

**TOWNSHIP OF DELRAN
COUNTY OF BURLINGTON**

REPORT OF AUDIT

**FOR THE YEAR ENDED
DECEMBER 31, 2018**

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TOWNSHIP OF DELRAN

PART I

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

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, 2018 and 2017, 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, 2018, 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified and qualified 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, 2018 and 2017, 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

The general fixed asset group of accounts - regulatory basis, as of and for the year ended December 31, 2018, includes errors in the general fixed assets account group, as required by N.J.A.C. 5:30-5.6. The record of general fixed assets was not adequately reconciled to the report provided by the independent appraisal company. The amount of the error in the general fixed assets account group is not known.

Qualified Opinion on General Fixed Asset Group of Accounts - Regulatory Basis

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*” paragraph, the general fixed asset group of accounts - regulatory basis is 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, 2018, 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, 2018, 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, 2018 and 2017, 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, 2018, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

Emphasis of Matter

Adoption of New Accounting Principles

As discussed in note 1 to the financial statements, during the year ended December 31, 2018, the Township adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. The adoption of this new accounting principle resulted in a material note disclosure (see note 10). As a result of the regulatory basis of accounting, described in the previous paragraph, the implementation of this Statement only required financial statement disclosures. Our opinions are not modified with respect to this matter.

Other Matters

Other Information

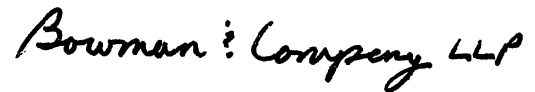
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional 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 July 31, 2019 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
July 31, 2019

**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, 2018, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated July 31, 2019. 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, 2018 as a result of errors noted in Township's general fixed asset records. Finally, our report on the financial statements included an emphasis of matter paragraph describing the adoption of a new accounting pronouncement.

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 have not been identified. However, as described in the accompanying *Schedule of Findings and Recommendations*, we did identify certain deficiencies in internal control that we consider to be material weaknesses 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 2018-001 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 deficiency described in the accompanying *Schedule of Findings and Recommendations* as finding number 2018-002 to be a significant deficiency.

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 an instances of noncompliance or other matters that is 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 finding number 2018-001.


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, 2018 and 2017

<u>ASSETS</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Regular Fund:			
Cash--Treasurer	SA-1	\$ 12,463,637.88	\$ 13,063,050.20
Cash--Change Fund	A	200.00	200.00
		<u>12,463,837.88</u>	<u>13,063,250.20</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-4	644,445.08	619,048.14
Tax Title Liens Receivable	SA-5	188,246.82	163,064.45
Property Acquired for Taxes--Assessed Valuation	A	282,015.00	282,015.00
Revenue Accounts Receivable	SA-6	19,538.70	20,005.86
Due from Sewer Utility Operating Fund	D	5,716.05	19,293.29
Due from Trust Other Fund	B	202,629.03	167,351.32
Due from Trust - Open Space Fund	B		9,181.31
Due from Animal Control Fund	B	5,645.45	
Due from General Capital Fund	C	3,866.25	316,257.06
		<u>1,352,102.38</u>	<u>1,596,216.43</u>
Deferred Charges:			
Emergency Authorizations (40A:4-47)	A-3	30,000.00	
		<u>13,845,940.26</u>	<u>14,659,466.63</u>
Federal, State and Local Grant Fund:			
Cash--Treasurer	SA-1	490,969.74	843,031.57
		<u>\$ 14,336,910.00</u>	<u>\$ 15,502,498.20</u>

(Continued)

TOWNSHIP OF DELRAN
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2018 and 2017

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3 & SA-8	\$ 1,655,484.85	\$ 1,554,959.82
Reserve for Encumbrances	A-3 & SA-8	285,515.95	277,958.47
Payroll Deductions Payable	SA-14	2,644.79	50,917.79
Prepaid Licenses	SA-7	40,346.00	41,322.00
Accounts Payable	SA-13	432,794.36	488,458.01
Due to State of New Jersey:			
Marriage License Fees	SA-9	375.00	575.00
Department of Community Affairs - Training Fees	SA-12	3,997.00	4,895.00
Senior Citizens' and Veterans' Deductions	SA-3	13,218.62	11,468.62
Prepaid Taxes	SA-10	339,723.57	1,493,695.39
Tax Overpayments	SA-11	80,390.89	50,302.62
Due County for Added and Omitted Taxes	SA-17	27,147.12	23,969.08
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	A	208,953.75	208,953.75
Post Employment Benefits	A	100,000.00	100,000.00
		3,208,680.23	4,325,563.88
Reserves for Receivables and Other Assets	A	1,352,102.38	1,596,216.43
Fund Balance	A-1	9,285,157.65	8,737,686.32
		13,845,940.26	14,659,466.63
Federal, State and Local Grant Fund:			
Reserve for Encumbrances	SA-22	4,858.70	300.22
Due to General Capital Fund	C		376,675.27
Unappropriated Reserves	SA-20	60,000.00	93,051.34
Appropriated Reserves	SA-21	426,111.04	373,004.74
		490,969.74	843,031.57
		\$ 14,336,910.00	\$ 15,502,498.20

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, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 3,748,000.00	\$ 3,500,000.00
Miscellaneous Revenues Anticipated	3,059,212.79	2,849,483.92
Receipts from Delinquent Taxes	612,233.29	717,277.02
Receipts from Current Taxes	52,933,549.13	51,936,735.45
Non-Budget Revenue	282,205.33	238,424.11
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	1,283,436.14	979,555.57
Statutory Excess from Animal Control	5,645.45	
Liquidation of Reserves for:		
Due from General Capital Fund	312,390.81	
Due from Trust - Open Space Fund	9,181.31	
Due from Trust - Other Fund		15,166.37
Due from Sewer Utility Operating - Other Fund	13,577.24	11,170.36
Total Income	62,259,431.49	60,247,812.80
<u>Expenditures</u>		
Budget Appropriations:		
Operations--Within "CAPS":		
Salaries and Wages	5,949,015.78	5,836,723.15
Other Expenses	4,903,194.88	4,793,297.85
Deferred Charges and Statutory Expenditures		
Municipal--Within "CAPS"	1,530,922.00	1,528,039.39
Operations--Excluded from "CAPS":		
Other Expenses	317,002.88	372,465.88
Capital Improvements--Excluded from "CAPS"	150,000.00	150,000.00
Municipal Debt Service--Excluded from "CAPS"	2,557,275.00	2,039,508.58
Deferred Charges and Statutory Expenditures:		
Special Emergency Authorization		
Deferred Charges to Future Taxation	21,162.50	57,686.97
County Taxes	6,296,915.63	6,013,323.58
Due County for Added and Omitted	27,147.12	23,969.08
Special Fire District Taxes	2,224,562.00	2,205,770.00
Local School District Taxes	33,642,169.00	33,132,758.00
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	2,000.00
Refund of Prior Year Revenues	6,170.21	
Cancellation of Grant Receivable		592.00
Creation of Reserve for:		
Due from General Capital Fund		315,766.51
Due from Trust - Open Space Fund		7,868.17
Due from Animal Control	5,645.45	
Due from Trust - Other Fund	35,277.71	
Total Expenditures	57,993,960.16	56,804,769.16
Excess in Revenue (Carried Forward)	4,265,471.33	3,443,043.64

TOWNSHIP OF DELRAN
CURRENT FUND
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Excess in Revenue (Brought Forward)	\$ 4,265,471.33	\$ 3,443,043.64
Adjustments to Income Before Surplus:		
Expenditures included above which are by Statute Deferred Charges to budget of succeeding year	<u>30,000.00</u>	<u>-</u>
Statutory Excess to Fund Balance	4,295,471.33	3,443,043.64
<u>Fund Balance</u>		
Balance Jan. 1	<u>8,737,686.32</u>	<u>8,794,642.68</u>
	13,033,157.65	12,237,686.32
Decreased by:		
Utilized as Revenue	<u>3,748,000.00</u>	<u>3,500,000.00</u>
Balance Dec. 31	<u><u>\$ 9,285,157.65</u></u>	<u><u>\$ 8,737,686.32</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, 2018

	<u>Anticipated</u> <u>Budget</u>	Special <u>N.J.S.40A:4-87</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Fund Balance Anticipated	\$ 3,748,000.00	\$ -	\$ 3,748,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	17,000.00		15,450.00	(1,550.00)
Other	33,000.00		68,018.50	35,018.50
Fees and Permits:				
Other	25,000.00		105,335.49	80,335.49
Fines and Costs:				
Municipal Court	250,000.00		248,657.66	(1,342.34)
Interest and Costs on Taxes	78,449.66		153,589.22	75,139.56
Interest on Investments and Deposits	7,500.00		110,091.04	102,591.04
Consolidated Municipal Property Tax Relief Act	15,843.00		15,843.00	
Energy Receipts Tax	1,263,258.00		1,263,258.00	
Dedicated Uniform Construction Code Fees Offset with Appropriation Uniform Construction Code Fees	120,000.00		295,213.00	175,213.00
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	60,000.00		60,000.00	
Recycling Tonnage Grant	26,183.34		26,183.34	
Click It or Ticket		5,500.00	5,500.00	
Municipal Court - Alcohol Education and Rehabilitation Program		6,371.22	6,371.22	
Clean Communities Grant Program		31,149.32	31,149.32	
Distracted Driving Statewide Crackdown Grant		6,600.00	6,600.00	
Drive Sober or Get Pulled Over	5,000.00		5,000.00	
Bulletproof Vest Partnership Grant	1,868.00		1,868.00	
Other Special Items:				
Rental Agreement--Delran Township Fire Commission	21,600.00		21,600.00	
Reserve for Payment of Bonds--General Capital	619,485.00		619,485.00	
	<u>2,549,687.00</u>	<u>49,620.54</u>	<u>3,059,212.79</u>	<u>459,905.25</u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2018

	<u>Anticipated Budget</u>	<u>Special N.J.S.40A:4-87</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Receipts from Delinquent Taxes	\$ 300,000.00	\$ -	\$ 612,233.29	\$ 312,233.29
Amount to be Raised by Taxes for Support of Municipal Budget: Local Tax for Municipal Purposes	10,902,313.00	-	12,568,802.88	1,666,489.88
Budget Totals	17,500,000.00	49,620.54	19,988,248.96	2,438,628.42
Non-Budget Revenue			282,205.33	282,205.33
	<u>\$ 17,500,000.00</u>	<u>\$ 49,620.54</u>	<u>\$ 20,270,454.29</u>	<u>\$ 2,720,833.75</u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2018

Analysis of Realized Revenues

Allocation of Current Tax Collections:	
Revenue from Collections	\$ 52,933,549.13
Allocated to:	
School, County, Special District and Municipal Open Space Taxes	<u>42,515,793.75</u>
Balance for Support of Municipal Budget Appropriations	10,417,755.38
Add: Appropriation "Reserve for Uncollected Taxes"	<u>2,151,047.50</u>
Amount for Support of Municipal Budget Appropriations	<u>\$ 12,568,802.88</u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	<u>\$ 612,233.29</u>

Analysis of Non-Budget Revenue

Miscellaneous Revenue Not Anticipated:

Collected by Treasurer:

Insurance Reimbursements	\$ 83,116.92
Comcast Cable Fees	71,154.84
Outside Police Admin & Vehicle Fees	60,330.00
Sale of Township Assets	28,569.56
Snow Removal	13,880.50
Deferred Charge - EMS Billing	6,504.16
Clear Channel Reimbursement	5,610.00
Property Maintenance Fees	3,175.00
Administrative Fee for Senior Citizens and Veterans Deductions	2,535.00
Police Unclaimed Funds	2,011.75
Refund of Prior Year Expenses	1,754.98
Public Works - Tire and Mulch Money	1,491.00
Insurance Dividend	971.62
DMV Inspection Fees	800.00
NSF Fees	<u>300.00</u>

Total Cash Collections	<u>\$ 282,205.33</u>
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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, 2018

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>OPERATIONS--WITHIN "CAPS"</u>						
<u>Department of Administration</u>						
Division of Administration:						
Business Administration Office						
Salaries and Wages	\$ 155,330.00	\$ 160,096.78	\$ 160,096.78			
Other Expenses	67,600.00	62,833.22	45,724.25	\$ 1,787.37	\$ 15,321.60	
Mayor and Council						
Salaries and Wages	16,955.00	16,955.00	16,563.32		391.68	
Other Expenses	18,700.00	18,700.00	1,881.32	128.34	16,690.34	
Public Relations						
Other Expenses	6,000.00	6,000.00	3,256.97		2,743.03	
Office of Municipal Clerk						
Salaries and Wages	57,931.00	57,931.00	55,800.60		2,130.40	
Other Expenses	22,375.00	24,375.00	23,302.27	399.63	673.10	
Insurance						
General Liability	220,324.00	220,324.00	220,324.00			
Workers Compensation	182,574.00	182,574.00	182,497.00		77.00	
Employee Group Health	1,245,093.00	1,245,093.00	1,029,921.34	17,466.09	197,705.57	
Health Benefit Waiver	30,500.00	30,500.00	28,771.40		1,728.60	
<u>Department of Finance</u>						
Division of Accounts and Controls:						
Municipal Auditor						
Audit Services	35,000.00	35,000.00	35,000.00			
Division of Treasury:						
Treasurer						
Salaries and Wages	163,000.00	163,000.00	147,002.89		15,997.11	
Other Expenses	36,349.66	35,349.66	19,226.35	9,435.46	6,687.85	
Division of Revenue:						
Bureau of Assessments						
Salaries and Wages	49,899.00	49,899.00	48,898.98		1,000.02	
Other Expenses	71,460.00	71,460.00	20,103.34	2,757.50	48,599.16	
Bureau of Collections						
Salaries and Wages	140,000.00	140,000.00	119,298.16		20,701.84	
Other Expenses	14,060.00	14,060.00	10,477.47	85.46	3,497.07	

TOWNSHIP OF DELRAN
CURRENT FUND
 Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2018

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<u>OPERATIONS--WITHIN "CAPS" (CONT'D):</u>						
<u>Department of Engineering</u>						
Township Engineer						
Other Expenses	\$ 45,000.00	\$ 34,000.00	\$ 24,997.50	\$ 499.25	\$ 8,503.25	
<u>Department of Law</u>						
Township Solicitor						
Other Expenses	170,000.00	170,000.00	119,503.76		50,496.24	
<u>Department of Public Safety</u>						
Division of Police:						
Police						
Salaries and Wages	3,672,941.00	3,666,941.00	3,262,949.28	87,500.00	316,491.72	
Other Expenses	330,100.00	330,100.00	159,882.61	106,434.76	63,782.63	
School Traffic Guards						
Salaries and Wages	96,000.00	102,000.00	101,058.82		941.18	
Other Expenses	500.00	1,000.00	499.85		500.15	
First Aid Organization--Contribution	100.00	100.00			100.00	
Municipal Court						
Salaries and Wages	154,519.00	154,519.00	150,284.07		4,234.93	
Other Expenses	12,400.00	12,400.00	10,624.53	452.00	1,323.47	
Public Defender						
Other Expenses	7,165.00	7,165.00	7,165.00			
Division of Emergency Management						
Office of Emergency Management						
Salaries and Wages	3,324.00	3,324.00	3,324.00			
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	883,647.00	883,647.00	811,602.69		72,044.31	
Other Expenses	211,000.00	211,000.00	106,926.13	12,555.59	91,518.28	
Solid Waste Collection						
Other Expenses	500,000.00	508,000.00	507,244.50		755.50	

TOWNSHIP OF DELRAN
CURRENT FUND
 Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2018

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS--WITHIN "CAPS" (CONT'D):						
<u>Department of Public Works</u>						
Recycling						
Salaries and Wages	\$ 150,504.00	\$ 150,504.00	\$ 140,434.92		\$ 10,069.08	
Other Expenses	39,500.00	39,500.00	26,744.77	\$ 1,585.00	11,170.23	
Public Buildings and Grounds						
Other Expenses	130,500.00	130,500.00	94,961.92	18,761.76	16,776.32	
Division of Parks and Recreation:						
Recreation Committee						
Salaries and Wages	7,500.00	7,500.00	7,324.08		175.92	
Other Expenses	27,200.00	27,200.00	19,316.20	161.40	7,722.40	
Juvenile Conference Committee						
Other Expenses	500.00					
<u>Department of Health</u>						
Division of Health:						
Salaries and Wages	52,798.00	52,798.00	36,165.45		16,632.55	
Other Expenses	200.00	200.00	19.09		180.91	
Dog Regulation:						
Other Expenses	16,000.00	16,000.00	16,000.00			
<u>Statutory Agencies</u>						
Municipal Land Use Law (N.J.S.40-55D-1)						
Zoning Board of Adjustments						
Other Expenses	9,900.00	9,900.00	1,293.64	98.00	8,508.36	
Municipal Prosecutor						
Other Expenses	16,900.00	16,900.00	15,575.00		1,325.00	
Planning Board						
Salaries and Wages	48,613.00	48,613.00	44,132.60		4,480.40	
Other Expenses	12,600.00	12,600.00	6,543.39	59.04	5,997.57	
Council on Affordable Housing						
Other Expenses	39,000.00	49,000.00	46,103.77	2,416.75	479.48	
Zoning Officer						
Salaries and Wages	25,000.00	25,000.00	24,346.40		653.60	

TOWNSHIP OF DELRAN
CURRENT FUND
 Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2018

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<u>OPERATIONS--WITHIN "CAPS" (CONT'D):</u>						
<u>Statutory Agencies</u>						
Landfill/Solid Waste Disposal Costs	\$ 467,261.00	\$ 467,261.00	\$ 430,162.76		\$ 37,098.24	
Utility Purchases and Bulk Purchases						
Electricity/Gas	230,000.00	230,000.00	151,380.71		78,619.29	
Street Lighting	220,000.00	220,000.00	209,408.95		10,591.05	
Telephone	35,000.00	35,000.00	29,446.19	\$ 1,078.52	4,475.29	
Water	55,000.00	55,000.00	26,097.05	523.82	28,379.13	
Gasoline	175,000.00	175,000.00	78,276.93		96,723.07	
P.L. 2000 Chapter 26:						
Solid Waste Service to Apartments						
Collection	115,000.00	107,000.00	59,119.93		47,880.07	
Disposal	73,000.00	73,000.00		20,910.21	52,089.79	
State Uniform Construction Code:						
Construction Official						
Salaries and Wages	205,788.00	205,788.00	172,455.93		33,332.07	
Other Expenses	33,400.00	33,400.00	9,383.88	420.00	23,596.12	
<u>Unclassified</u>						
Salary Adjustment	5,000.00	5,000.00			5,000.00	
Accumulated Absences	30,000.00	30,000.00	30,000.00			
Green Team Other Expenses	3,200.00	3,200.00	2,485.00		715.00	
Interest on Developers Deposits	2,000.00	2,000.00			2,000.00	
Total Operations--Within "CAPS"	10,847,210.66	10,847,210.66	9,111,387.74	285,515.95	1,450,306.97	\$ -
Contingent	5,000.00	5,000.00	-	-	5,000.00	-
Total Operations Including Contingent--Within "CAPS"	10,852,210.66	10,852,210.66	9,111,387.74	285,515.95	1,455,306.97	-
Detail:						
Salaries and Wages	5,944,249.00	5,949,015.78	5,360,510.37	87,500.00	501,005.41	-
Other Expenses	4,907,961.66	4,903,194.88	3,750,877.37	198,015.95	954,301.56	-

TOWNSHIP OF DELRAN
CURRENT FUND
 Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2018

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES MUNICIPAL--WITHIN "CAPS"</u>						
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System	\$ 255,798.00	\$ 255,798.00	\$ 255,798.00			
Social Security System (O.A.S.I.)	510,000.00	510,000.00	421,101.79		\$ 88,898.21	
Police and Firemen's Retirement System	761,124.00	761,124.00	761,124.00			
Defined Contribution Retirement Program	3,000.00	3,000.00	2,142.39		857.61	
Unemployment Compensation Insurance	1,000.00	1,000.00	189.00		811.00	
Total Deferred Charges and Statutory Expenditures--Municipal--Within "CAPS"	1,530,922.00	1,530,922.00	1,440,355.18	\$ -	90,566.82	\$ -
Total General Appropriations for Municipal Purposes Within--"CAPS"	12,383,132.66	12,383,132.66	10,551,742.92	285,515.95	1,545,873.79	-
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>						
Statutory Expenditures:						
SFSP Fire District Payment	5,162.00	5,162.00	5,162.00			
EMS Services						
Other Expenses (Emergency, \$30,000.00+)		30,000.00	18,583.31		11,416.69	
Length of Service Awards Program	82,000.00	82,000.00			82,000.00	
Landfill Recycling Fees	27,000.00	27,000.00	16,305.63		10,694.37	
Employee Group Health						
Municipal Water Services						
Other Expenses	5,500.00	5,500.00			5,500.00	
<u>Public and Private Programs Off-Set by Revenues</u>						
Safe and Secure Communities Program	84,669.00	84,669.00	84,669.00			
Bulletproof Vest Partnership Grant	1,868.00	1,868.00	1,868.00			
Drive Sober or Get Pulled Over	5,000.00	5,000.00	5,000.00			
Distracted Driving Statewide Crackdown Grant (N.J.S.A. 40A:4-87, \$6,600.00+)		6,600.00	6,600.00			

