

TOWNSHIP OF DELAWARE

COUNTY OF HUNTERDON

REPORT OF AUDIT

YEAR 2014

TOWNSHIP OF DELAWARE
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TOWNSHIP OF DELAWARE
PART I
REPORT OF EXAMINATION OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY DATA
YEARS ENDED DECEMBER 31, 2014 AND 2013

Certified Public Accountant
Public School Accountant
Registered Municipal Accountant

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INDEPENDENT AUDITOR'S REPORT

June 10, 2015

Honorable Mayor and Members
of the Township Committee
Township of Delaware, New Jersey

Report on the Financial Statements

We have audited the accompanying balance sheets-regulatory basis of the various funds and account group of the Township of Delaware (the Municipality), as of December 31, 2014 and 2013, the related statement of operations and changes in fund balance-regulatory basis for the years then ended, and the related statement of revenues-regulatory basis and statement of expenditures-regulatory basis of the various funds for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Municipality's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Auditor's Responsibility

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

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Municipality on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey.

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

Adverse Opinion on US Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Municipality as of December 31, 2014 and 2013, or changes in financial position for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets and account group as of December 31, 2014 and 2013, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2014 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

William M. Colantano, Jr.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Municipality's basic financial statements. The supplementary information listed in the table of contents and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the schedule of expenditures of state financial assistance as required by NJ OMB 04-04 and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental information listed in the table of contents and the schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, the schedule of and the schedule of expenditures of state financial assistance as required by NJ OMB 04-04 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed in the table of contents, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the schedule of expenditures of state financial assistance as required by NJ OMB 04-04 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 10, 2015 on our consideration of the Municipality's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Municipality's internal control over financial reporting and compliance.



William M. Colantano, Jr.
Registered Municipal Accountant
No. 68

FINANCIAL STATEMENTS-REGULATORY BASIS

TOWNSHIP OF DELAWARE
COMPARATIVE BALANCE SHEET-REGULATORY BASIS
CURRENT FUND

	Ref.	Dec. 31, Year 2014	Dec. 31, Year 2013
ASSETS			
Regular Fund:			
Cash:			
Treasurer	A-4	\$ 4,369,816	\$ 3,864,343
Change Funds	A	825	825
		4,370,641	3,865,168
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	A-7	422,155	415,485
Tax Title Liens Receivable	A-8	16,648	21,328
Revenue Accounts Receivable	A-9	3,796	10,166
Due from Other Trust Funds	A-10	71,556	31,017
		514,155	477,996
Deferred Charges:			
Special Emergency Authorizations	A-12	24,000	36,000
Overexpenditure Reserve for Revaluation	A-3		1,748
		24,000	37,748
Total Regular Fund		4,908,796	4,380,912
Federal & State Grant Fund:			
Cash:			
Treasurer	A-4	32,044	19,466
Grants Receivable	A-13	172,406	289,991
Due from Regular Fund	A-29	185,141	70,556
Total Federal & State Grant Fund		389,591	380,013
TOTAL ASSETS		\$ 5,298,387	\$ 4,760,925

TOWNSHIP OF DELAWARE
COMPARATIVE BALANCE SHEET-REGULATORY BASIS
CURRENT FUND
(Continued)

	Ref.	Dec. 31, Year 2014	Dec. 31, Year 2013
LIABILITIES, RESERVES AND FUND BALANCE			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3;A-14	\$ 157,611	\$ 104,573
Encumbrances Payable	A-15	64,946	53,670
Due to State of NJ Veterans' & Senior Citizens' Deductions	A-6	20,189	21,239
Due to Federal & State Grant Fund	A-11	185,141	70,556
Due to General Capital Fund	A-24	207,498	4,995
Prepaid Taxes	A-16	161,354	129,784
Tax Overpayments	A-17	2,728	5,209
Regional High School Taxes Payable	A-18	1,553,674	1,422,003
Local School Tax Payable	A-19	1,710,762	1,624,277
County Tax Payable	A-20	10,357	15,941
Due County-Food Inspections	A-21	500	600
Due NJ-State Training Fees	A-22	1,438	2,154
Due NJ-Marriage License and Domestic Ptrs Fees	A-23	50	300
Due to Open Space Trust Fund	A-25	30,233	35,675
Due to Other Trust Funds	A-26	23,000	23,000
		<u>4,129,481</u>	<u>3,513,976</u>
Reserve for Receivables	A	514,155	477,996
Fund Balance	A-1	265,160	388,940
Total Regular Fund		<u>4,908,796</u>	<u>4,380,912</u>
Federal & State Grant Fund:			
Appropriated Reserves for Grants	A-27	387,993	380,013
Unappropriated Reserves for Grants	A-28	1,598	
Total Federal & State Grant Fund		<u>389,591</u>	<u>380,013</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u>\$ 5,298,387</u>	<u>\$ 4,760,925</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF DELAWARE
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE
IN FUND BALANCE-REGULATORY BASIS

	Ref.	For the Year Ending	
		Dec. 31, 2014	Dec. 31, 2013
REVENUES AND OTHER INCOME REALIZED			
Fund Balance Utilized	A-2	\$ 350,000	\$ 395,000
Miscellaneous Revenue Anticipated	A-2	727,115	749,727
Receipts from Delinquent Taxes	A-2	349,103	335,487
Receipts from Current Taxes	A-2	19,186,609	18,649,706
Nonbudget Revenue	A-2	83,094	76,681
Other Credits to Income:			
Interfunds Returned-Net			34,109
Tax Overpayments Canceled	A-17	200	280
Unexpended Balance of Appropriation Reserves	A-14	66,400	88,421
Total Income		<u>20,762,521</u>	<u>20,329,411</u>
EXPENDITURES			
Budget and Emergency Appropriations:			
Operations:			
Salaries and Wages	A-3	1,609,745	1,545,283
Other Expenses	A-3	1,387,294	1,341,309
Capital Improvements	A-3	237,500	100,000
Debt Service	A-3	177,175	172,675
Deferred Charges & Statutory Expenditures	A-3	347,479	344,705
County Taxes	A-20	3,292,522	3,257,226
County Share of Added Taxes	A-20	10,357	15,941
Regional High School Taxes	A-18	5,275,272	5,011,929
Local District School Taxes	A-19	7,688,575	7,731,802
Municipal Open Space Tax	A-25	476,237	474,310
Other Debits to Income:			
Interfunds Advanced-Net	A-2	33,039	
Prior Year Senior Citizen Deduction Disallowed	A-6	1,106	1,163
Total Expenditures		<u>20,536,301</u>	<u>19,996,343</u>
Regulatory Excess to Fund Balance		226,220	333,068
FUND BALANCE			
Balance January 1,	A	<u>388,940</u>	<u>450,872</u>
		615,160	783,940
Decreased by:			
Utilized as Anticipated Revenue	A-2	<u>350,000</u>	<u>395,000</u>
Balance December 31,	A	<u>\$ 265,160</u>	<u>\$ 388,940</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF DELAWARE
STATEMENT OF REVENUES-REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	Ref.	Anticipated		Realized	Excess or Deficit
		Budget	NJS 40:4-87		
Fund Balance Anticipated	A-1	\$ 350,000	\$ -	\$ -	\$ (350,000.00)
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverage	A-9	4,800		4,800	
Fees and Permits	A-2	16,200		18,542	2,342
Fines and Costs:					
Municipal Court	A-9	43,000		40,814	(2,186)
Interest on Investments and Deposits	A-2	6,500		4,644	(1,856)
Uniform Construction Code Fees	A-9	110,000		93,499	(16,501)
Interest & Cost on Taxes	A-4	85,000		117,955	32,955
Energy Receipts Tax	A-9	308,715		310,400	1,685
Supplemental Energy Receipts Tax	A-9	14,622		14,622	
Consolidated Municipal Property Tax Relief Aid	A-9	10,668		8,983	(1,685)
Garden State Trust Fund	A-9	27,412		27,412	
Reserve for Payment of Bonds	A-24	35,000		35,000	
Share of Court Costs-Franklin Township	A-9	29,500		30,090	590
Clean Communities Program	A-13		19,264	19,264	
NJ Division of Criminal Justice-Body Armor Grant	A-13		1,090	1,090	
	A-1	691,417	20,354	727,115	15,344
Receipts from Delinquent Taxes	A-1;A-2	344,922		349,103	4,181
Property Tax for Support of Municipal Budget Appropriations:					
Local Tax for Municipal Purposes	A-2	2,752,500		2,843,645	91,145
Budget Totals		4,138,839	20,354	3,919,863	\$ 110,670
Nonbudget Revenues	A-1;A-2			83,094	
		\$ 4,138,839	\$ 20,354	\$ 4,002,957	
	Ref.	A-3	A-3		

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF DELAWARE
STATEMENT OF REVENUES REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

<u>Allocation of Current Tax Collections</u>	<u>Ref.</u>		
Tax Collections	A-1;A-7		\$ 19,186,609
Allocated to:			
Local District School Taxes	A-7	\$ 7,688,575	
Regional High School Taxes	A-7	5,275,273	
County Taxes	A-7	3,302,879	
Municipal Open Space Tax	A-7	<u>476,237</u>	
			<u>16,742,964</u>
Balance for Support of Municipal Budget Appropriations			2,443,645
Add: Appropriation-"Reserve for Uncollected Taxes"	A-3		<u>400,000</u>
Realized for Support of Municipal Budget	A-2		<u><u>\$ 2,843,645</u></u>
<u>Analysis of Delinquent Tax Collections</u>			
Taxes Receivable	A-7		\$ 342,837
Tax Title Liens Receivable	A-8		<u>6,266</u>
Total Delinquent Tax Collections	A-2		<u><u>\$ 349,103</u></u>

<u>Interfund Analysis</u>	<u>Ref.</u>	<u>12/31/2014</u>	<u>12/31/2013</u>	<u>Increase (Decrease)</u>
Due from Other Trust Funds	A-10	\$ 71,556	\$ 31,017	\$ 40,539
Due from Franklin Township	A-9		<u>7,500</u>	<u>(7,500)</u>
		<u>\$ 71,556</u>	<u>\$ 38,517</u>	<u>\$ 33,039</u>
	<u>Ref.</u>			A-1

TOWNSHIP OF DELAWARE
STATEMENT OF REVENUES REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

<u>Analysis of Nonbudget Revenue</u>	<u>Ref.</u>		
<u>Treasurer:</u>			
Tax Sale Costs		\$ 833	
Outstanding Checks Cancelled		2,980	
Cable TV Franchise Fee		8,680	
Veterans' & Seniors Citizens'-Administrative Fees		936	
Duplicate Tax Bills		55	
Mayor's Marriage Fee		50	
Workmens Compensation Recovery		4,958	
Poll Rental		400	
Stockton Share of Court Security		1,548	
East Amwell Share of Court Security		3,201	
Sale of Surplus Equipment		4,450	
Premium on Note Sale		3,201	
Insurance Rebate		1,129	
Miscellaneous Other		13,433	
Various Refunds		<u>9,484</u>	
	A-4		\$ 55,338
Due from Payroll-Health Insurance Reimbursement	A-10		<u>40,539</u>
			95,877
Less Refunds	A-4		<u>12,783</u>
	A-2		<u>\$ 83,094</u>
<u>Interest Income Analysis</u>			
General Capital Fund	A-24	\$ 1	
Receipts	A-4	<u>4,643</u>	
	A-2		<u>\$ 4,644</u>
<u>Fees and Permits Analysis</u>			
Planning Board & Board of Adjustment		\$ 2,914	
Police Department		1,050	
Board of Health		12,860	
Clerk		1,648	
Assessor		<u>70</u>	
	A-2; A-4		<u>\$ 18,542</u>

TOWNSHIP OF DELAWARE
STATEMENT OF EXPENDITURES-REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	Appropriations		Expended by		Balance Canceled	Overexpended
	Budget	Budget After Modification	Paid or Charged	Reserved		
Operations Within "CAPS":						
General Government:						
Mayor and Committee:						
Salaries and Wages	\$ 14,916	\$ 15,216	\$ 15,216			
Municipal Clerk:						
Salaries and Wages	76,998	70,389	67,025	\$ 3,364		
Postage & Legal Advertising	15,000	12,500	10,299	2,201		
Other Expenses	44,350	49,350	47,865	1,485		
Elections:						
Other Expenses	3,600	3,600	3,600			
Financial Administration:						
Salaries and Wages	68,520	68,520	68,336	184		
Other Expenses	8,800	6,800	4,895	1,905		
Audit Services	26,250	26,250	26,250			
Assessment of Taxes:						
Salaries and Wages	32,823	32,823	32,823			
Maintenance of Tax Map	3,000	3,000	2,675	325		
Other Expenses	1,925	1,925	1,223	702		
Collection of Taxes:						
Salaries and Wages	33,005	35,105	35,020	85		
Other Expenses	8,550	8,550	4,623	3,927		
Legal Services and Costs:						
Other Expenses	50,000	50,000	42,596	7,404		
Municipal Prosecutor:						
Salaries and Wages	12,991	12,991	12,991			
Engineering Services & Costs:						
Other Expenses	10,500	13,000	11,954	1,046		

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF DELAWARE
STATEMENT OF EXPENDITURES-REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Appropriations		Expended by		Balance Canceled	Overexpended
	Budget	Budget After Modification	Paid or Charged	Reserved		
Operations Within "CAPS": (Cont'd)						
General Government: (Cont'd)						
Public Buildings and Grounds:						
Salaries and Wages-Dilts Farm	\$ 13,180	\$ 13,180	\$ 11,357	\$ 1,823		
Salaries and Wages-Buildings & Grounds	10,400	10,400	9,025	1,375		
Expense of Dilts Farm	13,000	11,000	6,320	4,680		
Other Expenses	22,850	24,350	24,131	219		
Land Use Administration:						
Planning Board:						
Salaries and Wages	21,907	21,907	21,907			
Other Expenses	12,000	10,000	3,193	6,807		
Board of Adjustment:						
Salaries and Wages	18,771	18,831	18,827	4		
Other Expenses	1,000	1,200	1,031	169		
Zoning Board:						
Salaries and Wages	8,460	8,460	8,460			
Other Expenses	5,240	5,240	1,772	3,468		
Environmental Commission:						
Salaries and Wages	2,550	2,550	1,224	1,326		
Other Expenses	1,400	1,400	1,040	360		
Insurance:						
Other Insurance Premiums	439,110	455,000	454,120	880		
Surety Bond Premiums	1,800	1,800	840	960		
Employee Group Health	131,500	127,500	127,445	55		
Public Safety:						
Fire:						
Aid to Volunteer Fire Companies	49,000	49,000	49,000			
Supplemental Fire Service Program	2,520	2,520	2,520			

