

TOWNSHIP OF WATERFORD

COUNTY OF CAMDEN

REPORT OF AUDIT

FOR THE YEAR 2014



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TOWNSHIP OF WATERFORD

PART 1

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2014

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Waterford
Atco, New Jersey 08004

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Waterford, in the County of Camden, State of New Jersey, as of December 31, 2014 and 2013, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2014 and the related notes to the 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 the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Waterford, in the County of Camden, State of New Jersey, as of December 31, 2014 and 2013, or the results of its operations and changes in fund balance for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Waterford, in the County of Camden, State of New Jersey, as of December 31, 2014 and 2013, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis, expenditures - regulatory basis of the various funds, and general fixed assets, for the year ended December 31, 2014 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note 1.

Other Information

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

The supplementary financial statements presented for the various funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 information described in the previous paragraph is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 4, 2015 on our consideration of the Township of Waterford's, in the County of Camden, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Township of Waterford's internal control over financial reporting.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Daniel M. DiGangi

Daniel M. DiGangi
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 4, 2015

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Waterford
Atco, New Jersey 08004

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey of the Township of Waterford, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated June 4, 2015. That report indicated that the Township of Waterford's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Waterford's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under Government Auditing Standards, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is described in the accompanying Schedule of Findings and Recommendations as item number 2014-1.

The Township of Waterford's Response to Findings

The Township of Waterford's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Recommendations. The Township's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Daniel M. DiGangi

Daniel M. DiGangi
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 4, 2015

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2014 and 2013

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Regular Fund:			
Cash--Chief Financial Officer	SA-1	\$ 3,528,965.16	\$ 3,779,885.82
Cash--Collector	SA-2	57,565.61	141,603.80
Cash--Change Fund	SA-3	370.00	370.00
Due from State of New Jersey, Ch. 20, P.L. 1971	SA-4	5,219.27	
		<u>3,592,120.04</u>	<u>3,921,859.62</u>
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	SA-5	682,709.36	643,527.70
Tax Title Liens Receivable	SA-6	580,033.73	537,268.01
Property Maintenance Liens Receivable	A	80,337.55	80,337.55
Property Acquired for Taxes--Assessed Valuation	A	142,300.00	142,300.00
Revenue Accounts Receivable	SA-8	27,385.20	27,172.29
Due from Animal Control Fund	SB-1		2,018.38
Due from General Capital Fund	SC-6	30,530.75	75,000.19
Due from Trust Other Fund	SB-5	130,475.17	117,080.76
		<u>1,673,771.76</u>	<u>1,624,704.88</u>
Deferred Charges:			
Emergency Appropriation (40A:4-48)	A-3	39,000.00	
Special Emergency Appropriation (40A:4-55)	SA-15	486,560.00	132,745.00
		<u>525,560.00</u>	<u>132,745.00</u>
		<u>5,791,451.80</u>	<u>5,679,309.50</u>
Federal and State Grant Fund:			
Cash	SA-1	85,701.96	134,969.35
Federal and State Grants Receivable	SA-17	60,000.00	156,360.00
		<u>145,701.96</u>	<u>291,329.35</u>
		<u>\$ 5,937,153.76</u>	<u>\$ 5,970,638.85</u>

(Continued)

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2014 and 2013

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Regular Fund:			
Appropriation Reserves	A-3;SA-9	\$ 155,773.19	\$ 398,165.20
Reserve for Encumbrances	SA-7	95,509.14	70,972.19
Contracts Payable	SA-1		2,875.00
Accounts Payable	SA-16	61,042.12	8,281.64
Prepaid Taxes	SA-10	175,816.80	191,637.99
Reserve for Sale of Municipal Assets	A	82,501.00	82,501.00
Tax Overpayments	SA-11		52,061.67
Reserve for Revaluation of Real Property	SA-12	60,673.48	
Reserve for Revision of Ordinances	SA-1	6,420.00	10,700.00
Due County for Added and Omitted Taxes	SA-13	16,642.94	44,892.26
Local District School Taxes Payable	SA-14	2,094,303.21	2,150,878.43
Due to State of New Jersey, Ch. 20, P.L. 1971	SA-4		2,082.16
Due to State of New Jersey -- State Training Fees	SA-1	953.00	1,268.00
Due to Bank	A	6.00	6.00
		<u>2,749,640.88</u>	<u>3,016,321.54</u>
Reserves for Receivables and Other Assets	A	1,673,771.76	1,624,704.88
Fund Balance	A-1	<u>1,368,039.16</u>	<u>1,038,283.08</u>
		<u>5,791,451.80</u>	<u>5,679,309.50</u>
Federal and State Grant Fund:			
Reserve for State and Federal Grants:			
Unappropriated	SA-18	23,216.84	20,380.00
Appropriated	SA-19	118,262.27	120,124.96
Contracts Payable	SA-1		141,360.00
Reserve for Encumbrances	SA-1;SA-19	4,222.85	9,464.39
		<u>145,701.96</u>	<u>291,329.35</u>
		<u>\$ 5,937,153.76</u>	<u>\$ 5,970,638.85</u>

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

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statements of Operations and Changes in Fund Balance--Regulatory Basis
 For the Years Ended December 31, 2014 and 2013

<u>Revenue and Other Income Realized</u>	<u>2014</u>	<u>2013</u>
Fund Balance Utilized	\$ 773,850.00	\$ 778,000.00
Miscellaneous Revenues Anticipated	2,225,313.63	2,448,190.02
Receipts from Current Taxes	25,523,027.48	25,185,872.89
Receipts from Delinquent Taxes	608,757.44	627,364.34
Non-Budget Revenue	91,035.94	106,890.01
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	281,253.82	344,309.34
Cancellation of Accounts Payable	131.00	3,471.50
Liquidation of Reserve:		
Due from Animal Control Fund	2,018.38	
Due from General Capital Fund	44,469.44	22,114.11
	<u>29,549,857.13</u>	<u>29,516,212.21</u>
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations--Within "CAPS":		
Salaries and Wages	3,340,305.00	3,419,200.00
Other Expenses	4,223,873.00	3,731,065.00
Deferred Charges and Statutory Expenditures--		
Municipal--Within "CAPS"	791,073.00	818,447.00
Operations--Excluded from "CAPS":		
Salaries and Wages	170,656.77	165,259.91
Other Expenses	322,093.66	513,545.76
Capital Improvements--Excluded from "CAPS"	150,000.00	75,000.00
Municipal Debt Service--Excluded from "CAPS"	728,306.55	707,475.74
Deferred Charges--Municipal--Excluded from "CAPS"	46,185.00	44,045.00
County Taxes	6,170,512.68	6,390,130.44
Due County for Added and Omitted Taxes	16,642.94	44,892.26
Local District School Tax	12,908,701.00	12,701,851.00
Other Expenditures:		
Prior Year Tax Deductions Disallowed	3,000.00	2,500.00
Refund of Prior Year Revenue	507.04	31.70
Creation of Reserve:		
Due from Animal Control Fund		2,018.38
Due from General Capital Fund		75,000.00
Due from Trust Other Fund	13,394.41	116,735.60
	<u>28,885,251.05</u>	<u>28,807,197.79</u>
Excess (Deficit) in Revenues	<u>664,606.08</u>	<u>709,014.42</u>
Adjustment in Income before Fund Balance:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Years	439,000.00	10,700.00
Statutory Excess to Fund Balance	1,103,606.08	719,714.42
<u>Fund Balance</u>		
Balance Jan. 1	<u>1,038,283.08</u>	<u>1,096,568.66</u>
	2,141,889.16	1,816,283.08
Decreased by:		
Utilized as Revenue	<u>773,850.00</u>	<u>778,000.00</u>
Balance Dec. 31	<u>\$ 1,368,039.16</u>	<u>\$ 1,038,283.08</u>

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

TOWNSHIP OF WATERFORD
CURRENT FUND
Statement of Revenues--Regulatory Basis
For the Year Ended December 31, 2014

	Anticipated Budget	Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 773,850.00	-	\$ 773,850.00	-
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	9,000.00		9,650.00	\$ 650.00
Other	4,500.00		12,076.00	7,576.00
Fees and Permits -- Other	30,000.00		40,778.31	10,778.31
Fines and Costs -- Municipal Court	235,000.00		368,785.19	133,785.19
Interest and Costs on Taxes	90,000.00		107,232.54	17,232.54
Interest on Investments and Deposits	10,000.00		6,392.79	(3,607.21)
Energy Receipts Taxes	1,076,154.00		1,076,154.00	
Consolidated Municipal Property Tax Relief Aid	40,787.00		40,787.00	
Garden State Preservation Trust Fund	187,735.00		187,735.00	
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S. 40A:4-36 and N.J.A.C. 5:23-4.17)				
Uniform Construction Code Fees	100,000.00		82,593.00	(17,407.00)
Special Items of General Revenue Anticipated with Prior Written Consent of the Director of the Division of Local Government Services:				
Public and Private Revenue Off-Set with Appropriations:				
Clean Communities Grant		\$ 22,533.81	22,533.81	
Safe and Secure Communities Program-P.L.1993, Chapter 20	60,000.00		60,000.00	
Alcohol Education and Rehabilitation Fund		2,717.69	2,717.69	
Recycling Tonnage Grant	17,482.53		17,482.53	
Body Armor Replacement Grant	2,897.47		2,897.47	
Drunk Driving Enforcement Grant		6,656.77	6,656.77	
Seatbelt Click-it-or-Ticket Grant		4,000.00	4,000.00	
Other Special Items:				
Reserve for Payment of Debt -- General Capital Fund	30,530.75		30,530.75	
Cable TV Franchise Fees	120,000.00		146,310.78	26,310.78
	<u>2,014,086.75</u>	<u>35,908.27</u>	<u>2,225,313.63</u>	<u>175,318.61</u>
Receipts from Delinquent Taxes	<u>565,000.00</u>	<u>-</u>	<u>608,757.44</u>	<u>43,757.44</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Minimum Library Tax	255,962.20		255,962.20	
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	6,545,272.05	-	6,707,708.66	162,436.61
	<u>6,801,234.25</u>	<u>-</u>	<u>6,963,670.86</u>	<u>162,436.61</u>
Budget Totals	10,154,171.00	35,908.27	10,571,591.93	381,512.66
Non-Budget Revenue	-	-	91,035.94	91,035.94
	<u>\$ 10,154,171.00</u>	<u>\$ 35,908.27</u>	<u>\$ 10,662,627.87</u>	<u>\$ 472,548.60</u>

(Continued)

TOWNSHIP OF WATERFORD
CURRENT FUND
Statement of Revenues--Regulatory Basis
For the Year Ended December 31, 2014

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	\$ 25,523,027.48
Allocated to:	
County Taxes	6,187,155.62
School Taxes	<u>13,228,701.00</u>

Balance for Support of Municipal Budget Appropriations	6,107,170.86
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Add: Appropriation "Reserve for Uncollected Taxes"	<u>856,500.00</u>
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Amount for Support of Municipal Budget Appropriations	<u>\$ 6,963,670.86</u>
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Revenue from Delinquent Taxes:

Delinquent Tax Receipts	\$ 601,062.43
Tax Title Lien Receipts	<u>7,695.01</u>
	<u>\$ 608,757.44</u>

Fees and Permits--Other:

Revenue Accounts Receivable:

Clerk	\$ 25,107.31
Planning Board	2,155.00
Zoning Board	2,095.00
Police Department	6,421.00
Property Maintenance	4,800.00
Tax Collector--Searches	<u>200.00</u>
	<u>\$ 40,778.31</u>

Miscellaneous Revenue not Anticipated:

Receipts - Chief Financial Officer:

Senior Citizens and Veterans Administrative Fee	\$ 2,282.88	
Miscellaneous Sales and Refunds	9,081.82	
Sale of Assets	12,815.00	
Cancellation of Outstanding Checks	519.00	
Refund of Prior Year Expenditures	162.50	
DMV Inspection Fees	1,210.00	
Rental of Cell Phone Tower	22,749.72	
Police Outside Service Administration Fees	10,512.03	
Sale of Recyclable Materials	<u>15,098.55</u>	

	\$ 74,431.50
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Receipts - Tax Collector:

Cost of Sale Fees	15,949.56	
Miscellaneous Fees	<u>654.88</u>	

	<u>16,604.44</u>
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	<u>\$ 91,035.94</u>
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The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF WATERFORD
CURRENT FUND

Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2014

	<u>Budget</u>	<u>Appropriations</u> <u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Unexpended</u> <u>Balance</u> <u>Canceled</u>
OPERATIONS--WITHIN "CAPS"						
GENERAL GOVERNMENT FUNCTIONS						
Administration	\$ 85,700.00	\$ 85,700.00	\$ 82,150.40	\$	3,549.60	
Salaries and Wages	19,000.00	19,500.00	18,968.16		531.84	
Other Expenses	12,000.00	12,000.00	11,930.00		70.00	
Postage	23,000.00	28,000.00	27,407.80		592.20	
Office Supplies and Equipment Maintenance						
Township Committee	20,900.00	20,900.00	20,438.97		461.03	
Salaries and Wages	2,550.00	2,550.00	2,451.12	50.00	48.88	
Other Expenses						
Municipal Clerk						
Salaries and Wages	92,500.00	89,000.00	88,796.10		203.90	
Other Expenses	14,105.00	14,605.00	13,480.25	238.59	886.16	
Elections						
Salaries and Wages	500.00	500.00	384.07		115.93	
Other Expenses	5,000.00	5,000.00	4,883.43		116.57	
Financial Administration						
Salaries and Wages	82,300.00	88,975.00	88,962.81		12.19	
Other Expenses	81,510.00	82,010.00	81,297.37	584.09	128.54	
Audit Services						
Other Expenses	39,900.00	39,900.00	39,900.00			
Collection of Taxes						
Salaries and Wages	91,500.00	92,300.00	92,278.31		21.69	
Other Expenses	18,303.00	11,303.00	9,243.08		2,059.92	
Assessment of Taxes						
Salaries and Wages	26,100.00	26,100.00	25,986.64		113.36	
Other Expenses	6,900.00	6,900.00	3,056.01	2,379.93	1,464.06	
Reserve for Revaluation of Real Property (N.J.S.A. 40A:4-55 \$400,000.00)		400,000.00	400,000.00			
Legal Services and Costs						
Other Expenses	115,000.00	127,000.00	111,050.23	12,824.35	3,125.42	
Engineering Services and Costs						
Other Expenses	30,000.00	20,000.00	7,372.43		12,627.57	
Municipal Court						
Salaries and Wages	88,800.00	97,300.00	96,392.69		907.31	
Other Expenses	10,900.00	10,900.00	9,045.61	747.95	1,106.44	

(Continued)

