

**TOWNSHIP OF MILLBURN**

Financial Statements  
with Additional Financial Information

December 31, 2016

(With Independent Auditor's Report Thereon)

# TOWNSHIP OF MILLBURN

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# ***Louis C. Mai CPA & Associates***

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## **Independent Auditor's Report**

The Honorable Mayor and  
Members of the Township Committee  
Township of Millburn  
Millburn, New Jersey:

### **Report on the Financial Statements**

We have audited the accompanying regulatory basis balance sheets of the various funds and account groups as of December 31, 2016 and 2015 of the Township of Millburn, New Jersey, and the related regulatory basis statements of operations and changes in fund balances for the years then ended and the related and the related regulatory basis statements of revenues and statements of expenditures of the Current Fund and Parking Utility Fund for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; 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 from material misstatement.

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

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

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

As described in note 1 of the financial statements, these financial statements were prepared in conformity

with the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey- regulatory basis, which is a basis of accounting other than accounting principles generally accepted in the United States of America to meet the requirements of the State of New Jersey.

The effects on the financial statements of the variances between the 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 U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Millburn, New Jersey, as of December 31, 2016 and 2015 and the changes in financial position for the years then ended.

### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Township of Millburn, New Jersey, as of December 31, 2016 and 2015 and the related statement of operations and changes in fund balances for the years then ended and the related statement of revenues and statements of expenditures of the Current Fund, and Parking Utility Funds for the year ended December 31, 2016 on the regulatory basis of accounting described in note 1.

### **Other Matters**

#### **Additional Financial Information**

Our audit was conducted for the purpose of forming opinions on the regulatory financial statements that collectively comprise the Township’s basic financial statements. The additional financial information included in the accompanying table of contents, is presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not a required part of the basic financial statements. Such information and schedules is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 additional financial information included in the accompanying table of contents is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the Township of Millburn’s financial statements. The information included in the Supplementary data and the General Comments and Recommendations as listed in the table of contents are presented for additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements. 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 27, 2017 on our consideration of the Township'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 Township of Millburn's internal control over financial reporting and compliance.

*Louis C. Mai CPA & Associates*  
*Louis C. Mai*

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Louis C. Mai, Registered Municipal Accountant  
No. CR00217

June 27, 2017



# ***Louis C. Mai CPA & Associates***

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## **Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

### Independent Auditor's Report

The Honorable Mayor and  
Members of the Township Committee  
Township of Millburn  
Millburn, New Jersey:

We have audited, in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying regulatory basis balance sheets of the various funds and account groups as of December 31, 2016 and 2015 of the Township of Millburn, New Jersey, and the related regulatory basis statements of operations and changes in fund balances for the years then ended and the related and the related regulatory basis statements of revenues and statements of expenditures of the Current Fund and Parking Utility Fund for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents, and have issued our report thereon dated June 27, 2017, which report expressed an adverse opinion in accordance with accounting principles generally accepted in the United States of America and an unmodified opinion on the regulatory basis of accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township'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 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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.

*Louis C. Mai CPA & Associates*  
*Louis C. Mai*

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Louis C. Mai, Registered Municipal Accountant  
**No CR00217**

**June 27, 2017**

## FINANCIAL STATEMENTS

TOWNSHIP OF MILLBURN

A

CURRENT FUND  
REGULATORY BASIS  
BALANCE SHEETS

ASSETS				LIABILITIES, RESERVES AND FUND BALANCE			
	Ref.	December 31,			Ref.	December 31,	
		2016	2015			2016	2015
Cash and Cash Equivalents	A-4	\$ 18,867,851	\$ 18,505,503	LIABILITIES:			
Deferred Charges - Special Emergency	A-31	525,000		Appropriation Reserves	A-3,A-9	\$ 2,324,909	\$ 2,696,368
Due from State - Senior Citizen and Vets	A-19	29,865	30,567	Reserve for Encumbrances	A-3,A-9	1,317,804	1,330,544
State and Federal Grants Receivable	A-11	<u>78,356</u>	<u>68,219</u>	Reserve for Rahway River	A-28	18,495	8,495
		<u>19,501,072</u>	<u>18,604,288</u>	Accounts Payable and Deposits	A-14	88,254	96,395
				County Taxes Payable	A-18	248,460	248,766
				Prepaid Taxes	A-7	1,672,032	1,207,275
				Due to Library	A-30	-	7,000
RECEIVABLES AND OTHER ASSETS WITH FULL RESERVES:				Reserve for Interest on Tax Appeals	Unchanged	16,411	16,411
Delinquent Property Taxes	A-6	\$ 692,485	656,030	Tax Overpayments	A-15	283,733	44,975
Tax Title Liens Receivable	A-17	823	759	Due to General Capital Fund	A-32	117,000	-
Property Acquired for Taxes - Assessed Valuation	A-22	14,000	14,000	Reserve for Sale of Township Owned Property	A-20	123,131	163,131
Revenue Accounts Receivable	A-8	26,332	29,602	Due to Trust Fund	A-24	144,925	126,825
Joint Trunk Sewer Maintenance Charges Receivable	A-13	15,525	8,112	Reserve for Grants Appropriated	A-16	348,275	203,123
SID Receivable	A-23	5,080	2,778	Reserve for Special Emergency	A-27	266,685	-
Due from Public Assistance Fund	F	4,377	-	SID Overpayments	A-23	2,437	759
Due from Trust other	A-24	<u>71,455</u>	<u>-</u>	Sewer Overpayments	A-13	364	364
	Contra	<u>830,077</u>	<u>711,281</u>	Reserve for Litigation	A-5	82,862	600,000
		\$ <u>20,331,149</u>	\$ <u>19,315,570</u>	Reserve for Grants-Unappropriated	A-25	8,961	5,350
				Reserve for Tax Appeals	A-12	533,363	31,830
				Reserve for Joint Trunk Sewer Capital	A-26	<u>917,533</u>	<u>776,579</u>
						8,515,635	7,564,191
				Reserve for Receivables and Other Assets	Contra	830,077	711,281
				FUND BALANCE	A-1	<u>10,985,437</u>	<u>11,040,098</u>
						\$ <u>20,331,149</u>	\$ <u>19,315,570</u>

See notes to financial statements.

**TOWNSHIP OF MILLBURN**

A-1

**CURRENT FUND  
REGULATORY BASIS  
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE  
YEARS ENDED DECEMBER 31, 2016 AND 2015**

	Ref.	2016	2015
<b>REVENUE AND OTHER INCOME:</b>			
Fund Balance Utilized	A-2	\$ 4,450,000	\$ 3,900,000
Miscellaneous Anticipated Revenue	A-2	7,811,730	7,675,364
Receipts from Delinquent Taxes	A-2	656,030	708,579
Receipts from Current Taxes	A-2	176,034,134	171,767,995
Non-budget Revenues	A-2	1,006,351	1,059,294
<b>Other Credits to Income:</b>			
Interfund Returned	A-24	-	18,323
Insurance Receivable Canceled	A-21	-	529,323
Litigation Trust - Lapsed	A-5	-	608,240
Overpayments Canceled	A-15	-	48,525
Accounts Payable Canceled	A-14	-	35,308
Cancel Reserve for Special Emergency	A-27	-	880
Grant Reserves Canceled	A-16	-	62,501
Reserve for Tax Appeal Canceled	A-12	89,510	-
Prior year cancelled	A-3	-	1,402
Unexpended Balances of Appropriation Reserves	A-9	<u>1,036,542</u>	<u>1,054,813</u>
<b>TOTAL REVENUE AND OTHER INCOME</b>		<u>191,084,299</u>	<u>187,470,548</u>
<b>EXPENDITURES:</b>			
Budgeted	A-3	55,119,278	51,941,563
County Taxes	A-18	49,022,505	48,748,227
Local District School Taxes	A-10	82,966,075	80,572,247
S.I.D. Receivable	A	5,080	2,778
Prior Year Expenses	A-4	42,055	8,423
Reserve for SID	A-29	3,304	-
Grants Receivable Canceled	A-11	1,626	29,458
Interfunds Created	A-24	<u>52,634</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>		<u>187,212,557</u>	<u>181,302,696</u>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>		<b>3,871,742</b>	<b>6,167,852</b>
<b>ADJUSTMENT TO INCOME BEFORE FUND BALANCE - Expenditures Included above which are by Statute Deferred Charges to Budget of Succeeding Year</b>			
	A,A-3	<u>525,000</u>	<u>-</u>
<b>STATUTORY EXCESS TO FUND BALANCE</b>		<b>4,396,742</b>	<b>6,166,450</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	A	<u>11,040,098</u>	<u>8,772,246</u>
		15,436,839	14,940,098
<b>UTILIZED AS ANTICIPATED REVENUE</b>	A-2	<u>4,450,000</u>	<u>3,900,000</u>
<b>FUND BALANCE, END OF YEAR</b>	A	<u>\$ 10,986,839</u>	<u>\$ 11,040,098</u>

See notes to financial statements.

**TOWNSHIP OF MILLBURN**

**CURRENT FUND  
REGULATORY BASIS  
STATEMENT OF REVENUES  
YEAR ENDED DECEMBER 31, 2016**

	<b>Ref.</b>	<b>Anticipated Budget</b>	<b>Realized</b>	<b>Excess or (Deficit)</b>
FUND BALANCE ANTICIPATED	A-1	\$ 4,450,000	\$ 4,450,000	\$ -
<b>MISCELLANEOUS REVENUES:</b>				
Licenses:				
Alcoholic Beverages	A-8	28,000	36,040	8,040
Other	A-8	25,000	28,605	3,605
Fees and Permits:				
Uniform Construction Code Fees	A-8	485,000	563,318	78,318
Other	A-8	250,000	319,454	69,454
Fines and Costs - Municipal Court	A-8	340,000	379,154	39,154
Hotel Tax	A-8	450,000	561,469	111,469
Uniform Fire Maintenance	A-8	36,000	35,775	-225
Interest and Costs on Taxes	A-8	210,000	235,846	25,846
Energy Receipt Taxes	A-8	2,368,523	2,368,523	-
Golf Course Revenue	A-8	135,000	226,452	91,452
Interest on Investments	A-8	25,000	72,514	47,514
Recreation Fees	A-8	235,000	262,341	27,341
Swimming Pool Revenue	A-8	350,000	367,923	17,923
Franchise Fee - Cable	A-8	310,000	317,396	7,396
Reserve for Electrical Trust	A-8	50,000	50,000	-
Capital Fund Balance	A-8	100,000	100,000	-
Reserve for Debt Service	A-8	202,090	202,090	-
Sale of Township-Owned Property	A-20	40,000	40,000	-
Joint Trunk Sewer Maintenance Charges	A-13	1,357,796	1,363,789	5,993
Clean Communities Program	A-11	50,441	50,441	-
FEMA - Emergency Management	A-11	14,000	14,000	-
Reserve for Body Armor	A-11	3,850	3,850	-
Governor's Council on Alcohol and Drug Abuse	A-11	60,000	60,000	-
Parsil House Grant (Essex Open Space)	A-11	150,000	150,000	-
You Text, You Drive	A-11	1,250	1,250	-
Rain Forest Grant	A-11	1,500	1,500	-
<b>TOTAL MISCELLANEOUS ANTICIPATED REVENUES</b>	<b>A-1</b>	<b>7,278,450</b>	<b>7,811,730</b>	<b>533,280</b>

(Continued)

TOWNSHIP OF MILLBURN

CURRENT FUND  
REGULATORY BASIS  
STATEMENT OF REVENUES  
YEAR ENDED DECEMBER 31, 2016

	Ref.	Anticipated Budget	Realized	Excess or (Deficit)
RECEIPTS FROM DELINQUENT TAXES	A-1, A-6	\$ 635,000	\$ 656,030	\$ 21,030
AMOUNT TO BE RAISED BY TAXES FOR SUPPORT OF MUNICIPAL BUDGET	A-2	41,351,081	43,111,798	1,760,717
MINIMUM LIBRARY TAX		<u>3,150,929</u>	<u>3,150,929</u>	<u>-</u>
		<u>44,502,009</u>	<u>46,262,727</u>	<u>1,760,718</u>
BUDGET TOTALS		<u>\$ 56,865,460</u>	59,180,487	<u>\$ 2,315,028</u>
NON-BUDGET REVENUES	see below		<u>1,006,351</u>	
			<u>\$ 60,186,839</u>	
NON BUDGET REVENUES				
Cash:				
			\$ 1,006	
			30,594	
			3,877	
			250	
			89,107	
			26,892	
			27,859	
			96,619	
			1,390	
			6,612	
			439	
			8,952	
			10,452	
			86,062	
			151,805	
			14,776	
			59,528	
			378,635	
			<u>994,855</u>	
Prior Year Sewer	A-13		9,477	
Prior Year SID	A-23		2,019	
Cash	A-4		994,855	
	Above		<u>\$ 1,006,351</u>	

(Continued)

**TOWNSHIP OF MILLBURN**

**CURRENT FUND  
REGULATORY BASIS  
STATEMENT OF REVENUES  
YEAR ENDED DECEMBER 31, 2016**

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	<b>Ref.</b>	
<b>ANALYSIS OF REALIZED REVENUES:</b>		
Allocation of Current Tax Collection:		
Revenue from Collections	A-1,A-6	\$ 176,034,134
Allocated to - School and County Taxes	A-6	<u>131,988,580.31</u>
 Balance for Support of Municipal Budget Appropriations		 44,045,553.90
 Add Appropriation Reserve for Uncollected Taxes	 A-3	 <u>2,217,173.12</u>
 Amount for Support of Municipal Budget Appropriations	 A-2	 <u><u>\$ 46,262,727</u></u>

See notes to financial statements.



TOWNSHIP OF MILLBURN

A-3

CURRENT FUND  
 REGULATORY BASIS  
 STATEMENT OF EXPENDITURES  
 YEAR ENDED DECEMBER 31, 2016

	Budget	Budget After Modification	Expended		
			Paid or Charged	Encumbered	Reserved
OPERATIONS - WITHIN "CAPS":					
GENERAL GOVERNMENT:					
Administrative and Executive:					
Salaries and Wages:					
Governing Body	\$ 37,500	\$ 37,500	\$ 37,500	\$ -	\$ -
Business Administration	515,000	515,000	494,526	-	20,474
Other Expenses:					
Business Administration	110,700	125,700	78,475	40,416	6,810
Printing, Legal, Advertising, and Miscellaneous	60,500	60,500	35,244	14,640	10,616
Customer Service:					
Salaries and Wages	244,000	244,000	236,293	-	7,707
Other Expenses	3,500	3,500	3,206	130	164
Municipal Clerk:					
Salaries and Wages	196,426	196,426	193,518	-	2,908
Data Processing Center:					
Other Expenses	180,000	200,000	161,583	31,293	7,124
Finance Administration:					
Comptroller's Office:					
Salaries and Wages	333,957	318,957	318,957	-	-
Other Expenses	59,700	59,700	49,943	6,613	3,144
Annual Audit	45,300	45,300	44,410	-	890
GENERAL GOVERNMENT:					
Assessment of Taxes:					
Salaries and Wages	81,500	81,500	73,733	-	7,767
Other Expenses	85,950	85,950	47,641	9,150	29,159
Collector of Taxes:					
Salaries and Wages	167,100	117,100	80,841	-	36,259
Other Expenses	55,300	55,300	37,352	200	17,748
Legal Services and Costs:					
Salaries and Wages	31,000	31,000	27,722	-	3,278
Other Expenses	750,000	1,450,000	1,239,659	132,653	77,688
Public Buildings and Grounds:					
Other Expenses	406,600	406,600	322,958	83,573	69
Planning Board:					
Salaries and Wages	43,000	43,000	41,357	-	1,643
Other Expenses	36,200	36,200	22,248	1,630	12,323
Board of Adjustment:					
Salaries and Wages	43,000	43,000	43,000	-	-
Other Expenses	35,400	35,400	22,622	1,635	11,143
Historical Preservation Commission:					
Salaries and Wages	4,800	4,800	4,800	-	-
Other Expenses	1,100	1,100	162	-	938
GENERAL GOVERNMENT:					
PUBLIC SAFETY:					
Fire:					
Salaries and Wages	6,035,000	5,735,000	5,698,412	-	36,588
Other Expenses	637,100	637,100	534,458	83,497	19,145
Aid to Volunteer Fire Companies	10,000	10,000			10,000
Police:					
Salaries and Wages	7,021,508	7,121,508	7,120,141	-	1,367
Other Expenses	591,500	591,500	111,584	403,936	75,980
Emergency Management Service:					
Other Expenses	15,000	15,000	15,000	-	-

(Continued)

TOWNSHIP OF MILLBURN

A-3

CURRENT FUND  
REGULATORY BASIS  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2016

