

*Report of Audit*

*on the*

*Financial Statements*

*of the*

***Township of East Amwell***

*in the*

*County of Hunterdon*

*New Jersey*

*for the*

*Year Ended*

*December 31, 2013*



TOWNSHIP OF EAST AMWELL

I N D E X

|   | <u>PAGES</u>    |
|---|-----------------|
| <u>PART I</u>   |                 |
| Independent Auditor's Report  | 1-3             |
|   | <u>EXHIBITS</u> |
| <u>Financial Statements - Regulatory Basis</u>                            |                 |
| <u>Current Fund:</u>  |                 |
| Balance Sheets - Regulatory Basis   | "A"             |
| Statements of Operations and Changes in Fund Balance - Regulatory Basis   | "A-1"           |
| Statement of Revenues - Regulatory Basis Year Ended December 31, 2013     | "A-2"           |
| Statement of Expenditures - Regulatory Basis Year Ended December 31, 2013 | "A-3"           |
| <u>Trust Fund:</u>  |                 |
| Balance Sheets - Regulatory Basis   | "B"             |
| <u>General Capital Fund:</u>  |                 |
| Balance Sheets - Regulatory Basis   | "C"             |
| Statement of Fund Balance - Regulatory Basis                              | "C-1"           |
| <u>Public Assistance Trust Fund:</u>                                      |                 |
| Balance Sheets - Regulatory Basis   | "E"             |
| <u>General Fixed Assets Account Group:</u>                                |                 |
| Balance Sheets - Regulatory Basis   | "F"             |
|   | <u>PAGES</u>    |
| Notes to Financial Statements   | 4-20            |

TOWNSHIP OF EAST AMWELL

I N D E X (CONTINUED)

EXHIBITS

Supplementary Schedules - All Funds

Current Fund:

|  |        |
|--|--------|
| Schedule of Cash - Treasurer   | "A-4"  |
| Schedule of Cash - Collector   | "A-5"  |
| Schedule of Interfunds   | "A-6"  |
| Schedule of Change Funds   | "A-7"  |
| Schedule of Due from State of New Jersey - Senior Citizens and Veterans Deductions | "A-8"  |
| Schedule of Taxes Receivable and Analysis of Property Tax Levy                     | "A-9"  |
| Schedule of Tax Title Liens  | "A-10" |
| Schedule of Miscellaneous Reserve  | "A-11" |
| Schedule of Revenue Accounts Receivable  | "A-12" |
| Schedule of Petty Cash   | "A-13" |
| Schedule of Encumbrances Payable   | "A-14" |
| Schedule of Reserves for Grants-Unappropriated - Grant Fund                        | "A-15" |
| Schedule of Reserves for Grants-Appropriated - Grant Fund                          | "A-16" |
| Schedule of County Taxes Payable   | "A-17" |
| Schedule of Prepaid Taxes  | "A-18" |
| Schedule of Municipal Open Space Tax Payable                                       | "A-19" |
| Schedule of Encumbrances Payable - Grant Fund                                      | "A-20" |
| Schedule of Local District School Taxes Payable                                    | "A-21" |
| Schedule of Regional High School Taxes Payable                                     | "A-22" |
| Schedule of Grants Receivable - Grant Fund   | "A-23" |
| Schedule of 2012 Appropriation Reserves  | "A-24" |
| Schedule of Fire District Taxes Payable  | "A-25" |
| Schedule of Interfunds - Grant Fund  | "A-26" |
| Schedule of Property Acquired for Taxes  | "A-27" |
| Schedule of Tax Overpayments   | "A-28" |
| Schedule of Deferred Charges   | "A-29" |
| Schedule of Grants Unappropriated  | "A-30" |
| Schedule of Special Emergency Notes  | "A-31" |

Trust Fund:

|  |       |
|--|-------|
| Schedule of Cash - Treasurer                             | "B-1" |
| Schedule of Reserve for Animal Control Fund Expenditures | "B-2" |
| Schedule of Due to State of New Jersey - Animal Control  | "B-3" |
| Schedule of Reserve for Various Reserves and Deposits    | "B-4" |
| Schedule of Encumbrances Payable – Trust Other Fund      | "B-5" |
| Schedule of Reserve for Open Space Tax                   | "B-6" |
| Schedule of Interfunds - Animal Control Trust Fund       | "B-7" |
| Schedule of Interfunds - Trust Other Fund                | "B-8" |
| Schedule of Due from Hunterdon County Open Space Trust   | "B-9" |

TOWNSHIP OF EAST AMWELL

I N D E X (CONTINUED)

EXHIBITS

General Capital Fund:

|  |        |
|--|--------|
| Schedule of General Capital Cash - Treasurer             | "C-2"  |
| Analysis of General Capital Cash and Investments         | "C-3"  |
| Schedule of Interfunds                                   | "C-4"  |
| Schedule of Deferred Charges to Future Taxation-Unfunded | "C-5"  |
| Schedule of Contracts Payable                            | "C-6"  |
| Schedule of Improvement Authorizations                   | "C-7"  |
| Schedule of Bond Anticipation Notes                      | "C-8"  |
| Schedule of Capital Improvement Fund                     | "C-9"  |
| Schedule of Reserve of Miscellaneous Deposits            | "C-10" |
| Schedule of Deferred Charges to Future Taxation - Funded | "C-11" |
| Schedule of Green Acres Loans Payable                    | "C-12" |
| Schedule of General Serial Bonds                         | "C-13" |
| Schedule of Bonds and Notes Authorized But Not Issued    | "C-14" |

Public Assistance Trust Fund:

|   |       |
|---|-------|
| Schedule of Public Assistance Cash - Treasurer                                | "E-1" |
| Schedule of Public Assistance Cash and Reconciliation Per N.J.S.A. 40A:5-5    | "E-2" |
| Schedule of Public Assistance Cash and Reconciliation as of December 31, 2013 | "E-3" |
| Schedule of Public Assistance Revenues - Year Ended December 31, 2013         | "E-4" |
| Schedule of Public Assistance Expenditures - Year Ended December 31, 2013     | "E-5" |

TOWNSHIP OF EAST AMWELL

I N D E X (CONTINUED)

|  | <u>PAGES</u> |
|--|--------------|
| <u>PART II</u>   |              |
| Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards | 21-22        |
| Schedule of Expenditures of Federal Awards - Year Ended December 31, 2013  | 23           |
| Schedule of Expenditures of State Financial Assistance - Year Ended December 31, 2013  | 24           |
| Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance - Year Ended December 31, 2013   | 25-26        |
| <br><u>PART III</u>  |              |
| Statistical Data   | 27-29        |
| Officials in Office and Surety Bonds   | 30-31        |
| General Comments and Recommendations   | 32-36        |

TOWNSHIP OF EAST AMWELL

PART I

INDEPENDENT AUDITOR'S REPORT ON  
AUDIT OF FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULES AND DATA

FINANCIAL STATEMENTS - REGULATORY BASIS - ALL FUNDS

NOTES TO FINANCIAL STATEMENTS - REGULATORY BASIS

SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2013 AND 2012



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

## **INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and Members  
of the Township Committee  
Township of East Amwell  
County of Hunterdon  
Ringoes, New Jersey 08551

### ***Report on the Financial Statements***

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Township of East Amwell, as of December 31, 2013 and the related statements of operations and changes in fund balances - regulatory basis for the year then ended, and the related statement of revenues - regulatory basis and the statements of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the regulatory financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township of East Amwell's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township of East Amwell'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 regulatory financial statements.

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

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

As described in Note 1 of the regulatory financial statements, the regulatory financial statements are prepared by the Township of East Amwell on the basis of the financial reporting provisions prescribed by 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 New Jersey.

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

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the various individual funds and account groups of the Township of East Amwell as of December 31, 2013 or the results of its operations and changes in fund balances for the year then ended or the revenues or expenditures for the year ended December 31, 2013.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balance sheets of the various individual funds and account group as of December 31, 2013, the regulatory basis statements of operations and changes in fund balances for the year then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2013 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

**Other Matters**

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of East Amwell's regulatory financial statements. The supplementary information and data and schedules of federal awards and state financial assistance listed in the table of contents 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 regulatory financial statements.

The supplemental information and schedules listed above and also listed in the table of contents is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the regulatory financial statements. Such information has been subjected to the auditing procedures applied in the audit of the regulatory financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory financial statements or to the regulatory 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 information and data listed in the table of contents, as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey are fairly stated, in all material respects, in relation to the regulatory financial statements as a whole.

**Prior Period Financial Statements**

The financial statements - regulatory basis of the Township of East Amwell as of December 31, 2012, and for the year then ended, were audited by other auditors whose report dated June 17, 2013, expressed an adverse opinion as to conformity with accounting principles generally accepted in the United States of America and an unqualified opinion as to conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2014 on our consideration of the Township of East Amwell'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 of East Amwell's internal control over financial reporting and compliance.

  
CERTIFIED PUBLIC ACCOUNTANTS  
  
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

October 14, 2014

CURRENT FUND

TOWNSHIP OF EAST AMWELL

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

|  | <u>REF.</u> | <u>BALANCE<br/>DECEMBER<br/>31, 2013</u> | <u>BALANCE<br/>DECEMBER<br/>31, 2012</u> |
|--|-------------|--|--|
| <u>ASSETS</u>  |             |  |  |
| Cash - Treasurer   | A-4         | \$ 2,513,644.37                          | \$ 3,977,358.62                          |
| Cash - Change Fund   | A-7         | 75.00                                    | 75.00                                    |
| Cash - Petty Cash  | A-13        | 175.00                                   | 175.00                                   |
| Due from State of New Jersey -<br>Senior Citizens Deductions | A-8         | 750.00                                   | 250.00                                   |
|  |             | <u>\$ 2,514,644.37</u>                   | <u>\$ 3,977,858.62</u>                   |
| Receivables with Full Reserves:                              |             |  |  |
| Delinquent Property Taxes Receivable                         | A-9         | \$ 371,563.40                            | \$ 282,755.99                            |
| Tax Title Liens Receivable                                   | A-10        | 19,259.21                                | 4,978.51                                 |
| Property Acquired for Taxes - Assessed Valuation             | A-27        | 22,300.00                                | 22,300.00                                |
| Revenue Accounts Receivable                                  | A-12        | 2,661.45                                 | 3,007.50                                 |
| Interfunds Receivable  | A-6         | 29,565.81                                | 866.81                                   |
|  | A           | <u>\$ 445,349.87</u>                     | <u>\$ 313,908.81</u>                     |
| Deferred Charges:  |             |  |  |
| Emergency Appropriation                                      | A-29        | \$                                       | \$ 30,000.00                             |
| Special Emergency  | A-29        | 40,000.00                                | 50,000.00                                |
| Overexpenditure of Appropriation Reserves                    | A-29        | 2,454.97                                 |  |
|  |             | <u>\$ 42,454.97</u>                      | <u>\$ 80,000.00</u>                      |
|  |             | <u>\$ 3,002,449.21</u>                   | <u>\$ 4,371,767.43</u>                   |
| Grant Fund:  |             |  |  |
| Cash   | A-4         | \$ 93,527.07                             | \$ 49,211.40                             |
| Grants Receivable  | A-23        | 85,980.50                                | 180,000.00                               |
|  |             | <u>\$ 179,507.57</u>                     | <u>\$ 229,211.40</u>                     |
|  |             | <u>\$ 3,181,956.78</u>                   | <u>\$ 4,600,978.83</u>                   |

TOWNSHIP OF EAST AMWELL

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

|   | <u>REF.</u> | <u>BALANCE</u><br><u>DECEMBER</u><br><u>31, 2013</u> | <u>BALANCE</u><br><u>DECEMBER</u><br><u>31, 2012</u> |
|---|-------------|--|--|
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> |             |  |  |
| Liabilities:                                  |             |  |  |
| Appropriation Reserves                        | A-3:A-24    | \$ 216,954.07  | \$ 81,202.06   |
| Encumbrances Payable                          | A-14        | 43,262.90  | 10,206.56  |
| Prepaid Taxes                                 | A-18        | 190,850.42   | 138,209.08   |
| Special Emergency Note                        | A-30        |  | 80,000.00  |
| Reserve for Grants Unappropriated             | A-30        |  | 17,407.00  |
| Miscellaneous Reserves                        | A-11        | 18,305.19  | 56,581.17  |
| County Taxes Payable                          | A-17        | 3,197.20   | 2,131.51   |
| Regional High School Taxes Payable            | A-22        | 708,638.74   | 1,367,314.14   |
| Local District School Taxes Payable           | A-21        | 562,159.09   | 2,023,114.09   |
| Interfunds Payable                            | A-6         | 517,761.58   |  |
|   |             | <u>\$ 2,261,129.19</u>                               | <u>\$ 3,776,165.61</u>                               |
| Reserve for Receivables and Other Assets      | A           | 445,349.87   | 313,908.81   |
| Fund Balance                                  | A-1         | <u>295,970.15</u>                                    | <u>281,693.01</u>                                    |
|   |             | <u>\$ 3,002,449.21</u>                               | <u>\$ 4,371,767.43</u>                               |
| Grant Fund:                                   |             |  |  |
| Reserve for Grants Unappropriated             | A-15        | \$ 5,029.47  | \$ 2,393.94  |
| Reserve for Grants Appropriated               | A-16        | 147,797.49   | 226,817.46   |
| Encumbrances Payable                          | A-20        | 591.20   |  |
| Interfunds Payable                            | A-26        | 26,089.41  |  |
|   |             | <u>\$ 179,507.57</u>                                 | <u>\$ 229,211.40</u>                                 |
|   |             | <u>\$ 3,181,956.78</u>                               | <u>\$ 4,600,978.83</u>                               |

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

## TOWNSHIP OF EAST AMWELL

## CURRENT FUND

STATEMENTS OF OPERATIONS AND  
CHANGES IN FUND BALANCE - REGULATORY BASIS

|   | REF.    | YEAR ENDED<br>DECEMBER<br>31, 2013 | YEAR ENDED<br>DECEMBER<br>31, 2012 |
|---|---------|------------------------------------|------------------------------------|
| <u>REVENUE AND OTHER INCOME</u>                       |         |                                    |                                    |
| Fund Balance Utilized                                 | A-2     | \$ 111,490.00                      | \$ 161,000.00                      |
| Miscellaneous Revenue Anticipated                     | A-2     | 1,029,886.87                       | 829,458.24                         |
| Receipts from Delinquent Taxes                        | A-2     | 229,891.74                         | 238,866.39                         |
| Receipts from Current Taxes                           | A-2     | 14,849,769.51                      | 14,824,469.74                      |
| Non-Budget Revenue                                    | A-2     | 95,889.42                          | 51,930.21                          |
| Other Credits to Income:                              |         |                                    |                                    |
| Unexpended Balance of Appropriation Reserves          | A-24    | 67,035.84                          | 38,002.50                          |
| Tax Overpayments Canceled                             |         |                                    | 1.50                               |
| Interfunds Returned                                   |         |                                    | 2,550.40                           |
| <u>Total Income</u>                                   |         | <u>\$ 16,383,963.38</u>            | <u>\$ 16,146,278.98</u>            |
| <u>EXPENDITURES</u>                                   |         |                                    |                                    |
| Budget and Emergency Appropriations:                  |         |                                    |                                    |
| Operations within "CAPS":                             |         |                                    |                                    |
| Operating   | A-3     | \$ 1,381,675.46                    | \$ 1,327,656.00                    |
| Deferred Charges and Statutory Expenditures           | A-3     | 111,492.10                         | 112,159.00                         |
| Operations Excluded From "CAPS":                      |         |                                    |                                    |
| Operating   | A-3     | 63,213.60                          | 55,836.70                          |
| Capital Improvements                                  | A-3     | 23,300.00                          | 63,300.00                          |
| Municipal Debt Service                                | A-3     | 596,497.47                         | 651,142.46                         |
| Deferred Charges                                      | A-3     | 134,243.00                         |                                    |
| Fire District Tax                                     | A-25    | 218,838.00                         | 214,547.00                         |
| Local District School Tax                             | A-21    | 6,769,182.00                       | 6,668,547.00                       |
| Regional High School Tax                              | A-22    | 3,925,596.00                       | 3,934,414.90                       |
| Municipal Open Space Tax                              | A-19    | 269,082.77                         | 316,015.46                         |
| County Taxes  | A-17    | 2,733,179.97                       | 2,774,499.30                       |
| County Share of Added Taxes                           | A-17    | 3,196.87                           | 2,131.18                           |
| Interfunds Advanced                                   |         | 28,699.00                          |                                    |
| Refund of Prior Year Revenue                          |         |                                    | 15,130.18                          |
| <u>Total Expenditures</u>                             |         | <u>\$ 16,258,196.24</u>            | <u>\$ 16,135,379.18</u>            |
| Excess in Revenue                                     |         | \$ 125,767.14                      | \$ 10,899.80                       |
| Adjustments to Income before Fund Balance:            |         |                                    |                                    |
| Expenditures Included above which are by Statute      |         |                                    |                                    |
| Deferred Charges to the Budget of the Succeeding Year |         |                                    | 80,000.00                          |
| Statutory Excess to Fund Balance                      |         | \$ 125,767.14                      | \$ 90,899.80                       |
| Fund Balance  |         |                                    |                                    |
| Balance, January 1                                    | A       | 281,693.01                         | 351,793.21                         |
|   |         | <u>\$ 407,460.15</u>               | <u>\$ 442,693.01</u>               |
| Decreased by:   |         |                                    |                                    |
| Utilized as Anticipated Revenue                       | A-1:A-2 | 111,490.00                         | 161,000.00                         |
| Balance, December 31                                  | A       | <u>\$ 295,970.15</u>               | <u>\$ 281,693.01</u>               |

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

TOWNSHIP OF EAST AMWELL

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2013

| REF.  | ANTICIPATED |                               | REALIZED    | EXCESS<br>OR (DEFICIT) |
|---|-------------|-------------------------------|-------------|------------------------|
|   | BUDGET      | SPECIAL<br>N.J.S.<br>40A:4-87 |             |                        |
| Current Fund Balance Appropriated                           | A-1         | \$ 111,490.00                 |             | \$ 111,490.00          |
| Miscellaneous Revenues:                                     |             |                               |             |                        |
| Licenses:   |             |                               |             |                        |
| Alcoholic Beverages   | A-12        | \$ 2,400.00                   | \$ 2,400.00 | \$                     |
| Fees and Permits:   |             |                               |             |                        |
| Other   | A-12        | 27,000.00                     | 45,747.96   | 18,747.96              |
| Municipal Court Fines                                       | A-12        | 30,500.00                     | 28,693.02   | (1,806.98)             |
| Interest and Costs on Taxes                                 | A-12        | 52,000.00                     | 60,338.41   | 8,338.41               |
| Interest on Investment                                      | A-12        | 27,000.00                     | 17,585.82   | (9,414.18)             |
| Rental of Municipal Building                                | A-12        | 4,350.00                      |             | (4,350.00)             |
| Consolidated Municipal Property Tax Relief Act              | A-12        | 13,276.00                     | 13,276.00   |                        |
| Energy Receipts Tax   | A-12        | 288,904.00                    | 288,904.46  | 0.46                   |
| Garden State Preservation Trust Fund                        | A-30        | 17,407.00                     | 17,407.00   |                        |
| Clean Communities Program                                   | A-23        | 11,547.26                     | 11,547.26   |                        |
| Recycling Tonnage Grant                                     | A-23        | 2,393.94                      | 2,393.94    |                        |
| ANJEC Grant   | A-23        |                               | 1,500.00    |                        |
| Interlocal Municipal Court - Township of Franklin           | A-12        | 35,500.00                     | 35,850.00   | 350.00                 |
| Capital Fund Balance  | A-12        | 40,000.00                     | 40,000.00   |                        |
| Capital Fund Balance - Fund Ordinances                      | A-12        | 94,243.00                     | 94,243.00   |                        |
| Reserve for Open Space Bonds                                | A-12        | 370,000.00                    | 370,000.00  |                        |
|   | A-1         | \$ 1,016,521.20               | \$ 1,500.00 | \$ 1,029,886.87        |
|   |             |                               |             | \$ 11,865.67           |
| Receipts From Delinquent Taxes                              | A-1:A-2     | \$ 255,000.00                 |             | \$ 229,891.74          |
|   |             |                               |             | \$ (25,108.26)         |
| Property Tax for Support of Municipal Budget Appropriation: |             |                               |             |                        |
| Local Tax for Municipal Purposes                            | A-2:A-9     | \$ 1,242,413.45               |             | \$ 1,247,196.92        |
|   |             |                               |             | \$ 4,783.47            |
| <u>Budget Totals</u>  |             | \$ 2,625,424.65               | \$ 1,500.00 | \$ 2,618,465.53        |
|   |             |                               |             | \$ (8,459.12)          |
| Non-Budget Revenue  | A-2         |                               |             | 95,889.42              |
|   |             |                               |             | 95,889.42              |
|   |             | \$ 2,625,424.65               | \$ 1,500.00 | \$ 2,714,354.95        |
|   |             |                               |             | \$ 87,430.30           |
| REF.  | A-3         |                               | A-3         |                        |

