

**TOWNSHIP OF WILLINGBORO  
COUNTY OF BURLINGTON**

**REPORT OF AUDIT**

**WITH  
SUPPLEMENTARY INFORMATION**

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

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**TOWNSHIP OF WILLINGBORO**

**PART I**

**REPORT OF AUDIT OF FINANCIAL STATEMENTS**

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

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Township Council  
Township of Willingboro  
Willingboro, NJ 08046

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

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

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

### **Auditor's Responsibility**

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

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

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

## Opinions

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

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

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

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

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

### *Basis for Qualified Opinion on Governmental Accounting Standards Board (GASB) Statement 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions - Regulatory Basis*

The financial statements referred to above do not include the disclosure requirements of Governmental Accounting Standards Board (GASB) Statement 45. The amount required to be disclosed in the Township's notes to financial statements for postemployment retirement benefits, other than pensions, are not known.

### *Qualified Opinion on Regulatory Basis of Accounting*

In our opinion, as a result of the effects of the matters described in the "*Basis for Qualified Opinion on Governmental Accounting Standards Board (GASB) Statement 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions - Regulatory Basis*" paragraph, the notes to financial statements - regulatory basis are not presented for the Township of Willingboro, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2016, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

### *Unmodified Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statements referred to previously, except for the financial statement disclosures related to GASB 45 - regulatory basis, present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Willingboro, in the County of Burlington, State of New Jersey, as of December 31, 2016 and 2015, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed asset group of accounts - regulatory basis, for the year ended December 31, 2016, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

### **Emphasis of Matter**

#### *Prior Period Restatement*

As a result of a change in accounting principle, the balance of Township's Length of Service Award Program as of December 31, 2015 on the trust fund statements of assets, liabilities and reserves - regulatory basis has been recorded, as discussed in note 18 to the financial statements. Our opinion is not modified with respect to this matter.

**Other Matters***Other Information*

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2017 on our consideration of the Township of Willingboro, in the County of Burlington, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Willingboro's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Kirk N. Applegate  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
June 29, 2017

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Township Council  
Township of Willingboro  
Willingboro, NJ 08046

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 Willingboro, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated June 29, 2017. That report indicated that the Township of Willingboro's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Additionally, our report included a qualified opinion on the notes to the financial statements - regulatory basis, because the Township's financial statements do not include Governmental Accounting Standards Boards (GASB) Statement 45 required disclosures. Lastly, our report on the financial statements also included an emphasis of matter paragraph describing the restatement of trust fund statements of assets, liabilities and reserves--regulatory basis as a result of the change in reporting.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Township of Willingboro'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 Willingboro's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township of Willingboro'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 Willingboro'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 one instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and which is described in the accompanying *Schedule of Findings and Recommendations* as finding no. 2016-001.

### The Township of Willingboro's Response to Findings

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

### Purpose of this Report

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

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Kirk N. Applegate  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
June 29, 2017

## TOWNSHIP OF WILLINGBORO

## CURRENT FUND

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

<u>ASSETS</u>	<u>Ref.</u>	<u>Year 2016</u>	<u>Year 2015</u>
Regular Fund:			
Cash--Treasurer	SA-1	\$ 9,021,791.78	\$ 9,279,036.08
Cash--Change Fund	A	300.00	300.00
		<u>9,022,091.78</u>	<u>9,279,336.08</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	2,831,989.46	3,089,696.15
Tax Title Liens Receivable	SA-4	358,184.91	214,550.76
Revenue Accounts Receivable	SA-5	10,809.67	8,659.58
Other Accounts Receivable	SA-6	225,699.52	283,214.60
Special Assessment and PILOT Program Receivable	SA-7	217,911.22	152,293.56
Due from State & Federal Grant Fund	A	75,934.49	147,006.00
Due from Trust - Other Fund	SB-3	63,030.40	
Due from General Capital Fund	SC-3	1,163,388.22	630,450.31
		<u>4,946,947.89</u>	<u>4,525,870.96</u>
Deferred Charges:			
Special Emergency - Hurricane Irene	SA-9		39,646.18
Special Emergency - Compensated Absences Payment	SA-9		64,606.69
		<u>-</u>	<u>104,252.87</u>
		<u>13,969,039.67</u>	<u>13,909,459.91</u>
Federal and State Grant Fund:			
Federal Aid Receivable	SA-17	27,677.09	227,239.24
State Aid Receivable	SA-17	22,886.00	22,886.00
Local Receivables	SA-17	552,908.20	548,749.02
		<u>603,471.29</u>	<u>798,874.26</u>
		<u>\$ 14,572,510.96</u>	<u>\$ 14,708,334.17</u>

(Continued)

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

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Year 2016</u>	<u>Year 2015</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3&SA-8	\$ 1,791,382.97	\$ 1,951,580.27
Encumbrances Payable	A-3&SA-8	422,434.95	414,366.47
Due to State of New Jersey:			
Senior Citizens' and Veterans' Deductions	SA-2	47,709.81	25,209.81
Reserve for Master Plan, Codification, Revaluation and Tax Map, Compensated Absences and Hurricane	A	40,168.34	40,168.34
Payroll Deductions Payable	SA-14	117,040.83	165,061.24
Prepaid Taxes	SA-12	360,931.32	374,225.53
Tax Overpayments	SA-13	594,274.83	491,183.89
Due County for Added and Omitted Taxes	SA-15	44,920.15	15,636.55
Accounts Payable	SA-8		165,123.23
Due from Trust--Other Funds	SB-2		53,677.36
Due to State of New Jersey:			
Training Fees for New Construction	SA-10	8,315.00	10,035.00
Marriage License Fees	SA-11	1,025.00	800.00
		<u>3,428,203.20</u>	<u>3,707,067.69</u>
Reserves for Receivables and Other Assets		4,946,947.89	4,525,870.96
Fund Balance	A-1	<u>5,593,888.58</u>	<u>5,676,521.26</u>
		<u>13,969,039.67</u>	<u>13,909,459.91</u>
Federal and State Grant Fund:			
Due to Current	A	75,934.49	147,006.00
Encumbrances Payable	SA-19	44,603.10	67,215.05
Unappropriated Reserves	SA-18	88,594.30	108,040.31
Appropriated Reserves	SA-19	394,339.40	476,612.90
		<u>603,471.29</u>	<u>798,874.26</u>
		<u>\$ 14,572,510.96</u>	<u>\$ 14,708,334.17</u>

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

**TOWNSHIP OF WILLINGBORO**  
**CURRENT FUND**

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

<u>Revenue and Other Income Realized</u>	<u>Year 2016</u>	<u>Year 2015</u>
Fund Balance Utilized	\$ 2,345,000.00	\$ 300,000.00
Miscellaneous Revenues Anticipated	7,150,989.87	9,933,712.51
Receipts from Delinquent Taxes	2,490,912.18	2,198,086.80
Receipts from Current Taxes	68,055,474.85	65,401,808.13
Non-Budget Revenue	670,349.83	257,750.87
Other Credits to Income:		
Property Maintenance	29,750.63	20,058.22
Unexpended Balance of Appropriation Reserves	1,648,780.31	1,776,158.20
Liquidation of Reserves for:		
Other Accounts Receivable	57,515.08	
Due from Federal and State Grant Fund	71,071.51	
Due from PILOTs		28,302.84
Prepaid Salaries		289,512.43
Due from General Capital Fund		2,058,126.50
Due from Trust - Animal Control Fund		99.60
<b>Total Income</b>	<b>82,519,844.26</b>	<b>82,263,616.10</b>
<u>Expenditures</u>		
Budget Appropriations:		
Operations--Within "CAPS":		
Salaries and Wages	16,827,593.02	16,305,742.19
Other Expenses	11,654,399.30	11,406,557.60
Deferred Charges and Statutory Expenditures		
Municipal--Within "CAPS"	4,767,809.53	4,005,876.84
Operations--Excluded from "CAPS":		
Salaries and Wages	1,010,343.15	909,065.00
Other Expenses	1,837,486.53	2,410,299.00
Capital Improvements--Excluded from "CAPS"	428,911.05	705,650.00
Municipal Debt Service--Excluded from "CAPS"	5,181,035.98	4,561,225.02
Deferred Charges and Statutory Expenditures		
Municipal--Excluded from "CAPS"	253,952.87	282,351.12
County Taxes	6,569,286.01	6,759,690.52
Due County for Added and Omitted	44,920.15	15,636.55
Local School District Taxes	30,871,641.03	29,067,244.97
Creation of Reserve for:		
Due from Other Accounts Receivable		33,001.67
Due from Federal and State Grant Fund		114,224.99
Due from General Capital Fund	532,937.91	
Due from Trust - Other Fund	59,249.19	
Special Assessment - Debt Service	47,890.31	
Avery - PILOT	170,020.91	
Refund of Prior Year Revenues		12,075.47
<b>Total Expenditures</b>	<b>80,257,476.94</b>	<b>76,588,640.94</b>
Excess in Revenue (Carried Forward)	2,262,367.32	5,674,975.16

(Continued)

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

	<u>Year 2016</u>	<u>Year 2015</u>
Excess in Revenue (Brought Forward)	\$ 2,262,367.32	\$ 5,674,975.16
Adjustment to Income Before Fund Balance:		
Expenditures Included above which are by Statute Deferred Charges to Budget of Succeeding Year	-	-
Statutory Excess to Fund Balance	2,262,367.32	5,674,975.16
Balance Jan. 1	<u>5,676,521.26</u>	<u>301,546.10</u>
	7,938,888.58	5,976,521.26
Decreased by:		
Utilized as Revenue	<u>2,345,000.00</u>	<u>300,000.00</u>
Balance Dec. 31	<u>\$ 5,593,888.58</u>	<u>\$ 5,676,521.26</u>

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

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

	Anticipated <u>Budget</u>	Special <u>NJSA 40A:4-87</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Fund Balance Anticipated	\$ 2,345,000.00	\$ -	\$ 2,345,000.00	\$ -
Miscellaneous Revenues:				
Licenses--Clerk	13,111.00		13,424.00	313.00
Fees and Permits -- Other	270,864.00		272,051.96	1,187.96
Fines and Costs--Municipal Court	195,838.00		192,613.02	(3,224.98)
Interest and Costs on Taxes	403,538.00		421,170.66	17,632.66
Interest on Investments and Deposits	12,740.00		13,430.99	690.99
Recreation Fees	4,489.00			(4,489.00)
C.A.T.V. Franchise Fee	75,950.00		83,974.75	8,024.75
Consolidated Municipal Property Tax Relief Aid	560,005.00		560,005.00	
Energy Receipts Taxes	3,124,270.00		3,124,270.00	
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S. 40A:4-36 and N.J.A.C. 5:23-4.17) Uniform Construction Code Fees	1,061,035.00		844,326.00	(216,709.00)
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services:				
Inter-local Service Agreements With Appropriations:				
Interlocal Service Agreement--Snow Removal	71,162.00			(71,162.00)
Interlocal Service Agreement--Animal Control	141,250.00		112,500.00	(28,750.00)
Interlocal Service Agreement-Construction Code	3,600.00			(3,600.00)
Interlocal Service Agreement-Purchasing	5,000.00		5,000.00	
Reserve for Clean Communities	63,397.92		63,397.92	
Reserve for Recycling Tonnage Grant	38,417.19		38,417.19	
Reserve for Body Armor Replacement Grant	6,225.20		6,225.20	
Municipal Drug Alliance		15,475.00	15,475.00	
Summer Food Program		127,055.14	127,055.14	

(Continued)

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

	<u>Anticipated Budget</u>	<u>Special NJSA 40A:4-87</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Miscellaneous Revenues (Continued):				
Other Special Items:				
Debt Service Agreement - Renewal Realty	\$ 159,882.20		\$ 159,882.20	
Leasing of Municipal Facilities	107,072.00		113,143.46	\$ 6,071.46
Payment in Lieu of Taxes:				
Merck Medco Agreement	436,422.00			(436,422.00)
Delco	16,240.00		10,332.26	(5,907.74)
Authority Contribution Per N.J.S.A. 40A:5A-12.1	300,000.00		300,000.00	
EMS Fees	619,914.00		674,295.12	54,381.12
	<u>7,690,422.51</u>	<u>\$ 142,530.14</u>	<u>7,150,989.87</u>	<u>(681,962.78)</u>
Receipts from Delinquent Taxes	<u>2,616,273.47</u>	<u>-</u>	<u>2,490,912.18</u>	<u>(125,361.29)</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	31,324,997.20		31,870,034.75	545,037.55
Minimum Library Tax	584,444.04		584,444.04	
	<u>31,909,441.24</u>	<u>-</u>	<u>32,454,478.79</u>	<u>545,037.55</u>
Budget Totals	44,561,137.22	142,530.14	44,441,380.84	(262,286.52)
Non-Budget Revenue	-	-	670,349.83	670,349.83
Total Revenue	<u>\$ 44,561,137.22</u>	<u>\$ 142,530.14</u>	<u>\$ 45,111,730.67</u>	<u>\$ 408,063.31</u>

(Continued)

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

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	\$ 68,055,474.85
Allocated to:	
School and County Taxes	38,343,126.16
Balance for Support of Municipal Budget Appropriations	29,712,348.69
Add: Appropriation "Reserve for Uncollected Taxes"	2,742,130.10
Amount for Support of Municipal Budget Appropriations	\$ 32,454,478.79

Receipts from Delinquent Taxes

Taxes Receivable	\$ 2,487,250.36
Tax Title Liens Receivable	3,661.82
	\$ 2,490,912.18

Fees and Permits--Other:

Clerk--Other	\$ 207,768.21
Chief of Police	8,297.75
Registrar of Vital Statistics	55,986.00
	\$ 272,051.96

Analysis of Non-Budget Revenue

Police Department Records	\$ 4,831.20
Twp Asset Sales	40,842.43
Insurance Dividend	147,487.00
PILOT - Renewal	96,659.40
PILOT - Willingboro Associates LLC/The Avery	70,522.00
PILOT - Coldwell Bank Richard Ellis (CBRE)	2,913.40
LOSAP Refunds from Prior Year	12,945.42
Public Works - Property Maintenance	37,256.71
Fire Safety Penalties	22,000.00
Miscellaneous Receipts	26,306.49
	461,764.05
Due from Trust - Other Fund - Forfeiture of LOSAP Benefits	38,564.87
Special Assessment and PILOT Program Receivable	170,020.91
	\$ 670,349.83

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



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

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
<b><u>OPERATIONS--WITHIN "CAPS"</u></b>						
<b><u>General Government</u></b>						
Township Manager						
Salaries and Wages	\$ 305,952.23	\$ 200,952.23	\$ 189,582.41		\$ 11,369.82	
Other Expenses	4,600.00	40,600.00	26,667.15	\$ 12,587.75	1,345.10	
Purchasing and Technical Support						
Salaries and Wages	68,541.13	69,941.13	69,891.00		50.13	
Other Expenses	161,300.00	171,300.00	143,750.50	3,766.78	23,782.72	
Technology						
Salaries and Wages	264,035.58	270,035.58	264,953.97		5,081.61	
Other Expenses	85,000.00	85,000.00	43,092.20	3,929.49	37,978.31	
Human Resources						
Other Expenses	15,700.00	15,700.00	5,268.90	337.50	10,093.60	
Mayor and Council						
Salaries and Wages	82,113.73	82,113.73	80,552.57		1,561.16	
Other Expenses	75,300.00	75,300.00	50,181.75	11,064.00	14,054.25	
Township Clerk						
Salaries and Wages	243,967.08	247,067.08	246,978.72		88.36	
Other Expenses	41,025.00	41,025.00	11,936.40	771.00	28,317.60	
Financial Administration						
Salaries and Wages	390,607.62	359,307.62	351,631.56		7,676.06	
Other Expenses	70,340.00	70,340.00	61,732.67		8,607.33	
Audit Services						
Other Expenses	95,000.00	95,000.00	87,950.00		7,050.00	
Collection of Taxes						
Salaries and Wages	188,369.39	191,669.39	188,627.64		3,041.75	
Other Expenses	9,000.00	9,000.00	5,890.95		3,109.05	
Assessment of Taxes						
Salaries and Wages	158,884.41	166,684.41	164,219.03		2,465.38	
Other Expenses	37,525.00	37,525.00	28,343.68		9,181.32	