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2014

	<u>Budget</u>	<u>Appropriations</u> <u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Unexpended</u> <u>Balance</u> <u>Canceled</u>
OPERATIONS--WITHIN "CAPS" (CONTD)						
GENERAL GOVERNMENT FUNCTIONS (CONTD)						
Land Use Administration						
Municipal Land Use Law (N.J.S.A. 40:55D-1):						
Planning and Zoning Boards						
Salaries and Wages	\$ 41,000.00	\$ 26,500.00	\$ 26,056.85		443.15	
Other Expenses	11,325.00	11,325.00	7,233.27	2,137.86	1,953.87	
Public Defender						
Other Expenses	8,000.00	8,000.00			8,000.00	
Economic Development Committee						
Other Expenses	1,000.00	1,000.00			1,000.00	
Insurance:						
Unemployment Compensation Insurance	12,600.00	12,975.00	12,956.51		18.49	
Other Insurance	126,972.00	126,972.00	125,722.00		1,250.00	
Workers Compensation Insurance	292,211.00	292,211.00	292,211.00			
Group Insurance for Employees (N.J.S.A. 40A:4-46 \$39,000.00)	1,192,000.00	1,302,950.00	1,301,710.48		1,239.52	
Health Benefit Waiver	5,000.00	5,000.00	4,762.00		238.00	
PUBLIC SAFETY FUNCTIONS						
Police						
Salaries and Wages	2,090,600.00	2,050,150.00	2,034,321.82		15,828.18	
Other Expenses	76,157.00	76,157.00	49,233.44	780.00	26,143.56	
Leases -- Police Vehicles	55,000.00	52,350.00	52,349.20		0.80	
Fire Hydrant Services	17,700.00	17,700.00	17,700.00			
Demolition of Buildings						
Other Expenses	100.00	100.00			100.00	
Aid to Volunteer Ambulance Association						
Salaries and Wages	2,500.00	2,500.00	2,500.00			
Other Expenses	53,250.00	53,250.00	51,685.25		1,564.75	
Fire						
Salaries and Wages	2,500.00	2,500.00	2,500.00			
Other Expenses	120,870.00	120,870.00	110,317.74	5,498.76	5,053.50	
Emergency Responders Stipend Program						
Municipal Prosecutor						
Other Expenses	22,000.00	22,000.00	22,000.00			
Office of Emergency Management						
Other Expenses	100.00	100.00			100.00	

(Continued)

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2014

	<u>Budget</u>	<u>Appropriations</u> <u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Unexpended</u> <u>Balance</u> <u>Canceled</u>
OPERATIONS--WITHIN "CAPS" (CONTD)						
PUBLIC WORKS FUNCTIONS						
Road Repairs and Maintenance						
Salaries and Wages	\$ 391,100.00	\$ 388,100.00	\$ 388,006.25	\$	93.75	
Other Expenses	29,275.00	29,275.00	25,016.71	2,201.57	2,056.72	
Snow Removal						
Salaries and Wages	15,000.00	16,500.00	16,419.16		80.84	
Other Expenses	34,500.00	39,500.00	28,203.51	8,596.46	2,700.03	
Garbage and Trash Removal						
Contractual	288,600.00	315,600.00	313,308.60		2,291.40	
Recycling						
Collection-Contractual	213,200.00	215,200.00	213,891.76		1,308.24	
Public Buildings and Grounds						
Salaries and Wages	28,500.00	25,880.00	25,879.28		0.72	
Other Expenses	114,575.00	122,075.00	116,250.25	2,962.14	2,862.61	
Municipal Garage						
Salaries and Wages	145,700.00	145,700.00	144,403.78		1,296.22	
Other Expenses	81,500.00	66,000.00	46,073.73	6,286.87	13,639.40	
HEALTH AND HUMAN SERVICES						
Environmental Commission						
Other Expenses	940.00	940.00	515.61		424.39	
Dog Regulation						
Other Expenses	1,000.00	1,000.00			1,000.00	
PARK AND RECREATION FUNCTIONS						
Parks and Playgrounds						
Salaries and Wages	54,900.00	54,900.00	54,672.81		227.19	
Other Expenses	38,675.00	33,375.00	28,855.16	1,050.00	3,469.84	
Senior Citizens Activity						
Other Expenses	4,000.00	4,000.00	4,000.00			
Celebration of Public Event, Anniversary or Holiday						
Other Expenses	1,850.00	1,850.00	350.00		1,500.00	
Safety Projects	1,000.00	1,000.00	943.01		56.99	

(Continued)

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2014

	Budget	Appropriations Budget After Modification	Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>						
State Uniform Construction Code Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)	\$ 107,200.00	\$ 121,800.00	\$ 121,486.08		\$ 313.92	
Construction Official	4,085.00	4,085.00	2,461.76	414.60	1,208.64	
Salaries and Wages						
Other Expenses						
Utilities:						
Electricity	67,500.00	62,500.00	59,751.05	696.30	2,052.65	
Street Lighting	107,800.00	112,300.00	111,980.54	147.33	172.13	
Telephone and Telegraph	18,250.00	17,600.00	17,479.07		120.93	
Water	2,000.00	2,795.00	2,793.75		1.25	
Natural Gas	6,100.00	8,400.00	6,556.87	603.94	1,239.19	
Sewerage Processing and Disposal	3,300.00	3,300.00	3,176.25		123.75	
Gasoline	107,650.00	104,650.00	97,963.31	3,001.40	3,685.29	
Solid Waste Disposal Fees						
Other Expenses	215,800.00	200,800.00	196,950.76		3,849.24	
Total Operations -- Within "CAPS"	7,081,353.00	7,564,178.00	7,376,124.10	51,202.14	136,851.76	-
Salaries and Wages	3,372,300.00	3,340,305.00	3,316,398.02		23,906.98	
Other Expenses	3,709,053.00	4,223,873.00	4,059,726.08	51,202.14	112,944.78	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES</u>						
<u>MUNICIPAL--WITHIN "CAPS"</u>						
Statutory Expenditures:						
Social Security System (O.A.S.I.)	277,600.00	274,712.00	259,312.38		15,399.62	
Public Employees Retirement System	131,824.00	118,389.00	118,389.00			
Police and Firemen's Retirement System	425,374.00	397,872.00	397,872.00			
Defined Contribution Retirement Program	100.00	100.00			100.00	
Total Statutory Expenditures	834,898.00	791,073.00	775,573.38	-	15,499.62	-
Total Deferred Charges and Statutory Expenditures -- Within "CAPS"	834,898.00	791,073.00	775,573.38	-	15,499.62	-
Total General Appropriations for Municipal Purposes -- Within "CAPS"	7,916,251.00	8,355,251.00	8,151,697.48	51,202.14	152,351.38	-

(Continued)

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2014

	<u>Budget</u>	<u>Appropriations</u> <u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Unexpended</u> <u>Balance</u> <u>Canceled</u>
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>						
Maintenance of Free Public Library	\$ 255,962.20	\$ 255,962.20	\$ 255,962.16			\$ 0.04
Contribution						
Solid Waste Disposal Fees	18,000.00	18,000.00	17,078.19		\$ 921.81	
Recycling Tax						
<u>Public and Private Programs Off-Set by Revenues</u>						
Alcohol Education & Rehabilitation Fund		2,717.69	2,717.69			
Other Expenses (N.J.S.A. 40A:4-87 \$2,717.69)		6,656.77	6,656.77			
Drunk Driving Enforcement Grant		22,533.81	22,533.81			
Salaries and Wages (N.J.S.A. 40A:4-87 \$6,656.77)						
Clean Communities Grant						
Other Expenses (N.J.S.A. 40A:4-87 \$22,533.81)		160,000.00	160,000.00			
Safe and Secure Communities Program						
Salaries and Wages		17,482.53	17,482.53			
Recycling Tonnage Grant						
Other Expenses		4,000.00	4,000.00			
Seatbelt Click-it-or-Ticket Grant		2,897.47	2,897.47			
Salaries and Wages (N.J.S.A. 40A:4-87 \$4,000.00)		2,500.00	2,500.00		2,500.00	
Body Armor Replacement Grant						
Other Expenses						
Matching Funds for Grants						
Total Operations--Excluded from "CAPS"	456,842.20	492,750.47	489,328.62	-	3,421.81	0.04
Detail:						
Salaries and Wages	160,000.00	170,656.77	170,656.77			
Other Expenses	296,842.20	322,093.70	318,671.85		3,421.81	0.04
CAPITAL IMPROVEMENT--EXCLUDED FROM "CAPS"	150,000.00	150,000.00	150,000.00	-	-	-
Capital Improvement Fund						

(Continued)

TOWNSHIP OF WATERFORD
CURRENT FUND

Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2014

	Budget	Appropriations Budget After Modification	Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
<u>MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"</u>						
Payment of Bond Principal	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00			
Interest on Bonds	159,187.50	159,187.50	159,187.50			
Interest on Notes	24,000.00	24,000.00	23,913.77			\$ 86.23
Principal and Interest on Loans	45,205.30	45,205.30	45,205.28			0.02
Total Municipal Debt Service-- Excluded from "CAPS"	728,392.80	728,392.80	728,306.55	-	-	86.25
<u>DEFERRED CHARGES:</u>						
Special Emergency Authorizations - 5 Years	46,185.00	46,185.00	46,185.00			-
Total General Appropriations for Municipal Purposes--Excluded from "CAPS"	1,381,420.00	1,417,328.27	1,413,820.17	-	\$ 3,421.81	86.29
Subtotal General Appropriations	9,297,671.00	9,772,579.27	9,565,517.65	\$ 51,202.14	155,773.19	86.29
Reserve for Uncollected Taxes	856,500.00	856,500.00	856,500.00			
Total General Appropriations	\$ 10,154,171.00	\$ 10,629,079.27	\$ 10,422,017.65	\$ 51,202.14	\$ 155,773.19	\$ 86.29
Appropriation by N.J.S.A. 40A:4-87		\$ 35,908.27				
Appropriation by N.J.S.A. 40A:4-46 (Emergency Appropriation)		39,000.00				
Appropriation by N.J.S.A. 40A:4-55 (Special Emergency)		400,000.00				
Adopted Budget		10,154,171.00				
		\$ 10,629,079.27				
Reserve for Uncollected Taxes		\$ 856,500.00				
Reserve for Federal and State Grants Appropriated		216,288.27				
Reserve for Revaluation of Real Property		400,000.00				
Deferred Charges -- Special Emergency Authorizations - 5 Years		46,185.00				
Due Trust Other Fund		116,650.77				
Accounts Payable		53,514.32				
Reimbursements		(223,179.10)				
Disbursed		8,956,058.39				
		\$ 10,422,017.65				

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

TOWNSHIP OF WATERFORD
TRUST FUND
 Statements of Assets, Liabilities and Reserves--Regulatory Basis
 For the Years Ended December 31, 2014 and 2013

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Animal Control Fund:			
Cash--Chief Financial Officer	SB-1	\$ 24,229.19	\$ 12,470.48
Due from Municipal Clerk	SB-1;SB-3	2,549.40	5,173.20
		<u>26,778.59</u>	<u>17,643.68</u>
Other Funds:			
Cash--Chief Financial Officer	SB-1	199,891.66	205,177.85
Cash--Collector	SB-2	227,900.00	163,452.89
Due from Camden County:			
Municipal Alliance	SB-1;SB-6	27,189.23	15,608.38
Community Development Block Grant Program	SB-4	57,100.00	31,000.00
Prepaid Payroll	SB-1;SB-5	128,642.65	116,650.77
		<u>640,723.54</u>	<u>531,889.89</u>
		<u>\$ 667,502.13</u>	<u>\$ 549,533.57</u>
 <u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Due Current Fund	SB-1;SB-3		\$ 2,018.38
Reserve for Encumbrances	SB-1;SB-3	\$ 4,395.00	7,004.50
Reserve for Dog Fund Expenditures	SB-3	22,383.59	8,620.80
		<u>26,778.59</u>	<u>17,643.68</u>
Other Funds:			
Due Current Fund	SB-5	130,475.17	117,080.76
Due to State of NJ - VCCB	SB-6	12,996.30	4,299.49
Reserve for Recreation Contributions	SB-6	7,349.06	7,174.06
Reserve for Parking Offenses Adjudication Act	SB-6	398.00	348.00
Reserve for Celebration of Public Events	SB-6	2,663.05	2,835.75
Reserve for Payroll Deductions Payable	SB-6	32,544.40	37,180.21
Reserve for Developers' Escrow Deposits	SB-6	30,586.69	36,695.71
Reserve for Tax Title Lien Redemptions	SB-6		1,152.89
Reserve for Premiums Received at Tax Sale	SB-6	227,900.00	162,300.00
Reserve for Community Development Block Grant	SB-6	63,032.97	36,932.97
Reserve for Retention Basin Maintenance	SB-6	20,000.00	20,000.00
Reserve for Police Outside Services	SB-6	9,132.16	5,390.00
Reserve for Public Defender	SB-6	10,000.00	13,157.56
Reserve for Maintenance Guarantees	SB-6	6,399.05	6,399.05
Reserve for Municipal Alliance	SB-6	35,262.21	23,209.07
Reserve for Forfeited Property	SB-6	42,693.21	41,081.87
Reserve for Uniform Fire Safety Act	SB-6	50.00	50.00
Reserve for Encumbrances	SB-6	3,042.50	16,602.50
Due Sewer Operating	SB-1	6,198.77	
		<u>640,723.54</u>	<u>531,889.89</u>
		<u>\$ 667,502.13</u>	<u>\$ 549,533.57</u>

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

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
 For the Years Ended December 31, 2014 and 2013

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Cash--Chief Financial Officer	SC-1	\$ 453,080.39	\$ 1,149,480.75
Deferred Charges to Future Taxation:			
Funded	SC-3	4,317,662.82	4,855,644.18
Unfunded	SC-4	2,569,750.00	2,569,750.00
Due from NJ DOT	SC-1; SC-7	238,741.82	108,012.50
Due from Economic Development Authority	C	25,000.00	25,000.00
		<u>\$ 7,604,235.03</u>	<u>\$ 8,707,887.43</u>
<u>LIABILITIES, RESERVES</u>			
<u>AND FUND BALANCE</u>			
General Serial Bonds	SC-11	\$ 3,935,000.00	\$ 4,435,000.00
Green Acres Loan	SC-13	332,662.82	370,644.18
Economic Development Authority Loan	C	50,000.00	50,000.00
Bond Anticipation Notes	SC-12	2,569,750.00	2,569,750.00
Improvement Authorizations:			
Funded	SC-7	36,355.66	32,746.82
Unfunded	SC-7	296,454.36	471,419.23
Contracts Payable	SC-5	285,058.55	631,767.62
Reserve for Encumbrances	SC-9	49,535.50	38,575.50
Reserve for Payment of Debt	SC-8	30,530.75	30,530.75
Due to Current Fund	SC-6	30,530.75	75,000.19
Capital Improvement Fund	SC-10	13,200.00	200.00
Fund Balance	C-1	5,687.39	2,253.14
		<u>\$ 7,604,235.03</u>	<u>\$ 8,707,887.43</u>

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

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
Statement of Fund Balance - Regulatory Basis
For the Year Ended December 31, 2014

Balance Dec. 31, 2013	\$ 2,253.14
Increased by:	
Receipts -- Premium Received on Sale of Notes	<u>3,434.25</u>
Balance Dec. 31, 2014	<u>\$ 5,687.39</u>

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

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
 For the Years Ended December 31, 2014 and 2013

