

**TOWNSHIP OF CINNAMINSON
COUNTY OF BURLINGTON**

REPORT OF AUDIT

**FOR THE YEAR ENDED
DECEMBER 31, 2015**

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TOWNSHIP OF CINNAMINSON
PART I
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Cinnaminson
Cinnaminson, New Jersey 08077

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Cinnaminson, in the County of Burlington, State of New Jersey, as of December 31, 2015 and 2014, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed assets group of accounts - regulatory basis for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

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

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

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

In our opinion, because of the significance of the matter discussed in the “*Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America*” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Cinnaminson, in the County of Burlington, State of New Jersey, as of December 31, 2015 and 2014, or the results of its operations and changes in fund balance for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Cinnaminson, in the County of Burlington, State of New Jersey, as of December 31, 2015 and 2014, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed assets group of accounts - regulatory basis, for the year ended December 31, 2015 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

Emphasis of Matter

Adoption of New Accounting Principles

As discussed in note 1 to the financial statements, during the year ended December 31, 2015, the Township adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. As a result of the regulatory basis of accounting, described in the previous paragraph, the implementation of these Statements only required financial statement disclosures. Our opinions are not modified with respect to this matter.

Other Matters

Other Information

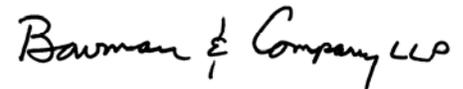
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2016 on our consideration of the Township of Cinnaminson's, in the County of Burlington, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Cinnaminson's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert P. Nehila Jr.,
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 13, 2016

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Cinnaminson
Cinnaminson, New Jersey 08077

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the Township of Cinnaminson, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2015, 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 13, 2016. That report indicated that the Township of Cinnaminson's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. In addition, our report on the financial statements also included an emphasis of matter paragraph describing the adoption of new accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township of Cinnaminson's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township of Cinnaminson's internal control. Accordingly, we do not express an opinion on the effectiveness of Township of Cinnaminson's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying *Schedule of Findings and Recommendations* that we consider to be a significant deficiency: Finding No. 2015-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Cinnaminson'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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and which is described in the accompanying *Schedule of Findings and Recommendations* as finding no.: 2015-001.

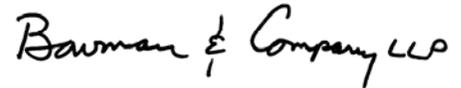
The Township of Cinnaminson's Response to Findings

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

Purpose of this Report

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert P. Nehila Jr.,
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 13, 2016

TOWNSHIP OF CINNAMINSON
CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
As of December 31, 2015 and 2014

<u>ASSETS</u>	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
Regular Fund:			
Cash--Treasurer	SA-1	\$ 7,146,576.91	\$ 4,420,721.71
Change Funds	SA-2	100.00	100.00
Tax ACH Clearing Account	A	100.00	100.00
		<u>7,146,776.91</u>	<u>4,420,921.71</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-4	363,899.86	454,183.98
Tax Title Liens Receivable	SA-5	85,297.71	93,728.63
Property Acquired for Taxes (Assessed Valuation)	SA-18	1,144,900.00	896,800.00
Revenue Accounts Receivable	SA-6	35,022.28	17,220.52
Accounts Receivable--Commodity Resale	SA-1	27,237.64	26,160.14
Interlocal Agreement--Borough of Riverton Municipal Court	SA-17	80,650.30	74,026.41
Due Federal and State Grant Fund	SA-19	40,920.53	43,454.78
		<u>1,777,928.32</u>	<u>1,605,574.46</u>
Deferred Charges:			
Special Emergency Authorizations--Revaluation	SA-15	95,200.00	138,300.00
		<u>9,019,905.23</u>	<u>6,164,796.17</u>
Federal and State Grant Fund:			
Cash	SA-1	312,458.97	339,437.36
Federal and State Grants Receivable	SA-20	216,298.30	208,075.70
Due from Trust Other Fund	SB-9	15,064.97	21,444.97
		<u>543,822.24</u>	<u>568,958.03</u>
		<u>\$ 9,563,727.47</u>	<u>\$ 6,733,754.20</u>

(Continued)

TOWNSHIP OF CINNAMINSON
CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
As of December 31, 2015 and 2014

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3;SA-7	\$ 1,387,233.95	\$ 994,543.02
Reserve for Encumbrances	A-3;SA-7	158,279.53	67,532.36
Accounts Payable	SA-7	136,194.68	129,907.73
Prepaid Taxes	SA-8	361,042.85	275,443.11
Tax Overpayments	SA-9		6,850.00
Reserve for Third Party Liens	SA-1	39,117.41	19,325.15
Reserve for Master Plan	A	5,952.00	5,952.00
Reserve for Codification of Ordinances	A	110.89	110.89
Reserve for Revaluation	A	49,412.07	49,412.07
Reserve for Tax Appeals	A	100,000.00	100,000.00
Due to State of New Jersey:			
State Training Fees	SA-1	5,748.00	
Veterans and Senior Citizens' Deductions	SA-10	45,305.05	43,545.22
Marriage Licenses	SA-16	525.00	800.00
Due County for Added and Omitted Taxes	SA-13	58,648.63	38,444.34
Fire District Taxes Payable	SA-1,SA-4	4.00	2.00
Local District School Taxes Payable	SA-14	1,175,372.50	707,498.00
Due to Trust Other Fund	SB-5	5,005.56	61,023.65
Due to Open Space Fund	SA-11	2,203.83	
Due to Sewer Authority	A	4,972.48	4,972.48
		<u>3,535,128.43</u>	<u>2,505,362.02</u>
Reserve for Receivables and Other Assets	A	1,777,928.32	1,605,574.46
Fund Balance	A-1	<u>3,706,848.48</u>	<u>2,053,859.69</u>
		<u>9,019,905.23</u>	<u>6,164,796.17</u>
Federal and State Grant Fund:			
Due to Current Fund	SA-19	40,920.53	43,454.78
Reserve for Encumbrances	SA-22	341.36	235.14
Reserve for Federal and State Grants:			
Unappropriated	SA-21	4,525.00	76,782.03
Appropriated	SA-22	498,035.35	448,486.08
		<u>543,822.24</u>	<u>568,958.03</u>
		<u>\$ 9,563,727.47</u>	<u>\$ 6,733,754.20</u>

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

TOWNSHIP OF CINNAMINSON
CURRENT FUND
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 900,000.00	\$ 966,022.51
Miscellaneous Revenue Anticipated	3,733,893.56	3,766,538.30
Receipts from Delinquent Taxes	447,488.14	200,240.95
Receipts from Current Taxes	52,697,916.54	49,844,069.56
Non-Budget Revenue	434,416.70	179,504.77
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	801,334.36	763,873.94
Cancel Tax Overpayments	4,211.21	
Cancel Prior Year Unallocated Receipts		66,022.51
Cancel Prior Year Due State--DCA Fees		2,662.00
Reserves Liquidated:		
Due from Federal and State Grant Fund	2,534.25	3,805.00
Due from Trust Other--Escrow		84.77
Accounts Receivable--Commodity Resale		309.31
	<hr/>	<hr/>
Total Income	59,021,794.76	55,793,133.62
<u>Expenditures</u>		
Budget Appropriations:		
Operations--Within "CAPS":		
Salaries and Wages	5,176,407.74	5,024,909.00
Other Expenses	5,568,252.49	5,475,513.75
Deferred Charges and Statutory Expenditures Within "CAPS"	1,006,924.83	1,066,867.60
Operations--Excluded from "CAPS":		
Salaries and Wages	59,920.19	42,500.00
Other Expenses	167,787.27	296,846.73
Capital Improvements--Excluded from "CAPS"	100,000.00	105,000.00
Municipal Debt Service --Excluded from "CAPS"	1,230,593.40	1,097,218.19
Deferred Charge--Excluded from "CAPS"	43,100.00	46,100.00
County Taxes	7,224,855.58	6,532,000.85
Due County for Added and Omitted Taxes	58,648.63	38,444.34
Local District School Taxes	32,731,445.00	31,215,482.00
Municipal Open Space Tax	273,348.30	272,169.57
Fire District Tax	2,796,059.00	2,741,234.00
Senior Citizens' Deductions Disallowed by Collector--Prior Year Taxes	3,013.01	3,085.62
Cancellation of Change Fund		150.00
Added Tax Overpayments		12,543.55
Refund of Prior Year Revenue:		
Tax Appeals	21,903.90	
Totally Disabled Veterans	5,469.13	
Other		409.12
Reserves Created:		
Other		4,762.10
Accounts Receivable--Commodity Resale	1,077.50	
	<hr/>	<hr/>
Total Expenditures	56,468,805.97	53,975,236.42
Statutory Excess to Fund Balance	2,552,988.79	1,817,897.20
<u>Fund Balance</u>		
Balance January 1	2,053,859.69	1,201,985.00
	4,606,848.48	3,019,882.20
Decreased by:		
Utilization as Anticipated Revenue	900,000.00	966,022.51
	<hr/>	<hr/>
Balance December 31	\$ 3,706,848.48	\$ 2,053,859.69

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

TOWNSHIP OF CINNAMINSON
CURRENT FUND
Statement of Revenues--Regulatory Basis
For the Year Ended December 31, 2015

	Anticipated		Realized	Excess or (Deficit)
	Budget	Special N.J.S.40A:4-87		
Surplus Anticipated	\$ 900,000.00		\$ 900,000.00	
Miscellaneous Revenues:				
Local Revenues:				
Licenses:				
Alcoholic Beverages	16,000.00		17,750.00	\$ 1,750.00
Other	18,000.00		16,168.00	(1,832.00)
Fees and Permits	55,000.00		58,736.34	3,736.34
Fines and Costs:				
Municipal Court	275,000.00		288,747.13	13,747.13
Interest on Costs and Taxes	80,000.00		111,214.44	31,214.44
Hotel Tax	58,231.12		61,517.61	3,286.49
Cable TV Franchise Fee	59,148.59		59,148.59	
Cellular Tower Lease	30,000.00		49,188.46	19,188.46
PILOT--New Plan Retail Center	240,000.00		299,677.76	59,677.76
PILOT--Siena Condominiums	42,000.00		54,321.09	12,321.09
Rent Town Hall (Sewer Authority and Fire District)	37,399.00		34,773.75	(2,625.25)
State Aid Without Offsetting Appropriations:				
Energy Receipts Tax	1,915,320.00		1,915,320.00	
Garden State Preservation Trust Fund	5,425.00		5,425.00	
Dedicated Uniform Construction Code Fees Offset with Appropriations				
Uniform Construction Code Fees	200,000.00		220,249.00	20,249.00
Public and Private Revenues Off-Set with Appropriations:				
Municipal Alliance on Alcoholism and Drug Abuse	10,137.00		10,137.00	
Recycling Tonnage	66,162.10		66,162.10	
Click it or Ticket		\$ 1,825.00	1,825.00	
Clean Communities Program		35,016.07	35,016.07	
Drunk Driving Enforcement	5,325.00		5,325.00	
Body Armor Grant		2,604.85	2,604.85	
Municipal Alcohol Education and Rehabilitation Program	2,894.93	3,300.26	6,195.19	
Drive Sober or Get Pulled Over	2,400.00	675.00	3,075.00	
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Gov't Services--Other Special Items:				
Interlocal Agreement- Borough of Riverton Municipal Court	65,000.00		74,026.41	9,026.41
Reserve for Payment of Debt	37,289.77		37,289.77	
General Capital Surplus	300,000.00		300,000.00	
	<u>3,520,732.51</u>	<u>43,421.18</u>	<u>3,733,893.56</u>	<u>169,739.87</u>
Receipts from Delinquent Taxes	270,000.00		447,488.14	177,488.14
Amounts to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes including Reserve for Uncollected Taxes	9,687,273.59		10,661,836.68	974,563.09
Budget Totals	14,378,006.10	43,421.18	15,743,218.38	1,321,791.10
Non-Budget Revenues			434,416.70	434,416.70
	<u>\$ 14,378,006.10</u>	<u>\$ 43,421.18</u>	<u>\$ 16,177,635.08</u>	<u>\$ 1,756,207.80</u>

(Continued)

TOWNSHIP OF CINNAMINSON
CURRENT FUND
Statement of Revenues--Regulatory Basis
For the Year Ended December 31, 2015

Analysis of Realized Revenue

Allocation of Current Tax Collections:	
Revenues from Collections	\$ 52,697,916.54
Allocated to:	
School, County, Special (Fire) District and Local Open Space Taxes	<u>43,084,356.51</u>
	9,613,560.03
Increased by:	
Appropriation "Reserve for Uncollected Taxes"	<u>1,048,276.65</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 10,661,836.68</u></u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	<u><u>\$ 447,488.14</u></u>

Analysis of Non-Budget Revenues

Miscellaneous Revenue not Anticipated:	
Administration Fees	\$ 4.70
FEMA Reimbursement	115,271.49
Photo Copy Fees	258.70
Police Admin Fees:	
Off Duty Police Administration Fees	9,259.39
Administration Fees - Towing	5,900.00
Department of Public Works:	
Property Maintenance	13,662.34
Riverton Leaf Recycling	12,000.00
Mulch Delivery Sales	2,880.00
Miscellaneous	13,289.00
Ball Field Rentals	4,837.05
Recreation Program Fees	13,443.77
Settlement Agreement	14,000.00
Sale of Cell Tower	207,469.27
Senior Citizens and Veterans Deductions Administrative Fee	4,535.81
Interest of Investments and Deposits	15,731.82
Miscellaneous	<u>1,873.36</u>
	<u><u>\$ 434,416.70</u></u>
Receipts	\$ 433,720.59
Interest of Investments and Deposits--Due from Trust Other Fund	<u>696.11</u>
	<u><u>\$ 434,416.70</u></u>

