

**TOWNSHIP OF EWING
COUNTY OF MERCER,
STATE OF NEW JERSEY**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL DATA**

December 31, 2015

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

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COUNTY OF MERCER, STATE OF NEW JERSEY**

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INTRODUCTORY SECTION

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

INTRODUCTORY SECTION - UNAUDITED

DECEMBER 31, 2015

The Comprehensive Annual Financial Report ("CAFR") for the Township of Ewing, County of Mercer, State of New Jersey (the "Township") for the year ended December 31, 2015, is submitted herewith and includes financial statements and supplemental schedules.

New Jersey statutes require that the Township issue a report on its financial position and activity annually and that the report be audited by an Independent Registered Municipal Accountant. We believe that this report is accurate in all material respects; that it is presented in a manner designed to set forth fairly the financial position and the results of operations of the Township as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain maximum understanding of the Township's financial affairs have been included.

The CAFR is presented in four sections: introductory, financial, supplemental schedules and supplementary information.

The introductory section contains this brief description of the municipal and government operations, and a list of elected and public officials. The financial section includes the annual financial statements and individual fund financial schedules, as well as the independent auditors' report. The statistical section includes selected financial information designed to give the reader a sense of the financial makeup of the Township. Responsibility for completeness and clarity of the CAFR, including disclosures, rests with the Chief Financial Officer and ultimately with the Mayor and Township Council.

Mercadien, P.C., Certified Public Accountants, of Hamilton, New Jersey, has audited the financial statements. The auditors are independent registered municipal accountants whose opinion is expressed in the financial section. The auditors' opinion is unmodified and states that the financial statements are presented in conformity with the basis of accounting as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

GENERAL DESCRIPTION

The Township is a community of 15.5 square miles located in Mercer County, New Jersey. Hopewell Township borders to the north, Lawrence Township borders to the east, and the state capital, the City of Trenton, borders it on the south.

The Township was formed on February 22, 1834, coincident with the founding of Mercer County. Ewing Township was named in honor of Charles Ewing, late Chief Justice of New Jersey.

The Township is a predominantly a residential community. It is home to many State of New Jersey offices, the nationally recognized College of New Jersey, businesses, industries, Township-owned park land and two golf courses. Philadelphia and New York City provide cultural and economic centers that are easily accessible via the interstate and a commuter rail station located within the Township's borders. Air travel is available at the Trenton Mercer Airport at Ewing, also located within the Township's borders. We are also home to a SEPTA train station, with service to Philadelphia.

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

INTRODUCTORY SECTION - UNAUDITED

DECEMBER 31, 2015

GENERAL DESCRIPTION (CONTINUED)

For total assessed value in Ewing, 26% (government, church and school) is exempt, 53% is assessed as residential, 20% is commercial/industrial/apartments; and 1% is vacant.

The Township has long been known for its family-owned commercial establishments. These include restaurants, service stations, grocery stores, banks and specialty retail food shops.

GOVERNMENTAL STRUCTURE

The Township is governed by the mayor-council form of government authorized under Plan E of the Faulkner Act of 1950. This form of government was enacted on January 1, 1995, and provides for the direct election of the mayor and council, thus providing for the separation of legislative and administrative functions.

The mayor is elected on a partisan basis to serve a four-year term. The council is comprised of five part-time members elected on a partisan basis and serving the Township for four-year terms. Elections are held every two years, resulting in terms of office that overlaps. The mayor participates in council meetings, but is not a voting member of the elected body.

The business administrator is the chief executive and administrator of the Township and is responsible for the day-to-day operations of the government. The business administrator serves at the pleasure of the mayor.

SERVICES

Education

The Ewing Township School District serves the Township, which is coterminous with the district. In addition to the public schools within the district, the Katzenbach School for the Deaf is located in the Township. There are two charter schools located on the Ewing border in the City of Trenton. Higher educational opportunities are available at The College of New Jersey, located in the Township. Rider University, Princeton University and Rutgers University are located within a short distance.

Municipal Clerk

The Township Council appoints the municipal clerk, who is responsible for keeping the minutes and records of the proceedings of the council. The municipal clerk is statutorily responsible for all elections. The Office of the Clerk issues a variety of permits and licenses, including dog licenses and alcoholic beverage permits.

DEPARTMENT OF PUBLIC SAFETY

The Township provides public safety services through a full-time police force, a combination of paid and volunteer firefighters, and 24/7 emergency medical staff.

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

INTRODUCTORY SECTION - UNAUDITED

DECEMBER 31, 2015

DEPARTMENT OF PUBLIC SAFETY (CONTINUED)

Police

The police division consists of 77 uniformed officers. The police department responded to approximately 39,991 service calls during the year ended December 31, 2015.

Fire

The Township is serviced by three fire companies: Prospect Heights Fire Company, Pennington Road Fire Company and the West Trenton Fire Company and supported by District 30 career firefighters during business hours.

Emergency Medical Services

The Township is also served by a paid emergency medical services division, which consists of nine emergency medical technicians. The EMS division responded to 4,246 calls for service during 2015.

DEPARTMENT OF ADMINISTRATION, FINANCE AND PUBLIC WORKS

Finance, Tax Collection and Assessment

The Finance Division is responsible for the collection, disbursement and investment of all Township funds and for debt management. The Finance Division also administers the purchases of all goods and services, assists in the preparation of the municipal budget and provides for the annual audit of all Township financial records.

New Jersey Bond Law authorizes indebtedness for all local units, the amount of which is limited by statute not to exceed 3 ½ percent of the average equalized assessed valuation of the prior three years. As of the year ended December 31, 2015, Ewing Township's debt percentage was 0.743%. The Township has a debt rating of "AA" from Standard and Poor.

The Tax Collection Division is accountable for the billing and collection of property taxes and sewer charges. The Tax Assessment Division is responsible for the valuation of property and for defending the Township's position with respect to tax appeals filed.

In the year ended 2015, the Tax Assessor and Tax Collector were responsible for assessing and collecting revenue from approximately 11,816 properties.

Public Works

The labor force of the Division of Public Works consists of separate road, recreation, maintenance and building crews. Ewing Township contracts with a private collector for trash collection.

During the year ended December 31, 2015, the road crew patched miles of local Township roads. The recreation maintenance crew services the numerous parks and facilities located throughout the Township. The building and grounds crew maintains the municipal complex and constructs and repairs municipal buildings and facilities.

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

INTRODUCTORY SECTION - UNAUDITED

DECEMBER 31, 2015

DEPARTMENT OF COMMUNITY SERVICES

Health

The Division of Health enforces the state and local health codes. This division is responsible for inspecting retail food establishments and environmental health inspections. Ewing Township maintains a shared service with Mercer County for the function of health officer. As a service to the Township residents, the health staff offers cholesterol and blood pressure screenings, health education, child and adult health services, flu vaccines and communicable disease control. During the year ended December 31, 2015, the Division of Health conducted approximately 581 inspections and administered more than 1,362 immunizations for infants, children and adults.

Employees of the Division of Health staff the Ewing Animal Shelter. This facility is operated in conjunction with a local non-profit group and is dedicated to the care and well-being of the animal population in the Township. Adoption and drop-off services are provided.

Recreation

The Division of Recreation is responsible for the planning and coordination of sporting and other recreational activities for all age groups within the Township. The fees collected for the various activities support the operations of this division. A recreation advisory board comprised of Township residents assists and advises the programs administered by the Division of Recreation. During the year ended December 31, 2015, the Division of Recreation handled over 2,500 participant registrations.

Senior Citizens'/Community Center

The Ewing and Hollowbrook Community Centers are full-service centers offering daycare and recreational activities for both children and adults, as well as for the senior population of the community. During the summer, the pools accommodate neighborhood residents, as well as camps. The County of Mercer has a nutrition center, a daycare facility and a satellite branch of the Mercer County Library on site at Hollowbrook Community Center.

DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

Planning and Zoning

The Township is continuing to grow and develop as guided by its Master Plan that was fully revised in 2006. The Township Planning Board approved a re-examination of the Master Plan in February 2015.

The current focus in the area of economic development consist of the former General Motors, and the Naval Air Propulsion Center sites. This area consists of roughly 115 acres adjacent to the West Trenton Train Station and Trenton-Mercer County Airport at Ewing ("TTN"). The redevelopment plan for these sites and subsequent development proposals call for mixed-use development consisting of housing and roughly 400,000 square foot of commercial space. A spin off of this development activity has also attracted the possibility of expansion of strip shopping centers, known as Birmingham Plaza and Marazzo's supermarket, both located on Parkway Avenue, directly across from the General Motors site. Other new development in the West Trenton section of the Township, either approved or nearing approval by various boards, are Riverlinks, a residential age-restricted townhouse complex located off Bear Tavern Road and Scenic Drive, and American Properties "Bear Tavern Greene" residential properties, all inclusive of affordable housing.

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

INTRODUCTORY SECTION - UNAUDITED

DECEMBER 31, 2015

DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT (CONTINUED)

Groundbreaking of the former Atchley tract occurred in August 2006 and has progressed steadily to include the current corporate headquarters of Computer Associates, Church and Dwight, FMC N.A., and the Township's third hotel, Springhill Suites by Marriott. There is a fourth hotel approaching the application process as well.

Redevelopment of Olden Avenue continues to progress with sites being redeveloped along the corridor, either approved or nearing approval, such as; SONIC restaurant, Capital Grill, and MedExpress. Other exciting potential exists with the potential synergy between several development proposals coming forward simultaneously in and around the Boehme Porcelain factory, including a mix of housing and job opportunities.

Construction

The Division of Construction is responsible for enforcement of building codes, as regulated by the State of New Jersey's Uniform Construction Code. We have issued 3,801 combined permits (building 1,023, fire 470, plumbing 1,093, electric 1,211 and elevator 4).

Fire Prevention

The Division of Fire Prevention is responsible for the enforcement of the fire safety codes, as adopted by The State of New Jersey, Division of Fire Safety, for existing buildings. By ordinance for council's adoption, all commercial establishments are inspected at least once per year, and certain establishments capable of posing life hazards are inspected four times per year. The division is currently inspecting all restaurants four times per year to prevent problems with grease accumulation on hoods and grills and blocked or locked exits. At the request of the State Division of Fire Safety, off-hour inspections for fire violations were conducted for all restaurants, nightclubs and taverns. We have conducted 1,750 fire-prevention inspections. With the prospective passing of the ordinance requiring all commercial buildings to be re-inspected, our workload has increased, as we now inspect all non-life hazard buildings, nursing homes and daycare centers four times a year.

Housing

The Division of Housing is responsible for inspections of all buildings being resold and all commercial properties experiencing tenant turnover.

We conducted over 725 property maintenance inspections for rental properties during the year ended December 31, 2015. For the year ended December 31, 2015, there were 812 resale properties in the Township. In addition, there were 512 property maintenance complaints, 8 zoning complaints, 338 grass violations, and 114 Vacant Property registrations.

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

INTRODUCTORY SECTION - UNAUDITED

DECEMBER 31, 2015

DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT (CONTINUED)

Economic Condition and Outlook

Capitalizing on the continued growth in the office, retail and commercial marketplace, the Township is coordinating the future development of the three large tracts of land within its boundaries to create a synergistic approach that is designed to lead forward the creation of a Town Center.

The General Motors plant has been transferred to the Racer Trust, a court-mandated Trust designed to get the property back to productive use for the General Motors Corporation. Construction is set to begin in 2016 on a mixed-use town center, to include multi-family housing above retail along Parkway Avenue.

Across the street, the Naval Air Propulsion Center is primed for development as well, with 306,000 square foot of retail.

Along Parkway Avenue investment in economic development is growing with a WaWa coming to the corner of Scotch Road and Silvia Street. Other property owners and developers are exploring their redevelopment potential to build on the town center development.

Overall, the economic outlook for the Township is a favorable one. The commercial growth in our business parks, along with the quick turnover of real property sales, has established the Township as a viable asset to Mercer County, along the I95 corridor. The next 3-5 years will be critical from a development and tax stabilization perspective, as the Township attempts to regain what it lost to surrounding communities in the last two decades.

James P. McManimon
Business Administrator

Joanna Mustafa
Chief Financial Officer

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

INTRODUCTORY SECTION - UNAUDITED

DECEMBER 31, 2015

TOWNSHIP OF EWING

ELECTED OFFICIALS

Bert H. Steinmann – Mayor
Jennifer Keyes-Maloney – Council President
David Schroth – Council Vice President
Kevin Baxter – Council Person
Sarah Steward – Council Person
Kathy Wollert – Council Person

MUNICIPAL OFFICIALS

James P. McManimon – Business Administrator
Joanna Mustafa – Chief Financial Officer/Assistant Business Administrator
Theodore Forst – Director of Community Services
John P. Stemler III – Chief of Police
Roger Haley – Municipal Court Judge
Maryann Convenio – Court Administrator
Sharon McNellis-Kissel – Health Officer
Thomas Hespe – Tax Collector
Jeff Burd – Tax Assessor
James Scott – Construction Official

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

INTRODUCTORY SECTION - UNAUDITED

DECEMBER 31, 2015

CONSULTANTS AND ADVISORS

AUDITORS

Mercadien, P.C., Certified Public Accountants
3625 Quakerbridge Road
Hamilton, NJ 08619

ATTORNEYS

Maeve Cannon, Stevens & Lee
Princeton Pike Corporate Center
100 Lenox Drive, Suite 200
Lawrenceville, NJ 08648

BOND COUNSEL

McManimon & Scotland, LLC
Attorneys at Law
1037 Raymond Boulevard
Suite 400
Newark, NJ 07012

CONSULTING ENGINEER/PLANNER

Robert Mannix, Remington, Vernick and Arango

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor
and Council Members of
the Township of Ewing,
County of Mercer, State of New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements – regulatory basis of the various funds of the Township of Ewing, County of Mercer, State of New Jersey (the “Township”), which includes the combined statement of assets, liabilities, reserves and fund balance of all fund types and account group, as of December 31, 2015 and the related statement of revenues, expenditures and changes in fund balance – budget to actual of current fund and combined statement of revenues, expenditures, and changes in fund balance of current and sewer operating funds, for the year then ended, and the related notes to financial statements, which collectively comprise the Township’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and 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 auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no

• AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

• NEW JERSEY SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

• NEW YORK SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

• PENNSYLVANIA INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

• REGISTERED WITH THE PCAOB

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibility (Continued)

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

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

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund and account group of the Township as of December 31, 2015, or the results of its operations and changes in financial position for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined statement of assets, liabilities, reserves and fund balance of various funds and account group, as of December 31, 2015, and their respective statement of revenues, expenditures and the changes in fund balances for the year then ended in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note A.