	Budget	Budget After Modification	Expended		
			Paid or Charged	Encumbered	Reserved
Insurance:					
Group Insurance for Employees	\$ 6,675,460	\$ 6,375,460	\$ 6,032,970	\$ 18,476	\$ 324,014
Workers Compensation Insurance	462,515	462,515	462,515	-	-
Employee Opt Out	125,000	125,000	125,000	-	-
Other Insurance Premiums	561,872	561,872	561,872	-	-
OPERATIONS - WITHIN "CAPS" (Continued):					
Inspection of Buildings:					
Salaries and Wages	465,500	460,500	460,500	-	-
Other Expenses	387,500	387,500	316,407	253	70,840
Engineering Services and Costs:					
Salaries and Wages	257,040	257,040	255,833	-	1,207
Other Expenses	105,685	110,685	72,624	29,994	8,067
Shade Tree:					
Salaries and Wages	1,029,996	989,996	908,089	-	81,907
Other Expenses	545,940	545,940	403,733	74,065	68,142
MUNICIPAL SERVICES AND ENGINEERING:					
Road Repair and Maintenance:					
Salaries and Wages	2,882,654	2,832,654	2,806,427	-	26,227
Other Expenses	446,000	446,000	229,898	53,711	162,391
Joint Meeting Maintenance:					
Salaries and Wages	3,195	3,195	-	-	3,195
Other Expenses	2,750	2,750	2,750	-	-
Vehicle Maintenance:					
Salaries and Wages	348,000	348,000	347,910	-	90
Other Expenses	234,000	234,000	182,934	39,193	11,872
Sanitation:					
Other Expenses	184,100	184,100	102,574	22,543	58,984
HEALTH AND WELFARE:					
Board of Health - Local Health Agency:					
Salaries and Wages	34,986	34,986	14,715	-	20,271
Other Expenses	15,571	15,571	9,434	163	5,974
Environmental Commission					
Other Expenses	2,500	2,500	846	750	904
Condo Reimbursement	30,000	30,000	-	-	30,000
Administration of Public Assistance:					
Salaries and Wages	13,770	13,770	3,711	-	10,059
Other Expenses	5,500	5,500	5,000	-	5,500
Contract SAGE	32,400	32,400	25,836	4,116	2,448
RECREATION AND EDUCATION:					
Parks and Playgrounds:					
Salaries and Wages	710,000	710,000	689,824	-	20,176
Other Expenses	308,800	308,800	245,959	35,196	27,645
Celebration of Public Events,					
Anniversary or Holiday	15,000	15,000	13,315	-	1,685
Senior Citizens' Transportation:					
Salaries and Wages	164,000	164,000	110,460	-	53,540
Other Expenses	14,000	14,000	9,068	1,083	3,849
RECYCLING ACT AND SANITARY					
LAND FILL:					
Facilities and Contingencies Fund	1,852,000	1,852,000	1,489,839	97,880	264,281
Municipal Court:					
Salaries and Wages	337,000	297,000	259,749	-	37,251
Other Expenses	113,940	113,940	87,097	1,679	25,164
Public Defender:					
Salaries and Wages	13,260	13,260	13,060	200	-

(Continued)

TOWNSHIP OF MILLBURN

CURRENT FUND  
REGULATORY BASIS  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2016

	Budget	Budget After Modification	Expended		
			Paid or Charged	Encumbered	Reserved
UNCLASSIFIED:					
Electricity	\$ 280,500	\$ 280,500	\$ 191,937	\$ 27,004	\$ 61,559
Natural Gas	160,000	160,000	48,027	19,878	92,095
Street Lighting	320,000	320,000	202,111	246	117,643
Gasoline	390,000	350,000	159,133	43,668	147,199
Telephone and Telegraph	170,000	170,000	153,138	7,817	9,046
CONTINGENT	15,000	15,000	15,000	-	-
TOTAL OPERATIONS - WITHIN "CAPS"	37,553,075	37,553,075	34,116,640	1,287,281	2,154,154
OPERATIONS - WITHIN "CAPS" (Continued):					
DETAIL:					
Salaries and Wages	20,662,932	20,302,932	19,968,271	-	334,661
Other Expenses (Including Contingent)	16,890,143	17,250,143	14,148,369	1,287,281	1,819,493
STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":					
Defined Contribution Retirement System	1,500	1,500	-	-	1,500
Public Employees' Retirement System	1,064,389	1,064,389	1,046,234	-	18,155
Police and Firemen's Retirement System of N.J.	2,719,779	2,719,779	2,719,779	-	-
PERS ERI	67,497	67,497	67,497	-	-
Social Security System (O.A.S.I.)	912,696	912,696	825,709	-	86,987
TOTAL STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":	4,765,861	4,765,861	4,659,219	-	106,642
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES - WITHIN "CAPS"	42,318,936	42,318,936	38,775,859	1,287,281	2,260,796
OPERATIONS - EXCLUDED FROM "CAPS":					
Employee Group Insurance	109,124	109,124	109,124	-	-
Deferred Charges To Future Taxation Capital	302,090	302,090	302,090	-	-
Maintenance of Free Public Library	3,150,929	3,150,929	3,150,929	-	-
Emergency Appropriation	525,000	525,000	525,000	-	-
Joint Trunk Sewer Maintenance	1,357,796	1,357,796	1,357,796	-	-
Reserve for Accumulate Absences	500	500	-	-	500
Reserve for Snow Trust	500	500	-	-	500
Reserve for Litigation Trust	500	500	-	-	500
Reserve for EPL/POL Trust	500	500	-	-	500
Reserve for Short Hills Hilton Tax Appeal	1,190,000	1,190,000	1,190,000	-	-
Reserve for Tax Appeals	1,100,000	1,100,000	1,100,000	-	-
OPERATIONS - EXCLUDED FROM "CAPS" (Continued):					
Emergency Management Assistance Fund					
Cash Match	7,000	7,000	7,000	-	-
Other Expenses	14,000	14,000	14,000	-	-
Clean Communities Program:					
Other Expenses	48,816	48,816	48,816	-	-
Reserve for Clickit or Ticket Grant					
Other Expenses					
Rain Forest Grant - Other Expenses	1,500	1,500	1,500	-	-
Reserve for Body Armor Fund					
Other Expenses	3,850	3,850	3,850	-	-

(Continued)

TOWNSHIP OF MILLBURN

A-3

CURRENT FUND  
 REGULATORY BASIS  
 STATEMENT OF EXPENDITURES  
 YEAR ENDED DECEMBER 31, 2016

	Budget	Budget After Modification	Expended		
			Paid or Charged	Encumbered	Reserved
You text, You Drive					
Other Expenses	\$ 1,250	\$ 1,250	\$ 1,250	\$ -	\$ -
Parsil House					
Other Expenses	150,000	150,000	150,000	-	-
Reserve for Clean Communities					
Other Expenses	1,627	1,627	1,627	-	-
Governor's Alcoholism and Drug Abuse Grant:					
Other Expenses	60,000	60,000	60,000	-	-
Township Match	15,000	15,000	15,000	-	-
Interlocal Agreements Maplewood:					
Plumbing Inspections	86,996	86,996	67,198	-	19,798
Electrical Inspections	80,413	80,413	51,240	-	29,173
Hepatitis	10,500	10,500	1,595	785	8,120
Interlocal Agreement					
Borough of Madison					-
Other Expenses	95,370	95,370	90,350	-	5,020
Joint Meeting - Dispatch					
Other Expenses	827,014	827,014	827,014	-	-
Livingston:					
Other Expenses	<u>118,953</u>	<u>118,953</u>	<u>89,215</u>	<u>29,738</u>	<u>-</u>
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	<u>9,259,228</u>	<u>9,259,228</u>	<u>9,164,592</u>	<u>30,523</u>	<u>64,112</u>
OPERATIONS - EXCLUDED FROM "CAPS" (Continued):					
DETAIL:					
Salaries and Wages					
Other Expenses	<u>9,259,228</u>	<u>9,259,228</u>	<u>9,164,592</u>	<u>30,523</u>	<u>64,112</u>
CAPITAL IMPROVEMENT FUND	<u>1,700,000</u>	<u>1,700,000</u>	<u>1,700,000</u>	<u>-</u>	<u>-</u>
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS":					
Interest on Notes	115,000	115,000	115,000	-	-
Payment of Note Principal	1,700,000	1,700,000	1,700,000	-	-
Payment of Bond Principal	70,000	70,000	70,000	-	-
Interest on Bonds	<u>10,125</u>	<u>10,125</u>	<u>10,125</u>	<u>-</u>	<u>-</u>
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	<u>1,895,125</u>	<u>1,895,125</u>	<u>1,895,125</u>	<u>-</u>	<u>-</u>
TOTAL GENERAL APPROPRIATIONS - EXCLUDED FROM "CAPS"	<u>12,854,353</u>	<u>12,854,353</u>	<u>12,759,717</u>	<u>30,523</u>	<u>64,112</u>
SUBTOTAL GENERAL APPROPRIATIONS	55,173,288	55,173,288	51,535,576	1,317,804	2,324,908
RESERVE FOR UNCOLLECTED TAXES	<u>2,217,173</u>	<u>2,217,173</u>	<u>2,217,173</u>	<u>-</u>	<u>-</u>
TOTAL GENERAL APPROPRIATION	<u>\$ 57,390,460</u>	<u>\$ 57,390,461</u>	<u>\$ 53,752,749</u>	<u>\$ 1,317,804</u>	<u>\$ 2,324,908</u>
Reference		A-1	see below	A	A (Continued)

TOWNSHIP OF MILLBURN

A-3

CURRENT FUND  
 REGULATORY BASIS  
 STATEMENT OF EXPENDITURES  
 YEAR ENDED DECEMBER 31, 2016

	Budget	Budget After Modification	Expended		
			Paid or Charged	Encumbered	Reserved
Adopted budget	\$ 56,665,395				
Emergency Appropriation	525,000				
Added by 40A:4.87	<u>200,066</u>				
	<u>\$ 57,390,460</u>				
<b>Paid or Charged</b>					
Cash Disbursed	<b>A-4</b>		\$ 48,385,524		
Emergency Appropriation	<b>A-27</b>		525,000		
Reserve for Tax Appeals	<b>A-12</b>		1,100,000		
Reserve for Hilton Appeal	A-12		1,190,000		
Reserve for Grants	<b>A-16</b>		281,042		
Debt Service Cancelled	<b>A-1</b>		54,010		
Reserve for Uncollected Taxes	<b>A-2</b>		<u>2,217,173</u>		
			<u>\$ 53,752,749</u>		

See notes to financial statements.

**MILLBURN TOWNSHIP**

**B**

**TRUST FUND  
REGULATORY BASIS  
BALANCE SHEETS  
AS OF DECEMBER 31, 2016 AND 2015**

ASSETS	Ref.	December 31,		LIABILITIES, RESERVES AND FUND BALANCE	Ref.	December 31,	
		2016	2015			2016	2015
ELECTRICAL INSPECTION TRUST FUND:				ELECTRICAL INSPECTION TRUST FUND:			
Cash	B-1	\$ 474,916	\$ 374,261	Reserve	B-1	\$ 474,916	\$ 374,261
ANIMAL CONTROL FUND:				ANIMAL CONTROL FUND:			
Cash	B-1	57,241	-	Reserve	B-1	5,500	-
				Due To Dog License Fund	B-2	51,741	-
		<u>57,241</u>	<u>:</u>			<u>57,241</u>	<u>-</u>
DOG LICENSE FUND:				DOG LICENSE FUND:			
Cash	B-1	2,916	48,457	Due to State		21	3
Due from Current Fund	B-2	-	8	Due to Recreation Trip Trust		80	80
Due from Animal Control Fund	B-3	51,741	-	Due to Current Fund	B-2	27,313	-
				Reserve for Dog Fund Expenditures	B-4	27,243	48,382
		<u>54,657</u>	<u>48,465</u>			<u>54,657</u>	<u>48,465</u>
ESCROW TRUST FUND:				ESCROW TRUST FUND:			
Cash	B-1	271,534	250,187	Due To Current Fund	B-2	594	-
UNEMPLOYMENT INSURANCE TRUST FUND:				Reserve for State Surcharge	B-1	270,940	250,187
Cash	B-1	165,095	188,811			<u>271,534</u>	<u>250,187</u>
TAX SALE PREMIUM				UNEMPLOYMENT INSURANCE TRUST FUND:			
Due from Current Fund	B-2	144,925	126,825	Reserve for Unemployment Insurance	B-1	165,095	188,811
WASTE RECYCLING FUND:				TAX SALE PREMIUM			
Cash	B-1	284,847	142,773	Reserve for Tax Sale Premium	B-1	144,925	126,825
RECREATION TRIP TRUST FUND:				WASTE RECYCLING FUND:			
Cash	B-1	138,021	159,947	Reserve for Waste Recycling	B-1	284,847	142,773
Due from Dog Trust		80	80	RECREATION TRIP TRUST FUND:			
		<u>138,101</u>	<u>160,027</u>	Reserve for Recreation Trip Trust		138,101	160,027
POAA TRUST FUND:						<u>-</u>	<u>-</u>
Cash	B-1	60,736	58,824	POAA TRUST FUND:			
FIRE PENALTY TRUST FUND:				Reserve for POAA Trust	B-1	60,736	58,824
Cash	B-1	14,271	19,355	FIRE PENALTY TRUST FUND:			
ACCUMULATED ABCSNCES TRUST				Reserve for Fire Penalty Trust	B-1	14,271	19,355
Cash	B-1	920,768	1,262,297	ACCUMULATED ABCSNCES TRUST			
SNOW TRUST				Reserve for Accumulated Abscences	B-1	920,768	1,262,297
Cash	B-1	704,147	523,882	SNOW TRUST			
POLICE OFF-DUTY TRUST				Reserve for Snow Trust	B-1	704,147	523,882
Cash	B-1	188,499	139,484	POLICE OFF-DUTY TRUST			
				Due to Current Fund	B-2	43,548	139,484
		<u>188,499</u>	<u>139,484</u>	Reserve for Police Off-Duty	B-1	144,951	-
FORFEITED PROPERTY ACCOUNT						<u>188,499</u>	<u>139,484</u>
Cash	B-1	1,478	14,918	FORFEITED PROPERTY ACCOUNT			
EPL/POL TRUST				Reserve for Forefeited Property	B-1	1,478	14,918
Cash	B-1	332,940	-	EPL/POL TRUST			
PAYROLL TRUST				Reserve for EPL/POL	B-1	332,940	-
Cash	B-1	71,333	92,056	PAYROLL TRUST			
PAYROLL AGENCY				Reserve	B-1	71,333	92,056
Cash	B-1	887,829	678,575	PAYROLL AGENCY			
DONATION TRUST				Cash	B-1	887,829	678,575
Cash	B-1	68,701	61,315	DONATION TRUST			
				Cash	B-1	68,701	61,315
		<u>\$ 4,842,020</u>	<u>\$ 4,142,055</u>			<u>\$ 4,842,020</u>	<u>\$ 4,142,055</u>

See notes to financial statements.

