

TOWNSHIP OF MEDFORD
AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2015

**TOWNSHIP OF MEDFORD
COUNTY OF BURLINGTON**

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**TOWNSHIP OF MEDFORD
COUNTY OF BURLINGTON**

PART I

**INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Township Council
Township of Medford
Medford, New Jersey

Report on the Financial Statements

We have audited the accompanying comparative statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Township of Medford, County of Burlington, State of New Jersey as of December 31, 2015 and 2014, and the related comparative statements of operations and changes in fund balance--regulatory basis for the years then ended, the related statements of revenues--regulatory basis, statement of expenditures--regulatory basis, and the related notes to the financial statements for the year ended December 31, 2015.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Municipality'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 Municipality's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

As discussed in Note 1 to the financial statements, the Township of Medford prepares its financial statements using accounting practices that demonstrate compliance with regulatory basis of accounting and budget laws of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

The effects on the financial statements of the variances between these 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 Township of Medford, County of Burlington, State of New Jersey, as of December 31, 2015 and 2014, or the results of its operations and changes in fund balance for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

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

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 1 to the financial statements, during the fiscal year ended December 31, 2015 the Township of Medford adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No.27*. Our opinion is not modified with respect to this matter.

Other Matters

Report on Supplementary Information

Our audit was made for the purpose of forming an opinion on the financial statements referred to in the first paragraph as a whole. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services,

Department of Community Affairs, State of New Jersey and is not a required part of the above financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 11, 2016, on our consideration of the Township of Medford's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Medford's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
CR #435

Medford, New Jersey
May 11, 2016

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

The Honorable Mayor and Members
of the Township Committee
Township of Medford
County of Burlington
Township of Medford, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements-regulatory basis of the Medford Township (herein referred to as “the Municipality”), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Municipality’s basic financial statements, and have issued our report thereon dated May 11, 2016 . Our report on the financial statements-regulatory basis was modified to indicate that the financial statements were not prepared and presented in accordance with accounting principles generally accepted in the United States of America but rather prepared and presented in accordance with the regulatory basis of accounting 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, to meet the requirements of the State of New Jersey for municipal government entities as described in Note I .

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Municipality'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 Municipality’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Municipality’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 Municipality'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 Municipality's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which are described in the accompanying Comments & Recommendations section as Finding No. 2015-001.

Response to Findings

The Township of Medford's response to the findings identified in our audit is described in the accompanying Comments & Recommendations section. The Township of Medford's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
CR# 435

May 11, 2016
Medford, New Jersey

BASIC FINANCIAL STATEMENTS

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**TOWNSHIP OF MEDFORD
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

ASSETS	REFERENCE	2015	2014
Current Fund:			
Cash	A-4	\$ 9,649,988	\$ 7,805,068
Cash - Birchwood Lake Dam	A-4	-	358,739
Cash - Petty Cash	A	-	200
Cash - Change Fund	A-5	400	400
Investment in Bond Anticipation Notes	C	-	216,518
Total		<u>9,650,388</u>	<u>8,380,925</u>
Receivables & Other Assets With Full Reserves:			
Delinquent Taxes Receivable	A-6	898,511	1,021,763
Tax Title Liens Receivable	A-7	275,481	441,535
Foreclosed Property - Assessed Valuation	A-33	962,500	371,400
Revenue Accounts Receivable	A-8	14,419	15,016
Due from:			
Federal & State Grant Fund	A	225,701	-
Trust Other	B	25,485	-
Trust - Municipal Open Space	B	481,370	-
Trust - Animal Control Fund	B	30	1,860
General Capital Fund	C	799,477	1,417,663
Total Receivables & Other Assets With Full Reserves		<u>3,682,974</u>	<u>3,269,237</u>
Deferred Charges To Future Taxation:			
Emergency Authorization	A	414,949	-
Special Emergency Appropriation	A-29	120,000	280,000
Total		<u>534,949</u>	<u>280,000</u>
Total Regular Funds		<u>13,868,311</u>	<u>11,930,162</u>
Federal & State Grants:			
Cash	A-4	375,547	517,295
Due from Current Fund	A	-	61
Due from General Capital Fund	C	51,250	-
Grants Receivable	A-25	643,937	718,972
Total Federal & State Grants		<u>1,070,734</u>	<u>1,236,328</u>
Total Assets		<u><u>\$ 14,939,045</u></u>	<u><u>\$ 13,166,490</u></u>

**TOWNSHIP OF MEDFORD
CURRENT FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2015	2014
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$ 1,033,648	\$ 695,418
Reserve for Encumbrances	A-31	1,216,122	526,383
Accounts Payable	A	28,478	13,622
Tax Overpayments	A-10	22,028	11,615
Prepaid Taxes	A-11	624,435	602,992
Due to State of New Jersey for Senior Citizen & Veteran Deductions	A-12	93,886	95,136
Due County for Added & Omitted Taxes	A-13	148,338	103,442
Due to State - Construction Code Fees	A-23	10,607	8,271
Due to State - Marriage License Fees	A-24	425	525
Due to Sewer Connection Trust Fund	D	-	30,390
Due to Utility Operating Fund	D	62,281	-
Due to Trust Other Fund	B	-	10,411
Due to Municipal Open Space Fund	B	-	19,662
Due to Federal & State Grant Fund	A-28	-	61
Local District School Taxes Payable	A-15	1,990,063	1,552,744
Regional High School Taxes Payable	A-16	2,192,494	1,689,049
Special Emergency Note Payable	A-30	280,000	420,000
Reserve for:			
FEMA Receipts	A-32	123,170	-
Municipal Court - POAA	A-17	774	762
Purchase of Public Safety Equipment	A-18	25,575	19,600
Election Workers	A-19	2,332	1,972
Revaluation	A-20	4,159	4,159
Insurance Claims	A-21	1,029	1,029
Workers Compensation Claims	A-22	31,231	31,231
Library State Aid	A	3,300	3,300
New Jersey Saver Rebates	A	1,200	1,200
Auction	A	4,292	4,292
PILOT	A	19,685	9,842
OPRA Requests	A	-	4,754
Tax Map	A	10	10
Homeowners Dam Restoration	A	-	358,739
Subtotal Regular Fund		<u>7,919,562</u>	<u>6,220,611</u>
Reserve for Receivables & Other Assets	A	3,682,974	3,269,237
Fund Balance	A-1	<u>2,265,775</u>	<u>2,440,314</u>
Total Regular Fund		<u>13,868,311</u>	<u>11,930,162</u>
Federal & State Grants:			
Due Current Fund	A	225,701	-
Reserve for Encumbrances	A-31	183,925	8,291
Unappropriated Reserves	A-26	125,166	179,800
Appropriated Reserves	A-27	<u>535,942</u>	<u>1,048,237</u>
Total Federal & State Grants		<u>1,070,734</u>	<u>1,236,328</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 14,939,045</u>	<u>\$ 13,166,490</u>

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

**TOWNSHIP OF MEDFORD
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS
AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	REFERENCE	2015	2014
Revenue & Other Income Realized:			
Fund Balance Utilized	A-1, A-2	\$ 1,169,582	\$ 1,100,000
Miscellaneous Revenue Anticipated	A-2	6,380,429	6,145,761
Receipts From Delinquent Taxes & Tax Title Liens	A-2	1,002,549	811,367
Receipts From Current Taxes	A-6	90,516,057	87,367,500
Nonbudget Revenue	A-2	317,875	401,746
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-9	457,714	769,437
Cancellation of Accounts Payable	A	-	118,470
Liquidation of Interfunds	A	-	726
Total Income		99,844,206	96,715,007
Expenditures:			
Budget Appropriations Within "CAPS":			
Operations:			
Salaries & Wages	A-3	5,148,370	5,031,064
Other Expenses	A-3	8,193,290	6,734,159
Deferred Charges & Statutory Expenditures	A-3	1,412,912	1,415,935
Excluded From "CAPS":			
Operations:			
Salaries & Wages	A-3	527,370	519,950
Other Expenses	A-3	870,331	547,577
Deferred Charges & Statutory Expenditures	A-3	160,000	560,000
Municipal Debt Service	A-3	3,777,605	3,969,410
Regional High School Tax	A-16	21,418,946	20,412,055
Local District School Tax	A-15	43,110,124	42,235,486
County Taxes	A-6	12,890,416	11,935,265
Due County for Added & Omitted Taxes	A-6	148,338	103,442
Municipal Open Space Trust Fund Tax	A-6	902,354	898,936
Creation of Interfund & Other Assets	A	704,056	766,846
Total Expenditures		99,264,112	95,130,125
Excess/(Deficit) in Revenue		580,094	1,584,882
Adjustment to Income Before Fund Balance:			
Expenditures Included Above which are by Statute			
Deferred Charges to Budget of Succeeding Year	A	414,949	-
Statutory Excess to Fund Balance		995,043	1,584,882
Fund Balance January 1	A	2,440,314	1,955,432
Total		3,435,357	3,540,314
Decreased by: Utilization as Anticipated Revenue	A-1, A-2	1,169,582	1,100,000
Fund Balance December 31	A	\$ 2,265,775	\$ 2,440,314

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

**TOWNSHIP OF MEDFORD
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	BUDGET	APPROPRIATED BY N.J.S.A.40A:47-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Utilized	\$ 1,169,582	\$ -	\$ 1,169,582	\$ -
Miscellaneous Revenue:				
Licenses - Alcoholic Beverages	22,000	-	22,928	928
Fees & Permits - Other	120,000	-	143,302	23,302
Fines & Costs - Municipal Court	180,000	-	164,200	(15,800)
Interest & Costs on Taxes	175,000	-	231,749	56,749
Interest on Investments & Deposits	10,000	-	12,862	2,862
Alarm Fees	9,000	-	9,600	600
Cable Television Fees	350,000	-	368,723	18,723
Emergency Medical Service Billing Income	600,000	-	621,253	21,253
Consolidated Municipal Property Tax				
Relief Act	81,663	-	-	(81,663)
Energy Receipts Tax	1,978,363	-	1,981,293	2,930
Fees & Permits:				
Uniform Construction Code	675,000	-	842,899	167,899
Interlocal Services Agreement - Police Salaries:				
Lenape Regional High School	508,870	-	510,674	1,804
Interlocal Services Agreement - UCC:				
Medford Lakes	18,500	-	28,500	10,000
Uniform Fire Safety Act	-	-	54,870	54,870
Liquidation of Reserve - Due from General Capital Fund	1,500,000	-	618,245	(881,755)
State & Federal Revenue Offset with				
NJ DOT Grant	-	205,000	205,000	-
Firefighter Assistance Grant	-	73,273	73,273	-
Municipal Alliance on Alcohol & Drug Abuse	-	15,111	15,111	-
Municipal Park Development	-	107,500	107,500	-
Emergency Management Assistance	-	5,000	5,000	-
Community Development Block Grant	-	65,000	65,000	-
Drive Sober or Get Pulled Over	-	10,000	10,000	-
Medford Celebrates	-	47,500	47,500	-
NJ Motor Vehicle Security & Customer Service Act	-	149,943	149,943	-
Art, Wine & Music Festival	-	3,000	3,000	-
Clean Communities	-	65,004	65,004	-
Halloween Parade	-	16,500	16,500	-
Dickens Festival	-	6,500	6,500	-
Total Miscellaneous Revenue	6,228,396	769,331	6,380,429	(617,298)
Receipts From Delinquent Taxes	800,000	-	1,002,549	202,549
Subtotal General Revenues	8,197,978	769,331	8,552,560	(414,749)
Local Tax for Municipal Purposes	12,223,521	-	13,215,535	992,014
Budget Totals	20,421,499	769,331	21,768,095	577,265
Nonbudget Revenues	-	-	317,875	317,875
Total	\$ 20,421,499	\$ 769,331	\$ 22,085,970	\$ 895,140

**TOWNSHIP OF MEDFORD
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:	
Revenue From Collections	\$ 90,516,057
Less: School, County Taxes, Special District & Open Space	<u>78,470,178</u>
Balance for Support of Municipal Budget Appropriations	12,045,879
Add: Budget Appropriation - Reserve for Uncollected Taxes	<u>1,169,656</u>
Total Amount for Support of Municipal Budget Appropriation	<u><u>\$ 13,215,535</u></u>
Receipts From Delinquent Taxes:	
Delinquent Tax Collections	977,815
Tax Title Lien Collections	<u>24,734</u>
Total Receipts From Delinquent Taxes	<u><u>\$ 1,002,549</u></u>

ANALYSIS OF NONBUDGET REVENUE

Miscellaneous Revenue Not Anticipated:	
Receipts:	
Prior Year Refunds & Reimbursements	\$ 209,333
Escrow Settlement	75,000
Senior Citizens & Veterans Admin Fee	3,580
Miscellaneous	<u>29,962</u>
Total	<u><u>\$ 317,875</u></u>

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

**TOWNSHIP OF MEDFORD
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	APPROPRIATIONS		PAID OR CHARGED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	
OPERATIONS					
General Government:					
General Administration:					
Office of the Manager:					
Salaries and Wages	\$ 81,729	\$ 59,451	\$ 58,708	\$ -	\$ 743
Other Expenses	5,650	5,650	2,915	1,009	1,726
Human Resources:					
Salaries and Wages	21,281	22,350	22,139	-	211
Other Expenses	775	775	731	-	44
Mayor & Council:					
Salaries and Wages	17,497	17,497	17,497	-	-
Other Expenses	1,000	1,000	468	-	532
Municipal Clerk:					
Salaries and Wages	59,022	48,005	45,205	-	2,800
Other Expenses	47,800	47,962	26,780	19,546	1,636
Other Expenses-Elections	13,000	13,000	10,296	-	2,704
Financial Administration:					
Office of Treasurer:					
Salaries and Wages	84,746	91,344	68,389	-	22,955
Other Expenses	32,970	33,440	13,065	19,643	732
Auditing Services:					
Other Expenses	30,000	35,500	11,905	23,595	-
Revenue Administration:					
Salaries and Wages	60,152	60,152	56,178	-	3,974
Other Expenses	12,170	12,170	6,096	117	5,957
Division of Assessments:					
Salaries and Wages	120,537	120,537	114,745	-	5,792
Other Expenses	84,200	34,200	23,920	6,615	3,665
Legal Services (Legal Department):					
Other Expenses	160,000	201,000	111,866	86,970	2,164
Engineering Services:					
Other Expenses	20,000	27,662	18,996	4,519	4,147
Economic Development Commisior					
Salaries & Wages	750	750	659	-	91
Other Expenses	1,650	1,650	-	-	1,650
Division of Planning:					
Salaries and Wages	90,033	63,033	56,240	-	6,793
Other Expenses	35,175	85,175	41,874	28,132	15,169
Division of Zoning:					
Other Expenses	40,358	89,056	70,931	2,093	16,032

**TOWNSHIP OF MEDFORD
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

OPERATIONS	APPROPRIATIONS			PAID OR CHARGED			UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED	
Public Safety Functions:							
Police:							
Salaries and Wages	3,214,664	3,129,232	2,807,846	224		321,162	-
Other Expenses	282,170	314,670	121,452	190,147		3,071	-
Fire:							
Other Expenses	132,650	141,000	80,693	59,586		721	-
First Aid Organizations:							
Salaries and Wages	154,527	140,177	135,663	-		4,514	-
Other Expenses	104,825	104,825	36,383	42,638		25,804	-
Emergency Management Services:							
Other Expenses	2,040	2,040	983	-		1,057	-
Uniform Fire Safety Act: PL1983C.383)							
Salaries and Wages	453,605	453,605	448,409	-		5,196	-
Other Expenses	17,350	17,350	8,545	7,854		951	-
Prosecutor:							
Other Expenses	18,000	18,000	12,675	4,225		1,100	-
Public Works Functions:							
Department of Public Works:							
Road Repairs & Maintenance:							
Salaries and Wages	163,709	144,709	141,383	-		3,326	-
Other Expenses	93,575	112,015	74,373	36,644		998	-
Storm Debris Emergency	-	414,949	414,949	-		-	-
Snow Removal:							
Salaries and Wages	45,000	45,000	36,840	-		8,160	-
Other Expenses	55,000	55,000	38,055	10,879		6,066	-
Sanitation:							
Salaries and Wages	302,620	273,620	259,603	-		14,017	-
Other Expenses	904,200	885,200	481,811	395,156		8,233	-
Building & Grounds:							
Salaries and Wages	118,434	113,434	112,500	-		934	-
Other Expenses	85,396	114,283	64,482	45,909		3,892	-
Shade Tree Program:							
Other Expenses	6,150	6,150	-	2,073		4,077	-
Vehicle Maintenance:							
Salaries and Wages	52,100	52,100	47,118	-		4,982	-
Other Expenses	245,000	286,095	155,513	98,117		32,465	-

**TOWNSHIP OF MEDFORD
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

OPERATIONS	APPROPRIATIONS			PAID OR CHARGED			UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED		
Parks & Recreation:							
Parks & Playgrounds:							
Salaries and Wages	28,364	28,364	14,192	-	14,172	-	-
Other Expenses	1,175	1,175	125	-	1,050	-	-
Landfill/Solid Waste Dispos:	744,950	744,950	654,659	-	90,291	-	-
Community Services:							
Other Expenses	30,500	30,500	28,319	-	2,181	-	-
Municipal Court:							
Salaries and Wages	126,740	126,740	104,301	-	22,439	-	-
Other Expenses	40,044	24,534	19,442	983	4,109	-	-
Insurance:							
General Liability	275,676	277,339	274,819	-	2,520	-	-
Employee Group Insurance	1,702,583	1,702,583	1,609,510	-	93,073	-	-
Worker's Compensation	256,000	256,000	256,000	-	-	-	-
Health Benefit Waivers	50,000	50,000	24,445	-	25,555	-	-
Retiree Health Benefits	1,197,700	1,197,700	1,197,091	-	609	-	-
Uniform Construction Code Appropriations							
Offset by Dedicated Revenues:							
Construction Code Official:							
Salaries and Wages	158,517	158,517	144,318	-	14,199	-	-
Other Expenses:							
Direct Costs	72,000	72,000	70,040	1,315	645	-	-
Indirect Costs	21,127	-	-	-	-	-	-

**TOWNSHIP OF MEDFORD
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

OPERATIONS	APPROPRIATIONS			PAID OR CHARGED			UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	BUDGET	EXPENDED	ENCUMBERED	RESERVED	
Unclassified:							
Celebration of Public Events, Anniversary or Holiday:							
Other Expenses	1,500	1,500		1,175	-	325	-
Utilities:							
Electricity	125,000	154,631		135,272	-	19,359	-
Street Lighting	230,000	220,000		196,714	-	23,286	-
Telephone	60,000	76,633		44,425	-	32,208	-
Water & Sewer	-	22		-	-	22	-
Heating Gas/Oil	65,000	67,134		57,087	-	10,047	-
Gasoline/Diesel Fuel	250,000	250,000		104,381	57,287	88,332	-
Safety Supplies	5,775	5,775		4,929	846	-	-
Catastrophic Illness Fund	250	250		175	-	75	-
Hepatitis Vaccination	500	500		500	-	-	-
Total Operation Within "CAPS"	12,914,911	13,341,660		11,200,798	1,146,122	994,740	-
Detail:							
Salaries and Wages	5,371,277	5,148,370		4,686,452	4,449	457,469	-
Other Expenses (Including Contingent)	7,543,634	8,193,290		6,514,346	1,141,673	537,271	-
Statutory Expenditures:							
Public Employees Retirement System	178,130	186,230		186,058	-	172	-
Social Security System(O.A.S.I.)	430,000	410,100		398,065	-	12,035	-
Police & Fire Retirement System	766,582	766,582		766,582	-	-	-
Unemployment	50,000	50,000		30,000	-	20,000	-
Total Deferred Charges & Statutory Expenditures Within "CAPS"	1,424,712	1,412,912		1,380,705	-	32,207	-
Total General Appropriations for Municipal Purposes Within "CAPS"	14,339,623	14,754,572		12,581,503	1,146,122	1,026,947	-