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF DELAWARE
STATEMENT OF EXPENDITURES-REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Appropriations		Expended by		Balance Canceled	Overexpended
	Budget	Budget After Modification	Paid or Charged	Reserved		
Operations Within "CAPS": (Cont'd)						
General Government: (Cont'd)						
Public Safety: (Cont'd)						
Police:						
Salaries and Wages	\$ 639,230	\$ 637,230	\$ 613,294	\$ 23,936		
Purchase of Police Car	22,000	22,000	21,561	439		
Other Expenses	44,150	36,950	33,536	3,414		
Supplemental Safe Neighborhood Prog:						
Salaries and Wages	64,026	66,026	65,974	52		
Other Expenses	3,350	3,350	308	3,042		
Office of Emergency Management:						
Salaries and Wages	11,332	12,282	12,273	9		
Other Expenses	4,200	2,200	1,571	629		
First Aid Organization-Contribution	44,120	44,120	34,625	9,495		
Streets and Roads:						
Road Repairs and Maintenance:						
Salaries and Wages	429,255	429,255	427,601	1,654		
Other Expenses	149,100	159,600	158,184	1,416		
Health and Welfare:						
Board of Health:						
Salaries and Wages	12,586	12,586	12,208	378		
Other Expenses	1,860	1,860	1,744	116		
Expenses of Visiting Homemakers:						
Other Expenses	500	500	500			
Municipal Court:						
Salaries and Wages	51,306	51,306	45,941	5,365		
Other Expenses	21,250	21,250	18,586	2,664		
Public Defender:						
Other Expenses	1,800	1,800	1,800			
Contribution to Senior Citizens Center	4,000	4,000	4,000			
Senior Health Services	200	200	200			

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF DELAWARE
STATEMENT OF EXPENDITURES-REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Appropriations		Expended by		Balance Canceled	Overexpended
	Budget	Budget After Modification	Paid or Charged	Reserved		
Operations Within "CAPS": (Cont'd)						
Recreation and Education:						
Board of Recreation Commissioners:						
Other Expenses	\$ 13,300	\$ 13,300	\$ 5,799	\$ 7,501		
Historical Preservation Society:						
Other Expenses	3,000	3,000	3,000			
Construction Official:						
Salaries and Wages	61,200	64,400	64,346	54		
Other Expenses	5,275	5,275	5,251	24		
Sub Code Officials:						
Plumbing Inspector:						
Salaries and Wages	10,353	10,353	10,353			
Electrical Inspector:						
Salaries and Wages	15,935	15,935	15,935			
Unclassified:						
Gasoline & Diesel Fuel	72,000	72,000	60,731	11,269		
Fuel Oil	14,000	16,260	16,250	10		
Electricity	20,000	19,740	19,048	692		
Telephone	25,000	25,000	19,902	5,098		
Street Lighting	6,000	6,000	5,468	532		
Data Processing Services:						
Other Expenses	10,000	10,000	9,963	37		
Accumulated Sick Leave:						
Other Expenses	5,000	5,000	5,000			
Total Operations Within "CAPS"	2,931,244	2,947,135	2,824,555	122,580	\$ -	\$ -
Contingent	50	50		50		
Total Operations Including Contingent Within "CAPS"	2,931,294	2,947,185	2,824,555	122,630	-	-
Detail:						
Salaries and Wages	1,609,744	1,609,745	1,570,136	39,609	-	-
Other Expenses (Including Contingent)	1,321,550	1,337,440	1,254,419	83,021	-	-

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF DELAWARE
STATEMENT OF EXPENDITURES-REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Appropriations		Expended by		Balance Canceled	Overexpended
	Budget	Budget After Modification	Paid or Charged	Reserved		
Deferred Charges:						
Overexpenditure of Reserve for Revaluation	\$ 1,748	\$ 1,748	\$ 1,748			
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System	89,005	89,005	89,005			
Social Security System (OASI)	125,000	125,000	119,569	\$ 5,431		
Police and Firemens Retirement System	119,676	119,676	119,676			
State Unemployment	50	50		50		
Total Deferred Charges & Statutory Expenditures- Municipal Within "CAPS"	<u>335,479</u>	<u>335,479</u>	<u>329,998</u>	<u>5,481</u>	\$ -	\$ -
Total General Appropriations for Municipal Purposes within "CAPS"	<u>3,266,773</u>	<u>3,282,664</u>	<u>3,154,553</u>	<u>128,111</u>	-	-
Operations Excluded from "CAPS":						
Insurance:						
Group Insurance Plan for Employees	15,890					
LOSAP (Fire Company)						
Other Expenses	28,500	28,500		28,500		
NJPDES Stormwater Permit						
Street Division-Other Expenses	1,000	1,000		1,000		

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF DELAWARE
STATEMENT OF EXPENDITURES-REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Appropriations		Expended by		Balance Canceled	Overexpended
	Budget	Budget After Modification	Paid or Charged	Reserved		
Operations Excluded from "CAPS": (Cont'd)						
Other Operations Excluded from "CAPS": (Cont'd)						
Public & Private Programs Offset by Revenues:						
NJ Division of Criminal Justice-Body Armor Grant:						
Other Expenses		\$ 19,264	\$ 19,264			
Clean Communities Program:						
Other Expenses		1,090	1,090			
Total Operations Excluded from "CAPS"	\$ 45,390	49,854	20,354	\$ 29,500	\$ -	\$ -
Detail:						
Other Expenses	45,390	49,854	20,354	29,500	-	-
Capital Improvements-Excluded from "CAPS":						
Capital Improvement Fund	35,000	35,000	35,000			
Reserves for:						
Purchase of Various Equipment	86,500	86,500	86,500			
Road Improvements	70,000	70,000	70,000			
Improvements to Municipal Facilities	46,000	46,000	46,000			
Total Capital Improvements Excluded from "CAPS"	237,500	237,500	237,500	-	-	-

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF DELAWARE
STATEMENT OF EXPENDITURES-REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Appropriations		Expended by		Balance Canceled	Overexpende
	Budget	Budget After Modification	Paid or Charged	Reserved		
Municipal Debt Service Excluded from "CAPS:						
Payment of Bond Principal	\$ 45,000	\$ 45,000	\$ 45,000			
Interest on Bonds	124,195	124,195	124,195			
Interest on Notes	7,980	7,980	7,980			
Total Dept Service Excluded from "CAPS"	<u>177,175</u>	<u>177,175</u>	<u>177,175</u>	\$ -	\$ -	\$ -
Deferred Charges Excluded from "CAPS"						
Special Emergency Authorizations-5 Years (NJ 40A:4-55.1 & NJ 40A:4-55.13)	12,000	12,000	12,000			
Total Deferred Charges Excluded from "CAPS"	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	-	-	-
Total General Approp for Municipal Purposes Excluded from "CAPS"	<u>472,065</u>	<u>476,529</u>	<u>447,029</u>	29,500	-	-
Subtotal General Appropriations	<u>3,738,838</u>	<u>3,759,193</u>	<u>3,601,582</u>	157,611	-	-
Reserve for Uncollected Taxes	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>			
Total General Appropriations	<u>\$ 4,138,838</u>	<u>\$ 4,159,193</u>	<u>\$ 4,001,582</u>	<u>\$ 157,611</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Ref.</u>	A-2	A-3	A-1;A-3	A;A-1		

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF DELAWARE
STATEMENT OF EXPENDITURES-REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

<u>Paid or Charged</u>	<u>Ref.</u>	<u>Paid or Charged</u>
Cash Disbursed	A-4	\$ 3,265,034
Deferred Charge:		
Overexpenditure Reserve for Revaluation	A	1,748
Reserve for Encumbrances	A-15	64,946
Reserve for Uncollected Taxes	A-2	400,000
Special Emergency Authorization	A-12	12,000
Due to General Capital Fund	A-24	237,500
Appropriated Reserve for Grants	A-27	<u>20,354</u>
	A-3	<u>\$ 4,001,582</u>
 <u>Appropriations</u>		
Budget	A-2	\$ 4,138,839
Added by NJSA 40A:4-87	A-2	<u>20,354</u>
	A-3	<u>\$ 4,159,193</u>

TOWNSHIP OF DELAWARE
COMPARATIVE BALANCE SHEET-REGULATORY BASIS
TRUST FUND

	Ref.	Balance Dec. 31, 2014	Balance Dec. 31, 2013
ASSETS			
Animal Control Fund:			
Cash-Treasurer	B-1		\$ 873
Reserve for Animal Control Fund Expenditures	B-3	\$ 268	
		<u>268</u>	<u>873</u>
LOSAP (Unaudited):			
Investment	B-1	298,333	256,657
		<u>298,333</u>	<u>256,657</u>
Other Trust Funds:			
Cash-Treasurer	B-1	1,275,098	1,256,263
Contras	B	2,698	
Due from Current Fund	B-6	53,233	58,675
Due from General Capital Fund	B-7	632,021	632,021
Loans Receivable	B-8	55,141	55,141
		<u>2,018,191</u>	<u>2,002,100</u>
TOTAL ASSETS		<u>\$ 2,316,792</u>	<u>\$ 2,259,630</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF DELAWARE
COMPARATIVE BALANCE SHEET-REGULATORY BASIS
TRUST FUND
(Continued)

	Ref.	Balance Dec. 31, 2014	Balance Dec. 31, 2013
LIABILITIES AND RESERVES			
Animal Control Fund:			
Cash Deficit	B-1	\$ 254	
Reserve for Animal Control Fund Expenditures	B-3		\$ 873
Due to State of New Jersey	B-5	14	
		<u>268</u>	<u>873</u>
LOSAP (Unaudited):			
Reserve for LOSAP	B-34	298,333	256,657
		<u>298,333</u>	<u>256,657</u>
Other Trust Funds:			
Contras	B	2,698	
Due to Current Fund	B-6	71,556	31,017
Reserve for Open Space	B-9	1,366,142	1,427,995
Reserve for Loans Receivable	B-8	55,141	55,141
Reserve for Road Improvements	B-10	65,176	65,176
Reserve for Road Opening Permits	B-11	4,000	1,000
Reserve for Quarry Ordinance	B-12	2,916	2,916
Reserve for Cash Bonds	B-13	1,019	1,019
Reserve for Miscellaneous Trust	B-14	1,330	462
Reserve for Escrow	B-15	98,378	94,279
Reserve for Unemployment	B-16	84,030	89,822
Reserve for Recreation	B-17	9,521	7,388
Reserve for Recycling	B-18	330	1,707
Reserve for Sutton Burial Ground	B-19	8,402	8,402
Reserve for Dilts Farm	B-20	-	248
Reserve for Municipal Alliance	B-21	494	1,275
Reserve for Developer's Deposits-COAH	B-22	84,334	80,848
Reserve for COAH-Interest	B-23	25,868	25,854
Reserve for Insurance	B-24	15,474	15,474
Reserve for Public Defender	B-25	3,128	2,612
Reserve for POAA	B-26	16	12
Reserve for Quarry Reclamation Fund	B-27	20,559	20,554
Reserve for Tax Premiums	B-28	39,800	23,800
Reserve for Farmer's Market	B-29	636	2,094
Reserve for Retirement	B-30	10,007	10,007
Reserve for Snow Removal	B-31	4,992	
Reserve for Payroll Withholdings	B-32	16,658	7,412
Reserve for Police Building	B-33	25,586	25,586
		<u>2,018,191</u>	<u>2,002,100</u>
TOTAL LIABILITIES AND RESERVES		<u>\$ 2,316,792</u>	<u>\$ 2,259,630</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF DELAWARE
COMPARATIVE BALANCE SHEET-REGULATORY BASIS
GENERAL CAPITAL FUND

	Ref.	Balance Dec. 31, 2014	Balance Dec. 31, 2013
ASSETS			
Cash	C-2	\$ 106,558	\$ 470,650
Due from Current Fund	C-5	207,498	4,995
Due from Delaware River Toll Bridge Commission	C-7	21,850	21,850
Deferred Charges to Future Taxation:			
Funded	C-8	6,878,000	7,225,000
Unfunded	C-9	<u>1,537,000</u>	<u>1,537,000</u>
TOTAL ASSETS		<u><u>\$ 8,750,906</u></u>	<u><u>\$ 9,259,495</u></u>
LIABILITIES, RESERVES AND FUND BALANCE			
General Serial Bonds Payable	C-17	\$ 6,878,000	\$ 7,225,000
Bond Anticipation Notes Payable	C-18	798,000	798,000
Improvement Authorizations:			
Funded	C-10	35,826	82,840
Unfunded	C-10	287,802	388,377
Due to Open Space Trust Fund	C-6	632,021	632,021
Capital Improvement Fund	C-11	890	15,890
Reserves For:			
Payment of Debt Service	C-12	77,979	112,979
Purchase of Various Equipment	C-13	23,000	
Improvement of Municipal Facilities	C-14	15,000	
Guard Rails	C-15	2,325	2,325
Fund Balance	C-1	<u>63</u>	<u>2,063</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u><u>\$ 8,750,906</u></u>	<u><u>\$ 9,259,495</u></u>
 Bonds and Notes Authorized But Not Issued	 C-19	 <u><u>\$ 739,000</u></u>	 <u><u>\$ 769,000</u></u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF DELAWARE
COMPARATIVE STATEMENT OF FUND BALANCE-REGULATORY BASIS
GENERAL CAPITAL FUND

	Ref.	For the Year Ending	
		Dec. 31, 2014	Dec. 31, 2013
Balance January 1	C	\$ 2,063	\$ 63
Increased by:			
Improvement Authorization Balances Canceled			12,000
		2,063	12,063
Decreased by:			
Appropriated to Finance Improvement Authorizations	C-10	2,000	10,000
Balance December 31	C	\$ 63	\$ 2,063

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF DELAWARE
 GENERAL FIXED ASSETS ACCOUNT GROUP
 COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS-REGULATORY BASIS

	<u>Balance</u> <u>Dec. 31,2014</u>	<u>Balance</u> <u>Dec. 31,2013</u>
GENERAL FIXED ASSETS		
Land	\$ 1,860,804	\$ 1,860,804
Building & Building Improvements	525,121	193,191
Machinery & Equipment	2,817,107	2,778,635
Construction in Progress	<u>-</u>	<u>391,636</u>
	<u>\$ 5,203,032</u>	<u>\$ 5,224,266</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Except as noted below, the financial statements-Regulatory Basis of the Township of Delaware (the Municipality) include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Municipality, as required by NJS 40A:5-5. Component units are legally separate organizations for which the Municipality is financially accountable. The Municipality is financially accountable for an organization if the Municipality appoints a voting majority of the organization's governing board and (1) the Municipality is able to significantly influence the programs or services performed or provided by the organization; or (2) the Municipality is legally entitled to or can otherwise access the organization's resources; the Municipality is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the Municipality is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Municipality in that the Municipality approves the budget, the issuance of debt or the levying of taxes. There are currently no component units of the Municipality.

B. Description of Funds

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

Governmental Funds:

Current Fund - resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Fund - receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

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

Account Groups:

General Fixed Assets Account Group - to account for all fixed assets of the Municipality. Neither infrastructure or depreciation of assets of the municipality are recorded in the group.

TOWNSHIP OF DELAWARE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013
(Continued)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Basis of Accounting

The accounting policies of the Municipality conform to the accounting principles and practices prescribed for municipalities by the State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. The aforementioned policies differ in certain respects from accounting policies generally accepted in the United States of America (GAAP). The more significant differences, which may be material, are discussed further in part D of Note 1.

