



**TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY DATA AND INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**



**TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY**

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*The
Township of Hamilton*

DIRECTOR OF FINANCE

06/29/15

The Honorable Mayor
and Township Council
Township of Hamilton
2090 Greenwood Ave.
PO Box 00150
Hamilton, NJ 08650-0150

The Comprehensive Annual Financial Report (the "CAFR") for the Township of Hamilton (the "Township") for the year ended December 31, 2014 is hereby submitted, as mandated by state statute. New Jersey state statutes require that the Township annually issue a report on its financial position and activity and that this report be audited by an independent registered municipal accountant. The responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Township.

The Comprehensive Annual Financial Report is presented in five sections: the introductory section, the financial section, the single audit section, other supplemental information, the statistical section and the general findings and recommendations. The introductory section, which is unaudited, contains this letter of transmittal and a listing of the Township's principal and elected and appointed officials. The financial section includes the general - purpose financial statements and individual and fund statements and schedules, as well as the independent auditor's report on these financial statements and schedules. The statistical section, which is unaudited, includes selected financial and demographic information. The single audit section includes the auditor's reports and the schedules of Federal and State financial assistance. The Township is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," and the New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments

John Ricci, Business Administrator

John Barrett, Chief Financial Officer

**TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY**

**PART I
INDEPENDENT AUDITORS' REPORT
FINANCIAL STATEMENTS
AND FOOTNOTES**

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members
of the Township Council
Township of Hamilton
Mercer County, New Jersey

Report on the Financial Statements

We have audited the accompanying basic financial statements – regulatory basis, which comprise the statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds and account group of the Township of Hamilton (“Township”), County of Mercer, State of New Jersey, as of December 31, 2014 and the related statements of revenues, expenditures and changes in fund balance - regulatory basis, the statements of fund balance – regulatory basis, the statements of operations and changes in operating fund balance – regulatory basis, the statements of revenues – regulatory basis, the statements of expenditures – regulatory basis of the various funds and the related notes to the financial statements for the year then ended as listed in the basic financial statements section of the accompanying 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 accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (“Division”). 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.

Auditors’ Responsibility

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

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 Township'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 opinion.

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

As described in Note 1, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Division.

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 Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the preceding 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 as of December 31, 2014, or the results of its operations and changes in fund balances for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects the statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds and account group of the Township as of December 31, 2014, and the results of its operations and changes in fund balances of such funds - regulatory basis for the year then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds 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 to the financial statements.

Emphasis of Matter

Restatement - Correction of Error

As described in Note 2 of the financial statements, the opening balances of capital assets at December 31, 2013 were restated as a result of adjustments relating to a valuation of the Township's capital assets based on the current assessed land values and the Township's internal records. Fixed assets, investment in fixed assets and amounts reported in governmental fixed asset footnote increased by \$39,118,119. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply procedures to 2013 financial statement amounts of the Township other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2013 financial statements as a whole.

Prior Period Financial Statements

The regulatory-basis financial statements of the Township of Hamilton as of December 31, 2013, were audited by other auditors whose report dated June 17, 2014, expressed an unmodified opinion on those regulatory basis financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived, except for the restatement discussed above.

Report on Supplementary Information as Required by the Division in Accordance with Regulatory-Basis

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information, as identified as schedules A-4 through D-23 and the comments and recommendations supplementary information in the table of contents, is presented for purposes of additional analysis as required by the Division and is not a required part of the 2014 regulatory - basis financial statements of the Township. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Report on Supplementary Information as Required by Federal OMB A-133 and NJ OMB 15-08

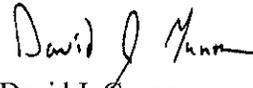
In addition, the accompanying schedules of expenditures of federal awards and state financial assistance, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments and Non-Profit Organizations* and by New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* and are presented for purposes of additional analysis and are not a required part of the regulatory-basis financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2014 regulatory-basis financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory-basis financial statements or to the regulatory-basis financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the regulatory-basis financial statements taken as a whole.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Township's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2015, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.



David J. Gannon
Registered Municipal Accountant
No. 520



WISS & COMPANY, LLP

Iselin, New Jersey
June 29, 2015

COMBINED FINANCIAL STATEMENTS

TOWNSHIP OF HAMILTON
COUNTY OF MERCER
COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE- ALL FUND TYPES AND ACCOUNT GROUPS
REGULATORY BASIS
DECEMBER 31, 2014

	CURRENT FUND	TRUST FUND	GENERAL CAPITAL FUND	UTILITY OPERATING FUND	UTILITY CAPITAL FUND	UTILITY ASSESSMENT FUND	GOVERNMENTAL FIXED ASSET ACCOUNT GROUP	TOTAL	MEMORANDUM ONLY
								Dec. 31, 2014	TOTAL DEC. 31, 2013 AS RESTATED
ASSETS									
Cash and Investments	\$ 16,022,092.54	\$ 20,694,093.20	\$ 22,381,360.80	\$ 8,057,855.64	\$ 26,148,015.17	\$ 467.10		\$ 93,303,884.45	\$ 41,165,277.50
Federal and State Grant Receivable	3,099,855.39	925,096.33						4,024,951.72	3,006,662.77
Receivables and Other Assets:									
Delinquent Property Taxes and Utility Charges	505,102.14			27,658.63				532,760.77	571,425.10
Other Receivables	120,800.71							120,800.71	108,433.72
Assessments Receivable		1,095,475.88						1,095,475.88	1,162,261.88
Tax Title, Sewer and Assessment Liens Rec.	1,577,198.54	899.49		89,411.91				1,667,509.94	1,794,945.56
Prepaid School Tax	100,677.50							100,677.50	477,742.50
Interfunds Receivable	44,802.95							44,802.95	198,399.77
Property Acquired for Taxes	367,045.00							367,045.00	367,045.00
Due from State	107,666.70		189,581.78		8,650.65			305,899.13	10,300.00
Prospective Assessments Funded		2,267,073.50						2,267,073.50	2,267,073.50
Deferred Charges	2,200,000.00		92,708,117.95	110,000.00				95,018,117.95	89,471,309.69
Fixed Capital						129,864,136.06		129,864,136.06	129,638,074.17
Fixed Capital Authorized and Uncompleted						50,957,090.70		50,957,090.70	44,057,090.70
Fixed Assets							\$ 104,630,896.09	104,630,896.09	103,953,760.57
	<u>\$ 24,145,241.47</u>	<u>\$ 24,982,638.40</u>	<u>\$ 115,279,060.53</u>	<u>\$ 8,284,926.18</u>	<u>\$ 206,977,892.58</u>	<u>\$ 467.10</u>	<u>\$ 104,630,896.09</u>	<u>\$ 484,301,122.35</u>	<u>\$ 418,249,802.43</u>

See accompanying notes to the financial statements

TOWNSHIP OF HAMILTON
 COUNTY OF MERCER
 COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE- ALL FUND TYPES AND ACCOUNT GROUPS
 REGULATORY BASIS
 DECEMBER 31, 2014

	CURRENT FUND	TRUST FUND	GENERAL CAPITAL FUND	UTILITY OPERATING FUND	UTILITY CAPITAL FUND	UTILITY ASSESSMENT FUND	GOVERNMENTAL FIXED ASSET ACCOUNT GROUP	TOTAL Dec. 31, 2014	MEMORANDUM ONLY TOTAL DEC. 31, 2013 AS RESTATE
LIABILITIES, RESERVES AND FUND BALANCE									
Overpayments	\$ 14,597.12			\$ 1,544.18				\$ 16,141.30	\$ 154,800.25
Appropriation Reserves	5,374,492.39			763,103.99				6,137,596.38	4,381,175.97
Prepaid Taxes, Assessments and Utility Charges	1,053,533.85	\$ 9,332.15		1,397,533.67				2,460,499.67	2,282,833.94
Federal and State Grants:									
Appropriated Reserves	2,932,456.45							2,932,456.45	2,809,110.93
Unappropriated Reserves									41,134.93
Encumbrances	475,759.49							475,759.49	518,395.50
Other Liabilities and Reserves:									
Due to State of New Jersey	8,307.00	1,866.00						10,173.00	25,359.44
Reserve for Future Debt Service			\$ 451,727.90	1,869,768.17				2,321,496.07	1,771,596.23
Capital Improvement Fund			13,536.58		\$ 192,775.00			206,311.58	216,452.00
Other Reserves	1,956,426.00	22,997,864.64			104,027,996.50			128,982,287.14	121,893,264.20
Improvement Authorizations			26,738,760.28		21,358,903.65			48,097,663.93	46,453,305.34
Reserve for Encumbrances/ Accounts Payable	1,309,242.05	735,770.66	2,289,076.25	444,553.85	4,696,552.46			9,475,195.27	9,633,210.31
Interfunds Payable		44,802.95						44,802.95	198,399.77
Serial Bonds Payable		1,193,000.00	44,577,000.00		42,731,000.00			88,501,000.00	69,499,000.00
Bond Anticipation Notes Payable			37,598,658.00		33,580,000.00			71,178,658.00	39,736,658.00
Special Emergency Notes Payable	2,200,000.00							2,200,000.00	
Green Trust Loan Payable			363,448.04					363,448.04	407,937.06
Environmental Infrastructure Loans			3,244,380.51		389,958.59			3,634,339.10	3,939,629.03
Reserve for Receivables	2,614,949.34			117,070.54				2,732,019.88	2,913,019.02
Accrued Interest on Bonds and Notes				579,986.21				579,986.21	
Other Payables	122,160.88							122,160.88	684,998.00
Investment in Fixed Assets							\$ 104,630,896.09	104,630,896.09	103,953,760.57
Fund Balance	6,083,316.90	2.00	2,472.97	3,111,265.57	706.38	\$ 467.10		9,198,230.92	6,735,761.94
	<u>\$ 24,145,241.47</u>	<u>\$ 24,982,638.40</u>	<u>\$ 115,279,060.53</u>	<u>\$ 8,284,926.18</u>	<u>\$ 206,977,892.58</u>	<u>\$ 467.10</u>	<u>\$ 104,630,896.09</u>	<u>\$ 484,301,122.35</u>	<u>\$ 418,249,802.43</u>

See accompanying notes to the financial statements

TOWNSHIP OF HAMILTON
COUNTY OF MERCER
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE- REGULATORY BASIS
CURRENT AND UTILITY OPERATING FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	CURRENT FUND	UTILITY OPERATING FUND	Total Dec. 31, 2014
Revenues:			
Fund Balance Appropriated	\$ 2,400,000.00	\$ 700,000.00	\$ 3,100,000.00
Sewer Rents		16,131,589.31	16,131,589.31
Miscellaneous Revenue	7,907,320.33	378,134.50	8,285,454.83
State Aid	19,166,830.00		19,166,830.00
State and Federal Grants	1,561,296.66		1,561,296.66
Special Items	513,734.76		513,734.76
Receipts from Delinquent Taxes	430,079.28		430,079.28
Amount to be Raised by Taxes for Support of Municipal Budget:			
Local Tax for Municipal Purposes	64,087,413.87		64,087,413.87
Local Library Tax	2,807,616.05		2,807,616.05
Total Budget Revenue	98,874,290.95	17,209,723.81	116,084,014.76
Other Credits to Income	2,682,851.60	348,735.95	3,031,587.55
Total Revenues	101,557,142.55	17,558,459.76	119,115,602.31
Expenditures:			
Current Fund Within CAPS:			
General Government	748,728.26	12,614,512.48	13,363,240.74
Department of Administration	1,054,431.84		1,054,431.84
Department of Finance	1,655,967.18		1,655,967.18
Department of Law	1,722,744.98		1,722,744.98
Department of Engineering, Planning and Inspection	3,734,634.37		3,734,634.37
Department of Economic Development/Technology	633,756.92		633,756.92
Department of Public Safety	22,242,797.31		22,242,797.31
Department of Public Works	20,513,866.31		20,513,866.31
Department of Health, Recreation and Welfare	3,104,541.04		3,104,541.04
Separate Boards and Agencies	189,143.00		189,143.00
Unclassified Purposes	19,295,706.79		19,295,706.79
Deferred Charges and Statutory Expenditures	8,778,456.67	732,794.56	9,511,251.23
Current Fund Excluded From CAPS:			
General Government	7,136,119.93		7,136,119.93
Public and Private Programs	864,560.68		864,560.68
Capital Improvements	394,859.58	250,000.00	644,859.58
Debt Service	6,060,083.10	3,094,487.25	9,154,570.35
Reserve for Uncollected Taxes	900,240.40		900,240.40
Total Budget Expenditures	99,030,638.36	16,691,794.29	115,722,432.65
Other Charges	30,700.36	0.32	30,700.68
Total Expenditures	99,061,338.72	16,691,794.61	115,753,133.33

TOWNSHIP OF HAMILTON
COUNTY OF MERCER
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE- REGULATORY BASIS
CURRENT AND UTILITY OPERATING FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	CURRENT FUND	UTILITY OPERATING FUND	Total <u>Dec. 31, 2014</u>
Excess in Revenues	\$ 2,495,803.83	\$ 866,665.15	\$ 3,362,468.98
Adjustment to Income Before Fund Balance:			
Expenditures Included Above Whichh are by Statute			
Deferred Charges to Budget of Succeeding Years:			
Special Emergency	<u>2,200,000.00</u>	<u> </u>	<u> </u>
Statutory Excess to Fund Balance	4,695,803.83	866,665.15	3,362,468.98
Fund Balance January 1, 2014	<u>3,787,513.07</u>	<u>2,944,600.42</u>	<u>6,732,113.49</u>
	8,483,316.90	3,811,265.57	12,294,582.47
Decreased by:			
Utilizedas Anticipated Revenue	<u>2,400,000.00</u>	<u>700,000.00</u>	<u>3,100,000.00</u>
Fund Balance December 31, 2014	<u>\$ 6,083,316.90</u>	<u>\$ 3,111,265.57</u>	<u>\$ 9,194,582.47</u>

TOWNSHIP OF HAMILTON
COUNTY OF MERCER
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE- REGULATORY BASIS
BUDGET AND ACTUAL-CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	BUDGET AS <u>MODIFIED</u>	2014 <u>ACTUAL</u>	EXCESS <u>(DEFICIT)</u>
Revenues:			
Fund Balance Appropriated	\$ 2,400,000.00	\$ 2,400,000.00	
Miscellaneous Revenue	6,853,303.35	7,907,320.33	\$ 1,054,016.98
State Aid	19,166,830.00	19,166,830.00	
State and Federal Grants	1,534,360.68	1,561,296.66	26,935.98
Special Items	513,734.76	513,734.76	
Receipts from Delinquent Taxes	437,740.57	430,079.28	(7,661.29)
Amount to be Raised by Taxes for Support of Municipal Budget:			
Local Tax for Municipal Purposes	63,147,753.31	64,087,413.87	939,660.56
Local Library Tax	<u>2,807,616.05</u>	<u>2,807,616.05</u>	
Total Budget Revenue	<u>96,861,338.72</u>	<u>98,874,290.95</u>	<u>2,012,952.23</u>
Other Credits to Income		<u>2,682,851.60</u>	<u>2,682,851.60</u>
Total Revenues	<u>96,861,338.72</u>	<u>101,557,142.55</u>	<u>4,695,803.83</u>
Expenditures:			
Current Fund Within CAPS:			
General Government	748,728.26	748,728.26	
Department of Administration	1,054,431.84	1,054,431.84	
Department of Finance	1,655,967.18	1,655,967.18	
Department of Law	1,722,744.98	1,722,744.98	
Department of Engineering, Planning and Inspection	3,734,634.37	3,734,634.37	
Department of Economic Development/Technology	633,756.92	633,756.92	
Department of Public Safety	22,242,797.31	22,242,797.31	
Department of Public Works	20,513,866.31	20,513,866.31	
Department of Health, Recreation and Welfare	3,104,541.04	3,104,541.04	
Separate Boards and Agencies	189,143.00	189,143.00	
Unclassified Purposes	19,295,706.79	19,295,706.79	
Deferred Charges and Statutory Expenditures	8,778,456.67	8,778,456.67	
Current Fund Excluded From CAPS:			
General Government	4,936,119.93	7,136,119.93	2,200,000.00
Public and Private Programs	864,560.68	864,560.68	
Capital Improvements	394,859.58	394,859.58	
Debt Service	6,090,783.46	6,060,083.10	(30,700.36)
Reserve for Uncollected Taxes	<u>900,240.40</u>	<u>900,240.40</u>	
Total Budget Expenditures	<u>96,861,338.72</u>	<u>99,030,638.36</u>	<u>(2,169,299.64)</u>
Other Charges		<u>30,700.36</u>	<u>30,700.36</u>
Total Expenditures	<u>96,861,338.72</u>	<u>99,061,338.72</u>	<u>(2,138,599.28)</u>

TOWNSHIP OF HAMILTON
COUNTY OF MERCER
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE- REGULATORY BASIS
BUDGET AND ACTUAL-UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	BUDGET AS MODIFIED	2014 ACTUAL	EXCESS
Revenues:			
Fund Balance Appropriated	\$ 700,000.00	\$ 700,000.00	
Sewer Rents	14,902,390.04	15,229,019.93	\$ 326,629.89
Sewer Connection Fees	800,000.00	902,569.38	102,569.38
Miscellaneous	<u>300,000.00</u>	<u>378,134.50</u>	<u>78,134.50</u>
Total Budget Revenue	<u>16,702,390.04</u>	<u>17,209,723.81</u>	<u>507,333.77</u>
Other Credits to Income		<u>348,735.95</u>	<u>348,735.95</u>
Total Revenues	<u>16,702,390.04</u>	<u>17,558,459.76</u>	<u>856,069.72</u>
Expenditures:			
Operating Expenses	12,614,512.48	12,614,512.48	
Capital Improvements	250,000.00	250,000.00	
Debt Service	3,105,083.00	3,094,487.25	10,595.75
Statutory Expenditures	<u>732,794.56</u>	<u>732,794.56</u>	
Total Expenditures	<u>16,702,390.04</u>	<u>16,691,794.29</u>	<u>10,595.75</u>
Other Charges to Income		<u>0.32</u>	<u>0.32</u>
Excess in Revenues / Statutory Excess to Fund Balance		<u>866,665.15</u>	<u>866,665.15</u>
Fund Balance January 1, 2014	<u>2,944,600.42</u>	<u>2,944,600.42</u>	<u>-</u>
	<u>2,944,600.42</u>	<u>3,811,265.57</u>	<u>(866,665.15)</u>
Decreased by:			
Utilized in Sewer Operating Budget	<u>700,000.00</u>	<u>700,000.00</u>	<u>-</u>
Fund Balance December 31, 2014	<u>\$ 2,244,600.42</u>	<u>\$ 3,111,265.57</u>	<u>\$ (866,665.15)</u>

INDIVIDUAL FUND FINANCIAL STATEMENTS

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

<u>ASSETS</u>	BALANCE DEC. 31, 2014	BALANCE DEC. 31, 2013	<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	BALANCE DEC. 31, 2014	BALANCE DEC. 31, 2013
Cash and Investments - Treasurer	\$ 15,711,250.99	\$ 9,956,315.97	Liabilities:		
Cash - Change Fund	2,481.00	1,860.00	Prepaid Taxes	\$ 1,039,409.85	\$ 954,785.84
Prepaid School Tax	100,677.50	477,742.50	Tax Overpayments	14,597.12	144,371.41
Due from State of N.J. Per Chap. 73, P.L. 1976	107,666.70	10,300.00	Accounts Payable	49,599.73	36,246.09
			Appropriation Reserves	5,374,492.39	3,962,052.83
			Other Prepaid Fees	14,124.00	
			Due to Grant Fund		19,683.00
	<u>15,922,076.19</u>	<u>10,446,218.47</u>	Special Emergency Notes Payable	2,200,000.00	
Receivables and Other Assets With Full Reserves:			Due to State of New Jersey:		
Taxes Receivable	505,102.14	532,326.85	State Marriage License Fees	2,800.00	3,085.00
Tax Title Liens Receivable	1,577,198.54	1,695,034.38	DCA Training Fees	5,507.00	20,623.24
Property Acquired for Taxes at Assessed Value	367,045.00	367,045.00	Due County for Added Taxes	122,160.88	189,536.45
Revenue Accounts Receivable	72,172.48	66,251.39	Reserve for Encumbrances	1,259,642.32	1,205,586.78
Other Accounts Receivable	48,628.23	42,182.33	Proceeds Sale of Municipal Assets		122,734.76
Due from Sewer Operating Fund		29,789.77	Reserve for Special Emergency	<u>1,956,426.00</u>	
Due from Animal Control Trust	44,802.95	14,881.60			
Due from CDBG		27,397.76			
	<u>2,614,949.34</u>	<u>2,774,909.08</u>			
Deferred Charges:					
Special Emergency Authorization	<u>2,200,000.00</u>		Reserve for Receivables	2,614,949.34	2,774,909.08
			Fund Balance	<u>6,083,316.90</u>	<u>3,787,513.07</u>
Total Regular Fund	<u>20,737,025.53</u>	<u>13,221,127.55</u>	Total Regular Fund	<u>20,737,025.53</u>	<u>13,221,127.55</u>
Grant Fund:			Grant Fund:		
Cash and Investments - Treasurer	308,360.55	647,175.66	Reserve for Encumbrances	475,759.49	518,395.50
Due from Current Fund		19,683.00	Due to General Capital Fund		106,647.64
State & Federal Grants Receivable	<u>3,099,855.39</u>	<u>2,808,430.34</u>	Reserve for State & Federal Grants:		
			Appropriated	2,932,456.45	2,809,110.93
			Unappropriated		<u>41,134.93</u>
Total Grant Fund	<u>3,408,215.94</u>	<u>3,475,289.00</u>	Total Grant Fund	<u>3,408,215.94</u>	<u>3,475,289.00</u>
Total Current Fund	<u>\$ 24,145,241.47</u>	<u>16,696,416.55</u>	Total Current Fund	<u>\$ 24,145,241.47</u>	<u>\$ 16,696,416.55</u>

See accompanying notes to the financial statements

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN
FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

<u>REVENUE AND OTHER INCOME</u>	<u>YEAR 2014</u>	<u>YEAR 2013</u>
Fund Balance Utilized	\$ 2,400,000.00	\$ 4,500,000.00
Miscellaneous Revenues Anticipated	29,149,181.75	32,708,497.06
Receipts from Delinquent Taxes	430,079.28	448,260.99
Receipts from Current Taxes	242,947,965.74	232,774,294.24
Interfunds Returned	66,986.38	
Non-Budget Revenue	991,604.36	1,243,392.56
Other Credits to Income:		
Other Accounts Receivable		90,172.46
Accounts Payable Canceled		160,000.00
Unexpended Balance of Prior Year Approp. Res. Lapsed	1,783,382.53	154,888.13
	<u>277,769,200.04</u>	<u>272,079,505.44</u>
 <u>EXPENDITURES</u>		
Budget Appropriations:		
Operations:		
Salaries and Wages	41,945,784.71	41,965,750.66
Other Expenses	40,951,213.90	41,531,614.33
Deferred Charges and Statutory Expenditures	8,778,456.67	8,943,569.89
Capital Improvements	394,859.58	398,677.00
Municipal Debt Service	6,060,083.10	5,352,786.77
Special District Taxes	21,662,025.03	20,864,155.00
County Taxes	52,795,515.14	49,439,209.50
Local District School Taxes	102,495,636.00	100,594,998.00
Interfund Loans Advanced (net)		41,269.64
Adjustment for Senior Citizens Prior Adjustments	182,952.22	226,878.16
Prior Years Senior Citizens/Veterans Deductions	6,869.86	8,299.36
	<u>275,273,396.21</u>	<u>269,367,208.31</u>
 Total Expenditures		

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN
FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>YEAR 2014</u>	<u>YEAR 2013</u>
Excess in Revenues over Expenditures	\$ 2,495,803.83	\$ 2,712,297.13
Adjustments to Income before Fund Balance:		
Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Years	<u>2,200,000.00</u>	
Statutory Excess to Fund Balance	4,695,803.83	2,712,297.13
<u>FUND BALANCE</u>		
Balance - January 1	<u>3,787,513.07</u>	<u>5,575,215.94</u>
	8,483,316.90	8,287,513.07
Decreased by:		
Utilized as Anticipated Revenue	<u>2,400,000.00</u>	<u>4,500,000.00</u>
Balance - December 31	<u>\$ 6,083,316.90</u>	<u>3,787,513.07</u>

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

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

	ANTICIPATED		REALIZED	EXCESS (DEFICIT)
	2014 BUDGET	N.J.S.A. 40A:4-87		
Surplus Anticipated	\$ 2,400,000.00		\$ 2,400,000.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverage	90,300.00		95,650.00	\$ 5,350.00
Other	194,249.00		188,359.00	(5,890.00)
Fees and Permits:				
Other	183,382.00		213,304.44	29,922.44
Fines and Costs:				
Municipal Court	899,335.00		970,651.71	71,316.71
Interest and Costs on Taxes	588,479.00		628,374.76	39,895.76
Interest on Investments and Deposits	103,975.00		198,112.41	94,137.41
Cable Franchise Fees	1,245,425.35		1,245,425.35	
Housing, Site and Contractor Fees	450,000.00		853,349.00	403,349.00
Energy Receipts Tax	19,166,830.00		19,166,830.00	
Payments in Lieu of Taxes - Low Cost Housing	223,000.00		223,000.00	
Reimbursement for Administrative Service:				
Free Public Library	74,000.00		74,000.00	
Sewer Operating Fund	680,000.00		680,331.00	331.00
Uniform Construction Code Fees	2,031,012.00		2,352,951.00	321,939.00
Developers Escrow - Engineering & Planning Staff	90,146.00		183,811.66	93,665.66
Special Items:				
Alcohol Education & Rehab		\$ 11,638.78	11,638.78	
Sustainable Energy	5,000.00		5,000.00	
Justice Assistance		19,317.00	19,317.00	
Click It or Ticket Grant		4,000.00	4,000.00	
Clean Communities		157,182.88	157,182.88	
Emergency Management Assistance		10,000.00	10,000.00	
State DOT South Olden Ave.		283,500.00	283,500.00	
Municipal Alliance	78,832.00		78,832.00	
Municipal Alliance 6 month		39,365.50	39,365.50	
ANJEC Vernal Pool Cert Project	2,500.00		2,500.00	

See accompanying notes to the financial statements

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

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

	ANTICIPATED		REALIZED	EXCESS (DEFICIT)
	2014 BUDGET	N.J.S.A. 40A:4-87		
Miscellaneous Revenues (Cont'd):				
Special Items (cont'd):				
Drive Sober or Get Pulled Over	\$ 4,400.00		\$ 4,400.00	
Recycling Tonnage Grant		\$ 139,428.38	139,428.38	
Drunk Driving Enforcement		13,770.92	13,770.92	
Small Grants Program		5,000.00	5,000.00	
Bulletproof Vest Program		19,134.91	19,134.91	
State Body Armor Grant		14,755.38	14,755.38	
Drunk Driving Enforcement Grant	31,734.93		31,734.93	
Septemberfest Sponsorships and Vendor Fees	88,800.00		79,450.00	\$ (9,350.00)
HUD Administrative Reimbursements & HCVP	149,000.00		149,000.00	
FEMA Hurricane Sandy Reimbursement	457,000.00		493,285.98	36,285.98
Reserve for Proceeds Sale of Municipal Assets	122,734.76		122,734.76	
American Metro - Payment in Lieu of Taxes	391,000.00		391,000.00	
Total Miscellaneous Revenues	27,351,135.04	717,093.75	29,149,181.75	1,080,952.96
Receipts from Delinquent Taxes	437,740.57		430,079.28	(7,661.29)
Amount to be Raised by Taxation for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including				
Reserve for Uncollected Taxes	63,147,753.31		64,087,413.92	939,660.61
Local Tax for Municipal Library	2,807,616.05		2,807,616.05	
Total Amount to be Raised By Taxation	65,955,369.36		66,895,029.97	939,660.61
Budget Totals	96,144,244.97	717,093.75	98,874,291.00	\$ 2,012,952.28
Non-Budget Revenues			991,604.36	
	\$ 96,144,244.97	\$ 717,093.75	\$ 99,865,895.36	

See accompanying notes to the financial statements

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

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

Analysis of Non-Budget Revenues:

Hotel Fees	\$	125,157.33
Copy Fees		3,571.76
Rentals		6,600.00
Recycling		4,655.84
Ecological Facility Lease Payments		95,000.04
NFS Bad Checks		1,800.00
Tax Office		149,628.68
Other		377,608.75
Restitution		4,971.09
Plans/Specifications		3,385.00
Golf Center		116,188.00
Azalea Fest, Winter Wonderland, Fall Fest		6,435.00
Sayen House and Gardens		86,868.87
Kuser, Bromley and Misc. Festivals		<u>9,734.00</u>
	\$	<u><u>991,604.36</u></u>

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

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

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collection:

Revenue from Collection:

Collections by Cash:

Year 2014	\$	240,714,235.80
Year 2013		954,785.84
Sr. Cit. & Vet. Deduction		
Reimbursement		<u>1,278,944.10</u>

\$ 242,947,965.74

Allocated to:

School, County and Special
District Taxes

176,953,176.17

65,994,789.57

Add: Reserve for Uncollected Taxes

900,240.40

\$ 66,895,029.97

Receipts from Delinquent Taxes:

Delinquent Tax Collection
Tax Title Lien Collection

\$ 48,274.38

381,804.90

\$ 430,079.28

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

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

	2014 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED	
Operations Within "CAPS"						
<u>GENERAL GOVERNMENT:</u>						
Office of the Mayor						
Salaries and Wages	\$ 321,918.10	\$ 326,418.10	\$ 315,697.54	\$ 10,720.56		
Other Expenses	21,644.00	17,144.00	8,428.40	4,032.54	4,683.06	
Township Council						
Salaries and Wages	78,332.00	78,332.00	73,762.67		4,569.33	
Other Expenses	8,850.00	8,850.00	3,881.97	2,445.96	2,522.07	
Office of the Municipal Clerk						
Salaries and Wages	256,799.16	256,799.16	243,361.34		13,437.82	
Other Expenses	61,185.00	61,185.00	45,802.69	7,131.95	8,250.36	
<u>DEPARTMENT OF ADMINISTRATION:</u>						
Business Administrator						
Salaries and Wages	218,016.19	218,016.19	211,308.54		6,707.65	
Other Expenses	7,222.00	7,222.00	6,522.59		699.41	
Human Resources						
Salaries and Wages	174,241.68	174,241.68	139,500.15		34,741.53	
Other Expenses	27,490.00	27,490.00	24,326.66	222.87	2,940.47	
Training	3,000.00	3,000.00	2,800.00		200.00	
Division of Budget and Purchasing						
Salaries and Wages	438,338.97	438,338.97	412,818.48		25,520.49	
Other Expenses	29,473.00	29,473.00	23,092.38	858.87	5,521.75	
Postage Costs	156,650.00	156,650.00	140,285.52	655.90	15,708.58	
<u>DEPARTMENT OF FINANCE:</u>						
Financial Administration:						
Salaries and Wages	285,789.73	285,789.73	265,870.90		19,918.83	
Other Expenses	194,800.00	194,800.00	151,741.65	10,073.68	32,984.67	
Annual Audit	85,823.00	85,823.00	85,823.00			
Division of Assessments						
Salaries and Wages	414,144.15	414,144.15	400,616.02		13,528.13	
Other Expenses	42,230.00	42,230.00	19,716.91	4,252.50	18,260.59	
Division of Revenue Collection						
Salaries and Wages	519,880.30	519,880.30	497,567.40		22,312.90	
Other Expenses	113,300.00	113,300.00	80,536.66	7,252.04	25,511.30	