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Operating Fund:			
Cash--Chief Financial Officer	SD-1	\$ 426,702.20	\$ 410,294.44
Cash--Collector	SD-2	3,294.07	4,119.73
Cash--Change Fund	D	100.00	100.00
Due from Trust Other Fund	SD-1	6,198.77	
Due from Water / Sewer Utility Capital Fund	SD-1		11,000.00
		<u>436,295.04</u>	<u>425,514.17</u>
Receivables with Full Reserves:			
Sewer Utility Liens Receivable	D	8,404.74	8,404.74
Consumer Accounts Receivable	SD-4	47,290.84	49,159.67
		<u>55,695.58</u>	<u>57,564.41</u>
Total Operating Fund		<u>491,990.62</u>	<u>483,078.58</u>
Capital Fund:			
Cash--Chief Financial Officer	SD-1	234,648.76	277,661.88
Fixed Capital	SD-7	12,201,775.62	11,892,888.32
Fixed Capital Authorized and Uncompleted	SD-6	3,564,000.00	643,887.30
Total Capital Fund		<u>16,000,424.38</u>	<u>12,814,437.50</u>
		<u>\$ 16,492,415.00</u>	<u>\$ 13,297,516.08</u>

(Continued)

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
 For the Years Ended December 31, 2014 and 2013

LIABILITIES, RESERVES
AND FUND BALANCE

	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3;SD-9	\$ 64,447.12	\$ 17,338.70
Reserve for Encumbrances	SD-13	8,962.52	19,276.87
Water Rent Overpayments	SD-5	80.24	158.73
Sewer Rent Overpayments	SD-5	654.53	593.04
Accrued Interest on Bonds and Notes	SD-8	33,551.37	38,638.17
Reserve for Escrow Deposits	D-1	14,849.41	15,451.91
		<u>122,545.19</u>	<u>91,457.42</u>
Reserve for Receivables	D	55,695.58	57,564.41
Fund Balance	D-1	313,749.85	334,056.75
		<u>491,990.62</u>	<u>483,078.58</u>
Total Operating Fund			
		<u>491,990.62</u>	<u>483,078.58</u>
Capital Fund:			
Serial Bonds	SD-14	1,301,000.00	1,436,000.00
NJ Environmental Infrastructure Loan	SD-15	1,391,825.44	1,688,685.83
Improvement Authorizations Funded	SD-10	149,196.56	196,369.41
Improvement Authorizations Unfunded	SD-10	2,927,674.73	60,000.00
Bond Anticipation Notes	SD-16	60,000.00	60,000.00
Reserve for Amortization	SD-12	9,781,950.18	9,348,839.79
Deferred Reserve for Amortization	SD-11	2,000.00	3,250.00
Reserve for Encumbrances	SD-10	369,569.91	84.91
Due to Water / Sewer Utility Operating Fund	D-2;SD-1		11,000.00
Capital Improvement Fund	SD-1	17,000.00	10,000.00
Reserve for Payment of Debt	D	112.70	112.70
Fund Balance	D	94.86	94.86
		<u>16,000,424.38</u>	<u>12,814,437.50</u>
Total Capital Fund		<u>16,000,424.38</u>	<u>12,814,437.50</u>
		<u>\$ 16,492,415.00</u>	<u>\$ 13,297,516.08</u>

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

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY FUND
 Statements of Operations and Changes in Fund Balance--Regulatory Basis
 For the Years Ended December 31, 2014 and 2013

<u>Revenue and Other</u>		
<u>Income Realized</u>	<u>2014</u>	<u>2013</u>
Fund Balance Realized	\$ 108,909.00	\$ 10,000.00
Water and Sewer Rents	1,113,841.47	1,090,467.09
Miscellaneous	30,702.04	133,189.53
Non Budget Revenue	1,257.04	2,364.64
Cancellation of Water and Sewer Overpayments	647.83	903.69
Cancellation of Reserve for Escrow Deposits	602.50	
Unexpended Balance of Appropriation Reserves	15,128.83	48,193.65
	<u>1,271,088.71</u>	<u>1,285,118.60</u>
Total Income		
 <u>Expenditures</u>		
Operating	581,330.00	496,964.00
Capital Improvements	7,000.00	
Debt Service	526,198.24	528,403.09
Deferred Charges and Statutory Expenditures	67,160.00	55,700.00
Other Debits to Expenditures:		
Refund of Prior Year Revenue	798.37	160.02
	<u>1,182,486.61</u>	<u>1,081,227.11</u>
Total Expenditures		
Excess in Revenue	<u>88,602.10</u>	<u>203,891.49</u>
Adjustment in Income before Fund Balance:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Years	<u>-</u>	<u>-</u>
Statutory Excess to Fund Balance	88,602.10	203,891.49
 <u>Fund Balance</u>		
Balance Jan. 1	<u>334,056.75</u>	<u>140,165.26</u>
	422,658.85	344,056.75
Utilized as Revenue:		
Water & Sewer Operating Budget	<u>108,909.00</u>	<u>10,000.00</u>
	<u>108,909.00</u>	<u>10,000.00</u>
Balance Dec. 31	<u>\$ 313,749.85</u>	<u>\$ 334,056.75</u>

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

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY OPERATING FUND
 Statement of Revenues--Regulatory Basis
 For the Year Ended December 31, 2014

	Anticipated Budget	Realized	Excess (Deficit)
Operating Surplus Anticipated	\$ 108,909.00	\$ 108,909.00	
Water Rents	465,000.00	492,837.13	\$ 27,837.13
Sewer Rents	575,000.00	621,004.34	46,004.34
Water Connection Fees	20,000.00	5,390.00	(14,610.00)
Sewer Connection Fees	10,000.00	3,200.00	(6,800.00)
Water Miscellaneous	10,000.00	9,190.13	(809.87)
Sewer Miscellaneous	10,000.00	12,921.91	2,921.91
Budget Totals	1,198,909.00	1,253,452.51	54,543.51
Non-Budget Revenue	-	1,257.04	1,257.04
	<u>\$ 1,198,909.00</u>	<u>\$ 1,254,709.55</u>	<u>\$ 55,800.55</u>

Analysis of Realized Revenues

Water Miscellaneous:

Receipts Collector:

Interest on Delinquent Rents	\$ 5,036.13
Other Miscellaneous Fees	4,154.00
	<u>\$ 9,190.13</u>

Sewer Miscellaneous:

Receipts Collector:

Interest on Delinquent Rents	\$ 12,851.91
Other Miscellaneous Fees	70.00
	<u>\$ 12,921.91</u>

Miscellaneous Revenue Not Anticipated:

Collector:

Miscellaneous	\$ 139.67
Chief Financial Officer:	
Interest on Deposits	430.33
Miscellaneous	371.42
	<u>941.42</u>

Due from Utility Capital Fund:

Interest on Deposits	315.62
	<u>\$ 1,257.04</u>

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

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY OPERATING FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2014

	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Unexpended Balance Cancelled
Operating:						
Salaries and Wages	\$ 180,400.00	\$ 166,600.00	\$ 157,535.24		\$ 9,064.76	
Other Expenses	397,775.00	414,730.00	355,560.41	\$ 8,821.02	50,348.57	
Total Operating	578,175.00	581,330.00	513,095.65	8,821.02	59,413.33	-
Capital Improvements:						
Capital Improvement Fund	7,000.00	7,000.00	7,000.00	-	-	-
Debt Service:						
Payment of Bond Principal	135,000.00	135,000.00	135,000.00			\$ 7,780.29
Interest on Bonds	54,600.00	55,585.00	47,804.71			2,809.35
Interest on Notes	3,400.00	3,400.00	590.65			6,631.12
Loan Principal and Interest	349,434.00	349,434.00	342,802.88			
Total Debt Service	542,434.00	543,419.00	526,198.24	-	-	17,220.76
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	56,500.00	52,360.00	50,738.00		1,622.00	
Unemployment Compensation Insurance	950.00	950.00	544.72		405.28	
Social Security System (O.A.S.I.)	13,850.00	13,850.00	10,843.49		3,006.51	
Total Deferred Charges and Statutory Expenditures	71,300.00	67,160.00	62,126.21	-	5,033.79	-
Total Water & Sewer Utility Appropriations	\$ 1,198,909.00	\$ 1,198,909.00	\$ 1,108,420.10	\$ 8,821.02	\$ 64,447.12	\$ 17,220.76
Disbursed			\$ 1,024,082.25			
Accrued Interest on Bonds and Notes			84,337.85			
			<u>\$ 1,108,420.10</u>			

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

TOWNSHIP OF WATERFORD
FIXED ASSET ACCOUNT GROUP
 Statement of General Fixed Asset Account Group
 As of December 31, 2014

	Balance Dec. 31, 2013	Additions	Deletions	Adjustments	Balance Dec. 31, 2014
General Fixed Assets:					
Land	\$ 1,921,600.00				\$ 1,921,600.00
Buildings	1,872,434.24	\$ 45,727.00			1,918,161.24
Machinery and Equipment	4,095,510.50	686,303.54	\$ 408,270.14	\$ 10,993.08	4,362,550.82
	<u>\$ 7,889,544.74</u>	<u>\$ 732,030.54</u>	<u>\$ 408,270.14</u>	<u>\$ 10,993.08</u>	<u>\$ 8,202,312.06</u>
Investment in General Fixed Assets:					
General Capital Fund	<u>\$ 7,889,544.74</u>	<u>\$ 732,030.54</u>	<u>\$ 408,270.14</u>	<u>\$ 10,993.08</u>	<u>\$ 8,202,312.06</u>

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

TOWNSHIP OF WATERFORD
Notes to Financial Statements
For the Year Ended December 31, 2014

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Description of Financial Reporting Entity - The Township of Waterford was incorporated in 1798 and is located in southwest New Jersey approximately twenty miles southeast of the City of Philadelphia. The population according to the 2010 census is 10,649.

The form of Government is known as a Township pursuant to N.J.S.A. 40A:63-1 et seq. The government consists of five Committee Members who are elected at large to three year staggered terms. Under statute, the Mayor is the head of the government and acts as the executive branch. The Committee acts as the legislative branch of government and has executive powers not assigned to the Mayor. The implementation of the policies of the governing body and the day-to-day operations are handled by the Director of Administration and Clerk.

Component Units - The financial statements of the component unit of the Township of Waterford is not presented in accordance with Governmental Accounting Standards Board Statement No. 14, as amended by GASB Statements No. 39 and No. 61. If the provisions of GASBS No. 14, as amended by GASBS Nos. 39 and 61 had been complied with, the financial statements of the following component unit would have been either blended or discretely presented with the financial statements of the Township, the primary government:

Waterford Township Free Public Library
 2204 Atco Avenue
 Waterford, New Jersey 08004

Annual financial reports may be inspected directly at the office of this component unit during regular business hours.

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

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

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

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

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

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

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

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

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

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

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

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

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

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

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Interfunds - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

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

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

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

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

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

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

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

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

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

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

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

School Taxes - The municipality is responsible for levying, collecting and remitting school taxes for the Township of Waterford School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from July 1 to June 30, increased by the amount deferred at December 31, 2013 and decreased by the amount deferred at December 31, 2014.

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

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

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

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

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

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

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

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

Note 2: **CASH AND CASH EQUIVALENTS**

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

Note 2: **CASH AND CASH EQUIVALENTS**

As of December 31, 2014, the Township's bank balances of \$5,234,882.13 were exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 60,364.28
Uninsured but Collateralized with Securities Held by Pledging Bank's Trust Department but not in the Township's Name	4,924,517.85
Insured and Collateralized with Securities Held by Pledging Financial Institutions	<u>250,000.00</u>
Total	<u>\$ 5,234,882.13</u>

Note 3: **PROPERTY TAXES**

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

Comparative Schedule of Tax Rates

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Tax Rate	<u>\$5.523</u>	<u>\$5.453</u>	<u>\$5.406</u>	<u>\$5.198</u>	<u>\$5.111</u>
Apportionment of Tax Rate:					
Municipal	\$1.379	\$1.356	\$1.332	\$1.292	\$1.355
Municipal Library	.053	.057	.061	.063	
County	1.269	1.318	1.303	1.243	1.205
County Open Space Preservation Trust Fund	.033	.035	.038	.039	.000
Local School	2.789	2.687	2.672	2.561	2.551

Assessed Valuation

2014	\$474,407,515.00
2013	472,722,775.00
2012	470,608,051.00
2011	471,810,609.00
2010	473,777,254.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2014	\$26,272,016.09	\$25,523,027.48	97.15%
2013	25,958,506.17	25,185,872.89	97.02%
2012	25,572,869.95	24,848,669.73	97.17%
2011	24,571,819.73	23,836,292.06	97.01%
2010	24,266,276.62	23,634,338.80	97.40%

Note 3: **PROPERTY TAXES (CONT'D)****Delinquent Taxes and Tax Title Liens**

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2014	\$580,033.73	\$682,709.36	\$1,262,743.09	4.81%
2013	537,268.01	643,527.70	1,180,795.71	4.55%
2012	517,647.35	652,123.47	1,169,770.82	4.57%
2011	461,833.01	648,301.57	1,110,134.58	4.52%
2010	407,974.45	593,438.21	1,001,412.66	4.13%

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

<u>Year</u>	<u>Number</u>
2014	109
2013	104
2012	102
2011	48
2010	29

Note 4: **PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

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

<u>Year</u>	<u>Amount</u>
2014	\$142,300.00
2013	142,300.00
2012	142,300.00
2011	142,300.00
2010	142,300.00

Note 5: **WATER/SEWER UTILITY SERVICE CHARGES**

The following is a five-year comparison of water/sewer utility service charges (rents) for the current and previous four years.

<u>Year</u>	<u>Balance Beginning of Year Receivable</u>	<u>Liens</u>	<u>Levy</u>	<u>Total</u>	<u>Collections</u>
2014	\$49,159.67	\$8,404.74	\$1,115,588.07	\$1,173,152.48	\$1,113,841.47
2013	42,272.28	8,404.74	1,098,815.51	1,149,492.53	1,090,467.09
2012	34,827.07	8,404.74	1,046,691.73	1,089,923.54	1,038,632.26
2011	33,219.61	7,617.22	949,665.60	990,502.43	946,383.48
2010	26,734.88	6,829.70	969,326.08	1,002,890.66	962,051.51

Note 6: **FUND BALANCES APPROPRIATED**

The following schedule details the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets.

