

TOWNSHIP OF MOUNT LAUREL
COUNTY OF BURLINGTON

REPORT OF AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2016



TOWNSHIP OF MOUNT LAUREL
TABLE OF CONTENTS

<u>Exhibit No.</u>		<u>Page No.</u>
 <u>PART I</u>		
	Independent Auditor's Report	2
	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	5
 <u>CURRENT FUND</u>		
A	Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis	7
A-1	Statements of Operations and Changes in Fund Balance - Regulatory Basis	9
A-2	Statement of Revenues - Regulatory Basis	11
A-3	Statement of Expenditures - Regulatory Basis	14
 <u>TRUST FUND</u>		
B	Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis	20
B-1	Municipal Open Space Trust Fund - Statements of Operations and Changes in Reserve for Use - Regulatory Basis	22
B-2	Municipal Open Space Trust Fund - Statement of Revenues - Regulatory Basis	23
B-3	Municipal Open Space Trust Fund - Statement of Expenditures - Regulatory Basis	24
 <u>GENERAL CAPITAL FUND</u>		
C	Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis	25
 <u>GENERAL FIXED ASSET ACCOUNT GROUP</u>		
D	Statement of General Fixed Asset Group of Accounts - Regulatory Basis	26
	Notes to Financial Statements	27

TOWNSHIP OF MOUNT LAUREL
TABLE OF CONTENTS (CONT'D)

Exhibit No.**Page No.****SUPPLEMENTAL EXHIBITS****CURRENT FUND**

SA-1	Statement of Current Cash Per N.J.S.40A:5-5 - Treasurer	59
SA-2	Statement of Current Cash Per N.J.S.40A:5-5 - Collector	60
SA-3	Schedule of Change Funds	61
SA-4	Statement of Due to State of New Jersey Senior Citizens' and Veterans' Deductions	62
SA-5	Statement of Property Maintenance Liens Receivable	62
SA-6	Statement of Taxes Receivable and Analysis of Property Tax Levy	63
SA-7	Statement of Tax Title Liens	64
SA-8	Statement of Property Acquired for Taxes - Assessed Valuation	64
SA-9	Statement of Special Emergency - N.J.S.A. 40A:4-55	65
SA-10	Statement of Accounts Payable	66
SA-11	Statement of Revenue Accounts Receivable	67
SA-12	Statement of 2015 Appropriation Reserves and Encumbrances	68
SA-13	Statement of Prepaid Taxes	70
SA-14	Statement of Tax Overpayments	70
SA-15	Statement of Special District Taxes Payable	70
SA-16	Statement of Due Trust - Municipal Open Space Taxes Payable	71
SA-17	Statement of County Taxes Payable	71
SA-18	Statement of Due State of New Jersey - Marriage Licenses & DCA Fees	71
SA-19	Statement of Due County for Added and Omitted Taxes	72
SA-20	Statement of Local District School Tax	73
SA-21	Statement of Regional High School Tax	74
SA-22	Federal, State and Local Grant Fund - Statement of Federal, State and Local Grants Receivable	75
SA-23	Federal, State and Local Grant Fund - Statement of Reserve for Federal, State and Local Grants - Unappropriated	76
SA-24	Federal, State and Local Grant Fund - Statement of Reserve for Federal, State and Local Grants - Appropriated	77
SA-25	Federal, State and Local Grant Fund - Statement of Reserve for Encumbrances	79

TRUST FUND

SB-1	Statement of Trust Cash Per N.J.S.40A:5-5 - Treasurer	81
SB-2	Animal Control Trust Fund - Statement of Reserve for Animal Control Fund Expenditures	83
SB-3	Animal Control Trust Fund - Statement of Due Current Fund	84
SB-4	Animal Control Trust Fund - Statement of Due State of New Jersey	84
SB-5	Trust Other Fund - Statement of Due Current Fund	85
SB-6	Trust Other Fund - Statement of Reserves and Special Deposits	86
SB-7	Trust Other Fund - Statement of Reserve for Community Development Escrow Deposits	87
SB-8	Trust Other Fund--Statement of Reserve for Encumbrances	87
SB-9	Municipal Open Space Trust Fund - Statement of Reserve for Municipal Open Space Trust Fund	88
SB-10	Municipal Open Space Trust Fund - Statement of Reserve for Payment of Debt	89

TOWNSHIP OF MOUNT LAUREL
TABLE OF CONTENTS (CONT'D)

Exhibit No.**Page No.****TRUST FUND(cont'd)**

SB-11	Municipal Open Space Trust Fund - Statement of Due Current Fund	89
SB-12	Trust Assessment Fund - Analysis of Assessment Cash	90
SB-13	Trust Assessment Fund - Statement of Due Current Fund	90
SB-14	Trust Assessment Fund - Statement of Assessments Receivable	91
SB-15	Trust Assessment Fund - Statement of Assessments Bond Anticipation Notes	91
SB-16	Trust Other Fund - Statement of Investments - Length of Service Award Program	92

GENERAL CAPITAL FUND

SC-1	Statement of General Capital Cash Per N.J.S.40A:5-5 - Treasurer	94
SC-2	Analysis of General Capital Cash	95
SC-3	Statement of Deferred Charges to Future Taxation - Funded	96
SC-4	Statement of Deferred Charges to Future Taxation - Unfunded	97
SC-5	Statement of Capital Improvement Fund	98
SC-6	Statement of Reserve for Payment of Bonds and Bond Anticipation Notes	98
SC-7	Statement of Due Current Fund	99
SC-8	Statement of Improvement Authorizations	100
SC-9	Statement of Reserve for Encumbrances and Contracts Payable	101
SC-10	Statement of Bond Anticipation Notes	102
SC-11	Statement of General Serial Bonds	103
SC-12	Statement of Bonds and Notes Authorized But Not Issued	104

PART II**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

Schedule of Findings and Recommendations	106
Summary Schedule of Prior Year Audit Findings and Recommendations as Prepared by Management	109
Officials in Office and Surety Bonds	110
Appreciation	111

TOWNSHIP OF MOUNT LAUREL

PART I

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2016

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Council
Township of Mount Laurel
Mount Laurel, New Jersey 08054

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 Mount Laurel, in the County of Burlington, State of New Jersey, as of December 31, 2016 and 2015, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

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

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

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

In our opinion, because of the significance of the matter discussed in the “*Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America*” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Mount Laurel, in the County of Burlington, State of New Jersey, as of December 31, 2016 and 2015, or the results of its operations and changes in fund balance for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Mount Laurel, in the County of Burlington, State of New Jersey, as of December 31, 2016 and 2015, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed asset group of accounts - regulatory basis, for the year ended December 31, 2016, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

Other Matters

Other Information

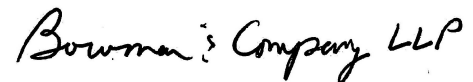
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township’s basic financial statements. The supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 30, 2017 on our consideration of the Township of Mount Laurel's, 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 Mount Laurel'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
May 30, 2017

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Council
Township of Mount Laurel
Mount Laurel, New Jersey 08054

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 Mount Laurel, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated May 30, 2017. That report indicated that the Township of Mount Laurel'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.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying *Schedule of Findings and Recommendations*, that we consider to be significant deficiencies: 2016-002 and 2016-003.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Mount Laurel's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and which are described in the accompanying *Schedule of Findings and Recommendations* as findings no.: 2016-001, 2016-002, and 2016-003.

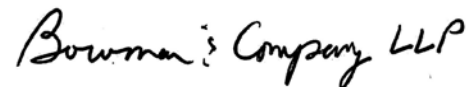
The Township of Mount Laurel's Response to Findings

The Township of Mount Laurel'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

Voorhees, New Jersey
May 30, 2017

TOWNSHIP OF MOUNT LAUREL

CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis

As of December 31, 2016 and 2015

<u>ASSETS</u>	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
Regular Fund:			
Cash - Treasurer	SA-1	\$ 20,671,436.47	\$ 18,450,944.54
Cash - Change Funds	SA-3	650.00	650.00
Due State of New Jersey - Seniors & Veterans	SA-4	14,334.36	
		<u>20,686,420.83</u>	<u>18,451,594.54</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-6	1,496,678.13	1,181,934.18
Tax Title Liens Receivable	SA-7	92,841.21	178,215.44
Property Acquired for Taxes - Assessed Valuation	SA-8	1,834,100.00	1,207,100.00
Property Maintenance Liens Receivable	SA-5	7,924.12	11,137.34
Revenue Accounts Receivable	SA-11	38,110.34	49,934.13
Due Mount Laurel Library	SA-1	98,714.97	144,700.00
Due Animal Control Fund	SB-3	11,698.39	24,751.18
Due Trust - Assessment Fund	SB-13	212,029.62	514,626.10
Due Trust - Other Fund	SB-5	842,689.47	920,069.08
Due General Capital Fund	SC-7	21,756.98	884,159.54
		<u>4,656,543.23</u>	<u>5,116,626.99</u>
Deferred Charges:			
Special Emergency Authorizations (40A:4-55)	SA-9	300,000.00	600,000.00
		<u>25,642,964.06</u>	<u>24,168,221.53</u>
Federal, State and Local Grant Fund:			
Cash - Treasurer	SA-1	493,566.98	1,334,698.62
State Grants Receivable	SA-22	1,153,641.06	838,295.66
		<u>1,647,208.04</u>	<u>2,172,994.28</u>
		<u>\$ 27,290,172.10</u>	<u>\$ 26,341,215.81</u>

(Continued)

TOWNSHIP OF MOUNT LAUREL

CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis

As of December 31, 2016 and 2015

LIABILITIES, RESERVES
AND FUND BALANCE

	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
Regular Fund:			
Appropriation Reserves	A-3 & SA-12	\$ 2,586,909.72	\$ 2,309,954.81
Reserve for Encumbrances	A-3 & SA-12	890,140.18	1,204,661.56
Accounts Payable	SA-10	114,870.65	57,978.17
Due State of New Jersey - Seniors & Veterans	SA-4		5.37
Due State of New Jersey - Marriage Licenses	SA-18	1,075.00	900.00
Due State of New Jersey - DCA Fees	SA-18	28,233.00	35,076.00
Prepaid Taxes	SA-13	1,093,783.47	1,247,479.31
Tax Overpayments	SA-14	326,411.52	648,102.67
Due County for Added and Omitted Taxes	SA-19	251,380.46	92,166.40
Local School District Taxes Payable	SA-20	3,347,109.65	2,782,292.15
Regional High School Taxes Payable	SA-21	1,152,386.59	1,200,190.63
Due Trust - Municipal Open Space Taxes Payable	SA-16		18,040.09
Reserve for Revaluation Appeals	A	471,163.48	471,163.48
Reserve for Master Plan	A	11,800.15	11,800.15
Reserve for Insurance Reimbursements	A	42,452.93	42,452.93
Reserve for FEMA Flood Repairs	A	49,807.27	49,807.27
Reserve for Sale of Municipal Assets	A	50,057.63	50,057.63
		<u>10,417,581.70</u>	<u>10,222,128.62</u>
Reserve for Receivables and Other Assets	A	4,656,543.23	5,116,626.99
Fund Balance	A-1	<u>10,568,839.13</u>	<u>8,829,465.92</u>
		<u>25,642,964.06</u>	<u>24,168,221.53</u>
Federal, State and Local Grant Fund:			
Unappropriated Reserves	SA-23	72,000.00	3,800.00
Appropriated Reserves	SA-24	937,070.11	1,164,194.57
Reserve for Encumbrances	SA-25	137,385.21	275,810.83
Due Open Space Trust Fund	SA-1		24,221.97
Due General Capital Fund	SA-24 & SA-1	500,752.72	704,966.91
		<u>1,647,208.04</u>	<u>2,172,994.28</u>
		<u>\$ 27,290,172.10</u>	<u>\$ 26,341,215.81</u>

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

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

<u>Revenue and Other</u> <u>Income Realized</u>	<u>2016</u>	<u>2015</u>
Fund Balance Utilized	\$ 6,000,000.00	\$ 5,600,000.00
Miscellaneous Revenue Anticipated	10,998,545.27	10,682,362.12
Receipts from Delinquent Taxes	1,164,709.85	2,198,713.96
Receipts from Current Taxes	158,034,048.00	155,973,141.86
Non-Budget Revenues	344,038.69	562,953.82
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	1,702,511.94	1,941,961.45
Accounts Payable Canceled	57,978.17	27,287.18
Liquidation of Reserves:		
Due Mount Laurel Library	45,985.03	
Due General Capital	862,402.56	
Due Trust - Assessment Fund	302,596.48	
Due Trust--Other Fund	77,379.61	
Due Trust - Animal Control Fund	13,052.79	
Total Income (Carried Forward)	<u>179,603,248.39</u>	<u>176,986,420.39</u>
<u>Expenditures</u>		
Budget Appropriations:		
Within "CAPS":		
Operations:		
Salaries and Wages	11,444,022.00	11,097,522.00
Other Expenses	12,395,445.00	12,041,250.00
Deferred Charges and Statutory Expenditures		
Municipal	2,949,180.00	2,919,211.00
Excluded from "CAPS":		
Operations:		
Salaries and Wages	130,111.47	171,830.99
Other Expenses	3,485,988.47	3,278,061.12
Capital Improvements	300,000.00	270,000.00
Deferred Charges and Statutory Expenditures	300,000.00	341,018.00
Debt Service	4,084,485.58	4,401,027.92
County Taxes	23,464,611.40	23,287,673.41
Due County for Added and Omitted Taxes	251,380.46	92,166.40
Local District School Tax	61,305,366.00	60,175,731.00
Regional High School Tax	38,635,346.00	38,730,954.00
Special District Taxes	8,279,556.00	8,273,975.55
Local Municipal Open Space Tax	4,610,990.64	4,632,522.48
Due Municipal Open Space Trust Fund for Added and Omitted Taxes	49,525.25	18,040.09

(Continued)

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

	<u>2016</u>	<u>2015</u>
Total Income (Brought Forward)	<u>\$ 179,603,248.39</u>	<u>\$ 176,986,420.39</u>
<u>Expenditures (Cont'd)</u>		
State of New Jersey - Senior Citizens' and Veterans'		
Deductions Disallowed by Tax Collector - Prior Year Taxes	26,009.59	19,491.54
Refund of Prior Year Revenue	151,857.32	
Create Reserves for:		
Due Mount Laurel Library		144,700.00
Due Trust - Assessment Fund		55,105.76
Due Trust - Other Fund		10,667.85
Due Trust - Animal Control Fund		12,263.90
Due General Capital Fund		<u>391,095.62</u>
Total Expenditures	<u>171,863,875.18</u>	<u>170,364,308.63</u>
Statutory Excess to Fund Balance	7,739,373.21	6,622,111.76
<u>Fund Balance</u>		
Balance Jan. 1	<u>8,829,465.92</u>	<u>7,807,354.16</u>
	16,568,839.13	14,429,465.92
Decreased by:		
Utilized as Revenue	<u>6,000,000.00</u>	<u>5,600,000.00</u>
Balance Dec. 31	<u><u>\$ 10,568,839.13</u></u>	<u><u>\$ 8,829,465.92</u></u>

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

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

	Anticipated			
	Budget	N.J.S.A. 40A:4-87	Realized	Excess (Deficit)
Fund Balance Anticipated	\$ 6,000,000.00	-	\$ 6,000,000.00	-
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	75,000.00		78,850.00	\$ 3,850.00
Other	100,000.00		133,381.22	33,381.22
Fees and Permits	75,000.00		109,678.13	34,678.13
Fines and Costs:				
Municipal Court	700,000.00		817,020.69	117,020.69
Interest and Costs on Taxes	250,000.00		310,760.01	60,760.01
Interest on Investments and Deposits	50,000.00		80,894.29	30,894.29
Franchise Fees	175,000.00		195,781.13	20,781.13
Dedicated Uniform Construction Code Fees offset with Appropriations (N.J.S.40A:4-36 and N.J.A.C.5:23-4.17):				
Uniform Construction Code Fees	1,000,000.00		1,191,026.17	191,026.17
Energy Receipts Tax (P.L. 1997, Ch. 162 & 167)	2,825,561.00		2,825,561.00	
State and Federal Revenue Off-Set with Appropriations:				
Recycling Tonnage Grant	65,856.94		65,856.94	
Drunk Driving Enforcement Fund		\$ 11,927.91	11,927.91	
Drive Sober or Get Pulled Over Grant		5,000.00	5,000.00	
Body Armor Fund		5,472.31	5,472.31	
Homeland Security & Preparedness		9,400.00	9,400.00	
NJ Department of Transportation		220,000.00	220,000.00	
Burlington Municipal Parks Grant		75,000.00	75,000.00	
County of Burlington - Body Cameras		30,000.00	30,000.00	
Community Development Block Grant		78,000.00	78,000.00	
Bullet Proof Vest Partnership Grant		4,174.50	4,174.50	
Clean Communities Program		99,983.56	99,983.56	
Click It or Ticket Grant	3,800.00		3,800.00	
Municipal Occupancy Tax	2,000,000.00		2,268,143.66	268,143.66
Reserve for Payment of Bonds/Notes	350,000.00		350,000.00	
Contribution from Municipal Utility Authority	400,000.00		374,070.00	(25,930.00)
Spectra Tower Rental	40,000.00		43,915.32	3,915.32
Rental Registration Fees	100,000.00		215,650.00	115,650.00
Emergency Medical Service Billings	1,000,000.00		1,395,198.43	395,198.43
	9,210,217.94	538,958.28	10,998,545.27	1,249,369.05
Receipts from Delinquent Taxes	950,000.00	-	1,164,709.85	214,709.85
Amount to be Raised by Taxes for Support of Municipal Budget Local Tax for Municipal Purposes - Including				
Reserve for Uncollected Taxes	19,759,569.61		22,784,021.14	3,024,451.53
Minimum Library Tax	2,105,383.72		2,105,383.72	
	21,864,953.33	-	24,889,404.86	3,024,451.53
Budget Totals	38,025,171.27	538,958.28	43,052,659.98	4,488,530.43
Non-Budget Revenues			344,038.69	344,038.69
	\$ 38,025,171.27	\$ 538,958.28	\$ 43,396,698.67	\$ 4,832,569.12

(Continued)

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

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	\$ 158,034,048.00
Allocated to:	
School, County, Municipal Open Space and Special District Taxes	<u>136,596,775.75</u>
Balance for Support of Municipal Budget Appropriations	21,437,272.25
Add: Appropriation "Reserve for Uncollected Taxes"	<u>3,452,132.61</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 24,889,404.86</u></u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 1,046,110.68
Tax Title Liens	<u>118,599.17</u>
	<u><u>\$ 1,164,709.85</u></u>