TOWNSHIP OF MEDFORD
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015

	APPROPRIATIONS			PAID OR CHARGED			UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED	
OPERATIONS EXCLUDED FROM "CAPS":							
Landfill Fees - Recycling Tax	31,000	31,000		24,299	-	6,701	-
LOSAP	70,000	70,000		-	70,000	-	-
Interlocal Service Agreement:							
Police Salaries-Lenape Regional High School	508,870	508,870		508,870	-	-	-
UCC Salaries - Medford Lakes	18,500	18,500		18,500	-	-	-
Public & Private Programs Offset by Revenues:							
Drive Sober or Get Pulled Over	-	10,000		10,000	-	-	-
Community Development Block Grant	-	65,000		65,000	-	-	-
Assistance to Firefighters Grant	-	73,273		73,273	-	-	-
Emergency Management Assistance	-	5,000		5,000	-	-	-
Municipal Alliance on							
Alcoholism & Drug Abuse	-	15,111		15,111	-	-	-
Clean Communities	-	65,004		65,004	-	-	-
NJ Motor Vehicles Security & Customer							
Service Grant	-	149,943		149,943	-	-	-
NJ DOT Grant	-	205,000		205,000	-	-	-
Art, Wine & Music Festival	-	3,000		3,000	-	-	-
County Park Improvement	-	107,500		107,500	-	-	-
Medford Celebrates	-	47,500		47,500	-	-	-
Halloween Parade	-	16,500		16,500	-	-	-
Dickens Festival	-	6,500		6,500	-	-	-
Total Operations Excluded from "CAPS"	628,370	1,397,701		1,321,000	70,000	6,701	-
Detail:							
Salaries and Wages	527,370	527,370		527,370	-	-	-
Other Expenses	101,000	870,331		793,630	70,000	6,701	-

**TOWNSHIP OF MEDFORD
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	APPROPRIATIONS		PAID OR CHARGED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED RESERVED	
OPERATIONS EXCLUDED FROM "CAPS"					
Municipal Debt Service - Excluded from "CAPS":					
Payment of Bond Principal	3,483,850	3,483,850	3,219,788	-	264,062
Interest on Bonds	600,000	600,000	557,817	-	42,183
Interest on Notes	40,000	40,000	-	-	40,000
Total Municipal Debt Service Excluded from "CAPS"	4,123,850	4,123,850	3,777,605	-	346,245
Statutory Expenditures/Deferred Charges:					
Special Emergency Authorizations - 5 Years (N.J.S.40A:40-55)	160,000	160,000	160,000	-	-
Total Statutory Expenditures/Deferred Charges	160,000	160,000	160,000	-	-
Total General Appropriations Excluded from "CAPS"	4,912,220	5,681,551	5,258,605	70,000	346,245
Subtotal General Appropriations Reserve For Uncollected Taxes	19,251,843	20,436,123	17,840,108	1,216,122	1,033,648
	1,169,656	1,169,656	1,169,656	-	-
Total General Appropriations	\$ 20,421,499	\$ 21,605,779	\$ 19,009,764	\$ 1,216,122	\$ 1,033,648
					\$ 346,245
Budget Special Emergency Appropriation by 40A:4-87	\$ 20,421,499				
	414,949				
	<u>769,331</u>				
Total	\$ <u>21,605,779</u>				
Reserve for Federal & State Grant Fund - Appropriated			\$ 769,331		
Cash Disbursements			17,110,777		
Special Emergency Authorizations - 5 Years			160,000		
Due from Open Space			(200,000)		
Reserve for Uncollected Taxes			<u>1,169,656</u>		
Total			\$ <u>19,009,764</u>		

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

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**TOWNSHIP OF MEDFORD
TRUST FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2015 AND 20134**

ASSETS	REFERENCE	2015	2014
Animal Control Fund:			
Cash	B-4	\$ 25,045	\$ 21,864
Total Animal Control Fund		<u>25,045</u>	<u>21,864</u>
Birchwood Lake Dam - Trust Assessment:			
Cash	B-4	383,832	358,739
Total Trust Assessment Funds		<u>383,832</u>	<u>358,739</u>
Other Funds:			
Cash	B-4	3,246,459	3,499,295
Due From Current Fund	A,B-8	-	10,411
Total Other Funds		<u>3,246,459</u>	<u>3,509,706</u>
Municipal Open Space Fund:			
Cash	B-4	2,341,143	1,640,576
Due From Current Fund	A, B-11	-	19,662
Total Open Space Fund		<u>2,341,143</u>	<u>1,660,238</u>
Total Assets		<u>\$ 5,996,479</u>	<u>\$ 5,550,547</u>
LIABILITIES, RESERVES & FUND BALANCE			
Animal Control Fund:			
Due to Current Fund	A,B-6	\$ 30	\$ 1,860
Due State of New Jersey	B-7	-	3
Reserve for Animal Control Expenditures	B-5	25,015	20,001
Total Animal Control Fund		<u>25,045</u>	<u>21,864</u>
Birchwood Lake Damn:			
Homeowners Dam Restoration	B-13	383,832	358,739
Total Other Funds		<u>383,832</u>	<u>358,739</u>
Other Funds:			
Due to General Capital Fund	C	-	25,000
Due to Current Fund	A,B-8	25,485	-
Miscellaneous Trust Other Reserves	B-9	3,220,974	3,484,706
Total Other Funds		<u>3,246,459</u>	<u>3,509,706</u>
Municipal Open Space Fund:			
Accounts Payable	B	-	99
Due to Current Fund	A	481,370	-
Encumbrances	B-3	46,816	33,886
Appropriation Reserves	B-3	73,750	50,630
Reserve for Future Use	B-10	1,739,207	1,575,623
Total Open Space Fund		<u>2,341,143</u>	<u>1,660,238</u>
Total Liabilites, Reserves & Fund Balance		<u>\$ 5,996,479</u>	<u>\$ 5,550,547</u>

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

**TOWNSHIP OF MEDFORD
TRUST - MUNICIPAL OPEN SPACE FUND
STATEMENTS OF OPERATIONS AND CHANGES IN RESERVE FOR
FUTURE USE - REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

REVENUE REALIZED:	2015	2014
Amount to be Raised by Taxation	\$ 902,354	\$ 897,680
Miscellaneous - County	187,440	190,400
Interest Income	1,313	848
Miscellaneous	392	1,256
Unexpended Balance of Appropriation Reserves	<u>69,151</u>	<u>151,645</u>
 Total Income	 <u>1,160,650</u>	 <u>1,241,829</u>
 EXPENDITURES:		
Budget Appropriations:		
Salary and Wages	135,765	120,765
Other Expenses	164,098	179,098
Acquisition of Farmland	40,000	40,000
Debt Service	<u>657,203</u>	<u>926,134</u>
 Total Expenditures	 <u>997,066</u>	 <u>1,265,997</u>
 Statutory Excess to Reserve	 <u>163,584</u>	 <u>(24,168)</u>
 RESERVE FOR FUTURE USE:		
Balance January 1,	<u>1,575,623</u>	<u>1,599,791</u>
Balance December 31,	<u>\$ 1,739,207</u>	<u>\$ 1,575,623</u>

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

**TOWNSHIP OF MEDFORD
TRUST - MUNICIPAL OPEN SPACE FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	ANTICIPATED BUDGET	REALIZED	EXCESS OR (DEFICIT)
Amount to be Raised by Taxation	\$ 890,000	\$ 902,354	\$ 12,354
Interest Income	500	1,313	813
Reserve Funds	392,950	187,440	(205,510)
Total Revenues	<u>\$ 1,283,450</u>	<u>\$ 1,091,107</u>	<u>\$ (192,343)</u>

ANALYSIS OF REALIZED REVENUES

Receipts:

Interest on Deposits	\$ 1,313	
Miscellaneous - County	187,440	\$ 188,753
Current Year Levy Due Current Fund		891,944
Added & Omitted Taxes - Current Year		<u>10,410</u>
Total Receipts From Delinquent Taxes		<u>\$ 1,091,107</u>

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

TOWNSHIP OF MEDFORD
TRUST - MUNICIPAL OPEN SPACE FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015

	APPROPRIATIONS		PAID OR CHARGED		RESERVED	CANCELLED
	ORIGINAL BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED		
Maintenance of Lands for Recreation & Conservation:						
Salary and Wages	\$ 120,765	\$ 135,765	\$ 134,924	\$ -	\$ 841	\$ -
Other Expenses	179,098	164,098	80,988	20,169	62,941	-
Total	299,863	299,863	215,912	20,169	63,782	-
Capital Improvements:						
Acquisition of Farmland	40,000	40,000	3,385	26,647	9,968	-
Debt Service:						
Payment of Bond Principal	526,920	526,920	414,813	-	-	112,107
Payment of Bond Anticipation Notes & Capital Notes	185,921	185,921	116,618	-	-	69,303
Interest on Bonds	219,304	219,304	117,344	-	-	101,960
Interest on Notes	11,442	11,442	8,428	-	-	3,014
Total Debt Service	943,587	943,587	657,203	-	-	286,384
Total Statement of Expenditures	\$ 1,283,450	\$ 1,283,450	\$ 876,500	\$ 46,816	\$ 73,750	\$ 286,384

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

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

ASSETS	REFERENCE	2015	2014
Cash	C-1	\$ 1,515,716	\$ 221,010
Due from:			
State of New Jersey Transportation Trust	C	41,000	41,000
County of Burlington	C-6	222,147	185,000
Community Development Block Grant	C	-	37,700
Trust Other Fund - Recreation Trust Fund	B	-	25,000
Water-Sewer Utility Capital Fund	D	-	7,389
Deferred Charges to Future Taxation:			
Funded	C-3	22,831,382	23,160,600
Unfunded	C-4	3,309,838	4,857,443
		<u>27,920,083</u>	<u>28,535,142</u>
Total Assets		<u>\$ 27,920,083</u>	<u>\$ 28,535,142</u>
LIABILITIES, RESERVES & FUND BALANCE			
General Serial Bonds	C-11	\$ 22,497,600	\$ 22,710,200
Loans Payable	C-10	333,782	450,400
Bond Anticipation Notes	C-12	-	216,518
Improvement Authorizations:			
Funded	C-7	2,257,920	1,162,934
Unfunded	C-7	450,564	1,493,390
Due to Current Fund	A,C-9	799,477	1,417,663
Reserve for Receivables	C	205,000	-
Due Federal & State Grant Fund	C	51,250	-
Reserve for Encumbrances	C-8	1,094,248	814,428
Capital Improvement Fund	C-5	-	96,475
Fund Balance	C	230,242	173,134
		<u>27,920,083</u>	<u>28,535,142</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 27,920,083</u>	<u>\$ 28,535,142</u>

There was \$3,309,838 bonds and notes authorized but not issued on December 31, 2015 and \$4,640,925 as of December 31, 2014.

3,309,838

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**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

ASSETS	REFERENCE	2015	2014
Operating Fund:			
Cash	D-4	\$ 4,571,693	\$ 3,456,343
Insurance Claims	D	11,077	11,077
Due from Current Fund	A	62,281	-
Due from Utility Capital Fund	D-9	65	-
Due from Water & Sewer Connection Trust	D-18	400,501	400,200
Total		5,045,617	3,867,620
Receivables & Other Assets With Full Reserves:			
Water & Sewer Rents Receivable	D-6	198,754	226,610
Total Receivable & Other Assets With Full Reserves		198,754	226,610
Total Operating Fund		5,244,371	4,094,230
Assessment Trust Fund:			
Cash	D-4	666	666
Total Assessment Trust Fund		666	666
Sewer Connection Trust Fund:			
Cash	D-4	610,951	580,260
Due Current Fund	A	-	30,390
Total Sewer Connection Trust Fund		610,951	610,650
Capital Fund:			
Cash	D-4	2,220,005	1,097,540
Fixed Capital:			
Completed	D-11	29,185,937	29,184,607
Authorized & Uncompleted	D-10	49,465,457	48,743,476
Due from Water & Sewer Operating Fund	D-9	-	91,208
Total Capital Fund		80,871,399	79,116,831
Total Assets		\$ 86,727,387	\$ 83,822,377

There was \$794,339 bonds and notes authorized but not issued on December 31, 2015 and \$1,542,358 as of December 31, 2014.

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY FUND
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2015	2014
Operating Fund:			
Liabilities:			
Prepaid Rents	D-8	\$ 609,291	\$ 774,692
Reserve for Encumbrances	D-3	377,805	181,780
Appropriation Reserves	D-3	232,123	108,356
Accounts Payable	D	7,503	15,757
Overpayments	D	8,077	-
Accrued Interest on Bonds & Notes	D-12	285,844	303,082
Due to Water & Sewer Capital Fund	D, D-9	-	91,208
Subtotal		1,520,643	1,474,875
Reserve for Receivables	D	198,754	226,610
Fund Balance	D-1	3,524,974	2,392,745
Total Operating Fund		5,244,371	4,094,230
Assessment Trust Fund:			
Fund Balance	D	666	666
Total Assessment Trust Fund		666	666
Sewer Connection Trust Fund:			
Due to Water & Sewer Operating Fund	D-18	400,501	400,200
Reserve for Sewer Connection Fees	D-19	210,450	210,450
Total Sewer Connection Trust Fund		610,951	610,650
Capital Fund:			
Serial Bonds	D-16	11,637,400	11,284,800
Loans Payable	D-17	15,865,232	16,879,370
Due General Capital Fund	C	-	7,389
Due Utility Operating Fund	D	65	-
Improvement Authorizations:			
Funded	D-13	1,021,323	1,359,205
Unfunded	D-13	1,260,527	583,956
Capital Improvement Fund	D-22	261,399	261,399
Reserve for Encumbrances	D-14	107,515	155,642
Reserve for Amortization	D-15	48,131,343	45,998,475
Deferred Reserve for Amortization	D	2,223,080	2,223,080
Reserve for Debt Service	D-21	355,488	355,488
Fund Balance	D	8,027	8,027
Total Capital Fund		80,871,399	79,116,831
Total Liabilities, Reserves & Fund Balance		\$ 86,727,387	\$ 83,822,377

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

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
OPERATING FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	2015	2014
Revenue & Other Income Realized:		
Surplus Anticipated	\$ 700,693	\$ 40,206
Water & Sewer Rents	6,378,957	6,370,679
Miscellaneous	1,468,965	871,229
Other Credits to Income:		
Cancel Prior Year Accounts Payable	10,480	-
Unexpended Balance of Appropriation Reserves	60,294	255,951
Total Income	8,619,389	7,538,065
Expenditures:		
Budget Appropriations:		
Operating	3,599,582	3,507,050
Capital Improvements	53,500	128,500
Debt Service	2,868,067	3,045,487
Deferred Charges & Statutory Expenditures	265,318	202,656
Total Expenditures	6,786,467	6,883,693
Statutory Excess to Fund Balance	1,832,922	654,372
Fund Balance January 1	2,392,745	1,778,579
Total	4,225,667	2,432,951
Less: Utilized by Operating Budget	700,693	40,206
Balance December 31	\$ 3,524,974	\$ 2,392,745

**STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	ANTICIPATED BUDGET	REALIZED	EXCESS OR (DEFICIT)
Surplus Anticipated	\$ 700,693	\$ 700,693	-
Water & Sewer Rents	6,100,000	6,378,957	278,957
Miscellaneous	800,000	1,468,965	668,965
Total Revenues	\$ 7,600,693	\$ 8,548,615	\$ 947,922

ANALYSIS OF MISCELLANEOUS REVENUES

Miscellaneous Receipts:		
Interest on Deposits	\$ 4,855	
Connection Fees	1,407,454	
Penalties	34,668	
Other	12,305	
Copy Costs	8,585	\$ 1,467,867
Due from Water & Sewer Utility Capital Fund:		
Interest on Deposits	797	
Due from Sewer Connection Fee Trust Fund:		
Interest on Deposits	301	1,098
		\$ 1,468,965

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

TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015

	APPROPRIATIONS		PAID OR CHARGED			UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID	ENCUMBRANCES RESERVED	RESERVED	
Operating:						
Salaries & Wages	\$ 770,691	\$ 770,691	\$ 693,936	\$ 154	\$ 76,601	\$ -
Other Expenses	2,812,891	2,828,891	2,357,447	351,502	119,942	-
Capital Improvements:						
Capital Outlay	53,500	53,500	-	26,149	27,351	-
Debt Service:						
Payment of Bond & Loan						
Principal	2,793,691	2,793,691	2,129,539	-	-	664,152
Interest on Bonds & Loans	888,602	888,602	738,528	-	-	150,074
Statutory Expenditures:						
Contribution to:						
Public Employees						
Retirement System	91,764	91,764	91,764	-	-	-
Retiree Health Benefits	131,554	115,554	109,856	-	5,698	-
Social Security System						
(O.A.S.I.)	58,000	58,000	55,469	-	2,531	-
Total Expenditures	\$ 7,600,693	\$ 7,600,693	\$ 6,176,539	\$ 377,805	\$ 232,123	\$ 814,226
Accrued Interest on Bonds & Loans			\$ (17,238)			
Refunds			(20,406)			
Cash Disbursed			6,214,183			
Total			\$ 6,176,539			

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

**TOWNSHIP OF MEDFORD
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE STATEMENT OF FIXED ASSETS AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

ASSETS	<u>2015</u>	<u>2014</u>
Land & Buildings	\$ 30,286,100	\$ 30,286,100
Equipment & Vehicles	<u>12,597,312</u>	<u>12,306,079</u>
Total	<u>\$ 42,883,412</u>	<u>\$ 42,592,179</u>
 FUND BALANCE		
Investment in General Fixed Assets	<u>\$ 42,883,412</u>	<u>\$ 42,592,179</u>

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

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**TOWNSHIP OF MEDFORD
COUNTY OF BURLINGTON**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

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TOWNSHIP OF MEDFORD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

Note 1: Summary of Significant Accounting Policies

Description of Financial Reporting Entity - The Township of Medford was incorporated in January, 1929 and is located in southwest New Jersey approximately twenty miles southeast of the City of Philadelphia. The population according to the 2010 census is 23,033.

The Township has a Mayor-Council form of government known as the Mayor-Council Plan E under the Optional Municipal Charter Law of 1960, popularly known as the Faulkner Act. There are five Council Members each elected to four-year terms. The Mayor is elected annually by the five Council Members. Administrative responsibility falls under the Township.

Component Units - The Township of Medford had no component units as defined by Governmental Accounting Standards Board Statement No. 14, as amended by GASB Statements No. 39 and 61.

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

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

Current Fund - The Current Fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

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

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

Water and Sewer Utility Operating and Capital Funds - The Water and Sewer Utility Operating and Capital Funds account for the operations and acquisition of capital facilities of the municipally owned Water and Sewer Utility.

Water and Sewer Assessment Trust Fund - The Water and Sewer Assessment Trust Fund accounts for the receipt and disbursement of funds for special assessments levied on specific property owners.

Sewer Connection Fee Trust Fund - The Sewer Connection Fee Trust Fund accounts for the receipt and disbursement of funds for the issuance of sewer connection permits.

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 1: Summary of Significant Accounting Policies (continued)

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

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

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

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

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

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

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

Interfunds - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to

TOWNSHIP OF MEDFORD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2015

Note 1: Summary of Significant Accounting Policies (continued)

operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

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

General Fixed Assets - Accounting for Governmental Fixed Assets, as required by *N.J.A.C.5:30-5.6*, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$1,000. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a Statement of General Fixed Assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

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

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

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

TOWNSHIP OF MEDFORD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2015

Note 1: Summary of Significant Accounting Policies (continued)

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

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

Fund Balance - Fund Balances included in the current fund and utility operating fund represent amounts available for anticipation as revenue in future year's budgets, with certain restrictions.