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>			
2014	\$1,368,039.16	\$815,000.00	59.57%
2013	1,038,283.08	773,850.00	74.53%
2012	1,096,568.66	778,000.00	70.95%
2011	772,696.71	545,000.00	70.53%
2010	1,099,574.32	872,000.00	79.30%
<u>Water/Sewer Utility Operating Fund</u>			
2014	\$313,749.85	\$136,275.00	43.43%
2013	334,056.75	108,909.00	32.60%
2012	140,165.26	10,000.00	07.13%
2011	45.27	---	---
2010	84,045.27	84,000.00	99.95%

Note 7: **INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2014:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$161,005.92	---
Trust-- Other Funds	---	\$136,673.94
General Capital Fund	---	30,530.75
Water/Sewer Utility Operating Fund	6,198.77	---
	<u>\$167,204.69</u>	<u>\$167,204.69</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During 2015, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 8: **PENSION PLANS**

The Township of Waterford contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), which are administered by the New Jersey Division of Pensions and Benefits. Each plan 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

Public Employees' Retirement System - The PERS was established in 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% 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 were required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase was effective with the payroll period that began 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 1.0% 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 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 Township is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Pension Deferral</u>	<u>Paid by Township</u>
2014	\$33,644.00	\$135,483.00	\$169,127.00	---	\$167,127.00
2013	59,790.00	118,951.00	178,741.00	---	178,741.00
2012	69,125.00	116,065.00	185,190.00	---	185,190.00

Police and Firemen's Retirement System - The PFRS was established in 1944. The PFRS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:16A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the Police and Firemen's Retirement System are required to contribute 8.5% of their annual covered salary. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 10% in October, 2011. 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, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

Note 8: **PENSION PLANS (CONT'D)**

The Township is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions, were as follows:

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Pension Deferral</u>	<u>Paid by Township</u>
2014	\$159,457.00	\$238,415.00	\$397,872.00	---	\$397,872.00
2013	182,109.00	219,897.00	402,006.00	---	402,006.00
2012	199,941.00	208,765.00	408,706.00	---	408,706.00

Note 9: **POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN**

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 2001, the Township authorized participation in the SHBP's post-retirement benefit program through resolution number 2001-140. The Township assumes the entire cost of group health insurance for all employees who have retired after twenty-five years of service with the Township.

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/.

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

The Township contributions to SHBP for the years ended December 31, 2014, 2013, and 2012, were \$489,231.98, \$436,933.42 and \$356,070.83, respectively, which equaled the required contributions for each year. There were approximately 26, 24 and 20 retired participants eligible at December 31, 2014, 2013, and 2012, respectively.

Note 9: POSTEMPLOYMENT HEALTHCARE BENEFITS PLAN (CONT'D)

In addition to the benefits described above, the Township provides post-employment dental and vision benefits to a previously retired police chief as required by his individual contract.

The Township funds these benefits on a pay-as-you-go basis and therefore does not record accrued expenses related to these benefits. During the year 2014, the cost of this benefit resulted in the payment of \$1,803.00 in related health care premiums.

Note 10: COMPENSATED ABSENCES**Police Officers**

Vacation Time - All full-time police officers are entitled to vacation time varying from 120 working hours per year in the first year of employment to 360 working hours per year after completing 20 years of service plus 12 hours for each year over 20 years. Vacation time can be carried forward for a period of one year only.

Sick time - All police officers are entitled to 120 paid sick hours per year. Sick hours not taken may accrue and be carried forward. For officers hired prior to January 1, 2013 this amount may not exceed 720 hours. Officers hired after January 1, 2013 may carry forward up to 420 sick hours. Hours earned and not taken which exceed the maximum are paid currently.

Compensatory time - All police officers are entitled to accumulate compensatory time in lieu of overtime in an amount not to exceed 200 hours. Hours earned and not taken which exceed the maximum are paid currently.

Other Personnel

Vacation time - Full-time Township employees with at least one year of service are entitled to 11 to 31 vacation days per year depending on length of service. Unused vacation days not used during the year may be accumulated and carried forward for one year. Vacation days not used in the following year are not accumulated. Employees whose employment has terminated with the Township are entitled to be paid for unused vacation time from the current year and one-year prior.

Sick time - Full-time employees are entitled to fifteen paid sick leave days each year. Unused sick leave is paid to the employee from a budget appropriation at year-end or in January of the following year.

Compensatory time - Employees have the option of taking compensatory time in lieu of cash payments for overtime. The employee may carry up to 40 hours of compensatory time to the following year. Compensatory time over 40 hours at December 31 are paid to the employee the following January.

Non-permanent or seasonal employees are not entitled to compensatory absences.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2014, accrued benefits for compensated absences are valued at \$914,741.72.

Note 11: **DEFERRED COMPENSATION SALARY ACCOUNT**

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

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

Note 12: **LEASE OBLIGATIONS**

At December 31, 2014, the Township had lease agreements in effect for the following:

- Capital:
 - Six (6) Dodge Chargers
 - One (1) Ford F250 Truck

- Operating:
 - Seven (7) Ricoh Copiers

The following is an analysis of capital and operating leases.

Capital Leases - The following capital fixed assets were acquired by capital lease.

	<u>B a l a n c e</u>	
	<u>Dec. 31, 2014</u>	<u>Dec. 31, 2013</u>
Vehicles	\$171,339.35	\$97,859.95

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

<u>Year</u>	<u>Amount</u>
2015	\$73,545.61
2016	66,908.67
2017	43,771.57
2018	1,075.43

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

<u>Year</u>	<u>Amount</u>
2015	\$15,365.88
2016	7,682.94

Rental payments under operating leases for the year 2014 were \$15,365.88.

Note 13: **CAPITAL DEBT****Summary of Debt**

	<u>Year 2014</u>	<u>Year 2013</u>	<u>Year 2012</u>
<u>Issued</u>			
General:			
Bonds, Loans and Notes	\$6,887,412.82	\$7,425,394.18	\$6,289,377.16
Water/Sewer Utility:			
Bonds, Loans and Notes	2,752,825.44	3,184,685.83	3,535,228.95
Total Issued	9,640,238.26	10,610,080.01	9,824,606.11
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	---	---	223,250.00
Water/Sewer Utility:			
Bonds and Notes	3,229,000.00	---	---
Total Authorized but Not Issued	3,229,000.00	---	223,250.00
Total Issued and Authorized but Not Issued	12,869,238.26	10,610,080.01	10,047,856.11
Deductions:			
Funds Temporarily Held To Pay Notes			
Self-liquidating Debt	5,981,825.44	30,530.75	105,530.75
Total Deductions	5,981,825.44	3,215,216.58	3,640,759.70
Net Debt	\$6,887,412.82	\$7,394,863.43	\$6,407,096.41

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 indicated a statutory net debt of 0.88%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$1,720,000.00	\$1,720,000.00	---
Water/Sewer Utility	5,981,825.44	5,981,825.44	---
General	6,887,412.82	---	\$6,887,412.82
	\$14,589,238.26	\$7,701,825.44	\$6,887,412.82

Net Debt \$6,887,412.82 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$779,826,474.67 equals 0.88%

Note 13: **CAPITAL DEBT (CONT'D)****Borrowing Power Under N.J.S.A.40A:2-6 As Amended**

3 1/2% of Equalized Valuation Basis (Municipal)	\$27,293,926.61
Net Debt	<u>6,887,412.82</u>
Remaining Borrowing Power	<u>\$20,406,513.79</u>

**Calculation of "Self Liquidating Purpose,"
Water/Sewer Utility Per N.J.S.A. 40A:2-45**

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for Year	\$1,254,709.55
Deductions:	
Operating and Maintenance Cost	\$648,490.00
Debt Service per Water/Sewer Fund	<u>526,198.24</u>
Total Deductions	<u>1,174,688.24</u>
Excess in Revenue	<u>\$80,021.31</u>

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

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

<u>Year</u>	<u>General</u>		<u>Water/Sewer Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2015	\$510,000.00	\$138,662.50	\$150,000.00	\$49,937.50	\$848,600.00
2016	535,000.00	117,275.00	165,000.00	43,621.88	860,896.88
2017	500,000.00	101,975.00	170,000.00	36,618.76	808,593.76
2018	500,000.00	84,725.00	175,000.00	29,140.63	788,865.63
2019	530,000.00	66,725.00	185,000.00	21,056.25	802,781.25
2020-24	1,360,000.00	95,550.00	456,000.00	52,650.00	1,964,200.00

Schedule of Annual Debt Service for Principal and Interest for Loans Issued and Outstanding

<u>Year</u>	<u>General</u>		<u>Water/Sewer Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2015	\$38,744.78	\$6,460.50	\$232,179.01	\$44,660.51	\$322,044.80
2016	39,523.56	5,681.73	189,319.92	41,306.46	275,831.67
2017	40,317.98	4,887.30	194,627.36	37,772.31	277,604.95
2018	41,128.38	4,076.92	201,790.31	31,937.05	278,932.66
2019	41,955.05	3,250.23	208,867.76	25,117.93	279,190.97
2020-22	130,933.07	4,622.77	365,041.08	31,367.58	531,964.50

Note 14: **DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

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

	<u>Balance Dec. 31, 2014</u>	<u>2015 Budget Appropriation</u>
Current Fund:		
Emergency Authorizations	\$39,000.00	\$39,000.00
Special Emergency Authorizations	486,560.00	121,140.00

The appropriations in the 2015 Budget as adopted are not less than that required by the statutes.

Note 15: **SCHOOL TAXES**

Waterford Township Local School Tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the Current Fund liabilities as follows:

	<u>Balance Dec. 31,</u>	
	<u>2014</u>	<u>2013</u>
Balance of Tax	\$6,614,303.21	\$6,350,878.43
Deferred	4,520,000.00	4,200,000.00
	<u>\$2,094,303.21</u>	<u>\$2,150,878.43</u>

Note 16: **JOINT INSURANCE POOL**

The Township of Waterford is a member of the Atlantic County Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

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

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

The Fund provides the Township with the following coverage:

- Public Employee Dishonesty
- Workers' Compensation
- Employer's Liability
- Public Officials Liability
- Employment Practices Liability
- Property - Blanket Building and Grounds
- Boiler and Machinery
- General and Automobile Liability
- Crime and Excess Crime

Note 16: **JOINT INSURANCE POOL (CONT'D)**

Contributions to the Fund, are payable in an annual premium and is based on actuarial assumptions determined by the Fund's actuary. The Township's agreement with the pool provides that the pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund for claims in excess of \$50,000 to \$200,000 based on the line of coverage for each insured event.

The Fund publishes its own financial report for the year ended December 31, 2014, which can be obtained from:

Atlantic County Municipal Joint Insurance Fund
P.O. Box 488
Marlton, New Jersey 08053

Note 17: **LITIGATION**

The Township is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 18: **SUBSEQUENT EVENTS**

Subsequent to December 31, the Township of Waterford authorized additional Bonds and Notes as follows:

	<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
Bonds and Notes:			
General Capital:			
	Capital Improvements and Equipment	April 22, 2015	\$1,154,250.00
Water and Sewer Utility Capital:			
	Utility Improvements and Equipment	April 22, 2015	<u>476,000.00</u>
			<u>\$1,630,250.00</u>

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF WATERFORD
CURRENT FUND
Statement of Current Cash
Per N.J.S.40A:5-5--Chief Financial Officer
For the Year Ended December 31, 2014

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance Dec. 31, 2013	\$ 3,779,885.82	\$ 134,969.35
Increased by Receipts:		
Received from Collector	\$ 26,175,427.05	
Revenue Accounts Receivable	518,261.31	
Due from State of New Jersey, Ch. 20, P.L. 1971	106,643.84	
Miscellaneous Revenue not Anticipated	74,431.50	
Energy Receipts Tax	1,076,154.00	
Consolidated Municipal Property Tax Relief Aid	40,787.00	
Garden State Preservation Trust Fund	187,735.00	
Cable TV Franchise Fees	146,310.78	
2014 Appropriation Refunds	223,179.10	
Construction Code--State Training Fees	4,860.00	
Due Current Fund		\$ 100,000.00
Due Trust Other Fund -- Collector	273.42	
Due Trust Other Fund -- Chief Financial Officer	616.00	
Due Animal Control Fund	2,027.61	
Due General Capital Fund	75,947.17	
Federal and State Grants Receivable		215,485.11
Contra	<u>214,211.50</u>	
	<u>28,846,865.28</u>	<u>315,485.11</u>
	32,626,751.10	450,454.46
Decreased by Disbursements:		
2014 Appropriations	8,956,058.39	
2013 Appropriation Reserves	180,355.77	
County Taxes Payable	6,170,512.68	
Due County for Added and Omitted Taxes	44,892.26	
Local School Taxes Payable	12,965,276.22	
Tax Overpayments	20,028.04	
Construction Code--State Training Fees	5,175.00	
Due Federal and State Grant Fund	100,000.00	
Reserve for Revision of Ordinances	4,280.00	
Reserve for Revaluation of Real Property	295,019.52	
Operations - Refund of Prior Year Revenue	507.04	
Federal and State Grants--Appropriated		217,318.06
Grant Fund Encumbrances		6,074.44
Grant Fund Contracts Payable		141,360.00
Accounts Payable	8,150.64	
Contracts Payable	2,875.00	
Due Trust Other Fund	130,443.88	
Contra	<u>214,211.50</u>	
	<u>29,097,785.94</u>	<u>364,752.50</u>
Balance Dec. 31, 2014	<u>\$ 3,528,965.16</u>	<u>\$ 85,701.96</u>

TOWNSHIP OF WATERFORD
CURRENT FUND
Statement of Current Cash
Per N.J.S.40A:5-5--Collector
For the Year Ended December 31, 2014

Balance Dec. 31, 2013		\$	141,603.80
Increased by Receipts:			
Taxes Receivable	\$ 25,763,194.98		
Tax Title Liens	7,695.01		
Interest and Cost on Taxes	107,232.54		
2015 Prepaid Taxes	175,816.80		
Tax Overpayments	20,278.04		
Revenue Accounts Receivable	567.05		
Due CCMUA	67,305.24		
Due Winslow Township	1,957.87		
Miscellaneous Revenue not Anticipated	16,604.44		
Contra	<u>7,054.75</u>		
			<u>26,167,706.72</u>
			26,309,310.52
Decreased by Disbursements:			
Payments to Chief Financial Officer	26,175,427.05		
Due CCMUA	67,305.24		
Due Winslow Township	1,957.87		
Contra	<u>7,054.75</u>		
			<u>26,251,744.91</u>
Balance Dec. 31, 2014		\$	<u><u>57,565.61</u></u>

TOWNSHIP OF WATERFORD
CURRENT FUND
 Schedule of Change Funds
 For the Year Ended December 31, 2014

<u>Office</u>	<u>Amount</u>
Tax Collector	\$ 100.00
Municipal Clerk	50.00
Police Department	20.00
Municipal Court	<u>200.00</u>
	<u>\$ 370.00</u>

CURRENT FUND
 Statement of Due To (From) State of New Jersey
 CH. 20, P.L. 1971
 For the Year Ended December 31, 2014

Balance Dec. 31, 2013 (Due To)		\$	2,082.16
Increased by:			
2014 Senior Citizens' and Veterans' Deductions per Tax Billing	\$ 118,750.00		
2014 Senior Citizens' and Veterans' Deductions Allowed by Collector	2,000.00		
2013 Senior Citizens' and Veterans' Deductions Allowed by Collector	<u>250.00</u>		
		\$	121,000.00
Less:			
2014 Senior Citizens' and Veterans' Deductions Disallowed by Collector			4,054.73
Operations -- Prior Years Senior Citizens' and Veterans' Deductions Disallowed by Collector			<u>3,000.00</u>
			<u>113,945.27</u>
			111,863.11
Decreased by:			
Collections			<u>106,643.84</u>
Balance Dec. 31, 2014 (Due From)		\$	<u>5,219.27</u>

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statement of Taxes Receivable and Analysis of Property Tax Levy
 For the Year Ended December 31, 2014

