

TOWNSHIP OF WANTAGE, N.J.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 AND 2016
(CONTINUED)**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Accounting (continued)

Recent Accounting Pronouncements (continued)

In June 2017, the Government Accounting Standards Board issued GASB Statement No. 87, Leases, which is intended to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, as a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the government's leasing activities. The Township is currently reviewing what effect, if any, this Statement might have on future financial statements.

C. Basic Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Township presents the financial statements listed in the table of contents which are required by the Division and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

NOTE 2: BUDGETARY INFORMATION

Under New Jersey State Statutes, the annual budget is required to be a balanced cash basis document. To accomplish this, the municipality is required to establish a reserve for uncollected taxes. The 2017 statutory budget included a reserve for uncollected taxes in the amount of \$826,993.00. To balance the budget, the municipality is required to show a budgeted fund balance. The amount of fund balance budgeted to balance the 2017 statutory budget was \$336,850.00.

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Interdepartment budget transfers are not permitted prior to November 1. After November 1, budget transfers can be made in the form of a resolution and approved by the Township Committee.

TOWNSHIP OF WANTAGE, N.J.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 AND 2016
(CONTINUED)**

NOTE 2: BUDGETARY INFORMATION (CONTINUED)

N.J.S.A. 40A:4-87 permits special items of revenue and appropriations to be inserted into the annual budget when the item has been made available by any public or private funding source and the item was not determined at the time of budget adoption. During 2017, there was one special item of revenue and appropriations; Clean Communities Grant, \$42,127.02.

The municipality may make emergency appropriations, after the adoption of the budget, for a purpose which was not foreseen at the time the budget was adopted or for which adequate provision was not made therein. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety, morals or welfare or to provide temporary housing or public assistance prior to the next succeeding fiscal year.

Emergency appropriations, except those classified as a special emergency, must be raised in the budgets of the succeeding year. Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. During 2017, there were no Special Emergency appropriations.

NOTE 3: CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Township's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2017, \$546,380.23 of the Township's bank balance of \$5,771,696.38 was exposed to custodial credit risk. In comparison, as of December 31, 2016, \$467,928.26 of the Township's bank balance of \$4,204,831.99 was exposed to custodial credit risk.

Investments

Investment Rate Risk

The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A:5-15.1(a) limits the length of time for most investments to 397 days.

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**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 AND 2016
(CONTINUED)**

NOTE 3: CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Credit Risk

New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the Townships or bonds or other obligations of the local unit or units within which the Township is located: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk

The Township places no limit on the amount the Township may invest in any one issuer.

Unaudited Investments

As more fully described in Note 16, the Township has created a Length of Service Award Program (LOSAP) for emergency service volunteers. The LOSAP investments are similar to those allowed in a deferred compensation program as specified in NJSA 43:15B-1 et. seq. except that all investments are retained in the name of the Township. All investments are valued at fair value. In accordance with NJAC 5:30-14.37, the investments are maintained by Lincoln Benefit Life, which is an authorized provider approved by the Division of Local Government Services. The balance in the account on December 31, 2017 and 2016 amounted to \$546,380.23 and \$467,928.26, respectively.

The following investments represent 5% or more of the total invested with Lincoln Benefit Life on December 31, 2017:

	<u>2017</u>	<u>2016</u>
Fixed	\$166,319.85	\$156,146.12
LVIP SSGA S&P 500 Index Fund	278,547.70	228,442.33
Investments under 5%	<u>101,512.68</u>	<u>83,339.81</u>
Total	<u>\$546,380.23</u>	<u>\$467,928.26</u>

TOWNSHIP OF WANTAGE, N.J.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 AND 2016
(CONTINUED)**

NOTE 4: MUNICIPAL DEBT

Long-term debt as of December 31, 2017 consisted of the following:

	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Issued</u>	<u>Reductions</u>	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Amount Due</u> <u>Within One Year</u>
New Jersey Green Acres Loan	\$ 371,979.70	\$ -	\$ 53,921.78	\$ 318,057.92	\$46,473.12
DEP Dam Rehab. Loan	854,704.40	-	51,358.33	83,346.07	52,390.63
Other Liabilities -					
Compensated Absences Payable	<u>145,506.49</u>	<u>20,854.92</u> (1)	<u>-</u>	<u>166,361.41</u>	<u>-</u>
	<u>\$1,372,190.59</u>	<u>\$20,854.92</u>	<u>\$105,280.11</u>	<u>\$1,287,765.40</u>	<u>\$98,863.75</u>

(1) Increases represent additions net of days used.

The Local Bond law governs the issuance of bonds and notes to finance capital expenditures. General obligation bonds have been issued for the general capital fund. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligations bonds, backed by the full faith and credit of the Township. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years and five months or retired by the issuance of bonds.

The Township's debt is summarized as follows:

	<u>Year 2017</u>	<u>Year 2016</u>	<u>Year 2015</u>
<u>Issued:</u>			
General:			
Bonds, Notes and Loans	<u>\$6,285,493.99</u>	<u>\$6,506,766.10</u>	<u>\$6,374,615.13</u>
Assessment	<u>101,840.00</u>	<u>-</u>	<u>-</u>
Total Issued	<u>6,387,333.99</u>	<u>6,506,766.10</u>	<u>6,374,615.13</u>
<u>Authorized But Not Issued:</u>			
General:			
Bonds and Notes	<u>1,192,000.80</u>	<u>140,004.00</u>	<u>140,004.00</u>
Total Authorized But Not Issued	<u>1,192,000.80</u>	<u>140,004.00</u>	<u>140,004.00</u>
Net Bonds, Notes and Loans Issued and Authorized but Not Issued	<u>\$7,579,334.79</u>	<u>\$6,646,770.10</u>	<u>\$6,514,619.13</u>

TOWNSHIP OF WANTAGE, N.J.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 AND 2016
(CONTINUED)**

NOTE 4: MUNICIPAL DEBT (CONTINUED)

SUMMARY OF STATUTORY DEBT CONDITION - ANNUAL DEBT STATEMENT

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statement net debt of 0.63%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
General	<u>\$7,579,334.79</u>	<u>\$20,857.55</u>	<u>\$7,558,477.24</u>

Net debt \$7,558,477.24 divided by average equalized valuation basis per N.J.S. 40A:2-2 as amended, 1,179,925,028.33 = 0.64%.

Long-term debt as of December 31, 2017 consisted of the following:

Outstanding debt whose principal and interest are paid from the Current Fund Budget of the Township:

\$150,000.00 General Obligation Loan - Wantage Park - Phase II - dated 12/21/98 with the State of New Jersey, Department of Environmental Protection, Green Acres Loan. This loan is payable in semi-annual installments of \$4,663.74 through 9/21/18. Interest is calculated at 2.00% and is included in the semi-annual installments. This method of calculating interest is not in conformance with New Jersey Statutes. The Township has received approval from the Local Finance Board to use this method of interest calculation for this issue. The remaining balance as of December 31, 2017 was \$9,189.43.

\$445,936.69 General Obligation Loan - Improvements to Parks - dated 12/16/03 with the State of New Jersey, Department of Environmental Protection, Green Acres Loan. This loan is payable in semi-annual installments of \$6,932.44 through 8/12/23. Interest is calculated at 2.00% and is included in the semi-annual installments. This method of calculating interest is not in conformance with New Jersey Statutes. The Township has received approval from the Local Finance Board to use this method of interest calculation for this issue. The remaining balance as of December 31, 2017 was \$156,050.35.

\$250,000.00 General Obligation Loan - Improvements to Parks - dated 6/6/09 with the State of New Jersey, Department of Environmental Protection, Green Acres Loan. This loan is payable in semi-annual installments of \$7,772.90 through 12/6/28. Interest is calculated at 2.00% and is included in the semi-annual installments. This method of calculating interest is not in conformance with New Jersey Statutes. The Township has received approval from the Local Finance Board to use this method of interest calculation for this issue. The remaining balance as of December 31, 2017 was \$152,818.14.

TOWNSHIP OF WANTAGE, N.J.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 AND 2016
(CONTINUED)**

NOTE 4: MUNICIPAL DEBT (CONTINUED)

\$978,716.39 General Obligation Loan - Lake Neepaulin Dam Restoration - dated 12/19/13 with the State of New Jersey, Department of Environmental Protection. This loan is payable in semi-annual installments of \$34,098.45 through 3/31/31. Interest is calculated at 2.00% and is included in the semi-annual installments. This method of calculating interest is not in conformance with New Jersey Statutes. The remaining balance as of December 31, 2017 was \$803,346.07.

General Obligation Bonds and Loans - Listed above \$1,121,403.99

BORROWING POWER UNDER N.J.S. 40A:2-6 AS AMENDED

3 ½% of Equalized Valuation Basis (Municipal) \$41,297,375.99
Net Debt 7,558,477.24

Remaining Borrowing Power \$33,738,898.75

The foregoing debt information is not in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

ANALYSIS OF AVERAGE EQUALIZED VALUATION - SUMMARY

2017	1,179,925,028.33	
2016		1,181,313,410.67
2015		1,184,149,720.00

The Township issues Bond Anticipation Notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. Generally, such notes must be paid no later than the fifth day of the fifth month following the close of the tenth fiscal year next following the date of the original notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. A second and third legal installment must be paid if the notes are to be renewed beyond the fourth and fifth anniversary date of the original issuance.

On December 31, 2017, the Township had \$5,164,090.00 in outstanding General Capital Bond Anticipation Notes at an interest rate of 1.29%, payable to TD Bank, NA. This note will mature on November 21, 2018.

TOWNSHIP OF WANTAGE, N.J.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 AND 2016
(CONTINUED)**

NOTE 4: MUNICIPAL DEBT (CONTINUED)

On December 31, 2017, the Township had \$101,840.00 in outstanding Assessment Bond Anticipation Notes at an interest rate of 1.29%, payable to TD Bank, NA. This note will mature on November 21, 2018.

The following activity related to Bond Anticipation Notes occurred during the calendar year ended December 31, 2017:

	<u>Balance</u> <u>12/31/2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/30/2017</u>
TD Securities	<u>\$5,165,782.00</u>	<u>\$5,265,950.00</u>	<u>\$5,165,782.00</u>	<u>\$5,265,930.00</u>

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT ISSUED AND OUTSTANDING

<u>Calendar</u> <u>Year</u>	<u>General Capital Bonds</u>		<u>Total Debt</u> <u>Service</u>
	<u>Principal</u>	<u>Interest</u>	
2018	98,863.75	21,936.16	120,799.91
2019	91,476.76	19,995.70	111,472.46
2020	93,315.45	18,157.02	111,472.47
2021	95,191.09	16,281.38	111,472.47
2022	97,104.43	14,368.02	111,472.45
2023 - 2027	400,715.82	45,727.43	446,443.25
2028 - 2031	<u>244,736.69</u>	<u>9,498.25</u>	<u>254,234.94</u>
Total	<u>1,121,403.99</u>	<u>145,963.96</u>	<u>1,267,367.95</u>

NOTE 5: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2017 the following deferred charges are shown on the balance sheets of the various funds.