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

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

	2014 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED	
Operations Within "CAPS" (Cont'd.)						
<u>DEPARTMENT OF LAW:</u>						
Legal Services						
Salaries and Wages	\$ 305,597.80	\$ 305,597.80	\$ 287,114.97	\$	\$ 18,482.83	
Other Expenses	115,300.00	195,300.00	103,358.32	\$ 35,971.20	55,970.48	
Municipal Prosecutor						
Salaries and Wages	91,262.20	91,362.20	88,465.24		2,896.96	
Municipal Court						
Salaries and Wages	1,055,040.98	1,055,040.98	1,004,636.34		50,404.64	
Other Expenses	75,443.00	75,443.00	70,604.30	4,014.82	823.88	
Public Defender						
Salaries and Wages	1.00	1.00			1.00	
<u>DEPARTMENT OF ENGINEERING, PLANNING AND INSPECTIONS:</u>						
Division of Engineering						
Salaries and Wages	438,417.80	436,917.80	417,241.27		19,676.53	
Other Expenses	160,105.00	160,105.00	50,851.79	95,566.00	13,687.21	
Community Planning & Compliance						
Salaries and Wages	552,368.80	552,368.80	545,579.84		6,788.96	
Other Expenses	48,210.50	48,210.50	22,739.56	764.25	24,706.69	
Zoning Board						
Salaries and Wages	83,003.32	88,903.32	84,719.81		4,183.51	
Other Expenses	15,450.00	15,450.00	14,355.00	630.00	465.00	
Affordable Housing						
Salaries and Wages	236,207.85	236,207.85	24,693.30		211,514.55	
Office on Housing Inspect						
Salaries and Wages	352,621.83	380,621.83	358,988.84		21,632.99	
Other Expenses	22,750.00	22,750.00	10,142.46	5,238.36	7,369.18	
Uniform Construction Code						
Salaries and Wages	1,216,214.98	1,216,214.98	1,114,061.09		102,153.89	
Other Expenses	576,884.29	576,884.29	553,349.35	1,889.77	21,645.17	
<u>DEPARTMENT OF ECONOMIC DEVELOPMENT</u>						
Salaries and Wages	446,310.42	446,310.42	423,565.87		22,744.55	
Other Expenses	187,446.50	187,446.50	108,884.56	70,384.17	8,177.77	
<u>DEPARTMENT OF PUBLIC SAFETY:</u>						
Police Division						
Salaries and Wages	21,492,901.08	21,416,901.08	20,480,089.91		936,811.17	
Other Expenses	803,358.23	803,358.23	560,541.34	185,818.56	56,998.33	
Office of Emergency Management						
Other Expenses	22,538.00	22,538.00	3,535.22	3,087.64	15,915.14	

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

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

	2014 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED	
Operations Within "CAPS" (Cont'd.)						
<u>DEPARTMENT OF PUBLIC WORKS:</u>						
Public Works						
Salaries and Wages	\$ 3,916,469.61	\$ 3,879,969.61	\$ 3,535,690.48		\$ 344,279.13	
Other Expenses	602,523.00	602,523.00	368,022.11	\$ 74,635.20	159,865.69	
Other Public Works Functions						
Salaries and Wages	74,510.51	74,510.51			74,510.51	
Other Expenses	20,210.00	20,210.00	5,199.67	4,743.41	10,266.92	
Division of Buildings and Grounds						
Salaries and Wages	1,870,975.71	1,870,975.71	1,741,352.77		129,622.94	
Other Expenses	482,199.36	482,199.36	363,170.05	57,739.00	61,290.31	
Solid Waste Collection & Recycling						
Salaries and Wages	97,107.35	97,107.35	85,589.38		11,517.97	
Other Expenses	3,500,000.00	3,500,000.00	2,978,564.34	91,668.15	429,767.51	
Maintenance of Motor Vehicles						
Salaries and Wages	1,173,964.75	1,173,964.75	1,059,869.41		114,095.34	
Other Expenses	593,078.00	593,078.00	437,371.80	64,187.16	91,519.04	
Landfill/Solid Waste Disposal Costs	4,800,000.00	4,800,000.00	3,806,530.25	319,409.98	674,059.77	
Maintenance of Parks						
Salaries and Wages	2,878,152.86	2,878,152.86	2,640,025.57		238,127.29	
Other Expenses	303,628.92	303,628.92	240,937.71	35,676.10	27,015.11	
Division of Citizen Response						
Salaries and Wages	234,482.04	234,482.04	191,623.25		42,858.79	
Other Expenses	3,064.20	3,064.20	1,425.30	393.07	1,245.83	
<u>DEPARTMENT OF HEALTH, RECREATION AND WELFARE:</u>						
Public Health Services	712,997.53	711,497.53	663,037.20		48,460.33	
Salaries and Wages	177,224.00	177,224.00	100,555.20	48,412.94	28,255.86	
Other Expenses						
Environmental Health Services						
Salaries and Wages	378,936.77	378,936.77	347,868.09		31,068.68	
Other Expenses	26,830.00	26,830.00	21,455.44	368.21	5,006.35	
Animal Control Services						
Salaries and Wages	270,242.04	278,742.04	269,281.98		9,460.06	
Other Expenses	72,350.00	72,350.00	52,947.59	9,943.90	9,458.51	
Division of Recreation						
Salaries and Wages	495,089.91	495,089.91	476,798.58		18,291.33	
Other Expenses	434,126.00	427,126.00	352,233.98	20,242.47	54,649.55	

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

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

	2014 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED	
Operations Within "CAPS" (Cont'd.)						
<u>DEPARTMENT OF HEALTH, RECREATION AND WELFARE (CONTD.):</u>						
Office of Sr. Citizens Programs						
Salaries and Wages	\$ 406,199.79	\$ 406,199.79	\$ 369,480.39		\$ 36,719.40	
Other Expenses	130,545.00	130,545.00	98,957.74	\$ 15,027.04	16,560.22	
<u>SEPARATE BOARDS AND AGENCIES:</u>						
Environmental Commission (N.J.S.A. 40:56A-81 et seq.)						
Salaries and Wages	770.00	770.00	500.00		270.00	
Other Expenses	930.00	930.00	290.00		640.00	
Zoning Board of Adjustment						
Other Expenses	46,500.00	46,500.00	19,637.76	1,092.58	25,769.66	
Economic Development Commission						
Salaries and Wages	770.00	770.00	750.00		20.00	
Other Expenses	3,700.00	3,700.00	3,699.04		0.96	
Planning Board						
Other Expenses	45,932.00	45,932.00	31,383.59	7.56	14,540.85	
Board of Public Officers						
Salaries and Wages	500.00	500.00	250.00		250.00	
Other Expenses	3,250.00	3,250.00			3,250.00	
Aid to Museum (N.J.S.A. 40:23-6.22)						
	6,550.00	6,550.00	6,550.00			
Center for the Physically Limited (N.J.S.A. 40:13)						
	19,396.00	19,396.00			19,396.00	
First Aid Organizations - Contributions						
	40,000.00	40,000.00			40,000.00	
Neighborhood Service Center - Contributions						
	10,000.00	10,000.00	10,000.00			
Redevelopment Board						
Salaries and Wages	200.00	200.00	100.00		100.00	
Other Expenses	8,280.00	8,280.00	3,600.00		4,680.00	
Shade Tree Commission						
Salaries and Wages	590.00	590.00	200.00		390.00	
Other Expenses	325.00	325.00	300.00		25.00	
Parks and Recreation Commission						
Salaries and Wages	200.00	200.00	100.00		100.00	
Other Expenses	200.00	200.00			200.00	

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

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

	2014 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED	
Operations Within "CAPS" (Cont'd.)						
<u>SEPARATE BOARDS AND AGENCIES (CONT'D.):</u>						
Rent Leveling Board						
Salaries and Wages	\$ 100.00	\$ 100.00	\$ 100.00			
Other Expenses	150.00	150.00			\$ 150.00	
Special Needs Commission						
Salaries and Wages	500.00	500.00	475.00		25.00	
Other Expenses	300.00	300.00			300.00	
<u>UNCLASSIFIED PURPOSES:</u>						
Aid to Board of Fire Commissioners	15,000.00	15,000.00	15,000.00			
Utility Expense and Bulk Purchase	3,141,969.00	3,141,969.00	2,752,168.55	\$ 75,804.47	313,995.98	
Retirement Payouts	250,000.00	250,000.00	247,051.77		2,948.23	
Payments to Fire Districts	29,102.00	29,102.00	29,102.00			
Other Insurance General Liability	338,507.00	338,507.00	338,507.00			
Group Insurance	14,642,928.95	14,642,928.95	14,642,928.95			
Self Insurance	828,199.84	828,199.84	828,199.84			
Condominium Services Act	50,000.00	50,000.00			50,000.00	
Total Operations Within "CAPS"	<u>74,896,318.00</u>	<u>74,896,318.00</u>	<u>68,619,861.63</u>	<u>1,259,642.32</u>	<u>5,016,814.05</u>	
<u>DETAIL:</u>						
Salaries and Wages	40,968,185.83	40,901,185.83	38,432,628.09	48,412.94	2,420,144.80	
Other Expenses	33,928,132.17	33,995,132.17	30,187,233.54	1,211,229.38	2,596,669.25	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL - WITHIN "CAPS":</u>						
Statutory Expenditures:						
Contributions to:						
Public Employees Retirement System	2,528,014.91	2,528,014.91	2,528,012.99		1.92	
Social Security System (O.A.S.I.)	2,042,977.76	2,042,977.76	1,878,638.44		164,339.32	
DCRP	20,000.00	20,000.00	10,047.81		9,952.19	
Police and Firemen's Retirement Sys. of NJ	4,187,464.00	4,187,464.00	4,187,464.00		0.00	
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	<u>8,778,456.67</u>	<u>8,778,456.67</u>	<u>8,604,163.24</u>		<u>174,293.43</u>	
Total General Appropriations for Municipal Purposes Within "CAPS"	83,674,774.67	83,674,774.67	77,224,024.87	1,259,642.32	5,191,107.48	

See accompanying notes to the financial statements

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

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

	2014 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED		UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED RESERVED	
<u>Operations Excluded from "CAPS"</u>					
Maintenance of Free Public Library	\$ 2,807,616.05	\$ 2,807,616.05	\$ 2,807,616.05		
Police Dispatch/911					
Salaries and Wages	1,044,598.88	1,044,598.88	931,233.52	\$ 113,365.36	
Other Expenses	117,400.00	117,400.00	48,174.95	69,225.05	
Declared Emergency Snow Removal:					
Salaries and Wages	270,000.00	270,000.00	270,000.00		
Other Expenses	597,817.00	597,817.00	597,817.00		
Supplemental Fire Services Program	98,688.00	98,688.00	98,688.00		
Special Emergency Revaluation		2,200,000.00	2,200,000.00		
<u>STATE AND FEDERAL PROGRAMS</u>					
<u>OFF-SET BY REVENUES:</u>					
Alcohol Ed. And Rehab		11,638.78	11,638.78		
Sustainable Energy	5,000.00	5,000.00	5,000.00		
ANJEC Vernal Pool Cert Program	2,500.00	2,500.00	2,500.00		
Click It or Ticket Grant		4,000.00	4,000.00		
Clean Communities		157,182.88	157,182.88		
State DOT South Olden		283,500.00	283,500.00		
Municipal Alliance	78,832.00	78,832.00	78,832.00		
Municipal Alliance 6 month		39,365.50	39,365.50		
Emergency Management Assistance		10,000.00	10,000.00		
Justice Assistance		19,317.00	19,317.00		
Small Grants Program		5,000.00	5,000.00		
Bulletproof Vest Program		19,134.91	19,134.91		
Drunk Driving Enforcement Grant		13,770.92	13,770.92		
State Body Armor		14,755.38	14,755.38		
Recycling Tonnage		139,428.38	139,428.38		
Drunk Driving Enforcement Grant	31,734.93	31,734.93	31,734.93		
Diver Sober or Get Pulled Over	4,400.00	4,400.00	4,400.00		
Matching Funds for Grants	25,000.00	25,000.00	24,205.50	794.50	
Total Operations Excluded from "CAPS"	<u>5,083,586.86</u>	<u>8,000,680.61</u>	<u>7,817,295.70</u>	<u>183,384.91</u>	
<u>DETAIL:</u>					
Salaries and Wages	1,044,598.88	1,044,598.88	931,233.52	113,365.36	
Other Expenses	<u>4,038,987.98</u>	<u>6,956,081.73</u>	<u>6,886,062.18</u>	<u>70,019.55</u>	

See accompanying notes to the financial statements

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

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

	2014 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED		UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	
CAPITAL IMPROVEMENTS EXCLUDED FROM "CAPS":					
Capital Improvement Fund	\$ 394,859.58	\$ 394,859.58	\$ 394,859.58		
Total Capital Improvements Excluded from "CAPS"	<u>394,859.58</u>	<u>394,859.58</u>	<u>394,859.58</u>		
MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS":					
Payment of Bond Principal	4,133,000.00	4,133,000.00	4,133,000.00		
Interest on Bonds	1,380,653.46	1,380,653.46	1,380,653.46		
Interest on Notes	170,150.00	170,150.00	170,148.47		\$ 1.53
Green Trust Loan Program					
Payment of Principal	44,490.00	44,490.00	44,489.02		0.98
Payment of Interest	7,940.00	7,940.00	7,937.39		2.61
NJEITF					
Payment of Principal	305,300.00	305,300.00	280,702.72		24,597.28
Payment of Interest	49,250.00	49,250.00	43,152.04		6,097.96
Total Municipal Debt Service Excluded from "CAPS"	<u>6,090,783.46</u>	<u>6,090,783.46</u>	<u>6,060,083.10</u>		<u>30,700.36</u>
Total General Appropriations for Municipal Excluded from "CAPS"	<u>11,569,229.90</u>	<u>14,486,323.65</u>	<u>14,272,238.38</u>	\$ 183,384.91	<u>30,700.36</u>
Subtotal General Appropriations	95,244,004.57	98,161,098.32	91,496,263.25	\$ 1,259,642.32	5,374,492.39
Reserve for Uncollected Taxes	<u>900,240.40</u>	<u>900,240.40</u>	<u>900,240.40</u>		
Total General Appropriations	<u>\$ 96,144,244.97</u>	<u>\$ 99,061,338.72</u>	<u>\$ 92,396,503.65</u>	<u>\$ 1,259,642.32</u>	<u>\$ 5,374,492.39</u>
Adopted Budget		\$ 96,144,244.97			
Special Emergency		2,200,000.00			
Appropriated N.J.S.A. 40A:4-87		<u>717,093.75</u>			
		<u>\$ 99,061,338.72</u>			
Disbursed			\$ 90,656,702.57		
State & Federal Grants Appropriated			839,560.68		
Reserve for Uncollected Taxes			<u>900,240.40</u>		
			<u>\$ 92,396,503.65</u>		

Note: See Notes to Financial Statements

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

TRUST FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

<u>ASSETS</u>	<u>BALANCE</u> <u>DEC. 31, 2014</u>	<u>BALANCE</u> <u>DEC. 31, 2013</u>	<u>LIABILITIES, RESERVES</u> <u>AND FUND BALANCE</u>	<u>BALANCE</u> <u>DEC. 31, 2014</u>	<u>BALANCE</u> <u>DEC. 31, 2013</u>
Trust Assessment Fund:			Trust Assessment Fund:		
Cash and Investments - Treasurer	\$ 115,813.95	\$ 49,027.95	Prepaid Assessments	\$ 9,332.15	\$ 9332.15
Assessments Receivable	1,095,475.88	1,162,261.88	Reserve for Assessments, Liens and		
Assessment Lien, Interest & Costs	899.49	899.49	Assessment Lien Interest and Costs	2,276,928.67	2,166,928.67
Prospective Assessments Funded	<u>2,267,073.50</u>	<u>2,267,073.50</u>	Serial Bonds Payable	1,193,000.00	1,303,000.00
			Fund Balance	<u>2.00</u>	<u>2.00</u>
Total Trust Assessment Fund	<u>3,479,262.82</u>	<u>3,479,262.82</u>	Total Trust Assessment Fund	<u>3,479,262.82</u>	<u>3,479,262.82</u>
Animal Control Trust Fund:			Animal Control Trust Fund:		
Cash and Investments - Treasurer	<u>102,995.35</u>	<u>76,124.00</u>	Due to State of New Jersey	1,866.00	1,651.20
			Due to Current Fund	44,802.95	14,881.60
			Reserve for Animal Control	48,784.40	52,049.20
			Escrow	<u>7,542.00</u>	<u>7,542.00</u>
Total Animal Control Trust Fund	<u>102,995.35</u>	<u>76,124.00</u>	Total Animal Control Trust Fund	<u>102,995.35</u>	<u>76,124.00</u>
Trust-Other Fund:			Trust-Other Fund:		
Cash and Investments - Treasurer	<u>19,952,913.00</u>	<u>17,205,784.60</u>	Reserve for Encumbrances	754,341.29	189,582.85
			Escrow Funds	5,755,661.73	4,857,194.03
			Performance Guarantees	1,673,761.05	1,673,761.05
			Reimbursable Temp. CO	62,237.75	62,237.75
			Deposits for Tax Sale Redemp./Premiums	5,090,524.83	3,489,347.56
			Due to State Marriage Licenses	12,775.00	12,775.00
			Developers Escrow	1,109,296.15	1,075,081.92
			Dedicated Law Enfor. Trust Fund	103,250.41	53,403.76
			Affordable Housing	2,643,792.38	2,495,066.07
			Flexible Spending Account	14,796.84	12,837.85
			Unemployment Trust	110,744.48	153,921.34
			Insurance Trust Reserve	1,880,952.86	2,149,012.48
			Off-Duty Police	657,365.87	493,643.39
			Payroll Deductions Payable	<u>83,412.36</u>	<u>487,919.55</u>
Total Trust-Other Fund	<u>19,952,913.00</u>	<u>17,205,784.60</u>	Total Trust-Other Fund	<u>19,952,913.00</u>	<u>17,205,784.60</u>

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

TRUST FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	BALANCE DEC. 31, 2014	BALANCE DEC. 31, 2013		BALANCE DEC. 31, 2014	BALANCE DEC. 31, 2013
Housing and Community Development Act of 1974:			Housing & Community Development Act of 1974:		
			Due to Current Fund		\$ 27,397.76
Cash and Investments - Treasurer	\$ 40,523.66	\$ 62,219.59	Reserve for Commun. Develop. Blk. Grant Projects	\$ 965,619.99	34,821.83
Accounts Receivable	<u>925,096.33</u>	<u> </u>			
Total Housing and Community Development Act of 1974	<u>965,619.99</u>	<u>62,219.59</u>	Total Housing & Community Development Act of 1974	<u>965,619.99</u>	<u>62,219.59</u>
Self-Insurance Trust Fund:			Self-Insurance Trust Fund:		
Cash and Investments - Treasurer	<u>26,620.96</u>	<u>12,266.02</u>	Reserve for Insurance Claims: Worker's Compensation	<u>26,620.96</u>	<u>12,266.02</u>
Total Self Insurance Trust Fund	<u>26,620.96</u>	<u>12,266.02</u>	Total Self Insurance Trust Fund	<u>26,620.96</u>	<u>12,266.02</u>
HUD Housing Voucher Trust Fund:			HUD Housing Voucher Trust Fund:		
Cash and Investments - Treasurer	<u>455,226.28</u>	<u>570,504.59</u>	Reserve for HUD Housing Voucher Program Expenditures	<u>455,226.28</u>	<u>570,504.59</u>
Total HUD Housing Voucher Trust Fund	<u>455,226.28</u>	<u>570,504.59</u>	Total HUD Housing Voucher Trust Fund	<u>455,226.28</u>	<u>570,504.59</u>
Total Trust Funds	<u>\$ 24,982,638.40</u>	<u>\$ 21,406,161.62</u>	Total Trust Funds	<u>\$ 24,982,638.40</u>	<u>21,406,161.62</u>

TOWNSHIP OF HAMILTON
 MERCER COUNTY, NEW JERSEY

STATEMENT OF REVENUES
 TRUST ASSESSMENT FUND
FOR THE YEAR ENDED DECMEBER 31, 2014

	BUDGET REVENUES	REALIZED
Deficit (General Budget)	<u>\$ 110,000.00</u>	<u>\$ 110,000.00</u>
	<u>\$ 110,000.00</u>	<u>\$ 110,000.00</u>

TOWNSHIP OF HAMILTON
 MERCER COUNTY, NEW JERSEY

STATEMENT OF EXPENDITURES
 TRUST ASSESSMENT FUND
FOR THE YEAR ENDED DECMEBER 31, 2014

	BUDGET APPROPRIATION	EXPENDED
Payment of Bond Principal	<u>\$ 110,000.00</u>	<u>\$ 110,000.00</u>

TOWNSHIP OF HAMILTON
 MERCER COUNTY, NEW JERSEY

STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGE IN RESERVE - REGULATORY BASIS
 ANIMAL CONTROL FUND
FOR THE YEAR ENDED DECMEBER 31, 2014

Balance - December 31, 2013		\$52,049.20
Increased by:		
2014 Dog License Fees	\$ 22,980.80	
Dog Redemption Fees	1,370.00	
Adoption Fees	4,025.00	
Kennel Fees	100.00	
Late Fees	2,419.00	
Miscellaneous Fees	<u>10,180.15</u>	
		<u>41,074.95</u>
		93,124.15
Decreased by:		
Due to Current Fund		<u>44,339.75</u>
Balance - December 31, 2014		<u><u>\$48,784.40</u></u>

License Fees Collected:

<u>Year</u>	<u>Amount</u>
2012	\$ 25,359.20
2013	<u>23,425.20</u>
	<u><u>\$ 48,784.40</u></u>

Note: R.S. 4:19-15.11

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

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
 STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
 FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

<u>ASSETS</u>	<u>BALANCE</u> <u>DEC. 31, 2014</u>	<u>BALANCE</u> <u>DEC. 31, 2013</u>
Cash and Investments - Treasurer	\$ 22,381,360.80	\$ 5,299,260.40
Due from State of NJ DOT	189,581.78	189,581.78
Due from Grant Fund		106,647.64
Deferred Charges to Future Taxation:		
Funded	48,184,828.55	44,487,020.29
Unfunded	<u>44,523,289.40</u>	<u>44,874,289.40</u>
	<u>\$ 115,279,060.53</u>	<u>94,956,799.51</u>
<u>LIABILITIES, RESERVES</u> <u>AND FUND BALANCE</u>		
General Serial Bonds	\$ 44,577,000.00	\$ 40,554,000.00
Bond Anticipation Notes	37,598,658.00	22,749,658.00
Environmental Infrastructure Loan	3,244,380.51	3,525,083.23
Green Trust Project Loan Payable	363,448.04	407,937.06
Reserve for Encumbrances	2,289,076.25	2,474,805.25
Improvement Authorizations:		
Funded	2,698,744.64	1,321,806.58
Unfunded	24,040,015.64	23,750,140.06
Reserve For:		
Capital Improvement Fund	13,536.58	23,677.00
Future Debt Service	451,727.90	147,219.36
Fund Balance	<u>2,472.97</u>	<u>2,472.97</u>
	<u>\$ 115,279,060.53</u>	<u>\$ 94,956,799.51</u>

There were Bonds and Notes Authorized but not Issued for the years ended December 31, 2014 and 2013 in the amounts of \$6,924,631.40 and \$22,124,631.40, respectively.

See accompanying notes to the financial statements

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN
FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

REF.

Balance - Dec. 31, 2013 and 2014	C	\$ <u>2,472.97</u>
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See accompanying notes to the financial statements

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

SEWER UTILITY FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

ASSETS	BALANCE DEC. 31, 2014	BALANCE DEC. 31, 2013	LIABILITIES, RESERVES AND FUND BALANCE	BALANCE DEC. 31, 2014	BALANCE DEC. 31, 2013
Operating Fund:			Operating Fund:		
Cash and Investments - Treasurer	\$ 8,057,855.64	\$ 5,627,064.67	Liabilities:		
	<u>8,057,855.64</u>	<u>5,627,064.67</u>	Sewer Rent Overpayments	\$ 1,544.18	\$ 10,428.84
Receivables With Offsetting Reserves:			Prepaid Sewer Rents	1,397,633.67	1,318,715.95
Sewer Rents Receivable	27,658.63	39,098.25	Appropriation Reserves	763,103.99	419,123.14
Sewer Rent Liens Receivable	<u>89,411.91</u>	<u>99,011.69</u>	Reserve for Encumbrances	444,553.85	488,077.02
	<u>117,070.54</u>	<u>138,109.94</u>	Due to Current Fund		29,789.77
Deferred Charge:			Reserve for Future Debt Service	1,869,768.17	
Overexpenditure of a 2013 Budget Appropriation	<u>110,000.00</u>	<u>110,000.00</u>	Accrued Interest on Bonds & Notes	<u>579,986.21</u>	<u>526,329.53</u>
				<u>5,056,590.07</u>	<u>2,792,464.25</u>
Total Operating Fund	<u>8,284,926.18</u>	<u>5,875,174.61</u>	Reserve for Receivables	117,070.54	138,109.94
Capital Fund:			Fund Balance	<u>3,111,265.57</u>	<u>2,944,600.42</u>
Cash and Investments - Treasurer	26,148,015.17	1,657,206.95	Total Operating Fund	<u>8,284,926.18</u>	<u>5,875,174.61</u>
Account Receivable - State	8,650.65	8,650.65	Capital Fund:		
Fixed Capital	129,864,136.06	129,638,074.17	Serial Bonds	42,731,000.00	27,642,000.00
Fixed Capital - Auth. and Uncompl.	<u>50,957,090.70</u>	<u>44,057,090.70</u>	Bond Anticipation Notes	33,580,000.00	16,987,000.00
			NJ EIT Loan Payable	389,958.59	414,545.80
			Reserve for Encumbrances	4,696,552.46	5,238,912.32
			Improvement Authorizations:		
			Funded	1,606,350.98	1,159,800.03
			Unfunded	19,752,552.67	20,221,558.67
			Reserve for:		
			Future Debt Service		1,624,376.87
			Capital Improvement Fund	192,775.00	192,775.00
			Deferred Reserve for Amortization	2,307,834.71	2,307,834.71
			Reserve for Amortization	101,720,161.79	99,571,512.69
			Fund Balance	<u>706.38</u>	<u>706.38</u>
Total Capital Fund	<u>206,977,892.58</u>	<u>175,361,022.47</u>	Total Capital Fund	<u>206,977,892.58</u>	<u>175,361,022.47</u>
Sewer Assessment Fund:			Sewer Assessment Fund:		
Cash and Investments - Treasurer	<u>467.10</u>	<u>467.10</u>	Fund Balance	<u>467.10</u>	<u>467.10</u>
Total Sewer Assessment Fund	<u>467.10</u>	<u>467.10</u>	Total Sewer Assessment Fund	<u>467.10</u>	<u>467.10</u>
Total Sewer Utility Fund	<u>\$ 215,263,285.86</u>	<u>\$ 181,236,664.18</u>	Total Sewer Utility Fund	<u>\$ 215,263,285.86</u>	<u>\$ 181,236,664.18</u>

There were Bonds and Notes Authorized but not Issued for the years ended December 31, 2014 and 2013 in the amounts of \$92,271.67 and \$26,772,271.67, respectively.

See accompanying notes to the financial statements

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND
 STATEMENT OF REVENUES, EXPENDITURES, OPERATIONS AND CHANGE IN
 FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

<u>REVENUE AND OTHER</u>		
<u>INCOME REALIZED</u>	<u>YEAR 2014</u>	<u>YEAR 2013</u>
Fund Balance Utilized	\$ 700,000.00	\$ 1,065,442.75
Sewer Rents	15,229,019.93	15,091,976.08
Fees and Permits	902,569.38	864,950.00
Miscellaneous	378,134.50	306,910.30
Other Credits to Income:		
Unexpended Balance of 2013 Appropriation		
Reserves Lapsed	<u>348,735.63</u>	<u>268,777.23</u>
 Total Revenues	 <u>17,558,459.44</u>	 <u>17,598,056.36</u>
 <u>EXPENDITURES</u>		
Budget Appropriations:		
Operating	12,614,512.48	12,737,527.64
Capital Improvements	250,000.00	250,000.00
Debt Service	3,094,487.25	2,698,292.36
Statutory Expenditures	732,794.56	737,611.11
Refund of Prior Years Revenue	<u> </u>	<u>185,128.16</u>
 Total Expenditures	 <u>16,691,794.29</u>	 <u>16,608,559.27</u>
 Excess in Revenues Over Expenditures	 866,665.15	 989,497.09
Adjustment to Income Before Fund Balance:		
Expenditures Included Above which are by Statute		
Deferred Charges to Budget of Succeeding Years	<u> </u>	<u>110,000.00</u>
 Statutory Excess to Fund Balance	 866,665.15	 1,099,497.09
 <u>FUND BALANCE</u>		
Balance - January 1	<u>2,944,600.42</u>	<u>2,910,546.08</u>
	3,811,265.57	4,010,043.17
Decreased by:		
Utilized in Sewer Operating Budget	<u>700,000.00</u>	<u>1,065,442.75</u>
 Balance - December 31	 <u>\$ 3,111,265.57</u>	 <u>\$ 2,944,600.42</u>

See accompanying notes to the financial statements

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

SEWER UTILITY CAPITAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN
FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

Balance - December 31, 2013 and 2014	\$ <u>706.38</u>
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See accompanying notes to the financial statements

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

SEWER UTILITY ASSESSMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN
FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

Balance - December 31, 2013 and 2014	\$ <u>467.10</u>
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See accompanying notes to the financial statements

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND
 STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS</u>
Operating Fund Balance			
Anticipated	\$ 700,000.00	\$ 700,000.00	
Sewer Rents	14,902,390.04	15,229,019.93	\$ 326,629.89
Sewer Connection Fees	800,000.00	902,569.38	102,569.38
Miscellaneous	<u>300,000.00</u>	<u>378,134.50</u>	<u>78,134.50</u>
	<u>\$ 16,702,390.04</u>	<u>\$ 17,209,723.81</u>	<u>\$ 507,333.77</u>

Analysis of Realized

Revenues:

Sewer Rents:

Sewer Rents Receivable	\$	13,883,063.13
Sewer Rent Liens		27,240.85
Prepaid Sewer Rents		<u>1,318,715.95</u>
	\$	<u>15,229,019.93</u>

Miscellaneous:

Other Revenues	\$	350,389.19
FEMA (Public Assistance - Hurricane Sandy)		<u>27,745.31</u>
	\$	<u>378,134.50</u>

See accompanying notes to the financial statements

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND
 STATEMENT EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

	2014 <u>BUDGET</u>	BUDGET AFTER <u>MODIFICATION</u>	<u>EXPENDED</u>		UNEXPENDED BALANCE <u>CANCELLED</u>
			<u>PAID OR CHARGED</u>	<u>ENCUMBERED</u> <u>RESERVED</u>	
Operating:					
Salaries and Wages	\$ 4,446,759.70	\$ 4,246,759.70	\$ 3,755,866.25		\$ 490,893.45
Other Expenses	5,152,295.50	5,152,295.50	4,592,387.83	\$ 386,475.72	173,431.95
Group Insurance Plan for Employees Self-Insurance Program N.J.S.A. 40A:10-1 et seq.	2,689,819.56	2,689,819.56	2,689,819.56		
Other Insurance and Surety Bond Premiums	210,678.01	210,678.01	210,678.01		
	114,959.71	314,959.71	314,959.71		
Capital Improvements:					
Capital Outlay	250,000.00	250,000.00	137,336.57	58,078.13	54,585.30
Debt Service:					
Payment of Bond Principal	1,898,000.00	1,898,000.00	1,898,000.00		
Interest on Bonds	1,034,000.00	1,034,000.00	1,034,000.00		
Interest on Notes	144,251.00	144,251.00	133,655.25		\$ 10,595.75
EIT Loan Principal	24,600.00	24,600.00	24,587.21		12.79
EIT Loan Interest	4,232.00	4,232.00	4,232.00		
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System	396,619.53	396,619.53	396,619.53		
Social Security System (O.A.S.I.)	336,175.03	336,175.03	291,981.74		44,193.29
Total Sewer Utility Appropriations	\$ <u>16,702,390.04</u>	\$ <u>16,702,390.04</u>	\$ <u>15,484,123.66</u>	\$ <u>444,553.85</u>	\$ <u>763,103.99</u>
Cash Disbursed			\$ 14,312,236.41		
Accrued Interest on Bonds			<u>1,171,887.25</u>		
			\$ <u>15,484,123.66</u>		

See accompanying notes to the financial statements

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 1: FORM OF GOVERNMENT

The Township is managed under the Mayor - Council form of government authorized under Plan F of the "Faulkner Act of 1950". This form of government, adopted in 1976 by Township voters, provides for the direct election of the Mayor and five council members for four-year terms. This form of government provides for the administrative function of government under the Mayor, supported by a Business Administrator and various department heads and for the legislative function under the Township Council.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Governmental Accounting Standards Board (GASB) established criteria to be used to determine which component units should be included in the financial statements of the oversight entity. The Division of Local Government Services (the "Division") requires the financial statements of the Township of Hamilton to be reported separately.

