

**TOWNSHIP OF DEPTFORD
COUNTY OF GLOUCESTER
REPORT OF AUDIT
FOR THE YEAR 2017**

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TOWNSHIP OF DEPTFORD
PART 1
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Council
Township of Deptford
Deptford, New Jersey 08096

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 Deptford, in the County of Gloucester, State of New Jersey, as of December 31, 2017 and 2016, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

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

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

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

Opinion on Regulatory Basis of Accounting

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

Other Matters

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2018 on our consideration of the Township of Deptford, in the County of Gloucester, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Deptford's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Deptford's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael J. Welding
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
June 20, 2018

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Council
Township of Deptford
Deptford, New Jersey 08096

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 Deptford, in the County of Gloucester, State of New Jersey, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated June 20, 2018. That report indicated that the Township of Deptford'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 Deptford'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 Deptford's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township of Deptford's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael J. Welding
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
June 20, 2018

TOWNSHIP OF DEPTFORD

CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2017 and 2016

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Regular Fund:			
Cash:			
Chief Financial Officer	SA-1	\$ 19,503,977.83	\$ 17,682,337.00
Change Fund	A	<u>600.00</u>	<u>600.00</u>
		<u>19,504,577.83</u>	<u>17,682,937.00</u>
Receivables and Other Assets with			
Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	1,419,890.96	1,380,336.86
Tax Title Liens Receivable	SA-4	971,047.65	1,251,704.62
Property Acquired / Assessed Valuation	SA-5	2,892,000.00	1,570,600.00
Maintenance Special Charges	SA-6	1,000.78	1,500.00
Improvement/Maintenance Liens	SA-7	21,205.95	48,793.82
Revenue Accounts Receivable	SA-8	30,528.33	31,021.50
Due from Deptford Township Library	SA-10	30,322.82	26,153.99
Due from Deptford Township MUA	SA-11	4,514.43	2,411.84
Due from Dog Animal Control Fund	SB-3	<u>-</u>	<u>178.19</u>
	A	<u>5,370,510.92</u>	<u>4,312,700.82</u>
Deferred Charges:			
Special Emergency Appropriations	SA-12	<u>105,000.00</u>	<u>140,000.00</u>
		<u>24,980,088.75</u>	<u>22,135,637.82</u>
Federal and State Grant Fund:			
Due from Current Fund	SA-23	407,573.88	180,914.58
Grants Receivable	SA-24	<u>191,107.32</u>	<u>307,545.39</u>
		<u>598,681.20</u>	<u>488,459.97</u>
		<u>\$ 25,578,769.95</u>	<u>\$ 22,624,097.79</u>

(Continued)

TOWNSHIP OF DEPTFORD

CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2017 and 2016

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Regular Fund:			
Appropriation Reserves	A-3; SA-13	\$ 2,425,677.90	\$ 2,198,197.16
Reserve for Encumbrances	A-3; SA-13	728,923.61	538,576.24
Accounts Payable	SA-14	205.47	23,345.94
Due to State of New Jersey	SA-9	3,036.34	793.42
Prepaid Taxes	SA-17	1,668,705.36	1,076,912.65
Due County for Added and Omitted Taxes	SA-20	111,249.75	183,244.71
Local School District Taxes Payable	SA-21	3,667,625.50	3,262,092.50
Due to Federal and State Grant Fund	SA-23	407,573.88	180,914.58
Due to Trust Other	SB-6	202,955.93	1,369.13
Due to State - DCA Fees	SA-15	13,348.00	13,782.00
Due to State - Marriage Fees	SA-16	2,525.00	975.00
Due to State - Burial Fees	SA-1	-	10.00
Reserve For:			
Master Plan	SA-13	32,560.16	-
Insurance Proceeds	SA-1	19,238.21	10,754.07
Insurance Proceeds - Library	A	1,812.32	1,812.32
		<u>9,285,437.43</u>	<u>7,492,779.72</u>
Reserves for Receivables	A	5,370,510.92	4,312,700.82
Fund Balance	A-1	<u>10,324,140.40</u>	<u>10,330,157.28</u>
		<u>24,980,088.75</u>	<u>22,135,637.82</u>
Federal and State Grant Fund:			
Reserve for Encumbrances	SA-26	236,580.37	102,745.49
Appropriated Reserves	SA-26	307,203.57	381,214.48
Unappropriated Reserves	SA-25	54,897.26	4,500.00
		<u>598,681.20</u>	<u>488,459.97</u>
		<u>\$ 25,578,769.95</u>	<u>\$ 22,624,097.79</u>

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

TOWNSHIP OF DEPTFORD

CURRENT FUND

Statements of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2017 and 2016

	2017	2016
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 3,775,000.00	\$ 3,000,000.00
Miscellaneous Revenues Anticipated	8,615,137.44	7,482,571.15
Receipts from Delinquent Taxes	1,367,335.68	1,693,689.58
Receipts from Current Taxes	86,314,781.96	84,884,719.10
Nonbudget Revenues	373,474.05	443,306.97
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	1,129,849.37	1,587,792.79
Regulatory Excess - Animal Control Fund	-	178.19
Interfund Returned	178.19	2,495.47
Receivables from Other Township Entities Returned	-	6,912.41
Tax Overpayments Cancelled	-	250.00
Prior Year Accounts Payable Cancelled	-	13,225.00
Federal and State Grant Fund Adjustment (Net)	200.00	-
	<u>101,575,956.69</u>	<u>99,115,140.66</u>
<u>Expenditures:</u>		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS":		
Salaries and Wages	11,366,750.00	11,075,250.00
Other Expenses	12,080,000.00	11,743,400.00
Deferred Charges and Regulatory Expenditures	2,568,000.00	2,596,500.00
Appropriations Excluded from "CAPS":		
Salaries and Wages	371,819.84	322,307.02
Other Expenses	1,756,742.96	1,534,410.11
Capital Improvements	288,000.00	567,000.00
Municipal Debt Service	4,256,694.12	3,475,305.13
Deferred Charges	35,000.00	35,000.00
County Taxes	18,737,733.60	17,812,443.13
Due County for Added and Omitted Taxes	111,249.75	183,244.71
Local District School Tax	41,856,246.00	41,035,906.00
Special District Taxes	4,326,306.00	4,323,357.00
Prior Year Senior Citizens Disallowed (Net)	10,250.00	11,250.00
Refund of Prior Year Revenue	35,909.88	26,807.64
Receivables from Other Township Entities Created	6,271.42	11,071.23
Federal and State Grant Fund Adjustment (Net)	-	22,933.97
Cancellation of Receivable	-	305.70
	<u>97,806,973.57</u>	<u>94,776,491.64</u>
Excess in Revenues	3,768,983.12	4,338,649.02

(Continued)

TOWNSHIP OF DEPTFORD**CURRENT FUND**

Statements of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Adjustments to Income Before Fund Balance -		
Expenditures Included Above Which Are by Statute Deferred		
Charges to Budget of Succeeding Year	\$ <u>-</u>	\$ <u>75,000.00</u>
Regulatory Excess of Fund Balance	3,768,983.12	4,413,649.02
Fund Balance January 1	<u>10,330,157.28</u>	<u>8,916,508.26</u>
Total	14,099,140.40	13,330,157.28
Decreased by:		
Utilization as Anticipated Revenue	<u>3,775,000.00</u>	<u>3,000,000.00</u>
Fund Balance December 31	\$ <u><u>10,324,140.40</u></u>	\$ <u><u>10,330,157.28</u></u>

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

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

	<u>Anticipated Budget</u>	<u>Special N.J.S. 40A:4-87</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Anticipated	\$ 3,775,000.00		\$ 3,775,000.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	45,000.00		55,441.37	\$ 10,441.37
Other	200,000.00		290,257.00	90,257.00
Fees and Permits	250,000.00		591,596.85	341,596.85
Fines and Costs - Municipal Court	465,000.00		458,394.05	(6,605.95)
Interest and Costs on Taxes	250,000.00		247,182.05	(2,817.95)
Cable Television - Franchise Fees	185,000.00		213,434.96	28,434.96
Ambulance Service Fees	1,000,000.00		1,206,620.79	206,620.79
Hotel Tax	165,000.00		192,426.03	27,426.03
MUA Surplus as per N.J.S.A. 40A:5A-12.1	530,086.00		530,086.00	
Consolidated Municipal Property Tax Relief Aid	88,178.00		88,178.00	
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	2,130,438.00		2,130,438.00	
Uniform Construction Codes Fee	515,000.00		947,890.00	432,890.00
Deptford Mall Police Agreement	158,879.84		237,384.16	78,504.32
Reserve for Debt Service	743,606.50		743,606.50	
Interlocal Services Agreements:				
Deptford Township Board of Education	84,000.00		98,000.00	14,000.00
Deptford Township MUA	25,000.00		25,000.00	
Borough of Woodbury Heights	60,000.00		60,000.00	
Public and Private Revenues Offset With Appropriations:				
Alcohol Education Rehabilitation		\$ 2,895.30	2,895.30	
Body Armor Fund		6,124.16	6,124.16	
Bulletproof Vest Funds		7,664.51	7,664.51	
Clean Communities Program		62,707.65	62,707.65	
Click It or Ticket		4,180.00	4,180.00	

(Continued)

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

	<u>Anticipated Budget</u>	<u>Special N.J.S. 40A:4-87</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Public and Private Revenues Offset With Appropriations (Cont'd):				
Cops In Shops		\$ 5,320.00	\$ 5,320.00	
Distracted Driving Grant		5,060.00	5,060.00	
Drive Sober, Get Pulled Over - Labor Day 2017		7,500.00	7,500.00	
Emergency Management Assistance	\$ 9,400.00		9,400.00	
Green Communities Grant	3,000.00		3,000.00	
JIF Safety Incentive	4,500.00	8,725.00	13,225.00	
Municipal Alliance on Alcoholism & Drug Abuse	25,044.00		25,044.00	
Recycling Tonnage Grant	52,081.06		52,081.06	
Safe and Secure Communities Program	60,000.00	60,000.00	120,000.00	
Stewart Trust Grant		175,000.00	175,000.00	
	<u>7,049,213.40</u>	<u>345,176.62</u>	<u>8,615,137.44</u>	<u>\$ 1,220,747.42</u>
Receipts from Delinquent Taxes	<u>1,500,000.00</u>		<u>1,367,335.68</u>	<u>(132,664.32)</u>
Subtotal General Revenues	12,324,213.40	345,176.62	13,757,473.12	1,088,083.10
Amount to be Raised by Taxes for Support of Municipal Budget				
Local Tax for Municipal Purposes	<u>22,677,502.19</u>		<u>23,906,431.02</u>	<u>1,228,928.83</u>
Budget Totals	35,001,715.59	345,176.62	37,663,904.14	2,317,011.93
Nonbudget Revenues			<u>373,474.05</u>	<u>373,474.05</u>
	<u>\$ 35,001,715.59</u>	<u>\$ 345,176.62</u>	<u>\$ 38,037,378.19</u>	<u>\$ 2,690,485.98</u>

(Continued)

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

Analysis of Realized Revenue:Allocation of Current Tax Collections:

Revenue from Collections	\$ 86,314,781.96
Allocated to:	
School, County, and Special District Taxes	<u>65,031,535.35</u>
Balance for Support of Municipal Budget Revenues	21,283,246.61
Add:	
Appropriation: "Reserve for Uncollected Taxes"	<u>2,623,184.41</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 23,906,431.02</u></u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 1,333,038.90
Tax Title Lien Collections	28,047.56
Improvement/Maintenance Special Charge Collections	<u>6,249.22</u>
	<u><u>\$ 1,367,335.68</u></u>

Analysis of Non-Budget Revenue:

Administrative Fee - Township Library Services	\$ 15,000.00
Off Duty Administration Fee	44,274.50
Appropriation Refund	28,146.83
Sale of Assets	54,413.50
Sale of Foreclosed Property	7,000.00
Kinsley's Host Fee	31,250.78
Taxes In-Lieu	119,596.96
Miscellaneous Other - Treasurer	59,158.16
Miscellaneous Other - Tax Collector	<u>14,633.32</u>
	<u><u>\$ 373,474.05</u></u>
Treasurer	\$ 361,796.66
Tax Collector	14,633.32
Interfunds	<u>(2,955.93)</u>
	<u><u>\$ 373,474.05</u></u>

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

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

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid	Encumbered	Reserved	Balance Canceled
OPERATIONS WITHIN "CAPS":						
GENERAL GOVERNMENT FUNCTIONS:						
General Administration:						
Salaries and Wages	\$ 53,500.00	\$ 55,000.00	\$ 54,129.37		\$ 870.63	
Other Expenses	15,000.00	16,500.00	13,932.87	\$ 246.05	2,321.08	
Division of Central Services:						
Salaries and Wages	43,000.00	43,000.00	34,345.19		8,654.81	
Other Expenses	220,000.00	237,500.00	210,119.72	12,433.73	14,946.55	
Mayor and Council:						
Salaries and Wages	63,500.00	65,500.00	64,880.00		620.00	
Other Expenses	9,000.00	10,500.00	10,197.92		302.08	
Municipal Clerk:						
Salaries and Wages	183,500.00	183,500.00	179,068.40		4,431.60	
Other Expenses	64,000.00	64,000.00	34,139.71	990.77	28,869.52	
Financial Administration - Treasury:						
Salaries and Wages	210,500.00	210,500.00	198,278.45		12,221.55	
Other Expenses	18,000.00	18,000.00	9,515.42	2,734.90	5,749.68	
Purchasing Division:						
Salaries and Wages	60,500.00	60,500.00	56,242.78		4,257.22	
Other Expenses	3,000.00	3,000.00	971.82	65.00	1,963.18	
Audit Services:						
Other Expenses	65,000.00	65,000.00	58,750.00		6,250.00	
Centralized Computerized Data Processing						
Other Expenses	215,000.00	215,000.00	163,747.48	19,837.20	31,415.32	
Revenue Administration - Tax Collection:						
Salaries and Wages	175,000.00	183,000.00	182,223.58		776.42	
Other Expenses	25,000.00	26,500.00	17,263.37	3,906.88	5,329.75	
Legal Services:						
General Legal Services	480,000.00	480,000.00	435,022.83		44,977.17	
Engineering Services:						
Other Expenses	125,000.00	137,000.00	128,951.75	7,437.13	611.12	
LAND USE ADMINISTRATION:						
Planning Board:						
Salaries and Wages	70,000.00	71,500.00	68,708.87		2,791.13	
Other Expenses	175,000.00	105,000.00	56,026.33	4,171.07	44,802.60	
Zoning Board of Adjustment:						
Salaries and Wages	72,000.00	62,000.00	46,764.27		15,235.73	
Other Expenses	10,000.00	15,000.00	2,746.65	304.38	11,948.97	
Industrial Commission:						
Other Expenses	45,000.00	45,000.00	756.13		44,243.87	

(Continued)