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

TOWNSHIP OF CINNAMINSON

CURRENT FUND

Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2015

	<u>Appropriations</u>				<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>		
OPERATIONS--WITHIN "CAPS"							
<u>General Government</u>							
Administration							
Salaries and Wages	\$ 52,020.00	\$ 52,020.00	\$ 51,601.60	\$	418.40		
Other Expenses	8,500.00	8,500.00	4,849.75	33.99	3,616.26		
Committee							
Salaries and Wages	25,000.00	25,000.00	19,999.90		5,000.10		
Other Expenses	6,400.00	6,400.00	6,153.50		246.50		
Municipal Clerk							
Salaries and Wages	63,036.00	63,051.00	63,048.03		2.97		
Other Expenses	22,450.00	22,450.00	21,259.44	63.30	1,127.26		
Finance							
Salaries and Wages	137,400.00	121,885.00	103,837.46		18,047.54		
Other Expenses	12,900.00	12,900.00	10,290.53		2,609.47		
Audit - Other Expenses	36,000.00	36,000.00	36,000.00				
Tax Collection							
Salaries and Wages	80,300.00	80,300.00	78,069.33		2,230.67		
Other Expenses	18,200.00	18,200.00	8,605.35		9,594.65		
Tax Assessor							
Salaries and Wages	29,900.00	29,900.00	29,851.79		48.21		
Other Expenses	30,250.00	30,250.00	7,034.26	60.00	23,155.74		
Legal							
Other Expenses	177,886.49	207,886.49	199,917.53	3,375.50	4,593.46		
Information Technology							
Other Expenses	100,000.00	100,000.00	51,862.13	1,099.95	47,037.92		
Engineering							
Other Expenses	20,000.00	20,000.00	15,090.28		4,909.72		
<u>Land Use Administration</u>							
Planning Board							
Salaries and Wages	28,078.00	28,078.00	23,409.62		4,668.38		
Other Expenses	12,850.00	12,850.00	3,011.31		9,838.69		
Zoning Officer							
Salaries and Wages	35,904.00	38,904.00	37,195.23		1,708.77		
Other Expenses	22,100.00	19,100.00	12,911.48		6,188.52		
Code Enforcement Officer							
Salaries and Wages	44,803.64	44,803.64	43,475.00		1,328.64		
Other Expenses	1,300.00	1,300.00	156.96		1,143.04		
<u>Insurance</u>							
Group Health Insurance	1,523,930.00	1,520,530.00	1,268,116.27		252,413.73		
General Liability Insurance	174,722.00	174,722.00	174,722.00				
Workers Compensation	315,114.00	315,114.00	315,114.00				
Health Benefit Waivers	12,000.00	15,400.00	15,309.83		90.17		

(Continued)

TOWNSHIP OF CINNAMINSON

CURRENT FUND

Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2015

	<u>Appropriations</u>					Unexpended Balance <u>Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>OPERATIONS--WITHIN "CAPS" (CONTD)</u>						
<u>Public Safety</u>						
Police						
Salaries and Wages	\$ 3,038,241.24	\$ 3,038,241.24	\$ 2,806,458.43		\$ 231,782.81	
Other Expenses	526,700.00	526,700.00	313,531.06	\$ 129,611.78	83,557.16	
Emergency Management						
Salaries and Wages	5,520.00	5,520.00	5,410.08		109.92	
Other Expenses	2,900.00	2,900.00	75.00		2,825.00	
Municipal Court						
Salaries and Wages	137,635.93	144,635.93	143,776.95		858.98	
Other Expenses	20,100.00	24,100.00	20,546.08		3,553.92	
Municipal Prosecutor						
Salaries and Wages	23,500.00	23,500.00	16,995.00	250.00	6,505.00	
Other Expenses	1,500.00	1,500.00			1,250.00	
Streets and Roads						
Salaries and Wages	808,642.00	768,642.00	693,640.86		75,001.14	
Other Expenses	151,250.00	151,250.00	65,296.38	584.50	85,369.12	
Sanitation						
Other Expenses	1,027,500.00	1,027,500.00	922,948.27		104,551.73	
Buildings and Grounds						
Other Expenses--Twp Buildings	87,000.00	87,000.00	45,923.88	2,987.71	38,088.41	
Other Expenses--County Library	25,000.00	25,000.00	8,012.35	623.00	16,364.65	
Motor Vehicle Maintenance						
Salaries and Wages	200,208.00	210,208.00	204,888.41		5,319.59	
Other Expenses	138,000.00	138,000.00	127,974.04	3,688.39	6,337.57	
Municipal Services Reimbursement						
Other Expenses	45,000.00	45,000.00	38,142.88		6,857.12	
<u>Parks, Recreation and Community Services</u>						
Animal Control						
Salaries and Wages	632.00	632.00	632.00			
Other Expenses	10,000.00	10,000.00	9,854.13		145.87	
Parks and Recreation Programs Administration						
Salaries and Wages	10,000.00	9,000.00	3,469.73	584.81	5,530.27	
Other Expenses	36,000.00	37,000.00	34,288.83		2,126.36	
Maintenance of Parks and Playgrounds						
Salaries and Wages	338,436.80	338,436.80	247,741.85		90,694.95	
Other Expenses	92,100.00	92,100.00	73,331.78	1,100.70	17,667.52	
Community Development						
Salaries and Wages	12,000.00	12,000.00	12,000.00			

(Continued)

TOWNSHIP OF CINNAMINSON

CURRENT FUND

Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2015

	Appropriations				Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved		
<u>OPERATIONS--WITHIN "CAPS" (CONTD)</u>							
<u>Utility Expenses and Bulk Purchases</u>							
Electricity	\$ 202,000.00	\$ 202,000.00	\$ 144,863.37		\$ 57,136.63		
Street Lighting	290,000.00	290,000.00	261,488.73		28,511.27		
Telephone	59,500.00	59,500.00	47,738.48	\$ 1,304.91	10,456.61		
Water	18,300.00	18,300.00	16,214.22	1,567.42	518.36		
Gas	40,800.00	40,800.00	31,587.56		9,212.44		
Gasoline and Diesel Fuel	190,000.00	190,000.00	115,871.78	4,592.97	69,535.25		
<u>Other</u>							
Accumulated Absences	50,000.00	50,000.00	50,000.00				
<u>Uniform Constnuction Code - Appropriations</u>							
<u>Offset by Dedicated Revenues (N.J.A.C. 5.23-4-17)</u>							
Salaries and Wages	151,650.13	141,650.13	133,607.76		8,042.37		
Other Expenses	18,000.00	28,000.00	18,047.94	6,750.60	3,201.46		
Total Operations--Within "CAPS"	10,749,160.23	10,744,660.23	9,215,250.41	158,279.53	1,371,130.29		-
Detail:							
Salaries and Wages	5,222,907.74	5,176,407.74	4,719,109.03		457,298.71		
Other Expenses	5,526,252.49	5,568,252.49	4,496,141.38	158,279.53	913,831.58		
<u>OPERATIONS--WITHIN "CAPS" (CONTD)</u>							
<u>Statutory Expenditures:</u>							
Deferred Charges							
Deficit in Public Defender Trust Fund	1,264.32	1,264.32	1,264.32				
Contribution to:							
Public Employees' Retirement System	215,596.00	215,596.00	215,596.00		841.71		
Social Security System (O.A.S.I.)	200,000.00	204,500.00	203,658.29				
Police and Firemen's Retirement System--Retroactive	11,113.51	11,113.51	11,113.51				
Police and Firemen's Retirement System of N.J.	571,451.00	571,451.00	571,451.00				
Defined Contribution Retirement Program	3,000.00	3,000.00	2,203.18		796.82		
Total Deferred Charges and Statutory Expenditures	1,002,424.83	1,006,924.83	1,005,286.30	-	1,638.53		-
Municipal--Within "CAPS"							
Total General Appropriations for Municipal Purposes	11,751,585.06	11,751,585.06	10,220,536.71	158,279.53	1,372,768.82		-
Within "CAPS"							

(Continued)

TOWNSHIP OF CINNAMINSON

CURRENT FUND

Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2015

	Appropriations			Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS--EXCLUDED FROM "CAPS"						
Other Operations:						
Recycling Tax (N.J.S.A. 13:1E-96.5)	\$ 25,000.00	\$ 25,000.00	\$ 17,972.33		\$ 7,027.67	
Supplemental Fire Services	5,733.00	5,733.00	5,733.00			
Total Other Operations	30,733.00	30,733.00	23,705.33	-	7,027.67	-
Shared Services Agreements						
Borough of Riverton--Municipal Court						
Salaries and Wages	43,500.00	43,500.00	36,812.54		6,687.46	
Other Expenses	2,000.00	2,000.00	2,000.00			
Township of Moorestown--Assessor Assistant						
Other Expenses	18,600.00	18,600.00	17,850.00		750.00	
Total Shared Services Agreements	64,100.00	64,100.00	56,662.54	-	7,437.46	-
Public and Private Programs Off-Set by Revenues:						
Municipal Alliance on Alcoholism and Drug Abuse						
Matching Grant	10,137.00	10,137.00	10,137.00			
Recycling Tonnage Grant	2,534.25	2,534.25	2,534.25			
Click-It or Ticket (N.J.S.40A:4-87)	66,162.10	66,162.10	66,162.10			
Clean Communities Program (N.J.S.40A:4-87)	1,825.00	1,825.00	1,825.00			
Drunk Driving Enforcement	35,016.07	35,016.07	35,016.07			
Body Armor Grant (N.J.S.40A:4-87)	5,325.00	5,325.00	5,325.00			
Municipal Alcohol Education and Rehabilitation Program	2,604.85	2,604.85	2,604.85			
Program (N.J.S.40A:4-87 \$3,300.26)	2,894.93	6,195.19	6,195.19			
Drive Sober or Get Pulled Over (N.J.S.40A:4-87 \$675.00)	2,400.00	3,075.00	3,075.00			
Total Public and Private Programs Off-Set by Revenues	89,453.28	132,874.46	132,874.46	-	-	-
Total Operations--Excluded from "CAPS"	184,286.28	227,707.46	213,242.33	-	14,465.13	-
Detail:						
Salaries and Wages	54,119.93	59,920.19	53,232.73		6,687.46	
Other Expenses	130,166.35	167,787.27	160,009.60		7,777.67	
OPERATIONS--EXCLUDED FROM "CAPS" (CONT'D)						
CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"						
Capital Improvement Fund	100,000.00	100,000.00	100,000.00	-	-	-

TOWNSHIP OF CINNAMINSON

CURRENT FUND

Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2015

	Appropriations				Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved		
MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"							
Payment of Bond Principal	\$ 654,000.00	\$ 654,000.00	\$ 654,000.00				
Payment of Bond Anticipation Notes and Capital Notes	247,535.00	247,535.00	247,535.00				
Interest on Bonds	95,883.00	95,883.00	95,876.56			\$ 6.44	
Interest on Notes	100,704.63	100,704.63	90,497.53			10,207.10	
Green Trust Loan Program:							
Loan Repayments for Principal and Interest	42,609.48	42,609.48	42,609.48				
Capital Lease Obligations							
Principal	72,000.00	72,000.00	65,000.00			7,000.00	
Interest	38,026.00	38,026.00	35,074.83			2,951.17	
Total Municipal Debt Service Excluded from "CAPS"	1,250,758.11	1,250,758.11	1,230,593.40	-	-	20,164.71	
DEFERRED CHARGES--MUNICIPAL							
Special Emergency Authorizations 5 Years (N.J.S. 40A:4-55)	43,100.00	43,100.00	43,100.00				
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	1,578,144.39	1,621,565.57	1,586,935.73	-	\$ 14,465.13	20,164.71	
Subtotal General Appropriations	13,329,729.45	13,373,150.63	11,807,472.44	\$ 158,279.53	1,387,233.95	20,164.71	
Reserve for Uncollected Taxes	1,048,276.65	1,048,276.65	1,048,276.65				
Total General Appropriations	\$ 14,378,006.10	\$ 14,421,427.28	\$ 12,855,749.09	\$ 158,279.53	\$ 1,387,233.95	\$ 20,164.71	
Budget		\$ 14,378,006.10					
Appropriation by 40A:4-87		43,421.18					
		<u>\$ 14,421,427.28</u>					
Reserve for Federal and State Grants Appropriated			\$ 132,874.46				
Reserve for Uncollected Taxes			1,048,276.65				
Deferred Charges--Special Emergency			43,100.00				
Refunds of Current Year Appropriations			(416,419.95)				
Disbursed			<u>12,047,917.93</u>				
			<u>\$ 12,855,749.09</u>				

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

TOWNSHIP OF CINNAMINSON
TRUST FUND
 Statements of Assets, Liabilities and Reserves--Regulatory Basis
 As of December 31, 2015 and 2014

<u>ASSETS</u>	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
Animal Control Trust Fund:			
Cash	SB-1	\$ 9,870.55	\$ 11,316.60
Other Funds:			
Cash	SB-1	2,066,652.23	1,760,377.42
Off Duty Police Accounts Receivable	SB-8	23,237.50	17,743.61
Deferred Charge - Deficit in Public Defender Reserve	SB-6		1,264.32
Due from Current Fund	SB-5	5,005.56	61,023.65
		<u>2,094,895.29</u>	<u>1,840,409.00</u>
Municipal Open Space Fund:			
Cash	SB-1	131,274.85	149,143.38
Due from Current Fund	SA-11	2,203.83	
Due from General Capital Fund	C	25,842.00	25,842.00
		<u>159,320.68</u>	<u>174,985.38</u>
		<u>\$ 2,264,086.52</u>	<u>\$ 2,026,710.98</u>
<u>LIABILITIES AND RESERVES</u>			
Animal Control Trust Fund			
Reserve for Cat Trap Deposits	SB-4	\$ 500.00	\$ 600.00
Reserve for Animal Control Fund Expenditures	SB-3	9,370.55	10,716.60
		<u>9,870.55</u>	<u>11,316.60</u>
Other Funds:			
Due to Federal and State Grant Fund	SB-9	15,064.97	21,444.97
Reserve for Escrow Deposits (Dormant)	B	269,274.88	269,274.88
Reserve for Payroll Deductions	SB-6	46,695.40	38,091.69
Reserve for Escrow and Bond Deposits	SB-6	697,209.99	654,629.15
Reserve for Housing Trust	SB-6	315,206.65	301,651.97
Reserve for Recycling Equipment	SB-6	17,252.20	17,252.20
Reserve for Storm Recovery	SB-6	69,226.87	84,192.66
Reserve for Special Law Enforcement	SB-6	28,112.93	1,761.33
Reserve for New Jersey Unemployment Compensation Insurance	SB-6	162,901.05	171,936.51
Reserve for Tax Sale Premiums	SB-6	411,500.00	239,500.00
Reserve for Community Center Donations	SB-6	2,029.61	2,029.61
Reserve for Accumulated Absences	SB-6	50,000.21	30,000.00
Reserve for Police Donations	SB-6	4,491.89	4,491.89
Reserve for Public Defender	SB-6	1,576.50	
Reserve for POAA	SB-6	828.00	628.00
Reserve for Recreational Field Usage	SB-6	3,524.14	3,524.14
		<u>2,094,895.29</u>	<u>1,840,409.00</u>
Municipal Open Space Fund:			
Reserve for Municipal Open Space Expenditures	SB-7	159,320.68	174,985.38
		<u>\$ 2,264,086.52</u>	<u>\$ 2,026,710.98</u>

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

TOWNSHIP OF CINNAMINSON
TRUST--MUNICIPAL OPEN SPACE FUND
 Statements of Operations and Changes in Reserve for Future Use -- Regulatory Basis
 For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
REVENUE REALIZED:		
Amount to be Raised by Taxation	\$ 273,348.30	\$ 272,169.57
Reserve for Future Use	<u>17,868.53</u>	<u>19,081.00</u>
Total Income	<u>291,216.83</u>	<u>291,250.57</u>
EXPENDITURES:		
Budget Appropriations:		
Payment of Bond Principal	145,000.00	140,000.00
Interest on Bonds	<u>144,013.00</u>	<u>149,613.00</u>
Total Expenditures	<u>289,013.00</u>	<u>289,613.00</u>
Excess to Reserve	2,203.83	1,637.57
RESERVE FOR FUTURE USE:		
Balance January 1,	<u>174,985.38</u>	<u>192,428.81</u>
Decreased by:	177,189.21	194,066.38
Reserve for Future Use Anticipated	<u>17,868.53</u>	<u>19,081.00</u>
Balance December 31,	<u><u>\$ 159,320.68</u></u>	<u><u>\$ 174,985.38</u></u>