Report on Summarized Comparative Information

We have previously audited the Township's 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 16, 2015, in accordance with the financial reporting provisions described in Note A. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary and Other Information

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Report on Supplementary and Other Information (Continued)

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

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



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

MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

June 20, 2016

BASIC FINANCIAL STATEMENTS – REGULATORY BASIS

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE – ALL FUND TYPES AND ACCOUNT GROUP
December 31, 2015
(With Comparative Totals for 2014)

	Current & Grant Funds	General Capital Fund	Trust Funds	Sewer Operating Fund	Fixed Asset Account Group	Totals	
						12/31/2015	12/31/2014
ASSETS							
Cash	\$ 8,081,793.85	\$ 8,039,374.14	\$ 3,232,582.98	\$ 260,026.07	\$ -	\$ 19,613,777.04	\$ 12,670,882.66
Intergovernmental Receivable	35,572.82	17,500.00	-	-	-	53,072.82	35,572.82
Federal and State Grants Receivable	1,009,703.60	-	-	-	-	1,009,703.60	878,846.70
Other Receivables and Other Assets							
Delinquent Property Taxes	23,610.29	-	-	-	-	23,610.29	20,133.36
Delinquent Sewer Fees	-	-	-	4,696.08	-	4,696.08	59,428.80
Tax and Sewer Liens Receivable	473,467.27	-	-	531.07	-	473,998.34	403,170.78
Property Acquired for Taxes	1,434,500.00	-	-	-	-	1,434,500.00	1,434,500.00
Interfunds Receivable	144,144.75	-	139,366.05	-	-	283,510.80	228,823.98
Deferred Charges	1,223,378.82	21,328,493.73	-	-	-	22,551,872.55	20,124,188.26
Fixed Assets	-	-	-	-	41,532,004.51	41,532,004.51	40,048,302.51
	<u>\$ 12,426,171.40</u>	<u>\$ 29,385,367.87</u>	<u>\$ 3,371,949.03</u>	<u>\$ 265,253.22</u>	<u>\$ 41,532,004.51</u>	<u>\$ 86,980,746.03</u>	<u>\$ 75,903,849.87</u>

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE – ALL FUND TYPES AND ACCOUNT GROUP (CONTINUED)
December 31, 2015
(With Comparative Totals for 2014)

	Current & Grant Funds	General Capital Fund	Trust Funds	Sewer Operating Fund	Fixed Asset Account Group	Totals	
						12/31/2015	12/31/2014
LIABILITIES, RESERVES AND FUND BALANCE							
Appropriation Reserves	\$ 1,907,895.48	\$ -	\$ -	\$ 572.80	\$ -	\$ 1,908,468.28	\$ 1,592,529.45
Federal, State and Other Grants							
Appropriated Reserves	1,085,795.54	-	-	-	-	1,085,795.54	769,653.79
Unappropriated Reserves	10,231.10	-	-	-	-	10,231.10	42,618.18
Other Liabilities and Reserves	2,045,096.68	4,347,755.42	3,239,125.18	15,050.58	-	9,647,027.86	4,675,592.13
Improvements Authorizations	-	3,366,384.29	-	-	-	3,366,384.29	5,700,520.49
Due to State of New Jersey	1,935.00	-	2,151.00	-	-	4,086.00	3,968.80
Interfund Payable	109,098.25	-	130,672.85	43,739.70	-	283,510.80	228,823.98
County Tax Payable	17,566.57	-	-	-	-	17,566.57	32,171.93
Serial Bonds	-	7,499,000.00	-	-	-	7,499,000.00	9,674,000.00
Bond Anticipation Notes	-	12,435,062.00	-	-	-	12,435,062.00	3,966,000.00
Green Trust Loan Payable	-	161,173.99	-	-	-	161,173.99	188,629.61
NJ Environmental Infrastructure Trust Loan Payable	-	1,061,795.58	-	-	-	1,061,795.58	1,311,206.58
MCIA Lease Payable	-	171,462.16	-	-	-	171,462.16	336,842.74
Reserve for Receivables and Other Assets	2,075,722.31	-	-	5,227.15	-	2,080,949.46	2,142,931.33
Investment in General Fixed Assets	-	-	-	-	41,532,004.51	41,532,004.51	40,048,302.51
Capital Improvement Fund	-	106,220.15	-	-	-	106,220.15	74,960.15
Fund Balance	5,172,830.47	236,514.28	-	200,662.99	-	5,610,007.74	5,115,098.20
	<u>\$ 12,426,171.40</u>	<u>\$ 29,385,367.87</u>	<u>\$ 3,371,949.03</u>	<u>\$ 265,253.22</u>	<u>\$ 41,532,004.51</u>	<u>\$ 86,980,746.03</u>	<u>\$ 75,903,849.87</u>

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET TO ACTUAL – CURRENT FUND**

Year Ended December 31, 2015

	<u>Budget as Modified</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Fund Balance Anticipated	\$ 2,400,000.00	\$ 2,400,000.00	\$ -
Miscellaneous Revenues	1,385,000.00	1,423,569.06	38,569.06
State Aid without Offsetting Appropriations	9,766,271.00	9,766,271.00	-
Special Items with Offsetting Appropriations	883,177.42	883,177.42	-
Special Items with Consent of the Director	3,649,800.00	3,895,174.32	245,374.32
Receipts from Delinquent Taxes	66,000.00	105,661.76	39,661.76
Amount to Be Raised by Taxes for Support of Municipal Budget	25,593,110.81	25,541,783.68	(51,327.13)
Total Budget Revenues	43,743,359.23	44,015,637.24	272,278.01
Other Credits to Income	-	79,943,455.18	79,943,455.18
Total Revenues	43,743,359.23	123,959,092.42	80,215,733.19
EXPENDITURES			
Budget and Emergency Appropriations			
Appropriations within "CAPS" Operations			
Salaries and Wages	18,038,157.00	18,038,157.00	-
Other Expenses	16,350,344.08	16,350,344.08	-
Deferred Charges and Statutory Expenditures - Municipal			
Expenditures - Municipal within "CAPS"	4,560,128.51	4,560,128.51	-
Appropriations Excluded from "CAPS"			
Operations			
Other Expenses	2,183,274.42	2,183,274.42	-
Capital Improvements	250,000.00	250,000.00	-
Municipal Debt Service	3,034,728.31	3,014,719.91	20,008.40
Reserve for Uncollected Taxes	198,726.91	198,726.91	-
Deferred Charges - Municipal Excluded from "CAPS"	128,000.00	128,000.00	-
Total Budget Expenditures	44,743,359.23	44,723,350.83	20,008.40
Other Expenses and Charges to Income			
Interfunds Advanced		144,144.75	(144,144.75)
Other Expenses		77,231,486.98	(77,231,486.98)
Adjustment to Surplus before Fund Balance			
Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Years	1,000,000.00	1,000,000.00	-
Total Expenditures	43,743,359.23	121,098,982.56	(77,355,623.33)
Excess of Revenues over Expenditures	<u>\$ -</u>	<u>2,860,109.86</u>	<u>\$ 2,860,109.86</u>
Fund Balance January 1, 2015		<u>4,712,720.61</u>	
		7,572,830.47	
Decreased by: Utilization in 2015 Budget		<u>2,400,000.00</u>	
Fund Balance December 31, 2015		<u>\$ 5,172,830.47</u>	

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
CURRENT AND SEWER OPERATING FUNDS
Year Ended December 31, 2015**

	Current	Sewer
REVENUES		
Fund Balance Anticipated	\$ 2,400,000.00	\$ 200,000.00
Miscellaneous Revenues	1,423,569.06	-
State Aid without Offsetting Appropriations	9,766,271.00	-
Special Items with Offsetting Appropriations	883,177.42	-
Special Items with Consent of the Director	3,895,174.32	-
Receipts from Delinquent Taxes	105,661.76	-
Sewer Charges	-	8,544,508.94
Amount to Be Raised by Taxes for Support of Municipal Budget	<u>25,541,783.68</u>	<u>-</u>
Total Budget Revenues	44,015,637.24	8,744,508.94
Other Credits to Income	<u>79,943,455.18</u>	<u>87,098.95</u>
Total Revenues	<u>123,959,092.42</u>	<u>8,831,607.89</u>
EXPENDITURES		
Budget and Emergency Appropriations		
Appropriations within "CAPS" Operations		
Salaries and Wages	18,038,157.00	48,000.00
Other Expenses	16,350,344.08	5,000.00
Deferred Charges and Statutory Expenditures - Municipal Expenditures - Municipal within "CAPS"	4,560,128.51	-
Appropriations Excluded From "CAPS" Operations		
Other Expenses	2,183,274.42	-
Capital Improvements	250,000.00	-
Municipal Debt Service	3,014,719.91	-
Reserve for Uncollected Taxes	198,726.91	-
Deferred Charges - Municipal Excluded from "CAPS"	128,000.00	-
ELSA Charges	-	8,564,000.00
Deficit in Prior Year Operations	-	22,273.19
Total Budget Expenditures	<u>44,723,350.83</u>	<u>8,639,273.19</u>
Other Expenses and Charges to Income	<u>77,375,631.73</u>	<u>-</u>
Total Expenditures	<u>122,098,982.56</u>	<u>8,639,273.19</u>
Excess of Revenues over Expenditures	1,860,109.86	192,334.70
Adjustment to Surplus before Fund Balance		
Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Years	<u>1,000,000.00</u>	<u>-</u>
Statutory Excess to Fund Balance	2,860,109.86	192,334.70
Fund Balance January 1, 2015	<u>4,712,720.61</u>	<u>208,328.29</u>
	7,572,830.47	400,662.99
Decreased by		
Utilization in 2015 Budget	<u>2,400,000.00</u>	<u>200,000.00</u>
Fund Balance December 31, 2015	<u>\$ 5,172,830.47</u>	<u>\$ 200,662.99</u>

NOTES TO FINANCIAL STATEMENTS

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The financial statements of the Township of Ewing (the "Township") include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by N.J.S. 40A:5-5. However, the operations of the Municipal Library, Board of Education, first aid organizations, and volunteer fire companies or fire districts are not included in the Township's financial statements.

Description of Funds

The accounting policies of the Township conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgeting restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through the following separate governmental funds:

Current and Grant Funds – The Current and Grant Funds are used for resources and expenditures for governmental operations of a general nature, including federal and state grant funds, except as otherwise noted.

Trust Funds – The Other Trust Funds are used for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created, pursuant to the provisions of N.J.S.A. 40A:4-39.

General Capital Fund – The General Capital Fund is used for the receipt and disbursement of funds for acquisition of general capital facilities, including federal and state grants in aid of construction, other than those acquired in the Current Fund, including the status of bonds and notes authorized for said purposes.

Sewer Operating Fund – Receipt of sewer fees and disbursement of funds for the operations of Ewing Lawrence Sewerage Authority.

Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units.

The Governmental Accounting Standards Board ("GASB") is the accepted standards-setting body for establishing government accounting and financial reporting principles. GASB's Codification of Governmental Accounting and Financial Reporting Standards recognizes three fund categories and two account groups as appropriate for the accounting and reporting of the financial position and results of operations in accordance with GAAP. This structure of funds and account groups differs from the organization of funds prescribed under the regulatory basis of accounting utilized by the Township. The resultant presentation of financial position and results of operations in the form of financial statements is not intended to present the general-purpose financial statement required by GAAP.

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

A modified accrual basis of accounting is followed with minor exceptions. Modifications from the accrual basis are as follows:

- Revenues are recorded when received in cash, except for certain amounts that are due from other governmental units. Receipts from federal and state grants are realized as revenue when anticipated in the Township budget. Receivables for property taxes are recorded with offsetting reserves on the combined 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 which are due to the Township are also recorded as receivables with offsetting reserves and are recorded as revenue when received.
- Reserve for Uncollected Taxes represents an appropriation made to allow total current tax billings to be levied at an amount greater than the appropriations needed. Reserve for Uncollected Taxes is not recognized under GAAP.
- Cash equivalents are carried at cost. Purchases are limited by New Jersey Statute 40A:5-15.1 to bonds or obligations of the federal government guaranteed by said government and bonds or other obligations of federal or local units having a maturity date no more than 397 days from the date of purchase.
- Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at the end of each year and are recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis, and interest on general capital indebtedness is on the cash basis. Expenditures for compensated absences are recorded in the accounting period in which the payments are made to the dedicated trust fund established for this purpose.
- Pension expenses are recorded on a cash basis as billed by the State of New Jersey. Thus, net pension liability and related deferred inflows and outflows are not recorded on the statement of assets, liabilities, reserves and fund balance.

Foreclosed Property – Foreclosed property is recorded in the Current Fund at the assessed valuation at the time such property was acquired. The balance of foreclosed property is fully reserved.

Interfund Receivables and Payables - Interfund receivables in the Current Fund are recorded with offsetting reserves; interfund payables are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in other funds are not offset by reserves.

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

Inventories of Supplies - The cost of inventories of supplies for all funds is recorded as an expenditure at the time individual items are purchased. The cost of inventories is not included in the current fund statement of assets, liabilities, reserves and fund balance.

General Fixed Assets – In accordance with New Jersey Administrative Code 5:305-6, Accounting for Government Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from GAAP, the Township is required to have and maintain a fixed asset and reporting system for non-expendable personal property with an acquisition cost of \$5,000 or more per unit and a useful life of more than one year.

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

For the classification of land, buildings and other improvements, actual cost was used. With respect to machinery and equipment, actual cost was used whenever possible. However, a significant number of items were valued at their estimated or replacement costs, since the original costs were not available. No depreciation is provided for in the financial statements.

Expenditures for construction in progress are recorded in the General Capital Fund until such time as the construction is completed and the related asset is placed in operation.

Fixed assets acquired through grants in aid or contributed capital has not been accounted for separately.

It is the policy of the Township not to capitalize interest cost on fixed assets constructed.

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

Total Columns – Memorandum Only

Total columns are captioned “memorandum only” to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with accounting principles generally accepted in the United States of America, nor are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

B. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents includes amounts on deposit, petty cash, change funds and short-term investments with original maturities of 397 days or less.

Deposits were with contracted depository banks in interest-bearing accounts that were insured under the New Jersey Governmental Unit Deposit Protection Act ("NJGUDPA"). All such deposits are held in the Township's name.

NJGUDPA permits the deposit of public funds in the State of New Jersey Cash Management Fund or in institutions located in New Jersey that are insured by the Federal Deposit Insurance Corporation ("FDIC") or by any other agencies of the United States that insure deposits. NJGUDPA requires public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

- Each depository participating in the GUDPA system must pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million. The minimum 5% pledge applies to institutions that are categorized as "well capitalized" by federal banking standards. The percentage of the required pledge will increase for institutions that are less than "well capitalized."
- No collateral is required for amounts covered by FDIC or National Credit Union Share Insurance Fund ("NCUSIF") insurance. The collateral which may be pledged to support these deposits includes obligations of state and federal governments, insured securities and other collateral approved by the Department of Banking and Insurance. When the capital position of the depository deteriorates or the depository takes an unusually large amount of public deposits, the Department of Banking and Insurance requires additional collateral to be pledged.
- If a governmental depository fails and the FDIC or NCUSIF insurance does not insure or pay out the full amount of public deposits, the collateral pledged to protect these funds would first be liquidated and paid out. If this amount is insufficient, other institutions holding public funds would be assessed pro rata up to 4% of their uninsured public funds. Although these protections do not constitute a 100% guarantee of the safety of all funds, no governmental unit under GUDPA has ever lost protected deposits.

As of December 31, 2015, the Township's bank balances were exposed to risk as follows:

Insured and Collateralized	\$ 250,000.00
Uninsured and Collateralized	<u>21,745,888.00</u>
Total	<u><u>\$21,995,888.00</u></u>

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

B. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Township's deposits may not be returned or the Township will not be able to recover collateral securities in the possession of an outside party. The Township policy requires deposits to be secured by collateral valued at market or par, whichever is lower, less the amount covered by the FDIC. The Township Council approves and designates the authorized depository institution based on an evaluation of solicited responses and certifications provided by financial institutions.

Concentration of Credit Risk – This is the risk associated with the amount of investments the Township has with any one issuer that exceeds five percent or more of its total investments. Investments issued or explicitly guaranteed by the U.S. government and the New Jersey Cash Management Fund are excluded from this requirement. None of the investments held by the Township are exposed to concentration of credit risk.

Credit Risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. In general, the Township does not have an investment policy regarding Credit Risk, however, the Township had no investments that were subject to credit risks as of December 31, 2015.

Interest Rate Risk – This is the risk that changes in interest rates will adversely affect the fair value of an investment. The Township does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from interest rate fluctuations. However, its practice is to hold investments to maturity.

C. LONG-TERM DEBT

Summary of Municipal Debt

	December 31,		
	2015	2014	2013
General - Bonds and Notes			
Bond anticipation notes due August 15, 2014, at an interest rate of 1.25% per annum	\$ -	\$ -	\$ 2,280,000.00
Bond anticipation notes due August 15, 2015, at an interest rate of 0.85% per annum	12,435,062.00	3,966,000.00	-
General obligation bonds, due September 1, 2016, at an interest rate of 4.00% per annum	1,750,000.00	3,250,000.00	4,750,000.00
General Improvement Bonds, due March 15, 2022, at interest rates ranging from 2.00% to 3.00% per annum	5,749,000.00	6,424,000.00	7,049,000.00
Green Trust Loans			
Municipal Complex Park Development - due April 20, 2014, at an interest rate of 2.0% per annum	-	-	14,846.62
Moody Park/Fasolino Field - due September 25, 2021, at an interest rate of 2.0% per annum	161,173.99	188,629.61	215,543.99
New Jersey Environmental Infrastructure Trust Loan - due August 1, 2019, at an interest rate of 2.0% per annum	1,061,795.58	1,311,206.58	1,548,813.58
Total Issued	21,157,031.57	15,139,836.19	15,858,204.19
General Bonds and Notes Authorized but not Issued	-	4,313,000.00	-
Net Bonds and Notes Issued and Authorized but not Issued	<u>\$ 21,157,031.57</u>	<u>\$ 19,452,836.19</u>	<u>\$ 15,858,204.19</u>

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

C. LONG-TERM DEBT (CONTINUED)

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicates a statutory net debt of 0.743%:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$12,750,000.00	\$12,750,000.00	\$ -
Other Bonds and Notes	21,157,031.57	-	21,157,031.57
	<u>\$33,907,031.57</u>	<u>\$12,750,000.00</u>	<u>\$21,157,031.57</u>

Summary of Statutory Debt Condition - Annual Debt Statement

Borrowing power under N.J.S.A. 40A:2-6 as amended

3-1/2% of equalized valuation basis (municipal)	\$ 99,605,873.99
Net debt	<u>21,157,031.57</u>
Remaining borrowing power	<u>\$ 78,448,842.42</u>

Net debt of \$21,157,031.57 divided by average equalized valuation basis per N.J.S.A. 40A:2-2 of \$2,845,882,114 equals 0.743%. A revised annual debt statement should be filed by the Chief Financial Officer.