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2018

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS EXCLUDED FROM "CAPS" (CONT'D)						
<u>Public and Private Programs Off-Set by Revenues (Cont'd)</u>						
Click it or Ticket (N.J.S.A. 40A:4-87, \$5,500.00+)		\$ 5,500.00	\$ 5,500.00			
Municipal Court Alcohol Education/Rehabilitation Program (N.J.S.A. 40A:4-87, \$6,371.22+)		6,371.22	6,371.22			
Recycling Tonnage Grant	\$ 26,183.34	26,183.34	26,183.34			
Clean Communities Grant Program (N.J.S.A. 40A:4-87, \$31,149.32+)		31,149.32	31,149.32			
Total Operations--Excluded from "CAPS"	237,382.34	317,002.88	207,391.82	\$ -	\$ 109,611.06	\$ -
Detail:						
Salaries and Wages						-
Other Expenses	237,382.34	317,002.88	207,391.82	-	109,611.06	-
CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"						
Capital Improvement Fund	150,000.00	150,000.00	150,000.00	-	-	-
MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"						
Payment of Bond Principal	1,286,000.00	1,286,000.00	1,286,000.00			
Payment of Bond Anticipation Notes and Capital Notes	366,000.00	366,000.00	366,000.00			
Additional Pay down on Bond Anticipation Notes	619,485.00	619,485.00	619,485.00			
Interest on Bonds	59,065.00	59,065.00	59,065.00			
Interest on Notes	226,725.00	226,725.00	226,725.00			
Total Municipal Debt Service--Excluded from "CAPS"	2,557,275.00	2,557,275.00	2,557,275.00	-	-	-
DEFERRED CHARGES -- MUNICIPAL -- EXCLUDED FROM "CAPS"						
Deferred Charges:						
Deferred Charges to Future Taxation						
Ordinance 2010-1; 2015-11	18,282.50	18,282.50	18,282.50			
Ordinance 2011-20	2,880.00	2,880.00	2,880.00			
Total Deferred Charges--Municipal-- Excluded from "CAPS"	21,162.50	21,162.50	21,162.50	-	-	-

TOWNSHIP OF DELRAN
CURRENT FUND
 Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2018

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<u>OPERATIONS EXCLUDED FROM "CAPS" (CONT'D)</u>						
Total General Appropriations for Municipal Purposes--Excluded from "CAPS"	\$ 2,965,819.84	\$ 3,045,440.38	\$ 2,935,829.32	\$ -	\$ 109,611.06	\$ -
Subtotal General Appropriations	15,348,952.50	15,428,573.04	13,487,572.24	285,515.95	1,655,484.85	-
Reserve for Uncollected Taxes	2,151,047.50	2,151,047.50	2,151,047.50	-	-	-
Total General Appropriations	<u>\$ 17,500,000.00</u>	<u>\$ 17,579,620.54</u>	<u>\$ 15,638,619.74</u>	<u>\$ 285,515.95</u>	<u>\$ 1,655,484.85</u>	<u>\$ -</u>
Adopted Budget		\$ 17,500,000.00				
Appropriated by 40:4-87		49,620.54				
Emergency Authorization		30,000.00				
		<u>\$ 17,579,620.54</u>				
Reserve for Federal, State and Local Grants--Appropriated			\$ 167,340.88			
Reserve for Uncollected Taxes			2,151,047.50			
Payroll and Related Deductions Payable			6,800,865.55			
Disbursed			6,519,365.81			
			<u>\$ 15,638,619.74</u>			

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

TOWNSHIP OF DELRAN
TRUST FUND
 Statements of Assets, Liabilities and Reserves-- Regulatory Basis
 As of December 31, 2018 and 2017

<u>ASSETS</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Animal Control Fund:			
Cash--Treasurer	SB-1	\$ 27,924.85	\$ 13,197.99
Change Fund--Township Clerk	B	50.00	50.00
		<u>27,974.85</u>	<u>13,247.99</u>
Open Space Fund:			
Cash--Treasurer	SB-1	<u>2,116,140.85</u>	<u>2,206,105.12</u>
Other Funds:			
Cash--Treasurer	SB-1	2,451,267.59	2,322,432.87
Investments - Length of Service Awards Program	SB-2	618,239.50	727,123.92
Accounts Receivable - Outside Police	SB-4	5,560.00	5,280.00
		<u>3,075,067.09</u>	<u>3,054,836.79</u>
		<u>\$ 5,219,182.79</u>	<u>\$ 5,274,189.90</u>

(Continued)

TOWNSHIP OF DELRAN
TRUST FUND
 Statements of Assets, Liabilities and Reserves-- Regulatory Basis
 As of December 31, 2018 and 2017

<u>LIABILITIES AND RESERVES</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Animal Control Fund:			
Accounts Payable	SB-5		\$ 765.00
Due to Current Fund	SB-5	\$ 5,645.45	
Reserve for Animal Control	SB-5	22,329.40	12,482.99
		<u>27,974.85</u>	<u>13,247.99</u>
Open Space Fund:			
Due to Current Fund	SB-7		9,181.31
Due to Capital Fund	B	200,000.00	200,000.00
Reserve for Open Space	SB-6	1,896,040.85	1,927,342.57
Reserve for Payment of Debt	SB-8	20,100.00	69,581.24
		<u>2,116,140.85</u>	<u>2,206,105.12</u>
Other Funds:			
Accounts Payable	SB-9	84,623.82	93,875.32
Prepaid Outside Police	SB-10	19,897.50	17,047.50
Due to Current Fund	SB-3	202,629.03	167,351.32
Due to Sewer Utility Operating	B	1,654.04	1,654.04
Reserve for Miscellaneous Trust Reserves:			
Street Opening Deposits	SB-11	16,956.49	24,040.66
New Jersey Unemployment Insurance	SB-11	66,584.27	60,143.50
Planning Escrow Fund Deposits	SB-11	388,935.27	384,909.72
Affordable Housing Trust Funds	SB-11	954,554.30	814,324.03
Public Defender Fees	SB-11	10,125.00	9,625.00
Credit Card Program	SB-11	7,619.60	7,619.60
Parking Offense Adjudication Act	SB-11	808.00	788.00
Tax Sale Premiums	SB-11	397,600.00	447,800.00
Delran Day Donations	SB-11	10,938.64	10,938.64
Delran Events	SB-11	330.51	
Deposits for Redemption of Tax Sale Certificates	SB-11	21,614.91	36,011.18
Performance/ Maintenance Escrows	SB-11	15,197.72	15,197.72
Police Emergency Service Equipment	SB-11	1,555.47	1,555.47
Special Law Enforcement	SB-11	28,556.25	27,234.40
Length of Service Awards Program	SB-11	553,902.37	662,786.79
Bike Patrol	SB-11	9,065.87	9,065.87
Jake's Place	SB-11	7,004.00	7,004.00
Storm Recovery	SB-11	40,000.00	40,000.00
Accumulated Absences	SB-11	205,221.03	175,221.03
Multiple-Dwelling Security Deposits	SB-11	14,626.39	14,626.39
Kenneth Johnston Memorial Fund	SB-11	319.23	319.23
Police Unclaimed Funds	SB-11	4,806.50	4,806.50
Easter Egg Hunt	SB-11	76.88	726.88
Community Park Donations	SB-11	8,064.00	18,364.00
Mayor's Great Grill Off	SB-11	1,800.00	1,800.00
		<u>3,075,067.09</u>	<u>3,054,836.79</u>
		<u>\$ 5,219,182.79</u>	<u>\$ 5,274,189.90</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, 2018 and 2017

	<u>2018</u>	<u>2017</u>
REVENUE REALIZED:		
Amount to be Raised by Taxation	\$ 325,000.00	\$ 325,000.00
Reserve for Open Space	48,583.76	
Reserve to Pay Debt	69,581.24	142,047.58
Miscellaneous Revenue Not Anticipated	17,282.04	9,159.02
	<hr/>	<hr/>
Total Income	460,447.04	476,206.60
EXPENDITURES:		
Budget Appropriations:		
Deferred Charges to Future Taxation		200,000.00
Debt Service	443,165.00	234,914.13
	<hr/>	<hr/>
Total Budget Appropriations	443,165.00	434,914.13
	<hr/>	<hr/>
Excess - Reserve for Future Use	17,282.04	41,292.47
RESERVE FOR FUTURE USE:		
Balance Jan. 1	1,927,342.57	1,886,050.10
	<hr/>	<hr/>
	1,944,624.61	
Decreased by:		
Utilization by Open Space Budget	48,583.76	
	<hr/>	<hr/>
Balance Dec. 31	\$ 1,896,040.85	\$ 1,927,342.57
	<hr/> <hr/>	<hr/> <hr/>

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, 2018

	Modified Budget	Realized	Excess
Amount to be Raised by Taxation	\$ 325,000.00	\$ 325,000.00	
Reserve for Open Space	48,583.76	48,583.76	
Reserve to Pay Debt	69,581.24	69,581.24	
Miscellaneous Revenue Not Anticipated		17,282.04	\$ 17,282.04
	<u>\$ 443,165.00</u>	<u>\$ 460,447.04</u>	<u>\$ 17,282.04</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>\$ 17,282.04</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, 2018

	<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>
Debt Service:			
Payment of Bond Principal	\$ 86,000.00	\$ 86,000.00	
Payment of Bond Anticipation Note	260,000.00	260,000.00	
Interest on Bonds	50,040.00	50,040.00	
Interest on Notes	47,125.00	47,125.00	
	<u>\$ 443,165.00</u>	<u>\$ 443,165.00</u>	<u>\$ -</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, 2018 and 2017

<u>ASSETS</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Cash	SC-1	\$ 3,600,788.39	\$ 2,992,070.26
Grants Receivable	SC-3	243,098.89	356,000.00
Due From Federal, State and Local Grant Fund	SC-9		376,675.27
Due From Trust - Open Space Fund	SC-9	200,000.00	200,000.00
Due From Sewer Utility Operating Fund	SC-9	15,194.85	
Deferred Charges to Future Taxation:			
Funded	SC-4	1,464,000.00	2,836,000.00
Unfunded	SC-5	14,932,231.58	14,262,158.50
		<u>\$ 20,455,313.71</u>	<u>\$ 21,022,904.03</u>
 <u>LIABILITIES, RESERVES</u>			
<u>AND FUND BALANCE</u>			
Serial Bonds Payable	SC-12	\$ 1,464,000.00	\$ 2,836,000.00
Bond Anticipation Note	SC-13	13,075,090.00	10,954,000.00
Due to Current Fund	SC-9	3,866.25	316,257.06
Improvement Authorizations:			
Funded	SC-10	288,315.72	569,121.36
Unfunded	SC-10	4,120,708.39	4,365,520.15
Encumbrances/Contracts Payable	SC-11	931,627.19	947,997.30
Capital Improvement Fund	SC-6	143,493.32	94,293.32
Reserves for:			
Preliminary Expenses	SC-8	1,249.94	1,249.94
Facilities--Delran Harbor	C	15,000.00	15,000.00
Generator	C	20,000.00	20,000.00
Traffic Improvements	C	15,000.00	15,000.00
Storm Sewer Maintenance	C	21,750.00	21,750.00
Payment of Bonds	SC-7	282,575.97	794,077.97
Fund Balance	C	72,636.93	72,636.93
		<u>\$ 20,455,313.71</u>	<u>\$ 21,022,904.03</u>

There were bonds and notes authorized but not issued on December 31, 2018 totaling \$1,857,141.58 and 2017 totaling \$3,308,158.50.

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, 2018 and 2017

<u>ASSETS</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Operating Fund:			
Cash--Treasurer	SD-1	\$ 7,617,279.13	\$ 6,737,437.51
Change Fund--Collector	SD-1	100.00	100.00
Due from Trust--Other Fund	SD-5	1,654.04	1,654.04
Due from Sewer Utility Capital Fund	SD-5	277,104.33	246,920.32
		<u>7,896,137.50</u>	<u>6,986,111.87</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	SD-4	840,762.66	891,743.86
		<u>8,736,900.16</u>	<u>7,877,855.73</u>
Total Operating Fund			
		<u>8,736,900.16</u>	<u>7,877,855.73</u>
Capital Fund:			
Cash--Treasurer	SD-1	216,805.38	1,005,578.33
NJEIT Loan Receivable	SD-3		12,171.37
Fixed Capital	SD-8	13,346,732.00	13,272,596.00
Fixed Capital Authorized and Uncompleted	SD-9	9,904,000.00	7,954,000.00
		<u>23,467,537.38</u>	<u>22,244,345.70</u>
Total Capital Fund			
		<u>23,467,537.38</u>	<u>22,244,345.70</u>
		<u>\$ 32,204,437.54</u>	<u>\$ 30,122,201.43</u>

TOWNSHIP OF DELRAN
SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance--
 Regulatory Basis
 As of December 31, 2018 and 2017

<u>LIABILITIES, RESERVES AND FUND BALANCES</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3	\$ 1,252,452.03	\$ 412,608.73
Reserve for Encumbrances	D-3	214,544.90	347,390.03
Due to Current Fund	SD-5	5,716.05	19,293.29
Due to General Capital Fund	SD-5	15,194.85	
Prepaid Connection Fees	SD-6	42,666.40	137,142.00
Sewer Rent Prepayments	SD-7	13,877.25	29,855.25
Accrued Interest on Notes and Loans	SD-11	9,562.98	8,052.36
Developer's Escrow Deposits	SD-12	39,959.32	33,254.32
		1,593,973.78	987,595.98
Reserves for Receivables	D	840,762.66	891,743.86
Fund Balance	D-1	6,302,163.72	5,998,515.89
		8,736,900.16	7,877,855.73
Total Operating Fund			
Capital Fund:			
Due to Sewer Utility Operating Fund	SD-5	277,104.33	246,920.32
Reserve for Payment of Debt	SD-1	640,000.00	
Improvement Authorizations:			
Funded	SD-13	491,465.13	491,465.13
Unfunded	SD-13	3,919,932.22	2,525,620.22
Contracts Payable and Encumbrances	SD-14	644,666.00	1,747,934.96
Reserve for Amortization	SD-15	13,889,976.73	13,733,289.23
NJ Environmental Trust Loan Payable	SD-16	1,403,859.27	1,498,582.14
Bond Anticipation Notes Payable	SD-17	840,000.00	640,000.00
Deferred Reserve for Amortization	D	1,025,450.00	1,025,450.00
Capital Improvement Fund	D	325,000.00	325,000.00
Fund Balance	D	10,083.70	10,083.70
		23,467,537.38	22,244,345.70
		\$ 32,204,437.54	\$ 30,122,201.43

There were bonds and notes authorized but not issued on December 31, 2018 totaling \$6,091,446.00 and 2017 totaling \$4,329,274.63.

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, 2018 and 2017

<u>Revenue and Other Income Realized</u>	<u>2018</u>	<u>2017</u>
Surplus Utilized	\$ 600,000.00	
Rents	3,841,293.80	\$ 3,871,715.87
Miscellaneous	121,826.67	95,810.85
Non-Budget Revenue	173,713.20	91,428.00
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	391,311.15	233,656.28
	<hr/>	<hr/>
Total Income	5,128,144.82	4,292,611.00
	<hr/>	<hr/>
<u>Expenditures</u>		
Operating	2,655,939.00	2,853,887.00
Capital Improvements	657,000.00	155,000.00
Debt Service	754,557.99	91,896.77
Deferred Charges and Statutory Expenditures	157,000.00	158,000.00
	<hr/>	<hr/>
Total Expenditures	4,224,496.99	3,258,783.77
	<hr/>	<hr/>
Statutory Excess to Fund Balance	903,647.83	1,033,827.23
	<hr/>	<hr/>
<u>Fund Balance</u>		
Balance Jan. 1	5,998,515.89	4,964,688.66
	<hr/>	<hr/>
Decreased by:	6,902,163.72	5,998,515.89
Utilization by Sewer Operating Budget	600,000.00	
	<hr/>	<hr/>
Balance Dec. 31	<u>\$ 6,302,163.72</u>	<u>\$ 5,998,515.89</u>

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, 2018

	Anticipated <u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Surplus Utilized	\$ 600,000.00	\$ 600,000.00	
Rents	3,674,000.00	3,841,293.80	\$ 167,293.80
Miscellaneous	5,000.00	65,217.22	60,217.22
Interest on Delinquents	15,000.00	56,609.45	41,609.45
	<u>4,294,000.00</u>	<u>4,563,120.47</u>	<u>269,120.47</u>
Non-Budget Revenue	-	173,713.20	173,713.20
	<u>\$ 4,294,000.00</u>	<u>\$ 4,736,833.67</u>	<u>\$ 442,833.67</u>

Analysis of Realized Revenue:

Rents:

Consumer Accounts Receivable:

Collected

\$ 3,811,438.55

Overpayments Applied

29,855.25

\$ 3,841,293.80

Analysis of Miscellaneous Revenue:

Interest on Investments:

Collected in Sewer Utility Operating Fund

\$ 48,116.99

Return Check Charges

660.00

Other - Miscellaneous

11,256.22

60,033.21

Interest on Investments:

Collected in Sewer Utility Capital Fund

5,184.01

\$ 65,217.22

Analysis of Miscellaneous Revenue Not Anticipated:

Connection Fees

\$ 173,713.20

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, 2018

	Appropriations		Expended			
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Cancelled
Operating:						
Salaries and Wages	\$ 798,398.00	\$ 798,398.00	\$ 645,991.35		\$ 152,406.65	
Other Expenses	1,857,541.00	1,857,541.00	1,219,619.29	\$ 214,544.90	423,376.81	
Total Operating	2,655,939.00	2,655,939.00	1,865,610.64	214,544.90	575,783.46	\$ -
Capital Improvements:						
Capital Outlay	25,000.00	25,000.00			25,000.00	
Purchase of Utility Trucks	32,000.00	32,000.00			32,000.00	
Purchase of Utility Equipment	600,000.00	600,000.00			600,000.00	
	657,000.00	657,000.00	-	-	657,000.00	-
Debt Service:						
Interest on Notes	10,000.00	18,000.00	17,038.81			961.19
Payment of Bond Anticipation Notes	640,000.00	640,000.00	640,000.00			
Principal & Interest on Loans	174,061.00	166,061.00	97,519.18			68,541.82
Total Capital Improvements	824,061.00	824,061.00	754,557.99	-	-	69,503.01
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System	84,000.00	84,000.00	84,000.00			
Social Security System (O.A.S.I)	70,000.00	70,000.00	50,331.43		19,668.57	
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	157,000.00	157,000.00	137,331.43	-	19,668.57	-
Total	\$ 4,294,000.00	\$ 4,294,000.00	\$ 2,757,500.06	\$ 214,544.90	\$ 1,252,452.03	\$ 69,503.01
Disbursed by Current Fund			\$ 814,574.69			
Due to General Capital Fund			15,194.85			
Accrued Interest			32,686.73			
Disbursed			1,895,043.79			
			<u>\$ 2,757,500.06</u>			

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

TOWNSHIP OF DELRAN
GENERAL FIXED ASSET GROUP OF ACCOUNTS
Statement of General Fixed Assets--Regulatory Basis
For the Year Ended December 31, 2018

	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
General Fixed Assets:				
Land and Land Improvements	\$ 5,727,070.00			\$ 5,727,070.00
Building	7,375,714.00			7,375,714.00
Equipment and Vehicles	4,719,664.00	\$ 463,085.00	\$ 185,086.00	4,997,663.00
<hr/>				
Total Investment in				
General Fixed Assets	\$ 17,822,448.00	\$ 463,085.00	\$ 185,086.00	\$ 18,100,447.00
<hr/>				

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, 2018

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 fifteen 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 had no component units as defined by Governmental Accounting Standards Board Statement No. 14, as amended by GASB Statements No. 39, No. 61 and No. 80.

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 and an account group which are described as follows:

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

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

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

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 Township 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 Township 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 Township 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.

Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

For the year ended December 31, 2018, the Township adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. As a result of adopting Statement No. 75, the Township was required to measure and disclose liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to their postemployment benefits plan. As a result of the regulatory basis of accounting previously described in note 1, the implementation of this Statement only required financial statement disclosures. There exists no impact on the financial statements of the Township.