Year	Balance Dec. 31, 2013	2014 Lev		Added Taxes	Collections		Due from State of New Jersey	Cancelled	Overpayments Applied	Transferred to Tax Title Liens	Balance Dec. 31, 2014
		2014	2013		2014	2013					
2010	\$ 678.58		\$ 210.73					\$ 467.85			\$ 4,076.85
2011	4,076.85		1,008.30						\$ 43.25		15,535.17
2012	16,586.72		599,593.40				\$ 250.00			3,703.28	21,638.87
2013	622,185.55	\$ 3,000.00									
	643,527.70	3,000.00	600,812.43	-			250.00	467.85	-	3,746.53	41,250.89
2014	-	\$ 26,272,016.09	25,162,382.55	\$ 191,637.99	\$ 191,637.99		116,695.27	65,267.60	\$ 52,311.67	46,119.39	641,458.47
	\$ 643,527.70	\$ 26,272,016.09	\$ 25,763,194.98	\$ 191,637.99	\$ 191,637.99		\$ 116,945.27	\$ 65,735.45	\$ 52,311.67	\$ 49,865.92	\$ 682,709.36

Analysis of 2014 Property Tax Levy

Tax Yield	
General Purpose Tax	\$ 26,201,529.47
Added / Omitted Taxes	<u>70,486.62</u>
	\$ 26,272,016.09

Tax Levy	
Local District School Tax	\$ 13,228,701.00
County Taxes:	
County Tax	\$ 6,016,177.65
Open Space Tax	154,335.03
County for Added and Omitted Taxes	<u>16,642.94</u>

Total County Taxes	6,187,155.62
Local Tax for Municipal Purposes	6,545,272.05
Minimum Tax for Library Purposes	255,962.20
Add: Additional Tax Levied	1,091.54
Add: Added and Omitted Tax	<u>53,843.68</u>

Local Tax for Municipal Purposes Levied	6,856,159.47
	<u>\$ 26,272,016.09</u>

TOWNSHIP OF WATERFORD
CURRENT FUND
Statement of Tax Title Liens Receivable
For the Year Ended December 31, 2014

Balance Dec. 31, 2013		\$ 537,268.01
Increased by:		
Transfers from Taxes Receivable	\$ 49,865.92	
Interest and Costs on Taxes	<u>594.81</u>	
		<u>50,460.73</u>
		587,728.74
Decreased by:		
Receipts -- Collector		<u>7,695.01</u>
Balance Dec. 31, 2014		<u><u>\$ 580,033.73</u></u>

CURRENT FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2014

Balance Dec. 31, 2013		\$ 70,972.19
Increased by:		
Transferred from 2014 Budget Appropriations	\$ 51,202.14	
Transferred from Revaluation of Real Property	<u>44,307.00</u>	
		<u>95,509.14</u>
Decreased by:		
Transferred to Appropriation Reserves		<u>70,972.19</u>
Balance Dec. 31, 2014		<u><u>\$ 95,509.14</u></u>

TOWNSHIP OF WATERFORD
CURRENT FUND

Statement of Revenue Account Receivable
For the Year Ended December 31, 2014

	Balance Dec. 31, 2013	Accrued in 2014	Chief Financial Officer	Collected by Tax Collector	Due from General Capital Fund	Due from Animal Control Fund	Due from Trust Other Fund	Balance Dec. 31, 2014
Clerk:								
Licenses:								
Alcoholic Beverages		\$ 9,650.00	\$ 9,650.00					
Other		12,076.00	12,076.00					
Fees and Permits -- Other:								
Clerk - Other	\$ 7,809.11	19,124.28	25,107.31					\$ 1,826.08
Planning Board		2,155.00	2,155.00					
Zoning Board		2,095.00	2,095.00					
Police Department		6,421.00	6,421.00					
Property Maintenance		4,800.00	4,800.00					
Tax Search Officer		200.00		\$ 200.00				
Uniform Construction Code Fees		82,593.00	82,593.00					
Municipal Court Fines and Costs	19,363.18	374,981.13	368,785.19					25,559.12
Interest on Investments:								
Current Fund		4,869.34	4,502.29	367.05				
General Capital Fund		946.98			\$ 946.98			
Animal Control Fund		9.23				\$ 9.23		
Trust Other Fund		490.72					\$ 490.72	
Township Clerk		22.52		22.52				
Municipal Court		54.00		54.00				
	<u>\$ 27,172.29</u>	<u>\$ 520,488.20</u>	<u>\$ 518,261.31</u>	<u>\$ 567.05</u>	<u>\$ 946.98</u>	<u>\$ 9.23</u>	<u>\$ 490.72</u>	<u>\$ 27,385.20</u>

TOWNSHIP OF WATERFORD
CURRENT FUND
Statement of 2013 Appropriation Reserves
For the Year Ended December 31, 2014

	Balance Dec. 31, 2013		Balance After Modification	Decreased	Balance Lapsed
	Encumbered	Reserved			
OPERATIONS--WITHIN "CAPS"					
GENERAL GOVERNMENT FUNCTIONS					
General Administration					
Salaries and Wages		\$ 18.34	\$ 18.34		\$ 18.34
Other Expenses	\$ 175.49	4,224.00	4,399.49	\$ 175.49	4,224.00
Postage		2,504.92	2,504.92		2,504.92
Office Supplies and Equipment Maintenance	156.50	6,080.92	6,237.42	1,557.76	4,679.66
Township Committee					
Salaries and Wages		29.67	29.67		29.67
Other Expenses		979.67	979.67		979.67
Municipal Clerk					
Salaries and Wages		73.11	73.11		73.11
Other Expenses	886.48	5,327.31	6,213.79	1,207.61	5,006.18
Elections					
Salaries and Wages		500.00	500.00		500.00
Other Expenses	32.40	620.18	652.58	32.40	620.18
Financial Administration					
Salaries and Wages		2,330.12	2,330.12		2,330.12
Other Expenses	2,472.38	901.58	3,373.96	2,802.92	571.04
Collection of Taxes					
Salaries and Wages		2,793.30	2,793.30		2,793.30
Other Expenses	67.00	4,935.35	5,002.35	67.00	4,935.35
Assessment of Taxes					
Salaries and Wages		19.22	19.22		19.22
Other Expenses		1,878.16	1,878.16		1,878.16
Legal Services and Costs					
Other Expenses	1,325.74	3,451.27	4,777.01	1,325.74	3,451.27
Engineering Services and Costs					
Other Expenses	243.75	10,022.72	10,266.47	443.75	9,822.72
Municipal Court					
Salaries and Wages		135.52	135.52		135.52
Other Expenses	927.50	678.89	1,606.39	1,081.50	524.89
Land Use Administration					
Municipal Land Use Law (N.J.S.40:55D-1):					
Planning & Zoning Boards					
Salaries and Wages		4,202.11	4,202.11		4,202.11
Other Expenses	1,866.10	7,821.58	9,687.68	2,061.95	7,625.73
Public Defender					
Other Expenses		5,100.00	5,100.00		5,100.00
Economic Development Committee					
Other Expenses		3,000.00	3,000.00		3,000.00
INSURANCE					
Unemployment Compensation Insurance		1,979.69	1,979.69		1,979.69
Other Insurance		509.14	509.14		509.14
Workers Compensation Insurance		1,408.86	1,408.86		1,408.86
Group Insurance for Employees		28,110.11	28,110.11		28,110.11
Health Benefit Waiver		5,500.00	5,500.00		5,500.00
PUBLIC SAFETY FUNCTIONS					
Police					
Salaries and Wages		112,301.46	112,301.46	112,301.46	
Other Expenses	5,748.14	14,723.85	20,471.99	5,973.14	14,498.85
Leases -- Police Vehicles		22,501.35	22,501.35		22,501.35
Fire Hydrant Services		300.00	300.00		300.00
Demolition of Buildings					
Other Expenses		100.00	100.00		100.00
Fire					
Other Expenses	37,835.34	11,043.11	48,878.45	37,835.34	11,043.11
Emergency Responders Stipend Program	2,865.00	36.76	2,901.76	2,865.00	36.76
PUBLIC WORKS FUNCTIONS					
Office of Emergency Management					
Other Expenses		100.00	100.00		100.00
Road Repairs and Maintenance					
Salaries and Wages		22,052.27	22,052.27		22,052.27
Other Expenses	158.65	893.55	1,052.20	184.14	868.06

(Continued)

TOWNSHIP OF WATERFORD
CURRENT FUND
Statement of 2013 Appropriation Reserves
For the Year Ended December 31, 2014

	Balance Dec. 31, 2013		Balance After Modification	Decreased	Balance Lapsed
	Encumbered	Reserved			
PUBLIC WORKS FUNCTIONS (CONT'D)					
Snow Removal					
Salaries and Wages		\$ 2,637.57	\$ 2,637.57		\$ 2,637.57
Other Expenses	\$ 4,549.84	2,666.07	7,215.91	\$ 4,549.84	2,666.07
Garbage and Trash Removal					
Contractual		17,538.40	17,538.40	165.00	17,373.40
Recycling					
Collection - Contractual		12,694.97	12,694.97		12,694.97
Public Buildings and Grounds					
Salaries and Wages		6,578.96	6,578.96		6,578.96
Other Expenses	5,415.44	3,630.24	9,045.68	4,280.32	4,765.36
Municipal Garage					
Salaries and Wages		1,837.44	1,837.44		1,837.44
Other Expenses	3,769.73	2,416.81	6,186.54	3,785.23	2,401.31
HEALTH AND HUMAN SERVICES					
Environmental Commission					
Other Expenses		16.10	16.10		16.10
Dog Regulation					
Other Expenses		18,900.00	18,900.00		18,900.00
PARK AND RECREATION FUNCTIONS					
Parks and Playgrounds					
Salaries and Wages		810.86	810.86		810.86
Other Expenses	987.36	647.68	1,635.04	1,554.86	80.18
Celebration of Public Event, Anniversary or Holiday					
Other Expenses		74.39	74.39		74.39
Safety Projects		946.84	946.84	793.77	153.07
<u>State Uniform Construction Code Appropriations</u>					
<u>Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)</u>					
Construction Official					
Salaries and Wages		30.05	30.05		30.05
Other Expenses		2,564.21	2,564.21	1,350.00	1,214.21
<u>Unclassified</u>					
Utilities:					
Electricity	663.10	36.01	699.11	663.10	36.01
Street Lighting	114.27	1,015.09	1,129.36	114.27	1,015.09
Telephone and Telegraph		1,537.51	1,537.51		1,537.51
Water		1,598.20	1,598.20		1,598.20
Natural Gas	711.98	912.90	1,624.88	711.98	912.90
Sewerage Processing and Disposal		868.75	868.75		868.75
Gasoline		6,455.77	6,455.77		6,455.77
Solid Waste Disposal Fees					
Other Expenses		9,402.61	9,402.61		9,402.61
Total Operations --within "CAPS"	70,972.19	385,005.52	455,977.71	187,883.57	268,094.14
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES --MUNICIPAL--WITHIN "CAPS"</u>					
Statutory Expenditures:					
Social Security System (O.A.S.I.)		9,787.91	9,787.91		9,787.91
Police and Firemen's Retirement System		3.41	3.41		3.41
Defined Contribution Retirement Program		100.00	100.00		100.00
Total Deferred Charges and Statutory Expenditures --Within "CAPS"	-	9,891.32	9,891.32	-	9,891.32
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>					
Solid Waste Disposal Fees					
Recycling Tax		768.36	768.36		768.36
Matching Funds for Grants		2,500.00	2,500.00		2,500.00
Total Operations Excluded from "CAPS"	-	3,268.36	3,268.36	-	3,268.36
	\$ 70,972.19	\$ 398,165.20	\$ 469,137.39	\$ 187,883.57	\$ 281,253.82
Disbursed				\$ 180,355.77	
Transferred to Accounts Payable				7,527.80	
				\$ 187,883.57	

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statement of Prepaid Taxes
 For the Year Ended December 31, 2014

Balance Dec. 31, 2013 (2014 Taxes)	\$	191,637.99
Increased by:		
Receipts -- Collector -- 2015 Taxes		175,816.80
		367,454.79
Decreased by:		
Application to 2014 Taxes Receivable		191,637.99
Balance Dec. 31, 2014 (2015 Taxes)	\$	175,816.80

Exhibit SA-11

CURRENT FUND
 Statement of Tax Overpayments
 For the Year Ended December 31, 2014

Balance Dec. 31, 2013	\$	52,061.67
Increased by:		
Receipts -- Collector		20,278.04
		72,339.71
Decreased by:		
Refunds - Chief Financial Officer	\$	20,028.04
Application to Taxes Receivable		52,311.67
		72,339.71
	\$	72,339.71

Exhibit SA-12

CURRENT FUND
 Statement of Reserve for Revaluation of Real Property
 For the Year Ended December 31, 2014

Increased by:		
Special Emergency Appropriations	\$	400,000.00
Decreased by:		
Disbursements	\$	295,019.52
Reserve for Encumbrances		44,307.00
		339,326.52
Balance Dec. 31, 2014	\$	60,673.48

TOWNSHIP OF WATERFORD
CURRENT FUND
Statement of Due County for Added and Omitted Taxes
For the Year Ended December 31, 2014

Balance Dec. 31, 2013	\$	44,892.26
Increased by:		
County Share of Added / Omitted Taxes		16,642.94
		61,535.20
Decreased by:		
Payments		44,892.26
Balance Dec. 31, 2014	\$	16,642.94

Exhibit SA-14

CURRENT FUND
Statement of Local District School Tax
For the Year Ended December 31, 2014

Balance Dec. 31, 2013:			
School Tax Payable	\$	2,150,878.43	
School Tax Deferred		4,200,000.00	
	\$		6,350,878.43
Increased by:			
Levy--School Year July 1, 2014 to June 30, 2015			13,228,701.00
			19,579,579.43
Decreased by:			
Payments			12,965,276.22
Balance Dec. 31, 2014:			
School Tax Payable		2,094,303.21	
School Tax Deferred		4,520,000.00	
	\$		6,614,303.21
2014 Liability for Local District School Tax:			
Tax Paid	\$		12,965,276.22
Tax Payable Dec. 31, 2014			2,094,303.21
			15,059,579.43
Less: Tax Payable Dec. 31, 2013			2,150,878.43
Amount Charged to 2014 Operations	\$		12,908,701.00

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statement of Deferred Charges
 N.J.S.40A:4-55 -- Special Emergencies
 For the Year Ended December 31, 2014

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2013</u>	<u>Added in 2014</u>	<u>Reduced in 2014</u>	<u>Balance Dec. 31, 2014</u>
11-11-09	Preparation of Master Plan	\$ 25,225.00	\$ 5,045.00	\$ 5,045.00		\$ 5,045.00	
12-14-11	Preparation of Tax Map	195,000.00	39,000.00	117,000.00		39,000.00	\$ 78,000.00
11-13-13	Codification of Ordinances	10,700.00	2,140.00	10,700.00		2,140.00	8,560.00
2-12-14	Revaluation of Real Property	400,000.00	80,000.00		\$ 400,000.00		400,000.00
				<u>\$ 132,745.00</u>	<u>\$ 400,000.00</u>	<u>\$ 46,185.00</u>	<u>\$ 486,560.00</u>

TOWNSHIP OF WATERFORD
CURRENT FUND
 Statement of Accounts Payable
 For the Year Ended December 31, 2014