Except as noted below, the basic financial statements of the Township of Hamilton include every board, body or officer supported and maintained wholly or in part by funds appropriated by the Township of Hamilton, as required by N.J.S.A. 40A:5-5. Accordingly, the basic financial statements the Township of Hamilton do not include the operations of the municipal library, first aid organizations, fire districts or economic development commission.

B. Description of Funds

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

Current Fund - resources and expenditures for governmental operations of a general nature, including Federal and State grant funds, except as otherwise noted.

Trust Fund - receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created. Pursuant to the provisions of N.J.S.A., 40A:4-39, the financial transactions of the Housing and Community Development Act of 1974 funds are reported within the Trust Fund. In addition, the financial transactions of the following funds and accounts are also reported within the Trust Fund:

- Animal Control Trust Fund
- Assessment Trust Fund
- Unemployment Compensation Trust Fund Dedicated Law
- Enforcement Trust Fund Self-Insurance Trust Fund

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.):

B. Description of Funds (cont'd)

Affordable Housing Fund
Other Dedicated Funds

General Capital Fund - resources, including Federal and State Grants in aid of construction, and expenditures for the acquisition of general capital facilities, other than those acquired through the Current Fund, including the status of bonds and notes authorized for said purposes. Debt obligations authorized in conjunction with the Township's conversion to the state's fiscal year are also accounted for in the General Capital Fund.

Sewer Utility Fund - resources and expenditures for the operations and acquisition of capital facilities of the municipally owned Sewer Utility.

Governmental Fixed Assets - the Governmental Fixed Asset Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. Infrastructure assets such as roads, sidewalks, etc. are not capitalized. All governmental fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available or any other reasonable basis, provided such basis is adequately disclosed in the financial statements. No depreciation is recorded on governmental fixed assets.

The GASB is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. The current format for governmental financial reporting was established in GASB Statement 34, "Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments". The minimum requirements for general purpose external financial statements include:

1. Management's Discussion and Analysis
2. Financial Statements:
 - a. Government-wide financial statements
 - b. Fund Financial Statements
 - c. Notes to Financial Statements
3. Required Supplementary Information

Codification of Governmental Accounting and Financial Reporting Standards recognizes three fund categories as appropriate for the accounting and reporting of the financial position and results of operations in accordance with generally accepted accounting principles. This structure for external financial reporting differs from the organization of funds prescribed under the regulatory basis of accounting utilized by the Township. The resultant presentation of financial position and results of operations in the form of basic financial statements is not intended to present the basic financial statements required by GAAP.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.):

C. Basis of Accounting and Measurement Focus

The basis of accounting as prescribed by the Division for its operating funds is generally a modified cash basis for revenue recognition and a modified accrual basis for expenditures. The operating funds utilize a "current financial resources" measurement focus.

The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from generally accepted accounting principles (GAAP) applicable to local government units. The most significant is the reporting of Management's Discussion and Analysis and government-wide financial statements, which are not presented in the accompanying regulatory basis financial statements prepared in accordance with accounting principles prescribed by the Division. The other more significant differences between the reporting of Fund Financial Statements under GAAP and the regulatory basis are as follows:

Revenues - Revenues are recorded as received in cash except for regulatory reimbursements and grant funds which are due from other governmental units. State and Federal grants, entitlements and shared revenues received for operating purposes are realized as revenues when anticipated in the Township budget. Receivables for property taxes and sewer utility consumer charges are recorded with offsetting reserves within the Current Fund and Sewer Utility Fund, respectively. Other amounts that are due to the Township which are susceptible to accrual are recorded as receivables with offsetting reserves.

These reserves are liquidated and revenues are recorded as realized upon receipt of cash. GAAP requires the recognition of revenues for general operations in the accounting period in which they become available and measurable, with the exception of sewer utility consumer charges, which should be recognized in the period they are earned and become measurable.

Expenditures - For purposes of financial reporting, expenditures are recorded as "paid or charged" or "appropriation reserves". Paid or charged refers to the Township "budgetary" basis of accounting. Generally, these expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the encumbrance accounting system. Reserves for unliquidated encumbrances at the close of the year are reported as a cash liability. Encumbrances do not constitute expenditures under GAAP. Appropriation reserves refers to unexpended appropriation balances at the close of the year. Appropriation reserves are automatically created and recorded as a cash liability, except for amounts which may be cancelled 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 and not recorded in the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Generally, unexpended balances of budget appropriations are not recorded as expenditures under GAAP. Expenditures for compensated absences, i.e. accumulations of earned but unused vacations and sick leave, are recorded in the period in which the payments are made. GAAP requires that expenditures be recorded in the governmental (Current) fund in an amount that would normally be liquidated with available financial resources, and that expenditures be recorded in the enterprise fund (Sewer Utility Fund), on a full accrual basis. Expenditures for the costs of post-employment benefits other than pensions (other post-employment benefits or "OPEB") are recorded in the accounting period in which the payments are made. GAAP requires recognition of the actuarially determined estimated OPEB cost during the employment period of each employee, during which any OPEB benefit is earned.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.):

C. Basis of Accounting and Measurement Focus (cont'd)

For the purposes of calculating the results of Current Fund operations, the regulatory basis of accounting utilized by the Township requires that certain expenditures be deferred and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories of overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the Fund balance sheet. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance.

New Jersey statutes require municipalities to provide annual funding to Free Public Libraries through the Current Fund Budget. Amounts paid on behalf of the Free Public Library or transferred to the custody of the Library's management are recorded as budgetary expenditures of the Township, notwithstanding the fact that the Library is recognized as a separate entity for financial reporting purposes. Under GAAP, the Library's financial position and operating results would be incorporated in the Township's financial statements.

Compensated Absences - The Township has adopted a written policy procedure manual which sets forth the terms under which an employee may accumulate earned, but unused, vacation and sick leave, establishes the limits on such accumulations and specifies the conditions under which the right to receive payment for such accumulations vests with the employee. The Township records expenditures for payments of earned and unused vacation and sick leave in the accounting period in which the payments are made. GAAP requires that expenditures be recorded in the governmental (Current) fund in an amount that would normally be liquidated with available financial resources, and that expenditures be recorded in the enterprise (Sewer Utility) fund on a full accrual basis.

Property Acquired for Taxes Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP normally requires such property to be recorded only in the government-wide statement of net assets at the lower of cost or fair market value.

Self Insurance Reserves - Charges to self insurance reserves are recorded when payments of claims and related expenses are made. Increases to self insurance reserves are recorded from budgetary appropriations in the accounting period in which budgetary expenditures are recorded. Earnings on investments and miscellaneous reimbursements are credited to reserves when received in cash. GAAP requires that liabilities for incurred claims be recorded as determined actuarially, and that operating transfers to self insurance funds not exceed the amount determined.

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

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.):

C. Basis of Accounting and Measurement Focus (cont'd)

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories are not included on the various balance sheets. Although the expenditure method of accounting for purchases of supplies is in accordance with GAAP, the cost of inventory on hand at the close of the year should be reported on the balance sheet with an offsetting reserve for conformity with GAAP.

Sale of Municipal Assets - Cash proceeds from the sale of Township owned property may be realized as revenue or reserved until utilized as an item of revenue in a subsequent year budget. Year end balances of reserved proceeds are reported as a cash liability in the Current Fund. GAAP requires that revenue be recognized in the accounting period that the terms of the sales contracts become legally enforceable.

Governmental Fixed Assets - Property and equipment acquired by the Current, Trust and the General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized in their own respective funds, with the exception of equipment acquired by the H.U.D. Housing Assistance Fund which is capitalized. The H.U.D. Housing Assistance Fund does not record depreciation on fixed assets. Property and equipment acquired by the Sewer Utility Fund are accumulated in their respective capital accounts at cost. Detailed records of accumulated capitalized costs, by project and/or location are not maintained. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Sewer Utility Capital Fund represent charges to operations for the costs of acquisitions of property, equipment and improvement and costs funded from sources other than bonded debt of the utility. The utility does not record depreciation on fixed assets. GAAP does not require the establishment of a reserve for amortization for utility fixed assets, but does require the recognition of depreciation of these assets as an operating expense of the utility.

Budgets and Budgetary Accounting — an annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditure. Budget amounts presented in the accompanying financial statements represent amounts adopted by the township and approved by the State Division of Local Government Services in accordance with N.J.S.A. 40A:4 et seq.

Grants and Awards - The Township receives federal and state grants, awards and financial assistance. The amounts received and expended are reported in the various funds as follows:

Current Fund — Grant, award and assistance programs that support the general operations of the Township, and any program not reported elsewhere.

Trust Fund — Programs for which the Township has received state approval for reporting as dedicated trust funds.

Capital Funds — Programs which represent funding sources for capital projects established by ordinance.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.):

C. Basis of Accounting and Measurement Focus (cont'd)

Disclosures About Fair Value of Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and cash equivalents and short-term investments: The carrying amount approximates fair value because of the short maturity of those investments.

Long-term Debt: The Township's long-term debt is stated at face value. The debt is not traded and it is not practicable to determine its fair value without incurring excessive cost. Additional information pertinent to the Township's long-term debt is disclosed in Note 4 to the financial statements.

Recent Accounting Standards

In June 2012, GASB issued Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27 (“GASB No. 68”). The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The requirements of this Statement will improve the decision-usefulness of information in employer and governmental nonemployer contributing entity financial reports and will enhance its value for assessing accountability and interperiod equity by requiring recognition of the entire net pension liability and a more comprehensive measure of pension expense. The requirements of this Statement are effective for financial statements for periods ending on or after June 30, 2015. The Township has not completed the process of evaluating the impact that will result from adopting GASB No. 68.

Use of Estimates — The preparation of the financial statements requires management of the Township to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.):

Comparative Data

Comparative data for the prior year has been presented in order to provide an understanding of changes in the Township's financial position and operations. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

D. Restatement of Fixed Assets

The Township has restated its December 31, 2013 fixed asset balances. The following presents the effects of the restatement:

Beginning Land, Building and Improvements	\$ 44,593,457.00
Adjustment to reflect the recording of the December 31, 2013 balance in accordance with the Township's assessment values	<u>39,118,119.00</u>
Beginning Land, Building and Improvements, as Restated	<u>\$ 83,711,576.00</u>
Beginning Equipment	\$ 1,009,342.89
Adjustment to reflect the recording of the December 31, 2013 balance in accordance with the Township's internal inventory	<u>5,759,428.27</u>
Beginning Machinery and Equipment, as Restated	<u>\$ 6,768,771.16</u>
Beginning Licensed Vehicles	\$ 19,232,841.68
Adjustment to reflect the recording of the December 31, 2013 Balance in accordance with the Township's internal inventory	<u>(5,759,428.27)</u>
Beginning Licensed Vehicles, as Restated	<u>\$ 13,473,413.41</u>

Note 3: DEFERRED COMPENSATION PLAN

The Hamilton Township Deferred Compensation Plan was established pursuant to Section 457 of the Internal Revenue Code and P.L. 1977, C. 381; P.L. 1978, C. 39; and P.L. 1980, C. 78 of the Statutes of New Jersey. The Plan is an arrangement whereby a public employer may establish a plan and permit its employees to voluntarily authorize

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 3: DEFERRED COMPENSATION PLAN (CONT'D.):

a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations. The program balances are not recorded in the Trust Fund of the Township. The deferred compensation plans are administered by MetLife. The Township does not make any contributions to the plan and the deferred compensation is not available to employees until termination, retirement, death or unforeseeable hardship.

In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of the Internal Revenue Code Section 457(g), the Township's plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of plan participants and beneficiaries. All assets and income under the plan are held in trust, in annuity contracts or custodial accounts.

The plan's assets are not the property of the Township and therefore are not presented in the financial statements.

As of December 31, 2014 and 2013, the amounts held in trust amounted to \$27,915,633.67 and \$26,574,158.30, respectively.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION

C. Summary of Municipal Debt for Capital Projects

	2014	2013
Issued:		
General:		
Bonds and notes	\$ 82,175,658.00	\$ 63,303,658.00
Green trust program loans	363,448.04	407,937.06
Infrastructure loan	3,244,380.51	3,525,083.23
Trust Assessment:		
Bonds and notes	1,193,000.00	1,303,000.00
Sewer Utility:		
Bonds and notes	76,311,000.00	44,629,000.00
Infrastructure loan	389,958.59	414,545.80
Total Debt Issued	163,677,445.14	113,583,224.09
Less:		
Funds temporarily held to pay		
Bonds or Notes:		
General	451,727.90	147,219.36
Sewer utility - general	1,869,768.17	1,624,376.87
	2,321,496.07	1,771,596.23
Net Debt Issued	161,355,949.07	111,811,627.86
Authorized but not issued:		
General:		
Bond and notes	6,924,536.40	22,124,536.40
Assessment:		
Bond and notes	95.00	95.00
Sewer Utility:		
Bond and notes	92,271.67	26,772,271.67
Total authorized but not issued	7,016,903.07	48,896,903.07
Net bonds and notes issued and authorized but not issued	\$ 168,372,852.14	\$ 160,708,530.93

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

A. Summary of Municipal Debt for Capital Projects (Cont'd)

Summarized below are the Township's individual bond and loan issues which were outstanding at December 31, 2014 and 2013:

<u>General Debt</u>	<u>2014</u>	<u>2013</u>
\$17,425,000 General Improvement Refunding Bonds of 2013, due in annual installments of \$1,470,000 through \$2,050,000 through August 1, 2025, interest at 3.00% through 4.00%.	\$ 17,300,000.00	\$ 17,300,000.00
\$4,630,000 Pension Obligation Refunding Bonds of 2013, due in annual installments of \$370,000 through \$585,000 through August 1, 2023, interest at 0.97% through 3.12%.	4,265,000.00	4,600,000.00
\$28,364,000 General Improvement Refunding Bonds of 2005 due in one remaining installment of \$1,420,000 on August 1, 2015, interest at 4.125%	1,420,000.00	2,788,000.00
\$17,716,000 General Improvement Bonds of 2010, due in annual installments of \$1,655,000 through \$1,700,000 through February 1, 2022, interest at 3.00% through 3.25%.	13,546,000.00	15,166,000.00
\$8,046,000 General Improvement Bonds of 2014, due in annual installments of \$450,000 through \$900,000 through June 1, 2024, interest at 2.00% through 4.00%.	8,046,000.00	

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

A. Summary of Municipal Debt for Capital Projects (Cont'd)

General Debt (Cont'd)

<u>Green Trust Loans</u>	<u>2014</u>	<u>2013</u>
\$115,841.25 Issac Pearson Acq., due in semi-annual installments of \$7,203.38 through March 6, 2022, interest at 2.00%.	\$ 49,937.60	\$ 56,050.39
\$461,600 Veterans Park., due in semi-annual installments of \$28,703.76 through March 6, 2022, interest at 2.00%.	198,990.28	223,348.27
\$265,655 Tyndale Farm Acq., due in semi-annual installments of \$16,519.28 through March 6, 2022, interest at 2.00%.	114,520.16	128,538.40
<u>New Jersey Environmental Infrastructure Trust</u>		
\$1,435,000 Infrastructure Loan, due in annual installments of \$70,000 through \$110,000 through August 1, 2025 interest at 4.00% to 4.375%	970,000.00	1,040,000.00
\$4,028,778 Infrastructure Loan, Principal Only- due in semi-annual installments of \$166,265.31 to \$205,928.39 through August 1, 2025.	2,274,380.51	2,485,083.23

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

A. Summary of Municipal Debt for Capital Projects (Cont'd)

General Debt (Cont'd)

	2014	2013
Bond Anticipation Notes, date of original issue August 8, 2014, due date June 11, 2015, interest rate of 1.00%.	\$ 22,895,000.00	\$ 8,046,000.00
Bond Anticipation Notes, date of original issue November 20, 2012 due date June 11, 2015, interest rate of 0.75%	14,703,658.00	14,703,658.00
\$1,523,000 Assessment Bonds of 2010, due in annual installments of \$103,000 through \$110,000 through February 1, 2025, interest at 3.00% through 3.625%.	1,193,000.00	1,303,000.00
Total General Debt	\$ 86,976,486.55	\$ 68,539,678.29

Utility Debt

\$22,815,000 Sewer Utility Bonds of 2005, due in one remaining installment of \$1,348,000 on August 1, 2015, interest at 4.00%	1,348,000.00	2,650,000.00
\$4,320,000 Sewer Utility Refunding Bonds of 2005, due in annual installments of \$255,000 through \$381,000 through August 1, 2025, interest at 4.00% through 4.25%	3,449,000.00	3,695,000.00

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

A. Summary of Municipal Debt for Capital Projects (Cont'd)

Utility Debt (Cont'd)

	2014	2013
\$2,175,000 Sewer Utility Refunding Bonds of 2009, annual installment of \$200,000 paid September 1, 2014		\$ 200,000.00
\$5,142,000 Sewer Utility Bonds of 2010, due in annual installments of \$155,000 through \$290,000 through March 1, 2035, interest at 3.00% through 4.30%	\$ 4,552,000.00	4,702,000.00
\$16,505,000 Sewer Utility Refunding Bonds of 2013, due in annual installments of \$1,400,000 through \$1,935,000 through Aug 1, 2025, interest at 3.00% through 4.00%.	16,395,000.00	16,395,000.00
\$14,687,000 Sewer Utility Improvement Bonds of 2014, due in annual installments of \$325,000 through \$650,000 through June 1, 2039, interest at 2.00% through 4.00%.	14,687,000.00	
\$2,300,000 Sewer Utility Improvement Bonds of 2014, due in annual installments of \$100,000 through \$200,000 through June 1, 2028, interest at 2.00% through 4.00%.	2,300,000.00	
Bond Anticipation Notes (Series 2014 C), date of original issue June 11, 2014 due date June 11, 2015, interest rate of 1.00%.	30,380,000.00	

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

A. Summary of Municipal Debt for Capital Projects (Cont'd)

Utility Debt (Cont'd)

	2014	2013
Bond Anticipation Notes (Series 2014 E), date of original issue June 11, 2014 due date June 11, 2015, interest rate of 1.00%.	\$ 3,200,000.00	
Bond Anticipation Notes, date of original issue August 28, 2014, due date June 13, 2013, interest rate of 1.50%.		\$ 2,300,000.00
Bond Anticipation Notes, date of original issue June 15, 2011, due date June 13, 2013, interest rate of 1.25%.		14,687,000.00
\$126,650.65 Infrastructure Loan, due in annual installments of \$5,655.68 through \$8,841.65 through August 1, 2029, interest at 1.94% to 4.16%	104,690.71	110,260.07
\$1,028,778 Infrastructure Loan, Principal Only- due in semi-annual installments of \$19,017.85 through August 1, 2029	285,267.88	304,285.73
Total utility debt	76,700,959	45,043,545.80
Total debt issued and outstanding	\$ 163,677,445.14	\$ 113,583,224.09

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

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

Year	General*		Sewer Utility		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 4,005,000.00	\$ 1,574,998.00	\$ 2,183,000.00	\$ 1,761,868.02	\$ 6,188,000.00	\$ 3,336,866.02
2016	4,430,000.00	1,332,703.36	2,420,000.00	1,431,187.26	6,850,000.00	2,763,890.62
2017	4,555,000.00	1,198,843.90	2,471,000.00	1,352,362.26	7,026,000.00	2,551,206.16
2018	4,660,000.00	1,059,219.61	2,547,000.00	1,271,372.26	7,207,000.00	2,330,591.87
2019	4,785,000.00	907,039.45	2,648,000.00	1,177,314.14	7,433,000.00	2,084,353.59
2020-2024	21,182,000.00	2,231,574.69	14,827,000.00	4,349,488.18	36,009,000.00	6,581,062.87
2025-2029	2,153,000.00	83,866.88	7,456,000.00	1,963,750.65	9,609,000.00	2,047,617.53
2030-2034			8,179,000.00	1,046,052.50	8,179,000.00	1,046,052.50
2035-2039				290,073.00		290,073.00
	<u>\$ 45,770,000.00</u>	<u>\$ 8,388,245.89</u>	<u>\$ 42,731,000.00</u>	<u>\$ 14,643,468.27</u>	<u>\$ 88,501,000.00</u>	<u>\$ 23,031,714.16</u>

* The general debt includes the debt of the trust assessment fund.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

C. Summary of Statutory Debt Condition – Annual Debt Statements

The summarized statement of debt condition which follows is reported in accordance with the required method for preparation of the Annual Debt Statement and indicates a statutory net debt of:

2014

	Gross Debt	Deductions	Net Debt
Local school district debt	\$ 40,385,000.00	\$ 40,385,000.00	
Sewer utility debt	76,793,230.26	76,793,230.26	
General debt	93,901,117.95	451,727.90	\$ 93,449,390.05
	\$ 211,079,348.21	\$ 117,629,958.16	\$ 93,449,390.05

Net Debt \$93,449,390.05 Divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended \$8,439,319,800.33 equals 1.107%.

Equalized Valuation Basis

2012 Equalized valuation basis of real property	\$ 8,252,432,323.00
2013 Equalized valuation basis of real property	8,404,340,204.00
2014 Equalized valuation basis of real property	8,661,186,874.00
 Average Equalization Valuation	 \$ 8,439,319,800.33

Borrowing Power Under N.J.S.A. 40A:2-6 as Amended

3 1/2% of Equalized valuation basis municipal net debt	\$ 295,376,193.01
Net debt	93,449,390.05
 Remaining Borrowing Power	 \$ 201,926,802.96

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

C. Summary of Statutory Debt Condition – Annual Debt Statements (Cont'd.)

2013

	Gross Debt	Deductions	Net Debt
Local school district debt	\$ 42,870,000.00	\$ 42,870,000.00	
Sewer utility debt	72,255,817.47	72,255,817.47	
General debt	90,664,309.69		\$ 90,664,309.69
	\$ 205,790,127.16	\$ 115,125,817.47	\$ 90,664,309.69

Net Debt \$90,664,309.69 Divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended \$8,583,703,808.33 equals 1.056%.

Equalized Valuation Basis

2011 Equalized valuation basis of real property	\$ 9,094,338,898.00
2012 Equalized valuation basis of real property	8,252,432,323.00
2013 Equalized valuation basis of real property	8,404,340,204.00
 Average Equalization Valuation	 \$ 8,583,703,808.33

Borrowing Power Under N.J.S.A. 40A:2-6 as Amended

3 1/2% of Equalized valuation basis municipal net debt	\$ 300,429,633.29
Net debt	90,664,309.69
 Remaining Borrowing Power	 \$ 209,765,323.60

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

D. Loan Agreements:

Loan Agreements – NJ Environment Infrastructure Trust

The Township has entered into a loan financing with the State of New Jersey Department of Environmental Protection Trust. The improvement programs are financed through debt issued by the New Jersey Infrastructure Trust. During the year ended December 31, 2014, the Township made payments to the New Jersey Environmental Infrastructure Trust with respect to the loan improvement programs in the amount of \$70,000.00.

Schedule of Annual Debt Service of Principal and Interest for the Loan Agreements Issued and Outstanding at December 31, 2014.

Calendar Year	NJ Environmental Infrastructure Trust	
	Principal	Interest
2015	\$ 70,000.00	\$ 41,512.50
2016	75,000.00	38,712.50
2017	75,000.00	35,712.50
2018	80,000.00	32,712.50
2019	85,000.00	29,312.50
2020-2024	475,000.00	88,700.02
2025	110,000.00	4,812.50
Total	<u>\$ 970,000.00</u>	<u>\$ 271,475.02</u>

The payment schedules for this loan agreement is set forth in the General Capital section of this report.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

D. Loan Agreements: (Cont'd.)

Loan Agreements – NJ Environmental Infrastructure Trust (Cont'd.)

The Township has entered into a loan financing with the State of New Jersey Department of Environmental Protection Trust. The improvement programs are financed through debt issued by the New Jersey Environmental Infrastructure Trust. During the year ended December 31, 2014, the Township made payments to the New Jersey Environmental Infrastructure Trust with respect to the loan improvement programs in the amount of \$210,702.72.

Calendar Year	NJ Environmental Infrastructure Trust Principal Only
2015	\$ 204,290.73
2016	208,321.13
2017	202,825.13
2018	206,489.13
2019	209,420.32
2020-2024	1,032,697.54
2025	210,336.53
	\$ 2,274,380.51

The payment schedules for this loan agreement is set forth in the General Capital section of this report.

Pursuant to the provisions of N.J.S.A. 40A:2-1 et seq. the combined outstanding principal of these loans, in the amount of \$3,244,380.51 has been included in the calculation of the Township's statutory debt condition.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

D. Loan Agreements: (Cont'd.)

Loan Agreements – NJ Environmental Infrastructure Trust (Cont'd.)

The Township has entered into a loan financing with the State of New Jersey Department of Environmental Protection Trust. The improvement programs are financed through debt issued by the New Jersey Environmental Infrastructure Trust. During the year ended December 31, 2014, the Township made payments to the New Jersey Environmental Infrastructure Trust with respect to the loan improvement programs in the amount of \$5,569.36.

Schedule of Annual Debt Service for Principal and Interest for the Loan Agreements Issued and Outstanding at December 31, 2014:

Calendar Year	<u>NJ Environmental Infrastructure Trust</u>	
	Principal	Interest
2015	\$ 5,655.68	\$ 3,553.78
2016	5,765.40	3,444.06
2017	5,896.86	3,312.60
2018	6,048.41	3,161.06
2019	6,214.74	2,994.72
2020-2024	34,166.72	11,880.58
2025-2029	40,942.90	5,104.44
Total	\$ 104,690.71	\$ 33,451.24

The payment schedules for this loan agreement is set forth in the Sewer Capital section of this report.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

D. Loan Agreements: (Cont'd)

Loan Agreements – NJ Environmental Infrastructure Trust (Cont'd)

The Township has entered into a loan financing with the State of New Jersey Department of Environmental Protection Trust. The improvement programs are financed through debt issued by the New Jersey Environmental Infrastructure Trust. During the year ended December 31, 2014, the Township made payments to the New Jersey Environmental Infrastructure Trust with respect to the loan improvement programs in the amount of \$19,017.85.

Schedule of Annual Debt Service for Principal Only for the
Loan Agreements Issued and Outstanding at December 31, 2014:

Calendar Year	NJ Environmental Infrastructure Trust Principal Only
2015	\$ 19,017.85
2016	19,017.85
2017	19,017.85
2018	19,017.85
2019	19,017.85
2020 - 2024	95,089.38
2025 - 2029	95,089.25
Total	\$ 285,267.88

The payment schedules for this loan agreement is set forth in the Sewer Capital section of this report.

Pursuant to the provisions of N.J.S.A. 40A:2-1 et seq. the combined outstanding principal of these loans, in the amount of \$389,958.59 has been included in the calculation of the Township's statutory debt condition.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

D. Loan Agreements: (Cont'd.)

Loan Agreements – Green Trust Loan

The Township has entered into a loan financing with the State of New Jersey Department of Environmental Protection Trust. The improvement programs are financed through debt issued under the Green Acres Bond Act of 1978. During the year ended December 31, 2014, the Township made payments-with respect to the Green Trust Program Loans in the amount of \$44,489.02.

Schedule of Annual Debt Service for Principal and Interest for the Loan Agreements Issued and Outstanding at December 31, 2014

Calendar Year	Green Trust Loan - Issac Pearson Acquisition	
	Principal	Interest
2015	\$ 6,235.65	\$ 967.73
2016	6,360.99	842.39
2017	6,488.84	714.54
2018	6,619.27	584.11
2019	6,752.31	451.07
2020	6,888.03	315.35
2021	7,026.48	176.90
2022	3,566.03	35.66
Total	\$ <u>49,937.60</u>	\$ <u>4,087.75</u>

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

D. Loan Agreements: (Cont'd.)

Loan Agreements – Veterans Park Extension

Schedule of Annual Debt Service for Principal and Interest for the
Loan Agreements Issued and Outstanding at December 31, 2014

Calendar Year	Green Trust Loan - Veterans Park Extension	
	Principal	Interest
2015	\$ 24,847.58	\$ 3,856.18
2016	25,347.03	3,356.74
2017	25,856.51	2,847.26
2018	26,376.22	2,327.54
2019	26,906.38	1,797.38
2020	27,447.19	1,256.57
2021	27,998.88	704.88
2022	14,210.49	142.10
Total	\$ <u>198,990.28</u>	\$ <u>16,288.65</u>

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

Loan Agreements – Tyndale Farm Acquisition

Schedule of Annual Debt Service for Principal and Interest for the
Loan Agreements Issued and Outstanding at December 31, 2014

Calendar Year	Green Trust Loan - Tyndale Farm Acquisition	
	Principal	Interest
2015	\$ 14,300.01	\$ 2,219.26
2016	14,587.45	1,931.83
2017	14,880.65	1,638.63
2018	15,179.76	1,339.52
2019	15,484.87	1,034.41
2020	15,796.11	723.17
2021	16,113.61	405.66
2022	8,177.70	81.78
Total	\$ <u>114,520.16</u>	\$ <u>9,374.26</u>

The payment schedules for these loan agreements are set forth in the General Capital section of this report.