(Continued)

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

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>						
<u>General Government (Cont'd)</u>						
Township Attorney						
Other Expenses	\$ 360,000.00	\$ 360,000.00	\$ 293,730.13	\$ 7,856.24		\$ 58,413.63
Engineering Services and Costs						
Other Expenses	80,000.00	80,000.00	48,908.19			31,091.81
<u>Land Use Administration</u>						
Municipal Land Use Law (N.J.S.40-55D-1):						
Planning Board						
Other Expenses	6,600.00	6,600.00	2,822.00	49.50		3,728.50
Zoning Board of Adjustments						
Other Expenses	7,300.00	7,300.00	1,770.98			5,529.02
<u>Code Enforcement &amp; Administration</u>						
Construction Code						
Salaries and Wages	248,943.24	242,943.24	223,576.74			19,366.50
Other Expenses	110,500.00	151,500.00	68,449.83	47,190.54		35,859.63
Property Maintenance (Code Enforcement)						
Salaries and Wages	675,626.03	691,126.03	674,805.91			16,320.12
<u>Insurance</u>						
General Liability	1,264,035.21	1,264,035.21	1,260,482.29			3,552.92
Employee Group Health	3,404,183.18	3,234,183.18	3,224,106.43	4,626.67		5,450.08
Unemployment Insurance	100,000.00	100,000.00	2,727.32			97,272.68
<u>Public Safety</u>						
Police						
Salaries and Wages	8,261,775.47	8,261,775.47	8,221,061.11			40,714.36
Other Expenses	584,881.00	584,881.00	493,208.99	53,489.43		38,182.58

(Continued)

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

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>						
<u>Public Safety (Cont'd)</u>						
Office of Emergency Management						
Other Expenses	\$ 11,000.00	\$ 11,000.00	\$ 6,314.57	\$ 433.88	\$ 4,251.55	
First Aid Organization						
Salaries and Wages	441,600.00	421,600.00	389,234.66		32,365.34	
Other Expenses	103,500.00	103,500.00	66,965.65	18,865.42	17,668.93	
Fire						
Salaries and Wages	1,966,291.41	1,945,491.41	1,887,311.64		58,179.77	
Other Expenses	282,800.00	282,800.00	216,358.71	31,523.60	34,917.69	
Municipal Prosecutor						
Other Expenses	41,500.00	45,000.00	41,366.95		3,633.05	
<u>Public Works</u>						
Road Repairs and Maintenance						
Salaries and Wages	1,015,249.83	1,015,249.83	935,603.05		79,646.78	
Other Expenses	277,688.00	277,688.00	173,499.18	42,874.36	61,314.46	
Traffic Light Controls						
Other Expenses	10,500.00	10,500.00	7,228.69		3,271.31	
Recycling						
Salaries and Wages	20,000.00	1,000.00	640.00		360.00	
Other Expenses	12,000.00	12,000.00	9,275.34	1,800.00	924.66	
Garbage and Trash Removal - Contractual	642,000.00	691,500.00	619,117.31	64,200.76	8,181.93	
Public Buildings and Grounds						
Salaries and Wages	372,598.91	372,598.91	340,736.82		31,862.09	
Other Expenses	591,500.00	591,500.00	490,620.17	64,376.93	36,502.90	
<u>Animal Regulation</u>						
Animal Control						
Salaries and Wages	1,529.92	1,529.92	1,529.92			
Other Expenses	950.00	950.00	950.00			

(Continued)

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

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>						
<u>Other Common Operating Functions</u>						
Elder Program						
Salaries and Wages	\$ 487,065.64	\$ 530,565.64	\$ 528,561.55		\$ 2,004.09	
Other Expenses	174,406.91	184,406.91	171,985.69	\$ 6,126.85	6,294.37	
Shelter for Abused Women	15,940.00	15,940.00	15,940.00			
Celebration of Public Events						
Other Expenses	50,000.00	50,000.00	50,000.00			
<u>Parks and Recreation Functions</u>						
Recreation						
Salaries and Wages	1,252,548.97	1,269,548.97	1,226,356.79		43,192.18	
Other Expenses	159,350.00	159,350.00	114,076.04	6,669.45	38,604.51	
Accumulation Leave						
Compensation	150,000.00	250,000.00	248,672.77		1,327.23	
Sick Leave Incentive Payments	12,500.00	12,500.00	11,777.87		722.13	
<u>Utility Expenses and Bulk Purchases</u>						
Electricity	415,000.00	383,000.00	311,610.62		71,389.38	
Street Lighting	600,000.00	635,000.00	561,827.54		73,172.46	
Telephone	250,000.00	309,000.00	268,185.98	12,060.56	28,753.46	
Water and Sewer	25,000.00	15,000.00	13,877.31		1,122.69	
Gas	101,500.00	101,500.00	80,010.98		21,489.02	
Gasoline, Diesel and Oil	250,000.00	250,000.00	132,466.83		117,533.17	
Landfill/Solid Waste Disposal Costs	1,088,000.00	1,058,000.00	969,979.37		88,020.63	

(Continued)

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

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<b>OPERATIONS--WITHIN "CAPS" (CONT'D)</b>						
<u>Municipal Court</u>						
Municipal Court						
Salaries and Wages	\$ 221,392.43	\$ 223,892.43	\$ 223,480.20		\$ 412.23	
Other Expenses	18,975.00	18,975.00	9,462.47	\$ 478.78	9,033.75	
Public Defender						
Other Expenses	18,500.00	18,500.00	16,197.00		2,303.00	
<b>Total Operations including Contingent--Within "CAPS"</b>	<b>28,481,992.32</b>	<b>28,481,992.32</b>	<b>26,678,122.69</b>	<b>395,079.49</b>	<b>1,408,790.14</b>	<b>\$ -</b>
Detail:						
Salaries and Wages	16,829,593.02	16,827,593.02	16,469,785.93	-	357,807.09	-
Other Expenses	11,652,399.30	11,654,399.30	10,208,336.76	395,079.49	1,050,983.05	-
<b>DEFERRED CHARGES AND STATUTORY EXPENDITURES</b>						
<u>MUNICIPAL-- WITHIN "CAPS"</u>						
Statutory Expenditures:						
Public Employees' Retirement System	844,688.00	844,688.00	844,688.00			
Social Security System (O.A.S.I.)	1,353,551.76	1,353,551.76	1,239,620.07		113,931.69	
Police and Fireman's Retirement System of NJ						
Annual Contribution	2,056,701.00	2,056,701.00	2,056,701.00			
Volunteer Severance Incentive Program	506,368.77	506,368.77	506,368.77			
Defined Contribution Retirement Program	6,500.00	6,500.00	2,154.23		4,345.77	
	<b>4,767,809.53</b>	<b>4,767,809.53</b>	<b>4,649,532.07</b>	<b>-</b>	<b>118,277.46</b>	<b>-</b>
<b>Total General Appropriations for Municipal Purposes Within--"CAPS"</b>	<b>33,249,801.85</b>	<b>33,249,801.85</b>	<b>31,327,654.76</b>	<b>395,079.49</b>	<b>1,527,067.60</b>	<b>-</b>
<b>OPERATIONS EXCLUDED FROM "CAPS"</b>						
<u>Mandated Expenditures Per N.J.S.A.40A:4-45.3g</u>						
<u>Excluded from "CAPS"</u>						
Employee Group Health	56,982.00	56,982.00	56,982.00			
Length of Services Awards Program	22,320.00	22,320.00	22,250.00		70.00	
Maintenance of Free Public Library	1,355,000.00	1,355,000.00	1,355,000.00			

(Continued)

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

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>OPERATIONS EXCLUDED FROM "CAPS" (CONT'D)</u>						
<u>Mandated Expenditures Per N.J.S.A.40A:4-45.3g</u>						
<u>Excluded from "CAPS" (Cont'd)</u>						
N.J.S.A. 40A:4-45.3(cc):						
NJPDES/Stormwater General Permits						
Salaries and Wages	\$ 775,825.23	\$ 775,825.23	\$ 625,499.04		\$ 150,326.19	
Other Expenses	162,250.00	162,250.00	53,937.24	\$ 24,469.63	83,843.13	
<u>Interlocal Services Agreement</u>						
Snow Removal						
Salaries and Wages	45,000.00	45,000.00	45,000.00			
Other Expenses	26,162.00	26,162.00	24,300.33	1,861.67		
Animal Control						
Salaries and Wages	122,250.00	122,250.00	103,739.22		18,510.78	
Other Expenses	19,000.00	19,000.00	6,509.62	1,024.16	11,466.22	
Purchasing and Technical Support						
Salaries and Wages	5,000.00	5,000.00	5,000.00			
Construction Code						
Salaries and Wages	3,600.00	3,600.00	3,600.00			
<u>State and Federal Programs Offset by Revenues</u>						
Reserve for Clean Communities Grant	63,397.92	63,397.92	63,397.92			
Reserve for Recycling Tonnage Grant	38,417.19	38,417.19	38,417.19			
Reserve for Body Armor Replacement Grant	6,225.20	6,225.20	6,225.20			
Municipal Drug Alliance Township Match	3,870.00	3,870.00	3,870.00			
Municipal Alliance Grant						
(N.J.S.A. 40A:4-87, \$15,475.00+)		15,475.00	15,475.00			
Summer Food Program						
(N.J.S.A. 40A:4-87, \$127,055.14+)		127,055.14	127,055.14			
Total Operations--Excluded from "CAPS" (Carried Forward)	2,705,299.54	2,847,829.68	2,556,257.90	27,355.46	264,216.32	\$ -

(Continued)

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

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<u>OPERATIONS EXCLUDED FROM "CAPS" (CONT'D)</u>						
Total Operations--Excluded from "CAPS" (Brought Forward)	\$ 2,705,299.54	\$ 2,847,829.68	\$ 2,556,257.90	\$ 27,355.46	\$ 264,216.32	\$ -
Detail:						
Salaries and Wages	1,010,343.15	1,010,343.15	841,506.18	-	168,836.97	-
Other Expenses	1,694,956.39	1,837,486.53	1,714,751.72	27,355.46	95,379.35	-
<u>CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"</u>						
Capital Improvement Fund	170,650.00	170,650.00	170,650.00			
Emergency Road Reconstruction	258,261.05	258,261.05	258,162.00		99.05	
Total Capital Improvements--Excluded from "CAPS"	428,911.05	428,911.05	428,812.00	-	99.05	-
<u>MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"</u>						
Payment of Bond Principal	3,825,000.00	3,825,000.00	3,825,000.00			
Interest on Bonds	1,133,563.96	1,133,563.96	1,133,558.89			5.07
Burlington County Improvement Authority Lease Principal	120,000.00	120,000.00	120,000.00			
Burlington County Improvement Authority Lease Interest	42,350.00	42,350.00	42,349.24			0.76
NJEIT Loan Principal	39,996.60	39,996.60	39,996.60			
NJEIT Loan Interest	20,131.25	20,131.25	20,131.25			
Total Municipal Debt Service--Excluded from "CAPS"	5,181,041.81	5,181,041.81	5,181,035.98	-	-	5.83
<u>DEFERRED CHARGES -- MUNICIPAL -- EXCLUDED FROM "CAPS"</u>						
Deferred Charges:						
Special Emergency Authorizations - 5 Years	104,252.87	104,252.87	104,252.87			
Deferred Charges to Future Taxation Unfunded	149,700.00	149,700.00	149,700.00			
Total Deferred Charges - Municipal - Excluded from "CAPS"	253,952.87	253,952.87	253,952.87	-	-	-

(Continued)

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

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance Canceled</u>
Total General Appropriations for Municipal Purposes--Excluded from "CAPS"	\$ 8,569,205.27	\$ 8,711,735.41	\$ 8,420,058.75	\$ 27,355.46	\$ 264,315.37	\$ 5.83
Subtotal General Appropriations	41,819,007.12	41,961,537.26	39,747,713.51	422,434.95	1,791,382.97	5.83
Reserve for Uncollected Taxes	2,742,130.10	2,742,130.10	2,742,130.10	-	-	-
Total General Appropriations (Carried Forward)	<u>\$ 44,561,137.22</u>	<u>\$ 44,703,667.36</u>	<u>\$ 42,489,843.61</u>	<u>\$ 422,434.95</u>	<u>\$ 1,791,382.97</u>	<u>\$ 5.83</u>
Adopted Budget		\$ 44,561,137.22				
Appropriation by 40A:4-87		<u>142,530.14</u>				
		<u>\$ 44,703,667.36</u>				
Deferred Charges:						
Special Emergency--Hurricane Irene			\$ 39,646.18			
Special Emergency--Compensated Absences			64,606.69			
Due to General Capital Fund			263,792.00			
Reserve for Uncollected Taxes			2,742,130.10			
Reserve for Federal and State Grants			254,440.45			
Payroll Deductions Payable			8,840,380.20			
Disbursed			<u>30,284,847.99</u>			
			<u>\$ 42,489,843.61</u>			

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



**TOWNSHIP OF WILLINGBORO**  
**TRUST FUND**

Statements of Assets, Liabilities and Reserves -- Regulatory Basis  
For the Years Ended December 31, 2016 and 2015

<u>ASSETS</u>	<u>Ref.</u>	<u>Year 2016</u>	<u>(Restated)</u> <u>Year 2015</u>
Animal Control Fund:			
Cash--Treasurer	SB-1	\$ 7.20	\$ 44.80
Change Fund--Township Clerk	B	50.00	50.00
Due from Trust Other Funds	SB-3	13,069.22	7,771.00
		<u>13,126.42</u>	<u>7,865.80</u>
Other Funds:			
Cash--Treasurer	SB-1	4,126,359.28	3,529,304.49
Investments - Length of Service Awards Program	SB-2	339,690.03	348,577.11
Due from Current Fund	SB-4		36,950.73
		<u>4,466,049.31</u>	<u>3,914,832.33</u>
		<u>\$ 4,479,175.73</u>	<u>\$ 3,922,698.13</u>
 <u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Due to State of New Jersey	SB-6	\$ 1.20	\$ 16.80
Reserve for Animal Control Expenditures	SB-5	13,125.22	7,849.00
		<u>13,126.42</u>	<u>7,865.80</u>
Other Funds:			
Due to Animal Control Fund	SB-3	13,069.22	7,771.00
Due to Current Fund	SB-4	63,030.40	
Deposits for Redemption of Tax Title Lien Certificates and Premiums	SB-7	3,223,560.81	2,713,606.67
Reserve for New Jersey Unemployment Compensation and Disability Insurance	SB-8	60,000.00	119,839.72
Reserve for Planning Board Review and Inspection Fees	SB-9	476,988.69	506,407.13
Reserve for Parking Offense Adjudication Act Fund	SB-10	2,879.00	2,731.00
Reserve for Disposal of Forfeited Property	SB-11	72,524.24	70,073.32
Reserve for Recreation Trust Fund	SB-12	181,121.69	124,399.13
Reserve for Storm Recovery Trust Fund	SB-13	63,397.28	26,019.85
Reserve for Length of Service Awards Program	SB-14	297,343.95	331,850.48
Reserve for Affordable Housing Trust	B	1,739.71	1,739.71
Reserve for Police Vests	B	3,080.96	3,080.96
Reserve for Placement of Signs Throughout Township	B	1,457.10	1,457.10
Reserve for Festivals and Parades	B	2,839.80	2,839.80
Reserve for Celebration of Public Events	B	84.04	84.04
Reserve for Veteran's Memorial	B	2,605.00	2,605.00
Reserve for Willingboro's 300th Anniversary Celebration	B	327.42	327.42
		<u>4,466,049.31</u>	<u>3,914,832.33</u>
		<u>\$ 4,479,175.73</u>	<u>\$ 3,922,698.13</u>

