

**TOWNSHIP OF CHESTERFIELD**

**REPORT OF AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2013**



**TOWNSHIP OF CHESTERFIELD**

**REPORT OF AUDIT - DECEMBER 31, 2013**

**TABLE OF CONTENTS**

<b><u>Exhibit</u></b>		<b><u>Page Number</u></b>
	<b><u>Officials In Office and Surety Bonds</u></b>	1
	<b><u>PART I</u></b>	
	Independent Auditor's Report	2-3
	Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	4-5
	<b><u>BASIC FINANCIAL STATEMENTS</u></b>	
	<b><u>Current Fund</u></b>	
A	Comparative Balance Sheet - Statutory Basis	6-7
A-1	Comparative Statement of Operations and Changes In Fund Balance - Statutory Basis	8
A-2	Statement of Revenues - Statutory Basis	9-10
A-3	Statement of Expenditures - Statutory Basis	11-14
	<b><u>Trust Fund</u></b>	
B	Comparative Balance Sheet - Statutory Basis	15
	<b><u>General Capital Fund</u></b>	
C	Comparative Balance Sheet - Statutory Basis	16
C-1	Statement of Fund Balance - Statutory Basis	17
	<b><u>Sewer Utility Fund</u></b>	
D	Comparative Balance Sheet - Statutory Basis	18
D-1	Comparative Statement of Operations and Changes In Fund Balance - Statutory Basis	19
D-2	Statement of Capital Fund Balance - Statutory Basis	20
D-3	Statement of Revenues - Statutory Basis	21
D-4	Statement of Expenditures - Statutory Basis	22
	<b><u>Payroll Fund</u></b>	
E	Comparative Balance Sheet - Statutory Basis	23
	<b><u>General Fixed Assets Group of Accounts</u></b>	
F	Comparative Statement of General Fixed Assets - Statutory Basis	24
	<b><u>Notes to Financial Statements</u></b>	25-37

**TOWNSHIP OF CHESTERFIELD**

**REPORT OF AUDIT - DECEMBER 31, 2013**

**TABLE OF CONTENTS**

<b><u>Exhibit</u></b>		<b><u>Page Number</u></b>
	<b><u>SUPPLEMENTARY DATA</u></b>	
	<b><u>Current Fund</u></b>	
A-4	Schedule of Cash and Investments - Treasurer	38
A-5	Schedule of Taxes Receivable & Analysis of Property Tax Levy	39
A-6	Schedule of Revenue Accounts Receivable	40
A-7	Schedule of 2013 Appropriation Reserves	41-42
A-8	Schedule of Local District School Tax Payable	43
A-9	Schedule of Regional High School Tax	43
A-10	Schedule of Federal and State Grants Receivable	44
A-11	Schedule of Reserve for Grants - Appropriated	45
A-12	Schedule of Reserve for Grants - Unappropriated	46
	<b><u>Trust Fund</u></b>	
B-1	Schedule of Cash - Treasurer	47
B-2	Schedule of Reserve for Animal Control Fund Expenditures	48
	<b><u>General Capital Fund</u></b>	
C-2	Analysis of General Capital Cash	49
C-3	Schedule of Deferred Charges to Future Taxation - Unfunded	50
C-4	Schedule of Capital Improvement Fund	51
C-5	Schedule of Improvement Authorizations	52
C-6	Schedule of General Serial Bonds	53
C-7	Schedule of Bond Anticipation Notes	NA
C-8	Schedule of Due to Current Fund	54
C-9	Schedule of Due to Sewer Utility	54
C-10	Schedule of Reserve for Recreation Improvements	55
C-11	Schedule of Reserve for Transportation Improvements	55
C-12	Reserve for Needs Assessment	56
C-13	Reserve for Grants Receivable	57
C-14	Reserve for Open Space	57
C-15	Reserve for Pay Debt Service	58
C-16	Schedule of Bonds & Notes Authorized But Not Issued	59
	<b><u>Sewer Utility Fund</u></b>	
D-5	Schedule of Cash - Treasurer - Operating Fund	60
D-6	Analysis of Sewer Utility Capital Cash	61
D-7	Schedule of Fixed Capital	62
D-8	Schedule of Due Sewer Utility Operating Fund	62
D-9	Schedule of Consumer Accounts Receivable	63
D-10	Schedule of Fixed Capital Authorized and Uncompleted	64

**TOWNSHIP OF CHESTERFIELD**

**REPORT OF AUDIT - DECEMBER 31, 2013**

**TABLE OF CONTENTS**

<b><u>Exhibit</u></b>		<b><u>Page Number</u></b>
	<b><u>Sewer Utility Fund (Continued)</u></b>	
D-11	Schedule of Improvement Authorizations	65
D-12	Schedule of Deferred Reserve for Amortization	66
D-13	Schedule of NJ Environmental Infrastructure Trust Payable	67-68
D-14	Schedule of 2013 Appropriation Reserves	69
D-15	Schedule of Capital Improvement Fund	70
D-16	Schedule of Reserve for Amortization	70
D-17	Schedule of Interest on Bonds and Notes and Analysis of Balance	71
D-18	Schedule of Bonds and Notes Authorized But Not Issued	72
	<b><u>Payroll Fund</u></b>	
E-1	Schedule of Cash - Treasurer	73
	<b><u>General Fixed Asset Account Group</u></b>	
F-1	Schedule of Change in General Fixed Assets	74

**TAX RATE, TAX LEVY AND TAX COLLECTIONS**

Comparison Schedule of Tax Rate Information	75
Assessed Valuations	75
Comparison of Tax Levies and Collections Currently	75
Delinquent Taxes and Tax Title Liens	75
Property Acquired by Tax Title Lien Liquidation	76

**COMPARATIVE SCHEDULE OF FUND BALANCE**

Current Fund	76
Sewer Utility Operating Fund	76

**PART II**

Findings and Responses	77-80
Status of Prior Year Findings and Responses	81
Acknowledgment	81

\*\*\*\*\*



**TOWNSHIP OF CHESTERFIELD**  
**OFFICIALS IN OFFICE AND SURETY BONDS**

The following officials were in office during the year ended December 31, 2013:

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>	<u>NAME OF CORPORATE SURETY</u>
Richard T. LoCascio	Mayor		
Michael Hlubik	Committeeman		
Jeremy Liedtka	Committeeman		
Caryn M. Hoyer	Township Clerk, Registrar, Operations Manager, Recycling Coordinator, TDR Coordinator and Assessment Search Officer		
Aggie Napoleon	Dog Registrar, Planning Board Secretary, Environmental Commission Secretary and Police Secretary		
Wendy A. Wulstein	Chief Financial Officer		
Wendy A. Wulstein	Treasurer, Deputy Tax Collector		
Caryn M. Hoyer	Tax Search Officer, Tax Collector	\$1,000,000	A
ERI (Joseph Hirsh)	Township Engineer		
John C. Gillespie	Township Attorney		
Glenn McMahon	Tax Assessor		
Glenn McMahon	Housing Inspector and Construction Clerk, Zoning Officer		
Glenn Riccardi	Construction Official, Building and Fire Inspector		

All statutory position bonds and all other insurance policies were covered under the Burlington County Joint Insurance Fund (A).



**JOHN J. MALEY, JR.**

*Certified Public Accountant*

Registered Municipal Accountant

P.O. Box 614

BORDENTOWN, NEW JERSEY 08505

PHONE: (609) 298-8639

FAX: (609) 298-1198

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Township Committee  
Township of Chesterfield  
County of Burlington  
Chesterfield, New Jersey

I have audited the accompanying financial statements of each fund of the Township of Chesterfield, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended December 31, 2013 and 2012, 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 standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Local Finance Board, Department of Community Affairs, State of New Jersey. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my 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 as prescribed by the Local Finance Board, Department of Community Affairs, State of New Jersey. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Basis for Adverse Opinion on U.S. generally Accepted Accounting Principles**

As described in Note 1, the financial statements previously referred to have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### **Adverse Opinion on U.S. generally Accepted Accounting Principles**

In my opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion of U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the various funds of the Township of Chesterfield, State of New Jersey, as of December 31, 2013 and 2012 or the results of operations of such funds and changes in funds balances for the years then ended.

### **Unmodified Opinion**

In my opinion, the statutory financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the various funds of the Township of Chesterfield, State of New Jersey, as of December 31, 2013 and 2012, and the results of operations of such funds and changes in fund balances for the years then ended in conformity with the basis of accounting described in the Note 1.

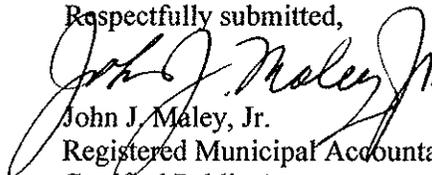
### **Supplementary Information**

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Township's basic financial statements. The supplementary schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the supplementary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole, on the basis of accounting described in Note 1.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, I have also issued my report dated April 14, 2014 on my consideration of the Township of Chesterfield's internal control over financial reporting and my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Chesterfield's internal control over financial reporting and compliance.

Respectfully submitted,



John J. Maley, Jr.  
Registered Municipal Accountant No. 218  
Certified Public Accountant

April 14, 2014

**JOHN J. MALEY, JR.**

*Certified Public Accountant*

Registered Municipal Accountant

P.O. Box 614

BORDENTOWN, NEW JERSEY 08505

PHONE: (609) 298-8639

FAX: (609) 298-1198

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

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

The Honorable Mayor and  
Township Committee  
Township of Chesterfield  
County of Burlington  
Chesterfield, New Jersey

I have audited in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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 Chesterfield, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2013, and related notes to the financial statements, which collectively comprise the Township of Chesterfield's financial statements, and have issued my report thereon dated April 14, 2014. In my report my opinion was adverse because the financial statements were prepared on a comprehensive basis of accounting other than generally accepted accounting principles.

**Internal Control Over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. As 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.

My 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 significant deficiencies or material weaknesses and therefore, significant deficiencies or material weaknesses may exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However material weaknesses may exist that have not been identified. I did identify certain deficiencies in internal control, listed as 2013-01 2013-02, 2013-04 and 2013-06, described in the accompanying schedule of findings and responses that I consider to be significant deficiencies.

### **Compliance and Other Matters**

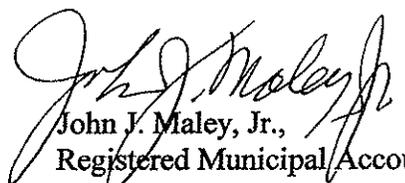
As part of obtaining reasonable assurance about whether the Township of Chesterfield's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and responses as items 2013-03 and 2013-5.

The Township of Chesterfield's responses to the findings identified in my audit are described in the accompanying schedule of findings and responses. I did not audit the Township of Chesterfield's responses and, accordingly, I express no opinion on them.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



John J. Maley, Jr.,  
Registered Municipal Accountant No. 218  
Certified Public Accountant

April 14, 2014

**TOWNSHIP OF CHESTERFIELD**  
**COUNTY OF BURLINGTON**

**BASIC FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2013**



TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
COMPARATIVE BALANCE SHEET  
STATUTORY BASIS  
2013

	Ref.	Balance Dec. 31, 2013	Balance Dec. 31, 2012
<b><u>ASSETS</u></b>			
<b>Regular Fund:</b>			
Cash	A-4	\$ 5,591,378.94	\$ 4,082,652.40
Cash - Change Funds		100.00	100.00
		<u>5,591,478.94</u>	<u>4,082,752.40</u>
Receivable and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-5	286,292.29	325,995.65
Revenue Accounts Receivable	A-6	68,703.23	60,221.47
Tax Title Lien Receivable		33,586.56	53,059.60
Property Acquired for Taxes - Assessed Valuation		302,800.00	38,000.00
Due from Grant Fund	A	114,149.66	305,322.09
Due from Payroll Trust Fund	B	2,083.04	-
Due from Animal Control Fund	B	180.64	-
Due from Sewer Operating Fund	D	1,295.91	-
		<u>809,091.33</u>	<u>782,598.81</u>
Deferred Charges		-	1,033.84
Total Regular Fund		<u>6,400,570.27</u>	<u>4,866,385.05</u>
<b>Federal and State Grant Fund:</b>			
Federal and State Grants Receivable	A-10	887,852.58	831,786.10
Total Federal and State Grant Funds		<u>887,852.58</u>	<u>831,786.10</u>
<b>TOTAL ASSETS</b>		<u>\$ 7,288,422.85</u>	<u>\$ 5,698,171.15</u>

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
COMPARATIVE BALANCE SHEET  
STATUTORY BASIS  
2013

	Ref.	Balance Dec. 31, 2013	Balance Dec. 31, 2012
<b><u>LIABILITIES, RESERVES &amp; FUND BALANCE</u></b>			
<b>Regular Fund:</b>			
Liabilities:			
Appropriation Reserves	A-3:A-7	428,531.24	369,809.92
Reserve for Encumbrances	A-3:A-7	69,689.89	97,662.22
Accounts Payable	A-7	8,176.29	-
Due to State of New Jersey:			
Senior Citizen and Veterans Deductions		4,076.42	3,826.42
Marriage License Fees & Training Fees		2,701.00	1,870.00
Due County for Added & Omitted Taxes		25,890.82	20,801.63
Taxes Collected in Advance	A-4	97,584.45	115,855.12
Tax Overpayments		50,516.98	48,416.68
Reserve for Special Law Enforcement Fund		128.16	128.16
Reserve for Reassessment Program		-	34,447.22
Regional High School Tax Payable	A-9	115,927.00	100,000.00
Reserve for Tax Appeals		30,732.00	15,732.00
Interfund - General Capital Fund	C	2,145,324.02	24,064.45
Interfund - Other Trust Fund	B	3,758.59	-
Prepaid Fees		200.00	200.00
Unallocated Receipt		2,500.00	2,500.00
		<u>2,985,736.86</u>	<u>835,313.82</u>
Reserves for Receivables and Other Assets	A	809,091.33	782,598.81
Fund Balance	A-1	2,605,742.08	3,248,472.42
		<u>6,400,570.27</u>	<u>4,866,385.05</u>
<b>Federal and State Grant Fund:</b>			
Due Current Fund	A	114,149.66	305,322.09
Appropriated Reserves	A-11	767,078.74	520,481.43
Unappropriated Reserves	A-12	6,624.18	5,982.58
		<u>887,852.58</u>	<u>831,786.10</u>
Total Federal and State Grant Funds		<u>887,852.58</u>	<u>831,786.10</u>
Total Liabilities, Reserves and Fund Balances		<u>\$ 7,288,422.85</u>	<u>\$ 5,698,171.15</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE  
STATUTORY BASIS  
2013

	Year 2013	Year 2012
<b><u>REVENUE AND OTHER INCOME REALIZED</u></b>		
Fund Balance Utilized	1,688,000.00	750,000.00
Miscellaneous Revenue Anticipated	1,648,183.92	1,630,581.53
Receipts From Delinquent Taxes	316,415.83	280,934.51
Receipts From Current Taxes	16,617,881.29	17,708,205.57
Non-Budget Revenue	96,451.94	57,962.12
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	273,617.53	219,245.47
Prior Year Reserve Cancelled	34,447.22	-
Interfunds Cleared	196,413.84	761,972.85
<b>TOTAL INCOME</b>	<b>\$ 20,871,411.57</b>	<b>\$ 21,408,902.05</b>
<b><u>EXPENDITURES</u></b>		
Budget and Emergency Appropriations		
Operations		
Salaries and Wages	1,453,625.00	1,496,348.00
Other Expenses	1,847,484.20	1,809,670.15
Capital Improvements	629,864.00	795,280.00
Municipal Debt Service	188,000.00	144,974.98
Deferred Charges and Statutory Expenditures - Municipal	129.00	11,623.78
County Taxes	2,731,922.68	2,809,116.06
Due County for Added and Omitted Taxes	25,890.82	25,781.70
Local District School Tax	7,993,293.00	8,210,801.00
Regional High School Tax	4,279,885.29	3,828,565.25
Special District Tax	671,988.00	655,458.00
Prior Year Senior Citizens Disallowed	500.00	500.00
Prior Year Revenue	-	24,903.26
Interfund Advances	3,559.92	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 19,826,141.91</b>	<b>\$ 19,813,022.18</b>
Excess in Revenues (Expenditures)	1,045,269.66	1,595,879.87
Adjustments to Income Before Fund Balance:		
Expenditures Included Above Which Are by Statute, Deferred Charges to Budget of Succeeding Year	-	-
Statutory Excess to Fund Balance	1,045,269.66	1,595,879.87
Fund Balance - January 1	3,248,472.42	2,402,592.55
	4,293,742.08	3,998,472.42
Decreased by:		
Utilization as Anticipated Revenue	1,688,000.00	750,000.00
Balance, December 31	<b>\$ 2,605,742.08</b>	<b>\$ 3,248,472.42</b>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
STATEMENT OF REVENUES  
2013

