TOWNSHIP OF WOOLWICH

AUDIT REPORT FOR THE YEAR ENDED DECEMBER 31, 2016

TOWNSHIP OF WOOLWICH
COUNTY OF GLOUCESTER

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TOWNSHIP OF WOOLWICH
COUNTY OF GLOUCESTER

PART I

INDEPENDENT AUDITOR'S REPORTS
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

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HFA
HOLMAN | FRENIA
ALLISON, P.C.
Certified Public Accountants & Consultants

680 Hooper Avenue, Bldg B, Suite 201, Toms River, NJ 08753 • Tel: 732.797.1333
618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612
912 Highway 33, Suite 2, Freehold, NJ 07728 • Tel: 732.409.0800
6 E. Park Street, P.O. Box 614, Bordentown, NJ 08505 • Tel: 609.298.8639
194 East Bergen Place, Red Bank, NJ 07701 • Tel: 732.747.0010
795 Canton Street, Troy, PA 16947 • Tel: 570.297.5090
926 Main Street, Suite 103, Rome, PA 18837 • Tel: 570.297.5090
www.hfacpas.com

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Committee
Township of Woolwich
Woolwich, New Jersey 08085

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Township of Woolwich, County of Gloucester, State of New Jersey as of December 31, 2016, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed assets group of accounts - regulatory basis for the year ended December 31, 2016 and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no 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

Opinions

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

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

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

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Woolwich, County of Gloucester, State of New Jersey, as of December 31, 2016, or the results of its operations and changes in fund balance for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance--regulatory basis of the various funds and account group of the Township of Woolwich, County of Gloucester, State of New Jersey, as of December 31, 2016, and the results of its operations and changes in fund balance --regulatory basis of such funds for the years then ended, and the related statement of revenues--regulatory basis, statement of expenditures--regulatory basis of the various funds, and the related notes to financial statements, for the year ended December 31, 2016 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Report on Supplementary Information

Our audit was made for the purpose of forming an opinion on the financial statements referred to in the first paragraph as a whole. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not a required part of the above financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Prior Period Financial Statements

The financial statements as of December 31, 2015, were audited by other auditors whose report dated November 15, 2016 expressed an unmodified opinion on the regulatory basis of accounting.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2017, on our consideration of the Township of Woolwich‘s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Woolwich‘s internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Michael Holt
Certified Public Accountant
Registered Municipal Accountant
CR 473

June 8, 2017
Medford, New Jersey

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HFA
HOLMAN | FRENIA
ALLISON, P.C.
Certified Public Accountants & Consultants

680 Hooper Avenue, Bldg B, Suite 201, Toms River, NJ 08753 • Tel: 732.797.1333
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www.hfacpas.com

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

Honorable Mayor and Members
of the Township Committee
Township of Woolwich
Woolwich, New Jersey 08085

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Township of Woolwich (herein referred to as "the Municipality"), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Municipality's basic financial statements, and have issued our report thereon dated June 8, 2017. Our report on the financial statements – regulatory basis was modified to indicate that the financial statements were not prepared and presented in accordance with accounting principles generally accepted in the United States of America but rather prepared and presented in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States, to meet the requirements of the State of New Jersey for municipal government entities as described in Note 1.

Internal Control Over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Municipality's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Comments & Recommendations to be a material weakness as Finding No. 2016-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Municipality's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which are described in the accompanying Comments & Recommendations section as Finding No's. 2016-001, 2016-002 and 2016-003.

Response to Findings

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

Purpose of this Report

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

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Michael Holt
Certified Public Accountant
Registered Municipal Accountant
CR 473

June 8, 2017
Medford, New Jersey

BASIC FINANCIAL STATEMENTS

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TOWNSHIP OF WOOLWICH
CURRENT FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2016 AND 2015

ASSETS	REFERENCE	2016	2015
Operating Fund:			
Cash:			
Treasurer	A-4	$ 5,828,084.85	$ 5,356,588.77
Tax Collector	A-5	-	821,486.87
Investment - CRIM	A	1,029,915.73	1,001,091.80
Change Fund	A	83.67	83.67
Total Cash		6,858,084.25	7,179,251.11
Receivables & Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-6	591,706.06	586,269.97
Tax Title Liens Receivable	A-7	134,729.98	172,184.33
Revenue Accounts Receivable	A-8	10,769.77	75,533.35
Due from Capital Fund	C	1,653.50	997.37
Due from Animal Control Trust	B	94.24	94.24
Due from Trust Fund	B	93,795.90	81,029.38
Total Receivables		832,749.45	916,108.64
Deferred Charges:			
Special Emergency Authorization - 5 Year	A	-	15,850.00
Total Deferred Charges		-	15,850.00
Total Operating Fund Assets		7,690,833.70	8,111,209.75
Federal & State Grant Fund:			
Grants Receivable	A-13	542,387.68	355,648.33
Due from Current Fund	A	44,421.43	146,975.69
Total Federal & State Grant Fund Assets		586,809.11	502,624.02
Total Assets		$ 8,277,642.81	$ 8,613,833.77

TOWNSHIP OF WOOLWICH
CURRENT FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2016 AND 2015

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2016	2015
Current Fund:			
Appropriation Reserves	A-3/A-9	$ 577,706.59	$ 530,754.20
Reserve for Encumbrances	A-3	159,653.95	83,883.99
Prepaid Taxes	A-5	273,006.04	226,527.80
Accounts Payable	A-9	6,151.13	-
Tax Overpayments	A	35,058.73	32,270.62
Due County for Added & Omitted Taxes	A-12	66,468.51	237,922.22
Due Municipal Open Space Tax Fund	B	4,192.88	9,855.88
Local School Taxes Payable	A-10	2,580,506.47	2,819,016.48
Regional School Taxes Payable	A-11	0.12	0.66
Due to Federal and State Grant Fund	A	44,421.43	146,975.69
Due to State - Marriage Licenses	A	-	77.00
Due to General Capital Fund	C	115,968.08	-
Reserve for Master Plan	A	66,418.82	66,418.82
Due to State - Senior Citizen and Veterans Deductions	A	10,386.12	6,454.30
Reserve for Developer Open Space Maintenance	A	-	4,304.08
Reserve for Snow Removal	A	-	2,439.11
Total Operating Liabilities		3,939,938.87	4,166,900.85
Reserve for Receivables	A	832,749.45	916,108.64
Fund Balance	A-1	2,918,145.38	3,028,200.26
Total Operating Fund		7,690,833.70	8,111,209.75
Federal & State Grant Fund:			
Reserve for State Grants:			
Appropriated Reserves	A-14	514,579.21	367,659.38
Unappropriated Reserves	A-15	30,255.69	42,508.67
Encumbrances Payable	A-14	41,974.21	92,455.97
Total Federal & State Grant Fund		586,809.11	502,624.02
Total Liabilities Reserve & Fund Balance		$ 8,277,642.81	$ 8,613,833.77

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

EXHIBIT A-1

TOWNSHIP OF WOOLWICH
CURRENT FUND
STATEMENT OF OPERATIONS AND CHANGES
IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016	2015
Revenue & Other Income Realized:		
Fund Balance Utilized	$ 1,975,000.00	$ 1,900,000.00
Miscellaneous Revenues Anticipated	1,734,994.82	1,561,752.36
Receipts From Delinquent Taxes	522,679.04	570,633.94
Receipts From Current Taxes	40,485,057.57	39,523,868.47
Nonbudget Revenues	470,944.10	241,552.64
Other Credits to Income:		
Liquidate Reserve for Capital Fund	-	600.52
Other	250.16	3,162.50
Interfunds Liquidated	39,779.86	-
Unexpended Balance of Appropriation Reserves	266,787.20	285,244.47
Total Revenue & Other Income	45,495,492.75	44,086,814.90
Expenditures:		
Budget & Emergency Appropriations:		
Appropriations Within "CAPS":		
Operations:		
Salaries and Wages	2,326,077.66	2,163,683.17
Other Expenses	3,285,667.30	3,143,213.86
Deferred Charges & Statutory Expenditures	716,269.00	631,351.00
Appropriations Excluded From "CAPS":		
Operations:		
Salaries and Wages	626,529.90	614,245.00
Other Expenses	286,640.67	242,040.72
Capital Improvement Fund	100,000.00	134,400.00
Municipal Debt Service	1,637,025.76	1,608,008.49
Deferred Charges	15,850.00	15,850.00
County Taxes	8,670,896.84	8,402,477.95
Local District School Tax	15,482,021.00	15,459,041.00
Regional High School Tax	9,917,919.00	9,314,472.00
Municipal Open Space	561,457.62	548,997.70
Municipal Open Space - Added Taxes	4,192.88	-
Prior Year Refunds	-	50.00
Interfund Loans Advanced	-	15,350.10
Total Expenditures	43,630,547.63	42,293,180.99
Excess/(Deficit) in Revenue	1,864,945.12	1,793,633.91
Adjustments to Income before Fund Balance		
Expenditures Included Above Which Are by Statute Deferred Charges to Budget of Succeeding Years	-	-
Statutory Excess to Fund Balance	1,864,945.12	1,793,633.91
Fund Balance - January 1	3,028,200.26	3,134,566.35
Total	4,893,145.38	4,928,200.26
Decreased by: Utilized as Anticipated Revenue	1,975,000.00	1,900,000.00
Fund Balance December 31, 2016	$ 2,918,145.38	$ 3,028,200.26

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

EXHIBIT A-2

TOWNSHIP OF WOOLWICH
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

	ANTICIPATED BUDGET	ADDED BY N.J.S.40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	$ 1,975,000.00	$ -	$ 1,975,000.00	$ -
Miscellaneous Revenues:				
Municipal Court	165,000.00	-	150,811.00	(14,189.00)
Interest & Cost on Taxes	102,166.43	-	110,495.40	8,328.97
Energy Receipts Tax	414,809.00	-	414,809.00	-
Garden State Trust	5,939.00	-	5,939.00	-
Shared Service Agreements - Swedesboro:				
Aid to Volunteer Fire Company	-	-		-
Recreation	10,000.00	-	7,350.00	(2,650.00)
Police Coverage and Protection	626,529.90	-	628,979.90	2,450.00
Kingsway Regional School District	75,000.00	-	150,054.85	75,054.85
Additional Revenues Offset With Appropriations:				
Recycling Tonnage Grant	16,525.53	-	16,525.53	-
Clean Communities Program	23,146.64	-	23,146.64	-
Alcohol Education and Rehabilitation Fund	736.81	-	736.81	-
Body Armor Replacement Grant	2,099.69	-	2,099.69	-
NJDOT Grant - Shared Use Path	194,047.00	-	194,047.00	-
NJDEP - Recreation Trails Program	-	30,000.00	30,000.00	-
Total Miscellaneous	1,636,000.00	30,000.00	1,734,994.82	68,994.82
Receipts from Delinquent Taxes	450,000.00	-	522,679.04	72,679.04
Subtotal General Revenues	4,061,000.00	30,000.00	4,232,673.86	141,673.86
Amount to be Raised by Taxes for Support to Municipal Budget - Local Tax for Municipal Purposes	5,709,000.00	-	6,148,461.20	439,461.20
Budget Totals	9,770,000.00	30,000.00	10,381,135.06	581,135.06
Nonbudget Revenues	-	-	470,944.10	470,944.10
Total	$ 9,770,000.00	$ 30,000.00	$ 10,852,079.16	$ 1,052,079.16

ANALYSIS OF REALIZED REVENUE

Allocation of Current Tax Collections:	
Revenue From Collections	$ 40,485,057.57
Allocated to - School, County & Special District Taxes	35,136,487.34
Balance for Support of Municipal Budget Revenues	5,348,570.23
Add: Appropriation - "Reserve for Uncollected Taxes"	799,890.97
Amount for Support of Municipal Budget Appropriations	$ 6,148,461.20
Receipts From Delinquent Taxes:	
Delinquent Tax Collections	$ 451,883.06
Tax Title Lien Collections	70,795.98
Total Receipts From Delinquent Taxes	$ 522,679.04
Analysis of Nonbudget Revenue:	
Treasurer:	
Licenses - Alcohol	$ 6,350.00
Marriage Licenses	806.00
Junk Yard	9,372.19
KRHS Trash	20,957.37
Planning Board Fees	20,535.00
Zoning Board Fees	25,110.00
Municipal Building Rentals	13,649.50
Vacant Property Registration	50,750.00
Refund of Prior Year Hydrants	32,400.00
Interlocal - Aid Fire Company	24,000.00
Cancellation of Old Outstanding Checks	80,151.11
Payment in Lieu of Taxes	39,582.77
Cable TV Franchise Fees	32,554.88
Other	114,725.28
Total Analysis of Nonbudget Revenue	$ 470,944.10

