.69	115,066.37
Due to Sewer Operating	B	4,654.04	4,654.04
Reserve for Miscellaneous Trust Reserves:			
Street Opening Deposits	SB-10	14,036.58	26,072.80
New Jersey Unemployment Insurance	SB-10	53,120.81	50,736.72
Planning Escrow Fund Deposits	SB-10	608,396.07	868,762.92
Affordable Housing Trust Funds	SB-10	711,431.53	507,749.91
Public Defender Fees	SB-10	16,168.80	10,373.91
Credit Card Program	SB-10	7,619.60	7,619.60
Parking Offense Adjudication Act	SB-10	764.00	742.00
Tax Sale Premiums	SB-10	403,400.00	559,900.00
Delran Day Donations	SB-10	8,770.64	12,320.64
Deposits for Redemption of Tax Sale Certificates	SB-10	8,901.85	23,939.63
Performance/ Maintenance Escrows	SB-10	15,192.64	13,692.64
Police Emergency Service Equipment	SB-10	1,555.47	1,555.47
Special Law Enforcement	SB-10	26,838.08	37,549.33
Length of Service Awards Program	SB-10	591,131.91	503,527.40
Bike Patrol	SB-10	9,065.87	9,065.87
Jake's Place	SB-10	2,004.00	2,004.00
Storm Recovery	SB-10	40,000.00	40,000.00
Accumulated Abscences	SB-10	125,221.03	140,000.00
Multiple-Dwelling Security Deposits	SB-10	14,626.39	14,625.29
Kenneth Johnston Memorial Fund	SB-10	319.23	319.23
Police Unclaimed Funds	SB-10	4,806.50	4,806.50
Easter Egg Hunt	SB-10	1,950.00	1,350.00
Community Park Donations	SB-10	18,364.00	4,500.00
Mayor's Great Grill Off	SB-10	1,800.00	1,800.00
		<u>2,966,113.25</u>	<u>3,053,430.18</u>
		<u>\$ 5,052,347.14</u>	<u>\$ 5,051,344.38</u>

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

TOWNSHIP OF DELRAN
TRUST - OPEN SPACE FUND
 Statements of Operations and Changes in Reserve for Future Use -- Regulatory Basis
 For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
REVENUE REALIZED:		
Amount to be Raised by Taxation	\$ 325,000.00	\$ 325,000.00
Miscellaneous Revenue Not Anticipated	4,436.13	3,154.50
	<hr/>	<hr/>
Total Income	329,436.13	328,154.50
	<hr/>	<hr/>
EXPENDITURES:		
Budget Appropriations:		
Debt Service	218,888.99	225,243.66
Reserved for Future Use	112.50	8,150.00
	<hr/>	<hr/>
Total Budget Appropriations	219,001.49	233,393.66
	<hr/>	<hr/>
Excess - Reserve for Future Use	110,434.64	94,760.84
RESERVE FOR FUTURE USE:		
Balance Jan. 1	1,775,615.46	1,680,854.62
	<hr/>	<hr/>
Balance Dec. 31	<u>\$ 1,886,050.10</u>	<u>\$ 1,775,615.46</u>

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

TOWNSHIP OF DELRAN
TRUST - OPEN SPACE FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2016

	<u>Modified Budget</u>	<u>Realized</u>	<u>Excess</u>
Amount to be Raised by Taxation	\$ 325,000.00	\$ 325,000.00	
Miscellaneous Revenue Not Anticipated		4,436.13	\$ 4,436.13
	<u>\$ 325,000.00</u>	<u>\$ 329,436.13</u>	<u>\$ 4,436.13</u>

Analysis of Realized Revenues

Amount to be Raised by Taxation:	
Current Year Levy -- Due from Current Fund	<u>\$ 325,000.00</u>
Miscellaneous Revenue Not Anticipated:	
Interest on Deposits	<u>\$ 4,436.13</u>

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

TOWNSHIP OF DELRAN
TRUST - OPEN SPACE FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2016

	<u>Appropriations</u> <u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Unexpended</u> <u>Balance</u> <u>Canceled</u>
Down Payments on Improvements			
Debt Service:			
Payment of Bond Principal	\$ 79,000.00	\$ 79,000.00	
Payment of Bond Anticipation Note - Reserve for the Payment of Debt	67,674.00	63,172.00	\$ 4,502.00
Interest on Bonds	64,212.50	64,212.50	
Interest on Notes	12,510.00	12,504.49	5.51
Reserve for Future Use	101,603.50	112.50	101,491.00
	<u>\$ 325,000.00</u>	<u>\$ 219,001.49</u>	<u>\$ 105,998.51</u>

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

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statements of Assets, Liabilities, Reserves and Fund Balances -- Regulatory Basis
 As of December 31, 2016 and 2015

<u>ASSETS</u>	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
Cash	SC-1	\$ 3,162,421.53	\$ 3,301,046.40
Due from Department of Transportation	SC-2	24,364.97	24,364.97
Deferred Charges to Future Taxation:			
Funded	SC-3	4,164,000.00	5,455,000.00
Unfunded	SC-4	10,875,102.44	10,298,489.36
		<u>\$ 18,225,888.94</u>	<u>\$ 19,078,900.73</u>
<u>LIABILITIES, RESERVES</u>			
<u>AND FUND BALANCE</u>			
Serial Bonds Payable	SC-11	\$ 4,164,000.00	\$ 5,455,000.00
Bond Anticipation Note	SC-12	9,287,251.00	9,115,630.00
Due to Current Fund	SC-8	490.55	640.51
Due to Federal and State Grant Fund	SC-8	13,930.20	
Improvement Authorizations:			
Funded	SC-9	276,602.36	411,684.52
Unfunded	SC-9	2,242,048.55	3,172,913.66
Contracts Payable	SC-10	1,270,360.13	281,570.89
Capital Improvement Fund	SC-5	168,102.32	56,232.32
Reserves for:			
Preliminary Expenses	SC-7	1,249.94	1,249.94
Facilities--Delran Harbor	SC-2	15,000.00	15,000.00
Generator	SC-2	20,000.00	20,000.00
Traffic Improvements	SC-2	15,000.00	15,000.00
Storm Sewer Maintenance	SC-2	21,750.00	21,750.00
Payment of Bonds	SC-6	657,466.96	439,591.96
Fund Balance	C	72,636.93	72,636.93
		<u>\$ 18,225,888.94</u>	<u>\$ 19,078,900.73</u>

There were bonds and notes authorized but not issued on December 31, 2016 totaling \$1,587,859.47 and 2015 totaling \$1,673,635.08.

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

TOWNSHIP OF DELRAN
SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance--
 Regulatory Basis
 As of December 31, 2016 and 2015

<u>ASSETS</u>	<u>Ref.</u>	<u>2016</u>	<u>(Restated)</u> <u>2015</u>
Operating Fund:			
Cash--Treasurer	SD-1	\$ 5,408,148.62	\$ 4,813,274.87
Change Fund--Collector	SD-1	100.00	100.00
Due from Trust--Other Fund	SD-5	4,654.04	4,654.04
Due from Sewer Capital Fund	SD-5	242,843.63	96,382.82
		<u>5,655,746.29</u>	<u>4,914,411.73</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	SD-4	949,798.17	844,529.62
Total Operating Fund		<u>6,605,544.46</u>	<u>5,758,941.35</u>
Capital Fund:			
Cash--Treasurer	SD-1	971,808.18	1,991,876.87
Fixed Capital Authorized and Completed	SD-7	29,387,658.59	29,387,658.59
Fixed Capital Authorized and Uncompleted	SD-8	5,244,000.00	5,244,000.00
NJEIT Loan Receivable	SD-3	40,662.00	189,186.00
Total Capital Fund		<u>35,644,128.77</u>	<u>36,812,721.46</u>
		<u>\$ 42,249,673.23</u>	<u>\$ 42,571,662.81</u>

TOWNSHIP OF DELRAN
SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance--
 Regulatory Basis
 As of December 31, 2016 and 2015

<u>LIABILITIES, RESERVES AND FUND BALANCES</u>	<u>Ref.</u>	<u>2016</u>	(Restated) <u>2015</u>
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3	\$ 253,221.84	\$ 186,564.94
Reserve for Encumbrances	D-3	248,398.93	171,569.21
Sewer Rent Prepayments	SD-9	9,085.40	7,242.37
Prepaid Connection Fees	SD-1	88,380.40	6,095.20
Due to Current Fund	SD-5	30,463.65	
Accrued Interest on Bonds, Notes and Loans	SD-11	5,707.59	8,492.23
Developer's Escrow Deposits	SD-12	55,799.82	36,219.79
		691,057.63	416,183.74
Reserves for Receivables	D	949,798.17	844,529.62
Fund Balance	D-1	4,964,688.66	4,498,227.99
		6,605,544.46	5,758,941.35
Total Operating Fund			
Capital Fund:			
Due to Sewer Utility Operating Fund	SD-5	242,843.63	96,382.82
Improvement Authorizations:			
Funded	SD-13	641,939.76	522,279.51
Unfunded	SD-13	1,872,644.59	2,565,217.34
Contracts Payable & Encumbrances	SD-14	150,742.50	23,349.50
Reserve for Amortization	SD-15	29,782,119.58	29,687,396.71
Deferred Reserve for Amortization	SD-16	1,025,450.00	568,000.00
NJ Environmental Trust Loan Payable	SD-17	1,593,305.01	1,810,011.88
Bond Anticipation Notes Payable	SD-18		1,205,000.00
Capital Improvement Fund	D	325,000.00	325,000.00
Fund Balance	D	10,083.70	10,083.70
		35,644,128.77	36,812,721.46
Total Capital Fund		35,644,128.77	36,812,721.46
		\$ 42,249,673.23	\$ 42,571,662.81

There were bonds and notes authorized but not issued on December 31, 2016 totaling \$2,108,800.00 and 2015 totaling \$1,651,800.00.

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

TOWNSHIP OF DELRAN
SEWER UTILITY FUND
 Statements of Operations and Changes in Fund Balance--Regulatory Basis
 For the Years Ended December 31, 2016 and 2015

<u>Revenue and Other Income Realized</u>	<u>2016</u>	<u>2015</u>
Rents	\$ 3,757,500.12	\$ 3,888,193.82
Miscellaneous	79,007.24	67,102.70
Non-Budget Revenue	6,095.20	14,665.83
Other Credits to Income:		
Canellation of Prior Year Accounts Payable		7,422.22
Unexpended Balance of Appropriation Reserves	99,490.17	154,331.49
	<hr/>	<hr/>
Total Income	3,942,092.73	4,131,716.06
	<hr/>	<hr/>
<u>Expenditures</u>		
Operating	2,720,208.00	2,534,729.71
Capital Improvements	25,000.00	125,000.00
Debt Service	331,924.06	111,432.91
Deferred Charges and Statutory Expenditures	398,500.00	431,570.29
Other Expenses:		
Refund of Prior Year Revenue		2,682.71
	<hr/>	<hr/>
Total Expenditures	3,475,632.06	3,205,415.62
	<hr/>	<hr/>
Statutory Excess to Fund Balance	466,460.67	926,300.44
	<hr/>	<hr/>
<u>Fund Balance</u>		
Balance Jan. 1	4,498,227.99	3,571,927.55
	<hr/>	<hr/>
Balance Dec. 31	\$ 4,964,688.66	\$ 4,498,227.99
	<hr/> <hr/>	<hr/> <hr/>

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

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Revenues--Regulatory Basis
For the Year Ended December 31, 2016

	Anticipated <u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Rents	\$ 3,457,000.00	\$ 3,757,500.12	\$ 300,500.12
Miscellaneous	5,000.00	18,477.40	13,477.40
Interest on Delinquents	15,000.00	60,529.84	45,529.84
	<u>3,477,000.00</u>	<u>3,836,507.36</u>	<u>359,507.36</u>
Non-Budget Revenue	-	6,095.20	6,095.20
	<u>\$ 3,477,000.00</u>	<u>\$ 3,842,602.56</u>	<u>\$ 365,602.56</u>

Analysis of Realized Revenue:

Rents:

Consumer Accounts Receivable:

Collected	\$ 3,750,257.75
Overpayments Applied	<u>7,242.37</u>
	<u>\$ 3,757,500.12</u>

Analysis of Miscellaneous Revenue:

Interest on Investments:

Collected in Sewer Utility Operating Fund	\$ 11,381.38
Return Check Charges	460.00
Other - Miscellaneous	<u>2,738.16</u>
	14,579.54

Interest on Investments:

Collected in Sewer Utility Capital Fund	<u>3,897.86</u>
	<u>\$ 18,477.40</u>

Analysis of Miscellaneous Revenue Not Anticipated:

Connection Fees	<u>\$ 6,095.20</u>
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The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2016

	Appropriations		Expended			
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Cancelled
Operating:						
Salaries and Wages	\$ 788,042.00	\$ 828,501.60	\$ 828,501.60			
Other Expenses	1,932,166.00	1,891,706.40	1,416,340.11	\$ 248,398.93	\$ 226,967.36	
Total Operating	2,720,208.00	2,720,208.00	2,244,841.71	248,398.93	226,967.36	\$ -
Capital Improvements:						
Capital Outlay	25,000.00	25,000.00			25,000.00	
Debt Service:						
Interest on Notes	11,537.00	11,537.00	10,169.06			1,367.94
Payment of Bond Anticipation Notes	209,450.00	209,450.00	209,450.00			
Principal & Interest on Loans & Notes	112,305.00	112,305.00	112,305.00			
Total Capital Improvements	333,292.00	333,292.00	331,924.06	-	-	1,367.94
Deferred Charges and Statutory Expenditures:						
Deferred Charges:						
Ordinance 2014-15	248,000.00	248,000.00	248,000.00			
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System	86,000.00	86,000.00	86,000.00			
Social Security System (O.A.S.I)	61,500.00	61,500.00	60,245.52		1,254.48	
Unemployment Compensation Insurance (N.J.S.43:21-3 et seq.)	3,000.00	3,000.00	3,000.00			
Total Deferred Charges and Statutory Expenditures	398,500.00	398,500.00	397,245.52	-	1,254.48	-
Total	\$ 3,477,000.00	\$ 3,477,000.00	\$ 2,974,011.29	\$ 248,398.93	\$ 253,221.84	\$ 1,367.94
Disbursed by Current Fund			\$ 1,267,590.08			
Accrued Interest			23,635.56			
Disbursed			1,682,785.65			
			<u>\$ 2,974,011.29</u>			

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

TOWNSHIP OF DELRAN
General Fixed Asset Group of Accounts
Schedule of General Fixed Assets -- Regulatory Basis
As of December 31, 2016

	Balance <u>Dec. 31, 2016</u>
General Fixed Assets:	
Land	\$ 10,419,800.00
Building	1,503,399.19
Equipment and Vehicles	<u>2,905,602.11</u>
Total Investment in General Fixed Assets	<u><u>\$ 14,828,801.30</u></u>

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

TOWNSHIP OF DELRAN
Notes to Financial Statements
For the Year Ended December 31, 2016

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Township of Delran was incorporated in 1880 and is located in Burlington County, New Jersey approximately ten miles from the City of Philadelphia. The population according to the latest census is 13,178.

The Township has a Mayor-Council form of government known as the Mayor-Council Plan D under the Optional Municipal Charter Law of 1960, popularly known as the Faulkner Act. The Mayor and two Council members are elected at large and three Council members are elected by ward. All members serve four-year terms.

Component Units - The Township of Delran had no component units as defined by Governmental Accounting Standards Board Statement No. 14, as amended by GASB Statements No. 39 and No. 61.

Measurement Focus, Basis of Accounting and Financial Statement Presentation- The financial statements of the Township of Delran 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.

In accordance with the *Requirements*, the Township of Delran accounts for its financial transactions through the use of separate funds 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.

Sewer Utility Operating and Capital Funds - The Sewer Utility Operating and Capital Funds account for the operations and acquisition of capital facilities of the municipally owned Sewer operations.

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.

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

Budgets and Budgetary Accounting - The Township of Delran must adopt an annual budget for its current, open space trust and sewer utility 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. Investments recorded in the trust fund for the Township's length of service awards program, however, are stated at fair value.

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.

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 of Delran 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.

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

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, 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.

Utility Fixed Assets - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not represent replacement cost or current value. The Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property and equipment, improvements, and contributed capital.

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 Balances included in the current fund and utility operating fund represent amounts available for anticipation as revenue in future year's budgets, with certain restrictions.

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

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 are 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 to 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, Township of Delran School District, the Township's Open Space Fund and the Township of Delran Fire District. 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 Township of Delran School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1 to December 31.

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 Delran Fire District. 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.

Open Space Fund - In 2005, the Township established an Open Space Trust Fund as a result of a referendum passed in the general election in November 2004. The amount raised each year is limited to \$325,000.00.

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 payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; whereas interest on utility indebtedness is on the accrual basis.

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

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 and Utility Capital Funds. 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 and Postemployment Benefits - 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. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis.

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 trust 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 shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2016, the Township's bank balances of \$26,109,239.24 were exposed to custodial credit risk as follows:

Insured by FDIC	\$ 500,000.00
Insured by GUDPA	24,375,042.82
Uninsured and Uncollateralized	<u>1,234,196.42</u>
Total	<u>\$ 26,109,239.24</u>

New Jersey Cash Management Fund - During the year, the Township participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At December 31, 2016 the Township's deposits with the New Jersey Cash Management Fund are \$221,310.36.

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 calendar years:

Comparative Schedule of Tax Rates

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Tax Rate	\$ 3.668	\$ 3.607	\$ 3.450	\$ 3.386	\$ 3.300
Apportionment of Tax Rate:					
Municipal	\$ 0.764	\$ 0.765	\$ 0.756	\$ 0.756	\$ 0.744
Municipal Open Space	0.023	0.023	0.023	0.023	0.023
County & County Library	0.394	0.411	0.408	0.414	0.404
County Open Space Preservation Trust Fund	0.043	0.044	0.017	0.017	0.048
Local School	2.294	2.209	2.113	2.042	1.954
Special District Rates:					
Fire District	0.150	0.155	0.133	0.134	0.127

Assessed Valuation

<u>Year</u>	<u>Assessed Valuation</u>
2016	\$ 1,401,551,386.00
2015	1,399,747,792.00
2014	1,403,370,633.00
2013	1,408,433,780.00
2012	1,409,575,370.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2016	\$ 51,633,084.37	\$ 50,854,874.92	98.49%
2015	50,868,960.59	50,166,878.86	98.62%
2014	48,425,442.76	47,906,370.48	98.93%
2013	47,740,389.50	47,060,436.15	98.58%
2012	46,573,018.57	45,953,514.41	98.67%

Note 3: PROPERTY TAXES (CONT'D)**Delinquent Taxes and Tax Title Liens**

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2016	\$ 127,116.94	\$ 722,858.24	\$ 849,975.18	1.65%
2015	104,711.44	682,998.77	787,710.21	1.55%
2014	86,831.68	459,969.01	546,800.69	1.13%
2013	76,525.03	618,237.15	694,762.18	1.46%
2012	59,280.69	608,538.43	667,819.12	1.43%

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

<u>Year</u>	<u>Number of Tax Title Liens Receivable</u>
2016	11
2015	10
2014	9
2013	9
2012	8

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:

<u>Year</u>	<u>Amount</u>
2016	\$ 282,015.00
2015	282,015.00
2014	282,015.00
2013	282,015.00
2012	282,015.00

Note 5: SEWER UTILITY SERVICE CHARGES

The following is a five-year comparison of sewer utility service charges (rents) for the current and previous four years:

<u>Year</u>	<u>Receivable Balance as of January 1</u>	<u>Levy</u>	<u>Total</u>	<u>Collections</u>	<u>Percentage of Collection</u>
2016	\$ 844,529.62	\$ 3,923,298.51	\$ 4,767,828.13	\$ 3,818,029.96	80.08%
2015	886,294.99	3,902,499.31	4,788,794.30	3,944,264.68	82.36%
2014	962,244.02	3,785,385.74	4,747,629.76	3,861,334.77	81.33%
2013	895,064.24	3,793,670.78	4,688,735.02	3,726,491.00	79.48%
2012	1,145,578.57	3,981,796.14	5,127,374.71	4,232,310.47	82.54%

Note 6: FUND BALANCES APPROPRIATED

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

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>			
2016	\$ 8,794,642.68	\$ 3,500,000.00	39.80%
2015	8,006,811.57	3,000,000.00	37.47%
2014	6,831,386.39	2,560,000.00	37.47%
2013	5,678,253.12	2,700,000.00	47.55%
2012	5,109,611.00	2,700,000.00	52.84%
<u>Sewer Utility Operating Fund</u>			
2016	\$ 4,964,688.66	None	None
2015	4,498,177.99	None	None
2014	3,571,927.55	None	None
2013	2,304,592.23	None	None
2012	1,815,005.38	None	None

Note 7: 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, 2016:

<u>Fund</u>	<u>Interfunds Receivables</u>	<u>Interfunds Payable</u>
Current Fund	\$ 214,785.03	
Federal and State Grant Fund	13,930.20	
Trust-Open Space Fund		\$ 1,313.14
Trust-Other Funds		187,171.73
General Capital Fund		14,420.75
Sewer Utility Operating Fund	247,497.67	30,463.65
Sewer Utility Capital Fund		242,843.63
	<u>\$ 476,212.90</u>	<u>\$ 476,212.90</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2017, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 8: 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, several employees 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.nj.gov/treasury/pensions>

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.

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit 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, as defined, 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.

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

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.

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 7.06% in State fiscal year 2016. 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) increased from 8.5% of base salary to 10%. Employers' contribution amounts are based on an actuarially determined rate. The Township's contribution amounts are based on an actuarially determined rate which included the normal cost and unfunded accrued liability.

The Township's contractually required contribution rate for the year ended December 31, 2016 was 12.38% 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, 2016, the Township's contractually required contribution to the pension plan for the year ended December 31, 2016 is \$319,696.00, and is payable by April 1, 2017. 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, 2015, the Township's contractually required contribution to the pension plan for the year ended December 31, 2015 was \$300,523.00, which was paid on April 1, 2016. Employee contributions to the plan during the year ended December 31, 2016 were \$186,881.46.

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 increased from 8.5% to 10.0% in October 2011. Employers' contributions are based on an actuarially determined amount which includes the normal cost and unfunded accrued liability.

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Police and Firemen's Retirement System (Cont'd) - 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, 2016 was 24.38% 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.

Based on the most recent PFRS measurement date of June 30, 2016, the Township's contractually required contribution to the pension plan for the year ended December 31, 2016 is \$710,436.00, and is payable by April 1, 2017. 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, 2015, the Township's contractually required contribution to the pension plan for the year ended December 31, 2015 was \$737,087.00, which was paid on April 1, 2016. Employee contributions to the plan during the year ended December 31, 2016 were \$292,168.80.

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, 2016 was 1.84% of the Township's covered payroll.

Based on the most recent 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 is \$53,558.00, and is payable by April 1, 2017. Based on the PFRS measurement date of June 30, 2015, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2015 was \$68,951.00, which was paid on April 1, 2016.

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, 2016, employee contributions totaled \$1,141.19, and the Township's contributions were \$622.43. There were no forfeitures during the year.

Note 8: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

Public Employees' Retirement System - At December 31, 2016, the Township's proportionate share of the PERS net pension liability was \$10,658,072.00. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. 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, 2016. 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, 2016 measurement date, the Township's proportion was 0.0359861706%, which was an increase of 0.0010307347% from its proportion measured as of June 30, 2015.

At December 31, 2016, the Township's proportionate share of the PERS pension expense, calculated by the plan as of the June 30, 2016 measurement date is \$1,001,032.00. 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, 2016, the Township's contribution to PERS was \$300,523.00, and was paid on April 1, 2016.

Police and Firemen's Retirement System - At December 31, 2016, 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	\$ 16,644,756.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	1,397,747.00
	<u>\$ 18,042,503.00</u>

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. 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, 2016. 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, 2016 measurement date, the Township's proportion was 0.0871336477%, which was a decrease of 0.0035455963% from its proportion measured as of June 30, 2015. Likewise, at June 30, 2016, the State of New Jersey's proportion, on-behalf of the Township, was 0.0871336477%, which was a decrease of 0.0035455963% from its proportion, on-behalf of the Township, measured as of June 30, 2015.

At December 31, 2016, the Township's proportionate share of the PFRS pension expense, calculated by the plan as of the June 30, 2016 measurement date is \$1,747,859.00. 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, 2016, the Township's contribution to PFRS was \$737,087.00, and was paid on April 1, 2016.

At December 31, 2016, the State's proportionate share of the PFRS pension expense, associated with the Township, calculated by the plan as of the June 30, 2016 measurement date is \$178,525.00. This on-behalf expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

Note 8: 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, 2016, the Township had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	PERS	PFRS	Total	PERS	PFRS	Total
Differences between Expected and Actual Experience	\$ 198,208.00	\$ -	\$ 198,208.00	\$ -	\$ 109,109.00	\$ 109,109.00
Changes of Assumptions	2,207,783.00	2,305,435.00	4,513,218.00	-	-	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	406,402.00	1,166,265.00	1,572,667.00	-	-	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	167,974.00	209,723.00	377,697.00	194,700.00	418,748.00	613,448.00
Township Contributions Subsequent to the Measurement Date	159,848.00	355,218.00	515,066.00	-	-	-
	<u>\$ 3,140,215.00</u>	<u>\$ 4,036,641.00</u>	<u>\$ 7,176,856.00</u>	<u>\$ 194,700.00</u>	<u>\$ 527,857.00</u>	<u>\$ 722,557.00</u>

Deferred outflows of resources totaling \$159,848.00 and \$355,218.00 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, 2017. These amounts were based on an estimated April 1, 2018 contractually required contribution, prorated from the pension plans measurement date of June 30, 2016 to the Township's year end of December 31, 2016.

Note 8: **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 its deferred outflow of resources and deferred inflows of resources related to pensions over the following number of years:

	<u>PERS</u>		<u>PFRS</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
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
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	-
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	-
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

Note 8: 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,	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2017	\$ 616,668.00	\$ 771,847.00	\$ 1,388,515.00
2018	616,668.00	771,847.00	1,388,515.00
2019	717,049.00	1,051,470.00	1,768,519.00
2020	618,178.00	583,183.00	1,201,361.00
2021	217,104.00	(24,781.00)	192,323.00
	<u>\$ 2,785,667.00</u>	<u>\$ 3,153,566.00</u>	<u>\$ 5,939,233.00</u>

Actuarial Assumptions

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. 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, 2016. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>PERS</u>	<u>PFRS</u>
Inflation	3.08%	3.08%
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	7.65%	7.65%
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 8: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

For PERS, pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. Mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement 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, pre-retirement mortality rates were based on the RP-2000 Pre-Retirement 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 two years using the plan actuary's modified 2014 projection scales, which was 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 the RP-2000 Combined Healthy Mortality Tables projected thirteen years using Projection Scale BB and then two years using the plan actuary's modified 2014 projection scales, which was 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 (7.65% at June 30, 2016) 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, 2016 are summarized in the table on the following page.

Note 8: PENSION PLANS (CONT'D)Actuarial Assumptions (Cont'd)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	0.87%
U.S. Treasuries	1.50%	1.74%
Investment Grade Credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad U.S. Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds / Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global Debt ex U.S.	5.00%	-0.25%
REIT	5.25%	5.63%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability at June 30, 2016 was 3.98% for PERS and 5.55% 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 7.65%, and a municipal bond rate of 2.85% as of June 30, 2016, 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 30% 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 2034 for PERS and through 2050 for PFRS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2034 for PERS and through 2050 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liabilities.

Note 8: 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, 2016, the plans measurement date, calculated using a discount rate of 3.98%, 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:

	1% Decrease (2.98%)	Current Discount Rate (3.98%)	1% Increase (4.98%)
Township's Proportionate Share of the Net Pension Liability	<u>\$ 13,060,223.00</u>	<u>\$ 10,658,072.00</u>	<u>\$ 8,674,888.00</u>

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, 2016, the plans measurement date, for the Township and the State of New Jersey, calculated using a discount rate of 5.55%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	1% Decrease (4.55%)	Current Discount Rate (5.55%)	1% Increase (6.55%)
Township's Proportionate Share of the Net Pension Liability	\$ 21,462,192.00	\$ 16,644,756.00	\$ 12,716,426.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	<u>1,802,292.27</u>	<u>1,397,747.00</u>	<u>1,067,864.67</u>
	<u>\$ 23,264,484.27</u>	<u>\$ 18,042,503.00</u>	<u>\$ 13,784,290.67</u>

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 www.nj.gov/treasury/pensions.

Note 8: PENSION PLANS (CONT'D)**Supplementary Pension Information**

In accordance with GASB 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 Four Years)

	<u>Measurement Date Ended June 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Proportion of the Net Pension Liability	0.0359861706%	0.0349554359%	0.0361696042%	0.0365878531%
Township's Proportionate Share of the Net Pension Liability	\$ 10,658,072.00	\$ 7,846,795.00	\$ 6,771,939.00	\$ 6,992,666.00
Township's Covered Payroll (Plan Measurement Period)	\$ 2,528,524.00	\$ 2,360,716.00	\$ 2,484,836.00	\$ 2,530,596.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	421.51%	332.39%	272.53%	276.32%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.93%	52.08%	48.72%

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

	<u>Year Ended December 31,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 319,696.00	\$ 300,523.00	\$ 298,177.00	\$ 275,682.00
Township's Contribution in Relation to the Contractually Required Contribution	(319,696.00)	(300,523.00)	(298,177.00)	(275,682.00)
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 2,581,927.00	\$ 2,556,514.00	\$ 2,371,131.00	\$ 2,409,705.00
Township's Contributions as a Percentage of its Covered Payroll	12.38%	11.76%	12.58%	11.44%

Note 8: 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 Four Years)***

	<u>Measurement Date Ended June 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Proportion of the Net Pension Liability	0.0871336477%	0.0906792440%	0.0882256595%	0.0883850972%
Township's Proportionate Share of the Net Pension Liability	\$ 16,644,756.00	\$ 15,104,001.00	\$ 11,097,970.00	\$ 11,750,001.00
State's Proportionate Share of the Net Pension Liability associated with the Township	1,397,747.00	1,324,570.00	1,195,065.00	1,095,243.00
Total	<u>\$ 18,042,503.00</u>	<u>\$ 16,428,571.00</u>	<u>\$ 12,293,035.00</u>	<u>\$ 12,845,244.00</u>
Township's Covered Payroll (Plan Measurement Period)	\$ 2,892,160.00	\$ 3,078,700.00	\$ 2,929,272.00	\$ 2,924,976.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	575.51%	490.60%	378.86%	401.71%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.01%	56.31%	62.41%	58.70%

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

	<u>Year Ended December 31,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 710,436.00	\$ 737,087.00	\$ 677,634.00	\$ 644,838.00
Township's Contribution in Relation to the Contractually Required Contribution	(710,436.00)	(737,087.00)	(677,634.00)	(644,838.00)
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 2,914,484.00	\$ 2,882,684.00	\$ 2,923,223.00	\$ 2,929,231.00
Township's Contributions as a Percentage of its Covered Payroll	24.38%	25.57%	23.18%	22.01%

Other Notes to Supplementary Pension Information***Public Employees' Retirement System (PERS)***

Changes in Benefit Terms - None

Changes in Assumptions - For 2016, the discount rate changed to 3.98%, the long-term expected rate of return changed to 7.65%, 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 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at \$265,000 for 2015, increasing 3.00% per annum, compounded annually. For 2014, the discount rate was 5.39%.

Note 8: PENSION PLANS (CONT'D)**Other Notes to Supplementary Pension Information (Cont'd)*****Police and Firemen's Retirement System (PFRS)***

Changes in Benefit Terms - None

Changes in Assumptions - For 2016, the discount rate changed to 5.55%, the long-term expected rate of return changed to 7.65%, 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 9: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

The Township provides health insurance through the State Health Benefit Plan. The State Pension Fund provides health benefits through the State Health Benefit Plan which is a cost-sharing multiple-employer defined benefit postemployment healthcare plan.

The Township also provides reimbursement of health insurance premiums directly to employees if they choose not to participate in the State Health Benefit Plan. The reimbursement for health insurance premiums and the amount of the benefit is established by the Township.

State Health Benefit Plan***Plan Description***

The Township contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 2009, the Township authorized participation in the SHBP's post-retirement benefit program through resolution number 2009-133. The Township provides post-employment health care benefits, at its cost, to certain employees. Employees retiring with twenty-five (25) or more years of service with the Township and/or twenty-five (25) or more years of service credit in a state or locally administered retirement system, and employees retiring on an accidental disability pension, are eligible to receive fully paid health and prescription benefits.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at www.state.nj.us/treasury/pensions/.

Funding Policy

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Note 9: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**State Health Benefit Plan (Cont'd)*****Funding Policy (Cont'd)***

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis. The Township funds these benefits on a pay-as-you-go basis and therefore does not record accrued expenses related to these benefits.

The Township contributions to SHBP for the years ended December 31, 2016, 2015, and 2014, were \$23,799.96, \$25,133.00, \$15,633.40, respectively, which equaled the required contributions for each year. There were 5 retired participants eligible at December 31, 2016.

Direct Reimbursement Plan***Plan Description***

The Township provides a defined benefit through an other post employee benefit single-employer plan which provides post-employment health care benefits to employees who have retired from the Township. The Township provides this benefit for ten years after the employee retires or until the death of the employee. The benefit is determined by negotiated contract for each collective bargaining unit. The plan is administered by the Township; therefore, reimbursements to the retirees are paid in monthly installments directly to the retirees.

Funding Policy

The Township funds these benefits on a pay-as-you-go basis and therefore does not record accrued expenses related to these benefits. For the year ended December 31, 2016, there were four retired employees who were eligible to receive this benefit, resulting in a maximum possible payment of \$22,375.00. Actual payments for the years ended December 31, 2016, 2015, and 2014, were \$9,195.91, \$7,209.90, and \$9,629.33 in related health care premiums.

Annual OPEB Cost

For year ended December 31, 2016, the Township's annual OPEB cost (expense) of \$70,000.00 for the plan was equal to the ARC plus certain adjustments because the Township's actual contributions in prior years differed from the ARC. The Township's annual required contribution (ARC), the interest on the net OPEB obligation, the adjustment to the ARC, the increase or decrease in the net OPEB obligation, the net OPEB obligation, and the percentage of annual OPEB cost contributed to the plan for years 2016, 2015, and 2014 are as follows:

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Normal cost	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
Amortization of Unfunded Accrued Liability	40,000.00	40,000.00	40,000.00
Interest on Normal Cost	1,538.00	1,538.00	1,538.00
Interest on Amortization	3,462.00	3,462.00	3,462.00
Annual Required Contribution	70,000.00	70,000.00	70,000.00
Interest on net OPEB Cost	5,000.00	5,000.00	5,000.00
Adjustment to ARC	(5,000.00)	(5,000.00)	(5,000.00)
Annual OPEB Cost (Expense)	70,000.00	70,000.00	70,000.00
Contributions made	9,195.91	7,209.90	9,629.33
Net OPEB Obligation (NOO) - Beginning of Year	250,123.59	187,333.49	126,962.82
Net OPEB Obligation (NOO) - End of Year	\$ 310,927.68	\$ 250,123.59	\$ 187,333.49
Percentage of Annual OPEB Cost Contributed	13.14%	10.30%	13.76%

Note 9: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Direct Reimbursement Plan (Cont'd)****Funded Status and Funding Progress**

The funded status of the plan as of the past actuarial valuation dates is as follows:

Actuarial Valuation Date	1/1/2014	1/1/2011
Actuarial Accrued Liability (AAL)	\$ 700,000.00	\$ 580,000.00
Actuarial Value of Plan Assets	-	-
Unfunded Actuarial Accrued Liability (UAAL)	\$ 700,000.00	\$ 580,000.00
Funded Ratio (Actuarial Value of Plan Assets / AAL)	0.00%	0.00%
Covered Payroll (Active Plan Members)	\$6,480,000.00	\$5,990,000.00
UAAL as a Percentage of Covered Payroll	10.80%	9.68%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, as shown above, presents multiyear trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

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

In the January 1, 2014 actuarial valuation, the projected unit credit method was used. Under this method, an actuarial accrued liability is determined as the actuarial present value of the portion of projected benefits which is allocated to service before the current plan year. In addition, a normal cost is determined as the actuarial present value of the portion of projected benefits which is allocated to service in the current plan year for each active participant under the assumed retirement age. The UAAL is being amortized (straight-line) for thirty (30) years on an open basis. The remaining amortization period at December 31, 2016 was twenty-four years. The actuarial assumptions included the following:

- *Mortality* - RP 2000 Combined Table.
- *Annual Discount Rate* - Future costs have been discounted at the rate of 4.5% compounded annually for GASB 45 purposes.
- *Turnover* - Sarasson T-5 Table.
- *Medical Trend*. 5% for the current year and each future year.
- *Rates of Retirement* - 25% grading up to 100% from ages 55 to 65

Note 10: 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.

The Township of Delran 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.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2016, accrued benefits for compensated absences are valued at \$616,349.76.

Note 11: 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 12: LENGTH OF SERVICE AWARDS PROGRAM

The Township's length of service awards program ("LOSAP"), which is reported in the Township's trust fund, was created by a Township Ordinance adopted on June 7, 2006 pursuant to Section 457 (e)(11)(13) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the Length of Service Awards Program as enacted into federal law in 1997. The voters of the Township of Delran approved the adoption of the LOSAP at the general election held on November 7, 2006.

The first year of eligibility for entrance into the Plan was calendar year 2007. The tax deferred income benefits for emergency service volunteers, consisting of the Emergency Squad, come from contributions made solely by the governing body of the municipality, on behalf of those volunteers who meet the criteria of a plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

Contributions - If an active member meets the year of active service requirement, a LOSAP must provide a benefit between the minimum contribution of \$100.00 and a maximum contribution of \$1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services will issue the permitted maximum annually.

For the year ended December 31, 2016, the Township elected to contribute between \$92.00 and \$1,150.00 per eligible volunteer into the Plan depending on how many years the volunteer has served. The Township failed to adhere to the ordinance that set the minimum contribution at \$100.00. The Plan currently offers thirteen mutual funds, two money market funds, and two fixed account investment contracts.

Note 12: LENGTH OF SERVICE AWARDS PROGRAM (CONT'D)

Participant Accounts - Each participant's account is credited with the Township's contribution and Plan earnings, and charged with administrative expenses. For the year ended December 31, 2016, the Township elected to pay substantially all of the Plan's administrative costs. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The Township has placed the amounts deferred, including earnings, in a trust maintained by a third-party administrator for the exclusive benefit of the plan participants and their beneficiaries. Such funds, although subject to the claims of the Township's creditors until distributed as benefit payments, are not available for funding the operations of the Township.

Variable Annuity Life Insurance Company ("Plan Administrator"), an approved Length of Service Awards Program provider, is the administrator of the Plan. The Township's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

Vesting - Benefits, plus actual earnings thereon, are one hundred percent (100%) vested after five (5) years of service.

Payment of Benefits - Upon retirement or disability, participants may select various payout options, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate.

In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals.

Forfeited Accounts - For the year ended December 31, 2016, forfeited non-vested accounts totaled \$9,114.49. The forfeited accounts are due to the current fund.

Investments - The investments of the length of service awards program reported in the trust - other funds on the statements of assets, liabilities, reserves, and fund balance - regulatory basis are recorded at fair value.

Plan Information - Additional information about the Township's length of service awards program can be obtained by contacting the Plan Administrator.

Note 13: CAPITAL DEBT**General Obligation Bonds**

General Obligation Bonds, Series 2009 - On August 15, 2009, the Township issued \$4,056,000.00 in general obligation bonds, with interest rates ranging from 4.00% to 5.00% through the Burlington County Bridge Commission in their capacity as County Improvement Authority. The bonds were issued to fund various Township improvements. The final maturity of the bonds is August 15, 2018.

General Obligation Bonds – Open Space, Series 2009 - On August 15, 2009, the Township issued \$4,056,000.00 in general obligation bonds, with interest rates ranging from 4.00% to 5.00% through the Burlington County Bridge Commission in their capacity as County Improvement Authority. The bonds were issued to acquire various pieces of property for preservation and recreation. The final maturity of the bonds is August 15, 2029.

General Obligation Refunding Bonds, Series 2009 - On November 3, 2009, the Township issued \$4,215,000.00 in general obligation refunding bonds, with interest rates ranging from 2.00% to 4.50%. The bonds were issued to currently refund the \$4,747,000.00 General Obligation Bonds, Series 1998. The final maturity of the bonds is January 1, 2019.

Note 13: CAPITAL DEBT (CONT'D)**General Obligation Bonds (Cont'd)**

The following schedule represents the remaining debt service, through maturity, for the general improvement bonds:

<u>Year</u>	<u>General</u>		<u>Bonded Debt</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2017	\$ 1,242,000.00	\$ 118,933.75	\$ 81,000.00	\$ 60,262.50	\$ 1,502,196.25
2018	1,286,000.00	59,065.00	84,000.00	56,212.50	1,485,277.50
2019	320,000.00	6,350.00	86,000.00	52,852.50	465,202.50
2020			86,000.00	48,552.50	134,552.50
2021			91,000.00	44,252.50	135,252.50
2022-2026			518,000.00	151,445.00	669,445.00
2027-2029			370,000.00	33,031.26	403,031.26
	<u>\$ 2,848,000.00</u>	<u>\$ 184,348.75</u>	<u>\$ 1,316,000.00</u>	<u>\$ 446,608.76</u>	<u>\$ 4,794,957.51</u>

The above schedule changed as a result of an in-substance defeasance. See Subsequent Events - Refunding of Debt.

New Jersey Environmental Infrastructure Trust Loans

Sewer Utility Debt - On May 21, 2014, the Township entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$1,469,550.00, at no interest, from the fund loan, and \$480,000.00 at interest rates ranging from 3.00% to 5.00% from the trust loan. The proceeds were used to fund the renovations to the waste water treatment plant. Semiannual debt payments are due March 1st and September 1st through 2033.

The following schedule represents the remaining debt service, through maturity, for the New Jersey Environmental Infrastructure loans:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 94,722.87	\$ 16,981.26	\$ 111,704.13
2018	94,722.87	15,981.26	110,704.13
2019	94,722.87	14,981.26	109,704.13
2020	94,722.87	13,981.26	108,704.13
2021	94,722.87	12,981.26	107,704.13
2022-2026	498,614.35	47,906.30	546,520.65
2027-2031	523,614.35	24,656.30	548,270.65
2032-2033	97,461.96	3,368.76	100,830.72
	<u>\$ 1,593,305.01</u>	<u>\$ 150,837.66</u>	<u>\$ 1,744,142.67</u>

Note 13: CAPITAL DEBT (CONT'D)

Summary of Debt

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 13,451,251.00	\$ 14,570,630.00	\$ 14,168,542.00
Sewer Utility:			
Loans and Notes	1,593,305.01	3,015,011.88	2,399,734.75
Total Issued	<u>15,044,556.01</u>	<u>17,585,641.88</u>	<u>16,568,276.75</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	1,587,859.47	1,673,635.08	2,230,204.08
Sewer Utility:			
Bonds and Notes	2,108,800.00	1,651,800.00	2,604,800.00
Total Authorized but Not Issued	<u>3,696,659.47</u>	<u>3,325,435.08</u>	<u>4,835,004.08</u>
Total Issued and Authorized but Not Issued	<u>18,741,215.48</u>	<u>20,911,076.96</u>	<u>21,403,280.83</u>
Deductions:			
Funds Temporarily Held To Pay Notes	657,466.96	650,820.89	438,236.46
Self-liquidating Debt	3,702,105.01	4,666,811.88	5,004,534.75
Total Deductions	<u>4,359,571.97</u>	<u>5,317,632.77</u>	<u>5,442,771.21</u>
Net Debt	<u>\$ 14,381,643.51</u>	<u>\$ 15,593,444.19</u>	<u>\$ 15,960,509.62</u>

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 0.959%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$ 25,665,000.00	\$ 25,665,000.00	
Sewer Utility	3,702,105.01	3,702,105.01	
General	15,039,110.47	657,466.96	\$ 14,381,643.51
	<u>\$ 44,406,215.48</u>	<u>\$ 30,024,571.97</u>	<u>\$ 14,381,643.51</u>

Net Debt \$14,381,643.51 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$1,499,483,144.00 equals 0.959%.

Note 13: CAPITAL DEBT (CONT'D)**Borrowing Power Under N.J.S.A. 40A:2-6 As Amended**

3.5% of Equalized Valuation Basis (Municipal)	\$ 52,481,910.04
Net Debt	<u>14,381,643.51</u>
Remaining Borrowing Power	<u>\$ 38,100,266.53</u>

Calculation of "Self Liquidating Purpose," - Sewer Utility Per N.J.S.A. 40A:2-45

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest, and Other Investment Income, and Other Charges for Year	\$ 3,842,602.56
Deductions:	
Operating and Maintenance Cost	\$ 2,870,708.00
Debt Service per Sewer Fund	<u>331,924.06</u>
Total Deductions	<u>3,202,632.06</u>
Excess in Revenue	<u>\$ 639,970.50</u>

A revised Annual Debt Statement has been filed by the Chief Financial Officer.

Note 14: 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.

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:

<u>Year</u>	<u>Township and Utility Contributions</u>	<u>Employee Contributions</u>	<u>Claims Paid</u>	<u>Ending Balance</u>
2016	\$ 3,000.06	\$ 8,157.21	\$ 8,773.18	\$ 53,120.81
2015	3,000.00	7,939.58	7,801.10	50,736.72
2014	3,000.00	9,227.15	8,761.55	47,598.24

Note 14: RISK MANAGEMENT (CONT'D)

Joint Insurance Pool - The Township of Delran is a member of the Burlington County Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

Workers' Compensation and Employer's Liability
Liability other than Motor Vehicles
Property Damage other than Motor Vehicles
Motor Vehicles

Contributions to the Fund, including a reserve for contingencies, are payable in two 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 Fund provides the Township with the following coverage:

Property - Blanket Building and Grounds
Boiler and Machinery
General and Automobile Liability
Burglary and Theft
Fire Insurance

Contributions to the Fund, are payable in an annual premium and is based on actuarial assumptions determined by the Fund's actuary. The Township's agreement with the pool provides that the pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund for claims in excess of \$500,000 based on the line of coverage for each insured event.

The Fund publishes its own financial report for the year ended December 31, 2016, which can be obtained from:

Burlington County Municipal Joint Insurance Fund
Five Greentree Centre/525 Lincoln Drive West
P.O. Box 489
Marlton, NJ 08053

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: SUBSEQUENT EVENTS

Tax Appeals - As of December 31, 2016, there are a few 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 of Delran authorized additional Bonds and Notes as follows:

	<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
General Capital:			
Bonds and Notes:			
	Reconstruction of Certain Roads	January 24, 2017	\$ 1,752,000.00
	Installation of Sidewalks - Route 130	May 2, 2017	41,900.00
	Various 2017 Capital Improvements	June 13, 2017	2,458,125.00
Sewer Utility:			
Bonds and Notes:			
	Various Improvements / Upgrades to Sewer Utility System	April 4, 2017	450,000.00

Refunding of Debt - Subsequent to December 31, Burlington County issued \$1,063,000.00 in County Guaranteed Pooled Loan revenue refunding Bonds (Governmental Loan Program), Series 2017 bonds with an interest rate between 3.00% and 4.00% on behalf of the Township. This was issued to advance refund the Township's \$1,065,000.00 of the Township's General Obligation Bonds - Open Space previously issued on August 15, 2009. The net proceeds of \$1,145,194.07 (after payment of issuance costs) were used to purchase U.S. Treasury Bonds and Notes. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2009 General Obligation Bonds - Open Space. As a result of the current refunding, the Township will reduce its total debt service payments over the next thirteen years by almost \$60,000.00, which results in an economic gain (difference between the present values of the debt service payments of the old and new debt) of \$49,240.35, or 4.62% of the principal amount being refunded. The current refunding meets the requirements of an in-substance defeasance.

Note 18: PRIOR PERIOD ADJUSTMENT

For the year ended, December 31, 2015, the following adjustments were made to the Township's financial statements:

Length of Service Award Program – The Township's LOSAP was not previously recorded in the Township's financial statements. As a result, the Township's Trust Other Funds assets, liabilities and reserve balances as of December 31, 2015 were restated.

	<u>Previously Reported</u>	<u>Cumulative Effect - Increase / (Decrease)</u>	<u>Restated Balance</u>
<u>ASSETS</u>			
Other Funds:			
Investments - Length of Service Awards Program	\$ -	\$ 532,849.01	\$ 532,849.01
Total Other Funds	<u>2,520,581.17</u>	<u>532,849.01</u>	<u>3,053,430.18</u>
Total Assets	<u>\$ 4,518,495.37</u>	<u>\$ 532,849.01</u>	<u>\$ 5,051,344.38</u>
 <u>LIABILITIES AND RESERVES</u>			
Other Funds:			
Due to Current Fund	\$ 85,744.76	\$ 29,321.61	\$ 115,066.37
Reserve for Miscellaneous Trust Reserves:			
Length of Service Awards Program		<u>503,527.40</u>	<u>503,527.40</u>
Total Liabilities and Reserves	<u>\$ 4,518,495.37</u>	<u>\$ 532,849.01</u>	<u>\$ 5,051,344.38</u>

Note 18: PRIOR PERIOD ADJUSTMENT (CONT'D)

Length of Service Award Program (Cont'd) - In addition, the current fund receivable from the trust other fund also had to be restated.

	<u>Previously Reported</u>	<u>Cumulative Effect - Increase / (Decrease)</u>	<u>Restated Balance</u>
<u>ASSETS</u>			
Receivables and Other Assets with Full Reserves:			
Due from Trust Other Fund	\$ 85,744.76	\$ 29,321.61	\$ 115,066.37
Total Receivables and Other Assets with Full Reserves:	1,197,514.59	29,321.61	1,226,836.20
Total Assets	<u>\$ 12,638,350.65</u>	<u>\$ 29,321.61</u>	<u>\$ 12,667,672.26</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Reserves for Receivables and Other Assets	\$ 1,197,514.59	\$ 29,321.61	\$ 1,226,836.20
Total Liabilities, Reserves and Fund Balance	<u>\$ 12,638,350.65</u>	<u>\$ 29,321.61</u>	<u>\$ 12,667,672.26</u>

Sewer Utility Capital – Improvement Authorizations – The balances as of December 31, 2015 were incorrectly calculated and had to be restated.

	<u>Previously Reported</u>	<u>Effect - Increase / (Decrease)</u>	<u>Restated Balance</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Improvement Authorizations:			
Funded	\$ 441,740.76	\$ 80,538.75	\$ 522,279.51
Unfunded	2,645,756.09	(80,538.75)	2,565,217.34

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Current Cash per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2016

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Balance Dec. 31, 2015	\$ 10,670,337.73	\$ 672,589.90
Increased by Receipts:		
Collector	\$ 51,558,576.50	
Miscellaneous Revenue Not Anticipated	120,364.04	
Revenue Accounts Receivable	736,301.02	
Due from State of New Jersey - Senior Citizens' and Veterans' Deduction:	149,500.00	
Consolidated Municipal Property Tax Relief Act Funds	53,847.00	
Energy Tax Receipts	1,225,254.00	
Rental of Office Space to Delran Fire Commission	21,600.00	
Prepaid Mercantile Licenses	40,038.00	
Reserve for the Payment of Bonds	200,000.00	
Due to State of New Jersey - Marriage License Fees	3,000.00	
Due to State of New Jersey - D.C.A. Training Fees	27,349.00	
Due to/from Trust Open Space Fund	14,971.02	
Due to/from Trust Other Fund	15,485.00	
Due to/from General Capital Fund	7,337.92	
Due to/from Sewer Operating Fund	1,237,126.43	
Match Grant Funds -- Current Fund		\$ 24,669.00
Federal and State Grants		<u>350,579.59</u>
	<u>55,410,749.93</u>	<u>375,248.59</u>
Carried Forward	66,081,087.66	1,047,838.49

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Current Cash per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2016

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Brought Forward	\$ 66,081,087.66	\$ 1,047,838.49
Decreased by Disbursements:		
2016 Appropriations	\$ 5,187,056.52	
2015 Appropriation Reserves	389,421.35	
Payroll and Related Deductions Payable	6,630,960.93	
Local District School Taxes	32,137,856.00	
County Taxes	6,112,539.87	
County Share of Added and Omitted Taxes	47,030.03	
Special Fire District Tax	2,093,347.00	
Open Space Trust Fund Tax	325,000.00	
Refund Tax Overpayments	4,674.74	
Due to State of New Jersey--Marriage License Fees	2,725.00	
Due to State of New Jersey--D.C.A. Training Fees	27,403.00	
Reserve for Tax Appeals	41,046.25	
Due to/from Trust Other Fund	81,292.62	
Due to/from Trust Open Space Fund	1,313.14	
Due to/from Sewer Operating Fund	1,267,590.08	
Refund of Prior Year Revenue	7,748.71	
Federal and State Grant Fund:		
Reserve for Encumbrances		\$ 12,449.18
Federal and State Grants		571,944.34
	<u>54,357,005.24</u>	<u>584,393.52</u>
Balance Dec. 31, 2016	<u>\$ 11,724,082.42</u>	<u>\$ 463,444.97</u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Current Cash per N.J.S. 40A:5-5 -- Collector
For the Year Ended December 31, 2016

Cash Receipts:

Taxes Receivable	\$ 50,928,038.77
Interest and Costs on Taxes	167,322.68
2016 Taxes Prepaid	432,058.46
Tax Overpayments	<u>31,156.59</u>

51,558,576.50

Decreased by:

Direct Deposits to Treasurer's Bank Account	<u><u>\$ 51,558,576.50</u></u>
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TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Due To State of New Jersey for Senior Citizens' and Veterans' Deductions
For the Year Ended December 31, 2016

Balance Dec. 31, 2015		\$ 4,218.62
Increased by:		
Collections		<u>149,500.00</u>
		153,718.62
Decreased by:		
Accrued in 2016 to Municipality:		
Senior Citizens' Deductions per Tax Billings	\$ 18,250.00	
Veterans' Deductions per Tax Billings	<u>134,250.00</u>	
	152,500.00	
Senior Citizens' and Veterans' Deductions Allowed by Tax Collector	<u>4,000.00</u>	
	156,500.00	
Deduct:		
Senior Citizens' Deductions Disallowed by Tax Collector	<u>8,750.00</u>	
Subtotal 2016 Tax Accrual	147,750.00	
Deduct:		
Prior Year Senior Citizens' Deductions Disallowed by Tax Collector	<u>2,500.00</u>	
		<u>145,250.00</u>
Balance Dec. 31, 2016		<u><u>\$ 8,468.62</u></u>

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2016

Year	Balance Dec. 31, 2015	2016 Levy	Added Taxes	2015 Collections	2016 Collections	Due from State of New Jersey	Canceled	Transfer to Tax Title Liens	Balance Dec. 31, 2016
2014	\$ 250.00				\$ 250.00				
2015	682,748.77		\$ 2,500.00		683,865.28		\$ 32.21	\$ 1,351.28	
2016	682,998.77	\$ -	2,500.00	-	684,115.28	\$ -	32.21	1,351.28	\$ -
		51,633,084.37		447,200.43	50,259,924.49	147,750.00	34,516.97	20,834.24	722,858.24
		<u>\$ 51,633,084.37</u>	<u>\$ 2,500.00</u>	<u>\$ 447,200.43</u>	<u>\$ 50,944,039.77</u>	<u>\$ 147,750.00</u>	<u>\$ 34,549.18</u>	<u>\$ 22,185.52</u>	<u>\$ 722,858.24</u>

Analysis of 2016 Tax Levy

<u>Tax Yield</u>	
General Purpose Tax	\$49,338,974.03
Special District Tax	2,093,347.00
Added Taxes (54:4-63.1 et seq.)	<u>200,763.34</u>
	<u><u>\$51,633,084.37</u></u>

<u>Tax Levy</u>	
Local District School Tax	
County Taxes:	\$32,137,856.00
County Tax	
County Library Tax	\$ 5,043,029.04
County Open Space Taxes	469,107.24
Due County for Added Taxes	600,403.59
	<u>24,976.10</u>

Total County Taxes	6,137,515.97
Fire District No. 1 Tax	2,093,347.00
Local Tax for Municipal Purposes	10,721,786.27
Local Open Space Tax	325,000.00
Add: Additional Tax Levied	<u>217,579.13</u>

Local Tax for Municipal Purposes Levied

11,264,365.40

\$51,633,084.37

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Tax Title Liens Receivable
For the Year Ended December 31, 2016

Balance Dec. 31, 2015		\$ 104,711.44
Increased by:		
Interests and Cost on Taxes	\$ 219.98	
Transferred from Taxes Receivable	<u>22,185.52</u>	
		<u>22,405.50</u>
Balance Dec. 31, 2016		<u><u>\$ 127,116.94</u></u>

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2016

	<u>Balance Dec. 31, 2015</u>	<u>Accrued 2016</u>	<u>Prepaid Applied</u>	<u>Collected 2016</u>	<u>Interfund Activity</u>	<u>Balance Dec. 31, 2016</u>
Clerk:						
Licenses:						
Alcoholic Beverages		\$ 17,950.00		\$ 17,950.00		
Other		62,422.00	\$ 38,925.00	23,497.00		
Fees and Permits		43,390.38		43,390.38		
Construction Code Office:						
Fees and Permits		317,474.00		317,474.00		
Municipal Court:						
Fines and Costs	\$ 26,433.09	309,739.88		313,602.30		\$ 22,570.67 (A)
Interest on Investments and Deposits		21,565.08		20,387.34	\$ 1,177.74	
	<u>\$ 26,433.09</u>	<u>\$ 772,541.34</u>	<u>\$ 38,925.00</u>	<u>\$ 736,301.02</u>	<u>\$ 1,177.74</u>	<u>\$ 22,570.67</u>

(A) Dec. 2016

Trust Other Fund	\$	1,125.96
General Capital Fund		<u>51.78</u>
	\$	<u><u>1,177.74</u></u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Deferred Charges--N.J.S.A 40A:4-55 Special Emergency
For the Year Ended December 31, 2016

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Net Amount</u> <u>Authorized</u>	<u>1/5 of</u> <u>Net Amount</u> <u>Authorized</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Reduced</u> <u>2016</u>
10/25/2011	Reassessment	\$ 20,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of 2015 Appropriation Reserves
For the Year Ended December 31, 2016

	<u>Balance Dec. 31,</u>		<u>Paid or</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Charged</u>	<u>Lapsed</u>
OPERATIONS--WITHIN "CAPS"				
<u>Department of Administration</u>				
Division of Administration:				
Business Administration Office				
Other Expenses	\$ 1,994.16	\$ 8,851.22	\$ 1,908.87	\$ 8,936.51
Mayor and Council				
Salaries and Wages		392.18		392.18
Other Expenses		530.52	29.00	501.52
Public Relations				
Other Expenses		5,551.00		5,551.00
Office of Municipal Clerk				
Other Expenses	4,662.83	3,569.64	1,639.75	6,592.72
Insurance				
Employee Group Health	2,533.56	283,767.95	3,330.56	282,970.95
Health Benefit Waiver		3,500.00		3,500.00
<u>Department of Finance</u>				
Division of Treasury:				
Treasurer				
Other Expenses	6,479.40	530.75	229.40	6,780.75
Division of Revenue:				
Bureau of Assessments				
Salaries and Wages		9,810.57		9,810.57
Other Expenses	3,075.00	28,073.18	4,704.54	26,443.64
Bureau of Collections				
Other Expenses	2,587.93	2,953.27	2,696.87	2,844.33
<u>Department of Engineering</u>				
Township Engineer				
Other Expenses	1,553.00	30,231.50	2,895.50	28,889.00
<u>Department of Public Safety</u>				
Division of Police:				
Police				
Salaries and Wages		237,576.71		237,576.71
Other Expenses	87,775.43	8,000.98	84,288.24	11,488.17
School Traffic Guards				
Salaries and Wages		5,265.70		5,265.70
Other Expenses	451.69	48.31		500.00
First Aid Organization--Contribution		100.00		100.00
Municipal Court				
Other Expenses	1,879.40		1,258.60	620.80
Public Defender				
Other Expenses		6,752.00		6,752.00
Division of Emergency Management				
Office of Emergency Management				
Other Expenses		939.00		939.00

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of 2015 Appropriation Reserves
For the Year Ended December 31, 2016

	<u>Balance Dec. 31,</u>		<u>Paid or</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Charged</u>	<u>Lapsed</u>
<u>OPERATIONS--WITHIN "CAPS" (CONT'D):</u>				
<u>Department of Public Works</u>				
Division of Roads and Public Property:				
Streets and Roads				
Salaries and Wages		\$ 103,590.39		\$ 103,590.39
Other Expenses	\$ 59,471.55	1,882.36	\$ 32,380.62	28,973.29
Solid Waste Collection				
Other Expenses		58,536.79	53,980.47	4,556.32
Recycling				
Salaries and Wages		85,990.41		85,990.41
Other Expenses	1,050.00	4,727.59	1,050.00	4,727.59
Public Buildings and Grounds				
Other Expenses	11,105.42	9,942.04	9,579.71	11,467.75
Division of Parks and Recreation:				
Recreation Committee				
Salaries and Wages		529.75		529.75
Other Expenses		697.15	212.60	484.55
Juvenile Conference Committee				
Other Expenses		100.00		100.00
<u>Department of Health</u>				
Division of Health:				
Salaries and Wages		7,993.95		7,993.95
Other Expenses		48.66		48.66
Dog Regulation:				
Other Expenses		21,000.00		21,000.00
<u>Statutory Agencies</u>				
Municipal Land Use Law (N.J.S.40-55D-1)				
Zoning Board of Adjustments				
Other Expenses	379.43	10,496.57	1,233.68	9,642.32
Municipal Prosecutor				
Other Expenses		339.00		339.00
Planning Board				
Salaries and Wages		17,716.33		17,716.33
Other Expenses	1,828.69	7,938.57	2,126.99	7,640.27
Council on Affordable Housing				
Other Expenses		324.52		324.52
Landfill/Solid Waste Disposal Costs	38,227.43	6,363.86	38,227.43	6,363.86
Utility Purchases and Bulk Purchases				
Electricity/Gas	2,188.46	16,331.48	13,596.15	4,923.79
Street Lighting	1,068.75	56,408.71	29,145.20	28,332.26
Telephone	181.65	10,471.69	181.65	10,471.69
Water	824.61	16,085.19	824.61	16,085.19
Gasoline		91,068.95	6,112.72	84,956.23
P.L. 2000 Chapter 26:				
Solid Waste Service to Apartments				
Collection	37,254.27	20,236.62		57,490.89
Disposal	23,818.30	23,039.15	34,272.44	12,585.01

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of 2015 Appropriation Reserves
For the Year Ended December 31, 2016

	<u>Balance Dec. 31,</u>		<u>Paid or</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Charged</u>	<u>Lapsed</u>
<u>OPERATIONS--WITHIN "CAPS" (CONT'D):</u>				
State Uniform Construction Code:				
Construction Official				
Salaries and Wages		\$ 16,729.93		\$ 16,729.93
Other Expenses	\$ 414.00	2,146.50	\$ 468.83	2,091.67
<u>Unclassified</u>				
Salary Adjustment		5,000.00		5,000.00
Interest on Developers Deposits		2,000.00		2,000.00
Total Operations--Within "CAPS"	\$ 290,804.96	1,234,180.64	326,374.43	1,198,611.17
Contingent	-	5,000.00	-	5,000.00
Total Operations Including Contingent-- Within "CAPS"	290,804.96	1,239,180.64	326,374.43	1,203,611.17
Detail:				
Salaries and Wages	-	489,095.92	-	489,095.92
Other Expenses	290,804.96	750,084.72	326,374.43	714,515.25
<u>DEFERRED CHARGES AND STATUTORY</u>				
<u>EXPENDITURES MUNICIPAL--WITHIN "CAPS"</u>				
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)		57,833.48		57,833.48
Police and Firemen's Retirement System		100.00		100.00
Defined Contribution Retirement Program		1,381.89	16.54	1,365.35
Unemployment Compensation Insurance		796.00		796.00
Total Deferred Charges and Statutory Expenditures--Municipal--Within "CAPS"	-	60,111.37	16.54	60,094.83
Total General Appropriations for Municipal Purposes Within--"CAPS"	290,804.96	1,299,292.01	326,390.97	1,263,706.00
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>				
Statutory Expenditures:				
Length of Service Awards Program	61,498.55	20,501.45	61,498.55	20,501.45
Landfill Recycling Fees	1,531.83	12,517.83	1,531.83	12,517.83
Total Operations--Excluded from "CAPS"	63,030.38	33,019.28	63,030.38	33,019.28
Detail:				
Salaries and Wages	-	-	-	-
Other Expenses	63,030.38	33,019.28	63,030.38	33,019.28
Total General Appropriations	\$ 353,835.34	\$ 1,332,311.29	\$ 389,421.35	\$ 1,296,725.28

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Due to State of New Jersey - State Fee for Marriage Licenses
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$	450.00
Increased by:		
State Fees Collected		3,000.00
		3,450.00
Decreased by:		
State Fees Disbursed		2,725.00
Balance Dec. 31, 2016	\$	725.00

Exhibit SA-10

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2016

Balance Dec. 31, 2015 (2016 Taxes)	\$	447,200.43
Increased by:		
Collections-- 2017 Taxes -- Collector		432,058.46
		879,258.89
Decreased by:		
Application to 2016 Taxes Receivable		447,200.43
Balance Dec. 31, 2016 (2017 Taxes)	\$	432,058.46

