

**TOWNSHIP OF CHESTERFIELD**  
**AUDIT REPORT FOR THE YEAR**  
**ENDED DECEMBER 31, 2015**



**TOWNSHIP OF CHESTERFIELD**  
**REPORT OF AUDIT - DECEMBER 31, 2015**

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

The following officials were in office during the year ended December 31, 2015:

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>	<u>NAME OF CORPORATE SURETY</u>
Jeremy Liedtka	Mayor		
Michael Hlubik	Committeeman		
Alexander M. Robitin	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, Treasurer, Deputy Tax Collector, Qualified Purchasing Agent		
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).

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## INDEPENDENT AUDITOR’S REPORT

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

### Report on the Financial Statements

We have audited the accompanying statutory basis financial statements of each fund and account group of the Township of Chesterfield, County of Burlington, State of New Jersey as of December 31, 2015 and 2014, and the related notes to the financial statements which collectively comprise the Township’s basic financial statements as listed in the table of contents.

### Management’s Responsibility for the Financial Statements

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

### Auditor’s Responsibility

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

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

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

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

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

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

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

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Chesterfield, Burlington County, State of New Jersey, as of December 31, 2015 and 2014, or the results of its operations and changes in fund balance for the years then ended.

### **Opinion on Statutory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance--statutory basis of the various funds and account group of the Township of Chesterfield, County of Burlington, State of New Jersey, as of December 31, 2015 and 2014, and the results of its operations and changes in fund balance of such funds--statutory basis for the years then ended, and the related statements of revenues--statutory basis, statements of expenditures--statutory basis of the various funds, and the related notes to financial statements, for the year ended December 31, 2015 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

### **Emphasis of Matter**

#### **Change in Accounting Principle**

As discussed in Note 1 to the financial statements, during the fiscal year ended December 31, 2015 the Township of Chesterfield adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No.27*. Our opinion on statutory basis of accounting is not modified with respect to this matter.

## Other Matters

### Report on Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements referred to in the first paragraph as a whole. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not a required part of the above financial statements.

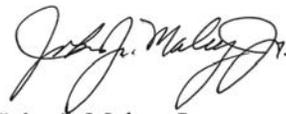
Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2016, on our consideration of the Township of Chesterfield's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Chesterfield's internal control over financial reporting and compliance.

Respectfully submitted,

**HOLMAN FRENIA ALLISON, P.C.**



John J. Maley, Jr.  
Certified Public Accountant  
Registered Municipal Accountant  
RMA #218

June 14, 2016  
Bordentown, New Jersey

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**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

We 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, 2015, and related notes to the financial statements, which collectively comprise the Township of Chesterfield's financial statements, and have issued my report thereon dated June 14, 2016. In our report our 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 our audit of the financial statements, we 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 our 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, we 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, significant deficiencies or material weaknesses may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, listed as 2015-02 and 2015-03, described in the accompanying schedule of findings and responses that we 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, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and responses as items 2015-01 and 2015-3.

The Township of Chesterfield's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit the Township of Chesterfield's responses and, accordingly, we 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,

**HOLMAN FRENIA ALLISON, P.C.**



John J. Maley, Jr.  
Certified Public Accountant  
Registered Municipal Accountant  
RMA #218

June 14, 2016  
Bordentown, New Jersey

**BASIC FINANCIAL STATEMENTS**

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TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
COMPARATIVE BALANCE SHEET  
STATUTORY BASIS  
2015

		<b>Balance</b>	<b>Balance</b>
<u><b>ASSETS</b></u>	<b>Ref.</b>	<b>Dec. 31, 2015</b>	<b>Dec. 31, 2014</b>
<b>Regular Fund:</b>			
Cash	<b>A-4</b>	\$ 4,494,318.30	\$ 4,987,979.16
Cash - Change Funds		100.00	100.00
		4,494,418.30	4,988,079.16
Receivable and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	<b>A-5</b>	303,994.93	254,768.95
Revenue Accounts Receivable	<b>A-6</b>	72,011.21	68,277.80
Tax Title Lien Receivable		-	49,377.40
Property Acquired for Taxes - Assessed Valuation	<b>A-13</b>	645,500.00	302,800.00
Due from Grant Fund	<b>A</b>	-	155,142.06
Due from Payroll Trust Fund	<b>E</b>	1,875.82	2,083.04
Due from Other Trust Fund	<b>B</b>	5,263.49	5,241.41
Due from Animal Control Fund	<b>B</b>	180.64	180.64
Due from Sewer Operating Fund	<b>D</b>	3,429.27	3,336.18
		1,032,255.36	841,207.48
Total Regular Fund		5,526,673.66	5,829,286.64
<b>Federal and State Grant Fund:</b>			
Federal and State Grants Receivable	<b>A-10</b>	486,057.01	842,469.76
Due from Other Trust Fund	<b>B</b>	3,026.00	-
Due from Current Fund	<b>A</b>	75,941.96	-
Total Federal and State Grant Funds		565,024.97	842,469.76
<b>TOTAL ASSETS</b>		<b>\$ 6,091,698.63</b>	<b>\$ 6,671,756.40</b>

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
COMPARATIVE BALANCE SHEET  
STATUTORY BASIS  
2015

	<b>Ref.</b>	<b>Balance Dec. 31, 2015</b>	<b>Balance Dec. 31, 2014</b>
<b><u>LIABILITIES, RESERVES &amp; FUND BALANCE</u></b>			
<b>Regular Fund:</b>			
Liabilities:			
Appropriation Reserves	A-3:A-7	291,660.07	384,155.41
Reserve for Encumbrances	A-3:A-7	37,010.01	29,571.32
Accounts Payable	A-3:A-7	13,041.28	5,526.76
Due to State of New Jersey:			
Senior Citizen and Veterans Deductions		5,326.42	5,725.05
Marriage License Fees & Training Fees		2,645.00	3,283.00
Due County for Added & Omitted Taxes		58,063.07	17,075.44
Taxes Collected in Advance	A-4	79,562.73	83,399.89
Tax Overpayments		62,987.94	61,688.71
Reserve for Special Law Enforcement Fund	A-4	128.16	128.16
Regional High School Tax Payable	A-9	118,113.95	122,845.55
Reserve for Tax Appeals	A-4	50,732.00	40,732.00
Reserve for Sale of Municipal Assets		860,000.00	860,000.00
Interfund - General Capital Fund	C	242,303.62	955,631.75
Interfund - Grant Fund	A	75,941.96	-
Prepaid Fees		200.00	200.00
Unallocated Receipt		2,500.00	2,500.00
		1,900,216.21	2,572,463.04
Reserves for Receivables and Other Assets	A	1,032,255.36	841,207.48
Fund Balance	A-1	2,594,202.09	2,415,616.12
Total Regular Fund		5,526,673.66	5,829,286.64
<b>Federal and State Grant Fund:</b>			
Due Current Fund	A	-	155,142.06
Reserve for Encumbrances	A-11	17,238.13	15,740.25
Appropriated Reserves	A-11	542,647.52	669,736.15
Unappropriated Reserves	A-12	5,139.32	1,851.30
		565,024.97	842,469.76
Total Federal and State Grant Funds		565,024.97	842,469.76
Total Liabilities, Reserves and Fund Balances		\$ 6,091,698.63	\$ 6,671,756.40

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  
2015

	<u>Year 2015</u>	<u>Year 2014</u>
<b><u>REVENUE AND OTHER INCOME REALIZED</u></b>		
Fund Balance Utilized	1,130,000.00	1,415,000.00
Miscellaneous Revenue Anticipated	1,384,431.95	1,303,122.79
Receipts From Delinquent Taxes	252,963.85	275,827.60
Receipts From Current Taxes	19,568,618.59	18,019,404.69
Non-Budget Revenue	45,691.56	107,739.56
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	320,770.64	353,608.16
Interfunds Cleared	155,349.28	-
	<hr/>	<hr/>
TOTAL INCOME	\$ 22,857,825.87	\$ 21,474,702.80
<b><u>EXPENDITURES</u></b>		
Budget and Emergency Appropriations		
Operations		
Salaries and Wages	1,514,489.00	1,468,630.00
Other Expenses	2,101,814.89	1,879,975.74
Capital Improvements	100,000.00	195,000.00
Municipal Debt Service	206,562.50	208,662.23
Deferred Charges and Statutory Expenditures - Municipal	-	1,267.17
County Taxes	3,009,699.77	2,687,025.44
Due County for Added and Omitted Taxes	58,063.07	17,075.44
Local District School Tax	9,500,382.00	8,786,219.00
Regional High School Tax	4,350,865.50	4,271,659.84
Special District Tax	707,248.00	688,070.00
Prior Year Senior Citizens Disallowed		-
Interfund Advances	115.17	46,243.90
	<hr/>	<hr/>
TOTAL EXPENDITURES	\$ 21,549,239.90	\$ 20,249,828.76
Excess in Revenues (Expenditures)	1,308,585.97	1,224,874.04
Adjustments to Income Before Fund Balance:		
Expenditures Included Above Which Are by Statute, Deferred		
Charges to Budget of Succeeding Year	-	-
	<hr/>	<hr/>
Statutory Excess to Fund Balance	1,308,585.97	1,224,874.04
Fund Balance - January 1	2,415,616.12	2,605,742.08
	<hr/>	<hr/>
Decreased by:	3,724,202.09	3,830,616.12
Utilization as Anticipated Revenue	1,130,000.00	1,415,000.00
	<hr/>	<hr/>
Balance, December 31	\$ 2,594,202.09	\$ 2,415,616.12

The accompanying notes are an integral part of this statement.

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
STATEMENT OF REVENUES  
2015

	Anticipated Budget	Special NJSA 40A:4-87	Realized	Excess Or (Deficit)
Fund Balance Anticipated	\$ 1,130,000.00		\$ 1,130,000.00	\$ -
<b>MISCELLANEOUS REVENUES</b>				
Local Revenues				
Licenses				
Alcoholic Beverages	5,000.00		5,000.00	-
Other	2,000.00		2,320.00	320.00
Fees and Permits	68,000.00		72,424.10	4,424.10
Fines and Costs				
Municipal Court	122,000.00		126,464.94	4,464.94
Interest and Costs on Taxes	62,000.00		55,825.73	(6,174.27)
Interest on Investments and Deposits	29,000.00		17,621.99	(11,378.01)
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	150,000.00		182,292.00	32,292.00
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Gov't Services - Public & Private Revenues Offset with Appropriations:				
Safe and Secure Communities Program - PL1994 Ch220		25,000.00	25,000.00	-
Municipal Alliance on Alcoholism & Drug Abuse		12,104.00	12,104.00	-
Clean Communities Entitlement Program		14,492.89	14,492.89	-
Recycling Tonnage Grant	1,851.30		1,851.30	-
Burlington County Park Development Program - Tennis Courts		200,000.00	200,000.00	-
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	16,320.00		16,320.00	-
Reserve for Open Space- General Capital Fund	40,000.00		40,000.00	-
General Capital Fund Surplus	100,000.00		100,000.00	-
<b>TOTAL MISCELLANEOUS REVENUES</b>	<b>1,108,886.30</b>	<b>251,596.89</b>	<b>1,384,431.95</b>	<b>23,948.76</b>
Receipts from Delinquent Taxes	270,000.00		252,963.85	(17,036.15)
Subtotal General Revenues	2,508,886.30	251,596.89	2,767,395.80	6,912.61
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local tax for Municipal Purposes Including Reserve for Uncollected Taxes	1,643,820.70		2,108,269.75	464,449.05
<b>BUDGET TOTALS</b>	<b>4,152,707.00</b>	<b>251,596.89</b>	<b>4,875,665.55</b>	<b>471,361.66</b>
Non-Budget Totals	-		45,691.56	45,691.56
<b>TOTAL REVENUES</b>	<b>\$ 4,152,707.00</b>	<b>\$ 251,596.89</b>	<b>\$ 4,921,357.11</b>	<b>\$ 517,053.22</b>

Ref.           A-3                   A-3

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
STATEMENT OF REVENUES  
2015

**ANALYSIS OF REALIZED REVENUE**

**ALLOCATION OF CURRENT TAX COLLECTIONS**

Revenue from Collections		\$ 19,568,618.59	
Allocated To:			
Local District School Tax	9,828,810.00		
Regional High School Tax	4,334,528.00		
County Taxes	3,067,762.84		
Special District Taxes	<u>707,248.00</u>		
		<u>17,938,348.84</u>	
Balance for Support of Municipal Budget Appropriations		1,630,269.75	
ADD: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>478,000.00</u>	
Amount for Support of Municipal Budget Appropriations	A-2		<u>\$ 2,108,269.75</u>
Receipts From Delinquent Taxes:			
Delinquent Tax Collections		252,963.85	
Tax Title Lien Collections		<u>-</u>	
	A-2		<u>\$ 252,963.85</u>
Fees and Permits:			
Housing Inspection Fees		3,775.00	
Cable Franchise Fees		61,094.10	
Road Opening, Zoning and Subdivision Fees		<u>7,555.00</u>	
		72,424.10	
Less: Refunds		<u>-</u>	
	A-2		<u>\$ 72,424.10</u>