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

TOWNSHIP OF WOOLWICH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

	APPROPRIATIONS		EXPENDED			
OPERATIONS	BUDGET	BUDGET AFTER MODIFICATION	PAID	ENCUMBERED	RESERVED	CANCEL
General Government:						
General Administration:						
Salaries and Wages	$ 20,000.00	$ 20,000.00	$ 19,999.98	$ -	$ 0.02	$ -
Other Expenses	5,500.00	5,500.00	4,443.81	139.00	917.19	-
Mayor and Committee:						
Salaries and Wages	30,500.00	30,500.00	30,076.95	-	423.05	-
Other Expenses	3,000.00	3,000.00	2,887.46	100.00	12.54	-
Municipal Clerk:						
Salaries and Wages	104,249.13	104,249.13	104,249.05	-	0.08	-
Other Expenses	16,611.00	16,611.00	13,934.08	166.00	2,510.92	-
Financial Administration (Treasury):						
Salaries and Wages	114,000.00	114,000.00	114,000.00	-	-	-
Other Expenses	56,000.00	56,000.00	35,068.97	3,406.25	17,524.78	-
Audit Services:						
Other Expenses	50,000.00	50,000.00	31,571.25	18,428.75	-	-
Revenue Administration (Tax Collection)						
Salaries and Wages	52,500.00	52,500.00	52,500.00	-	-	-
Other Expenses	8,500.00	8,500.00	7,165.73	44.00	1,290.27	-
Legal Services and Costs:						
Other Expenses	240,000.00	230,000.00	207,009.58	6,005.46	16,984.96	-
Engineering Services:						
Other Expenses	40,000.00	82,000.00	25,187.45	41,189.00	15,623.55	-
Economic Development Agencies						
Other Expenses	1,000.00	1,000.00	237.05	-	762.95	-
Land Use Administration:						
Planning Board:						
Salaries and Wages	36,000.00	26,000.00	24,775.95	-	1,224.05	-
Other Expenses	120,500.00	110,500.00	77,238.01	10,029.61	23,232.38	-
Zoning Board of Adjustment:						
Salaries and Wages	57,411.00	57,411.00	57,411.00	-	-	-
Other Expenses	-	100.00	70.00	-	30.00	-
Office of Community Development:						
Salaries and Wages	73,950.00	73,950.00	73,559.59	-	390.41	-
Insurance:						
General Liability	129,402.00	129,402.00	129,402.00	-	-	-
Workers' Compensation	180,598.00	180,598.00	168,727.00		11,871.00	-
Employee Group Health	589,915.00	579,915.00	503,976.89	-	75,938.11	-
Employee Health Insurance - Optional Cash Payment	80,000.00	68,000.00	34,813.10	-	33,186.90	-

TOWNSHIP OF WOOLWICH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

	APPROPRIATIONS		EXPENDED			
OPERATIONS	BUDGET	BUDGET AFTER MODIFICATION	PAID	ENCUMBERED	RESERVED	CANCEL
Public Safety Functions:						
Police Department:						
Salaries and Wages	1,352,367.53	1,392,367.53	1,374,034.34	-	18,333.19	-
Other Expenses	87,751.30	92,751.30	76,822.30	4,750.16	11,178.84	-
Office of Emergency Management:						
Salaries and Wages	5,000.00	5,000.00	5,000.00	-	-	-
Other Expenses	2,500.00	2,500.00	1,783.00	250.00	467.00	-
Aid to Volunteer Fire Company in Adjoining Municipality	105,000.00	105,000.00	59,355.57	35,563.60	10,080.83	-
Municipal Prosecutor:						
Salaries and Wages	19,000.00	19,000.00	18,267.71	-	732.29	-
Public Works Functions:						
Streets & Roads Maintenance:						
Other Expenses	46,900.00	46,900.00	20,096.67	2,238.78	24,564.55	-
Snow Removal:						
Salaries and Wages	30,000.00	30,000.00	-	-	30,000.00	-
Other Expenses	35,000.00	35,000.00	13,162.41	8,525.29	13,312.30	-
Solid Waste Collection:						
Other Expenses	473,264.00	473,264.00	452,240.36	-	21,023.64	-
Buildings & Grounds:						
Salaries and Wages	259,000.00	259,000.00	259,000.00	-	-	-
Other Expenses	76,950.00	76,950.00	57,931.19	6,681.38	12,337.43	-
Vehicle Maintenance:						
Other Expenses	49,700.00	57,700.00	51,223.69	2,870.36	3,605.95	-
Health & Human Services:						
Public Health Services (Board of Health):						
Salaries and Wages	4,000.00	4,500.00	4,365.47	-	134.53	-
Other Expenses	1,000.00	1,000.00	-	-	1,000.00	-
Environmental Committee:						
Other Expenses	3,235.00	3,235.00	1,665.00	-	1,570.00	-

TOWNSHIP OF WOOLWICH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

	APPROPRIATIONS		EXPENDED			
OPERATIONS	BUDGET	BUDGET AFTER MODIFICATION	PAID	ENCUMBERED	RESERVED	CANCEL
Park & Recreation Functions:						
Recreation Services & Programs:						
Other Expenses	7,500.00	7,500.00	7,500.00	-	-	-
Maintenance of Parks:						
Other Expenses	64,650.00	64,650.00	27,667.67	10,258.90	26,723.43	-
Celebration of Public Events:						
Other Expenses	1,500.00	1,500.00	946.50	-	553.50	
Utility Expenses & Bulk Purchases:						
Electricity	120,000.00	120,000.00	109,212.00	-	10,788.00	-
Street Lighting	65,000.00	60,000.00	50,031.03	-	9,968.97	-
Telephone	30,000.00	30,000.00	26,546.72	1,090.39	2,362.89	-
Water - Fire Hydrant	120,000.00	120,000.00	83,136.11	-	36,863.89	-
Gasoline	115,000.00	63,900.00	50,819.18	-	13,080.82	-
Heating	10,000.00	7,500.00	3,893.24	-	3,606.76	-
Cable TV & Internet	4,500.00	4,500.00	4,053.73	-	446.27	-
Salary Adjustment	7,500.00	7,500.00	7,297.75	-	202.25	-
Landfill/Solid Waste Disposal Costs:						
Other Expenses	373,851.00	370,851.00	271,711.95	4,369.27	94,769.78	-
Municipal Court:						
Salaries and Wages	117,500.00	121,100.00	117,209.34	-	3,890.66	-
Other Expenses	23,440.00	19,840.00	13,842.05	1,200.00	4,797.95	-
Public Defender:						
Salaries and Wages	9,000.00	9,000.00	-	-	9,000.00	-
Total Operations Within "CAPS"	5,629,744.96	5,611,744.96	4,887,119.88	157,306.20	567,318.88	-
Detail:						
Salaries and Wages	2,291,977.66	2,326,077.66	2,261,747.13	-	64,330.53	-
Other Expenses	3,337,767.30	3,285,667.30	2,625,372.75	157,306.20	502,988.35	-
Deferred Charges & Statutory Expenditures - Municipal Within "CAPS":						
Statutory Expenditures:						
Social Security System (O.A.S.I.)	210,000.00	228,000.00	224,237.67	-	3,762.33	-
Defined Contribution Retirement Program	1,500.00	1,500.00	462.23	-	1,037.77	-
Consolidated Police & Firemen's Pension	339,039.00	339,039.00	339,039.00	-	-	-
Public Employees Retirement System	147,730.00	147,730.00	147,730.00	-	-	-
Total Deferred Charges & Statutory Expenditures Within "CAPS"	698,269.00	716,269.00	711,468.90	-	4,800.10	-
Total General Appropriations for Municipal Purposes Within "CAPS"	6,328,013.96	6,328,013.96	5,598,588.78	157,306.20	572,118.98	-

TOWNSHIP OF WOOLWICH
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

OPERATIONS	APPROPRIATIONS BUDGET	BUDGET AFTER MODIFICATION	EXPENDED PAID	ENCUMBERED	RESERVED	CANCEL
Operations Excluded From "CAPS"						
Public & Private Programs Offset by Revenues						
Recycling Tonnage Gran	16,525.53	16,525.53	16,525.53	-	-	-
Clean Communities Progran	23,146.64	23,146.64	23,146.64	-	-	-
Alcohol Education and Rehabilitation Fun	736.81	736.81	736.81	-	-	-
Body Armor Replacement Gran	2,099.69	2,099.69	2,099.69	-	-	-
NJDOT - Shared Use Path	194,047.00	194,047.00	194,047.00	-	-	-
NJDEP - Recreation Trails Program						
State Share	-	24,000.00	24,000.00	-	-	-
Local Match	-	6,000.00	6,000.00	-	-	-
Interlocal Municipal Service Agreements:						
Borough of Swedesboro						
Recreation - Other Expense	10,000.00	10,000.00	2,064.64	2,347.75	5,587.61	-
Police Coverage and Protection						
Salaries & Wages	626,529.90	626,529.90	626,529.90	-	-	
Insurance - Employee Group Healtl	10,085.00	10,085.00	10,085.00	-	-	-
Total Operations Excluded fron "CAPS"	883,170.57	913,170.57	905,235.21	2,347.75	5,587.61	-
Detail:						
Salaries and Wages	626,529.90	626,529.90	626,529.90	-	-	-
Other Expenses	256,640.67	286,640.67	278,705.31	2,347.75	5,587.61	-
Capital Improvements - Excluded from "CAPS":						
Capital Improvement Fun	100,000.00	100,000.00	100,000.00	-	-	-
Total Capital Improvements - Excludec from CAPS	100,000.00	100,000.00	100,000.00	-	-	-
Municipal Debt Service - Excluded From "CAPS"						
Payment of Bond Principa	435,000.00	435,000.00	435,000.00	-	-	-
Payment of Bond Anticipation Note & Capital Notes	236,930.00	236,930.00	236,930.00	-	-	-
Interest on Bonds	151,750.00	151,750.00	151,750.00	-	-	-
Interest on Notes	20,000.00	20,000.00	14,119.85	-	-	5,880.15
Green Acres Trust Loan Program						
Principal & Interest	34,200.75	34,200.75	34,200.75	-	-	-
Capital Lease Obligcation Approved Prior to 7/1/200						
Principal	365,000.00	365,000.00	364,971.77	-	-	28.23
Interest	400,193.75	400,193.75	400,053.39	-	-	140.36
Total Municipal Debt Service Excludec From "CAPS"	1,643,074.50	1,643,074.50	1,637,025.76	-	-	6,048.74
Deferred Charges - Excluded from "CAPS":						
Special Emergency Authorizations 5 Years	15,850.00	15,850.00	15,850.00	-	-	-
Total Deferred Charges - Municipal - Excluded from CAPS	15,850.00	15,850.00	15,850.00	-	-	-
Total General Appropriations Excludec From "CAPS"	2,642,095.07	2,672,095.07	2,658,110.97	2,347.75	5,587.61	6,048.74
Subtotal General Appropriations	8,970,109.03	9,000,109.03	8,256,699.75	159,653.95	577,706.59	6,048.74
Reserve For Uncollected Taxes	799,890.97	799,890.97	799,890.97	-	-	-
Total General Appropriations	$ 9,770,000.00	$ 9,800,000.00	$ 9,056,590.72	$ 159,653.95	$ 577,706.59	$ 6,048.74

Adopted Budge	$ 9,770,000.00
Added by N.J.S.40A:4-87	30,000.00
Total	$ 9,800,000.00

Federal & State Grants	$ 266,555.67
Reserve for Uncollected Taxes	799,890.97
Refunds	(143,688.04)
Deferred Charges	15,850.00
Disbursed	8,117,982.12
Total	$ 9,056,590.72

The accompanying Notes to the Financial Statements are an integral part of this Statemer

EXHIBIT B

TOWNSHIP OF WOOLWICH
TRUST FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2016 AND 2015

ASSETS	REFERENCE	2016	2015
Animal Control Fund:			
Cash	B-3	$ 7,559.10	$ 7,432.29
Total Animal Control Fund		7,559.10	7,432.29
Municipal Open Space Trust Fund			
Cash	B-3	747,944.18	605,298.35
Open Space Taxes Receivable	A	4,192.88	9,855.88
Total Municipal Open Space		752,137.06	615,154.23
Other Funds:			
Cash - Treasurer	B-3	2,002,103.91	2,023,630.01
Cash - Collector	B-4	303,259.61	215,310.88
Investment - CRIM	B	800,000.00	800,000.00
Total Other Funds		3,105,363.52	3,038,940.89
Total Assets		$ 3,865,059.68	$ 3,661,527.41
LIABILITIES, RESERVES & FUND BALANCE			
Animal Control Fund:			
Due Current Fund	A	$ 94.24	$ 94.24
Reserve for Animal Control Expenditures	B-3	7,464.86	7,338.05
Total Animal Control Fund		7,559.10	7,432.29
Municipal Open Space Trust Fund:			
Due to General Capital Fund	C	326,856.64	326,856.64
Reserve for Open Space	B-8	425,280.42	288,297.59
Total Municipal Open Space Trust Fund		752,137.06	615,154.23
Other Funds:			
Due to Current Fund	A	93,795.90	81,029.38
Deposits for Redemption of Tax Title Liens	B-6	10,138.82	9,798.26
Tax Sale Premiums	B-7	293,120.79	205,512.62
Due to State of NJ - DCA Training Fees	B	48,355.00	48,355.00
Reserves for:			
Public Defender	B-9	3,043.88	4,093.59
Payroll Deductions Payable	B-9	1,936.79	-
Site Plan Review Escrow	B-9	679,550.92	481,608.61
Municipal Functions Developers Fees	B-9	125,129.07	227,561.55
Police Overtime	B-9	6,434.51	11,886.64
UCC Trust	B-9	933,047.18	946,005.26
P.O.A.A. - Parking Fines	B-9	498.07	469.35
Police Forfeited Funds	B-9	3,865.26	1,862.09
Open Space - Municipal Maintenance	B-9	18,267.95	40,694.85
Developers Tree Compensation	B-9	364,331.76	375,548.03
Snow Removal	B-9	31,936.44	44,653.68
Developers Recreation Fees	B-9	127,641.65	150,028.77
COAH Fees	B-9	314,766.35	263,001.61
Election	B-9	250.00	250.00
Woolwich Recreation Trust	B-9	41,273.96	143,323.44
Unemployment Trust	B-9	7,979.22	3,258.16
Total Other Funds		3,105,363.52	3,038,940.89
Total Liabilities, Reserves & Fund Balance		$ 3,865,059.68	$ 3,661,527.41

