

**TOWNSHIP OF MEDFORD**

**AUDIT REPORT FOR THE YEAR  
ENDED DECEMBER 31, 2014**



**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, 2014**

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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, 2014 and 2013, 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, 2014.

### 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, 2014 and 2013, 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, 2014 and 2013, 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, 2014 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

### **Other Matters**

#### **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 June 25, 2015, 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  
June 25, 2015





**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 of the Township of Medford (herein referred to as “the Municipality”), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Municipality’s basic financial statements, and have issued our report thereon dated June 25, 2015. 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 1.

**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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Comments & Recommendations we identified a certain deficiency in internal control that we consider to be a material weakness.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *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. 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. We consider the deficiency described in the accompanying Comments & Recommendations to be a material weakness as Finding No. 2014-001.

## **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 instances 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. 2014-001.

## **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

June 25, 2015  
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, 2014 AND 2013**

ASSETS	REFERENCE	2014	2013
Current Fund:			
Cash	A-4	\$ 7,805,068	\$ 6,953,444
Cash - Birchwood Lake Dam	A-4	358,739	320,610
Cash - Petty Cash	A	200	-
Cash - Change Fund	A-5	400	400
Investment in Bond Anticipation Notes	C	216,518	216,518
Total		<u>8,380,925</u>	<u>7,490,972</u>
Receivables & Other Assets With Full Reserves:			
Delinquent Taxes Receivable	A-6	1,021,763	813,231
Tax Title Liens Receivable	A-7	441,535	414,969
Foreclosed Property - Assessed Valuation	A	371,400	371,400
Revenue Accounts Receivable	A-8	15,016	14,548
Due from:			
Trust - Animal Control Fund	B	1,860	1,833
General Capital Fund	C	1,417,663	772,640
Total Receivables & Other Assets With Full Reserves		<u>3,269,237</u>	<u>2,388,621</u>
Deferred Charges To Future Taxation:			
Special Emergency Appropriation	A-29	280,000	840,000
Total		<u>280,000</u>	<u>840,000</u>
Total Regular Funds		<u>11,930,162</u>	<u>10,719,593</u>
Federal & State Grants:			
Cash	A-4	517,295	369,649
Due from Current Fund	A	61	475
Grants Receivable	A-25	718,972	547,123
Total Federal & State Grants		<u>1,236,328</u>	<u>917,247</u>
Total Assets		<u><u>\$ 13,166,490</u></u>	<u><u>\$ 11,636,840</u></u>

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2014 AND 2013**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2014	2013
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$ 695,418	\$ 1,050,313
Reserve for Encumbrances	A-31	526,383	559,228
Accounts Payable	A	13,622	105,611
Tax Overpayments	A-10	11,615	117,389
Prepaid Taxes	A-11	602,992	485,736
Due to State of New Jersey for Senior Citizen & Veteran Deductions	A-12	95,136	94,750
Due County for Added & Omitted Taxes	A-13	103,442	84,369
Due to State - Construction Code Fees	A-23	8,271	7,539
Due to State - Marriage License Fees	A-24	525	575
Due to Sewer Connection Trust Fund	D	30,390	30,390
Due to Trust Other Fund	B	10,411	10,718
Due to Municipal Open Space Fund	B	19,662	901,189
Due to Federal & State Grant Fund	A-28	61	475
Local District School Taxes Payable	A-15	1,552,744	884,427
Regional High School Taxes Payable	A-16	1,689,049	1,097,692
Special Emergency Note Payable	A-30	420,000	560,000
Reserve for:			
Municipal Court - POAA	A-17	762	744
Purchase of Public Safety Equipment	A-18	19,600	13,825
Election Workers	A-19	1,972	1,668
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	9,842	-
OPRA Requests	A	4,754	3,071
Tax Map	A	10	10
Homeowners Dam Restoration	A	358,739	320,610
Subtotal Regular Fund		<u>6,220,611</u>	<u>6,375,540</u>
Reserve for Receivables & Other Assets	A	3,269,237	2,388,621
Fund Balance	A-1	<u>2,440,314</u>	<u>1,955,432</u>
Total Regular Fund		<u>11,930,162</u>	<u>10,719,593</u>
Federal & State Grants:			
Reserve for Encumbrances	A-31	8,291	7,793
Unappropriated Reserves	A-26	179,800	101,565
Appropriated Reserves	A-27	<u>1,048,237</u>	<u>807,889</u>
Total Federal & State Grants		<u>1,236,328</u>	<u>917,247</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 13,166,490</u>	<u>\$ 11,636,840</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, 2014 AND 2013**

	REFERENCE	2014	2013
Revenue & Other Income Realized:			
Fund Balance Utilized	A-1, A-2	\$ 1,100,000	\$ 1,041,488
Miscellaneous Revenue Anticipated	A-2	6,145,761	5,379,094
Receipts From Delinquent Taxes & Tax Title Liens	A-2	811,367	1,258,417
Receipts From Current Taxes	A-6	87,367,500	84,333,435
Nonbudget Revenue	A-2	401,746	219,328
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-9	769,437	1,130,924
Cancellation of Accounts Payable	A	118,470	
Liquidation of Interfunds	A	726	4,479
<b>Total Income</b>		<b>96,715,007</b>	<b>93,367,165</b>
Expenditures:			
Budget Appropriations Within "CAPS":			
Operations:			
Salaries & Wages	A-3	5,031,064	5,092,850
Other Expenses	A-3	6,734,159	6,873,477
Deferred Charges & Statutory Expenditures	A-3	1,415,935	1,930,317
Excluded From "CAPS":			
Operations:			
Salaries & Wages	A-3	519,950	377,229
Other Expenses	A-3	547,577	515,079
Capital Improvements	A-3	-	-
Deferred Charges & Statutory Expenditures	A-3	560,000	366,664
Municipal Debt Service	A-3	3,969,410	3,902,082
Regional High School Tax	A-16	20,412,055	19,229,340
Local District School Tax	A-15	42,235,486	40,898,852
County Taxes	A-6	11,935,265	11,685,836
Due County for Added & Omitted Taxes	A-6	103,442	84,369
Municipal Open Space Trust Fund Tax	A-6	898,936	896,442
Creation of Interfund & Other Assets	A	766,846	722,329
<b>Total Expenditures</b>		<b>95,130,125</b>	<b>92,574,866</b>
<b>Excess/(Deficit) in Revenue</b>		<b>1,584,882</b>	<b>792,299</b>
Adjustment to Income Before Fund Balance:			
Expenditures Included Above which are by Statute			
Deferred Charges to Budget of Succeeding Year	A	-	400,000
Statutory Excess to Fund Balance		1,584,882	1,192,299
Fund Balance January 1	A	1,955,432	1,804,621
<b>Total</b>		<b>3,540,314</b>	<b>2,996,920</b>
Decreased by: Utilization as Anticipated Revenue	A-1, A-2	1,100,000	1,041,488
<b>Fund Balance December 31</b>	A	<b>\$ 2,440,314</b>	<b>\$ 1,955,432</b>

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, 2014**

	BUDGET	APPROPRIATED BY N.J.S.A.40A:47-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Utilized	\$ 1,100,000	\$ -	\$ 1,100,000	\$ -
Miscellaneous Revenue:				
Licenses - Alcoholic Beverages	22,900	-	398,038	375,138
Fees & Permits - Other	115,000	-	124,685	9,685
Fines & Costs - Municipal Court	225,000	-	189,983	(35,017)
Interest & Costs on Taxes	200,000	-	193,067	(6,933)
Interest on Investments & Deposits	7,300	-	13,662	6,362
Alarm Fees	9,800	-	9,150	(650)
Cable Television Fees	325,000	-	355,599	30,599
Emergency Medical Service Billing Income	605,000	-	616,356	11,356
Consolidated Municipal Property Tax				
Relief Act	51,762	-	81,663	29,901
Energy Receipts Tax	1,929,531	-	1,978,363	48,832
Fees & Permits:				
Uniform Construction Code	615,000	-	779,808	164,808
Interlocal Services Agreement - Police Salaries:				
Lenape Regional High School	501,450	-	488,950	(12,500)
Interlocal Services Agreement - UCC:				
Medford Lakes	18,500	-	18,500	-
Uniform Fire Safety Act	56,000	-	57,860	1,860
Liquidation of Reserve - Due from General Capital Fund	600,000	-		(600,000)
Health Insurance Refund	400,000	-	400,000	-
State & Federal Revenue Offset with				
Drunk Driving Enforcement	-	3,668	3,668	-
Municipal Alliance on Alcohol & Drug Abuse	-	15,111	15,111	-
Municipal Park Development	-	220,000	220,000	-
Emergency Management Assistance	-	5,000	5,000	-
Body Armor Grant	-	6,643	6,643	-
Drive Sober or Get Pulled Over	-	10,000	10,000	-
Medford Celebrates	-	47,000	47,000	-
NJ Motor Vehicle Security & Customer Service Act	-	49,981	49,981	-
Art, Wine & Music Festival	-	2,671	2,671	-
Clean Communities	-	53,503	53,503	-
Halloween Parade	-	16,500	16,500	-
Dickens Festival	-	10,000	10,000	-
Total Miscellaneous Revenue	5,682,243	440,077	6,145,761	23,441
Receipts From Delinquent Taxes	980,000	-	811,367	(168,633)
Subtotal General Revenues	7,762,243	440,077	8,057,128	(145,192)
Local Tax for Municipal Purposes	12,233,834	-	13,440,375	1,206,541
Budget Totals	19,996,077	440,077	21,497,503	1,061,349
Nonbudget Revenues	-	-	401,746	401,746
Total	\$ 19,996,077	\$ 440,077	\$ 21,899,249	\$ 1,463,095

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**ANALYSIS OF REALIZED REVENUES**

Allocation of Current Tax Collections:	
Revenue From Collections	\$ 87,367,500
Less: School, County Taxes, Special District & Open Space	<u>75,585,184</u>
Balance for Support of Municipal Budget Appropriations	11,782,316
Add: Budget Appropriation - Reserve for Uncollected Taxes	<u>1,658,059</u>
Total Amount for Support of Municipal Budget Appropriation	<u><u>\$ 13,440,375</u></u>
Receipts From Delinquent Taxes:	
Delinquent Tax Collections	763,316
Tax Title Lien Collections	<u>48,051</u>
Total Receipts From Delinquent Taxes	<u><u>\$ 811,367</u></u>

**ANALYSIS OF NONBUDGET REVENUE**

Miscellaneous Revenue Not Anticipated:	
Receipts:	
Recreation Fees	\$ 7,240
Tower Rental	9,600
Raffle License	1,100
Prior Year Refunds & Reimbursements	248,310
FEMA Revenue	14,427
PILOT	71,800
Senior Citizens & Veterans Admin Fee	3,723
Miscellaneous	<u>45,546</u>
Total	<u><u>\$ 401,746</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, 2014**

	APPROPRIATIONS			PAID OR CHARGED			UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED	
<b>OPERATIONS</b>							
<b>General Government:</b>							
<b>General Administration:</b>							
Office of the Manager:							
Salaries and Wages	\$ 83,752	\$ 88,042	\$ 62,100	\$ 25,942	\$ -	\$ -	\$ -
Other Expenses	5,650	5,650	5,583	67	-	-	-
Human Resources:							
Salaries and Wages	26,546	27,615	27,615	-	-	-	-
Other Expenses	775	775	775	-	-	-	-
Mayor & Council:							
Salaries and Wages	19,103	17,103	16,943	160	-	-	-
Other Expenses	1,000	8,500	361	7,540	599	-	-
Municipal Clerk:							
Salaries and Wages	59,022	61,005	61,005	-	-	-	-
Other Expenses	47,369	47,531	36,138	790	10,603	-	-
Other Expenses-Elections	12,000	12,000	12,000	-	-	-	-
<b>Financial Administration:</b>							
Office of Treasurer:							
Salaries and Wages	84,959	91,557	74,775	16,782	-	-	-
Other Expenses	32,757	33,227	13,959	8,673	10,595	-	-
Auditing Services:							
Other Expenses	30,000	35,500	2,960	5,900	26,640	-	-
Revenue Administration:							
Salaries and Wages	59,883	59,883	57,893	1,990	-	-	-
Other Expenses	12,170	12,170	7,441	4,420	309	-	-
Division of Assessments:							
Salaries and Wages	126,795	126,795	111,716	15,079	-	-	-
Other Expenses	81,900	45,400	29,043	11,369	4,988	-	-
Legal Services (Legal Department):							
Other Expenses	150,000	180,000	176,012	959	3,029	-	-
Engineering Services:							
Other Expenses	20,000	30,000	14,485	8,614	6,901	-	-
Division of Planning:							
Salaries and Wages	56,123	56,123	50,900	5,223	-	-	-
Other Expenses	34,400	54,400	49,984	4,103	313	-	-
Division of Zoning:							
Other Expenses	55,651	63,651	52,416	12	11,223	-	-

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

OPERATIONS	APPROPRIATIONS			PAID OR CHARGED			UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED	
<b>Public Safety Functions:</b>							
Police:							
Salaries and Wages	3,055,441	2,994,566	2,922,727		-	71,839	-
Other Expenses	182,450	182,450	120,172		50,761	11,517	-
Fire:							
Other Expenses	132,730	132,730	99,283		33,020	427	-
First Aid Organizations:							
Salaries and Wages	108,173	131,173	126,994		-	4,179	-
Other Expenses	114,825	98,325	54,042		23,372	20,911	-
Emergency Management Services:							
Other Expenses	2,040	2,040	1,908		-	132	-
Uniform Fire Safety Act: PL1983C.383)							
Salaries and Wages	438,415	449,415	440,633		-	8,782	-
Other Expenses	13,200	13,200	6,865		6,295	40	-
Prosecutor:							
Other Expenses	20,000	20,000	16,400		-	3,600	-
<b>Public Works Functions:</b>							
Department of Public Works:							
Road Repairs & Maintenance:							
Salaries and Wages	160,844	145,844	145,485		-	359	-
Other Expenses	68,500	101,500	68,993		30,937	1,570	-
Snow Removal:							
Salaries and Wages	45,000	45,000	293		-	44,707	-
Other Expenses	55,000	55,000	-		13,395	41,605	-
Sanitation:							
Salaries and Wages	258,469	258,469	258,059		-	410	-
Other Expenses	653,750	600,750	486,635		106,646	7,469	-
Building & Grounds:							
Salaries and Wages	115,674	115,674	113,186		-	2,488	-
Other Expenses	75,750	86,137	66,878		17,585	1,674	-
Shade Tree Program:							
Other Expenses	6,150	6,150	1,580		3,570	1,000	-
Vehicle Maintenance:							
Salaries and Wages	51,273	46,273	44,324		-	1,949	-
Other Expenses	224,500	275,595	193,777		55,982	25,836	-

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

OPERATIONS	APPROPRIATIONS			PAID OR CHARGED			UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED		
<b>Economic Development Committee:</b>							
Other Expenses	100	100	-	-	100	-	
<b>Parks &amp; Recreation:</b>							
Parks & Playgrounds:							
Salaries and Wages	30,889	26,889	26,495	-	394	-	
Other Expenses	1,175	1,175	265	-	910	-	
Landfill/Solid Waste Disposal	712,000	712,000	652,449	-	59,551	-	
Community Services:							
Other Expenses	30,500	30,500	30,319	-	181	-	
<b>Municipal Court:</b>							
Salaries and Wages	132,269	132,269	111,270	-	20,999	-	
Other Expenses	47,340	30,750	24,912	1,141	4,697	-	
<b>Insurance:</b>							
General Liability	278,053	279,716	276,897	-	2,819	-	
Employee Group Insurance	1,478,013	1,479,743	1,456,169	-	23,574	-	
Worker's Compensation	258,281	258,281	258,281	-	-	-	
Health Benefit Waivers	45,000	45,000	45,000	-	-	-	
Retiree Health Benefits	1,000,000	1,000,000	1,000,000	-	-	-	
<b>Uniform Construction Code Appropriations</b>							
<b>Offset by Dedicated Revenues:</b>							
Construction Code Official:							
Salaries and Wages	154,472	154,472	141,650	-	12,822	-	
Other Expenses:							
Direct Costs	67,715	51,215	48,035	-	3,180	-	
Indirect Costs	21,127	-	-	-	-	-	