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

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

<u>ASSETS</u>	<u>Ref.</u>	<u>Year 2016</u>	<u>Year 2015</u>
Cash & Investments	SC-1	\$ 6,308.78	\$ 50,522.36
Due from Special Assessment	SC-2	318,028.00	403,109.00
Deferred Charges to Future Taxation:			
Funded	SC-4	32,180,949.20	36,165,945.80
Unfunded	SC-5	17,291,250.00	15,227,450.00
		<u>\$ 49,796,535.98</u>	<u>\$ 51,847,027.16</u>
 <u>LIABILITIES AND RESERVES</u>			
Due to Current Fund	SC-3	\$ 1,163,388.22	\$ 630,450.31
Capital Improvement Fund	SC-6	138,552.43	84,402.43
Improvement Authorizations:			
Funded	SC-7	332,589.04	508,190.55
Unfunded	SC-7	14,416,396.93	13,943,955.74
Contracts Payable	SC-8	1,523,060.16	472,482.33
Lease Payable	SC-9	845,000.00	965,000.00
NJEIT Loans Payable	SC-10	764,949.20	804,945.80
Serial Bonds Payable	SC-11	30,571,000.00	34,396,000.00
Capital Fund Balance	C	41,600.00	41,600.00
		<u>\$ 49,796,535.98</u>	<u>\$ 51,847,027.16</u>

There were bonds and notes authorized but not issued on December 31, 2016 totaling \$17,291,250.00 and December 31, 2015 totaling \$15,227,450.00

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

**TOWNSHIP OF WILLINGBORO**  
**GENERAL FIXED ASSET GROUP OF ACCOUNTS**  
**Statement of General Fixed Assets--Regulatory Basis**  
**For the Year Ended December 31, 2016**

	Balance <u>Dec. 31, 2015</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2016</u>
General Fixed Assets:				
Land and Improvements	\$ 7,040,169.00	\$ 74,443.00		\$ 7,114,612.00
Buildings	20,160,017.00	127,355.00		20,287,372.00
Equipment and Vehicles	14,049,969.00	526,302.00	\$ 119,058.00	14,457,213.00
Total General Fixed Assets	<u>\$ 41,250,155.00</u>	<u>\$ 728,100.00</u>	<u>\$ 119,058.00</u>	<u>\$ 41,859,197.00</u>
Total Investment in General Fixed Assets	<u>\$ 41,250,155.00</u>	<u>\$ 728,100.00</u>	<u>\$ 119,058.00</u>	<u>\$ 41,859,197.00</u>

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

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of Financial Reporting Entity** - The Township of Willingboro was incorporated in 1688 and is located in Burlington County, approximately twelve miles from the City of Philadelphia. The Township has evolved from a farming community to a contemporary suburb of about 32,000 residents.

In 1960, Willingboro Township voters passed a referendum for a Council/Manager form of government that provides for a five (5) member elected Council with public accountability for legislative authority and an appointed professional chief executive responsible to that legislative authority.

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

Willingboro Municipal Utilities Authority  
433 John F. Kennedy Way  
Willingboro, New Jersey 08046

Willingboro Public Library  
220 Willingboro Parkway  
Willingboro, New Jersey 08046

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

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

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

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

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

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

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

**Budgets and Budgetary Accounting** - The Township of Willingboro 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 Local Finance Board.

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

**Cash, Cash Equivalents and Investments** - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost; therefore, unrealized gains or losses on investments have not been recorded. Investments recorded in the trust fund for the Township's length of service awards program, however, are stated at fair value.

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

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

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

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

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

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

**General Fixed Assets** - Accounting for governmental fixed assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and *Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Part 200, §200.12), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000.00, 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 over expenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

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

**Fund Balance** - Fund Balance included in the current fund represents an amount available for anticipation as revenue in future year's 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 are realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

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

**Property Tax Revenues** - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Burlington and Township of Willingboro School District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

**School Taxes** - The municipality is responsible for levying, collecting and remitting school taxes for the Township of Willingboro School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from July 1 to June 30, increased by the amount deferred at December 31, 2015 and decreased by the amount deferred at December 31, 2016.

**County Taxes** - The municipality is responsible for levying, collecting and remitting county taxes for the County of Burlington. Operations are charged for the amount due the County for the year, based upon the ratable 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.

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

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

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

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

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

**Compensated Absences and Post-employment 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 post-employment benefits, if any, which are also funded on a pay-as-you-go basis.

**Note 2: CASH AND CASH EQUIVALENTS**

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

As of December 31, 2016, the Township's bank balances of \$13,962,049.44 were exposed to custodial credit risk as follows:

Insured by FDIC & GUDPA	\$ 9,962,211.05
Uninsured and Uncollateralized	<u>3,999,838.39</u>
Total	<u>\$ 13,962,049.44</u>

**Note 3: PROPERTY TAXES**

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

**Comparative Schedule of Tax Rates**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Tax Rate	<u>\$3.754</u>	<u>\$3.625</u>	<u>\$3.451</u>	<u>\$3.338</u>	<u>\$3.251</u>
Apportionment of Tax Rate:					
Municipal	\$1.705	\$1.665	\$1.619	\$1.560	\$1.497
County	0.314	0.323	0.319	0.328	0.313
County Open Space Preservation Trust Fund	0.038	0.038	0.015	0.015	0.041
Local School	1.697	1.599	1.498	1.435	1.400

**Assessed Valuation**

<u>Year</u>	<u>Assessed Valuation</u>
2016	\$ 1,870,476,400.00
2015	1,877,469,900.00
2014	1,877,738,674.00
2013	1,889,467,064.00
2012	1,899,777,706.00



**Note 3: PROPERTY TAXES (CONT'D)****Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2016	\$ 70,414,175.08	\$ 68,055,474.85	96.65%
2015	68,094,004.70	65,401,808.13	96.05%
2014	65,654,028.66	62,893,679.41	95.80%
2013	63,153,926.10	60,835,530.29	96.33%
2012	61,763,841.56	59,180,336.17	95.82%

**Delinquent Taxes and Tax Title Liens**

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2016	\$ 358,184.91	\$ 2,831,989.46	\$ 3,190,174.37	4.53%
2015	214,550.76	3,089,696.15	3,304,246.91	4.85%
2014	69,534.67	2,740,889.56	2,810,424.23	4.28%
2013	68,840.13	2,289,460.83	2,358,300.96	3.73%
2012	216,030.24	2,679,570.66	2,895,600.90	4.69%

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

<u>Year</u>	<u>Number of Tax Title Liens Receivable</u>
2016	20
2015	13
2014	6
2013	5
2012	9

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

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

<u>Year</u>	<u>Amount</u>
2016	\$ -
2015	-
2014	228,500.00
2013	228,500.00
2012	1,430.00

**Note 5: FUND BALANCES APPROPRIATED**

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

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2016	\$ 5,593,888.58	\$ 2,400,000.00	42.90%
2015	5,676,521.26	2,345,000.00	41.31%
2014	301,546.10	300,000.00	99.49%
2013	2,231,506.90	1,000,000.00	44.81%
2012	1,858,596.12	1,047,886.00	56.38%

**Note 6: INTERFUND RECEIVABLES AND PAYABLES**

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

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$ 1,302,353.11	
Trust-Animal Control Fund	13,069.22	
Trust-Other Funds		76,099.62
Federal and State Grant Fund		75,934.49
General Capital Fund		1,163,388.22
	<u>\$ 1,315,422.33</u>	<u>\$ 1,315,422.33</u>

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

**Note 7: PENSION PLANS**

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

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

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

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

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

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

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

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

The following represents the membership tiers for PERS:

**Tier Definition**

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

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

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

The following represents the membership tiers for PFRS:

**Tier Definition**

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

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

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

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

**Contributions**

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

The Township's contractually required contribution rate for the year ended December 31, 2016 was 12.54% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2016, the Township's contractually required contribution to the pension plan for the year ended December 31, 2016 is \$850,159.00, and is payable by April 1, 2017. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2015, the Township's contractually required contribution to the pension plan for the year ended December 31, 2015 was \$808,967.00, which was paid on April 1, 2016. Employee contributions to the plan during the year ended December 31, 2016 were \$496,010.35.

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

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

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

The Township's contractually required contribution rate for the year ended December 31, 2016 was 22.85% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2016, the Township's contractually required contribution to the pension plan for the year ended December 31, 2016 is \$1,802,883.00, and is payable by April 1, 2017. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2015, the Township's contractually required contribution to the pension plan for the year ended December 31, 2015 was \$1,945,724.00, which was paid on April 1, 2016. Employee contributions to the plan during the year ended December 31, 2016 were \$807,889.20.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Township, for the year ended December 31, 2016 was 1.72% of the Township's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2016, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2016 is \$135,914.00, and is payable by April 1, 2017. Based on the PFRS measurement date of June 30, 2015, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2015 was \$182,012.00, which was paid on April 1, 2016.

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

For the year ended December 31, 2016, employee contributions totaled \$4,087.19 and the Township contributions were \$2,154.23. There were no forfeitures during the year.

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

**Public Employees' Retirement System** - At December 31, 2016, the Township's proportionate share of the PERS net pension liability was \$28,342,724.00. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2016. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2016 measurement date, the Township's proportion was .0956970586%, which was an increase of .0016017842% from its proportion measured as of June 30, 2015.

At December 31, 2016, the Township's proportionate share of the PERS pension expense, calculated by the plan as of the June 30, 2016 measurement date is \$3,033,325.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2016, the Township's contribution to PERS was \$808,967.00, and was paid on April 1, 2016.

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

Township's Proportionate Share of Net Pension Liability	\$ 42,239,620.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>3,547,080.00</u>
	<u>\$ 45,786,700.00</u>

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2016. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2016 measurement date, the Township's proportion was .2211202307%, which was a decrease of .0182501303% from its proportion measured as of June 30, 2015. Likewise, at June 30, 2016, the State of New Jersey's proportion, on-behalf of the Township, was .2211202307%, which was a decrease of .0182501303% from its proportion, on-behalf of the Township, measured as of June 30, 2015.

At December 31, 2016, the Township's proportionate share of the PFRS pension expense, calculated by the plan as of the June 30, 2016 measurement date is \$4,807,775.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2016, the Township's contribution to PFRS was \$1,945,724.00 and was paid on April 1, 2016.

At December 31, 2016, the State's proportionate share of the PFRS pension expense, associated with the Township, calculated by the plan as of the June 30, 2016 measurement date is \$453,046.00. This on-behalf expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

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

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

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	PERS	PFRS	Total	PERS	PFRS	Total
Differences between Expected and Actual Experience	\$ 527,089.00	\$ -	\$ 527,089.00	\$ -	\$ 276,887.00	\$ 276,887.00
Changes of Assumptions	5,871,098.00	5,850,535.00	11,721,633.00	-	-	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	1,080,734.00	2,959,645.00	4,040,379.00	-	-	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	1,248,076.00	264,154.00	1,512,230.00	-	2,099,356.00	2,099,356.00
Township Contributions Subsequent to the Measurement Date	425,080.00	901,442.00	1,326,522.00	-	-	-
	<u>\$ 9,152,077.00</u>	<u>\$ 9,975,776.00</u>	<u>\$ 19,127,853.00</u>	<u>\$ -</u>	<u>\$ 2,376,243.00</u>	<u>\$ 2,376,243.00</u>

Deferred outflows of resources totaling \$425,080.00 and \$901,442.00 for PERS and PFRS, respectively, will be included as a reduction of the net pension liability in the year ending December 31, 2017. These amounts were based on an estimated April 1, 2018 contractually required contribution, prorated from the pension plans measurement date of June 30, 2016 to the Township's year end of December 31, 2016.



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

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

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

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

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

<b>Year Ending Dec 31,</b>	<b><u>PERS</u></b>	<b><u>PFRS</u></b>	<b><u>Total</u></b>
2017	\$ 2,011,196.00	\$ 1,659,446.00	\$ 3,670,642.00
2018	2,011,196.00	1,659,446.00	3,670,642.00
2019	2,278,137.00	2,369,049.00	4,647,186.00
2020	1,872,281.00	1,207,820.00	3,080,101.00
2021	554,187.00	(197,670.00)	356,517.00
	<u>\$ 8,726,997.00</u>	<u>\$ 6,698,091.00</u>	<u>\$ 15,425,088.00</u>

**Actuarial Assumptions**

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

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

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

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

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

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

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

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

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

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

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

	<b>1% Decrease <u>(2.98%)</u></b>	<b>Current Discount Rate <u>(3.98%)</u></b>	<b>1% Increase <u>(4.98%)</u></b>
Township's Proportionate Share of the Net Pension Liability	<u>\$ 34,730,700.00</u>	<u>\$ 28,342,724.00</u>	<u>\$ 23,068,896.00</u>

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

	<b>1% Decrease <u>(4.55%)</u></b>	<b>Current Discount Rate <u>(5.55%)</u></b>	<b>1% Increase <u>(6.55%)</u></b>
Township's Proportionate Share of the Net Pension Liability	\$ 54,464,893.00	\$ 42,239,620.00	\$ 32,270,645.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	<u>4,573,699.57</u>	<u>3,547,080.00</u>	<u>2,709,933.49</u>
	<u>\$ 59,038,592.57</u>	<u>\$ 45,786,700.00</u>	<u>\$ 34,980,578.49</u>

**Pension Plan Fiduciary Net Position**

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

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

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

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

	<u>Measurement Date Ended June 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Proportion of the Net Pension Liability	0.0956970586%	0.0940952744%	0.0880116077%	0.0858035203%
Township's Proportionate Share of the Net Pension Liability	\$ 28,342,724.00	\$ 21,122,504.00	\$ 16,478,180.00	\$ 16,398,758.00
Township's Covered Payroll (Plan Measurement Period)	\$ 6,504,688.00	\$ 6,524,364.00	\$ 6,138,828.00	\$ 5,891,132.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	435.73%	323.75%	268.43%	278.36%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.93%	52.08%	48.72%

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

	<u>Year Ended December 31,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 850,159.00	\$ 808,967.00	\$ 725,555.00	\$ 646,512.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(850,159.00)</u>	<u>(808,967.00)</u>	<u>(725,555.00)</u>	<u>(646,512.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 6,777,154.00	\$ 6,703,487.00	\$ 6,475,940.00	\$ 6,193,749.00
Township's Contributions as a Percentage of its Covered Payroll	12.54%	12.07%	11.20%	10.44%

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

	Measurement Date Ended June 30,			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Proportion of the Net Pension Liability	0.2211202307%	0.2393703610%	0.2363978811%	0.2362503530%
Township's Proportionate Share of the Net Pension Liability	\$ 42,239,620.00	\$ 39,870,758.00	\$ 29,736,661.00	\$ 31,407,353.00
State's Proportionate Share of the Net Pension Liability associated with the Township	3,547,080.00	3,496,532.00	3,202,139.00	2,927,547.00
<b>Total</b>	<b>\$ 45,786,700.00</b>	<b>\$ 43,367,290.00</b>	<b>\$ 32,938,800.00</b>	<b>\$ 34,334,900.00</b>
Township's Covered Payroll (Plan Measurement Period)	\$ 7,106,944.00	\$ 7,629,136.00	\$ 7,545,652.00	\$ 7,390,760.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	594.34%	522.61%	394.09%	424.95%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.01%	56.31%	62.41%	58.70%

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

	Year Ended December 31,			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 1,802,883.00	\$ 1,945,724.00	\$ 1,815,699.00	\$ 1,723,630.00
Township's Contribution in Relation to the Contractually Required Contribution	(1,802,883.00)	(1,945,724.00)	(1,815,699.00)	(1,723,630.00)
Township's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Township's Covered Payroll (Calendar Year)	\$ 7,889,135.00	\$ 7,351,920.00	\$ 7,677,392.00	\$ 7,550,693.00
Township's Contributions as a Percentage of its Covered Payroll	22.85%	26.47%	23.65%	22.83%

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

Changes in Benefit Terms - None

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

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

Changes in Benefit Terms - None

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

**Note 8: POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN****Postemployment Benefits Other Than Pension**

The State Pension Fund provides health benefits through the State Health Benefit Plan which is a cost-sharing multiple-employer defined benefit postemployment healthcare plan. As a result, GASB Statement 45 requires that the actuarial accrued liability for employee benefits are recorded as an obligation of the State Health Benefit Plan and not the Township.