Pursuant to the provisions of N.J.S.A. 40A:2-1 et seq. the combined outstanding principal of these loans, in the amount of \$363,448.04 has been included in the calculation of the Township's statutory debt condition.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY
 NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

E. Summary of Regulatory Debt Condition - Annual Debt Statements

Guaranty of Bonds or Notes of the Mercer County Improvement Authority (M.C.I.A.)

On December 15, 1993, the Hamilton Township Board of Education entered into a lease agreement with the M.C.I.A. under which the M.C.I.A. would provide facilities to the Board of Education and finance the costs of these facilities through the issuance of project revenue bonds. The agreement requires annual lease rental payments to the M.C.I.A., equal to debt service requirements and certain administrative expenses. In order to provide inducement to the prospective purchasers of these bonds, which were dated December 15, 1993, issued in the aggregate principal amount of \$11,000,000.00 and mature on December 15 in each of the years from 1995 through 2014 in various amounts, the Township, by ordinance, authorized its unconditional guaranty of the principal, redemption premium, if any, and interest on these project revenue bonds. Pursuant to the provisions of N.J.S.A. 40:37A-80, the principal amount of these bonds has been included in general gross debt and deductions in the calculation of the Township's statutory debt condition for the years ended December 31, 2014 and December 31, 2013, in the amounts of \$820,000.00 and \$0, respectively.

Deduction of Self-Liquidating Utility Debt for Statutory Net Debt (N.J.S.A. 40:2-45)

The calculation of "Self-Liquidating Purpose" for the Sewer Utility, per N.J.S.A. 40A:2-45 is as

follows:

<u>2014</u>		
Cash Receipts from Fees, Rents, or Other Charges for Year		\$ 17,209,723.81
Deductions:		
Operating and Maintenance Costs	\$ 13,347,307.04	
Debt Service per Sewer Accounts	<u>3,094,487.25</u>	
Total Deductions		<u>\$ 16,441,794.29</u>
Excess in Revenues		<u>\$ 767,929.52</u>
 <u>2013</u>		
Cash Receipts from Fees, Rents, or Other Charges for Year		\$ 17,329,279.13
Deductions:		
Operating and Maintenance Costs	\$ 13,475,138.75	
Debt Service per Sewer Accounts	<u>2,698,292.36</u>	
Total Deductions		<u>\$ 16,173,431.11</u>
Excess in Revenues		<u>\$ 1,155,848.02</u>

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

Deduction of Self-Liquidating Utility Debt for Statutory Net Debt (N.J.S.A. 40:2-45) (Cont'd)

The difference between the excess in revenues for debt statement purposes and the excess in revenues on a cash basis for the Sewer Utility Fund is as follows:

2014

Excess in Revenues - Cash Basis (D-1)	\$	866,665.15
Add: Capital Outlay		<u>250,000.00</u>
	\$	1,116,665.15
Deduct: Other Credits to Income		<u>348,735.63</u>
Excess in Revenues oer Debt Statement	\$	<u>767,929.52</u>

2013

Excess in Revenues - Cash Basis (D-1)	\$	989,497.09
Add:		
Capital Outlay	\$	250,000.00
Other Debits to Income		<u>185,128.16</u>
		1,424,625.25
Deduct: Other Credits to Income		<u>268,777.23</u>
Excess in Revenues oer Debt Statement	\$	<u>1,155,848.02</u>

Note 5: GOVERNMENTAL FIXED ASSETS

Capital asset activity for the year ended December 31, 2014 was as follows:

	Balance December 31, 2013,				Balance December 31, 2014
	<u>As Restated</u>	<u>Additions</u>	<u>Deletions</u>		
Land/Buildings	\$ 83,711,576.00				\$ 83,711,576.00
Equipment	6,768,771.16	\$ 644,820.11			7,413,591.27
Vehicles	<u>13,473,413.41</u>	<u>759,434.00</u>	\$ 727,118.59		<u>13,505,728.82</u>
Total	<u>\$ 103,953,760.57</u>	<u>\$ 1,404,254.11</u>	<u>\$ 727,118.59</u>		<u>\$ 104,630,896.09</u>

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 5: GOVERNMENTAL FIXED ASSETS (CONT'D.)

The Governmental Fixed Asset Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. Infrastructure assets such as roads, sidewalks, etc. are not capitalized. All governmental fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available or any other reasonable basis, provided such basis is adequately disclosed in the financial statements. No depreciation is recorded on governmental fixed assets.

Note 6: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2014 and December 31, 2013 were appropriated and included as anticipated revenue in their own respective funds for the years ending December 31, as follows:

	<u>Fund Balance</u> <u>December 31, 2014</u>	<u>Appropriated</u> <u>2015</u>	<u>Fund Balance</u> <u>December 31, 2013</u>	<u>Appropriated</u> <u>2014</u>
Current Fund	\$ 6,083,316.90	\$ 3,200,000.00	\$ 3,787,513.07	\$ 2,400,000.00
Sewer Utility Fund	3,100,670.14	-	2,834,600.42	700,000.00

Note 7: DEPOSITS AND INVESTMENTS

State statutes set forth deposit requirements and investments that may be purchased by local units and the Township deposits and invests its funds pursuant to its policies and an adopted cash management plan.

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund. New Jersey statutes require public depositories to maintain collateral for deposit of public funds that exceed insurance limits to protect deposits from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

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 Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five (5) percent of the average daily balance of collected public funds; or if the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent, to secure the deposits of governmental units.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 7: DEPOSITS AND INVESTMENTS (CONT'D.)

At December 31, 2014 and 2013, the cash and cash equivalents and investments of the Township on deposit and on-hand consisted of the following:

	<u>2014</u>	<u>2013</u>
Cash (Demand Accounts)	\$ 93,301,403.45	\$ 41,163,417.50
Change Funds (On-Hand)	<u>2,481.00</u>	<u>1,860.00</u>
Total	<u>\$ 93,303,884.45</u>	<u>\$ 41,165,277.50</u>

Based upon GASB criteria, the Township considers change funds, cash in banks, investments in certificates of deposits and State of New Jersey Cash Management Fund as cash and cash equivalents. At year-end, the carrying amount of the Township's deposits was \$94,904,562.44 and the book balance was \$93,303,884.45. Of the bank balance, \$1,000,000 was covered by Federal Depository Insurance and \$93,904,562.44 was covered under the provisions of GUDPA.

At December 31, 2014, the Township has implemented the disclosure requirements of Governmental Accounting Standards Board Statement No. 40 "Deposits and Investment Risk Disclosures" (GASB 40) and accordingly the Township has assessed the Custodial Risk, the Concentration of Credit Risk and Interest Rate Risk of its cash and investments.

- (a) Custodial Credit Risk — The Township's deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are: uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but no in the depositor-governments name. The deposit risk is that, in the event of the failure of a depository financial institution, the Township will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The Township's investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Township and are held by either: the counterparty or the counterparty's trust department or agent but not in the Township's name. The investment risk is that, in the event of the failure of the counterparty to a transaction, the Township will not be able to recover the value of the investment or collateral securities that in possession of an outside party.
- (b) Concentration of Credit Risk — This is the risk associated with the amount of investments that Township has with any one issuer that exceeds 5 percent or more of its total investments. Investment issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement.
- (c) Credit Risk — GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government. This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. In general, the Township does not have an investment policy regarding Credit Risk except to the extent outlined under the Township's investment policy.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 7: DEPOSITS AND INVESTMENTS (CONT'D.)

(d) Interest Rate Risk - This is the risk that changes in interest rates will adversely affect the fair value of an investment. The Township does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from interest rate fluctuations.

As of December 31, 2014, based upon the insured balances provided by the FDIC and NJGUDPA coverage, no amounts of the Township's bank balance was considered exposed to custodial credit risk.

Investments

New Jersey statutes establish the following securities as eligible for the investment of Township funds:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States;
2. Government money market mutual funds;
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided such obligation bear a fixed rate of interest not dependent on any index or other external factor,
4. Bonds or other obligation of the Township or bonds or other obligations of school districts of which the Township is a part and within the school district is located,
5. Bonds or other obligations having a maturity date of not more than 397 days from the date of purchase that are approved by the Division of Investment of the Department of Treasury for investment by local units;
6. Local government investment pools;
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1997, c.281 (C.52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities, if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3);
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is more than 30 days; and
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.19:9-41) and for which a master repurchase agreement providing for the custody and security of the collateral is executed.

Note 8: ASSESSMENT AND COLLECTION OF PROPERTY TAXES

A taxable valuation of real property is prepared by the Tax Assessor as of October 1 in each year and filed with the County Board of Taxation by January 10 of the following year. The County Board of Taxation establishes tax rates to reflect the levy necessary for municipal, local school district, special district and county taxes.

The provisions of P.L. 1994, C. 72 changed the procedures for State fiscal year billing originally

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 8: ASSESSMENT AND COLLECTION OF PROPERTY TAXES (CONT'D.)

established in P.L. 1991, C. 75. Chapter 72 moves the billing calculation back on a calendar year basis, which permits tax levies to be proved more readily than before.

The formula used to calculate tax bills under P.L. 1994, C. 72 are as follows:

The third and fourth installments, for municipal purposes, would equal one-half of an estimated annual tax levy, plus the balance of the full tax levied during the current tax year for school, county and special district purposes. The balance of the full tax for non-municipal purposes is calculated by subtracting amounts due on a preliminary basis from the full tax requirement for the tax year. The first and second installments, for municipal purposes, will be calculated on a percentage of the previous years billing necessary to bill the amount required to collect the full tax levy, plus the non-municipal portion, which represents the amount payable to each taxing district for the period of January through June 30.

Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% to 18% of the amount delinquent. In addition, the law now allows for, and the Township has authorized, the imposition of a penalty of 6% on delinquencies exceeding \$10,000.00 that remain unpaid at the end of a calendar year. If taxes remain delinquent on or after November 11 of the succeeding fiscal year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property, and allows the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish property taxes as a lien on real estate as of the first day of the fiscal year of the municipality, even though the full amount due is not known.

As County, School and Special District tax requirements are certified to the County Board of Taxation on a calendar year basis and within a time frame which precludes the certification of a municipal purpose tax certification for the calendar year, the conversion to a fiscal year has necessitated that tax bills be prepared and mailed by the Tax Collector twice annually. The law requires tax bills for the first and second installments to be delivered on or before October 1 of the pre-tax year, and bills for the third and fourth installments to be delivered on or before June 14. The regulatory requirement to deliver tax bills for the first and second installments by October 1 of the pre-tax year requires that these bills utilize assessed valuations from the pre-tax year. As a result, tax bills for the third and fourth installments will also include adjustments to reflect the results of changes in assessed valuations from the pre-tax year to the current tax year.

Accelerated Tax Sale

Commencing with the year ended June 30, 2003 the Township of Hamilton held an accelerated tax sale allowed by Chapter 99, P.L. 1996. An accelerated tax sale must be held for each subsequent year to keep tax revenues and cash flows consistent from year to year. The tax sale was held on December 17, 2014.

Note 9: PENSION AND RETIREMENT PLANS

Substantially, all Township employees participate in the Public Employees' Retirement System, Consolidated Police and Firemen's Pension Fund and Police and Firemen's Retirement System. The Division of Pensions within the Treasury Department of the State of New Jersey is the administrator of the funds and charges municipalities annually for their respective contributions. The plans provide retirement and disability benefits, annual cost of living adjustments and benefits to plan members and beneficiaries. The plans are cost sharing multiple-employer defined benefit plans and as such do not

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 9: PENSION AND RETIREMENT PLANS (CONT'D.)

maintain separate records for each municipality in the state and, therefore, the actuarial data for the Township is not available. The Division of Pensions issues publicly available financial reports for each of the plans that include financial statements and required supplementary information. The reports may be obtained by writing the State of New Jersey, Division of Pensions.

Covered employees are required by State statute to contribute a certain percentage of their salary to the plan. Each member's percentage is based on age determined at the effective date of enrollment. In addition, the PERS and PFRS bills the Township annually at an actuarially determined rate for its required contribution. The current rate of required contribution of annual covered payroll is 6.92% for PERS employees and 10.0% for PFRS.

The contribution requirements of plan members and the Township are established and may be amended by the Board of Trustees of respective plans. The Township's contributions to the PERS for the years ended December 31, 2014 and 2013 were \$3,069,014 and \$2,608,894, respectively. The Township's contributions to the PFRS for the years ended December 31, 2014 and 2013 were \$4,187,464 and \$4,381,101, respectively.

Note 10: POSTEMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS —
HEALTH CARE BENEFITS

The Township of Hamilton provides its retirees with health benefits which are fully funded by the Township. These benefits are negotiated for through each bargaining unit's contract. Retirees receive the same type of health insurance coverage that they were receiving prior to retirement. There are currently 972 retirees enrolled in health benefits programs, which are fully funded by the Township. Under GASB Statement #45 the Township is required to report a liability in the notes for payment of health benefits to retirees.

The Township provides health benefits through its group insurance plan to certain retirees and their dependents, as follows:

The former employer assumes the cost if the retired employee meets certain requirements. The Plan Sponsor has agreed to pay retiree coverage if he or she has 25 or more years of continuous service within the Public Employees Retirement Fund of the Police and Fireman's Retirement Fund

At December 31, 2014, approximately 386 retirees and 548 active employees were receiving non-contributory health coverage benefits at an estimated annual cost to the Township of \$13,321,152.04.

This is the fourth year the Township is disclosing its postemployment healthcare plan benefit costs based upon the implementation requirements of GASB Statement 45.

The contribution requirements of plan members and the participating agencies are established and may be amended by the through the collective bargaining process or by action of the Mayor and/or Township Council. The Township's annual postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 10: POSTEMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS —
 HEALTH CARE BENEFITS (CONT'D.)

paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the Township's annual OPEB cost for the year, any amounts contributed to the plan and the Township's net OPEB obligation. For 2014 and 2013, the Township's annual OPEB cost (expense) (GAAP Basis) of \$23,580,000.00 was equal to the ARC.

	2014	2013
Net OPB obligation - beginning of year	\$ 82,450,000.00	\$ 60,590,000.00
Annual required contribution (ARC)	24,710,000.00	25,830,000.00
Interest on OPEB obligation	3,710,000.00	2,730,000.00
Adjustment to annual required contribution	(4,840,000.00)	(3,560,000.00)
Less: Contributions	(8,450,000.00)	(3,140,000.00)
Net OPEB obligation - end of year	\$ 97,580,000.00	\$ 82,450,000.00

Under the regulatory basis of accounting utilized by the Township financial statement recognition of the ARC and Net OPEB obligation is not required and these amounts are not reflected in the reported expenditures and liabilities at December 31, 2014.

The funded status of the plan for the Township as of December 31, 2014, is as follows:

	Total
Actuarial accrued liability (AAL)	289,010,000.00
Actuarial value of plan assets	-
Unfunded actuarial liability (UAAL)	\$ 289,010,000.00
Funded ratio (actuarial value of plan assets/AAI)	0%
Covered payroll (active plan members)	\$ 42,130,000.00
UAAL as a percentage of covered payroll	686%

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health-care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presented as required supplementary information following the notes to the financial statements, presents trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 10: POSTEMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS —
HEALTH CARE BENEFITS (CONT'D.)

Projections of benefits for financial reporting purposes are based on the substantive plan and includes the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2014 actuarial valuation, the projected unit credit method was used. A rate of 4.50% was utilized as the discount rate and the amount of increase in the normal cost amount. The unfunded accrued liability is being amortized as a level dollar amount using an open period of thirty (30) years.

Note 11: RISK MANAGEMENT

A Garden State Municipal Joint Insurance Fund

On February 1, 2002 the Township joined the Garden State Municipal Joint Insurance Fund. This fund provides for a pooling of self-retained risks of insurable losses, as well as the procurement of cost effective excess insurance coverage.

Summary of Risk Management Program

The GSMJIF Provides the following coverages to its participants:

1. Workers Compensation

The Fund covers regulatory less various members' self-insured retention (SIR). The minimum Fund retention shall be \$500,000.

Employers Liability covers \$15,000,000 less various members SIR. The minimum Fund retention shall be \$250,000.

2. General Liability

The Fund covers \$15,000,000.00 Combined Single Limit (CSL) excess of the funds \$250,000 (subject to annual aggregate limits)

The minimum Fund retention for all general liability coverage shall be \$250,000.

3. Auto Liability

The Fund covers Automobile Liability and Property Damage claims in the Fund's excess General Liability limit except that Automobile Liability claims that penetrate the excess of \$250,000 layer are not subject to an aggregate limit.

The Fund provides PIP limits of NJ Statutory amounts.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 11: RISK MANAGEMENT (CONT'D.)

The Fund does provide excess Uninsured/Underinsured Motorist Coverage. \$15,000/\$30,000/\$5,000

4. Property

The Fund has purchased property insurance with total limits of \$50,000,000 and boiler and machinery coverage at limits of \$100,000,000, subject to a members' deductible of \$25,000 and a Fund retention of \$25,000.

5. Public Officials Liability ("POL")

The Fund covers \$10,000,000 in the aggregate on an occurrence basis per member municipality for each fund year. Township Retention \$10,000.

6. Employment Practices Liability (EPL)

The Fund covers \$10,000,000 in the aggregate on an occurrence basis per member local unit for each Fund year.

The minimum Fund retention for EPL shall be \$150,000, Township retention \$10,000.00 plus 20%.

The Township's self-insured risk or deductible for coverages provided through the GSMJIF are as follows:

1. Workers Compensation: \$25,000 S.I.R.
2. Liability: \$25,000 S.I.R.
3. Auto: \$1,000 Deductible (Qualified Vehicles Only)

The Garden State Municipal Joint Insurance Fund, issues publicly available financial reports that include the financial statements and required supplementary information for insurance. The financial reports may be obtained by writing to the Garden State Municipal Joint Insurance Fund, 900 Route 9 North, Suite 503, Woodbridge, New Jersey, 07095-1003.

B. Pre -2002 Risk Management

Effective for calendar year 1981, in response to rising premiums for traditional risk transfer insurance coverage, the Township instituted a self-insurance risk management program for claims relating to Worker's Compensation, General Liability and Automobile Liability. For loss years 1981 through 1985, the Township obtained reinsurance coverage and umbrella coverage which limited the Township's risk retention to \$100,000 per occurrence and \$375,000 annual aggregate (stop-loss). Based on non-utilization of these coverages, and in response to prohibitive premiums for diminished coverage, the Township dropped these coverages for 1986 and subsequent periods and retains all risks associated with these coverages, The Township re-instituted reinsurance coverage beginning on July 1, 1998. Risk retention was limited to \$100,000 per claim and \$300,000 annual aggregate, in total, up to a maximum of \$5,000,000. The Township engaged an outside claims service bureau to serve as Fund Administrator. Reserves are established by the administrator for estimated benefits and expenses for reported claims.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 11: RISK MANAGEMENT (CONT'D.)

B. Pre -2002 Risk Management (cont'd.)

The Township currently operates a risk management program, which included a significant self-insured risk retention, and had established a Self-Insurance Trust Fund to account for this activity. Reserves available in the Self-Insurance Trust Fund may be utilized to make contributions towards the settlement of the residual claims or the Township may redirect these funds to any other lawful purpose. At the end of 2014 there were 89 open cases with a reserve amount of \$1,931,591.4.

C. Employee Health Benefits

Effective July 1, 2013 the Township revised its risk management plan for the provision of employee health benefits, by entering into a contract with Amerihealth New Jersey which provides for a risk-transfer to the insurer in exchange for the payment of contractual premiums. Employees are required to contribute a portion of the costs of such insurance.

Note 12: ACCRUED SICK AND VACATION BENEFITS

The Township of Hamilton has adopted a written Policy Procedure Manual, which sets forth the terms under which an employee may accumulate unused benefits. General Policy is as follows:

Sick Leave. Sick leave for permanent employees accumulates at the rate of one and one quarter (1 1/4) days per month. Any amount of sick leave allowance not used in a calendar year shall accumulate to the employee's credit from year to year to be used if and when needed. Employees having accumulated ten or more of their sick days in a given year have the option to be paid five days wages in lieu of carrying over five of their sick days. Upon normal retirement, or death subsequent to filing for retirement, employees are entitled to receive a lump sum payment as supplemental compensation for each full day of earned and unused accumulated sick leave which is credited to him/ her on the effective date of his retirement. Employees who elect a deferred retirement benefit are not eligible for this supplemental compensation payment. Lump sum payments to management employees shall not exceed \$21,000.00.

Vacations - Vacation pay for permanent employees is accumulated in accordance with the approved schedules for his/her respective units. Vacation days shall be taken during the current year and shall not accumulate, except that vacation time may be carried over to the next succeeding year only (maximum twenty days). An employee who has separated his/her employment shall be entitled in time or in pay to any earned vacation accumulated and not previously used (maximum thirty days for upper-level supervisors and management).

The Personnel Division maintains up-to-date records of each employee's status relating to earned and unused sick and vacation pay. An estimate of the current cost of such unpaid compensation has been made by the Township in the amount of \$12,838,345.31 and \$12,553,284.34, respectively. This amount represents a full costing of the value of compensated absences payable earned at December 31, 2014 and 2013 respectively, and has not been discounted to reflect the estimated termination payments anticipated by the township. Termination payments are subject to eligibility requirements and payment caps as discussed above. No amounts have been reported as expenditures for any accumulations earned by employees during the current year or any prior periods. Expenditures for payment of accrued sick and vacation benefits are recorded in the period in which the payments are made.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 13: INTERFUNDS

The following Interfund balances remain on the balance sheet at December 31, 2014:

Fund:	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current fund	\$ 44,802.95	
Animal control fund		\$ 44,802.95
Total	<u>\$ 44,802.95</u>	<u>\$ 44,802.95</u>

The interfund payable in the animal control fund and the correlated interfund receivable in the current fund relate to the statutory excess in funds remaining in the animal control fund at December 31, 2014 that are turned over to the current fund in accordance with statutory requirements.

Note 14: CONTINGENT LIABILITIES

A. Pending or Threatened Litigation

As at the date of this report, the Township had litigation pending. The majority of this litigation involves claims against the Township relating to matters that traditionally would be covered through the procurement of workers' compensation, automobile and liability insurance policy coverages. As more fully described in Note 11, the Township currently manages its risks through participation in the Garden State Municipal Joint Insurance Fund. For GSMJIF covered claims incurred subsequent to February 1, 2002, there are no claims currently outstanding that are anticipated to exceed the combined coverages provided by the GSMJIF through self-insured retention and excess insurance coverages. The Township provides for its self-insured risk retention on GSMJIF covered claims through an annual budget appropriation.

Of the remaining litigation, there are several pending property tax appeals. The merits of this litigation and its potential effects cannot currently be ascertained.

B. Deferred Health Premiums

Effective July 1, 2013, the Township revised its risk management plan for the provision of employee health benefits, by entering into a contract with Amerihealth New Jersey that provides for a full-transfer of these risks. This contract also provides for a three-month "premium holiday". Accordingly at December 31, 2014 and 2013 the amounts of the premium deferrals were \$3,265,124.40 and \$3,366,310.23, respectively. The deferred premiums are payable upon the non-renewal of the Amerihealth coverage.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

Note 15: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

	<u>Resulting in 2014</u>	<u>Balance to Succeeding Budgets</u>
Current Fund:		
Special Emergency	\$ 2,200,000.00	\$ 2,200,000.00
Sewer Operating Fund:		
Overexpenditure		\$ 110,000.00

Note 16: SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions from December 31, 2014 through June 29, 2015. The effects of those events and transactions, if any, that provide additional pertinent information about conditions that existed at the balance sheet date have been recognized in the accompanying financial statements.

On May 19, 2015 the Township of Hamilton issued Sewer Utility Refunding Bonds in the amount of \$3,035,000 at interest rates in varying amounts.

On June 3, 2015 the Township of Hamilton issued General Obligation Bonds in the amount of \$14,703,000 at interest rates in varying amounts.

On June 3, 2015 the Township of Hamilton issued Bond Anticipation Notes in the amount of \$58,235,000 at at interest rates between 1.25% and 1.50% due on June 10, 2016.

**TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY**

**PART II
SINGLE AUDIT SECTION**

SINGLE AUDIT SECTION

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 AUDITORS' REPORT

Honorable Mayor and Members
of the Township Council
Township of Hamilton
Mercer County, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the regulatory-basis financial statements of the Township of Hamilton (the "Township"), County of Mercer, New Jersey as of and for the year ended December 31, 2014 and the related notes to the financial statements, and have issued our report thereon dated June 29, 2015, in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the accounting practices prescribed by the Division.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion 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 the Township's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township'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.

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

Compliance and Other Matters

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

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* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



David J. Gannon
Registered Municipal Accountant
No. 520



WISS & COMPANY, LLP

Iselin, New Jersey
June 29, 2015

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND REPORT
ON INTERNAL CONTROL OVER COMPLIANCE – REQUIRED BY OMB CIRCULAR A-133 AND NJ
OMB CIRCULAR 15-08

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members
of the Township Council
Township of Hamilton
Mercer County, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Township of Hamilton's, County of Mercer, New Jersey ("Township") compliance with the types of compliance requirements described in *OMB Circular A-133 Compliance Supplement* and *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on its major federal and state programs for the year ended December 31, 2014. The Township's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal and state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the Township's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance 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; the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), *OMB Circular A-133 Audits of States, Local Governments and Non-Profit Organizations*, and *New Jersey OMB Circular 15-08 Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Those standards and OMB Circulars A-133 and New Jersey OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on major federal and state programs occurred. An audit includes examining, on a test basis, evidence about the Township's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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Iselin, NJ 08830
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Suite 1010
New York, NY 10122
212.594.8155

5 Bartles Corner Road
Flemington, NJ 08822
908.782.7300

60 West Broad Street
Suite 102
Bethlehem, PA 18018
484.821.5735

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal and state programs. However, our audit does not provide a legal determination of the Township's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Township complied, in all material respects with the types of compliance requirements referred to above that could have a direct and material effect on its major federal and state programs for the year ended December 31, 2014.

Report on Internal Control Over Compliance

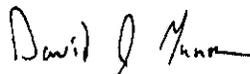
Management of the Township is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Township's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal and state programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal and state programs and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purposes.



David J. Gannon
Registered Municipal Accountant
No. 520



WISS & COMPANY, LLP

SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS AND STATE FINANCIAL ASSISTANCE

Township of Hamilton
County of Mercer

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2014

Federal Funding Department	CFDA Number	State Program Code	Total Award	Grant Year	2014		Cumulative Expenditures at December 31, 2014
					Cash Receipts	Expenditures	
Indirect Programs:							
Department of Justice, Office of Justice Programs: Justice Assistance Grant	16.738	N/A	\$ 19,317.00	2014	\$ 19,317.00		\$ 19,317.00
Sub-total - Department of Justice					19,317.00		19,317.00
Department of Law and Public Safety							
Drunk Driver Prevention - Drive Sober or Get Pulled Over	20.601	066-1160-100-057	13,800.00	2012	\$ 5,000.00		5,000.00
Drunk Driving Enforcement	20.616	066-1160-100-155	15,379.10	2011		226.85	226.85
Drunk Driving Enforcement	20.616	066-1160-100-155	16,764.52	2013	4,000.00	5,900.60	5,900.60
Highway Planning and Construction	20.205	078-6320-480-AK8	55,000.00	2013	55,000.00		
Public Assistance- Hurricane Sandy	97.036	066-1200-100-A92	977,656.57	2012	521,031.29		678,293.50
Sub-total - Department of Law and Public Safety					585,031.29	6,127.45	689,420.95
Department of Transportation							
Recreational Trails Program	20.219	4800-533-852000-60	19,100.00	2012		11,411.52	11,411.52
Sub-total - Department of Transportation					-	11,411.52	11,411.52
Sub-total - Pass through State of New Jersey					585,031.29	36,855.97	720,149.47
Direct Programs:							
Department of Energy: Energy Efficiency and Conservation Block Grant- A.R.R.A.	81.128	N/A	835,300.00	2010-2014		136,131.42	835,300.00
Department of Housing and Urban Development							
Community Development Block Grants	14.218	N/A	1,701,475.46	Prior Years Through 2014	15,757.25	419,702.02	1,441,345.44
HUD Housing Section 8 Voucher Program	14.871	N/A	7,512,240.73	Prior Years Through 2014	1,991,616.00	1,961,098.85	5,905,867.47
Sub-total - Direct Awards					2,007,373.25	2,516,932.29	8,182,512.91
Total expenditures					\$ 2,592,404.54	\$ 2,553,788.26	\$ 8,902,662.38

Footnotes:

Grant/ Award/Amount Reflects Current Year Awards

NOTE: See accompanying Notes to Schedules of Expenditures of Awards.

N/A- Not Available

Township of Hamilton
County of Mercer

Schedule of Expenditures of State Financial Assistance

Year Ended December 31, 2014

State Funding Department or Division	Program	Total Award	State Account No.	Grant Year	2014		Cumulative Expenditures at December 31, 2014
					Cash Receipts	Grant Expenditures	
Environmental Protection							
	State Recycling Grants - Recycling Tonnage Grant	\$ 382,672.16	4900-752-178810-60	2011		\$ 135,774.29	\$ 382,672.16
	State Recycling Grants - Recycling Tonnage Grant	127,490.79	4900-752-178810-60	2012		20,235.08	
	State Recycling Grants - Recycling Tonnage Grant	134,252.79	4900-752-178810-60	2013		2,133.40	
	State Recycling Grants - Recycling Tonnage Grant	139,428.38	4900-752-178810-60	2014	\$ 139,428.38		
	Municipality Road Mileage - Clean Community Grant	167,594.52	042-4900-765-004	2013		95,031.24	166,413.94
	Municipality Road Mileage - Clean Community Grant	157,182.88	042-4900-765-004	2014	157,182.88	60,890.19	
	NJ Turnpike Phase II	612,374.00	FY12-71H-042-4801-009	2012-2014		58,763.00	243,747.00
	NJ Turnpike Phase III	612,338.00	FY13-531-042-4815-191	2014		75,669.40	75,669.40
Health and Human Services							
	Mercer County Municipal Alliance (State Share)	98,414.00	N/A	2013		17,995.59	97,650.84
	Mercer County Municipal Alliance (State Share)	147,720.00	N/A	2014		74,538.81	74,538.81
Law and Public Safety							
	Body Armor Replacement	19,793.90	066-1020-718-001	2014		19,583.70	19,583.70
	Body Armor Replacement	14,755.38	066-1020-718-001	2014	14,755.38	6,100.80	6,100.80
	Bullet Proof Vest Partnership	19,134.91	N/A	2014		1,525.20	1,525.20
	Alcohol Ed. & Rehabilitation Grant	12,903.79	9735-760-098-Y900-00 1-XI 00-6020	2010		1,500.00	12,600.00
	Enhanced 911 General Assistance	82,823.00	100-082-2034-081-650030	2007		45,645.58	45,645.58
	Safe and Secure Neighborhoods Program	17,095.52	066-1020-100-232	2014	17,095.52		17,095.52
Total Expenditures					\$ 328,462.16	\$ 615,386.28	\$ 1,143,242.95

Footnotes:

Grant/Award/Amount Reflects Current Year Awards

NOTE: See accompanying Notes to Schedules of Expenditures of Awards.