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

TOWNSHIP OF EAST AMWELL

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2013

|   | <u>REF.</u> |                               |
|---|-------------|-------------------------------|
| Allocation of Current Tax Collections:                |             |                               |
| Collected   | A-1:A-9     | \$ 14,849,769.51              |
| Allocated To:   |             |                               |
| Schools and County Taxes and District Taxes           |             | <u>13,919,075.61</u>          |
| Support of Municipal Budget Appropriations            |             | \$ 930,693.90                 |
| Add: Appropriation Reserve for Uncollected Taxes      | A-3         | <u>316,503.02</u>             |
| Amount for Support of Municipal Budget Appropriations | A-2         | \$ <u><u>1,247,196.92</u></u> |
| Receipts from Delinquent Taxes:                       |             |                               |
| Delinquent Tax Collection                             | A-9         | \$ <u>229,891.74</u>          |
|   | A-2         | \$ <u><u>229,891.74</u></u>   |
| Miscellaneous Revenue Not Anticipated:                |             |                               |
| Auction Proceeds                                      |             | \$ 25,310.00                  |
| Reimbursement of Costs - F.E.M.A                      |             | 54,143.08                     |
| Senior Citizen and Veteran Administration Fee         |             | 829.30                        |
| Cable TV Franchise Fees                               |             | 4,001.35                      |
| Clerk   |             | 669.08                        |
| Board of Health                                       |             | 8,805.00                      |
| Miscellaneous   |             | <u>2,011.61</u>               |
|   | A-4         | \$ 95,769.42                  |
| Miscellaneous - Collector                             | A-5         | <u>120.00</u>                 |
|   | A-1:A-2     | \$ <u><u>95,889.42</u></u>    |

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

TOWNSHIP OF EAST AMWELL

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2013

|                                  | APPROPRIATIONS |                              | EXPENDED           |           | UNEXPENDED<br>BALANCE<br>CANCELLED |
|----------------------------------|----------------|------------------------------|--------------------|-----------|------------------------------------|
|                                  | BUDGET         | BUDGET AFTER<br>MODIFICATION | PAID<br>OR CHARGED | RESERVED  |                                    |
| <u>OPERATIONS WITHIN "CAPS"</u>  |                |                              |                    |           |                                    |
| <u>GENERAL GOVERNMENT</u>        |                |                              |                    |           |                                    |
| Mayor and Council:               |                |                              |                    |           |                                    |
| Salaries and Wages               | \$ 15,843.66   | \$ 15,843.66                 | \$ 15,311.60       | \$ 532.06 | \$                                 |
| Other Expenses                   | 250.00         | 250.00                       | 250.00             |           |                                    |
| General Administration:          |                |                              |                    |           |                                    |
| Salaries and Wages               | 69,156.00      | 69,156.00                    | 66,286.58          | 2,869.42  |                                    |
| Other Expenses                   | 35,250.00      | 35,250.00                    | 26,982.67          | 8,267.33  |                                    |
| Municipal Clerk:                 |                |                              |                    |           |                                    |
| Salaries and Wages               | 86,856.06      | 87,856.06                    | 87,806.25          | 49.81     |                                    |
| Other Expenses                   | 6,975.00       | 6,975.00                     | 5,518.08           | 1,456.92  |                                    |
| Financial Administration:        |                |                              |                    |           |                                    |
| Salaries and Wages               | 60,106.56      | 60,106.56                    | 57,656.44          | 2,450.12  |                                    |
| Other Expenses                   | 8,600.00       | 8,600.00                     | 5,516.89           | 3,083.11  |                                    |
| Auditor:                         |                |                              |                    |           |                                    |
| Other Expenses                   | 21,500.00      | 21,500.00                    | 17,300.00          | 4,200.00  |                                    |
| Revenue Administration:          |                |                              |                    |           |                                    |
| Salaries and Wages               | 35,550.06      | 35,550.06                    | 35,550.06          |           |                                    |
| Other Expenses                   | 8,050.00       | 8,050.00                     | 7,038.51           | 1,011.49  |                                    |
| Tax Assessor:                    |                |                              |                    |           |                                    |
| Salaries and Wages               | 31,111.02      | 31,111.02                    | 31,110.86          | 0.16      |                                    |
| Other Expenses                   | 8,300.00       | 8,300.00                     | 3,017.40           | 5,282.60  |                                    |
| Legal Services:                  |                |                              |                    |           |                                    |
| Other Expenses                   | 45,000.00      | 45,000.00                    | 32,947.81          | 12,052.19 |                                    |
| Agricultural Advisory Committee: |                |                              |                    |           |                                    |
| Salaries and Wages               | 873.94         | 873.94                       | 512.06             | 361.88    |                                    |
| Other Expenses                   | 100.00         | 100.00                       |                    | 100.00    |                                    |
| Engineering Services:            |                |                              |                    |           |                                    |
| Other Expenses                   | 6,000.00       | 8,500.00                     | 6,793.00           | 1,707.00  |                                    |
| Historical Sites Office:         |                |                              |                    |           |                                    |
| Salaries and Wages               | 873.94         | 873.94                       | 664.77             | 209.17    |                                    |
| Other Expenses                   | 1,300.00       | 1,300.00                     | 1,174.12           | 125.88    |                                    |
| <u>LAND USE ADMINISTRATION</u>   |                |                              |                    |           |                                    |
| Planning Board:                  |                |                              |                    |           |                                    |
| Salaries and Wages               | 17,317.43      | 17,317.43                    | 16,666.38          | 651.05    |                                    |
| Other Expenses                   | 16,400.00      | 16,400.00                    | 14,532.50          | 1,867.50  |                                    |
| Zoning Board of Adjustment:      |                |                              |                    |           |                                    |
| Salaries and Wages               | 30,208.19      | 30,208.19                    | 29,687.05          | 521.14    |                                    |
| Other Expenses                   | 8,750.00       | 8,750.00                     | 3,093.00           | 5,657.00  |                                    |

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

TOWNSHIP OF EAST AMWELL

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2013

|  | APPROPRIATIONS |                              | EXPENDED           |           | UNEXPENDED<br>BALANCE<br>CANCELLED |
|--|----------------|------------------------------|--------------------|-----------|------------------------------------|
|  | BUDGET         | BUDGET AFTER<br>MODIFICATION | PAID<br>OR CHARGED | RESERVED  |                                    |
| <u>INSURANCE</u>                                   |                |                              |                    |           |                                    |
| General Liability Insurance                        | \$ 69,025.00   | \$ 69,025.00                 | \$ 69,025.00       | \$        | \$                                 |
| Workmens Compensation Insurance                    | 27,275.00      | 27,275.00                    | 27,275.00          |           |                                    |
| Employee Group Health Insurance                    | 174,772.13     | 170,222.13                   | 162,320.44         | 7,901.69  |                                    |
| <u>PUBLIC SAFETY FUNCTIONS</u>                     |                |                              |                    |           |                                    |
| Office of Emergency Management:                    |                |                              |                    |           |                                    |
| Other Expenses                                     | 1,000.00       | 1,000.00                     |                    | 1,000.00  |                                    |
| Aid to Volunteer Ambulance Companies               | 29,000.00      | 29,000.00                    |                    | 29,000.00 |                                    |
| Fire Prevention Bureau:                            |                |                              |                    |           |                                    |
| Salaries and Wages                                 | 1,530.00       | 1,530.00                     | 1,225.00           | 305.00    |                                    |
| Other Expenses                                     | 2,190.00       | 2,190.00                     | 222.75             | 1,967.25  |                                    |
| Municipal Court:                                   |                |                              |                    |           |                                    |
| Salaries and Wages                                 | 35,511.30      | 35,511.30                    | 35,433.41          | 77.89     |                                    |
| Other Expenses                                     | 8,000.00       | 8,000.00                     | 7,616.34           | 383.66    |                                    |
| Public Defender (P.L. 1997, C.256):                |                |                              |                    |           |                                    |
| Salaries and Wages                                 | 1,127.10       | 1,627.10                     | 1,504.64           | 122.46    |                                    |
| Municipal Prosecutors Office:                      |                |                              |                    |           |                                    |
| Salaries and Wages                                 | 11,958.62      | 11,958.62                    | 11,721.61          | 237.01    |                                    |
| <u>PUBLIC WORKS FUNCTIONS</u>                      |                |                              |                    |           |                                    |
| Streets and Roads Maintenance:                     |                |                              |                    |           |                                    |
| Salaries and Wages                                 | 278,858.31     | 278,858.31                   | 231,180.05         | 47,678.26 |                                    |
| Other Expenses                                     | 69,576.90      | 69,576.90                    | 59,664.61          | 9,912.29  |                                    |
| Solid Waste Collection:                            |                |                              |                    |           |                                    |
| Salaries and Wages                                 | 1,836.00       | 1,836.00                     | 1,736.95           | 99.05     |                                    |
| Other Expenses                                     | 3,100.00       | 3,100.00                     | 1,484.07           | 1,615.93  |                                    |
| Vehicle Maintenance:                               |                |                              |                    |           |                                    |
| Other Expenses                                     | 18,000.00      | 18,000.00                    | 5,915.47           | 12,084.53 |                                    |
| Building and Grounds:                              |                |                              |                    |           |                                    |
| Other Expenses                                     | 24,000.00      | 24,000.00                    | 18,503.55          | 5,496.45  |                                    |
| <u>HUMAN SERVICES</u>                              |                |                              |                    |           |                                    |
| Public Health Services:                            |                |                              |                    |           |                                    |
| Salaries and Wages                                 | 17,850.00      | 17,850.00                    | 14,639.61          | 3,210.39  |                                    |
| Other Expenses                                     | 21,500.00      | 21,500.00                    | 20,832.69          | 667.31    |                                    |
| Environmental Health Services:                     |                |                              |                    |           |                                    |
| Salaries and Wages                                 | 1,836.00       | 1,836.00                     | 1,344.78           | 491.22    |                                    |
| Other Expenses                                     | 650.00         | 650.00                       | 486.79             | 163.21    |                                    |
| Welfare/Admin. of Public Assistance:               |                |                              |                    |           |                                    |
| Salaries and Wages                                 | 3,687.30       | 3,687.30                     | 3,614.00           | 73.30     |                                    |
| Other Expenses                                     | 500.00         | 800.00                       | 784.28             | 15.72     |                                    |
| Contribution to Social Service Agencies-Statutory: |                |                              |                    |           |                                    |
| Other Expenses                                     | 750.00         | 750.00                       |                    | 750.00    |                                    |

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

TOWNSHIP OF EAST AMWELL

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2013

|  | APPROPRIATIONS         |                              | EXPENDED               |                      | UNEXPENDED<br>BALANCE<br>CANCELLED |
|--|------------------------|------------------------------|------------------------|----------------------|------------------------------------|
|  | BUDGET                 | BUDGET AFTER<br>MODIFICATION | PAID<br>OR CHARGED     | RESERVED             |                                    |
| <u>PARKS AND RECREATION AND FUNCTIONS</u>  |                        |                              |                        |                      |                                    |
| Recreation Services and Programs:  | \$                     | \$                           | \$                     | \$                   | \$                                 |
| Salaries and Wages   | 5,769.94               | 5,769.94                     | 5,179.53               | 590.41               |                                    |
| Other Expenses   | 5,650.00               | 5,650.00                     | 3,735.37               | 1,914.63             |                                    |
| <u>UTILITY EXPENSES AND BULK PURCHASES</u>   |                        |                              |                        |                      |                                    |
| Electricity  | 15,000.00              | 15,000.00                    | 13,297.00              | 1,703.00             |                                    |
| Street Lighting  | 4,600.00               | 4,600.00                     | 4,479.34               | 120.66               |                                    |
| Telephone  | 9,300.00               | 9,300.00                     | 8,862.05               | 437.95               |                                    |
| Fuel Oil   | 4,700.00               | 4,700.00                     | 3,018.38               | 1,681.62             |                                    |
| Gasoline   | 19,000.00              | 19,000.00                    | 14,323.72              | 4,676.28             |                                    |
| <u>TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"</u>                           | <u>\$ 1,381,925.46</u> | <u>\$ 1,381,675.46</u>       | <u>\$ 1,194,842.46</u> | <u>\$ 186,833.00</u> | <u>\$</u>                          |
| <u>DEFERRED CHARGES AND STATUTORY<br/>EXPENDITURES-MUNICIPAL WITHIN "CAPS"</u>       |                        |                              |                        |                      |                                    |
| Statutory Expenditures:  |                        |                              |                        |                      |                                    |
| Contribution To:   |                        |                              |                        |                      |                                    |
| Public Employees' Retirement System  | \$ 52,914.00           | \$ 52,914.00                 | \$ 52,914.00           | \$                   | \$                                 |
| Social Security System   | 55,119.37              | 55,119.37                    | 50,387.44              | 4,731.93             |                                    |
| Unemployment Insurance   | 500.00                 | 500.00                       | 48.00                  | 452.00               |                                    |
| Defined Contribution Retirement Plan   | 878.73                 | 878.73                       | 221.53                 | 657.20               |                                    |
| Compensation Plan:   |                        |                              |                        |                      |                                    |
| Other Expenses   | 2,080.00               | 2,080.00                     | 2,000.00               | 80.00                |                                    |
| <u>TOTAL DEFERRED CHARGES AND STATUTORY<br/>EXPENDITURES-MUNICIPAL WITHIN "CAPS"</u> | <u>\$ 111,492.10</u>   | <u>\$ 111,492.10</u>         | <u>\$ 105,570.97</u>   | <u>\$ 5,921.13</u>   | <u>\$</u>                          |
| <u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL<br/>PURPOSES WITHIN "CAPS"</u>         | <u>\$ 1,493,417.56</u> | <u>\$ 1,493,167.56</u>       | <u>\$ 1,300,413.43</u> | <u>\$ 192,754.13</u> | <u>\$</u>                          |

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

TOWNSHIP OF EAST AMWELL

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2013

|   | APPROPRIATIONS      |                              | EXPENDED            |                     | UNEXPENDED<br>BALANCE<br>CANCELLED |
|---|---------------------|------------------------------|---------------------|---------------------|------------------------------------|
|   | BUDGET              | BUDGET AFTER<br>MODIFICATION | PAID<br>OR CHARGED  | RESERVED            |                                    |
| <u>OPERATIONS EXCLUDED FROM "CAPS"</u>                      |                     |                              |                     |                     |                                    |
| Insurance (N.J.S.A. 40A: 4-45.3(00))                        | \$ 4,346.00         | \$ 4,346.00                  | \$ 4,346.00         | \$                  | \$                                 |
| Employee Group Health Insurance                             |                     |                              |                     |                     |                                    |
| Affordable Housing Agency                                   |                     |                              |                     |                     |                                    |
| Salaries and Wages  | 4,406.40            | 4,656.40                     | 4,411.23            | 245.17              |                                    |
| Other Expenses  | 250.00              | 250.00                       |                     | 250.00              |                                    |
| NJPDES Stormwater Permit (N.J.S.A. 40A:4-45.3(cc))          |                     |                              |                     |                     |                                    |
| Public Health Services                                      |                     |                              |                     |                     |                                    |
| Other Expenses  | 2,000.00            | 2,000.00                     | 500.00              | 1,500.00            |                                    |
| Recycling Enhancement Act (P.L. 2007.C311)                  | 280.00              | 280.00                       |                     | 280.00              |                                    |
| <u>TOTAL OTHER OPERATIONS-EXCLUDED FROM "CAPS"</u>          | <u>\$ 11,282.40</u> | <u>\$ 11,532.40</u>          | <u>\$ 9,257.23</u>  | <u>\$ 2,275.17</u>  | <u>\$</u>                          |
| <u>SHARED SERVICE AGREEMENTS</u>                            |                     |                              |                     |                     |                                    |
| With Raritan Township:                                      | \$                  | \$                           | \$                  | \$                  | \$                                 |
| Police:   |                     |                              |                     |                     |                                    |
| Other Expenses  | 15,000.00           | 15,000.00                    |                     | 15,000.00           |                                    |
| With Delaware Township and Township of Franklin:            |                     |                              |                     |                     |                                    |
| Municipal Court:  |                     |                              |                     |                     |                                    |
| Salaries and Wages  | 9,690.00            | 9,690.00                     | 8,792.45            | 897.55              |                                    |
| Other Expenses  | 5,500.00            | 5,500.00                     |                     | 5,500.00            |                                    |
| Public Defender:  |                     |                              |                     |                     |                                    |
| Other Expenses  | 510.00              | 510.00                       | 125.00              | 385.00              |                                    |
| Municipal Prosecutors Office:                               |                     |                              |                     |                     |                                    |
| Salaries and Wages  | 4,000.00            | 4,000.00                     | 3,907.78            | 92.22               |                                    |
| <u>TOTAL SHARED SERVICE AGREEMENTS</u>                      | <u>\$ 34,700.00</u> | <u>\$ 34,700.00</u>          | <u>\$ 12,825.23</u> | <u>\$ 21,874.77</u> | <u>\$</u>                          |
| <u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</u>       |                     |                              |                     |                     |                                    |
| Clean Communities Program:                                  |                     |                              |                     |                     |                                    |
| Other Expenses  | \$ 11,547.26        | \$ 11,547.26                 | \$ 11,547.26        | \$                  | \$                                 |
| SFSP Fire District Payment                                  | 1,490.00            | 1,490.00                     | 1,490.00            |                     |                                    |
| ANJEC Grant (N.J.S. 40A.4-87 +\$1,500)                      |                     | 1,500.00                     | 1,500.00            |                     |                                    |
| Recycling Tonnage Grant                                     | 2,393.94            | 2,393.94                     | 2,393.94            |                     |                                    |
| Matching Funds for Grants                                   | 50.00               | 50.00                        |                     | 50.00               |                                    |
| <u>TOTAL PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</u> | <u>15,481.20</u>    | <u>16,981.20</u>             | <u>16,931.20</u>    | <u>50.00</u>        | <u></u>                            |
| <u>TOTAL OPERATIONS EXCLUDED FROM "CAPS"</u>                | <u>\$ 61,463.60</u> | <u>\$ 63,213.60</u>          | <u>\$ 39,013.66</u> | <u>\$ 24,199.94</u> | <u>\$</u>                          |
| <u>CAPITAL IMPROVEMENTS-EXCLUDED FROM "CAPS"</u>            |                     |                              |                     |                     |                                    |
| Capital Improvement Fund                                    | \$ 23,300.00        | \$ 23,300.00                 | \$ 23,300.00        | \$                  | \$                                 |
| <u>TOTAL CAPITAL IMPROVEMENTS-EXCLUDED FROM "CAP"</u>       | <u>\$ 23,300.00</u> | <u>\$ 23,300.00</u>          | <u>\$ 23,300.00</u> | <u>\$</u>           | <u>\$</u>                          |