**TOWNSHIP OF MEDFORD  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

OPERATIONS	APPROPRIATIONS			PAID OR CHARGED			UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED	
<b>Unclassified:</b>							
Celebration of Public Events, Anniversary or Holiday:							
Other Expenses	1,600	1,600	1,500	100	-	-	-
Utilities:							
Electricity	130,000	139,631	102,647	-	36,984	-	-
Street Lighting	225,000	225,000	205,666	-	19,334	-	-
Telephone & Telegraph	60,000	61,633	51,869	-	9,764	-	-
Water & Sewer	-	22	-	-	22	-	-
Heating Gas/Oil	60,000	61,484	59,249	500	1,735	-	-
Gasoline/Diesel Fuel	250,000	250,000	159,605	40,751	49,644	-	-
Safety Supplies	5,775	5,775	5,775	-	-	-	-
Catastrophic Illness Fund	250	250	179	-	71	-	-
Hepatitis Vaccination	500	500	-	-	500	-	-
<b>Total Operation Within "CAPS"</b>	<b>11,772,098</b>	<b>11,765,223</b>	<b>10,690,570</b>	<b>456,383</b>	<b>618,270</b>	<b>-</b>	<b>-</b>
<b>Detail:</b>							
Salaries and Wages	5,087,102	5,031,064	4,793,520	-	237,544	-	-
Other Expenses (Including Contingent)	6,684,996	6,734,159	5,897,050	456,383	380,726	-	-
<b>Statutory Expenditures:</b>							
Public Employees Retirement System	195,647	195,647	178,315	-	17,332	-	-
Social Security System(O.A.S.I.)	430,000	421,500	396,465	-	25,035	-	-
Police & Fire Retirement System	742,788	742,788	720,478	-	22,310	-	-
Unemployment	56,000	56,000	56,000	-	-	-	-
<b>Total Deferred Charges &amp; Statutory Expenditures Within "CAPS"</b>	<b>1,424,435</b>	<b>1,415,935</b>	<b>1,351,258</b>	<b>-</b>	<b>64,677</b>	<b>-</b>	<b>-</b>
<b>Total General Appropriations for Municipal Purposes Within "CAPS"</b>	<b>13,196,533</b>	<b>13,181,158</b>	<b>12,041,828</b>	<b>456,383</b>	<b>682,947</b>	<b>-</b>	<b>-</b>

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	APPROPRIATIONS			PAID OR CHARGED EXPENDED	ENCUMBERED	RESERVED	OVER EXPENDED	UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	BUDGET					
<b>OPERATIONS EXCLUDED FROM "CAPS":</b>								
Landfill Fees - Recycling Tax	37,500	37,500	25,029	-	12,471	-	-	-
LOSAP	70,000	70,000	-	70,000	-	-	-	-
Interlocal Service Agreement								
Police Salaries-Lenape Regional High School	501,450	501,450	501,450	-	-	-	-	-
UCC Salaries - Medford Lakes	18,500	18,500	18,500	-	-	-	-	-
<b>Public &amp; Private Programs Offset by Revenues:</b>								
Drunk Driving Enforcement	-	3,668	3,668	-	-	-	-	-
Drive Sober or Get Pulled Over	-	10,000	10,000	-	-	-	-	-
Emergency Management Assistance	-	5,000	5,000	-	-	-	-	-
Municipal Alliance on								
Alcoholism & Drug Abuse	-	15,111	15,111	-	-	-	-	-
Clean Communities	-	53,503	53,503	-	-	-	-	-
NJ Motor Vehicles Security & Customer								
Service Grant	-	49,981	49,981	-	-	-	-	-
Body Armor Grant	-	6,643	6,643	-	-	-	-	-
Art, Wine & Music Festival	-	2,671	2,671	-	-	-	-	-
County Park Improvement	-	220,000	220,000	-	-	-	-	-
Medford Celebrates	-	47,000	47,000	-	-	-	-	-
Halloween Parade	-	16,500	16,500	-	-	-	-	-
Dickens Festival	-	10,000	10,000	-	-	-	-	-
<b>Total Operations Excluded from "CAPS"</b>	<b>627,450</b>	<b>1,067,527</b>	<b>985,056</b>	<b>70,000</b>	<b>12,471</b>	<b>-</b>	<b>-</b>	<b>-</b>
Detail:								
Salaries and Wages	519,950	519,950	519,950	-	-	-	-	-
Other Expenses	107,500	547,577	465,106	70,000	12,471	-	-	-
Capital Improvements - Excluded from "CAPS"								
Capital Improvement Fund	-	-	-	-	-	-	-	-
Total Capital Improvements Excluded from "CAPS"	-	-	-	-	-	-	-	-

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	APPROPRIATIONS		PAID OR CHARGED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	
<b>OPERATIONS EXCLUDED FROM "CAPS"</b>					
<b>Municipal Debt Service - Excluded from "CAPS":</b>					
Payment of Bond Principal	3,383,234	3,383,234	3,383,234	-	-
Interest on Bonds	570,801	586,176	586,176	-	-
<b>Total Municipal Debt Service Excluded from "CAPS"</b>	<b>3,954,035</b>	<b>3,969,410</b>	<b>3,969,410</b>	<b>-</b>	<b>-</b>
<b>Statutory Expenditures/Deferred Charges:</b>					
Overexpenditure of an Appropriation					
Special Emergency Authorizations - 5 Years (N.J.S.40A:40-55)	160,000	160,000	160,000	-	-
Emergency Authorizations	400,000	400,000	400,000	-	-
<b>Total Statutory Expenditures/Deferred Charges</b>	<b>560,000</b>	<b>560,000</b>	<b>560,000</b>	<b>-</b>	<b>-</b>
<b>Total General Appropriations Excluded from "CAPS"</b>	<b>5,141,485</b>	<b>5,596,937</b>	<b>5,514,466</b>	<b>70,000</b>	<b>12,471</b>
<b>Subtotal General Appropriations Reserve For Uncollected Taxes</b>	<b>18,338,018</b>	<b>18,778,095</b>	<b>17,556,294</b>	<b>526,383</b>	<b>695,418</b>
	1,658,059	1,658,059	1,658,059	-	-
<b>Total General Appropriations</b>	<b>\$ 19,996,077</b>	<b>\$ 20,436,154</b>	<b>\$ 19,214,353</b>	<b>\$ 526,383</b>	<b>\$ 695,418</b>
<b>Budget Appropriation by 40A:4-87</b>	<b>\$ 19,996,077</b>				
<b>Total</b>	<b>\$ 440,077</b>				
		<b>\$ 20,436,154</b>			
<b>Reserve for Federal &amp; State Grant Fund - Appropriated</b>			<b>\$ 440,077</b>		
<b>Cash Disbursements</b>			<b>16,556,217</b>		
<b>Special Emergency Authorizations - 5 Years</b>			<b>560,000</b>		
<b>Reserve for Uncollected Taxes</b>			<b>1,658,059</b>		
<b>Total</b>			<b>\$ 19,214,353</b>		

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, 2014 AND 2013**

ASSETS	REFERENCE	2014	2013
Animal Control Fund:			
Cash	B-4	\$ 21,864	\$ 17,966
Total Animal Control Fund		<u>21,864</u>	<u>17,966</u>
Other Funds:			
Cash	B-4	3,499,295	2,857,845
Due From Current Fund	A,B-8	<u>10,411</u>	<u>10,718</u>
Total Other Funds		<u>3,509,706</u>	<u>2,868,563</u>
Municipal Open Space Fund:			
Cash	B-4	1,640,576	853,054
Due From Current Fund	A, B-11	<u>19,662</u>	<u>901,189</u>
Total Open Space Fund		<u>1,660,238</u>	<u>1,754,243</u>
Total Assets		<u>\$ 5,191,808</u>	<u>\$ 4,640,772</u>
<b>LIABILITIES, RESERVES &amp; FUND BALANCE</b>			
Animal Control Fund:			
Due to Current Fund	A,B-6	\$ 1,860	\$ 1,833
Due State of New Jersey	B-7	3	6
Reserve for Animal Control Expenditures	B-5	<u>20,001</u>	<u>16,127</u>
Total Animal Control Fund		<u>21,864</u>	<u>17,966</u>
Other Funds:			
Due to General Capital Fund	C	25,000	25,000
Miscellaneous Trust Other Reserves	B-9	<u>3,484,706</u>	<u>2,843,563</u>
Total Other Funds		<u>3,509,706</u>	<u>2,868,563</u>
Municipal Open Space Fund:			
Accounts Payable	B	99	-
Encumbrances	B-3	33,886	1,419
Appropriation Reserves	B-3	50,630	153,033
Reserve for Future Use	B-10	<u>1,575,623</u>	<u>1,599,791</u>
Total Open Space Fund		<u>1,660,238</u>	<u>1,754,243</u>
Total Liabilites, Reserves & Fund Balance		<u>\$ 5,191,808</u>	<u>\$ 4,640,772</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, 2014 AND 2013**

REVENUE REALIZED:	2014	2013
Amount to be Raised by Taxation	\$ 897,680	\$ 896,442
Miscellaneous - County	190,400	639,362
Interest Income	848	1,016
Miscellaneous	1,256	-
Unexpended Balance of Appropriation Reserves	<u>151,645</u>	<u>116,581</u>
 Total Income	 <u>1,241,829</u>	 <u>1,653,401</u>
 EXPENDITURES:		
Budget Appropriations:		
Salary and Wages	120,765	120,870
Other Expenses	179,098	191,881
Acquisition of Farmland	40,000	45,000
Debt Service	<u>926,134</u>	<u>540,354</u>
 Total Expenditures	 <u>1,265,997</u>	 <u>898,105</u>
 Statutory Excess to Reserve	 <u>(24,168)</u>	 <u>755,296</u>
 RESERVE FOR FUTURE USE:		
Balance January 1,	<u>1,599,791</u>	<u>844,495</u>
Balance December 31,	<u>\$ 1,575,623</u>	<u>\$ 1,599,791</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, 2014**

	ANTICIPATED BUDGET	REALIZED	EXCESS OR (DEFICIT)
Amount to be Raised by Taxation	\$ 890,000	\$ 897,680	\$ 7,680
Interest Income	550	848	298
Reserve Funds	392,950	190,400	(202,550)
Total Revenues	<u>\$ 1,283,500</u>	<u>\$ 1,088,928</u>	<u>\$ (194,572)</u>

**ANALYSIS OF REALIZED REVENUES**

Receipts:

Interest on Deposits	\$ 848	
Miscellaneous - County	190,400	\$ 191,248
Current Year Levy Due Current Fund		890,000
Added & Omitted Taxes - Current Year		<u>7,680</u>
Total Receipts From Delinquent Taxes		<u>\$ 1,088,928</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, 2014**

	APPROPRIATIONS		PAID OR CHARGED			
	ORIGINAL BUDGET	BUDGET AFTER MODIFICATION	EXPENDED	ENCUMBERED	RESERVED	CANCELLED
Maintenance of Lands for Recreation & Conservation:						
Salary and Wages	\$ 120,765	\$ 120,765	\$ 120,578	\$ -	\$ 187	\$ -
Other Expenses	179,098	179,098	122,731	30,836	25,531	-
<b>Total</b>	<b>299,863</b>	<b>299,863</b>	<b>243,309</b>	<b>30,836</b>	<b>25,718</b>	<b>-</b>
Capital Improvements:						
Acquisition of Farmland	40,000	40,000	12,038	3,050	24,912	-
Debt Service:						
Payment of Bond Principal	526,920	526,920	526,920	-	-	-
Payment of Bond Anticipation Notes & Capital Notes	185,921	185,921	185,921	-	-	-
Interest on Bonds	219,304	219,304	204,158	-	-	15,146
Interest on Notes	11,442	11,442	9,135	-	-	2,307
<b>Total Debt Service</b>	<b>943,587</b>	<b>943,587</b>	<b>926,134</b>	<b>-</b>	<b>-</b>	<b>17,453</b>
<b>Total Statement of Expenditures</b>	<b>\$ 1,283,450</b>	<b>\$ 1,283,450</b>	<b>\$ 1,181,481</b>	<b>\$ 33,886</b>	<b>\$ 50,630</b>	<b>\$ 17,453</b>

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, 2014 AND 2013**

ASSETS	REFERENCE	2014	2013
Cash	C-1	\$ 221,010	\$ 220,792
Due from:			
State of New Jersey Transportation Trust	C	41,000	41,000
County of Burlington	C-6	185,000	235,000
Community Development Block Grant	C	37,700	37,700
Trust Other Fund - Recreation Trust Fund	B	25,000	25,000
Water-Sewer Utility Capital Fund	D	7,389	7,389
Deferred Charges to Future Taxation:			
Funded	C-3	23,160,600	27,254,719
Unfunded	C-4	4,857,443	4,857,443
		<u>\$ 28,535,142</u>	<u>\$ 32,679,043</u>
 Total Assets		 <u>\$ 28,535,142</u>	 <u>\$ 32,679,043</u>
 <b>LIABILITIES, RESERVES &amp; FUND BALANCE</b>			
General Serial Bonds	C-11	\$ 22,710,200	\$ 26,618,400
Loans Payable	C-10	450,400	636,319
Bond Anticipation Notes	C-12	216,518	216,518
Improvement Authorizations:			
Funded	C-7	1,162,934	2,144,401
Unfunded	C-7	1,493,390	1,641,123
Due to Current Fund	A,C-9	1,417,663	772,640
Reserve for Encumbrances	C-8	814,428	380,033
Capital Improvement Fund	C-5	96,475	96,475
Fund Balance	C	173,134	173,134
		<u>\$ 28,535,142</u>	<u>\$ 32,679,043</u>
 Total Liabilities, Reserves & Fund Balance		 <u>\$ 28,535,142</u>	 <u>\$ 32,679,043</u>

There was \$4,640,925 bonds and notes authorized but not issued on December 31, 2014 and \$4,640,925 as of December 31, 2013.