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

Budget and Budgetary Procedures - the State of New Jersey has promulgated the form and procedures for the municipality's cash basis budget in the Local Budget Law (NJSA 40A:4-1). The municipality is only required to adopt budgets for the Current Fund and Utility Funds, if applicable.

The municipality must introduce and approve its annual budget no later than February 10th and adopt no later than March 20th of its budget year, unless extended by the Director of the Division of Local Government Services (the Director). All budgets shall be introduced, approved, amended and adopted by resolution passed by not less than a majority of the full membership of the governing body. The approved budget must be advertised and a public hearing must be held prior to adoption. No budget or amendment thereof shall be adopted unless the Director has certified his approval thereof.

Emergency and special emergency appropriations may be made by resolution adopted by a 2/3 vote of the full membership of the governing body. All emergency appropriations must be raised in full in the succeeding year's budget, while special emergency appropriations financed from surplus funds shall be raised in installments of a least 20% annually until fully provided for.

Transfers between current year appropriations are allowed only during the last two months of the fiscal year. Transfers between prior year appropriation reserves are allowed only during the first three months of the fiscal year.

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Receipts from Federal and State grants are realized as revenue when anticipated in the Municipal budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Municipality's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Municipality which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

TOWNSHIP OF DELAWARE
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2014 AND 2013
 (Continued)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Basis of Accounting (Cont'd)

Expenditures - are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuances of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements and constitute part of the Municipality's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Foreclosed Property - is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

Tax Title Liens - are taxes which have been put up for sale but not been purchased. The Municipality then accepts the lien which will earn 18% per annum until the lien is paid off by the property owner. The Municipality may choose to foreclose and return the property to the tax rolls.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Inventories of Supplies - the costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets.

Deferred Charges to Future Taxation-Funded and Unfunded (Capital Fund) - upon authorization of capital projects, the Municipality establishes deferred charges for the costs of the projects that are to be raised by future taxation. Deferred charges that relate to permanent debt issued are shown as funded. All other deferred charges are shown as unfunded.

General Fixed Assets - in accordance with New Jersey Administrative Code Section 5:30-5.6, Accounting for Governmental Fixed Assets, as promulgated by the State of New Jersey, which differs in certain respects from generally accepted accounting principles, all local units are required to have and maintain a fixed assets accounting and reporting system. In accordance with this administrative code requirement, fixed assets acquired after December 31, 1985 shall be valued on the basis of actual cost; prior to that time, they may be valued at cost or estimated historical cost.

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

No depreciation has been provided for in the financial statements.

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

TOWNSHIP OF DELAWARE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013
(Continued)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Departures from Generally Accepted Accounting Principles

As noted the accounting principles and practices used differ in some respects from generally accepted accounting principles (GAAP) for local governmental units. The more significant differences, which may be material, are as follows:

1. Financial Reporting Model-These statements are not based on the requirements as promulgated by GASB Statement No. 34, "Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments." This statement made dramatic changes to the financial reporting requirements of state and local governments for GAAP purposes.
2. Revenues-GAAP records taxes, utility charges and other revenues as income when levied and there is no reserve for receivables for unpaid balances.
3. Expenditures-GAAP records expenditures when incurred and does not reflect appropriation reserve balances or deferred charges to future taxation.
4. Foreclosed Property-GAAP records the value of foreclosed property at the lower of cost or fair market value and would be recorded in the General Fixed Asset Account Group.
5. Interfunds-GAAP does not require offsetting reserves for Interfund receivables and resulting revenue recognition when interfunds are liquidated.
6. Inventories-GAAP requires inventories to be reported on the balance sheet at year end.
7. Fixed Assets-GAAP does not require the establishment of a reserve for amortization for utility fixed assets but does require the recording of depreciation as an operating expense of the utility.
8. Grant Accounting-GAAP requires that grants be recorded within a special revenue fund and revenues are not to be realized until earned.
9. Capital Funds-GAAP requires separate funds for the recording of capital projects and payment of debt service while New Jersey requirements incorporate these transactions within one fund.
10. Compensated absence liabilities for sick and vacation pay and for contributions to state administered pension plans are not recorded until paid
11. Losses arising from tax appeals and other contingencies are not recorded until paid.

It is not practicable to determine the effect of these differences on the financial statements.

TOWNSHIP OF DELAWARE
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2014 AND 2013
 (Continued)

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

State Requirements for Deposits and Investments

New Jersey statutes require each local unit to adopt a cash management plan and shall deposit and/or invest according to that plan, which shall include:

1. The designation of public depositories as defined in Section 1 of PL 1970 Ch 236 (C17:9-41) and permit deposits in designated depositories;
2. The designation of any fund that meets the requirements established pursuant to Section 8 PL 1977, Ch 396(C40A5-15.1);
3. The authorization for investments as permitted pursuant to Section 8 of PL 1977, Ch 396 (C.40A:5-15.1); or
4. Any combination of these designations or authorizations.

Deposit and Investment Risk

GASB Statement No. 40 "Deposit and Investment Risk Disclosures" requires state and local governments to communicate key information about deposit and investment risks. Required disclosures are as follows:

1. Custodial credit risk disclosures are required for:
 - Deposits that are uninsured and either (a) uncollateralized or (b) collateralized with securities held by the pledging financial institution, or its trust department or agent but not in the government's name.
 - Investment securities that are uninsured, are not registered in the name of the government, and are held by either (a) the counterparty or (b) the counterparty's trust department or agent but not in the government's name.

As the municipality has no such investments, this disclosure is not applicable.

2. Credit quality ratings for investments in debt securities, external investment pools, money market funds, bond mutual funds, and other pooled investments of fixed-income securities. As the municipality has no such investments, this disclosure is not applicable.
3. Disclosure of investments by amount and issuer for any issuer that represents five percent of more of total investments. This requirement does not apply to investments issued or explicitly guaranteed by the US government and investments in mutual funds or pools. This disclosure is reported below under Concentration of Credit Risk.
4. Interest rate risk disclosures are required for all debt investments and non-money market like pools. As the municipality has no such investments, this disclosure is not applicable.
5. Investments that are exposed to foreign currency risk should be disclosed. As the municipality has no such investments, this disclosure is not applicable.

Concentration of Credit Risk

The State of New Jersey does not place any limit on the amount that the municipality may invest with any one issuer. As of December 31, 2014, the municipality had 100% of its investments in the New Jersey Cash Management Fund and with PNC Bank.

TOWNSHIP OF DELAWARE
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2014 AND 2013
 (Continued)

NOTE 3: TAX ASSESSMENTS AND PROPERTY TAXES

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the municipality, the municipality's local school districts, and the county, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in NJSA 54:4 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding fiscal year, are based upon one-half of the current year's total tax.

Tax installments not paid on or before the due date are subject to interest penalties of eight percent per annum on the first \$1,500 of the delinquency and eighteen percent per annum on any amount in excess of \$1,500. Pursuant to Chapter 75, PL 1991, the governing body may also fix a penalty to be charged to a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the calendar year. The penalty so fixed shall not exceed six percent of the amount of the delinquency. These interest and penalties are the highest permitted under the New Jersey Statutes. Delinquent taxes are annually included in a tax sale in accordance with New Jersey Statutes.

NOTE 4: LONG-TERM DEBT

The Local Bond Law of the State of New Jersey governs the authorization of debt by municipalities to finance certain general municipal and utility capital expenditures. Among its provisions are requirements that bonds must mature within the statutory period of usefulness of the projects bonded. Bond anticipation notes may also be issued to temporarily finance capital projects for periods not greater than one year and may be reissued in yearly installments not to exceed ten years. All bonds and notes issued by the municipality are general full faith and credit obligations.

Summary of Municipal Debt

	<u>Year 2014</u>	<u>Year 2013</u>	<u>Year 2012</u>
Issued:			
General:			
Bonds and Notes	\$ 7,676,000	\$ 8,023,000	\$ 8,275,000
Authorized But Not Issued:			
General:			
Bonds and Notes	<u>769,000</u>	<u>769,000</u>	<u>199,000</u>
Bonds and Notes Issued & Authorized But Not Issued	<u>\$ 8,445,000</u>	<u>\$ 8,792,000</u>	<u>\$ 8,474,000</u>

TOWNSHIP OF DELAWARE
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2014 AND 2013
 (Continued)

NOTE 4: LONG-TERM DEBT (Cont'd)

Summary of Statutory Debt Condition-Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .94%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 3,045,000	\$ 3,045,000	
Regional School District	1,444,194	1,444,194	
General Debt	<u>8,445,000</u>	<u>107,979</u>	<u>\$ 8,337,021</u>
	<u>\$ 12,934,194</u>	<u>\$ 4,597,173</u>	<u>\$ 8,337,021</u>

Net Debt \$8,337,021 divided by Equalized Valuation Basis per NJS 40A:2-2 as amended, \$884,021,314 equals .94%.

Borrowing Power Under NJS 40A:2-6 As Amended

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 30,940,746
Net Debt	<u>8,337,021</u>
Remaining Borrowing Power	<u>\$ 22,603,725</u>

Changes in Long-Term Debt

During the year ended December 31, 2014, the following changes occurred in Long-Term Debt.

	<u>Balance Jan. 01, 2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance Dec. 31, 2014</u>
Issued Debt:				
General Capital:				
Bonds	\$ 7,225,000		\$ 347,000	\$ 6,878,000
Notes	798,000			798,000
Authorized But Not Issued Debt:				
General Capital:				
Bonds and Notes	<u>769,000</u>			<u>769,000</u>
Total	<u>\$ 8,792,000</u>	<u>\$ -0-</u>	<u>\$ 347,000</u>	<u>\$ 8,445,000</u>

TOWNSHIP OF DELAWARE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013
(Continued)

NOTE 4: LONG-TERM DEBT (Cont'd)

Schedule of Annual Debt Service for Principal and Interest for Outstanding Bonds

<u>Year</u>	<u>General</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2015	\$ 352,000	\$ 287,756	\$ 639,756
2016	357,000	277,420	634,420
2017	357,000	266,834	623,834
2018	352,000	256,084	608,084
2019	352,000	245,294	597,294
2020-2024	1,386,000	1,061,247	2,447,247
2025-2029	985,000	831,437	1,816,437
2030-2034	1,335,000	565,205	1,900,205
2035-2038	1,402,000	185,756	1,587,756
	<u>\$ 6,878,000</u>	<u>\$ 3,977,033</u>	<u>\$ 10,855,033</u>

General Obligation Bonds-General obligation bonds at December 31, 2014 with their outstanding balances are comprised of the following individual issues:

\$4,190,000-2002 general obligation bonds due in annual installments of \$2,000 to \$232,000 beginning April 15, 2003 through Oct 15, 2022, interest at 2.00% to 5.25%	\$ 16,000
\$2,738,000-2010 general obligation bonds (Open Space Portion) due in annual installments of \$20,000 to \$191,000 beginning April 15, 2010 through Oct 15, 2038, interest at 4.55% to 5.20%	2,543,000
\$2,654-2010 general obligation bonds due in annual installments of \$20,000 to \$191,000 beginning April 15, 2010 through Oct 15, 2038, interest at 4.55% to 5.20%	2,459,000
\$2,350,000-2013 refunding bonds due in annual installments of \$235,000 to \$255,000 beginning Oct 15, 2013 through Oct 15, 2022, interest at 2.10%	<u>1,860,000</u>
	<u>\$ 6,878,000</u>

NOTE 5: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2014, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 15, 2015, were as follows:

Current Fund	<u>\$ 241,000</u>
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TOWNSHIP OF DELAWARE
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2014 AND 2013
 (Continued)

NOTE 6: SCHOOL TAXES

Local District Tax and Regional High School Tax have been raised and liabilities deferred by statute, resulting in the school taxes payable set forth in the Current Fund liabilities as follows:

	<u>Local District School Tax</u>		<u>Regional High School Tax</u>	
	<u>Balance Dec. 31, 2014</u>	<u>Balance Dec. 31, 2013</u>	<u>Balance Dec. 31, 2014</u>	<u>Balance Dec. 31, 2013</u>
Balance of Tax	\$ 3,761,839	\$ 3,675,354	\$ 2,637,581	\$ 2,505,910
Deferred	<u>2,051,077</u>	<u>2,051,077</u>	<u>1,083,907</u>	<u>1,083,907</u>
Tax Payable	<u>\$ 1,710,762</u>	<u>\$ 1,624,277</u>	<u>\$ 1,553,674</u>	<u>\$ 1,422,003</u>

NOTE 7: TAXES COLLECTED IN ADVANCE

Taxes collected in advance, include discounts allowed for prepayments and the amount set forth as cash liabilities in the financial statements as follows:

	<u>Balance Dec. 31, 2014</u>	<u>Balance Dec. 31, 2013</u>
Prepaid Taxes	\$ 161,354	\$ 129,784
Less: Discount Allowed	<u>-0-</u>	<u>-0-</u>
Cash Liability for Taxes Collected in Advance	<u>\$ 161,354</u>	<u>\$ 129,784</u>

NOTE 8: PENSIONS

Employees, who are eligible for a pension plan, are enrolled in one of three pension systems administered by the Division of Pensions, Treasury Department of the State of New Jersey. The three State-administered plans are:

- (1) The Public Employees' Retirement System
- (2) Defined Contribution Retirement Program
- (3) The Police and Firemen's Retirement System

The plans are considered cost sharing multiple-employer plans.

The State of New Jersey Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer contributory defined benefit plan which was established in January of 1955 under the provisions of NJSA 43:15A to provide coverage including post-retirement health care to substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service and 25 years for health care coverage. Members are eligible for retirement at age 55 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under age 55 with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55).

TOWNSHIP OF DELAWARE
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2014 AND 2013
 (Continued)

NOTE 8: PENSIONS (Cont'd)

Significant legislation which became effective October 1, 2011 under Chapter 78, PL 2011 gradually increases the employee contribution rate for PERS members from 5.5% to 7.5% of annual compensation by July 2018. Effective July 1, 2014, the rate increased to 6.92%. After that, the rate increases each July 1st over the seven year phase-in period until reaching 7.5% effective July 1, 2018.

The State of New Jersey Police and Firemen's Retirement System (PFRS) is a cost-sharing multiple-employer contributory defined benefit plan which was established in July of 1944 under the provisions of NJSA 43:16A. Its designated purpose is to provide retirement, death and disability benefits to its members. Membership is mandatory for substantially all full-time county and municipal police or firemen, and state firemen or officer employees with police powers appointed after June 30, 1944. All benefits vest after ten years of service except disability benefits which vest after four years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 2% of final compensation for each year of service up to 30 years plus 1% for years of service in excess of 30 years.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statement and required supplementary information for PERS. 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 or by visiting their website at www.nj.gov/treasury/pensions.