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

EXHIBIT B-1

TOWNSHIP OF WOOLWICH
TRUST MUNICIPAL OPEN SPACE FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

	ANTICIPATED BUDGET	REALIZED	EXCESS OR (DEFICIT)
Amount to be Raised by Taxation	$ 561,457.62	$ 565,650.50	$ 4,192.88
Miscellaneous - Interest	-	972.23	972.23
Total	$ 561,457.62	$ 566,622.73	$ 5,165.11

ANALYSIS OF REALIZED REVENUE

Amount to be Raised by Taxation:	
Current Year Levy	$ 561,457.62
Added/Omitted Levy	4,192.88
	$ 565,650.50

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

EXHIBIT B-2

TOWNSHIP OF WOOLWICH
TRUST MUNICIPAL OPEN SPACE FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

	APPROPRIATIONS		EXPENDED			UNEXPENDED BALANCE
OPERATIONS	BUDGET	BUDGET AFTER MODIFICATION	PAID	ENCUMBERED	RESERVED	CANCELLED
Maintenance of Lands for Recreation and Conservation						
Salaries and Wages	$ 140,000.00	$ 140,000.00	$ 75,190.41	$ -	$ 64,809.59	$ -
Reserve for Future Use	421,457.62	421,457.62	354,449.49	-	67,008.13	-
Total	$ 561,457.62	$ 561,457.62	$ 429,639.90	$ -	$ 131,817.72	$ -

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

EXHIBIT C

TOWNSHIP OF WOOLWICH
GENERAL CAPITAL FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2016 AND 2015

ASSETS	REFERENCE	2016	2015
Cash & Cash Equivalents	C-2	$ 1,405,448.25	$ 267,682.42
Investment - CRIM	C-3	90,000.00	90,327.54
State Aid Receivable	C	207,008.35	207,008.35
Due from Gloucester County Improvement Authority	C	601,577.68	601,577.68
Due From Current Fund	A	115,968.08	-
Deferred Charges to Future Taxation:			
Funded	C-4	10,257,777.93	5,221,097.62
Unfunded	C-5	-	3,425,872.00
Amount to be Provided for Retirement of Obligations			
Under Capital Leases	C-11	8,730,000.00	9,095,000.00
Due from Trust Other	B	326,856.64	326,856.64
Total Assets		$ 21,734,636.93	$ 19,235,422.25

LIABILITIES, RESERVES & FUND BALANCE			
Bond Anticipation Notes Payable	C-8	$ -	$ 2,895,872.00
General Serial Bond	C-9	9,985,000.00	4,920,000.00
Green Acres Loan Payable	C-10	272,777.93	301,097.62
Due to Current Fund	A	1,653.50	997.37
Capital Improvement Fund	C-6	179,483.35	221,536.35
Obligations Under Capital Leases	C-11	8,730,000.00	9,095,000.00
Improvement Authorizations:			
Funded	C-7	1,292,773.96	533,737.55
Unfunded	C-7	-	740,651.84
Reserve for Encumbrances	C-7	919,255.61	334,675.59
Reserve for Developers Deposits	C	173,465.05	173,465.05
Reserve To Pay Debt Service - Bonds	C	161,838.65	-
Fund Balance	C-1	18,388.88	18,388.88
Total Liabilities, Reserves & Fund Balance		$ 21,734,636.93	$ 19,235,422.25

There were bonds and notes authorized but not issued on December 31, 2016 of $0 and on December 31, 2015 of $530,000.

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

EXHIBIT D

TOWNSHIP OF WOOLWICH
GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENT OF FIXED ASSETS AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2016 AND 2015

ASSETS	2016	2015
Land and Buildings	$ 11,609,300.00	$ 11,609,300.00
Other Improvements	84,900.00	84,900.00
Machinery and Equipment	3,252,306.00	3,051,537.00
Total	$ 14,946,506.00	$ 14,745,737.00
FUND BALANCE		
Investment in Fixed Assets	$ 14,946,506.00	$ 14,745,737.00

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

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TOWNSHIP OF WOOLWICH
COUNTY OF GLOUCESTER

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

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TOWNSHIP OF WOOLWICH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity

The Township of Woolwich was incorporated in 1798 and is located in the County of Gloucester in the State of New Jersey. The Township covers approximately 21.2 square miles with a population, according to the 2010 census, of 10,200. The governing body, The Township Committee, is comprised of five elected members who serve three-year terms. The Mayor and Deputy Mayor are elected by the members of the committee and serve for a one-year term in these positions.

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

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

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

Current Fund - resources and expenditures for government operations of a general nature, including Federal and State Grant funds.

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

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

General Fixed Assets – to account for fixed assets used in governmental operations.

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

Note 1. Summary of Significant Accounting Policies (continued):

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

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

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

New Jersey municipal units are required by N.J.SA 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. *N.J.S.A.40A:5-15.1* provides a list of investments which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies. *N.J.S.A.17:9-41* et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

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

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

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

Note 1. Summary of Significant Accounting Policies (continued):

General Fixed Assets - Accounting for governmental fixed assets, as required by *N.J.A.C.5:30-5.6*, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of $5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. In some instances, assets are valued at the assessed valuation of the property at the time of acquisition, which approximates fair value. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

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

Foreclosed Property - Foreclosed property is recorded in the current fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the Township to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the general fixed assets account group. If such property is converted to a municipal use, it will be recorded in the general fixed assets account group.

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

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

Note 1. Summary of Significant Accounting Policies (continued):

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

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

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

School Taxes - The Township is responsible for levying, collecting, and remitting school taxes for the Woolwich Township School District and the Rancocas Valley Regional High School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1 to December 31 and for the regional high school district the Township's share of the amount required to be raised by taxation for the period from July 1 to June 30, increased by the amount deferred at December 31, 2015 and decreased by the amount deferred at December 31, 2016.

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

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

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

Note 1. Summary of Significant Accounting Policies (continued):

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

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

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

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

Impact of Recently Issued Accounting Principles Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

For the year ended December 31, 2016, the Township implemented GASB Statement No. 72, *Fair Value Measurement and Application*. As a result of implementing this statement, the Township is required to measure certain investments at fair value for financial reporting purposes. In addition, the Township is required to measure donated capital assets at acquisition value (an entry price); these assets were previously required to be measured at fair value. Statement No. 72 requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. Implementation of this Statement did not impact the Township's financial statements.

The Township implemented GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Implementation of this Statement did not impact the Township's financial statements.

The Township implemented GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. Implementation of this Statement did not impact the Township's financial statements.

Statement No. 77, *Tax Abatement Disclosures.* This Statement requires governments that enter into tax abatement agreements to disclose information about those agreements. Implementation of this Statement did not impact the Township's financial statements.

Note 1. Summary of Significant Accounting Policies (continued):

Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans.* The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. Implementation of this Statement did not impact the Township's financial statements.

Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Implementation of this Statement did not impact the Township's financial statements.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future fiscal years as shown below:

Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans.* The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement will be effective for the year ended December 31, 2017. Management does not expect this Statement to impact the Township's financial statements.

Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other than Pensions*. This Statement replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Post- employment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agency Employers and Agent Multi-Employer Plans*, for OPEB Statement No. 74, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB Plans. This Statement will be effective for the year ended December 31, 2018. Management has not yet determined the potential impact on the Township's financial statements.

Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*. This Statement will be effective for the year ended December 31, 2017. Management does not expect this Statement to impact the Township's financial statements.

Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This Statement will be effective for the year ended December 31, 2017. Management does not expect this Statement to impact the Township's financial statements.

Note 1. Summary of Significant Accounting Policies (continued):

Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, 68 and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67* and 68. This Statement will be effective for the year ended December 31, 2017. Management has not yet determined the potential impact on the Township's financial statements.

Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting requirements for certain asset retirement obligations and establishes the timing and pattern of recognition of a liability and corresponding deferred outflow of resources. This Statement will be effective for the year ended December 31, 2019. Management does not expect this Statement to impact the Township's financial statements.

Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement will be effective for the year ended December 31, 2019. Management does not expect this Statement to impact the Township's financial statements.

Statement No. 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). This Statement will be effective for the year ended December 31, 2018. Management has not yet determined the potential impact on the Township's financial statements.

Note 2. Cash and Cash Equivalents:

The Township is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at December 31, 2016, and reported at fair value are as follows:

Type	Carrying Value
Deposits:	
Demand Deposits	$ 10,294,485.57
Total Deposits	$ 10,294,485.57
Fund:	
Current Fund	$ 5,828,168.52
Animal Control Trust Fund	7,559.10
Trust - Other Fund	2,305,363.52
Municipal Open Space Trust Fund	747,946.18
General Capital Fund	1,405,448.25
Total	$ 10,294,485.57

Note 2. Cash and Cash Equivalents (continued):

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

As of December 31, 2016, the Township's bank balances of $10,566,279.37 were exposed to custodial credit risk as follows:

Uninsured & Uncollateralized	$ 3,127,121.59
Insured Under F.D.I.C.	275,010.78
Collateralized Under GUDPA	7,164,147.00
Total	$10,566,279.37

Note 3. Investments

A. Custodial Credit Risk

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

B. Investment Interest Rate Risk

Interest rate risk is the risk that changes in interest rates that will adversely affect the fair value of an investment. The Township has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investments held at December 31, 2016, are provided in the above schedule.

Note 3. Investments (continued):

C. Investment Credit Risk

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

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

As of December 31, 2016, the Township had the following investments and maturities:

Investment	Maturities	Rating	Fair Value
Cash Reserve Investment Management (CRIM)			
Trust – Other	N/A	N/A	$ 800,000.00
Current Fund			1,029,915.73
General Capital Fund			90,000.00
Total Investments			$1,919,915.73

Note 3. Investments (continued):

D. Fair Value Measurement

Investments are required to be categorized based on the fair value of inputs of Levels 1, 2 and 3. Under Level 1 inputs, investments are required to be categorized based on quoted market prices in active markets for identical investments. Level 2 inputs are based primarily on using observable measurement criteria, including quoted market prices of similar investments in active and inactive markets and other observable corroborated factors. Level 3 inputs are assets measured at fair value on a recurring basis using significant unobservable measurement criteria based on the best information available.

The funds in the Cash Reserve Investment Management fund are valued 100% at level 1 for December 31, 2016. The preceding calculations are based on the fair value measurement data that is reflected in the audited financial statements of the Township of Woolwich at December 31, 2016.

The following table set forth by level, within the fair value hierarchy, the Township's assets that were accounting for at fair value as of December 31, 2016.