**TOWNSHIP OF MILLBURN**

**C**

**GENERAL CAPITAL FUND  
REGULATORY BASIS  
BALANCE SHEETS  
AS OF DECEMBER 31, 2016 AND 2015**

<b>ASSETS</b>	<b>Ref.</b>	<b>December 31,</b>	
		<b>2016</b>	<b>2015</b>
Cash and Cash Equivalents	C-2,C-3	\$ 5,065,347	\$ 8,448,416
Deferred Charges to Future Taxation:			
Funded	C-4,C-6	155,000	225,000
Unfunded	C-5	20,678,210	10,662,926
Grant Receivable	C-16	472,878	444,805
Due From Current Fund	C-7	<u>117,000</u>	<u>-</u>
		<b>\$ 26,488,435</b>	<b>\$ 19,781,147</b>
<b>LIABILITIES AND FUND BALANCE</b>			
Serial Bonds	C-6	\$ 155,000	\$ 225,000
Improvement Authorizations:			
Funded	C-8	2,231,955	2,279,903
Unfunded	C-8	11,460,542	4,839,256
Capital Improvement Fund	C-10	72,632	334,047
Reserve for Payment of Bonds	C-15	153,445	202,090
Reserve for Encumbrances	C-8	3,507,001	1,433,779
Reserve for Little League Field	C-9	20,069	19,068
Reserve for Preliminary Planning Expenses	C-17	115,360	149,000
Reserve for Papermill Property	C-12	853,087	675,087
Reserve for Grants	C-18	472,878	444,805
Reserve for Fire Equipment	C-19	325,000	325,000
Reserve for DPW Shared Services	C-11	20,000	20,000
Bond Anticipation Notes Payable	C-14	6,712,133	8,421,171
Fund Balance	C-1	<u>389,328</u>	<u>412,942</u>
		<b>\$ 26,488,435</b>	<b>\$ 19,781,147</b>

There were bonds and notes authorized but not issued at December 31, 2016 and 2015 of \$13,937,038 and \$2,241,755 respectively. (Exhibit C-13)

See notes to financial statements

**TOWNSHIP OF MILLBURN**

**C-1**

**GENERAL CAPITAL FUND  
REGULATORY BASIS  
STATEMENT OF FUND BALANCE  
YEARS ENDED DECEMBER 31, 2016 and 2015**

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	<b>Ref.</b>	<b>2016</b>	<b>2015</b>
BALANCE, BEGINNING OF YEAR	C	\$ 412,942	\$ 432,511
Increased by Receipts:			
Premium on Sale of Notes	C-2, C-3	<u>76,386</u>	<u>80,431</u>
		489,328	512,942
Decreased by:			
Budget Appropriation	C-2	<u>100,000</u>	<u>100,000</u>
BALANCE, END OF YEAR	C	<u>\$ 389,328</u>	<u>\$ 412,942</u>

See notes to financial statements



**TOWNSHIP OF MILLBURN**

**D**

**PARKING UTILITY FUNDS  
REGULATORY BASIS  
BALANCE SHEETS  
AS OF DECEMBER 31, 2016 AND 2015**

<b>ASSETS</b>	<b>Ref.</b>	<b>December 31, 2016</b>	<b>December 31, 2015</b>
<b>OPERATING FUND</b>			
Cash and Cash Equivalents	D-5	\$ 1,895,693	\$ 2,273,863
Due From Parking Capital	D-7	<u>2,881</u>	<u>-</u>
Total Assets Operating Fund		<u>1,898,574</u>	<u>2,273,863</u>
<b>CAPITAL FUND</b>			
Cash	D-5	1,160,419	1,492,723
Fixed Capital	D-14	8,370,225	8,370,225
Fixed Capital Authorized and Uncomplete	D-10	<u>2,035,000</u>	<u>1,415,000</u>
Total Assets Capital Fund		<u>11,565,644</u>	<u>11,277,948</u>
<b>Total Assets</b>		<u>\$ 13,464,217</u>	<u>\$ 13,551,811</u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>OPERATING FUND</b>			
Reserve for Encumbrances	D-3, D-13	\$ 18,457	\$ 11,555
Appropriation Reserves	D-3, D-13	32,103	83,703
Prepaid Parking Permits	D-17	213,360	402,415
Accrued Interest on Notes	D-19	90,827	43,594
Reserve for Parking Meter Replacement	D-7	<u>2,881</u>	<u>-</u>
Total Liabilities		<u>357,629</u>	<u>541,267</u>
Fund Balance	D-1	<u>1,540,945</u>	<u>1,732,596</u>
Total Liabilities and Fund Balance Operating Fund		<u>1,898,574</u>	<u>2,273,863</u>
<b>CAPITAL FUND</b>			
Improvement Authorizations - Funded	D-9	199,968	90,958
Improvement Authorizations - Unfunded	D-9	277,928	277,928
Bond Anticipation Notes Payable	D-18	7,125,000	7,975,000
Reserve for Encumbrances	D-9	2,763	2,763
Capital Improvement Fund	D-12	137,250	667,250
Due To Parking Operating	D-7	2,881	
Reserve for Amortizations	D-15	2,005,225	1,155,225
Reserve for Preliminary Planning Expenses	D-8	250	250
Reserve for Parking Meter Replacement	D-20	106,479	124,193
Reserve for Parking Deck Repair	D-16	125,000	100,000
Deferred Reserve For Amortization	D-11	1,275,000	655,000
Fund Balance	D-4	<u>307,900</u>	<u>229,381</u>
Total Liabilities and Fund Balance Capital Fund		<u>11,565,643</u>	<u>11,277,948</u>
<b>Total Liabilities and Fund Balances</b>		<u>\$ 13,464,217</u>	<u>\$ 13,551,811</u>

\*There were bonds and notes authorized but not issued at December 31, 2015 and 2016 of \$0.00 and \$0.00 respectively. (Exhibit D-20)

See notes to financial statements

**TOWNSHIP OF MILLBURN**

D-1

**PARKING UTILITY OPERATING FUND  
REGULATORY BASIS  
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE  
YEARS ENDED DECEMBER 31, 2016 AND 2015**

	Ref.	2016	2015
REVENUE AND OTHER INCOME:			
Fund Balance Anticipated	D-2	\$ 286,372	\$ 106,000
Miscellaneous Anticipated Revenue	D-2,	1,311,454	1,371,132
Unexpended Balance of Appropriation Reserves	D-13	89,560	1,389
Non-budget Revenues	D-2	<u>20,053</u>	<u>22,651</u>
TOTAL REVENUE AND OTHER INCOME	D-2	<u>1,707,439</u>	<u>1,501,172</u>
EXPENDITURES:			
Budgeted	D-3	<u>1,612,718</u>	<u>1,181,000</u>
TOTAL EXPENDITURES		<u>1,612,718</u>	<u>1,181,000</u>
EXCESS OF REVENUE OVER EXPENDITURES		94,721	320,172
FUND BALANCE, BEGINNING OF YEAR	D	<u>1,732,596</u>	<u>1,518,424</u>
SUBTOTAL		1,827,317	1,838,596
UTILIZED AS ANTICIPATED REVENUE	D-2	<u>286,372</u>	<u>106,000</u>
FUND BALANCE, END OF YEAR	D	<u>\$ 1,540,945</u>	<u>\$ 1,732,596</u>

See notes to financial statements.

**TOWNSHIP OF MILLBURN**

**D-2**

**PARKING UTILITY OPERATING FUND  
REGULATORY BASIS  
STATEMENT OF REVENUES  
YEAR ENDED DECEMBER 31, 2016**

	<b>Ref.</b>	<b>Anticipated Budget</b>	<b>Realized</b>	<b>Excess or (Deficit)</b>
<b>ANTICIPATED REVENUES</b>				
Fund Balance Anticipated	D-1	\$ 286,372	\$ 286,372	\$ -
Parking Meters	D-4	350,000	346,438	(3,562)
Parking Permits	below	<u>980,000</u>	<u>965,015</u>	<u>(14,985)</u>
<b>TOTAL ANTICIPATED REVENUES</b>		<b><u>\$ 1,616,372</u></b>	<b><u>\$ 1,597,826</u></b>	<b><u>\$ (18,546)</u></b>
Miscellaneous Revenues	D-4		20,053	20,053
<b>BUDGET TOTALS</b>			<b><u>\$ 1,617,879</u></b>	<b><u>\$ 1,507</u></b>
			D-1	
	2016 Prepaid Permits	D-17	\$ 402,415	
	2016 Permits	D-5	<u>562,600</u>	
			<b><u>\$ 965,015</u></b>	

See notes to financial statements.

**TOWNSHIP OF MILLBURN**

D-3

**PARKING UTILITY OPERATING FUND  
REGULATORY BASIS  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2016**

	Budget	Budget after Modification	Paid or Charged	Encumbered	Reserved
Salary and Wages	\$ 282,540	\$ 282,540	\$ 282,540	\$ -	\$ -
Other Expenses	121,706	121,706	71,145	18,457	32,103
Capital Improvement Fund	90,000	90,000	90,000	-	-
Reserve for Meter Replacement	15,000	15,000	15,000	-	-
Reserve for Deck Maintenance	25,000	25,000	25,000	-	-
Debt Service	1,059,501	1,059,501	1,059,501	-	-
Social Security	<u>22,625</u>	<u>22,625</u>	<u>22,625</u>	-	-
<b>BUDGET TOTALS</b>	<b>\$ 1,616,372</b>	<b>\$ 1,616,372</b>	<b>\$ 1,565,811</b>	<b>\$ 18,457</b>	<b>\$ 32,103</b>
<b>Ref.</b>	<b>D-2</b>	<b>D-1</b>		<b>D</b>	<b>D</b>
		<b>Ref.</b>			
Cash Disbursed		<b>D-5</b>	\$ 1,356,310		
Accrued Interest on Notes		<b>D-19</b>	205,847		
Debt Service Canceled		<b>D-1</b>	3,654		
			<u>\$ 1,565,811</u>		

See notes to financial statements.

**TOWNSHIP OF MILLBURN**

D-4

**PARKING UTILITY UTILITY CAPITAL FUND  
REGULATORY BASIS  
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE  
YEARS ENDED DECEMBER 31, 2016 and 2015**

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	Ref.	2016	2015
FUND BALANCE, BEGINNING OF YEAR	D	\$ 229,381	\$ 127,778
REVENUE AND OTHER INCOME:			
Premium on Sale of Notes	D-5	<u>78,519</u>	<u>101,603</u>
FUND BALANCE, BEGINNING OF YEAR	D	<u>\$ 307,900</u>	<u>\$ 229,381</u>

See notes to financial statements.

**TOWNSHIP OF MILLBURN**

F

**PUBLIC ASSISTANCE FUND  
REGULATORY BASIS  
BALANCE SHEETS  
AS OF DECEMBER 31, 2016 AND 2015**

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<b>ASSETS</b>	<b>Ref.</b>	<b>2016</b>	<b>2015</b>
Cash	F-3	<u>\$ 19,870</u>	<u>\$ 33,613</u>
<b>LIABILITIES AND RESERVES</b>			
Due To Current Fund		4,377	-
Reserve for Public Assistance	F-4	<u>15,493</u>	<u>33,613</u>
Total Liabilities and Reserves		<u>\$ 19,870</u>	<u>\$ 33,613</u>

See notes to financial statements.

**TOWNSHIP OF MILLBURN**

F-1

**PUBLIC ASSISTANCE FUND  
REGULATORY BASIS  
SCHEDULE OF REVENUES  
YEAR ENDED DECEMBER 31, 2016**

	<b>P.A.T.F. Account # 1 (75%)</b>	<b>P.A.T.F. Account # 2 (100%)</b>	<b>Fund Total</b>
State Aid Payments	\$ -	\$ 900	\$ 900
Interest on Investments	51	13	64
Due to/from Current fund	-	4,377	4,377
2016 Budget	-	5,000	5,000
	<u>51</u>	<u>10,290</u>	<u>10,341</u>
Total Revenues (PATF)	<u>\$ 51</u>	<u>\$ 10,290</u>	<u>\$ 10,341</u>

See notes to financial statements.

**SCHEDULE OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2016**

F-2

	<b>P.A.T.F. Account # 1 (75%)</b>	<b>P.A.T.F. Account # 2 (100%)</b>	<b>Fund Total</b>
Current Year Assistance (Eligible for State Aid):			
Maintenance Payments	\$ -	\$ 10,290	\$ 10,290
Rent / Shelter	-	13,514	13,514
Utilities	-	280	280
	<u>-</u>	<u>24,084</u>	<u>24,084</u>
Total Expenditures	<u>\$ -</u>	<u>\$ 24,084</u>	<u>\$ 24,084</u>

See notes to financial statements.

**TOWNSHIP OF MILLBURN****G****GENERAL FIXED ASSETS GROUP  
REGULATORY BASIS  
BALANCE SHEETS  
AS OF DECEMBER 31, 2016 AND 2015**

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	<b>2016</b>	<b>2015</b>
Movable Fixed Assets:		
Computers and Computer Equipment	\$ 445,547	\$ 445,547
Furniture and Equipment	1,924,359	1,924,359
Vehicles	9,992,315	9,992,315
Radio and Communication Equipment	<u>501,959</u>	<u>501,959</u>
	<u>12,864,180</u>	<u>12,864,180</u>
Land	15,408,472	15,408,472
Buildings	6,129,634	6,129,634
Improvements Other Than Buildings	<u>3,020,984</u>	<u>3,020,984</u>
	<u>24,559,090</u>	<u>24,559,090</u>
Investment in General Fixed Assets	<u>\$ 37,423,270.0</u>	<u>\$ 37,423,269.8</u>

See notes to financial statements.



# TOWNSHIP OF MILLBURN

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016 and 2015

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### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 1. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing generally accepted accounting and financial reporting principles for state and local governments. The GASB Codification establishes the fund structure to be used by general purpose governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP).

The accounting policies of the Township of Millburn conform to the accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the 'Division')(Regulatory Basis). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial activities through the following separate funds which differ from the fund structure required by GAAP:

Current Fund—resources and expenditures for governmental operations of a general nature, including Federal and State grants for operations.

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

General Capital Fund—receipt and disbursement of funds used for acquisition of general capital facilities, other than those acquired in the Current Fund. General bonds and notes payable are recorded in this fund offset by deferred charges to future taxation.

Parking Utility Operating Fund –Accounts for the resources and expenditures for operation of the Township Parking Utility.

Parking Utility Capital Fund- is used to account for financial resources to be used for the acquisition, installation, and improvement of parking utility facilities.

Public Assistance Fund—receipts and disbursements of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey Statutes.

General Fixed Assets Account Group—Accounts for general fixed assets acquired by the Township of Millburn.

## 2. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from generally accepted accounting principles applicable to local government units. The more significant differences are as follows:

**Investments**—The Township’s investments are reported at cost. GASB requires investments to be recorded on the balance sheet at fair value and all investment income, including changes in the fair value of investments to be reported as revenue on the statement of operations.

**Property Taxes and Other Revenues**—Property taxes and other revenues are recognized on a cash basis. Receivables for property taxes and other items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Township’s Current Fund. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Taxes for the Township are levied annually in June and are payable February 1st, May 1st, August 1st, and November 1st. The taxes are liens on the property as of the billing date.

**Grant Revenues and Expenditures**—Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Township budget. GAAP requires such revenues to be recognized in the accounting period when they are earned and the expenditures to be recognized when the liability is incurred.

**Expenditures**—Unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless canceled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, except for unmatured interest on general long-term debt, which should be recognized when due.

**Encumbrances**—Contractual orders at December 31 are reported as expenditures through the establishment of a reserve for encumbrances. Encumbrances do not constitute expenditures under GAAP.

**Appropriation Reserves**—Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

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

**Property Acquired for Taxes**—Property acquired for taxes is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such

property to be recorded in the General Fixed Asset Account Group at market value on the date of acquisition.

Fixed Assets – Fixed assets purchased by the Current and General Capital Funds are recorded as expenditures. A General Fixed Assets Account Group, required by GAAP and the Division of Local Government Services to account for the Township’s general property and equipment, excluding infrastructure items, has been established and, accordingly, is presented in the financial statements. GAAP requires that capital assets include the value of infrastructure and be recorded in the government-wide financial statements.

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. GAAP does not require the establishment of an offsetting reserve.

Deferred Charges to Future Taxation Funded and Unfunded- Upon the authorization of capital projects, the Township establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to N.J.S.A 40A:2-4, the Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced. Under GAAP deferred charges to future taxation would not be recorded and proceeds of debt issued would be recognized as revenue.

*Use of Estimates*

The preparation of financial statements requires management to make estimates that affect the recorded amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

3. Had the Township’s financial statements been prepared under generally accepted accounting principles, appropriation reserves would not be recorded; revenues susceptible of accrual would have been reflected without offsetting reserves; Federal grants and assistance would be recognized when earned, not when awarded; inventories would not be reflected as expenditures at the time of purchase; and encumbrances would not be considered expenditures. Depreciation would have been recognized in the Utility Funds. Taxes collected on behalf of the county and school district and the related payment to those entities would not be reflected in operations. Deferred charges and improvement authorizations would not be recorded as assets and liabilities in the General Capital Fund. The Division of Local Government Services, Department of Community Affairs, State of New Jersey does not require the government wide financial statement required by generally accepted accounting principles to be presented.

In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

4. Reporting Entity

The financial statements of the Township include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township as required

by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township do not include the operations of the Board of Education, Ambulance and Rescue Services or Free Public Library.

## **B. DEPOSITS AND INVESTMENTS**

### **1. Deposits**

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC), the Savings Association Insurance Fund (SAIF), or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal five percent of the average daily balance of public funds; or

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000. All Certificates of Deposit are collateralized.

### **2. Investments**

New Jersey statutes allow the Township to purchase the following types of securities:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Associates or of any United States Bank for Cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- c. Bonds or other obligations of the Township or bonds or other obligations of school districts, which are a part of the Township or school districts located within the Township.
- d. Bonds or other obligations, having a maturity date of not more than twelve months from the date of purchase, that are approved by the New Jersey Department of Treasury, Division of Investments.

GASB Statement No. 40, Deposit and Investment Risk Disclosures, requires disclosure of bank deposits that are subject to custodial credit risk. The custodial credit risk for deposits is the risk that, in the event of the failure of a depository institution, the Township will not be able to recover deposits or will not be able to recover collateral securities that may be in the possession of an outside party. As of December 31, 2016 the Township's bank deposits are insured or covered by the State's Government

Unit Deposit Protection Act or are collateralized with the federal securities held by another institution in the Township's name.