The contribution policy for PERS and PFRS are set by New Jersey State Statutes and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Employee contributions are a percentage of annual compensation, as defined, and are currently 6.92% for PERS and 10.0% for PFRS. Funding by the municipality is at an actuarially determined rate. Three year trend information for PERS and PFRS contributions are as follows:

Year Funded	PFRS Annual Contribution	PERS Annual Contribution
2014	\$ 119,676	\$ 89,005
2013	120,442	90,213
2012	103,508	94,947

The Federal Insurance Contribution Act also covers township employees.

Information as to the comparison of the actuarially computed value of vested benefits with the system's assets is available from the State Retirement System.

NOTE 9: POST-RETIREMENT BENEFITS

GASB Statement 45 requires certain disclosures relating to governmental entities obligations for other post-employment benefits (OPEB), which are post-employment benefits other than pensions. The Municipality's only material OPEB obligation is for healthcare provided to eligible retirees through the NJ State Health Benefits Program.

TOWNSHIP OF DELAWARE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012
(Continued)

NOTE 9: POST-RETIREMENT BENEFITS (Cont'd)

Plan Description-The Municipality contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under NJSA 52:14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. The Municipality adopted a resolution to participate in the SHBP. The State Health Benefits Commission is the executive body established by the statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, PO Box 295, Trenton, NJ 08625-0295 or by visiting their website at <http://www.state.nj.us/treasury/pensions>.

Funding Policy-Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Municipality on a monthly basis. Premiums are funded entirely by the Municipality and are based on the type of coverage selected by the employee.

The Municipality's contributions to the SHBP for post retirement benefits for the years ended December 31, 2014, 2013, and 2012, were \$133,153, \$142,680, and \$144,158, which equaled the required benefit contribution for each year.

In addition, certain retirees were reimbursed for personally paid health benefits for the years ended December 31, 2014 \$6,685, 2013 \$6,630, and 2012 \$7,293.

NOTE 10: ACCRUED SICK AND VACATION BENEFITS

The Municipality has permitted employees to accrue vacation, sick and compensatory pay which may be taken off or paid at a later date at an agreed upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$116,600. This amount, which is not considered material to the financial statements, is not reported either as an expenditure or liability.

TOWNSHIP OF DELAWARE
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2014 AND 2013
 (Continued)

NOTE 11: FIXED ASSETS

The following schedule is a summarization of the changes in general fixed assets for the year ended December 31, 2014:

	Balance Dec.31, 2013	Additions	Deletions	Balance Dec.31, 2014
Sites	\$ 1,860,804			\$ 1,860,804
Building & Building Improvements	193,191	\$ 331,930		525,121
Furniture, Machinery & Equipment	2,778,635	155,147	\$ 116,675	2,817,107
Construction in Progress	391,636		391,636	
	<u>\$ 5,224,266</u>	<u>\$ 487,077</u>	<u>\$ 508,311</u>	<u>\$ 5,203,032</u>

NOTE 12: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the various balance sheets at December 31, 2014:

Fund	Interfund Receivables	Interfund Payables
Current Fund:		
Due from/to Other Trust Fund	\$ 71,556	\$ 23,000
Due to General Capital Fund		207,498
Due to Grant Fund		185,141
Due to Open Space Trust Fund		30,233
Grant Fund:		
Due from Current Fund	185,141	
Other Trust Fund:		
Due from/to Current Fund	23,000	71,556
Open Space Trust Fund:		
Due from Current Fund	30,233	
Due from General Capital	632,021	
General Capital Fund:		
Due to Open Space Trust Fund		632,021
Due from Current Fund	207,498	
	<u>\$ 1,149,449</u>	<u>\$ 1,149,449</u>

NOTE 13: LITIGATION

During the normal course of operations, lawsuits are occasionally brought against the municipality. There are presently no outstanding lawsuits that would result in a contingent liability to the Township.

TOWNSHIP OF DELAWARE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013
(Continued)

NOTE 14: RISK MANAGEMENT

The Municipality is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster.

Property and Liability Insurance – The Municipality maintains commercial insurance coverage for property, liability, and surety bonds. Significant losses are covered by commercial insurance for all major programs and there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current or the three prior years.

NOTE 15: CONTINGENT LIABILITIES

The Township is not economically dependent on any one business or industry located within the municipality.

NOTE 16: SUBSEQUENT EVENTS

The Municipality has evaluated subsequent events through June 10, 2015, which is the date the financial statements were available to be issued and no additional items were noted for disclosure.

NOTE 17: RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

The following is a list of recent accounting pronouncements which are not yet effective as of the year end date of this report:

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 68 "Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27". This statement, which is effective for fiscal periods beginning after June 15, 2014, will not have any effect on the Municipality's financial reporting.

In November 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 71 "Pension Transition for Contributions Made Subsequent to the Measurement Date- an amendment of GASB Statement No. 68". This statement, which is effective for fiscal periods beginning after June 30, 2015, is not expected to have an effect on the Municipality's financial reporting.

TOWNSHIP OF DELAWARE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013
(Continued)

NOTE 17: RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE (Cont'd)

In February 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 72 "Fair Value Measurement and Application". This statement, which is effective for fiscal periods beginning after June 30, 2015, is not expected to have an effect on the Municipality's financial reporting.

SUPPLEMENTARY SCHEDULES

TOWNSHIP OF DELAWARE
COUNTY OF HUNTERDON
2014
CURRENT FUND

TOWNSHIP OF DELAWARE
SCHEDULE OF CURRENT FUND CASH-TREASURER

	Ref.	Regular Fund	Federal and State Grant Fund	
Balance December 31, 2013	A	\$ 3,864,343		\$ 19,466
Increased by Receipts:				
Interest on Investments & Deposits	A-2	\$ 4,643		
Non Budget Revenue	A-2	55,338		
Interest and Cost on Taxes	A-2	117,955		
Fees & Permits	A-2	18,542		
State of NJ-Veterans' & Senior Citizens' Deductions	A-6	46,801		
Taxes Receivable	A-7	19,345,498		
Tax Title Liens Receivale	A-8	6,266		
Revenue Accounts Receivable	A-9	538,120		
Due to Federal and State Grant Fund	A-11	114,585		
Grants Receivable	A-13		\$ 23,354	
Prepaid Taxes	A-16	161,354		
Tax Overpayments	A-17	18,850		
Due County-Food Inspection Fees	A-21	2,600		
Due NJ-State Training Fees	A-22	6,339		
Due NJ-Marriage Licenses & Domestic Partnership Fees	A-23	500		
Due to General Capital Fund	A-24	4		
Unappropriated Reserves for Grants	A-28		1,598	
		<u>20,437,395</u>		<u>24,952</u>
		24,301,738		44,418

TOWNSHIP OF DELAWARE
SCHEDULE OF CURRENT FUND CASH-TREASURER
(Continued)

	Ref.	Regular Fund	Federal and State Grant Fund
Decreased by Disbursements:			
2014 Budget Appropriations	A-3	\$ 3,265,034	
2013 Appropriation Reserves	A-14	91,843	
Non Budget Revenue Disbursements	A-2	12,783	
Tax Overpayments Refunded	A-17	15,924	
Regional High School Tax Payable	A-18	5,143,601	
Local School Tax Payable	A-19	7,602,090	
County Taxes Payable	A-20	3,308,463	
Due County-Food Inspection Fees	A-21	2,700	
Due NJ-State Training Fees	A-22	7,055	
Due NJ-Marriage Licenses & Domestic Partnership Fees	A-23	750	
Due to Open Space Trust Fund	A-25	481,679	
Appropriated Reserves for State Grants	A-27		\$ 12,374
		<u>\$ 19,931,922</u>	<u>\$ 12,374</u>
Balance December 31, 2014	A	<u>\$ 4,369,816</u>	<u>\$ 32,044</u>

TOWNSHIP OF DELAWARE
 SCHEDULE OF CURRENT FUND CASH AND RECONCILIATION
 PER NJS 40A:5.5-TREASURER

	<u>Ref.</u>	<u>Regular Fund</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2014	A-4	\$ 4,369,816	\$ 32,044
Increased by:			
Receipts		4,972,399	21
		<u>9,342,215</u>	<u>32,065</u>
Decreased by:			
Disbursements		6,177,712	-
		<u>6,177,712</u>	<u>-</u>
Balance March 31, 2015		<u>\$ 3,164,503</u>	<u>\$ 32,065</u>
<u>Cash Reconciliation March 31, 2015</u>			
<u>Balance Per Statement:</u>			
NJ Cash Management		\$ 605,542	
Hopewell Valley Bank		2,441,921	\$ 32,055
PNC Bank		183,227	
		<u>3,230,690</u>	<u>32,055</u>
Add: Deposit-in-Transit		18,059	10.00
		<u>3,248,749</u>	<u>32,065</u>
Less: Outstanding Checks		84,246	-
		<u>84,246</u>	<u>-</u>
Book Balance		<u>\$ 3,164,503</u>	<u>\$ 32,065</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF DUE TO STATE OF NEW JERSEY
VETERANS' AND SENIOR CITIZENS' DEDUCTIONS

	<u>Ref.</u>		
Balance December 31, 2013	A		\$ 21,239
Increased by:			
Receipts	A-4	\$ 46,801	
Prior Year Senior Citizen Deductions Disallowed by Collector	A-1	<u>1,106</u>	
			<u>47,907</u>
			69,146
Decreased by:			
Veterans' Deductions per Tax Billings		\$ 42,750	
Veterans' Deductions Allowed by Tax Collector		500	
Senior Citizens' Deductions per Tax Billings		6,250	
Senior Citizens' Deductions Allowed by Tax Collector		<u>250</u>	
		49,750	
Less: Senior Citizen Deductions Disallowed by Collector	A-7	<u>793</u>	
			<u>48,957</u>
Balance December 31, 2014	A		<u>\$ 20,189</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance	2014 Levy	Added 2014	Collected		Transferred to Tax Title Liens	Senior Citizens & Veterans' Deductions	Tax Overpayment Applied	Cancellations	Balance
	12/31/2013			2013	2014					12/31/2014
2009	\$ 8,650									\$ 8,650
2010	6,217				\$ 6,217					
2011	24,936				5,668					19,268
2012	24,381				71					24,310
2013	351,301		\$ 1,106		330,881					21,526
2014		\$ 19,487,261	60,602	\$ 129,784	19,002,661	\$ 1,586	\$ 48,957	\$ 5,207	\$ 11,267	348,401
	<u>\$ 415,485</u>	<u>\$ 19,487,261</u>	<u>\$ 61,708</u>	<u>\$ 129,784</u>	<u>\$ 19,345,498</u>	<u>\$ 1,586</u>	<u>\$ 48,957</u>	<u>\$ 5,207</u>	<u>\$ 11,267</u>	<u>\$ 422,155</u>
<u>Ref.</u>	A	Reserve	Reserve	A-16	A-4	A-8	A-6	A-17	Reserve	A

TOWNSHIP OF DELAWARE
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS
OF PROPERTY TAX LEVY
(Continued)

	<u>Ref.</u>		
<u>Analysis of 2014 Property Tax</u>			
Tax Yield:			
General Purpose Tax			\$ 19,487,261
Added and Omitted Taxes			<u>60,602</u>
	A-7		<u>\$ 19,547,863</u>
Tax Levy:			
Local District School Tax	A-2;A-19		\$ 7,688,575
Regional District School Tax	A-2;A-18		5,275,273
County Tax		\$ 2,749,548	
County Library Tax		275,261	
County Open Space Tax		267,713	
County Share of Added and Omitted Taxes		<u>10,357</u>	
Total County Taxes	A-2;A-20		3,302,879
Municipal Open Space Tax		474,720	
Municipal Open Space Share of Added and Omitted Taxes		<u>1,517</u>	
Total Municipal Open Space Tax	A-2;A-25		476,237
Municipal Purpose Tax	A-2	2,752,500	
Additional Tax Levied		<u>52,399</u>	
Total Municipal Purpose Tax			<u>2,804,899</u>
	A-7		<u>\$ 19,547,863</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF TAX TITLE LIENS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2013	A	\$ 21,328
Increased by:		
Transferred from Taxes Receivable	A-7	<u>1,586</u>
		22,914
Decreased by:		
Collections	A-2; A-4	<u>6,266</u>
Balance December 31, 2014	A	<u><u>\$ 16,648</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Ref.	Balance Dec.31,2013	Accrued in 2014	Collected Treasurer	Balance Dec.31,2014
Alcoholic Beverage Licenses	A-2		\$ 4,800	\$ 4,800	
Municipal Court	A-2	\$ 2,666	41,944	40,814	\$ 3,796
Share of Court Costs-Franklin Township	A-2	7,500	30,090	37,590	
Energy Receipts Tax	A-2		310,400	310,400	
Supplemental Energy Receipts Tax	A-2		14,622	14,622	
Consolidated Municipal Property Tax Relief Aid	A-2		8,983	8,983	
Garden State Trust Fund-Open Space Pilot Aid	A-2		27,412	27,412	
Uniform Construction Code Fees	A-2		93,499	93,499	
		<u>\$ 10,166</u>	<u>\$ 531,750</u>	<u>\$ 538,120</u>	<u>\$ 3,796</u>
	<u>Ref.</u>	A	Reserve	A-4	A

TOWNSHIP OF DELAWARE
SCHEDULE OF DUE FROM OTHER TRUST FUNDS

	<u>Ref.</u>	
Balance December 31, 2013	A	\$ 31,017
Increased by:		
Miscellaneous Revenue Not Anticipated:		
Payroll Account-Health Insurance Reimbursement	A-2	<u>40,539</u>
Balance December 31, 2014	A	<u><u>\$ 71,556</u></u>

<u>Analysis of Balance</u>	<u>Dec. 31,</u> <u>2014</u>	<u>Dec. 31,</u> <u>2013</u>
Due from Other Trust Funds	\$ 1,856	\$ 1,879
Due from Payroll	<u>69,700</u>	<u>29,138</u>
	<u><u>\$ 71,556</u></u>	<u><u>\$ 31,017</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF DUE TO FEDERAL & STATE GRANT FUND

	<u>Ref.</u>	
Balance December 31, 2013	A	\$ 70,556
Increased by:		
Receipts	A-4	<u>114,585</u>
Balance December 31, 2014	A	<u><u>\$ 185,141</u></u>

TOWNSHIP OF DELAWARE
 SCHEDULE OF DEFERRED CHARGES NJS 40A:4-55 SPECIAL EMERGENCY AUTHORIZATIONS

<u>Date Authorized</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>1/5 of Amount Authorized</u>	<u>Balance 12/31/2013</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance 12/31/2014</u>
3/26/2012	Revaluation of Real Property	\$ 60,000	\$ 12,000	\$ 36,000		\$ 12,000	\$ 24,000
				\$ 36,000	\$ -	\$ 12,000	\$ 24,000
				<u>Ref.</u> A		A-3	A