	Assets at Fair Value as of December 31, 2016			
	Level 1	*Level 2*	*Level 3*	*Total*
Certificate of deposit	$ 1,919,915.73	$ -	$ -	$ 1,919,915.73
Total assets at fair value	$ 1,919,915.73	$ -	$ -	$ 1,919,915.73

Note: 4: Property Taxes

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

Comparison of Tax Rate Information

	2016	2015	2014
Total Tax Rate	$3.632	$3.549	$3.372
Apportionment of Tax Rate:			
Municipal	0.508	0.498	0.476
Municipal Open Space	0.050	0.050	0.030
County	0.768	0.745	0.678
Local School	1.423	1.408	1.390
Regional School	0.883	0.848	0.798

Net Valuation Taxable:

2016	$ 1,122,915,247		
2015		$ 1,097,995,392	
2014			$ 1,110,614,108

Note: 4: Property Taxes (continued):

Comparison of Tax Levies and Collection Currently

YEAR	TAX LEVY	CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2016	$ 41,102,031.54	$ 40,485,057.57	98.50%
2015	40,120,233.89	39,458,612.91	98.35%
2014	37,070,409.43	36,375,398.49	98.13%

Delinquent Taxes and Tax Title Liens

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2016	$ 134,729.98	$ 591,706.06	$ 726,436.04	1.77%
2015	172,184.33	586,269.97	758,454.30	1.89%
2014	131,954.26	628,733.88	760,688.14	2.09%

Note: 5: Fund Balance Appropriated

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

YEAR	BALANCE DECEMBER 31,	UTILIZED IN BUDGET OF SUCCEEDING YEAR	PERCENTAGE OF FUND BALANCE USED
CURRENT FUND:			
2016	$ 2,918,145.38	$ 2,190,000.00	75.05%
2015	3,028,200.26	1,975,000.00	65.22%
2014	3,134,566.35	1,900,000.00	60.61%
2013	2,753,343.12	1,670,000.00	60.65%
2012	2,786,460.15	1,450,000.00	52.04%

Note 6. Interfund Receivables and Payables

The following interfunds remained as of December 31, 2016:

Fund	Interfund Receivable	Interfund Payable
Current Fund	$ 95,543.64	$ 170,582.39
Federal and State Grant Fund	50,421.43	-
General Capital Fund	442,824.72	1,653.50
Trust - Animal Control Fund	-	94.24
Trust - Other Fund	-	93,795.90
Municipal Open Space Trust Fund	4,192.88	326,856.64
	$ 592,982.67	$ 592,982.67

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

The summary of interfund transfers follows:

Fund	Interfund Transfer In	Interfund Transfer Out
Current Fund	$ 110,000.00	$ 112,410.14
Federal and State Grant Fund	102,554.26	-
General Capital Fund	-	110,000.00
Municipal Open Space Trust Fund	9,855.88	-
	$ 222,410.14	$ 222,410.14

Note 7. Pension Obligations

A. Public Employees' Retirement System (PERS)

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

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

Note 7. Pension Obligations (continued):

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

The following represents the membership tiers for PERS:

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

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

Basis of Presentation - The schedules of employer allocations and the schedules of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability.

Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2016, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level

Note 7. Pension Obligations (continued):

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

annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Components of Net Pension Liability - At December 31, 2016, the Municipality reported a liability of $5,087,201 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2016. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. The Municipality's proportion of the net pension liability was based on the Municipality's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2016. The Municipality's proportion measured as of June 30, 2016, was .01718%, which was a decrease of .00001% from its proportion measured as of June 30, 2015.

Collective Balances at December 31, 2016 & December 31, 2015

	12/31/16	12/31/15
Actuarial Valuation Date (including roll Forward)	June 30, 2016	June 30, 2015
Deferred Outflows of Resources	1,617,664	855,546
Deferred Inflows of Resources	80,329	164,285
Net Pension Liability	5,087,201	3,857,299
Municipality's Portion of the Plan's Total Net Pension Liability	0.01718%	0.01718%

Pension Expense and Deferred Outflows/Inflows of Resources - At December 31, 2016, the Municipality reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

Note 7. Pension Obligations (continued):

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 94,607	$ -
Changes of Assumptions	1,053,796	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	193,980	-
Changes in Proportion and Differences between Municipality Contributions and Proportionate Share of Contributions	275,281	80,329
	$ 1,617,664	$ 80,329

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension expense as follows:

Year Ending Dec 31,	PERS
2017	$ 353,672
2018	353,673
2019	395,471
2020	332,993
2021	101,524
	$ 1,537,333

Note 7. Pension Obligations (continued):

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
Changes in Proportion and Differences between Municipality Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Note 7. Pension Obligations (continued):

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

	PERS
Inflation	3.08%
Salary Increases:	
Through 2026	1.65% - 4.15% Based on Age
Thereafter	2.65% - 5.15% Based on Age
Investment Rate of Return	7.65%
Mortality Rate Table	RP-2000
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2011 - June 30, 2014

Pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rate were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on the mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scales. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Note 7. Pension Obligations (continued):

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.65% at June 30, 2016) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2016 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	5.00%	0.87%
U.S. Treasuries	1.50%	1.74%
Investment grade credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad U.S. Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds/Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global debt ex U.S.	5.00%	-0.25%
REIT	5.25%	5.63%
	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 3.98% as of June 30, 2016. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% as of June 30, 2016 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 30% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions.

Note 7. Pension Obligations (continued):

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

Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2034. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2034 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Municipality's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Municipality's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Municipality's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.98%) or 1-percentage-point higher (4.98%) than the current rate:

	Decrease (2.98%)	Discount Rate (3.98%)	Increase (4.98%)
Municipality's proportionate share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability associated with the Municipality	$ 6,233,771	$ 5,087,201	$ 4,140,608

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

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

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

The following represents the membership tiers for PFRS:

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

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

Note 7. Pension Obligations (continued):

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

Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

Basis of Presentation - The schedules of employer allocations and the schedules of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PFRS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PFRS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PFRS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2016, the State contributed an amount less than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. Municipality contributions to PFRS amounted to $375,033 for 2016.

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

Net Pension Liability and Pension Expense - At December 31, 2016, the Municipality's proportionate share of the PFRS net pension liability is valued to be $8,786,622. The net pension liability was measured as of June 30, 2016. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2015, to the measurement date of June 30, 2016. The Municipality's proportion of the net pension liability was based on the Municipality's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2016. The Municipality's proportion measured as of June 30, 2016, was .04600%, which was an increase of .00429% from its proportion measured as of June 30, 2015.

Note 7. Pension Obligations (continued):

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

Collective Balances at December 31, 2016 & December 31, 2015

	12/31/16	12/31/15
Actuarial Valuation Date (including roll Forward)	June 30, 2016	June 30, 2015
Deferred Outflows of Resources	2,537,726	1,554,561
Deferred Inflows of Resources	190,411	355,548
Net Pension Liability	8,786,622	6,947,410
Municipality's Portion of the Plan's Total Net Pension Liability	0.04600%	0.04171%

Pension Expense and Deferred Outflows/Inflows of Resources - At December 31, 2016, the Municipality had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ -	$ 57,598
Changes of Assumptions	1,217,019	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	615,661	-
Changes in Proportion and Differences between Municipality Contributions and Proportionate Share of Contributions	705,046	132,813
	$ 2,537,726	$ 190,411

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension expense as follows:

Note 7. Pension Obligations (continued):

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

Year Ending Dec 31,		PFRS
2017	$	529,448
2018		529,449
2019		655,346
2020		451,631
2021		181,440
	$	2,347,314

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	-	5.53
June 30, 2016	-	5.58
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.17	-
June 30, 2015	5.53	-
June 30, 2016	5.58	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
Changes in Proportion and Differences between Municipality Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.17	6.17
June 30, 2015	5.53	5.53
June 30, 2016	5.58	5.58

Note 7. Pension Obligations (continued):

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

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

Additionally, the State's proportionate share of the net pension liability attributable to the Municipality is $737,858 as of December 31, 2016. The net pension liability was measured as of June 30, 2016. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2015, to the measurement date of June 30, 2016. The State's proportion of the net pension liability associated with the Municipality was based on a projection of the Municipality's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2016 was .04600%, which was an increase of .00429% from its proportion measured as of June 30, 2015, which is the same proportion as the Municipality's.

Municipality's Proportionate Share of the Net Pension Liability	$	8,786,622
State's Proportionate Share of the Net Pension Liability Associated with the Municipality		737,858
Total Net Pension Liability	$	9,524,480

For the year ended December 31, 2016, the Municipality's total allocated pension expense was $1,160,185.00.

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Note 7. Pension Obligations (continued):

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

	PFRS
Inflation	3.08%
Salary Increases:	
Through 2026	2.10% - 8.98% Based on Age
Thereafter	3.10% - 9.98% Based on Age
Investment Rate of Return	7.65%
Mortality Rate Table	RP-2000
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2010 - June 30, 2013

Pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rate were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on the mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scales. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.65% at June 30, 2016) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2016 are summarized in the following table:

Note 7. Pension Obligations (continued):

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	5.00%	0.87%
U.S. Treasuries	1.50%	1.74%
Investment Grade Credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad US Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds/Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global Debt ex US	5.00%	-0.25%
REIT	5.25%	5.63%
Total	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 5.55% as of June 30, 2016. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% as of June 30, 2016 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 30% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2050. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2050 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Municipality's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Municipality's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Municipality's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.55%) or 1-percentage-point higher (6.55%) than the current rate:

	Decrease (4.55%)	Discount Rate (5.55%)	Increase (6.55%)
Municipality's proportionate share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability associated with the Municipality	$ 12,281,119	$ 9,524,480	$ 7,276,607

Note 8. Accrued Sick and Vacation Benefits

Full-time employees are entitled to six paid sick leave days each year. Township employees may accumulate and carry forward sick time to a maximum of thirty days. There is a maximum pay-out of $10,000.00 and is paid at the rate of pay upon retirement. Up to five vacation days not used during the year may be carried forward; however, no accumulation of vacation time is permitted. Employees are paid for all accrued vacation time at retirement only.

Full-time police are entitled to up to 120 paid sick leave hours each year. Sick time may be accumulated and carried forward to subsequent years; however, no sick time is paid upon termination or retirement. Up to four vacation days not used during the year may be carried forward. Employees are paid for all accrued vacation time at retirement only.

At December 31, 2016, the Township estimates this liability to approximate $132,627.79. Effective January 1, 2002, the State of New Jersey allowed municipalities to create a reserve trust fund for compensated absences. However, the Township does not maintain a compensated absences trust fund.

Note 9. Deferred Compensation

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

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

Note 10. Lease Obligations

At December 31, 2016, the Township had capital lease agreements in effect for the following:

Municipal Building Construction – the Township has a lease agreement with the Gloucester County Improvement Authority where the Township will buy out the building for $1 at the end of the lease term.

Note 10. Lease Obligations (continued):

Future minimum payments under the capital lease agreement are as follows:

Year Ending December 31,	Principal	Interest	Total
2017	$ 380,000.00	$ 381,568.75	$ 761,568.75
2018	400,000.00	362,068.75	762,068.75
2019	420,000.00	343,406.25	763,406.25
2020	440,000.00	323,743.75	763,743.75
2021	460,000.00	303,268.76	763,268.76
2022-2026	2,620,000.00	1,195,778.16	3,815,778.16
2027-2031	3,265,000.00	548,212.50	3,813,212.50
2032	745,000.00	16,762.50	761,762.50
	$ 8,730,000.00	$ 3,474,809.42	$ 12,204,809.42

Note 11. Capital Debt

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond anticipation notes are issued to temporarily finance capital projects, prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance and so on. Tax anticipation notes are issued if the cash on hand is not sufficient to carry on normal operations of the Township at any time during the year. Such notes are authorized by a resolution adopted by the governing body.

During the fiscal year ended December 31, 2016 the following changes occurred in General Capital debt:

	December 31, 2015	Accrued/ Increases	Retired/ Decreases	December 31, 2016	Due Within One Year
Bond Anticipation Notes	$ 2,895,872.00	$ -	$ (2,895,872.00)	$ -	$ -
Green Acres Loan Payable	301,097.62	-	(28,319.69)	272,777.93	28,888.92
General Serial Bonds	4,920,000.00	5,500,000.00	(435,000.00)	9,985,000.00	610,000.00
Capital Lease Payable	9,095,000.00	-	(365,000.00)	8,730,000.00	380,000.00
Authorized but Not Issued	530,000.00	-	(530,000.00)	-	-
Total	$ 17,741,969.62	$ 5,500,000.00	$ (4,254,191.69)	$ 18,987,777.93	$ 1,018,888.92

Note 11. Capital Debt (continued):

During 2016, the Township of Woolwich issued $5,500,000.00 of General Obligation Bonds October 13, 2016. Bonds were issued to permanently finance various capital improvement projects. Payments are due each June 15th with various interest rates (2.00% to 4.00%).

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

Year Ending December 31,	Principal	Interest	Total
2017	$ 610,000.00	$ 287,186.67	$ 897,186.67
2018	660,000.00	275,800.00	935,800.00
2019	665,000.00	256,000.00	921,000.00
2020	690,000.00	234,000.00	924,000.00
2021	720,000.00	211,200.00	931,200.00
2022-2026	3,390,000.00	692,100.00	4,082,100.00
2027-2031	1,625,000.00	348,562.50	1,973,562.50
2032-2036	1,625,000.00	143,000.00	1,768,000.00
Total	$ 9,985,000.00	$ 2,447,849.17	$ 12,432,849.17

Green Trust Program Loans

The Township has contracted with the State of New Jersey, Department of Environmental Protection for Green Trust Program Loans to fund a portion of the costs incurred in the improvements to Locke Avenue Park and Park Expansion.