The following is a schedule of annual debt service for principal and interest on general bonded debt, Green Trust Loans, and the NJ Environmental Infrastructure Trust Loan issued and outstanding to maturity:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 2,530,708.48	\$ 241,055.00	\$ 2,771,763.48
2017	1,142,553.42	150,156.00	1,292,709.42
2018	1,150,180.69	119,220.00	1,269,400.69
2019	1,153,806.31	93,720.00	1,247,526.31
2020	930,328.08	67,470.00	997,798.08
2021-2022	<u>1,814,392.59</u>	<u>53,954.77</u>	<u>1,868,347.36</u>
	<u>\$ 8,721,969.57</u>	<u>\$ 725,575.77</u>	<u>\$ 9,447,545.34</u>

Green Trust Program Loans - The Township has contracted with the State of New Jersey, Department of Environmental Protection for Green Trust Program Loans to fund a portion of the costs incurred in the construction of Banchoff Park, Municipal Complex projects and Moody Park/Fasolino Field.

New Jersey Environmental Infrastructure Trust Loan – The Township has contracted with the State of New Jersey, Department of Transportation to fund a portion of the costs incurred in the reconstruction of various roads and the stabilization of Shabakunk Creek.

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. BOND ANTICIPATION NOTES

The Township issues bond anticipation notes to temporarily finance various capital projects prior to the issuance of serial bonds. The terms of the notes cannot exceed one year, but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid not later than the tenth anniversary of the original note. The State of New Jersey also prescribes that, on or before the third anniversary of the date of the original note, a payment of at least equal to the first legally payable installment of the bonds, in anticipation of which such notes were issued, be paid or retired. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary of the date of the original issue. At December 31, 2015, the Township had bond anticipation notes totaling \$12,435,062.00.

E. BALANCE APPROPRIATED - CURRENT FUND

Current fund balances were appropriated and included as anticipated revenue in the succeeding years' budgets for the past five years as follows:

<u>Year Ended</u>	<u>Balance</u>	<u>Utilized in Budget of Succeeding Year</u>
December 31, 2015	\$ 5,172,830.47	\$ 2,064,943.09
December 31, 2014	4,712,720.61	2,400,000.00
December 31, 2013	6,366,993.59	2,974,530.85
December 31, 2012	6,656,619.74	2,599,839.90
December 31, 2011	5,932,078.27	1,757,867.63

General capital fund balances were appropriated and included as anticipated in the succeeding years' Current Fund Budgets as follows:

<u>Year Ended</u>	<u>Balance</u>	<u>Utilized in Budget of Succeeding Year</u>
December 31, 2015	\$ 236,514.28	\$ -
December 31, 2014	194,049.30	-
December 31, 2013	183,658.38	-
December 31, 2012	120,291.69	-
December 31, 2011	65,802.90	-

Sewer operating fund balances were appropriated and included as anticipated in the succeeding years' sewer operating fund budgets as follows:

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

<u>Year Ended</u>	<u>Balance</u>	<u>Utilized in Budget of Succeeding Year</u>
December 31, 2015	\$ 200,662.99	\$ 200,000.00
December 31, 2014	208,328.29	200,000.00
December 31, 2013	552,601.48	322,000.00
December 31, 2012	548,683.72	174,568.45
December 31, 2011	67,390.14	67,000.00

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

F. PROPERTY TAXES & SEWER USAGE CHARGES

Assessment of Tax

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

Collection of Tax

Taxes become a lien on property as of January 1. The tax bills are prepared and mailed by the Collector of Taxes of the Township semi-annually in January and July. The January tax bill, which is payable in equal installments on February 1 and May 1, is an estimated bill based on amounts due to the various taxing districts during the first six months of the calendar year. The municipal portion of the tax is based on the municipal rate for the current fiscal year.

The July tax bill, which is due in equal installments on August 1 and November 1, represents the actual total tax for the year less the amount billed in January. A complete breakdown of the tax levy for each taxing district is included on the July bill.

Taxes become delinquent if not paid on the installment dates or within the ten-day grace period and become subject to interest penalties of 8% to 18% of the amount delinquent. If taxes are delinquent on or after April 1 of the succeeding year, the delinquent amount is subject to "Tax Sale," which places a tax lien on the property, allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1 of the current tax year even though the amount due is not known.

Collection of Tax ("Collection")

Beginning in January 2001, the Township issued separate bills for sewer usage charges. Previously, such charges were included in the property tax bills. The sewer usage charges are based on the water consumption for the previous year as reported to the Township by the City of Trenton and are due on April 1 and October 1.

G. SCHOOL AND COUNTY TAXES

The local school district tax levy for the year 2015 was \$57,708,743.00.

The tax levy for 2015 for county taxes was \$19,309,987.59.

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSIONS

A substantial number of the Township’s employees participate in the following defined benefit pension plans: the Public Employees’ Retirement System (“PERS”) and Police and Firemen’s Retirement System (“PFRS”), which are administered and/or regulated by the New Jersey Division of Pensions and Benefits. Both plans has a board of trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

Plan Description

PERS is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955. For additional information about PERS, please refer to Division’s Comprehensive Annual Financial Report (“CAFR”) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml

PFRS is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pension and Benefits. For additional information about PFRS, please refer to Division’s Comprehensive Annual Financial Report (CAFR) which can be found at link above.

Benefits Provided

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

The following represents the membership tiers for PERS:

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

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

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSIONS (CONTINUED)

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

The following represents the membership tiers for PFRS:

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation of each year of creditable service, as defined, up to 20 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (Tiers 1 and 2 members) and 50% (Tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving 10 years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

Contributions

The contribution requirements of PERS plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the PERS were required to contribute 5.00% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.50% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 6.5% plus an additional 1.00% phased-in over seven years. The phase-in of the additional incremental member contribution amount began July 1, 2012, and increases each subsequent July 1. The active member effective contribution rates were July 1, 2014, 6.92%, July 1, 2013, 6.78%, and July 1, 2012, 6.64%, respectively. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The contribution policy for PFRS is set by N.J.S.A 43:16A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2015, the State contributed an amount less than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSIONS (CONTINUED)

employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

The Township is billed annually for its normal contribution plus any accrued liability. Contribution to PERS from the Township was \$1,169,736 for the year ended June 30, 2015. Contribution to PFRS from the Township was \$2,427,477 for the year ended June 30, 2015.

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

At June 30, 2015, the Township had a liability of \$23,996,456 for its proportionate share of the net pension liability in PERS and \$41,950,971 for its proportionate share of the net pension liability in PFRS. The net pension liability was measured as of June 30, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members of the plan, actuarial determined. At June 30, 2015 the Township's proportion was .1068979879%, which was an increase of .006 from its proportion measured as of June 30, 2014 for PERS and .2518592452%, which was a decrease of .021 from its proportion measured as of June 30, 2014 for PFRS.

	PERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 572,471.00	\$ -	\$ -	\$ 361,841.00
Changes in assumptions	2,577,028.00		7,745,191.00	730,120.00
Net difference between projected and actual investment earnings on pension plan investments		385,817.00	-	
Changes in proportion	1,353,784.00	-	-	2,492,677.00
Township contributions subsequent to the measurement date	1,257,656.00	-	2,340,083.00	-
	<u>\$ 5,760,939.00</u>	<u>\$ 385,817.00</u>	<u>\$ 10,085,274.00</u>	<u>\$ 3,584,638.00</u>

\$1,257,656 and \$2,340,083 for PERS and PFRS, respectively, are reported as deferred outflows of resources related to pensions resulting from Township contributions subsequent to the measurement date were recognized as a reduction of the net pension liability in the year ended June 30, 2015. Other amounts reported as deferred outflows or resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	PERS	PFRS
2016	\$ 503,129.27	\$ 1,263,569.84
2017	503,129.27	1,263,569.84
2018	503,129.28	1,263,569.83
2019	801,314.07	2,071,818.96
2020	452,980.11	790,702.68
	<u>\$ 2,763,682.01</u>	<u>\$ 6,653,231.15</u>

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSIONS (CONTINUED)

Actuarial Assumptions

The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	PERS	PFRS
Inflation	3.04%	3.04%
Salary Increases: 2012-2021 (based on age)	2.15 - 4.40%	2.60 - 9.48%
Salary Increases: Thereafter (based on age)	3.15 - 5.40%	3.60 - 10.48%
Investment rate of return	7.90%	7.90%

For PERS, mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees. The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011.

For PFRS, mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and one year using Projection Scale BB for male service retirements with adjustments for mortality improvements from the base year based on Projection Sale BB. Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected fourteen years using Projection Scale BB for female service retirements and beneficiaries with adjustments for mortality improvements from the base year of 2014 based on Projection Scale BB. The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

In accordance with State statute, the long term expected rate of return on plan investments (7.09% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pension and Benefits, the board of trustees and the actuaries.

The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's and PFRS's target asset allocation as of June 30, 2015 are summarized in the following table:

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSIONS (CONTINUED)

Actuarial Assumptions (Continued)

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

Public Employees' Retirement System ("PERS")

The discount rate used to measure the total pension liability for was 4.90% as of June 30, 2015. The single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

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

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSIONS (CONTINUED)

Schedule of Required Supplementary Information
Schedule of Township's Proportionate Share of Net Pension Liability

PERS - Last 10 Fiscal Years

	2015	2014	2013
Township's proportion of the net pension liability	0.1068979879%	0.1008439525%	0.0978679482%
Township's proportionate share of net pension liability	\$ 23,996,456.00	\$ 18,880,746.00	\$ 18,704,509.00
Township's covered-employee payroll	8,075,157.00	7,423,390.10	6,889,762.00
Township's proportionate share of net pension liability as a % of payroll	297.16%	254.34%	271.48%
Total pension liability	46,083,273.65	39,401,215.24	36,477,630.52
Plan fiduciary net position	22,086,817.48	20,520,469.25	17,773,121.07
Plan fiduciary net position as a % of total pension liability	47.93%	52.08%	48.72%

PFRS Plan - Last 10 Fiscal Years

	2015	2014	2013
Township's proportion of the net pension liability	0.2518592452%	0.2733575781%	0.2748547377%
Township's proportionate share of net pension liability	\$ 41,950,971.00	\$ 34,385,848.00	\$ 36,539,457.00
Township's covered-employee payroll	9,963,000.00	9,749,272.00	10,300,938.00
Township's proportionate share of net pension liability as a % of payroll	421.07%	352.70%	354.72%
Total pension liability	104,432,088.19	101,323,243.14	96,708,731.33
Plan fiduciary net position	58,802,157.83	63,234,617.34	56,763,352.93
Plan fiduciary net position as a % of total pension liability	56.31%	62.41%	58.70%

Schedule of Township's Contributions
PERS - Last 10 Fiscal Years

	2015	2014	2013
Contractually required contribution	\$ 919,036.00	\$ 831,343.00	\$ 737,415.00
Contributions in relation to the contractually required contribution	1,169,736.00	1,074,986.00	1,087,226.00
Township's covered employee payroll	8,075,157.00	7,423,390.10	6,889,762.00
Contributions as a % of covered employee payroll	14.49%	14.48%	15.78%

PFRS - Last 10 Fiscal Years

	2015	2014	2013
Contractually required contribution	\$ 2,047,240.00	\$ 2,099,575.00	\$ 2,005,279.00
Contributions in relation to the contractually required contribution	2,387,477.00	2,290,797.02	2,413,908.12
Township's covered employee payroll	9,963,000.00	9,749,272.00	10,300,938.00
Contributions as a % of covered employee payroll	23.96%	23.50%	23.43%

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. UNEMPLOYMENT COMPENSATION INSURANCE

Effective January 1, 1978, most municipal employees became eligible for unemployment compensation insurance (N.J.S. 43:21-3 et seq.). The Township had elected to provide a self-insured plan whereby the municipal cost and employee contributions are deposited in a trust fund from which claims are paid. Claims totaling \$32,506.47 were paid during the year ended December 31, 2015.

J. WORKERS' COMPENSATION INSURANCE

The Township maintains a self-insurance plan for workers' compensation insurance that is administered as a trust by an insurance agency. An annual current fund appropriation is made to the trust, and claims are paid from the trust. Interest earned is also added to the trust. As of the year ended December 31, 2015, a reserve for worker's compensation and self-insurance of \$103,128.83 was included in the Trust Fund. The 2015 appropriation was \$385,000.00. Claim payments amounted to \$58,000.41, net of refunds.

K. PENDING LITIGATION

The Township has been named in several lawsuits. In addition, there are several pending tax appeals. It is counsel's and management's opinion that any liability resulting from these matters would be covered by insurance and existing Township reserves.

L. GASB STATEMENT NO. 45 FOR ACCOUNTING AND FINANCIAL REPORTING BY EMPLOYERS FOR POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

The Township follows the provisions of Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions ("OPEB"). The Township had an actuarial valuation performed to calculate the cost and liabilities attributable to post-employment benefits other than pensions in accordance with that pronouncement. The required disclosure information from the plan document and the December 31, 2013, actuarial valuation is as follows:

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. GASB STATEMENT NO. 45 FOR ACCOUNTING AND FINANCIAL REPORTING BY EMPLOYERS FOR POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Plan Description

- The Township currently maintains an unfunded single-employer post-employment benefits plan (the "Plan") other than for pensions.
- The Plan provides eligible retirees and their dependents with prescription drug benefits.
- The Plan does not issue stand-alone financial statements and is not included in the report of another entity.

Funding Policy

- It is the Township's policy at this time to fund the Plan on a pay as you go basis.

Other Required Disclosures

- The annual required contribution and OPEB cost for 2013 was \$6,322,000, assuming a 30-year amortization of the actuarial accrued liability.
- During the year ended December 31, 2013, the Township paid \$642,381 to the Plan, which represents the amount of benefits paid during the period.
- The unfunded actuarial and accrued liability, which includes retirees and active employees, totaled \$38,039,161 as of December 31, 2013. The Township's next required actuarial valuation will be calculated as of December 31, 2015.
- The actuarial valuation date was December 31, 2013.
- This Plan was terminated as of June 30, 2015, and all employees were covered under the State Health Benefits Plan. See Note M.

Actuarial Assumptions and Methods

- An assumed discount rate of 4.5% was used for purposes of developing the liabilities and annual required contribution on the basis that the Plan would not be funded.
- Health care cost trend rates were as follows:
 - Prescription ranged from 9.00% in 2015 to 5% in years 2023 and later.
 - These actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities.
 - These calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation.
 - The actuarial cost method used was the entry age method.
 - The unfunded actuarial accrued liability was amortized as a level percentage of payroll using projected salary increases of 3.00%.

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

M. OTHER POST EMPLOYMENT BENEFITS (“OPEB”) OTHER THAN PENSIONS

Plan Description

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

The SHBP was extended to employees, retirees and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 1981 the Township authorized participation in the SHBP’s post-retirement benefit program (Chapter 88) through resolution number 81R-114. The Township adopted the provisions of Chapter 88 for providing continued health care benefits to employees retiring after twenty-five years of service. Township eligible employees receive the SHBP benefits as noted in paragraph one. On August 12, 2015 the Township authorized changes to the provisions of Chapter 88, via an amending Chapter 48 resolution 14R-149. This resolution changed the qualifiers for post-retirement health benefits for all employees hired after September 1, 2015; limiting post-retirement benefits to those employees who have twenty-five years in a local pension system but with a minimum of fifteen of those years with the Township. Medical, Prescription, mental health/substance abuse coverage, and Medicare reimbursement are now limited to the employee only.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf

Funding Policy

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

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis. Contributions, funding and the cost sharing policy, and the manner of administration are determined by the State.