Additionally, the Township provides reimbursement of health insurance premiums to employees that have retired from the Township under the Law Enforcement Supervisors Association contract. The reimbursement for the health insurance premiums amounts are established by the Township. GASB Statement 45 requires that disclosures about the accrued liabilities associated with these benefits be recorded in the Township's notes to the financial statements. However, the Township has not included these disclosures.

The Authority also pays a portion of retiree dental benefits directly to their insurance carrier in addition to benefits provided through the State Pension Fund and reimbursed health insurance premiums. These dental benefits are established by the Township. GASB Statement 45 requires that disclosures about the accrued liabilities associated with these benefits be recorded in the Township's notes to the financial statements. However, the Township has not included these disclosures.



**Note 8: POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN****Postemployment Benefits Other Than Pension*****State Health Benefit Plan***

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

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 2012, the Township authorized participation in the SHBP's post-retirement benefit program through resolution number 2012-188. The Township provides post-employment health care benefits, at its cost, to certain employees. Employees retiring with twenty-five (25) or more years of service with the Township and/or twenty-five (25) or more years of service credit in a state or locally administered retirement system, and employees retiring on an accidental disability pension, are eligible to receive fully paid health and prescription benefits.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at [www.state.nj.us/treasury/pensions/](http://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, 2016, 2015 and 2014 were \$90,755.52, \$62,846.83 and \$51,488.96, respectively, which equaled the required contributions. There were 13 retired participants, spouses and children eligible at December 31, 2016.

**Note 9: COMPENSATED ABSENCES**

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

The Township of Willingboro compensates employees for unused sick leave upon retirement. The current policy consists of four plans. Three of the plans cover full time employees who are members of the Law Enforcement Supervisors Association, the Fraternal Order of Police, or the American Federation of State, County and Municipal Employees unions. The fourth plan covers all non- contractual full time employees. Each plan contains different retirement payments based on employee hiring dates. Details of the plans may be obtained from the Township.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2016, accrued benefits for compensated absences are valued at \$1,690,518.16.

**Note 10: DEFERRED COMPENSATION SALARY ACCOUNT**

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

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

**Note 11: LENGTH OF SERVICE AWARD PROGRAM**

The Township's Length of Service Awards Program (LOSAP) was created by a Township Ordinance adopted on June 25, 2002 pursuant to Section 457 (e)(11)(13) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the Length of Service Award Program as enacted into federal law in 1997. The voters of the Township of Willingboro approved the adoption of the LOSAP at the general election held on July 23, 2002.

The first year of eligibility for entrance into the Plan was calendar year 2003. The tax deferred income benefits for emergency service volunteers, consisting of the Emergency Squad, come from contributions made solely by the governing body of the municipality, on behalf of those volunteers who meet the criteria of a plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

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

For the year ended December 31, 2016, the Township elected to contribute between \$500.00 and \$1,150.00 per eligible volunteer into the Plan depending on how many years the volunteer has served. Participants direct the investment of the contributions into various investment options offered by the Plan. The Plan currently offers multiple mutual funds, a money market fund, and a fixed account investment contract.

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

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

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

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

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

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

**Forfeited Accounts** - For the year ended December 31, 2016, forfeited non-vested accounts totaled \$38,564.87. The forfeited accounts are due to the current fund.

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

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

**Note 12: LEASE OBLIGATIONS**

**Capital Leases** - At December 31, 2016, the Township had a capital lease agreement of \$1,133,800.00 in effect with the Burlington County Bridge Commission for the acquisition of vehicles, equipment, land and buildings; renovations to municipal buildings; reconstruction of roads, sidewalks and curbs; and improvements to drainage and storm sewer systems.

Future minimum lease payments under the capital lease agreement are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2017	\$ 125,000.00	\$ 36,350.00
2018	130,000.00	30,100.00
2019	140,000.00	23,600.00
2020	145,000.00	18,000.00
2021	150,000.00	12,200.00
2022	155,000.00	6,200.00
	<u>\$ 845,000.00</u>	<u>\$ 126,450.00</u>

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

- One (1) 2015 Ford Police Interceptor Sedan
- One (1) 2016 Ford Police Interceptor Sedan
- Four (4) 2016 Ford Police Interceptor Utility
- Four (4) 2017 Ford Police Interceptor Utility
- Six (6) 2017 Jeep Patriots

**Note 12: LEASE OBLIGATIONS****Capital Leases (Cont'd)**

Future minimum rental payments under the lease agreements are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2017	\$ 151,431.39	\$ 10,431.94
2018	95,937.17	7,527.72
2019	38,216.61	2,101.96
	<u>\$ 285,585.17</u>	<u>\$ 20,061.62</u>

Rental payments under these leases for the year 2016 was \$121,544.76.

**Note 13: CAPITAL DEBT**

County Guaranteed Pooled Loan Revenue Bonds of 2003 - On December 11, 2003, the Burlington County Bridge Commission issued \$10,039,000.00 of general obligation bonds on behalf of the Township, with interest rates ranging from 2.00% to 5.00%. The bonds were issued for the purpose of funding various capital projects in the Township. A portion of these bonds were refunded by the County Guaranteed Pooled Loan Revenue Refunding Bonds, Series 2013A. The final remaining maturity of the bonds is December 1, 2019.

Refunding Bonds of 2006 - On January 26, 2006, the Township issued \$4,925,000.00 in general obligation refunding bonds, with interest rates ranging from 3.125% to 5.00%, to advance refund \$4,615,000.00 outstanding of the 2000 general obligation bonds with interest rates ranging from 5.00% to 5.20%. The final maturity of the bonds is September 1, 2018.

General Improvement Bonds of 2007 - On August 1, 2007, the Township issued \$12,005,000.00 of general improvement bonds, with interest rates ranging from 4.00% to 4.25%. The bonds were issued for the purpose of funding various capital projects in the Township. A portion of these bonds were refunded by the General Improvement Refunding Bonds, Series 2015. The final remaining maturity of the bonds is August 1, 2017.

General Obligation Refunding Bonds, Series 2009 - On December 22, 2009, the Township issued \$1,465,000.00 of general obligation refunding bonds, with interest rates ranging from 1.50% to 6.00%, to advance refund \$1,350,000.00 outstanding of the 2001 general improvement bonds with interest rates ranging from 4.25% to 7.00%. The final remaining maturity of the bonds is September 15, 2021.

General Improvement Bonds, Series 2010 - On July 14, 2010, the Township issued \$9,619,000.00 of general improvement bonds, with interest rates ranging from 2.00% to 3.00%. The bonds were issued for the purpose of funding various capital projects in the Township. The final remaining maturity of the bonds is August 1, 2023.

County Guaranteed Pooled Loan Revenue Refunding Bonds, Series 2013A - On March 11, 2013, the Burlington County Bridge Commission issued \$7,685,000.00 of general obligation bonds on behalf of the Township, with interest rates ranging from 2.00% to 5.00%. The bonds were issued for the purpose of refunding a portion of the County Guaranteed Pooled Loan Revenue Bonds of 2003. The final maturity of the bonds is December 1, 2022.

**Note 13: CAPITAL DEBT (CONT'D)**

General Improvement Bonds, Series 2015 - On April 21, 2015, the Township issued \$11,770,000.00 of general improvement bonds, with interest rates ranging from 2.00% to 5.00%. The bonds were issued for the purpose of funding various capital projects in the Township. The final maturity of the bonds is April 1, 2028.

General Improvement Refunding Bonds, Series 2015 - On December 10, 2015, the Township issued \$5,515,000.00 in general improvement refunding bonds, with interest rates ranging from 2.00% to 4.00%, to advance refund \$5,270,000.00 of the outstanding General Improvement Bonds of 2007 with interest rates ranging from 4.00% to 4.25%. The final maturity of the bonds is August 1, 2022.

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2017	\$ 3,899,000.00	\$ 1,057,710.00
2018	4,030,000.00	917,510.00
2019	3,503,000.00	776,530.00
2020	3,605,000.00	655,705.00
2021	3,695,000.00	540,645.00
2022-2026	9,439,000.00	1,016,090.00
2027-2028	2,400,000.00	72,000.00
	<u>\$ 30,571,000.00</u>	<u>\$ 5,036,190.00</u>

**New Jersey Environmental Infrastructure Loan**

The Township of Willingboro received a New Jersey Environmental Infrastructure Loan for the purchase of a street sweeper and for stormwater outfall. This loan is considered long term debt and is applied towards the Townships borrowing capacity. The repayment schedule for the loan is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2017	\$ 44,996.60	\$ 17,845.00
2018	44,996.60	16,845.00
2019	44,996.60	15,845.00
2020	44,996.60	14,845.00
2021	44,996.60	13,845.00
2022-2026	254,983.00	51,725.00
2021-2031	284,983.20	22,430.00
	<u>\$ 764,949.20</u>	<u>\$ 153,380.00</u>

**Note 13: CAPITAL DEBT (CONT'D)**

**Summary of Debt**

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

<b>Issued</b>	<u>Year 2016</u>	<u>Year 2015</u>	<u>Year 2014</u>
General:			
Bonds, Leases and Notes	\$ 31,416,000.00	\$ 35,361,000.00	\$ 31,843,400.00
Infrastructure Loan	764,949.20	804,945.80	844,942.40
	<u>32,180,949.20</u>	<u>36,165,945.80</u>	<u>32,688,342.40</u>
<b>Total Issued</b>	32,180,949.20	36,165,945.80	32,688,342.40
 <b>Authorized and Not Issued</b>			
General:			
Bonds and Notes	17,291,250.00	15,227,450.00	8,491,250.00
	<u>17,291,250.00</u>	<u>15,227,450.00</u>	<u>8,491,250.00</u>
<b>Total Issued and Authorized and Not Issued</b>	49,472,199.20	51,393,395.80	41,179,592.40
 <b>Deductions</b>			
Funds Held to Pay Bonds and Notes	-	-	648,457.24
	<u>-</u>	<u>-</u>	<u>648,457.24</u>
<b>Net Debt</b>	<u>\$ 49,472,199.20</u>	<u>\$ 51,393,395.80</u>	<u>\$ 40,531,135.16</u>

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

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 2.813%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$ 23,135,000.00	\$ 23,135,000.00	
General	49,472,199.20		\$ 49,472,199.20
	<u>\$ 72,607,199.20</u>	<u>\$ 23,135,000.00</u>	<u>\$ 49,472,199.20</u>

Net Debt \$49,472,199.20 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$1,758,587,018.67 equals 2.813%.

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

3.5% of Equalized Valuation Basis (Municipal)	\$ 61,550,545.65
Net Debt	<u>49,472,199.20</u>
Remaining Borrowing Power	<u>\$ 12,078,346.45</u>

**Note 14: SCHOOL TAXES**

Local District School Tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the Current Fund liabilities as follows:

	<b>Balance Dec. 31,</b>	
	<b><u>2016</u></b>	<b><u>2015</u></b>
Balance of Tax	\$ 15,864,460.00	\$ 15,007,181.03
Deferred	15,864,460.00	15,007,181.03
Total	<u>\$ -</u>	<u>\$ -</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>Interest Earnings</u>	<u>Claims Paid</u>	<u>Ending Balance</u>
2016	\$ 34,710.56	\$ 26,081.32	\$ 73.15	\$ 120,704.75	\$ 60,000.00
2015	108,766.19	24,554.27	59.58	93,766.19	119,839.72
2014	108,647.63	23,148.52	43.26	93,647.63	80,225.87

**Joint Insurance Pool** - The Township of Willingboro is a member of the Professional Municipal Management 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 publishes its own financial report, which can be obtained from:

Professional Municipal Management Joint Insurance Fund  
 9 Campus Drive, Suite 16  
 Parsippany, New Jersey, 07054

**Note 16: DEBT SERVICE AGREEMENT**

The Township entered into a debt service agreement with the Township of Willingboro Municipal Utilities Authority on June 15, 1990. This agreement obligates the Township to pay any shortfall the Authority may encounter in making payments for either operating expenses and/or debt service. The purpose of this agreement is to grant temporary relief to the Authority should it experience difficulty in meeting its obligations. The Authority is obligated, by the agreement, to repay to the Township when the Authority's operations permit. At December 31, 2016, the Authority had \$18,494,572.63 in outstanding debt covered by this agreement.

**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: TAX ABATEMENTS**

The Township enters into property tax abatement agreements with various local businesses, under several New Jersey Statutes that permit the Township to enter into these agreements. The tax abatements are considered long term tax exemptions and their types of abatements are for commercial/industrial use. For the year ended December 31, 2016, the Township abated \$476,407.69 in local purpose taxes and received in the aggregate of \$252,209.72 in lieu of local purpose taxes.

**Note 20: SUBSEQUENT EVENTS**

**Tax Appeals** - As of December 31, 2016, several tax appeals were on file against the Township. Based upon information provided by the tax assessor, if such appeals are not settled in favor of the Township, the estimated impact of the tax refunds could be material.

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

<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
Various Capital Improvements	5/16/2017	\$ 1,740,400.00



**Note 21: PRIOR PERIOD ADJUSTMENT**

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

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

	<u>Previously Reported</u>	<u>Cumulative Effect - Increase / (Decrease)</u>	<u>Restated Balance</u>
<u>ASSETS</u>			
Other Funds:			
Investments - Length of Service Awards Program	\$ -	\$ 348,577.11	\$ 348,577.11
Due from Current Fund	53,677.36	(16,736.63)	36,940.73
Total Other Funds	<u>3,582,981.85</u>	<u>331,840.48</u>	<u>3,914,822.33</u>
Total Assets	<u>\$ 3,590,847.65</u>	<u>\$ 331,840.48</u>	<u>\$ 3,922,688.13</u>
<u>LIABILITIES AND RESERVES</u>			
Other Funds:			
Reserve for Miscellaneous Trust Reserves:			
Length of Service Awards Program	\$ -	\$ 331,840.48	\$ 331,840.48
Total Liabilities and Reserves	<u>\$ 3,582,981.85</u>	<u>\$ 331,840.48</u>	<u>\$ 3,914,822.33</u>

## **SUPPLEMENTAL EXHIBITS**

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**

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

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Balance Dec. 31, 2015	\$ 9,279,036.08	\$ -
Increased by Receipts:		
Revenue Accounts Receivable	\$ 1,335,845.80	
Interest and Cost on Taxes	421,170.66	
Cable T.V. Franchise Fees	83,974.75	
Consolidated Municipal Property Tax Relief Act	560,005.00	
Energy Receipts Taxes	3,124,270.00	
Interlocal Service Agreements	117,500.00	
Debt Service Agreements	111,991.89	
Delco - PILOT	10,332.26	
Lease of Municipal Facilities	113,143.46	
Authority Contribution Per N.J.S.A. 40A:5A-12.1	300,000.00	
EMS Fees	674,295.12	
Miscellaneous Revenue Not Anticipated	461,764.05	
Due from State of New Jersey--Senior Citizens' and Veterans' Deductions	363,250.00	
Taxes Receivable	69,827,749.68	
Tax Title Liens	3,661.82	
Other Accounts Receivable	253,836.71	
Prepaid Taxes	360,931.32	
Tax Overpayments	228,703.87	
Due to State of New Jersey--State Training Fees for New Construction	30,193.00	
Due to State of New Jersey--Marriage License Fees	4,575.00	
Due from Federal and State Grant Fund	67,201.51	
Federal and State Grant Fund:		
Due to Current Fund		
Federal and State Grants	<u>359,507.92</u>	
	<u>78,454,395.90</u>	<u>359,507.92</u>
	87,733,431.98	359,507.92

(Continued)