**ANALYSIS OF NON-BUDGET REVENUE:**

**MISCELLANEOUS REVENUE NOT ANTICIPATED:**

Treasurer:			
Return Check Fees			
DMV Inspection Fees			
Certified Lists	345.00		
Duplicate Bill Fees, Postage, Copies	1,351.11		
Land Rental	4,550.00		
Police Fees	425.00		
Discovery Fees	305.65		
Towing Fees	5,060.00		
Court Restitution	-		
TDR Fees	400.00		
Recycling Buckets	50.00		
Driveway Permits	400.00		
Septic/Well Permit	350.00		
Soil Removal Applications	1,000.00		
Solicitor's Permit	1,375.00		
Sale of Assets	12,051.00		
Architectural Reviews	3,360.00		
Senior Citizen and Veteran Administration Fees	697.03		
Homestead Administrative Fees	217.80		
Property Maintenance	4,398.84		
Settlement	7,500.00		
Miscellaneous	<u>1,855.13</u>		
		45,691.56	
Less: Refunds		<u>-</u>	
	A-2		<u>45,691.56</u>
Total Miscellaneous Revenue Not Anticipated			<u>\$ 45,691.56</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
STATUTORY BASIS  
2015

	Appropriations		Expended			
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Canceled
<b>GENERAL GOVERNMENT</b>						
Administrative and Executive						
Salaries and Wages	\$ 15,500.00	\$ 14,700.00	\$ 14,551.82		\$ 148.18	
Other Expenses	24,650.00	24,650.00	19,164.25	432.03	5,053.72	
Mayor and Council						
Salaries and Wages	32,500.00	32,500.00	32,500.00		-	
Other Expenses	850.00	850.00	770.50		79.50	
Municipal Clerk						
Salaries and Wages	73,800.00	73,800.00	73,724.85		75.15	
Other Expenses	2,150.00	2,150.00	1,100.94	644.00	405.06	
Financial Administration						
Salaries and Wages	57,200.00	49,900.00	49,718.04		181.96	
Other Expenses	16,350.00	13,850.00	8,432.61	59.97	5,357.42	
Audit Services						
Other Expenses	24,000.00	24,000.00	22,900.00		1,100.00	
Assessment of Taxes						
Salaries and Wages	21,400.00	21,400.00	21,121.62		278.38	
Other Expenses:						
Maintenance of Tax Map	1,200.00	1,200.00	706.25		493.75	
Miscellaneous Other Expenses	21,850.00	5,850.00	4,143.50		1,706.50	
Collection of Taxes						
Salaries and Wages	26,600.00	25,600.00	25,211.80		388.20	
Other Expenses	8,100.00	8,100.00	3,660.88		4,439.12	
Legal Services and Costs						
Other Expenses	105,000.00	230,000.00	202,201.01	15,000.00	12,798.99	
Engineering Services and Costs						
Other Expenses	60,000.00	45,000.00	36,870.55		8,129.45	
Public Buildings and Grounds						
Salaries and Wages	13,000.00	12,000.00	9,930.00		2,070.00	
Other Expenses	13,700.00	13,700.00	12,387.42	110.18	1,202.40	
Historical Society						
Other Expenses	4,000.00	4,000.00	4,000.00		-	
Municipal Land Use Law (N.J.S. 40:55D-1):						
Planning Board						
Salaries and Wages	6,950.00	6,950.00	6,936.02		13.98	
Other Expenses	31,550.00	23,550.00	21,264.19		2,285.81	
Other Expenses - Special Projects		-			-	
Environmental Commission (RS 40:56A-1, et seq)						
Salaries and Wages	1,225.00	1,225.00	1,224.03		0.97	
Other Expenses	3,020.00	2,020.00	1,373.52	15.00	631.48	
Recycling Program						
Salaries and Wages	235.00	235.00	235.00		-	
Other Expenses	8,800.00	8,800.00	5,385.97	15.00	3,399.03	
Insurance						
Liability Insurance	43,283.00	38,283.00	38,227.00		56.00	
Workers Compensation Insurance	103,404.00	99,904.00	99,743.00		161.00	
Employees Group Insurance	289,116.00	289,116.00	276,254.22		12,861.78	
Health Benefit Waiver - Buy Back	7,000.00	7,000.00	7,000.00		-	
<b>PUBLIC SAFETY</b>						
Uniform Fire Safety Act (P.L. 1983, c.383)						
Fire Official:						
Other Expenses						
Police						
Salaries and Wages	453,558.86	451,858.86	379,493.95		72,364.91	
Other Expenses	33,250.00	33,250.00	28,844.80	3,480.61	924.59	
Acquisition of Police Car	37,000.00	37,000.00	30,137.60		6,862.40	
First Aid Organization - Contribution	16,500.00	11,500.00	5,015.80	3,416.25	3,067.95	
SFSP Appropriation to Fire Districts	1,863.00	1,863.00	1,863.00		-	
Animal Control Officer						
Salaries and Wages	500.00	500.00	499.98		0.02	
Other Expenses	1,000.00	1,000.00	-		1,000.00	
Emergency Management Services						
Salaries and Wages	5,100.00	5,100.00	5,099.90		0.10	
Other Expenses	1,000.00	1,000.00	383.66		616.34	

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
STATUTORY BASIS  
2015

	Appropriations		Expended			Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<b>STREETS AND ROADS</b>						
Road Repair and Maintenance						
Salaries and Wages	260,500.00	260,500.00	258,626.86		1,873.14	
Other Expenses	63,250.00	63,250.00	46,695.40	7,449.03	9,105.57	
Vehicle Maintenance	25,500.00	22,500.00	14,559.40	4,708.74	3,231.86	
Other Expenses		-			-	
<b>HEALTH AND WELFARE</b>						
Board of Health						
Salaries and Wages	5,040.00	5,040.00	4,710.00		330.00	
Other Expenses	350.00	350.00	235.39		114.61	
<b>RECREATION AND EDUCATION</b>						
Parks and Playgrounds						
Other Expenses	36,000.00	36,000.00	20,724.20	473.17	14,802.63	
Celebration of Public Event, Anniversary or Holiday						
Other Expenses	4,000.00	2,300.00	705.00		1,595.00	
Senior Citizens Programs						
Other Expenses	2,000.00	2,000.00	2,000.00		-	
<b>UNCLASSIFIED</b>						
Utilities						
Electricity	30,500.00	30,500.00	18,155.09		12,344.91	
Street Lighting	95,000.00	95,000.00	81,460.21		13,539.79	
Telephone	12,000.00	11,000.00	8,317.81		2,682.19	
Natural Gas	8,000.00	8,000.00	5,186.60		2,813.40	
Telecommunications Costs	1,500.00	2,000.00	1,629.38		370.62	
Gasoline	90,000.00	68,000.00	39,721.76		28,278.24	
<b>APPROPRIATIONS OFFSET BY DEDICATED REVENUES</b>						
State Uniform Construction Official						
Salaries and Wages	138,300.00	135,800.00	135,408.03		391.97	
Other Expenses	7,200.00	7,200.00	3,058.21	1,206.03	2,935.76	
Property Maintenance Code Enforcement						
Other Expenses	20,000.00	1,500.00	1,412.00		88.00	
<b>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":</b>						
<b>DEFERRED CHARGES:</b>						
None	-	-	-	-	-	-
<b>STATUTORY EXPENDITURES:</b>						
Contribution to:						
Public Employees' Retirement System	66,020.02	66,020.02	66,020.02		-	
Social Security System (O.A.S.I.)	129,550.29	120,550.29	115,145.67		5,404.62	
Police and Firemen's Retirement System of N.J.	130,216.39	130,216.39	130,216.39		-	
Defined Contribution Retirement Program	1,000.00	1,000.00	-		1,000.00	
Unemployment Compensation	10,000.00	10,000.00	10,000.00		-	
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</b>						
	2,702,131.56	2,702,131.56	2,416,065.10	37,010.01	249,056.45	-
Detail:						
Salaries and Wages	1,111,408.86	1,097,108.86	1,018,991.90	-	78,116.96	-
Other Expenses	1,590,722.70	1,605,022.70	1,397,073.20	37,010.01	170,939.49	-

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
STATUTORY BASIS  
2015

	Appropriations		Expended			Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<b>OPERATIONS EXCLUDED FROM "CAPS":</b>						
<b>GENERAL GOVERNMENT</b>						
Group Health Insurance Plan for Employees	9,384.00	9,384.00	9,384.00		-	
Aid to Crosswicks Library	18,000.00	18,000.00	18,000.00		-	
Reserve for Tax Appeal Refunds	10,000.00	10,000.00	10,000.00		-	
<b>PUBLIC SAFETY</b>						
Length of Service Award Program						
Other Expenses	8,000.00	8,000.00	4,550.00		3,450.00	
<b>APPROPRIATION "CAP" WAIVER PER N.J.S.A. 40A:4-45.3ee</b>						
<b>PUBLIC SAFETY</b>						
Police						
Salaries and Wages	394,440.14	394,440.14	394,440.14		-	
Ambulance Service						
Contractual	82,500.00	82,500.00	77,015.00		5,485.00	
Total Other Operations - Excluded from "CAPS"	522,324.14	522,324.14	513,389.14	-	8,935.00	-
<b>INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</b>						
North Hanover Township - Municipal Court	135,000.00	135,000.00	104,731.38		30,268.62	
Total Interlocal Municipal Service Agreements	135,000.00	135,000.00	104,731.38	-	30,268.62	
<b>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</b>						
Matching Funds for Grants	3,400.00	3,400.00	-		3,400.00	
Safe and Secure Communities Program:						
Police						
Salaries and Wages (40A:4-85 \$25,000)		25,000.00	25,000.00		-	
Recycling Tonnage Grant (40A:4-85 \$1,851.30)	1,851.30	1,851.30	1,851.30		-	
Clean Communities Program (40A:4-85 \$14,192.89)		14,492.89	14,492.89		-	
Alcohol Education & Rehabilitation (30A:4-85 \$12,104.00)		12,104.00	12,104.00		-	
Burlington County Parks Grant - Tennis Courts (40A:4-85 \$200,000)		200,000.00	200,000.00		-	
Total Public & Private Programs Offset by Revenues	5,251.30	256,848.19	253,448.19	-	3,400.00	-
Total Operations Excluded from "CAPS"	662,575.44	914,172.33	871,568.71	-	42,603.62	-
Detail:						
Salaries and Wages	394,440.14	419,440.14	419,440.14	-	-	-
Other Expenses	268,135.30	494,732.19	452,128.57	-	42,603.62	-

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
STATEMENT OF EXPENDITURES  
STATUTORY BASIS  
2015

	Appropriations		Expended			
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Canceled
<b>CAPITAL IMPROVEMENTS</b>						
Capital Improvement Fund	100,000.00	100,000.00	100,000.00		-	
Total Capital Improvements	100,000.00	100,000.00	100,000.00	-	-	-
<b>MUNICIPAL DEBT SERVICE</b>						
Payment of Bond Principal	105,000.00	105,000.00	105,000.00		-	
Interest on Bonds	105,000.00	105,000.00	101,562.50		-	3,437.50
Total Municipal Debt Service	210,000.00	210,000.00	206,562.50	-	-	3,437.50
<b>TOTAL GENERAL APPROPRIATIONS EXCLUDED FROM "CAPS"</b>	972,575.44	1,224,172.33	1,178,131.21	-	42,603.62	3,437.50
<b>SUB-TOTAL GENERAL APPROPRIATIONS</b>	3,674,707.00	3,926,303.89	3,594,196.31	37,010.01	291,660.07	3,437.50
Reserve for Uncollected Taxes	478,000.00	478,000.00	478,000.00		-	
<b>TOTAL GENERAL APPROPRIATIONS</b>	<u>\$ 4,152,707.00</u>	<u>\$ 4,404,303.89</u>	<u>\$ 4,072,196.31</u>	<u>\$ 37,010.01</u>	<u>\$ 291,660.07</u>	<u>\$ 3,437.50</u>

Budget	
Emergency Appropriation	4,152,707.00
Appropriation by N.J.S. 40A:4-87	<u>251,596.89</u>
	<u>\$ 4,404,303.89</u>

**ANALYSIS OF PAID OR CHARGED:**

Reserve for Uncollected Taxes	478,000.00
Reserve for Tax Appeals	10,000.00
Due to General Capital Fund:	
Capital Improvement Fund	100,000.00
Reserve for State and Federal Grant Funds	253,448.19
Cash Disbursed	<u>3,230,748.12</u>
	<u>\$ 4,072,196.31</u>

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TOWNSHIP OF CHESTERFIELD  
TRUST FUND  
COMPARATIVE BALANCE SHEET  
STATUTORY BASIS  
2015

<u>ASSETS</u>	Ref.	Balance Dec. 31, 2015	Balance Dec. 31, 2014
<b>Dog License Fund:</b>			
Cash	<b>B-1</b>	\$ 5,744.01	\$ 12,589.21
		<u>\$ 5,744.01</u>	<u>\$ 12,589.21</u>
<b>Other Funds:</b>			
Cash	<b>B-1</b>	\$ 1,782,060.05	\$ 1,632,666.28
Due from Payroll Fund	<b>E</b>	1,566.41	1,566.41
		<u>\$ 1,783,626.46</u>	<u>\$ 1,634,232.69</u>
 <b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
<b>Dog License Fund:</b>			
Reserve for Dog Fund Expenditures	<b>B-2</b>	\$ 5,466.68	\$ 12,349.68
Due to State of New Jersey	<b>B-1</b>	39.00	1.20
Due to Current Fund	<b>A</b>	180.64	180.64
Due to Payroll Fund	<b>E</b>	57.69	57.69
		<u>\$ 5,744.01</u>	<u>\$ 12,589.21</u>
<b>Other Funds:</b>			
Due to Current Fund	<b>A</b>	\$ 5,263.49	\$ 5,241.41
Due to Grant Fund	<b>A</b>	3,026.00	-
Due to Sewer Operating Fund		110.00	110.00
Tax Sale Premiums		83,300.00	15,800.00
Reserve for Escrow Deposits		839,762.41	754,126.47
Reserve for Unemployment Compensation Insurance		20,764.56	8,330.91
Reserve for TDR Credits - Turnpike		118,750.00	168,750.00
Reserve for Public Defender Fees		7,285.89	10,219.39
Reserve for Police Outside Duty		116,810.54	102,470.54
Reserve for Basin Maintenance		435,285.99	435,285.99
Reserve for Municipal Drug Alliance		39,312.33	35,256.40
Reserve for Snow		29,000.00	19,000.00
Reserve for Police Donations		1,301.00	1,101.00
Reserve for Housing Trust		19,796.46	15,693.56
Reserve for Ad Book -Community Grant		2,282.49	1,371.72
Reserve for Donations - Landscaping & Trees		60,000.00	60,000.00
Reserve for POAA - Parking Fines		10.00	10.00
Reserve for Memorial Bricks		1,420.87	1,420.87
Reserve for Open Public Records Request		44.43	44.43
Reserve for The Green Team		100.00	-
		<u>\$ 1,783,626.46</u>	<u>\$ 1,634,232.69</u>

The accompanying notes are an integral part of this statement.