TOWNSHIP OF DELAWARE
SCHEDULE OF GRANTS RECEIVABLE

Grant	Balance 12/31/2013	Revenue in 2014	Received	Balance Canceled	Balance 12/31/2014
OES Grant	\$ 390				\$ 390
Wild & Scenic River	4,000				4,000
Sidewalk Grant	1,044				1,044
Cool Cities	23,150				23,150
Recreation Trails Program	1,414				1,414
Deleware River Joint Toll Bridge Commission-Federal Twist Road Project	55,525				55,525
NJ Department of Transportation-Meszaros Road Project	533				533
NJ Department of Transportation-Grafton Road Project	200,935		\$ 114,585		86,350
Department of Environmental Protection-Green Communities Grant	3,000		3,000		
NJ Division of Criminal Justice-Body Armor Grant		\$ 1,090	1,090		
Clean Communities Program		19,264	19,264		
	<u>\$ 289,991</u>	<u>\$ 20,354</u>	<u>\$ 137,939</u>	<u>\$ -</u>	<u>\$ 172,406</u>
	Ref. A	A-2	Below		A
Due from Regular Fund	A-29		\$ 114,585		
Receipts	A-4		23,354		
			<u>\$ 137,939</u>		

TOWNSHIP OF DELAWARE
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

	Balance Dec. 31, 2013	Balance After Transfer	Expended	Balance Lapsed	Overexpended
Municipal Clerk:					
Salaries and Wages	\$ 16	\$ 16		\$ 16	
Other Expenses:					
Postage & Advertising	3,514	4,550	\$ 2,079	2,471	
Miscellaneous Other Expenses	1,073	4,593	3,771	822	
Elections:					
Other Expenses	689	689		689	
Financial Administration:					
Other Expenses	9	309	300	9	
Assessment of Taxes:					
Maintenance of Tax Map	3,000	3,000		3,000	
Other Expenses	932	932		932	
Revenue Administration:					
Salaries and Wages	18	18		18	
Other Expenses	88	1,595	1,506	89	
Legal Services and Costs:					
Other Expenses	4,636	5,845	1,209	4,636	
Municipal Prosecutor:					
Salaries and Wages	3	3		3	
Engineering Service & Costs:					
Other Expenses	2,373	2,373		2,373	
Public Building and Grounds:					
Salaries and Wages:					
Dilts Farm	396	396		396	
Buildings and Grounds	223	223		223	
Other Expenses:					
Expenses of Dilts Farm	364	1,624	1,260	364	
Miscellaneous Other Expenses	546	1,507	961	546	
Planning Board:					
Other Expenses	1,731	1,745	14	1,731	

TOWNSHIP OF DELAWARE
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Balance Dec. 31, 2013	Balance After Transfer	Expended	Balance Lapsed	Overexpended
Board of Adjustment:					
Other Expenses	\$ 106	\$ 106		\$ 106	
Zoning Board:					
Other Expenses	4,022	3,022	\$ 56	2,966	
Environmental Commission (RS 40:56A:-1 et seq):					
Salaries and Wages	208	208		208	
Other Expenses	471	471		471	
Fire:					
Aid to Volunteer Fire Companies	800	800	400	400	
Police:					
Salaries and Wages	518	518		518	
Other Expenses	1	1,619	1,520	99	
Purchase of Police Car	5	5		5	
Supplemental Safe Neighborhood Program:					
Salaries and Wages	3	3		3	
Other Expenses	1	33	32	1	
Construction Code Official:					
Salaries and Wages	4,899	1,899	756	1,143	
Other Expenses	1,673	1,673		1,673	
Office of Emergency Management:					
Other Expenses	1,496	1,496		1,496	
Road Repair and Maintenance:					
Salaries and Wages	6,201	6,201	5,000	1,201	
Other Expenses		33,611	33,607	4	
Board of Health:					
Salaries and Wages	800	800		800	
Other Expenses	1,500	1,500		1,500	
Expenses of Visiting Homemakers:					
Other Expenses	500	500	500		
Senior Health Services	200	200	200		

TOWNSHIP OF DELAWARE
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Balance Dec. 31, 2013	Balance After Transfer	Expended	Balance Lapsed	Overexpended
Board of Recreation Commissioners:					
Other Expenses	\$ 7,932	\$ 7,932		\$ 7,932	
Historic Preservation Society:					
Other Expenses	3,000	3,000	\$ 3,000		
Unclassified:					
Utilities:					
Gasoline & Diesel Fuel	6,667	11,364	4,698	6,666	
Fuel Oil	60	3,683	3,623	60	
Electricity	57	1,868	1,811	57	
Telephone	390	2,266	1,875	391	
Street Lighting	1,873	1,893	21	1,872	
Data Processing Services	1,296	1,871	1,794	77	
Contingent	50	50		50	
Contribution to:					
Social Security System	5,431	5,431		5,431	
State Unemployment	50	50		50	
LOSAP	28,500	28,500	21,850	6,650	
Municipal Court:					
Salaries and Wages	5,194	5,194		5,194	
Other Expenses	350	350		350	
NJPDES Stormwater Permit	708	708		708	
	<u>\$ 104,573</u>	<u>\$ 158,243</u>	<u>\$ 91,843</u>	<u>\$ 66,400</u>	<u>\$ -</u>
	<u>Ref.</u>	A	Below	A-4	A-1
Appropriation Reserves	A	\$ 104,573			
Encumbrances Payable	A-15	<u>53,670</u>			
		<u>\$ 158,243</u>			

TOWNSHIP OF DELAWARE
SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>Ref.</u>	
Balance December 31, 2013	A	\$ 53,670
Increased by:		
2014 Budget Charges	A-3	<u>64,946</u>
		118,616
Decreased by:		
Applied to Appropriation Reserves	A-14	<u>53,670</u>
Balance December 31, 2014	A	<u><u>\$ 64,946</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF PREPAID TAXES

	<u>Ref.</u>	
Balance December 31, 2013	A	\$ 129,784
Increased by:		
Collection of 2015 Taxes	A-4	161,354
		<u>291,138</u>
Decreased by:		
Applied to 2014 Taxes Receivable	A-7	129,784
		<u>129,784</u>
Balance December 31, 2014	A	<u>\$ 161,354</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF TAX OVERPAYMENTS

	<u>Ref.</u>		
Balance December 31, 2013	A		\$ 5,209
Increased by:			
Overpayments Received	A-4		18,850
			<u>24,059</u>
Decreased by:			
Refunded	A-4	\$ 15,924	
Applied to 2014 Taxes	A-7	5,207	
Overpayments Canceled	A-1	<u>200</u>	
			<u>21,331</u>
Balance December 31, 2014	A		<u>\$ 2,728</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF REGIONAL HIGH SCHOOL TAX PAYABLE

	<u>Ref.</u>		
Balance December 31, 2013:			
School Tax Payable	A	\$ 1,422,003	
School Tax Deferred (21.63%)		<u>1,083,907</u>	\$ 2,505,910
Increased by:			
Levy-School Year July 1, 2014 to June 30, 2015	A-7		<u>5,275,273</u>
			7,781,183
Decreased by:			
Disbursements	A-4		<u>5,143,601</u>
Balance December 31, 2014:			
School Tax Payable	A	1,553,674	
School Tax Deferred (20.55%)		<u>1,083,907</u>	<u>\$ 2,637,581</u>
<u>2014 Liability for Regional High School Tax</u>			
Tax Paid			\$ 5,143,601
Add: Tax Payable December 31, 2014			<u>1,553,674</u>
			6,697,275
Less: Tax Payable December 31, 2013			<u>1,422,003</u>
Amount Charged to Operations	A-1		<u>\$ 5,275,272</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF LOCAL SCHOOL TAX PAYABLE

	<u>Ref.</u>		
Balance December 31, 2013:			
School Tax Payable	A	\$ 1,624,277	
School Tax Deferred (26.50%)		<u>2,051,077</u>	\$ 3,675,354
Increased by:			
Levy-School Year July 1, 2014 to June 30, 2015	A-7		<u>7,688,575</u>
			11,363,929
Decreased by:			
Disbursements	A-4		<u>7,602,090</u>
Balance December 31, 2014:			
School Tax Payable	A	1,710,762	
School Tax Deferred (26.68%)		<u>2,051,077</u>	<u>\$ 3,761,839</u>
<u>2014 Liability for Local School Tax</u>			
Tax Paid			\$ 7,602,090
Add: Tax Payable December 31, 2014			<u>1,710,762</u>
			9,312,852
Less: Tax Payable December 31, 2013			<u>1,624,277</u>
Amount Charged to Operations	A-1		<u>\$ 7,688,575</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF COUNTY TAXES PAYABLE

	<u>Ref.</u>	
Balance December 31, 2013	A	\$ 15,941
Increased by:		
2014 Levy:		
County Taxes		\$ 2,749,548
County Library Tax		275,261
County Open Space Tax		267,713
County Share of Added & Omitted Taxes		<u>10,357</u>
	A-1;A-7	<u>3,302,879</u>
		<u>3,318,820</u>
Decreased by:		
Disbursements	A-4	<u>3,308,463</u>
Balance December 31, 2014	A	<u><u>\$ 10,357</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF DUE COUNTY-FOOD INSPECTIONS

	<u>Ref.</u>	
Balance December 31, 2013	A	\$ 600
Increased by:		
Receipts	A-4	<u>2,600</u>
		3,200
Decreased by:		
Disbursements	A-4	<u>2,700</u>
Balance December 31, 2014	A	<u>\$ 500</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF DUE NJ-STATE TRAINING FEES

	<u>Ref.</u>	
Balance December 31, 2013	A	\$ 2,154
Increased by:		
Receipts	A-4	<u>6,339</u>
		8,493
Decreased by:		
Disbursements	A-4	<u>7,055</u>
Balance December 31, 2014	A	<u>\$ 1,438</u>

SCHEDULE OF DUE NJ-MARRIAGE LICENSES & DOMESTIC PARTNERSHIP FEES

	<u>Ref.</u>	
Balance December 31, 2013	A	\$ 300
Increased by:		
Receipts	A-4	500
		<u>800</u>
Decreased by:		
Disbursements	A-4	750
		<u>750</u>
Balance December 31, 2014	A	<u>\$ 50</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF DUE TO GENERAL CAPITAL FUND

	<u>Ref.</u>	
Balance December 31, 2013	A	\$ 4,995
Increased by:		
Receipts	A-4	\$ 4
Budget Appropriation-Capital Improvement Fund	A-3	35,000
Budget Appropriation-Capital Reserves	A-3	<u>202,500</u>
		<u>237,504</u>
		242,499
Decreased by:		
Interest Earned	A-2	1
Budget Revenue-Reserve for Payment of Bonds	A-2	<u>35,000</u>
		<u>35,001</u>
Balance December 31, 2014	A	<u>\$ 207,498</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF DUE TO OPEN SPACE TRUST FUND

	<u>Ref.</u>	
Balance December 31, 2013	A	\$ 35,675
Increased by:		
2014 Tax Levy	A-7	<u>476,237</u>
		511,912
Decreased by:		
Disbursements	A-4	<u>481,679</u>
Balance December 31, 2014	A	<u><u>\$ 30,233</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF DUE TO OTHER TRUST FUND

	<u>Ref.</u>	
Balance December 31, 2013	A	<u>\$ 23,000</u>
Balance December 31, 2014	A	<u><u>\$ 23,000</u></u>

TOWNSHIP OF DELAWARE
 SCHEDULE OF APPROPRIATED RESERVES FOR GRANTS

Grant	Balance 12/31/2013	Transferred from 2014 Budget	Paid or Charged	Balance Canceled	Balance 12/31/2014
NJ Body Armor	\$ 3,871	\$ 1,090			\$ 4,961
Tree Planting	64		\$ 64		-
Office of Emergency Management-2005	4,915		1,695		3,220
Drunk Driving Enforcement Grant	623				623
Stormwater Management	5,473				5,473
Delaware River Greenway	1,834				1,834
Cool Cities	23,150				23,150
Recreation Trails Program	1,165		15		1,150
Clean Communities Program-2012	2,173		2,173		
Clean Communities Program-2013	20,497		8,427		12,070
Clean Communities Program-2014		19,264			19,264
Historic Preservation Grant	5,887				5,887
NJ Division of Highway Safety	3,100				3,100
NJ Forest Service-Business Stimulus Fund	7,000				7,000
FEMA Grant-Sanford Road Project	348				348
FEMA Grant-Sanford Road Project Matching Funds	1,769				1,769
Delaware River Joint Toll Bridge Commission-Federal Twist Road Project	118,962				118,962
NJ Department of Transportation-Grafton Road Project	164,432				164,432
Hunterdon County Historic Preservation Grant	14,750				14,750
	<u>\$ 380,013</u>	<u>\$ 20,354</u>	<u>\$ 12,374</u>	<u>\$ -</u>	<u>\$ 387,993</u>
Ref.	A	A-3	A-4		A

TOWNSHIP OF DELAWARE
SCHEDULE OF UNAPPROPRIATED RESERVES FOR GRANTS

	<u>Ref.</u>	
Balance December 31, 2013	A	\$ -
Increased by:		
Grant Funds Received:		
2014 Recycling	A-4	<u>1,598</u>
Balance December 31, 2014	A	<u><u>\$ 1,598</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF DUE FROM REGULAR FUND

	<u>Ref.</u>	
Balance December 31, 2013	A	\$ 70,556
Increased by:		
Grant Funds Received in Regular Fund	A-13	<u>114,585</u>
Balance December 31, 2014	A	<u><u>185,141</u></u>

TOWNSHIP OF DELAWARE
COUNTY OF HUNTERDON
2014
TRUST FUND

TOWNSHIP OF DELAWARE
SCHEDULE OF TRUST FUND CASH-TREASURER

	Ref.	Animal Control Funds	Other Trust Funds
Balance December 31, 2013	B	\$ 873	\$ 1,512,920
Increased by Receipts:			
Animal Control Fund	B-3	\$ 19,342	
Due to Current Fund	B-4	1	
Due to State of New Jersey	B-5	1,962	
Due from Current Fund	B-6		\$ 522,339
Reserve for Open Space	B-9		87,275
Reserve for Road Opening Permits	B-11		3,000
Reserve for Miscellaneous Trust	B-14		1,000
Developers' Deposits	B-15		39,078
Reserve for Unemployment	B-16		2,730
Reserve for Recreation	B-17		20,205
Reserve for Recycling	B-18		3,503
Reserve for Municipal Alliance	B-21		31,400
Reserve for Developer's Deposits-COAH	B-22		14,107
Reserve for COAH-Interest	B-23		14
Reserve for Public Defender	B-25		516
Reserve for POAA	B-26		4
Reserve for Quarry Reclamation Fund	B-27		5
Reserve for Tax Sale Premiums	B-28		31,000
Reserve for Farmer's Market	B-29		910
Reserve for Snow Removal	B-31		5,000
Reserve for Payroll	B-32		1,875,646
Reserve for LOSAP	B-34		42,276
		<u>21,305</u>	<u>2,680,008</u>
		22,178	4,192,928

TOWNSHIP OF DELAWARE
SCHEDULE OF TRUST FUND CASH-TREASURER
(Continued)