Schedule of Annual Debt Service for Principal and Interest for Green Trust Program Loans Outstanding are as follows:

Year Ending December 31,	Principal	Interest	Total
2017	$ 28,888.92	$ 5,311.84	$ 34,200.76
2018	29,469.58	4,731.17	34,200.75
2019	30,061.92	4,138.84	34,200.76
2020	30,666.17	3,534.58	34,200.75
2021	31,282.56	2,918.18	34,200.74
2022-2026	122,408.78	6,621.35	129,030.13
Total	$ 272,777.93	$ 27,255.96	$ 300,033.89

Note 11. Capital Debt (continued):

A Summary of Municipal Debt is as follows:

Summary of Municipal Debt	Year 2016	Year 2015	Year 2014
Issued & Outstanding			
General:			
Bonds, Loans & Notes	$ 18,987,777.93	$ 17,211,969.62	$ 17,794,311.30
Authorized But Not Issued			
General - Bonds & Notes	-	-	-
Total Issued & Authorized but Not Issued	18,987,777.93	17,211,969.62	17,794,311.30
Less: Deduction to Pay Bonds & Notes	8,891,838.65	9,095,000.00	9,440,000.00
Net Debt	$ 10,095,939.28	$ 8,116,969.62	$ 8,354,311.30

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.193%

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District Debt	$ 33,343,343.24	$ 29,403,470.23	$ 3,939,873.01
Regional School District Debt	17,122,635.24	17,122,635.24	-
General Debt	18,987,777.93	8,891,838.65	10,095,939.28
Total	$ 69,453,756.41	$ 55,417,944.12	$ 14,035,812.29

Net Debt, $14,035,812.29 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, as amended, $1,176,138,809.33 equals 1.193%.

Borrowing Power Under 40A:2-6:

3 1/2% of Equalized Valuation Bases (Municipal)	$ 41,164,858.33
Net Debt	14,035,812.29
Remaining Borrowing Power	$ 27,129,046.04

Note 12. Local District School and Regional High School Taxes

Regulations provide for deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Township has elected to defer school taxes as follows:

	Local District School Tax		Regional High School Tax	
	2016	2015	2016	2015
Balance of Tax	$ 7,991,010.79	$ 7,729,520.80	$ 0.12	$ 0.66
Deferred	5,410,504.32	4,910,504.32	-	-
Tax Payable	$ 2,580,506.47	$ 2,819,016.48	$ 0.12	$ 0.66

Note 13. Risk Management

The Township is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions, injuries to employees and natural disasters. The Township maintains commercial insurance coverage for property, liability and surety bonds through the Gloucester, Salem and Cumberland Counties Municipal Joint Insurance Fund ("Fund").

The Fund provides the Township with the following coverage:

Property Policy
Automobile Policy
Crime Policy and Excess Crime Policy
Casualty Policy
Workers' Compensation and Excess Workers Compensation Policy
Environmental Legal Liability Policy
Excess Liability Policy
Public Officials and Employment Liability Policy
Volunteer Directors and Officers Policy

Contributions to the Fund, are payable in an annual premium and is based on actuarial assumptions determined by the Fund's actuary. The Township's agreement with the pool provides that the pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund for claims in excess of $50,000 to $250,000 based on the line of coverage for each insured event.

The Fund publishes its own financial report for the year ended December 31, 2016, which can be obtained from:

Gloucester, Salem, Cumberland Counties Municipal Joint Insurance Fund
Post Office Box 488
Marlton, New Jersey 08053

Note 14. Litigation

State and Federal Grants - The Township receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2016, the Township estimates that no material liabilities will result from such audits.

Pending Litigation - There are no actions which have been instituted against the Township at the present time.

Note 15. Accounts Receivable

Accounts receivable at December 31, 2016 consisted of intergovernmental grants, taxes, sewer rents and other accounts receivable. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for the Township's individual major and fiduciary funds, in the aggregate, are as follows:

	Current Fund	State & Federal Grant Fund	General Capital Fund	Total
State Aid	$ -	$ 523,148.48	$ -	$ 523,148.48
Federal Aid	-	13,239.20	-	13,239.20
Taxes	726,436.04	-	-	726,436.04
Other	10,769.77	-	808,586.03	819,355.80
Total	$ 737,205.81	$ 536,387.68	$ 808,586.03	$ 2,082,179.52

Note 16. Fixed Assets

The following schedule is a summarization of the General Fixed Assets by Source for the year ended December 31, 2016:

	Balance December 31, 2015	Additions	Deletions	Balance December 31, 2016
Land and Buildings	$ 11,609,300.00	$ -	$ -	$ 11,609,300.00
Other Improvements	84,900.00	-	-	84,900.00
Machinery and Equipment	3,051,537.00	323,320.00	(122,551.00)	3,252,306.00
Total	$ 14,745,737.00	$ 323,320.00	$ (122,551.00)	$ 14,946,506.00

Note 17. Subsequent Events

The Township has evaluated subsequent events occurring after December 31, 2016 through the date of June 8, 2017, which is the date the financial statements were available to be issued.

SUPPLEMENTARY EXHIBITS

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CURRENT FUND

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EXHIBIT A-4

TOWNSHIP OF WOOLWICH
CURRENT FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2016

	CURRENT FUND		STATE & FEDERAL GRANT FUND	
Balance December 31, 2015		$ 7,179,167.44		$ -
Increased by Receipts:				
Taxes Collector	$ 41,264,208.01			
Revenue Accounts Receivable	1,357,943.75			
Miscellaneous Revenue Not Anticipated	470,944.10			
Refunds of Current Year Appropriations	143,688.04			
Interest on Investment	28,823.93			
Due to General Capital Fund	110,000.00			
Federal & State Grants Unappropriated			$ 30,255.69	
Federal & State Grants Receivable			37,307.65	
Interfund Receipt - Current			102,554.26	
Total Receipts		43,375,607.83		170,117.60
Subtotal		50,554,775.27		170,117.60
Decreased by Disbursements:				
2016 Appropriations	8,117,982.12			
Appropriation Reserves	257,815.87			
Encumbrances Payable	83,883.99			
County Taxes Payable	8,604,428.33			
Due County for Added & Omitted Taxes	237,922.22			
Local District School Tax	15,720,531.01			
Regional High School Tax	9,917,919.54			
Municipal Open Space Tax	561,457.62			
Accounts Payable	25,660.85			
Tax Overpayments	34,212.28			
Refund of Current Year Revenue	6,510.00			
Refund of Prior Year Revenue	25,896.60			
Interfund Disbursement - Grant	102,554.26			
Federal & State Grants - Appropriated			170,117.60	
Total Disbursements		43,696,774.69		170,117.60
Balance December 31, 2016		$ 6,858,000.58		$ -

EXHIBIT A-5

TOWNSHIP OF WOOLWICH
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2016

Balance - December 31, 2015		$ 821,486.87
Increased by:		
Interest and Cost on Taxes	$ 110,495.40	
Taxes Receivable	40,752,660.59	
Tax Title Lien Redemptions	70,795.98	
Senior & Vet Receipts	57,250.00	
Prepaid Taxes	273,006.04	
		41,264,208.01
		42,085,694.88
Decreased by:		
Payments to Chief Financial Officer	41,264,208.01	
Close Bank Account to Current	821,486.87	
		42,085,694.88
Balance - December 31, 2016		$ -

EXHIBIT A-6

TOWNSHIP OF WOOLWICH
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2016

YEAR	BALANCE DECEMBER 31, 2015	2016 LEVY	ADDED TAXES	COLLECTED 2015	COLLECTED 2016	SENIOR CITIZENS & VETERANS	OVERPAYMENT APPLIED	OVERPAYMENT CREATED	CANCELED	TRANSFERRED TO TAX TITLE LIENS	TRANSFERRED TO ARREARS	BALANCE DECEMBER 31, 2016
2012	$ 3,501.92	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,330.75	$ 1,833.68	$ -	$ 337.49
2013	29,710.43	-	-	-	9,526.20	-	-	9,865.80	19,419.52	2,617.92	(8,012.52)	0.07
2014	24,887.59	-	-	-	9,932.73	-	-	27,096.71	30,988.03	2,724.58	(8,338.96)	-
2015	528,170.03	-	-	-	517,690.92	(1,250.00)	23,997.11	71,051.39	44,278.94	5,226.68	-	9,277.77
ARREARS	-	-	-	-	-	-	-	-	-	-	16,351.48	16,351.48
Total	586,269.97	-	-	-	537,149.85	(1,250.00)	23,997.11	108,013.90	96,017.24	12,402.86	-	25,966.81
2016	-	40,784,281.81	317,749.73	226,527.80	40,215,510.74	54,568.18	21,316.86	32,866.01	51,234.72	-	-	565,739.25
Total	$ 586,269.97	$ 40,784,281.81	$ 317,749.73	$ 226,527.80	$ 40,752,660.59	$ 53,318.18	$ 45,313.97	$ 140,879.91	$147,251.96	$ 12,402.86	$ -	$ 591,706.06

ANALYSIS OF 2016 PROPERTY TAX LEVY:

Tax Yield:		
General Property Tax	$ 40,784,281.81	
Added Taxes (54:4-63.1 et. seq.)	317,749.73	$ 41,102,031.54
Total Tax Yield		$ 41,102,031.54
Tax Levy:		
Local School District Tax (Abstract)		$ 15,982,021.00
Regional High School Tax (Abstract)		9,917,919.00
Municipal Open Space (Abstract)		561,457.62
Municipal Open Space (Added)		4,192.88
County Taxes:		
County Tax (Abstract)	$ 7,536,157.46	
County Library Tax (Abstract)	579,281.27	
County Open Space	488,788.00	
Due County for Added Taxes (54:4-63,1 et.seq.)	66,670.11	
Total County Taxes		8,670,896.84
Local Tax for Municipal Purposes	5,709,000.00	
Add: Additional Tax Levied	256,544.20	5,965,544.20
Total Tax Levy		$ 41,102,031.54

EXHIBIT A-6

TOWNSHIP OF WOOLWICH
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2016

Balance December 31, 2015		$ 172,184.33
Increased by:		
Transfers from Taxes Receivable	$ 12,402.86	
Adjustment to Liens	355.61	
Interest & Costs Accrued by Sale	20,583.16	33,341.63
Subtotal		205,525.96
Decreased by:		
Collections		70,795.98
Balance December 31, 2016		$ 134,729.98

EXHIBIT A-8

TOWNSHIP OF WOOLWICH
CURRENT FUND
STATEMENT OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

	BALANCE DECEMBER 31, 2015	ACCRUED IN 2016	TREASURER	CANCELLED	BALANCE DECEMBER 31, 2016
Miscellaneous Revenue Anticipated:					
Municipal Court	17,805.98	143,774.79	150,811.00	-	10,769.77
Energy Receipts Tax	-	414,809.00	414,809.00	-	-
Garden State Trust	-	5,939.00	5,939.00	-	-
Cable Television Franchise Fees	22,727.77	-	-	22,727.77	-
Shared Services - Swedesboro:				-	
Police Coverage and Protection	-	628,979.90	628,979.90	-	-
Recreation	(0.40)	7,350.00	7,350.00	(0.40)	-
Kingsway Regional School District	35,000.00	150,054.85	150,054.85	35,000.00	-
Total	$ 75,533.35	$ 1,350,907.54	$ 1,357,943.75	$ 57,727.37	$ 10,769.77

Cash Receipts	$ 1,357,943.75
Total	$ 1,357,943.75

EXHIBIT A-9

TOWNSHIP OF WOOLWICH
CURRENT FUND
SCHEDULE OF 2015 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2016

	BALANCE DECEMBER 31, 2015	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
General Government:				
General Administration:				
Other Expenses	966.23	966.23	49.71	916.52
Mayor and Committee:				
Other Expenses	79.61	79.61	68.88	10.73
Municipal Clerk:				
Other Expenses	986.80	986.80	839.67	147.13
Financial Administration (Treasury):				
Other Expenses	3,374.42	3,374.42	3,359.40	15.02
Audit Services:				
Other Expenses	1,868.75	1,868.75	1,868.75	-
Revenue Administration (Tax Collection)				
Other Expenses:	1,264.05	1,264.05	1,020.58	243.47
Legal Services (Legal Department)				
Other Expenses	71,260.78	71,260.78	51,933.25	19,327.53
Engineering Services:				
Other Expenses	8,750.17	8,750.17	3,941.13	4,809.04
Economic Development:				
Other Expenses	1,847.02	1,847.02	1,169.26	677.76
Land Use Administration:				
Planning Board:				
Other Expenses	16,269.42	16,269.42	2,382.79	13,886.63
Insurance:				
Workmen's Compensation Insurance	3,840.00	3,840.00	750.00	3,090.00
Health Benefit Waiver	47,525.39	47,525.39	13,338.92	34,186.47
Public Safety Functions:				
Police Department:				
Salaries and Wages	913.36	21,913.36	21,913.36	-
Other Expenses	14,506.95	20,506.95	17,212.97	3,293.98
Aid to Volunteer Fire Company:				
Other Expenses	10,769.39	10,769.39	8,120.39	2,649.00
Municipal Court:				
Other Expenses	4,356.91	4,356.91	1,099.82	3,257.09
Public Works Functions:				
Snow Removal:				
Other Expenses	44,429.45	44,429.45	41,012.12	3,417.33
Solid Waste Sanitation:				
Other Expenses	77,870.83	77,870.83	36,304.19	41,566.64
Buildings & Grounds:				
Other Expenses	6,457.70	6,457.70	2,152.00	4,305.70
Vehicle Maintenance:				
Other Expenses	9,747.20	11,247.20	10,334.23	912.97
Park & Recreation Functions:				
Maintenance of Parks:				
Other Expenses	25,863.08	25,863.08	24,273.44	1,589.64
Celebration of Public Events:				
Other Expenses	728.27	728.27	485.29	242.98
Utility Expenses & Bulk Purchases:				
Electricity	9,059.64	9,059.64	6,820.27	2,239.37
Street Lighting	9,993.60	14,993.60	13,456.59	1,537.01
Telephone	2,516.33	2,516.33	1,093.19	1,423.14
Water/Fire Hydrant Service	26,425.20	26,925.20	26,641.84	283.36
Heating	2,682.11	2,682.11	788.97	1,893.14
Gasoline	29,548.90	24,548.90	-	24,548.90
Landfill/Solid Waste Disposal Costs:				
Sanitary Landfill	110,373.23	81,373.23	49,629.10	31,744.13
Interlocal Service Agreements - Swedesboro:				
Aid to Volunteer Fire Company	2,211.70	2,211.70	1,290.60	921.10
Recreation	7,226.02	7,226.02	4,500.28	2,725.74
All Others	60,925.68	60,925.68	-	60,925.68
Total	614,638.19	614,638.19	347,850.99	266,787.20