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

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

School Taxes - The municipality is responsible for levying, collecting and remitting school taxes for the Township of Medford School District and the Lenape Regional High School District. Operations is charged for the full amount required to be raised from taxation to operate for both the local school district and the regional high school district the Township's share of the amount required to be raised by taxation for the period from July 1 to June 30, increased by the amount deferred at December 31, 2014 and decreased by the amount deferred at December 31, 2015.

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

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

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 1: Summary of Significant Accounting Policies (continued)

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

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

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

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

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

Sewer Connection Fee Trust Fund - Sewer connection permits that have been issued and paid to the Township prior to the issuance of a certificate of occupancy are deposited into a Sewer Connection Fee Trust Fund. Upon the issuance of a certificate of occupancy, the sewer connection permit fees are transferred to the Water and Sewer Utility Operating Fund and realized as revenue.

Adopted Accounting Pronouncements

For the year ended December 31, 2015, the Township implemented GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* – (Amendment to GASB Statement No. 27). The implementation of the Statement requires the Township to disclose its portion of the collective net pension liability of the New Jersey Public Employees’ Retirement System (PERS) and the New Jersey Police Firemen’s Retirement System (PFRS).

Subsequent Events - The Township has evaluated subsequent events occurring after December 31, 2015 through the date of May 11, 2016, which is the date the financial statements were available to be issued.

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 2: Cash and Cash Equivalents

The Township is governed by the deposit limitations of New Jersey state law. The Deposits held at December 31, 2015, and reported at fair value are as follows:

<u>Type</u>	<u>Carrying Value</u>
Deposits:	
Demand Deposits	\$ 24,941,445
Total Deposits	<u>\$ 24,941,445</u>
Reconciliation of Statement of Comparative Balance Sheets:	
Current Fund	\$ 9,636,383
State & Federal Grant Fund	389,552
Animal Control Trust	25,045
Trust - Other	3,246,459
Birchwood Lake Dam Trust	383,832
Open Space Trust	2,341,143
General Capital	1,515,716
Utility Fund:	
Operating	4,571,693
Capital	2,220,005
Assessment Fund	666
Sewer Connection	610,951
Total	<u>\$ 24,941,445</u>

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Township’s deposits may not be returned. The Township does have a deposit policy for custodial credit risk. December 31, 2015, the Township’s bank balance of \$25,095,386 was insured or collateralized as follows:

Insured	\$ 738,103
Uninsured and uncollateralized	5,530,562
Collateralized in the Authority's Name	
Under GUDPA	17,957,900
Collateralized not in the Fund's Name	
New Jersey Cash Management (see below)	<u>868,821</u>
Total	<u>\$ 25,095,386</u>

New Jersey Cash Management Fund - During the year, the Township participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 2: Cash and Cash Equivalents (continued)

as defined above. At December 31, 2015 the Township's deposits with the New Jersey Cash Management Fund are \$868,821.

Note 3. Investments

A. Custodial Credit Risk

For an investment, custodial credit risk is a risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Township and are held by either the counterparty or the counterparty's trust department or agent but not in the Township's name. All of the Township's investments are held in the name of the Township and are collateralized by GUDPA.

B. Investment Interest Rate Risk

Interest rate risk is the risk that changes in interest rates that will adversely affect the fair value of an investment. The Township has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investments held at December 31, 2015, are provided in the above schedule.

C. Investment Credit Risk

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

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

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 3. Investments (continued):

- Agreements for the repurchase of fully collateralized securities.

As of December 31, 2015, the Township had no investments.

Note 4: Interfund Receivables and Payables

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

	Due From	Due To
Current Fund	\$ 1,532,063	\$ 62,281
Grant Fund	51,250	225,701
Animal Control Trust	-	30
Open Space Trust	-	481,370
Trust Other	-	25,485
General Capital Fund	-	850,727
Utility Operating Fund	462,845	-
Sewer Connection Trust	-	400,499
Utility Capital Fund	-	65
	\$ 2,046,158	\$ 2,046,158

The purpose of these interfunds is short-term borrowings.

Note 5: Property Taxes

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

Comparison of Tax Rate Information	2015	2014	2013
Total Tax Rate	<u>\$3.046</u>	<u>\$2.953</u>	<u>\$2.856</u>
Apportionment of Tax Rate:			
Municipal	0.411	0.411	0.412
County	0.435	0.403	0.395
Local School	1.450	1.422	1.374
Regional High School	0.720	0.687	0.646
Municipal Open Space	0.030	0.030	0.029

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note: 5: Property Taxes (continued):

Net Valuation Taxable:

2015	<u>\$ 2,972,790,205</u>		
2014		<u>\$ 2,970,853,153</u>	
2013			<u>\$ 2,975,894,377</u>

Comparison of Tax Levies and Collection Currently

YEAR	TAX LEVY	CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2015	\$ 91,626,530	\$ 90,516,057	98.78%
2014	88,484,212	87,367,500	98.73%
2013	85,590,325	84,333,575	98.53%

Delinquent Taxes and Tax Title Liens

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2015	\$ 275,481	\$ 898,511	\$ 1,173,992	1.28%
2014	441,535	1,021,763	1,463,298	1.65%
2013	414,969	813,231	1,228,200	1.84%

Note: 6: Property Acquired By Tax Title Lien Liquidation

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

YEAR	AMOUNT
2015	\$ 962,500
2014	371,400
2013	371,400

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 7. Pension Obligations

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2015, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 7. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS) (continued):

adjusted by the rate of return on the actuarial value of assets. Township contributions to PERS amounted to \$269,894 for 2015.

The employee contribution rate was 6.92% effective July 1, 2014 and increased to 7.06% effective July 1, 2015. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

Net Pension Liability and Pension Expense - At December 31, 2015, the Township's proportionate share of the PERS net pension liability is valued to be \$7,391,768. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2014, to the measurement date of June 30, 2015. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2015. The Township's proportion measured as of June 30, 2015, was .03293%, which was an increase of .00019% from its proportion measured as of June 30, 2014.

Balances at December 31, 2015 and December 31, 2014

	<u>12/31/15</u>	<u>12/31/14</u>
Actuarial valuation date	July 1, 2015	July 1, 2014
Net Pension Liability	\$ 7,391,768	\$ 6,129,600
Township's portion of the Plan's total net pension Liability	0.03293%	0.03274%

For the year ended December 31, 2015, the Township had an allocated pension expense of \$421,331.

Actuarial Assumptions – The collective total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. This actuarial valuation used the following actuarial assumptions:

	<u>PERS</u>
Measurement date	June 30, 2015
Actuarial valuation date	July 1, 2014
Investment rate of return	7.90%
Salary scale	2012-2021 - 2.15-4.40% Based on Age Thereafter - 3.15-5.40% Based on Age
Inflation rate	3.04%

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 7. Pension Obligations (continued):

A. Public Employees’ Retirement System (PERS) (continued):

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

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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

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

Discount Rate - The discount rate used to measure the total pension liability was 4.90% as of June 30, 2015. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 7. Pension Obligations (continued):

A. Public Employees’ Retirement System (PERS) (continued):

an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of actuarially determined contributions. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Township’s proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township’s proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.90%) or 1-percentage-point higher (5.90%) than the current rate:

	<u>Decrease</u> <u>(3.90%)</u>	<u>Discount</u> <u>(4.90%)</u>	<u>Increase</u> <u>(5.90%)</u>
Township's proportionate share of the net pension liability	\$ 9,187,063	\$ 7,391,768	\$ 5,886,605

Pension Plan Fiduciary Net Position

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

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

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

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

The following represents the membership tiers for PFRS:

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

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 7. Pension Obligations (continued):

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

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

Contributions - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2015, the State contributed an amount less than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. Township contributions to PFRS amounted to \$766,582 for 2015.

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

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

Net Pension Liability and Pension Expense - At December 31, 2015, the Township's proportionate share of the PFRS net pension liability is valued to be \$16,811,658. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2014, to the measurement date of June 30, 2015. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2015. The Township's proportion measured as of June 30, 2015, was .10093%, which was an increase of .00113% from its proportion measured as of June 30, 2014.

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 7. Pension Obligations (continued):

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

Balances at December 31, 2015 and December 31, 2014

	<u>12/31/15</u>	<u>12/31/14</u>
Actuarial valuation date	July 1, 2015	July 1, 2014
Net Pension Liability	\$ 16,811,658	\$ 12,554,718
Township's portion of the Plan's total net pension Liability	0.10093%	0.09981%

For the year ended December 31, 2015, the Township had an allocated pension expense of \$1,503,466.

Additionally, the State’s proportionate share of the net pension liability attributable to the Township is \$1,474,326 as of December 31, 2015. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2014, to the measurement date of June 30, 2015. The State’s proportion of the net pension liability associated with the Township was based on a projection of the Township’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State’s proportion measured as of June 30, 2015 was .10093%, which was an increase of .00113% from its proportion measured as of June 30, 2014, which is the same proportion as the Township’s.

Townships's Proportionate Share of the Net Pension Liability	\$ 16,811,658
State's Proportionate Share of the Net Pension Liability Associated with the Township	<u>1,474,326</u>
Total Net Pension Liability	<u>\$ 18,285,984</u>

For the year ended December 31, 2015, the Township’s total allocated pension expense was \$1,678,367.

Actuarial Assumptions – The collective total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. This actuarial valuation used the following actuarial assumptions:

	<u>PFRS</u>
Measurement date	June 30, 2015
Actuarial valuation date	July 1, 2014
Investment rate of return	7.90%
Salary scale	2012-2021 - 2.60-9.48% Based on Age Thereafter - 3.60-10.48% Based on Age
Inflation rate	3.04%

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 7. Pension Obligations (continued):

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

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

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

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

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

Discount Rate - The discount rate used to measure the total pension liability was 5.79% as of June 30, 2015. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 7. Pension Obligations (continued):

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

an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made on the average of the last five years of contributions. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2045. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2045, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Township’s proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township’s proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.79%) or 1-percentage-point higher (6.79%) than the current rate:

	Decrease (4.79%)	Discount Rate (5.79%)	Increase (6.79%)
Township's proportionate share of the Net Pension Liability and the State's proportionate share of the Net Pension Liability associated with the Township	\$ 24,106,733	\$ 18,285,984	\$ 13,539,684

Pension Plan Fiduciary Net Position

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

Defined Contribution Retirement Program - The Defined Contribution Retirement Program (DCRP) is a cost-sharing multiple-employer defined contribution pension fund which was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A 43:15C-1 et. seq.) and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by *N.J.S.A.43:15C-1* et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 7. Pension Obligations (continued):

Defined Contribution Retirement Program (continued):

The Township's contributions were as follows:

Fiscal Year	Total Liability	Funded by Township	Employee Deductions
2015	\$ 18,048	\$ 7,928	\$ 10,120
2014	12,029	4,491	7,538
2013	7,261	3,058	4,203

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

Note 8: Other Post-Employment Benefits

In General

The Other Post-Employment Benefits provided by the Township of Medford is currently through the New Jersey State Health Benefits Plan and includes medical and prescription drugs for retirees and spouses.

Eligibility

Township of Medford Police, UAW, and Water Sewer employees hired before January 1, 2013 who completed 20 years of public employment with the Township and at least 25 years of service with the Public Employees Retirement System (PERS) are eligible for benefits upon retirement regardless of age. The retiree is responsible for 25% of the premiums or 1.5% of retiree's monthly pension allowance, whichever is greater. Once Medicare age is attained the Township provides full coverage for the supplemental coverage to Medicare. Employees on or after January 1, 2013 who completed 25 years of public employment with the Township and at least 25 years of service with the Public Employees Retirement System (PERS) are eligible for benefits upon retirement regardless of age. The retiree is responsible for 50% of the premiums or 1.5% of retiree's monthly pension allowance, whichever is greater. Once Medicare age is attained the Township provides full coverage for the supplemental coverage to Medicare.

Township of Medford Firefighters hired before January 1, 2012 who completed 20 years of public employment with the Township and at least 25 years of service with the Public Employees Retirement System (PERS) are eligible for benefits upon retirement regardless of age. The retiree is responsible for 25% of the premiums or 1.5% of retiree's monthly pension allowance, whichever is greater. Once Medicare age is attained the Township provides full coverage for the supplemental coverage to Medicare. Employees on or after January 1, 2012 who completed 25 years of public employment with the Township and at least 25 years of service with the Public Employees Retirement System (PERS) are eligible for benefits upon retirement regardless of age. The retiree is responsible for 50% of the premiums or 1.5% of retiree's monthly pension allowance, whichever is greater. Once Medicare age is attained the Township provides full coverage for the supplemental coverage to Medicare.

Year of service are calculated based upon elapsed time.

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 8: Other Post Employment Benefits (continued)

Township of Medford’s annual Other Post-Employment Benefit cost is calculated based on the Annual Required Contribution. The actuarial cost method used to determine the Plan’s funding requirements is the “Unit Credit” method. Under this method, an actuarial accrued liability is determined as the present value of the earned benefits, which is allocated to service before the current plan year.

We have reviewed the premiums paid data during the twelve months of 2013 for health, prescription drugs, and vision for retirees less than age 65 and over age 65. As a result we have utilized an annual average claims cost of approximately \$29,196 per covered retiree for family coverage and \$11,676 for single coverage prior to age 65. For retirees age 65 and over we have utilized an annual average claims cost of approximately \$23,400 per covered retiree for family coverage and \$11,676 for single coverage.

Pursuant to Chapter 78 of P.L.2011, effective June 28, 2011, retirees are required to contribute for medical and prescription drugs benefits. The percent of premium contribution, derived from base salary or retirement allowance and type of coverage tier is multiplied by the total premium for the cost of the coverage received by each employee or retiree. Retiree health insurance contributions do not apply to employees that have 20 years or more of service in a state or local retirement system as of the effective date and meet the eligibility requirements of the employer pursuant to N.J.S.A. 40A:10-23, (i.e., age 62 with 15 years of service or 25 years of service).

Benefit Obligations

At 12/31/2013 it’s estimated that the actuarial accrued liability of benefit obligations of the Township of Medford for other post-employment benefits to be:

	<u>12/31/2013</u>
1. For covered retired employees	\$21,053,575
2. For active or terminated vested participants who have satisfied the requirements (except for actually retiring) for retiree coverage	1,433,827
3. For other active participants	14,882,807
4. Total	37,370,209
5. Assets	0
6. Unfunded Actuarial Accrued Liability (5.) – (4.)	37,370,209

ANNUAL REQUIRED CONTRIBUTION (ARC)

At 12/31/2013 it’s estimated the ARC of the plan for post-employment benefits to be:

	<u>12/31/2013</u>
1. Annual Amount Toward Unfunded Actuarial Accrued Liability	\$2,315,224

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 8: Other Post-Employment Benefits (continued)

2. Normal Cost for OPEB	968,767
3. Total (1.) + (2.)	3,283,991

BENEFIT PAYMENT COMPARISON

At 12/31/2013, the OPEB was funded on a pay-as-you-go basis:

1. Pay-As-You-Go Retiree Medical Costs	\$1,401,072 *
2 Annual Required Contribution (ARC)	3,283,991
3 Net Increase (Decrease) (2.) – (1.)	1,882,919

* Estimated costs.

Assumptions

The following assumptions were used for the valuation:

1. **MORTALITY.** The mortality table employed in this valuation is the 1994 sex distinct Group Annuity Mortality Table.

2. **DISCOUNT RATE.** We have discounted future costs at the rate of 5.00% compounded annually.

3. **TURNOVER.** It is assumed that terminations of employment other than for death or retirement will occur in the future in accordance with The U.S. Office of Personnel Management regarding the experience of the employee group covered by the Federal Employees Retirement System some excerpts from which are:

AGE	% TERMINATING
20	70.4%
40	15.9%
50	0.0%

4. **DISABILITY.** It is assumed no terminations of employment due to disability. Retirees resulting from a disability were factored into our determination of age at retirement.

5. **AGE AT RETIREMENT.** It is assumed that the active participants, on average, will receive their benefits when eligible but no earlier than age 55.

6. **FINAL AVERAGE SALARY.** It is assumed that the final average salary for retirees age 55 and over is \$43,793. Future retirees are assumed to contribute toward retiree health premiums pursuant to Chapter 78, P.L. 2011.

7. **SPOUSAL COVERAGE.** It is assumed that married employees will remain married.

8. **HEALTH CARE COST INFLATION.** It is assumed that health care gross costs will increase an annual rate of 7.0% for Pre-Medicare medical benefits and 5% for Post-Medicare medical benefits.

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 8: Other Post-Employment Benefits (continued)

9. ADMINISTRATION EXPENSES. It is assumed that the annual cost to administer the retiree claims, approximately 2%, is included in the annual health care costs.

Note 9: Compensated Absences

Township employees are entitled to paid vacation and comp-time depending upon their length of service with the Township. Vacation days not used during the year may be accumulated and carried forward to the next succeeding year. Vacation days carried forward must be used in the next succeeding year or be forfeited. Vacation time unused is reimbursed to the employee at their current rate of pay upon termination. Comp-time may be carried forward to succeeding years up to a maximum of 480 hours for police employees and 240 hours for all other employees. Comp-time unused is reimbursed to the employee at their current rate of pay upon termination. Sick time is accumulated and carried forward to succeeding years but is not reimbursed to employees upon termination. The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2015:

Vacation	\$	325,524
Comp		40,632
Employer Share of Payroll Taxes		<u>28,011</u>
Total	\$	<u><u>394,167</u></u>

Note 10: Length of Service Awards Program

The Township's Length of Service Awards Program (LOSAP) was created by a Township Ordinance adopted on August 27, 2002 pursuant to Section 457 (e)(11)(13) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the Length of Service Award Program as enacted into federal law in 1997. The voters of the Township of Medford approved the adoption of the LOSAP at the general election held on November 5, 2002, and the first year of eligibility for entrance into the LOSAP by qualified volunteers was calendar year 2003. The LOSAP provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel.

As required by *N.J.A.C.5:30-14.49*, the Township must have an annual review of its LOSAP performed in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Note 11: Sanitary Landfill Escrow Closure Fund

The Township of Medford operates a municipal landfill located in the southern part of the Township. The Sanitary Landfill Facility Closure and Contingency Fund Act of 1981 was enacted to provide funding, during the life of the landfill, of costs associated with the closure of sanitary landfills. The Act requires the owner or operator of every sanitary landfill to establish an escrow account for closure and deposit, on a monthly basis, an amount equal to \$1.00 per ton of solid waste accepted for disposal. No withdrawals may be made from the fund without written approval from the State Department of Environmental Protection and Energy.

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 11: Sanitary Landfill Escrow Closure Fund

At December 31, 2015, it is estimated that the landfill has reached 100% of its holding capacity. However, the escrow closure fund balance at year-end does not necessarily represent the estimated cost of closure as of that date. The required balance of the fund merely represents the amount required to be escrowed in accordance with the statute. Actual costs associated with closure are not known.

Note 12: Lease Obligations

December 31, 2015, the Township had lease agreements in effect for the following:

Capital Leases:

Two (2) Xerox Copiers

The following is an analysis of capital leases:

	Balance Dec. 31, 2014		Increases	Decreases	Balance Dec. 31, 2015
2 Xerox Copiers	\$2,028	\$	-	\$ 2,028	\$ -

Rental payments under operating leases for the year 2015 were \$2,028.