	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>2018 Budget</u> <u>Appropriation</u>	<u>Balance To</u> <u>Succeeding Budgets</u>
Current Fund:			
Reassessment of Taxes	\$ 44,000.00	\$44,000.00	\$ -
Revision of Tax Maps	28,800.00	14,400.00	14,400.00
Master Plan	<u>15,000.00</u>	<u>5,000.00</u>	<u>10,000.00</u>
	<u>\$87,800.00</u>	<u>\$63,400.00</u>	<u>\$24,400.00</u>

The appropriations in the 2018 Budget are not less than required by Statute.

TOWNSHIP OF WANTAGE, N.J.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 AND 2016
(CONTINUED)**

NOTE 6: REGIONAL AND REGIONAL HIGH SCHOOL DISTRICT TAXES

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the School District. The Township of Wantage has not elected to defer school taxes.

NOTE 7: PENSION PLAN

Township employees participate in one of the two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employees' Retirement System (PERS); or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(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 the PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

Benefits Provided

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 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25

TOWNSHIP OF WANTAGE, N.J.

NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2017 AND 2016 (CONTINUED)

NOTE 7: PENSION PLAN (CONTINUED)

Public Employees' Retirement System (PERS), (continued)

Benefits Provided (continued)

or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 50 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.

Defined Contribution Retirement Program

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

Contribution Requirements

The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.5% for PERS. This amount will increase to 6.5% plus an additional 1% phased in over 7 years beginning 2012 and 8.5% for PFRS, which increased to 10% in October 2011, of the employee's annual compensation, as defined by law. Employers are required to contribute at an actuarially determined rate in all Funds. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS, the employer contribution includes funding for post-retirement medical premiums.

TOWNSHIP OF WANTAGE, N.J.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 AND 2016
(CONTINUED)**

NOTE 7. PENSION PLAN (CONTINUED)

Contribution Requirements (continued)

The Township's contribution to the various plans, equal to the required contributions for each year, were as follows:

<u>Year</u>	<u>PERS</u>	<u>DCRP</u>
2016	\$128,006.00	\$2,870.38
2015	155,347.65	3,020.04
2014	154,302.00	3,026.92

Statement No's 68 and 71 require a state or local government employer to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. However, since the financial statements are prepared on another comprehensive basis of accounting, the net pension liability of the various pension systems is not recorded in the financial statements and is only required to be disclosed in the notes to the financial statements.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Public Employees Retirement System (PERS)

At December 31, 2017, the Township had a liability of \$3,394,515.00 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Township's proportion of the net pension liability 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 governmental entities, actuarially determined. At June 30, 2017, the Township's proportion was 0.0145822530 percent, which was an increase/(decrease) of (0.0001734216) percent from its proportion measured as of June 30, 2016.

For the year ended December 31, 2017, the Township recognized pension expense of \$128,006.00. At December 31, 2017, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

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**NOTES TO FINANCIAL STATEMENTS
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(CONTINUED)**

NOTE 7: PENSION PLANS, (CONTINUED)

Public Employees Retirement System (PERS), (continued)

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ 79,929.00	\$ -
Changes of assumptions	683,878.00	681,371.00
Net difference between projected and actual earnings on pension plan investments	23,114.00	-
Changes in proportion and differences between the Township's contributions and proportionate share of contributions	<u>82,511.00</u>	<u>519,836.00</u>
Total	<u>\$869,432.00</u>	<u>\$1,201,207.00</u>

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2017) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$79,910.00
2019	120,586.00
2020	73,069.00
2021	(97,182.00)
2022	(70,833.00)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.48, 5.57, 5.72 and 6.44 years for 2017, 2016, 2015 and 2014 amounts respectively.

TOWNSHIP OF WANTAGE, N.J.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 AND 2016
(CONTINUED)**

NOTE 7: PENSION PLANS, (CONTINUED)

Additional Information

Local Group Collective balances at June 30, 2017 and June 30, 2016 are as follows:

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Collective deferred outflows of resources	\$6,424,455,842	\$8,685,338,380
Collective deferred inflows of resources	5,700,625,981	870,133,595
Collective net pension liability	23,278,401,588	29,617,131,759
Township's Proportion	0.0145822530%	0.0144088314%

Actuarial Assumptions

The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016, which rolled forward to June 30, 2017. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation	2.25 Percent
Salary Increases:	
Through 2026	1.65-4.15 Percent (based on age)
Thereafter	2.65-5.15 Percent (based on age)
Investment Rate of Return	7.00 Percent

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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**NOTES TO FINANCIAL STATEMENTS
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(CONTINUED)**

NOTE 7: PENSION PLANS, (CONTINUED)

Public Employees Retirement System (PERS), (continued)

Mortality Rates

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

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2017 are summarized in the following table:

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**NOTES TO FINANCIAL STATEMENTS
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(CONTINUED)**

NOTE 7: PENSION PLANS, (CONTINUED)

Public Employees Retirement System (PERS), (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute return/risk mitigation	5.00%	5.51%
Cash equivalents	5.50%	1.00%
U. S. Treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
Public high yield	2.50%	6.82%
Global diversified credit	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%
Debt related private equity	2.00%	10.63%
Debt related real estate	1.00%	6.61%
Private real estate	2.50%	11.83%
Equity related real estate	6.25%	9.23%
U. S. Equity	30.00%	8.19%
Non-U. S. Developed markets equity	11.50%	9.00%
Emerging markets equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%

Discount Rate

The discount rate used to measure the total pension liability was 5.00% as of June 30, 2017. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017 based on the Bond Buyer GO 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

TOWNSHIP OF WANTAGE, N.J.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 AND 2016
(CONTINUED)**

NOTE 7: PENSION PLANS, (CONTINUED)

Public Employees Retirement System (PERS), (continued)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the participating employers as of June 30, 2017 respectively, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2017		
	1% Decrease	At Current Discount Rate	1% Increase
	<u>4.00%</u>	<u>5.00%</u>	<u>6.00%</u>
Township's proportionate share of the pension liability	\$4,211,127	\$3,394,515	\$2,714,177

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

NOTE 8: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2017 and 2016 which were appropriated and included as anticipated revenue in their own respective funds for the years ending December 31, 2018 and 2017 were as follows:

	<u>2018</u>	<u>2017</u>
Current Fund	<u>\$660,900.00</u>	<u>\$336,850.00</u>

TOWNSHIP OF WANTAGE, N.J.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 AND 2016
(CONTINUED)**

NOTE 9: ACCRUED SICK BENEFITS

The Township of Wantage has permitted employees to accrue unused sick pay, which may be taken as time off or paid upon retirement or separation at the employee's current rate at such termination. The current cost of such unpaid compensation is not reported either as an expenditure or liability. It is expected that the cost of such unpaid compensation would be included in the Township's budget operating expenditures in the year in which it is used. It is estimated that the current cost of such unpaid compensation would approximate \$166,361.41.

This amount is not reported either as an expenditure or a liability. The Township has reserved \$12,069.87 from previous budgets to be used to offset this liability and is reflected on the Trust Fund balance sheet. See Exhibit B-8 for an analysis. It is expected that any remaining cost of such unpaid compensation would be included in the Township's budget operating expenditures in the year in which it is used.

NOTE 10: DUE TO/FROM OTHER FUNDS

Balances due to/from other funds at December 31, 2017 consist of the following:

\$124,837.88	Due to Federal and State Grant Fund from Current Fund for cash receipts and cash disbursed from the Current Fund for Federal and State Grants.
<u>14,868.55</u>	Due to Assessment Trust from Other Trust Fund for cash received in Other trust Fund for confirmed assessments.
<u>\$139,706.43</u>	

It is anticipated that all interfunds will be liquidated during the calendar year.

NOTE 11: FIXED ASSETS

The following schedule is a summarization of changes in general fixed assets account group for the year ended December 31, 2017.

	<u>Balance as of Dec. 31, 2016</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance as of Dec. 31, 2017</u>
Land	\$1,108,236.77	\$ -	\$ -	\$1,108,236.77
Buildings	3,324,266.63	-	-	3,324,266.63
Equipment (Including Vehicles)	<u>5,659,455.52</u>	<u>114,748.90</u>	<u>847,511.45</u>	<u>4,926,692.97</u>
	<u>\$10,091,958.92</u>	<u>\$114,748.90</u>	<u>\$847,511.45</u>	<u>\$9,359,196.37</u>

TOWNSHIP OF WANTAGE, N.J.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 AND 2016
(CONTINUED)**

NOTE 12: RISK MANAGEMENT

The Township is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township has obtained insurance coverage to guard against these events which will provide minimum exposure to the Township should they occur. During the 2017 calendar year, the Township did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

NOTE 13: PUBLIC ASSISTANCE

The Township of Wantage has elected to have the County of Sussex process all public assistance granted to the residents. Therefore, the Township of Wantage no longer has a public assistance director.

NOTE 14: HEALTH INSPECTIONS

The Township of Wantage has elected to have the County of Sussex, Department of Health perform all inspections. Therefore, the Township does not have a health inspector.

NOTE 15: TAXES COLLECTED IN ADVANCE

Taxes collected in advance are recorded as cash liabilities in the financial statements. Following is a comparison of the liability for the previous two years:

	Balance <u>Dec. 31, 2017</u>	Balance <u>Dec. 31, 2016</u>
Prepaid Taxes	<u>\$1,050,020.06</u>	<u>\$214,742.23</u>
Cash Liability for Taxes Collected in Advance	<u>\$1,050,020.06</u>	<u>\$214,742.23</u>

TOWNSHIP OF WANTAGE, N.J.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 AND 2016
(CONTINUED)**

NOTE 16. EMERGENCY SERVICES VOLUNTEER LENGTH OF SERVICE AWARD PLAN (LOSAP)

On 3/11/04, the Division of Local Government Services approved the Township's LOSAP plan, provided by Lincoln Financial. The purpose of this plan is to enhance the Township's ability to retain and recruit volunteer firefighters and volunteer members of emergency service squads.

Lincoln Financial will provide for the benefit of participants, a multi-fund variable annuity contract as its funding vehicle. The plans contribution requirements are as follows: the contribution for each participating active volunteer member shall be between the minimum contributions of \$115.00 and the maximum contribution of \$1,150.00 commencing 2004. The Township's contribution shall be included in the current year's budget.

All amounts awarded under a length of service award plan shall remain the asset of the sponsoring agency; the obligation of the sponsoring agency to participating volunteers shall be contractual only; and no preferred or special interest in the awards made shall accrue to such participants. Such money shall be subject to the claims of the sponsoring agency's general creditors until distributed to any or all participants.

We have reviewed the plan for the year ended December 31, 2017 in accordance with the American Institute of Certified Public Accountants (AICPA) Statement on Standards for Accounting and Review Services.