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

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid	Encumbered	Reserved	Balance Canceled
OPERATIONS WITHIN "CAPS" (CONT'D):						
LAND USE ADMINISTRATION (CONT'D)						
Environmental Commission:						
Salaries and Wages	\$ 500.00	\$ 500.00			\$ 500.00	
Other Expenses	1,500.00	1,500.00	\$ 300.00		1,200.00	
STATE UNIFORM CONSTRUCTION CODE:						
Construction Official:						
Salaries and Wages	256,000.00	256,000.00	209,570.54		46,429.46	
Other Expenses	80,500.00	85,500.00	54,186.90	\$ 25,436.66	5,876.44	
Plumbing Inspector:						
Salaries and Wages	66,750.00	66,750.00	41,208.86		25,541.14	
Electrical Inspector:						
Salaries and Wages	25,500.00	25,500.00	20,851.88		4,648.12	
Fire Protection Official:						
Salaries and Wages	26,500.00	26,500.00	21,299.97		5,200.03	
Building Inspector:						
Salaries and Wages	104,000.00	104,000.00	98,285.21		5,714.79	
INSURANCE						
Liability Insurance	400,000.00	396,500.00	332,790.01		63,709.99	
Workers Compensation	690,000.00	690,000.00	688,322.00		1,678.00	
Health Waiver Benefit	95,000.00	95,000.00	90,173.83		4,826.17	
Employee Group Insurance	4,225,000.00	4,225,000.00	4,016,753.66	902.45	207,343.89	
Unemployment Compensation Insurance	5,000.00	5,000.00	5,000.00			
PUBLIC SAFETY FUNCTIONS:						
Police Department:						
Salaries and Wages	6,765,000.00	6,695,000.00	6,362,417.47		332,582.53	
Other Expenses	380,000.00	465,000.00	180,869.27	204,171.35	79,959.38	
Office Of Emergency Management:						
Salaries and Wages	984,000.00	984,000.00	946,504.10		37,495.90	
Other Expenses	185,000.00	185,000.00	117,027.47	34,031.19	33,941.34	
Prosecutor's Office:						
Salaries and Wages	30,500.00	30,500.00	30,000.10		499.90	
Other Expenses	2,500.00	2,500.00			2,500.00	

(Continued)

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

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid	Encumbered	Reserved	Balance Canceled
<u>OPERATIONS WITHIN "CAPS" (CONT'D):</u>						
<u>PUBLIC WORKS FUNCTIONS:</u>						
Streets and Roads:						
Salaries and Wages	\$ 755,000.00	\$ 755,000.00	\$ 654,174.75	\$ 39,353.83	\$ 100,825.25	
Other Expenses	175,000.00	175,000.00	94,405.51		41,240.66	
Storm Recovery:						
Salaries and Wages	10,000.00	10,000.00			10,000.00	
Other Expenses	60,000.00	60,000.00	17,082.64	26,930.94	15,986.42	
Solid Waste Collection:						
Other Expenses	1,525,000.00	1,525,000.00	1,260,541.85	113,847.23	150,610.92	
Buildings and Grounds:						
Salaries and Wages	171,000.00	178,500.00	161,717.46		16,782.54	
Other Expenses	165,000.00	165,000.00	96,621.31	7,897.03	60,481.66	
Vehicle Maintenance:						
Salaries and Wages	281,000.00	281,000.00	263,967.98		17,032.02	
Other Expenses	220,000.00	220,000.00	126,070.65	33,791.84	60,137.51	
<u>HEALTH AND HUMAN SERVICES FUNCTIONS:</u>						
Public Health Services:						
Salaries and Wages	155,000.00	155,000.00	141,484.44		13,515.56	
Other Expenses	18,000.00	20,500.00	9,245.15	9,273.00	1,981.85	
<u>PARK AND RECREATION FUNCTIONS:</u>						
Recreation Services and Programs:						
Salaries and Wages	37,000.00	49,000.00	48,140.87		859.13	
Other Expenses	86,500.00	86,500.00	56,272.08	204.00	30,023.92	
Maintenance of Parks:						
Salaries and Wages	320,000.00	312,500.00	244,792.53		67,707.47	
Other Expenses	95,000.00	93,500.00	41,961.29	5,748.53	45,790.18	
<u>OTHER COMMON OPERATING FUNCTIONS:</u>						
Accumulated Leave Compensation:						
Salaries and Wages	185,000.00	185,000.00	95,544.92		89,455.08	
Celebration of Public Events:						
Other Expenses	65,000.00	65,000.00	61,594.35	1,962.17	1,443.48	
Senior Citizens Transportation:						
Salaries and Wages	52,000.00	52,000.00	45,766.33		6,233.67	
Other Expenses	500.00	500.00	60.00		440.00	
Senior Citizens Committee:						
Salaries and Wages	1,500.00	1,500.00	1,500.00			
Other Expenses	17,500.00	17,500.00	10,656.36	175.36	6,668.28	

(Continued)

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

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid	Encumbered	Reserved	Balance Canceled
OPERATIONS WITHIN "CAPS" (CONT'D):						
UTILITY EXPENSES AND BULK PURCHASES:						
Electricity	\$ 185,000.00	\$ 185,000.00	\$ 135,478.10	\$ 8,981.19	\$ 40,540.71	
Street Lighting	445,000.00	445,000.00	355,920.71	33,443.20	55,636.09	
Telephone	115,000.00	115,000.00	103,129.12	2,356.35	9,514.53	
Gas (Natural or Propane)	80,000.00	80,000.00	44,334.21	10,231.66	25,434.13	
Gasoline	209,500.00	209,500.00	157,803.72	17,400.05	34,296.23	
LANDFILL / SOLID WASTE DISPOSAL COSTS:						
Tipping Fees	975,000.00	975,000.00	852,046.28	6,197.03	116,756.69	
Municipal Court:						
Salaries and Wages	274,000.00	264,000.00	226,187.80		37,812.20	
Other Expenses	26,000.00	26,000.00	19,431.37	1,755.76	4,812.87	
Public Defender						
Other Expenses	22,000.00	27,000.00	18,600.00	2,400.00	6,000.00	
Total Operations Within "CAPS"	23,450,250.00	23,446,750.00	20,586,875.96	638,617.93	2,221,256.11	
Detail:						
Salaries and Wages	11,431,750.00	11,366,750.00	10,498,056.12		868,693.88	
Other Expenses	12,018,500.00	12,080,000.00	10,088,819.84	638,617.93	1,352,562.23	
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":						
STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees' Retirement System	458,000.00	461,500.00	456,296.00		5,204.00	
Social Security System (O.A.S.I.)	840,000.00	840,000.00	787,456.82		52,543.18	
Police and Firemen's Retirement System of N.J.	1,264,000.00	1,264,000.00	1,259,615.00		4,385.00	
Defined Contribution Retirement Program	2,500.00	2,500.00	1,001.28		1,498.72	
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	2,564,500.00	2,568,000.00	2,504,369.10		63,630.90	
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	26,014,750.00	26,014,750.00	23,091,245.06	638,617.93	2,284,887.01	
OPERATIONS EXCLUDED FROM "CAPS" :						
Maintenance of Free Public Library (P.L. 1985 Ch. 82 & 541)	929,540.28	929,540.28	929,540.28			
SFSP Fire District Payment	9,455.00	9,455.00	9,455.00			
NJPDES/Municipal Stormwater (N.J.S.A. 40A:4-45.3(cc))						
Salaries and Wages	125,000.00	125,000.00	72,917.52		52,082.48	
Other Expenses	200,000.00	200,000.00	32,402.88	90,305.68	77,291.44	
Reserve for Tax Appeals	100,000.00	100,000.00	98,689.29		1,310.71	

(Continued)

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

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid	Encumbered	Reserved	Balance Canceled
OPERATIONS EXCLUDED FROM "CAPS" (CONT'D):						
INTERLOCAL MUNICIPAL SERVICE AGREEMENTS:						
Deptford Township Municipal Utilities Authority						
General Administration (Manager)						
Other Expenses	\$ 80,225.00	\$ 80,225.00	\$ 80,225.00			
James H Johnson Memorial Library						
Public Health Services						
Other Expenses	20,000.00	20,000.00	20,000.00			
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES:						
Deptford Mall Police	158,879.84	158,879.84	148,773.58		\$ 10,106.26	
Alcohol, Education, Rehabilitation (N.J.S.A. 40A:4-87)		2,895.30	2,895.30			
Body Armor Fund (N.J.S.A. 40A:4-87)		6,124.16	6,124.16			
Bulletproof Vest Fund (N.J.S.A. 40A:4-87)		7,664.51	7,664.51			
Clean Communities (N.J.S.A. 40A:4-87)		62,707.65	62,707.65			
Click It or Ticket (N.J.S.A. 40A:4-87)		4,180.00	4,180.00			
COPS in Shops (N.J.S.A. 40A:4-87)		1,800.00	1,800.00			
COPS in Shops (N.J.S.A. 40A:4-87)		3,520.00	3,520.00			
Distracted Driving Grant (N.J.S.A. 40A:4-87)		5,060.00	5,060.00			
Drive Sober or Get Pulled Over:						
Labor Day 2017 (N.J.S.A. 40A:4-87)		7,500.00	7,500.00			
Emergency Management Assistance Grant	9,400.00	9,400.00	9,400.00			
Green Communities Grant	3,000.00	3,000.00	3,000.00			
JIF Safety Incentive Program	4,500.00	4,500.00	4,500.00			
JIF Safety Incentive Program (N.J.S.A. 40A:4-87)		8,725.00	8,725.00			
Municipal Drug Alliance Grant Program:						
State Share	25,044.00	25,044.00	25,044.00			
Local Share	6,261.00	6,261.00	6,261.00			
Recycling Tonnage Grant	52,081.06	52,081.06	52,081.06			
Safe & Secure Communities	60,000.00	60,000.00	60,000.00			
Safe & Secure Communities (N.J.S.A. 40A:4-87)		60,000.00	60,000.00			
Stewart Trust Grant (N.J.S.A. 40A:4-87)		175,000.00	175,000.00			
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	1,783,386.18	2,128,562.80	1,897,466.23	\$ 90,305.68	140,790.89	
Detail:						
Salaries and Wages	293,279.84	371,819.84	309,631.10		62,188.74	
Other Expenses	1,490,106.34	1,756,742.96	1,587,835.13	90,305.68	78,602.15	

(Continued)

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

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid	Encumbered	Reserved	
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS":</u>						
Capital Improvement Fund	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00			
Capital Outlay - Purchase of Playground Equipment	88,000.00	88,000.00	88,000.00			
TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"	288,000.00	288,000.00	288,000.00			
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS":</u>						
Payment of Bond Principal	2,095,000.00	2,095,000.00	2,095,000.00			
Payment of Bond Anticipation Notes and Capital Notes	1,812,500.00	1,812,500.00	1,812,500.00			
Interest on Bonds	182,600.00	182,600.00	182,532.50			\$ 67.50
Interest on Notes	123,500.00	123,500.00	122,870.50			629.50
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	43,795.00	43,795.00	43,791.12			3.88
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	4,257,395.00	4,257,395.00	4,256,694.12			700.88
<u>DEFERRED CHARGES - EXCLUDED FROM "CAPS":</u>						
Special Emergency Authorizations - 5 years (N.J.S. 40A:4-55)	35,000.00	35,000.00	35,000.00			
TOTAL DEFERRED CHARGES - EXCLUDED FROM "CAPS"	35,000.00	35,000.00	35,000.00			
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	6,363,781.18	6,708,957.80	6,477,160.35	\$ 90,305.68	\$ 140,790.89	700.88
SUBTOTAL GENERAL APPROPRIATIONS	32,378,531.18	32,723,707.80	29,568,405.41	728,923.61	2,425,677.90	700.88
RESERVE FOR UNCOLLECTED TAXES	2,623,184.41	2,623,184.41	2,623,184.41			
TOTAL GENERAL APPROPRIATIONS	\$ 35,001,715.59	\$ 35,346,892.21	\$ 32,191,589.82	\$ 728,923.61	\$ 2,425,677.90	\$ 700.88
Special Emergency Authorizations		\$				
N.J.S.A. 40A: 4-87		345,176.62				
Budget		35,001,715.59				
		\$ 35,346,892.21				
Deferred Charges			\$ 35,000.00			
Federal and State Grants			505,462.68			
Reserve for Uncollected Taxes			2,623,184.41			
Disbursed			29,027,942.73			
			\$ 32,191,589.82			

TOWNSHIP OF DEPTFORD

TRUST FUND

Statements of Assets, Liabilities and Reserves - Regulatory Basis

As of December 31, 2017 and 2016

	Ref.	2017	2016
Assets:			
Animal Control Fund:			
Cash - Chief Financial Officer	SB-1	\$ 15,515.88	\$ 13,580.39
Other Funds:			
Cash - Chief Financial Officer	SB-1	4,193,485.65	3,938,182.38
Cash - Collector	SB-2	601,865.94	502,098.21
Due from Current Fund	SB-6	202,955.93	1,369.13
		<u>4,998,307.52</u>	<u>4,441,649.72</u>
		\$ <u>5,013,823.40</u>	\$ <u>4,455,230.11</u>
Liabilities and Reserves:			
Animal Control Fund:			
Due to Current Fund	SB-3	-	\$ 178.19
Encumbrances Payable	SB-5	\$ 1,414.59	-
Reserve for Animal Control Fund Expenditures	SB-5	14,101.29	13,402.20
		<u>15,515.88</u>	<u>13,580.39</u>
Other Funds:			
Miscellaneous Trust Reserves:			
Encumbrances	SB-7	37,795.21	40,131.50
Payroll Deductions Payable	SB-7	11,420.68	6,535.88
Community Police Donations	SB-7	19,673.28	12,170.93
Compensated Sick Fund	SB-7	488,150.41	334,763.96
Curb and Sidewalk Deposits	SB-7	20,262.66	19,962.66
Donations - Recreation	SB-7	217,211.77	226,433.19
Escrow Deposits	SB-7	710,549.27	1,030,955.34
Flexible Spending Account	SB-7	2,916.81	4,046.71
Federal Forfeited Funds	SB-7	10,702.04	6,444.64
Municipal Forfeited Funds	SB-7	24,930.74	36,208.87
Public Defender	SB-7	4,952.00	130.00
Recreation Commission	SB-7	150,204.37	118,274.69
Program Escrow Recycling	SB-7	85,419.12	93,382.67
Street Opening Deposits	SB-7	626,343.54	585,681.75
Tax Sale Premiums	SB-7	568,000.00	474,500.00
Redemption of Tax Sale Certificates	SB-7	33,251.12	27,475.43
Unemployment Compensation Trust	SB-7	74,299.84	64,088.24
Multiple Dwelling Emergency Commission	SB-7	55,887.68	55,876.39
Storm Recovery	SB-7	348,794.08	156,450.83
Housing Impact Trust Fund	SB-7	1,452,209.19	1,094,623.32

(Continued)

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

	Ref.	<u>2017</u>	<u>2016</u>
Liabilities and Reserves (Cont'd):			
Other Funds (Cont'd):			
Miscellaneous Trust Reserves (Cont'd):			
Outside Employment of Police	SB-7	\$ 7,463.67	\$ 13,081.17
Police Seized Evidence	SB-7	46,263.61	37,619.12
P.O.A.A.	SB-7	544.00	520.00
Veteran's Commission	SB-7	<u>1,062.43</u>	<u>2,292.43</u>
		<u>4,998,307.52</u>	<u>4,441,649.72</u>
		<u>\$ 5,013,823.40</u>	<u>\$ 4,455,230.11</u>