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TOWNSHIP OF CHESTERFIELD  
GENERAL CAPITAL FUND  
COMPARATIVE BALANCE SHEET  
STATUTORY BASIS  
2015

	<b>Ref.</b>	<b>Balance Dec. 31, 2015</b>	<b>Balance Dec. 31, 2014</b>
<b><u>ASSETS</u></b>			
Cash - Treasurer	C-2	\$ 897,547.49	\$ 959,584.87
Deferred Charges to Future Taxation - Funded	C	2,165,000.00	2,270,000.00
Deferred Charges to Future Taxation - Unfunded	C-3	6,259,720.87	1,129,720.87
Grants Receivable	C-11	609,500.00	621,500.00
Due From Current Fund	C-7	242,303.62	955,631.75
<b>TOTAL ASSETS</b>		<b>\$ 10,174,071.98</b>	<b>\$ 5,936,437.49</b>
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
General Serial Bonds	C-6	\$ 2,165,000.00	\$ 2,270,000.00
Reserve for Encumbrances	C-5	150,832.90	320,473.06
Improvement Authorizations:			
Funded	C-5	760,083.16	891,376.09
Unfunded	C-5	5,499,778.81	529,178.03
Capital Improvement Fund	C-4	16,169.42	186,169.42
Reserve for Recreation Improvements - Unappropriated	C-8	495,843.31	437,943.31
Reserve for Transportation Improvements - Unappropriated	C-9	29,129.95	91,823.15
Reserve for Grants Receivable	C-10	609,500.00	621,500.00
Reserve for Open Space	C-11	327,351.39	367,351.39
Reserve to Pay Debt Service	C-12	16,080.00	16,320.00
Fund Balance	C-1	104,303.04	204,303.04
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>		<b>\$ 10,174,071.98</b>	<b>\$ 5,936,437.49</b>

There were bonds and notes authorized but not issued on December 31, 2015 in the amount of \$6,259,720.87 and on December 31, 2014 in the amount of \$1,129,720.87 as shown on Exhibit C-13.

The accompanying notes are an integral part of this statement.

TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 STATEMENT OF FUND BALANCE  
 STATUTORY BASIS  
 2015

Balance December 31, 2014	\$ 204,303.04
Increased By:	
Funded Improvement Authorizations Canceled	-
	204,303.04
Decreased By:	
Improvement Authorizations Funded	-
Appropriated as Revenue in 2015 Budget	100,000.00
	100,000.00
Balance December 31, 2015	\$ 104,303.04

The accompanying notes are an integral part of this statement.

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY FUND  
COMPARATIVE BALANCE SHEET - STATUTORY BASIS  
2015

<u>ASSETS</u>	<u>Ref.</u>	Balance Dec. 31, 2015	Balance Dec. 31, 2014
Operating Fund:			
Cash	D-5	\$ 4,166,841.54	\$ 4,360,085.66
Due From Other Trust Fund	B	110.00	110.00
Receivable with Full Reserves:			
Consumer Accounts Receivable	D-9	32,919.06	34,818.63
Total Sewer Operating Fund		4,199,870.60	4,395,014.29
Capital Fund:			
Fixed Capital Authorized & Uncompleted	D-10	5,790,000.00	5,790,000.00
Fixed Capital	D-7	19,495.00	19,495.00
Due From Sewer Operating Fund	D-8	1,456,125.53	1,514,425.53
Total Sewer Capital Fund		7,265,620.53	7,323,920.53
Total Sewer Utility Fund		\$ 11,465,491.13	\$ 11,718,934.82
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
Operating Fund:			
Appropriation Reserves	D-4; D-14	\$ 33,706.49	\$ 47,502.58
Accounts Payable	D-4; D-14	-	2,010.38
Reserve for Encumbrances		77.22	49,156.10
Accrued Interest on Bonds and Notes	D-17	25,440.63	28,836.46
Overpayments		123.00	-
Due To Current Fund	A	3,429.27	3,336.18
Due To Sewer Capital Fund	D-8	1,456,125.53	1,514,425.53
Due To Payroll Trust	E	1,853.29	1,853.29
Total Reserves and Liabilities		1,520,755.43	1,647,120.52
Reserve for Receivables	D	32,919.06	34,818.63
Fund Balance	D-1	2,646,196.11	2,713,075.14
Total Sewer Operating Fund		4,199,870.60	4,395,014.29
Capital Fund:			
NJ Environmental Infrastructure Trust Payable	D-13	2,197,579.03	2,516,141.32
Improvement Authorizations:			
Funded	D-11	1,029,485.53	1,112,785.53
Reserve for Treatment Plant Improvements	D-6	400,000.00	400,000.00
Deferred Reserve For Amortization	D-12	3,534,060.97	3,215,498.68
Reserve For Amortization	D-16	19,495.00	19,495.00
Capital Improvement Fund	D-15	75,505.00	50,505.00
Fund Balance	D-2	9,495.00	9,495.00
Total Capital Fund		7,265,620.53	7,323,920.53
Total Sewer Utility Fund		\$ 11,465,491.13	\$ 11,718,934.82

These were bonds and notes authorized but not issued on December 31, 2015 and 2014 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  
2015

	Year 2015	Year 2014
<u>REVENUES AND OTHER INCOME REALIZED</u>		
Fund Balance Utilized	\$ 244,500.00	\$ 195,800.00
Rents	367,849.46	363,709.22
Miscellaneous	58,748.01	58,407.41
Connection Fees	156,200.00	147,925.00
Non-Budget Revenue	-	-
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	16,144.03	844.37
	<u>843,441.50</u>	<u>766,686.00</u>
<u>EXPENDITURES</u>		
Operating	252,700.00	220,600.00
Capital Improvements	25,000.00	-
Debt Service	384,373.96	372,815.88
Deferred Charges and Statutory Expenditures	3,200.00	3,200.00
Refund of Prior Year Revenue	546.57	-
	<u>665,820.53</u>	<u>596,615.88</u>
Excess (Deficit) In Revenue	177,620.97	170,070.12
Adjustment to Income Before Fund Balance:		
Expenditures Included Above Which Are By Statute		
Deferred Charges to Budget of Succeeding Year	-	-
	<u>-</u>	<u>-</u>
Statutory Excess to Fund Balance	177,620.97	170,070.12
Fund Balance - January 1	<u>2,713,075.14</u>	<u>2,738,805.02</u>
	2,890,696.11	2,908,875.14
Decreased By:		
Utilization as Anticipated Revenue	<u>244,500.00</u>	<u>195,800.00</u>
Fund Balance - December 31	<u>\$ 2,646,196.11</u>	<u>\$ 2,713,075.14</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
STATEMENT OF CAPITAL FUND BALANCE  
STATUTORY BASIS  
2015

Balance - December 31, 2014 and 2015

\$ 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  
2015

	Anticipated Budget	Realized	Excess Or (Deficit)
Surplus Anticipated	\$ 244,500.00	\$ 244,500.00	\$ -
Sewer Rents	338,000.00	367,849.46	29,849.46
Miscellaneous	48,400.00	58,748.01	10,348.01
Connection Fees	40,000.00	156,200.00	116,200.00
<b>BUDGET TOTALS</b>	<b>670,900.00</b>	<b>827,297.47</b>	<b>156,397.47</b>
Non-Budget Totals	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 670,900.00</b>	<b>\$ 827,297.47</b>	<b>\$ 156,397.47</b>

MISCELLANEOUS REVENUE:

Interest Income	\$ 40,778.24
Penalties on Delinquent Payments	5,438.92
NJEIT Savings credit	12,530.85
	<hr/>
	<b>\$ 58,748.01</b>

The accompanying notes are an integral part of this statement.

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - STATUTORY BASIS  
2015

	APPROPRIATIONS		EXPENDED			Balance Canceled
	Budget	Budget After Modification	Paid Or Charged	Encumbrances	Reserved	
Operating						
Salaries and Wages	\$ 40,000.00	\$ 40,000.00	\$ 36,792.84		\$ 3,207.16	\$ -
Other Expenses	212,700.00	212,700.00	182,633.69		30,066.31	-
	252,700.00	252,700.00	219,426.53	-	33,273.47	-
Capital Improvements:						
Capital Improvement Fund	25,000.00	25,000.00	25,000.00		-	-
Capital Outlay	-	-	-		-	-
Total Capital Improvements	25,000.00	25,000.00	25,000.00	-	-	-
Debt Service:						
Payment of Bond Principal	320,000.00	320,000.00	318,562.29		-	1,437.71
Interest on Bonds	70,000.00	70,000.00	65,811.67		-	4,188.33
Interest on Notes	-	-	-		-	-
Total Debt Service	390,000.00	390,000.00	384,373.96	-	-	5,626.04
Deferred Charges & Statutory Expenditures:						
Statutory Expenditures:						
Contribution To:						
Public Employees' Retirement System	-	-	-		-	-
Social Security System (OASI)	3,200.00	3,200.00	2,766.98		433.02	-
Unemployment Compensation Insurance	-	-	-		-	-
	3,200.00	3,200.00	2,766.98	-	433.02	-
Total Budget	\$ 670,900.00	\$ 670,900.00	\$ 631,567.47	\$ -	\$ 33,706.49	\$ 5,626.04
Budget		<u>\$ 670,900.00</u>				

Analysis of Paid or Charged

Interest on Bonds	65,811.67
Due to Sewer Capital Fund - Capital Improvement Fund	25,000.00
Cash Disbursed	540,755.80
	<u>\$ 631,567.47</u>

The accompanying notes are an integral part of this statement.

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TOWNSHIP OF CHESTERFIELD  
 PAYROLL FUND  
 COMPARATIVE BALANCE SHEET  
 STATUTORY BASIS  
 2015

		<b>Balance</b>		<b>Balance</b>
<b><u>ASSETS</u></b>	<b>Ref.</b>	<b>Dec. 31, 2015</b>		<b>Dec. 31, 2014</b>
Cash	E-1	\$ 31,046.21	\$	34,003.02
Due Animal Control Fund	B	57.69		57.69
Due Sewer Operating Fund	D	1,853.29		1,853.29
		<hr/>		<hr/>
		\$ 32,957.19	\$	35,914.00
		<hr/> <hr/>		<hr/> <hr/>
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>				
Due Current Fund	A	\$ 1,875.82	\$	2,083.04
Due Other Trust Fund	B	1,566.41		1,566.41
Payroll Taxes Payable		29,514.96		32,264.55
		<hr/>		<hr/>
		\$ 32,957.19	\$	35,914.00
		<hr/> <hr/>		<hr/> <hr/>

The accompanying notes are an integral part of this statement.

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TOWNSHIP OF CHESTERFIELD  
 COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS  
 STATUTORY BASIS  
 2015

	<u>Dec. 31, 2015</u>	<u>Dec. 31, 2014</u>
<b>General Fixed Assets:</b>		
Land	\$ 3,682,445.00	\$ 3,682,445.00
Buildings	824,285.00	574,285.00
Improvements Other than Buildings	213,157.00	127,500.00
Machinery and Equipment	1,672,573.33	1,486,187.36
	<hr/>	<hr/>
<b>Total General Fixed Assets</b>	<b>\$ 6,392,460.33</b>	<b>\$ 5,870,417.36</b>
	<hr/> <hr/>	<hr/> <hr/>
 <b>Investment in General Fixed Assets</b>	 <b>\$ 6,392,460.33</b>	 <b>\$ 5,870,417.36</b>
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The accompanying notes are an integral part of this statement.

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**TOWNSHIP OF CHESTERFIELD  
COUNTY OF BURLINGTON**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

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**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

**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. The Governmental Accounting Standards Board (“GASB”) Statement 14 established criteria to be used to determine which component units should be included in the financial statements of the oversight entity. The criteria differ from the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the “Division”) requirements where certain boards, commissions, and agencies of the Township, by statute or other directive, report separately on their financial statements. The Township had no component units in 2015.