The Township contributions to SHBP for retirees for the years ended December 31, 2015, 2014 and 2013, were \$2,535,152.97, \$2,220,321.09 and \$1,998,781.49, respectively, which equaled the required contributions for each year. There were approximately 136, 138 and 134 retired participants eligible at December 31, 2015, 2014 and 2013, respectively.

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

N. UNUSED SICK LEAVE, VACATION BENEFITS AND PERSONAL TIME

The Township has permitted employees to accrue sick leave pay, which may be taken as time off or paid at a later date. Each year, a provision is made in the budget to cover the estimated annual cost of such payments.

The Township’s policy with respect to unused vacation is to permit employees to carry over such vacation for one year unless approved otherwise by the council. The Township’s policy with respect to personal time is to permit police officers to receive the value of all personal time earned but unused in the year of their retirement per their union contract.

The total balance of unused sick, vacation and personal time benefits amounted to approximately \$2,283,283.45 as of the year ended December 31, 2015. Such amounts are not included in accrued liabilities at December 31, 2015, in accordance with accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

O. COMMITMENTS

The majority of the Township employees are represented through the following collective bargaining units:

<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
Police Benevolent Association	December 31, 2018
Superior Officers Association	December 31, 2018
Communication Workers of America	December 31, 2015 *
Fireman's Mutual Benevolent Association - Fire	December 31, 2015 *
Fireman's Mutual Benevolent Association - EMT	December 31, 2017
AFSCME (2 Contracts)	December 31, 2015 *
IBEW Managers and Supervisors Union	December 31, 2015 *

*Currently in negotiation

County Guaranteed Lease Bank Leasing Program, Series 2006

In November 2006, the Township entered into three Master or Sublease purchase agreements for the purchase of various equipment with two sublessors, Mercer County Improvement Authority (“MCIA”) and Commerce Leasing, LLC. The agreements range from three to ten years with maximum purchases of equipment totaling \$2,744,605.00. The Township’s budgetary rental payments for the year ended December 31, 2015, was \$165,380.58. A final \$171,462.16 payment will be made in 2016.

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

P. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. As of the year ended December 31, 2015, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the various funds:

	Balance December 31, 2015	2016 Budget Appropriation	Balance to Succeeding Budgets
Emergency Authorizations	\$ 1,220,000.00	\$ 255,000.00	\$ 965,000.00
Over Expenditure of Appropriation Reserve	3,378.82	3,378.82	-
	<u>\$ 1,223,378.82</u>	<u>\$ 258,378.82</u>	<u>\$ 965,000.00</u>

Q. GENERAL FIXED-ASSET ACCOUNT GROUP

In prior years, the Township recorded land, buildings and improvements at estimated values based on insurance appraisals and other estimated values. Subsequently, substantially all of the assets were adjusted to assessed and fair value where applicable. The Township had an inventory done of all vehicles, furniture and fixtures, and equipment at December 31, 2014. The Township tracked additions and deletions from this inventory during 2015.

R. SUBSEQUENT EVENT

Management has evaluated subsequent events that occurred after the statement of assets, liabilities, reserves and fund balance date but before June 20, 2016, the date the financial statements were available to be issued. No subsequent events were noted that required disclosure.

SUPPLEMENTAL SCHEDULES

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

A

**CURRENT FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

		December 31,	
		2015	2014
ASSETS			
Current Fund			
Cash and Cash Equivalents		\$ 7,895,402.25	\$ 6,625,053.66
Intergovernmental Receivables			
Due from State of New Jersey - Senior Citizens and Veterans Deductions		35,572.82	35,572.82
Total Intergovernmental Receivables		<u>35,572.82</u>	<u>35,572.82</u>
Other Receivables and Assets			
Delinquent Property Taxes Receivable	A-3	23,610.29	20,133.36
Tax Title Liens Receivable	A-4	473,467.27	402,639.71
Property Acquired for Taxes, Assessed Valuation	A-10	1,434,500.00	1,434,500.00
Interfund Accounts Receivable		144,144.75	225,698.39
Total Receivables and Other Assets with Full Reserves		<u>2,075,722.31</u>	<u>2,082,971.46</u>
Deferred Charges			
Overexpenditures		3,378.82	59,509.33
Emergency Authorizations		1,220,000.00	275,000.00
Total Deferred Charges		<u>1,223,378.82</u>	<u>334,509.33</u>
Sub-total		<u>11,230,076.20</u>	<u>9,078,107.27</u>
Federal and State Grant Fund			
Cash		186,391.60	224,919.52
Federal and State Grant Fund Receivable	A-7	1,009,703.60	878,846.70
Due from Current Fund		-	2,500.00
Sub-total		<u>1,196,095.20</u>	<u>1,106,266.22</u>
Total		<u>\$ 12,426,171.40</u>	<u>\$ 10,184,373.49</u>

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

A

**CURRENT FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE (CONTINUED)**

	Reference	December 31,	
		2015	2014
LIABILITIES, RESERVES AND FUND BALANCES			
Current Fund			
Appropriation Reserves	A-2	\$ 1,907,895.48	\$ 1,585,606.01
Other Liabilities and Reserves			
Accounts Payable	A-5	5,656.40	-
Reserve for Encumbrances		1,063,598.30	277,684.71
County Taxes Payable		17,566.57	32,171.93
Due to State of New Jersey - Marriage Licenses		1,935.00	1,800.00
Prepaid Taxes		875,773.42	382,257.23
Interfunds Payable		109,098.25	2,895.32
		<u>2,073,627.94</u>	<u>696,809.19</u>
Reserve for Receivables		<u>2,075,722.31</u>	<u>2,082,971.46</u>
Fund Balance		<u>5,172,830.47</u>	<u>4,712,720.61</u>
Sub-total		<u>11,230,076.20</u>	<u>9,078,107.27</u>
Federal and State Grant Fund			
Reserve for Encumbrances		100,068.56	293,994.25
Appropriated Reserve for Grant	A-8	1,085,795.54	769,653.79
Unappropriated Reserve for Grants	A-9	10,231.10	42,618.18
		<u>1,196,095.20</u>	<u>1,106,266.22</u>
Total		<u>\$ 12,426,171.40</u>	<u>\$ 10,184,373.49</u>

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

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**CURRENT FUND
STATEMENT OF REVENUES AND OTHER CREDITS TO INCOME
Year Ended December 31, 2015**

	Anticipated Budget	Budget As Modified	Realized	Excess (Deficit)
Surplus Anticipated	\$ 2,400,000.00	\$ 2,400,000.00	\$ 2,400,000.00	\$ -
Total Surplus Anticipated	2,400,000.00	2,400,000.00	2,400,000.00	-
Miscellaneous Revenues				
Licenses				
Alcoholic Beverages	76,000.00	76,000.00	78,270.80	2,270.80
Other Licenses- Clerk	60,000.00	60,000.00	46,404.74	(13,595.26)
Fees and Permits	296,000.00	296,000.00	234,093.29	(61,906.71)
Fines & Costs Municipal Court	505,000.00	505,000.00	581,673.35	76,673.35
Fines & Costs Other	210,000.00	210,000.00	226,206.75	16,206.75
Interest and Costs on Taxes	185,000.00	185,000.00	197,106.98	12,106.98
Interest on Investments and Deposits	13,000.00	13,000.00	19,813.15	6,813.15
Police Off Duty Administration Fees	40,000.00	40,000.00	40,000.00	-
Total Miscellaneous Revenues	1,385,000.00	1,385,000.00	1,423,569.06	38,569.06
State Aid without Offsetting Appropriations				
Consolidated Municipal Property Tax Relief Aid	2,949,530.00	2,949,530.00	2,949,530.00	-
Energy Receipts Tax	6,816,741.00	6,816,741.00	6,816,741.00	-
Total State Aid without Offsetting Appropriations	9,766,271.00	9,766,271.00	9,766,271.00	-
Special Items of Revenue Offset with Appropriations				
Recycling Tonnage Grant	38,696.58	38,696.58	38,696.58	-
Municipal Alliance Grant	31,228.00	31,228.00	31,228.00	-
Sprint OEM Grant	-	20,530.97	20,530.97	-
Sustainable Jersey Small Grant	-	500.00	500.00	-
Click It or Ticket	3,921.60	3,921.60	3,921.60	-
Drive Sober or Get Pulled Over	-	5,000.00	5,000.00	-
NJDOT Green Lane	-	232,500.00	232,500.00	-
COPS in Shops	3,200.00	4,140.06	4,140.06	-
Emergency Management Assistance	-	10,000.00	10,000.00	-
Vest Partnership Program	-	11,958.92	11,958.92	-
Body Armor Replacement Grant	-	19,977.62	19,977.62	-
EPEF - Hollowbrook Resource Center	-	62,000.00	62,000.00	-
Clean Communities	71,420.67	71,420.67	71,420.67	-
HUD/CDBG	194,331.00	371,303.00	371,303.00	-
Total Special Items of Revenue Offset with Appropriations	342,797.85	883,177.42	883,177.42	-
Special Items of Revenue with Prior Consent of the Director				
Uniform Fire Safety Act	77,000.00	77,000.00	75,032.80	(1,967.20)
Administration of Senior Citizen and Vet Discount	6,800.00	6,800.00	6,338.86	(461.14)
Payment in Lieu of Taxes - The College of New Jersey	75,000.00	75,000.00	75,000.00	-
Payments in Lieu of Taxes - Park Place Senior Citizens	132,000.00	132,000.00	-	(132,000.00)
Cable Television Franchise Fee	200,000.00	200,000.00	195,217.82	(4,782.18)
Mercer County Improvement Authority				
Transfer Station Facility	175,000.00	175,000.00	121,527.77	(53,472.23)
Host Benefits	1,050,000.00	1,050,000.00	1,274,463.34	224,463.34
EMS Billing	880,000.00	880,000.00	959,773.88	79,773.88
Construction Trust - Administration Fee	-	-	-	-
Hotel Tax	320,000.00	320,000.00	360,089.46	40,089.46
Tower Rental	16,000.00	16,000.00	15,228.22	(771.78)
MGI Pilot Program	61,000.00	61,000.00	61,139.65	139.65
Verizon FIOS Franchise Fees	270,000.00	270,000.00	296,013.28	26,013.28
Birmingham Gardens Pilot Agreement	22,000.00	22,000.00	32,352.36	10,352.36
Vacant Property Registration	56,000.00	56,000.00	102,135.00	46,135.00
Community Center Rentals	185,000.00	185,000.00	196,031.88	11,031.88
COAH Trust - Administrative Fee	124,000.00	124,000.00	124,830.00	830.00
Total Special Items of Revenue	3,649,800.00	3,649,800.00	3,895,174.32	245,374.32
Receipts from Delinquent Taxes	66,000.00	66,000.00	105,661.76	39,661.76
Subtotal General Revenues	17,609,868.85	18,150,248.42	18,473,853.56	323,605.14
Amount to be Raised by Taxes for Support of Municipal Budget	25,593,110.81	25,593,110.81	25,541,783.68	(51,327.13)
Total Amount to be raised by Taxes	25,593,110.81	25,593,110.81	25,541,783.68	(51,327.13)
Total Budget Revenues	43,202,979.66	43,743,359.23	44,015,637.24	272,278.01

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-1

**CURRENT FUND
STATEMENT OF REVENUES AND OTHER CREDITS TO INCOME (CONTINUED)
Year Ended December 31, 2015**

	<u>Anticipated Budget</u>	<u>Budget As Modified</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Other Credits to Income				
MRNA - Mayor Wedding Funds	-	-	3,450.00	3,450.00
MRNA - Recycling	-	-	2,715.30	2,715.30
MRNA - Sale of Municipal Assets	-	-	1,301,174.63	1,301,174.63
MRNA - Police Dept. Receipts	-	-	468.00	468.00
MRNA - Excess in Animal Control	-	-	18,008.51	18,008.51
MRNA - Tax Premium Foreclosure	-	-	9,300.00	9,300.00
MRNA - Rely Properties	-	-	24,406.00	24,406.00
MRNA - Lease of Property - Dewcon	-	-	48,474.85	48,474.85
MRNA - Other	-	-	90,448.37	90,448.37
Prior Year's Interfunds Returned	-	-	225,707.57	225,707.57
Outstanding Checks Cancelled	-	-	10,862.05	10,862.05
Appropriation Reserves Lapsed	-	-	1,096,591.89	1,096,591.89
Taxes Allocated to School, County and Special Districts	-	-	77,111,848.01	77,111,848.01
Total Other Credits to Income	-	-	79,943,455.18	79,943,455.18
Total Revenues and Other Credits to Income	<u>\$ 43,202,979.66</u>	<u>\$ 43,743,359.23</u>	<u>\$ 123,959,092.42</u>	<u>\$ 80,215,733.19</u>
Reference	A-2			

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
Year Ended December 31, 2015**

	APPROPRIATED		Paid or Charged	Reserved	Over expenditure	Unexpended Balance Cancelled
	2015 Budget	Budget after Modification				
(A) Operations - Within "CAPS"						
GENERAL GOVERNMENT						
Legislative (Mayor and Council)						
Salaries and Wages	\$ 42,400.00	\$ 42,400.00	\$ 40,425.10	\$ 1,974.90	\$ -	\$ -
Other Expenses	3,000.00	3,000.00	2,633.47	366.53	-	-
Municipal Clerk						
Salaries and Wages	185,300.00	215,300.00	209,985.31	5,314.69	-	-
Other Expenses	28,000.00	28,000.00	25,530.24	2,469.76	-	-
General Administration						
Salaries and Wages	316,500.00	316,500.00	312,403.64	4,096.36	-	-
Other Expenses	234,100.00	217,862.08	199,975.97	17,886.11	-	-
Elections						
Salaries and Wages	500.00	500.00	177.31	322.69	-	-
Other Expenses	15,000.00	15,000.00	10,000.00	5,000.00	-	-
Financial Administration						
Salaries and Wages	225,500.00	233,000.00	231,363.87	1,636.13	-	-
Other Expenses	45,321.00	45,321.00	42,622.81	2,698.19	-	-
Audit Services						
Other Expenses	43,500.00	44,350.00	44,350.00	-	-	-
Ambulance Management Services						
Other Expenses	52,000.00	57,500.00	53,349.06	4,150.94	-	-
Tax Assessment Administration						
Salaries and Wages	233,000.00	226,000.00	223,263.03	2,736.97	-	-
Other Expenses	130,000.00	1,100,000.00	989,519.58	110,480.42	-	-
Revenue Administration (Tax Collection)						
Salaries and Wages	227,000.00	234,500.00	226,658.57	7,841.43	-	-
Other Expenses	45,000.00	45,000.00	43,931.85	1,068.15	-	-
Engineering Services						
Other Expenses	65,000.00	70,000.00	68,355.38	1,644.62	-	-
Legal Services and Expenses						
Other Expenses	412,500.00	412,500.00	390,932.66	21,567.34	-	-
Public Defender (P.L. 1997, c.256)						
Other Expenses	35,000.00	35,000.00	35,000.00	-	-	-
Information Technology						
Salaries and Wages	414,000.00	414,000.00	412,272.18	1,727.82	-	-
Other Expenses	290,000.00	276,000.00	272,956.59	3,043.41	-	-
Planning Board						
Salaries and Wages	12,000.00	12,550.00	12,283.76	266.24	-	-
Other Expenses	12,000.00	20,000.00	19,794.25	205.75	-	-
Zoning Board of Adjustment						
Salaries and Wages	9,700.00	20,200.00	19,758.75	441.25	-	-
Other Expenses	3,000.00	3,000.00	136.00	2,864.00	-	-
Patriotic Committee						
Other Expenses	15,000.00	19,200.00	18,288.83	911.17	-	-
Master Plan Proposal						
Other Expenses	6,500.00	500.00	-	500.00	-	-
Economic Development						
Other Expenses	45,000.00	5,000.00	2,000.00	3,000.00	-	-
Housing						
Salaries and Wages	159,500.00	172,500.00	169,149.13	3,350.87	-	-
Other Expenses	91,400.00	81,400.00	58,794.55	22,605.45	-	-
Sub-Total General Government	<u>3,396,721.00</u>	<u>4,366,083.08</u>	<u>4,135,911.89</u>	<u>230,171.19</u>	<u>-</u>	<u>-</u>
Insurance						
General Liability	1,028,477.00	1,018,714.00	1,018,714.00	-	-	-
Workers' Compensation	385,000.00	385,000.00	385,000.00	-	-	-
Employee Group Health	6,971,000.00	6,645,000.00	6,516,849.50	128,150.50	-	-
Employee Group Health - Waivers	30,000.00	34,000.00	33,382.91	617.09	-	-
Sub-Total Insurance	<u>8,414,477.00</u>	<u>8,082,714.00</u>	<u>7,953,946.41</u>	<u>128,767.59</u>	<u>-</u>	<u>-</u>