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

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**TOWNSHIP OF MEDFORD  
WATER-SEWER UTILITY FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2014 AND 2013**

ASSETS	REFERENCE	2014	2013
<b>Operating Fund:</b>			
Cash	D-4	\$ 3,456,343	\$ 3,072,156
Insurance Claims	D	11,077	11,077
Due from Water & Sewer Connection Trust	D-18	400,200	400,028
<b>Total</b>		<b>3,867,620</b>	<b>3,483,261</b>
<b>Receivables &amp; Other Assets With Full Reserves:</b>			
Water & Sewer Rents Receivable	D-6	226,610	227,322
<b>Total Receivable &amp; Other Assets With Full Reserves</b>		<b>226,610</b>	<b>227,322</b>
<b>Total Operating Fund</b>		<b>4,094,230</b>	<b>3,710,583</b>
<b>Assessment Trust Fund:</b>			
Cash	D-4	666	666
<b>Total Assessment Trust Fund</b>		<b>666</b>	<b>666</b>
<b>Sewer Connection Trust Fund:</b>			
Cash	D-4	580,260	580,088
Due Current Fund	A	30,390	30,390
<b>Total Sewer Connection Trust Fund</b>		<b>610,650</b>	<b>610,478</b>
<b>Capital Fund:</b>			
Cash	D-4	1,097,540	1,409,924
Fixed Capital:			
Completed	D-11	29,184,607	29,056,212
Authorized & Uncompleted	D-10	48,743,476	48,743,476
Due from Water & Sewer Operating Fund	D-9	91,208	91,937
<b>Total Capital Fund</b>		<b>79,116,831</b>	<b>79,301,549</b>
<b>Total Assets</b>		<b>\$ 83,822,377</b>	<b>\$ 83,623,276</b>

Bonds and Notes authorized but not issued as of December 31, 2014 & 2013 was \$1,542,358

**TOWNSHIP OF MEDFORD  
WATER-SEWER UTILITY FUND  
COMPARATIVE STATEMENT OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2014 AND 2013**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2014	2013
<b>Operating Fund:</b>			
Liabilities:			
Prepaid Rents	D-8	\$ 774,692	\$ 596,259
Reserve for Encumbrances	D-3	181,780	253,485
Appropriation Reserves	D-3	108,356	425,008
Accounts Payable	D	15,757	10,481
Accrued Interest on Bonds & Notes	D-12	303,082	327,512
Due to Water & Sewer Capital Fund	D, D-9	91,208	91,937
Subtotal		<u>1,474,875</u>	<u>1,704,682</u>
Reserve for Receivables	D	226,610	227,322
Fund Balance	D-1	<u>2,392,745</u>	<u>1,778,579</u>
Total Operating Fund		<u>4,094,230</u>	<u>3,710,583</u>
<b>Assessment Trust Fund:</b>			
Fund Balance	D	<u>666</u>	<u>666</u>
Total Assessment Trust Fund		<u>666</u>	<u>666</u>
<b>Sewer Connection Trust Fund:</b>			
Due to Water & Sewer Operating Fund	D-18	400,200	400,028
Accounts Payable - Due to Developers	D	-	73,450
Reserve for Sewer Connection Fees	D-19	<u>210,450</u>	<u>137,000</u>
Total Sewer Connection Trust Fund		<u>610,650</u>	<u>610,478</u>
<b>Capital Fund:</b>			
Serial Bonds	D-16	11,284,800	12,547,600
Loans Payable	D-17	16,879,370	17,874,131
Due General Capital Fund	C	7,389	7,389
Improvement Authorizations:			
Funded	D-13	1,359,205	1,605,874
Unfunded	D-13	583,956	665,681
Capital Improvement Fund	D-23	261,399	211,399
Reserve for Encumbrances	D-14	155,642	190,361
Reserve for Amortization	D-15	45,998,475	43,612,519
Deferred Reserve for Amortization	D	2,223,080	2,223,080
Reserve for Debt Service	D-22	355,488	355,488
Fund Balance	D	<u>8,027</u>	<u>8,027</u>
Total Capital Fund		<u>79,116,831</u>	<u>79,301,549</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 83,822,377</u>	<u>\$ 83,623,276</u>

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, 2014 AND 2013**

	2014	2013
Revenue & Other Income Realized:		
Surplus Anticipated	\$ 40,206	\$ 242,321
Water & Sewer Rents	6,370,679	6,459,562
Miscellaneous	871,229	927,326
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	255,951	65,619
 Total Income	 7,538,065	 7,694,828
Expenditures:		
Budget Appropriations:		
Operating	3,507,050	3,527,248
Capital Improvements	128,500	103,500
Debt Service	3,045,487	3,144,800
Deferred Charges & Statutory Expenditures	202,656	207,782
 Total Expenditures	 6,883,693	 6,983,330
Statutory Excess to Fund Balance	654,372	711,498
Fund Balance January 1	1,778,579	1,309,402
 Total	 2,432,951	 2,020,900
Less: Utilized by Operating Budget	40,206	242,321.00
 Balance December 31	 \$ 2,392,745	 \$ 1,778,579

**STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	ANTICIPATED BUDGET	REALIZED	EXCESS OR (DEFICIT)
Surplus Anticipated	\$ 40,206	\$ 40,206	-
Water & Sewer Rents	6,400,000	6,370,679	(29,321)
Miscellaneous	600,000	871,229	271,229
 Total Revenues	 \$ 7,040,206	 \$ 7,282,114	 \$ 241,908

**ANALYSIS OF MISCELLANEOUS REVENUES**

Miscellaneous Receipts:		
Interest on Deposits	\$ 3,610	
Connection Fees	823,918	
Penalties	32,121	
Copy Costs	10,679	\$ 870,328
 Due from Water & Sewer Utility Capital Fund:		
Interest on Deposits		729
Due from Sewer Connection Fee Trust Fund:		
Interest on Deposits		172
		\$ 871,229

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, 2014**

	APPROPRIATIONS		PAID OR CHARGED			UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID	ENCUMBRANCES	RESERVED	
Operating:						
Salaries & Wages	\$ 756,196	\$ 735,196	\$ 703,639	\$ -	\$ 31,557	\$ -
Other Expenses	2,716,854	2,771,854	2,518,340	181,780	71,734	-
Capital Improvements:						
Capital Improvement Fund	50,000	50,000	50,000	-	-	-
Capital Outlay	103,500	78,500	76,370	-	2,130	-
Debt Service:						
Payment of Bond & Loan						
Principal	2,260,000	2,260,000	2,255,560	-	-	4,440
Interest on Bonds & Loans	942,000	942,000	789,927	-	-	152,073
Statutory Expenditures:						
Contribution to:						
Public Employees						
Retirement System	102,656	93,656	93,597	-	59	-
Retiree Health Benefits	52,000	52,000	52,000	-	-	-
Social Security System						
(O.A.S.I.)	57,000	57,000	54,124	-	2,876	-
<b>Total Expenditures</b>	<b>\$ 7,040,206</b>	<b>\$ 7,040,206</b>	<b>\$ 6,593,557</b>	<b>\$ 181,780</b>	<b>\$ 108,356</b>	<b>\$ 156,513</b>
Accrued Interest on Bonds & Loans			\$ (24,429)			
Cash Disbursed			<u>6,617,986</u>			
Total			<u>\$ 6,593,557</u>			

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, 2014 AND 2013**

ASSETS	<u>2014</u>	<u>2013</u>
Land & Buildings	\$ 30,286,100	\$ 30,286,100
Equipment & Vehicles	<u>12,306,079</u>	<u>11,976,934</u>
Total	<u>\$ 42,592,179</u>	<u>\$ 42,263,034</u>
FUND BALANCE		
Investment in General Fixed Assets	<u>\$ 42,592,179</u>	<u>\$ 42,263,034</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, 2014**

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## TOWNSHIP OF MEDFORD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

#### **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.

**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, 2014

#### 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, 2014**

**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, 2014**

**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, 2013 and decreased by the amount deferred at December 31, 2014.

**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, 2014**

**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.

**Subsequent Events** - The Township has evaluated subsequent events occurring after December 31, 2014 through the date of June 25, 2015, 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, 2014**

**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, 2014, and reported at fair value are as follows:

<u>Type</u>	<u>Carrying Value</u>
<b>Deposits:</b>	
Demand Deposits	\$ <u>19,199,256</u>
Total Deposits	\$ <u><u>19,199,256</u></u>
<b>Reconciliation of Statement of Comparative Balance Sheets:</b>	
Current Fund	\$ 8,164,407
State & Federal Grant Fund	517,295
Animal Control Trust	21,864
Trust - Other	3,499,295
Open Space Trust	1,640,576
General Capital	221,010
Utility Fund:	
Operating	3,456,343
Capital	1,097,540
Assessment Fund	666
Sewer Connection	<u>580,260</u>
Total	\$ <u><u>19,199,256</u></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, 2014, the Township’s bank balance of \$20,823,328 was insured or collateralized as follows:

Insured	\$ 987,547
Uninsured and uncollateralized	6,929,756
Collateralized in the Authority's Name	
Under GUDPA	12,038,143
Collateralized not in the Fund's Name	
New Jersey Cash Management (see below)	<u>867,882</u>
Total	\$ <u><u>20,823,328</u></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, 2014**

**Note 2: Cash and Cash Equivalents (continued)**

as defined above. At December 31, 2014 the Township's deposits with the New Jersey Cash Management Fund are \$867,882.

**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 fire 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, 2014, 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, 2014**

**Note 3. Investments (continued):**

- Agreements for the repurchase of fully collateralized securities.

As of December 31, 2014, the Township had \$216,518 in 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, 2014:

	Due From	Due To
Current Fund	\$ 1,419,523	\$ 60,524
Grant Fund	61	-
General Capital	32,389	1,417,663
Water & Sewer Operating	400,200	91,208
Sewer Connection	30,390	400,200
Water & Sewer Capital	91,208	7,389
Trust Other	10,411	25,000
Open Space	19,662	-
Animal Control	-	1,860
	\$ 2,003,844	\$ 2,003,844

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**

	2014	2013	2012
Total Tax Rate	<u>\$2.953</u>	<u>\$2.856</u>	<u>\$2.758</u>
Apportionment of Tax Rate:			
Municipal	0.411	0.412	0.413
County	0.403	0.395	0.401
Local School	1.422	1.374	1.318
Regional High School	0.687	0.646	0.597
Municipal Open Space	0.030	0.029	0.029

**TOWNSHIP OF MEDFORD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note: 5: Property Taxes (continued):**

**Net Valuation Taxable:**

2014	<u>\$ 2,970,853,153</u>		
2013		<u>\$ 2,975,894,377</u>	
2012			<u>\$ 3,018,537,441</u>

**Comparison of Tax Levies and Collection Currently**

YEAR	TAX LEVY	CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2014	\$ 88,484,212.00	\$ 87,367,500.00	98.73%
2013	85,590,325.00	84,333,575.00	98.53%
2012	83,737,182.00	81,293,675.00	97.08%

**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
2014	\$ 441,535	\$ 1,021,763	\$ 1,463,298	1.65%
2013	414,969	813,231	1,228,200	1.84%
2012	374,193	1,264,522	1,638,715	2.64%

**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
2014	\$ 371,400
2013	371,400
2012	371,400

**TOWNSHIP OF MEDFORD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 7: Pension Plans**

**A. Plan Description**

The Township of Medford contributes to a cost-sharing multiple-employer defined benefit pension plan, Public Employees' Retirement System (P.E.R.S.) and Police and Fireman's Retirement System (P.F.R.S.), administered by the State of New Jersey, Division of Pensions and Benefits. The Public Employees' Retirement System (P.E.R.S.) was established in January 1955 under the provisions of *N.J.S.A.43:15A* and the Public Fireman's Retirement System (P.F.R.S.) was established as of July 1, 1944 under the provisions of *N.J.S.A.43:16A*. Both plans were set up to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

The State of New Jersey P.F.R.S. program as established as of July 1, 1944. The program was established under the provisions of *N.J.S.A.43:16A*, which assigns authority to establish and amend, benefit provisions to the plans' board of trustees. P.F.R.S. issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: State of New Jersey, Department of Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625, or calling (609) 984-1684.

**B. Vesting and Benefit Provisions**

The vesting and benefit provisions of P.E.R.S. are set by *N.J.S.A.43:15A* and *43.3B*. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The P.E.R.S. provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Chapter 78, P.L. 2011 changed this for employees enrolled after June 28, 2011. See Note 5C below.

**C. Significant Legislation**

During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-

## TOWNSHIP OF MEDFORD

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED DECEMBER 31, 2014

#### Note 7: Pension Plans (continued)

market value. This legislation also contained a provision to reduce the employee contribution rate by  $\frac{1}{2}$  of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for P.E.R.S. were reduced.

New Legislation signed by the Acting Governor (Chapter 133, Public Laws 2001) changed the formula for calculating retirement benefits for all current and future non-veteran retirees from N/60 to N/55 (a 9.09% increase). This legislation, signed June 29, 2001, provides that all members of the P.F.R.S. and the PERS will have their pensions calculated on the basis of years of credit divided by 55. It also provides that all current retirees will have their original pension recalculated under the N/55 formula. Starting February 1, 2002, pension cost of living adjustments will be based on the new original pension.

Effective June 28, 2011, Chapter 78, P.L. 2011 reformed various pension and health benefits provisions. Employees hired after June 28, 2011 and enrolled in P.E.R.S. will be enrolled in a new tier, Tier 5. Full retirement for Tier 5 P.E.R.S. members will be age 65 and 30 years of service. Tier 3 was added to P.F.R.S. for enrollees after June 28, 2011. Tier 3 retirees will have a maximum retirement benefit of 65% of final compensation after 30 years of service.

All cost of living adjustments are frozen until the pension fund reaches a "target funded ratio".

Chapter 78 also requires all covered employees to contribute a prescribed percentage towards their health costs.

#### D. Contribution Requirements

The contribution policy is set by *N.J.S.A.43:15A*, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and *N.J.S.A.18:66*, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. P.E.R.S. provide for employee contributions of 6.5%, effective October 1, 2011, of employees' annual compensation as defined. The rate will increase over the next seven years to 7.5%. Employers are required to contribute at an actuarially determined rate in both P.F.R.S. and P.E.R.S. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits and post-retirement medical premiums.

Plan members are required to contribute 10%, effective October 1, 2011, of their annual covered salary for P.F.R.S. and Medford Township is required to contribute at an actuarially determined rate. The contribution requirements of plan members and are established and may be amended by the plan's board of trustees. The Township's contributions to P.E.R.S. for the years ending December 31, 2014, 2013 and 2012 were \$ 178,315, \$288,804, and \$301,961, respectively, equal to the required contributions for each year and to P.F.R.S. for the years ending December 31, 2014, 2013 and 2011 were \$ 720,478, \$1,061,292, and \$1,185,208, respectively, equal to the required contributions for each year.

**TOWNSHIP OF MEDFORD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 8: Other Post Employment Benefits**

**In General**

The Other Post Employment Benefits provided by the Township of Medford is currently funded on a pay-as-you-go basis 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'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

**TOWNSHIP OF MEDFORD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 8: Other Post Employment Benefits (continued)**

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
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.

**TOWNSHIP OF MEDFORD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 8: Other Post Employment Benefits (continued)**

**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.

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, 2014:



**TOWNSHIP OF MEDFORD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 9: Compensated Absences(continued)**

Vacation	\$	332,136
Comp		46,369
Employer Share of Payroll Taxes		<u>28,956</u>
Total	\$	<u><u>407,461</u></u>

**Note 10: Deferred Compensation Salary Account**

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

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

**Note 11: 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 12: 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, 2014**

**Note 12: Sanitary Landfill Escrow Closure Fund (continued)**

At December 31, 2014, 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 13: Lease Obligations**

December 31, 2014, 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, 2013	Increases	Decreases	Balance Dec. 31, 2014
2 Xerox Copiers	\$6,084	-	\$ 4,056	\$2,028

Future minimum lease payments under capital lease agreements are as follows:

Year	Amount
2015	\$ 2,028

Rental payments under operating leases for the year 2014 were \$4,056.

**Note 14. Fixed Assets**

The following schedule is a summarization of the changes in General Fixed Assets for the fiscal year ended December 31, 2014:

	Balance December 31, <u>2013</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2014</u>
Land & Buildings	\$ 30,286,100	\$ -	\$ -	\$ 30,286,100
Furniture & Equipment	<u>11,976,934</u>	<u>593,351</u>	<u>264,206</u>	<u>12,306,079</u>
Total	<u>\$ 42,263,034</u>	<u>\$ 593,351</u>	<u>\$ 264,206</u>	<u>\$ 42,592,179</u>

**TOWNSHIP OF MEDFORD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 15: Capital Debt**

**Summary of Debt:**

<u>Issued</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Bonds, Loans and Notes	\$ 23,377,118	\$ 27,471,237	\$ 31,068,872
Water/Sewer Utility Capital Bonds, Loans and Notes	<u>28,164,170</u>	<u>30,421,731</u>	<u>32,584,488</u>
Total Debt Issued	<u>51,541,288</u>	<u>57,892,968</u>	<u>63,653,360</u>
 <b>Authorized But Not Issued</b>			
General Bonds and Notes	4,640,925	4,640,925	4,713,809
Water/Sewer Utility Bond and Notes	<u>1,542,358</u>	<u>1,542,358</u>	<u>1,542,358</u>
Total Authorized But Not Issued	<u>6,183,283</u>	<u>6,183,283</u>	<u>6,256,167</u>
 Total Bonds and Notes Issued and Authorized But Not Issued	 <u>\$ 57,724,571</u>	 <u>\$ 64,076,251</u>	 <u>\$ 69,909,527</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 0.893%

	GROSS DEBT	DEDUCTIONS	NET DEBT
Regional High School District	\$ 13,091,807	\$ 13,091,807	\$ -
Local School District Debt	22,710,200	22,710,200	-
Water & Sewer Utility Debt	29,706,528	29,706,528	-
General Debt	<u>28,018,043</u>	-	<u>28,018,043</u>
 Total	 <u>\$ 93,526,578</u>	 <u>\$ 65,508,535</u>	 <u>\$ 28,018,043</u>

Net Debt, \$28,018,043 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, as amended, \$3,136,748,882 equals 0.893%.