Note 13. Fixed Assets

The following schedule is a summarization of the changes in General Fixed Assets for the fiscal year ended December 31, 2015:

	Balance December 31, <u>2014</u>		<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2015</u>
Land & Buildings	\$ 30,286,100	\$	-	-	\$ 30,286,100
Furniture & Equipment	<u>12,306,079</u>	\$	<u>593,289</u>	<u>302,056</u>	<u>12,597,312</u>
Total	<u>\$ 42,592,179</u>	\$	<u>593,289</u>	<u>302,056</u>	<u>\$ 42,883,412</u>

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 14: Capital Debt

Summary of Debt:

<u>Issued</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Bonds, Loans and Notes	\$ 22,831,382	\$ 23,377,118	\$ 27,471,237
Water/Sewer Utility Capital Bonds, Loans and Notes	<u>27,502,632</u>	<u>28,164,170</u>	<u>30,421,731</u>
Total Debt Issued	<u>50,334,014</u>	<u>51,541,288</u>	<u>57,892,968</u>
 Authorized But Not Issued			
General Bonds and Notes	3,309,838	4,640,925	4,640,925
Water/Sewer Utility Bond and Notes	<u>794,339</u>	<u>1,542,358</u>	<u>1,542,358</u>
Total Authorized But Not Issued	<u>4,104,177</u>	<u>6,183,283</u>	<u>6,183,283</u>
Total Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 54,438,191</u>	<u>\$ 57,724,571</u>	<u>\$ 64,076,251</u>

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding:

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.818%

	GROSS DEBT	DEDUCTIONS	NET DEBT
Regional High School District	\$ 11,938,397	\$ 11,938,397	\$ -
Local School District Debt	20,405,000	20,405,000	-
Water & Sewer Utility Debt	28,296,972	28,296,972	-
General Debt	<u>26,141,220</u>	-	<u>26,141,220</u>
Total	<u>\$ 86,781,589</u>	<u>\$ 60,640,369</u>	<u>\$ 26,141,220</u>

Net Debt, \$26,141,220 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, as amended, \$3,171,527,117 equals 0.824%.

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 14: Capital Debt (continued):

Borrowing Power Under 40A:2-6:

3 1/2% of Equalized Valuation Bases (Municipal)	\$ 111,003,449
Net Debt	26,141,220
Remaining Borrowing Power	\$ 84,862,229

Calculation of Self-Liquidating Purpose - Water-Sewer Utility per N.J.S.40A:2-45

Cash Receipts From Fees, Rents & Other Charges	\$ 7,847,742
Deductions:	
Operating & Maintenance Costs	\$ 3,864,900
Debt Service per Water & Sewer Utility Operating Fund	2,868,067
	6,732,967
Excess Revenue - Self Liquidating	\$ 1,114,775

General Debt - Bonds:

Calender Year	General Debt - Bonds		
	Interest	Principal	Total
2016	633,480	3,395,200	4,028,680
2017	530,576	3,213,000	3,743,576
2018	426,316	3,225,800	3,652,116
2019	321,800	1,318,600	1,640,400
2020	295,219	1,255,000	1,550,219
2021-2025	1,161,994	4,785,000	5,946,994
2026-2030	625,869	3,155,000	3,780,869
2031-2033	137,688	2,150,000	2,287,688
	\$ 4,132,942	\$ 22,497,600	\$ 26,630,542

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 14: Capital Debt (continued):

Green Acres Loans:

Calender Year	General Debt - Green Acres		
	Interest	Principal	Total
2016	\$ 6,676	\$ 118,962	\$ 125,638
2017	4,296	121,355	125,651
2018	1,869	61,999	63,868
2019	629	31,466	32,095
	<u>\$ 13,470</u>	<u>\$ 333,782</u>	<u>\$ 347,252</u>

Water & Sewer Utility Bonds:

Calender Year	Water & Sewer Bonds		
	Interest	Principal	Total
2016	\$ 350,045	\$ 1,033,800	\$ 1,383,845
2017	323,649	960,000	1,283,649
2018	298,889	980,200	1,279,089
2019	273,463	1,055,400	1,328,863
2020	244,569	988,000	1,232,569
2021-2025	840,044	4,140,000	4,980,044
2026-2030	872,763	1,755,000	2,627,763
2031-2035	60,388	725,000	785,388
	<u>\$ 3,263,810</u>	<u>\$ 11,637,400</u>	<u>\$ 14,901,210</u>

Water & Sewer Loans Payable:

Calender Year	Water & Sewer Loans		
	Interest	Principal	Total
2016	\$ 400,588	\$ 1,040,461	\$ 1,441,049
2017	376,838	1,071,338	1,448,176
2018	351,587	1,089,280	1,440,867
2019	325,337	1,114,450	1,439,787
2020	303,312	1,139,376	1,442,688
2021-2025	1,063,200	5,811,372	6,874,572
2026-2030	297,545	4,598,955	4,896,500
	<u>\$ 3,118,407</u>	<u>\$ 15,865,232</u>	<u>\$ 18,983,639</u>

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 15. Special Emergency Notes

At December 31, 2015, the Township had the following outstanding special emergency notes:

<u>Purpose</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
Current Fund:			
Revaluation	5/19/2016	1.50%	<u>\$ 280,000</u>
Total			<u><u>\$ 280,000</u></u>

Note 16. Deferred Charges to be Raised in Succeeding Budgets

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

	Balance Dec. 31, 2015	2016 Budget Appropriation
Current Fund:		
Special Emergency	\$ 120,000	\$ 140,000
Emergency Authorization	<u>414,949</u>	<u>414,949</u>
Total	<u><u>\$ 534,949</u></u>	<u><u>\$ 554,949</u></u>

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

Note 17: School Taxes

The Medford Township School District and the Lenape Regional High School Tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the Current Fund liabilities as follows:

	<u>Balance December 31, 2015</u>	<u>2014</u>
Local School Tax		
Balance of Tax	\$ 21,497,942	\$ 21,060,623
Deferred	<u>19,507,879</u>	<u>19,507,879</u>
Local School Tax Payable	<u><u>\$ 1,990,063</u></u>	<u><u>\$ 1,552,744</u></u>
Regional School Tax		
Balance of Tax	\$ 10,709,471	\$ 10,206,026
Deferred	<u>8,516,977</u>	<u>8,516,977</u>
Regional School Tax Payable	<u><u>\$ 2,192,494</u></u>	<u><u>\$ 1,689,049</u></u>

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 18: Reserve for Interest Rebate

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

The Township of Medford has the following bond issues outstanding that require a rebate calculation:

Issue Date	Settlement Date	Amount
December 28, 2006	December 28, 2006	\$ 689,000.00
July 23, 2008	July 23, 2008	9,500,000.00
May 9, 2013	May 9, 2013	11,470,000.00

Note 19: Joint Insurance Pool

The Township of Medford is a member of the Professional Municipal Management Joint Insurance Fund. The Fund provides its members with the following coverage:

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

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

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

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

Note 20: New Jersey Unemployment Compensation Insurance

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

Year	Township Contributions	Amount Reimbursed	Ending Balance
2015	\$ 33,509	\$ 43,084	\$ 85,789
2014	62,102	8,973	95,364
2013	8,087	35,007	42,235

TOWNSHIP OF MEDFORD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 21: Guarantor of Debt

In 2006, the Township became co-borrower of various loans for the reconstruction of several dams located within the Township. All of the loans were made from the New Jersey Department of Environmental Protection, Dam Restoration Loan Program. In the event the original borrower defaults on a loan the Township will be required to make the remaining payments. The terms of the loans are as follows:

Agreement Borrowers Name	Interest Date	Amount	Rate	Term
Old Taunton Colony Club	01/10/06	\$ 433,440.00	2.00%	20 Years
YMCA Camp Ockanickon, Inc.	01/10/06	1,809,000.00	2.00%	20 Years
Birchwood Lake Colony Club	01/24/06	2,340,000.00	2.00%	20 Years
Jewish Federation of Southern NJ	01/24/06	227,500.00	2.00%	20 Years

In addition, the Township acts as a fiduciary for the Birchwood Lakes Colony Club with regards to collecting the annual billings of their association for the repayment of their loan and then pays their debt service payments with the collections.

SUPPLEMENTARY EXHIBITS

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CURRENT FUND

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**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF CURRENT CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2015**

	REGULAR	FEDERAL & STATE GRANT FUND
Balance December 31, 2014	\$ 7,805,068	\$ 517,295
Increased by Receipts:		
Taxes Receivable	\$ 90,758,740	\$ -
Prepaid Taxes	624,435	-
Tax Title Liens Receivable	24,734	-
Proceeds from Special Emergency Note	280,000	-
Due State of New Jersey:		
Marriage License Fees	2,479	-
Senior Citizens & Verterans Deductions	179,000	-
Construction Code Fees	47,832	-
Miscellaneous Revenue		
Anticipated	5,611,098	-
Miscellaneous Revenue		
Not Anticipated	317,875	-
Refunds	16,854	-
Due Current Fund	-	529
Due Utility Operating	62,281	-
Due Federal & State Grant Fund	45,763	-
Due General Capital Fund	-	153,750
Due from Animal Control	2,221	-
Due Trust Other	1,972	-
Reserve for:		
FEMA Funds	123,170	-
Election Funds	680	-
Municipal Court POAA	12	-
Public Safety Equipment	5,975	-
PILOT	9,842	-
Federal & State Grants		
Receivable	-	426,582
	98,114,963	583,411
Total Receipts		
	105,920,031	1,100,706
Subtotal		

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF CURRENT CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2015**

	REGULAR	FEDERAL & STATE GRANT FUND
Decreased by Disbursements:		
2015 Appropriations	17,110,777	-
2014 Appropriation Reserves	748,691	-
Due County - Added & Omitted Taxes	103,442	-
County Taxes Payable	11,898,260	-
County Library Taxes Payable	992,156	-
Local School Taxes Payable	42,672,805	-
Regional High School Taxes Payable	20,915,501	-
Municipal Open Space	1,203,386	-
Due State of New Jersey:		
Marriage License Fees	2,579	-
Construction Code Fees	45,496	-
Petty Cash Funds	200	-
Reserve for:		
Election Funds	320	-
Due General Capital Fund	-	205,000
Due Current Fund	-	45,763
Due Grant Fund	529	-
Due Animal Control	391	-
Due Trust Other	12,868	-
Due Sewer Connection Trust	30,390	-
Refund of Tax Overpayments	112,252	-
Special Emergency Note Payable	420,000	-
Federal & State Grants Appropriated	-	474,396
	-	474,396
 Total Disbursements	<u>96,270,043</u>	<u>725,159</u>
 Balance December 31, 2015	<u>\$ 9,649,988</u>	<u>\$ 375,547</u>

**SCHEDULE OF CHANGE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

EXHIBIT A-5

OFFICE	AMOUNT
Tax Office	\$ 200
Municipal Court	200
 Total	<u>\$ 400</u>

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2015**

YEAR	BALANCE DECEMBER 31, 2014	2015 LEVY	ADDED TAXES	COLLECTED 2014	2015	DUE FROM STATE OF NEW JERSEY	TRANSFER TO TAX TITLE LIENS	CANCELED	BALANCE DECEMBER 31, 2015
2014	\$ 1,021,763	\$ -	\$ -	\$ -	\$ 981,065	\$ (3,250)	\$ 2,466	\$ 41,227	\$ 255
Total	1,021,763	-	-	-	981,065	(3,250)	2,466	41,227	255
2015	-	\$ 90,551,376	1,075,154	602,992	89,729,565	183,500	63,196	149,021	898,256
Total	\$ 1,021,763	\$ 90,551,376	\$ 1,075,154	\$ 602,992	\$ 90,710,630	\$ 180,250	\$ 65,662	\$ 190,248	\$ 898,511

ANALYSIS OF 2015 PROPERTY TAX LEVY

General Purpose Tax	\$ 90,551,376
Added & Omitted Taxes (54:4-6 et seq)	<u>1,075,154</u>
Total	<u>\$ 91,626,530</u>
TAX LEVY:	
Local District School Tax	\$ 43,110,124
Regional High School Tax	21,418,946
County Taxes:	
County Tax	\$ 10,649,307
County Library Tax	992,156
County Open Space Preservation	1,248,953
Due County for Added & Omitted Taxes	148,338
Local Open Space Tax	13,038,754
Due Open Space Trust Fund for Added & Omitted Taxes	891,944
Local Tax for Municipal Purposes	10,410
Add: Additional Taxes Levied	12,223,521
	<u>932,831</u>
Total	<u>\$ 91,626,530</u>

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014		\$	441,535
Increased by:			
Transfers From Taxes Receivable	\$	65,662	
Interest & Cost on Taxes		1,220	66,882
			<hr/>
Subtotal			508,417
Decreased by:			
Collections		24,734	
Transfer to Foreclosed Property		208,202	232,936
			<hr/>
Balance December 31, 2015		\$	<u>275,481</u>

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

	BALANCE DECEMBER 31, 2014	ACCRUED IN 2015	COLLECTED	BALANCE DECEMBER 31, 2015
Miscellaneous Revenue Anticipated:				
Licenses - Alcoholic Beverages	\$ -	\$ 22,928	\$ 22,928	\$ -
Fees & Permits - Other	-	143,302	143,302	-
Fines & Cost Municipal Court	15,016	163,603	164,200	14,419
Interest & Costs on Taxes	-	231,749	231,749	-
Interest on Investments & Deposits	-	12,862	12,862	-
Alarm Fees	-	9,600	9,600	-
Cable Television Fees	-	368,723	368,723	-
Emergency Medical Service Billing Income	-	621,253	621,253	-
Energy Receipts Tax	-	1,981,293	1,981,293	-
Uniform Construction Code Fees	-	842,899	842,899	-
Interlocal Services Agreement:				
Police Salaries-Lenape Regional High School	-	510,674	510,674	-
UCC - Medford Lakes	-	28,500	28,500	-
Uniform Fire Safety Act	-	54,870	54,870	-
Liquidation of Reserve from General Capital Fund	-	618,245	618,245	-
Total Anticipated Revenues	\$ 15,016	\$ 5,610,501	\$ 5,611,098	\$ 14,419

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF 2014 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2015**

OPERATIONS	ENCUMBERED	RESERVED	BALANCE AFTER TRANSFERS	EXPENDED	BALANCE LAPSED
General Government Functions:					
General Administration:					
Office of the Manager:					
Salaries and Wages	\$ -	\$ 25,942	\$ 25,942	\$ 5,194	\$ 20,748
Other Expenses	-	67	67	50	17
Mayor & Council:					
Salaries and Wages	-	160	160	-	160
Other Expenses	7,540	599	8,139	7,994	145
Municipal Clerk:					
Other Expenses	790	10,603	11,393	2,537	8,856
Financial Administration:					
Office of Treasurer:					
Salaries and Wages	-	16,782	16,782	1,746	15,036
Other Expenses	10,595	8,673	19,268	10,545	8,723
Audit Services	26,640	5,900	32,540	27,950	4,590
Revenue Administration:					
Salaries and Wages	-	1,990	1,990	1,167	823
Other Expenses	309	4,420	4,729	268	4,461
Division of Assessments:					
Salaries and Wages	-	15,079	15,079	1,367	13,712
Other Expenses	4,988	11,369	7,357	7,356	1
Legal Services & Costs:					
Other Expenses	3,029	959	27,988	26,728	1,260
Engineering Services & Costs:					
Other Expenses	6,901	8,614	15,515	15,172	343
Division of Planning:					
Salaries and Wages	-	5,223	5,223	526	4,697
Other Expenses	313	4,103	12,416	10,832	1,584
Division of Zoning:					
Other Expenses	11,223	12	19,735	18,139	1,596
Department of Public Safety:					
Police:					
Salaries and Wages	-	71,839	71,839	33,703	38,136
Other Expenses	50,761	11,517	62,278	52,277	10,001
Fire:					
Other Expenses	33,020	427	33,447	27,747	5,700
First Aid Organizations:					
Salaries and Wages	-	4,179	4,179	1,168	3,011
Other Expenses	23,372	20,911	44,283	25,223	19,060
Emergency Management Services:					
Other Expenses	-	132	132	132	-
Uniform Fire Safety Act: PL1983C.383):					
Salaries and Wages	-	8,782	8,782	4,255	4,527
Other Expenses	6,295	40	6,335	6,074	261
Prosecutor:					
Other Expenses - Contractual	-	3,600	3,600	-	3,600
Department of Public Works:					
Road Repairs & Maintenance:					
Salaries and Wages	-	359	1,559	1,559	-
Other Expenses	30,937	1,570	36,507	32,046	4,461
Snow Removal:					
Salaries and Wages	-	44,707	44,707	44,707	-
Other Expenses	13,395	41,605	55,000	55,000	-
Sanitation:					
Salaries and Wages	-	410	2,710	2,710	-
Other Expenses	106,646	7,469	110,615	78,949	31,666

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF 2014 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2015**

OPERATIONS	ENCUMBERED	RESERVED	BALANCE AFTER TRANSFERS	EXPENDED	BALANCE LAPSED
Building & Grounds:					
Salaries and Wages	-	2,488	2,488	2,220	268
Other Expenses	17,585	1,674	19,259	10,649	8,610
Shade Tree Program:					
Other Expenses	3,570	1,000	4,570	1,870	2,700
Vehicle Maintenance:					
Salaries and Wages	-	1,949	1,949	1,027	922
Other Expenses	55,982	25,836	80,218	48,434	31,784
Economic Development Committee					
Other Expenses	-	100	100	-	100
Parks & Recreation:					
Parks & Playgrounds:					
Salaries and Wages	-	394	394	-	394
Other Expenses	-	910	910	494	416
Landfill/Solid Waste Disposal	-	59,551	61,151	61,136	15
Community Services:					
Other Expenses	-	181	181	-	181
Municipal Court:					
Salaries and Wages	-	20,999	20,999	996	20,003
Other Expenses	1,141	4,697	5,838	1,212	4,626
Insurance:					
General Liability	-	2,819	2,819	-	2,819
Group Insurance	-	23,574	23,574	-	23,574
Hepatitis Vaccination:					
Other Expenses	-	500	500	-	500
Uniform Construction Code Appropriations					
Offset by Dedicated Revenues:					
Construction Code Official:					
Salaries and Wages	-	12,822	12,822	1,930	10,892
Other Expenses:					
Direct Costs	-	3,180	3,180	-	3,180
Unclassified:					
Celebration of Public Events, Anniversary or Holiday:					
Other Expenses	100	-	100	-	100
Utilities:					
Electric	-	36,984	36,984	8,253	28,731
Street Lighting	-	19,334	19,334	19,183	151
Telephone & Telegraph	-	9,764	9,764	4,633	5,131
Water & Sewer	-	22	22	-	22
Heating Gas/Oil	500	1,735	7,835	2,235	5,600
Gasoline/Diesel Fuel	40,751	49,644	60,795	32,415	28,380
Catatrophic Illness Fund	-	71	71	-	71
Statutory Expenditures:					
Public Employees Retirement System	-	17,332	17,332	-	17,332
Social Security System (O.A.S.I.)	-	25,035	13,535	-	13,535
Police and Fireman Retirement System	-	22,310	22,310	-	22,310
OPERATIONS EXCLUDED FROM "CAPS":					
Recycling Tax	-	12,471	12,471	2,379	10,092
LOSAP	70,000	-	70,000	61,900	8,100
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total General Appropriations	\$ 526,383	\$ 695,418	\$ 1,221,801	\$ 764,087	\$ 457,714

Cash Disbursements	\$ 748,691
Accounts Payable	15,396
Total	<u>\$ 764,087</u>

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014		\$	11,615
Increased by:			
Overpayments Created in 2015:			
2015 Taxes	\$	125,242	
Prior Year Taxes		9,038	134,280
Subtotal			145,895
Decreased by:			
Applied to Prior Year Taxes		11,615	
Refunded		112,252	123,867
Balance December 31, 2015		\$	<u>22,028</u>

**SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014 (2015 Taxes)		\$	602,992
Increased by:			
Collections			624,435
Subtotal			1,227,427
Decreased by:			
Applied to 2015 Taxes Receivable			602,992
Balance December 31, 2015 (2016 Taxes)		\$	<u>624,435</u>

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY
SENIOR CITIZENS & VETERANS DEDUCTIONS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014		\$	95,136
Increased by:			
Cash Received	\$	179,000	
Prior Year Veteran & Senior Citizens Disallowed		3,250	
2015 Veteran & Senior Citizens Disallowed		1,750	184,000
Subtotal			279,136
Decreased by:			
2015 Levy - Deductions per Tax Billing		179,000	
2015 Veteran & Senior Citizens Allowed		6,250	185,250
Balance December 31, 2015		\$	<u>93,886</u>

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF DUE COUNTY FOR ADDED & OMITTED TAXES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$ 103,442
Increased by:	
County Share of 2015 Levy	<u>148,338</u>
Subtotal	251,780
Decreased by:	
Payments	<u>103,442</u>
Balance December 31, 2015	<u><u>\$ 148,338</u></u>

ANALYSIS OF BALANCE DECEMBER 31, 2015

Rollback Taxes (2013)	\$ 14,816
Rollback Taxes (2014)	14,962
Added Taxes (2013)	16,282
Added Taxes (2014)	3,339
Added Taxes (2014)	96,399
Omitted/Added Taxes (2014)	<u>2,540</u>
Total	<u><u>\$ 148,338</u></u>

**SCHEDULE OF DUE COUNTY TAXES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$ -
Increased by:	
County Share of 2015 Levy	<u>12,890,416</u>
Subtotal	12,890,416
Decreased by:	
Payments	<u>12,890,416</u>
Balance December 31, 2015	<u><u>\$ -</u></u>

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014:		
School Tax Payable	\$ 1,552,744	
School Tax Deferred	<u>19,507,879</u>	\$ 21,060,623
Increased by:		
Fiscal Year Levy - 2015 to 2016		<u>43,110,124</u>
Subtotal		64,170,747
Decreased by:		
Cash Disbursements		<u>42,672,805</u>
Balance December 31, 2015:		
School Tax Payable	1,990,063	
School Tax Deferred	<u>19,507,879</u>	
Total		<u>\$ 21,497,942</u>
Local District School Tax Liability:		
Cash Payments		\$ 42,672,805
School Tax Payable December 31, 2015		<u>1,990,063</u>
Total		44,662,868
School Tax Payable December 31, 2014		<u>1,552,744</u>
Amount Charged to 2015 Operations		<u>\$ 43,110,124</u>

**SCHEDULE OF REGIONAL HIGH SCHOOL TAX
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014:		
School Tax Payable	\$ 1,689,049	
School Tax Deferred	<u>8,516,977</u>	\$ 10,206,026
Increased by:		
Fiscal Year Levy - 2015 to 2016		<u>21,418,946</u>
Subtotal		31,624,972
Decreased by:		
Cash Disbursements		<u>20,915,501</u>
Balance December 31, 2015:		
School Tax Payable	2,192,494	
School Tax Deferred	<u>8,516,977</u>	
Total		<u>\$ 10,709,471</u>
Local District School Tax Liability:		
Cash Payments		\$ 20,915,501
School Tax Payable December 31, 2015		<u>2,192,494</u>
Total		23,107,995
School Tax Payable December 31, 2014		<u>1,689,049</u>
Amount Charged to 2015 Operations		<u>\$ 21,418,946</u>

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF RESERVE FOR MUNICIPAL COURT - POAA
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$ 762
Increased by:	
Cash Receipts	<u>12</u>
Balance December 31, 2015	<u><u>\$ 774</u></u>

**SCHEDULE OF RESERVE FOR PURCHASE OF PUBLIC SAFETY EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$ 19,600
Increased by:	
Cash Receipts	<u>5,975</u>
Balance December 31, 2015	<u><u>\$ 25,575</u></u>

**SCHEDULE OF RESERVE FOR ELECTION WORKERS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$ 1,972
Increased by:	
Cash Receipts	<u>680</u>
Subtotal	2,652
Decreased by:	
Cash Disbursements	<u>320</u>
Balance December 31, 2015	<u><u>\$ 2,332</u></u>

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF RESERVE FOR REVALUATION
FOR THE YEAR ENDED DECEMBER 31, 2015**

EXHIBIT A-20

Balance December 31, 2015 and 2014

\$ 4,159

**SCHEDULE OF RESERVE FOR INSURANCE CLAIMS
FOR THE YEAR ENDED DECEMBER 31, 2015**

EXHIBIT A-21

Balance December 31, 2015 and 2014

\$ 1,029

**SCHEDULE OF RESERVE FOR WORKERS COMPENSATION CLAIMS
FOR THE YEAR ENDED DECEMBER 31, 2015**

EXHIBIT A-22

Balance December 31, 2015 and 2014

\$ 31,231

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF DUE TO STATE - CONSTRUCTION CODE FEES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$ 8,271
Increased by:	
Cash Receipts	<u>47,832</u>
Subtotal	56,103
Decreased by:	
Cash Disbursements	<u>45,496</u>
Balance December 31, 2015	<u><u>\$ 10,607</u></u>

**SCHEDULE OF DUE TO STATE - MARRIAGE LICENSE FEES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$ 525
Increased by:	
Cash Receipts	<u>2,479</u>
Subtotal	3,004
Decreased by:	
Cash Disbursements	<u>2,579</u>
Balance December 31, 2015	<u><u>\$ 425</u></u>

TOWNSHIP OF MEDFORD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2015

PROGRAM	BALANCE DECEMBER 31, 2014	2015 ANTICIPATED REVENUE	RECEIVED	TRANSFER FROM UNAPPROPRIATED RESERVES	ADJUSTMENT/ CANCELED	BALANCE DECEMBER 31, 2015
Federal Grants:						
Bulletproof Vest Partnership	\$ 4,878	\$ -	\$ 4,878	\$ -	\$ -	\$ -
Community Development Block Grant	65,000	65,000	-	-	-	130,000
Obey the Signs or Pay the Fines	859	-	-	-	859	-
Over the Limit Under Arrest	3,008	-	-	-	3,008	-
COPS More Grant	1	-	-	-	1	-
COPS in Shops	41,813	-	-	-	41,813	-
COPS in School	12,577	-	-	-	12,577	-
Total Federal Grants	128,136	65,000	4,878	-	58,258	130,000
State Grants:						
Drunk Driving Enforcement Fund	25,759	-	3,593	-	-	22,166
Clean Communities Program	53,503	65,004	65,004	-	-	53,503
Municipal Alliance on Alcohol & Drug Abuse	29,723	15,111	16,207	-	6,128	22,499
Body Armor Grant	2,555	-	-	-	2,555	-
Tourism Cooperative Marketing	5,000	-	-	-	5,000	-
Stormwater Regulation	7,056	-	-	-	7,056	-
Click-it-or-Ticket	7,808	-	-	-	7,808	-
Buckle Up South Jersey	387	-	-	-	387	-
Explosives Detection K-9 Unit Grant	1,628	-	-	-	1,628	-
Traffic Records Grant	9,850	-	-	-	9,850	-
Recreational Opportunities for Individuals with Disabilities	5,000	-	-	-	5,000	-
Health Community Development Grant	2,500	-	-	-	2,500	-
NJ Motor Vehicles Security & Customer Service Grant	-	149,943	99,962	-	-	49,981
Aggressive Drive Grant	7,426	-	-	-	7,426	-
Laser Mapping Grant	8	-	-	-	8	-
NJ Historic Preservation Trust Grant	103,037	-	99,942	-	-	3,095
Pedestrian Decoy Mobilization Grant	3,053	-	-	-	3,053	-
Environmental Commissions Grant	8,000	-	-	-	8,000	-
Emergency Management Assistance	-	5,000	5,000	-	-	-
Firefighter Assistance Grant	-	73,273	73,273	-	-	-
Drive Sober or Get Pulled Over Grant	7,550	10,000	2,567	-	-	14,983
Total State Grants	279,843	318,331	365,548	-	66,399	166,227
Local Grants:						
Burlington County Park Development Grant	220,000	107,500	-	-	-	327,500
Medford Celebrates Grant	62,206	47,500	34,340	36,070	39,296	-
Multi-Discipline Working Group Grant	2,446	-	-	-	2,446	-
Halloween Parade Grant	12,154	16,500	8,013	-	6,118	14,523
Art, Wine & Musical Festival	-	3,000	3,000	-	-	-
Dickens Festival Grant	14,187	6,500	10,803	-	4,197	5,687
Total Local Grants	310,993	181,000	56,156	36,070	52,057	347,710
Total All Grants	\$ 718,972	\$ 564,331	\$ 426,582	\$ 36,070	\$ 176,714	\$ 643,937

	Appropriated Reserves Cancelled	161,132
	Due from Current	15,582
	Total	\$ 176,714

**TOWNSHIP OF MEDFORD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVES FOR STATE GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2015**

GRANT	BALANCE DECEMBER 31, 2014	RECEIVED	ANTICIPATED AS REVENUE	CANCELLED	BALANCE DECEMBER 31, 2015
State Grants:					
Clean Communities Grant	\$ 4,943	\$ -	\$ -	\$ 4,943	\$ -
New Jersey Motor Vehicle Commission	16,171	-	-	16,171	-
Recycle Tonnage	122,616	-	-	-	122,616
Bulletproof Vest Partnership	-	2,550	-	-	2,550
Art, Wine & Music Festival	36,070	-	36,070	-	-
Total State Grants	179,800	2,550	36,070	21,114	125,166
Total Grants	\$ 179,800	\$ 2,550	\$ 36,070	\$ 21,114	\$ 125,166

TOWNSHIP OF MEDFORD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVES FOR STATE AND FEDERAL GRANTS
AND MATCHING FUNDS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2015

	BALANCE DECEMBER 31, 2014	TRANSFERRED FROM 2015 BUDGET APPROPRIATION	PRIOR YEAR ENCUMBRANCES RECLASSIFIED	EXPENDED	RESERVE FOR ENCUMBRANCES	CANCELED	BALANCE DECEMBER 31, 2015
Federal Grants:							
Emergency Management	\$ 7,746	\$ 5,000	-	\$ 3,536	\$ 1,997	-	\$ 7,213
Bulleproof Vest Partnership	2,957	-	-	-	-	-	2,957
Community Development	65,000	65,000	-	37,700	-	-	92,300
Block Grant							
Municipal Court Alcohol Education & Rehabilitation	6,128	-	-	-	-	6,128	-
NJ DEP National Recreation Trails Program	219	-	-	-	-	-	219
Obey the Signs or Pay the Fines Education & Rehabilitation	859	-	-	-	-	859	-
Over the Limit Under Arrest	3,007	-	-	-	-	-	3,007
Assistance to Firefighters Grant	5	-	-	-	-	5	-
COPS in Shops	91,071	-	-	-	-	91,071	-
COPS in School	16,231	-	-	-	-	16,231	-
Total Federal Grants	193,223	70,000	-	41,236	1,997	114,294	105,696
State Grants:							
Drunk Driving Enforcement Fund	45,707	-	-	1,572	283	3,024	40,828
Clean Communities Program	61,180	65,004	8,128	45,256	12,493	-	76,563
Municipal Alliance on Alcohol & Drug Abuse	14,512	15,111	-	14,998	462	-	14,163
Body Armor Grant	20,843	-	-	4,185	-	-	16,658
Recycling Tommage Grant	67,329	-	-	58,603	8,726	-	-
AHEOP	2,406	-	-	-	-	2,406	-
Tourism Cooperative Marketing	10,000	-	-	-	-	10,000	-
Stormwater Regulation	10,278	-	-	-	-	10,278	-
Click-it-or-Ticket	1,176	-	-	-	-	1,176	-
Explosives Detection K-9 Unit Grant	31	-	-	-	-	31	-
Buckle Up South Jersey	387	-	-	-	-	387	-
Traffic Records Grant	9,850	-	-	-	-	9,850	-
Gypsy Moth Grant	529	-	-	-	-	529	-
Community Wildfire Hazard Mitigation Grant	5,617	-	-	-	-	5,617	-
Health Community Development Grant	2,500	-	-	-	-	2,500	-
NJ Motor Vehicles Security & Customer Service Grant	262,626	149,943	-	99,962	-	165,884	146,723
Aggressive Drive Grant	7,426	-	-	-	-	7,426	-
Laser Mapping Grant	8	-	-	-	-	8	-

**TOWNSHIP OF MEDFORD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVES FOR STATE AND FEDERAL GRANTS
AND MATCHING FUNDS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2015**

	BALANCE DECEMBER 31, 2014	TRANSFERRED FROM 2015 BUDGET APPROPRIATION	PRIOR YEAR ENCUMBRANCES RECLASSIFIED	EXPENDED	RESERVE FOR ENCUMBRANCES	CANCELED	BALANCE DECEMBER 31, 2015
State Grants (continued):							
Wal-Mart Foundation Grant	582	-	-	-	-	-	582
Nixie Grant	1,335	-	-	1,335	-	-	-
Handicapped Recreation Opportunities Grant	6,600	-	-	-	-	6,600	-
Pedestrian Decoy Mobilization Grant	3,053	-	-	-	-	3,053	-
Firefighters Grant	13,513	73,273	-	-	-	4	86,782
Alcohol Education & Rehabilitation	18,959	-	-	-	-	18,959	-
Environmental Commission Grant	8,000	-	-	-	-	8,000	-
COPS Universal Hiring Grant	2	-	-	-	-	2	-
Gypsy Moth Grant	4,996	-	-	-	-	4,996	-
Multi-Discipline Working Group Grant	2,446	-	-	-	-	2,446	-
Drive Sober or Get Pulled Over	6,500	10,000	-	3,296	-	-	13,204
Total State Grants	588,391	313,331	8,128	229,207	21,964	263,176	395,503
Local Grants:							
Art, Wine & Music Festival	336	3,000	-	3,000	-	129	207
County Park Improvement	220,000	107,500	-	152,019	159,738	-	15,743
Medford Celebrates Grant	25,750	47,500	164	34,504	226	38,684	-
Halloween Parade Grant	12,154	16,500	-	8,892	-	6,117	13,645
Dickens Festival Grant	8,383	6,500	-	5,538	-	4,197	5,148
Total Local Grants	266,623	181,000	164	203,953	159,964	49,127	34,743
Total All Grants	\$ 1,048,237	\$ 564,331	\$ 8,292	\$ 474,396	\$ 183,925	\$ 426,597	\$ 535,942
Original Budget Appropriation by 40A:4-87	\$ -	-	8,292	Grants Receivable Cancelled Reimbursement for Previous Years' Expenditures	\$ -	\$ 161,132	265,465
Total	\$ 564,331	\$ 564,331	Total	\$ 426,597	\$ 426,597	\$ 426,597	\$ 426,597

**TOWNSHIP OF MEDFORD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF DUE TO CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014		\$	(61)
Increased by:			
Receipts:			
Interfunds Liquidated	\$	109,804	
Reimbursement of Prior Year Expenditures		161,132	
Interest Earned on Deposits		589	271,525
Subtotal			271,464
Decreased by:			
Interfund Advances			45,763
Balance December 31, 2015		\$	<u>225,701</u>

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF SPECIAL EMERGENCY APPROPRIATIONS
(5 YEAR - N.J.S.40A:4-53)
FOR THE YEAR ENDED DECEMBER 31, 2015**

DESCRIPTION	ORIGINAL AMOUNT AUTHORIZED	1/5 OF AMOUNT AUTHORIZED	DATE	BALANCE DECEMBER 31, 2014	AUTHORIZED	BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2015
Revaluation	\$ 700,000	\$ 140,000	03/21/2011	\$ 280,000	-	\$ 160,000	\$ 120,000
				\$ 280,000	-	\$ 160,000	\$ 120,000

**TOWNSHIP OF MEDFORD
CURRENT FUND
SPECIAL EMERGENCY NOTE PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

DESCRIPTION	AMOUNT	ISSUE DATE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2014	INCREASE	DECREASE	BALANCE DECEMBER 31, 2015
Revaluation	\$ 420,000	05/22/2014	05/20/2015	1.65%	420,000 \$	- \$	420,000 \$	-
Revaluation	280,000	09/09/2015	05/19/2016	1.50%	-	280,000	-	280,000
					<u>420,000 \$</u>	<u>280,000 \$</u>	<u>420,000 \$</u>	<u>280,000</u>

**TOWNSHIP OF MEDFORD
CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014:			
Current Fund	\$	526,383	
Federal and State Grant Fund		8,291	\$ 534,674
Increased by:			
Current Year Encumbrances:			
Current Fund - Appropriations		1,216,122	
Federal and State Grant Fund - Appropriated Grant Reserves		183,925	1,400,047
Subtotal			1,934,721
Decreased by:			
Prior Year Encumbrances Reclassified:			
Current Fund - Appropriations		526,383	
Federal and State Grant Fund - Appropriated Grant Reserves		8,291	534,674
Balance December 31, 2015			<u>\$ 1,400,047</u>

ANALYSIS OF BALANCE, DECEMBER 31, 2015

Current Fund	\$	1,216,122	
Federal & State Grant Fund - Appropriated Grant Reserves		183,925	<u>1,400,047</u>
Total			<u>\$ 1,400,047</u>

**SCHEDULE OF RESERVE FOR FEMA FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$	-	
Increased by:			
Cash Receipts		123,170	<u>123,170</u>
Balance December 31, 2015			<u>\$ 123,170</u>

**SCHEDULE OF FORECLOSED PROPERTY- ASSESSED VALUATION
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$	371,400	
Increased by:			
Transfer from Tax Title Liens	\$	208,202	
Assessed Value Adjustment		382,898	591,100
Balance December 31, 2015			<u>\$ 962,500</u>

TRUST FUND

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**TOWNSHIP OF MEDFORD
TRUST FUND
SCHEDULE OF TRUST CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2015**

	ANIMAL CONTROL	OTHER	BIRCHWOOD LAKE DAM RESTORATION TRUST	MUNICIPAL OPEN SPACE
Balance December 31, 2014	\$ 21,864	\$ 3,499,295	\$ 358,739	\$ 1,640,576
Increased by Receipts:				
Dog License Fees Collected	19,361	-	-	-
Due to State Department of Health	2,032	-	-	-
Due Current Fund	391	12,868	-	1,203,386
Reserve for Future Use	-	-	-	187,440
Trust Other Reserves:				
Interest Earnings	-	2,150	375	1,313
Other Receipts	-	18,971,723	195,366	293
Total Receipts	<u>21,784</u>	<u>18,986,741</u>	<u>195,741</u>	<u>1,392,432</u>
Subtotal	<u>43,648</u>	<u>22,486,036</u>	<u>554,480</u>	<u>3,033,008</u>
Decreased by Disbursements:				
Due State Department of Health	2,035	-	-	-
Expenditures Under R.S.4:19-15.11	14,347	-	-	-
Current Years Appropriations	-	-	-	676,500
Appropriation Reserves	-	-	-	15,365
Dam Restoration Expenditures	-	-	170,648	-
Due Current Fund	2,221	1,972	-	-
Trust Other Reserves	-	19,237,605	-	-
Total Disbursements	<u>18,603</u>	<u>19,239,577</u>	<u>170,648</u>	<u>691,865</u>
Balance December 31, 2015	<u>\$ 25,045</u>	<u>\$ 3,246,459</u>	<u>\$ 383,832</u>	<u>\$ 2,341,143</u>