	Ref.	Animal Control Funds	Other Trust Funds
Decreased by Disbursements:			
Animal Control Fund	B-3	\$ 20,483	
Due to Current Fund	B-4	1	
Due to State of New Jersey	B-5	1,948	
Due from Current Fund	B-6		\$ 121
Reserve for Open Space	B-9		625,365
Reserve for Miscellaneous Trust	B-14		132
Developers' Deposits	B-15		34,979
Reserve for Unemployment	B-16		8,522
Reserve for Recreation	B-17		18,072
Reserve for Recycling	B-18		4,880
Reserve for Dilts Farm	B-20		248
Reserve for Municipal Alliance	B-21		32,181
Reserve for Developer's Deposits-COAH	B-22		10,621
Reserve for Tax Sale Premiums	B-28		15,000
Reserve for Farmer's Market	B-29		2,368
Reserve for Snow Removal	B-31		8
Reserve for Payroll	B-32		1,866,400
Reserve for LOSAP	B-34		600
		<u>\$ 22,432</u>	<u>\$ 2,619,497</u>
Balance December 31, 2014 (Deficit)	B;B-2	<u>\$ (254)</u>	<u>\$ 1,573,431</u>
Analysis of Other:			
Other Trust Funds Cash	B		\$ 1,275,098
LOSAP Investments	B		<u>298,333</u>
			<u>\$ 1,573,431</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF TRUST FUND CASH AND RECONCILIATION
PER NJS 40A:5-5-TREASURER

	Ref.	Animal Control Funds	Other Trust Funds
Balance December 31, 2014	B-1	\$ (254)	\$ 1,573,431
Increased by:			
Receipts		10,626	500,217
		<u>10,372</u>	<u>2,073,648</u>
Decreased by:			
Disbursements		5,510	432,480
		<u>5,510</u>	<u>432,480</u>
Balance March 31, 2015		<u>\$ 4,862</u>	<u>\$ 1,641,168</u>

Cash Reconciliation March 31, 2015

Balance Per Statement:

Hopewell Valley Bank	\$ 6,395	\$ 929,454
PNC Bank		48,852
TD Bank		94,893
Lincoln Investments		326,334
New Jersey Cash Management		249,002
	<u>6,395</u>	<u>1,648,535</u>
Add: Deposit-in-Transit	10	
	<u>6,405</u>	<u>1,648,535</u>
Less: Outstanding Checks	1,543	5,367
	<u>1,543</u>	<u>5,367</u>
Book Balance	<u>\$ 4,862</u>	<u>\$ 1,643,168</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 873
Increased by Receipts:		
Animal Control Fees	B-1	<u>19,342</u>
		20,215
Decreased by:		
Expenditures Under RS 4:119.15.	B-1	<u>20,483</u>
Balance December 31, 2014 (Deficit)	B	<u>\$ (268)</u>
<u>Animal Control Collections</u>		
2012		\$ 15,512
2013		<u>12,100</u>
Maximum Allowable Reserve		<u>\$ 27,612</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF DUE FROM CURRENT FUND
ANIMAL CONTROL FUND

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ -
Increased by:		
Disbursements	B-1	<u>1</u>
		1
Decreased by:		
Receipts	B-1	<u>1</u>
		1
Balance December 31, 2014	B	<u><u>\$ -</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF DUE TO STATE OF NEW JERSEY

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ -
Increased by:		
State Fees Collected	B-1	<u>1,962</u>
		1,962
Increased by:		
Disbursements	B-1	<u>1,948</u>
		1,948
Balance December 31, 2014	B	<u><u>\$ 14</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF DUE FROM/TO CURRENT FUND
OTHER TRUST FUNDS

	Ref.		
Balance December 31, 2013	B	\$	27,658
Increased by:			
Open Space Trust Tax Levy	B-9	\$	476,237
Disbursements-Other Trust Funds	B-1		121
			476,358
			504,016
Decreased by:			
Receipts-Open Space Trust	B-1		481,679
Receipts-Other Trust Funds	B-1		98
Payroll Withholdings	B-1		40,562
			522,339
Balance December 31, 2014	B	\$	(18,323)

	Dec. 31, 2014	Dec. 31, 2013
<u>Analysis of Balance</u>		
Open Space Trust-Due From	\$ 30,233	\$ 35,675
Tax Premiums-Due From	23,000	23,000
Other Trust Funds-Due To	(1,856)	(1,879)
Payroll Withholdings-Due to	(69,700)	(29,138)
	\$ (18,323)	\$ 27,658

TOWNSHIP OF DELAWARE
SCHEDULE OF DUE FROM GENERAL CAPITAL FUND

	<u>Ref.</u>	
Balance December 31, 2013	B	<u>\$ 632,021</u>
Balance December 31, 2014	B	<u><u>\$ 632,021</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF LOANS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2013	B	<u>\$ 55,141</u>
Balance December 31, 2014	B	<u><u>\$ 55,141</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR OPEN SPACE

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 1,427,995
Increased by:		
2014 Municipal Open Space Tax Levy	B-6	\$ 476,237
Contra Item	B-1	69
Receipts	B-1	<u>87,206</u>
		<u>563,512</u>
		1,991,507
Decreased by:		
Disbursements	B-1	<u>625,365</u>
Balance December 31, 2014	B	<u><u>\$ 1,366,142</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR ROAD IMPROVEMENTS

	<u>Ref.</u>	
Balance December 31, 2013	B	<u>\$ 65,176</u>
Balance December 31, 2014	B	<u><u>\$ 65,176</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR ROAD OPENING PERMITS

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 1,000
Increased by:		
Receipts	B-1	<u>3,000</u>
Balance December 31, 2014	B	<u>\$ 4,000</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR QUARRY ORDINANCE

	<u>Ref.</u>	
Balance December 31, 2013	B	<u>\$ 2,916</u>
Balance December 31, 2014	B	<u>\$ 2,916</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR CASH BONDS

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ <u>1,019</u>
Balance December 31, 2014	B	\$ <u><u>1,019</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR MISCELLANEOUS TRUST

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 462
Increased by:		
Receipts	B-1	<u>1,000</u>
		1,462
Decreased by:		
Disbursements	B-1	<u>132</u>
Balance December 31, 2014	B	\$ <u><u>1,330</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR ESCROW

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 94,279
Increased by:		
Receipts	B-1	39,078
		<u>133,357</u>
Decreased by:		
Disbursements	B-1	34,979
		<u>34,979</u>
Balance December 31, 2014	B	<u>\$ 98,378</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR UNEMPLOYMENT

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 89,822
Increased by:		
Receipts	B-1	\$ 101
Contra Item	B-1	2,629
		<u>2,730</u>
		92,552
Decreased by:		
Disbursements	B-1	8,522
		<u>8,522</u>
Balance December 31, 2014	B	<u>\$ 84,030</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR RECREATION

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 7,388
Increased by:		
Receipts	B-1	20,205
		<u>27,593</u>
Decreased by:		
Disbursements	B-1	18,072
		<u>18,072</u>
Balance December 31, 2014	B	<u>\$ 9,521</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR RECYCLING

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 1,707
Increased by:		
Receipts	B-1	3,503
		<u>5,210</u>
Decreased by:		
Disbursements	B-1	4,880
		<u>4,880</u>
Balance December 31, 2014	B	<u>\$ 330</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR SUTTON BURIAL GROUND

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 8,402
Balance December 31, 2014	B	<u>\$ 8,402</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR DILTS FARM

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 248
Decreased by: Disbursements	B-1	<u>248</u>
Balance December 31, 2014	B	<u>\$ -</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR MUNICIPAL ALLIANCE

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 1,275
Increased by:		
Receipts	B-1	<u>31,400</u>
		32,675
Decreased by:		
Disbursements	B-1	<u>32,181</u>
Balance December 31, 2014	B	<u>\$ 494</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR DEVELOPER'S DEPOSITS-COAH

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 80,848
Increased by:		
Receipts	B-1	<u>14,107</u>
		94,955
Decreased by:		
Disbursements	B-1	<u>10,621</u>
Balance December 31, 2014	B	<u>\$ 84,334</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR COAH-INTEREST

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 25,854
Increased by:		
Receipts	B-1	<u>14</u>
Balance December 31, 2014	B	<u>\$ 25,868</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR INSURANCE

	<u>Ref.</u>	
Balance December 31, 2013	B	<u>\$ 15,474</u>
Balance December 31, 2014	B	<u>\$ 15,474</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR PUBLIC DEFENDER

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 2,612
Increased by:		
Receipts	B-1	<u>516</u>
Balance December 31, 2014	B	<u><u>\$ 3,128</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR POAA

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 12
Increased by:		
Receipts	B-1	<u>4</u>
Balance December 31, 2014	B	<u><u>\$ 16</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR QUARRY RECLAMATION FUND

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 20,554
Increased by:		
Receipts	B-1	<u>5</u>
Balance December 31, 2014	B	<u>\$ 20,559</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR TAX PREMIUMS

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 23,800
Increased by:		
Premiums Received in Current Fund	B-6	<u>31,000</u>
		54,800
Decreased by:		
Disbursements	B-1	<u>15,000</u>
Balance December 31, 2014	B	<u>\$ 39,800</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR FARMER'S MARKET

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 2,094
Increased by:		
Receipts	B-1	<u>910</u>
		3,004
Decreased by:		
Disbursements	B-1	<u>2,368</u>
Balance December 31, 2014	B	<u><u>\$ 636</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR RETIREMENT

	<u>Ref.</u>	
Balance December 31, 2013	B	<u>\$ 10,007</u>
Balance December 31, 2014	B	<u><u>\$ 10,007</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR SNOW REMOVAL

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ -
Increased by:		
Receipts	B-1	<u>5,000</u>
		5,000
Decreased by:		
Disbursements	B-1	<u>8</u>
		8
Balance December 31, 2014	B	<u>\$ 4,992</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR PAYROLL WITHHOLDINGS

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 7,412
Increased by:		
Receipts	B-1	<u>1,875,646</u>
		1,883,058
Decreased by:		
Disbursements	B-1	<u>1,866,400</u>
		1,866,400
Balance December 31, 2014	B	<u>\$ 16,658</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR POLICE BUILDING

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ <u>25,586</u>
Balance December 31, 2014		\$ <u><u>25,586</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR LOSAP
(Unaudited)

	<u>Ref.</u>		
Balance December 31, 2013	B		\$ 256,657
Increased by:			
Municipal Contributions	B-1	\$ 21,850	
Appreciation of Assets	B-1	<u>20,426</u>	
			<u>42,276</u>
			298,933
Decreased by:			
Service Fees	B-1		<u>600</u>
Balance December 31, 2014	B		\$ <u><u>298,333</u></u>

TOWNSHIP OF DELAWARE
COUNTY OF HUNTERDON
2014
GENERAL CAPITAL FUND

TOWNSHIP OF DELAWARE
SCHEDULE OF GENERAL CAPITAL FUND CASH-TREASURER

	<u>Ref.</u>	
Balance December 31, 2013	C	\$ 470,650
Increased by Receipts:		
Due from Current Fund	C-5	<u>35</u>
		470,685
Decreased by Disbursements:		
Due from Current Fund	C-5	\$ 38
Improvement Authorizations	C-10	<u>364,089</u>
		<u>364,127</u>
Balance December 31, 2014	C;C-3	<u>\$ 106,558</u>

C-3

TOWNSHIP OF DELAWARE
SCHEDULE OF GENERAL CAPITAL FUND CASH AND RECONCILIATION
PER NJS 40A:5-5 TREASURER

	<u>Ref.</u>	
Balance December 31, 2014	C-2	\$ 106,558
Increased by:		
Receipts		<u>41</u>
		106,599
Decreased by:		
Disbursements		<u>19,788</u>
Balance March 31, 2015		<u>\$ 86,811</u>
<u>Cash Reconciliation March 31, 2015</u>		
Balance Per Statement:		
Hopewell Valley Bank		\$ 84,184
New Jersey Cash Management		<u>9,314</u>
		93,498
Less: Outstanding Checks		<u>6,687</u>
Book Balance		<u>\$ 86,811</u>

TOWNSHIP OF DELAWARE
ANALYSIS OF GENERAL CAPITAL FUND CASH

Description	Balance Dec. 31, 2013	Receipts	Disbursements	Transfers (From) To	Balance Dec. 31, 2014
Fund Balance	\$ 2,063			\$ (2,000)	\$ 63
Capital Improvement Fund	15,890			(15,000)	890
Due to/from Current Fund	(4,995)	\$ 35	\$ 38	(202,500)	(207,498)
Due to/from Open Space Trust Fund	632,021				632,021
Due from Delaware River Toll Bridge Commission	(21,850)				(21,850)
<u>Reserves for</u>					
Payment of Debt Service	112,979			(35,000)	77,979
Guard Rails	2,325				2,325
Purchase of Various Equipment				23,000	23,000
Improvement of Municipal Facilities				15,000	15,000
Excess Financing-Acquisition of a Fire Truck	30,000				30,000
<u>Improvement Authorizations</u>					
Acquisition of Development Rights and Purchase of Land	(199,000)				(199,000)
Codification of Ordinances	11,157				11,157
Various Capital Improvements	1,839		1,839		
Survey & Engineering Services on Dogwood Dr	112				112
Engineering Services & Studies on Various Roads	216		216		
Purchase of Various Road Equipment	7,786		7,786		
Planning Services for Preparation of a Land Use Ordinance	29,269				29,269

TOWNSHIP OF DELAWARE
ANALYSIS OF GENERAL CAPITAL FUND CASH
(Continued)

Description	Balance Dec. 31, 2013	Receipts	Disbursements	Transfers (From) To	Balance Dec. 31, 2014
Purchase of Body Armor Vests	\$ 1,340				\$ 1,340
Renovating, Equipping & Furnishing a Police Building	292		\$ 292		
Rep & Maint of the Tennis & Basketball Courts at Dilts Park	204				204
Repairs to the Municipal Building	10		10		
Improvements on Various Township Roads	(211,184)		100,283		(311,467)
Purchase and Installation of New Gutters for the Municipal Building, Purchase and Installation of a Key Card System for the Gas/Fuel Tanks at the Township Road Department and for the Repairs to the Municipal Building	22,868		22,868		
Road Construction and Improvements on Various Roads	37,308		37,308		
Purchase and Installation of New Computers			5,000	\$ 5,000	
Purchase of a Four-Wheel Drive Vehicle			5,000	5,000	
Supplies and Labor for Building Improvements			27,426	28,000	574
Improvements to Various Township Roads			70,000	70,000	
Improvements to Dilts Park				3,000	3,000
Purchase of Various Road Equipment			20,000	20,000	
Labor and Materials for Improvement to Delaware Township Roads			45,141	47,000	1,859
Purchase of Various Road Equipment			20,035	26,000	5,965
Purchase of Various Office Equipment			885	12,500	11,615
	<u>\$ 470,650</u>	<u>\$ 35</u>	<u>\$ 364,127</u>	<u>\$ -</u>	<u>\$ 106,558</u>
Ref.	C	C-2	C-2		C