2015 Appropriation Reserves	$ 530,754.20	Cash	$ 341,699.86
2015 Encumbrances	83,883.99	Accounts Payable	6,151.13
Total	$ 614,638.19	Total	$ 347,850.99

EXHIBIT A-10

TOWNSHIP OF WOOLWICH
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT TAX
FOR THE YEAR ENDED DECEMBER 31, 2016

Balance December 31, 2015:		
School Tax Deferred	$ 4,910,504.32	
School Tax Payable	2,819,016.48	7,729,520.80
Increased by Levy:		
School Year July 1, 2016 - June 30, 2017		15,982,021.00
Subtotal		23,711,541.80
Decreased by:		
Payments		15,720,531.01
Subtotal		7,991,010.79
Balance December 31, 2016:		
School Tax Deferred	5,410,504.32	
School Tax Payable	2,580,506.47	
Balance December 31, 2016		$ 7,991,010.79

ANALYSIS OF AMOUNT CHARGED TO OPERATIONS

2016 Payments	$ 15,720,531.01
Less School Taxes Payable at December 31, 2015	2,819,016.48
Plus School Taxes Payable at December 31, 2016	2,580,506.47
Amount Charged to 2016 Operations	$ 15,482,021.00

EXHIBIT A-11

SCHEDULE OF REGIONAL HIGH SCHOOL TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

Balance December 31, 2015	$ 0.66
Increased by:	
Levy - Calendar Year	9,917,919.00
Subtotal	9,917,919.66
Decreased by:	
Payments	9,917,919.54
Balance December 31, 2016	$ 0.12

EXHIBIT A-12

TOWNSHIP OF WOOLWICH
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2016

Balance, December 31, 2015			$	237,922.22
Increased by:				
General County Taxes	$	7,536,157.46		
County Library Taxes		579,281.27		
County Open Space Preservation		488,788.00		
County Added & Omitted Taxes		66,670.11		8,670,896.84
Subtotal				8,908,819.06
Decreased by:				
Payments				8,842,350.55
Balance, December 31, 2016			$	66,468.51

EXHIBIT A-13

TOWNSHIP OF WOOLWICH
CURRENT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

GRANT	BALANCE DECEMBER 31, 2015	ANTICIPATED REVENUE	RECEIVED	TRANSFERRED FROM UNAPPROPRIATED	BALANCE DECEMBER 31, 2016
State Grants:					
Municipal Alliance for Drug and Alcohol Abuse	$ 13,635.20	$ -	$ -	$ -	$ 13,635.20
Drunk Driving Enforcement Grant	7,006.60	-	1,760.00	-	5,246.60
Body Armor Grant	515.56	2,099.69	-	2,099.69	515.56
Sustainable Jersey Small Grant	12,862.85	-	-	-	12,862.85
Recycling Tonnage Grant	12,525.26	16,525.53	-	16,525.53	12,525.26
Alcohol Education and Rehabilitation Grant	(295.97)	736.81	-	736.81	(295.97)
Clean Communities Program	1,159.63	23,146.64	-	23,146.64	1,159.63
DVRPC	125,000.00	-	35,547.65	-	89,452.35
NJ Department of Transportation - Bikeways	170,000.00	-	-	-	170,000.00
NJ Department of Transportation - Shared Use Path	-	194,047.00	-	-	194,047.00
NJDEP - Recreation Trails Program	-	30,000.00	-	-	30,000.00
Federal Grants:					
CDBG	13,239.20	-	-	-	13,239.20
Total	$ 355,648.33	$ 266,555.67	$ 37,307.65	$ 42,508.67	$ 542,387.68

Cash Receipts	$ 37,307.65
Due from Current Fund	
Total	$ 37,307.65

EXHIBIT A-14

TOWNSHIP OF WOOLWICH
CURRENT FUND
SCHEDULE OF RESERVES FOR STATE AND FEDERAL GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2016

APPROPRIATION	BALANCE DECEMBER 31, 2015	2016 BUDGET APPROPRIATION	ENCUMBRANCES RECLASSIFIED	EXPENDED	ENCUMBRANCES	ADJUSTED	BALANCE DECEMBER 31, 2016
State:							
Recycling Tonnage Grant	$ 89,878.71	$ 16,525.53	$ -	$ 55,796.06	$ 300.00	$ -	$ 50,308.18
SHARE Grant	19,918.99	-	-	-	-	-	19,918.99
Clean Communities Grant	33,208.35	23,146.64	6,559.45	-	-	-	62,914.44
Municipal Alliance for Drug and Alcohol Abuse							
State Share	4,895.00	-	-	-	-	-	4,895.00
Municipal Share	17,582.31	-	-	-	-	-	17,582.31
Drunk Driving Enforcement Fund	11,178.76	-	-	740.00	-	-	10,438.76
Hazardous Site Remediation Grants:							
Jersey Fresh Grant	600.00	-	-	-	-	-	600.00
Alcohol Education Rehabilitation Grant							
Municipal Court - Salaries and Wages	6,410.59	736.81	-	2,987.23	-	-	4,160.17
Body Armor Replacement Grant	9,002.34	2,099.69	-	872.00	-	-	10,230.03
Sustainable Jersey Small Grant	3,250.00	-	-	-	-	-	3,250.00
DVRPC	-	-	85,896.52	85,275.06	621.46	-	-
NJDEP - Recreation Trails Program							
State Share	-	24,000.00	-	-	-	-	24,000.00
Municipal Share	-	6,000.00	-	-	-	-	6,000.00
NJDOT - Shared Use Path	-	194,047.00	-	-	-	-	194,047.00
NJDOT - Bikeways	170,000.00	-	-	24,447.25	41,052.75	-	104,500.00
Total State	365,925.05	266,555.67	92,455.97	170,117.60	41,974.21	-	512,844.88
Federal:							
Municipal Stormwater Regulation Grant	588.50	-	-	-	-	-	588.50
Community Development Block Grant	1,145.83	-	-	-	-	-	1,145.83
Total Federal	1,734.33	-	-	-	-	-	1,734.33
Total	$ 367,659.38	$ 266,555.67	$ 92,455.97	$ 170,117.60	$ 41,974.21	$ -	$ 514,579.21

EXHIBIT A-15

TOWNSHIP OF WOOLWICH
FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVES FOR STATE GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2016

GRANT	BALANCE DECEMBER 31, 2015	TRANSFERRED TO 2016 GRANT APPROPRIATED	RECEIVED	BALANCE DECEMBER 31, 2016
State Grants:				
Recycling Tonnage Grant	$ 16,525.53	$ 16,525.53	$ -	$ -
Alcohol Education Rehabilitation Grant	736.81	736.81	1,601.43	1,601.43
Clean Communities Grant	23,146.64	23,146.64	26,470.09	26,470.09
Body Armor Grant	2,099.69	2,099.69	2,184.17	2,184.17
Total Grants	$ 42,508.67	$ 42,508.67	$ 30,255.69	$ 30,255.69

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TRUST FUND

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EXHIBIT B-3

TOWNSHIP OF WOOLWICH
TRUST FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2016

	TRUST OTHER		MUNICIPAL OPEN SPACE		ANIMAL CONTROL	
Balance December 31, 2015		$ 2,023,630.01		$ 605,298.35		$ 7,432.29
Increased by Receipts:						
Public Defender Fees	$ 3,047.35		$ -		$ -	
COAH Trust Funds	51,764.74		-		-	
Unemployment Trust	10,002.97		-		-	
Escrow Deposits	503,949.46		-		-	
Woolwich Recreation Trust	53,937.61		-		-	
Police Forfeited Funds	2,003.60		-		-	
Deposits for Police Overtime	162,930.17		-		-	
Municipal Open Space Tax	-		561,457.62		-	
Developer's Tree Compensation	261.23		-		-	
UCC Fees	527,794.11		-		-	
Developer's Recreation Fees	19,180.64		-		-	
Payroll	4,239,714.76		-		-	
Snow Removal	59,845.37		-		-	
POAA	28.71		-		-	
Municipal Functions Developer's Fees	400,716.81		-		-	
Developer's Open Space	101.47		-		-	
Election	13,800.00		-		-	
Interfunds Received	-		9,855.88		-	
Dog License Fees	-		-		7,429.00	
Interest	-		972.23		12.50	
		6,049,079.00		572,285.73		7,441.50
Subtotal		8,072,709.01		1,177,584.08		14,873.79
Decreased by Disbursements:						
Animal Control Expenditures	-		-		7,314.69	
Municipal Open Space	-		429,639.90		-	
Woolwich Recreation Trust	155,987.09		-		-	
Unemployment Trust	5,281.91		-		-	
Developer's Tree Compensation	11,477.50		-		-	
Police Overtime Expenses	168,382.30		-		-	
Public Defender Fees	4,097.06		-		-	
Municipal Functions Developer's Fees	503,149.29		-		-	
Police Forfeited Funds	0.43		-		-	
UCC Trust	540,752.19		-		-	
Developer's Recreation Fees	41,567.76		-		-	
Payroll	4,237,777.97		-		-	
Snow Removal Trust	55,492.00		-		-	
Escrow Disbursements	306,007.15		-		-	
Developer's Open Space	26,832.45		-		-	
Polling for Local Elections	13,800.00		-		-	
		6,070,605.10		429,639.90		7,314.69
Balance December 31, 2016		$ 2,002,103.91		$ 747,944.18		$ 7,559.10

EXHIBIT B-4

TOWNSHIP OF WOOLWICH
TRUST FUND
SCHEDULE OF CASH - COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2016

	TAX TITLE LIEN REDEMPTION TRUST FUND		TAX PREMIUM TRUST FUND	
Balance - December 31, 2015		$ 9,798.26		$ 205,512.62
Increased by:				
Premiums Received from Tax Sale	$ 134,140.39		$ 213,922.65	
		134,140.39		213,922.65
		143,938.65		419,435.27
Decreased by:				
Refund of Premium Upon Redemption	133,799.83		126,314.48	
		133,799.83		126,314.48
Balance - December 31, 2016		$ 10,138.82		$ 293,120.79

EXHIBIT B-5

TOWNSHIP OF WOOLWICH
TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2016

Balance December 31, 2015		$ 7,338.05
Increased by Receipts:		
Dog License Fees	$ 7,429.00	
Interest	12.50	7,441.50
Subtotal		14,779.55
Decreased by Disbursements:		
Disbursements to State of New Jersey	1,594.20	
Disbursements for Dog License Expenses	5,720.49	7,314.69
Balance December 31, 2016		$ 7,464.86

LICENSE FEES COLLECTED

YEAR	AMOUNT
2015	$ 11,006.46
2014	7,551.45
Total	$ 18,557.91

EXHIBIT B-6

TOWNSHIP OF WOOLWICH
TRUST FUND
SCHEDULE OF DEPOSITS FOR REDEMPTION OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2016

Balance December 31, 2015	$ 9,798.26
Increased by:	
Cash Receipts	134,140.39
Subtotal	143,938.65
Decreased by:	
Disbursements	133,799.83
Balance December 31, 2016	$ 10,138.82

EXHIBIT B-7

TOWNSHIP OF WOOLWICH
TRUST FUND
SCHEDULE OF PREMIUMS RECEIVED AT TAX SALE
FOR THE YEAR ENDED DECEMBER 31, 2016

Balance December 31, 2015		$ 205,512.62
Increased by:		
Interest	$ 308.17	
Premiums Received at Tax Sale	203,900.00	204,208.17
Subtotal		409,720.79
Decreased by:		
Cash Disbursements		116,600.00
Balance December 31, 2016		$ 293,120.79