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

TOWNSHIP OF EAST AMWELL

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2013

|  | APPROPRIATIONS         |                              | EXPENDED               |                      | UNEXPENDED<br>BALANCE<br>CANCELLED |
|--|------------------------|------------------------------|------------------------|----------------------|------------------------------------|
|  | BUDGET                 | BUDGET AFTER<br>MODIFICATION | PAID<br>OR CHARGED     | RESERVED             |                                    |
| <u>MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"</u>             |                        |                              |                        |                      |                                    |
| Payment of Bond Principal                                      | \$ 380,000.00          | \$ 380,000.00                | \$ 380,000.00          | \$                   | \$                                 |
| Payment of Bond Anticipation Notes                             | 40,000.00              | 40,000.00                    | 40,000.00              |                      |                                    |
| Interest on Bonds  | 133,407.50             | 133,407.50                   | 133,407.50             |                      |                                    |
| Interest on Notes  | 8,250.00               | 8,250.00                     | 8,250.00               |                      |                                    |
| Green Trust Loan Program:                                      |                        |                              |                        |                      |                                    |
| Loan Repayments for Principal and Interest                     | 34,839.97              | 34,839.97                    | 34,839.97              |                      |                                    |
| <u>TOTAL MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"</u>       | <u>\$ 596,497.47</u>   | <u>\$ 596,497.47</u>         | <u>\$ 596,497.47</u>   | <u>\$</u>            | <u>\$</u>                          |
| <u>DEFERRED CHARGES - EXCLUDED FROM "CAPS"</u>                 |                        |                              |                        |                      |                                    |
| <u>DEFERRED CHARGES:</u>                                       |                        |                              |                        |                      |                                    |
| Emergency Authorization - (N.J.S.A. 40A:4-46)                  | \$ 30,000.00           | \$ 30,000.00                 | \$ 30,000.00           | \$                   | \$                                 |
| Special Emergency Authorizations - 5 Years (N.J.S.A. 40A:4-55) | 10,000.00              | 10,000.00                    | 10,000.00              |                      |                                    |
| Deferred Charges to Future Taxation - Unfunded:                |                        |                              |                        |                      |                                    |
| Ord 10-21 Dutch Lane Improvement                               | 33,797.84              | 33,797.84                    | 33,797.84              |                      |                                    |
| Ord 10-5 Back Brook Road Improvement                           | 60,445.16              | 60,445.16                    | 60,445.16              |                      |                                    |
| <u>TOTAL DEFERRED CHARGES EXCLUDED FROM "CAPS"</u>             | <u>\$ 134,243.00</u>   | <u>\$ 134,243.00</u>         | <u>\$ 134,243.00</u>   | <u>\$</u>            | <u>\$</u>                          |
| <u>TOTAL GENERAL APPROPRIATIONS EXCLUDED FROM "CAPS"</u>       | <u>\$ 815,504.07</u>   | <u>\$ 817,254.07</u>         | <u>\$ 793,054.13</u>   | <u>\$ 24,199.94</u>  | <u>\$</u>                          |
| SUB-TOTAL GENERAL APPROPRIATIONS                               | \$ 2,308,921.63        | \$ 2,310,421.63              | \$ 2,093,467.56        | \$ 216,954.07        | \$                                 |
| RESERVE FOR UNCOLLECTED TAXES                                  | 316,503.02             | 316,503.02                   | 316,503.02             |                      |                                    |
| <u>TOTAL GENERAL APPROPRIATIONS</u>                            | <u>\$ 2,625,424.65</u> | <u>\$ 2,626,924.65</u>       | <u>\$ 2,409,970.58</u> | <u>\$ 216,954.07</u> | <u>\$</u>                          |
|  | <u>REF.</u>            | A-2                          |                        | A:A-1                |                                    |
| Appropriation by:  |                        |                              |                        |                      |                                    |
| 40A:4-87   | A-2                    | \$ 1,500.00                  |                        |                      |                                    |
| Budget   | A-3                    | 2,625,424.65                 |                        |                      |                                    |
|  |                        | <u>\$ 2,626,924.65</u>       |                        |                      |                                    |
| Encumbrances Payable   | A-14                   |                              | \$ 42,722.90           |                      |                                    |
| Reserve for Grants Appropriated                                | A-16                   |                              | 15,441.20              |                      |                                    |
| Reserve for Uncollected Taxes                                  | A-2                    |                              | 316,503.02             |                      |                                    |
| Deferred Charges   | A-29                   |                              | 40,000.00              |                      |                                    |
| Cash Disbursed   | A-4                    |                              | 2,009,671.66           |                      |                                    |
|  |                        |                              | <u>\$ 2,424,338.78</u> |                      |                                    |
| Less: Refunds  | A-4                    |                              | 14,368.20              |                      |                                    |
|  |                        |                              | <u>\$ 2,409,970.58</u> |                      |                                    |

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

**THIS PAGE INTENTIONALLY LEFT BLANK**

TRUST FUND

## TOWNSHIP OF EAST AMWELL

## TRUST FUND

## BALANCE SHEETS - REGULATORY BASIS

|  | REF. | BALANCE<br>DECEMBER<br>31, 2013 | BALANCE<br>DECEMBER<br>31, 2012 |
|--|------|---------------------------------|---------------------------------|
| <u>ASSETS</u>                                      |      |                                 |                                 |
| Animal Control Trust Fund:                         |      |                                 |                                 |
| Cash   | B-1  | \$ 12,757.74                    | \$ 11,775.25                    |
| Change Fund  |      | 15.00                           | 15.00                           |
|  |      | <u>\$ 12,772.74</u>             | <u>\$ 11,790.25</u>             |
| Other Funds:                                       |      |                                 |                                 |
| Cash   | B-1  | \$ 1,308,637.59                 | \$ 1,628,996.20                 |
| Due from Hunterdon County Open Space Trust         | B-9  | 25,335.22                       | 49,900.00                       |
| Interfunds Receivable                              | B-8  | 225,689.66                      |                                 |
|  |      | <u>\$ 1,559,662.47</u>          | <u>\$ 1,678,896.20</u>          |
|  |      | <u>\$ 1,572,435.21</u>          | <u>\$ 1,690,686.45</u>          |
| <u>LIABILITIES, RESERVES AND FUND BALANCES</u>     |      |                                 |                                 |
| Animal Control Trust Fund:                         |      |                                 |                                 |
| Interfunds Payable                                 | B-7  | \$ 3,476.40                     | \$                              |
| License Overpayments                               |      | 25.00                           | 25.00                           |
| Due State of New Jersey                            | B-3  | 2.40                            |                                 |
| Reserve for Animal Control Trust Fund Expenditures | B-2  | 9,268.94                        | 11,765.25                       |
|  |      | <u>\$ 12,772.74</u>             | <u>\$ 11,790.25</u>             |
| Other Funds:                                       |      |                                 |                                 |
| Interfunds Payable                                 |      | \$                              | \$ 859.90                       |
| Encumbrances Payable                               | B-5  | 7,549.50                        |                                 |
| Reserve For:                                       |      |                                 |                                 |
| Open Space   | B-6  | 1,159,077.89                    | 1,190,219.86                    |
| Various Reserves and Deposits                      | B-4  | \$ 393,035.08                   | \$ 487,816.44                   |
|  |      | <u>\$ 1,559,662.47</u>          | <u>\$ 1,678,896.20</u>          |
|  |      | <u>\$ 1,572,435.21</u>          | <u>\$ 1,690,686.45</u>          |

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

GENERAL CAPITAL FUND

TOWNSHIP OF EAST AMWELLGENERAL CAPITAL FUNDBALANCE SHEETS - REGULATORY BASIS

|   | <u>REF.</u> | <u>BALANCE</u><br><u>DECEMBER</u><br><u>31, 2013</u> | <u>BALANCE</u><br><u>DECEMBER</u><br><u>31, 2012</u> |
|---|-------------|--|--|
| <u>ASSETS</u>                                 |             |  |  |
| Cash  | C-2         | \$ 390,825.99  | \$ 517,820.55  |
| Deferred Charges to Future Taxation:          |             |  |  |
| Funded  | C-11        | 3,843,488.36   | 4,251,340.09   |
| Unfunded                                      | C-5         | 1,285,715.00   | 1,059,243.00   |
| Grants Receivable                             |             | 40,000.00  | 40,000.00  |
| Interfunds Receivable                         | C-4         | <u>292,071.92</u>                                    | <u>                    </u>                          |
|   |             | \$ <u>5,852,101.27</u>                               | \$ <u>5,868,403.64</u>                               |
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> |             |  |  |
| Bond Anticipation Notes                       | C-8         | \$ 934,000.00  | \$ 670,000.00  |
| Serial Bonds                                  | C-13        | 3,515,000.00   | 3,895,000.00   |
| Green Acres Loans Payable                     | C-12        | 328,488.36   | 356,340.09   |
| Interfunds Payable                            | C-4         |  | 1.05   |
| Improvement Authorizations:                   |             |  |  |
| Funded  | C-7         | 426,919.70   | 424,563.28   |
| Unfunded                                      | C-7         | 426,117.51   | 170,824.37   |
| Capital Improvement Fund                      | C-9         | 73,005.97  | 68,690.97  |
| Reserve For:                                  |             |  |  |
| Contracts Payable                             | C-6         | 44,314.42  | 47,109.57  |
| Miscellaneous Deposits                        | C-10        | 57,267.28  | 59,417.28  |
| Fund Balance                                  | C-1         | <u>46,988.03</u>                                     | <u>176,457.03</u>                                    |
|   |             | \$ <u>5,852,101.27</u>                               | \$ <u>5,868,403.64</u>                               |

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

TOWNSHIP OF EAST AMWELL

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

|  | <u>REF.</u> |    |                         |
|--|-------------|----|-------------------------|
| Balance, December 31, 2012                 | C           | \$ | 176,457.03              |
| Increased by:                              |             |    |                         |
| Premium on Sale of Notes                   | C-2         |    | <u>4,774.00</u>         |
|  |             | \$ | <u>181,231.03</u>       |
| Decreased by:                              |             |    |                         |
| Anticipated as Revenue in the Current Fund | C-2         |    | <u>134,243.00</u>       |
| Balance, December 31, 2013                 | C           | \$ | <u><u>46,988.03</u></u> |

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

**THIS PAGE INTENTIONALLY LEFT BLANK**

PUBLIC ASSISTANCE TRUST FUND

"E"

TOWNSHIP OF EAST AMWELL  
PUBLIC ASSISTANCE TRUST FUND  
BALANCE SHEETS - REGULATORY BASIS

|                                 | <u>REF.</u> | BALANCE<br>DECEMBER<br><u>31, 2013</u> | BALANCE<br>DECEMBER<br><u>31, 2012</u> |
|---------------------------------|-------------|--|--|
| <u>ASSETS</u>                   |             |  |  |
| Cash                            | E-1         | \$ <u>28,736.78</u>                    | \$ <u>45,366.40</u>                    |
| <u>LIABILITIES AND RESERVES</u> |             |  |  |
| Reserve for Public Assistance   |             | \$ <u>28,736.78</u>                    | \$ <u>45,366.40</u>                    |

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

GENERAL FIXED ASSETS ACCOUNT GROUP

TOWNSHIP OF EAST AMWELL

GENERAL FIXED ASSETS ACCOUNT GROUP

BALANCE SHEETS - REGULATORY BASIS

|                                    | BALANCE<br>DECEMBER<br><u>31, 2013</u> | BALANCE<br>DECEMBER<br><u>31, 2012</u> |
|------------------------------------|--|--|
| <u>FIXED ASSETS</u>                |  |  |
| Land                               | \$ 1,976,833.50                        | \$ 1,976,833.50                        |
| Buildings                          | 1,293,249.07                           | 1,293,249.07                           |
| Machinery and Equipment            | <u>1,250,525.26</u>                    | <u>1,183,289.26</u>                    |
| <u>TOTAL FIXED ASSETS</u>          | \$ <u>4,520,607.83</u>                 | \$ <u>4,453,371.83</u>                 |
| <u>RESERVE</u>                     |  |  |
| Investment in General Fixed Assets | \$ <u>4,520,607.83</u>                 | \$ <u>4,453,371.83</u>                 |

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

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF EAST AMWELL

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2013 AND 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of East Amwell is an instrumentality of the State of New Jersey, established to function as a municipality. The Township Committee consists of elected officials and is responsible for the fiscal control of the Township.

Except as noted below, the financial statements of the Township of East Amwell include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of East Amwell, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township of East Amwell do not include the operations of the Fire Commissioners, first aid squads, local or regional school districts and the joint municipal court, inasmuch as their activities are administered by separate boards.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes three fund types and two account groups to be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

The accounting policies of the Township of East Amwell conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, and State of New Jersey. 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 financial transactions and accounts of the Township are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity. As required by the Division of Local Government Services, the Township accounts for its financial transactions through the following individual funds and account group:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

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

Trust Fund - receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

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

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

General Fixed Assets Account Group - utilized to account for property, land, buildings and equipment that has been acquired by other governmental funds.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from U.S. generally accepted accounting principles applicable to local government units. The more significant accounting policies and differences in the State of New Jersey are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Federal and state grants are realized as revenues when anticipated in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township, which are susceptible to accrual, are also recorded as receivables with offsetting reserves and recorded as revenues when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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 cash liability in the financial statements and constitute part of the Township's regulatory Appropriation Reserve balance.

Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis, interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Encumbrances - Contractual orders at December 31 are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - The proceeds from the sale of municipal assets can be held in a reserve until anticipated as a revenue in a future budget. GAAP requires such proceeds to be recorded as a revenue in the year of sale.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets – N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Township as part of its basic financial statements. General fixed assets are defined as nonexpendable personal and real property having a physical existence, a useful life of more than one year and an acquisition cost of \$500.00 or more per unit. 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.

General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Asset Account Group rather than in a governmental fund. No depreciation has been provided on General Fixed Assets or reported in the financial statements.

The Township has developed a fixed assets accounting and reporting system based on an inventory of all Township assets. Adjustments for assets acquired/sold subsequent to this date have been recorded. Fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Buildings and land are stated at the assessed value contained in the Township's most recent property revaluation.

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.

Inventories of Supplies - the cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories are not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be held in accordance with GAAP. The Township presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

The Township considers petty cash, change funds, cash in banks, and certificates of deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

The Township of East Amwell has the following cash and cash equivalents at December 31, 2013:

| Fund Type:                     | Bank                  | Reconciling Items:  |                       | Reconciled            |
|--------------------------------|-----------------------|---------------------|-----------------------|-----------------------|
|                                | Balance               | Additions           | Deletions             | Balance               |
| Current Fund                   | \$2,791,767.85        | \$393,074.72        | \$671,198.20          | \$2,513,644.37        |
| Grant Fund                     | 94,116.66             |                     | 589.59                | 93,527.07             |
| Animal Control Fund            | 12,896.36             | 110.00              | 248.62                | 12,757.74             |
| Other Trust Fund               | 1,683,489.20          | 2,028.56            | 376,880.17            | 1,308,637.59          |
| General Capital Fund           | 392,455.20            |                     | 1,629.21              | 390,825.99            |
| Public Assistance Trust Fund   | 39,500.78             |                     | 10,764.00             | 28,736.78             |
| <b>TOTAL DECEMBER 31, 2013</b> | <b>\$5,014,226.05</b> | <b>\$395,213.28</b> | <b>\$1,061,309.79</b> | <b>\$4,348,129.54</b> |

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Township does not have a specific deposit policy for custodial risk other than those policies that adhere to the requirements of statute. As of December 31, 2013, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial risk. Of the cash on balance in the bank, \$500,000.00 was covered by Federal Depository Insurance and \$4,581,031.38 was covered under the provisions of NJGUDPA.

B. Investments

The purchases of investments by the Township are strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a 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 obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by Local Units;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
  - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
  - b. the custody of collateral is transferred to a third party;
  - c. the maturity of the agreement is not more than 30 days;
  - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
  - e. a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2013, the Township had no investments. Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices, the Township is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risk for its investments nor is it exposed to foreign currency risk for its deposits and investments.



NOTE 3: MUNICIPAL DEBT (CONTINUED)

BORROWING POWER UNDER N.J.S.40A:2-6

|  |                          |
|--|--------------------------|
| Equalized Valuation Basis* - December 31, 2013 | \$ <u>753,685,717.67</u> |
| 3-1/2% of Equalized Valuation Basis            | \$ 26,379,000.12         |
| Net Debt                                       | <u>5,129,203.36</u>      |
| Remaining Borrowing Power                      | \$ <u>21,249,796.76</u>  |

\*Equalized Valuation basis is the average of the equalized valuation of Real Estate, including improvements, and the assessed valuation of Class II Railroad Property of the Township for the last three (3) preceding years.

SCHOOL DEBT DEDUCTION

School debt is deductible up to the extent of 3% of the Average Equalized Assessed Valuation of real property for the Local and Regional School Districts.

Long-Term Debt

Serial Bonds

|   |                        |
|---|------------------------|
| \$2,820,000.00 of 2003 Serial Bonds with annual principal installments of \$135,000 to \$200,000 starting 2003 through February 2023 at variable interest rate of 3.80% to 4.40%. | \$ 1,705,000.00        |
| \$2,405,000.00 of 2010 Serial Bonds with annual principal installments of \$150,000 to \$275,000 starting 2011 through March 2021 at variable interest rate of 2.375% to 4.00%.   | <u>1,810,000.00</u>    |
|   | \$ <u>3,515,000.00</u> |

Green Acres Loan

|   |                      |
|---|----------------------|
| \$500,000.00 of 2007 Green Acres Loan with semi-annual principal and interest installments of \$17,419.99 through January 2024 at an interest rate of 2.0%. | \$ <u>328,488.36</u> |
|---|----------------------|

NOTE 3: MUNICIPAL DEBT (CONTINUED)

Bond Anticipation Notes

Outstanding Bond Anticipation Notes are summarized as follow:

|                 | <u>Interest<br/>Rate</u> | <u>Original<br/>Issue Date</u> | <u>Amount</u>        |
|-----------------|--------------------------|--------------------------------|----------------------|
| General Capital |                          |                                |                      |
| Ord. 2006-12    | 1.50%                    | 5/22/2007                      | \$ 630,000.00        |
| Ord. 2012-12    | 1.50%                    | 5/16/2013                      | 190,000.00           |
| Ord. 2013-02    | 1.50%                    | 5/16/2013                      | <u>114,000.00</u>    |
|                 |                          |                                | <u>\$ 934,000.00</u> |

Bonds and Notes Authorized But Not Issued

At December 31, 2013, the Township has authorized but not issued bonds and notes as follows:

General Capital Fund \$351,715.00

SCHEDULE OF GREEN ACRES TRUST LOANS

| <u>CALENDAR<br/>YEAR</u> | <u>MARION F. CLAWSON PARK</u> |                     |                      |
|--------------------------|-------------------------------|---------------------|----------------------|
|                          | <u>PRINCIPAL</u>              | <u>INTEREST</u>     | <u>TOTAL</u>         |
| 2014                     | \$ 28,411.56                  | \$ 6,428.41         | \$ 34,839.97         |
| 2015                     | 28,982.62                     | 5,857.35            | 34,839.97            |
| 2016                     | 29,565.18                     | 5,274.79            | 34,839.97            |
| 2017                     | 30,159.43                     | 4,680.53            | 34,839.96            |
| 2018                     | 30,765.64                     | 4,074.33            | 34,839.97            |
| 2019                     | 31,384.04                     | 3,455.94            | 34,839.98            |
| 2020                     | 32,014.84                     | 2,825.12            | 34,839.96            |
| 2021                     | 32,658.35                     | 2,181.62            | 34,839.97            |
| 2022                     | 33,314.78                     | 1,525.19            | 34,839.97            |
| 2023                     | 33,984.41                     | 855.56              | 34,839.97            |
| 2024                     | <u>17,247.51</u>              | <u>172.48</u>       | <u>17,419.99</u>     |
|                          | <u>\$ 328,488.36</u>          | <u>\$ 37,331.32</u> | <u>\$ 365,819.68</u> |

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SCHEDULE OF SERIAL BONDS PAYABLE

| CALENDAR<br>YEAR | <u>2003 ISSUE</u>     |                     | <u>2010 ISSUE</u>     |                     | <u>TOTAL</u>          |
|------------------|-----------------------|---------------------|-----------------------|---------------------|-----------------------|
|                  | <u>PRINCIPAL</u>      | <u>INTEREST</u>     | <u>PRINCIPAL</u>      | <u>INTEREST</u>     |                       |
| 2014             | \$135,000.00          | \$67,477.50         | \$265,000.00          | \$53,150.00         | \$520,627.50          |
| 2015             | 135,000.00            | 62,347.50           | 260,000.00            | 45,275.00           | 502,622.50            |
| 2016             | 155,000.00            | 56,760.00           | 275,000.00            | 35,875.00           | 522,635.00            |
| 2017             | 155,000.00            | 50,637.50           | 275,000.00            | 24,875.00           | 505,512.50            |
| 2018             | 155,000.00            | 44,398.75           | 270,000.00            | 16,168.75           | 485,567.50            |
| 2019             | 180,000.00            | 37,570.00           | 160,000.00            | 10,862.50           | 388,432.50            |
| 2020             | 190,000.00            | 29,890.00           | 155,000.00            | 6,631.25            | 381,521.25            |
| 2021             | 200,000.00            | 21,650.00           | 150,000.00            | 2,250.00            | 373,900.00            |
| 2022             | 200,000.00            | 13,100.00           |                       |                     | 213,100.00            |
| 2023             | 200,000.00            | 4,400.00            |                       |                     | 204,400.00            |
|                  | <u>\$1,705,000.00</u> | <u>\$388,231.25</u> | <u>\$1,810,000.00</u> | <u>\$195,087.50</u> | <u>\$4,098,318.75</u> |

NOTE 4: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2013 which were appropriated and included as anticipated revenue in their own respective funds are as follows:

|              |              |
|--------------|--------------|
| Current Fund | \$129,000.00 |
|--------------|--------------|

NOTE 5: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The Township bills and collects its own property taxes and also taxes for the County and local school district. The collections and remittance of county and school taxes are accounted for in the Current Fund. Township property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Township's Current Fund.