The Township's cash and investments were as follows at December 31, 2016 and 2015

Type	Collateral	Bank Balance, December 31, 2016	Book Amount December 31, 2016	Fund
<b>Cash and Cash Equivalents</b>				
Deposits:				
Cash on Deposit	FDIC, State Collateral Pool	\$ 19,476,175	\$ 18,867,651	Current
	FDIC, State Collateral Pool	4,163,343	4,645,273	Trust
	FDIC, State Collateral Pool	5,128,835	5,065,347	Capital
	FDIC, State Collateral Pool	1,894,278	1,895,693	Parking Operating
	FDIC, State Collateral Pool	1,160,419	1,160,419	Parking Capital
	FDIC, State Collateral Pool	20,280	19,870	Public Assistance
Total Cash and Cash Equivalents		<u>\$ 31,843,330</u>	<u>\$ 31,654,253</u>	

Type	Collateral	Balance, December 31, 2015	Amount December 31, 2015	Fund
<b>Cash and Cash Equivalents</b>				
Deposits:				
Cash on Deposit	FDIC, State Collateral Pool	\$ 18,239,563	\$ 18,505,503	Current
	FDIC, State Collateral Pool	3,435,528	3,336,521	Trust
	FDIC, State Collateral Pool	8,448,419	8,448,419	Capital
	FDIC, State Collateral Pool	2,269,343	2,273,863	Parking Operating
	FDIC, State Collateral Pool	1,492,724	1,492,724	Parking Capital
	FDIC, State Collateral Pool	33,969	33,759	Public Assistance
Total Cash and Cash Equivalents		<u>\$ 33,919,545</u>	<u>\$ 34,090,789</u>	

There were no investment balances as of December 31, 2016 and 2015

## C. OUTSTANDING DEBT

### General Serial Bonds

The Local Bond Law governs the issuance of bonds and notes to finance capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness of the capital expenditures. All bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township.

On October 15, 1998 the Township borrowed \$2,076,373 from the New Jersey Environmental Infrastructure program at interest rates of 4.25% to 4.5% payable each February 1 and August 1 until the loan is paid in full in 2018. The balance outstanding at December 31, 2016 and 2015 respectively was \$155,000 and \$225,000. Reductions in outstanding balances during 2016 and 2015 were \$70,000 and \$96,631 respectively.

### Bond Anticipation Notes

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. Generally, such notes must be paid no later than the first day of the fifth month following the close of the tenth fiscal year next following the date of the original notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. Legal installments must continue to be paid if the notes are to be renewed beyond the third anniversary date of the original issuance. At December 31, 2016 and 2015, there was \$6,712,133 and \$8,421,171 of bond anticipation notes outstanding respectively for the General Capital Fund and there was \$7,125,000 and \$7,795,000 of Parking Capital notes at December 31, 2016 and December 31, 2015, respectively. The General Capital and Parking Utility Funds paid down \$1,709,038 and \$850,000 of outstanding notes, respectively in 2016.

### Tax Anticipation Notes

Under N.J.S. 40A:4-64 the Township may issue tax anticipation notes to temporarily finance current fund operations. Tax collections are pledged to the payment of such debt. The notes must be redeemed within one year. At December 31, 2016, and 2015 there were no tax anticipation notes outstanding.

Township debt is summarized as follows:

	December 31,	
	2015	2016
Issued:		
General Obligation Bonds	\$ 225,000	\$ 155,000
General Capital	8,421,171	6,712,133
Utility Bond Anticipation Notes	7,795,000	7,125,000
Authorized not Issued:		
Utility Obligation Bonds and Notes	-0-	-0-
General Obligation Bonds and Notes	<u>2,241,765</u>	<u>13,937,038</u>
Bonds and Notes Issued and		
Authorized but not Issued	<u>\$18,682,936</u>	<u>\$27,929,171</u>

Principal and interest due on General Obligation Bonds outstanding for the next five years and thereafter is as follows:

Calendar Year	Principal	Interest	Total
2017	75,000	6,975	81,975
2018	<u>80,000</u>	<u>3,600</u>	<u>83,600</u>
	<u>\$ 155,000</u>	<u>\$10,575</u>	<u>\$ 165,575</u>

The summarized statement of debt condition which follows is prepared in accordance with the required method used in preparing the Annual Debt Statement and indicates a statutory net debt of .218% as compared to the statutory net debt limitation of 3.5%.

	Gross Debt	Deductions	Net Debt
Local School District Debt	\$52,227,000	\$52,227,000	\$ —
Parking Utility Debt	7,125,000	7,125,000	—
General Debt	<u>20,804,171</u>	<u>153,445</u>	<u>20,650,726</u>
	<u>\$80,156,171</u>	<u>\$59,505,445</u>	<u>\$ 20,650,726</u>

Net debt of \$20,650,726 divided by Equalized Valuation Basis per N.J.S. 40A:2-2 \$9,491,579,919.33 equals .218%

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

The Township’s remaining borrowing power under N.J.S. 40A:2-6, as amended, at December 31, 2016, was as follows:

3.5% Equalized Valuation Basis	\$332,052,297
Net Debt	<u>20,650,726</u>
Remaining Borrowing Power	<u>\$311,401,571</u>

**D. RETIREMENT SYSTEMS**

Substantially all of the Township’s employees participate in one of the following contributory defined benefit public employee retirement systems (retirement systems) which have been established by State statute: the Public Employees Retirement System (PERS) and the Police and Firemen’s Retirement System (PFRS). These systems are sponsored and administered by the State of New Jersey.

**Police and Firemen’s Retirement System**

Police and Firemen’s Retirement Systems (PFRS)--is a cost-sharing multiple-employer contributory defined benefit plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A to provide retirement, death and disability benefits to substantially all full time county and municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees with vesting occurring after 10 years of membership.

### ***Public Employees' Retirement System***

Public Employees' Retirement System (PERS)--is a cost-sharing multiple-employer contributory defined benefit plan which was established as of January 1, 1955, under the provision N.J.S.A. 43:15A to provide retirement, death and disability benefits, 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 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

### **Other Pension Funds**

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of several State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local governmental employers do not appropriate funds to SACT.

The State also administers the Pension Adjustment Fund (PAF) which provides cost of living increases, equal to 60 percent of the change in the average consumer price index, to eligible retirees in all State-sponsored pension systems except SACT. The cost of living increases for PFRS and PERS are funded directly by each of the respective systems and are considered in the annual actuarial calculation of the required State contribution for that system.

According to State statutes, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

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

### **Significant Legislation**

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of  $\frac{1}{4}$  of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an addition 1% phased-in over 7 years; PFRS active



member rates increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates will increase in October 2011. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.

- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee’s annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78’s effective date with a minimum contribution required to be a least 1.5% of salary.
- In addition, this legislation changes the method for amortizing the pension systems’ unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

**Funding Policy**

**Contribution Requirements:**

The contribution policy for PFRS and PERS is 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. Members of PFRS contribute at a uniform rate of 10.0% of base salary, as defined. Members of PERS contribute at a uniform rate of 7.13% of base salary, as defined. Employers are required to contribute at an actuarially determined rate in all Funds. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PFRS and PERS. In the PERS the employer contribution includes funding for post-retirement medical premiums.

***Township Contributions:***

The Township’s required contributions were as follows:

		<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
PERS	\$	1,113,731	944,921	923,915	995,208	880,789
PFRS	\$	2,719,779	2,432,293	2,188,923	2,385,452	2,339,275

**GASB 68 Disclosure in accordance with Division of Local Government Services Local Finance Notice 2015-24**

The amount of the Township’s contribution is certified each year by PERS and PFRS on the recommendation of the actuary, who makes an annual actuarial valuation. The valuation is based on a determination of the financial condition of the retirement system. It includes the computation of the present dollar value of benefits payable to former and present members and the present dollar value of future employer and employee contributions, giving effect to mortality among active and retired members and also to the rates of disability, retirement, withdrawal, former service, salary and interest. In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Specific information on actuarial assumptions and rates of return can be found at [www.state.nj.us/treasury/pensions/annrprts.shtml](http://www.state.nj.us/treasury/pensions/annrprts.shtml).

The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS the employer contribution includes funding for post-retirement medical premiums.

<b>PERS</b>		<u>2016</u>	<u>2015</u>	<u>2014</u>
Covered Employee Payroll		8,394,470	\$8,326,758	\$8,204,637
Total Payroll		24,527,613	23,542,969	23,498,883
Actuarial	Contribution	1,023,919	944,921	923,915
Requirements				
Total Contributions		1,622,780	1,526,991	1,485,913
Employer's Share		1,023,919	944,921	923,915
% of Covered Payroll		12.20	11.35%	11.26%
Employee's Share		598,861	582,070	561,998
% of Covered Payroll		7.13	6.99%	6.85%

<b>PFRS</b>		<u>2016</u>	<u>2015</u>	<u>2014</u>
Covered Employee Payroll		\$10,242,055	\$10,448,496	\$10,025,085
Total Payroll		24,527,613	23,542,969	23,498,883
Actuarial	Contribution	2,692,428	2,188,923	2,385,452
Requirements				
Total Contributions		3,716,53	3,233,773	3,386,767
Employer's Share		2,692,428	2,188,923	2,385,452
% of Covered Payroll		26.29	20.95%	23.79
Employee's Share		1,024,110	1,044,850	1,001,315
% of Covered Payroll		10.00%	10.00%	9.99%

### **Assumptions**

The total PERS and PFRS pension liability for June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015 using an actuarial experience study for the period July 1, 2011 to June 30, 2014. The pension liability was rolled forward to June 30, 2016. The actuarial valuation used an inflation rate of 3.08%, projected salary increases through 2026 of 1.65% to 4.15% for PERS and 2.10% to 8.98% for PFRS based on age and thereafter 2.65% to 5.15% for PERS and 3.10% to 9.98% for PFRS based on age and an investment rate of return of 7.65%.

The discount rate used to measure the total pension liability was 4.90% and 3.98% for PERS and 5.79 and 5.55% for PFRS as of June 30, 2015 and 2016 respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% as of June 30, 2016, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2034. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2034, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability. More information on mortality rates and other assumptions, and investment policies, can be found at [www.state.nj.us/treasury/pensions/annrprts.shtml](http://www.state.nj.us/treasury/pensions/annrprts.shtml).

The following presents the Township's proportionate share of the PERS net pension liability calculated using the discount rate of 4.90% and 3.98% as of June 30, 2015 and 2016, respectively, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the assumed rate.

**Sensitivity of the Township's Proportionate Share of the PERS Local Share Net Pension Liability to Changes in the Discount Rate**

	At 1% decrease (3.90%)	At current discount rate (4.90%)	At 1% increase (5.90%)
2015	<u>\$34,541,670</u>	<u>\$27,791,690</u>	<u>\$22,132,555</u>
	At 1% decrease (2.98%)	At current discount rate (3.98%)	At 1% increase (4.98%)
2016	<u>\$41,829,144</u>	<u>\$34,135,560</u>	<u>\$27,787,297</u>

The following presents the Township's proportionate share of the PFRS net pension liability calculated using the discount rate of 5.79% and 5.55% as of June 30, 2015 and 2016, respectively, as well as what the PFRS net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the assumed rate.

**Sensitivity of the Township's Proportionate Share of the PFRS Local Share Net Pension Liability to Changes in the Discount Rate**

	At 1% decrease (4.79%)	At current discount rate (5.79%)	At 1% increase (6.79%)
2015	<u>\$73,472,849</u>	<u>\$55,732,288</u>	<u>\$41,266,445</u>
	At 1% decrease (4.55%)	At current discount rate (5.55%)	At 1% increase (6.55%)
2016	<u>\$81,337,948</u>	<u>\$63,080,708</u>	<u>\$48,193,027</u>

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

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarially determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the State and local groups.

To facilitate the separate (sub) actuarial valuations, The Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer allocations are applied to amounts presented in the schedules of pension amount by employer. The allocation percentages for each group as of June 30, 2015 and 2016 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal years ended June 30, 2015 and 2016, respectively.

Following is the total of the Township's portion of the PERS and PFRS net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and the pension expense and expenditures for the fiscal year ended June 30, 2016.

	PERS	PFRS
Net Pension Liabilities	\$34,135,560	\$63,080,708
Deferred Outflow of Resources	10,202,663	15,826,221
Deferred Inflow of Resources	1,393,141	916,917
Pension Expense	3,417,060	7,432,218
Contributions Made After Measurement Date	—	—

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collected deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The employer allocation percentages presented in the PERS schedule of employer allocations and applied to amounts presented in the PERS schedule of pension amounts by employer are based on the ratio of the contributions as an individual employer to total contributions to the PERS and PFRS during the years ended June 30, 2015 and 2016. The Township's proportionate share of the collective net pension liability as of June 30, 2015 and 2016 was .0919% and .08875% for PERS and .1986% and .187% for PFRS respectively.

At June 30, 2016, the amount determined as the Township's proportionate share of the PERS net pension liability was \$34,135,560. For the year ended June 30, 2016 the Township recognized PERS pension expense of \$1,023,919 At June 30, 2015, deferred outflows of resources and deferred inflows of resources related to the PERS pension are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of Assumptions	\$7,071,065	\$—
Net Difference Between Projected and Actual Investment Earnings	1,301,620	—
Net Change in Proportions	1,195,160	—
Experience Difference	634,818	
Net Actual Less Proportionate Share of Contributions	—	1,393,141
Total Contributions and Proportionate Share of Contributions after the Measurement Date	—	—
	<u>\$10,202,663</u>	<u>\$1,393,141</u>

At June 30, 2015, the amount determined as the Township's proportionate share of the PFRS net pension liability was \$55,732,288. For the year ended June 30, 2015 the Township recognized PERS pension expense of \$2,432,293. At June 30, 2015, deferred outflows of resources and deferred inflows of resources related to the PERS pension are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of Assumptions	\$10,289,565	\$—
Difference Between Expected and Actual Experience	—	480,709
Net Difference Between Projected and Actual Investment Earnings	—	969,971
Net Change in Proportions	3,461,789	—
Net Actual Less Proportionate Share of Contributions	—	—
Total Contributions and Proportionate Share of Contributions after the Measurement Date	—	—
	<u>\$13,751,354</u>	<u>\$1,450,680</u>

### Long-Term Expected Rate of Return

The arithmetic mean return on the portfolio was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016 are summarized in the following table.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	.87%
U.S. Treasuries	1.50%	1.74%
Investment Grade Credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad US Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds/Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	.50%	5.45%
Global Debt ex US	5.00%	-0.25%
REIT	5.25%	5.63%

**E. ACCRUED SICK AND VACATION BENEFITS**

The Township permits employees to accrue unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. It is estimated that the current cost of such unpaid compensation as of December 31, 2016 and December 31, 2015 would approximate \$5,532,073 and \$5,519,562. The 2016 Township budget and the 2015 appropriation reserves included appropriations for accrued benefits paid in 2016. The reserve balances at December 31, 2016 and 2015 respectively were \$1,262,297 and \$920,768.

**F. FUND BALANCE APPROPRIATED**

The Current fund has available Fund Balance as of December 31, 2015 and 2016 are \$11,040,098 and \$10,985,438 respectively and were anticipated in the 2015 and 2016 budgets as follows:

	<u>2016</u>	<u>2015</u>
Current Fund	\$4,700,000	\$4,450,000

The Parking Utility Operating fund has available Fund Balance as of December 31, 2016 and 2015 of \$1,540,945 and \$1,732,596. \$286,372 and \$106,000 was anticipated in 2015 and 2016 as a revenue.

**G. INTERFUND BALANCES**

The Township had interfund balances at December 31, 2016 as follows:

	<b><u>Due From</u></b>	<b><u>Due To</u></b>
Current Fund:		
General Capital Fund		\$117,000
Premium On Tax Sale Fund		144,925
Public Assistance Fund	\$4,377	
Dog License Fund	27,313	
Escrow Trust Fund	594	
Police Off Duty Fund	43,548	
Animal Control Fund:		
Dog License Fund		1,217
Dog License Fund		
Animal Control Fund	1,217	
Current Fund		27,313
Recreation Trust		80
Recreation n Trust		
Dog Fund	80	
Escrow Trust Fund		
Current Fund		594
Premium on Tax Sale:		
Current Fund	144,925	
Police Off Duty Trust Fund		
Current Fund		43,548
General Capital Fund		
Current Fund	117,000	
Parking Operating Fund		
Parking Capital Fund	2,881	
Parking Capital Fund		
Parking Operating Fund		2,881
Current Fund		4,377

Interfund balances at the year end were due to receipts or expenditures collected and disbursed through the one fund and not turned over to the other funds as indicated.

The Township had interfund balances at December 31, 2015 as follows:

	<b><u>Due From</u></b>	<b><u>Due To</u></b>
Current Fund:		
Premium On Tax Sale Fund		126,825
Premium on Tax Sale:		
Current Fund	126,825	

Interfund balances at the year end were due to receipts or expenditures collected and disbursed through the Current fund and not turned over to the other funds as indicated.

## H. RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Health benefits are provided to employees through the State of New Jersey Health Benefits program.

The Township participates in a joint insurance fund that provides coverage for its automobile, general liability, and workers; compensation exposures, property, fire, water, utility, boiler, and machinery, and employee fidelity. Various deductibles, limits, and coinsurance provisions apply to these policies.