EXHIBIT B-8

TOWNSHIP OF WOOLWICH
TRUST FUND
SCHEDULE OF RESERVE FOR MUNICIPAL OPEN SPACE
FOR THE YEAR ENDED DECEMBER 31, 2016

Balance December 31, 2015		$ 288,297.59
Increased by:		
Tax Levy Received	$ 561,457.62	
Added Taxes Due from Current Fund	4,192.88	
Interest	972.23	566,622.73
Subtotal		854,920.32
Decreased by:		
Expenditures for Open Space	429,639.90	
Due to Capital	-	429,639.90
Balance December 31, 2016		$ 425,280.42

EXHIBIT B-9

TOWNSHIP OF WOOLWICH
TRUST FUND
SCHEDULE OF MISCELLANEOUS TRUST RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2016

	BALANCE DECEMBER 31, 2015	INCREASED BY			DECREASED BY		BALANCE DECEMBER 31, 2016
		RECEIPTS	INTEREST EARNINGS	OTHER	DISBURSEMENTS	OTHER	
Public Defender	$ 4,093.59	$ 3,040.00	$ 7.35	$ -	$ 4,097.06	$ -	$ 3,043.88
Payroll Deductions Payable	-	4,239,601.97	112.79	-	4,237,777.97		1,936.79
Site Plan Review Escrow	481,608.61	503,065.41	884.05	-	306,007.15	-	679,550.92
Municipal Functions Donations	227,561.55	400,411.80	305.01	-	503,149.29	-	125,129.07
Police Overtime	11,886.64	162,871.54	58.63	-	168,382.30	-	6,434.51
UCC Trust	946,005.26	527,010.68	783.43	-	540,752.19	-	933,047.18
P.O.A.A. - Parking Fines	469.36	27.99	0.72	-	-	-	498.07
Police Forfeited Funds	1,862.09	2,000.43	3.17	-	0.43	-	3,865.26
Developer's Open Space	40,694.85	64.75	36.72	4,304.08	26,832.45	-	18,267.95
Developer's Tree Compensation	375,548.03	-	261.23	-	11,477.50	-	364,331.76
Snow Removal	44,653.68	59,746.55	98.82	2,439.11	55,492.00	19,509.72	31,936.44
Developer's Recreation Fees	150,028.77	18,970.12	210.52	-	41,567.76	-	127,641.65
COAH Fees	263,001.61	51,353.04	411.70	-	-	-	314,766.35
Election	250.00	13,800.00	-	-	13,800.00	-	250.00
Woolwich Recreation Trust	143,323.44	53,832.87	104.74	-	155,987.09	-	41,273.96
Unemployment Trust	3,258.16	10,000.00	2.97	-	5,281.91	-	7,979.22
	$ 2,694,245.64	$ 6,045,797.15	$ 3,281.85	$ 6,743.19	$ 6,070,605.10	$ 19,509.72	$ 2,659,953.01

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GENERAL CAPITAL FUND

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EXHIBIT C-1

TOWNSHIP OF WOOLWICH
GENERAL CAPITAL FUND
SCHEDULE OF FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2016

Balance December 31, 2016 & 2015	$ 18,388.88

EXHIBIT C-2

SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2016

Balance December 31, 2015		$ 358,009.96
Increased by Receipts:		
Interest on Investments	983.67	
CIF - Budget Current Fund	100,000.00	
Bond Premium Received at Sale	161,838.65	
Bond Proceeds Gross	5,500,000.00	5,762,822.32
Subtotal		6,120,832.28
Decreased by Disbursements:		
Improvement Authorizations	1,850,146.41	
Trf Investment interest to Current	327.54	
Interest on BANS paid from current	5,968.08	
Downpayment Proceeds Due From Current	110,000.00	
Bond Anticipation Notes Paid From Bond Proceeds	2,658,942.00	4,625,384.03
Balance December 31, 2016		$ 1,495,448.25

EXHIBIT C-3

TOWNSHIP OF WOOLWICH
GENERAL CAPITAL FUND
ANALYSIS OF CASH
AT DECEMBER 31, 2016

	BALANCE (OVERDRAFT) DECEMBER 31, 2015	BOND PROCEEDS	RECEIPTS MISCELLANEOUS	DISBURSEMENTS IMPROVEMENT AUTHORIZATIONS	DISBURSEMENTS MISCELLANEOUS	TRANSFERS FROM	TRANSFERS TO	BALANCE (OVERDRAFT) DECEMBER 31, 2016
Fund Balance	$ 18,388.88	$ -	$ -	$ -	$ -	$ -	$ -	$ 18,388.88
Due from Trust Other	(326,856.64)	-	-	-	-	-	-	(326,856.64)
Due from State of New Jersey	(207,008.35)	-	-	-	-	-	-	(207,008.35)
Due from Gloucester County Improvement Authorit	(601,577.68)	-	-	-	-	-	-	(601,577.68)
Capital Improvement Fund	221,536.35	-	100,000.00	-	-	-	142,053.00	179,483.35
Due to Current Fund	997.37	-	983.67	-	116,295.62			(114,314.58)
Reserve for Encumbrances	334,675.59	-	-	-	-	919,255.61	334,675.59	919,255.61
Reserve for Payment of Debt	-	-	161,838.65	-	-	-	-	161,838.65
Reserve for Developer's Deposits	173,465.05	-	-	-	-	-	-	173,465.05
IMPROVEMENT AUTHORIZATIONS:								
ORDINANCE NUMBER								
05-29	69,800.44	-	-	-	-	-	-	69,800.44
05-30	141,458.26	-	-	-	-	620.50	-	142,078.76
05-30	36,031.76	-	-	-	-	-	-	36,031.76
07-16	19,145.50	-	-	-	-	-	-	19,145.50
08-10	332.16	-	-	-	-	-	-	332.16
08-12	129,700.52	532,652.00	-	-	532,652.00	-	-	129,700.52
10-13	122,650.52	-	-	-	-	-	-	122,650.52
10-25a	24,620.87	-	-	14,325.00	-	4,287.50	1,945.00	12,638.37
10-25b	13,023.06	-	-	-	-	-	-	13,023.06
11-08	505.20	-	-	-	-	-	-	505.20
11-08	6,321.76	-	-	6,000.00	-	-	-	321.76
11-08	3,456.79	-	-	1,837.50	-	-	-	1,619.29
12-14	753.06	-	-	-	-	-	-	753.06
12-15	12,485.00	922,640.00	-	-	922,640.00	-	-	12,485.00
12-20	16,067.00	-	-	-	-	2,521.00	-	18,588.00
13-08	35,238.82	324,900.00	-	23,227.45	324,900.00	25,326.59	34,599.14	2,738.82
14-03	29,212.45	-	-	-	-	-	-	29,212.45
14-16	17,160.50	522,500.00	-	-	522,500.00	-	-	17,160.50
15-14	2,542.82	-	-	-	-	-	-	2,542.82
15-16	63,882.90	356,250.00	-	320,767.63	356,250.00	301,920.00	-	45,035.27
16-09	-	2,000,000.00	-	1,415,728.64	-	100,000.00	607,753.36	76,518.00
16-10	-	841,058.00	-	68,260.19	-	42,053.00	274,958.11	539,892.70
Total	$ 358,009.96	$ 5,500,000.00	$ 262,822.32	$ 1,850,146.41	$ 2,775,237.62	$ 1,395,984.20	$ 1,395,984.20	$ 1,495,448.25

EXHIBIT C-4

TOWNSHIP OF WOOLWICH
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2016

Balance December 31, 2015		$ 5,221,097.62
Increased by:		
2016 Serial Bonds Issued		5,500,000.00
Subtotal		10,721,097.62
Decreased by:		
2016 Budget Appropriation to Pay General Serial Bonds	$ 435,000.00	
Green Trust Loan Bonds	28,319.69	463,319.69
Balance December 31, 2016		$ 10,257,777.93

EXHIBIT C-5

TOWNSHIP OF WOOLWICH
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2016

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2015	2016 AUTHORIZATIONS	REDUCTIONS	BALANCE DECEMBER 31, 2016	ANALYSIS OF BALANCE DECEMBER 31, 2016 UNEXPENDED IMPROVEMENT AUTHORIZATION	EXPENDED	BOND ANTICIPATION NOTES
08-12	Acquisition of Land - Nike Base	$ 618,152.00	$ -	$ 618,152.00	$ -	$ -	$ -	$ -
12-15	Various Improvements	1,037,970.00	-	1,037,970.00	-	-	-	-
13-08	Various Improvements	361,000.00	-	361,000.00	-	-	-	-
14-16	Acquisition of Certain Real Property	522,500.00	-	522,500.00	-	-	-	
15-16	Roadway Improvements	356,250.00	-	356,250.00	-	-	-	
15-03	Refunding Ordinance	530,000.00	-	530,000.00	-	-	-	-
	Total	$ 3,425,872.00	$ -	$ 3,425,872.00	$ -	$ -	$ -	$ -

Transferred to Bonds	$ 2,658,942.00
Paid by Current Fund	236,930.00
Cancellation	530,000.00
	$ 3,425,872.00

EXHIBIT C-6

TOWNSHIP OF WOOLWICH
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

Balance December 31, 2015	$	221,536.35
Increased By:		
Transfer from Current Fund Budget		100,000.00
Subtotal		321,536.35
Decreased By:		
Appropriated to Finance Improvement Authorizations		142,053.00
Balance December 31, 2016	$	179,483.35

EXHIBIT C-7

TOWNSHIP OF WOOLWICH
GENERAL CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2016

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2015 FUNDED	BALANCE DECEMBER 31, 2015 UNFUNDED	2016 AUTHORIZATIONS	RECLASSIFICATION PRIOR YEAR PAYABLES	EXPENDED	CURRENT YEAR ENCUMBRANCES PAYABLE	CANCELLED	BALANCE DECEMBER 31, 2016 FUNDED	BALANCE DECEMBER 31, 2016 UNFUNDED
05-29	Acquisition of Land	8/15/2005	$ 400,000.00	$ 69,800.44	$ -	$ -	$ -	$ -	$ -	$ -	$ 69,800.44	$ -
05-30, 06-28,		8/15/2005										
07-45, 09-15	Locke Avenue Park Expansion	9/8/2009	4,250,000.00	141,458.26	-	-	620.50	-	-	-	142,078.76	-
05-30, 06-28,		8/15/2005										
07-45, 09-15	PMC Building Construction	9/8/2009	250,000.00	36,031.76	-	-	-	-	-	-	36,031.76	-
07-16	2007 Road Program	5/21/2007	520,000.00	19,145.50	-	-	-	-	-	-	19,145.50	-
08-10	Acquisition of Public Works Equipment	6/2/2008	30,000.00	332.16	-	-	-	-	-	-	332.16	-
08-12	Acquisition of Land - Nike Base	7/7/2008	900,000.00	-	129,700.52	-	-	-	-	-	129,700.52	-
10-13	Russell Mill Road Phase 3 & 4	5/17/2010	420,000.00	122,650.52	-	-	-	-	-	-	122,650.52	-
10-25a	Various Road Improvements	11/1/2010	200,000.00	24,620.87	-	-	4,287.50	14,325.00	1,945.00	-	12,638.37	-
10-25b	Road Drainage Improvements	11/1/2010	100,000.00	13,023.06	-	-	-	-	-	-	13,023.06	-
11-8	Public Works Equipment	7/18/2011	88,113.20	505.20	-	-	-	-	-	-	505.20	-
11-8	Various Roadway Improvements - 2	7/18/2011	125,000.00	6,321.76	-	-	-	6,000.00	-	-	321.76	-
11-8	Various Roadway Improvements - 1	7/18/2011	177,644.00	3,456.79	-	-	-	1,837.50	-	-	1,619.29	-
12-14	Various Roadway Improvements		104,526.72	753.06	-	-	-	-	-	-	753.06	-
12-15	Various Road Improvements		266,000.00	-	-	-	-	-	-	-	-	-
12-15	Acquisition of Fire Truck		657,000.00	-	-	-	-	-	-	-	-	-
12-15	Field Drainage Improvements		45,000.00	-	12,485.00	-	-	-	-	-	12,485.00	-
12-15	Acquisition of Public Safety Equipment		40,000.00	-	-	-	-	-	-	-	-	-
12-15	Acquisition of Public Works Equipment		125,000.00	-	-	-	-	-	-	-	-	-
12-15	Acquisition of Public Safety Vehicles		81,000.00	-	-	-	-	-	-	-	-	-
12-20	Public Works Garage		324,797.71	16,067.00	-	-	2,521.00	-	-	-	18,588.00	-
13-08	Various Capital Improvements and Equipment		380,000.00	-	35,238.82	-	25,326.59	23,227.45	34,599.14	-	2,738.82	-
14-03	Public Works, Public & Fire Safety Equipment		70,000.00	29,212.45	-	-	-	-	-	-	29,212.45	-
14-16	Acquisition of Real Property		550,000.00	-	17,160.50	-	-	-	-	-	17,160.50	-
15-03	Refunding Ordinance	2/17/2015	5,000,000.00	-	530,000.00	-	-	-	-	530,000.00	-	-
15-14	Public Works Equipment	9/21/2015	12,485.00	2,542.82	-	-	-	-	-	-	2,542.82	-
15-16	Roadway Improvements	9/21/2015	375,000.00	63,882.90	-	-	301,920.00	320,767.63	-	-	45,035.27	-
16-09	Acquisition of Transfer Development Rights	8/1/2016	2,100,000.00	-	-	2,100,000.00	-	1,415,728.64	607,753.36	-	76,518.00	-
16-10	Various Capital Improvements	8/1/2016	883,111.00	-	-	883,111.00	-	68,260.19	274,958.11	-	539,892.70	-
			Total	$ 549,804.55	$ 724,584.84	$ 2,983,111.00	$ 334,675.59	$ 1,850,146.41	$ 919,255.61	$ 530,000.00	$ 1,292,773.96	$ -