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

TOWNSHIP OF CINNAMINSON
TRUST--MUNICIPAL OPEN SPACE FUND
Statement of Revenues--Regulatory Basis
For the Year Ended December 31, 2015

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Amount to be Raised by Taxation	\$ 271,144.47	\$ 273,348.30	\$ 2,203.83
Reserve Funds	<u>17,868.53</u>	<u>17,868.53</u>	
	<u>\$ 289,013.00</u>	<u>\$ 291,216.83</u>	<u>\$ 2,203.83</u>
 <u>Analysis of Realized Revenues</u>			
Current Year Levy		\$ 271,144.47	
Added and Omitted Levy		2,203.83	
Reserve Funds		<u>17,868.53</u>	
		<u>\$ 291,216.83</u>	

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

TOWNSHIP OF CINNAMINSON
TRUST--MUNICIPAL OPEN SPACE FUND
Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2015

	<u>Appropriations</u>		<u>Expended</u>	<u>Unexpended</u>
	<u>Original</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Balance</u>
	<u>Budget</u>	<u>Modification</u>	<u>Charged</u>	<u>Canceled</u>
Payment of Bond Principal	\$ 145,000.00	\$ 145,000.00	\$ 145,000.00	\$ -
Interest on Bonds	144,013.00	144,013.00	144,013.00	-
	<u>\$ 289,013.00</u>	<u>\$ 289,013.00</u>	<u>\$ 289,013.00</u>	<u>\$ -</u>

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

TOWNSHIP OF CINNAMINSON
GENERAL CAPITAL FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
As of December 31, 2015 and 2014

<u>ASSETS</u>	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
Cash	SC-1	\$ 7,595,308.75	\$ 6,854,378.60
Amount Held in Trust:			
Burlington County Bridge Commission Lease Program	C	4.62	4.62
Due from Burlington County -- Open Space Grant	C	103,000.00	103,000.00
Deferred Charges to Future Taxation -- Funded	SC-3	14,791,181.15	6,428,358.46
Deferred Charges to Future Taxation -- Unfunded	SC-4	1,719,903.00	9,597,688.00
		<u>\$ 24,209,397.52</u>	<u>\$ 22,983,429.68</u>
 <u>LIABILITIES, RESERVES</u> <u>AND FUND BALANCE</u>			
Improvement Authorizations:			
Funded	SC-5	\$ 6,820,048.14	\$ 5,266,445.34
Unfunded	SC-5	1,351,042.29	2,682,615.75
Reserve for Encumbrances	SC-6	86,369.76	302,147.10
Due to Open Space Trust Fund	B	25,842.00	25,842.00
Bond Anticipation Notes	SC-7		7,391,463.00
General Serial Bonds	SC-8	9,345,000.00	
Burlington County Bridge Commission Loans Payable	SC-9	4,376,000.00	5,175,000.00
Burlington County Bridge Commission Lease Payable	SC-10	725,000.00	873,000.00
Green Acres Assistance Loan Payable	SC-11	345,181.15	380,358.46
Reserve for Accounts Receivable	C	4.62	4.62
Capital Improvement Fund	SC-12	19,398.00	9,648.00
Reserve for Payment of Debt Service	SC-13	388,995.92	37,289.77
Fund Balance	C-1	726,515.64	839,615.64
		<u>\$ 24,209,397.52</u>	<u>\$ 22,983,429.68</u>

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

TOWNSHIP OF CINNAMINSON
GENERAL CAPITAL FUND
Statement of Fund Balance -- Regulatory Basis
For the Year Ended December 31, 2015

Balance December 31, 2014	\$	839,615.64
Increased by Receipts:		
Premium on Sale of Bonds		186,900.00
		1,026,515.64
Decreased by Disbursements:		
Due Current Fund--Anticipated Revenue: General Capital Fund Balance		300,000.00
Balance December 31, 2015	\$	726,515.64

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

TOWNSHIP OF CINNAMINSON
GENERAL FIXED ASSETS GROUP OF ACCOUNTS
Statement of General Fixed Assets Group of Accounts
For the Year Ended December 31, 2015

	Balance <u>Dec. 31, 2014</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2015</u>
General Fixed Assets:				
Land and Improvements	\$ 7,348,798.00			\$ 7,348,798.00
Buildings and Improvements	6,638,800.44			6,638,800.44
Vehicles	4,212,432.10	\$ 639,879.00	\$ 96,240.00	4,756,071.10
Machinery and Equipment	501,957.23			501,957.23
Total General Fixed Assets	<u>\$ 18,701,987.77</u>	<u>\$ 639,879.00</u>	<u>\$ 96,240.00</u>	<u>\$ 19,245,626.77</u>
Total Investments in General Fixed Assets	<u>\$ 18,701,987.77</u>	<u>\$ 639,879.00</u>	<u>\$ 96,240.00</u>	<u>\$ 19,245,626.77</u>

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

TOWNSHIP OF CINNAMINSON
Notes to Financial Statements
For the Year Ended December 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Township of Cinnaminson was incorporated in March, 1860 and is located in southwest New Jersey approximately eight miles northeast of the City of Philadelphia. The population according to the 2010 census is 15,569.

The Township operates under a committee form of government. The Mayor is elected from and by the members of the Committee and serves a one-year term. The Committee is the executive and legislative body of the Township and its five members are elected at large to three year staggered terms. The Committee appoints a Township Administrator who is responsible for the daily operations of the Township and reports to the Committee.

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

Cinnaminson Sewerage Authority
P.O. Box 2100
Cinnaminson, New Jersey 08077

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

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

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

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

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

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

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

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

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

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

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

Cash, Cash Equivalents and Investments - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost. Consequently, unrealized gain or loss on investments has not been recorded in accordance with Governmental Accounting Standards Board Statement No. 31.

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

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

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

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

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

General Fixed Assets - Accounting for governmental fixed assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and *Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Part 200, §200.12), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$1,000.00. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985, are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. 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. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

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

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

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

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

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

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

School Taxes - The Township is responsible for levying, collecting, and remitting school taxes for the Township of Cinnaminson School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period July 1 to June 30, increased by the amount deferred at December 31, 2014 and decreased by the amount deferred at December 31, 2015.

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

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

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

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

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

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

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

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

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

Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

For the year ended December 31, 2015, the Township adopted GASB 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. As a result of adopting such Statements, the Township was required to measure and disclose liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to their defined benefit pensions. As a result of the regulatory basis of accounting previously described in note 1, the implementation of these Statements only required financial statement disclosures. There exists no impact on the financial statements of the Township.

Note 2: CASH AND CASH EQUIVALENTS

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

As of December 31, 2015, the Township's bank balances of \$16,894,941.52 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 16,111,152.17
Uninsured and Uncollateralized	<u>783,789.35</u>
Total	<u><u>\$ 16,894,941.52</u></u>

Note 3: PROPERTY TAXES

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

	<u>Year Ended</u>				
	<u>2015</u>	<u>2014*</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Tax Rate	<u>\$ 3.305</u>	<u>\$ 3.147</u>	<u>\$ 2.533</u>	<u>\$ 2.494</u>	<u>\$ 2.451</u>
Apportionment of Tax Rate:					
Municipal	\$.607	\$.585	\$.460	\$.429	\$.411
County	.454	.412	.338	.369	.369
Local School	2.052	1.961	1.576	1.538	1.514
Fire District	.175	.172	.142	.141	.140
Municipal Open Space	.017	.017	.017	.017	.017

*Revaluation Year

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2015	\$ 1,594,967,472.00
2014*	1,591,367,241.00
2013	1,934,959,045.00
2012	1,958,615,391.00
2011	1,965,008,602.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2015	\$ 53,144,590.98	\$ 52,697,916.54	99.16%
2014	50,396,052.43	49,844,069.56	98.90%
2013	49,490,237.00	48,578,771.00	98.16%
2012	49,198,837.00	48,399,882.00	98.38%
2011	48,407,144.00	48,108,179.00	99.38%

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>
2015	\$ 85,297.71	\$ 363,899.86	\$ 449,197.57	0.85%
2014	93,728.63	454,183.98	547,912.61	1.09%
2013	88,025.93	248,098.88	336,124.81	0.68%
2012	73,618.00	33,687.00	107,305.00	0.22%
2011	160,544.00	10,703.00	171,247.00	0.35%

Note 3: PROPERTY TAXES (CONT'D)

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

<u>Year</u>	<u>Number</u>
2015	10
2014	11
2013	9
2012	32
2011	20

Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2015	\$ 1,144,900.00
2014	896,800.00
2013	896,800.00
2012	622,100.00
2011	103,400.00

Note 5: FUND BALANCES APPROPRIATED

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

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2015	\$ 3,706,848.48	\$ 950,000.00	25.63%
2014	2,053,859.69	900,000.00	43.82%
2013	1,201,985.00	966,023.00	80.37%
2012	1,619,603.00	1,148,000.00	70.88%
2011	1,395,716.00	1,015,000.00	72.72%

Note 6: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2015:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 40,920.53	\$ 3,033.78
Federal and State Grant	15,064.97	40,920.53
Trust -Municipal Open Space	28,045.83	
Trust - Other	829.95	15,064.97
General Capital		25,842.00
	<u>\$ 84,861.28</u>	<u>\$ 84,861.28</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2016, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 7: PENSION PLANS

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

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

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

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

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

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

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

Vesting and Benefit Provisions

Public Employees' Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:15A. The 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 the PERS.

The following represents the membership tiers for PERS:

Tier Definition

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

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

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

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

The following represents the membership tiers for PFRS:

Tier Definition

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

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

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

Contributions

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over seven years beginning in July 2012. The member contribution rate was 6.92% in State fiscal year 2015. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 366, P.L. 2001) increased from 8.5% of base salary to 10%. Employers' contributions are based on an actuarially determined amount which includes the normal cost and unfunded accrued liability.

The Township's contractually required contribution rate for the year ended December 31, 2015 was 14.18% of the Township's covered-employee payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

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

Public Employees' Retirement System (Cont'd) – Based on the most recent PERS measurement date of June 30, 2015, the Township's contractually required contribution to the pension plan for the year ended December 31, 2015 is \$210,474.00, and is payable by April 1, 2016. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2014, the Township's contractually required contribution to the pension plan for the year ended December 31, 2014 was \$199,125.00, which was paid on April 1, 2015. Employee contributions to the plan during the year ended December 31, 2015 were \$105,899.66.

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

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

The Township's contractually required contribution rate for the year ended December 31, 2015 was 27.07% of the Township's covered-employee payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2015, the Township's contractually required contribution to the pension plan for the year ended December 31, 2015 is \$569,734.00, and is payable by April 1, 2016. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2014, the Township's contractually required contribution to the pension plan for the year ended December 31, 2014 was \$509,436.00, which was paid on April 1, 2015. Employee contributions to the plan during the year ended December 31, 2015 were \$218,901.70.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Township, for the year ended December 31, 2015 was 2.53% of the Township's covered-employee payroll.

Note 7: PENSION PLANS (CONT'D)

General Information about the Pension Plans (Cont'd)

Contributions (Cont'd)

Police and Firemen's Retirement System (Cont'd) - Based on the most recent PFRS measurement date of June 30, 2015, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2015 is \$53,296.00, and is payable by April 1, 2016. Based on the PFRS measurement date of June 30, 2014, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2014 was \$37,306.00, which was paid on April 1, 2015.

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

For the year ended December 31, 2015, employee contributions totaled \$1,087.96, and the Township's contributions were \$2,203.18. There were no forfeitures during the year.

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

Public Employees' Retirement System - At December 31, 2015, the Township's proportionate share of the PERS net pension liability was \$5,495,574.00. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2015. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2015 measurement date, the Township's proportion was .0244813556%, which was an increase of .0003270029% from its proportion measured as of June 30, 2014.

At December 31, 2015, the Township's proportionate share of the PERS pension expense, calculated by the plan as of the June 30, 2015 measurement date is \$416,319.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2015, the Township's contributions to PERS were \$199,125.00, and were paid on April 1, 2015.

Police and Firemen's Retirement System - At December 31, 2015, the Township's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$ 11,674,691.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>1,023,831.00</u>
	<u>\$ 12,698,522.00</u>

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

Police and Firemen's Retirement System (Cont'd) - The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2015. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2015 measurement date, the Township's proportion was .0700908419%, which was an increase of .0037639942% from its proportion measured as of June 30, 2014. Likewise, at June 30, 2015, the State of New Jersey's proportion, on-behalf of the Township, was .0700908419%, which was an increase of .0037639942% from its proportion, on-behalf of the Township, measured as of June 30, 2014.

At December 31, 2015, the Township's proportionate share of the PFRS pension expense, calculated by the plan as of the June 30, 2015 measurement date is \$1,092,770.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2015, the Township's contributions to PFRS were \$509,436.00, and were paid on April 1, 2015.

At December 31, 2015, the State's proportionate share of the PFRS pension expense, associated with the Township, calculated by the plan as of the June 30, 2015 measurement date is \$127,708.00. This on-behalf expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

Deferred Outflows of Resources and Deferred Inflows of Resources - At December 31, 2015, the Township had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	PERS	PFRS	Total	PERS	PFRS	Total
Differences between Expected and Actual Experience	\$ 131,105.00	\$ -	\$ 131,105.00	\$ -	\$ 100,698.00	\$ 100,698.00
Changes of Assumptions	590,181.00	2,155,438.00	2,745,619.00	-	-	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	-	-	88,358.00	203,188.00	291,546.00
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	211,920.00	412,875.00	624,795.00	-	70,344.00	70,344.00
Township Contributions Subsequent to the Measurement Date	105,237.00	284,867.00	390,104.00	-	-	-
	<u>\$ 1,038,443.00</u>	<u>\$ 2,853,180.00</u>	<u>\$ 3,891,623.00</u>	<u>\$ 88,358.00</u>	<u>\$ 374,230.00</u>	<u>\$ 462,588.00</u>

\$105,237.00 and \$284,867.00 for PERS and PFRS, respectively, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2016. These amounts were based on an estimated April 1, 2017 contractually required contribution, prorated from the pension plans measurement date of June 30, 2015 to the Township's year end of December 31, 2015.

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

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

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

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

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

<u>Year Ending Dec 31,</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2016	\$ 162,134.00	\$ 425,498.00	\$ 587,632.00
2017	162,134.00	425,498.00	587,632.00
2018	162,134.00	425,498.00	587,632.00
2019	229,511.00	638,349.00	867,860.00
2020	128,935.00	279,240.00	408,175.00
	<u>\$ 844,848.00</u>	<u>\$ 2,194,083.00</u>	<u>\$ 3,038,931.00</u>

Actuarial Assumptions

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2015. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>PERS</u>	<u>PFRS</u>
Inflation	3.04%	3.04%
Salary Increases:		
2012-2021	2.15% - 4.40% Based on Age	2.60% - 9.48% Based on Age
Thereafter	3.15% - 5.40% Based on Age	3.60% - 10.48% Based on Age
Investment Rate of Return	7.90%	7.90%
Mortality Rate Table	RP-2000	RP-2000
Period of Actuarial Experience		
Study upon which Actuarial		
Assumptions were Based	July 1, 2008 - June 30, 2011	July 1, 2010 - June 30, 2013

For PERS, mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees.