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

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Decreased by Disbursements:		
2016 Appropriations	\$ 30,284,847.99	
2015 Appropriation Reserves	717,166.43	
Accounts Payable	165,123.23	
Payroll Deductions Payable	8,888,400.61	
County Taxes	6,569,286.01	
County Share of Added and Omitted Taxes	15,636.55	
Local District School Taxes	30,871,641.03	
Due to State of New Jersey--State Training Fees for New Construction	31,913.00	
Due to State of New Jersey--Marriage License Fees	4,350.00	
Other Accounts Receivable	166,571.00	
Refund Tax Overpayments	125,612.93	
Due to General Capital Fund	796,729.74	
Due to Trust - Other Fund	74,361.68	
Due to Current Fund		\$ 67,201.51
Encumbrances Payable - Grants		67,215.05
Reserve for Federal and State Grant Funds--Appropriated		<u>225,091.36</u>
	<u>\$ 78,711,640.20</u>	<u>\$ 359,507.92</u>
Balance Dec. 31, 2016	<u><u>\$ 9,021,791.78</u></u>	<u><u>\$ -</u></u>

**TOWNSHIP OF WILLINGBORO**  
**CURRENT FUND**

Statement of Due to State of New Jersey for Senior Citizens' and Veterans' Deductions  
For the Year Ended December 31, 2016

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Balance Dec. 31, 2015		\$ 25,209.81
Increased by:		
Collections		<u>363,250.00</u>
		388,459.81
Decreased by:		
Accrued in 2016 to Municipality:		
Senior Citizens' Deductions per Tax Billings	\$ 43,000.00	
Veterans' Deductions per Tax Billings	294,000.00	
Senior Citizens' Deductions Allowed by Tax Collector	3,500.00	
Veterans' Deductions Allowed by Tax Collector	<u>250.00</u>	
Subtotal 2016 Tax Accrual		<u>340,750.00</u>
Balance Dec. 31, 2016		<u><u>\$ 47,709.81</u></u>

**TOWNSHIP OF WILLINGBORO**  
**CURRENT FUND**  
 Statement of Taxes Receivable and Analysis of Property Tax Levy  
 For the Year Ended December 31, 2016

Year	Balance	2016 Levy	Added Taxes	C o l l e c t i o n s		Due from State of New Jersey	Canceled	Transfer to Tax Title Liens	Balance
	Dec. 31, 2015			2015	2016				Dec. 31, 2016
1997	\$ 722.30								\$ 722.30
1998	2,350.06								2,350.06
1999	2,465.50								2,465.50
2000	2,612.15								2,612.15
2001	2,681.02								2,681.02
2002	2,660.79								2,660.79
2003	4,640.48				\$ 1,774.96				2,865.52
2004	7,957.15				2,625.04				5,332.11
2005	8,372.92								8,372.92
2006	8,004.48								8,004.48
2007	7,921.20								7,921.20
2008	17,507.71				2,952.59				14,555.12
2009	19,628.11				7,001.08				12,627.03
2010	36,050.63				3,731.86				32,318.77
2011	50,918.90				4,619.18				46,299.72
2012	65,563.18				4,815.31				60,747.87
2013	68,684.76				4,767.70				63,917.06
2014	126,890.15				26,247.18				100,642.97
2015	2,654,064.66		\$ 30,756.29		2,428,715.46		\$ 24,157.00	\$ 46,319.14	185,629.35
	3,089,696.15	\$ -	30,756.29	\$ -	2,487,250.36	\$ -	24,157.00	46,319.14	562,725.94
2016		70,414,175.08		374,225.53	67,340,499.32	340,750.00		89,436.71	2,269,263.52
	<u>\$ 3,089,696.15</u>	<u>\$ 70,414,175.08</u>	<u>\$ 30,756.29</u>	<u>\$ 374,225.53</u>	<u>\$ 69,827,749.68</u>	<u>\$ 340,750.00</u>	<u>\$ 24,157.00</u>	<u>\$ 135,755.85</u>	<u>\$ 2,831,989.46</u>

Analysis of 2016 Tax Levy

<u>Tax Yield</u>	
General Purpose Tax	\$ 70,207,647.25
Less: 15f Exemptions	(81,006.45)
Added Taxes (54:4-63.1 et seq.)	<u>287,534.28</u>
	<u>\$ 70,414,175.08</u>
<u>Tax Levy</u>	
Local District School Tax	\$ 31,728,920.00
County Taxes:	
County Tax	\$ 6,569,286.01
Due County for Added Taxes	<u>44,920.15</u>
Total County Taxes	6,614,206.16
Local Tax for Municipal Purposes	31,909,441.24
Add: Additional Tax Levied	<u>161,607.68</u>
Local Tax for Municipal Purposes Levied	<u>32,071,048.92</u>
	<u>\$ 70,414,175.08</u>

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

---

Balance Dec. 31, 2015		\$ 214,550.76
Increased by:		
Interest and Costs ro Date of Taxes Sale	\$ 11,540.12	
Transfer from Prior Year Taxes Receivable	46,319.14	
Transfer from 2016 Taxes Receivable	<u>89,436.71</u>	
		<u>147,295.97</u>
		361,846.73
Decreased by:		
Cash Receipts		<u>3,661.82</u>
Balance Dec. 31, 2016		<u><u>\$ 358,184.91</u></u>



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

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Accrued in</u> <u>2016</u>	<u>Collections</u>	<u>General</u> <u>Capital Fund</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Clerk:					
Licenses					
Other		\$ 13,424.00	\$ 13,424.00		
Fees and Permits					
Other		207,768.21	207,768.21		
Chief of Police					
Fees and Permits		8,297.75	8,297.75		
Registrar of Vital Statistics					
Licenses		55,986.00	55,986.00		
Construction Code Official					
Fees and Permits		844,326.00	844,326.00		
Municipal Court					
Fines and Costs	\$ 8,345.58	188,784.61	186,720.52		\$ 10,409.67 (A)
Public Defender Fees	314.00	5,978.50	5,892.50		400.00 (A)
Interest on Investments and Deposits		13,430.99	13,430.82	\$ 0.17	
	<u>\$ 8,659.58</u>	<u>\$ 1,337,996.06</u>	<u>\$ 1,335,845.80</u>	<u>\$ 0.17</u>	<u>\$ 10,809.67</u>

(A) Dec. 2016

**TOWNSHIP OF WILLINGBORO**  
**CURRENT FUND**  
Statement of Other Accounts Receivable (Maintenance Liens)  
For the Year Ended December 31, 2016

Balance Dec. 31, 2015	\$ 283,214.60
Increased by:	
Disbursements Made for Property Maintenance	\$ 166,571.00
Current Year Maintenance Liens Administration Fees	<u>29,750.63</u>
	<u>196,321.63</u>
	479,536.23
Decreased by:	
Received	<u>253,836.71</u>
Balance Dec. 31, 2016	<u><u>\$ 225,699.52</u></u>

Exhibit SA-7

**TOWNSHIP OF WILLINGBORO**  
**CURRENT FUND**  
Statement of Special Assessment and PILOT Program Receivable  
For the Year Ended December 31, 2016

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Accrued in</u> <u>2016</u>	<u>Cash</u> <u>Receipts</u>	<u>Canceled</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Special Assessment - Debt Service	\$ 136,310.66	\$ 159,882.20	\$ 111,991.89	\$ 136,310.66	\$ 47,890.31
Merck-Medco - PILOT	11,414.17			11,414.17	
Senior Housing - PILOT	4,568.73			4,568.73	
Delco - PILOT		10,332.26	10,332.26		
Avery - PILOT (MRNA)		240,542.91	70,522.00		170,020.91
Coldwell Banker - PILOT (MRNA)		2,913.40	2,913.40		
Renewal - PILOT (MRNA)		96,659.40	96,659.40		
	<u>\$ 152,293.56</u>	<u>\$ 510,330.17</u>	<u>\$ 292,418.95</u>	<u>\$ 152,293.56</u>	<u>\$ 217,911.22</u>

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

	Balance Dec. 31, 2015		Cash Disbursed	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>		
<b><u>OPERATIONS--WITHIN "CAPS"</u></b>				
<b><u>General Government</u></b>				
Township Manager				
Salaries and Wages		\$ 142.95		\$ 142.95
Other Expenses	\$ 238.26	6,628.54		6,866.80
Purchasing and Technical Support				
Salaries and Wages		3.51		3.51
Other Expenses	6,417.40	8,520.26	\$ 529.21	14,408.45
Technology				
Salaries and Wages		2,008.83		2,008.83
Other Expenses	17,180.87	2,299.75	16,310.67	3,169.95
Human Resources				
Other Expenses		2,422.35		2,422.35
Mayor and Council				
Salaries and Wages		752.05		752.05
Other Expenses	11,723.23	807.01	5,607.23	6,923.01
Township Clerk				
Salaries and Wages		0.26		0.26
Other Expenses	831.48	59,096.03	826.64	59,100.87
Financial Administration				
Salaries and Wages		2,009.64		2,009.64
Other Expenses		9,844.06	2,938.70	6,905.36
Audit Services				
Other Expenses		8,000.00	1,350.00	6,650.00
Collection of Taxes				
Salaries and Wages		3,132.93		3,132.93
Other Expenses		66.75		66.75
Assessment of Taxes				
Salaries and Wages		9.98		9.98
Other Expenses		17,953.88		17,953.88
Township Attorney				
Other Expenses		144,878.48	32,873.26	112,005.22
Engineering Services and Costs				
Other Expenses		15,257.19	13,446.71	1,810.48
<b><u>Land Use Administration</u></b>				
Municipal Land Use Law (N.J.S.40-55D-1):				
Planning Board				
Other Expenses		4,984.50		4,984.50
Zoning Board of Adjustments				
Other Expenses	1,274.63	2,558.73	1,274.63	2,558.73
<b><u>Code Enforcement &amp; Administration</u></b>				
Construction Code				
Salaries and Wages		30,983.81		30,983.81
Other Expenses	62,486.13	17,926.17	54,126.96	26,285.34
Property Maintenance (Code Enforcement)				
Salaries and Wages		864.66		864.66

(Continued)

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

	Balance Dec. 31, 2015		Cash Disbursed	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>		
<b><u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u></b>				
<b><u>Insurance</u></b>				
General Liability		\$ 82,963.58		\$ 82,963.58
Employee Group Health		220,785.58	\$ 66,546.37	154,239.21
Unemployment Insurance		14,917.96	9,291.93	5,626.03
<b><u>Public Safety</u></b>				
<b><u>Police</u></b>				
Salaries and Wages		59,030.24		59,030.24
Other Expenses	\$ 55,877.01	42,710.98	40,353.83	58,234.16
<b><u>Office of Emergency Management</u></b>				
Other Expenses	3,650.00	9,976.53	3,270.52	10,356.01
<b><u>First Aid Organization</u></b>				
Salaries and Wages		48,688.01		48,688.01
Other Expenses	15,255.25	27,626.85	9,947.18	32,934.92
<b><u>Fire</u></b>				
Salaries and Wages		16,648.94		16,648.94
Other Expenses	42,403.42	40,653.49	36,704.26	46,352.65
<b><u>Municipal Prosecutor</u></b>				
Other Expenses		4,788.88	1,596.12	3,192.76
<b><u>Public Works</u></b>				
<b><u>Road Repairs and Maintenance</u></b>				
Salaries and Wages		108,574.67		108,574.67
Other Expenses	25,594.47	78,364.89	75,630.52	28,328.84
<b><u>Traffic Light Controls</u></b>				
Other Expenses		2,605.90		2,605.90
<b><u>Recycling</u></b>				
Other Expenses	100.00	4,162.60	300.00	3,962.60
<b><u>Garbage and Trash Removal - Contractual</u></b>				
		13,986.36	1,000.00	12,986.36
<b><u>Public Buildings and Grounds</u></b>				
Salaries and Wages		11,888.93		11,888.93
Other Expenses	87,579.05	84,763.29	60,168.24	112,174.10
<b><u>Animal Regulation</u></b>				
<b><u>Animal Control</u></b>				
Other Expenses	29,014.38	9,179.66	25,233.60	12,960.44
<b><u>Other Common Operating Functions</u></b>				
<b><u>Elder Program</u></b>				
Salaries and Wages		9,433.87		9,433.87
Other Expenses	2,167.27	1,473.36	422.59	3,218.04
<b><u>Parks and Recreation Functions</u></b>				
<b><u>Recreation</u></b>				
Salaries and Wages		26,375.53		26,375.53
Other Expenses	17,052.46	5,958.74	11,723.40	11,287.80

(Continued)

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

	Balance Dec. 31, 2015		Cash Disbursed	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>		
<b><u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u></b>				
<b><u>Utility Expenses and Bulk Purchases</u></b>				
Electricity		\$ 62,772.26	\$ 3,127.24	\$ 59,645.02
Street Lighting		1,180.73	81.16	1,099.57
Telephone	\$ 1,313.76	43,465.82	7,342.18	37,437.40
Water and Sewer		7,869.99		7,869.99
Gas		43,498.97	1,078.81	42,420.16
Gasoline, Diesel and Oil		171,079.11	4,339.10	166,740.01
Landfill/Solid Waste Disposal Costs		244,161.09	227,553.25	16,607.84
<b><u>Municipal Court</u></b>				
Municipal Court				
Salaries and Wages		12,577.84		12,577.84
Other Expenses	133.00	11,221.55	151.70	11,202.85
Public Defender				
Other Expenses		2,391.00	1,427.00	964.00
Total Operations including Contingent--Within "CAPS"	380,292.07	1,866,929.52	716,573.01	1,530,648.58
Detail:				
Salaries and Wages		333,126.65		333,126.65
Other Expenses	380,292.07	1,533,802.87	716,573.01	1,197,521.93
<b><u>DEFERRED CHARGES AND STATUTORY EXPENDITURES</u></b>				
<b><u>MUNICIPAL-- WITHIN "CAPS"</u></b>				
<b>Statutory Expenditures:</b>				
Social Security System (O.A.S.I.)		32,737.90		32,737.90
Defined Contribution Retirement Program		2,459.00		2,459.00
		35,196.90		35,196.90
Total General Appropriations for Municipal Purposes Within--"CAPS"	380,292.07	1,902,126.42	716,573.01	1,565,845.48
<b><u>OPERATIONS EXCLUDED FROM "CAPS"</u></b>				
<b><u>Mandated Expenditures Per N.J.S.A.40A:4-45.3g</u></b>				
<b><u>Excluded from "CAPS"</u></b>				
Length of Services Awards Program		2,740.00		2,740.00
<b>N.J.S.A. 40A:4-45:</b>				
Road Repairs and Maintenance				
Salaries and Wages		21,207.34		21,207.34
Other Expenses	32,486.70	13,508.82		45,995.52
<b><u>Interlocal Services Agreement</u></b>				
Snow Removal				
Other Expenses	1,587.70		593.42	994.28
Animal Control				
Salaries and Wages		11,997.69		11,997.69
Total Operations--Excluded from "CAPS" (Carried Forward)	34,074.40	49,453.85	593.42	82,934.83

(Continued)

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

	Balance Dec. 31, 2015		Cash Disbursed	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>		
Total Operations--Excluded from "CAPS" (Brought Forward)	\$ 34,074.40	\$ 49,453.85	\$ 593.42	\$ 82,934.83
Detail:				
Salaries and Wages		33,205.03		33,205.03
Other Expenses	34,074.40	16,248.82	593.42	49,729.80
 Total General Appropriations for Municipal Purposes--Excluded from "CAPS"	 34,074.40	 49,453.85	 593.42	 82,934.83
 Total General Appropriations	 \$ 414,366.47	 \$ 1,951,580.27	 \$ 717,166.43	 \$ 1,648,780.31

**TOWNSHIP OF WILLINGBORO**  
**CURRENT FUND**  
 Statement of Deferred Charges  
 For the Year Ended December 31, 2016

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	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Raised in</u> <u>2016 Budget</u>
Special Emergency - Hurricane Irene	\$ 39,646.18	\$ 39,646.18
Special Emergency - Compansated Absences Payment	64,606.69	64,606.69
	<u>\$ 104,252.87</u>	<u>\$ 104,252.87</u>