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

TOWNSHIP OF DEPTFORD

GENERAL CAPITAL FUND

Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis
As of December 31, 2017 and 2016

Assets:	Ref.	2017	2016
Cash - Chief Financial Officer	SC-1	\$ 2,427,631.57	\$ 2,879,576.87
Deferred Charges to Future Taxation:			
Funded	SC-3	4,056,023.98	6,188,531.08
Unfunded	SC-4	10,773,841.00	10,570,061.00
State Road Aid Receivable	SC-5	42,500.00	234,633.05
Federal Grants Receivable	SC-6	-	50,000.00
		<u>\$ 17,299,996.55</u>	<u>\$ 19,922,802.00</u>
Liabilities, Reserves and Fund Balance:			
Reserve for the Payment of Debt	SC-1	-	\$ 743,606.50
Encumbrances Payable	SC-7	\$ 118,344.83	44,222.97
Contracts Payable	SC-8	335,316.52	605,588.57
Capital Improvement Fund	SC-9	287,785.08	193,905.08
Improvement Authorizations:			
Funded	SC-10	138,225.51	186,198.16
Unfunded	SC-10	1,558,646.02	1,358,875.03
Bond Anticipation Notes	SC-11	10,773,841.00	10,570,061.00
General Serial Bonds	SC-12	3,770,000.00	5,865,000.00
Green Trust Loan Payable	SC-13	286,023.98	323,531.08
Fund Balance	C-1	<u>31,813.61</u>	<u>31,813.61</u>
		<u>\$ 17,299,996.55</u>	<u>\$ 19,922,802.00</u>

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

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

	Balance Dec. 31, 2016	Additions	Deletions	Balance Dec. 31, 2017
General Fixed Assets:				
Land and Buildings	\$ 18,621,255.36	\$ 176,970.74		\$ 18,798,226.10
Improvements - Other than Buildings	99,000.00			99,000.00
Machinery and Equipment	<u>8,398,621.26</u>	<u>566,121.77</u>	<u>\$ 300,229.27</u>	<u>8,664,513.76</u>
Total General Fixed Assets	<u>\$ 27,118,876.62</u>	<u>\$ 743,092.51</u>	<u>\$ 300,229.27</u>	<u>\$ 27,561,739.86</u>
Investment in General Fixed Assets	<u>\$ 27,118,876.62</u>	<u>\$ 743,092.51</u>	<u>\$ 300,229.27</u>	<u>\$ 27,561,739.86</u>

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

TOWNSHIP OF DEPTFORD
Notes to Financial Statements
For the Year Ended December 31, 2017

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Township of Deptford (hereafter referred to as the "Township") was incorporated in January, 1695. The Township, located in Gloucester County, New Jersey, has a total area of 17.5 square miles, and is located approximately ten miles southeast of the City of Philadelphia. The Township borders the Gloucester County municipalities of Mantua Township, Washington Township, Wenonah Borough, Westville Borough, Woodbury Heights Borough and Woodbury City; and the Camden County municipalities of Bellmawr Borough, Gloucester Township and Runnemede Borough. The population according to the 2010 census is 30,561.

The Township is governed under the Township Council form of government, with a seven-member Council. The Council is elected directly by the voters in partisan elections every other year to serve four-year terms of office, with three seats and then four seats coming up for election every other year. At an annual reorganization meeting, the Council selects one of its members to serve as Mayor and another as Deputy Mayor. Legislative and executive power is vested in the Council.

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

Deptford Municipal Utilities Authority
 898 Cattell Road
 Post Office Box 5506
 Deptford, New Jersey 08096

Deptford Free Public Library
 670 Ward Drive
 Deptford, New Jersey 08096

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

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

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

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

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

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

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

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

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

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

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

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

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.

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

Cash, Cash Equivalents and Investments (Cont'd) - 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.

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.

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

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 to the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Gloucester, Township of Deptford School District, and the Township of Deptford Fire District No. 1. 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 Deptford 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, 2017 to June 30, 2018, increased by the amount deferred at December 31, 2016 and decreased by the amount deferred at December 31, 2017.

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

Fire District Taxes - The municipality is responsible for levying, collecting, and remitting fire district taxes for Township of Deptford Fire District No. 1. Operations is charged for the full amount required to be raised by taxation to operate the Fire District for the period from January 1 to December 31.

Library Taxes - The municipality is responsible for levying, collecting and remitting library taxes for the Deptford Township Public Library. The amount of the library tax is a separate local levy tax and is remitted to the Library through the municipal budget.

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.

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

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.

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Police and Firemen's Retirement System (PFRS) and the Public Employees' Retirement System (PERS), and additions to/deductions from PFRS' and PERS' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 2: CASH AND CASH EQUIVALENTS

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

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

Custodial Credit Risk Related to Deposits (Cont'd) - As of December 31, 2017, the Township's bank balances of \$26,393,151.96 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 24,503,193.41
Uninsured and Uncollateralized	<u>1,889,958.55</u>
Total	<u>\$ 26,393,151.96</u>

New Jersey Cash Management Fund - During the year, the Township participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At December 31, 2017, the Township's deposits with the New Jersey Cash Management Fund were \$1,186.66.

Note 3: PROPERTY TAXES

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

Comparative Schedule of Tax Rates

	<u>Year Ended</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Tax Rate	<u>\$ 3.133</u>	<u>\$ 3.069</u>	<u>\$ 2.974</u>	<u>\$ 2.897</u>	<u>\$ 2.829</u>
Apportionment of Tax Rate:					
Municipal	\$.810	\$.809	\$.765	\$.765	\$.750
County	.631	.599	.593	.566	.586
County Open Space Preservation	.040	.039	.040	.040	.043
Local School	1.497	1.467	1.422	1.373	1.300
Fire District	.155	.155	.154	.153	.150

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2017	\$ 2,796,637,101.00
2016	2,797,249,493.00
2015	2,807,374,596.00
2014	2,813,582,384.00
2013	2,872,098,038.00

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):

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2017	\$ 88,141,620.34	\$ 86,314,781.96	97.93%
2016	86,735,241.06	84,884,719.10	97.87%
2015	84,040,950.17	81,895,393.68	97.45%
2014	82,296,323.25	79,874,734.20	97.06%
2013	81,697,944.87	79,681,788.99	97.53%

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>
2017	\$ 971,047.65	\$ 1,419,890.96	\$ 2,390,938.61	2.71%
2016	1,251,704.62	1,380,336.86	2,632,041.48	3.03%
2015	1,571,504.53	1,351,553.27	2,923,057.80	3.48%
2014	1,256,665.72	1,674,992.56	2,931,658.28	3.56%
2013	1,176,563.12	1,556,728.23	2,733,291.35	3.35%

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>
2017	169
2016	187
2015	209
2014	180
2013	178

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>
2017	\$ 2,892,000.00
2016	1,570,600.00
2015	1,051,400.00
2014	1,051,400.00
2013	1,051,400.00

Note 5: FUND BALANCES APPROPRIATED

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

Current Fund

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2017	\$ 10,324,140.40	\$ 3,500,000.00	33.90%
2016	10,330,157.28	3,775,000.00	36.54%
2015	8,940,915.27	3,000,000.00	33.55%
2014	10,108,249.68	3,756,000.00	37.16%
2013	8,871,686.80	2,194,000.00	24.73%

Note 6: INTERFUND RECEIVABLES AND PAYABLES

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

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current		\$ 610,529.81
Federal and State Grant	\$ 407,573.88	
Trust - Other	202,955.93	
	<u>\$ 610,529.81</u>	<u>\$ 610,529.81</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 2018, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 7: PENSION PLANS

A substantial number of the Township's employees participate in one of the following defined benefit pension plans: the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered by the New Jersey Division of Pensions and Benefits. In addition, 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.state.nj.us/treasury/pensions/financial-reports.shtml>

Note 7: PENSION PLANS (CONT'D)**General Information about the Pension Plans****Plan Descriptions**

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

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

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

Vesting and Benefit Provisions

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

The following represents the membership tiers for PERS:

Tier Definition

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

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

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

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

The following represents the membership tiers for PFRS:

Tier Definition

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

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

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

Note 7: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions**

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.20% in State fiscal year 2017. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 366, P.L. 2001) was 10% in State fiscal year 2017. Employers' contribution are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The Township's contractually required contribution rate for the year ended December 31, 2017 was 13.88% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2017, the Township's contractually required contribution to the pension plan for the year ended December 31, 2017 is \$526,929.00, and is payable by April 1, 2018. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2016, the Township's contractually required contribution to the pension plan for the year ended December 31, 2016 was \$449,154.00, which was paid on April 1, 2017. Employee contributions to the Plan during the year ended December 31, 2017 were \$283,341.62.

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

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

The Township's contractually required contribution rate for the year ended December 31, 2017 was 25.42% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Note 7: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Police and Firemen's Retirement System (Cont'd)- Based on the most recent PFRS measurement date of June 30, 2017, the Township's contractually required contribution to the pension plan for the year ended December 31, 2017 is \$1,466,373.00, and is payable by April 1, 2018. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2016, the Township's contractually required contribution to the pension plan for the year ended December 31, 2016 was \$1,259,615.00, which was paid on April 1, 2017. Employee contributions to the Plan during the year ended December 31, 2017 were \$577,192.48.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Township, for the year ended December 31, 2017 was 2.48% of the Township's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2017, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2017 is \$143,266.00, and is payable by April 1, 2018. Based on the PFRS measurement date of June 30, 2016, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2016 was \$94,958.00, which was paid on April 1, 2017.

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

For the year ended December 31, 2017, employee contributions totaled \$1,835.52, and the Township's contributions were \$1,001.28. There were no forfeitures during the year.

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

Public Employees' Retirement System - At December 31, 2017, the Township's proportionate share of the PERS net pension liability was \$13,240,668.00. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2017. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2017 measurement date, the Township's proportion was .0568796273%, which was an increase of .0063211828% from its proportion measured as of June 30, 2016.

At December 31, 2017, the Township's proportionate share of the PERS pension expense, calculated by the Plan as of the June 30, 2017 measurement date is \$1,267,469.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2017, the Township's contribution to PERS was \$449,154.00, and was paid on April 1, 2017.

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

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

Township's Proportionate Share of Net Pension Liability	\$ 25,579,087.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>2,865,073.00</u>
	<u>\$ 28,444,160.00</u>

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2017. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2017 measurement date, the Township's proportion was .1656884087%, which was an increase of .0111989830% from its proportion measured as of June 30, 2016. Likewise, at June 30, 2017, the State of New Jersey's proportion, on-behalf of the Township, was .1656884087%, which was an increase of .0111989830% from its proportion, on-behalf of the Township, measured as of June 30, 2016.

At December 31, 2017, the Township's proportionate share of the PFRS pension expense, calculated by the Plan as of the June 30, 2017 measurement date is \$2,725,012.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2017, the Township's contribution to PFRS was \$1,259,615.00, and was paid on April 1, 2017.

At December 31, 2017, the State's proportionate share of the PFRS pension expense, associated with the Township, calculated by the Plan as of the June 30, 2017 measurement date is \$350,463.00. This on-behalf expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

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

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

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between Expected and Actual Experience	\$ 311,772.00	\$ 165,942.00	\$ 477,714.00	\$ -	\$ 150,128.00	\$ 150,128.00
Changes of Assumptions	2,667,538.00	3,154,186.00	5,821,724.00	2,657,759.00	4,189,107.00	6,846,866.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	90,160.00	488,109.00	578,269.00	-	-	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	1,433,360.00	1,960,469.00	3,393,829.00	214,549.00	524,734.00	739,283.00
Township Contributions Subsequent to the Measurement Date	263,465.00	733,187.00	996,652.00	-	-	-
	<u>\$ 4,766,295.00</u>	<u>\$ 6,501,893.00</u>	<u>\$ 11,268,188.00</u>	<u>\$ 2,872,308.00</u>	<u>\$ 4,863,969.00</u>	<u>\$ 7,736,277.00</u>

\$236,465.00 and \$733,187.00 for PERS and PFRS, respectively, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2018. These amounts were based on an estimated April 1, 2019 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2017 to the Township's year end of December 31, 2017.

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

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

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

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

<u>Year Ending Dec 31,</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2018	\$ 617,923.00	\$ 695,874.00	\$ 1,313,797.00
2019	776,585.00	1,227,589.00	2,004,174.00
2020	553,432.00	266,111.00	819,543.00
2021	(161,840.00)	(947,876.00)	(1,109,716.00)
2022	(155,578.00)	(336,961.00)	(492,539.00)
	<u>\$ 1,630,522.00</u>	<u>\$ 904,737.00</u>	<u>\$ 2,535,259.00</u>

Actuarial Assumptions

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

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

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

For PERS, preretirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Plan actuary's modified MP-2014 projection scale. Postretirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

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

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

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

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

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

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

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

	PERS		
	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Township's Proportionate Share of the Net Pension Liability	\$ 16,425,947.00	\$ 13,240,668.00	\$ 10,586,936.00

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

	PFRS		
	1% Decrease (5.14%)	Current Discount Rate (6.14%)	1% Increase (7.14%)
Township's Proportionate Share of the Net Pension Liability	\$ 33,702,554.00	\$ 25,579,087.00	\$ 18,904,735.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	3,774,969.62	2,865,073.00	2,117,489.46
	<u>\$ 37,477,523.62</u>	<u>\$ 28,444,160.00</u>	<u>\$ 21,022,224.46</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 <http://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

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

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

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

	<u>Measurement Date Ended June 30,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Township's Proportion of the Net Pension Liability	0.0568796273%	0.0505584445%	0.0522437344%
Township's Proportionate Share of the Net Pension Liability	\$ 13,240,668.00	\$ 14,973,961.00	\$ 11,727,671.00
Township's Covered Payroll (Plan Measurement Period)	\$ 3,885,556.00	\$ 3,492,312.00	\$ 3,570,664.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	340.77%	428.77%	328.45%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.10%	40.14%	47.93%
	<u>Measurement Date Ended June 30,</u>		
	<u>2014</u>	<u>2013</u>	
Township's Proportion of the Net Pension Liability	0.0494316023%	0.0487508902%	
Township's Proportionate Share of the Net Pension Liability	\$ 9,254,948.00	\$ 9,317,264.00	
Township's Covered Payroll (Plan Measurement Period)	\$ 3,388,832.00	\$ 3,200,000.00	
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	273.10%	291.16%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.08%	48.72%	

Note 7: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of the Township's Contributions - Public Employees' Retirement System (PERS) (Last Five Years)***