	Anticipated Budget	Special NJSA 40A:4-87	Realized	Excess Or (Deficit)
Fund Balance Anticipated	\$ 1,688,000.00		\$ 1,688,000.00	\$ -
<b>MISCELLANEOUS REVENUES</b>				
Local Revenues				
Licenses				
Alcoholic Beverages	5,000.00		5,000.00	-
Other	1,200.00		1,021.00	(179.00)
Fees and Permits	57,000.00		64,445.29	7,445.29
Fines and Costs				
Municipal Court	86,000.00		117,005.53	31,005.53
Interest and Costs on Taxes	61,000.00		60,454.90	(545.10)
Interest on Investments and Deposits	16,000.16		30,625.16	14,625.00
State Aid Without Offset Appropriations				
Energy Receipts Tax	512,715.00		512,715.00	-
Dedicated Uniform Construction Code Fees Offset with Appropriations:				
Uniform Construction Code Fees	137,000.00		122,065.00	(14,935.00)
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Gov't Services - Public & Private Revenues Offset with Appropriations:				
N.J. Transportation Trust Fund Authority Act		206,631.00	206,631.00	-
Safe and Secure Communities Program - PL1994 Ch220	25,000.00		25,000.00	-
Municipal Alliance on Alcoholism & Drug Abuse	13,500.00		13,500.00	-
Clean Communities Entitlement Program		12,661.20	12,661.20	-
Recycling Tonnage Grant	3,040.02		3,040.02	-
Drunk Driving Enforcement Fund	1,391.77		1,391.77	-
Body Armor Grant	1,550.79		1,550.79	-
Bullet Proof Vest		2,887.00	2,887.00	-
NJ Turnpike Reforestation Grant		423,233.00	423,233.00	-
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Gov't Services - Other Special Items				
Reserve to Pay Debt Service - General Capital Fund	25,000.00		25,000.00	-
Reserve for Open Space- General Capital Fund	19,957.26		19,957.26	-
<b>TOTAL MISCELLANEOUS REVENUES</b>	<b>965,355.00</b>	<b>645,412.20</b>	<b>1,648,183.92</b>	<b>37,416.72</b>
Receipts from Delinquent Taxes	300,000.00		316,415.83	16,415.83
Subtotal General Revenues	2,953,355.00	645,412.20	3,652,599.75	53,832.55
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local tax for Municipal Purposes Including Reserve for Uncollected Taxes	939,472.00		908,793.79	(30,678.21)
<b>BUDGET TOTALS</b>	<b>3,892,827.00</b>	<b>645,412.20</b>	<b>4,561,393.54</b>	<b>23,154.34</b>
Non-Budget Totals	-		96,451.94	96,451.94
<b>TOTAL REVENUES</b>	<b>\$ 3,892,827.00</b>	<b>\$ 645,412.20</b>	<b>\$ 4,657,845.48</b>	<b>\$ 119,606.28</b>
Ref.	A-3	A-3		

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
STATEMENT OF REVENUES  
2013

## ANALYSIS OF REALIZED REVENUE

## ALLOCATION OF CURRENT TAX COLLECTIONS

Revenue from Collections		\$ 16,617,881.29
Allocated To:		
Local District School Tax	8,400,484.00	
Regional High School Tax	4,297,802.00	
County Taxes	2,757,813.50	
Special District Taxes	<u>671,988.00</u>	
		<u>16,128,087.50</u>
Balance for Support of Municipal Budget Appropriations		489,793.79
ADD: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>419,000.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 908,793.79</u>
Receipts From Delinquent Taxes:		
Delinquent Tax Collections		307,451.40
Tax Title Lien Collections		<u>8,964.43</u>
	A-2	<u>\$ 316,415.83</u>
Fees and Permits:		
Housing Inspection Fees		3,575.00
Cable Franchise Fees		53,140.29
Road Opening, Zoning and Subdivision Fees		<u>7,730.00</u>
		64,445.29
Less: Refunds		<u>-</u>
	A-2	<u>\$ 64,445.29</u>

## ANALYSIS OF NON-BUDGET REVENUE:

## MISCELLANEOUS REVENUE NOT ANTICIPATED:

Treasurer:		
Return Check Fees		20.00
Certified Lists		262.77
Duplicate Bill Fees, Postage, Copies and Buckets		1,478.91
Land Rental		8,525.00
Miscellaneous Licenses		25.00
Discovery Fees		162.05
Police Fees		639.38
Prior Year Budget Reimbursements		11,495.47
Tax Collector:		
Tax Search Fees		10.00
FEMA Reimbursements		36,387.18
TDR Fees		620.00
Recycling Buckets		210.00
Driveway Permits		300.00
Outside Police Fees		24,810.00
Septic/Well Permit		225.00
Solicitor's Permit		550.00
Towing Fees		1,960.00
Architectural Reviews		1,560.00
Senior Citizen and Veteran Administration Fees		760.00
Miscellaneous		<u>6,451.18</u>
		96,451.94
Less: Refunds		<u>-</u>
	A-2	<u>96,451.94</u>
Total Miscellaneous Revenue Not Anticipated		<u>\$ 96,451.94</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
STATUTORY BASIS  
2013

	Appropriations		Expended			Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<b>GENERAL GOVERNMENT</b>						
Administrative and Executive						
Salaries and Wages	\$ 27,000.00	\$ 27,000.00	\$ 23,695.11		\$ 3,304.89	
Other Expenses	28,700.00	29,700.00	20,587.28	3,753.45	5,359.27	
Mayor and Council						
Salaries and Wages	19,500.00	19,500.00	19,500.00		-	
Other Expenses	675.00	675.00	675.00		-	
Municipal Clerk						
Salaries and Wages	33,600.00	33,600.00	33,600.00		-	
Other Expenses	875.00	875.00	250.00		625.00	
Financial Administration						
Salaries and Wages	50,000.00	50,000.00	49,999.82		0.18	
Other Expenses	16,700.00	16,700.00	11,319.07	299.85	5,081.08	
Audit Services						
Other Expenses	22,900.00	22,900.00	22,900.00		-	
Assessment of Taxes						
Salaries and Wages	23,000.00	23,000.00	20,999.89		2,000.11	
Other Expenses:						
Maintenance of Tax Map	1,600.00	1,600.00	826.50		773.50	
Miscellaneous Other Expenses	19,210.00	15,210.00	11,379.58	1,334.88	2,495.54	
Collection of Taxes						
Salaries and Wages	25,700.00	25,700.00	25,676.08		23.92	
Other Expenses	8,000.00	8,000.00	2,252.94	61.00	5,686.06	
Legal Services and Costs						
Other Expenses	105,000.00	105,000.00	96,989.07		8,010.93	
Engineering Services and Costs						
Other Expenses	60,000.00	60,000.00	41,269.19		18,730.81	
Public Buildings and Grounds						
Salaries and Wages	13,000.00	13,000.00	10,957.50		2,042.50	
Other Expenses	13,350.00	17,350.00	14,487.99	941.26	1,920.75	
Municipal Land Use Law (N.J.S. 40:55D-1):						
Planning Board						
Salaries and Wages	6,000.00	6,000.00	6,000.00		-	
Other Expenses	31,450.00	18,450.00	14,223.32	213.54	4,013.14	
Environmental Commission (RS 40:56A-1, et seq)						
Salaries and Wages	1,000.00	1,000.00	999.96		0.04	
Other Expenses	2,500.00	2,500.00	948.43		1,551.57	
Recycling Program						
Salaries and Wages	225.00	225.00	225.00		-	
Other Expenses	1,000.00	3,000.00	806.05	264.00	1,929.95	
Insurance						
Liability Insurance	38,444.00	38,444.00	37,944.00		500.00	
Workers Compensation Insurance	96,649.00	96,649.00	96,649.00		-	
Employees Group Insurance	295,000.00	275,000.00	230,847.82		44,152.18	
Health Benefit Waiver - Buy Back	9,000.00	9,000.00	8,000.00		1,000.00	
<b>PUBLIC SAFETY</b>						
Police						
Salaries and Wages	347,600.00	347,600.00	275,138.26		72,461.74	
Other Expenses	33,100.00	48,100.00	24,177.18	22,974.36	948.46	
Acquisition of Police Car	35,000.00	35,000.00	29,659.35	3,700.95	1,639.70	
First Aid Organization - Contribution	18,500.00	18,500.00	3,762.91	487.97	14,249.12	
Animal Control Officer						
Salaries and Wages	500.00	500.00	500.00		-	
Other Expenses	500.00	500.00			500.00	
Emergency Management Services						
Salaries and Wages	3,750.00	3,750.00	3,750.00		-	
Other Expenses	1,000.00	1,000.00	852.48		147.52	

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
STATUTORY BASIS  
2013

	Appropriations		Expended			Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<b>STREETS AND ROADS</b>						
Road Repair and Maintenance						
Salaries and Wages	235,000.00	235,000.00	232,573.67		2,426.33	
Other Expenses	39,250.00	39,250.00	19,863.30	9,880.64	9,506.06	
Vehicle Maintenance						
Other Expenses	21,500.00	21,500.00	13,120.67	2,599.19	5,780.14	
<b>HEALTH AND WELFARE</b>						
Board of Health						
Salaries and Wages	4,850.00	4,850.00	4,525.00	325.00	-	
Other Expenses	300.00	300.00	190.50		109.50	
<b>RECREATION AND EDUCATION</b>						
Parks and Playgrounds						
Other Expenses	30,000.00	30,000.00	20,325.60	7,144.59	2,529.81	
Senior Citizens Programs						
Other Expenses	1,000.00	1,000.00	1,000.00		-	
<b>UNCLASSIFIED</b>						
Utilities						
Electricity	28,000.00	28,000.00	15,327.67	1,513.63	11,158.70	
Street Lighting	95,000.00	95,000.00	72,920.08	7,947.24	14,132.68	
Telephone	11,500.00	11,500.00	9,672.66	116.32	1,711.02	
Natural Gas	9,000.00	9,000.00	4,102.43	392.29	4,505.28	
Telecommunications Costs	1,500.00	1,500.00	1,059.54	186.99	253.47	
Gasoline	85,000.00	85,000.00	59,503.18	4,786.17	20,710.65	
<b>APPROPRIATIONS OFFSET BY DEDICATED REVENUES</b>						
State Uniform Construction Official						
Salaries and Wages	135,500.00	135,500.00	132,205.52		3,294.48	
Other Expenses	4,000.00	4,000.00	3,215.28	766.57	18.15	
Property Maintenance Code Enforcement						
Other Expenses	15,000.00	15,000.00	8,586.36		6,413.64	
<b>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</b>						
<b>DEFERRED CHARGES</b>						
Overexpenditure of Appropriation Reserves	1,033.84	1,033.84	1,033.84		-	
Contribution to:						
Public Employees' Retirement System	72,164.00	72,164.00	66,080.00		6,084.00	
Social Security System (O.A.S.I.)	128,966.58	116,966.58	102,492.59		14,473.99	
Police and Firemen's Retirement System of N.J.	192,348.00	192,348.00	182,364.00		9,984.00	
Defined Contribution Retirement Program	1,000.00	1,000.00	-		1,000.00	
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</b>	<b>2,501,940.42</b>	<b>2,474,940.42</b>	<b>2,092,010.67</b>	<b>69,689.89</b>	<b>313,239.86</b>	<b>-</b>
Detail:						
Salaries and Wages	926,225.00	926,225.00	840,345.81	325.00	85,554.19	-
Other Expenses	1,575,715.42	1,548,715.42	1,251,664.86	69,364.89	227,685.67	-

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
STATUTORY BASIS  
2013

	Appropriations		Expended			Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<b>OPERATIONS EXCLUDED FROM "CAPS":</b>						
<b>PUBLIC SAFETY</b>						
<b>General Government</b>						
<b>Statutory Expenditures</b>						
Group Health Insurance Plan for Employees		-			-	
Length of Service Award Program						
Other Expenses	10,000.00	10,000.00	8,050.00		1,950.00	
Aid to Crosswicks Library	18,000.00	18,000.00	18,000.00		-	
Reserve for Tax Appeals Refunds	15,000.00	15,000.00	15,000.00		-	
<b>APPROPRIATION "CAP" WAIVER PER N.J.S.A. 40A:4-45.3ee</b>						
<b>Public Safety:</b>						
<b>Police</b>						
Salaries and Wages	517,400.00	502,400.00	444,381.40		58,018.60	
Ambulance Service						
Contractual	80,500.00	80,500.00	80,500.00		-	
<b>Total Other Operations - Excluded from "CAPS"</b>	<b>640,900.00</b>	<b>625,900.00</b>	<b>565,931.40</b>	<b>-</b>	<b>59,968.60</b>	<b>-</b>
<b>INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</b>						
North Hanover Township - Municipal Court	135,000.00	135,000.00	79,677.22		55,322.78	
<b>Total Interlocal Municipal Service Agreements</b>	<b>135,000.00</b>	<b>135,000.00</b>	<b>79,677.22</b>	<b>-</b>	<b>55,322.78</b>	
<b>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</b>						
<b>Municipal Drug Alliance</b>						
Other Expenses	13,500.00	13,500.00	13,500.00		-	
Matching Funds	3,375.00	3,375.00	3,375.00		-	
<b>Safe and Secure Communities Program:</b>						
<b>Police</b>						
Salaries and Wages	25,000.00	25,000.00	25,000.00		-	
Drunk Driving Enforcement Fund	1,391.77	1,391.77	1,391.77		-	
Recycling Tonnage Grant	3,040.02	3,040.02	3,040.02		-	
Clean Communities Program (N.J.S.A. 40A:4-87)		12,661.20	12,661.20		-	
Body Armor Program	1,550.79	1,550.79	1,550.79		-	
Supplemental Fire Services Program	2,000.00	2,000.00	1,863.00		-	137.00
Bulletproof Vest Partnership Grant (N.J.S.A. 40A:4-87)		2,887.00	2,887.00		-	
	-	-	-		-	
<b>Total Public &amp; Private Programs Offset by Revenues</b>	<b>49,857.58</b>	<b>65,405.78</b>	<b>65,268.78</b>	<b>-</b>	<b>-</b>	<b>137.00</b>
<b>Total Operations Excluded from "CAPS"</b>	<b>825,757.58</b>	<b>826,305.78</b>	<b>710,877.40</b>	<b>-</b>	<b>115,291.38</b>	<b>137.00</b>
<b>Detail:</b>						
Salaries and Wages	542,400.00	527,400.00	469,381.40	-	58,018.60	-
Other Expenses	283,357.58	298,905.78	241,496.00	-	57,272.78	137.00