**TOWNSHIP OF WILLINGBORO**  
**CURRENT FUND**  
 Statement of Due to New Jersey Department of Community Affairs  
 State Training Fees for New Construction  
 For the Year Ended December 31, 2016

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Balance Dec. 31, 2015		\$ 10,035.00
Increased by:		
Training Fees Collected		30,193.00
		40,228.00
Decreased by:		
Training Fees Disbursed		31,913.00
Balance Dec. 31, 2016		\$ 8,315.00

**TOWNSHIP OF WILLINGBORO**  
**CURRENT FUND**  
Statement of Due To State of New Jersey - Youth and Family Services  
State Fee for Marriage Licenses  
For the Year Ended December 31, 2016

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Balance Dec. 31, 2015	\$	800.00
Increased by:		
State Fees Collected		4,575.00
		5,375.00
Decreased by:		
State Fees Disbursed		4,350.00
Balance Dec. 31, 2016	\$	1,025.00

## Exhibit SA-12

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

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Balance Dec. 31, 2015 (2016 Taxes)	\$	374,225.53
Increased by:		
Collections--2017 Taxes		360,931.32
		735,156.85
Decreased by:		
Application to 2016 Taxes Receivable		374,225.53
Balance Dec. 31, 2016 (2017 Taxes)	\$	360,931.32



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

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Balance Dec. 31, 2015	\$ 491,183.89
Increased by:	
Overpayments	<u>228,703.87</u>
	719,887.76
Decreased by:	
Refunds	<u>125,612.93</u>
Balance Dec. 31, 2016	<u><u>\$ 594,274.83</u></u>

Exhibit SA-14

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

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Balance Dec. 31, 2015	\$ 165,061.24
Increased by:	
Receipts for Salaries and Payroll Deductions	<u>8,840,380.20</u>
	9,005,441.44
Decreased by:	
Disbursements	<u>8,888,400.61</u>
Balance Dec. 31, 2016	<u><u>\$ 117,040.83</u></u>

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

<hr/>		
Balance Dec. 31, 2015		
Added Taxes (2014)	\$ 79.53	
Added Taxes (2015)	13,239.53	
Omitted and Added Assessments (2014)	<u>2,317.49</u>	
		\$ 15,636.55
Increased by County Share of:		
Omitted Taxes (2015)	452.33	
Added Taxes (2015)	197.60	
Added Taxes (2016)	43,665.08	
Omitted and Added Assessments (2015)	<u>605.14</u>	
		<u>44,920.15</u>
		60,556.70
Decreased by:		
Payments		<u>15,636.55</u>
Balance Dec. 31, 2016		
Omitted Taxes (2015)	452.33	
Added Taxes (2015)	197.60	
Added Taxes (2016)	43,665.08	
Omitted and Added Assessments (2015)	<u>605.14</u>	
		<u>\$ 44,920.15</u>

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

Balance Dec. 31, 2015:		
School Tax Payable	\$	-
School Tax Deferred		<u>15,007,181.03</u>
		15,007,181.03
Increased by:		
Levy--School Year July 1, 2016 to June 30, 2017		<u>31,728,920.00</u>
		46,736,101.03
Decreased by:		
Payments		<u>30,871,641.03</u>
Balance Dec. 31, 2016:		
School Tax Payable		-
School Tax Deferred		<u>15,864,460.00</u>
	\$	<u><u>15,864,460.00</u></u>
2016 Liability for Local District School Tax:		
Tax Paid	\$	30,871,641.03
Tax Payable Dec. 31, 2016		<u>-</u>
		30,871,641.03
Tax Payable Dec. 31, 2015		<u>-</u>
Amount Charged to Operations	\$	<u><u>30,871,641.03</u></u>

**TOWNSHIP OF WILLINGBORO**  
Statement of Federal and State Grants Receivable  
For the Year Ended December 31, 2016

<u>Program</u>	<u>Balance Dec. 31, 2015</u>	<u>2016 Revenue</u>	<u>Receipts</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2016</u>
Local Grants:					
Burlington County Park Development Program Grant	\$ 528,058.58				\$ 528,058.58
Burlington County Police Body Cameras		\$ 5,000.00	\$ 5,000.00		
Burlington County Municipal Alliance Grant	20,690.44	15,475.00	11,315.82		24,849.62
	<u>548,749.02</u>	<u>20,475.00</u>	<u>16,315.82</u>	<u>\$ -</u>	<u>552,908.20</u>
Federal Grants:					
Justice Assistance Grant	22,839.00		3,857.16		18,981.84
Summer Food Program Grant	16,689.24	127,055.14	76,724.89	67,019.49	
Drunk Driving Prevention Incentive Grant		2,528.63	2,528.63		
NJ DOT Municipal Aid Program	187,711.00		179,015.75		8,695.25
	<u>227,239.24</u>	<u>129,583.77</u>	<u>262,126.43</u>	<u>67,019.49</u>	<u>27,677.09</u>
State Grants:					
Body Armor Replacement Grant		6,033.70	6,033.70		
Clean Communities Grant		75,031.97	75,031.97		
NJ DEP Green Communities Grant	3,000.00				3,000.00
Cultural Grant - Jazz Grant	1,875.00				1,875.00
Handicapped Persons' Recreational Opportunities Grant	7,702.00				7,702.00
Stormwater Management Grant	10,309.00				10,309.00
	<u>22,886.00</u>	<u>81,065.67</u>	<u>81,065.67</u>	<u>-</u>	<u>22,886.00</u>
	<u>\$ 798,874.26</u>	<u>\$ 231,124.44</u>	<u>\$ 359,507.92</u>	<u>\$ 67,019.49</u>	<u>\$ 603,471.29</u>

**TOWNSHIP OF WILLINGBORO**  
Statement of Reserve for Federal and State Grants - Unappropriated  
For the Year Ended December 31, 2016

<u>Program</u>	<u>Balance Dec. 31, 2015</u>	<u>Grants Receivable</u>	<u>Revenue 2016 Budget</u>	<u>Balance Dec. 31, 2016</u>
Local Grants:				
Burlington County Police Body Cameras		\$ 5,000.00		\$ 5,000.00
Burlington County Municipal Alliance Grant		15,475.00	\$ 15,475.00	
	\$ -	20,475.00	15,475.00	5,000.00
Federal Grants:				
Summer Food Program Grant		127,055.14	127,055.14	
Drunk Driving Prevention Incentive Grant		2,528.63		2,528.63
	-	129,583.77	127,055.14	2,528.63
State Grants:				
Body Armor Replacement Grant	6,225.20	6,033.70	6,225.20	6,033.70
Clean Communities Grant	63,397.92	75,031.97	63,397.92	75,031.97
Recycling Tonnage Grant	38,417.19		38,417.19	
	108,040.31	81,065.67	108,040.31	81,065.67
	\$ 108,040.31	\$ 231,124.44	\$ 250,570.45	\$ 88,594.30

**TOWNSHIP OF WILLINGBORO**  
Statement of Reserve for Federal and State Grants - Appropriated  
For the Year Ended December 31, 2016

<u>Program</u>	<u>Balance Dec. 31, 2015</u>	<u>2016 Budget Appropriations</u>	<u>Paid or Charged</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2016</u>
<b>Local Grants:</b>					
Burlington County Park Development Program Grant	\$ 79,400.43		\$ 66,704.73		\$ 12,695.70
Burlington County Municipal Alliance Grant	15,575.23	\$ 19,345.00	12,078.60		22,841.63
	<u>94,975.66</u>	<u>19,345.00</u>	<u>78,783.33</u>	<u>\$ -</u>	<u>35,537.33</u>
<b>Federal Grants:</b>					
Department of Justice JAG Grant	8,787.74				8,787.74
Summer Food Program Grant	25,363.35	127,055.14	85,259.37	67,019.49	139.63
Neighborhood Stabilization Project	67,212.05		29,846.85		37,365.20
NJ DOT Municipal Aid Program	34,601.37				34,601.37
WIC Farm Market Grant	11,185.06				11,185.06
	<u>147,149.57</u>	<u>127,055.14</u>	<u>115,106.22</u>	<u>67,019.49</u>	<u>92,079.00</u>
<b>State Grants:</b>					
Body Armor Replacement Grant	0.02	6,225.20	5,742.50		482.72
Drunk Driving Prevention Incentive Grant	14,900.32		568.00		14,332.32
Clean Communities Act Grant	52,901.34	63,397.92	33,555.40		82,743.86
DCA Mill Creek Grant	33,436.53				33,436.53
Recycling Tonnage Grant	126,948.60	38,417.19	35,939.01		129,426.78
Stormwater Management Grant	794.78				794.78
NJ DEP Green Communities Grant	3,000.00				3,000.00
School Sidewalk Grant	2,506.08				2,506.08
	<u>234,487.67</u>	<u>108,040.31</u>	<u>75,804.91</u>	<u>-</u>	<u>266,723.07</u>
	<u>\$ 476,612.90</u>	<u>\$ 254,440.45</u>	<u>\$ 269,694.46</u>	<u>\$ 67,019.49</u>	<u>\$ 394,339.40</u>
			Current Year Encumbrances		\$ 44,603.10
			Disbursed		<u>225,091.36</u>
					<u>\$ 269,694.46</u>

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**

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

	<u>Animal Control</u>	<u>Other</u>
Balance Dec. 31, 2015	\$ 44.80	\$ 3,529,304.49
Increased by Receipts:		
Due to State of NJ	\$ 1,692.60	
Due to/from Current Fund		\$ 74,361.68
Due to Animal Control Fund		5,298.22
Reserve for Animal Control Expenditures	6,364.95	
Deposits for Redemption of Tax Sale Certificates		3,701,243.42
Reserve for NJ Unemployment Compensation and Disability Insurance		60,865.03
Reserve for Planning Board Review and Inspection Fees		51,287.99
Reserve for Parking Offense Adjudication Act Fund		148.00
Reserve for Disposal of Forfeited Property		11,307.92
Reserve for Recreation Trust Fund		291,540.49
Reserve for Storm Recovery Trust Fund		<u>37,377.43</u>
	<u>8,057.55</u>	<u>4,233,430.18</u>
	8,102.35	7,762,734.67
Decreased by Disbursements:		
Due to State of NJ	1,708.20	
Reserve for Animal Control Expenditures	1,088.73	
Due from Trust Other Fund	5,298.22	
Deposits for Redemption of Tax Sale Certificates		3,191,289.28
Reserve for Planning Board Review and Inspection Fees		80,706.43
Reserve for Disposal of Forfeited Property		8,857.00
Reserve for Recreation Trust Fund		234,817.93
Reserve for NJ Unemployment Compensation and Disability Insurance		<u>120,704.75</u>
	<u>8,095.15</u>	<u>3,636,375.39</u>
Balance Dec. 31, 2016	<u>\$ 7.20</u>	<u>\$ 4,126,359.28</u>



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

Balance December 31, 2015 (Restated)		\$ 348,577.11
Increased by:		
Township Contributions	\$ 22,250.00	
Unrealized Gain on Investments	24,819.06	
		47,069.06
		395,646.17
Decreased by:		
Benefits Paid to Participants	40,592.22	
Plan Fees Paid	2,418.50	
Due to Current Fund	12,945.42	
		55,956.14
Balance December 31, 2016		\$ 339,690.03

Schedule of Investments, December 31, 2016

<u>Description</u>	<u>Amount</u>
Fixed Earnings Investments	\$ 88,192.51
Money Market Funds	783.92
Variable Earnings Investments	250,713.60
	\$ 339,690.03

**TOWNSHIP OF WILLINGBORO**  
**TRUST - ANIMAL CONTROL FUND**  
Statement of Due from Trust Other Fund  
For the Year Ended December 31, 2016

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Balance Dec. 31, 2015	\$ 7,771.00
Increased by:	
Cash Disbursements - Interfund Advanced	<u>5,298.22</u>
Balance Dec. 31, 2016	<u><u>\$ 13,069.22</u></u>

**TOWNSHIP OF WILLINGBORO**  
**TRUST OTHER FUND**  
Statement of Due from / to Current Fund  
For the Year Ended December 31, 2016

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Balance Dec. 31, 2015 - Due from (Restated)	\$ 36,950.73
Increased by:	
Interfund Advanced (Cash Receipts)	\$37,410.95
Accrued Length of Service Award Program Forfeitures	<u>38,564.87</u>
	<u>75,975.82</u>
	112,926.55
Decreased by:	
Cash Receipts:	
Interfund Returned	36,950.73
Cash Disbursements:	
Forfeited Length of Service Award Programs - Realized as Miscellaneous Revenue Not Anticipated	<u>12,945.42</u>
	<u>49,896.15</u>
Balance Dec. 31, 2016 - Due to	<u><u>\$ 63,030.40</u></u>

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

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Balance Dec. 31, 2015		\$ 7,849.00
Increased by:		
Cash Receipts:		
Dog License Fees Collected	\$ 5,704.95	
Late Fees Collected	<u>660.00</u>	
		<u>6,364.95</u>
		14,213.95
Decreased by:		
Cash Disbursements:		
Animal Control Fees		<u>1,088.73</u>
Balance Dec. 31, 2016		<u><u>\$ 13,125.22</u></u>
<u>Dog License Fees Collected</u>		
<u>Year</u>	<u>Amount</u>	
2014	\$ 6,056.22	
2015	<u>7,069.00</u>	
	<u><u>\$ 13,125.22</u></u>	

**TOWNSHIP OF WILLINGBORO**  
**TRUST - ANIMAL CONTROL FUND**  
 Statement of Due to State of New Jersey  
 For the Year Ended December 31, 2016

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Balance Dec. 31, 2015		\$ 16.80
Increased by:		
Cash Receipts:		
State Fees Collected		<u>1,692.60</u>
		1,709.40
Decreased by:		
Disbursed to State		<u>1,708.20</u>
Balance Dec. 31, 2016		<u><u>\$ 1.20</u></u>

**TOWNSHIP OF WILLINGBORO**  
**TRUST OTHER FUND**  
Statement of Deposits for Redemption of Tax Sale Certificates and Premiums  
For the Year Ended December 31, 2016

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Balance Dec. 31, 2015	\$ 2,713,606.67
Increased by:	
Cash Receipts:	
Deposits Received	3,701,243.42
	6,414,850.09
Decreased by:	
Cash Disbursements:	
Tax Lien Certificates Redeemed	3,191,289.28
Balance Dec. 31, 2016	\$ 3,223,560.81

Exhibit SB-8

**TOWNSHIP OF WILLINGBORO**  
**TRUST OTHER FUND**  
Statement of Reserve for New Jersey Disability Insurance and  
Unemployment Compensation Insurance Payable  
For the Year Ended December 31, 2016

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Balance Dec. 31, 2015	\$ 119,839.72
Increased by:	
Cash Receipts:	
Interest Earned on Deposits	\$ 73.15
Budget Appropriations	34,710.56
Deductions from Employees	26,081.32
	60,865.03
	180,704.75
Decreased by:	
Cash Disbursements:	
Unemployment Claims	120,704.75
Balance Dec. 31, 2016	\$ 60,000.00

**TOWNSHIP OF WILLINGBORO**  
**TRUST OTHER FUND**  
Statement of Reserve for Planning Board Review and Inspection Fees  
For the Year Ended December 31, 2016

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Balance Dec. 31, 2015	\$ 506,407.13
Increased by:	
Cash Receipts:	
Receipts for Escrow Fund Deposits--Planning Board	<u>51,287.99</u>
	557,695.12
Decreased by:	
Cash Disbursements:	
Professional Review Fees, Inspection Fees and Return of Deposits	<u>80,706.43</u>
Balance Dec. 31, 2016	<u><u>\$ 476,988.69</u></u>

A permanent record of escrow deposits is on file in the office of the Chief Financial Officer.