**TOWNSHIP OF MEDFORD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 15: Capital Debt (continued)**

**Borrowing Power Under 40A:2-6:**

3 1/2% of Equalized Valuation Bases (Municipal)	\$	109,786,211
Net Debt		28,018,043
Remaining Borrowing Power	\$	81,768,168

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

Cash Receipts From Fees, Rents & Other Charges	\$	7,282,114
Deductions:		
Operating & Maintenance Costs	\$	3,709,706
Debt Service per Water & Sewer Utility Operating Fund		3,045,487
		6,755,193.00
Excess Revenue - Self Liquidating	\$	526,921

**General Debt - Bonds:**

Calender Year	General Debt - Bonds		
	Interest	Principal	Total
2015	674,782	3,632,600	\$ 4,307,382
2016	563,955	3,170,200	3,734,155
2017	475,051	2,963,000	3,438,051
2018	366,291	2,950,800	3,317,091
2019	267,275	1,018,600	1,285,875
2020-2024	1,095,569	3,090,000	4,185,569
2025-2029	717,819	3,065,000	3,782,819
2030-2033	225,031	2,820,000	3,045,031
	\$ 4,385,773	\$ 22,710,200	\$ 27,095,973

**TOWNSHIP OF MEDFORD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 15: Capital Debt (continued)**

**Green Acres Loans:**

Calender Year	General Debt - Green Acres		
	Interest	Principal	Total
2015	\$ 9,008	\$ 116,618	\$ 125,626
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>\$ 22,478</u>	<u>\$ 450,400</u>	<u>\$ 472,878</u>

**Water & Sewer Utility Bonds:**

Calender Year	Water & Sewer Bonds		
	Interest	Principal	Total
2015	\$ 339,768	\$ 1,117,400	\$ 1,457,168
2016	311,820	978,800	1,290,620
2017	286,524	905,000	1,191,524
2018	262,864	925,200	1,188,064
2019	238,538	1,000,400	1,238,938
2020-2024	809,929	3,984,000	4,793,929
2025-2029	237,259	2,054,000	2,291,259
2030-2033	25,600	320,000	345,600
	<u>\$ 2,512,302</u>	<u>\$ 11,284,800</u>	<u>\$ 13,797,102</u>

**Water & Sewer Loans Payable:**

Calender Year	Water & Sewer Loans		
	Interest	Principal	Total
2015	423,088	1,014,140	1,437,228
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
2020-2024	1,213,737	5,777,230	6,990,967
2025-2029	449,400	5,418,018	5,867,418
2030	9,250	354,453	363,703
	<u>\$ 3,549,825</u>	<u>\$ 16,879,370</u>	<u>\$ 20,429,195</u>

**TOWNSHIP OF MEDFORD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 16. Bond Anticipation Notes**

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding ten years. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that, on or before the third anniversary date of the original note, a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. Legal installments must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance.

At December 31, 2014, the Township had the following outstanding bond anticipation notes:

<u>Purpose</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
General Capital Fund:			
Various Capital Improvements	2/10/14	NIL	<u>\$ 216,518</u>
Total			<u><u>\$ 216,518</u></u>

**Note 17. Special Emergency Notes**

At December 31, 2014, 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	5/20/2015	1.65%	<u>\$ 420,000</u>
Total			<u><u>\$ 420,000</u></u>

**Note 18. Deferred Charges to be Raised in Succeeding Budgets**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2014, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund(s):

**TOWNSHIP OF MEDFORD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 18. Deferred Charges to be Raised in Succeeding Budgets (continued)**

	Balance Dec 31, 2014	2015 Budget Appropriation
Current Fund:		
Special Emergency	\$ 280,000	\$ 140,000

The appropriations in the 2014 Budget as adopted are not less than that required by the statutes.

**Note 19: 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:

	Balance December 31,	
	2014	2013
Local School Tax		
Balance of Tax	\$ 21,060,623	\$ 20,392,306
Deferred	19,507,879	19,507,879
Local School Tax Payable	\$ 1,552,744	\$ 884,427
Regional School Tax		
Balance of Tax	\$ 10,206,026	\$ 9,614,669
Deferred	8,516,977	8,516,977
Regional School Tax Payable	\$ 1,689,049	\$ 1,097,692

**Note 20: 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
July 1, 2005	July 26, 2005	\$ 650,000.00
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

**TOWNSHIP OF MEDFORD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 21: 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, 2013, which can be obtained from:

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

**Note 22: 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
2014	\$ 62,102	\$ 8,973	\$ 95,364
2013	8,087	35,007	42,235
2012	185,000	127,781	69,155

**Note 23: 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:



**TOWNSHIP OF MEDFORD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 23: Guarantor of Debt (continued)**

<b>Agreement Borrowers Name</b>	<b>Interest Date</b>	<b>Amount</b>	<b>Rate</b>	<b>Term</b>
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.

**Note 24: Litigation**

There are several matters that are in various stages of litigation. Exposures to the Township from such litigation are not determinable at this point.

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**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, 2014**

	<u>REGULAR</u>	<u>BIRCHWOOD LAKE DAM</u>	<u>FEDERAL &amp; STATE GRANT FUND</u>
Balance December 31, 2013	\$ 6,953,444	\$ 320,610	\$ 369,649
Increased by Receipts:			
Taxes Receivable	\$ 87,397,474	\$ -	\$ -
Prepaid Taxes	602,992	-	-
Tax Title Liens Receivable	48,051	-	-
Proceeds from Special Emergency Note	420,000	-	-
Due State of New Jersey:			
Marriage License Fees	2,513	-	-
Senior Citizens & Verterans			
Deductions	186,136	-	-
Construction Code Fees	36,562	-	-
Miscellaneous Revenue			
Anticipated	5,705,684	-	-
Miscellaneous Revenue			
Not Anticipated	401,746	-	-
Petty Cash Funds	150	-	-
Due Current Fund	-	-	414
Due Trust Other	1,099	-	-
Reserve for:			
Election Funds	984	-	-
Municipal Court POAA	18	-	-
Public Safety Equipment	5,775	-	-
PILOT	9,842	-	-
Homeowners Dam Restoration	-	199,023	-
Federal & State Grants			
Receivable	-	-	260,028
Federal & State Grants			
Unappropriated	-	-	83,235
	<u>94,819,026</u>	<u>199,023</u>	<u>343,677</u>
Total Receipts			
Subtotal	<u>101,772,470</u>	<u>519,633</u>	<u>713,326</u>

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
SCHEDULE OF CURRENT CASH - TREASURER  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>REGULAR</u>	<u>BIRCHWOOD LAKE DAM</u>	<u>FEDERAL &amp; STATE GRANT FUND</u>
Decreased by Disbursements:			
2014 Appropriations	16,556,217	-	-
2013 Appropriation Reserves	812,962	-	-
Due County - Added & Omitted Taxes	84,369	-	-
County Taxes Payable	10,970,616	-	-
County Library Taxes Payable	964,649	-	-
Local School Taxes Payable	41,567,169	-	-
Regional High School Taxes Payable	19,820,698	-	-
Municipal Open Space	1,780,463	-	-
Due State of New Jersey:			
Marriage License Fees	2,563	-	-
Construction Code Fees	35,830	-	-
Petty Cash Funds	350	-	-
Reserve for:			
Election Funds	680	-	-
Homeowners Dam Restoration Recreation	200	160,894	-
Due General Capital Fund	645,023	-	-
Due Grant Fund	414	-	-
Due Animal Control	27	-	-
Due Trust Other	1,406	-	-
Refund of Tax Overpayments	107,752	-	-
Special Emergency Note Payable	560,000	-	-
Miscellaneous Refunds	56,014	-	-
Federal & State Grants Appropriated	-	-	196,031
Total Disbursements	<u>93,967,402</u>	<u>160,894</u>	<u>196,031</u>
Balance December 31, 2014	<u>\$ 7,805,068</u>	<u>\$ 358,739</u>	<u>\$ 517,295</u>

EXHIBIT A-5

**SCHEDULE OF CHANGE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

OFFICE	AMOUNT
Tax Office	\$ 200
Municipal Court	<u>200</u>
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, 2014**

YEAR	BALANCE DECEMBER 31, 2013	2014 LEVY	ADDED TAXES	COLLECTED 2013	COLLECTED 2014	DUE FROM STATE OF NEW JERSEY	TRANSFER TO TAX TITLE LIENS	CANCELED	BALANCE DECEMBER 31, 2014
Prior Years	\$ 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ -
2013	813,229	-	-	-	763,316	-	5	49,908	-
Total	813,231	-	-	-	763,316	-	5	49,910	-
2014	-	\$87,729,487	754,725	485,739	86,693,511	188,250	69,800	25,149	1,021,763
Total	\$ 813,231	\$87,729,487	\$ 754,725	\$ 485,739	\$ 87,456,827	\$ 188,250	\$ 69,805	\$ 75,059	\$ 1,021,763

**ANALYSIS OF 2014 PROPERTY TAX LEVY**

General Purpose Tax	\$ 87,729,487
Added & Omitted Taxes (54:4-6 et seq)	754,725
<b>Total</b>	<b>\$ 88,484,212</b>
<b>TAX LEVY:</b>	
Local District School Tax	\$ 42,235,486
Regional High School Tax	20,412,055
County Taxes:	
County Tax	\$ 10,501,777
County Library Tax	964,649
County Open Space Preservation	468,839
Due County for Added & Omitted Taxes	103,442
Local Open Space Tax	12,038,707
Due Open Space Trust Fund for Added & Omitted Taxes	891,256
Local Tax for Municipal Purposes	7,680
Add: Additional Taxes Levied	12,233,834
	665,194
<b>Total</b>	<b>\$ 88,484,212</b>

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
SCHEDULE OF TAX TITLE LIENS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013		\$	414,969
Increased by:			
Transfers From Taxes Receivable	\$	69,805	
Interest & Cost on Taxes		4,812	74,617
			<hr/>
Subtotal			489,586
Decreased by:			
Collections			<hr/> 48,051
Balance December 31, 2014		\$	<hr/> <hr/> 441,535

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	BALANCE DECEMBER 31, 2013	ACCRUED IN 2014	COLLECTED	BALANCE DECEMBER 31, 2014
Miscellaneous Revenue Anticipated:				
Licenses - Alcoholic Beverages	\$ -	\$ 398,038	\$ 398,038	\$ -
Fees & Permits - Other	-	124,685	124,685	-
Fines & Cost Municipal Court	14,548	190,451	189,983	15,016
Interest & Costs on Taxes	-	193,067	193,067	-
Interest on Investments & Deposits	-	13,662	13,662	-
Alarm Fees	-	9,150	9,150	-
Cable Television Fees	-	355,599	355,599	-
Emergency Medical Service Billing Income	-	616,356	616,356	-
Consolidated Municipal Property Tax Relief Aid	-	81,663	81,663	-
Energy Receipts Tax	-	1,978,363	1,978,363	-
Uniform Construction Code Fees	-	779,808	779,808	-
Interlocal Services Agreement:				
Police Salaries-Lenape Regional High School	-	488,950	488,950	-
UCC - Medford Lakes	-	18,500	18,500	-
Uniform Fire Safety Act	-	57,860	57,860	-
Health Insurance Refund	-	400,000	400,000	-
Total Anticipated Revenues	<u>\$ 14,548</u>	<u>\$ 5,706,152</u>	<u>\$ 5,705,684</u>	<u>\$ 15,016</u>

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
SCHEDULE OF 2013 APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

OPERATIONS	ENCUMBERED	RESERVED	BALANCE AFTER TRANSFERS	EXPENDED	BALANCE LAPSED
<b>General Government Functions:</b>					
<b>General Administration:</b>					
Office of the Manager:					
Salaries and Wages	\$ -	\$ 3,535	\$ 5,005	\$ 5,003	\$ 2
Other Expenses	34	428	462	116	346
Human Resources:					
Salaries and Wages	-	300	300	-	300
Other Expenses	-	316	316	-	316
Mayor & Council:					
Salaries and Wages	-	1,638	1,638	-	1,638
Other Expenses	-	382	382	-	382
Municipal Clerk:					
Salaries and Wages	-	5,730	5,730	3,097	2,633
Other Expenses	1,452	1,491	2,943	2,181	762
Other Expenses-Elections	-	2,336	2,336	-	2,336
<b>Financial Administration:</b>					
Office of Treasurer:					
Salaries and Wages	-	7,132	7,682	7,674	8
Other Expenses	2,700	4,367	7,067	5,755	1,312
Audit Services	32,529	425	32,954	32,954	-
Revenue Administration:					
Salaries and Wages	-	6,961	6,961	4,574	2,387
Other Expenses	234	10,801	11,035	246	10,789
Division of Assessments:					
Salaries and Wages	-	5,660	5,780	5,769	11
Other Expenses	4,673	2,803	7,476	4,303	3,173
Legal Services & Costs:					
Other Expenses	37,958	5,439	58,397	58,397	-
Engineering Services & Costs:					
Other Expenses	3,215	14,239	17,454	16,897	557
Division of Planning:					
Salaries and Wages	-	5,369	5,369	2,109	3,260
Other Expenses	10,496	2,586	13,082	6,510	6,572
Division of Zoning:					
Other Expenses	2,610	6,635	9,245	2,463	6,782
<b>Department of Public Safety:</b>					
Police:					
Salaries and Wages	-	299,774	299,774	157,592	142,182
Other Expenses	53,295	2,330	55,625	50,835	4,790
Fire:					
Other Expenses	14,699	12,447	27,146	10,849	16,297
First Aid Organizations:					
Salaries and Wages	-	7,041	7,041	3,936	3,105
Other Expenses	37,545	9,521	47,066	9,273	37,793
Emergency Management Services:					
Other Expenses	409	93	502	502	-
Uniform Fire Safety Act: PL1983C.383):					
Salaries and Wages	-	24,100	24,100	19,180	4,920
Other Expenses	1,445	732	2,177	1,381	796
Prosecutor:					
Other Expenses - Contractual	-	12,550	12,550	5,000	7,550
<b>Department of Public Works:</b>					
Road Repairs & Maintenance:					
Salaries and Wages	-	20,526	20,526	6,444	14,082
Other Expenses	5,967	21,004	26,971	9,980	16,991
Snow Removal:					
Salaries and Wages	-	38,127	38,127	38,127	-
Other Expenses	-	39	39	39	-
Sanitation:					
Salaries and Wages	-	21,380	21,380	15,370	6,010
Other Expenses	98,619	34,012	132,631	71,614	61,017

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
SCHEDULE OF 2013 APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