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, 2018, the Township's bank balances of \$29,045,814.65 were exposed to custodial credit risk as follows:

Insured by FDIC	\$ 500,000.00
Insured by GUDPA	27,577,830.27
Uninsured and Uncollateralized	<u>967,984.38</u>
Total	<u><u>\$ 29,045,814.65</u></u>

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Tax Rate	\$ 3.783	\$ 3.723	\$ 3.668	\$ 3.607	\$ 3.450
Apportionment of Tax Rate:					
Municipal	\$ 0.772	\$ 0.761	\$ 0.764	\$ 0.765	\$ 0.756
Municipal Open Space	0.023	0.023	0.023	0.023	0.023
County & County Library	0.419	0.386	0.394	0.411	0.408
County Open Space Preservation					
Trust Fund	0.028	0.043	0.043	0.044	0.017
Local School	2.383	2.353	2.294	2.209	2.113
Special District Rates:					
Fire District	0.158	0.157	0.150	0.155	0.133

Assessed Valuation

<u>Year</u>	<u>Assessed Valuation</u>
2018	\$ 1,411,655,182.00
2017	1,407,526,492.00
2016	1,401,551,386.00
2015	1,399,747,792.00
2014	1,403,370,633.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2018	\$ 53,638,315.47	\$ 52,933,549.13	98.69%
2017	52,617,638.70	51,936,735.45	98.71%
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%

Note 3: PROPERTY TAXES (CONT'D)

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years (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>
2018	\$ 188,246.82	\$ 644,445.08	\$ 832,691.90	1.55%
2017	163,064.45	619,048.14	782,112.59	1.49%
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%

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>
2018	13
2017	13
2016	11
2015	10
2014	9

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>
2018	\$ 282,015.00
2017	282,015.00
2016	282,015.00
2015	282,015.00
2014	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>
2018	\$ 891,743.86	\$ 3,846,407.30	\$ 4,738,151.16	\$ 3,897,388.50	82.26%
2017	949,798.17	3,876,301.51	4,826,099.68	3,934,355.82	81.52%
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%

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>			
2018	\$ 9,285,157.65	\$ 4,008,000.00	43.17%
2017	8,737,686.32	3,748,000.00	42.89%
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%
<u>Sewer Utility Operating Fund</u>			
2018	\$ 6,302,163.72	\$ 815,000.00	12.93%
2017	5,998,516.00	600,000.00	10.00%
2016	4,964,688.66	None	None
2015	4,498,177.99	None	None
2014	3,571,927.55	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, 2018:

<u>Fund</u>	<u>Interfunds Receivables</u>	<u>Interfunds Payable</u>
Current Fund	\$ 217,856.78	
Trust-Animal Control Fund		\$ 5,645.45
Trust-Open Space Fund		200,000.00
Trust-Other Funds		204,283.07
General Capital Fund	215,194.85	3,866.25
Sewer Utility Operating Fund	278,758.37	20,910.90
Sewer Utility Capital Fund		277,104.33
	<u>\$ 711,810.00</u>	<u>\$ 711,810.00</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 2019, 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 Township 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, required supplementary information and detailed information about the PERS and PFRS plan's fiduciary net position which can be obtained by writing to or at the following website:

State of New Jersey
 Division of Pensions and Benefits
 P.O. Box 295
 Trenton, New Jersey 08625-0295
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

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' 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' Board of Trustees is primarily responsible for the administration of the PERS.

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

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' 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' 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 New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

Vesting and Benefit Provisions

Public Employees' Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:15A. 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 with 25 years or more of service credit before age 62, and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

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

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

The following represents the membership tiers for PFRS:

Tier Definition

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

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

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

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. 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 7.34% in State fiscal year 2018. 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 (P.L. 2001, C. 366) was 10% in State fiscal year 2018. Employers' contribution are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The Township's contractually required contribution rate for the year ended December 31, 2018 was 15.03% 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.

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

Public Employees' Retirement System (Cont'd) - Based on the most recent PERS measurement date of June 30, 2018, the Township's contractually required contribution to the pension plan for the year ended December 31, 2018 is \$363,486.00, and was payable by April 1, 2019. 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, 2017, the Township's contractually required contribution to the pension plan for the year ended December 31, 2017 was \$336,624.00, which was paid on April 1, 2018. Employee contributions to the Plan during the year ended December 31, 2018 were \$182,555.23.

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 P.L. 2011, C. 78, the active member contribution rate was 10% in State fiscal year 2018. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

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

The Township's contractually required contribution rate for the year ended December 31, 2018 was 29.20% 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, 2018, the Township's contractually required contribution to the pension plan for the year ended December 31, 2018 is \$844,410.00, and was payable by April 1, 2019. 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, 2017, the Township's contractually required contribution to the pension plan for the year ended December 31, 2017 was \$761,124.00, which was paid on April 1, 2018. Employee contributions to the Plan during the year ended December 31, 2018 were \$290,738.10.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Township, for the year ended December 31, 2018 was 3.25% of the Township's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2018, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2018 is \$94,022.00, and was payable by April 1, 2019. Based on the PFRS measurement date of June 30, 2017, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2017 was \$74,362.00, which was paid on April 1, 2018.

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

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, 2018, employee contributions totaled \$3,078.81, and the Township's contributions were \$2,142.39. There were no forfeitures during the year.

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

Public Employees' Retirement System - At December 31, 2018, the Township's proportionate share of the PERS net pension liability was \$7,195,159.00. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. 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, 2018. 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, 2018 measurement date, the Township's proportion was .0365431220%%, which was an increase of .0002060678% from its proportion measured as of June 30, 2017.

At December 31, 2018, the Township's proportionate share of the PERS pension expense, calculated by the Plan as of the June 30, 2018 measurement date is \$404,563.00. 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, 2018, the Township's contribution to PERS was \$336,624.00, and was paid on April 1, 2018.

Police and Firemen's Retirement System - At December 31, 2018, 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	\$ 11,687,506.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>1,587,554.00</u>
	<u>\$ 13,275,060.00</u>

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)**

Police and Firemen's Retirement System (Cont'd) - The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. 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, 2018. 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, 2018 measurement date, the Township's proportion was .0863716364% which was an increase of .0003707182% from its proportion measured as of June 30, 2017. Likewise, at June 30, 2018, the State of New Jersey's proportion, on-behalf of the Township, was .0863716364% which was an increase of .0003707182% from its proportion, on-behalf of the Township, measured as of June 30, 2017.

At December 31, 2018, the Township's proportionate share of the PFRS pension expense, calculated by the Plan as of the June 30, 2018 measurement date is \$852,714.00. 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, 2018, the Township's contribution to PFRS was \$761,124.00, and was paid on April 1, 2018.

At December 31, 2018, the State's proportionate share of the PFRS pension expense, associated with the Township, calculated by the Plan as of the June 30, 2018 measurement date is \$188,043.00. This on-behalf expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

Deferred Outflows of Resources and Deferred Inflows of Resources - At December 31, 2018, 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	\$ 137,213.00	\$ 118,905.00	\$ 256,118.00	\$ 37,101.00	\$ 48,366.00	\$ 85,467.00
Changes of Assumptions	1,185,643.00	1,003,215.00	2,188,858.00	2,300,629.00	2,995,306.00	5,295,935.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	-	-	67,491.00	63,941.00	131,432.00
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	181,264.00	139,128.00	320,392.00	88,154.00	344,665.00	432,819.00
Township Contributions Subsequent to the Measurement Date	181,743.00	422,205.00	603,948.00	-	-	-
	<u>\$ 1,685,863.00</u>	<u>\$ 1,683,453.00</u>	<u>\$ 3,369,316.00</u>	<u>\$ 2,493,375.00</u>	<u>\$ 3,452,278.00</u>	<u>\$ 5,945,653.00</u>

\$181,743.00 and \$422,205.00 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, 2019. These amounts were based on an estimated April 1, 2020 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2018 to the Township's year end of December 31, 2018.

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 the above other deferred outflow of resources and deferred inflows of resources related to pensions over the following number of years:

	PERS		PFRS	
	<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
June 30, 2017	5.48	-	5.59	-
June 30, 2018	-	5.63	5.73	-
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	-	6.17	-
June 30, 2015	5.72	-	5.53	-
June 30, 2016	5.57	-	5.58	-
June 30, 2017	-	5.48	-	5.59
June 30, 2018	-	5.63	-	5.73
Net Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2014	-	5.00	-	5.00
June 30, 2015	5.00	-	5.00	-
June 30, 2016	5.00	-	5.00	-
June 30, 2017	-	5.00	-	5.00
June 30, 2018	-	5.00	-	5.00
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	6.44	6.17	6.17
June 30, 2015	5.72	5.72	5.53	5.53
June 30, 2016	5.57	5.57	5.58	5.58
June 30, 2017	5.48	5.48	5.59	5.59
June 30, 2018	5.63	5.63	5.73	5.73

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,	PERS	PFRS	Total
2019	\$ 55,637.00	\$ 46,746.00	\$ 102,383.00
2020	(45,049.00)	(417,665.00)	(462,714.00)
2021	(452,624.00)	(1,020,257.00)	(1,472,881.00)
2022	(414,804.00)	(616,526.00)	(1,031,330.00)
2023	(132,415.00)	(183,328.00)	(315,743.00)
	<u>\$ (989,255.00)</u>	<u>\$ (2,191,030.00)</u>	<u>\$ (3,180,285.00)</u>

Actuarial Assumptions

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. 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, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	PERS	PFRS
Inflation Rate	2.25%	2.25%
Salary Increases:		
Through 2026	1.65% - 4.15% Based on Age	2.10% - 8.98% Based on Age
Thereafter	2.65% - 5.15% Based on Age	3.10% - 9.98% Based on Age
Investment Rate of Return	7.00%	7.00%
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, preretirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Conduent modified 2014 projection scale. Postretirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from 2012 to 2013 using Projection Scale AA and using a generational approach based on the Conduent modified 2014 projection scale thereafter. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

For PFRS, preretirement mortality rates were based on the RP-2000 Combined Healthy Mortality tables projected on a generational basis from the base year of 2000 to 2013 using Projection Scale BB and the Conduent modified 2014 projection scale thereafter. For preretirement accidental mortality, a custom table with representative rates was used and there is no mortality improvements assumed. Post-retirement mortality rates for male service retirements are based the RP-2000 Combined Healthy Mortality Tables projected on a generational basis using Projection Scale AA from the base year of 2012 to 2013 and the Conduent modified 2014 projection scale thereafter. Postretirement mortality rates for female service retirements and beneficiaries were based on the RP-2000 Combined Healthy Mortality Tables projected on a generational basis from the base year 2000 to 2013 using Projection Scale BB and the Conduent modified 2014 projection scale thereafter. Disability mortality rates were based on a custom table with representative rates and no mortality improvements assumed.

For PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2018) 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' and PFRS' target asset allocation as of June 30, 2018 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>
Risk Mitigation Strategies	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability at June 30, 2018 was 5.66% for PERS and 6.51% for PFRS. For both PERS and PFRS, the respective single blended discount rates were based on the long-term expected rate of return on pension Plan investments of 7.00%, and a municipal bond rate of 3.87% as of June 30, 2018, 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 50% 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 2046 for PERS and through 2062 for PFRS; therefore, the long-term expected rate of return on Plan investments was applied to projected benefit payments through 2046 for PERS and through 2062 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, 2018, the Plan's measurement date, calculated using a discount rate of 5.66%, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	PERS		
	1% Decrease (4.66%)	Current Discount Rate (5.66%)	1% Increase (6.66%)
Township's Proportionate Share of the Net Pension Liability	<u>\$ 9,047,083.00</u>	<u>\$ 7,195,159.00</u>	<u>\$ 5,641,513.00</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, 2018, the Plan's measurement date, for the Township and the State of New Jersey, calculated using a discount rate of 6.51%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	PFRS		
	1% Decrease (5.51%)	Current Discount Rate (6.51%)	1% Increase (7.51%)
Township's Proportionate Share of the Net Pension Liability	\$ 15,642,276.00	\$ 11,687,506.00	\$ 8,425,541.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	<u>2,124,744.02</u>	<u>1,587,554.00</u>	<u>1,144,470.08</u>
	<u>\$ 17,767,020.02</u>	<u>\$ 13,275,060.00</u>	<u>\$ 9,570,011.08</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 <https://www.nj.gov/treasury/pensions/financial-reports.shtml>.

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

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

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

	<u>Measurement Date Ended June 30,</u>		
	<u>2018</u>	<u>2017</u>	<u>2016</u>
Township's Proportion of the Net Pension Liability	0.0365431220%	0.0363370542%	0.0359861706%
Township's Proportionate Share of the Net Pension Liability	\$ 7,195,159.00	\$ 8,458,685.00	\$ 10,658,072.00
Township's Covered Payroll (Plan Measurement Period)	\$ 2,532,432.00	\$ 2,537,328.00	\$ 2,528,524.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	284.12%	333.37%	421.51%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.60%	48.10%	40.14%
	<u>Measurement Date Ended June 30,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Proportion of the Net Pension Liability	0.0349554359%	0.0361696042%	0.0365878531%
Township's Proportionate Share of the Net Pension Liability	\$ 7,846,795.00	\$ 6,771,939.00	\$ 6,992,666.00
Township's Covered Payroll (Plan Measurement Period)	\$ 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 Covered Payroll	332.39%	272.53%	276.32%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.93%	52.08%	48.72%

Note 8: **PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)****Schedule of the Township's Contributions - Public Employees' Retirement System (PERS) (Last Six Years)**

	<u>Year Ended December 31,</u>		
	<u>2018</u>	<u>2017</u>	<u>2016</u>
Township's Contractually Required Contribution	\$ 363,486.00	\$ 336,624.00	\$ 319,696.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(363,486.00)</u>	<u>(336,624.00)</u>	<u>(319,696.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 2,417,904.00	\$ 2,531,886.00	\$ 2,581,927.00
Township's Contributions as a Percentage of Covered Payroll	15.03%	13.30%	12.38%
	<u>Year Ended December 31,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 300,523.00	\$ 298,177.00	\$ 275,682.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(300,523.00)</u>	<u>(298,177.00)</u>	<u>(275,682.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 2,556,514.00	\$ 2,371,131.00	\$ 2,409,705.00
Township's Contributions as a Percentage of Covered Payroll	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 Six Years)**

	<u>Measurement Date Ended June 30,</u>		
	<u>2018</u>	<u>2017</u>	<u>2016</u>
Township's Proportion of the Net Pension Liability	0.0863716364%	0.0860009182%	0.0871336477%
Township's Proportionate Share of the Net Pension Liability	\$ 11,687,506.00	\$ 13,276,879.00	\$ 16,644,756.00
State's Proportionate Share of the Net Pension Liability associated with the Township	<u>1,587,554.00</u>	<u>1,487,122.00</u>	<u>1,324,570.00</u>
Total	<u>\$ 13,275,060.00</u>	<u>\$ 14,764,001.00</u>	<u>\$ 17,969,326.00</u>
Township's Covered Payroll (Plan Measurement Period)	\$ 2,985,956.00	\$ 2,901,144.00	\$ 2,892,160.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	391.42%	457.64%	575.51%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.48%	58.60%	52.01%
	<u>Measurement Date Ended June 30,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Proportion of the Net Pension Liability	0.0906792440%	0.0882256595%	0.0883850972%
Township's Proportionate Share of the Net Pension Liability	\$ 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	<u>1,324,570.00</u>	<u>1,195,065.00</u>	<u>1,095,243.00</u>
Total	<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)	\$ 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 Covered Payroll	490.60%	378.86%	401.71%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.31%	62.41%	58.70%

Note 8: **PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)****Schedule of the Township's Contributions - Police and Firemen's Retirement System (PFRS) (Last Six Years)**

	<u>Year Ended December 31,</u>		
	<u>2018</u>	<u>2017</u>	<u>2016</u>
Township's Contractually Required Contribution	\$ 844,410.00	\$ 761,124.00	\$ 710,436.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(844,410.00)</u>	<u>(761,124.00)</u>	<u>(710,436.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 2,891,717.00	\$ 2,936,631.00	\$ 2,914,484.00
Township's Contributions as a Percentage of Covered Payroll	29.20%	25.92%	24.38%
	<u>Year Ended December 31,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 737,087.00	\$ 677,634.00	\$ 644,838.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(737,087.00)</u>	<u>(677,634.00)</u>	<u>(644,838.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 2,882,684.00	\$ 2,923,223.00	\$ 2,929,231.00
Township's Contributions as a Percentage of Covered Payroll	25.57%	23.18%	22.01%

Note 8: PENSION PLANS (CONT'D)**Other Notes to Supplementary Pension Information*****Public Employees' Retirement System (PERS)***Changes in Benefit Terms

None

Changes in Assumptions

The Discount Rate changed at June 30th over the following years, 5.39% 2014, 4.90% 2015, 3.98% 2016, 5.00% 2017 and 5.66% 2018.

The Long-term Expected Rate of Return changed at June 30th over the following years, 7.90% 2014 and 2015, 7.65% 2016, 7.00% 2017 and 2018.

For 2016, 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 social security wage base was set at \$118,500.00 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at \$265,000.00 for 2015, increasing 3.00% per annum, compounded annually.

Police and Firemen's Retirement System (PFRS)Changes in Benefit Terms

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

Changes in Assumptions

The Discount Rate changed at June 30th over the following years, 6.32% 2014, 5.79% 2015, 5.55% 2016, 6.14% 2017 and 6.51% 2018.

The Long-term Expected Rate of Return changed at June 30th over the following years, 7.90% 2014 and 2015, 7.65% 2016, 7.00% 2017 and 2018.

For 2016, 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, demographic assumptions were revised in accordance with the results of the July 1, 2010 - June 30, 2013 experience study.

Note 9: LENGTH OF SERVICE AWARDS PROGRAM

Plan Description - The Township's length of service awards program (the "Plan"), which is a defined contribution plan reported in the Township's trust fund, was created by a Township Ordinance adopted on June 7, 2006 pursuant to Section 457(e)(11)(B) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the length of service award program as enacted into federal law in 1997. The accumulated assets of the Plan are not administered through a trust that meets the criteria of paragraph 4 of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*.

The voters of the Township approved the adoption of the Plan at the general election held on November 7, 2006, and the first year of eligibility for entrance into the length of service awards program by qualified volunteers was calendar year 2007. The Plan provides tax deferred income benefits to active volunteer emergency medical personnel, and is administered by VALIC ("Plan Administrator"), a State of New Jersey approved length of service awards program provider. 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.

The tax deferred income benefits for emergency service volunteers of the Delran Township Emergency Squad, consisting of the Emergency Squad, come from contributions made solely by the governing body of the Township, on behalf of those volunteers who meet the criteria of the Plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

Plan Amendments - The Township may make minor amendments to the provisions of the Plan at any time, provided, however, that no amendment affects the rights of participants or their beneficiaries regarding vested accumulated deferrals at the time of the amendment. The Plan can only be amended by resolution of the governing body of the Township, and the following procedures must be followed: (a) any amendment to the Plan shall be submitted for review and approval by the Director of Local Government Services, State of New Jersey (the "Director") prior to implementation by the Township's governing body, provided, however, that any amendment required by the IRS, may be adopted by the Township's governing body without the advance approval of the Director (although such amendment shall be filed with the Director); (b) the documentation submitted to the Director shall identify the regulatory authority for the amendment and the specific language of the change; and (c) the Township shall adopt the amendment by resolution of the governing body, and a certified copy of the resolution shall be forwarded to the Director. The Township may amend the Plan agreement to accommodate changes in the Internal Revenue Code, Federal statutes, state laws or rules or operational experience. In cases of all amendments to the Plan, the Township shall notify all participants in writing prior to making any amendment to the Plan.

Contributions - If an active member meets the year of active service requirement, a length of service awards program 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 of the State of New Jersey will issue the permitted maximum annually.

The Township elected to contribute between \$40.25 and \$1,150.00 for the year ended December 31, 2018, per eligible volunteer, into the Plan, depending on how many years the volunteer has served. Participants direct the investment of the contributions into various investment options offered by the Plan. The Township has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the Plan Administrator.

For the year ended December 31, 2018, the Township's total expenditure, net of forfeitures of \$4,718.45, to the Plan was \$38,506.60.

Note 9: 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, 2018, 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. The contributions from the Township to the Plan, and the related earnings, are not irrevocable, and such funds are not legally protected from the creditors of the Township. These funds, however, are not available for funding the operations of the Township.