NOTE 17: POST-RETIREMENT BENEFITS

A. PLAN OVERVIEW

Township of Wantage ("Wantage") provides post-employment benefits other than pensions ("OPEB") to employees who meet certain criteria. As a result of offering such benefits, Wantage will be required to report the value of such benefits and the associated costs according to the accounting requirements of Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting "by Employers for Postemployment Benefits Other Than Pensions ("GASB 45").

Wantage provides medical benefits to retirees who retired from Wantage with 25 years of service. All active employees who retire directly from Wantage are no longer eligible to participate.

The summary below presents the results of the actuarial valuation of the postretirement medical obligations as of December 31, 2015, including a determination of financial reporting information for the year ending December 31, 2015.

TOWNSHIP OF WANTAGE, N.J.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 AND 2016
(CONTINUED)**

NOTE 17: POST-RETIREMENT BENEFITS (CONTINUED)

Results of Valuation

• *Actuarial Accrued Liability*

The Actuarial Accrued Liability (“AAL”) as of December 31, 2015 is \$244,168 based upon a discount rate of 4.50% per annum and the plan provisions in effect on December 31, 2015.

• *Annual Required Contribution*

The Annual Required Contribution (“ARC”) is the measure of annual cost on an accrual basis. It is comprised of the “Normal Cost” which is the portion of future liabilities attributable to the measurement year, plus 7 year amortization of the Unfunded Actuarial Accrued Liability (“UAAL”). Seven year amortization is used because the eligible group consists entirely of retirees and the amortization period is based on their future life expectancy. As of the measurement date, the plan had no assets to offset any portion of the AAL, so the UAAL and AAL are equal.

The ARC as of December 31, 2015 is \$41,436 based upon a discount rate of 4.50% per annum and the plan provisions in effect on December 31, 2015. The breakdown of the ARC is as follows:

(1) Normal Cost	\$ 0
(2) Actuarial Accrued Liability	\$ 244,168
(3) Assets	\$ 0
(4) UAAL = (2)-(3)	\$ 244,168
(5) 7 Year Amortization of UAAL at Discount Rate	\$ 41,436
(6) ARC = (1)+(5)	\$ 41,436

Basis of Valuation

This valuation has been conducted as of December 31, 2015 based upon census, plan design and claims information provided by The Fund. Census includes 3 participants currently receiving retiree benefits, and no active participants, as this plan is closed to future retirees. The average age of the retiree population is 82.

Actuarial assumptions were selected with the intention of satisfying the requirements of New Jersey Local Finance Notice 2007-15 in addition to Statement of Government Accounting Standard Number 45.

TOWNSHIP OF WANTAGE, N.J.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 AND 2016
(CONTINUED)**

NOTE 17: POST-RETIREMENT BENEFITS (CONTINUED)

**Basis of Valuation
(continued)**

Demographic assumptions were selected based on those used in by the State Division of Pensions and Benefits in calculating pension benefits taken from the July 1, 2015 report from Buck Consultants. While some assumptions were simplified to reflect the smaller population, and to simplify the valuation process, the valuation results reasonably conform to the requirements of LFN 2007-15.

Health care (economic) assumptions were selected based on those used by the State Health Benefits Program in calculating SHBP member OPEB requirements taken from the July 1, 2014 report from Aon Consultants.

Key Actuarial Assumptions

<i>Mortality</i>	<i>RP 2000 Combined Healthy Male Mortality Rates Set Forward Three Years</i>
<i>Turnover</i>	<i>NJ State Pensions Ultimate Withdrawal Rates- prior to benefits eligibility</i>
<i>Assumed Retirement Age</i>	<i>Current Age</i>
<i>Full Attribution Period</i>	<i>All Benefits Fully Earned</i>
<i>Benefit End Date</i>	<i>At Death</i>
<i>Annual Discount Rate</i>	<i>4.50%</i>
<i>Medical Trend</i>	<i>8% in 2015, reducing by 0.5% per annum, leveling at 5% per annum in 2020</i>
<i>Medical Cost Aging Factor</i>	<i>NJ SHBP Medical Morbidity Rates</i>

- Attribution period – All benefits are fully accrued as the plan is open to a select group of current retirees only.
- Per capita cost methods – The valuation reflects per capita net premium costs based on actual 2012 medical and prescription drug premiums and the plan option selected. 2012 total contributions for retiree benefits as reported by the Fund were \$30 thousand.
- Retiree Contributions – None.
- Actuarial valuation method – Projected Unit Credit Funding Method.

TOWNSHIP OF WANTAGE, N.J.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2017 AND 2016
(CONTINUED)**

NOTE 18: CONTINGENT LIABILITIES

Township Counsel has advised us of the following:

There is a matter involving numerous municipalities vs a salt vendor in which Wantage is a party to. Township counsel filed a motion to dismiss the complaint which was granted by the trial court. The vendor filed an appeal. Township counsel anticipates that the trial court's decision in dismissing the complaint will be upheld on appeal. However, the potential loss is estimated at \$-0- to \$694,000.

There is on matter involving the Land Use Board. Insurance is covering some of the actual litigation costs. Counsel believes that at the conclusion of the litigation, the Township shall prevail.

There are various appeals of assessments of real estate which the Township financial exposure and costs of litigation are unknown at this time.

NOTE 19: SUBSEQUENT EVENT

The Township has evaluated subsequent events through June 25, 2018, the date which the financial statements were available to be issued and no other items were noted for disclosure.

SUPPLEMENTARY DATA

TOWNSHIP OF WANTAGE
OFFICIALS IN OFFICE AND SURETY BONDS

YEAR ENDED DECEMBER 31, 2017

<u>Name</u>	<u>Title</u>
Jonathan Morris	Mayor
William Gaechter	Deputy Mayor
Ronald Bassani	Committeeman
Debra Millikin	Administrator/Acting Municipal Clerk; QPA
Melissa Caton	Tax Collector; Tax Search Officer
Michelle LaStarza	Chief Financial Officer/Treasurer
Kristy Lockburner	Assessor
Glenn Gavan	Court Judge
Tania Ell	Municipal Court Administrator to 10/18/17
Lauren McIntosh	Acting Municipal Court Administrator from 10/19/17 to 12/3/17
Donna Chernov	Municipal Court Administrator from 12/4/17
Jeanne McBride	Sec. Board of Health
Glenn Kienz	Attorney
Harold E. Pellow	Engineer
William Haggerty	Prosecutor
James P. Sloan	Public Defender
Christine Von Oesen	Assistant Municipal Clerk; Registrar
Jeanne McBride	Sec. Planning Board and Zoning Board; Assistant Zoning Officer
Patrick Stefanelli	Zoning Officer; Housing Inspector
Township of Hardyston	Fire Prevention; Fire Subcode Official; Plumbing Subcode Inspector; Electrical Subcode Official; Building Subcode Official; Construction Official
John Abate	Animal Control Officer
Thomas M. Ferry, C.P.A., R.M.A.	Township Auditor

Blanket Bond coverage is provided for all Officials and Employees in the amount of \$1,000,000, provided by Statewide Insurance Fund. The type of coverage provided by Blanket Bond is for employee forgery and alteration.

All of the bonds were examined and were properly executed.

Township of Wantage

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2017

State Grantor/Program Title	Federal C.F.D.A. Number	Program or Award Amount	Grant Period From/To	12/31/2016		Expended	12/31/2017		MEMO Cumulative Total Expenditures
				(Receivable)	Reserve Balance		(Receivable)	Reserve Balance	
FEDERAL AND STATE GRANT FUND United States Department of Homeland Security (Passed through NJ Office of Emergency Management) Emergency Management Performance Grants	97,042	7,000.00	1/1/16-12/31/16	(7,000.00)	4,576.93	4,576.93	(9,400.00)	9,400.00	7,000.00
	97,042	9,400.00	1/1/17-12/31/17	(7,000.00)	4,576.93	4,576.93	(9,400.00)	9,400.00	7,000.00
TOTAL FEDERAL AND STATE GRANT FUND				(7,000.00)	4,576.93	4,576.93	(9,400.00)	9,400.00	7,000.00
TOTAL FEDERAL AID:				(7,000.00)	4,576.93	4,576.93	(9,400.00)	9,400.00	7,000.00

Note: This schedule was not subject to an audit in accordance with The Uniform Guidance.

Township of Wantage
Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2017

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From/To	12/31/2016		12/31/2017		MEMO Cumulative Total Expenditures
				(Receivable)	Reserve Balance	(Receivable)	Reserve Balance	
FEDERAL AND STATE GRANT FUND								
NJ Department of Solid Waste Administration:								
Recycling Tonnage	100-042-4910-224-V42Y-6020	9,099.14	1/1/14-12/31/14		2,468.10			9,099.14
Recycling Tonnage	100-042-4910-224-V42Y-6020	11,735.26	1/1/15-12/31/15		11,725.00		9,644.21	2,111.05
Recycling Tonnage	100-042-4910-224-V42Y-6020	9,502.58	1/1/16-12/31/16		9,502.00		9,502.00	0.58
Recycling Tonnage	100-042-4910-224-V42Y-6020	7,272.00	1/1/17-12/31/17		7,272.00		7,272.00	
Recycling Tonnage	100-042-4910-224-V42Y-6020	7,392.15	1/1/18-12/31/18		7,392.15		7,392.15	
				23,695.10	14,664.15		33,810.36	11,210.77
Clean Communities	765-042-4900-004-V42Y-6020	43,351.00	1/1/15-12/31/15		30,220.78		37,680.66	43,351.00
Clean Communities	765-042-4900-004-V42Y-6020	49,586.70	1/1/16-12/31/16		49,586.70		42,127.02	11,906.04
Clean Communities	765-042-4900-004-V42Y-6020	42,127.02	1/1/17-12/31/17		42,127.02		42,127.02	
				-	42,127.02		79,807.68	55,237.04
				-	103,502.58		113,618.04	66,467.81
Total NJ Department of Solid Waste Administration:								
NJ Department of Community Affairs:								
Alcohol Education Rehabilitation	760-098-Y900-001-X100-6020	11,150.00	1/1/03-12/31/03		41.58		41.58	11,108.42
Alcohol Education Rehabilitation	760-098-Y900-001-X100-6020	251.37	1/1/10-12/31/10		251.00		251.00	
Alcohol Education Rehabilitation	760-098-Y900-001-X100-6020	161.00	1/1/11-12/31/11		161.00		161.00	
Alcohol Education Rehabilitation	760-098-Y900-001-X100-6020	377.74	1/1/12-12/31/12		377.00		377.00	
Alcohol Education Rehabilitation	760-098-Y900-001-X100-6020	422.20	1/1/13-12/31/13		422.00		422.00	
					1,252.58		1,252.58	11,108.42
Total NJ Department of Community Affairs:								
NJ Department of Transportation								
Local Municipal Aid - Pigeon Hill Rd IV		190,000.00	1/1/16-12/31/16	(190,000.00)	190,000.00			190,000.00
				(190,000.00)	190,000.00			190,000.00
Council on Alcoholism and Drug Abuse								
Pass Through County of Sussex		12,716.00	1/1/15-12/31/15		6,512.59			12,716.00
		12,716.00	1/1/16-12/31/16	(10,143.19)	12,716.00	10,143.19		12,716.00
		12,716.00	1/1/17-12/31/17	(10,143.19)	19,228.59	20,081.01	10,081.01	2,634.99
					21,863.58	(2,634.99)	10,081.01	28,066.99
				(200,143.19)	123,983.75	267,015.37	124,951.63	295,643.22
Total Federal and State Grant Fund								
				(200,143.19)	123,983.75	267,015.37	124,951.63	295,643.22
Total State Aid								

Note: This schedule was not subject to an audit in accordance with N.J.OMB Circular 15-08.