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

For PFRS, mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and one year using Projection Scale BB for male service retirements with adjustments for mortality improvements from the base year based on Projection Scale BB. Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected fourteen years using Projection Scale BB for female service retirements and beneficiaries with adjustments for mortality improvements from the base year of 2014 based on Projection Scale BB.

For PERS and PFRS, in accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's and PFRS's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad U.S. Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds / Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex U.S.	3.50%	-0.40%
REIT	4.25%	5.12%
	<u>100.00%</u>	

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

Discount Rate - The discount rate used to measure the total pension liability at June 30, 2015 was 4.90% for PERS and 5.79% for PFRS. For both PERS and PFRS, the respective single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rates assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and for PFRS, the non-employer contributing entity, will be made based on the average of the last five years of 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 2033 for PERS and through 2045 for PFRS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033 for PERS and through 2045 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liabilities.

Sensitivity of Township's Proportionate Share of Net Pension Liability to Changes in the Discount Rate

Public Employees' Retirement System (PERS) - The following presents the Township's proportionate share of the net pension liability at June 30, 2015, the plans measurement date, calculated using a discount rate of 4.90%, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	1% Decrease <u>(3.90%)</u>	Current Discount Rate <u>(4.90%)</u>	1% Increase <u>(5.90%)</u>
Township's Proportionate Share of the Net Pension Liability	<u>\$ 6,830,326.00</u>	<u>\$ 5,495,574.00</u>	<u>\$ 4,376,527.00</u>

Police and Firemen's Retirement System (PFRS) - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the Township's annual required contribution. As such, the net pension liability as of June 30, 2015, the plans measurement date, for the Township and the State of New Jersey, calculated using a discount rate of 5.79%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	1% Decrease <u>(4.79%)</u>	Current Discount Rate <u>(5.79%)</u>	1% Increase <u>(6.79%)</u>
Township's Proportionate Share of the Net Pension Liability	\$ 15,390,949.00	\$ 11,674,691.00	\$ 8,644,415.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	<u>1,349,734.00</u>	<u>1,023,831.00</u>	<u>758,086.00</u>
	<u>\$ 16,740,683.00</u>	<u>\$ 12,698,522.00</u>	<u>\$ 9,402,501.00</u>

Note 7: PENSION PLANS (CONT'D)**Pension Plan Fiduciary Net Position**

Detailed information about each pension plan's fiduciary net position is available in the separately issued New Jersey Division of Pension and Benefits financial report. Information on where to obtain the report is indicated at the beginning of this note.

Supplementary Pension Information

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

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

	<u>Measurement Date Ended June 30,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Proportion of the Net Pension Liability	0.0244813556%	0.0241543527%	0.2294023700%
Township's Proportionate Share of the Net Pension Liability	\$ 5,495,574.00	\$ 4,522,355.00	\$ 4,384,335.00
Township's Covered-Employee Payroll	1,713,952.00	1,695,276.00	1,589,232.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered-Employee Payroll	320.64%	266.76%	275.88%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.93%	52.08%	48.72%

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

	<u>Year Ended December 31,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 210,474.00	\$ 199,125.00	\$ 172,850.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(210,474.00)</u>	<u>(199,125.00)</u>	<u>(172,850.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered-Employee Payroll	\$ 1,484,158.00	\$ 1,603,214.00	1,686,809.00
Township's Contributions as a Percentage of it's Covered-Employee Payroll	14.18%	12.42%	10.25%

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

	<u>Measurement Date Ended June 30,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Proportion of the Net Pension Liability	0.0700908419%	0.0663268477%	0.0671097772%
Township's Proportionate Share of the Net Pension Liability	\$ 11,674,691.00	\$ 8,343,302.00	\$ 8,921,639.00
State's Proportionate Share of the Net Pension Liability associated with the Township	<u>1,023,831.00</u>	<u>898,433.00</u>	<u>831,605.00</u>
Total	<u>\$ 12,698,522.00</u>	<u>\$ 9,241,735.00</u>	<u>\$ 9,753,244.00</u>
Township's Covered-Employee Payroll	\$ 2,219,648.00	\$ 2,028,324.00	\$ 2,106,128.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered-Employee Payroll	525.97%	411.34%	423.60%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.31%	62.41%	58.70%

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

	<u>Year Ended December 31,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 569,734.00	\$ 509,436.00	\$ 489,618.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(569,734.00)</u>	<u>(509,436.00)</u>	<u>(489,618.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered-Employee Payroll	\$ 2,104,572.00	\$ 2,205,292.00	\$ 2,064,046.00
Township's Contributions as a Percentage of it's Covered-Employee Payroll	27.07%	23.10%	23.72%

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

Changes in Benefit Terms - None

Changes in Assumptions - The discount rate changed from 5.39% as of June 30, 2014, to 4.90% as of June 30, 2015, in accordance with Paragraph 44 of GASB Statement No. 67.

Other Changes in Assumptions – New assumptions related to future increases on Social Security Wage Base and the 401(a)(17) compensation limit have been added as follows:

401(a)(17) Pay Limit – 3.00 per annum
Social Security Wage Base – 4.00 per annum

Police and Firemen's Retirement System (PFRS)

Changes in Benefit Terms - None

Changes in Assumptions - The discount rate changed from 6.32% as of June 30, 2014, to 5.79% as of June 30, 2015, in accordance with Paragraph 44 of GASB Statement No. 67.

Other Changes in Assumptions – Demographic assumptions with respect to no-vested withdrawal, disability, service retirement, active death, salary increases rates and inactive mortality were revised in accordance with the results of the July1, 2010 – June 30, 2013 experience study and approved by the Board of Trustees of the PERS Pension Plan at its February 9, 2015 Board Meeting.

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

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

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 2009, the Township authorized participation in the SHBP's post-retirement benefit program through resolution number 2009-154. The Township provides postemployment health care benefits, at its cost, to all Township retirees who at the date of retirement have not less than twenty-five (25) years of service credit in a State locally administered retirement system and have served at least twenty (20) years as an employee of the Township. Benefits provided include health insurance, dental coverage, and prescription coverage for retirees and their dependents only during the retired employees' life.

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

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

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

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis. The Township funds these benefits on a pay-as-you-go basis and, therefore, does not record accrued expenses related to these benefits. The Township's contributions to SHBP for the years ended December 31, 2015, 2014, and 2013, were \$405,552.50, \$324,690.00, and \$368,603.00, respectively, which equaled the required contributions each year. There were approximately 16 retired participants eligible at December 31, 2015.

Dental

Plan Description - The Township's defined contribution postemployment dental plan, allows employees retiring with twenty-five (25) or more years of service in either the PERS or PFRS pension systems and at least 15 years of full time service with the Township for Police Officers and 25 years of full time service for all other employees, and employees retiring on an accidental disability pension, to receive fully paid dental benefits. These dental benefits continue for 15 years following retirement, until age 65 for Police Officers and for 10 years following retirement, until the age of 65 for all other employees.

The Township Plan is a single-employer postemployment dental plan administered by Horizon Blue Cross. The benefit provisions of the Plan may be established or amended by the Township and the authority rests with the Mayor and Township Committee. The Plan does not issue a separate financial report.

In 2015, the Townships contributions to the Dental Plan were \$16,795.60 for 16 retired employees and \$60,135.06 for 52 active employees.

Funding Policy - The contribution requirement of the Township is established by policy of the governing body and reflected in the various union contracts. The Township may amend its policy, subject to contract inclusion, as deemed necessary. The required contribution is based on projected pay-as-you-go financing requirements. For 2015, the Township contributed \$16,795.60 to the Plan for current premiums. Currently, there is no required retiree contribution.

Annual OPEB Cost and Net OPEB Obligation (Asset) - The Township's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Dental (Cont'd)**

Annual OPEB Cost and Net OPEB Obligation (Asset) (Cont'd) - The following table shows the components of the Township's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the Townships' net OPEB obligation to the Plan:

	<u>2015</u>	<u>2014</u>
Annual Required Contribution (ARC)	\$ 9,481.00	\$ 9,481.00
Interest on the Net OPEB Obligation	100.00	0.00
Adjustment to the ARC	<u>(100.00)</u>	<u>0.00</u>
Annual OPEB Cost	9,481.00	9,481.00
Pay-as-You Go Cost (Existing Retirees)	<u>(16,795.60)</u>	<u>(9,000.00)</u>
Increase (Decrease) in the Net OPEB Obligation	(7,314.60)	481.00
Net OPEB Obligation, January 1	<u>481.00</u>	<u>0.00</u>
Net OPEB Obligation (Asset), December 31	<u>\$ (6,833.60)</u>	<u>\$ 481.00</u>
Percentage of Annual OPEB Cost Contributed	177.2%	94.93%

Funded Status and Funding Progress – The funded status of the plan as of December 31, 2015, was as follows:

Actuarial Valuation Date	12/31/2014
Actuarial Accrued Liability (AAL)	\$ 103,450.00
Actuarial Value of Plan Assets	<u>-</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 103,450.00</u>
Funded Ratio (Actuarial Value of Plan Assets / AAL)	0%
Covered Payroll (Active Plan Members)	\$ 4,845,352.62
UAAL as a Percentage of Covered Payroll	2.14%

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

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Dental (Cont'd)**

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

In the December 31, 2014 actuarial valuation, the Projected Unit Credit Funding Method was used. Under this method, an actuarial accrued liability is determined as the actuarial present value of the portion of projected benefits which is allocated to service before the current plan year. In addition, a normal cost is determined as the actuarial present value of the portion of projected benefits which is allocated to service in the current plan year for each active participant under the assumed retirement age. The UAAL is being amortized (straight-line) for thirty (30) years on an open basis. The actuarial assumptions included the following:

- *Mortality* - RP 2000 Combined Healthy Male Mortality Rates set forward three years.
- *Turnover* - NJ State Pensions Ultimate Withdrawal Rates - prior to benefits eligibility.
- *Assumed Retirement Age* - At first eligibility.
- *Full Attribution Period* - Service to assumed retirement age.
- *Annual Discount Rate* - 4.5%.
- *Medical Trend* - 5% per annum.
- *Medical Cost Aging Factor* - NJSHBP Medical Morbidity Rates

Note 9: COMPENSATED ABSENCES

The Township does not have a policy for compensating all employees for unused sick, vacation or personal leave days upon retirement. However, a policy negotiated in the union contracts of the administration, public works and police departments exists. In addition, as an incentive to reward long term employees who have accumulated sick time throughout their career with the Township, non-aligned employees with at least thirty (30) years of service with the Township are permitted to sell back up to five weeks (25 days) of accumulated sick leave upon retirement, but limited to \$15,000.

In accordance with the union negotiated contract of the Township's public works department, "an employee shall receive, upon retirement, lump sum payment up to ten thousand (\$10,000) dollars equal to 65% of the total number of accumulated sick days times \$80."

In accordance with Article XII, Paragraph E, of the Township of Cinnaminson's Police Association-Supervisors Unit, through December 31, 2017 "upon retirement, a regular full-time unit employee shall be entitled to a lump sum payment, up to a maximum of fifteen thousand dollars (\$15,000) for unused accumulated sick days."

In accordance with Article XII, Paragraph E, of the Township of Cinnaminson's Police Association – Police Officers Unit, through December 31, 2017 "upon retirement, a regular full-time unit employee shall be entitled to a lump sum payment, up to a maximum of fifteen thousand dollars (\$15,000) for unused accumulated sick days."

The Township does not record accrued expenses related to compensated absences, however, it is estimated that as of December 31, 2015, accrued benefits for compensated absences are valued at approximately \$509,056.20.

Note 10: DEFERRED COMPENSATION SALARY ACCOUNT

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

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

Note 11: LEASE OBLIGATIONS**Capital Leases**

The Township has authorized participation in the Burlington County Bridge Commission's 2004 Governmental Leasing Program. Under this program, the Commission will acquire or construct certain equipment and improvements and lease these assets to the Township under capital lease agreements.

The Commission will finance this project through the issuance of County-Guaranteed Lease Revenue Bonds, Series 2004. Lease payments by the Township are based upon the principal and interest necessary to amortize debt service on the Series 2004 bonds. Payments by the Township are adjusted to reflect accrued interest earned on the balance of funds unused and held in trust by the Commission. The Township began utilizing the Program's funds during 2004 for various improvements and equipment authorizations. As of December 31, 2015, the Township had utilized \$1,431,037 of the total available principal of \$1,468,000. The remaining \$36,963 was transferred to capital surplus during the year ended December 31, 2010. Principal and interest payments began in 2005.

**Schedule of Annual Debt Service for Burlington
County Bridge Commission Lease Payable:**

<u>Year</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2016	\$ 31,160.00	\$ 69,000.00	\$ 100,160.00
2017	29,090.00	71,000.00	100,090.00
2018	26,960.00	73,000.00	99,960.00
2019	24,040.00	77,000.00	101,040.00
2020	20,960.00	79,000.00	99,960.00
2020-2024	45,500.00	356,000.00	401,500.00
	<u>\$ 177,710.00</u>	<u>\$ 725,000.00</u>	<u>\$ 902,710.00</u>

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

General Improvement Bonds, Series 2015- On September 15, 2015, the Township issued \$9,345,000.00 of general improvement bonds. The bonds were issued for the purpose of funding various capital projects in the Township. The final maturity of the bonds is July 15, 2028. The following schedule represents the remaining debt service, through maturity, for the general improvement bond:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 450,000.00	\$ 176,873.13	\$ 626,873.13
2017	450,000.00	213,637.50	663,637.50
2018	450,000.00	204,637.50	654,637.50
2019	450,000.00	195,637.50	645,637.50
2020	700,000.00	186,637.50	886,637.50
2021-2025	4,145,000.00	698,487.50	4,843,487.50
2026-2028	2,700,000.00	162,000.00	2,862,000.00
	<u>\$ 9,345,000.00</u>	<u>\$ 1,837,910.63</u>	<u>\$ 11,182,910.63</u>

General Debt – Burlington County Bridge Commission Loans

The Township has entered into various loan agreements with the Burlington County Bridge Commission. The following schedule represents the remaining debt service, through maturity, for the Burlington County Bridge Commission loans:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 603,000.00	\$ 202,832.50	\$ 805,832.50
2017	621,000.00	173,892.50	794,892.50
2018	456,000.00	144,102.50	600,102.50
2019	461,000.00	125,862.50	586,862.50
2020	215,000.00	102,812.50	317,812.50
2021-2025	1,345,000.00	337,562.50	1,682,562.50
2026-2027	675,000.00	44,625.00	719,625.00
	<u>\$ 4,376,000.00</u>	<u>\$ 1,131,690.00</u>	<u>\$ 5,507,690.00</u>

General Debt - New Jersey Green Acres Loans

On March 17, 2002, the Township entered into a loan agreement with the New Jersey Department of Environmental Protection to provide \$335,000.00. Semiannual debt payments are due through 2021.