TOWNSHIP OF DELAWARE
SCHEDULE OF DUE FROM CURRENT FUND

	<u>Ref.</u>		
Balance December 31, 2013	C		\$ 4,995
Increased by:			
Disbursements	C-2	\$ 38	
2014 Municipal Budget Appropriations:			
Capital Improvement Fund	C-11	35,000	
Reserve for Purchase of Various Equipment	C-13	86,500	
Reserve for Road Improvements	C-16	70,000	
Reserve for Improvement to Municipal Facilities	C-14	<u>46,000</u>	
			<u>237,538</u>
			242,533
Decreased by:			
Receipts	C-2	35	
Reserve to Pay Debt Service Anticipated as 2014 Revenue	C-12	<u>35,000</u>	
			<u>35,035</u>
Balance December 31, 2014	C		<u><u>\$ 207,498</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF DUE TO OPEN SPACE TRUST FUND

	<u>Ref.</u>	
Balance December 31, 2013	C	<u>\$ 632,021</u>
Balance December 31, 2014	C	<u><u>\$ 632,021</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF DUE FROM DELAWARE RIVER TOLL BRIDGE COMMISSION

	<u>Ref.</u>	
Balance December 31, 2013	C	<u>\$ 21,850</u>
Balance December 31, 2014	C	<u><u>\$ 21,850</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-FUNDED

	<u>Ref.</u>	
Balance December 31, 2013	C	\$ 7,225,000
Decreased by:		
2014 Budget Appropriation:		
Payment of Bonds	C-17	<u>347,000</u>
Balance December 31, 2014	C	<u><u>\$ 6,878,000</u></u>

TOWNSHIP OF DELAWARE
 SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

Improvement Description	Balance 12/31/2013	2014 Authorization	2014 Note Payments	Cash Received	2014 Budget Appropriation	Balance 12/31/2014	Analysis of Balance Dec 31, 2014		
							Expendi- tures	Unexpended Improvement Authorizations	Bond Anticipation Notes
Acquisition of Development Rights and Purchase of Land #00-25	\$ 199,000					\$ 199,000	\$ 199,000		
Acquisition of a Fire Truck #10-13	293,000					293,000			\$ 293,000
Renovating, Equipping and Furnishing a Police Building #2012-03	475,000					475,000			475,000
Improvements to Various Roads #13-03	570,000					570,000	311,466	\$ 258,534	
	<u>\$ 1,537,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,537,000</u>	<u>\$ 510,466</u>	<u>\$ 258,534</u>	<u>\$ 768,000</u>
<u>Ref.</u>	C					C	C-4	C-10	Below
								<u>Ref</u>	
						Bond Anticipation Notes		C-18	\$ 798,000
						Excess Financing		C-4	30,000
									<u>\$ 768,000</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Improvement Description	Ordinance		Balance Dec 31, 2013		2014 Authorization	Paid or Charged	Unexpend Balance Canceled	Balance Dec 31, 2014	
	Number	Amount	Funded	Unfunded				Funded	Unfunded
Codification of Ordinances	06-22	\$ 28,000	\$ 11,157					\$ 11,157	
Various Capital Improvements	08-19	609,285	1,839			\$ 1,839			
Survey & Engineering Services on Dogwood Dr	09-15	10,000	112					112	
Engineering Services & Studies on Various Roads	09-23	20,000	216			216			
Purchase of Various Road Equipment	09-26	12,000	7,786			7,786			
Acquisition of a Fire Truck	10-13	350,000		\$ 29,269					\$ 29,269
Purchase of Body Armor Vests	11-01	4,200	1,340					1,340	
Renovating, Equipping & Furnishing a Police Building	12-03	500,000		292		292			
Rep & Maint of the Tennis & Basketball Courts at Dilts Park	12-06	4,000	204					204	
Repairs to the Municipal Building	12-14	5,000	10			10			
Improvements to Various Roads	13-03	600,000		358,816		100,283			258,533
Lease Purchase of a Police Vehicle	13-06	10,000							
Purchase and Installation of New Gutters for the Municipal Building, Purchase and Installation of a Key Card System for the Gas/Fuel Tanks at the Township Road Department and for the Repairs to the Municipal Building	13-09	25,000	22,868			22,868			
Road Construction and Improvements on Various Roads	13-12	70,000	37,308			37,308			
Purchase and Installation of New Computers	14--07	5,000			\$ 5,000	5,000			
Purchase of a Four-Wheel Drive Vehicle	14-08	5,000			5,000	5,000			
Supplies and Labor for Building Improvements	14-08	28,000			28,000	27,426		574	
Improvements to Various Township Roads	14-09	70,000			70,000	70,000			
Improvements to Dilts Park	14-09	3,000			3,000			3,000	
Purchase of Various Road Equipment	14-10	20,000			20,000	20,000			
Labor and Materials for Improvement to Delaware Township Roads	14-12	47,000			47,000	45,141		1,859	
Purchase of Various Road Equipment	14-11	26,000			26,000	20,035		5,965	
Purchase of Various Office Equipment	14-13	12,500			12,500	885		11,615	
			<u>\$ 82,840</u>	<u>\$ 388,377</u>	<u>\$ 216,500</u>	<u>\$ 364,089</u>	<u>\$ -</u>	<u>\$ 35,826</u>	<u>\$ 287,802</u>
	Ref.		C	C	Below	C-2	Below	C	C
Capital Improvement Fund	C-11				\$ 50,000				
Capital Fund Balance	C-1				2,000				
Reserve for Purchase of Various Equipment	C-13				63,500				
Reserve for Road Improvements	C-16				70,000				
Reserve fnor Improvement of Municipal Facilities	C-14				31,000				
					<u>\$ 216,500</u>				

TOWNSHIP OF DELAWARE
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2013	C	\$ 15,890
Increased by:		
2014 Budget Appropriation	C-5	<u>35,000</u>
		50,890
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-10	<u>50,000</u>
Balance December 31, 2014	C	<u><u>\$ 890</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR PAYMENT OF DEBT SERVICE

	<u>Ref.</u>	
Balance December 31, 2013	C	\$ 112,979
Decreased by:		
Anticipated as a Revenue in Current Fund	C-5	<u>35,000</u>
Balance December 31, 2014	C	<u><u>\$ 77,979</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR PURCHASE OF VARIOUS EQUIPMENT

	<u>Ref.</u>	
Balance December 31, 2013	C	\$ -
Increased by:		
2014 Budget Appropriation	C-5	<u>86,500</u>
		86,500
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-10	<u>63,500</u>
Balance December 31, 2014	C	<u><u>\$ 23,000</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR IMPROVEMENTS TO MUNICIPAL FACILITIES

	<u>Ref.</u>	
Balance December 31, 2013	C	\$ -
Increased by:		
2014 Budget Appropriation	C-5	<u>46,000</u>
		46,000
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-10	<u>31,000</u>
Balance December 31, 2014	C	<u><u>\$ 15,000</u></u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR GUARD RAILS

	<u>Ref.</u>	
Balance December 31, 2013	C	\$ 2,325
Balance December 31, 2014	C	<u>\$ 2,325</u>

TOWNSHIP OF DELAWARE
SCHEDULE OF RESERVE FOR ROAD IMPROVEMENTS

	<u>Ref.</u>	
Balance December 31, 2013	C	\$ -
Increased by:		
2014 Budget Appropriation	C-5	<u>70,000</u>
		70,000
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-10	<u>70,000</u>
Balance December 31, 2014	C	<u>\$ -</u>

TOWNSHIP OF DELAWARE
 SCHEDULE OF GENERAL SERIAL BONDS PAYABLE

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding Dec. 31, 2014		Interest Rate	Balance 12/31/2013	Increased	Decreased	Balance 12/31/2014
			Date	Amount					
General Improvements	12/04/2008	\$ 4,190,000	10/15/2015	\$ 2,000	4.30%	\$ 18,000		\$ 2,000	\$ 16,000
			10/15/2016	2,000	4.30%				
			10/15/2017	2,000	5.25%				
			10/15/2018	2,000	5.25%				
			10/15/2019	2,000	4.63%				
			10/15/2020	2,000	4.63%				
			10/15/2021	2,000	4.75%				
			10/15/2022	2,000	4.75%				
Open Space Acquisition	11/15/2008	2,738,000	10/15/2015		5.20%	2,588,000		45,000	2,543,000
			to 10/15/1938	2,543,000					
General Improvements	11/15/2008	2,654,000	10/15/2015		5.20%	2,504,000		45,000	2,459,000
			to 10/15/1938	2,459,000					
Refunding Bond Issue	08/07/2013	2,350,000	10/15/2015	250,000	2.10%	2,115,000		255,000	1,860,000
			10/15/2016	250,000	2.10%				
			10/15/2017	245,000	2.10%				
			10/15/2018	235,000	2.10%				
			10/15/2019	230,000	2.10%				
			10/15/2020	225,000	2.10%				
			10/15/2021	215,000	2.10%				
			10/15/2022	210,000	2.10%				
						<u>\$ 7,225,000</u>	<u>\$ -</u>	<u>\$ 347,000</u>	<u>\$ 6,878,000</u>
<u>Ref.</u>						C	Below	Below	C

TOWNSHIP OF DELAWARE
 SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Improvement Description	Original Note	Date of		Interest Rate	Balance 12/31/2013	Increased	Decreased	Balance 12/31/2014
		Issue	Maturity					
General Purposes	12/5/2012	12/5/2013	12/5/2014	1.00%	\$ 798,000		\$ 798,000	
General Purposes	12/5/2012	12/5/2014	12/5/2015	1.25%		\$ 798,000		\$ 798,000
					<u>\$ 798,000</u>	<u>\$ 798,000</u>	<u>\$ 798,000</u>	<u>\$ 798,000</u>
				Ref.	C	C-18	C-18	C

TOWNSHIP OF DELAWARE
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord #	Improvement Description	Balance 12/31/2013	Increased in 2014	Decreased in 2014	Balance 12/31/2014
00-25	Acquisition of Development Rights and Purchase of Land	\$ 199,000			\$ 199,000
13-03	Improvement fo Various Roads	570,000			570,000
		<u>\$ 769,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 769,000</u>
	<u>Ref.</u>	C			C

TOWNSHIP OF DELAWARE

PART II

REPORT ON COMPLIANCE AND ON INTERNAL
CONTROL OVER FINANCIAL REPORTING

SCHEDULE OF STATE FINANCIAL ASSISTANCE

Certified Public Accountant
Public School Accountant
Registered Municipal Accountant

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INDEPENDENT AUDITOR'S REPORT

June 10, 2015

Honorable Mayor and Members
of the Township Committee
Township of Delaware
County of Hunterdon, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the regulatory basis financial statements of the various funds and account group as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the Township of Delaware (the Municipality's) basic financial statements, and have issued our report thereon dated June 10, 2015, which was adverse due to being presented in accordance with the New Jersey regulatory basis of accounting.

Internal Control Over Financial Reporting

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

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

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 Municipality's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



William M. Colantano, Jr.
Registered Municipal Accountant
No. 68

TOWNSHIP OF DELAWARE
 SCHEDULE OF STATE AND FEDERAL FINANCIAL ASSISTANCE
 FOR THE YEAR ENDED DECEMBER 31, 2014

Grant	Balance 12/31/2013	Receipts	Expended	Over- Expended/ Canceled	Balance 12/31/2014
NJ Body Armor-2011	\$ 1,459				\$ 1,459
NJ Body Armor-2012	1,113				1,113
NJ Body Armor-2013	1,299				1,299
NJ Body Armor-2014		\$ 1,090			1,090
Tree Planting	64		\$ 64		
Office of Emergency Management-2005	4,915		1,695		3,220
DWI-Prior Years	201				201
DWI-Prior 2013	422				422
Stormwater Management	5,473				5,473
Delaware River Greenway	1,834				1,834
Cool Cities	23,150				23,150
Recreation Trails Program	1,165		15		1,150
Clean Communities Program-2012	2,173		2,173		
Clean Communities Program-2013	20,497		8,427		12,070
Clean Communities Program-2014		19,264			19,264
Historic Preservation Grant	5,887				5,887
NJ Division of Highway Safety	3,100				3,100
NJ Forest Service-Business Stimulus Fund	7,000				7,000
FEMA Grant-Sanford Road Project	348				348
FEMA Grant-Sanford Road Project-Matching Funds	1,769				1,769
Delaware River Joint Toll Bridge Commission-Federal Twist Road Project	63,437				63,437
NJ Dept of Transportation-Meszaros Road Project	(533)				(533)
NJ Dept of Transportation-Grafton Road Project	(36,503)	114,585			78,082
Hunterdon County Historic Preservation Grant	14,750				14,750
Department of Environmental Protection-Green Communities Grant	(3,000)	3,000			
	<u>\$ 120,020</u>	<u>\$ 137,939</u>	<u>\$ 12,374</u>	<u>\$ -</u>	<u>\$ 245,585</u>

TOWNSHIP OF DELAWARE

PART III

STATISTICAL DATA

INSURANCE SCHEDULE

LIST OF OFFICIALS

GENERAL COMMENTS

RECOMMENDATIONS

TOWNSHIP OF DELAWARE
STATISTICAL DATA

TOWNSHIP OF DELAWARE
 STATISTICAL DATA
 COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE
 IN FUND BALANCE-REGULATORY BASIS

	2014		2013	
	Amount	%	Amount	%
<u>Revenue and Other Income Realized</u>				
Fund Balance Utilized	\$ 350,000	1.69	\$ 395,000	1.94
Miscellaneous-From Other Than Local Property Tax Levied	876,809	4.22	949,218	4.67
Collection of Delinquent Taxes & Tax Title Liens	349,103	1.68	335,487	1.65
Collection of Current Tax Levy	<u>19,186,609</u>	<u>92.41</u>	<u>18,649,706</u>	<u>91.74</u>
Total Income	<u>20,762,521</u>	<u>100.00</u>	<u>20,329,411</u>	<u>100.00</u>
<u>Expenditures</u>				
Budget Expenditures:				
Municipal Purposes	3,759,193	18.31	3,503,972	17.52
County Taxes	3,302,879	16.08	3,273,167	16.37
Local School Taxes	7,688,575	37.44	7,731,802	38.67
Regional School Taxes	5,275,272	25.69	5,011,929	25.06
Municipal Open Space Tax	476,237	2.32	474,310	2.37
Other Debits to Income	<u>34,145</u>	<u>0.17</u>	<u>1,163</u>	<u>0.01</u>
Total Expenditures	<u>20,536,301</u>	<u>100.00</u>	<u>19,996,343</u>	<u>100.00</u>
Regulatory Excess to Fund Balance	226,220		333,068	
<u>Fund Balance</u>				
Fund Balance January 1,	<u>388,940</u>		<u>450,872</u>	
	615,160		783,940	
Less: Utilization as Anticipated Revenue	<u>350,000</u>		<u>395,000</u>	
Fund Balance December 31,	<u>\$ 265,160</u>		<u>\$ 388,940</u>	

TOWNSHIP OF DELAWARE
STATISTICAL DATA
(Continued)

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

Year	Apportionment				Total Tax Rate
	Municipal & Open Space	County	Local School	Regional High School	
2014	\$ 0.41	\$ 0.42	\$ 0.97	\$ 0.67	\$ 2.47
2013*	0.37	0.42	0.98	0.64	2.41
2012	0.31	0.38	0.85	0.56	2.10
2011	0.30	0.37	0.84	0.55	2.06
2010	0.30	0.39	0.84	0.54	2.07
2009	0.29	0.38	0.81	0.58	2.06
2008	0.29	0.39	0.78	0.60	2.06
2007	0.28	0.39	0.77	0.60	2.04
2006	0.25	0.37	0.69	0.58	1.89
2005*	0.22	0.36	0.69	0.53	1.80

* Revalued/Reassessed

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Year	Net Assessed Valuations	Estimated Full Cash Valuations	Percentage of Net Assessed to Estimated Full Cash Valuations
2014	\$ 791,200,156	\$ 886,016,493	89.30%
2013*	787,068,690	897,256,328	87.72%
2012	911,663,133	957,931,211	95.17%
2011	910,694,220	984,321,465	92.52%
2010	908,222,212	1,014,206,825	89.55%
2009	904,532,341	1,003,974,575	90.10%
2008	897,994,980	1,043,088,417	86.09%
2007	891,383,319	1,045,979,504	85.22%
2006	888,197,519	916,467,168	96.92%
2005*	876,960,532	845,415,989	103.73%

* Revalued/Reassessed

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

Year	Tax Levy	Cash Collections	Percentage of Collections
2014	\$ 19,547,863	\$ 19,186,609	98.15%
2013	19,004,642	18,649,706	98.13%
2012	19,188,246	18,796,219	97.96%
2011	18,850,610	18,465,116	97.96%
2010	18,887,078	18,422,195	97.54%
2009	18,706,104	18,466,104	98.72%
2008	18,647,744	18,435,074	98.86%
2007	18,370,000	18,160,970	98.86%
2006	16,943,988	16,706,439	98.60%
2005	15,957,364	15,763,044	98.78%

Increases in future tax levies can also be warranted if revenue sources outside of those directly generated by the municipality, such as federal and state aid, should decline without corresponding decreases in budgeted expenditures.