	<u>Year Ended December 31,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Township's Contractually Required Contribution	\$ 526,929.00	\$ 449,154.00	\$ 449,156.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(526,929.00)</u>	<u>(449,154.00)</u>	<u>(449,156.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 3,796,195.00	\$ 3,791,084.00	\$ 3,565,464.00
Township's Contributions as a Percentage of Covered Payroll	13.88%	11.85%	12.60%
	<u>Year Ended December 31,</u>		
	<u>2014</u>	<u>2013</u>	
Township's Contractually Required Contribution	\$ 407,507.00	\$ 367,328.00	
Township's Contribution in Relation to the Contractually Required Contribution	<u>(407,507.00)</u>	<u>(367,328.00)</u>	
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	
Township's Covered Payroll (Calendar Year)	\$ 3,526,531.00	\$ 3,370,765.00	
Township's Contributions as a Percentage of Covered Payroll	11.56%	10.90%	

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

	<u>Measurement Date Ended June 30,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Township's Proportion of the Net Pension Liability	0.1656884087%	0.1544894257%	0.1603252318%
Township's Proportionate Share of the Net Pension Liability	\$ 25,579,087.00	\$ 29,511,432.00	\$ 26,704,595.00
State's Proportionate Share of the Net Pension Liability associated with the Township	2,865,073.00	2,478,228.00	2,341,903.00
Total	<u>\$ 28,444,160.00</u>	<u>\$ 31,989,660.00</u>	<u>\$ 29,046,498.00</u>
Township's Covered Payroll (Plan Measurement Period)	\$ 5,570,284.00	\$ 5,169,636.00	\$ 5,439,324.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	459.21%	570.86%	490.95%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.60%	52.01%	56.31%
	<u>Measurement Date Ended June 30,</u>		
	<u>2014</u>	<u>2013</u>	
Township's Proportion of the Net Pension Liability	0.1524394160%	0.1508214863%	
Township's Proportionate Share of the Net Pension Liability	\$ 19,175,465.00	\$ 20,050,356.00	
State's Proportionate Share of the Net Pension Liability associated with the Township	2,064,875.00	1,868,937.00	
Total	<u>\$ 21,240,340.00</u>	<u>\$ 21,919,293.00</u>	
Township's Covered Payroll (Plan Measurement Period)	\$ 5,223,540.00	\$ 5,200,000.00	
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	367.10%	385.58%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.41%	58.70%	

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

	<u>Year Ended December 31,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Township's Contractually Required Contribution	\$ 1,466,373.00	\$ 1,259,615.00	\$ 1,303,205.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(1,466,373.00)</u>	<u>(1,259,615.00)</u>	<u>(1,303,205.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 5,768,225.00	\$ 5,562,418.00	\$ 5,259,742.00
Township's Contributions as a Percentage of Covered Payroll	25.42%	22.65%	24.78%
	<u>Year Ended December 31,</u>		
	<u>2014</u>	<u>2013</u>	
Township's Contractually Required Contribution	\$ 1,170,840.00	\$ 1,100,360.00	
Township's Contribution in Relation to the Contractually Required Contribution	<u>(1,170,840.00)</u>	<u>(1,100,360.00)</u>	
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	
Township's Covered Payroll (Calendar Year)	\$ 5,348,766.00	\$ 5,294,896.00	
Township's Contributions as a Percentage of Covered Payroll	21.89%	20.78%	

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

Changes in Benefit Terms - None

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

Note 7: PENSION PLANS (CONT'D)**Other Notes to Supplementary Pension Information (Cont'd)*****Police and Firemen's Retirement System (PFRS)***

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

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

Note 8: 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 2002, the Township authorized participation in the SHBP's post-retirement benefit program through resolution number 88-02. The Township provides postemployment health care benefits, at its cost, to all Township retirees who at the date of retirement have not less than twenty-five (25) years of service credit in a State locally administered retirement system and have served at least twenty (20) years as an employee of the Township. Benefits provided include health insurance, dental coverage, and prescription coverage for retirees and their dependents only during the retired employees' life.

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

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

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, 2017, 2016, and 2015, were \$1,473,742.00, \$1,346,299.57, and \$1,226,825.81, respectively, which equaled the required contributions each year. There were approximately 74 retired participants eligible at December 31, 2017.

Note 9: COMPENSATED ABSENCES

Police employees of the Township accumulate 15 sick days per year. These days can accumulate and carry forward with no maximum. At separation or retirement, sick days are paid out with a cap of 1,400 hour at 65% of the value. Officers hired after January 1, 2015 will be capped at a value of \$15,000.00. Vacation days are accumulated based on number of years employed at the Township and can carry forward no more than two years of entitlement unless approved by the Chief of Police. At separation or retirement, accumulated vacation time is paid out 100%.

As part of the contracts with the IFF Local 3592 for Rank and File EMS personnel and Teamsters Local 676 Supervising EMS staff of the Township of Deptford, employees accumulate 15 sick days per year. These days can accumulate and carry forward with no limit. At separation or retirement, sick days are paid out at 65% of accumulation up to a maximum of \$15,000.00. Vacation days are accumulated based on number of years employed at the Township and can carry forward time with approval from the Chief of Emergency Services. At separation or retirement, accumulated vacation time is paid out 100%.

The Township has contracted with the AFL/CIO for clerical and administrative, and separately the public works employees. Both contracts allow for the employees to accumulate vacation days based on years of employment. The employees can carry forward one year of entitlement. At separation or retirement, 100% of vacation time is paid. The contracts with the AFL/CIO compensate employees for unused sick leave under the following criteria. Sick leave accrued from the date of hire through December 31, 1985, is frozen and banked and shall be used only for extended illness. At separation or retirement, for clerical and administrative employees, the banked accumulated sick leave will be paid out at 65%. For public works employees, banked time will be paid out at 55%. For sick leave accrued starting January 31, 1986, sick time can accumulate without limit; however, at separation or retirement, a maximum of \$5,000.00 will be paid out to the employees. Those employees with an accrued value of less than \$5,000.00 will be compensated for 100% of the accumulation. The employees accumulate 15 sick days per year.

Non-contracted employees accrue vacation time based on number of years employed by the Township. These vacation days can be carried over with proper approval with no limit. Vacation time is paid out at 100% at retirement or separation. Non-contracted employees are granted 15 sick days per year and can carry over days without limit. At retirement, 65% of the accumulated sick time is paid out to the employees.

The Township has established a compensated absences trust fund to set aside funds for future payments of compensated absences. At December 31, 2017 the balance of the fund was \$488,150.41. It is estimated that, at December 31, 2017, accrued benefits for compensated absences are valued at \$2,692,994.84.

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: LEASE OBLIGATIONS

At December 31, 2017, the Township had operating lease agreements in effect for two Ford pickup trucks and two Jeep Patriots.

Future minimum lease payments under operating lease agreements are as follows:

<u>Year</u>	<u>Amount</u>
2018	\$ 32,148.82

Rental payments under operating leases for the year 2017 were \$100,572.31.

Note 12: CAPITAL DEBT**General Improvement Bonds**

General Improvement Bonds, Series 2007 - On July 11, 2007, the Township issued \$7,790,000.00 of general improvement bonds, with interest rates ranging from 4.0% to 4.1%. The bonds were issued for the purpose of funding various capital projects in the Township. The final maturity of the bonds is July 15, 2018.

General Improvement Refunding Bonds, Series 2010 - On July 29, 2010, the Township issued \$5,875,000.00 general improvement refunding bonds, with interest rates ranging from 1.5% to 4.0%, to advance refund \$4,735,000.00 outstanding 2002 general improvement bonds and \$1,100,000.00 outstanding 1995 general improvement bonds. The final maturity of the bonds was September 1, 2017.

General Improvement Bonds, Series 2011 - On August 30, 2011, the Township issued \$5,200,000.00 of general improvement bonds with interest rates ranging from 2.0% to 3.0%. The final maturity of the bonds is September 1, 2023.

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>
2018	\$ 1,305,000.00	\$ 114,752.50	\$ 1,419,752.50
2019	455,000.00	70,487.50	525,487.50
2020	475,000.00	59,112.50	534,112.50
2021	490,000.00	46,050.00	536,050.00
2022	510,000.00	31,350.00	541,350.00
2023	535,000.00	16,050.00	551,050.00
	<u>\$ 3,770,000.00</u>	<u>\$ 337,802.50</u>	<u>\$ 4,107,802.50</u>

Note 12: CAPITAL DEBT (CONT'D)**General Debt - New Jersey Green Acres Loans**

On April 3, 1998, the Township entered into a loan agreement with the New Jersey Department of Environmental Protection to provide \$300,000.00, at an interest rate of 2.0%. The proceeds were used for the acquisition of land. Semiannual debt payments are due January 8th and July 8th through 2018.

In addition, on April 5, 2010, the Township entered into a second loan agreement with the New Jersey Department of Environmental Protection to provide \$404,227.67, at an interest rate of 2.0%. The proceeds were used to fund Fasola Park Improvements. Semiannual debt payments are due January 5th and July 5th through 2030.

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 28,933.52	\$ 5,530.13	\$ 34,463.65
2019	20,094.33	5,041.83	25,136.16
2020	20,498.22	4,637.94	25,136.16
2021	20,910.24	4,225.93	25,136.17
2022	21,330.54	3,805.63	25,136.17
2023-2027	113,258.80	12,422.03	125,680.83
2028-2030	60,998.33	1,842.10	62,840.43
	<u>\$ 286,023.98</u>	<u>\$ 37,505.59</u>	<u>\$ 323,529.57</u>

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>Issued</u>			
General:			
Bonds, Loans and Notes	\$ 14,829,864.98	\$ 16,758,592.08	\$ 17,909,516.14
<u>Deductions</u>			
General:			
Tax Appeal Refunding Bonds	-	-	757,500.00
Net Debt	<u>\$ 14,829,864.98</u>	<u>\$ 16,758,592.08</u>	<u>\$ 17,152,016.14</u>

Note 12: 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 .532%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 6,280,000.00	\$ 6,280,000.00	
General	14,829,864.98		\$ 14,829,864.98
	<u>\$ 21,109,864.98</u>	<u>\$ 6,280,000.00</u>	<u>\$ 14,829,864.98</u>

Net debt \$14,829,864.98 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$2,789,029,139.67, equals .532%.

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 97,616,019.89
Less: Net Debt	<u>14,829,864.98</u>
Remaining Borrowing Power	<u>\$ 82,786,154.91</u>

Note 13: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2017, 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, 2017</u>	<u>2018 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorization	\$ 105,000.00	\$ 35,000.00

The appropriations in the 2018 Budget as adopted are not less than that required by the statutes.

Note 14: SCHOOL TAXES

Township of Deptford School District 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>2017</u>	<u>2016</u>
Balance of Tax	\$ 20,923,486.00	\$ 20,517,953.00
Deferred	<u>17,255,860.50</u>	<u>17,255,860.50</u>
	<u>\$ 3,667,625.50</u>	<u>\$ 3,262,092.50</u>

Note 15: RISK MANAGEMENT

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

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

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

<u>Year</u>	<u>Township Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2017		\$ 34,199.43	\$ 23,987.83	\$ 74,299.84
2016		20,959.59	8,420.64	64,088.24
2015	\$ 5,000.00	20,038.03	34,094.13	51,549.29

It is estimated that there are no unreimbursed payments on behalf of the Township at December 31, 2017.

Joint Insurance Pool - The Township of Deptford is a member of the Gloucester, Salem, Cumberland Counties Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

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

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

The Fund provides the Township with the following coverage:

Property - Blanket Building and Grounds
Crime Policy
Public Officials and Employment Liability Coverage
Excess Crime – Public Employees' and Officials' Bonds
Casualty Policy
Business Automobile Policy
Worker's Compensation
Environmental Legal Liability

Contributions to the Fund, are payable in an annual premium and is based on actuarial assumptions determined by the Fund's actuary. The Township's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund for claims in excess of \$50,000.00 to \$200,000.00 based on the line of coverage for each insured event.

Note 15: RISK MANAGEMENT (CONT'D)

Joint Insurance Pool (Cont'd) - The Fund publishes its own financial report for the year ended December 31, 2017, which can be obtained from:

Gloucester, Salem, Cumberland Counties Municipal Joint Insurance Fund
Post Office Box 442
Hammonton, New Jersey 08037

Note 16: DEBT SERVICE AGREEMENT (FINANCIAL GUARANTEE)

The Township entered into a debt service agreement with the Deptford Township Municipal Utilities Authority on March 1, 1973. This agreement obligates the Township to advance payment for any debt service deficiency of the Authority. The Authority is obligated, by the agreement, to repay to the Township all advances paid on their behalf, upon the financial ability to do so. At December 31, 2017, the Authority had \$10,807,697.29 in outstanding debt covered by this agreement. The Township has never made a debt service payment on behalf on the Authority.

Note 17: 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 18: 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 19: SUBSEQUENT EVENTS

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

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

<u>Purpose</u>	<u>Adoption</u>	<u>Authorization</u>
General Improvements		
Reconstruction and/or Repaving of Various Roads	4/23/2018	\$ 1,350,100.00
Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	05/21/18	3,389,600.00

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF DEPTFORD
Statement of Current Cash - Chief Financial Officer
For the Year Ended December 31, 2017

	<u>Current Fund</u>	
Balance December 31, 2016	\$ 17,682,337.00	
Increased by Receipts:		
Tax Collector	\$ 88,286,311.60	
Due from State - Senior Citizens & Veterans	395,570.28	
Federal & State Grants Receivable	665,770.23	
Revenue Accounts Receivable	7,868,753.71	
Miscellaneous Revenue Not Anticipated	361,796.66	
Due Animal Control Fund	178.19	
Due Trust Other Fund	679.61	
Due to State - DCA Fees	57,500.00	
Due to State - Marriage Fees	4,725.00	
Due Deptford Township MUA	42,716.02	
Due Deptford Township Library	395,112.65	
Reserve for Insurance Proceeds	<u>8,484.14</u>	
		<u>98,087,598.09</u>
		115,769,935.09
Decreased by Disbursements:		
2016 Appropriation Reserves	1,374,363.87	
2017 Appropriations	29,027,942.73	
County Taxes	18,737,733.60	
Due County for Added and Omitted Taxes	183,244.71	
Local District School Tax	41,450,713.00	
Special District Tax	4,326,306.00	
Refund Tax Overpayments	190,073.12	
Accounts Payable	23,345.94	
Federal & State Grant Expenditures	445,171.93	
Due to State - DCA Fees	57,934.00	
Due to State - Marriage Fees	3,175.00	
Due to State - Burial Fee	10.00	
Due Trust Other Fund	2,048.74	
Due Deptford Township MUA	44,613.14	
Due Deptford Township Library	<u>399,281.48</u>	
		<u>96,265,957.26</u>
Balance December 31, 2017	\$ <u><u>19,503,977.83</u></u>	

TOWNSHIP OF DEPTFORD
Statement of Current Cash - Collector
For the Year Ended December 31, 2017

Increased by:

Taxes Receivable	\$ 86,131,420.97	
Tax Title Liens	28,047.56	
Improvement/Maintenance Special Charges	6,249.22	
Prepaid Taxes	1,668,705.36	
Tax Overpayments	190,073.12	
Revenue Accounts Receivable	247,182.05	
Miscellaneous Revenue Not Anticipated	<u>14,633.32</u>	
		\$ 88,286,311.60

Decreased by:

Payment to Treasurer		\$ <u>88,286,311.60</u>
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TOWNSHIP OF DEPTFORD
Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2017

Year	Balance Dec. 31, 2016	2017 Levy	Added Taxes	Collections		Over- Payments Applied	Canceled	Transferred To Tax Title Liens	Balance Dec. 31, 2017
				2016	2017				
2013	\$ 7,058.36				\$ 7,058.36				
2014	9,767.19				8,186.09				\$ 1,581.10
2015	15,013.10				7,956.41			\$ 35.08	7,021.61
2016	<u>1,348,498.21</u>		<u>\$ 11,250.00</u>		<u>1,309,838.04</u>		<u>\$ 7,426.04</u>	<u>28,658.91</u>	<u>13,825.22</u>
	1,380,336.86	-	11,250.00	-	1,333,038.90	-	7,426.04	28,693.99	22,427.93
2017		<u>\$ 88,141,620.34</u>		<u>\$ 1,076,912.65</u>	<u>85,201,959.43</u>	<u>\$ 35,909.88</u>	<u>223,566.45</u>	<u>205,808.90</u>	<u>1,397,463.03</u>
	<u>\$ 1,380,336.86</u>	<u>\$ 88,141,620.34</u>	<u>\$ 11,250.00</u>	<u>\$ 1,076,912.65</u>	<u>\$ 86,534,998.33</u>	<u>\$ 35,909.88</u>	<u>\$ 230,992.49</u>	<u>\$ 234,502.89</u>	<u>\$ 1,419,890.96</u>
	Taxes Receivable				\$ 86,131,420.97				
	Senior Citizens and Veterans				<u>403,577.36</u>				
					<u>\$ 86,534,998.33</u>				
<u>Analysis of 2017 Property Tax Levy</u>									
<u>Tax Yield:</u>									
	General Property Tax				\$ 87,621,637.84				
	Added Taxes (54:4-63.1 et. seq.)				<u>519,982.50</u>				
						<u>\$ 88,141,620.34</u>			
<u>Tax Levy:</u>									
	Local School District Tax (Abstract)				\$ 41,856,246.00				
County Taxes:									
	County Tax (Abstract)				\$ 18,737,733.60				
	Due County for Added Taxes				<u>111,249.75</u>				
	Total County Taxes					18,848,983.35			
Special District Taxes:									
	Fire District No. 1					4,326,306.00			
	Local Tax for Municipal Purposes				22,677,502.19				
	Add: Additional Tax Levied				<u>432,582.80</u>				
						<u>23,110,084.99</u>			
						<u>\$ 88,141,620.34</u>			

TOWNSHIP OF DEPTFORD
Statement of Tax Title Liens
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 1,251,704.62
Increased by:		
Transfers from Taxes Receivable	\$ 234,502.89	
Interest and Costs on Sale	<u>11,930.38</u>	
		<u>246,433.27</u>
		1,498,137.89
Decreased by:		
Collections	28,047.56	
Canceled	18,141.53	
Transferred to Foreclosed Tax Title Lien	<u>480,901.15</u>	
		<u>527,090.24</u>
Balance December 31, 2017		\$ <u><u>971,047.65</u></u>

Exhibit SA-5

TOWNSHIP OF DEPTFORD
Statement of Property Acquired for Taxes (At Assessed Valuation)
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 1,570,600.00
Increased by:		
Transferred from Tax Title Lien	\$ 480,901.15	
Transferred from Improvement/Maintenance Liens	20,910.20	
Adjustment to Assessed Valuation	<u>832,888.65</u>	
		<u>1,334,700.00</u>
		2,905,300.00
Decreased by:		
Sale of Foreclosed Property	7,000.00	
Loss on Sale of Property	<u>6,300.00</u>	
		<u>13,300.00</u>
Balance as of December 31, 2017		\$ <u><u>2,892,000.00</u></u>

TOWNSHIP OF DEPTFORD
Statement of Maintenance Special Charges
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 1,500.00
Increased by:	
Maintenance Special Charges Assessed	<u>5,750.00</u>
	7,250.00
Decreased by:	
Cash Receipts	<u>6,249.22</u>
Balance December 31, 2017	<u><u>\$ 1,000.78</u></u>

Exhibit SA-7

TOWNSHIP OF DEPTFORD
Statement of Improvement/Maintenance Liens
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 48,793.82
Decreased by:	
Cancelled	\$ 6,677.67
Transferred to Foreclosed Tax Title Lien	<u>20,910.20</u>
	<u>27,587.87</u>
Balance December 31, 2017	<u><u>\$ 21,205.95</u></u>

TOWNSHIP OF DEPTFORD
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2017

	Balance Dec. 31, 2016	Accrued in 2017	Collected	Balance Dec. 31, 2017
Licenses:				
Alcoholic Beverages		\$ 55,441.37	\$ 55,441.37	
Other		290,257.00	290,257.00	
Fees and Permits		591,596.85	591,596.85	
Fines and Costs:				
Municipal Court	\$ 31,021.50	457,900.88	458,394.05	\$ 30,528.33
Interest on Taxes		247,182.05	247,182.05	
Cable Television and Franchise Fees		213,434.96	213,434.96	
Ambulance Service Fees		1,206,620.79	1,206,620.79	
Consolidated Municipal Property Tax Relief Aid		88,178.00	88,178.00	
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)		2,130,438.00	2,130,438.00	
Uniform Construction Code Fees		947,890.00	947,890.00	
Hotel Tax		192,426.03	192,426.03	
Deptford Mall Police		237,384.16	237,384.16	
MUA Surplus as per N.J.S.A. 40A:5A-12.1		530,086.00	530,086.00	
Reserve for Debt Service		743,606.50	743,606.50	
Interlocal Services Agreements:				
Deptford Township Board of Education		98,000.00	98,000.00	
Deptford Township MUA		25,000.00	25,000.00	
Borough of Woodbury Heights		60,000.00	60,000.00	
	<u>\$ 31,021.50</u>	<u>\$ 8,115,442.59</u>	<u>\$ 8,115,935.76</u>	<u>\$ 30,528.33</u>
Current Fund - Treasurer			\$ 7,868,753.71	
Current Fund - Collector			<u>247,182.05</u>	
			<u>\$ 8,115,935.76</u>	

TOWNSHIP OF DEPTFORD

Statement of Due State of New Jersey - Veterans and Senior Citizens Deductions
For the Year Ended December 31, 2017

Balance December 31, 2016		\$	793.42
Increased by:			
Deductions per Tax Billing:			
Senior Citizen	\$	111,500.00	
Veterans		289,750.00	
Deductions Allowed by Collector - 2017 Taxes		8,000.00	
Deductions Allowed by Collector - 2016 Taxes		<u>1,000.00</u>	
			<u>410,250.00</u>
			409,456.58
Decreased by:			
Received from State of New Jersey		395,570.28	
Deductions Disallowed by Collector - 2016 Taxes		11,250.00	
Deductions Disallowed by Collector - 2017 Taxes		<u>5,672.64</u>	
			<u>412,492.92</u>
Balance December 31, 2017		\$	<u><u>3,036.34</u></u>
<u>Analysis of Amount Realized:</u>			
Senior Citizens' and Veterans' Deductions Per Tax Billings	\$	401,250.00	
Senior Citizens' and Veterans'			
Deductions Allowed by Tax Collector - 2017		<u>8,000.00</u>	
			\$ 409,250.00
Less:			
Senior Citizens' and Veterans'			
Deductions Disallowed by Tax Collector - 2017			<u>5,672.64</u>
			\$ <u><u>403,577.36</u></u>

TOWNSHIP OF DEPTFORD
Statement of Due From Deptford Township Library
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 26,153.99
Increased by:		
Payroll Expenditures	\$ 397,502.94	
Other Expenditures	<u>1,778.54</u>	
		<u>399,281.48</u>
		425,435.47
Decreased by:		
Collections		<u>395,112.65</u>
Balance December 31, 2017		\$ <u><u>30,322.82</u></u>

Exhibit SA-11

TOWNSHIP OF DEPTFORD
Statement of Due Deptford Township MUA
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 2,411.84
Increased by:		
Pre-Tax Sale Disbursements	\$ 32,394.59	
Other Expenditures	<u>12,218.55</u>	
	\$ 44,613.14	
Accounts Payable	<u>205.47</u>	
		<u>44,818.61</u>
		47,230.45
Decreased by:		
Pre-Tax Sale Receipts	32,394.59	
Other Receipts	<u>10,321.43</u>	
		<u>42,716.02</u>
Balance December 31, 2017		\$ <u><u>4,514.43</u></u>

TOWNSHIP OF DEPTFORD
Statement of Deferred Charges - Special Emergency Authorizations
For the Year Ended December 31, 2017

<u>Date</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>Annual Budget Requirement</u>	<u>Balance Dec. 31, 2016</u>	<u>Raised in 2017 Budget</u>	<u>Balance Dec. 31, 2017</u>
7/6/15	Revision of Master Plan	\$ 100,000.00	\$ 20,000.00	\$ 65,000.00	\$ 20,000.00	\$ 45,000.00
6/13/16	Revision of Master Plan	75,000.00	15,000.00	<u>75,000.00</u>	<u>15,000.00</u>	<u>60,000.00</u>
				\$ <u>140,000.00</u>	\$ <u>35,000.00</u>	\$ <u>105,000.00</u>

TOWNSHIP OF DEPTFORD
Statement of Appropriation Reserves
For the Year Ended December 31, 2017

	Balance December 31, 2016		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
Operations Within "CAP":					
General Administration:					
Salaries and Wages		\$ 1,172.68	\$ 1,172.68	\$ 961.54	\$ 211.14
Other Expenses	\$ 574.79	7,478.78	8,053.57	1,018.00	7,035.57
Division of Central Services:					
Salaries and Wages		2,998.63	2,998.63	428.82	2,569.81
Other Expenses	18,394.15	23,508.42	26,902.57	25,501.61	1,400.96
Mayor and Council:					
Salaries and Wages		620.00	620.00		620.00
Other Expenses	1,247.47	737.44	1,984.91	1,280.29	704.62
Municipal Clerk:					
Salaries and Wages		7,465.77	7,465.77	3,018.34	4,447.43
Other Expenses	770.62	16,990.07	17,760.69	1,182.21	16,578.48
Financial Administration - Treasury:					
Salaries and Wages		15,553.26	15,553.26	3,657.93	11,895.33
Other Expenses	2,288.47	7,272.36	9,560.83	2,462.04	7,098.79
Purchasing Division:					
Salaries and Wages		3,188.76	3,188.76	1,070.68	2,118.08
Other Expenses		2,477.51	2,477.51		2,477.51
Audit Services					
Other Expenses	2,000.00	7,165.00	9,165.00	2,000.00	7,165.00
Centralized Computerized Data Processing					
Other Expenses	9,238.97	18,202.23	17,441.20	15,738.97	1,702.23
Revenue Administration - Tax Collection:					
Salaries and Wages		4,975.93	4,975.93	3,094.07	1,881.86
Other Expenses	314.46	9,236.64	9,551.10	428.21	9,122.89
Legal Services:					
General Legal Services	12,098.86	51,306.44	48,405.30	34,662.00	13,743.30
Engineering Services:					
Other Expenses	3,804.25	44,780.70	23,584.95	13,021.75	10,563.20
Planning Board:					
Salaries and Wages		1,563.60	1,563.60	1,232.34	331.26
Other Expenses	3,261.24	55,214.47	33,475.71	10,069.93	23,405.78
Master Plan Special Emergency	9,381.89	65,618.11	75,000.00	75,000.00	
Zoning Board of Adjustment:					
Salaries and Wages		8,073.09	8,073.09	1,582.04	6,491.05
Other Expenses	84.38	10,642.20	10,726.58	723.29	10,003.29
Industrial Commission:					
Other Expenses		7,629.64	7,629.64		7,629.64
Environmental Commission:					
Salaries and Wages		500.00	500.00		500.00
Other Expenses		1,200.00	1,200.00		1,200.00
Construction Official:					
Salaries and Wages		32,097.09	32,097.09	3,238.10	28,858.99
Other Expenses	900.73	52,393.68	18,294.41	3,607.46	14,686.95
Plumbing Inspector:					
Salaries and Wages		9,312.10	9,312.10	1,114.26	8,197.84
Other Expenses		100.00	100.00		100.00
Electrical Inspector:					
Salaries and Wages		3,896.40	3,896.40	271.57	3,624.83
Other Expenses		100.00	100.00		100.00
Fire Protection Official:					
Salaries and Wages		4,637.59	4,637.59	413.87	4,223.72
Other Expenses		100.00	100.00		100.00

(Continued)

TOWNSHIP OF DEPTFORD
Statement of Appropriation Reserves
For the Year Ended December 31, 2017

	Balance December 31, 2016		Balance After	Paid	Balance
	Encumbered	Reserved	Transfers	or Charged	Lapsed
Operations Within "CAP" (Cont'd):					
Building Inspector:					
Salaries and Wages		\$ 6,093.45	\$ 6,093.45	\$ 1,802.31	\$ 4,291.14
Other Expenses		100.00	100.00		100.00
Insurance:					
Liability Insurance		14,245.20	14,245.20	3,539.00	10,706.20
Workers Compensation		3,762.00	3,762.00		3,762.00
Health Waiver Benefit		14,760.18	14,760.18		14,760.18
Employee Group Insurance	\$ 284.58	179,547.59	79,832.17	7,472.00	72,360.17
Unemployment Compensation Insurance		8,000.00	8,000.00	8,000.00	
Police Department:					
Salaries and Wages		383,531.05	208,531.05	116,691.94	91,839.11
Other Expenses	125,056.05	26,157.91	151,213.96	147,041.00	4,172.96
Office Of Emergency Management:					
Salaries and Wages		23,949.36	23,949.36	19,590.19	4,359.17
Other Expenses	35,704.08	49,201.43	64,905.51	39,829.91	25,075.60
Prosecutor's Office					
Salaries and Wages		499.90	499.90		499.90
Other Expenses		2,500.00	2,500.00		2,500.00
Streets and Roads:					
Salaries and Wages		37,526.51	37,526.51	16,419.42	21,107.09
Other Expenses	9,704.51	30,905.19	40,609.70	10,499.54	30,110.16
Storm Recovery					
Salaries and Wages		25,000.00	25,000.00	25,000.00	
Other Expenses	11,025.81	17,991.36	179,017.17	179,017.17	
Solid Waste Collection:					
Other Expenses	105,097.65	159,012.58	214,110.23	163,834.22	50,276.01
Buildings and Grounds:					
Salaries and Wages		32,969.53	32,969.53	2,469.49	30,500.04
Other Expenses	5,501.78	23,705.95	29,207.73	11,828.19	17,379.54
Vehicle Maintenance:					
Salaries and Wages		14,212.09	14,212.09	5,272.02	8,940.07
Other Expenses	13,853.49	20,466.05	34,319.54	19,409.15	14,910.39
Public Health Services:					
Salaries and Wages		5,895.04	5,895.04	2,737.49	3,157.55
Other Expenses	9,738.10	2,739.34	12,477.44	9,738.10	2,739.34
Recreation Services and Programs:					
Salaries and Wages		3,690.28	3,690.28	446.15	3,244.13
Other Expenses	3,832.99	36,538.74	40,371.73	24,787.99	15,583.74
Maintenance of Parks:					
Salaries and Wages		45,156.27	20,156.27	3,236.14	16,920.13
Other Expenses	1,442.21	39,818.45	26,260.66	2,741.21	23,519.45
Accumulated Leave Compensation					
Salaries and Wages		35,766.88	335,766.88	235,766.88	100,000.00
Celebration of Public Events:					
Other Expenses	1,164.95	13,721.67	14,886.62	1,206.04	13,680.58
Senior Citizens Transportation:					
Salaries and Wages		8,946.62	8,946.62	796.88	8,149.74
Other Expenses		500.00	500.00		500.00
Senior Citizens Committee:					
Salaries and Wages		2,500.00	2,500.00		2,500.00
Other Expenses	80.00	320.57	400.57	162.44	238.13