NOTE 5: PROPERTY TAXES (CONTINUED)

Taxes collected in advance - Taxes collected in advance and recorded as cash liabilities in the financial statements are as follows:

|               | BALANCE<br>DECEMBER<br><u>31, 2013</u> | BALANCE<br>DECEMBER<br><u>31, 2012</u> |
|---------------|--|--|
| Prepaid Taxes | <u>\$190,850.42</u>                    | <u>\$138,209.08</u>                    |

NOTE 6: PENSION PLANS

Plan Descriptions

Substantially all eligible employees participate in the Public Employees' Retirement System (PERS), or the Defined Contribution Retirement System (DCRP), which have been established by state statute and are administered by the New Jersey Division of Pensions and Benefits. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System. This report may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 or are available online at [www.nj.gov/treasury/pensions/annrpts.shtml](http://www.nj.gov/treasury/pensions/annrpts.shtml).

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide retirement, death, disability and medical benefits to certain qualified members. The PERS is a cost-sharing multiple employer plan. Membership is mandatory for substantially, all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund.

Defined Contribution Retirement Program (DCRP) - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L 2007, and was expanded under the provisions of Chapter 89, P.L. 2009. The DCRP provides eligible employees and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

NOTE 6: PENSION PLANS (CONTINUED)

Plan Descriptions (Continued)

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:36. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service. Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving ten years of service credit, in which case, benefits would begin the first day of the month after the member attains normal retirement age.

Newly elected or appointed officials that have an existing DCRP account, or are a member of another State-administered retirement system are immediately invested in the DCRP. For newly elected or appointed officials that do not qualify for immediate vesting in the DCRP, employee and employer contributions are held during the initial year of membership. Upon commencing the second year of DCRP membership, the member is fully invested. However, if a member is not eligible to continue in the DCRP for a second year of membership, the member may apply for a refund of the employee contributions from the DCRP, while the employer contributions will revert back to the employer. Employees are required to contribute 5.5% of their base salary and employers contribute 3.0%.

The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan members and employer contributions may be amended by State of New Jersey legislation. During 2013 PERS provides for employee contributions of 6.78% of employees' annual compensation. Employers are required to contribute at an actuarially determined rate. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums.

Certain portions of the costs are contributed by the employees. The Township's share of pension costs, which is based upon the annual billings received from the State, amounted to \$52,914.00 for 2013, \$61,819.00 for 2012 and \$55,633.00 for 2011.

All contributions were equal to the required contributions for each of the three years, respectively.

Certain Township employees are also covered by Federal Insurance Contribution Act.

NOTE 7: LITIGATION

The Township Attorney's letter did not indicate any litigation, claims or contingent liabilities that are either not covered by the Township's insurance carrier or would have a material financial impact on the Township.

NOTE 8: TAX APPEALS

There are tax appeals filed with the County and State Tax Court of New Jersey requesting a reduction of assessments for the year 2013. Any reduction in assessed valuation will result in a refund of prior year's taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.40A:2-51.

NOTE 9: CONTINGENT LIABILITIES

The Township participates in several state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. Findings and questioned costs, if any, relative to state financial assistance programs will be discussed in detail in Part II of the 2013 audit report. In addition, these programs are also subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2013, the Township does not believe that any material liabilities will result from such audits.

NOTE 10: RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The Township maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 10: RISK MANAGEMENT (CONTINUED)

**New Jersey Unemployment Compensation Insurance** - The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State. The following table is a summary of Township contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Township's expendable trust fund for the current and the previous two years:

| <u>Fiscal Year</u> | <u>Interest Earned</u> | <u>Contributions</u> | <u>Amount Reimbursed</u> | <u>Ending Balance</u> |
|--------------------|------------------------|----------------------|--------------------------|-----------------------|
| 2013               | \$ 79.32               | \$ 2,113.63          | \$                       | 20,654.14             |
| 2012               |                        | 2,390.55             |                          | 18,461.19             |
| 2011               |                        | 1,735.75             | 66.35                    | 16,070.64             |

NOTE 11: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheets at December 31, 2013:

| <u>FUND</u>               | <u>INTERFUND RECEIVABLE</u> | <u>INTERFUND PAYABLE</u>    |
|---------------------------|-----------------------------|-----------------------------|
| Current Fund              | \$ 29,565.81                | \$ 517,761.58               |
| Grant Fund                |                             | 26,089.41                   |
| Animal Control Trust Fund |                             | 3,476.40                    |
| Trust Other Fund          | 225,689.66                  |                             |
| General Capital Fund      | <u>292,071.92</u>           | <u>                    </u> |
|                           | <u>\$ 547,327.39</u>        | <u>\$ 547,327.39</u>        |

All balances resulted from the time lag between the dates that payment between funds is made.

NOTE 12: DEFERRED SCHOOL TAXES

New Jersey statutes provide for the deferral of liability for not more than 50% of the annual levy when school taxes are raised on a school year basis and such taxes have not been requisitioned by the school district.

LOCAL DISTRICT SCHOOL TAX

|                    | BALANCE<br>DECEMBER<br><u>31, 2013</u> | BALANCE<br>DECEMBER<br><u>31, 2012</u> |
|--------------------|--|--|
| Balance of Tax     | \$1,310,336.59                         | \$2,771,291.59                         |
| Deferred           | <u>748,177.50</u>                      | <u>748,177.50</u>                      |
| School Tax Payable | <u>\$562,159.09</u>                    | <u>\$2,023,114.09</u>                  |

REGIONAL HIGH SCHOOL TAX

|                    | BALANCE<br>DECEMBER<br><u>31, 2013</u> | BALANCE<br>DECEMBER<br><u>31, 2012</u> |
|--------------------|--|--|
| Balance of Tax     | \$1,308,532.00                         | \$1,967,207.40                         |
| Deferred           | <u>599,893.26</u>                      | <u>599,893.26</u>                      |
| School Tax Payable | <u>\$708,638.74</u>                    | <u>\$1,367,314.14</u>                  |

NOTE 13: DEFERRED COMPENSATION PLANS

The Township of East Amwell Deferred Compensation Plan was established pursuant to Section 457 of the Internal Revenue Code and in accordance with applicable New Jersey statutes and the New Jersey Administrative Code (N.J.A.C.5:37-1). The Plan is an arrangement whereby a public employer may establish a plan and permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under governing regulations. The Plan is offered by the Township through Lincoln National Life Insurance Company.

NOTE 14: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2013, the following deferred charges are shown on the balance sheets of the various funds:

|  | BALANCE<br>DECEMBER<br><u>31, 2013</u> | 2014 BUDGET<br>APPROPRIATION | BALANCE TO<br>SUCCEEDING<br><u>BUDGETS</u> |
|--|--|------------------------------|--|
| Current:                                     |  |                              |  |
| Special Emergency<br>Authorization           | <u>\$40,000.00</u>                     | <u>\$10,000.00</u>           | <u>\$30,000.00</u>                         |
| Overexpenditure of<br>Appropriation Reserves | <u>\$2,454.97</u>                      | <u>\$2,454.97</u>            |  |

NOTE 15: SUBSEQUENT EVENTS

The Township has evaluated subsequent events occurring after the balance sheet date. Based on this evaluation, the Township has determined there are no material subsequent events that require disclosure.

NOTE 16: POST-RETIRMENT HEALTH BENEFITS

As at December 31, 2013, the Township of East Amwell had no obligation to provide post-retirement health benefits.

TOWNSHIP OF EAST AMWELL

SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2013

TOWNSHIP OF EAST AMWELL

CURRENT FUND

SCHEDULE OF CASH - TREASURER

|   | <u>REF.</u> | <u>CURRENT FUND</u>     | <u>GRANT FUND</u>    |
|---|-------------|-------------------------|----------------------|
| Balance, December 31, 2012  | A           | \$ 3,977,358.62         | \$ 49,211.40         |
| Increased by Receipts:  |             |                         |                      |
| Collector   | A-5         | \$ 15,153,465.56        | \$                   |
| State of New Jersey-Senior Citizens and Veterans<br>Deductions-Chapter 20, P.L.1971 | A-8         | 41,464.81               |                      |
| Miscellaneous Reserves  | A-11        | 453.00                  |                      |
| Revenue Accounts Receivable   | A-12        | 936,700.26              |                      |
| Petty Cash  | A-13        | 150.00                  |                      |
| Reserve for Grants-Unappropriated   | A-15        |                         | 5,029.47             |
| Grants Receivable   | A-23        |                         | 107,066.76           |
| Miscellaneous Revenue Not Anticipated   | A-2         | 95,769.42               |                      |
| 2013 Appropriation Refunds  | A-3         | 14,368.20               |                      |
| Interfunds  | A-6:A-26    | <u>696,532.13</u>       | <u>26,089.41</u>     |
|   |             | <u>16,938,903.38</u>    | <u>138,185.64</u>    |
|   |             | \$ <u>20,916,262.00</u> | \$ <u>187,397.04</u> |
| Decreased by Disbursements:   |             |                         |                      |
| 2013 Appropriations   | A-3         | \$ 2,009,671.66         | \$                   |
| 2012 Appropriation Reserves   | A-24        | 26,287.75               |                      |
| Miscellaneous Reserves  | A-11        | 38,728.98               |                      |
| Petty Cash  | A-13        | 150.00                  |                      |
| Reserve for Grants-Appropriated   | A-16        |                         | 93,869.97            |
| County Taxes  | A-17        | 2,735,311.15            |                      |
| Municipal Open Space Taxes  | A-19        | 269,082.77              |                      |
| Tax Overpayment   | A-28        | 2,669.37                |                      |
| Special Emergency Note  | A-31        | 80,000.00               |                      |
| Local District School Taxes   | A-21        | 8,230,137.00            |                      |
| Regional High School Taxes  | A-22        | 4,584,271.40            |                      |
| Fire District Taxes Payable   | A-25        | 218,838.00              |                      |
| Interfunds  | A-6:A-26    | <u>207,469.55</u>       | <u>93,869.97</u>     |
|   |             | <u>18,402,617.63</u>    | <u>93,869.97</u>     |
| Balance, December 31, 2013  | A           | \$ <u>2,513,644.37</u>  | \$ <u>93,527.07</u>  |

TOWNSHIP OF EAST AMWELL

CURRENT FUND

SCHEDULE OF CASH - COLLECTOR

|                             | <u>REF.</u> |                   |                                |
|-----------------------------|-------------|-------------------|--------------------------------|
| Increased by Receipts:      |             |                   |                                |
| Interest and Costs on Taxes | A-12        | \$ 60,338.41      |                                |
| Miscellaneous               | A-2         | 120.00            |                                |
| Property Taxes Receivable   | A-9         | 14,899,487.36     |                                |
| Tax Overpayments            | A-28        | 2,669.37          |                                |
| Prepaid Property Taxes      | A-18        | <u>190,850.42</u> |                                |
|                             |             |                   | \$ 15,153,465.56               |
| Decreased by Disbursements: |             |                   |                                |
| Turnovers to Treasurer      | A-4         |                   | \$ <u><u>15,153,465.56</u></u> |

TOWNSHIP OF EAST AMWELL

CURRENT FUND

SCHEDULE OF INTERFUNDS

|                             | <u>REF.</u> | <u>TOTAL</u>         | <u>GRANT FUND</u>           | <u>ANIMAL CONTROL TRUST FUND</u> | <u>OTHER TRUST FUND</u>     | <u>GENERAL CAPITAL FUND</u> |
|-----------------------------|-------------|----------------------|-----------------------------|----------------------------------|-----------------------------|-----------------------------|
| Balance, December 31, 2012: |             |                      |                             |                                  |                             |                             |
| Due From                    | A           | <u>866.81</u>        | <u>                    </u> | <u>                    </u>      | <u>865.76</u>               | <u>1.05</u>                 |
| Cash Receipts               | A-4         | \$ 696,532.13        | \$ 94,519.50                | \$                               | \$ 269,938.63               | \$ 332,074.00               |
| Cash Disbursements          | A-4         | \$ <u>207,469.55</u> | \$ <u>120,608.91</u>        | \$ <u>3,476.40</u>               | \$ <u>43,383.21</u>         | \$ <u>40,001.03</u>         |
| Balance, December 31, 2013: |             |                      |                             |                                  |                             |                             |
| Due To                      | A           | \$ 517,761.58        | \$                          | \$                               | \$ 225,689.66               | \$ 292,071.92               |
| Due From                    | A           | <u>29,565.81</u>     | <u>26,089.41</u>            | <u>3,476.40</u>                  | <u>                    </u> | <u>                    </u> |

TOWNSHIP OF EAST AMWELL

CURRENT FUND

SCHEDULE OF CHANGE FUNDS

REF.

Balance, December 31, 2012 and  
December 31, 2013

A

\$ 75.00

ANALYSIS OF BALANCE

Tax Collector  
Municipal Court

\$ 50.00

25.00

\$ 75.00

TOWNSHIP OF EAST AMWELL

CURRENT FUND

SCHEDULE OF DUE FROM STATE OF NEW JERSEY-  
SENIOR CITIZENS AND VETERANS DEDUCTIONS

|  | <u>REF.</u> |    |                      |
|--|-------------|----|----------------------|
| Balance, December 31, 2012               | A           | \$ | 250.00               |
| Increased by:                            |             |    |                      |
| Deductions Per Tax Duplicate:            |             |    |                      |
| Senior Citizens                          |             | \$ | 4,500.00             |
| Veterans                                 |             |    | 37,750.00            |
| Allowed by Collector                     |             |    | <u>1,250.00</u>      |
|  |             |    | 43,500.00            |
|  |             | \$ | <u>43,750.00</u>     |
| Decreased by:                            |             |    |                      |
| Senior Citizens and Veterans Deductions: |             |    |                      |
| Received in Cash from State              | A-4         | \$ | 41,464.81            |
| Senior Citizens Disallowed by Collector: |             |    |                      |
| Current Year                             |             |    | <u>1,535.19</u>      |
|  |             |    | <u>43,000.00</u>     |
| Balance, December 31, 2013               | A           | \$ | <u><u>750.00</u></u> |

SUMMARY OF 2013 EXEMPTIONS

|   |     |    |                         |
|---|-----|----|-------------------------|
| Senior Citizens and Veterans Exemptions |     |    |                         |
| Per Tax Billings                        |     | \$ | 42,250.00               |
| Senior Citizens and Veterans Exemptions |     |    |                         |
| Allowed by Tax Collector                |     |    | <u>1,250.00</u>         |
|   | A-9 | \$ | <u><u>41,964.81</u></u> |

TOWNSHIP OF EAST AMWELL

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

| YEAR | BALANCE              | 2013 LEVY        | COLLECTIONS BY CASH |                  | TRANSFERRED           | CANCELED  | BALANCE              |
|------|----------------------|------------------|---------------------|------------------|-----------------------|-----------|----------------------|
|      | DECEMBER<br>31, 2012 |                  | 2012                | 2013             | TO TAX<br>TITLE LIENS |           | DECEMBER<br>31, 2013 |
| 2011 | \$ 24,448.48         | \$               | \$                  | \$               | \$                    | \$        | \$ 24,448.48         |
| 2012 | 258,307.51           |                  |                     | 229,891.74       | 5,168.34              | 25.66     | 23,221.77            |
|      | \$ 282,755.99        | \$               | \$                  | \$ 229,891.74    | \$ 5,168.34           | \$ 25.66  | \$ 47,670.25         |
| 2013 |                      | 15,182,176.78    | 138,209.08          | 14,711,560.43    | 8,224.52              | 289.60    | 323,893.15           |
|      | \$ 282,755.99        | \$ 15,182,176.78 | \$ 138,209.08       | \$ 14,941,452.17 | \$ 13,392.86          | \$ 315.26 | \$ 371,563.40        |
| REF. | A                    |                  | A-2:A-18            | A-2              | A-10                  |           | A                    |

|                     |     |                  |
|---------------------|-----|------------------|
| Collector           | A-5 | \$ 14,899,487.36 |
| State of New Jersey | A-8 | 41,964.81        |
|                     |     | \$ 14,941,452.17 |

ANALYSIS OF 2013 PROPERTY TAX LEVY

| TAX YIELD   |      |                  |
|---|------|------------------|
| General Purpose Tax                               |      | \$ 15,164,603.81 |
| Added and Omitted Tax (54:4-63.1 et. seq.)        |      | 17,572.97        |
|   |      | \$ 15,182,176.78 |
| TAX LEVY  |      |                  |
| Fire District Taxes                               | A-25 | \$ 218,838.00    |
| Local District School Tax (Abstract)              | A-21 | 6,769,182.00     |
| Regional District School Tax:                     |      |                  |
| Levy (Abstract)                                   | A-22 | 3,925,596.00     |
| County Tax (Abstract)                             | A-17 | \$ 2,733,179.97  |
| Due County for Added Taxes - (54:4-63.1 et. seq.) | A-17 | 3,196.87         |
| Total County Tax                                  |      | 2,736,376.84     |
| Local Tax for Municipal Purposes (Abstract)       | A-2  | \$ 1,242,413.45  |
| Local Library Tax (Abstract)                      | A-2  |                  |
| Municipal Open Space                              | A-19 | 269,082.77       |
| Add: Additional Taxes Levied                      |      | 20,687.72        |
|   |      | 1,532,183.94     |
|   |      | \$ 15,182,176.78 |

TOWNSHIP OF EAST AMWELL

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

|  | <u>REF.</u> |    |                         |
|--|-------------|----|-------------------------|
| Balance, December 31, 2012                                   | A           | \$ | 4,978.51                |
| Increased by:  |             |    |                         |
| Transfers from Taxes Receivable                              | A-9         | \$ | 13,392.86               |
| Interest and Costs Accrued by Tax Sale<br>of October 3, 2013 |             |    | <u>887.84</u>           |
|  |             |    | <u>14,280.70</u>        |
| Balance, December 31, 2013                                   | A           | \$ | <u><u>19,259.21</u></u> |