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
STATUTORY BASIS  
2013

	Appropriations		Expended			Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<b>CAPITAL IMPROVEMENTS</b>						
Capital Improvement Fund		-			-	
New Jersey Transportation Trust Fund - Ward Avenue/Ellisdale Rd. (C.159 \$206,631.00)		206,631.00	206,631.00		-	
NJ Turnpike Authority Reforestation Grant (C.159 \$423,233.00)		423,233.00	423,233.00		-	
Total Capital Improvements	-	629,864.00	629,864.00	-	-	-
<b>MUNICIPAL DEBT SERVICE</b>						
Payment of Bond Principal	70,000.00	111,000.00	111,000.00		-	
Payment of Bond Anticipation Notes and Capital Notes		-			-	
Interest on Bonds	76,000.00	77,000.00	77,000.00		-	
Interest on Notes		-			-	
Total Municipal Debt Service	146,000.00	188,000.00	188,000.00	-	-	-
<b>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL</b>						
Deferred Charges:						
Emergency Authorizations	-	-	-		-	
Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-55)	-	-	-		-	
Deferred Charges to Future Taxation Unfunded:						
Milling of Newbold Lane - 2009-16	129.00	129.00	129.00		-	
Acquisition of Security Camera - 2009-16		-			-	
Preliminary Costs - 2009-16		-			-	
Total Deferred Charges & Statutory Expenditures - Municipal	129.00	129.00	129.00	-	-	-
<b>TOTAL GENERAL APPROPRIATIONS EXCLUDED FROM "CAPS"</b>						
	971,886.58	1,644,298.78	1,528,870.40	-	115,291.38	137.00
<b>SUB-TOTAL GENERAL APPROPRIATIONS</b>						
	3,473,827.00	4,119,239.20	3,620,881.07	69,689.89	428,531.24	137.00
Reserve for Uncollected Taxes	419,000.00	419,000.00	419,000.00		-	
<b>TOTAL GENERAL APPROPRIATIONS</b>	<b>\$ 3,892,827.00</b>	<b>\$ 4,538,239.20</b>	<b>\$ 4,039,881.07</b>	<b>\$ 69,689.89</b>	<b>\$ 428,531.24</b>	<b>\$ 137.00</b>
Budget	3,892,827.00					
Emergency Appropriation					Canceled	137.00
Appropriated by N.J.S. 40A:4-87		645,412.20			Overexpended	-
		<u>\$ 4,538,239.20</u>				<u>\$ 137.00</u>

**ANALYSIS OF PAID OR CHARGED:**

Reserve for Uncollected Taxes	419,000.00
Deferred Charges- Overexpenditure of Appropriation Reserves	1,033.84
Reserve for Tax Appeals	15,000.00
Due to General Capital Fund:	
Capital Improvement Fund	-
Reserve for State and Federal Grant Funds	693,269.78
Cash Disbursed	<u>2,911,577.45</u>
	<u>\$ 4,039,881.07</u>

TOWNSHIP OF CHESTERFIELD  
TRUST FUND  
COMPARATIVE BALANCE SHEET  
STATUTORY BASIS  
2013

	Ref.	Balance Dec. 31, 2013	Balance Dec. 31, 2012
<b><u>ASSETS</u></b>			
Dog License Fund:			
Cash	B-1	\$ 13,524.62	\$ 11,403.90
		\$ 13,524.62	\$ 11,403.90
Other Funds:			
Cash	B-1	\$ 1,531,576.88	\$ 1,400,634.77
Due from Current Fund	A	3,758.59	-
Due from Payroll Fund	E	1,566.41	2,166.41
		\$ 1,536,901.88	\$ 1,402,801.18
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
Dog License Fund:			
Reserve for Dog Fund Expenditures	B-2	\$ 13,342.78	\$ 11,394.30
Due to State of New Jersey	B-1	1.20	9.60
Due to Current Fund	A	180.64	-
		\$ 13,524.62	\$ 11,403.90
Other Funds:			
Due to Current Fund	A	\$ -	\$ 5,341.41
Due to Sewer Operating Fund		110.00	-
Tax Sale Premiums		22,600.00	21,100.00
Reserve for Escrow Deposits		780,602.11	620,726.38
Reserve for Unemployment Compensation Insurance		18,772.23	39,141.80
Reserve for TDR Credits - Turnpike		168,750.00	168,750.00
Reserve for Public Defender Fees		7,955.89	15,663.44
Reserve for Police Outside Duty		58,770.54	58,555.54
Reserve for Basin Maintenance		435,285.99	435,285.99
Reserve for Municipal Drug Alliance		29,078.94	18,920.55
Reserve for Snow		9,000.00	-
Reserve for Police Donations		1,101.00	-
Reserve for Housing Trust		4,875.18	19,316.07
		\$ 1,536,901.88	\$ 1,402,801.18

The accompanying notes are an integral part of this statement.

TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 COMPARATIVE BALANCE SHEET  
 STATUTORY BASIS  
 2013

<u>ASSETS</u>	Ref.	Balance Dec. 31, 2013	Balance Dec. 31, 2012
Cash - Treasurer	C-2	\$ 827,928.47	\$ 730,439.33
Deferred Charges to Future Taxation - Funded	C	2,375,000.00	578,000.00
Deferred Charges to Future Taxation - Unfunded	C-3	2,487,588.04	5,332,193.39
Grants Receivable	C-13	626,274.65	643,668.74
Due From Current Fund	C-8	2,145,324.02	24,064.45
<b>TOTAL ASSETS</b>		<b>\$ 8,462,115.18</b>	<b>\$ 7,308,365.91</b>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-6	\$ 2,375,000.00	\$ 578,000.00
Reserve for Encumbrances	C-5	21,254.00	-
Improvement Authorizations:			
Funded	C-5	1,038,745.03	354,351.24
Unfunded	C-5	2,486,320.87	3,882,155.83
Capital Improvement Fund	C-4	122,649.67	152,649.67
Reserve for Recreation Improvements - Unappropriated	C-10	494,741.41	409,640.48
Reserve for Transportation Improvements - Unappropriated	C-11	34,524.94	22,136.73
Reserve for Needs Assessment Study	C-12	-	4,033.75
Reserve for Grants Receivable	C-13	626,274.65	643,668.74
Reserve for Open Space	C-14	404,351.39	448,587.00
Reserve to Pay Debt Service	C-15	22,917.74	19,957.26
Due to Sewer Utility	C-9	724,000.00	724,000.00
Fund Balance	C-1	111,335.48	69,185.21
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>		<b>\$ 8,462,115.18</b>	<b>\$ 7,308,365.91</b>

There were bonds and notes authorized but not issued on December 31, 2013 in the amount of \$2,487,588.04 and on December 31, 2012 in the amount of \$5,332,193.39 as shown on Exhibit C-16.

The accompanying notes are an integral part of this statement.

TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 STATEMENT OF FUND BALANCE  
 STATUTORY BASIS  
 2013

Balance December 31, 2012		\$ 69,185.21
Increased By:		
Funded Reserve Canceled	4,033.75	
Premium on Bond Sale	277,479.45	
Premium on Refunding Bonds	<u>87,080.85</u>	
		<u>368,594.05</u>
		<u>437,779.26</u>
Decreased By:		
Improvement Authorizations Funded by Premiums	240,000.00	
Refunding Bonds Funded by Premiums	<u>86,443.78</u>	
		<u>326,443.78</u>
Balance December 31, 2013		<u><u>\$ 111,335.48</u></u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY FUND  
COMPARATIVE BALANCE SHEET - STATUTORY BASIS  
2013

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Balance</u> <u>Dec. 31, 2012</u>
Operating Fund:			
Cash	D-5	\$ 3,603,213.73	\$ 3,588,582.36
Due From Other Trust Fund	B	110.00	-
Due From General Capital Fund	C	724,000.00	724,000.00
Receivable with Full Reserves:			
Consumer Accounts Receivable	D-9	44,336.23	35,170.46
Total Sewer Operating Fund		4,371,659.96	4,347,752.82
Capital Fund:			
Fixed Capital Authorized & Uncompleted	D-10	5,700,000.00	5,700,000.00
Fixed Capital	D-7	19,495.00	19,495.00
Due From Sewer Operating Fund	D-8	1,514,425.53	1,514,425.53
Total Sewer Capital Fund		7,233,920.53	7,233,920.53
Total Sewer Utility Fund		\$ 11,605,580.49	\$ 11,581,673.35
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves	D-4; D-14	\$ 37,311.45	\$ 62,203.57
Reserve for Encumbrances	D-4	1,566.90	6,914.00
Accrued Interest on Bonds and Notes	D-17	32,065.63	35,440.21
Due To Current Fund	A	1,295.91	-
Due To Sewer Capital Fund	D-8	1,514,425.53	1,514,425.53
Due To Payroll Trust	E	1,853.29	-
Total Reserves and Liabilities		1,588,518.71	1,618,983.31
Reserve for Receivables	D	44,336.23	35,170.46
Fund Balance	D-1	2,738,805.02	2,693,599.05
Total Sewer Operating Fund		4,371,659.96	4,347,752.82
Capital Fund:			
NJ Environmental Infrastructure Trust Payable	D-13	2,815,228.87	3,111,229.71
Improvement Authorizations:			
Funded	D-11	1,022,785.53	1,022,785.53
Reserve for Treatment Plant Improvements	D-6	400,000.00	400,000.00
Deferred Reserve For Amortization	D-12	2,826,411.13	2,530,410.29
Reserve For Amortization	D-16	19,495.00	19,495.00
Capital Improvement Fund	D-15	140,505.00	140,505.00
Fund Balance	D-2	9,495.00	9,495.00
Total Capital Fund		7,233,920.53	7,233,920.53
Total Sewer Utility Fund		\$ 11,605,580.49	\$ 11,581,673.35

These were bonds and notes authorized but not issued on December 31, 2013 and 2012 in the amount of \$58,360.00.

The accompanying notes are an integral part of this statement.

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE  
STATUTORY BASIS  
2013

	Year 2013	Year 2012
<u>REVENUES AND OTHER INCOME REALIZED</u>		
Fund Balance Utilized	\$ 127,650.00	\$ 209,100.00
Rents	338,841.13	344,430.64
Miscellaneous	44,507.97	45,650.28
Connection Fees	201,275.00	44,698.18
Non-Budget Revenue	110.00	-
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	16,804.79	53,070.96
	<hr/>	<hr/>
Total Income	729,188.89	696,950.06
	<hr/>	<hr/>
<u>EXPENDITURES</u>		
Operating	177,000.00	177,000.00
Capital Improvements	-	20,000.00
Debt Service	377,682.92	382,364.17
Deferred Charges and Statutory Expenditures	1,650.00	1,650.00
	<hr/>	<hr/>
Total Expenditures	556,332.92	581,014.17
	<hr/>	<hr/>
Excess (Deficit) In Revenue	172,855.97	115,935.89
Adjustment to Income Before Fund Balance:		
Expenditures Included Above Which Are By Statute		
Deferred Charges to Budget of Succeeding Year	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
Statutory Excess to Fund Balance	172,855.97	115,935.89
Fund Balance - January 1	2,693,599.05	2,786,763.16
	<hr/>	<hr/>
	2,866,455.02	2,902,699.05
Decreased By:		
Utilization as Anticipated Revenue	127,650.00	209,100.00
	<hr/>	<hr/>
Fund Balance - December 31	\$ 2,738,805.02	\$ 2,693,599.05
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
STATEMENT OF CAPITAL FUND BALANCE  
STATUTORY BASIS  
2013

Balance - December 31, 2012 and 2013

\$ 9,495.00

The accompanying notes are an integral part of this statement.

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY OPERATING FUND  
STATEMENT OF REVENUES - STATUTORY BASIS  
2013

	Anticipated Budget	Realized	Excess Or (Deficit)
Surplus Anticipated	\$ 127,650.00	\$ 127,650.00	\$ -
Sewer Rents	344,000.00	338,841.13	(5,158.87)
Miscellaneous	45,000.00	44,507.97	(492.03)
Connection Fees	40,000.00	201,275.00	161,275.00
<b>BUDGET TOTALS</b>	<b>556,650.00</b>	<b>712,274.10</b>	<b>155,624.10</b>
Non-Budget Totals	-	110.00	110.00
<b>TOTAL REVENUES</b>	<b>\$ 556,650.00</b>	<b>\$ 712,384.10</b>	<b>\$ 155,734.10</b>

MISCELLANEOUS REVENUE:

Interest Income	\$ 33,558.52
Penalties on Delinquent Payments	4,961.09
NJEIT Savings credit	3,677.27
Other	2,311.09
	<u>44,507.97</u>
	<u>\$ 44,507.97</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - STATUTORY BASIS  
2013

	APPROPRIATIONS		EXPENDED			Balance Canceled	Overexpended
	Budget	Budget After Modification	Paid Or Charged	Encumbrances	Reserved		
Operating							
Salaries and Wages	\$ 21,000.00	\$ 28,500.00	\$ 27,655.63		\$ 844.37	\$ -	
Other Expenses	156,000.00	148,500.00	110,466.02	1,566.90	36,467.08	-	
	<u>177,000.00</u>	<u>177,000.00</u>	<u>138,121.65</u>	<u>1,566.90</u>	<u>37,311.45</u>	<u>-</u>	<u>-</u>
Debt Service:							
Payment of Bond Principal	296,000.00	296,000.00	296,000.00		-	-	
Interest on Bonds	82,000.00	82,000.00	81,682.92		-	317.08	
	<u>378,000.00</u>	<u>378,000.00</u>	<u>377,682.92</u>	<u>-</u>	<u>-</u>	<u>317.08</u>	<u>-</u>
Deferred Charges & Statutory Expenditures:							
Statutory Expenditures:							
Contribution To:							
Social Security System (OASI)	1,650.00	1,650.00	1,650.00		-	-	
	<u>1,650.00</u>	<u>1,650.00</u>	<u>1,650.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Budget	<u>\$ 556,650.00</u>	<u>\$ 556,650.00</u>	<u>\$ 517,454.57</u>	<u>\$ 1,566.90</u>	<u>\$ 37,311.45</u>	<u>\$ 317.08</u>	<u>\$ -</u>
Budget		<u>\$ 556,650.00</u>					

Analysis of Paid or Charged

Interest on Bonds	81,682.92
Due to Current Fund	-
Cash Disbursed	<u>435,771.65</u>
	<u>\$ 517,454.57</u>

TOWNSHIP OF CHESTERFIELD  
 PAYROLL FUND  
 COMPARATIVE BALANCE SHEET  
 STATUTORY BASIS  
 2013

		<b>Balance</b>		<b>Balance</b>
<b><u>ASSETS</u></b>	<b>Ref.</b>	<b>Dec. 31, 2013</b>		<b>Dec. 31, 2012</b>
Cash	E-1	\$ 31,936.30	\$	26,151.68
Due Sewer Operating Fund	D	1,853.29		-
		\$ 33,789.59	\$	26,151.68
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>				
Due Current Fund	A	\$ 2,083.04	\$	-
Due Other Trust Fund	B	1,566.41		2,166.41
Payroll Taxes Payable		30,140.14		23,985.27
		\$ 33,789.59	\$	26,151.68

The accompanying notes are an integral part of this statement.

TOWNSHIP OF CHESTERFIELD  
 COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS  
 STATUTORY BASIS  
 2013

	<u>Dec. 31, 2013</u>	<u>Dec. 31, 2012</u>
<b>General Fixed Assets:</b>		
Land	\$ 3,682,445.00	\$ 3,682,445.00
Buildings	574,285.00	574,285.00
Improvements Other than Buildings	127,500.00	127,500.00
Machinery and Equipment	<u>1,368,842.86</u>	<u>1,333,552.67</u>
<b>Total General Fixed Assets</b>	<u>\$ 5,753,072.86</u>	<u>\$ 5,717,782.67</u>
<b>Investment in General Fixed Assets</b>	<u>\$ 5,753,072.86</u>	<u>\$ 5,717,782.67</u>

The accompanying notes are an integral part of this statement.



**TOWNSHIP OF CHESTERFIELD**  
**COUNTY OF BURLINGTON**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2013**



**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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

**A. Reporting Entity**

Except as noted below, the financial statements of the Township of Chesterfield include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of Chesterfield, as required by N.J.S.A. 40A:5-5.

**B. Description of Funds**

The accounting policies of the Township of Chesterfield conform to the accounting principles applicable to municipalities, which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township of Chesterfield accounts for its financial transactions through the following separate funds. This fund structure is not intended to present financial information in accordance with generally accepted accounting principles (GAAP).