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME - (CONTINUED)
Year Ended December 31, 2015**

	APPROPRIATED		Paid or Charged	Reserved	Over expenditure	Unexpended Balance Cancelled
	2015 Budget	Budget after Modification				
PUBLIC SAFETY						
Municipal Court						
Salaries and Wages	422,750.00	440,750.00	430,484.69	10,265.31	-	-
Other Expenses	27,700.00	31,700.00	29,721.70	1,978.30	-	-
Police						
Salaries and Wages	8,643,500.00	8,543,500.00	8,134,863.95	408,636.05	-	-
Other Expenses	381,197.00	366,197.00	323,562.50	42,614.50	-	-
Police Dispatch/911						
Salaries and Wages	533,000.00	603,000.00	596,583.10	6,416.90	-	-
Office of Emergency Management						
Salaries and Wages	66,500.00	66,500.00	65,650.10	849.90	-	-
Other Expenses	7,500.00	7,500.00	3,191.88	4,308.12	-	-
Aid to Volunteer Fire Companies						
Other Expenses	620,000.00	628,000.00	627,160.00	840.00	-	-
Fire Departments						
Salaries and Wages	750,000.00	750,000.00	743,491.89	6,508.11	-	-
Other Expenses	30,000.00	30,000.00	19,787.19	10,212.81	-	-
P.E.O.S.H.A.						
Other Expenses	1,500.00	1,500.00	931.92	568.08	-	-
Emergency Medical Services						
Salaries and Wages	694,500.00	819,500.00	811,110.26	8,389.74	-	-
Other Expenses	40,000.00	45,500.00	45,332.47	167.53	-	-
Uniform Fire Prevention						
Salaries and Wages	67,000.00	77,000.00	73,591.06	3,408.94	-	-
Other Expenses	41,450.00	31,450.00	23,250.34	8,199.66	-	-
Sub-Total Public Safety	<u>12,326,597.00</u>	<u>12,442,097.00</u>	<u>11,928,733.05</u>	<u>513,363.95</u>	<u>-</u>	<u>-</u>
PUBLIC WORKS						
Streets and Road Maintenance						
Salaries and Wages	1,247,957.00	1,333,957.00	1,318,333.17	15,623.83	-	-
Other Expenses	52,000.00	52,000.00	45,211.51	6,788.49	-	-
Vehicle Maintenance						
Salaries and Wages	292,000.00	282,000.00	270,873.30	11,126.70	-	-
Other Expenses	200,000.00	238,000.00	229,168.62	8,831.38	-	-
Building and Grounds						
Salaries and Wages	836,000.00	872,000.00	862,850.80	9,149.20	-	-
Other Expenses	91,500.00	101,500.00	97,573.43	3,926.57	-	-
Condo Reimb. Trash Removal						
Other Expenses	150,000.00	81,850.00	61,299.95	20,550.05	-	-
Solid Waste Collection						
Other Expenses	599,400.00	599,400.00	599,400.00	-	-	-
Sub-Total Public Works	<u>3,468,857.00</u>	<u>3,560,707.00</u>	<u>3,484,710.78</u>	<u>75,996.22</u>	<u>-</u>	<u>-</u>

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME - (CONTINUED)
Year Ended December 31, 2015**

	APPROPRIATED		Paid or Charged	Reserved	Over expenditure	Unexpended Balance Cancelled
	2015 Budget	Budget after Modification				
HEALTH AND HUMAN SERVICES						
Public Health Services						
Salaries and Wages	226,000.00	308,000.00	302,848.85	5,151.15	-	-
Other Expenses	50,000.00	20,000.00	(3,585.95)	23,585.95	-	-
Animal Control Services						
Salaries and Wages	199,000.00	179,000.00	172,758.34	6,241.66	-	-
Other Expenses	60,000.00	71,000.00	69,771.35	1,228.65	-	-
Township Physician						
Salaries and Wages	27,000.00	27,000.00	24,250.00	2,750.00	-	-
Sub-Total Health and Human Services	<u>562,000.00</u>	<u>605,000.00</u>	<u>566,042.59</u>	<u>38,957.41</u>	<u>-</u>	<u>-</u>
PARKS AND RECREATION						
Park Maintenance						
Salaries and Wages	850,500.00	850,500.00	827,928.62	22,571.38	-	-
Other Expenses	54,800.00	54,800.00	50,174.13	4,625.87	-	-
Senior Citizens (Ewing Community Center)						
Salaries and Wages	420,000.00	507,000.00	500,275.11	6,724.89	-	-
Other Expenses	72,000.00	77,000.00	73,513.55	3,486.45	-	-
Hollowbrook Community Center						
Salaries and Wages	91,000.00	91,000.00	89,185.84	1,814.16	-	-
Other Expenses	42,500.00	42,500.00	40,382.68	2,117.32	-	-
Daycare Center						
Other Expenses	14,100.00	14,100.00	14,099.00	1.00	-	-
The Food Pantry						
Other Expenses	30,000.00	30,000.00	30,000.00	-	-	-
Sub-Total Recreation and Education	<u>1,574,900.00</u>	<u>1,666,900.00</u>	<u>1,625,558.93</u>	<u>41,341.07</u>	<u>-</u>	<u>-</u>
UTILITIES AND BULK PURCHASES						
Utilities (including Street Lighting)						
Other Expenses	1,450,000.00	1,420,000.00	1,239,034.64	180,965.36	-	-
Sub-Total Utilities and Bulk Purchases	<u>1,450,000.00</u>	<u>1,420,000.00</u>	<u>1,239,034.64</u>	<u>180,965.36</u>	<u>-</u>	<u>-</u>
LANDFILL/SOLID WASTE DISPOSAL COSTS						
Landfill						
Other Expenses	2,005,000.00	1,845,000.00	1,627,466.72	217,533.28	-	-
Sub-Total Landfill/Solid Waste Disposal Costs	<u>2,005,000.00</u>	<u>1,845,000.00</u>	<u>1,627,466.72</u>	<u>217,533.28</u>	<u>-</u>	<u>-</u>
OTHER NON-CLASSIFIED						
Accumulated Absence Compensation	160,000.00	250,000.00	250,000.00	-	-	-
Overtime - SNOW						
Salaries and Wages	150,000.00	150,000.00	150,000.00	-	-	-
Sub-Total Other Non-Classified	<u>310,000.00</u>	<u>400,000.00</u>	<u>400,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operations within "CAPS"	<u>33,508,552.00</u>	<u>34,388,501.08</u>	<u>32,961,405.01</u>	<u>1,427,096.07</u>	<u>-</u>	<u>-</u>
Details						
Salaries and Wages	17,502,107.00	18,038,157.00	17,482,819.73	555,337.27	-	-
Other Expenses (including Contingent)	16,006,445.00	16,350,344.08	15,478,585.28	871,758.80	-	-

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME - (CONTINUED)
Year Ended December 31, 2015**

	APPROPRIATED		Paid or Charged	Reserved	Overexpenditure	Unexpended Balance Cancelled
	2015 Budget	Budget after Modification				
(E) Deferred Charges and Statutory Expenditures - Municipal within "CAPS"						
(1) DEFERRED CHARGES						
Over-Expenditure - Current Fund	56,130.51	56,130.51	56,130.51	-	-	-
Sub-Total Deferred Charges	56,130.51	56,130.51	56,130.51	-	-	-
(2) STATUTORY EXPENDITURES						
Contributions to						
PERS	1,169,736.00	1,169,736.00	1,169,736.00	-	-	-
PFRS	2,427,477.00	2,427,477.00	2,427,476.02	0.98	-	-
PFRS - ERI Other Expense	4,500.00	4,785.00	4,724.53	60.47	-	-
Social Security System	860,000.00	902,000.00	884,843.01	17,156.99	-	-
Sub-Total Statutory Expenditures	4,461,713.00	4,503,998.00	4,486,779.56	17,218.44	-	-
Total Deferred Charges and Statutory Expenditures - Municipal within "CAPS"	4,517,843.51	4,560,128.51	4,542,910.07	17,218.44	-	-
(H-1) Total General Appropriations for Municipal Purposes within "CAPS"	38,026,395.51	38,948,629.59	37,504,315.08	1,444,314.51	-	-
PUBLIC SAFETY						
Recycling Tonnage						
Other Expenses	40,000.00	40,000.00	32,727.06	7,272.94	-	-
Fire Protection - Inch Foot						
Other Expenses	710,000.00	710,000.00	354,574.61	355,425.39	-	-
Fire Protection - Fire Hydrants						
Other Expenses	150,000.00	150,000.00	74,272.90	75,727.10	-	-
Sub-Total Public Safety	900,000.00	900,000.00	461,574.57	438,425.43	-	-
INTERLOCAL MUNICIPAL SERVICE AGREEMENTS						
Recycling						
Other Expenses	293,547.00	293,547.00	293,547.00	-	-	-
Health						
Other Expenses	50,000.00	50,000.00	24,844.46	25,155.54	-	-
EMS Dispatch						
Other Expenses	48,150.00	48,150.00	48,150.00	-	-	-
Sub-Total Interlocal Municipal Service Agreements	391,697.00	391,697.00	366,541.46	25,155.54	-	-
Public and Private Programs Offset by Revenues:						
Body Armor Replacement Grant	-	19,977.62	19,977.62	-	-	-
CDBG	194,331.00	371,303.00	371,303.00	-	-	-
Sprint OEM Grant	-	20,530.97	20,530.97	-	-	-
COPS in Shops	3,200.00	4,140.06	4,140.06	-	-	-
Click It or Ticket	3,921.60	3,921.60	3,921.60	-	-	-
Drive Sober or Get Pulled Over	-	5,000.00	5,000.00	-	-	-
Clean Communities O/E	71,420.67	71,420.67	71,420.67	-	-	-
Recycling Tonnage Grant	38,696.58	38,696.58	38,696.58	-	-	-
NJDOT Green Lane	-	232,500.00	232,500.00	-	-	-
Emergency Management Assistance	-	10,000.00	10,000.00	-	-	-
Vest Partnership Program	-	11,958.92	11,958.92	-	-	-
Sustainable Jersey Small Grant	-	500.00	500.00	-	-	-
EPEF - Hollowbrook Resource Center	-	62,000.00	62,000.00	-	-	-
Municipal Alliance Grant	31,228.00	31,228.00	31,228.00	-	-	-
Municipal Alliance Grant - Match	8,400.00	8,400.00	8,400.00	-	-	-
Sub-Total Public and Private Programs Offset by Revenues	351,197.85	891,577.42	891,577.42	-	-	-
Total Operations Excluded from "CAPS"	1,842,894.85	2,183,274.42	1,719,693.45	463,580.97	-	-
Details						
Salaries and Wages	-	-	-	-	-	-
Other Expenses	1,842,894.85	2,183,274.42	1,719,693.45	463,580.97	-	-

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME - (CONTINUED)
Year Ended December 31, 2015**

	APPROPRIATED		Paid or Charged	Reserved	Over expenditure	Unexpended Balance Cancelled
	2015 Budget	Budget after Modification				
(C) Capital Improvements Excluded from "CAPS"						
Capital Improvement Fund	250,000.00	250,000.00	250,000.00	-	-	-
Total Capital Improvements Excluded from "CAPS"	<u>250,000.00</u>	<u>250,000.00</u>	<u>250,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
(D) Municipal Debt Service Excluded from CAPS						
Payment of Bond Principal	2,175,000.00	2,175,000.00	2,175,000.00	-	-	-
Interest on Bonds	305,470.00	305,470.00	305,470.00	-	-	-
Interest on Notes	39,117.00	39,659.99	39,659.99	-	-	-
Green Trust Loan Program						
Loan Repayments for Principal and Interest	50,000.00	51,100.00	31,091.60	-	-	20,008.40
Infrastructure Trust Loan Program						
Loan Repayments for Principal and Interest	282,608.00	285,730.93	285,730.93	-	-	-
Mercer County Improvement Authority Lease - Principal	165,380.58	165,380.58	165,380.58	-	-	-
Mercer County Improvement Authority Lease - Interest	12,386.81	12,386.81	12,386.81	-	-	-
Total Municipal Debt Service - Excluded from "CAPS"	<u>3,029,962.39</u>	<u>3,034,728.31</u>	<u>3,014,719.91</u>	<u>-</u>	<u>-</u>	<u>20,008.40</u>
(E) Deferred Charges - Municipal - Excluded from "CAPS"						
DEFERRED CHARGES						
Special emergency Authorizations - 5 Years (N.J.S.A 40A:4-55)	55,000.00	55,000.00	55,000.00	-	-	-
(F) Judgements - Excluded from "CAPS"						
Judgements	-	73,000.00	73,000.00	-	-	-
Total Deferred Charges - Municipal - Excluded from "CAPS"	<u>55,000.00</u>	<u>128,000.00</u>	<u>128,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
(H-2) Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>4,977,857.24</u>	<u>5,596,002.73</u>	<u>5,112,413.36</u>	<u>463,580.97</u>	<u>-</u>	<u>20,008.40</u>
(L) Subtotal General Appropriations	43,004,252.75	44,544,632.32	42,616,728.44	1,907,895.48	-	20,008.40
(M) Reserve for Uncollected Taxes	198,726.91	198,726.91	198,726.91	-	-	-
Total General Appropriations	<u>\$ 43,202,979.66</u>	<u>\$ 44,743,359.23</u>	<u>\$ 42,815,455.35</u>	<u>\$ 1,907,895.48</u>	<u>\$ -</u>	<u>\$ 20,008.40</u>
Reference	A-1	A-2		A		
Adopted Budget	\$ 43,202,979.66					
Approp. N.J.S.A 40A: 4-87	540,379.57		A-8 Paid or charged	\$ 42,815,455.35		
Special Emergency	1,000,000.00		Reserved	1,907,895.48	A	
Budget as Modified	<u>\$ 44,743,359.23</u>			<u>\$ 44,723,350.83</u>		

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
Year Ended December 31, 2015**

Year	Balance 12/31/2014	2014 Levy and Added & Omitted Taxes	Collections	Received from State of N.J. Senior Citizens and Veterans	Remitted, Abated & Cancelled	Transfer to Tax Title Liens	Adjustments	Balance 12/31/2015
Prior Years	\$ 1,409.67	\$ -	\$ 1,409.67	\$ -	\$ -	\$ -	\$ -	\$ -
2014	18,723.69	-	24,904.66	-	-	-	6,180.97	(0.00)
2015		102,611,841.40	101,983,198.28	316,943.22	64,819.78	156,355.96	(66,913.87)	23,610.29
	<u>\$ 20,133.36</u>	<u>\$ 102,611,841.40</u>	<u>\$ 102,009,512.61</u>	<u>\$ 316,943.22</u>	<u>\$ 64,819.78</u>	<u>\$ 156,355.96</u>	<u>\$ (60,732.90)</u>	<u>\$ 23,610.29</u>
Reference	A					A-4		A