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE

CURRENT FUND

	<u>Year 2017</u>		<u>Year 2016</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
<u>Revenue and Other Income Realized</u>				
Fund Balance Utilized	336,850.00	0.99%	575,000.00	1.66%
Miscellaneous - From Other Than				
Local Property Tax Levies	1,441,989.90	4.24%	1,567,277.34	4.53%
Collection of Delinquent Taxes				
and Tax Title Liens	800,430.61	2.35%	686,463.90	1.98%
Collection of Current				
Tax Levy	30,804,039.36	90.58%	31,344,482.64	90.53%
Other Credits to Income	624,814.53	1.84%	450,385.40	1.30%
	<u>34,008,124.40</u>	<u>100.00%</u>	<u>34,623,609.28</u>	<u>100.00%</u>
<u>Total Revenue and Other Income Realized</u>				
<u>Expenditures</u>				
Budget Expenditures:				
Municipal Purposes	5,271,823.46	15.89%	5,629,909.52	16.42%
Local and Regional School Taxes	21,138,820.00	63.71%	21,924,782.00	63.96%
County Taxes	6,686,831.96	20.15%	6,583,486.36	19.21%
Municipal Open Space Taxes		0.00%	60,239.08	0.18%
Other Expenditures	81,926.17	0.25%	80,555.80	0.24%
	<u>33,179,401.59</u>	<u>100.00%</u>	<u>34,278,972.76</u>	<u>100.00%</u>
<u>Total Expenditures</u>				
Statutory Excess to Fund Balance	828,722.81		344,636.52	
Fund Balance, January 1,	<u>711,000.78</u>		<u>941,364.26</u>	
	1,539,723.59		1,286,000.78	
Less:				
Utilized as Anticipated Revenue	<u>336,850.00</u>		<u>575,000.00</u>	
Fund Balance, December 31,	<u><u>1,202,873.59</u></u>		<u><u>711,000.78</u></u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>Tax Rate</u>	<u>2.615</u>	<u>2.674</u>	<u>2.589</u>

Apportionment of Tax Rate:

Municipal	.294	.294	.295
County	.557	.548	.516
Regional School	1.764	1.827	1.774
Municipal Open Space	.000	.005	.004

Assessed Valuation

2017	1,198,176,442		
2016		1,200,037,936	
2015			1,206,505,078

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 a probable increase in future tax levy.

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2017	31,410,296.12	30,804,039.36	98.07%
2016	32,221,679.05	31,344,482.64	97.28%
2015	31,270,803.28	30,557,905.16	97.72%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>Year</u>	<u>Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Amount of Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2017	369,848.21	536,714.73	906,562.94	2.89%
2016	322,840.34	785,309.40	1,108,149.74	3.44%
2015	278,081.56	650,759.41	928,840.97	2.97%

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>
2017	1,500,000.00
2016	1,500,000.00
2015	1,530,800.00
2014	1,669,500.00
2013	1,669,500.00

COMPARATIVE SCHEDULE OF FUND BALANCES

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>
2017	1,202,873.59	660,900.00
2016	711,000.78	336,850.00
2015	941,364.26	575,000.00
2014	669,925.17	329,000.00
2013	904,696.74	625,000.00

Township of Wantage, N. J.

Schedule of Cash

Current Fund

Year Ended December 31, 2017

Balance - December 31, 2016	<u>Ref.</u> A		1,416,018.62
Increased by Receipts:			
Miscellaneous Revenue Not Anticipated	A-2	209,481.97	
Taxes Receivable	A-6	31,265,883.30	
Tax Title Liens Receivable	A-7	11,402.67	
Revenue Accounts Receivable	A-9	1,285,264.45	
Due From State - Senior Citizen and Veteran Deductions	A-10	111,665.50	
Interfunds	A-11	356,931.63	
Various Cash Liabilities and Reserves	A-14	30,015.86	
Prepaid Taxes	A-16	<u>1,050,020.06</u>	
			<u>34,320,665.44</u>
			35,736,684.06
Decreased by Disbursements:			
Current Year Budget Appropriations	A-3	4,739,148.05	
Interfunds	A-11	76,598.67	
Appropriation Reserves	A-13	205,282.42	
Various Cash Liabilities and Reserves	A-14	108,739.15	
County Taxes Payable	A-17	6,697,254.22	
Local Regional School Taxes Payable	A-18	13,670,851.00	
Regional High School Taxes Payable	A-19	<u>7,467,969.00</u>	
			<u>32,965,842.51</u>
Balance - December 31, 2017	A		<u><u>2,770,841.55</u></u>

Township of Wantage, N. J.
Schedule of Change Fund
Current Fund
Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	A	<u><u>100.00</u></u>
Balance - December 31, 2017	A	<u><u>100.00</u></u>

<u>Analysis of Balance</u>	
Tax Collector	<u><u>100.00</u></u>

Township of Wantage, N. J.

Schedule of Taxes Receivable and Analysis of Property Tax Levy

Current Fund

Year Ended December 31, 2017

Year	Balance, Dec. 31, 2016	Levy	Added Taxes	Collected 2016	2017	Senior Citizen and Veteran Deductions	Transferred to Tax Title Liens	Canceled	Balance, Dec. 31, 2017
2011	742.35				742.35				
2014	3,114.87				3,114.87				
2015	4,238.19		3,718.54		7,956.73				
2016	777,213.99				777,213.99				
	785,309.40		3,718.54		789,027.94				
			77,969.04	214,742.23	30,476,855.36	112,441.77	60,410.24	9,131.79	536,714.73
2017	785,309.40	31,332,327.08	81,687.58	214,742.23	31,265,883.30	112,441.77	60,410.24	9,131.79	536,714.73
	A			A-2;A-16	A-2;A-4	A-2;A-10	A-7		A

Analysis of Tax Levy

Tax yield:	Ref.
General Purpose Tax	31,332,327.08
Added Tax (R.S. 54:4-63.1 et seq.)	77,969.04
	<u>31,410,296.12</u>
Tax Levy:	
County Tax	A-17 6,670,227.31
Added County Taxes	A-17 <u>16,604.65</u>
Regional School Tax	A-18 6,686,831.96
Regional High School Tax	A-19 13,670,851.00
	7,467,969.00
	<u>27,825,651.96</u>
Local Tax for Municipal Purposes	3,522,643.00
Additional Taxes	<u>62,001.16</u>
	<u>3,584,644.16</u>
	<u>31,410,296.12</u>

Township of Wantage, N. J.
Schedule of Tax Title Liens Receivable

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	A	322,840.34
Increased by:		
Transferred from 2017 Taxes Receivable	A-6	60,410.24
Added Tax Title Liens		1,718.84
		62,129.08
		384,969.42
Decreased by:		
Cancelled		3,718.54
Collections	A-2;A-4	11,402.67
		15,121.21
Balance - December 31, 2017	A	369,848.21

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Township of Wantage, N. J.
Schedule of Property Acquired for
Taxes Assessed Valuation

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	A	1,500,000.00
Balance - December 31, 2017	A	1,500,000.00

Township of Wantage, N. J.
Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Balance Dec. 31, 2016</u>	<u>Accrued</u>	<u>Collected</u>	<u>Balance Dec. 31, 2017</u>
Clerk:					
Licenses:					
Alcoholic Beverages	A-2		3,420.00	3,420.00	
Miscellaneous Revenue not Anticipated	A-2		3,556.83	3,556.83	
Municipal Court :					
Fines and Costs	A-2	1,460.41	30,804.43	29,130.50	3,134.34
Tax Collector:					
Interest and Costs on Taxes	A-2		160,523.87	160,523.87	
Interest on Investments and Deposits	A-2		13,629.33	13,629.33	
Interest and Costs on Assessments	A-2		1,514.18	1,514.18	
Board of Health / Registrar of Vital Statistics					
Miscellaneous Revenue not Anticipated	A-2		8,021.00	8,021.00	
Planning and Zoning Board					
Miscellaneous Revenue not Anticipated	A-2		18,330.00	18,330.00	
Cable TV Franchise Fee	A-2		30,002.00	30,002.00	
Consolidated Municipal Property Tax	A-2		65,203.00	65,203.00	
Energy Receipts Tax	A-2		689,462.00	689,462.00	
Garden State Trust	A-2		29,948.00	29,948.00	
Watershed Moratorium Offset	A-2		4,559.00	4,559.00	
Interlocal Service Agreements:					
Stillwater Agreement	A-2		40,325.00	40,325.00	
Animal Control Agreement	A-2		104,350.00	104,350.00	
Municipal Court - Sussex Borough	A-2		41,386.00	41,386.00	
Tax Assessor - Sussex Borough	A-2		11,016.00	11,016.00	
Tax Collector - Sussex Borough	A-2		8,833.00	8,833.00	
Finance Officer - Andover Borough	A-2		23,970.00	23,970.00	
		<u>1,460.41</u>	<u>1,288,853.64</u>	<u>1,287,179.71</u>	<u>3,134.34</u>
		A			A
			<u>Ref.</u>		
			Cash Receipts	1,285,264.45	
			Interfund	1,915.26	
				<u>1,287,179.71</u>	

Township of Wantage, N. J.

**Schedule of Amount Due From State of New Jersey
for Senior Citizens' and Veterans' Deductions - CH. 73 P.L. 1976**

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>		
Balance - December 31, 2016	A		28,117.58
Increased by:			
Senior Citizens' and Veterans' Per Tax Billing		111,500.00	
Add: Deductions Allowed - Current Year		<u>1,750.00</u>	
		113,250.00	
Less: Deductions Disallowed - Prior Year		<u>808.23</u>	
	A-6		<u>112,441.77</u>
			140,559.35
Decreased by:			
State Share of Senior Citizens and Veteran Deductions Received in Cash	A-4		<u>111,665.50</u>
Balance - December 31, 2017	A		<u><u>28,893.85</u></u>

Township of Wantage, N. J.