Vesting - The Township, in accordance with N.J.S.A. 40A:14-188 and N.J.A.C. 5:30-11.63 may make a yearly contribution to the length of service awards program account in the deferred income program for an active volunteer who has satisfied the requirements for receipt of an award, but the volunteer shall not be able to receive a distribution of the funds until the completion of a five year vesting period or be in accordance with changes to vesting conveyed through the issuance of a Local Finance Notice and/or publication of a public notice in the New Jersey Register, with payment of that benefit only being as otherwise permitted by the Plan.

Payment of Benefits - Upon separation from volunteer service, retirement or disability, termination of the Plan, participants may select various payout options of vested accumulated deferrals, 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, 2018, forfeited non-vested accounts totaled \$4,718.45. 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 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

The Township provides postemployment benefits other than pension benefits through the State Health Benefits Local Government Retired Employees Plan and through 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 Benefits Local Government Retired Employees Plan**General Information about the OPEB Plan**

Plan Description and Benefits Provided - The Township contributes to the State Health Benefits Local Government Retired Employees Plan (the "Plan"), which is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Comprehensive Annual Financial Report (CAFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drug benefit coverage to retirees and their covered dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

Note 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**State Health Benefits Local Government Retired Employees Plan (Cont'd)****General Information about the OPEB Plan (Cont'd)**

Contributions - The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there is a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members.

The Township was billed monthly by the Plan and paid \$16,999.92 for the year ended December 31, 2018, representing 0.32% of the Township's covered payroll. During the year ended December 31, 2018, retirees were required to contribute \$6,343.28.

Special Funding Situation Component - The State of New Jersey makes contributions to cover those employees eligible under Chapter 330, P.L. 1997, as disclosed below. Local employers remit employer contributions on a monthly basis. Retired member contributions are generally received on a monthly basis. Partially funded benefits are also available to local police officers and firefighters who retire with 25 years of service or on disability from an employer who does not provide coverage under the provisions of Chapter 330, P.L. 1997. Upon retirement, these individuals must enroll in the OPEB plan.

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80% of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 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, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

The amount of actual contributions to the OPEB Plan made by the State, on-behalf of the Township, is not known, however, under the Special Funding Situation, the State's OPEB expense, on-behalf of the Township, is \$244,922.00 for the year ended December 31, 2018 representing 4.61% of the Township's covered payroll.

Note 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**State Health Benefits Local Government Retired Employees Plan (Cont'd)****OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

OPEB Liability - At December 31, 2018 the Township's and State's proportionate share of the net OPEB liability were as follows:

Township's Proportionate Share of Net OPEB Liability	\$ 7,563,844.00
State of New Jersey's Proportionate Share of Net OPEB Liability Associated with the Township	<u>8,090,923.00</u>
	<u>\$ 15,654,767.00</u>

The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018.

The Township's proportion of the net OPEB liability was based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2017 through June 30, 2018. For the June 30, 2018 measurement date, the Township's proportion was .048280% which was a decrease of .002236% from its proportion measured as of the June 30, 2017 measurement date.

The State's proportion of the net OPEB liability, on-behalf of the Township was based on the ratio of the plan members of an individual employer to the total members of the Plan's special funding situation during the measurement period July 1, 2017 through June 30, 2018. For the June 30, 2018 measurement date, the State's proportion on-behalf of the Township was .130208% which was an increase of .000874% from its proportion measured as of the June 30, 2017 measurement date.

OPEB Expense - At December 31, 2018, the Township's proportionate share of the OPEB expense, calculated by the Plan as of the June 30, 2018 measurement date is \$117,123.00. 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, 2018, the Township made contributions to the Plan totaling \$16,999.92.

At December 31, 2018, the State's proportionate share of the OPEB expense, associated with the Township, calculated by the Plan as of the June 30, 2018 measurement date is \$244,922.00. This on-behalf expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

Note 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**State Health Benefits Local Government Retired Employees Plan (Cont'd)****OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)**

Deferred Outflows of Resources and Deferred Inflows of Resources - At December 31, 2018, the Township had deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ -	\$ 1,535,730.00
Changes of Assumptions	-	1,918,668.00
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	3,998.00	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	-	1,139,161.00
Township Contributions Subsequent to the Measurement Date	-	-
	<u>\$ 3,998.00</u>	<u>\$ 4,593,559.00</u>

Note 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**State Health Benefits Local Government Retired Employees Plan (Cont'd)****OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)**

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of Assumptions		
Year of OPEB Plan Deferral:		
June 30, 2017	-	8.04
June 30, 2018	-	8.14
Net Difference between Projected and Actual Earnings on OPEB Plan Investments		
Year of OPEB Plan Deferral:		
June 30, 2017	5.00	-
June 30, 2018	5.00	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions		
Year of OPEB Plan Deferral:		
June 30, 2017	8.04	8.04
June 30, 2018	8.14	8.14

Other amounts included as deferred outflows of resources and deferred inflows of resources related to the OPEB liability will be recognized in future periods as follows:

<u>Year Ending Dec. 31,</u>	
2019	\$ (683,903.00)
2020	(683,903.00)
2021	(683,903.00)
2022	(684,326.00)
2023	(685,008.00)
Thereafter	<u>(1,168,518.00)</u>
	<u>\$ (4,589,561.00)</u>

Note 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**State Health Benefits Local Government Retired Employees Plan (Cont'd)****Actuarial Assumptions**

The actuarial assumptions vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2018 used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%
Salary Increases *	
Through 2026	1.65% - 8.98%
Thereafter	2.65% - 9.98%

* Salary Increases are Based on the Defined Benefit Plan that the Member is Enrolled in and his or her Age.

Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

Certain actuarial assumptions used in the July 1, 2017 valuation were based on the results of the pension plans' experience studies for which the members are eligible for coverage under this Plan – the Police and Firemen Retirement System (PFRS) and the Public Employees' Retirement System (PERS). The PFRS and PERS experience studies were prepared for the periods July 1, 2010 to June 30, 2013 and July 1, 2011 to June 30, 2014, respectively.

100% of active members are considered to participate in the Plan upon retirement.

All of the Plan's investments are in the State of New Jersey Cash Management Fund ("CMF"). The New Jersey Division of Investments manages the CMF, which is available on a voluntary basis for investment by State and certain non-State participants. The CMF is considered to be an investment trust fund as defined in GASB Statement No. 31, *Certain Investments and External Investment Pools*. The CMF invests in U.S. Government and Agency Obligations, Commercial Paper, Corporate Obligations and Certificates of Deposit. Units of ownership in the CMF may be purchased or redeemed on any given business day (excluding State holidays) are the unit cost of value of \$1.00. Participant shares are valued on a fair value basis. The CMF pay interest to participants on a monthly basis.

Discount Rate - The discount rate used to measure the OPEB Liability at June 30, 2018 was 3.87%. This represents the municipal bond return rate as chosen by the State. The source is 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. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Health Care Trend Assumptions - For pre-Medicare preferred provider organization (PPO) and health maintenance organization (HMO) medical benefits, the trend rate is initially 5.8% and decreases to a 5.0% long-term trend rate after eight years. For self-insured post-65 PPO and HMO medical benefits, the trend rate is 4.5%. For prescription drug benefits, the initial trend rate is 8.0% decreasing to a 5.0% long-term trend rate after seven years. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

Note 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**State Health Benefits Local Government Retired Employees Plan (Cont'd)****Sensitivity of the net OPEB Liability to Changes in the Discount Rate**

As previously mentioned, the OPEB Plan has a special funding situation where the State of New Jersey pays a portion of the Township's contributions for certain eligible employees. As such, the proportionate share of the net OPEB liability as of June 30, 2018, the Plans measurement date, for the Township and the State of New Jersey, calculated using a discount rate of 3.87%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used, is as follows:

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
Township's Proportionate Share of the Net OPEB Liability	\$ 8,874,389.00	\$ 7,563,844.00	\$ 6,517,015.00
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Township	<u>9,492,792.00</u>	<u>8,090,923.00</u>	<u>6,971,147.00</u>
	<u>\$ 18,367,181.00</u>	<u>\$ 15,654,767.00</u>	<u>\$ 13,488,162.00</u>

Sensitivity of the net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The Township's and State's proportionate share of the net OPEB Liability as of June 30, 2018, the Plans measurement date, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used, is as follows:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Township's Proportionate Share of the Net OPEB Liability	\$ 6,309,459.00	\$ 7,563,844.00	\$ 9,187,205.00
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Township	<u>6,749,127.00</u>	<u>8,090,923.00</u>	<u>9,827,406.00</u>
	<u>\$ 13,058,586.00</u>	<u>\$ 15,654,767.00</u>	<u>\$ 19,014,611.00</u>

OPEB Plan Fiduciary Net Position

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the respective fiduciary net position of the State Health Benefits Local Government Retired Employees Plan and additions to/deductions from the Plan's respective fiduciary net position have been determined on the same basis as they are reported by the Plan. Accordingly, contributions (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 the Plan, please refer to the Plan's Comprehensive Annual Financial Report (CAFR) which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Note 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**State Health Benefits Local Government Retired Employees Plan (Cont'd)****Supplementary OPEB Information**

In accordance with GASBS No. 75, the following information is also presented for the State Health Benefits Local Government Retired Employees Plan. 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 OPEB Liability (Last 2 Years)

	<u>Measurement Date Ended June 30,</u>	
	<u>2018</u>	<u>2017</u>
Township's Proportion of the Net OPEB Liability	0.048280%	0.050516%
Township's Proportionate Share of the Net OPEB Liability	\$ 7,563,844.00	\$ 10,313,240.00
State's Proportionate Share of the Net OPEB Liability Associated with the Township	<u>8,090,923.00</u>	<u>11,246,126.00</u>
Total	<u>\$ 15,654,767.00</u>	<u>\$ 21,559,366.00</u>
Township's Covered Payroll (Plan Measurement Period)	\$ 5,360,975.00	\$ 5,509,377.00
Township's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	141.09%	187.19%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.97%	1.03%

Schedule of the Township's Contributions (Last 2 Years)

	<u>Year Ended December 31,</u>	
	<u>2018</u>	<u>2017</u>
Township's Required Contributions	\$ 16,999.92	\$ 21,202.15
Township's Contributions in Relation to the Required Contribution	<u>(16,999.92)</u>	<u>(21,202.15)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 5,309,621.00	\$ 5,468,517.00
Township's Contributions as a Percentage of Covered Payroll	0.32%	0.39%

Note 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

State Health Benefits Local Government Retired Employees Plan (Cont'd)

Other Notes to Supplementary OPEB Information

Changes in Benefit Terms

None

Changes in Assumptions

In 2017, the discount rate changed to 3.58% from 2.85%. In 2018, the discount rate changed to 3.87% from 3.58%, there were changes in the census, claims and premiums experience and a decrease in the assumed health care cost trend and excise tax assumptions.

Township of Delran Postemployment Health Benefit Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided - The Township provides reimbursement for postretirement health care benefits through a single employer post-employment healthcare plan, which is not administered through a trust that meets the criteria in paragraph 4 of the GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions. 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.

Employees Covered by Benefit Terms - As of January 1, 2018, the most recent actuarial valuation date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	12
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	
Active Employees	58
	70

Contributions - Employees are not required to contribute to the plan.

Total OPEB Liability

The Township's total OPEB liability of \$1,218,703.00 was measured as of December 31, 2018 and was determined by an actuarial valuation as of January 1, 2018.

Actuarial Assumptions and Other Inputs - The following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00% Annually
Salary Increases	3.00% Annually
Discount Rate	3.64%
Healthcare Cost Trend Rates	
Delran Police Association Employees	5.00% Annually
All Other Employees	0.00%

The discount rate was based on the 20-Bond General Obligation (GO) Index.

Mortality rates were based on RP-2014 mortality table with MP-2016 projection.

Note 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

Township of Delran Postemployment Health Benefit Plan (Cont'd)

Total OPEB Liability (Cont'd)

An experience study was not performed on the actuarial assumptions used in the January 1, 2018 valuation since the Plan had insufficient data to produce a study with credible results. Mortality rates and termination rates were based on standard tables either issued by the SOA or developed for the applicable grade of employee. The actuary has used his/her professional judgement in applying these assumptions to this plan.

Changes in Total OPEB Liability

Balance at Beginning of Year		\$ 1,177,792.00
Changes for the Year:		
Service Cost	29,737.00	
Interest Cost	41,895.00	
Benefit Payments	(53,634.00)	
Actuarial Assumption Changes	-	
Actuarial Demographic Gains / (Losses)	<u>22,913.00</u>	
Net Changes		<u>40,911.00</u>
Balance at End of Year		<u><u>\$ 1,218,703.00</u></u>

There were no changes of benefit terms or changes of assumptions at December 31, 2018.

Sensitivity of Total OPEB Liability to Changes in Discount Rate - The following presents the total OPEB liability of the Township, as well as what the Township's total OPEB liability would be if it were calculated for using a discount rate that is 1-percentage -point lower or 1-percentage-point higher than the current discount rate:

	1.00% Decrease <u>(2.64%)</u>	Current Discount Rate <u>(3.64%)</u>	1.00% Increase <u>(4.64%)</u>
Total OPEB Liability	<u>\$1,358,179.00</u>	<u>\$1,218,703.00</u>	<u>\$1,079,227.00</u>

Sensitivity of Total OPEB Liability to Changes in Healthcare Cost Trend Rates - The following presents the total OPEB liability of the Township, as well as what the Township's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1.00% Decrease	Healthcare Cost Trend Rate	1.00% Increase
Total OPEB Liability	<u>\$ 1,051,549.00</u>	<u>\$ 1,218,703.00</u>	<u>\$ 1,419,481.00</u>

Note 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Township of Delran Postemployment Health Benefit Plan (Cont'd)****OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2018, the Township recognized OPEB expense of \$73,923.00. As of December 31, 2018, the Township reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of Assumptions or Other Inputs	\$ -	\$ -
Difference between expected and actual experience	<u>20,622.00</u>	<u>-</u>
	<u>\$ 20,622.00</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending December 31,</u>	
2019	\$ 2,291.00
2020	2,291.00
2021	2,291.00
2022	2,291.00
2023	2,291.00
Thereafter	<u>9,167.00</u>
	<u>\$ 20,622.00</u>

Note 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Township of Delran Postemployment Health Benefit Plan (Cont'd)****Supplementary OPEB Information**

In accordance with GASB 75, the following information is also presented for the Township Plan. 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 Changes in the Township's Total OPEB Liability and Related Ratios –

Total OPEB Liability	<u>December 31, 2018</u>
Service Cost	\$ 29,737.00
Interest Cost	41,895.00
Benefit Payments	(53,634.00)
Actuarial Assumption Changes	-
Differences Between Expected and Actual Experience	<u>22,913.00</u>
Net Change in Total OPEB Liability	40,911.00
Total OPEB Liability - Beginning of Fiscal Year	<u>1,177,792.00</u>
Total OPEB Liability - End of Fiscal Year	<u><u>\$ 1,218,703.00</u></u>
Covered-Employee Payroll	\$ 6,588,724.00
Total OPEB Liability as a Percentage of Covered-Employee Payroll	18.50%

Other Notes to Supplementary OPEB Information

Changes in Benefit Terms - None

Changes in Assumptions - None

Note 11: 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 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 has established a compensated absences trust fund to set aside funds for future payments of compensated absences. At December 31, 2018, the balance of the fund was \$205,221.03. It is estimated that, at December 31, 2018, accrued benefits for compensated absences are valued at \$654,386.04.

Note 12: 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 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 was August 15, 2018.

General Obligation Bonds – Open Space, Series 2009 - On August 15, 2009, the Township issued \$1,829,000.00 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. This issue was refunded by the County Guaranteed Pooled Loan Revenue Refunding Bonds, Series 2017A - Open Space. The revised final maturity of the bonds is August 15, 2019.

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 was January 1, 2019.

County Guaranteed Pooled Loan Revenue Refunding Bonds, Series 2017A - Open Space - On March 28, 2017, the Township issued \$1,063,000.00 in county guaranteed pooled loan refunding bonds, with interest rates of 4.00% through the Burlington County Bridge Commission in their capacity as County Improvement Authority. The bonds were issued to refund the General Obligation Bonds – Open Space, Series 2009 bonds. The final maturity of the bonds is July 15, 2029.

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

Year	<u>Bonded Debt</u>				
	<u>General</u>		<u>Open Space</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2019	\$ 320,000.00	\$ 6,350.00	\$ 87,000.00	\$ 46,620.00	\$ 459,970.00
2020			92,000.00	41,300.00	133,300.00
2021			94,000.00	38,600.00	132,600.00
2022			97,000.00	34,840.00	131,840.00
2023			101,000.00	30,960.00	131,960.00
2024-2028			548,000.00	91,560.00	639,560.00
2029			125,000.00	5,000.00	130,000.00
	<u>\$ 320,000.00</u>	<u>\$ 6,350.00</u>	<u>\$ 1,144,000.00</u>	<u>\$ 288,880.00</u>	<u>\$ 1,759,230.00</u>

Note 13: CAPITAL DEBT (CONT'D)**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>
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	99,722.87	11,981.26	111,704.13
2023	99,722.87	10,731.26	110,454.13
2024-2028	508,614.35	37,756.30	546,370.65
2029-2033	411,630.57	15,462.54	427,093.11
	<u>\$ 1,403,859.27</u>	<u>\$ 117,875.14</u>	<u>\$ 1,521,734.41</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>2018</u>	<u>2017</u>	<u>2016</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 14,539,090.00	\$ 13,790,000.00	\$ 13,451,251.00
Sewer Utility:			
Loans and Notes	2,243,859.27	2,138,582.14	1,593,305.01
Total Issued	<u>16,782,949.27</u>	<u>15,928,582.14</u>	<u>15,044,556.01</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	1,857,141.58	3,308,158.50	1,587,859.47
Sewer Utility:			
Bonds and Notes	6,091,446.00	4,329,274.63	2,108,800.00
Total Authorized but Not Issued	<u>7,948,587.58</u>	<u>7,637,433.13</u>	<u>3,696,659.47</u>
Total Issued and Authorized but Not Issued	<u>24,731,536.85</u>	<u>23,566,015.27</u>	<u>18,741,215.48</u>
Deductions:			
Funds Temporarily Held To Pay Notes	282,575.97	794,077.97	657,466.96
Self-liquidating Debt	8,335,305.27	6,467,856.77	3,702,105.01
Total Deductions	<u>8,617,881.24</u>	<u>7,261,934.74</u>	<u>4,359,571.97</u>
Net Debt	<u>\$ 16,113,655.61</u>	<u>\$ 16,304,080.53</u>	<u>\$ 14,381,643.51</u>

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

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 1.045%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$ 22,430,000.00	\$ 22,430,000.00	
Sewer Utility	8,335,305.27	8,335,305.27	
General	16,396,231.58	282,575.97	\$ 16,113,655.61
	<u>\$ 47,161,536.85</u>	<u>\$ 31,047,881.24</u>	<u>\$ 16,113,655.61</u>

Net Debt \$16,113,655.61 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$1,541,911,285.33 equals 1.045%.

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)	\$ 53,966,894.99
Net Debt	<u>16,113,655.61</u>
Remaining Borrowing Power	<u>\$ 37,853,239.38</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	\$ 4,736,833.67
Deductions:	
Operating and Maintenance Cost	\$ 2,812,939.00
Debt Service per Sewer Fund	<u>754,557.99</u>
Total Deductions	<u>3,567,496.99</u>
Excess in Revenue	<u>\$ 1,169,336.68</u>

Note 14: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2018, the following deferred charge is shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

<u>Description</u>	<u>Balance December 31, 2018</u>	<u>2019 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorization	\$ 30,000.00	\$ 30,000.00

The appropriations in the 2019 Budget as adopted are not less than that required by the statutes.

Note 15: 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>Interest Earnings</u>	<u>Claims Paid</u>	<u>Ending Balance</u>
2018	\$ 3,000.00	\$ 8,629.32	\$ 7.45	\$ 5,196.00	\$ 66,584.27
2017	3,000.00	8,346.92		4,324.23	60,143.50
2016	3,000.00	8,157.27		8,773.18	53,120.81

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, 2018, 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 16: 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 17: 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 18: SUBSEQUENT EVENTS

Tax Appeals - As of December 31, 2018, there was one pending tax appeal against the Township. Based upon information provided by the tax assessor, if such appeal is not settled in favor of the Township, the estimated impact of the tax refunds could be material. However, the Township maintains a Reserve for Tax Appeals in the current fund of \$208,953.75. In the event there are insufficient funds to settle this appeal, the Township has the ability to raise the funds in the budget subsequent to 2018 and may, depending upon approval from the New Jersey State Local Finance Board, borrow to fund the payment of the appeal.