**Current Fund** - Resources and expenditures for governmental operations of general nature, including Federal and State grant funds.

**Trust Fund** - 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 general capital facilities, other than those acquired in the current fund. This fund is also used to account for current fund debt authorized.

**Payroll Fund** - Receipts and disbursement of funds to cover salary and wage expense and related payroll deductions and payroll taxes.

**Sewer Utility Operating and Capital Funds** - Account for the operations and acquisition of capital facilities of the municipally owned Sewer Utility.

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

GAAP requires the use of governmental fund types, proprietary fund types, and fiduciary fund types and capital assets are reported in government-wide financial statements.

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Accounting**

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local governmental units. The more significant policies in New Jersey follow.

A modified accrual basis of accounting is followed with minor exceptions.

Under GAAP however, governmental fund-based financial statements are based on the modified accrual accounting basis and the flow of current financial resources. Government-wide financial statements are based on the accrual basis of accounting and on a flow of all economic resources.

**Revenues** - Revenues are recorded when received in cash except for certain amounts, which are due from other governmental units. Receipts from Federal and State grants are realized as revenue when anticipated in the Township budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet 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.

Revenues are recognized under GAAP when they become both measurable and available.

**Expenditures** - Expenditures are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuances of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the Township's statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts that 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. 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.

Expenditures are recognized under GAAP in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

**School Taxes** - The municipality is responsible for levying, collecting and remitting school taxes for the local school district and the regional school district. Expenditures are recorded for the full amount paid to the school districts from January 1 to December 31.

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**County Taxes** - The municipality is responsible for levying, collecting and remitting county taxes for the County of Burlington. Expenditures are recorded 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.

**Foreclosed Property** - Foreclosed property is recorded in the current fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Asset Account Group at the lower of cost or fair market value.

**Interfunds** - 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. GAAP does not require the establishment of offsetting reserves by charges to operations for Current Fund interfunds receivable. Revenues would not be recognized in the year of liquidation.

**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 balance sheets. GAAP requires current fund inventories on hand at the close of the year to be reported on the balance sheet and offset by a fund balance reserve.

**Deferred Charges** - The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et al. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years. GAAP does not recognize deferred charges for amounts expended in excess of budgeted or for emergency appropriations.

**Appropriation Reserves** - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts that 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. GAAP does not provide for the reservation of unexpended budget appropriations.

**Reserve for Uncollected Taxes** - The Reserve for Uncollected Taxes is a non-spending budget appropriation. The amount is calculated based on the percentage of taxes collected in the preceding year. The inclusion of the Reserve for Uncollected Taxes in the amount to be raised by taxes assures the Township, based on its prior year collection percentage, it will collect enough taxes to pay its current year obligations. A Reserve for Uncollected Taxes is not provided under GAAP.

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**General Fixed Assets** - Property and equipment purchased by the current and the general capital funds are recorded as expenditures at the time of purchase and are not capitalized.

The Township has developed a fixed assets accounting system in accordance with Technical Accounting Directive No. 85-2, "Accounting for Governmental Fixed Assets", as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles.

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

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation.

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

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

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.

**Property Taxes**

**Assessment of Tax:** New Jersey statutes require that taxable valuation of real property be prepared by the Tax Assessor as of October 1 in each year and filed with the County Board of Taxation by January 10 of the following year. Upon the filing of certified adopted budgets

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Property Taxes (Continued)**

by the Township, Regional and Local School Districts and the County, the tax rate is struck by the Board based on the certified amounts in each of the taxing districts. Pursuant to statute, this process is to be completed on or before May 3, with a completed duplicate of the tax rolls to be delivered to the Tax Collector on or before May 13<sup>th</sup>.

**Collection of Tax:** Tax bills are prepared and mailed by the Collector of Taxes of the Township of Chesterfield annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1st and November 1st of the tax year. In addition, the property owner receives a preliminary bill for the succeeding year based on one half of the prior year's tax. The preliminary payments are due and payable on February 1st and May 1st. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% to 18% of the amount delinquent. If taxes are delinquent on or after April 1st of the succeeding year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1st of the current tax year even though the amount due is not known.

**Compensated Absences** - Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid. GAAP requires the amount that would normally be liquidated with expendable available financial resources to be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

**Note 2: CASH AND INVESTMENTS**

**Deposits** - Deposits are carried at cost, which approximates market value. The carrying amount of deposits is separately displayed on the balance sheets as (Cash).

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to adopt a cash management plan and shall deposit or invest, or both deposit and invest its funds pursuant to that plan. Deposits of public funds are permitted 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 the New Jersey Cash Management Fund.

The Township deposits its funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA").

GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

**Note 2: CASH AND CASH INVESTMENTS (Continued)**

Public funds are defined as the funds of any government unit. Public depositories include Savings and Loan Institutions, banks (both State and National Banks) and savings banks where deposits of which are federally insured. All public depositories must pledge collateral, having a market value of 5% 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 full amount of their deposits to the government units.

At December 31, 2013, the carrying value of cash of the Township consisted of the following:

	Total
Interest Bearing Demand Deposits	\$ 10,759,444
NJ Cash Management Fund	251,107
Developer Funds	670,163
	\$ 11,680,714

Cash available to earn interest was placed in the NJ Cash Management Fund or interest bearing accounts. The carrying amount of cash at December 31, 2013 was \$11,524,019.53 and the bank balance was \$11,680,713.95. Of the bank balance, \$750,000 was covered by federal depository insurance and \$10,930,713.95 was covered by a collateral pool maintained by the banks as required by New Jersey statutes.

**Investments** - New Jersey Statutes establish the following securities as eligible for the investment of the Township of Chesterfield's funds:

1. Bonds or other obligations of the United States or obligations guaranteed by the United States.
2. Government money market mutual funds.
3. Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or other external factor.
4. Bonds or other obligations of the local unit or school districts of which the local unit is a part.
5. Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units.
5. Local government investment pools.
7. Deposits with the State of New Jersey Cash Management Fund.
8. Agreements for the repurchase of fully collateralized securities, subject to conditions.

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

**Note 2: CASH AND CASH INVESTMENTS (Continued)**  
**Investments (Continued)**

*Interest Rate Risk:* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure.

*Credit Risk:* Credit risk is the risk that an issuer or other counter-party to an investment will not fulfill its obligations. The Township has no policy on credit risk

*Concentration of Credit Risk:* The Township places no limit on the amount that may be invested in any one issuer.

**Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION**

**Summary of Municipal Debt**

	<u>Year 2013</u>	<u>Year 2012</u>	<u>Year 2011</u>
<b><u>Issued:</u></b>			
General:			
Bonds and Notes	\$ 2,375,000	\$ 578,000	\$ 691,000
Sewer Utility:			
Bonds, Notes and Loans	2,815,229	3,111,230	3,403,972
Total Issued	5,190,229	3,689,230	4,094,972
Less:			
General:			
Cash Pledged to pay Bonds and Notes	-	-	-
	<u>5,190,229</u>	<u>3,689,230</u>	<u>4,094,972</u>
 <b><u>Authorized But Not Issued</u></b>			
General:			
Bonds and Notes	2,487,588	5,343,817	5,143,817
Sewer Utility:			
Bonds and Notes	58,360	58,360	58,360
Total Authorized But Not Issued	<u>2,545,948</u>	<u>5,402,177</u>	<u>5,202,177</u>
Total Municipal Bonds, Notes and Loans			
Issued and Authorized But Not Issued	<u>\$ 7,736,177</u>	<u>\$ 9,091,407</u>	<u>\$ 9,297,149</u>

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

**Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (Continued)**

**Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is presented in accordance with the required method of setting up the annual debt statement and indicates a statutory net debt of 3.119%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net debt</u>
Local School District Debt	\$ 36,160,000	\$17,961,804	\$18,198,196
Regional School District Debt	5,274,504	5,274,504	
Sewer Utility Debt	2,873,588	2,873,588	
General Debt	4,862,588	649,195	4,213,393
Totals	<u>\$ 49,170,680</u>	<u>\$26,759,091</u>	<u>\$22,411,589</u>

Net Debt is \$22,411,589 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended, \$718,472,158 = 3.119%.

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

3-1/2% of Equalized Valuation Basis	\$ 25,146,526
Municipal Net Debt	<u>22,411,589</u>
Remaining Borrowing Power	<u>\$ 2,734,937</u>

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

Cash Receipts for Fees, Rents or Other Charges for the Year	\$ 712,274
Deductions:	
Operating and Maintenance Costs	178,650
Debt Service Per Sewer Operating Fund	<u>377,683</u>
	<u>556,333</u>
Excess in Revenue	<u>\$ 155,941</u>

The foregoing debt information is in agreement with the annual debt statement as filed by the chief financial officer as amended.

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

**Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (Continued)**

**Description of Bonds and Loans Payable**

**Refunding Bonds-** General Obligation Refunding Bonds were issued for \$485,000 dated March 11, 2013 to refund the remaining balance of the 2003 bonds then outstanding. Final maturity of the bonds is due December 1, 2023 with interest rates varying from 2.0% to 5.00%.

**General Obligation Bonds-** General Obligation Bonds were issued for \$1,960,000 dated March 11, 2013 to fund various improvements. Final maturity of the bonds is due December 1, 2032 with interest rates varying from 2.0% to 5.00%.

**Sewer Utility Bonds-** Sewer Utility General Obligation Bonds were issued for \$2,250,000 dated May 10, 2001 and \$2,214,872 dated October 15, 2001 to finance the construction of a new sewer collection system. Final maturity of the bonds is due March 1, 2021 with interest rates varying from 0.00% to 5.50%.

**Sewer Utility Bonds-** Sewer Utility General Obligation Bonds were issued for \$1,215,638 dated October 15, 2003 to finance improvements to Wagner Wastewater Treatment Plant. Final maturity of the bonds is due March 1, 2021 with interest rates varying from 0.00% to 5.50%.

**Changes In Long-Term Debt**

**General Capital Fund Debt**

Purpose	Interest Rate or Range	Balance			Balance Dec. 31, 2013
		Dec. 31, 2012	Issued	Retired	
General Improvements - 2003	4.375%-5.00%	578,000	-	578,000	
Refunding Bonds - 2013	2.0%-5.0%		485,000	5,000	480,000
General Improvements - 2013	2.0%-5.0%		1,960,000	65,000	1,895,000
<b>Total</b>		<b>\$ 578,000</b>	<b>\$ 2,445,000</b>	<b>\$ 648,000</b>	<b>\$ 2,375,000</b>

**Sewer Utility Fund Debt**

Purpose	Interest Rate or Range	Balance			Balance Dec. 31, 2013
		Dec. 31, 2012	Issued	Retired	
Sewer Collection System - 2001	0%-5.50%	\$ 2,377,009	\$ -	\$ 236,222	2,140,787
Sewer Treatment Plant Expansion - 2003	0%-5.50%	734,221	-	59,779	674,442
<b>Total</b>		<b>\$ 3,111,230</b>	<b>\$ -</b>	<b>\$ 296,001</b>	<b>\$ 2,815,229</b>

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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

Calendar Year	General		Sewer		Total
	Principal	Interest	Principal	Interest	
2014	105,000	103,662	299,088	76,958	584,708
2015	105,000	101,563	318,562	69,208	594,333
2016	115,000	98,412	321,616	61,058	596,086
2017	120,000	94,963	324,514	52,658	592,135
2018	120,000	90,162	335,334	43,938	589,434
2019-2023	715,000	352,563	1,216,114	80,437	2,364,114
2024-2028	575,000	187,062	-	-	762,062
2029-2032	520,000	45,988	-	-	565,988
	<u>\$ 2,375,000</u>	<u>\$ 1,074,375</u>	<u>\$ 2,815,228</u>	<u>\$ 384,257</u>	<u>\$ 6,648,860</u>

**Note 4: FIXED ASSETS**

A summary of changes in general fixed assets follows:

	Balance 12/31/12	Increase	Decrease	Balance 12/31/13
Land	\$3,682,445	\$ -	\$ -	\$3,682,445
Buildings	574,285	-	-	574,285
Improvements Other than Building	127,500	-	-	127,500
Equipment	1,333,553	97,239	(61,949)	1,368,843
Totals	<u>\$5,717,783</u>	<u>\$ 97,239</u>	<u>\$(61,949)</u>	<u>\$5,753,073</u>

**Note 5: SCHOOL TAXES**

Local district school taxes and regional high school taxes have been raised and liabilities deferred by statute, resulting in the school taxes payable set forth in the current fund liabilities as follows:

	Local District <u>School Tax</u>		Regional High <u>School Tax</u>	
	Balance Dec. 31, 2013	Balance Dec. 31, 2012	Balance Dec. 31, 2013	Balance Dec. 31, 2012
Balance of Tax	\$ 4,200,242	\$ 3,793,051	\$ 2,203,985	\$ 2,170,142
Deferred	4,200,242	3,793,051	2,088,058	2,070,142
Tax Payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 115,927</u>	<u>\$ 100,000</u>

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

**Note 6: FUND BALANCE APPROPRIATED**

Fund balance at December 31, 2013 has been appropriated and included as anticipated revenue for the year ended December 31, 2014 was as follows:

	<b>Fund Balance Anticipated In</b>	
	<b>Dec. 31, 2013</b>	<b>2014 Budget</b>
Current Fund	\$ 2,605,539	\$ 1,415,000
General Capital Fund	111,335	-
Sewer Utility Fund	2,738,805	195,800
Sewer Utility Capital Fund	9,495	-

**Note 7: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, the following deferred charges for such expenditures are shown on the balance sheets of the various funds:

	<u>2013</u>	<u>2012</u>
<b><u>Current Fund</u></b>		
Overexpenditure of Appropriation Reserves	\$ -	\$ 1,033.84

**Note 8: PENSIONS**

**Plan Description**

Employees who are eligible for a pension plan, are enrolled in one of two cost sharing multiple-employer public employee retirement systems: The Public Employees' Retirement System (PERS) or the Police and Firemen's Retirement System (PFRS) administered by the Division of Pensions, Treasury Department of the State of New Jersey. The Division annually charges municipalities and other participating governmental units for their respective contributions to the plans based upon actuarial methods. A portion of the cost is contributed by the employees. Township employees are also covered by the Federal Insurance Contribution Act, other than certain policemen.

**Funding Policy**

The contributions policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The various pension funds provide for employee contributions. The various pension funds provide for employee contributions based on percentages ranging from 3.00 percent to 8.50 percent of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both PERS and PFRS. The actuarially determined employer contribution includes funding for cost-of-

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

**Note 8: PENSIONS - (Continued)**

**Funding Policy – (Continued)**

living adjustments and noncontributory death benefits in the PFRS and PERS. In PERS, the employer contribution includes funding for post-retirement medical premiums. The Township's contributions were made as follows, equal to the required amounts.

Year	PERS		PFRS	
	Employer Contributions	% of Covered	Employer Contributions	% of Covered
	Amount	Payroll	Amount	Payroll
2013	\$ 66,080	12.02%	\$ 182,364	35.26%
2012	67,503	12.45%	163,398	24.30%
2011	69,110	11.93%	169,384	23.62%

	PERS				PFRS			
	Normal Contribution	Accrued Liability	NCGI Premium	Total	Normal Contribution	Accrued Liability	NCGI Premium	Total
2013	18,392	43,976	3,712	66,080	75,378	99,753	7,233	182,364
2012	21,153	42,307	4,043	67,503	74,161	83,463	5,774	163,398
2011	24,767	39,465	4,878	69,110	90,087	72,236	7,061	169,384

**Note 9: ACCRUED VACATION AND SICK BENEFITS**

The Township has a policy that permits employees to accrue unused sick leave. It is estimated that the current costs of such unpaid compensation would approximate \$188,000 if taken at current pay rates.