Schedule of Interfunds Receivables/(Payables)

Current Fund

Year Ended December 31, 2017

Fund	Ref.	Due From/(To) Balance		Decreased	Due From/(To) Balance Dec. 31, 2017
		Dec. 31, 2016	Increased		
Federal and State Grants	A	75,757.82	277,194.37	76,598.67	(124,837.88)
Other Trust	A	1.00		1.00	
General Capital Fund		<u>75,758.82</u>	<u>82,915.26</u>	<u>82,915.26</u>	<u>(124,837.88)</u>
		<u>75,758.82</u>	<u>360,109.63</u>	<u>159,514.93</u>	<u>(124,837.88)</u>
<u>Analysis</u>					
Due From Current Fund		<u>75,757.82</u>			<u>(124,837.88)</u>
Anticipated As Item of Revenue	A-2		81,000.00		
Appropriation Payable	A-3		3,179.00		
Received	A-4		274,015.37	82,916.26	
Disbursed	A-4			76,598.67	
Revenue Accounts Receivable	A-9		1,915.26		
			<u>360,109.63</u>	<u>159,514.93</u>	

Township of Wantage, N. J.
Schedule of Deferred Charges
N.J.S 40A:4-55 Special Emergency Authorizations

Current Fund

Year Ended December 31, 2017

<u>Purpose</u>	<u>Date</u>	<u>Amount Authorized</u>	<u>1/5 of Amount Authorized</u>	<u>Balance Dec. 31, 2016</u>	<u>Reduced by 2015 Budget</u>	<u>Balance Dec. 31, 2017</u>
Reassessment of Taxes	03/28/13	220,000.00	44,000.00	88,000.00	44,000.00	44,000.00
Revision of Tax Maps	06/12/14	72,000.00	14,400.00	43,200.00	14,400.00	28,800.00
Master Plan Update	09/10/15	25,000.00	5,000.00	20,000.00	5,000.00	15,000.00
				<u>151,200.00</u>	<u>63,400.00</u>	<u>87,800.00</u>
				<u>A</u>	<u>A-3</u>	<u>A</u>

Township of Wantage, N. J.
Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2017

	Balance, Dec. 31, <u>2016</u>	Balance after <u>Transfers</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Salaries and Wages Within "CAPS"				
Administration	785.30	785.30		785.30
Municipal Clerk	504.84	504.84		504.84
Financial Administration	11,144.18	11,144.18		11,144.18
Collection of Taxes	3,000.00	3,000.00		3,000.00
Assessment of Taxes	6,409.43	6,409.43	3,007.31	3,402.12
Code Enforcement	2,307.66	2,307.66		2,307.66
Streets and Road:				
Snow Removal	11.50	11.50	11.50	
Public Buildings and Grounds	78.46	78.46		78.46
Health and Welfare:				
Animal Control	1,871.71	1,871.71		1,871.71
Municipal Court	8,084.40	8,084.40		8,084.40
Total Salaries and Wages Within "CAPS"	<u>34,197.48</u>	<u>34,197.48</u>	<u>3,018.81</u>	<u>31,178.67</u>
Other Expenses Within "CAPS":				
Administration	4,526.31	4,526.31	2,363.45	2,162.86
Mayor and Committee	605.16	605.16		605.16
Municipal Clerk	9,068.80	9,068.80	4,040.00	5,028.80
Financial Administration	2,381.63	2,381.63	2,091.95	289.68
Audit Services	18,475.00	18,475.00	14,025.00	4,450.00
Computer Services	16,225.85	16,225.85	2,950.00	13,275.85
Collection of Taxes	6,677.29	6,677.29	954.61	5,722.68
Legal Services and Costs	10,051.48	10,051.48	840.00	9,211.48
Engineering Services and Costs	8,869.06	8,869.06		8,869.06
Municipal Land Use Law (N.J.S. 40:55 D-1):	13,256.16	13,256.16	4,697.75	8,558.41
Code Enforcement	175.57	175.57	3.29	172.28
Insurance:				
Other Insurance Premiums	2,409.01	2,409.01		2,409.01
Workmen's Compensation Insurance	125.00	125.00		125.00
Group Insurance for Employees	65,363.86	65,363.86		65,363.86
Health Benefit Waiver	4,000.00	4,000.00		4,000.00
Emergency Management Services	686.66	686.66	600.36	86.30
Public Safety:				
Fire Department	7,575.77	7,575.77	4,437.30	3,138.47
Aid to Volunteer Fire Companies - Adjoining Municipalities (2)	2,000.00	2,000.00		2,000.00
OSHA Standard Fire Fighter Turnout Gear	27,230.50	27,230.50	21,964.52	5,265.98
Uniform Fire Safety Act (Ch. 383, P.L. 1983):	250.00	250.00		250.00

Township of Wantage, N. J.
Schedule of Appropriation Reserves

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Current Fund

Year Ended December 31, 2017

	Balance, Dec. 31, <u>2016</u>	Balance after <u>Transfers</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Streets and Roads:				
Road Repair and Maintenance				
Other Expenses	821.88	821.88	821.88	
Road Equipment Repair & Maintenance	19,528.16	19,528.16	19,528.16	
Safety Equipment	13.13	13.13	13.13	
Snow Removal	22,265.90	22,265.90	22,265.90	
Sanitation:				
Garbage Collection/Recycling	10,267.37	10,267.37	355.00	9,912.37
Fire Hydrant Service	551.06	551.06		551.06
Public Buildings and Grounds	22,224.78	22,224.78	17,635.81	4,588.97
Health and Welfare:				
Board of Health:				
Other Expenses	117.50	117.50	80.32	37.18
HBV Vaccination	3,000.00	3,000.00		3,000.00
PEOSHA Respiratory Program	301.07	301.07	300.00	1.07
Animal Control	10.00	10.00		10.00
Aid to SCARC	500.00	500.00		500.00
Recreation and Education	500.00	500.00	218.11	281.89
Parks and Playgrounds	8,598.29	8,598.29	4,012.73	4,585.56
Celebration of Public Events	20.93	20.93		20.93
Electricity	9,968.00	9,968.00	3,225.49	6,742.51
Telephone	7,917.60	7,917.60	1,283.89	6,633.71
Propane	16,600.58	16,600.58	2,048.71	14,551.87
Fuel Oil	500.00	500.00		500.00
Gasoline/Diesel Fuel	32,993.43	32,993.43	4,516.54	28,476.89
Municipal Court	14,142.18	14,142.18	3,515.83	10,626.35
Total Other Expenses Within "CAPS"	<u>370,794.97</u>	<u>370,794.97</u>	<u>138,789.73</u>	<u>232,005.24</u>
Deferred Charges and Statutory Expenditures				
Within "CAPS":				
Statutory Expenditures:				
Contribution To:				
Public Employees Retirement System	0.35	0.35		0.35
Social Security System (O.A.S.I.)	16,356.71	16,356.71		16,356.71
Unemployment Compensation Insurance	800.00	800.00		800.00
Defined Contribution Program	229.96	229.96		229.96
Total Deferred Charges and Statutory Expenditures Within "CAPS"	<u>17,387.02</u>	<u>17,387.02</u>		<u>17,387.02</u>

Township of Wantage, N. J.
Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2017

	Balance, Dec. 31, <u>2016</u>	Balance after <u>Transfers</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Total General Appropriation within "CAPS"	<u>422,379.47</u>	<u>422,379.47</u>	<u>141,808.54</u>	<u>280,570.93</u>
Other Expenses Excluded From "CAPS":				
LOSAP	<u>40,000.00</u>	<u>40,000.00</u>	<u>40,000.00</u>	
Interlocal Municipal Service Agreement				
Recycling Coordinator				
Salaries & Wages	379.71	379.71		379.71
Uniform Construction Code - Hardyston Township				
Other Expenses	<u>28,715.00</u>	<u>28,715.00</u>		<u>28,715.00</u>
Total Interlocal Municipal Service Agreements	<u>29,094.71</u>	<u>29,094.71</u>		<u>29,094.71</u>
Public and Private Programs Offset by Revenue				
Clean Communities				
Other Expense	1,165.00	1,165.00	1,165.00	
NJDOT - Municipal Aid - Pidgeon Hill Road	22,196.78	22,196.78	22,196.78	
Recycling Tonnage Grant				
Other Expense	<u>45.90</u>	<u>45.90</u>	<u>45.90</u>	
Total Public and Private Programs Offset by Revenue	<u>23,407.68</u>	<u>23,407.68</u>	<u>23,407.68</u>	
Capital Improvements				
Improvements to Various Roads	<u>66.20</u>	<u>66.20</u>	<u>66.20</u>	
Total General Appropriations Excluded From "CAPS"	<u>92,568.59</u>	<u>92,568.59</u>	<u>63,473.88</u>	<u>29,094.71</u>
Total General Appropriation Reserves	<u>514,948.06</u>	<u>514,948.06</u>	<u>205,282.42</u>	<u>309,665.64</u>
			A-4	A-1

<u>Analysis of Appropriation Reserve</u>	<u>Ref</u>	
Unencumbered	A	364,135.33
Encumbered	A	<u>150,812.73</u>
		<u>514,948.06</u>

Township of Wantage, N. J.
Schedule of Various Liabilities and Reserves

Current Fund

Year Ended December 31, 2017

<u>Liabilities and Reserves</u>	<u>Balance Dec. 31, 2016</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2017</u>
<u>Liabilities:</u>				
Due State of NJ-Marriage License Fees	150.00	1,450.00	1,275.00	325.00
Tax Overpayments	33,293.21	110,492.03	104,439.10	39,346.14
<u>Reserves for:</u>				
Revaluation of Real Property	40,946.58		1,621.25	39,325.33
Sale of Municipal Assets	32,203.27		32,203.27	
Digital Tax Maps	4,390.34		1,403.80	2,986.54
Master Plan Update	2,668.82			2,668.82
	<u>113,652.22</u>	<u>111,942.03</u>	<u>140,942.42</u>	<u>84,651.83</u>
	A			A
<u>Ref.</u>				
Refund of Prior Year Taxes		81,926.17		
Balance Cancelled			0.27	
Anticipated As Revenue			32,203.00	
Cash Disbursed			108,739.15	
Cash Receipts		30,015.86		
		<u>111,942.03</u>	<u>140,942.42</u>	

Township of Wantage, N. J.
Schedule of Commitment Payable
Current Fund
Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	A	14,066.00
Increased by:		
Transfer from Current Appropriations	A-3	<u>10,171.00</u>
Balance - December 31, 2017	A	<u><u>24,237.00</u></u>

Schedule of Prepaid Taxes
Current Fund
Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	A	214,742.23
Increased by:		
Receipts - Prepaid 2018 Taxes	A-4	<u>1,050,020.06</u>
		1,264,762.29
Decreased by:		
Applied to 2017 Taxes	A-6	<u>214,742.23</u>
Balance - December 31, 2017	A	<u><u>1,050,020.06</u></u>

Township of Wantage, N. J.
Schedule of County Taxes Payable

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>		
Balance - December 31, 2016	A		27,026.91
Increased by:			
Levy- 2017	A-6	6,670,227.31	
Added and Omitted Taxes	A-6	<u>16,604.65</u>	
	A-1		<u>6,686,831.96</u>
			<u>6,713,858.87</u>
Decreased by:			
Payments	A-4		<u>6,697,254.22</u>
Balance - December 31, 2017	A		<u><u>16,604.65</u></u>

Schedule of Local Regional School Taxes Payable

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>		
Increased by:			
Levy- 2017	A-1;A-6		<u><u>13,670,851.00</u></u>
Decreased by:			
Payments	A-4		<u><u>13,670,851.00</u></u>

Township of Wantage, N. J.