**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, 2015**

**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, 2015**

**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, 2015**

**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, 2015**

**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 stature, 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.

**D. Impact of Recently Issued Accounting Principles - Adopted Accounting Pronouncements**

For the year ended December 31, 2015, the (Township) implemented GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* – (Amendment to GASB Statement No. 27). The implementation of the Statement requires the (Township) to disclose its portion of the collective net pension liability of the New Jersey Public Employees' Retirement System (PERS) and the New Jersey Police Firemen's Retirement System (PFRS).

**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.

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

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

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. 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, 2015, the carrying value of cash of the Township consisted of the following:

	Total
Interest Bearing Demand Deposits	\$ 10,394,797.85
NJ Cash Management Fund	251,507.94
Developer Funds	731,351.81
	\$ 11,377,657.60

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, 2015 was \$11,377,657.60 and the bank balance was \$11,380,705.12. Of the bank balance, \$750,000 was covered by federal depository insurance and \$10,630,705.12 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.
6. 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, 2015**

**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 2015</u>	<u>Year 2014</u>	<u>Year 2013</u>
<b><u>Issued:</u></b>			
General:			
Bonds and Notes	\$ 2,165,000	\$ 2,270,000	\$ 2,375,000
Sewer Utility:			
Bonds, Notes and Loans	2,197,579	2,516,140	2,815,229
Total Issued	<u>4,362,579</u>	<u>4,786,140</u>	<u>5,190,229</u>
<b><u>Authorized But Not Issued</u></b>			
General:			
Bonds and Notes	6,259,721	1,129,721	2,487,588
Sewer Utility:			
Bonds and Notes	58,360	58,360	58,360
Total Authorized But Not Issued	<u>6,318,081</u>	<u>1,188,081</u>	<u>2,545,948</u>
Deductions:			
Funds Held to Pay Debt	16,080	-	-
Grants Receivable	609,500	621,500	626,274
Self-Liquidating Sewer Debt	2,255,939	2,574,500	2,873,589
Total Deductions	<u>2,881,519</u>	<u>3,196,000</u>	<u>3,499,863</u>
Net Bonds, Notes and Loans Issued and Authorized But Not Issued	<u>\$ 7,799,141</u>	<u>\$ 2,778,221</u>	<u>\$ 4,236,314</u>

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

**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 3.763%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 37,180,000	\$17,955,088	\$19,224,912
Regional School District Debt	4,378,773	4,378,773	-
Sewer Utility Debt	2,255,939	2,255,939	-
General Debt	8,424,721	625,580	7,799,141
Totals	<u>\$ 52,239,433</u>	<u>\$25,215,380</u>	<u>\$27,024,053</u>

Net Debt is \$27,024,053 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended, \$718,203,523 = 3.763%.

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

3-1/2% of Equalized Valuation Basis	\$ 25,137,123
Municipal Net Debt	<u>27,024,053</u>
Excess Borrowing	<u>\$ (1,886,930)</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	\$ 827,297
Deductions:	
Operating and Maintenance Costs	255,900
Debt Service Per Sewer Operating Fund	<u>384,374</u>
	<u>640,274</u>
Excess in Revenue	<u>\$ 187,023</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, 2015**

**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 \$1,2157,638 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, 2015
		Dec. 31, 2014	Issued	Retired	
Refunding Bonds - 2013	2.0%-5.0%	\$ 440,000	\$ -	\$ 40,000	\$ 400,000
General Improvements - 2013	2.0%-5.0%	1,830,000	-	65,000	1,765,000
Total		\$ 2,270,000	\$ -	\$ 105,000	\$ 2,165,000

Sewer Utility Fund Debt

Purpose	Interest Rate or Range	Balance			Balance Dec. 31, 2015
		Dec. 31, 2014	Issued	Retired	
Sewer Collection System - 2001	0%-5.50%	\$ 1,900,564	\$ -	\$ 252,563	1,648,001
Sewer Treatment Plant Expansion - 2003	0%-5.50%	615,578	-	66,000	549,578
Total		\$ 2,516,142	\$ -	\$ 318,563	\$ 2,197,579

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

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

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

Calender Year	General		Sewer		Total
	Principal	Interest	Principal	Interest	
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	130,000	84,162	345,760	34,700	594,622
2020	135,000	77,662	355,788	24,700	593,150
2021-2025	665,000	282,313	514,566	21,038	1,482,917
2026-2030	620,000	128,313	-	-	748,313
2031-2032	260,000	13,163	-	-	273,163
	<u>\$ 2,165,000</u>	<u>\$ 869,150</u>	<u>\$ 2,197,578</u>	<u>\$ 238,092</u>	<u>\$ 5,469,820</u>

**Note 4: FIXED ASSETS**

A summary of changes in general fixed assets follows:

	Balance 12/31/14	Increase	Decrease	Balance 12/31/15
Land	\$ 3,682,445	\$ -	\$ -	\$ 3,682,445
Buildings	574,285	250,000	-	824,285
Improvements Other than Building	127,500	85,657	-	213,157
Equipment	1,486,187	271,331	84,945	1,672,573
Totals	<u>\$ 5,870,417</u>	<u>\$ 606,988</u>	<u>\$ 84,945</u>	<u>\$ 6,392,460</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 School Tax		Regional High School Tax	
	Balance Dec. 31, 2015	Balance Dec. 31, 2014	Balance Dec. 31, 2015	Balance Dec. 31, 2014
Balance of Tax	\$ 4,914,405	\$ 4,585,977	\$ 2,285,378	\$ 2,306,447
Deferred	<u>4,914,405</u>	<u>4,585,977</u>	<u>2,167,264</u>	<u>2,183,601</u>
Tax Payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 118,114</u>	<u>\$ 122,846</u>

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

**Note 6: FUND BALANCE APPROPRIATED**

Fund balance at December 31, 2015 has been appropriated and included as anticipated revenue for the year ended December 31, 2016 was as follows:

	<b>Fund Balance</b>	<b>Anticipated In</b>
	<b>Dec. 31, 2015</b>	<b>2016 Budget</b>
Current Fund	\$ 2,594,202	\$ 1,297,000
General Capital Fund	104,303	-
Sewer Utility Fund	2,649,622	336,675
Sewer Utility Capital Fund	9,495	-

**Note 7: PENSION OBLIGATIONS**

**A. Public Employees' Retirement System (PERS)**

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

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/5 5th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

**Note 7: PENSION OBLIGATIONS (continued):**

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

with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Contributions** - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2015, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. Township contributions to PERS amounted to \$64,515 for 2015.

The employee contribution rate was 6.92% effective July 1, 2014 and increased to 7.06% effective July 1, 2015. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1<sup>st</sup> to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

**Net Pension Liability and Pension Expense** - At December 31, 2015, the Township's proportionate share of the PERS net pension liability is valued to be \$2,006,876. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2014, to the measurement date of June 30, 2015. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2015. The Township's proportion measured as of June 30, 2015, was .00894%, which was an increase of .00112% from its proportion measured as of June 30, 2014.

<u>Balances at December 31, 2015 and December 2014</u>			
		12/31/2015	12/31/2014
		July 1, 2015	July 1, 2014
Net Pension Liability	\$	2,006,876	\$ 1,465,209
Township's portion of the Plan's total			
Net Pension Liability		0.00894%	0.00782%

For the year ended December 31, 2015, the Township had an allocated pension expense of \$181,293.

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

**Note 7: PENSION OBLIGATIONS (continued):**

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

**Actuarial Assumptions** – The collective total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. This actuarial valuation used the following actuarial assumptions:

	<u>PERS</u>
Measurement date	June 30, 2015
Actuarial valuation date	July 1, 2014
Investment rate of return	7.90%
Salary scale	2012-2021 - 2.15-4.40% Based on Age Thereafter - 3.15-5.40% Based on Age
Inflation rate	3.04%

Mortality rates were based on the RP-2000 Combined Health Male and Female Mortality Tables (setback 1 year for males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

**Note 7: PENSION OBLIGATIONS (continued):**

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

Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%
Total	100.00%	

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

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

**Note 7: PENSION OBLIGATIONS (continued):**

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

**Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.90%) or 1-percentage-point higher (5.90%) than the current rate:

	<u>Decrease</u> <u>(3.90%)</u>	<u>Discount</u> <u>(4.90%)</u>	<u>Increase</u> <u>(5.90%)</u>
Township's proportionate share of the net pension liability	\$ 2,494,270	\$ 2,006,851	\$ 1,598,202

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

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

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

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

The following represents the membership tiers for PFRS:

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

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

**Note 7: PENSION OBLIGATIONS (continued):**

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

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

**Contributions** - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2015, the State contributed an amount less than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. Township contributions to PFRS amounted to \$125,779 for 2015.

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

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

**Net Pension Liability and Pension Expense** - At December 31, 2015, the Township's proportionate share of the PFRS net pension liability is valued to be \$2,434,654. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

**Note 7: PENSION OBLIGATIONS (continued):**

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

pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2014, to the measurement date of June 30, 2015. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2015. The Township's proportion measured as of June 30, 2015, was .0146%, which was a decrease of .0017% from its proportion measured as of June 30, 2014.

Balances at December 31, 2015 and December 31, 2014

	<u>12/31/15</u>	<u>12/31/14</u>
Acturial valuation date	July 1, 2015	July 1, 2014
Net Pension Liability	\$ 2,434,654	\$ 2,059,949
Township's portion of the Plan's total net pension Liability	0.01461%	0.01637%

For the year ended December 31, 2015, the Township had an allocated pension expense of \$38,406.

Additionally, the State's proportionate share of the net pension liability attributable to the Township is \$213,511 as of December 31, 2015. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2014, to the measurement date of June 30, 2015. The State's proportion of the net pension liability associated with the Township was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2015 was .01461%, which was an increase of .00176% from its proportion measured as of June 30, 2014, which is the same proportion as the Township's.

Township's Proportionate Share of the Net Pension Liability	\$ 2,434,654
State's Proportionate Share of the Net Pension Liability Associated with the Borough	<u>213,511</u>
Total Net Pension Liability	<u><u>\$ 2,648,165</u></u>

For the year ended December 31, 2015, the Township's total allocated pension expense was \$38,406.

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

**Note 7: PENSION OBLIGATIONS (continued):**

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

**Actuarial Assumptions** – The collective total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. This actuarial valuation used the following actuarial assumptions:

	<u>PFRS</u>
Measurement date	June 30, 2015
Actuarial valuation date	July 1, 2014
Investment rate of return	7.90%
Salary scale	2012-2021 - 2.60-9.48% Based on Age Thereafter - 3.60-10.48% Based on Age
Inflation rate	3.04%

Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and one year using Projection Scale BB for male service retirements with adjustments for mortality improvements from the base year based on Projection Scale BB.

Mortality rates were based on the RP-2000 Combined Health Mortality Tables projected fourteen years using Projection Scale BB for female service retirements and beneficiaries with adjustments for mortality improvements from the base year of 2014 based on Projection Scale BB.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

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

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

**Note 7: PENSION OBLIGATIONS (continued):**

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

inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%
Total	<u>100.00%</u>	

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

**Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

**Note 7: PENSION OBLIGATIONS (continued):**

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

proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.79%) or 1-percentage-point higher (6.79%) than the current rate:

	Decrease (4.79%)	Discount Rate (5.79%)	Increase (6.79%)
Township's Proportiante Share of the Net Pension Liability	\$ 3,489,491	\$ 2,646,928	\$ 1,959,893

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan’s fiduciary net position is available in the separately issued PERS financial statements.

**C. Defined Contribution Retirement Program**

The Defined Contribution Retirement Program (DCRP) is a cost-sharing multiple-employer defined contribution pension fund which was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A 43:15C-1 et. seq.) and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by *N.J.S.A.43:15C-1* et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The Township’s contributions were as follows:

Fiscal Year	Total Liability	Funded by Township	Employee Deductions
2015	446.52	157.60	288.92
2014	446.52	157.60	288.92
2013	446.52	157.60	288.92

**Related Party Investments** - The Division of Pensions and Benefits does not invest in securities issued by the Township.

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

**Note 8: 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 \$245,000 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 \$49,593 at December 31, 2015 and \$48,307 as of December 31, 2014. The financial statements do not reflect expenditures or liabilities for compensated absences.

**Note 9: 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.

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
2015	\$ -	\$ 2,434	\$ -	\$ 21,587
2014	-	2,299	12,740	9,154
2013	-	2,278	20,370	19,595

**Note 10: 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

**TOWNSHIP OF CHESTERFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

**Note 10: DEFERRED COMPENSATION PLAN (continued)**

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 11: CONTINGENT LIABILITIES**

**State and Federal Financial Assistance**

The Township receives financial assistance from the State of New Jersey and the U. S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the financial assistance agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2015, the Township estimates that no material liabilities will result from such audits.

**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, and accordingly, no provision for losses is recorded.

**Tax Appeals**

There are County tax appeals pending totaling \$2,780,045. Management estimates a maximum potential loss of \$53,000.

**Note 12: Subsequent Events**

On February 11, 2016 the governing body amended an improvement authorization for the construction of a new municipal building increasing debt authorized by \$1,425,000. Bid proposals were received on May 11, 2016 for the sale of bonds for the construction of the new municipal building totaling \$6,365,000 resulting in a net interest cost of 2.87%. Delivery of the bonds is scheduled for June 1, 2016.