In addition, on July 31, 2008, the Township entered into a second loan agreement with the New Jersey Department of Environmental Protection to provide \$343,007.00. Semiannual debt payments are due through 2028.

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

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 35,884.37	\$ 6,725.11	\$ 42,609.48
2017	36,605.65	6,003.83	42,609.48
2018	37,341.42	5,268.05	42,609.47
2019	38,091.98	4,517.49	42,609.47
2020	38,857.64	3,751.84	42,609.48
2021-2025	106,640.41	10,646.05	117,286.46
2026	51,759.68	1,563.11	53,322.79
	<u>\$ 345,181.15</u>	<u>\$ 38,475.48</u>	<u>\$ 383,656.63</u>

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>Issued</u>			
General:			
Bonds, Loans and Notes	\$ 14,791,181.15	\$ 13,819,821.46	\$ 13,002,592.63
<u>Authorized but not Issued</u>			
General:			
Bonds, Loans and Notes	<u>1,719,903.00</u>	<u>2,206,225.00</u>	<u>2,133,928.00</u>
Total Issued and Authorized but not Issued	<u>16,511,084.15</u>	<u>16,026,046.46</u>	<u>15,136,520.63</u>
<u>Deductions</u>			
General:			
Reserve for Payment of Debt Service	<u>388,995.92</u>	<u>37,289.77</u>	<u>187,287.77</u>
Net Debt	<u>\$ 16,122,088.23</u>	<u>\$ 15,988,756.69</u>	<u>\$ 14,949,232.86</u>

Note 12: CAPITAL DEBT (CONT'D)

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of .925%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 42,178,000.00	\$ 42,178,000.00	
General	16,511,084.15	388,995.92	16,122,088.23
	<u>\$ 58,689,084.15</u>	<u>\$ 42,566,995.92</u>	<u>\$ 16,122,088.23</u>

Net debt \$16,122,088.23 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$1,743,618,009.67, equals .925%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 61,026,630.34
Less: Net Debt	<u>16,122,088.23</u>
Remaining Borrowing Power	<u>\$ 44,904,542.11</u>

A revised Annual Debt Statement should be filed by the Chief Financial Officer.

Note 13: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2015, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund(s):

<u>Description</u>	<u>Balance December 31, 2015</u>	<u>2016 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorization - Revaluation	\$ 95,200.00	\$ 46,100.00

The appropriations in the 2016 Budget as adopted are not less than that required by the statutes.

Note 14: SCHOOL TAXES

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

	<u>Balance December 31,</u>	
	<u>2015</u>	<u>2014</u>
Balance of Tax	\$ 15,593,542.50	\$ 15,125,668.00
Deferred	14,418,170.00	14,418,170.00
	\$ 1,175,372.50	\$ 707,498.00

Note 15: ARBITRAGE REBATE

The Tax Reform Act of 1986 placed restriction on investments of the proceeds of certain tax-exempt bonds issued after December 31, 1986. Specifically, investment earnings which are above arbitrage bond yield are required to be rebated to the United States Treasury Department within sixty days of the end of the fifth bond year. A bond year is defined, at the option of the issuing entity, as either the date of the first anniversary of bond settlement or the issuing entity's year end.

Cinnaminson Township has the following bond issues outstanding at December 31, 2015:

<u>Issue Date</u>	<u>Settlement Date</u>	<u>Amount</u>	<u>Liability</u>
September 15, 2015	September 29, 2015	\$ 9,345,000.00	(1)

(1) The rebate calculations on these bonds are required to be made at least once every five years. It is anticipated that when such calculation is made, the liability, if any, will be appropriated in that year's current fund budget.

Note 16: RISK MANAGEMENT

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

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

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

<u>Year</u>	<u>Township Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2015	-	\$ 9,035.46	\$ 162,901.05
2014		14,338.49	171,936.51
2013	\$ 100,000.00	13,853.00	186,275.00

Note 16: RISK MANAGEMENT (CONT'D)

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

Property
Equipment Breakdown
Inland Marine
Crime / Public Officials Bonds
General Liability
Automobile
Law Enforcement Liability
Worker's Compensation
Public Officials / Employment Practices Liability
Non-Owned Aircraft Liability
Cyber Liability
Pollution Liability

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

The Fund publishes its own financial report for the year ended December 31, 2015, which can be obtained from:

Garden State Municipal Insurance Fund
900 Rte 9 North
Suite 503
Woodbridge, New Jersey 07095

Note 17: OPEN SPACE, RECREATION AND FARMLAND PRESERVATION TRUST

On November 2, 2004, and November 1, 2005 pursuant to P.L. 1997, c. 24 (N.J.S.A. 40:12-15.1 et seq.), the voters of the Township authorized the establishment of the Township of Cinnaminson Open Space, Recreation and Farmland Preservation Trust Fund effective January 1, 2005, for the purpose of raising revenue for the acquisition of lands and interests in lands for the conservation of farmland and open space. Overall, as a result of the two referendums, the Township levies a tax not to exceed three cents per one hundred dollars of equalized valuation. Amounts raised by taxation are assessed, levied and collected in the same manner and at the same time as other taxes. Future increases in the tax rate or to extend the authorization must be authorized by referendum. All revenue received is accounted for in a trust fund dedicated by rider (N.J.S.A. 40A:4-39) for the purposed stated. Interest earned on the investment of these funds is credited to the Township of Cinnaminson Open Space, Recreation and Farmland Preservation Trust Funds.

Note 18: CONCENTRATIONS

The Township depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the Township is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and state laws and federal and state appropriations.

Note 19: CONTINGENCIES

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

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

Note 20: SUBSEQUENT EVENTS

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

<u>Purpose</u>	<u>Adoption</u>	<u>Authorization</u>
General Improvements		
Various Capital Improvements	4/25/2016	\$ 2,020,000.00

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF CINNAMINSON
CURRENT FUND
Statement of Current Cash--Treasurer
For the Year Ended December 31, 2015

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2014	\$ 4,420,721.71	\$ 339,437.36
Increased by Receipts:		
Taxes Receivable	\$ 52,633,448.96	
Overpayments	13,750.88	
Prepaid Taxes	361,042.85	
Due from State of New Jersey--Senior Citizens' and Veterans' Deductions	226,790.47	
Revenue Accounts Receivable	3,603,553.35	
Miscellaneous Revenue not Anticipated	433,720.59	
Due to State of New Jersey--Marriage License Fees	2,725.00	
Due to State of New Jersey--DCA Fees	24,362.00	
Due to Trust Fund Other:		
Collections on Behalf of Trust Other Fund--Off Duty Police	4,175.61	
Commodities Resale:		
Postage--Due Cinnaminson Sewerage Authority	1,863.81	
Postage--Due Cinnaminson Fire District	1,821.85	
Reserve for Tax Title Lien Redemptions	569,661.29	
Refunds of Current Year Appropriations	416,419.95	
Federal and State Grants Receivable		\$ 45,335.58
Unappropriated Grant Reserves		<u>4,525.00</u>
	<u>58,293,336.61</u>	<u>49,860.58</u>
	62,714,058.32	389,297.94
Decreased by Disbursements:		
2015 Budget Appropriations	12,047,917.93	
2014 Appropriation Reserves	254,454.07	
County Taxes	7,224,855.58	
County Share of Added and Omitted Taxes	38,444.34	
Local District School Tax	32,263,570.50	
Special (Fire) District Tax	2,796,057.00	
Municipal Open Space Tax	271,144.47	
Due to State of New Jersey--Marriage License Fees	3,000.00	
Due to State of New Jersey--DCA Fees	18,614.00	
Refund of Tax Overpayments	7,920.71	
Refund of Prior Year Revenue:		
Tax Appeals	21,903.90	
Totally Disabled Vets	5,469.13	
Reserve for Tax Title Lien Redemptions	549,869.03	
Commodities Resale:		
Postage--Due Cinnaminson Sewerage Authority	1,703.83	
Postage--Due Cinnaminson Fire District	3,059.33	
Due Trust Other--Off Duty Police	742.50	
Due Trust Other--Payroll	58,755.09	
Reserve for Federal and State Grant Funds--Appropriated		<u>76,838.97</u>
	<u>55,567,481.41</u>	<u>76,838.97</u>
Balance December 31, 2015	<u>\$ 7,146,576.91</u>	<u>\$ 312,458.97</u>

TOWNSHIP OF CINNAMINSON
CURRENT FUND
 Schedule of Change Funds
 For the Year Ended December 31, 2015

Office

Tax Collector	\$	75.00
Construction Code Office / Animal Control		25.00
	\$	100.00

Exhibit SA-3

CURRENT FUND
 Statement of Petty Cash Funds
 For the Year Ended December 31, 2015

<u>Office</u>	Received from <u>Treasurer</u>	Returned to <u>Treasurer</u>
Tax Collector	\$ 250.00	\$ 250.00

TOWNSHIP OF CINNAMINSON
CURRENT FUND
 Statement of Taxes Receivable and Analysis of Property Tax Levy
 For the Year Ended December 31, 2015

Year	Balance Dec. 31, 2014	2015 Levy	Added Taxes	2014	2015	Due from State of New Jersey	Overpayments Applied	Canceled	Transfer to Arrears	Transfer to Tax Title Liens	Balance Dec. 31, 2015
Arrears 2014	\$ 4,226.91 449,957.07		\$ 3,013.01		\$ 4,226.91 443,261.23			\$ 2,962.75	\$ 3,407.64	\$ 4,576.56	\$ 3,407.64 2,169.54
2015	454,183.98	\$ 53,144,590.98	3,013.01	\$ 275,443.11	447,488.14	\$ 228,043.65	\$ 8,468.96	2,962.75	3,407.64	4,576.56	5,577.18
	\$ 454,183.98	\$ 53,144,590.98	\$ 3,013.01	\$ 275,443.11	\$ 52,633,448.96	\$ 228,043.65	\$ 8,468.96	\$ 75,268.52	\$ -	\$ 17,214.91	\$ 363,899.86

Analysis of 2015 Property Tax Levy

Tax Yield	
General Purpose	\$ 49,914,718.64
Special (Fire) District Taxes	2,796,059.00
Added Taxes (R.S. 54:4-63.1 et seq.)	433,813.34
	<u>\$ 53,144,590.98</u>

Tax Levy

Local District School Tax	
County Taxes:	\$ 32,731,445.00
County Tax	
County Library Tax	\$ 5,968,372.22
County Open Space	556,068.22
Due County:	700,415.14
Added Taxes (R.S. 54:4-63.1 et seq.)	58,648.63
	<u>7,283,504.21</u>
Local Tax for Municipal Purpose	
Special (Fire) District Taxes	9,687,273.59
Municipal Open Space	2,796,059.00
Municipal Open Space--Added Taxes	271,144.47
Add: Additional Tax Levied	2,203.83
	<u>372,960.88</u>
	<u>13,129,641.77</u>
	<u>\$ 53,144,590.98</u>

TOWNSHIP OF CINNAMINSON
CURRENT FUND
Statement of Tax Title Liens
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 93,728.63
Increased by:		
Transfers from Taxes Receivable	\$ 17,214.91	
Interest and Cost on Tax Sale	<u>534.57</u>	
		<u>17,749.48</u>
		111,478.11
Decreased by:		
Foreclosures--Transferred to Property Acquired for Taxes (Assessed Valuation)		<u>26,180.40</u>
Balance December 31, 2015		<u><u>\$ 85,297.71</u></u>

TOWNSHIP OF CINNAMINSON
CURRENT FUND
 Statement of Revenue Accounts Receivable
 For the Year Ended December 31, 2015

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Accrued</u> <u>in 2015</u>	<u>Received</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Local Revenues:				
Licenses:				
Alcoholic Beverages	\$ 17,750.00	\$ 17,750.00	17,750.00	
Other		16,168.00	16,168.00	
Fees and Permits		58,736.34	58,736.34	
Fines and Costs:				
Municipal Court		306,548.89	288,747.13	\$ 35,022.28
Interest on Costs and Taxes	\$ 17,220.52	111,214.44	111,214.44	
Hotel Tax		61,517.61	61,517.61	
Cable TV Franchise Fee		59,148.59	59,148.59	
Cellular Tower Lease		49,188.46	49,188.46	
PILOT--New Plan Retail Center		299,677.76	299,677.76	
PILOT--Siena Condominiums		54,321.09	54,321.09	
Rent- Town Hall (Sewer Authority and Fire District)		34,773.75	34,773.75	
State Aid Without Offsetting Appropriations:				
Energy Receipts Tax		1,915,320.00	1,915,320.00	
Garden State Preservation Trust Fund		5,425.00	5,425.00	
Dedicated Uniform Construction Code Fees Offset with Appropriations				
Uniform Construction Code Fees		220,249.00	220,249.00	
Special Items of General Revenue Anticipated with Prior Written				
Consent of Director of Local Gov't Services--Other Special Items:				
Interlocal Agreement- Borough of Riverton Municipal Court		74,026.41	74,026.41	
Reserve for Payment of Debt		37,289.77	37,289.77	
General Capital Surplus		300,000.00	300,000.00	
	<u>\$ 17,220.52</u>	<u>\$ 3,621,355.11</u>	<u>\$ 3,603,553.35</u>	<u>\$ 35,022.28</u>

TOWNSHIP OF CINNAMINSON
CURRENT FUND
 Statement of 2014 Appropriation Reserves
 For the Year Ended December 31, 2015

	Balance December 31, 2014		Balances After Modification	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
OPERATIONS--WITHIN "CAPS"					
<u>General Government</u>					
Administrative and Executive					
Salaries and Wages		\$ 1,323.43	\$ 1,323.43		\$ 1,323.43
Other Expenses	\$ 481.39	5,079.36	5,560.75	\$ 2,440.55	3,120.20
Mayor and Committee					
Salaries and Wages		1,530.00	1,530.00		1,530.00
Other Expenses		1,451.89	1,451.89		1,451.89
Municipal Clerk					
Salaries and Wages		571.71	571.71		571.71
Other Expenses		788.49	788.49	772.38	16.11
Financial Administration					
Salaries and Wages		66.48	66.48		66.48
Other Expenses	13,545.30	14,825.48	28,370.78	7,639.05	20,731.73
Audit Services	32.40	4,298.50	4,330.90		4,330.90
Collection of Taxes					
Salaries and Wages		486.26	486.26		486.26
Other Expenses		3,034.16	3,034.16	887.41	2,146.75
Assessment of Taxes					
Salaries and Wages		25.22	25.22		25.22
Other Expenses		5,063.56	5,063.56	34.50	5,029.06
Legal Services and Costs					
Other Expenses		34,126.66	34,126.66	16,438.99	17,687.67
Information Technology					
Other Expenses	10,766.16	1,147.74	11,913.90	11,707.61	206.29
Insurance:					
Group Health Insurance		202,929.96	202,929.96		202,929.96
Workers Compensation		7,392.00	7,392.00		7,392.00
<u>Land Use Administration</u>					
Engineering Services and Costs					
Salaries and Wages		913.84	913.84		913.84
Other Expenses		10,198.25	10,198.25	2,537.00	7,661.25
Planning Board					
Salaries and Wages		33.37	33.37		33.37
Other Expenses	1,759.26	6,448.65	8,207.91	4,780.66	3,427.25
Zoning Officer					
Salaries and Wages		41.44	41.44		41.44
Other Expenses		11,929.39	5,929.39	208.35	5,721.04
Code Enforcement Officer					
Salaries and Wages		251.33	251.33		251.33
Other Expenses		1,009.61	1,009.61	37.41	972.20
<u>Public Safety</u>					
Police					
Salaries and Wages		180,299.02	180,299.02		180,299.02
Other Expenses	19,264.18	34,971.66	54,235.84	33,064.36	21,171.48
Emergency Management Services					
Salaries and Wages		582.71	582.71		582.71
Other Expenses	286.20	1,230.43	1,516.63	286.20	1,230.43
Municipal Court					
Salaries and Wages		2,477.26	2,477.26		2,477.26
Other Expenses		7,340.88	7,340.88	2,858.78	4,482.10
Municipal Prosecutor					
Salaries and Wages		5,560.85	5,560.85		5,560.85
Other Expenses		750.00	750.00		750.00
<u>Public Works</u>					
Streets and Roads					
Salaries and Wages		22,747.23	22,747.23		22,747.23
Other Expenses	3,434.05	7,631.83	11,065.88	4,579.11	6,486.77
Sanitation					
Other Expenses		97,852.28	97,852.28	76,928.66	20,923.62
Buildings and Grounds					
Other Expenses--Township Buildings	4,328.04	2,714.86	7,042.90	5,658.93	1,383.97
Other Expenses--County Library		1,229.18	1,229.18	155.39	1,073.79

(Continued)

TOWNSHIP OF CINNAMINSON
CURRENT FUND
 Statement of 2014 Appropriation Reserves
 For the Year Ended December 31, 2015

	Balance December 31, 2014		Balances After Modification	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
OPERATIONS--WITHIN "CAPS" (CONT'D)					
<u>Public Works (Cont'd)</u>					
Motor Vehicle Maintenance					
Salaries and Wages		\$ 7,119.57	\$ 7,119.57		\$ 7,119.57
Other Expenses	\$ 8,878.96	2,606.07	11,485.03	\$ 11,390.95	94.08
Municipal Services Reimbursement:					
Other Expenses		12,095.75	12,095.75	11,316.18	779.57
<u>Parks, Recreation and Community Services</u>					
<u>Animal Control</u>					
Salaries and Wages		12.00	12.00		12.00
Other Expenses	200.00	5,156.64	5,356.64	1,777.08	3,579.56
<u>Parks and Recreation Programs Administration</u>					
Salaries and Wages		306.05	306.05		306.05
Other Expenses	631.20	661.71	4,292.91	3,579.20	713.71
<u>Maintenance of Parks and Playgrounds</u>					
Salaries and Wages		504.82	504.82		504.82
Other Expenses	3,660.19	14,311.70	17,971.89	4,890.72	13,081.17
<u>Uniform Construction Code--Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4-17)</u>					
<u>State Uniform Construction Code:</u>					
<u>Construction Official</u>					
Salaries and Wages	195.00	5,379.88	5,574.88		5,574.88
Other Expenses	70.03	12,046.14	9,116.17	404.32	8,711.85
<u>Utility Expenses and Bulk Purchases</u>					
Electricity		28,228.15	28,228.15	11,167.75	17,060.40
Street Lighting		19,316.18	25,316.18	25,030.70	285.48
Telephone		15,656.62	15,656.62	787.32	14,869.30
Water		3,144.50	3,144.50	819.88	2,324.62
Gas Heating		7,828.62	7,828.62	4,815.96	3,012.66
Gasoline / Diesel Fuel		35,895.98	35,895.98	4,998.07	30,897.91
<u>Statutory Expenditures:</u>					
<u>Contribution to:</u>					
Public Employees' Retirement System		18,691.35	18,691.35		18,691.35
Social Security System (O.A.S.I.)		45,092.47	45,092.47	7,280.07	37,812.40
Police and Firemen's Retirement System--Retroactive		0.30	0.30		0.30
Police and Firemen's Retirement System of N.J.		29,273.00	29,273.00		29,273.00
Defined Contribution Retirement Program		669.34	669.34		669.34
OPERATIONS--EXCLUDED FROM "CAPS"					
Recycling Tax (N.J.S.A. 13:1E-96.5)		6,640.87	6,640.87	1,467.48	5,173.39
Employee Group Health		41,746.00	41,746.00		41,746.00
<u>Interlocal Municipal Services Agreements:</u>					
<u>Shared Services Municipal Court--Borough of Riverton</u>					
Salaries and Wages		1,768.70	1,768.70		1,768.70
Other Expenses		35.64	35.64		35.64
	<u>\$ 67,532.36</u>	<u>\$ 994,543.02</u>	<u>\$ 1,062,075.38</u>	<u>\$ 260,741.02</u>	<u>\$ 801,334.36</u>
Disbursed				\$ 254,454.07	
Transferred to Accounts Payable				<u>6,286.95</u>	
				<u>\$ 260,741.02</u>	

TOWNSHIP OF CINNAMINSON
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 275,443.11
Increased by:		
Collections--2016 Taxes		361,042.85
		636,485.96
Decreased by:		
Application to 2015 Taxes Receivable		275,443.11
Balance December 31, 2015		\$ 361,042.85

Exhibit SA-9

CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 6,850.00
Increased by:		
Overpayments Collected		13,750.88
		20,600.88
Decreased by:		
Canceled Tax Overpayments	\$ 4,211.21	
Overpayments Applied	8,468.96	
Disbursements	7,920.71	
		20,600.88
Balance December 31, 2015		\$ -

TOWNSHIP OF CINNAMINSON
CURRENT FUND
Statement of Due to State of New Jersey--Senior Citizens'
and Veterans' Deductions (C. 129, L. 1976)
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 43,545.22
Increased by:		
Receipts	\$ 226,790.47	
Prior Year Senior Citizens and Veterans Disallowed	3,013.01	
		229,803.48
		273,348.70
Decreased by:		
Senior Citizens' and Veterans' Deductions per Tax Billings	228,250.00	
Senior Citizens' and Veterans' Deductions Allowed by Tax Collector--2015 Taxes	2,250.00	
	230,500.00	
Deductions Disallowed by Tax Collector--2015 Taxes	2,456.35	
		228,043.65
Balance December 31, 2015		\$ 45,305.05

TOWNSHIP OF CINNAMINSON
CURRENT FUND
Statement of Municipal Open Space Tax Payable
For the Year Ended December 31, 2015

Increased by:		
2015 Levy	\$	271,144.47
Added Taxes		<u>2,203.83</u>
		\$ 273,348.30
Decreased by:		
Disbursements		<u>271,144.47</u>
Balance December 31, 2015		<u><u>\$ 2,203.83</u></u>

TOWNSHIP OF CINNAMINSON
CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2015

Increased by--2015 Levy:

County Tax	\$ 5,968,372.22
County Library Tax	556,068.22
County Open Space	<u>700,415.14</u>

\$ 7,224,855.58

Decreased by:

Disbursements	<u>\$ 7,224,855.58</u>
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TOWNSHIP OF CINNAMINSON
CURRENT FUND
Statement of Due County for Added and Omitted Taxes
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 38,444.34
Increase by County Share of 2015 Levy:		
2015 Omitted Taxes	\$ 1,105.04	
2014 Added Taxes	724.42	
2015 Added Taxes	55,525.05	
2014 Omitted/Added Taxes	<u>1,294.12</u>	
		<u>58,648.63</u>
		97,092.97
Decreased by:		
Disbursements		<u>38,444.34</u>
Balance December 31, 2015		<u><u>\$ 58,648.63</u></u>

TOWNSHIP OF CINNAMINSON
CURRENT FUND
Statement of Local District School Tax
For the Year Ended December 31, 2015

<hr/>		
Balance December 31, 2014		
School Tax Payable	\$ 707,498.00	
School Tax Deferred	<u>14,418,170.00</u>	
		\$ 15,125,668.00
Increased by:		
Levy--School Year July 1, 2015 to June 30, 2016		<u>32,731,445.00</u>
		47,857,113.00
Decreased by:		
Disbursements		<u>32,263,570.50</u>
Balance December 31, 2015		
School Tax Payable	1,175,372.50	
School Tax Deferred	<u>14,418,170.00</u>	
		<u>\$ 15,593,542.50</u>
2015 Liability for Local District School Taxes:		
Tax Paid		\$ 32,263,570.50
Add: Tax Payable December 31, 2015		<u>1,175,372.50</u>
		33,438,943.00
Less: Tax Payable December 31, 2014		<u>707,498.00</u>
Amount Charged to 2015 Operations		<u>\$ 32,731,445.00</u>

TOWNSHIP OF CINNAMINSON
CURRENT FUND
Statement of Special Emergency Authorizations
For the Year Ended December 31, 2015

<u>Date Authorized</u>	<u>Purpose</u>	<u>Original Amount Authorized</u>	<u>1/5 of Amount Authorized</u>	<u>Balance Dec. 31, 2014</u>	<u>Budget Appropriation</u>	<u>Balance Dec. 31, 2015</u>
01/21/13	Tax Revaluation	\$ 230,500.00	\$ 46,100.00	<u>\$ 138,300.00</u>	<u>\$ 43,100.00</u>	<u>\$ 95,200.00</u>

TOWNSHIP OF CINNAMINSON
CURRENT FUND
Statement of Due to State of New Jersey
Marriage License Fees
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 800.00
Increased by:	
Receipts	<u>2,725.00</u>
	3,525.00
Decreased by:	
Disbursements	<u>3,000.00</u>
Balance December 31, 2015	<u><u>\$ 525.00</u></u>

TOWNSHIP OF CINNAMINSON
CURRENT FUND
Statement of Interlocal Agreement - Borough of Riverton Municipal Court
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 74,026.41
Increased by:	
2015 Billings (Creation of Receivable)	<u>80,650.30</u>
	154,676.71
Decreased by:	
Receipts (Realized Revenue)	<u>74,026.41</u>
Balance December 31, 2015	<u><u>\$ 80,650.30</u></u>

TOWNSHIP OF CINNAMINSON
CURRENT FUND
Statement of Property Acquired for Taxes (Assessed Valuation)
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 896,800.00
Increased by:		
Foreclosed--Transferred from Tax Title Liens	\$ 26,180.40	
Increased to 2015 Assessed Valuation	<u>221,919.60</u>	
		<u>248,100.00</u>
Balance December 31, 2015		<u><u>\$ 1,144,900.00</u></u>

TOWNSHIP OF CINNAMINSON
FEDERAL AND STATE GRANT FUND
Statement of Due to Current Fund
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 43,454.78
Decreased by:	
Matching Fund Appropriation	<u>2,534.25</u>
Balance December 31, 2015	<u><u>\$ 40,920.53</u></u>

TOWNSHIP OF CINNAMINSON
FEDERAL AND STATE GRANT FUND
 Federal and State Grants Receivable
 For the Year Ended December 31, 2015

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Realized as</u> <u>Miscellaneous</u> <u>Revenue in</u> <u>2015 Budget</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Federal Grants:				
CARS E Canine Program	\$ 900.00			\$ 900.00
Click-It or Ticket	5,800.00	\$ 1,825.00	\$ 1,825.00	5,800.00
Drunk Driving Enforcement		5,325.00	5,325.00	
Drive Sober or Get Pulled Over		3,075.00	3,075.00	
US Department of Transportation--Highway Planning Grants:				
NJ DOT - Safe Streets to Transit	68,234.25			68,234.25
NJ DOT 2012 Municipal Aid (Pomona Road Phase II)	92,078.37			92,078.37
Total Federal Grants	<u>167,012.62</u>	<u>10,225.00</u>	<u>10,225.00</u>	<u>167,012.62</u>
State Grants:				
Recycling Tonnage Grant		66,162.10	66,162.10	
Municipal Alliance	41,063.08	10,137.00	1,914.40	49,285.68
Clean Communities Program		35,016.07	35,016.07	
Municipal Alcohol Education and Rehabilitation Program		6,195.19	6,195.19	
Body Armor Replacement		2,604.85	2,604.85	
Total State Grants	<u>41,063.08</u>	<u>120,115.21</u>	<u>111,892.61</u>	<u>49,285.68</u>
Total Federal and State Grants Receivable	<u>\$ 208,075.70</u>	<u>\$ 130,340.21</u>	<u>\$ 122,117.61</u>	<u>\$ 216,298.30</u>
Original Budget				
Appropriation by 40A:4-87		\$ 86,919.03		
Cash Received		43,421.18		
Transferred from Unappropriated Grants			\$ 45,335.58	
			76,782.03	
		<u>\$ 130,340.21</u>	<u>\$ 122,117.61</u>	

TOWNSHIP OF CINNAMINSON
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants--Unappropriated
For the Year Ended December 31, 2015

<u>Program</u>	<u>Balance Dec. 31, 2014</u>	<u>Realized as Miscellaneous Revenue in 2015 Budget</u>	<u>Received</u>	<u>Balance Dec. 31, 2015</u>
Federal Grants:				
Drive Sober or Get Pulled Over	\$ 2,400.00	\$ 2,400.00		
Drunk Driving Enforcement	5,325.00	5,325.00		
Total Federal Grants	<u>7,725.00</u>	<u>7,725.00</u>	<u>-</u>	<u>-</u>
State Grants:				
Over the Limit Under Arrest			\$ 4,525.00	\$ 4,525.00
Municipal Alcohol Education and Rehabilitation Program	2,894.93	2,894.93		
Recycling Tonnage Grant	66,162.10	66,162.10		
Total State Grants	<u>69,057.03</u>	<u>69,057.03</u>	<u>4,525.00</u>	<u>4,525.00</u>
Total Federal and State Grants	<u>\$ 76,782.03</u>	<u>\$ 76,782.03</u>	<u>\$ 4,525.00</u>	<u>\$ 4,525.00</u>

TOWNSHIP OF CINNAMINSON
FEDERAL AND STATE GRANT FUND
 Statement of Reserve for Federal and State Grants--Appropriated
 For the Year Ended December 31, 2015

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Transferred</u> <u>from 2015</u> <u>Budget</u> <u>Appropriation</u>	<u>Prior</u> <u>Year</u> <u>Encumbrances</u> <u>Reclassified</u>	<u>Disbursed</u>	<u>Encumbered</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Federal Grants:						
Storm Water Regulation Grant	\$ 10,933.00					\$ 10,933.00
Drunk Driving Enforcement Grant	20,492.33	\$ 5,325.00		9,434.00		16,383.33
Drive Sober or Get Pulled Over		3,075.00		2,425.00		650.00
Click-It or Ticket	2,850.00	1,825.00		4,075.00		600.00
US Department of Transportation--Highway Planning Grants:						
NJ DOT Safe Streets Grant	86,049.95					86,049.95
NJ DOT 2012 Municipal Aid (Pomona Road Phase II)	50,546.38					50,546.38
CARS E Canine Program	431.89					431.89
Total Federal Grants	171,303.55	10,225.00	-	15,934.00	-	165,594.55
State Grants:						
Municipal Alcohol Education and Rehabilitation Program	17,885.60	6,195.19				24,080.79
Body Armor Replacement Grant	3,118.80	2,604.85		2,832.00		2,891.65
Municipal Alliance	47,221.78	12,671.25		5,210.16		54,682.87
Highway Safety Grant	3,000.00					3,000.00
Clean Communities Program	12,304.79	35,016.07		36,552.99	\$ 246.36	10,521.51
Recycling Tonnage	30,359.36	66,162.10	\$ 235.14	22,689.82	95.00	73,971.78
Total State Grants	113,890.33	122,649.46	235.14	67,284.97	341.36	169,148.60
Local Grants:						
County Park Development	163,292.20					163,292.20
Total Federal and State Grants	\$ 448,486.08	\$ 132,874.46	\$ 235.14	\$ 83,218.97	\$ 341.36	\$ 498,035.35
Original Budget		\$ 89,453.28				
Appropriation by 40A:4-87		43,421.18				
Disbursed by Federal and State Grant Fund			\$ 76,838.97			
Disbursed by Trust Other Fund on Behalf of Federal and State Grant Fund			6,380.00			
		\$ 132,874.46		\$ 83,218.97		

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWNSHIP OF CINNAMINSON
TRUST FUNDS
 Statement of Trust Cash
 For the Year Ended December 31, 2015

	<u>Animal Control Trust Fund</u>	<u>Other Funds</u>	<u>Municipal Open Space Fund</u>
Balance December 31, 2014	\$ 11,316.60	\$ 1,760,377.42	\$ 149,143.38
Increased by Receipts:			
Due to State of New Jersey	\$ 1,222.80		
Reserve for Dog Fund Expenditures	9,652.20		
Reserve for Cat Trap Deposits	350.00		
Off Duty Police Receivable		\$ 71,785.50	
Reserve for Trust Other Funds		7,065,162.51	
Due Current Fund		60,193.70	
Current Year Levy			
	<u>11,225.00</u>	<u>7,197,141.71</u>	<u>271,144.47</u>
	22,541.60	8,957,519.13	420,287.85
Decreased by Disbursements:			
Reserve for Dog Fund Expenditures	10,998.25		
Due to State of New Jersey--Dog License Fees	1,222.80		
Reserve for Cat Trap Deposits	450.00		
Due Federal and State Grant Fund:			
Disbursements Made on Behalf of		6,380.00	
Reserve for Trust Other Funds		6,803,031.90	
Off Duty Police Receivable		81,455.00	
Budget Appropriations			
	<u>12,671.05</u>	<u>6,890,866.90</u>	<u>289,013.00</u>
Balance December 31, 2015	<u>\$ 9,870.55</u>	<u>\$ 2,066,652.23</u>	<u>\$ 131,274.85</u>

TOWNSHIP OF CINNAMINSON
ANIMAL CONTROL TRUST FUND
Statement of Due to State of New Jersey
For the Year Ended December 31, 2015

Increased by:		
State Registration Fees Collected	\$	1,222.80
Decreased by:		
Disbursements	\$	<u>1,222.80</u>

TOWNSHIP OF CINNAMINSON
ANIMAL CONTROL TRUST FUND
 Statement of Reserve for Animal Control Fund Expenditures
 For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 10,716.60
Increased by:	
Dog and Cat License Fees Collected	9,652.20
	20,368.80
Decreased by:	
Expenditures Under N.J.S.A. 4:19-15.11	10,998.25
Balance December 31, 2015	\$ 9,370.55

License Fees Collected

<u>Year</u>		<u>Amount</u>	
2013		\$ 9,323.00	
2014		9,418.60	
			\$ 18,741.60

ANIMAL CONTROL TRUST FUND
 Statement of Reserve for Cat Trap Deposits
 For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 600.00
Increased by:	
Receipts	350.00
	950.00
Decreased by:	
Disbursements	450.00
Balance December 31, 2015	\$ 500.00

TOWNSHIP OF CINNAMINSON
TRUST - OTHER FUNDS
 Statement of Due from Current Fund
 For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 61,023.65
Increased by:		
Receipts Collected in Current Fund on Behalf of Off Duty Police Trust Fund		4,175.61
		65,199.26
Decreased by:		
Receipts:		
Received from Current Fund:		
Payroll Trust	\$ 58,755.09	
Off Duty Police Trust Fund	742.50	
Interest Earnings--Due to Current	696.11	
		60,193.70
Balance December 31, 2015		\$ 5,005.56
<u>Analysis of Balance</u>		
Planning and Zoning Board Escrow		\$ 7,488.18
Off Duty Police		4,175.61
Payroll		(6,658.23)
		\$ 5,005.56

TOWNSHIP OF CINNAMINSON
TRUST - OTHER FUNDS
 Statement of Changes in Miscellaneous Trust Other Reserves
 For the Year Ended December 31, 2015

	Increased by		Decreased by			
	Balance Dec. 31, 2014	Interest Earnings	Other Receipts	Budget Appropriations	Disbursements	Balance Dec. 31, 2015
Reserve for:						
Payroll Deductions	\$ 38,091.69		\$ 2,504,697.38		\$ 2,496,093.67	\$ 46,695.40
Net Payroll			3,588,758.95		3,588,758.95	
Escrow and Bond Deposits	654,629.15		299,364.08		256,783.24	697,209.99
Housing Trust	301,651.97	\$ 299.13	14,700.55		1,445.00	315,206.65
Recycling Equipment	17,252.20					17,252.20
Storm Recovery	84,192.66				14,965.79	69,226.87
Special Law Enforcement	1,761.33	12.75	26,338.85			28,112.93
NJ Unemployment Compensation Insurance	171,936.51				9,035.46	162,901.05
Premiums Received at Tax Sale	239,500.00		563,900.00		391,900.00	411,500.00
Community Center Donations	2,029.61					2,029.61
Accumulated Absences	30,000.00			\$ 50,000.00	29,999.79	50,000.21
Public Defender	(1,264.32)		15,626.50	1,264.32	14,050.00	1,576.50
Police Donations	4,491.89					4,491.89
POAA	628.00		200.00			828.00
Recreational Field Usage	3,524.14					3,524.14
	<u>\$ 1,548,424.83</u>	<u>\$ 311.88</u>	<u>\$ 7,013,586.31</u>	<u>\$ 51,264.32</u>	<u>\$ 6,803,031.90</u>	<u>\$ 1,810,555.44</u>
Total Receipts			<u>\$ 7,065,162.51</u>			

TOWNSHIP OF CINNAMINSON
TRUST--MUNICIPAL OPEN SPACE FUND
Statement of Reserve for Future Use
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 174,985.38
Increased by:		
Receipts:		
Tax Levy	\$ 271,144.47	
Due from Current Fund:		
Added/Omitted Tax Levy	2,203.83	
		273,348.30
		448,333.68
Decreased by:		
Budget Appropriations:		
Payment of Bond Principal	145,000.00	
Interest on Bonds	144,013.00	
		289,013.00
Balance December 31, 2015		\$ 159,320.68

TOWNSHIP OF CINNAMINSON
TRUST OTHER FUND
Statement of Off Duty Police Receivable
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 17,743.61
Increased by:		
Disbursements		<u>81,455.00</u>
		99,198.61
Decreased by:		
Due from Current Fund:		
Collected in Current Fund	\$ 4,175.61	
Receipts	<u>71,785.50</u>	<u>75,961.11</u>
Balance December 31, 2015		<u><u>\$ 23,237.50</u></u>

TOWNSHIP OF CINNAMINSON
TRUST OTHER FUND
Statement of Due to Federal and State Grant Fund
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 21,444.97
Decreased by:	
Disbursements Made on Behalf of Federal and State Grant Fund	<u>6,380.00</u>
Balance December 31, 2015	<u><u>\$ 15,064.97</u></u>

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

TOWNSHIP OF CINNAMINSON
GENERAL CAPITAL FUND
Statement of General Capital Cash
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 6,854,378.60
Increased by Receipts:		
Capital Improvement Fund	\$ 100,000.00	
Reserve for Payment of Debt Service--Grants Received:		
Highway Planning and Construction Grants	323,995.92	
Community Development Block Grant	65,000.00	
Serial Bonds Issued	9,345,000.00	
Premium on Sale of Bonds	186,900.00	
Contra	14,000.00	
		10,034,895.92
		16,889,274.52
Decreased by Disbursements:		
Improvement Authorizations	1,798,748.00	
Paydown of Bond Anticipation Notes	7,143,928.00	
Due Current Fund--Anticipated Revenue:		
General Capital Fund Balance	300,000.00	
Reserve for Debt Payments	37,289.77	
Contra	14,000.00	
		9,293,965.77
Balance December 31, 2015		\$ 7,595,308.75

TOWNSHIP OF CINNAMINSON
GENERAL CAPITAL FUND
 Analysis of General Capital Cash
 For Year Ended December 31, 2015

	Receipts			Disbursements			Transfers		Balance (Deficit) Dec. 31, 2015	
	Balance (Deficit) Dec. 31, 2014	Appropriations	Serial Bonds Issued	Miscellaneous	Improvement Authorizations	Payment of Bond Anticipation Notes	Miscellaneous	From		To
Fund Balance	\$ 839,615.64									\$ 726,515.64
Capital Improvement Fund	9,648.00	\$ 100,000.00		\$ 186,900.00			\$ 300,000.00	\$ 90,250.00		19,398.00
Reserve for Debt Payments	37,289.77			388,995.92			37,289.77			388,995.92
Due Municipal Open Space Trust Fund	25,842.00									25,842.00
Reserve for Encumbrances	302,147.10							302,147.10	\$ 86,369.76	86,369.76
Due from Burlington County--Open Space Grant	(103,000.00)			14,000.00			14,000.00			(103,000.00)
Contra										
Ordinance Number										
2000-15 Contributions and Payments for Low and Moderate Housing Units	379,600.00									379,600.00
2008-04 Acquisition of Property for Roadway Improvements	1,471,740.53				\$ 10,946.84					1,460,793.69
2009-04 Open Space/Recreation Fields	3,408,802.74									3,408,802.74
2009-05 Various Capital Improvements	6,302.07									6,302.07
2010-10 Various Capital Improvements	52,208.47		\$ 1,250,000.00		3,745.00	\$ 1,250,000.00				48,463.47
2011-03 Acquisition of Land	7,179.87		280,000.00			280,000.00				7,179.87
2011-04 Various Capital Improvements	129,920.43		1,385,000.00		25,145.85	1,385,000.00				104,774.58
2012-08 Various Capital Improvements	316,519.37		1,935,000.00		67,130.99	1,935,000.00		15,045.34	45,935.99	280,279.03
2012-20 Bridge Improvements			166,000.00			166,000.00				
2012-21 Memorial Park Improvements	10,309.39		294,000.00		8,325.00	294,000.00				1,984.39
2013-06 Various Capital Improvements	485,374.14		2,130,000.00		258,722.30	1,833,928.00		10,000.00	11,606.36	524,330.20
2014-09 Various Capital Improvements	(525,120.92)		1,905,000.00		984,005.26			42,940.47	244,604.75	597,538.10
2015-08 Various Capital Improvements					440,726.76			18,383.95	90,250.00	(368,860.71)
	\$ 6,854,378.60	\$ 100,000.00	\$ 9,345,000.00	\$ 589,895.92	\$ 1,798,748.00	\$ 7,143,928.00	\$ 351,289.77	\$ 478,766.86	\$ 478,766.86	\$ 7,595,308.75

TOWNSHIP OF CINNAMINSON
GENERAL CAPITAL FUND
 Schedule of Deferred Charges to Future Taxation -- Funded
 For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 6,428,358.46
Increased by:		
2015 Bond Issue		<u>9,345,000.00</u>
Decreased by:		
Budget Appropriations for:		
Burlington County Bridge Commission Loans Payable	\$ 799,000.00	
Burlington County Bridge Commission Lease Payable	65,000.00	
Green Acres Loan Payable	<u>35,177.31</u>	
	899,177.31	
Cancellation of:		
Burlington County Bridge Commission Lease Payable	<u>83,000.00</u>	
		<u>982,177.31</u>
Balance December 31, 2015		<u><u>\$ 14,791,181.15</u></u>

TOWNSHIP OF CINNAMINSON
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation -- Unfunded
 For the Year Ended December 31, 2015

Ordinance Number	Balance Dec. 31, 2014	Increased by		Decreased by		Balance Dec. 31, 2015	Expenditures	Unexpended Improvement Authorizations
		2015 Authorizations	Notes Paid by Budget Appropriation	2015 Serial Bonds Issued				
2010-10 Various Capital Improvements	\$ 1,345,535.00		\$ 95,535.00					
2011-03 Acquisition of Land	285,000.00		5,000.00					
2011-04 Various Capital Improvements	1,452,250.00		67,250.00					
2012-08 Various Capital Improvements	2,014,000.00		79,000.00					
2012-20 Bridge Improvements	166,250.00		250.00					
2012-21 Park Improvements	294,500.00		500.00					
2013-06 Various Capital Improvements	2,133,928.00					\$ 3,928.00		\$ 3,928.00
2014-09 Various Capital Improvements	1,906,225.00					1,225.00		1,225.00
2015-08 Various Capital Improvements		\$ 1,714,750.00				1,714,750.00	\$ 368,860.71	1,345,889.29
	<u>\$ 9,597,688.00</u>	<u>\$ 1,714,750.00</u>	<u>\$ 247,535.00</u>	<u>\$ 9,345,000.00</u>	<u>\$ 1,719,903.00</u>	<u>\$ 368,860.71</u>	<u>\$ 1,351,042.29</u>	

TOWNSHIP OF CINNAMINSON
GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2015