**TOWNSHIP OF MEDFORD
TRUST - ANIMAL CONTROL FUND
SCHEDULE OF RESERVE (DEFICIT) FOR ANIMAL CONTROL EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance (Deficit) December 31, 2014	\$ 20,001
Increased by:	
Dog License Fees Collected	19,361
Subtotal	39,362
Decreased by:	
Expenditures Under R.S.4:19-15,11: Disbursed	14,347
Balance (Deficit) December 31, 2015	\$ 25,015

LICENSE FEES COLLECTED

YEAR	AMOUNT
2014	\$ 17,389
2013	18,696
Total	\$ 36,085

**SCHEDULE OF DUE TO CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$ 1,860
Increased by:	
Receipts - Interest on Deposits	\$ 30
Receipts - Other	361
Subtotal	2,251
Decreased by:	
Disbursed - Interfund Liquidated	2,221
Balance December 31, 2015	\$ 30

**TOWNSHIP OF MEDFORD
TRUST - ANIMAL CONTROL FUND
SCHEDULE OF DUE FROM (TO) STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$	(3)
Increased by:		
Payments		<u>2,035</u>
Subtotal		2,032
Decreased by:		
Collections		<u>2,032</u>
Balance December 31, 2015	<u>\$</u>	<u>-</u>

**TRUST - OTHER FUND
SCHEDULE OF DUE TO/(FROM) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$	(10,411)
Increased by:		
Interfund Receivable	\$	12,868
Interest Earned on Deposits		1,351
Other Receipts		<u>24,134</u>
Subtotal		38,353
Subtotal		27,942
Decreased by:		
Prior Year Interfund Liquidated		<u>2,457</u>
Balance December 31, 2015	<u>\$</u>	<u>25,485</u>

ANALYSIS OF BALANCE DECEMBER 31, 2015

COAH	\$	1,098
Special Police		18
Trust Other		24,330
Unclaimed Bail		<u>39</u>
Total	<u>\$</u>	<u>25,485</u>

TOWNSHIP OF MEDFORD
TRUST FUND - OTHER
SCHEDULE OF CHANGES IN MISCELLANEOUS TRUST OTHER RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2015

	BALANCE	INCREASED BY			DECREASED BY	BALANCE
	DECEMBER 31, 2014	INTEREST EARNINGS	OTHER RECEIPTS		DISBURSEMENTS	DECEMBER 31, 2015
Reserve for:						
Outside Employment of Off-Duty						
Municipal Policemen	\$ 20,453	\$ -	\$ 125,241	\$ -	\$ 132,264	\$ 13,430
Payroll Deductions Payable	136,212	-	6,273,208	-	6,368,650	40,770
Net Payroll	298	-	6,626,007	-	6,626,305	-
Special Law Enforcement	43,851	-	288	-	-	44,139
Miscellaneous Deposits:						
Recreation Improvements	11,000	-	-	-	-	11,000
Reserve for Street Opening						
Escrows	9,942	-	-	-	-	9,942
Village Parking Improvements	3,940	-	2,000	-	-	5,940
Sidewalk Construction	85,217	-	-	2,452	-	82,765
Park Pump Station	1	-	-	-	-	1
Off-Site Fire Hydrant	6,100	-	-	-	-	6,100
Bond Street Apron	1,000	-	-	-	-	1,000
Pedestrian Barrier - Jennings Road	5,000	-	-	-	-	5,000
Road Improvement Escrows:						
Tuckerton Road	11,536	-	-	-	-	11,536
Marlton Pike	1,905	-	-	-	-	1,905
Rt. 70 & Eayerstown Road	6,196	-	-	-	-	6,196
Eayerstown/New Freedom Intersection	488	-	-	-	-	488
Wilkins Station & Rt. 541 Traffic Light	7,864	-	-	-	-	7,864
Stokes/Branin/Schoolhouse Roads	27,160	-	-	-	-	27,160
Road Improvement Cowpath	3,975	-	-	-	-	3,975
General Road Trust	2,242	-	-	-	-	2,242
Hartford Road & Rt. 70 Intersection	44,966	-	-	-	-	44,966
Rt. 70 & Jones Road	574	-	-	-	-	574
Facility Use	5,030	-	-	650	-	4,380
Administration Agent Fees	7,916	-	3,000	10,625	-	291
Fair Share Traffic Construction	9,536	-	-	-	-	9,536
Miscellaneous Other	3,378	-	-	-	-	3,378
Redevelopment Project	11,250	-	-	6,497	-	4,753
Planning Board Subdivision Escrow	1,667,102	544	419,493	1,143,730	-	943,409
Tax Title Lien Redemption	641,952	1,526	3,992,855	3,404,706	-	1,231,627
NJ Unemployment Compensation						
Insurance	95,364	-	33,509	43,084	-	85,789
Sanitary Landfill Facility Closure & Contingency Fund	13,621	27	-	-	-	13,648
Public Defender	721	-	5,925	6,568	-	78
Housing	342,917	-	25,866	7,660	-	361,123
Unclaimed Bail - Disposal of Forfeited Property	13,433	13	-	12	-	13,434
Fire Safety Penalties	300	1	-	-	-	301
Resale of Snow Removal Chemicals - Commodity Resale	25,440	-	11,352	2,000	-	34,792
Snow Removal Trust Fund	109,296	-	112,034	144,187	-	77,143
Federal Forfeiture Trust	5,845	5	-	-	-	5,850
Recreation Programs Trust	7,574	-	2,047	7,784	-	1,837
Street Opening Trust	55,612	-	10,906	670	-	65,848
Accumulated Absences	34,106	34	-	-	-	34,140
Self Insurance Programs:						
Health Benefits	4,010	-	1,327,841	1,329,562	-	2,289
Sunshine Trust	383	-	151	199	-	335
Total	\$ 3,484,706	\$ 2,150	\$ 18,971,723	\$ 19,237,605	\$ 3,220,974	

**TOWNSHIP OF MEDFORD
TRUST - MUNICIPAL OPEN SPACE FUND
SCHEDULE OF RESERVE FOR FUTURE USE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014		\$ 1,575,623
Increased by Receipts:		
Receipts:		
County of Burlington	\$ 187,440	
Miscellaneous	392	
Interest on Deposits	1,313	\$ 189,145
Due from Current Fund:		
Current Year Levy		891,944
Added & Omitted Taxes - Current Year		10,410
Cancel Prior Year Appropriation Reserves		69,151
		1,160,650
Subtotal		2,736,273
Decreased by:		
Current Year Appropriations		997,066
Balance December 31, 2015		\$ 1,739,207

**TRUST - MUNICIPAL OPEN SPACE FUND
SCHEDULE OF DUE FROM/(TO) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014		\$ 19,662
Increased by:		
Added & Omitted Taxes - Current Year	\$ 10,410	
Current Year Levy	891,944	902,354
Subtotal		922,016
Decreased by:		
Debt Service Charges	200,000	
Received from Current Fund	1,203,386	1,403,386
Balance December 31, 2015		\$ (481,370)

**TOWNSHIP OF MEDFORD
TRUST - MUNICIPAL OPEN SPACE FUND
SCHEDULE OF 2014 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	BALANCE DECEMBER 31, 2014		BALANCE AFTER		LAPSED TO FUND BALANCE
	RESERVED	ENCUMBERED	MODIFICATION	DISBURSED	
Salary and Wages	\$ 187	\$ -	\$ 187	\$ -	\$ 187
Other Expenses	25,531	30,836	56,367	12,627	43,740
Acquisition of Farmland	24,912	3,050	27,962	2,738	25,224
	<u>\$ 50,630</u>	<u>\$ 33,886</u>	<u>\$ 84,516</u>	<u>\$ 15,365</u>	<u>\$ 69,151</u>

**TRUST - BIRCHWOOD LAKE DAM RESTORATION
SCHEDULE OF RESERVE FOR DAM RESTORATION
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$ 358,739
Increased by:	
Receipts:	
Homeowner Payments	\$ 195,366
Interest on Deposits	375
	<u>195,741</u>
Subtotal	<u>554,480</u>
Decreased by:	
Current Year Expenditures	<u>170,648</u>
Balance December 31, 2015	<u>\$ 383,832</u>

GENERAL CAPITAL FUND

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**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014		\$	221,010
Increased by Receipts:			
Interfunds Liquidated	\$	70,089	
Grant Receipt - Burlington County		14,103	
Due Current Fund		59	
Serial Bonds		3,420,000	
Premium from Bond Sale		43,971	3,548,222
			<hr/>
Subtotal			3,769,232
Decreased by Disbursements:			
Due Current Fund		618,245	
Payment of BANs		216,518	
Improvement Authorizations		1,418,753	2,253,516
			<hr/>
Balance December 31, 2015		\$	<u><u>1,515,716</u></u>

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH AND INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

ORDINANCE NUMBER	IMPROVEMENT AUTHORIZATIONS	RECEIPTS		DISBURSEMENTS			BALANCE (OVERDRAFT) DECEMBER 31, 2015
		BONDS ISSUED	MISCELLANEOUS	IMPROVEMENT AUTHORIZATIONS	MISCELLANEOUS	TRANSFERS FROM TO	
Fund Balance		\$ 173,136	\$ -	\$ -	\$ -	\$ 13,134	\$ 230,241
Capital Improvement Fund		96,475	-	-	-	96,475	-
Due Current Fund		1,417,663	59	-	834,763	-	799,477
Due to Federal & State Grant Fund		-	-	-	-	-	51,250
Due from State of NJ Transportation Trust Fund		(41,000)	-	-	-	-	(41,000)
Due from County of Burlington		(185,000)	-	-	-	205,000	(222,147)
Due to Utility Capital Fund		(7,389)	14,103	-	-	-	-
Due Community Development Block Grant		(37,700)	7,389	-	-	-	-
Due Trust Other Fund		(25,000)	37,700	-	-	-	-
Encumbrances Payable		814,428	25,000	-	-	814,428	1,094,248
1989-01	Open Space Preservation Feasibility Studies	2	-	-	-	2	-
1989-10	Dam Inspection Program	2	-	-	-	2	-
1989-24	Purchase of Computer Equipment	2	-	-	-	2	-
1990-08	Construction of Bike Paths	27,646	-	-	-	-	27,646
1994-31	Acquisition of Real Property	2	-	-	-	2	-
1995-05	Purchase of Various Equipment	5,845	-	-	-	-	5,845
1999-15	Various Capital Improvements	2	-	-	-	2	-
1999-36	Installation of Handicapped Accessible Tot Lot	15,204	-	-	-	-	15,204
2001-10	Various Capital Improvements	10,703	-	-	-	-	10,703
2002-16	Various General Capital Improvements	41,000	-	-	-	-	41,000
2002-29	Construction of Improvements to Various Municipal Buildings	42,529	-	-	-	-	42,529
2003-14	Various Capital Improvements	772	-	-	-	-	772
2003-16	Reconstruction & Resurfacing of Hopewell Road	300	-	-	-	-	300
2004-14	Various General Capital Improvements	300,000	-	-	-	-	300,000
2004-25	Various General Capital Improvements	4,987	-	-	-	-	4,987
2006-09	Various Capital Improvements	-	-	-	-	12,000	-
2007-28	Repair, Reconstruction &/or Restoration of Public Property Damaged by Floods	51,948	-	3,835	-	7,695	51,948
2008-11	Acquisition of Real Property - Cow Pointe	(221,007)	-	-	-	216,993	(426,100)
2008-18	Various Capital Improvements	11,885	-	1,582	-	-	10,303
2009-19	Various Capital Improvements	32,693	-	-	-	63,194	(27,631)
2009-28	Improvements to Public Safety Facilities & Related Expenses	(542,590)	-	19,826	-	61,774	(458,022)
2010-15	Various Capital Improvements	(2,416,631)	-	101,878	-	1,388	(1,714,477)
2013-16	Various Capital Improvements	-	855,000	608,723	-	133,463	654,290
2014-10	Various Capital Improvements	650,103	175,000	435,664	-	520,088	196,583
2015-15	Various Capital Improvements	-	1,885,000	247,245	-	866,463	867,767
Total		\$ 221,010	\$ 3,463,971	\$ 1,418,753	\$ 834,763	\$ 2,998,971	\$ 1,515,716

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014		\$ 23,160,600
Increased by:		
Bonds Issued	\$ 3,420,000	3,420,000
Subtotal		26,580,600
Decreased by:		
2015 Budget Appropriations:		
Serial Bonds Payable	3,632,600	
Green Acres Loan Payable	116,618	3,749,218
Balance December 31, 2015		\$ 22,831,382

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2015**

ORDINANCE NUMBER	DESCRIPTION	BALANCE DECEMBER 31, 2014	AUTHORIZATIONS	SERIAL BONDS	FUNDED BY AUTHORIZATIONS CANCELLED	DECEMBER 31, 2015	ANALYSIS OF BALANCE		
							EXPENDITURES	UNEXPENDED IMPROVEMENT	AUTHORIZATIONS
2005-13	Various Capital Improvements	\$ 338	\$ -	\$ -	338	\$ -	\$ -	\$ -	-
2007-10	Various Capital Improvements	1	-	-	1	-	-	-	-
2008-11	Acquisition of Real Property - Cow Pointe	442,387	-	-	16,287	426,100	426,100	-	-
2008-18	Various Capital Improvements	26	-	-	2	24	-	-	24
2009-19	Various Capital Improvements	32,693	-	-	-	32,693	-	-	32,693
2009-28	Improvements to Public Safety Facilities & Related Expenses	493,787	-	-	1	493,786	485,653	8,133	-
2010-15	Various Capital Improvements	2,822,100	-	505,000	1	2,317,099	1,919,477	397,622	-
2013-16	Various Capital Improvements	859,472	-	855,000	-	4,472	413	4,059	-
2014-10	Various Capital Improvements	206,639	-	175,000	-	31,639	27,631	4,008	-
2015-15	Various Capital Improvements	-	1,889,025	1,885,000	-	4,025	-	4,025	-
Total		\$ 4,857,443	\$ 1,889,025	\$ 3,420,000	\$ 16,630	\$ 3,309,838	\$ 2,859,274	\$ 450,564	

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$	96,475
Decreased by:		
Improvement Authorization		96,475
Balance December 31, 2015	\$	-

**SCHEDULE OF DUE FROM COUNTY OF BURLINGTON
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$	185,000
Increased by:		
Award		205,000
Subtotal		390,000
Decreased by:		
Cash Receipts		167,853
Balance December 31, 2015	\$	222,147

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2015**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	BALANCE DECEMBER 31, 2014		AUTHORIZATIONS UNFUNDED	PRIOR YEAR ENCUMBRANCES RECLASSIFIED	PAID	ENCUMBRANCES	AUTHORIZATIONS		BALANCE DECEMBER 31, 2015	
			AMOUNT	FUNDED					CANCELLED	FUNDED	UNFUNDED	
1989-01	Open Space Preservation Feasibility Studies	02/10/89	\$ 150,000	\$ 2	\$ -	\$ -	\$ -	\$ -	2	\$ -	\$ -	\$ -
1989-10	Dam Inspection Program	05/02/89	62,000	2	-	-	-	-	2	-	-	-
1989-15	Construction of Various Roads	08/15/89	881,875	1	-	-	-	-	1	-	-	-
1989-24	Purchase of Computer Equipment	10/17/89	70,000	1	-	-	-	-	1	-	-	-
1990-08	Construction of Bike Paths	05/21/90	71,000	27,646	-	-	-	-	-	27,646	-	-
1994-31	Acquisition of Real Property	10/03/94	1,500,000	2	-	-	-	-	2	-	-	-
1995-05	Purchase of Various Equipment	05/01/95	1,116,000	5,845	-	-	-	-	-	5,845	-	-
1999-15	Various Capital Improvements	06/02/99	1,255,258	2	-	-	-	-	2	-	-	-
1999-36	Installation of Handicapped Accessible Tot Lot	10/06/99	25,000	15,204	-	-	-	-	-	-	15,204	-
2001-10	Various Capital Improvements	05/22/01	2,038,950	10,703	-	-	-	-	-	-	10,703	-
2002-16	Various General Capital Improvements	04/09/02	1,462,725	41,000	-	-	-	-	-	-	41,000	-
2002-29	Construction of Improvements to Various Municipal Buildings	07/23/02	42,529	42,529	-	-	-	-	-	-	42,529	-
2003-14	Various Capital Improvements	06/10/03	1,880,401	772	-	-	-	-	-	-	772	-
2003-16	Reconstruction & Resurfacing of Hopewell Road	06/10/03	61,428	300	-	-	-	-	-	-	300	-
2004-14	Various Capital Improvements	04/13/04	1,926,359	300,000	-	-	-	-	-	-	300,000	-
2004-25	Various Capital Improvements	10/26/04	73,325	4,987	-	-	-	-	-	-	4,987	-
2005-13	Various Capital Improvements	05/24/05	1,498,250	338	-	-	-	-	338	-	-	-
2006-09	Various Capital Improvements	05/23/06	4,876,336	-	338	-	-	-	-	-	-	-
2007-10	Various Capital Improvements	05/08/07	2,592,715	-	1	-	-	-	12,000	-	-	-
2007-28	Repair, Reconstruction &/or Restoration of Public Property Damaged by Floods	11/27/07	1,200,000	51,948	-	11,530	3,835	6,567	1,128	51,948	-	-
2008-11	Acquisition of Real Property - Cow Pointe	04/22/08	10,300,000	4,387	-	11,900	-	-	16,287	-	-	-
2008-18	Various Capital Improvements	05/27/08	4,890,026	11,885	26	-	1,582	-	-	-	24	-
2009-19	Various Capital Improvements	06/09/09	3,739,144	32,693	-	2,870	-	2,870	2	10,303	-	32,693
2009-28	Improvements to Public Safety Facilities & Related Expenses	11/24/09	700,000	-	12,410	17,000	19,826	1,450	1	-	-	8,133
2010-15	Various Capital Improvements	05/25/10	3,975,169	-	405,468	95,420	101,878	1,388	-	-	-	397,622
2013-16	Various Capital Improvements	12/23/13	2,190,607	2	859,059	541,476	608,723	133,052	-	654,703	-	4,059
2014-10	Various Capital Improvements	08/5/14	1,045,000	650,103	179,008	122,232	640,664	82,458	-	224,213	-	4,008
2015-15	Various Capital Improvements	09/7/15	1,985,500	-	-	1,985,500	247,245	866,463	-	867,767	-	4,025
Total			\$ 1,162,934	\$ 1,493,390	\$ 1,985,500	\$ 814,428	\$ 1,623,753	\$ 1,094,248	\$ 29,767	\$ 2,257,920	\$ 450,564	

Cash Disbursements \$ 1,418,753
 Disbursed in Federal & State Grant Fund 205,000
 Total \$ 1,623,753

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$	814,428
Increased by:		
Charges to Improvement Authorization		1,094,248
Subtotal		1,908,676
Decreased by:		
Prior Year Balance Reappropriated		814,428
Balance December 31, 2015	\$	1,094,248

**SCHEDULE OF DUE FROM/(TO) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$	(1,417,663)
Increased by:		
Interfund Liquidated		618,245
Subtotal		(799,418)
Decreased by:		
Interest Earned		59
Balance December 31, 2015	\$	(799,477)

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF GREEN ACRES TRUST LOANS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

PURPOSE	DATE OF ISSUE	MATURITIES OF LOAN PRINCIPAL AND INTEREST		INTEREST RATE	BALANCE DECEMBER 31, 2014	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2015
		DATE	AMOUNT				
Distefano Tract	11/10/97	2016	\$ 59,383	2.00%	\$ 178,172	\$ 58,213	\$ 119,959
		2017	60,577	2.00%			
Distefano Tract	10/23/99	2016	29,145	2.00%	133,167	28,570	104,597
		2017	29,731	2.00%			
		2018	30,328	2.00%			
		2019	15,392	2.00%			
Distefano Tract Phase II	09/06/00	2016	30,435	2.00%	139,061	29,835	109,226
		2017	31,047	2.00%			
		2018	31,671	2.00%			
		2019	16,073	2.00%			
Total			\$ 450,400		\$ 116,618		\$ 333,782