Township management has evaluated subsequent events occurring after December 31, 2015 through June 14, 2016, which is the date the financial statements were available to be issued.

**Note 13: Component Unit**

The Township of Chesterfield had no component units as defined by Governmental Accounting Standard Board Statement No. 14, as amended by GASB Statements No. 39 and 61.

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**CURRENT FUND**

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TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
SCHEDULE OF CASH AND INVESTMENTS - TREASURER  
2015

	<b>Current Fund</b>	<b>Grant Fund</b>
Balance - December 31, 2014	\$ 4,987,979.16	\$ -
<b><u>INCREASED BY RECEIPTS:</u></b>		
Revenue Accounts Receivable	974,663.76	-
Miscellaneous Revenue Not Anticipated	45,691.56	-
Due State of New Jersey:		
Training Fees	16,466.00	-
Marriage License Fees	775.00	-
Senior Citizen and Veterans Deductions	34,851.37	-
Petty Cash	100.00	-
Taxes Receivable	19,702,932.55	-
Tax Overpayments	49,874.62	-
2016 Prepaid Taxes	79,562.73	-
Due Federal & State Grant Fund	613,148.96	-
Due Payroll Fund	414.44	-
Due Sewer Capital Fund	6,624.80	-
Federal and State Grants Receivable	-	608,009.64
Federal and State Grants Unappropriated	-	5,139.32
Due Current Fund	-	-
	21,525,105.79	613,148.96
	26,513,084.95	613,148.96
<b><u>DECREASED BY DISBURSEMENTS:</u></b>		
2015 Appropriations	3,230,748.12	-
2014 Appropriation Reserves	85,441.57	-
Special District Tax Payable	707,248.00	-
County Taxes	3,009,699.77	-
County Share of Added and Omitted Taxes	17,075.44	-
Local School District Tax	9,500,382.00	-
Regional High School Tax	4,355,597.10	-
Tax Overpayments	32,495.39	-
Due State of New Jersey:		
Training Fees	17,079.00	-
Marriage License Fees	800.00	-
Due Federal & State Grant Fund	382,064.94	-
Due Payroll Fund	207.22	-
Due Other Trust Fund	22.08	-
Due General Capital Fund	673,088.13	-
Due Sewer Capital Fund	6,624.80	-
Due Sewer Operating Fund	93.09	-
Accounts Payable	-	-
Petty Cash	100.00	-
Federal and State Grants Disbursed	-	382,064.94
Due Grant Fund	-	231,084.02
	22,018,766.65	613,148.96
Balance - December 31, 2015	\$ 4,494,318.30	\$ -

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY  
2015

Year	Balance Dec. 31, 2014	2015 Levy	Added Taxes	Paid By Cash		State Of New Jersey Ch. 20 P.L. 1971	Canceled	Transferred To Tax Title Liens	Balance Dec. 31, 2015
				2015	2014				
2014	\$ 254,768.95		\$ 252,963.85	\$ 1,805.10			\$ 1,805.10	\$ 0.00	
	254,768.95	-	252,963.85	-	-		1,805.10	0.00	
2015		19,912,446.14	19,449,968.70	83,399.89	35,250.00		24,066.19	303,994.93	
	\$ 254,768.95	\$ 19,912,446.14	\$ 19,702,932.55	\$ 83,399.89	\$ 35,250.00		\$ 25,871.29	\$ 303,994.93	

ANALYSIS OF 2015 PROPERTY TAX LEVY

	Tax Yield	Tax Levy
General Purpose Tax	\$ 18,821,343.68	\$ 9,828,810.00
Special District Taxes	710,336.79	4,334,528.00
Added Taxes (54:4-3.1 et.seq.)	380,765.67	3,009,699.77
		<u>58,063.07</u>
		3,067,762.84
		498,932.00
		208,316.00
		1,643,820.70
		<u>330,276.60</u>
		1,974,097.30
		<u>\$ 19,912,446.14</u>

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE  
2015

	Balance Dec. 31, 2014	Accrued In 2015	Collections Collector/ Treasurer	Balance Dec. 31, 2015	Remarks
Clerk					
Licenses					
Alcoholic Beverages	\$ -	\$ 5,000.00	\$ 5,000.00	\$ -	
Other	-	2,320.00	2,320.00	-	
Construction Code Official					
Fees and Permits	-	182,292.00	182,292.00	-	
Zoning and Subdivision Fees	-				
Fees and Permits	-	7,555.00	7,555.00	-	
Housing Inspection Fees	-				
Fees and Permits	-	3,775.00	3,775.00	-	
Municipal Court					
Fines and Costs	7,183.70	127,482.75	126,464.94	8,201.51	Dec. 2015
Comcast Cable TV Franchise Fees	33,910.94	35,190.23	33,910.94	35,190.23	2015
Verizon Franchise Fees	27,183.16	28,619.47	27,183.16	28,619.47	2015
Interest & Costs on Taxes	-	55,825.73	55,825.73	-	
Interest on Investments	-	17,621.99	17,621.99	-	
State Aid - Energy Receipts Taxes	-	512,715.00	512,715.00	-	
Reserve to Pay Debt Service-General Capital	-	16,320.00	16,320.00	-	
Reserve for Open Space-General Capital Fund	-	40,000.00	40,000.00	-	
General Capital Fund Surplus		100,000.00	100,000.00	-	
	<u>\$ 68,277.80</u>	<u>\$ 1,134,717.17</u>	<u>\$ 1,130,983.76</u>	<u>\$ 72,011.21</u>	

Cash Received	974,663.76
Due General Capital Fund	<u>156,320.00</u>
	<u>\$ 1,130,983.76</u>

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
SCHEDULE OF 2014 APPROPRIATION RESERVES  
2015

	Balance Dec. 31, 2014	Balance After Transfer	Paid or Charged	Balance Lapsed
<b>GENERAL GOVERNMENT</b>				
Administrative & Executive				
Salaries and Wages	4.06	4.06	-	4.06
Other Expenses	13,551.31	13,551.31	10,809.58	2,741.73
Mayor and Council				
Salaries and Wages	-	-	-	-
Other Expenses	337.00	337.00	-	337.00
Municipal Clerk				
Salaries and Wages	9.02	9.02	-	9.02
Other Expenses	595.54	595.54	590.48	5.06
Financial Administration				
Salaries and Wages	-	-	-	-
Other Expenses	9,842.93	9,842.93	4,499.31	5,343.62
Audit Services				
Other Expenses	100.00	100.00	-	100.00
Assessment of Taxes				
Salaries and Wages	293.00	293.00	-	293.00
Other Expenses				
Maintenance of Tax Map	721.76	721.76	720.00	1.76
Miscellaneous Other Expenses	8,604.43	8,604.43	10.13	8,594.30
Collection of Taxes				
Salaries and Wages	1,274.45	1,274.45	-	1,274.45
Other Expenses	5,643.96	5,643.96	3,062.87	2,581.09
Legal Services and Costs				
Other Expenses	23,450.36	23,450.36	8,565.35	14,885.01
Engineering Services and Costs				
Other Expenses	6,790.74	6,790.74	1,438.66	5,352.08
Public Buildings and Grounds				
Salaries and Wages	3,482.50	3,482.50	-	3,482.50
Other Expenses	1,699.12	1,699.12	295.44	1,403.68
Municipal Land Use Law (N.J.S. 40:55D-1)				
Planning Board				
Salaries and Wages	210.14	210.14	-	210.14
Other Expenses	8,791.56	8,791.56	897.42	7,894.14
Environmental Commission (N.J.S. 40:56A-1)				
Salaries and Wages	65.87	65.87	-	65.87
Other Expenses	1,359.73	1,359.73	23.87	1,335.86
Recycling Program (P.L. 1987, Ch. 74)				
Salaries and Wages	-	-	-	-
Other Expenses	620.60	620.60	-	620.60
Insurance				
Liability Insurance	4,992.00	4,992.00	-	4,992.00
Workers Compensation Insurance	-	-	-	-
Employees Group Insurance	39,726.42	39,726.42	255.87	39,470.55
Health Benefit Waiver - Buy Back	1,500.00	1,500.00	-	1,500.00
<b>PUBLIC SAFETY</b>				
Police				
Salaries and Wages	86,552.49	86,552.49	497.60	86,054.89
Other Expenses	4,342.03	4,342.03	3,846.59	495.44
Acquisition of Police Car	3,541.20	3,541.20	-	3,541.20
First Aid Organization - Contribution	15,536.27	15,536.27	2,998.65	12,537.62
Animal Control Officer				
Salaries and Wages	230.78	230.78	-	230.78
Other Expenses	1,000.00	1,000.00	-	1,000.00
Emergency Management Services				
Salaries and Wages	-	-	-	-
Other Expenses	1,000.00	1,000.00	780.00	220.00
<b>STREETS AND ROADS</b>				
Road Repairs and Maintenance				
Salaries and Wages	14,502.85	14,502.85	-	14,502.85
Other Expenses	11,449.52	11,449.52	9,956.18	1,493.34
Vehicle Maintenance				
Other Expenses	6,990.33	6,990.33	2,638.58	4,351.75
<b>HEALTH AND WELFARE</b>				
Board of Health				
Salaries and Wages	335.00	335.00	-	335.00
Other Expenses	215.00	215.00	-	215.00

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
SCHEDULE OF 2014 APPROPRIATION RESERVES  
2015

	Balance Dec. 31, 2014	Balance After Transfer	Paid or Charged	Balance Lapsed
<b>RECREATION AND EDUCATION</b>				
Parks and Playgrounds				
Other Expenses	3,543.74	3,543.74	65.00	3,478.74
<b>UNCLASSIFIED</b>				
Utilities				
Electricity	10,623.60	10,623.60	1,227.40	9,396.20
Street Lighting	13,688.47	13,688.47	7,507.35	6,181.12
Telephone	2,977.57	2,977.57		2,977.57
Natural Gas	1,909.10	1,909.10	936.45	972.65
Telecommunications Costs	480.12	480.12	450.00	30.12
Gasoline	20,007.36	20,007.36	-	20,007.36
<b>UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES (NJAC 5:23-4.17)</b>				
State Uniform Construction Code Official				
Salaries and Wages	1,330.40	1,330.40	-	1,330.40
Other Expenses	663.21	663.21	131.41	531.80
Property Maintenance Code Enforcement				
Other Expenses	3,584.00	3,584.00	471.00	3,113.00
<b>STATUTORY EXPENDITURES</b>				
Contributions to:				
Public Employees Retirement System	-	-	-	-
Social Security System	12,649.76	12,649.76	-	12,649.76
Defined Contribution Retirement Program	1,000.00	1,000.00	-	1,000.00
Police and Fireman's Retirement of NJ	-	-	-	-
Unemployment Compensation	10,000.00	10,000.00	-	10,000.00
<b><u>OPERATIONS EXCLUDED FROM "CAPS":</u></b>				
<b>INSURANCE</b>				
Group Health Insurance Plan for Employees	-	-	-	-
<b>PUBLIC SAFETY</b>				
Length of Service Award Program				
Other Expense	3,350.00	3,350.00	-	3,350.00
Police				
Salaries and Wages	-	-	-	-
Ambulance Service				
Contractual	6,485.00	6,485.00	6,485.00	-
<b>INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</b>				
North Hanover Township - Municipal Court	41,685.93	41,685.93	23,795.90	17,890.03
<b>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES:</b>				
Matching Funds for Grants	386.50	386.50	-	386.50
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES</b>				
	<u>413,726.73</u>	<u>413,726.73</u>	<u>92,956.09</u>	<u>320,770.64</u>
Appropriation Reserves	384,155.41		Overexpended	-
Reserve for Encumbrances	<u>29,571.32</u>		Lapsed	<u>320,770.64</u>
	<u>\$ 413,726.73</u>			<u>\$ 320,770.64</u>
		Accounts Payable	7,514.52	
		Cash Disbursed	<u>85,441.57</u>	
			<u>\$ 92,956.09</u>	

TOWNSHIP OF CHESTERFIELD  
CURRENT FUND  
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX  
2015

	<u>Ref.</u>	
Balance - December 31, 2014		
School Tax Payable		-
School Tax Deferred		4,585,977.00
		<u>4,585,977.00</u>
		4,585,977.00
Increased By:		
Levy - School Year July 1, 2015 to June 30, 2016		9,828,810.00
		<u>14,414,787.00</u>
Decreased By:		
Payments	A-4	9,500,382.00
Balance - December 31, 2015		
School Tax Payable		-
School Tax Deferred		4,914,405.00
		<u>4,914,405.00</u>
		<u>\$ 4,914,405.00</u>
2015 Liability for Local District School Tax:		
Tax Paid	A-4	9,500,382.00
Tax Payable December 31, 2015	A-8	9,500,382.00
		<u>9,500,382.00</u>
Less: Tax Payable December 31, 2014	A-8	-
Amount Charged to 2015 Operations	A-1	<u>\$ 9,500,382.00</u>