Schedule of Regional High School Taxes Payable

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Increased by:		
Levy- 2017	A-1;A-6	<u><u>7,467,969.00</u></u>
Decreased by:		
Payments	A-4	<u><u>7,467,969.00</u></u>

Township of Wantage, N. J.

Schedule of Interfunds

Federal and State Grant Fund

Year Ended December 31, 2017

<u>Fund</u>	<u>Ref.</u>	Due From/(To)		Due From/(To)	
		<u>Balance</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance</u>
		<u>Dec. 31, 2016</u>			<u>Dec. 31, 2017</u>
Current Fund	A	<u>(75,757.82)</u>	<u>277,194.37</u>	<u>76,598.67</u>	<u>124,837.88</u>
Grants Receivable	A-21		266,623.22		
Appropriated Grants	A-22			76,598.67	
Appropriated Grants - Matching Fund	A-22		3,179.00		
Unappropriated Grants	A-23		<u>7,392.15</u>		
			<u>277,194.37</u>	<u>76,598.67</u>	

Township of Wantage, N. J.
Schedule of Grants Receivable
Federal and State Grant Fund
Year Ended December 31, 2017

<u>Grant</u>	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Budget</u> <u>Revenue</u>	<u>Received</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
Recycling Tonnage Grant		7,272.00	7,272.00	
Municipal Alliance on Alcohol and Drug Abuse	10,143.19	12,716.00	20,224.20	2,634.99
N.J. Transportation Trust Fund Auth.	190,000.00		190,000.00	
EMMA Performance	7,000.00	9,400.00	7,000.00	9,400.00
Clean Communities		42,127.02	42,127.02	
	<u>207,143.19</u>	<u>71,515.02</u>	<u>266,623.22</u>	<u>12,034.99</u>
	A	A-2	A-20	A

Township of Wantage, N. J.

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2017

<u>Grant</u>	<u>Balance</u>	<u>Transfer</u>	<u>Expended</u>	<u>Balance</u>
	<u>Dec. 31, 2016</u>	<u>From 2017</u>		<u>Dec. 31, 2017</u>
Clean Communities Program	79,807.48	42,127.02	42,126.82	79,807.68
Recycling Tonnage	23,695.10	7,272.00	4,548.89	26,418.21
Municipal Court Alcohol Rehabilitation	1,252.58			1,252.58
Municipal Alliance:				
Local Share	2,824.69	3,179.00	3,482.45	2,521.24
State Share	19,228.59	12,716.00	21,863.58	10,081.01
FEMA - Hazard Mitigation Grant				
Performance Grant	4,576.93	9,400.00	4,576.93	9,400.00
	<u>131,385.37</u>	<u>74,694.02</u>	<u>76,598.67</u>	<u>129,480.72</u>
	A		A-20	A
	<u>Ref.</u>			
State Grant Fund	A-3	71,515.02		
Matching Funds for Grants	A-20	3,179.00		
		<u>74,694.02</u>		

Township of Wantage, N. J.**Schedule of Unappropriated Reserves for Grants****Federal and State Grant Fund****Year Ended December 31, 2017**

<u>Grant</u>	<u>Received</u>	<u>Balance Dec. 31, 2017</u>
Recycling Tonnage Grant	<u>7,392.15</u>	<u>7,392.15</u>
	A-20	A

Township of Wantage, N.J.

Schedule of Cash - Treasurer

Trust Funds

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>	<u>Other Trust Funds</u>	<u>Emergency Services Volunteer Length of Service Award Program</u>
Balance - December 31, 2016	B	<u>27,444.20</u>	<u>1,890,661.84</u>	<u>467,928.26</u>
Increased by Receipts:				
Dog License Fees	B-4	10,418.00		
Pound/Kennel/Late Fees	B-4	8,116.00		
Pre-Paid Licenses	B-5	2,549.80		
Dog License Fees - State Share	B-6	2,464.20		
Schedule of Interfunds	B-7		15,447.61	
Other Trust Funds	B-8		2,267,594.17	
Township Contributions	B-9			27,934.00
Increase (Decrease) In Investment Value	B-10			68,228.56
Total Receipts		<u>23,548.00</u>	<u>2,283,041.78</u>	<u>96,162.56</u>
		<u>50,992.20</u>	<u>4,173,703.62</u>	<u>564,090.82</u>
Decreased by Disbursements:				
Encumbrances Payable	B-3	1,730.00		
Reserve for Dog Expenditures	B-4	21,377.15		
Dog License Fees - State Share	B-6	2,481.60		
Schedule of Interfunds	B-7		13,001.00	
Other Trust Funds	B-8		2,408,159.15	
Distributions	B-10			14,847.38
Accounting Charges	B-10			2,863.21
Total Disbursements		<u>25,588.75</u>	<u>2,421,160.15</u>	<u>17,710.59</u>
Balance - December 31, 2017	B	<u>25,403.45</u>	<u>1,752,543.47</u>	<u>546,380.23</u>

Township of Wantage, N.J.
Schedule of Cash - Change Fund
Animal Control Trust Fund
Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	B	<u><u>100.00</u></u>
Balance - December 31, 2017	B	<u><u>100.00</u></u>

Schedule of Encumbrances Payable
Animal Control Trust Fund
Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	B	1,730.00
Increased by:		
Reserve for Animal Control Expenditures	B-4	<u>885.44</u>
		2,615.44
Decreased by:		
Cash Disbursements	B-1	<u>1,730.00</u>
Balance - December 31, 2017	B	<u><u>885.44</u></u>

Township of Wantage, N.J.

Schedule of Reserve/(Deficit) for Animal Control Trust Fund Expenditures

Animal Control Trust Fund

Year Ended December 31, 2017

	<u>Ref.</u>		
Balance - December 31, 2016	B		22,572.20
Increased by:			
Dog License Fees	B-1	10,418.00	
Pre-paid Licenses Applied	B-5	2,782.40	
		<u>13,200.40</u>	
Pound/Kennel/Late Fees	B-1	8,116.00	
			<u>21,316.40</u>
			43,888.60
Decreased by:			
Cash Disbursements	B-1	21,377.15	
Encumbrances Payable	B-3	885.44	
		<u>22,262.59</u>	
Balance - December 31, 2017	B		<u><u>21,626.01</u></u>
		<u>License Fees Collected</u>	
2015			13,482.80
2016			13,173.40
			<u><u>26,656.20</u></u>

B-5

Schedule of Pre-Paid Dog Licenses

Animal Control Trust Fund

Year Ended December 31, 2017

	<u>Ref.</u>		
Balance - December 31, 2016	B		3,242.00
Increased by:			
Cash Received in 2017	B-1		2,549.80
			<u>5,791.80</u>
Decreased by:			
Prepaid Realized	B-4	2,782.40	
Applied to Due to State	B-6	459.60	
		<u>3,242.00</u>	
Balance - December 31, 2017	B		<u><u>2,549.80</u></u>

Township of Wantage, N.J.

Schedule of Due To (From) State Department of Health

Animal Control Trust Fund

Year Ended December 31, 2017

	<u>Ref.</u>		
Increased by:			
State Fees Collected		2,022.00	
Pre- Paid State Fees Collected		<u>442.20</u>	
	B-1		2,464.20
Pre-Paid License Applied	B-5		<u>459.60</u>
			2,923.80
Decreased by:			
Paid to State	B-1		<u>2,481.60</u>
Balance - December 31, 2017	B		<u><u>442.20</u></u>

Schedule of Interfund Accounts Receivable/(Payable)

Other Trust Funds

Year Ended December 31, 2017

	<u>Balance</u>			<u>Balance</u>
	<u>Dec. 31, 2016</u>	<u>Increased</u>	<u>Decreased</u>	<u>Dec. 31, 2017</u>
Assessment Trust	(12,420.94)	15,447.61	13,000.00	(14,868.55)
Current Fund	(1.00)		1.00	
	<u>(12,421.94)</u>	<u>15,447.61</u>	<u>13,001.00</u>	<u>(14,868.55)</u>
	B	B-1	B-1	B

Township of Wantage, N.J.

Schedule of Other Trust Funds

Trust Funds

Year Ended December 31, 2017

	Balance <u>Dec. 31, 2016</u>	<u>Increased</u>	<u>Decreased</u>	Balance <u>Dec. 31, 2017</u>
Municipal Court P.O.A.A. Fees	182.00	8.00		190.00
Affordable Housing	340,836.93			340,836.93
Public Defender		5,605.00	5,605.00	
Tax Sale Premiums	174,600.00		102,000.00	72,600.00
Outside Lien Holder	5,289.30	338,968.35	344,257.65	
Open Space	707,610.08		14,282.10	693,327.98
Accumulated Sick	6,069.87	6,000.00		12,069.87
Snow Removal/Storm Recovery	146,597.45	91,387.42	130,916.36	107,068.51
Escrow Deposits	133,637.63	53,415.06	62,971.67	124,081.02
Recreation	33,820.85	10,309.43	10,993.29	33,136.99
COAH	227,693.45	25,470.23	500.00	252,663.68
Payroll	3,115.90	1,727,298.09	1,719,419.28	10,994.71
Flexible Spending Account	4,233.10	9,132.59	9,953.91	3,411.78
Planning and Zoning Deposits	94,553.34		7,259.89	87,293.45
	<u>1,878,239.90</u>	<u>2,267,594.17</u>	<u>2,408,159.15</u>	<u>1,737,674.92</u>
	B	B-1	B-1	B

Township of Wantage, N.J.
Schedule of Contributions Receivable
Emergency Services Volunteer Length of Services Award Program
Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	B	28,329.00
Increased by:		
Township Contributions - 2017	B-10	23,849.00
		<u>52,178.00</u>
Decreased by:		
Adjustment to 2016 Contribution	B-10	395.00
Receipts	B-1	27,934.00
		<u>28,329.00</u>
Balance - December 31, 2017	B	<u><u>23,849.00</u></u>

Township of Wantage, N.J.

Schedule of Net Assets Available for Benefits

Emergency Services Volunteer Length of Services Award Program

Year Ended December 31, 2017

	<u>Ref.</u>		
Balance - December 31, 2016	B		496,257.26
Increased by:			
Gain or (Loss)	B-1	68,228.56	
Township Contributions - 2017	B-9	<u>23,849.00</u>	
			<u>92,077.56</u>
			588,334.82
Decreased by:			
Withdrawals	B-1	14,847.38	
Accounting Charges	B-1	2,863.21	
Adjustment to 2016 Contributions	B-9	<u>395.00</u>	
			<u>18,105.59</u>
Balance - December 31, 2017	B		<u><u>570,229.23</u></u>

Township of Wantage, N.J.