(Continued)

TOWNSHIP OF DEPTFORD
Statement of Appropriation Reserves
For the Year Ended December 31, 2017

	Balance December 31, 2016		Balance After	Paid	Balance
	Encumbered	Reserved	Transfers	or Charged	Lapsed
Operations Within "CAP" (Cont'd):					
Utility Expenses and Bulk Purchases:					
Electricity	\$ 9,450.25	\$ 26,093.24	\$ 35,543.49	\$ 20,433.85	\$ 15,109.64
Street Lighting	32,178.82	41,696.35	83,875.17	78,604.70	5,270.47
Telephone	6,608.55	7,425.88	14,034.43	7,714.95	6,319.48
Gas (Natural or Propane)	10,489.17	19,632.62	30,121.79	17,186.35	12,935.44
Gasoline	15,450.82	50,545.18	40,996.00	27,982.29	13,013.71
Landfill / Solid Waste Disposal Costs:					
Tipping Fees	71,287.06	87,987.10	159,274.16	150,760.75	8,513.41
Municipal Court:					
Salaries and Wages		14,933.39	14,933.39	4,647.00	10,286.39
Other Expenses	1,003.36	3,675.63	4,678.99	1,203.53	3,475.46
Public Defender					
Other Expenses	1,200.00	5,600.00	6,800.00	1,200.00	5,600.00
Contribution to:					
Public Employees' Retirement System		1,233.00	1,233.00		1,233.00
Social Security System (O.A.S.I.)		65,963.96	40,963.96	16,365.90	24,598.06
Police and Firemen's Retirement System		795.00	795.00		795.00
Defined Contribution Retirement Program		1,504.44	1,504.44		1,504.44
Total General Appropriations for Municipal Purposes Within "CAP"	<u>534,514.51</u>	<u>2,075,025.57</u>	<u>2,509,540.08</u>	<u>1,592,213.51</u>	<u>917,326.57</u>
Operations Excluded from "CAP":					
Deptford Mall Police		11,622.27	11,622.27	10,000.68	1,621.59
NJPDES/Municipal Stormwater:					
Salaries and Wages		24,097.54	24,097.54	869.07	23,228.47
Other Expenses	4,061.73	6,349.26	10,410.99	3,840.77	6,570.22
Reserve for Tax Appeals		81,102.52	81,102.52		81,102.52
Total Operations - Excluded from "CAPS"	<u>4,061.73</u>	<u>123,171.59</u>	<u>127,233.32</u>	<u>14,710.52</u>	<u>112,522.80</u>
Capital Improvements - Excluded from "CAPS"					
Capital Improvement Fund			100,000.00		100,000.00
Total Capital Improvements	<u>-</u>	<u>-</u>	<u>100,000.00</u>	<u>-</u>	<u>100,000.00</u>
Total General Appropriations for Municipal Purposes Excluded from "CAP"	<u>4,061.73</u>	<u>123,171.59</u>	<u>227,233.32</u>	<u>14,710.52</u>	<u>212,522.80</u>
Grand Total	<u>\$ 538,576.24</u>	<u>\$ 2,198,197.16</u>	<u>\$ 2,736,773.40</u>	<u>\$ 1,606,924.03</u>	<u>\$ 1,129,849.37</u>
Disbursements				\$ 1,374,363.87	
Interfunds				200,000.00	
Reserve for Master Plan				32,560.16	
				<u>\$ 1,606,924.03</u>	

TOWNSHIP OF DEPTFORD
Statement of Accounts Payable
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 23,345.94
Increased by:	
Due Municipal Utilities Authority	<u>205.47</u>
	23,551.41
Decreased by:	
Disbursements	<u>23,345.94</u>
Balance December 31, 2017	\$ <u><u>205.47</u></u>

TOWNSHIP OF DEPTFORD
Statement of Due State - DCA Fees
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 13,782.00
Increased by:	
DCA Fees Collected	<u>57,500.00</u>
	71,282.00
Decreased by:	
Disbursements	<u>57,934.00</u>
Balance December 31, 2017	\$ <u><u>13,348.00</u></u>

Exhibit SA-16

TOWNSHIP OF DEPTFORD
Statement of Due State - Marriage Fees
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 975.00
Increased by:	
Marriage License Collected	<u>4,725.00</u>
	5,700.00
Decreased by:	
Disbursements	<u>3,175.00</u>
Balance December 31, 2017	\$ <u><u>2,525.00</u></u>

TOWNSHIP OF DEPTFORD
Statement of Prepaid Taxes
For the Year Ended December 31, 2017

Balance December 31, 2016 (2017 Taxes)	\$ 1,076,912.65
Increased by:	
Collection (2018 Taxes)	<u>1,668,705.36</u>
	2,745,618.01
Decreased by:	
Application to 2017 Taxes	<u>1,076,912.65</u>
Balance December 31, 2017 (2018 Taxes)	<u>\$ 1,668,705.36</u>

Exhibit SA-18

TOWNSHIP OF DEPTFORD
Statement of Tax Overpayments
For the Year Ended December 31, 2017

Increased by:		
Overpayments - Cash	\$ 190,073.12	
Overpayments - Tax Appeals	<u>35,909.88</u>	
		\$ <u>225,983.00</u>
		225,983.00
Decreased by:		
Refunds	190,073.12	
Applied to Taxes	<u>35,909.88</u>	
		\$ <u><u>225,983.00</u></u>

TOWNSHIP OF DEPTFORD
Statement of County Taxes Payable
For the Year Ended December 31, 2017

Increased by:

2017 Levy -

County General

\$ 17,622,788.94

County Open Space

1,114,944.66

\$ 18,737,733.60

Decreased by:

Disbursements

\$ 18,737,733.60

Exhibit SA-20

TOWNSHIP OF DEPTFORD
Statement of Amount Due to County For Added Taxes
For the Year Ended December 31, 2017

Balance December 31, 2016

\$ 183,244.71

Increased by:

County Share of 2017 Added Levy

111,249.75

294,494.46

Decreased by:

Disbursements

183,244.71

Balance December 31, 2017

\$ 111,249.75

TOWNSHIP OF DEPTFORD
Statement of Local School District Tax
For the Year Ended December 31, 2017

Balance December 31, 2016			
School Tax Payable	\$	3,262,092.50	
Deferred School Tax Payable		<u>17,255,860.50</u>	
	\$		20,517,953.00
Increased by:			
Levy-School Year July 1, 2017 to June 30, 2018			<u>41,856,246.00</u>
			62,374,199.00
Decreased by:			
Disbursements			<u>41,450,713.00</u>
Balance December 31, 2017			
School Tax Payable	\$	3,667,625.50	
Deferred School Tax Payable		<u>17,255,860.50</u>	
	\$		<u><u>20,923,486.00</u></u>
<u>2017 Liability for Local School Tax:</u>			
Tax Paid	\$		41,450,713.00
Tax Payable December 31, 2017			<u>3,667,625.50</u>
			45,118,338.50
Less:			
Tax Payable December 31, 2016			<u>3,262,092.50</u>
Amount Charged to 2017 Operations	\$		<u><u>41,856,246.00</u></u>

TOWNSHIP OF DEPTFORD
Statement of Special District Taxes Payable - Fire District
For the Year Ended December 31, 2017

Increased by:		
Levy -- Calendar Year	\$	4,326,306.00
Decreased by:		
Disbursements	\$	<u>4,326,306.00</u>

Exhibit SA-23

TOWNSHIP OF DEPTFORD
FEDERAL AND STATE GRANT FUND
Statement Due Current Fund
For the Year Ended December 31, 2017

Balance December 31, 2016	\$	180,914.58	
Increased by:			
Local Match Due Current Fund	\$	6,261.00	
Grant Receipts Deposited in Current Fund		665,770.23	
Grant Receivables Cancelled		<u>266.78</u>	
			<u>672,298.01</u>
			853,212.59
Decreased by:			
Grant Expenditures Paid by Current Fund		445,171.93	
Grant Appropriations Cancelled		<u>466.78</u>	
			<u>445,638.71</u>
Balance December 31, 2017	\$	<u>407,573.88</u>	

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

	Balance Dec. 31, 2016	Accrued	Received	Canceled	Balance Dec. 31, 2017
Federal Grants:					
Bulletproof Vest Fund	\$ 12,501.39	\$ 7,664.51	\$ 6,858.50		\$ 13,307.40
Click It or Ticket		4,180.00	4,180.00		
Community Development Block Grant - Kelly Drive	50,000.00		50,000.00		
Cops in Shops		5,320.00	1,800.00		3,520.00
Distracted Driving Grant		5,060.00	5,060.00		
Drive Sober or Get Pulled Over - Labor Day		7,500.00	7,260.00	\$ 240.00	
Drive Sober or Get Pulled Over - Holiday	6,000.00		6,000.00		
US Marshall's Joint Task Force	15,000.00		14,973.22	26.78	
	<u>83,501.39</u>	<u>29,724.51</u>	<u>96,131.72</u>	<u>266.78</u>	<u>16,827.40</u>
Total Federal Grants					
	<u>83,501.39</u>	<u>29,724.51</u>	<u>96,131.72</u>	<u>266.78</u>	<u>16,827.40</u>
State Grants:					
Alcohol Education, Rehabilitation and Enforcement Fund		2,895.30	2,895.30		
Body Armor Fund		6,124.16	6,124.16		
Clean Communities Program		62,707.65	62,707.65		
Emergency Management Assistance Grant	7,000.00	9,400.00	7,000.00		9,400.00
Green Communities Grant		3,000.00			3,000.00
Municipal Alliance Grant	25,044.00	25,044.00	25,044.00		25,044.00
NJDOT Road Program - Sycamore Lane	192,000.00		115,164.08		76,835.92
Recycling Tonnage Grant		106,978.32	106,978.32		
Safe & Secure Communities Program		120,000.00	60,000.00		60,000.00
	<u>224,044.00</u>	<u>336,149.43</u>	<u>385,913.51</u>	<u>-</u>	<u>174,279.92</u>
Total State Grants					
	<u>224,044.00</u>	<u>336,149.43</u>	<u>385,913.51</u>	<u>-</u>	<u>174,279.92</u>
Private Grants					
JIF Safety Incentive Program		8,725.00	8,725.00		
Stewart Trust Grant		175,000.00	175,000.00		
	<u>-</u>	<u>183,725.00</u>	<u>183,725.00</u>		<u>-</u>
Total Private Grants					
	<u>-</u>	<u>183,725.00</u>	<u>183,725.00</u>		<u>-</u>
	<u>\$ 307,545.39</u>	<u>\$ 549,598.94</u>	<u>\$ 665,770.23</u>	<u>\$ 266.78</u>	<u>\$ 191,107.32</u>
Cash Receipts					
Federal and State Grants Receivable			\$ 665,770.23		
				\$ 266.78	
			<u>\$ 665,770.23</u>	<u>\$ 266.78</u>	

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

<u>Program</u>	<u>Balance Dec. 31, 2016</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Revenue in 2017 Budget</u>	<u>Balance Dec. 31, 2017</u>
Federal Grants:				
Bulletproof Vest Fund		\$ 7,664.51	\$ 7,664.51	
Click It or Ticket		4,180.00	4,180.00	
Cops In Shops		5,320.00	5,320.00	
Drive Sober or Get Pulled Over - Labor Day		7,500.00	7,500.00	
Distracted Driving Grant		5,060.00	5,060.00	
Total Federal Grants	-	29,724.51	29,724.51	-
State Grants:				
Alcohol Education, Rehabilitation and Enforcement Fund		2,895.30	2,895.30	
Body Armor Fund		6,124.16	6,124.16	
Clean Communities Program		62,707.65	62,707.65	
Emergency Management Assistance Grant		9,400.00	9,400.00	
Green Communities Grant		3,000.00	3,000.00	
Municipal Alliance Grant		25,044.00	25,044.00	
Recycling Tonnage Grant		106,978.32	52,081.06	\$ 54,897.26
Safe & Secure Communities Program		120,000.00	120,000.00	
Total State Grants	-	336,149.43	281,252.17	54,897.26
Private Grants:				
JIF Safety Incentive Program	\$ 4,500.00	8,725.00	13,225.00	
Stewart Trust Grant		175,000.00	175,000.00	
	4,500.00	183,725.00	188,225.00	-
	\$ 4,500.00	\$ 549,598.94	\$ 499,201.68	\$ 54,897.26

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

Program	Balance Dec. 31, 2016		Transferred From 2017 Budget Appropriation	Disbursed	Encumbered	Cancelled	Balance Dec. 31, 2017
	Appropriated	Encumbered					
Federal Grants:							
Bulletproof Vest Funds - 2015	\$ 5,273.95			\$ 5,273.95			
Bulletproof Vest Funds - 2016	7,412.00			341.59	\$ 921.00		\$ 6,149.41
Bulletproof Vest Funds - 2017			\$ 7,664.51				7,664.51
Click It or Ticket			4,180.00	4,180.00			
Community Development Block Grants:							
Kelly Drive		\$ 50,000.00		50,000.00			
Cops In Shops			5,320.00	1,800.00			3,520.00
Distracted Driving Grant			5,060.00	5,060.00			
Drive Sober or Get Pulled Over - Holiday 2016	2,000.00			1,800.00		\$ 200.00	
Drive Sober or Get Pulled Over - Labor Day 2017			7,500.00	7,260.00		240.00	
US Marshall's Joint Task Force - 2016	12,499.83			12,473.05		26.78	
Total Federal Grants	27,185.78	50,000.00	29,724.51	88,188.59	921.00	466.78	17,333.92
State Grants:							
Alcohol, Education, Rehabilitation and Enforcement Grant	11,014.50		2,895.30				13,909.80
Body Armor Grant - 2015	2,444.97			2,444.97			
Body Armor Grant - 2016	5,712.91			341.59	921.00		4,450.32
Body Armor Grant - 2017			6,124.16				6,124.16
Clean Communities Program - 2015	24,607.73			7,190.88	17,416.85		
Clean Communities Program - 2016	70,361.68			5,438.78	18,652.80		46,270.10
Clean Communities Program - 2017			62,707.65	6,479.40			56,228.25
Drunk Driving Enforcement Fund - 2015	5.51			5.51			
Drunk Driving Enforcement Fund - 2016	8,582.38			7,674.49			907.89
Emergency Management Assistance Grant - 2016	7,000.00			7,000.00			
Emergency Management Assistance Grant - 2017			9,400.00				9,400.00
Green Communities Grant			3,000.00				3,000.00
Municipal Alliance Grant - July 2016-June 2017	21,974.45	1,269.74		23,244.19			0.00
Municipal Alliance Grant - July 2017-June 2018			31,305.00	4,841.01	961.39		25,502.60
NJDOT Road Program - Sycamore Lane	192,000.00				153,552.10		38,447.90
Recycling Tonnage Grant - 2016	8,729.64	42,783.00		42,783.00	8,729.64		
Recycling Tonnage Grant - 2017			52,081.06		35,425.59		16,655.47
Safe & Secure Communities Program			120,000.00	60,000.00			60,000.00
Total State Grants	352,433.77	44,052.74	287,513.17	167,443.82	235,659.37	-	280,896.49