OPERATIONS	ENCUMBERED	RESERVED	BALANCE AFTER TRANSFERS	EXPENDED	BALANCE LAPSED
Building & Grounds:					
Salaries and Wages	-	7,434	7,434	5,243	2,191
Other Expenses	16,632	274	16,906	11,350	5,556
Shade Tree Program:					
Other Expenses	800	8,320	9,120	800	8,320
Vehicle Maintenance:					
Salaries and Wages	-	10,216	10,216	2,021	8,195
Other Expenses	37,626	259	37,885	37,107	778
<b>Parks &amp; Recreation:</b>					
Parks & Playgrounds:					
Salaries and Wages	-	4,317	5,217	4,885	332
Other Expenses	-	181	181		181
Landfill/Solid Waste Disposal	54,458	-	54,458	54,458	-
Economic Development Committee:					
Other Expenses	-	30,000	30,000	-	30,000
Community Services:					
Other Expenses	-	681	681	-	681
<b>Municipal Court:</b>					
Salaries and Wages	-	7,164	7,164	5,156	2,008
Other Expenses	182	487	669	142	527
<b>Insurance:</b>					
General Liability	-	460	460		460
Health Benefits Waivers	-	35,083	35,083	2,500	32,583
<b>Hepatitis Vaccination:</b>					
Other Expenses	-	1,000	1,000	-	1,000
Uniform Construction Code Appropriations					
Offset by Dedicated Revenues:					
Construction Code Official:					
Salaries and Wages	-	12,715	12,715	7,508	5,207
Other Expenses:					
Direct Costs	172	363	535	-	535
<b>Unclassified:</b>					
Celebration of Public Events, Anniversary or Holiday:					
Other Expenses	100	900	1,000	100	900
Utilities:					
Electric	53	22,269	22,322	6,267	16,055
Street Lighting	-	12,008	15,008	14,936	72
Telephone & Telegraph	290	1,493	4,033	4,028	5
Water & Sewer	-	22	22	-	22
Heating Gas/Oil	808	5,761	6,569	808	5,761
Gasoline/Diesel Fuel	54,031	75,449	106,190	26,042	80,148
Safety Supplies	409	417	826	332	494
Catatrophic Illness Fund	-	19	19	-	19
<b>Statutory Expenditures:</b>					
Social Security System (O.A.S.I.)	-	33,438	33,438	17,296	16,142
Unemployment	-	185,000	185,000	-	185,000
<b>OPERATIONS EXCLUDED FROM "CAPS":</b>					
Landfill Fees- Recycling Tax	2,267	2,316	4,583	2,267	2,316
LOSAP	70,000	-	70,000	65,150	4,850
Interlocal Service Agreement:					
Police Salaries - Lenape	-	18	18	18	-
<b>Total General Appropriations</b>	<b>\$ 545,708</b>	<b>\$ 1,050,313</b>	<b>\$ 1,596,021</b>	<b>\$ 826,584</b>	<b>\$ 769,437</b>

Cash Disbursements	812,962
Accounts Payable	13,622
<b>Total</b>	<b><u>\$ 826,584</u></b>

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
SCHEDULE OF TAX OVERPAYMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013		\$ 117,389
Increased by:		
Overpayments Created in 2014:		
2014 Taxes	\$ 73,511	
Prior Year Taxes	-	73,511
		<hr/>
Subtotal		190,900
Decreased by:		
Applied to Prior Year Taxes	71,533	
Refunded	107,752	179,285
		<hr/>
Balance December 31, 2014		<u><u>\$ 11,615</u></u>

**SCHEDULE OF PREPAID TAXES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013 (2014 Taxes)		\$ 485,736
Increased by:		
Collections		<hr/> 602,992
Subtotal		1,088,728
Decreased by:		
Applied to 2014 Taxes Receivable		<hr/> 485,736
Balance December 31, 2014 (2015 Taxes)		<u><u>\$ 602,992</u></u>

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
SCHEDULE OF DUE TO STATE OF NEW JERSEY  
SENIOR CITIZENS & VETERANS DEDUCTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013		\$ 94,750
Increased by:		
Cash Received		<u>186,136</u>
Subtotal		280,886
Decreased by:		
2014 Levy - Deductions per Tax Billing	\$ 187,000	
2014 Veterans & Senior Citizens Granted by Tax Collector	1,250	
Less: 2013 Veterans & Senior Citizens Disallowed by Tax Collector	<u>(2,500)</u>	<u>185,750</u>
Balance December 31, 2014		<u><u>\$ 95,136</u></u>

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
SCHEDULE OF DUE COUNTY FOR ADDED & OMITTED TAXES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ 84,369
Increased by:	
County Share of 2014 Levy	<u>103,442</u>
Subtotal	187,811
Decreased by:	
Payments	<u>84,369</u>
Balance December 31, 2014	<u><u>\$ 103,442</u></u>

**ANALYSIS OF BALANCE DECEMBER 31, 2014**

Rollback Taxes (2012)	\$ 5,296
Rollback Taxes (2013)	4,978
Rollback Taxes (2014)	5,033
Added Taxes (2013)	3,753
Added Taxes (2014)	84,148
Omitted/Added Taxes (2013)	<u>234</u>
Total	<u><u>\$ 103,442</u></u>

**SCHEDULE OF DUE COUNTY TAXES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ -
Increased by:	
County Share of 2014 Levy	<u>11,935,265</u>
Subtotal	11,935,265
Decreased by:	
Payments	<u>11,935,265</u>
Balance December 31, 2014	<u><u>\$ -</u></u>



**TOWNSHIP OF MEDFORD  
CURRENT FUND  
SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013:		
School Tax Payable	\$ 884,427	
School Tax Deferred	<u>19,507,879</u>	\$ 20,392,306
Increased by:		
Fiscal Year Levy - 2014 to 2015		<u>42,235,486</u>
Subtotal		62,627,792
Decreased by:		
Cash Disbursements		<u>41,567,169</u>
Balance December 31, 2014:		
School Tax Payable	1,552,744	
School Tax Deferred	<u>19,507,879</u>	
Total		<u>\$ 21,060,623</u>
Local District School Tax Liability:		
Cash Payments		\$ 41,567,169
School Tax Payable December 31, 2014		<u>1,552,744</u>
Total		43,119,913
School Tax Payable December 31, 2013		<u>884,427</u>
Amount Charged to 2014 Operations		<u>\$ 42,235,486</u>

**SCHEDULE OF REGIONAL HIGH SCHOOL TAX  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013:		
School Tax Payable	\$ 1,097,692	
School Tax Deferred	<u>8,516,977</u>	\$ 9,614,669
Increased by:		
Fiscal Year Levy - 2014 to 2015		<u>20,412,055</u>
Subtotal		30,026,724
Decreased by:		
Cash Disbursements		<u>19,820,698</u>
Balance December 31, 2014:		
School Tax Payable	1,689,049	
School Tax Deferred	<u>8,516,977</u>	
Total		<u>\$ 10,206,026</u>
Local District School Tax Liability:		
Cash Payments		\$ 19,820,698
School Tax Payable December 31, 2014		<u>1,689,049</u>
Total		21,509,747
School Tax Payable December 31, 2013		<u>1,097,692</u>
Amount Charged to 2014 Operations		<u>\$ 20,412,055</u>

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
SCHEDULE OF RESERVE FOR MUNICIPAL COURT - POAA  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ 744
Increased by:	
Receipts	<u>18</u>
Balance December 31, 2014	<u><u>\$ 762</u></u>

**SCHEDULE OF RESERVE FOR PURCHASE OF PUBLIC SAFETY EQUIPMENT  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ 13,825
Increased by:	
Receipts	<u>5,775</u>
Balance December 31, 2014	<u><u>\$ 19,600</u></u>

**SCHEDULE OF RESERVE FOR ELECTION WORKERS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ 1,668
Increased by:	
Cash Receipts	<u>984</u>
Subtotal	2,652
Decreased by:	
Cash Disbursements	<u>680</u>
Balance December 31, 2014	<u><u>\$ 1,972</u></u>

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
SCHEDULE OF RESERVE FOR REVALUATION  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A-20

Balance December 31, 2014 and 2013	<u>\$ 4,159</u>
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**SCHEDULE OF RESERVE FOR INSURANCE CLAIMS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A-21

Balance December 31, 2014 and 2013	<u>\$ 1,029</u>
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**SCHEDULE OF RESERVE FOR WORKERS COMPENSATION CLAIMS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A-22

Balance December 31, 2014 and 2013	<u>\$ 31,231</u>
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**TOWNSHIP OF MEDFORD  
CURRENT FUND  
SCHEDULE OF DUE TO STATE - CONSTRUCTION CODE FEES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ 7,539
Increased by:	
Cash Receipts	<u>36,562</u>
Subtotal	44,101
Decreased by:	
Cash Disbursements	<u>35,830</u>
Balance December 31, 2014	<u><u>\$ 8,271</u></u>

**SCHEDULE OF DUE TO STATE - MARRIAGE LICENSE FEES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ 575
Increased by:	
Cash Receipts	<u>2,513</u>
Subtotal	3,088
Decreased by:	
Cash Disbursements	<u>2,563</u>
Balance December 31, 2014	<u><u>\$ 525</u></u>

**TOWNSHIP OF MEDFORD  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2014**

PROGRAM	BALANCE DECEMBER 31, 2013	2014 ANTICIPATED REVENUE	RECEIVED	TRANSFER FROM UNAPPROPRIATED RESERVES	CANCELED	BALANCE DECEMBER 31, 2014
Federal Grants:						
Bulletproof Vest Partnership	\$ 4,878	\$ -	\$ -	\$ -	\$ -	\$ 4,878
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	45,252	-	3,439	-	-	41,813
COPS in School	12,577	-	-	-	-	12,577
<b>Total Federal Grants</b>	<b>66,575</b>	<b>-</b>	<b>3,439</b>	<b>-</b>	<b>-</b>	<b>63,136</b>
State Grants:						
Drunk Driving Enforcement Fund	25,759	3,668	3,668	-	-	25,759
Clean Communities Program	48,560	53,503	48,560	-	-	53,503
Community Development Block Grant	65,000	-	-	-	-	65,000
Municipal Alliance on Alcohol & Drug Abuse	42,492	15,111	27,880	-	-	29,723
Body Armor Grant	971	6,643	5,059	-	-	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	67,131	49,981	117,112	-	-	-
Aggressive Drive Grant	7,426	-	-	-	-	7,426
Laser Mapping Grant	8	-	-	-	-	8
Trust Fund Grant	103,037	-	-	-	-	103,037
Pedestrian Decoy Mobilization Grant	3,053	-	-	-	-	3,053
Environmental Commissions Grant	8,000	-	-	-	-	8,000
Burlington County Park Development Grant	-	220,000	-	-	-	220,000
Emergency Management Assistance	-	5,000	-	5,000	-	-
Medford Celebrates Grant	47,000	47,000	31,794	-	-	62,206
Multi-Discipline Working Group Grant	2,446	-	-	-	-	2,446
Halloween Parade Grant	6,036	16,500	10,382	-	-	12,154
Art, Wine & Musical Festival	-	2,671	2,671	-	-	-
Dickens Festival Grant	10,000	10,000	5,813	-	-	14,187
Drive Sober or Get Pulled Over Grant	4,400	10,000	3,650	-	3,200	7,550
<b>Total State Grants</b>	<b>480,548</b>	<b>440,077</b>	<b>256,589</b>	<b>5,000</b>	<b>3,200</b>	<b>655,836</b>
<b>Total All Grants</b>	<b>\$ 547,123</b>	<b>\$ 440,077</b>	<b>\$ 260,028</b>	<b>\$ 5,000</b>	<b>\$ 3,200</b>	<b>\$ 718,972</b>
Original Budget Chapter 159		\$ - <u>440,077</u>				
Total		<u>\$ 440,077</u>				

**TOWNSHIP OF MEDFORD  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF RESERVES FOR STATE GRANTS - UNAPPROPRIATED  
FOR THE YEAR ENDED DECEMBER 31, 2014**

GRANT	BALANCE DECEMBER 31, 2013	RECEIVED	ANTICIPATED AS REVENUE	BALANCE DECEMBER 31, 2014
Federal Grants:				
Emergency Management Assistance Grant	5,000	-	5,000	-
Total Federal Grants	5,000	-	5,000	-
State Grants:				
Clean Communities Grant	-	4,943	-	4,943
New Jersey Motor Vehicle Commission	-	16,171	-	16,171
Recycle Tonnage	60,495	62,121	-	122,616
Art, Wine & Music Festival	36,070	-	-	36,070
Total State Grants	96,565	83,235	-	179,800
Total Grants	\$ 101,565	\$ 83,235	\$ 5,000	\$ 179,800

**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, 2014**

	BALANCE DECEMBER 31, 2013	TRANSFERRED FROM 2014 BUDGET APPROPRIATION	PRIOR YEAR ENCUMBRANCES RECLASSIFIED	EXPENDED	RESERVE FOR ENCUMBRANCES	BALANCE DECEMBER 31, 2014
Federal Grants:						
Emergency Management	\$ 6,832	\$ 5,000	-	\$ 4,086	\$ -	\$ 7,746
Bulletproof Vest Partnership Municipal Court Alcohol Education & Rehabilitation NJ DEP National Recreation Trails Program	5,282	-	-	2,325	-	2,957
Obey the Signs or Pay the Fines Over the Limit Under Arrest Assistance to Firefighters Grant COPS in Shops COPS in School	6,128	-	-	-	-	6,128
	219	-	-	-	-	219
	859	-	-	-	-	859
	3,007	-	-	-	-	3,007
	5	-	-	-	-	5
	93,504	-	-	2,433	-	91,071
	16,231	-	-	-	-	16,231
<b>Total Federal Grants</b>	<b>132,067</b>	<b>5,000</b>	<b>-</b>	<b>8,844</b>	<b>-</b>	<b>128,223</b>
State Grants:						
Drunk Driving Enforcement Fund	45,927	3,668	-	3,888	-	45,707
Clean Communities Program Municipal Alliance on Alcohol & Drug Abuse	55,506	53,503	6,058	45,759	8,128	61,180
Body Armor Grant	14,679	15,111	1,735	17,013	-	14,512
Recycling Tonnage Grant AHEOP	16,525	6,643	-	2,325	-	20,843
Tourism Cooperative Marketing Stormwater Regulation	67,329	-	-	-	-	67,329
Click-it-or-Ticket Explosives Detection K-9 Unit Grant	2,406	-	-	-	-	2,406
	10,000	-	-	-	-	10,000
	10,278	-	-	-	-	10,278
	1,176	-	-	-	-	1,176
	31	-	-	-	-	31
Buckle Up South Jersey Traffic Records Grant Gypsy Moth Grant Community Wildfire Hazard Mitigation Grant	387	-	-	-	-	387
	9,850	-	-	-	-	9,850
	529	-	-	-	-	529
	5,617	-	-	-	-	5,617
Health Community Development Grant	2,500	-	-	-	-	2,500

**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, 2014**

	BALANCE DECEMBER 31, 2013	TRANSFERRED FROM 2014 BUDGET APPROPRIATION	PRIOR YEAR ENCUMBRANCES RECLASSIFIED	EXPENDED	RESERVE FOR ENCUMBRANCES	CANCELED	BALANCE DECEMBER 31, 2014
<b>State Grants (continued):</b>							
Wal-Mart Foundation Grant	582	-	-	-	-	-	582
Nixle Grant	3,725	-	-	2,390	-	-	1,335
Handicapped Recreation Opportunities Grant	6,600	-	-	-	-	-	6,600
County Park Improvement Pedestrian Decoy Mobilization Grant	-	220,000	-	-	-	-	220,000
Firefighters Grant	3,053	-	-	-	-	-	3,053
Alcohol Education & Rehabilitation Environmental Commission Grant	13,513	-	-	-	-	-	13,513
COPS Universal Hiring Grant Community Development	18,959	-	-	-	-	-	18,959
Block Grant	8,000	-	-	-	-	-	8,000
Gypsy Moth Grant	2	-	-	-	-	-	2
Multi-Discipline Working Group Grant	65,000	-	-	-	-	-	65,000
Drive Sober or Get Pulled Over	4,996	-	-	-	-	-	4,996
	2,446	-	-	-	-	-	2,446
	3,650	10,000	-	3,950	-	3,200	6,500
<b>Total State Grants</b>	<b>654,719</b>	<b>358,906</b>	<b>7,793</b>	<b>136,699</b>	<b>8,128</b>	<b>3,200</b>	<b>873,391</b>
<b>Local Grants:</b>							
Art, Wine & Music Festival	336	2,671	-	2,671	-	-	336
Medford Celebrates Grant	10,544	47,000	-	31,631	163	-	25,750
Halloween Parade Grant	6,036	16,500	-	10,382	-	-	12,154
Dickens Festival Grant	4,187	10,000	-	5,804	-	-	8,383
<b>Total Local Grants</b>	<b>21,103</b>	<b>76,171</b>	<b>-</b>	<b>50,488</b>	<b>163</b>	<b>-</b>	<b>46,623</b>
<b>Total All Grants</b>	<b>\$ 807,889</b>	<b>\$ 440,077</b>	<b>\$ 7,793</b>	<b>\$ 196,031</b>	<b>\$ 8,291</b>	<b>\$ 3,200</b>	<b>\$ 1,048,237</b>
Original Budget Appropriation by 40A:4-87	\$ -	440,077					
<b>Total</b>	<b>\$ -</b>	<b>440,077</b>					