CURRENT FUND  
SCHEDULE OF REGIONAL HIGH SCHOOL TAX  
2015

	<u>Ref.</u>	
Balance - December 31, 2014		
School Tax Payable		122,845.55
School Tax Deferred		2,183,601.50
		<u>2,306,447.05</u>
		2,306,447.05
Increased By:		
Levy - School Year July 1, 2015 to June 30, 2016		4,334,528.00
		<u>6,640,975.05</u>
Decreased By:		
Payments		4,355,597.10
Balance - December 31, 2015		
School Tax Payable		118,113.95
School Tax Deferred		2,167,264.00
		<u>2,285,377.95</u>
		<u>\$ 2,285,377.95</u>
2015 Liability for Local District School Tax:		
Tax Paid	A-4	4,355,597.10
Tax Payable December 31, 2015	A-9	118,113.95
		<u>4,473,711.05</u>
Less: Tax Payable December 31, 2014	A-9	122,845.55
Amount Charged to 2015 Operations	A-1	<u>\$ 4,350,865.50</u>

TOWNSHIP OF CHESTERFIELD  
 FEDERAL AND STATE GRANT FUND  
 SCHEDULE OF GRANTS RECEIVABLE  
 2015

Purpose	Balance Dec. 31, 2014	2015 Budget Revenue		Realized	From Unappropriated Reserves	Reclassified/ Canceled	Balance Dec. 31, 2015
		Anticipated	Actual				
<b>Federal Grants:</b>							
NONE	\$ -						\$ -
<b>State Grants:</b>							
Municipal Alliance on Alcoholism and Drug Abuse - 2013	456.86						456.86
Municipal Alliance on Alcoholism and Drug Abuse - 2014	16,939.94		11,368.39				5,571.55
Municipal Alliance on Alcoholism and Drug Abuse - 2015		12,104.00					12,104.00
NJ Transportation Trust Fund - Herman Black Road - 2011	593.95						593.95
NJ Transportation Trust Fund - Ward Avenue - 2012	58,206.27						58,206.27
NJ Transportation Trust Fund - Ward Ave./Ellisdale Road - 2013	51,657.75						51,657.75
Safe and Secure Communities Program	34,615.36	25,000.00	9,615.36				50,000.00
Drunk Driving Enforcement Fund	-						-
Clean Communities Program	-	14,492.89	14,492.89				-
Body Armor	-						-
Bullet Proof Vests	4,028.63						4,028.63
Recycling Tonnage Grant	-	1,851.30			1,851.30		-
Alcohol Education & Rehabilitation Program	-						-
Green Communities - 2012	5.00						5.00
NJ Turnpike Authority - Reforestation Agreement- 2012	52,733.00		52,733.00				-
NJ Turnpike Authority - Reforestation Agreement- 2013	423,233.00		319,800.00				103,433.00
<b>Other Grants:</b>							
CDBG - Handicap Lift	-						-
Burlington County Municipal Park Program - 2011	-						-
Burlington County Municipal Park Program - 2012	75,000.00		75,000.00				-
Burlington County Municipal Park Program - Recreation Building	125,000.00		125,000.00				-
Burlington County Municipal Park Program - 2014		200,000.00					200,000.00
	\$ 842,469.76	\$ 253,448.19	\$ 608,009.64	\$ 1,851.30	\$ -	\$ -	\$ 486,057.01

Budget	1,851.30
40A:4-87	251,596.89
	<u>\$ 253,448.19</u>

TOWNSHIP OF CHESTERFIELD  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED  
2015

Grant	Balance Dec. 31, 2014	Transferred From 2015 Budget Appropriation	Paid	Prior Year Encumbrance	Current Year Encumbrances	Balance Dec. 31, 2015
<b>Federal Grants:</b>						
NONE	\$ -					\$ -
<b>State Grants:</b>						
Municipal Alliance on Alcoholism and Drug Abuse - 2013	1,250.24					1,250.24
Municipal Alliance on Alcoholism and Drug Abuse - 2014	755.06		278.00			475.06
Municipal Alliance on Alcoholism and Drug Abuse - 2014 Match	188.26		69.50			118.76
Municipal Alliance on Alcoholism and Drug Abuse - 2014 EXT	4,545.98		-123.15			4,669.13
Municipal Alliance on Alcoholism and Drug Abuse - 2014 EXT Match	1,136.49		-69.50			1,205.99
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 Turnpike Authority - Reforestation	9,631.78		9,631.78			-
NJ Turnpike Authority - Reforestation - 2012	109,958.77		108,254.61			1,704.16
NJ Turnpike Authority - Reforestation - 2013	404,601.11		214,252.54	4,159.00		186,189.57
Safe and Secure Communities Program - 2012	7,656.18					7,656.18
Safe and Secure Communities Program - 2014	3,846.34		3,846.12			0.22
Drunk Driving Enforcement Fund	12,845.00		951.22			11,893.78
Contribution - Police Department	1,587.55					1,587.55
Clean Communities - 2013	1.08		2,662.20	2,661.12		-
Clean Communities - 2014	9,476.79		6,098.21			3,378.58
Alcohol Education and Rehabilitation Program	372.50					372.50
Recycling Tonnage Grant - 2014	2,414.03		2,414.03			-
Body Armor Grant- 2013	689.33		627.37			61.96
Body Armor Grant- 2014	3,183.68					3,183.68
Bullet Proof Vest	4,028.63		2,393.63			1,635.00
Green Communities - 2006	2,505.00		595.00			1,910.00
Green Team Grant	2.04					2.04
Recycling Tonnage Grant - 2015	1,851.30	1,851.30				1,851.30
2015 Municipal Alliance	12,104.00	12,104.00	7,223.60			4,880.40
2015 Municipal Alliance Match	3,026.00	3,026.00	1,805.90			1,220.10
2015 Safe and Secure	25,000.00	25,000.00	21,153.88			3,846.12
2015 Clean Communities	14,492.89	14,492.89				14,492.89
Matching Funds for Grants	3,000.00					3,000.00
<b>Other Grants:</b>						
Burl. Co. Park Development - Pedestrian Path & Bike Path	14,203.40					14,203.40
2015 Burl. Co. Park Development		200,000.00				200,000.00
<b>TOTAL</b>	<b>\$ 669,736.15</b>	<b>\$ 256,474.19</b>	<b>\$ 382,064.94</b>	<b>\$ 2,661.12</b>	<b>\$ 4,159.00</b>	<b>\$ 542,647.52</b>
	Budget	1,851.30				
	40A-4-87	254,622.89				
		<u>\$ 256,474.19</u>				

TOWNSHIP OF CHESTERFIELD  
 FEDERAL AND STATE GRANT FUND  
 SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED  
 2015

Grant	Balance Dec. 31, 2014	Received In 2015	Less: Transferred to 2015 Budget Appropriations	Balance Dec. 31, 2015
<b>State Grants:</b>				
Recycling Tonnage Grant - 2012	\$ 1,851.30	\$ 3,713.18	\$ 1,851.30	\$ 3,713.18
Drunk Driving Enforcement Fund	-			-
NJ Body Armor	-	1,426.14		1,426.14
Alcohol Education & Rehabilitation	-			-
	\$ 1,851.30	\$ 5,139.32	\$ 1,851.30	\$ 5,139.32

TOWNSHIP OF CHESTERFIELD  
 CURRENT FUND  
 SCHEDULE OF RESERVE FOR FORECLOSED PROPERTY  
 2015

Balance - December 31, 2014		\$ 302,800.00
Increased By:		
Transferred from Tax Title Liens	65,143.83	
Adjustment to Assessed Valuation for 2015 Foreclosure	<u>527,356.17</u>	
		<u>592,500.00</u>
		895,300.00
Decreased By:		
Adjustment for Sale of Property	860,000.00	
Less: Gain on Sale	<u>610,200.00</u>	
		<u>249,800.00</u>
 Balance December 31, 2015		 <u><u>\$ 645,500.00</u></u>

**TRUST FUND**

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TOWNSHIP OF CHESTERFIELD  
TRUST FUND  
SCHEDULE OF CASH - TREASURER  
2015

	<b>Dog License Fund</b>	<b>Other Fund</b>
Balance - December 31, 2014	\$ 12,589.21	\$ 1,632,666.28
<u>Receipts</u>		
Dog License Fees	4,831.80	-
Late Fees & Miscellaneous Fees	530.00	-
Due to New Jersey State Board of Health	1,132.20	-
Due Current Fund	-	3,026.00
Reserve for Unemployment Compensation Insurance	-	12,433.65
Reserve for Escrow Deposits	-	340,773.07
Reserve for Tax Premiums	-	71,700.00
Reserve for Affordable Housing Trust	-	7,491.00
Reserve for Public Defender Fees	-	3,346.50
Reserve for Basin Maintenance	-	-
Reserve for Municipal Drug Alliance	-	16,115.00
Reserve for Police Outside Duty	-	208,146.25
Reserve for Police Donations	-	200.00
Reserve for Snow Removal	-	10,000.00
Reserve for Community Ad Book Outreach	-	5,660.00
Reserve for Donations - Landscaping & Trees	-	-
Reserve for The Green Team	-	100.00
	6,494.00	678,991.47
	19,083.21	2,311,657.75
<u>Disbursements</u>		
Expenditures Under R.S.4:19-15.11	12,244.80	-
Due to N.J. State Board of Health	1,094.40	-
Due Current Fund	-	-
Reserve for Unemployment Compensation Insurance	-	-
Reserve for Escrow Deposits	-	255,115.05
Reserve for TDR Credits - Turnpike	-	50,000.00
Reserve for Tax Sale Premiums	-	4,200.00
Reserve for Affordable Housing Trust	-	3,388.10
Reserve for Public Defender Fees	-	6,280.00
Reserve for Municipal Drug Alliance	-	12,059.07
Reserve for Police Outside Duty	-	193,806.25
Reserve for Ad Book Community Outreach	-	4,749.23
	13,339.20	529,597.70
Balance - December 31, 2015	\$ 5,744.01	\$ 1,782,060.05

TOWNSHIP OF CHESTERFIELD  
TRUST FUND  
SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES  
2015

Balance - December 31, 2014		\$ 12,349.68
Increased By:		
Dog License Fees Collected	4,831.80	
Late Fees & Miscellaneous Fees Collected	530.00	
		5,361.80
		17,711.48
Decreased By:		
Expenditures Under R.S. 4:19-15.11	12,244.80	
		12,244.80
Balance - December 31, 2015		\$ 5,466.68

Licenses Fees Collected

<u>Year</u>	<u>Amount</u>
2013	5,358.40
2014	5,079.10
	\$ 10,437.50

**GENERAL CAPITAL FUND**

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TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 ANALYSIS OF CASH  
 2015

Description	Balance Dec. 31, 2014	Receipts		Disbursements		Transfers		Balance Dec. 31, 2015
		Appropriations	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Fund Balance	\$ 204,303.04				\$ 100,000.00			\$ 104,303.04
Capital Improvement Fund	186,169.42		100,000.00			270,000.00		16,169.42
Reserve for Open Space	367,351.39				40,000.00			327,351.39
Reserve for Recreation Improvement	437,943.31		207,900.00			150,000.00		495,843.31
Reserve for Transportation Improvement	91,823.15		122,306.80		185,000.00			29,129.95
Reserve to Pay Debt Service	16,320.00		16,080.00		16,320.00			16,080.00
Due Sewer Utility	-							-
Reserve for Encumbrances	320,473.06					320,473.06	150,832.90	150,832.90
Due From Current Fund	(955,631.75)		(116,080.00)	(673,088.13)	(156,320.00)			(242,303.62)
<b>Ord. No. Improvement Authorizations:</b>								
1997-10 Farm Preservation	107.25							107.25
<b>2009-17 Amending 1999-2:</b>								
f. Acquisition of Public Works Equipment	34,883.95							34,883.95
g. Road Striping	44,601.00							44,601.00
2008-17 Acquisition of Various Equipment	2,063.41							2,063.41
<b>2009-16 Various Improvements:</b>								
c. Acquisition of Security Cameras	1,370.83							1,370.83
d. Construction of Various Road	552,682.02			99,108.83		25,058.39	15,176.72	443,691.52
2014-16 Acquisition of Pick-Up Truck	(37,074.00)							(37,074.00)
Acquisition of Police Equipment	(28,822.00)							(28,822.00)
2014-17 Acquisition of BI 500 Lt 8 and Related Demolition	(534,646.84)			283,383.48			270,902.34	(547,127.98)
2014-18 Police Laser Equipment	30.50							30.50
2015-02 Construction of New Municipal Building				216,527.82		26,972.18	260,000.00	16,500.00
2015-03 Acquisitions of various Public Works Equipment				74,068.00		82,850.08	10,000.00	(146,918.08)
<b>PROJECTS FUNDED BY RECREATION CONTRIBUTIONS</b>								
2004-14} 2005-8) Recreation Improvements - Village Square Park	19,570.83			5,170.00				14,400.83
2011-7 Recreation Improvements								
c. Recreation Equipment	4,629.00			3,270.23				1,358.77
2014-21 Recreation Improvements								
a. Playground Resurfacing	121,300.00			95,422.25				25,877.75
b. Recreation Building at Fenton Lane Park	110,137.30			97,756.70		15,952.25	34,394.00	30,822.35
2015-12 Recreation Improvements								
a. Playground Resurfacing							32,500.00	32,500.00
b. Recreation Building Security Key Lock System				5,625.00			12,500.00	6,875.00
c. Various Equipment							22,000.00	22,000.00
d. Tennis Court Project							83,000.00	83,000.00
	\$ 959,584.87	\$ -	330,206.80	\$ 207,244.18	\$ 185,000.00	\$ 891,305.96	\$ 891,305.96	\$ 897,547.49

TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED  
 2015

Ord. Number	Improvement Description	Balance Dec. 31, 2014	2015 Authorizations	Canceled	Funded	Balance Dec. 31, 2015	Bond Anticipation Notes	Financed By	
								Expenditures	Unexpended Improvement Authorizations
1997-10	Farm Preservation	\$ 146,000.00				\$ 146,000.00			\$ 146,000.00
2008-17	Acquisition of Various Equipment	40,050.00				40,050.00			40,050.00
2009-18	Various Improvements:								
	a. Preliminary Costs-New Municipal Building	19,320.87				19,320.87			19,320.87
2014-16	Acquisition of Pick-Up Truck	38,000.00				38,000.00		37,074.00	926.00
	Acquisition of Police Equipment	31,350.00				31,350.00		28,822.00	2,528.00
2014-17	Acquisition of BI 500 Lot 8 and Related Demolition	855,000.00				855,000.00		547,127.98	307,872.02
2015-02	Constuction of Municipal Building		4,940,000.00			4,940,000.00			4,940,000.00
2015-03	Acquisitions of Public Works Equipment		190,000.00			190,000.00		146,918.08	43,081.92
		\$ 1,129,720.87	\$ 5,130,000.00	\$ -	\$ -	\$ 6,259,720.87	\$ -	\$ 759,942.06	\$ 5,499,778.81
		Raised in Budget		\$ -				Improvement Authorizations Unfunded \$ 5,499,778.81	

TOWNSHIP OF CHESTERFIELD  
GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
2015

Balance December 31, 2014	\$ 186,169.42
Increased By:	
Budget Appropriations	<u>100,000.00</u>
	286,169.42
Decreased By:	
Appropriation to Finance Improvement Authorizations	<u>270,000.00</u>
Balance December 31, 2015	<u><u>\$ 16,169.42</u></u>

TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
 2015

2015 Authorizations

Ord. Number	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2014		Capital Improvement Fund	Deferred Charges to Future Taxation Unfunded	Recreation Trust	Encumbrances PY	Encumbrances CY	Paid (+)	Paid or Charged (+)	Balance Dec. 31, 2015												
				Funded	Unfunded								Funded	Unfunded											
<b>General Improvements:</b>																									
1997-10	Farm Preservation	1997	500,000	\$	107.25	\$	146,000.00						\$	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											
	g. Road Striping	2009	51,000		44,601.00									44,601.00											
			211,000																						
2008-17	Acquisition of Various Equipment	2008	139,000		2,063.41		40,050.00							2,063.41		40,050.00									
<b>Various:</b>																									
2009-16	Acquisition of Security Cameras		7,500		1,370.83									1,370.83											
	d. Construction of Various Roads	2009	720,000		552,682.02				(15,176.72)	25,058.39	99,108.83	108,990.50		443,691.52											
			727,500																						
<b>Various Improvements:</b>																									
2009-18	Preliminary Costs-New Municipal Building		22,000				19,320.87									19,320.87									
2014-16	Acquisition of Pick-Up Truck	2014	40,000			926.00										926.00									
	Acquisition of Police Equipment	2014	33,000			2,528.00										2,528.00									
2014-17	Acquisition of BI 500 Lt 8 and Related Demolition	2014	900,000			320,353.16			(270,902.34)		283,383.48	12,481.14				307,872.02									
2014-18	Police Laser Equipment	2014	7,000		30.50									30.50											
2015-02	Construction of New Municipal Building	2015	5,200,000			260,000.00	4,940,000.00			26,972.18	216,527.82	243,500.00		16,500.00		4,940,000.00									
2015-03	Acquisitions of various Public Works Equipment	2015	200,000			10,000.00	190,000.00			82,850.08	74,068.00	156,918.08				43,081.92									
<b>PROJECTS FUNDED BY RECREATION CONTRIBUTIONS</b>																									
<b>Smart Growth Village Plan:</b>																									
<b>a. Recreation</b>																									
2004-14/2005-08	Recreation	2004Rec	56,092																						
		2005Rec	90,259																						
			146,351		19,570.83																				
<b>c. Recreation Improvements:</b>																									
2011-7	Recreation Equipment	2011Rec	61,000		4,625.00																				
			61,000																						
2014-21	Playground Resurfacing	2014Rec	121,300		121,300.00																				
	Recreation Building at Fenton Lane Park	2014Rec	150,700		110,137.30				(34,394.00)	15,952.25	97,756.70	79,314.95		30,822.35											
			272,000																						
2015-12	Playground Resurfacing	2015 Rec	32,500					32,500.00						32,500.00											
	Recreational Building Security /Key lock System	2015 Rec	12,500					12,500.00						12,500.00											
	Various Equipment	2015 Rec	22,000					22,000.00						22,000.00											
	Tennis Courts Project	2015 Rec	83,000					83,000.00						83,000.00											
			150,000																						
				\$	891,376.09	\$	529,178.03	\$	270,000.00	\$	5,130,000.00	\$	150,000.00	\$	(320,473.06)	\$	150,832.90	\$	880,332.31	\$	710,692.15	\$	760,083.16	\$	5,499,778.81
<b>Cash Disbursed - Current Fund</b>																									
<b>Cash Disbursed - Recreation Checking</b>																									
<b>Total Cash Disbursed C-5</b>																									
<b>Current Year Reserve for Encumbrances</b>																									
<b>Prior Year Reserve for Encumbrances</b>																									
<b>\$ 710,692.15</b>																									



TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 DUE FROM CURRENT FUND  
 2015

Balance December 31, 2014 - Due From		\$ 955,631.75
Increased By:		
Amounts Raised in Current Fund Budget:		
Capital Improvement Fund	100,000.00	
Deferred Charges To Future Taxation Unfunded	-	
Amounts Received in the Current Fund:		
County Open Space Grant	16,080.00	
	116,080.00	
		1,071,711.75
Decreased By:		
Improvement Authorization Payments from Current Fund	673,088.13	
Anticipated in Current Fund Budget:		
Reserve for Open Space	40,000.00	
Reserve To Pay Debt Service	16,320.00	
Capital Fund Balance	100,000.00	
	829,408.13	
Balance December 31, 2015 - Due From		\$ 242,303.62

TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 SCHEDULE OF RESERVE FOR RECREATION IMPROVEMENTS - UNAPPROPRIATED  
 2015

Balance December 31, 2014		\$ 437,943.31
Increased By:		
Developer Contributions Received	207,900.00	
Improvement Authorizations Canceled	-	
		207,900.00
		645,843.31
Decreased By:		
Improvement Authorizations Funded in 2015		150,000.00
Balance December 31, 2015		\$ 495,843.31

SCHEDULE OF RESERVE FOR TRANSPORTATION IMPROVEMENTS - UNAPPROPRIATED  
 2015

Balance December 31, 2014		\$ 91,823.15
Increased By:		
Developer Contributions Received	122,306.80	
Improvement Authorizations Canceled	-	
		122,306.80
		214,129.95
Decreased By:		
Improvement Authorizations Funded in 2015	-	
K. Hovnanian Refund as per agreement	185,000.00	
		185,000.00
Balance December 31, 2015		\$ 29,129.95

TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 RESERVE FOR GRANTS RECEIVABLE  
 2015

	<u>County Open Space</u>		Total
	<u>Fuchs</u>	<u>Wilkinson</u>	
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	417,500.00	226,168.74	643,668.74
Decreased By:			
Received - 2013	-	17,394.09	17,394.09
Balance - December 31, 2013	417,500.00	208,774.65	626,274.65
Decreased By:			
Received - 2014	-	12,000.00	12,000.00
Prior Year Interest Received	-	(7,225.35)	(7,225.35)
Decreased By:			
Received - 2015		12,000.00	12,000.00
Prior Year Interest Received			-
Balance - December 31, 2015	<u>\$ 417,500.00</u>	<u>\$ 192,000.00</u>	<u>\$ 609,500.00</u>

TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 RESERVE FOR OPEN SPACE  
 2015

Balance December 31, 2014	\$ 367,351.39
Decreased By:	
Appropriated in Current Fund budget Expenditures	40,000.00
	<u>40,000.00</u>
Balance December 31, 2015	<u>\$ 327,351.39</u>

TOWNSHIP OF CHESTERFIELD  
GENERAL CAPITAL FUND  
RESERVE TO PAY DEBT SERVICE  
2015

Balance December 31, 2014		\$ 16,320.00
Increased By:		
Received - County Open Space	16,080.00	
Transferred from Ordinance 2009-17		
	<hr/>	<hr/>
		16,080.00
		<hr/>
		32,400.00
Decreased By:		
Anticipated in 2015 Budget		<hr/>
		16,320.00
Balance December 31, 2015		<hr/> <hr/>
		\$ 16,080.00

TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
 2015

Ord. Number	Improvement Description	Balance Dec. 31, 2014	2015 Authorizations	Funded	Funded By Budget Appropriation	Canceled	Balance Dec. 31, 2015
1997-10	Farm Preservation	\$ 146,000.00					\$ 146,000.00
2008-17	Acquisition of Various Equipment	40,050.00					40,050.00
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	-					-
	c. Improvement to Recreation Fields	-					-
	d. Improvement to Village Square Park	-					-
2014-16	Acquisition of Pick-Up Truck Acquisition of Police Equipment	38,000.00 31,350.00					38,000.00 31,350.00
2014-17	Acquisition of B1 500 Lt 8 and Related Demolition	855,000.00					855,000.00
2015-02	Construction of Municipal Building	-	4,940,000.00				4,940,000.00
2015-03	Acquisitions of Public Works Equipment	-	190,000.00				190,000.00
		\$ 1,129,720.87	\$ 5,130,000.00	\$ -	\$ -	\$ -	\$ 6,259,720.87

TOWNSHIP OF CHESTERFIELD  
 GENERAL CAPITAL FUND  
 SCHEDULE OF BOND ANTICIPATION NOTES  
 2015

Purpose	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2014	Increase	Decrease	Balance Dec. 31, 2015
- NONE -					\$ -	\$ -	\$ -	\$ -
					\$ -	\$ -	\$ -	\$ -
					Paid By Budget			
					-	-	-	-
					\$ -	\$ -	\$ -	\$ -

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**SEWER UTILITY FUND**

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TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY FUND  
SCHEDULE OF CASH - TREASURER - OPERATING FUND  
2015

Balance - December 31, 2014		\$ 4,360,085.66
Increased By:		
Sewer Rents	367,849.46	
Late Payment Penalties	5,438.92	
Interest Income	40,778.24	
Connection Fees	156,200.00	
Other Miscellaneous Income	12,277.59	
		582,544.21
		4,942,629.87
Decreased By Disbursements:		
2015 Appropriations	540,755.80	
2014 Appropriations Reserves	80,514.65	
Debt Service Interest	69,207.50	
Accounts Payable	2,010.38	
Due from Sewer Capital Fund	83,300.00	
		775,788.33
Balance - December 31, 2015		\$ 4,166,841.54

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
ANALYSIS OF SEWER UTILITY CAPITAL CASH  
2015

	Received		Disbursed		Transfers		Balance Dec. 31, 2015
	Balance Dec. 31, 2014	Budget	Miscellaneous	Improvement Authorizations	Miscellaneous	From	
Fund Balance	\$ 9,495.00						\$ 9,495.00
Capital Improvement Fund	50,505.00	25,000.00					75,505.00
Reserve for Treatment Plant Improvements	400,000.00						400,000.00
<u>Improvement Authorizations:</u>							
Ordinance Number	<u>General Improvements:</u>						
2000-15	Sewer System						964,425.53
2014-19	Sewer Line Extension			83,300.00			6,700.00
Due From (To) Sewer Operating Fund		\$ 25,000.00	\$ -	\$ 83,300.00	\$ -	\$ -	\$ 1,456,125.53

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
FIXED CAPITAL  
2015

	Balance Dec. 31, 2014	Additions		Balance Dec. 31, 2015
		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  
2015

Balance - December 31, 2014 and 2015 - Due From Sewer Operating	<u>\$ 1,514,425.53</u>
Increased By:	
Budget	
Capital Improvement Fund	25,000.00
Deferred Charges Raised	<u>-</u>
	25,000.00
	<u>1,539,425.53</u>
Decreased By:	
Improvement Authorizations Paid by Operating Fund	<u>83,300.00</u>
Balance - December 31, 2015 - Due From Sewer Operating	<u>\$ 1,456,125.53</u>

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY FUND  
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE  
2015

Balance - December 31, 2014		\$ 34,818.63
Increased By:		
Sewer Rents Levied		<u>371,388.81</u>
		406,207.44
Decreased By:		
Collections - Rents	367,849.46	
Collections - Penalties	<u>5,438.92</u>	
		<u>373,288.38</u>
Balance - December 31, 2015		<u><u>\$ 32,919.06</u></u>

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
2015

Ordinance Number	Improvement Description	Ordinance Date	Balance Dec. 31, 2014	2015 Authorizations		Costs To Fixed Capital	Authorizations Canceled	Balance Dec. 31, 2015
				Capital Improvement Fund	Deferred Charges To Future Revenue			
General Improvements:								
2000-15	}	8/24/00	}					
2001-14	}	5/10/01	}					
2004-10	}	5/22/03	}	\$ 5,700,000.00				\$ 5,700,000.00
2014-19				90,000.00				90,000.00
				\$ 5,790,000.00	\$ -	\$ -	\$ -	\$ 5,790,000.00