TOWNSHIP OF DELAWARE
 STATISTICAL DATA
 (Continued)

ASSESSED VALUES DISTRIBUTION

Year	Vacant Land	Residential	Apartments	Commercial	Farmland	Industrial	Total Real Property
2004	\$ 10,477,600	\$ 477,793,300	\$ 864,600	\$ 15,913,100	\$ 218,412,200	\$ 6,976,800	\$ 730,437,600
2005 (1)	12,665,020	571,992,300	1,065,700	17,992,600	262,885,500	8,602,300	875,203,420
2006	11,581,520	576,921,700	1,065,700	18,552,800	269,759,200	8,724,800	886,605,720
2007	11,832,320	580,165,800	1,065,700	18,552,800	269,586,500	8,724,800	889,927,920
2008	13,593,120	586,282,500	1,065,700	18,483,500	268,458,700	8,742,900	896,626,420
2009	12,155,120	592,543,500	1,065,700	19,279,100	269,345,100	8,742,900	903,131,420
2010	10,571,520	595,297,600	1,065,700	18,830,500	272,201,900	8,742,900	906,710,120
2011	12,373,520	594,251,900	1,065,700	18,597,500	274,268,500	8,742,900	909,300,020
2012	11,155,520	598,887,800	1,065,700	19,047,700	271,316,300	8,740,600	910,213,620
2013 (1)	8,649,620	515,755,700	939,500	17,203,300	235,828,100	7,270,600	785,646,820
2014	8,135,620	525,352,300	939,500	17,196,100	231,875,600	7,270,600	790,769,720

(1) Revalued/Reassessed

DELINQUENT TAXES AND 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 eight years.

Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage of Tax Levy
2006	\$ 4,064	\$ 231,684	\$ 235,748	1.39%
2007	4,289	208,445	212,734	1.16%
2008	4,515	206,836	211,351	1.13%
2009	6,286	238,639	244,925	1.31%
2010	10,270	463,423	473,693	2.51%
2011	20,156	375,395	395,551	2.10%
2012	19,164	397,912	417,076	2.17%
2013	21,328	415,485	436,813	2.29%
2014	16,648	422,155	438,803	2.24%

TOWNSHIP OF DELAWARE
STATISTICAL DATA
(Continued)

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>
2014	None
2013	None
2012	None
2011	None
2010	None
2009	None
2008	None
2007	None
2006	None
2005	None
2004	None

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>Year</u>	<u>Dec. 31,</u>	<u>Utilized in Budget of Succeeding Year</u>
Current Fund	2014	\$ 265,160	\$ 241,000
	2013	388,940	350,000
	2012	450,872	395,000
	2011	446,570	414,000
	2010	551,888	518,000
	2009	772,652	742,199
	2008	832,961	658,000
	2007	564,301	500,000
	2006	421,092	350,000
	2005	344,506	272,686
	2004	442,614	347,500

DELAWARE TOWNSHIP
STATISTICAL DATA
DEBT INCURRING CAPACITY AS OF DECEMBER 31, 2014

Municipal:

1. Equalized Valuations of Real Property (2014, 2013, 2012)	\$ 884,021,314
2 Permitted Municipal Debt Limitation (3.5% of \$884,021,314)	30,940,746
3 Net Debt Issued, Outstanding & Authorized	8,337,021
4 Excess School Borrowing	-
5 Total Charges to Borrowing Margin	<u>8,337,021</u>
6 Remaining Municipal Borrowing Capacity	<u><u>\$ 22,603,725</u></u>

Local School District:

1. Permitted School District Debt Limitation (3.0% of \$884,021,314)	\$ 26,520,639
2 Debt Issued, Outstanding & Authorized	<u>3,045,000</u>
3 Remaining Municipal Borrowing Capacity	<u><u>\$ 23,475,639</u></u>

GROSS & STATUTORY NET DEBT AS OF DECEMBER 31,

Year	Gross Debt	Statutory Net Debt	
	Amount	Amount	Percentage
2014	\$ 12,934,194	\$ 8,337,021	0.94%
2013	13,649,838	8,649,021	0.95%
2012	13,826,822	8,339,000	0.88%
2011	14,149,173	8,249,000	0.84%
2010	14,932,151	8,468,801	0.84%
2009	15,275,183	8,391,801	0.82%

DELAWARE TOWNSHIP
STATISTICAL DATA
STATEMENT OF INDEBTEDNESS AS OF DECEMBER 31, 2014

General Purposes:

Bonds, Notes and Loans Issued and Outstanding:

Bonds	\$ 6,878,000	
Notes	798,000	
Bonds and Notes Authorized but not Issued	769,000	\$ 8,445,000

Local School District:

Bonds, Notes and Loans Issued and Outstanding:

Bonds	3,045,000	
Notes		
Bonds and Notes Authorized but not Issued		3,045,000

Regional School District:

Bonds	1,444,194	
Notes		
Bonds and Notes Authorized but not Issued		1,444,194

Total Gross Debt

12,934,194

Statutory Deductions:

Municipal	107,979	
Local School District	3,045,000	
Regional School District	1,444,194	4,597,173

Total Net Debt

\$ 8,337,021

	Debt Outstanding	Estimated %. Applicable	
Overlapping Debt as of December 31, 2014:			
Local School District Debt	\$ 3,045,000	100.00%	\$ 3,045,000
Regional School District Debt	14,870,000	10.00%	1,444,194
County Debt	70,347,424	4.22%	2,971,245
Total Overlapping Debt			\$ 7,460,439

DELAWARE TOWNSHIP
 STATISTICAL DATA
 STATEMENT OF INDEBTEDNESS AS OF DECEMBER 31, 2014 (Cont'd)

Gross Debt (\$12,934,194):		
Per Capita (Population 2010 Census-4,551)	\$	2,842
Percent of Average Equalized Valuation Basis (2014 \$884,021,314)		1.46%
Percent of Net Valuation Taxable (2014-\$791,200,156)		1.63%
Net Municipal Debt (\$8,337,021):		
Per Capita (Population 2010 Census-4,551)	\$	1,832
Percent of Average Equalized Valuation Basis (2014 \$884,021,314)		0.94%
Percent of Net Valuation Taxable (2014-\$791,200,156)		1.05%
Overall Debt (Gross and Overlapping Debt-\$15,905,439):		
Per Capita (Population 2010 Census-4,551)	\$	3,495
Percent of Average Equalized Valuation Basis (2014 \$884,021,314)		1.80%
Percent of Net Valuation Taxable (2014-\$791,200,156)		2.01%

TOWNSHIP OF DELAWARE
SCHEDULE OF INSURANCE
YEAR ENDED DECEMBER 31, 2014
(Unaudited)

	<u>Coverage</u>	<u>Deductible</u>
Workers Compensation Somerset County Joint Insurance Fund: Policy Limit	Statutory	
Package Policy-Somerset County Joint Insurance Fund:		
Property-Buildings & Contents-Fund Limit	\$ 100,000,000	
Liability Coverage Casualty per Occurrence	5,000,000	
Auto Liability	5,000,000	
Public Officials & Employment Practices	2,000,000	\$ 25,000
Excess Liability	15,000,000	
Crime	1,000,000	
Pollution Legal Liability-Somerset County Joint Insurance Fund: Each Incident	1,000,000	25,000
Surety Bonds:		
Tax Collector	175,000	
Treasurer	100,000	
Payroll Clerk	100,000	

The Somerset County Joint Insurance Fund is responsible for the first \$25,000 deductible per occurrence (other than flood). No per member specific deductible applies to the entity.

Adequacy of Insurance Coverage is the Responsibility of the Municipality.

TOWNSHIP OF DELAWARE
LIST OF OFFICIALS

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office during the period under audit:

<u>Name</u>	<u>Title</u>
Kenneth J. Novak	Mayor
Roger R. Locandro	Deputy Mayor
Susan D. Lockwood	Committeeperson
Kristin McCarthy	Committeeperson
Joseph Vocke	Committeeperson

* * * * *

<u>Name</u>	<u>Title</u>
Judith Allen	Municipal Clerk
Linda Zengel	Treasurer & Chief Financial Officer
Danene Gooding	Tax Collector
Michelle Trivigno	Assessor
Kristina Hadinger	Attorney
John Lanza	Labor Attorney & Special Counsel
C. Richard Roseberry	Engineer

TOWNSHIP OF DELAWARE
GENERAL COMMENTS

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR NJS 40A:11-4

NJS 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost of the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding the aggregate, (\$17,000 effective July 1, 2011) except by contract or agreement."

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

The minutes indicated that contracts were awarded for the following items:

Rock Salt	Road Materials
Snow Plow with Equipment	International Truck
Repair Window & Siding on Municipal Bldg	Boom Mower & Flail Head Deck Mower
Lower Creek Rd Stream bank Restoration	Ramp & Stoop Work at Municipal Bldg

The minutes also indicated that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per NJS 40A:11-5 as follows:

Auditor	Engineer
Architect	Labor Attorney
Hydrogeologist	Risk Consultant
Historic Consultant	Municipal Attorney
Planning Consultants	Environmental Consultant
Finance Office Consultant	

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

From our examination of expenditures, it appears that there were no individual payments, contracts or agreements in excess of \$17,000 "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 NJS 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.

TOWNSHIP OF DELAWARE
 GENERAL COMMENTS
 (Continued)

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS (Cont'd)

On January 6, 2014, the governing body adopted the following resolution authorizing interest to be charged on delinquent taxes:

BE IT RESOLVED that the rate of interest to be charged by the Township of Delaware for nonpayment of taxes or assessments on or before the date they would become delinquent, shall be 8% on the first \$1,500 and 18% per annum on the balance over \$1,500 provided however that no interest shall be charged if payment of any installment is made within ten days after the date upon which the same became payable. Any installment received after the expiration of the said ten day grace period, shall bear interest from the due date.

It appears from a test examination of the Collector's records that interest was generally collected in accordance with the foregoing resolution.

DELINQUENT TAXES AND TAX TITLE LIENS

A tax sale was held in the year 2014 and was complete.

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

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

<u>Year</u>	<u>Number of Liens</u>
2014	3
2013	4
2012	8

CONTROL DEFICIENCIES

Segregation of Duties-The Municipality does not maintain an adequate segregation of duties with respect to the recording and treasury functions. Segregation of duties refers to separating those functions that place too much control over a transaction or class of transactions that would enable a person to perpetuate errors and prevent detection within a reasonable period of time. This is due to the limited number of personnel of the Municipality. Accordingly, management of the Municipality should be aware of this situation and realize that the concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control. We do not believe that the significant deficiencies described above are to be considered material weaknesses.

TOWNSHIP OF DELAWARE
GENERAL COMMENTS
(Continued)

OTHER COMMENTS

Municipal Expenditures

1. Receiving signatures acknowledging receipt of goods or services not evident on all payment forms.

Farmer's Market

1. Deposit of Farmer's Market receipts were not made in a timely manner.
2. Farmer's Market expenditures were not confirmed by a properly completed payment invoice with appropriate documentation.

Payroll

1. Forms W-4 and I-9 not evident for all appropriate individuals.
2. Payroll account bookkeeping to be formalized to provide an analysis of the reconciled balance and to guarantee timely payment of withholding items.

Technical Accounting Directives

The municipality, as a requirement of directives issued by the Division of Local Government Services, is required to maintain the following.

1. Encumbrance Accounting system
2. Fixed Asset Accounting System
3. General Ledger

As the fixed asset accounting system has not been undated in years it is suggested that a current fixed asset inventory be taken.

The general ledger was not maintained in a current manner.

Other

As reflected on the various balance sheets there are interfunds receivable and payable that are to be liquidated prior to the end of the year.

TOWNSHIP OF DELAWARE
RECOMMENDATIONS

It is recommended that:

1. Receiving signatures are to be evident on all payment forms.
2. Deposits of Farmer's Market receipts are to be made in a timely manner.
3. Farmer's Market expenditures are to be supported by a properly completed payment invoice with appropriate documentation.
4. Payroll account bookkeeping to be formalized to provide an analysis of the reconciled balance and to guarantee timely payment of withholding items.
5. The general ledger is to be maintained in a current manner.
6. Interfund balances are to be liquidated prior to the end of the year.

STATUS OF PRIOR YEAR'S AUDIT FINDINGS/RECOMMENDATIONS

A review was performed on prior year recommendations and corrective action was taken on all except for the following:

1. Receiving signatures are to be evident on all payment forms.
2. Deposits of Farmer's Market receipts are to be made in a timely manner.
3. Farmer's Market expenditures are to be supported by a properly completed payment invoice with appropriate documentation.

The foregoing conditions were considered in determining the nature, timing and extent of the audit tests to be applied in our examination of the financial statements and this report of such conditions does not modify our report dated June 10, 2015.

We would be pleased to confer on questions that might arise with respect to any matter in this report.

We wish to express our appreciation for the assistance and courtesies rendered by the Township officials and employees during the course of the examination.



William M. Colantano, Jr.
Registered Municipal Accountant
No. 68