Licenses - Other:

Clerk-Other	\$ 26,780.00
Other Licenses	101,911.22
Registrar of Vital Statistics	<u>4,690.00</u>
	<u><u>\$ 133,381.22</u></u>

Fees and Permits - Other:

Clerk	\$ 202.00
Police	9,143.67
Planning Board	26,769.21
Zoning Board of Adjustment	52,829.25
Registrar of Vital Statistics	15,665.00
Road Opening Fees	<u>5,069.00</u>
	<u><u>\$ 109,678.13</u></u>

Interest Earned on Investments and Deposit:

Treasurer	\$ 51,325.32
Municipal Court	443.89
Due from Trust - Animal Control Fund	7.16
Due from Trust - Assessment Fund	491.62
Due from Trust - Other Funds	6,869.32
Due from General Capital Fund	<u>21,756.98</u>
	<u><u>\$ 80,894.29</u></u>

(Continued)

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

Analysis of Non-Budget Revenues

Miscellaneous Revenue not Anticipated:

Revenue Accounts Receivable - Tax Collector:

Duplicate Tax Bills	\$ 174.00	
Tax Searches	1,300.00	
Property Certifications	5,592.32	
6% Year-End Penalty Tax	26,515.73	
Miscellaneous	<u>37,732.28</u>	
		\$ 71,314.33

Treasurer:

Ballfield/Pavillion Rental Fees	13,035.00	
Host Fees	34,866.00	
Xerox Charges	6.73	
Cell Phone Trade In	502.00	
Pension Refund	3,020.26	
State Housing Inspection Fees	36,022.00	
Police Confiscated Monies	143.00	
Canceled Outdated Checks	688.71	
Accident Reports	199.92	
Bad Check Surcharges	1,145.00	
Payment in Lieu of Taxes	58,820.52	
Donation for Services	2,000.00	
Administration Fee for Senior Citizen and Veteran Deductions	7,894.81	
Polling Places	1,080.00	
Sale of Municipal Assets	13,579.94	
Sale of Land	1,520.00	
Insurance Reimbursement	2,456.00	
EMS Reports	2,224.40	
DMV Inspection Fines	3,623.50	
Police OT Outside Admin. Fee	18,670.00	
Fuel Reimbursement	21,206.43	
Verizon Lease	7,500.00	
Restitution	2,406.00	
Insurance Dividends	816.55	
Property Maintenance Liens	13,305.70	
Miscellaneous	<u>233.26</u>	

	246,965.73	
Due From Trust - Other Funds - Foreclosed TTL Premium	11,500.00	
Due From Animal Control Trust Fund - Excess Animal Control Reserve	11,691.23	
Due From Trust Assessment Fund - Interest and Costs on Assessments	<u>2,567.40</u>	
		<u>\$ 344,038.69</u>

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

TOWNSHIP OF MOUNT LAUREL

CURRENT FUND

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Canceled</u>
				<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS--WITHIN "CAPS"						
Department of Legislative and Executive						
Mayor and Council						
Salaries and Wages	\$ 30,021.00	\$ 30,021.00	\$ 30,020.52		\$ 0.48	
Other Expenses	5,000.00	5,000.00	2,224.00		2,776.00	
Township Manager and Office of Township Clerk						
Salaries and Wages						
Manager	105,000.00	110,000.00	108,990.39		1,009.61	
Clerk	182,000.00	154,000.00	154,000.00			
Other Expenses						
Manager	220,000.00	220,000.00	131,477.82	\$ 22,934.63	65,587.55	
Clerk	72,925.00	72,925.00	51,671.61	2,651.95	18,601.44	
Insurance						
General Liability	372,000.00	372,000.00	318,711.87	1,023.55	52,264.58	
Employee Group Health	2,824,295.00	2,926,295.00	2,899,892.23		26,402.77	
Workers Compensation	888,000.00	888,000.00	874,300.00		13,700.00	
Township Solicitor						
Other Expenses	350,000.00	350,000.00	256,372.25	22,815.00	70,812.75	
Other Legal Services and Costs						
Other Expenses	60,000.00	70,000.00	57,340.55		12,659.45	
Department of Administration and Finance						
Director of Finance						
Salaries and Wages	200,000.00	250,000.00	211,008.68		38,991.32	
Other Expenses	54,450.00	61,450.00	43,273.35	2,012.50	16,164.15	
Audit Services	85,000.00	85,000.00	85,000.00			
Tax Assessor						
Salaries and Wages	156,000.00	188,000.00	185,497.64		2,502.36	
Other Expenses	70,075.00	70,075.00	51,331.65	16,087.69	2,655.66	
Tax Collector						
Salaries and Wages	140,000.00	125,000.00	123,048.71		1,951.29	
Other Expenses	39,100.00	39,100.00	32,982.18	914.75	5,203.07	
Municipal Court						
Salaries and Wages	255,000.00	255,000.00	245,366.12		9,633.88	
Other Expenses	23,000.00	28,000.00	22,664.45	3,336.87	1,998.68	
Public Defender						
Salaries and Wages	1.00	1.00			1.00	
Public Prosecutor						
Other Expenses	50,000.00	50,000.00	50,000.00			

TOWNSHIP OF MOUNT LAUREL

CURRENT FUND

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Canceled</u>
				<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS--WITHIN "CAPS" (CONT'D)						
Department of Public Safety						
Police Department						
Salaries and Wages	\$ 6,660,000.00	\$ 6,570,000.00	\$ 6,503,228.32		\$ 66,771.68	
Other Expenses	345,000.00	395,000.00	278,457.40	\$ 116,416.85	125.75	
Emergency Management Services						
Salaries and Wages	20,000.00	20,000.00	\$9,830.75		10,169.25	
Other Expenses	9,000.00	9,000.00	3,383.93	1,477.72	4,138.35	
Aid to First Aid Organizations						
Mount Laurel EMS						
Salaries and Wages	856,000.00	894,000.00	873,573.41		20,426.59	
Other Expense	159,800.00	159,800.00	133,035.37	15,245.83	11,518.80	
Other Expenses - Billing	80,000.00	80,000.00	45,625.33	29,374.67	5,000.00	
Department of Public Works						
Road Repairs and Maintenance						
Salaries and Wages	1,384,000.00	1,384,000.00	1,311,356.12		72,643.88	
Other Expenses	134,350.00	134,350.00	31,919.03	20,149.23	82,281.74	
Snow Trust Fund	600,000.00	600,000.00	600,000.00			
Garbage and Trash Removal						
Other Expenses	750,000.00	750,000.00	662,301.90	61,761.00	25,937.10	
Municipal Services Act (N.J.S.A. 40:67-23.2 et seq.)						
Other Expense	675,000.00	625,000.00	155,777.03	150,933.61	318,289.36	
Public Buildings and Grounds						
Salaries and Wages	200,000.00	200,000.00	185,856.21		14,143.79	
Other Expenses	150,000.00	150,000.00	129,930.62	19,769.29	300.09	
Maintenance of Motor Vehicles						
Salaries and Wages	245,000.00	245,000.00	233,024.04		11,975.96	
Other Expenses	244,850.00	244,850.00	185,969.63	22,999.42	35,880.95	
Municipal Engineer						
Other Expenses	50,000.00	40,000.00	25,370.01	9,031.76	5,598.23	
Sanitary Landfill--Contractual	1,600,000.00	1,600,000.00	1,287,117.45	126,118.51	186,764.04	
Department of Health and Welfare						
Public Assistance						
Other Expenses	100.00	100.00			100.00	
Animal Control						
Other Expenses	6,000.00	6,000.00	3,020.41	550.00	2,429.59	
Department of Parks and Recreation						
Salaries and Wages	25,000.00	25,000.00	24,181.54		818.46	
Other Expenses	90,000.00	90,000.00	50,148.17	5,705.01	34,146.82	

(Continued)

TOWNSHIP OF MOUNT LAUREL

CURRENT FUND

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Canceled</u>
				<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS--WITHIN "CAPS" (CONT'D)						
Maintenance of Parks						
Salaries and Wages	\$ 310,000.00	\$ 310,000.00	\$ 249,226.06		\$ 60,773.94	
Other Expenses	349,000.00	349,000.00	149,856.64	\$ 47,344.26	151,799.10	
Department of Community Development						
Planning Board						
Salaries and Wages	54,000.00	54,000.00	52,708.43		1,291.57	
Other Expenses	39,000.00	39,000.00	10,528.59	150.00	28,321.41	
Zoning Board						
Salaries and wages	47,000.00	47,000.00	46,084.80		915.20	
Other Expenses	17,000.00	17,000.00	8,324.58	358.65	8,316.77	
Housing Enforcement						
Salaries and Wages	49,000.00	53,000.00	52,353.77		646.23	
Other Expenses	5,000.00	5,000.00	1,668.28		3,331.72	
Uniform Construction Code--Appropriations Offset by						
Dedicated Revenues (N.J.A.C. 5:23-4.17)						
Construction Code Official						
Salaries and Wages	650,000.00	530,000.00	519,506.16		10,493.84	
Other Expenses	90,000.00	100,000.00	68,443.76	28,014.29	3,541.95	
Unclassified:						
Utilities:						
Gasoline	475,000.00	475,000.00	330,093.10	68,692.28	76,214.62	
Street Lighting	600,000.00	580,000.00	443,233.28	39,677.85	97,088.87	
Fuel Oil	1,500.00	1,500.00			1,500.00	
Telephone	110,000.00	110,000.00	90,875.87	1,214.22	17,909.91	
Electricity	460,000.00	460,000.00	364,224.31	43,539.73	52,235.96	
Water	25,000.00	25,000.00	16,989.79	1,897.49	6,112.72	
Sewer	15,000.00	15,000.00	11,074.84	1,016.09	2,909.07	
Traffic Lights						
Other Expenses	75,000.00	95,000.00	69,016.48	6,925.48	19,058.04	
Total Operations--Within "CAPS"	23,837,467.00	23,837,467.00	21,152,489.43	890,140.18	1,794,837.39	-
Contingent	2,000.00	2,000.00			2,000.00	
Total Operations Including Contingent--Within "CAPS"	23,839,467.00	23,839,467.00	21,152,489.43	890,140.18	1,796,837.39	-
Detail:						
Salaries and Wages	11,568,022.00	11,444,022.00	11,118,861.67	-	325,160.33	-
Other Expenses (Including Contingent)	12,271,445.00	12,395,445.00	10,033,627.76	890,140.18	1,471,677.06	-

(Continued)

TOWNSHIP OF MOUNT LAUREL
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2016

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Canceled</u>
				<u>Encumbered</u>	<u>Reserved</u>	
DEFERRED CHARGES AND STATUTORY EXPENDITURES-- MUNICIPAL--WITHIN "CAPS"						
Deferred Charges:						
Deficit PAWS Nature Center Trust	\$ 4,142.00	\$ 4,142.00	\$ 4,142.00			
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	615,442.00	615,442.00	502,193.22		\$ 113,248.78	
Social Security System (O.A.S.I.)	880,000.00	880,000.00	830,547.54		49,452.46	
Police and Firemen's Retirement System of N.J.	1,446,496.00	1,446,496.00	1,446,496.00			
New Jersey Unemployment	100.00	100.00	100.00			
Defined Contribution Retirement Plan	3,000.00	3,000.00	1,402.33		1,597.67	
Total Deferred Charges and Statutory Expenditures-- Municipal--Within "CAPS"	2,949,180.00	2,949,180.00	2,784,881.09	-	164,298.91	-
17 Total General Appropriations for Municipal Purposes Within "CAPS"	26,788,647.00	26,788,647.00	23,937,370.52	\$ 890,140.18	1,961,136.30	-
OPERATIONS EXCLUDED FROM "CAPS"						
Insurance						
Employee Group Health	46,373.00	46,373.00	46,373.00			
Road Repair and Maintenance						
Other Expenses	9,000.00	9,000.00	9,000.00			
Reserve for Tax Appeals	750,000.00	750,000.00	184,226.58		565,773.42	
Maintenance of Free Public Library (Ch. 82, P.L. 1985)	2,105,383.72	2,105,383.72	2,105,383.72			
Length of Service Award Program						
Other Expenses	60,000.00	60,000.00			60,000.00	
Shared Service Agreements						
Animal Control						
Other Expenses	25,000.00	25,000.00	25,000.00			
State and Federal Programs Off-Set by Revenues:						
Click It or Ticket Grant	3,800.00	3,800.00	3,800.00			
Body Armor Fund (40A:4-87 \$5,472.31)		5,472.31	5,472.31			
Clean Communities Program (40A:4-87 \$99,983.56)		99,983.56	99,983.56			
Drunk Driving Enforcement Fund (40A:4-87 \$11,927.91)		11,927.91	11,927.91			
Recycling Tonnage Grant	65,856.94	65,856.94	65,856.94			
Drive Sober or Get Pulled Over Grant (40A:4-87 \$5,000.00)		5,000.00	5,000.00			
County of Burlington - Body Cameras (40A:4-87 \$30,000.00)		30,000.00	30,000.00			
Community Development Block Grant (40A:4-87 \$78,000.00)		78,000.00	78,000.00			

(Continued)

TOWNSHIP OF MOUNT LAUREL

CURRENT FUND

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

	Budget	Budget After Modification	Paid or Charged	Expended		Unexpended Balance Canceled
				Encumbered	Reserved	
OPERATIONS EXCLUDED FROM "CAPS" (CONT'D)						
State and Federal Programs Off-Set by Revenues (Cont'd):						
Homeland Security & Preparedness (40A:4-87 \$9,400.00)		\$ 9,400.00	\$ 9,400.00			
NJ Department of Transportation (40A:4-87 \$220,000.00)		220,000.00	220,000.00			
Burlington Municipal Parks Grant (40A:4-87 \$75,000.00)		75,000.00	75,000.00			
Bullet Proof Vest Partnership Grant (40A:4-87 \$4,174.50)		4,174.50	4,174.50			
SFSP Fire District Payment	\$ 11,728.00	11,728.00	11,728.00			
Total Operations--Excluded from "CAPS"	3,077,141.66	3,616,099.94	2,990,326.52	-	\$ 625,773.42	-
Detail:						
Salaries and Wages	3,800.00	130,111.47	130,111.47	-	-	-
Other Expenses	3,073,341.66	3,485,988.47	2,860,215.05	-	625,773.42	-
CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"						
Capital Improvement Fund	300,000.00	300,000.00	300,000.00			
Total Capital Improvements--Excluded from "CAPS"	300,000.00	300,000.00	300,000.00	-	-	-
MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"						
Payment of Bond Principal	2,655,000.00	2,655,000.00	2,655,000.00			
Payment of Bond Anticipation Notes and Capital Notes	950,500.00	950,500.00	950,500.00			
Interest on Bonds	380,150.00	380,150.00	380,150.00			
Interest on Assessment Notes	600.00	600.00	600.00			
Interest on Notes	101,000.00	101,000.00	98,235.58			\$ 2,764.42
Total Municipal Debt Service--Excluded from "CAPS"	4,087,250.00	4,087,250.00	4,084,485.58	-	-	2,764.42
MUNICIPAL DEFERRED CHARGES--EXCLUDED FROM "CAPS"						
Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-55)	320,000.00	320,000.00	300,000.00			20,000.00
Total Municipal Deferred Charges--Excluded from "CAPS"	320,000.00	320,000.00	300,000.00	-	-	20,000.00
Total General Appropriations--Excluded from "CAPS"	7,784,391.66	8,323,349.94	7,674,812.10	-	625,773.42	22,764.42

(Continued)

TOWNSHIP OF MOUNT LAUREL
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2016

	Budget	Budget After Modification	Paid or Charged	Expended	Unexpended Balance Canceled
				Encumbered	Reserved
Subtotal General Appropriations	\$ 34,573,038.66	\$ 35,111,996.94	\$ 31,612,182.62	\$ 890,140.18	\$ 2,586,909.72
Reserve for Uncollected Taxes	3,452,132.61	3,452,132.61	3,452,132.61		\$ 22,764.42
Total General Appropriations	\$ 38,025,171.27	\$ 38,564,129.55	\$ 35,064,315.23	\$ 890,140.18	\$ 2,586,909.72
Appropriation by N.J.S.40A:4-87		\$ 538,958.28			
Budget		38,025,171.27			
		\$ 38,564,129.55			
Reserve for Federal, State and Local Grants - Appropriated			\$ 608,615.22		
Reserve for Uncollected Taxes			3,452,132.61		
Special Emergency Authorizations			300,000.00		
Disbursed			30,703,567.40		
			\$ 35,064,315.23		

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

TOWNSHIP OF MOUNT LAUREL

TRUST FUND

Statements of Assets, Liabilities Reserves and Fund Balance - Regulatory Basis

As of December 31, 2016 and 2015

<u>ASSETS</u>	<u>Ref.</u>	<u>2016</u>	(Restated) <u>2015</u>
Animal Control Fund:			
Cash - Treasurer	SB-1	\$ 48,267.19	\$ 57,222.08
		48,267.19	57,222.08
Assessment Fund:			
Cash - Treasurer	SB-1 & SB-12	39.72	179,498.50
Assessments Receivable	SB-14	211,989.90	227,694.60
Due General Capital Fund	SB-1		167,433.00
		212,029.62	574,626.10
Municipal Open Space Fund:			
Cash - Treasurer	SB-1	18,047,550.96	15,960,882.72
Due Trust - Other Fund	B	8,330.00	8,330.00
Due Current Fund	SB-11		18,040.09
Due Federal and State Grant Fund	SB-1		24,221.97
		18,055,880.96	16,011,474.78
Other Funds:			
Cash - Treasurer	SB-1	12,529,405.10	11,852,391.41
Deferred Charge - Deficit in Reserve for PAWS Farm	SB-6	18,343.62	4,142.00
Investments - Length of Service Award Program	SB-16	609,631.21	530,965.39
		13,157,379.93	12,387,498.80
		\$ 31,473,557.70	\$ 29,030,821.76
<u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	SB-2	\$ 36,560.40	\$ 32,467.30
Due Current Fund	SB-3	11,698.39	24,751.18
Due State of New Jersey	SB-4	8.40	3.60
		48,267.19	57,222.08
Assessment Fund:			
Due Current Fund	SB-13	212,029.62	514,626.10
Bond Anticipation Notes	SB-15		60,000.00
		212,029.62	574,626.10
Municipal Open Space Fund:			
Due General Capital Fund	SB-1	15,327.80	1,338,601.05
Contracts Payable	SB-9	1,135.58	38,373.76
Reserve for Encumbrances	SB-9	240,985.03	40,854.84
Reserve for Municipal Open Space Trust Fund	SB-9	14,813,432.55	11,735,845.13
Reserve for Payment of Debt	SB-10	2,985,000.00	2,857,800.00
		18,055,880.96	16,011,474.78