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
2015

Ord. Number	Improvement Description	Date	Amount	Balance Dec. 31, 2014		2015 Authorizations	Paid or Charged	Authorizations Canceled	Balance Dec. 31, 2015	
				Funded	Unfunded				Funded	Unfunded
<b>General Improvements</b>										
2000-15 }	Sewer Collection System									
2001-14 }	and Plant Upgrades	5/10/01	5,500,000							
2004-10 }		5/22/03	200,000							
			<u>\$ 5,700,000</u>	\$ 1,022,785.53					\$ 1,022,785.53	\$ -
2014-19	Sewer Line Extension			90,000.00			83,300.00			6,700.00
				<u>\$ 1,112,785.53</u>	\$ -	\$ -	\$ 83,300.00	\$ -	\$ 1,029,485.53	\$ -

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION  
2015

Ord. Number	Improvement Description	Date	Balance Dec. 31, 2014	Received From State of NJ	Fixed Capital Authorized	Debt Paid By Budget Appropriation	Transferred To Reserve for Amortization	Canceled	Balance Dec. 31, 2015
<u>General Improvements</u>									
2000-15	}								
2001-14	}	5/10/01							
2004-10	}	5/22/2003	\$ 3,125,498.68			\$ 318,562.29			\$ 3,444,060.97
2014-19	Sewer Line Extension		90,000.00						90,000.00
			\$ 3,215,498.68	\$ -	\$ -	\$ 318,562.29	\$ -		\$ 3,534,060.97

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF NJ ENVIRONMENTAL INFRASTRUCTURE TRUST PAYABLE  
2015

**Maturities of Loan**

Purpose	Date of Issue	Original Issue	Maturities of Loan		Interest Rate	Balance Dec. 31, 2014	Increased	Paid By Budget Appropriation	Balance Dec. 31, 2015
			Date	Amount					
SEWER COLLECTION SYSTEM Trust Portion	5/10/01	\$ 2,250,000.00	9/1/16	\$ 140,000.00	5.000%				
			9/1/17	145,000.00	5.000%				
			9/1/18	155,000.00	5.000%				
			9/1/19	160,000.00	5.000%				
			9/1/20	170,000.00	4.750%				
			9/1/21	180,000.00	4.750%				
						\$ 1,085,000.00	\$ -	\$ 135,000.00	\$ 950,000.00

Fund Portion	10/15/01	\$ 2,214,872.00	3/1/16	14,549.14					
			9/1/16	101,922.05					
			3/1/17	12,364.82					
			9/1/17	102,858.19					
			3/1/18	10,102.49					
			9/1/18	106,836.78					
			3/1/19	7,684.13					
			9/1/19	107,538.88					
			3/1/20	5,187.76					
			9/1/20	111,283.43					
			3/1/21	2,667.99					
			9/1/21	115,004.78	0.000%				

TOTAL COLLECTION SYSTEM

\$ 815,563.80	\$ -	\$ 117,563.36	\$ 698,000.44
\$ 1,900,563.80	\$ -	\$ 252,563.36	\$ 1,648,000.44

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF NJ ENVIRONMENTAL INFRASTRUCTURE TRUST PAYABLE  
2015

Purpose	Date of Issue	Original Issue	Maturities of Loan Outstanding Dec. 31, 2015			Interest Rate	Amount	Balance Dec. 31, 2014	Increased	Paid By Budget Appropriation	Balance Dec. 31, 2015
			Date	Dec. 31, 2015	Dec. 31, 2015						
EXPANSION of A.C. WAGNER YOUTH CORRECTIONAL FACILITY WASTEWATER TREATMENT PLANT	10/15/03	\$ 600,000.00	8/1/16	\$ 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%						
							\$ 350,000.00	\$ -	\$ 35,000.00	\$ 315,000.00	

Fund Portion	Date of Issue	Original Issue	Maturities of Loan Outstanding Dec. 31, 2015			Interest Rate	Amount	Balance Dec. 31, 2014	Increased	Paid By Budget Appropriation	Balance Dec. 31, 2015
			Date	Dec. 31, 2015	Dec. 31, 2015						
TOTAL TREATMENT PLANT EXPANSION	10/15/03	\$ 557,638.00	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%						
							\$ 265,577.52	\$ -	\$ 30,998.93	\$ 234,578.59	

							\$ 615,577.52	\$ -	\$ 65,998.93	\$ 549,578.59
							\$ 2,516,141.32	\$ -	\$ 318,562.29	\$ 2,197,579.03

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY FUND  
SCHEDULE OF 2014 APPROPRIATION RESERVES  
2015

	<b>Balance Dec. 31, 2014</b>	<b>Balance After Transfer</b>	<b>Paid Or Charged</b>	<b>Balance Lapsed</b>	<b>Overexpended</b>
Operating					
Salaries and Wages	\$ 6,680.17	\$ 6,680.17	\$ -	\$ 6,680.17	
Other Expenses	89,102.26	89,102.26	80,514.65	8,587.61	
Statutory Expenditures					
Social Security	876.25	876.25	-	876.25	
	<u>\$ 96,658.68</u>	<u>\$ 96,658.68</u>	<u>\$ 80,514.65</u>	<u>\$ 16,144.03</u>	<u>\$ -</u>
Appropriation Reserves	47,502.58				
Reserve for Encumbrances	49,156.10				
	<u>\$ 96,658.68</u>				
Cash Disbursed			80,514.65		
Accounts Payable			-		
			<u>\$ 80,514.65</u>		

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TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
2015

Balance - December 31, 2014	\$ 50,505.00
Increased By:	
2015 Budget Appropriation	<u>25,000.00</u>
	75,505.00
Decreased By:	
Appropriated to Finance Improvement Authorizations	<u>-</u>
Balance - December 31, 2015	<u><u>\$ 75,505.00</u></u>

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SEWER UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION  
2015

Balance - December 31, 2014 and 2015	<u><u>\$ 19,495.00</u></u>
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TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY FUND  
SCHEDULE OF INTEREST ON BONDS AND NOTES  
AND ANALYSIS OF BALANCE  
2015

	<u>BAN</u>	<u>NJEIT</u>	<u>Total</u>
Balance - December 31, 2014	\$ -	\$ 28,836.46	\$ 28,836.46
Increased By:			
Interest on Bonds and Notes	-	65,811.67	65,811.67
Decreased By:			
Interest Paid	-	94,648.13	94,648.13
Balance - December 31, 2015	<u>\$ -</u>	<u>\$ 25,440.63</u>	<u>\$ 25,440.63</u>

**Analysis of Balance - December 31, 2015**

	Principal Outstanding Dec. 31, 2015	Interest Rate	From	To	Period	Amount
Bond Anticipation Notes:	\$ -					\$ -
NJ Environmental Infrastructure Trust:						
2001	\$ 950,000.00	Various	8/1/15	12/31/15	5 Months	19,427.08
2003	\$ 315,000.00	Various	8/1/15	12/31/15	5 Months	6,013.54
						<u>\$ 25,440.63</u>

TOWNSHIP OF CHESTERFIELD  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
2015

Ord. Number	Improvement Description	Date	Balance Dec. 31, 2014	2015 Authorizations	Bonds Issued	NJEIT Debt Issued	Notes Issued	Balance Dec. 31, 2015
<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	\$ -	\$ -	\$ -	\$ -	<u>\$ 58,360.00</u>

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**PAYROLL FUND**

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TOWNSHIP OF CHESTERFIELD  
 PAYROLL FUND  
 SCHEDULE OF CASH -TREASURER  
 2015

<b>Balance - December 31, 2014</b>	\$	34,003.02
<b>Increased By:</b>		
Deposits for Payrolls and Miscellaneous		1,736,520.14
Due Current Fund		196,236.41
		1,932,756.55
		1,966,759.57
<b>Decreased by:</b>		
Paid Employees		1,019,447.15
Payroll Deductions and Employer Contributions		720,029.80
Due Current Fund		196,236.41
		1,935,713.36
<b>Balance - December 31, 2015</b>	\$	31,046.21

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**GENERAL FIXED ASSETS ACCOUNT GROUP**

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CHESTERFIELD TOWNSHIP  
 GENERAL FIXED ASSETS ACCOUNT GROUP  
 SCHEDULE OF CHANGE IN GENERAL FIXED ASSETS  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<b>General Fixed Asset Balance January 1, 2015</b>	<b>Additions</b>	<b>Deletions</b>	<b>Adjustments</b>	<b>General Fixed Asset Balance December 31, 2015</b>
Land	\$ 3,682,445.00				\$ 3,682,445.00
Buildings	574,285.00	250,000.00			824,285.00
Improvements Other than Buildings	127,500.00	85,657.00			213,157.00
Machinery and Equipment	1,486,187.36	271,330.77	84,944.80		1,672,573.33
Total	<u>\$ 5,870,417.36</u>	<u>\$ 606,987.77</u>	<u>\$ 84,944.80</u>	<u>\$ -</u>	<u>\$ 6,392,460.33</u>

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

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**SUPPLEMENTARY DATA  
YEAR ENDED DECEMBER 31, 2015**

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

**Comparison of Tax Rate Information**

	2015	2014	2013	2012
Total Tax Rate	\$ 2.575	\$ 2.418	\$ 2.238	\$ 2.408
Apportionment of Tax Rate:				
Municipal	0.224	0.177	0.129	0.295
County	0.413	0.372	0.378	0.392
Local School	1.345	1.267	1.156	1.124
Regional High School	0.593	0.602	0.575	0.597
	<u>2.575</u>	<u>2.418</u>	<u>2.238</u>	<u>2.408</u>
Fire District Rates:				
Fire District No. 1	0.103	0.102	0.100	0.099
Fire District No. 2	0.086	0.083	0.079	0.078

**Assessed Valuations - Net Valuation Taxable**

2015	\$ 730,924,803	
2014	724,377,407	
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	* Reassessment
2006	284,804,406	

**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
2015	\$ 19,912,446	\$ 19,568,519	98.27%
2014	18,332,062	18,019,405	98.29%
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%

**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
2015	\$ -	\$ 303,995	\$ 303,995	1.53%
2014	49,377	254,769	304,146	1.66%
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%

**TOWNSHIP OF CHESTERFIELD  
SUPPLEMENTARY DATA  
YEAR ENDED DECEMBER 31, 2015**

**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>
2015	\$ 645,500
2014	302,800
2013	302,800
2012	38,000
2011	38,000
2010	38,000
2009	38,000
2008	38,000
2007	38,000
2006	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>
2015	\$ 2,594,202	\$ 1,297,000	50.00%
2014	2,415,616	1,130,000	46.78%
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%

**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>
2015	\$ 2,646,196	\$ 336,675	12.72%
2014	2,713,075	244,500	9.01%
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%

**TOWNSHIP OF CHESTERFIELD  
COUNTY OF BURLINGTON**

**PART II**

**COMMENTS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

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**TOWNSHIP OF CHESTERFIELD  
FINDINGS AND RECOMMENDATIONS – 2015**

**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 has a qualified purchasing agent and the bid threshold was increased from \$17,500 to \$36,000.

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 Sanitary Sewer Connection Project and Acquisition of Chassis Mounted Equipment. 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.

**TOWNSHIP OF CHESTERFIELD  
FINDINGS AND RECOMMENDATIONS – 2015**

**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.

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

In accordance with the statutes, on January 4, 2015, 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, 2014, 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 November 18, 2015 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>
2014	0
2013	1
2012	3

**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 AND RECOMMENDATIONS – 2015**

**Finding: \*2015-01**

Criteria

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

Condition

Certain deposits in the Tax Office, Construction Office and Sewer Utility were not made within 48 hours of receipt.

Effect

Noncompliance with state statute.

Cause

The courier for First Bank picks up the deposits twice a week and on some occasions the deposits were not ready at the time of pick up.

Recommendation

Deposits should be available for courier pick up and made within 48 hours as required by N.J.S.A. 40A:4-15.

**Finding: \*2015-02**

**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 reconciliations reflect adjusting items that have not cleared on a timely basis on a monthly basis or at year end.

Effect

There is an increased potential to misstate cash balances.

Cause

Untimely corrections to bank reconciliations.

Recommendation

Cash account reconciling items should be reviewed and disposed.

**Finding 2015-03:**

**Budget**

Criteria

Budget transfers must be made before incurring obligations in excess of amounts budgeted.

Condition

One line-item was overexpended prior to governing body approval of budget transfers amounting to \$7,597.50.

Effect

Expenditures were incurred for an amount greater than the amount budgeted.

**TOWNSHIP OF CHESTERFIELD  
FINDINGS AND RECOMMENDATIONS – 2015**

**Finding 2015-03: (Continued)**

**Budget**

Cause

Untimely review of budget appropriations.

Recommendation

Overexpenditures prior to transfer should be avoided.

**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 2014 recommendations and a corrective action plan was adopted and implemented except for those recommendations marked with an \* above.

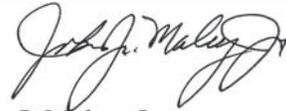
**Acknowledgment**

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,

**HOLMAN FRENIA ALLISON, P.C.**



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

June 14, 2016