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2014		2015 Authorizations	Prior Year Contracts/ Encumbrances Reclassified	Paid or Charged	Balance Dec. 31, 2015	
				Funded	Unfunded				Funded	Unfunded
2000-15	Contributions and Payments for Low and Moderate Income Housing Units	12/20/00	\$ 380,000.00	\$ 379,600.00	\$			\$ 379,600.00		
2008-04	Various Capital Improvements and Purchase of Equipment Roadway Improvements	05/28/08	20,800,000.00	1,471,740.53				1,460,793.69		
2009-04	Open Space / Recreation Fields	04/15/09	4,000,000.00	3,408,802.74				3,408,802.74		
2009-05	Various Capital Improvements	05/20/09	1,500,000.00	6,302.07				6,302.07		
2010-10	Various Capital Improvements	04/19/10	2,000,000.00		\$ 52,208.47			48,463.47		
2011-03	Acquisition of Land	11/21/11	300,000.00		7,179.87			7,179.87		
2011-04	Various Capital Improvements	03/21/11	1,600,000.00		129,920.43			104,774.58		
2012-08	Various Capital Improvements	04/16/12	2,120,000.00		316,519.37			280,279.03		
2012-21	Memorial Park Improvements	10/01/12	310,000.00		10,309.39			1,984.39		
2013-06	Various Capital Improvements	07/16/13	2,246,240.00		785,374.14			524,330.20		\$ 3,928.00
2014-09	Various Capital Improvements	05/19/14	2,108,500.00		1,381,104.08			1,026,945.73		1,225.00
2015-08	Various Capital Improvements	05/18/15	1,805,000.00			\$ 1,805,000.00		459,110.71		1,345,889.29
				\$ 5,266,445.34	\$ 2,682,615.75	\$ 1,805,000.00	\$ 302,147.10	\$ 6,820,048.14		\$ 1,351,042.29

General Improvements:

Capital Improvement Fund
 Deferred Charges to Future Taxation Unfunded Reserve for Encumbrances Disbursements

\$ 90,250.00	
1,714,750.00	\$ 86,369.76
	1,798,748.00
\$ 1,805,000.00	\$ 1,885,117.76

TOWNSHIP OF CINNAMINSON
GENERAL CAPITAL FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 302,147.10
Increased by:	
2015 Encumbrances Charged to Improvement Authorizations	<u>86,369.76</u>
	388,516.86
Decreased by:	
Prior Year Encumbrances Reclassified	<u>302,147.10</u>
Balance December 31, 2015	<u><u>\$ 86,369.76</u></u>

TOWNSHIP OF CINNAMINSON
GENERAL CAPITAL FUND
 Statement of Bond Anticipation Notes
 For Year Ended December 31, 2015

Improvement Description	Ordinance Number	Date of Original Issue	Date of Issue	Date of Maturity	Coupon Rate	Balance Dec. 31, 2014	Increased	Decreased	Balance Dec. 31, 2015
Various General Improvements	2010-10	07/22/10	05/18/15	11/18/15	0.47%		\$ 1,250,000.00	\$ 1,250,000.00	
Various General Improvements	2010-10	07/22/10	05/20/14	05/19/15	1.00%	\$ 1,345,535.00		1,345,535.00	
Acquisition of Land	2011-03	05/23/12	05/18/15	11/18/15	0.47%		280,000.00	280,000.00	
Acquisition of Land	2011-03	05/23/12	05/20/14	05/19/15	1.00%	285,000.00		285,000.00	
Various General Improvements	2011-04	05/25/11	05/18/15	11/18/15	0.47%		1,385,000.00	1,385,000.00	
Various General Improvements	2011-04	05/25/11	05/20/14	05/19/15	1.00%	1,452,250.00		1,452,250.00	
Various General Improvements	2012-08	05/23/12	05/18/15	11/18/15	0.47%		1,935,000.00	1,935,000.00	
Various General Improvements	2012-08	05/23/12	05/20/14	05/19/15	1.00%	2,014,000.00		2,014,000.00	
Bridge Improvements	2012-20	05/23/13	05/18/15	11/18/15	0.47%		166,000.00	166,000.00	
Bridge Improvements	2012-20	05/23/13	05/20/14	05/19/15	1.00%	166,250.00		166,250.00	
Park Improvements	2012-21	05/23/13	05/18/15	11/18/15	0.47%		294,000.00	294,000.00	
Park Improvements	2012-21	05/23/13	05/20/14	05/19/15	1.00%	294,500.00		294,500.00	
Various Improvements	2013-06	05/20/14	05/18/15	11/18/15	0.47%		1,833,928.00	1,833,928.00	
Various Improvements	2013-06	05/20/14	05/20/14	05/19/15	1.00%	1,833,928.00		1,833,928.00	
						<u>\$ 7,391,463.00</u>	<u>\$ 7,143,928.00</u>	<u>\$ 14,535,391.00</u>	<u>\$ -</u>
Paid by Budget Appropriation--Current Fund Paid with Serial Bonds Issued Renewals									
							<u>7,143,928.00</u>	<u>7,143,928.00</u>	<u>7,143,928.00</u>
						<u>\$ 7,143,928.00</u>	<u>\$ 7,143,928.00</u>	<u>\$ 14,535,391.00</u>	<u>\$ 14,535,391.00</u>

TOWNSHIP OF CINNAMINSON
GENERAL CAPITAL FUND
 Statement of General Serial Bonds
 For the Year Ended December 31, 2015

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Outstanding Date</u>	<u>Maturities of Bonds Outstanding December 31, 2015 Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2014</u>	<u>Increased By</u>		<u>Balance Dec. 31, 2015</u>
							<u>Issued</u>	<u>Issued</u>	
General Obligation Bonds, Series 2015	09/29/15	\$ 9,345,000.00	07/01/16	\$ 450,000.00	2.00%				
			07/01/17	450,000.00	2.00%				
			07/01/18	450,000.00	2.00%				
			07/01/19	450,000.00	2.00%				
			07/01/20	700,000.00	2.00%				
			07/01/21	750,000.00	2.00%				
			07/01/22	800,000.00	2.00%				
			07/01/23	825,000.00	2.25%				
			07/01/24	870,000.00	2.25%				
			07/01/25	900,000.00	2.50%				
			07/01/26	900,000.00	3.00%				
			07/01/27	900,000.00	3.00%				
			07/01/28	900,000.00	3.00%				
								\$ 9,345,000.00	\$ 9,345,000.00
						\$ -		\$ 9,345,000.00	\$ 9,345,000.00

TOWNSHIP OF CINNAMINSON
GENERAL CAPITAL FUND
 Statement of Burlington County Bridge Commission Loans Payable
 For the Year Ended December 31, 2015

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Outstanding Date</u>	<u>Maturities of Loans December 31, 2015 Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2014</u>	<u>Decreased By</u>	
							<u>Payment of Loans</u>	<u>Balance Dec. 31, 2015</u>
Pooled Loan Program:								
General Obligation Bonds, Series 2002	10/15/02	\$ 686,000.00	10/15/16	\$ 85,000.00	5.000%	\$ 255,000.00	\$ 81,000.00	\$ 174,000.00
			10/15/17	89,000.00	5.000%			
General Obligation Bonds, Series 2005	12/22/05	807,000.00	12/15/16	80,000.00	4.000%	239,000.00	76,000.00	163,000.00
			12/15/17	83,000.00	4.000%			
Senior Home Property Bonds, Series 2005	12/22/05	418,000.00	12/15/16	41,000.00	4.000%	124,000.00	40,000.00	84,000.00
			12/15/17	43,000.00	4.000%			
General Obligation Bonds, Series 2007	12/20/07	1,463,000.00				210,000.00	210,000.00	
General Obligation Bonds, Series 2009	07/29/09	2,232,000.00	08/15/16	247,000.00	5.000%			
			08/15/17	251,000.00	5.000%			
			08/15/18	251,000.00	4.000%			
			08/15/19	251,000.00	5.000%	1,247,000.00	247,000.00	1,000,000.00
Open Space Bonds, Series 2009	07/29/09	3,631,000.00	08/15/16	150,000.00	5.000%			
			08/15/17	155,000.00	5.000%			
			08/15/18	205,000.00	4.000%			
			08/15/19	210,000.00	5.000%			
			08/15/20	215,000.00	5.000%			
			08/15/21	235,000.00	5.000%			
			08/15/22	255,000.00	5.000%			
			08/15/23	265,000.00	5.000%			
			08/15/24	275,000.00	4.000%			
			08/15/25	315,000.00	4.375%			
			08/15/26	330,000.00	4.375%			
			08/15/27	345,000.00	4.375%	3,100,000.00	145,000.00	2,955,000.00
						<u>\$ 5,175,000.00</u>	<u>\$ 799,000.00</u>	<u>\$ 4,376,000.00</u>
							<u>\$ 654,000.00</u>	<u>\$ 145,000.00</u>
							<u>\$ 799,000.00</u>	<u>\$ 799,000.00</u>

Current Fund Budget
 Municipal Open Space Budget

TOWNSHIP OF CINNAMINSON
GENERAL CAPITAL FUND
 Statement of Burlington County Bridge Commission Lease Payable
 For the Year Ended December 31, 2015

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Outstanding Date</u>	<u>Maturities of Leases</u> <u>December 31, 2015</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Decreased By</u>			<u>Balance</u> <u>Dec. 31, 2015</u>
							<u>Payment of Lease</u>	<u>Cancellation of Lease</u>		
Various Equipment Purchases and Improvements	7/15/2004	\$ 1,468,000.00								
			7/15/2016	\$ 69,000.00	2.15%					
			7/15/2017	71,000.00	2.22%					
			7/15/2018	73,000.00	2.30%					
			7/15/2019	77,000.00	2.35%					
			7/15/2020	79,000.00	2.41%					
			7/15/2021	83,000.00	2.50%					
			7/15/2022	87,000.00	2.50%					
		7/15/2023	91,000.00	2.50%						
		7/15/2024	95,000.00	2.50%						
						\$ 873,000.00	\$ 65,000.00	\$ 83,000.00	\$ 725,000.00	

TOWNSHIP OF CINNAMINSON
GENERAL CAPITAL FUND
Statement of State of Green Acres Assistance Loan Payable
For Year Ended December 31, 2015

Balance December 31, 2014	\$	380,358.46
Decreased by:		
2015 Budget Appropriation to Pay Loans		35,177.31
Balance December 31, 2015	\$	345,181.15

Schedule of Loan Payable December 31, 2015

		<u>Interest</u>		<u>Principal</u>
2016	\$	6,725.11	\$	35,884.37
2017		6,003.83		36,605.65
2018		5,268.05		37,341.42
2019		4,517.49		38,091.98
2020		3,751.84		38,857.64
2021		2,970.81		28,998.57
2022		2,494.33		18,834.94
2023		2,115.75		19,213.52
2024		1,729.55		19,599.71
2025		1,335.61		19,993.67
2026		933.73		20,395.53
2027		523.79		20,805.49
2028		105.59		10,558.66
		\$ 38,475.48		\$ 345,181.15

TOWNSHIP OF CINNAMINSON
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 9,648.00
Increased by:	
Budget Appropriation--Receipts	<u>100,000.00</u>
	109,648.00
Decreased by:	
Appropriation to Finance Improvement Authorizations	<u>90,250.00</u>
Balance December 31, 2015	<u><u>\$ 19,398.00</u></u>

TOWNSHIP OF CINNAMINSON
GENERAL CAPITAL FUND
Statement of Reserve for Payment of Debt Service
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 37,289.77
Increased by:		
Grants Received:		
Highway Planning and Construction Grants	\$ 323,995.92	
Community Development Block Grant	<u>65,000.00</u>	
		<u>388,995.92</u>
		426,285.69
Decreased by:		
Anticipated as Revenue in Current Fund		<u>37,289.77</u>
Balance December 31, 2015		<u><u>\$ 388,995.92</u></u>

TOWNSHIP OF CINNAMINSON
GENERAL CAPITAL FUND

Schedule of Bonds and Notes Authorized But Not Issued
 For Year Ended December 31, 2015

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2014</u>	<u>Increased by 2015 Authorized</u>	<u>Decreased by 2015 Bonds Issued</u>	<u>Balance Dec. 31, 2015</u>
2013-06	Various Capital Improvements	\$ 300,000.00		\$ 296,072.00	\$ 3,928.00
2014-09	Various Capital Improvements	1,906,225.00		1,905,000.00	1,225.00
2015-08	Various Capital Improvements		\$ 1,714,750.00		1,714,750.00
		<u>\$ 2,206,225.00</u>	<u>\$ 1,714,750.00</u>	<u>\$ 2,201,072.00</u>	<u>\$ 1,719,903.00</u>

TOWNSHIP OF CINNAMINSON

PART II

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2015

TOWNSHIP OF CINNAMINSON
Schedule of Findings and Recommendations
For the Year Ended December 31, 2015

Schedule of Financial Statement Findings

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

Finding No. 2015-001

Criteria or Specific Requirement

Pursuant to N.J.A.C. 5:34-7.17, proper accounting for a commodity resale system requires the lead agency to apply and account for other agency activity through a Dedication by Rider Trust Fund.

Condition

During our examination of the Township's financial records, it was noted that all commodity purchases and resale of gasoline were being accounted for in the current fund budget as a contra to the gasoline appropriation line item. It was also noted that participating governmental agencies were not always billed in a timely manner, and that there was not a detailed accounting of amounts billed, collected and outstanding.

Context

The amount of commodity resale owed to the Township at December 31, 2015 is not known and the amount of contra appropriation during 2015 was \$42,314.27.

Effect

Errors or irregularities could develop and not be detected in a timely manner.

Cause

The Township is not properly accounting for the resale of gasoline to other governmental entities in accordance with N.J.A.C. 5:34-7.17.

Recommendation

That the Township properly track and bill the resale of its gasoline to other governmental entities in the appropriate trust fund established.

View of Responsible Officials and Planned Corrective Action

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

TOWNSHIP OF CINNAMINSON
Summary Schedule of Prior Year Audit Findings
And Recommendations as Prepared by Management

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

FINANCIAL STATEMENT FINDINGS

Finding No. 2014-001

Condition

It was noted that billings for police outside employment were not accounted for properly and in certain instances, included work performed for up to six (6) months on one invoice.

Current Status

This finding has been resolved.

Finding No. 2014-002

Condition

During our examination of the Township's financial records, it was noted that all commodity purchases and resale of gasoline were being accounted for in the current fund budget as a contra to the gasoline appropriation line item. It was also noted that participating governmental agencies were not always billed in a timely manner, and that there was not a detailed accounting of amounts billed, collected and outstanding.

Current Status

This finding has not been resolved, see finding 2015-001.

Planned Corrective Action

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

TOWNSHIP OF CINNAMINSON
 Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
John McCarthy	Mayor	
Kathleen Fitzpatrick	Deputy Mayor	
Donald Brauckmann	Committee Member	
Anthony V. Minniti	Committee Member	
William "Ben" Young	Committee Member	
Michael P. King	Township Administrator	(A)
Julia Edmondson	Chief Financial Officer	(A)
Pamela McCartney	Township Clerk	(A)
Sandra J. Root	Tax Collector	(A)
Dennis DeKlerk	Tax Assessor	(A)
Richard Andronici	Judge	(A)
Jacqueline K. Gleason	Court Administrator	(A)
John C. Gillespie, Esq.	Solicitor	(A)
Todd Day, P.E.	Engineer	(A)
Daniel Gee, Esq.	Prosecutor	(A)
James D. Fattorini, Esq.	Public Defender	(A)
Thomas Hastie, Esq.	Bond Council	(A)

(A) North Jersey Intergovernmental Joint Insurance Fund, \$1,000,000.00 blanket Bond Coverage.

APPRECIATION

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

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert P. Nehila Jr., CPA, RMA
Bowman & Company LLP