TOWNSHIP OF EAST AMWELL

CURRENT FUND

SCHEDULE OF MISCELLANEOUS RESERVE

|  | BALANCE<br>DECEMBER<br>31, 2012 | CASH<br>RECEIPTS | CASH<br>DISBURSEMENTS | BALANCE<br>DECEMBER<br>31, 2013 |
|--|---------------------------------|------------------|-----------------------|---------------------------------|
| Due State of New Jersey:               |                                 |                  |                       |                                 |
| Marriage/Domestic Partnership Licenses | \$ 50.00                        | \$ 453.00        | \$ 350.00             | \$ 153.00                       |
| Reassessment                           | 26,531.17                       |                  | 16,318.34             | 10,212.83                       |
| Hurricane Sandy                        | <u>30,000.00</u>                |                  | <u>22,060.64</u>      | <u>7,939.36</u>                 |
|  | <u>\$ 56,581.17</u>             | <u>\$ 453.00</u> | <u>\$ 38,728.98</u>   | <u>\$ 18,305.19</u>             |
| <u>REF.</u>                            | A                               | A-4              | A-4                   | A                               |

TOWNSHIP OF EAST AMWELL

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

| REF.  | BALANCE<br>DECEMBER<br>31, 2012 | ACCRUED<br>IN 2013 | COLLECTED BY         |                     | BALANCE<br>DECEMBER<br>31, 2013 |                    |
|---|---------------------------------|--------------------|----------------------|---------------------|---------------------------------|--------------------|
|   |                                 |                    | COLLECTOR            | TREASURER           |                                 |                    |
| Clerk:  |                                 |                    |                      |                     |                                 |                    |
| Licenses:   |                                 |                    |                      |                     |                                 |                    |
| Alcoholic Beverage                                | A-2                             | \$ 2,400.00        | \$                   | \$ 2,400.00         | \$                              |                    |
| Fees and Permits                                  | A-2                             | 45,747.96          |                      | 45,747.96           |                                 |                    |
| Municipal Court:                                  |                                 |                    |                      |                     |                                 |                    |
| Fines and Costs                                   | A-2                             | 3,007.50           |                      | 28,693.02           | 2,661.45                        |                    |
| Interest and Costs on Taxes                       | A-2                             | 60,338.41          | 60,338.41            |                     |                                 |                    |
| Interest on Investment                            | A-2                             | 17,585.82          |                      | 17,585.82           |                                 |                    |
| Energy Receipts Tax                               | A-2                             | 288,904.46         |                      | 288,904.46          |                                 |                    |
| Consolidated Municipal Property Tax Relief Act    | A-2                             | 13,276.00          |                      | 13,276.00           |                                 |                    |
| Interlocal Municipal Court - Township of Franklin | A-2                             | 35,850.00          |                      | 35,850.00           |                                 |                    |
| Capital Fund Balance - Fund Ordinances            | A-2                             | 94,243.00          |                      | 94,243.00           |                                 |                    |
| Capital Fund Balance                              | A-2                             | 40,000.00          |                      | 40,000.00           |                                 |                    |
| Reserve for Bonds Open Space                      | A-2                             | 370,000.00         |                      | 370,000.00          |                                 |                    |
|   |                                 | <u>\$ 3,007.50</u> | <u>\$ 999,700.12</u> | <u>\$ 60,338.41</u> | <u>\$ 936,700.26</u>            | <u>\$ 2,661.45</u> |
| REF.  | A                               |                    | A-5                  | A-4                 | A                               |                    |

"A-13"

TOWNSHIP OF EAST AMWELL

CURRENT FUND

SCHEDULE OF PETTY CASH

|                            | <u>REF.</u> |    |                      |
|----------------------------|-------------|----|----------------------|
| Balance, December 31, 2012 | A           | \$ | 175.00               |
| Increased by:              |             |    |                      |
| Cash Receipts              | A-4         |    | 150.00               |
|                            |             | \$ | <u>325.00</u>        |
| Decreased by:              |             |    |                      |
| Cash Disbursements         | A-4         |    | <u>150.00</u>        |
| Balance, December 31, 2013 | A           | \$ | <u><u>175.00</u></u> |

"A-14"

SCHEDULE OF ENCUMBRANCES PAYABLE

|  |      |    |                         |
|--|------|----|-------------------------|
| Balance, December 31, 2012                   | A    | \$ | 10,206.56               |
| Increased by:                                |      |    |                         |
| Transferred from 2013 Appropriations         | A-3  | \$ | 42,722.90               |
| Transferred from 2012 Appropriation Reserves | A-24 |    | <u>540.00</u>           |
|  |      |    | <u>43,262.90</u>        |
|  |      | \$ | <u>53,469.46</u>        |
| Decreased by:                                |      |    |                         |
| Transfer to 2012 Appropriation Reserves      | A-24 |    | <u>10,206.56</u>        |
| Balance, December 31, 2013                   | A    | \$ | <u><u>43,262.90</u></u> |

TOWNSHIP OF EAST AMWELL

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-UNAPPROPRIATED

|                           | BALANCE<br>DECEMBER<br>31, 2012 | CASH<br>RECEIPTS   | APPLIED TO<br>RECEIVABLE | BALANCE<br>DECEMBER<br>31, 2013 |
|---------------------------|---------------------------------|--------------------|--------------------------|---------------------------------|
| Clean Communities Program | \$                              | \$ 2,010.16        | \$                       | \$ 2,010.16                     |
| Recycling Tonnage Grant   | <u>2,393.94</u>                 | <u>3,019.31</u>    | <u>2,393.94</u>          | <u>3,019.31</u>                 |
|                           | <u>\$ 2,393.94</u>              | <u>\$ 5,029.47</u> | <u>\$ 2,393.94</u>       | <u>\$ 5,029.47</u>              |
| <u>REF.</u>               | A                               | A-4                | A-23                     | A                               |

TOWNSHIP OF EAST AMWELL

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

|   | BALANCE<br>DECEMBER<br>31, 2012 | TRANSFERRED<br>FROM<br>2013 BUDGET<br>APPROPRIATION | PAID OR<br>CHARGED  | BALANCE<br>DECEMBER<br>31, 2013 |
|---|---------------------------------|---|---------------------|---------------------------------|
| 2012 Clean Communities Program  | \$ 6,309.65                     | \$  | \$ 6,297.68         | \$ 11.97                        |
| 2013 Clean Communities Program  |                                 | 11,547.26   | 1,180.79            | 10,366.47                       |
| County of Hunterdon-Cultural and Heritage Commission-<br>Special Projects Grant "Old Ringoes" |                                 |   |                     |                                 |
| State Share   | 500.00                          |   |                     | 500.00                          |
| Local Share   | 162.00                          |   |                     | 162.00                          |
| 2012 Recycling Tonnage Grant  | 1,566.70                        |   | 1,566.70            |                                 |
| 2013 Recycling Tonnage Grant  |                                 | 2,393.94  | 2,393.94            |                                 |
| State and Local All Hazards Emergency Operating<br>Planning Program                           | 739.24                          |   |                     | 739.24                          |
| NJDOT Municipal Aid Program for Pedestrian Safety<br>for Village of Ringoes                   | 180,000.00                      |   | 79,571.60           | 100,428.40                      |
| SNJEDA-Hazardous Discharge Site Remediation<br>Fund-Public Entity Grant Program #P19484       | 37,352.31                       |   | 2,637.50            | 34,714.81                       |
| ANJEC Grant - State Share   |                                 | 1,500.00  | 812.96              | 687.04                          |
| ANJEC Grant - State Share   | 187.56                          |   |                     | 187.56                          |
|   | <u>\$ 226,817.46</u>            | <u>\$ 15,441.20</u>                                 | <u>\$ 94,461.17</u> | <u>\$ 147,797.49</u>            |
| <u>REF.</u>   | A                               | A-3   |                     | A                               |
| Cash Disbursements  | A-4                             |   | \$ 93,869.97        |                                 |
| Encumbrances Payable  | A-20                            |   | <u>591.20</u>       |                                 |
|   |                                 |   | <u>\$ 94,461.17</u> |                                 |

"A-17"

TOWNSHIP OF EAST AMWELL  
CURRENT FUND  
SCHEDULE OF COUNTY TAXES PAYABLE

|                            | <u>REF.</u> |    |                        |
|----------------------------|-------------|----|------------------------|
| Balance, December 31, 2012 | A           | \$ | 2,131.51               |
| Increased by:              |             |    |                        |
| 2013 Levy                  | A-1:A-9     | \$ | 2,733,179.97           |
| Added and Omitted Taxes    | A-1:A-9     |    | <u>3,196.87</u>        |
|                            |             |    | <u>2,736,376.84</u>    |
|                            |             | \$ | <u>2,738,508.35</u>    |
| Decreased by:              |             |    |                        |
| Cash Disbursements         | A-4         |    | <u>2,735,311.15</u>    |
| Balance, December 31, 2013 | A           | \$ | <u><u>3,197.20</u></u> |

"A-18"

SCHEDULE OF PREPAID TAXES

|                                  |     |    |                          |
|----------------------------------|-----|----|--------------------------|
| Balance, December 31, 2013       | A   | \$ | 138,209.08               |
| Increased by:                    |     |    |                          |
| Collection of 2014 Taxes         | A-5 |    | <u>190,850.42</u>        |
|                                  |     | \$ | <u>329,059.50</u>        |
| Decreased by:                    |     |    |                          |
| Applied to 2013 Taxes Receivable | A-9 |    | <u>138,209.08</u>        |
| Balance, December 31, 2013       | A   | \$ | <u><u>190,850.42</u></u> |

"A-19"

TOWNSHIP OF EAST AMWELL

CURRENT FUND

SCHEDULE OF MUNICIPAL OPEN SPACE TAX PAYABLE

|                    | <u>REF.</u> |    |                   |
|--------------------|-------------|----|-------------------|
| Increased by:      |             |    |                   |
| 2013 Tax Levy      | A-1:A-9     | \$ | 269,082.77        |
| Decreased by:      |             |    |                   |
| Cash Disbursements | A-4         | \$ | <u>269,082.77</u> |

"A-20"

SCHEDULE OF ENCUMBRANCES PAYABLE - GRANT FUND

|                                   |      |    |               |
|-----------------------------------|------|----|---------------|
| Increased by:                     |      |    |               |
| Transfer from Grants Appropriated | A-16 | \$ | 591.20        |
| Balance, December 31, 2013        | A    | \$ | <u>591.20</u> |

"A-21"

TOWNSHIP OF EAST AMWELL

CURRENT FUND

SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE

|                             | <u>REF.</u> |    |                   |                               |
|-----------------------------|-------------|----|-------------------|-------------------------------|
| Balance, December 31, 2012: |             |    |                   |                               |
| School Tax Payable          | A           | \$ | 2,023,114.09      |                               |
| School Tax Deferred         |             |    | <u>748,177.50</u> |                               |
|                             |             |    |                   | \$ 2,771,291.59               |
| Increased by:               |             |    |                   |                               |
| 2013 Levy                   | A-1:A-9     |    |                   | <u>6,769,182.00</u>           |
|                             |             |    |                   | \$ <u>9,540,473.59</u>        |
| Decreased by:               |             |    |                   |                               |
| Cash Disbursements          | A-4         |    |                   | 8,230,137.00                  |
| Balance, December 31, 2013: |             |    |                   |                               |
| School Tax Payable          | A           | \$ | 562,159.09        |                               |
| School Tax Deferred         |             |    | <u>748,177.50</u> |                               |
|                             |             |    |                   | \$ <u><u>1,310,336.59</u></u> |

"A-22"

SCHEDULE OF REGIONAL HIGH SCHOOL TAXES PAYABLE

|                             |         |    |                   |                               |
|-----------------------------|---------|----|-------------------|-------------------------------|
| Balance, December 31, 2012: |         |    |                   |                               |
| School Tax Payable          | A       | \$ | 1,367,314.14      |                               |
| School Tax Deferred         |         |    | <u>599,893.26</u> |                               |
|                             |         |    |                   | \$ 1,967,207.40               |
| Increased by:               |         |    |                   |                               |
| 2013 Levy                   | A-1:A-9 |    |                   | <u>3,925,596.00</u>           |
|                             |         |    |                   | \$ <u>5,892,803.40</u>        |
| Decreased by:               |         |    |                   |                               |
| Cash Disbursements          | A-4     |    |                   | 4,584,271.40                  |
| Balance, December 31, 2013: |         |    |                   |                               |
| School Tax Payable          | A       | \$ | 708,638.74        |                               |
| School Tax Deferred         |         |    | <u>599,893.26</u> |                               |
|                             |         |    |                   | \$ <u><u>1,308,532.00</u></u> |

TOWNSHIP OF EAST AMWELL

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

|   | <u>BALANCE<br/>DECEMBER<br/>31, 2012</u> | <u>TRANSFERRED<br/>FROM<br/>2013 BUDGET<br/>APPROPRIATION</u> | <u>CASH<br/>RECEIPTS</u> | <u>UNAPPROPRIATED<br/>RESERVES<br/>APPLIED</u> | <u>BALANCE<br/>DECEMBER<br/>31, 2013</u> |
|---|--|---|--------------------------|--|--|
| Clean Communities Program   | \$                                       | \$ 11,547.26  | \$ 11,547.26             | \$   | \$                                       |
| NJDOT Municipal Aid Program for Pedestrian Safety<br>for Village of Ringoes | 180,000.00                               |   | 94,519.50                |  | 85,480.50                                |
| ANJEC Grant - State Share   |  | 1,500.00  | 1,000.00                 |  | 500.00                                   |
| Recycling Tonnage Grant   |  | 2,393.94  |                          | 2,393.94                                       |  |
|   | <u>\$ 180,000.00</u>                     | <u>\$ 15,441.20</u>   | <u>\$ 107,066.76</u>     | <u>\$ 2,393.94</u>                             | <u>\$ 85,980.50</u>                      |
| <u>REF.</u>   | A  | A-2   | A-4                      | A-15   | A  |

TOWNSHIP OF EAST AMWELL

CURRENT FUND

SCHEDULE OF 2012 APPROPRIATION RESERVES

| APPROPRIATION                        | BALANCE<br>DECEMBER<br>31, 2012 | BALANCE<br>AFTER<br>TRANSFERS | PAID<br>OR CHARGED | BALANCE<br>LAPSED | OVEREXPENDED |
|--------------------------------------|---------------------------------|-------------------------------|--------------------|-------------------|--------------|
| <u>SALARIES AND WAGES</u>            |                                 |                               |                    |                   |              |
| General Administration               | \$ 179.32                       | \$ 179.32                     | \$                 | \$ 179.32         | \$           |
| Municipal Clerk                      | 133.01                          | 133.01                        |                    | 133.01            |              |
| Financial Administration             | 1,316.01                        | 1,316.01                      |                    | 1,316.01          |              |
| Revenue Administration               | 0.01                            | 0.01                          |                    | 0.01              |              |
| Agricultural Advisory Committee      | 51.35                           | 51.35                         |                    | 51.35             |              |
| Historical Sites Office              | 98.30                           | 98.30                         |                    | 98.30             |              |
| Planning Board                       | 15.13                           | 15.13                         |                    | 15.13             |              |
| Zoning Board of Adjustments          | 430.00                          | 430.00                        |                    | 430.00            |              |
| Fire Prevention Bureau               | 116.65                          | 116.65                        |                    | 116.65            |              |
| Municipal Court                      | 612.07                          | 612.07                        |                    | 612.07            |              |
| Public Defender                      | 672.00                          | 672.00                        |                    | 672.00            |              |
| Municipal Prosecutor                 | 433.28                          | 433.28                        |                    | 433.28            |              |
| Streets and Roads Maintenance        | 6,205.74                        | 6,205.74                      |                    | 6,205.74          |              |
| Solid Waste Collection               | 326.81                          | 326.81                        |                    | 326.81            |              |
| Public Health Services               | 121.76                          | 121.76                        |                    | 121.76            |              |
| Environmental Health Services        | 333.73                          | 333.73                        |                    | 333.73            |              |
| Welfare/Admin of Public Assistance   | 1.00                            | 1.00                          |                    | 1.00              |              |
| Recreation Services and Programs     | 500.98                          | 500.98                        |                    | 500.98            |              |
| Affordable Housing Agency            | 3,492.05                        | 3,492.05                      |                    | 3,492.05          |              |
| <u>OTHER EXPENSES</u>                |                                 |                               |                    |                   |              |
| General Administration               | 461.28                          | 461.28                        | 423.49             | 37.79             |              |
| Mayor and Committee                  | 85.00                           | 85.00                         |                    | 85.00             |              |
| Municipal Clerk                      | 1,035.10                        | 1,035.10                      | 707.61             | 327.49            |              |
| Financial Administration             | 1,377.85                        | 1,377.85                      | 500.00             | 877.85            |              |
| Revenue Administration               | 311.58                          | 311.58                        |                    | 311.58            |              |
| Tax Assessor                         | 6.56                            | 706.56                        | 775.00             |                   | 68.44        |
| Legal Services                       | 7,464.40                        | 7,464.40                      | 9,747.04           |                   | 2,282.64     |
| Agricultural Advisory Committee      | 150.00                          | 150.00                        |                    | 150.00            |              |
| Engineering Service                  | 359.50                          | 859.50                        | 690.00             | 169.50            |              |
| Historical Sites Office              | 235.79                          | 235.79                        | 40.00              | 195.79            |              |
| Planning Board                       | 2,631.50                        | 1,631.50                      | 492.00             | 1,139.50          |              |
| Zoning Board of Adjustments          | 2,810.42                        | 1,310.42                      | 30.00              | 1,280.42          |              |
| General Liability Insurance          | 564.00                          | 564.00                        |                    | 564.00            |              |
| Employee Group Health Insurance      | 7,660.23                        | 7,660.23                      | 324.00             | 7,336.23          |              |
| Office of Emergency Mgmt             | 500.00                          | 500.00                        |                    | 500.00            |              |
| Fire Prevention Bureau               | 169.25                          | 169.25                        | 54.39              | 114.86            |              |
| Municipal Court                      | 296.11                          | 1,296.11                      | 1,400.00           |                   | 103.89       |
| Streets and Roads Maintenance        | 12,948.41                       | 23,154.97                     | 2,123.10           | 21,031.87         |              |
| Solid Waste Collection               | 370.56                          | 370.56                        |                    | 370.56            |              |
| Vehicle Maintenance                  | 215.39                          | 515.39                        | 346.01             | 169.38            |              |
| Building and Grounds                 | 7,455.79                        | 7,455.79                      | 2,160.75           | 5,295.04          |              |
| Public Health Services               | 3,400.00                        | 3,400.00                      | 3,230.00           | 170.00            |              |
| Environmental Commission             | 370.00                          | 370.00                        |                    | 370.00            |              |
| Welfare/Admin of Public Assistance   | 72.76                           | 72.76                         |                    | 72.76             |              |
| Recreation Services and Programs     | 1,153.00                        | 1,153.00                      | 188.65             | 964.35            |              |
| Unclassified:                        |                                 |                               |                    |                   |              |
| Electricity                          | 2,036.63                        | 2,036.63                      | 1,097.21           | 939.42            |              |
| Street Lighting                      | 806.40                          | 806.40                        | 343.32             | 463.08            |              |
| Telephone                            | 2,337.17                        | 2,337.17                      | 53.66              | 2,283.51          |              |
| Heating Oil/ Gas                     | 2,387.85                        | 2,387.85                      | 567.52             | 1,820.33          |              |
| Gasoline and Diesel                  | 2,334.90                        | 2,334.90                      | 1,438.81           | 896.09            |              |
| Contribution To:                     |                                 |                               |                    |                   |              |
| FICA/OASI/Social Security            | 709.67                          | 709.67                        | 43.75              | 665.92            |              |
| Defined Contribution Retirement Plan | 96.96                           | 96.96                         | 51.44              | 45.52             |              |
| Compensation Plan-OE                 | 160.00                          | 160.00                        |                    | 160.00            |              |
| Miscellaneous Other- Permit          | 2,586.00                        | 2,586.00                      |                    | 2,586.00          |              |
| Affordable Housing Agency            | 500.00                          | 500.00                        |                    | 500.00            |              |
| Recycling Enhancement Act            | 52.80                           | 52.80                         |                    | 52.80             |              |
| Matching Funds for Grants            | 50.00                           | 50.00                         |                    | 50.00             |              |
|                                      | \$ 81,202.06                    | \$ 91,408.62                  | \$ 26,827.75       | \$ 67,035.84      | \$ 2,454.97  |
| REF.                                 | A                               |                               |                    | A-1               | A-29         |
| Reserves                             | A-24                            | \$ 81,202.06                  | \$                 |                   |              |
| Cash Disbursements                   | A-4                             |                               | 26,287.75          |                   |              |
| Encumbrances Payable                 | A-14                            |                               | 10,206.56          | 540.00            |              |
|                                      |                                 | \$ 91,408.62                  | \$ 26,827.75       |                   |              |