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:		
Purchase of Dump Truck	February 5, 2019	\$ 104,761.00
Reconstruction and /or Repair of Various Roads	March 5, 2019	1,142,858.00

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, 2018

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Balance Dec. 31, 2017	\$ 13,063,050.20	\$ 843,031.57
Increased by Receipts:		
Collector	\$ 52,458,851.72	
Miscellaneous Revenue Not Anticipated	282,205.33	
Revenue Accounts Receivable	795,320.58	
Due from State of New Jersey - Senior Citizens' and Veterans' Deductions	125,500.00	
Consolidated Municipal Property Tax Relief Act Funds	15,843.00	
Energy Tax Receipts	1,263,258.00	
Rental of Office Space to Delran Fire Commission	21,600.00	
Prepaid Mercantile Licenses	40,346.00	
Due to State of New Jersey - Marriage License Fees	2,475.00	
Due to State of New Jersey - D.C.A. Training Fees	22,744.00	
Due to/from Trust - Open Space Fund	9,181.31	
Due to/from Trust - Other Fund	23,234.23	
Due to/from Sewer Utility Operating Fund	900,265.60	
Due to/from General Capital Fund	978,543.11	
Match Grant Funds -- Current Fund		\$ 24,669.00
Federal, State and Local Grants		<u>109,620.54</u>
	<u>56,939,367.88</u>	<u>134,289.54</u>
Carried Forward	70,002,418.08	977,321.11

(Continued)

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Current Cash per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2018

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Brought Forward	\$70,002,418.08	\$ 977,321.11
Decreased by Disbursements:		
2018 Appropriations	\$ 6,519,365.81	
2017 Appropriation Reserves	549,482.15	
Accounts Payable	55,663.65	
Payroll and Related Deductions Payable	6,849,138.55	
Local District School Taxes	33,642,169.00	
County Taxes	6,296,915.63	
County Share of Added and Omitted Taxes	23,969.08	
Special Fire District Tax	2,224,562.00	
Open Space Trust Fund Tax	325,000.00	
Refund Tax Overpayments	9,613.63	
Due to State of New Jersey--Marriage License Fees	2,675.00	
Due to State of New Jersey--D.C.A. Training Fees	23,642.00	
Due to/from Sewer Utility Operating Fund	886,688.36	
Due to/from Trust - Other Fund	52,388.83	
Due to/from General Capital Fund	25,281.45	\$ 376,675.27
Refund of Prior Year Revenue	27,556.06	
Matching Funds for Grants	24,669.00	
Federal and State Grant Fund:		
Reserve for Encumbrances		
Federal, State and Local Grants		109,676.10
	57,538,780.20	486,351.37
Balance Dec. 31, 2018	\$12,463,637.88	\$ 490,969.74

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Current Cash per N.J.S. 40A:5-5 -- Collector
For the Year Ended December 31, 2018

Cash Receipts:	
Taxes Receivable	\$ 51,925,836.29
Interest and Costs on Taxes	153,589.22
Prepaid Taxes	320,450.07
Tax Overpayments	<u>58,976.14</u>
	52,458,851.72
Decreased by:	
Direct Deposits to Treasurer's Bank Account	<u>\$ 52,458,851.72</u>

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, 2018

Balance Dec. 31, 2017		\$ 11,468.62
Increased by:		
Receipts		<u>125,500.00</u>
		136,968.62
Decreased by:		
Accrued in 2018 to Municipality:		
Senior Citizens' Deductions per Tax Billings	\$ 12,500.00	
Veterans' Deductions per Tax Billings	<u>115,500.00</u>	
	128,000.00	
Senior Citizens' and Veterans' Deductions Allowed by Tax Collector	<u>3,250.00</u>	
	131,250.00	
Deduct:		
Senior Citizens' Deductions Disallowed by Tax Collector	<u>5,000.00</u>	
Subtotal 2018 Tax Accrual	126,250.00	
Deduct:		
Prior Year Senior Citizens' Deductions Disallowed by Tax Collector	<u>2,500.00</u>	
		<u>123,750.00</u>
Balance Dec. 31, 2018		<u><u>\$ 13,218.62</u></u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2018

Year	Balance Dec. 31, 2017	2018 Levy	Added Taxes	Collections 2017	2018	Due from State of New Jersey	Overpayments Applied	Canceled	Transfer to Tax Title Liens	Balance Dec. 31, 2018
2016	\$ 3,502.06							\$ 1.86		\$ 3,500.20
2017	615,546.08		\$ 2,500.00	\$ 612,233.29				3.73		5,809.06
2018		\$ 53,638,315.47		\$ 1,493,695.39	51,313,603.00	\$ 126,250.00	\$ 0.74	44,448.15	\$ 25,182.37	635,135.82
	<u>\$ 619,048.14</u>	<u>\$ 53,638,315.47</u>	<u>\$ 2,500.00</u>	<u>\$ 1,493,695.39</u>	<u>\$ 51,925,836.29</u>	<u>\$ 126,250.00</u>	<u>\$ 0.74</u>	<u>\$ 44,453.74</u>	<u>\$ 25,182.37</u>	<u>\$ 644,445.08</u>

Analysis of 2018 Tax Levy

Tax Yield

General Purpose Tax	\$51,166,397.63
Special District Tax	2,224,562.00
Added Taxes (54:4-63.1 et seq.)	<u>247,355.84</u>

\$53,638,315.47

Tax Levy

Local District School Tax	\$33,642,169.00
County Taxes:	
County Tax	\$ 5,424,487.16
County Library Tax	478,655.53
County Open Space Taxes	393,772.94
Due County for Added Taxes	<u>27,147.12</u>

Total County Taxes	6,324,062.75
Fire District No. 1 Tax	2,224,562.00
Local Tax for Municipal Purposes	10,902,313.00
Local Open Space Tax	325,000.00
Add: Additional Tax Levied	<u>220,208.72</u>

Local Tax for Municipal Purposes Levied 11,447,521.72

\$53,638,315.47

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Tax Title Liens Receivable
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 163,064.45
Increased by:	
Transferred from Taxes Receivable	<u>25,182.37</u>
Balance Dec. 31, 2018	<u>\$ 188,246.82</u>

TOWNSHIP OF DELRAN
CURRENT FUND
 Statement of Revenue Accounts Receivable
 For the Year Ended December 31, 2018

	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Accrued</u> <u>2018</u>	<u>Prepaid</u> <u>Applied</u>	<u>Collected</u> <u>2018</u>	<u>Due Trust -</u> <u>Other Fund</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
Clerk:						
Licenses:						
Alcoholic Beverages		\$ 15,450.00		\$ 15,450.00		
Other		68,018.50	\$ 41,322.00	26,696.50		
Fees and Permits		105,335.49		105,335.49		
Construction Code Office:						
Fees and Permits		295,213.00		295,213.00		
Municipal Court:						
Fines and Costs	\$ 20,005.86	248,190.50		248,657.66		\$ 19,538.70 (A)
Interest on Investments and Deposits		110,091.04		103,967.93	\$ 6,123.11	
	<u>\$ 20,005.86</u>	<u>\$ 842,298.53</u>	<u>\$ 41,322.00</u>	<u>\$ 795,320.58</u>	<u>\$ 6,123.11</u>	<u>\$ 19,538.70</u>

(A) Dec. 2018

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Prepaid Licenses
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 41,322.00
Increased by:	
Receipts	<u>40,346.00</u>
	81,668.00
Decreased by:	
Realized as Miscellaneous Revenue - Licenses - Other	<u>41,322.00</u>
Balance Dec. 31, 2018	<u><u>\$ 40,346.00</u></u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of 2017 Appropriation Reserves
For the Year Ended December 31, 2018

	<u>Balance Dec. 31,</u>		<u>Cash</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>		
<u>OPERATIONS--WITHIN "CAPS"</u>				
<u>Department of Administration</u>				
Division of Administration:				
Business Administration Office				
Other Expenses	\$ 18,062.39	\$ 4,469.02	\$ 21,645.70	\$ 885.71
Mayor and Council				
Other Expenses		1,872.31		1,872.31
Public Relations				
Other Expenses		1,310.47		1,310.47
Office of Municipal Clerk				
Salaries and Wages		2,026.50		2,026.50
Other Expenses	65.42	5,770.46	2,327.57	3,508.31
Insurance				
General Liability		9,267.00		9,267.00
Employee Group Health		211,415.65	3,478.35	207,937.30
Health Benefit Waiver		5,000.00		5,000.00
<u>Department of Finance</u>				
Division of Treasury:				
Treasurer				
Salaries and Wages		9,564.46		9,564.46
Other Expenses	3,999.00	8,761.14	11,640.00	1,120.14
Division of Revenue:				
Bureau of Assessments				
Salaries and Wages		1,899.06	940.00	959.06
Other Expenses		33,274.77	687.50	32,587.27
Bureau of Collections				
Salaries and Wages		19,617.18	4,547.10	15,070.08
Other Expenses	803.20	2,867.66	903.20	2,767.66
<u>Department of Engineering</u>				
Township Engineer				
Other Expenses		17,304.60	7,379.25	9,925.35
<u>Department of Law</u>				
Township Solicitor				
Other Expenses		10,679.44	50.00	10,629.44
<u>Department of Public Safety</u>				
Division of Police:				
Police				
Salaries and Wages		236,442.39	13,387.97	223,054.42
Other Expenses	114,350.71	1,956.19	110,930.55	5,376.35
School Traffic Guards				
Salaries and Wages		5,242.85		5,242.85
First Aid Organization--Contribution		100.00		100.00

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of 2017 Appropriation Reserves
For the Year Ended December 31, 2018

	Balance Dec. 31,		Cash Disbursed	Balance Lapsed
	Encumbered	Reserved		
<u>OPERATIONS--WITHIN "CAPS" (CONT'D):</u>				
<u>Department of Public Safety (Cont'd)</u>				
Municipal Court				
Salaries and Wages		\$ 9,407.01	\$ 7,920.69	\$ 1,486.32
Other Expenses	\$ 536.17		536.17	
Public Defender				
Other Expenses		7,025.00		7,025.00
Division of Emergency Management				
Office of Emergency Management				
Salaries and Wages		126.00	126.00	
Other Expenses		1,000.00		1,000.00
<u>Department of Public Works</u>				
<u>Division of Roads and Public Property:</u>				
Streets and Roads				
Salaries and Wages		90,853.70	36,290.66	54,563.04
Other Expenses	23,284.09	64,176.85	30,504.01	56,956.93
Solid Waste Collection				
Other Expenses		42,435.75	36,669.97	5,765.78
Recycling				
Salaries and Wages		17,990.56	5,124.14	12,866.42
Other Expenses	400.00	35,814.26	400.00	35,814.26
Public Buildings and Grounds				
Other Expenses	7,715.14	32,335.14	7,760.81	32,289.47
Division of Parks and Recreation:				
Recreation Committee				
Salaries and Wages		59.24		59.24
Other Expenses		7,484.28	417.90	7,066.38
Juvenile Conference Committee				
Other Expenses		100.00		100.00
<u>Department of Health</u>				
Division of Health:				
Salaries and Wages		7,931.22	1,488.50	6,442.72
Other Expenses		200.00		200.00
<u>Statutory Agencies</u>				
<u>Municipal Land Use Law (N.J.S.40-55D-1)</u>				
Zoning Board of Adjustments				
Other Expenses		7,907.78	130.11	7,777.67
Municipal Prosecutor				
Other Expenses		983.00		983.00
Planning Board				
Salaries and Wages		7,956.12	4,784.06	3,172.06
Other Expenses		3,916.30	184.61	3,731.69
Zoning Officer				
Salaries and Wages		28,600.00	468.00	28,132.00

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of 2017 Appropriation Reserves
For the Year Ended December 31, 2018

	Balance Dec. 31,		Cash Disbursed	Balance Lapsed
	Encumbered	Reserved		
OPERATIONS--WITHIN "CAPS" (CONT'D):				
<u>Statutory Agencies</u>				
Landfill/Solid Waste Disposal Costs		\$ 39,764.01	\$ 30,301.08	\$ 9,462.93
Utility Purchases and Bulk Purchases				
Electricity/Gas	\$ 40,856.87	37,757.98	33,667.53	44,947.32
Street Lighting	24,561.98	44,509.12	6,499.66	62,571.44
Telephone		6,227.58		6,227.58
Water		25,791.16	1,150.68	24,640.48
Gasoline		112,079.29	14,385.36	97,693.93
P.L. 2000 Chapter 26:				
Solid Waste Service to Apartments				
Collection		66,863.10	66,863.10	
Disposal		51,373.27	42,735.09	8,638.18
State Uniform Construction Code:				
Construction Official				
Salaries and Wages		29,651.93	2,861.00	26,790.93
Other Expenses		17,630.15		17,630.15
<u>Unclassified</u>				
Salary Adjustment		5,000.00		5,000.00
Green Team Other Expenses	75.00	520.00	595.00	
Interest on Developers Deposits		2,000.00		2,000.00
Total Operations--Within "CAPS"	234,709.97	1,394,310.95	509,781.32	1,119,239.60
Contingent		3,075.12		3,075.12
Total Operations Including Contingent-- Within "CAPS"	234,709.97	1,397,386.07	509,781.32	1,122,314.72
Detail:				
Salaries and Wages	-	472,368.22	77,938.12	394,430.10
Other Expenses	234,709.97	925,017.85	431,843.20	727,884.62
DEFERRED CHARGES AND STATUTORY EXPENDITURES MUNICIPAL--WITHIN "CAPS"				
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)		97,970.45		97,970.45
Police and Firemen's Retirement System		1,534.16		1,534.16
Defined Contribution Retirement Program	23.45	1,983.50	23.45	1,983.50
Unemployment Compensation Insurance		808.00		808.00
Total Deferred Charges and Statutory Expenditures--Municipal--Within "CAPS"	23.45	102,296.11	23.45	102,296.11
Total General Appropriations for Municipal Purposes Within--"CAPS"	234,733.42	1,499,682.18	509,804.77	1,224,610.83

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of 2017 Appropriation Reserves
For the Year Ended December 31, 2018

	<u>Balance Dec. 31,</u>		<u>Cash</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>		
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>				
Statutory Expenditures:				
SFSP Fire District Payment				
Length of Service Awards Program	\$ 43,225.05	\$ 38,774.95	\$ 38,506.60	\$ 43,493.40
Landfill Recycling Fees		11,002.69	1,170.78	9,831.91
Municipal Water Services				
Other Expenses		5,500.00		5,500.00
Total Operations--Excluded from "CAPS"	43,225.05	55,277.64	39,677.38	58,825.31
Detail:				
Other Expenses	43,225.05	55,277.64	39,677.38	58,825.31
Total General Appropriations	<u>\$277,958.47</u>	<u>\$ 1,554,959.82</u>	<u>\$ 549,482.15</u>	<u>\$ 1,283,436.14</u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Due to State of New Jersey - Marriage License Fees
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$	575.00
Increased by:		
State Fees Collected		2,475.00
		3,050.00
Decreased by:		
State Fees Disbursed		2,675.00
Balance Dec. 31, 2018	\$	375.00

Exhibit SA-10

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2018

Balance Dec. 31, 2017 (2018 Taxes)	\$	1,493,695.39
Increased by:		
Collections-- 2019 Taxes -- Collector	\$	320,450.07
Overpayments Applied		19,273.50
		339,723.57
		1,833,418.96
Decreased by:		
Application to 2018 Taxes Receivable		1,493,695.39
Balance Dec. 31, 2018 (2019 Taxes)	\$	339,723.57

TOWNSHIP OF DELRAN
CURRENT FUND
 Statement of Tax Overpayments
 For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 50,302.62
Increased by:		
Overpayments Collected in 2018 -- Collector		58,976.14
		109,278.76
Decreased by:		
Applied to 2018 Taxes	\$ 0.74	
Applied to 2019 Taxes	19,273.50	
Refunds	9,613.63	
		28,887.87
Balance Dec. 31, 2018		\$ 80,390.89

Exhibit SA-12

TOWNSHIP OF DELRAN
CURRENT FUND
 Statement of Due to State of New Jersey - Department of Community Affairs - Training Fees
 For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 4,895.00
Increased by:		
State Fees Collected		22,744.00
		27,639.00
Decreased by:		
Disbursements		23,642.00
Balance Dec. 31, 2018		\$ 3,997.00

Exhibit SA-13

TOWNSHIP OF DELRAN
CURRENT FUND
 Statement of Accounts Payable
 For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 488,458.01
Decreased by:		
Disbursements		55,663.65
Balance Dec. 31, 2018		\$ 432,794.36

TOWNSHIP OF DELRAN
CURRENT FUND
 Statement of Payroll Deductions Payable
 For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 50,917.79
Increased by:		
Charges to Budget Appropriation		<u>6,800,865.55</u>
		6,851,783.34
Decreased by:		
Disbursements		<u>6,849,138.55</u>
Balance Dec. 31, 2018		<u><u>\$ 2,644.79</u></u>

TOWNSHIP OF DELRAN
CURRENT FUND
 Statement of Special District Taxes Payable
 For the Year Ended December 31, 2018

2018 Levy--Fire District No. 1		\$ 2,224,562.00
Decreased by:		
Disbursements		<u><u>\$ 2,224,562.00</u></u>

TOWNSHIP OF DELRAN
CURRENT FUND
 Statement of County Taxes Payable
 For the Year Ended December 31, 2018

Levy--Calendar Year 2018		
County Tax	\$ 5,424,487.16	
County Library Tax	478,655.53	
County Open Space Taxes	<u>393,772.94</u>	
		\$ 6,296,915.63
Decreased by:		
Disbursements		<u><u>\$ 6,296,915.63</u></u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Due County for Added and Omitted Taxes
For the Year Ended December 31, 2018

Balance Dec. 31, 2017		
Rollback Assessment (2014)	\$ 2,924.65	
Rollback Assessment (2015)	3,160.36	
Rollback Assessment (2016)	3,116.62	
Added Taxes (2016)	15.52	
Added Taxes (2017)	<u>14,751.93</u>	
		\$ 23,969.08
Increased by County Share of 2018 Levy:		
Added Taxes (2017)	429.86	
Added Taxes (2018)	25,576.41	
Omitted Taxes (2017)	<u>1,140.85</u>	
		<u>27,147.12</u>
		51,116.20
Decreased by:		
Disbursements		<u>23,969.08</u>
Balance Dec. 31, 2018		
Added Taxes (2017)	429.86	
Added Taxes (2018)	25,576.41	
Omitted Taxes (2017)	<u>1,140.85</u>	
		<u>\$ 27,147.12</u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Local District School Tax Payable
For the Year Ended December 31, 2018

Levy--Calendar Year 2018		\$ 33,642,169.00
Decreased by:		
Payments		<u>\$ 33,642,169.00</u>

TOWNSHIP OF DELRAN
FEDERAL, STATE AND LOCAL GRANT FUND
Statement of Federal, State and Local Grants Receivable
For the Year Ended December 31, 2018

<u>Program</u>	<u>Federal and State Grant Funds Receivable</u>	<u>Received</u>
Federal:		
Click It or Ticket	\$ 5,500.00	\$ 5,500.00
Distracted Driving Statewide Crackdown Grant	<u>6,600.00</u>	<u>6,600.00</u>
Total Federal	<u>12,100.00</u>	<u>12,100.00</u>
State:		
Clean Communities Program	31,149.32	31,149.32
Municipal Court Alcohol Education/Rehabilitation Program	6,371.22	6,371.22
Safe and Secure Communities Program	<u>60,000.00</u>	<u>60,000.00</u>
Total State	<u>97,520.54</u>	<u>97,520.54</u>
	<u>\$ 109,620.54</u>	<u>\$ 109,620.54</u>

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, 2018

<u>Program</u>	<u>Balance Dec. 31, 2017</u>	<u>Federal and State Grant Funds Receivable</u>	<u>Miscellaneous Revenue in 2018 Budget</u>	<u>Balance Dec. 31, 2018</u>
Federal:				
Bulletproof Vest Partnership Grant	\$ 1,868.00		\$ 1,868.00	
Click It or Ticket		\$ 5,500.00	5,500.00	
Drive Sober or Get Pulled Over	5,000.00		5,000.00	
Distracted Driving Statewide Crackdown Grant		6,600.00	6,600.00	
Total Federal	<u>6,868.00</u>	<u>12,100.00</u>	<u>18,968.00</u>	<u>\$ -</u>
State:				
Clean Communities Grant Program		31,149.32	31,149.32	
Municipal Court - Alcohol Education and Rehabilitation Program		6,371.22	6,371.22	
Recycling Tonnage Grant	26,183.34		26,183.34	
Safe and Secure Communities Program	60,000.00	60,000.00	60,000.00	60,000.00
Total State	<u>86,183.34</u>	<u>97,520.54</u>	<u>123,703.88</u>	<u>60,000.00</u>
	<u>\$ 93,051.34</u>	<u>\$ 109,620.54</u>	<u>\$ 142,671.88</u>	<u>\$ 60,000.00</u>