Analysis of CY 2014 Property Tax Levy

Tax Yield						* Collected	
General Purpose			\$ 102,611,841.40			2014	\$ 383,745.76
Omitted Taxes (N.J.S.A. 54:4-63.12 et seq.)			1,989.50			2015	101,599,452.52
Added Taxes (N.J.S.A. 54:4-63.1 et seq.)			91,127.92				<u>\$ 101,983,198.28</u>
			<u>\$ 102,704,958.82</u>				
Tax Levy							
Local School District Tax		\$ 57,708,743.00					
County Taxes		16,945,188.52					
Library Taxes		1,632,940.37					
Open Space Taxes		731,858.70					
Added & Omitted Taxes		<u>93,117.42</u>		\$ 77,111,848.01			
Local Purpose				<u>25,593,110.81</u>			
				<u>\$ 102,704,958.82</u>			

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-4

CURRENT FUND
SCHEDULE OF TAX TITLE LIENS RECEIVABLE
Year Ended December 31, 2015

	<u>Reference</u>	
Balance - December 31, 2014	A	\$ 402,639.71
Increased by transfers from Added Tax Title Liens	A-3	<u>156,355.96</u> 558,995.67
Decreased by Cash receipts		<u>85,528.40</u>
Balance - December 31, 2015	A	<u><u>\$ 473,467.27</u></u>

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-5

**CURRENT FUND
SCHEDULE OF 2014 APPROPRIATION AND ENCUMBRANCE RESERVES
Year Ended December 31, 2015**

	Balance 12/31/2014	Appropriation and Encumbrance Reserves	Transfers	Balance after Transfer	Disbursed	Balance Lapsed
Salaries and Wages						
Township Council and Mayor	\$	60.28	\$ -	\$ 60.28	\$ -	\$ 60.28
Municipal Clerk		723.58	-	723.58	(205.72)	929.30
Administration		8,196.38	-	8,196.38	-	8,196.38
Technology		1,452.73	-	1,452.73	-	1,452.73
Elections		135.99	-	135.99	-	135.99
Finance		726.04	-	726.04	-	726.04
Tax Assessment		351.45	-	351.45	-	351.45
Tax Collection		1,176.87	-	1,176.87	-	1,176.87
Buildings and Grounds		4,186.87	-	4,186.87	-	4,186.87
Planning Board		1,406.18	-	1,406.18	-	1,406.18
Zoning Board of Adjustment		679.31	-	679.31	-	679.31
Police Department		186,581.39	-	186,581.39	(6,374.03)	192,955.42
Emergency Management		-	-	-	-	-
Emergency Medical Services		12,078.05	-	12,078.05	(3,768.15)	15,846.20
Fire Departments		10,671.09	-	10,671.09	-	10,671.09
Fire Inspector		79.88	-	79.88	-	79.88
Housing		1,727.86	-	1,727.86	-	1,727.86
Streets and Road Maintenance		6,549.63	-	6,549.63	-	6,549.63
Vehicle Maintenance		7,753.75	-	7,753.75	-	7,753.75
Public Health Services		4,350.91	-	4,350.91	-	4,350.91
Animal Control Services		1,746.91	-	1,746.91	-	1,746.91
Park Maintenance		6,173.62	-	6,173.62	-	6,173.62
Senior Citizens		-	-	-	-	-
Community Center		13,571.44	(12,585.00)	986.44	-	986.44
HCC		916.85	-	916.85	-	916.85
911 Lifeline		1,052.70	-	1,052.70	-	1,052.70
Municipal Court		1,569.95	-	1,569.95	-	1,569.95
Other Expenses						
Township Council and Mayor		2,055.50	-	2,055.50	155.00	1,900.50
Municipal Clerk		8,654.99	-	8,654.99	1,504.27	7,150.72
General Administration		3,468.68	2,810.00	6,278.68	6,276.75	1.93
Elections		10.00	-	10.00	-	10.00
Information Technology		34,027.36	-	34,027.36	23,884.41	10,142.95
Financial Administration		4,088.28	1,040.00	5,128.28	5,125.12	3.16
Ambulance Management Services		3,905.11	-	3,905.11	-	3,905.11
Tax Assessment Administration		13,625.56	-	13,625.56	5,241.33	8,384.23
Tax Collection		11,022.74	-	11,022.74	10,048.00	974.74
Economic Development		5,000.00	-	5,000.00	-	5,000.00
Building and Grounds		13,793.39	-	13,793.39	2,011.75	11,781.64
Utilities and Bulk Purchases		129,823.86	-	129,823.86	113,175.21	16,648.65
Legal Services		8,397.74	8,000.00	16,397.74	15,916.72	481.02
Planning Board & Master Plan		5,754.00	-	5,754.00	285.00	5,469.00
Zoning Board of Adjustment		6,342.50	-	6,342.50	-	6,342.50
Employee Insurance		458,795.67	-	458,795.67	9,283.49	449,512.18
DCRP Employer Portion		59.98	565.00	624.98	622.71	2.27
Police Department		100,340.97	-	100,340.97	92,705.22	7,635.75
Emergency Medical Services		5,838.76	-	5,838.76	2,024.35	3,814.41
Fire Departments		1,759.01	-	1,759.01	616.50	1,142.51
Fire Prevention		4,638.12	-	4,638.12	3,259.17	1,378.95

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-5

**CURRENT FUND
SCHEDULE OF 2014 APPROPRIATION AND ENCUMBRANCE RESERVES (CONTINUED)
Year Ended December 31, 2015**

	Balance 12/31/2014 Appropriation and Encumbrance Reserves	Transfers	Balance after Transfer	Disbursed	Balance Lapsed
Housing	68,636.17	-	68,636.17	57,559.86	11,076.31
Streets and Road Maintenance	5,924.10	-	5,924.10	830.97	5,093.13
Vehicle Maintenance	44,275.31	-	44,275.31	10,486.60	33,788.71
Engineering Services	18,425.51	-	18,425.51	5,038.00	13,387.51
Landfill/Solid Waste Disposal Costs	149,353.06	-	149,353.06	145,643.76	3,709.30
Public Health Services	11,469.02	-	11,469.02	3,564.90	7,904.12
Animal Control Services	9,505.37	-	9,505.37	5,881.43	3,623.94
Township Physician	7,150.00	-	7,150.00	6,750.00	400.00
Park Maintenance	10,799.96	-	10,799.96	1,338.62	9,461.34
ESRC Operations	8,668.12	-	8,668.12	7,401.97	1,266.15
Patriotic Commission	4,410.81	-	4,410.81	375.00	4,035.81
HCC	9,904.13	-	9,904.13	5,328.77	4,575.36
Social Security	3,267.66	-	3,267.66	(294.73)	3,562.39
Interlocal Services	5,783.97	170.00	5,953.97	5,950.00	3.97
Fire Hydrant Charges	38,741.00	-	38,741.00	37,106.38	1,634.62
Inch Foot Charges	178,429.04	-	178,429.04	177,190.32	1,238.72
Municipal Court	1,911.75	-	1,911.75	1,426.66	485.09
Condo Law Trash Removal	86,676.39	-	86,676.39	7,507.50	79,168.89
PEOSHA	4,468.10	-	4,468.10	-	4,468.10
Judgements	100,000.00	-	100,000.00	-	100,000.00
Adjustment	169.32	-	169.32	169.32	-
	<u>\$ 1,863,290.72</u>	<u>\$ -</u>	<u>\$ 1,863,290.72</u>	<u>\$ 761,042.43</u>	<u>\$ 1,102,248.29</u>
	A				
				Balance Lapsed	\$ 1,096,591.89
				Accounts Payable	5,656.40
					<u>\$ 1,102,248.29</u>

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-7

**SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE - GRANT FUND
Year Ended December 31, 2015**

	Balance December 31, 2014	2015			Cancelled / Adjustments	Balance December 31, 2015
		Appropriated by Budget	Appropriated by Ch. 159	Received		
Federal Grants						
Vest Partnership Program	\$ 216.50	\$ -	\$ 11,958.92	\$ 11,958.92	\$ -	\$ 216.50
Mercer at Play	249,709.20	-	-	-	-	249,709.20
Municipal Alliance Grant	28,367.00	31,228.00	-	28,397.04	-	31,197.96
Clean Communities	-	71,420.67	-	71,420.67	-	-
Recycling Tonnage Grant	-	38,696.58	-	38,696.58	-	-
NJDOT Mountainview	34,343.68	-	-	-	34,343.68	-
Justice Assistance Grant	16,768.00	-	-	19,501.00	(2,733.00)	-
Sustainable Jersey Small Grant	5,000.00	-	500.00	500.00	-	5,000.00
Mercer County Historic Preservation	14,156.14	-	-	18,348.00	(4,191.86)	-
HUD/CDBG 2012	152,687.57	194,331.00	176,972.00	282,386.72	-	241,603.85
Mercer County ESCC Parking Lot Restoration	85,385.30	-	-	-	-	85,385.30
EPEF - Hollowbrook Resource Center	-	-	62,000.00	34,764.06	-	27,235.94
Recreational Trails Program	8,713.31	-	-	-	-	8,713.31
Click It or Ticket	-	3,921.60	-	3,921.60	-	-
Drive Sober or Get Pulled Over	-	-	5,000.00	-	-	5,000.00
COPS in SHOPS	-	3,200.00	940.06	940.06	-	3,200.00
Emergency Management Assistance Program	-	-	10,000.00	10,000.00	-	-
Body Armor Replacement Grant	-	-	19,977.62	6,814.56	-	13,163.06
NJDOT Green Lane	283,500.00	-	232,500.00	176,721.52	-	339,278.48
Sprint Police Equipment Grant	-	-	20,530.97	20,530.97	-	-
Total Federal and State Grants	\$ 878,846.70	\$ 342,797.85	\$ 540,379.57	\$ 724,901.70	\$ 27,418.82	\$ 1,009,703.60
	<u>Reference</u> A	A-8	A-2, A-8			A

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

**SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS
Year Ended December 31, 2015**

	Balance December 31, 2014	2015			Balance December 31, 2015	
		Budget	Appropriation by 40A:4-87	Paid or Charged		Cancelled/ Adjustments
Vest Partnership Program	\$ 8,465.99	\$ -	\$ 11,958.92	\$ 8,465.99	\$ -	\$ 11,958.92
All Hazards Planning Grant (SLAEHOP)	2,405.72	-	-	-	-	2,405.72
Body Armor Replacement Fund	6,892.18	-	19,977.62	6,875.58	-	19,994.22
NJM Safe Sports/Scholarship	2,000.00	-	-	-	-	2,000.00
Clean Communities Grant	52,771.89	71,420.67	-	112,843.67	-	11,348.89
Communicable Disease HEP B Vaccine	4,039.96	-	-	-	-	4,039.96
COPS in SHOPS	3,399.52	3,200.00	940.06	3,399.52	-	4,140.06
Click It or Ticket	-	3,921.60	-	3,921.60	-	-
Drunk Driving Enforcement Fund	49,443.04	-	-	40,100.00	-	9,343.04
Emergency Management Assistance Program	14,466.62	-	10,000.00	-	-	24,466.62
Drive Sober or Get Pulled Over	-	-	5,000.00	-	-	5,000.00
GM Site Survey	8,484.75	-	-	-	-	8,484.75
Justice Assistance Grant	10,370.60	-	-	1,182.00	-	9,188.60
Mercer at Play	55,328.97	-	-	-	-	55,328.97
Mercer County LINC'S Grant	3,000.00	-	-	-	-	3,000.00
Municipal Alliance	30,705.16	31,228.00	-	37,237.03	(8,400.00)	33,096.13
NJ State Pandemic Influenza Prep Grant	373.24	-	-	-	-	373.24
NJ Storm Water Regulation Grant	236.33	-	-	-	-	236.33
EPEF - Hollowbrook Resource Center	-	-	62,000.00	49,674.48	-	12,325.52
Public Health Priority Funding	405.64	-	-	-	-	405.64
Recycling Tonnage Grant	125.61	38,696.58	-	9,230.29	-	29,591.90
Tobacco Age of Sale Enforcement	4,158.69	-	-	-	-	4,158.69
NJDOT Green Lane	47,871.30	-	232,500.00	16,965.36	-	263,405.94
Sustainable Jersey Small Grant	4,738.01	-	500.00	4,173.34	563.94	500.73
NJ H1N1	1,400.24	-	-	-	-	1,400.24
Mercer County Historic Preservation	271,811.62	-	-	-	-	271,811.62
Mercer County ESCC Parking Lot Restoration	70,155.58	-	-	-	-	70,155.58
Recreational Trails Grant	4,438.31	-	-	225.00	-	4,213.31
HUD/CDBG 2012	63,808.98	194,331.00	176,972.00	278,880.98	-	156,231.00
Other						
NJ Manufacturers EMS Grant	1,500.00	-	-	-	-	1,500.00
Sprint OEM Grant	30,717.59	-	20,530.97	-	-	51,248.56
Comcast Technology Grant	16,138.25	-	-	8,740.80	(7,043.91)	14,441.36
Total Grants	\$ 769,653.79	\$ 342,797.85	\$ 540,379.57	\$ 581,915.64	\$ (14,879.97)	\$ 1,085,795.54
<u>Reference</u>	A	A-7	A-2, A-7			A

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-9

**SCHEDULE OF UNAPPROPRIATED RESERVES FOR FEDERAL, STATE AND COUNTY GRANTS
Year Ended December 31, 2015**

	Balance December 31, 2014	Appropriated	Received	Balance December 31, 2015
State				
Recycling Tonnage Grant	\$ 38,696.58	\$ 38,696.58	\$ -	\$ -
Law and Public Safety	3,921.60	3,921.60	-	-
NJ Historic Trust - Bathhouse Grant	-	-	4,191.86	4,191.86
Justice Assistance Grant	-	-	2,733.00	2,733.00
Click It or Ticket	-	-	3,306.24	3,306.24
Total State Grants	<u>\$ 42,618.18</u>	<u>\$ 42,618.18</u>	<u>\$ 10,231.10</u>	<u>\$ 10,231.10</u>
	<u>Reference</u> A			A

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-10

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES, ASSESSED VALUATION
Year Ended December 31, 2015

	<u>Reference</u>	
Balance - December 31, 2014	A	<u><u>\$ 1,434,500.00</u></u>
Balance - December 31, 2015	A	<u><u>\$ 1,434,500.00</u></u>

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

B

**TRUST FUNDS
STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE
Year Ended December 31, 2015**

	Animal Control		Self Insurance		Other		Public Assistance	
	2015	2014	2015	2014	2015	2014	2015	2014
ASSETS								
Cash and Cash Equivalents	\$ 42,000.10	\$ 43,166.21	\$ 203,128.83	\$ 207,019.21	\$ 2,985,919.47	\$ 2,714,709.22	\$ 1,534.58 B-3	\$ 1,534.58 B-3
Interfunds Receivable	-	-	-	230.27	139,366.05	395.32	-	-
	<u>\$ 42,000.10</u>	<u>\$ 43,166.21</u>	<u>\$ 203,128.83</u>	<u>\$ 207,249.48</u>	<u>\$ 3,125,285.52</u>	<u>\$ 2,715,104.54</u>	<u>\$ 1,534.58</u>	<u>\$ 1,534.58</u>
LIABILITIES, RESERVES AND FUND BALANCE								
Reserve for Encumbrances	\$ -	\$ -	\$ -	\$ -	\$ 90,176.45	\$ 282,462.45	\$ -	\$ -
Reserve and Other Deposits	39,849.10 B-2	40,997.41 B-2	103,128.83	67,104.48	2,913,475.41	2,268,147.82	1,534.58	1,534.58
Reserve for Affordable Housing	-	-	-	-	-	124,830.00	-	-
Due to State of New Jersey	2,151.00	2,168.80	-	-	-	-	-	-
Other Liabilities	-	-	-	-	90,960.81	-	-	-
Interfunds Payable	-	-	100,000.00	140,145.00	30,672.85	39,664.27	-	-
	<u>\$ 42,000.10</u>	<u>\$ 43,166.21</u>	<u>\$ 203,128.83</u>	<u>\$ 207,249.48</u>	<u>\$ 3,125,285.52</u>	<u>\$ 2,715,104.54</u>	<u>\$ 1,534.58</u>	<u>\$ 1,534.58</u>
Totals								
	<u>2015</u>	<u>2014</u>						
ASSETS								
Cash and Equivalents	\$ 3,232,582.98	\$ 2,966,429.22						
Interfunds Receivable	139,366.05	625.59						
	<u>\$ 3,371,949.03</u>	<u>\$ 2,967,054.81</u>						
LIABILITIES, RESERVES AND FUND BALANCE								
Reserve for Encumbrances	\$ 90,176.45	\$ 282,462.45						
Reserve and Other Deposits	3,057,987.92 B-1	2,377,784.29 B-1						
Reserve for Affordable Housing	-	124,830.00						
Due to State of New Jersey	2,151.00	2,168.80						
Other Liabilities	90,960.81	-						
Interfunds Payable	130,672.85	179,809.27						
	<u>\$ 3,371,949.03</u>	<u>\$ 2,967,054.81</u>						