"A-25"

TOWNSHIP OF EAST AMWELL

CURRENT FUND

SCHEDULE OF FIRE DISTRICT TAXES PAYABLE

|                    | <u>REF.</u> |    |                   |
|--------------------|-------------|----|-------------------|
| Increased by:      |             |    |                   |
| 2013 Levy          | A-1:A-9     | \$ | 218,838.00        |
| Decreased by:      |             |    |                   |
| Cash Disbursements | A-4         | \$ | <u>218,838.00</u> |

"A-26"

GRANT FUND

SCHEDULE OF INTERFUNDS

|                            |     | <u>TOTAL</u>        | <u>CURRENT FUND</u> |
|----------------------------|-----|---------------------|---------------------|
| Increased by:              |     |                     |                     |
| Cash Receipts              | A-4 | \$ 26,089.41        | \$ 26,089.41        |
| Balance, December 31, 2013 | A   | \$ <u>26,089.41</u> | \$ <u>26,089.41</u> |

"A-27"

TOWNSHIP OF EAST AMWELL

CURRENT FUND

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES

|                            | <u>REF.</u> |                     |
|----------------------------|-------------|---------------------|
| Balance, December 31, 2012 | A           | \$ 22,300.00        |
| Balance, December 31, 2013 | A           | \$ <u>22,300.00</u> |

"A-28"

SCHEDULE OF TAX OVERPAYMENTS

|                    |     |                    |
|--------------------|-----|--------------------|
| Increased by:      |     |                    |
| Cash Receipts      | A-5 | \$ 2,669.37        |
| Decreased by:      |     |                    |
| Cash Disbursements | A-4 | \$ <u>2,669.37</u> |

TOWNSHIP OF EAST AMWELL

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

|                                  | <u>BALANCE</u><br><u>DECEMBER</u><br><u>31, 2012</u> | <u>ADDED IN</u><br><u>2013</u> | <u>DECREASED BY:</u><br><u>BUDGET</u><br><u>APPROPRIATION</u> | <u>BALANCE</u><br><u>DECEMBER</u><br><u>31, 2013</u> |
|----------------------------------|--|--------------------------------|---|--|
| Emergency Authorization          | \$ 30,000.00   | \$                             | \$ 30,000.00  | \$   |
| Special Emergency Authorization  | 50,000.00  |                                | 10,000.00   | 40,000.00  |
| Overexpenditure of Appropriation |  |                                |   |  |
| Reserves                         |  | 2,454.97                       |   | 2,454.97   |
|                                  | <u>\$ 80,000.00</u>                                  | <u>\$ 2,454.97</u>             | <u>\$ 40,000.00</u>   | <u>\$ 42,454.97</u>                                  |
| <u>REF.</u>                      | A  | A-24                           | A-3   | A  |

"A-30"

TOWNSHIP OF EAST AMWELL

CURRENT FUND

SCHEDULE OF GRANTS UNAPPROPRIATED

REF.

|                            |     |    |                  |
|----------------------------|-----|----|------------------|
| Balance, December 31, 2012 | A   | \$ | 17,407.00        |
| Decreased by:              |     |    |                  |
| Revenue Applied            | A-2 | \$ | <u>17,407.00</u> |

"A-31"

SCHEDULE OF SPECIAL EMERGENCY NOTES

|                            |     |    |                  |
|----------------------------|-----|----|------------------|
| Balance, December 31, 2012 | A   | \$ | 80,000.00        |
| Decreased by:              |     |    |                  |
| Cash Disbursements         | A-4 | \$ | <u>80,000.00</u> |

TOWNSHIP OF EAST AMWELL  
TRUST FUND  
SCHEDULE OF CASH-TREASURER

|                                   | <u>REF.</u> | <u>ANIMAL CONTROL</u>      | <u>OTHER</u>                  |
|-----------------------------------|-------------|----------------------------|-------------------------------|
| Balance, December 31, 2012        | B           | \$ 11,775.25               | \$ 1,628,996.20               |
| Increased by Receipts:            |             |                            |                               |
| Dog License Fees                  | B-2         | \$ 15,497.58               | \$                            |
| Due State of New Jersey           | B-3         | 1,998.60                   |                               |
| Various Reserves and Deposits     | B-4         |                            | 929,580.50                    |
| Due from Hunterdon County         | B-9         |                            | 24,564.78                     |
| Open Space Trust Fund             | B-6         |                            | 368,765.13                    |
| Interfunds                        | B-7:B-8     | <u>3,476.40</u>            | <u>43,383.21</u>              |
|                                   |             | \$ <u>20,972.58</u>        | \$ <u>1,366,293.62</u>        |
|                                   |             | \$ <u>32,747.83</u>        | \$ <u>2,995,289.82</u>        |
| Decreased by Disbursements:       |             |                            |                               |
| Expenditures Under R.S.4:19-15.11 | B-2         | \$ 17,993.89               | \$                            |
| Due State of New Jersey           | B-3         | 1,996.20                   |                               |
| Various Reserves and Deposits     | B-4         |                            | 1,016,812.36                  |
| Open Space Trust Fund             | B-6         |                            | 399,907.10                    |
| Interfunds                        | B-8         |                            | <u>269,932.77</u>             |
|                                   |             | <u>19,990.09</u>           | <u>1,686,652.23</u>           |
| Balance, December 31, 2013        | B           | \$ <u><u>12,757.74</u></u> | \$ <u><u>1,308,637.59</u></u> |

TOWNSHIP OF EAST AMWELL

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES

|                                    | <u>REF.</u> |    |                        |
|------------------------------------|-------------|----|------------------------|
| Balance, December 31, 2012         | B           | \$ | 11,765.25              |
| Increased by:                      |             |    |                        |
| Dog License Fees Collected         | B-1         |    | 15,497.58              |
|                                    |             | \$ | <u>27,262.83</u>       |
| Decreased by:                      |             |    |                        |
| Expenditures under R.S.4:19-15.11: |             |    |                        |
| Cash Disbursements                 | B-1         |    | <u>17,993.89</u>       |
| Balance, December 31, 2013         | B           | \$ | <u><u>9,268.94</u></u> |

| <u>LICENSE FEES COLLECTED</u> |    |                         |
|-------------------------------|----|-------------------------|
| <u>YEAR</u>                   |    | <u>AMOUNT</u>           |
| 2011                          | \$ | 14,258.20               |
| 2012                          |    | <u>15,000.20</u>        |
|                               | \$ | <u><u>29,258.40</u></u> |

SCHEDULE OF DUE STATE OF NEW JERSEY

|                            |     |    |                    |
|----------------------------|-----|----|--------------------|
| Increased by:              |     |    |                    |
| Cash Receipts              | B-1 | \$ | 1,998.60           |
| Decreased by:              |     |    |                    |
| Cash Disbursements         | B-1 |    | <u>1,996.20</u>    |
| Balance, December 31, 2013 | B   | \$ | <u><u>2.40</u></u> |

TOWNSHIP OF EAST AMWELL

TRUST FUND

SCHEDULE OF VARIOUS RESERVES AND DEPOSITS

|   | BALANCE<br>DECEMBER<br>31, 2012 | CASH<br>RECEIPTS     | CASH<br>DISBURSEMENTS  | BALANCE<br>DECEMBER<br>31, 2013 |
|---|---------------------------------|----------------------|------------------------|---------------------------------|
| Escrow Deposits                                     | \$ 275,741.42                   | \$ 28,743.95         | \$ 27,440.84           | \$ 277,044.53                   |
| Unemployment Compensation                           | 18,461.19                       | 2,192.95             |                        | 20,654.14                       |
| Housing Trust                                       | 112,421.18                      | 376.90               | 74,685.00              | 38,113.08                       |
| POAA  | 32.00                           |                      |                        | 32.00                           |
| Marion Clawson Memorial Park                        | 900.02                          |                      |                        | 900.02                          |
| Deposits for Redemption of Tax<br>Sale Certificates | 151.38                          | 116,103.85           | 108,855.23             | 7,400.00                        |
| Recreation  |                                 | 1,750.00             |                        | 1,750.00                        |
| Premiums Received at Tax Sale                       | 65,100.00                       |                      | 38,100.00              | 27,000.00                       |
| Public Defender                                     | 363.25                          | 239.75               | 269.50                 | 333.50                          |
| Historic Preservation                               | 500.00                          |                      |                        | 500.00                          |
| Snow Removal  | 7,500.00                        |                      |                        | 7,500.00                        |
| Payroll Agency                                      | 4,598.35                        | 774,405.12           | 769,396.29             | 9,607.18                        |
| Flexible Spending Plan                              | 2,047.65                        | 5,767.98             | 5,615.00               | 2,200.63                        |
|   | <u>\$ 487,816.44</u>            | <u>\$ 929,580.50</u> | <u>\$ 1,024,361.86</u> | <u>\$ 393,035.08</u>            |
|   | <u>REF.</u>                     | B                    | B-1                    | B                               |
| Cash Disbursements                                  |                                 |                      | \$ 1,016,812.36        |                                 |
| Encumbrances Payable                                |                                 |                      | <u>7,549.50</u>        |                                 |
|   |                                 |                      | <u>\$ 1,024,361.86</u> |                                 |

An analysis of the various reserves and deposits is on file in the Office of the Borough Treasurer.

"B-5"

TOWNSHIP OF EAST AMWELL

TRUST FUND

SCHEDULE OF ENCUMBRANCES - TRUST OTHER FUND

|  | <u>REF.</u> |    | <u>TOTAL</u>    |
|--|-------------|----|-----------------|
| Increased by                             |             |    |                 |
| Charges to Various Reserves and Deposits | B-4         | \$ | 7,549.50        |
| Balance, December 31, 2013               | B           | \$ | <u>7,549.50</u> |

"B-6"

RESERVE FOR OPEN SPACE TRUST FUND

|                            |     |    |                     |
|----------------------------|-----|----|---------------------|
| Balance, December 31, 2012 | B   | \$ | 1,190,219.86        |
| Increased by:              |     |    |                     |
| Levy                       |     | \$ | 269,082.77          |
| Interest earned            |     |    | 5,003.36            |
| Other                      |     |    | <u>94,679.00</u>    |
|                            | B-1 |    | <u>368,765.13</u>   |
|                            |     | \$ | <u>1,558,984.99</u> |
| Decreased by:              |     |    |                     |
| Cash Disbursements         | B-1 |    | <u>399,907.10</u>   |
| Balance, December 31, 2013 | B   | \$ | <u>1,159,077.89</u> |

TOWNSHIP OF EAST AMWELL

TRUST FUND

SCHEDULE OF INTERFUNDS - ANIMAL CONTROL TRUST FUND

|                                       | <u>REF.</u> | <u>TOTAL</u>              | <u>CURRENT<br/>FUND</u>   |
|---------------------------------------|-------------|---------------------------|---------------------------|
| Receipts                              | B-1         | \$ <u>3,476.40</u>        | \$ <u>3,476.40</u>        |
| Balance, December 31, 2013:<br>Due To | B           | \$ <u><u>3,476.40</u></u> | \$ <u><u>3,476.40</u></u> |

TOWNSHIP OF EAST AMWELL

TRUST FUND

SCHEDULE OF INTERFUNDS - TRUST OTHER FUND

|                             | <u>REF.</u> | <u>TOTAL</u>                | <u>CURRENT<br/>FUND</u>     |
|-----------------------------|-------------|-----------------------------|-----------------------------|
| Balance, December 31, 2012: |             |                             |                             |
| Due To                      | B           | \$ <u>859.90</u>            | \$ <u>859.90</u>            |
| Receipts                    | B-1         | 43,383.21                   | 43,383.21                   |
| Disbursements               | B-1         | <u>269,932.77</u>           | <u>269,932.77</u>           |
| Balance, December 31, 2013: |             |                             |                             |
| Due From                    | B           | \$ <u><u>225,689.66</u></u> | \$ <u><u>225,689.66</u></u> |

TOWNSHIP OF EAST AMWELL

TRUST FUND

SCHEDULE OF DUE FROM HUNTERDON COUNTY OPEN SPACE TRUST

|                               | <u>REF.</u> |    | <u>TOTAL</u>            |
|-------------------------------|-------------|----|-------------------------|
| Balance, December 31, 2012    | B           | \$ | 49,900.00               |
| Decreased by<br>Cash Received | B-1         |    | <u>24,564.78</u>        |
| Balance, December 31, 2013    | B           | \$ | <u><u>25,335.22</u></u> |

TOWNSHIP OF EAST AMWELL  
GENERAL CAPITAL FUND  
SCHEDULE OF CASH - TREASURER

|  | <u>REF.</u> |    |                          |
|--|-------------|----|--------------------------|
| Balance, December 31, 2012                   | C           | \$ | 517,820.55               |
| Increased by Receipts:                       |             |    |                          |
| Budget Appropriations:                       |             |    |                          |
| Capital Improvement Fund                     | C-9         | \$ | 23,300.00                |
| Deferred Charges to Future Taxation-Unfunded |             |    | 94,243.00                |
| Premium on Sale of Notes                     | C-1         |    | 4,774.00                 |
| Bond Anticipation Notes                      | C-8         |    | 934,000.00               |
| Interfunds                                   | C-4         |    | 764,244.03               |
|  |             |    | <u>1,820,561.03</u>      |
|  |             | \$ | <u>2,338,381.58</u>      |
| Decreased by Disbursements:                  |             |    |                          |
| Bond Anticipation Notes                      | C-8         | \$ | 630,000.00               |
| Fund Balance                                 | C-1         |    | 134,243.00               |
| Contracts Payable                            | C-6         |    | 124,845.59               |
| Miscellaneous Deposits                       | C-10        |    | 2,150.00                 |
| Interfunds                                   | C-4         |    | 1,056,317.00             |
|  |             |    | <u>1,947,555.59</u>      |
| Balance, December 31, 2013                   | C:C-3       | \$ | <u><u>390,825.99</u></u> |

"C-3"

TOWNSHIP OF EAST AMWELL

GENERAL CAPITAL FUND

ANALYSIS OF CASH

BALANCE  
DECEMBER  
31, 2013

|  |    |                          |
|--|----|--------------------------|
| Fund Balance   | \$ | 46,988.03                |
| Capital Improvement Fund   |    | 73,005.97                |
| Interfunds Receivable  |    | (292,071.92)             |
| Grants Receivable  |    | (40,000.00)              |
| Reserve For:   |    |                          |
| Contracts Payable  |    | 44,314.42                |
| Miscellaneous Deposits   |    | 57,267.28                |
| Improvement Authorizations Funded as Set Forth on "C-7"                        |    | 426,919.70               |
| Improvement Authorizations Expended as Set Forth on "C-5"                      |    | (325.15)                 |
| Unexpended Proceeds of Bond Anticipation Notes Issued as<br>Set Forth on "C-5" |    | <u>74,727.66</u>         |
|  | \$ | <u><u>390,825.99</u></u> |

REF.

C-2

TOWNSHIP OF EAST AMWELL

GENERAL CAPITAL FUND

SCHEDULE OF INTERFUNDS

|                             | <u>REF.</u> | <u>TOTAL</u>                | <u>CURRENT<br/>FUND</u>     |
|-----------------------------|-------------|-----------------------------|-----------------------------|
| Balance, December 31, 2012: |             |                             |                             |
| Due To                      | C           | \$ <u>1.05</u>              | \$ <u>1.05</u>              |
| Increased by:               |             |                             |                             |
| Receipts                    | C-2         | <u>764,244.03</u>           | <u>764,244.03</u>           |
| Decreased by:               |             |                             |                             |
| Disbursements               | C-2         | <u>1,056,317.00</u>         | <u>1,056,317.00</u>         |
| Balance, December 31, 2013: |             |                             |                             |
| Due From                    | C           | \$ <u><u>292,071.92</u></u> | \$ <u><u>292,071.92</u></u> |

TOWNSHIP OF EAST AMWELL

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

| ORDINANCE<br>NUMBER | IMPROVEMENT DESCRIPTION   | BALANCE<br>DECEMBER<br>31, 2013 | ANALYSIS OF BALANCE,<br>DECEMBER 31, 2013 |                  | UNEXPENDED<br>IMPROVEMENT<br>AUTHORIZATIONS |
|---------------------|---|---------------------------------|---|------------------|---|
|                     |   |                                 | BOND<br>ANTICIPATION<br>NOTES             | EXPENDITURES     |   |
| 2006-12             | Township Share of the Cost of Easements under the Farmland Program to be Undertaken Jointly with the County and the State | \$ 630,000.00                   | \$ 630,000.00                             | \$               | \$  |
| 2011-4              | Township Share of Acquisition of Development Easements in Two Farms   | 295,000.00                      | 190,000.00                                | 325.15           | 104,674.85                                  |
| 2013-02             | Acquisition of a Tractor/Boom Mower   | 114,000.00                      | 114,000.00                                |                  |   |
| 2013-07             | Acquisition of a Backhoe and Barn Garage Renovations  | <u>246,715.00</u>               |   |                  | <u>246,715.00</u>                           |
|                     |   | \$ <u>1,285,715.00</u>          | \$ <u>934,000.00</u>                      | \$ <u>325.15</u> | \$ <u>351,389.85</u>                        |
|                     |   | REF. C                          | C-8                                       | C-3              |   |
|                     | Improvement Authorizations-Unfunded   |                                 |   |                  | \$ 426,117.51                               |
|                     | Less: Unexpended Proceeds of Bond   |                                 |   |                  |   |
|                     | Anticipation Notes Ord. 2006-12 and 2013-02   |                                 |   |                  | <u>74,727.66</u>                            |
|                     |   |                                 |   |                  | \$ <u>351,389.85</u>                        |

TOWNSHIP OF EAST AMWELL

GENERAL CAPITAL FUND

SCHEDULE OF CONTRACTS PAYABLE

|                                       | <u>REF.</u> |    |                         |
|---------------------------------------|-------------|----|-------------------------|
| Balance, December 31, 2012            | C           | \$ | 47,109.57               |
| Increased by:                         |             |    |                         |
| Charges to Improvement Authorizations | C-7         | \$ | <u>122,050.44</u>       |
|                                       |             | \$ | 169,160.01              |
| Decreased by:                         |             |    |                         |
| Cash Disbursements                    | C-2         |    | <u>124,845.59</u>       |
| Balance, December 31, 2013            | C           | \$ | <u><u>44,314.42</u></u> |