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, 2018

<u>Program</u>	<u>Balance Dec. 31, 2017</u>	<u>Transferred from Budget Appropriations</u>	<u>Paid or Charged</u>	<u>Cancelled Prior Year Encumbrances</u>	<u>Balance Dec. 31, 2018</u>
Federal:					
Bulletproof Vest Partnership Grant		\$ 1,868.00	\$ 1,868.00		
Click It or Ticket		5,500.00	5,500.00		
Drive Sober or get Pulled Over		5,000.00	5,000.00		
Distracted Driving Statewide Crackdown Grant		6,600.00	6,600.00		
Total Federal	\$ -	18,968.00	18,968.00	\$ -	\$ -
State:					
Body Armor Replacement Fund Grant	2,990.70		2,990.70		-
Clean Communities Grant Program	81,716.81	31,149.32	15,950.10		96,916.03
Governor's Council on Drug Abuse - Municipal Drug Alliance	7,623.39				7,623.39
Municipal Court - Alcohol Education and Rehabilitation Program	94,020.43	6,371.22			100,391.65
Recycling Tonnage Grant	97,426.91	26,183.34	16,626.00		106,984.25
Safe and Secure Communities Program	87,353.00	84,669.00	60,000.00		112,022.00
Total State	371,131.24	148,372.88	95,566.80	-	423,937.32
Local:					
Burlington County Park Grant	1,873.50	-	-	300.22	2,173.72
	<u>\$373,004.74</u>	<u>\$167,340.88</u>	<u>\$114,534.80</u>	<u>\$ 300.22</u>	<u>\$426,111.04</u>
Disbursed			\$ 109,676.10		
Current Year Encumbrances			<u>4,858.70</u>		
			<u>\$ 114,534.80</u>		

TOWNSHIP OF DELRAN
FEDERAL, STATE AND LOCAL GRANT FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 300.22
Increased by:	
Encumbered	<u>4,858.70</u>
	5,158.92
Decreased by:	
Cancelled	<u>300.22</u>
Balance Dec. 31, 2018	<u><u>\$ 4,858.70</u></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, 2018

	<u>Animal Control</u>	<u>Open Space</u>	<u>Trust Other</u>
Balance Dec. 31, 2017	\$ 13,197.99	\$2,206,105.12	\$2,322,432.87
Increased by Receipts:			
Dog License Fees	\$ 8,473.20		
Cat License Fees	637.00		
Late Registration Fees	860.00		
Budget Appropriation	16,000.00		
State Registration Fees	922.80		
Open Space Taxes		\$ 325,000.00	
Reserve for Open Space Trust Fund		17,282.04	
Reserve for Payment of Debt		20,100.00	
Miscellaneous Trust Reserves			\$1,364,711.71
Accounts Receivable - Outside Police			5,280.00
Due to Current			40,604.44
	<u>26,893.00</u>	<u>362,382.04</u>	<u>1,410,596.15</u>
	40,090.99	2,568,487.16	3,733,029.02
Decreased by Disbursements:			
Expenditures Under R.S.4:19-15.11	10,478.34		
Accounts Payable	765.00		
State Registration Fees	922.80		
Reserve for Open Space Trust Fund		443,165.00	
Due to Current Fund		9,181.31	3,336.73
Miscellaneous Trust Reserves			1,278,424.70
	<u>12,166.14</u>	<u>452,346.31</u>	<u>1,281,761.43</u>
Balance Dec. 31, 2018	<u>\$ 27,924.85</u>	<u>\$2,116,140.85</u>	<u>\$2,451,267.59</u>

TOWNSHIP OF DELRAN
TRUST - OTHER FUND
Statement of Investments - Length of Service Awards Program
For Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 727,123.92
Increased by:		
Current Fund Budget Appropriation	\$ 38,506.60	
Interest on Investments	1,522.43	
		40,029.03
		767,152.95
Decreased by:		
Benefits Paid to Participants	94,645.60	
Unrealized Loss on Investments	54,267.85	
		148,913.45
Balance Dec. 31, 2018		\$ 618,239.50
 <u>Schedule of Investments, Dec. 31, 2018</u>		
<u>Description</u>		<u>Amount</u>
Fixed Annuity Contract		\$ 76,311.85
Money Market Funds		52,207.14
Variable Earnings Investments		489,720.51
		\$ 618,239.50

TOWNSHIP OF DELRAN
TRUST - OTHER FUND
Statement of Due to Current Fund
For Year Ended December 31, 2018

Balance Dec. 31, 2017		\$167,351.32
Increased by:		
Cash Receipts:		
Interest on Investments	\$ 6,123.11	
Interfund Advanced	<u>34,481.33</u>	
		\$40,604.44
Accounts Payable Disbursed by Current Fund		<u>17,907.50</u>
		<u>58,511.94</u>
		225,863.26
Decreased by:		
Cash Disbursements:		
Interfund Returned		3,336.73
Outside Police Employment Funds Received in Current Fund - Prepaid		<u>19,897.50</u>
		<u>23,234.23</u>
Balance Dec. 31, 2018		<u><u>\$202,629.03</u></u>
<u>Analysis of Balance Dec. 31, 2018</u>		
Length of Service Award Program Forfeitures		\$ 64,337.13
Storm Recovery - Interest Earned		27.47
Accumulated Absences - Interest Earned		1,496.27
Lien Redemption - Premium Forfeitures		77,683.83
Escrow - Interest Earned		6,061.20
Outside Police - Prepaid		2,740.00
Unemployment - Employee Contributions		(16,167.21)
Outside Police - Reimbursement to Current Fund		<u>66,450.34</u>
		<u><u>\$202,629.03</u></u>

TOWNSHIP OF DELRAN
TRUST - OTHER FUND
 Statement of Accounts Receivable - Outside Police
 For Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 5,280.00
Increased by:	
Accrued for Services Rendered	5,560.00
	10,840.00
Decreased by:	
Receipts	5,280.00
Balance Dec. 31, 2018	\$ 5,560.00

TOWNSHIP OF DELRAN
TRUST - ANIMAL CONTROL FUND
 Statement of Reserve for Animal Control Expenditures
 For Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 12,482.99
Increased by:	
Receipts:	
Current Fund Budget Appropriation	\$ 16,000.00
Dog License Fees Collected	8,473.20
Cat License Fees Collected	637.00
Late Registration Fees	860.00
	25,970.20
	38,453.19
Decreased by:	
Expenditures Under R.S.4:19-15.11:	
Cash Disbursed	10,478.34
Statutory Excess Due to Current Fund	5,645.45
	16,123.79
Balance Dec. 31, 2018	\$ 22,329.40

Animal Control Fees Collected

<u>Year</u>	<u>Amount</u>
2016	\$ 11,407.00
2017	10,922.40
	\$ 22,329.40

TOWNSHIP OF DELRAN
TRUST - OPEN SPACE FUND
 Statement of Reserve Open Space Trust Fund
 For Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 1,927,342.57
Increased by:		
Interest Earned on Investments and Deposits	\$ 17,282.04	
Realized Reserve to Pay Debt	69,581.24	
Open Space Taxes	325,000.00	
		411,863.28
		2,339,205.85
Decreased by:		
Cash Disbursements:		
Debt Service:		
Payment of Bond Principal	86,000.00	
Payment of Bond Anticipation Note	260,000.00	
Interest on Bonds	50,040.00	
Interest on Notes	47,125.00	
		443,165.00
Balance Dec. 31, 2018		\$ 1,896,040.85

TOWNSHIP OF DELRAN
TRUST - OPEN SPACE FUND
 Statement of Due to Current Fund
 For Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 9,181.31
Decreased by:		
Cash Disbursements:		
Interfund Returned		\$ 9,181.31

TOWNSHIP OF DELRAN
TRUST - OPEN SPACE FUND
Statement of Reserve for Payment of Debt
For Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 69,581.24
Increased by:	
Receipts - County Appropriation	<u>20,100.00</u>
	89,681.24
Decreased by:	
Realized as Revenue in Trust - Open Space Budget	<u>69,581.24</u>
Balance Dec. 31, 2018	<u><u>\$ 20,100.00</u></u>

Exhibit SB-9

TOWNSHIP OF DELRAN
TRUST - OTHER FUND
Statement of Accounts Payable
For Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 93,875.32
Increased by:	
Miscellaneous Trust Reserves	<u>8,656.00</u>
	102,531.32
Decreased by:	
Disbursed by Current Fund	<u>17,907.50</u>
Balance Dec. 31, 2018	<u><u>\$ 84,623.82</u></u>
<u>Analysis of Balance Dec. 31, 2018</u>	
Due to Criminal Disposition and Review Collection Fund	\$ 78,743.82
Salaries and Wages Payable - Outside Police	<u>5,880.00</u>
	<u><u>\$ 84,623.82</u></u>

TOWNSHIP OF DELRAN
TRUST - OTHER FUND
Statement of Prepaid Outside Police
For Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 17,047.50
Increased by:	
Received in Current Fund	<u>19,897.50</u>
	36,945.00
Decreased by:	
Applied to Reserve	<u>17,047.50</u>
Balance Dec. 31, 2018	<u><u>\$ 19,897.50</u></u>

TOWNSHIP OF DELRAN
TRUST - OTHER FUND
 Statement of Miscellaneous Trust Reserves
 For Year Ended December 31, 2018

	Balance Dec. 31, 2017	Receipts	Decreased by		Accounts Receivable	Prepaid Applied	Accounts Payable	Balance Dec. 31, 2018
			Unrealized Loss on Investments	Disbursements				
Reserve for:								
Street Opening Deposits	\$ 24,040.66	\$ 3,355.33		\$ 10,439.50				\$ 16,956.49
New Jersey Unemployment Insurance	60,143.50	11,636.77		5,196.00				66,584.27
Planning Escrow Fund Deposits	384,909.72	122,088.22		118,062.67				388,935.27
Affordable Housing Trust Funds	814,324.03	147,660.61		7,430.34				954,554.30
Public Defender Fees	9,625.00	9,076.00		5,800.00			\$ (2,776.00)	10,125.00
Credit Card Program	7,619.60							7,619.60
Parking Offense Adjudication Act	788.00	20.00						808.00
Tax Sale Premiums	447,800.00	456,800.00		507,000.00				397,600.00
Delran Day Donations	10,938.64							10,938.64
Delran Events		18,750.00		18,419.49				330.51
Deposits for Redemption of Tax Sale Certificates	36,011.18	419,340.43		433,736.70				21,614.91
Performance/ Maintenance Escrows	15,197.72							15,197.72
Police Emergency Service Equipment	1,555.47							1,555.47
Special Law Enforcement	27,234.40	1,321.85						28,556.25
Length of Service Awards Program	662,786.79	40,029.03	\$ (54,267.85)	94,645.60				553,902.37
Bike Patrol	9,065.87							9,065.87
Outside Police Employment Jake's Place	7,004.00	144,662.50		161,390.00	\$ 5,560.00	\$ 17,047.50	(5,880.00)	7,004.00
Storm Recovery	40,000.00							40,000.00
Accumulated Abscences	175,221.03	30,000.00						205,221.03
Multiple-Dwelling Security Deposits	14,626.39							14,626.39
Kenneth Johnston Memorial Fund	319.23							319.23
Police Unclaimed Funds	4,806.50							4,806.50
Easter Egg Hunt	726.88			650.00				76.88
Community Park Donations	18,364.00			10,300.00				8,064.00
Mayor's Great Grill Off	1,800.00							1,800.00
	<u>\$ 2,774,908.61</u>	<u>\$ 1,404,740.74</u>	<u>\$ (54,267.85)</u>	<u>\$ 1,373,070.30</u>	<u>\$ 5,560.00</u>	<u>\$ 17,047.50</u>	<u>\$ (8,656.00)</u>	<u>\$ 2,766,262.70</u>
Cash - Treasurer		\$ 1,364,711.71		\$ 1,278,424.70				
Investments		<u>40,029.03</u>		<u>94,645.60</u>				
		<u>\$ 1,404,740.74</u>		<u>\$ 1,373,070.30</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, 2018

Balance Dec. 31, 2017		\$	2,992,070.26
Increased by Receipts:			
Bond Anticipation Note Premium	\$	107,983.00	
Capital Improvement Fund		150,000.00	
Interest on Investment due to Current Fund		21,385.85	
Due from Current Fund		25,281.45	
Grant Receivable		177,316.00	
Deferred Charges to Future Taxation--Unfunded:			
Budget Appropriation		21,162.50	
Grant Receipts		69,479.42	
Due from Federal, State and Local Grant Fund		376,675.27	
Refunded Improvement Authorization Expenditures		183,988.36	
Bond Anticipation Note		<u>13,075,090.00</u>	
			<u>14,208,361.85</u>
			17,200,432.11
Decreased by Disbursements:			
Improvement Authorizations		2,539,372.57	
Repayment of Bond Anticipation Notes		9,708,515.00	
Due from Sewer Operating Fund		15,194.85	
Contracts Payable		717,076.30	
Realized as Miscellaneous Revenue Anticipated--Current Fund		<u>619,485.00</u>	
			<u>13,599,643.72</u>
Balance Dec. 31, 2018		\$	<u><u>3,600,788.39</u></u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of General Capital Cash
For the Year Ended December 31, 2018

	Balance (Deficit) Dec. 31, 2017	Receipts		Disbursements			Transfers		Balance (Deficit) Dec. 31, 2018
		Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	From	To	
Fund Balance	\$ 72,636.93								\$ 72,636.93
Capital Improvement Fund	94,293.32		\$ 150,000.00			\$ 100,800.00			143,493.32
Due to Current Fund	316,257.06		46,667.30			359,058.11			3,866.25
Due from Trust - Open Space Fund	(200,000.00)								(200,000.00)
Grants Receivable	(356,000.00)		177,316.00			423,473.00	\$ 359,058.11		(243,098.89)
Due to Federal, State and Local Grant Fund	(376,675.27)		376,675.27						
Due from Sewer Utility Operating Fund						\$ 15,194.85			(15,194.85)
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	794,077.97		107,983.00			619,485.00			282,575.97
Encumbrances/Contracts Payable	947,997.30					717,076.30	9,361.40	710,067.59	931,627.19
Improvement Authorizations:									
Ordinance Number									
2008-15 Acquisition of Property	87,263.86								87,263.86
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	(8.03)		8.03						
2010-11 Various Improvements		\$ 161,470.00			\$ 161,470.00				
2011-07 Open Space Purchase of Land		88,000.00			88,000.00				
2011-09 Improvements to Various Roads		127,000.00			127,000.00				
2011-11 Various Roadway Improvements		96,000.00			96,000.00				
2011-18 Open Space Recreational Improvements	73,118.25	1,537,000.00			1,537,000.00				73,118.25
2011-20 Various Roadway Improvements	4,278.85	54,000.00			54,000.00				4,278.85
2012-01 Open Space Acquisition of Real Property	60,500.00								60,500.00
2012-04 Various Improvements	80,098.82	677,000.00			677,000.00				80,098.82
2012-06 Open Space Improvements to Fields	30,000.00								30,000.00

(Continued)

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of General Capital Cash
 For the Year Ended December 31, 2018

	Balance (Deficit) Dec. 31, 2017	Receipts		Disbursements			Transfers		Balance (Deficit) Dec. 31, 2018
		Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	From	To	
Improvement Authorizations (Cont'd): Ordinance Number									
2012-09 Sidewalk Construction & Installation	\$ 26,790.55	\$ 205,000.00			\$ 205,000.00				\$ 26,790.55
2012-10 Various Road Improvements		157,000.00			157,000.00				
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	82,000.00			82,000.00				5,195.00
2013-09 Various Capital Improvements and Acquisition of Capital Equipment	118,859.44	782,000.00		\$ 2,962.51	782,000.00				115,896.93
2013-12 Various Capital Improvements and Acquisition of Capital Equipment		92,000.00			92,000.00				
2014-08 Various Capital Improvements	383,007.77	1,511,000.00			1,511,000.00		\$ 1,746.40		384,754.17
2014-10 Reconstruction of Tenby Chase Drive	(176,623.18)								(176,623.18)
2014-11 Improvements to Community Park		218,000.00			218,000.00				
2014-13 Construction of Sidewalks	23,951.50	62,580.00			62,580.00	\$ 7,615.00			16,336.50
2015-07 Various Capital Improvements	(236,760.70)	416,000.00			416,000.00				(236,760.70)
2015-10 Various Roadway Improvements	16,188.42	221,000.00			221,000.00				16,188.42
2015-11 Various Roadway Improvements	(18,274.47)	507,000.00	\$ 18,274.47		507,000.00				
2015-12 Hazardous Discharge Site Remediation	(2,880.00)		2,880.00						
2016-07 Installation of Sidewalks	7,647.96	80,000.00			80,000.00				7,647.96
2016-11 Various Capital Improvements	125,715.25	289,465.00			289,465.00	4,487.60			121,227.65
2016-12 Acquisition of Real Property	(180,000.00)		183,988.36						3,988.36
2017-02 Reconstruction of Various Sidewalks and Roadways	569,918.50	1,752,000.00		400.00	1,752,000.00				569,518.50
2017-06 Installation of Sidewalks on Route 130	135,835.00			110,371.80		18,503.20	7,615.00		14,575.00

(Continued)

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of General Capital Cash
 For the Year Ended December 31, 2018

	Balance (Deficit) Dec. 31, 2017	Receipts		Disbursements			Transfers		Balance (Deficit) Dec. 31, 2018
		Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	From	To	
Improvement Authorizations (Cont'd):									
Ordinance Number									
2017-07									
Municipal Property Improvements and Acquisition of Equipment	\$ 192,137.72	\$ 2,458,125.00		\$ 954,621.38	\$ 548,000.00		\$ 381,432.05		\$ 766,209.29
2017-08									
Acquisition and Installation of Sports Lighting at Delran Community Park	208,500.00	45,000.00		177,716.00	45,000.00				30,784.00
2017-13									
Reconstruction of Pheasant Road	4,334.00		\$ 69,479.42	82,314.17					(8,500.75)
2018-02 / 2018-07									
Reconstruction of Various Roads		1,072,950.00		1,085,818.51			174,144.83	\$ 490,473.00	303,459.66
2018-06									
Various Capital Acquisitions and Improvements		383,500.00		125,168.20			123,884.91	29,500.00	163,946.89
2018-13									
Reconstruction of Fairview Boulevard								4,300.00	4,300.00
	<u>\$2,992,070.26</u>	<u>\$ 13,075,090.00</u>	<u>\$ 1,133,271.85</u>	<u>\$ 2,539,372.57</u>	<u>\$ 9,708,515.00</u>	<u>\$ 1,351,756.15</u>	<u>\$ 1,602,760.10</u>	<u>\$ 1,602,760.10</u>	<u>\$ 3,600,788.39</u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Grants Receivable
For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 356,000.00
Increased by:		
Ordinance 2018-02; 2018-07		<u>423,473.00</u>
		779,473.00
Decreased by:		
Receipts	\$ 177,316.00	
Received in Current Fund	<u>359,058.11</u>	
		<u>536,374.11</u>
Balance Dec. 31, 2018		<u><u>\$ 243,098.89</u></u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 2,836,000.00
Decreased by:		
Current Year Budget Appropriations		<u>1,372,000.00</u>
Balance Dec. 31, 2018		<u><u>\$ 1,464,000.00</u></u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation -Unfunded
For the Year Ended December 31, 2018

Ordinance Number	Improvement Description	Balance Dec. 31, 2017	2018 Authorizations	Funded by Budget Appropriation	Funded By Grants Received	Balance Dec. 31, 2018	Analysis of Balance Dec. 31, 2018		
							Financed by Bond Anticipation Notes	Expended	Unexpended Improvement Authorizations
General Improvements:									
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			\$ 279,750.00
2009-14/ 2010-08 & 09	Improvements to Various Roads	137,000.00		\$ 137,000.00					
2010-01	Reconstruction of Haines Mill Road, Various Municipal Improvement and Reconstruction of Yansick Drive and Moreland Drive	239,008.03		239,008.03					
2010-11	Various Improvements	186,000.00		24,530.00		161,470.00	\$ 161,470.00		
2011-03	Purchase of Land	68,000.00		68,000.00					
2011-07	Open Space Purchase of Land	216,000.00		128,000.00		88,000.00	88,000.00		
2011-09	Improvements to Various Roads	131,000.00		4,000.00		127,000.00	127,000.00		
2011-11	Various Roadway Improvements	102,000.00		6,000.00		96,000.00	96,000.00		
2011-18	Open Space Recreational Improvements	1,601,000.00		64,000.00		1,537,000.00	1,537,000.00		
2011-20	Various Roadway Improvements	57,187.00		3,000.00		54,187.00	54,000.00		187.00
2012-04	Various Improvements	699,000.00		22,000.00		677,000.00	677,000.00		
2012-09	Sidewalk Construction & Installation	227,000.00		22,000.00		205,000.00	205,000.00		
2012-10	Reconstruction of Haines Mill Road	168,000.00		11,000.00		157,000.00	157,000.00		
2012-13	Improvements to River Drive Outfall	85,000.00		3,000.00		82,000.00	82,000.00		
2013-09	Various Capital Improvements and Acquisition of Capital Equipment	838,000.00		56,000.00		782,000.00	782,000.00		
2013-12	Various Capital Improvements and Acquisition of Capital Equipment	95,000.00		3,000.00		92,000.00	92,000.00		
2014-08	Various Capital Improvements	1,610,000.00		99,000.00		1,511,000.00	1,511,000.00		
2014-10	Reconstruction of Tenby Chase Drive	333,300.00				333,300.00		\$ 176,623.18	156,676.82