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS		INTEREST RATE	BALANCE DECEMBER 31, 2014	ISSUED	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2015
			OUTSTANDING DECEMBER 31, 2015	AMOUNT					
General Obligation Bonds	07/01/05	\$ 2,620,000			3.750%	\$ 350,000	\$ -	\$ 350,000	\$ -
General Obligation Bonds	07/15/08	12,187,000	2,000,000	2,000,000	3.750%	8,000,000	-	2,000,000	6,000,000
			2,000,000	2,000,000	4.000%				
				2,000,000	4.000%				
Refunding Bonds	11/21/11	1,251,800	90,200	90,200	2.000%	530,200	-	182,600	347,600
			88,000	88,000	2.000%				
			85,800	85,800	2.000%				
			83,600	83,600	2.250%				
				600,000	600,000	2.000%	2,835,000	-	625,000
Refunding Bonds	08/01/17	385,000	385,000	385,000	2.000%				
	08/01/18	370,000	370,000	370,000	2.000%				
Refunding Bonds	08/01/19	435,000	435,000	435,000	2.000%				
	08/01/20	420,000	420,000	420,000	2.000%				
General Obligation Bonds	05/01/16	11,470,000	480,000	480,000	2.000%	10,995,000	-	475,000	10,520,000
	05/01/17		490,000	490,000	2.000%				
	05/01/18		495,000	495,000	2.000%				
	05/01/19		500,000	500,000	2.000%				
	05/01/20		510,000	510,000	2.000%				
	05/01/21		520,000	520,000	2.000%				
	05/01/22		535,000	535,000	2.000%				
	05/01/23		545,000	545,000	2.000%				
	05/01/24		560,000	560,000	3.000%				
	05/01/25		580,000	580,000	3.000%				
	05/01/26		595,000	595,000	3.000%				
	05/01/27		610,000	610,000	3.000%				
	05/01/28		630,000	630,000	3.000%				
	05/01/29		650,000	650,000	3.000%				
	05/01/30		670,000	670,000	3.000%				
	05/01/31		695,000	695,000	3.000%				
	05/01/32		715,000	715,000	3.125%				
05/01/33		740,000	740,000	3.250%					
General Obligation Bonds	12/17/15	3,420,000	225,000	225,000	2.000%	-	3,420,000	-	3,420,000
			250,000	250,000	2.000%				
			275,000	275,000	2.000%				
			300,000	300,000	2.000%				
			325,000	325,000	2.000%				
			350,000	350,000	2.000%				
			375,000	375,000	2.000%				
			420,000	420,000	2.000%				
			450,000	450,000	2.000%				
			450,000	450,000	2.250%				
	Total								
						\$ 22,710,200	\$ 3,420,000	\$ 3,632,600	\$ 22,497,600
								\$ 3,417,757	
								<u>214,843</u>	
								<u>\$ 3,632,600</u>	

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2015**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2014	DECREASED	BALANCE DECEMBER 31, 2015
2008-11	Acquisition of Real Property - Cow Pointe	07/15/08	02/10/14	02/10/15	Nil	\$ 156,194	\$ 156,194	\$ -
2009-19	Various Capital Improvements	07/14/09	02/10/14	02/10/15	Nil	60,324	60,324	-
Total						\$ 216,518	\$ 216,518	\$ -

Renewals:

Paid Back to Current Fund

\$ 216,518
\$ 216,518

**TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2015**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2014	IMPROVEMENT AUTHORIZATIONS	BANS REDEEMED	FUNDED BY BOND ISSUE	IMPROVEMENT AUTHORIZATIONS CANCELLED	ADJUSTMENTS	BALANCE DECEMBER 31, 2015
2005-13	Various Capital Improvements	\$ 338	\$ -	\$ -	\$ -	338	\$ -	\$ -
2007-10	Various Capital Improvements	1	-	-	-	1	-	-
2008-11	Acquisition of Real Property - Cow Pointe	225,394	-	156,194	-	16,287	60,799	426,100
2008-18	Various Capital Improvements	26	-	-	-	2	-	24
2009-19	Various Capital Improvements	-	-	60,324	-	-	-	60,324
2009-28	Improvements to Public Safety Facilities	555,000	-	-	-	1	(88,844)	466,155
2010-15	Various Capital Improvements	2,822,099	-	-	505,000	1	1	2,317,099
2013-16	Various Capital Improvements	859,059	-	-	855,000	-	413	4,472
2014-10	Various Capital Improvements	179,008	-	-	175,000	-	27,631	31,639
2015-15	Various Capital Improvements	-	1,889,025	-	1,885,000	-	-	4,025
Total		\$ 4,640,925	\$ 1,889,025	\$ 216,518	\$ 3,420,000	\$ 16,630	\$ -	\$ 3,309,838

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WATER-SEWER UTILITY FUND

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**TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF UTILITY CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2015**

	OPERATING FUND	SEWER CONNECTION TRUST		ASSESSMENT TRUST	CAPITAL FUND
Balance December 31, 2014	\$ 3,456,343	\$	580,260	\$ 666	\$ 1,097,540
Increased by Receipts:					
Rents Receivable	\$ 5,846,016	\$		\$	-
Bond Receipts	-				1,470,000
Prepaid Rents	609,291				-
Petty Cash	100				-
Miscellaneous Revenue	1,231,747				-
Overpayments	8,077				-
Refunds	20,406				-
Due from Current Fund	-	30,390			-
Due from Utility Operating	-				90,476
Interest Earnings Due Utility Operating	-	301			797
Subtotal	<u>7,715,637</u>		<u>30,691</u>	<u>-</u>	<u>1,561,273</u>
Total	<u>11,171,980</u>		<u>610,951</u>	<u>666</u>	<u>2,658,813</u>
Decreased by Disbursements:					
2015 Budget Appropriations	6,214,183			-	-
2014 Appropriation Reserves	227,615			-	-
Refunds	5,732			-	-
Due Utility Capital	90,476			-	-
Due Current Fund	62,281			-	-
Due General Capital Fund	-			-	7,389
Improvement Authorizations	-			-	431,419
Total Disbursements	<u>6,600,287</u>		<u>-</u>	<u>-</u>	<u>438,808</u>
Balance December 31, 2015	<u>\$ 4,571,693</u>		<u>\$ 610,951</u>	<u>\$ 666</u>	<u>\$ 2,220,005</u>

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
ANALYSIS OF WATER AND SEWER CAPITAL CASH AND INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

ORDINANCE NUMBER	IMPROVEMENT AUTHORIZATIONS	BALANCE (OVERDRAFT) DECEMBER 31, 2014		RECEIPTS		DISBURSEMENTS		TRANSFERS		BALANCE (OVERDRAFT) DECEMBER 31, 2015
		MISCELLANEOUS	IMPROVEMENT AUTHORIZATIONS	MISCELLANEOUS	MISCELLANEOUS	FROM	TO			
								MISCELLANEOUS	IMPROVEMENT AUTHORIZATIONS	
Capital Improvement Fund		\$ 261,399	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	261,399
Due (From)/To Utility Operating Fund		(91,208)	91,273	-	-	-	-	-	-	65
Bond Proceeds		-	1,470,000	-	-	-	1,470,000	-	-	-
Reserve for Debt Service		355,488	-	-	-	-	-	-	-	355,488
Reserve for Encumbrances		155,642	-	-	-	-	-	-	-	107,515
Due General Capital Fund		7,389	-	-	7,389	-	-	-	-	-
Fund Balance		8,027	-	-	-	-	-	-	-	8,027
ORDINANCE IMPROVEMENT										
NUMBER AUTHORIZATIONS										
1996-11	Construction of Various Utility Capital Improvements	14,285	-	-	-	-	-	-	-	14,285
1997-06	Construction of Various Utility Capital Improvements	151	-	-	-	-	-	-	-	151
1998-14	Construction of Various Utility Capital Improvements	(8,005)	-	-	-	-	-	-	1	(8,004)
2001-11	Various Capital Improvements	753	-	-	-	-	-	-	-	753
2002-10	Various Capital Improvements	23	-	-	-	-	-	-	-	23
2002-19	Improvements to the Wastewater Treatment Plant	(50,276)	-	-	-	-	-	-	-	(50,276)
2003-15	Various Capital Improvements	40	-	-	-	-	-	-	-	40
2003-17	Improvements to the Water Treatment Plant & Rehabilitation of Wells 9, 10 & 15 & the Englishtown Well & to Improve Related Water Mains at Deerbrook	1,389	-	347	-	-	-	-	-	1,042
2004-15	Various Utility Capital Improvements	-	-	-	-	2,746	-	-	2,746	-
2004-19	Various Utility Capital Improvements	-	-	-	-	6,951	-	-	6,951	-
2005-14	Various Utility Capital Improvements	487,703	-	-	-	486,790	-	-	-	913
2006-10	Various Utility Capital Improvements	6,292	-	-	-	-	-	-	-	6,292
2007-09	Various Utility Capital Improvements	28,046	-	91,215	-	-	-	-	-	(267)
2007-11	Various Infrastructure Improvements to the Sewage Treatment Plant	9,632	-	-	-	-	-	-	-	9,632

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
ANALYSIS OF WATER AND SEWER CAPITAL CASH AND INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

	BALANCE (OVERDRAFT) DECEMBER 31, 2014	RECEIPTS		DISBURSEMENTS		TRANSFERS		BALANCE (OVERDRAFT) DECEMBER 31, 2015
		MISCELLANEOUS	IMPROVEMENT AUTHORIZATIONS	MISCELLANEOUS	FROM	TO		
2007-27 Paving of the Driveway at the Township Sewer Treatment Plant & Acquisition of All Materials & Equipment Necessary for Completion	77,107	-	83,352	-	20	6,265	-	-
2008-19 Various Utility Capital Improvements	67,749	-	-	-	67,749	-	-	-
2008-20 Improvements for Phase II of the Sewer Plant Upgrade Project	(87,912)	-	-	-	37,066	35,347	-	(89,631)
2009-12 Improvements for Wastewater Treatment Plant	(95,690)	-	-	-	-	1	-	(95,689)
2009-14 Various Utility Capital Improvements	9,533	-	-	-	9,533	-	-	-
2009-20 Various Utility Capital Improvements	717,216	-	25,652	-	123,678	4,192	-	572,078
2009-27 Improvements for Wastewater Treatment Plant	39,286	-	-	-	39,152	-	-	134
2010-16 Various Utility Capital Improvements	(520,723)	-	-	-	31,932	620,210	-	67,555
2010-21 Various Utility Capital Improvements	(195,796)	-	36,564	-	4,460	149,320	-	(87,500)
2014-11 Various Utility Capital Improvements	(100,000)	-	194,289	-	34,500	744,769	-	415,980
2015-16 Various Utility Capital Improvements	-	-	-	-	-	730,000	-	730,000
Total	\$ 1,097,540	\$ 1,561,273	\$ 431,419	\$ 7,389	\$ 2,480,342	\$ 2,480,342	\$ 2,480,342	\$ 2,220,005

**TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF WATER AND SEWER RENTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014		\$ 226,610
Increased by:		
Water & Sewer Rents Levied		5,819,922
Subtotal		6,046,532
Decreased by:		
Cancellations	\$ 1,762	
Collections	5,846,016	5,847,778
Balance December 31, 2015		\$ 198,754

**SCHEDULE OF 2014 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	BALANCE DECEMBER 31, 2014		BALANCE	PAID OR	BALANCE
	ENCUMBERED	RESERVED	AFTER TRANSFERS	CHARGED	LAPSED
Operations:					
Salaries & Wages	\$ -	\$ 31,557	\$ 21,557	\$ 5,104	\$ 16,453
Other Expenses	181,780	71,734	266,014	223,408	42,606
Capital Improvements:					
Capital Outlay	-	2,130	2,130	1,330	800
Statutory Expenditures:					
PERS	-	59	59	-	59
Social Security System	-	2,876	376	-	376
Total	\$ 181,780	\$ 108,356	\$ 290,136	\$ 229,842	\$ 60,294

Accounts Payable	\$ 2,227
Disbursements	227,615
Total	\$ 229,842

**TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF PREPAID WATER AND SEWER RENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$ 774,692
Increased by:	
Collections	<u>609,291</u>
Subtotal	1,383,983
Decreased by:	
Applied to 2015 Revenue	<u>774,692</u>
Balance December 31, 2015	<u><u>\$ 609,291</u></u>

**SCHEDULE OF DUE TO WATER AND SEWER UTILITY CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$ 91,208
Decreased by:	
Prior Year Interfund Returned	\$ 90,476
Interest Earned in Water and Sewer Utility Capital Fund	<u>797</u>
	91,273
Balance December 31, 2015	<u><u>\$ (65)</u></u>

**TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
FOR THE YEAR ENDED DECEMBER 31, 2015**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE	AMOUNT	BALANCE DECEMBER 31, 2014	AUTHORIZED	CANCELLED	BALANCE DECEMBER 31, 2015
1987-16	Construction of Water Storage Tank	08/04/87	\$ 1,440,000	\$ 3,349	-	-	\$ 3,349
1989-08	Rehabilitation & Upgrade of Elm Drive Pumping Station	04/18/89	220,000	16,247	-	-	16,247
1990-09	Acquisition of Seven Yard Dump Truck	06/04/90	57,000	538	-	-	538
1992-12	Various Utility Capital Improvements & Rehabilitation of Water Storage Tank & Pump Stations	07/20/92	325,000	246,258	-	-	246,258
1993-12	Rehabilitation of Various Water Supply Mains	05/17/93	835,208	835,208	-	-	835,208
1993-28	Rehabilitation of Water Treatment & Distribution System	12/06/93	489,585	489,585	-	-	489,585
1994-13	Rehabilitation of Various Water Supply Mains	03/07/94	475,000	478,844	-	-	478,844
1995-06	Rehabilitation of Water Mains; Various Improvements; Control System for Water Treatment Plant & Construction of Southside Water Tank	04/17/95	327,500	327,750	-	-	327,750
1995-11	Replacement of Pump Station Force Main; Reconstruction of Sewer Lines & Rehabilitation of Sewer Treatment System	07/17/95	466,184	466,184	-	-	466,184
1996-11	Construction of Various Utility Capital Improvements	06/17/96	1,349,000	1,264,127	-	-	1,264,127
1997-06	Construction of Various Utility Capital Improvements	03/17/97	1,357,000	607,000	-	-	607,000
1998-14	Construction of Various Utility Capital Improvements	06/03/98	1,750,000	1,750,000	-	8,004	1,741,996
2000-15	Various Utility Capital Improvements	05/17/00	1,209,000	1,209,000	-	-	1,209,000
2001-11	Various Utility Capital Improvements	05/22/01	1,635,000	1,635,000	-	-	1,635,000
2002-19	Improvements to the Wastewater Treatment Fund	04/23/02	1,766,000	1,766,000	-	15	1,765,985
2003-15	Various Utility Capital Improvements	06/10/03	370,000	370,000	-	-	370,000
2003-17	Improvements to the Water Treatment Plant & Rehabilitation of Wells 9, 10 & 15 & the Englishtown Well & to Improve Related Water Mains at Deerbrook	06/10/03	188,794	188,794	-	-	188,794
2004-15	Various Utility Capital Improvements	05/11/04	995,000	508,210	-	-	508,210
2004-19	Various Utility Capital Improvements	08/24/04	2,900,000	2,950,000	-	-	2,950,000
2005-14	Various Utility Capital Improvements	05/24/05	1,540,000	1,590,000	-	-	1,590,000
2006-10	Various Utility Capital Improvements	05/23/06	1,665,000	1,665,000	-	-	1,665,000
2007-11	Various Utility Capital Improvements	05/08/07	3,478,658	3,478,658	-	-	3,478,658
2007-11	Various Infrastructure Improvements to the Sewerage Treatment Plant	05/08/07	2,245,000	2,245,000	-	-	2,245,000
2007-14	Repair, Reconstruction &/or Restoration of the Sewer System Damaged by the Floods	06/26/07	500,000	500,000	-	-	500,000
2008-19	Various Utility Capital Improvements	05/27/08	569,000	464,165	-	-	464,165
2008-20	Improvements for Phase II of the Sewer Plant Upgrade Project	05/27/08	7,051,172	7,102,172	-	-	7,102,172
2009-11	Improvements for Phase II of the Sewer Plant Upgrade Project	04/28/09	3,939,262	3,939,262	-	-	3,939,262
2009-12	Improvements for Wastewater Treatment Plant	04/28/09	2,730,000	2,730,000	-	-	2,730,000
2009-20	Various Utility Capital Improvements	06/09/09	1,305,500	1,254,777	-	-	1,254,777
2009-27	Improvements for Wastewater Treatment Plant	11/10/09	3,500,000	3,500,000	-	-	3,500,000
2010-16	Various Utility Capital Improvements	06/22/10	1,050,000	1,010,848	-	-	1,010,848
2010-21	Various Utility Capital Improvements	07/31/10	3,470,000	3,470,000	-	-	3,470,000
2014-11	Various Utility Capital Improvements	8/25/14	681,500	681,500	-	-	681,500
2015-16	Various Utility Capital Improvements	09/07/15	730,000	-	730,000	-	730,000
Total			\$ 48,743,476	\$ 8,019	\$ 49,465,457	-	-

**TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2015**

ACCOUNT	BALANCE DECEMBER 31, 2014	INCREASED BY CAPITAL OUTLAY	BALANCE DECEMBER 31, 2015
Enlargement of Plant & Extension of Stokes Road Sewer Line	\$ 413,390	\$ -	\$ 413,390
Sanitary Sewer System	12,954,162	-	12,954,162
Extension of Sewer Line on Christopher Mill Road	1,375	-	1,375
Extension of Sewer Line on Tuckerton Road	3,517	-	3,517
Extension of Sewer Line on Taunton Road	3,963	-	3,963
Site Work for Addition to Sewer Plant	6,111	-	6,111
Reconstruction of Oakwood Wastewater System & Installation of Southside Water Supply Wells	1,720,000	-	1,720,000
Rodding Machine	1,231	-	1,231
High Water Alarm System	1,815	-	1,815
Road & Drainage System	30,000	-	30,000
Manhole Covers	4,848	-	4,848
Extension of Sewer Line on Hoot Owl Section	207,450	-	207,450
Sludge De-Watering System	171,657	-	171,657
General System	328,668	-	328,668
Pickup Truck	61,123	-	61,123
Meters & Hydrants	1,846,734	-	1,846,734
Lab Equipment & Furniture	9,165	-	9,165
Communications Equipment	2,558	-	2,558
Reconditioning of Wells	8,466	-	8,466
Fencing	1,565	-	1,565
Office Equipment & Furniture	47,773	-	47,773
Interim Upgrade of Sewer Plant	324,279	-	324,279
Feasibility Study of Wastewater Treatment Facility	26,287	-	26,287
Gate Valve Installation	10,898	-	10,898
Computer	28,149	-	28,149
Flow Control System	3,335	-	3,335
Gasoline Storage Tank	2,596	-	2,596
Safety Equipment	113,503	-	113,503
Manhole Inserts	22,974	-	22,974
Rehabilitation of Wastewater Treatment Facility	100,000	-	100,000
Wastewater Jetter/Vector	130,000	-	130,000
Construction of Water Line in Vicinity of Jackson Road	46,000	-	46,000
Discount on Repayment of Loan from Farmers Home Administration	3,120,000	-	3,120,000
Installation of Water Line at Laurel Knoll Subdivision	53,000	-	53,000
Rehabilitation of Sewerage Treatment Tank #1	84,200	-	84,200
Trucks	619,469	-	619,469
Sewerage Treatment Plant & Extension of Sewer Line on Stokes Road	1,240,105	-	1,240,105
Rehabilitation & Upgrading of Elm Drive Pumping Station	139,128	-	139,128
Charles Street Water main	33,234	-	33,234
Acquisition of Seven Yard Pickup Truck	50,462	-	50,462
Cost to Refinance Serial Bonds	432,497	-	432,497
Utility Equipment	627,588	1,330	628,918
Water Diversion Rights	1,107,422	-	1,107,422
Rehabilitation of Wells & Other Improvements to the Water & Sewer Utility System	1,250,930	-	1,250,930
Various Water & Sewer Capital Improvements & Upgrading & Rehabilitation of Utility System	872,100	-	872,100
Construction of Southside Water Supply Wells	474,050	-	474,050
Furniture & Equipment	8,226	-	8,226
Water & Sewer Improvements on Various Municipal Roadways	438,604	-	438,604
Total	\$ 29,184,607	\$ 1,330	\$ 29,185,937