TOWNSHIP OF MOUNT LAUREL

TRUST FUND

Statements of Assets, Liabilities Reserves and Fund Balance - Regulatory Basis

As of December 31, 2016 and 2015

<u>LIABILITIES AND RESERVES (CONT'D)</u>	<u>Ref.</u>	<u>2016</u>	(Restated) <u>2015</u>
Other Funds:			
Due Current Fund	SB-5	\$ 842,689.47	\$ 920,069.08
Due General Capital Fund	C		45,859.57
Due Municipal Open Space Fund	B	8,330.00	8,330.00
Due New Jersey Crime Compensation Board	SB-6	239,607.74	209,557.74
Reserve for Encumbrances	SB-8	683,184.09	416,413.66
Reserves and Special Deposits:			
Developers' Recreation	SB-6	334,293.35	333,398.92
Bulletproof Vest Partnership	SB-6	52.78	52.78
Municipal Recreation	SB-6	77,684.58	41,366.09
Municipal Recreation: Fall Festival	SB-6	77,681.67	70,129.34
Municipal Recreation: Senior Center	SB-6	19,246.55	14,949.55
Municipal Recreation: Special Events	SB-6	848.94	1,848.94
Municipal Recreation: Storm Recovery Trust	SB-6	980,362.38	863,039.95
Municipal Recreation Trust	SB-6	4,701.00	2,080.00
Recycling Trust Fund	SB-6	9,586.24	7,102.73
Special Law Enforcement Trust Fund	SB-6	30,268.59	25,846.37
Street Opening Deposits	SB-6	3,520.00	300.00
Low Income Housing	SB-6	5,860.75	5,860.75
Parking Offense Adjudication Act	SB-6	3,630.62	3,444.62
Public Defender Fees	SB-6	15,750.00	14,875.00
Outside Police Employment	SB-6	63,797.76	73,759.42
Developer's Fees - Spring Valley	SB-6	114,134.03	114,134.03
Reserve for Sidewalks	SB-6	89,715.00	89,715.00
Developer's Fees - Orleans Litigation Deposits	SB-6	1,425.88	1,425.88
Developer's Fees - Traffic Impact	SB-6	104,437.50	104,437.50
Reserve for Developer Fees - Hovnanian	SB-6	166.00	166.00
Reserve for Environmental - Kowalski	SB-6	250,000.00	250,000.00
New Jersey Unemployment Compensation			
Insurance Trust Fund	SB-6	271,328.09	259,305.83
Affordable Housing	SB-6	5,149,118.91	5,079,884.03
Affordable Housing - Low Income	SB-6	88,176.19	88,176.19
Fair Share Housing - Senior Citizens Housing	SB-6	80,922.40	80,734.92
Optical Trust Fund	SB-6	1,276.94	8,856.86
Payroll Deductions Payable	SB-6	172,846.21	124,748.73
K-9 Fund	SB-6	16,856.68	24,617.10
Redemption of Tax Sale Certificates	SB-6	60,987.08	13,593.46
Redemption of Tax Sale Premiums	SB-6	1,051,400.00	981,000.00
Reserve for Length of Service Award Program	SB-6	609,631.21	530,965.39
Reserve for Community Development Escrow Deposits	SB-7	1,693,861.30	1,577,453.37
		13,157,379.93	12,387,498.80
		\$ 31,473,557.70	\$ 29,030,821.76

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

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

	<u>2016</u>	<u>2015</u>
REVENUE REALIZED:		
Amount to be Raised by Taxation	\$ 4,660,515.89	\$ 4,650,562.57
Miscellaneous Revenue Not Anticipated	53,405.52	14,878.31
	<hr/>	<hr/>
Total Income	4,713,921.41	4,665,440.88
	<hr/>	<hr/>
EXPENDITURES:		
Budget Appropriations:		
Debt Service	1,377,862.50	1,381,362.50
Reserved for Future Use	258,471.49	41,963.48
	<hr/>	<hr/>
Total Expenditures	1,636,333.99	1,423,325.98
	<hr/>	<hr/>
Statutory Excess to Reserve For Future Use	3,077,587.42	3,242,114.90
	<hr/>	<hr/>
RESERVE FOR FUTURE USE:		
Balance January 1	11,735,845.13	8,493,730.23
	<hr/>	<hr/>
Balance December 31	\$ 14,813,432.55	\$ 11,735,845.13
	<hr/>	<hr/>

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

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

	Anticipated <u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Amount to be Raised by Taxation	\$ 4,610,990.64	\$ 4,660,515.89	\$ 49,525.25
Miscellaneous Revenue Not Anticipated		53,405.52	53,405.52
	<u>\$ 4,610,990.64</u>	<u>\$ 4,713,921.41</u>	<u>\$ 102,930.77</u>

Analysis of Realized Revenues

Amount to be Raised by Taxation	
Current Year Levy	\$ 4,610,990.64
Added and Omitted Taxes	<u>49,525.25</u>
	<u>\$ 4,660,515.89</u>
Miscellaneous Revenue Not Anticipated:	
Community Gardens Rentals	\$ 1,610.00
Farming	7,866.00
Interest on Deposits	<u>43,929.52</u>
	<u>\$ 53,405.52</u>

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

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

	<u>Appropriations</u>		<u>Expended</u>	<u>Unexpended</u>
	<u>Original</u>	<u>Budget After</u>	<u>Paid or Charged</u>	<u>Balance</u>
	<u>Budget</u>	<u>Modification</u>		<u>Canceled</u>
Debt Service:				
Payment of Bond Principal	\$ 725,000.00	\$ 725,000.00	\$ 725,000.00	
Interest on Bonds	652,862.50	652,862.50	652,862.50	
Reserve for Future Use	3,233,128.14	3,233,128.14	258,471.49	\$ 2,974,656.65
	<u>\$ 4,610,990.64</u>	<u>\$ 4,610,990.64</u>	<u>\$ 1,636,333.99</u>	<u>\$ 2,974,656.65</u>
Disbursed			\$ 1,458,114.18	
Due General Capital Fund			15,327.80	
Contracts Payable Charged and Canceled			(37,238.18)	
Encumbered Charged and Canceled			<u>200,130.19</u>	
			<u>\$ 1,636,333.99</u>	

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

TOWNSHIP OF MOUNT LAUREL
GENERAL CAPITAL FUND

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2016 and 2015

<u>ASSETS</u>	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
Cash	SC-1	\$ 13,732,583.17	\$ 5,724,318.77
Deferred Charges to Future Taxation - Funded	SC-3	23,455,000.00	26,835,000.00
Deferred Charges to Future Taxation - Unfunded	SC-4	38,270,485.62	30,505,985.62
Due Trust - Other Fund	SC-1		45,859.57
Due Trust - Municipal Open Space Fund	SC-1	15,327.80	1,338,601.05
Due Federal and State Grant Fund	SC-1,SC-8	500,752.72	704,966.91
		<u>\$ 75,974,149.31</u>	<u>\$ 65,154,731.92</u>
 <u>LIABILITIES, RESERVES</u> <u>AND FUND BALANCE</u>			
Capital Improvement Fund	SC-5	\$ 53,788.00	\$ 303,788.00
Reserve for Payment of Bonds and Bond Anticipation Notes	SC-6	775,883.13	962,266.56
Due Trust - Assessment Fund	SC-1		167,433.00
Due Current Fund	SC-7	21,756.98	884,159.54
Improvement Authorizations:			
Funded	SC-8	1,991,082.14	2,037,777.29
Unfunded	SC-8	26,566,288.08	21,462,648.25
Contracts Payable	SC-9	485,972.37	1,455,201.21
Reserve for Encumbrances	SC-9	3,937,874.33	124,453.79
Bond Anticipation Notes	SC-10	18,475,243.00	10,710,743.00
Serial Bonds	SC-11	23,455,000.00	26,835,000.00
Reserve for Capital Projects	C	83,836.73	83,836.73
Reserve for Purchase of Building and Equipment	C	1,549.16	1,549.16
Reserve for Preliminary Expenses - Rancocas Study	C	2,055.00	2,055.00
Reserve for CDBG - Burnam Wood Drive/Court	C	64,800.00	64,800.00
Fund Balance	C	59,020.39	59,020.39
		<u>\$ 75,974,149.31</u>	<u>\$ 65,154,731.92</u>

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

TOWNSHIP OF MOUNT LAUREL
GENERAL FIXED ASSET ACCOUNT GROUP
Statement of General Fixed Asset Group of Accounts - Regulatory Basis
For the Year Ended December 31, 2016

	Balance <u>Dec. 31, 2015</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2016</u>
General Fixed Assets:				
Land	\$ 41,687,296.00			\$ 41,687,296.00
Building	30,102,830.00	\$ 39,041.05		30,141,871.05
Equipment	1,764,377.43	216,312.70		1,980,690.13
Vehicles	6,676,458.82	535,142.91	\$ 181,551.60	7,030,050.13
	<u>\$ 80,230,962.25</u>	<u>\$ 790,496.66</u>	<u>\$ 181,551.60</u>	<u>\$ 80,839,907.31</u>
Investment in General Fixed Assets:				
General Capital Fund	<u>\$ 80,230,962.25</u>	<u>\$ 790,496.66</u>	<u>\$ 181,551.60</u>	<u>\$ 80,839,907.31</u>

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Township of Mount Laurel (hereafter referred to as the "Township") was incorporated as a township by an act of the New Jersey legislature on March 7, 1872 from portions of Evesham Township. The Township, located in Burlington County, New Jersey, has a total area of approximately twenty-two square miles, and is located approximately fifteen miles from the City of Philadelphia. The Township borders Moorestown Township, Maple Shade Township, Cherry Hill Township, Medford Township, Hainesport Township, Lumberton Township, Westampton Township, Willingboro Township and Evesham Township. According to the 2010 census, the population is 41,864.

The Township is governed under the Faulkner Act System using Council-Manager form of government, with a five-member Council. The Council is elected directly by the voters in partisan elections to serve four-year terms of office on a staggered basis, with two or three seats coming up for election in odd-numbered years. At an annual reorganization meeting, the Council selects one of its members to serve as Mayor and another as Deputy Mayor. The Township Manager oversees the daily functions of the Township.

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

Mount Laurel Municipal Utilities Authority
1201 S. Church Street
Mount Laurel, New Jersey 08054

Mount Laurel Public Library
100 Walt Whitman Avenue
Mount Laurel, New Jersey 08054

Annual financial reports may be inspected directly at the offices of these component units during regular business hours.

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation - In accordance with the *Requirements*, the Township accounts for its financial transactions through the use of separate funds which are described as follows:

Current Fund - The current fund accounts for resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

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

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

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

Budgets and Budgetary Accounting - The Township must adopt an annual budget for its current and municipal open space 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.

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

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

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

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

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

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

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

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

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

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

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

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

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

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Burlington, the Township of Mount Laurel Free Public Library, the Township of Mount Laurel School District, the Lenape Regional High School District, the Township of Mount Laurel Fire District and the Township of Mount Laurel Open Space Fund. 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 Mount Laurel School District and the Lenape Regional High 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 July 1 to June 30, increased by the amount deferred at December 31, 2015 and decreased by the amount deferred at December 31, 2016. For the regional high school district, operations is charged for the Township's share of the amount required to be raised by taxation for the period from July 1 to June 30, increased by the amount deferred at December 31, 2015 and decreased by the amount deferred at December 31, 2016.

County Taxes - The municipality is responsible for levying, collecting, and remitting county taxes for the County of Burlington. County taxes are determined on a calendar year by the County Board of Taxation based upon the ratables required to be certified to them on January 10 of each year. Operations is charged for the amount due to 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.

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

Fire District Taxes - The municipality is responsible for levying, collecting, and remitting fire district taxes for the Township of Mount Laurel 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 Taxes - Currently, the Township assesses, by referendum, all taxable property at 8 cents per \$100.00 of assessed value for the acquisition and limited maintenance of open space property within the Township.

Mount Laurel Public Library - The municipality is required to collect library taxes required by N.J.S.A. 40:54-8 which is based on 1/3 of a mil of the Township's equalized valuation of the prior year.

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

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

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

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

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

Compensated Absences and Postemployment Benefits - Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis.

Note 2: CASH AND CASH EQUIVALENTS

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

As of December 31, 2016, the Township's bank balances of \$66,121,090.60 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 62,747,164.65
Uninsured and Uncollateralized	<u>3,373,925.95</u>
Total	<u>\$ 66,121,090.60</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:

	<u>Year Ended</u>				
	<u>2016</u>	<u>2015</u>	<u>2014*</u>	<u>2013</u>	<u>2012</u>
Tax Rate	<u>\$ 2.745</u>	<u>\$ 2.713</u>	<u>\$ 2.686</u>	<u>\$ 4.550</u>	<u>\$ 4.337</u>
Apportionment of Tax Rate:					
Municipal	\$.342	\$.343	\$.337	\$.573	\$.555
Municipal Library	.036	.035	.036	.065	.062
Municipal Open Space					
Preservation Trust Fund	.080	.080	.080	.080	.080
County	.364	.360	.370	.628	.578
County Open Space					
Preservation Trust Fund	.044	.043	.017	.027	.075
Local School	1.064	1.040	1.021	1.724	1.658
Regional School	.671	.669	.682	1.205	1.087
Special District Rates:					
Fire District	.144	.143	.143	.248	.242

*Revaluation

Note 3: PROPERTY TAXES (CONT'D)

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):

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2016	\$ 5,763,738,392.00
2015	5,790,653,194.00
2014*	5,786,157,100.00
2013	3,358,044,200.00
2012	3,422,869,013.00
*Revaluation	

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2016	\$ 159,826,997.23	\$ 158,034,048.00	98.88%
2015	157,689,639.55	155,973,141.86	98.91%
2014	156,157,707.62	154,140,219.35	98.71%
2013	153,183,709.94	151,419,227.78	98.85%
2012	148,938,524.50	146,978,062.08	98.68%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2016	\$ 92,841.21	\$ 1,496,678.13	\$ 1,589,519.34	0.99%
2015	178,215.44	1,181,934.18	1,360,149.62	0.86%
2014	136,065.37	2,165,611.76	2,301,677.13	1.47%
2013	120,966.38	1,359,481.89	1,480,448.27	0.97%
2012	547,119.62	1,626,740.96	2,173,860.58	1.46%

The following comparison is made of the number of tax title liens receivable on December 31 for the current and previous four calendar years:

<u>Year</u>	<u>Number</u>
2016	14
2015	22
2014	23
2013	18
2012	61

Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2016	\$ 1,834,100.00
2015	1,207,100.00
2014	1,317,700.00
2013	1,341,900.00
2012	749,300.00

Note 5: FUND BALANCES APPROPRIATED

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

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2016	\$ 10,568,839.13	\$ 6,300,000.00	59.61%
2015	8,829,465.92	6,000,000.00	67.95%
2014	7,807,354.16	5,600,000.00	71.73%
2013	9,065,191.51	5,600,000.00	61.77%
2012	8,059,908.70	5,600,000.00	69.48%

Note 6: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2016:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 1,088,174.46	
Federal and State Grant		\$ 500,752.72
Trust - Animal Control		11,698.39
Trust - Assessment		212,029.62
Trust - Municipal Open Space	8,330.00	15,327.80
Trust - Other		851,019.47
General Capital	516,080.52	21,756.98
	<u>\$ 1,612,584.98</u>	<u>\$ 1,612,584.98</u>

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

Note 7: PENSION PLANS

A substantial number of the Township's employees participate in one of the following defined benefit pension plans: the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered by the New Jersey Division of Pensions and Benefits. In addition, 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 and required supplementary information. That report may be obtained by writing to:

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

General Information about the Pension Plans**Plan Descriptions**

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

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

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

Note 7: PENSION PLANS (CONT'D)**General Information about the Pension Plans****Vesting and Benefit Provisions**

Public Employees' Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. The PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

The following represents the membership tiers for PERS:

Tier Definition

- 1 Members who were enrolled prior to July 1, 2007
- 2 Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
- 3 Members who were eligible to enroll on or after November 2, 2008 and prior to May 21, 2010
- 4 Members who were eligible to enroll after May 21, 2010 and prior to June 28, 2011
- 5 Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

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

The following represents the membership tiers for PFRS:

Tier Definition

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

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

Note 7: PENSION PLANS (CONT'D)**General Information about the Pension Plans****Vesting and Benefit Provisions (Cont'd)**

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

Contributions

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.06% in State fiscal year 2016. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 366, P.L. 2001) increased from 8.5% of base salary to 10%. Employers' contribution amounts are based on an actuarially determined rate. The Township's contribution amounts are based on an actuarially determined rate which included the normal cost and unfunded accrued liability.

The Township's contractually required contribution rate for the year ended December 31, 2016 was 12.64% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2016, the Township's contractually required contribution to the pension plan for the year ended December 31, 2016 is \$517,342.00, and is payable by April 1, 2017. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2015, the Township's contractually required contribution to the pension plan for the year ended December 31, 2015 was \$518,145.00, which was paid on April 1, 2016. Employee contributions to the plan during the year ended December 31, 2016 were \$304,257.91.

Police and Firemen's Retirement System - The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 8.5% to 10.0% in October 2011. Employers' contributions are based on an actuarially determined amount which includes the normal cost and unfunded accrued liability.

Note 7: PENSION PLANS (CONT'D)**General Information about the Pension Plans****Contributions (Cont'd)****Police and Firemen's Retirement System (Cont'd)**

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

The Township's contractually required contribution rate for the year ended December 31, 2016 was 25.97% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2016, the Township's contractually required contribution to the pension plan for the year ended December 31, 2016 is \$1,543,697.00, and is payable by April 1, 2017. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2015, the Township's contractually required contribution to the pension plan for the year ended December 31, 2015 was \$1,446,496.00, which was paid on April 1, 2016. Employee contributions to the plan during the year ended December 31, 2016 were \$598,893.70.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Township, for the year ended December 31, 2016 was 1.96% of the Township's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2016, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2016 is \$116,375.00 and is payable by April 1, 2017. Based on the PFRS measurement date of June 30, 2015, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2015 was \$135,312.00, which was paid on April 1, 2016.