EXHIBIT C-8

TOWNSHIP OF WOOLWICH
GENERAL CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2016

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2015	INCREASED	DECREASED	BALANCE DECEMBER 31, 2016
2008-12	Acquisition of Land - Nike Base	12/17/2008	10/16/2015	10/15/2016	0.700%	$ 618,152.00	$ -	$ 618,152.00	$ -
2012-15	Various Improvements	10/18/2012	10/16/2015	10/15/2016	0.700%	1,037,970.00	-	1,037,970.00	-
2013-08	Various Improvements	10/16/2013	10/16/2015	10/15/2016	0.700%	361,000.00	-	361,000.00	-
2014-16	Acquisition of Certain Real Property	12/11/2014	12/17/2015	10/15/2016	0.826%	522,500.00	-	522,500.00	-
2015-16	Various Roadway Improvements	9/21/2015	12/17/2015	10/15/2016	0.826%	356,250.00	-	356,250.00	-
					Total	$2,895,872.00	$ -	$ 2,895,872.00	$ -

Serial Bonds Issued	$ 2,658,942.00
Paid Down by Current Fund	236,930.00
	$ 2,895,872.00

EXHIBIT C-9

TOWNSHIP OF WOOLWICH
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2016

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2016 DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2015	INCREASED	DECREASED	BALANCE DECEMBER 31, 2016
General Improvement Bonds	12/22/2006	3,275,000				$ 415,000.00	$ -	$ 415,000.00	$ -
General Obligation Refunding Bonds - Series 2015	4/30/2015	5,260,000	12/15/2017	445,000.00	3.000%	4,505,000.00	-	20,000.00	4,485,000.00
			12/15/2018	460,000.00	3.000%				
			12/15/2019	460,000.00	3.000%				
			12/15/2020	480,000.00	3.000%				
			12/15/2021	505,000.00	3.000%				
			12/15/2022	515,000.00	3.000%				
			12/15/2023	525,000.00	3.000%				
			12/15/2024	535,000.00	3.000%				
			12/15/2025	560,000.00	3.000%				
General Obligation Bonds - 2016	10/13/2016	$5,500,000	10/1/2017	165,000.00	2.000%	-	5,500,000.00	-	5,500,000.00
			10/1/2018	200,000.00	3.000%				
			10/1/2019	205,000.00	4.000%				
			10/1/2020	210,000.00	4.000%				
			10/1/2021	215,000.00	4.000%				
			10/1/2022	225,000.00	4.000%				
			10/1/2023	230,000.00	4.000%				
			10/1/2024	235,000.00	4.000%				
			10/1/2025	240,000.00	2.000%				
			10/1/2026	325,000.00	2.000%				
			10/1/2027	325,000.00	2.250%				
			10/1/2028	325,000.00	2.250%				
			10/1/2029	325,000.00	2.250%				
			10/1/2030	325,000.00	2.500%				
			10/1/2031	325,000.00	2.500%				
			10/1/2032	325,000.00	2.500%				
			10/1/2033	325,000.00	2.750%				
			10/1/2034	325,000.00	3.000%				
			10/1/2035	325,000.00	3.000%				
			10/1/2036	325,000.00	3.000%				
					Totals	$ 4,920,000.00	$ 5,500,000.00	$ 435,000.00	$ 9,985,000.00
					Paid from Current Fund			$ 435,000.00	
					Total			$ 435,000.00	

EXHIBIT C-10

TOWNSHIP OF WOOLWICH
GENERAL CAPITAL FUND
SCHEDULE OF GREEN ACRES TRUST LOANS
FOR THE YEAR ENDED DECEMBER 31, 2016

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2016 DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2015	DECREASED	BALANCE DECEMBER 31, 2016
Locke Avenue Park	1/4/2002	$ 150,000.00	1/12/2017	$ 4,180.22	2.00%	$ 56,588.60	$ 8,236.68	$ 48,351.92
			7/12/2017	4,222.02	2.00%			
			1/12/2018	4,264.24	2.00%			
			7/12/2018	4,306.88	2.00%			
			1/12/2019	4,349.95	2.00%			
			7/12/2019	4,393.45	2.00%			
			1/12/2020	4,437.39	2.00%			
			7/12/2010	4,481.76	2.00%			
			1/12/2021	4,526.58	2.00%			
			7/12/2021	4,571.86	2.00%			
			1/12/2022	4,617.57	2.00%			
Park Expansion	4/26/2007	400,000.00	4/26/2017	10,192.38	2.00%	244,509.02	20,083.01	224,426.01
			10/26/2017	10,294.30	2.00%			
			4/26/2018	10,397.24	2.00%			
			10/26/2018	10,501.22	2.00%			
			4/26/2019	10,606.23	2.00%			
			10/26/2019	10,712.29	2.00%			
			4/26/2020	10,819.41	2.00%			
			10/26/2020	10,927.61	2.00%			
			4/26/2021	11,036.88	2.00%			
			10/26/2021	11,147.25	2.00%			
			4/26/2022	11,258.73	2.00%			
			10/26/2022	11,371.31	2.00%			
			4/26/2023	11,485.03	2.00%			
			10/26/2023	11,599.88	2.00%			
			4/26/2024	11,715.88	2.00%			
			10/26/2024	11,833.03	2.00%			
			4/26/2025	11,951.36	2.00%			
			10/26/2025	12,070.88	2.00%			
			4/26/2026	12,191.60	2.00%			
			10/26/2026	12,313.50	2.00%			
					Total	$ 301,097.62	$ 28,319.69	$ 272,777.93

EXHIBIT C-11

TOWNSHIP OF WOOLWICH
GENERAL CAPITAL FUND
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASE
FOR THE YEAR ENDED DECEMBER 31, 2016

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2016 DATE	AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2015	DECREASED	BALANCE DECEMBER 31, 2016
Municipal Complex Project	8/22/2007	$11,225,000.00	5/1/2017	$ 380,000.00	5.000%	$ 9,095,000.00	$ 365,000.00	$ 8,730,000.00
			5/1/2018	400,000.00	5.000%			
			5/1/2019	420,000.00	4.125%			
			5/1/2020	440,000.00	5.000%			
			5/1/2021	460,000.00	4.250%			
			5/1/2022	480,000.00	4.250%			
			5/1/2023	500,000.00	4.250%			
			5/1/2024	525,000.00	4.250%			
			5/1/2025	545,000.00	4.375%			
			5/1/2026	570,000.00	4.375%			
			5/1/2027	595,000.00	4.500%			
			5/1/2028	625,000.00	4.500%			
			5/1/2029	650,000.00	4.500%			
			5/1/2030	680,000.00	4.500%			
			5/1/2031	715,000.00	4.500%			
			5/1/2032	745,000.00	4.500%			
					Total	$ 9,095,000.00	$ 365,000.00	$ 8,730,000.00

EXHIBIT C-12

TOWNSHIP OF WOOLWICH
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
AT DECEMBER 31, 2016

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2015	2016 AUTHORIZATIONS /INCREASES	2016 REDUCTIONS	CANCELLED	BALANCE DECEMBER 31, 2016
15-03	Refunding Ordinance	$ 530,000.00	$ -	$ -	$ 530,000.00	$ -
16-09	Acquisition of Transfer Development Rights	-	2,000,000.00	2,000,000.00	-	-
16-11	Various Capital Improvements	-	841,058.00	841,058.00	-	-
	Total	$ 530,000.00	$ 2,841,058.00	$ 2,841,058.00	$ 530,000.00	$ -

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TOWNSHIP OF WOOLWICH
COUNTY OF GLOUCESTER

PART II

COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2016

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HFA
HOLMAN | FRENIA
ALLISON, P.C.
Certified Public Accountants & Consultants

680 Hooper Avenue, Bldg B, Suite 201, Toms River, NJ 08753 • Tel: 732.797.1333
618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612
912 Highway 33, Suite 2, Freehold, NJ 07728 • Tel: 732.409.0800
6 E. Park Street, P.O. Box 614, Bordentown, NJ 08505 • Tel: 609.298.8639
194 East Bergen Place, Red Bank, NJ 07701 • Tel: 732.747.0010
795 Canton Street, Troy, PA 16947 • Tel: 570.297.5090
926 Main Street, Suite 103, Rome, PA 18837 • Tel: 570.297.5090
www.hfacpas.com

To the Honorable Mayor and
Members of the Township Committee
Township of Woolwich
Woolwich, New Jersey 08085

We have audited the financial statements and transactions of the Township of Woolwich in the County of Gloucester for the year ended December 31, 2016. In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

GENERAL COMMENTS

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

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate $40,000 for the period of January 1, 2016 to December 31, 2016, except by contract or agreement.

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

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

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

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of $6,000 for the period of January 1, 2016 to December 31, 2016, thereafter "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of (*N.J.S.A.40A:11-6.1*).

Collection of Interest on Delinquent Taxes

The statute provides the method for authorizing interest and the maximum rate 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, 2016 adopted the following resolution authorizing interest to be charged on delinquent taxes:

> "**BE IT RESOLVED** by the Township Committee of the Township of Woolwich, County of Gloucester, State of New Jersey, the rate of interest charged on delinquent taxes or assessments on any installment made ten (10) days after the date upon which the same became payable, shall not exceed eight (8) percent per annum of the first One Thousand Five Hundred Dollars ($1,500.00) of the delinquency, and eighteen (18) percent per annum on any amount in excess of One Thousand Five Hundred Dollars ($1,500.00).
>
> **BE IT FURTHER RESOLVED**, that where interest on delinquent tax payments is one dollar ($1.00) or less, payment and collection of said interest is hereby waived."

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

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2016, included 2016, 2015, 2013 and 2012 real estate taxes.

The last tax sale was held on October 3, 2016 and was complete.

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

YEAR	NUMBER OF LIENS
2016	13
2015	N/A
2014	N/A

Deductions From Taxes

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

Examination of Bills

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

Financial Records

Finding 2016-001:

Tax adjustments and other closing entries are not being properly posted in the Township's General Ledger accounting system for the Current Fund and the General Capital Fund.

Recommendation:

That the client posts all adjusting and closing entries to the general ledger at year end for all funds.

Management's Response:

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

Finding 2016-002:

In review of the Township's internal control procedures, our audit revealed that no written Standard Operating Procedures manual is in place. If an employee were to be out for an extended period of time, there is no written documentation of the responsibilities that would assist other employees in understanding what was required of that position.

Recommendation:

The Township develop a Standard Operating Procedures manual and document the controls in place that all employees should follow and the responsibilities of each position in the Township.

Management's Response:

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

Municipal Court

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

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

Other Matters

Finding 2016-003:

In review of the Township's Municipal Functions Donation Trust Fund, it was determined that the Trust Fund is being used for other purposes than those approved by the Budget Rider filed with the State of New Jersey Department of Community Affairs.

Recommendation:

That the Township utilizes the Municipal Functions Donations Trust Fund only for activities approved under the Budget Rider.

Management's Response:

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

Prior Year Findings

In accordance with government auditing standards, my procedures included a review of all prior year findings. Corrective action has been taken on all of the prior year findings except those marked above with an asterisk (*).

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2016:

NAME	TITLE
Alan Schwager	Mayor
Frank Rizzi	Deputy Mayor
John A. Carleton	Committee Member
Jordan Schlump	Committee Member
Jennifer Cavallaro (January-May)	Committee Member
James Lavender (June-December)	Committee Member
Jane DiBella	Township Administrator/Clerk
William Pine	Chief Financial Officer
Kim Jaworski	Tax Collector
James Sabetta	Construction Code Official
Angela Kalnas	Court Administrator
Maria Tiver	Deputy Court Administrator
William Golden	Court Magistrate
Mark Shoemaker, Esq.	Solicitor
The Alaimo Group	Engineer

Note: All officials and employees are covered by the Joint Insurance Fund with a bond in the amount of $1,000,000.00 each.

Acknowledgement

We received the complete cooperation of all the Township Officials and employees and we greatly appreciate the courtesies extended to the members of the audit team.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.

Michael Holt
Certified Public Accountant
Registered Municipal Accountant
CR 473

June 8, 2017
Medford, New Jersey