(Continued)

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

Program	Balance Dec. 31, 2016		Transferred From 2017 Budget Appropriation	Disbursed	Encumbered	Cancelled	Balance Dec. 31, 2017
	Appropriated	Encumbered					
Private Grants:							
JIF Safety Incentive Program	\$ 1,594.93	\$ 8,692.75	\$ 13,225.00	\$ 14,539.52			\$ 8,973.16
Stewart Trust Grant			175,000.00	175,000.00			
Total Private Grants	<u>1,594.93</u>	<u>8,692.75</u>	<u>188,225.00</u>	<u>189,539.52</u>	<u>-</u>	<u>-</u>	<u>8,973.16</u>
	<u>\$ 381,214.48</u>	<u>\$ 102,745.49</u>	<u>\$ 505,462.68</u>	<u>\$ 445,171.93</u>	<u>\$ 236,580.37</u>	<u>\$ 466.78</u>	<u>\$ 307,203.57</u>
Realized as Revenue in Budget			\$ 499,201.68				
Local Match - Due from Current Fund			6,261.00				
Federal and State Grants Receivable						\$ 266.78	
Due Current Fund						<u>200.00</u>	
			<u>\$ 505,462.68</u>			<u>\$ 466.78</u>	

SUPPLEMENTAL EXHIBITS

TRUST FUNDS

TOWNSHIP OF DEPTFORD
TRUST FUND
Statement of Trust Cash - Chief Financial Officer
For the Year Ended December 31, 2017

	<u>Animal Control</u>	<u>Other Trust</u>
Balance December 31, 2016	\$ 13,580.39	\$ 3,938,182.38
Increased by Receipts:		
Animal Control Fees	\$ 7,072.00	
Due Current Fund		\$ 2,048.74
Due to State of New Jersey - Animal Control	1,803.00	
Miscellaneous Trust Reserves		<u>14,754,593.03</u>
	<u>8,875.00</u>	<u>14,756,641.77</u>
	22,455.39	18,694,824.15
Decreased by Disbursements:		
Animal Control Expenses	4,958.32	
Due Current Fund	178.19	556.83
Due to State of New Jersey - Animal Control	1,803.00	
Miscellaneous Trust Reserves		<u>14,500,781.67</u>
	<u>6,939.51</u>	<u>14,501,338.50</u>
Balance December 31, 2017	\$ <u><u>15,515.88</u></u>	\$ <u><u>4,193,485.65</u></u>

TOWNSHIP OF DEPTFORD
TRUST FUND
Statement of Trust Cash - Collector
For the Year Ended December 31, 2017

Balance December 31, 2016		\$	502,098.21
Increased by Receipts:			
Deposits for Redemption of Tax Sale Certificates	\$	755,612.33	
Tax Premiums Collected		741,600.00	
Due Current Fund		<u>671.64</u>	
			<u>1,497,883.97</u>
			1,999,982.18
Decreased by Disbursements:			
Refunds Tax Sale Certificates Redeemed		749,276.59	
Tax Premiums Returned		648,100.00	
Due Current Fund		<u>739.65</u>	
			<u>1,398,116.24</u>
Balance December 31, 2017		\$	<u><u>601,865.94</u></u>

TOWNSHIP OF DEPTFORD
TRUST FUND
Statement of Due to Current Fund - Animal Control Fund
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 178.19
Decreased by:	
Cash Disbursement	\$ <u>178.19</u>

TOWNSHIP OF DEPTFORD
TRUST FUND
Statement of Due to State of New Jersey - Department of Health
For the Year Ended December 31, 2017

Increased by:	
2017 State License Fees	\$ 1,803.00
Decreased by:	
Disbursements to the State	\$ <u>1,803.00</u>

TOWNSHIP OF DEPTFORD
TRUST FUND
Statement of Reserve for Animal Control Fund Expenditures
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 13,402.20
Increased by:		
Dog License Fees Collected		<u>7,072.00</u>
		20,474.20
Decreased by:		
Dog License Expenses	\$ 4,958.32	
Change in Encumbrances Payable	<u>1,414.59</u>	
		<u>6,372.91</u>
Balance December 31, 2017		<u><u>\$ 14,101.29</u></u>

<u>License Fees Collected</u>	
<u>Year</u>	<u>Amount</u>
2015	\$ 8,486.00
2016	<u>7,172.80</u>
	<u><u>\$ 15,658.80</u></u>

TOWNSHIP OF DEPTFORD
TRUST FUND
Statement of Due Current Fund - Trust Other Fund
For the Year Ended December 31, 2017

Balance December 31, 2016		\$	1,369.13
Increased by:			
Cash Disbursements - Treasurer	\$	556.83	
Cash Disbursements - Collector		739.65	
Appropriated in Current Fund Budget		200,000.00	
Miscellaneous Reserve Adjustments		<u>3,570.75</u>	
			<u>204,867.23</u>
			206,236.36
Decreased by:			
Cash Receipts - Treasurer		2,048.74	
Cash Receipts - Collector		671.64	
Miscellaneous Reserve Adjustments		<u>560.05</u>	
			<u>3,280.43</u>
Balance December 31, 2017		\$	<u><u>202,955.93</u></u>

TOWNSHIP OF DEPTFORD
TRUST - OTHER FUND
Statement of Miscellaneous Trust Reserves
For the Year Ended December 31, 2017

	Balance Dec. 31, 2016	Increased by Receipts	Current Fund	Decreased by Disbursements	Reserve for Encumbrances	Due Current Fund	Balance Dec. 31, 2017
Payroll Deductions Payable	\$ 6,535.88	\$ 5,772,409.16	\$ 3,570.75	\$ 5,771,095.11			\$ 11,420.68
Community Police Donations	12,170.93	15,074.70		7,538.59	\$ 33.76		19,673.28
Compensated Sick Fund	334,763.96	135,766.88	100,000.00	82,380.43			488,150.41
Curb and Sidewalk Deposits	19,962.66	300.00					20,262.66
Donations - Recreation	226,433.19	15,967.90		18,664.66	6,524.66		217,211.77
Escrow Deposits	1,030,955.34	441,640.91		754,466.69	7,580.29		710,549.27
Federal Forfeited Funds	6,444.64	4,248.96		935.96	(944.40)		10,702.04
Flexible Spending Account	4,046.71	13,932.18		15,182.97	(120.89)		2,916.81
Housing Impact Trust Fund	1,094,623.32	357,585.87					1,452,209.19
Multiple Dwelling Emergency Commission	55,876.39	11.29					55,887.68
Municipal Forfeited Funds	36,208.87	11,910.07		24,707.50	(1,519.30)		24,930.74
Net Pay		7,105,473.60		7,105,473.60			
Outside Employment of Police	13,081.17	530,304.50		535,922.00			7,463.67
Police Seized Evidence	37,619.12	10,199.62		1,555.13			46,263.61
Public Defender Fund	130.00	11,770.00		7,148.00	(200.00)		4,952.00
Recreation Commission	118,274.69	135,162.56		109,969.29	(6,736.41)		150,204.37
Program Escrow Recycling	93,382.67	4,781.95		15,382.50	(2,637.00)		85,419.12
Storm Recovery	156,450.83	92,390.66	100,000.00	5,342.41	(5,295.00)		348,794.08
Street Opening Deposits	585,681.75	61,438.79		19,799.00	978.00		626,343.54
Tax Sale Premiums	474,500.00	741,600.00		648,100.00			568,000.00
Redemption of Tax Sale Certificates	27,475.43	755,612.33		749,276.59		\$ 560.05	33,251.12
Unemployment Compensation Insurance Trust	64,088.24	34,199.43		23,987.83			74,299.84
P.O.A.A.	520.00	24.00					544.00
Veteran's Commission	2,292.43			1,230.00			1,062.43
Encumbrances Payable	40,131.50				2,336.29		37,795.21
	<u>\$ 4,441,649.72</u>	<u>\$ 16,251,805.36</u>	<u>\$ 203,570.75</u>	<u>\$ 15,898,158.26</u>	<u>\$ -</u>	<u>\$ 560.05</u>	<u>\$ 4,998,307.52</u>
Treasurer		\$ 14,754,593.03		\$ 14,500,781.67			
Tax Collector		1,497,212.33		1,397,376.59			
		<u>\$ 16,251,805.36</u>		<u>\$ 15,898,158.26</u>			

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
Statement of General Capital Cash - Chief Financial Officer
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 2,879,576.87
Increased by Receipts:		
Bond Anticipation Notes Issued	\$ 2,016,280.00	
Community Development Block Grants Receivable	50,000.00	
State Road Aid Receivable	192,133.05	
Capital Improvement Fund	<u>200,000.00</u>	
		<u>2,458,413.05</u>
		5,337,989.92
Decreased by Disbursements:		
Improvement Authorizations	1,577,939.00	
Reserve for the Payment of Debt	743,606.50	
Contracts Payable	561,329.88	
Reserve for Encumbrances	<u>27,482.97</u>	
		<u>2,910,358.35</u>
Balance December 31, 2017		<u><u>\$ 2,427,631.57</u></u>

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

	Balance Dec. 31, 2016	Receipts		Disbursements		Transfers		Balance Dec. 31, 2017
		Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Fund Balance	\$ 31,813.61							\$ 31,813.61
Capital Improvement Fund	193,905.08		\$ 200,000.00			\$ 106,120.00		287,785.08
Reserve for Encumbrances	44,222.97				\$ 27,482.97		\$ 101,604.83	118,344.83
Reserve for Contracts	605,588.57				561,329.88	13,928.73	304,986.56	335,316.52
Reserve for Payment of Debt Service	743,606.50				743,606.50			
<u>Improvement Authorizations:</u>								
<u>Ordinance</u>								
<u>Number</u>								
19-2007 Purchase of Open Space Property								
Almonesson Lake Dam	58,175.20							58,175.20
16-2008 Improvements to Municipal Restrooms	24,940.00							24,940.00
15-2009 Improvements to Deptford Center Road	27,586.63					27,586.63		
Construction of Municipal Restroom Facility	50,000.00							50,000.00
15-2010 Acquisition of Technology Equipment	13,562.02			\$ 13,562.02				
11-2011 Reconst and Restoration of Various Rds.	6,094.00					6,094.00		
6-2013 Reconst/Resurfacing of Various Roadways	121,256.50			121,284.55			28.05	0.00
1-2014 Various Impts to Pole Barn at Public Works	4,360.28					4,360.28		
Various Impts to Fasola Park	12,305.94			7,305.94		2,668.00		2,332.00
12-2014 Various Road Improvements						170.00	11,625.00	11,455.00
7-2015 Reconst and Restoration of Various Roadways	611,353.89			48,877.81		296,524.38	2,275.68	268,227.38
Reconstruction of Marion Ave. Phase III	26,183.65		64,633.05	20,819.31				69,997.39
Reconstruction of Niland Ave.	12,483.72					12,483.72		
Reconstruction of Trilby Ave.	6,153.15					6,153.15		
Various Improvements to Twp Parks	25,750.39			5,000.00		4,320.00		16,430.39
Various Improvements to Twp Property	88,726.66			12,177.89				76,548.77
17-2015 Acquisition of Real Property	23,841.02			15,191.02				8,650.00
2-2016 Acquisition of Veterans Memorial Addition	5,840.31			730.00				5,110.31
3-2016 Reconst and Restoration of Various Roadways	53,197.40			47,462.57		3,610.50		2,124.33
Reconstruction of Florence Ave.	55,714.30		127,500.00	225,714.30				(42,500.00)
Reconstruction of Highland Ave.	(28,846.55)		50,000.00	3,813.95				17,339.50
Various Recreational Improvements	45,038.88			24,078.59				20,960.29
Acquisition of Public Works Equipment	16,722.75			12,671.88				4,050.87
4-2017 Acquisition and Installation of Various Playground and Recreation Equipment				55,082.07		1,595.71	56,677.78	
5-2017 Reconstruction / Repaving of Various Roads		\$ 1,467,750.00		907,507.49		90,917.51	77,250.00	546,575.00
Various Improvements to Fasola Park		266,000.00					14,000.00	280,000.00
Various Improvements at Andaloro Farm		95,000.00		19,020.21			5,000.00	80,979.79
Various Recreational Improvements		187,530.00		37,639.40		6,785.29	9,870.00	152,975.31
	<u>\$ 2,879,576.87</u>	<u>\$ 2,016,280.00</u>	<u>\$ 442,133.05</u>	<u>\$ 1,577,939.00</u>	<u>\$ 1,332,419.35</u>	<u>\$ 583,317.90</u>	<u>\$ 583,317.90</u>	<u>\$ 2,427,631.57</u>

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

Balance December 31, 2016		\$	6,188,531.08
Decreased by:			
Budget Appropriation to Pay:			
General Serial Bonds	\$	2,095,000.00	
Green Trust Loan Payable		<u>37,507.10</u>	
			<u>2,132,507.10</u>
Balance December 31, 2017		\$	<u><u>4,056,023.98</u></u>

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2016	2017 Authorizations	Notes Paid by Budget Appropriation	Reappropriation	Balance Dec. 31, 2017	Analysis of Balance Dec. 31, 2017
							Financed by Notes
5-2012	Various Capital Improvements						
	Acq of Tech Equipment for Various Dept.	\$ 38,000.00		\$ 38,000.00		-	-
	Renov/Replace of Public Works Garage	75,000.00		75,000.00		-	-
	Acq and Replace of HVAC System Muni Bldgs	155,150.00		155,150.00		-	-
	Construction of Oak Valley Veterans Park	19,000.00		19,000.00		-	-
20-2012	Various Capital Improvements						
	Reconst/Resurfacing of Various Roadways	525,850.00		525,850.00		-	-
6-2013	Various Capital Improvements						
	Reconst/Resurfacing of Various Roadways	722,950.00		65,200.00		\$ 657,750.00	\$ 657,750.00
	Reconstruction of Turkey Hill Road	216,600.00				216,600.00	216,600.00
	Various Impts to Almonesson Road Bike Path	165,851.00				165,851.00	165,851.00
	Various Impts to Fasola Park Walking Path	134,817.00				134,817.00	134,817.00
	Reconst/Restoration of Asbury Ave.	8,014.00				8,014.00	8,014.00
	Reconst/Restoration of Village Blvd Ramps	32,119.00				32,119.00	32,119.00
18-2015	Acquisition of Real Property	141,799.00				141,799.00	141,799.00
1-2014	Various Capital Improvements						
	Various Impts to Veteran's Park	28,500.00		19,900.00		8,600.00	8,600.00
	Various Impts to Pole Barn at Public Works	194,750.00			\$ (4,360.28)	190,389.72	190,389.72
	Various Impts to Fasola Park	342,000.00				342,000.00	342,000.00
	Acquisition of Real Property	522,500.00				522,500.00	522,500.00
12-2014	Various Capital Improvements						
	Various Road Improvements	1,311,000.00		77,700.00		1,233,300.00	1,233,300.00
	Various Improvements Fasola Park Paths/Roads	313,500.00				313,500.00	313,500.00
14-2014	Acquisition of Various Equip for EMS	93,000.00		93,000.00		-	