N/A- Not Available

**TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY**

**Notes to Schedules of Expenditures of Federal Awards and
State Financial Assistance
December 31, 2014**

Note 1 - General:

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal and state financial assistance programs of the Township of Hamilton. The Township is defined in Note 1 to the financial statements. To the extent identified, the federal and state financial assistance that passed through other governmental agencies is included on the schedules of expenditures of federal awards and state financial assistance.

Note 2 - Basis of Accounting:

The accompanying schedules of financial assistance are presented using the basis of accounting as described in Note 2 to the Township's financial statements.

Note 3 - Relationship to Financial Statements:

Amounts reported in the accompanying schedules agree with amounts reported in the Township's financial statements.

Note 4 - Relationship to Federal and State Financial Reports:

Amounts reported in the accompanying schedules of expenditures of federal awards and state financial assistance agree with the amounts reported in the related federal and state financial reports, where required.

**TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY**

**Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2014**

Section I - Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued:	<u>Unmodified – OCBOA,</u> <u>Adverse – U.S. GAAP</u>		
Internal Control over financial reporting:			
Material weakness(es) identified?	_____ Yes	<u> X </u>	No
Significant deficiency(ies) identified?	_____ Yes	<u> X </u>	None Reported
Noncompliance material to the financial statements noted?	_____ Yes	<u> X </u>	No

Federal Awards

Dollar threshold used to distinguish between type A and B programs:		<u> \$300,000.00 </u>	
Auditee qualified as low-risk auditee?	_____ Yes	<u> X </u>	No
Internal Control over major programs:			
Material weakness(es) identified?	_____ Yes	<u> X </u>	No
Significant deficiency(ies) identified?	_____ Yes	<u> X </u>	None Reported
Type of auditor's report issued on compliance for major programs:		<u> Unmodified </u>	
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	_____ Yes	<u> X </u>	No

Identification of major programs:

<u>Program Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.871	HUD Section 8 Housing Choice Voucher Program

**TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY**

**Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2014**

Section I - Summary of Auditor's Results (continued)

State Financial Assistance

Dollar threshold used to distinguish between type A and B programs: \$300,000.00

Auditee qualified as low-risk auditee? _____ Yes X No

Internal Control over major programs:
Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified? _____ Yes X None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular 15-08? _____ Yes X No

Identification of major programs:

<u>State Account Number</u>	<u>Name of State Program</u>
042-4900-765-004	Clean Communities Program
71H-042-4801-009	NJ Turnpike Phase II
531-042-4815-191	NJ Turnpike Phase III
4900-752-178810	Recycling Tonnage Grant

**TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY**

**Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2014**

Section II --Schedule of Financial Statement Findings

No financial statement findings noted that are required to be reported under *Government Auditing Standards*.

**TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY**

**Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2014**

Section III – Federal and State Award Findings and Questioned Costs

Federal Award Programs:

None noted.

State Financial Assistance Programs:

None noted.

**TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY**

**Summary Schedule of Prior Year Audit Findings
For the Year Ended December 31, 2014**

SUMMARY OF PRIOR YEAR FINDINGS

2013-01

Statement of Condition:

For year ended December 31, 2012 the Township did not submit their unaudited Financial Data Schedule by the February 28, 2013 deadline nor the audited submission by the September 30, 2013 deadline. The Township has also not completed the December 31, 2013 unaudited Financial Data Schedule by February 28, 2014 as of the date of the 2013 audit report dated June 17, 2014.

Status: Not repeated in current year.

**TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY**

PART III

OTHER SUPPLEMENTARY INFORMATION

INDIVIDUAL FUND SUPPLEMENTARY SCHEDULES

SCHEDULE OF TAXES RECEIVABLE AND
ANALYSIS OF PROPERTY TAX LEVY
CURRENT FUND

YEAR	BALANCE DEC. 31, 2013	2014 LEVY	COLLECTIONS 2013	BY CASH 2014	SR. CITIZENS AND VETERANS DEDUCTION REIMBURSEMENT	TRANSFER TO TAX TITLE LIEN	REMITTED AND CANCELLED	BALANCE DEC. 31, 2014
Prior Years	\$ 532,326.85			\$ 48,274.39	\$ (6,869.86)		\$ 102,792.93	\$ 388,129.39
	532,326.85			48,274.39	(6,869.86)		102,792.93	388,129.39
2014		\$ 243,532,333.40	\$ 954,785.84	240,714,235.80	1,278,944.10	\$ 251,047.70	216,347.21	116,972.75
	<u>\$ 532,326.85</u>	<u>\$ 243,532,333.40</u>	<u>\$ 954,785.84</u>	<u>\$ 240,762,510.19</u>	<u>\$ 1,272,074.24</u>	<u>\$ 251,047.70</u>	<u>\$ 319,140.14</u>	<u>\$ 505,102.14</u>

Analysis of 2014 Property Tax Levy:

Tax Yield:

General Purpose	\$243,018,977.56
Omitted/Added Taxes (N.J.S.A. 54:4-63.1 et seq.)	<u>513,355.84</u>
	<u>\$243,532,333.40</u>

Tax Levy:

Local District School Tax (Abstract)	102,495,636.00
County Tax (Abstract)	50,556,320.32
County Open Space	2,117,033.94
County Added & Omitted	122,160.88
Special District Taxes	21,662,025.03

Local Tax for Municipal Purposes	63,147,753.31
Local Tax for Library Purposes	2,807,616.05
Add: Additional Tax for Mun. Purposes	<u>623,787.90</u>
	<u>\$243,532,333.43</u>

* Detail on File in Tax Office

SCHEDULE OF TAX TITLE LIENS
CURRENT FUND

Balance - December 31, 2013		\$1,695,034.38
Increased by:		
Interest and Costs	\$ 1,715.12	
Transfers Other Accounts Receivable	11,206.24	
Transfer from Taxes Receivable	<u>251,047.70</u>	
		<u>263,969.06</u>
		1,959,003.44
Decreased by:		
Collections		<u>381,804.90</u>
Balance - December 31, 2014		<u><u>\$1,577,198.54</u></u>

Exhibit - A-6

SCHEDULE OF OTHER ACCOUNTS RECEIVABLE
CURRENT FUND

Balance - December 31, 2013		\$42,182.33
Increased by:		
Billings		<u>155,674.59</u>
Decreased by:		
Transferred to Tax Title Liens	\$ 11,206.24	197,856.92
Collections	<u>138,022.45</u>	
		<u>149,228.69</u>
Balance - December 31, 2014		<u><u>\$48,628.23</u></u>

CURRENT FUND
SCHEDULE OF TAXES PAYABLE

	Balance December 31, 2013	Taxes Levied	Cash Disbursements	Balance December 31, 2014
County Taxes		\$ 50,556,320.32	\$ (50,556,320.32)	
County - Open Space		2,117,033.94	(2,117,033.94)	
County - Added & Omitted	\$ 189,536.45	122,160.88	(189,536.45)	\$ 122,160.88
Local School District Taxes	(477,742.50)	102,495,636.00	(102,118,571.00)	(100,677.50)
Special Districts		21,662,025.03	(21,662,025.03)	
Total	\$ (288,206.05)	\$ 176,953,176.17	\$ (176,643,486.74)	\$ 21,483.38

SCHEDULE OF 2013 APPROPRIATION RESERVES
CURRENT FUND

	BALANCE DEC. 31, <u>2013</u>	ENCUMBERED <u>DEC. 31. 2013</u>	BALANCE AFTER <u>MODIFICATION</u>	PAID OR <u>CHARGED</u>	BALANCE <u>LAPSED</u>
Operations Within "CAPS"					
Salaries and Wages:					
Office of the Mayor	\$ 10,651.12		\$ 10,651.12	\$ 7,541.20	\$ 3,109.92
Township Council	4,638.47		4,638.47	2,638.47	2,000.00
Office of the Township Clerk	9,621.87		9,621.87	6,498.36	3,123.51
Office of the Business Administrator	8,136.10		8,136.10	5,759.15	2,376.95
Division of Human Resources	18,184.08		18,184.08	4,053.71	14,130.37
Division of Budget and Purchasing	12,569.95		12,569.95	12,521.01	48.94
Office of Financial Admin.	17,449.79		17,449.79	8,938.40	8,511.39
Division of Assessments	10,858.61		10,858.61	10,848.36	10.25
Division of Revenue Collection	23,231.90		23,231.90	13,658.00	9,573.90
Legal Services	12,276.41		12,076.41	7,695.98	4,380.43
Municipal Prosecutor	2,411.62		2,611.62	2,411.47	200.15
Municipal Court	38,043.42		38,043.42	25,749.32	12,294.10
Public Defender	60,485.82		60,485.82	60,485.82	
Division of Engineering	11,855.32		11,855.32	11,267.69	587.63
Affordable Housing	266,172.80		266,172.80		266,172.80
Community Planning & Compliance	14,523.72		14,523.72	14,115.45	408.27
Zoning Board	6,786.57		6,786.57	2,152.56	4,634.01
Housing Inspections	9,412.15		9,412.15	9,405.92	6.23
Uniform Construction Code	34,057.81		34,057.81	28,653.54	5,404.27
Economic Development	13,337.93		13,337.93	11,159.05	2,178.88
Police Division/Dept. of Public Safety	617,517.59		617,517.59	606,454.51	11,063.08
Office of Public Works	362,668.28		317,668.28	127,591.96	190,076.32
Other Public Works	0.04		0.04		0.04
Solid Waste Collection & Recycling	9,281.57		9,281.57	3,421.51	5,860.06
Maintenance of Motor Vehicles	32,906.13		32,906.13	30,154.97	2,751.16
Division of Buildings and Grounds	54,017.91		54,017.91	48,922.09	5,095.82
Maintenance of Parks	96,512.55		96,512.55	77,963.32	18,549.23
Citizens Response	14,140.47		14,140.47	5,859.36	8,281.11
Public Health Services	27,818.93		21,418.93	13,015.79	8,403.14
Environmental Health Services	38,836.06		38,836.06	9,646.77	29,189.29
Animal Control Services	26,854.95		26,854.95	6,773.06	20,081.89
Director of Recreation	28,073.89		18,073.89	9,218.91	8,854.98
Sr. Citizens Programs	15,470.58		15,470.58	8,518.20	6,952.38
Environmental Commission	150.00		150.00		150.00
Cable Commission	400.00		400.00		400.00
Redevelopment Board	100.00		100.00		100.00

SCHEDULE OF 2013 APPROPRIATION RESERVES
CURRENT FUND

	BALANCE DEC. 31, 2013	ENCUMBERED DEC. 31, 2013	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Salaries and Wages(cont'd):					
Shade Tree Commission	\$ 125.00		\$ 125.00		\$ 125.00
Parks and Recreation Commission	100.00		100.00		100.00
Rent Leveling Board	475.00		475.00		475.00
Public Safety Commission	200.00		200.00		200.00
Special Needs Commission	50.00		50.00		50.00
Board of Public Officers	150.00		150.00		150.00
Other Expenses:					
Office of the Mayor	5,966.82	\$ 6,812.14	12,778.96	\$ 5,479.69	7,299.27
Township Council	465.52	1,229.23	1,694.75	1,416.15	278.60
Office of the Township Clerk	54,123.62	5,073.80	59,197.42	48,760.55	10,436.87
Office of Business Administrator	1,358.72		1,358.72		1,358.72
Division of Human Resources	4,075.27	212.76	4,288.03	212.76	4,075.27
Training	8,552.64		8,552.64		8,552.64
Division of Budget and Purchasing	4,968.12	3,969.39	8,937.51	4,354.96	4,582.55
Postage Costs	4,328.47	207.00	4,535.47	0.00	4,535.47
Office of Director of Finance	4,309.25	24,515.00	28,824.25	3,154.03	25,670.22
Audit	7,323.00		7,323.00		7,323.00
Division of Assessments	296.98	369.55	666.53	478.06	188.47
Division of Revenue Collection	8,130.19	6,811.73	14,941.92	7,899.73	7,042.19
Legal Services	29,860.39	4,785.91	34,646.30	30,566.23	4,080.07
Municipal Court	15,290.27	5,204.40	20,494.67	16,190.85	4,303.82
Division of Engineering	24,723.67	46,743.54	71,467.21	46,743.54	24,723.67
Division of Economic Develop.	38,443.04	39,948.06	78,391.10	39,125.56	39,265.54
Community Planning & Compliance	26,185.68	3,815.30	30,000.98	6,399.86	23,601.12
Zoning Board	447.02	35.00	482.02		482.02
Uniform Construction Code	41,475.25	19,876.28	61,351.53	19,833.03	41,518.50
Housing Inspections	7,705.77		7,705.77	462.06	7,243.71
Police Division/Dept. of Public Safety	79,656.48	164,762.37	244,418.85	173,352.36	71,066.49
Office of Emergency Management	7,800.04	1,046.90	8,846.94	193.80	8,653.14
Purchase of Police Cars	2,585.50	290,974.50	293,560.00	292,873.74	686.26
Office of Public Works	66,063.37	218,169.70	284,233.07	228,068.17	56,164.90
Other Public Works Functions	8,441.90	4,169.33	12,611.23	4,670.46	7,940.77
Division of Bldgs. and Grounds	15,151.34	35,670.29	95,821.63	72,255.89	23,565.74
Solid Waste Collection & Recycling	281,154.08	129,293.32	410,447.40	281,438.58	129,008.82
Maintenance of Motor Vehicles	49,995.03	70,510.73	120,505.76	67,492.80	53,012.96
Landfill/Solid Waste Disposal Costs	490,372.79		490,372.79	352,123.55	138,249.24
Maintenance of Parks	29,133.03	26,187.05	55,320.08	23,450.96	31,869.12

SCHEDULE OF 2013 APPROPRIATION RESERVES
CURRENT FUND

	BALANCE DEC. 31, <u>2013</u>	ENCUMBERED DEC. 31, 2013	BALANCE AFTER <u>MODIFICATION</u>	PAID OR <u>CHARGED</u>	BALANCE <u>LAPSED</u>
Other Expenses (cont'd)					
Division of Citizen Response	\$ 1,141.30	\$ 110.95	\$ 1,252.25	\$ 267.60	\$ 984.65
Public Health Services	1,513.40	37,575.99	45,489.39	44,162.60	1,326.79
Environmental Health Services	6,048.42		6,048.42	540.79	5,507.63
Animal Control Services	27,002.25	2,362.23	29,364.48	6,154.23	23,210.25
Division of Recreation	6,146.13	18,025.85	34,171.98	26,581.30	7,590.68
Office of Senior Citizens Programs	12,290.67	11,987.63	24,278.30	13,349.33	10,928.97
Environmental Comm.	4,410.06		4,410.06	4,000.00	410.06
Zoning Board of Adjustment	15,405.37	2,687.46	10,192.83	3,755.26	6,437.57
Economic Development Comm.	354.71	194.00	548.71	194.00	354.71
Planning Board	1,400.42	494.97	9,795.39	8,368.17	1,427.22
Board of Public Officers	3,250.00		3,250.00		3,250.00
First Aide Organizations	40,000.00		40,000.00		40,000.00
Redevelopment Board	7,230.00		7,230.00		7,230.00
Shade Tree Commission	40.00		40.00		40.00
Rent Leveling Board	150.00		150.00		150.00
Retirement Payouts	22,855.97		22,855.97	14,568.41	8,287.56
Utility Expense and Bulk Purchase	318,423.51	21,754.42	340,177.93	205,161.69	135,016.24
Condo Services Act	28,228.89		28,228.89	24,372.52	3,856.37
DCRP	7,530.38		7,530.38	439.81	7,090.57
Social Security System (O.A.S.I.)	126,992.61		126,992.61	55,966.13	71,026.48
Total Operations Within "CAPS"	3,859,351.75	1,205,586.78	5,064,938.53	3,327,973.12	1,736,965.41
Operations Excluded From "CAPS"					
Salaries and Wages:					
Police Dispatch/911	90,247.91		90,247.91	50,966.96	39,280.95
Other Expenses:					
Police Dispatch/911	7,136.17		7,136.17		7,136.17
Matching Funds for Grants	5,317.00		5,317.00	5,317.00	
Total Operations Excluded from "CAPS"	102,701.08	0.00	102,701.08	56,283.96	46,417.12
Total Appropriation Reserves	\$ 3,962,052.83	\$ 1,205,586.78	\$5,167,639.61	\$ 3,384,257.08	\$ 1,783,382.53
Disbursed				\$ 3,334,657.35	
Accounts Payable				49,599.73	
				<u>\$ 3,384,257.08</u>	

Exhibit- A-9

SCHEDULE OF PREPAID TAXES
CURRENT FUND

Balance - December 31, 2013	\$954,785.84
Increased by:	
2015 Prepaid Tax Collections	<u>1,039,409.85</u>
	1,994,195.69
Decreased by:	
Applied to 2014 Taxes	<u>954,785.84</u>
Balance - December 31, 2014	<u><u>\$1,039,409.85</u></u>

Exhibit - A-10

SCHEDULE OF TAX OVERPAYMENTS
CURRENT FUND

Balance - December 31, 2013	\$144,371.40
Increased by:	
Overpayments in 2014	<u>100,628.00</u>
	244,999.40
Decreased by:	
Refunds	<u>230,402.28</u>
Balance - December 31, 2014	<u><u>\$14,597.12</u></u>

SCHEDULE OF DUE FROM STATE OF NEW JERSEY
PER CH. 73, P.L. 1976 - CURRENT FUND

Balance - December 31, 2013		\$10,300.00
Increased by:		
Allowable Deductions Per Tax Billings (Abstract)	\$ 1,172,000.00	
2014 Deductions Allowed by Collector	<u>106,944.10</u>	
		<u>1,278,944.10</u>
		1,289,244.10
Decreased by:		
Cash Received	991,755.32	
2014 Deductions Disallowed by Collector:		
Adjustment to Correct Balance Per State Audit	182,952.22	
Prior Year Adjustments Disallowed by Collector	<u>6,869.86</u>	
		<u>1,181,577.40</u>
Balance - December 31, 2014		<u><u>\$107,666.70</u></u>
<u>Analysis of Realized Revenue for 2014:</u>		
Deductions Allowed Per Tax Billings	\$1,172,000.00	
2014 Deductions Disallowed by Collector	<u>106,944.10</u>	
Realized as Revenue - 2014		<u><u>\$1,278,944.10</u></u>

SCHEDULE OF STATE AND FEDERAL GRANTS ACCOUNTS RECEIVABLE
GRANT FUND

<u>GRANT/AID PROGRAM</u>	<u>BALANCE</u> <u>DEC. 31, 2013</u>	<u>REALIZED</u> <u>IN 2014</u> <u>BUDGET</u>	<u>RECEIVED</u> <u>2014</u>	<u>BALANCE</u> <u>DEC. 31, 2014</u>
NJ DOT Livable Comm. East State St.	\$ 100,000.00			\$ 100,000.00
Transportation Trust	12,345.00			12,345.00
Transportation Fund	150,000.00			150,000.00
NJ DOT Speed Humps	1,879.49			1,879.49
Klockner Rd.	14,070.38			14,070.38
Neighborhood Revitalization	56,671.57			56,671.57
County South Broad St.	83,000.00			83,000.00
Local Preparedness	100,000.00			100,000.00
Smart Future Grant	25,000.00			25,000.00
SFY 2006:				
NJDOT 2004 Municipal Aid Speed Humps	90,000.00			90,000.00
SFY 2007:				
NJ Treasury/Admin. Kuser Mansion Restoration	40,000.00			40,000.00
College of NJ E. State St. Corridor Revitalization	26,328.43			26,328.43
Wildlife Habitat Incentive Program	7,650.00			7,650.00
SFY 2008:				
Klockner Road FY 2007 (Rt. 33 to E. State St.)	1,555.56			1,555.56
SFY 2010:				
NJ Health Officer Mini Grant	2,500.00			2,500.00
Paris Grant SFY 10	16,625.00			16,625.00
CDBG Recovery Grant	0.01			0.01
TY 2010:				
Over the Limit Under Arrest	600.00			600.00
CY 2011:				
Child Passenger Safety	3,100.00			3,100.00
Regional Trails	4,000.00			4,000.00
Justice Assistance Recovery Act	12,048.00			12,048.00
Bullet Proof Vest	16,087.50			16,087.50
Over the Limit Under Arrest	600.00			600.00
Child Passenger Safety	2,200.00			2,200.00
CY 2012				
Municipal Alliance	17,200.70			17,200.70
Recreational Trails Program	19,100.00			19,100.00
Justice Assistance Grant II - Ch. 159	3,692.00			3,692.00
Justice Assistance Grant III - Ch. 159	24,220.00		\$ 24,220.00	
Roadwy Improv. Klockner Rd. - Ch. 159	55,000.00		55,000.00	
NJ Turnpike Phase II - Ch. 159	574,887.06			574,887.06
2012 Sustainable Land Use Planning Grant	2,500.00		2,500.00	
CY 2013				
Municipal Alliance	5,731.64		5,731.64	
Safe Streets To Roads	200,000.00			200,000.00
Safe Routes to Schools	275,000.00			275,000.00
Green Communities	3,000.00			3,000.00
State DOT Whitehorse Hamilton Sq. Road	249,500.00			249,500.00
NNL Turnpike Phase III	612,338.00			612,338.00

SCHEDULE OF STATE AND FEDERAL GRANTS ACCOUNTS RECEIVABLE
GRANT FUND

GRANT/AID PROGRAM	BALANCE	REALIZED	RECEIVED	BALANCE
	DEC. 31, 2013	IN 2014 BUDGET	2014	DEC. 31, 2014
CY 2014				
Municipal Alliance 6 month Budget		\$ 39,365.50	\$ 39,365.50	
Drive Sober or Get Pulled Over		4,400.00	4,400.00	
Sustainable Energy Grant		5,000.00	5,000.00	
Drunk Driving Enforcement		31,734.93	31,734.93	
ANJEC Vernal Pool Cert Program		2,500.00	2,500.00	
Municipal Alliance		78,832.00	21,907.22	\$ 56,924.78
Justice Assistance		19,317.00		19,317.00
Clean Communities		157,182.88	157,182.88	
Emergency Management Assistance		10,000.00	10,000.00	
NJDOT Roadway Improv S. Olden		283,500.00		283,500.00
Alcohol Education and Rehab		11,638.78	11,638.78	
Small Grants Program		5,000.00	5,000.00	
Drunk Driving Enforcement		13,770.92	13,770.92	
Click it or Ticket		4,000.00	4,000.00	
State Body Armor Replacement		14,755.38	14,755.38	
Bulletproof Vest Program		19,134.91		19,134.91
Recycling Tonnage Grant		139,428.38	139,428.38	
	<u>\$2,808,430.34</u>	<u>\$839,560.68</u>	<u>\$548,135.63</u>	<u>\$3,099,855.39</u>

SCHEDULE OF RESERVE FOR STATE AND FEDERAL
GRANTS APPROPRIATED
GRANT FUND

GRANT PROGRAM	BALANCE DEC. 31 2013	TRANSFERRED FROM 2014 BUDGET	ENCUMBERED AT 12/31/13	PAID OR CHARGED	ENCUMBERED AT 12/31/14	BALANCE DEC. 31, 2014
Parking Adjudication	\$ 330.00					\$330.00
NJ DOT Livable Comm. East State St.	100,000.00					100,000.00
NJ DOT Livable Comm. Anchor Thread Park			\$ 8,347.00		\$ 8,347.00	
NJ DOT Quakerbridge & Young Rd.	22,295.00					22,295.00
DOT Speed Bumps Pilot Program	90,000.00					90,000.00
DOT Safe Streets to Schools	150,000.00					150,000.00
SFY 2005:						
Klockner Rd.	15,625.94					15,625.94
Local Preparedness	87,276.83					87,276.83
Smart Grant	25,000.00					25,000.00
SFY 2007:						
Enhanced 911 General Assistance			45,645.58	\$ 45,645.58		
Wildlife Habitat Incentive Program	7,650.00					7,650.00
SFY 2008:						
Alcohol Education & Rehab. Fund	204.46					204.46
Public Health Priority			29,117.00		29,117.00	
SFY 2009:						
Emergency Management Assistance	1,463.23					1,463.23
SFY 2010:						
Alcohol Education and Rehab	8,627.25					8,627.25
NJ Health Officer Mini Grant	2,500.00					2,500.00
Energy Efficiency and Conservation ARRA	21,000.01		115,131.41	136,131.42		
Municipal Alliance	1,845.92		384.16		384.16	1,845.92
NJ Forestry Service Stimulus ARRA	7,000.00					7,000.00
Alcohol Education and Rehab	2,103.79			1,500.00		603.79
TY 2010:						
Over the Limit Under Arrest	600.00					600.00
OEM Exercise Management Program	9,547.69					9,547.69
Hepatitis B Inoculation	1,400.00					1,400.00
Safe and Secure Communities	55,415.00					55,415.00
Regional Fugitive Task Force	12,000.00					12,000.00
CY 2011						
Child Passenger Safety	3,100.00					3,100.00
Safe and Secure Communities	4,585.00					4,585.00
H1N1 Corrective Actions Grant	0.89					0.89
2010 Smart Growth Planning Grant	500.00					500.00
FFY2011 Emergency Mgt. Perf. Grant	5,000.00					5,000.00
Municipal Alliance	1,255.96					1,255.96
Regional Trails	4,000.00					4,000.00
Drunk Driving Enforcemetn Grant	6,890.32		219.90	226.85		6,883.37
Justice Assistance Recovery Act	12,444.80					12,444.80
Municipal Court Alcohol Ed. Rehab	12,351.05					12,351.05
Recycling Tonnage Grant	51.42		135,722.87	135,774.29		
Child Passenger Safety	2,200.00					2,200.00
CY 2012						
Municipal Alliance	456.64					456.64
Safe and Secure Communities	55,415.00					55,415.00
Emergency Management Performance	5,000.00					5,000.00
Recreation Trails Program	19,100.00			11,411.52	675.49	7,012.99
Recycling Tonnage Grant	9.34					9.34
Justice Assistance I	18,799.00					18,799.00
Alcohol Educatinon & Rehab	11,548.09					11,548.09

SCHEDULE OF RESERVE FOR STATE AND FEDERAL
GRANTS APPROPRIATED
GRANT FUND

<u>GRANT PROGRAM</u>	BALANCE DEC. 31 2013	TRANSFERRED FROM 2014 BUDGET	ENCUMBERED AT 12/31/13	PAID OR CHARGED	ENCUMBERED AT 12/31/14	BALANCE DEC. 31, 2014
Turnpike Phase II (cont'd)	\$ 288,165.00		\$ 139,225.00	\$ 58,763.00	\$ 115,295.00	\$ 253,332.00
Recycling Tonnage Grant	127,490.79			20,235.08	350.00	106,905.71
Drive Sober or Get Pulled Over	4,400.00					4,400.00
Body Armor Grant	87.16					87.16
2012 Sustainable Land Use Planning Grant	2,500.00					2,500.00
CY 2013						
Municipal Alliance	14,534.20		4,224.55	17,995.59	76.00	687.16
Safe Streets to Transit Program	200,000.00					200,000.00
Safe Routes to Schools Program	275,000.00					275,000.00
Green Communities			3,000.00		3,000.00	
Driver Sober Get Pulled Over	4,400.00					4,400.00
Clean Communities	58,833.79		37,378.03	95,031.24	1,180.58	
State DOT Whitehorse-Hamilton Sq. Rd.	249,500.00					249,500.00
Click It or Ticket Grant	4,000.00					4,000.00
NNL Turnpike Phase III	612,338.00			75,669.40	288,682.70	247,985.90
Municipal Court Alcohol Ed. Rehab	12,613.15					12,613.15
Drunk Driving Enforcement Grant	16,609.52			5,900.60	351.00	10,357.92
Recycling Tonnage Grant	134,252.79			2,133.40		132,119.39
State Body Armor Grant	19,793.90			19,583.70		210.20
CY 2014						
Municipal Alliance (6mo)		\$ 49,180.00		48,122.89	84.00	973.11
Drive Sober or Get Pulled Over		4,400.00				4,400.00
Sustainable Energy Grant		5,000.00				5,000.00
Drunk Driving Enforcement		31,734.93				31,734.93
ANJEC Vernal Pool Cert		2,500.00				2,500.00
Municipal Alliance		98,540.00		26,415.92	4,684.19	67,439.89
Justice Assistance		19,317.00		19,317.00		
Clean Communities		157,182.88		60,890.19	23,532.37	72,760.32
Emergency Management Assistance		10,000.00				10,000.00
NJDOT Roadway Improvements S. Olden		283,500.00				283,500.00
Alcohol Education Rehab		11,638.78				11,638.78
Small Grants Program		5,000.00				5,000.00
Drunk Driving Enforcement		13,770.92				13,770.92
Click It or Ticket		4,000.00				4,000.00
State Body Armor Replacement		14,755.38		6,100.80		8,654.58
Bulletproof Vest Program		19,134.91		1,525.20		17,609.71
Recycling Tonnage		139,428.38				139,428.38
	<u>\$2,809,110.93</u>	<u>\$869,083.18</u>	<u>\$518,395.50</u>	<u>\$788,373.67</u>	<u>\$475,759.49</u>	<u>\$2,932,456.45</u>

SCHEDULE OF STATE AND FEDERAL GRANTS UNAPPROPRIATED
GRANT FUND

<u>GRANT/AID PROGRAM</u>	BALANCE <u>DEC. 31, 2013</u>	TRANSFERRED TO <u>RECEIVABLES</u>
Driver Sober Get Pulled Over	\$4,400.00	\$4,400.00
2013 Sustainable Energy Grant	5,000.00	\$5,000.00
Drunk Driving Enforcement	31,734.93	31,734.93
	<u>\$41,134.93</u>	<u>\$41,134.93</u>

TRUST ASSESSMENT FUND
ANALYSIS OF TRUST ASSESSMENT CASH AND INVESTMENTS

	<u>BALANCE</u> <u>DEC. 2013</u>	<u>RECEIPTS</u>	<u>BALANCE</u> <u>DEC. 2014</u>
Trust Surplus	\$ 2.00		\$ 2.00
Assessment Bonds of 1985	3,332.64		3,332.64
Assessment Bonds of 1992	(97,210.84)		(97,210.84)
Assessment Bonds of 2010	133,572.00	\$ 66,786.00	200,358.00
Prepaid Assessments	9,332.15		9,332.15
	<u>\$49,027.95</u>	<u>\$66,786.00</u>	<u>\$115,813.95</u>