**TOWNSHIP OF MEDFORD  
 FEDERAL AND STATE GRANT FUND  
 SCHEDULE OF DUE TO CURRENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ (475)
Increased by:	
Receipts:	
Interest Earned on Deposits	414
Balance December 31, 2014	\$ (61)

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
SCHEDULE OF SPECIAL EMERGENCY APPROPRIATIONS  
(5 YEAR - N.J.S.40A:4-53)  
FOR THE YEAR ENDED DECEMBER 31, 2014**

DESCRIPTION	ORIGINAL AMOUNT AUTHORIZED	1/5 OF AMOUNT AUTHORIZED	DATE	BALANCE DECEMBER 31, 2013	AUTHORIZED	BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2014
Health Benefits	\$ 400,000	\$ 80,000	12/23/2013	\$ 400,000	-	\$ 400,000	\$ -
Revaluation	700,000	140,000	03/21/2011	420,000	-	140,000	280,000
Tax Map	100,000	20,000	02/26/2008	20,000	-	20,000	-
				<u>\$ 840,000</u>	<u>\$ -</u>	<u>\$ 560,000</u>	<u>\$ 280,000</u>

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
SPECIAL EMERGENCY NOTE PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2014**

DESCRIPTION	AMOUNT	ISSUE DATE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2013	INCREASE	DECREASE	BALANCE DECEMBER 31, 2014
Revaluation	560,000	05/22/2013	05/20/2014	1.65%	\$ 560,000	\$ -	\$ 560,000	\$ -
Revaluation	420,000	05/22/2014	05/20/2015	1.65%	-	420,000	-	420,000
					\$ 560,000	\$ 420,000	\$ 560,000	\$ 420,000

**TOWNSHIP OF MEDFORD  
CURRENT FUND  
SCHEDULE OF RESERVE FOR ENCUMBRANCES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013:		
Current Fund	\$ 559,228	
Federal and State Grant Fund	7,793	\$ 567,021
Increased by:		
Current Year Encumbrances:		
Current Fund - Appropriations	526,383	
Federal and State Grant Fund - Appropriated Grant Reserves	8,291	534,674
Subtotal		1,101,695
Decreased by:		
Prior Year Encumbrances Reclassified:		
Current Fund - Appropriations	559,228	
Federal and State Grant Fund - Appropriated Grant Reserves	7,793	567,021
Balance December 31, 2014		<u>\$ 534,674</u>

**ANALYSIS OF BALANCE, DECEMBER 31, 2014**

Current Fund	\$ 526,383
Federal & State Grant Fund - Appropriated Grant Reserves	8,291
Total	<u>\$ 534,674</u>

**TRUST FUND**

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**TOWNSHIP OF MEDFORD  
TRUST FUND  
SCHEDULE OF TRUST CASH - TREASURER  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>ANIMAL CONTROL</u>	<u>OTHER</u>	<u>MUNICIPAL OPEN SPACE</u>
Balance December 31, 2013	\$ 17,966	\$ 2,857,845	\$ 853,054
Increased by Receipts:			
Dog License Fees Collected	17,389	-	-
Due to State Department of Health	2,047	-	-
Due Current Fund	27	1,406	1,780,463
Reserve for Future Use	-	-	191,248
Trust Other Reserves:			
Interest Earnings	-	1,236	-
Other Receipts	-	18,817,231	99
	<u>19,463</u>	<u>18,819,873</u>	<u>1,971,810</u>
Total Receipts			
Subtotal	<u>37,429</u>	<u>21,677,718</u>	<u>2,824,864</u>
Decreased by Disbursements:			
Due State Department of Health	2,050	-	-
Expenditures Under R.S.4:19-15.11	13,515	-	-
Current Years Appropriations	-	-	1,181,481
Appropriation Reserves	-	-	2,807
Due Current Fund	-	1,099	-
Trust Other Reserves	-	18,177,324	-
	<u>15,565</u>	<u>18,178,423</u>	<u>1,184,288</u>
Total Disbursements			
Balance December 31, 2014	<u>\$ 21,864</u>	<u>\$ 3,499,295</u>	<u>\$ 1,640,576</u>

**TOWNSHIP OF MEDFORD  
TRUST - ANIMAL CONTROL FUND  
SCHEDULE OF RESERVE (DEFICIT) FOR ANIMAL CONTROL EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance (Deficit) December 31, 2013	\$	16,127
Increased by:		
Dog License Fees Collected		17,389
Subtotal		33,516
Decreased by:		
Expenditures Under R.S.4:19-15,11: Disbursed		13,515
Balance (Deficit) December 31, 2014	\$	20,001

**LICENSE FEES COLLECTED**

YEAR	AMOUNT
2013	\$ 18,696
2012	18,593
Total	\$ 37,289

**SCHEDULE OF DUE TO CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$	1,833
Increased by:		
Receipts - Interest on Deposits		27
Balance December 31, 2014	\$	1,860



**TOWNSHIP OF MEDFORD  
TRUST - ANIMAL CONTROL FUND  
SCHEDULE OF DUE FROM (TO) STATE OF NEW JERSEY  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ (6)
Increased by:	
Payments	<u>2,050</u>
Subtotal	2,044
Decreased by:	
Collections	<u>2,047</u>
Balance December 31, 2014	<u><u>\$ (3)</u></u>

**TRUST - OTHER FUND  
SCHEDULE OF DUE TO/(FROM) CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ (10,718)
Increased by:	
Interest Earned on Deposits	<u>1,406</u>
Subtotal	(9,312)
Decreased by:	
Disbursed - Prior Year Interfund Liquidated	<u>1,099</u>
Balance December 31, 2014	<u><u>\$ (10,411)</u></u>

**ANALYSIS OF BALANCE DECEMBER 31, 2014**

Unclaimed Bail	\$ 26
Landfill Closure	14
Unemployment	45
Special Police	
Trust Other	(12,868)
TTL Redemption	1,739
Payroll Agency	509
Net Payroll	<u>124</u>
Total	<u><u>\$ (10,411)</u></u>

**TOWNSHIP OF MEDFORD**  
**TRUST FUND - OTHER**  
**SCHEDULE OF CHANGES IN MISCELLANEOUS TRUST OTHER RESERVES**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

	BALANCE	INCREASED BY			DECREASED BY	BALANCE
	DECEMBER 31, 2013	INTEREST EARNINGS	OTHER RECEIPTS		DISBURSEMENTS	DECEMBER 31, 2014
Reserve for:						
Outside Employment of Off-Duty						
Municipal Policemen	\$ 24,249	\$ 37	\$ 233,696	\$ 237,529	\$ 20,453	
Payroll Deductions Payable	20,662	-	4,175,379	4,059,829	136,212	
Net Payroll	298	-	6,855,453	6,855,453	298	
Special Law Enforcement	42,114	44	6,464	4,771	43,851	
Miscellaneous Deposits:						
Recreation Improvements	11,000	-	-	-	11,000	
Reserve for Street Opening						
Escrows	9,942	-	-	-	9,942	
Village Parking Improvements	3,940	-	-	-	3,940	
Sidewalk Construction	85,217	-	-	-	85,217	
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	7,630	-	-	3,655	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	-	-	-	5,030	
Administration Agent Fees	5,695	-	13,950	11,729	7,916	
Fair Share Traffic Construction	9,536	-	-	-	9,536	
Miscellaneous Other	3,378	-	-	-	3,378	
Redevelopment Project	-	-	11,250	-	11,250	
Planning Board Subdivision Escrow	1,024,560	308	1,837,772	1,195,538	1,667,102	
Tax Title Lien Redemption	700,867	-	2,479,052	2,537,967	641,952	
NJ Unemployment Compensation						
Insurance	42,235	-	62,102	8,973	95,364	
Sanitary Landfill Facility Closure &						
Contingency Fund	13,621	-	-	-	13,621	
Public Defender	801	1	6,314	6,395	721	
Housing	292,189	313	50,415	-	342,917	
Unclaimed Bail - Disposal of Forfeited						
Property	13,433	13	-	13	13,433	
Fire Safety Penalties	300	-	-	-	300	
Resale of Snow Removal Chemicals -						
Commodity Resale	11,948	22	13,470	-	25,440	
Snow Removal Trust Fund	308,522	183	38,029	237,438	109,296	
Federal Forfeiture Trust	5,839	6	-	-	5,845	
Recreation Programs Trust	2,381	2	7,652	2,461	7,574	
Street Opening Trust	47,684	-	8,508	580	55,612	
Accumulated Absences	34,072	34	-	-	34,106	
Self Insurance Programs:						
Health Benefits	1,388	273	3,016,875	3,014,526	4,010	
Sunshine Trust	-	-	850	467	383	
Total	\$ 2,843,563	\$ 1,236	\$ 18,817,231	\$ 18,177,324	\$ 3,484,706	

**TOWNSHIP OF MEDFORD  
TRUST - MUNICIPAL OPEN SPACE FUND  
SCHEDULE OF RESERVE FOR FUTURE USE  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013		\$ 1,599,791
Increased by Receipts:		
Receipts:		
County of Burlington	\$ 190,400	
Miscellaneous	1,256	
Interest on Deposits	<u>848</u>	<u>\$ 192,504</u>
Due from Current Fund:		
Current Year Levy		890,000
Added & Omitted Taxes - Current Year		7,680
Cancel Prior Year Appropriation Reserves		<u>151,645</u>
		<u>1,241,829</u>
Subtotal		2,841,620
Decreased by:		
Current Year Appropriations		<u>1,265,997</u>
Balance December 31, 2014		<u><u>\$ 1,575,623</u></u>

**TRUST - MUNICIPAL OPEN SPACE FUND  
SCHEDULE OF DUE FROM/(TO) CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013		\$ 901,189
Increased by:		
Added & Omitted Taxes - Current Year	\$ 8,936	
Current Year Levy	<u>890,000</u>	<u>898,936</u>
Subtotal		1,800,125
Decreased by:		
Received from Current Fund		<u>1,780,463</u>
Balance December 31, 2014		<u><u>\$ 19,662</u></u>

**TOWNSHIP OF MEDFORD  
TRUST - MUNICIPAL OPEN SPACE FUND  
SCHEDULE OF 2013 APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	BALANCE DECEMBER 31, 2013		BALANCE AFTER MODIFICATION	DISBURSED	LAPSED TO FUND BALANCE
	RESERVED	ENCUMBERED			
Other Expenses	\$ 116,520	\$ 853	\$ 117,373	\$ 682	\$ 116,691
Acquisition of Farmland	36,513	566	37,079	2,125	34,954
	<u>\$ 153,033</u>	<u>\$ 1,419</u>	<u>\$ 154,452</u>	<u>\$ 2,807</u>	<u>\$ 151,645</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, 2014**

Balance December 31, 2013		\$	220,792
Increased by Receipts:			
Due Current Fund	\$	645,023	
Refund		3,000	
DOT Grant Receivables		50,000	698,023
Subtotal			918,815
Decreased by Disbursements:			
Improvement Authorizations			697,805
Balance December 31, 2014		\$	<u>221,010</u>

**TOWNSHIP OF MEDFORD  
GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL CAPITAL CASH AND INVESTMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

		BALANCE (OVERDRAFT) DECEMBER 31, 2014
Fund Balance	\$	173,136
Capital Improvement Fund		96,475
Due Current Fund		1,417,663
Due from State of NJ Transportation Trust Fund		(41,000)
Due from County of Burlington		(185,000)
Due to Utility Capital Fund		(7,389)
Due Community Development Block Grant		(37,700)
Due Trust Other Fund		(25,000)
Encumbrances Payable		814,428

ORDINANCE NUMBER	IMPROVEMENT AUTHORIZATIONS	
1989-01	Open Space Preservation Feasibility Studies	2
1989-10	Dam Inspection Program	2
1989-24	Purchase of Computer Equipment	2
1990-08	Construction of Bike Paths	27,646
1994-31	Acquisition of Real Property	2
1995-05	Purchase of Various Equipment	5,845
1999-15	Various Capital Improvements	2
1999-36	Installation of Handicapped Accessible Tot Lot	15,204
2001-10	Various Capital Improvements	10,703
2002-16	Various General Capital Improvements	41,000
2002-29	Construction of Improvements to Various Municipal Buildings	42,529
2003-14	Various Capital Improvements	772
2003-16	Reconstruction & Resurfacing of Hopewell Road	300
2004-14	Various General Capital Improvements	300,000
2004-25	Various General Capital Improvements	4,987
2005-13	Various General Capital Improvements	-
2006-09	Various Capital Improvements	-
2007-10	Various Capital Improvements	-
2007-28	Repair, Reconstruction &/or Restoration of Public Property Damaged by Floods	51,948
2008-11	Acquisition of Real Property - Cow Pointe	(221,007)
2008-18	Various Capital Improvements	11,885
2009-19	Various Capital Improvements	32,693
2009-28	Improvements to Public Safety Facilities & Related Expenses	(542,590)
2010-15	Various Capital Improvements	(2,416,631)
2013-16	Various Capital Improvements	-
2014-10	Various Capital Improvements	650,103
	Total	\$ 221,010



**TOWNSHIP OF MEDFORD  
GENERAL CAPITAL FUND  
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013		\$ 27,254,719
Decreased by:		
2014 Budget Appropriations:		
Serial Bonds Payable	\$ 3,908,200	
Green Acres Loan Payable	185,919	4,094,119
Balance December 31, 2014		\$ 23,160,600

**TOWNSHIP OF MEDFORD  
GENERAL CAPITAL FUND  
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED  
FOR THE YEAR ENDED DECEMBER 31, 2014**

ORDINANCE NUMBER	DESCRIPTION	BALANCE DECEMBER 31, 2013	ADJUSTMENT	AUTHORIZATIONS REAPPROPRIATED	BALANCE DECEMBER 31, 2014	BOND ANTICIPATION NOTES	ANALYSIS OF BALANCE		
							EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS	
2005-13	Various Capital Improvements	\$ 338	-	\$ -	338	\$ -	-	\$ -	338
2007-10	Various Capital Improvements	329	-	(328)	1	-	-	-	1
2008-11	Acquisition of Real Property - Cow Pointe	467,387	-	(25,000)	442,387	156,194	281,806	4,387	4,387
2008-18	Various Capital Improvements	26	-	-	26	-	-	26	26
2009-19	Various Capital Improvements	-	61,213	(28,520)	32,693	-	-	32,693	32,693
2009-28	Improvements to Public Safety Facilities & Related Expenses	665,000	(61,213)	(110,000)	493,787	60,324	421,053	12,410	12,410
2010-15	Various Capital Improvements	2,822,100	-	-	2,822,100	-	2,416,632	405,468	405,468
2013-16	Various Capital Improvements	902,263	-	(42,791)	859,472	-	413	859,059	859,059
2014-10	Various Capital Improvements	-	-	206,639	206,639	-	27,631	179,008	179,008
Total		\$ 4,857,443	\$ -	\$ -	\$ 4,857,443	\$ 216,518	\$ 3,147,535	\$ 1,493,390	\$ 1,493,390

**TOWNSHIP OF MEDFORD  
GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2014 and 2013	\$ <u>96,475</u>
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**SCHEDULE OF DUE FROM COUNTY OF BURLINGTON  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2014 and 2013	\$ 235,000
Decreased by:	
Receipts	<u>50,000</u>
Balance December 31, 2013	\$ <u>185,000</u>