(Continued)

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation -Unfunded
For the Year Ended December 31, 2018

Ordinance Number	Improvement Description	Balance Dec. 31, 2017	2018 Authorizations	Funded by Budget Appropriation	Funded By Grants Received	Balance Dec. 31, 2018	Analysis of Balance Dec. 31, 2018		
							Financed by Bond Anticipation Notes	Expended	Unexpended Improvement Authorizations
General Improvements (Cont'd):									
2014-11	Improvements to Community Park	\$ 227,000.00		\$ 9,000.00		\$ 218,000.00	\$ 218,000.00		
2014-13	Construction of Sidewalks	270,000.00		207,420.00		62,580.00	62,580.00		
2015-07	Various Capital Improvements	696,000.00		30,000.00		666,000.00	416,000.00	\$ 236,760.70	\$ 13,239.30
2015-10	Various Roadway Improvements	234,068.00		13,000.00		221,068.00	221,000.00		68.00
2015-11	Various Roadway Improvements	567,274.47		60,274.47		507,000.00	507,000.00		
2015-12	Hazardous Discharge Site Remediation	2,880.00		2,880.00					
2016-07	Installation of Sidewalks	80,000.00				80,000.00	80,000.00		
2016-11	Various Capital Improvements	344,000.00		54,535.00		289,465.00	289,465.00		
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
2017-02	Reconstruction of Various Sidewalks and Roadways	1,752,000.00				1,752,000.00	1,752,000.00		
2017-06	Installation of Sidewalks on Route 130	41,900.00				41,900.00			41,900.00
2017-07	Municipal Property Improvements and Acquisition of Equipment	2,458,125.00				2,458,125.00	2,458,125.00		
2017-08	Acquisition and Installation of Sports Lighting at Delran Community Park	45,000.00				45,000.00	45,000.00		
2017-13	Reconstruction of Pheasant Road	86,666.00			\$ 69,479.42	17,186.58		8,500.75	8,685.83
2018-02 / 2018-07	Reconstruction of Various Roads		\$ 1,337,000.00			1,337,000.00	1,072,950.00		264,050.00
2018-06	Various Capital Acquisitions and Improvements		583,500.00			583,500.00	383,500.00		200,000.00
2018-13	Reconstruction of Fairview Boulevard		85,700.00			85,700.00			85,700.00
Total (Carried Forward)		\$ 14,262,158.50	\$ 2,006,200.00	\$ 1,266,647.50	\$ 69,479.42	\$ 14,932,231.58	\$ 13,075,090.00	\$ 421,884.63	\$ 1,435,256.95

(Continued)

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation -Unfunded
 For the Year Ended December 31, 2018

Ordinance Number	Improvement Description	Balance Dec. 31, 2017	2018 Authorizations	Funded by Budget Appropriation	Funded By Grants Received	Balance Dec. 31, 2018	Analysis of Balance Dec. 31, 2018		Unexpended Improvement Authorizations
							Financed by Bond Anticipation Notes	Expended	
Total (Brought Forward)		\$ 14,262,158.50	\$ 2,006,200.00	\$ 1,266,647.50	\$ 69,479.42	\$ 14,932,231.58	\$ 13,075,090.00	\$ 421,884.63	\$ 1,435,256.95
Paid by Current Fund Budget Appropriation				\$ 1,006,647.50					
Paid by Trust - Open Space Budget Appropriation				260,000.00					
				<u>\$ 1,266,647.50</u>					
Improvement Authorizations - Unfunded									\$ 4,120,708.39
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:									
Ord. 2011-18							\$	73,118.25	
Ord. 2011-20								4,278.85	
Ord. 2012-4								80,098.82	
Ord. 2012-9								26,790.55	
Ord. 2012-13								5,195.00	
Ord. 2013-9								115,896.93	
Ord. 2014-8								384,754.17	
Ord. 2014-13								16,336.50	
Ord. 2015-10								16,188.42	
Ord. 2016-7								7,647.96	
Ord. 2016-11								121,227.65	
Ord. 2017-2								569,518.50	
Ord. 2017-7								766,209.29	
Ord. 2017-8								30,784.00	
Ord. 2018-02 / 2018-07								303,459.66	
Ord. 2018-06								163,946.89	
									<u>2,685,451.44</u>
									<u>\$ 1,435,256.95</u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 94,293.32
Increased by:	
Receipts:	
Current Year Budget Appropriation	<u>150,000.00</u>
	244,293.32
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>100,800.00</u>
Balance Dec. 31, 2018	<u><u>\$ 143,493.32</u></u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Reserve for Payment of Bonds and Notes
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 794,077.97
Increased by:	
Receipts:	
Bond Anticipation Note Premium	<u>107,983.00</u>
	902,060.97
Decreased by:	
Disbursement:	
Anticipated as Miscellaneous Revenue	<u>619,485.00</u>
Balance Dec. 31, 2018	<u><u>\$ 282,575.97</u></u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Schedule of Reserve for Preliminary Expenses
 As of December 31, 2018

Analysis of Balance--Dec. 31, 2018

Road Construction--Engineering	\$	794.22
Building--Legal		455.72
		455.72
	\$	1,249.94

Exhibit SC-9

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of Due From/To Other Funds
 For the Year Ended December 31, 2018

	<u>Open Space</u>	<u>Sewer Utility Operating</u>	<u>Current Fund</u>	<u>Federal, State and Local Grant Fund</u>
Balance Dec. 31, 2017--Due (To)	\$ 200,000.00		\$(316,257.06)	\$ 376,675.27
Increased by:				
Receipts:				
Interest on Investments--Due Current Fund			21,385.85	
Interfund Returned			25,281.45	376,675.27
	200,000.00	\$ -	(362,924.36)	-
Decreased by:				
Disbursement:				
Due from Sewer Operating Fund		15,194.85		
Grants Received in Current Fund			359,058.11	
	-	15,194.85	359,058.11	-
Balance Dec. 31, 2018--Due (To) From	\$ 200,000.00	\$ 15,194.85	\$ (3,866.25)	\$ -

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2018

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2017		2018 Authorizations	Expended	Refunded	Prior Year Encumbrance Canceled	Balance Dec. 31, 2018	
				Funded	Unfunded					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	\$ 87,263.86					\$ 87,263.86		
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		73,118.25						73,118.25
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		80,098.82						80,098.82
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		26,790.55						26,790.55
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		118,859.44		\$ 2,962.51				115,896.93
2014-08	Various Capital Improvements	6-10-14	1,750,000.00		383,007.77				\$ 1,746.40		384,754.17
2014-10	Reconstruction of Tenby Chase Drive	7-01-14	455,250.00		156,676.82						156,676.82
2014-13	Construction of Sidewalks	9-02-14	300,000.00		23,951.50		7,615.00				16,336.50
2015-07	Various Capital Improvements	6-02-15	733,000.00		13,239.30						13,239.30
2015-10	Various Roadway Improvements	10-06-15	246,388.00		16,256.42						16,256.42
2016-07	Installation of Sidewalks	6-14-16	80,000.00		7,647.96						7,647.96
2016-11	Various Capital Improvements	9-06-16	362,600.00		125,715.25		4,487.60				121,227.65
2016-12	Acquisition of Real Property	10-25-16	200,000.00		10,000.00			\$ 183,988.36		3,988.36	190,000.00
2016-14	Refunding Ordinance	12-13-16	195,000.00		195,000.00						195,000.00

(Continued)

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2018

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2017		2018 Authorizations	Expended	Refunded	Prior Year Encumbrance Canceled	Balance Dec. 31, 2018	
				Funded	Unfunded					Funded	Unfunded
General Improvements (Cont'd):											
2017-02	Reconstruction of Various Sidewalks and Roadways	2-14-17	\$ 1,840,000.00		\$ 569,918.50		\$ 400.00				\$ 569,518.50
2017-06	Installation of Sidewalks on Route 130	6-13-17	220,000.00	\$ 135,835.00	41,900.00		128,875.00		\$ 7,615.00	\$ 14,575.00	41,900.00
2017-07	Municipal Property Improvements and Acquisition of Equipment	7-11-17	2,587,500.00		2,102,262.72		1,336,053.43				766,209.29
2017-08	Acquisition and Installation of Sports Lighting at Delran Community Park	7-11-17	225,000.00	163,500.00	45,000.00		177,716.00				30,784.00
2017-13	Reconstruction of Pheasant Road	12-05-17	91,000.00	4,334.00	86,666.00		82,314.17				8,685.83
2018-02 / 2018-07	Reconstruction of Various Roads	3-06-18 7-10-18	1,827,473.00			\$ 1,827,473.00	1,259,963.34				567,509.66
2018-06	Various Capital Acquisitions and Improvements	7-03-18	613,000.00			613,000.00	249,053.11				363,946.89
2018-13	Reconstruction of Fairview Boulevard	12-04-18	90,000.00			90,000.00				4,300.00	85,700.00
				<u>\$ 569,121.36</u>	<u>\$ 4,365,520.15</u>	<u>\$ 2,530,473.00</u>	<u>\$ 3,249,440.16</u>	<u>\$ 183,988.36</u>	<u>\$ 9,361.40</u>	<u>\$ 288,315.72</u>	<u>\$ 4,120,708.39</u>
Deferred Charges to Future Taxation -- Unfunded						\$ 2,006,200.00					
Funded by Grant						423,473.00					
Capital Improvement Fund						100,800.00					
						<u>\$ 2,530,473.00</u>					
Cash Disbursed							\$ 2,539,372.57				
Encumbrances/Contracts Payable							710,067.59				
							<u>\$ 3,249,440.16</u>				

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Encumbrances/Contracts Payable
For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 947,997.30
Increased by:		
2018 Contracts and Encumbrances		<u>710,067.59</u>
		1,658,064.89
Decreased by:		
Disbursed	\$ 717,076.30	
Cancelled Prior Year Encumbrances	<u>9,361.40</u>	
		<u>726,437.70</u>
Balance Dec. 31, 2018		<u><u>\$ 931,627.19</u></u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of General Serial Bonds
 For the Year Ended December 31, 2018

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2017	Decreased	Balance Dec. 31, 2018
			Outstanding Date	Dec. 31, 2018 Amount				
General Obligation Bonds	8-15-09	\$ 4,056,000.00				\$ 996,000.00	\$ 996,000.00	
General Obligation Bonds - Open Space	8-15-09	1,829,000.00	8-15-19	\$ 86,000.00	5.00%	170,000.00	84,000.00	\$ 86,000.00
General Obligation Refunding	11-3-09	4,215,000.00	1-1-19	20,000.00	3.50%	610,000.00	290,000.00	320,000.00
			1-1-19	<u>300,000.00</u>	4.00%			
				<u>320,000.00</u>				
County Guaranteed Pooled Loan Revenue Refunding Bonds, Series 2017A - Open Space	3-28-17	1,063,000.00	7-15-19	1,000.00	4.00%	1,060,000.00	2,000.00	1,058,000.00
			1-15-20	49,000.00	4.00%			
			7-15-20	43,000.00	4.00%			
			7-15-21	94,000.00	4.00%			
			7-15-22	97,000.00	4.00%			
			7-15-23	101,000.00	4.00%			
			7-15-24	98,000.00	4.00%			
			7-15-25	105,000.00	4.00%			
			1-15-26	60,000.00	4.00%			
			7-15-26	54,000.00	4.00%			
			7-15-27	111,000.00	4.00%			
			7-15-28	120,000.00	4.00%			
			7-15-29	<u>125,000.00</u>	4.00%			
			<u>1,058,000.00</u>					
						<u>1,060,000.00</u>	<u>2,000.00</u>	<u>1,058,000.00</u>
						<u>\$ 2,836,000.00</u>	<u>\$ 1,372,000.00</u>	<u>\$ 1,464,000.00</u>
Budget Appropriation - Current Fund							\$ 1,286,000.00	
Budget Appropriation - Open Space Trust Fund							<u>86,000.00</u>	
							<u>\$ 1,372,000.00</u>	

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2018

Ordinance Number	Improvement Description	Date of Issue			Interest Rate	Balance Dec. 31, 2017	Issued	Paid	Balance Dec. 31, 2018
		Date of Original Note	Date of Issue	Date of Maturity					
2009-14 / 2010-08	Improvements to Various Roads	12-22-10	10-30-17	10-29-18	2.50%	\$ 137,000.00		\$ 137,000.00	
2010-01	Reconstruction of Haines Mill Road, Various Municipal Improvement and Reconstruction of Yansick Drive and Moreland Drive	12-22-10	10-30-17	10-29-18	2.50%	239,000.00		239,000.00	
2010-11	Various Improvements	12-22-10 12-22-10	10-30-17 10-26-18	10-29-18 10-25-19	2.50% 3.00%	186,000.00	\$ 161,470.00	186,000.00	\$ 161,470.00
2011-03	Purchase of Land	11-14-11	10-30-17	10-29-18	2.50%	68,000.00		68,000.00	
2011-07	Open Space Purchase of Land	11-14-11 11-14-11	10-30-17 10-26-18	10-29-18 10-25-19	2.50% 3.00%	216,000.00	88,000.00	216,000.00	88,000.00
2011-09	Improvements to Various Roads	11-14-11 11-14-11	10-30-17 10-26-18	10-29-18 10-25-19	2.50% 3.00%	131,000.00	127,000.00	131,000.00	127,000.00
2011-11	Improvements to Various Roads	11-14-11 11-14-11	10-30-17 10-26-18	10-29-18 10-25-19	2.50% 3.00%	102,000.00	96,000.00	102,000.00	96,000.00
2011-18	Open Space Improvements	11-14-11 11-14-11	10-30-17 10-26-18	10-29-18 10-25-19	2.50% 3.00%	1,601,000.00	1,537,000.00	1,601,000.00	1,537,000.00
2011-20	Various Road Improvements	11-13-12 11-13-12	10-30-17 10-26-18	10-29-18 10-25-19	2.50% 3.00%	57,000.00	54,000.00	57,000.00	54,000.00
2012-04	Various Improvements	11-13-12 11-13-12	10-30-17 10-26-18	10-29-18 10-25-19	2.50% 3.00%	699,000.00	677,000.00	699,000.00	677,000.00

(Continued)

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2018

Ordinance Number	Improvement Description	Date of Issue			Interest Rate	Balance Dec. 31, 2017	Issued	Paid	Balance Dec. 31, 2018
		Date of Original Note	Date of Issue	Date of Maturity					
2012-09	Various Road Improvements	11-13-12	10-30-17	10-29-18	2.50%	\$ 227,000.00		\$ 227,000.00	
		11-13-12	10-26-18	10-25-19	3.00%		\$ 205,000.00		\$ 205,000.00
2012-10	Various Road Improvements	11-13-12	10-30-17	10-29-18	2.50%	168,000.00		168,000.00	
		11-13-12	10-26-18	10-25-19	3.00%		157,000.00		157,000.00
2012-13	Various Road Improvements	11-13-12	10-30-17	10-29-18	2.50%	85,000.00		85,000.00	
		11-13-12	10-26-18	10-25-19	3.00%		82,000.00		82,000.00
2013-09	Acquisition of Various Equipment	11-08-13	10-30-17	10-29-18	2.50%	838,000.00		838,000.00	
		11-08-13	10-26-18	10-25-19	3.00%		782,000.00		782,000.00
2013-12	Various Capital Improvements and Acquisition of Capital Equipment	11-08-13	10-30-17	10-29-18	2.50%	95,000.00		95,000.00	
		11-08-13	10-26-18	10-25-19	3.00%		92,000.00		92,000.00
2014-08	Various Capital Improvements	12-23-14	10-30-17	10-29-18	2.50%	817,000.00		817,000.00	
		11-04-15	10-30-17	10-29-18	2.50%	793,000.00		793,000.00	
		12-23-14	10-26-18	10-25-19	3.00%		765,000.00		765,000.00
		11-04-15	10-26-18	10-25-19	3.00%		746,000.00		746,000.00
2014-11	Improvements to Community Park	12-23-14	10-30-17	10-29-18	2.50%	227,000.00		227,000.00	
		12-23-14	10-26-18	10-25-19	3.00%		218,000.00		218,000.00
2014-13	Construction of Sidewalks	12-23-14	10-30-17	10-29-18	2.50%	270,000.00		270,000.00	
		12-23-14	10-26-18	10-25-19	3.00%		62,580.00		62,580.00
2015-07	Various Capital Improvements	11-04-15	10-30-17	10-29-18	2.50%	446,000.00		446,000.00	
		11-04-15	10-26-18	10-25-19	3.00%		416,000.00		416,000.00
2015-10	Various Roadway Improvements	11-04-15	10-30-17	10-29-18	2.50%	234,000.00		234,000.00	
		11-04-15	10-26-18	10-25-19	3.00%		221,000.00		221,000.00

(Continued)

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2018

Ordinance Number	Improvement Description	Date of Issue			Interest Rate	Balance Dec. 31, 2017	Issued	Paid	Balance Dec. 31, 2018		
		Date of Original Note	Date of Issue	Date of Maturity							
2015-11	Various Roadway Improvements	11-04-15	10-30-17	10-29-18	2.50%	\$ 549,000.00	\$	549,000.00	\$		
		11-04-15	10-26-18	10-25-19	3.00%					507,000.00	507,000.00
2016-07	Installation of Sidewalks	11-02-16	10-30-17	10-29-18	2.50%	80,000.00		80,000.00			
		11-02-16	10-26-18	10-25-19	3.00%					80,000.00	80,000.00
2016-11	Various Capital Improvements	11-02-16	10-30-17	10-29-18	2.50%	344,000.00		344,000.00			
		11-02-16	10-26-18	10-25-19	3.00%					289,465.00	289,465.00
2017-02	Reconstruction of Various Sidewalks and Roadways	10-30-17	10-30-17	10-29-18	2.50%	1,752,000.00		1,752,000.00			
		10-30-17	10-26-18	10-25-19	3.00%					1,752,000.00	1,752,000.00
2017-07	Municipal Property Improvements and Acquisition of Equipment	10-30-17	10-30-17	10-29-18	2.50%	548,000.00		548,000.00			
		10-30-17	10-26-18	10-25-19	3.00%					548,000.00	548,000.00
		10-26-18	10-26-18	10-25-19	3.00%					1,910,125.00	1,910,125.00
2017-08	Acquisition and Installation of Sports Lighting at Delran Community Park	10-30-17	10-30-17	10-29-18	2.50%	45,000.00		45,000.00			
		10-30-17	10-26-18	10-25-19	3.00%					45,000.00	45,000.00
2018-02 / 2018-07	Reconstruction of Various Roads	10-26-18	10-26-18	10-25-19	3.00%			1,072,950.00	1,072,950.00		
2018-06	Various Capital Acquisitions and Improvements	10-26-18	10-26-18	10-25-19	3.00%			383,500.00	383,500.00		
						<u>\$ 10,954,000.00</u>	<u>\$ 13,075,090.00</u>	<u>\$ 10,954,000.00</u>	<u>\$ 13,075,090.00</u>		
Renewals							\$ 9,708,515.00	\$ 9,708,515.00			
Current Fund Budget Appropriation								985,485.00			
Open Space Budget Appropriation								260,000.00			
Issued for Cash							<u>3,366,575.00</u>				
							<u>\$ 13,075,090.00</u>	<u>\$ 10,954,000.00</u>			