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2016

Balance Dec. 31, 2015		\$ 23,150.86
Increased by:		
Overpayments Collected in 2016 -- Collector		<u>31,156.59</u>
		54,307.45
Decreased by:		
Applied to 2016 Taxes	\$ 16,001.00	
Refunds	<u>4,674.74</u>	
		<u>20,675.74</u>
Balance Dec. 31, 2016		<u><u>\$ 33,631.71</u></u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Due to State of New Jersey - D.C.A. Training Fees
For the Year Ended December 31, 2016

Balance Dec. 31, 2015		\$ 5,226.00
Increased by:		
State Fees Collected		<u>27,349.00</u>
		32,575.00
Decreased by:		
Disbursements		<u>27,403.00</u>
Balance Dec. 31, 2016		<u><u>\$ 5,172.00</u></u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Payroll Deductions Payable
For the Year Ended December 31, 2016

Balance Dec. 31, 2015		\$ 47,240.26
Increased by:		
Charges to Budget Appropriation		<u>6,642,509.36</u>
		6,689,749.62
Decreased by:		
Disbursements	\$ 6,630,960.93	
Due to/from Trust Other Fund--New Jersey Unemployment Insurance	<u>8,157.21</u>	
		<u>6,639,118.14</u>
Balance Dec. 31, 2016		<u><u>\$ 50,631.48</u></u>

Exhibit SA-14

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Special District Taxes Payable
For the Year Ended December 31, 2016

2016 Levy--Fire District No. 1		\$ 2,093,347.00
Decreased by:		
Payments		<u><u>\$ 2,093,347.00</u></u>

Exhibit SA-15

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2016

Levy--Calendar Year 2016		
County Tax	\$ 5,043,029.04	
County Library Tax	469,107.24	
County Open Space Taxes	<u>600,403.59</u>	
		\$ 6,112,539.87
Decreased by:		
Payments		<u><u>\$ 6,112,539.87</u></u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Due County for Added and Omitted Taxes
For the Year Ended December 31, 2016

Balance Dec. 31, 2015		
Rollback Assessment (2013)	\$ 13,307.65	
Rollback Assessment (2014)	13,707.48	
Rollback Assessment (2015)	15,186.76	
Added Taxes (2014)	4.96	
Added Taxes (2015)	4,788.54	
Added / Omitted Taxes (2014)	<u>34.64</u>	
		\$ 47,030.03
Increased by County Share of 2016 Levy:		
Added Taxes (2015)	24,323.03	
Added Taxes (2016)	<u>653.07</u>	
		<u>24,976.10</u>
		72,006.13
Decreased by:		
Payments		<u>47,030.03</u>
Balance Dec. 31, 2016		
Added Taxes (2015)	24,323.03	
Added Taxes (2016)	<u>653.07</u>	
		<u>\$ 24,976.10</u>

Exhibit SA-17

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Local District School Tax Payable
For the Year Ended December 31, 2016

Levy--Calendar Year 2016		\$ 32,137,856.00
Decreased by:		
Payments		<u>\$ 32,137,856.00</u>

TOWNSHIP OF DELRAN
FEDERAL, STATE AND LOCAL GRANT FUND
 Statement of Federal, State and Local Grants Receivable
 For the Year Ended December 31, 2016

<u>Program</u>	<u>Balance Dec. 31, 2015</u>	<u>Federal and State Grant Funds Receivable</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2016</u>
Federal:				
Click It or Ticket	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	
Drive Sober or Get Pulled Over		10,000.00	10,000.00	
New Jersey Department of Transportation & Delaware Valley Regional Planning Commission - Tenby Chase Project Grant		82,944.97	82,944.97	
Total Federal	\$ -	97,944.97	97,944.97	\$ -
State:				
Body Armor Replacement Fund		2,905.96	2,905.96	
Clean Communities Program		38,319.46	38,319.46	
Municipal Court - Alcohol Education and Rehabilitation Program		7,312.20	7,312.20	
New Jersey Department of Environmental Protection Safe and Secure Communities Program	93,758.43	120,000.00	84,097.00	9,661.43
Total State	93,758.43	168,537.62	252,634.62	9,661.43
Local:				
Burlington County Police Body Camera Grant		13,930.20	13,930.20	
Burlington County Park Grant		250,000.00		250,000.00
Total Local	-	263,930.20	13,930.20	250,000.00
	\$ 93,758.43	\$ 530,412.79	\$ 364,509.79	\$ 259,661.43

TOWNSHIP OF DELRAN
FEDERAL, STATE AND LOCAL GRANT FUND
 Statement of Unappropriated Reserves for Federal, State and Local Grants
 For the Year Ended December 31, 2016

<u>Program</u>	<u>Balance Dec. 31, 2015</u>	<u>Federal and State Grant Funds Receivable</u>	<u>Miscellaneous Revenue in 2016 Budget</u>	<u>Balance Dec. 31, 2016</u>
Federal:				
Click It or Ticket	\$ 5,000.00		\$ 5,000.00	
Drive Sober or Get Pulled Over	10,000.00		5,000.00	\$ 5,000.00
New Jersey Department of Transportation & Delaware Valley Regional Planning Commission - Tenby Chase Project Grant	\$ 182,175.00	82,944.97	182,175.00	82,944.97
Total Federal	182,175.00	97,944.97	192,175.00	87,944.97
State:				
Body Armor Replacement Fund Grant		2,905.96	2,905.96	
Clean Communities Grant Program		38,319.46	38,319.46	
Municipal Court - Alcohol Education and Rehabilitation Program		7,312.20	7,312.20	
Recycling Tonnage Grant	30,555.36		30,555.36	
Safe and Secure Communities Program		120,000.00	60,000.00	60,000.00
Total State	30,555.36	168,537.62	139,092.98	60,000.00
Local				
Burlington County Police Body Camera Grant		13,930.20	13,930.20	
Burlington County Park Grant		250,000.00	250,000.00	
Total Local	-	263,930.20	263,930.20	-
	\$ 212,730.36	\$ 530,412.79	\$ 595,198.18	\$ 147,944.97

TOWNSHIP OF DELRAN
FEDERAL, STATE AND LOCAL GRANT FUND
 Statement of Appropriated Reserves for Federal, State and Local Grants
 For the Year Ended December 31, 2016

<u>Program</u>	<u>Balance Dec. 31, 2015</u>	<u>Transferred from Budget Appropriations</u>	<u>Disbursed</u>	<u>Balance Dec. 31, 2016</u>
Federal:				
Bulletproof Vest Partnership Grant	\$ 2,092.18			\$ 2,092.18
Click It or Ticket		\$ 5,000.00	\$ 5,000.00	
Drive Sober or get Pulled Over		5,000.00		5,000.00
Drunk Driving Enforcement Grant	5,056.67			5,056.67
Make It Click Grant	150.00		150.00	
New Jersey Department of Transportation & Delaware Valley Regional Planning Commission - Tenby Chase Project Grant		182,175.00	182,175.00	
New Jersey Department of Transportation: Fairview Sidewalk Project Grant	215,000.00		215,000.00	
Total Federal	222,298.85	192,175.00	402,325.00	12,148.85
State:				
Body Armor Replacement Fund Grant	2,834.28	2,905.96	1,725.74	4,014.50
Clean Communities Grant Program	76,866.05	38,319.46	45,648.79	69,536.72
Governor's Council on Drug Abuse - Municipal Drug Alliance	7,623.39			7,623.39
Municipal Court - Alcohol Education and Rehabilitation Program	80,145.56	7,312.20		87,457.76
New Jersey Department of Environmental Protection	44,587.25		37,000.00	7,587.25
Recycling Tonnage Grant	67,861.41	30,555.36	18,748.97	79,667.80
Safe and Secure Communities Program	37,865.00	84,669.00	59,850.00	62,684.00
Sustainable Jersey Small Grants Program	1,087.00		1,087.00	
Total State	318,869.94	163,761.98	164,060.50	318,571.42
Local:				
Burlington County Police Body Camera Grant		13,930.20	13,930.20	-
Burlington County Park Grant		250,000.00	250,000.00	
Total Local	-	263,930.20	263,930.20	-
	\$ 541,168.79	\$ 619,867.18	\$ 830,315.70	\$ 330,720.27
		Encumbered	\$ 258,371.36	
		Disbursed	<u>571,944.34</u>	
			<u>\$ 830,315.70</u>	

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWNSHIP OF DELRAN
TRUST FUND

Statement of Trust Cash per N.J.S. 40A:5-5--Treasurer
For Year Ended December 31, 2016

	<u>Animal Control</u>	<u>Open Space</u>	<u>Trust Other</u>
Balance Dec. 31, 2015	\$ 16,048.90	\$1,981,815.30	\$2,518,981.17
Increased by Receipts:			
Dog License Fees	\$ 9,651.00		
Cat License Fees	734.00		
Late Registration Fees	1,020.00		
Replacement Fees	2.00		
State Registration Fees	1,053.00		
Open Space Taxes	\$ 325,000.00		
Reserve for Open Space Trust Fund	4,436.13		
Miscellaneous Trust Reserves			\$1,550,769.55
Accounts Receivable - Outside Police			1,600.00
Due to Current	1,313.14		70,738.58
	<u>12,460.00</u>	<u>330,749.27</u>	<u>1,623,108.13</u>
Decreased by Disbursements:			
Expenditures Under R.S.4:19-15.11	19,864.07		
State Registration Fees	1,053.00		
Reserve for Open Space Trust Fund	219,001.49		439.54
Due to Current Fund	14,971.02		1,809,984.52
Miscellaneous Trust Reserves			
	<u>20,917.07</u>	<u>233,972.51</u>	<u>1,810,424.06</u>
Balance Dec. 31, 2016	<u>\$ 7,591.83</u>	<u>\$2,078,592.06</u>	<u>\$2,331,665.24</u>

TOWNSHIP OF DELRAN
TRUST OTHER FUND
Statement of Investments - Length of Service Awards Program
For Year Ended December 31, 2016

Balance December 31, 2015 (Restated)		\$ 532,849.01
Increased by:		
Township Contributions	\$ 61,171.95	
Unrealized Gain on Investments	62,831.72	
		124,003.67
		656,852.68
Decreased by:		
Benefits Paid to Participants		27,284.67
Balance December 31, 2016		\$ 629,568.01

Schedule of Investments, December 31, 2016

<u>Description</u>	<u>Amount</u>
Fixed Annuity Contract	\$ 76,832.26
Money Market Funds	51,871.89
Variable Earnings Investments	500,863.86
	\$ 629,568.01

TOWNSHIP OF DELRAN
TRUST OTHER FUND
Statement of Due to Current Fund
For Year Ended December 31, 2016

Balance Dec. 31, 2015 (Restated)		\$ 115,066.37
Increased by:		
Cash Receipts:		
Interest on Investments	\$ 1,125.96	
Interfund Advanced	69,612.62	
Accounts Payable Disbursed by Current Fund	11,680.00	
Length of Service Award Program Forfeitures	9,114.49	
		91,533.07
		206,599.44
Decreased by:		
Cash Disbursements:		
Realized as Miscellaneous Revenue - Interest of Investments	439.54	
Employee Contributions for Unemployment Insurance	8,157.21	
Outside Police Employment Funds Received in Current Fund - Prepaid	15,485.00	
		24,081.75
Balance Dec. 31, 2016		\$ 182,517.69
<u>Analysis of Balance Dec. 31, 2016</u>		
Length of Service Award Program Forfeitures		\$ 38,436.10
Storm Recovery - Interest Earned		14.35
Accumulated Absences - Interest Earned		31.35
Lien Redemption - Premium Forfeitures		48,155.97
Escrow - Interest Earned		4,560.47
Outside Police - Prepaid		(6,665.00)
Unemployment - Employee Contributions		(16,096.79)
Outside Police - Reimbursement to Current Fund		114,081.24
		\$ 182,517.69

TOWNSHIP OF DELRAN
TRUST OTHER FUND
Statement of Accounts Receivable - Outside Police
For Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 1,600.00
Increased by:	
Accrued for Services Rendered	<u>4,880.00</u>
	6,480.00
Decreased by:	
Receipts	<u>1,600.00</u>
Balance Dec. 31, 2016	<u><u>\$ 4,880.00</u></u>

TOWNSHIP OF DELRAN
TRUST ANIMAL CONTROL FUND
 Statement of Reserve for Animal Control Expenditures
 For Year Ended December 31, 2016

Balance Dec. 31, 2015		\$ 16,098.90
Increased by:		
Receipts:		
Dog License Fees Collected	\$ 9,651.00	
Cat License Fees Collected	734.00	
Late Registration Fees	1,020.00	
Replacement Fees	2.00	
		11,407.00
		27,505.90
Decreased by:		
Expenditures Under R.S.4:19-15.11:		
Cash Disbursed		19,864.07
Balance Dec. 31, 2016		\$ 7,641.83

Animal Control Fees Collected

Year	Amount
2014	\$ 12,620.40
2015	11,909.40
	\$ 24,529.80

TOWNSHIP OF DELRAN
TRUST - OPEN SPACE FUND
 Statement of Reserve Open Space Trust Fund
 For Year Ended December 31, 2016

Balance Dec. 31, 2015		\$ 1,775,615.46
Increased by:		
Interest Earned on Investments and Deposits	\$ 4,436.13	
Open Space Taxes	<u>325,000.00</u>	
		<u>329,436.13</u>
		2,105,051.59
Decreased by:		
Paid or Charged:		
Debt Service:		
Payment of Bond Principal	79,000.00	
Payment of Bond Anticipation Note	63,172.00	
Interest on Bonds	64,212.50	
Interest on Notes	12,504.49	
Reserve for Future Use	<u>112.50</u>	
		<u>219,001.49</u>
Balance Dec. 31, 2016		<u><u>\$ 1,886,050.10</u></u>

TOWNSHIP OF DELRAN
TRUST - OPEN SPACE FUND
 Statement of Due to Current Fund
 For Year Ended December 31, 2016

Balance Dec. 31, 2015		\$ 14,971.02
Increased by:		
Cash Receipts:		
Interfund Advanced	<u>1,313.14</u>	
		16,284.16
Decreased by:		
Cash Disbursements:		
Interfund Returned	<u>14,971.02</u>	
Balance Dec. 31, 2016		<u><u>\$ 1,313.14</u></u>

TOWNSHIP OF DELRAN
TRUST OTHER FUND
Statement of Accounts Payable
For Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 76,255.91
Increased by:	
Miscellaneous Trust Reserves	<u>13,395.61</u>
	89,651.52
Decreased by:	
Disbursed by Current Fund	<u>11,680.00</u>
Balance Dec. 31, 2016	<u><u>\$ 77,971.52</u></u>
<u>Analysis of Balance Dec. 31, 2016</u>	
Due to Criminal Disposition and Review Collection Fund	\$ 66,266.52
Salaries and Wages Payable - Outside Police	<u>11,705.00</u>
	<u><u>\$ 77,971.52</u></u>

TOWNSHIP OF DELRAN
TRUST OTHER FUND
Statement of Prepaid Outside Police
For Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 14,440.00
Increased by:	
Received in Current Fund	<u>15,485.00</u>
	29,925.00
Decreased by:	
Applied to Reserve	<u>14,440.00</u>
Balance Dec. 31, 2016	<u><u>\$ 15,485.00</u></u>

TOWNSHIP OF DELRAN
TRUST OTHER FUND
 Statement of Miscellaneous Trust Reserves
 For Year Ended December 31, 2016

	(Restated) Balance Dec. 31, 2015	Increased by				Accounts Receivable	Prepaid Applied	Accounts Payable	Balance Dec. 31, 2016
		Receipts	Unrealized Gain on Investments	Due From (to) Other Fund	Disbursements				
Reserve for:									
Street Opening Deposits	\$ 26,072.80	\$ 213.75		\$ 8,157.21	\$ 12,249.97			\$ 14,036.58	
New Jersey Unemployment Insurance	50,736.72	3,000.06			8,773.18			53,120.81	
Planning Escrow Fund Deposits	868,762.92	321,693.61			582,060.46			608,396.07	
Affordable Housing Trust Funds	507,749.91	212,398.08			8,716.46			711,431.53	
Public Defender Fees	10,373.91	15,185.50			7,700.00		\$ (1,690.61)	16,168.80	
Credit Card Program	7,619.60							7,619.60	
Parking Offense Adjudication Act	742.00	22.00						764.00	
Tax Sale Premiums	559,900.00	211,300.00			367,800.00			403,400.00	
Delran Day Donations	12,320.64	2,100.00			5,650.00			8,770.64	
Deposits for Redemption of Tax Sale Certificates	23,939.63	488,409.70			503,447.48			8,901.85	
Performance/Maintenance Escrows	13,692.64	1,500.00						15,192.64	
Police Emergency Service Equipment	1,555.47							1,555.47	
Special Law Enforcement	37,549.33	1,775.75			12,487.00			26,838.08	
Length of Service Awards Program	503,527.40	61,171.95	\$ 62,831.72	(9,114.49)	27,284.67			591,131.91	
Bike Patrol	9,065.87							9,065.87	
Outside Police Employment		219,220.00			226,835.00	\$ 4,880.00	(11,705.00)	2,004.00	
Jake's Place	2,004.00							2,004.00	
Storm Recovery	40,000.00							40,000.00	
Accumulated Absences	140,000.00	50,000.00			64,778.97			125,221.03	
Multiple-Dwelling Security Deposits	14,625.29	1.10						14,626.39	
Kenneth Johnston Memorial Fund	319.23							319.23	
Police Unclaimed Funds	4,806.50							4,806.50	
Easter Egg Hunt	1,350.00	600.00						1,950.00	
Community Park Donations	4,500.00	23,350.00			9,486.00			18,364.00	
Mayor's Great Grill Off	1,800.00							1,800.00	
	<u>\$ 2,843,013.86</u>	<u>\$ 1,611,941.50</u>	<u>\$ 62,831.72</u>	<u>\$ (957.28)</u>	<u>\$ 1,837,269.19</u>	<u>\$ 4,880.00</u>	<u>\$ 14,440.00</u>	<u>\$ (13,395.61)</u>	<u>\$ 2,685,485.00</u>

Cash - Treasurer
Investments

	\$ 1,550,769.55
	<u>61,171.95</u>
	<u>\$ 1,837,269.19</u>

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of General Capital Cash per N.J.S. 40A:5-5--Treasurer
For the Year Ended December 31, 2016

Balance Dec. 31, 2015		\$	3,301,046.40
Increased by Receipts:			
Department of Transportation Grant	\$ 417,875.00		
Capital Improvement Fund	140,000.00		
Interest on Investment due to Current Fund	7,187.96		
Due to Federal and State Grant Fund	13,930.20		
Bond Anticipation Note	<u>9,287,251.00</u>		
			<u>9,866,244.16</u>
			13,167,290.56
Decreased by Disbursements:			
Improvement Authorizations	635,438.39		
Repayment of Bond Anticipation Notes	8,882,773.08		
Contracts Payable	279,319.64		
Reserve for the Payment of Debt - Current Fund Anticipated Revenue	200,000.00		
Due to Current Fund	<u>7,337.92</u>		
			<u>10,004,869.03</u>
Balance Dec. 31, 2016		\$	<u><u>3,162,421.53</u></u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of General Capital Cash
 For the Year Ended December 31, 2016

	Balance (Deficit) Dec. 31, 2015	Receipts			Disbursements			Transfers From	To	Balance (Deficit) Dec. 31, 2016
		Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous				
Fund Balance	\$ 72,636.93									\$ 72,636.93
Capital Improvement Fund	56,232.32		\$ 140,000.00						\$ 28,130.00	168,102.32
Due from Current Fund	640.51		7,187.96							490.55
Due from the Department of Transportation	(24,364.97)									(24,364.97)
Due to Federal and State Grant Fund			13,930.20							13,930.20
Reserve for:										
Repairs and Improvements to Drainage Facilities	15,000.00									15,000.00
Generator	20,000.00									20,000.00
Traffic Improvements	15,000.00									15,000.00
Storm Sewer Maintenance	21,750.00									21,750.00
Preliminary Expenses	1,249.94									1,249.94
Payment of Bonds and Notes	439,591.96		417,875.00						200,000.00	657,466.96
Contracts Payable	281,570.89								279,319.64	1,270,360.13
Excess Note Proceeds	20,000.11				\$ 19,992.08					8.03
Improvement Authorizations:										
Ordinance Number										
2008-15 Acquisition of Property	180,394.76			\$ 81,542.87				10,438.03		88,413.86
2009-19 Acquisition of Various Equipment	370.00									370.00
2010-01 Reconstruction of Haines Mill Road, Various Municipal Improvement and Reconstruction of Yansick Drive and Moreland Drive	(37,873.97)	\$ 249,286.00			249,294.03					(37,882.00)
2009-14 /										
2010-08 Improvements to Various Roads		163,400.00			163,400.00					(200,000.00)
2010-11 Various Improvements		194,395.26			194,395.26					
2011-03 Purchase of Land		69,481.00			69,481.00					
2011-07 Open Space Purchase of Land	(200,000.00)	218,933.00			218,933.00					(200,000.00)
2011-09 Improvements to Various Roads		135,669.59			135,669.59					
2011-11 Various Roadway Improvements		107,552.26			107,552.26					
2011-18 Open Space Recreational Improvements	78,009.75	1,665,266.00		4,891.50	1,665,266.00					73,118.25

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of General Capital Cash
 For the Year Ended December 31, 2016

Improvement Authorizations (Cont'd): Ordinance Number	Receipts			Disbursements			Balance (Deficit) Dec. 31, 2016	
	Balance (Deficit) Dec. 31, 2015	Bond		Improvement Authorizations	Bond			Balance (Deficit) Dec. 31, 2016
		Anticipation Notes	Miscellaneous		Anticipation Notes	Miscellaneous		
2011-20 Various Roadway Improvements	\$ (15,534.15)	\$ 59,777.00		\$ 59,777.00			\$ (15,534.15)	
2012-01 Open Space Acquisition of Real Property	60,500.00						60,500.00	
2012-04 Various Improvements	88,351.00	721,853.00	\$ 2,474.64	721,853.00	\$ 3.25		85,873.11	
2012-06 Open Space Improvements to Fields	30,000.00						30,000.00	
2012-08 Reconstruction of Haines Mill Road		15,301.76				15,301.76		
2012-09 Sidewalk Construction & Installation	28,606.52	248,413.00		248,404.97	1,824.00		26,790.55	
2012-10 Various Road Improvements		179,500.00		179,500.00				
2012-12 Open Space Upgrades to Swedes Lake Outfall	87,318.50						87,318.50	
2012-13 Improvements to River Drive Outfall	5,195.00	88,386.00		88,386.00			5,195.00	
2013-09 Various Capital Improvements and Acquisition of Capital Equipment	167,270.74	894,117.00	19,624.90	894,117.00	14,080.20		133,565.64	
2013-12 Various Capital Improvements and Acquisition of Capital Equipment		98,129.50		98,129.50				
2014-08 Various Capital Improvements	464,034.17	1,662,500.00	72,471.40	1,662,500.00	32,964.00		358,598.77	
2014-10 Reconstruction of Tenby Chase Drive	(175,114.18)	98,950.00	1,509.00	98,950.00			(176,623.18)	
2014-11 Improvements to Community Park	9,306.75	235,600.00		235,600.00	9,306.75			
2014-13 Construction of Sidewalks	265,743.68	285,000.00	4,655.50	285,000.00	12,143.18		248,945.00	
2015-07 Various Capital Improvements	267,138.25	446,350.00	73,506.44	446,350.00	430,392.51		(236,760.70)	
2015-10 Various Roadway Improvements	245,906.50	234,000.00	562.00	234,000.00	95,185.14		150,159.36	
2015-11 Various Roadway Improvements	832,115.39	790,920.63	302,182.54	790,920.63	548,207.32		(18,274.47)	

(Continued)

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of General Capital Cash
 For the Year Ended December 31, 2016

	Receipts			Disbursements			Balance (Deficit) <u>Dec. 31, 2016</u>
	Balance (Deficit) <u>Dec. 31, 2015</u>	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	
Improvement Authorizations (Cont'd):							
Ordinance Number							
2015-12 Hazardous Discharge Site Remediation			\$ 278.00	\$ 63,307.00			\$ (63,585.00)
2016-07 Installation of Sidewalks	\$ 80,000.00		64,642.00		7,393.50		7,964.50
2016-11 Various Capital Improvements		344,470.00	7,097.60		42,864.00	\$ 18,130.00	312,638.40
2016-12 Acquisition of Real Property						<u>10,000.00</u>	<u>10,000.00</u>
	<u>\$3,301,046.40</u>	<u>\$9,287,251.00</u>	<u>\$ 578,993.16</u>	<u>\$ 635,438.39</u>	<u>\$ 8,882,773.08</u>	<u>\$ 1,296,238.88</u>	<u>\$ 3,162,421.53</u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 5,455,000.00
Decreased by:	
Current Year Budget Appropriations	<u>1,291,000.00</u>
Balance Dec. 31, 2016	<u>\$ 4,164,000.00</u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND

Statement of Deferred Charges to Future Taxation -Unfunded
For the Year Ended December 31, 2016

Ordinance Number	Improvement Description	Balance Dec. 31, 2015	2016 Authorizations	Notes Paid by Budget Appropriation	Balance Dec. 31, 2016	Analysis of Balance Dec. 31, 2016		
						Financed by Bond Anticipation Notes	Expended	Unexpended Improvement Authorizations
		\$ 279,750.00			\$ 279,750.00			\$ 279,750.00
	General Improvements:							
2000-21	Provide Funding for Payments Under a Regional Contribution Agreement between the Township of Delran and the City of Burlington	\$ 201,032.42		\$ 37,632.42	163,400.00	\$ 163,400.00		
2009-14/ 2010-08 & 09	Improvements to Various Roads	296,063.97		8,895.97	287,168.00	249,286.00	\$ 37,882.00	
2010-01	Reconstruction of Haines Mill Road, Various Municipal Improvement and Reconstruction of Yansick Drive and Moreland Drive	201,338.26		6,943.00	194,395.26	194,395.26		
2010-11	Various Improvements	70,372.00		891.00	69,481.00	69,481.00		
2011-03	Purchase of Land	421,740.00		2,807.00	418,933.00	218,933.00	200,000.00	
2011-07	Open Space Purchase of Land	139,241.06		3,571.47	135,669.59	135,669.59		
2011-09	Improvements to Various Roads	111,394.26		3,842.00	107,552.26	107,552.26		
2011-11	Various Roadway Improvements	1,724,740.00		59,474.00	1,665,266.00	1,665,266.00		
2011-18	Open Space Recreational Improvements	81,912.00		2,135.00	79,777.00	59,777.00	15,534.15	4,465.85
2011-20	Various Roadway Improvements	743,085.00		21,232.00	721,853.00	721,853.00		
2012-04	Various Improvements	16,152.76		859.03	15,293.73	15,293.73		
2012-08	Reconstruction of Haines Mill Road	262,222.03		13,809.03	248,413.00	248,413.00		
2012-09	Sidewalk Construction & Installation	189,473.00		9,973.00	179,500.00	179,500.00		
2012-10	Reconstruction of Haines Mill Road	90,712.00		2,326.00	88,386.00	88,386.00		
2012-13	Improvements to River Drive Outfall							

(Continued)

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation -Unfunded
For the Year Ended December 31, 2016

Ordinance Number	Improvement Description	Balance Dec. 31, 2015	2016 Authorizations	Notes Paid by Budget Appropriation	Balance Dec. 31, 2016	Analysis of Balance Dec. 31, 2016		
						Financed by Bond Anticipation Notes	Expended	Unexpended Improvement Authorizations
General Improvements (Cont'd):								
2013-09	Various Capital Improvements and Acquisition of Capital Equipment	\$ 950,000.00		\$ 55,883.00	\$ 894,117.00	\$ 894,117.00		
2013-12	Various Capital Improvements and Acquisition of Capital Equipment	100,712.50		2,583.00	98,129.50	98,129.50		
2014-08	Various Capital Improvements	1,662,500.00			1,662,500.00	1,662,500.00		
2014-10	Reconstruction of Tenby Chase Drive	432,250.00			432,250.00	98,950.00	\$ 215,088.89	\$ 118,211.11
2014-11	Improvements to Community Park	235,600.00			235,600.00	235,600.00		
2014-13	Construction of Sidewalks	285,000.00			285,000.00	285,000.00		
2015-07	Various Capital Improvements	696,350.00			696,350.00	446,350.00	236,760.70	13,239.30
2015-10	Various Roadway Improvements	234,068.00			234,068.00	234,000.00		68.00
2015-11	Various Roadway Improvements	809,195.10			809,195.10	790,920.63	18,274.47	
2015-12	Hazardous Discharge Site Remediation	63,585.00			63,585.00		63,585.00	
2016-07	Installation of Sidewalks		\$ 80,000.00		80,000.00	80,000.00		
2016-11	Various Capital Improvements		344,470.00		344,470.00	344,470.00		
2016-12	Acquisition of Real Property		190,000.00		190,000.00			190,000.00
2016-14	Refunding Ordinance		195,000.00		195,000.00			195,000.00
		<u>\$10,298,489.36</u>	<u>\$ 809,470.00</u>	<u>\$232,856.92</u>	<u>\$ 10,875,102.44</u>	<u>\$ 9,287,242.97</u>	<u>\$ 787,125.21</u>	<u>\$ 800,734.26</u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation -Unfunded
 For the Year Ended December 31, 2016

	Analysis of Balance Dec. 31, 2016				
Ordinance Number	Improvement Description	Balance Dec. 31, 2015	2016 Authorizations	Notes Paid by Budget Appropriation	Balance Dec. 31, 2016
				Financed by Bond Anticipation Notes	Unexpended Improvement Authorizations
Improvement Authorizations - Unfunded					
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:					
Ord. 2011-18					\$ 2,242,048.55
Ord. 2012-4				\$ 73,118.25	
Ord. 2012-9				85,873.11	
Ord. 2012-13				26,790.55	
Ord. 2013-9				5,195.00	
Ord. 2014-8				133,565.64	
Ord. 2014-10				358,598.77	
Ord. 2014-13				38,465.71	
Ord. 2015-10				248,945.00	
Ord. 2016-7				150,159.36	
Ord. 2016-11				7,964.50	
				312,638.40	
					1,441,314.29
					\$ 800,734.26

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of Capital Improvement Fund
 For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$	56,232.32
Increased by:		
Current Year Budget Appropriation:		
Current Fund		<u>140,000.00</u>
		196,232.32
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>28,130.00</u>
Balance Dec. 31, 2016	\$	<u><u>168,102.32</u></u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of Reserve for Payment of Bonds and Notes
 For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$	439,591.96
Increased by:		
Grant Receipts		<u>417,875.00</u>
		857,466.96
Decreased by:		
Disbursed to Current Fund - Anticipated as Miscellaneous Revenue		<u>200,000.00</u>
Balance Dec. 31, 2016	\$	<u><u>657,466.96</u></u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Schedule of Reserve for Preliminary Expenses
As of December 31, 2016

Analysis of Balance--Dec. 31, 2016

Road Construction--Engineering	\$	794.22
Building--Legal		455.72
	<u>\$</u>	<u>1,249.94</u>

Exhibit SC-8

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Due From/To Other Funds
For the Year Ended December 31, 2016

	<u>Due From (To)</u> <u>Current Fund</u>	<u>Federal and</u> <u>State Grant Fund</u>
Balance Dec. 31, 2015--Due (To)	\$ (640.51)	\$ -
Increased by:		
Disbursements:		
Interfund Returned	7,337.92	
	7,337.92	-
Decreased by:		
Receipts:		
Interest on Investments--Due Current Fund	7,187.96	
Reimburse for Police Grant		13,930.20
	7,187.96	13,930.20
Balance Dec. 31, 2016--Due (To)	<u>\$ (490.55)</u>	<u>\$ (13,930.20)</u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2016

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance		2016		Balance	
				Dec. 31, 2015		Authorizations		Dec. 31, 2016	
				Funded	Unfunded	Expended	Funded	Unfunded	
General Improvements:									
2000-21	Provide Funding for Payments Under a Regional Contribution Agreement between the Township of Delran and the City of Burlington	11-28-00	\$1,140,000.00	\$	279,750.00			\$	279,750.00
2008-15	Acquisition of Property	12-29-08	2,000,000.00	\$	180,394.76			\$	91,980.90
2009-19	Acquisition of Various Equipment	10-27-09	130,000.00		370.00				370.00
2011-18	Open Space Recreational Improvements	7-26-11	2,200,000.00		78,009.75				4,891.50
2011-20	Various Roadway Improvements	10-25-11	70,000.00		4,465.85				4,465.85
2012-01	Open Space Acquisition of Real Property	1-24-12	65,000.00		60,500.00				60,500.00
2012-04	Various Improvements	6-26-12	1,000,000.00		88,351.00				2,477.89
2012-06	Open Space Improvements to Fields	7-24-12	30,000.00		30,000.00				30,000.00
2012-09	Sidewalk Construction & Installation	8-28-12	200,000.00		28,614.55				1,824.00
2012-12	Open Space Upgrades to Swedes Lake Outfall	9-25-12	88,000.00		87,318.50				87,318.50
2012-13	Improvements to River Drive Outfall	9-25-12	98,000.00		5,195.00				5,195.00
2013-09	Various Capital Improvements and Acquisition of Capital Equipment	5-28-13	1,000,000.00		167,270.74				33,705.10
2014-08	Various Capital Improvements	6-10-14	1,750,000.00		464,034.17				105,435.40

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2016

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2015		2016 Authorizations	Balance Dec. 31, 2016	
				Funded	Unfunded		Funded	Unfunded
General Improvements (Cont'd):								
2014-10	Reconstruction of Tenby Chase Drive	7-1-14	\$ 455,250.00	\$ 158,185.82	\$ 1,509.00	\$ 156,676.82		
2014-11	Improvements to Community Park	8-5-14	248,000.00	9,306.75	9,306.75			
2014-13	Construction of Sidewalks	9-2-14	300,000.00	265,743.68	16,798.68	248,945.00		
2015-07	Various Capital Improvements	6-2-15	733,000.00	517,138.25	503,898.95	13,239.30		
2015-10	Various Roadway Improvements	10-6-15	246,388.00	\$ 11,906.50	95,747.14	150,227.36		
2015-11	Various Roadway Improvements	10-6-15	853,611.85	41,194.76	850,389.86			
2015-12	Hazardous Discharge Site Remediation	11-10-15	63,585.00	63,585.00	63,585.00			
2016-07	Installation of Sidewalks	6-14-16	80,000.00		\$ 80,000.00	7,964.50		
2016-11	Various Capital Improvements	9-6-16	362,600.00		362,600.00	312,638.40		
2016-12	Acquisition of Real Property	10-25-16	200,000.00		200,000.00	\$ 10,000.00		
2016-14	Refunding Ordinance	12-13-16	195,000.00		195,000.00	195,000.00		
				\$ 411,684.52	\$ 3,172,913.66	\$ 837,600.00	\$ 1,903,547.27	\$ 2,242,048.55
Deferred Charges to Future Taxation --- Unfunded Capital Improvement Fund					\$ 809,470.00			
					<u>28,130.00</u>			
					<u><u>\$ 837,600.00</u></u>			
Cash Disbursed					\$ 635,438.39			
Encumbrances/Contracts Payable					<u>1,268,108.88</u>			
					<u><u>\$ 1,903,547.27</u></u>			

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Encumbrances/Contracts Payable
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 281,570.89
Increased by:	
2016 Contracts	<u>1,268,108.88</u>
	1,549,679.77
Decreased by:	
Disbursed	<u>279,319.64</u>
Balance Dec. 31, 2016	<u><u>\$ 1,270,360.13</u></u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of General Serial Bonds
 For the Year Ended December 31, 2016

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2015</u>	<u>Budget Appropriation</u>	<u>Balance Dec. 31, 2016</u>
General Obligation Bonds	8-15-09	\$ 4,056,000.00	8-15-17	\$ 952,000.00	5.00%	\$ 2,865,000.00	\$ 917,000.00	\$ 1,948,000.00
			8-15-18	996,000.00	4.00%			
<hr/>								
General Obligation Bonds - Open Space	8-15-09	1,829,000.00	8-15-17	81,000.00	5.00%			
			8-15-18	84,000.00	4.00%			
			8-15-19	86,000.00	5.00%			
			8-15-20	86,000.00	5.00%			
			8-15-21	91,000.00	5.00%			
			8-15-22	96,000.00	5.00%			
			8-15-23	101,000.00	5.00%			
			8-15-24	101,000.00	4.00%			
			8-15-25	106,000.00	4.375%			
			8-15-26	114,000.00	4.375%			
			8-15-27	115,000.00	4.375%			
			8-15-28	125,000.00	4.375%			
			8-15-29	130,000.00	4.375%			
<hr/>								
				1,316,000.00			79,000.00	1,316,000.00
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General Obligation Refunding	11-3-09	4,215,000.00	1-1-17	125,000.00	3.25%			
			1-1-17	165,000.00	4.50%			
			1-1-18	290,000.00	4.50%			
			1-1-19	20,000.00	3.50%			
			1-1-19	300,000.00	4.00%			
<hr/>								
				900,000.00			295,000.00	900,000.00
<hr/>								
						\$ 5,455,000.00	\$ 1,291,000.00	\$ 4,164,000.00
<hr/>								
Current Fund						\$ 1,212,000.00		
Open Space Trust Fund						<u>79,000.00</u>		
						<u>\$ 1,291,000.00</u>		

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND

Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2016

Ordinance Number	Improvement Description	Date of Issue		Date of Maturity	Interest Rate	Balance Dec. 31, 2015	Issued	Paid	Balance Dec. 31, 2016
		of Original Note	Date of Issue						
2009-14 /		12/22/10	11/4/15	11/3/16	0.62%	\$ 221,024.50	\$ 221,024.50		\$ 163,400.00
2010-08	Improvements to Various Roads	12/22/10	11/2/16	11/1/17	1.07%				\$ 163,400.00
2010-01	Reconstruction of Haines Mill Road, Various Municipal Improvement and Reconstruction of Yansick Drive and Moreland Drive	12/22/10	11/4/15	11/3/16	0.62%	258,190.00	258,190.00		249,286.00
2010-11	Various Improvements	12/22/10	11/4/15	11/3/16	0.62%	201,338.26	201,338.26		194,395.26
2011-03	Purchase of Land	11/14/11	11/4/15	11/3/16	0.62%	70,372.00	70,372.00		69,481.00
2011-07	Open Space Purchase of Land	11/14/11	11/2/16	11/1/17	1.07%		221,740.00	221,740.00	218,933.00
2011-09	Improvements to Various Roads	11/14/11	11/4/15	11/3/16	0.62%	139,241.06	139,241.06		135,669.59
2011-11	Improvements to Various Roads	11/14/11	11/2/16	11/1/17	1.07%	111,394.26	111,394.26		107,552.26
2011-18	Open Space Improvements	11/14/11	11/4/15	11/3/16	0.62%	1,724,740.00	1,724,740.00		1,665,266.00
2011-20	Various Road Improvements	11/13/12	11/2/16	11/1/17	1.07%	61,912.00	61,912.00		59,777.00
2012-04	Various Improvements	11/13/12	11/4/15	11/3/16	0.62%	743,085.00	743,085.00		721,853.00

(Continued)

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2016

Ordinance Number	Improvement Description	Date of Issue		Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2015	Issued	Paid	Balance Dec. 31, 2016
		of Original Note	Date of Issue							
2012-08	Various Road Improvements	11/13/12	11/4/15	11/3/16	0.62%	\$ 16,160.79	\$ 15,301.76	\$ 16,160.79	\$ 15,301.76	
		11/13/12	11/2/16	11/1/17	1.07%					
2012-09	Various Road Improvements	11/13/12	11/4/15	11/3/16	0.62%	262,214.00	248,413.00	262,214.00	248,413.00	
		11/13/12	11/2/16	11/1/17	1.07%					
2012-10	Various Road Improvements	11/13/12	11/4/15	11/3/16	0.62%	189,473.00	179,500.00	189,473.00	179,500.00	
		11/13/12	11/2/16	11/1/17	1.07%					
2012-13	Various Road Improvements	11/13/12	11/4/15	11/3/16	0.62%	90,712.00	88,386.00	90,712.00	88,386.00	
		11/13/12	11/2/16	11/1/17	1.07%					
2013-09	Acquisition of Various Equipment	11/8/13	11/4/15	11/3/16	0.62%	950,000.00	894,117.00	950,000.00	894,117.00	
		11/8/13	11/2/16	11/1/17	1.07%					
2013-12	Various Capital Improvements and Acquisition of Capital Equipment	11/8/13	11/4/15	11/3/16	0.62%	100,712.50	98,129.50	100,712.50	98,129.50	
		11/8/13	11/2/16	11/1/17	1.07%					
2014-08	Various Capital Improvements	12/23/14	11/4/15	11/3/16	0.62%	868,700.00	868,700.00	868,700.00	868,700.00	
		11/4/15	11/4/15	11/3/16	0.62%	793,800.00	793,800.00	793,800.00	793,800.00	
		12/23/14	11/2/16	11/1/17	1.07%					
11/4/15	11/2/16	11/1/17	1.07%							
2014-10	Reconstruction Tenby Chase Drive	12/23/14	11/4/15	11/3/16	0.62%	22,750.00	22,750.00	22,750.00	22,750.00	
		11/4/15	11/4/15	11/3/16	0.62%	76,200.00	76,200.00	76,200.00	76,200.00	
2014-11	Improvements to Community Park	12/23/14	11/2/16	11/1/17	1.07%	235,600.00	235,600.00	235,600.00	235,600.00	
		12/23/14	11/2/16	11/1/17	1.07%					

**TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND**

Statement of Bond Anticipation Notes
For the Year Ended December 31, 2016

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Date of Interest Rate	Interest Rate	Balance Dec. 31, 2015	Issued	Paid	Balance Dec. 31, 2016	
											Issue
2014-13	Construction of Sidewalks	12/23/14	11/4/15	11/3/16	11/3/16	0.62%	\$ 285,000.00	\$ 285,000.00	\$ 285,000.00	\$ 285,000.00	
		12/23/14	11/2/16	11/1/17	11/1/17	1.07%	\$ 285,000.00	\$ 285,000.00	\$ 285,000.00	\$ 285,000.00	
2015-07	Various Capital Improvements	11/4/15	11/4/15	11/3/16	11/3/16	0.62%	446,350.00	446,350.00	446,350.00	446,350.00	
		11/4/15	11/2/16	11/1/17	11/1/17	1.07%	446,350.00	446,350.00	446,350.00	446,350.00	
2015-10	Various Roadway Improvements	11/4/15	11/4/15	11/3/16	11/3/16	0.62%	234,000.00	234,000.00	234,000.00	234,000.00	
		11/4/15	11/2/16	11/1/17	11/1/17	1.07%	234,000.00	234,000.00	234,000.00	234,000.00	
2015-11	Various Roadway Improvements	11/4/15	11/4/15	11/3/16	11/3/16	0.62%	790,920.63	790,920.63	790,920.63	790,920.63	
		11/4/15	11/2/16	11/1/17	11/1/17	1.07%	790,920.63	790,920.63	790,920.63	790,920.63	
2016-07	Installation of Sidewalks	11/2/16	11/2/16	11/1/17	11/1/17	1.07%	80,000.00	80,000.00	80,000.00	80,000.00	
2016-11	Various Capital Improvements	11/2/16	11/2/16	11/1/17	11/1/17	1.07%	344,470.00	344,470.00	344,470.00	344,470.00	
							\$ 9,115,630.00	\$ 9,287,251.00	\$ 9,115,630.00	\$ 9,287,251.00	
Renewals											
Current Fund Budget Appropriation							\$ 8,862,781.00	\$ 8,862,781.00	\$ 8,862,781.00	\$ 8,862,781.00	\$ 8,862,781.00
Open Space Budget Appropriation							169,684.92	169,684.92	169,684.92	169,684.92	169,684.92
Excess Note Proceeds							63,172.00	63,172.00	63,172.00	63,172.00	63,172.00
Issued for Cash							424,470.00	424,470.00	424,470.00	424,470.00	424,470.00
							\$ 9,287,251.00	\$ 9,287,251.00	\$ 9,115,630.00	\$ 9,115,630.00	\$ 9,287,251.00

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND

Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2016

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2015</u>	<u>2016 Authorizations</u>	<u>Bond Anticipation Notes Issued and Redeemed</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2016</u>
2000-21	Provide Funding for Payments Under a Regional Contribution Agreement between the Township of Delran and the City of Burlington	\$ 279,750.00				\$ 279,750.00
2010-01	Reconstruction of Haines Mill Road, Various Municipal Improvement and Reconstruction of Yansick Drive and Moreland Drive	508,657.61			\$ 470,775.61	37,882.00
2011-07	Open Space Purchase of Land	200,000.00				200,000.00
2011-20	Improvements to Various Roads	20,000.00				20,000.00
2014-10	Reconstruction Tenby Chase Drive	333,300.00				333,300.00
2015-07	Various Capital Improvements	250,000.00				250,000.00
2015-10	Various Roadway Improvements	68.00				68.00
2015-11	Various Roadway Improvements	18,274.47				18,274.47
2015-12	Hazardous Discharge Site Remediation	63,585.00				63,585.00
2016-07	Installation of Sidewalks		\$ 80,000.00	\$ 80,000.00		
2016-11	Various Capital Improvements		344,470.00	344,470.00		
2016-12	Acquisition of Real Property		190,000.00			190,000.00
2016-14	Refunding Ordinance		195,000.00			195,000.00
		<u>\$ 1,673,635.08</u>	<u>\$ 809,470.00</u>	<u>\$ 424,470.00</u>	<u>\$ 470,775.61</u>	<u>\$ 1,587,859.47</u>
	<u>Issued</u>			<u>\$ 9,287,251.00</u>		
	<u>Redeemed</u>			<u>8,862,781.00</u>		
				<u>\$ 424,470.00</u>		

SUPPLEMENTAL EXHIBITS

SEWER UTILITY FUND

TOWNSHIP OF DELRAN
SEWER UTILITY FUND
Statement of Sewer Utility Cash
Per N.J.S. 40A:5-5--Sewer Treasurer
For the Year Ended December 31, 2016

	<u>Operating</u>	<u>Capital</u>
Balance Dec. 31, 2015	\$ 4,813,274.87	\$ 1,991,876.87
Increased by Receipts:		
Sewer Collector	\$ 3,834,452.53	
Developer's Escrow Deposits	47,648.50	
Prepaid Connection Fees	88,380.40	
NJEIT Loans Receivable		\$ 26,540.00
Budget Appropriation		457,450.00
Due from Sewer Utility Operating Fund		146,460.81
	<u>3,970,481.43</u>	<u>630,450.81</u>
	8,783,756.30	2,622,327.68
Decreased by Disbursements:		
2016 Budget Appropriations	1,682,785.65	
2015 Appropriation Reserves	258,643.98	
Developer's Escrow Deposits	28,068.47	
Interest on Bonds	26,420.20	
Due to Sewer Utility Capital Fund	142,562.95	
Due to Current Fund	1,237,126.43	
Due to Trust - Other Fund		
Refund of Prior Year Revenue		
Due to Sewer Utility Operating Fund		
Bond Anticipation Notes		1,205,000.00
Contracts Payable and Encumbrances		23,349.50
Improvement Authorizations		422,170.00
	<u>3,375,607.68</u>	<u>1,650,519.50</u>
Balance Dec. 31, 2016	<u><u>\$ 5,408,148.62</u></u>	<u><u>\$ 971,808.18</u></u>

TOWNSHIP OF DELRAN
SEWER UTILITY FUND
Statement of Sewer Utility Cash
Per N.J.S. 40A:5-5--Sewer Collector
For the Year Ended December 31, 2016

Receipts:

Consumer Accounts Receivable	\$ 3,750,257.75
Prepayments	9,085.40
Interest on Delinquent Accounts	60,529.84
Miscellaneous Revenue Anticipated	<u>14,579.54</u>

3,834,452.53

Decreased by:

Payments to Treasurer	<u><u>\$ 3,834,452.53</u></u>
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All funds are deposited directly to the Treasurer's bank account.

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Analysis of Sewer Utility Capital Cash
For the Year Ended December 31, 2016

Ordinance Number	Balance (Deficit) Dec. 31, 2015	Receipts			Disbursements		Transfers		Balance (Deficit) Dec. 31, 2016
		Budget Appropriations	Miscellaneous	Miscellaneous	Bond Anticipation Notes	Improvement Authorization	From	To	
Capital Improvement Fund Balance	\$ 325,000.00								\$ 325,000.00
NJEIT Loans Receivable	10,083.70								10,083.70
Due To (From) Sewer Utility Operating Fund	(189,186.00)	\$ 26,540.00					\$ 121,984.00		(40,662.00)
Excess Note Proceeds	96,382.82	146,460.81							242,843.63
Contracts Payable	290,550.00				\$ 290,550.00				
Improvement Authorizations:	23,349.50		\$ 23,349.50						150,742.50
Dissolution of Delran Sewerage Authority	(8.25)								(8.25)
Brown Street Pumping Station Improvements	(1,024.41)								(1,024.41)
Various Improvements to WWTP	665,801.51	\$ 209,450.00			209,450.00	\$ 4,263.00	\$ 141,582.75		519,955.76
5th Street Pump Station, Various Plant Upgrades	770,928.00	248,000.00			705,000.00	417,907.00	131,143.75		(235,122.75)
	\$ 1,991,876.87	\$ 457,450.00	\$ 173,000.81	\$ 23,349.50	\$ 1,205,000.00	\$ 422,170.00	\$ 272,726.50	\$ 272,726.50	\$ 971,808.18

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2016

Balance Dec. 31, 2015		\$	844,529.62
Increased by:			
Sewer Rents Levied	\$ 3,859,594.44		
Interest on Delinquent Accounts	<u>63,704.07</u>		
			<u>3,923,298.51</u>
			4,767,828.13
Decreased by:			
Sewer Rents Collected	3,750,257.75		
Prepayments Applied	<u>7,242.37</u>		
	3,757,500.12		
Interest on Delinquent Accounts Collected	<u>60,529.84</u>		
			<u>3,818,029.96</u>
Balance Dec. 31, 2016		\$	<u><u>949,798.17</u></u>

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Due From / (To) Other Funds
For the Year Ended December 31, 2016

	Sewer Utility Capital Fund	Trust Other Fund	Current Fund
Balance Dec. 31, 2015--Due From	\$ 96,382.82	\$ 4,654.04	\$ -
Increased by:			
Disbursed to Current Fund			1,237,126.43
Interest on Investments	3,897.86		
Disbursed to Sewer Utility Capital Fund	142,562.95		
	146,460.81	-	1,237,126.43
Decreased by:			
Expenditures Paid from Current Fund			1,267,590.08
Balance Dec. 31, 2016--Due From (To)	<u>\$ 242,843.63</u>	<u>\$ 4,654.04</u>	<u>\$ (30,463.65)</u>

Exhibit SD-6

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Sewer Rent Prepayments
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 7,242.37
Increased by:	
Receipts--Collector	9,085.40
	16,327.77
Decreased by:	
Applied to 2016 Consumer Accounts Receivable	7,242.37
Balance Dec. 31, 2016	<u>\$ 9,085.40</u>

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Schedule of Fixed Capital
As of December 31, 2016

<u>Account</u>	<u>Balance Dec. 31, 2016</u>
Land	\$ 4,444,542.00
Land Improvements	132,336.00
Pumping Stations and Treatment Plant	7,115,499.98
Sewer Mains and Treatment Infrastructure	8,170,886.29
General Equipment	<u>9,524,394.32</u>
	<u><u>\$ 29,387,658.59</u></u>

Exhibit SD-8

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Schedule of Fixed Capital Authorized and Uncompleted
As of December 31, 2016

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Amount</u>	<u>Balance Dec. 31, 2016</u>
2010-04	Dissolution of Delran Sewerage Authority	2/23/2010	\$ 125,000.00	\$ 125,000.00
2010-12	Brown Street Pumping Station Improvements	8/24/2010	160,000.00	160,000.00
2012-05 / 2013-10	Various Improvements to WWTP	6/26/2012	2,479,000.00	2,479,000.00
2014-15	5th Street Pump Station, various Plant upgrades	10/7/2014	2,480,000.00	<u>2,480,000.00</u>
				<u><u>\$ 5,244,000.00</u></u>

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of 2015 Appropriation Reserves and Reserve for Encumbrances
For the Year Ended December 31, 2016

	Balance Dec.31,		<u>Disbursed</u>	Balance <u>Lapsed</u>
	<u>Encumbered</u>	<u>Reserved</u>		
Operating:				
Salaries and Wages		\$ 1,966.34		\$ 1,966.34
Other Expenses	\$ 171,569.21	159,598.60	\$ 258,643.98	72,523.83
Capital Improvements:				
Capital Outlay		25,000.00		25,000.00
	<u>\$ 171,569.21</u>	<u>\$ 186,564.94</u>	<u>\$ 258,643.98</u>	<u>\$ 99,490.17</u>

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Accrued Interest on Bonds, Notes and Loans and Analysis of Balance
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 8,492.23
Increased by:	
Accrued Interest	23,635.56
	32,127.79
Decreased by:	
Interest Paid	26,420.20
Balance Dec. 31, 2016	\$ 5,707.59

Analysis of Accrued Interest Dec. 31, 2016

	<u>Amount Outstanding</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Days</u>	<u>Amount</u>
Infrastructure Loan: 2014A	\$ 445,000.00	Various	9/1/2016	12/31/2016	121	\$ 5,707.59

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Developer's Escrow Deposits
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 36,219.79
Increased by:	
Receipts	47,648.50
	83,868.29
Decreased by:	
Disbursements	28,068.47
Balance Dec. 31, 2016	\$ 55,799.82

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2016

Improvement Description	Number	Ordinance Date	Amount	(Restated) Balance		Paid or Charged	Balance	
				Dec. 31, 2015	Unfunded		Funded	Unfunded
General Improvements:								
Dissolution of Sewerage Authority	2010-04	4/27/2010	\$ 227,500.00	\$ 18,541.75		\$ 23,861.75	\$ 18,541.75	
Brown Street Pumping Station	2010-12	9/15/2010	160,000.00	105,225.59			105,225.59	
Various Improvements to WWTP	2012-05 / 2013-10	6/26/2012	2,479,000.00	\$ 456,351.51	209,450.00	\$ 23,861.75	\$ 641,939.76	
5th Street Pump Station, Various Plant Upgrades	2014-15	10/7/2014	2,480,000.00	65,928.00	2,232,000.00	549,050.75	1,748,877.25	
				<u>\$ 522,279.51</u>	<u>\$ 2,565,217.34</u>	<u>\$ 572,912.50</u>	<u>\$ 641,939.76</u>	<u>\$ 1,872,644.59</u>
Disbursed						\$ 422,170.00		
Contracts Payable & Encumbrances						<u>150,742.50</u>		
						<u>\$ 572,912.50</u>		

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of Contracts Payable and Encumbrances
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 23,349.50
Increased by:	
2016 Contracts and Encumbrances	<u>150,742.50</u>
	174,092.00
Decreased by:	
Disbursements	<u>23,349.50</u>
Balance Dec. 31, 2016	<u><u>\$ 150,742.50</u></u>

Exhibit SD-14

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of Reserve for Amortization
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 29,687,396.71
Increased by:	
NJ Environmental Trust Loan Paid by Utility Operating Budget	<u>94,722.87</u>
Balance Dec. 31, 2016	<u><u>\$ 29,782,119.58</u></u>

Exhibit SD-15

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of Deferred Reserve for Amortization
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 568,000.00
Increased by:	
Budget Appropriation - Costs of Improvements Authorized - Ordinance 2012-05 / 2013-10	\$ 209,450.00
Budget Appropriation - Paydown of BAN's - Ordinance 2014-15	<u>248,000.00</u>
	<u>457,450.00</u>
Balance Dec. 31, 2016	<u><u>\$ 1,025,450.00</u></u>

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
 Statement of New Jersey Environmental Infrastructure Trust Loan Payable
 For the Year Ended December 31, 2016

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Outstanding Dec. 31, 2016</u>	<u>Maturities of Loan</u>	<u>Interest Rate</u>	<u>Balance</u>		
						<u>Dec. 31, 2015</u>	<u>Dec. 31, 2016</u>	
New Jersey Environmental Infrastructure Trust Loan, Series 2014A (Non-Interest Bearing)	5/21/2014	\$ 671,458.86	\$ 24,907.62	2/1/2017	N/A			
			49,815.25	8/1/2017	N/A			
			24,907.62	2/1/2018	8/1/2018	N/A		
			49,815.25	8/1/2018	8/1/2019	N/A		
			24,907.62	2/1/2019	2/1/2020	N/A		
			49,815.25	8/1/2019	8/1/2020	N/A		
			24,907.62	2/1/2020	2/1/2021	N/A		
			49,815.25	8/1/2020	8/1/2021	N/A		
			24,907.62	2/1/2021	2/1/2022	N/A		
			49,815.25	8/1/2021	8/1/2022	N/A		
			24,907.62	2/1/2022	2/1/2023	N/A		
			49,815.25	8/1/2022	8/1/2023	N/A		
			24,907.62	2/1/2023	2/1/2024	N/A		
			49,815.25	8/1/2023	8/1/2024	N/A		
			24,907.62	2/1/2024	2/1/2025	N/A		
			49,815.25	8/1/2024	8/1/2025	N/A		
			24,907.62	2/1/2025	2/1/2026	N/A		
			49,815.25	8/1/2025	8/1/2026	N/A		
			24,907.62	2/1/2026	2/1/2027	N/A		
			49,815.25	8/1/2026	8/1/2027	N/A		
			24,907.62	2/1/2027	2/1/2028	N/A		
		49,815.25	8/1/2027	8/1/2028	N/A			
		24,907.62	2/1/2028	2/1/2029	N/A			
		49,815.25	8/1/2028	8/1/2029	N/A			
		24,907.62	2/1/2029	2/1/2030	N/A			
		49,815.25	8/1/2029	8/1/2030	N/A			
		24,907.62	2/1/2030	2/1/2031	N/A			
		49,815.25	8/1/2030	8/1/2031	N/A			

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
 Statement of New Jersey Environmental Infrastructure Trust Loan Payable
 For the Year Ended December 31, 2016

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Outstanding Date</u>	<u>Maturities of Loan</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2015</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2016</u>
				<u>Dec. 31, 2016</u>	<u>Amount</u>				
New Jersey Environmental Infrastructure Trust Loan, Series 2014A (Non-Interest Bearing) (Cont'd)	5/21/2014	\$ 681,308.86	2/1/2032 8/1/2032	\$ 24,907.62 2,554.34	N/A N/A	\$ 1,345,011.88	\$ 196,706.87	\$ 1,148,305.01	
New Jersey Environmental Infrastructure Trust Loan, Series 2014A (Interest Bearing)	5/21/2014	480,000.00	9/1/2017 9/1/2018 9/1/2019 9/1/2020 9/1/2021 9/1/2022 9/1/2023 9/1/2024 9/1/2025 9/1/2026 9/1/2027 9/1/2028 9/1/2029 9/1/2030 9/1/2031 9/1/2032 9/1/2033	20,000.00 20,000.00 20,000.00 20,000.00 20,000.00 25,000.00 25,000.00 25,000.00 25,000.00 25,000.00 30,000.00 30,000.00 30,000.00 30,000.00 30,000.00 35,000.00 35,000.00	5.000% 5.000% 5.000% 5.000% 5.000% 5.000% 5.000% 5.000% 3.000% 3.000% 3.000% 3.000% 3.000% 3.000% 3.000% 3.125% 3.250%	465,000.00	20,000.00	445,000.00	
							<u>\$ 1,810,011.88</u>	<u>\$ 216,706.87</u>	<u>\$ 1,593,305.01</u>

Budget Appropriation \$ 94,722.87
 Cancelled Maturities 121,984.00
\$ 216,706.87

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2016

Ordinance <u>Number</u>	<u>Improvement Description</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2015</u>	<u>Decreased</u>
2012-05	5th Street Pump Station, Various Plant Upgrades	12-23-14	11-4-15	11-3-16	0.62%	\$ 500,000.00	\$ 500,000.00
2014-05	Various Improvements and Upgrades to the Sewer System	11-4-15	11-4-15	11-3-16	0.62%	<u>705,000.00</u>	<u>705,000.00</u>
						<u>\$ 1,205,000.00</u>	<u>\$ 1,205,000.00</u>
	Budget Appropriation						\$ 457,450.00
	Paid from Capital Cash						<u>747,550.00</u>
							<u>\$ 1,205,000.00</u>

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
 Statement of Bonds and Notes Authorized But Not Issued
 For the Year Ended December 31, 2016

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2015</u>	<u>Funded by Budget Appropriation</u>	<u>Bond Anticipation Notes Returned</u>	<u>Balance Dec. 31, 2016</u>
2010-04	Dissolution of Delran Sewerage Authority	\$ 18,550.00		\$	18,550.00
2010-12	Brown Street Pumping Station Improvements	106,250.00			106,250.00
2014-15	Various Improvements to Sewer System	1,527,000.00	\$ 248,000.00	\$ 705,000.00	1,984,000.00
		<u>\$ 1,651,800.00</u>	<u>\$ 248,000.00</u>	<u>\$ 705,000.00</u>	<u>\$ 2,108,800.00</u>

TOWNSHIP OF DELRAN

PART II

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED

DECEMBER 31, 2016

TOWNSHIP OF DELRAN
Schedule of Findings and Recommendations
For the Year Ended December 31, 2016

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.

Finding No. 2016-001

Criteria or Specific Requirement

N.J.A.C. 5:30-5.6 requires the Township to maintain an accurate record of general fixed assets and sewer utility fixed capital. Good internal control practices also dictate that complete and accurate records should be maintained to ensure adequate control over the preparation of financial statements including the related footnotes.

Condition

The appraised values of the general fixed assets and sewer utility fixed capital were materially different from the Township's existing records.

Context

Land, buildings, equipment and vehicles contained material differences between the appraised value of the general fixed assets and the existing records for general fixed asset group of accounts. Additionally, land, pump stations and treatment plant, and sewer mains and treatment infrastructure also contained material differences between the appraised value of the sewer utility fixed capital and the existing records in the sewer utility capital fund.

Effect

There is an increased risk that the Township's general fixed assets and sewer utility fixed capital could have material errors if the report is not thoroughly compared or reviewed.

Cause

The Township engaged an independent appraisal company to update the existing records of general fixed assets and sewer utility fixed capital during the year. However, this report was not thoroughly compared or reviewed for material changes from the Township's existing records of general fixed assets or sewer utility fixed capital.

Recommendation

The Township should thoroughly compare and review the results from the appraisal report with the existing documentation maintained for general fixed assets and sewer utility fixed capital.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF DELRAN
 Schedule of Findings and Recommendations
 For the Year Ended December 31, 2016

Schedule of Financial Statement Findings (Cont'd)

Finding No. 2016-002

Criteria or Specific Requirement

N.J.S.A. 40A:5-17 requires the Township to establish internal controls so that payments for claims are properly authorized.

Condition

During our audit, we noted that there was a break down in the internal controls over expenditures.

Context

We found the following issues:

- During our control testing of disbursements, we found the following issues:
 - 2 vouchers were not properly approved
 - 1 voucher did not have a claimant's certification

- During our testing of recorded liabilities, we found the following issues:
 - 3 encumbrances were in the Township's General Capital records for projects that were completed. The total of these encumbrances were \$63,173.48.

Effect

Not properly monitoring controls over expenditures could result in overexpenditures or payments for goods or services that were not received or approved.

Cause

There was a break down in the monitoring and enforcement of internal controls over expenditures.

Recommendation

The Township should ensure that all internal controls over expenditures are reviewed and adhered to.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF DELRAN
Schedule of Findings and Recommendations
For the Year Ended December 31, 2016

Findings and Recommendations (Cont'd)

Finding No. 2016-003

Criteria or Specific Requirement

The Township's sewer regulations allow for the tax collector to adjust the sewer bills for accounts that have new owners. Those adjustments must be approved by Council.

Condition

During our audit, we noted that there were several adjustments to utility accounts that were not approved by Council.

Context

During our testing of non-cash utility transactions, we found that 10 accounts were adjusted without approval from Council. It should be noted that all of the errors were for adjustments for new owners.

Effect

Utility adjustments made without the approval of Council could result in the loss of Utility revenue and unauthorized adjustments.

Cause

There was a breakdown in the internal controls over non-cash utility transactions.

Recommendation

The Township should ensure that all adjustments to Utility accounts are approved by Council.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF DELRAN
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

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

FINANCIAL STATEMENT FINDINGS

Finding No. 2015-001

Condition

During our audit, we noted that there was a break down in the internal controls over expenditures.

Current Status

Although this condition has improved, a portion of it continues to exist as 2016-002.

Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Finding No. 2015-002

Condition

The Township has not had a complete inventory of fixed asset performed in several years.

Current Status

This condition has been corrected.

Finding No. 2015-003

Condition

During our test of bids and contracts, we found that several contracts tested did not have a certificate of available funds prepared in accordance with N.J.A.C.5:30-5.4.

Current Status

This condition has been corrected.

TOWNSHIP OF DELRAN
Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Ken Paris	Mayor	
Gary Catrambone	Council President	
Patty Kolodi	Vice President	
Dan O'Connell	Councilperson	
Lona Pangia	Councilperson	
Michael Schwartz	Councilperson	
Jeffrey Hatcher	Township Administrator	
Linda Lewis	Chief Financial Officer	\$1,000,000.00 (A)
Victoria Boras	Tax Collector	1,000,000.00 (A)
Jamey Eggers	Township Clerk	1,000,000.00 (A)

(A) Public Employees' Faithful Performance\Dishonesty Crime Coverage of \$1,000,000.00 provided by the Burlington County Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund.

Township court employees and all other Township employees are under the Public Employees' Faithful Performance\Dishonesty Crime Coverage listed above.

15300

APPRECIATION

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

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

A handwritten signature in black ink that reads "Robert S. Marrone". The signature is written in a cursive style with a large initial 'R' and a long, sweeping tail on the 'e'.

Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