**TOWNSHIP OF MEDFORD  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	BALANCE DECEMBER 31, 2013		PRIOR YEAR RECLASSIFIED ENCUMBRANCES	PAID OR CHARGED	AUTHORIZATIONS REAPPROPRIATED	BALANCE DECEMBER 31, 2014	
			AMOUNT	UNFUNDED				FUNDED	UNFUNDED
1989-01	Open Space Preservation Feasibility Studies	02/10/89	150,000	-	-	-	-	2	-
1989-10	Dam Inspection Program	05/02/89	62,000	-	-	-	-	2	-
1989-15	Construction of Various Roads	08/15/89	881,875	-	-	-	-	1	-
1989-24	Purchase of Computer Equipment	10/17/89	70,000	-	-	-	-	1	-
1990-08	Construction of Bike Paths	05/21/90	71,000	-	-	-	-	27,646	-
1994-31	Acquisition of Real Property	10/03/94	1,500,000	-	-	-	-	2	-
1995-05	Purchase of Various Equipment	05/01/95	1,116,000	-	-	-	-	5,845	-
1999-15	Various Capital Improvements	06/02/99	1,255,258	-	-	-	-	2	-
1999-36	Installation of Handicapped Accessible Tot Lot	10/06/99	25,000	-	-	-	-	15,204	-
2001-10	Various Capital Improvements	05/22/01	2,038,950	-	-	-	-	10,703	-
2002-16	Various General Capital Improvements	04/09/02	1,462,725	-	-	-	-	41,000	-
2002-29	Construction of Improvements to Various Municipal Buildings	07/23/02	42,529	-	-	-	-	42,529	-
2003-14	Various Capital Improvements	06/10/03	1,880,401	-	-	-	-	772	-
2003-16	Reconstruction & Resurfacing of Hopewell Road	06/10/03	61,428	-	-	-	-	300	-
2004-14	Various Capital Improvements	04/13/04	1,926,359	-	7,392	7,392	-	300,000	-
2004-25	Various Capital Improvements	10/26/04	73,325	-	-	-	-	4,987	-
2005-13	Various Capital Improvements	05/24/05	1,498,250	338	-	-	(228)	-	338
2006-09	Various Capital Improvements	05/23/06	4,876,336	-	12,000	12,228	(58,082)	-	-
2007-10	Various Capital Improvements	05/08/07	2,592,715	329	11,224	11,599	(347,747)	-	1
2007-28	Repair, Reconstruction &/or Restoration of Public Property Damaged by Floods	11/27/07	1,200,000	-	6,841	6,841	(40,000)	-	-
								51,948	-

**TOWNSHIP OF MEDFORD  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2013		PRIOR YEAR ENCUMBRANCES RECLASSIFIED	PAID OR CHARGED	AUTHORIZATIONS REAPPROPRIATED	BALANCE DECEMBER 31, 2014	
				FUNDED	UNFUNDED				FUNDED	UNFUNDED
2008-11	Acquisition of Real Property - Cow Pointe	04/22/08	10,300,000	-	29,387	11,900	11,900	(25,000)	-	4,387
2008-18	Various Capital Improvements	05/27/08	4,890,026	38,676	26	23,080	12,381	(37,490)	11,885	26
2009-19	Various Capital Improvements	06/09/09	3,739,144	538	61,213	19,095	5,000	(43,153)	-	32,693
2009-28	Improvements to Public Safety Facilities & Related Expenses	11/24/09	700,000	-	128,769	52,199	58,558	(110,000)	-	12,410
2010-15	Various Capital Improvements	05/25/10	3,975,169	-	519,211	105,456	219,199	-	-	405,468
2013-16	Various Capital Improvements	12/23/13	50,810	1,157,911	901,850	130,846	988,746	(342,800)	2	859,059
2014-10	Various Capital Improvements	8/5/14	1,045,000	-	-	-	175,389	1,004,500	650,103	179,008
<b>Total</b>				\$ 2,144,401	\$ 1,641,123	\$ 380,033	\$ 1,509,233	\$ -	\$ 1,162,934	\$ 1,493,390

Disbursed	\$ 697,805
Refunds	(3,000)
Reserve for Encumbrances	<u>814,428</u>

**TOWNSHIP OF MEDFORD  
GENERAL CAPITAL FUND  
SCHEDULE OF RESERVE FOR ENCUMBRANCES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$	380,033
Increased by:		
Charges to Improvement Authorization		814,428
Subtotal		1,194,461
Decreased by:		
Prior Year Balance Reappropriated		380,033
Balance December 31, 2014	\$	814,428

**SCHEDULE OF DUE FROM/(TO) CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$	(772,640)
Decreased by:		
Interest	\$	15
Interfund Liquidated		645,008
Balance December 31, 2014	\$	(1,417,663)

**TOWNSHIP OF MEDFORD  
GENERAL CAPITAL FUND  
SCHEDULE OF GREEN ACRES TRUST LOANS PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2014**

PURPOSE	DATE OF ISSUE	MATURITIES OF LOAN PRINCIPAL AND INTEREST		INTEREST RATE	BALANCE DECEMBER 31, 2013	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2014
		DATE	AMOUNT				
Distefano Tract	11/01/94			\$	71,600	\$ 71,600	\$ -
Distefano Tract	11/10/97	2015	58,213	2.00%	235,238	57,066	178,172
		2016	59,383	2.00%			
		2017	60,577	2.00%			
Distefano Tract	10/23/99	2015	28,570	2.00%	161,173	28,006	133,167
		2016	29,145	2.00%			
		2017	29,731	2.00%			
		2018	30,328	2.00%			
		2019	15,392	2.00%			
Distefano Tract Phase II	09/06/00	2015	29,835	2.00%	168,308	29,247	139,061
		2016	30,435	2.00%			
		2017	31,047	2.00%			
		2018	31,671	2.00%			
		2019	16,073	2.00%			
Total					\$ 636,319	\$ 185,919	\$ 450,400

**TOWNSHIP OF MEDFORD  
GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL SERIAL BONDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS		INTEREST RATE	BALANCE DECEMBER 31, 2013	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2014
			OUTSTANDING DECEMBER 31, 2014 DATE	AMOUNT				
General Obligation Bonds	07/01/05	\$ 2,620,000	07/01/15	350,000	3.800%	\$ 650,000	\$ 300,000	\$ 350,000
General Obligation Bonds	12/28/06	4,755,000				689,000	689,000	-
General Obligation Bonds	07/15/08	12,187,000	07/15/15	2,000,000	3.750%	9,500,000	1,500,000	8,000,000
			07/15/16	2,000,000	3.750%			
			07/15/17	2,000,000	4.000%			
			07/15/18	2,000,000	4.000%			
Refunding Bonds	11/21/11	1,251,800	07/01/15	182,600	2.000%	829,400	299,200	530,200
			07/01/16	90,200	2.000%			
			07/01/17	88,000	2.000%			
			07/01/18	85,800	2.000%			
			07/01/19	83,600	2.250%			
Refunding Bonds	5/9/13	3,510,000	08/01/15	625,000	1.500%	3,480,000	645,000	2,835,000
			08/01/16	600,000	2.000%			
			08/01/17	385,000	2.000%			
			08/01/18	370,000	2.000%			
			08/01/19	435,000	2.000%			
			08/01/20	420,000	2.000%			
General Obligation Bonds	5/9/13	11,470,000	05/01/15	475,000	2.000%	11,470,000	475,000	10,995,000
			05/01/16	480,000	2.000%			
			05/01/17	490,000	2.000%			
			05/01/18	495,000	2.000%			
			05/01/19	500,000	2.000%			
			05/01/20	510,000	2.000%			
			05/01/21	520,000	2.000%			
			05/01/22	535,000	2.000%			
			05/01/23	545,000	2.000%			
			05/01/24	560,000	3.000%			
			05/01/25	580,000	3.000%			
			05/01/26	595,000	3.000%			
			05/01/27	610,000	3.000%			
			05/01/28	630,000	3.000%			
			05/01/29	650,000	3.000%			
			05/01/30	670,000	3.000%			
			05/01/31	695,000	3.000%			
			05/01/32	715,000	3.125%			
			05/01/33	740,000	3.250%			
<b>Total</b>						<b>\$ 26,618,400</b>	<b>\$ 3,908,200</b>	<b>\$ 22,710,200</b>
Current Fund						\$	3,381,280	
Open Space							526,920	
<b>Total</b>						<b>\$</b>	<b>3,908,200</b>	



**TOWNSHIP OF MEDFORD  
GENERAL CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2013	BALANCE DECEMBER 31, 2014	
							INCREASED	DECREASED
2008-11	Acquisition of Real Property - Cow Pointe	07/15/08	02/10/14	02/10/15		\$ -	\$ 156,194	\$ -
		07/15/08	02/10/13	02/10/14	Nil	156,194	-	156,194
2009-19	Various Capital Improvements	07/14/09	02/10/14	02/10/15		-	60,324	-
		07/14/09	02/10/13	02/10/14	Nil	60,324	-	60,324
Total						\$ 216,518	\$ 216,518	\$ 216,518

  

Renewals:	
Held as Investment in Current Fund	\$ 216,518
	<u>\$ 216,518</u>

**TOWNSHIP OF MEDFORD  
GENERAL CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
FOR THE YEAR ENDED DECEMBER 31, 2014**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2013	IMPROVEMENT AUTHORIZATIONS REAPPROPRIATED	BALANCE DECEMBER 31, 2014
2005-13	Various Capital Improvements	\$ 338	\$ -	338
2007-10	Various Capital Improvements	329	(328)	1
2008-11	Acquisition of Real Property - Cow Pointe	250,394	(25,000)	225,394
2008-18	Various Capital Improvements	26	-	26
2009-19	Various Capital Improvements	889	(889)	-
2009-28	Improvements to Public Safety Facilities	665,000	(110,000)	555,000
2010-15	Various Capital Improvements	2,822,099	-	2,822,099
2013-16	Various Capital Improvements	901,850	(42,791)	859,059
2014-10	Various Capital Improvements	-	179,008	179,008
Total		\$ 4,640,925	\$ -	4,640,925

**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, 2014**

	OPERATING FUND	SEWER		ASSESSMENT TRUST	CAPITAL FUND
		CONNECTION TRUST	TRUST		
Balance December 31, 2013	\$ 3,072,156	\$ 580,088	\$ 666	\$ 1,409,924	
Increased by Receipts:					
Rents Receivable	\$ 5,774,419	\$ -	\$ -	\$ -	
NJEIT Receipts	-	-	-	-	
Prepaid Rents	774,692	-	-	-	
Petty Cash	100	-	-	-	
Miscellaneous Revenue	870,328	-	-	-	
Due Utility Operating Fund	-	172	-	50,729	
Due Utility Capital Fund	-	-	-	-	
Due Sewer Connection Trust Fund	-	-	-	-	
Subtotal	<u>7,419,539</u>	<u>172</u>	<u>-</u>	<u>50,729</u>	
Total	<u>10,491,695</u>	<u>580,260</u>	<u>666</u>	<u>1,460,653</u>	
Decreased by Disbursements:					
2014 Budget Appropriations	6,617,986	-	-	-	
2013 Appropriation Reserves	417,266	-	-	-	
Rent Overpayments	-	-	-	-	
Petty Cash	100	-	-	-	
Due Sewer Connection Trust Fund	-	-	-	-	
Improvement Authorizations	-	-	-	363,113	
Total Disbursements	<u>7,035,352</u>	<u>-</u>	<u>-</u>	<u>363,113</u>	
Balance December 31, 2014	<u>\$ 3,456,343</u>	<u>\$ 580,260</u>	<u>\$ 666</u>	<u>\$ 1,097,540</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, 2014**

ORDINANCE NUMBER	IMPROVEMENT AUTHORIZATIONS	RECEIPTS		DISBURSEMENTS		TRANSFERS		BALANCE (OVERDRAFT) DECEMBER 31, 2014	
		BALANCE (OVERDRAFT) DECEMBER 31, 2013	MISCELLANEOUS	IMPROVEMENT AUTHORIZATIONS		MISCELLANEOUS	FROM		TO
				MISCELLANEOUS					
Capital Improvement Fund		\$ 211,399	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 261,399	
Due From Utility Operating Fund		(91,937)	729	-	-	-	-	(91,208)	
Reserve for Debt Service		355,488	-	-	-	355,488	-	355,488	
Reserve for Encumbrances		190,361	-	-	-	190,361	-	155,642	
Due General Capital Fund		7,389	-	-	-	-	-	7,389	
Fund Balance		8,027	-	-	-	-	-	8,027	
<b>ORDINANCE IMPROVEMENT</b>									
1996-11	Construction of Various Utility Capital Improvements	14,285	-	-	-	-	-	14,285	
1997-06	Construction of Various Utility Capital Improvements	1,319	-	1,168	-	-	-	151	
1998-14	Construction of Various Utility Capital Improvements	(8,005)	-	-	-	-	-	(8,005)	
2001-11	Various Capital Improvements	2,159	-	1,406	-	-	-	753	
2002-10	Various Capital Improvements	23	-	-	-	-	-	23	
2002-17	Various Capital Improvements	1,474	-	1,474	-	-	-	-	
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	-	-	-	-	-	1,389	
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	-	-	-	-	-	487,703	
2006-10	Various Utility Capital Improvements	6,292	-	-	-	-	-	6,292	
2007-09	Various Utility Capital Improvements	105,067	-	55,383	-	-	-	28,046	
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, 2014**

	BALANCE (OVERDRAFT) DECEMBER 31, 2013	RECEIPTS		DISBURSEMENTS		TRANSFERS		BALANCE (OVERDRAFT) DECEMBER 31, 2014
		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	98,014	-	48,142	-	6,265	33,500	77,107	
2008-19 Various Utility Capital Improvements	101,673	-	55,801	-	-	21,877	67,749	
2008-20 Improvements for Phase II of the Sewer Plant Upgrade Project	(83,918)	-	3,647	-	347	-	(87,912)	
2009-12 Improvements for Wastewater Treatment Plant	(95,690)	-	-	-	-	-	(95,690)	
2009-14 Various Utility Capital Improvements	15,753	-	6,220	-	-	-	9,533	
2009-20 Various Utility Capital Improvements	721,765	-	43,365	-	4,192	43,008	717,216	
2009-27 Improvements for Wastewater Treatment Plant	39,286	-	-	-	-	-	39,286	
2010-16 Various Utility Capital Improvements	(476,178)	-	115,199	-	5,210	75,864	(520,723)	
2010-21 Various Utility Capital Improvements	(162,610)	-	31,308	-	4,293	2,415	(195,796)	
2014-11 Various Utility Capital Improvements	-	-	-	-	100,000	-	(100,000)	
<b>Total</b>	<b>\$ 1,409,924</b>	<b>\$ 50,729</b>	<b>\$ 363,113</b>	<b>\$ -</b>	<b>\$ 701,491</b>	<b>\$ 701,491</b>	<b>\$ 1,097,540</b>	

**TOWNSHIP OF MEDFORD  
WATER AND SEWER UTILITY OPERATING FUND  
SCHEDULE OF WATER AND SEWER RENTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013		\$ 227,322
Increased by:		
Water & Sewer Rents Levied		6,369,967
Subtotal		6,597,289
Decreased by:		
Prepays Applied	\$ 596,259	
Collections	5,774,420	6,370,679
Balance December 31, 2014		\$ 226,610

**SCHEDULE OF 2013 APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	BALANCE DECEMBER 31, 2013		BALANCE	PAID OR	BALANCE
	ENCUMBERED	RESERVED	AFTER TRANSFERS	CHARGED	LAPSED
Operations:					
Salaries & Wages	\$ -	\$ 21,055	\$ 26,639	\$ 25,727	\$ 912
Other Expenses	201,211	382,581	578,208	343,107	235,101
Capital Improvements:					
Capital Outlay	52,274	19,627	71,901	52,025	19,876
Statutory Expenditures:					
Social Security System	-	1,745	1,745	1,683	62
Total	\$ 253,485	\$ 425,008	\$ 678,493	\$ 422,542	\$ 255,951
				\$ 5,276	
				417,266	
				\$ 422,542	



**TOWNSHIP OF MEDFORD  
WATER AND SEWER UTILITY OPERATING FUND  
SCHEDULE OF PREPAID WATER AND SEWER RENTS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

Balance December 31, 2013	\$ 596,259
Increased by:	
Collections	<u>774,692</u>
Subtotal	1,370,951
Decreased by:	
Applied to 2014 Rents	<u>596,259</u>
Balance December 31, 2014	<u><u>\$ 774,692</u></u>