GASB No. 16 requires the accrual of the liability for compensated absences to the extent it is probable that the employer will compensate the employee for the benefits through cash payments conditioned on the employees' termination or retirement. The Township's sick leave policy allows an employee to be compensated for unused sick leave at retirement in an amount not to exceed \$2,500. The estimated liability under this sick leave buyout (including related payroll taxes) is \$44,124 as of December 31, 2013. The financial statements do not reflect expenditures or liabilities for compensated absences.

**Note 10: 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 carries commercial insurance for all risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in of the past three fiscal years. There was no reduction in commercial coverage during the year.

New Jersey Unemployment Compensation Insurance - The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the Benefit Reimbursement Method. Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State.

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

**Note 10: RISK MANAGEMENT – (Continued)**

The following is a summary of Township contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Township's unemployment trust fund for the current and previous two years:

Fiscal Year Ending	Township Contributions	Employee Contributions	Amount Reimbursed	Balance
2013	\$ -	\$ 2,278	\$ 20,370	\$ 19,595
2012	-	2,166	1,908	39,964
2011	-	2,210	90	41,891

**Note 11: DEFERRED COMPENSATION PLAN**

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is administered by Nationwide Retirement Solutions permits participants to defer a portion of their salary until future years. Amounts deferred under the plan are not available to employees until termination, retirement, death or unforeseeable emergency.

The plan is administered by an independent plan administrator through an administrative service agreement. The Township's administrative involvement is limited to transmitting amounts withheld from payroll to the plan administrator who performs investing functions. Therefore, the financial activity of these plans is not reported in the Township's Trust Fund.

**Note 12: CONTINGENT LIABILITIES**

**Litigation**

The Township is the defendant in lawsuits arising principally in the normal course of operations. In the opinion of the administration, the outcome of these lawsuits will not have a material adverse effect on the accompanying financial statements.

**Note 13: Defeasance of Debt**

On March 11, 2013, the Township issued \$485,000 General Obligation Refunding Bonds, Series 2013 with interest rates ranging from 2.0% to 5.0% to refund the remaining balance of the 2003 Bonds with interest rates ranging from 4.374% to 5.0% by placing a portion of the 2013 Bonds in an irrevocable trust with an escrow agent to provide for debt service payments on the remaining balance of the 2003 Bonds. The refunding met the requirement of an in-substance debt defeasance and the remaining liability of \$537,000 of the 2003 Bonds is removed from the financial statements. As a result of the refunding, the Township reduced its total debt service requirements by \$81,863.89, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$74,516.49.

\* \* \* \* \*



**TOWNSHIP OF CHESTERFIELD**  
**COUNTY OF BURLINGTON**

**SUPPLEMENTARY DATA**

**FOR THE YEAR ENDED DECEMBER 31, 2013**



TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
SCHEDULE OF CASH AND INVESTMENTS - TREASURER  
2013

	Current Fund	Grant Fund
Balance - December 31, 2012	\$ 4,082,652.40	\$ -
<u>INCREASED BY RECEIPTS:</u>		
Revenue Accounts Receivable	958,289.14	-
Miscellaneous Revenue Not Anticipated	96,290.94	-
Due State of New Jersey:		
Training Fees	10,089.00	-
Marriage License Fees	825.00	-
Senior Citizen and Veterans Deductions	38,000.00	-
Petty Cash	100.00	-
Taxes Receivable	16,771,227.57	-
Tax Overpayments	23,848.31	-
2014 Prepaid Taxes	97,584.45	-
Tax Title Liens	8,964.43	-
Due Federal & State Grant Fund	632,232.42	-
Due Other Trust Fund	1,219,074.74	-
Due General Capital Fund	2,827,083.39	-
Due Sewer Utility	118,731.29	-
Federal and State Grants Receivable	-	625,608.24
Federal and State Grants - Matching Funds	-	3,375.00
Federal and State Grants Unappropriated	-	6,624.18
	22,802,340.68	635,607.42
	26,884,993.08	635,607.42
<u>DECREASED BY DISBURSEMENTS:</u>		
2013 Appropriations	2,911,577.45	-
2012 Appropriation Reserves	185,678.58	-
Special District Tax Payable	671,988.00	-
County Taxes	2,731,922.68	-
County Share of Added and Omitted Taxes	20,801.63	-
Local School District Tax	7,993,132.00	-
Regional High School Tax	4,263,958.29	-
Tax Overpayments	21,748.01	-
Due State of New Jersey:		
Training Fees	9,408.00	-
Marriage License Fees	675.00	-
Due Federal & State Grant Fund	444,434.99	-
Due Other Trust Fund	1,212,338.49	-
Due General Capital Fund	705,823.82	-
Due Sewer Utility	120,027.20	-
Petty Cash	100.00	-
Federal and State Grants Disbursed	-	444,434.99
Due Current Fund	-	191,172.43
	21,293,614.14	635,607.42
Balance - December 31, 2013	\$ 5,591,378.94	\$ -

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY  
2013

Year	Balance Dec. 31, 2012	2013 Levy	Paid By Cash		State Of New Jersey Ch. 20 P.L. 1971	Canceled	Transferred To Tax Title Liens	Balance Dec. 31, 2013
			2013	2012				
2012	\$ 325,995.65	\$ 7,358.65	\$ 307,451.40	\$ 253.69	\$ 15,643.55	\$ 10,005.66		
	325,995.65	7,358.65	307,451.40	-	253.69	15,643.55	10,005.66	
2013	-	17,096,480.87	16,463,776.17	115,855.12	38,250.00	181,102.22	276,286.63	
	\$ 325,995.65	\$ 17,096,480.87	\$ 16,771,227.57	\$ 115,855.12	\$ 38,250.00	\$ 181,355.91	\$ 286,292.29	

ANALYSIS OF 2013 PROPERTY TAX LEVY

Tax Yield	Tax Levy
General Purpose Tax	\$ 8,400,484.00
Special District Taxes	4,176,117.00
Added Taxes (54:4-3.1 et seq.)	2,731,922.68
	<u>25,890.82</u>
	2,757,813.50
	477,042.50
	194,592.60
	939,472.00
	<u>150,959.27</u>
	1,090,431.27
	<u>\$ 17,096,480.87</u>

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE  
2013

	Balance Dec. 31, 2012	Accrued In 2013	Collections Collector/ Treasurer	Balance Dec. 31, 2013	Remarks
Clerk					
Licenses					
Alcoholic Beverages	\$ -	\$ 5,000.00	\$ 5,000.00	\$ -	
Other	-	1,021.00	1,021.00	-	
Construction Code Official					
Fees and Permits	-	122,065.00	122,065.00	-	
Zoning and Subdivision Fees	-	7,730.00	7,730.00	-	
Housing Inspection Fees	-	3,925.00	3,575.00	350.00	
Municipal Court					
Fines and Costs	7,081.18	120,473.32	117,005.53	10,548.97	Dec. 2013
Comcast Cable TV Franchise Fees	31,755.25	33,533.32	31,755.25	33,533.32	2013
Verizon Franchise Fees	21,385.04	24,270.94	21,385.04	24,270.94	2013
Interest & Costs on Taxes	-	60,454.90	60,454.90	-	
Interest on Investments	-	30,625.16	30,625.16	-	
State Aid - Energy Receipts Taxes		512,715.00	512,715.00	-	
Reserve to Pay Debt Service-General Capital		25,000.00	25,000.00	-	
Reserve for Open Space-General Capital Fund		19,957.26	19,957.26	-	
	<u>\$ 60,221.47</u>	<u>\$ 966,770.90</u>	<u>\$ 958,289.14</u>	<u>\$ 68,703.23</u>	

Miscellaneous Revenues	958,289.14
MRNA	-
	<u>\$ 958,289.14</u>

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
SCHEDULE OF 2012 APPROPRIATION RESERVES  
2013

	Encumbered	Reserved A-3	Balance Dec. 31, 2012	Transfers		Balance After Transfer	Paid or Charged	Balance Lapsed or (Overexpended)
				to	from			
<b>GENERAL GOVERNMENT</b>								
Administrative & Executive								
Salaries and Wages		410.55	410.55			410.55	-	410.55
Other Expenses	243.57	5,794.13	6,037.70			6,037.70	2,127.46	3,910.24
Mayor and Council								
Salaries and Wages			-			-	-	-
Other Expenses		20.00	20.00			20.00	-	20.00
Municipal Clerk								
Salaries and Wages		5,499.79	5,499.79			5,499.79		5,499.79
Other Expenses		511.00	511.00			511.00		511.00
Financial Administration								
Salaries and Wages		1,028.25	1,028.25			1,028.25		1,028.25
Other Expenses	3,314.38	1,610.75	4,925.13			4,925.13	3,900.66	1,024.47
Assessment of Taxes								
Salaries and Wages		244.66	244.66			244.66		244.66
Other Expenses								
Maintenance of Tax Map		420.00	420.00			420.00		420.00
Miscellaneous Other Expenses		11,953.05	11,953.05			11,953.05	272.70	11,680.35
Collection of Taxes								
Salaries and Wages		273.90	273.90			273.90	209.10	64.80
Other Expenses	3,445.38	548.15	3,993.53			3,993.53	2,998.34	995.19
Legal Services and Costs								
Other Expenses		60,144.70	60,144.70			60,144.70	21,068.39	39,076.31
Engineering Services and Costs								
Other Expenses		7,625.39	7,625.39			7,625.39	1,232.50	6,392.89
Public Buildings and Grounds								
Salaries and Wages		1,875.45	1,875.45			1,875.45	315.00	1,560.45
Other Expenses	82.44	931.53	1,013.97			1,013.97	505.22	508.75
Municipal Land Use Law (N.J.S. 40:55D-1)								
Planning Board								
Salaries and Wages		43.19	43.19			43.19		43.19
Other Expenses	4.08	14,795.03	14,799.11			14,799.11	94.40	14,704.71
Environmental Commission (N.J.S. 40:56A-1)								
Salaries and Wages		6.68	6.68			6.68	-	6.68
Other Expenses		186.26	186.26			186.26	1.05	185.21
Recycling Program (P.L. 1987, Ch. 74)								
Salaries and Wages		5.67	5.67			5.67		5.67
Other Expenses	100.00	825.00	925.00			925.00	100.00	825.00
Insurance								
Workers Compensation Insurance		3,204.00	3,204.00			3,204.00	-	3,204.00
Employees Group Insurance		22,181.54	22,181.54			22,181.54	-	22,181.54
<b>PUBLIC SAFETY</b>								
Police								
Salaries and Wages		12,084.80	12,084.80			12,084.80	5,829.92	6,254.88
Other Expenses	13,037.88	1,775.49	14,813.37			14,813.37	12,339.12	2,474.25
Acquisition of Police Car	29,482.00		29,482.00			29,482.00	29,482.00	-
First Aid Organization - Contribution	240.00	5,635.18	5,875.18			5,875.18	5,875.18	-
Animal Control Officer								
Salaries and Wages		0.52	0.52			0.52		0.52
Other Expenses		500.00	500.00			500.00	-	500.00
Emergency Management Services								
Salaries and Wages		5.61	5.61			5.61	-	5.61
Other Expenses		1,000.00	1,000.00			1,000.00	-	1,000.00
<b>STREETS AND ROADS</b>								
Road Repairs and Maintenance								
Salaries and Wages		17,603.42	17,603.42			17,603.42	-	17,603.42
Other Expenses	1,692.66	19,376.54	21,069.20			21,069.20	2,670.92	18,398.28
Vehicle Maintenance								
Other Expenses	587.77	12,832.77	13,420.54			13,420.54	678.85	12,741.69
<b>HEALTH AND WELFARE</b>								
Board of Health								
Salaries and Wages		381.33	381.33			381.33	324.00	57.33
Other Expenses	28.50	123.50	152.00			152.00	28.50	123.50
<b>RECREATION AND EDUCATION</b>								
Parks and Playgrounds								
Other Expenses		9,156.86	9,156.86			9,156.86	181.74	8,975.12
<b>UNCLASSIFIED</b>								
Utilities								
Electricity		5,368.37	5,368.37			5,368.37	382.61	4,985.76
Street Lighting		23,812.28	23,812.28			23,812.28	7,753.24	16,059.04
Telephone		1,363.45	1,363.45			1,363.45	621.08	742.37
Natural Gas		2,746.35	2,746.35			2,746.35	948.11	1,798.24
Telecommunications Costs		281.85	281.85			281.85		281.85
Gasoline		19,740.96	19,740.96			19,740.96	4,601.33	15,139.63

TOWNSHIP OF CHESTERFIELD  
 CURRENT FUND  
 SCHEDULE OF 2012 APPROPRIATION RESERVES  
 2013

	Encumbered	Reserved A-3	Balance Dec. 31, 2012	Transfers		Balance After Transfer	Paid or Charged	Balance Lapsed or (Overexpended)
				to	from			
<b>UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES (NJAC 5:23-4.17)</b>								
State Uniform Construction Code Official								
Salaries and Wages		1,022.54	1,022.54			1,022.54	375.96	646.58
Other Expenses	466.41	1,245.21	1,711.62			1,711.62	532.21	1,179.41
Property Maintenance Code Enforcement								
Other Expenses		4,500.00	4,500.00			4,500.00		4,500.00
<b>STATUTORY EXPENDITURES</b>								
Contributions to:								
Social Security System		11,476.42	11,476.42			11,476.42	-	11,476.42
Defined Contribution Retirement Program		805.00	805.00			805.00	-	805.00
<b>OPERATIONS EXCLUDED FROM "CAPS":</b>								
<b>INSURANCE</b>								
Group Health Insurance Plan for Employees		5,758.31	5,758.31			5,758.31		5,758.31
<b>PUBLIC SAFETY</b>								
Length of Service Award Program								
Other Expense		1,950.00	1,950.00			1,950.00	-	1,950.00
Police								
Salaries and Wages		25,604.79	25,604.79			25,604.79		25,604.79
Other Expenses								
<b>INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</b>								
North Hanover Township - Municipal Court	44,937.15	43,519.70	88,456.85			88,456.85	88,405.02	51.83
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES</b>								
	97,662.22	369,809.92	467,472.14	-	-	467,472.14	193,854.61	273,617.53
Appropriation Reserves			369,809.92				Overexpended	-
Reserve for Encumbrances			97,662.22				Lapsed	273,617.53
			<u>\$ 467,472.14</u>					<u>\$ 273,617.53</u>
						Accounts Payable	8,176.03	
						Encumbered		
						Cash Disbursed	185,678.58	
							<u>\$ 193,854.61</u>	

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX  
2013

	<u>Ref.</u>	
Balance - December 31, 2012		
School Tax Payable		-
School Tax Deferred		3,793,051.00
		<u>3,793,051.00</u>
Increased By:		
Levy - School Year July 1, 2013 to June 30, 2014		8,400,484.00
		<u>12,193,535.00</u>
Decreased By:		
Payments	A-4	7,993,132.00
Canceled		161.00
		<u>7,993,293.00</u>
Balance - December 31, 2013		
School Tax Payable		
School Tax Deferred		4,200,242.00
		<u>4,200,242.00</u>
		<u>\$ 4,200,242.00</u>
2013 Liability for Local District School Tax:		
Tax Paid	A-4	7,993,293.00
Tax Payable December 31, 2013	A-8	7,993,293.00
		<u>7,993,293.00</u>
Less: Tax Payable December 31, 2012	A-8	-
		<u>-</u>
Amount Charged to 2013 Operations	A-1	<u>\$ 7,993,293.00</u>

CURRENT FUND  
SCHEDULE OF REGIONAL HIGH SCHOOL TAX  
2013

	<u>Ref.</u>	
Balance - December 31, 2012		
School Tax Payable		100,000.00
School Tax Deferred		2,070,141.63
		<u>2,170,141.63</u>
Increased By:		
Levy - School Year July 1, 2013 to June 30, 2014		4,176,117.00
Adjustment		121,685.00
		<u>4,297,802.00</u>
Decreased By:		6,467,943.63
Prior Year Balance Canceled		
Payments		4,263,958.29
		<u>4,263,958.29</u>
Balance - December 31, 2013		
School Tax Payable		115,927.00
School Tax Deferred		2,088,058.34
		<u>2,203,985.34</u>
		<u>\$ 2,203,985.34</u>
2013 Liability for Local District School Tax:		
Tax Paid	A-4	4,263,958.29
Tax Payable December 31, 2013	A-9	115,927.00
		<u>4,379,885.29</u>
Less: Tax Payable December 31, 2012	A-9	(100,000.00)
		<u>(100,000.00)</u>
Amount Charged to 2013 Operations	A-1	<u>\$ 4,279,885.29</u>

