

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON,
STATE OF NEW JERSEY**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL DATA**

December 31, 2017

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members
of the Township Council
Township of Edgewater Park
County of Burlington
Edgewater Park, New Jersey 08010

Report on the Financial Statements

We have audited the accompanying financial statements – regulatory basis of the various funds and account groups of the Township of Edgewater Park, County of Burlington, State of New Jersey (the “Township”), as of and for the year ended December 31, 2017, and the related notes to 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 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.

Auditors' 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 requirements of audit 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 auditors’ 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 entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note A of the financial statements, these 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 A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund and account group of the Township as of December 31, 2017, and the results of operations and changes in financial position for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each fund and account group of the Township, as of December 31, 2017, and the results of operations and changes in financial position for the year then ended in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note A.

Report on Summarized Comparative Information

We have previously audited the Township’s 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 30, 2017, in accordance with the financial reporting provisions described in Note A. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary and Other Information

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Report on Supplementary and Other Information (Continued)

The supplemental schedules 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 schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole, on the basis of accounting described in Note A.

The supplementary information section as listed in the table of contents has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2018, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.



Warren A. Broudy, CPA, CGFM, PSA, CGMA
Registered Municipal Accountant
License No. 554

MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

June 29, 2018

BASIC FINANCIAL STATEMENTS

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A

**CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE –
REGULATORY BASIS**

December 31, 2017 and 2016

<u>ASSETS</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Regular Fund:			
Cash - Chief Financial Officer	SA-1	\$ 4,578,893.60	\$ 3,802,443.59
Cash - Collector	SA-2	395,143.17	817,419.86
Cash - Change Fund	SA-3	250.00	250.00
Due State of New Jersey, Ch. 20, P.L. 1971	SA-4	2,937.75	4,109.25
		<u>4,977,224.52</u>	<u>4,624,222.70</u>
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	SA-5	358,852.41	293,921.86
Tax Title Liens Receivable	SA-6	125,438.26	102,679.42
Property Acquired for Taxes - Assessed Valuation	SA-18	3,028,800.00	3,028,800.00
Revenue Accounts Receivable	SA-7	13,259.39	13,399.03
Accounts Receivable	SA-1		39,490.10
Due Federal and State Grant Fund	SA-1		361,263.85
Due Trust Other Fund	B	102,743.66	102,993.67
		<u>3,629,093.72</u>	<u>3,942,547.93</u>
Deferred Charges:			
Special Emergency Appropriation (40A:4-53)	SA-20		10,000.00
		<u>8,606,318.24</u>	<u>8,576,770.63</u>
Federal and State Grant Fund:			
Cash	SA-1	72,889.09	
Due Trust Other Fund	SA-1		721.84
Federal and State Grants Receivable	SA-21	85,444.83	486,680.97
		<u>158,333.92</u>	<u>487,402.81</u>
Total Federal and State Grant Fund			
		<u>158,333.92</u>	<u>487,402.81</u>
Total Assets		<u>\$ 8,764,652.16</u>	<u>\$ 9,064,173.44</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A

**CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE –
REGULATORY BASIS (CONTINUED)**

December 31, 2017 and 2016

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Regular Fund:			
Appropriation Reserves	A-3	\$ 781,440.24	\$ 947,553.89
Reserve for Encumbrances	A-3	43,549.56	35,476.11
Prepaid Taxes	SA-9	266,171.77	104,935.21
Tax Overpayments	SA-10	6,041.96	
Due State of New Jersey - State Training Fees	SA-11	2,251.00	1,806.00
Due State of New Jersey - Marriage License Fees	SA-12	250.00	275.00
Due County for Added and Omitted Taxes	SA-16	17,399.20	2,279.93
Local District School Taxes Payable	SA-17		400,000.50
Reserve for Codification of Ordinances	SA-19	16,400.00	16,400.00
Reserve for Sale of Municipal Assets	SA-19	963,769.50	963,769.50
Due Open Space Trust Fund	SA-14		59,562.48
		<u>2,097,273.23</u>	<u>2,532,058.62</u>
Reserves for Receivables and Other Assets	A	3,629,093.72	3,942,547.93
Fund Balance	A-1	<u>2,879,951.29</u>	<u>2,102,164.08</u>
		<u>8,606,318.24</u>	<u>8,576,770.63</u>
Federal and State Grant Fund:			
Reserve for State and Federal Grants:			
Unappropriated	SA-22	67,791.04	23,159.38
Appropriated	SA-23	90,542.88	93,277.33
Reserve for Encumbrances	SA-25		9,702.25
Due Current Fund	SA-24		361,263.85
		<u>158,333.92</u>	<u>487,402.81</u>
Total Federal and State Grant Fund		<u>158,333.92</u>	<u>487,402.81</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 8,764,652.16</u>	<u>\$ 9,064,173.44</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-1

**CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE –
REGULATORY BASIS**

Years Ended December 31, 2017 and 2016

<u>Revenue and Other Income Realized</u>	<u>2017</u>	<u>2016</u>
Fund Balance Utilized	\$ 1,125,000.00	\$ 1,125,000.00
Miscellaneous Revenues Anticipated	1,388,499.34	1,640,664.51
Receipts from Current Taxes	17,101,444.72	16,230,090.17
Receipts from Delinquent Taxes	296,355.65	334,137.98
Non-Budget Revenue	100,447.21	79,094.04
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	832,016.94	619,432.82
Liquidation of Reserve:		
Accounts Receivable - Due State of New Jersey Health Benefits	39,490.10	
Due Grant Fund	361,263.85	
Due Trust Other Fund	250.01	
	<u>21,244,767.82</u>	<u>20,028,419.52</u>
Total Income		
	<u>21,244,767.82</u>	<u>20,028,419.52</u>
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations - Within "CAPS":		
Salaries and Wages	2,544,654.14	2,442,947.52
Other Expenses	2,529,138.00	2,456,989.00
Deferred Charges and Statutory Expenditures -		
Municipal - Within "CAPS"	467,718.00	416,857.00
Operations - Excluded from "CAPS":		
Other Expenses	112,169.38	452,677.71
Capital Improvements - Excluded from "CAPS"	232,000.00	243,000.00
Municipal Debt Service - Excluded from "CAPS"	763,230.24	643,088.07
Deferred Charges - Municipal - Excluded from "CAPS"	10,000.00	181,537.84
County Taxes	2,189,830.10	2,170,915.08
Due County for Added and Omitted Taxes	17,399.20	2,279.93
Local District School Tax	9,998,933.00	9,382,903.00
Special - Fire District Taxes	406,000.00	398,062.00
Municipal Open Space Taxes	59,100.00	59,500.00
Municipal Open Space Added and Omitted Taxes	420.92	62.48
Other Expenditures:		
Refund of Prior Year Revenue	7,137.63	1,744.68
Prior Year Senior Citizens and Veterans Deductions Disallowed	4,250.00	2,000.00
Creation of Reserves:		
Accounts Receivable - Due State of New Jersey Health Benefits		39,490.10
Due Grant Fund		361,263.85
Due Trust Other Fund		4,903.23
	<u>19,341,980.61</u>	<u>19,260,221.49</u>
Total Expenditures		
	<u>19,341,980.61</u>	<u>19,260,221.49</u>
Excess in Revenues	<u>1,902,787.21</u>	<u>768,198.03</u>
<u>Fund Balance</u>		
Balance Jan. 1	<u>2,102,164.08</u>	<u>2,458,966.05</u>
	4,004,951.29	3,227,164.08
Decreased by:		
Utilized as Revenue	<u>1,125,000.00</u>	<u>1,125,000.00</u>
Balance Dec. 31	<u>\$ 2,879,951.29</u>	<u>\$ 2,102,164.08</u>

See notes to financial statements.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF REVENUES – REGULATORY BASIS**

Year Ended December 31, 2017

	Anticipated Budget	Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 1,125,000.00	\$ -	\$ 1,125,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	3,550.00		10,150.00	6,600.00
Fees and Permits - Other	5,000.00		12,082.00	7,082.00
Fines and Costs - Municipal Court	100,000.00		217,127.38	117,127.38
Interest and Costs on Taxes	50,000.00		74,207.64	24,207.64
Interest on Investments and Deposits	5,000.00		21,545.84	16,545.84
Comcast Franchise Cable Fees	25,000.00		30,666.42	5,666.42
Consolidated Municipal Property Tax Relief Aid	30,635.00		27,201.00	(3,434.00)
Energy Receipts Taxes	645,404.00		648,838.00	3,434.00
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S. 40A:4-36 and N.J.A.C. 5:23-4.17)				
Uniform Construction Code Fees	50,000.00		210,954.00	160,954.00
Special Items of General Revenue Anticipated with Prior Written Consent of the Director of the Division of Local Government Services:				
Public and Private Revenue Off-Set with Appropriations:				
Clean Communities Grant	20,814.76		20,814.76	
Body Armor Replacement Grant	1,622.78		1,622.78	
Bulletproof Vest Partnership	721.84		721.84	
Other Special Items:				
Burlington Coat Factory Pilot	107,000.00		112,567.68	5,567.68
	<u>1,044,748.38</u>	-	<u>1,388,499.34</u>	<u>343,750.96</u>
Receipts from Delinquent Taxes	<u>250,000.00</u>		<u>296,355.65</u>	<u>46,355.65</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	<u>4,800,268.80</u>	-	<u>4,989,099.16</u>	<u>188,830.36</u>
Budget Totals	<u>7,220,017.18</u>	-	<u>7,798,954.15</u>	<u>578,936.97</u>
Non-Budget Revenue	<u>-</u>	-	<u>100,447.21</u>	<u>100,447.21</u>
	<u>\$ 7,220,017.18</u>	<u>\$ -</u>	<u>\$ 7,899,401.36</u>	<u>\$ 679,384.18</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF REVENUES – REGULATORY BASIS (CONTINUED)**

Year Ended December 31, 2017

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections		\$ 17,101,444.72
Allocated to:		
County Taxes	\$ 2,207,229.30	
School Taxes	9,998,933.00	
Fire District Taxes	406,000.00	
Municipal Open Space Taxes	<u>59,520.92</u>	

12,671,683.22

Balance for Support of Municipal Budget Appropriations

4,429,761.50

Add: Appropriation "Reserve for Uncollected Taxes"

559,337.66

Amount for Support of Municipal Budget Appropriations

\$ 4,989,099.16

Revenue from Delinquent Taxes:

Delinquent Tax Receipts \$ 296,355.65

\$ 296,355.65

Fees and Permits - Other:

Revenue Accounts Receivable:

Clerk		\$ 4,398.00
Planning Board		2,250.00
Zoning Board		3,232.00
Police Department		282.00
Property List		80.00
Road Opening Permit		<u>1,840.00</u>

\$ 12,082.00

Miscellaneous Revenue not Anticipated:

Receipts - Chief Financial Officer:

Senior Citizens and Veterans Administrative Fee	\$ 1,868.10
Gasoline	4,612.64
DMV Inspection Fees	5,791.58
Other Reimbursements	4,252.68
Insurance Reimbursements	1,332.20
Miscellaneous Fees	1,192.50
Property Maintenance Fees	853.47
Restitution	429.00
Construction Rental Inspection Fees	60,869.00
Outstanding Checks Canceled	1,531.40
FEMA Reimbursement	3,300.10
Tax Title Lien Premiums Forfeited	2,200.00
Clothing Bin	557.44
Police Off Duty Administration Fees	<u>3,750.00</u>

\$ 92,540.11

Receipts - Tax Collector:

Property Maintenance Fees 7,907.10

\$ 100,447.21

See notes to financial statements.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES – REGULATORY BASIS**

Year Ended December 31, 2017

	Appropriations		Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification				
OPERATIONS - WITHIN "CAPS"						
GENERAL GOVERNMENT FUNCTIONS						
Administration						
Salaries and Wages	\$ 65,000.00	\$ 45,000.00	\$ 27,283.79		\$ 17,716.21	
Other Expenses	88,400.00	88,400.00	58,764.67	\$ 19,810.92	9,824.41	
Township Committee						
Salaries and Wages	16,522.00	16,522.00	16,484.85		37.15	
Other Expenses	5,625.00	5,625.00	2,634.50		2,990.50	
Municipal Clerk						
Salaries and Wages	115,000.00	120,000.00	112,592.96		7,407.04	
Other Expenses	25,300.00	25,300.00	14,865.11	181.00	10,253.89	
Financial Administration						
Salaries and Wages	70,600.00	50,600.00	36,253.06		14,346.94	
Other Expenses	83,650.00	83,650.00	64,848.20	4,425.00	14,376.80	
Audit Services						
Other Expenses	35,000.00	35,000.00	32,000.00		3,000.00	
Collection of Taxes						
Salaries and Wages	49,725.00	49,725.00	37,532.05		12,192.95	
Other Expenses	21,500.00	21,500.00	19,651.76	31.56	1,816.68	
Assessment of Taxes						
Salaries and Wages	11,000.00	11,000.00	10,698.48		301.52	
Other Expenses	12,950.00	12,950.00	10,898.11	1,458.95	592.94	
Legal Services and Costs						
Other Expenses	80,000.00	150,000.00	114,319.84		35,680.16	
Municipal Court						
Salaries and Wages	135,171.00	135,171.00	128,482.54		6,688.46	
Other Expenses	15,400.00	15,400.00	12,218.58	365.00	2,816.42	
Prosecutor						
Other Expenses	15,000.00	15,000.00	13,500.00		1,500.00	
Engineering Services and Costs						
Other Expenses	55,000.00	55,000.00	17,286.91		37,713.09	
Economic Development						
Other Expenses	17,500.00	17,500.00	14,800.00		2,700.00	
Land Use Administration						
Municipal Land Use Law (N.J.S.A. 40:55D-1):						
Planning Board						
Salaries and Wages	4,000.00	4,000.00	2,275.00		1,725.00	
Other Expenses	4,325.00	9,325.00	5,639.82		3,685.18	