**SCHEDULE OF DUE TO WATER AND SEWER UTILITY CAPITAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ 91,937
Decreased by:	
Interest on Investments in Water & Sewer Utility Capital Fund	<u>729</u>
Balance December 31, 2014	<u><u>\$ 91,208</u></u>

**TOWNSHIP OF MEDFORD  
WATER AND SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
FOR THE YEAR ENDED DECEMBER 31, 2014**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE	AMOUNT	BALANCE	REAPPROPRIATED	BALANCE
				DECEMBER 31, 2013		DECEMBER 31, 2014
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	-	1,750,000
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	-	1,766,000
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
2004-01	Refunding Bonds	02/10/04	3,530,000	-	-	-
2004-15	Various Utility Capital Improvements	05/11/04	995,000	995,000	(486,790)	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	569,000	(104,835)	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	1,305,500	(50,723)	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	1,050,000	(39,152)	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
Total				\$ 48,743,476	\$ -	\$ 48,743,476

**TOWNSHIP OF MEDFORD  
WATER AND SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL  
FOR THE YEAR ENDED DECEMBER 31, 2014**

ACCOUNT	BALANCE DECEMBER 31, 2013	INCREASED BY CAPITAL OUTLAY	BALANCE DECEMBER 31, 2014
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	1,844,474	2,260	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	109,343	4,160	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	533,581	85,888	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	592,493	35,095	627,588
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	7,234	992	8,226
Water & Sewer Improvements on Various Municipal Roadways	438,604	-	438,604
<b>Total</b>	<b>\$ 29,056,212</b>	<b>\$ 128,395</b>	<b>\$ 29,184,607</b>

Current Year Budget	\$ 76,370
Appropriation Reserve	<u>52,025</u>
<b>Total</b>	<b><u>\$ 128,395</u></b>

**TOWNSHIP OF MEDFORD  
WATER AND SEWER UTILITY OPERATING FUND  
SCHEDULE OF ACCRUED INTEREST ON BONDS, LOANS AND NOTES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$	327,512
Increased by:		
Charged to Budget Appropriations:		
Interest on Bonds & Loans		765,497
Subtotal		1,093,009
Decreased by:		
Disbursed		789,927
Balance December 31, 2014	\$	303,082

**ANALYSIS OF ACCRUED INTEREST DECEMBER 31, 2014**

PRINCIPAL OUTSTANDING DECEMBER 31, 2014	INTEREST RATE	ISSUE DATE		PERIOD	AMOUNT
		FROM	TO		
Serial Bonds:					
\$ 1,090,000	Various	11/15/13	12/31/14	1.5 Months	\$ 5,984
3,550,000	Various	07/15/13	12/31/14	5.5 Months	68,263
674,800	Various	07/01/14	12/31/14	6.0 Months	6,881
4,720,000	Various	08/01/14	12/31/14	5.0 Months	40,224
1,250,000	Various	11/01/14	12/31/14	2.0 Months	5,444
Loans:					
445,000	Various	08/01/13	12/31/14	5.0 Months	9,203
845,000	Various	08/01/13	12/31/14	5.0 Months	16,141
3,105,000	Various	08/01/13	12/31/14	5.0 Months	66,698
1,675,000	Various	08/01/13	12/31/14	5.0 Months	29,016
625,000	Various	08/01/13	12/31/14	5.0 Months	10,854
705,000	Various	08/01/13	12/31/14	5.0 Months	14,688
1,425,000	Various	08/01/13	12/31/14	5.0 Months	29,686
Total					\$ 303,082

**TOWNSHIP OF MEDFORD  
WATER-SEWER UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2013		ENCUMBRANCES RECLASSIFIED	PAID	ADJ	REAPPROPRIATED	BALANCE DECEMBER 31, 2014	
		ORDINANCE DATE	AMOUNT					FUNDED	UNFUNDED
1996-11	Construction of Various Utility Capital Improvements	06/17/96	\$ 1,349,000	\$ -	\$ -	\$ -	\$ -	\$ 14,285	\$ -
1997-06	Construction of Various Utility Capital Improvements	04/21/97	1,357,000	-	1,168	-	-	151	-
1998-14	Construction of Various Utility Capital Improvements	06/03/98	1,750,000	34,280	-	-	-	-	34,280
2001-11	Various Utility Capital Improvements	05/22/01	1,635,000	-	1,406	-	-	753	-
2002-10	Various Utility Capital Improvements	03/12/02	303,604	-	-	-	-	23	-
2002-17	Various Utility Capital Improvements	04/09/02	1,635,000	-	1,474	-	-	-	-
2002-19	Improvements to the Wastewater Treatment Plant	04/23/02	1,766,000	15	-	-	-	-	15
2003-15	Various Utility Capital Improvements	06/10/03	370,000	-	-	-	-	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	06/10/03	188,794	-	-	-	-	1,389	-
2004-15	Various Utility Capital Improvements	05/11/04	995,000	-	-	-	-	-	2,746
2004-19	Various Utility Capital Improvements	08/24/04	2,900,000	-	-	-	-	-	6,951
2005-14	Various Utility Capital Improvements	05/24/05	1,540,000	-	-	-	(486,790)	913	-
2006-10	Various Utility Capital Improvements	05/23/06	1,665,000	-	-	-	-	6,292	-
2007-09	Various Utility Capital Improvements	05/08/07	3,478,658	267	55,383	-	-	28,046	267
2007-11	Various Infrastructure Improvements to the Sewage Treatment Plant	05/08/07	2,245,000	800	-	-	-	9,632	800
2007-27	Paving of the Driveway at the Township Sewer Treatment Plant & Acquisition of all Materials & Equipment Necessary for Completion	11/27/07	29,529	-	48,142	(37,086)	-	40,021	-
2008-19	Various Utility Capital Improvements	05/27/08	569,000	-	55,801	37,086	(104,835)	-	-
2008-20	Improvements for Phase II of the Sewer Plant Upgrade Project	05/27/08	7,051,172	411,109	3,647	-	-	-	37,115
2009-14	Various Utility Capital Improvements	05/12/09	438,611	-	6,220	-	(9,533)	-	-
2009-20	Various Utility Capital Improvements	06/09/09	1,305,500	500	43,365	-	(41,190)	676,026	500
2009-27	Improvements for Wastewater Treatment Plant	11/10/09	3,500,000	-	-	-	(39,152)	134	-
2010-16	Various Utility Capital Improvements	06/22/10	1,050,000	573,821	115,199	(18,297)	-	-	510,979
2010-21	Various Utility Capital Improvements	07/31/10	3,470,000	-	31,308	18,297	-	-	-
2014-11	Various Utility Capital Improvements	8/25/14	681,500	-	-	-	681,500	581,500	-
<b>Total</b>			<b>\$ 1,605,874</b>	<b>\$ 665,681</b>	<b>\$ 363,113</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,359,205</b>	<b>\$ 583,956</b>

**TOWNSHIP OF MEDFORD  
WATER-SEWER UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR ENCUMBRANCES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ 190,361
Increased by:	
Charges to Improvement Authorizations	<u>155,642</u>
Subtotal	346,003
Decreased by:	
Prior Year Balance Reappropriated	<u>190,361</u>
Balance December 31, 2014	<u><u>\$ 155,642</u></u>

**SCHEDULE OF RESERVE FOR AMORTIZATION  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$ 43,612,519
Increased by:	
Paid by Utility Operating Fund:	
Serial Bonds	\$ 1,262,800
Loans Payable	994,761
Capital Outlay:	
2014 Budget Charges	<u>128,395</u>
	<u>2,385,956</u>
Balance December 31, 2014	<u><u>\$ 45,998,475</u></u>

**TOWNSHIP OF MEDFORD  
WATER-SEWER UTILITY CAPITAL FUND  
SCHEDULE OF SERIAL BONDS PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2014**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2013	ISSUED	DEFEASED	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2014
			DECEMBER 31, 2014 DATE	AMOUNT						
General Obligation Bonds	07/01/05	4,363,000	05/15/15	70,000	5.000%	200,000	-	-	200,000	-
			05/15/16	74,000	5.000%					
			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%					
						1,157,000	-	-	67,000	1,090,000
General Obligation Bonds	07/23/08	4,563,000	07/15/15	200,000	3.750%	3,750,000	-	-	200,000	3,550,000
			07/15/16	200,000	3.750%					
			07/15/17	200,000	4.000%					
			07/15/18	200,000	4.000%					
			07/15/19	250,000	4.000%					
			07/15/20	250,000	4.000%					
			07/15/21	250,000	4.125%					
			07/15/22	250,000	4.250%					
			07/15/23	250,000	4.250%					
			07/15/24	300,000	4.250%					
			07/15/25	300,000	4.375%					
			07/15/26	300,000	4.500%					
			07/15/27	300,000	4.500%					
			07/15/28	300,000	4.500%					
Refunding Bonds	11/21/11	1,593,200	07/01/15	232,400	2.000%	1,055,600	-	-	380,800	674,800
			07/01/16	114,800	2.000%					
			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, 2014**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2013	ISSUED	DEFEASED	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2014	
			DATE	AMOUNT							
Refunding Bonds	05/17/13	5,140,000	08/01/15	560,000	2.000%	5,080,000	-	-	360,000	4,720,000	
			08/01/16	535,000	2.000%						
			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	07/23/08	4,563,000	05/1/15	55,000	2.000%	1,305,000	-	-	55,000	1,250,000
				05/1/16	55,000	2.000%					
				05/1/17	55,000	2.000%					
				05/1/18	55,000	2.000%					
			05/1/19	55,000	2.000%						
			05/1/20	60,000	2.000%						
			05/1/21	60,000	2.000%						
			05/1/22	60,000	2.000%						
			05/1/23	60,000	2.000%						
			05/1/24	65,000	3.000%						
			05/1/25	65,000	3.000%						
			05/1/26	70,000	3.000%						
			05/1/27	70,000	3.000%						
		05/1/28	70,000	3.000%							
		05/1/29	75,000	3.000%							
		05/1/30	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%							
Total						\$ 12,547,600	\$ -	\$ -	\$ 1,262,800	\$ 11,284,800	



**TOWNSHIP OF MEDFORD  
WATER-SEWER UTILITY CAPITAL FUND  
SCHEDULE OF LOANS PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2014**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2013	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2014
			DATE	AMOUNT				
NJ Environmental Protection Loan	10/30/02	835,000	08/01/15	45,000	5.00%	\$ 490,000	\$ 45,000	\$ 445,000
			08/01/16-17	50,000	5.00%			
			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	406,609	45,591	361,018
NJ Environmental Protection Loan	11/08/07	1,100,000	08/01/15-16	50,000	5.00%	890,000	45,000	845,000
			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 YEAR ENDED DECEMBER 31, 2014**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2013	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2014
			DECEMBER 31, 2014	AMOUNT				
NJ Environmental Protection Loan	11/08/07	1,106,200	(1)	(1)	NIL	794,791	55,604	739,187
NJ Environmental Protection Loan	11/06/08	3,141,145	(1)	(1)	NIL	2,415,475	161,515	2,253,960
NJ Environmental Protection Loan	11/06/08	3,785,000	08/01/15	155,000	5.00%	3,255,000	150,000	3,105,000
			08/01/16	165,000	5.00%			
			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	1,511,399	94,463	1,416,936
NJ Environmental Protection Loan	11/19/09	1,965,000	08/01/15	80,000	5.00%	1,750,000	75,000	1,675,000
			08/01/16	85,000	5.00%			
			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, 2014**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	DATE	MATURITIES OF BONDS		INTEREST RATE	BALANCE DECEMBER 31, 2013	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2014
				OUTSTANDING DECEMBER 31, 2014	AMOUNT				
NJ Environmental Protection Loan	12/02/10	17,500	(1)	(1)	NIL	737,988	43,411.00	694,577	
NJ Environmental Protection Loan	12/02/10	1,585,000	08/01/15	60,000	5.00%	1,480,000	55,000.00	1,425,000	
			08/01/16-17	65,000	5.00%				
			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							\$ 17,874,131	\$ 994,761	\$ 16,879,370

(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, 2014**

Balance December 31, 2013	\$	400,028
Increased by:		
Receipts - Interest Earned on Deposits		172
		172
Balance December 31, 2014	\$	400,200

**SCHEDULE OF RESERVE FOR SEWER CONNECTION FEES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013	\$	137,000
Increased by:		
Cancellation of Accounts Payable		73,450
		73,450
Balance December 31, 2014	\$	210,450

**TOWNSHIP OF MEDFORD  
 WATER-SEWER UTILITY CAPITAL FUND  
 SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
 FOR THE YEAR ENDED DECEMBER 31, 2014**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2014 & 2013
1998-14	Construction of Various Utility Capital Improvements	\$ 42,284
2002-19	Improvements to the Wastewater Treatment Fund	50,291
2007-09	Various Utility Capital Improvements	267
2007-11	Various Infrastructure Improvements to the Sewerage Treatment Plant	800
2008-20	Improvements for Phase II of the Sewer Plant Upgrade Project	125,027
2009-12	Improvements to the Wastewater Treatment Fund	95,689
2009-20	Various Utility Capital Improvements	500
2010-16	Various Utility Capital Improvements	1,050,000
2010-21	Various Utility Capital Improvements	<u>177,500</u>
	Total	<u><u>\$ 1,542,358</u></u>

**TOWNSHIP OF MEDFORD  
WATER-SEWER UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR DEBT SERVICE  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2014 & 2013 \$ 355,488

**SCHEDULE OF CAPITAL IMPROVEMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Balance December 31, 2013 \$ 211,399  
Increased By:  
    2014 Budget Appropriation 50,000  
Balance December 31, 2014 \$ 261,399

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**TOWNSHIP OF MEDFORD  
COUNTY OF BURLINGTON**

**PART II**

**COMMENTS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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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, 2014.

**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 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 bids were requested by public advertising.

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

A test was conducted to determine that expenditures greater than \$5,400 obtained solicitation of quotes. No exceptions were noted.

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*.

Purchases were made through the State Division of Purchases and Property and were approved by resolution of the Township Council.

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.

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

### **Contracts and Agreements Requiring Solicitation of Quotations**

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$2,625 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 7, 2014 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.

**Collection of Interest on Delinquent Taxes and Assessments (continued):**

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, 2014 included real estate taxes for 2014.

The last tax sale was held on March 18, 2014 and was complete.

Inspection of 2014 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:

<b>YEAR</b>	<b>NUMBER OF LIENS</b>
2014	73
2013	72
2012	73

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.

### **Municipal Court (continued):**

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.

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 1<sup>st</sup> 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 2012 with the governing body.

### **Construction Code Office**

- (1) **Indirect Costs** – Indirect costs are not allocated to the Construction Code Budget Appropriation.

### **Construction Code Office (continued):**

- (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 2014-001:**

Although the subsidiary accounting records were balanced, the general ledger for all funds was not properly maintained and as a result material audit adjustments were needed in order to achieve proper presentation in the financial statements.

**Recommendation:**

That the general ledger for all funds be accurately and completely maintained to ensure adequate control over the preparation of the financial statements and related footnotes.

**Management Response:**

The Township of Medford agrees with this finding, and will correct it accordingly. The Township has hired a new employee to accurately complete and maintain its general ledger going forward.

**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, 2014:

<b>NAME</b>	<b>POSITION</b>	<b>AMOUNT OF BOND</b>	
Christopher Buoni	Mayor		
Charles Watson	Deputy Mayor		
James Pace	Councilman		
Jeffrey Beenstock	Councilman		
Frank Czekay	Councilman		
Katherine Burger	Chief Financial Officer/ Township Clerk/Treasurer/ 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)
Theodora Palmer	Court Administrator	\$1,000,000	(A)
Stacy McBride	Deputy Court Administrator	\$1,000,000	(A)
Chris Norman	Solicitor		
Dante Guzzi Engineering	Engineer		
Paul C. Dougherty	Prosecutor		
James Fattorini	Public Defender		

(A) Covered under the Blanket Bond Coverage through the Burlington County Municipal Joint Insurance Fund for \$1,000,000.00.



## **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

Medford, New Jersey  
June 25, 2015