(Continued)

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2016	2017 Authorizations	Notes Paid by Budget Appropriation	Reappropriation	Balance Dec. 31, 2017	Analysis of Balance Dec. 31, 2017
							Financed by Notes
7-2015	Various Capital Improvements						
	Reconst. and Restoration of Various Roadways	\$ 1,785,894.00				\$ 1,785,894.00	\$ 1,785,894.00
	Reconstruction of Marion Ave. Phase III	98,442.00				98,442.00	98,442.00
	Reconstruction of Niland Ave.	91,574.00			\$ (12,483.72)	79,090.28	79,090.28
	Reconstruction of Trilby Ave.	47,607.00			(6,153.15)	41,453.85	41,453.85
	Various Improvements to Twp Parks	109,250.00				109,250.00	109,250.00
	Various Improvements to Twp Property	160,550.00				160,550.00	160,550.00
17-2015	Acquisition of Real Property	1,282,500.00		\$ 743,700.00		538,800.00	538,800.00
3-2016	Various Capital Improvements						
	Reconst. and Restoration of Various Roadways	1,370,850.00				1,370,850.00	1,370,850.00
	Reconstruction of Florence Ave.	69,739.00				69,739.00	69,739.00
	Reconstruction of Highland Ave.	57,255.00				57,255.00	57,255.00
	Various Recreational Improvements	261,250.00				261,250.00	261,250.00
	Acquisition of Public Works Equipment	194,750.00				194,750.00	194,750.00
4-2017	Acquisition and Installation of Various Playground and Recreation Equipment				22,997.15	22,997.15	22,997.15
5-2017	Various Capital Improvements						
	Reconstruction / Repaving of Various Roads		\$ 1,467,750.00			1,467,750.00	1,467,750.00
	Various Improvements to Fasola Park		266,000.00			266,000.00	266,000.00
	Various Improvements at Andaloro Farm		95,000.00			95,000.00	95,000.00
	Various Recreational Improvements		187,530.00			187,530.00	187,530.00
		<u>\$ 10,570,061.00</u>	<u>\$ 2,016,280.00</u>	<u>\$ 1,812,500.00</u>	<u>\$ -</u>	<u>\$ 10,773,841.00</u>	<u>\$ 10,773,841.00</u>

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
Statement of State Aid Road Receivable
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 234,633.05
Decreased by:	
Cash Receipts	<u>192,133.05</u>
Balance December 31, 2017	\$ <u>42,500.00</u>
Analysis:	
New Jersey Department of Transportation - Florence Ave.	\$ <u>42,500.00</u>

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

Balance December 31, 2016	\$ 50,000.00
Decreased by:	
Cash Receipts	\$ <u>50,000.00</u>

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

Balance December 31, 2016	\$ 44,222.97
Increased by:	
Improvement Authorizations	<u>101,604.83</u>
	145,827.80
Decreased by:	
Cash Disbursements	<u>27,482.97</u>
Balance December 31, 2017	<u>\$ 118,344.83</u>

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
Statement of Contracts Payable
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 605,588.57
Increased by:		
Improvement Authorizations		<u>304,986.56</u>
		910,575.13
Decreased by:		
Disbursements	\$ 561,329.88	
Canceled	<u>13,928.73</u>	
		<u>575,258.61</u>
Balance December 31, 2017		<u><u>\$ 335,316.52</u></u>

Exhibit SC-9

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

Balance December 31, 2016		\$ 193,905.08
Increased by:		
Budget Appropriation		<u>200,000.00</u>
		393,905.08
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>106,120.00</u>
Balance December 31, 2017		<u><u>\$ 287,785.08</u></u>

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

Ordinance Number	Improvement Description	Ordinance		Balance December 31, 2016		2017 Authorizations	Payables Cancelled	Paid or Charged	Balance December 31, 2017	
		Date	Amount	Funded	Unfunded				Funded	Unfunded
19-2007	Various Capital Improvements: Almonesson Lake Dam	10/15/07	\$ 65,000	\$ 58,175.20					\$ 58,175.20	
16-2008	Various Capital Improvements: Improvements to Municipal Restrooms	10/20/08	25,000	24,940.00					24,940.00	
15-2009	Various Capital Improvements Improvements to Deptford Center Road	11/9/09	330,000	27,586.63		\$ (27,586.63)				
	Construction of Municipal Restroom Facility	11/9/09	50,000	50,000.00					50,000.00	
15-2010	Acquisition of Technology Equipment	10/4/10	40,000	13,562.02				\$ 13,562.02		
11-2011	Various Capital Improvements Reconst. and Restoration of Various Roadways	7/11/11	780,000	6,094.00		(6,094.00)				
6-2013	Various Capital Improvements Reconst/Resurfacing of Various Roadways	4/15/13	761,000		\$ 121,256.50		\$ 28.05	121,284.55		
1-2014	Various Capital Improvements Various Impts to Pole Barn at Public Works	2/25/14	205,000		4,360.28	(4,360.28)				
	Various Improvements to Fasola Park	2/25/14	360,000		12,305.94			9,973.94	\$ 2,332.00	
12-2014	Various Capital Improvements Various Improvements Fasola Park Paths/Roads	5/19/14	330,000				11,625.00	170.00		11,455.00
7-2015	Various Capital Improvements Reconst. and Restoration of Various Roadways	3/16/15	1,879,888		611,353.89		2,275.68	345,402.19		268,227.38
	Reconstruction of Marion Ave. Phase III	3/16/15	283,623		90,816.70			20,819.31		69,997.39
	Reconstruction of Niland Ave.	3/16/15	146,394		12,483.72	(12,483.72)				
	Reconstruction of Trilby Ave.	3/16/15	100,112		6,153.15	(6,153.15)				
	Various Improvements to Twp Parks	3/16/15	115,000		25,750.39			9,320.00		16,430.39
	Various Improvements to Twp Property	3/16/15	169,000		88,726.66			12,177.89		76,548.77
17-2015	Acquisition of Real Property	7/6/15	1,350,000		23,841.02			15,191.02		8,650.00
2-2016	Various Capital Improvements Acquisition of Veterans Memorial Addition	2/22/16	25,000	5,840.31				730.00	5,110.31	
3-2016	Various Capital Improvements Reconst. and Restoration of Various Roadways	2/22/16	1,443,000		53,197.40			51,073.07		2,124.33
	Reconstruction of Florence Ave.	2/22/16	243,409		225,714.30			225,714.30		
	Reconstruction of Highland Ave.	2/22/16	110,268		21,153.45			3,813.95		17,339.50
	Various Recreational Improvements	2/22/16	275,000		45,038.88			24,078.59		20,960.29
	Acquisition of Public Works Equipment	2/22/16	205,000		16,722.75			12,671.88		4,050.87
4-2017	Acquisition and Installation of Various Playground and Recreation Equipment	2/27/17	56,678			56,677.78		56,677.78		

(Continued)

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

Ordinance Number	Improvement Description	Ordinance		Balance December 31, 2016		2017 Authorizations	Payables Cancelled	Paid or Charged	Balance December 31, 2017	
		Date	Amount	Funded	Unfunded				Funded	Unfunded
5-2017	Various Capital Improvements:									
	Reconstruction / Repaving of Various Roads	2/27/17	\$ 1,545,000			\$ 1,545,000.00		\$ 998,425.00	\$	546,575.00
	Various Improvements to Fasola Park	2/27/17	280,000			280,000.00				280,000.00
	Various Improvements at Andaloro Farm	2/27/17	100,000			100,000.00		19,020.21		80,979.79
	Various Recreational Improvements	2/27/17	197,400			197,400.00		44,424.69		152,975.31
				<u>\$ 186,198.16</u>	<u>\$ 1,358,875.03</u>	<u>\$ 2,122,400.00</u>	<u>\$ 13,928.73</u>	<u>\$ 1,984,530.39</u>	<u>\$ 138,225.51</u>	<u>\$ 1,558,646.02</u>
	Capital Improvement Fund					\$ 106,120.00				
	Deferred Charges to Future Taxation - Unfunded					2,016,280.00				
	Cash Disbursements							\$ 1,577,939.00		
	Contracts Payable						\$ 13,928.73	304,986.56		
	Encumbrances Payable							101,604.83		
						<u>\$ 2,122,400.00</u>	<u>\$ 13,928.73</u>	<u>\$ 1,984,530.39</u>		

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

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Maturity Date	Interest Rate	Balance Dec. 31, 2016	Increased	Decreased	Balance Dec. 31, 2017
5-2012	Various Capital Improvements	01/24/13	01/14/16	01/13/17	2.00%	\$ 287,150.00		\$ 287,150.00	
20-2012	Various Capital Improvements	01/24/13	01/14/16	01/13/17	2.00%	618,850.00		618,850.00	
6-2013	Various Capital Improvements	01/22/14	01/14/16 01/21/17	01/13/17 01/11/18	2.00% 1.60%	1,422,150.00	\$ 1,356,950.00	1,422,150.00	\$ 1,356,950.00
1-2014, 4-2017	Various Capital Improvements	11/17/14	11/09/16 11/06/17	11/08/17 11/05/18	0.93% 1.23%	1,087,750.00	1,067,850.00	1,087,750.00	1,067,850.00
12-2014	Various Capital Improvements	11/17/14	11/09/16 11/06/17	11/08/17 11/05/18	0.93% 1.23%	1,624,500.00	1,546,800.00	1,624,500.00	1,546,800.00
7-2015, 4-2017	Various Capital Improvements	11/13/15	11/09/16 11/06/17	11/08/17 11/05/18	0.93% 1.23%	2,293,317.00	2,293,317.00	2,293,317.00	2,293,317.00
17-2015	Acquisition of Real Property	11/13/15	11/09/16 11/06/17	11/08/17 11/05/18	0.93% 1.23%	1,282,500.00	538,800.00	1,282,500.00	538,800.00
3-2016	Various Capital Improvements	11/09/16	11/09/16 11/06/17	11/08/17 11/05/18	0.93% 1.23%	1,953,844.00	1,953,844.00	1,953,844.00	1,953,844.00
5-2017	Various Capital Improvements	11/06/17	11/06/17	11/05/18	1.23%		2,016,280.00		2,016,280.00
						<u>\$ 10,570,061.00</u>	<u>\$ 10,773,841.00</u>	<u>\$ 10,570,061.00</u>	<u>\$ 10,773,841.00</u>
							Cash Receipts	\$ 2,016,280.00	
							Budget Appropriation	\$ 1,812,500.00	
							Rollover	8,757,561.00	8,757,561.00
								<u>\$ 10,773,841.00</u>	<u>\$ 10,570,061.00</u>

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

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2016	Decreased	Balance Dec. 31, 2017
			Dec. 31, 2017					
			Date	Amount				
General Improvements	7/15/07	\$ 7,790,000.00	7/15/18	\$ 865,000.00	4.10%	\$ 1,695,000.00	\$ 830,000.00	\$ 865,000.00
Refunding Bonds	7/29/10	5,875,000.00			3.00%	845,000.00	845,000.00	-
General Improvements	9/1/11	5,200,000.00	9/1/18	440,000.00	2.00%			
			9/1/19	455,000.00	2.50%			
			9/1/20	475,000.00	2.75%			
			9/1/21	490,000.00	3.00%			
			9/1/22	510,000.00	3.00%			
			9/1/23	535,000.00	3.00%	3,325,000.00	420,000.00	2,905,000.00
						\$ 5,865,000.00	\$ 2,095,000.00	\$ 3,770,000.00

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
Statement of Green Trust Loan Payable
For the Year Ended December 31, 2017

Purpose	Date of Issue	Amount of Original Issue	Maturities of Loans Outstanding Dec. 31, 2017		Interest Rate	Balance Dec. 31, 2016	Decreased	Balance Dec. 31, 2017
			Date	Amount				
Acquisition of Land	4/3/98	\$ 300,000.00	2018	\$ 9,235.13	2.00%	\$ 27,431.98	\$ 18,196.85	\$ 9,235.13
Fasola Park Improvements	4/5/10	404,227.67	2018	19,698.39	2.00%	296,099.10	19,310.25	276,788.85
			2019	20,094.33				
			2020	20,498.22				
			2021	20,910.24				
			2022	21,330.54				
			2023	21,759.28				
			2024	22,196.64				
			2025	22,642.79				
			2026	23,097.91				
			2027	23,562.18				
			2028	24,035.78				
			2029	24,518.90				
			2030	12,443.65				
						\$ 323,531.08	\$ 37,507.10	\$ 286,023.98

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

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>2017 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>
5-2017	Various Capital Improvements	\$ <u>2,016,280.00</u>	\$ <u>2,016,280.00</u>

TOWNSHIP OF DEPTFORD
PART 2
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2017

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

Schedule of Financial Statement Findings

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

None

TOWNSHIP OF DEPTFORD
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

None

TOWNSHIP OF DEPTFORD
 Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Paul Medany	Mayor	
Thomas Hufnell	Deputy Mayor	
Kenneth Barnshaw	Councilman	
William Lamb	Councilman	
Wayne Love	Councilman	
Philip Schocklin	Councilman	
Joseph Scott	Councilman	
Robert Hatalovsky	Township Manager	
Kimberly A. Kwasizur	Director of Administration and Finance	
	Chief Financial Officer	\$1,000,000.00 (1)
Dina Zawadski	Township Clerk	
Diane Kusmanick	Tax Collector	\$1,000,000.00 (1)
Christian J. Romano	Construction Code Official	
Donald Banks	Director of Community Development	
William Golden	Judge	\$1,000,000.00 (1)
Shannon Sawyer	Court Administrator	\$1,000,000.00 (1)
Charles Fiore, Esq.	Prosecutor	
Grace, Marmero & Associates	Solicitor	
Clarke Canton Hintz	Planning Consultant	
Thomas Newman	Director of Public Works	
William Hanstein	Director of Public Safety/Police Chief	
Donna Lee	Registrar of Vital Statistics	

(1) - \$1,000,000.00 per loss is covered by Gloucester Salem Cumberland Counties Joint Insurance Fund Crime Policy and Excess Crime Policy Public Employee Bond Declarations

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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, appearing to read "Michael J. Welding", with a stylized flourish at the end.

Michael J. Welding
Certified Public Accountant
Registered Municipal Accountant