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TRUST ASSESSMENT FUND
SCHEDULE OF ASSESSMENTS RECEIVABLE

<u>ORD. NO.</u>	<u>IMPROVEMENT DESCRIPTIONS</u>	<u>DATE OF CONFIRMATION</u>	<u>BALANCE DEC. 2013</u>	<u>COLLECTIONS</u>	<u>BALANCE DEC. 2014</u>	<u>BALANCE PLEDGED TO ASSESSMENT BONDS</u>	<u>RESERVE</u>
04-36	Roadway Improvements	11/5/10	\$ 1,162,261.88	\$ 66,786.00	\$ 1,095,475.88	\$ 1,095,475.88	
			1,162,261.88	66,786.00	1,095,475.88	1,095,475.88	
Assessment Lien Receivable Prior Years			899.49		899.49		\$ 899.49
	Total		<u>\$1,163,161.37</u>	<u>\$66,786.00</u>	<u>\$1,096,375.37</u>	<u>\$1,095,475.88</u>	<u>\$899.49</u>

TRUST FUNDS
SCHEDULE OF CASH AND RESERVE ACTIVITY

	BALANCE DEC. 31, 2013	RECEIPTS	DISBURSEMENTS	ADJUSTMENTS	BALANCE DEC. 31, 2014
Assessment Trust:					
Prepaid Assessments	\$9,332.15				\$9,332.15
Assessments Receivable	(1,162,261.88)	\$66,786.00			(1,095,475.88)
Assessment Liens & Costs	(899.49)				(899.49)
Prospective Assessments Funded	(2,267,073.50)				(2,267,073.50)
Reserve for Assessments	2,166,928.67			\$110,000.00	2,276,928.67
Serial Bonds Payable	1,303,000.00			(110,000.00)	1,193,000.00
Assessment Fund Balance	2.00				2.00
Total	49,027.95	66,786.00	-	-	\$115,813.95
Animal Control:					
Due from/to Current Fund	14,881.60		(14,881.60)	44,802.95	44,802.95
Due NJ - State License Fees	1,651.20	8,229.00	(7,551.00)	(463.20)	1,866.00
Escrow	7,542.00				7,542.00
Animal Control Reserves	52,049.20	42,852.35	(1,777.40)	(44,339.75)	48,784.40
Total	76,124.00	51,081.35	(24,210.00)	-	102,995.35
Trust - Other Funds:					
Res for Encumbrances (Trust)	159,941.32	715,988.51	(159,941.32)	18,570.63	734,559.14
Res for Encumbrances (COAH)	7,266.14		(2,734.59)		4,531.55
Res for Encumbrances (Law Enf)	22,375.39		(7,124.79)		15,250.60
Affordable Housing Fund - COAH	2,495,066.07	163,880.73	(15,154.42)		2,643,792.38
Flexible Spending Account	12,837.85	17,687.35	(15,728.36)		14,796.84
Dedicated Law Enforcement Trust	53,403.76	98,520.85	(48,674.20)		103,250.41
Developers Escrow Fund	1,075,081.92	411,810.44	(377,596.21)		1,109,296.15
Other Escrow Funds	4,857,194.03	2,108,678.21	(1,210,210.51)		5,755,661.73
Performance Guarantees	1,673,761.05				1,673,761.05
Reimbursable Temporary CO's	62,237.75				62,237.75
Deposits for Tax Sale Redemptions	3,489,347.56	23,878,020.33	(22,276,843.06)		5,090,524.83
Due to State Marriage Licenses	12,775.00				12,775.00
Payroll Deductions Payable	487,919.55	12,240,533.87	(12,645,041.06)		83,412.36
Insurance Trust Reserve	2,149,012.48	22,397,487.52	(22,665,547.14)		1,880,952.86
Utilities Trust Reserve		3,054,465.45	(3,035,894.82)	(18,570.63)	
Unemployment Trust	153,921.34	59,580.39	(102,757.25)		110,744.48
Off-Duty Police	493,643.39	1,295,850.86	(1,132,128.38)		657,365.87
Total	17,016,201.75	66,442,504.51	(63,695,376.11)	-	19,952,913.00

TRUST FUNDS
SCHEDULE OF CASH AND RESERVE ACTIVITY

	BALANCE <u>DEC. 31, 2013</u>	RECEIPTS	DISBURSEMENTS	ADJUSTMENTS	BALANCE <u>DEC. 31, 2014</u>
Self Insurance Trust Fund:					
Workers Comp. Insurance Claims	\$12,266.02	\$25,714.09	(\$11,359.15)		\$26,620.96
Total	12,266.02	25,714.09	(11,359.15)	-	26,620.96
Housing and Community Development:					
Accounts Receivable	(329,266.79)	414,644.35	(85,377.56)	\$ (925,096.33)	(925,096.33)
Due from/to Current Fund	27,397.76		(27,397.76)		
Reserve for Community Dev.	364,088.62	96,137.06	(419,702.02)	925,096.33	965,619.99
Total	62,219.59	510,781.41	(532,477.34)	-	40,523.66
HUD Housing Voucher Program					
Reserve for HUD Housing Voucher Program	570,504.59	1,845,820.54	(1,961,098.85)		455,226.28
Total	570,504.59	1,845,820.54	(1,961,098.85)	-	455,226.28
Grand Total	\$17,786,343.90	\$68,942,687.90	(\$66,224,521.45)		\$20,694,093.20

SCHEDULE OF PROSPECTIVE ASSESSMENTS - FUNDED
TRUST ASSESSMENT FUND

CAPITAL ORDINANCE NO.	IMPROVEMENT DESCRIPTION	BALANCE DEC. 31, 2013	BALANCE DEC. 31, 2014	BALANCE PLEGGED TO	
				RESERVE	ASSESSMENT BONDS
4875	Constr. & Acquis. of Curbs and Sidewalks Various Streets	\$52,657.00	\$52,657.00	\$ 52,657.00	
4876	Constr. of Water Mains - Paterson, etc.	24,406.50	24,406.50	24,406.50	
4885	Constr. of New Roads - Murray, Hewitt Aves.	200,000.00	200,000.00	200,000.00	
5064	Road Constr. Along Estates Blvd.	350,000.00	350,000.00	350,000.00	
5066	Curb Improv. Along Various Rds.	10,005.00	10,005.00	10,005.00	
5071	Curb Improv. Along Various Rds.	10,005.00	10,005.00	10,005.00	
5087	Install. of New Water Line	20,000.00	20,000.00	20,000.00	
04-036	Roadway Improvements-Variou	1,600,000.00	1,600,000.00	441,067.69	\$1,158,932.31
		<u>\$2,267,073.50</u>	<u>\$2,267,073.50</u>	<u>\$1,108,141.19</u>	<u>\$1,158,932.31</u>

SCHEDULE OF RESERVE FOR ASSESSMENTS
LIENS AND ASSESSMENT LIEN INTEREST AND COSTS
TRUST ASSESSMENT FUND

CAPITAL ORDINANCE NO.	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DEC. 31, 2013</u>	<u>CURRENT BUDGET FOR DEFICIT</u>	<u>BALANCE DEC. 31, 2014</u>
<u>ASSESSMENTS RECEIVABLE</u>				
822	Basin Rd., Boxwood, Bucknell, Evelyn, Laura, Lehigh, Sandalwood Aves. - Water Mains	\$ 3,048.37		\$ 3,048.37
04-36	Roadway Improvements-Variou	1,268,932.31	\$ (110,000.00)	1,158,932.31
<u>PROSPECTIVE ASSESSMENTS FUNDED</u>				
4875	Curbs and Sidewalks - Var. Sts.	52,657.00		52,657.00
4876	Water Mains - Patterson, etc.	24,406.50		24,406.50
4885	New Roads - Murray, Hewitt Aves.	200,000.00		200,000.00
5064	Road Constr. Along Estates Blvd.	319,985.00		319,985.00
<u>PROSPECTIVE ASSESSMENTS FUNDED</u>				
04-036	Roadway Improvements-Variou	297,000.00	220,000.00	517,000.00
<u>ASSESSMENT LIENS</u>				
5051	Jefferson, Johnston Aves. Redfern St., Ridge Ave., Samuel, Stockton St. - Curbs	899.49		899.49
		<u>\$2,166,928.67</u>	<u>\$110,000.00</u>	<u>\$2,276,928.67</u>

ANALYSIS OF CASH AND INVESTMENTS
GENERAL CAPITAL FUND

	<u>BALANCE</u> <u>DEC. 31, 2013</u>	<u>BALANCE</u> <u>DEC. 31, 2014</u>
Fund Balance	\$2,472.97	\$2,472.97
Capital Improvement Fund	23,677.00	13,536.58
Reserve for Encumbrances	2,474,805.25	2,289,076.25
Reserve for Future Debt Service	147,219.36	451,727.90
Grants Receivable	(106,647.64)	
Due from Grant Fund	(189,581.78)	(189,581.78)

CAP.
NO.

IMPROVEMENT AUTHORIZATIONS

General Improvements

5053	Acquisition of Land	(10,703.83)	(10,703.83)
5056	Reconstruction of Various Roads	(9,579.91)	(9,579.91)
5090	Improv. to Public Facilities and Parks	(83,979.49)	(83,979.49)
5096	Reval. Tax Maps	(1,423.43)	(1,423.43)
5125	Various Public Facility Improv.	(4,019.78)	(4,019.78)
5129	Various Capital Improvements	6,413.60	6,413.60
5130	Acquisition of Real Property	(102,583.65)	(102,583.65)
5133	Improve. To Var. Public Facilities	(40,000.00)	(40,000.00)
5135	Various Capital Improvements	15,894.72	15,894.72
5137	Various Capital Improvements	455.93	455.93
02-012	Var. Capital Improvements	(15,314.31)	(15,314.31)
04-037/04-043	Various Road Improvements	42,601.61	42,601.61
05-002/051008	Braghelli Tract Purchase	(69,978.77)	(69,978.77)
05-049	Various Capital Improvements	(211,438.19)	(314,988.19)
07-009	Reconst. Of Various Roads	525.06	525.06
07-020	Var. Capital Improvements	39,725.82	33,650.82
08-004	Var. Capital Improvements	35.73	35.73
08-065	Var. Capital Improvements	126,714.06	126,714.06
09-004	Var. Capital Improvements	607,130.33	156,271.06
09-031	Var. Capital Improvements	1,786,861.99	1,833,002.33
10-032	Various Road Improvements	3,334,542.89	2,765,876.75
11-016	Animal Shelter	(8,997.86)	(474,999.86)
11-017	Var. Capital Improvements	2,430,309.53	2,469,299.89
12-031	Var. Capital Improvements	(4,115,142.48)	3,744,752.69
12-032	Open Space Acquisition	299,196.16	299,196.16
13-046	Various Capital Improvements	(1,252,949.05)	2,478,698.93
14-031	Various Capital Improvements		6,785,292.20

Local Improvements

5028	Curb Improv. Along George Dye Road and Youngs Road	(95.00)	(95.00)
04-036	Special Assessments	183,113.56	183,113.56
		<u>\$5,299,260.40</u>	<u>\$22,381,360.80</u>

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SCHEDULE OF DEFERRED CHARGES TO
FUTURE TAXATION - UNFUNDED
GENERAL CAPITAL FUND

ANALYSIS OF BALANCE - DEC. 31, 2014

CAP NO.	DATE	IMPROVEMENT DESCRIPTION	BALANCE	2014	BONDS	BALANCE	BOND	UNEXPENDED	
			DEC. 31, 2013			AUTHOR.			ISSUED
<u>General Improvements</u>									
5053	4/15/1986	Acquis. of Land and Improv. of Various Parks	\$ 10,703.83			\$ 10,703.83		\$ 10,703.83	
5056	4/21/1987	Reconstruction of Various Roads	9,579.91			9,579.91		9,579.91	
5090	11/6/1991	Improv. to Public Facilities and Parks	83,979.49			83,979.49		83,979.49	
5096	2/2/1995	Reval. of Real Property, Develop. of New Tax Maps & Acquis. of Related Equipment	1,423.43			1,423.43		1,423.43	
5125	12/2/1997	Var. Public Facilities Improvements	4,019.78			4,019.78		4,019.78	
5130	10/8/1999	Acquisition of Real Property	102,583.65			102,583.65		102,583.65	
5133	11/26/1999	Improv. to Var. Public Facilities	40,000.00			40,000.00		40,000.00	
5135	6/8/2000	Various Capital Improvements	1,389.00			1,389.00		\$ 1,389.00	
02-012	4/10/2002	Var. Capital Improvements	15,314.31			15,314.31		15,314.31	
04-037	10/13/2004	Var. Improvements (3,423,000)	63.00			63.00		63.00	
05-002	3/8/2005	Braghelli Tract Purchase(7,150,740)	121,036.00			121,036.00		69,978.77	
05-049	1/25/2006	Various Capital Improvements	317,257.00			317,257.00		2,268.81	
09-031	12/1/2009	Var. Capital Improvements	8,046,870.00	\$ 8,046,000.00		870.00		870.00	
10-032	11/08/2010	Var. Road Improvements	7,600,000.00			7,600,000.00	\$ 7,578,704.00	21,296.00	
11-016	04/19/2011	Animal shelter	475,000.00			475,000.00		0.14	
11-017	04/19/2011	Var. Capital Improvements	7,144,975.00			7,144,975.00	7,124,954.00	20,021.00	
12-031	08/21/2012	Var. Capital Improvements	8,075,000.00			8,075,000.00	8,075,000.00		
12-032	08/21/2012	Open Space Acquisitions	5,700,000.00			5,700,000.00		5,700,000.00	
13-046	11/19/2013	Var. Capital Improvements	7,125,000.00			7,125,000.00			
14-031	05/20/014	Var. Capital Improvements		\$ 7,695,000.00		7,695,000.00	7,695,000.00		
<u>Local Improvements</u>									
5028	3/15/1983	Curb Improv. Along George Dye Rd. and Youngs Road	95.00			95.00		95.00	
			<u>\$ 44,874,289.40</u>	<u>\$ 7,695,000.00</u>	<u>\$ 8,046,000.00</u>	<u>\$ 44,523,289.40</u>	<u>\$ 37,598,658.00</u>	<u>\$ 1,127,666.22</u>	<u>\$ 5,796,965.18</u>
Unexpended Balances of Unfunded Improvement Authorizations								\$ 24,040,015.64	
Less: Unexpended Proceeds of Bond Anticipation Notes								18,243,050.46	
								<u>\$ 5,796,965.18</u>	

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
GENERAL CAPITAL FUND

CAP NO.	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE DEC. 31, 2013		ENCUMBERED 12/31/13	2014 AUTHORIZATIONS		PAID OR CHARGED	ENCUMBERED 12/31/2014	BALANCE - DEC. 31, 2014	
		DATE	AMOUNT	FUNDED	UNFUNDED		UNFUNDED	CFE			FUNDED	UNFUNDED
<u>General Improvements:</u>												
5129	Various Capital Improvements	7/30/1999	\$ 2,400,000.00	\$ 6,413.60							\$ 6,413.60	
5135	Various Capital Improvements	6/8/2000	5,806,632.00	15,894.72	\$ 1,389.00						15,894.72	\$ 1,389.00
5137	Various Capital Improvements	12/20/2000	1,708,000.00	455.93							455.93	
02-012	Var. Capital Improvements	4/10/2002	4,588,002.00			\$ 218.00				\$ 218.00		
04-037	Var. Rd. Improvements (3,423,000)	10/13/2004	3,423,000.00	42,601.61	63.00	452.95				452.95	42,601.61	63.00
05-002	Braghelli Tract Purchase (7,150,740)	3/8/2005	7,150,740.00		51,057.23							51,057.23
05-049	Various Capital Improvements	12/6/2005	3,986,587.00		105,818.81	13,182.50			\$ 111,047.50	5,685.00		2,268.81
07-009	Reconst. Of Various Roads	5/15/2007	414,698.88	525.06		498.23			477.26	20.97	525.06	
07-020	Var. Capital Improvements	6/5/2007	3,015,000.00	39,723.82		42,558.13			46,411.88	2,221.25	33,650.82	
08-004	Var. Capital Improvements	2/19/2008	1,026,000.00	35.73							35.73	
08-065	Var. Capital Acquisitions	10/21/2008	1,470,000.00	126,714.06							126,714.06	
09-004	Var. Capital Improvements	2/3/2009	8,797,589.00	607,130.33		191,970.46			399,200.84	243,628.89	156,271.06	
09-031	Var. Capital Improvements	12/2/2009	8,869,216.00		1,787,731.99	421,851.84			373,311.38	2,400.12	1,833,872.33	
10-032	Var. Cap. Improv. (DOT Grant 400,000)	11/08/2010	8,400,000.00		3,355,838.89	276,869.90			771,371.78	74,164.26		2,787,172.75
11-016	Animal shelter	04/19/2011	500,000.00		466,002.14	1,875.00			413,262.27	54,614.73		0.14
11-017	Var. Capital Improvements	04/19/2011	7,521,025.00		2,430,330.53	221,683.38			166,140.78	16,552.24		2,489,320.89
12-031	Var. Capital Improvements	08/21/2012	8,500,000.00		3,959,857.52	830,113.42			1,016,479.22	28,739.03		3,744,752.69
12-032	Open Space Acquisitions	08/21/2012	6,000,000.00	299,196.16	5,700,000.00						299,196.16	5,700,000.00
13-046	Var. Capital Improvements	11/19/2013	7,500,000.00		5,872,050.95	473,531.44			2,324,681.92	1,542,201.54		2,478,698.93
14-031	Var. Capital Improvements	05/20/014	8,100,000.00				\$ 7,695,000.00	\$ 405,000.00	996,530.53	318,177.27		6,785,292.20
<u>Local Improvements:</u>												
04-036	Special Assessment (1,600,000)	10/13/2004	1,600,000.00	183,113.56							183,113.56	
				<u>\$1,321,806.58</u>	<u>\$23,750,140.06</u>	<u>\$2,474,805.25</u>	<u>\$7,695,000.00</u>	<u>\$405,000.00</u>	<u>\$6,618,915.36</u>	<u>\$2,289,076.25</u>	<u>\$2,698,744.64</u>	<u>\$24,040,015.64</u>

SCHEDULE OF GENERAL SERIAL BONDS
GENERAL CAPITAL FUND

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING - DEC. 31, 2014		INTEREST RATE	BALANCE DEC. 31, 2013	INCREASED	DECREASED	BALANCE DEC. 31, 2014		
			DATE	AMOUNT							
General Improvement Bonds	8/1/2005	\$ 28,364,000.00	8/1/2015	\$ 1,420,000.00	4.125%	\$ 2,788,000.00		\$ 1,368,000.00	\$ 1,420,000.00		
Refunding Series 2009	9/1/2009	5,041,000.00				700,000.00		700,000.00			
General Improvement Bonds	3/1/2010	17,716,000.00	2/1/2015	1,655,000.00	3.000%	15,166,000.00		1,620,000.00	13,546,000.00		
			2/1/2016	1,695,000.00	3.000%						
			2/1/2017	1,700,000.00	3.000%						
			2/1/2018	1,700,000.00	3.125%						
			2/1/2019	1,700,000.00	3.125%						
			2/1/2020	1,700,000.00	3.125%						
			2/1/2021	1,700,000.00	3.125%						
			2/1/2022	1,696,000.00	3.250%						
Refunding Series 2013	4/30/2013	17,425,000.00	8/1/2016	1,470,000.00	3.000%	17,300,000.00			17,300,000.00		
			8/1/2017	1,510,000.00	3.000%						
			8/1/2018	1,555,000.00	4.000%						
			8/1/2019	1,615,000.00	4.000%						
			8/1/2020	1,680,000.00	4.000%						
			8/1/2021	1,745,000.00	4.000%						
			8/1/2022	1,815,000.00	4.000%						
			8/1/2023	1,890,000.00	4.000%						
			8/1/2024	1,970,000.00	4.000%						
			8/1/2025	2,050,000.00	4.000%						
Refunding Series 2013 - Pension	4/30/2013	4,630,000.00	8/1/2015	370,000.00	0.970%	\$4,600,000.00		335,000.00	4,265,000.00		
			8/1/2016	405,000.00	1.170%						
			8/1/2017	445,000.00	1.550%						
			8/1/2018	485,000.00	1.850%						
			8/1/2019	535,000.00	2.110%						
			8/1/2020	585,000.00	2.460%						
			8/1/2021	440,000.00	2.770%						
			8/1/2022	480,000.00	3.020%						
			8/1/2023	520,000.00	3.120%						
General Improvement Bonds	6/1/2014	8,046,000.00	6/1/2015	450,000.00	2.000%		\$8,046,000.00		8,046,000.00		
			6/1/2016	750,000.00	4.000%						
			6/1/2017	790,000.00	4.000%						
			6/1/2018	810,000.00	4.000%						
			6/1/2019	825,000.00	2.000%						
			6/1/2020	840,000.00	4.000%						
			6/1/2021	885,000.00	2.000%						
			6/1/2022	900,000.00	2.000%						
			6/1/2023	900,000.00	2.125%						
			6/1/2024	896,000.00	2.250%						
						\$40,554,000.00	\$8,046,000.00	\$4,023,000.00	\$44,577,000.00		

SCHEDULE OF LOAN PAYABLE
NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
GENERAL CAPITAL FUND

PROJECT DESCRIPTION	DRAWDOWN DATE	AMOUNT OF LOAN	INTEREST RATE	MATURITIES OF LOANS		BALANCE DEC. 31, 2013	DECREASED	BALANCE DEC. 31, 2014
				DATE	AMOUNT			
Infrastructure Water Loan	8/1/2006	\$ 1,435,000.00	4.00%	8/1/2015	\$ 70,000.00	\$ 1,040,000.00	\$ 70,000.00	\$ 970,000.00
			4.00%	8/1/16-8/1/17	75,000.00			
			4.25%	8/1/2018	80,000.00			
			4.25%	8/1/2019	85,000.00			
			4.50%	8/1/2020	85,000.00			
			4.375%	8/1/2021	90,000.00			
			4.375%	8/1/2022	95,000.00			
			4.375%	8/1/2023	100,000.00			
			4.375%	8/1/2024	105,000.00			
			4.375%	8/1/2025	110,000.00			
				1-Feb	1-Aug			
Infrastructure Water Loan - Principal Only	8/1/2006	\$ 4,028,778	2015	38,025.42	166,265.31	2,485,083.23	210,702.72	2,274,380.51
			2016	35,460.62	172,860.51			
			2017	32,712.62	170,112.51			
			2018	29,964.62	176,524.51			
			2019	26,850.22	182,570.10			
			2020	23,541.18	179,261.05			
			2021	20,037.48	184,917.35			
			2022	16,430.73	190,470.60			
			2023	12,623.61	195,823.47			
			2024	8,616.11	200,975.96			
			2025	4,408.24	205,928.39			
						<u>\$ 3,525,083.23</u>	<u>\$ 280,702.72</u>	<u>\$ 3,244,380.51</u>

SCHEDULE OF PROJECT LOANS PAYABLE
 NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION
 GREEN TRUST PROGRAM
 GENERAL CAPITAL FUND

<u>PROJECT DESCRIPTION</u>	<u>DRAWDOWN DATE</u>	<u>AMOUNT OF LOAN</u>	<u>INTEREST RATE</u>	<u>LOAN REPAYMENT PERIOD</u>	<u>SCHEDULED SEMI-ANNUAL PAYMENT*</u>	<u>BALANCE DEC. 31, 2013</u>	<u>DECREASED</u>	<u>BALANCE DEC. 31, 2014</u>
Issac Pearson Acquisition	6/4/2002	\$ 115,841.25	2.00%	3/6/03-3/6/2022	\$ 7,203.38	\$ 56,050.39	\$ 6,112.79	\$ 49,937.60
Veterans Park Extension	6/4/2002	461,600.00	2.00%	3/6/03-3/6/2022	28,703.76	223,348.27	24,357.99	198,990.28
Tyndale Farm Acquisition	6/4/2002	265,655.00	2.00%	3/6/03-3/6/2022	16,519.28	128,538.40	14,018.24	114,520.16
*Principal and Interest						<u>\$ 407,937.06</u>	<u>\$ 44,489.02</u>	<u>\$ 363,448.04</u>

SCHEDULE OF CAPITAL IMPROVEMENT FUND
GENERAL CAPITAL FUND

Balance December 31, 2013	\$	23,677.00
Increased By:		
Budgeted Appropriations		<u>394,859.58</u>
Decreased By:		
Appropriations To Finance Improvement Authorizations		<u>405,000.00</u>
Balance December 31, 2014	\$	<u>13,536.58</u>

SCHEDULE OF BOND ANTICIPATION NOTES
GENERAL CAPITAL FUND

<u>CAP NO.</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>BALANCE DEC. 31 2013</u>	<u>INCREASED</u>	<u>DECREASED</u>	<u>BALANCE DEC. 31 2014</u>
09-031	Various Capital Improvements	6/15/2011	6/15/2013	6/14/2014	0.75%	\$ 8,046,000.00		\$ 8,046,000.00	
10-032	Various Road Improvements	11/20/2012	6/13/2014	6/13/2015	0.75%	7,578,704.00	\$ 7,578,704.00	7,578,704.00	\$ 7,578,704.00
11-017	Various Capital Improvements	11/20/2012	6/13/2014	6/13/2015	0.75%	7,124,954.00	7,124,954.00	7,124,954.00	7,124,954.00
12-031	Various Capital Improvements	8/28/2014	8/28/2014	6/11/2015	1.00%		8,075,000.00		8,075,000.00
13-046	Various Capital Improvements	8/28/2014	8/28/2014	6/11/2015	1.00%		7,125,000.00		7,125,000.00
14-031	Various Capital Improvements	8/28/2014	8/28/2014	6/11/2015	1.00%		7,695,000.00		7,695,000.00
						<u>\$22,749,658.00</u>	<u>\$37,598,658.00</u>	<u>\$22,749,658.00</u>	<u>\$37,598,658.00</u>
							\$ 14,703,658.00		
							<u>22,895,000.00</u>		
							<u>\$ 37,598,658.00</u>		

Renewals

New Notes Issued

Above

SCHEDULE OF BONDS AND NOTES
 AUTHORIZED BUT NOT ISSUED
 GENERAL CAPITAL FUND

CAP. NO.	IMPROVEMENT DESCRIPTION	BALANCE - DEC. 31, 2013		AUTHORIZED 2014	BANS ISSUED	BALANCE - DEC. 31, 2014	
		CAPITAL FUND	TRUST FUND			CAPITAL FUND	TRUST FUND
<u>General Improvements</u>							
5056	Reconstr. of Various Roads	\$ 9,579.91				\$9,579.91	
5053	Acquis. of Land and Improv. of Var. Parks	10,703.83				10,703.83	
5090	Improv. to Public Facilities and Parks	83,979.49				83,979.49	
5096	Revaluation	1,423.43				1,423.43	
5125	Var. Public Facilities Projects	4,019.78				4,019.78	
5130	Acquisition of Real Property	102,583.65				102,583.65	
5133	Improv. To Var. Public Facilities	40,000.00				40,000.00	
5135	Various Capital Improvements	1,389.00				1,389.00	
02-012	Various Capital Improvements	15,314.31				15,314.31	
04-037	Various Road Improvements	63.00				63.00	
05-002	Braghelli Tract Purchase	121,036.00				121,036.00	
05-049	Various Capital Improvements	317,257.00				317,257.00	
09-031	Various Capital Improvements	870.00				870.00	
10-032	Various Road Improvements	21,296.00				21,296.00	
11-016	Animal shelter	475,000.00				475,000.00	
11-017	Var. Capital Improvements	20,021.00				20,021.00	
12-031	Var. Capital Improvements	8,075,000.00			\$ 8,075,000.00		
12-032	Open Space Acquisitions	5,700,000.00				5,700,000.00	
13-046	Var. Capital Improvements	7,125,000.00			7,125,000.00		
14-031	Var. Capital Improvements			\$ 7,695,000.00	7,695,000.00		
<u>Local Improvements</u>							
5028	Curb Improv. Along George Dye Rd. and Youngs Rd.		\$ 95.00				\$ 95.00
		<u>\$22,124,536.40</u>	<u>\$95.00</u>	<u>\$7,695,000.00</u>	<u>\$22,895,000.00</u>	<u>\$6,924,536.40</u>	<u>\$95.00</u>

ANALYSIS OF SEWER UTILITY ASSESSMENT TRUST
CASH AND INVESTMENTS

	BALANCE DEC. 31 <u>2013</u>	BALANCE DEC. 31 <u>2014</u>
Fund Balance	<u>\$ 467.10</u>	<u>\$ 467.10</u>
	<u>\$ 467.10</u>	<u>\$ 467.10</u>

ANALYSIS OF SEWER UTILITY CAPITAL CASH AND INVESTMENTS

	BALANCE DEC. 31 <u>2013</u>	BALANCE DEC. 31 <u>2014</u>
Fund Balance	\$706.38	\$706.38
Accounts Receivable EIT LOAN	(8,650.65)	(8,650.65)
Reserve for Encumbrances	5,238,912.32	4,696,552.46
Capital Improvement Fund	192,775.00	192,775.00
Reserve for Future Debt Service Costs	1,624,376.87	
<u>CAP</u>		
<u>NO.</u>		
	<u>IMPROVEMENT</u>	
	<u>AUTHORIZATIONS</u>	
	<u>General Improvements:</u>	
6623	Constr. of a Sanitary Sewer Main - Whitehorse-Mercerville Rd.	(44,290.00)
6641	Reconstr. of Sewer Lines - I 195 and I 295 Areas	20,197.53
6642	Constr. of a Sewer Interceptor Line	(14,000.00)
6644	Reconstr., Repairs and Repl. of Bio- Disc Bldg. and Equip. of Sewer Utility System	548.69
6645	Var. Sewer Capital Improvements	(434.00)
6646	Improv. to San. Sewer System	2,300.00
6652	Var. Sewer Capital Improvements	14,297.60
6661	Var. Capital Improvements	(0.41)
6664	Replacement of Sewer Lines	(33,272.00)
6667	Sewer Cap. Improve.	3,782.48
6670	Improvements to Sewer System	(0.26)
03-006	Wastewater Util. Cap. Prog.	88,749.39
04-038/04-044	Various Sewer Capital Improvements	304,668.94
05-050	Various Sewer Capital Improvements	745,999.98
08-069	Var. Sewer Cap. Improvements	(275.00)
10-011	Var. Sewer Cap. Improvements	4,023,489.19
10-031	Var. Sewer Cap. Improvements	(7,488,470.60)
11-015	Var. Sewer Cap. Improvements	(1,571,649.91)
12-030	Var. Sewer Cap. Improvements	(722,711.22)
13-021	Var. Sewer Cap. Improvements	(699,462.79)
14-030	Var. Sewer Cap. Improvements	6,682,337.69
	<hr/>	<hr/>
	<u>\$1,657,206.95</u>	<u>\$26,148,015.17</u>