TOWNSHIP OF CHESTERFIELD  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF GRANTS RECEIVABLE  
2013

Purpose	Balance Dec. 31, 2012	2013 Budget Revenue Anticipated	Realized	From Unappropriated Reserves	Canceled	Balance Dec. 31, 2013
<b>Federal Grants:</b>	\$ -					\$ -
<b>State Grants:</b>						
Municipal Alliance on Alcoholism and Drug Abuse - 2012	13,500.00		11,262.52		2,237.48	13,500.00
Municipal Alliance on Alcoholism and Drug Abuse - 2013	-	13,500.00				-
NJ Transportation Trust Fund - Herman Black Road - 2011	60,595.03		60,001.08			593.95
NJ Transportation Trust Fund - Ward Avenue - 2012	58,206.27					58,206.27
NJ Transportation Trust Fund - Ward Ave./Ellisdale Road - 2013	-	206,631.00				206,631.00
Safe and Secure Communities Program	25,000.00	25,000.00	40,384.64	1,391.77		9,615.36
Drunk Driving Enforcement Fund	-	1,391.77				-
Clean Communities Program	-	12,661.20	12,661.20			-
Body Armor	-	1,550.79		1,550.79		-
Bullet Proof Vests	-	2,887.00				2,887.00
Recycling Tonnage Grant	-	3,040.02		3,040.02		-
Green Communities - 2012	3,000.00		2,995.00			5.00
NJ Turnpike Authority - Reforestation Agreement- 2012	423,233.00		370,500.00			52,733.00
NJ Turnpike Authority - Reforestation Agreement- 2013	-	423,233.00				423,233.00
<b>Other Grants:</b>						
Burlington County Municipal Park Program	127,803.80		127,803.80			-
Burlington County Municipal Park Program - Paths	45,448.00					45,448.00
Burlington County Municipal Park Program - 2012	75,000.00					75,000.00
	\$ 831,786.10	\$ 689,894.78	\$ 625,608.24	\$ 5,982.58	\$ 2,237.48	\$ 887,852.58

Budget	44,482.58
40A-4-87	645,412.20
	<u>\$ 689,894.78</u>

TOWNSHIP OF CHESTERFIELD  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED  
2013

Grant	Balance Dec. 31, 2012	Transferred From 2013 Budget Appropriation	Paid	Encumbered	Canceled	Balance Dec. 31, 2013
<b>Federal Grants:</b>						
NONE						\$ -
<b>State Grants:</b>						
Municipal Alliance on Alcoholism and Drug Abuse - 2012	2,237.48				2,237.48	
Municipal Alliance on Alcoholism and Drug Abuse - 2012	559.50		108.00			451.50
Municipal Alliance on Alcoholism and Drug Abuse - 2013	-	16,875.00	15,624.76			1,250.24
NJ Transportation Trust Fund - Herman Black Rd - 2010	63,594.49					63,594.49
NJ Transportation Trust Fund - Herman Black Rd - 2011	8,264.42					8,264.42
NJ Transportation Trust Fund - Ward Ave./Ellisdale Rd. - 2013	-	206,631.00	206,631.00			
NJ Turnpike Authority - Reforestation	9,631.78					9,631.78
NJ Turnpike Authority - Reforestation-2012	290,883.22		148,946.39			141,936.83
NJ Turnpike Authority - Reforestation- 2013	-	423,233.00	10,775.27			412,457.73
Safe and Secure Communities Program	0.01					0.01
Safe and Secure Communities Program - 2012	10,324.46		2,668.28			7,656.18
Safe and Secure Communities Program - 2013	-	25,000.00	21,153.88			3,846.12
Drunk Driving Enforcement Fund	9,946.86	1,391.77	1,092.11			10,246.52
Clean Communities	1,723.30		1,723.30			-
Clean Communities - 2012	5,531.43		3,527.05			2,004.38
Clean Communities - 2013	-	12,661.20	6,440.06			6,221.14
Alcohol Education and Rehabilitation Program	214.18					214.18
Recycling Tonnage Grant	1,726.01	3,040.02	4,766.03			-
Body Armor Grant	2,640.54		2,640.54			-
Body Armor Grant- 2013	-	1,550.79	61.96			1,488.83
Bullet Proof Vest	-	2,887.00	2,887.00			-
Green Communities - 2006	1,502.04					1,502.04
Municipal Stormwater Regulation Program	893.93		893.93			-
Green Team Grant	4,000.00					4,000.00
Matching Funds for Grants	3,000.00					3,000.00
<b>Other Grants:</b>						
Burl. Co. Park Development - Pedestrian Path & Bike Path	28,494.52		14,291.12			14,203.40
Burl. Co. Park Development Program - 2012	73,521.40					73,521.40
Contribution - Police Department	1,791.86		204.31			1,587.55
	\$ 520,481.43	\$ 693,269.78	\$ 444,434.99	\$ -	\$ 2,237.48	\$ 767,078.74
	Budget	47,522.60				
	40A.4-87	645,747.18				
		\$ 693,269.78				

TOWNSHIP OF CHESTERFIELD  
 FEDERAL AND STATE GRANT FUND  
 SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED  
 2013

Grant	Balance Dec. 31, 2012	Received In 2013	Less: Transferred to 2012 Budget	Appropriations	Expended	Balance Dec. 31, 2013
<b>State Grants:</b>						
Recycling Tonnage Grant - 2012	\$ 3,040.02	\$ 2,414.03	\$ 3,040.02		\$	2,414.03
Drunk Driving Enforcement Fund	1,391.77	2,296.01	1,391.77			2,296.01
NJ Body Armor	1,550.79	1,755.82	1,550.79			1,755.82
Alcohol Education & Rehabilitation		158.32				158.32
	\$ 5,982.58	\$ 6,624.18	\$ 5,982.58	\$	\$	6,624.18

TOWNSHIP OF CHESTERFIELD  
TRUST FUND  
SCHEDULE OF CASH - TREASURER  
2013

	<u>Dog License Fund</u>	<u>Other Fund</u>
Balance - December 31, 2012	\$ 11,403.90	\$ 1,400,634.77
<u>Receipts</u>		
Dog License Fees	5,358.40	-
Late Fees & Miscellaneous Fees	420.00	-
Due to New Jersey State Board of Health	1,323.60	-
Due Current Fund	1,024.62	21.05
Due Payroll Trust	-	600.00
Reserve for Escrow Deposits	-	344,914.12
Reserve for Tax Premiums	-	13,800.00
Reserve for Public Defender Fees	-	2,298.50
Reserve for Municipal Drug Alliance	-	13,365.00
Reserve for Police Outside Duty	-	81,060.00
Reserve for Police Donations	-	3,100.00
Reserve for Snow Removal	-	9,000.00
	8,126.62	468,158.67
	19,530.52	1,868,793.44
<u>Disbursements</u>		
Expenditures Under R.S.4:19-15.11	3,829.92	-
Due to N.J. State Board of Health	1,332.00	-
Due Current Fund	843.98	9,011.05
Reserve for Unemployment Compensation		
Insurance	-	20,369.57
Reserve for Escrow Deposits	-	181,813.39
Reserve for Tax Sale Premiums	-	12,300.00
Reserve for Affordable Housing Trust	-	14,440.89
Reserve for Public Defender Fees	-	10,006.05
Reserve for Municipal Drug Alliance	-	3,206.61
Reserve for Police Outside Duty	-	80,845.00
Reserve for Police Donations	-	2,199.00
Reserve for Reward Donations	-	3,025.00
	6,005.90	337,216.56
Balance - December 31, 2013	\$ 13,524.62	\$ 1,531,576.88

TOWNSHIP OF CHESTERFIELD  
TRUST FUND  
SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES  
2013

Balance - December 31, 2012		\$ 11,394.30
Increased By:		
Dog License Fees Collected	5,358.40	
Late Fees & Miscellaneous Fees Collected	420.00	
		5,778.40
		17,172.70
Decreased By:		
Expenditures Under R.S. 4:19-15.11	3,829.92	
		3,829.92
Balance - December 31, 2013		\$ 13,342.78

Licenses Fees Collected

<u>Year</u>	<u>Amount</u>
2011	5,460.40
2012	5,521.60
	\$ 10,982.00

TOWNSHIP OF CHESTERFIELD  
GENERAL CAPITAL FUND  
ANALYSIS OF CASH  
2013

Ord. No.	Description	Balance		Receipts		Disbursements		Transfers		Balance	
		Dec. 31, 2012	Dec. 31, 2013	Appropriations	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To		Dec. 31, 2013
	Fund Balance	\$ 69,185.21			37,479.45					\$ 4,670.82	\$ 111,335.48
	Capital Improvement Fund	152,649.67								30,000.00	122,649.67
	Reserve for Open Space	448,587.00									404,351.39
	County Open Space Grant				17,394.09		44,235.61				
	Reserve for Recreation Improvements	409,640.48									494,741.41
	Reserve for Transportation Improvements	22,136.73			85,800.00		699.07				34,524.94
	Reserve for Feasibility Study	4,033.75			12,388.21						
	Reserve to Pay Debt Service	19,957.26									22,917.74
	Due Sewer Utility	724,000.00									724,000.00
	Reserve for Encumbrances										21,254.00
	Due From Current Fund	(24,064.45)		(129.00)	(2,826,954.35)		(635,636.65)			21,254.00	(2,145,324.02)
	Refunding Bonds				572,080.85		571,443.78		637.07		(0.00)
	<b>Ord. No. Improvement Authorizations:</b>										
1997-10	Farm Preservation	(66,867.73)			68,000.00						107.25
2009-17	Amending 1999-2:										
	f. Acquisition of Public Works Equipment	34,883.95									34,883.95
	g. Road Striping	51,000.00									51,000.00
2005-5	Amending 1999-2:										
	a. Fenton Lane - Sanitary Sewer	(171,745.26)			171,000.00						(745.26)
2003-2	Various Improvements:	(56,191.91)			56,000.00						(191.91)
	a. Acquisition of Equipment										
2006-11	Acquisition of Equipment - Dump Truck	(154,330.00)			154,000.00						(330.00)
2007-17	Acquisition of Land - Fuchs	(305,717.70)			404,000.00			6,089.82			92,192.48
2007-18	Acquisition of Land - Wilkinson (Green Acres)	(547,723.30)			564,000.00			8,501.62			7,775.08
2008-17	Acquisition of Various Equipment	(88,549.80)			92,000.00			1,386.79			2,063.41
2009-16	Various Improvements:										
	b. Milling of Newbold Lane	(129.00)		129.00							
	c. Acquisition of Security Cameras				7,000.00		105.52				1,370.83
	d. Construction of Various Road	(58,782.86)			684,000.00		53,078.40	5,523.65			572,138.74
2009-18	Various Improvements:										
	b. Acquisition of Block 107 Lots 12 and 20	1,336.25									1,336.25
	c. Improvement to Recreation Fields	75,000.00									75,000.00
	d. Improvement to Village Square Park	27,087.50									27,087.50
2005-8	Transportation Improvements	57,298.21									57,298.21
2013-11	Police Roof Replacement									21,254.00	8,746.00
										30,000.00	
											19,570.83
	<b>PROJECTS FUNDED BY RECREATION CONTRIBUTIONS</b>										
2004-14)	Recreation Improvements - Village Square Park	19,570.83									19,570.83
2011-7	Recreation Improvements										
	a. Construction of Bike Path	82,264.50									82,264.50
	b. Construction of Pedestrian Path	1,281.00									1,281.00
	c. Recreation Equipment	4,629.00									4,629.00
		\$ 730,439.33	\$		\$ 98,188.21	\$	\$ 699.07	\$ 78,842.56	\$ 78,842.56	\$	\$ 827,928.47

TOWNSHIP OF CHESTERFIELD  
GENERAL CAPITAL FUND  
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED  
2013

Ord. Number	Improvement Description	Balance Dec. 31, 2012	2013 Authorizations	Canceled	Funded	Reserve To Pay Debt Service	Balance Dec. 31, 2013	Bond Anticipation Notes	Financed By	
									Expenditures	Unexpended Improvement Authorizations
1997-10	Farm Preservation	\$ 214,000.00			\$ 68,000.00		\$ 146,000.00		\$ -	\$ 146,000.00
2005-5	Amending 1999-2: d. Fenton Lane - Sanitary Sewer	171,745.26			171,000.00		745.26		745.26	0.00
2003-2	Various Improvements: a. Acquisition of Equipment	56,191.91			56,000.00		191.91		191.91	0.00
2006-11	Acquisition of Equipment - Dump Truck	154,330.00			154,000.00		330.00		330.00	-
2007-17	Acquisition of Land - Fuchs	405,717.70			404,000.00		1,717.70			1,717.70
2007-18	Acquisition of Land - Wilkinson	685,282.30			564,000.00		121,282.30			121,282.30
2008-17	Acquisition of Various Equipment	132,050.00			92,000.00		40,050.00			40,050.00
2009-16	Various: b. Milling of Newbold Lane c. Acquisition of Security Cameras d. Construction of Black Road	20,979.00 1,476.35 684,000.00			129.00 7,000.00 684,000.00	5,523.65	20,850.00			20,850.00
2009-18	Various Improvements: a. Preliminary Costs-New Municipal Building b. Acquisition of Block 107 Lots 12 and 20 c. Improvement to Recreation Fields d. Improvement to Village Square Park	19,320.87 47,100.00 1,425,000.00 665,000.00					19,320.87 47,100.00 1,425,000.00 665,000.00			19,320.87 47,100.00 1,425,000.00 665,000.00
2012-10	Refunding Bonds	650,000.00		78,556.22	571,443.78		-			-
		\$ 5,332,193.39	\$ -	\$ 78,556.22	\$ 2,771,572.78	\$ 5,523.65	\$ 2,487,588.04	\$ -	\$ 1,267.17	\$ 2,486,320.87
		Raised in Budget			129.00					
		Bonds Issued			1,960,000.00					
		Premium-Bonds Issued			240,000.00					
		Refunding Bonds Issued			485,000.00					
		Refunding Bond Premium			86,443.78					
					2,771,572.78					Improvement Authorizations Unfunded \$ 2,486,320.87

TOWNSHIP OF CHESTERFIELD  
GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
2013

Balance December 31, 2012	\$ 152,649.67
Decreased By:	
Appropriation to Finance Improvement Authorizations	<u>30,000.00</u>
Balance December 31, 2013	<u><u>\$ 122,649.67</u></u>

TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
 2013

Ord. Number	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2012		Capital Improvement Fund	Deferred Charges to Future Taxation	Paid or Charged	Canceled	Balance Dec. 31, 2013	
				Funded	Unfunded					Funded	Unfunded
				\$	\$					\$	\$
1997-10	Farm Preservation	1997	500,000	-	147,132.27	-	-	1,025.02	-	107.25	146,000.00
1999-02/2009-17	Amending 1999-02: Acquisition of Public Works Equipment		160,000	34,883.95	-	-	-	-	-	34,883.95	-
	Road Striping	2009	51,000	51,000.00	-	-	-	-	-	51,000.00	-
			211,000								
2007-17	Acquisition of Land - Fuchs	2007	1,780,000	-	100,000.00	-	-	6,089.83	-	92,192.48	1,717.70
2007-18	Acquisition of Land - Wilkinson (Green Acres)	2007	1,650,000	-	137,559.00	-	-	8,501.62	-	7,775.08	121,282.30
2008-17	Acquisition of Various Equipment	2008	139,000	-	43,500.20	-	-	1,386.79	-	2,063.41	40,050.00
2009-16	Various:										
	a. Milling of Newbold Lane		25,000	-	20,850.00	-	-	-	-	1,370.83	20,850.00
	c. Acquisition of Security Cameras		7,500	-	1,476.35	-	-	105.52	-	-	-
	d. Construction of Various Roads		720,000	-	625,217.14	-	-	53,078.40	-	572,138.74	-
		2009	752,500								
2009-18	Various Improvements:										
	a. Preliminary Costs-New Municipal Building		22,000	-	19,320.87	-	-	-	-	-	19,320.87
	b. Acquisition of Block 107 Lots 12 and 20		50,000	1,336.25	47,100.00	-	-	-	-	1,336.25	47,100.00
	c. Improvement to Recreation Fields		1,500,000	75,000.00	1,425,000.00	-	-	-	-	75,000.00	1,425,000.00
	d. Improvement to Village Square Park		700,000	27,087.50	665,000.00	-	-	-	-	27,087.50	665,000.00
		2009	2,272,000								
2004-14/2005-08	Transportation - Smart Growth	2005	57,414	57,298.21	-	-	-	-	-	57,298.21	-
2013-11	Police Roof Replacement	2013	30,000	-	-	30,000.00	-	21,254.00	-	8,746.00	-
<b>PROJECTS FUNDED BY RECREATION CONTRIBUTIONS</b>											
2004-14/2005-08	Smart Growth Village Plan:										
	a. Recreation	2004Rec	56,092	-	-	-	-	-	-	-	-
	Recreation	2005Rec	90,259	-	-	-	-	-	-	-	-
			146,351							19,570.83	
2011-7	Recreation Improvements:										
	a. Construction of Bike Path	2011Rec	94,500	82,264.50	-	-	-	-	-	82,264.50	-
	b. Construction of Pedestrian Path	2011Rec	108,500	1,281.00	-	-	-	-	-	1,281.00	-
	c. Recreation Equipment	2011Rec	61,000	4,629.00	-	-	-	-	-	4,629.00	-
2012-10	Refunding Bonds	2012	650,000	-	650,000.00	-	-	571,443.78	78,556.22	-	-
				\$ 354,351.24	\$ 3,882,155.83	\$ 30,000.00	\$ -	\$ 662,884.85	\$ 78,556.22	\$ 1,038,745.03	\$ 2,486,320.87
Cash Disbursed - Recreation Checking											
Cash Disbursed - Current Fund											
Current Year Reserve for Encumbrances											
Refunding Bonds											
				\$ 662,884.95	\$ 78,556.22						

TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 SCHEDULE OF GENERAL SERIAL BONDS  
 2013

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding Dec. 31, 2013			Interest Rate	Balance Dec. 31, 2012	Increase	Decrease	Balance Dec. 31, 2013
			Date	Amount						
Burlington County Bridge Commission County Guaranteed Pooled Governmental Loan Revenue Bonds	12/11/2003	\$ 894,000	N/A	\$ -	N/A	\$ 578,000.00		\$ 578,000.00	\$ -	
Burlington County Bridge Commission, General Obligation Refunding Bonds, Series 2013	3/11/2013	\$ 485,000	12/1/2014	40,000	2.000%					
			12/1/2015	40,000	3.000%					
			12/1/2016	45,000	3.000%					
			12/1/2017	45,000	4.000%					
			12/1/2018	45,000	5.000%					
			12/1/2019	50,000	5.000%					
			12/1/2020	50,000	5.000%					
			12/1/2021	55,000	5.000%					
			12/1/2022	55,000	5.000%					
			12/1/2023	55,000	5.000%			485,000.00	480,000.00	
Burlington County Bridge Commission, General Obligation Bonds, Series 2013	3/11/2013	\$ 1,960,000	12/1/2014	65,000	2.000%					
			12/1/2015	65,000	3.000%					
			12/1/2016	70,000	3.000%					
			12/1/2017	75,000	4.000%					
			12/1/2018	75,000	5.000%					
			12/1/2019	80,000	5.000%					
			12/1/2020	85,000	5.000%					
			12/1/2021	90,000	5.000%					
			12/1/2022	95,000	5.000%					
			12/1/2023	100,000	5.000%					
			12/1/2024	105,000	5.000%					
			12/1/2025	110,000	5.000%					
			12/1/2026	115,000	5.000%					
			12/1/2027	120,000	5.000%					
			12/1/2028	125,000	5.000%					
			12/1/2029	130,000	5.000%					
			12/1/2030	130,000	3.375%					
			12/1/2031	130,000	3.375%					
			12/1/2032	130,000	3.375%			1,960,000.00	1,895,000.00	
								\$ 578,000.00	\$ 2,445,000.00	
								\$ 648,000.00	\$ 2,375,000.00	

TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 DUE FROM CURRENT FUND  
 2013

Balance December 31, 2012 - Due From		\$ 24,064.45
Increased By:		
Amounts Raised in Current Fund Budget:		
Deferred Charges To Future Taxation Unfunded	129.00	
Amounts Received in the Current Fund:		
County Open Space Grant	17,394.09	
Bond Proceeds	2,237,479.45	
Refunding Bond Proceeds	572,080.85	
	2,827,083.39	
		2,851,147.84
Decreased By:		
Improvement Authorization Payments from Current Fund	70,187.17	
Refunding Bonds	571,443.78	
Opens Space Expenditures	19,235.61	
Anticipated in Current Fund Budget:		
Reserve for Open Space	25,000.00	
Reserve To Pay Debt Service	19,957.26	
	705,823.82	
Balance December 31, 2013 - Due From		\$ 2,145,324.02

SCHEDULE OF DUE TO SEWER UTILITY  
 2013

Balance December 31, 2012 and 2013		\$ 724,000.00
------------------------------------	--	---------------

TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 SCHEDULE OF RESERVE FOR RECREATION IMPROVEMENTS - UNAPPROPRIATED  
 2013

Balance December 31, 2012		\$ 409,640.48
Increased By:		
Developer Contributions Received	85,800.00	
		85,800.00
		495,440.48
Decreased By:		
Expenditures	699.07	
		699.07
Balance December 31, 2013		\$ 494,741.41

SCHEDULE OF RESERVE FOR TRANSPORTATION IMPROVEMENTS - UNAPPROPRIATED  
 2013

Balance December 31, 2012		\$ 22,136.73
Increased By:		
Developer Contributions Received	12,388.21	
Balance December 31, 2013		\$ 34,524.94

TOWNSHIP OF CHESTERFIELD  
GENERAL CAPITAL FUND  
RESERVE FOR NEEDS ASSESSMENT STUDY  
2013

Balance December 31, 2012	\$ 4,033.75
Decreased By:	
Canceled	<u>4,033.75</u>
Balance December 31, 2013	<u><u>\$ -</u></u>

TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 RESERVE FOR GRANTS RECEIVABLE  
 2013

	County Open Space		Total
	Fuchs	Wilkinson	
Approved Grant Amount	417,500.00	246,126.00	663,626.00
Decreased By:			
Received - 2012	19,957.26		19,957.26
Balance - December 31, 2012	397,542.74	246,126.00	643,668.74
Decreased By:			
Received - 2013	17,394.09		17,394.09
Balance - December 31, 2013	\$ 380,148.65	\$ 246,126.00	\$ 626,274.65

TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 RESERVE FOR OPEN SPACE  
 2013

Balance December 31, 2012	\$ 448,587.00
Decreased By:	
Appropriated in Current Fund budget	25,000.00
Expenditures	19,235.61
	44,235.61
Balance December 31, 2013	\$ 404,351.39

TOWNSHIP OF CHESTERFIELD  
GENERAL CAPITAL FUND  
RESERVE TO PAY DEBT SEVICE  
2013

Balance December 31, 2012		\$ 19,957.26
Increased By:		
Received - County Open Space	17,394.09	
Transferred from Ordinance 2009-17	<u>5,523.65</u>	
		<u>22,917.74</u>
		42,875.00
Decreased By:		
Anticipated in 2013 Budget		<u>19,957.26</u>
Balance December 31, 2013		<u><u>\$ 22,917.74</u></u>

TOWNSHIP OF CHESTERFIELD  
GENERAL CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
2013

Ord. Number	Improvement Description	Balance Dec. 31, 2012	2013 Authorizations	Notes Issued	Funded	Funded By Budget Appropriation	Canceled	Balance Dec. 31, 2013
1997-10	Farm Preservation	\$ 214,000.00			\$ 68,000.00			\$ 146,000.00
2005-5d	Fenton Lane - Sanitary Sewer	171,745.26			171,000.00			745.26
2003-2	Various Improvements:							
	a. Acquisition of Equipment	56,191.91			56,000.00			191.91
2006-11	Acquisition of Dump Truck	154,330.00			154,000.00			330.00
2007-17	Acquisition of Land - Fuchs	405,717.70			404,000.00			1,717.70
2007-18	Acquisition of Land - Wilkinson (Green Acres)	685,282.30			564,000.00			121,282.30
2008-17	Acquisition of Various Equipment	132,050.00			92,000.00			40,050.00
2009-16	Various Improvements:							
	b. Milling of Newbold Lane	20,979.00				129.00		
	c. Acquisition of Security Cameras	1,476.35			1,476.35			20,850.00
	d. Construction of Black Road	684,000.00			684,000.00			0.00
2009-18	Various Improvements:							
	a. Preliminary Costs-New Municipal Building	19,320.87						19,320.87
	b. Acquisition of Block 107 Lots 12 and 20	47,100.00						47,100.00
	c. Improvement to Recreation Fields	1,425,000.00						1,425,000.00
	d. Improvement to Village Square Park	665,000.00						665,000.00
2012-10	Refunding Bonds	650,000.00			571,443.78		78,556.22	-
		\$ 5,332,193.39	\$ -	\$ -	\$ 2,765,920.13	\$ 129.00	\$ 78,556.22	\$ 2,487,588.04

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY FUND  
SCHEDULE OF CASH - TREASURER - OPERATING FUND  
2013

Balance - December 31, 2012		\$ 3,588,582.36
Increased By:		
Sewer Rents	338,841.13	
Late Payment Penalties	4,961.09	
Interest Income	33,558.52	
Connection Fees	201,275.00	
Other Miscellaneous Income	5,988.36	
Due To Current Fund	1,295.91	
Due To Payroll Trust	1,853.29	
	<u>587,773.30</u>	<u>587,773.30</u>
		4,176,355.66
Decreased By Disbursements:		
2013 Appropriations	\$ 435,771.65	
2012 Appropriations Reserves	52,312.78	
Debt Service Interest	85,057.50	
	<u>573,141.93</u>	<u>573,141.93</u>
Balance - December 31, 2013		<u>\$ 3,603,213.73</u>

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
ANALYSIS OF SEWER UTILITY CAPITAL CASH  
2013

	Balance Dec. 31, 2012	Received		Disbursed		Transfers		Balance Dec. 31, 2013
		Budget	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Fund Balance	\$ 9,495.00							\$ 9,495.00
Capital Improvement Fund	140,505.00							140,505.00
Reserve for Treatment Plant Improvements	400,000.00							400,000.00
<u>Improvement Authorizations:</u>								
Ordinance								
Number								
2000-15	964,425.53							964,425.53
Sewer System								
Due From (To) Sewer Operating Fund	\$ 1,514,425.53	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,514,425.53

TOWNSHIP OF CHESTERFIELD  
 SEWER UTILITY CAPITAL FUND  
 FIXED CAPITAL  
 2013

	Balance Dec. 31, 2012	Additions		Balance Dec. 31, 2013
		By Ordinance	By Budget Capital Outlay	
<u>Sewer Utility</u>				
Flow Meter at Pump Station No. 1	\$ 19,495.00			\$ 19,495.00
	\$ 19,495.00	\$ -	\$ -	\$ 19,495.00

SEWER UTILITY CAPITAL FUND  
 SCHEDULE OF DUE FROM/(TO) SEWER UTILITY OPERATING FUND  
 2013

Balance - December 31, 2013 and 2012 - Due From Sewer Operating \$ 1,514,425.53

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY FUND  
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE  
2013

Balance - December 31, 2012	\$ 35,170.46
Increased By:	
Sewer Rents Levied	<u>348,006.90</u>
	383,177.36
Decreased By:	
Collections	<u>338,841.13</u>
Balance - December 31, 2013	<u><u>\$ 44,336.23</u></u>

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
2013

Ordinance Number	Improvement Description	Ordinance Date	Balance Dec. 31, 2012	2013 Authorizations			Costs To Fixed Capital	Authorizations Canceled	Balance Dec. 31, 2013
				Reserve For Amortization	Deferred Charges To Future Revenue				
2000-15 }		8/24/00 }							
2001-14 }	Sewer Collection System and	5/10/01 }							
2004-10 }	Plant Upgrade	5/22/03 }	\$ 5,700,000.00					\$ 5,700,000.00	
			\$ 5,700,000.00	\$ -	\$ -	\$ -	\$ -	\$ 5,700,000.00	

General Improvements:

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
2013

Ord. Number	Improvement Description	Date	Amount	Balance Dec. 31, 2012		2013 Authorizations	Paid or Charged	Authorizations Canceled	Balance Dec. 31, 2013	
				Funded	Unfunded				Funded	Unfunded
<b>General Improvements</b>										
2000-15 }	Sewer Collection System	5/10/01	5,500,000							
2001-14 }	and Plant Upgrades	5/22/03	200,000							
2004-10 }			<u>5,700,000</u>							
			\$ 1,022,785.53						\$ 1,022,785.53	\$ -
				\$ 1,022,785.53	\$ -		\$ -	\$ -	\$ 1,022,785.53	\$ -

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION  
2013

Ord. Number	Improvement Description	Date	Balance Dec. 31, 2012	Fixed Capital Authorized	Debt Paid By Budget Appropriation	Transferred To Reserve for Amortization	Canceled	Balance Dec. 31, 2013
<u>General Improvements</u>								
2000-15	}							
2001-14	}	5/10/01						
2004-10	}	5/22/2003	\$ 2,530,410.29	\$	296,000.84			\$ 2,826,411.13
			\$ 2,530,410.29	\$ -	\$ 296,000.84	\$ -		\$ 2,826,411.13



TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF NJ ENVIRONMENTAL INFRASTRUCTURE TRUST PAYABLE  
2013

Purpose	Date of Issue	Original Issue	Maturities of Loan		Interest Rate	Amount	Increased	Paid By Budget Appropriation	Balance Dec. 31, 2013			
			Date	Outstanding Dec. 31, 2013								
EXPANSION of A.C. WAGNER YOUTH CORRECTIONAL FACILITY WASTEWATER TREATMENT PLANT	10/15/03	\$ 600,000.00	8/1/14	30,000.00	5.000%							
			8/1/15-16	35,000.00	4.000%							
			8/1/17	35,000.00	4.200%							
			8/1/18	35,000.00	4.250%							
			8/1/19-20	40,000.00	5.000%							
			8/1/21	40,000.00	4.500%							
			8/1/22-23	45,000.00	4.750%							
			\$ 410,000.00 \$ - \$ 30,000.00 \$ 380,000.00									
			Fund Portion	10/15/03	\$ 557,638.00	2/1/14	5,284.89					
						8/1/14	23,579.65					
2/1/15	4,827.52											
8/1/15	26,171.41											
2/1/16	4,400.65											
8/1/16	25,744.53											
2/1/17	3,973.77											
8/1/17	25,317.66											
2/1/18	3,525.55											
8/1/18	24,869.56											
2/1/19	3,071.99											
8/1/19	27,465.00											
2/1/20	2,462.16											
8/1/20	26,855.18											
2/1/21	1,852.34											
8/1/21	26,245.35											
2/1/22	1,303.50											
8/1/22	28,745.64											
2/1/23	651.75											
8/1/23	28,093.96			0.000%								
\$ 324,221.34 \$ - \$ 29,779.28 \$ 294,442.06												
TOTAL TREATMENT PLANT EXPANSION \$ 734,221.34 \$ - \$ 59,779.28 \$ 674,442.06												
TOTAL DEBT PAYABLE \$ 3,111,229.71 \$ - \$ 296,000.84 \$ 2,815,228.87												

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY FUND  
SCHEDULE OF 2012 APPROPRIATION RESERVES  
2013

	<b>Balance Dec. 31, 2012</b>	<b>Balance After Transfer</b>	<b>Paid Or Charged</b>	<b>Balance Lapsed</b>	<b>Overexpended</b>
Operating					
Salaries and Wages	\$ 799.33	\$ 799.33	\$ -	\$ 799.33	
Other Expenses	68,231.35	68,231.35	52,312.78	15,918.57	
Statutory Expenditures					
Social Security	86.89	86.89	-	86.89	
	<u>\$ 69,117.57</u>	<u>\$ 69,117.57</u>	<u>\$ 52,312.78</u>	<u>\$ 16,804.79</u>	<u>\$ -</u>

D-15

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
2013

Balance - December 31, 2012 and 2013 \$ 140,505.00

D-16

SEWER UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION  
2013

Balance - December 31, 2012 and 2013 \$ 19,495.00

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY FUND  
SCHEDULE OF INTEREST ON BONDS AND NOTES  
AND ANALYSIS OF BALANCE  
2013

	BAN	NJEIT	Total
Balance - December 31, 2012	\$ -	\$ 35,440.21	\$ 35,440.21
Increased By:			
Interest on Bonds and Notes	-	81,682.92	81,682.92
	-	117,123.13	117,123.13
Decreased By:			
Interest Paid	-	85,057.50	85,057.50
Balance - December 31, 2013	\$ -	\$ 32,065.63	\$ 32,065.63

**Analysis of Balance - December 31, 2013**

	Principal Outstanding Dec. 31, 2013	Interest Rate	From	To	Period	Amount
Bond Anticipation Notes:	\$ -					\$ -
NJ Environmental Infrastructure Trust:						
2001	\$ 1,210,000.00	Various	8/1/13	12/31/13	5 Months	24,843.75
2003	\$ 380,000.00	Various	8/1/13	12/31/13	5 Months	7,221.88
						\$ 32,065.63

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
2013

Ord. Number	Improvement Description	Date	Balance		2013 Authorizations	Bonds Issued	NJFIT Debt Issued	Notes Issued	Balance Dec. 31, 2013
			Dec. 31, 2012						
<u>General Improvements</u>									
2000-15 }		8/24/00 }	\$ 4,300,000.00						
2001-14 }		5/10/01 }	1,200,000.00						
2003-10 }	Sewer Collection System	5/22/03 }	200,000.00						
			<u>\$ 5,700,000.00</u>	\$ 58,360.00					\$ 58,360.00
				\$ 58,360.00	\$ -	\$ -	\$ -	\$ -	\$ 58,360.00

TOWNSHIP OF CHESTERFIELD  
 PAYROLL FUND  
 SCHEDULE OF CASH -TREASURER  
 2013

<b>Balance - December 31, 2012</b>		\$ 26,151.68
<b>Increased By:</b>		
Deposits for Payrolls and Miscellaneous	1,519,072.16	
Due Other Trust	600.00	
Due Animal Control Fund	57.69	
Due Sewer Operating Fund	989.91	
Due Current Fund	<u>285,816.97</u>	
		<u>1,806,536.73</u>
		1,832,688.41
<b>Decreased by:</b>		
Paid Employees	917,352.72	
Payroll Deductions and Employer Contributions	595,564.57	
Due Other Trust	1,200.00	
Due Animal Control Fund	57.69	
Due Sewer Operating Fund	2,843.20	
Due Current Fund	<u>283,733.93</u>	
		<u>1,800,752.11</u>
<b>Balance - December 31, 2013</b>		<u><u>\$ 31,936.30</u></u>

CHESTERFIELD TOWNSHIP  
 GENERAL FIXED ASSETS ACCOUNT GROUP  
 SCHEDULE OF CHANGE IN GENERAL FIXED ASSETS  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	<b>Beginning Balance</b>				<b>General Fixed Asset Balance</b>
	<b>January 1, 2013</b>				<b>Additions</b>
Land	\$ 3,682,445.00				\$ 3,682,445.00
Buildings	574,285.00				574,285.00
Improvements Other than Buildings	127,500.00				127,500.00
Machinery and Equipment	1,333,552.67	97,238.92	61,948.73		1,368,842.86
<b>Total</b>	<b>\$ 5,717,782.67</b>	<b>\$ 97,238.92</b>	<b>\$ 61,948.73</b>	<b>\$ -</b>	<b>\$ 5,753,072.86</b>

**TOWNSHIP OF CHESTERFIELD  
SUPPLEMENTARY DATA  
YEAR ENDED DECEMBER 31, 2013**

**TAX RATE, TAX LEVY AND TAX COLLECTIONS**

**Comparison of Tax Rate Information**

	2013	2012	2011	2010
Total Tax Rate	\$ 2.238	\$ 2.408	\$ 2.079	\$ 1.835
Apportionment of Tax Rate:				
Municipal	0.129	0.295	0.053	0.041
County	0.378	0.392	0.388	0.362
Local School	1.156	1.124	1.094	0.931
Regional High School	0.575	0.597	0.544	0.501
Fire District Rates:				
Fire District No. 1	0.100	0.099	0.096	0.085
Fire District No. 2	0.079	0.078	0.077	0.067

**Assessed Valuations - Net Valuation Taxable**

2013	\$ 726,245,758	
2012	720,431,888	
2011*	714,138,185	
2010	787,000,869	
2009	758,872,285	
2008	721,788,710	
2007*	673,598,296	
2006	284,804,406	
2005	264,289,512	* Reassessment
2004	248,615,304	

**Comparison of Tax Levies and Collections Currently**

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

Year	Tax Levy	Currently	
		Cash Collection	Percentage Of Collection
2013	\$ 17,096,481	\$ 16,617,881	97.20%
2012	18,144,304	17,708,206	97.60%
2011	15,636,762	15,331,418	98.05%
2010	15,297,862	14,963,940	97.82%
2009	14,247,769	13,882,213	97.43%
2008	13,091,448	12,656,448	96.68%
2007	11,645,348	11,277,634	96.84%
2006	12,009,321	11,794,291	98.21%
2005	9,219,929	8,856,600	96.06%
2004	8,227,660	8,074,691	98.14%

**Delinquent Taxes and Tax Title Liens**

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

Year Ended December 31	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage Of Tax Levy
2013	\$ 33,587	\$ 286,292	\$ 319,879	1.87%
2012	53,060	325,996	\$ 379,055	2.09%
2011	54,697	268,417	323,114	2.07%
2010	23,545	266,170	289,715	1.89%
2009	7,519	281,247	288,766	2.03%
2008	4,901	372,860	377,761	2.89%
2007	-	330,027	330,027	2.83%
2006	-	199,597	199,597	1.66%
2005	-	327,945	327,945	3.56%
2004	-	152,969	152,969	1.86%

**TOWNSHIP OF CHESTERFIELD  
SUPPLEMENTARY DATA  
YEAR ENDED DECEMBER 31, 2013**

**TAX RATE, TAX LEVY AND TAX COLLECTIONS**

**Property Acquired By Tax Title Lien Liquidation**

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

<u>Year</u>	<u>Amount</u>
2013	\$ 302,800
2012	38,000
2011	38,000
2010	38,000
2009	38,000
2008	38,000
2007	38,000
2006	38,000
2005	38,000
2004	38,000

**COMPARATIVE SCHEDULE OF FUND BALANCES**

**CURRENT FUND:**

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget Of Succeeding Year</u>	<u>Percentage Of Fund Balance Used</u>
2013	\$ 2,605,539	\$ 1,415,000	54.31%
2012	3,248,472	1,688,000	51.96%
2011	2,402,593	750,000	31.22%
2010	3,970,555	2,345,000	59.06%
2009	5,592,694	2,513,000	44.93%
2008	5,919,721	2,221,000	37.52%
2007	6,011,695	2,154,900	35.85%
2006	7,465,695	1,454,000	19.48%
2005	1,990,065	1,320,000	66.33%
2004	1,625,052	1,180,000	72.61%

**SEWER UTILITY OPERATING FUND:**

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget Of Succeeding Year</u>	<u>Percentage Of Fund Balance Used</u>
2013	\$ 2,738,805	\$ 195,800	7.15%
2012	2,693,599	127,650	4.74%
2011	2,786,763	209,100	7.50%
2010	2,956,088	183,650	6.21%
2009	3,046,929	155,550	5.11%
2008	2,855,362	18,217	0.64%
2007	2,905,747	343,200	11.81%
2006	2,775,723	329,000	11.85%
2005	2,411,190	265,000	10.99%
2004	1,371,207	190,000	13.86%



**TOWNSHIP OF CHESTERFIELD**

**PART II**

**LETTER OF FINDINGS AND RESPONSES**

**YEAR ENDED DECEMBER 31, 2013**



## TOWNSHIP OF CHESTERFIELD

### FINDINGS AND RESPONSES - 2013

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

N.J.S.A. 40A:11-4 states in part, "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in his act of specifically by any other law.

N.J.S.A. 40A:11-3a states in part, "When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed, in any contract year, the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. (Pending before the Legislature as section 15 of this bill) of section 9 of P.L.1971, c. 198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$25,000."

Subsection c. of N.J.S.A. 40A:11-3 directs the Governor, in consultation with the Department of the Treasury, to adjust the bid threshold amounts every fifth year after enactment of P.L. 1999 c.440. The bid threshold for 2010 increased from \$21,000 to \$26,000 or from \$29,000 to \$36,000 if the entity has a qualified purchasing agent. Beginning January 1, 2011 after enactment of P.L. 2009 c.166 any contracting unit without a qualified purchasing agent will have its bid threshold fixed at \$17,500. The Township does not have a qualified purchasing agent and the bid threshold was reduced from \$26,000 to \$17,500.

N.J.S. 40A:11-6.1 establishes, with exceptions, 15% of the bid threshold as the level requiring solicitation of at least two competitive quotations, if practicable.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where questions arise as to whether any contract or agreement might result in violation of the statute, the Township Solicitor's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising for Road Improvements, Roof Replacement and Purchase of Mowers. The minutes indicate that resolutions were adopted and advertised 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.

My examination of expenditures, on a test basis, indicated no discrepancies with the above requirements.

#### Contracts and Agreements Requiring Solicitation of Quotations

N.J.A.C. 5.30-14.5 requires the governing body to ascertain that there are sufficient legally appropriated funds prior to the award of contracts. My review of contracts awarded indicated compliance with this requirement.

**TOWNSHIP OF CHESTERFIELD**

**FINDINGS AND RESPONSES - 2013**

**Collection of Interest on Delinquent Taxes and Assessments**

In accordance with the statutes, on January 2, 2013, the governing body adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments, portions of which read as follows:

WHEREAS, N.J.S.A. 54:5-67 permits the governing body of each municipality to fix the rate of interest to be charged for non-payment of taxes and assessments, subject to any abatement or discount for the late payment of taxes as provided by law; and

WHEREAS, N.J.S.A. 54:5-67 has been amended to permit the fixing of said rate at 8% per annum on the first \$1,500.00 of the delinquency and 18% per annum on any amount in excess of \$1,500.00 and allows an additional penalty of 6% to be collected against a delinquency in excess of \$10,000.00 on properties that fail to pay the delinquency prior to the end of the calendar year;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Township Committee of the Township of Chesterfield, County of Burlington, State of New Jersey as follows:

1. The Tax Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500 of taxes becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500 becoming delinquent after due date and if a delinquency is in excess of \$10,000 and remains in arrears beyond December 31, an additional penalty of 6% shall be charged against the delinquency.
2. Effective January 1, 2013, there shall be a ten (10) day grace period of quarterly tax payments made by cash, check or money order.
3. Any payments not made in accordance with paragraph two of this resolution shall be charged interest from the due date as set forth in paragraph one of this resolution.”

It appears from an examination of the collector’s records that interest was collected in accordance with the resolution.

**Tax Title Liens**

The last tax sale was held on December 5, 2013 and was complete. Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

The following comparison is made of the number of tax title liens receivable at December 31:

<u>Year</u>	<u>Number of Liens</u>
2013	1
2012	3
2011	5

**Verification of Delinquent Taxes**

A test verification of receivable balances and current payments was made in accordance with the regulations of the Division of Local Government Services.

## TOWNSHIP OF CHESTERFIELD

### FINDINGS & RESPONSES - 2013

#### Finding: \*2013-01

##### Payroll

###### Criteria

Sound accounting practices include internal controls over payroll processing that clearly establishes an analysis of payroll assets and liabilities.

###### Condition

The payroll ledger contained balances that were not in agreement with actual payroll liabilities.

###### Effect

Misstatement of liabilities within the payroll fund.

###### Cause

Inconsistency with following established internal controls.

###### Recommendation

The payroll ledger should be more closely monitored.

#### Finding: \*2013-02

##### Tax Overpayments

###### Criteria

Reconciliations of the subsidiary record of tax overpayments to control accounts should be prepared monthly.

###### Condition

The subsidiary record of tax overpayments was not reconciled to control accounts.

###### Effect

Errors and irregularities could occur that would have a negative impact on the Township's financial statements.

###### Cause

Internal controls associated with the tax office were not followed.

###### Recommendation

The subsidiary record of tax overpayments should be reconciled to control accounts.

#### Finding: \*2013-03

##### Construction Office

###### Criteria

Pursuant to N.J.S.A 40A:5-15 deposits must be made within 48 hours of the time of collection.

###### Condition

Deposits were routinely made weekly.

###### Effect

Noncompliance with the statute.

**TOWNSHIP OF CHESTERFIELD**

**FINDINGS & RESPONSES - 2013**

**Finding: \*2013-03 (Continued)**

**Construction Office**

Cause

Oversight.

Recommendation

The Construction official should make deposits within 48 hours as required by N.J.S.A. 40A:4-15.

**Finding: \*2013-04**

**Grant Fund**

Criteria

The grant subsidiary ledger must reconcile with the general ledger control account.

Condition

The subsidiary record of appropriated grant reserves did not reconcile with the general ledger control account.

Effect

There is an increased potential to misstate available grant balances.

Cause

Oversight.

Recommendation

The grant subsidiary ledger should reconcile with the general ledger control account.

**Finding: 2013-05**

**Budget**

Criteria

Planned expenditures must be budgeted prior to making the expenditures.

Condition

Expenditures were charged directly to the Open Space Reserve without including the Reserve in the annual budget.

Effect

Noncompliance with the statute.

Cause

Oversight.

Recommendation

Direct charges to established reserves should be avoided.

**TOWNSHIP OF CHESTERFIELD**

**FINDINGS & RESPONSES - 2013**

**Finding: 2013-06**

**Cash**

**Criteria**

Effective internal controls require timeliness, completeness and accuracy of financial data to provide complete and accurate information output.

**Condition**

Several general ledger cash accounts were not reconciled to bank accounts on a monthly basis or at year end.

**Effect**

There is an increased potential to misstate cash balances.

**Cause**

Untimely reconciliations.

**Recommendation**

Cash accounts should be reconciled to the general ledger monthly.

**View of Responsible Officials**

The responsible officials are in agreement with the above findings and will address them in a corrective action plan.

**Status of Prior Years Audit Findings/Recommendations**

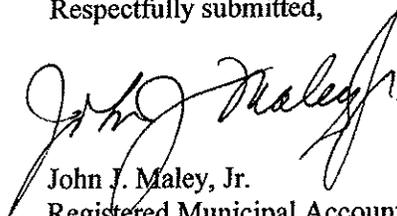
A review was performed on all 2012 recommendations and a corrective action plan was adopted and implemented except for those recommendations marked with an \* above.

**Acknowledgment**

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

Should you have any questions concerning my comments or recommendations, or should you desire any assistance in implementing my recommendations, please call me.

Respectfully submitted,



John J. Maley, Jr.  
Registered Municipal Accountant No.218  
Certified Public Accountant

April 14, 2014