Current Year Budget	\$ -
Appropriation Reserve	<u>1,330</u>
Total	<u>\$ 1,330</u>

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS, LOANS AND NOTES
FOR THE YEAR ENDED DECEMBER 31, 2015

Balance December 31, 2014	\$	303,082
Increased by:		
Charged to Budget Appropriations:		
Interest on Bonds & Loans		738,528
Subtotal		1,041,610
Decreased by:		
Disbursed		755,766
Balance December 31, 2015	\$	285,844

ANALYSIS OF ACCRUED INTEREST DECEMBER 31, 2015

PRINCIPAL OUTSTANDING DECEMBER 31, 2015	INTEREST RATE	ISSUE DATE		PERIOD	AMOUNT
		FROM	TO		
Serial Bonds:					
\$ 1,020,000	Various	11/15/14	12/31/15	1.5 Months	\$ 5,546
3,350,000	Various	07/15/15	12/31/15	5.5 Months	64,826
442,400	Various	07/01/15	12/31/15	6.0 Months	4,557
4,160,000	Various	08/01/15	12/31/15	5.0 Months	35,557
1,195,000	Various	11/01/15	12/31/15	2.0 Months	5,260
1,470,000	Various	12/01/15	12/31/15	1.0 Month	3,185
Loans:					
400,000	Various	08/01/15	12/31/15	5.0 Months	8,266
795,000	Various	08/01/15	12/31/15	5.0 Months	15,099
2,950,000	Various	08/01/15	12/31/15	5.0 Months	63,469
1,595,000	Various	08/01/15	12/31/15	5.0 Months	27,349
595,000	Various	08/01/15	12/31/15	5.0 Months	10,229
675,000	Various	08/01/15	12/31/15	5.0 Months	14,063
1,365,000	Various	08/01/15	12/31/15	5.0 Months	28,438
Total					\$ 285,844

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$ 155,642
Increased by:	
Charges to Improvement Authorizations	<u>107,515</u>
Subtotal	263,157
Decreased by:	
Prior Year Balance Reappropriated	<u>155,642</u>
Balance December 31, 2015	<u><u>\$ 107,515</u></u>

**SCHEDULE OF RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$ 45,998,475
Increased by:	
Paid by Utility Operating Fund:	
Serial Bonds	\$ 1,117,400
Loans Payable	1,014,138
Capital Outlay:	
2015 Budget Charges	<u>1,330</u>
	<u>2,132,868</u>
Balance December 31, 2015	<u><u>\$ 48,131,343</u></u>

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS			ISSUED	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2015
			DATE	AMOUNT	INTEREST RATE			
General Obligation Bonds	12/28/06	\$ 1,581,750	05/15/16	74,000	5.000%	\$ -	\$ 70,000	\$ 1,020,000
			05/15/17	78,000	4.000%			
			05/15/18	81,000	4.250%			
			05/15/19	84,000	5.000%			
			05/15/20	88,000	5.000%			
			05/15/21	93,000	4.125%			
			05/15/22	97,000	4.125%			
			05/15/23	101,000	4.125%			
			05/15/24	105,000	4.125%			
			05/15/25	109,000	4.125%			
			05/15/25	110,000	4.250%			
General Obligation Bonds	07/23/08	4,563,000	07/15/16	200,000	3.750%	-	200,000	3,350,000
			07/15/17-18	200,000	4.000%			
			07/15/19-20	250,000	4.000%			
			07/15/21	250,000	4.125%			
			07/15/22-23	250,000	4.250%			
			07/15/24	300,000	4.250%			
			07/15/25	300,000	4.375%			
			07/15/26-28	300,000	4.500%			
Refunding Bonds	11/21/11	1,593,200	07/01/16	114,800	2.000%	-	232,400	442,400
			07/01/17	112,000	2.000%			
			07/01/18	109,200	2.000%			
			07/01/19	106,400	2.250%			

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS			ISSUED	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2015	
			DATE	AMOUNT	INTEREST RATE				BALANCE DECEMBER 31, 2014
Refunding Bonds	05/17/13	5,140,000	08/01/16	535,000	2.000%	-	560,000	4,160,000	
			08/01/17	460,000	2.000%				
			08/01/18	480,000	2.000%				
			08/01/19	505,000	2.000%				
			08/01/20	530,000	2.000%				
			08/01/21	400,000	2.000%				
			08/01/22	385,000	2.000%				
			08/01/23	295,000	2.000%				
			08/01/24	285,000	2.250%				
			08/01/25	285,000	2.500%				
General Obligation Bonds	05/17/13	1,305,000	05/1/16-19	55,000	2.000%	-	55,000	1,195,000	
			05/1/20-23	60,000	2.000%				
			05/1/24	65,000	3.000%				
			05/1/25	65,000	3.000%				
			05/1/26-28	70,000	3.000%				
			05/1/29-30	75,000	3.000%				
			05/1/31	80,000	3.000%				
			05/1/32	80,000	3.125%				
			05/1/33	85,000	3.250%				
								1,250,000	
General Obligation Bonds	12/17/15	1,470,000	6/1/16-19	55,000	2.000%	1,470,000	-	1,470,000	
			6/1/20-21	60,000	2.000%				
			6/1/22-23	65,000	2.000%				
			6/1/24	65,000	2.000%				
			6/1/25	70,000	2.250%				
			6/1/26	70,000	3.000%				
			6/1/27-28	75,000	3.000%				
			6/1/29	80,000	3.000%				
			6/1/30	85,000	3.000%				
			6/1/31-33	90,000	3.000%				
		6/1/34	100,000	3.000%					
		6/1/35	110,000	3.000%					
Total						\$ 11,284,800	\$ 1,470,000	\$ 1,117,400	\$ 11,637,400

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF LOANS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATUREITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2014	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2015
			DATE	AMOUNT				
NJ Environmental Protection Loan	10/30/02	\$ 835,000	08/01/16-17	\$ 50,000	5.00%	\$ 445,000	\$ 45,000	\$ 400,000
			08/01/18-19	55,000	5.00%			
			08/01/20	60,000	5.00%			
			08/01/21	65,000	5.00%			
			08/01/22	65,000	4.75%			
NJ Environmental Protection Loan	10/30/02	880,709	(1)	(1)	NIL	361,018	44,040	316,978
NJ Environmental Protection Loan	11/08/07	1,100,000	08/01/16	50,000	5.00%	845,000	50,000	795,000
			08/01/17-18	55,000	5.00%			
			08/01/19-20	60,000	4.00%			
			08/01/21-22	65,000	5.00%			
			08/01/23	70,000	4.25%			
			08/01/24-25	75,000	4.50%			
			08/01/26	80,000	4.50%			
			08/01/27	85,000	4.25%			

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF LOANS PAYABLE
FOR THE YEARENDED DECEMBER 31, 2015**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2014	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2015
			DATE	AMOUNT				
NJ Environmental Protection Loan	11/08/07	1,106,200	(1)	(1)	NIL	739,187	57,806	681,381
NJ Environmental Protection Loan	11/06/08	3,141,145	(1)	(1)	NIL	2,253,960	160,243	2,093,717
NJ Environmental Protection Loan	11/06/08	3,785,000	08/01/16	165,000	5.00%	3,105,000	155,000	2,950,000
			08/01/17	175,000	5.00%			
			08/01/18	180,000	5.00%			
			08/01/19	190,000	5.00%			
			08/01/20	200,000	5.00%			
			08/01/21	210,000	5.00%			
			08/01/22	225,000	5.00%			
			08/01/23	235,000	5.00%			
			08/01/24	250,000	5.00%			
			08/01/25	260,000	5.00%			
			08/01/26	275,000	5.00%			
			08/01/27	285,000	5.00%			
			08/01/28	300,000	5.00%			
NJ Environmental Protection Loan	11/19/09	1,857,763	(1)	(1)	NIL	1,416,936	94,461	1,322,475
NJ Environmental Protection Loan	11/19/09	1,965,000	08/01/16	85,000	5.00%	1,675,000	80,000	1,595,000
			08/01/17	90,000	5.00%			
			08/01/18	95,000	5.00%			
			08/01/19	100,000	4.00%			
			08/01/20	100,000	4.00%			
			08/01/21	105,000	4.00%			
			08/01/22	110,000	3.50%			
			08/01/23	115,000	4.00%			
			08/01/24	120,000	4.00%			
			08/01/25	125,000	3.75%			
			08/01/26	130,000	4.00%			
			08/01/27	135,000	4.00%			
			08/01/28	140,000	4.00%			
			08/01/29	145,000	4.00%			

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF LOANS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS			INTEREST RATE	BALANCE DECEMBER 31, 2014	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2015
			DATE	OUTSTANDING DECEMBER 31, 2015	AMOUNT				
NJ Environmental Protection Loan	03/10/10	2,252,000	(1)	(1)	NIL	572,032	38,134	533,898	
	03/10/10	735,000	08/01/16	30,000	5.00%	625,000	30,000	595,000	
			08/01/17	35,000	5.00%				
			08/01/18	35,000	5.00%				
			08/01/19	35,000	4.00%				
			08/01/20	40,000	5.00%				
			08/01/21	40,000	3.00%				
			08/01/22	40,000	4.00%				
			08/01/23	45,000	4.00%				
			08/01/24	45,000	4.00%				
			08/01/25	45,000	4.00%				
		08/01/26	50,000	3.50%					
		08/01/27	50,000	4.00%					
		08/01/28	50,000	4.00%					
		08/01/29	55,000	4.00%					
NJ Environmental Protection Loan	12/02/10	2,478,810	(1)	(1)	NIL	2,016,660	126,043	1,890,617	
NJ Environmental Protection Loan	12/02/10	785,000	08/01/16	30,000	5.00%	705,000	30,000	675,000	
			08/01/17-19	35,000	5.00%				
			08/01/20-22	40,000	5.00%				
			08/01/23-24	45,000	5.00%				
			08/01/25-26	50,000	5.00%				
			08/01/27-28	55,000	5.00%				
		08/01/29-30	60,000	5.00%					

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF LOANS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS		INTEREST RATE	BALANCE DECEMBER 31, 2014	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2015
			OUTSTANDING DECEMBER 31, 2015	AMOUNT				
NJ Environmental Protection Loan	12/02/10	17,500	(1)	(1)	NIL	694,577	43,411	651,166
NJ Environmental Protection Loan	12/02/10	1,585,000	08/01/16-17	65,000	5.00%	1,425,000	60,000	1,365,000
			08/01/18	70,000	5.00%			
			08/01/19-20	75,000	5.00%			
			08/01/21	80,000	5.00%			
			08/01/22	85,000	5.00%			
			08/01/23	90,000	5.00%			
			08/01/24	95,000	5.00%			
			08/01/25-26	100,000	5.00%			
			08/01/27	105,000	5.00%			
			08/01/28	115,000	5.00%			
			08/01/29	120,000	5.00%			
			08/01/30	125,000	5.00%			
Total						\$ 16,879,370	\$ 1,014,138	\$ 15,865,232

(1) Semiannual Principal Payments due February 1 & August 1.

**TOWNSHIP OF MEDFORD
SEWER CONNECTION TRUST FUND
SCHEDULE OF DUE TO WATER AND SEWER UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2014	\$	400,200
Increased by:		
Receipts - Interest Earned on Deposits		301
Balance December 31, 2015	\$	400,501

**SCHEDULE OF RESERVE FOR SEWER CONNECTION FEES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Balance December 31, 2015 & 2014	\$	210,450
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**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2015**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2014	INCREASED BY 2015 AUTHORIZATIONS	DECREASED BY		BALANCE DECEMBER 31, 2015
				BONDS ISSUED	CANCELLATIONS	
1998-14	Construction of Various Utility Capital Improvements	\$ 42,284	\$ -	\$ -	\$ 8,004	\$ 34,280
2002-19	Improvements to the Wastewater Treatment Fund	50,291	-	-	15	50,276
2007-09	Various Utility Capital Improvements	267	-	-	-	267
2007-11	Various Infrastructure Improvements to the Sewerage Treatment Plant	800	-	-	-	800
2008-20	Improvements for Phase II of the Sewer Plant Upgrade Project	125,027	-	35,000	-	90,027
2009-12	Improvements to the Wastewater Treatment Fund	95,689	-	-	-	95,689
2009-20	Various Utility Capital Improvements	500	-	-	-	500
2010-16	Various Utility Capital Improvements	1,050,000	-	615,000	-	435,000
2010-21	Various Utility Capital Improvements	177,500	-	90,000	-	87,500
2015-16	Various Utility Capital Improvements	-	730,000	730,000	-	-
Total		\$ 1,542,358	\$ 730,000	\$ 1,470,000	\$ 8,019	\$ 794,339

**TOWNSHIP OF MEDFORD
WATER-SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR DEBT SERVICE
FOR THE YEAR ENDED DECEMBER 31, 2015**

EXHIBIT D-21

Balance December 31, 2015 & 2014

\$ 355,488

**SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

EXHIBIT D-22

Balance December 31, 2015 & 2014

\$ 261,399

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**TOWNSHIP OF MEDFORD
COUNTY OF BURLINGTON**

PART II

**COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2015**

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The Honorable Mayor and Members of the
Township Council
Township of Medford
Medford, New Jersey 08055

We have audited the financial statements – statutory basis of the Medford Township in the County of Burlington for the year ended December 31, 2015.

Scope of Audit

The audit covered the financial transactions of the Treasurer, Tax Collector, and Water-Sewer Utility Collector, the activities of the Mayor and Council and the records of the various outside departments.

Cash on hand was counted and cash balances were reconciled with independent certifications obtained directly from the depositories.

The accrued and realized revenues for the various Township Departments as shown on the Statements of Revenue and Revenue Accounts Receivable are presented as recorded in the Township records.

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

GENERAL COMMENTS

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

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$36,000 for the period of January 1, 2015 to June 30, 2015, and \$40,000 for the period of July 1, 2015 to December 31, 2015, except by contract or agreement.

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

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

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

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

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$5,400 for the period of January 1, 2015 to June 30, 2015, and in excess of \$6,000 for the period of July 1, 2015 to December 31, 2015, thereafter "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of (N.J.S.A.40A:11-6.1).

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.54:4-67, as amended, 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 5, 2015 adopted the following resolution authorizing interest to be charged on delinquent taxes:

“BE IT RESOLVED that the rate of interest to be charged for the nonpayment of taxes and water/sewer rents on the date when they become delinquent is hereby fixed as eight (8%) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18%) percent per annum on any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00). The same to be calculated from the date of actual payment; provided, however, that no interest be charged if payment is made with ten (10) days after the date upon which same became payable.”

The Township also charges an additional 6% penalty on delinquencies in excess of \$10,000 at the end of the calendar year.

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

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2015 included real estate taxes for 2014.

The last tax sale was held on March 17, 2015 and was complete.

Delinquent Taxes and Tax Title Liens (continued):

Inspection of 2015 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:

YEAR	NUMBER OF LIENS
2015	51
2014	73
2013	72

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

Deductions From Taxes

The audit of senior citizen and veteran deductions on a test basis revealed that deductions appear reasonable.

Examination of Bills

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

Payroll Fund

The examination of the payroll fund included testing the detail computation of various deductions or other credits from the payroll of the Township employees.

Municipal Court

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

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

A test sample was selected of fifteen (15); ten traffic and five criminal cases processed through the system. The purpose of the test was to determine that traffic fines were levied in accordance with State Statutes, that payments were deposited intact and on a timely basis, that dispositions were entered in traffic and criminal dockets, closure procedures for delinquent traffic tickets were enforced and that proper procedures were in effect for defendants paying on a the partial payment system. This test disclosed no discrepancies regarding fines being properly levied, entering of dispositions and closure procedures.

Municipal Court (continued):

The computer software does not allow for a posting distribution in the cash receipts journal when a transaction involves both a check and cash payment being made by the defendant. The computer system requires this particular type of transaction be posted as either entirely cash or check. As a result of this limitation no test can be conducted to determine if the receipt detail batch totals from the journal agree with the detail of cash and checks deposited for that particular day.

A review of the partial payment system indicated that collection procedures are being enforced to collect delinquent balances.

Tax Collector's Annual Report

N.J.S.54:4-91 requires that on or before May 1st of each year, the Tax Collector shall file with the Treasurer and the governing body a statement of receipts during the preceding year as well as added assessments, taxes canceled and taxes unpaid as of December 31, all for the preceding tax year. This report was filed in 2016 with the governing body.

Construction Code Office

- (1) **Indirect Costs** – Indirect costs are not allocated to the Construction Code Budget Appropriation.
- (2) **Annual Report** – An annual report of revenue, expenditures and a recommendation for any fee increase or decrease was filed with the governing body.
- (3) **Construction Code Costs** – A test was conducted to determine that all revenues collected for construction code fees are applied to pay for municipal costs of enforcing the Uniform Construction Code [*N.J.A.C.5:23.17(c)2*]. No exceptions were discovered as a result of the test that would indicate that construction code revenues were not being applied to pay for costs related to enforcement of the Uniform Construction Code.
- (4) **Construction Code Permits** – A test of the fees charged for construction code permits disclosed no exceptions regarding charges being levied in accordance with the Township Ordinances in effect.

Treasurer:

Finding 2015-001:

At December 31, 2015, there are multiple Utility Capital ordinances with a deficit cash balance greater than ten years old.

Recommendation:

It is recommended that the Township appropriate sufficient funds to eliminate cash deficits for all capital ordinances older than ten years.

Management Response:

The Township of Medford agrees with this finding, and will correct it accordingly.

Prior Year Findings

In accordance with Government Auditing Standards, our procedures included a review of all prior year findings. Corrective action was taken on all prior year findings except with those marked above with an asterisk (*).

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2015:

NAME	POSITION	AMOUNT OF BOND	
Charles Watson	Mayor		
Jeffrey Beenstock	Deputy Mayor		
Bradley Denn	Councilman		
Christopher Buoni	Councilman		
Frank Czekay	Councilman		
Albert Stanley	Chief Financial Officer	\$1,000,000	(A)
Katherine Burger	Township Clerk & Township Manager	\$1,000,000	(A)
Patricia D. Capasso	Tax Collector	\$1,000,000	(A)
Joseph Rahman	Tax Assessor		
Peter C. Lange	Magistrate	\$1,000,000	(A)
Stacy McBride	Court Administrator	\$1,000,000	(A)
Michelle Moran	Deputy Court Administrator	\$1,000,000	(A)
Chris Norman	Solicitor		
Paul C. Dougherty	Prosecutor		

(A) Covered under the Blanket Bond Coverage through the Burlington County Municipal Joint Insurance Fund for \$1,000,000.

Acknowledgment

We express our appreciation for the assistance and courtesies extended to the members of the audit team. The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Should you have any questions concerning our comments or recommendations, please contact us.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
No. CR435

May 11, 2016
Medford, New Jersey