Balance Dec. 31, 2013		\$ 8,281.64
Increased by:		
Transferred from 2014 Budget Appropriations	\$ 53,514.32	
Transferred from 2013 Appropriation Reserves	7,527.80	
		61,042.12
Decreased by:		
Disbursed	8,150.64	
Cancelled	131.00	
		8,281.64
Balance Dec. 31, 2014		\$ 61,042.12

TOWNSHIP OF WATERFORD
FEDERAL AND STATE GRANT FUND
Statement of Reserve For Federal and State Grants--Receivable
For the Year Ended December 31, 2014

<u>Program</u>	<u>Balance Dec. 31, 2013</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance Dec. 31, 2014</u>
Federal:				
Seatbelt Click-it-or-Ticket Grant		\$ 4,000.00	\$ 4,000.00	
Emergency Management	\$ 141,360.00		141,360.00	
Total Federal Grants	141,360.00	4,000.00	145,360.00	-
State:				
Clean Communities Grant		22,533.81	22,533.81	
Alcohol Education and Rehabilitation		2,717.69	2,717.69	
Drunk Driving Enforcement Grant		6,656.77	6,656.77	
Safe and Secure Communities Program	15,000.00	60,000.00	15,000.00	\$ 60,000.00
Recycling Tonnage Grant		20,861.11	20,861.11	
Body Armor Replacement Grant		2,355.73	2,355.73	
Total State Grants	15,000.00	115,125.11	70,125.11	60,000.00
Total All Grants	\$ 156,360.00	\$ 119,125.11	\$ 215,485.11	\$ 60,000.00

TOWNSHIP OF WATERFORD
FEDERAL AND STATE GRANT FUND
 Statement of Reserve For State Grants--Unappropriated
 For the Year Ended December 31, 2014

<u>Program</u>	<u>Balance Dec. 31, 2013</u>	<u>Grants Receivable</u>	<u>Realized as Miscellaneous Revenue in 2014 Budget</u>	<u>Balance Dec. 31, 2014</u>
Federal:				
Seatbelt Click-it-or-Ticket Grant	-	\$ 4,000.00	\$ 4,000.00	-
State:				
Clean Communities Grant		22,533.81	22,533.81	
Alcohol Education and Rehabilitation Fund		2,717.69	2,717.69	
Drunk Driving Enforcement Grant		6,656.77	6,656.77	
Safe and Secure Communities Program		60,000.00	60,000.00	
Recycling Tonnage Grant	\$ 17,482.53	20,861.11	17,482.53	\$ 20,861.11
Body Armor Replacement Fund	2,897.47	2,355.73	2,897.47	2,355.73
Total State Grants	<u>20,380.00</u>	<u>115,125.11</u>	<u>112,288.27</u>	<u>23,216.84</u>
Total All Grants	<u>\$ 20,380.00</u>	<u>\$ 119,125.11</u>	<u>\$ 116,288.27</u>	<u>\$ 23,216.84</u>

TOWNSHIP OF WATERFORD
FEDERAL AND STATE GRANT FUND
 Statement of Federal and State Grants--Appropriated
 For the Year Ended December 31, 2014

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Transferred</u> <u>from 2014</u> <u>Budget</u> <u>Appropriation</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
Federal Grants:				
Seatbelt Click-it-or-Ticket Grant		\$ 4,000.00		\$ 4,000.00
Storm Water Regulation	\$ 2,940.57			2,940.57
Total Federal Grants	<u>2,940.57</u>	<u>4,000.00</u>	-	<u>6,940.57</u>
State Grants:				
Clean Communities Grant	24,438.61	22,533.81	\$ 30,368.01	16,604.41
Drunk Driving Enforcement Grant	21,555.34	6,656.77	15,562.45	12,649.66
Alcohol Education and Rehabilitation	12,676.55	2,717.69	2,100.00	13,294.24
Recycling Tonnage Grant	36,891.10	17,482.53	1,853.86	52,519.77
Safe and Secure Communities Program		160,000.00	160,000.00	
Tree Planting Grant	4,875.91			4,875.91
Body Armor Replacement	4,713.44	2,897.47		7,610.91
Total State Grants	<u>105,150.95</u>	<u>212,288.27</u>	<u>209,884.32</u>	<u>107,554.90</u>
Local Grants:				
County Recycling Rebate Grant	5,687.89		5,687.89	
Comcast Technology Grant	6,345.55		2,578.75	3,766.80
Total Local Grants	<u>12,033.44</u>	-	<u>8,266.64</u>	<u>3,766.80</u>
Total All Grants	<u>\$ 120,124.96</u>	<u>\$ 216,288.27</u>	<u>\$ 218,150.96</u>	<u>\$ 118,262.27</u>
Disbursed			\$ 217,318.06	
Reserve for Encumbrances			<u>832.90</u>	
			<u>\$ 218,150.96</u>	

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWNSHIP OF WATERFORD
TRUST FUNDS
Statement of Trust Cash
Per N.J.S.40A:5-5--Chief Financial Officer
For the Year Ended December 31, 2014

	<u>Animal Control</u> <u>Trust Fund</u>	<u>Other Funds</u>
Balance Dec. 31, 2013	\$ 12,470.48	\$ 205,177.85
Increased by Receipts:		
Due from Municipal Clerk	\$ 38,285.60	
Due Current Fund	9.23	\$ 122,661.18
Due Sewer Operating		6,198.77
Due County of Camden -- Municipal Alliance		7,651.15
Reserve for Parking Offenses Adjudication Act		50.00
Reserve for Celebration of Public Events		567.14
Reserve for Payroll Deductions Payable		1,788,496.40
Reserve for Net Payroll		2,302,454.22
Reserve for Recreation Contributions		175.00
Reserve for Developers' Escrow Deposits		13,706.00
Reserve for Police Outside Services		56,358.99
Reserve for Public Defender		14,061.00
Reserve for Municipal Alliance		5.94
Reserve for Forfeited Property		3,111.34
	38,294.83	4,315,497.13
	50,765.31	4,520,674.98
Decreased by Disbursements:		
Due Current Fund	2,027.61	616.00
Prepaid Payroll		128,642.65
Reserve for Encumbrances	5,029.50	
Expenditures Under R.S.4:19-15.11	19,479.01	
Reserve for Celebration of Public Events		739.84
Reserve for Payroll Deductions Payable		1,793,132.21
Reserve for Net Payroll		2,302,454.22
Reserve for Developers' Escrow Deposits		32,680.02
Reserve for Police Outside Services		52,616.83
Reserve for Public Defender		521.75
Reserve for Municipal Alliance		7,879.80
Reserve for Forfeited Property		1,500.00
	26,536.12	4,320,783.32
Balance Dec. 31, 2014	\$ 24,229.19	\$ 199,891.66

TOWNSHIP OF WATERFORD
TRUST FUNDS
 Statement of Trust Cash
 Per N.J.S.40A:5-5--Collector
 For the Year Ended December 31, 2014

		<u>Other Funds</u>
Balance Dec. 31, 2013		\$ 163,452.89
Increased by Receipts:		
Due Current Fund	\$ 273.42	
Contra	118,518.88	
Reserve for Tax Title Lien Redemptions	324,344.04	
Reserve for Premiums Received at Tax Sale	<u>280,800.00</u>	
		<u>723,936.34</u>
		887,389.23
Decreased by Disbursements:		
Due Current Fund	273.42	
Contra	118,518.88	
Reserve for Tax Title Lien Redemptions	325,496.93	
Reserve for Premiums Received at Tax Sale	<u>215,200.00</u>	
		<u>659,489.23</u>
Balance Dec. 31, 2014		<u><u>\$ 227,900.00</u></u>

ANIMAL CONTROL TRUST FUND
 Statement of Reserve For Animal Control Fund Expenditures
 For the Year Ended December 31, 2014

Balance Dec. 31, 2013		\$ 8,620.80
Increased by:		
Animal Control Fees (Due from Municipal Clerk)	\$ 35,661.80	
Prior Year Encumbrances Cancelled	<u>1,975.00</u>	
		<u>37,636.80</u>
		46,257.60
Decreased by:		
Expenditures Under R.S.4:19-15.11:		
Disbursements	19,479.01	
Reserve for Encumbrances	<u>4,395.00</u>	
		<u>23,874.01</u>
Balance Dec. 31, 2014		<u><u>\$ 22,383.59</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2012	\$ 6,628.00
2013	<u>32,872.00</u>
	<u><u>\$ 39,500.00</u></u>

TOWNSHIP OF WATERFORD
TRUST OTHER FUNDS
 Schedule of Due From Camden County
 Community Development Block Grant Program
 For the Year Ended December 31, 2014

Balance Dec. 31, 2013	\$	31,000.00
Increased by:		
Entitlement -- Year 36		26,100.00
Balance Dec. 31, 2014	\$	57,100.00
<u>Analysis of Balance Dec. 31, 2014</u>		<u>Amount</u>
Year 34	\$	4,900.00
Year 35		26,100.00
Year 36		26,100.00
	\$	57,100.00

TRUST OTHER FUNDS
Statement of Due To Current Fund
 For the Year Ended December 31, 2014

Balance Dec. 31, 2013	\$	117,080.76
Increased by:		
Chief Financial Officer Receipts:		
Interest Earned -- Current Budget Revenue	\$	217.30
Interfund Loans		122,443.88
Reserve for Public Defender		8,000.00
Collector Receipts:		
Interest Earned -- Current Budget Revenue		273.42
		130,934.60
Decreased by:		248,015.36
Disbursements:		
Interfund Loans Returned -- Chief Financial Officer		616.00
Interfund Loans Returned -- Collector		273.42
Prepaid Payroll Applied		116,650.77
		117,540.19
Balance Dec. 31, 2014	\$	130,475.17

TOWNSHIP OF WATERFORD
TRUST -- OTHER FUND
 Statement of Trust Other Reserves
 For the Year Ended December 31, 2014

Reserve	Balance Dec. 31, 2013	Increased			Decreased			Balance Dec. 31, 2014
		Receipts	Entitlements	Contracts Payable and Encumbrance Adjustments	Disbursements	Due Current	Due to State of NJ - YCCB	
Reserve for Recreation Contributions	\$ 7,174.06	\$ 175.00						\$ 7,349.06
Reserve for Parking Offenses Adjudication Act	348.00	50.00						398.00
Reserve for Celebration of Public Events	2,835.75	567.14			\$ 739.84			2,663.05
Reserve for Payroll Deductions Payable	37,180.21	1,788,496.40			1,793,132.21			32,544.40
Reserve for Net Payroll		2,302,454.22			2,302,454.22			
Reserve for Developers' Escrow Deposits	36,695.71	13,706.00			32,680.02			30,586.69
Reserve for Tax Title Lien Redemptions	1,152.89	324,344.04			325,496.93			
Reserve for Premiums Received at Tax Sale	162,300.00	280,800.00			215,200.00			
Reserve for Community Development Block Grant	36,932.97		\$ 26,100.00					\$ (15,607.50)
Reserve for Retention Basin Maintenance	20,000.00							
Reserve for Police Outside Services	5,390.00	56,358.99			52,616.83			227,900.00
Reserve for Public Defender	13,157.56	14,061.00			521.75			63,032.97
Reserve for Maintenance Guarantees	6,399.05							20,000.00
Reserve for Municipal Alliance	23,209.07	5.94			7,879.80			10,000.00
Reserve for Forfeited Property	41,081.87	3,111.34			1,500.00			9,132.16
Reserve for Uniform Fire Safety Act	50.00							6,399.05
Reserve for Encumbrances	16,602.50							35,262.21
								42,693.21
								50.00
								3,042.50
	<u>\$ 410,509.64</u>	<u>\$ 4,784,130.07</u>	<u>\$ 45,332.00</u>	<u>\$ -</u>	<u>\$ 4,732,221.60</u>	<u>\$ 8,000.00</u>	<u>\$ 8,696.81</u>	<u>\$ 491,053.30</u>

Chief Financial Officer
 Collector

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
Statement of General Capital Cash
Per N.J.S.40A:5-5--Chief Financial Officer
For the Year Ended December 31, 2014

Balance Dec. 31, 2013		\$ 1,149,480.75
Increased by Receipts:		
Due Current Fund	\$ 946.98	
Capital Improvement Fund	150,000.00	
Fund Balance -- Premium Received	3,434.25	
Bond Anticipation Notes	2,569,750.00	
Refunds of Improvement Authorizations	9,600.00	
Due from NJDOT	69,270.68	
Contra	<u>69,703.35</u>	
		<u>2,872,705.26</u>
		4,022,186.01
Decreased by Disbursements:		
Improvement Authorizations	259,971.58	
Reserve for Encumbrances	37,190.00	
Contracts Payable	556,543.52	
Due Current Fund	75,947.17	
Bond Anticipation Notes	2,569,750.00	
Contra	<u>69,703.35</u>	
		<u>3,569,105.62</u>
Balance Dec. 31, 2014		<u>\$ 453,080.39</u>

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation--Funded
For the Year Ended December 31, 2014

Balance Dec. 31, 2013		\$ 4,855,644.18
Decreased by:		
2014 Budget Appropriation:		
Serial Bonds	\$ 500,000.00	
Green Acres Loan	<u>37,981.36</u>	
		<u>537,981.36</u>
Balance Dec. 31, 2014		<u>\$ 4,317,662.82</u>

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND

Statement of Deferred Charges to Future Taxation--Unfunded
For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Date of Ordinance	Balance		Analysis of Balance Dec. 31, 2014		Unexpended Improvement Authorizations
			Dec. 31, 2013	2014 Authorizations	Dec. 31, 2014	Bond Anticipation Notes	
11-4.1	Purchase of Public Works Equipment	6-22-11	\$ 66,500.00		\$ 66,500.00		
11-4.2	Purchase of Police Vehicles and Equipment	6-22-11	114,000.00		114,000.00		
11-4.3	Road Overlay, Drainage and Stormwater Projects	6-22-11	133,000.00		133,000.00		
11-4.4	Municipal Building Renovations	6-22-11	313,500.00		313,500.00		
11-4.5	Purchase of Office Equipment	6-22-11	99,750.00		99,750.00		
11-4.6	Purchase of Fire Department Equipment	6-22-11	99,750.00		99,750.00		
11-20	Construction of Emergency Services Facility	11-21-11	95,000.00		95,000.00		
12-12	Drainage and Resurfacing Improvements	9-12-12	66,500.00		66,500.00		
12-20	Renovation of Public Works Garage	12-19-12	156,750.00		156,750.00		
13-11.1; 13-14.1	Acquisition of Public Works Equipment	6-12-13	66,500.00		66,500.00		
13-11.2; 13-14.2	Various Improvements to the Public Works Building	6-12-13	427,500.00		427,500.00		
13-11.3; 13-14.3	Purchase of Office Equipment	6-12-13	23,750.00		23,750.00		
13-11.4; 13-14.4	Acquisition of Fire Department Equipment	6-12-13	9,500.00		9,500.00		
13-11.5; 13-14.5	Acquisition of Police Department Equipment	6-12-13	47,500.00		47,500.00		
13-11.6; 13-14.6	Various Improvements to Recreational Facilities	6-12-13	71,250.00		71,250.00		
13-11.7; 13-14.7	Reconstruction and Resurfacing of Various Roads	6-12-13	665,000.00		665,000.00		
13-11.8; 13-14.8	Reconstruction of Various Drainage Systems	6-12-13	66,500.00		66,500.00		
13-11.9; 13-14.9	Preliminary Costs for the Emergency Services Building	6-12-13	47,500.00		47,500.00		
			<u>\$ 2,569,750.00</u>	<u>-</u>	<u>\$ 2,569,750.00</u>	<u>-</u>	<u>-</u>