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES – REGULATORY BASIS (CONTINUED)**

Year Ended December 31, 2017

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>				
<u>OPERATIONS - WITHIN "CAPS" (CONTD)</u>						
<u>GENERAL GOVERNMENT FUNCTIONS (CONTD)</u>						
Zoning Board						
Salaries and Wages	\$ 10,782.00	\$ 10,782.00	\$ 9,436.44		\$ 1,345.56	
Other Expenses	700.00	700.00	430.00		270.00	
Insurance:						
General Liability	63,597.00	63,597.00	57,187.00		6,410.00	
Workers Compensation	164,091.00	164,091.00	138,590.00		25,501.00	
Employee Group Health	504,000.00	494,000.00	447,643.03		46,356.97	
Unemployment Compensation Insurance	10,500.00	10,500.00	9,966.19		533.81	
<u>PUBLIC SAFETY FUNCTIONS</u>						
Police						
Salaries and Wages	1,614,083.37	1,594,083.37	1,512,952.66		81,130.71	
Other Expenses	118,050.00	118,050.00	94,422.54	\$ 1,797.57	21,829.89	
Emergency Management						
Other Expenses	1,500.00	1,500.00			1,500.00	
Aid to Ambulance / Emergency Squad	25,000.00	25,000.00	25,000.00			
Public Defender						
Other Expenses	11,400.00	11,400.00	11,400.00			
<u>PUBLIC WORKS FUNCTIONS</u>						
Road Repairs and Maintenance						
Salaries and Wages	332,470.77	291,970.77	245,940.33		46,030.44	
Other Expenses	90,100.00	90,100.00	51,689.62	2,479.04	35,931.34	
Solid Waste Collection						
Salaries and Wages	5,100.00	5,100.00	5,000.06		99.94	
Other Expenses	133,050.00	133,050.00	100,208.35		32,841.65	
Public Buildings and Grounds						
Other Expenses	42,450.00	42,450.00	38,892.00	434.00	3,124.00	
Community Services Act						
Other Expenses	255,000.00	255,000.00	223,079.58		31,920.42	
<u>HEALTH AND HUMAN SERVICES</u>						
Animal Control						
Other Expenses	8,500.00	8,500.00	8,500.00			
Board of Health						
Salaries and Wages	4,500.00	4,500.00	3,650.12		849.88	
Other Expenses	950.00	950.00	55.32		894.68	

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES – REGULATORY BASIS (CONTINUED)**

Year Ended December 31, 2017

	Appropriations		Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification				
<u>OPERATIONS - WITHIN "CAPS" (CONTD)</u>						
<u>PARK AND RECREATION FUNCTIONS</u>						
Recreation Services						
Other Expenses	\$ 8,100.00	\$ 8,100.00	\$ 189.56		\$ 7,910.44	
Maintenance of Parks						
Other Expenses	4,500.00	4,500.00	4,111.17		388.83	
Celebration of Public Event, Anniversary or Holiday						
Other Expenses	10,500.00	10,500.00	10,449.05		50.95	
<u>State Uniform Construction Code Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)</u>						
Construction Official						
Salaries and Wages	60,000.00	60,000.00	48,024.45		11,975.55	
Other Expenses	16,850.00	16,850.00	9,206.10		7,643.90	
Construction Sub-Code Officials						
Fire						
Salaries and Wages	7,000.00	8,000.00	6,936.11		1,063.89	
Plumbing						
Salaries and Wages	8,000.00	10,000.00	8,847.63		1,152.37	
Electrical						
Salaries and Wages	10,000.00	12,000.00	11,605.71		394.29	
Other Code Enforcement						
Salaries and Wages	76,200.00	76,200.00	58,590.07		17,609.93	
Other Expenses	4,250.00	4,250.00	1,779.43		2,470.57	
<u>UTILITY EXPENSES AND BULK PURCHASES</u>						
Utilities:						
Electricity	58,000.00	58,000.00	48,775.41		9,224.59	
Street Lighting	95,000.00	95,000.00	94,320.43		679.57	
Telephone	30,000.00	30,000.00	27,745.37	\$ 91.28	2,163.35	
Water Service	3,500.00	3,500.00	2,631.88	220.41	647.71	
Natural Gas / Fuel Oil	12,000.00	12,000.00	8,419.87		3,580.13	
Telecommunications	20,000.00	20,000.00	17,932.07	119.45	1,948.48	
Gasoline / Motor Fuel	50,000.00	50,000.00	37,838.89		12,161.11	
Trash Disposal	211,500.00	211,500.00	190,157.71		21,342.29	

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES – REGULATORY BASIS (CONTINUED)**

Year Ended December 31, 2017

	Appropriations		Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification				
<u>OPERATIONS - WITHIN "CAPS" (CONTD)</u>						
<u>Unclassified:</u>						
Accumulated Absences Compensation	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00			
Storm Recovery						
Other Expenses	10,000.00	10,000.00	10,000.00			
Storm Water Sewers						
Other Expenses	20,000.00	20,000.00	2,760.00		\$ 17,240.00	
Environmental Commission						
Other Expenses	3,500.00	3,500.00	1,220.42		2,279.58	
Aid to Providence House						
Other Expenses	1,500.00	1,500.00	210.00		1,290.00	
Newsletter						
Other Expenses	5,400.00	5,400.00	5,400.00			
Senior Advisory						
Other Expenses	1,000.00	1,000.00	797.50		202.50	
Total Operations - Within "CAPS"	5,089,292.14	5,063,792.14	4,385,022.30	\$ 31,414.18	647,355.66	-
Contingent	10,000.00	10,000.00			10,000.00	
Total Operations - Including Contingent Within "CAPS"	5,099,292.14	5,073,792.14	4,385,022.30	31,414.18	657,355.66	-
Salaries and Wages	2,635,154.14	2,544,654.14	2,322,586.31		222,067.83	
Other Expenses	2,464,138.00	2,529,138.00	2,062,435.99	31,414.18	435,287.83	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES</u>						
<u>MUNICIPAL - WITHIN "CAPS"</u>						
Statutory Expenditures:						
Public Employees' Retirement System	71,280.00	71,280.00	71,280.00			
Social Security System (O.A.S.I.)	190,000.00	190,000.00	175,987.93		14,012.07	
Police and Firemen's Retirement System of N.J.	204,438.00	204,438.00	204,438.00			
Defined Contribution Retirement Program	2,000.00	2,000.00	381.32		1,618.68	
Total Deferred Charges and Statutory Expenditures - Within "CAPS"	467,718.00	467,718.00	452,087.25	-	15,630.75	-
Total General Appropriations for Municipal Purposes - Within "CAPS"	5,567,010.14	5,541,510.14	4,837,109.55	31,414.18	672,986.41	-

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES – REGULATORY BASIS (CONTINUED)**

Year Ended December 31, 2017

	Appropriations		Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification				
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>						
Aid to Library (N.J.S.A. 40:54-35)	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00			
Affordable Housing						
Other Expenses	50,000.00	75,000.00	54,933.80	\$ 12,135.38	\$ 7,930.82	
SFSP Fire District Payment	3,010.00	3,010.00	3,010.00			
Recycling Tax	8,000.00	8,500.00	7,110.78		1,389.22	
<u>Public and Private Programs Off-Set by Revenues</u>						
Clean Communities Grant						
Other Expenses	20,814.76	20,814.76	20,814.76			
Body Armor Replacement Grant						
Other Expenses	1,622.78	1,622.78	1,622.78			
Bullet Proof Vest Partnership						
Other Expenses	721.84	721.84	721.84			
Total Operations - Excluded from "CAPS"	86,669.38	112,169.38	90,713.96	12,135.38	9,320.04	-
Salaries and Wages	-	-	-	-	-	-
Other Expenses	83,659.38	112,169.38	90,713.96	12,135.38	9,320.04	-
<u>CAPITAL IMPROVEMENT - EXCLUDED FROM "CAPS"</u>						
Capital Improvement Fund	100,000.00	100,000.00	100,000.00			
Acquisition of Four Wheel Drive Police Vehicles	32,000.00	32,000.00	31,058.19		941.81	
Street and Drainage Improvements	100,000.00	100,000.00	1,808.02		98,191.98	
Total Capital Improvement Fund - Excluded from "CAPS"	232,000.00	232,000.00	132,866.21	-	99,133.79	-
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>						
Payment of Bond Principal	340,000.00	340,000.00	340,000.00			
Payment of Bond Anticipation Notes	225,000.00	225,000.00	225,000.00			
Interest on Bonds	193,000.00	193,000.00	192,503.97		\$ 496.03	
Interest on Notes	7,000.00	7,000.00	5,726.27			1,273.73
Total Municipal Debt Service - Excluded from "CAPS"	765,000.00	765,000.00	763,230.24	-	-	1,769.76

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES – REGULATORY BASIS (CONTINUED)**

Year Ended December 31, 2017

	Appropriations		Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification				
DEFERRED CHARGES:						
Special Emergency Authorizations - 5 Years Deferred Charges to Future Taxation Unfunded" Ordinance Number 2002-20 Ordinance Number 2004-11	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00			
Total Deferred Charges - Excluded from "CAPS"	10,000.00	10,000.00	10,000.00			
Total General Appropriations for Municipal Purposes - Excluded from "CAPS"	1,093,669.38	1,119,169.38	996,810.41	\$ 12,135.38	\$ 108,453.83	\$ 1,769.76
Subtotal General Appropriations	6,660,679.52	6,660,679.52	5,833,919.96	43,549.56	781,440.24	1,769.76
Reserve for Uncollected Taxes	559,337.66	559,337.66	559,337.66		-	-
Total General Appropriations	\$ 7,220,017.18	\$ 7,220,017.18	\$ 6,393,257.62	\$ 43,549.56	\$ 781,440.24	\$ 1,769.76
Reserve for Uncollected Taxes			\$ 559,337.66			
Reserve for Federal, State and Other Grants Appropriated			23,159.38			
Special Emergency Authorizations - 5 Years Refunded			10,000.00			
Disbursed			(113,094.35)			
			5,913,854.93			
			\$ 6,393,257.62			

See notes to financial statements.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B

**TRUST FUNDS
STATEMENTS OF ASSETS, LIABILITIES AND RESERVES – REGULATORY BASIS**

December 31, 2017 and 2016

<u>ASSETS</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Animal Control Fund:			
Cash - Chief Financial Officer	SB-1	\$ 5,555.41	\$ 7,003.31
		<u>5,555.41</u>	<u>7,003.31</u>
Open Space Trust Fund:			
Cash - Chief Financial Officer	SB-1	143,849.44	67,761.78
Due Current Fund	A		59,562.48
		<u>143,849.44</u>	<u>127,324.26</u>
Other Funds:			
Cash - Chief Financial Officer	SB-1	503,962.07	539,179.63
Cash - Collector	SB-2	260,892.15	257,302.00
Due from State of New Jersey Division of Pensions	SB-1	82,448.45	
		<u>847,302.67</u>	<u>796,481.63</u>
		<u>\$ 996,707.52</u>	<u>\$ 930,809.20</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B

TRUST FUNDS

STATEMENTS OF ASSETS, LIABILITIES AND RESERVES – REGULATORY BASIS (CONTINUED)

December 31, 2017 and 2016

LIABILITIES AND RESERVES

Animal Control Fund:

Due State of New Jersey	SB-4	\$ 1.20	
Reserve for Dog Fund Expenditures	SB-3	5,554.21	\$ 7,003.31
		<u>5,555.41</u>	<u>7,003.31</u>

Open Space Trust Fund:

Reserve for Open Space Trust	SB-5	143,849.44	127,324.26
		<u>143,849.44</u>	<u>127,324.26</u>

Other Funds:

Due Current Fund	SB-6	102,743.66	102,993.67
Due Federal and State Grant Fund	SB-1		721.84
Reserve for Special Law Enforcement	SB-7	2,260.02	2,260.02
Reserve for Public Defender	SB-7	8,833.50	1,203.50
Reserve for Escrow Deposits	SB-7	307,658.93	312,027.26
Reserve for Street Opening	SB-7	6,120.00	6,620.00
Reserve for Recreation Contributions	SB-7	8,230.13	7,766.13
Reserve for Parking Offenses Adjudication Act	SB-7	755.00	535.00
Reserve for Bicycle Patrol Fund	SB-7	1,995.00	1,995.00
Reserve for Trees Fund (Branches of Love)	SB-7	567.00	567.00
Reserve for Police Outside Services	SB-7	8,135.42	14,491.02
Reserve for Train Station	SB-7	795.00	795.00
Reserve for Affordable Housing	SB-7		306.56
Reserve for Very Low Income Affordable Housing	SB-7		1,367.34
Reserve for Flexible Spending	SB-7	588.86	889.21
Reserve for Development Fee	SB-7	4,968.41	3,131.82
Reserve for Accumulated Absences	SB-7	81,956.69	41,956.69
Reserve for Storm Recovery	SB-7	30,000.00	20,000.00
Payroll Deductions Payable	SB-7	20,802.90	19,552.57
Reserve for Tax Title Lien Redemptions	SB-7	28,992.15	7,102.00
Reserve for Premiums Received at Tax Sale	SB-7	231,900.00	250,200.00
		<u>847,302.67</u>	<u>796,481.63</u>
		<u>\$ 996,707.52</u>	<u>\$ 930,809.20</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B-1

OPEN SPACE TRUST FUND
STATEMENT OF REVENUES – REGULATORY BASIS

Year Ended December 31, 2017

	<u>Budget Revenues</u>	<u>Realized</u>	<u>Excess</u>
Amount To Be Raised By Taxation	\$ 59,100.00	\$ 59,520.92	\$ 420.92
Reserve Funds	93,900.00	93,900.00	
	<u>\$ 153,000.00</u>	<u>\$ 153,420.92</u>	<u>\$ 420.92</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B-2

OPEN SPACE TRUST FUND
STATEMENT OF EXPENDITURES – REGULATORY BASIS

Year Ended December 31, 2017

	<u>Budget Appropriations</u>	<u>Expended</u>	<u>Unexpended Balance Canceled</u>
Development of Lands for Recreation and Conservation:			
Salaries and Wages	\$ 5,000.00	\$ 5,000.00	
Other Expenses	148,000.00	37,995.74	\$ 110,004.26
	<u>\$ 153,000.00</u>	<u>\$ 42,995.74</u>	<u>\$ 110,004.26</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C

**GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE –
REGULATORY BASIS**

December 31, 2017 and 2016

<u>ASSETS</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Cash - Chief Financial Officer	SC-1	\$ 1,052,934.01	\$ 1,895,121.22
Deferred Charges to Future Taxation:			
Funded	SC-3	3,785,000.00	4,125,000.00
Unfunded	SC-4	2,994,450.00	3,219,450.00
Accounts Receivable	SC-7	45,720.00	182,880.00
		<u>\$ 7,878,104.01</u>	<u>\$ 9,422,451.22</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	SC-11	\$ 3,785,000.00	\$ 4,125,000.00
Bond Anticipation Notes	SC-12		636,250.00
Improvement Authorizations:			
Funded	SC-8	737,859.63	689,666.28
Unfunded	SC-8	2,116,684.63	2,468,592.63
Contracts Payable	SC-5	348,408.88	656,165.69
Reserve for Encumbrances	SC-9	18,723.00	75,348.75
Reserve for Payment of Debt	C	270,037.57	270,037.57
Capital Improvement Fund	SC-10	251,428.16	151,428.16
Fund Balance	C-1	349,962.14	349,962.14
		<u>\$ 7,878,104.01</u>	<u>\$ 9,422,451.22</u>
 Bonds and Notes Authorized But Not Issued	 SC-13	 <u>\$ 2,994,450.00</u>	 <u>\$ 2,583,200.00</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C-1

GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE – REGULATORY BASIS

Year Ended December 31, 2017

Balance Dec. 31, 2017 and 2016

\$ 349,962.14

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E

**GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENTS OF INVESTMENTS IN FIXED ASSETS – REGULATORY BASIS**

December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
General Fixed Assets:		
Land	\$ 4,740,365.00	\$ 4,713,742.00
Buildings & Contents	2,733,888.61	2,733,888.61
Vehicles	848,388.69	682,975.69
	<hr/>	<hr/>
Total	\$8,322,642.30	8,130,606.30
	<hr/>	<hr/>
 Total Investment in General Fixed Assets	 \$ 8,322,642.30	 \$ 8,130,606.30
	<hr/>	<hr/>

NOTES TO FINANCIAL STATEMENTS

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The financial statements of the Township of Edgewater Park, County of Burlington, New Jersey (“the Township”), include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Township as required by *N.J.S.A.40A:5-5*. The financial statements of the Township do not include the operations of the Board of Education, first aid organization or volunteer fire companies that are subject to separate audits.

Descriptions of Funds

The accounting policies of the Township conform to the accounting principles applicable to municipalities, which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the “Division”). Such principles and practices 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. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds:

Current Fund - resources and expenditures for government 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 – accounts for receipt and disbursement of funds for the acquisition of capital facilities, other than those acquired in the Current Fund.

Public Assistance Fund – the Public Assistance Fund accounts for receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey statutes.

Basis of Accounting

Revenues – are recorded as received in cash except for certain amounts, which may be due from the State of New Jersey or the federal government as grants. The amounts recorded as property taxes receivable and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality which are susceptible of accrual are recorded as receivables with offsetting reserves.

Expenditures – are recorded on the “budgetary” basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31, are reported as a liability in the financial statements and constitute part of the Township’s statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be cancelled by the governing body.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis.

Foreclosed Property – is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

Interfunds – receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Inventories of Supplies - the costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets.

General Fixed Assets – Property and equipment purchased by the Current and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. All interest costs are recorded as expenditures when paid.

Accounting for Governmental Fixed Assets, as promulgated by Technical Directive No. 2 as issued by the Division, differs in certain respects from generally accepted accounting principles. The following is a brief description of the provisions of the Directive:

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain (“infrastructure”) general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land, which is valued at estimated market value. No depreciation on general fixed assets is recorded in the financial statements.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. Fixed assets acquired through grants-in-aid or contributed capital have not been accounted for separately.

Budgets - the Township is required by state law to adopt an annual budget for the Current Fund. Each budget is presented in accordance with accounting principles prescribed by the Division.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The following steps are taken in establishing the budgetary data reflected in the financial statements:

1. Prior to February 10 of the budget year the Township introduces a budget, which includes proposed expenditures and financing methods.
2. A public hearing is held twenty-eight days after introduction; after a public hearing the budget may be adopted by the governing body.

Once a budget is approved it may be amended after November 1 by a resolution adopted by the governing body.

B. CASH, CASH EQUIVALENTS AND INVESTMENTS

The Township is governed by the deposit and investment limitations of New Jersey state law. The deposits and investments held at December 31, 2017, and reported at fair value are as follows:

Type	Maturities	Carrying Value
Demand Deposits	N/A	\$7,014,368.94
Reconciliation of Cash:		
Current		\$ 4,974,286.77
Federal and State Grant		72,889.09
Dog Trust		5,555.41
Other Trust		908,703.66
General Capital		1,052,934.01
Total Reconciliation of Comparative Balance Sheets		\$ 7,014,368.94

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments, had a bank balance of \$7,152,567.19 at December 31, 2017. Of the bank balance \$250,000.00 was fully insured by the Federal Depository Insurance Corporation and \$6,902,567.19 was secured by a collateral pool held by the bank, but not in the Township’s name, as required by New Jersey’s Governmental Unit Deposit Protection Act (“GUDPA”). The GUDPA is more fully described in Note C of these financial statements.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

B. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investment Interest Rate Risk – The Township has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investment held at December 31, 2017, are provided in the above schedule.

Investment Credit Risk – The Township has no investment policy that limits its investment choices other than the limitation of state law as follows:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the Township or bonds or other obligations of the local unit or units within which the Township is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the Township;
- Local governments' investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

Concentration of Investment Credit Risk – The Township places no limit on the amount it may invest in any one issuer.

C. GOVERNMENTAL UNIT DEPOSIT PROTECTION ACT (“GUDPA”)

The Township has deposited cash in 2017 with an approved public fund depository qualified under the provisions of GUDPA. In addition to savings and checking accounts the Township invests monies in certificates of deposits.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

C. GOVERNMENTAL UNIT DEPOSIT PROTECTION ACT (“GUDPA”) (CONTINUED)

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 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.

The market value of the collateral must equal five percent of the average daily balance of public funds; and, if the public funds deposited exceed seventy-five percent of the capital funds of the depository, the depository must provide collateral having a market value equal to one hundred percent of the amount exceeding seventy-five percent.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

D. DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond anticipation notes are issued to temporarily finance capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance and so on. Tax anticipation notes are issued if the cash on hand is not sufficient to carry on normal operations of the municipality at any time during the year. Such notes are authorized by a resolution adopted by the governing body.

Borrowing Power

New Jersey statutes limit the debt of a municipality to 3½% of the average of the last three preceding years' equalized valuations of the taxable real estate and improvements. The Township's statutory net debt at December 31, 2017, was \$6,509,412.43. The Township's remaining borrowing power is \$12,207,170.98.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. DEBT (CONTINUED)

Borrowing Power (Continued)

The summary of municipal debt for the last three years and the calculation of statutory net debt are presented in the Supplementary Information section of this report.

Pooled Loan Revenue Bonds – Series 2013A

In December of 2003, the Township entered into a lease and agreement with the Burlington County Bridge Commission (“Commission”). This agreement provides the Township to finance capital projects and capital equipment through the issuance of County-Guaranteed Pooled Loan Revenue Bonds (2003 Governmental Leasing Program). On February 28, 2013, the 2003 pooled loan revenue bonds were refinanced under Series 2013A. The following is a schedule of annual payments to the Commission for principal and interest:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 170,000	\$ 57,000	\$ 227,000
2019	175,000	48,500	223,500
2020	185,000	39,750	224,750
2021	195,000	30,500	225,500
2022	205,000	20,750	225,750
2023	210,000	10,500	220,500
Total	<u>\$ 1,140,000</u>	<u>\$ 207,000</u>	<u>\$ 1,347,000</u>

Pooled Loan Revenue Bonds – Series 2014A-2

In January of 2014, the Township entered into a lease and agreement with the Commission. This agreement provides the Township to permanently finance various general capital improvements through the issuance of County-Guaranteed Pooled Loan Revenue Bonds (2014A-2 Governmental Loan Program). The following is a schedule of annual payments to the Commission for principal and interest:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 190,000	\$ 121,918	\$ 311,918
2019	195,000	114,319	309,319
2020	205,000	104,569	309,569
2021	215,000	94,319	309,319
2022	230,000	83,569	313,569
2023-2027	1,315,000	247,331	1,562,331
2028	295,000	14,750	309,750
Total	<u>\$ 2,645,000</u>	<u>\$ 780,775</u>	<u>\$ 3,425,775</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

E. Operating Lease Obligation

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

Three (3) Copiers

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

<u>Year</u>	<u>Amount</u>
2018	\$ 5,603.40
2019	5,603.40
2020	5,603.40
2021	5,603.40
2022	5,136.45
	<u>\$ 27,550.05</u>

Rental payments under operating leases for the year 2017 was \$466.95.

F. COMPENSATED ABSENCES

Full-time employees are entitled to sick leave and vacation days each year in accordance with the current union contracts. Unused sick leave and vacation days may be accumulated and carried forward to the subsequent year.

The Township compensates employees for all unused vacation days upon termination or retirement. The current policy also provides for the payment of seventy-five percent of unused sick leave accumulated at the rate of pay upon termination or retirement.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2017, accrued benefits for compensated absences are valued at \$318,143.

G. DEFERRED COMPENSATION SALARY ACCOUNT

The Township offers its employees a Deferred Compensation Program in accordance with Internal Revenue Code Section 457, which has been approved by the Director of the Division. The program is offered by the Township through two program administrators, PEBSO & Equitable. The programs, available to all full-time employees at their option, permit 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.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

G. DEFERRED COMPENSATION SALARY ACCOUNT (CONTINUED)

All amounts of compensation deferred under the Plan and all income attributed to those amounts are the exclusive property of the Township of Edgewater Park, subject to the claims of the general creditors of the Township. Participants' rights under the plan are equal to those of a general creditor of the Township in an amount equal to the fair market value of the deferred account for each participant. It is unlikely that the Township would use plan assets to satisfy claims of the general creditors in the future.

Certain provisions of the Job Protection Act of 1997 affect the Plan. Commencing on January 1, 1999, 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. On September 3, 1997, the State of New Jersey implemented new regulations that require all new plans to be in compliance with the provisions of the Act. Since the Township's plan was adopted before August 20, 1996, the date the Act was signed into law, the Township has until January 1, 1999, to amend the plan or adopt a new one that complies with the Act and State regulations.