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

For the year ended December 31, 2016, employee contributions totaled \$2,570.47, and the Township's contributions were \$1,402.33. There were no forfeitures during the year.

Note 7: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

Public Employees' Retirement System - At December 31, 2016, the Township's proportionate share of the PERS net pension liability was \$17,247,233.00. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2016. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2016 measurement date, the Township's proportion was 0.0582339743%, which was a decrease of 0.0020352771% from its proportion measured as of June 30, 2015.

At December 31, 2016, the Township's proportionate share of the PERS pension expense, calculated by the plan as of the June 30, 2016 measurement date is \$1,624,905.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2016, the Township's contribution to PERS was \$518,154.00, and was paid on April 1, 2016.

Police and Firemen's Retirement System - At December 31, 2016, the Township's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$ 36,167,169.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>3,037,145.00</u>
	<u><u>\$ 39,204,314.00</u></u>

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2016. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2016 measurement date, the Township's proportion was 0.1893315521%, which was an increase of 0.0113781169% from its proportion measured as of June 30, 2015. Likewise, at June 30, 2016, the State of New Jersey's proportion, on-behalf of the Township, was 0.1893315521%, which was an increase of 0.0113781169% from its proportion, on-behalf of the Township, measured as of June 30, 2015.

At December 31, 2016, the Township's proportionate share of the PFRS pension expense, calculated by the plan as of the June 30, 2016 measurement date is \$3,987,204.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2016, the Township's contribution to PFRS was \$1,446,496.00, and was paid on April 1, 2016.

At December 31, 2016, the State's proportionate share of the PFRS pension expense, associated with the Township, calculated by the plan as of the June 30, 2016 measurement date is \$387,915.00. This on-behalf expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

Note 7: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Deferred Outflows of Resources and Deferred Inflows of Resources - At December 31, 2016, the Township had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>			<u>Deferred Inflows of Resources</u>		
	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between Expected and Actual Experience	\$ 320,746.00	\$ -	\$ 320,746.00	\$ -	\$ 237,081.00	\$ 237,081.00
Changes of Assumptions	3,572,705.00	5,009,450.00	8,582,155.00	-	-	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	657,653.00	2,534,161.00	3,191,814.00	-	-	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	375,180.00	1,800,865.00	2,176,045.00	548,225.00	1,142,137.00	1,690,362.00
Township Contributions Subsequent to the Measurement Date	258,671.00	771,849.00	1,030,520.00	-	-	-
	<u>\$ 5,184,955.00</u>	<u>\$ 10,116,325.00</u>	<u>\$ 15,301,280.00</u>	<u>\$ 548,225.00</u>	<u>\$ 1,379,218.00</u>	<u>\$ 1,927,443.00</u>

\$258,671.00 and \$771,849.00 for PERS and PFRS, respectively, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2017. These amounts were based on an estimated April 1, 2018 contractually required contribution, prorated from the pension plans measurement date of June 30, 2016 to the Township's year end of December 31, 2016.

Note 7: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

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

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

Note 7: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

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

<u>Year Ending Dec 31,</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2017	\$ 1,002,917.00	\$ 1,866,441.00	\$ 2,869,358.00
2018	1,002,917.00	1,866,441.00	2,869,358.00
2019	1,165,357.00	2,474,031.00	3,639,388.00
2020	930,815.00	1,534,214.00	2,465,029.00
2021	276,053.00	224,131.00	500,184.00
	<u>\$ 4,378,059.00</u>	<u>\$ 7,965,258.00</u>	<u>\$ 12,343,317.00</u>

Actuarial Assumptions

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

	<u>PERS</u>	<u>PFRS</u>
Inflation	3.08%	3.08%
Salary Increases:		
Through 2026	1.65% - 4.15% Based on Age	2.10% - 8.98% Based on Age
Thereafter	2.65% - 5.15% Based on Age	3.10% - 9.98% Based on Age
Investment Rate of Return	7.65%	7.65%
Mortality Rate Table	RP-2000	RP-2000
Period of Actuarial Experience		
Study upon which Actuarial		
Assumptions were Based	July 1, 2011 - June 30, 2014	July 1, 2010 - June 30, 2013

Note 7: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

For PERS, pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. Mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

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

For PERS and PFRS, in accordance with State statute, the long-term expected rate of return on plan investments (7.65% at June 30, 2016) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's and PFRS's target asset allocation as of June 30, 2016 are summarized in the following table:

Note 7: **PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

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

Discount Rate - The discount rate used to measure the total pension liability at June 30, 2016 was 3.98% for PERS and 5.55% for PFRS. For both PERS and PFRS, the respective single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% as of June 30, 2016, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rates assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 30% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2034 for PERS and through 2050 for PFRS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2034 for PERS and through 2050 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liabilities.

Note 7: PENSION PLANS (CONT'D)**Sensitivity of Township's Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

Public Employees' Retirement System (PERS) - The following presents the Township's proportionate share of the net pension liability at June 30, 2016, the plans measurement date, calculated using a discount rate of 3.98%, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	PERS		
	1% Decrease (2.98%)	Current Discount Rate (3.98%)	1% Increase (4.98%)
Township's Proportionate Share of the Net Pension Liability	<u>\$ 21,134,471.00</u>	<u>\$ 17,247,233.00</u>	<u>\$ 14,037,981.00</u>

Police and Firemen's Retirement System (PFRS) - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the Township's annual required contribution. As such, the net pension liability as of June 30, 2016, the plans measurement date, for the Township and the State of New Jersey, calculated using a discount rate of 5.55%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	PFRS		
	1% Decrease (4.55%)	Current Discount Rate (5.55%)	1% Increase (6.55%)
Township's Proportionate Share of the Net Pension Liability	\$ 46,634,912.00	\$ 36,167,169.00	\$ 27,631,354.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	<u>3,916,175.78</u>	<u>3,037,145.00</u>	<u>2,320,348.27</u>
	<u>\$ 50,551,087.78</u>	<u>\$ 39,204,314.00</u>	<u>\$ 29,951,702.27</u>

Pension Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the PERS and PFRS and additions to/deductions from PERS and PFRS' respective fiduciary net position have been determined on the same basis as they are reported by PERS and PFRS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For additional information about PERS and PFRS, please refer to the plan's Comprehensive Annual Financial Report (CAFR) which can be found at www.nj.gov/treasury/pensions.

Note 7: PENSION PLANS (CONT'D)**Supplementary Pension Information**

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

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

	Measurement Date Ended June 30,			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Proportion of the Net Pension Liability	0.0582339743%	0.0602692515%	0.0619989505%	0.0583238991%
Township's Proportionate Share of the Net Pension Liability	\$ 17,247,233.00	\$ 13,529,239.00	\$ 11,607,899.00	\$ 11,146,856.00
Township's Covered Payroll (Plan Measurement Period)	\$ 3,904,004.00	\$ 4,013,668.00	\$ 4,104,736.00	\$ 3,819,180.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	441.78%	337.08%	282.79%	291.87%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.93%	52.08%	48.72%

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

	Year Ended December 31,			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 517,342.00	\$ 518,154.00	\$ 511,110.00	\$ 439,459.00
Township's Contribution in Relation to the Contractually Required Contribution	(517,342.00)	(518,154.00)	(511,110.00)	(439,459.00)
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 4,093,353.00	\$ 3,903,433.00	\$ 3,998,793.00	\$ 4,036,733.00
Township's Contributions as a Percentage of its Covered Payroll	12.64%	13.27%	12.78%	10.89%

Note 7: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of the Township's Proportionate Share of the Net Pension Liability - Police and Firemen's Retirement System (PFRS) (Last Four Years)***

	Measurement Date Ended June 30,			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Proportion of the Net Pension Liability	0.1893315521%	0.1779534352%	0.1913154771%	0.1841119754%
Township's Proportionate Share of the Net Pension Liability	\$ 36,167,169.00	\$ 29,640,839.00	\$ 24,065,713.00	\$ 24,476,026.00
State's Proportionate Share of the Net Pension Liability associated with the Township	3,037,145.00	2,599,402.00	2,591,473.00	2,281,463.00
Total	<u>\$ 39,204,314.00</u>	<u>\$ 32,240,241.00</u>	<u>\$ 26,657,186.00</u>	<u>\$ 26,757,489.00</u>
Township's Covered Payroll (Plan Measurement Period)	\$ 6,008,508.00	\$ 5,635,452.00	\$ 5,899,404.00	\$ 5,778,048.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	601.93%	525.97%	407.93%	423.60%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.01%	56.31%	62.41%	58.70%

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

	Year Ended December 31,			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 1,543,697.00	\$ 1,446,496.00	\$ 1,469,435.00	\$ 1,343,240.00
Township's Contribution in Relation to the Contractually Required Contribution	(1,543,697.00)	(1,446,496.00)	(1,469,435.00)	(1,343,240.00)
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 5,944,839.00	\$ 5,907,397.00	\$ 5,680,094.00	\$ 5,714,809.00
Township's Contributions as a Percentage of its Covered Payroll	25.97%	24.49%	25.87%	23.50%

Note 7: PENSION PLANS (CONT'D)**Other Notes to Supplementary Pension Information*****Public Employees' Retirement System (PERS)***

Changes in Benefit Terms - None

Changes in Assumptions - For 2016, the discount rate changed to 3.98%, the long-term expected rate of return changed to 7.65%, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter. For 2015, the discount rate changed to 4.90%. In addition, the social security wage base was set at \$118,500 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at \$265,000 for 2015, increasing 3.00% per annum, compounded annually. For 2014, the discount rate was 5.39%.

Police and Firemen's Retirement System (PFRS)

Changes in Benefit Terms - None

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

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

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

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 2005, the Township authorized participation in the SHBP's post-retirement benefit program through resolution number 05-R-144. Eligible SHBP employees are only covered under police contract. Those employees must work 25 years with the Township to receive postretirement healthcare benefits which includes healthcare, dental and prescription for the retired employee, their spouse and any dependents under the age of 26. Those eligible retirees that started their service prior to 12/31/85 are entitled for 36 months of postretirement health benefits. Eligible hires after 01/01/86 are entitled for 18 months of postretirement health benefits. SHBP medical plans include NJ Direct 10 and NJ Direct 15 administered by Horizon Blue Cross Blue Shield of New Jersey, Aetna HMO and CIGNA Healthcare. Dental care is administered through Aetna.

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

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

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

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis. The Township funds these benefits on a pay-as-you-go basis and, therefore, does not record accrued expenses related to these benefits. The Township's contributions to SHBP for the years ended December 31, 2016, 2015, and 2014, were \$435,316.17, \$402,308.91, and \$495,999.74, respectively, which equaled the required contributions each year. There were approximately 18 retired participants eligible at December 31, 2016.

Note 9: COMPENSATED ABSENCES

Under the existing policy of the Township, full-time employees are entitled to accumulate annual unused sick leave and vacation days. Unused sick leave and vacation days may be accumulated and carried forward to the subsequent year.

The Township compensates employees for unused sick leave upon termination if they have ten years of service or retirement. The current contract provides for compensated pay of 30%, 40% or 50% of sick days accumulated with a maximum pay-out of thirty or forty days' pay or \$15,000.00 depending on which contract. All unused vacation days are paid out upon termination or retirement. Compensation is paid at the rate of pay upon termination or retirement.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2016, accrued benefits for compensated absences are valued at \$949,593.97.

Note 10: 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 11: LENGTH OF SERVICE AWARDS PROGRAM

The Township's length of service awards program ("LOSAP"), which is reported in the Township's trust fund, was created by a Township Ordinance adopted on June 20, 2005 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 voters of the Township approved the adoption of the LOSAP at the general election held on November 5, 2005, and the first year of eligibility for entrance into the LOSAP by qualified volunteers was calendar year 2006. The LOSAP provides tax deferred income benefits to active emergency medical personnel.

Note 11: LENGTH OF SERVICE AWARDS PROGRAM (CONT'D)

The first year of eligibility for entrance into the Plan was calendar year 2006. The tax deferred income benefits for emergency service volunteers of the Emergency Medical Services, Inc., consisting of the volunteer first aid organization, come from contributions made solely by the governing body of the Township, on behalf of those volunteers who meet the criteria of a plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

Contributions - If an active member meets the year of active service requirement, a 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 \$165.60 and \$1,150.00 for the year ended December 31, 2016, and \$130.53 and \$1,150.00 for the year ended December 31, 2015, 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.

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

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

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

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

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

Forfeited Accounts - For the years ended December 31, 2016 and 2015, no accounts were forfeited.

Investments - The investments of the length of service awards program reported in the trust - other funds on the statement of assets, liabilities, reserves, and fund balance - regulatory basis are recorded at fair value. The trust - other fund statements of assets, liabilities, reserves, and fund balance - regulatory basis has been restated for the year ended December 31, 2015 to include the program.

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

Note 12: LEASE OBLIGATIONS

At December 31, 2016, the Township had lease agreements in effect for the following:

Operating:
 Eleven (11) Photocopy Machines
 One (1) Postage Meter
 One (1) Mail Stacker

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

<u>Year</u>	<u>Amount</u>
2017	\$ 35,720.04
2018	18,331.07
2019	17,408.80
2020	6,594.00

Rental payments under operating leases for the year 2016 were \$32,287.04.

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

Open Space Bonds, Series 2011 - On April 7, 2011, the Township issued \$18,600,000.00 of open space bonds, with interest rates ranging from 4.0% to 4.5%. The purpose of the bonds is to fund various capital ordinances. The final maturity of the bonds is April 15, 2031.

General Improvement Refunding Bonds, Series 2011 - On April 7, 2011, the Township issued \$8,805,000.00 of general improvement refunding bonds, with interest rates ranging from 2.0% to 3.0% to advance refund \$8,658,000.00 outstanding 1998, 2001 and 2002 general improvement bonds with an interest rates of 3.375% to 4.750%. The final maturity of the bonds is August 1, 2018.

General Improvement Refunding Bonds, Series 2014 - On December 10, 2014, the Township issued \$9,190,000.00 in general improvement refunding bonds, with interest rates ranging from 1.0% to 4.0%, to advance refund \$9,550,000.00 outstanding 2004, 2005 and 2006 general improvement bonds with an interest rates 3.750 to 4.300%. The final maturity of the bonds is September 1, 2022.

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 2,630,000.00	\$ 297,250.00	\$ 2,927,250.00
2018	2,185,000.00	218,350.00	2,403,350.00
2019	1,560,000.00	137,600.00	1,697,600.00
2020	770,000.00	75,200.00	845,200.00
2021	770,000.00	44,400.00	814,400.00
2022	340,000.00	13,600.00	353,600.00
	<u>\$ 8,255,000.00</u>	<u>\$ 786,400.00</u>	<u>\$ 9,041,400.00</u>

Note 13: CAPITAL DEBT (CONT'D)

General Improvement Bonds (Cont'd) The following schedule represents the remaining debt service, through maturity, for the open space bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 750,000.00	\$ 623,362.50	\$ 1,373,362.50
2018	785,000.00	592,662.50	1,377,662.50
2019	825,000.00	560,462.50	1,385,462.50
2020	850,000.00	526,962.50	1,376,962.50
2021	885,000.00	492,262.50	1,377,262.50
2022-2026	5,010,000.00	1,886,456.25	6,896,456.25
2027-2031	6,095,000.00	703,850.00	6,798,850.00
	<u>\$ 15,200,000.00</u>	<u>\$ 5,386,018.75</u>	<u>\$ 20,586,018.75</u>

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>Issued</u>			
Assessment:			
Notes		\$ 60,000.00	\$ 113,241.00
General:			
Bonds and Notes	\$ 41,930,243.00	37,545,743.00	35,024,860.00
Total Issued	<u>41,930,243.00</u>	<u>37,605,743.00</u>	<u>35,138,101.00</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	19,795,242.62	19,795,242.62	27,052,643.62
Total Authorized but not Issued	<u>19,795,242.62</u>	<u>19,795,242.62</u>	<u>27,052,643.62</u>
Total Issued and Authorized but not Issued	<u>61,725,485.62</u>	<u>57,400,985.62</u>	<u>62,190,744.62</u>
<u>Deductions</u>			
General:			
Reserve for Payment of Bonds	3,760,883.13	3,820,066.56	3,968,774.61
Total Deductions	<u>3,760,883.13</u>	<u>3,820,066.56</u>	<u>3,968,774.61</u>
Net Debt	<u>\$ 57,964,602.49</u>	<u>\$ 53,580,919.06</u>	<u>\$ 58,221,970.01</u>

Note 13: CAPITAL DEBT (CONT'D)**Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of .929%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School Purposes	\$ 10,985,000.00	\$ 10,985,000.00	
Regional School Purposes	21,328,494.39	21,328,494.39	
General	61,725,485.62	3,760,883.13	\$ 57,964,602.49
	<u>\$ 94,038,980.01</u>	<u>\$ 36,074,377.52</u>	<u>\$ 57,964,602.49</u>

Net debt \$57,964,602.49 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$6,239,998,079.33, equals .929%.

Borrowing Power Under N.J.S.A 40A:2-6 as Amended

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 218,399,932.78
Less: Net Debt	<u>57,964,602.49</u>
Remaining Borrowing Power	<u>\$ 160,435,330.29</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, 2016, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund(s):

<u>Description</u>	<u>Balance December 31, 2016</u>	<u>2017 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorization	\$ 300,000.00	\$ 300,000.00

The appropriations in the 2017 Budget as adopted are not less than that required by the statutes.

Note 15: SCHOOL TAXES

Mount Laurel School tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the current fund liabilities as follows:

	<u>Balance December 31,</u>	
	<u>2016</u>	<u>2015</u>
Balance of Tax	\$ 30,652,675.00	\$ 30,087,857.50
Deferred	<u>27,305,565.35</u>	<u>27,305,565.35</u>
	<u><u>\$ 3,347,109.65</u></u>	<u><u>\$ 2,782,292.15</u></u>

Lenape Regional High School tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the current fund liabilities as follows:

	<u>Balance December 31,</u>	
	<u>2016</u>	<u>2015</u>
Balance of Tax	\$ 19,317,673.16	\$ 19,365,477.20
Deferred	<u>18,165,286.57</u>	<u>18,165,286.57</u>
	<u><u>\$ 1,152,386.59</u></u>	<u><u>\$ 1,200,190.63</u></u>

Note 16: 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 Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2016	-	\$ 16,272.48	\$ 118.78	\$ 4,369.00	\$ 271,328.09
2015	-	15,550.05	119.01	449.58	259,305.83
2014	-	14,846.84	19.44	6,551.45	244,086.35

It is estimated that there are no unreimbursed payments on behalf of the Township at December 31, 2016.

Note 16: RISK MANAGEMENT (CONT'D)

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

Workers' Compensation including Employer's Liability
General Liability including Police Professional and Employee Benefit Liability
Automobile Liability
Blanket Crime including Public Employee Dishonesty
Property Including Boiler and Machinery
Public Officials and Employment Practices Liability
Volunteer Directors and Officers Liability
Cyber Liability

The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

Excess Workers' Compensation
Excess General Liability
Non-Owned Aircraft Liability
Excess Auto Liability
Fidelity and Performance (Blanket)
Excess Property including Boiler and Machinery
Crime including Excess Public Employee and Public Official Coverage

Environmental Impairment Liability coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund.

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 Banking and 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 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, which is an insurance pool formed by all the other joint insurance funds.

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report for the year ended December 31, 2016, which can be obtained from:

Burlington County Municipal Joint Insurance Fund
P.O. Box 489
Marlton, New Jersey 08053

Self-Insurance Plan - The Township previously had adopted a plan of self-insurance for eye care and vision correction devices for employees, and as a result, had established an optical trust fund to fund potential claims. The Township no longer is self-insured and all claims are paid through as part of the Township's health benefits. The remaining reserve in the Trust – Other Funds will be liquidated.

Note 17: OPEN SPACE, RECREATION AND FARMLAND PRESERVATION TRUST

On November 3, 1998, November 6, 2001 and November 5, 2002 pursuant to P.L. 1997, c. 24 (N.J.S.A. 40:12-15.1 et seq.), the voters of the Township authorized the establishment of the Township of Mount Laurel Open Space, Recreation and Farmland Preservation Trust Fund effective January 1, 1999, for the purpose of raising revenue for the acquisition of lands and interests in lands for the conservation of farmland and open space. Overall, as a result of the three referendums, the Township currently levies a tax not to exceed eight cents per one hundred dollars of equalized valuation. Amounts raised by taxation are assessed, levied and collected in the same manner and at the same time as other taxes. Future increases in the tax rate or to extend the authorization must be authorized by referendum. In 2007, the voters of the Township extended the yearly provisions of the 1998 and 2001 referendums. All revenue received is accounted for in a trust fund dedicated by rider (N.J.S.A. 40A:4-39) for the purposed stated. Interest earned on the investment of these funds is credited to the Township of Mount Laurel Open Space, Recreation and Farmland Preservation Trust Funds.

Note 18: 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 19: 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 20: SUBSEQUENT EVENTS

Tax Appeals - As of December 31, 2016, several tax appeals were on file against the Township. Based upon information provided by the tax assessor, if such appeals are not settled in favor of the Township, the estimated impact of the tax refunds could be material. However, the Township maintains a Reserve for Revaluation Appeals in the current fund of \$471,163.48 in addition to \$565,773.42 of unencumbered 2016 appropriation reserves and budgeted \$500,000.00 in the 2017 budget. In the event there are insufficient funds to settle any of these appeals, the Township has the ability to raise the funds in the budget subsequent to 2017 and may, depending upon approval from the New Jersey State Local Finance Board, borrow to fund the payment of appeals.

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF MOUNT LAUREL
CURRENT FUND
Statement of Current Cash
Per N.J.S.40A:5-5 - Treasurer
For the Year Ended December 31, 2016

	<u>R e g u l a r</u>	<u>Federal and State Grant Fund</u>
Balance Dec. 31, 2015	\$ 18,450,944.54	\$ 1,334,698.62
Increased by Receipts:		
Tax Collector	\$ 159,685,675.32	
Energy Receipts Tax (P.L. 1997, Ch 162 & 167)	2,825,561.00	
Municipal Occupancy Tax	2,268,143.66	
Contribution from Municipal Utility Authority	374,070.00	
Due Mount Laurel Library	45,985.03	
Miscellaneous Revenue not Anticipated	246,965.73	
Revenue Accounts Receivable	4,232,270.30	
Due State - DCA & Marriage License Fees	94,948.00	
Due Animal Control Trust Fund	24,751.18	
Due Trust - Assessment Fund	365,655.50	
Due Trust - Other Funds	1,574.12	
Due General Capital Fund	10,994,402.54	
Federal, State and Local Grant Funds Receivable		<u>\$ 361,469.82</u>
	<u>181,160,002.38</u>	<u>361,469.82</u>
	199,610,946.92	1,696,168.44
Decreased by Disbursements:		
2016 Budget Appropriations	30,703,567.40	
2015 Appropriation Reserves	1,697,233.78	
Special District Taxes	8,279,556.00	
County Taxes	23,464,611.40	
Due County for Added and Omitted Taxes	92,166.40	
Local District School Tax	60,740,548.50	
Regional High School Tax	38,683,150.04	
Due State - DCA & Marriage License Fees	101,616.00	
Due Trust - Assessment Fund	60,000.00	
Due Trust - Open Space Fund	4,678,555.98	24,221.97
Due Trust - Other Funds	57,682.51	
Due General Capital Fund	9,760,243.00	704,966.91
Tax Overpayments	620,579.44	
Federal, State and Local Grants - Appropriated		<u>473,412.58</u>
	<u>178,939,510.45</u>	<u>1,202,601.46</u>
Balance Dec. 31, 2016	<u><u>\$ 20,671,436.47</u></u>	<u><u>\$ 493,566.98</u></u>

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

Receipts:

Taxes Receivable	\$ 157,397,589.64
Due State of New Jersey - Senior Citizens' and Veterans' Deductions	394,740.41
Interest and Costs on Taxes	310,760.01
Tax Title Liens	118,599.17
Prepaid Taxes	1,093,783.47
Tax Overpayments	298,888.29
Revenue Accounts Receivable	<u>71,314.33</u>

159,685,675.32

Decreased by Disbursements:

Payments to Treasurer	<u><u>\$ 159,685,675.32</u></u>
-----------------------	---------------------------------

TOWNSHIP OF MOUNT LAUREL
CURRENT FUND
Schedule of Change Funds
As of December 31, 2016

<u>Office</u>	Balance <u>Dec. 31, 2016</u>
Tax Collector	\$ 300.00
Court Clerk	150.00
Township Clerk	100.00
Community Development	<u>100.00</u>
	<u><u>\$ 650.00</u></u>

TOWNSHIP OF MOUNT LAUREL
CURRENT FUND
Statement of Due State of New Jersey
Senior Citizens' and Veterans' Deductions
For the Year End December 31, 2016

Balance Dec. 31, 2015 (Due To)		\$ 5.37
Increased by:		
Collections - Collector		<u>394,740.41</u>
		394,745.78
Decreased by:		
Accrued in 2016:		
Senior Citizens' Deductions per Billing	\$ 75,250.00	
Veterans' Deductions per Billing	<u>345,000.00</u>	
	420,250.00	
Allowed by Collector:		
Senior Citizens' and Veterans Deductions - Current Year	<u>16,250.00</u>	
		\$ 436,500.00
Deduct:		
Disallowed by Collector:		
Senior Citizens' and Veterans Deductions		<u>1,410.27</u>
		435,089.73
Deduct:		
Disallowed by Collector:		
Prior Year Senior Citizens' Deductions and Veterans' Deductions		
2015 Taxes		<u>26,009.59</u>
		<u>409,080.14</u>
Balance Dec. 31, 2016 (Due From)		<u><u>\$ 14,334.36</u></u>

Exhibit SA-5

CURRENT FUND
Statement of Property Maintenance Liens Receivable
For the Year End December 31, 2016

Balance Dec. 31, 2015	\$ 11,137.34
Increased by:	
Liens Billed	<u>10,092.48</u>
	21,229.82
Decreased by:	
Receipts in Miscellaneous Revenue Not Anticipated	<u>13,305.70</u>
Balance Dec. 31, 2016	<u><u>\$ 7,924.12</u></u>

TOWNSHIP OF MOUNT LAUREL

CURRENT FUND

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

	Balance Dec. 31, 2015	2016 Levy	Added	<u>C o l l e c t e d</u>		Due from State of New Jersey	Canceled	Transferred To Tax Title Liens	Balance Dec. 31, 2016
2014	\$ 250.00				\$ 250.00				
2015	1,181,684.18		\$ 26,009.59		1,045,860.68		\$ 115,569.62	\$ 45,917.08	\$ 346.39
	1,181,934.18	-	26,009.59	-	1,046,110.68	-	115,569.62	45,917.08	346.39
2016		\$ 159,826,997.23		\$ 1,247,479.31	156,351,478.96	\$ 435,089.73	224,485.11	72,132.38	1,496,331.74
	\$ 1,181,934.18	\$ 159,826,997.23	\$ 26,009.59	\$ 1,247,479.31	\$ 157,397,589.64	\$ 435,089.73	\$ 340,054.73	\$ 118,049.46	\$ 1,496,678.13

Analysis of 2016 Property Tax LevyTax Yield

General Purpose	\$ 145,324,081.64
Special District Tax	8,279,556.00
Municipal Open Space Tax	4,610,990.64
Added Taxes	1,612,368.95
	<u>\$ 159,826,997.23</u>

Tax Levy

Local District School Tax	\$ 61,305,366.00
Regional High School	38,635,346.00
Special District Tax	8,279,556.00
County Taxes:	
County Tax	\$ 23,464,611.40
Due County for Added and Omitted Taxes	<u>251,380.46</u>

Local Open Space Tax	23,715,991.86
Due Municipal Open Space Trust Fund for Added and Omitted Taxes	<u>4,610,990.64</u>
	<u>49,525.25</u>

Local Tax for Municipal Purposes	19,759,569.61
Minimum Library Tax	2,105,383.72
Add: Additional Tax Levied	<u>1,365,268.15</u>
	<u>23,230,221.48</u>

\$ 159,826,997.23

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

Balance Dec. 31, 2015		\$ 178,215.44
Increased by:		
Tax Sale Costs	\$ 19,151.22	
Transfers from Taxes Receivable	<u>118,049.46</u>	
		<u>137,200.68</u>
		315,416.1
Decreased by:		
Receipts	118,599.17	
Transferred to Foreclosed Property	<u>103,975.74</u>	
		<u>222,574.91</u>
Balance Dec. 31, 2016		<u><u>\$ 92,841.21</u></u>

Exhibit SA-8

CURRENT FUND
Statement of Property Acquired for Taxes - Assessed Valuation
For the Year Ended December 31, 2016

Balance Dec. 31, 2015		\$ 1,207,100.00
Increased by:		
Tax Title Liens Transferred	\$ 103,975.74	
Adjustment to Assessed Valuation	<u>546,024.26</u>	
		<u>650,000.00</u>
		1,857,100.00
Decreased by:		
Receipts in Miscellaneous Revenue Not Anticipated	1,520.00	
Loss on Sale	<u>21,480.00</u>	
		<u>23,000.00</u>
Balance Dec. 31, 2016		<u><u>\$ 1,834,100.00</u></u>

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

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2015</u>	<u>Raised in 2016</u>	<u>Balance Dec. 31, 2016</u>
04/16/12	Revaluation	\$1,500,000.00	\$300,000.00	\$ 600,000.00	\$ 300,000.00	\$ 300,000.00
				\$ 600,000.00	\$ 300,000.00	\$ 300,000.00

TOWNSHIP OF MOUNT LAUREL
CURRENT FUND
Statement of Accounts Payable
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 57,978.17
Increased by:	
Charges to Appropriation Reserves	<u>114,870.65</u>
	172,848.82
Decreased by:	
Canceled	<u>57,978.17</u>
Balance Dec. 31, 2016	<u><u>\$ 114,870.65</u></u>

TOWNSHIP OF MOUNT LAUREL
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2016

	Balance Dec. 31, 2015	Accrued in 2016	Collected	Due from Trust - Animal Control Fund	Due from Trust - Assessment Fund	Due from Trust - Other Funds	Due from General Capital Fund	Balance Dec. 31, 2016
Clerk:								
Licenses:								
Alcoholic Beverage		\$ 78,850.00	\$ 78,850.00					
Other		128,691.22	128,691.22					
Fees and Permits--Other		202.00	202.00					
Registrar of Vital Statistics:								
Licenses - Other		4,690.00	4,690.00					
Fees and Permits - Other		15,665.00	15,665.00					
Planning Board:								
Fees and Permits - Other		26,769.21	26,769.21					
Zoning Board of Adjustment:								
Fees and Permits - Other		52,829.25	52,829.25					
Police Department:								
Fees and Permits - Other		9,143.67	9,143.67					
EMS Department:								
Service Billings		1,395,198.43	1,395,198.43					
Director of Public Works:								
Fees and Permits - Other								
Road Opening Inspection Fees		5,069.00	5,069.00					
Tax Collector:								
Miscellaneous Revenue Not Anticipated								
Duplicate Tax Bills		174.00	174.00					
Tax Searches		1,300.00	1,300.00					
Property Certifications		5,592.32	5,592.32					
6% Year-End Penalty Tax		26,515.73	26,515.73					
Miscellaneous		37,732.28	37,732.28					
Construction Code Official:								
Uniform Construction Code Fees		1,191,026.17	1,191,026.17					
Municipal Court:								
Fines and Costs								
Interest on Bail and Regular	\$ 49,915.88	805,183.87	817,020.69					\$ 38,079.06 (A)
Cable Television Act - Franchise Fees	18.25	456.92	443.89					31.28 (A)
Spectra Tower Rental		195,781.13	195,781.13					
Rental Registration Fees		43,915.32	43,915.32					
Interest on Investments and Deposits		215,650.00	215,650.00					
		80,450.40	51,325.32	\$ 7.16	\$ 491.62	\$ 6,869.32	\$ 21,756.98	
	\$ 49,934.13	\$ 4,320,885.92	\$ 4,303,584.63	\$ 7.16	\$ 491.62	\$ 6,869.32	\$ 21,756.98	\$ 38,110.34
Tax Collector								
Treasurer		\$ 71,314.33	4,232,270.30					
			\$ 4,303,584.63					
(A) Dec. 2016								

TOWNSHIP OF MOUNT LAUREL
CURRENT FUND
Statement of 2015 Appropriation Reserves and Encumbrances
For the Year Ended December 31, 2016

	Balance Dec. 31, 2015		Balance		Balance
	<u>Encumbered</u>	<u>Appropriation Reserves</u>	<u>After Transfers</u>	<u>Paid or Charged</u>	<u>Lapsed</u>
Department of Legislative and Executive					
Mayor and Council					
Salaries and Wages		\$ 0.48	\$ 0.48		\$ 0.48
Other Expenses		2,999.85	2,999.85		2,999.85
Township Manager and Office of Township Clerk					
Salaries and Wages					
Manager		10,889.67	10,889.67		10,889.67
Clerk		51.54	51.54		51.54
Other Expenses					
Manager	\$ 52,068.39	19,917.53	71,985.92	\$ 71,940.60	45.32
Clerk	1,549.94	29,803.88	31,353.82	6,213.47	25,140.35
Insurance					
General Liability		40,378.50	40,378.50	25,000.00	15,378.50
Employee Group Health		12,795.02	12,795.02	1,136.12	11,658.90
Workers Compensation		73,511.62	73,511.62	70,000.00	3,511.62
Township Solicitor:					
Other Expenses	23,829.59	4,419.82	28,249.41	28,247.50	1.91
Other Legal Services and Costs					
Other Expenses	1,404.00	33,488.13	34,892.13	677.00	34,215.13
Department of Administration and Finance					
Director of Finance					
Salaries and Wages		16,371.42	16,371.42		16,371.42
Other Expenses	3,539.53	15,402.83	18,942.36	17,500.76	1,441.60
Tax Assessor					
Salaries and Wages		2,787.35	2,787.35		2,787.35
Other Expenses	33,967.69	3,158.46	37,126.15	34,208.52	2,917.63
Tax Collector					
Salaries and Wages		10,000.52	10,000.52		10,000.52
Other Expenses		5,378.70	5,378.70	109.97	5,268.73
Municipal Court					
Salaries and Wages		11,425.86	11,425.86		11,425.86
Other Expenses		1,841.47	1,841.47	509.83	1,331.64
Public Defender					
Salaries and Wages		1.00	1.00		1.00
Department of Public Safety					
Police Department					
Salaries and Wages		130,346.26	130,346.26		130,346.26
Other Expenses	121,024.92	3,175.99	124,200.91	123,503.06	697.85
Emergency Management Services					
Other Expenses		3,457.90	3,457.90		3,457.90
Aid to First Aid Organizations					
Mount Laurel EMS					
Salaries and Wages		33,603.72	33,603.72	6,874.00	26,729.72
Other Expense	18,503.62	6,843.35	25,346.97	12,299.60	13,047.37
Other Expenses - Billing	21,744.89	8,882.89	30,627.78	21,744.89	8,882.89
Department of Public Works					
Road Repairs and Maintenance					
Salaries and Wages		23,804.04	23,804.04	(1,024.24)	24,828.28
Other Expenses	37,090.00	66,664.97	103,754.97	33,495.90	70,259.07
Garbage and Trash Removal					
Other Expenses	9,203.08	60,000.00	69,203.08	9,203.08	60,000.00
Municipal Services Act (N.J.S.A. 40:67-23.2 et seq.)					
Other Expense	274,934.81	46,445.93	321,380.74	255,410.22	65,970.52
Public Buildings and Grounds					
Salaries and Wages		54,825.61	54,825.61		54,825.61
Other Expenses	13,353.00	25,645.11	38,998.11	13,320.21	25,677.90

(Continued)

TOWNSHIP OF MOUNT LAUREL
CURRENT FUND
Statement of 2015 Appropriation Reserves and Encumbrances
For the Year Ended December 31, 2016

	Balance Dec. 31, 2015		Balance	Paid or	Balance
	<u>Encumbered</u>	<u>Appropriation Reserves</u>	<u>After Transfers</u>	<u>Charged</u>	<u>Lapsed</u>
Department of Public Works (Cont'd)					
Maintenance of Motor Vehicles					
Salaries and Wages		\$ 10,614.13	\$ 10,614.13		\$ 10,614.13
Other Expenses	\$ 18,404.06	53,034.20	71,438.26	\$ 2,438.81	68,999.45
Municipal Engineer					
Other Expenses	8,612.25	15,556.67	24,168.92	10,698.50	13,470.42
Sanitary Landfill--Contractual	50,086.62	136,087.62	186,174.24	50,480.16	135,694.08
Department of Public Health and Welfare					
Public Assistance					
Other Expenses		100.00	100.00		100.00
Animal Control					
Other Expenses	750.00	3,834.53	4,584.53	653.01	3,931.52
Department of Parks and Recreation					
Salaries and Wages		244.25	244.25		244.25
Other Expenses	7,084.77	35,705.00	42,789.77	3,805.48	38,984.29
Maintenance of Parks					
Salaries and Wages		65,921.76	65,921.76		65,921.76
Other Expenses	68,616.89	95,890.79	164,507.68	62,602.14	101,905.54
Department of Community Development					
Planning Board					
Salaries and Wages		1,573.41	1,573.41		1,573.41
Other Expenses	1,058.07	32,195.62	33,253.69	1,064.10	32,189.59
Zoning Board					
Salaries and Wages		598.83	598.83		598.83
Other Expenses	960.00	9,289.89	10,249.89	960.00	9,289.89
Housing Enforcement					
Salaries and Wages		35,301.68	35,301.68		35,301.68
Other Expenses		4,779.00	4,779.00		4,779.00
Uniform Construction Code--Appropriations Offset by					
Dedicated Revenues (N.J.A.C. 5:23-4.17)					
Construction Code Official					
Salaries and Wages		37,028.97	37,028.97		37,028.97
Other Expenses	1,223.98	1,773.05	2,997.03	1,278.88	1,718.15
Utilities:					
Gasoline	83,301.00	145,448.33	228,749.33	18,705.85	210,043.48
Street Lighting	40,297.17	9,567.16	49,864.33	47,505.18	2,359.15
Fuel Oil	24.09	2,507.39	2,531.48	24.09	2,507.39
Telephone	500.00	17,092.49	17,592.49	698.55	16,893.94
Electricity	31,636.45	98,961.57	130,598.02	26,079.11	104,518.91
Water	3,005.72	3,210.15	6,215.87	909.59	5,306.28
Sewer	1,009.28	872.15	1,881.43	941.18	940.25
Traffic Lights	5,908.33	3,896.24	9,804.57	5,293.75	4,510.82
Contingent		2,000.00	2,000.00		2,000.00
Deferred and Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		21,071.96	21,071.96		21,071.96
Public Employees Retirement System		117,841.23	117,841.23		117,841.23
Defined Contribution Retirement Plan		861.21	861.21		861.21
Reserve for Tax Appeals	269,969.42	528,776.11	798,745.53	798,745.53	
Length of Service Award Program					
Other Expenses		60,000.00	60,000.00	48,850.03	11,149.97
	<u>\$ 1,204,661.56</u>	<u>\$ 2,309,954.81</u>	<u>\$ 3,514,616.37</u>	<u>\$ 1,812,104.43</u>	<u>\$ 1,702,511.94</u>
Disbursed				\$ 1,697,233.78	
Accounts Payable				114,870.65	
				<u>\$ 1,812,104.43</u>	

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

Balance Dec. 31, 2015 (2016 Taxes)	\$ 1,247,479.31
Increased by:	
Collections - Collector	<u>1,093,783.47</u>
	2,341,262.78
Decreased by:	
Application to Taxes Receivable	<u>1,247,479.31</u>
Balance Dec. 31, 2016 (2017 Taxes)	<u><u>\$ 1,093,783.47</u></u>

Exhibit SA-14

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

Balance Dec. 31, 2015	\$ 648,102.67
Increased by:	
Collections - Collector	<u>298,888.29</u>
	946,990.96
Decreased by:	
Refunded	<u>620,579.44</u>
Balance Dec. 31, 2016	<u><u>\$ 326,411.52</u></u>

Exhibit SA-15

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

2016 Fire District Tax Levy	\$ 8,279,556.00
Decreased by:	
Payments	<u><u>\$ 8,279,556.00</u></u>

TOWNSHIP OF MOUNT LAUREL
CURRENT FUND
Statement of Due Trust - Municipal Open Space Taxes Payable
For the Year Ended December 31, 2016

Balance Dec. 31, 2015		\$ 18,040.09
Increased by:		
2016 Open Space Tax Levy	\$ 4,610,990.64	
Added and Omitted Taxes	<u>49,525.25</u>	
		<u>4,660,515.89</u>
		4,678,555.98
Decreased by:		
Payments		<u>\$ 4,678,555.98</u>

Exhibit SA-17

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

2016 Tax Levy:		
General County	\$ 20,963,333.54	
County Open Space Preservation	<u>2,501,277.86</u>	
		\$ 23,464,611.40
Decreased by:		
Payments		<u>\$ 23,464,611.40</u>

Exhibit SA-18

CURRENT FUND
Statement of Due State of New Jersey - Marriage Licenses & DCA Fees
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 35,976.00
Increased by:	
Receipts	<u>94,948.00</u>
	130,924.00
Decreased by:	
Payments	<u>101,616.00</u>
Balance Dec. 31, 2016	<u>\$ 29,308.00</u>
<u>Analysis of Balance Dec. 31, 2016</u>	
DCA Fees	\$ 28,233.00
Marriage License Fees	<u>1,075.00</u>
	<u>\$ 29,308.00</u>

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

Balance Dec. 31, 2015:		
2013 Added Assessments	\$ 4,206.76	
2014 Added Assessments	7,957.97	
2015 Added Assessments	<u>80,001.67</u>	
		\$ 92,166.40
Increased by:		
County Share of 2013 Levy:		
Added Assessments (R.S.54:4-63.1 et seq.)	5,147.42	
County Share of 2014 Levy:		
Added Assessments (R.S.54:4-63.1 et seq.)	44,359.87	
County Share of 2015 Levy:		
Added Assessments (R.S.54:4-63.1 et seq.)	59,031.40	
County Share of 2016 Levy:		
Added Assessments (R.S.54:4-63.1 et seq.)	<u>142,841.77</u>	
		<u>251,380.46</u>
		343,546.86
Decreased by:		
Payment		<u>92,166.40</u>
Balance Dec. 31, 2016:		
2013 Added Assessments	5,147.42	
2014 Added Assessments	44,359.87	
2015 Added Assessments	59,031.40	
2016 Added Assessments	<u>142,841.77</u>	
		<u>\$ 251,380.46</u>

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

Balance Dec. 31, 2015:		
School Tax Payable	\$ 2,782,292.15	
School Tax Deferred	<u>27,305,565.35</u>	
		\$ 30,087,857.50
Increased by:		
Levy - School Year July 1, 2016 to June 30, 2017		<u>61,305,366.00</u>
		91,393,223.50
Decreased by:		
Payments		<u>60,740,548.50</u>
Balance Dec. 31, 2016:		
School Tax Payable	3,347,109.65	
School Tax Deferred	<u>27,305,565.35</u>	
		<u>\$ 30,652,675.00</u>
2016 Liability for Local District School Tax:		
Tax Paid		\$ 60,740,548.50
Add: Tax Payable Dec. 31, 2016		<u>3,347,109.65</u>
		64,087,658.15
Less: Tax Payable Dec. 31, 2015		<u>2,782,292.15</u>
Amount Charged to 2016 Operations		<u>\$ 61,305,366.00</u>

TOWNSHIP OF MOUNT LAUREL
CURRENT FUND
Statement of Regional High School Tax
For the Year Ended December 31, 2016

Balance Dec. 31, 2015:		
School Tax Payable	\$ 1,200,190.63	
School Tax Deferred	<u>18,165,286.57</u>	
		\$ 19,365,477.20
Increased by:		
Levy - School Year July 1, 2016 to June 30, 2017		<u>38,635,346.00</u>
		58,000,823.20
Decreased by:		
Payments		<u>38,683,150.04</u>
Balance Dec. 31, 2016:		
School Tax Payable	1,152,386.59	
School Tax Deferred	<u>18,165,286.57</u>	
		<u>\$ 19,317,673.16</u>
2016 Liability for Regional High School Tax:		
Tax Paid		\$ 38,683,150.04
Add: Tax Payable Dec. 31, 2016		<u>1,152,386.59</u>
		39,835,536.63
Less: Tax Payable Dec. 31, 2015		<u>1,200,190.63</u>
Amount Charged to 2016 Operations		<u>\$ 38,635,346.00</u>

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

<u>Program</u>	<u>Balance Dec. 31, 2015</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance Dec. 31, 2016</u>
Federal Grants:				
Community Development Block Grant		\$ 78,000.00		\$ 78,000.00
Community Development Block Grant		65,000.00	\$ 65,000.00	
Homeland Security & Preparedness		9,400.00		9,400.00
Emergency Management Grant		7,000.00	7,000.00	
New Jersey Transportation Trust Fund				
Larchmont Boulevard Phase I	\$ 64,230.84			64,230.84
Highway Traffic Safety Grant	9,381.55			9,381.55
Highway Safety Grant - Safe Corridors	38,526.39		38,526.39	
New Jersey Transportation Trust Fund - 2014	48,750.00			48,750.00
NJ Department of Transportation		220,000.00		220,000.00
Drive Sober or Get Pulled Over Grant		5,000.00	5,000.00	
Over the Limit Under Arrest	1,350.00			1,350.00
Total Federal Grants	162,238.78	384,400.00	115,526.39	431,112.39
State Grants:				
Bulletproof Vest Partnership Grant	11,226.32	4,174.50	5,202.71	10,198.11
Body Armor Fund		5,472.31	5,472.31	
Garden State Historic Preservation Trust	15.00			15.00
Clean Communities Program		99,983.56	99,983.56	
Drunk Driving Enforcement Fund		11,927.91	11,927.91	
Municipal Alliance Grant	9,815.56			9,815.56
Recycling Tonnage Grant		65,856.94	65,856.94	
Safe and Secure Communities Program	30,000.00		15,000.00	15,000.00
Total State Grants	51,056.88	187,415.22	203,443.43	35,028.67
Local Grants:				
Burlington County Park Grant	600,000.00			600,000.00
Burlington Municipal Parks Grant		75,000.00		75,000.00
County of Burlington - Body Cameras		30,000.00	30,000.00	
Investor Foundation - Memorial Park Grant	25,000.00		12,500.00	12,500.00
Total Local Grants	625,000.00	105,000.00	42,500.00	687,500.00
	\$ 838,295.66	\$ 676,815.22	\$ 361,469.82	\$ 1,153,641.06

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

<u>Program</u>	<u>Balance Dec. 31, 2015</u>	<u>Grants Receivable</u>	<u>Realized as Miscellaneous Revenue</u>	<u>Balance Dec. 31, 2016</u>
Federal Grants:				
Community Development Block Grant		\$ 78,000.00	\$ 78,000.00	
Community Development Block Grant		65,000.00		\$ 65,000.00
Homeland Security & Preparedness		9,400.00	9,400.00	
Emergency Management Grant		7,000.00		7,000.00
NJ Department of Transportation		220,000.00	220,000.00	
Drive Sober or Get Pulled Over Grant		5,000.00	5,000.00	
Click It or Ticket Grant	\$ 3,800.00		3,800.00	
Total Federal Grants	3,800.00	384,400.00	316,200.00	72,000.00
State Grants:				
Bullet Proof Vest Partnership Grant		4,174.50	4,174.50	
Body Armor Fund		5,472.31	5,472.31	
Clean Communities Program		99,983.56	99,983.56	
Drunk Driving Enforcement Fund		11,927.91	11,927.91	
Recycling Tonnage Grant		65,856.94	65,856.94	
Total State Grants	-	187,415.22	187,415.22	-
Local Grants:				
County of Burlington - Body Cameras		30,000.00	30,000.00	
Burlington Municipal Parks Grant		75,000.00	75,000.00	
Total Local Grants	-	105,000.00	105,000.00	-
	\$ 3,800.00	\$ 676,815.22	\$ 608,615.22	\$ 72,000.00

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

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Transferred</u> <u>from 2016</u> <u>Budget</u> <u>Appropriation</u>	<u>Encumbrances</u> <u>Canceled</u>	<u>Paid/Charged</u> <u>Canceled</u>	<u>Prior Year</u> <u>Expenditure</u> <u>Adjustments</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Federal Grants:						
Click it or Ticket Grant	\$ 200.00	\$ 3,800.00				\$ 4,000.00
Homeland Security & Preparedness		9,400.00		\$ 9,400.00		
Community Development Block Grant		78,000.00				78,000.00
NJ Department of Transportation		220,000.00				220,000.00
New Jersey Transportation Trust Fund - Larchmont	37,500.00			37,500.00		
New Jersey Transportation Trust Fund - 2011	200,000.00			200,000.00		
New Jersey Transportation Trust Fund - Ramblewood 2014	195,000.00			195,000.00		
Highway Traffic Safety Grant	60,114.60			187.24	\$ 59,927.36	
Highway Safety Grant - Safe Corridors	39,369.96		\$ 7,791.71	37,780.12		9,381.55
Drive Sober or Get Pulled Over Grant	2,900.00	5,000.00		5,000.00		2,900.00
Over the Limit Under Arrest Grant	5,000.00					5,000.00
Assistance to Firefighters/EMS Grant	1,235.00					1,235.00
Total Federal Grants	541,319.56	316,200.00	7,791.71	484,867.36	59,927.36	320,516.55
State Grants:						
Bullet Proof Vest Partnership Grant	1,983.42	4,174.50		5,513.37	644.55	
Body Armor Fund	8,319.85	5,472.31	2,504.70	1,911.28	10,485.78	3,899.80
Clean Communities Program	312,217.00	99,983.56	161,898.55	209,657.72		364,441.39
Drunk Driving Enforcement Fund	28,812.78	11,927.91		24,005.94		16,734.75
Hepatitis B Grant	6,164.74			397.00		5,767.74
Municipal Alliance Grant	21,102.00					21,102.00
Municipal Court Alcohol Education and Rehabilitation Fund	13,046.50					13,046.50
Recycling Tonnage Grant	38,778.12	65,856.94	9,281.72	69,633.07		44,283.71
Safe and Secure Communities Program	1,056.00		46,809.10		(71,057.69)	118,922.79
Total State Grants	431,480.41	187,415.22	220,494.07	311,118.38	(59,927.36)	588,198.68

(Continued)

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

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Transferred</u> <u>from 2016</u> <u>Budget</u> <u>Appropriation</u>	<u>Encumbrances</u> <u>Canceled</u>	<u>Paid/Charged</u> <u>Canceled</u>	<u>Prior Year</u> <u>Expenditure</u> <u>Adjustments</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Local Grants:						
Burlington Municipal Parks Grant		\$ 75,000.00		\$ 46,645.12		\$ 28,354.88
Burlington County Park Grant - 2014	\$ 98,375.00		\$ 46,841.93	145,216.93		
Investor Foundation - Memorial Park Grant	25,000.00			25,000.00		
County of Burlington - Body Cameras		30,000.00		30,000.00		
Burlington County Park Grant - 2012 and 2013	68,019.60		683.12	68,702.72		
Total Local Grants	191,394.60	105,000.00	47,525.05	315,564.77	-	28,354.88
	<u>\$ 1,164,194.57</u>	<u>\$ 608,615.22</u>	<u>\$ 275,810.83</u>	<u>\$ 1,111,550.51</u>	<u>\$ -</u>	<u>\$ 937,070.11</u>
Budget		\$ 69,656.94				
Appropriation by 40A:4-87		<u>538,958.28</u>				
		<u>\$ 608,615.22</u>				
Disbursements				\$ 473,412.58		
Due General Capital				500,752.72		
Reserve for Encumbrances				<u>137,385.21</u>		
				<u>\$ 1,111,550.51</u>		

TOWNSHIP OF MOUNT LAUREL
FEDERAL, STATE AND LOCAL GRANT FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 275,810.83
Increased by:	
Encumbrances Placed	<u>137,385.21</u>
	413,196.04
Decreased by:	
Canceled to Reserve for Federal, State and Local Grants - Appropriated	<u>275,810.83</u>
Balance Dec. 31, 2016	<u><u>\$ 137,385.21</u></u>

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWNSHIP OF MOUNT LAUREL
TRUST FUND
Statement of Trust Cash
Per N.J.S. 40A:5-5 - Treasurer
For the Year Ended December 31, 2016

	Animal Control Fund	Assessment Fund	Municipal Open Space Fund	Other Funds
Balance Dec. 31, 2015	\$ 57,222.08	\$ 179,498.50	\$ 15,960,882.72	\$ 11,852,391.41
Increased by Receipts:				
Due State of New Jersey	\$ 2,056.80			
Due Current Fund	7.16	\$ 3,059.02	\$ 4,678,555.98	\$ 68,693.83
Due Federal and State Grant Fund			24,221.97	
Due General Capital Fund		167,433.00		
Reserve for Animal Control Expenditures	17,944.70			
Reserve for Municipal Open Space Trust Fund			53,405.52	
Reserve for Payment of Debt			127,200.00	
Reserves and Special Deposits:				
Developers' Recreation				894.43
Municipal Recreation				158,400.00
Municipal Recreation: Fall Festival				27,960.00
Municipal Recreation: Senior Center				9,609.00
Municipal Recreation: Storm Recovery Trust				600,000.00
Municipal Recreation Trust				3,235.00
Recycling Trust Fund				2,483.51
Special Law Enforcement Trust Fund				15,792.22
Street Opening Deposits				3,220.00
Parking Offense Adjudication Act				186.00
Public Defender Fees				31,625.00
Outside Police Employment				176,670.59
New Jersey Unemployment Compensation				
Insurance Trust Fund				118.78
Affordable Housing				136,530.88
Fair Share Housing - Senior Citizens Housing				187.48
PAWS Farm				140,168.17
Payroll				8,242,995.32
K-9 Fund				22,158.82
Redemption of Tax Sale Certificates				707,720.93
Redemption of Tax Sale Premiums				906,000.00
Assessment Receivables		15,704.70		
Reserve for Community Development Escrow Fees				1,051,597.37
	20,008.66	186,196.72	4,883,383.47	12,306,247.33
	77,230.74	365,695.22	20,844,266.19	24,158,638.74

(Continued)

TOWNSHIP OF MOUNT LAUREL
TRUST FUND
Statement of Trust Cash
Per N.J.S. 40A:5-5 - Treasurer
For the Year Ended December 31, 2016

	Animal Control Fund	Assessment Fund	Municipal Open Space Fund	Other Funds
Decreased by Disbursements:				
Expenditures Under R.S.4:19-15.11	\$ 2,160.37			
Due Current Fund	24,751.18			\$ 1,574.12
Due General Capital Fund		\$ 365,655.50	\$ 1,338,601.05	45,859.57
Due State of New Jersey	2,052.00		1,458,114.18	
Reserve for Municipal Open Space				
Reserves and Special Deposits:				
Municipal Recreation				122,081.51
Municipal Recreation - Various Activities				20,257.67
Municipal Recreation - Senior Center				6,113.00
Municipal Recreation - Snow Trust				257,550.15
Municipal Recreation Trust				462.00
Public Defender Fees				11,200.00
Outside Police Employment				166,737.47
New Jersey Unemployment Compensation				
Insurance Trust Fund				4,369.00
Affordable Housing				111,199.39
PAWS Farm				154,988.58
Optical Trust Fund				7,579.92
Payroll				8,178,625.36
K-9 Fund				28,783.73
Redemption of Tax Sale Certificates				660,327.31
Redemption of Tax Sale Premiums				824,100.00
Reserve for Community Development Escrow Fees				1,027,424.86
	\$ 28,963.55	\$365,655.50	\$ 2,796,715.23	\$ 11,629,233.64
Balance Dec. 31, 2016	\$ 48,267.19	\$ 39.72	\$ 18,047,550.96	\$ 12,529,405.10

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

Balance Dec. 31, 2015		\$ 32,467.30
Increased by:		
Receipts:		
Animal Control Fees:		
Dog Fees	\$ 16,083.70	
Cat Fees	1,311.00	
Late Fees	<u>550.00</u>	
		<u>17,944.70</u>
		50,412.00
Decreased by:		
Statutory Excess - Due Current Fund	11,691.23	
Expenditures Under R.S.4:19-15.11	<u>2,160.37</u>	
		<u>13,851.60</u>
Balance Dec. 31, 2016		<u><u>\$ 36,560.40</u></u>

Animal Control License Fees Collected:

	<u>Amount</u>
2014	\$ 17,422.20
2015	<u>19,138.20</u>
	<u><u>\$ 36,560.40</u></u>

TOWNSHIP OF MOUNT LAUREL
ANIMAL CONTROL TRUST FUND
Statement of Due Current Fund
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 24,751.18
Increased by:	
Received:	
Interest Earned	\$ 7.16
Statutory Excess Due Current Fund	<u>11,691.23</u>
	<u>11,698.39</u>
	36,449.57
Decreased by:	
Disbursed to Current Fund	<u>24,751.18</u>
Balance Dec. 31, 2016	<u><u>\$ 11,698.39</u></u>

Exhibit SB-4

ANIMAL CONTROL TRUST FUND
Statement of Due State of New Jersey
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 3.60
Increased by:	
Receipts	<u>2,056.80</u>
	2,060.40
Decreased by:	
Disbursements	<u>2,052.00</u>
Balance Dec. 31, 2016	<u><u>\$ 8.40</u></u>

TOWNSHIP OF MOUNT LAUREL
TRUST OTHER FUND
Statement of Due Current Fund
For the Year Ended December 31, 2016

	<u>Total</u>	<u>Escrow Funds</u>	<u>Miscellaneous</u>	<u>Unemployment</u>	<u>Payroll Deductions Payable</u>	<u>Paws</u>	<u>Tax Title Lien Redemption</u>	<u>Optical</u>	<u>Municipal Recreation</u>	<u>Affordable Housing</u>
Balance Dec. 31, 2015	\$ 920,069.08	\$ 85,693.86	\$ 245,572.74	\$ 2,007.67	\$ 474,299.54	\$ 44,237.52	\$ 6,777.03	\$ 5.52	\$ 1,577.46	\$ 59,897.74
Increased by:										
Receipts:										
Interest Earned	6,869.32		504.39		2,226.07		2,834.46	0.56	1,303.84	
Receipts from Current Fund	61,824.51				57,682.51	4,142.00				
Foreclosed Premiums	68,693.83		504.39		59,908.58	4,142.00	2,834.46	0.56	1,303.84	
	11,500.00						11,500.00			
	80,193.83		504.39		59,908.58	4,142.00	14,334.46	0.56	1,303.84	
	1,000,262.91	85,693.86	246,077.13	2,007.67	534,208.12	48,379.52	21,111.49	6.08	2,881.30	59,897.74
Decreased by:										
Disbursements:										
Disbursed to Current Fund	1,574.12						1,574.12			
Due to Current Fund	151,857.32	91,959.58								59,897.74
Deferred Charge Raised in the Budget	4,142.00					4,142.00				
	157,573.44	91,959.58				4,142.00	1,574.12			59,897.74
Balance Dec. 31, 2016	\$ 842,689.47	\$ (6,265.72)	\$ 246,077.13	\$ 2,007.67	\$ 534,208.12	\$ 44,237.52	\$ 19,537.37	\$ 6.08	\$ 2,881.30	\$ -

TOWNSHIP OF MOUNT LAUREL
TRUST OTHER FUND
Statement of Reserves and Special Deposits
For the Year Ended December 31, 2016

	(Restated) Balance Dec. 31, 2015	Receipts	Unrealized Gain on Investments	Disbursements	Decreased	Canceled Encumbrances	Intrafund	Deferred Charge	Due Current	Balance Dec. 31, 2016
Developers' Recreation	\$ 333,398.92	\$ 894.43								\$ 334,293.35
Bulleproof Vest Partnership	52.78									52.78
Municipal Recreation	41,366.09	158,400.00		\$ 122,081.51						77,684.58
Municipal Recreation: Fall Festival	70,129.34	27,960.00		20,257.67	\$ 150.00					77,684.58
Municipal Recreation: Senior Center	14,949.55	9,609.00		6,113.00	60.00	\$ 861.00				19,246.55
Municipal Recreation: Special Events	1,848.94				1,000.00					848.94
Municipal Recreation: Storm Recovery Trust	863,039.95	600,000.00		257,550.15	244,678.20	19,550.78				980,362.38
Municipal Recreation Trust	2,080.00	3,235.00		462.00	152.00					4,701.00
Recycling Trust Fund	7,102.73	2,483.51								9,586.24
Special Law Enforcement Trust Fund	25,846.37	15,792.22								30,288.59
Street Opening Deposits	300.00	3,220.00			11,370.00					3,520.00
Low Income Housing	5,860.75									5,860.75
Parking Offense Adjudication Act	3,444.62	186.00								3,630.62
Public Defender Fees	14,875.00	31,625.00		11,200.00	30,050.00	10,500.00				15,750.00
Outside Police Employment	73,759.42	176,670.59		166,737.47	55,151.12	35,256.34				63,797.76
Developer's Fees - Spring Valley	114,134.03									114,134.03
Reserve for Sidewalks	89,715.00									89,715.00
Developer's Fees - Orleans Litigation Deposits	1,425.88									1,425.88
Developer's Fees - Traffic Impact	104,437.50									104,437.50
Reserve for Developer Fees - Hovnanian	166.00									166.00
Reserve for Environmental - Kowalski	250,000.00									250,000.00
Unemployment Compensation Insurance Trust Fund	259,305.83	118.78		4,369.00			\$ 16,272.48			271,328.09
Affordable Housing	5,079,884.03	136,530.88		111,199.39	39,656.71	23,662.36			\$ 59,897.74	5,149,118.91
Fair Share Housing - Low Income	88,176.19									88,176.19
Fair Share Housing - Senior Citizens Housing	80,734.92	187.48								80,922.40
PAWS Farm		140,168.17		154,988.58	6,687.96	3,164.75		\$ 18,343.62		
Optical Trust Fund	8,856.86									1,276.94
Payroll Deductions Payable	124,748.73	8,242,995.32		7,579.92						172,846.21
K-9 Fund	24,617.10	22,158.82		8,178,625.36			(16,272.48)			16,856.68
Redemption of Tax Sale Certificates	13,593.46	707,720.93		28,783.73	1,135.51					60,987.08
Redemption of Tax Sale Premiums	981,000.00	906,000.00		660,327.31						1,051,400.00
Length of Service Award Program	530,965.39	48,850.03	\$ 37,290.79	824,100.00					\$ (11,500.00)	609,631.21
				7,475.00						
	\$ 9,209,815.38	\$ 11,234,806.16	\$ 37,290.79	\$ 10,561,850.09	\$ 390,091.50	\$ 92,995.23	\$ -	\$ 18,343.62	48,397.74	\$ 9,689,707.33

Due to New Jersey Crime Compensation Board
Encumbrances

\$ 30,050.00
360,041.50

\$ 390,091.50
390,091.50

TOWNSHIP OF MOUNT LAUREL
TRUST OTHER FUND
Statement of Reserve for Community Development Escrow Deposits
For the Year Ended December 31, 2016

Balance Dec. 31, 2015		\$ 1,577,453.37
Increased by:		
Receipts	\$ 1,051,597.37	
Due from Current Fund	91,959.58	
Prior Year Encumbrances Reclassified	<u>323,418.43</u>	
		<u>1,466,975.38</u>
		3,044,428.75
Decreased by:		
Disbursements	1,027,424.86	
Encumbrances	<u>323,142.59</u>	
		<u>1,350,567.45</u>
Balance Dec. 31, 2016		<u><u>\$ 1,693,861.30</u></u>

Exhibit SB-8

TRUST OTHER FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2016

Balance Dec. 31, 2015		\$ 416,413.66
Increased by Encumbrances Placed:		
Reserves and Special Deposits	\$ 360,041.50	
Reserve for Community Development Escrow Deposits	<u>323,142.59</u>	
		<u>683,184.09</u>
		1,099,597.75
Decreased by Canceled:		
Reserves and Special Deposits	92,995.23	
Reserve for Community Development Escrow Deposits	<u>323,418.43</u>	
		<u>416,413.66</u>
Balance Dec. 31, 2016		<u><u>\$ 683,184.09</u></u>
<u>Analysis of Balance Dec. 31, 2016</u>		
Reserves and Special Deposits		\$ 360,041.50
Reserve for Community Development Escrow Deposits		<u>323,142.59</u>
		<u><u>\$ 683,184.09</u></u>

TOWNSHIP OF MOUNT LAUREL
MUNICIPAL OPEN SPACE TRUST FUND
Statement of Reserve for Municipal Open Space Trust Fund
For the Year Ended December 31, 2016

Balance Dec. 31, 2015		\$ 11,735,845.13
Increased By:		
Receipts:		
Community Garden	\$ 1,610.00	
Farming	7,866.00	
Interest Earned	<u>43,929.52</u>	
		\$ 53,405.52
Due from Current Fund:		
2016 Municipal Tax Levy	4,610,990.64	
Added/Omitted Tax Levy	<u>49,525.25</u>	
		4,660,515.89
Prior Year Contracts Payable Canceled - Reserve for Future Use		38,373.76
Prior Year Encumbrances Canceled - Reserve for Future Use		<u>40,854.84</u>
		<u>4,793,150.01</u>
		16,528,995.14
Decreased By:		
Disbursements:		
Budgetary Expenditures		
Payment of Bond Principal	725,000.00	
Interest on Bonds	652,862.50	
Budget Appropriation	<u>80,251.68</u>	
		1,458,114.18
Budget Apporpriation - Due General Capital		15,327.80
Contracts Payable - Reserve for Future Use		1,135.58
Reserve for Encumbrances - Reserve for Future Use		<u>240,985.03</u>
		<u>1,715,562.59</u>
Balance Dec. 31, 2016		<u><u>\$ 14,813,432.55</u></u>

TOWNSHIP OF MOUNT LAUREL
MUNICIPAL OPEN SPACE TRUST FUND
Statement of Reserve for Payment of Debt
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 2,857,800.00
Increased by:	
Receipts	<u>127,200.00</u>
Balance Dec. 31, 2016	<u><u>\$ 2,985,000.00</u></u>

Exhibit SB-11

MUNICIPAL OPEN SPACE TRUST FUND
Statement of Due Current Fund
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 18,040.09
Increased by:	
2016 Taxes Allocated to Open Space	\$ 4,610,990.64
2016 Added/Omitted Taxes Allocated to Open Space	<u>49,525.25</u>
	<u>4,660,515.89</u>
	4,678,555.98
Decreased by:	
Receipts	<u><u>\$ 4,678,555.98</u></u>

TOWNSHIP OF MOUNT LAUREL
TRUST ASSESSMENT FUND
 Analysis of Assessment Cash
 For the Year Ended December 31, 2016

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Bond Anticipation Notes:				
Ordinance No. 2004-15	\$ 156,013.44	\$ 183,137.70	\$ 339,151.14	
Current Fund:				
Interest Earned	2,047.23	491.62	2,499.13	\$ 39.72
Interest and Costs on Assessments	21,437.83	2,567.40	24,005.23	
	<u>\$ 179,498.50</u>	<u>\$ 186,196.72</u>	<u>\$ 365,655.50</u>	<u>\$ 39.72</u>

Exhibit SB-13

TRUST ASSESSMENT FUND
Statement of Due Current Fund
 For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 514,626.10
Increased by:	
Receipts:	
Interest Earned on Deposits	\$ 491.62
Interest and Costs on Assessments	<u>2,567.40</u>
	\$ 3,059.02
Assessment Note Principal Paid by Current Fund	<u>60,000.00</u>
	<u>63,059.02</u>
	577,685.12
Decreased by:	
Disbursements:	
Interfunds Returned	<u>365,655.50</u>
Balance Dec. 31, 2016	<u><u>\$ 212,029.62</u></u>

TOWNSHIP OF MOUNT LAUREL
TRUST ASSESSMENT FUND
Statement of Assessments Receivable
For the Year Ended December 31, 2016

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Confirmation</u>	<u>Annual Installments</u>	<u>Due Dates</u>	<u>Balance Dec. 31, 2015</u>	<u>Receipts</u>	<u>Balance Dec. 31, 2016</u>
2004-15	Construction of Laurel Knoll Project	12-07-09	20	3/1/10-30	\$ 227,694.60	\$ 15,704.70	\$ 211,989.90

Exhibit SB-15

TRUST ASSESSMENT FUND
Statement of Assessments Bond Anticipation Notes
For the Year Ended December 31, 2016

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2015</u>	<u>Paid by Current Fund</u>
2004-15	Construction of Laurel Knoll Project	05-25-06	03-11-15	03-10-16	1.00%	\$ 60,000.00	\$ 60,000.00
						\$ 60,000.00	\$ 60,000.00

TOWNSHIP OF MOUNT LAUREL
TRUST OTHER FUND
Statement of Investments - Length of Service Award Program
For the Year Ended December 31, 2016

Balance Dec. 31, 2015		\$ 530,965.39
Increased by:		
Contributions	\$ 48,850.03	
Increase in Investment Value	<u>37,290.79</u>	
		<u>86,140.82</u>
		617,106.21
Decreased by:		
Benefits Paid to Participants	3,750.00	
Administration Expenses	<u>3,725.00</u>	
		<u>7,475.00</u>
Balance Dec. 31, 2016		<u><u>\$ 609,631.21</u></u>

Schedule of Investments December 31, 2016:

<u>Description</u>	<u>Amount</u>
Fixed Annuity Contract	\$ 219,501.74
Money Market Funds	940.99
Pooled Separate Accounts	<u>389,188.48</u>
	<u><u>\$ 609,631.21</u></u>

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

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

Balance Dec. 31, 2015		\$ 5,724,318.77
Increased by Receipts:		
Due Current Fund	\$ 21,756.98	
Due Federal and State Grant Fund	704,966.91	
Due Trust - Other Fund	45,859.57	
Due Trust - Municipal Open Space Fund	1,338,601.05	
Capital Improvement Fund	300,000.00	
Reserve for Payment of Debt	36,343.00	
Bond Anticipation Notes	<u>8,715,000.00</u>	
		<u>11,162,527.51</u>
		16,886,846.28
Decreased by Disbursements:		
Due Current Fund	1,106,885.97	
Due Federal and State Grant Fund	312,359.05	
Due Trust - Municipal Open Space Fund	15,327.80	
Due Trust - Assessment Fund	167,433.00	
Improvement Authorizations	<u>1,552,257.29</u>	
		<u>3,154,263.11</u>
Balance Dec. 31, 2016		<u><u>\$ 13,732,583.17</u></u>

TOWNSHIP OF MOUNT LAUREL
GENERAL CAPITAL FUND
 Analysis of General Capital Cash
 For the Year Ended December 31, 2016

	Balance (Deficit) Dec. 31, 2015	Receipts		Disbursements			Balance (Deficit) Dec. 31, 2016
		Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	Transfers From To	
Fund Balance	\$ 59,020.39						\$ 59,020.39
Due Current Fund	884,159.54		\$ 21,756.98		\$ 1,106,885.97	\$ 127,273.57	\$ 21,756.98
Due Federal and State Grant Fund	(704,966.91)		704,966.91		312,359.05	188,393.67	(500,752.72)
Due Trust - Open Space Fund	(1,338,601.05)		1,338,601.05		15,327.80		(15,327.80)
Due Trust - Assessment Fund	167,433.00				167,433.00		
Due Trust - Other Fund	(45,859.57)		45,859.57				
Capital Improvement Fund	303,788.00		300,000.00			550,000.00	53,788.00
Reserve for Payment of Bonds and Notes	962,266.56		36,343.00			127,273.57	775,883.13
Reserve for Encumbrances	124,453.79					124,453.79	3,937,874.33
Contracts Payable	1,455,201.21					1,455,201.21	485,972.37
Reserve for Capital Projects	83,836.73						83,836.73
Reserve for Purchase of Buildings and Equipment	1,549.16						1,549.16
Reserve for Preliminary Expenses - Rancocas Study	2,055.00						2,055.00
Reserve for CDBG - Burnam Wood Drive/Court	64,800.00						64,800.00
Improvement Authorizations:							
Ordinance Number							
1998-11	386.95						386.95
2000-4	189,604.11						189,604.11
2000-11	16,763.87					16,763.87	
2000-17	(45,250.00)						(45,250.00)
2001-5	8,217.90						8,217.90
2002-7	190,000.00						190,000.00
2002-10	371.82						371.82
2003-18	232,354.47						232,354.47
2004-9	52,985.90						52,985.90
2004-14/						30,362.62	
2005-36/							
2006-12	83,913.11						83,913.11
2004-15	0.09						0.09
2004-16	331,100.23					15,098.98	331,100.23
2005-27	630,508.94						630,508.94
2006-9	127,106.91						127,106.91
2007-4	(5,847.81)						(5,847.81)
2007-14	(263,752.74)						(263,752.74)
2008-13	26,350.28						26,350.28
2008-18	148,112.80						148,112.80
2009-21	(341,940.00)						(341,940.00)
2011-12	267,163.20						267,163.20
2014-4	2,057,032.89						2,057,032.89
2016-5		\$ 8,715,000.00		\$ 731,822.78		335,465.86	461,855.16
				820,434.51		1,379,989.74	2,121,809.89
						550,000.00	4,807,108.12
	\$ 5,724,318.77	\$ 8,715,000.00	\$ 2,447,527.51	\$ 1,552,257.29	\$ 1,602,005.82	\$ 7,219,168.94	\$ 13,732,583.17