Improvement Authorizations Unfunded	Expenditures	Unexpended Improvement Authorizations
Less: Unexpended Proceeds of Bond Anticipation Note:		
Ordinance 11-4.3	\$ 58,926.56	
Ordinance 11-4.4	6,206.51	
Ordinance 11-4.5	6,136.61	
Ordinance 11-11	16,103.86	
Ordinance 11-20	0.01	
Ordinance 12-12	60,187.12	
Ordinance 12-20	14,637.76	
Ordinance 13-11.2; 13-4.2	1,626.93	
Ordinance 13-11.3; 13-4.3	134.54	
Ordinance 13-11.5; 13-4.5	1,665.40	
Ordinance 13-11.6; 13-4.6	2,259.92	
Ordinance 13-11.7; 13-4.7	14,569.14	
Ordinance 13-11.8; 13-4.8	66,500.00	
Ordinance 13-11.9; 13-4.9	47,500.00	
	<u>\$ 296,454.36</u>	<u>296,454.36</u>

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
 Statement of Contracts Payable
 For the Year Ended December 31, 2014

Balance Dec. 31, 2013		\$	631,767.62
Increased by:			
Contracts Awarded and Charged to Improvement Authorizations			284,789.35
			916,556.97
Decreased by:			
Disbursements	\$	556,543.52	
Cancelled		74,954.90	
			631,498.42
Balance Dec. 31, 2014		\$	285,058.55

Schedule of Contracts Payable Dec. 31, 2014

<u>Vendor:</u>	<u>Ordinance Number</u>	<u>Amount</u>
CME Associates	12-12	\$ 269.20
Ranco Construction	13-11.2; 13-14.2	24,680.88
Freespan Structures	14-11.2	56,139.79
Freespan Structures	05-17; 14-12	7,425.21
Arawak Paving Co.	14-11.4	196,543.47
		\$ 285,058.55

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
 Statement of Due To Current Fund
 For the Year Ended December 31, 2014

Balance Dec. 31, 2013		\$	75,000.19
Increased by:			
Receipts:			
Interest Earned on Deposits	\$	946.98	
Realized as Current Fund Budget Revenue:			
Reserve for Payment of Debt		30,530.75	
			31,477.73
			106,477.92
Decreased by:			
Disbursed:			
Interfund Loans Returned		75,000.19	
Interest Earnings		946.98	
			75,947.17
Balance Dec. 31, 2014		\$	30,530.75

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Date	Amount	Balance, Dec. 31, 2013		Capital Improvement Fund	New Jersey Department of Transportation	Contracts Payable Cancelled	Paid or Charged	Balance Dec. 31, 2014	
				Funded	Unfunded					Funded	Unfunded
05-12.3; 07-1.3	Construction of Public Works Building	7-13-05	\$ 200,000.00	\$ 3,897.92						\$ 3,897.92	
05-17; 14-12	Construction of Public Works Salt Storage and Lifts	9-28-05	100,000.00	17,501.37					17,501.37		
09-14.2	Road Overlay Program	12-16-09	150,000.00	382.67						382.67	
09-14.3	Drainage and Stormwater Management	12-16-09	100,000.00	182.00						182.00	
09-14.4	Municipal Building Improvements	12-16-09	106,000.00	1,032.86						1,032.86	
11-4.1	Purchase of Public Works Equipment	6-22-11	70,000.00		622.23			622.23			
11-4.3	Road Overlay, Drainage and Stormwater Projects	6-22-11	140,000.00		95,726.56			36,800.00			58,926.56
11-4.4	Municipal Building Renovations	6-22-11	330,000.00		8,705.96			2,499.05			6,206.91
11-4.5	Purchase of Office Equipment	6-22-11	105,000.00		10,404.67			4,268.06			6,136.61
11-11	WHP Corridor Redevelopment Project	8-24-11	50,000.00		16,103.86						16,103.86
11-20	Construction of Emergency Services Facility	11-21-11	100,000.00		0.01						0.01
12-12	Drainage and Resurfacing Improvements	9-12-12	300,000.00		60,187.12						60,187.12
12-20	Renovation of Public Works Garage	12-19-12	165,000.00		13,427.00			7,685.76			14,637.76
13-11.1; 13-14.1	Acquisition of Public Works Equipment	6-12-13	70,000.00		14,014.00			14,014.00			
13-11.2; 13-14.2	Various Improvements to the Public Works Building	6-12-13	450,000.00		58,418.30			56,791.37			1,626.93
13-11.3; 13-14.3	Purchase of Office Equipment	6-12-13	25,000.00	1,250.00	23,750.00			24,865.46			134.54
13-11.5; 13-14.5	Acquisition of Police Department Equipment	6-12-13	50,000.00	2,500.00	47,500.00			48,334.60			1,665.40
13-11.6; 13-14.6	Various Improvements to Recreational Facilities	6-12-13	75,000.00		2,259.92						2,259.92
13-11.7; 13-14.7	Reconstruction and Resurfacing of Various Roads	6-12-13	700,000.00		6,300.00			59,000.00			14,569.14
13-11.8; 13-14.8	Reconstruction of Various Drainage Systems	6-12-13	70,000.00	3,500.00	66,500.00					3,500.00	66,500.00
13-11.9; 13-14.9	Preliminary Costs for the Emergency Services Building	6-12-13	50,000.00	2,500.00	47,500.00					2,500.00	47,500.00
14-11.1	Pinewood Lane Repaving	8-13-14	50,000.00								
14-11.2	Construction of Public Works Salt Storage and Lifts	8-13-14	81,000.00							24,860.21	
14-11.3	Acquisition of Fire Department Equipment	8-13-14	6,000.00								
14-11.4	Hayes Mill Repaving	8-13-14	200,000.00					200,000.00			
				\$ 32,746.82	\$ 471,419.23	\$ 137,000.00	\$ 200,000.00	\$ 74,954.90	\$ 583,310.93	\$ 36,355.66	\$ 296,454.36

Reserve for Encumbrances
 Disbursed
 Refunds
 Contracts Payable

\$ 48,150.00
 259,971.58
 (9,600.00)
 284,789.35

\$ 583,310.93

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
 Statement of Reserve for Payment of Debt
 For the Year Ended December 31, 2014

Balance Dec. 31, 2013	\$	30,530.75
Decreased by:		
Realized as Current Fund Budget Revenue	\$	<u>30,530.75</u>

GENERAL CAPITAL FUND
 Statement of Reserve For Encumbrances
 For the Year Ended December 31, 2014

Balance Dec. 31, 2013	\$	38,575.50
Increased by:		
Charges to Improvement Authorizations		<u>48,150.00</u>
		86,725.50
Decreased by:		
Disbursements		<u>37,190.00</u>
Balance Dec. 31, 2014	\$	<u>49,535.50</u>

GENERAL CAPITAL FUND
 Statement of Capital Improvement Fund
 For the Year Ended December 31, 2014

Balance Dec. 31, 2013	\$	200.00
Increased by:		
Receipt from Current Fund - Budget Appropriations		<u>150,000.00</u>
		150,200.00
Decreased by:		
Appropriation to Finance Improvement Authorizations		<u>137,000.00</u>
Balance Dec. 31, 2014	\$	<u>13,200.00</u>

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
 Statement of General Serial Bonds
 For the Year Ended December 31, 2014

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding Dec. 31, 2014	Interest Rate	Balance Dec. 31, 2013	Increased	Paid by Budget Appropriation	Balance Dec. 31, 2014	
									Date
General Bonds of 2001	4-1-01	\$ 3,200,000.00	3-15-2015	4.500%	\$ 850,000.00		\$ 275,000.00	\$ 575,000.00	
			3-15-2016	4.500%					
General Bonds of 2005	9-15-05	2,480,000.00	9-15-2015	3.700%					
			9-15-2016/17/18	3.750%	200,000.00				
			9-15-2019	3.750%	230,000.00	1,230,000.00		200,000.00	1,030,000.00
General Bonds of 2010	6-10-10	2,430,000.00	7-15-2015/16	3.000%					
			7-15-2017	3.250%	35,000.00				
			7-15-2018/19	3.500%	300,000.00				
			7-15-2020/21	3.500%	450,000.00				
			7-15-2022	3.500%	460,000.00	2,355,000.00	25,000.00	2,330,000.00	
					\$ 4,435,000.00	-	\$ 500,000.00	\$ 3,935,000.00	

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Date of Issue of Original Notes	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2013		Balance Dec. 31, 2014	
						Increased	Decreased	Increased	Decreased
11-4.1	Purchase of Public Works Equipment	3-28-2012	3-24-2014	3-23-2015	1.000%	\$ 66,500.00	\$ 66,500.00	\$ 66,500.00	\$ 66,500.00
11-4.2	Purchase of Police Vehicles and Equipment	3-28-2012	3-24-2014	3-23-2015	1.000%	114,000.00	114,000.00	114,000.00	114,000.00
11-4.3	Road Overlay, Drainage and Stormwater Projects	3-28-2012	3-24-2014	3-23-2015	1.000%	133,000.00	133,000.00	133,000.00	133,000.00
11-4.4	Municipal Building Renovations	3-28-2012	3-24-2014	3-23-2015	1.000%	313,500.00	313,500.00	313,500.00	313,500.00
11-4.5	Purchase of Office Equipment	3-28-2012	3-24-2014	3-23-2015	1.000%	99,750.00	99,750.00	99,750.00	99,750.00
11-4.6	Purchase of Fire Department Equipment	3-28-2012	3-24-2014	3-23-2015	1.000%	99,750.00	99,750.00	99,750.00	99,750.00
11-20	Construction of Emergency Services Facility	3-28-2012	3-24-2014	3-23-2015	1.000%	95,000.00	95,000.00	95,000.00	95,000.00
12-12	Drainage and Resurfacing Improvements	3-28-2012	3-24-2014	3-23-2015	1.000%	66,500.00	66,500.00	66,500.00	66,500.00
12-20	Renovation of Public Works Garage	3-28-2012	3-24-2014	3-23-2015	1.000%	156,750.00	156,750.00	156,750.00	156,750.00
13-11.1; 13-14.1	Acquisition of Public Works Equipment	12-19-2013	12-17-2014	10-1-2015	0.600%	66,500.00	66,500.00	66,500.00	66,500.00
13-11.2; 13-14.2	Various Improvements to the Public Works Building	12-19-2013	12-17-2014	10-1-2015	0.600%	427,500.00	427,500.00	427,500.00	427,500.00
13-11.3; 13-14.3	Purchase of Office Equipment	12-19-2013	12-17-2014	10-1-2015	0.600%	23,750.00	23,750.00	23,750.00	23,750.00
13-11.4; 13-14.4	Acquisition of Fire Department Equipment	12-19-2013	12-17-2014	10-1-2015	0.600%	9,500.00	9,500.00	9,500.00	9,500.00
13-11.5; 13-14.5	Acquisition of Police Department Equipment	12-19-2013	12-17-2014	10-1-2015	0.600%	47,500.00	47,500.00	47,500.00	47,500.00
13-11.6; 13-14.6	Various Improvements to Recreational Facilities	12-19-2013	12-17-2014	10-1-2015	0.600%	71,250.00	71,250.00	71,250.00	71,250.00
13-11.7; 13-14.7	Reconstruction and Resurfacing of Various Roads	12-19-2013	12-17-2014	10-1-2015	0.600%	665,000.00	665,000.00	665,000.00	665,000.00
13-11.8; 13-14.8	Reconstruction of Various Drainage Systems	12-19-2013	12-17-2014	10-1-2015	0.600%	66,500.00	66,500.00	66,500.00	66,500.00
13-11.9; 13-14.9	Preliminary Costs for the Emergency Services Building	12-19-2013	12-17-2014	10-1-2015	0.600%	47,500.00	47,500.00	47,500.00	47,500.00
						<u>\$ 2,569,750.00</u>	<u>\$ 2,569,750.00</u>	<u>\$ 2,569,750.00</u>	<u>\$ 2,569,750.00</u>

Renewals

\$ 2,569,750.00

TOWNSHIP OF WATERFORD
GENERAL CAPITAL FUND
 Statement of Green Acres Loan
 For the Year Ended December 31, 2014

<u>Purpose</u>	<u>Date of Issue</u>	<u>Loan Amount</u>	<u>Payment Schedule Date</u>	<u>Payment Schedule Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2013</u>	<u>Increased</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2014</u>
Burnt Mill Road	12-24-08	\$ 532,509.38	3-24-2015	\$ 19,276.01	2.000%				
			9-24-2015	19,468.77	2.000%				
			3-24-2016	19,663.46	2.000%				
			9-24-2016	19,860.10	2.000%				
			3-24-2017	20,058.70	2.000%				
			9-24-2017	20,259.28	2.000%				
			3-24-2018	20,461.88	2.000%				
			9-24-2018	20,666.50	2.000%				
			3-24-2019	20,873.16	2.000%				
			9-24-2019	21,081.89	2.000%				
			3-24-2020	21,292.71	2.000%				
			9-24-2020	21,505.64	2.000%				
			3-24-2021	21,720.69	2.000%				
			9-24-2021	21,937.90	2.000%				
			3-24-2022	22,157.28	2.000%				
			9-24-2022	22,378.85	2.000%				
						\$ 370,644.18		\$ 37,981.36	\$ 332,662.82
						\$ 370,644.18	-	\$ 37,981.36	\$ 332,662.82

SUPPLEMENTAL EXHIBITS
WATER / SEWER UTILITY FUND

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY FUNDS
 Statement of Sewer Utility Cash
 Per N.J.S.40A:5-5--Chief Financial Officer
 For the Year Ended December 31, 2014

	<u>Operating</u>	<u>Capital</u>
Balance Dec. 31, 2013	\$ 410,294.44	\$ 277,661.88
Increased by Receipts:		
Miscellaneous Revenue Not Anticipated	\$ 801.75	
Received from Utility Collector	1,146,139.67	
Capital Improvement Fund		\$ 7,000.00
Due Water / Sewer Utility Capital Fund	11,315.62	
Due Water / Sewer Utility Operating Fund		315.62
Contra	<u>11.69</u>	
	<u>1,158,268.73</u>	<u>7,315.62</u>
	1,568,563.17	284,977.50
Decreased by Disbursements:		
2014 Budget Appropriations	1,024,082.25	
2013 Appropriation Reserves	21,345.24	
Accrued Interest on Bonds and Loans	89,424.65	
Refund of Prior Year Revenue	798.37	
Due Trust Other Fund	6,198.77	
Due Water / Sewer Utility Operating Fund		11,315.62
Improvement Authorizations		39,013.12
Contra	<u>11.69</u>	
	<u>1,141,860.97</u>	<u>50,328.74</u>
Balance Dec. 31, 2014	<u>\$ 426,702.20</u>	<u>\$ 234,648.76</u>