## I. FIXED ASSETS

The Township records assets with a useful life in excess of one year and with a value over \$5,000 as a fixed asset. The accounts are adjusted for dispositions and abandonments. Depreciation is not recorded.

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

The Township's fixed assets are summarized as follows:

### General Fixed Assets:

Description	Balance 12/31/2014	Additions	Disposals	Balance 12/31/2015
Land	\$ 15,408,472			\$ 15,408,472
Improvements other than buildings	3,020,984			3,020,984
Buildings	6,129,634			6,129,634
Computers & Computer Equipment	445,547			445,547
Furniture & Equipment	1,918,149	127,857	6,647	1,924,359
Vehicles	10,423,049	189,739	620,473	9,992,315
Radio & Communication Equipment	501,959			501,959
	<b>\$ 37,847,794</b>	<b>317,596</b>	<b>627,120</b>	<b>37,423,270</b>

### Parking Utility Fixed Assets:

Description	Balance 12/31/2014	Additions	Disposals	Balance 12/31/2015
Land	\$ 314,725	—	—	\$ 314,725
Computers & Computer Equipment	220,500	—	—	220,500
Building	7,835,000			7,835,000
	<b>\$ 8,370,225</b>			<b>\$ 8,370,225</b>



General Fixed Assets:

Description	Balance 12/31/2015	Additions	Disposals	Balance 12/31/2016
Land	\$ 15,408,472			\$ 15,408,472
Improvements other than buildings	3,020,984	73,972		3,094,956
Buildings	6,129,634			6,129,634
Computers & Computer Equipment	445,547			445,547
Furniture & Equipment	1,924,359	330,892		2,255,251
Vehicles	9,992,315	342,886	4,000	10,331,201
Radio & Communication Equipment	501,959			501,959
	<b>\$ 37,423,270</b>	<b>747,750</b>	<b>4,000</b>	<b>\$ 38,167,020</b>

Parking Utility Fixed Assets:

Description	Balance 12/31/2015	Additions	Disposals	Balance 12/31/2016
Land	\$ 314,725	—	—	\$ 314,725
Computers & Computer Equipment	220,500	376,557	—	597,057
Building	7,835,000			7,835,000
	<b>\$ 8,370,225</b>	<b>376,557</b>	<b>\$</b>	<b>8,746,782</b>

**J. DEFERRED COMPENSATION PLANS**

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary to future years. Individuals are one hundred percent vested. The plan is funded solely from voluntary employee payroll deductions. Distribution is available to employees upon termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are solely property and right of the individual contributors and are not subject to the claims of the Township's general creditors.

**K. DEFERRED CHARGES TO BE RAISED IN FUTURE YEARS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2015 and 2016, the Township Current Fund had the following charges to be raised in the 2017 or subsequent budgets

Current Fund	Balance <u>Dec. 31,</u>	Budget <u>Appropriation</u>
2015	\$ 0	\$ 0
2016	525,000	105,000

**L. CONTINGENCIES**

Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2016. The Township is vigorously defending its assessments in each case. Under the accounting principles

prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the Township does not recognize a liability, if any, until these cases have been adjudicated. Funding of any liability would be provided for in succeeding years' budgets or through a refunding bond ordinance which would allow the Township to fund these liabilities over a few years.

The Township is also involved in suits in the normal course of business. These cases, if decided against the Township, would be paid by its insurance carrier. The Township expects such amounts, if any, to be immaterial.

The Township is a defendant in a zoning matter with a related complaint alleging a violation of constitutional rights and seeking damages. The Township is vigorously defending this matter.

The Township participates in numerous Federal and State of New Jersey grant programs which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the Township has not complied with the rules and regulations governing the grants, refund of any money received may be required and the collectability of any related receivables at December 31, 2016 may be impaired. In the opinion of the Township, there are no significant contingent liabilities relating to compliance with rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying financial statements for such contingencies.

#### **M. POST RETIREMENT MEDICAL BENEFITS**

PERS, PFRS and CFPB require post retirement medical benefits to be funded on a pay-as-you-go basis for employees that have 25 years of accumulated service. Benefits include medical and prescription coverage for the participant and family.

##### **Plan Description:**

The Township contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined post-employment healthcare plan administered by the State of New Jersey Division of Pension and Benefits. SHBP was established in 1961 under N.J.S.A. 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. Local employers must adopt a resolution to participate in the SHBP. On September 14<sup>th</sup>, 1976, the Township authorized participation in the SHBP's post-retirement benefit program by resolution. Premiums or periodic charges for the benefits provided to all eligible retired employees and their dependents covered under the program, but not including survivors, if such employees retired from a State or locally – administered retirement system effective after the date the employer adopted the State Health benefits Program on a benefit based on 25 years or more of service credited in such retirement system, excepting the employees who elected deferred retirement, but including the employees who retired on disability pensions based on fewer years of service credited in such retirement system and also to reimburse such retired employees for their premium charges under Part B of the federal Medicare Program covering the retired employees and their spouses in accordance to the regulations of the State Health Benefits Commission.

The State Health Benefit Commission is the executive body established by 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. The report may be obtained by writing to: State of New Jersey Division of Pension and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at [www.state.nj.us/treasury/pensions.gasb-43-sept2088.pdf](http://www.state.nj.us/treasury/pensions.gasb-43-sept2088.pdf).

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 Township on a monthly basis.

The Township contributions to the SHBP for retirees for the years ended December 31, 2016, 2015, 2014, 2013, and 2012, were \$2,982,829, \$2,635,283, \$2,432,634, \$2,482,187, and \$2,167,590, respectively, which equaled the required contributions for each year. There were approximately 189, 180, 179, 184, and 178, retired participants eligible at December 31, of each year end.

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ADDITIONAL FINANCIAL INFORMATION

**TOWNSHIP OF MILLBURN**

**A-4**

**CURRENT FUND**

**SCHEDULE OF CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2016**

	Ref.	
BALANCE, DECEMBER 31, 2015	A	\$ <u>18,505,503</u>
Increased by Receipts:		
Taxes Receivable	A-6	175,428,314
Revenue Accounts Receivable	A-8	6,126,900
Deposits Received	A-14	254,127
Miscellaneous Revenue Not Anticipated	A-2	994,855
Prepaid Taxes	A-7	1,672,032
Change fund	Below	50
Petty Cash Funds	Below	850
State of New Jersey Senior Citizens' and Veterans' Deductions:	A-19	55,277
Tax Overpayments	A-15	462,281
Sewer Maintenance Charges	A-13	1,372,188
Special Improvement District	A-23	197,550
Due from Other Interfunds	A-24	370,973
Reserve for Sewer Capital	A-26	140,954
Federal and State Grants - Unappropriated	A-25	8,961
FEMA reimbursement	A-32	117,000
Reserve for Rahway River Project	A-28	80,000
Federal and State Grants Receivable	A-11	<u>263,929</u>
TOTAL RECEIPTS		<u>187,546,242</u>
		<u>206,051,744</u>
Decreased by Disbursements:		
Accounts Payable and Deposits	A-14	262,268
Reserve for Grants	A-16	135,889
Local District School Taxes	A-10	82,966,075
2016 Appropriations	A-3	48,385,524
2015 Appropriation Reserves	A-9	2,717,812
Petty Cash Funds	Above	850
County Taxes	A-18	49,022,812
Tax Overpayments	A-15	223,523
Reserve for Tax Appeals	A-12	1,698,957
Due to Other Trust Funds	A-24	401,130
Reserve for Special Emergnecy	A-27	258,315
Reserve for Rahway River Project	A-28	70,000
Reserve for Litigation	A-5	787,638
Library Payable	A-30	7,000
Reserve for SID Trust	A-29	200,850
Prior year expense	A-1	40,823
Due from Public Assistance Fund	A	4,377
Change Fund	Above	<u>50</u>
		<u>187,183,892</u>
BALANCE, DECEMBER 31, 2016	A	\$ <u>18,867,851</u>

**TOWNSHIP OF MILLBURN**

**A-5**

**CURRENT FUND**

**SCHEDULE OF RESERVE FOR LITIGATION  
YEAR ENDED DECEMBER 31, 2016**

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	<b>Ref.</b>	
BALANCE DECEMBER 31, 2015	A	\$ 600,000
Increased by:		
Appropriation Reserves - Legal	A-9	<u>270,500</u>
		870,500
Decreased By		
Cash Disbursements	A-4	<u>787,638</u>
BALANCE, DECEMBER 31, 2016	A	<u><u>\$ 82,862</u></u>

TOWNSHIP OF MILLBURN

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY  
YEAR ENDED DECEMBER 31, 2016

	Balance, December 31, 2015	Levy	Collected		Transfer to Tax Title Liens	Senior Citizens' and Veterans' Deductions (Net)	HomeStead Rebates	Canceled	Balance, December 31, 2016
			2016	2015					
2015	\$ 656,030	-	656,030	-	-	-	-	-	-
2016	-	177,144,322	174,347,697	1,207,275	65	54,575	424,587	417,638	692,485
	<u>\$ 656,030</u>	<u>177,144,322</u>	<u>175,003,727</u>	<u>1,207,275</u>	<u>65</u>	<u>54,575</u>	<u>424,587</u>	<u>417,638</u>	<u>692,485</u>
Reference	A		A-4	A-7	A-17	A-19			A

ANALYSIS OF PROPERTY  
TAX LEVY:

Ref.

General Purpose Tax:

Added Taxes	\$ \$	896,479
General Property Tax		<u>176,247,843.1</u>
	\$	<u>177,144,322</u>

Tax Levy:

Local District School Tax Levy	A-10	82,966,075.0	
County Tax	A-18	48,774,044.6	
Due County for Added Taxes	A-18	<u>248,460.7</u>	<u>131,988,580.3</u>

Local Tax for Municipal Purposes	A-2	<b>41,351,080.7</b>	
Library Tax	A-2	<b>3,150,928.7</b>	
Additional Tax Levied		<u>653,732.0</u>	<u>45,155,741.4</u>
			\$ <u>177,144,322</u>

**TOWNSHIP OF MILLBURN**

**A-7**

**CURRENT FUND**

**SCHEDULE OF PREPAID TAXES  
YEAR ENDED DECEMBER 31, 2016**

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	<b>Ref.</b>		
BALANCE, DECEMBER 31, 2015	A		\$ 1,207,275
Increased by:			
Transfer from 2016 Taxes	A-6	-	
Prepayments	A-4	<u>1,672,032</u>	<u>1,672,032</u>
			2,879,307
Decreased by:			
Applied in 2016	A-6		<u>1,207,275</u>
BALANCE, DECEMBER 31, 2016	A		<u>\$ 1,672,032</u>



**TOWNSHIP OF MILLBURN**

A-8

**CURRENT FUND**

**SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2016**

	Ref.	Balance, December 31, 2015	Accrued in 2016	Collected by Treasurer	Balance, December 31, 2016
Licenses - Alcoholic Beverage	A-2	\$ -	\$ 36,040	\$ 36,040	\$ -
Other Licenses	A-2	-	28,605	28,605	-
Uniform Construction Code Fees	A-2	-	563,318	563,318	-
Other Fees and Permits	A-2	-	319,454	319,454	-
Municipal Court Fines	A-2	29,602	375,884	379,154	26,332
Interest and Costs on Taxes	A-2	-	235,846	235,846	-
Energy Receipts Tax	A-2	-	2,368,523	2,368,523	-
Golf Course Revenue	A-2	-	226,452	226,452	-
Interest on Investments	A-2	-	72,514	72,514	-
Swimming Pool Revenues	A-2	-	367,923	367,923	-
Franchise Fee - Cablevision	A-2	-	317,396	317,396	-
Uniform Fire Code Maintenance	A-2	-	35,775	35,775	-
Hotel Tax	A-2	-	561,469	561,469	-
Reserve for Electrical Trust	A-2	-	50,000	50,000	-
Recreation Fees	A-2	-	262,341	262,341	-
Sale of Township owned property	A-2	-	40,000	40,000	-
Joint Trunk Sewer Maintenance Charges	A-2	-	1,363,789	1,363,789	-
Reserve for Payment of Debt Service	A-2	-	202,090	202,090	-
Capital Fund Balance	A-2	-	100,000	100,000	-
		<u>\$ 29,602</u>	<u>\$ 7,527,419</u>	<u>\$ 7,530,689</u>	<u>\$ 26,332</u>
		A		A-4	A
			Reserve for sale of property	\$ 40,000	
			Joint Trunk Sewer Maintenance Charges	1,363,789	
			Cash	6,126,900	
				<u>\$ 7,530,689</u>	

**TOWNSHIP OF MILLBURN**

**CURRENT FUND**

**SCHEDULE OF 2015 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2016**

	Balance, December 31, 2015	Balance, After Transfer	Paid or Charged	Lapsed
Administrative and Executive:				
Business Administration				
Salaries and Wages	\$ -	\$ 9,000	\$ 8,984	\$ 16
Other Expenses:				
Business Administration	11,595	11,595	10,808	787
Printing, Legal, Advertising, and Miscellaneous	25,521	25,521	6,931	18,590
Data Processing Center:				
Other Expenses	23,663	23,662	23,662	-
Customer Service:				
Salaries and Wages	12,081	-	-	-
Other Expenses	2,390	-	-	-
Municipal clerk:				
Salaries and Wages	3,342	3,342	3,342	-
Financial Administration:				
Comptroller's Office:				
Salaries and Wages	-	3,400	3,400	-
Other Expenses	46,134	27,134	22,411	4,722
Annual Audit	1,560	1,560	-	1,560
Assessment of Taxes:				
Salaries and Wages	7,712	7,712	6,319	1,393
Other Expenses	42,137	22,137	13,853	8,284
Collector of Taxes:				
Salaries and Wages	42,886	7,886	-	7,886
Other Expenses	25,695	25,695	325	25,370
Legal Services and Costs:				
Salaries and Wages	3,802	3,802	-	3,802
Other Expenses	230,261	322,475	280,025	42,450
Public Buildings and Grounds:				
Other Expenses	93,712	93,712	51,240	42,472
Planning Board:				
Salaries and Wages	1,487	1,487	-	1,487
Other Expenses	6,678	6,678	731	5,947
Board of Adjustment:				
Salaries and Wages				
Other Expenses	6,899	6,899	3,838	3,061

(Continued)

**TOWNSHIP OF MILLBURN**

**A-9  
Sheet 2**

**CURRENT FUND**

**SCHEDULE OF 2015 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2016**

	Balance, December 31, 2015	Balance, After Transfer	Paid or Charged	Lapsed
Historical Preservation Commission:				
Salaries and Wages	\$ 1,651	\$ 1,651	\$ -	\$ 1,651
Other Expenses	1,100	1,100	26	1,074
Insurance:				
Group Insurance for Employees	372,857	144,857	144,228	629
Other Insurance Premiums	12,290	12,290	12,290	-
Employee Opt Out	5,514	5,514	4,897	617
Fire:				
Salaries and Wages	57,306	92,306	91,692	614
Other Expenses	102,499	102,799	58,853	43,946
Aid to Volunteer Fire Companies	8,904	8,904		8,904
Police:				
Salaries and Wages	8,129	141,129	140,256	872
Other Expenses	345,934	345,934	320,073	25,861
Emergency Management				
Other Expenses				
Inspection of Buildings:				
Salaries and Wages	3,783	3,783	-	3,783
Other Expenses	50,777	50,777	48,474	2,303
Engineering Services and Costs:				
Salaries and Wages	517	517	-	517
Other Expenses	47,904	47,904	46,266	1,638
Shade Tree:				
Salaries and Wages	106,775	35,775	20,746	15,029
Other Expenses	151,977	151,977	62,367	89,610
Road Repair and Maintenance:				
Salaries and Wages	109,628	29,628	29,590	38
Other Expenses	263,315	153,315	48,548	104,767
Dispatch:				
Salaries and Wages	6,004	6,004	-	6,004

(Continued)

**TOWNSHIP OF MILLBURN**

**A-9  
Sheet 3**

**CURRENT FUND**

**SCHEDULE OF 2015 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2016**

	Balance, December 31, 2015	Balance, After Transfer	Paid or Charged	Lapsed
Vehicle Maintenance:				
Salaries and Wages	\$ 657	\$ 16,657	\$ 16,505	\$ 152
Other Expenses	53,450	53,450	19,628	33,822
Sanitation:				
Other Expenses	112,958	102,958	64,654	38,304
Board of Health - Local Health Agency:				
Salaries and Wages	7,921	7,921	-	7,921
Other Expenses	7,327	7,326	-	7,326
Environmental Commission				
Other Expenses	1,436	1,436	1,274	162
Administration of Public Assistance:				
Salaries and Wages	226	226	-	226
Other Expenses	11,867	11,867	10,813	1,054
Parks and Playground				
Salaries and Wages	13,989	13,989	151	13,838
Other Expenses	85,921	85,921	42,777	43,144
Senior Citizens' Transportation:				
Salaries and Wages	20,904	5,904	-	5,904
Other Expenses	2,982	2,982	994	1,988
Celebration of Public Events				
Electricity	181,430	36,429	18,307	18,122
Natural Gas	99,019	19,019	8,425	10,594
Street Lighting	153,455	63,455	46,700	16,755
Gasoline	191,666	176,666	11,022	165,643
Telephone and Telegraph	22,563	22,563	5,057	17,506
Landfill Facilities and Contingency Fund Act	526,612	236,612	204,447	32,165
Municipal Court				
Salaries and Wages	66,194	16,194	-	16,194
Other Expenses	8,891	8,891	2,013	6,877