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

B-1

**TRUST FUNDS
SCHEDULE OF OTHER RESERVES AND SPECIAL DEPOSITS
Year Ended December 31, 2015**

	Balance December 31, 2014	Receipts/ Adjustments	Disbursements	Balance December 31, 2015
Parking Adjudication	\$ 4,497.11	\$ 318.00	\$ -	\$ 4,815.11
Accumulated Absences	21,283.09	250,000.00	259,561.25	11,721.84
Developer's Escrow Performance and Inspection	1,539,787.20	934,723.84	391,271.50	2,083,239.54
Uniform Construction Code	135,319.87	906,859.99	807,143.73	235,036.13
Asset Forfeiture Trust	36,454.25	3,936.47	15,038.40	25,352.32
Recreation	52,228.54	21,365.85	23,194.66	50,399.73
Payroll Trust	1,784.12	11,488,273.39	11,481,406.07	8,651.44
Community Fest	30,319.65	6.10	28,634.14	1,691.61
Environmental Commission	5.23	-	-	5.23
Affordable Housing Development Fees	319,227.24	27,652.30	4,755.93	342,123.61
Animal Shelter Donations	15,207.22	257.00	-	15,464.22
Homeland Security K-9 Donations	2,120.70	-	-	2,120.70
National Night Out Program	1,332.82	-	-	1,332.82
Talent Show Program	5,667.37	5.68	(13.01)	5,686.06
Patriotic Committee	5,323.45	8,706.60	7,183.12	6,846.93
Police Off-Duty Employment	57,331.10	750,824.65	796,049.14	12,106.61
Self-Insurance Trust	67,104.36	475,531.45	439,506.98	103,128.83
Snow Removal	1,023.65	271,228.23	224,427.34	47,824.54
Flex Spending Fund	1,072.88	79,073.20	71,032.08	9,114.00
Disaster Relief Fund	61.39	2.13	-	63.52
Animal Control Trust	40,997.41	17,408.00	18,556.31	39,849.10
Federal Asset Forfeiture	2,803.24	9,178.39	-	11,981.63
Public Assistance Trust	1,534.58	-	-	1,534.58
Street and Sidewalk Fund	35,297.82	4,600.00	2,000.00	37,897.82
	<u>\$ 2,377,784.29</u>	<u>\$ 15,249,951.27</u>	<u>\$ 14,569,747.64</u>	<u>\$ 3,057,987.92</u>
Reference	B			B

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

B-2

**TRUST FUNDS
SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES
Year Ended December 31, 2015**

	<u>Reference</u>	
Balance - December 31, 2014	B	\$ 40,997.41
Increased by		
License Fees		17,408.00
		<u>58,405.41</u>
Decreased by		
Excess Due to Current Fund		18,008.51
Expenditures under R.S. 4:19-15.11		547.80
		<u>18,556.31</u>
Balance - December 31, 2015	B	<u>\$ 39,849.10</u>
License Fees Collected		
	2013	\$ 11,362.40
	2014	17,408.00
		<u>\$ 28,770.40</u>

Note: R.S. 4:19-15.11

"...there shall be transferred from such special account to the general funds of the municipality any amount then in such special account which is in excess of the total amount paid into such special account during the last two fiscal years preceding."

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

B-3

TRUST FUNDS
PUBLIC ASSISTANCE FUND
SCHEDULE OF CASH - TREASURER
Year Ended December 31, 2015



Balance - December 31, 2015	<u>Reference</u> B	<u>\$ 1,534.58</u>	
Analysis of Detail	<u>12/31/2015</u>	<u>12/31/2014</u>	<u>CHANGE</u>
Public Assistance Trust Fund # 1	<u>\$ 1,534.58</u>	<u>\$ 1,534.58</u>	<u>\$ -</u>
<u>Reference</u>	B	B	

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

C

**GENERAL CAPITAL FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

	Reference	December 31,	
		2015	2014
ASSETS			
Cash	C-1	\$ 8,039,374.14	\$ 2,582,882.92
Deferred Charges to Future Taxation - Funded	C-10	8,893,431.73	11,510,678.93
Deferred Charges to Future Taxation - Unfunded	C-2	12,435,062.00	8,279,000.00
Intergovernmental Receivable		17,500.00	-
		<u>\$ 29,385,367.87</u>	<u>\$ 22,372,561.85</u>
LIABILITIES, RESERVES AND FUND BALANCE			
Serial Bonds	C-3	\$ 7,499,000.00	\$ 9,674,000.00
Bond Anticipation Notes	C-4, C-2	12,435,062.00	3,966,000.00
Other Liabilities and Reserves			
Green Trust Loan Payable	C-5	161,173.99	188,629.61
NJ Environmental Infrastructure Trust Loan Payable	C-8	1,061,795.58	1,311,206.58
Reserve for Encumbrances	C-1	4,330,595.04	923,653.64
MCIA Lease Payable		171,462.16	336,842.74
Reserve for Premium on Notes	C-1	17,160.38	-
Capital Improvement Fund	C-1, C-9	106,220.15	74,960.15
Due to Current Fund	C-1	-	2,699.34
Improvement Authorizations			
Funded	C-6	171,966.11	315,264.53
Unfunded	C-6	3,194,418.18	5,385,255.96
Fund Balance	C-1, C-7	<u>236,514.28</u>	<u>194,049.30</u>
		<u>\$ 29,385,367.87</u>	<u>\$ 22,372,561.85</u>

There were Bonds and Notes Authorized but not issued at December 31, 2015 and 2014, in the amount of \$0 and \$4,313,000, respectively (C-2).

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-1

GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH
Year Ended December 31, 2015

	<u>Reference</u>	
Fund Balance	C, C-7	\$ 236,514.28
Capital Improvement Fund	C	106,220.15
Improvement Authorizations:		
12-13 Multi Purpose Ordinance		12,985.89
13-24 Various Improvements		100,825.30
14-06 Various Equipment and Improvements		2,229,322.85
14-20 Reappropriation Ordinance Various Equipment		604.00
14-26 Police Technology Equipment		7,356.69
15-05 Supplement to 2014-06		3,338.33
15-16 Various Improvements		856,913.34
15-22 Reappropriation		7,997.14
15-39 Various Improvements		147,040.75
Due from County of Mercer	C	(17,500.00)
Reserve for Premium on Notes	C	17,160.38
Reserve for Encumbrances	C	4,330,595.04
	C	<u>\$ 8,039,374.14</u>

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-2

**GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION – UNFUNDED
Year Ended December 31, 2015**

Ordinance Number	Improvement Description	Balance December 31, 2014	Authorizations	Adjustments	Down Payment	Balance December 31, 2015	Bond Anticipation Notes	Authorizations Unfunded
13-24	Various Capital Improvements	\$ 2,280,000.00	\$ -	\$ -	\$ -	\$ 2,280,000.00	\$ 2,280,000.00	\$ -
14-06	Various Equipment and Improvements	5,695,000.00	-	-	-	5,695,000.00	5,695,000.00	-
14-26	Police Technology Equipment	304,000.00	-	-	-	304,000.00	304,000.00	-
15-05	Supplement to 2014-06	-	170,000.00	-	8,500.00	161,500.00	161,500.00	-
15-16	Various Improvements	-	4,204,802.00	-	210,240.00	3,994,562.00	3,994,562.00	-
15-22	Reappropriation	-	80,000.00	80,000.00	-	-	-	-
15-39	Various Improvements	-	185,200.00	-	185,200.00	-	-	-
	Total	\$ 8,279,000.00	\$ 4,640,002.00	\$ 80,000.00	\$ 403,940.00	\$ 12,435,062.00	\$ 12,435,062.00	\$ -
	<u>Reference</u>	C	C-6		C-6	C, C-4	C, C-4	C

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-3

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
Year Ended December 31, 2015**

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2013		Interest Rate	Balance			Balance December 31, 2013
			Date	Amount		December 31, 2013	Increased	Decreased	
2006 General Improvement Bonds	1-1-06	\$ 9,100,000.00	9-1-16	\$ 1,750,000.00	4.80%	\$ 3,250,000.00	\$ -	\$ 1,500,000.00	\$ 1,750,000.00
2012 General Improvement Bonds	7-27-12	7,649,000	3-15-16	500,000.00	2.25%	6,424,000.00	-	675,000.00	5,749,000.00
			3-15-17	850,000.00	3.00%				
			3-15-18	850,000.00	3.00%				
			3-15-19	850,000.00	3.00%				
			3-15-20	900,000.00	3.00%				
			3-15-21	900,000.00	3.00%				
			3-15-22	899,000.00	3.00%				
						<u>\$ 9,674,000.00</u>	<u>\$ -</u>	<u>\$ 2,175,000.00</u>	<u>\$ 7,499,000.00</u>
Reference						C		C-10	C

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-4

**GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
Year Ended December 31, 2015**

Improvement Description	Ordinance Number	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rates	Balance			Balance
						December 31, 2014	Increased	Decreased	December 31, 2015
Various Capital Improvements	13-24	8/15/2013	7/16/2015	7/15/2016	0.85%	\$ 2,280,000.00	\$ 2,280,000.00	\$ 2,280,000.00	\$ 2,280,000.00
Various Capital Improvements	14-06	8/14/2014	7/16/2015	7/15/2016	0.85%	1,686,000.00	5,695,000.00	1,686,000.00	5,695,000.00
Police Technology Equipment	14-26	7/16/2015	7/16/2015	7/15/2016	0.85%	-	304,000.00	-	304,000.00
Supplement to 2014-06	15-05	7/16/2015	7/16/2015	7/15/2016	0.85%	-	161,500.00	-	161,500.00
Various Improvements	15-16	7/16/2015	7/16/2015	7/15/2016	0.85%	-	3,994,562.00	-	3,994,562.00
						<u>\$ 3,966,000.00</u>	<u>\$ 12,435,062.00</u>	<u>\$ 3,966,000.00</u>	<u>\$ 12,435,062.00</u>
						Reference C	C-2		C, C-2

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-5

GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOANS PAYABLE
Year Ended December 31, 2015

	<u>Reference</u>	
Balance - December 31, 2014	C	\$ 188,629.61
Decreased by		
Repayments of Principal		<u>27,455.62</u>
Balance - December 31, 2015	C	<u>\$ 161,173.99</u>

<u>Loan Principal Repayment Schedule</u>			
<u>Calendar Year</u>	<u>March 25th</u>	<u>Sept. 25th</u>	<u>Total</u>
2016	\$ 13,934.07	\$ 14,073.41	\$ 28,007.48
2017	14,214.14	14,356.28	28,570.42
2018	14,499.85	14,644.84	29,144.69
2019	14,791.29	14,939.21	29,730.50
2020	15,088.60	15,239.48	30,328.08
2021	15,392.82	-	15,392.82
	<u>\$ 87,920.77</u>	<u>\$ 73,253.22</u>	<u>\$ 161,173.99</u>
<u>Reference</u>			C

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-6

**GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
Year Ended December 31, 2015**

Ordinance Number	Improvement Description	Ordinance Amount	Balance December 31, 2014		2015 Authorization	2015				Balance December 31, 2015	
			Funded	Unfunded		Down Payment	Paid or Charged	Cancellations	Adjustments	Funded	Unfunded
05-29	Various Capital Improvements	\$ -	\$ 142.75	\$ -	\$ -	\$ -	\$ 142.75	\$ -	\$ -	\$ -	\$ -
06-35	Multi Purpose	250,000.00	-	10,909.61	-	-	10,909.61	-	-	-	-
12-13	Multi Purpose Ordinance	5,124,370.00	309,056.29	-	-	-	73,301.91	222,768.49	-	12,985.89	-
13-17	Reappropriation Ordinance Various Equipment	-	5,311.49	-	-	-	565.00	4,746.49	-	-	-
13-24	Various Improvements	-	-	142,140.21	-	-	41,314.91	-	-	-	100,825.30
13-43	Reappropriation Ordinance	-	150.00	-	-	-	-	150.00	-	-	-
14-06	Various Equipment and Improvements	5,994,176.10	-	5,124,075.62	-	-	2,715,152.38	-	179,600.39	-	2,229,322.85
14-20	Reappropriation Ordinance - Various Equipment	-	604.00	-	-	-	-	-	-	604.00	-
14-26	Police Technology Equipment	-	-	108,130.52	-	-	100,773.83	-	-	-	7,356.69
15-05	Supplement to 2014-06	170,000.00	-	-	170,000.00	8,500.00	166,661.67	-	-	3,338.33	-
15-16	Various Improvements	4,204,802.00	-	-	4,204,802.00	210,240.00	3,347,888.66	-	-	-	856,913.34
15-22	Reappropriation	80,000.00	-	-	80,000.00	-	72,002.86	-	-	7,997.14	-
15-39	Various Improvements	185,200.00	-	-	185,200.00	185,200.00	38,159.25	-	-	147,040.75	-
			<u>\$ 315,264.53</u>	<u>\$ 5,385,255.96</u>	<u>\$ 4,640,002.00</u>	<u>\$ 403,940.00</u>	<u>\$ 6,566,872.83</u>	<u>\$ 227,664.98</u>	<u>\$ 179,600.39</u>	<u>\$ 171,966.11</u>	<u>\$ 3,194,418.18</u>
	Reference		C	C	C-2	C-2		C-7		C	C
					Capital Improvement Fund	\$ 218,740.00	C-9				
					Fund Balance	185,200.00	C-7				
						<u>\$ 403,940.00</u>					

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-7

GENERAL CAPITAL FUND
STATEMENT OF CHANGES IN FUND BALANCE
Year Ended December 31, 2015

	<u>Reference</u>	
Balance - December 31, 2014	C	\$ 194,049.30
Increased by		
Improvement Authorization Cancelled	C-6	227,664.98
Decreased by		
Appropriated to Finance Improvement Authorizations	C-6	185,200.00
Balance - December 31, 2015	C, C-1	<u><u>\$ 236,514.28</u></u>

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-8

GENERAL CAPITAL FUND
SCHEDULE OF NJ ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE
Year Ended December 31, 2015

	<u>Reference</u>	
Balance - December 31, 2014	C	\$ 1,311,206.58
Decreased by Principal Payments		<u>249,411.00</u>
Balance - December 31, 2015	C	<u>\$ 1,061,795.58</u>

<u>Principal Repayment Schedule</u>				
<u>Calendar Year</u>	<u>Fund Loan</u>		<u>Trust Loan</u>	<u>Total</u>
	<u>February 1</u>	<u>August 1</u>	<u>August 1</u>	
2016	\$ 7,960.00	\$ 99,741.00	\$ 145,000.00	\$ 252,701.00
2017	5,436.00	103,547.00	155,000.00	263,983.00
2018	7,022.00	104,014.00	160,000.00	271,036.00
2019	-	104,075.58	170,000.00	274,075.58
	<u>\$ 20,418.00</u>	<u>\$ 411,377.58</u>	<u>\$ 630,000.00</u>	<u>\$ 1,061,795.58</u>
<u>Reference</u>				C

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-9

GENERAL CAPITAL FUND
STATEMENT OF CHANGES IN CAPITAL IMPROVEMENT FUND
Year Ended December 31, 2015

	<u>Reference</u>	
Balance - December 31, 2014	C	\$ 74,960.15
Increase: Budget Appropriation	A-2	<u>250,000.00</u> 324,960.15
Decrease: Finance Improvement Authorizations	C-6	<u>218,740.00</u>
Balance - December 31, 2015	C	<u><u>\$106,220.15</u></u>

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-10

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
Year Ended December 31, 2015

	<u>Reference</u>	
Balance - December 31, 2014	C	\$ 11,510,678.93
Decreased by:		
Payment of		
Bonds Principal	C-3	2,175,000.00
Loans Payable		276,866.62
MCIA		165,380.58
		<u>2,617,247.20</u>
Balance - December 31, 2015	C	<u>\$ 8,893,431.73</u>