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY FUND
 Statement of Sewer Utility Cash
 Per N.J.S.40A:5-5--Collector
 For the Year Ended December 31, 2014

Balance Dec. 31, 2013		\$	4,119.73
Receipts:			
Water Rents Receivable	\$	492,757.16	
Sewer Rents Receivable		620,980.37	
Water Overpayments		80.24	
Sewer Overpayments		654.53	
Water Connection Fees		5,390.00	
Sewer Connection Fees		3,200.00	
Water Miscellaneous Revenue		9,190.13	
Sewer Miscellaneous Revenue		12,921.91	
Miscellaneous Revenue Not Anticipated		139.67	
			1,145,314.01
			1,149,433.74
Decreased by Disbursements:			
Payments to Chief Financial Officer			1,146,139.67
Balance Dec. 31, 2014			\$ 3,294.07

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY CAPITAL FUND
 Statement of Sewer Utility Capital Cash and Investments
 For the Year Ended December 31, 2014

	Receipts		Disbursements		Transfers		Balance (Overdraft) Dec. 31, 2014
	Balance (Overdraft) Dec. 31, 2013	Budget Appropriation	Miscellaneous	Improvement Authorizations	Miscellaneous	From	
Improvement Authorizations:							
06-7, 06-11.3 Sewer System Upgrades	\$ 83,049.16						\$ 83,049.16
06-7, 06-11.4 Utility Department Equipment	19,013.12			\$ 19,013.12			
07-13.2 Sewer System Improvements	39,239.73						39,239.73
07-13.3 Utility Department Equipment	13,005.84			13,005.84			
08-9 Sewer System Improvements	26,907.67						26,907.67
09-14 Water System Improvements	15,153.89			6,994.16		\$ 8,159.73	
13-11, 11; 13-14 Utility Department Equipment	60,000.00					59,325.27	674.73
14-16 Sewer System Improvements						302,000.00	(302,000.00)
Fund Balance	94.86						94.86
Capital Improvement Fund	10,000.00	\$ 7,000.00					17,000.00
Due Water / Sewer Utility Operating Fund	11,000.00		\$ 315.62		\$ 11,315.62		
Reserve for Payment of Debt	112.70						112.70
Reserve for Encumbrances	84.91						369,569.91
	<u>\$ 277,661.88</u>	<u>\$ 7,000.00</u>	<u>\$ 315.62</u>	<u>\$ 39,013.12</u>	<u>\$ 11,315.62</u>	<u>\$ 369,485.00</u>	<u>\$ 234,648.76</u>

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY OPERATING FUND
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2014

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Balance Dec. 31, 2013	\$ 6,266.77	\$ 42,892.90	\$ 49,159.67
Increased by:			
Rents Levied	493,588.07	622,000.00	1,115,588.07
	499,854.84	664,892.90	1,164,747.74
Decreased by:			
Collections	492,757.16	620,980.37	1,113,737.53
Cancelled	1,141.13	2,474.30	3,615.43
Overpayments Applied	79.97	23.97	103.94
	493,978.26	623,478.64	1,117,456.90
Balance Dec. 31, 2014	<u>\$ 5,876.58</u>	<u>\$ 41,414.26</u>	<u>\$ 47,290.84</u>

WATER & SEWER UTILITY OPERATING FUND
Statement of Water & Sewer Overpayments
For the Year Ended December 31, 2014

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Balance Dec. 31, 2013	\$ 158.73	\$ 593.04	\$ 751.77
Increased by:			
Receipts	80.24	654.53	734.77
	238.97	1,247.57	1,486.54
Decreased by:			
Cancelled	78.76	569.07	647.83
Overpayments Applied	79.97	23.97	103.94
	158.73	593.04	751.77
Balance Dec. 31, 2014	<u>\$ 80.24</u>	<u>\$ 654.53</u>	<u>\$ 734.77</u>

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY CAPITAL FUND
 Statement of Fixed Capital Authorized and Uncompleted
 For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2013	2014 Authorizations			Improvement Authorization Cancelled	Balance Dec. 31, 2014
					Deferred Charges to Future Revenue	Costs to Fixed Capital			
06-7; 06-11.3	Sewer System Upgrades	8-23-06	\$ 100,000.00	\$ 100,000.00				\$ 100,000.00	
06-7; 06-11.4	Utility Department Equipment	8-23-06	283,887.30	283,887.30	\$ 283,887.30				
07-13.2	Sewer System Improvements	7-11-07	40,000.00	40,000.00				40,000.00	
07-13.3	Utility Department Equipment	7-11-07	25,000.00	25,000.00	25,000.00				
08-9	Sewer System Improvements	8-27-08	50,000.00	50,000.00				50,000.00	
09-14	Water System Improvements	12-16-09	85,000.00	85,000.00				85,000.00	
13-11.11; 13-14	Utility Department Equipment	6-12-13	60,000.00	60,000.00				60,000.00	
14-08	Water Tower Improvements	7-9-14	750,000.00	750,000.00	\$ 750,000.00			750,000.00	
14-16	Sewer System Improvements	10-8-14	2,479,000.00		2,479,000.00			2,479,000.00	
				<u>\$ 643,887.30</u>	<u>\$ 3,229,000.00</u>	<u>\$ 308,887.30</u>	<u>-</u>	<u>\$ 3,564,000.00</u>	

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY CAPITAL FUND
 Statement of Fixed Capital
 For the Year Ended December 31, 2014

<u>Description</u>	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Additions</u> <u>By Ordinance</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
Sewer Utility:			
Land	\$ 37,859.79		\$ 37,859.79
Buildings	50,751.30	\$ 19,013.12	69,764.42
Equipment		135,430.53	135,430.53
Collection System	1,534,588.17		1,534,588.17
Pump Stations	2,235,117.84		2,235,117.84
Sewer Mains	213,575.42		213,575.42
Tractor	6,629.18		6,629.18
Trash Pump	5,280.00		5,280.00
Submersible Pumps	28,095.00		28,095.00
Storage Tank	14,402.00		14,402.00
Vehicles	61,838.35		61,838.35
Jet Truck	8,000.00		8,000.00
Office Equipment	19,523.62		19,523.62
	<u>4,215,660.67</u>	<u>154,443.65</u>	<u>4,370,104.32</u>
Water Utility:			
Land	6,681.14		6,681.14
Buildings	8,956.11		8,956.11
Equipment		141,437.81	141,437.81
Water Mains	4,355,803.75		4,355,803.75
Treatment Plants	1,584,266.79		1,584,266.79
Water Tank	1,661,878.57	13,005.84	1,674,884.41
Tractor	1,169.86		1,169.86
Vehicles	10,912.65		10,912.65
Office Equipment	47,558.78		47,558.78
	<u>7,677,227.65</u>	<u>154,443.65</u>	<u>7,831,671.30</u>
Total Fixed Capital	<u>\$ 11,892,888.32</u>	<u>\$ 308,887.30</u>	<u>\$ 12,201,775.62</u>

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY OPERATING FUND
 Statement of Accrued Interest on Bonds and Notes and Analysis of Balance
 For the Year Ended December 31, 2014

Balance Dec. 31, 2013	\$ 38,638.17
Increased by:	
Charges to Budget Appropriations	84,337.85
	122,976.02
Decreased by:	
Interest Paid:	
Utility Operating Fund	89,424.65
Balance Dec. 31, 2014	\$ 33,551.37

Analysis of Accrued Interest Dec. 31, 2014

Principal Outstanding Dec. 31, 2014	Interest Rate	From	To	Period	Amount
Serial Bonds:					
\$ 705,000.00	Various	11-1-14	12-31-14	60 Days	\$ 5,300.00
596,000.00	Various	7-15-14	12-31-14	166 Days	9,637.21
					14,937.21
Environmental Infrastructure Loans:					
665,957.08	Various	8-1-14	12-31-14	150 Days	13,837.83
235,203.04	Various	8-1-14	12-31-14	150 Days	4,762.33
					18,600.16
Bond Anticipation Notes:					
60,000.00	0.600%	12-17-14	12-31-14	14 Days	14.00
					\$ 33,551.37

WATER & SEWER UTILITY OPERATING FUND
 Statement of 2013 Appropriation Reserves
 For the Year Ended December 31, 2014

	Balance Dec. 31, 2013		Total	Disbursed	Balance Lapsed
	Encumbered	Reserved			
Operating:					
Salaries and Wages		\$ 2,370.72	\$ 2,370.72		\$ 2,370.72
Other Expenses	\$ 19,135.37	13,354.45	32,489.82	\$ 21,345.24	11,144.58
Statutory Expenditures:					
Contribution to:					
Unemployment Compensation		573.91	573.91		573.91
Social Security System (O.A.S.I.)		1,039.62	1,039.62		1,039.62
	\$ 19,135.37	\$ 17,338.70	\$ 36,474.07	\$ 21,345.24	\$ 15,128.83

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY CAPITAL FUND
 Statement of Reserve for Amortization
 For the Year Ended December 31, 2014

Balance Dec. 31, 2013		\$ 9,348,839.79
Increased by:		
Serial Bonds Paid by Operating Budget	\$ 135,000.00	
Loans Paid by Operating Budget	296,860.39	
Transferred from Deferred Reserve for Amortization	1,250.00	
		433,110.39
Balance Dec. 31, 2014		\$ 9,781,950.18

WATER & SEWER UTILITY OPERATING FUND
 Statement of Reserve for Encumbrances
 For the Year Ended December 31, 2014

Balance Dec. 31, 2013		\$ 19,276.87
Increased by:		
Transferred from 2014 Budget Appropriations		8,821.02
		28,097.89
Decreased by:		
Transferred to Appropriation Reserves		19,135.37
Balance Dec. 31, 2014		\$ 8,962.52

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY CAPITAL FUND
 Statement of Sewer Serial Bonds
 For the Year Ended December 31, 2014

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2014		Interest Rate	Balance Dec. 31, 2013	Issued	Paid by Budget Appropriation	Balance Dec. 31, 2014
			Date	Amount					
2004 Refunding Bonds	5-15-04	\$ 1,765,000.00	5-1-2015	\$ 130,000.00	4.250%				
			5-1-2016	135,000.00	4.375%				
			5-1-2017	140,000.00	4.500%				
			5-1-2018	145,000.00	4.625%				
			5-1-2019	155,000.00	4.750%	\$ 830,000.00		\$ 125,000.00	\$ 705,000.00
2010 Serial Bonds	6-10-10	636,000.00	7-15-2015	20,000.00	3.000%				
			7-15-2016	30,000.00	3.000%				
			7-15-2017	30,000.00	3.250%				
			7-15-2018	30,000.00	3.500%				
			7-15-2019	30,000.00	3.500%				
			7-15-2020	75,000.00	3.500%				
			7-15-2021	75,000.00	3.500%				
			7-15-2022	100,000.00	3.500%				
7-15-2023	100,000.00	3.600%							
7-15-2024	106,000.00	3.750%					10,000.00	596,000.00	
						606,000.00			
						\$ 1,436,000.00		\$ 135,000.00	\$ 1,301,000.00

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2014

Ordinance Number	Improvement Description	Date of Issue of Original Notes	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2013	Increased	Decreased	Balance Dec. 31, 2014
13-11.1; 13-14	Utility Department Equipment	12-19-2013	12-17-2014	10-1-2015	0.60%	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00
Renewals						\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00

TOWNSHIP OF WATERFORD
WATER & SEWER UTILITY CAPITAL FUND
 Statement of Bonds and Notes Authorized But Not Issued
 For the Year Ended December 31, 2014

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Balance Dec. 31, 2013</u>	<u>2014 Authorizations</u>	<u>Notes Issued</u>	<u>Balance Dec. 31, 2014</u>
14-08	Water Tower Improvements	7-9-14		\$ 750,000.00		\$ 750,000.00
14-16	Sewer System Improvements	10-8-14		2,479,000.00		2,479,000.00
			-	<u>\$ 3,229,000.00</u>	-	<u>\$ 3,229,000.00</u>

TOWNSHIP OF WATERFORD
PART 2
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2014

TOWNSHIP OF WATERFORD
Schedule of Findings and Recommendations
For the Year Ended December 31, 2014

Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Finding No 2014-1

Criteria or Specific Requirement

Reports for dog license fees collected are required to be filed by the end of the following month per N.J.S.A. 4:19-15.11.

Condition

The monthly reports for the collection and remittance of dog license fees were not always filed with the State of New Jersey on a timely basis.

Context

Eight of the twelve monthly dog license reports were not filed timely.

Effect

Dog license fees were not remitted to the State of New Jersey on a timely basis.

Cause

There was an oversight by the responsible official.

Recommendation

That monthly reports for the collection of dog license fees be remitted on a timely basis.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF WATERFORD
Summary Schedule of Prior Year Audit Findings
And Recommendations as Prepared by Management

This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

None.

TOWNSHIP OF WATERFORD
Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Maryann Merlino	Mayor	\$1,000,000.00(A)
Richard Yeatman	Deputy Mayor	1,000,000.00(A)
Robert Koons	Committeeman	1,000,000.00(A)
Robert Critelli Jr.	Committeeman	1,000,000.00(A)
William Richardson	Committeeman	1,000,000.00(A)
Lawrence Ruocco	Township Administrator (through June)	1,000,000.00(A)
Susan Danson	Township Administrator (from June)	1,000,000.00(A)
Debra Shaw-Blemings	Township Clerk, Improvement Search Clerk, and Registrar of Vital Statistics	1,000,000.00(A)
Stephen Miller	Certified Municipal Finance Officer (through March)	1,000,000.00(A)
Adrienne McKendry	Certified Municipal Finance Officer (from March)	1,000,000.00(A)
Anita Wilson	Tax Collector and Search Clerk	1,000,000.00(A)
Susan Danson	Treasurer and Purchasing Agent	1,000,000.00(B)
John Holroyd, Jr.	Electrical, Fire, and Plumbing Sub Code Official	1,000,000.00(A)
Edward Toussaint	Construction and Building Sub Code Official	1,000,000.00(A)
Krisden McCrink	Judge of Municipal Court	1,000,000.00(A)
Heather Campbell	Court Administrator	1,000,000.00(A)
Kelly Foster	Special Deputy Court Administrator	1,000,000.00(A)
John Knoll	Police Chief and Gun Permit Clerk (through March)	1,000,000.00(A)
Daniel Cormaney	Police Chief and Gun Permit Clerk (from March)	1,000,000.00(A)
Theresa Stagliano	Assessor	1,000,000.00(A)
Environmental Resolutions, Inc.	Engineer	
David Patterson	Attorney	

- (A) Public Employees' Dishonesty Blanket Position Bond, Aggregate Coverage, with a \$1,000.00 per loss deductible through the Atlantic County Municipal Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund.
- (B) Employee was bonded through Selective Insurance Company of America for the first \$50,000.00 of any loss. Any loss in excess of \$50,000.00 is covered by the Public Employees' Dishonesty Blanket Position Bond, Aggregate Coverage, through the Atlantic County Municipal Excess Liability Joint Insurance Fund.

All of the bonds were examined and were properly executed

14500

APPRECIATION

I express my appreciation for the assistance and courtesies rendered by the Township officials during the course of the audit.

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Daniel M DiGangi

Daniel M. DiGangi
Certified Public Accountant
Registered Municipal Accountant