(Continued)

**TOWNSHIP OF MILLBURN**

**A-9  
Sheet 4**

**CURRENT FUND**

**SCHEDULE OF 2015 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2016**

	<b>Balance, December 31, 2015</b>	<b>Balance, After Transfer</b>	<b>Paid or Charged</b>	<b>Lapsed</b>
Social Security System (OASI)	\$ 101,981	\$ 101,489	\$ 8,782	\$ 92,707
Contingent	10,000	10,000	-	10,000
Joint Trunk Sewer Maintenance				
Defined Contribution Retirement System	1,500	1,500	-	1,500
Reserve for Snow Trust	500	140,500	140,500	-
Reserve for Litigation Trust	500	250,500	250,500	-
Reserve for EPL/POL Trust	500	300,500	300,500	-
Reserve for Accumulated Abscense Trust	500	300,500	300,500	-
Condo Reimbursement				
Other Expenses	30,000	30,000	29,592	408
Interlocal Agreements Maplewood:				
Plumbing Inspections	24,613	24,613	22,678	1,936
Electrical Inspections	27,976	27,976	20,543	7,433
Hepatitis	8,189	8,189	5,784	2,405
Madison	6,770	6,770	-	6,770
	<u>\$ 4,026,912</u>	<u>\$ 4,032,864</u>	<u>\$ 2,996,321</u>	<u>\$ 1,036,542</u>
Reference	Below		Below	A-1
Appropriation Reserve	A \$ 2,696,367			
Reserve for Encumbrances	A <u>1,330,544</u>			
	<u>\$ 4,026,912</u>			
	Above			
		Cash	A-4 \$ 2,717,812	
		Litigation Reserve	A-5 270,500	
		Accounts Payable	A-14 <u>8,010</u>	
			<u>\$ 2,996,321</u>	(Concluded)

**TOWNSHIP OF MILLBURN**

**A-10**

**CURRENT FUND**

**SCHEDULE OF LOCAL DISTRICT SCHOOL TAX  
YEAR ENDED DECEMBER 31, 2016**

---

	<b>Ref.</b>	
2016 Tax Levy	A-1,A-6	\$ 82,966,075
Decreased by:		
Cash Disbursements	A-4	<u>82,966,075</u>
BALANCE DECEMBER 31, 2016		<u>\$ -</u>

**TOWNSHIP OF MILLBURN**

**CURRENT FUND**

**SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2016**

	Balance, December 31, 2015	Grant Award	From Grants Unappropriated	Cancelled	Receipts	Balance, December 31, 2016
Governor's Council on Alcohol and Drug Abuse Grant	\$ 15,689	\$ 60,000	\$ -	\$ -	\$ 63,863	\$ 11,826
Clean Communities Program	-	50,441	-	1,626	48,816	0
Seat Belt Grant	8,029	-	-	-	-	8,029
You Text, You Drive	-	1,250	-	-	1,250	-
Natural Resource Grant - WHIP (Gilbert Place)	33	-	-	-	-	33
Firefighters Assistance Grant	6,805	-	-	-	-	6,805
Drunk Driving Enforcement Fund	100	-	-	-	-	100
ANJEC -Environmental Commission	2,250	-	-	-	-	2,250
Parsil House (Essex Open Space)	-	150,000	-	-	150,000	-
FEMA - Emergency Mgt.	10,000	14,000	-	-	-	24,000
Crash Test Investigation	14,887	-	-	-	-	14,887
Edward J. Byrne Memorial (ARRA) Grant	10,425	-	-	-	-	10,425
Rain Garden Grant	-	1,500	1,500	-	-	-
Body Armor Replacement	<u>2</u>	<u>3,850</u>	<u>3,850</u>	<u>-</u>	<u>-</u>	<u>2</u>
	<u>\$ 68,219</u>	<u>\$ 281,041</u>	<u>\$ 5,350</u>	<u>\$ 1,626</u>	<u>\$ 263,929</u>	<u>\$ 78,357</u>
	A	A-2	A-25	A-1	A-4	A

**TOWNSHIP OF MILLBURN**

**A-12**

**CURRENT FUND**

**SCHEDULE OF RESERVE FOR TAX APPEALS  
YEAR ENDED DECEMBER 31, 2016**

	<b>Ref.</b>	
BALANCE DECEMBER 31, 2015	A	\$ 31,830
Increased by:		
Sr. Citizen Deduntions	A-19	
2016 Budget Appropriation	A-3	<u>2,290,000</u>
		<u>2,321,830</u>
Decreased:		
Canceled to Operations- Hilton	A-1	89,510
Cash Disbursed	A-4	<u>1,698,957</u>
		<u>1,788,467</u>
BALANCE, DECEMBER 31, 2016	A	<u>\$ 533,363</u>



**TOWNSHIP OF MILLBURN**

A-13

**CURRENT FUND**

**SCHEDULE OF SEWER MAINTENANCE CHARGES RECEIVABLE  
YEAR ENDED DECEMBER 31, 2016**

---

	Ref.		
BALANCE DECEMBER 31, 2015	A		\$ 8,112
Increased by:			
Levy		<u>1,521,280</u>	<u>1,521,280</u>
Decreased by:			<u>1,529,392</u>
Current Year Collections	A-8, A-4	1,362,711	
Reserve for Sewer Capital	A-26	<b>140,954</b>	
2015 Sewer	A-2, A-4	9,477	
Cancellation by Resolution		361	
Transfer to Overpayments	A	<u>364</u>	
			<u>1,513,867</u>
BALANCE, DECEMBER 31, 2016	A		<u>\$ 15,525</u>

**TOWNSHIP OF MILLBURN**

**A-14**

**CURRENT FUND**

**SCHEDULE OF ACCOUNTS PAYABLE AND DEPOSITS  
YEAR ENDED DECEMBER 31, 2016**

---

BALANCE, DECEMBER 31, 2015	A	\$ 96,395
Increased by:		
Deposits	A-4	<u>254,127</u>
		350,522
Decreased by:		
Cash Disbursements	A-4	<u>262,268</u>
BALANCE, DECEMBER 31, 2016	A	<u><u>\$ 88,254</u></u>

**TOWNSHIP OF MILLBURN**

**A-15**

**CURRENT FUND**

**SCHEDULE OF TAX OVERPAYMENTS  
YEAR ENDED DECEMBER 31, 2016**

---

	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2015	A	44,975
Increased by:		
Transfer from 2016 Taxes	A-4	<u>462,281</u>
		507,256
		-
Decreased by:		
Refunded By Treasurer	A-4	<u>223,523</u>
		<u>223,523</u>
BALANCE, DECEMBER 31, 2016	A	<u>283,733</u>

**TOWNSHIP OF MILLBURN**

A-16

**CURRENT FUND**

**SCHEDULE OF RESERVE FOR GRANTS APPROPRIATED  
YEAR ENDED DECEMBER 31, 2016**

	Balance, December 31, 2015	Increased by Budget Appropriation	Decreased by Cash Disbursed	Balance, December 31, 2016
Clean Communities Program	\$ 70,902	\$ 50,441	\$ 16,521	\$ 104,823
Governor's Council on Alcohol and Drug Abuse Grant	13,192	60,000	65,663	7,529
DWI - Police	13,527	-	8,382	5,145
Drunk Driving Enforcement Fund	4,948	-	-	4,948
ANJEC - Environmental Commission Grant	2,250	-	891	1,359
Body Armor	12,473	3,850	8,808	7,515
Commercial Motor Vehicle Enforcement	100	-	-	100
County Wide CJIS Grant	15,243	-	-	15,243
Wild Life Incentive Program	698	-	-	698
Emergency Management Assist. Fund	-	14,000	7,000	7,000
Click it or Ticket Grant	10,950	-	10,950	-
Comcast Local Access Grant	30,114	-	7,274	22,840
Parsil House		150,000	10,400	139,600
Rain Forest Grant		1,500	-	1,500
You Text, You Drive,		1,250	-	1,250
Crash Test Investigation Grant	14,887	-	-	14,887
Investors Savings Charitable Foundation	2,500	-	-	2,500
NJ Business Stimulation Fund - NJ Forest	7,000	-	-	7,000
Essex County _ Multi Parks Project	2,384	-	-	2,384
NJ BPU Clean Energy Audit	<u>1,955</u>	<u>-</u>	<u>-</u>	<u>1,955</u>
	<u>\$ 203,123</u>	<u>\$ 281,041</u>	<u>\$ 135,889</u>	<u>\$ 348,275</u>
	A	A-3	A-4	A

**TOWNSHIP OF MILLBURN**

**A-17**

**CURRENT FUND**

**SCHEDULE OF TAX TITLE LIENS  
YEAR ENDED DECEMBER 31, 2016**

---

	<b>Ref.</b>		
BALANCE, DECEMBER 31, 2015	A	\$	759
Increased by:			
Transferred from Taxes Receivable	A-6		<u>65</u>
BALANCE, DECEMBER 31, 2016	A	\$	<u><u>824</u></u>

**TOWNSHIP OF MILLBURN**

**A-18**

**CURRENT FUND**

**SCHEDULE OF COUNTY TAXES PAYABLE  
YEAR ENDED DECEMBER 31, 2016**

---

	<b>Ref.</b>		
BALANCE, DECEMBER 2015	A		\$ 248,766
Increased by:			
2016 County Tax Levy	A-6	48,774,045	
Added Taxes	A-6	<u>248,461</u>	<u>49,022,505</u>
	A-1		49,271,271
Decreased by:			
Cash Disbursements	A-4		<u>49,022,812</u>
BALANCE, DECEMBER 2016	A		<u>\$ 248,460</u>

**TOWNSHIP OF MILLBURN**

**A-19**

**CURRENT FUND**

**SCHEDULE OF DUE TO (FROM) STATE OF NEW JERSEY - SENIOR CITIZENS AND VETERANS DEDUCTIONS  
YEAR ENDED DECEMBER 31, 2016**

	Ref.		
BALANCE, DECEMBER 31, 2015	A		\$ \$ (30,567)
Increased by:			
Cash Received	A-4	\$ 55,277	
2016 Deductions Disallowed	A-6	<u>425</u>	<u>55,702</u>
			25,135
			-
Decreased by:			
2016 Deductions Per Levy	A-6	55,000	
Tax Appeals	A-5		
Veterans Deductions Allowed	A-6		<u>55,000</u>
BALANCE, DECEMBER 31, 2016 (Due From)	A		\$ \$ <u>(29,865)</u>

**TOWNSHIP OF MILLBURN**

**A-20**

**CURRENT FUND**

**SCHEDULE OF RESERVE FOR SALE OF TOWNSHIP OWNED PROPERTY  
YEAR ENDED DECEMBER 31, 2016**

---

	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2015	A	\$ 163,131
Decreased by:		
Anticipated as Revenue	A-8	<u>40,000</u>
BALANCE, DECEMBER 31, 2016	A	<u>\$ 123,131</u>



**TOWNSHIP OF MILLBURN**

A-21

**CURRENT FUND**

**SCHEDULE OF DEFERRED CHARGES  
YEAR ENDED DECEMBER 31, 2016**

---

	Ref.	
BALANCE DECEMBER 31, 2015	A	\$ -
INCREASED BY:		
Revaluation		<u>525,000</u>
BALANCE, DECEMBER 31, 2016	A	<u>\$ 525,000</u>

**TOWNSHIP OF MILLBURN**

A-22

**CURRENT FUND**

**SCHEDULE OF PROPERTY ACQUIRED FOR TAXES- ASSESSED VALUATION  
YEAR ENDED DECEMBER 31, 2016**

---

	Ref.	
BALANCE, DECEMBER 31, 2015 and 2016	A	<u>\$ 14,000</u>

**TOWNSHIP OF MILLBURN**

**A-23**

**CURRENT FUND**

**SCHEDULE OF SPECIAL IMPROVEMENT DISTRICT RECEIVABLE  
YEAR ENDED DECEMBER 31, 2016**

	<u>Ref.</u>		
BALANCE, DECEMBER 31, 2015	A		\$ 2,778
Increased by:			
Levy			<u>202,288</u>
			205,066
Decreased by:			
Current Year Collections:			
2016 SID	A-4	195,531	
Prior Year SID	A-2, A-4	2,019	
SID Overcollections	A	2,437	
Prepaid SID Charge Applied	A	<u>          </u>	<u>199,986</u>
 BALANCE, DECEMBER 31, 2016	 A		 <u>\$ 5,080</u>

TOWNSHIP OF MILLBURN

A-24

CURRENT FUND

SCHEDULE OF DUE (TO) FROM TRUST FUND  
YEAR ENDED DECEMBER 31, 2016

	Balance, December 31, 2015	Received	Cash Disbursed	Balance, December 31, 2016
Tax Sale Premium	\$ (126,825)	\$ 243,200	\$ 225,100	\$ (144,925)
Developers Escrow	-	-	594	594
Police Off Duty	-	122,773	166,321	43,548
Dog Trust	-	5,000	32,313	27,313
	<u>\$ (126,825)</u>	<u>\$ 370,973</u>	<u>\$ 424,328</u>	<u>\$ (73,470)</u>
	A		A-4	A
	Cash	\$ 370,973	\$ 401,130	
	Excess Dog Reserve	-	23,198	
		<u>\$ 370,973</u>	<u>\$ 424,328</u>	
Due to	\$ -126,825	\$ 243,200	\$ 225,100	\$ (144,925)
Due from	-	127,773	199,228	71,455
	<u>\$ (105,304)</u>			<u>\$ (73,470)</u>

CURRENT FUND

SCHEDULE OF RESERVE FOR GRANTS-UNAPPROPRIATED  
YEAR ENDED DECEMBER 31, 2016

	Balance December 31, 2015	Cash Receipts	Anticipated As Miscellaneous Revenue	Balance December 31, 2016
Click it or Ticket Grant	\$ 3,850	\$ 8,780	\$ 3,850	\$ 8,780
Rain Garden	1,500	-	1,500	-
Alochol Education and Rehab	-	181	-	181
	<u>\$ 5,350</u>	<u>\$ 8,961</u>	<u>\$ 5,350</u>	<u>\$ 8,961</u>
	A	A-4	A-2, A-11	A

**TOWNSHIP OF MILLBURN**

**A-26**

**CURRENT FUND**

**SCHEDULE OF RESERVE FOR JOINT TRUNK SEWER CAPITAL  
YEAR ENDED DECEMBER 31, 2016**

---

	<b>Ref.</b>	
BALANCE DECEMBER 31, 2015	A	\$ 776,579
Increased by:		
Budget Appropriations	A-3	
Cash Received from Sewer Collections	A-4, A-13	<u>140,954</u>
BALANCE, DECEMBER 31, 2016	A	<u>\$ 917,533</u>

**TOWNSHIP OF MILLBURN**

**A-27**

**CURRENT FUND**

**SCHEDULE OF RESERVE FOR SPECIAL EMERGENCY APPROPRIATION  
YEAR ENDED DECEMBER 31, 2016**

---

	Ref.	
BALANCE, DECEMBER 31, 2015	A	\$ -
Increased by:		
Budget Appropriations	A-3, A-31	525,000
Decreased by:		
Cash Disbursements	A-4	<u>258,315</u>
BALANCE, DECEMBER 31, 2016	A	<u>\$ 266,685</u>

**TOWNSHIP OF MILLBURN**

**A-28**

**CURRENT FUND**

**SCHEDULE OF RESERVE FOR RAHWAY RIVER PROJECT  
YEAR ENDED DECEMBER 31, 2016**

---

	<b>Ref.</b>	
BALANCE DECEMBER 31, 2015	A	\$ 8,495
Increased by:		
Cash Received from member towns	A-4	<u>80,000</u>
		88,495
Decreased by:		
Cash Disbursed	A-4	<u>70,000</u>
BALANCE, DECEMBER 31, 2016	A	<u>\$ 18,495</u>



CURRENT FUND

SCHEDULE OF RESERVE FOR SPECIAL IMPROVEMENT DISTRICT  
 YEAR ENDED DECEMBER 31, 2016

---

	Ref.	
BALANCE DECEMBER 31, 2015	A	\$ 1,866
Increased by:		
Transfer from Trust Receivable		
SID Levy	A-23	<u>202,288</u>
		204,154
Decreased by:		
Canceled to Operations	A-1	3,304
Cash Disbursed	A-4	<u>200,850</u>
BALANCE, DECEMBER 31, 2016	A	<u>\$ -</u>