Schedule of Interfund Accounts Receivable/(Payable)

Assessment Trust Fund

Year Ended December 31, 2017

	Due (to)/from Balance <u>Dec. 31, 2016</u>	<u>Increased</u>	<u>Decreased</u>	Due (to)/from Balance <u>Dec. 31, 2017</u>
Other Trusts	<u>12,420.94</u>	<u>14,907.61</u>	<u>12,460.00</u>	<u>14,868.55</u>
	B		B-13	B
	<u>Ref.</u>			
Assessments Receivable	B-12	14,478.69		
Reserve for Assessments and Liens	B-14	428.92		
		<u>14,907.61</u>		

Township of Wantage, N.J.

Schedule of Assessments Receivable

Assessment Trust Fund

Year Ended December 31, 2017

Ord. Number	Description	Date of Confirmation	Annual Installments	Balance Dec. 31, 2016	Collected	Balance Dec. 31, 2017	Balance Pledged To		
							Bond Anticipation Notes	Other Trust Funds	Reserve
15-04	Improvements to Volcanic Hill Rd	5/14/2015	10	108,579.06	14,478.69	94,100.37	72,102.90	14,868.55	7,128.92
				<u>B</u>	<u>B-11</u>	<u>B</u>		<u>B-11</u>	<u>B-14</u>

Township of Wantage, N.J.

Schedule of Reserve of Assessments and Liens

Assessment Trust Fund

Year Ended December 31, 2017

<u>Ord.</u> <u>Number</u>	<u>Description</u>	Balance Dec. 31, <u>2016</u>	Interfund Other <u>Trust</u>	Balance Dec. 31, <u>2017</u>
15-04	Improvements to Volcanic Hill Rd	<u>6,700.00</u>	<u>428.92</u>	<u>7,128.92</u>
		B	B-12	B

Township of Wantage, N.J.

General Capital Fund

Schedule of Cash

Year Ended December 31, 2017

	<u>Ref.</u>		
Balance - December 31, 2016	C;C-3		840,829.51
Increased by Receipts:			
Interfund Current	C-4	1,915.26	
Capital Improvement Fund	C-7	75,000.00	
Various Reserves	C-10	972,948.57	
Bond Anticipation Notes	C-11	<u>1,054,260.00</u>	
			<u>2,104,123.83</u>
			2,944,953.34
Decreased by Disbursements:			
Capital Fund Balance	C-1	81,000.00	
Interfund Current	C-4	1,915.26	
Reserve for Encumbrances	C-8	131,087.04	
Improvement Authorizations	C-9	1,011,726.76	
Various Reserves	C-10	936,377.60	
Bond Anticipation Notes	C-11	<u>134,428.00</u>	
			<u>2,296,534.66</u>
Balance - December 31, 2017	C;C-3		<u><u>648,418.68</u></u>

Township of Wantage, N.J.
Analysis of Cash
General Capital Fund

Year Ended December 31, 2017

	Balance Dec. 31, 2016	Receipts		Disbursements		Transfers		Balance Dec. 31, 2017
		BAN's	Miscellaneous	Improvement Authorizations	Miscellaneous	To	From	
Fund Balance	81,049.24				81,000.00			49.24
Capital Improvement Fund	8,138.98		75,000.00		936,377.60		60,587.00	22,551.98
Various Reserves	381,303.14		972,948.57		131,087.04		0.55	294,874.66
Encumbrances Payable	203,588.91				1,915.26		72,501.87	795,224.47
Interfund - Current Fund			1,915.26					
Ordinance								
05-22 Improvement Authorizations	(140,004.00)			826.51				(140,004.00)
12-03 Various Capital Improvements	5,654.01						4,827.50	
13-07 Various Capital Improvements	23,287.81				3,280.00		20,007.81	
14-07 Various Capital Improvements	169,506.24			78,409.80	91,096.00		0.44	
16-05 Various Capital Improvements	108,305.18			44,153.37	40,052.00		8,503.00	88,098.68
17-06 Various Capital Improvements		1,054,260.00		778,263.96			207,539.47	123,943.57
17-07 Improvements to Various Roads				100,000.00		100,000.00		
17-11 Improvements to Various Roads				10,073.12				12,926.88
17-14 Acquisition of Open Space							447,250.00	(447,250.00)
17-15 Acquisition of SCBA for Fire Dept.							107,096.80	(101,996.80)
	<u>840,829.51</u>	<u>1,054,260.00</u>	<u>1,049,863.83</u>	<u>1,011,726.76</u>	<u>1,284,807.90</u>	<u>5,100.00</u>	<u>1,051,313.89</u>	<u>648,418.68</u>
	C;C-2							C;C-2

Township of Wantage, N.J.

Schedule of Due From Current Fund

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Increased by:		
Interest on Investments	C-2	<u><u>1,915.26</u></u>
Decreased by:		
Cash Disbursements	C-2	<u><u>1,915.26</u></u>

C-5

Township of Wantage, N.J.

**Schedule of Deferred Charges to Future
Taxation - Funded**

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>		
Balance - December 31, 2016	C		1,226,684.10
Decreased by:			
Funded by Budget Appropriation			
Green Acres Trust Loan	C-12	53,921.78	
DEP Loan Payable	C-13	<u>51,358.33</u>	
			<u>105,280.11</u>
Balance - December 31, 2017	C		<u><u>1,121,403.99</u></u>

Township of Wantage, N.J.

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2017

Ord. No.	Ordinance Date	Improvement Description	Balance Dec. 31, 2016	2017 Authorizations	Reserve for Debt Service	Notes Paid By Budget Appropriation	Canceled	Balance Dec. 31, 2017	Analysis of Balance Dec. 31, 2017		
									Financed by Bond Anticipation Notes	Expended	Unexpended Improvement Authorizations
05-22	12/08/05	Various Capital Improvements	140,004.00					140,004.00		140,004.00	
08-06	05/29/08	Various Capital Improvements	308,750.00			185,250.00		123,500.00	123,500.00		
09-13	06/25/09	Various Capital Improvements	653,778.00			290,403.00		363,375.00	363,375.00		
11-11	10/20/11	Acquisition of a Fire Engine and Associated Fire Equipment	391,875.00			106,875.00		285,000.00	285,000.00		
12-03	04/26/12	Various Capital Improvements	383,000.00			69,500.00		313,500.00	313,500.00		
13-07	05/23/13	Various Capital Improvements	661,709.00		0.11	92,602.00	3,280.11	565,827.00	565,827.00		
14-07	03/20/14	Various Capital Improvements	1,034,120.00		0.44	114,824.00	91,096.44	828,200.00	828,200.00		
15-04	05/26/15	Various Capital Improvements	558,350.00			62,070.00		496,280.00	496,280.00		
16-05	05/26/16	Various Capital Improvements	1,174,200.00				40,052.00	1,134,148.00	1,134,148.00		
17-06	05/11/17	Various Capital Improvements		1,054,260.00				1,054,260.00	1,054,260.00		
17-14	10/26/17	Acquisition of Open Space		950,000.00				950,000.00	950,000.00	447,250.00	502,750.00
17-15	10/26/17	Acq. of SCBA for Fire Dept.		102,000.00			3.20	101,996.80	101,996.80	101,996.80	
			<u>5,305,786.00</u>	<u>2,106,260.00</u>	<u>0.55</u>	<u>921,524.00</u>	<u>134,431.75</u>	<u>6,356,090.80</u>	<u>5,164,090.00</u>	<u>689,250.80</u>	<u>502,750.00</u>
			C	C-9	C-10	C-11	C-9	C	C-11		

Ref. C-9
 Improvement Authorizations - Unfunded
 Less: Unexpended Proceeds of Bond Anticipation Notes
 Ord. # 16-05 88,098.68
 Ord. # 17-06 123,943.57
212,042.25
502,750.00

Township of Wantage, N.J.
Schedule of Capital Improvement Fund
General Capital Fund
Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	C	8,138.98
Increased by:		
Budget Appropriation	C-2	<u>75,000.00</u>
		83,138.98
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-9	<u>60,587.00</u>
Balance - December 31, 2017	C	<u><u>22,551.98</u></u>

Township of Wantage, N.J.
Schedule of Encumbrances Payable
General Capital Fund
Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	C	203,588.91
Increased by:		
Improvement Authorizations	C-9	<u>795,224.47</u>
		998,813.38
Decreased by:		
Cash Disbursements	C-2	131,087.04
Purchase Order Adjusted	C-9	<u>72,501.87</u>
		<u>203,588.91</u>
Balance - December 31, 2017	C	<u><u>795,224.47</u></u>

Township of Wantage, N.J.

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2017

Ord. No.	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2016		2017 Authorizations	Expended	Purchase order Adjustment	Cancelled	Balance Dec. 31, 2017	
				Unfunded	Funded					Funded	Unfunded
	<u>General Improvements:</u>										
12-03	Various Capital Improvements	04/26/12	550,000.00	5,654.01		5,654.01					0.00
13-07	Various Capital Improvements	05/23/13	855,800.00	23,287.81		20,007.70		3,280.11			0.00
14-07	Various Capital Improvements	03/20/14	1,209,000.00	169,506.24		78,409.80		91,096.44			0.00
16-05	Various Capital Improvements	05/26/16	1,236,000.00	108,305.18		52,656.37	72,501.87	40,052.00			88,098.68
17-06	Various Capital Improvements	05/11/17	1,109,747.00		1,109,747.00	985,803.43					123,943.57
17-07	Improvements to Various Roads	04/27/17	100,000.00		100,000.00	100,000.00					0.00
17-11	Improvements to Various Roads	08/10/17	23,000.00		23,000.00	10,073.12				12,926.88	502,750.00
17-14	Acquisition of Open Space	10/26/17	950,000.00		950,000.00	447,250.00					0.00
17-15	Acquisition of SCBA for Fire Dept.	10/26/17	107,100.00		107,100.00	107,096.80		3.20			
				<u>306,753.24</u>	<u>2,289,847.00</u>	<u>1,806,951.23</u>		<u>72,501.87</u>	<u>134,431.75</u>	<u>12,926.88</u>	<u>714,792.25</u>
				C			C-8	C-6	C		C;C-6
	Cash Disbursements					1,011,726.76					
	Encumbrances Payable					795,224.47					
	Deferred Charges to Future Taxation - Unfunded				2,106,260.00						
	Capital Improvement Fund				60,587.00						
	Various Reserves				123,000.00						
					<u>2,289,847.00</u>	<u>1,806,951.23</u>					

Township of Wantage, N.J.

Schedule of Various Reserves

General Capital Fund

Year Ended December 31, 2017

<u>Description</u>	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
Debt Service	24,381.00	918,000.55	921,524.00	20,857.55
Fire Equipment	26,224.25	4,957.30	14,853.60	16,327.95
Improvement to Various Roads	303,178.82	45,554.49	123,000.00	225,733.31
Office Equipment	600.00			600.00
Vehicle Maintenance	19,166.25			19,166.25
Pound Expansion	7,552.82	436.78		7,989.60
Recreation Fields	200.00	4,000.00		4,200.00
	<u>381,303.14</u>	<u>972,949.12</u>	<u>1,059,377.60</u>	<u>294,874.66</u>
	C			C
	<u>Ref.</u>			
Cash Disbursements	C-2		936,377.60	
Cash Receipts	C-2	972,948.57		
Deferred Charges to Future Taxation - Unfunded	C-6	0.55		
Improvement Authorizations	C-9		123,000.00	
		<u>972,949.12</u>	<u>1,059,377.60</u>	

Township of Wantage, N.J.