TOWNSHIP OF EAST AMWELL  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

| ORDINANCE NUMBER      | IMPROVEMENT DESCRIPTION  | ORDINANCE DATE    | ORDINANCE AMOUNT | BALANCE DECEMBER 31, 2012 |               | 2013 AUTHORIZATIONS | PAID OR CHARGED | BALANCE DECEMBER 31, 2013 |               |
|-----------------------|--|-------------------|------------------|---------------------------|---------------|---------------------|-----------------|---------------------------|---------------|
|                       |  |                   |                  | FUNDED                    | UNFUNDED      |                     |                 | FUNDED                    | UNFUNDED      |
| General Improvements: |  |                   |                  |                           |               |                     |                 |                           |               |
| 2001-22               | Supplemental Appropriation for Phase 1 of Marion Clawson Memorial Park Development Project                               | 10/25/01          | \$ 350,000.00    | \$ 18,494.80              | \$            | \$                  | \$              | 18,494.80                 | \$            |
| 2005-11               | Purchase, Installation and Set-Up of Emergency Communications Equipment and Electrical Upgrade to the Municipal Building | 5/26/05           | 15,000.00        |                           |               |                     |                 | 13,675.98                 |               |
| 2005-12               | Clawson Park Barn Replacement  | 5/26/05           | 45,000.00        |                           |               |                     |                 | 42,305.68                 |               |
| 2005-14               | Clawson Historic House Roof and Exterior Stabilization   | 5/26/05           | 25,000.00        |                           |               |                     | 3,495.00        | 444.09                    |               |
| 2006-12               | Township Share of the Cost of Easements Under the Farmland Program to be   | 6/8/06            | 1,050,000.00     |                           | 65,683.87     |                     | 1,548.25        |                           | 64,135.62     |
| 2007-13               | Supplemental Appropriation for Barn Replacement at the Marion Clawson Memorial   | 7/19/07           | 15,000.00        |                           |               |                     |                 | 15,000.00                 |               |
| 2008-15               | Various Municipal Building Repairs and Improvements  | 10/9/08           | 66,000.00        |                           |               |                     |                 | 18,545.63                 |               |
| 2010-20               | Purchase of Speed Limit Road Signs for Various Township Roads  | 12/9/10           | 6,000.00         |                           |               |                     |                 | 5,930.91                  |               |
| 2011-03               | Acquisition of an Interest in Real Property B21, L1 and B20, L17.01  | 2/10/11           | 435,000.00       |                           |               |                     |                 | 2,367.85                  |               |
| 2011-04 & 2012-12     | Township Share of Acquisition of Development Easement in Two Farms   | 2/24/11 & 11/8/12 | 310,000.00       |                           |               |                     | 465.65          |                           | 104,674.85    |
| 2011-09               | Overlay of Lindbergh Road  | 5/12/11           | 65,000.00        |                           |               |                     |                 | 24,289.74                 |               |
| 2011-10               | Leveling and Subgrade Reconstruction of Various Township Roads   | 5/12/11           | 76,000.00        |                           |               |                     |                 | 46,589.24                 |               |
| 2012-04               | Acquisition of, or Contribution to the Purchase of Real Estate B27, L53 and L53.01                                       | 5/10/12           | 260,000.00       |                           |               |                     |                 | 215,985.22                |               |
| 2012-06               | Leveling and Sub Grade Reconstruction of Various Township Roads  | 6/14/12           | 76,000.00        |                           |               |                     | 7,133.58        | 1,710.92                  |               |
| 2012-08               | Purchase and Install Computer Equipment and Software for the Finance Dept.   | 10/11/12          | 15,000.00        |                           |               |                     |                 | 2,866.71                  |               |
| 2012-13               | Purchase Dump Truck for the Public Works Department  | 11/8/12           | 70,000.00        |                           |               |                     |                 | 2,764.00                  |               |
| 2012-14               | Purchase Mower for the Public Works Department   | 11/8/12           | 35,000.00        |                           |               |                     |                 | 2,220.00                  |               |
| 2012-17               | Acquisition of, or Contribution to Purchase Real Property B35, L51 and 52  | 12/13/12          | 24,600.00        |                           |               |                     |                 | 445.46                    |               |
| 2012-18               | Acquisition of, or Contribution to Purchase Real Property B31, L1 and 14.01  | 12/13/12          | 185,000.00       |                           |               |                     |                 | 298.47                    |               |
| 2013-02               | Acquisition of a Tractor/Boom Mower  | 2/14/13           | 120,000.00       |                           |               | 120,000.00          | 109,407.96      |                           | 10,592.04     |
| 2013-07               | Acquisition of a Backhoe and Barn Garage Renovations   | 10/10/13          | 259,700.00       |                           |               | 259,700.00          |                 | 12,985.00                 | 246,715.00    |
|                       |  |                   |                  | \$ 424,563.28             | \$ 170,824.37 | \$ 379,700.00       | \$ 122,050.44   | \$ 426,919.70             | \$ 426,117.51 |
|                       |  |                   |                  | REF.                      | C             | C                   | C-6             | C-C-3                     | C-C-5         |
|                       | Capital Improvement Fund   |                   |                  | C-9                       |               | \$ 18,985.00        |                 |                           |               |
|                       | Deferred Charges to Future Taxation - Unfunded   |                   |                  |                           |               | 360,715.00          |                 |                           |               |
|                       |  |                   |                  |                           |               | \$ 379,700.00       |                 |                           |               |

TOWNSHIP OF EAST AMWELL  
GENERAL CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES

| <u>ORDINANCE</u> | <u>IMPROVEMENT DESCRIPTION</u>  | <u>DATE OF<br/>ISSUE OF<br/>ORIGINAL<br/>NOTE</u> | <u>DATE OF<br/>ISSUE</u> | <u>DATE OF<br/>MATURITY</u> | <u>INTEREST<br/>RATE</u> | <u>BALANCE<br/>DECEMBER<br/>31, 2012</u> | <u>INCREASED</u>     | <u>DECREASED</u>     | <u>BALANCE<br/>DECEMBER<br/>31, 2013</u> |
|------------------|---|---|--------------------------|-----------------------------|--------------------------|--|----------------------|----------------------|--|
| 2006-12          | Township Share of the Cost of Easements under the Farmland Program to be Undertaken Jointly with the County and State | 5/22/07   | 5/20/12<br>5/16/13       | 5/18/13<br>5/16/14          | 1.10%<br>1.50%           | \$ 670,000.00                            | \$ 630,000.00        | \$ 670,000.00        | \$ 630,000.00                            |
| 2012-12          | Township Share of Development Easements in Two Farms  | 5/16/13   | 5/16/13                  | 5/16/14                     | 1.50%                    |  | 190,000.00           |                      | 190,000.00                               |
| 2013-02          | Acquisition of a Tractor/Boom Mower   | 2/14/13   | 5/16/13                  | 5/16/14                     | 1.50%                    |  | 114,000.00           |                      | 114,000.00                               |
|                  |   |   |                          |                             |                          | <u>\$ 670,000.00</u>                     | <u>\$ 934,000.00</u> | <u>\$ 670,000.00</u> | <u>\$ 934,000.00</u>                     |
|                  |   |   |                          |                             |                          | <u>REF.</u>                              | C                    | C-2                  | C:C-5                                    |
|                  |   |   |                          |                             | Paid by Budget           |  |                      | \$ 40,000.00         |  |
|                  |   |   |                          |                             | Cash Disbursements       | C-2                                      |                      | <u>630,000.00</u>    |  |
|                  |   |   |                          |                             |                          |  |                      | <u>\$ 670,000.00</u> |  |

TOWNSHIP OF EAST AMWELL

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

|  | <u>REF.</u> |                            |
|--|-------------|----------------------------|
| Balance, December 31, 2012                             | C           | \$ 68,690.97               |
| Increased by:  |             |                            |
| 2013 Budget Appropriation                              | C-2         | <u>23,300.00</u>           |
|  |             | \$ <u>91,990.97</u>        |
| Decreased by:  |             |                            |
| Appropriation to Finance<br>Improvement Authorizations | C-7         | <u>18,985.00</u>           |
| Balance, December 31, 2013                             | C           | \$ <u><u>73,005.97</u></u> |

TOWNSHIP OF EAST AMWELL

GENERAL CAPITAL FUND

SCHEDULE OF MISCELLANEOUS DEPOSITS

|   | BALANCE<br>DECEMBER<br>31, 2012 | CASH<br>DISBURSEMENTS | BALANCE<br>DECEMBER<br>31, 2013 |
|---|---------------------------------|-----------------------|---------------------------------|
| Reserve for:  | \$                              | \$                    | \$                              |
| Farmland Preservation and/or Open Space                 | 2,628.78                        | 2,150.00              | 478.78                          |
| Preservation Plan for the Homestead at Clawson Park     | 4,555.00                        |                       | 4,555.00                        |
| Purchase of Tax Liens for Future Open Space Acquisition | 5,000.00                        |                       | 5,000.00                        |
| Future Road Projects                                    | 4,743.00                        |                       | 4,743.00                        |
| Pedestrian Improvements for Village of Ringoes          | 2,490.50                        |                       | 2,490.50                        |
| Fair Housing Loans Receivable                           | 40,000.00                       |                       | 40,000.00                       |
|   | <u>59,417.28</u>                | <u>2,150.00</u>       | <u>57,267.28</u>                |
|   | \$                              | \$                    | \$                              |
| <u>REF.</u>   | C                               | C-2                   | C                               |

TOWNSHIP OF EAST AMWELL

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES  
TO FUTURE TAXATION - FUNDED

|                             | <u>REF.</u> |                  |                               |
|-----------------------------|-------------|------------------|-------------------------------|
| Balance, December 31, 2012  | C           |                  | \$ 4,251,340.09               |
| Decreased by:               |             |                  |                               |
| Serial Bonds Paid by Budget | C-13        | \$ 380,000.00    |                               |
| Loans Paid by Budget        | C-12        | <u>27,851.73</u> |                               |
|                             |             |                  | <u>407,851.73</u>             |
| Balance, December 31, 2013  | C           |                  | \$ <u><u>3,843,488.36</u></u> |



TOWNSHIP OF EAST AMWELL

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL SERIAL BONDS

| <u>PURPOSE</u>              | <u>DATE OF ISSUE</u> | <u>AMOUNT OF ORIGINAL ISSUE</u> | <u>MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2013</u> |               | <u>INTEREST RATE</u> | <u>BALANCE DECEMBER 31, 2012</u> | <u>DECREASED</u>     | <u>BALANCE DECEMBER 31, 2013</u> |
|-----------------------------|----------------------|---------------------------------|--|---------------|----------------------|----------------------------------|----------------------|----------------------------------|
|                             |                      |                                 | <u>DATE</u>  | <u>AMOUNT</u> |                      |                                  |                      |                                  |
| General Improvement of 2003 | 2/15/03              | \$ 2,820,000.00                 | 2/15/14-15   | \$ 135,000.00 | 3.80%                | \$ 1,840,000.00                  | \$ 135,000.00        | \$ 1,705,000.00                  |
|                             |                      |                                 | 2/15/16  | 155,000.00    | 3.90%                |                                  |                      |                                  |
|                             |                      |                                 | 2/15/17  | 155,000.00    | 4.00%                |                                  |                      |                                  |
|                             |                      |                                 | 2/15/18  | 155,000.00    | 4.05%                |                                  |                      |                                  |
|                             |                      |                                 | 2/15/19  | 180,000.00    | 4.10%                |                                  |                      |                                  |
|                             |                      |                                 | 2/15/20  | 190,000.00    | 4.20%                |                                  |                      |                                  |
|                             |                      |                                 | 2/15/21  | 200,000.00    | 4.25%                |                                  |                      |                                  |
|                             |                      |                                 | 2/15/22  | 200,000.00    | 4.30%                |                                  |                      |                                  |
|                             |                      |                                 | 2/15/23  | 200,000.00    | 4.40%                |                                  |                      |                                  |
| 2010 Refunding Bonds        | 8/31/10              | 2,405,000.00                    | 3/1/14   | 265,000.00    | 3.00%                | <u>2,055,000.00</u>              | <u>245,000.00</u>    | <u>1,810,000.00</u>              |
|                             |                      |                                 | 3/1/15   | 260,000.00    | 3.00%                |                                  |                      |                                  |
|                             |                      |                                 | 3/1/16-17  | 275,000.00    | 4.00%                |                                  |                      |                                  |
|                             |                      |                                 | 3/1/18   | 270,000.00    | 2.375%               |                                  |                      |                                  |
|                             |                      |                                 | 3/1/19   | 160,000.00    | 2.625%               |                                  |                      |                                  |
|                             |                      |                                 | 3/1/20   | 155,000.00    | 2.75%                |                                  |                      |                                  |
|                             |                      |                                 | 3/1/21   | 150,000.00    | 3.00%                |                                  |                      |                                  |
|                             |                      |                                 |  |               |                      | <u>\$ 3,895,000.00</u>           | <u>\$ 380,000.00</u> | <u>\$ 3,515,000.00</u>           |
|                             |                      |                                 |  |               | <u>REF.</u>          | C                                |                      | C                                |
| Bonds Paid by Budget        |                      |                                 |  |               | C-11                 |                                  | <u>\$ 380,000.00</u> |                                  |

TOWNSHIP OF EAST AMWELL

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

| <u>ORDINANCE<br/>NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u>   |    | <u>BALANCE<br/>DECEMBER<br/>31, 2013</u> |
|-----------------------------|--|----|--|
| 2011-04                     | Township Share of Acquisition of Development<br>Easements in Two Farms | \$ | 105,000.00                               |
| 2013-07                     | Acquisition of a Backhoe and Barn Garage Renovations                   |    | <u>246,715.00</u>                        |
|                             |  | \$ | <u><u>351,715.00</u></u>                 |

TOWNSHIP OF EAST AMWELL

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH - TREASURER

|                            | <u>REF.</u> | <u>P.A.T.F.<br/>II</u>     | <u>FUND<br/>TOTAL</u>      |
|----------------------------|-------------|----------------------------|----------------------------|
| Balance, December 31, 2012 | E           | \$ <u>45,366.40</u>        | \$ <u>45,366.40</u>        |
| Increased by:              |             |                            |                            |
| State Aid                  |             | \$ 107,400.00              | \$ 107,400.00              |
| Voided Checks              |             | 5,005.00                   | 5,005.00                   |
| Interest Earned            |             | 85.93                      | 85.93                      |
|                            | E-4         | \$ <u>112,490.93</u>       | \$ <u>112,490.93</u>       |
| Decreased by:              |             |                            |                            |
| 2013 Assistance            | E-5         | \$ <u>129,120.55</u>       | \$ <u>129,120.55</u>       |
| Balance, December 31, 2013 | E           | \$ <u><u>28,736.78</u></u> | \$ <u><u>28,736.78</u></u> |

TOWNSHIP OF EAST AMWELL

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH AND  
RECONCILIATION PER N.J.S.A. 40A:5-5

|                             | <u>REF.</u> |    |                         |
|-----------------------------|-------------|----|-------------------------|
| Balance, December 31, 2013  | E-1         | \$ | 28,736.78               |
| Increased by:               |             |    |                         |
| Cash Receipts               |             |    | 49,428.38               |
|                             |             | \$ | <u>78,165.16</u>        |
| Decreased by Disbursements: |             |    |                         |
| 2014 Assistance             |             |    | <u>41,244.00</u>        |
| Balance, August 31, 2014    |             | \$ | <u><u>36,921.16</u></u> |

| <u>RECONCILIATION - AUGUST 31, 2014</u>  | <u>P.A.T.F. II<br/>ACCOUNT</u> |    | <u>TOTAL</u>            |
|--|--------------------------------|----|-------------------------|
| Balance on Deposit per Statement of:<br>Hopewell Valley Community Bank<br>Account # 6000004959 | \$ 38,015.16                   | \$ | 38,015.16               |
| Less:  |                                |    |                         |
| Outstanding Checks   | <u>1,094.00</u>                |    | <u>1,094.00</u>         |
| Balance, August 31, 2014   | \$ <u><u>36,921.16</u></u>     | \$ | <u><u>36,921.16</u></u> |

TOWNSHIP OF EAST AMWELL

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE CASH AND  
RECONCILIATION AS OF DECEMBER 31, 2013

|                             | <u>REF.</u> |    |                         |
|-----------------------------|-------------|----|-------------------------|
| Balance, December 31, 2012  | E-1         | \$ | 45,366.40               |
| Increased by Receipts:      |             |    |                         |
| State Aid                   |             | \$ | 107,400.00              |
| Voided Checks               |             |    | 5,005.00                |
| Interest Earned             |             |    | 85.93                   |
|                             | E-4         |    | <u>112,490.93</u>       |
|                             |             | \$ | <u>157,857.33</u>       |
| Decreased by Disbursements: |             |    |                         |
| 2013 Assistance             | E-5         |    | <u>129,120.55</u>       |
| Balance, December 31, 2013  | E-1         | \$ | <u><u>28,736.78</u></u> |

| <u>RECONCILIATION - DECEMBER 31, 2013</u>  | <u>P.A.T.F. II<br/>ACCOUNT</u> | <u>TOTAL</u>               |
|--|--------------------------------|----------------------------|
| Balance on Deposit per Statement of:<br>Hopewell Valley Community Bank<br>Account # 6000004959 | \$ 39,500.78                   | \$ 39,500.78               |
| Less:<br>Outstanding Checks  | <u>10,764.00</u>               | <u>10,764.00</u>           |
| Balance, December 31, 2013   | <u><u>\$ 28,736.78</u></u>     | <u><u>\$ 28,736.78</u></u> |

"E-4"

TOWNSHIP OF EAST AMWELL

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF PUBLIC ASSISTANCE REVENUES

YEAR ENDED DECEMBER 31, 2013

|                       | <u>P.A.T.F. II</u>          | <u>FUND TOTAL</u>           |
|-----------------------|-----------------------------|-----------------------------|
| State Aid Payments    | \$ 107,400.00               | \$ 107,400.00               |
| Voided Checks         | 5,005.00                    | 5,005.00                    |
| Interest Earned       | 85.93                       | 85.93                       |
|                       | <u>                    </u> | <u>                    </u> |
| <u>TOTAL REVENUES</u> | <u>\$ 112,490.93</u>        | <u>\$ 112,490.93</u>        |

REF.

E-1

"E-5"

SCHEDULE OF PUBLIC ASSISTANCE EXPENDITURES

YEAR ENDED DECEMBER 31, 2013

|   | <u>P.A.T.F. II</u>          | <u>FUND TOTAL</u>           |
|---|-----------------------------|-----------------------------|
| Payments for Current Year Assistance<br>(Reported): |                             |                             |
| Maintenance Payments                                | \$ 23,709.00                | \$ 23,709.00                |
| Other:  |                             |                             |
| Emergency Assistance                                | 25,775.00                   | 25,775.00                   |
| Transportation                                      | 20.00                       | 20.00                       |
| Transient   | 465.55                      | 465.55                      |
| Temporary Rental Assistance                         | 79,221.00                   | 79,221.00                   |
| Recoupment Amount                                   | (70.00)                     | (70.00)                     |
|   | <u>                    </u> | <u>                    </u> |
| <u>Total Payments Reported</u>                      | <u>\$ 129,120.55</u>        | <u>\$ 129,120.55</u>        |
| <u>TOTAL EXPENDITURES (P.A.T.F.)</u>                | <u>\$ 129,120.55</u>        | <u>\$ 129,120.55</u>        |

REF.

E-1

PART II

REPORTS 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

SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

SCHEDULE OF FINDINGS  
REPORTED UNDER GOVERNMENT AUDITING STANDARDS



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@senco.com](mailto:info@senco.com)

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

Honorable Mayor and Members  
of the Township Committee  
Township of East Amwell  
County of Hunterdon  
Ringoos, New Jersey 08551

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory basis financial statements of the various individual funds and account group of the Township of East Amwell, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements, and have issued our report thereon October 14, 2014. Our report disclosed that, as described in Note 1 to the financial statements, the Township of East Amwell prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

***Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Township's regulatory financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, there were immaterial instances of noncompliance which are discussed in Part III, General Comments and Recommendations of the audit report.