**Exhibit SB-10**

**TOWNSHIP OF WILLINGBORO**  
**TRUST OTHER FUND**  
Statement of Reserve for Parking Offense Adjudication Act Fund  
For the Year Ended December 31, 2016

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Balance Dec. 31, 2015	\$ 2,731.00
Increased by:	
Cash Receipts	<u>148.00</u>
Balance Dec. 31, 2016	<u><u>\$ 2,879.00</u></u>

**Exhibit SB-11**

**TOWNSHIP OF WILLINGBORO**  
**TRUST OTHER FUND**  
Statement of Reserve for Disposal of Forfeited Property  
For the Year Ended December 31, 2016

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Balance Dec. 31, 2015	\$ 70,073.32
Increased by:	
Cash Receipts:	
Confiscated Funds Received from the County	\$ 11,204.83
Interest Earned	<u>103.09</u>
	<u>11,307.92</u>
	81,381.24
Decreased by:	
Cash Disbursements:	
Disposal of Forfeited Property Disbursements	<u>8,857.00</u>
Balance Dec. 31, 2016	<u><u>\$ 72,524.24</u></u>

**TOWNSHIP OF WILLINGBORO**  
**TRUST OTHER FUND**  
Statement of Reserve for Recreation Trust Fund  
For the Year Ended December 31, 2016

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Balance Dec. 31, 2015	\$ 124,399.13
Increased by:	
Cash Receipts:	
Special Recreation Fees Collected	<u>291,540.49</u>
	415,939.62
Decreased by:	
Cash Disbursements:	
Special Recreation Program Fees	<u>234,817.93</u>
Balance Dec. 31, 2016	<u><u>\$ 181,121.69</u></u>

Exhibit SB-13

**TOWNSHIP OF WILLINGBORO**  
**TRUST OTHER FUND**  
Statement of Reserve for Storm Recovery Trust Fund  
For the Year Ended December 31, 2016

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Balance Dec. 31, 2015	\$ 26,019.85
Increased by:	
Cash Receipts - Budget Appropriation	<u>37,377.43</u>
Balance Dec. 31, 2016	<u><u>\$ 63,397.28</u></u>

**TOWNSHIP OF WILLINGBORO**  
**TRUST OTHER FUND**  
Statement of Reserve for Length of Service Program  
For the Year Ended December 31, 2016

<hr/>		
Balance Dec. 31, 2015		\$ 331,850.48
Increased by:		
Township Contributions	\$ 22,250.00	
Unrealized Gain on Investments	<u>24,819.06</u>	
		<u>47,069.06</u>
		378,919.54
Decreased by:		
Benefits Paid to Participants	\$ 40,592.22	
Plan Fees Paid	<u>2,418.50</u>	
		43,010.72
Accrued Length of Service Award Program Forfeitures	<u>38,564.87</u>	
Balance Dec. 31, 2016		<u>81,575.59</u>
		<u><u>\$ 297,343.95</u></u>

**SUPPLEMENTAL EXHIBITS**

**GENERAL CAPITAL FUND**



**TOWNSHIP OF WILLINGBORO**  
**GENERAL CAPITAL FUND**

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

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Balance Dec. 31, 2015		\$ 50,522.36
Increased by Receipts:		
Capital Improvement Fund	\$ 170,650.00	
Due from Special Assessment	85,081.00	
Deferred Charge - Budget Appropriation	149,700.00	
Interfund Receipts	<u>796,729.91</u>	
		<u>1,202,160.91</u>
		1,252,683.27
Decreased by Disbursements:		
Improvement Authorizations	702,503.14	
Contracts Payable	280,079.35	
Disbursed for Current Fund - Budget Appropriation	<u>263,792.00</u>	
		<u>1,246,374.49</u>
Balance Dec. 31, 2016		<u><u>\$ 6,308.78</u></u>

**TOWNSHIP OF WILLINGBORO**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash and Investments  
For the Year Ended December 31, 2016

	Balance (Overdraft) Dec. 31, 2015	Receipts		Disbursements		Transfers		Balance (Overdraft) Dec. 31, 2016
		Miscellaneous		Improvement Authorizations	Miscellaneous	From	To	
Capital Improvement Fund	\$ 84,402.43	\$ 170,650.00				\$ 116,500.00		\$ 138,552.43
Due from Special Assessment	(403,109.00)	85,081.00						(318,028.00)
Due from Current Fund	630,450.31	796,729.91		\$ 263,792.00				1,163,388.22
Contracts Payable	472,482.33			280,079.35	67,597.98	\$ 1,398,255.16		1,523,060.16
Capital Surplus	41,600.00							41,600.00
General Improvement Authorizations:								
Ordinance								
<u>Number</u>								
1999-6(a)/ 2000-2&3(a) Various Renovations to the Kennedy Building	(299,400.00)	149,700.00						(149,700.00)
2006-3(f) Purchase of Recreation Department Vehicles	5,466.03							5,466.03
2007-11(b) Office of Library, Clerk, Tech & Admin, Acquisition of Various Technology Equipment, Telephone, Software & Renovations to Library	3,651.05							3,651.05
2008-7(b) Library, Clerk, Human Services, Tech & Admin., Acquisition of Various Technology Equipment, Telephone, Software and Furniture	0.12							0.12
2008-7(d) Fire Department \ Emergency Squad \ Emergency Management - Acquisition of Various Vehicles & Equipment	(796.22)							(796.22)
2008-7(g) Fire Department \ Emergency Squad \ Emergency Management - Acquisition of Various Vehicles & Equipment	21,679.00					21,679.00		

(Continued)

**TOWNSHIP OF WILLINGBORO**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash and Investments  
For the Year Ended December 31, 2016

	Balance (Overdraft) Dec. 31, 2015	Receipts		Disbursements		Transfers		Balance (Overdraft) Dec. 31, 2016
		Miscellaneous	Improvement Authorizations	Miscellaneous	From	To		
General Improvement Authorizations (Cont'd):								
Ordinance								
Number								
2009-14(a) Stormwater Outfall Projects	\$ 141,524.16							\$ 141,524.16
2009-14(b) Acquisition of a Street Sweeper	(106,232.22)							(106,232.22)
2009-15(b) Office of the Administrator / Management - Equipment	34,853.78		\$ 32,091.20					2,762.58
2009-15(c) Police Department - Acquisition Sports Utility Vehicle and Various Equipment	46.04							46.04
2009-15(d) Fire Department \ Emergency Squad \ Emergency Management - Acquisition of Various Vehicles & Equipment	770.05							770.05
2009-15(g) Recreation Department - Acquisition of Equipment, Sports Utility Vehicle, Irrigation System, Land Improvements, and Parking	53,762.17				\$ 53,768.17	\$ 6.00		
2009-15(h) Renovations and Preliminary Designs Costs for Various Municipal Facilities	9,595.05							9,595.05
2009-16 Neighborhood Stabilization Program	441.96		441.96					
2010-1(a) Office of Administration / Manager - Acquisition of Office Furniture and Equipment	10,000.00		391.39					9,608.61
2010-1(b) Police Department - Acquisition of Various Equipment	4,841.85				703.21			4,138.64

(Continued)

**TOWNSHIP OF WILLINGBORO**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash and Investments  
For the Year Ended December 31, 2016

	Balance (Overdraft) Dec. 31, 2015	Receipts		Disbursements		Transfers		Balance (Overdraft) Dec. 31, 2016
		Miscellaneous	Improvement Authorizations	Miscellaneous	From	To		
General Improvement Authorizations (Cont'd):								
Ordinance Number								
2010-1(c)	Fire Department / Emergency Squad / Emergency Management - Acquisition of Various Equipment and Improvements	\$ 15,243.99		\$ 15,179.50				\$ 64.49
2010-1(d)	Public Works Department - Acquisition of Vehicles and Signs for Parks and Paving of the Department of Public Works Yard	7,179.65			\$ 7,100.00	\$ 12,483.82		12,563.47
2010-1(e)	Recreation Department - Acquisition of Various Equipment	10,210.13		2,006.32	4,716.18	17,200.00		20,687.63
2010-1(f)	Renovations to the Municipal Complex and Kennedy Center	5,780.00						5,780.00
2011-16(a)	Pavement Management Plan for Various Streets & Roads	37,424.66			37,424.66			
2012-3	Renovations to the Municipal Complex	5,428.34						5,428.34
2012-4	Purchase of SUV or Van for Animal Control	670.73						670.73
2012-5	Renovations to the JFK Center	295.39						295.39
2013-7	Road Pavement Management System, Sidewalk Repair, Stormwater Management and Renovations to the Municipal Building, Public Works Garage, JFK Building and Firehouse	90,308.77		56,270.51	11,729.00	37,908.16		60,217.42

(Continued)

**TOWNSHIP OF WILLINGBORO**  
**GENERAL CAPITAL FUND**  
 Statement of General Capital Cash and Investments  
 For the Year Ended December 31, 2016

		Balance (Overdraft) Dec. 31, 2015	Receipts Miscellaneous	Disbursements		Transfers		Balance (Overdraft) Dec. 31, 2016
				Improvement Authorizations	Miscellaneous	From	To	
General Improvement Authorizations (Cont'd):								
Ordinance								
<u>Number</u>								
2014-1	Acquisition of Recycling Buckets, Public Works Trucks & Equipment, Replacement of Roof on Municipal Building & Renovation of Various Municipal Buildings	\$ 2,823.31						\$ 2,823.31
2015-4	Acquisition of Recycling Buckets, Public Works Trucks & Equipment, Replacement of Roof on Municipal Building & Renovation of Various Municipal Buildings	152,426.54						152,426.54
2015-5 / 2016-11	Road, Sidewalk and Stormwater Drainage Improvements	(983,298.04)		\$ 177,245.72		\$ 177,900.38		(1,338,444.14)
2016-8	Improvements to Various Roads, Streets, Sidewalks and Storm Drains in Accordance with the Pavement Management Plan			306,306.32		1,196,106.39	\$ 116,500.00	(1,385,912.71)
2016-9	Acquisition of a Backhoe			112,570.22			112,871.83	301.61
		<u>\$ 50,522.36</u>	<u>\$ 1,202,160.91</u>	<u>\$ 702,503.14</u>	<u>\$ 543,871.35</u>	<u>\$ 1,695,224.97</u>	<u>\$ 1,695,224.97</u>	<u>\$ 6,308.78</u>

**TOWNSHIP OF WILLINGBORO**  
GENERAL CAPITAL FUND  
Statement of Due to Current Fund  
For the Year Ended December 31, 2016

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Balance Dec. 31, 2015		\$ 630,450.31
Increased by:		
Cash Receipts:		
Interfund Advanced	\$ 796,729.74	
Interest on Investments	<u>0.17</u>	
		<u>796,729.91</u>
		1,427,180.22
Decreased by:		
Cash Disbursements:		
Disbursed for Current Fund - Budget Appropriation		<u>263,792.00</u>
Balance Dec. 31, 2016		<u><u>\$ 1,163,388.22</u></u>

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

Balance Dec. 31, 2015		\$ 36,165,945.80
Decreased by:		
2016 Budget Appropriation:		
Bond Principal	\$ 3,825,000.00	
NJFIT Loan Principal	39,996.60	
Bridge Lease Agreement Payment	<u>120,000.00</u>	
		<u>3,984,996.60</u>
Balance Dec. 31, 2016		<u><u>\$ 32,180,949.20</u></u>
<u>Analysis of Balance</u>		
Lease Agreement with Burlington County Bridge Commission		\$ 845,000.00
NJFIT Loans		764,949.20
Serial Bonds		<u>30,571,000.00</u>
		<u><u>\$ 32,180,949.20</u></u>

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2015	2016 Authorizations	Funded By Budget Appropriation	Balance Dec. 31, 2016	Analysis of Balance Dec. 31, 2016	
						Expenditures	Unexpended Improvement Authorizations
General Improvements:							
1999-6 / 2000-2&3	Reconstruction to Municipal Library, Infrastructure and Roadways, Roadway Improvements to Willingboro Town Center and Various Renovations to the Kennedy Building	\$ 299,400.00		\$ 149,700.00	\$ 149,700.00	\$ 149,700.00	
2008-7	Office of Aging--Vehicle; Library, Human Services, Clerk, Tech & Admin Equipment, Software and Furniture; Police Dept.--Police and Various Equipment and Motor Cycles; Fire Dept/Emer Squad/Emer Management--Acq. Vehicles & Various Equipment; Public Works Dept--Vehicles and Other Equipment; Recreation Dept.--Acquisition of Various Equipment, Streets and Roads-- Road, Sidewalks and Storm Water/Drainage Improvement	950.00			950.00	796.22	\$ 153.78
2009-14	Stormwater Outfall Projects & Acquisition of a Street Sweeper	1,522,600.00			1,522,600.00		1,522,600.00
2015-4	Firehouse/Emergency Service Building	10,450,000.00			10,450,000.00		10,450,000.00
2015-5 / 2016-11	Roads, Streets, Sidewalks, Senior Center, and Township Buildings	2,954,500.00			2,954,500.00	1,338,444.14	1,616,055.86
2016-8	Improvements to Various Roads, Streets, Sidewalks and Storm Drains in Accordance with the Pavement Management Plan		\$ 2,213,500.00		2,213,500.00	1,385,912.71	827,587.29
		<u>\$ 15,227,450.00</u>	<u>\$ 2,213,500.00</u>	<u>\$ 149,700.00</u>	<u>\$ 17,291,250.00</u>	<u>\$ 2,874,853.07</u>	<u>\$ 14,416,396.93</u>



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

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Balance Dec. 31, 2015	\$ 84,402.43
Increased by:	
2016 Budget Appropriation	<u>170,650.00</u>
	255,052.43
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>116,500.00</u>
Balance Dec. 31, 2016	<u><u>\$ 138,552.43</u></u>

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

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2015		2016 Authorizations		Contracts Payable Canceled	Paid or Charged	Reappropriated	Balance Dec. 31, 2016	
				Funded	Unfunded	Capital Improvement Fund	Deferred Charges to Future Taxation-Unfunded				Funded	Unfunded
General Improvements:												
2006-3(f)	Purchase of Recreation Department Vehicles	5/31/2006	\$ 403,500.00	\$ 5,466.03								\$ 5,466.03
2007-11(b)	Office of Library, Clerk, Tech & Admin, Acquisition of Various Technology Equipment, Telephone, Software & Renovations to Library	7/3/2007	141,800.00	3,651.05								3,651.05
2008-7(b)	Library, Clerk, Human Services, Tech & Admin., Acquisition of Various Technology Equipment, Telephone, Software and Furniture	10/28/2008	207,000.00	0.12								0.12
2008-7(d)	Fire Department \ Emergency Squad \ Emergency Management - Acquisition of Various Vehicles & Equipment	10/28/2008	643,000.00		\$ 153.78							\$ 153.78
2008-7(g)	Streets and Roads--Road, Sidewalk and Storm Water/Drainage Improvements	10/28/2008	535,000.00	21,679.00						\$ (21,679.00)		
2009-14(a)	Stormwater Outfall Projects	8/25/2009	2,450,000.00	35,291.94	1,486,448.00							35,291.94 1,486,448.00
2009-14(b)	Acquisition of a Street Sweeper	8/25/2009	260,000.00		36,152.00							36,152.00
2009-15(b)	Office of the Administrator / Management - Equipment	4/7/2009	196,000.00	34,853.78					\$ 32,091.20			2,762.58
2009-15(c)	Police Department - Acquisition of Sports Utility Vehicle and Various Equipment	4/7/2009	100,000.00	46.04								46.04
2009-15(d)	Fire Department \ Emergency Squad \ Emergency Management - Acquisition of Various Vehicles & Equipment	4/7/2009	365,000.00	770.05								770.05
2009-15(g)	Streets and Roads - Road, Sidewalk and Storm Water/Drainage Improvements	4/7/2009	1,225,000.00	53,762.17				\$ 6.00		(53,768.17)		
2009-15(h)	Renovations and Preliminary Design Costs for Various Municipal Facilities	4/7/2009	1,200,000.00	9,595.05								9,595.05
2009-16	Neighborhood Stabilization Program	4/7/2009	2,500,000.00	441.96					441.96			
2010-1(a)	Office of Administration / Manager - Acquisition of Office Furniture and Equipment	3/10/2010	10,000.00	10,000.00					391.39			9,608.61
2010-1(b)	Police Department - Acquisition of Various Equipment	3/10/2010	204,500.00	4,841.85					703.21			4,138.64