Schedule of Green Acres Trust Loan Payable

General Capital Fund

Year Ended December 31, 2017

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Maturities of Bonds Outstanding, December 31, 2017</u>	<u>Interest Rate</u>	<u>Balance</u>	<u>Decreased</u>	<u>Balance</u>
						<u>Dec. 31, 2016</u>		<u>Dec. 31, 2017</u>
Green Acres Loan	10/31/1997	150,000.00				8,364.40	8,364.40	
Green Acres Loan	12/21/1998	150,000.00	03/21/2018 09/21/2018	See Notes	2.00%	18,197.77	9,008.34	9,189.43
Green Acres Loan	12/16/2003	445,936.69	2/12/2018 - 2/12/2023 8/12/2018 - 8/12/2023	See Notes	2.00%	180,294.83	24,244.48	156,050.35
Green Acres Loan	06/06/2009	250,000.00	6/6/2018 - 6/6/2028 12/6/2018 - 12/6/2028	See Notes	2.00%	165,122.70	12,304.56	152,818.14
						<u>371,979.70</u>	<u>53,921.78</u>	<u>318,057.92</u>
						C	C-5	C

Township of Wantage, NJ

Schedule of NJDEP Dam Restoration Loan

General Capital Fund

Year Ended December 31, 2017

Balance - December 31, 2016	<u>Ref.</u> C	854,704.40
Decreased by:		
Principal Matured	C-5	<u>51,358.33</u>
Balance - December 31, 2017	C	<u><u>803,346.07</u></u>

Schedule of Principal and Interest Payments Outstanding December 31, 2017

<u>Payment Number</u>	<u>Maturity Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Loan Balance</u>
				803,346.07
8	03/31/18	26,064.99	8,033.46	777,281.08
9	09/30/18	26,325.64	7,772.81	750,955.44
10	03/31/19	26,588.89	7,509.55	724,366.55
11	09/30/19	26,854.78	7,243.67	697,511.77
12	03/31/20	27,123.33	6,975.12	670,388.44
13	09/30/20	27,394.56	6,703.88	642,993.88
14	03/31/21	27,668.51	6,429.94	615,325.37
15	09/30/21	27,945.20	6,153.25	587,380.17
16	03/31/22	28,224.65	5,873.80	559,155.52
17	09/30/22	28,506.89	5,591.56	530,648.63
18	03/31/23	28,791.96	5,306.49	501,856.67
19	09/30/23	29,079.88	5,018.57	472,776.79
20	03/31/24	29,370.68	4,727.77	443,406.11
21	09/30/24	29,664.39	4,434.06	413,741.72
22	03/31/25	29,961.03	4,137.42	383,780.69
23	09/30/25	30,260.64	3,837.81	353,520.05
24	03/31/26	30,563.25	3,535.20	322,956.80
25	09/30/26	30,868.88	3,229.57	292,087.92
26	03/31/27	31,177.57	2,920.88	260,910.35
27	09/30/27	31,489.35	2,609.10	229,421.00

Township of Wantage, NJ

Schedule of NJDEP Dam Restoration Loan

General Capital Fund

Year Ended December 31, 2017

Schedule of Principal and Interest Payments Outstanding December 31, 2017

<u>Payment Number</u>	<u>Maturity Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Loan Balance</u>
28	03/31/28	31,804.24	2,294.21	197,616.76
29	09/30/28	32,122.28	1,976.17	165,494.48
30	03/31/29	32,443.50	1,654.94	133,050.98
31	09/30/29	32,767.94	1,330.51	100,283.04
32	03/31/30	33,095.62	1,002.83	67,187.42
33	09/30/30	33,426.57	671.87	33,760.85
34	03/31/31	33,760.85	337.61	0.00
		<u>803,346.07</u>	<u>117,312.05</u>	

Township of Wantage, N.J.

Schedule of Bond And Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2017

Ord. No.	Improvement Description	Balance Dec. 31, 2016	2017 Authorizations	Canceled	Bond Anticipation Notes Issued	Balance Dec. 31, 2017
05-22	Various Capital Improvements	140,004.00				140,004.00
17-06	Various Capital Improvements		1,054,260.00		1,054,260.00	950,000.00
17-14	Acquisition of Open Space		102,000.00	3.20		101,996.80
17-15	Acquisition of SCBA for Fire Dept.		2,106,260.00	3.20	1,054,260.00	1,192,000.80
		140,004.00	2,106,260.00	3.20	1,054,260.00	1,192,000.80
		Footnote C	C-9		C-11	Footnote C

Township of Wantage, N.J.
Schedule of Cash-Treasurer
Public Assistance Fund
Year Ended December 31, 2017

	<u>Ref.</u>	<u>P.A.T.F.</u> <u>Account #1</u>
Balance - December 31, 2016	D;D-3	10,000.00
Increased by Receipts:		
Interest	D-4	<u>24.97</u>
		10,024.97
Decreased by Disbursements:		
Disbursed to Current Fund	D-5	<u>24.97</u>
Balance - December 31, 2017	D;D-3	<u><u>10,000.00</u></u>

Township of Wantage, N.J.

Schedule of Cash and Reconciliation Per N.J.S.A. 40A:5-5

Public Assistance Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2017	D-1	10,000.00
Increased by:		
Cash Receipts Record		<u>10.49</u>
Balance -May 31, 2018		<u><u>10,010.49</u></u>
<u>Reconciliation -May 31, 2018</u>		<u>P.A.T.F.</u> <u>Account #1</u>
Balance on Deposit per Statement of:		
Lakeland Bank		
Checking		10,005.49
Add: Bank Service Charge to be Reimbursed		<u>5.00</u>
Balance - May 31, 2018		<u><u>10,010.49</u></u>

Township of Wantage, N.J.
Schedule of Cash and Reconciliation
Public Assistance Fund
Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	D	10,000.00
Increased by Receipts:		
Cash Receipts Record	D-4	24.97
		10,024.97
Decreased by Disbursements:		
Cash Disbursements Record	D-5	24.97
Balance - December 31, 2017	D	10,000.00

<u>Reconciliation - December 31, 2017</u>		<u>P.A.T.F.</u> <u>Account #1</u>
Balance on Deposit per Statement of: Lakeland Bank Checking		10,000.00
Less: Outstanding Checks		-0-
Balance - December 31, 2017		10,000.00

Township of Wantage, N.J.
Schedule of Revenues
Public Assistance Fund
Year Ended December 31, 2017

	<u>Ref.</u>	<u>P.A.T.F.</u> <u>Account #1</u>
Interest Earned	D-5	<u>24.97</u>
Total Revenues (P.A.T.F.)		<u>24.97</u>
Total Receipts		<u><u>24.97</u></u>
		D-1;D-3

Township of Wantage, N.J.

Schedule of Reserve for Public Assistance

Public Assistance Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	D	10,000.00
Increased by:		
Interest Earned	D-4	<u>24.97</u>
		10,024.97
Decreased by:		
Disbursed to Current Fund	D-3	<u>24.97</u>
Balance - December 31, 2017	D	<u><u>10,000.00</u></u>

TOWNSHIP OF WANTAGE

PART II

**LETTER ON INTERNAL CONTROL AND
ON COMPLIANCE AND OTHER MATTERS**

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2017

Honorable Mayor and
Members of the Township Committee
Page 2

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

Compliance and Other Matters

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

Purpose of this Report

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



Thomas M. Ferry, C.P.A.
Registered Municipal Accountant
No. 497

Ferraioli, Wielkotz Cerullo & Cuva, P.A.
FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants

Newton, New Jersey

June 25, 2018



GENERAL COMMENTS

Cash Balance

Cash balances in all funds were verified by independent certificates obtained from the depositories as of December 31, 2017, and June 25, 2018, in connection with the supplemental reconciliations made for all officials. Cash on hand was counted on that date.

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

N.J.S.A. 40A:11-3 states:

a. "When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a 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. 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. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Any contracts made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, c.198 (C.40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, c.198 (C.40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. That adjustment shall become effective on July 1 of the year in which it is made."

N.J.S.A. 40A:11-4 states: "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 this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsection b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

GENERAL COMMENTS (CONTINUED)

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

Effective July 1, 2015, the bid threshold in accordance with N.J.S.A. 40A:11-3 and 40A:11-4 (as amended) is \$17,500.00 and with a qualified purchasing agent the threshold may be up to \$40,000.00.

The Governing Body of the Township of Wantage have the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year and where question arises as to whether any contract or agreement might result in violation of the statute, the Township Attorney's opinion should be sought before a commitment is made.

The minutes indicated the bids were requested by public advertising per N.J.S.A. 40A:11-4. The minutes also indicated that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5.

Inasmuch as the system of records did not provide for the accumulation of payments for categories for the performance of any work or the furnishing or hiring of any material or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violation existed. None were noted.

Our review of the Township's minutes indicated that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5.

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of the statutory threshold "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

Collection of Interest on Delinquent Taxes and Assessments

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 5, 2017 adopted the following resolution authorizing interest to be charged on delinquent taxes:

BE IT RESOLVED, that interest shall apply at the rate of 8 per cent per annum on all taxes which are unpaid and delinquent after the respective quarterly due dates; provided, however, that the said interest shall not be charged if the taxes are paid within the period of ten days after the respective due dates but if such taxes are not paid within the aforesaid period of ten days, interest on such unpaid taxes shall accrue from the respective due dates; and shall accrue at the rate of 18% per cent per annum on any unpaid taxes and delinquent taxes in excess of \$1,500.00.

It appears from an examination of the Collector's records that interest was generally collected in accordance with the forgoing resolutions.

GENERAL COMMENTS (CONTINUED)

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 5, 2017 and was complete except for parcels in the process of bankruptcy.

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 on December 31 of the last three years:

<u>Year</u>	<u>Number of Liens</u>
2017	44
2016	41
2015	40

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a taxpaying basis.

Verification of Delinquent Taxes and Other Charges

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

The result of the test which was made as of December 31, 2017 is not yet known, but a separate report will be rendered if any irregularities are developed.

In addition, analytical review procedures were utilized to ascertain the validity of the receivables.

OTHER COMMENTS

Municipal Court

The report required by statute covering the accounts of the Municipal Court has been filed under separate cover with the Judge, Township Clerk and Division of Local Government Services. Comments regarding the financial records maintained by the Court Clerk are covered in this report.

RECOMMENDATIONS

NONE

Status of Prior Year's Audit Findings/Recommendations

A review was performed on all prior year's recommendations and corrective action was taken on all.

The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion of the financial statements taken as a whole.

Should any questions arise as to our comments or recommendations, or should you desire assistance in implementing our recommendations, please do not hesitate to call us.

Very truly yours,



Thomas M. Ferry, C.P.A.
Registered Municipal Accountant
No. 497

Ferraioli, Wielkotz, Cerullo & Cuva, P.A.

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