**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 of East Amwell'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 of East Amwell's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 50

October 14, 2014

TOWNSHIP OF EAST AMWELL

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 YEAR ENDED DECEMBER 31, 2013

| FEDERAL GRANTOR/PASS THROUGH<br>GRANTOR/PROGRAM TITLE   | FEDERAL<br>CFDA<br>NUMBER | STATE ACCOUNT NUMBER | GRANT PERIOD |          | GRANT<br>AWARD<br>AMOUNT | 2013<br>RECEIVED | 2013<br>EXPENDITURES | CUMULATIVE<br>EXPENDITURES<br>DECEMBER<br>31, 2013 |
|---|---------------------------|----------------------|--------------|----------|--------------------------|------------------|----------------------|--|
|   |                           |                      | FROM         | TO       |                          |                  |                      |  |
| Department of Homeland Security<br>Public Assistance for Presidentially Declared<br>Disasters - Passed Through the New Jersey Office<br>of Emergency Management | 97.036                    | N/A                  | 01/01/13     | 12/31/13 | \$ 54,143.08             | \$ 54,143.08     | \$ 54,143.08         | \$ 54,143.08                                       |
| Totals  |                           |                      |              |          | \$                       | \$ 54,143.08     | \$ 54,143.08         | \$ 54,143.08                                       |

TOWNSHIP OF EAST AMWELL

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL AWARDS  
YEAR ENDED DECEMBER 31, 2013

| STATE GRANTOR/PROGRAM TITLE                   | STATE ACCOUNT NUMBER            | GRANT PERIOD   |            | GRANT AWARD AMOUNT | 2013 FUNDS RECEIVED | 2013 EXPENDITURES | CUMULATIVE EXPENDITURES DECEMBER 31, 2013 |
|---|---------------------------------|----------------|------------|--------------------|---------------------|-------------------|---|
|   |                                 | FROM           | TO         |                    |                     |                   |   |
| <u>Department of Environmental Protection</u> |                                 |                |            |                    |                     |                   |   |
| Clean Communities Program                     | 4900-765-042-4900-004-VCMC-6020 | 1/1/2012       | 12/31/2012 | \$ 11,547.26       | \$                  | \$ 6,297.68       | \$ 11,535.29                              |
| Clean Communities Program                     | 4900-765-042-4900-004-VCMC-6020 | 1/1/2013       | 12/31/2013 | 11,547.26          | 11,547.26           | 1,180.79          | 1,180.79                                  |
| Clean Communities Program                     | 4900-765-042-4900-004-VCMC-6020 | Unappropriated |            | 2,010.16           | 2,010.16            |                   |   |
| Recycling Tonnage Grant                       | 4900-752-042-4900-001-V42Y-6020 | Unappropriated |            | 3,019.31           | 3,019.31            |                   |   |
| Recycling Tonnage Grant                       | 4900-752-042-4900-001-V42Y-6020 | 1/1/2012       | 12/31/2012 | 1,566.70           |                     | 1,566.70          | 1,566.70                                  |
| Recycling Tonnage Grant                       | 4900-752-042-4900-001-V42Y-6020 | 1/1/2013       | 12/31/2013 | 2,393.94           |                     | 2,393.94          | 2,393.94                                  |
| SNJEDA - Hazardous Discharge Site Remediation | P19484                          | Continuous     |            | 184,040.00         |                     | 2,637.50          | 149,325.19                                |
|   |                                 |                |            |                    | \$ 16,576.73        | \$ 14,076.61      | \$ 166,001.91                             |
| <u>Department of Transportation</u>           |                                 |                |            |                    |                     |                   |   |
| Pedestrian Safety for Village of Ringoes      | 6320-480-078-6320-AJB-TCAP-6010 | Continuous     |            | 180,000.00         | \$ 94,519.50        | \$ 79,571.60      | \$ 79,571.60                              |
|   |                                 |                |            |                    | \$ 94,519.50        | \$ 79,571.60      | \$ 79,571.60                              |
| <u>Department of Law and Public Safety</u>    |                                 |                |            |                    |                     |                   |   |
| State & Local All Hazards Emergency Operating | 1200-100-066-1200-845-YEMR-6120 | 1/1/2004       | 12/31/2004 | 2,405.72           | \$                  | \$                | \$ 1,666.48                               |
|   |                                 |                |            |                    | \$ -                | \$ -              | \$ 1,666.48                               |
| <u>Department of Human Services</u>           |                                 |                |            |                    |                     |                   |   |
| Public Assistance-State Share 100%            | 7550-100-054-7550-121-LLLL-6020 | 1/1/2013       | 12/31/2013 | 129,120.55         | \$ 107,400.00       | \$ 129,120.55     | \$ 129,120.55                             |
| <u>Department of Community Affairs</u>        |                                 |                |            |                    |                     |                   |   |
| ANJEC Grant - State Share                     | N/A                             | 1/1/2013       | 12/31/2013 | 1,500.00           | \$ 1,000.00         | \$ 812.96         | \$ 812.96                                 |
| ANJEC Grant - State Share                     | N/A                             | 1/1/2008       | 12/31/2008 | 1,400.00           |                     |                   | 1,212.44                                  |
|   |                                 |                |            |                    | \$ 1,000.00         | \$ 812.96         | \$ 2,025.40                               |
| <u>GRAND TOTAL</u>                            |                                 |                |            |                    | \$ 219,496.23       | \$ 223,581.72     | \$ 378,385.94                             |

TOWNSHIP OF EAST AMWELL

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 2013

NOTE 1. GENERAL

The accompanying schedules of expenditures of financial awards present the activity of all federal and state financial award programs of the Township of East Amwell, County of Hunterdon, New Jersey. All federal and state awards received directly from federal or state agencies, as well as federal financial awards passed through other government agencies is included on the Schedules of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards are presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting, other than generally accepted accounting principles. The basis of accounting, with exception, is described in Note 1 to the Township's financial statements - regulatory basis.

NOTE 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - REGULATORY BASIS

Amounts reported in the accompanying schedules agree with amounts reported in the Township's regulatory basis financial statements. These amounts are reported in either the Current Fund, Grant Fund, General Capital Fund, Trust Other Fund or Public Assistance Trust Fund.

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS- REGULATORY BASIS (CONTINUED)

Revenues:

|                              | <u>Federal</u>              | <u>State</u>         | <u>Total</u>         |
|------------------------------|-----------------------------|----------------------|----------------------|
| Current Fund                 | \$ 54,143.08                | \$                   | \$ 54,143.08         |
| Grant Fund                   |                             | 112,096.23           | 112,096.23           |
| Public Assistance Trust Fund | <u>                    </u> | <u>107,400.00</u>    | <u>107,400.00</u>    |
|                              | <u>\$ 54,143.08</u>         | <u>\$ 219,496.23</u> | <u>\$ 273,639.31</u> |

Expenditures:

|                              | <u>Federal</u>              | <u>State</u>         | <u>Total</u>         |
|------------------------------|-----------------------------|----------------------|----------------------|
| Current Fund                 | \$ 54,143.08                | \$                   | \$ 54,143.08         |
| Grant Fund                   |                             | 94,461.17            | 94,461.17            |
| Public Assistance Trust Fund | <u>                    </u> | <u>129,120.55</u>    | <u>129,120.55</u>    |
|                              | <u>\$ 54,143.08</u>         | <u>\$ 223,581.72</u> | <u>\$ 277,724.80</u> |

NOTE 5. OTHER

Matching contributions expended by the Township in accordance with terms of the various grants are not reported in the accompanying schedule.

**THIS PAGE INTENTIONALLY LEFT BLANK**

PART III

TOWNSHIP OF EAST AMWELL

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2013

COMPARATIVE STATEMENTS OF OPERATIONS AND  
CHANGE IN FUND BALANCE - CURRENT FUND

|  | YEAR 2013               |                | YEAR 2012               |                |
|--|-------------------------|----------------|-------------------------|----------------|
|  | AMOUNT                  | %              | AMOUNT                  | %              |
| <u>REVENUE AND OTHER INCOME REALIZED</u>   |                         |                |                         |                |
| Fund Balance Utilized  | \$ 111,490.00           | 0.68%          | \$ 161,000.00           | 1.00%          |
| Miscellaneous - from other than Local<br>Property Tax Levies   | 1,192,812.13            | 7.28%          | 921,942.85              | 5.71%          |
| Collection of Delinquent Taxes and<br>Tax Title Liens  | 229,891.74              | 1.40%          | 238,866.39              | 1.48%          |
| Collection of Current Tax Levy   | 14,849,769.51           | 90.64%         | 14,824,469.74           | 91.81%         |
| <u>Total Income</u>  | <u>\$ 16,383,963.38</u> | <u>100.00%</u> | <u>\$ 16,146,278.98</u> | <u>100.00%</u> |
| <u>EXPENDITURES</u>  |                         |                |                         |                |
| Budget Expenditures  | \$ 2,310,421.63         | 14.21%         | \$ 2,210,094.16         | 13.70%         |
| County Taxes   | 2,736,376.84            | 16.83%         | 2,776,630.48            | 17.21%         |
| Local and Regional School Taxes  | 10,694,778.00           | 65.78%         | 10,602,961.90           | 65.71%         |
| Fire District Tax  | 218,838.00              | 1.35%          | 214,547.00              | 1.33%          |
| Municipal Open Space Taxes   | 269,082.77              | 1.66%          | 316,015.46              | 1.96%          |
| Other Expenditures   | 28,699.00               | 0.18%          | 15,130.18               | 0.10%          |
| <u>Total Expenditures</u>  | <u>\$ 16,258,196.24</u> | <u>100.00%</u> | <u>\$ 16,135,379.18</u> | <u>100.00%</u> |
| Excess in Revenue  | \$ 125,767.14           |                | \$ 10,899.80            |                |
| Adjustments to Income before Fund Balance<br>Expenditures Included above which are by Statute<br>Deferred Charges to the Budget of the Succeeding Year |                         |                | 80,000.00               |                |
| Statutory Excess to Fund Balance   | \$ 125,767.14           |                | \$ 90,899.80            |                |
| Fund Balance, January 1  | 281,693.01              |                | 351,793.21              |                |
|  | \$ 407,460.15           |                | \$ 442,693.01           |                |
| Less: Utilization as Anticipated Revenue   | 111,490.00              |                | 161,000.00              |                |
| Fund Balance, December 31  | <u>\$ 295,970.15</u>    |                | <u>\$ 281,693.01</u>    |                |

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

|                             | <u>2013</u>    | <u>2012</u>    | <u>2011</u>    |
|-----------------------------|----------------|----------------|----------------|
| Tax Rate                    | <u>\$2.257</u> | <u>\$1.913</u> | <u>\$1.926</u> |
| Apportionments of Tax Rate: |                |                |                |
| Municipal                   | \$0.184        | \$0.150        | \$0.150        |
| Municipal Open Space        | 0.040          | 0.039          | 0.039          |
| County                      | 0.340          | 0.293          | 0.298          |
| County Library              | 0.034          | 0.030          | 0.026          |
| County Open Space           | 0.034          | 0.030          | 0.031          |
| District School             | 1.008          | 0.845          | 0.839          |
| Regional School             | 0.584          | 0.498          | 0.519          |
| Fire District               | <u>0.033</u>   | <u>0.028</u>   | <u>0.024</u>   |

ASSESSED VALUATIONS

|      |                         |                         |
|------|-------------------------|-------------------------|
| 2013 | <u>\$671,892,013.00</u> |                         |
| 2012 |                         | <u>\$788,489,475.00</u> |
| 2011 |                         | <u>\$787,964,523.00</u> |

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.

| <u>YEAR</u> | <u>TAX LEVY</u> | <u>CURRENTLY</u>        |                                 |
|-------------|-----------------|-------------------------|---------------------------------|
|             |                 | <u>CASH COLLECTIONS</u> | <u>PERCENTAGE OF COLLECTION</u> |
| 2013        | \$15,182,176.78 | \$14,849,769.51         | 97.81%                          |
| 2012        | \$15,139,055.80 | \$14,824,469.74         | 97.92%                          |
| 2011        | \$15,237,104.61 | \$14,960,952.81         | 98.19%                          |

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.

| <u>YEAR</u> | <u>AMOUNT OF TAX TITLE LIENS</u> | <u>AMOUNT OF DELINQUENT TAXES</u> | <u>TOTAL DELINQUENT</u> | <u>PERCENTAGE OF TAX LEVY</u> |
|-------------|----------------------------------|-----------------------------------|-------------------------|-------------------------------|
| 2013        | \$19,259.21                      | \$371,563.40                      | \$390,822.61            | 2.57%                         |
| 2012        | \$4,978.51                       | \$282,755.99                      | \$287,734.50            | 1.90%                         |
| 2011        | \$4,738.14                       | \$263,363.02                      | \$268,101.16            | 1.76%                         |

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

| <u>YEAR</u> | <u>AMOUNT</u> |
|-------------|---------------|
| 2013        | \$22,300.00   |
| 2012        | \$22,300.00   |
| 2011        | \$22,300.00   |

COMPARATIVE SCHEDULE OF FUND BALANCES

| <u>YEAR</u>       | <u>BALANCE DECEMBER 31</u> | <u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u> |
|-------------------|----------------------------|--|
| 2013              | \$295,970.15               | \$129,000.00                                 |
| 2012              | \$281,693.01               | \$111,490.00                                 |
| CURRENT FUND 2011 | \$351,793.21               | \$161,000.00                                 |
| 2010              | \$326,979.09               | \$100,000.00                                 |
| 2009              | \$380,834.78               | \$230,300.00                                 |

OFFICIALS IN OFFICE AND SURETY BONDS

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

| <u>NAME</u>           | <u>TITLE</u>  | <u>AMOUNT OF BOND</u> | <u>SURETY COMPANY</u> |
|-----------------------|---|-----------------------|-----------------------|
| Peter Kneski          | Mayor   |                       |                       |
| Dart Sageser          | Deputy Mayor  |                       |                       |
| Patricia Cregar       | Committeeperson   |                       |                       |
| Timothy Mathews       | Committeeperson   |                       |                       |
| David Wang-Iverson    | Committeeperson   |                       |                       |
| Timothy Matheny       | Township Administrator                                  |                       |                       |
| Teresa Stahl          | Municipal Clerk, Registrar of Vital Statistics          | *                     |                       |
| Pamela Dymek          | Deputy Clerk, Deputy Registrar, Assistant Tax Collector | *                     |                       |
| Nicola Trasente       | Chief Municipal Finance Officer 3/21/13 to 9/21/13      | 1,000,000.00          | M.E.L.J.I.F           |
| Ulrich Steinberg      | Chief Municipal Finance Officer from 10/10/13           | 1,000,000.00          | M.E.L.J.I.F           |
| Christine Rosikiewicz | Assistant Treasurer, Board of Health Secretary          | *                     |                       |
| Mary Hyland           | Tax Collector, Tax Search Officer                       | 1,000,000.00          | M.E.L.J.I.F           |
| Marianne Busher       | Tax Assessor  |                       |                       |

OFFICIALS IN OFFICE AND SURETY BONDS (CONTINUED)

| <u>NAME</u>     | <u>TITLE</u>        | <u>AMOUNT OF BOND</u> | <u>SURETY COMPANY</u> |
|-----------------|---------------------|-----------------------|-----------------------|
| Richard Cushing | Attorney            |                       |                       |
| Edward Martin   | Magistrate          | *                     |                       |
| Cindy Hooven    | Court Administrator | *                     |                       |
| Helen Kuhl      | Welfare Director    | *                     |                       |
| Richard McManus | Zoning Officer      | *                     |                       |
| Dennis O'Neal   | Engineer            |                       |                       |
| Peter Buchanan  | Fire Inspector      | *                     |                       |

\*Other employees covered by Public Alliance Insurance Coverage Fund under public officials liability coverage

GENERAL COMMENTS AND RECOMMENDATIONS

## GENERAL COMMENTS

### CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR (N.J.S.A. 40A:11-4)

Every contract or agreement for the performance of any work or the 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 therefor, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in or the amount calculated by the Governor pursuant to Section 3 of P.L. 1971 c.198 (C.40A:11-3), except by contract or agreement.

Effective January 1, 2012, the bid threshold in accordance with N.J.S.A. 40A:11-4 is \$17,500.00. In accordance with N.J.S.A. 40A:11-3 and authorized by a resolution of the governing body, the bid threshold for all purchases made by the Township's qualified purchasing agent is \$36,000.00.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$36,000.00 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 did not indicate that any bids were requested by public advertising in 2013.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violations existed. Our audit of expenditures did not reveal any individual payments, contracts or agreements in excess of \$36,000.00 "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 provisions of N.J.S.A. 40A:11-6.

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

## COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

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

The governing body on January 1, 2013 adopted the following resolution authorizing interest to be charged on delinquent taxes:

BE IT RESOLVED by the Township Committee of the Township of East Amwell, County of Hunterdon, State of New Jersey, that taxes shall be collected quarterly on February 1<sup>st</sup> 2013; May 1<sup>st</sup> 2013; August 1<sup>st</sup> 2013, and November 1<sup>st</sup> 2013 and that interest will be charged at the rate of 8% per annum on the first \$1,500.00 of the delinquency and 18% per annum on any amount in excess of \$1,500.00 to be calculated from the date the tax was payable until the date of actual payment. There will be a ten-day grace period after which unpaid taxes will then be charged interest for the due date.

WHEREAS, P.L. 1991, c 75, has authorized municipalities to fix by resolution a penalty to be charged to a taxpayer with a delinquency in excess of \$10,000.00 on accounts of the sum of all taxes and municipal charges due on a given parcel of property covering any number of quarters or years who does not pay that delinquency prior to the end of the calendar year: and

WHEREAS, the Mayor and Committee of the Township of East Amwell have decided that the non-payment of taxes is a matter of grave concern to the Township, and that such a penalty is appropriate.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Committee of the Township of East Amwell that the penalty authorized by P.L. 1991, c. 75, be fixed in the amount of six percent (6%) of all taxes due on any delinquency greater than \$10,000.00 which remains unpaid at the close of each calendar year. The Tax Collector is authorized to calculate the amount of any such penalty and to add the amount of the penalty to the other municipal charges and liens owing as to any given parcel at the end of the calendar year.

It appears from an audit of the Collector's records that interest was collected in accordance with the foregoing resolutions.

DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held on October 3, 2013 and was complete.

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

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

| <u>YEAR</u> | <u>NUMBER OF LIENS</u> |
|-------------|------------------------|
| 2013        | 6                      |
| 2012        | 3                      |
| 2011        | 2                      |

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a taxpaying basis.

CONFIRMATION OF DELINQUENT TAXES AND OTHER CHARGES

A confirmation of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, including the mailing of verification notices as follows:

| <u>TYPE</u>             | <u>NUMBER MAILED</u> |
|-------------------------|----------------------|
| Tax Payment Information | 15                   |
| Delinquent Taxes        | 10                   |

OTHER COMMENTS

Interfunds

Reference to the various balance sheets show interfund balances remaining at year end. Transactions invariably occur in one fund which requires a corresponding entry to be made in another fund, thus creating interfund balances. As a general rule all interfund balances should be closed out as of the end of year.

It is the Township's policy to review and liquidate all interfund balances on a periodic basis.

## OTHER COMMENTS (CONTINUED)

### Treasurer

Numerous mis-postings of Current Fund cash receipts to the Township's computerized accounting records were noted. As a result, bank reconciliations were not accurately completed in a timely manner.

The Township did not maintain a complete encumbrance accounting system in accordance with the Division of Local Government Services Technical Accounting Directive #85-1. We noted that several purchase orders are processed as confirming orders. This is where goods have been received or services have been rendered prior to the issuance of a purchase order. In effect, the controls that minimize the possibility of overexpenditures and unauthorized purchases are not in operation.

Funds were committed in excess of balances remaining in the 2012 appropriation reserves in the Current Fund. In accordance with N.J.S.A. 40A:4-57, no expenditures of funds for any purpose can be made for which no appropriation is provided or in excess of the amount appropriated for such purpose. As a result of the Township committing funds in excess of amounts appropriated deferred charges in the total amount of \$2,454.97 will have to be raised in the 2014 budget.

The Township could not provide proof of filing IRS Form 1099 for all unincorporated vendors receiving payments in excess of \$600.00.

### Payroll

The monthly reporting and remitting of pension deductions was not done in a timely manner for the months of March through June 2013. In addition, the monthly amounts reported in the payroll registers were not in agreement with the amounts transmitted to the pension system.

### Fixed Assets

A review of the schedule of fixed assets indicated that the last physical inventory taken was in 2010. A physical inventory of the fixed assets should be taken periodically and compared to the fixed assets schedule. Any differences should be investigated and adjustments made to the schedule.

We recommend that a physical inventory of fixed assets be taken and reconciled with the fixed assets records on a periodical basis.

## OTHER DEPARTMENTS

N.J.S.A. 40A:5-15 requires that all funds be deposited or remitted to the Treasurer within 48 hours of receipt. We noted that the several department fees that were collected were not always in compliance with this statute.

## RECOMMENDATIONS

That due care be taken to ensure that the postings to the General Ledger system are correct.

That an encumbrance accounting system be completely maintained for all funds.

That sufficient appropriation balances be available prior to the commitment or expenditure of funds.

That the Township file IRS Form 1099 for all eligible vendors.

That monthly pension remittances be made by the statutory deadlines and that the monthly remittances be reconciled back to the payroll registers.

That the General Fixed Asset Ledger be currently maintained.

That all departmental receipts be deposited or remitted to the Treasurer within 48 hours per N.J.S.A. 40A:5-15.