(Continued)

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

Ordinance Number	Improvement Description	Date	Balance Dec. 31, 2015		2016 Authorizations		Contracts Payable Canceled	Paid or Charged	Reappropriated	Balance Dec. 31, 2016	
			Funded	Unfunded	Capital Improvement Fund	Deferred Charges to Future Taxation-Unfunded				Funded	Unfunded
General Improvements:											
2010-1(c)	Fire Department / Emergency Squad / Emergency Management - Acquisition of Various Equipment and Improvements	3/10/2010	\$ 162,000.00	\$ 15,243.99				\$ 15,179.50		\$ 64.49	
2010-1(d)	Public Works Department - Acquisition of Vehicles and Signs for Parks and Paving of the Department of Public Works Yard	3/10/2010	380,000.00	7,179.65			\$ 12,483.82	7,100.00		12,563.47	
2010-1(e)	Recreation Department - Acquisition of Various Equipment	3/10/2010	174,000.00	10,210.13			17,200.00	6,722.50		20,687.63	
2010-1(f)	Renovations to the Municipal Complex and Kennedy Center	3/10/2010	3,875,000.00	5,780.00						5,780.00	
2011-16(a)	Pavement Management Plan for Various Streets & Roads	12/13/2011	1,050,000.00	37,424.66					\$ (37,424.66)		
2012-3	Renovations to the Municipal Complex	10/16/2012	100,000.00	5,428.34						5,428.34	
2012-4	Purchase of SUV or Van for Animal Control	10/16/2012	24,053.73	670.73						670.73	
2012-5	Renovations to the JFK Center	11/20/2012	3,060,000.00	295.39						295.39	
2013-7	Road Pavement Management System, Sidewalk Repair, Stormwater Management and Renovations to the Municipal Building, Public Works Garage, JFK Building and Firehouse	10/15/2013	2,500,000.00	90,308.77			37,908.16	67,999.51		60,217.42	
2014-1	Acquisition of Recycling Buckets, Public Works Trucks & Equipment, Replacement of Roof on Municipal Building & Renovation of Various Municipal Buildings	2/18/2014	863,000.00	2,823.31						2,823.31	
2015-4	Firehouse/Emergency Service Building	4/27/2015	11,000,000.00	152,426.54	\$ 10,450,000.00					152,426.54	\$ 10,450,000.00
2015-5 / 2016-11	Roads, Streets, Sidewalks, Senior Center, and Township Buildings	4/27/2015	3,110,000.00					355,146.10			1,616,055.86
2016-8	Improvements to Various Roads, Streets, Sidewalks and Storm Drains in Accordance with the Pavement Management Plan	6/21/2016	2,330,000.00			\$ 116,500.00	\$ 2,213,500.00	1,502,412.71			827,587.29
2016-9	Acquisition of a Backhoe	7/5/2016	112,871.83					112,570.22	112,871.83	301.61	
			<u>\$ 508,190.55</u>	<u>\$ 13,943,955.74</u>	<u>\$ 116,500.00</u>	<u>\$ 2,213,500.00</u>	<u>\$ 67,597.98</u>	<u>\$ 2,100,758.30</u>	<u>\$ -</u>	<u>\$ 332,589.04</u>	<u>\$ 14,416,396.93</u>
Disbursed								\$ 702,503.14			
Contracts Payable								<u>1,398,255.16</u>			
								<u>\$ 2,100,758.30</u>			

**TOWNSHIP OF WILLINGBORO**  
**GENERAL CAPITAL FUND**  
**Statement of Contracts Payable**  
**For the Year Ended December 31, 2016**

Balance Dec. 31, 2015		\$ 472,482.33
Increased by:		
2016 Contracts		1,398,255.16
		1,870,737.49
Decreased by:		
Cancelled Contracts Payable	\$ 67,597.98	
Cash Disbursements	280,079.35	
		347,677.33
Balance Dec. 31, 2016		\$ 1,523,060.16

Schedule of Contracts Payable Dec. 31, 2016

<u>Ordinance Number</u>	<u>Amount</u>
2007-11(e)	\$ 454.34
2008-7(e)	5.84
2010-1(b)	1,086.15
2010-1(d)	7,100.00
2013-7	11,729.00
2015-4	128,678.06
2015-5 / 2016-11	177,900.38
2016-8	1,196,106.39
	\$ 1,523,060.16

**TOWNSHIP OF WILLINGBORO**  
GENERAL CAPITAL FUND  
Statement of Lease Payable  
For the Year Ended December 31, 2016

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Balance Dec. 31, 2015	\$ 965,000.00
Decreased by:	
Paid by Budget Appropriation	<u>120,000.00</u>
Balance Dec. 31, 2016	<u><u>\$ 845,000.00</u></u>

**TOWNSHIP OF WILLINGBORO**  
**GENERAL CAPITAL FUND**  
 Statement of New Jersey Environmental Infrastructure Loans Payable  
 For the Year Ended December 31, 2016

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2015</u>	<u>Paid By Budget Appropriation</u>	<u>Balance Dec. 31, 2016</u>
New Jersey Environmental Infrastructure Trust Loan, Series 2012A	5-3-2012	\$ 450,000.00	8-1-2017	\$ 20,000.00	5.000%			
			8-1-2018	20,000.00	5.000%			
			8-1-2019	20,000.00	5.000%			
			8-1-2020	20,000.00	5.000%			
			8-1-2021	20,000.00	5.000%			
			8-1-2022	25,000.00	5.000%			
			8-1-2023	25,000.00	5.000%			
			8-1-2024	25,000.00	5.000%			
			8-1-2025	25,000.00	5.000%			
			8-1-2026	30,000.00	5.000%			
			8-1-2027	30,000.00	3.000%			
			8-1-2028	30,000.00	3.000%			
			8-1-2029	30,000.00	3.125%			
			8-1-2030	35,000.00	3.200%			
			8-1-2031	35,000.00	3.250%			\$ 405,000.00
New Jersey Environmental Infrastructure Trust Loan, Series 2012ABC	5-3-2012	491,600.00	2-1-2017	8,332.20	N/A			
			8-1-2017	16,664.40	N/A			
			2-1-2018	8,332.20	N/A			
			8-1-2018	16,664.40	N/A			
			2-1-2019	8,332.20	N/A			
			8-1-2019	16,664.40	N/A			
			2-1-2020	8,332.20	N/A			
			8-1-2020	16,664.40	N/A			
			2-1-2021	8,332.20	N/A			
			8-1-2021	16,664.40	N/A			
			2-1-2022	8,332.20	N/A			
			8-1-2022	16,664.40	N/A			
			2-1-2023	8,332.20	N/A			
8-1-2023	16,664.40	N/A						

(Continued)

**TOWNSHIP OF WILLINGBORO**  
**GENERAL CAPITAL FUND**  
 Statement of New Jersey Environmental Infrastructure Loans Payable  
 For the Year Ended December 31, 2016

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2015</u>	<u>Paid By Budget Appropriation</u>	<u>Balance Dec. 31, 2016</u>
New Jersey Environmental Infrastructure Trust Loan, Series 2012ABC (Cont'd)	5-3-2012	\$ 491,600.00	2-1-2024	\$ 8,332.20	N/A			
			8-1-2024	16,664.40	N/A			
			2-1-2025	8,332.20	N/A			
			8-1-2025	16,664.40	N/A			
			2-1-2026	8,332.20	N/A			
			8-1-2026	16,664.40	N/A			
			2-1-2027	8,332.20	N/A			
			8-1-2027	16,664.40	N/A			
			2-1-2028	8,332.20	N/A			
			8-1-2028	16,664.40	N/A			
			2-1-2029	8,332.20	N/A			
			8-1-2029	16,664.40	N/A			
			2-1-2030	8,332.20	N/A			
			8-1-2030	16,664.40	N/A			
			2-1-2031	8,332.20	N/A			
			8-1-2031	16,664.60	N/A			
						<u>\$ 804,945.80</u>	<u>\$ 39,996.60</u>	<u>\$ 764,949.20</u>

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

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2015</u>	<u>Paid By Budget Appropriation</u>	<u>Balance Dec. 31, 2016</u>
County Guaranteed Pooled Loan Revenue Bonds of 2003	12-11-2003	\$ 10,039,000.00	12-1-2017	\$ 4,000.00	5.00%	\$ 7,000.00		\$ 7,000.00
			12-1-2019	3,000.00	5.00%			
Refunding Bonds of 2006	1-26-2006	4,925,000.00	9-01-2017	600,000.00	4.00%	1,805,000.00	\$ 575,000.00	1,230,000.00
			9-01-2018	630,000.00	3.75%			
General Improvement Bonds of 2007	8-1-2007	12,005,000.00	8-1-2017	930,000.00	4.25%	1,825,000.00	895,000.00	930,000.00
General Obligation Refunding Bonds, Series 2009	12-22-2009	1,465,000.00	9-15-2017	125,000.00	4.90%	750,000.00	120,000.00	630,000.00
			9-15-2018	125,000.00	5.10%			
			9-15-2019	125,000.00	5.30%			
			9-15-2020	130,000.00	5.70%			
			9-15-2021	125,000.00	6.00%			
General Improvement Bonds, Series 2010	7-14-2010	9,619,000.00	8-1-2017	750,000.00	2.00%	6,599,000.00	715,000.00	5,884,000.00
			8-1-2018	780,000.00	2.10%			
			8-1-2019	810,000.00	3.00%			
			8-1-2020	840,000.00	3.00%			
			8-1-2021	870,000.00	3.00%			
			8-1-2022	895,000.00	3.00%			
			8-1-2023	939,000.00	3.00%			
County Guaranteed Pooled Loan Revenue Refunding Bonds	3-11-2013	7,685,000.00	12-1-2017	790,000.00	4.00%	6,125,000.00	770,000.00	5,355,000.00
			12-1-2018	825,000.00	5.00%			
			12-1-2019	865,000.00	5.00%			
			12-1-2020	915,000.00	5.00%			
			12-1-2021	955,000.00	5.00%			
			12-1-2022	1,005,000.00	5.00%			

(Continued)



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

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2015</u>	<u>Paid By Budget Appropriation</u>	<u>Balance Dec. 31, 2016</u>		
General Improvement Bonds, Series 2015	4-21-2015	\$ 11,770,000.00	4-1-2017	\$ 650,000.00	3.00%					
			4-1-2018	650,000.00	4.00%					
			4-1-2019	650,000.00	4.00%					
			4-1-2020	650,000.00	2.00%					
			4-1-2021	650,000.00	2.00%					
			4-1-2022	650,000.00	5.00%					
			4-1-2023	1,220,000.00	5.00%					
			4-1-2024	1,200,000.00	5.00%					
			4-1-2025	1,200,000.00	2.25%					
			4-1-2026	1,200,000.00	2.50%					
			4-1-2027	1,200,000.00	3.00%					
			4-1-2028	1,200,000.00	3.00%		\$ 11,770,000.00	\$ 650,000.00	\$ 11,120,000.00	
			General Improvement Refunding Bonds, Series 2015	12-10-2015	5,515,000.00	8-1-2017	50,000.00	2.00%		
8-1-2018	325,000.00	2.00%								
8-1-2018	695,000.00	3.00%								
8-1-2019	750,000.00	2.00%								
8-1-2019	300,000.00	4.00%								
8-1-2020	955,000.00	2.00%								
8-1-2020	115,000.00	4.00%								
8-1-2021	810,000.00	2.25%								
8-1-2021	285,000.00	4.00%								
8-1-2022	560,000.00	2.25%								
8-1-2022	570,000.00	4.00%								
								5,515,000.00	100,000.00	5,415,000.00
								<u>\$ 34,396,000.00</u>	<u>\$ 3,825,000.00</u>	<u>\$ 30,571,000.00</u>

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2015	2016 Authorizations	Funded by Budget Appropriation	Balance Dec. 31, 2016
1999-6 / 2002-2&3	Reconstruction to Municipal Library, Infrastructure and Roadway Improvements to Willingboro Town Center	\$ 299,400.00		\$ 149,700.00	\$ 149,700.00
2008-7	Office of Aging--Vehicle; Library, Human Services, Clerk, Tech & Admin Equipment, Software and Furniture; Police Dept.--Police and Various Equipment and Motor Cycles; Fire Dept/Emer Squad/Emer Management--Acq. Vehicles & Various Equipment; Public Works Dept--Vehicles and Other Equipment; Recreation Dept.--Acquisition of Various Equipment, Streets and Roads-- Road, Sidewalks and Storm Water/Drainage Improvement	950.00			950.00
2009-14	Stormwater Outfall Projects & Acquisition of a Street Sweeper	1,522,600.00			1,522,600.00
2015-4	Firehouse/Emergency Service Building	10,450,000.00			10,450,000.00
2015-5 / 2016-11	Roads, Streets, Sidewalks, Senior Center, and Township Buildings	2,954,500.00			2,954,500.00
2016-8	Improvements to Various Roads, Streets, Sidewalks and Storm Drains in Accordance with the Pavement Management Plan				
			\$ 2,213,500.00		2,213,500.00
		\$ 15,227,450.00	\$ 2,213,500.00	\$ 149,700.00	\$ 17,291,250.00

**TOWNSHIP OF WILLINGBORO**

**PART II**

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2016**

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

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***Schedule of Financial Statement Findings***

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

**Finding No. 2016-001**

Criteria or Specific Requirement

Governmental Accounting Standards Board (GASB) Statement No. 45 requires employers to measure and report the cost and liabilities associated with other (than pension) postemployment benefits (OPEB).

Condition

The Township did not comply with Governmental Accounting Standards Board (GASB) 45, which requires employers to measure and report the cost and liabilities associated with other (than pension) postemployment benefits (OPEB).

Context

The Township currently pays a portion of retiree dental benefits directly to South NJ Regional Employee Benefits Fund, for retirees not eligible for coverage under State Health. The Township also offers direct payments to retirees, under the LESA agreement. The cost associated with these payments are required to be estimated with an actuarial study and disclosed in the notes to financial statements.

Effect

Non-compliance with GASB 45 requirements and the long-term liability associated with OPEB is not known.

Cause

The Authority did not have the actuarial study performed.

Recommendation

That the Township comply with Governmental Accounting Standards Board 45, which requires employers to measure and report the cost and liabilities associated with other (than pension) postemployment benefits (OPEB).

View of Responsible Officials and Planned Corrective Action

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

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

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

**Finding No. 2015-001**

Condition

The Township did not properly monitor expenditures for the summer food program to ensure that there was proper supporting documentation for all expenditures.

Current Status

This condition has been corrected.

**Finding No. 2015-002**

Condition

The Township did not comply with several provisions of N.J.S.A. 40A:11 (Local Public Contract Law), N.J.S.A. 19:44A-20.4 (Pay-to-Play Law), N.J.A.C. 5:30-5 and N.J.A.C. 5:30-11 when purchase amounts for goods and services exceeded the respective thresholds.

Current Status

This condition has been corrected.

**TOWNSHIP OF WILLINGBORO**  
 Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Nathaniel Anderson	Mayor	
Christopher Walker	Deputy Mayor	
Jacqueline Jennings	Councilmember	
Darvis Holley	Councilmember	
Martin Nock	Councilmember	
Eusebia Diggs	Chief Financial Officer / Director of Finance	\$2,000,000.00(A)
Richard Brevogel	Interim Township Manager	2,000,000.00(A)
Sarah Wooding	Township Clerk, Officer for Municipal Improvements and Dog Registrar	2,000,000.00(A)

(A) Public Officials and Employment Liability Bond

All Township employees, including court employees, are under the (A) Public Officials and Employment Liability Bond listed above. During the course of our examination, we reviewed all Bonds and found them to be properly executed.

14700

**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



Kirk N. Applegate  
Certified Public Accountant  
Registered Municipal Accountant