**TOWNSHIP OF MILLBURN**

**A-30**

**CURRENT FUND**

**SCHEDULE OF DUE TO LIBRARY  
YEAR ENDED DECEMBER 31, 2016**

---

	<b>Ref.</b>	
BALANCE DECEMBER 31, 2015	A	\$ 7,000
Decreased by:		
Cash Disbursed	A-4	<u>7,000</u>
BALANCE, DECEMBER 31, 2016	A	<u>\$ -</u>

**TOWNSHIP OF MILLBURN**

**A-31**

**CURRENT FUND**

**SCHEDULE OF DEFERRED CHARGES - SPECIAL EMERGENCY  
YEAR ENDED DECEMBER 31, 2016**

---

	<b>Ref.</b>	
BALANCE DECEMBER 31, 2015	A	\$ -
Increased by:		
Budget Appropriation	A-3	<u>525,000</u>
BALANCE, DECEMBER 31, 2016	A	<u>\$ 525,000</u>

CURRENT FUND

SCHEDULE OF DUE TO GENERAL CAPITAL FUND  
YEAR ENDED DECEMBER 31, 2016

---

	Ref.	
BALANCE DECEMBER 31, 2015	A	\$ -
Increased by:		
FEMA reimbursement	A-4	<u>117,000</u>
BALANCE, DECEMBER 31, 2016	A	<u>\$ 117,000</u>

TOWNSHIP OF MILLBURN

TRUST FUND

SCHEDULE OF CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2016

	Ref.	Electrical Inspection	Animal Control	Dog License	Escrow	Unemployment Insurance	Waste Recycling	Recreation Trip	POAA	Fire Penalty Trust	Accumulated Absences Trust	Snow Trust	Police Off-Duty Trust	Forfeited Property Account	Donation Trust	Payroll Trust	Payroll Agency Trust	EPL/POL Trust	
Balance																			
December 31, 2015	B	\$ 374,261	\$ -	\$ 48,457	\$ 250,187	\$ 188,811	\$ 142,773	\$ 159,947	\$ 58,824	\$ 19,355	\$ 1,262,297	\$ 523,882	\$ 139,484	\$ 14,918	\$ 61,315	\$ 92,056	\$ 678,575	\$ -	
Increased by:																			
Interest Received		875	-	-	564	447	445	836	-	-	3,775	1,631	341	20	127	324	2,558	-	
Interfund - Current		-	-	9,116	14,581	-	-	-	-	-	-	-	166,321	-	-	-	-	-	
Escrow Deposits		-	-	-	94,853	-	-	-	-	-	-	-	-	-	-	-	-	-	
Dog License Fees		-	50,000	13,540	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Donations		-	-	-	-	-	-	-	-	-	-	-	-	-	8,481	-	-	-	
Recreation Trip Fees		-	-	-	-	-	-	830,453	-	-	-	-	-	-	-	-	-	-	
Recycling Fees		-	-	-	-	-	187,902	-	-	-	-	-	-	-	-	-	-	-	
EPL/POL Funds	B-2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	332,940
Forfeiture Funds		-	-	-	-	-	-	-	-	-	-	-	-	60	-	-	-	-	
Police Off-Duty		-	-	-	-	-	-	-	-	-	-	-	982,787	-	-	-	-	-	
From Budget		-	-	-	-	-	-	-	-	-	300,500	270,634	-	-	-	-	-	-	
Due to State		-	-	1,249	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Municipal Alliance		-	-	-	-	-	-	-	-	-	-	-	-	-	83,796	-	-	-	
Interlocal Animal Control		-	7,241	3,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fire Inspections		-	-	-	-	-	-	-	-	49	-	-	-	-	-	-	-	14,829,208	
Payroll Fees		-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,833,436	-	-	
Balance from Gen. Fund		149,780	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Municipal Court		-	-	-	-	-	-	-	1,911	-	-	-	-	-	-	-	-	-	
		<u>150,655</u>	<u>57,241</u>	<u>26,905</u>	<u>109,998</u>	<u>447</u>	<u>188,347</u>	<u>831,289</u>	<u>1,911</u>	<u>49</u>	<u>304,275</u>	<u>272,265</u>	<u>1,149,449</u>	<u>80</u>	<u>92,404</u>	<u>14,833,760</u>	<u>14,831,766</u>	<u>332,940</u>	
		<u>524,916</u>	<u>57,241</u>	<u>75,362</u>	<u>360,185</u>	<u>189,258</u>	<u>331,120</u>	<u>991,237</u>	<u>60,736</u>	<u>19,404</u>	<u>1,566,572</u>	<u>796,147</u>	<u>1,288,933</u>	<u>14,997</u>	<u>153,719</u>	<u>14,925,816</u>	<u>15,510,341</u>	<u>332,940</u>	
Decreased by:																			
Dog Fund Payments		-	-	16,218	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
State of New Jersey		-	-	1,228	-	24,163	-	-	-	-	-	-	-	-	-	-	-	-	
Interfund - Current	B-2	-	-	5,000	14,581	-	-	-	-	-	-	-	122,773	-	-	-	-	-	
Donation Trust		-	-	-	-	-	-	-	-	-	-	-	-	-	85,018	-	-	-	
Recreation Trip		-	-	-	-	-	-	853,216	-	-	-	-	-	-	-	-	-	-	
Escrow Payments		-	-	-	74,070	-	-	-	-	-	-	-	-	-	-	-	-	-	
Police Off Duty		-	-	-	-	-	-	-	-	-	-	-	977,661	-	-	-	-	-	
Forfeiture Funds		-	-	-	-	-	-	-	-	-	-	-	-	13,519	-	-	-	-	
Accumulated Absences		-	-	-	-	-	-	-	-	-	645,804	-	-	-	-	-	-	-	
Interlocal Animal Control		-	-	50,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fire Penalty Trust		-	-	-	-	-	-	-	-	5,133	-	-	-	-	-	-	-	-	
Electric Fees		50,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Payroll Fees		-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,854,483	14,622,513	-	
Snow Trust		-	-	-	-	-	-	-	-	-	-	92,000	-	-	-	-	-	-	
Recycling Fees		-	-	-	-	-	46,273	-	-	-	-	-	-	-	-	-	-	-	
		<u>50,000</u>	<u>-</u>	<u>72,446</u>	<u>88,651</u>	<u>24,163</u>	<u>46,273</u>	<u>853,216</u>	<u>-</u>	<u>5,133</u>	<u>645,804</u>	<u>92,000</u>	<u>1,100,434</u>	<u>13,519</u>	<u>85,018</u>	<u>14,854,483</u>	<u>14,622,513</u>	<u>-</u>	
Balance																			
December 31, 2016	B	\$ 474,916	\$ 57,241	\$ 2,916	\$ 271,534	\$ 165,095	\$ 284,847	\$ 138,021	\$ 60,736	\$ 14,271	\$ 920,768	\$ 704,147	\$ 188,499	\$ 1,478	\$ 68,701	\$ 71,333	\$ 887,829	\$ 332,940	

**TOWNSHIP OF MILLBURN**

**TRUST FUND  
SCHEDULE OF DUE (TO) FROM CURRENT FUND  
YEAR ENDED DECEMBER 31, 2016**

**B-2**

	Balance, December 31, 2015	Increased	Decreased	Balance, December 31, 2016
Tax Sale Premium	\$ 126,825	\$ 225,100	\$ 243,200	\$ 144,925
Police Off Duty	-	166,321	122,773	(43,548)
Developers Escrow	-	594	-	(594)
Dog License	<u>8</u>	<u>32,321</u>	<u>5,000</u>	<u>(27,313)</u>
	<u>\$ 126,833</u>	<u>\$ 424,336</u>	<u>\$ 370,973</u>	<u>\$ 73,470</u>
	A	A-24, B-1	A-24, B-1	A
Due to	\$ -			\$ (71,455)
Due from	<u>126,833</u>			<u>144,925</u>
	<u>\$ 126,833</u>			<u>\$ 73,470</u>

**TOWNSHIP OF MILLBURN**

**TRUST FUND  
SCHEDULE OF DUE FROM ANIMAL CONTROL FUND  
YEAR ENDED DECEMBER 31, 2016**

**B-3**

	Balance, December 31, 2015	Increased	Decreased	Balance, December 31, 2016
Dog License	<u>\$ -</u>	<u>-</u>	<u>51,741</u>	<u>\$ 51,741</u>

**TOWNSHIP OF MILLBURN**

**TRUST FUND  
SCHEDULE OF RESERVE FOR DOG LICENSE  
YEAR ENDED DECEMBER 31, 2016**

**B-4**

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BALANCE, DECEMBER 31, 2015	\$	<u>48,382</u>
Increased by:		
License and fees		13,540
Interfunds		<u>4,737</u>
		<u>18,277</u>
		<u>66,659</u>
Decreased by:		
Excess due to Current Fund		23,198
Other disbursements		<u>16,218</u>
		<u>39,416</u>
BALANCE, DECEMBER 31, 2016	\$	<u><u>27,243</u></u>
2014 license revenue	\$	12,593
2015 license revenue		<u>14,650</u>
	\$	<u><u>27,243</u></u>

**TOWNSHIP OF MILLBURN**

**C-2**

**GENERAL CAPITAL FUND**

**SCHEDULE OF CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2016**

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	Ref.		
BALANCE, DECEMBER 31, 2015	C, C-3		\$ 8,448,416
Increased by Receipts:			
2015 Budget Appropriation	C-10	1,700,000	
Premium on Sale of Notes	C-1	76,386	
Reserve for Little League Field	C-9	1,001	
Deferred Charges Unfunded	C-5	302,090	
Reserve for payment of debt	c-15	36,445	
Receipt of Bond Anticipation Notes	C-14	6,712,133	
Grants Receivable	C-16	260,427	
Reserve for Papermill Property	C-12	<u>178,000</u>	
			<u>9,266,482</u>
			17,714,897
Decreased by Disbursements:			
Improvement Authorizations	C-8	5,572,650	
Budget Appropriation - Fund Balance	C-1	100,000	
Reserve for Payment of Debt	C-15	202,090	
Reserve for Preliminary Planning Exp	C-17	33,640	
BAN not renewed	C-14	29,038	
BAN Rollover	C-14	<u>6,712,133</u>	
			<u>12,649,551</u>
BALANCE, DECEMBER 31, 2016	C, C-3		<u>\$ 5,065,347</u>



TOWNSHIP OF MILLBURN

GENERAL CAPITAL FUND

ANALYSIS OF CASH  
AS OF DECEMBER 31, 2016 AND 2015

	Ref.	Balance December 31,	
		2016	2015
Fund Balance	C-1	\$ 389,328	\$ 412,942
Capital Improvement Fund	C-10	72,632	334,047
Reserve for Encumbrances	C-8	3,507,001	1,433,779
Notes Payable	C-13	(49,204)	(20,166)
Grants Receivable	C-16	260,427	-
Interfund receivable	C-7	(117,000)	-
Reserve for Payment of Bonds	C-15	153,445	202,090
Reserve for Preliminary Expenses	C-17	115,360	149,000
Reserve for Papermill Property	C-12	853,087	675,087
Reserve for Fire Equipment	C-19	325,000	325,000
Reserve for DPW Shared Services	C-20	20,000	20,000
Reserve for Little League Field	C-9	20,069	19,068
<b>Improvement Description</b>			
2186-01 Road Improvements	C-5	(118,938)	(421,028)
2293-07 Short Hills RR Station	C-8	29,477	29,477
2297-07 Purchase of Property	C-5, C-8	246,266	248,266
2323-08 Police Dept. Imp. And Equipment	C-8	-	16,657
2324-08 ADA Improvements	C-5, C-8	(62,050)	(62,050)
2342-09 Engineering	C-8	3,876	2,448
2365-10 Police Equipment	C-8	14,016	15,077
2367-10 Old Short Hills Road Imp (Parsonage to Essex)	C-5, C-8	(181,050)	(181,050)
2376-11 Recreation Improvement	C-8	-	5,191
2375-11 Knollwood Road	C-5, C-8	17,266	4,436
2393-12 Canoe Brook Pump Stations	C-5, C8	12,556	18,124
2393-12 Brook Side Drive Reconstruction	C-5, C8	(37,116)	-
2393-12 Street Ramp Imp (ADA)	C-5, C8	9,056	9,056
2392-12 DPW Equipment	C-8	11,534	11,534
2392-12 Recreation Equipmnet & Imp	C-8	8,720	8,720
2392-12 Police Imp & Equipment	C-8	4,196	4,196
2405-13 Engineering - Small Drainage	C-8	93,746	119,750
2405-13 DPW Improvement & Equipment	C-8	2,903	132,059
2405-13 Fire Dept. Equipment	C-8	10,838	10,838
2405-13 Engineering - Par3 Parking Lot	C-8	4,900	4,900
2405-13 Police Equipment	C-8	1,055	1,055
2407-13 Gilbert Place Pump Station	C-8	3,800	3,800
2407-13 Hartshorn Drive	C-8	(200,713)	(200,713)
2407-13 Knollwood Road	C-8	(52,630)	(52,630)
2407-13 Sr Citizen Bus	C-8	(16,450)	(16,450)
2425-14 Recreation Improvements	C-8	56,000	56,000
2425-14 Fire Department - Improvements	C-8	306,805	354,371
2425-14 General Building Improvements	C-8	4,092	472,534
2425-14 Police Equipment & Improvements	C-8	288,018	303,548
2425-14 Library Improvement	C-8	45,595	70,464
2419-14 South Mountain Storm Drainage	C-5, C8	3,686,337	3,842,571
2426-14 PD Headquarters - Generator	C-5, C8	(150,464)	(151,506)
2426-14 Harsthorn Drive - Phase 2	C-5, C8	(61,384)	(61,834)
2426-14 ADA - Ramp/Curb Imp	C-5, C8	(37,910)	(37,910)
2445-15 Engineering - Seal Coating	C-8	12,329	12,329
2445-15 Engineering - Small Drainage	C-8	4,206	50,000
2445-15 Recreation Improvements	C-8	-	28,848
2445-15 Fire Department Equipment & Imp	C-8	6,576	12,930
2445-15 General Buling Improvements	C-8	61,705	232,821
2445-15 Engineering - Gero Park Lot	C-8	24,829	27,065
2445-15 General Bldg. Improvements	C-8	12,976	12,970
2445-15 Library Improvement	C-8	90,000	90,000
2444-15 Sanitary Sewer Pump Stations	C-8	(89,440)	3,010
2444-15 Great Hills Road	C-8	(143,102)	10,000
2444-15 Town Hall ADA Access	C-5, C8	(95,000)	(95,000)
2446-15 Wyoming/Mountain View Road	C-8	34,631	40,544
2446-15 Complete Streets	C-8	52,328	124,128
2448-15 Sanitary Sewer Pump Stations	C-8	(211,978)	(211,978)
2455-16 Complete Streets	C-5,C-8	(4,971,105)	-
<b>2460-16 Purchase of Property</b>	C-5, C-8	38,100	-
<b>2460-16 Main Street Road Imp</b>	C-5, C-8	15,715	-
<b>2460-16 ADA - Ramp/Curb Imp</b>	C-5, C-8	2,385	-
<b>2461-16 Engineering - Seal Coating</b>	C-8	10,559	-
<b>2461-16 Engineering- Whittingham Terrace</b>	C-8	7,646	-
<b>2461-16 Recreation Improvement</b>	C-8	9,623	-

TOWNSHIP OF MILLBURN

GENERAL CAPITAL FUND

ANALYSIS OF CASH  
AS OF DECEMBER 31, 2016 AND 2015

	Ref.	Balance December 31,	
		2016	2015
2461-16 Fire Department - Equipent and Imp	C-8	42,135	-
2461-16 General Building Improvments	C-8	300,000	-
2461-16 DPW Equipment	C-8	9,641	-
2461-16 Police Dept. Imp. & Equipment	C-8	173,096	-
2472-16 Complete Streets Phase II	C-8	175,000	-
		\$ 5,065,347	\$ 8,448,415
		C-2	C-2

**TOWNSHIP OF MILLBURN**

**C-4**

**GENERAL CAPITAL FUND**

**SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED  
YEAR ENDED DECEMBER 31, 2016**

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	<b>Ref.</b>		
BALANCE, DECEMBER 31, 2015	C		\$ 225,000
Decreased by:			
2016 Budget Appropriation for			
Payment of Bond Principal	C-6	51,163	
Canceled	C-6	<u>18,837</u>	
			<u>70,000</u>
BALANCE, DECEMBER 31, 2016	C		<u>\$ 155,000</u>

TOWNSHIP OF MILLBURN

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED  
YEAR ENDED DECEMBER 31, 2016