The Township assumes no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

H. PENSION OBLIGATIONS

Public Employees' Retirement System ("PERS")

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

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

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007, and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008, and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010, and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATIONS

Public Employees' Retirement System ("PERS") (Continued)

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 sixty and to tier 3 members upon reaching age sixty-two. 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 sixty-two and tier 5 members upon reaching age sixty-five. Early retirement benefits are available to tiers 1 and 2 members before reaching age sixty, tiers 3 and 4 before age sixty-two with twenty-five or more years of service credit, and tier 5 with thirty or more years of service credit before age sixty-five. 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 twenty-five 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.

Contributions - The contribution policy for PERS is set by N.J.S.A. 15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2017, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute fifty percent of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability.

The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of fifteen years beginning with the payments due in the fiscal year ended June 30, 2012, and will be adjusted by the rate of return on the actuarial value of assets. Township contributions to PERS amounted to \$71,280 for 2017.

The employee contribution rate was 7.20% effective July 1, 2016, and increased to 7.34% effective July 1, 2017. Subsequent increases after October 1, 2011, are being phased in over seven years effective on each July 1 to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATIONS (CONTINUED)

Public Employees' Retirement System ("PERS") (Continued)

Net Pension Liability and Pension Expense - At December 31, 2017, the Township's proportionate share of the PERS net pension liability is valued to be \$2,091,780. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using updated procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2016, to the measurement date of June 30, 2017. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2017. The Township's proportion measured as of June 30, 2017, was .0089859%, which was an increase of .001% from its proportion measured as of June 30, 2016.

	<u>December 31, 2017</u> June 30, 2017	<u>December 31, 2016</u> June 30, 2016
Actuarial valuation date		
Net pension liability	\$ 2,091,780	\$ 2,365,408
Township portion of the plan's total net pension liability	0.00899%	0.00799%

For the year ended December 31, 2017, the Township had an allocated pension expense of \$166,925.

Actuarial Assumptions – The collective total pension liability for the June 30, 2017, measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions:

Inflation Rate	2.25%
Salary Increases: Through 2026	1.65 - 4.15% based on age
Thereafter	2.65 - 5.15% based on age

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATIONS (CONTINUED)

Public Employees' Retirement System ("PERS") (Continued)

Pre-retirement mortality rates were based on the RP-2000 Employee Pre-retirement Mortality Table for Male and Female active participants. For local employees, mortality tables are set back two years for males and seven years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability Mortality Table (set back 3 years for males and setback forward 1 year for females).

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments 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.

Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2017, are summarized in the following table:

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

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATIONS (CONTINUED)

Public Employees' Retirement System ("PERS") (Continued)

Discount Rate - The discount rate used to measure the total pension liability was 5.00% as of June 30, 2017. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Township's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	At 1% decrease (4.00%)	At current discount rate (5.00%)	At 1% increase (6.00%)
Local	2,594,995	2,091,780	1,672,539

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

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

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

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

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATIONS (CONTINUED)

Police and Firemen's Retirement System ("PFRS") (Continued)

The following represents the membership tiers for PFRS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to May 22, 2010
2	Members who were eligible to enroll on or after May 22, 2010, and prior to June 28, 2011
3	Members who were eligible to enroll on or after June 28, 2011

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

Contributions - The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2015, the State contributed an amount less than the actuarially determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute fifty percent of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of fifteen years beginning with the payments due in the fiscal year ended June 30, 2012, and will be adjusted by the rate of return on the actuarial value of assets. Township contributions to PFRS amounted to \$204,438 for 2017.

The employee contributions for PFRS is ten percent of employees' annual compensation, as defined.

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

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATIONS (CONTINUED)

Police and Firemen’s Retirement System (“PFRS”) (Continued)

Net Pension Liability and Pension Expense - At December 31, 2017, the Township’s proportionate share of the PFRS net pension liability is valued to be \$4,157,742. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using updated procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2016, to the measurement date of June 30, 2017. The Township’s proportion of the net pension liability was based on the Township’s actual contributions to the plan relative to the total of all participating employers’ contributions for the year ended June 30, 2017. The Township’s proportion measured as of June 30, 2017, was .02693%, which was an increase of .0019% from its proportion measured as of June 30, 2016.

	<u>December 31, 2017</u> June 30, 2017	<u>December 31, 2016</u> June 30, 2016
Actuarial valuation date		
Net pension liability	\$ 4,157,742	\$ 4,789,764
Township portion of the plan's total net pension liability	0.02693%	0.02507%

For the year ended December 31, 2016, the Township had an allocated pension expense of \$463,037.

Additionally, the State’s proportionate share of the net pension liability attributable to the Township is \$465,702 as of December 31, 2017. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using updated procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2016, to the measurement date of June 30, 2017. The State’s proportion of the net pension liability associated with the Township was based on a projection of the Township’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State’s proportion measured as of June 30, 2017, was .02693%, which was an increase of .0019% from its proportion measured as of June 30, 2016, which is the same proportion as the Township’s.

Township's proportionate share of the net pension liability	\$ 4,157,742
State's proportionate share of the net pension liability associated with the Township	<u>465,702</u>
Total net pension liability	<u><u>\$ 4,623,444</u></u>

For the year ended December 31, 2017, the Township’s total allocated pension expense was \$56,966.

Actuarial Assumptions – The collective total pension liability for the June 30, 2017, measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions:

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATIONS (CONTINUED)

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

Inflation Rate	2.25%
Salary Increases: Through 2026	2.10 - 8.98% based on age
Thereafter	3.10 - 9.98% based on age
Investment rate of return	7.00%

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

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

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

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATIONS (CONTINUED)

Police and Firemen’s Retirement System (“PFRS”)

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

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

Sensitivity of the Township’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township’s proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATIONS (CONTINUED)

Police and Firemen’s Retirement System (“PFRS”)

	At 1% decrease (5.14%)	At current discount rate (6.14%)	At 1% increase (7.14%)
Local	\$ 6,091,768	\$ 4,623,444	\$ 3,417,049

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued PERS financial statements.

Defined Contribution Retirement Program

The Defined Contribution Retirement Program (“DCRP”) is a cost-sharing multiple-employer defined contribution pension fund which was established in 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.) and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A.43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. 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’s contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The Township currently has one employee enrolled in the DCRP. The Township paid \$381 for the year ended December 31, 2017.

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

I. ASSESSMENTS AND COLLECTION OF PROPERTY TAXES

New Jersey statutes require that taxable valuation of real property be prepared by the Township Tax Assessor as of October 1, in each year and filed with the County Board of Taxation (the “Board”) by January 10 of the following year. Upon the filing of certified adopted budgets by the Township, Regional School District, and County, the tax rate is struck by the Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 3 with a completed duplicate of the tax rolls to be delivered to the Township Tax Collector (the “Collector”) on or before May 13.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. ASSESSMENTS AND COLLECTION OF PROPERTY TAXES (CONTINUED)

Tax bills are prepared then mailed by the Collector of the Township annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1 and November 1 of the tax year. In addition, the property owner receives a preliminary bill for the succeeding year based on one half of the prior year's tax. The preliminary payments are due and payable on February 1 and May 1. The NJ statutes allow a grace period of ten days for each payment period and the Township granted this option to taxpayers. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of eight percent or eighteen percent of the amount delinquent. If taxes are delinquent on or after April 1 of the succeeding year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1 of the current tax year even though the amount due is not known.

J. POST-RETIREMENT BENEFITS

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required PERS to fund post-retirement medical benefits for those State employees who retire after reaching age sixty and accumulating twenty-five years of credited service. P.L. 2007, c. 103 amended the law to eliminate the funding of post-retirement medical benefits through the PERS system. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees. As of June 30, 2016, there were 110,512 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with Chapter 62, P.L. 1994. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to Chapter 126, P.L. 1992, which provides free health benefits to members of PERS and the Alternative Benefit Program. The State paid \$231.2 million toward Chapter 126 benefits for 20,045 eligible retired members in Fiscal Year 2016.

State Health Benefits Plan Description

The Township of Edgewater Park 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.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

J. POST-RETIREMENT BENEFITS (CONTINUED)

State Health Benefits Plan Description (Continued)

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 1990, The Township of Edgewater Park authorized participation in the SHBP's post-retirement benefit program through resolution number 165-2002 on October 23, 2002. The Township adopted the provision of Chapter 88, Public Laws of 1974 as amended by Chapter 436, P.L. 1981 to permit local public employers to pay the premium charges for certain eligible pensioners and their dependents and to pay Medicare charges for such retirees and their spouses covered by the New Jersey Health Benefits Program. In 2011, Township employees began making health benefit contributions of 1.5% of their base salaries towards the health benefit costs.

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/gasb-43-aug2011.pdf.

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 Edgewater Park Township on a monthly basis. As a participating employer the Township will pay and remit to the State treasury contributions to cover the full cost of premiums for eligible pensioners on a basis comparable to the reimbursement made by the State to its eligible pensioners and their spouses in accordance with provisions of Chapter 75, Public Laws of 1972.

The Township of Edgewater Park contributions to SHBP for the years ended December 31, 2017, 2016 and 2015 were \$16,817, \$19,028, and \$23,469, respectively, which equaled the required contributions for each year. There was one retired participant eligible at December 31, 2017 and 2016, and four retired participants for 2015.

K. CAPITAL ASSETS

The following schedule is a summarization of the changes in General Capital Assets by Source for the year ended December 31, 2017:

	Balance December 31, 2016	Additions/ Adjustments	Balance December 31, 2017
Land and buildings	\$ 4,713,742	\$ 26,623	\$ 4,740,365
Building	2,733,888		2,733,888
Vehicles	682,976	165,413	848,389
	<u>\$ 8,130,606</u>	<u>\$ 192,036</u>	<u>\$ 8,322,642</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. JOINT INSURANCE POOL

The Township of Edgewater Park is a member of the Burlington County Municipal Joint Insurance Fund (the "Fund"). The Fund provides its members with the following coverage:

Workers' Compensation and Employer's Liability
Liability Other Than Motor Vehicles
Property Damage Other Than Motor Vehicles
Motor Vehicles

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

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

Burlington County Municipal Joint Insurance Fund
P.O. Box 325, Hammonton, New Jersey 08037

M. FUND BALANCE

Of the \$2,879,951 Current Fund balance at December 31, 2017, \$1,275,000 is appropriated in the 2018 budget.

N. INTERFUNDS

The following interfunds remained as of December 31, 2017:

Fund	Due from	Due to
Current fund	\$ 102,744	
Trust other fund		\$ 102,744
Total	\$ 102,744	\$ 102,744

The purpose of these interfunds are short-term borrowings.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

O. SUBSEQUENT EVENTS

On June 6, 2018, the Township authorized Bond Ordinance 2018-04 authorizing the construction of roadway improvement, and the acquisition of vehicles and equipment in the amount of \$1,370,000 consisting of a down payment of \$55,000, \$250,000 representing a DOT Grant, and authorizing bonds in the amount of \$1,065,000.

SUPPLEMENTAL SCHEDULES

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-1

**CURRENT FUND
SCHEDULE OF CURRENT AND GRANT FUNDS CASH – CHIEF FINANCIAL OFFICER**

Year Ended December 31, 2017

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance Dec. 31, 2016	\$ 3,802,443.59	\$ -
Increased by Receipts:		
Received from Collector	\$ 17,977,019.27	
Taxes Receivable - Homestead Rebate	245,818.77	
Revenue Accounts Receivable	471,859.22	
Due State of New Jersey, Ch. 20, P.L. 1971	93,405.05	
Miscellaneous Revenue not Anticipated	92,540.11	
Consolidated Municipal Property Tax Relief Aid	27,201.00	
Energy Receipts Tax	648,838.00	
Cable TV Franchise Fees	30,666.42	
Construction Code - State Training Fees	10,088.00	
Clerk - Marriage License Fees	1,225.00	
Appropriation Refunds	113,094.35	
Appropriation Reserve Refunds	816.85	
State of New Jersey Health Benefits	39,490.10	
Due Federal and State Grant Fund	361,263.85	
Due Trust Other Fund	354.48	\$ 721.84
Federal and State Grants Receivable		<u>469,027.18</u>
	<u>20,113,680.47</u>	<u>469,749.02</u>
	23,916,124.06	469,749.02
Decreased by Disbursements:		
2017 Appropriations	5,913,854.93	
2016 Appropriation Reserves	151,829.91	
County Taxes Payable	2,189,830.10	
Due County for Added and Omitted Taxes	2,279.93	
Local School Taxes Payable	10,398,933.50	
Municipal Open Space Taxes Payable	119,083.40	
Fire District Taxes Payable	406,000.00	
Tax Overpayments	144,421.22	
Construction Code - State Training Fees	9,643.00	
Clerk - Marriage License Fees	1,250.00	
Due Trust Other Fund	104.47	
Due Current Fund		361,263.85
Federal and State Grants Appropriated		25,893.83
Reserve for Encumbrances		<u>9,702.25</u>
	<u>19,337,230.46</u>	<u>396,859.93</u>
Balance Dec. 31, 2017	<u>\$ 4,578,893.60</u>	<u>\$ 72,889.09</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-2

**CURRENT FUND
SCHEDULE OF CURRENT FUND CASH – COLLECTOR**

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$	817,419.86
Increased by Receipts:			
Taxes Receivable	\$	16,950,562.84	
Interest and Cost on Taxes		74,207.64	
Prepaid Taxes		262,127.72	
Tax Overpayments		147,369.60	
Revenue Account Receivable		112,567.68	
Miscellaneous Revenue not Anticipated		<u>7,907.10</u>	
			<u>17,554,742.58</u>
			18,372,162.44
Decreased by Disbursements:			
Payments to Chief Financial Officer			<u>17,977,019.27</u>
Balance Dec. 31, 2017		\$	<u><u>395,143.17</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-3

**CURRENT FUND
SCHEDULE OF CHANGE FUNDS**

Year Ended December 31, 2017

<u>Office</u>	<u>Amount</u>
Tax Collector	\$ 150.00
Police Department	<u>100.00</u>
	<u>\$ 250.00</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-4

**CURRENT FUND
SCHEDULE OF DUE FROM STATE OF NEW JERSEY
CH. 20, P.L. 1971**

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 4,109.25
Increased by:	
2017 Senior Citizens' and Veterans' Deductions per Tax Billing	\$ 96,750.00
2017 Senior Citizens' and Veterans' Deductions Allowed by Collector	<u>1,250.00</u>
	98,000.00
Deduct: 2017 Senior Citizens' and Veterans' Deductions Disallowed by Collector	<u>1,516.45</u>
	\$ 96,483.55
Deduct: Prior Year Senior Citizens' and Veterans' Deductions Disallowed by Collector	<u>4,250.00</u>
	<u>92,233.55</u>
	96,342.80
Decreased by:	
Collections	<u>93,405.05</u>
Balance Dec. 31, 2017	<u>\$ 2,937.75</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-5

**CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY**

Year Ended December 31, 2017

Year	Balance	2017 Levy	Added	Collections		Due from	Canceled	Transferred	Balance
	Dec. 31, 2016		Taxes	2017	2016	State of New Jersey		to Tax Title Liens	Dec. 31, 2017
2006	\$ 50.00								\$ 50.00
2013			\$ 500.00	\$ 500.00					
2014	1,766.21		1,000.00	1,000.00					1,766.21
2015	3,498.56			3,498.56					
2016	288,607.09		2,750.00	291,357.09					
	293,921.86	-	4,250.00	296,355.65	-	-	-	-	1,816.21
2017	-	\$ 17,595,939.07		16,900,025.96	\$ 104,935.21	\$ 96,483.55	\$ 116,091.56	\$ 21,366.59	357,036.20
	\$ 293,921.86	\$ 17,595,939.07	\$ 4,250.00	\$ 17,196,381.61	\$ 104,935.21	\$ 96,483.55	\$ 116,091.56	\$ 21,366.59	\$ 358,852.41

Analysis of 2017 Property Tax Levy

Tax Yield

General Purpose Tax	\$ 17,457,921.60
Added / Omitted Taxes	138,017.47

\$ 17,595,939.07

Tax Levy

Local District School Tax		9,998,933.00
County Taxes:		
County Tax	\$ 1,807,416.14	
Open Space Tax	215,387.24	
Library	167,026.72	
County for Added and Omitted Taxes	17,399.20	
Total County Taxes		2,207,229.30
Fire District Taxes		406,000.00
Local Open Space Taxes	59,100.00	
Local Open Space Taxes Added and Omitted Taxes	420.92	
		59,520.92
Local Tax for Municipal Purposes	4,800,268.80	
Add: Additional Tax Levied	123,987.05	
Local Tax for Municipal Purposes Levied		4,924,255.85

\$ 17,595,939.07

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-6

**CURRENT FUND
SCHEDULE OF TAX TITLE LIENS RECEIVABLE**

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 102,679.42
Increased by:		
Transfers from Taxes Receivable	\$ 21,366.59	
Interest and Costs on Taxes	<u>1,392.25</u>	
		<u>22,758.84</u>
Balance Dec. 31, 2017		<u>\$ 125,438.26</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-7

**CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**

Year Ended December 31, 2017

	Balance Dec. 31, 2016	Accrued in 2017	Collected by		Balance Dec. 31, 2017
			Chief Financial Officer	Tax Collector	
Clerk:					
Licenses:					
Alcoholic Beverages		\$ 10,150.00	\$ 10,150.00		
Fees and Permits – Other:					
Clerk - Other		4,398.00	4,398.00		
Planning Board		2,250.00	2,250.00		
Zoning Board		3,232.00	3,232.00		
Police Department		282.00	282.00		
Property List		80.00	80.00		
Road Opening Permit		1,840.00	1,840.00		
Uniform Construction Code Fees		210,954.00	210,954.00		
Municipal Court Fines and Costs	\$ 13,399.03	216,987.74	217,127.38		\$ 13,259.39
Burlington Coat Factory Pilot		112,567.68		\$ 112,567.68	-
Interest on Investments		21,545.84	21,545.84		
	\$ 13,399.03	\$ 584,287.26	\$ 471,859.22	\$ 112,567.68	\$ 13,259.39

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-8

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES**

Year Ended December 31, 2017

	Balance Dec. 31, 2016		Balance After Modification	Paid or Charged	Balance Lapsed	Disbursed	Encumbered	Reimbursed
	Encumbered	Reserved						
OPERATIONS - WITHIN "CAPS"								
GENERAL GOVERNMENT FUNCTIONS								
Administration								
Salaries and Wages		\$ 37,989.74	\$ 37,989.74		\$ 37,989.74			
Other Expenses	\$ 52.19	40,732.59	40,784.78	\$ 4,279.73	36,505.05	\$ 5,096.58		\$ 816.85
Township Committee								
Other Expenses		2,620.34	2,620.34	337.52	2,282.82	337.52		
Municipal Clerk								
Salaries and Wages		2,841.99	2,841.99	630.00	2,211.99	630.00		
Other Expenses		9,858.25	9,858.25	61.18	9,797.07	61.18		
Financial Administration								
Salaries and Wages		16,567.84	16,567.84		16,567.84			
Other Expenses	4,375.00	20,417.84	24,792.84	4,772.30	20,020.54	4,772.30		
Audit Services								
Other Expenses		3,500.00	3,500.00		3,500.00			
Collection of Taxes								
Salaries and Wages		13,033.75	13,033.75		13,033.75			
Other Expenses		7,711.30	7,711.30		7,711.30			
Assessment of Taxes								
Salaries and Wages		61.34	61.34		61.34			
Other Expenses		5,084.67	5,084.67	1,005.33	4,079.34	1,005.33		
Legal Services and Costs								
Other Expenses		24,233.65	24,233.65	1,683.00	22,550.65	1,683.00		
Municipal Court								
Salaries and Wages		261.39	261.39		261.39			
Other Expenses	1,598.44	3,803.97	5,402.41	1,971.89	3,430.52	1,971.89		
Municipal Prosecutor								
Other Expenses		2,625.00	2,625.00		2,625.00			
Engineering Services and Costs								
Other Expenses	1,750.00	25,419.09	27,169.09	5,785.50	21,383.59	5,785.50		
Economic Development								
Other Expenses		9,535.00	9,535.00		9,535.00			
Land Use Administration								
Planning Board								
Salaries and Wages		350.00	350.00		350.00			
Other Expenses		3,917.60	3,917.60	32.83	3,884.77	32.83		
Zoning Board								
Salaries and Wages		39.07	39.07		39.07			
Other Expenses		635.00	635.00		635.00			
Insurance:								
General Liability		5,892.00	5,892.00		5,892.00			
Workers Compensation		23,965.00	23,965.00		23,965.00			
Employee Group		37,789.35	37,789.35		37,789.35			
Unemployment Compensation Insurance		969.52	969.52		969.52			
PUBLIC SAFETY FUNCTIONS								
Police								
Salaries and Wages		132,896.74	132,896.74	9,711.60	123,185.14	9,711.60		
Other Expenses	12,149.56	12,695.52	24,845.08	13,547.99	11,297.09	13,547.99		
Emergency Management								
Other Expenses		2,212.21	2,212.21		2,212.21			
Public Defender								
Other Expenses		100.00	100.00		100.00			
PUBLIC WORKS FUNCTIONS								
Streets and Roads Maintenance								
Salaries and Wages		80,982.62	80,982.62	12,609.55	68,373.07	12,609.55		
Other Expenses	2,537.30	47,785.42	50,322.72	4,292.63	46,030.09	4,292.63		

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-8

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES (CONTINUED)**

Year Ended December 31, 2017

	Balance Dec. 31, 2016		Balance After Modification	Paid or Charged	Balance Lapsed	Disbursed	Encumbered	Reimbursed
	Encumbered	Reserved						
<u>OPERATIONS - WITHIN "CAPS" (CONTD)</u>								
<u>PUBLIC WORKS FUNCTIONS (CONTD)</u>								
Solid Waste Collection								
Salaries and Wages		\$ 99.94	\$ 99.94		\$ 99.94			
Other Expenses		27,796.80	27,796.80	\$ 8,684.85	19,111.95	\$ 8,684.85		
Public Buildings and Grounds								
Other Expenses	\$ 8,655.65	9,354.41	18,010.06	9,220.65	8,789.41	9,220.65		
Community Services Act								
Other Expenses		39,236.59	39,236.59	21,103.80	18,132.79	21,103.80		
<u>HEALTH AND HUMAN SERVICES</u>								
Board of Health								
Salaries and Wages		307.58	307.58	300.00	7.58	300.00		
Other Expenses		917.46	917.46		917.46			
<u>PARK AND RECREATION FUNCTIONS</u>								
Recreation Services								
Other Expenses		8,100.00	8,100.00	6,275.67	1,824.33	6,275.67		
Maintenance of Parks								
Other Expenses	200.00	720.00	920.00	200.00	720.00	200.00		
Celebration of Public Events								
Other Expenses		4,861.21	4,861.21		4,861.21			
<u>State Uniform Construction Code Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)</u>								
Construction Official								
Salaries and Wages		30,089.14	30,089.14		30,089.14			
Other Expenses		12,064.84	12,064.84		12,064.84			
Construction Sub-Code Officials								
Fire								
Salaries and Wages		217.00	217.00		217.00			
Plumbing								
Salaries and Wages		860.00	860.00		860.00			
Electrical								
Salaries and Wages		378.85	378.85		378.85			
Other Code Enforcement								
Salaries and Wages		2,143.47	2,143.47		2,143.47			
Other Expenses		1,250.00	1,250.00		1,250.00			
<u>UTILITY EXPENSES AND BULK PURCHASES</u>								
Utilities:								
Electricity		22,027.16	22,027.16	13,129.37	8,897.79	13,129.37		
Street Lighting		27,175.45	27,175.45	7,754.21	19,421.24	7,754.21		
Telephone and Telegraph		4,018.33	4,018.33	505.26	3,513.07	505.26		
Water		1,217.58	1,217.58	211.62	1,005.96	211.62		
Fuel Oil		8,723.90	8,723.90	1,565.57	7,158.33	1,565.57		
Telecommunications	583.76	6,073.36	6,657.12	722.08	5,935.04	722.08		
Gasoline		40,453.29	40,453.29	1,961.75	38,491.54	1,961.75		
Trash Disposal		37,021.91	37,021.91	12,983.26	24,038.65	12,983.26		
<u>Unclassified:</u>								
Storm Water Sewers								
Other Expenses		32,590.00	32,590.00	1,000.00	31,590.00	1,000.00		
Environmental Commission								
Other Expenses		692.18	692.18		692.18			
Aid to Providence House								
Other Expenses		730.00	730.00		730.00			
Senior Citizen Advisory Committee								
Other Expenses		137.64	137.64		137.64			
Contingent		10,000.00	10,000.00		10,000.00			

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-8

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES (CONTINUED)**

Year Ended December 31, 2017

	Balance Dec. 31, 2016		Balance After Modification	Paid or Charged	Balance Lapsed	Disbursed	Encumbered	Reimbursed
	Encumbered	Reserved						
<u>Unclassified (Cont'd):</u>								
Statutory Expenditures:								
Social Security System (O.A.S.I.)		\$ 18,515.17	\$ 18,515.17		\$ 18,515.17			
Defined Contribution Retirement Program		1,587.88	1,587.88	\$ 8.48	1,579.40	\$ 8.48		
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>								
Affordable Housing								
Other Expenses	\$ 3,574.21	19,495.09	23,069.30	4,170.68	18,898.62	4,170.68		
Recycling Tax		1,227.35	1,227.35	494.76	732.59	494.76		
<u>CAPITAL IMPROVEMENTS EXCLUDED FROM "CAPS"</u>								
Acquisition of Four Wheel Drive Police Vehicles		941.81	941.81		941.81			
Body Camera Equipment		0.70	0.70		0.70			
	<u>\$ 35,476.11</u>	<u>\$ 947,553.89</u>	<u>\$ 983,030.00</u>	<u>\$ 151,013.06</u>	<u>\$ 832,016.94</u>	<u>\$ 151,829.91</u>	<u>\$ -</u>	<u>\$ 816.85</u>
Disbursed				\$ 151,829.91				
Refunds				(816.85)				
				<u>\$ 151,013.06</u>				

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-9

**CURRENT FUND
SCHEDULE OF PREPAID TAXES**

Year Ended December 31, 2017

Balance Dec. 31, 2016 (2017 Taxes)		\$	104,935.21
Increased by:			
Transfer from Overpayments	\$	4,044.05	
Receipts - Collector		<u>262,127.72</u>	
			<u>266,171.77</u>
			371,106.98
Decreased by:			
Applied to 2017 Taxes Receivable			<u>104,935.21</u>
Balance Dec. 31, 2017 (2018 Taxes)		\$	<u><u>266,171.77</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-10

**CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS**

Year Ended December 31, 2017

Increased by:			
Receipts - Collector	\$	147,369.60	
Refund of Prior Year Revenue		<u>7,137.63</u>	
			\$ 154,507.23
Decreased by:			
Refunds - Chief Financial Officer		144,421.22	
Application to Prepaid Taxes		<u>4,044.05</u>	
			<u>148,465.27</u>
Balance Dec. 31, 2017		\$	<u><u>6,041.96</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-11

**CURRENT FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY
UNIFORM CONSTRUCTION CODE
STATE TRAINING FEES**

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$	1,806.00
Increased by:		
Receipts		<u>10,088.00</u>
		11,894.00
Decreased by:		
Payments		<u>9,643.00</u>
Balance Dec. 31, 2017	\$	<u><u>2,251.00</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-12

**CURRENT FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY
MARRIAGE LICENSE FEES**

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$	275.00
Increased by:		
Receipts		<u>1,225.00</u>
		1,500.00
Decreased by:		
Payments		<u>1,250.00</u>
Balance Dec. 31, 2017	\$	<u><u>250.00</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-13

**CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE**

Year Ended December 31, 2017

Lewy:			
County Tax	\$	1,807,416.14	
Open Space Tax		215,387.24	
Library		<u>167,026.72</u>	
	\$		2,189,830.10
Decreased by:			
Payments			<u>2,189,830.10</u>
Balance Dec. 31, 2017	\$		<u><u>-</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-14

**CURRENT FUND
SCHEDULE OF MUNICIPAL OPEN SPACE TAX PAYABLE**

Year Ended December 31, 2017

Balance Dec. 31, 2016			\$	59,562.48
Increased by:				
Lewy:				
Municipal Open Space Tax	\$	59,100.00		
Municipal Open Space Added and Omitted Taxes		<u>420.92</u>		
				<u>59,520.92</u>
Decreased by:				119,083.40
Payments				<u>119,083.40</u>
Balance Dec. 31, 2017	\$			<u><u>-</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-15

**CURRENT FUND
SCHEDULE OF FIRE DISTRICT TAXES PAYABLE**

Year Ended December 31, 2017

Lew	\$	406,000.00
Decreased by:		
Payments		<u>406,000.00</u>
Balance Dec. 31, 2017	\$	<u><u>-</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-16

**CURRENT FUND
SCHEDULE OF DUE TO COUNTY FOR ADDED AND OMITTED TAXES**

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 2,279.93
Increased by:	
County Share of Added / Omitted Taxes	<u>17,399.20</u>
	19,679.13
Decreased by:	
Payments	<u>2,279.93</u>
Balance Dec. 31, 2017	<u><u>\$ 17,399.20</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-17

**CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE**

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 400,000.50
Increased by:	
Lewy - Calendar Year January 1, 2017 to December 31, 2017	<u>9,998,933.00</u>
	10,398,933.50
Decreased by:	
Payments	<u>10,398,933.50</u>
Balance Dec. 31, 2017	<u><u>\$ -</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-18

**CURRENT FUND
SCHEDULE OF PROPERTY ACQUIRED FOR TAXES – ASSESSED VALUATION**

December 31, 2017

Balance Dec. 31, 2017 and 2016

\$ 3,028,800.00

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-19

**CURRENT FUND
SCHEDULE OF CURRENT FUND RESERVES**

Year Ended December 31, 2017

<u>Reserve</u>	Balance <u>Dec. 31, 2016</u>	<u>Receipts</u>	Balance <u>Dec. 31, 2017</u>
Reserve for Codification of Ordinances	\$ 16,400.00		\$ 16,400.00
Reserve for Sale of Municipal Assets	963,769.50		963,769.50
	<u>\$ 980,169.50</u>	<u>\$ -</u>	<u>\$ 980,169.50</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-20

**CURRENT FUND
SCHEDULE OF DEFERRED CHARGES
N.J.S.40A:4-53 - SPECIAL EMERGENCIES**

Year Ended December 31, 2017

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2016</u>	<u>Raised in 2017 Budget</u>	<u>Balance Dec. 31, 2017</u>
09-03-13	Codification of Ordinances	\$ 25,000.00	\$ 5,000.00	\$ 10,000.00	\$ 10,000.00	\$ -

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-21

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE**

Year Ended December 31, 2017

<u>Program</u>	<u>Balance Dec. 31, 2016</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance Dec. 31, 2017</u>
Federal:				
Bulletproof Vest Partnership Program	\$ 1,236.14		\$ 1,236.14	
Total Federal Grants	1,236.14	-	1,236.14	-
State:				
Clean Communities Grant		\$ 17,683.45	17,683.45	
Green Communities Grant		3,000.00	3,000.00	
Recycling Tonnage Grant		45,482.76	45,482.76	
Body Armor Replacement Grant		1,624.83	1,624.83	
Total State Grants	-	67,791.04	67,791.04	-
Local Grants:				
County Recycling Grant	10,444.83			\$ 10,444.83
Burlington County Municipal Park	475,000.00		400,000.00	75,000.00
Total Local Grants	485,444.83	-	400,000.00	85,444.83
Total All Grants	\$ 486,680.97	\$ 67,791.04	\$ 469,027.18	\$ 85,444.83
Receipts			\$ 469,027.18	
Due Trust Other Fund				
			\$ 469,027.18	

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-22

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS – UNAPPROPRIATED**

Year Ended December 31, 2017

<u>Program</u>	<u>Balance Dec. 31, 2016</u>	<u>Grants Receivable</u>	<u>Realized as Revenue 2017 Budget</u>	<u>Balance Dec. 31, 2017</u>
Federal:				
Bulletproof Vest Partnership Program	\$ 721.84		\$ 721.84	
	721.84	-	721.84	-
State:				
Clean Communities Grant	20,814.76	\$ 17,683.45	20,814.76	\$ 17,683.45
Green Communities Grant		3,000.00		3,000.00
Recycling Tonnage Grant		45,482.76		45,482.76
Body Armor Replacement Fund	1,622.78	1,624.83	1,622.78	1,624.83
Total State Grants	22,437.54	67,791.04	22,437.54	67,791.04
Total All Grants	\$ 23,159.38	\$ 67,791.04	\$ 23,159.38	\$ 67,791.04

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-23

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS – APPROPRIATED**

Year Ended December 31, 2017

<u>Program</u>	<u>Balance Dec. 31, 2016</u>	<u>Adjustments</u>	<u>Transferred from 2017 Budget Appropriation</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2017</u>
Federal Grants:					
Bulletproof Vest Partnership Program	\$ 1,160.22		\$ 721.84	\$ 927.52	\$ 954.54
New Jersey Department of Transportation	5,207.98				5,207.98
Storm Water Regulation	7,936.00				7,936.00
Total Federal Grants	14,304.20		721.84	927.52	14,098.52
State Grants:					
Clean Communities Grant	14,053.07	\$ (20,712.55)	20,814.76	14,155.28	
Drunk Driving Enforcement Grant	3,058.00				3,058.00
Alcohol Education and Rehabilitation	7,289.00				7,289.00
Green Communities Grant	3,000.00				3,000.00
Green Acres Tree Management Plan	1,292.50				1,292.50
Recycling Tonnage Grant	40,956.36	20,712.55		9,883.51	51,785.40
Domestic Violence Training Program	4,990.00				4,990.00
School Safety Program/Child Identification	500.00				500.00
Body Armor Replacement	3,834.20		1,622.78	927.52	4,529.46
Total State Grants	78,973.13	-	22,437.54	24,966.31	76,444.36
Total All Grants	\$ 93,277.33	\$ -	\$ 23,159.38	\$ 25,893.83	\$ 90,542.88
Due Current Fund Disbursed				<u>25,893.83</u>	
				<u>\$ 25,893.83</u>	

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-24

FEDERAL AND STATE GRANT FUND
SCHEDULE OF DUE TO CURRENT FUND

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$	361,263.85
Decreased by:		
Interfund Returned		<u>361,263.85</u>
Balance Dec. 31, 2017	\$	<u><u>-</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-25

FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

Year Ended December 31, 2016

Balance Dec. 31, 2016	\$	9,702.25
Decreased by:		
Disbursed		<u>9,702.25</u>
Balance Dec. 31, 2017	\$	<u><u>-</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-1

**TRUST FUNDS
SCHEDULE OF CASH – CHIEF FINANCIAL OFFICER**

Year Ended December 31, 2017

	Animal Control Trust Fund	Open Space Trust Fund	Other Funds
Balance Dec. 31, 2016	\$ 7,003.31	\$ 67,761.78	\$ 539,179.63
Increased by Receipts:			
Dog License Fees	\$ 5,589.80		
Due State of New Jersey	757.20		
2017 Budget Appropriation	8,500.00		
Due Current Fund		\$ 59,562.48	\$ 104.47
Reserve for Open Space Trust		59,520.92	
Reserve for Public Defender			19,655.00
Reserve for Escrow Deposits			52,815.50
Reserve for Street Opening			3,500.00
Reserve for Recreation			1,210.00
Reserve for Parking Offenses Adjudication Act			220.00
Reserve for Police Outside Services			65,449.40
Reserve for Flexible Spending			2,249.00
Reserve for Development Fee			1,836.59
Reserve for Affordable Housing			147.41
Reserve for Accumulated Absences			40,000.00
Reserve for Storm Recovery			10,000.00
Payroll Deductions Payable			1,086,724.98
Net Payroll			1,515,687.26
	<u>14,847.00</u>	<u>119,083.40</u>	<u>2,799,599.61</u>
	21,850.31	186,845.18	3,338,779.24
Decreased by Disbursements:			
Expenditures Under R.S.4:19-15.11	15,538.90		
Due State of New Jersey	756.00		
Reserve for Open Space Trust		42,995.74	
Due State of New Jersey Division of Pensions			82,448.45
Due Federal and State Grant Fund			721.84
Reserve for Very Low Income Affordable Housing			1,821.31
Reserve for Public Defender			12,025.00
Reserve for Escrow Deposits			57,538.31
Reserve for Street Opening			4,000.00
Reserve for Recreation			746.00
Reserve for Police Outside Services			71,805.00
Reserve for Flexible Spending			2,549.35
Payroll Deductions Payable			1,085,474.65
Net Payroll			1,515,687.26
	<u>16,294.90</u>	<u>42,995.74</u>	<u>2,834,817.17</u>
Balance Dec. 31, 2017	<u>\$ 5,555.41</u>	<u>\$ 143,849.44</u>	<u>\$ 503,962.07</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-2

**TRUST FUNDS
SCHEDULE OF TRUST CASH – COLLECTOR
PER N.J.S.40A:5-5**

Year Ended December 31, 2017

	<u>Other Funds</u>
Balance Dec. 31, 2016	\$ 257,302.00
Increased by Receipts:	
Reserve for Tax Title Lien Redemptions	\$ 251,288.40
Reserve for Premiums Received at Tax Sale	<u>211,600.00</u>
	<u>462,888.40</u>
	720,190.40
Decreased by Disbursements:	
Reserve for Tax Title Lien Redemptions	229,398.25
Reserve for Premiums Received at Tax Sale	<u>229,900.00</u>
	<u>459,298.25</u>
Balance Dec. 31, 2017	<u>\$ 260,892.15</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-3

**TRUST FUNDS
ANIMAL CONTROL TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES**

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$	7,003.31
Increased by:			
Receipts:			
License Fees Collected by Clerk	\$	5,589.80	
2017 Budget Appropriation		<u>8,500.00</u>	
			<u>14,089.80</u>
			21,093.11
Decreased by:			
Expenditures Under R.S.4:19-15.11:			
Disbursements			<u>15,538.90</u>
Balance Dec. 31, 2017		\$	<u>5,554.21</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-4

TRUST FUNDS
ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY

Year Ended December 31, 2017

Increased by:		
Registration Fees Collected by Clerk	\$	757.20
Decreased by:		
Payments		<u>756.00</u>
Balance Dec. 31, 2017	\$	<u><u>1.20</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-5

**TRUST FUNDS
OPEN SPACE TRUST FUND
SCHEDULE OF RESERVE FOR OPEN SPACE TRUST FUND**

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$	127,324.26
Increased by:			
Receipts:			
Levy	\$	59,100.00	
Added and Omitted Taxes		<u>420.92</u>	
			<u>59,520.92</u>
			186,845.18
Deceased by:			
Disbursements			<u>42,995.74</u>
Balance Dec. 31, 2017		\$	<u><u>143,849.44</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-6

**TRUST FUNDS
SCHEDULE OF DUE TO CURRENT FUND – OTHER TRUSTS**

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 102,993.67
Increased by:	
Receipts	<u>104.47</u>
	103,098.14
Decreased by:	
Interest Earned Due Trust Other Funds	<u>354.48</u>
Balance Dec. 31, 2017	<u><u>\$ 102,743.66</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-7

**TRUST FUNDS
SCHEDULE OF TRUST OTHER RESERVES**

Year Ended December 31, 2017

<u>Reserve</u>	<u>Balance Dec. 31, 2016</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2017</u>
Reserve for Special Law Enforcement	\$ 2,260.02			\$ 2,260.02
Reserve for Public Defender	1,203.50	\$ 19,655.00	\$ 12,025.00	8,833.50
Reserve for Escrow Deposits	312,027.26	53,169.98	57,538.31	307,658.93
Reserve for Street Opening	6,620.00	3,500.00	4,000.00	6,120.00
Reserve for Recreation Contributions	7,766.13	1,210.00	746.00	8,230.13
Reserve for Parking Offenses Adjudication Act	535.00	220.00		755.00
Reserve for Bicycle Patrol Fund	1,995.00			1,995.00
Reserve for Trees Fund (Branches of Love)	567.00			567.00
Reserve for Police Outside Services	14,491.02	65,449.40	71,805.00	8,135.42
Reserve for Train Station	795.00			795.00
Reserve for Affordable Housing	306.56	1,514.75	1,821.31	
Reserve for Very Low Income Affordable Housing	1,367.34		1,367.34	
Reserve for Flexible Spending	889.21	2,249.00	2,549.35	588.86
Reserve for Development Fee	3,131.82	1,836.59		4,968.41
Reserve for Accumulated Absences	41,956.69	40,000.00		81,956.69
Reserve for Storm Recovery	20,000.00	10,000.00		30,000.00
Payroll Deductions Payable	19,552.57	1,086,724.98	1,085,474.65	20,802.90
Net Payroll		1,515,687.26	1,515,687.26	
Reserve for Tax Title Lien Redemptions	7,102.00	251,288.40	229,398.25	28,992.15
Reserve for Premiums Received at Tax Sale	250,200.00	211,600.00	229,900.00	231,900.00
	<u>\$ 692,766.12</u>	<u>\$ 3,264,105.36</u>	<u>\$ 3,212,312.47</u>	<u>\$ 744,559.01</u>
Chief Financial Officer		\$ 2,799,495.14	\$ 2,751,646.88	
Intrafund		1,367.34	1,367.34	
Collector		462,888.40	459,298.25	
Due Current Fund		354.48		
		<u>\$ 3,264,105.36</u>	<u>\$ 3,212,312.47</u>	

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-1

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH
PER N.J.S.40A:5-5**

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$ 1,895,121.22
Increased by Receipts:		
Due Current Fund	\$ 230,726.27	
Budget Appropriation - Capital Improvement Fund	100,000.00	
Account Receivable - NJDOT Ord. 2015-07	137,160.00	
Improvement Authorizations	<u>8,675.00</u>	
		<u>476,561.27</u>
		2,371,682.49
Decreased by Disbursements:		
Improvement Authorizations	441,533.65	
Reserve for Encumbrances	60,975.75	
Contracts Payable	174,262.81	
Bond Anticipation Notes	411,250.00	
Due Current Fund	<u>230,726.27</u>	
		<u>1,318,748.48</u>
Balance Dec. 31, 2017		<u>\$ 1,052,934.01</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-2

**GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH**

Year Ended December 31, 2017

	Balance		Receipts		Disbursements			Transfers		Balance
	(Deficit)		Budget		Improvement					(Deficit)
	<u>Dec. 31, 2016</u>		<u>Appropriation</u>	<u>Miscellaneous</u>	<u>Authorizations</u>	<u>Notes</u>	<u>Miscellaneous</u>	<u>From</u>	<u>To</u>	<u>Dec. 31, 2017</u>
Reserve for Capital Improvement Fund	\$ 151,428.16		\$ 100,000.00							\$ 251,428.16
Fund Balance	349,962.14									349,962.14
Account Receivable - NJDOT Ord. 2015-07	(182,880.00)			\$ 137,160.00						(45,720.00)
Improvement Authorizations:										
2013-08 Roadway Improvements to Cardinal Road and Adams Ave.	133,502.86				\$ 29,995.00					103,507.86
2014-05 Various Improvements or Purposes	109,161.38			8,675.00	18,595.00	\$ 636,250.00			\$ 225,400.00	(311,608.62)
2015-06 Various Road & Drainage Improvements	306,088.42				31,972.19			\$ 203,500.00	339,660.54	410,276.77
2015-07 Various Roadway and Municipal Improvements	108,747.25									108,747.25
2016-08 Acquisition of Vehicles for Public Works Department	(157,441.00)				7,138.00					(164,579.00)
2016-09 Various Road & Drainage Improvements	75,000.00				353,833.46			7,416.54		(286,250.00)
Current Fund				230,726.27				225,000.00		
Reserve for Payment of Debt	270,037.57									270,037.57
Reserve for Encumbrances	75,348.75							400.00	4,750.00	18,723.00
Contracts Payable	656,165.69							339,660.54	206,166.54	348,408.88
	<u>\$ 1,895,121.22</u>		<u>\$ 100,000.00</u>	<u>\$ 376,561.27</u>	<u>\$ 441,533.65</u>	<u>\$ 636,250.00</u>	<u>\$ 240,964.83</u>	<u>\$ 775,977.08</u>	<u>\$ 775,977.08</u>	<u>\$ 1,052,934.01</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-3

**GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION – FUNDED**

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 4,125,000.00
Decreased by:	
2017 Budget Appropriation:	
Serial Bonds	<u>340,000.00</u>
Balance Dec. 31, 2017	<u>\$ 3,785,000.00</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-4

**GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED**

Year Ended December 31, 2017

Ordinance Number	Improvement Description	Date of Ordinance	Balance Dec. 31, 2016	Notes Paid by Budget Appropriation	Balance Dec. 31, 2017	Analysis of Balance Dec. 31, 2017		
						Expenditures	Unexpended Improvement Authorizations	
2013-08	Roadway Improvements to Cardinal Road and Adams Ave.	10/01/13	\$ 270,000.00		\$ 270,000.00	\$ 25,325.00	\$ 244,675.00	
2014-05	Various Improvements or Purposes	06/03/14	636,250.00	\$ 225,000.00	411,250.00	311,608.62	99,641.38	
2015-06	Various Road & Drainage Improvements	10/20/15	130,200.00		130,200.00		130,200.00	
2015-07	Various Roadway and Municipal Improvements	11/10/15	568,000.00		568,000.00	90,002.75	477,997.25	
2016-08	Acquisition of Vehicles for Public Works Department	10/04/16	190,000.00		190,000.00	164,579.00	25,421.00	
2016-09	Various Road & Drainage Improvements	12/06/16	1,425,000.00		1,425,000.00	286,250.00	1,138,750.00	
			\$ 3,219,450.00	\$ 225,000.00	\$ 2,994,450.00	\$ 877,765.37	\$ 2,116,684.63	
Improvement Authorizations Unfunded								<u>\$ 2,116,684.63</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-5

**GENERAL CAPITAL FUND
SCHEDULE OF CONTRACTS PAYABLE**

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$	656,165.69
Increased by:			
Contracts Awarded and Charged to Improvement Authorizations			<u>206,166.54</u>
			862,332.23
Decreased by:			
Disbursements	\$	174,262.81	
Canceled		<u>339,660.54</u>	
			<u>513,923.35</u>
Balance Dec. 31, 2017		\$	<u><u>348,408.88</u></u>

Schedule of Contracts Payable Dec. 31, 2017

<u>Vendor:</u>	<u>Ordinance Number</u>	<u>Amount</u>
All Surface Asphalt Paving	2012-07	\$ 142,242.34
Asphalt Paving Systems, Inc.	2015-07	198,750.00
Asphalt Paving Systems, Inc.	2016-09	<u>7,416.54</u>
		\$ <u><u>348,408.88</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-6

**GENERAL CAPITAL FUND
SCHEDULE OF DUE FROM CURRENT FUND**

Year Ended December 31, 2017

Increased by:			
Disbursed on Behalf of Current Fund		\$	230,726.27
Decreased by:			
Receipts			<u>230,726.27</u>
Balance Dec. 31, 2017		\$	<u><u>-</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-7

**GENERAL CAPITAL FUND
SCHEDULE OF ACCOUNTS RECEIVABLE**

Year Ended December 31, 2017

Balance Dec. 31, 2016	\$ 182,880.00
Decreased by:	
Receipts	<u>137,160.00</u>
Balance Dec. 31, 2017	<u>\$ 45,720.00</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-8

**GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Year Ended December 31, 2017

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31, 2016		Prior Year Encumbrances Canceled	Paid or Charged	Balance Dec. 31, 2017	
				Funded	Unfunded			Funded	Unfunded
2013-08a	Various Capital Improvements to Facilities	10/01/13	\$ 540,000.00	\$ 158,827.86	\$ 232,394.00		\$ 29,995.00	\$ 128,832.86	\$ 232,394.00
2013-08c	Acquisition of Equipment for Public Works Department	10/01/13	57,000.00		12,281.00				12,281.00
2014-05a	Various Capital Improvements to Facilities	06/03/14	180,000.00		13,099.85	\$ 400.00	1,200.00		12,299.85
2014-05c	Improvements to Weimann Sports Complex	06/03/14	245,000.00		96,061.53		8,720.00		87,341.53
2015-06	Various Road & Drainage Improvements	10/20/15	983,663.61	306,088.42	130,200.00	339,660.54	36,722.19	609,026.77	130,200.00
2015-07a	Various Capital Improvements to Facilities	11/10/15	545,000.00		477,997.25				477,997.25
2015-07b	Roadway Improvements	11/10/15	235,000.00	149,750.00	49,000.00		198,750.00		
2016-08	Acquisition of Vehicles for Public Works Department	10/04/16	200,000.00		32,559.00		7,138.00		25,421.00
2016-09	Various Road & Drainage Improvements	12/06/16	1,500,000.00	75,000.00	1,425,000.00		361,250.00		1,138,750.00
				\$ 689,666.28	\$ 2,468,592.63	\$ 340,060.54	\$ 643,775.19	\$ 737,859.63	\$ 2,116,684.63
Disbursed							\$ 441,533.65		
Refunded							(8,675.00)		
Reserve for Encumbrances							4,750.00		
Contracts Payable							206,166.54		
							\$ 643,775.19		

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-9

**GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES**

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$	75,348.75
Increased by:			
Charges to Improvement Authorizations			<u>4,750.00</u>
			80,098.75
Decreased by:			
Disbursements	\$	60,975.75	
Canceled		<u>400.00</u>	
			<u>61,375.75</u>
Balance Dec. 31, 2017		\$	<u><u>18,723.00</u></u>

**GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND**

SC-10

Year Ended December 31, 2017

Balance Dec. 31, 2016		\$	151,428.16
Increased by:			
2017 Budget Appropriation			<u>100,000.00</u>
Balance Dec. 31, 2017		\$	<u><u>251,428.16</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-11

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS**

Year Ended December 31, 2017

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2016</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2017</u>
			<u>Outstanding Dec. 31, 2017</u>	<u>Date</u>				
Burlington County Bridge Commission Revenue Bonds, Series 2013A (Refunding of 2003 General Bonds)	02/28/2013	\$ 1,780,000.00	11/01/18	\$ 170,000.00	5.000%			
			11/01/19	175,000.00	5.000%			
			11/01/20	185,000.00	5.000%			
			11/01/21	195,000.00	5.000%			
			11/01/22	205,000.00	5.000%			
			11/01/23	210,000.00	5.000%	\$ 1,300,000.00	\$ 160,000.00	\$ 1,140,000.00
Burlington County Bridge Commission County-Guaranteed Pooled Loan Revenue Bonds, (Governmental Loan Program), Series 2014A-2	01/02/2014	3,350,000.00	11/01/18	190,000.00	4.000%			
			11/01/19	195,000.00	5.000%			
			11/01/20	205,000.00	5.000%			
			11/01/21	215,000.00	5.000%			
			11/01/22	230,000.00	5.000%			
			11/01/23	240,000.00	5.000%			
			11/01/24	250,000.00	5.000%			
			11/01/25	265,000.00	3.375%			
			11/01/26	275,000.00	3.500%			
			11/01/27	285,000.00	5.000%			
			11/01/28	295,000.00	5.000%	2,825,000.00	180,000.00	2,645,000.00
						<u>\$ 4,125,000.00</u>	<u>\$ 340,000.00</u>	<u>\$ 3,785,000.00</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-12

**GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES**

Year Ended December 31, 2017

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Notes</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2016</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2017</u>
2014-05	Various Improvements or Purposes	10/30/2014	10/28/2016	10/27/2017	0.90%	\$ 636,250.00	\$ 636,250.00	
						<u>\$ 636,250.00</u>	<u>\$ 636,250.00</u>	<u>\$ -</u>
Paid by General Capital Cash							\$ 411,250.00	
Current Fund Budget Appropriation							<u>225,000.00</u>	
							<u>\$ 636,250.00</u>	

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-13

GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Year Ended December 31, 2017

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Balance Dec. 31, 2016</u>	<u>Notes Paid by Capital Cash</u>	<u>Balance Dec. 31, 2017</u>
General Improvements:					
2013-08	Roadway Improvements to Cardinal Road and Adams Ave.	10/01/13	\$ 270,000.00		\$ 270,000.00
2014-05	Various Improvements or Purposes	06/03/14		\$ 411,250.00	411,250.00
2015-06	Various Road & Drainage Improvements	10/20/15	130,200.00		130,200.00
2015-07	Various Roadway and Municipal Improvements	11/10/15	568,000.00		568,000.00
2016-08	Acquisition of Vehicles for Public Works Department	10/04/16	190,000.00		190,000.00
2016-09	Various Road & Drainage Improvements	12/06/16	1,425,000.00		1,425,000.00
			<u>\$ 2,583,200.00</u>	<u>\$ 411,250.00</u>	<u>\$ 2,994,450.00</u>

INDEPENDENT AUDITORS' 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

To the Honorable Mayor and Members
of the Township Council
Township of Edgewater Park
County of Burlington
Edgewater Park, New Jersey 08010

We have audited, 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 requirements of audit prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Township of Edgewater Park (the "Township"), as of and for the year ended December 31, 2017, and the related notes to financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated June 29, 2018, in which we expressed an adverse opinion on the conformity of the financial statements with accounting principles generally accepted in the United States of America due to differences between those principles and accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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. However, as described in the accompanying schedule of current year findings and recommendations section, we did identify a certain deficiency in internal control that we consider to be a material weakness.

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 Township's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying schedule of current year findings and recommendations section as finding 2017-01 to be a material weakness.

INDEPENDENT AUDITORS' 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 (CONTINUED)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* as Finding 2017-002 under the Schedule of Current Year Findings and Recommendations section.

Township's Response to Findings

The Township's response to the findings identified in our audit are described in the accompanying Schedule of Current Year 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 Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**Warren A. Broudy, CPA, CGFM, PSA, CGMA
Registered Municipal Accountant
License No. 554**

**MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS**

June 29, 2018

SUPPLEMENTARY INFORMATION

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

Year Ended December 31, 2017

**Summary of Municipal Debt
(Excluding Current Debt)**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Issued -			
General - Bonds and Notes	\$ 3,785,000.00	4,761,250.00	5,196,250.00
Deductions - Funds Temporarily Held to Pay Notes:			
General	<u>270,037.57</u>	<u>270,037.57</u>	<u>270,037.57</u>
Net Debt Issued	<u>3,514,962.43</u>	<u>4,491,212.43</u>	<u>4,926,212.43</u>
Authorized But Not Issued:			
General - Bonds & Notes	<u>2,994,450.00</u>	<u>2,583,200.00</u>	<u>1,144,737.84</u>
Net Debt	<u>\$ 6,509,412.43</u>	<u>7,074,412.43</u>	<u>6,070,950.27</u>

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

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.246%.

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District	\$15,545,000.00	15,545,000.00	-
General Debt	<u>6,779,450.00</u>	<u>270,037.57</u>	<u>6,509,412.43</u>
Total	<u>\$22,324,450.00</u>	<u>15,815,037.57</u>	<u>6,509,412.43</u>

Net debt, \$6,509,412.43, divided by Equalized Valuation Basis Per N.J.S.A.40A:2-2 as amended, \$534,759,526.00 equals 1.217%.

Equalized Valuation Basis:

2017	\$522,522,530.00
2016	542,192,007.00
2015	<u>539,564,041.00</u>
Average	<u>\$534,759,526.00</u>

Borrowing Power Under 40A:2-6

3.5% of Equalized Valuation Basis (Municipal)	\$18,716,583.41
Net Debt	<u>6,509,412.43</u>
Remaining Borrowing Power	<u>\$12,207,170.98</u>

The foregoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

Year Ended December 31, 2017

**Comparison of Tax Levies
and Collection Currently**

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

YEAR	TAX LEVY	CURRENTLY	
		CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2017	\$17,595,939.07	17,101,444.72	97.19%
2016	16,615,214.60	16,230,090.17	97.68%
2015	16,223,892.23	15,802,499.17	97.40%
2014	15,487,796.71	15,134,397.15	97.72%
2013	14,515,739.00	14,180,280.00	97.69%

Comparison of Tax Rate Information

	2017	2016	2015
Total Tax Rate	<u>\$2.952</u>	<u>\$2.787</u>	<u>\$2.685</u>
Apportionment of Tax Rate:			
Municipal	0.811	0.769	0.732
County	0.372	0.365	0.399
Local School	1.691	1.576	1.480
Fire District Tax	0.069	0.067	0.065
Open Space Tax	0.009	0.010	0.009

Net Valuation Taxable:

2017	<u>\$591,391,100.00</u>		
2016		<u>\$595,543,800.00</u>	
2015			<u>\$604,096,000.00</u>

Delinquent Taxes and Tax Title Liens

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens in relation to the tax levies of the last three years.

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2017	\$125,438.26	358,852.41	484,290.67	2.75%
2016	102,679.42	293,921.86	396,601.28	2.39%
2015	81,989.29	336,616.57	418,605.86	2.58%

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

Year Ended December 31, 2017

**Comparative Statement of Operations and
Change in Fund Balance - Current Fund**

	YEAR 2017		YEAR 2016	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	\$1,125,000.00	5.30%	\$1,125,000.00	4.02%
Miscellaneous - From Other Than Local Property Tax Levies	2,721,967.45	12.81%	2,339,191.37	9.82%
Collection of Delinquent Taxes & Tax Title Liens	296,355.65	1.39%	334,137.98	1.74%
Collection of Current Tax Levy	17,101,444.72	80.50%	16,230,090.17	84.42%
Total Income	<u>21,244,767.82</u>	<u>100.00%</u>	<u>20,028,419.52</u>	<u>100.00%</u>
Expenditures				
Budget Expenditures - Municipal Purposes	6,658,909.76	34.43%	6,837,097.14	33.57%
County Taxes	2,207,229.30	11.41%	2,173,195.01	15.09%
Local & Regional School Taxes	9,998,933.00	51.70%	9,382,903.00	49.09%
Fire District Taxes	406,000.00	2.10%	398,062.00	1.93%
Other Expenditures	70,908.55	0.37%	468,964.34	0.32%
Total Expenditures	<u>19,341,980.61</u>	<u>100.00%</u>	<u>19,260,221.49</u>	<u>100.00%</u>
Excess in Revenue to Fund Balance	<u>1,902,787.21</u>		<u>768,198.03</u>	
Adjustments to Income Before Fund Balance: Expenditures Included Above which are by Statute Deferred Charges to Budget of Succeeding Year				
Statutory Excess to Fund Balance	<u>1,902,787.21</u>		<u>768,198.03</u>	
Fund Balance January 1	2,102,164.09		2,458,966.06	
Less: Utilization as Anticipated Revenue	<u>1,125,000.00</u>		<u>1,125,000.00</u>	
Fund Balance December 31	<u>\$2,879,951.30</u>		<u>\$2,102,164.09</u>	

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

OFFICIALS IN OFFICE AND SURETY BONDS

December 31, 2017

NAME	TITLE	AMOUNT OF BOND	NAME OF CORPORATE SURETY
Lauren Kremper	Mayor		B
Bill Belgard	Deputy Mayor		B
Michael Trainor	Committeeman		B
Charles Amutah	Committeeman		B
John McElwee	Committeeman (Effective 1/1/17 through 8/21/17)		B
Kevin Jonson	Committeeman (Effective 9/19/17)		
Linda Dougherty	Township Administrator, Township Clerk, Municipal Improvement Search Officer, Secretary to Chief Financial Officer, Registrar of Dogs (Retired 7/1/17)		B
Gene J. Di Filippo	Acting Township Administrator (Effective June 20, 2017)		B
Kimberly Kwasizur	Certified Municipal Finance Officer		B
Tanyika Johns	Tax Collector	\$125,000	A
Krisden McCrink	Municipal Court Judge		B
Ann DiMarco	Court Administrator		B
Terri Lynn Harper	Deputy Court Administrator		B
James Scott	Construction Code Official		B
James Duda	Tax Assessor		B
Salvatore Siciliano	Solicitor		
Environmental Resolutions, Inc.	Engineer		

(A) RLI Insurance Company

(B) Municipal Excess Liability Joint Insurance Fund - \$1,000,000 blanket bond

To the Honorable Mayor and
Members of the Township Committee
Township of Edgewater Park
Edgewater Park, New Jersey 08010

We have audited the financial statements and transactions of the Township of Edgewater Park in the County of Burlington for the year ended December 31, 2017. In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

GENERAL COMMENTS

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

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate of \$17,500 except by contract or agreement.

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

The minutes indicate that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services," per *N.J.S.A.40A:11-5*.

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

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$2,625 "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of *N.J.S.A.40A:11-6.1*.

Collection of Interest on Delinquent Taxes

The statute provides the method for authorizing interest and the maximum rate to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 10, 2017, adopted the following resolution authorizing interest to be charged on delinquent taxes:

“BE IT RESOLVED by the Township Committee of the Township of Edgewater Park, County of Burlington, State of New Jersey, the rate of interest charged on delinquent taxes or assessments on any installment made ten (10) days after the date upon which the same became payable, shall not exceed eight (8) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18) percent per annum on any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00).

BE IT FURTHER RESOLVED, that where interest on delinquent tax payments is one dollar (\$1.00) or less, payment and collection of said interest is hereby waived.”

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

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2017, included 2017, 2014 and 2006 real estate taxes only.

The last tax sale was held on September 6, 2017, and was complete.

Examination of Bills

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a part payment or estimate.

Municipal Court

A separate report of the Municipal Court transactions was filed in accordance with the requirements of the Local Finance Board.

As part of the test of the Municipal Court records, no attempt was made to differentiate between fines due the Township, County, or State, or to pass upon the authenticity of the preparation and procedures for complaints issued.

Prior Year Findings

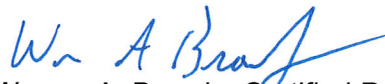
In accordance with Government Auditing Standards, our procedures included a review of all prior year findings, if any.

Acknowledgment

We received the complete cooperation of all the Township Officials and employees and we greatly appreciate the courtesies extended to the members of the audit team.

Should you have any questions concerning our comments or recommendations, or should you desire any assistance in implementing our recommendations, please call me.

Respectfully submitted,



Warren A. Broudy, Certified Public Accountant
Registered Municipal Accountant No. CR554

June 29, 2018

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

**SCHEDULE OF CURRENT YEAR FINDINGS AND RECOMMENDATIONS
Year Ended December 31, 2017**

Finding 2017-001:

Criteria:

All disbursements should be supported with a voucher in order to be in compliance with the Township's internal control purchasing procedures.

Condition:

No vouchers existed for audit review for both debt service and annual pension payments in order to be in compliance with the Township's internal control purchasing procedures.

Cause:

Oversight of employee personnel.

Effect:

The lack of effective internal controls causes a total of \$808,237 of non-compliance with the Township's internal control purchasing procedures.

Recommendation:

That all vouchers be available for audit review in order to comply with the Township's internal control purchasing procedures.

Management Response:

Management concurs with the finding.

Finding 2017-002:

Criteria:

Any employee that participates in the Township's State medical health benefit coverage pay the applicable premiums for such coverage.

Condition:

It was noted while testing the Township's State medical health benefit coverage that there was one individual receiving such benefits and not paying for such coverage.

Cause:

Oversight of employee personnel.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

**SCHEDULE OF CURRENT YEAR FINDINGS AND RECOMMENDATIONS
Year Ended December 31, 2017**

Finding 2017-002 (Continued):

Effect:

The lack of internal control procedures exists to ensure all employees participating in the Township's State medical health benefit coverage pay their applicable share for such health benefits.

Recommendation:

The Township must implement internal control procedures to ensure that participating employees pay their applicable share for such health benefits.

Managements Response:

Management concurs with the finding and is actively pursuing reimbursement from the employee.