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

D

**SEWER OPERATING FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

		December 31,	
		<u>2015</u>	<u>2014</u>
	<u>Reference</u>		
ASSETS			
Cash		\$ 260,026.07	\$ 271,597.34
Due from Current Fund		-	-
Delinquent Sewer Fees Receivable	D-1	4,696.08	59,428.80
Sewer Liens Receivable		531.07	531.07
		<u>\$ 265,253.22</u>	<u>\$ 331,557.21</u>
LIABILITIES, RESERVES AND FUND BALANCE			
Liabilities and Reserves			
Appropriation Reserves		\$ 572.80	\$ 6,923.44
Prepaid Sewer		15,050.58	12,925.56
Reserve for Delinquent Sewer Fees Receivable	D-1	4,696.08	59,428.80
Reserve for Sewer Liens Receivable		531.07	531.07
Due to Current Fund		43,739.70	43,420.05
Total Liabilities and Reserves		<u>64,590.23</u>	<u>123,228.92</u>
Fund Balance	D-2	200,662.99	208,328.29
		<u>\$ 265,253.22</u>	<u>\$ 331,557.21</u>

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-1

**SEWER OPERATING FUND
SCHEDULE OF SEWER CHARGES RECEIVABLE
Year Ended December 31, 2015**

<u>Year</u>	<u>Balance December 31, 2014</u>	<u>2015 Levy</u>	<u>Cancelled/Billing Adjustments</u>	<u>2015 Collections</u>	<u>Payment Adjustments</u>	<u>Balance December 31, 2015</u>
<u>RESIDENTIAL</u>						
2014	\$ 59,428.80	\$ -	\$ -	\$ 59,428.80	\$ -	\$ -
2015	-	6,725,924.79	96,562.88	6,721,228.71	96,562.88	4,696.08
<u>COMMERCIAL</u>						
2014	-	431,518.26	-	431,518.26	-	-
2015	-	1,288,697.11	-	1,288,697.11	-	-
	<u>\$ 59,428.80</u>	<u>\$ 8,446,140.16</u>	<u>\$ 96,562.88</u>	<u>\$ 8,500,872.88</u>	<u>\$ 96,562.88</u>	<u>\$ 4,696.08</u>
<u>Reference</u>	D			D-2		D

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-2

SEWER OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL
Year Ended December 31, 2015

	<u>Ref.</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Surplus Anticipated		\$ 200,000.00	\$ 200,000.00	\$ -
Current Year Sewer Rents	D-2	8,407,273.19	8,500,872.88	93,599.69
Interest and Costs		32,000.00	43,636.06	11,636.06
Total Revenues		<u>8,639,273.19</u>	<u>8,744,508.94</u>	<u>105,235.75</u>
EXPENDITURES				
Salaries and Wages		48,000.00	48,000.00	-
Other Expenses		5,000.00	5,000.00	-
ELSA Charges		8,564,000.00	8,564,000.00	-
Deficit in Operations in Prior Years		22,273.19	22,273.19	-
Total Expenditures		<u>8,639,273.19</u>	<u>8,639,273.19</u>	<u>-</u>
Excess of Revenues over Expenditures		<u>\$ -</u>	105,235.75	<u>\$ 105,235.75</u>
Other Credits to Income			<u>87,098.95</u>	
Statutory Excess to Fund Balance			192,334.70	
Fund Balance December 31, 2014			208,328.29	
Decreased by: Utilization in CY Budget			200,000.00	
Fund Balance December 31, 2015			<u>\$ 200,662.99</u>	
	<u>Reference</u>		D	

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

E

GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENT OF GENERAL FIXED ASSETS

	<u>December 31, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2015</u>
Assets				
General Fixed Assets				
Land	\$ 10,101,800.00	\$ -	\$ -	\$ 10,101,800.00
Buildings and Improvements	10,940,500.00	-	-	10,940,500.00
Furniture, Fixtures, and Equipment	<u>19,006,002.51</u>	<u>2,721,541.00</u>	<u>1,237,839.00</u>	<u>20,489,704.51</u>
Total General Fixed Assets	<u>\$ 40,048,302.51</u>	<u>\$ 2,721,541.00</u>	<u>\$ 1,237,839.00</u>	<u>\$ 41,532,004.51</u>
 Investment in General Fixed Assets	 <u>\$ 40,048,302.51</u>			 <u>\$ 41,532,004.51</u>

SUPPLEMENTARY INFORMATION

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

GENERAL COMMENTS
Year Ended December 31, 2015

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

Local units and board of education that have appointed a Qualified Purchasing Agent pursuant to N.J.S.A. 40A:11-9(b) and take advantage of a higher bid threshold pursuant to N.J.S.A. 40A:11-3(a) and 18A:18A-3(a), have their maximum bid threshold increased from \$36,000 to \$40,000. Where the higher bid threshold is authorized, appropriate action should be taken to adjust the locally set amount.

The Township has a Qualified Purchasing Agent.

Please remember that contracts exceeding the new threshold are subject to the appropriate requirements of the Local Public Contracts Law and the Public School Contracts Law. As a result of the change in bid threshold, the 15% threshold for the informal receipt of quotations thresholds of N.J.S.A. 40A:11-6.1(a) and 18A:18A-37(a) also changes. The following table summarizes the new bid and quotation thresholds.

	<u>Bid Threshold</u>	<u>Quotation Threshold</u>
Base amount	\$ 17,500	\$ 2,625
With qualified purchasing agent	40,000	6,000

Public Bidding Compliance

The minutes indicate that bids were requested by public advertisement for the following items:

- Electrical upgrades
- Roadway improvements
- Ambulances
- Physician services
- Heavy duty rescue truck
- Rescue equipment
- Restoration services to bath house
- Elevator inspection services
- Supply and delivery of electricity
- Supply and delivery of natural gas

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

GENERAL COMMENTS (CONTINUED)
Year Ended December 31, 2015

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

Insofar 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, if any obvious violations existed, results would be indicated in the schedule of current year findings and recommendations. No obvious violations were noted.

Any interpretation as to possible violations of N.J.S. 40A:11-4 or N.J.A.C. 5:30-14 would be in the province of the municipal solicitor.

Additional Information

Delinquent Taxes and Tax Title Liens

There was a tax sale held on December 29, 2015, for the year ended December 31, 2015.

**TOWNSHIP OF EWING
COUNTY OF MERCER, STATE OF NEW JERSEY**

OFFICIALS IN OFFICE AND SURETY BONDS

SCHEDULE 1

Name	Title	Term Expires	Surety
Bert Steinmann	Mayor	12/31/2017	\$ 50,000.00
Kevin Baxter	Council President	12/31/2016	50,000.00
Jennifer Keyes Maloney	Council Vice President	12/31/2016	50,000.00
Kathy Wollert	Council Person	12/31/2017	50,000.00
Sarah Steward	Council Person	12/31/2017	50,000.00
David Schroth	Council Person	12/31/2016	50,000.00
James McManimon	Business Administrator	AT WILL	50,000.00
Joanna Mustafa	Certified Municipal Finance Officer/Assistant Business Administrator	Tenured	1,000,000.00
Stevens & Lee	Attorney	12/31/2015	
ASSESSMENT OF TAXES:			
Jeff Burd	Assessor	Tenured	50,000
COLLECTION OF TAXES:			
Thomas Hespe	Tax Collector	Tenured	500,000
OTHER DEPARTMENTS:			
Bertha Scott	Prosecutor	December 31, 2015	
Maryann Convenio	Acting Municipal Court Administrator	Civil Service	50,000
Antonio Martinez	Public Defender	December 31, 2015	
John Stemler III	Chief of Police	Provisional	50,000
James Scott	Construction Official, Assistant Zoning Officer, & Fire Official	Civil Service	50,000
Sharon McNellis-Kissel	Health Officer	Civil Service	50,000
Remington Vernick & Arango	Engineer	December 31, 2015	
Theodore Forst	Recreation Superintendent, Director Community Services	Civil Service	50,000
Robert Wood Johnson	Physician	December 31, 2015	
Martin Posluszny	Superintendent of Sanitation	Civil Service	50,000
Roger Haley	Municipal Judge	December 31, 2015	50,000
Rocky Peterson	Negotiator	December 31, 2015	50,000

**TOWNSHIP OF EWING
COUNTY OF MERCER**

SCHEDULE OF TAX RATE, TAX LEVY AND TAX COLLECTIONS

SCHEDULE 2

Comparison of Tax Rate Information

	2015	2014	2013
Total Tax Rate	\$ 5.261	\$ 5.247	\$ 5.164
Apportionment of Tax Rate			
Municipal	\$ 1.312	\$ 1.293	\$ 1.272
County	0.990	1.038	1.037
Local School	2.959	2.916	2.855

Assessed Valuation - Net Valuation Taxable

2015	2014	2013
\$ 1,950,497,980	\$ 1,938,933,977	\$ 1,930,845,585

Comparison of Tax Levies and Cash Collections

Year	Tax Levy	Cash Collection	Percentage of Collection
2015	\$ 102,611,841.40	\$ 102,300,141.50	99.70%
2014	101,896,160.10	101,370,172.70	99.48%
2013	99,796,820.70	99,107,475.56	99.31%
2012	96,885,701.95	96,434,274.47	99.53%
TY 2011	48,199,012.14	47,502,308.50	98.55%

Delinquent Taxes and Tax Title Liens

Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage of Tax Levy Uncollected
2015	\$ 473,467.27	\$ 23,610.29	\$ 497,077.56	0.48%
2014	402,639.71	20,133.36	422,773.07	0.41%
2013	326,013.06	11,793.44	337,806.50	0.34%
2012	266,231.56	36,598.54	302,830.10	0.31%
TY 2011	86,541.56	705,565.55	792,107.11	1.64%

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

Year	Amount
2015	\$ 1,434,500.00
2014	1,434,500.00
2013	1,434,500.00
2012	1,434,500.00
TY 2011	1,434,500.00

*TY = Transition Year

STATISTICAL SECTION

**REAL ESTATE ASSESSMENT INFORMATION
UNAUDITED**

TREND OF REAL ESTATE VALUATIONS

	<u>Net Assessed Valuation Taxable</u>	<u>Equalized Valuation</u>	<u>Percentage of Net Assessed to Market Value</u>
2015	\$ 1,950,497,980.00	\$ 2,928,812,283.00	66.60%
2014	1,938,933,977.00	2,900,189,333.00	66.86%
2013	1,930,845,585.00	3,024,414,042.00	63.84%
2012	1,894,846,400.00	3,194,730,665.00	59.31%
TY 2011	1,837,916,731.00	3,238,107,402.00	56.76%

REAL PROPERTY VALUATIONS (in thousands of dollars)

	<u>Vacant & Farms</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartments</u>	<u>Pers. Property</u>	<u>Total</u>
2015	\$ 17,434.00	\$ 1,329,254.00	\$ 503,965.00	\$ 18,835.00	\$ 73,076.00	\$ 7,934.00	\$ 1,950,498.00
2014	18,300.00	1,324,232.00	503,936.00	18,769.00	64,627.00	9,072.00	1,938,934.00
2013	17,771.00	1,326,103.00	494,366.00	18,884.00	64,626.00	9,094.00	1,930,844.00
2012	22,471.00	1,315,689.00	463,296.00	18,961.00	64,816.00	9,613.00	1,894,846.00
TY 2011	22,004.00	1,314,452.00	413,149.00	14,498.00	63,960.00	9,854.00	1,837,917.00

**TOWNSHIP OF EWING
COUNTY OF MERCER**

TABLE 2

SCHEDULE OF LARGEST TAXPAYERS
UNAUDITED

Taxpayer	Business Type	2015 Assessed Valuation	As a Percent of Total Net Assessed Taxable Valuation
NJ Manufacturers	Insurance	\$ 47,037,200	2.41%
Church & Dwight	Household Products	35,679,600	1.83%
Ewing Properties, LLC	Commercial	21,597,000	1.11%
Princeton South Development	Commercial	21,594,500	1.11%
Pfizer	Pharmaceuticals	18,529,900	0.95%
Educational Testing Services	Education	14,463,700	0.74%
Mountainview Office Park	Commercial	13,712,200	0.70%
Levin Properties	Retail	13,313,000	0.68%
Bell Atlantic	Communications	12,415,130	0.64%
Halston Builders	Apartment Complex	10,201,800	0.52%
		<u>\$ 208,544,030</u>	<u>10.69%</u>

**COST PER CAPITA AND BUDGET PERCENTAGES FOR SELECTED OPERATING FUNCTIONS
UNAUDITED**

	2015	2014	2013
General Government	\$ 3,601,133.08	\$ 2,262,129.50	\$ 2,009,525.00
Percent to Total	8.05%	5.26%	4.77%
Cost per Capita	100.85	63.35	56.28
Boards and Committees	764,950.00	499,227.26	281,300.00
Percent to Total	1.71%	1.16%	0.67%
Cost per Capita	21.42	13.98	7.88
Insurance	8,082,714.00	8,354,626.00	7,895,134.00
Percent to Total	18.06%	19.43%	18.76%
Cost per Capita	226.36	233.98	221.11
Public Safety	13,342,097.00	13,210,867.60	13,652,950.00
Percent to Total	29.82%	30.72%	32.44%
Cost per Capita	373.65	369.98	382.36
Public Works	3,560,707.00	3,435,900.00	3,416,432.00
Percent to Total	7.96%	7.99%	8.12%
Cost per Capita	99.72	96.22	95.68
Recreation, Health and Human Services	2,271,900.00	2,225,100.00	2,164,228.00
Percent to Total	5.08%	5.17%	5.14%
Cost per Capita	63.63	62.32	60.61
Utilities and Bulk Purchases	1,420,000.00	1,493,500.00	1,400,000.00
Percent to Total	3.17%	3.47%	3.33%
Cost per Capita	39.77	41.83	39.21
Trash Removal and Disposal	1,845,000.00	2,179,878.26	2,021,045.61
Percent to Total	4.12%	5.07%	4.80%
Cost per Capita	51.67	61.05	56.60
Public & Private Programs Offset by Revenues	891,577.42	459,280.57	698,195.29
Percent to Total	1.99%	1.07%	1.66%
Cost per Capita	24.97	12.86	19.55
Debt Service	3,034,728.31	3,041,295.30	3,005,139.39
Percent to Total	6.78%	7.07%	7.14%
Cost per Capita	84.99	85.17	84.16
Reserve for Uncollected Taxes	198,726.91	611,257.27	128,765.16
Percent to Total	0.44%	1.42%	0.31%
Cost per Capita	5.57	17.12	3.61
Other and Statutory	5,729,825.51	5,226,083.00	5,419,250.07
Percent to Total	12.81%	12.15%	12.87%
Cost per Capita	160.47	146.36	151.77
Total Annual Expenditures	<u>\$ 44,743,359.23</u>	<u>\$ 42,999,144.76</u>	<u>\$ 42,091,964.52</u>
Local Taxes	\$ 25,593,110.81	\$ 25,076,199.17	\$ 24,550,123.00
Population Last Census	35,707	35,707	35,707

**RATIO OF BONDED DEBT, BOND ANTICIPATION NOTES AND LOANS TO EQUALIZED VALUE
AND DEBT PER CAPITA
LAST FIVE FISCAL YEARS**

<u>Year</u>	<u>Population</u>	<u>Average Equalized Valuation</u>	<u>Debt</u>	<u>Debt per Capita</u>	<u>Ratio of Gross Bonded Debt to Equalized Valuation</u>	<u>Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Equalized Valuation</u>	<u>Net Bonded Debt per Capita</u>
2015	35,707	\$ 2,845,882,114.00	\$21,157,031.57	\$ 592.52	0.74%	\$ 7,499,000.00	0.26%	210.01
2014	35,707	2,874,662,675.33	19,452,836.19	544.79	0.68%	9,674,000.00	0.34%	270.93
2013	35,707	2,935,415,495.67	15,858,204.19	444.12	0.54%	11,799,000.00	0.40%	330.44
2012	35,707	3,070,722,432.00	15,861,821.00	444.22	0.52%	13,799,000.00	0.45%	386.45
TY 2011	35,790	3,345,001,731.00	14,454,385.00	403.87	0.43%	8,609,000.00	0.26%	240.54