Exhibit - D-8

SCHEDULE OF SEWER RENTS RECEIVABLE
SEWER UTILITY OPERATING FUND

Balance - December 31, 2013		\$39,098.25
Increased by:		
Sewer Rents Charged in 2014		<u>15,212,396.69</u>
		15,251,494.94
Decreased by:		
Cash Receipts	\$13,883,063.13	
Transferred to Sewer Rent Liens	18,640.60	
Overpayments Applied	3,416.63	
Prepaid Sewer Rents Applied	<u>1,318,715.95</u>	
		<u>15,223,836.31</u>
Balance - December 31, 2014		<u><u>\$27,658.63</u></u>

Exhibit - D-9

SCHEDULE OF SEWER RENT LIENS RECEIVABLE
SEWER UTILITY OPERATING FUND

Balance - December 31, 2013		\$99,011.69
Increased by:		
Transf. from Sewer Rents Receivable		<u>18,640.60</u>
		117,652.29
Decreased by:		
Cancelled	\$999.53	
Collection	<u>27,240.85</u>	<u>28,240.38</u>
Balance - December 31, 2014		<u><u>\$89,411.91</u></u>

SCHEDULE OF FIXED CAPITAL
SEWER UTILITY CAPITAL FUND

	<u>BALANCE</u> <u>DEC. 31, 2013</u>	<u>ADDITIONS</u> <u>BY CAPITAL</u> <u>OUTLAY</u>	<u>BALANCE.</u> <u>DEC. 31, 2014</u>
Fixed Capital - Prior Yrs.	\$3,648,252.47	\$226,061.89	\$3,874,314.36
Land and Land Rights	392,052.51		392,052.51
Structures and Buildings	263,047.09		263,047.09
Collecting System	42,736,887.51		42,736,887.51
Pumping Station	5,551,204.10		5,551,204.10
Treatment and Disposal System	45,452,903.99		45,452,903.99
Interest During Construction	3,225,659.66		3,225,659.66
Engineering Costs	19,217,501.99		19,217,501.99
Miscellaneous Equipment	3,954,072.63		3,954,072.63
Miscellaneous Expenses	5,077,011.25		5,077,011.25
Water Use Reduction Equipment	119,480.97		119,480.97
	<u>\$129,638,074.17</u>	<u>\$226,061.89</u>	<u>\$129,864,136.06</u>

SCHEDULE OF FIXED CAPITAL
 AUTHORIZED AND UNCOMPLETED
SEWER UTILITY CAPITAL FUND

CAP NO.	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE	2014	BALANCE
		DATE	AMOUNT	DEC. 31, 2013	AUTHORIZED	DEC. 31, 2014
6646	Improvements to Sanitary Sewer System	4/21/87	\$3,761,000.00	\$2,300.00		\$2,300.00
6652	Various Sewer Capital Improvements	4/16/91	4,090,000.00	14,297.60		14,297.60
03-006	Wastewater Utility Cap. Improv.	4/2/2003	2,300,000.00	90,273.58		90,273.58
04-038/04-044	Klockner Pump Station	10/13/2004	1,350,000.00	110,235.80		110,235.80
04-038/04-044	Pond Run Pump Station	10/13/2004	844,950.00	8,943.10		8,943.10
04-038/04-044	Runyon Court Sewer	10/13/2004	17,500.00	400.00		400.00
04-038/04-044	Overlook Avenue Sewer Line	10/13/2004	83,500.00	0.80		0.80
05-50	Equipment Control	5/18/2005	3,554,500.00	3,554,500.00		3,554,500.00
05-50	Sewer & Road Improvements	5/18/2005	350,000.00	69,173.21		69,173.21
05-50	Utility Trucks	5/18/2005	83,000.00	0.36		0.36
08-069	Various Sewer Utility Improvements	12/24/2008	5,399,500.00	537,966.25		537,966.25
10-011	Treatment Plant Improvements	5/13/2010	2,502,000.00	2,502,000.00		2,502,000.00
10-011	Pump Station Repairs	5/13/2010	1,120,000.00	1,120,000.00		1,120,000.00
10-011	Collection System Rehabilitation	5/13/2010	3,718,500.00	3,718,500.00		3,718,500.00
10-011	Vehicles and Equipment	5/13/2010	448,500.00	448,500.00		448,500.00
10-011	Collection System Rehabilitation	5/13/2010	5,200,000.00	5,200,000.00		5,200,000.00
10-031	Various Sewer Capital Improvements	11/8/2010	8,400,000.00	8,400,000.00		8,400,000.00
11-015	Various Sewer Capital Improvements	4/19/2011	5,880,000.00	5,880,000.00		5,880,000.00
12-030	Various Sewer Capital Improvements	8/21/2012	5,000,000.00	5,000,000.00		5,000,000.00
13-021	Various Sewer Capital Improvements	7/10/2013	7,400,000.00	7,400,000.00		7,400,000.00
14-030	Various Sewer Capital Improvements	6/10/2014	6,900,000.00		\$ 6,900,000.00	6,900,000.00
				<u>\$44,057,090.70</u>	<u>\$ 6,900,000.00</u>	<u>\$50,957,090.70</u>

SCHEDULE OF RESERVE FOR CAPITAL IMPROVEMENT FUND
SEWER UTILITY CAPITAL FUND

Balance - December 31, 2013 and 2014

\$ 192,775.00

SCHEDULE OF 2013 APPROPRIATION RESERVES
SEWER UTILITY OPERATING FUND

	BALANCE DEC. 31 <u>2013</u>	RESERVE FOR ENCUMBRANCES <u>DEC. 31, 2013</u>	AMOUNT AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operating:					
Salaries and Wages	\$ 164,843.20		\$ 164,843.20	\$ 113,495.66	\$ 51,347.54
Other Expenses	192,857.48	\$ 357,331.57	550,189.05	347,510.90	202,678.15
Other Insurance					
Capital Improvements:					
Capital Outlay	32,668.09	130,745.45	163,413.54	88,725.32	74,688.22
Statutory Expenditures:					
Contribution to:					
Public Employees Ret. Sys.	123.63		123.63		123.63
Social Security Sys. (O.A.S.I.)	28,630.74		28,630.74	8,732.65	19,898.09
	<u>\$419,123.14</u>	<u>\$488,077.02</u>	<u>\$907,200.16</u>	<u>\$558,464.53</u>	<u>\$348,735.63</u>

SCHEDULE OF SEWER RENTS OVERPAYMENTS
SEWER UTILITY OPERATING FUND

Balance - December 31, 2013		\$10,428.84
Increased by:		
Cash Receipts		<u>3,449.19</u>
		13,878.03
Decreased by:		
Overpayments Applied	\$ 3,416.63	
Refunded	<u>8,917.22</u>	<u>12,333.85</u>
Balance - December 31, 2014		<u><u>\$1,544.18</u></u>

SCHEDULE OF PREPAID SEWER RENTS
SEWER UTILITY OPERATING FUND

Balance - December 31, 2013	\$1,318,715.95
Increased by:	
Cash Receipts	<u>1,397,633.67</u>
	2,716,349.62
Decreased by:	
Applied to Sewer Rents Receivable	<u>1,318,715.95</u>
Balance - December 31, 2014	<u><u>\$1,397,633.67</u></u>

SCHEDULE OF ACCRUED INTEREST ON
BONDS AND NOTES AND ANALYSIS OF BALANCE
SEWER UTILITY OPERATING FUND

Balance - December 31, 2013	\$526,329.53
Increased by:	
Charged to 2014 Budget Approp.	1,182,482.68
	1,708,812.21
Decreased by:	
Cash Disbursed	1,128,826.00
Balance - December 31, 2014	\$579,986.21

Analysis of Balance - Dec. 31, 2014:

NJ EIT Principal Outstanding <u>Dec. 31, 2014</u>	Interest Rate	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
\$389,958.59	0.62%	08/01/14	12/31/2014	5 mos.	\$1,007.38

Bond Anticipation Notes

\$ 30,380,000.00	1.00%	08/21/14	12/31/2014	129 days	108,861.67
<u>3,200,000.00</u>	1.00%	08/21/14	12/31/2014	129 days	11,466.67
<u>\$ 33,580,000.00</u>					

Serial Bonds

\$ 1,348,000.00	4.00%	08/01/14	12/31/2014	5 mos.	22,466.67
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SCHEDULE OF ACCRUED INTEREST ON
BONDS AND NOTES AND ANALYSIS OF BALANCE
SEWER UTILITY OPERATING FUND

Analysis of Balance - Dec. 31, 2014:

	Principal Outstanding Dec. 31, 2014	Interest Rate	From	To	Period	Amount
<u>Serial Bonds</u>						
\$	255,000.00	4.00%	08/01/14	12/31/2014	5 mos.	\$ 4,250.00
	265,000.00	4.00%	08/01/14	12/31/2014	5 mos.	4,416.67
	276,000.00	4.00%	08/01/14	12/31/2014	5 mos.	4,600.00
	287,000.00	4.00%	08/01/14	12/31/2014	5 mos.	4,783.33
	298,000.00	4.25%	08/01/14	12/31/2014	5 mos.	5,277.08
	311,000.00	4.25%	08/01/14	12/31/2014	5 mos.	5,507.29
	324,000.00	4.25%	08/01/14	12/31/2014	5 mos.	5,737.50
	336,000.00	4.25%	08/01/14	12/31/2014	5 mos.	5,950.00
	351,000.00	4.25%	08/01/14	12/31/2014	5 mos.	6,215.63
	365,000.00	4.25%	08/01/14	12/31/2014	5 mos.	6,463.54
	381,000.00	4.25%	08/01/14	12/31/2014	5 mos.	6,746.88
	155,000.00	3.000%	08/01/14	12/31/2014	5 mos.	1,937.50
	155,000.00	3.000%	08/01/14	12/31/2014	5 mos.	1,937.50
	160,000.00	3.000%	08/01/14	12/31/2014	5 mos.	2,000.00
	160,000.00	3.125%	08/01/14	12/31/2014	5 mos.	2,083.33
	165,000.00	3.125%	08/01/14	12/31/2014	5 mos.	2,148.44
	175,000.00	3.125%	08/01/14	12/31/2014	5 mos.	2,278.65
	180,000.00	3.125%	08/01/14	12/31/2014	5 mos.	2,343.75
	185,000.00	3.250%	08/01/14	12/31/2014	5 mos.	2,505.21
	195,000.00	3.375%	08/01/14	12/31/2014	5 mos.	2,742.19
	200,000.00	3.500%	08/01/14	12/31/2014	5 mos.	2,916.67
	210,000.00	3.625%	08/01/14	12/31/2014	5 mos.	3,171.88
	220,000.00	3.750%	08/01/14	12/31/2014	5 mos.	3,437.50
	225,000.00	3.875%	08/01/14	12/31/2014	5 mos.	3,632.81
	235,000.00	4.000%	08/01/14	12/31/2014	5 mos.	3,916.67
	250,000.00	4.000%	08/01/14	12/31/2014	5 mos.	4,166.67
	260,000.00	4.125%	08/01/14	12/31/2014	5 mos.	4,468.75
	270,000.00	4.125%	08/01/14	12/31/2014	5 mos.	4,640.63

SCHEDULE OF ACCRUED INTEREST ON
BONDS AND NOTES AND ANALYSIS OF BALANCE
SEWER UTILITY OPERATING FUND

Analysis of Balance - Dec. 31, 2014:

Principal Outstanding Dec. 31, 2014	Interest Rate	From	To	Period	Amount
\$ 285,000.00	4.300%	08/01/14	12/31/2014	5 mos.	\$ 5,106.25
290,000.00	4.300%	08/01/14	12/31/2014	5 mos.	5,195.83
290,000.00	4.300%	08/01/14	12/31/2014	5 mos.	5,195.83
287,000.00	4.300%	08/01/14	12/31/2014	5 mos.	5,142.08
1,400,000.00	3.000%	08/01/14	12/31/2014	5 mos.	17,500.00
1,435,000.00	3.000%	08/01/14	12/31/2014	5 mos.	17,937.50
1,475,000.00	4.000%	08/01/14	12/31/2014	5 mos.	24,583.33
1,535,000.00	4.000%	08/01/14	12/31/2014	5 mos.	25,583.33
1,595,000.00	4.000%	08/01/14	12/31/2014	5 mos.	26,583.33
1,655,000.00	4.000%	08/01/14	12/31/2014	5 mos.	27,583.33
1,720,000.00	4.000%	08/01/14	12/31/2014	5 mos.	28,666.67
1,790,000.00	4.000%	08/01/14	12/31/2014	5 mos.	29,833.33
1,855,000.00	4.000%	08/01/14	12/31/2014	5 mos.	30,916.67
1,935,000.00	4.000%	08/01/14	12/31/2014	5 mos.	32,250.00
325,000.00	2.000%	12/01/14	12/31/2014	1 mo.	541.67
475,000.00	4.000%	12/01/14	12/31/2014	1 mo.	1,583.33
475,000.00	4.000%	12/01/14	12/31/2014	1 mo.	1,583.33
500,000.00	4.000%	12/01/14	12/31/2014	1 mo.	1,666.67
500,000.00	2.000%	12/01/14	12/31/2014	1 mo.	833.33
500,000.00	4.000%	12/01/14	12/31/2014	1 mo.	1,666.67
525,000.00	2.000%	12/01/14	12/31/2014	1 mo.	875.00
550,000.00	2.000%	12/01/14	12/31/2014	1 mo.	916.67
565,000.00	2.125%	12/01/14	12/31/2014	1 mo.	1,000.52
575,000.00	2.250%	12/01/14	12/31/2014	1 mo.	1,078.13
600,000.00	2.500%	12/01/14	12/31/2014	1 mo.	1,250.00
650,000.00	3.000%	12/01/14	12/31/2014	1 mo.	1,625.00
650,000.00	3.000%	12/01/14	12/31/2014	1 mo.	1,625.00
650,000.00	3.000%	12/01/14	12/31/2014	1 mo.	1,625.00
650,000.00	3.000%	12/01/14	12/31/2014	1 mo.	1,625.00
650,000.00	3.125%	12/01/14	12/31/2014	1 mo.	1,692.71
650,000.00	3.250%	12/01/14	12/31/2014	1 mo.	1,760.42
650,000.00	3.250%	12/01/14	12/31/2014	1 mo.	1,760.42

SCHEDULE OF ACCRUED INTEREST ON
BONDS AND NOTES AND ANALYSIS OF BALANCE
SEWER UTILITY OPERATING FUND

Analysis of Balance - Dec. 31, 2014:

Principal Outstanding Dec. 31, 2014	Interest Rate	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
<u>Serial Bonds</u>					
\$ 650,000.00	3.250%	12/01/14	12/31/2014	1 mo.	\$ 1,760.42
650,000.00	3.250%	12/01/14	12/31/2014	1 mo.	1,760.42
650,000.00	3.500%	12/01/14	12/31/2014	1 mo.	1,895.83
650,000.00	3.500%	12/01/14	12/31/2014	1 mo.	1,895.83
650,000.00	3.500%	12/01/14	12/31/2014	1 mo.	1,895.83
650,000.00	3.500%	12/01/14	12/31/2014	1 mo.	1,895.83
647,000.00	3.500%	12/01/14	12/31/2014	1 mo.	1,887.08
100,000.00	2.000%	12/01/14	12/31/2014	1 mo.	166.67
125,000.00	2.000%	12/01/14	12/31/2014	1 mo.	208.33
125,000.00	2.000%	12/01/14	12/31/2014	1 mo.	208.33
125,000.00	2.000%	12/01/14	12/31/2014	1 mo.	208.33
150,000.00	3.000%	12/01/14	12/31/2014	1 mo.	375.00
150,000.00	3.000%	12/01/14	12/31/2014	1 mo.	375.00
175,000.00	3.000%	12/01/14	12/31/2014	1 mo.	437.50
175,000.00	3.250%	12/01/14	12/31/2014	1 mo.	473.96
175,000.00	3.500%	12/01/14	12/31/2014	1 mo.	510.42
200,000.00	3.500%	12/01/14	12/31/2014	1 mo.	583.33
200,000.00	3.500%	12/01/14	12/31/2014	1 mo.	583.33
200,000.00	4.000%	12/01/14	12/31/2014	1 mo.	666.67
200,000.00	4.000%	12/01/14	12/31/2014	1 mo.	666.67
200,000.00	4.000%	12/01/14	12/31/2014	1 mo.	666.67
<hr/>					<hr/>
<u>\$42,731,000.00</u>					<u>\$579,986.21</u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
SEWER UTILITY CAPITAL FUND

CAP. NO.	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE - DEC. 31, 2013		ENCUMBRANCES 12/31/13	2014 AUTHORIZED	PAID OR CHARGED	ENCUMBRANCES 12/31/14	BALANCE - DEC. 31, 2014	
		DATE	AMOUNT	FUNDED	UNFUNDED					FUNDED	UNFUNDED
<u>General Improvement:</u>											
6646	Improv. to San. Sewer System	4/21/1987	\$ 3,761,000.00	\$ 2,300.00						\$ 2,300.00	
6652	Various Capital Improvements	4/16/1991	4,090,000.00	14,297.60							14,297.60
6667	Various Capital Improvements	11/26/1999	2,637,000.00	3,782.48							3,782.48
03-006	Wastewater Util. Cap. Prog.	4/2/2003	2,300,000.00	88,750.83		\$ 1,522.75		\$ 1,522.75			88,750.83
04-038/04-044	Klockner Pump Station	10/13/2004	1,350,000.00	110,235.80							110,235.80
04-038/04-044	Pond Run Pump Station	10/13/2004	844,950.00	8,943.10							8,943.10
04-038/04-044	Pump Station Alarm Radio	10/13/2004	265,000.00	185,089.24		5,700.00			5,700.00		185,089.24
04-038/04-044	Dewatering Facility Air Quality	10/13/2004	58,000.00	58,000.00					58,000.00		
04-038/04-044	RBC Main Effluent	10/13/2004	40,000.00			10,630.00			10,630.00		
04-038/04-044	Runyon Court Sewer	10/13/2004	17,500.00	400.00							400.00
04-038/04-044	Support Sanitary Sewer	10/13/2004	300,000.00	0.80							0.80
05-050	Equipment Control	1/25/2006	3,554,500.00	689,326.61		18,023.42		\$ 415,721.65	191,642.41		99,985.97
05-050	Sewer & Road Improvements	1/25/2006	350,000.00	56,673.21		12,500.00			12,500.00		56,673.21
05-050	Utility Trucks	1/25/2006	83,000.00	0.36							0.36
08-069	Various Capital Improvements	12/24/2008	5,399,500.00			537,966.25		288,835.00	241,534.09		7,322.16
10-011	Various Capital Improvements	3/1/2010	12,989,000.00	\$ 4,023,853.19		511,555.75		2,240,920.57	1,265,918.94		\$ 1,028,569.43
10-031	Various Capital Improvements	11/8/2010	8,400,000.00	911,529.40		3,113,106.46		1,077,677.01	291,601.51		2,655,357.34
11-015	Various Capital Improvements	4/19/2011	5,880,000.00	4,308,350.09		420,819.23		1,352,916.05	872,996.07		2,503,257.20
12-030	Various Capital Improvements	8/21/2012	5,000,000.00	4,277,288.78		263,805.76		1,271,029.26	1,110,859.53		2,159,205.75
13-021	Various Capital Improvements	7/10/2013	7,400,000.00	6,700,537.21		285,282.70		695,758.06	537,942.16		5,752,119.69
14-030	Various Capital Improvements	6/10/2014	6,900,000.00				\$ 6,900,000.00	121,957.31	95,705.00		6,682,337.69
				<u>\$1,159,800.05</u>	<u>\$20,221,558.67</u>	<u>\$5,238,912.32</u>	<u>\$6,900,000.00</u>	<u>\$7,464,814.91</u>	<u>\$4,696,552.46</u>	<u>\$1,606,350.98</u>	<u>\$19,752,552.67</u>

SCHEDULE OF RESERVE FOR AMORTIZATION
SEWER UTILITY CAPITAL FUND

Balance -December 31, 2013		\$99,571,512.69
Increased by:		
Serial Bonds Paid by Operating Budget	\$1,898,000.00	
EIT Loans Paid By Operating Budget	24,587.21	
Capital Outlay Expenditures	<u>226,061.89</u>	
		<u>2,148,649.10</u>
Balance -December 31, 2014		<u><u>\$101,720,161.79</u></u>

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
SEWER UTILITY CAPITAL FUND

CAP. NO.	<u>IMPROVEMENT DESCRIPTION</u>	BALANCE DEC. 31, 2013	BALANCE DEC. 31, 2014
6646	Improv. to the San. Sewer Sys.	\$77,822.68	\$77,822.68
6647	Sewer Improv. (Amended 7/19/88)	845.00	845.00
6649	Various Capital Improvements	110,047.94	110,047.94
6651	Various Capital Improvements	68,358.43	68,358.43
6652	Various Capital Improvements	185,235.66	185,235.66
6655	Various Capital Improvements	90,000.00	90,000.00
6656	Various Capital Improvements	60,000.00	60,000.00
6658	Various Capital Improvements	8,500.00	8,500.00
6660	Various Capital Improvements	203,400.00	203,400.00
6661	Various Capital Improvements	37,500.00	37,500.00
6662	Various Capital Improvements	250,000.00	250,000.00
6663	Sewer Utility Equipment	7,000.00	7,000.00
6665	Various Capital Improvements	160,000.00	160,000.00
6666	Various Capital Improvements	171,000.00	171,000.00
6667	Various Capital Improvements	137,000.00	137,000.00
6668	Various Capital Improvements	75,000.00	75,000.00
6669	Improv. to the San. Sewer Sys.	100,000.00	100,000.00
6671	Various Capital Improvements	137,000.00	137,000.00
02-011	Various Capital Improvements	56,900.00	56,900.00
03-006	Wastewater Project	115,000.00	115,000.00
08-069	Various Capital Improvements	257,225.00	257,225.00
		<u>\$2,307,834.71</u>	<u>\$2,307,834.71</u>

SCHEDULE OF SEWER SERIAL BONDS
SEWER UTILITY CAPITAL FUND

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING -DEC. 31, 2014		INTEREST RATE	BALANCE DEC. 31, 2013	INCREASED	DECREASED	BALANCE DEC. 31, 2014
			DATE	AMOUNT					
Sewer Utility Bonds	8/1/2005	\$ 22,815,000.00	8/1/2015	\$ 1,348,000.00	4.00%	\$ 2,650,000.00		\$ 1,302,000.00	\$ 1,348,000.00
Sewer Utility Refunding Bonds	8/1/2005	4,320,000.00	8/1/2015	255,000.00	4.00%	3,695,000.00		246,000.00	3,449,000.00
			8/1/2016	265,000.00	4.00%				
			8/1/2017	276,000.00	4.00%				
			8/1/2018	287,000.00	4.00%				
			8/1/2019	298,000.00	4.25%				
			8/1/2020	311,000.00	4.25%				
			8/1/2021	324,000.00	4.25%				
			8/1/2022	336,000.00	4.25%				
			8/1/2023	351,000.00	4.25%				
			8/1/2024	365,000.00	4.25%				
			8/1/2025	381,000.00	4.25%				
Sewer Utility Refunding Bonds	9/1/2009	2,175,000.00				200,000.00		200,000.00	
Sewer Utility Bonds	3/1/2010	5,142,000.00	3/1/2015	155,000.00	3.000%	4,702,000.00		150,000.00	4,552,000.00
			3/1/2016	155,000.00	3.000%				
			3/1/2017	160,000.00	3.000%				
			3/1/2018	160,000.00	3.125%				
			3/1/2019	165,000.00	3.125%				
			3/1/2020	175,000.00	3.125%				
			3/1/2021	180,000.00	3.125%				
			3/1/2022	185,000.00	3.250%				
			3/1/2023	195,000.00	3.375%				
			3/1/2024	200,000.00	3.500%				
			3/1/2025	210,000.00	3.625%				
			3/1/2026	220,000.00	3.750%				
			3/1/2027	225,000.00	3.875%				
			3/1/2028	235,000.00	4.000%				
			3/1/2029	250,000.00	4.000%				
			3/1/2030	260,000.00	4.125%				
			3/1/2031	270,000.00	4.125%				
			3/1/2032	285,000.00	4.300%				
			3/1/2033	290,000.00	4.300%				
			3/1/2034	290,000.00	4.300%				
			3/1/2035	287,000.00	4.300%				

SCHEDULE OF SEWER SERIAL BONDS
SEWER UTILITY CAPITAL FUND

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS			BALANCE DEC. 31, 2013	INCREASED	DECREASED	BALANCE DEC. 31, 2014
			OUTSTANDING -DEC. 31, 2014	DATE	AMOUNT				
Sewer Utility Refunding Bonds	4/30/2013	\$ 16,505,000.00	8/1/2016	\$ 1,400,000.00	3.000%	\$ 16,395,000.00			\$ 16,395,000.00
			8/1/2017	1,435,000.00	3.000%				
			8/1/2018	1,475,000.00	4.000%				
			8/1/2019	1,535,000.00	4.000%				
			8/1/2020	1,595,000.00	4.000%				
			8/1/2021	1,655,000.00	4.000%				
			8/1/2022	1,720,000.00	4.000%				
			8/1/2023	1,790,000.00	4.000%				
			8/1/2024	1,855,000.00	4.000%				
			8/1/2025	1,935,000.00	4.000%				
Sewer Utility Tax Exempt	6/1/2014	14,687,000.00	6/1/2015	325,000.00	2.000%	\$ 14,687,000.00			14,687,000.00
			6/1/2016	475,000.00	4.000%				
			6/1/2017	475,000.00	4.000%				
			6/1/2018	500,000.00	4.000%				
			6/1/2019	500,000.00	2.000%				
			6/1/2020	500,000.00	4.000%				
			6/1/2021	525,000.00	2.000%				
			6/1/2022	550,000.00	2.000%				
			6/1/2023	565,000.00	2.125%				
			6/1/2024	575,000.00	2.250%				
			6/1/2025	600,000.00	2.500%				
			6/1/2026	650,000.00	3.000%				
			6/1/2027	650,000.00	3.000%				
			6/1/2028	650,000.00	3.000%				
			6/1/2029	650,000.00	3.000%				
			6/1/2030	650,000.00	3.125%				
			6/1/2031	650,000.00	3.250%				
			6/1/2032	650,000.00	3.250%				
			6/1/2033	650,000.00	3.250%				
			6/1/2034	650,000.00	3.250%				
6/1/2035	650,000.00	3.500%							
6/1/2036	650,000.00	3.500%							
6/1/2037	650,000.00	3.500%							
6/1/2038	650,000.00	3.500%							
6/1/2039	647,000.00	3.500%							
Sewer Utility Taxable	6/1/2014	2,300,000.00	6/1/2015	100,000.00	2.000%		2,300,000.00		2,300,000.00
			6/1/2016	125,000.00	2.000%				
			6/1/2017	125,000.00	2.000%				
			6/1/2018	125,000.00	2.000%				
			6/1/2019	150,000.00	3.000%				
			6/1/2020	150,000.00	3.000%				
			6/1/2021	175,000.00	3.000%				
			6/1/2022	175,000.00	3.250%				
			6/1/2023	175,000.00	3.500%				
			6/1/2024	200,000.00	3.500%				
			6/1/2025	200,000.00	3.500%				
			6/1/2026	200,000.00	4.000%				
			6/1/2027	200,000.00	4.000%				
6/1/2028	200,000.00	4.000%							
						\$27,642,000.00	\$16,987,000.00	\$1,898,000.00	\$42,731,000.00

SCHEDULE OF LOAN PAYABLE
 NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
 SEWER UTILITY CAPITAL FUND

PROJECT DESCRIPTION	DRAWDOWN DATE	AMOUNT OF LOAN	INTEREST RATE	MATURITIES OF LOANS		BALANCE DEC. 31, 2013	DECREASED	BALANCE DEC. 31, 2014
				DATE	AMOUNT			
Infrastructure Water Loan	8/1/2010	\$ 126,650.65	1.94%	8/1/2015	\$ 5,655.68	\$ 110,260.07	\$ 5,569.36	\$ 104,690.71
			2.28%	8/1/2016	5,765.40			
			2.57%	8/1/2017	5,896.86			
			2.75%	8/1/2018	6,048.41			
			2.95%	8/1/2019	6,214.74			
			3.14%	8/1/2020	6,398.07			
			3.27%	8/1/2021	6,598.97			
			3.46%	8/1/2022	6,814.76			
			3.60%	8/1/2023	7,050.55			
			3.70%	8/1/2024	7,304.37			
			3.80%	8/1/2025	7,574.63			
			3.90%	8/1/2026	7,862.47			
			3.99%	8/1/2027	8,169.10			
			4.08%	8/1/2028	8,495.05			
			4.16%	8/1/2029	8,841.65			
			YEAR	SEMI-ANNUAL PRINCIPAL				
				1-Feb	1-Aug			
Infrastructure Water Loan - Principal Only	8/1/2010	\$ 4,028,778	2015	6,339.28	12,678.57	304,285.73	19,017.85	285,267.88
			2016	6,339.28	12,678.57			
			2017	6,339.28	12,678.57			
			2018	6,339.28	12,678.57			
			2019	6,339.28	12,678.57			
			2020	6,339.28	12,678.57			
			2021	6,339.28	12,678.57			
			2022	6,339.28	12,678.57			
			2023	6,339.28	12,678.57			
			2024	6,339.28	12,678.57			
			2025	6,339.28	12,678.57			
			2026	6,339.28	12,678.57			
			2027	6,339.28	12,678.57			
			2028	6,339.28	12,678.57			
			2029	6,339.28	12,678.57			
						\$ 414,545.80	\$ 24,587.21	\$ 389,958.59

SCHEDULE OF BOND ANTICIPATION NOTES
SEWER UTILITY CAPITAL FUND

CAP NO.	IMPROVEMENT DESCRIPTION	DATE OF	DATE	DATE	INTEREST RATE	BALANCE			BALANCE
		ORIGINAL ISSUE	OF ISSUE	OF MATURITY		DEC. 31 2013	INCREASED	DECREASED	DEC. 31 2014
05-050	Various Capital Improvements	6/15/2011	6/14/2013	6/12/2014	1.50%	\$2,300,000.00			\$2,300,000.00
05-050	Various Capital Improvements	6/15/2011	6/14/2013	6/12/2014	0.75%	1,698,000.00			1,698,000.00
10-011	Various Capital Improvements	6/15/2011	6/14/2013	6/12/2014	0.75%	12,989,000.00			12,989,000.00
10-031	Various Capital Improvements	8/28/2014	8/28/2014	6/11/2015	1.00%		\$5,200,000.00		\$5,200,000.00
10-031	Various Capital Improvements	8/28/2014	8/28/2014	6/11/2015	1.00%		3,200,000.00		3,200,000.00
11-015	Various Capital Improvements	8/28/2014	8/28/2014	6/11/2015	1.00%		5,880,000.00		5,880,000.00
12-030	Various Capital Improvements	8/28/2014	8/28/2014	6/11/2015	1.00%		5,000,000.00		5,000,000.00
13-021	Various Capital Improvements	8/28/2014	8/28/2014	6/11/2015	1.00%		7,400,000.00		7,400,000.00
14-030	Various Capital Improvements	8/28/2014	8/28/2014	6/11/2015	1.00%		6,900,000.00		6,900,000.00
						<u>\$16,987,000.00</u>	<u>\$33,580,000.00</u>	<u>\$16,987,000.00</u>	<u>\$33,580,000.00</u>

SCHEDULE OF BONDS AND NOTES
 AUTHORIZED BUT NOT ISSUED
SEWER UTILITY CAPITAL FUND

CAP. NO.	ORD. DATE	IMPROVEMENT DESCRIPTION	BALANCE DEC. 31, 2013 CAPITAL FUND	AUTHORIZED 2014	BANS ISSUED	BALANCE DEC. 31, 2014 CAPITAL FUND
6623	6/6/73	Constr. of San. Sewer Main - Whitehorse Mercerville Rd.	\$44,290.00			\$44,290.00
6642	3/22/84	Constr. of a Sewer Interceptor Line	14,000.00			14,000.00
6645	4/16/86	Var. Sewer Capital Improv.	434.00			434.00
6661	5/17/1995	Various Capital Improv.	0.41			0.41
6664	5/28/1997	Replacement of Sewer Lines	33,272.00			33,272.00
6670	6/8/2000	Various Capital Improv.	0.26			0.26
08-069	12/24/2008	Various Capital Improv.	275.00			275.00
10-031	11/8/2010	Various Capital Improv.	8,400,000.00		\$8,400,000.00	
11-015	4/19/2011	Various Capital Improv.	5,880,000.00		5,880,000.00	
12-030	8/21/2012	Various Capital Improv.	5,000,000.00		5,000,000.00	
13-021	7/10/2013	Various Capital Improv.	7,400,000.00		7,400,000.00	
14-030	5/21/2014	Various Capital Improv.		\$6,900,000.00	6,900,000.00	
			<u>\$26,772,271.67</u>	<u>\$6,900,000.00</u>	<u>\$33,580,000.00</u>	<u>\$92,271.67</u>

SUPPLEMENTARY DATA

**TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY**

**STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

REVENUE AND OTHER <u>INCOME REALIZED</u>	YEAR 2014	
	AMOUNT	%
Fund Balance Utilized	\$ 2,400,000.00	0.86
Miscellaneous Revenues Anticipated	29,149,181.75	10.49
Receipts from Delinquent Taxes	430,079.28	0.15
Receipts from Current Taxes	242,947,965.74	87.48
Interfunds Returned	66,986.38	0.02
Non-Budget Revenue	991,604.36	0.36
Other Credits to Income	<u>1,783,382.53</u>	<u>0.64</u>
 Total Income	 <u>277,769,200.04</u>	 <u>100.00</u>
 <u>EXPENDITURES</u>		
Budget Appropriations:		
Operations:		
Salaries and Wages	41,945,784.71	15.24
Other Expenses	40,951,213.90	14.88
Deferred Charges and Statutory Expenditures	8,778,456.67	3.19
Capital Improvements	394,859.58	0.14
Municipal Debt Service	6,060,083.10	2.20
Special District Taxes	21,662,025.03	7.87
County Taxes	52,795,515.14	19.18
Local District School Taxes	102,495,636.00	37.23
Adjustment for Senior Citizens Prior Adjustments	182,952.22	0.07
Prior Years Senior Citizens/Veterans Deductions	<u>6,869.86</u>	<u>0.00</u>
 Total Expenditures	 <u>275,273,396.21</u>	 <u>100.00</u>
 Excess in Revenues Over Expenditures	 2,495,803.83	
 Adjustments to Income before Fund Balance:		
Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Years		
	<u>2,200,000.00</u>	
 Statutory Excess to Fund Balance	 4,695,803.83	
 Fund Balance January 1	 <u>3,787,513.07</u>	
	8,483,316.90	
Decreased by:		
Utilized as Anticipated Revenue	<u>2,400,000.00</u>	
 Fund Balance December 31	 <u>\$ 6,083,316.90</u>	

**TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY**

**STATEMENT OF OPERATIONS AND CHANGE IN
FUND BALANCE - SEWER UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

<u>REVENUE AND OTHER INCOME REALIZED</u>	YEAR 2014	
	AMOUNT	%
Fund Balance Utilized	\$ 700,000.00	3.99
Collection of Sewer Rents	15,229,019.93	86.73
Fees and Permits	902,569.38	5.14
Miscellaneous Revenues	378,134.50	2.15
Other Credits to Income:		
Unexpended Balance of 2013 Appropriation		0.00
Reserves Lapsed	348,735.63	1.99
Total Income	17,558,459.44	100.00
<u>EXPENDITURES</u>		
Budget Appropriations:		
Operating	12,614,512.48	75.57
Capital Improvements	250,000.00	1.50
Debt Service	3,094,487.25	18.53
Deferred Charges and Statutory Expenditures	732,794.56	4.40
Total Expenditures	16,691,794.29	100.00
Excess in Revenues Over Expenditures	866,665.15	
Fund Balance January 1	2,944,600.42	
	3,811,265.57	
Decreased by:		
Utilized in Sewer Operating Budget	700,000.00	
Fund Balance December 31	\$ 3,111,265.57	

**TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY**

**SCHEDULE OF TAX RATE INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2014, 2013 AND 2012**

	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Tax Rate:</u>	\$ 4.28	\$ 4.11	\$ 4.07
<u>Apportionment of Tax Rate:</u>			
Municipal	\$ 1.23	\$ 1.16	\$ 1.09
Library	0.05	0.05	0.06
County	0.98	0.92	0.94
Local School	1.98	1.95	1.94
Open Space	0.04	0.03	0.04
<u>Fire District Tax Rates:</u>			
Fire District 1	\$ 0.160	\$ 0.160	\$ 0.170
Fire District 2	0.400	0.368	0.360
Fire District 3	0.860	0.883	0.850
Fire District 4	0.660	0.642	0.610
Fire District 5	0.840	0.780	0.780
Fire District 6	0.280	0.260	0.230
Fire District 7	0.230	0.228	0.220
Fire District 8	0.500	0.455	0.440
Fire District 9	0.520	0.509	0.490
<u>Assessed Valuation (Taxable):</u>			
2014	\$ <u>5,166,302,640.00</u>		
2013		\$ <u>5,157,770,396.00</u>	
2012			\$ <u>5,139,614,851.00</u>

COMPARISON OF TAX LEVIES AND COLLECTIONS

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2014	\$ 243,532,333.40	\$ 242,947,965.74	99.76%
2013	233,598,623.09	232,774,294.24	99.65%
2012	230,280,726.79	230,042,635.78	99.90%

**TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY**

**DELINQUENT TAXES AND TAX TITLE LIENS
FOR THE YEARS ENDED DECEMBER 31, 2014, 2013, and 2012**

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens, in relation to the tax levies of the last three years.

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2014	\$ 1,577,198.54	\$ 505,102.14	\$ 2,082,300.68	0.86%
2013	1,695,034.38	532,326.85	2,227,361.23	0.95%
2012	1,635,611.47	499,004.40	2,134,615.87	0.93%

PROPERTY ACQUIRED FOR TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2014	\$ 367,045.00
2013	367,045.00
2012	367,045.00

COMPARISON OF SEWER UTILITY LEVIES AND COLLECTIONS

<u>Year</u>	<u>SEWER UTILITY</u>	
	<u>Levies</u>	<u>Collections</u>
2014	\$ 15,212,396.69	\$ 15,223,836.31
2013	15,078,899.73	15,053,074.46
2012	14,802,602.26	14,822,210.23

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>Year Ended</u>	<u>Balance</u>	<u>Utilized in Budget of Succeeding Year</u>
	Current Fund	2014	\$ 6,083,316.90
	2013	3,787,513.07	2,400,000.00
	2012	5,575,215.94	4,500,000.00
Sewer Utility	2014	3,111,265.57	-
Operating Fund	2013	2,944,600.42	700,000.00
	2012	2,910,546.08	1,065,442.75

**TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY**

**OFFICIALS IN OFFICE AND SURETY BONDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

The following officials were in office on December 31, 2014:

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>	<u>NAME OF CORPORATE SURETY</u>
Kelly A. Yaede	Mayor		
David Kenny	President		
Dennis Pone	Vice President		
Edward R. Gore III	Council person		
Kevin J. Meara	Council person		
Heana Schirmer	Council person		
Eileen A. Gore	Municipal Clerk		
Alison J. Salvatore	Deputy Municipal Clerk		
John F. Ricci	Business Administrator		
John E. Barrett	Chief Financial Officer		
Donald Kosul	Tax Assessor		
Lindsay Burbage	Township Attorney		
David Carothers	Director of Public Works		
Richard Watson	Director of Water Pollution Control		
Martin Flynn	Director of Health, Recreation and Welfare		
Douglas Hoffinan	Presiding Municipal Judge	\$ 1,000,000.00	Selective Insurance/JIF
Kenneth Lozier	Municipal Judge	1,000,000.00	Selective Insurance/JIF
Michele Rossi	Tax Collector, Tax Search Officer	1,000,000.00	Selective Insurance/JIF
Richard Williams	Township Engineer		
Raymond Lumio	Bldg. Inspector, Supt. Of Division Of Inspections		
James W. Collins	Chief of Police		
Lynn Hoagland	Court Administrator, Court Clerk	1,000,000.00	Selective Insurance/JIF
Nancy Lear	Deputy Court Administrator		

All other employees were covered under a Public Employees Blanket Bond issued by the Travelers Casualty and Surety Company of America in the amount of \$1,000,000.

All surety bonds in effect were examined or verified.

TOWNSHIP OF HAMILTON
MERCER COUNTY, NEW JERSEY

PART IV

STATISTICAL SECTION

AUDITORS' MANAGEMENT REPORTS

STATISTICAL SECTION
(UNAUDITED)

TOWNSHIP OF HAMILTON
COUNTY OF MERCER
CURRENT FUND EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS
UNAUDITED

Year	General Government	Administration	Insurances & Postage	Finance	Law	Engineering, Planning, & Inspections	Economic Development/ Technology
2014	\$ 748,728	\$ 897,782	\$ 15,966,286	\$ 1,655,967	\$ 1,722,745	\$ 1,941,535	\$ 633,757
2013	634,591	1,086,572	18,726,584	1,630,923	1,620,071	1,869,473	616,984
2012	857,211	971,421	15,953,796	1,567,141	1,646,180	2,158,583	642,730
2011	760,391	921,965	15,700,426	1,368,049	1,637,507	1,539,753	774,790
TY 2010	389,401	533,513	9,136,914	690,026	783,661	750,540	288,591
2010	737,830	950,050	13,371,023	1,480,158	1,686,918	1,808,178	535,500
2009	847,593	925,849	12,511,900	1,434,218	1,564,920	1,732,141	509,173
2008	887,116	1,097,608	12,360,273	1,374,268	1,554,958	1,999,683	378,221
2007	817,708	1,080,671	11,253,207	1,350,944	1,426,405	1,784,456	364,246
2006	830,914	1,027,064	10,628,916	1,280,278	1,446,689	1,824,383	350,537

Year	Public Safety	Public Works	Health, Recreation, & Welfare	Separate Boards & Agencies	Uniform Construction Codes Appropriations	Unclassified Purposes	Deferred Charges & Statutory Expenditures
2014	\$ 22,242,797	\$ 20,513,866	\$ 3,104,541	\$ 189,143	\$ 1,793,099	\$ 3,516,772	\$ 8,778,457
2013	22,294,054	20,170,229	2,698,607	163,863	1,760,053	3,955,118	8,943,570
2012	22,549,786	21,432,021	3,110,778	192,608	1,968,355	3,982,172	8,890,652
2011	22,337,609	22,262,426	3,223,939	188,588	1,734,181	3,951,700	9,289,422
TY 2010	10,949,754	11,290,762	1,644,376	109,958	899,046	1,828,337	944,882
2010	21,626,460	23,166,517	3,336,786	187,521	1,758,731	4,006,417	8,129,988
2009	21,001,466	22,046,820	2,971,330	170,456	1,984,724	4,430,593	9,101,601
2008	21,329,747	21,167,353	2,959,115	143,256		3,313,986	3,518,328
2007	19,828,279	19,652,630	2,778,563	198,465		2,904,280	2,115,518
2006	18,605,467	18,745,186	2,548,483	200,486		2,679,626	2,106,213

Year	Operations Excluded from "CAPS"	State and Federal Grants	Capital Improvements	Deferred Charges Excluded from CAPS	Debt Service	Reserve for Uncollected Taxes	Total
2014	\$ 7,136,120	\$ 864,561	\$ 394,860		\$ 6,060,083	\$ 900,240	\$ 99,061,339
2013	3,477,394	2,792,848	398,677		5,352,787	1,383,678	99,576,077
2012	4,214,114	1,381,323	379,150		5,939,570	1,300,000	99,137,500
2011	5,295,784	1,159,534	400,000		5,740,819	1,263,809	99,550,691
TY 2010	2,353,645	106,626	600,000		3,585,762	2,000,000	48,885,795
2010	6,793,788	2,410,190	400,000		5,567,198	1,300,000	99,253,253
2009	4,365,678	1,396,410	350,000	\$ 50,000	6,624,841	1,300,000	95,319,712
2008	8,917,664	1,100,487	150,000	10,000	6,025,173	1,101,453	89,388,689
2007	6,754,082	1,065,931	100,000	125,000	5,299,624	1,063,111	79,963,120
2006	5,116,073	1,386,018	100,000		5,155,092	632,511	74,663,935

(1) Excludes taxes allocated to county and school

(2) During SFY 2009 Uniform Construction Code Appropriations were transferred from the Trust Fund back to the Current Fund budget.

(3) During TY 2010 the Township converted back to a calendar year.

TOWNSHIP OF HAMILTON
COUNTY OF MERCER
CURRENT FUND REVENUES BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

Year	Taxes (1)	Delinquent Taxes	Fees, Permits, Fines and Licenses	Construction Code Fees	In Lieu Of Taxes	State Aid	From Other Funds
2014	\$ 64,087,414	\$ 430,079	\$ 4,577,038	\$ 2,352,951	\$ 223,000	\$ 19,166,830	\$ 754,331
2013	63,259,610	448,261	3,781,392	2,031,012	223,000	19,166,830	754,331
2012	62,826,326	566,516	3,677,150	1,696,081	223,000	19,166,830	861,943
2011	63,524,839	1,989,124	3,702,598	2,488,885	223,000	19,166,830	589,000
TY 2010	28,963,765	61,715	1,068,428	1,044,370	215,585	15,985,780	310,000
2010	61,064,278	71,333	4,326,844	1,255,613	543,197	24,094,067	620,000
2009	59,860,049	105,124	3,767,594	1,488,168	502,093	24,712,770	620,000
2008	55,051,187	72,029	3,089,018		848,185	25,836,719	520,000
2007	42,043,024	384,069	3,520,221		218,374	25,338,486	1,229,234
2006	40,977,311	551,366	3,176,896		213,410	25,338,487	550,000

Year	Appropriation Reserve Cancelled	Sale of Municipal Assets	Other Special Items of Revenue	State and Federal Grants	Surplus Anticipated	Non-Budget Revenues and Other Items	Total
2014	\$ 1,783,383		\$ 1,235,471	\$ 839,561	\$ 2,400,000	\$ 991,604	\$ 98,841,662
2013	154,888		4,973,944	1,777,988	4,500,000	1,493,565	102,564,821
2012	2,224,385	94,357	1,518,135	1,383,823	7,029,271	3,162,463	104,430,281
2011	2,058,395	60,185	3,684,177	1,134,534	7,856,297	1,965,105	108,442,969
TY 2010	3,523,423	50,000	24,860	106,626		463,833	51,818,386
2010	3,427,495		1,803,702	2,385,190	3,350,000	624,629	103,566,349
2009	2,584,698		3,629,543	1,371,410		1,697,281	100,338,730
2008	446,909		169,000	1,075,487	2,139,695	525,359	89,773,588
2007	369,523		4,222,970	1,040,931	3,861,911	352,105	82,580,848
2006			1,282,209	1,361,018	4,643,442	1,261,761	79,355,898

(1) Excludes taxes allocated to county and school

(2) During SFY 2009 Construction Code Revenue was Realized in the Current Fund

(3) During TY 2010 the Township converted back to a calendar year Township.

TOWNSHIP OF HAMILTON
COUNTY OF MERCER
ASSESSED VALUE AND ESTIMATE OF TOTAL VALUE
LAST TEN FISCAL YEARS
UNAUDITED

Year	Net Assessed Valuation Taxable	Market Valuation	Percentage of Net Assessed To Market Value
2014	\$ 5,166,302,640	\$ 8,660,503,656	61.15%
2013	5,157,770,396	8,281,583,808	62.28%
2012	5,158,330,794	9,160,155,030	56.31%
2011	5,158,310,796	9,128,138,022	56.51%
2010	5,181,260,831	9,839,082,474	52.66%
2009	5,183,429,281	10,412,674,329	49.78%
2008	5,185,400,541	10,114,275,612	51.27%
2007	5,128,624,286	9,361,748,161	54.78%
2006	5,059,660,299	7,924,291,776	63.85%
2005	4,964,076,086	7,019,338,357	70.72%

TOWNSHIP OF HAMILTON
COUNTY OF MERCER
SCHEDULE OF TEN LARGEST TAXPAYERS - 2014
LAST TEN FISCAL YEARS
UNAUDITED

Taxpayer	Business Type	2014 Assessed Valuation	As a Percent of Total Net Assessed Taxable Valuation
JDN Real Estate	Real Estate	\$51,014,233	0.99%
PSEG	Industrial	35,096,500	0.68%
Quakerbridge Plaza	Office	27,905,100	0.54%
Bell Atlantic	Personal Property	19,784,825	0.38%
Levin Properties	Real Estate	17,149,000	0.33%
Horizon Business park	Office	16,467,500	0.32%
Mitzen Farms	Office	16,467,500	0.32%
Cabot Holdings	Real Estate	14,500,000	0.28%
EPT Hamilton	Industrial	13,000,000	0.25%
Congoleum	Industrial	11,922,000	0.23%
		\$223,306,658	4.32%

TOWNSHIP OF HAMILTON
COUNTY OF MERCER
RATIO OF BONDED DEBT, BOND ANTICIPATION NOTES, AND LOANS TO EQUALIZED VALUE
AND DEBT PER CAPITAL
LAST TEN FISCAL YEARS

Year	Population	Average Equalized Valuation	Net Debt	Net Debt per Capita	Ratio of Net Debt to Equalized Valuation	Net Debt Excluding Authorized not Issued		
						Debt	Ratio of Debt to Equalized Valuation	Debt per Capita
2014	88,464	\$ 8,439,319,800	93,449,390	\$ 1,056	1.11%	\$ 86,524,759	1.03%	\$ 978
2013	88,464	8,422,856,565	90,664,310	1,025	1.08%	63,892,038	0.76%	722
2012	88,464	9,050,138,527	87,384,557	988	0.97%	64,634,899	0.71%	731
2011	88,464	10,195,687,606	77,444,505	875	0.76%	47,143,944	0.46%	533
TY 2010	88,464	10,240,337,968	83,744,979	947	0.82%	41,911,393	0.41%	474
2010	88,464	10,240,337,968	73,512,663	831	0.72%	57,158,245	0.56%	646
2009	88,894	9,831,693,888	63,681,522	716	0.65%	50,505,427	0.51%	568
2008	88,894	8,950,354,281	71,543,184	805	0.80%	84,317,894	0.94%	949
2007	88,894	7,957,308,378	57,648,359	649	0.72%	52,850,918	0.66%	595
2006	88,894	6,882,008,353	60,914,873	685	0.89%	50,492,432	0.73%	568

TOWNSHIP OF HAMILTON
COUNTY OF MERCER
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES (GROSS) - CURRENT FUND
LAST TEN FISCAL YEARS
UNAUDITED

Year	Principal	Interest	Total Debt Service	Total Current Fund Governmental Expenditures	Ratio of Debt Service to Current Fund Expenditures
2014	\$ 4,458,192	\$ 1,601,891	\$ 6,060,083	\$ 99,030,638	6.12%
2013	3,679,109	1,673,678	5,352,787	99,576,077	5.38%
2012	3,851,477	2,088,123	5,939,600	99,154,956	5.99%
2011	3,683,221	2,057,598	5,740,819	99,550,691	5.77%
FY 2010	2,574,147	1,011,616	3,585,763	48,885,795	7.33%
2010	3,690,594	1,876,604	5,567,198	99,253,253	5.61%
2009	3,417,351	2,013,418	5,430,769	95,319,712	5.70%
2008	3,809,818	2,013,418	5,823,236	89,388,689	6.51%
2007	3,114,427	2,185,197	5,299,624	79,963,120	6.63%
2006	3,557,952	1,597,140	5,155,092	74,663,935	6.90%

TOWNSHIP OF HAMILTON
COUNTY OF MERCER
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Year	Unemployment Rate (1)	Total per Capita Income
2014	7.20%	N/A
2013	7.20%	N/A
2012	7.20%	N/A
2011	7.70%	N/A
2010	7.30%	N/A
2009	7.60%	N/A
2008	5.40%	N/A
2007	4.30%	N/A
2006	2.20%	N/A
2005	2.30%	45,923

(1)- Per NJ Department of Labor Statistics

TOWNSHIP OF HAMILTON
COUNTY OF MERCER
MISCELLANEOUS STATISTICS
UNAUDITED

Date of Incorporation	1842
Form of Government	Mayor - Council
Area in Square Miles	40
Miles Of Streets	N/A

AUDITORS' MANAGEMENT REPORTS

COMMENTS SECTION

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, NEW JERSEY
YEAR ENDED DECEMBER 31, 2014**

GENERAL COMMENTS

An audit of the financial accounts and transactions of the Township of Hamilton, County of Mercer, New Jersey, for the year ended December 31, 2014, has been completed. The General Comments are herewith set forth:

Scope of Audit

The audit covered the financial transactions of the Finance Department and the other various offices and departments collecting fees within the Township of Hamilton, County of Mercer, New Jersey.

The audit did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed.

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

Revenues and receipts were established and verified as to source and amount insofar as the records permitted.

Our audit was made in accordance with auditing standards generally accepted in the United States and in compliance with the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Therefore, our audit included the procedures noted above as well as tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

OTHER MATTERS

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

N.J.S.A. 40A: 11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3: of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$36,000.00 except by contract or agreement."

The governing body of the Township has the responsibility of determining whether the expenditures in any category will exceed the thresholds identified above within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Counsel's opinion should be sought before a commitment is made.

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts and agreements for "Professional Services" per N.J.S.A. 40A:11-5. Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring or any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violations existed.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, NEW JERSEY
YEAR ENDED DECEMBER 31, 2014**

GENERAL COMMENTS

Pay-to-Play Requirements

The responsibility for compliance with the Township's local ordinance and the statutory requirements relating to pay-to-play has been bifurcated. All matters relating to professional service contracts have been assigned to the Office of the Township Attorney, while compliance for non-professional services contracts remains with the Township Purchasing Agent. An anomaly exists in the "Pay-to-Play" statutes when they are matched with the LPCL requirements to determine compliance requirements. The threshold for Pay-to-Play is set at \$17,500, with no escalator provision. At the time c.271 was enacted, the bid threshold per the LPCL was also set at \$17,500. However, effective July 1, 2005, the bid threshold was increased to \$21,000. This created a gap for compliance, as under c. 271, a contract not awarded using a fair & open process and exceeding \$17,500 triggers the filing of additional documentation relating to ownership of the contracting entity and disclosure of political contributions. Since "Pay-to-Play" laws cover all contracts (not just professional services as some believe) any contract (or aggregation of purchases of similar goods or services) that does not meet "fair and open" standards requires the Township to obtain the necessary c. 271 documents. The provisions of c. 271 became effective on January 1, 2006.

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.A. 54:4-67 provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body, on January 1, 2014, adopted a resolution authorizing interest to be charged on delinquent taxes and assessments, as follows:

8% Interest on Amounts up to \$1,500 on Delinquent Tax and Assessment Accounts

18% Interest on Amounts from \$1,500 and above on Delinquent Tax and Assessment Accounts

Ten (10) Day Grace Period

This resolution was subsequently amended pursuant to revisions to N.J.S.A. 54:4-67 to include a penalty of 6% to be charged to delinquencies in excess of \$10,000 at the end of the calendar year.

An examination of the collector's records indicated that interest on delinquencies was calculated in accordance with the foregoing resolution, for items tested.

Delinquent Taxes and Tax Title Liens

The tax sale for 2014 delinquencies was held on December 17, 2014. The prior year balances for tax year 1989 thru SFY 2001 consist of properties under bankruptcy. The Collector maintained current documentation on file to support the exclusion of these properties from the tax sale. The balance of taxes receivable for tax years 1972 through 1979 consist of three properties which had been under bankruptcy, and title to these properties has passed to the State of New Jersey Department of Transportation upon the filing of a Declaration of Taking by the State for Road Construction.

An accelerated tax sale was held in SFY 2003 as permitted by Chapter 99, P.L 1996. An accelerated tax sale has been held in each subsequent year.

The Township maintains a foreclosure program for tax title liens that become subject to In Rem

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, NEW JERSEY
YEAR ENDED DECEMBER 31, 2014**

GENERAL COMMENTS

Foreclosure. Subject liens have been assigned to attorneys and are in process of foreclosure.

Investment of Funds

The chief financial officer had most of the idle funds of the Township invested in the interest-bearing investments or accounts from January 1, 2014 to December 31, 2014. Earnings from the investments are shown as revenue in the various accounts of the Township as of December 31, 2014. The investment program instituted by the finance officer was complete with minimal balances remaining in demand accounts. This policy complied with N.J.S.A. 40A:4: 5-14 in all respects.

All investments held by the Township were directly confirmed as of December 31, 2014.

Purchase Order System and Encumbrance System

The Township's budgetary operation is on a full encumbrance system with the exception of payrolls and other direct costs. All purchases are made directly by the purchasing department or subsequently confirmed on an emergency basis. Tests of the system disclosed no exceptions during 2014. Blanket orders and other outstanding encumbrances were reviewed at the close of the year, and adjustments and cancellations were made where appropriate to reflect actual commitments outstanding for budgetary control.

Condition of Records - Tax Collector Office

The records maintained by the Tax Collector were audited. Computerized cash receipt records were agreed to daily controls and in total monthly with no exceptions noted for items tested. No exceptions were noted in the testing of computerized real estate tax billings and billing adjustments for real estate taxes.

Condition of Records - Finance Department

The Finance Department utilized a computerized general ledger accounting system during 2014. General ledgers were maintained for all funds. The Township is currently in compliance with New Jersey Administrative Code 5:30-5.7, establishment and maintenance of a general ledger.

Payment of Claims

The examination did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed. Authorization for payment of claims is delegated to the Chief Financial Officer and bill lists are submitted to the Township Council for approval and recorded as a supplement to the official minutes.

Claims were examined on a test basis for the year under audit and no exceptions were noted.

Budgetary Records

The Township maintains a detailed, computerized subsidiary ledger for each of its budgets.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, NEW JERSEY
YEAR ENDED DECEMBER 31, 2014**

GENERAL COMMENTS

Administration and Accounting for State Grant Programs

During 2014, the Township operated programs, which were funded in whole or in part by state or federal grant awards. As part of the acceptance of these funds, the Township is required to make assurances to the grantor agency that it will comply, in its general operations as well as in the operation of grant funded programs, with various laws and regulations. In addition, the individual grant contracts impose specific compliance requirements for the operations of each program. The examination of these grant programs, on a test basis, indicated that the Township has expended grant funds during 2014 for the purposes authorized.

COMMENTS AND RECOMMENDATIONS

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, NEW JERSEY
YEAR ENDED DECEMBER 31, 2014**

Prior Year Findings

Corrective actions have been taken on all of the prior year's findings and recommendations.

Finding 2014-01

Funds Not Deposited in a Timely Manner – Tax Office:

In accordance with N.J.S.A. 40A:5-15, all moneys, including moneys collected by taxation, received from any source by or on behalf of any local unit or any board or department thereof shall, within 48 hours after the receipt thereof, either be paid to the officer charged with the custody of the general funds of the local unit, who shall deposit all such funds within 48 hours after the receipt thereof to the credit of the local unit in its designated legal depository, or be deposited to the credit of the local unit in its designated legal depository.

Our testing revealed that the tax department was not depositing funds in the timeline prescribed by N.J.S.A. 40A: 5-15. This included receipts received by residents for tax payments and the funds turned over from outside departments to get deposited into the bank.

We suggest that the Township strengthen procedures around expediting the time to process funds once the tax department receives daily deposits. Funds should be inputted into the system upon receipt, and the deposit information should be prepared for the armored car service to be picked up the day following receipt of funds.

Finding 2014-02

Funds Not Deposited in a Timely Manner – Animal Control Office:

Online payments and receipts collected directly at the animal control office for dog licenses are turned over to the tax department to deposit in a timely fashion. However, checks received at the animal control office pertaining to dog licenses are maintained for several days prior to being turned over to the tax office for deposit. This results from a high volume of checks received daily and the time to process the information at the animal control office.

The Township acknowledged this issue prior to Wiss performing testing procedures and plans on hiring a part-time employee starting in January 2016 to process the payments in a timely manner during the months the office receives a high volume of checks and payments, which is typically January through March.

Finding 2014-03

Maintenance of Monthly Records at the Animal Control Office:

Certain information was not entered into the system at the animal control office. Although the animal control office maintains daily records of the dog license fees, pilot fees, etc., there was no monthly system reports that captured all of the activity. Further, donations, adoption fees, and redemption fees were not reported in the daily report generated by the system. Consequently, it was difficult to accurately portray all of the correct balances at December 31, 2014.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, NEW JERSEY
YEAR ENDED DECEMBER 31, 2014**

Moreover, it was discovered that the animal control office entered information into the system and paid the identical amounts to the State of New Jersey for the months of January 2014, February 2014, March 2014, April 2014, and May 2014. Consequently, this attributed to an overpayment at May 31, 2014. The Township utilized the credit of the overpayments and did not pay the State for the remainder of the year. At December 31, 2014 the credit was fully exhausted and the Township currently has an outstanding liability due to the State of New Jersey.

We suggest that the animal control office record all funds received in its computerized system and a separate individual review the information to confirm the accuracy of the data entered and to produce system reports to support funds received.

Finding 2014-04

Senior Discounts for Dog Licenses not Formally Approved:

The Township offers a \$6.00 discount to the senior citizen residents of Hamilton Township. Although this discount has been in effect for many years and prior to the current administration in place at the Township, no formal approval was noted in either the Township's ordinance or Township's administrative code.

We suggest that the Township adopt an ordinance for the year ended December 31, 2015 to formally approve the \$6.00 discount to the senior citizens of the Township.

Finding 2014-05

Cash Deficits

The Township had several bond ordinances in the General Capital Fund and Utility Capital Fund that have had cash deficits for more than five years.

We suggest that the Township issue either bonds or bond anticipation notes or raise an appropriation in the next annual budget to provide cash funding for these bond ordinances that currently have cash deficits associated with them.