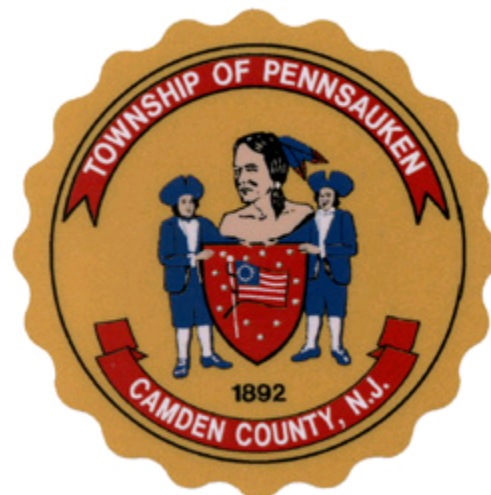


TOWNSHIP OF PENNSAUKEN
COUNTY OF CAMDEN
REPORT OF AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2017



TOWNSHIP OF PENNSAUKEN**TABLE OF CONTENTS**

<u>Exhibit No.</u>		<u>Page No.</u>
	<u>PART 1</u>	
	Independent Auditor's Report	2
	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards – Independent Auditor's Report	5
	<u>CURRENT FUND</u>	
A	Statements of Assets, Liabilities, Reserves and Fund Balance—Regulatory Basis	7
A-1	Statements of Operations and Changes in Fund Balance—Regulatory Basis	9
A-2	Statement of Revenues—Regulatory Basis	11
A-3	Statement of Expenditures—Regulatory Basis	17
	<u>TRUST FUNDS</u>	
B	Statements of Assets, Liabilities and Reserves—Regulatory Basis	25
	<u>GENERAL CAPITAL FUND</u>	
C	Statements of Assets, Liabilities, Reserves and Fund Balance—Regulatory Basis	27
C-1	Statement of Fund Balance – Regulatory Basis	28
	<u>GOLF COURSE UTILITY FUND</u>	
D	Statements of Assets, Liabilities, Reserves and Fund Balance—Regulatory Basis	29
D-1	Golf Course Utility Operating Fund--Statements of Operations and Changes in Fund Balance—Regulatory Basis	30
D-2	Golf Course Utility Operating Fund--Statement of Revenues—Regulatory Basis	31
D-3	Golf Course Utility Operating Fund--Statement of Expenditures—Regulatory Basis	32
	<u>GENERAL FIXED ASSETS GROUP OF ACCOUNTS</u>	
G	Statement of General Fixed Asset Group of Accounts—Regulatory Basis	33
	Notes to Financial Statements	34
	<u>SUPPLEMENTAL EXHIBITS</u>	
	<u>CURRENT FUND</u>	
SA-1	Statement of Current Cash per N.J.S.40A:5-5—Treasurer	72
SA-2	Statement of Current Cash per N.J.S.40A:5-5—Collector	74
SA-3	Schedule of Change Funds	75
SA-4	Statement of Petty Cash Funds	75
SA-5	Statement of Taxes Receivable	76
SA-6	Statement of Tax Title Liens	77
SA-7	Statement of Payment in Lieu of Taxes Receivable	78
SA-8	Statement of Due from United States Department of Treasury	79

TOWNSHIP OF PENNSAUKEN**TABLE OF CONTENT (CONT'D)**

<u>Exhibit No.</u>		<u>Page No.</u>
<u>CURRENT FUND (CONT'D)</u>		
SA-9	Statement of Protested Checks Receivable	80
SA-10	Statement of Due from Bank	81
SA-11	Statement of Revenue Accounts Receivable	82
SA-12	Statement of Deferred Charges	85
SA-13	Statement of Due to Township of Pennsauken Library	86
SA-14	Statement of Due to State of New Jersey Veterans' and Senior Citizens' Deductions	87
SA-15	Statement of Prepaid Payments in Lieu of Taxes	88
SA-16	Statement of Reserve for Encumbrances	88
SA-17	Statement of 2016 Appropriation Reserves	89
SA-18	Statement of Due to Pennsauken Garbage District	93
SA-19	Statement of Prepaid Taxes	94
SA-20	Statement of Tax Overpayments	94
SA-21	Statement of Due to State of New Jersey—Training Fees Surcharge	95
SA-22	Statement of Due to State of New Jersey—Marriage and Domestic Partnership Licenses	95
SA-23	Statement of County Taxes Payable	96
SA-24	Statement of Due County for Added and Omitted Taxes	96
SA-25	Statement of Local School District Tax Payable	97
SA-26	Statement of Special District Tax	97
SA-27	Statement of Special Emergency Notes	98
SA-28	Statement of Reserve for Revaluation Program	99
SA-29	Statement of Reserve Election Expenses	100
SA-30	Federal and State Grant Fund—Statement of Federal, State and Local Grants Receivable	101
SA-31	Federal and State Grant Fund—Statement of Due to/from Current Fund	102
SA-32	Federal and State Grant Fund—Statement of Reserve for Federal, State and Local Grants—Unappropriated	103
SA-33	Federal and State Grant Fund—Statement of Reserve for Federal and State Grants—Appropriated	104
<u>TRUST FUNDS</u>		
SB-1	Statement of Trust Fund Cash per N.J.S.40A:5-5—Treasurer	106
SB-2	Animal Control Fund—Statement of Due from Current Fund	108
SB-3	Animal Control Fund—Statement of Deferred Charge—Deficit in Reserve For Animal Control Expenditures	109
SB-4	Animal Control Fund—Statement of Due to State of New Jersey—State Registration Fees	110
SB-5	Animal Control Fund—Statement of Reserve for Animal Control Expenditures	111
SB-6	Trust—Other Fund—Statement of Housing Rehabilitation Program Inventory	112
SB-7	Trust—Other Fund—Statement of Community Development Block Grant Program Receivable	112
SB-8	Trust--Other Fund---Statement of Due Current Fund	113
SB-9	Trust--Other Fund—Statement of Due to Bank	114
SB-10	Trust--Other Fund—Statement of Reserve for Payroll Deductions Payable	115
SB-11	Trust--Other Fund—Statement of Reserve for Economic Development-- Urban Development Action Grant	116

TOWNSHIP OF PENNSAUKENTABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No.</u>
<u>TRUST FUNDS (CONT'D)</u>		
SB-12	Trust--Other Fund—Statement of Reserve Community Development Block Grant Program Receivable	117
SB-13	Trust--Other Fund---Statement of Reserve for Section 8 Program	118
SB-14	Trust--Other Fund—Statement of Miscellaneous Trust Reserves	119
<u>GENERAL CAPITAL FUND</u>		
SC-1	Statement of General Capital Cash per N.J.S.40A:5-5—Treasurer	121
SC-2	Analysis of General Capital Cash	122
SC-3	Statement of Deferred Charges to Future Taxation—Funded	123
SC-4	Statement of Deferred Charges to Future Taxation—Unfunded	124
SC-5	Statement of Due from State of New Jersey – Transportation Trust Fund Grant Receivable	125
SC-6	Statement of Due from Garden State Preservation Trust Fun Receivable	125
SC-7	Statement of Due from Current Fund	126
SC-8	Statement of Due from Animal Control Fund	127
SC-9	Statement of Due from Trust Other Fund	127
SC-10	Statement of Due to Bank	128
SC-11	Statement of Improvement Authorizations	129
SC-12	Statement of Contracts Payable	130
SC-13	Statement of Capital Improvement Fund	131
SC-14	Statement of Bonds Anticipation Notes	132
SC-15	Statement of General Serial Bonds	133
SC-16	Statement of Bonds and Notes Authorized But Not Issued	134
<u>GOLF COURSE UTILITY FUND</u>		
SD-1	Statement of Golf Course Utility Cash per N.J.S.40A:5-5—Treasurer	136
SD-2	Golf Course Utility Capital Fund—Analysis of Golf Course Utility Capital Cash	137
SD-3	Golf Course Utility Operating Fund—Schedule of Change Funds	138
SD-4	Golf Course Utility Operating Fund—Statement of Petty Cash Funds	138
SD-5	Golf Course Utility Operating Fund—Statement of Due from Current Fund	139
SD-6	Golf Course Utility Capital Fund—Statement of Fixed Capital	140
SD-7	Golf Course Utility Operating Fund—Schedule of Fixed Capital Authorized and Uncompleted	141
SD-8	Golf Course Utility Capital Fund—Statement of Due from Current Fund	142
SD-9	Golf Course Utility Capital Fund—Statement of Due to/from Golf Course Utility Operating Fund	142
SD-10	Golf Course Utility Operating Fund—Statement of 2016 Appropriation Reserves	143
SD-11	Golf Course Utility Operating Fund—Statement of Accrued Interest on Bonds and Notes	144
SD-12	Golf Course Utility Capital Fund—Statement of Improvement Authorizations	145
SD-13	Golf Course Utility Capital Fund—Statement of Contacts Payable	146

TOWNSHIP OF PENNSAUKEN**TABLE OF CONTENTS (CONT'D)**

<u>Exhibit No.</u>		<u>Page No.</u>
	<u>GOLF COURSE UTILITY FUND (CONT'D)</u>	
SD-14	Golf Course Utility Capital Fund—Statement of Reserve for Amortization	146
SD-15	Golf Course Utility Capital Fund—Statement of Golf Course Utility Capital Serial Bonds	147
	<u>PART II – SCHEDULE OF FINDINGS AND RECOMMENDATIONS</u>	
	Schedule of Financial Statement Findings	149
	Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	150
	OFFICIALS IN OFFICE AND SURETY BONDS	151
	APPRECIATION	152

TOWNSHIP OF PENNSAUKEN
PART I
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Pennsauken
Pennsauken, New Jersey 08110

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 Pennsauken, in the County of Camden, State of New Jersey, as of December 31, 2017 and 2016, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Township of Pennsauken'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 of Pennsauken'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 of Pennsauken's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

As described in note 1 to the financial statements, the financial statements are prepared by the Township of Pennsauken 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 Pennsauken, in the County of Camden, State of New Jersey, as of December 31, 2017 and 2016, or the results of its operations and changes in fund balance for the years then ended.

Opinion on Regulatory Basis of Accounting

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

Other Matters

Other Information

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

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

13800

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2018 on our consideration of the Township of Pennsauken, in the County of Camden, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Pennsauken's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Pennsauken's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 28, 2018

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Pennsauken
Pennsauken, New Jersey 08110

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 Pennsauken, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated June 28, 2018. That report indicated that the Township of Pennsauken's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control over Financial Reporting

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

13800

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 28, 2018

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2017 and 2016

ASSETS:	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Regular Fund:			
Cash -- Treasurer	SA-1	\$ 11,329,796.73	\$ 8,906,871.10
Cash -- Collector	SA-2	1,210,044.65	672,965.69
Cash -- Change Funds	SA-3	<u>1,525.00</u>	<u>1,525.00</u>
		<u>12,541,366.38</u>	<u>9,581,361.79</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-5	2,234,429.00	2,122,541.21
Tax Title Liens Receivable	SA-6	699,159.21	805,606.71
Municipal Assessments Receivable	A	21,789.00	21,789.00
Payments in Lieu of Taxes Receivable	SA-7	4,586.54	2,471.32
Due from United States Department of Treasury	SA-8	107,473.47	
Protested Checks Receivable	SA-9	5,590.56	10,795.04
Due from Bank	SA-10	7,914.12	5,529.80
Revenue Accounts Receivable	SA-11	226,690.83	228,429.13
Property Acquired for Taxes (at Assessed Valuation)	A	2,550,800.00	2,550,800.00
Due from Federal and State Grant Fund	SA-31		17,572.75
Due from Trust Other Fund	SB-8	<u>28,877.81</u>	
		<u>5,887,310.54</u>	<u>5,765,534.96</u>
Deferred Charges:			
Special Emergency (N.J.S.A.40A:4-53)	SA-12	<u>520,000.00</u>	<u>860,000.00</u>
		<u>520,000.00</u>	<u>860,000.00</u>
Total Regular Fund		<u>18,948,676.92</u>	<u>16,206,896.75</u>
Federal and State Grant Fund:			
Federal and State Grants Receivable	SA-30	88,896.16	64,483.58
Due from Current Fund	SA-31	<u>15,668.77</u>	
Total Federal and State Grant Fund		<u>104,564.93</u>	<u>64,483.58</u>
Total Assets		<u>\$ 19,053,241.85</u>	<u>\$ 16,271,380.33</u>

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2017 and 2016

LIABILITIES, RESERVES AND FUND BALANCE:	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Regular Fund:			
Liabilities:			
Prepaid Fees and Permits	A	\$ 8,467.80	\$ 8,467.80
Due from Township of Pennsauken Library	SA-13	19,197.00	
Due State of New Jersey - Veterans and Senior Citizens' Deductions	SA-14	7,227.73	5,904.74
Prepaid Payments in Lieu of Taxes	SA-15	10,207.26	14,897.07
Reserve for Encumbrances	SA-16	145,981.19	432,900.00
Appropriation Reserves	A-3, SA-17	547,429.57	553,158.55
Due to Pennsauken Garbage District	SA-18	74,951.50	11,316.57
Prepaid Taxes	SA-19	1,625,747.25	868,456.47
Tax Overpayments	SA-20	1,848.30	8,641.18
Due to State of New Jersey:			
Training Fees -- Surcharge	SA-21	25,962.00	18,768.00
Marriage and Domestic Partner Licenses	SA-22	4,031.00	3,181.00
Due to County for Added and Omitted Taxes	SA-24	17,510.63	46,442.45
Local School Taxes Payable	SA-25	3,478,153.92	3,353,739.31
Special Emergency Notes	SA-27	520,000.00	860,000.00
Reserve for Revaluation Program	SA-28	21,786.55	29,244.97
Reserve for Election Expenses	SA-29	2,100.00	2,100.00
Due to Federal and State Grant Fund	SA-31	15,668.77	
Due to Animal Control Fund	SB-2	97.58	77.68
Due to Trust - Other Fund	SB-8		11,622.16
Due to General Capital Fund	SC-7	775,162.32	276,920.56
Due to Golf Course Utility Operating Fund	SD-5	1,228.76	2,449.50
Due to Golf Course Utility Capital Fund	SD-8	2,375.00	127,375.00
		<u>7,305,134.13</u>	<u>6,635,663.01</u>
Reserves for Receivables and Other Assets		5,887,310.54	5,765,534.96
Fund Balance	A-1	<u>5,756,232.25</u>	<u>3,805,698.78</u>
Total Regular Fund		<u>18,948,676.92</u>	<u>16,206,896.75</u>
Federal and State Grant Fund:			
Due to Current Fund	SA-31		17,572.75
Reserve for Federal and State Grants -- Unappropriated	SA-32	24,962.31	29,542.23
Appropriated	SA-33	77,916.61	6,405.01
Reserve for Encumbrances	SA-33	<u>1,686.01</u>	<u>10,963.59</u>
Total Federal and State Grant Fund		<u>104,564.93</u>	<u>64,483.58</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 19,053,241.85</u>	<u>\$ 16,271,380.33</u>

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

TOWNSHIP OF PENNSAUKEN
CURRENT FUND

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

	<u>2017</u>	<u>2016</u>
<u>Revenue and Other Income Realized</u>		
Surplus Utilized	\$ 200,000.00	\$ 600,000.00
Miscellaneous Revenues Anticipated	13,809,148.08	13,246,941.62
Receipts from Delinquent Taxes	2,331,233.51	2,230,681.67
Receipts from Current Taxes	86,837,597.26	85,279,951.27
Non-Budget Revenues	200,023.01	271,873.49
Other Credits to Income:		
Refund of Prior Year Expenditures:		
Due County for Added and Omitted Taxes		14,010.39
Local School Taxes		11,699.50
Receipts	35,877.89	7,442.58
Cancelled Federal and State Grants Appropriated	2,324.63	814.55
Unexpended Balance of Appropriation Reserves	230,607.52	110,947.54
Liquidation of Reserves for:		
Due from Federal and State Grant Fund	17,572.75	19,436.11
Due from Trust Other Fund		1,771.84
Due from Pennsauken Free Public Library		940.81
	<u>103,664,384.65</u>	<u>101,796,511.37</u>
Total Income		
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	16,116,615.00	15,861,460.00
Other Expenses	10,176,135.00	11,717,380.00
Deferred Charges and Regulatory Expenditures Within "CAPS"	3,928,902.77	3,859,345.36
Operations Excluded from "CAPS":		
Salaries and Wages	48,347.14	47,368.21
Other Expenses	1,004,665.25	1,038,027.43
Capital Improvements Excluded from "CAPS"	147,000.00	115,000.00
Municipal Debt Service Excluded from "CAPS"	3,266,738.48	2,828,514.76
Deferred Charges - Municipal - Excluded from "CAPS"	340,000.00	340,000.00
Prior Year Veterans' and Senior Citizens' Deductions Disallowed	27,510.25	30,250.00
County Taxes	21,165,499.99	20,604,568.41
Due County for Added and Omitted Taxes	17,510.63	46,442.45
Local School District Taxes	40,991,363.00	39,833,823.00
Garbage District Taxes	4,130,000.00	4,060,000.00
Cancellation of Federal and State Grant Receivable		295.00
Refund of Prior Year Revenue:		
Disbursements	8,390.27	21,999.60
Due Trust Other Funds		92.96

(Continued)

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

	<u>2017</u>	<u>2016</u>
<u>Expenditures (Cont'd)</u>		
Creation of Reserves for:		
Due from Trust Other Fund	\$ 28,877.81	
Due from Bank	7,914.12	\$ 4,623.56
Due from United States Department of Treasury	107,473.47	
Protested Checks Receivable	908.00	4,157.04
	<u>101,513,851.18</u>	<u>100,413,347.78</u>
Total Expenditures		
Excess in Revenue	2,150,533.47	1,383,163.59
<u>Fund Balance</u>		
Balance January 1	<u>3,805,698.78</u>	<u>3,022,535.19</u>
	5,956,232.25	4,405,698.78
Decreased by:		
Utilization as Anticipated Revenue	<u>200,000.00</u>	<u>600,000.00</u>
Balance December 31	<u>\$ 5,756,232.25</u>	<u>\$ 3,805,698.78</u>

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

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

	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
	<u>Budget</u>	<u>Special N.J.S. 40A:4-87</u>		
Surplus Anticipated	\$ 200,000.00		\$ 200,000.00	
Miscellaneous Revenues - Local Revenues:				
Licenses:				
Alcoholic Beverages	61,000.00		61,000.00	
Other	30,500.00		28,139.00	\$ (2,361.00)
Fees and Permits	730,000.00		1,027,795.42	297,795.42
Fines and Costs:				
Municipal Court	920,000.00		835,005.86	(84,994.14)
Interest and Costs on Taxes	610,000.00		758,417.21	148,417.21
Interest on Investments and Deposits	12,506.45		25,006.80	12,500.35
Swimming Pool Admissions	58,500.00		61,004.00	2,504.00
Cable Franchise Fees	168,793.55		168,793.55	
Miscellaneous Revenues - State Aid Without Offsetting Appropriations:				
Consolidated Municipal Property Tax Relief Aid	201,846.00		201,846.00	
Energy Receipts Tax (P.L. 1997, Chapter 162 & 167)	5,297,304.00		5,297,304.00	
Miscellaneous Revenues - Dedicated Uniform Construction Code Fees				
Offset with Appropriations:				
Uniform Construction Code Fees	780,000.00		1,200,093.60	420,093.60

(Continued)

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

	<u>Budget</u>	<u>Anticipated</u> Special N.J.S. 40A:4-87	<u>Realized</u>	<u>Excess or</u> <u>(Deficit)</u>
Miscellaneous Revenues - Special Items of Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Public and Private Revenues Offset with Appropriations:				
Camden County Recreational Facilities Enhancement Grant		\$ 25,000.00	\$ 25,000.00	
Drunk Driving Enforcement Fund	\$ 19,947.14		19,947.14	
NJHTS Drive Sober or Get Pulled Over		5,000.00	5,000.00	
Distracted Driving Statewide Crackdown Grant		5,500.00	5,500.00	
Emergency Management Assistance Program	3,000.00	9,400.00	12,400.00	
Body Armor Replacement Fund Grant	6,595.09		6,595.09	
Governor's Council on Alcohol and Drug Abuse		57,185.16	57,185.16	
"Click It or Ticket" Grant		5,500.00	5,500.00	
ANJEC Open Space Stewardship Grant		1,500.00	1,500.00	
Justice Assistance Grant (JAG)		10,385.00	10,385.00	
Miscellaneous Revenues - Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items:				
Emergency Medical Technician Billing Fees	1,154,500.00		1,220,041.02	\$ 65,541.02
Payments in Lieu of Taxes	1,366,384.59		1,674,634.37	308,249.78
Lease of Municipal Assets -- Landfill	250,000.00		250,000.00	
Golf Course Utility -- Payment in Lieu of Taxes	165,000.00		150,000.00	(15,000.00)
Uniform Fire Safety Act -- Life Hazard Use Fees	195,000.00		181,931.68	(13,068.32)
Pennsauken Sewerage Authority - Payment in Lieu of Taxes	150,000.00		150,000.00	
Merchantville - Pennsauken Water Commission Antenna Fee - Share	369,123.18		369,123.18	
Total Miscellaneous Revenues	<u>12,550,000.00</u>	<u>119,470.16</u>	<u>13,809,148.08</u>	<u>1,139,677.92</u>

(Continued)

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

	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
	<u>Budget</u>	<u>Special N.J.S. 40A:4-87</u>		
Receipts from Delinquent Taxes	\$ 2,110,000.00		\$ 2,331,233.51	\$ 221,233.51
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	22,011,180.88		22,429,404.52	418,223.64
Minimum Library Tax	<u>828,819.12</u>		<u>828,819.12</u>	
Total Amount to be Raised by Taxes for Support of Municipal Budget	<u>22,840,000.00</u>		<u>23,258,223.64</u>	<u>418,223.64</u>
Budget Totals	37,700,000.00	\$ 119,470.16	39,598,605.23	1,779,135.07
Non-Budget Revenues			<u>200,023.01</u>	<u>200,023.01</u>
Total Revenues	<u>\$ 37,700,000.00</u>	<u>\$ 119,470.16</u>	<u>\$ 39,798,628.24</u>	<u>\$ 1,979,158.08</u>

(Continued)

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

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections		\$ 86,837,597.26
Allocated to:		
School, County and Special District Taxes		66,304,373.62
Balance for Support of Municipal Budget Appropriations		20,533,223.64
Add: Appropriation "Reserve for Uncollected Taxes"		2,725,000.00
Amount for Support of Municipal Budget Appropriations		\$ 23,258,223.64

Receipts from Delinquent Taxes:

Delinquent Tax Collections		\$ 2,119,654.98
Tax Title Lien Collections		211,578.53
		\$ 2,331,233.51

Licenses -- Other:

Construction Code Official:		
Builder		\$ 15,300.00
Clerk:		
Auctioneer	\$ 60.00	
Billards	75.00	
Board of Health	5,345.00	
Marriage	689.00	
Peddler / Solicitor	530.00	
Precious Metals	1,100.00	
Raffle	640.00	
Taxicab	2,150.00	
Used Car Lot	2,250.00	
		12,839.00
		\$ 28,139.00

Fees and Permits:

Construction Code Official:		
Building Permits		\$ 673,384.60
Certificates of Compliance -- Elevator		33,697.00
Certificates of Occupancy		14,589.00
Electrical Permits		287,383.80
Fire Sub code Permits		28,839.01
Plumbing Permits		156,639.19
Street Opening Permits		5,561.00
		\$ 1,200,093.60

Fees and Permits -- Other:

Construction Code Official:		
Abandoned Property Registrations	\$ 560,200.00	
Housing Code Letters	74,330.00	
Rent Board Applications	55,746.00	
Trash Dumpster Permit	8,094.00	
		\$ 698,370.00

(Continued)

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

Analysis of Realized Revenues (Cont'd)

Fees and Permits -- Other (Cont'd):

Recreation		\$	5,625.00
Clerk:			
Bid Specifications	\$		1,665.00
Coin Operated Device Permits			745.00
Vital Statistics			<u>5,811.00</u>
			8,221.00
Fire Department:			
Fire Inspection Fees		162,271.00	
Smoke Detector Inspection Fees		<u>28,340.00</u>	
			190,611.00
Police Department:			
Accident and Police Reports			11,899.00
Planning and Zoning:			
Planning Board Fees		5,800.00	
Zoning Board Fees		<u>15,580.00</u>	
			21,380.00
Treasurer:			
Abandoned Property Discharge Fee		50.00	
Cellular Telephone Lease Agreements		76,276.82	
Outdoor Sign Rental		5,697.60	
State Death Certificates		9,570.00	
Tax Search		<u>95.00</u>	
			<u>91,689.42</u>
			<u><u>\$ 1,027,795.42</u></u>

Analysis of Non-Budget Revenues

Miscellaneous Revenues not Anticipated:

Revenue Accounts Receivable:			
Construction Code Official:			
Penalties and Fines	\$		15,064.00
Photocopies			<u>4.75</u>
			\$ 15,068.75
Clerk:			
Photocopies			65.00
Tax Office:			
Certificates of Redemption		11,350.00	
Grasscutting/Property Maintenance Fees		69,376.58	
Interest on Payment in Lieu of Taxes		<u>562.67</u>	
			<u>81,289.25</u>
			\$ 96,423.00

(Continued)

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

Analysis of Non-Budget Revenues (Cont'd)

Miscellaneous Revenues not Anticipated (Cont'd):

Treasurer:

Receipts:

Auction Sales -- Township Property	\$ 25,177.95	
Board Up Charges	250.00	
Forfeited Tax Liens	4,110.19	
Forfeiture of Tax Sale Premiums	7,400.00	
Grass Cutting Charges	2,800.00	
Homestead Rebate - Administrative Costs	1,950.00	
Insufficient Funds Fees	290.00	
Miscellaneous Refunds	47,639.45	
Premium on Special Emergency Notes	2,068.00	
Sale of Scrap Metal	1,700.05	
Senior Citizen and Veteran Deductions - Administrative Fee	5,858.62	
Showmobile	<u>25.00</u>	
		\$ 99,269.26

Due Trust Other Fund:

Collected by the Trust Other Fund -- Miscellaneous Refunds	3,330.75	
Forfeited Street Opening Deposits	<u>1,000.00</u>	
		<u>4,330.75</u>
		<u>\$ 200,023.01</u>

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

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

	Budget	Budget After Modification	Paid or Charged			Unexpended Balance Canceled
			Expended	Encumbered	Reserved	
OPERATIONS -- WITHIN "CAPS"						
General Government:						
Mayor and Township Committee						
Salaries and Wages	\$ 82,515.00	\$ 82,515.00	\$ 78,762.12		\$ 3,752.88	
Other Expenses	5,000.00	5,000.00	3,650.00	\$ 850.00	500.00	
Administrative and Executive						
Salaries and Wages	435,435.00	438,635.00	438,631.66		3.34	
Other Expenses	16,500.00	12,000.00	9,845.18	1024.94	1,129.88	
Municipal Clerk's Office						
Salaries and Wages	147,835.00	148,710.00	148,704.45		5.55	
Other Expenses	42,850.00	42,850.00	40,160.35	773.91	1,915.74	
Data Processing Center						
Other Expenses	91,500.00	91,500.00	62,963.90		28,536.10	
Purchasing Department						
Salaries and Wages	80,990.00	80,990.00	80,987.94		2.06	
Other Expenses	16,550.00	19,125.00	14,912.54	4,202.39	10.07	
Financial Administration						
Salaries and Wages	341,015.00	340,790.00	340,789.25		0.75	
Other Expenses	108,600.00	108,600.00	94,676.31		13,923.69	
Assessment of Taxes						
Salaries and Wages	155,270.00	155,270.00	155,265.64		4.36	
Other Expenses	7,250.00	7,250.00	6,782.61	148.09	319.30	
Collection of Taxes						
Salaries and Wages	216,980.00	222,280.00	222,265.29		14.71	
Other Expenses	65,500.00	60,500.00	58,720.88	1345.00	434.12	
Audit Services						
Other Expenses	100,000.00	99,000.00	99,000.00			
Maintenance of Township Owned Property						
Other Expenses	5,000.00	1,800.00	1,785.00		15.00	
Legal Services and Costs						
Salaries and Wages	2,000.00					
Other Expenses	230,000.00	220,000.00	197,791.02	2,656.84	19,552.14	
Human Resources						
Salaries and Wages	115,820.00	89,420.00	89,416.13		3.87	
Other Expenses	5,000.00	2,200.00	2,159.52	35.00	5.48	
Municipal Prosecutor						
Salaries and Wages	65,720.00	66,870.00	66,859.84		10.16	

(Continued)

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>			<u>Unexpended Balance Canceled</u>
			<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
General Government (Cont'd):						
Municipal Court						
Salaries and Wages	\$ 509,775.00	\$ 502,775.00	\$ 502,686.05		\$ 88.95	
Other Expenses	50,300.00	57,225.00	57,220.40		4.60	
Engineering Services and Costs						
Salaries and Wages	151,525.00	151,525.00	151,523.98		1.02	
Other Expenses	2,100.00	2,100.00	1,235.56		864.44	
Public Buildings and Grounds						
Salaries and Wages	47,120.00	48,445.00	48,428.44		16.56	
Other Expenses	37,550.00	37,550.00	31,149.07	\$ 3,310.82	3,090.11	
Municipal Land Use Law (N.J.S.A. 40:55D-1)						
Planning Board						
Salaries and Wages	80,470.00	81,745.00	81,732.97		12.03	
Other Expenses	3,900.00	3,900.00	3,765.30		134.70	
Zoning Board						
Salaries and Wages	66,855.00	64,405.00	64,381.96		23.04	
Other Expenses	2,300.00	2,300.00	2,192.89		107.11	
Insurance:						
Employee Group Health	5,338,600.00	5,338,600.00	5,298,153.64	921.00	39,525.36	
General Liability	660,185.00	713,985.00	709,113.75	4,863.00	8.25	
Workers' Compensation	225,200.00	225,200.00	39,956.59		185,243.41	
Economic Development						
Salaries and Wages	194,160.00	194,160.00	194,160.00			
Other Expenses	67,800.00	67,800.00	67,236.95		563.05	
Dog Warden						
Other Expenses	94,000.00	94,000.00	94,000.00			
Department of Public Safety:						
Bureau of Fire Prevention:						
Uniform Fire Safety Act (P.L. 1983, Ch. 383)						
Salaries and Wages	284,765.00	302,940.00	302,932.30		7.70	
Other Expenses	15,525.00	15,525.00	13,893.08	841.31	790.61	

(Continued)

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>			<u>Unexpended Balance Canceled</u>
			<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
Department of Public Safety (Cont'd):						
Fire Department						
Salaries and Wages	\$ 1,437,540.00	\$ 1,413,440.00	\$ 1,413,400.90		\$ 39.10	
Other Expenses:						
Fire Department	312,700.00	315,575.00	300,947.62	\$ 14,243.47	383.91	
Fire Hydrant Service	50,875.00	50,875.00	46,633.40	4,239.40	2.20	
Aid to Volunteer Fire Companies	25,500.00	25,500.00	25,500.00			
Police						
Salaries and Wages	8,064,585.00	8,064,585.00	8,061,435.43		3,149.57	
Other Expenses	302,150.00	302,150.00	216,439.52	40,013.34	45,697.14	
Police Reserve						
Salaries and Wages	251,210.00	234,710.00	234,705.00		5.00	
Traffic Control						
Salaries and Wages	258,130.00	253,430.00	253,409.50		20.50	
Other Expenses	20,000.00	28,725.00	28,706.88		18.12	
First Aid Organization						
Salaries and Wages	1,354,520.00	1,356,670.00	1,356,651.92		18.08	
Other Expenses	129,000.00	129,000.00	113,494.56	15,040.85	464.59	
Emergency Management Services						
Salaries and Wages	2,430.00	30.00	28.12		1.88	
Other Expenses	750.00	750.00	594.44		155.56	
Uniform Construction Code - Appropriations Offset by						
Dedicated Revenues (N.J.A.C. 5:23-4.17):						
Construction Code Official						
Salaries and Wages	513,185.00	513,960.00	513,946.93		13.07	
Other Expenses	507,100.00	507,100.00	492,576.02	2,435.86	12,088.12	
Streets and Roads:						
Public Works						
Salaries and Wages	769,445.00	760,595.00	760,548.66		46.34	
Other Expenses	35,800.00	39,250.00	31,864.70	7,356.96	28.34	
Township Garage						
Salaries and Wages	294,365.00	276,665.00	276,644.50		20.50	
Other Expenses	126,500.00	134,900.00	126,043.62	8,846.32	10.06	
Street Lighting	698,600.00	677,100.00	553,642.13		123,457.87	

(Continued)

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>			<u>Unexpended Balance Canceled</u>
			<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
Health and Welfare:						
Senior Citizens of Pennsauken Township						
Salaries and Wages	\$ 23,945.00	\$ 23,945.00	\$ 23,943.94		\$ 1.06	
Other Expenses	11,050.00	11,050.00	4,154.57	\$ 1,932.36	4,963.07	
Utility Expenses:						
Motor Fuels	155,195.00	147,195.00	134,833.93	12,315.58	45.49	
Electricity	260,000.00	260,000.00	213,332.54		46,667.46	
Telephone	113,400.00	113,400.00	110,756.80	1,814.44	828.76	
Natural Gas or Propane	31,200.00	31,200.00	23,815.27	1,887.85	5,496.88	
Sewerage Authority	5,985.00	5,985.00	5,984.00		1.00	
Recreation and Education:						
Recreation						
Salaries and Wages	104,145.00	103,345.00	103,324.81		20.19	
Other Expenses	30,050.00	30,050.00	28,101.21	1,901.63	47.16	
Swimming Pool						
Salaries and Wages	54,200.00	48,100.00	48,099.80		0.20	
Other Expenses	21,400.00	22,775.00	22,062.31	700.00	12.69	
Celebration of Public Events, Anniversary or Holiday						
Other Expenses	117,500.00	103,375.00	91,734.10	11,371.80	269.10	
Historical Preservation						
Other Expenses	11,000.00	11,000.00	9,590.97	909.03	500.00	
Rent Leveling Board						
Other Expenses	420.00	420.00	420.00			
Shade Tree Commission						
Other Expenses	750.00	750.00	445.00		305.00	
Unclassified:						
Sick Pay	95,665.00	95,665.00	95,661.98		3.02	
Total Operations within "CAPS"	26,359,750.00	26,292,750.00	25,601,367.64	145,981.19	545,401.17	
Detail:						
Salaries and Wages	16,201,615.00	16,116,615.00	16,109,329.51		7,285.49	
Other Expenses (Including Contingent)	10,158,135.00	10,176,135.00	9,492,038.13	145,981.19	538,115.68	

(Continued)

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>			<u>Unexpended Balance Canceled</u>
			<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
DEFERRED CHARGES AND STATUTORY EXPENDITURES						
MUNICIPAL -- WITHIN "CAPS"						
Deferred Charges:						
Deficit in Reserve for Animal Control Fund Expenditures	\$ 8,275.41	\$ 8,275.41	\$ 8,275.41			
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System and ERI Liability	1,003,317.00	1,003,317.00	1,003,317.00			
Social Security System (O.A.S.I.)	659,830.36	659,830.36	658,504.08		\$ 1,326.28	
Police and Fireman's Retirement System of N.J.	2,257,480.00	2,257,480.00	2,257,480.00			
Total Statutory Expenditures	3,920,627.36	3,920,627.36	3,919,301.08		1,326.28	
Total Deferred Charges and Statutory Expenditures Municipal -- Within "CAPS"	3,928,902.77	3,928,902.77	3,927,576.49		1,326.28	
Total General Appropriations for Municipal Purposes -- Within "CAPS"	30,288,652.77	30,221,652.77	29,528,944.13	\$ 145,981.19	546,727.45	
OPERATIONS -- EXCLUDED FROM "CAPS"						
Maintenance of Free Public Library (P.L. 1985, Ch. 82 & 541)	904,000.00	904,000.00	903,297.88		702.12	
Total Other Operations Excluded from "CAPS"	904,000.00	904,000.00	903,297.88		702.12	
Public and Private Programs Off-Set by Revenues:						
Association of New Jersey Environmental Commission (ANJEC):						
2017 Open Space Stewardship Project Grant:						
Other Expenses (N.J.S. 40A:4-87, \$1,500.00+)		1,500.00	1,500.00			
Drunk Driving Enforcemenet Fund						
Police						
Salaries and Wages	19,947.14	19,947.14	19,947.14			
Drive Sober or Get Pulled Over						
Police						
Salaries and Wages (N.J.S. 40A:4-87, \$5,000.00+)		5,000.00	5,000.00			

(Continued)

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>			<u>Unexpended Balance Canceled</u>
			<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS -- EXCLUDED FROM "CAPS" (Cont'd)						
Public and Private Programs Off-Set by Revenues (Cont'd):						
Body Armor Replacement Fund						
Police						
Other Expenses	\$ 6,595.09	\$ 6,595.09	\$ 6,595.09			
New Jersey Division of Highway Safety Traffic:						
Distracted Driving Statewide Crackdown Grant						
Police						
Salaries and Wages (N.J.S. 40A:4-87, \$5,500.00+)		5,500.00	5,500.00			
"Click it Or Ticket" Grant						
Police						
Salaries and Wages (N.J.S. 40A:4-87, \$5,500.00+)		5,500.00	5,500.00			
Justice Assistance Grant (JAG)						
Police						
Other Expenses (N.J.S. 40A:4-87, \$10,385.00+)		10,385.00	10,385.00			
Emergency Management Assistance Grant						
Salary and Wages (N.J.S. 40A:4-87, \$9,400.00+)	3,000.00	12,400.00	12,400.00			
Governor's Council on Alcoholism and Drug Abuse						
Other Expenses (N.J.S. 40A:4-87, \$57,185.16+)		57,185.16	57,185.16			
Camden County Recreation Facilities						
Enhancement Grant						
Other Expenses (N.J.S. 40A:4-87. \$25,000.00+)		25,000.00	25,000.00			
Total Public and Private Programs Offset by Revenues	<u>29,542.23</u>	<u>149,012.39</u>	<u>149,012.39</u>			
Total Operations - Excluded from "CAPS"	<u>933,542.23</u>	<u>1,053,012.39</u>	<u>1,052,310.27</u>		<u>\$ 702.12</u>	
Detail:						
Salaries and Wages	22,947.14	48,347.14	48,347.14			
Other Expenses	910,595.09	1,004,665.25	1,003,963.13		702.12	
CAPITAL IMPROVEMENTS -- EXCLUDED FROM "CAPS"						
Capital Improvement Fund	<u>130,000.00</u>	<u>147,000.00</u>	<u>147,000.00</u>			
Total Capital Improvement Program -- Excluded from "CAPS"	<u>130,000.00</u>	<u>147,000.00</u>	<u>147,000.00</u>			

(Continued)

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

	Budget	Budget After Modification	Paid or Charged			Unexpended Balance Canceled
			Expended	Encumbered	Reserved	
MUNICIPAL DEBT SERVICE -- EXCLUDED FROM "CAPS"						
Payment of Bond Principal	\$ 2,419,535.00	\$ 2,469,535.00	\$ 2,469,535.00			
Interest on Bonds	846,115.00	846,115.00	780,051.26			\$ 66,063.74
Interest on Notes	17,155.00	17,155.00	17,152.22			2.78
Total Municipal Debt Service -- Excluded from "CAPS"	3,282,805.00	3,332,805.00	3,266,738.48			66,066.52
DEFERRED CHARGES -						
MUNICIPAL- EXCLUDED FROM "CAPS"						
Special Emergency Authorizations -- 5 Years (N.J.S. 40A:4-55)	340,000.00	340,000.00	340,000.00			
Total Deferred Charges - Municipal- Excluded from "CAPS"	340,000.00	340,000.00	340,000.00			
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	4,686,347.23	4,872,817.39	4,806,048.75		\$ 702.12	66,066.52
Subtotal General Appropriations	34,975,000.00	35,094,470.16	34,334,992.88	\$ 145,981.19	547,429.57	66,066.52
Reserve for Uncollected Taxes	2,725,000.00	2,725,000.00	2,725,000.00			
Total General Appropriations (Carried Forward)	\$ 37,700,000.00	\$ 37,819,470.16	\$ 37,059,992.88	\$ 145,981.19	\$ 547,429.57	\$ 66,066.52

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>			<u>Unexpended Balance Canceled (Continued)</u>
			<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
Total General Appropriations (Brought Forward)	\$ 37,700,000.00	\$ 37,819,470.16	\$ 37,059,992.88	\$ 145,981.19	\$ 547,429.57	\$ 66,066.52
Appropriated by 40A:4-87 Budget		\$ 119,470.16 <u>37,700,000.00</u>				
		<u>\$ 37,819,470.16</u>				
Refunds:						
Receipts			\$ (2,316,221.29)			
Disbursements			35,899,335.58			
Reserve for Federal and State Grants -- Appropriated			149,012.39			
Deferred Charge			340,000.00			
Reserve for Uncollected Taxes			2,725,000.00			
Due Animal Control Fund			102,275.41			
Due Trust - Other Fund			13,590.79			
Due General Capital Fund			<u>147,000.00</u>			
			<u>\$ 37,059,992.88</u>			

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

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

LIABILITIES AND RESERVES:	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Animal Control Fund:			
Due to State of New Jersey	SB-4	\$ 1.20	\$ 23.40
Due to General Capital Fund	SC-8	15,000.00	10,000.00
Total Animal Control Fund		<u>15,001.20</u>	<u>10,023.40</u>
Other Funds:			
Due to Current Fund	SB-8	28,877.81	
Due to Bank	SB-9	83.25	82.80
Due to General Capital Fund	SC-9		6,000.00
Reserve for Payroll Deductions Payable	SB-10	270,338.13	564,694.38
Reserve for Economic Development -- Urban Development Action Grant	SB-11	4,008.06	3,978.76
Reserve Community Development Block Grant	SB-12	169,514.94	196,495.40
Reserve for Section 8 Program:			
Restricted for Housing Assistance Payments	SB-13	8,205.24	66,351.31
Unrestricted	SB-13	31,637.72	41,775.99
Miscellaneous Trust Reserves:			
Reserve for Street Opening Deposits	SB-14	3,900.00	4,600.00
Reserve for Escrow Deposits	SB-14	19,441.93	19,441.93
Reserve for Unemployment Compensation Insurance	SB-14	850.88	7,491.78
Reserve for Parking Offense Adjudication Act	SB-14	2,082.71	1,610.71
Reserve for Public Defender	SB-14	15,713.28	14,610.31
Reserve for Planning and Zoning Deposits	SB-14	300,842.65	239,511.58
Reserve for Special Law Enforcement Officers:			
State Allocation	SB-14	23,424.95	65,343.37
Federal Allocation	SB-14		756.74
Reserve for Housing Rehabilitation Program	SB-14	152,221.36	230,466.08
Reserve for Tax Title Lien Redemption	SB-14	1,333,964.26	1,472,578.54
Total Other Funds		<u>2,365,107.17</u>	<u>2,935,789.68</u>
Total Liabilities and Reserves		<u>\$ 2,380,108.37</u>	<u>\$ 2,945,813.08</u>

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

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

ASSETS:	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Animal Control Fund:			
Cash	SB-1	\$ 1,620.52	\$ 1,670.31
Due from Current Fund	SB-2	97.58	77.68
Deferred Charge -- Deficit in Reserve for Animal Control Expenditures	SB-3	<u>13,283.10</u>	<u>8,275.41</u>
Total Animal Control Fund		<u>15,001.20</u>	<u>10,023.40</u>
Other Funds:			
Cash	SB-1	1,962,080.42	2,463,854.92
Mortgages Receivable	B	8,983.25	8,983.25
Housing Rehabilitation Program Inventory	SB-6	72,000.00	219,785.85
Community Development Block Grant Receivable	SB-7	322,043.50	231,543.50
Due from Current Fund	SB-8	<u>11,622.16</u>	<u>11,622.16</u>
Total Other Funds		<u>2,365,107.17</u>	<u>2,935,789.68</u>
Total Assets		<u>\$ 2,380,108.37</u>	<u>\$ 2,945,813.08</u>

(Continued)

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2017 and 2016

ASSETS:	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Cash	SC-1	\$ 191,428.32	\$ 186,691.67
Deferred Charges to Future Taxation:			
Funded	SC-3	26,581,465.00	28,816,000.00
Unfunded	SC-4	2,843,950.00	3,450.00
Due from State of New Jersey:			
Transportation Trust Fund Grant Receivable	SC-5	62,969.90	58,387.25
Due from Garden State Preservation Trust Fund Receivable	SC-6		322,000.00
Due from Current Fund	SC-7	775,162.32	276,920.56
Due from Animal Control Fund	SC-8	15,000.00	10,000.00
Due from Trust Other Fund	SC-9		6,000.00
		<u>\$ 30,469,975.54</u>	<u>\$ 29,679,449.48</u>
Total Assets			
		<u>\$ 30,469,975.54</u>	<u>\$ 29,679,449.48</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
Due to Bank	SC-10		\$ 52.00
Improvement Authorizations:			
Funded	SC-11	\$ 333,982.26	665,013.23
Unfunded	SC-11	713,762.70	950.00
Contracts Payable	SC-12	292,587.03	192,512.35
Capital Improvement Fund	SC-13	2,421.90	4,921.90
Bond Anticipation Notes	SC-14	2,515,000.00	
General Serial Bonds	SC-15	26,581,465.00	28,816,000.00
Fund Balance	C-1	30,756.65	
		<u>\$ 30,469,975.54</u>	<u>\$ 29,679,449.48</u>
Total Liabilities, Reserves and Fund Balance			
		<u>\$ 30,469,975.54</u>	<u>\$ 29,679,449.48</u>

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

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
Statement of Fund Balance - Regulatory Basis
For the Year Ended December 31, 2017

Increased by:

Collections made by the Current Fund:		
Grant Overage	\$ 17.00	
Premium on Bond Anticipation Notes Issued	<u>26,432.65</u>	
		\$ 26,449.65
Receipts -- Proceeds from Refunding Bonds		<u>4,307.00</u>
Balance December 31, 2017		<u><u>\$ 30,756.65</u></u>

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

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2017 and 2016

ASSETS:	Ref.	2017	2016
Operating Fund:			
Cash	SD-1	\$ 162,573.57	\$ 140,661.93
Cash -- Change Fund	SD-3	800.00	800.00
Due from Current Fund	SD-5	1,228.76	2,449.50
Due from Golf Course Utility Capital Fund	SD-9	<u> </u>	<u>3,880.75</u>
Total Operating Fund		<u>164,602.33</u>	<u>147,792.18</u>
Capital Fund:			
Cash	SD-1	1,691.44	14,676.00
Fixed Capital	SD-6	6,907,739.94	6,899,854.04
Fixed Capital Authorized and Uncompleted	SD-7	531,500.00	531,500.00
Due from Current Fund	SD-8	2,375.00	127,375.00
Due from Golf Course Utility Operating Fund	SD-9	<u>527.96</u>	<u> </u>
Total Capital Fund		<u>7,443,834.34</u>	<u>7,573,405.04</u>
Total Assets		<u>\$ 7,608,436.67</u>	<u>\$ 7,721,197.22</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
Operating Fund:			
Due to Golf Course Utility Capital Fund	SD-9	\$ 527.96	
Appropriation Reserves	D-3, SD-10	24,120.87	\$ 28,283.51
Reserve for Encumbrances	D-3, SD-10	14,113.43	33,584.97
Accrued Interest on Bonds and Notes	SD-11	<u>6,319.05</u>	<u>11,578.69</u>
		<u>45,081.31</u>	<u>73,447.17</u>
Fund Balance	D-1	<u>119,521.02</u>	<u>74,345.01</u>
Total Operating Fund		<u>164,602.33</u>	<u>147,792.18</u>
Capital Fund:			
Due to Golf Course Utility Operating Fund	SD-9		3,880.75
Improvement Authorizations:			
Funded	SD-12	1,526.82	89,873.23
Contracts Payable	SD-13		45,229.44
Reserve for Amortization	SD-14	6,070,704.94	5,952,354.04
Serial Bonds	SD-15	1,368,535.00	1,479,000.00
Capital Improvement Fund	D	3,029.00	3,029.00
Reserve for Preliminary Expenses	D	<u>38.58</u>	<u>38.58</u>
Total Capital Fund		<u>7,443,834.34</u>	<u>7,573,405.04</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 7,608,436.67</u>	<u>\$ 7,721,197.22</u>

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

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY OPERATING FUND
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
<u>Revenue and Other Income Realized</u>		
Surplus Utilized	\$ 35,000.00	\$ 45,000.00
Playing Fees	963,732.00	941,023.00
Equipment Rental Fees	489,604.00	474,084.00
Miscellaneous	236,226.35	233,014.45
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	22,946.04	473.47
	<u>1,747,508.39</u>	<u>1,693,594.92</u>
<u>Expenditures</u>		
Operating	1,453,225.00	1,517,680.00
Capital Improvements		25,000.00
Debt Service	162,122.38	69,085.67
Deferred Charges and Statutory Expenditures	51,985.00	50,835.00
Refund of Prior Year Revenue		3,411.16
	<u>1,667,332.38</u>	<u>1,666,011.83</u>
Total Expenditures		
Excess in Revenue	80,176.01	27,583.09
<u>Fund Balance</u>		
Balance January 1	74,345.01	91,761.92
	154,521.02	119,345.01
Decreased by:		
Utilized as Revenue in Golf Course Utility Operating Budget	35,000.00	45,000.00
Balance December 31	<u>\$ 119,521.02</u>	<u>\$ 74,345.01</u>

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

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY OPERATING FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2017

	<u>Budget</u>	<u>Realized</u>	Excess or (Deficit)
Operating Surplus Anticipated	\$ 35,000.00	\$ 35,000.00	
Playing Fees	940,000.00	963,732.00	\$ 23,732.00
Equipment Rental Fees	470,000.00	489,604.00	19,604.00
Miscellaneous	230,000.00	236,226.35	6,226.35
	<u>1,640,000.00</u>	<u>1,689,562.35</u>	<u>49,562.35</u>
	<u>\$ 1,675,000.00</u>	<u>\$ 1,724,562.35</u>	<u>\$ 49,562.35</u>
<u>Analysis of Realized Revenues:</u>			
Playing Fees:			
Greens Fees		\$ 681,388.00	
Golf Memberships		282,344.00	
		<u>963,732.00</u>	<u>\$ 963,732.00</u>
Equipment Rental Fees:			
Gas Carts		\$ 486,004.00	
Hand Carts		600.00	
Locker Rental		3,000.00	
		<u>489,604.00</u>	<u>\$ 489,604.00</u>
Miscellaneous:			
Receipts:			
Concessionaire Lease		\$ 200,000.00	
Interest on Investments and Deposits		637.44	
Miscellaneous		35,578.23	
		<u>236,215.67</u>	<u>\$ 236,215.67</u>
Due from Golf Course Utility Capital Fund:			
Interest on Investments and Deposits			<u>10.68</u>
			<u>\$ 236,226.35</u>

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

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY OPERATING FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2017

	<u>Appropriations</u>		<u>Paid or Charged</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
Operating:						
Salaries and Wages	\$ 693,375.00	\$ 698,600.00	\$ 698,580.35		\$ 19.65	
Other Expenses	599,850.00	599,850.00	566,733.43	\$ 14,113.43	19,003.14	
Payment in Lieu of Taxes -- Current Fund	<u>165,000.00</u>	<u>154,775.00</u>	<u>150,000.00</u>		<u>4,775.00</u>	
Total Operating	<u>1,458,225.00</u>	<u>1,453,225.00</u>	<u>1,415,313.78</u>	<u>14,113.43</u>	<u>23,797.79</u>	
Debt Service:						
Payment of Bond Principal	125,465.00	130,465.00	130,465.00			
Interest on Bonds	<u>39,325.00</u>	<u>39,325.00</u>	<u>31,657.38</u>			<u>\$ 7,667.62</u>
Total Debt Service	<u>164,790.00</u>	<u>169,790.00</u>	<u>162,122.38</u>			<u>7,667.62</u>
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I.)	<u>51,985.00</u>	<u>51,985.00</u>	<u>51,661.92</u>		<u>323.08</u>	
Total Utility Appropriations	<u>\$ 1,675,000.00</u>	<u>\$ 1,675,000.00</u>	<u>\$ 1,629,098.08</u>	<u>\$ 14,113.43</u>	<u>\$ 24,120.87</u>	<u>\$ 7,667.62</u>
Refunds:						
Receipts			\$ (53,473.88)			
Disbursements			1,369,986.27			
Accrued Interest:						
Interest on Bonds			31,657.38			
Due Current Fund--Payment in Lieu of Taxes			150,000.00			
Disbursements made by Utility Capital Fund			167.09			
Disbursements made by Current Fund			<u>130,761.22</u>			
			<u>\$ 1,629,098.08</u>			

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

TOWNSHIP OF PENNSAUKEN
GENERAL FIXED ASSETS GROUP OF ACCOUNTS
Statement of General Fixed Asset Group of Accounts -- Regulatory Basis
For the Year Ended December 31, 2017

<u>Fixed Assets</u>	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
Land and Buildings (at Assessed Valuation)	\$ 35,593,300.00	\$ 3,638,600.00	\$ 191,800.00	\$ 39,040,100.00
Computers and Computer Equipment	253,040.82			253,040.82
Furniture and Equipment	11,955,526.81	539,111.89	55,706.00	12,438,932.70
Vehicles	11,176,693.99	487,931.23	303,383.00	11,361,242.22
 Total Fixed Assets	 \$ 58,978,561.62	 \$ 4,665,643.12	 \$ 550,889.00	 \$ 63,093,315.74
 Total Investment in Fixed Assets	 \$ 58,978,561.62	 \$ 4,665,643.12	 \$ 550,889.00	 \$ 63,093,315.74

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Township of Pennsauken (hereafter referred to as the "Township") was incorporated as a township by an act of the New Jersey legislature on February 18, 1892 from portions of the now-defunct Stockton Township. The Township, located in Camden County, New Jersey, has a total area of approximately twelve square miles with approximately two miles of frontage along the Delaware River directly across from the City of Philadelphia, Pennsylvania. In New Jersey, the Township borders Camden, Cherry Hill, Collingswood and Merchantville in Camden County and Cinnaminson Township, Maple Shade Township and Palmyra Borough in Burlington County. According to the 2010 census, the population is 35,885.

The Township is governed under the Township Committee form of government, with a five-member Committee. The Committee is elected directly by the voters in partisan elections to serve three-year terms of office on a staggered basis, with one or two seats coming up for election each year. At an annual reorganization meeting, the Committee selects one of its members to serve as Mayor and another as Deputy Mayor. Legislative and executive power is vested in the Committee.

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

Pennsauken Sewerage Authority
1250 John Tipton Blvd.
Pennsauken, New Jersey 08110

Pennsauken Free Public Library
5605 N. Crescent Blvd.
Pennsauken, New Jersey 08110

Pennsauken Garbage District
5605 N. Crescent Blvd.
Pennsauken, New Jersey 08110

Merchantville - Pennsauken Water Commission
20 W. Maple Ave.
Merchantville, NJ 08109

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

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

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

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

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

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

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

Golf Course Utility Operating and Capital Funds - The golf course utility operating and capital funds account for the operations and acquisition of capital facilities of the municipally owned golf course operations.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Fund Balance - Fund balances included in the current fund and golf course utility operating fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

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

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

School Taxes - The Township is responsible for levying, collecting, and remitting school taxes for the Township of Pennsauken School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1 to December 31.

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

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

Garbage District Taxes - The municipality is responsible for levying, collecting, and remitting garbage district taxes for the Township of Pennsauken Garbage District. Operations is charged for the full amount required to be raised from taxation to operate the Garbage District for the period from January 1 to December 31.

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

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

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

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

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

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

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

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

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

Note 2: CASH AND CASH EQUIVALENTS

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

As of December 31, 2017, the Township's bank balances of \$16,098,235.73 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 13,923,797.69
Uninsured and Uncollateralized	<u>2,174,438.04</u>
Total	<u><u>\$ 16,098,235.73</u></u>

New Jersey Cash Management Fund - During the year, the Township participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At December 31, 2017, the Township's deposits with the New Jersey Cash Management Fund were \$3,009,230.23.

Note 3: PROPERTY TAXES

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

Comparative Schedule of Tax Rates

	<u>Year Ended</u>				
	<u>2017</u>	<u>2016</u>	<u>2015 *</u>	<u>2014</u>	<u>2013</u>
Tax Rate	\$ 3.793	\$ 3.725	\$ 3.658	\$ 5.561	\$ 5.488
Apportionment of Tax Rate:					
Municipal	\$.936	\$.941	\$.943	\$ 1.451	\$ 1.458
Municipal Library	.035	.034	.036	.054	.053
County	.902	.880	.865	1.290	1.258
Local School	1.744	1.697	1.644	2.504	2.447
Special District Tax:					
Garbage District	.176	.173	.170	.262	.272

* Revaluation

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2017	\$ 2,350,051,566.00
2016	2,346,443,560.00
2015 *	2,345,766,571.00
2014	1,525,323,350.00
2013	1,526,448,279.00

* Revaluation

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2017	\$ 89,210,383.37	\$ 86,837,597.26	97.34%
2016	87,601,004.42	85,279,951.27	97.35%
2015	86,368,349.63	83,848,802.70	97.08%
2014	84,949,378.79	82,511,022.38	97.13%
2013	83,839,123.00	81,526,377.47	97.24%

Note 3: PROPERTY TAXES (CONT'D)

Five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years (cont'd):

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2017	\$ 699,159.21	\$ 2,234,429.00	\$ 2,933,588.21	3.29%
2016	805,606.71	2,122,541.21	2,928,147.92	3.34%
2015	567,712.60	2,308,964.44	2,876,677.04	3.33%
2014	424,527.41	2,253,848.10	2,678,375.51	3.15%
2013	350,655.47	2,131,767.90	2,482,423.37	2.96%

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

<u>Year</u>	<u>Number</u>
2017	54
2016	63
2015	55
2014	49
2013	43

Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2017	\$ 2,550,800.00
2016	2,550,800.00
2015	2,550,800.00
2014	2,550,800.00
2013	2,550,800.00

Note 5: MUNICIPAL ASSESSMENTS RECEIVABLE

When owners do not maintain their properties in accordance with Township ordinances, assessments are imposed for the maintenance of the property. The balance due for the current and previous four years was as follows:

<u>Year</u>	<u>Amount</u>
2017	\$ 21,789.00
2016	21,789.00
2015	21,789.00
2014	23,295.86
2013	30,674.51

Note 6: MORTGAGES RECEIVABLE

At December 31, 2017, the Township has loans receivable recorded in the Trust Other Funds from various families that were granted funds for the purposes of property improvements under the Township's housing rehabilitation program. The term of the loans call for an interest rate of one percent and principal to be repaid monthly over two-hundred and forty months or at the time the property is sold or title transferred, which is decided by the family at the inception of the loan. Some of the loans are to be repaid on a monthly basis and others are to be repaid at the time of the sale or title transfer. The balance of these loans at December 31, 2017 was \$8,983.25.

Note 7: FUND BALANCES APPROPRIATED

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

Current Fund

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2017	\$ 5,756,232.25	\$ 1,022,500.00	17.76%
2016	3,805,698.78	200,000.00	5.26%
2015	3,022,535.19	600,000.00	19.85%
2014	1,795,077.87	255,079.87	14.21%
2013	1,164,284.23	378,920.36	32.55%

Golf Course Utility Fund

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2017	\$ 119,521.02	\$ 20,000.00	16.73%
2016	74,345.01	35,000.00	47.08%
2015	91,761.92	45,000.00	49.04%
2014	103,864.77	60,000.00	57.77%
2013	136,438.82	87,500.00	64.13%

Note 8: INTERFUND RECEIVABLES AND PAYABLES

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

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 28,877.81	\$ 794,532.43
Federal and State Grant	15,668.77	
Trust - Animal Control	97.58	15,000.00
Trust - Other		28,877.81
General Capital	790,162.32	
Golf Course Utility - Operating	1,228.76	527.96
Golf Course Utility - Capital	2,902.96	
	<u>\$ 838,938.20</u>	<u>\$ 838,938.20</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2018, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 9: 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, Township employees may participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This Plan is administered by Prudential Financial for the New Jersey Division of Pensions and Benefits. Each Plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

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

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.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Plan Descriptions (Cont'd)**

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

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

Vesting and Benefit Provisions

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

The following represents the membership tiers for PERS:

Tier Definition

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

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

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

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

The following represents the membership tiers for PFRS:

Tier Definition

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

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

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

Contributions

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

The Township's contractually required contribution rate for the year ended December 31, 2017 was 12.90% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Public Employees' Retirement System (Cont'd) - Based on the most recent PERS measurement date of June 30, 2017, the Township's contractually required contribution to the pension plan for the year ended December 31, 2017 is \$942,544.00, and is payable by April 1, 2018. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2016, the Township's contractually required contribution to the pension plan for the year ended December 31, 2016 was \$897,705.00, which was paid on April 1, 2017. Employee contributions to the Plan during the year ended December 31, 2017 were \$544,158.37.

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

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

The Township's contractually required contribution rate for the year ended December 31, 2017 was 27.57% 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, 2017, the Township's contractually required contribution to the pension plan for the year ended December 31, 2017 is \$2,383,209.00, and is payable by April 1, 2018. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2016, the Township's contractually required contribution to the pension plan for the year ended December 31, 2016 was \$2,257,480.00, which was paid on April 1, 2017. Employee contributions to the Plan during the year ended December 31, 2017 were \$874,936.74.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Township, for the year ended December 31, 2017 was 2.69% of the Township's covered payroll.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Police and Firemen's Retirement System (Cont'd) - Based on the most recent PFRS measurement date of June 30, 2017, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2017 is \$232,841.00, and is payable by April 1, 2018. Based on the PFRS measurement date of June 30, 2016, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2016 was \$170,184.00, which was paid on April 1, 2017.

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

For the year ended December 31, 2017, the Township had no employees participating in this plan.

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

Public Employees' Retirement System - At December 31, 2017, the Township's proportionate share of the PERS net pension liability was \$23,684,239.00. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2017. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2017 measurement date, the Township's proportion was 0.1017434065%, which was an increase of 0.0006943933% from its proportion measured as of June 30, 2016.

At December 31, 2017, the Township's proportionate share of the PERS pension expense, calculated by the Plan as of the June 30, 2017 measurement date is \$1,679,865.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2017, the Township's contribution to PERS was \$897,705.00, and was paid on April 1, 2017.

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

Township's Proportionate Share of Net Pension Liability	\$ 41,572,172.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>4,656,433.00</u>
	<u>\$ 46,228,605.00</u>

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Police and Firemen's Retirement System (Cont'd) - The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2017. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2017 measurement date, the Township's proportion was 0.2692835362%, which was a decrease of (0.0075921670%) from its proportion measured as of June 30, 2016. Likewise, at June 30, 2017, the State of New Jersey's proportion, on-behalf of the Township, was 0.2692835362%, which was a decrease of (0.0075921670%) from its proportion, on-behalf of the Township, measured as of June 30, 2016.

At December 31, 2017, the Township's proportionate share of the PFRS pension expense, calculated by the Plan as of the June 30, 2017 measurement date is \$3,125,268.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2017, the Township's contribution to PFRS was \$2,257,480.00, and was paid on April 1, 2017.

At December 31, 2017, the State's proportionate share of the PFRS pension expense, associated with the Township, calculated by the Plan as of the June 30, 2017 measurement date is \$569,587.00. This on-behalf expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

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

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	PERS	PFRS	Total	PERS	PFRS	Total
Differences between Expected and Actual Experience	\$ 557,682.00	\$ 269,696.00	\$ 827,378.00		\$ 243,994.00	\$ 243,994.00
Changes of Assumptions	4,771,558.00	5,126,312.00	9,897,870.00	\$ 4,754,064.00	6,808,306.00	11,562,370.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	161,274.00	793,294.00	954,568.00			
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	394,872.00	623,860.00	1,018,732.00	544,712.00	2,492,380.00	3,037,092.00
Township Contributions Subsequent to the Measurement Date	471,272.00	1,191,605.00	1,662,877.00			
	<u>\$ 6,356,658.00</u>	<u>\$ 8,004,767.00</u>	<u>\$ 14,361,425.00</u>	<u>\$ 5,298,776.00</u>	<u>\$ 9,544,680.00</u>	<u>\$ 14,843,456.00</u>

\$471,272.00 and \$1,191,605.00 for PERS and PFRS, respectively, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2018. These amounts were based on an estimated April 1, 2019 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2017 to the Township's year end of December 31, 2017.

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

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

	<u>PERS</u>		<u>PFRS</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
June 30, 2014	-	-	-	-
June 30, 2015	5.72	-	-	5.53
June 30, 2016	5.57	-	-	5.58
June 30, 2017	5.48	-	5.59	-
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	-	6.17	-
June 30, 2015	5.72	-	5.53	-
June 30, 2016	5.57	-	5.58	-
June 30, 2017	-	5.48	-	5.59
Net Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2014	-	5.00	-	5.00
June 30, 2015	-	5.00	-	5.00
June 30, 2016	5.00	-	5.00	-
June 30, 2017	5.00	-	5.00	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	6.44	6.17	6.17
June 30, 2015	5.72	5.72	5.53	5.53
June 30, 2016	5.57	5.57	5.58	5.58
June 30, 2017	5.48	5.48	5.59	5.59

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

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

<u>Year Ending Dec 31,</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2018	\$ 505,842.00	\$ (158,497.00)	\$ 347,345.00
2019	789,648.00	705,669.00	1,495,317.00
2020	440,418.00	(311,419.00)	128,999.00
2021	(668,347.00)	(2,004,646.00)	(2,672,993.00)
2022	(480,951.00)	(962,625.00)	(1,443,576.00)
	<u>\$ 586,610.00</u>	<u>\$ (2,731,518.00)</u>	<u>\$ (2,144,908.00)</u>

Actuarial Assumptions

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

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

Note 9: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

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

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

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

Note 9: **PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

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

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

Note 9: PENSION PLANS (CONT'D)**Sensitivity of Township's Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

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

	PERS		
	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Township's Proportionate Share of the Net Pension Liability	\$ 29,381,906.00	\$ 23,684,239.00	\$ 18,937,376.00

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

	PFRS		
	1% Decrease (5.14%)	Current Discount Rate (6.14%)	1% Increase (7.14%)
Township's Proportionate Share of the Net Pension Liability	\$ 54,774,760.00	\$ 41,572,172.00	\$ 30,724,745.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	6,135,233.95	4,656,433.00	3,441,429.87
	<u>\$ 60,909,993.95</u>	<u>\$ 46,228,605.00</u>	<u>\$ 34,166,174.87</u>

Pension Plan Fiduciary Net Position

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

Note 9: PENSION PLANS (CONT'D)**Supplementary Pension Information**

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

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

	<u>Measurement Date Ended June 30,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Township's Proportion of the Net Pension Liability	0.1017434065%	0.1010490132%	0.1019301596%
Township's Proportionate Share of the Net Pension Liability	\$ 23,684,239.00	\$ 29,927,819.00	\$ 22,881,278.00
Township's Covered Payroll (Plan Measurement Period)	\$ 6,959,932.00	\$ 6,942,460.00	\$ 7,029,892.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	340.29%	431.08%	325.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.10%	40.14%	47.93%
	<u>Measurement Date Ended June 30,</u>		
	<u>2014</u>	<u>2013</u>	
Township's Proportion of the Net Pension Liability	0.1066554322%	0.1029114824%	
Township's Proportionate Share of the Net Pension Liability	\$ 19,968,814.00	\$ 19,668,429.00	
Township's Covered Payroll (Plan Measurement Period)	\$ 7,357,840.00	\$ 7,039,184.00	
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	271.40%	279.41%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.08%	48.72%	

Note 9: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of the Township's Contributions - Public Employees' Retirement System (PERS) (Last Five Years)***

	<u>Year Ended December 31,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Township's Contractually Required Contribution	\$ 942,544.00	\$ 897,705.00	\$ 876,326.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(942,544.00)</u>	<u>(897,705.00)</u>	<u>(876,326.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 7,305,606.00	\$ 6,953,551.00	\$ 6,936,061.00
Township's Contributions as a Percentage of Covered Payroll	12.90%	12.91%	12.63%
	<u>Year Ended December 31,</u>		
	<u>2014</u>	<u>2013</u>	
Township's Contractually Required Contribution	\$ 879,252.00	\$ 775,417.00	
Township's Contribution in Relation to the Contractually Required Contribution	<u>(879,252.00)</u>	<u>(775,417.00)</u>	
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	
Township's Covered Payroll (Calendar Year)	\$ 7,110,665.00	\$ 7,258,296.00	
Township's Contributions as a Percentage of Covered Payroll	12.37%	10.68%	

Note 9: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of the Township's Proportionate Share of the Net Pension Liability - Police and Firemen's Retirement System (PFRS) (Last Five Years)***

	<u>Measurement Date Ended June 30,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Township's Proportion of the Net Pension Liability	0.2692835362%	0.2768757032%	0.2699374696%
Township's Proportionate Share of the Net Pension Liability	\$ 41,572,172.00	\$ 52,890,342.00	\$ 44,962,173.00
State's Proportionate Share of the Net Pension Liability associated with the Township	<u>4,656,433.00</u>	<u>4,441,477.00</u>	<u>3,943,032.00</u>
Total	<u>\$ 46,228,605.00</u>	<u>\$ 57,331,819.00</u>	<u>\$ 48,905,205.00</u>
Township's Covered Payroll (Plan Measurement Period)	\$ 8,640,576.00	\$ 8,866,668.00	\$ 8,641,260.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	481.13%	596.51%	520.32%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.60%	52.01%	56.31%
	<u>Measurement Date Ended June 30,</u>		
	<u>2014</u>	<u>2013</u>	
Township's Proportion of the Net Pension Liability	0.2896178346%	0.2968137408%	
Township's Proportionate Share of the Net Pension Liability	\$ 36,431,237.00	\$ 39,458,708.00	
State's Proportionate Share of the Net Pension Liability associated with the Township	<u>3,932,032.00</u>	<u>3,678,031.00</u>	
Total	<u>\$ 40,363,269.00</u>	<u>\$ 43,136,739.00</u>	
Township's Covered Payroll (Plan Measurement Period)	\$ 9,086,620.00	\$ 9,315,008.00	
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	400.93%	423.60%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.41%	58.70%	

Note 9: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of the Township's Contributions - Police and Firemen's Retirement System (PFRS) (Last Five Years)***

	<u>Year Ended December 31,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Township's Contractually Required Contribution	\$ 2,383,209.00	\$ 2,257,480.00	\$ 2,194,189.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(2,383,209.00)</u>	<u>(2,257,480.00)</u>	<u>(2,194,189.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 8,642,661.00	\$ 8,472,342.00	\$ 8,672,192.00
Township's Contributions as a Percentage of Covered Payroll	27.57%	26.65%	25.30%
	<u>Year Ended December 31,</u>		
	<u>2014</u>	<u>2013</u>	
Township's Contractually Required Contribution	\$ 2,224,465.00	\$ 2,165,487.00	
Township's Contribution in Relation to the Contractually Required Contribution	<u>(2,224,465.00)</u>	<u>(2,165,487.00)</u>	
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	
Township's Covered Payroll (Calendar Year)	\$ 8,708,801.00	\$ 8,944,369.00	
Township's Contributions as a Percentage of Covered Payroll	25.54%	24.21%	

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

Changes in Benefit Terms - None

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

Note 9: PENSION PLANS (CONT'D)**Other Notes to Supplementary Pension Information (Cont'd)*****Police and Firemen's Retirement System (PFRS)***

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

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

Early Retirement Incentive Program – Legislation enacted in 1991 and 1993 made early retirement available through Early Retirement Incentive Programs. These programs, which were subject to the approval of the Township's governing body, were available to employees who met certain minimum requirements. The Township participates in three Early Retirement Incentive Programs, ERIP 1, 2 and 4. Under each of these programs, there is an accrued liability. Under Program 1, the accrued liability as of December 31, 2017 was \$25,256.00 payable in annual installments of \$6,314.00 with the last installment due on April 1, 2021. For Program 2, the accrued liability as of December 31, 2017 was \$120,256.00 payable in annual installments of \$7,516.00 with the last installment due on April 1, 2033. For Program 4, the accrued liability as of December 31, 2017 was \$353,264.00 payable in annual installments of \$88,316.00 with the last installment due on April 1, 2021.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

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

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. Several years ago, the Township authorized participation in the SHBP's post-retirement benefit program through a resolution adopted by the governing body. The Township provides postemployment health care benefits, at its cost, to all Township retirees who at the date of retirement have not less than twenty-five (25) years of service credit in a State locally administered retirement system and have served at least twenty (20) years as an employee of the Township. Benefits provided include health insurance, dental coverage, and prescription coverage for retirees and their dependents only during the retired employees' life.

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

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

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

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis. The Township funds these benefits on a pay-as-you-go basis and, therefore, does not record accrued expenses related to these benefits. The Township's contributions to SHBP for the years ended December 31, 2017, 2016, and 2015, were \$54,275.40, \$50,820.48, and \$60,921.63, respectively, which equaled the required contributions each year. There were approximately 6 retired participants eligible at December 31, 2017.

In addition to the benefits described above, the Township provides post-employment health care benefits, at its cost, to certain eligible retirees and dependents under a separate plan.

Plan Description - The Township provides postretirement health care benefits through a health plan for retirees and their dependents, which includes a medical, dental, prescription drug and vision plan. The Township's plan provides an agent multiple-employer post-employment healthcare plan which covers the following retiree population: eligible retirees who retire from active employment with the Township who have at least thirty (30) years of service with the Township and are members of the New Jersey Public Employees Retirement System (PERS) or eligible retirees who retire with at least twenty-five (25) years of service with the Township and have at least 25 years of service in the New Jersey Police and Firemen's Retirement System (PFRS). Once Medicare age is attained by either the retired employee or spouse, Medicare is primary and the Township provides supplementary medical insurance benefits. Currently, one hundred twenty-six (126) retirees meet these eligibility requirements. The plan is administered by the Township; therefore, premium payments are made directly to the insurance carriers.

Funding Policy - The contribution requirements of plan members and the Township are established and may be amended by the Township's governing body. If required by Chapter 78 of P.L. 2011 which was effective June 28, 2011, the percentage of premium contribution by plan members receiving benefits is derived from base salary or retirement allowance and type of coverage tier is multiplied by the total premium for the cost of the coverage received.

Retirees - The Township presently funds its current retiree postemployment benefit costs on a "pay-as-you-go" basis. The Township's contributions to the plan for the years ended December 31, 2017, 2016, and 2015 were \$2,509,024.15, \$3,159,796.84, and \$2,587,618.25, respectively.

Future Retirees - In accordance with Statement No. 45 of the Governmental Accounting Standards Board, the Township is required to disclose the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty (30) years. The ARC includes the costs of both current and future retirees. The current ARC was determined to be \$5,579,912.00 at an unfunded discount rate of 5.0%. As stated above, the Township has funded the cost of existing retirees in the amount of \$2,509,024.15, and has incurred the benefit costs for future eligible employees, but has not yet begun funding this outstanding liability.

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

Annual OPEB Cost - For year ended December 31, 2017, the Township's annual OPEB cost (expense) of \$5,140,957.69 for the plan was equal to the ARC plus certain adjustments because the Township's actual contributions in prior years differed from the ARC. The Township's annual required contribution (ARC), the interest on the net OPEB obligation, the adjustment to the ARC, the increase or decrease in the net OPEB obligation, the net OPEB obligation, and the percentage of annual OPEB cost contributed to the plan for years 2017 and 2016 are as follows:

	<u>2017</u>	<u>2016</u>
Annual Required Contribution (ARC)	\$ 5,579,912.00	\$ 5,579,912.00
Interest on the Net OPEB Obligation	121,005.76	-
Adjustment to the ARC	<u>(559,960.07)</u>	<u>-</u>
Annual OPEB Cost	5,140,957.69	5,579,912.00
Pay-as-You Go Cost (Existing Retirees)	<u>(2,509,024.15)</u>	<u>(3,159,796.84)</u>
Increase (Decrease) in the Net OPEB Obligation	2,631,933.54	2,420,115.16
Net OPEB Obligation, January 1	<u>2,420,115.16</u>	<u>-</u>
Net OPEB Obligation, December 31	<u>\$ 5,052,048.70</u>	<u>\$ 2,420,115.16</u>
Percentage of Annual OPEB Cost Contributed	48.8%	56.6%

Funded Status and Funding Progress - The funded status of the plan as of the December 31, 2016 actuarial valuation date is as follows:

	<u>2016</u>
Actuarial Accrued Liability (AAL)	\$ 64,309,955.00
Actuarial Value of Plan Assets	<u>-</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 64,309,955.00</u>
Funded Ratio (Actuarial Value of Plan Assets / AAL)	0.0%
Covered Payroll (Active Plan Members)	\$ 15,425,893.00
UAAL as a Percentage of Covered Payroll	416.9%

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

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

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

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

- *Mortality.* 1994 sex distinct Group Annuity Mortality Table.
- *Turnover.* Termination of employment other than for death or retirement in accordance with the U.S. Office of Personnel Management regarding the experience of the employee group covered by the Federal Employees Retirement System.
- *Assumed Retirement Age.* At first eligibility but no earlier than age 55.
- *Full Attribution Period.* Service to assumed retirement age.
- *Annual Discount Rate.* Future costs have been discounted at the rate of 5.0% compounded annually for GASB 45 purposes.
- *Healthcare Cost Inflation.* Increase at an annual rate of 7.0% for pre-Medicare benefits and 5.0% for post-Medicare benefits.
- *Retiree Contributions.* When applicable, a percentage of the annual premium coverage is required from eligible retirees in accordance with Chapter 78, P.L. 2011 which was effective June 28, 2011.

Note 11: COMPENSATED ABSENCES

Non-uniformed Township employees are entitled to fifteen paid sick leave days each year and uniformed employees are entitled to seventeen paid sick leave days each year. Police and fire employees are entitled to seventeen paid sick leave days each year. Unused sick leave may be accumulated and carried forward. Vacation days not used during the year may be accumulated and carried forward; however, only a maximum of one's year unused vacation days may be carried forward. All full-time employees are entitled to three personal holidays, plus fourteen or thirteen holidays depending upon whether they are uniformed or non-uniformed employees respectively. All police and fire employees may carry forward an unlimited number of unused vacation days and holidays but are compensated for a maximum of one hundred upon termination.

Permanent part-time employees are entitled to compensated absences; however, regular part-time employees are not compensated for absences.

The Township compensates employees with more than thirty years of service for one half of their unused sick leave upon termination or retirement. Employees with less than thirty-five years of service are not compensated.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2017, accrued benefits for compensated absences are valued at \$1,512,145.01.

Note 12: DEFERRED COMPENSATION SALARY ACCOUNT

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

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

Note 13: LEASE OBLIGATIONS

At December 31, 2017, the Township had lease agreements in effect for the following:

Operating:
 One (1) 2011 Chevrolet Equinox
 One (1) 2015 Ford Escape

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

<u>Year</u>	<u>Amount</u>
2018	\$ 4,500.00
2019	4,500.00
2020	1,175.00

Rental payments under operating leases for the year 2017 were \$4,555.00.

Note 14: CAPITAL DEBT**General Obligation and Refunding Bonds**

General Obligation Bonds, Series 2008 - On September 1, 2008, the Township issued \$9,940,000.00 of general obligation bonds, with interest rates ranging from 3.5% to 4.0%. The purpose of the bonds is to fund various capital ordinances in the Township. On June 15, 2017, the Township refunded a portion of the 2008 Bonds. The final maturity of the remaining bonds in the amount of \$745,000.00 is September 1, 2018.

General Obligation Bonds, Series 2011 - On August 31, 2011, the Township issued \$12,850,000.00 in general obligation bonds, with interest rates ranging from 2.5% to 4.0%. The purpose of the bonds is to fund various capital ordinances in the Township. The final maturity of the bonds is August 15, 2026.

General Obligation Bonds, Series 2016 - On June 22, 2016, the Township issued \$13,236,000.00 in general obligation bonds, with interest rates ranging from 1.0% to 2.375%. The purpose of the bonds is to fund various capital ordinances in the Township. The final maturity of the bonds is March 1, 2029.

Refunding Bonds, Series 2017 - On June 15, 2017, the Township issued \$4,455,000.00 in refunding bonds, with an interest rate of 1.95%. The purpose of the bonds is to refund a portion of the Township's 2008 General Obligation Bonds. The final maturity of the bonds is September 1, 2023.

Note 14: CAPITAL DEBT (CONT'D)

The following schedule represents the remaining debt service, through maturity, for the general obligation and refunding bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 2,604,198.00	\$ 649,365.26	\$ 3,253,563.26
2019	2,678,131.00	577,869.76	3,256,000.76
2020	2,741,707.00	515,489.26	3,257,196.26
2021	2,805,284.00	451,596.76	3,256,880.76
2022	2,888,861.00	386,139.76	3,275,000.76
2023-2027	10,569,044.00	954,764.26	11,523,808.26
2028-2029	2,294,240.00	54,110.00	2,348,350.00
	<u>\$ 26,581,465.00</u>	<u>\$ 3,589,335.06</u>	<u>\$ 30,170,800.06</u>

Golf Course Utility Debt – General Obligation and Refunding Bonds

General Obligation Bonds, Series 2008 - On September 1, 2008, the Township issued \$810,000.00 of general obligation bonds, with interest rates ranging from 3.5% to 4.0%. The purpose of the bonds is to fund various ordinances in the Township's golf course utility. On June 15, 2017, the Township refunded a portion of the 2008 Bonds. The final maturity of the remaining bonds in the amount of \$60,000.00 is September 1, 2018.

General Obligation Bonds, Series 2016 - On June 22, 2016, the Township issued \$1,014,000.00 in general obligation bonds, with interest rates ranging from 1.0% to 2.375%. The purpose of the bonds is to fund various capital ordinances in the Township's golf course utility. The final maturity of the bonds is March 1, 2029.

Refunding Bonds, Series 2017 - On June 15, 2017, the Township issued \$365,000.00 in refunding bonds, with an interest rate of 1.95%. The purpose of the bonds is to refund a portion of the Township's 2008 General Obligation Bonds. The final maturity of the bonds is September 1, 2023.

The following schedule represents the remaining debt service, through maturity, for the general obligation and refunding bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 135,802.00	\$ 28,234.00	\$ 164,036.00
2019	141,869.00	24,309.50	166,178.50
2020	143,293.00	21,492.50	164,785.50
2021	144,716.00	18,647.50	163,363.50
2022	146,139.00	15,773.50	161,912.50
2023-2027	480,956.00	42,431.50	523,387.50
2028-2029	175,760.00	4,145.00	179,905.00
	<u>\$ 1,368,535.00</u>	<u>\$ 155,033.50</u>	<u>\$ 1,523,568.50</u>

Note 14: CAPITAL DEBT (CONT'D)

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 29,096,465.00	\$ 28,816,000.00	\$ 28,328,500.00
Water Utility:			
Bonds and Notes (Note A)	4,622,938.02	5,219,304.39	6,318,744.31
Golf Course Utility:			
Bonds and Notes	1,368,535.00	1,479,000.00	1,377,500.00
Total Issued	<u>35,087,938.02</u>	<u>35,514,304.39</u>	<u>36,024,744.31</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	328,950.00	3,450.00	2,875.00
Total Authorized but not Issued	<u>328,950.00</u>	<u>3,450.00</u>	<u>2,875.00</u>
Total Issued and Authorized but not Issued	<u>35,416,888.02</u>	<u>35,517,754.39</u>	<u>36,027,619.31</u>
<u>Deductions</u>			
Water Utility:			
Self-Liquidating (Note A)	4,622,938.02	5,219,304.39	6,318,744.31
Golf Course Utility:			
Self-Liquidating	1,368,535.00	1,479,000.00	1,377,500.00
Total Deductions	<u>5,991,473.02</u>	<u>6,698,304.39</u>	<u>7,696,244.31</u>
Net Debt	<u>\$ 29,425,415.00</u>	<u>\$ 28,819,450.00</u>	<u>\$ 28,331,375.00</u>

Note A - Represents the Township of Pennsauken's share of the debt of the Merchantville-Pennsauken Water Commission. The Commission is jointly owned by the Township of Pennsauken and the Borough of Merchantville.

Note 14: CAPITAL DEBT (CONT'D)**Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of 1.20%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 7,065,000.00	\$ 7,065,000.00	
Self-Liquidating	5,991,473.02	5,991,473.02	
General	29,425,415.00		\$ 29,425,415.00
	<u>\$ 42,481,888.02</u>	<u>\$ 13,056,473.02</u>	<u>\$ 29,425,415.00</u>

Net debt \$29,425,415.00 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$2,433,890,362.00, equals 1.20%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 85,186,162.67
Less: Net Debt	<u>29,425,415.00</u>
Remaining Borrowing Power	<u>\$ 55,760,747.67</u>

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

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for the Year	\$ 1,724,562.35
Deductions:	
Operating and Maintenance Costs	\$ 1,505,210.00
Debt Service	<u>162,122.38</u>
Total Deductions	<u>1,667,332.38</u>
Excess in Revenue	<u>\$ 57,229.97</u>

Note 14: CAPITAL DEBT (CONT'D)

**Calculation of "Self-Liquidating Purpose,"
Merchantville-Pennsauken Water Commission Per N.J.S.A. 40:2-45**

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for the Year	\$ 8,991,671.19
Deductions:	
Operating and Maintenance Costs \$ 7,145,790.51	
Debt Service <u>686,431.87</u>	
Total Deductions	<u>7,832,222.38</u>
Excess in Revenue	<u>\$ 1,159,448.81</u>

Note 15: CAPITAL DEBT REFUNDING

On June 15, 2017, the Township issued \$4,820,000.00 in general obligation bonds with an interest rate of 1.95% to advance refund \$4,220,000.00 of outstanding General Improvement Bonds, Series 2008 and \$345,000.00 of Golf Course Utility Bonds, Series 2008 with an interest rate of 4.0%. The net proceeds of \$4,769,693.00 (after payment of issuance costs \$50,307.00) were used to purchase U.S. Treasury Bills. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2008 series bonds. As a result of the current refunding, the Township will reduce its total debt service payments over the next seven years by \$189,782.67, which results in an economic gain (difference between the present values of the debt service payments of the old and new debt) of \$181,581.68, or 3.97% of the principal amount being refunded. The current refunding meets the requirements of an in-substance defeasance and the liability for the refunded bonds was removed from the Township's financial statements.

Note 16: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2017, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund(s):

<u>Description</u>	<u>Balance December 31, 2017</u>	<u>2018 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorizations	\$ 520,000.00	\$ 340,000.00
Animal Control Fund:		
Deficit in Reserve for Animal Control Expenditures	13,283.10	13,283.10

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

Note 17: 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.

Property and Liability Insurance - The Township maintains commercial insurance coverage for property, liability, vehicle, surety bonds, etc.

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>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2017	\$ 5,312.35	\$ 1.08	\$ 11,954.33	\$ 850.88
2016	27,780.19	0.46	20,638.99	7,491.78
2015	104,514.67	0.75	109,405.34	350.12

It is estimated that unreimbursed payments on behalf of the Township at December 31, 2017 are \$3,073.57.

Self-Insurance Plan - The Township has adopted a plan of self-insurance for workers' compensation insurance, and as a result, has established a trust fund to fund potential claims up to \$500,000.00 per any one accident. Scibal Associates acts as administrator of the plan. The Township purchases commercial coverage for claims in excess of \$500,000.00. There have been no settlements that exceed the Township's coverage for years ended December 31, 2017, 2016, and 2015.

Payments from the reserve for 2017, 2016 and 2015 were \$344,584.78, \$212,382.04 and \$502,764.86, respectively. At December 31, 2017, there is no balance in the reserve. The 2018 adopted budget includes an appropriation in the amount of \$287,000.00 to fund the reserve for future claims. The management of the Township believes that the 2018 budget appropriation to fund the reserve is adequate to meet the needs of the Township and any additional funding required for claims in excess of the trust fund's reserve will be paid and charged to future budgets.

Note 18: CONTINGENCIES

Grantor Agencies - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Township expects such amount, if any, to be immaterial.

Litigation - The Township is a defendant in legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 19: INTERGOVERNMENTAL SERVICE AGREEMENTS

Pennsauken Sewerage Authority - The Township has entered into a service agreement with the Pennsauken Sewerage Authority, a component unit of the Township, whereby the Township has agreed to pay any shortfall the Authority may encounter in making payments for either operating expenses or debt service requirements. Should the Township make any payments in accordance with this agreement, the Authority would be required to repay any amounts advanced by the Township plus interest at a rate of 1% per year above the highest rate paid by the Authority on any outstanding bonds.

Merchantville - Pennsauken Water Commission - The Township has entered into a service agreement with the Merchantville - Pennsauken Water Commission, which is a component unit of the Township of Pennsauken and the Borough of Merchantville. Both municipalities act as guarantors of all Commission bonds and loans in accordance with the following percentages:

Township of Pennsauken	88.42%
Borough of Merchantville	11.58%

No payments were required to be made by the Township relative to any intergovernmental service agreements during the year 2017.

Note 20: 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 21: TAX ABATEMENTS

The Township is authorized to enter into property tax abatement agreements for commercial and industrial structures under N.J.S.A. 40A:21-1 known as the "Five Year Exemption and Abatement Law" and long-term exemption agreements under N.J.S.A. 40A:20. Under these laws, the Township may grant property tax abatements for a period of five years from the date of completion of construction for the purpose of encouraging the construction of new commercial and industrial structures or other terms for long-term exemptions for the purpose of economic development or affordable housing.

For the year ended December 31, 2017, the Township abated property taxes totaling \$1,246,284.26 under these programs, including the following long-term tax exemption agreements that each exceeded ten percent (10%) of the total amount abated:

- An abatement of \$191,143.38 to the operator of a recreational facility to foster economic development.
- An abatement of \$341,757.30 to the owner of a HUD approved apartment complex for affordable housing.
- An abatement of \$264,379.02 to the owner of a senior housing facility to provide for affordable housing for senior citizens.
- An abatement of \$216,919.92 to the owner of a HUD approved apartment complex for affordable housing for senior citizens.

Note 22: REDEVELOPMENT ZONES

The Township has created two redevelopment zones. One encompasses waterfront properties with more than 700 acres of underused industrial property. The Township is uniquely situated on an urban waterfront which mirrors a growing international trend. Communities across the country and around the world are rediscovering and capitalizing on the potential of urban waterfronts. The Township is in the process of investigating interested parties to oversee the entire redevelopment process in this unique environment. In addition, substantial studies, planning and testing have already been conducted to facilitate the redevelopment effort. Moreover, the New Jersey Department of Environmental Protection and the Township have executed a Brownfield's Development Area Initiative Memorandum of Understanding to promote environmental protection for the waterfront development area and to foster neighborhood revitalization.

The other redevelopment zone is located along the Route 73 corridor, an area beginning close to the Tacony-Palmyra Bridge and continuing into the southern end of the Borough of Cinnaminson, known as the "Crossroads Redevelopment Area". The Camden County Improvement Authority ("CCIA"), the governmental economic development agency of Camden County, found the Crossroads Redevelopment Area to be an attractive location for residential and retail redevelopment activities. Specifically, to facilitate redevelopment of the Crossroads Redevelopment Area, the CCIA applied for and received a grant from the Casino Reinvestment Development Authority and was designated by the Township as the redevelopment authority for a portion of the Crossroads Redevelopment Area by Ordinance 02-43 duly adopted after public hearing on December 30, 2002. Site clearance, preparation and environmental studies and remediation have been completed and the CCIA has sold the property to DELCO Development, LLC, a qualified nationally recognized multi-family developer. DELCO has begun the redevelopment of 27 acres of the 35 acre Crossroads Redevelopment Area, a project named Haddon Pointe, that includes the construction of 189 Townhouses, 9 residential apartment buildings comprising a total of 240 units, a club house and other related site improvements . The aforementioned improvements are scheduled to be completed in phases over a term of approximately three years with the first five (5) apartment buildings scheduled for a Fall 2018 opening.

Note 23: SUBSEQUENT EVENTS

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

<u>Purpose</u>	<u>Adoption</u>	<u>Authorization</u>
General Capital Fund:		
Various Capital Improvements and the Acquisition of Various Capital Equipment	03/28/18	\$ 2,422,500.00

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Current Cash
Per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2017

	<u>Regular</u>	<u>Federal and State Grant</u>
Balance December 31, 2016	\$ 8,906,871.10	
Increased by Receipts:		
Refund of Prior Year Expenditures	\$ 35,877.89	
Miscellaneous Revenue not Anticipated	99,269.26	
2017 Appropriation Refunds	2,316,221.29	
2016 Appropriation Reserves Refunds	97,017.37	
Tax Collector	90,167,948.84	
Petty Cash Funds	2,150.00	
Reserve for Election Expenses	2,100.00	
Due from United States Department of Treasury	37,454.81	
Protested Checks	129,680.16	
Revenue Accounts Receivable	12,448,844.97	
Due Pennsauken Garbage District	3,441,508.28	
Due Pennsauken Free Public Library	3,640.00	
Due State of New Jersey -- Veteran and Senior Citizen Deductions	252,349.42	
Due State of New Jersey -- Training Fees Surcharge	178,239.00	
Due State of New Jersey -- Marriage Licenses	24,462.00	
Due Bank	40.77	
Federal and State Grants Receivable		\$ 101,159.55
Special Emergency Notes	520,000.00	
Due Federal and State Grant Fund	35,375.04	
Due Trust - Other Funds	306,590.49	
Due General Capital Fund	3,046,323.52	
Due Golf Course Utility Operating Fund	<u>316,457.50</u>	
	<u>113,461,550.61</u>	<u>\$ 101,159.55</u>
	122,368,421.71	101,159.55

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Current Cash
Per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2017

	<u>Regular</u>	<u>Federal and State Grant</u>
Decreased by Disbursements:		
Refund of Prior Year Revenue	\$ 8,390.27	
2017 Appropriations	35,899,335.58	
Petty Cash Funds	2,150.00	
Reserve for Election Expenses	2,100.00	
Protested Checks	131,880.16	
2016 Appropriation Reserves	852,468.40	
Due Pennsauken Garbage District	3,377,873.35	
Tax Overpayments	45,251.21	
Due State of New Jersey -- Training Fees Surcharge	171,045.00	
Due State of New Jersey -- Marriage Licenses	23,612.00	
County Taxes Payable	21,165,499.99	
Due County for Added and Omitted Taxes	46,442.45	
Local School District Tax Payable	40,866,948.39	
Special District Tax Payable	4,130,000.00	
Due Bank	1,724.08	
Reserve for Federal and State Grants -- Appropriated		\$ 65,784.51
Special Emergency Notes	860,000.00	
Reserve for Payment of Revaluation Program	7,458.42	
Due Current Fund		35,375.04
Due Animal Control Fund	102,400.00	
Due Trust - Other Fund	356,367.44	
Due General Capital Fund	2,695,000.00	
Due Golf Course Utility Operating Fund	167,678.24	
Due Golf Course Utility Capital Fund	125,000.00	
	<u>\$ 111,038,624.98</u>	<u>\$ 101,159.55</u>
Balance December 31, 2017	<u>\$ 11,329,796.73</u>	<u>\$ -</u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Current Cash
Per N.J.S. 40A:5-5 -- Collector
For the Year Ended December 31, 2017

Balance December 31, 2016		\$	672,965.69
Increased by Receipts:			
Interest and Costs on Taxes	\$ 758,417.21		
Taxes Receivable	87,759,835.14		
Tax Title Liens	211,578.53		
Payment in Lieu of Taxes Receivable	209,335.07		
Protested Checks	141,184.12		
Revenue Accounts Receivable	82,628.03		
Prepaid Payment in Lieu of Taxes	10,207.26		
Prepaid Taxes	1,625,747.25		
Tax Overpayments	48,300.80		
Due to Tax Title Lien Redemption Account	1,508,854.91		
Due to Camden County Municipal Utility Authority	881,421.49		
Due to Pennsauken Sewerage Authority	87,573.71		
			93,325,083.52
			93,998,049.21
Decreased by Disbursements:			
Payments to Treasurer	90,167,948.84		
Due Bank	2,313.49		
Due to Tax Title Lien Redemption Account	1,508,854.91		
Due to Camden County Municipal Utility Authority	881,421.49		
Due to Pennsauken Sewerage Authority	87,573.71		
Protested Checks	139,892.12		
			92,788,004.56
Balance December 31, 2017		\$	1,210,044.65

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Schedule of Change Funds
 As of December 31, 2017

<u>Office</u>	<u>Amount</u>
Fire Prevention	\$ 100.00
Tax Collector	875.00
Treasurer	200.00
Clerk of Municipal Court	350.00
	\$ 1,525.00
	\$ 1,525.00

Exhibit SA-4

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statement of Petty Cash Funds
 For the Year Ended December 31, 2017

<u>Office</u>	<u>Received from Treasurer</u>	<u>Returned to Treasurer</u>
Fire Prevention	\$ 400.00	\$ 400.00
Treasurer	1,000.00	1,000.00
Police Department	750.00	750.00
	\$ 2,150.00	\$ 2,150.00
	\$ 2,150.00	\$ 2,150.00

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statement of Taxes Receivable
 For the Year Ended December 31, 2017

Year	Balance	2017 Levy	Added Taxes	Collections		Due from State of New Jersey	Transferred to Tax Title Liens	Overpayments Applied	Cancellations	Balance
	Dec. 31, 2016			2016	2017					Dec. 31, 2017
2011	\$ 72.66			\$ 72.66						
2012	5,216.30			5,216.30						
2013	1,243.40			76.83						\$ 1,166.57
2014	7,419.28		\$ 9,483.21	11,713.89						5,188.60
2015	37,246.85			33,386.37						3,860.48
2016	2,071,342.72		27,510.25	2,064,413.34	\$ 1,750.00		\$ 3,025.59	\$ 5,904.09		23,759.95
	2,122,541.21		36,993.46	2,114,879.39	1,750.00		3,025.59	5,904.09		33,975.60
2017		\$ 89,210,383.37		\$ 868,456.47	85,644,955.75	317,368.16	\$ 114,501.20	6,816.88	57,831.51	2,200,453.40
	\$ 2,122,541.21	\$ 89,210,383.37	\$ 36,993.46	\$ 868,456.47	\$ 87,759,835.14	\$ 319,118.16	\$ 114,501.20	\$ 9,842.47	63,735.60	\$ 2,234,429.00

Tax Title Lien Adjustments	\$ 9,483.21
Due State of New Jersey - Veteran and Senior Citizen Deductions Disallowed	<u>27,510.25</u>
	<u>\$ 36,993.46</u>

Analysis of 2017 Property Tax Levy:

Tax Yield:	
General Purpose Tax	\$ 85,006,747.43
Special District Tax	4,130,000.00
Added / Omitted Taxes	<u>73,635.94</u>
	<u>\$ 89,210,383.37</u>

Tax Levy:	
Local District School Tax	\$ 40,991,363.00
County Taxes:	
County Tax	\$ 21,165,499.99
Due County for Added and Omitted Taxes	<u>17,510.63</u>
Total County Taxes	21,183,010.62
Garbage District Taxes	4,130,000.00
Local Tax for Municipal Purposes	22,011,180.88
Levied for Municipal Library	828,819.12
Add: Additional Tax Levied	<u>66,009.75</u>
Local Tax for Municipal Purposes Levied	<u>22,906,009.75</u>
	<u>\$ 89,210,383.37</u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Tax Title Liens
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 805,606.71
Increased by:		
Interest and Costs from Tax Sales of April 24, 2017	\$ 113.04	
Transferred from Taxes Receivable: 2017	<u>114,501.20</u>	
		<u>114,614.24</u>
		920,220.95
Decreased by:		
Adjustments -- Taxes Receivable -- 2014	9,483.21	
Receipts: Collector	<u>211,578.53</u>	
		<u>221,061.74</u>
Balance December 31, 2017		<u><u>\$ 699,159.21</u></u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Payment in Lieu of Taxes Receivable
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 2,471.32
Increased by:		
Accrued in 2017		<u>226,347.36</u>
		228,818.68
Decreased by:		
Application of 2016 Prepaid Payment in Lieu of Taxes	\$ 14,897.07	
Receipts:		
Collector	<u>209,335.07</u>	<u>224,232.14</u>
Balance December 31, 2017		<u><u>\$ 4,586.54</u></u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Due from United States Department of Treasury
For the Year Ended December 31, 2017

Increased by:

Funds Held In Disputed Dated September 11, 2017:

Revenue Accounts Receivable --

Consolidated Municipal Property Tax Relief Aid

\$ 10,092.30

Uniform Fire Safety Act -- Life Hazard Use Fees

40,370.24

Emergency Medical Technician Billing Fees

38,136.15

\$ 88,598.69

Due State of New Jersey - Veterans and Senior Citizen's Deductions

40,581.48

Due Township of Pennsauken Library

15,557.00

Due Federal and State Grant Fund

191.11

\$ 144,928.28

Decreased by:

Receipts

37,454.81

Balance December 31, 2017

\$ 107,473.47

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Protested Checks Receivable
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 10,795.04
Increased by:		
Disbursements:		
Checks Protested -- Treasurer	\$ 131,880.16	
Checks Protested -- Collector	<u>139,892.12</u>	
		<u>271,772.28</u>
		282,567.32
Decreased by:		
Cancelled	6,112.48	
Receipts:		
Checks Protested -- Treasurer	129,680.16	
Checks Protested -- Collector	<u>141,184.12</u>	
		<u>276,976.76</u>
Balance December 31, 2017		<u><u>\$ 5,590.56</u></u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Due from Bank
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 5,529.80
Increased by:		
Charges Paid by the Animal Control Fund	\$ 166.56	
Charges Paid by the Trust - Other Fund:		
Community Development Block Grant	\$ 168.58	
Payroll	1,891.59	
Planning and Zoning	229.22	
Tax Title Lien Redemption	677.77	
Workers' Compensation Fund	329.38	
Urban Development Action Grant	162.66	
Housing Trust	<u>162.66</u>	
	3,621.86	
Charges Paid by the General Capital Fund	180.90	
Disbursements:		
Collector	2,313.49	
Treasurer	<u>1,724.08</u>	
		<u>8,006.89</u>
		13,536.69
Decreased by:		
Due to Bank -- General Capital Fund	52.00	
Canceled	5,529.80	
Receipts:		
Treasurer	<u>40.77</u>	
		<u>5,622.57</u>
Balance December 31, 2017		<u><u>\$ 7,914.12</u></u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2017

	Balance Dec. 31, 2016	Accrued in 2017	Collected		Other	Balance Dec. 31, 2017
			Collector	Treasurer		
Treasurer:						
Cable Franchise Fees	\$ 168,793.55	\$ 175,770.07		\$ 168,793.55		\$ 175,770.07
Consolidated Municipal Property Tax Relief Aid		201,846.00		191,753.70	\$ 10,092.30	
Energy Receipts Tax		5,297,304.00		5,297,304.00		
Payments in Lieu of Taxes		1,450,402.23		1,450,402.23		
Lease of Municipal Assets -- Landfill		250,000.00		250,000.00		
Golf Course Utility -- Payment in Lieu of Taxes		150,000.00			150,000.00	
Uniform Fire Safety Act -- Life Hazard Use Fees		181,931.68		141,561.44	40,370.24	
Pennsauken Sewerage Authority -- Payment in Lieu of Taxes		150,000.00		150,000.00		
Merchantville - Pennsauken Water Commission Antenna Fee		369,123.18		369,123.18		
Fees and Permits:						
Abandoned Property Discharge Fee		50.00		50.00		
Cellular Telephone Lease Agreements		76,276.82		76,276.82		
Outdoor Sign Rental		5,697.60		5,697.60		
State Death Certificates		9,570.00		9,570.00		
Tax Searches		95.00		95.00		
Construction Code Official:						
Licenses -- Other:						
Builder		15,300.00		15,300.00		
Fees and Permits:						
Abandoned Property Registration		560,200.00		560,200.00		
Building Permits		673,384.60		673,384.60		
Certificates of Compliance -- Elevator		33,697.00		33,697.00		
Certificates of Occupancy		14,589.00		14,589.00		
Electrical Permits		287,383.80		287,383.80		
Fire Sub-code Permits		28,839.01		28,839.01		
Housing Code Letters		74,330.00		74,330.00		
Plumbing Permits		156,639.19		156,639.19		
Rent Board Applications		55,746.00		55,746.00		
Street Opening Permits		5,561.00		5,561.00		
Trash Dumpster Permits		8,094.00		8,094.00		
Penalties and Fines		15,064.00		15,064.00		
Photocopies		4.75		4.75		
Clerk:						
Licenses -- Alcoholic Beverages		61,000.00		61,000.00		

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2017

	Balance <u>Dec. 31, 2016</u>	Accrued <u>in 2017</u>	Collected		Other	Balance <u>Dec. 31, 2017</u>
			<u>Collector</u>	<u>Treasurer</u>		
Clerk (Cont'd):						
Licenses -- Other:						
Auctioneer License		\$ 60.00		\$ 60.00		
Billards		75.00		75.00		
Board of Health		5,345.00		5,345.00		
Marriage		689.00		689.00		
Peddler / Solicitor		530.00		530.00		
Precious Metal		1,100.00		1,100.00		
Raffle		640.00		640.00		
Taxicab		2,150.00		2,150.00		
Used Car Lot		2,250.00		2,250.00		
Fees and Permits:						
Bid Specifications		1,665.00		1,665.00		
Coin Operated Device Permits		745.00		745.00		
Vital Statistics		5,811.00		5,811.00		
Photocopies		65.00		65.00		
Fire Department:						
Fees and Permits:						
Fire Inspection Fees		162,271.00		162,271.00		
Smoke Detector Inspection Fees		28,340.00		28,340.00		
Police Department:						
Accident and Police Reports		11,899.00		11,899.00		
Emergency Medical Squad:						
Emergency Medical Technician Billing Fees		1,220,041.02		1,181,904.87	\$ 38,136.15	
Municipal Court:						
Fines and Costs	\$ 59,635.58	826,291.04		835,005.86		\$ 50,920.76
Recreation Department:						
Swimming Pool Admissions		61,004.00		61,004.00		
Fees and Permits:						
Recreation		5,625.00		5,625.00		
Planning and Zoning:						
Fees and Permits:						
Planning Board Fees		5,800.00		5,800.00		
Zoning Board Fees		15,580.00		15,580.00		

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2017

	Balance <u>Dec. 31, 2016</u>	Accrued <u>in 2017</u>	Collected		Other	Balance <u>Dec. 31, 2017</u>
			<u>Collector</u>	<u>Treasurer</u>		
Interest on Investments and Deposits		\$ 25,006.80	\$ 1,338.78	\$ 19,830.37	\$ 3,837.65	
Tax Office:						
Certificates of Redemption		11,350.00	11,350.00			
Grasscutting/Property Maintenance Fees		69,376.58	69,376.58			
Interest on Payments in Lieu of Taxes		562.67	562.67			
	<u>\$ 228,429.13</u>	<u>\$ 12,772,171.04</u>	<u>\$ 82,628.03</u>	<u>\$ 12,448,844.97</u>	<u>\$ 242,436.34</u>	<u>\$ 226,690.83</u>
Due From United States Department of Treasury					\$ 88,598.69	
Due Animal Control Fund:						
Collected by Animal Control Fund					22.07	
Due Trust - Other Fund:						
Collected by Trust Other Fund					3,604.92	
Due General Capital Fund:						
Collected by General Capital Fund					210.66	
Due Golf Course Utility Operating Fund					150,000.00	
					<u>\$ 242,436.34</u>	

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Deferred Charges
N.J.S. 40A:4-53 Special Emergency
For the Year Ended December 31, 2017

<u>Date Authorized</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>Not Less Than 1/5 of Amount Authorized</u>	<u>Balance Dec. 31, 2016</u>	<u>Raised in 2017 Budget</u>	<u>Balance Dec. 31, 2017</u>
6/5/2013	Contractually Required Severance Liabilities	\$ 800,000.00	\$ 160,000.00	\$ 320,000.00	\$ 160,000.00	\$ 160,000.00
5/21/2014	Revaluation Program	900,000.00	180,000.00	540,000.00	180,000.00	360,000.00
		<u>\$ 1,700,000.00</u>	<u>\$ 340,000.00</u>	<u>\$ 860,000.00</u>	<u>\$ 340,000.00</u>	<u>\$ 520,000.00</u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Due to Township of Pennsauken Library
For the Year Ended December 31, 2017

Increased by:

Due from United States Department of Treasury
Receipts

\$ 15,557.00
3,640.00

Balance December 31, 2017

\$ 19,197.00

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Due to State of New Jersey
Veterans' and Senior Citizens' Deductions
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 5,904.74
Increased by:		
Decreased by:		
Receipts	\$ 252,349.42	
Due from United States Department of Treasury	40,581.48	
Prior Year Veteran and Senior Citizens' Deductions		
Disallowed per Collector	27,510.25	
		320,441.15
		326,345.89
Decreased by:		
Accrued in 2017:		
Per the Tax Billings:		
Senior Citizen	\$ 103,250.00	
Disabled Persons	25,750.00	
Surviving Spouse	1,000.00	
Veterans	141,250.00	
Widow of a Veteran	47,500.00	
	318,750.00	
Adjustments by Collector:		
Allowed	5,868.16	
Disallowed	(7,250.00)	
	317,368.16	
Prior Year Veteran and Senior Citizens' Deductions		
Allowed per Collector:		
2016	1,750.00	
		319,118.16
Balance December 31, 2017		\$ 7,227.73

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statement of Prepaid Payments in Lieu of Taxes
 For the Year Ended December 31, 2017

Balance December 31, 2016	\$	14,897.07
Increased by:		
Receipts:		
Collector		10,207.26
		25,104.33
Decreased by:		
Applied to Payments in Lieu of Taxes Receivable		14,897.07
Balance December 31, 2017	\$	10,207.26

Exhibit SA-16

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statement of Reserve for Encumbrances
 For the Year Ended December 31, 2017

Balance December 31, 2016	\$	432,900.00
Increased by:		
2017 Budget Appropriations		145,981.19
		578,881.19
Decreased by:		
Transfer to 2016 Appropriation Reserves		432,900.00
Balance December 31, 2017	\$	145,981.19

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of 2016 Appropriation Reserves
For the Year Ended December 31, 2017

	Balance Dec. 31, 2016		Budget After Modification	Paid or Charged	Refunds	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>				
OPERATIONS -- WITHIN "CAPS"						
General Government:						
Mayor and Township Committee						
Salaries and Wages		\$ 1,302.88	\$ 1,302.88			\$ 1,302.88
Other Expenses	\$ 600.00	356.45	1,456.45	\$ 1,450.00		6.45
Administrative and Executive						
Salaries and Wages		2.05	2.05			2.05
Other Expenses	186.89	2.03	588.92	571.89	\$ 21.79	38.82
Municipal Clerk's Office						
Salaries and Wages		1.92	1.92			1.92
Other Expenses	411.78	880.87	3,142.65	3,126.36		16.29
Data Processing Center						
Other Expenses	29,000.00	1,148.33	30,148.33	29,000.00		1,148.33
Purchasing Department						
Salaries and Wages		23.06	23.06			23.06
Other Expenses	1,273.33	15.92	1,389.25	1,365.11		24.14
Financial Administration						
Salaries and Wages		11.91	11.91			11.91
Other Expenses	2,350.00	6,133.36	9,833.36	9,830.83		2.53
Assessment of Taxes						
Salaries and Wages		26.96	26.96			26.96
Other Expenses		229.71	229.71			229.71
Collection of Taxes						
Salaries and Wages		13.57	13.57			13.57
Other Expenses		4,165.72	4,165.72			4,165.72
Human Resources						
Salaries and Wages		4.04	4.04			4.04
Other Expenses		54.97	54.97			54.97
Legal Services and Costs						
Other Expenses	9,392.09	3,037.11	12,429.20	12,018.22		410.98
Engineering Services and Costs						
Salaries and Wages		1.88	1.88			1.88
Other Expenses		12.32	12.32			12.32
Public Buildings and Grounds						
Salaries and Wages		398.99	398.99			398.99
Other Expenses	3,581.75	20.87	4,177.62	3,933.02		244.60

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of 2016 Appropriation Reserves
For the Year Ended December 31, 2017

	Balance Dec. 31, 2016		Budget After Modification	Paid or Charged	Refunds	Balance Lapsed
	Encumbered	Reserved				
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
General Government (Cont'd):						
Municipal Prosecutor						
Salaries and Wages		\$ 0.16	\$ 0.16			\$ 0.16
Municipal Court						
Salaries and Wages		20.23	20.23			20.23
Other Expenses	\$ 1,116.39	762.77	4,729.16	\$ 4,704.46		24.70
Maintenance of Township Owned Property						
Other Expenses	30.00	685.00	715.00	706.13		8.87
Municipal Land Use Law (N.J.S.A. 40:55D-1)						
Planning Board						
Salaries and Wages		5.60	5.60			5.60
Other Expenses		304.08	829.08	817.00		12.08
Zoning Board						
Salaries and Wages		1.96	1.96			1.96
Other Expenses		107.08	107.08			107.08
Insurance:						
Employee Group Health	395.00	19,945.67	540.67	2,094.80	\$ 1,595.96	41.83
General Liability	18,221.83	214.65	21,636.48	25,784.22	4,154.08	6.34
Workers' Compensation		192,088.74	192,088.74	192,088.74		
Economic Development						
Salaries and Wages		1.02	1.02			1.02
Other Expenses	51.30	2,869.82	2,921.12	51.30		2,869.82
Department of Public Safety:						
Fire Department						
Salaries and Wages		0.23	0.23			0.23
Other Expenses:						
Fire Department	50,481.84	46,437.21	96,919.05	34,905.65		62,013.40
Fire Hydrant Service	4,239.40	4,241.60	8,481.00	8,478.80		2.20
Police						
Salaries and Wages		90,244.20	90,244.20	127,894.38	90,645.54	52,995.36
Other Expenses	57,811.63	81.10	61,017.73	56,971.20		4,046.53
Police Reserve						
Salaries and Wages		10.00	10.00			10.00
Traffic Control						
Salaries and Wages		20.00	20.00			20.00
Other Expenses	2,494.41	20.68	6,640.09	6,578.41		61.68

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of 2016 Appropriation Reserves
For the Year Ended December 31, 2017

	Balance Dec. 31, 2016		Budget After Modification	Paid or Charged	Refunds	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>				
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
Department of Public Safety (Cont'd):						
First Aid Organization						
Salaries and Wages		\$ 13.24	\$ 13.24		\$ 540.00	\$ 553.24
Other Expenses	\$ 12,595.33	9,488.80	22,084.13	\$ 18,181.11	60.00	3,963.02
Emergency Management Services						
Salaries and Wages		1.88	1.88			1.88
Other Expenses		1,635.00	1,635.00			1,635.00
Uniform Fire Safety Act (P.L. 1983, Ch. 383)						
Salaries and Wages		24.56	24.56			24.56
Other Expenses	2,968.25	18.99	3,437.24	1,320.98		2,116.26
Streets and Roads:						
Public Works						
Salaries and Wages		18.56	18.56			18.56
Other Expenses	3,044.94	5,678.21	8,723.15	2,500.61		6,222.54
Township Garage						
Salaries and Wages		16.05	16.05			16.05
Other Expenses	17,146.29	9,497.47	26,643.76	17,745.13		8,898.63
Street Lighting	120,893.67	42,648.04	123,166.71	122,523.62		643.09
Health and Welfare:						
Senior Citizens of Pennsauken Township						
Salaries and Wages		0.06	0.06			0.06
Other Expenses	5,534.15	3,811.02	9,345.17	6,747.78		2,597.39
Utility Expenses:						
Motor Fuels	5,858.81	9,956.03	15,814.84	5,789.76		10,025.08
Electricity	35,320.35	40,878.78	76,199.13	36,272.31		39,926.82
Telephone	2,608.65	1,039.21	13,372.86	13,356.55		16.31
Natural Gas or Propane	3,395.90	16,093.01	19,488.91	6,986.21		12,502.70
Sewerage Authority		601.00	601.00			601.00
Recreation and Education:						
Recreation						
Salaries and Wages		3.96	3.96			3.96
Other Expenses	601.51	7.17	733.68	616.61		117.07
Swimming Pool						
Salaries and Wages		2.71	2.71			2.71
Other Expenses		9.18	1,234.18	1,220.00		14.18
Celebration of Public Events, Anniversary or Holiday						
Other Expenses	1,563.22	8.16	1,571.38	1,563.22		8.16

(Continued)

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of 2016 Appropriation Reserves
For the Year Ended December 31, 2017

	Balance Dec. 31, 2016		Budget After Modification	Paid or Charged	Refunds	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>				
OPERATIONS -- WITHIN "CAPS" (CONT'D)						
Recreation and Education (Cont'd):						
Shade Tree Commission						
Other Expenses		\$ 10.00	\$ 185.00	\$ 175.00		\$ 10.00
Historical Preservation						
Other Expenses	\$ 3,531.07	19.73	3,550.80	3,531.07		19.73
Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):						
Construction Code Official						
Salaries and Wages		23.40	23.40			23.40
Other Expenses	36,200.22	3,299.12	91,574.34	91,567.92		6.42
Unclassified:						
Sick Pay		2.45	2.45			2.45
Total Operations within "CAPS"	<u>432,900.00</u>	<u>520,712.51</u>	<u>975,812.51</u>	<u>852,468.40</u>	<u>\$ 97,017.37</u>	<u>220,361.48</u>
DEFERRED CHARGES AND STATUTORY EXPENDITURES						
MUNICIPAL -- WITHIN "CAPS"						
Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I.)		232.93	232.93			232.93
Unemployment Insurance		32,213.11	10,013.11			10,013.11
Total Deferred Charges and Statutory Expenditures Municipal -- Within "CAPS"		<u>32,446.04</u>	<u>10,246.04</u>			<u>10,246.04</u>
Total General Appropriations for Municipal Purposes -- Within "CAPS"	<u>432,900.00</u>	<u>553,158.55</u>	<u>986,058.55</u>	<u>852,468.40</u>	<u>97,017.37</u>	<u>230,607.52</u>
Total General Appropriations (Carried Forward)	<u>\$ 432,900.00</u>	<u>\$ 553,158.55</u>	<u>\$ 986,058.55</u>	<u>\$ 852,468.40</u>	<u>\$ 97,017.37</u>	<u>\$ 230,607.52</u>
Refunded -- Receipts						
Disbursed				\$ 852,468.40	\$ 97,017.37	
				<u>\$ 852,468.40</u>	<u>\$ 97,017.37</u>	

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Due to Pennsauken Garbage District
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 11,316.57
Increased by:	
Receipts	<u>3,441,508.28</u>
	3,452,824.85
Decreased by:	
Disbursements	<u>3,377,873.35</u>
Balance December 31, 2017	<u><u>\$ 74,951.50</u></u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statement of Prepaid Taxes
 For the Year Ended December 31, 2017

Balance December 31, 2016 (2017 Taxes)	\$ 868,456.47
Increased by:	
Receipts:	
Collector	<u>1,625,747.25</u>
	2,494,203.72
Decreased by:	
Application to 2017 Taxes Receivable	<u>868,456.47</u>
Balance December 31, 2017 (2018 Taxes)	<u><u>\$ 1,625,747.25</u></u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statement of Tax Overpayments
 For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 8,641.18
Increased by:	
Receipts:	
Collector	<u>48,300.80</u>
	56,941.98
Decreased by:	
Applied to Taxes Receivable:	
2016 Taxes	\$ 3,025.59
2017 Taxes	<u>6,816.88</u>
	\$ 9,842.47
Refunds:	
Disbursements:	
Treasurer	<u>45,251.21</u>
	<u>55,093.68</u>
Balance December 31, 2017	<u><u>\$ 1,848.30</u></u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Due to State of New Jersey --
Training Fees Surcharge
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 18,768.00
Increased by:	
Receipts	178,239.00
	197,007.00
Decreased by:	
Disbursements	171,045.00
Balance December 31, 2017	\$ 25,962.00
<u>Analysis of Balance December 31, 2017</u>	
<u>Month</u>	<u>Amount</u>
Fourth Quarter 2017	\$ 25,962.00

Exhibit SA-22

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Due to State of New Jersey --
Marriage and Domestic Partnership Licenses
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 3,181.00
Increased by:	
Receipts	24,462.00
	27,643.00
Decreased by:	
Disbursements	23,612.00
Balance December 31, 2017	\$ 4,031.00
<u>Analysis of Balance December 31, 2017</u>	
Third and Fourth Quarter 2017 -- Licenses	\$ 4,031.00

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statement of County Taxes Payable
 For the Year Ended December 31, 2017

2017 Levy:	
County Tax	\$ 21,165,499.99
Decreased by:	
Disbursements	<u>\$ 21,165,499.99</u>

Exhibit SA-24

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statement of Due County for Added and Omitted Taxes
 For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 46,442.45
Increased by:	
County Share of 2017 Taxes	<u>17,510.63</u>
	63,953.08
Decreased by:	
Disbursements	<u>46,442.45</u>
Balance December 31, 2017	<u>\$ 17,510.63</u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statement of Local School District Tax Payable
 For the Year Ended December 31, 2017

Balance December 31, 2016	\$	3,353,739.31
2017 Levy -- Calendar Year		<u>40,991,363.00</u>
		44,345,102.31
Decreased by:		
Disbursements		<u>40,866,948.39</u>
Balance December 31, 2017	\$	<u><u>3,478,153.92</u></u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
 Statement of Special District Tax
 For the Year Ended December 31, 2017

2017 Levy -- Garbage District Tax	\$	4,130,000.00
Decreased by:		
Disbursements		<u><u>4,130,000.00</u></u>

TOWNSHIP OF PENNSAUKEN
 CURRENT FUND
 Statement of Special Emergency Notes
 For the Year Ended December 31, 2017

<u>Resolution Number</u>	<u>Purpose</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2016</u>	<u>Issued</u>	<u>Paid</u>	<u>Paid Balance Dec. 31, 2017</u>
2016:184	Special Emergency Notes	06/21/17	06/20/18	2.00%	\$ 860,000.00	\$ 520,000.00	\$ 860,000.00	\$ 520,000.00
					<u>\$ 860,000.00</u>	<u>\$ 520,000.00</u>	<u>\$ 860,000.00</u>	<u>\$ 520,000.00</u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Reserve for Revaluation Program
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 29,244.97
Decreased by:	
Disbursements	<u>7,458.42</u>
Balance December 31, 2017	<u><u>\$ 21,786.55</u></u>

TOWNSHIP OF PENNSAUKEN
CURRENT FUND
Statement of Reserve Election Expenses
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 2,100.00
Increased by:	
Receipts	<u>2,100.00</u>
	4,200.00
Decreased by:	
Disbursements	<u>2,100.00</u>
Balance December 31, 2017	<u><u>\$ 2,100.00</u></u>

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

<u>Grant</u>	<u>Balance Dec. 31, 2016</u>	<u>Accrued</u>	<u>Received</u>	<u>Cancellations</u>	<u>Balance Dec. 31, 2017</u>
Federal Grants:					
Bulletproof Vest Partnership Program	\$ 16,743.21	\$ 893.29	\$ 17,636.50		
Click It or Ticket		5,500.00	4,620.00	\$ 880.00	
Distracted Driving Statewide Crackdown Grant		5,500.00	4,290.00	1,210.00	
NJHTS Drive Sober or Get Pulled Over		5,000.00	4,225.00	775.00	
FEMA Emergency Management Assistance Program		9,400.00	7,000.00		\$ 2,400.00
Justice Assistance Grant (JAG)	22,740.37	10,385.00	1,259.34	27.03	31,839.00
Total Federal Grants	39,483.58	36,678.29	39,030.84	2,892.03	34,239.00
State Grants:					
Body Armor Replacement		6,686.57	6,686.57		
Governor's Council on Alcoholism and Drug Abuse		57,185.16	13,250.80	15,777.20	28,157.16
New Jersey Division of Motor Vehicles - Drunk Driving Enforcement Grant		17,382.45	17,382.45		
Total State Grants		81,254.18	37,319.82	15,777.20	28,157.16
Total Federal and State Grants	39,483.58	117,932.47	76,350.66	18,669.23	62,396.16
Local Grants:					
ANJEC Open Space Stewardship Grant		1,500.00			1,500.00
Camden County Recreation Facility Enhancement Grant	25,000.00	25,000.00	25,000.00		25,000.00
Total Other Grants	25,000.00	26,500.00	25,000.00		26,500.00
Total Federal, State and Local Grants	\$ 64,483.58	\$ 144,432.47	\$ 101,350.66	\$ 18,669.23	\$ 88,896.16
Due from United States Department of Treasury -- Due Current Fund Receipts			\$ 191.11		
			<u>101,159.55</u>		
			<u>\$ 101,350.66</u>		
Reserve for Federal and State Grants -- Appropriated				<u>\$ 18,669.23</u>	

TOWNSHIP OF PENNSAUKEN
FEDERAL AND STATE GRANT FUND
 Statement of Due to/ from Current Fund
 For the Year Ended December 31, 2017

Balance December 31, 2016 (Due To)		\$ 17,572.75
Increased by:		
Fund Balance:		
Federal and State Grants Appropriated Canceled		<u>2,324.63</u>
		19,897.38
Decreased by:		
Due from United States Department of Treasury:		
Federal and State Grants Receivable	\$ 191.11	
Disbursements	<u>35,375.04</u>	
		<u>35,566.15</u>
Balance December 31, 2017 (Due From)		<u><u>\$ 15,668.77</u></u>

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

<u>Grant</u>	<u>Balance Dec. 31, 2016</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Revenue in 2017</u>	<u>Balance Dec. 31, 2017</u>
Federal Grants:				
Bulletproof Vest Partnership Program		\$ 893.29		\$ 893.29
Click It or Ticket		5,500.00	\$ 5,500.00	
Distracted Driving Statewide Crackdown Grant		5,500.00	5,500.00	
NJHTS Drive Sober or Get Pulled Over		5,000.00	5,000.00	
FEMA Emergency Management Assistance Program	\$ 3,000.00	9,400.00	12,400.00	
Justice Assistance Grant (JAG)		10,385.00	10,385.00	
Total Federal Grants	3,000.00	36,678.29	38,785.00	893.29
State Grants:				
Body Armor Replacement Fund Grant	6,595.09	6,686.57	6,595.09	6,686.57
Governor's Council on Alcoholism and Drug Abuse		57,185.16	57,185.16	
New Jersey Division of Motor Vehicles - Drunk Driving Enforcement Grant	19,947.14	17,382.45	19,947.14	17,382.45
Total State Grants	26,542.23	81,254.18	83,727.39	24,069.02
Total Federal and State Grants	29,542.23	117,932.47	122,512.39	24,962.31
Local Grants:				
ANJEC Open Space Stewardship Grant		1,500.00	1,500.00	
Camden County Recreation Facility Enhancement Grant		25,000.00	25,000.00	
Total Local Grants		26,500.00	26,500.00	
Total Federal and State Grants	\$ 29,542.23	\$ 144,432.47	\$ 149,012.39	\$ 24,962.31

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

Grant	Balance Dec. 31, 2016		Transferred from Budget Appropriations	Paid or Charged	Encumbrances	Cancellations	Balance Dec. 31, 2017
	Encumbered	Reserved					
Federal Grants:							
Click It or Ticket			\$ 5,500.00	\$ 4,620.00		\$ 880.00	
Distracted Driving Statewide Crackdown Grant			5,500.00	4,290.00		1,210.00	
NJHTS Drive Sober or Get Pulled Over			5,000.00	4,225.00		775.00	
FEMA Emergency Management Assistance Program		\$ 2,000.00	12,400.00	9,400.00			\$ 5,000.00
Justice Assistance Grant (JAG)	\$ 10,469.59	4,255.41	10,385.00	11,743.96		2,217.66	11,148.38
Total Federal Grants	10,469.59	6,255.41	38,785.00	34,278.96		5,082.66	16,148.38
State Grants:							
Body Armor Replacement Fund Grant			6,595.09	6,595.09			
Governor's Council on Alcoholism and Drug Abuse			57,185.16	16,743.08	\$ 398.51	15,777.20	24,266.37
Municipal Court Alcohol, Education and Rehabilitation Grant	338.00	15.60		338.00			15.60
New Jersey Division of Motor Vehicles -- Drunk Driving Enforcement Grant			19,947.14	1,046.38	240.00		18,660.76
Sustainable New Jersey Small Grant Program	156.00	134.00		156.00		134.00	
Total State Grants	494.00	149.60	83,727.39	24,878.55	638.51	15,911.20	42,942.73
Total Federal and State Grants	10,963.59	6,405.01	122,512.39	59,157.51	638.51	20,993.86	59,091.11
Local Grants							
ANJEC Open Space Stewardship Grant			1,500.00	627.00			873.00
Camden County Recreation Facility Enhancement Grant			25,000.00	6,000.00	1,047.50		17,952.50
Total Local Grants			26,500.00	6,627.00	1,047.50		18,825.50
Total Federal, State and Local Grants	\$ 10,963.59	\$ 6,405.01	\$ 149,012.39	\$ 65,784.51	\$ 1,686.01	\$ 20,993.86	\$ 77,916.61
Disbursements				\$ 65,784.51			
Federal, State and Local Grants Receivable						\$ 18,669.23	
Due Current Fund						2,324.63	
						\$ 20,993.86	

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWNSHIP OF PENNSAUKEN
TRUST FUNDS
Statement of Trust Fund Cash
Per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2017

	<u>Animal Control Fund</u>			<u>Other</u>
Balance December 31, 2016	\$	1,670.31		\$ 2,463,854.92
Increased by Receipts:				
Due Current Fund	\$	102,422.07		\$ 1,825,590.58
Due General Capital Fund		5,000.00		
Due State of New Jersey		1,219.80		
Reserve for Animal Control Expenditures		8,202.20		
Housing Rehabilitation Inventory				156,341.13
Due Bank				234.76
Reserve for Payroll Deductions Payable				11,937,337.78
Net Payroll				11,452,010.63
Reserve for Economic Development -- Urban Development Action Grant				29.30
Reserve for Section 8 Program				479,405.93
Reserve for Section 8 - Unrestricted				48,434.55
Miscellaneous Reserves:				
Reserve for Street Opening Deposits				4,500.00
Reserve for Escrow Deposits				500.00
Reserve for Unemployment Compensation Insurance				2,927.93
Reserve for Special Law Enforcement Officers:				
State Allocation				8,277.42
Federal Allocation				0.03
Reserve for Housing Rehabilitation Program				5,439.50
Reserve for Tax Title Lien Redemption				3,570,076.22
Reserve for Worker's Compensation Insurance				344,584.78
		116,844.07		29,835,690.54

(Continued)

TOWNSHIP OF PENNSAUKEN
TRUST FUNDS
Statement of Trust Fund Cash
Per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2017

	<u>Animal Control Fund</u>	<u>Other</u>
	\$ 118,514.38	\$ 32,299,545.46
Decreased by Disbursements:		
Due Current Fund	\$ 166.56	\$ 12,518.88
Due General Capital Fund		6,000.00
State Registration Fees	1,231.20	
Reserve for Animal Control Expenditures	115,496.10	
Due Bank		234.31
Housing Rehabilitation Program Inventory		11,034.89
Reserve for Payroll Deductions Payable		12,240,648.31
Net Payroll		11,452,010.63
Reserve for Community Development Block Grant Program		114,980.00
Reserve for Section 8 - Housing Assistance Payments		537,552.00
Reserve for Section 8 - Unrestricted		53,541.57
Miscellaneous Reserves:		
Reserve for Street Opening Deposits		4,200.00
Reserve for Escrow Deposits		1,500.00
Reserve for Unemployment Compensation Insurance		11,954.33
Reserve for Planning and Zoning Deposits		198,617.47
Reserve for Special Law Enforcement Officers:		
State Allocation		50,195.84
Federal Allocation		756.77
Reserve for Housing Rehabilitation Program		79,589.85
Reserve for Tax Title Lien Redemption		5,217,545.41
Reserve for Worker's Compensation Insurance		344,584.78
	116,893.86	30,337,465.04
Balance December 31, 2017	\$ 1,620.52	\$ 1,962,080.42

TOWNSHIP OF PENNSAUKEN
ANIMAL CONTROL FUND
 Statement of Due from Current Fund
 For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 77.68
Increased by:		
Disbursements:		
Made on behalf of the Current Fund --		
Due from Bank	\$ 166.56	
2017 Budget Appropriation:		
Deferred Charges --		
Deficit in Reserve for Animal Control Fund Expenditures	\$ 8,275.41	
Dog Warden - Other Expenses	<u>94,000.00</u>	
	<u>102,275.41</u>	
		<u>102,441.97</u>
		102,519.65
Decreased by:		
Receipts:		
Interest Earned on Deposits	22.07	
Interfunds Received	<u>102,400.00</u>	
		<u>102,422.07</u>
Balance December 31, 2017		<u><u>\$ 97.58</u></u>

TOWNSHIP OF PENNSAUKEN
ANIMAL CONTROL FUND
Statement of Deferred Charge -- Deficit in Reserve for Animal Control Expenditures
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 8,275.41
Increased by:	
Reserve for Animal Control Fund Expenditures	<u>13,283.10</u>
	21,558.51
Decreased by:	
Due Current Fund:	
2017 Budget Appropriation:	
Deferred Charges -- Deficit in Reserve for Animal Control Fund Expenditures	<u>8,275.41</u>
Balance December 31, 2017	<u><u>\$ 13,283.10</u></u>

TOWNSHIP OF PENNSAUKEN
ANIMAL CONTROL FUND
Statement of Due to State of New Jersey -- State Registration Fees
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 23.40
Increased by:		
Receipts:		
2017 Licenses		<u>1,219.80</u>
		1,243.20
Decreased by:		
Disbursements	\$ 1,231.20	
Canceled -- Reserve for Animal Control Expenditures	<u>10.80</u>	
		<u>1,242.00</u>
Balance December 31, 2017		<u><u>\$ 1.20</u></u>

TOWNSHIP OF PENNSAUKEN
ANIMAL CONTROL FUND
 Statement of Reserve for Animal Control Expenditures
 For the Year Ended December 31, 2017

Increased by:			
Deferred Charge -- Deficit in Reserve for Animal Control Expenditures	\$	13,283.10	
Cancellations -- Due State of New Jersey		10.80	
Receipts:			
Registrar		8,202.20	
Due Current Fund:			
2017 Budget Appropriation:			
Dog Warden - Other Expenses		94,000.00	
			\$ 115,496.10
			115,496.10
Decreased by:			
Expenditures under R.S. 4:19-15.11:			
Disbursements			\$ 115,496.10
 <u>Animal License Fees Collected:</u>			
 <u>Year</u>			
2015			\$ 8,838.85
2016			9,859.80
			\$ 18,698.65

TOWNSHIP OF PENNSAUKEN
TRUST - OTHER FUND
Statement of Housing Rehabilitation Program Inventory
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 219,785.85
Increased by:		
Purchases and Rehabilitation - Disbursements		11,034.89
		230,820.74
Decreased by:		
Loss on Sale - Reserve for Housing Rehabilitation	\$ 2,479.61	
Sales - Receipts	156,341.13	
		158,820.74
Balance December 31, 2017		\$ 72,000.00

Exhibit SB-7

TOWNSHIP OF PENNSAUKEN
TRUST - OTHER FUND
Statement of Community Development Block Grant Program Receivable
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 231,543.50
Increased by:		
Accrued in 2017		90,500.00
Balance December 31, 2017		\$ 322,043.50
<u>Analysis of Balance December 31, 2017</u>		
Year XXXIV		\$ 78,639.89
Year XXXV		21,700.00
Year XXXVII		40,503.61
Year XXXVIII		90,700.00
Year XXXIV		90,500.00
		\$ 322,043.50

TOWNSHIP OF PENNSAUKEN
TRUST - OTHER FUND
 Statement of Due Current Fund
 For the Year Ended December 31, 2017

	Total	Street Opening and Other Escrow Deposits	Community Development Block Grant	Payroll	Planning and Zoning Deposits	Unemployment Compensation	Housing Rehabilitation Program	Section 8 Program	Tax Title Lien Redemption	Workers' Compensation	Urban Development Action Grant -- Revolving Loan Account	Reserve for Public Defender	Reserve for Housing Trust	Reserve for Parking Offense Adjudication Act
Balance December 31, 2016 (Due from)	\$ 11,622.16	\$ (120,616.95)	\$ (46,558.93)	\$ (23,949.37)	\$ 229,324.01				\$ (3,243.54)	\$ (20,052.19)	\$ (19,241.34)	\$ 14,610.31	\$ (260.55)	\$ 1,610.71
Increased by:														
Disbursements:														
Interfunds Returned	6,646.01						\$ 1,614.76	\$ 5,031.25						
Bank Fees -- Due from Bank	3,621.86		168.58	1,891.59	229.22				677.77	329.38	162.66		162.66	
Made on behalf of Current Fund:														
2017 Budget Appropriations	2,251.01			2,251.01										
2017 Budget Appropriations	11,339.78			8,954.28		\$ 2,385.50								
Collections made by Current Fund:														
Collector	1,508,854.91								1,508,854.91					
Treasurer	299,944.48	1,000.00			259,948.54							38,523.94		472.00
	<u>1,832,658.05</u>	<u>1,000.00</u>	<u>168.58</u>	<u>13,096.88</u>	<u>260,177.76</u>	<u>2,385.50</u>	<u>1,614.76</u>	<u>5,031.25</u>	<u>1,509,532.68</u>	<u>329.38</u>	<u>162.66</u>	<u>38,523.94</u>	<u>162.66</u>	<u>472.00</u>
Decreased by:	<u>1,844,280.21</u>	<u>(119,616.95)</u>	<u>(46,390.35)</u>	<u>(10,852.49)</u>	<u>489,501.77</u>	<u>2,385.50</u>	<u>1,614.76</u>	<u>5,031.25</u>	<u>1,506,289.14</u>	<u>(19,722.81)</u>	<u>(19,078.68)</u>	<u>53,134.25</u>	<u>(97.89)</u>	<u>2,082.71</u>
Receipts:														
Interest on Investments and Deposits	3,604.92	0.74	8.43	846.20	20.41				2,473.75	43.87			211.52	
Interfunds Received	309,800.00		107,900.00		200,000.00	1,900.00								
Interfunds Received from Collector	1,508,854.91								1,508,854.91					
Collections made on behalf of Current Fund:														
Miscellaneous Revenue not Anticipated:														
Miscellaneous Refunds	3,330.75	500.00		2,715.65						115.10				
Miscellaneous Revenue not Anticipated:														
Forfeited Street Opening Deposits	1,000.00	1,000.00												
Payments made by Current Fund:														
Reserve for Community Development Block Grant	2,500.46		2,500.46											
Reserve for Section 8 Program	5,031.25							5,031.25						
Miscellaneous Reserves	39,035.73						1,614.76					37,420.97		
	<u>1,873,158.02</u>	<u>1,500.74</u>	<u>110,408.89</u>	<u>3,561.85</u>	<u>200,020.41</u>	<u>1,900.00</u>	<u>1,614.76</u>	<u>5,031.25</u>	<u>1,511,328.66</u>	<u>158.97</u>	<u>37,420.97</u>	<u>211.52</u>	<u>37,420.97</u>	<u>211.52</u>
Balance December 31, 2017 (Due to)	<u>\$ (28,877.81)</u>	<u>\$ (121,117.69)</u>	<u>\$ (156,799.24)</u>	<u>\$ (14,414.34)</u>	<u>\$ 289,481.36</u>	<u>\$ 485.50</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,039.52)</u>	<u>\$ (19,881.78)</u>	<u>\$ (19,078.68)</u>	<u>\$ 15,713.28</u>	<u>\$ (309.41)</u>	<u>\$ 2,082.71</u>

TOWNSHIP OF PENNSAUKEN
TRUST - OTHER FUND
Statement of Due to Bank
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 82.80
Increased by:	
Receipts	<u>234.76</u>
	317.56
Decreased by:	
Disbursements	<u>234.31</u>
Balance December 31, 2017	<u><u>\$ 83.25</u></u>

TOWNSHIP OF PENNSAUKEN
TRUST - OTHER FUND
Statement of Reserve for Payroll Deductions Payable
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 564,694.38
Increased by:		
Due from Current Fund:		
2017 Budget Appropriations	\$ 8,954.28	
Receipts	<u>11,937,337.78</u>	
		<u>11,946,292.06</u>
		12,510,986.44
Decreased by:		
Disbursements		<u>12,240,648.31</u>
Balance December 31, 2017		<u><u>\$ 270,338.13</u></u>

Analysis of Balance (Deficit), December 31, 2017

AFLAC I & II		\$ 5,300.09
Boston Mutual and ASI - (ELO I & II)		127.28
Credit Union		15.00
Flexible Spending Accounts		1,029.12
Health Savings Account		6,574.98
Miscellaneous		2,153.95
Pennsauken Neighbors Helping Neighbors		60.00
Police and Firemen's Retirement System		149,135.93
Public Employees' Retirement System		86,889.51
Public Employees' Retirement System -- Contributory Insurance		3,060.58
State of New Jersey Unemployment Insurance - Employer		5,332.85
Union Dues -- AFSME		3,271.48
Union Dues -- F.O.P.		6,340.00
Union Dues -- Firemen's		<u>1,047.36</u>
		<u><u>\$ 270,338.13</u></u>

TOWNSHIP OF PENNSAUKEN
TRUST - OTHER FUND
Statement of Reserve for Economic Development --
Urban Development Action Grant
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 3,978.76
Receipts:	
Interest on Investments and Deposits	<u>29.30</u>
Balance December 31, 2017	<u><u>\$ 4,008.06</u></u>

TOWNSHIP OF PENNSAUKEN
TRUST - OTHER FUND
Statement of Reserve for Community Development Block Grant Program
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 196,495.40
Increased by:		
Accrued in 2017		90,500.00
		286,995.40
Decreased by:		
Due Current Fund:		
Payments made by Current Fund	\$ 2,500.46	
Disbursements	114,980.00	
		117,480.46
Balance December 31, 2017		\$ 169,514.94
 <u>Analysis of Balance December 31, 2017</u>		
Year XXXV		\$ 21,700.00
Year XXXVII		40,503.61
Year XXXVIII		16,811.33
Year XXXIV		90,500.00
		\$ 169,514.94

TOWNSHIP OF PENNSAUKEN
TRUST - OTHER FUND
Statement of Reserve for Section 8 Program
For the Year Ended December 31, 2017

<hr/>		
Balance December 31, 2016:		
Restricted for Housing Assistance Payments	\$ 66,351.31	
Unrestricted	<u>41,775.99</u>	
		\$ 108,127.30
Increased by:		
Receipts:		
U.S. Department of Housing and Urban Development --		
Section 8 Housing Choice Vouchers:		
Restricted for Housing Assistance Payments	\$ 478,374.00	
Unrestricted Administrative Fees	<u>47,438.00</u>	
		525,812.00
Miscellaneous:		
Restricted for Housing Assistance Payments	1,031.93	
Unrestricted	<u>996.55</u>	
		<u>2,028.48</u>
		<u>527,840.48</u>
		635,967.78
Decreased by:		
Disbursements:		
Restricted for Housing Assistance Payments	537,552.00	
Unrestricted	<u>53,541.57</u>	
		591,093.57
Due Current Fund:		
Payments made by the Current Fund - Unrestricted	<u>5,031.25</u>	
		<u>596,124.82</u>
Balance December 31, 2017:		
Restricted for Housing Assistance Payments	8,205.24	
Unrestricted	<u>31,637.72</u>	
		<u>\$ 39,842.96</u>

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

	Balance Dec. 31, 2016	Increased by		Decreased by		Balance Dec. 31, 2017	
		Receipts	Due Current Fund	Disbursements	Housing Rehabilitation Program Inventory		Due Current Fund
Reserve for Street Opening Deposits	\$ 4,600.00	\$ 4,500.00		\$ 4,200.00		\$ 3,900.00	
Reserve for Escrow Deposits	19,441.93	500.00	\$ 1,000.00	1,500.00		19,441.93	
Reserve for Unemployment Compensation Insurance	7,491.78	2,927.93	2,385.50	11,954.33		850.88	
Reserve for Parking Offense Adjudication Act	1,610.71		472.00			2,082.71	
Reserve for Public Defender	14,610.31		38,523.94		\$ 37,420.97	15,713.28	
Reserve for Planning and Zoning Deposits	239,511.58		259,948.54	198,617.47		300,842.65	
Reserve for Special Law Enforcement Officers:							
State Allocation	65,343.37	8,277.42		50,195.84		23,424.95	
Federal Allocation	756.74	0.03		756.77			
Reserve for Housing Trust							
Reserve for Housing Rehabilitation Program	230,466.08	5,439.50		79,589.85	\$ 2,479.61	152,221.36	
Reserve for Tax Title Lien Redemption	1,472,578.54	3,570,076.22	1,508,854.91	5,217,545.41		1,333,964.26	
Reserve for Worker's Compensation Insurance		344,584.78		344,584.78			
	<u>\$ 2,056,411.04</u>	<u>\$ 3,936,305.88</u>	<u>\$ 1,811,184.89</u>	<u>\$ 5,908,944.45</u>	<u>\$ 2,479.61</u>	<u>\$ 40,035.73</u>	<u>\$ 1,852,442.02</u>
Budget Appropriation - Reserve for Unemployment Compensation Insurance			\$ 2,385.50				
Collections by Current Fund:							
Treasurer			299,944.48				
Collector			<u>1,508,854.91</u>				
			<u>\$ 1,811,184.89</u>				

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
Statement of General Capital Cash
Per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 186,691.67
Increased by Receipts:		
Due Current Fund	\$ 2,695,210.66	
Due Trust Other Fund	6,000.00	
Fund Balance	4,307.00	
Improvement Authorizations	<u>80,820.00</u>	
		<u>2,786,337.66</u>
		2,973,029.33
Decreased by Disbursements:		
Due Current Fund	180.90	
Due Animal Control Fund	5,000.00	
Contracts Payable	181,990.55	
Improvement Authorizations	<u>2,594,429.56</u>	
		<u>2,781,601.01</u>
Balance December 31, 2017		<u><u>\$ 191,428.32</u></u>

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

	Balance (Overdraft) Dec. 31, 2016	Receipts		Disbursements		Transfers		Balance (Overdraft) Dec. 31, 2017
		Improvement Authorizations	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Due from Garden State Preservation Trust Fund	\$ (322,000.00)						\$ 322,000.00	
Due from State of New Jersey:								
Transportation Trust Fund Grant Receivable	(58,387.25)					\$ 235,000.00	230,417.35	\$ (62,969.90)
Due Current Fund	(276,920.56)		\$ 2,695,210.66		\$ 180.90	3,193,323.52	52.00	(775,162.32)
Due Animal Control Fund	(10,000.00)				5,000.00			(15,000.00)
Due Trust Other Fund	(6,000.00)		6,000.00					
Due Bank	52.00					52.00		
Contracts Payable	192,512.35				181,990.55	10,521.80	292,587.03	292,587.03
Capital Improvement Fund	4,921.90					149,500.00	147,000.00	2,421.90
Fund Balance			4,307.00				26,449.65	30,756.65
Improvement Authorizations:								
Ordinance								
<u>Number</u>								
07-03	Completion of Various Capital Improvements and Acquisition of Capital Equipment	2,954.68						2,954.68
09-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	(2,000.00)						(2,000.00)
11-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	(500.00)						(500.00)
11-15	Acquisition of and Improvements to Various Abandoned Homes	36,473.78	\$ 79,370.00	\$ 5,250.00				110,593.78
13-06	Completion of Various Capital Improvements and Acquisition of Capital Equipment	765.20					8,000.00	8,765.20
14-04	Completion of Various Capital Improvements and Acquisition of Capital Equipment	33,231.41		12,433.69			752.85	21,550.57
14-11	Storm Water Drainage Improvements for Baldwins Run	9,175.41		9,175.41				
15-04;16-03	Completion of Various Capital Improvements and Acquisition of Capital Equipment	104,345.38		21,732.98		19,378.56	4,669.57	67,903.41
16-02	Completion of Various Capital Improvements and Acquisition of Capital Equipment	478,067.37	250.00	362,677.59		14,523.81	1,736.00	102,851.97
17-03;	Completion of Various Capital Improvements and							
17-16	Acquisition of Capital Equipment		1,200.00	2,002,151.23		306,477.23	2,882,500.00	575,071.54
17-08	Replacement of the HVAC System in the Township Library			181,008.66		4,387.53	17,000.00	(168,396.19)
		<u>\$ 186,691.67</u>	<u>\$ 80,820.00</u>	<u>\$ 2,705,517.66</u>	<u>\$ 2,594,429.56</u>	<u>\$ 187,171.45</u>	<u>\$ 3,933,164.45</u>	<u>\$ 191,428.32</u>

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

Balance December 31, 2016		\$ 28,816,000.00
Increased by:		
Serial Bonds Issued		4,455,000.00
		33,271,000.00
Decreased by:		
Serial Bonds Refunded	\$ 4,220,000.00	
2017 Budget Appropriation to Pay Bonds	2,469,535.00	
		6,689,535.00
Balance December 31, 2017		\$ 26,581,465.00

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2016	2017 Authorizations	Balance Dec. 31, 2017	Financed by Bond Anticipation Notes	Analysis of Balance December 31, 2017		
						Expenditures	Unexpended Improvement Authorizations	
General Improvements:								
09-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	\$ 2,000.00		\$ 2,000.00		\$ 2,000.00		
11-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	500.00		500.00		500.00		
13-06	Completion of Various Capital Improvements and Acquisition of Capital Equipment	375.00		375.00			\$ 375.00	
16-02	Completion of Various Capital Improvements and Acquisition of Capital Equipment	575.00		575.00			575.00	
17-03; 17-16	Completion of Various Capital Improvements and Acquisition of Capital Equipment		\$ 2,517,500.00	2,517,500.00	\$ 2,515,000.00		2,500.00	
17-08	Replacement of the HVAC System in the Township Library		323,000.00	323,000.00		168,396.19	154,603.81	
		<u>\$ 3,450.00</u>	<u>\$ 2,840,500.00</u>	<u>\$ 2,843,950.00</u>	<u>\$ 2,515,000.00</u>	<u>\$ 170,896.19</u>	<u>\$ 158,053.81</u>	
Improvement Authorizations Unfunded							\$ 713,762.70	
Less Unexpended Proceeds of Bond Anticipation Notes Issued: Ordinance Number 2017:03; 2017:16								555,708.89
							<u>\$ 158,053.81</u>	

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
Statement of Due from State of New Jersey --
Transportation Trust Fund Grant Receivable
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 58,387.25
Increased by:		
Accrued in 2017:		
2017 Improvement Authorizations -- Funded		<u>235,000.00</u>
		293,387.25
Decreased by:		
Improvement Authorizations Canceled	\$ 52,180.10	
Collected by the Current Fund	<u>178,237.25</u>	
		<u>230,417.35</u>
Balance December 31, 2017		<u><u>\$ 62,969.90</u></u>

Exhibit SC-6

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
Statement of Due from Garden State Preservation Trust Fund Receivable
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 322,000.00
Decreased by:		
Collected by the Current Fund		<u>\$ 322,000.00</u>

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
Statement of Due from Current Fund
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 276,920.56
Increased by:		
Disbursements made on behalf of the Current Fund:		
Due from Bank	\$ 180.90	
Capital Improvement Fund:		
2017 Budget Appropriation	<u>147,000.00</u>	
		\$ 147,180.90
Collections by Current Fund:		
Improvement Authorizations Refunds	4,636.62	
New Jersey Transportation Trust Fund Receivable	178,237.25	
Garden State Preservation Trust Fund Receivable	322,000.00	
Grant Overage Collected -- Fund Balance	17.00	
Premium on Bond Anticipation Notes -- Fund Balance	26,432.65	
Bond Anticipation Notes Issued	<u>2,515,000.00</u>	
		<u>3,046,323.52</u>
		<u>3,193,504.42</u>
		3,470,424.98
Decreased by:		
Due to Bank		52.00
Receipts:		
Interfunds Received	2,695,000.00	
Interest Earned	<u>210.66</u>	
		<u>2,695,210.66</u>
		<u>2,695,262.66</u>
Balance December 31, 2017		<u>\$ 775,162.32</u>

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
Statement of Due from Animal Control Fund
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 10,000.00
Increased by:	
Disbursements	5,000.00
Balance December 31, 2017	\$ 15,000.00

Exhibit SC-9

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
Statement of Due from Trust Other Fund
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 6,000.00
Decreased by:	
Receipts	\$ 6,000.00

TOWNSHIP OF PENNSAUKEN
GENERAL CAPITAL FUND
Statement of Due to Bank
For the Year Ended December 31, 2017

Balance December 31, 2016	\$	52.00
Decreased by:		
Due Current Fund	\$	<u>52.00</u>

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

Ordinance Number	Improvement Descriptions	Date	Balance December 31, 2016		Capital Improvement Fund	Grants	Deferred Charges to Future Taxation - Unfunded	Paid or Charged	Cancellation of Contracts Payable	Refunds	Canceled	Balance December 31, 2017		
			Ordinance Amount	Funded								Unfunded	Funded	Unfunded
General Improvements:														
07-03	Completion of Various Capital Improvements and Acquisition of Capital Equipment	3/28/2007	\$ 2,364,000.00	\$ 2,954.68									\$ 2,954.68	
11-15	Acquisition of and Improvements to Various Abandoned Homes	6/29/2011	200,000.00	36,473.78				\$ 5,250.00		\$ 79,370.00			110,593.78	
13-06	Completion of Various Capital Improvements and Acquisition of Capital Equipment	3/20/2013	2,312,500.00	765.20	\$ 375.00				\$ 8,000.00				8,765.20 \$ 375.00	
14-04	Completion of Various Capital Improvements and Acquisition of Capital Equipment	3/19/2014	3,267,980.00	33,231.41				12,433.69	752.85				21,550.57	
14-11	Storm Water Drainage Improvements for Baldwins Run	8/13/2014	150,000.00	9,175.41				9,175.41						
15-04;16-03	Completion of Various Capital Improvements and Acquisition of Capital Equipment	3/25/2015	2,770,120.00	104,345.38				41,111.54	32.95	4,636.62			67,903.41	
16-02	Completion of Various Capital Improvements and Acquisition of Capital Equipment	3/22/2016	2,942,100.00	478,067.37	575.00			377,201.40	1,736.00	250.00			102,851.97 575.00	
17-03;	Completion of Various Capital Improvements and	2/22/2017	2,885,000.00			\$ 132,500.00	\$ 235,000.00	\$ 2,517,500.00	2,256,448.36	1,200.00	\$ 52,180.10		19,362.65 558,208.89	
17-16	Acquisition of Capital Equipment					17,000.00		323,000.00	185,396.19				154,603.81	
17-08	Replacement of the HVAC System in the Township Library	5/24/2017	340,000.00											
				<u>\$665,013.23</u>	<u>\$ 950.00</u>	<u>\$ 149,500.00</u>	<u>\$ 235,000.00</u>	<u>\$ 2,840,500.00</u>	<u>\$ 2,887,016.59</u>	<u>\$ 10,521.80</u>	<u>\$ 85,456.62</u>	<u>\$ 52,180.10</u>	<u>\$ 333,982.26</u> <u>\$ 713,762.70</u>	
New Jersey Transportation Trust Fund Grant Receivable							<u>\$ 235,000.00</u>					<u>\$ 52,180.10</u>		
Refunds:														
Receipts											\$ 80,820.00			
Due Current Fund											<u>4,636.62</u>			
											<u>\$ 85,456.62</u>			
Disbursements								\$ 2,594,429.56						
Contracts Payable								<u>292,587.03</u>						
								<u>\$ 2,887,016.59</u>						

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

Balance December 31, 2016		\$ 192,512.35
Increased by:		
Accrued in 2017		<u>292,587.03</u>
		485,099.38
Decreased by:		
Disbursements	\$ 181,990.55	
Cancellations:		
Improvement Authorizations	<u>10,521.80</u>	<u>192,512.35</u>
Balance December 31, 2017		<u><u>\$ 292,587.03</u></u>

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

Balance December 31, 2016	\$ 4,921.90
Increased by:	
Due Current Fund:	
2017 Budget Appropriation	<u>147,000.00</u>
	151,921.90
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>149,500.00</u>
Balance December 31, 2017	<u><u>\$ 2,421.90</u></u>

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

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Amount of Original Issue</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2016</u>	<u>Increased</u>	<u>Balance Dec. 31, 2017</u>
General Improvements:									
17-03; 17-16	Completion of Various Capital Improvements and Acquisition of Capital Equipment	\$ 2,515,000.00	06/21/17	06/21/17	06/20/18	2.50%	<u> </u>	<u>\$ 2,515,000.00</u>	<u>\$ 2,515,000.00</u>
							<u>\$ -</u>	<u>\$ 2,515,000.00</u>	<u>\$ 2,515,000.00</u>
	Issued for Cash -- Collected by Current Fund							<u>\$ 2,515,000.00</u>	

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2016	Increased by 2017 Authorizations	Decreased by Notes Issued	Balance Dec. 31, 2017
General Improvements:					
09-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	\$ 2,000.00			\$ 2,000.00
11-05	Completion of Various Capital Improvements and Acquisition of Capital Equipment	500.00			500.00
13-06	Completion of Various Capital Improvements and Acquisition of Capital Equipment	375.00			375.00
16-02	Completion of Various Capital Improvements and Acquisition of Capital Equipment	575.00			575.00
17-03; 17-16	Completion of Various Capital Improvements and Acquisition of Capital Equipment		\$ 2,517,500.00	\$ 2,515,000.00	2,500.00
17-08	Replacement of the HVAC System in the Township Library		323,000.00		323,000.00
		<u>\$ 3,450.00</u>	<u>\$ 2,840,500.00</u>	<u>\$ 2,515,000.00</u>	<u>\$ 328,950.00</u>

SUPPLEMENTAL EXHIBITS
GOLF COURSE UTILITY FUND

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY FUND
Statement of Golf Course Utility Cash
Per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2017

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2016	\$ 140,661.93	\$ 14,676.00
Increased by Receipts:		
Playing Fees	\$ 963,732.00	
Equipment Rental Fees	489,604.00	
Miscellaneous	236,215.67	
2017 Appropriation Refunds	53,473.88	
Petty Cash	150.00	
Due Current Fund		\$ 125,000.00
Due Golf Course Utility Operating Fund		10.68
Due Golf Course Utility Capital Fund	4,252.30	
2016 Appropriation Reserves Refunds	<u>4,568.23</u>	
	<u>1,751,996.08</u>	<u>125,010.68</u>
	1,892,658.01	139,686.68
Decreased by Disbursements:		
Refund of Prior Year Revenue		
2017 Appropriations	1,369,986.27	
Petty Cash	150.00	
2016 Appropriation Reserves	43,490.67	
Due Current Fund	316,457.50	
Due Golf Course Utility Operating Fund		4,419.39
Contracts Payable		45,229.44
Improvement Authorizations		<u>88,346.41</u>
	<u>1,730,084.44</u>	<u>137,995.24</u>
Balance December 31, 2017	<u>\$ 162,573.57</u>	<u>\$ 1,691.44</u>

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY CAPITAL FUND
 Analysis of Golf Course Utility Capital Cash
 For the Year Ended December 31, 2017

	Balance (Overdraft) <u>Dec. 31, 2016</u>	<u>Receipts</u> Miscellaneous	<u>Disbursements</u> Improvement Authorizations	<u>Disbursements</u> Miscellaneous	Balance (Overdraft) <u>Dec. 31, 2017</u>
Due Current Fund	\$ (127,375.00)	\$ 125,000.00			\$ (2,375.00)
Due Golf Course Utility Operating Fund	3,880.75	10.68		\$ 4,419.39	(527.96)
Capital Improvement Fund	3,029.00				3,029.00
Reserve for Preliminary Expenses	38.58				38.58
Contracts Payable	45,229.44			45,229.44	
Improvement Authorizations:					
Ordinance					
<u>Number</u>					
13-01	Completion of Various Capital Improvements and Acquisition of Equipment	15,436.95	\$ 13,998.66		1,438.29
15-04	Completion of Various Capital Improvements and Acquisition of Equipment	5,130.62	5,097.75		32.87
16-02	Completion of Various Capital Improvements and Acquisition of Equipment	69,305.66	69,250.00		55.66
		<u>\$ 14,676.00</u>	<u>\$ 125,010.68</u>	<u>\$ 88,346.41</u>	<u>\$ 49,648.83</u>
			<u>\$ 1,691.44</u>		

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY OPERATING FUND
 Schedule of Change Funds
 As of December 31, 2017

Balance December 31, 2017	<u>\$ 800.00</u>
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TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY OPERATING FUND
 Statement of Petty Cash Funds
 For the Year Ended December 31, 2017

Golf Course -- Received from Treasurer -- Disbursements	\$ 150.00
Decreased by:	
Returned to Treasurer -- Receipts	<u>\$ 150.00</u>

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY OPERATING FUND
 Statement of Due from Current Fund
 For the Year Ended December 31, 2017

<hr/>			
Balance December 31, 2016			\$ 2,449.50
Increased by:			
Disbursements:			
Interfunds Returned			<u>316,457.50</u>
			318,907.00
Decreased by:			
Anticipated as Revenue in Current Fund Budget:			
2017 Budget Appropriations:			
Golf Course Utility -- Payment in Lieu of Taxes		\$ 150,000.00	
Payments made by Current Fund:			
Accrued Interest on Bonds and Notes		\$ 36,917.02	
2017 Budget Appropriations:			
Bond Principal	\$ 130,465.00		
Other Expense	<u>296.22</u>		
		<u>130,761.22</u>	
			<u>167,678.24</u>
			<u>317,678.24</u>
Balance December 31, 2017			<u><u>\$ 1,228.76</u></u>

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY CAPITAL FUND
Statement of Fixed Capital
For the Year Ended December 31, 2017

<u>Account</u>	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Additions</u>	
		<u>2016</u> <u>Appropriation</u> <u>Reserves</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
Construction of Clubhouse at the Golf Course	\$ 1,963,891.26		\$ 1,963,891.26
Improvements to Golf Course	2,866,387.68	\$ 7,885.90	2,874,273.58
Construction of a Clubhouse and the Restaurant Facility	150,000.00		150,000.00
Issuance Costs for Refunding Bonds	29,501.41		29,501.41
Construction of a Parking Lot	94,800.00		94,800.00
Construction of a Pool House and Maintenance Facility	181,925.00		181,925.00
Purchase of Golf Equipment	553,348.69		553,348.69
Construction of a Tunnel Under Haddonfield Road	850,000.00		850,000.00
Purchase of Real Property	210,000.00		210,000.00
	<u>\$ 6,899,854.04</u>	<u>\$ 7,885.90</u>	<u>\$ 6,907,739.94</u>

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY CAPITAL FUND
 Schedule of Fixed Capital Authorized and Uncompleted
 As of December 31, 2017

<u>Ordinance</u> <u>Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance</u> <u>Amount</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
General Improvements:				
13-01	Completion of Various Capital Improvements and Acquisition of Equipment	1/26/2013	\$ 325,000.00	\$ 325,000.00
15-04	Completion of Various Capital Improvements and Acquisition of Equipment	3/25/2015	65,000.00	65,000.00
16-02	Completion of Various Capital Improvements and Acquisition of Equipment	3/23/2016	141,500.00	<u>141,500.00</u>
				<u>\$ 531,500.00</u>

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY CAPITAL FUND
 Statement of Due from Current Fund
 For the Year Ended December 31, 2017

Balance December 31, 2016	\$	127,375.00
Decreased by:		
Receipts:		
Interfunds Received		125,000.00
Balance December 31, 2017	\$	2,375.00

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY CAPITAL FUND
 Statement of Due to/from Golf Course Utility Operating Fund
 For the Year Ended December 31, 2017

Balance December 31, 2016 (Due to)	\$	3,880.75
Increased by:		
Receipts:		
Interest on Investments and Deposits		10.68
		3,891.43
Decreased by:		
Disbursements:		
Paid on Behalf of the Operating Fund --		
2017 Budget Appropriations	\$	167.09
Interfund Loans Returned		4,252.30
		4,419.39
Balance December 31, 2017 (Due from)	\$	527.96

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY OPERATING FUND
Statement of 2016 Appropriation Reserves
For the Year Ended December 31, 2017

	Balance December 31, 2016		Balance After Modification	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
Operating:					
Salaries and Wages		\$ 10,095.97	\$ 10,095.97		\$ 10,095.97
Other Expenses	\$ 25,667.07	15,416.95	41,084.02	\$ 31,036.54	10,047.48
Total Operating	<u>25,667.07</u>	<u>25,512.92</u>	<u>51,179.99</u>	<u>31,036.54</u>	<u>20,143.45</u>
Capital Improvements:					
Capital Outlay	<u>7,917.90</u>	<u>15.57</u>	<u>7,933.47</u>	<u>7,885.90</u>	<u>47.57</u>
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		<u>2,755.02</u>	<u>2,755.02</u>		<u>2,755.02</u>
Total Utility Appropriations	<u>\$ 33,584.97</u>	<u>\$ 28,283.51</u>	<u>\$ 61,868.48</u>	<u>\$ 38,922.44</u>	<u>\$ 22,946.04</u>
Receipts:					
Refunds				\$ (4,568.23)	
Disbursements				<u>43,490.67</u>	
				<u>\$ 38,922.44</u>	

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY OPERATING FUND
Statement of Accrued Interest on Bonds and Notes
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 11,578.69
Increased by:	
2017 Budget Appropriation:	
Interest on Bonds	31,657.38
	43,236.07
Decreased by:	
Paid by Current Fund	36,917.02
Balance December 31, 2017	\$ 6,319.05

Principal Outstanding <u>December 31, 2017</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period (Days)</u>	<u>Amount</u>
General Improvement Bonds:					
2008 Issue:					
\$ 60,000.00	Varies	09/01/17	12/31/17	122	\$ 802.19
2016 Issue:					
948,535.00	Varies	09/01/17	12/31/17	122	3,170.45
2017 Issue:					
360,000.00	Varies	09/01/17	12/31/17	122	2,346.41
					\$ 6,319.05

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2017

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance Amount</u>	<u>Dec. 31, 2016 Funded</u>	<u>Disbursed</u>	<u>Dec. 31, 2017 Funded</u>
General Improvements:						
13-01	Completion of Various Capital Improvements and Acquisition of Equipment	1/26/2013	\$ 325,000.00	\$ 15,436.95	\$ 13,998.66	\$ 1,438.29
15-04	Completion of Various Capital Improvements and Acquisition of Equipment	3/25/2015	65,000.00	5,130.62	5,097.75	32.87
16-02	Completion of Various Capital Improvements and Acquisition of Equipment	3/23/2016	141,500.00	69,305.66	69,250.00	55.66
				<u>\$ 89,873.23</u>	<u>\$ 88,346.41</u>	<u>\$ 1,526.82</u>

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY CAPITAL FUND
 Statement of Contracts Payable
 For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 45,229.44
Decreased by:		
Disbursements		\$ 45,229.44
		\$ 45,229.44

Exhibit SD-14

TOWNSHIP OF PENNSAUKEN
GOLF COURSE UTILITY CAPITAL FUND
 Statement of Reserve for Amortization
 For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 5,952,354.04
Increased by:		
Capital Outlay Expended - 2016 Appropriation Reserves - Operating Fund	\$ 7,885.90	
Serial Bonds Refunded	345,000.00	
Payment of Serial Bonds	130,465.00	
		483,350.90
		6,435,704.94
Decreased by:		
Serial Bonds Issued		365,000.00
Balance December 31, 2017		\$ 6,070,704.94

PART II
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2017

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

Schedule of Financial Statement Findings

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

None.

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

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

FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE PROGRAMS

Not Applicable.

TOWNSHIP OF PENNSAUKEN
 Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Betsy McBride	Mayor	
Jack Killion	Deputy Mayor	
John Figueroa	Committeeman	
Rick Taylor	Committeeman	
William Orth	Committeewoman	
John Kneib	Administrator	\$ 500,000.00 (A)
Gene Padalino	Township Clerk, Deputy Registrar of Vital Statistics	20,000.00 (B)
Ronald S. Crane	Chief Financial Officer	265,000.00 (B)
Walter Nicgorski	Treasurer	500,000.00 (A)
Daniel O'Brien	Tax Collector, Tax Search Clerk	300,000.00 (C)
Steven M. Petrillo	Judge of the Municipal Court	500,000.00 (A)
Donna Kenney	Municipal Court Administrator	500,000.00 (A)
John Dymond	Tax Assessor	500,000.00 (A)
Dennis O'Rourke	Engineer	500,000.00 (A)
Michael E. Joyce	Solicitor	

All of the bonds were examined and were properly executed.

(A) All employees handling funds were covered by a Multiple Public Employees' Honesty Blanket Position written by Travelers Casualty and Surety Company of America.

(B) The Fidelity & Deposit Company of Maryland.

(C) The Travelers Casualty and Surety Company of America.

13800

APPRECIATION

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

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

A handwritten signature in black ink that reads "Scott P. Baum". The signature is written in a cursive, flowing style.

Certified Public Accountant
Registered Municipal Accountant