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

Balance Dec. 31, 2015		\$ 26,835,000.00
Decreased by:		
2016 Current Fund Budget Appropriation	\$ 2,655,000.00	
2016 Open Space Fund Budget Appropriation	<u>725,000.00</u>	
		<u>3,380,000.00</u>
Balance Dec. 31, 2016		<u><u>\$ 23,455,000.00</u></u>

TOWNSHIP OF MOUNT LAUREL

Analysis of Balance, Dec. 31, 2016

Less: Unexpended Proceeds of Bond Anticipation Notes Issued:

2014-4
2016-5

4,807,108.12

\$ 19,175,514.82

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

Balance Dec. 31, 2015	\$ 303,788.00
Increased by:	
Receipts - Budget Appropriation	<u>300,000.00</u>
	603,788.00
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>550,000.00</u>
Balance Dec. 31, 2016	<u><u>\$ 53,788.00</u></u>

Exhibit SC-6

GENERAL CAPITAL FUND
Statement of Reserve for Payment of Bonds and Bond Anticipation Notes
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 962,266.56
Increased by:	
Receipts - Premiums	\$ 36,343.00
Premiums Received in the Current Fund	<u>127,273.57</u>
	<u>163,616.57</u>
	1,125,883.13
Decreased by:	
Due to Current Fund - Anticipated as Revenue in Current Fund Budget	<u>350,000.00</u>
Balance Dec. 31, 2016	<u><u>\$ 775,883.13</u></u>

TOWNSHIP OF MOUNT LAUREL
GENERAL CAPITAL FUND
Statement of Due Current Fund
For the Year Ended December 31, 2016

Balance Dec. 31, 2015		\$ 884,159.54
Increased by:		
Receipts:		
Interest Earned on Investments	\$ 21,756.98	
Reserve for Payment of Bonds and Bond Anticipation Notes		
Anticipated in Current Fund Budget	350,000.00	
Current Fund Disbursed on Behalf of General Capital Fund		
Bond Anticipation Notes	<u>9,760,243.00</u>	
		<u>10,131,999.98</u>
		11,016,159.52
Decreased by:		
Disbursements:		
Interfunds Returned	1,106,885.97	
Current Fund Received on Behalf of General Capital Fund		
Premiums	127,273.57	
Bond Anticipation Notes	<u>9,760,243.00</u>	
		<u>10,994,402.54</u>
Balance Dec. 31, 2016		<u><u>\$ 21,756.98</u></u>

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

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31, 2015		Deferred Charges to Future Taxation -		Capital Improvement Fund	Paid or Charged	Prior Year Charges Canceled	Balance Dec. 31, 2016	
				Funded	Unfunded	Unfunded					Funded	Unfunded
Local Improvements:												
2004-15	Construction of Laurel Knoll Project	10-4-04	\$ 850,000.00	\$	177,765.09			-			\$	177,765.09
<hr/>												
General Improvements:												
1998-11	Certain Improvements	11-16-98	1,982,085.00	\$	386.95						\$	386.95
2000-4	Certain Improvements	4-17-00	3,000,000.00		189,604.11						189,604.11	
2000-11	Certain Improvements	8-7-00	6,445,000.00		16,763.87			\$	16,763.87			52,650.03
2000-17	Certain Improvements	12-4-00	2,500,000.00							\$	37,062.75	2,750.00
2001-5	Certain Improvements	6-18-01	9,891,000.00		8,217.90					431.34		131,062.75
2002-7	Acquisition of Real Property	5-7-02	3,800,000.00		190,000.00						8,649.24	1,450.00
2002-10	Certain Improvements	7-1-02	5,735,800.00		371.82						190,000.00	1,470,382.14
2002-21	Acquisition of Real Property	6-18-02	2,096,000.00								371.82	10.00
2003-9	Acquisition of Real Property	4-7-03	2,273,000.00									
2003-18	Various Capital Improvements	8-4-03	5,484,000.00		232,354.47				30,362.62		201,991.85	
2004-9	Acquisition of Real Property	4-19-04	2,685,000.00		52,985.90						52,985.90	
2004-14/		10-4-04	4,806,000.00									
2005-36/		12-19-05	545,000.00									
2006-12	Acquisition of Real Property	11-20-06	2,700,000.00		83,913.11						83,913.11	3,857,450.00
2004-16	Various Capital Improvements	10-4-04	4,350,500.00		331,100.23				15,098.98	15,098.98	331,100.23	3,000.00
2005-3	Acquisition of Real Property	1-10-05	1,950,000.00								80,097.53	80,097.53
2005-27	Various Capital Improvements	8-1-05	9,497,000.00		630,508.94						630,508.94	3,252,150.00
2006-9	Various Capital Improvements	8-6-06	6,185,000.00		127,106.91						127,106.91	1,360,770.05
2007-4	Acquisition of Real Property	3-17-07	3,124,000.00								333,832.19	333,832.19
2007-14	Various Capital Improvements	8-6-07	8,137,500.00								6,911,666.58	6,911,666.58
2008-13	Various Capital Improvements	5-5-08	1,018,390.95		26,350.28						26,350.28	
2008-18	Various Capital Improvements	12-1-08	1,580,900.00		148,112.80						148,112.80	573,580.68
2009-21	Various Capital Improvements	12-21-09	380,000.00								19,060.00	19,060.00
2011-12	Various Capital Improvements	12-5-11	2,936,400.00							147,072.19		461,855.16
2012-12	Refund of Certain Tax Appeals	12-17-12	3,500,000.00								782,652.00	782,652.00
2014-4	Various Capital Improvements	6-9-14	7,671,000.00						1,315,212.74	1,379,989.74		2,121,809.89
2016-5	Various Capital Improvements	7-18-16	9,265,000.00				\$ 8,715,000.00	\$ 550,000.00	4,457,891.88			4,807,108.12
					2,037,777.29	21,284,883.16	8,715,000.00	550,000.00	5,787,710.32	1,579,655.00	1,991,082.14	26,388,522.99
					\$ 2,037,777.29	\$ 21,462,648.25	\$ 8,715,000.00	\$ 550,000.00	\$ 5,787,710.32	\$ 1,579,655.00	\$ 1,991,082.14	\$ 26,566,288.08
<hr/>												
Disbursements												
Due Federal and State Grant Fund									\$ 1,552,257.29			
Reserve for Encumbrances									(188,393.67)			
Contracts Payable									3,937,874.33	\$ 124,453.79		
									485,972.37	1,455,201.21		
									\$ 5,787,710.32	\$ 1,579,655.00		

TOWNSHIP OF MOUNT LAUREL
GENERAL CAPITAL FUND
Statement of Reserve for Encumbrances and Contracts Payable
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 1,579,655.00
Increased by:	
2016 Charges to Improvement Authorizations	<u>4,423,846.70</u>
	6,003,501.70
Decreased by:	
Canceled to Improvement Authorizations	<u>1,579,655.00</u>
Balance Dec. 31, 2016	<u><u>\$ 4,423,846.70</u></u>
Analysis of Balance Dec. 31, 2016:	
Encumbrances	\$ 3,937,874.33
Contracts Payable	<u>485,972.37</u>
	<u><u>\$ 4,423,846.70</u></u>

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

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2015</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2016</u>
General Improvements:									
2004-15	Construction of Laurel Knoll Project	5-25-06	3-11-15 3-09-16	3-10-16 3-08-17	1.00% 2.00%	\$ 52,215.00	\$ 50,215.00	\$ 52,215.00	\$ 50,215.00
2011-12	Various Capital Improvements	3-15-12	3-11-15 3-09-16	3-10-16 3-08-17	1.00% 2.00%	2,603,580.00	2,422,580.00	2,603,580.00	2,422,580.00
2012-12	Refund of Certain Tax Appeals	1-17-13	1-13-15	1-12-16	0.68%	767,500.00		767,500.00	
2014-04	Various Capital Improvements	6-17-15	6-17-15 3-09-16	3-10-16 3-08-17	1.25% 2.00%	7,287,448.00	7,287,448.00	7,287,448.00	7,287,448.00
2016-05	Various Capital Improvements	8-18-16	8-18-16	3-08-17	1.50%		8,715,000.00		8,715,000.00
						<u>\$ 10,710,743.00</u>	<u>\$ 18,475,243.00</u>	<u>\$ 10,710,743.00</u>	<u>\$ 18,475,243.00</u>
Issued for Cash									
Renewals - Due Current Fund						\$ 8,715,000.00			
Paid by Budget Appropriation						9,760,243.00		9,760,243.00	
								950,500.00	
						<u>\$ 18,475,243.00</u>	<u>\$ 10,710,743.00</u>	<u>\$ 10,710,743.00</u>	

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

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2015	Decreased	Balance Dec. 31, 2016
			Outstanding Date	Amount				
General Obligation Bonds of 2006	9-1-06	\$ 4,450,000.00				\$ 325,000.00	\$ 325,000.00	
General Obligation - Open Space Bonds - Series A 2011	4-7-11	18,600,000.00	4-15-2017	\$ 750,000.00	4.000%			
			4-15-2018	785,000.00	4.000%			
			4-15-2019	825,000.00	4.000%			
			4-15-2020	850,000.00	4.000%			
			4-15-2021	885,000.00	4.000%			
			4-15-2022	925,000.00	4.000%			
			4-15-2023	960,000.00	4.000%			
			4-15-2024	1,000,000.00	4.000%			
			4-15-2025	1,040,000.00	4.000%			
			4-15-2026	1,085,000.00	4.250%			
			4-15-2027	1,130,000.00	4.250%			
			4-15-2028	1,175,000.00	4.500%			
			4-15-2029	1,220,000.00	4.500%			
		4-15-2030	1,270,000.00	4.500%	15,925,000.00	725,000.00	\$ 15,200,000.00	
		4-15-2031	1,300,000.00	4.500%				
General Obligation - Refunding Bonds - Series B 2011	4-7-11	8,805,000.00	8-1-2017	1,130,000.00	3.000%			
			8-1-2018	665,000.00	3.000%	2,950,000.00	1,155,000.00	1,795,000.00
General Obligation - Refunding Bonds - Series 2014	12-10-14	9,190,000.00	9-1-2017	1,500,000.00	3.000%			
			9-1-2018	1,520,000.00	4.000%			
			9-1-2019	1,560,000.00	4.000%			
			9-1-2020	770,000.00	4.000%			
			9-1-2021	770,000.00	4.000%			
			9-1-2022	340,000.00	4.000%	7,635,000.00	1,175,000.00	6,460,000.00
						<u>\$ 26,835,000.00</u>	<u>\$ 3,380,000.00</u>	<u>\$ 23,455,000.00</u>
Paid by Budget Appropriation								
Paid by Open Space Fund								

TOWNSHIP OF MOUNT LAUREL
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2016

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2015</u>	<u>2016 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>	<u>Balance Dec. 31, 2016</u>
	General Improvements:				
2000-4	Certain Improvements	\$ 52,650.03			\$ 52,650.03
2000-11	Certain Improvements	2,750.00			2,750.00
2000-17	Certain Improvements	139,250.00			139,250.00
2001-5	Certain Improvements	1,450.00			1,450.00
2002-7	Acquisition of Real Property	1,470,382.14			1,470,382.14
2002-10	Certain Improvements	10.00			10.00
2002-21	Acquisition of Real Property	105,146.13			105,146.13
2003-9	Acquisition of Real Property	60,039.74			60,039.74
2004-14/ 2005-36/ 2006-12	Acquisition of Real Property	3,857,450.00			3,857,450.00
2004-15	Construction of Laurel Knoll Project	177,765.00			177,765.00
2004-16	Various Capital Improvements	3,000.00			3,000.00
2005-3	Acquisition of Real Property	80,097.53			80,097.53
2005-27	Various Capital Improvements	3,252,150.00			3,252,150.00
2006-9	Various Capital Improvements	1,360,770.05			1,360,770.05
2007-4	Acquisition of Real Property	339,680.00			339,680.00
2007-14	Various Capital Improvements	7,175,419.32			7,175,419.32
2008-18	Various Capital Improvements	573,580.68			573,580.68
2009-21	Various Capital Improvements	361,000.00			361,000.00
2012-12	Refund of Certain Tax Appeals	782,652.00			782,652.00
2016-5	Various Capital Improvements		\$ 8,715,000.00	\$ 8,715,000.00	
		\$ 19,795,242.62	\$ 8,715,000.00	\$ 8,715,000.00	\$ 19,795,242.62

PART II

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2016

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

Schedule of Financial Statement Findings

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

Finding No. 2016-001

Criteria or Specific Requirement

N.J.S.A. 40A:4-39 allows for dedications by rider to be hereby anticipated as revenue and hereby appropriated, however, N.J.S.A. 40A:4-57 indicates that expenditures cannot be made in excess of the amount appropriated for such purpose.

Condition

There was an operating deficit in the PAWS Farm reserve in the Trust Other Fund.

Context

The deficit in the PAWS Farm reserve in the Trust Other Fund was \$18,343.62. Trust funds are created to be self-sustaining and not incur deficits.

Effect

Funds must be budgeted in the subsequent year to cover the deficit. This may place an additional financial burden on the Township.

Cause

There is not enough revenue generated to cover expenses.

Recommendation

That the Township avoid incurring deficits in PAWS Farm reserve in the Trust Other Fund.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and subsequent to December 31, has entered into agreement with a third party entity to manage and operate PAWS Farm. The Township expects this agreement to resolve any future deficits in this Trust Other Fund.

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

Schedule of Financial Statement Findings (Cont'd)

Finding No. 2016-002

Criteria or Specific Requirement

N.J.S.A. 40:55D-53 requires certain accounting procedures for Developers Escrows.

Condition

The subsidiary records for Developer Escrows was not reconciled to the general ledger.

Context

The subsidiary ledger for the individual escrows does not agree to the general ledger and bank accounts, however, the general ledger and bank accounts do agree.

Effect

The subsidiary ledger may not have the correct balances.

Cause

The Township has not maintained adequate oversight over the accounting of escrows in prior years and has been attempting each year to review and dispose of older escrows that may not be accurate. During the year, the finance department started the process of reviewing the older accounts. However, prior to the issuance of the audit this process is not completed. Therefore, the general ledger was adjusted to agree with the subsidiary ledger.

Recommendation

That the subsidiary ledger for escrows be reviewed for disposition and be accurately maintained.

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 MOUNT LAUREL
Schedule of Findings and Recommendations
For the Year Ended December 31, 2016

Schedule of Financial Statement Findings (Cont'd)

Finding No. 2016-003

Criteria or Specific Requirement

N.J.S.A. 40A:5-15 requires all monies received shall be deposited within 48 hours after receipt.

Condition

Several emergency management services receipts were not deposited within 48 hours as required by the statutes.

Context

Two of the five deposits tested for compliance with the above statute were not deposited within 48 hours.

Effect

There could be a delay in posting accurate revenues in addition to violating the required statute.

Cause

The Township engaged a third party to file claims and collect emergency management services in 2015. As a result, the new third party has had some issues with depositing funds in a prompt manner or in accordance with the statutes. The finance office is reviewing and closely monitoring the procedures.

Recommendation

That all emergency management services receipts be deposited within 48 hours in accordance with the statutes.

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 MOUNT LAUREL
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. 2015-001

Condition

There was an operating deficit in the PAWS Farm reserve of the Trust Other Fund.

Current Status

Condition still exists, see Finding No. 2016-001.

Planned Corrective Action

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

Finding No. 2015-002

Condition

The accounting for Developer Escrows was not properly maintained.

Current Status

Condition still exists, see Finding No. 2016-002.

Planned Corrective Action

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

Finding No. 2015-003

Condition

Several payroll tax and pension reports were not timely filed and several pension reports did not agree to supporting documentation.

Current Status

Condition has been resolved.

Finding No. 2015-004

Condition

Several emergency management services receipts were not deposited within 48 hours as required by the statutes.

Current Status

Condition still exists, see Finding No. 2016-003.

Planned Corrective Action

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

TOWNSHIP OF MOUNT LAUREL
Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Surety Bond</u>
Linda Bobo	Mayor	\$950,000.00 (B)
Irwin Edelson	Deputy Mayor	950,000.00 (B)
Richard Van Noord	Member of Council	950,000.00 (B)
James Keenan	Member of Council	950,000.00 (B)
Dennis Riley	Member of Council	950,000.00 (B)
Dennis Cribben	Chief of Police	1,000,000.00 (A,B)
Timothy M. Prime	Solicitor	950,000.00 (B)
William Long	Engineer	950,000.00 (B)
Dennis DeKlerk	Tax Assessor	1,000,000.00 (A,B)
Maureen Mitchell	Tax Collector (through August), Township Manager (through June)	1,000,000.00 (A,B)
Meredith Tomczyk	Chief Financial Officer, Township Clerk, Registrar of Vital Statistics, Acting Township Manager (from July)	1,000,000.00 (A,B)
Bonnie Cherry	Assistant Treasurer (through November) Deputy Tax Collector (through November)	1,000,000.00 (A,B)
Carol Modugno	Deputy Municipal Clerk, Deputy Registrar of Vital Statistics	1,000,000.00 (A,B)
Kim Muchowski	Tax Collector (from October)	1,000,000.00 (A,B)
Peter C. Lange	Judge of the Municipal Court	1,000,000.00 (A,B)
Valerie Brothers	Municipal Court Administrator	1,000,000.00 (A,B)
Rhonda Clayton	Deputy Court Administrator	1,000,000.00 (A,B)
Judy Metzger	Deputy Court Administrator	1,000,000.00 (A,B)
George Dittmar	Construction Official	1,000,000.00 (A,B)

(A) Faithful Performance Blanket Position Bond with Statewide Insurance Company.

(B) Non-Individual surety bonds with Municipal Excess Liability Joint Insurance Fund, per loss for public employee dishonesty and faithful performance coverage.

All of the bonds were examined and were properly executed.

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, reading "Robert S. Marrone". The signature is written in a cursive, flowing style.

Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