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2018

Ordinance Number	Improvement Description	Balance Dec. 31, 2017	2018 Authorizations	Bond Anticipation Notes Issued and Redeemed	Funded by Budget Appropriation	Funded by Grants Received	Balance Dec. 31, 2018
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	8.03			\$ 8.03		
2011-20	Improvements to Various Roads	187.00					187.00
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	2,880.00			2,880.00		
2016-12	Acquisition of Real Property	190,000.00					190,000.00
2016-14	Refunding Ordinance	195,000.00					195,000.00
2017-06	Installation of Sidewalks on Route 130	41,900.00					41,900.00
2017-07	Municipal Property Improvements and Acquisition of Equipment	1,910,125.00		\$ 1,910,125.00			
2017-13	Reconstruction of Pheasant Road	86,666.00				\$ 69,479.42	17,186.58
2018-2 / 2018-7	Reconstruction of Various Roads		\$1,337,000.00	1,072,950.00			264,050.00
2018-6	Various Capital Acquisitions and Improvements		583,500.00	383,500.00			200,000.00
2018-13	Reconstruction of Fairview Boulevard		85,700.00				85,700.00
		<u>\$ 3,308,158.50</u>	<u>\$ 2,006,200.00</u>	<u>\$ 3,366,575.00</u>	<u>\$ 21,162.50</u>	<u>\$ 69,479.42</u>	<u>\$ 1,857,141.58</u>
Bond Anticipation Notes Issued				\$ 13,075,090.00			
Bond Anticipation Notes Redeemed				<u>9,708,515.00</u>			
				<u>\$ 3,366,575.00</u>			
Funded by Current Fund Budget Appropriation					<u>\$ 21,162.50</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, 2018

	<u>Operating</u>	<u>Capital</u>
Balance Dec. 31, 2017	\$ 6,737,437.51	\$ 1,005,578.33
Increased by Receipts:		
Sewer Collector	\$ 3,941,958.46	
Developer's Escrow Deposits	12,575.00	
Prepaid Connection Fees	79,237.60	
Reserve to Pay Debt		\$ 640,000.00
Bond Anticipation Notes		840,000.00
Due from Sewer Utility Operating Fund		30,184.01
	<u>4,033,771.06</u>	<u>1,510,184.01</u>
	10,771,208.57	2,515,762.34
Decreased by Disbursements:		
2018 Budget Appropriations	1,895,043.79	
2017 Appropriation Reserves	296,573.94	
Developer's Escrow Deposits	5,870.00	
Interest on Bonds	31,176.11	
Due to Current Fund	900,265.60	
Due From Sewer Capital Fund	25,000.00	
Bond Anticipation Notes		640,000.00
Contracts Payable and Encumbrances		1,539,980.96
Improvement Authorizations		118,976.00
	<u>3,153,929.44</u>	<u>2,298,956.96</u>
Balance Dec. 31, 2018	<u><u>\$ 7,617,279.13</u></u>	<u><u>\$ 216,805.38</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, 2018

Receipts:	
Consumer Accounts Receivable	\$ 3,811,438.55
Prepayments	13,877.25
Interest on Delinquent Accounts	56,609.45
Miscellaneous Revenue Anticipated	<u>60,033.21</u>
	3,941,958.46
Decreased by:	
Payments to Treasurer	<u><u>\$ 3,941,958.46</u></u>

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, 2018

	Ordinance Number	Balance (Deficit) Dec. 31, 2017	Receipts		Disbursements		Transfers		Balance (Deficit) Dec. 31, 2018	
			Bond Anticipation Notes	Miscellaneous	Miscellaneous	Bond Anticipation Notes	Improvement Authorization	From		To
Capital Improvement Fund		\$ 325,000.00							\$ 325,000.00	
Fund Balance		10,083.70							10,083.70	
NJEIT Loans Receivable		(12,171.37)						\$ 12,171.37		
Due To (From) Sewer Utility Operating Fund		246,920.32		\$ 30,184.01					277,104.33	
Contracts Payable		1,747,934.96			\$ 1,539,980.96			436,712.00	644,666.00	
Reserve to Pay Debt				640,000.00					640,000.00	
Improvement Authorizations:										
Dissolution of Delran Sewerage Authority	2010-04	(8.25)							(8.25)	
Brown Street Pumping Station Improvements	2010-12	(1,024.41)							(1,024.41)	
Various Improvements to WWTP	2012-05 / 2013-10	491,465.13						\$ 12,171.37	479,293.76	
5th Street Pump Station, Various Plant Upgrades	2014-15 / 2017-04	(1,658,621.75)	\$ 450,000.00		\$ 450,000.00				(1,658,621.75)	
Various Improvements to Sewer System Construction / Undertaking of a Service Water System Upgrade and Aeration Blower Replacement Project	2017-09 2018-08	(144,000.00)	390,000.00		190,000.00	\$ 115,538.00			(59,538.00)	
							3,438.00	436,712.00	(440,150.00)	
		<u>\$1,005,578.33</u>	<u>\$840,000.00</u>	<u>\$ 670,184.01</u>	<u>\$ 1,539,980.96</u>	<u>\$640,000.00</u>	<u>\$ 118,976.00</u>	<u>\$ 448,883.37</u>	<u>\$ 448,883.37</u>	<u>\$ 216,805.38</u>

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 891,743.86
Increased by:		
Sewer Rents Levied	\$ 3,790,620.44	
Interest on Delinquent Accounts	<u>56,301.61</u>	
		<u>3,846,922.05</u>
		4,738,665.91
Decreased by:		
Sewer Rents Collected	3,811,438.55	
Prepayments Applied	<u>29,855.25</u>	
	3,841,293.80	
Interest on Delinquent Accounts Collected	<u>56,609.45</u>	
		<u>3,897,903.25</u>
Balance Dec. 31, 2018		<u><u>\$ 840,762.66</u></u>

Exhibit SD-5

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Due From / (To) Other Funds
For the Year Ended December 31, 2018

	<u>General Capital Fund</u>	<u>Sewer Utility Capital Fund</u>	<u>Trust Other Fund</u>	<u>Current Fund</u>
Balance Dec. 31, 2017--Due From (To)		\$ 246,920.32	\$ 1,654.04	\$ (19,293.29)
Increased by:				
Interfund Advanced		25,000.00		
Disbursed to Current Fund				900,265.60
Interest on Investments		<u>5,184.01</u>		
	<u>\$ -</u>	<u>277,104.33</u>	<u>1,654.04</u>	<u>880,972.31</u>
Decreased by:				
Expenditures Paid from Current Fund				814,574.69
Appropriation Reserves Paid from Current Fund				72,113.67
Budget Appropriation - Interest on BANS	<u>15,194.85</u>			
	<u>15,194.85</u>	<u>-</u>	<u>-</u>	<u>886,688.36</u>
Balance Dec. 31, 2018--Due From (To)	<u><u>\$ (15,194.85)</u></u>	<u><u>\$ 277,104.33</u></u>	<u><u>\$ 1,654.04</u></u>	<u><u>\$ (5,716.05)</u></u>

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Prepaid Connection Fees
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$	137,142.00
Increased by:		
Receipts		79,237.60
		216,379.60
Decreased by:		
Realized as Miscellaneous Revenue Not Anticipated		173,713.20
Balance Dec. 31, 2018	\$	42,666.40

Exhibit SD-7

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Sewer Rent Prepayments
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$	29,855.25
Increased by:		
Receipts--Collector		13,877.25
		43,732.50
Decreased by:		
Applied to 2018 Consumer Accounts Receivable		29,855.25
Balance Dec. 31, 2018	\$	13,877.25

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of Fixed Capital
For the Year Ended December 31, 2018

<u>Account</u>	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
Land Improvements	\$ 145,543.00			\$ 145,543.00
Buildings	1,608,397.00			1,608,397.00
Infrastructure	1,501,481.00			1,501,481.00
Equipment	10,017,175.00	\$ 91,884.00	\$ 17,748.00	10,091,311.00
	<u>\$ 13,272,596.00</u>	<u>\$ 91,884.00</u>	<u>\$ 17,748.00</u>	<u>\$ 13,346,732.00</u>

Exhibit SD-9

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2018

<u>Ordinance</u> <u>Number</u>	<u>Improvement Description</u>	<u>Ordinance</u> <u>Date</u>	<u>Amount</u>	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Increased</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
2010-04	Dissolution of Delran Sewerage Authority	2-23-10	\$ 125,000.00	\$ 125,000.00		\$ 125,000.00
2010-12	Brown Street Pumping Station Improvements	8-24-10	160,000.00	160,000.00		160,000.00
2012-05 / 2013-10	Various Improvements to WWTP	6-26-12	2,479,000.00	2,479,000.00		2,479,000.00
2014-15 / 2017-04	5th Street Pump Station, various Plant upgrades	10-07-14 5-03-17	2,480,000.00 450,000.00	2,930,000.00		2,930,000.00
2017-09	Various Improvements to Sewer System	7-17-17	2,260,000.00	2,260,000.00		2,260,000.00
2018-08	Construction / Undertaking of a Service Water System Upgrade and Aeration Blower Replacement Project	9-04-18	1,950,000.00		\$ 1,950,000.00	1,950,000.00
				<u>\$ 7,954,000.00</u>	<u>\$ 1,950,000.00</u>	<u>\$ 9,904,000.00</u>

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of 2017 Appropriation Reserves and Reserve for Encumbrances
For the Year Ended December 31, 2018

	Balance Dec.31,		<u>Decreased</u>	<u>Balance Lapsed</u>
	<u>Encumbered</u>	<u>Reserved</u>		
Operating:				
Salary and Wages		\$ 99,593.42	\$ 72,113.67	\$ 27,479.75
Other Expenses	\$ 255,506.03	238,862.72	204,689.94	289,678.81
Capital Improvements:				
Capital Outlay		25,000.00		25,000.00
Purchase of Utility Trucks	91,884.00	8,116.00	91,884.00	8,116.00
Purchase of Utility Equipment		30,000.00		30,000.00
Deferred Charges and Statutory Expenditures:				
Statutory Expenditures:				
Social Security System (O.A.S.I)		11,036.59		11,036.59
	<u>\$ 347,390.03</u>	<u>\$ 412,608.73</u>	<u>\$ 368,687.61</u>	<u>\$ 391,311.15</u>
Disbursed by Current Fund			\$ 72,113.67	
Disbursed			<u>296,573.94</u>	
			<u>\$ 368,687.61</u>	

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Accrued Interest on Notes and Loans and Analysis of Balance
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 8,052.36
Increased by:	
Accrued Interest	32,686.73
	40,739.09
Decreased by:	
Interest Paid	31,176.11
Balance Dec. 31, 2018	\$ 9,562.98

Analysis of Accrued Interest Dec. 31, 2018

	Amount <u>Outstanding</u>	Interest Rate	From	To	Days	<u>Amount</u>
Infrastructure Loan:						
2014A	\$ 405,000.00	Various	9/1/2018	12/31/2018	121	\$ 4,993.75
BAN	840,000.00	3.00%	10/26/2018	12/31/2018	66	4,569.23
						\$ 9,562.98

Exhibit SD-12

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Developer's Escrow Deposits
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 33,254.32
Increased by:	
Receipts	12,575.00
	45,829.32
Decreased by:	
Disbursements	5,870.00
Balance Dec. 31, 2018	\$ 39,959.32

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2018

Improvement Description	Ordinance		Amount	Balance Dec. 31, 2017		Authorized	Paid or Charged	Balance Dec. 31, 2018	
	Number	Date		Funded	Unfunded			Funded	Unfunded
General Improvements:									
Dissolution of Sewerage Authority	2010-04	4-27-10	\$ 227,500.00		\$ 18,541.75			\$ 18,541.75	
Brown Street Pumping Station	2010-12	9-15-10	160,000.00		105,225.59			105,225.59	
Various Improvements to WWTP	2012-05 / 2013-10	6-26-12	2,479,000.00	\$ 491,465.13	150,474.63			\$ 491,465.13	150,474.63
5th Street Pump Station, Various Plant Upgrades	2014-15 2017-04	10-07-14 5-03-17	2,480,000.00 450,000.00		325,378.25				325,378.25
Various Improvements to Sewer System	2017-09	7-17-17	2,260,000.00		1,926,000.00		\$ 115,538.00		1,810,462.00
Construction / Undertaking of a Service Water System Upgrade and Aeration Blower Replacement	2018-08	9-04-18	1,950,000.00			\$ 1,950,000.00	440,150.00		1,509,850.00
				<u>\$ 491,465.13</u>	<u>\$ 2,525,620.22</u>	<u>\$ 1,950,000.00</u>	<u>\$ 555,688.00</u>	<u>\$ 491,465.13</u>	<u>\$ 3,919,932.22</u>
Disbursed							\$ 118,976.00		
Contracts Payable and Encumbrances							<u>436,712.00</u>		
							<u>\$ 555,688.00</u>		

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of Contracts Payable and Encumbrances
For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 1,747,934.96
Increased by:		
2018 Contracts and Encumbrances		436,712.00
		2,184,646.96
Decreased by:		
Disbursements		1,539,980.96
Balance Dec. 31, 2018		\$ 644,666.00

Exhibit SD-15

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of Reserve for Amortization
For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 13,733,289.23
Increased by:		
Capital Outlay:		
Appropriation Reserves	\$ 91,884.00	
NJ Environmental Trust Loan Paid by Utility Operating Budget	82,551.50	
		174,435.50
		13,907,724.73
Increased by:		
Disposals		17,748.00
Balance Dec. 31, 2018		\$ 13,889,976.73

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of New Jersey Environmental Infrastructure Trust Loan Payable
For the Year Ended December 31, 2018

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Loan</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2018</u>
			<u>Outstanding Date</u>	<u>Dec. 31, 2018 Amount</u>				
New Jersey Environmental Infrastructure Trust Loan, Series 2014A (Non-Interest Bearing)	5/21/2014	\$ 671,458.86	2/1/2019	\$ 24,907.62	N/A			
			8/1/2019	49,815.25	N/A			
			2/1/2020	24,907.62	N/A			
			8/1/2020	49,815.25	N/A			
			2/1/2021	24,907.62	N/A			
			8/1/2021	49,815.25	N/A			
			2/1/2022	24,907.62	N/A			
			8/1/2022	49,815.25	N/A			
			2/1/2023	24,907.62	N/A			
			8/1/2023	49,815.25	N/A			
			2/1/2024	24,907.62	N/A			
			8/1/2024	49,815.25	N/A			
			2/1/2025	24,907.62	N/A			
			8/1/2025	49,815.25	N/A			
			2/1/2026	24,907.62	N/A			
			8/1/2026	49,815.25	N/A			
			2/1/2027	24,907.62	N/A			
			8/1/2027	49,815.25	N/A			
			2/1/2028	24,907.62	N/A			
			8/1/2028	49,815.25	N/A			
			2/1/2029	24,907.62	N/A			
			8/1/2029	49,815.25	N/A			
			2/1/2030	24,907.62	N/A			
			8/1/2030	49,815.25	N/A			
2/1/2031	24,907.62	N/A						
8/1/2031	49,815.25	N/A						
2/1/2032	24,907.62	N/A						
8/1/2032	2,554.34	N/A	\$ 1,073,582.14	\$ 74,722.87	\$ 998,859.27			

(Continued)

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
 Statement of New Jersey Environmental Infrastructure Trust Loan Payable
 For the Year Ended December 31, 2018

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Loan</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2018</u>
			<u>Outstanding Date</u>	<u>Dec. 31, 2018 Amount</u>				
New Jersey Environmental Infrastructure Trust Loan, Series 2014A (Interest Bearing)	5/21/2014	\$ 480,000.00	9/1/2019	\$ 20,000.00	5.000%			
			9/1/2020	20,000.00	5.000%			
			9/1/2021	20,000.00	5.000%			
			9/1/2022	25,000.00	5.000%			
			9/1/2023	25,000.00	5.000%			
			9/1/2024	25,000.00	5.000%			
			9/1/2025	25,000.00	3.000%			
			9/1/2026	25,000.00	3.000%			
			9/1/2027	30,000.00	3.000%			
			9/1/2028	30,000.00	3.000%			
			9/1/2029	30,000.00	3.000%			
			9/1/2030	30,000.00	3.000%			
			9/1/2031	30,000.00	3.000%			
			9/1/2032	35,000.00	3.125%			
9/1/2033	35,000.00	3.250%						
						\$ 425,000.00	\$ 20,000.00	\$ 405,000.00
						<u>\$ 1,498,582.14</u>	<u>\$ 94,722.87</u>	<u>\$ 1,403,859.27</u>
Cancelled to NJEIT Receivable							\$ 12,171.37	
Paid by Sewer Utility Operating Budget							<u>82,551.50</u>	
							<u>\$ 94,722.87</u>	

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2018

<u>Ordinance 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, 2017</u>	<u>Issued</u>	<u>Paid</u>	<u>Balance Dec. 31, 2018</u>
2014-15 /									
2017-04	Various Improvements to Sewer System	10-30-17	10-30-17	10-29-18	2.50%	\$ 450,000.00		\$ 450,000.00	
		10-30-17	10-26-18	10-25-19	3.00%		\$ 450,000.00		\$ 450,000.00
2017-09	Various Improvements to Sewer System	10-30-17	10-30-17	10-29-18	2.50%	190,000.00		190,000.00	
		10-30-17	10-26-18	10-25-19	3.00%		190,000.00		190,000.00
		10-26-18	10-26-18	10-25-19	3.00%		200,000.00		200,000.00
						<u>\$ 640,000.00</u>	<u>\$ 840,000.00</u>	<u>\$ 640,000.00</u>	<u>\$ 840,000.00</u>
Renewals							\$ 640,000.00	\$ 640,000.00	
Issued for Cash							<u>200,000.00</u>		
							<u>\$ 840,000.00</u>	<u>\$ 640,000.00</u>	

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2018

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2017</u>	<u>2018 Authorizations</u>	<u>Loans Cancelled</u>	<u>Bond Anticipation Notes Issued</u>	<u>Balance Dec. 31, 2018</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
2012-05 / 2013-10	Various Improvements to WWTP	150,474.63		\$ 12,171.37		162,646.00
2014-15 / 2017-04	Various Improvements to Sewer System	1,984,000.00				1,984,000.00
2017-09	Various Improvements to Sewer System	2,070,000.00			\$ 200,000.00	1,870,000.00
2018-08	Construction / Undertaking of a Service Water System Upgrade and Aeration Blower Replacement Project		\$ 1,950,000.00			1,950,000.00
		<u>\$ 4,329,274.63</u>	<u>\$ 1,950,000.00</u>	<u>\$ 12,171.37</u>	<u>\$ 200,000.00</u>	<u>\$ 6,091,446.00</u>

TOWNSHIP OF DELRAN

PART II

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED

DECEMBER 31, 2018

TOWNSHIP OF DELRAN
Schedule of Findings and Recommendations
For the Year Ended December 31, 2018

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. 2018-001

Criteria or Specific Requirement

N.J.A.C. 5:30-5.6 requires the Township to maintain an accurate record of general fixed assets. 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 Township's record of general fixed assets included assets that could not be located.

Context

During our testing of the Township's general fixed asset record, 4 of the 25 equipment assets tested were unable to be located. The projection of this error resulted in a material error to the Township's Statement of General Fixed Assets.

Effect

There is an increased risk that the Township's general fixed assets 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. Land and buildings were able to be reviewed and compared to the appraisal report. However, the report was not thoroughly compared or reviewed for equipment changes that occurred during the year to the Township's general fixed assets.

Recommendation

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

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, 2018

Schedule of Financial Statement Findings (Cont'd)

Finding No. 2018-002

Criteria or Specific Requirement

Strong internal control practices dictate that cash accounts be reconciled in a timely manner to prevent misappropriations of cash.

Condition

The Township's cash reconciliations for several accounts contained several unadjusted differences that were not corrected in a timely manner.

Context

During our testing of the Township's cash accounts, we noted that several cash accounts required numerous entries to reconcile to the bank statement.

Effect

There is an increased possibility of the misappropriation of Township cash or errors not being detected in a timely manner.

Cause

The Township did not maintain adequate oversight over the reconciliation process of the cash accounts.

Recommendation

The Township should review their internal controls over cash and establish procedures to ensure that the cash accounts are reconciled and adjustments are made in a timely manner.

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 Recommendations as Prepared by Management

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

FINANCIAL STATEMENT FINDINGS

Finding No. 2017-001

Condition

The Township's record of general fixed assets included assets that could not be located.

Current Status

This finding continues to exist as 2018-001.

Finding No. 2017-002

Condition

Several customers were overbilled in accordance with the Township Ordinance as a result of billing adjustments that were applied.

Current Status

This finding has been resolved.

Finding No. 2017-003

Condition

The Township's cash reconciliations for several accounts contained several unadjusted differences that were not corrected in a timely manner.

Current Status

This finding continues to exist as 2018-002.

Finding No. 2017-004

Condition

The Township did not receive all required financial disclosure forms from several local government officials.

Current Status

This finding has been resolved.

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	
Dan O'Connell	Vice President	
Tyler Burrell	Councilperson	
Patty Kolodi	Councilperson	
Virginia Parejo	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, flowing style.

Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant