

TOWNSHIP OF EAST GREENWICH

**AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2017**

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COUNTY OF GLOUCESTER, NEW JERSEY
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**TOWNSHIP OF EAST GREENWICH
COUNTY OF GLOUCESTER**

PART I

**INDEPENDENT AUDITOR'S REPORTS
FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA
FOR THE YEAR ENDED DECEMBER 31, 2017**

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HOLMAN | FRENIA
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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Committee
Township of East Greenwich
County of Gloucester
Mickleton, New Jersey

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds and account group of the Township of East Greenwich 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, the related statements of revenues - regulatory basis, and statements of expenditures - regulatory basis for the year ended December 31, 2017 and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for 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 and 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 prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

As described in Note 1, the financial statements are prepared by the Township of East Greenwich 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 U.S. Generally Accepted Accounting Principles” 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, as of December 31, 2017 and 2016, or the results of its operations and changes in fund balance for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township, 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 statements of revenues - regulatory basis, statements of expenditures - regulatory basis of the various funds, and general fixed assets 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 schedules presented for the various funds and letter of comments and recommendations section 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 schedules presented for the various funds are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the

financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

The letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide assurance on it.

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's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Michael Holt
Certified Public Accountant
Registered Municipal Accountant
RMA No. 473

Medford, New Jersey
June 28, 2018

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INDEPENDENT AUDITOR’S 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

Honorable Mayor and Members
of the Township Committee
Township of East Greenwich
County of Gloucester
Mickleton, New Jersey

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 audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements - regulatory basis of the Township of East Greenwich, 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. Our report indicated that the Township’s financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the 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'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’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Township’s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the

accompanying schedule of financial statement findings that we consider to be material weaknesses as Finding No. 2017-003.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which are described in the accompanying schedule of financial statement findings as Finding No's. 2017-001, 2017-002 and 2017-003.

Township of East Greenwich's Response to Findings

The Township of East Greenwich's response to the findings identified in our audit is described in the accompanying schedule of financial statement findings. The Township's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township'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,

HOLMAN FRENIA ALLISON, P.C.

Michael Holt
Certified Public Accountant
Registered Municipal Accountant
RMA No. 473

Medford, New Jersey
June 28, 2018

FINANCIAL STATEMENTS

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**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016**

	REFERENCE	<u>2017</u>	<u>2016</u>
ASSETS			
Regular Fund:			
Cash:			
Treasurer	A-4	\$ 3,896,946.00	\$ 1,489,728.92
Change Fund	A-5	<u>400.00</u>	<u>400.00</u>
Total		<u>3,897,346.00</u>	<u>1,490,128.92</u>
Receivables & Other Assets Without Full Reserves:			
Due from State of NJ - Senior Citizens' and Veterans Deductions	A-8	<u>10,750.00</u>	<u>9,500.00</u>
Total Receivables & Other Assets Without Full Reserves		<u>10,750.00</u>	<u>9,500.00</u>
Receivables & Other Assets With Full Reserves:			
Delinquent Taxes Receivable	A-6	446,612.55	403,619.66
Tax Title Liens Receivable	A-7	42,320.30	47,909.02
Revenue Accounts Receivable	A-9	29,084.48	34,521.82
Prepaid Local School Taxes	A-19	-	4.00
Due From Other Trust Fund	B	13,705.23	300,000.00
Due from Animal Control	B	6,836.36	5,281.22
Due from General Capital Fund	C	-	402,868.48
Due From Water/Sewer Utility Operating Fund	D	<u>38,108.91</u>	<u>154,794.73</u>
Total Receivables & Other Assets With Full Reserves		<u>576,667.83</u>	<u>1,348,998.93</u>
Total Regular Funds		<u>4,484,763.83</u>	<u>2,848,627.85</u>
Federal & State Grants:			
Due From Current Fund	A-27	218,014.00	91,553.56
Federal and State Grants Receivable	A-28	<u>82,291.27</u>	<u>112,975.77</u>
Total State & Federal Grants		<u>300,305.27</u>	<u>204,529.33</u>
Total Assets		<u>\$ 4,785,069.10</u>	<u>\$ 3,053,157.18</u>

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

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016**

	REFERENCE	<u>2017</u>	<u>2016</u>
LIABILITIES RESERVES & FUND BALANCE			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$ 286,553.54	\$ 296,988.44
Reserve for Encumbrances	A-10	311,092.00	232,583.36
Accounts Payable	A-11	-	2,168.45
Local School District Tax Payable	A-19	13,531.00	-
Prepaid Taxes	A-17	1,832,373.63	263,319.08
Tax Overpayments	A-18	78,993.13	98,947.54
Due Regional High School Taxes Payable	A-20	0.78	0.76
Due County for Added and Omitted Taxes	A-22	61,043.06	104,548.43
Due State of New Jersey - DCA Fees	A-23	9,446.00	8,821.00
Due to State - Marriage Licenses	A-24	1,398.00	-
Reserve for Deposits Guaranteeing Contracts	A	2,780.00	2,780.00
Reserve for Veterans Memorial	A	11.00	11.00
Due to Federal and State Grant Fund	A	218,014.00	91,553.56
Due to Municipal Open Space Trust Fund	B	24,939.86	96,094.48
Due to General Capital Fund	C	149,703.41	-
		<u>2,989,879.41</u>	<u>1,197,816.10</u>
Subtotal Regular Fund		<u>2,989,879.41</u>	<u>1,197,816.10</u>
Reserve for Receivables & Other Assets	A	576,667.83	1,348,998.93
Fund Balance	A-1	<u>918,216.59</u>	<u>301,812.82</u>
		<u>4,484,763.83</u>	<u>2,848,627.85</u>
Total Regular Fund		<u>4,484,763.83</u>	<u>2,848,627.85</u>
State & Federal Grants:			
Reserve for Federal & State Grants:			
Appropriated Reserves	A-29	261,730.03	166,823.39
Unappropriated Reserves	A-30	27,989.84	2,500.00
Encumbrances	A-31	1,650.00	26,270.54
Due to General Capital Fund	C	8,935.40	8,935.40
		<u>300,305.27</u>	<u>204,529.33</u>
Total State & Federal Grants		<u>300,305.27</u>	<u>204,529.33</u>
		<u>\$ 4,785,069.10</u>	<u>\$ 3,053,157.18</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 4,785,069.10</u>	<u>\$ 3,053,157.18</u>

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

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
STATEMENT OF OPERATIONS
AND CHANGES IN FUND BALANCE - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2017 AND 2016**

	REFERENCE	2017	2016
Revenue & Other Income Realized:			
Fund Balance Utilized	A-2	\$ 292,123.00	\$ 683,000.00
Miscellaneous Revenue Anticipated	A-2	4,291,102.25	3,610,605.22
Receipts From Delinquent Taxes	A-2	380,360.95	422,245.69
Receipts From Current Taxes	A-2	34,430,610.54	33,690,408.19
Non-Budget Revenue	A-2,A-9	169,958.76	193,317.09
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-14	208,010.92	281,991.16
Prior Year Interfund Returned	A	200,865.72	-
Liquidation of Reserves for:			
Prior Year Reserve Recognized	A	-	71,144.00
Total Revenue and Other Income Realized		39,973,032.14	38,952,711.35
Expenditures:			
Operations Within "CAPS"			
Salaries & Wages	A-3	2,534,750.00	2,292,513.95
Other Expenses	A-3	2,611,050.00	2,548,300.00
Deferred Charges & Statutory Expenditures Within "CAPS"	A-3	720,168.00	697,845.00
Operations Excluded From "CAPS":			
Salaries & Wages	A-3	170,000.00	220,386.06
Other Expenses	A-3	940,435.68	797,165.84
Capital Improvements Excluded from "CAPS"	A-3	180,000.00	14,000.00
Municipal Debt Service Excluded from "CAPS"	A-3	865,765.34	900,064.90
Deferred Charges - Municipal - Excluded from "CAPS"	A-3	-	360,500.00
Local School Taxes	A-19	14,287,485.00	13,790,799.00
Regional High School Taxes	A-20	8,204,228.00	8,130,749.00
County Taxes	A-20	8,169,108.79	8,084,388.46
Due County for Added and Omitted Taxes	A-21	61,043.06	104,548.43
Local Municipal Open Spaces Taxes	A-6	320,471.50	322,142.29
Reserve for Prepaid Local School Taxes	A	-	4.00
Interfunds Created	A	-	790,268.68
Total Expenditures		39,064,505.37	39,053,675.61
Excess/(Deficit) in Revenue		908,526.77	(100,964.26)
Adjustment to Income Before Fund Balance:			
Expenditures Included Above which are by Statute Deferred			
Charges to Budget of Succeeding Year	A-3	-	-
Statutory Excess to Fund Balance		908,526.77	(100,964.26)
Fund Balance January 1	A	301,812.82	1,085,777.08
Total		1,210,339.59	984,812.82
Decreased by: Utilization as Anticipated Revenue	A-1,A-2	292,123.00	683,000.00
Fund Balance December 31	A	\$ 918,216.59	\$ 301,812.82

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

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2017**

	BUDGET	APPROPRIATED BY N.J.S.A.40A:47-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance	\$ 292,123.00	\$ -	\$ 292,123.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	10,000.00	-	10,250.00	250.00
Other	2,000.00	-	2,953.00	953.00
Fees and Permits	40,000.00	-	80,040.21	40,040.21
Fines & Costs - Municipal Court	166,000.00	-	170,916.57	4,916.57
Interest & Costs on Taxes	81,000.00	-	106,638.98	25,638.98
Interest on Investments & Deposits	10,000.00	-	7,793.13	(2,206.87)
Cable Television Franchise Fee	35,000.00	-	39,976.09	4,976.09
Energy Receipts Tax	1,837,333.00	-	1,837,333.00	-
Uniform Construction Code Fees	385,000.00	-	431,127.00	46,127.00
Public and Private Revenues Offset with Appropriations:				
Recycling Tonnage Grant	12,442.00	-	12,442.00	-
Alcohol Education and Rehabilitation Fund	-	450.38	450.38	-
Clean Communities	-	21,981.78	21,981.78	-
Distracted Driving Grant	-	660.00	660.00	-
Click it or Ticket	-	1,320.00	1,320.00	-
Body Armor Fund	-	1,785.52	1,785.52	-
FEMA	-	265,000.00	265,000.00	-
Municipal Alliance on Alcoholism and Drug Abuse	4,500.00	8,784.00	13,284.00	-
Safe & Secure Communities	-	17,287.00	17,287.00	-
JIF Safety Program	-	2,500.00	2,500.00	-
JIF Safety Incentive Program	2,925.00	-	2,925.00	-
JIF Wellness Budget	-	1,000.00	1,000.00	-
Other Special Items:				
Interlocal Agreements:				
East Greenwich School District	65,000.00	-	70,074.63	5,074.63
Joint Municipal Court - Woodbury	300,000.00	-	329,755.79	29,755.79
Interfund Receivable - Water/Sewer Operating	114,808.00	-	114,808.00	-
Interfund Receivable - General Capital Fund	358,624.00	-	358,624.00	-
Interfund Receivable - Animal Control Fund	5,281.00	-	-	(5,281.00)
Interfund Receivable - COAH	6,128.00	-	-	(6,128.00)
Interfund Receivable - Payroll Agency	300,000.00	-	300,000.00	-
PILOT	23,000.00	-	79,287.17	56,287.17
Animal Control Fund Reserve	10,889.00	-	10,889.00	-
Total Miscellaneous Revenues	3,769,930.00	320,768.68	4,291,102.25	200,403.57
Receipts From Delinquent Taxes	420,233.00	-	380,360.95	(39,872.05)
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes	3,775,055.00	-	3,939,992.19	164,937.19
Budget Totals	8,257,341.00	320,768.68	8,903,578.39	325,468.71
Nonbudget Revenues	-	-	169,958.76	169,958.76
Total	\$ 8,257,341.00	\$ 320,768.68	\$ 9,073,537.15	\$ 495,427.47

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

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2017**

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:	
Revenue From Collections	\$ 34,430,610.54
Less: School, County Taxes & Municipal Open Space Taxes	<u>31,042,336.35</u>
Balance for Support of Municipal Budget Appropriations	3,388,274.19
Add: Budget Appropriation - Reserve for Uncollected Taxes	<u>551,718.00</u>
Total Amount for Support of Municipal Budget Appropriation	<u>\$ 3,939,992.19</u>
Receipts From Delinquent Taxes:	
Delinquent Tax Collections	\$ 380,360.95
Tax Title Liens Receivable	<u>-</u>
Total Receipts From Delinquent Taxes	<u>\$ 380,360.95</u>

ANALYSIS OF NONBUDGET REVENUE

Miscellaneous Revenue Not Anticipated:	
Solicitor Permits	\$ 3,000.00
Grading Application Fees	2,850.00
Recycling Container Fees	5,000.00
Sale of Scrap	302.90
Road Opening Permits	2,440.00
Photocopies	72.67
Property Lists	170.00
Police Reports	2,867.17
Omni Recycling	3,053.58
Rent - Farmland	2,642.00
Municipal Annex Usage - County EMS	11,614.92
Police Outside Detail	44,895.86
USPC Lease	60,000.00
DMV Motor Vehicle Fines	6,402.17
Senior Citizens & Veterans Administrative Fee	1,637.50
Septic Permits	60.00
Tax Searches	10.00
Premium on Tax Anticipation Note	2,056.00
Miscellaneous	<u>20,883.99</u>
	<u>\$ 169,958.76</u>

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

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2017**

	APPROPRIATIONS				UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED		
			EXPENDED	ENCUMBERED	
OPERATIONS WITHIN "CAPS"					
General Government:					
Administrative and Executive					
Salaries and Wages	\$ 57,000.00	\$ 59,300.00	\$ 59,200.98	\$ -	\$ 99.02
Other Expenses	20,500.00	20,500.00	20,120.49	115.49	264.02
Mayor and Council:					
Salaries and Wages	35,000.00	31,600.00	31,500.01	-	99.99
Municipal Clerk					
Codification of Ordinances - Other Expenses	3,000.00	1,600.00	1,313.76	236.24	50.00
Financial Administration					
Salaries and Wages	38,000.00	41,500.00	38,214.93	-	3,285.07
Other Expenses	10,000.00	10,000.00	7,986.63	1,857.66	155.71
Annual Audit	25,000.00	25,000.00	25,000.00	-	-
Collection of Taxes					
Salaries and Wages	71,000.00	68,700.00	68,671.31	-	28.69
Other Expenses	15,000.00	11,500.00	11,440.76	39.25	19.99
Legal Services and Costs:					
Other Expenses	125,000.00	75,000.00	65,314.86	6,233.17	3,451.97
Engineering Services Costs:					
Other Expenses	25,000.00	25,000.00	19,223.18	4,160.00	1,616.82
Insurance					
Employee Group Health	880,000.00	937,000.00	925,445.02	117.99	11,436.99
Health Benefit Waivers	1,600.00	1,600.00	-	-	1,600.00
Workers Compensation	123,000.00	121,500.00	121,500.00	-	-
General Liability	71,000.00	68,800.00	68,780.00	-	20.00
Unemployment Compensation	10,000.00	10,000.00	4,523.27	-	5,476.73
Public Buildings and Grounds					
Salaries and Wages	37,000.00	38,900.00	35,187.31	-	3,712.69
Others Expenses	51,000.00	100,000.00	40,159.84	59,839.46	0.70
Environmental Commission (N.J.S. 40:56A-1 et seq.)					
Salaries and Wages	700.00	-	-	-	-
Other Expenses	500.00	500.00	-	-	500.00
Municipal Land Use Law (N.J.S.A. 40:55D-1)					
Planning Board:					
Salaries and Wages	14,000.00	14,000.00	13,734.84	-	265.16
Other Expenses	7,000.00	2,400.00	2,205.67	100.00	94.33
Zoning Officer					
Salaries and Wages	5,400.00	7,500.00	7,486.64	-	13.36
Other Expenses	100.00	100.00	-	-	100.00

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

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2017**

	APPROPRIATIONS		PAID OR CHARGED		RESERVED	UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED		
Public Safety						
Fire						
Other Expenses	75,000.00	75,000.00	66,881.64	8,079.20	39.16	-
Police						
Salaries and Wages	1,650,000.00	1,731,500.00	1,725,213.69	-	6,286.31	-
Other Expenses	200,000.00	200,000.00	107,645.11	92,271.24	83.65	-
Emergency Management Services						
Salaries and Wages	3,500.00	3,500.00	2,808.22	-	691.78	-
Other Expenses	8,500.00	8,500.00	6,081.50	2,098.78	319.72	-
Municipal Court						
Salaries and Wages	135,000.00	103,500.00	102,425.90	-	1,074.10	-
Other Expenses	73,000.00	36,450.00	11,396.79	500.00	24,553.21	-
Public Defender						
Salaries and Wages	-	-	-	-	-	-
Other Expenses	4,000.00	4,000.00	-	-	4,000.00	-
Prosecutor						
Salaries and Wages	-	13,800.00	13,794.45	-	5.55	-
Other Expenses	13,100.00	100.00	-	-	100.00	-
Streets and Roads						
Road Repairs & Maintenance:						
Salaries and Wages	235,000.00	236,500.00	236,426.61	-	73.39	-
Other Expenses	49,400.00	46,900.00	34,463.81	4,872.33	7,563.86	-
Fleet Maintenance						
Other Expenses	60,000.00	60,000.00	55,482.92	4,516.28	0.80	-
Street Lighting						
Other Expenses	125,000.00	124,300.00	105,968.84	11,000.00	7,331.16	-
Garbage and Trash Removal						
Salaries and Wages	-	334,000.00	300,024.54	30,145.57	-	-
Other Expenses	3,500.00	1,500.00	560.00	630.00	310.00	-
Shade Tree						
Other Expenses	3,100.00	3,100.00	3,060.00	-	40.00	-
Recreation						
Salaries and Wages	18,000.00	14,800.00	10,270.08	-	4,529.92	-
Other Expenses	1,000.00	1,000.00	440.00	330.00	230.00	-
Senior Citizens Program						
Other Expenses						

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2017**

	APPROPRIATIONS			PAID OR CHARGED		RESERVED	UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION		EXPENDED	ENCUMBERED		
Code Enforcement							
Construction Code Official							
Salaries and Wages	90,000.00	92,000.00	91,910.64	-	89.36	-	-
Other Expenses	19,000.00	19,000.00	3,091.55	7,805.18	8,103.27	-	-
Subcode Officials							
Salaries and Wages:							
Electrical Inspector	27,000.00	27,100.00	27,064.05	-	35.95	-	-
Building Inspector	24,000.00	23,250.00	23,226.61	-	23.39	-	-
Plumbing Inspector	14,000.00	14,000.00	13,770.00	-	230.00	-	-
Fire Inspector							
Unclassified							
Electricity	90,000.00	74,000.00	68,751.65	5,248.00	0.35	-	-
Telephone	70,000.00	50,000.00	42,267.00	4,547.20	3,185.80	-	-
Natural Gas	60,000.00	31,000.00	19,031.82	2,864.88	9,103.30	-	-
Gasoline	90,000.00	90,000.00	77,741.59	3,794.95	8,463.46	-	-
Accumulated Absences	20,000.00	20,000.00	13,051.65	-	6,948.35	-	-
Interlocal Service Agreements							
Construction Code Official - Paulsboro							
Salaries and Wages	25,000.00	25,000.00	18,186.75	-	6,813.25	-	-
Other Expenses	10,000.00	10,000.00	4,860.83	30.00	5,109.17	-	-
Total Operations Including Contingent - Within "CAPS"	5,171,900.00	5,145,800.00	4,752,907.74	251,432.87	141,459.39	-	-
Detail:							
Salaries and Wages	2,464,700.00	2,534,750.00	2,511,882.94	-	22,867.06	-	-
Other Expenses	2,707,200.00	2,611,050.00	2,241,024.80	251,432.87	118,592.33	-	-
Deferred Charges/Statutory Expenditures - Municipal Within "CAPS":							
Contribution to:							
Social Security (O.A.S.I.)	210,000.00	223,800.00	219,975.74	-	3,824.26	-	-
Police & Fire Retirement System	356,405.00	356,405.00	356,405.00	-	-	-	-
Public Employees Retirement System	137,463.00	137,463.00	137,463.00	-	-	-	-
Defined Contribution Retirement Program	2,000.00	2,500.00	2,113.72	300.34	85.94	-	-
Total Deferred Charges & Statutory Expenditures Within "CAPS"	705,868.00	720,168.00	715,957.46	300.34	3,910.20	-	-
Total General Appropriations for Municipal Purposes Within "CAPS"	5,877,768.00	5,865,968.00	5,468,865.20	251,733.21	145,369.59	-	-

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

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2017**

	APPROPRIATIONS		PAID OR CHARGED		RESERVED	UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED		
OPERATIONS - EXCLUDED FROM "CAPS"						
Recycling Tax	10,000.00	10,000.00	75.00	-	9,925.00	-
LOSAP						
Shared Service Agreements:						
Trash Collection Logan Township	408,000.00	408,000.00	356,400.00	32,400.00	19,200.00	-
Information & Technology - Kingsway Regional School District	25,000.00	31,500.00	31,249.98	-	250.02	-
Crossing Guards - East Greenwich School District	15,000.00	20,300.00	18,582.61	-	1,717.39	-
Joint Municipal Court - Woodbury						
Salaries and Wages	150,000.00	170,000.00	169,735.28	-	264.72	-
Other Expenses	150,000.00	130,000.00	32,214.84	6,384.34	91,400.82	-
Public and Private Programs Offset by Revenues:						
Recycling Tonnage Grant	12,442.00	12,442.00	12,442.00	-	-	-
Alcohol Education and Rehabilitation Fund	-	450.38	450.38	-	-	-
Clean Communities	-	21,981.78	21,981.78	-	-	-
Distracted Driving	-	660.00	660.00	-	-	-
Click it or Ticket	-	1,320.00	1,320.00	-	-	-
Body Armor Fund	-	1,785.52	1,785.52	-	-	-
FEMA	-	265,000.00	265,000.00	-	-	-
Municipal Alliance on Alcoholism and Drug Abuse						
State Share	4,500.00	13,284.00	13,284.00	-	-	-
Local Share	-	-	-	-	-	-
Safe & Secure Communities						
State Share	-	17,287.00	17,287.00	-	-	-
Local Share	-	-	-	-	-	-
JIF Safety Program	2,925.00	2,925.00	2,925.00	-	-	-
JIF Wellness Budget	-	1,000.00	1,000.00	-	-	-
JIF Safety Incentive Program	-	2,500.00	2,500.00	-	-	-
Total Operations Excluded From "CAPS"	777,867.00	1,110,435.68	948,893.39	38,784.34	122,757.95	-
Detail:						
Salaries and Wages	150,000.00	170,000.00	169,735.28	-	264.72	-
Other Expenses	627,867.00	940,435.68	779,158.11	38,784.34	122,493.23	-

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

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2017**

	APPROPRIATIONS		PAID OR CHARGED		RESERVED	UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED		
Capital Improvements - Excluded from "CAPS"						
Purchase of Fire Truck	100,000.00	100,000.00	100,000.00	-	-	-
Purchase of Truck	20,000.00	20,000.00	-	20,000.00	-	-
Down Payments on Improvements	50,000.00	50,000.00	41,574.00	-	8,426.00	-
Lighting Upgrades to Municipal Building	10,000.00	10,000.00	-	-	10,000.00	-
Total Capital Improvements - Excluded from "CAPS"	180,000.00	180,000.00	141,574.00	20,000.00	18,426.00	-
Municipal Debt Service - Excluded from "CAPS":						
Payment of Bond Principal	517,479.00	517,479.00	517,479.00	-	-	-
Payment of Bond Anticipation Notes and Capital Notes	75,000.00	75,000.00	75,000.00	-	-	-
Interest on Bonds	267,509.00	267,509.00	267,509.00	-	-	-
Interest on Notes	10,000.00	10,000.00	5,777.34	-	-	4,222.66
Total Municipal Debt Service Excluded from "CAPS"	869,988.00	869,988.00	865,765.34	-	-	4,222.66
Total General Appropriations Excluded from "CAPS"	1,827,855.00	2,160,423.68	1,956,232.73	58,784.34	141,183.95	4,222.66
Subtotal General Appropriations	7,705,623.00	8,026,391.68	7,425,097.93	310,517.55	286,553.54	4,222.66
Reserve For Uncollected Taxes	551,718.00	551,718.00	551,718.00	-	-	-
Total General Appropriations	\$ 8,257,341.00	\$ 8,578,109.68	\$ 7,976,815.93	\$ 310,517.55	\$ 286,553.54	\$ 4,222.66
Original Budget	\$ 8,257,341.00					
Appropriation by N.J.S.A. 40A:4-87		320,768.68				
Total	\$ 8,578,109.68					
Reserve for Federal & State Grants		\$ 340,635.68				
Reserve for Uncollected Taxes		551,718.00				
Capital Improvement Fund		41,574.00				
Budget Reimbursements		(49,975.02)				
Cash Disbursements		7,092,863.27				
		\$ 7,976,815.93				

**TOWNSHIP OF EAST GREENWICH
TRUST FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016**

ASSETS	REFERENCE	2017	2016
Animal Control Fund:			
Cash	B-3	\$ 30,089.86	\$ 30,402.30
Total Animal Control Fund		<u>30,089.86</u>	<u>30,402.30</u>
Open Space Trust Fund:			
Cash	B-3	65,904.68	2,002.00
Due Current Fund	B-9	24,939.86	96,094.48
Total Open Space Trust Fund		<u>90,844.54</u>	<u>98,096.48</u>
Other Trust Funds:			
Cash	B-3	1,058,790.06	1,461,283.66
Total Other Trust Funds		<u>1,058,790.06</u>	<u>1,461,283.66</u>
Total Assets		<u>\$ 1,179,724.46</u>	<u>\$ 1,589,782.44</u>
 LIABILITIES, RESERVES, AND FUND BALANCE			
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	B-4	\$ 23,253.50	\$ 25,121.08
Due to Current Fund	A	6,836.36	5,281.22
Total Animal Control Fund		<u>30,089.86</u>	<u>30,402.30</u>
Municipal Open Space Trust Fund:			
Reserve for Open Space	B-6	21,550.30	29,738.56
Reserve for Encumbrances	B-8	4,686.32	3,750.00
Due General Capital Fund	C	64,607.92	64,607.92
Total Municipal Open Space Trust Fund		<u>90,844.54</u>	<u>98,096.48</u>
Other Trust Funds:			
Miscellaneous Reserves	B-10	1,045,084.83	1,161,283.66
Due to Current Fund	A	13,705.23	300,000.00
Total Other Trust Funds		<u>1,058,790.06</u>	<u>1,461,283.66</u>
Total		<u>\$ 1,179,724.46</u>	<u>\$ 1,589,782.44</u>

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

**TOWNSHIP OF EAST GREENWICH
MUNICIPAL OPEN SPACE TRUST FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2017**

	BUDGET	REALIZED	EXCESS OR (DEFICIT)
Amount to be Raised by Taxation	\$ 318,150.00	\$ 320,471.50	\$ 2,321.50
Miscellaneous	19,000.00	19.42	(18,980.58)
	<u>\$ 337,150.00</u>	<u>\$ 320,490.92</u>	<u>\$ (16,659.08)</u>
Cash Receipts		\$ 202,716.68	
Due Current Fund		<u>117,774.24</u>	
		<u>\$ 320,490.92</u>	

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

**TOWNSHIP OF EAST GREENWICH
MUNICIPAL OPEN SPACE TRUST FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2017**

	BUDGET	PAID OR CHARGED	RESERVE FOR ENCUMBRANCES	RESERVED	UNEXPENDED BALANCE CANCELED
Maintenance of Lands for Recreation and Conservation:					
Salaries & Wages	\$ 29,500.00	\$ 25,212.00	\$ -	\$ 4,288.00	\$ -
Other Expenses	55,650.00	47,570.73	4,686.32	3,392.95	-
Debt Service:					
Payment of Bond Principal	168,000.00	167,521.00	-	-	479.00
Payment of Bond Interest	84,000.00	83,689.13	-	-	310.87
	<u>\$ 337,150.00</u>	<u>\$ 323,992.86</u>	<u>\$ 4,686.32</u>	<u>\$ 7,680.95</u>	<u>\$ 789.87</u>
Cash Disbursements		\$ 135,064.00			
Due Current Fund		<u>188,928.86</u>			
		<u>\$ 323,992.86</u>			

**TOWNSHIP OF EAST GREENWICH
GENERAL CAPITAL FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016**

ASSETS	REFERENCE	2017	2016
Cash	C-1,C-2	\$ -	\$ -
Grants Receivable	C-3	357.20	170,357.20
Deferred Charges to Future Taxation:			
Funded	C-4	10,895,000.00	11,580,000.00
Unfunded	C-5	1,459,073.00	702,647.00
Due from Current Fund	C-11	149,703.41	-
Due from Grant Fund	A	8,935.40	8,935.40
Due from Open Space Trust Fund	B	64,607.92	64,607.92
		<u>12,577,676.93</u>	<u>12,526,547.52</u>
Total Assets		<u>\$ 12,577,676.93</u>	<u>\$ 12,526,547.52</u>
LIABILITIES, RESERVES & FUND BALANCE			
Improvement Authorizations:			
Funded	C-6	\$ 23,587.81	\$ 25,506.56
Unfunded	C-6	210,649.38	200,718.19
Capital Improvement Fund	C-7	56,042.00	71,042.00
Contracts Payable	C-8	403,926.86	17,013.40
Bond Anticipation Notes	C-9	956,526.00	200,100.00
Serial Bonds Payable	C-10	10,895,000.00	11,580,000.00
Reserve for Debt Payments	C	31,944.88	29,298.89
Due to Current Fund	C-11	-	402,868.48
		<u>12,577,676.93</u>	<u>12,526,547.52</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 12,577,676.93</u>	<u>\$ 12,526,547.52</u>

Bonds and Notes Authorized But Not Issued as of December 31, 2017 was \$502,547.00 and as of December 31, 2016 was \$502,547.00.

**TOWNSHIP OF EAST GREENWICH
WATER-SEWER UTILITY FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016**

	REFERENCE	<u>2017</u>	<u>2016</u>
ASSETS			
Operating Fund:			
Cash	D-4	\$ 950,430.18	\$ 1,157,638.87
Change Fund	D	50.00	50.00
Due from Developer	D	<u>687.00</u>	<u>687.00</u>
Total		<u>951,167.18</u>	<u>1,158,375.87</u>
Receivables With Full Reserves:			
Consumer Accounts Receivable	D-6	65,296.74	67,782.36
Water/Sewer Liens	D-12	<u>-</u>	<u>1,061.50</u>
Total Receivables With Full Reserves		<u>65,296.74</u>	<u>68,843.86</u>
Total Operating Fund		<u>1,016,463.92</u>	<u>1,227,219.73</u>
Capital Fund:			
Cash	D-4	31,623.00	31,623.00
Fixed Capital	D-8	15,337,250.45	15,076,250.45
Fixed Capital Authorized and Uncompleted	D-9	<u>77,500.00</u>	<u>77,500.00</u>
Total Capital Fund		<u>15,446,373.45</u>	<u>15,185,373.45</u>
Total Operating & Capital Fund		<u>\$ 16,462,837.37</u>	<u>\$ 16,412,593.18</u>

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

**TOWNSHIP OF EAST GREENWICH
WATER-SEWER UTILITY FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2017 AND 2016**

	REFERENCE	<u>2017</u>	<u>2016</u>
LIABILITIES RESERVES & FUND BALANCE			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3	\$ 40,684.66	\$ 88,707.46
Reserve for Encumbrances	D-3	147,163.56	104,849.55
Prepaid Rents	D-11	2,351.10	3,977.70
Accrued Interest Payable	D-13	35,821.85	37,688.06
Rent Overpayments	D	2,441.96	-
Due to Current Fund	D-18	38,108.91	154,794.73
		<u>266,572.04</u>	<u>390,017.50</u>
Subtotal			
Reserve for Receivables	D	65,296.74	68,843.86
Fund Balance	D-1	684,595.14	768,358.37
		<u>1,016,463.92</u>	<u>1,227,219.73</u>
Total Operating Fund			
Capital Fund:			
Improvement Authorizations:			
Unfunded	D-14	77,500.00	77,500.00
Capital Improvement Fund	D-15	32,609.00	32,609.00
Reserve for Amortization	D-16	9,589,264.45	9,063,264.45
Serial Bonds	D-17	5,747,000.00	6,012,000.00
		<u>15,446,373.45</u>	<u>15,185,373.45</u>
Total Capital Fund			
		<u>\$ 16,462,837.37</u>	<u>\$ 16,412,593.18</u>
Total Liabilities, Reserves & Fund Balance			

Bonds and Notes Authorized But Not Issued as of December 31, 2017 was \$78,486.00 and as of December 31, 2016 was \$78,486.00.

**TOWNSHIP OF EAST GREENWICH
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF OPERATIONS AND CHANGE IN
OPERATING FUND BALANCE - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2017 AND 2016**

	2017	2016
Revenue & Other Income Realized:		
Operating Fund Balance Utilized	\$ 290,000.00	\$ 287,634.00
Rents	2,878,018.14	2,998,003.88
Miscellaneous Revenue Not Anticipated	158,358.25	138,528.11
Other Credits to Income:		
Miscellaneous	3,977.70	6,269.93
Unexpended Balance of Appropriation Reserves	44,374.24	73,395.30
 Total Income	 3,374,728.33	 3,503,831.22
 Expenditures:		
Budget Appropriations:		
Operating	2,437,000.00	2,490,533.99
Capital Improvements	261,000.00	135,000.00
Debt Service	435,491.56	442,685.03
Deferred Charges & Statutory Expenditures	35,000.00	52,600.01
 Total Expenditures	 3,168,491.56	 3,120,819.03
 Excess/(Defecit) in Revenue	 206,236.77	 383,012.19
 Adjustment to Income Before Fund Balance:		
Expenditures Included Above which are by Statute		
Deferred Charges to Budget of Succeeding Year	-	-
 Statutory Excess to Fund Balance	 206,236.77	 383,012.19
Fund Balance January 1	768,358.37	672,980.18
 Total	 974,595.14	 1,055,992.37
Less: Utilized by Operating Budget	290,000.00	287,634.00
 Balance December 31	 \$ 684,595.14	 \$ 768,358.37

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

**TOWNSHIP OF EAST GREENWICH
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2017**

	BUDGET	REALIZED	EXCESS OR (DEFICIT)
Operating Surplus Anticipated	\$ 290,000.00	\$ 290,000.00	\$ -
Rents	2,700,000.00	2,878,018.14	178,018.14
Miscellaneous	180,000.00	158,358.25	(21,641.75)
	<hr/>		
Total	<u>\$ 3,170,000.00</u>	<u>\$ 3,326,376.39</u>	<u>\$ 156,376.39</u>

Rents:

Consumer Accounts Receivable:

Rents Collected	\$ 2,876,956.64
Tax Title Liens	<u>1,061.50</u>

Total	<u><u>\$ 2,878,018.14</u></u>
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ANALYSIS OF REALIZED REVENUES

Miscellaneous	
Water Interest & Penalties	\$ 6,535.10
Sewer Interest & Penalties	2,616.83
Water Meters	20,559.50
Water Taps	23,868.00
Water & Sewer Connection Fees	102,469.50
Water Applications	50.00
Interest on Investments	1,981.81
Other Miscellaneous	<u>277.51</u>
Total	<u><u>\$ 158,358.25</u></u>

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

**TOWNSHIP OF EAST GREENWICH
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2017**

	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	UNEXPENDED BALANCE CANCELED
			EXPENDED ENCUMBERED		
Operating:					
Salaries & Wages	\$ 369,000.00	\$ 369,000.00	\$ 368,965.94	\$ 34.06	\$ -
Other Expenses	425,000.00	425,000.00	274,847.64	133,823.56	16,328.80
Gloucester County Utilities Authority	490,000.00	490,000.00	476,646.74	13,340.00	13.26
Other Insurance	103,000.00	103,000.00	102,361.00	-	639.00
New Jersey American Water	890,000.00	890,000.00	884,334.03	-	5,665.97
Group Insurance for Employees	160,000.00	160,000.00	150,885.70	-	9,114.30
Capital Improvements:					
Capital Outlay	261,000.00	261,000.00	261,000.00	-	-
Debt Service:					
Payment of Bond Principal	265,000.00	265,000.00	265,000.00	-	-
Interest on Bonds	172,000.00	172,000.00	170,491.56	-	1,508.44
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	30,000.00	30,000.00	26,110.73	-	3,889.27
Unemployment Compensation Insurance	5,000.00	5,000.00	-	-	5,000.00
Total Expenditures	\$ 3,170,000.00	\$ 3,170,000.00	\$ 2,980,643.34	\$ 147,163.56	\$ 40,684.66
Interest on Bonds Disbursed			\$ 170,491.56		
			2,810,151.78		
Total			\$ 2,980,643.34		

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

**TOWNSHIP OF EAST GREENWICH
COUNTY OF GLOUCESTER**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017**

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**TOWNSHIP OF EAST GREENWICH
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 East Greenwich, County of Gloucester, New Jersey (hereafter referred to as the "Township") has a Mayor-Council form of government known as the Mayor-Council Plan A under the Optional Municipal Charter Law of 1960, popularly known as the Faulkner Act. The Mayor is separately elected. Executive and administrative responsibilities rest with the Mayor, who is assisted by the Township Clerk.

Component Units - GASB Statement 14, as amended by GASB Statements 39, 61 and 80, establishes criteria to be used in determining the component units, which should be included in the financial statements of a primary government. The financial statements of the Township are not presented in accordance with GAAP (as discussed below). Therefore, the Township had no component units as defined by GASB Statement No. 14, as amended by GASB Statements 39, 61 and 80.

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Township contain all funds and account groups in accordance with the "Requirements of Audit" 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 of Audit 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 State of America applicable to local government units. The more significant differences are explained further in this note.

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

Current Fund – This fund accounts for revenues and expenditures for governmental operations of a general nature, including federal and state grant funds.

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

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

Utility Operating and Capital Funds – These funds accounts for utility operations that are financed through user fees. The funds are operated on a basis similar to private business enterprises where the intent is that the costs of providing the utility to the general public be financed through user fees. Operations relating to the acquisition of capital facilities for utility purposes are recorded in the Utility Capital Fund.

General Fixed Asset Account Group – The Fixed Asset Account Group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other funds of the Township.

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 1. Summary of Significant Accounting Policies (continued):

Budgets and Budgetary Accounting - The Township must adopt an annual budget for its Current and Utility Fund in accordance with *N.J.S.A.40A:4* et seq. *N.J.S.A.40A:4-5* requires the governing body to introduce and approve the annual municipal budget no later than February 10th of each year. At introduction, the governing body must 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 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. Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

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. Under GAAP, investments are reported at fair value but under regulatory basis of accounting, 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 utilities 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, 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.

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 1. Summary of Significant Accounting Policies (continued):

Inventories and Supplies - The cost 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 Circular A-87 (Attachment B, Section 19), 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. In some instances, assets are valued at the assessed valuation of the property at the time of acquisition, which approximates fair value. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their 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 assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that includes 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. All fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

Utility Fixed Assets – Property and equipment purchases by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition. The amounts shown do not represent replacement cost or current value. The reserve for amortization and deferred reserve for amortization in the utility capital fund represent the cost of the utility fixed assets reduced by the outstanding balances of bonds, loans, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Foreclosed property – Foreclosed Property or "Property Acquired for Taxes" 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 Township 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 Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

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.

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 1. Summary of Significant Accounting Policies (continued):

Fund Balance – Fund Balance included in the Current and Utility Operating Fund represent the amount available for anticipation as revenue in future year’s budgets, with certain restrictions.

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

Utility Revenues – Utility charges are levied quarterly based upon a flat service charge and if applicable, an excess consumption or usage charge. Revenues from these sources are recognized on a cash basis. Receivables that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Townships utility operating fund.

Property Tax Revenues – are collected in quarterly installments due February 1, May 1, August 1 and November 1. The amount of tax levied includes not only the amount required in support of the Township’s annual budget, but also the amounts required in support of the budgets of the County of Gloucester, East Greenwich Township School District and the Kingsway Regional High School District. Unpaid property taxes are subject to tax sale in accordance with statutes.

County Taxes – The municipality is responsible for levying, collecting and remitting County taxes for the County of Gloucester. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10th 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 10th of the current year and due to be paid to the County by February 15th of the following year.

School Taxes – The municipality is responsible for levying, collecting and remitting school taxes for the East Greenwich Township School District and the Kingsway Regional High School District. Operations are charged for the full amount required to be raised from taxation to operate the local and regional school district July 1 to June 30.

Deferred School Taxes – School taxes raised in advance in the Current Fund for a school fiscal year (July I to June 30) which remain unpaid at December 31 of the calendar year levied may be deferred to fund balance to the extent of not more than 50% of the annual levy providing no requisition has been made by the school district for such amount.

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 – are recorded on the “budgetary” basis of accounting. Generally, expenditures are recorded when an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed as required by Technical Accounting Directive No. 85-1. When an expenditure is paid, the amount encumbered is simultaneously liquidated in its original amount.

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 1. Summary of Significant Accounting Policies (continued):

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 interest payments on outstanding general capital bonds and notes are provided on the cash basis. Appropriations for interest payments on outstanding utility capital bonds and notes are provided 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 cancelled by the governing body. Appropriation reserves and reserve for encumbrances at current year end are available until December 31st of the succeeding year to meet specific claims, commitments or contracts incurred during the preceding year. Any unspent balances at this time are lapsed appropriation reserves and recorded as income.

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

Compensated Absences – Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences.

Recent Accounting Pronouncements – The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has recently adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America. (GAAP). The municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements; and there have been no GASB pronouncements effective for the current year that have a significant impact of the Township’s financial statements.

Note 2. Deposits and Investments

The Township is governed by the deposit and investment limitations of New Jersey state law.

Deposits

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Township’s deposits may not be returned. Although the Township does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public funds owned by the Township in excess of FDIC insured amounts are protected by GUDPA. However,

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 2. Deposits and Investments (continued):

GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the Township relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2017, the Township's bank balance of \$7,739,987.61 was insured or collateralized as follows:

Insured under FDIC and GUDPA	\$ 6,515,422.79
Uninsured and Uncollateralized	<u>1,224,564.88</u>
	<u><u>\$ 7,739,987.67</u></u>

Investments

The Township had no investments as of December 31, 2017.

Note 3. Property Taxes

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

Comparison Schedule of Tax Rates

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Tax Rate	<u>\$ 3.254</u>	<u>\$ 3.216</u>	<u>\$ 3.082</u>
Apportionment of Tax Rate:			
Municipal	0.353	0.355	0.356
Municipal Open Space	0.029	0.029	0.029
County General	0.766	0.764	0.729
Local School	1.338	1.301	1.216
Regional School	0.768	0.767	0.752

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2017	\$ 1,068,250,300.00
2016	1,060,518,500.00
2015	1,049,841,385.00

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 3. Property Taxes (continued):

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2017	\$ 35,016,964.51	\$ 34,430,610.54	98.32%
2016	34,118,797.51	33,690,408.19	98.74%
2015	32,679,643.58	32,152,945.25	98.38%

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	\$ 42,320.30	\$ 446,612.55	\$ 488,932.85	1.40%
2016	47,909.02	403,619.66	451,528.68	1.32%
2015	18,585.58	434,845.36	453,430.94	1.39%

Number of Tax Title Liens

<u>Year</u>	<u>Number</u>
2017	9
2016	11
2015	8

The last tax sale was held on November 15, 2017.

Note 4: Property Acquired By Tax Title Lien Liquidation

The Township had no properties acquired by liquidation of tax title liens as of December 31, 2017, 2016 or 2015.

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 5: Water-Sewer Utility Service Charges

The following is a three-year comparison of water-sewer utility charges (rents) and collections for the current and previous two years.

<u>Year</u>	<u>Beginning Balance</u>	<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2017	\$ 67,782.36	\$ 2,876,912.98	\$ 2,944,695.34	\$ 2,876,956.64	97.69%
2016	172,592.80	2,893,193.44	3,065,786.24	2,998,003.88	97.78%
2015	146,843.43	2,980,451.84	3,127,295.27	2,954,702.47	94.48%

Note 6. Fund Balances Appropriated

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

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
Current Fund:			
2017	\$ 918,216.59	\$ 730,609.00	79.57%
2016	301,812.82	257,123.00	85.19%
2015	1,085,777.08	683,000.00	62.90%
Utility Operating Fund:			
2017	\$ 684,595.14	\$ 341,000.00	49.81%
2016	768,358.70	290,000.00	37.74%
2015	672,980.18	287,633.54	42.74%

Note 7. Disaggregated Receivable and Payable Balances

There are no significant components of receivable and payable balances reported in the financial statements.

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 8. Interfund Receivables, Payables and Transfers

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

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$ 58,650.50	\$ 392,657.27
State and Federal Grant Fund	218,014.00	8,935.40
Animal Control Trust	-	6,836.36
Municipal Open Space Trust Fund	24,939.86	64,607.92
Trust Other Fund	-	13,705.23
Capital Fund	223,246.73	-
Utility Operating Fund	-	38,108.91
	<u>\$ 524,851.09</u>	<u>\$ 524,851.09</u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

A summary of interfund transfers is as follows:

Fund	Transfers In	Transfers Out
Current Fund	\$1,704,782.39	\$ 903,678.09
State and Federal Grant Fund	270,349.58	396,810.02
Animal Control Trust	-	10,889.00
Trust Other Fund	188,928.86	300,000.00
Capital Fund	-	435,997.90
Utility Operating Fund	444,399.65	561,085.47
Utility Capital Fund	-	-
	<u>\$2,608,460.48</u>	<u>\$ 2,608,460.48</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them (i.e. interest earning), (2) provide cash flow to other funds to temporary finance expenditures that are on a reimbursable basis (i.e. grants), (3) when no bank account exists for a fund, and (4) utilizing surplus or fund balance from one fund as budgeted revenue in another.

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 9. Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group for the year ended December 31, 2017.

	Balance December 31, <u>2016</u>	<u>Additions</u>	<u>Adjustments</u>	<u>Deletions</u>	Balance December 31, <u>2017</u>
Land	\$ 2,657,850.00	\$ -	\$ -	\$ -	\$ 2,657,850.00
Buildings and Improvements	5,772,222.00	-	-	-	5,772,222.00
Vehicles	3,097,030.00	289,675.00	45,900.00	(173,200.00)	3,259,405.00
Equipment	2,435,376.09	516,133.00	1,141,438.91	(159,718.00)	3,933,230.00
	<u>\$ 13,962,478.09</u>	<u>\$ 805,808.00</u>	<u>\$ 1,187,338.91</u>	<u>\$ (332,918.00)</u>	<u>\$ 15,622,707.00</u>

Note 10. Pension Obligations

A. Public Employees' Retirement System (PERS)

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at <http://www.nj.gov/treasury/pensions/financial-reports.shtml>.

The vesting and benefit provisions are set by *N.J.S.A. 43:15A*. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
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 22, 2010
4	Members who were eligible to enroll on or after May 22, 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 or more years 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

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS)

available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Basis of Presentation - The schedules of employer allocations and the schedules of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2017, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2017, the Township's contractually required contribution to PERS plan was \$138,580.

Components of Net Pension Liability - At December 31, 2017, the Township's proportionate share of the PERS net pension liability was \$3,482,237. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2017. The Township's proportion measured as of June 30, 2017, was 0.01496% which was a decrease of 0.00044% from its proportion measured as of June 30, 2016.

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS)

Collective Balances at December 31, 2017 and December 31, 2016

	<u>12/31/2017</u>	<u>12/30/2016</u>
Actuarial valuation date (including roll forward)	June 30, 2017	June 30, 2016
Deferred Outflows of Resources	\$ 807,258	\$ 1,203,820
Deferred Inflows of Resources	1,008,756	311,440
Net Pension Liability	3,482,237	4,562,092
Township's portion of the Plan's total net pension Liability	0.01496%	0.01540%

Pension Expense and Deferred Outflows/Inflows of Resources - At December 31, 2017, the Township's proportionate share of the PERS expense, calculated by the plan as of the June 30, 2017 measurement date is \$251,168. This expense is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$138,580 to the plan in 2017.

At December 31, 2017, the Township reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 81,995	\$ -
Changes of Assumptions	701,551	698,979
Net Difference between Projected and Actual Earnings on Pension Plan Investments	23,712	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	-	309,777
	<u>\$ 807,258</u>	<u>\$ 1,008,756</u>

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS)

The Township will amortize the above sources of deferred outflows and inflows related to PERS over the following number of years:

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

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS)

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PERS that will be recognized in future periods:

Year Ending <u>Dec 31,</u>	<u>Amount</u>
2018	\$ (9,221)
2019	39,244
2020	8,862
2021	(155,932)
2022	<u>(84,450)</u>
	<u>\$ (201,497)</u>

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Inflation	2.25%
Salary Increases:	
Through 2026	1.65% - 4.15% Based on Age
Thereafter	2.65% - 5.15% Based on Age
Investment Rate of Return	7.00%
Mortality Rate Table	RP-2000
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2011 - June 30, 2014

Pre-retirement 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. Post-retirement mortality rate were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on the 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

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS)

projection scales. 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).

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long-Term Expected Rate of Return - 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 target asset allocation as of June 30, 2017 are summarized in the following table:

<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	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 Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	<u>100.00%</u>	

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS)

Discount Rate - The discount rate used to measure the total pension liability was 5.00% as of June 30, 2017. The single blended discount rate was based on 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 municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers 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. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, 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-percentage-point lower (4.00%) or 1-percentage-point higher (6.00%) than the current rate:

	1% Decrease <u>(4.00%)</u>	Current Discount Rate <u>(5.00%)</u>	1% Increase <u>(6.00%)</u>
Township's Proportionate Share of the Net Pension Liability	<u>\$ 4,319,952</u>	<u>\$ 3,482,237</u>	<u>\$ 2,784,317</u>

B. Police and Firemen's Retirement System (PFRS)

Plan Description – The State of New Jersey, Police and Firemen's Retirement System (PFRS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PFRS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at <http://www.nj.gov/treasury/pensions/financial-reports.shtml>.

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement as well as death and disability benefits. All benefits vest after ten years of service, except disability benefits which vest after four years of service.

The following represents the membership tiers for PFRS:

<u>Tier</u>	<u>Definition</u>
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

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (continued):

B. Police and Firemen's Retirement System (PFRS)

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1 % for each year if 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.

Basis of Presentation - The schedules of employer allocations and the schedules of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PFRS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PFRS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PFRS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2017, the State contributed an amount less than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2017, the Township's contractually required contributions to PFRS plan was \$345,122.

The employee contributions for PFRS are 10.00% of employees' annual compensation, as defined.

Net Pension Liability and Pension Expense - At December 31, 2017 the Township's proportionate share of the PFRS net pension liability was \$6,020,232. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2016, to the measurement date of June 30, 2017. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2017. The Township's proportion measured as of June 30, 2017, was 0.03900%, which was a decrease of 0.00471% from its proportion measured as of June 30, 2016.

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (continued):

B. Police and Firemen's Retirement System (PFRS)

Collective Balances at December 31, 2017 and December 31, 2016

	<u>12/31/2017</u>	<u>12/31/2016</u>
Actuarial valuation date (including roll forward)	June 30, 2017	June 30, 2016
Deferred Outflows of Resources	\$ 1,006,669	\$ 1,882,852
Deferred Inflows of Resources	2,193,224	878,622
Net Pension Liability	6,020,232	8,350,188
Township's portion of the Plan's total net pension Liability	0.03900%	0.04371%

Pension Expense and Deferred Outflows/Inflows of Resources – At December 31, 2017, the Township's proportionate share of the PFRS expense, calculated by the plan as of the June 30, 2017 measurement date was \$545,993. This expense is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$345,122 to the plan in 2017.

At December 31, 2017, the Township had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 39,056	\$ 35,334
Changes of Assumptions	742,362	985,938
Net Difference between Projected and Actual Earnings on Pension Plan Investments	114,880	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	110,371	1,171,952
	<u>\$ 1,006,669</u>	<u>\$ 2,193,224</u>

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (continued):

B. Police and Firemen's Retirement System (PFRS)

The Township will amortize the above sources of deferred outflows and inflows related to PFRS over the following number of years:

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

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (continued):

B. Police and Firemen’s Retirement System (PFRS)

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PERS that will be recognized in future periods:

Year Ending		
<u>Dec 31,</u>	<u>Amount</u>	
2018	\$	(252,141)
2019		(95,216)
2020		(171,022)
2021		(470,582)
2022		<u>(197,594)</u>
	\$	<u>(1,186,555)</u>

Special Funding Situation – 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 non-employer 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 to report in the financial statements of the local participating employers related to this legislation.

Additionally, the State’s proportionate share of the PFRS net pension liability attributable to the Township is \$674,317 as of December 31, 2017. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2016, to the measurement date of June 30, 2017. The State’s proportion of the net pension liability associated with the Township 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 members, actuarially determined. The State’s proportion measured as of June 30, 2017 was 0.03900%, which was a decrease of 0.00471% from its proportion measured as of June 30, 2016, which is the same proportion as the Township’s. At December 31, 2017, the Township’s and the State of New Jersey’s proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$	6,020,232
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township		<u>674,317</u>
	\$	<u>6,694,549</u>

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (continued):

B. Police and Firemen’s Retirement System (PFRS)

At December 31, 2017, the State’s proportionate share of the PFRS expense, associated with the Township, calculated by the plan as of the June 30, 2017 measurement date was \$82,484.

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Inflation	2.25%
Salary Increases:	
Through 2026	2.10% - 8.98% Based on Age
Thereafter	3.10% - 9.98% Based on Age
Investment Rate of Return	7.00%
Mortality Rate Table	RP-2000
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2010 - June 30, 2013

Pre-retirement 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. Post-retirement mortality rate were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on the 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 scales. 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).

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

Long-Term Expected Rate of Return - 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

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (continued):

B. Police and Firemen’s Retirement System (PFRS)

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 PFRS’s target asset allocation as of June 30, 2017 are summarized in the following table:

<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	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 Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 6.14% as of June 30, 2017. The single blended discount rate was based on 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 municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers 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 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 10. Pension Obligations (continued):

B. Police and Firemen’s Retirement System (PFRS)

Sensitivity of the Township’s proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township’s proportionate share of the net pension liability calculated using the discount rate as disclosed above, 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-percentage-point lower (5.14%) or 1-percentage-point higher (7.14%) than the current rate:

	1% Decrease <u>(5.14%)</u>	Current Discount Rate <u>(6.14%)</u>	1% Increase <u>(7.14%)</u>
Township's Proportionate Share of the Net Pension Liability	\$ 7,932,151	\$ 6,020,232	\$ 4,449,373
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	888,468	674,317	498,367
	\$ 8,820,619	\$ 6,694,549	\$ 4,947,740

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Township.

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 11. Municipal Debt

The following schedule represents the Township's summary of debt, to be filed in the Township's Annual Debt Statement required by the Local Bond Law of New Jersey for the current and two previous years:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 11,851,526.00	\$ 11,780,100.00	\$ 12,615,100.00
Utility:			
Bonds, Notes and Loans	5,747,000.00	6,012,000.00	6,284,000.00
	<hr/>	<hr/>	<hr/>
Total Debt Issued	17,598,526.00	17,792,100.00	18,899,100.00
	<hr/>	<hr/>	<hr/>
Authorized but not issued:			
General:			
Bonds, Notes and Loans	502,547.00	502,547.00	502,547.00
Utility:			
Bonds, Notes and Loans	78,486.00	78,486.00	78,486.00
	<hr/>	<hr/>	<hr/>
Total Authorized But Not Issued	581,033.00	581,033.00	581,033.00
	<hr/>	<hr/>	<hr/>
Total Gross Debt	\$ 18,179,559.00	\$ 18,373,133.00	\$ 19,480,133.00
	<hr/>	<hr/>	<hr/>
Deductions:			
General:			
Funds on Hand For Payment of Bonds and Notes:			
Reserve for Debt Service	\$ 31,944.88	\$ -	\$ -
Utility:			
Self Liquidating Debt	5,825,486.00	6,090,486.00	6,362,486.00
	<hr/>	<hr/>	<hr/>
Total Deductions	5,857,430.88	6,090,486.00	6,362,486.00
	<hr/>	<hr/>	<hr/>
Total Net Debt	\$ 12,322,128.12	\$ 12,282,647.00	\$ 13,117,647.00
	<hr/>	<hr/>	<hr/>

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 11. Municipal Debt (continued):

Summary of Statutory Debt Condition - Annual Debt Statement

The following schedule is a summary of the previous schedule and is prepared in accordance with the required method of setting up the Annual Debt Statement:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School Debt	\$ 18,875,000.00	\$ 18,875,000.00	\$ -
Regional School Debt	15,103,182.42	15,103,182.42	-
General Debt	12,354,073.00	31,944.88	12,322,128.12
Utility Debt	5,825,486.00	5,825,486.00	-
	<u>\$ 52,157,741.42</u>	<u>\$ 39,835,613.30</u>	<u>\$ 12,322,128.12</u>

Net Debt \$12,322,128.12 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, \$1,136,734,811, equals 1.084%. New Jersey statute 40A:2-6, as amended, limits the debt of a Municipality to 3.5% of the last three preceding year's average equalized valuations of real estate, including improvements and the assessed valuation of Class II Railroad Property. The remaining borrowing power in dollars at December 31, 2017 is calculated as follows:

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 39,785,718.39
Net Debt	<u>12,322,128.12</u>
Remaining Borrowing Power	<u>\$ 27,463,590.27</u>

Self-Liquidating Utility Calculation per N.J.S.A. 40A:2-46

Cash Receipts From Fees, Rents or Other Charges for the Year	\$ 3,073,527.38
Deductions:	
Operating and Maintenance Costs	\$ 2,472,000.00
Debt Service	<u>435,491.56</u>
Total Deductions	<u>2,907,491.56</u>
Excess/(Deficit) in Revenue	<u>\$ 166,035.82</u>

*If Excess in Revenues all Utility Debt is Deducted

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 11. Municipal Debt (continued):

General Debt

A. Serial Bonds Payable

On September 5, 2008, the Township issued \$11,060,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 3.00% to 5.00% and mature on August 1, 2018.

On November 10, 2014, the Township issued \$4,290,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.25% to 3.00% and mature on November 1, 2031.

On August 10, 2016, the Township issued \$6,585,000 of General Refunding Bonds. The General Refunding Bonds were issued at interest rates varying from 1.25% to 4.00% and mature on August 1, 2028.

Principal and interest due on the outstanding bonds is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 715,000.00	\$ 332,850.00	\$ 1,047,850.00
2019	750,000.00	307,162.50	1,057,162.50
2020	875,000.00	294,487.50	1,169,487.50
2021	890,000.00	279,112.50	1,169,112.50
2022	915,000.00	248,762.50	1,163,762.50
2023-2027	4,985,000.00	762,462.50	5,747,462.50
2028-2032	1,765,000.00	101,575.00	1,866,575.00
	<u>\$ 10,895,000.00</u>	<u>\$ 2,326,412.50</u>	<u>\$ 13,221,412.50</u>

B. Bond Anticipation Notes Payable – Short Term Debt

The following is a summary of bond anticipation notes payable accounted for in the General Capital Fund at December 31, 2017:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Rate</u>	<u>Balance December 31, 2017</u>
Series 2017 A	12/12/2017	12/12/2018	2.000%	\$ 956,526.00
				<u>\$ 956,526.00</u>

The purpose of these short-term borrowings was to provide resources for general capital construction, acquisitions or improvement projects and other purposes permitted by State Local Bond Law NJSA 40A:2 et. seq.

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 11. Municipal Debt (continued):

C. Bonds and Notes Authorized But Not Issued

As of December 31, 2017, the Township had \$502,547.00 in various General Capital bonds and notes authorized but not issued.

Water-Sewer Utility Debt

A. Serial Bonds Payable

On September 5, 2008, the Township issued \$879,000 of Utility Revenue Bonds. The Bonds were issued at interest rates varying from 3.00% to 5.00% and mature on August 1, 2018.

On September 5, 2008, the Township issued \$689,000 of Utility Revenue Bonds. The Bonds were issued at interest rates varying from 3.00% to 5.00% and mature on August 1, 2018.

On November 10, 2014, the Township issued \$5,292,000 of Utility Revenue Bonds. The Bonds were issued at interest rates varying from 2.250% to 3.125% and mature on November 1, 2034.

On August 10, 2016, the Township issued \$935,000 of Utility Refunding Bonds. The Bonds were issued at interest rates varying from 1.50% to 3.25% and mature on August 1, 2028.

Principal and interest due on the outstanding bonds is as follows:

2018	\$ 275,000.00	\$ 164,300.00	\$ 439,300.00
2019	290,000.00	156,706.25	446,706.25
2020	300,000.00	150,781.25	450,781.25
2021	320,000.00	144,631.25	464,631.25
2022	330,000.00	135,856.25	465,856.25
2023-2027	1,835,000.00	531,981.25	2,366,981.25
2028-2032	1,700,000.00	257,668.75	1,957,668.75
2033-2034	697,000.00	32,187.50	729,187.50
	<u>\$ 5,747,000.00</u>	<u>\$ 1,574,112.50</u>	<u>\$ 7,321,112.50</u>

B. Bond Anticipation Notes Payable – Short Term Debt

The Township had no bond anticipation notes outstanding in the Utility Capital Fund at December 31, 2017.

C. Bonds and Notes Authorized But Not Issued

As of December 31, 2017 the Township had \$78,486.00 in various Utility bonds and notes authorized but not issued.

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 11. Municipal Debt (continued):

Summary of Principal Debt

A summary of the changes in long-term and short term debt of the Township is as follows:

	Balance December 31, <u>2016</u>	Accrued/ <u>Increases</u>	Retired/ <u>Decreases</u>	Balance December 31, <u>2017</u>	Balance Due Within <u>One Year</u>
General Capital:					
General Bonds	\$ 11,580,000.00	\$ -	\$ 685,000.00	\$ 10,895,000.00	\$ 715,000.00
Bond Anticipation Notes	200,100.00	956,526.00	200,100.00	956,526.00	956,526.00
Authorized but Not Issued	502,547.00	-	-	502,547.00	-
	<u>\$ 12,282,647.00</u>	<u>\$ 956,526.00</u>	<u>\$ 885,100.00</u>	<u>\$ 12,354,073.00</u>	<u>\$ 1,671,526.00</u>
Utility Capital:					
Utility Bonds	\$ 6,012,000.00	\$ -	\$ 265,000.00	\$ 5,747,000.00	\$ 355,000.00
Authorized but Not Issued	78,486.00	-	-	78,486.00	-
	<u>\$ 6,090,486.00</u>	<u>\$ -</u>	<u>\$ 265,000.00</u>	<u>\$ 5,825,486.00</u>	<u>\$ 355,000.00</u>

Note 12. Tax Anticipation Note Payable

On June 30, 2017 the Township issued \$1,000,000 in Tax Anticipation Notes. The purpose of the Note was to provide short-term cash flow needs prior to the collection of taxes. The Notes bear an interest rate of 2.00% and matured on December 29, 2017.

Note 13. Accrued Sick, Vacation and Compensation Time

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation, sick pay and compensation time. The Township permits certain employees within limits to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. In accordance with New Jersey accounting principles, this unused accumulated absences amount is not reported as a liability in the accompanying financial statements. It is estimated that accrued benefits for compensated absences are valued at \$154,524.50 at December 31, 2017. This liability represents Police only.

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 14. 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.

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

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

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

The Fund provides the Township with the following coverage:

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

The Fund publishes its own financial report for the year ended December 31, 2017, which can be obtained from:

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

Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund, dollar-for-dollar, for unemployment benefits paid to its former employees who were laid off or furloughed 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 unemployment trust fund for the current and previous two years:

**TOWNSHIP OF EAST GREENWICH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Note 14. Risk Management (continued):

<u>Year</u>	<u>Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2017	\$ -	\$ -	\$ 22.49	\$ 2,215.83	\$ 13,728.95
2016	15,000.00	-	28.90	6,111.70	15,922.29
2015	-	-	10.69	666.20	7,005.09

Note 15. Contingencies

Grantor Agencies

The Township receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2017 the Township estimates that no material liabilities will result from such audits.

Litigation

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

Tax Appeals

Losses arising from tax appeals are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. There are no significant pending tax appeals as of December 31, 2017.

Note 16. Subsequent Events

The Township has evaluated subsequent events through June 28, 2018, the date the financial statements were available to be issued and has noted the following:

During February of 2018, the Township approved one new bond ordinance. Ordinance 3-2018 was approved to be used for various water and sewer system improvements for a total of \$2,280,200 and authorized the issuance of debt in the amount of \$2,280,200 in bonds or notes.

SUPPLEMENTAL EXHIBITS

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CURRENT FUND

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**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF CURRENT CASH
YEAR ENDED DECEMBER 31, 2017**

	CURRENT
Balance, December 31, 2016	\$ 1,489,728.92
Increased by Receipts:	
Miscellaneous Revenue not Anticipated	\$ 169,958.76
Taxes Receivable	34,465,658.67
Tax Title Liens Receivable	11,772.56
Due from State of New Jersey - Tax Deductions	81,875.00
Revenue Accounts Receivable	3,535,658.57
Prepaid Taxes	1,832,373.63
Cash Reimbursements	49,975.02
Tax Anticipation Notes	1,000,000.00
Due to County - Poll Workers	5,575.00
Due to State of New Jersey - DCA Fees	42,290.40
Due to State of New Jersey - Marriage Licenses	1,148.00
Outside Police Services	275,254.50
Refund of Prior Year Expenses	11,753.48
Due Federal & State Grant Fund	396,810.02
Due from Animal Control	10,889.00
Due from Payroll Agency	300,000.00
Due from Utility Operating Fund	561,085.47
Due General Capital Fund	435,997.90
	43,188,075.98
Total Receipts	43,188,075.98
Subtotal	44,677,804.90
Decreased by Disbursements:	
2017 Appropriations	7,092,863.27
2016 Appropriations Reserves	320,986.43
Accounts Payable	2,168.45
Tax Overpayments	31,655.10
Due to State of New Jersey - DCA Fees	41,665.40
Due to State of New Jersey - Marriage Licenses	1,300.00
Tax Anticipation Notes	1,000,000.00
Municipal Open Space Taxes	318,150.00
Local District School Taxes	14,273,950.00
Regional High School Taxes	8,204,227.98
County Taxes Payable	8,169,108.79
Due County for Added and Omitted Taxes	104,548.43
Outside Police Services	310,981.96
Due Municipal Open Space Trust Fund	188,928.86
Due Federal & State Grant Fund	270,349.58
Due Utility Operating Fund	444,399.65
Due to County - Poll Workers	5,575.00
	40,780,858.90
Total Disbursements	40,780,858.90
Balance, December 31, 2017	\$ 3,896,946.00

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF CHANGE FUNDS
YEAR ENDED DECEMBER 31, 2017**

Tax Collector	\$ 100.00
Municipal Clerk	<u>300.00</u>
Total	<u><u>\$ 400.00</u></u>

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2017**

YEAR	BALANCE DECEMBER 31, 2016	2017 LEVY	ADDED TAXES	COLLECTED 2016	2017	DUE FROM STATE OF NEW JERSEY	OVERPAYMENTS APPLIED	TRANSFER TO TAX TITLE LIENS	CANCELED/ REMITTED	BALANCE DECEMBER 31, 2017
2015	\$ 376.00	\$ -	\$ -	\$ -	\$ 376.00	\$ -	\$ -	\$ -	\$ -	\$ -
2016	403,243.66	-	-	-	381,859.95	(1,875.00)	-	85.05	13,883.64	9,290.02
Total	403,619.66	-	-	-	382,235.95	(1,875.00)	-	85.05	13,883.64	9,290.02
2017	-	34,750,017.15	266,947.36	263,319.08	34,019,324.88	85,500.00	62,466.58	13,764.41	135,267.03	437,322.53
Total	\$ 403,619.66	\$ 34,750,017.15	\$ 266,947.36	\$ 263,319.08	\$ 34,401,560.83	\$ 83,625.00	\$ 62,466.58	\$ 13,849.46	\$ 149,150.67	\$ 446,612.55

Cash Receipts	\$ 34,465,658.67
Tax Overpayments	(64,097.84)
Total	<u>\$ 34,401,560.83</u>

ANALYSIS OF 2017 PROPERTY TAX LEVY

General Purpose Tax	\$ 34,750,017.15
Added & Omitted Taxes (54:4-6 et seq)	266,947.36
Total	<u>\$ 35,016,964.51</u>
TAX LEVY:	
Local District School Tax	\$ 14,287,485.00
Regional High School Tax	8,204,228.00
County Taxes	
Due County for Added & Omitted Taxes	8,230,151.85
Municipal Open Space	318,150.00
Due Open Space Trust for Added & Omitted Taxes	320,471.50
Local Tax for Municipal Purposes	3,775,055.00
Additional Taxes Levied	199,573.16
Total	<u>\$ 35,016,964.51</u>

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS RECEIVABLE
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$	47,909.02
Increased by:		
Transfers From Taxes Receivable	\$	13,849.46
Interest & Cost on Tax Sale		107.12
		13,956.58
Subtotal		61,865.60
Decreased by:		
Collections		11,772.56
Cancellations		7,772.74
		19,545.30
Balance, December 31, 2017	\$	42,320.30

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF DUE FROM STATE OF NEW JERSEY -
SENIOR CITIZEN AND VETERANS' DEDUCTIONS
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016		\$	9,500.00
Increased by:			
Deductions per Tax Billing	\$	83,250.00	
Deductions Allowed by Tax Collector		2,750.00	86,000.00
			<hr/>
			95,500.00
Decreased by:			
2017 Deductions Disallowed by Tax Collector		500.00	
2016 Deductions Disallowed by Tax Collector		2,375.00	
Collections		81,875.00	84,750.00
			<hr/>
Balance, December 31, 2017		\$	<u><u>10,750.00</u></u>

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2017**

	BALANCE DECEMBER 31, 2016	ACCRUED IN 2017	COLLECTED	BALANCE DECEMBER 31, 2017
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	\$ -	\$ 10,250.00	\$ 10,250.00	\$ -
Other	-	2,953.00	2,953.00	-
Fees and Permits	-	80,040.21	80,040.21	-
Fines & Costs - Municipal Court	29,521.82	165,479.23	170,916.57	24,084.48
Interest & Costs on Taxes	-	106,638.98	106,638.98	-
Interest on Investments & Deposits	-	7,793.13	7,793.13	-
Cable Television Franchise Fee	-	39,976.09	39,976.09	-
Energy Receipts Tax	-	1,837,333.00	1,837,333.00	-
Uniform Construction Code Fees	-	431,127.00	431,127.00	-
Other Special Items:				
Interlocal Agreements:				
Crossing Guards - East Greenwich School District	-	70,074.63	70,074.63	-
Joint Municipal Court - Woodbury	-	329,755.79	329,755.79	-
Lease - US Postal Service	5,000.00	358,624.00	358,624.00	5,000.00
Interfund - Water/Sewer Operating	-	114,808.00	114,808.00	-
PILOT	-	79,287.17	79,287.17	-
	<hr/>			
Total Revenues	\$ 34,521.82	\$ 3,645,029.23	\$ 3,650,466.57	\$ 29,084.48
	<hr/>			

Cash Receipts	\$ 3,535,658.57
Interfunds	<u>114,808.00</u>
	<u>\$ 3,650,466.57</u>

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$	232,583.36
Increased by:		
2016 Appropriations		310,517.55
Decreased by:		
Transferred to Appropriation Reserves		543,100.91
		232,008.91
Balance, December 31, 2017	\$	311,092.00

**SCHEDULE OF ACCOUNTS PAYABLE
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$	2,168.45
Decreased by:		
Payments		2,168.45
Balance, December 31, 2017	\$	-

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF DEFERRED CHARGES - N.J.S. 40A:4-53 SPECIAL EMERGENCY
YEAR ENDED DECEMBER 31, 2017**

PURPOSE	DATE AUTHORIZED	NET AMOUNT AUTHORIZED	1/5 OF NET AMOUNT AUTHORIZED	BALANCE DECEMBER 31, 2016	ADDED IN 2016	RAISED IN 2017 BUDGET	BALANCE DECEMBER 31, 2017
Repairs to Roads Due to Flood Damage	9/13/2011	120,000.00	24,000.00	\$ -	\$ -	\$ -	\$ -
Total				\$ -	\$ -	\$ -	\$ -

**SCHEDULE OF DEFERRED CHARGES - EMERGENCY APPROPRIATIONS
YEAR ENDED DECEMBER 31, 2017**

PURPOSE	DATE AUTHORIZED	BALANCE DECEMBER 31, 2016	ADDED IN 2017	RAISED IN 2017 BUDGET	BALANCE DECEMBER 31, 2017
Storm Damage Emergency	7/28/2015	\$ -	\$ -	\$ -	\$ -
Total		\$ -	\$ -	\$ -	\$ -

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF 2016 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2017**

	BALANCE DECEMBER 31, 2016		BALANCE AFTER TRANSFERS	EXPENDED	BALANCE LAPSED
	<u>RESERVED</u>	<u>ENCUMBERED</u>			
General Government:					
General Administration:					
Salaries and Wages	\$ 8.19	\$ -	\$ 8.19	\$ -	\$ 8.19
Other Expenses	1,941.64	745.50	2,687.14	923.20	1,763.94
Municipal Clerk					
Codification of Ordinances - Other Expenses	-	749.77	749.77	-	749.77
Financial Administration:					
Other Expenses	23.41	2,163.00	2,186.41	2,186.41	-
Collection of Taxes:					
Salaries and Wages	41.61	-	41.61	-	41.61
Other Expenses	2,875.25	-	2,875.25	51.00	2,824.25
Legal Services and Costs:					
Other Expenses	32,828.17	4,025.00	36,853.17	11,448.66	25,404.51
Engineering Services:					
Other Expenses	628.10	-	628.10	628.10	-
Insurance:					
Employee Group Health	4,703.50	2,765.00	7,468.50	2,765.00	4,703.50
Health Benefit Waivers	1,600.00	-	1,600.00	-	1,600.00
Public Buildings & Grounds:					
Salaries and Wages	37.60	-	37.60	-	37.60
Other Expenses	618.08	1,572.98	2,191.06	1,355.66	835.40
Environmental Commission:					
Salaries and Wages	700.00	-	700.00	-	700.00
Other Expenses	140.00	-	140.00	-	140.00
Planning Board:					
Salaries and Wages	23.80	-	23.80	-	23.80
Other Expenses	2,119.89	1,441.25	3,561.14	1,489.42	2,071.72
Zoning Officer:					
Other Expenses	100.00	-	100.00	-	100.00
Fire:					
Other Expenses	50.57	7,092.21	7,142.78	7,098.31	44.47
Police:					
Other Expenses	-	48,027.30	48,027.30	45,365.14	2,662.16
Emergency Management Services:					
Salaries and Wages	83.31	-	83.31	-	83.31
Other Expenses	49.38	670.71	720.09	670.71	49.38
Municipal Court:					
Salaries and Wages	8,000.00	-	8,000.00	-	8,000.00
Other Expenses	1,395.44	853.06	2,248.50	853.06	1,395.44
Public Defender:					
Salaries and Wages	4,000.00	-	4,000.00	-	4,000.00
Road Repairs & Maintenance:					
Salaries and Wages	41.40	-	41.40	-	41.40
Other Expenses	2,352.89	80,591.09	82,943.98	81,968.76	975.22
Fleet Maintenance:					
Other Expenses	9,904.15	140.92	10,045.07	-	10,045.07
Street Lighting					
Other Expenses	15,548.18	230.00	15,778.18	11,245.79	4,532.39
Garbage and Trash Removal:					
Other Expenses	34,460.80	5,917.31	40,378.11	32,611.63	7,766.48
Vehicle Maintenance:					
Other Expenses			-		-
Shade Tree:					
Other Expenses	549.97	3,000.00	3,549.97	3,000.00	549.97

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF 2016 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2017**

	BALANCE DECEMBER 31, 2016		BALANCE AFTER TRANSFERS	EXPENDED	BALANCE LAPSED
	RESERVED	ENCUMBERED			
Recreation:					
Other Expenses	3,927.45	764.62	4,692.07	1,595.27	3,096.80
Senior Citizens Program:					
Other Expenses	226.10	19.90	246.00	19.90	226.10
Construction Code Official:					
Other Expenses	635.46	53.38	688.84	-	688.84
Subcode Officials:					
Building Inspector	83.62	-	83.62	-	83.62
Plumbing Inspector	68.47	-	68.47	-	68.47
Fire Inspector	100.00	-	100.00	-	100.00
Unclassified:					
Electricity	8,665.48	28,290.00	36,955.48	34,836.39	2,119.09
Telephone	143.34	3,307.63	3,450.97	3,397.63	53.34
Natural Gas	7,299.12	930.13	8,229.25	5,368.68	2,860.57
Gasoline	3,183.19	3,036.35	6,219.54	3,702.80	2,516.74
Deferred Charges/Statutory Expenditures - Municipal Within "CAPS":					
Contribution to:					
Defined Contribution Retirement Program	5,448.62	609.90	6,058.52	705.29	5,353.23
Operations - Excluded from "CAPS"					
Interlocal Agreement:					
Information Technology - Kingsway	10,775.02	-	10,775.02	-	10,775.02
Joint Municipal Court - Woodbury					
Salaries and Wages	15,000.00	-	15,000.00	-	15,000.00
Other Expenses	20,563.67	2,111.90	22,675.57	1,049.62	21,625.95
Construction Code - Paulsboro					
Salaries and Wages	23,166.14	-	23,166.14	-	23,166.14
Other Expenses	19,961.00	500.00	20,461.00	1,850.00	18,611.00
Trash Collection Wenonah Borough	33,600.00	32,400.00	66,000.00	64,800.00	1,200.00
All Others	19,316.43	-	19,316.43	-	19,316.43
Grand Total	\$ 296,988.44	\$ 232,008.91	\$ 528,997.35	\$ 320,986.43	\$ 208,010.92

Cash Disbursements	\$ 320,986.43
Accounts Payable	-
	<u>\$ 320,986.43</u>

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF SPECIAL EMERGENCY NOTES PAYABLE
N.J.S. 40A:4-55 SPECIAL EMERGENCY
YEAR ENDED DECEMBER 31, 2017**

PURPOSE	DATE AUTHORIZED	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2016	ADDED IN 2017	PAID 2017	BALANCE DECEMBER 31, 2017
Repairs to Roads Due to Flood Damage	9/13/2011	11/10/2014	11/9/2015	1.850%	\$ -	\$ -	\$ -	\$ -
Total					\$ -	\$ -	\$ -	\$ -

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF TAX ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2017**

DESCRIPTION	DATE AUTHORIZED	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2016	ADDED IN 2017	PAID IN 2017	BALANCE DECEMBER 31, 2017
Tax Anticipation Notes	5/12/2015	8/8/2017	12/27/2017	2.00%	\$ -	\$ 1,000,000.00	\$ 1,000,000.00	\$ -
Total					\$ -	\$ 1,000,000.00	\$ 1,000,000.00	\$ -

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF PREPAID TAXES
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$ 263,319.08
Increased by:	
Collection of 2018 Taxes	<u>1,832,373.63</u>
	2,095,692.71
Decreased by:	
Application to 2017 Taxes	<u>263,319.08</u>
Balance, December 31, 2017	<u><u>\$ 1,832,373.63</u></u>

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016		\$ 98,947.54
Increased by:		
Adjustments to Overpayments	\$ 10,069	
Overpayments Created	64,097.84	74,167.27
		<hr/>
Subtotal		173,114.81
Decreased by:		
Applied to Tax Receivable	\$ 62,466.58	
Cash Disbursements - Overpayments Refunded	31,655.10	94,121.68
		<hr/>
Balance, December 31, 2017		<u>\$ 78,993.13</u>

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE
YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016 (Prepaid)	\$ (4.00)
Increased by:	
Levy - 2017 Calendar Year	<u>14,287,485.00</u>
	14,287,481.00
Decreased by:	
Payments	<u>14,273,950.00</u>
Balance December 31, 2017	<u><u>\$ 13,531.00</u></u>

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF REGIONAL HIGH SCHOOL TAX PAYABLE
YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016 (Prepaid)	\$ 0.76
Increased by:	
Levy - 2016 Calendar Year	<u>8,204,228.00</u>
	8,204,228.76
Decreased by:	
Payments	<u>8,204,227.98</u>
Balance December 31, 2017 (Prepaid)	<u><u>\$ 0.78</u></u>

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$	-
Increased by:		
General County Taxes	\$ 7,176,697.01	
County Library Taxes	538,504.80	
County Open Space Preservation	453,906.98	8,169,108.79
		8,169,108.79
Decreased by:		
Payments		8,169,108.79
Balance, December 31, 2017	\$	-

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF DUE COUNTY FOR ADDED AND OMITTED TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$ 104,548.43
Increased by:	
County Share of 2017 Added and Omitted Taxes	<u>61,043.06</u>
	165,591.49
Decreased by:	
Payments	<u>104,548.43</u>
Balance, December 31, 2017	<u><u>\$ 61,043.06</u></u>

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF DUE STATE OF NEW JERSEY - DCA FEES
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$ 8,821.00
Increased by:	
Fees Collected	<u>42,290.40</u>
	51,111.40
Decreased by:	
Payments	<u>41,665.40</u>
Balance, December 31, 2017	<u><u>\$ 9,446.00</u></u>

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF DUE STATE OF NEW JERSEY - MARRIAGE LICENSES
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$ 1,550.00
Increased by:	
Fees Collected	<u>1,148.00</u>
	2,698.00
Decreased by:	
Payments	<u>1,300.00</u>
Balance, December 31, 2017	<u><u>\$ 1,398.00</u></u>

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF RESERVE FOR SPECIAL EMERGENCY - REVALUATION
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$	-
Decreased by:		
Anticipated as Revenue in 2016 Current Fund Budget		-
		<hr style="border: 1px solid black;"/>
Balance, December 31, 2017	\$	-
		<hr style="border: 3px double black;"/>

**TOWNSHIP OF EAST GREENWICH
CURRENT FUND
SCHEDULE OF DUE FROM GLOUCESTER COUNTY - POLL WORKERS
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$	-
Increased by:		
Cash Disbursements		5,575.00
		5,575.00
Decreased by:		
Cash Receipts		5,575.00
 Balance, December 31, 2017	 \$	 - <u><u> </u></u>

**TOWNSHIP OF EAST GREENWICH
FEDERAL AND STATE GRANT FUND
SCHEDULE OF DUE FROM CURRENT FUND
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016		\$ 91,553.56
Increased by:		
Local Matching Funds	\$ -	
Cash Receipts	396,810.02	<u>396,810.02</u>
		488,363.58
Decreased by:		
Adjustment		
Cash Disbursed by Current Fund	270,349.58	<u>270,349.58</u>
Balance, December 31, 2017		<u><u>\$ 218,014.00</u></u>

**TOWNSHIP OF EAST GREENWICH
FEDERAL AND STATE GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2017**

	BALANCE DECEMBER 31, 2016	ACCRUED	RECEIVED	TRANSFER FROM UNAPPROPRIATED	BALANCE DECEMBER 31, 2017
State Grant Awards:					
Municipal Alliance on Alcoholism and Drug Abuse	\$ 3,422.70	\$ 13,284.00	\$ 6,127.00	\$ -	\$ 10,579.70
Safe & Secure Communities	77,084.00	17,287.00	52,686.00	-	41,685.00
Clean Communities Grant	-	21,981.78	21,981.78	-	-
Alcohol Education & Rehabilitation Fund	-	450.38	450.38	-	-
Body Armor Replacement	-	1,785.52	1,785.52	-	-
JIF Safety Program	-	2,500.00	-	2,500.00	-
JIF Safety Incentive Programs	-	2,925.00	2,925.00	-	-
JIF Wellness Budget	-	1,000.00	1,000.00	-	-
Drunk Driving Enforcement Grant	3,553.07	-	-	-	3,553.07
Distracted Driving Grant	-	660.00	660.00	-	-
Click It or Ticket	-	1,320.00	1,320.00	-	-
Drive Sober or Get Pulled Over	3,610.00	-	2,442.50	-	1,167.50
Donation for Police Body Cameras	-	-	-	-	-
Recycling Tonnage Grant	-	12,442.00	12,442.00	-	-
Sidewalk & Pedestrian Safety Improvements	306.00	-	-	-	306.00
Sustainable Jersey Grant	25,000.00	-	-	-	25,000.00
State Grant Awards:					
FEMA	-	265,000.00	265,000.00	-	-
Total	\$ 112,975.77	\$ 340,635.68	\$ 368,820.18	\$ 2,500.00	\$ 82,291.27

Original Budget	\$ 19,867.00
Chapter 159	<u>320,768.68</u>
Total	<u><u>\$ 340,635.68</u></u>

**TOWNSHIP OF EAST GREENWICH
FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED
YEAR ENDED DECEMBER 31, 2017**

	BALANCE DECEMBER 31, 2016	TRANSFERRED FROM 2017 BUDGET	ENCUMBRANCES RECLASSIFIED	EXPENDED	ENCUMBRANCES	BALANCE DECEMBER 31, 2017
Local Grants:						
Safe & Secure Communities - Local Match	\$ 51,530.00	\$ -	\$ -	\$ -	\$ -	51,530.00
Municipal Alliance on Alcoholism and Drug Abuse - Local Match	6,786.40	-	-	267.40	-	6,519.00
FIRE Grant - Local Match	3,962.00	-	-	-	-	3,962.00
Donation for Policy Body Cameras	1,500.00	-	-	-	-	1,500.00
Total State Grants	63,778.40	-	-	267.40	-	63,511.00
State Grants:						
Safe & Secure Communities	28,820.00	17,287.00	-	13,976.75	-	32,130.25
Clean Communities Grant	2,867.36	21,981.78	22,257.00	24,441.98	-	22,664.16
Recycling Tonnage Grant	16,903.27	12,442.00	1,500.00	29,345.27	1,500.00	(0.00)
Drunk Driving Enforcement Fund	2,685.31	-	-	260.00	-	2,425.31
Click It or Ticket	200.00	1,320.00	-	1,320.00	-	200.00
Drive Sober or Get Pulled Over	3,410.00	-	-	-	-	3,410.00
Distracted Driving Grant	-	660.00	-	660.00	-	-
Body Armor Fund	25.50	1,785.52	-	899.00	-	912.02
2013 Municipal Alliance on Alcoholism and Drug Abuse	133.12	-	-	-	-	133.12
2014 Municipal Alliance on Alcoholism and Drug Abuse	2,141.29	-	-	-	-	2,141.29
2015 Municipal Alliance on Alcoholism and Drug Abuse	7,527.00	-	-	-	-	7,527.00
2016 Municipal Alliance on Alcoholism and Drug Abuse	1,068.62	-	-	1,068.62	-	-
2017 Municipal Alliance on Alcoholism and Drug Abuse	-	13,284.00	-	11,433.02	-	1,850.98
2010 Alcohol, Education and Rehabilitation	525.09	-	150.00	-	150.00	525.09
2011 Alcohol, Education and Rehabilitation	6,202.19	-	-	-	-	6,202.19
2012 Alcohol, Education and Rehabilitation	1,662.48	-	-	-	-	1,662.48
2014 Alcohol, Education and Rehabilitation	1,169.34	-	-	-	-	1,169.34
2015 Alcohol, Education and Rehabilitation	1,356.64	-	-	-	-	1,356.64
2017 Alcohol, Education and Rehabilitation	-	450.38	-	-	-	450.38
JIF Safety Program	203.53	2,500.00	-	2,500.00	-	203.53
JIF Wellness Budget	-	1,000.00	-	1,000.00	-	-
JIF Safety Incentive Program	110.97	2,925.00	2,363.54	5,159.54	-	239.97
Sustainable Jersey Grant	25,000.00	-	-	-	-	25,000.00
Total State Grants	102,011.71	75,635.68	26,270.54	92,064.18	1,650.00	110,203.75
Federal Grants:						
CDBG - ADA Bleachers Compliance	55.95	-	-	-	-	55.95
CDBG - ADA Restroom Compliance	977.33	-	-	-	-	977.33
FEMA	-	265,000.00	-	178,018.00	-	86,982.00
Total Federal Grants	1,033.28	265,000.00	-	178,018.00	-	88,015.28
Total	\$ 166,823.39	\$ 340,635.68	\$ 26,270.54	\$ 270,349.58	\$ 1,650.00	\$ 261,730.03
Realized as Revenue in Budget		\$ 340,635.68				
Local Match		-				
		<u>\$ 340,635.68</u>				

**TOWNSHIP OF EAST GREENWICH
FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVES FOR STATE GRANTS - UNAPPROPRIATED
YEAR ENDED DECEMBER 31, 2017**

GRANT	BALANCE DECEMBER 31, 2016	FEDERAL AND STATE GRANTS RECEIVED	REALIZED AS REVENUE IN 2017	BALANCE DECEMBER 31, 2017
State Grants:				
Recycling Tonnage Grant	\$ -	\$ 24,299.84	\$ -	\$ 24,299.84
JIF Safety Program	2,500.00	540.00	2,500.00	540.00
JIF Safety Incentive Program	-	2,500.00	-	2,500.00
Federal Grants:				
FEMA	-	650.00	-	650.00
Total Grants	<u>\$ 2,500.00</u>	<u>\$ 27,989.84</u>	<u>\$ 2,500.00</u>	<u>\$ 27,989.84</u>

**TOWNSHIP OF EAST GREENWICH
 FEDERAL AND STATE GRANT FUND
 SCHEDULE OF RESERVE FOR ENCUMBRANCES
 YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$	26,270.54
Increased by:		
Reserve for Encumbrances - Appropriated		1,650.00
		27,920.54
Decreased by:		
Prior Year Encumbrances Reclassified		26,270.54
Balance, December 31, 2017	\$	1,650.00

TRUST FUND

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**TOWNSHIP OF EAST GREENWICH
TRUST FUND
SCHEDULE OF CASH
YEAR ENDED DECEMBER 31, 2017**

	ANIMAL CONTROL FUND	MUNICIPAL OPEN SPACE TRUST FUND	TRUST - OTHER
Balance, December 31, 2016	\$ 30,402.30	\$ 2,002.00	\$ 1,461,283.66
Increased by Receipts:			
Dog License Fees	\$ 12,000.00	-	-
Due to Stae Department of Health	1,692.00	-	-
Municipal Open Space Trust Revenue	-	202,716.68	-
Due Current Fund	5,797.45	-	13,705.23
Miscellaneous Trust Reserves	-	-	4,859,954.47
Total Increases	<u>19,489.45</u>	<u>202,716.68</u>	<u>4,873,659.70</u>
Total Increases & Balances	<u>49,891.75</u>	<u>204,718.68</u>	<u>6,334,943.36</u>
Decreased by Disbursements:			
Reserve for Animal Control Fund Expenditures	9,265.10	-	-
Disbursed to State Department of Health	1,692.00	-	-
Due Current Fund	8,844.79	-	300,000.00
Parks Open Space Appropriations	-	135,064.00	-
Reserve for Encumbrances	-	3,750.00	-
Miscellaneous Trust Reserves	-	-	4,976,153.30
Total Disbursements	<u>19,801.89</u>	<u>138,814.00</u>	<u>5,276,153.30</u>
Balance, December 31, 2017	<u>\$ 30,089.86</u>	<u>\$ 65,904.68</u>	<u>\$ 1,058,790.06</u>

**TOWNSHIP OF EAST GREENWICH
ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016		\$ 25,121.08
Increased by:		
2017 Dog License Fees Collected		12,000.00
Subtotal		37,121.08
Decreased by:		
Excess Funds Due to Current Fund	\$ 4,602.48	
Disbursements	9,265.10	13,867.58
Balance, December 31, 2017		\$ 23,253.50

LICENSE FEES COLLECTED

2016	11,687.30
2015	11,566.20
Total	\$ 23,253.50

**TOWNSHIP OF EAST GREENWICH
ANIMAL CONTROL FUND
SCHEDULE OF DUE TO/(FROM) STATE DEPARTMENT OF HEALTH
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$ -
Increased by:	
Fees Collected	<u>1,692.00</u>
Subtotal	1,692.00
Decreased by:	
Disbursements	<u>1,692.00</u>
Balance, December 31, 2017	<u><u>\$ -</u></u>

**TOWNSHIP OF EAST GREENWICH
OPEN SPACE TRUST FUND
SCHEDULE OF RESERVE FOR PARKS OPEN SPACE EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2017**

Balance December 31, 2016		\$ 29,738.56
Increased by:		
Open Space Receipts Due From Current	\$ 117,774.24	
Open Space Receipts	202,716.68	320,490.92
		<hr/>
Subtotal		350,229.48
Decreased by:		
Open Space Expenditures		<hr/> 328,679.18
Balance December 31, 2017		<hr/> <hr/> \$ 21,550.30

**TOWNSHIP OF EAST GREENWICH
OPEN SPACE TRUST FUND
SCHEDULE OF PARKS OPEN SPACE 2016 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$	3,972.43
Decreased by:		
Encumbrances Paid	\$	3,750.00
Cancelled to Reserve for Open Space		222.43
		<u>3,972.43</u>
Balance, December 31, 2017	<u>\$</u>	<u>-</u>

**SCHEDULE OF RESERVE FOR ENCUMBRANCES
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$	3,750.00
Increased by:		
Current Year Budget Charges		<u>4,686.32</u>
Subtotal		8,436.32
Decreased by:		
Cash Disbursements	\$	3,750.00
Cancelled to Reserve for Open Space		-
		<u>3,750.00</u>
Balance, December 31, 2017	<u>\$</u>	<u>4,686.32</u>

**TOWNSHIP OF EAST GREENWICH
OPEN SPACE TRUST FUND
SCHEDULE OF DUE TO/(FROM) CURRENT FUND
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$ (96,094.48)
Increased by:	
Appropriations Paid by Current Fund	<u>188,928.86</u>
Subtotal	92,834.38
Decreased by:	
Revenues Received by Current Fund	<u>117,774.24</u>
Balance, December 31, 2017	<u><u>\$ (24,939.86)</u></u>

**TOWNSHIP OF EAST GREENWICH
TRUST FUND - OTHER
SCHEDULE OF MISCELLANEOUS TRUST RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	BALANCE DECEMBER 31, 2016	RECEIPTS	DISBURSEMENTS	BALANCE DECEMBER 31, 2017
TTL Redemption	\$ 30,806.44	233,586.38	263,781.27	\$ 611.55
Tax Sale Premium	335,529.70	89,902.69	245,502.69	179,929.70
POAA	3,197.98	322.00	-	3,519.98
COAH Fees	642,613.56	56,177.00	33,139.00	665,651.56
Unemployment Claims Payable	15,922.33	22.49	2,215.87	13,728.95
Recreation Fees	12,745.43	1.22	8,525.00	4,221.65
Public Defender	11,660.00	7,385.00	-	19,045.00
Developers Escrow Deposits	2.70	320,215.07	320,210.97	6.80
Weathervane Entrance	369.24	0.59	-	369.83
Weathervane Conrail	540.58	0.83	-	541.41
Cameron Court	1,817.76	2.70	-	1,820.46
Uniform Fire Penalties Rider	332.75	0.48	-	333.23
Payroll Deductions Payable	88,342.09	4,152,338.02	4,102,778.50	137,901.61
Police Outside Detail	17,403.10	-	-	17,403.10
	<hr/>			
Total	\$ 1,161,283.66	\$ 4,859,954.47	\$ 4,976,153.30	\$ 1,045,084.83
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GENERAL CAPITAL FUND

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**TOWNSHIP OF EAST GREENWICH
GENERAL CAPITAL FUND
SCHEDULE OF CASH
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016		\$	-
Increased by:			
Grant Funds Received	\$	170,000.00	
2017 Bond Anticipation Notes Issued		831,426.00	
Premium on Notes		2,646.00	1,004,072.00
Subtotal			1,004,072.00
Decreased by:			
Improvement Authorizations		493,074.10	
Due to Current Fund		435,997.90	
Payment of Bond Anticipation Notes		75,000.00	1,004,072.00
Balance, December 31, 2017		\$	-

**TOWNSHIP OF EAST GREENWICH
GENERAL CAPITAL FUND
SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH
YEAR ENDED DECEMBER 31, 2017**

	BALANCE DECEMBER 31, 2016	RECEIPTS		DISBURSEMENTS			TRANSFERS		BALANCE DECEMBER 31, 2017
		MISCELLANEOUS		IMPROVEMENT AUTHORIZATIONS	MISCELLANEOUS	FROM	TO		
Capital Improvement Fund	\$ 71,042.00	\$ -	\$ -	\$ -	\$ -	\$ 15,000.00	\$ -	\$ -	\$ 56,042.00
Contracts Payable	17,013.40	-	-	-	-	17,013.40	403,926.86	-	403,926.86
State Grants Receivable	(170,357.20)	170,000.00	-	-	-	-	-	-	(357.20)
Due from Current Fund	402,868.48	2,646.00	-	435,997.90	-	119,220.00	-	-	(149,703.42)
Due from Grant Fund	(8,935.40)	-	-	-	-	-	-	-	(8,935.40)
Due from Open Space Trust Fund	(64,607.92)	-	-	-	-	-	-	-	(64,607.92)
Bond Anticipation Notes	-	831,426.00	-	75,000.00	-	831,426.00	75,000.00	-	-
Serial Bonds Payable	-	-	-	-	-	-	-	-	-
Reserve to Pay Debt	29,298.89	-	-	-	-	-	-	2,646.00	31,944.89
ORDINANCE IMPROVEMENT									
NUMBER	AUTHORIZATIONS								
24-09	Various Improvements:								
	Purchase of Various Equipment	98.96	-	-	-	-	-	-	98.96
8-14	Various Capital Improvements	112,701.88	-	-	-	107,000.32	17,013.40	-	22,714.96
10-14	Refunding Bond Ordinance	(13,500.00)	-	-	-	-	-	-	(13,500.00)
9-15	Various Capital Improvements	(375,623.09)	-	39,409.27	-	2,513.09	107,000.32	-	(310,545.13)
1-17	Phone System Improvements	-	-	14,918.75	-	-	15,000.00	-	81.25
6-17	Various Capital Improvements	-	-	438,746.08	-	401,413.77	873,000.00	-	32,840.15
Total		\$ (0.00)	\$ 1,004,072.00	\$ 493,074.10	\$ 510,997.90	\$ 1,493,586.58	\$ 1,493,586.58	\$ -	\$ (0.00)

**TOWNSHIP OF EAST GREENWICH
GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$	170,357.20
Decreased by:		
Grant Funds Received		170,000.00
Balance, December 31, 2017	\$	357.20

<u>Agency</u>	<u>Ordinance</u>		
	<u>No.</u>		
New Jersey Department of Transportation	7-12	\$	357.20
New Jersey Department of Transportation	9-15		-
		\$	357.20

**TOWNSHIP OF EAST GREENWICH
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$ 11,580,000.00
Decreased by:	
Paydown of Serial Bonds by Budget Appropriation	<u>685,000.00</u>
Balance, December 31, 2017	<u><u>\$ 10,895,000.00</u></u>

**TOWNSHIP OF EAST GREENWICH
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
YEAR ENDED DECEMBER 31, 2017**

ORDINANCE NUMBER	DESCRIPTION	BALANCE DECEMBER 31, 2016	2017 AUTHORIZATIONS	NOTE PAYDOWN	BALANCE DECEMBER 31, 2017	ANALYSIS OF BALANCE		
						BOND ANTICIPATION NOTES	EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
8-14	Various Capital Improvements	\$ 772.00	\$ -	\$ -	772.00	\$ -	\$ 692.64	\$ 79.36
10-14	Refunding Bond Ordinance	357,500.00	-	75,000.00	282,500.00	125,100.00	13,500.00	143,900.00
9-15	Various Capital Improvements	344,375.00	-	-	344,375.00	-	310,545.13	33,829.87
6-17	Various Capital Improvements	-	831,426.00	-	831,426.00	831,426.00	-	-
Total		\$ 702,647.00	\$ 831,426.00	\$ 75,000.00	\$ 1,459,073.00	\$ 956,526.00	\$ 324,737.77	\$ 177,809.23
						Improvement Authorizations Unfunded	\$	210,649.38
						Less - Unexpended Proceeds of Bond		
						Anticipation Notes:		
						Ordinance 6-17		32,840.15
							\$	177,809.23

**TOWNSHIP OF EAST GREENWICH
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2017**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE, DECEMBER 31, 2016		2017 AUTHORIZATIONS	PRIOR YEAR CONTRACTS RECLASSIFIED	EXPENDED	BALANCE, DECEMBER 31, 2017	
				FUNDED	UNFUNDED				FUNDED	UNFUNDED
24-09	Various Capital Improvements Purchase of Various Equipment	9/22/09	\$ 44,000.00	\$ 98.96	\$ -	\$ -	\$ -	\$ -	\$ 98.96	\$ -
8-14	Various Capital Improvements (a) Resurfacing of Various Streets (b) Acquisition of Chipper (c) Improvements to Municipal Annex (d) Acquisition of Trash Carts (e) Acquisition of 4-Wheel Drive Vehicle (f) Acquisition of License Plate Reader (g) Acquisition of Fingerprint System (h) Acquisition of Computer Equipment & Software for Construction Office	5/27/14	117,000.00 49,000.00 16,000.00 12,000.00 60,000.00 20,000.00 31,000.00 15,000.00	- 1,936.36 - 635.00 7,786.24 - - 13,050.00	79.36 - - - - - - -	- - - - - - - -	- - - - - - - -	- - - - - - - -	- 1,936.36 - 635.00 7,786.24 - - - 13,050.00	- - - - - - - -
10-14	Refunding Bond Ordinance	6/24/14	472,500.00	-	143,900.00	-	-	-	-	143,900.00
9-15	Various Capital Improvements (a) Repaving and/or Reconstruction of Various Roads (b) Acquisition of Camera System (c) Acquisition of Body & In-Car Cameras (d) Acquisition of Radios (e) Resurfacing of Various Streets	9/8/15	50,000.00 40,000.00 92,500.00 50,000.00 300,000.00	- 2,000.00 - - -	- 38,000.00 2,513.08 697.85 15,527.90	- - - - -	- - - 17,013.40 -	- 8,408.96 2,513.08 16,188.80 14,811.52	- - - -	- - - - -
1-17	Telephone System Improvements	2/14/17	15,000.00	-	-	15,000.00	-	14,918.75	81.25	-
6-17	Various Capital Improvements	7/11/17	873,000.00	-	-	873,000.00	-	840,159.85	-	32,840.15
				\$ 25,506.56	\$ 200,718.19	\$ 888,000.00	\$ 17,013.40	\$ 897,000.96	\$ 23,587.81	\$ 210,649.38

Contracts Payable \$ 403,926.86
Cash Disbursed 493,074.10
\$ 897,000.96

**TOWNSHIP OF EAST GREENWICH
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$ 71,042.00
Increased by:	
2017 Budget Apporpriation	<u>41,574.00</u>
Subtotal	112,616.00
Decreased by:	
Appropriations to Finance Improvement Authorizations	<u>56,574.00</u>
Balance, December 31, 2017	<u><u>\$ 56,042.00</u></u>

**TOWNSHIP OF EAST GREENWICH
GENERAL CAPITAL FUND
SCHEDULE OF CONTRACTS PAYABLE
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$ 17,013.40
Increased by:	
Transfer from Improvement Authorizations	<u>403,926.86</u>
Subtotal	420,940.26
Decreased by:	
Reclassified to Improvement Authorizations	<u>17,013.40</u>
Balance, December 31, 2017	<u><u>\$ 403,926.86</u></u>

**TOWNSHIP OF EAST GREENWICH
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2017**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORIGINAL DATE OF ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2016	ISSUED	DECREASED	BALANCE DECEMBER 31, 2017
10-14	Refunding Bond Ordinance	12/30/2014	12/12/2017	12/12/2018	2.00%	\$ 200,100.00	\$ 125,100.00	\$ 200,100.00	\$ 125,100.00
6-17	Various Capital Improvements	12/12/2017	12/12/2017	12/12/2018	2.00%	-	831,426.00	-	831,426.00
Total						\$ 200,100.00	\$ 956,526.00	\$ 200,100.00	\$ 956,526.00
				Issued for Cash			\$ 831,426.00	\$ -	
				Renewed in the Current Year			125,100.00	125,100.00	
				Paid by Current Fund Budget Appropriation			-	75,000.00	
						\$ 956,526.00	\$ 200,100.00	\$ 200,100.00	

**TOWNSHIP OF EAST GREENWICH
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
YEAR ENDED DECEMBER 31, 2017**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2016	BONDS ISSUED	DECREASED	BALANCE DECEMBER 31, 2017
			DECEMBER 31, 2016 DATE	AMOUNT					
General Bonds of 2008	09/05/08	11,060,000.00	08/01/18	520,000.00	4.125%	\$ 1,015,000.00	-	\$ 495,000.00	\$ 520,000.00
General Bonds of 2014	11/10/2014	4,290,000.00	11/1/2018	180,000.00	2.250%	3,980,000.00	-	170,000.00	3,810,000.00
			11/1/2019	190,000.00	2.250%				
			11/1/2020	300,000.00	2.250%				
			11/1/2021	300,000.00	2.250%				
			11/1/2022	300,000.00	2.250%				
			11/1/2023	300,000.00	2.250%				
			11/1/2024	300,000.00	2.500%				
			11/1/2025	300,000.00	3.000%				
			11/1/2026	300,000.00	3.000%				
			11/1/2027	300,000.00	3.000%				
			11/1/2028	290,000.00	3.000%				
			11/1/2029	250,000.00	3.000%				
			11/1/2030	250,000.00	3.000%				
11/1/2031	250,000.00	3.000%							
Refunding Bonds 2016	08/10/2016	6,585,000.00	08/01/18	15,000.00	1.250%	6,585,000.00	-	20,000.00	6,565,000.00
			08/01/19	560,000.00	1.500%				
			08/01/20	575,000.00	1.500%				
			08/01/21	590,000.00	4.000%				
			08/01/22	615,000.00	4.000%				
			08/01/23	645,000.00	4.000%				
			08/01/24	675,000.00	4.000%				
			08/01/25	700,000.00	3.000%				
			08/01/26	730,000.00	3.000%				
			08/01/27	735,000.00	3.250%				
			08/01/28	725,000.00	3.500%				
Total						\$ 11,580,000.00	\$ -	\$ 685,000.00	\$ 10,895,000.00

Paid by Municipal Open Space Trust Budget Appropriation \$ 167,521.00
 Paid by Current Fund Budget Appropriation 517,479.00
\$ 685,000.00

**TOWNSHIP OF EAST GREENWICH
GENERAL CAPITAL FUND
SCHEDULE OF DUE TO/(FROM) CURRENT FUND
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016		\$ 402,868.48
Increased by:		
Cash Receipts	\$ -	
Miscellaneous Adjustment	134,722.22	134,722.22
		<hr/>
Subtotal		537,590.70
Decreased by:		
Current Fund Budget Appropriations:		
Capital Improvement Fund	\$ 41,574.00	
Disbursements made by Current Fund	568,074.11	
Payment of Bond Anticipation Note	75,000.00	
Bond Premiums Received in Current Fund	2,646.00	687,294.11
		<hr/>
Balance, December 31, 2017		<u>\$ (149,703.41)</u>

**TOWNSHIP OF EAST GREENWICH
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2017**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2016	2017 AUTHORIZATIONS	BOND ANTICIPATION NOTES ISSUED	BALANCE DECEMBER 31, 2017
8-14	Various Capital Improvements	\$ 772.00	\$ -	\$ -	\$ 772.00
10-14	Refunding Bond Ordinance	157,400.00	-	-	157,400.00
9-15	Various Capital Improvements	344,375.00	-	-	344,375.00
6-17	Various Capital Improvements	-	831,426.00	831,426.00	-
	Total	<u>\$ 502,547.00</u>	<u>\$ 831,426.00</u>	<u>\$ 831,426.00</u>	<u>\$ 502,547.00</u>

WATER-SEWER UTILITY FUND

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**TOWNSHIP OF EAST GREENWICH
WATER-SEWER UTILITY FUND
SCHEDULE OF UTILITY CASH
YEAR ENDED DECEMBER 31, 2017**

	OPERATING FUND	CAPITAL FUND
Balance, December 31, 2016	\$ 1,157,638.87	\$ 31,623.00
Increased by Receipts:		
Consumer Accounts Receivable	\$ 2,876,956.64	\$ -
Prepaid Rents	2,351.10	-
Water/Sewer Liens	1,061.50	-
Rent Overpayments	2,441.96	-
Miscellaneous	158,358.25	-
Interfund Received from Current	444,399.65	-
	3,485,569.10	
Subtotal	4,643,207.97	31,623.00
Decreased by Disbursements:		
2017 Budget Appropriations	2,810,151.78	-
2016 Appropriation Reserves	149,182.77	-
Interest on Bonds	172,357.77	-
Due Current Fund	561,085.47	-
	3,692,777.79	-
Balance, December 31, 2017	\$ 950,430.18	\$ 31,623.00

TOWNSHIP OF EAST GREENWICH
 WATER-SEWER UTILITY CAPITAL FUND
 SCHEDULE OF ANALYSIS OF CASH
 YEAR ENDED DECEMBER 31, 2017

	BALANCE DECEMBER 31, 2016	RECEIPTS		DISBURSEMENTS			TRANSFERS FROM	TO	BALANCE DECEMBER 31, 2017
		MISCELLANEOUS	AUTHORIZATIONS	IMPROVEMENT	MISCELLANEOUS				
Capital Improvement Fund	\$ 32,609.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,609.00
ORDINANCE NUMBER									
7-2014	(986.00)	-	-	-	-	-	-	-	(986.00)
Purpose									
Utility Truck & Water Meters									
Total	\$ 31,623.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,623.00

**TOWNSHIP OF EAST GREENWICH
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016		\$ 67,782.36
Increased by:		
Rents Levied in 2017		<u>2,876,912.98</u>
Subtotal		2,944,695.34
Decreased by:		
Overpayments Created	\$ 2,441.96	
Collections	<u>2,876,956.64</u>	<u>2,879,398.60</u>
Balance, December 31, 2017		<u><u>\$ 65,296.74</u></u>

**TOWNSHIP OF EAST GREENWICH
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF DEFERRED CHARGES
YEAR ENDED DECEMBER 31, 2017**

	BALANCE DECEMBER 31, 2016	INCREASES	RAISED IN 2016 BUDGET	BALANCE DECEMBER 31, 2017
Operating Deficit	\$ -	\$ -	\$ -	\$ -
Over-expenditure of Appropriation	-	-		-
Over-expenditure of Appropriation Reserves	-	-		-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**TOWNSHIP OF EAST GREENWICH
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF FIXED CAPITAL
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$ 15,076,250.45
Increased by:	
Capital Outlay Expenditures	<u>261,000.00</u>
Balance, December 31, 2017	<u><u>\$ 15,337,250.45</u></u>

**TOWNSHIP OF EAST GREENWICH
 WATER-SEWER UTILITY CAPITAL FUND
 SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
 YEAR ENDED DECEMBER 31, 2017**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE	AMOUNT	BALANCE DECEMBER 31, 2016	TRANSFERRED TO FIXED CAPITAL	BALANCE DECEMBER 31, 2017
10-14	Refunding Bond Ordinance	6/24/2014	77,500.00	\$ 77,500.00	\$ -	\$ 77,500.00
Total				\$ 77,500.00	\$ -	\$ 77,500.00

**TOWNSHIP OF EAST GREENWICH
WATER-SEWER UTILITY OPERATING FUND
SCHEDULE OF 2016 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2017**

	<u>BALANCE, DECEMBER 31, 2016</u>		BALANCE		BALANCE
	RESERVED	ENCUMBERED	AFTER TRANSFER	DISBURSED	LAPSED
Operations:					
Salaries & Wages	\$ 10,478.76	\$ -	\$ 10,478.76	\$ -	\$ 10,478.76
Other Expenses	31,664.53	52,067.65	83,732.18	54,841.21	28,890.97
Gloucester County Utilities Authority	45,183.17	-	45,183.17	41,559.66	3,623.51
Other Insurance	1,381.00	-	1,381.00	-	1,381.00
Capital Improvements:					
Capital Outlay	-	52,781.90	52,781.90	52,781.90	-
Total	<u>\$ 88,707.46</u>	<u>\$ 104,849.55</u>	<u>\$ 193,557.01</u>	<u>\$ 149,182.77</u>	<u>\$ 44,374.24</u>

**TOWNSHIP OF EAST GREENWICH
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF PREPAID RENTS
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$	3,977.70
Increased by:		
Collected in 2017		2,351.10
Subtotal		6,328.80
Decreased by:		
Applied to Consumer Accounts Receivable		3,977.70
Balance, December 31, 2017	\$	2,351.10

**WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF WATER/SEWER LIENS
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$	1,061.50
Decreased by:		
Cash Collections		1,061.50
Balance, December 31, 2017	\$	-

**TOWNSHIP OF EAST GREENWICH
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST PAYABLE
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$ 37,688.06
Increased by:	
Budget Appropriations for:	
Interest on Bonds	170,491.56
Subtotal	208,179.62
Decreased by:	
Interest Paid	172,357.77
Balance, December 31, 2017	\$ 35,821.85

Analysis of Accrued Interest December 31, 2017

	Principal Outstanding Dec. 31, 2017	Interest Rate	From	To	Period	Amount
Water Bonds of 2008	\$ 40,000.00	Various	08/01/17	12/31/17	153 Days	\$ 691.64
Sewer Bonds of 2008	35,000.00	Various	08/01/17	12/31/17	153 Days	605.19
Water/Sewer Bonds of 2014	4,737,000.00	Various	11/01/17	12/31/17	61 Days	12,612.02
Water/Sewer Refunding Bonds - 201	935,000.00	Various	08/01/17	12/31/17	153 Days	21,913.00
						\$ 35,821.85

TOWNSHIP OF EAST GREENWICH
 WATER-SEWER UTILITY CAPITAL FUND
 SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
 YEAR ENDED DECEMBER 31, 2017

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE DECEMBER 31, 2016		ENCUMBRANCES RECLASSIFIED	EXPENDED	BALANCE DECEMBER 31, 2017	
				FUNDED	UNFUNDED			FUNDED	UNFUNDED
10-14	Refunding Bond Ordinance	6/24/2014	77,500.00	\$ -	\$ 77,500.00	\$ -	\$ -	\$ -	\$ 77,500.00
				\$ -	\$ 77,500.00	\$ -	\$ -	\$ -	\$ 77,500.00

**TOWNSHIP OF EAST GREENWICH
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2017 and 2016

\$ 32,609.00

**TOWNSHIP OF EAST GREENWICH
 WATER/SEWER UTILITY CAPITAL FUND
 SCHEDULE OF RESERVE FOR AMORTIZATION
 YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016		\$ 9,063,264.45
Increased by:		
Capital Outlay Expenditures	\$ 261,000.00	
Payment of Bonds	265,000.00	526,000.00
		526,000.00
Balance, December 31, 2017		\$ 9,589,264.45

**TOWNSHIP OF EAST GREENWICH
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
YEAR ENDED DECEMBER 31, 2017**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURES OF BONDS OUTSTANDING DECEMBER 31, 2017	DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2016	BONDS ISSUED	DECREASED	REFUNDED	BALANCE DECEMBER 31, 2017
General Bonds of 2008	9/5/2008	\$ 879,000.00	40,000.00	8/1/2018	4.125%	\$ 80,000.00	\$ -	\$ 40,000.00	\$ -	\$ 40,000.00	
General Bonds 2008	9/5/2008	698,000.00	35,000.00	8/1/2018	4.125%	65,000.00	-	30,000.00	-	35,000.00	
General Obligation Bonds 2014	11/10/2014	5,292,000.00	200,000.00	11/1/2018	2.250%	4,932,000.00	-	195,000.00	-	4,737,000.00	
			210,000.00	11/1/2019	2.250%						
			220,000.00	11/1/2020	2.250%						
			230,000.00	11/1/2021	2.250%						
			240,000.00	11/1/2022	2.250%						
			250,000.00	11/1/2023	2.250%						
			260,000.00	11/1/2024	2.500%						
			270,000.00	11/1/2025	3.000%						
			275,000.00	11/1/2026	3.000%						
			285,000.00	11/1/2027	3.000%						
			295,000.00	11/1/2028	3.000%						
			310,000.00	11/1/2029	3.000%						
			320,000.00	11/1/2030	3.000%						
			335,000.00	11/1/2031	3.000%						
			340,000.00	11/1/2032	3.000%						
			350,000.00	11/1/2033	3.000%						
			347,000.00	11/1/2034	3.125%						
Refunding Bonds 2016	8/10/2016	935,000.00	80,000.00	8/1/2019	1.500%	935,000.00	-	-	-	935,000.00	
			80,000.00	8/1/2020	1.500%						
			90,000.00	8/1/2021	4.000%						
			90,000.00	8/1/2022	4.000%						
			90,000.00	8/1/2023	4.000%						
			100,000.00	8/1/2024	4.000%						
			105,000.00	8/1/2025	3.000%						
			105,000.00	8/1/2026	3.000%						
			95,000.00	8/1/2027	3.250%						
			100,000.00	8/1/2028	3.500%						
Total											
							\$ 6,012,000.00	\$ -	\$ 265,000.00	\$ -	\$ 5,747,000.00

**TOWNSHIP OF EAST GREENWICH
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF DUE TO/(FROM) CURRENT FUND
YEAR ENDED DECEMBER 31, 2017**

Balance, December 31, 2016	\$ 154,794.73
Increased by:	
Cash Receipts	<u>444,399.65</u>
Subtotal	599,194.38
Decreased by:	
Cash Disbursements	<u>561,085.47</u>
Balance, December 31, 2017 and 2016	<u><u>\$ 38,108.91</u></u>

**TOWNSHIP OF EAST GREENWICH
UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2017**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2016	CANCELLED	BALANCE DECEMBER 31, 2017 and 2016
7-2014	Utility Truck & Water Meters	\$ 986.00	\$ -	\$ 986.00
10-2014	Refunding Bond Ordinance	77,500.00	-	77,500.00
	Total	<u>\$ 78,486.00</u>	<u>\$ -</u>	<u>\$ 78,486.00</u>

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GENERAL FIXED ASSETS

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**TOWNSHIP OF EAST GREENWICH
SCHEDULE OF GENERAL FIXED ASSETS
DECEMBER 31, 2017 AND 2016**

	BALANCE DECEMBER 31, 2016	ADDITIONS	ADJUSTMENTS	DELETIONS	BALANCE DECEMBER 31, 2017
Land	\$ 2,657,850.00	\$ -	\$ -	-	\$ 2,657,850.00
Building	5,772,222.00	-	-	-	5,772,222.00
Vehicles	3,097,030.00	289,675.00	45,900.00	173,200.00	3,259,405.00
Equipment	2,435,376.09	516,133.00	1,141,438.91	159,718.00	3,933,230.00
Total	\$ 13,962,478.09	\$ 805,808.00	\$ 1,187,338.91	\$ 332,918.00	\$ 15,622,707.00
 Total Investment in General Fixed Asset:	 \$ 13,962,478.09	 \$ 805,808.00	 \$ 1,187,338.91	 \$ 332,918.00	 \$ 15,622,707.00

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TOWNSHIP OF EAST GREENWICH

PART II

**SCHEDULE OF FINANCIAL STATEMENT FINDINGS -
GOVERNMENT AUDITING STANDARDS**

FOR THE YEAR ENDED DECEMBER 31, 2017

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**TOWNSHIP OF EAST GREENWICH
SCHEDULE OF FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2017**

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

Finding 2017-001

Criteria or specific requirement:

An analysis of payroll taxes payable be maintained by the Township.

Condition:

It was noted during our audit that the monthly cash maintained in the payroll agency account is not properly reconciled to payroll taxes payable.

Cause:

Failure to follow internal control procedures for the reconciliation of payroll taxes payable.

Effect or potential effect:

Payroll taxes payable at year end could be over or understated.

Recommendation:

That the Township reconcile the payroll agency account to payroll taxes payable on a monthly basis.

View of responsible official:

The responsible official agrees with this finding and will address the matter as part of their corrective action plan.

Finding 2017-002

Criteria or specific requirement:

That Trust Funds have approved budget riders and are recorded in the proper fund.

Condition:

During our audit we noted that the Reserve for Outside Police Employment is not being properly maintained within the Trust Fund of the Township.

Cause:

Management oversight.

Effect or potential effect:

Activity for Outside Police Employment not being recorded in the Township's Trust Fund.

Recommendation:

That the Township accounts for the Reserve for Outside Police Employment within Trust Fund in order to maintain a proper internal control environment

TOWNSHIP OF EAST GREENWICH
SCHEDULE OF FINANCIAL STATEMENT FINDINGS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2017

Finding 2017-002 (continued):

View of responsible official:

The responsible official agrees with this finding and will address the matter as part of their corrective action plan.

Finding 2017-003

Criteria of Specific Requirement:

N.J.A.C. 5:30-5.6 requires that municipalities maintain a fixed asset accounting system that shall include assets descriptions, estimated or historical costs and other such information as shall be required by the governing body and updated each year with any additions or deletions. Proper internal control practices also dictate that complete and accurate records should be maintained to ensure adequate control over the preparation of the financial statements including related footnotes.

Condition:

The Township did not maintain a fixed asset accounting system for land and buildings in accordance with N.J.A.C. 5:30:5.6.

Cause:

Internal control policies and procedures are not in place to properly maintain the fixed asset accounting system for land and buildings.

Effect or Potential Effect:

Non-compliance with N.J.A.C. 5:30-5.6.

Recommendation:

That internal control policies and procedures should be developed to properly maintain the general fixed assets accounting system in accordance with N.J.A.C. 5:30-5.6.

Management Response:

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

**TOWNSHIP OF EAST GREENWICH
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2017**

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

Finding No. 2016-001

Condition:

It was noted during our audit that the monthly cash maintained in the payroll agency account is not properly reconciled to payroll taxes payable.

Current Status:

This finding has not been corrected. See Finding 2017-001

Finding No. 2016-002

Condition:

It was noted during our audit that the accumulated absence's liability is not properly calculated at year end in accordance with N.J.S.A. 5:30-15.3.

Current Status:

This finding has been corrected.

Finding No. 2016-003

Condition:

It was noted during our audit that general and subsidiary ledgers are not being properly maintained on a timely basis for any fund of the Township in accordance with *N.J.A.C.5:30-5.7* and financial reports were not submitted to the governing body on a monthly basis.

Current Status:

This finding has been corrected.

Finding No. 2016-004

Condition:

It was noted during our audit that various bank reconciliations were not completed on a timely basis.

Current Status:

This finding has been corrected.

TOWNSHIP OF EAST GREENWICH
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2017

Finding No. 2016-005

Condition:

The Chief Financial Officer did not file the 2016 Annual Financial Statement by the February 10th due date pursuant to *N.J.S.A. 40A:5-12*.

Current Status:

This finding has been corrected.

Finding No. 2016-006

Condition:

During our audit we noted that the Escrow balances in the Trust Other Fund are not being properly maintained on a timely basis.

Current Status:

This finding has been corrected.

Finding No. 2016-007

Condition:

During our audit we noted that the Reserve for Outside Police Employment is not being properly maintained within the Trust Fund of the Township.

Current Status:

This finding has not been corrected. See Finding 2017-002

Finding No. 2016-008

Condition:

During our audit we noted that the Township did not go out to bid for the purchase of Water Meters when the total purchase price was above the bid threshold.

Current Status:

This finding has been corrected.

Finding No. 2016-009

Condition:

During our audit we noted that several purchase orders did not contain the CFO signature authorizing the availability of funds prior to purchase.

Current Status:

This finding has been corrected.

TOWNSHIP OF EAST GREENWICH
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2017

Finding No. 2016-010

Condition:

It was noted during our audit that the Township's land and building fixed asset categories were not properly maintained and updated during 2016.

Current Status:

This finding has not been corrected. See Finding 2017-003

Finding No. 2016-011

Condition:

It was noted during our audit that the General Capital Fund has a large outstanding accounts receivable that has not been collected for over one year.

Current Status:

This finding has been corrected.

FEDERAL AWARDS

N/A – No Federal Single Audit in prior year.

STATE FINANCIAL ASSISTANCE

N/A – No State Single Audit in prior year.

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TOWNSHIP OF EAST GREENWICH

PART III

LETTER OF COMMENTS AND RECOMMENDATIONS – REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2017

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OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2017:

<u>Name</u>	<u>Title</u>
Dale L. Archer	Mayor
James R. Philbin, Jr.	Deputy Mayor
Stephen Bottiglieri	Committeeman
Richard Schober	Committeeman
Robert Tice	Committeeman
Susan M. Costill	Township Clerk
Katie Coleman	Chief Financial Officer
Gail S. Capasso	Tax Collector
Denise Athey	Court Administrator
Mark B. Shoemaker	Solicitor

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Honorable Mayor and Members
of the Township Committee
Township of East Greenwich
County of Gloucester
Mickleton, New Jersey

In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year ended December 31, 2017.

GENERAL COMMENTS:

Contracts and Agreements required to be advertised by (N.J.S.A.40A:11-4)

N.J.S.A.40A:11-4 states every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the Governing Body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the bid threshold, except by contract or agreement.

The bid threshold in accordance with N.J.S.A. 40A:11-4 was \$40,000 for the year ended December 31, 2017.

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

Our examination of expenditures did not reveal any individual payments or contracts in excess of the bid threshold "for the performance of any work, or the furnishing of any materials, supplies or labor" other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of *N.J.S.A.40A:11-6*.

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.54:4-67, provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 7, 2017 adopted the following resolution authorizing interest to be charged on delinquent taxes:

NOW THEREFORE, BE IT RESOLVED, that if said taxes are deemed to be delinquent for non-payment of taxes, the Tax Collector shall charge eight (8%) percent per annum on the first \$1,500.00 of the delinquency, and eighteen (18%) percent per annum on any amount in excess of \$1,500.00; and

BE IT FURTHER RESOLVED, by the Township Committee of the Township of East Greenwich, that the Tax Collector shall allow that no interest will be charged on payments received and made by the tenth calendar day following the date upon which the same became payable; and

BE IT FURTHER RESOLVED, by the Township Committee of the Township of East Greenwich, that the Tax Collector shall charge, in addition to the interest for delinquent taxes, as noted above, a penalty of six (6%) percent of the amount of the delinquency in taxes in excess of \$10,000.00 to a taxpayer who fails to pay the delinquency prior to the end of the calendar year.

It appears from an examination of the Collector's record that interest was collected in accordance with the foregoing resolution.

OTHER COMMENTS (FINDINGS):

Finding 2017-01* (*Finding 2017-001 in the Schedule of Financial Statement Findings section*) - It was noted during our audit that the monthly cash maintained in the payroll agency account is not properly reconciled to payroll taxes payable.

Finding 2017-02* (*Finding 2017-002 in the Schedule of Financial Statement Findings section*) - During our audit we noted that the Reserve for Outside Police Employment is not being properly maintained within the Trust Fund of the Township.

Finding 2017-03* (*Finding 2017-003 in the Schedule of Financial Statement Findings section*) - The Township did not maintain a fixed asset accounting system for land and buildings in accordance with N.J.A.C. 5:30:5.6.

*Denotes Prior Year Finding.

RECOMMENDATIONS:

Finding 2017-01

That the Township reconcile the payroll agency account to payroll taxes payable on a monthly basis.

Finding 2017-02

That the Township accounts for the Reserve for Outside Police Employment within Trust Fund in order to maintain a proper internal control environment.

Finding 2017-03

That internal control policies and procedures should be developed to properly maintain the general fixed assets accounting system in accordance with N.J.A.C. 5:30-5.6.

Appreciation

We express our appreciation for the assistance and courtesies extended to the members of the audit team.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.

Michael Holt
Certified Public Accountant
Registered Municipal Accountant
RMA No. 473

Medford, New Jersey
June 28, 2018