Ordinance Number	Improvement Description	Balance, December 31, 2015	2016 Authorizations	2016 BAN Paydown	2016 Canceled	Budget	Grant Receivable	Balance, December 31, 2016	Analysis of Balance					
									Expenditures	Bond Anticipation Notes	Canceled	Encumbered	Unfunded Improvement Authorizations	
2186-01	Road Improvements	\$ 421,028	\$ -	\$ -	\$ -	\$ 302,090	\$ -	\$ 118,938	\$ 118,938	\$ -	\$ -	\$ -	\$ -	\$ -
2297-07	Acquisition of Property	544,088	-	544,088	-	-	-	-	-	-	-	-	-	-
2321-08	Purchase of Papermill Property	2,020,943	-	917,412	-	-	-	1,103,531	1,200	1,102,331	600	-	-	-
2324-08	ADA Improvements	62,050	-	-	-	-	-	62,050	62,050	-	-	-	-	-
2357-10	Taylor Park UST Remediation	258,912	-	72,500	-	-	-	186,412	-	186,412	-	-	-	-
2366-10	Taylor Parks UST Remediations	130,001	-	30,000	-	-	-	100,001	-	100,001	-	-	-	-
2367-10	Old Short Hills Road Imp (Parsonage to Essex)	181,050	-	-	-	-	-	181,050	181,050	-	-	-	-	-
2375-11	Knollwood Road	689,390	-	55,000	-	-	-	634,390	-	634,390	-	-	-	-
2393-12	Canoe Brook Pump Stations	550,000	-	20,000	-	-	-	530,000	-	530,000	-	-	-	-
2393-12	Brook Side Drive Reconstruction	40,700	-	-	-	-	-	40,700	3,584	-	-	-	-	37,116
2407-13	Gilbert Place Pump Station	76,000	-	-	-	-	-	76,000	-	-	-	-	-	76,000
2407-13	Hartshorn Drive	200,713	-	-	-	-	-	200,713	200,713	-	-	-	-	-
2407-13	Knollwood Road	52,630	-	-	-	-	-	52,630	52,630	-	-	-	-	-
2407-13	Sr Citizen Bus	64,450	-	-	-	-	-	64,450	64,450	-	-	-	-	-
2419-14	South Mountain Storm Drainage	4,200,000	-	41,000	-	-	-	4,159,000	-	4,159,000	-	-	-	-
2426-14	PD Headquarters - Generator	151,506	-	-	-	-	-	151,506	150,469	-	-	-	-	1,037
2426-14	Hartshorn Drive - Phase 2	130,965	-	-	-	-	102,230	28,735	2,500	-	-	-	-	26,235
2426-14	ADA - Ramp/Curb Imp	47,500	-	-	-	-	-	47,500	37,910	-	-	-	-	9,590
2444-15	Sanitary Sewer Pump Stations	342,000	-	-	-	-	-	342,000	-	-	-	89,440	-	252,560
2444-15	Great Hills Road	190,000	-	-	-	-	103,197	86,803	-	-	-	39,905	-	46,898
2444-15	Town Hall ADA Access	95,000	-	-	-	-	55,000	40,000	40,000	-	-	-	-	-
2448-15	Sanitary Sewer Pump Stations	214,000	-	-	-	-	-	214,000	211,978	-	-	-	-	2,022
<b>2455-16</b>	<b>Complete Streets</b>	-	7,809,000	-	-	-	-	7,809,000	2,267,390	-	-	2,703,715	-	2,837,895
<b>2460-16</b>	<b>Purchase of Property</b>	-	761,900	-	-	-	-	761,900	-	-	-	-	-	761,900
<b>2460-16</b>	<b>Main Street Road Imp</b>	-	314,285	-	-	-	-	314,285	-	-	-	-	-	314,285
<b>2460-16</b>	<b>ADA - Ramp/Curb Imp</b>	-	47,615	-	-	-	-	47,615	-	-	-	-	-	47,615
2472-16	Complete Streets Phase II	-	3,325,000	-	-	-	-	3,325,000	-	-	-	-	-	3,325,000
		<u>\$ 10,662,926</u>	<u>\$ 12,257,800</u>	<u>\$ 1,680,000</u>	<u>\$ -</u>	<u>\$ 302,090</u>	<u>\$ 260,427</u>	<u>\$ 20,678,210</u>	<u>\$ 3,394,862</u>	<u>\$ 6,712,133</u>	<u>\$ 600</u>	<u>\$ 2,833,060</u>	<u>\$ 7,738,153</u>	
		C	C-8, C-13	C-14	C-8	C-2	C-16	C		C-14	C-8	C-8	C, C-5	
				Budget appropriation		\$ 100,000						Ref.		
				Grant receivable		-						C-8	\$ 11,460,542	
						\$ 100,000								
									Less:					
									Unexpended Proceeds of BAN'S					
									Ord. #2375-11					17,266
									Ord. # 2393-12					12,566
									Ord # 2419-14					3,686,337
									Ord. # 2426-14					6,220
														<u>3,722,389</u>
														\$ 7,738,153

TOWNSHIP OF MILLBURN

GENERAL CAPITAL FUND

SCHEDULE OF SERIAL BONDS  
YEAR ENDED DECEMBER 31, 2016

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding, December 31, 2016		Interest Rate	Balance, December 31, 2015	Paid by Budget Appropriations	Cancelled	Balance, December 31, 2016
			Date	Amount					
New Jersey Environmental Infrastructure	10/15/98	\$ 2,076,373	2017	75,000	4.50%	\$ 225,000	\$ 51,163	\$ 18,837	\$ 155,000
						<u>\$ 225,000</u>	<u>\$ 51,163</u>	<u>\$ 18,837</u>	<u>\$ 155,000</u>
Reference						C	C-4		C

**TOWNSHIP OF MILLBURN**

**C-7**

**GENERAL CAPITAL FUND**

**SCHEDULE OF INTERFUNDS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2016**

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	Ref.	
BALANCE, DECEMBER 31, 2015	C, C-3	\$ -
INCREASE BY		
Due from Current Fund	C-15	<u>117,000</u>
BALANCE, DECEMBER 31, 2016	C	<u>\$ 117,000</u>

TOWNSHIP OF MILLBURN

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2016

Ordinance Number	Improvement Description	Ordinance Date	Balance 12/31/2015		Capital Improvement Fund	Defered Charges Unfunded	Disbursed	Encumbered	Balance, 12/31/16	
			Funded	Unfunded					Funded	Unfunded
2293-07	Short Hills Train Station	8/27/07	\$ 29,477	-	-	-	-	-	\$ 29,477	-
2297-07	Purchase of Property	10/17/07	-	248,266	-	-	-	2,000	246,266	-
2323-08	Police Dept. Imp. & Equipment	7/15/08	16,657	-	-	-	16,657	-	-	-
2342-09	Engineering	9/15/09	3,876	-	-	-	-	-	3,876	-
2365-10	Police Equipment	12/20/10	15,077	-	-	-	1,061	-	14,016	-
2376-11	Recreation Improvement	7/2/11	5,191	-	-	-	-	5,191	-	-
2375-11	Knollwood Raod	7/14/11	-	17,266	-	-	-	-	-	17,266
2393-12	Canoe Brook Pump Stations	8/24/12	-	18,124	-	-	5,568	-	-	12,556
2393-12	Brook Side Drive Reconstruction	8/24/12	-	37,116	-	-	37,116	-	-	-
2393-12	Street Ramp Imp (ADA)	8/24/12	12,640	-	-	-	-	-	12,640	-
2392-12	Engineering - Small Drainage	8/24/12	2,019	-	-	-	2,019	-	-	-
2392-12	DPW Equipment	8/24/12	11,616	-	-	-	82	-	11,534	-
2392-12	Recreation Equipmnet & Imp	8/24/12	8,720	-	-	-	-	-	8,720	-
2392-12	Police Imp & Equipment	8/24/12	4,196	-	-	-	-	-	4,196	-
2405-13	Engineering - Small Drainage	7/1/13	119,750	-	-	-	26,004	-	93,746	-
2405-13	DPW Improvement & Equipment	7/1/13	138,074	-	-	-	116,249	18,922	2,903	-
2405-13	Fire Dept. Equipment	7/1/13	21,287	-	-	-	10,449	-	10,838	-
2405-13	Engineering - Par3 Parking Lot	7/1/13	4,900	-	-	-	-	-	4,900	-
2405-13	Police Equipment	7/1/13	1,055	-	-	-	-	-	1,055	-
2407-13	Gilbert Place Pump Station	7/9/13	3,800	76,000	-	-	-	-	3,800	76,000
2425-14	Recreation Improvements	6/26/14	56,000	-	-	-	-	-	56,000	-
2425-14	Fire Department - Improvements	6/26/14	543,590	-	-	-	120,568	116,217	306,806	-
2425-14	General Building Improvements	6/26/14	560,110	-	-	-	459,986	96,032	4,092	-
2425-14	Police Equipment & Improvements	6/26/14	303,548	-	-	-	-	15,530	288,019	-
2425-14	Library Improvement	6/26/14	70,464	-	-	-	24,869	-	45,595	-
2419-14	South Mountain Storm Drainage	4/1/14	186,954	3,842,571	-	-	318,978	24,210	-	3,686,337
2426-14	PD Headquarters - Generator	6/26/14	7,974	151,506	-	-	158,443	-	-	1,037
2426-14	Harsthorn Drive - Phase 2	6/26/14	-	72,081	-	-	2,500	-	-	69,581
2426-14	ADA - Ramp/Curb Imp	6/26/14	-	9,590	-	-	-	-	-	9,590
2445-15	Engineering - Seal Coating	9/1/15	12,329	-	-	-	-	-	12,329	-
2445-15	Engineering - Small Drainage	9/1/15	50,000	-	-	-	45,794	-	4,206	-
2445-15	DPW Equipment	9/1/15	85,000	-	-	-	85,000	-	-	-
2445-15	Recreation Improvements	9/1/15	37,900	-	-	-	23,002	14,898	-	-
2445-15	Fire Department Equipment & Imp	9/1/15	50,000	-	-	-	43,425	-	6,574	-
2445-15	General Buiing Improvements	9/1/15	432,709	-	-	-	361,151	9,853	61,705	-
2445-15	Engineering - Gero Park Lot	9/1/15	180,000	-	-	-	155,172	-	24,828	-
2445-15	General Bldg. Improvements	9/1/15	50,000	-	-	-	37,024	-	12,976	-
2445-15	Library Improvement	9/1/15	90,000	-	-	-	-	-	90,000	-
2444-15	Sanitary Sewer Pump Stations	9/1/15	3,010	342,000	-	-	-	92,450	-	252,560
2444-15	Great Hills Road	9/1/15	10,000	190,000	-	-	22,643	130,459	-	46,898
2444-15	Town Hall ADA Access	9/1/15	5,000	95,000	-	-	100,000	-	-	-
2446-15	Wyoming/Mountain View Road	10/6/15	75,000	-	-	-	40,369	-	34,631	-
2446-15	Complete Streets	10/6/15	243,470	-	-	-	191,142	-	52,328	-
2448-15	Sanitary Sewer Pump Stations	12/1/15	-	2,022	-	-	-	-	-	2,022
2455-16	Complete Streets	4/5/16	-	-	391,000	7,809,000	2,658,390	2,703,715	-	2,837,895

TOWNSHIP OF MILLBURN

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2016

Ordinance Number	Improvement Description	Ordinance Date	Balance 12/31/2015		Capital Improvement Fund	Defered Charges Unfunded	Disbursed	Encumbered	Balance, 12/31/16	
			Funded	Unfunded					Funded	Unfunded
2460-16	Purchase of Property	7/14/16	-	-	38,100	761,900	-	-	38,100	761,900
2460-16	Main Street Road Imp	7/14/16	-	-	15,715	314,285	-	-	15,715	314,285
2460-16	ADA - Ramp/Curb Imp	7/14/16	-	-	2,385	47,615	-	-	2,385	47,615
2461-16	Engineering - Seal Coating	7/5/16	-	-	140,000	-	129,441	-	10,559	-
2461-16	Engineering- Whittingham Terrace	7/5/16	-	-	310,000	-	302,354	-	7,646	-
2461-16	Recreation Improvement	7/5/16	-	-	72,000	-	47,725	14,652	9,623	-
2461-16	Fire Department - Equipment and Imp	7/5/16	-	-	87,215	-	29,470	15,610	42,135	-
2461-16	General Building Improvements	7/5/16	-	-	300,000	-	-	-	300,000	-
2461-16	DPW Equipment	7/5/16	-	-	180,000	-	-	170,359	9,641	-
2461-16	Police Dept. Imp. & Equipment	7/5/16	-	-	250,000	-	-	76,904	173,096	-
2472-16	Complte Steets Phase II	12/20/16	-	-	175,000	3,325,000	-	-	175,000	3,325,000
			<u>\$ 3,451,393</u>	<u>\$ 5,101,545</u>	<u>\$ 1,961,415</u>	<u>\$ 12,257,800</u>	<u>\$ 5,572,650</u>	<u>\$ 3,507,001</u>	<u>\$ 2,231,955</u>	<u>\$ 11,460,542</u>
Reference			Below	Below	C-10	C-5	C-2	C, C-3	C	C,C-5
	Improvement Authorizations	\$	2,279,903	\$ 4,839,256			Funded	\$ 554,167		
	Reserve for Encumbrances		<u>1,171,490</u>	<u>262,289</u>		CIF	Unfunded	2,952,834		
		\$	<u>3,451,393</u>	<u>\$ 5,101,545</u>		Unfunded		<u>\$ 3,507,001</u>		



**TOWNSHIP OF MILLBURN**

**C-9**

**GENERAL CAPITAL FUND**

**SCHEDULE OF RESERVE FOR LITTLE LEAGUE FIELD  
YEAR ENDED DECEMBER 31, 2016**

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	Ref.	
BALANCE, DECEMBER 31, 2015	C, C-3	\$ 19,068
Decrease:		
Receipts	C-2	<u>1,001</u>
BALANCE, DECEMBER 31, 2016	C	<u>\$ 20,069</u>

**SCHEDULE OF CAPITAL IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2016**

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**C-10**

	Ref.	
BALANCE, DECEMBER 31, 2015	C, C-3	\$ 334,047
Increased by:		
2016 Budget Appropriations	<b>C-2</b>	<u>1,700,000</u>
Decreased by:		
Appropriate to Finance Improvement Authorizations	C-8	<u>1,961,415</u>
BALANCE, DECEMBER 31, 2016	C, C-3	<u>\$ 72,632</u>

**TOWNSHIP OF MILLBURN**

**SCHEDULE OF RESERVE FOR DPW SHARED SERVICES  
YEAR ENDED DECEMBER 31, 2016**

**C-11**

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	Ref.	
BALANCE DECEMBER 31, 2015	C, C-3	<u>\$ 20,000</u>
BALANCE, DECEMBER 31, 2016	C	<u>\$ 20,000</u>

**TOWNSHIP OF MILLBURN**

**C-12**

**GENERAL CAPITAL FUND**

**SCHEDULE OF RESERVE FOR PAPERMILL PLAYHOUSE PROPERTY  
YEAR ENDED DECEMBER 31, 2016**

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	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2015	C	\$ 675,087
Increased By:		
Rent from Papermill	C-2	<u>178,000</u>
 BALANCE, DECEMBER 31, 2016	 C	 <u>\$ 853,087</u>

TOWNSHIP OF MILLBURN

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2016

	Balance December 31, 2015	Authorized 2016	Reserve For Debt	Grants Received	Balance December 31, 2016
2186-01 Road Improvements	\$ 421,028	\$ -	\$ 302,090	\$ -	\$ 118,938
2324-08 ADA Improvements	62,050	-	-	-	62,050
2366-10 Old Short Hills Road Imp (Parsonage to Essex)	181,050	-	-	-	181,050
2393-12 Brook Side Drive Reconstruction	40,700	-	-	-	40,700
2407-13 Gilbert Place Pump Station	76,000	-	-	-	76,000
2407-13 Hartshorn Drive	200,713	-	-	-	200,713
2357-10 Taylor Park UST Remediation	20,163	-	-	-	20,163
2407-13 Knollwood Road	52,630	-	-	-	52,630
2407-13 Sr Citizen Bus	16,450	-	-	-	16,450
2426-14 PD Headquarters - Generator	151,506	-	-	-	151,506
2426-14 Harsthorn Drive - Phase 2	130,965	-	-	102,230	28,735
2426-14 ADA - Ramp/Curb Imp	47,500	-	-	-	47,500
2444-15 Sanitary Sewer Pump Stations	342,000	-	-	-	342,000
2444-15 Great Hills Road	190,000	-	-	103,197	86,803
2444-15 Town Hall ADA Access	95,000	-	-	55,000	40,000
2448-15 Sanitary Sewer Pump Stations	214,000	-	-	-	214,000
<b>2455-16 Complete Streets</b>	-	7,809,000	-	-	7,809,000
<b>2460-16 Purchase of Property</b>	-	761,900	-	-	761,900
<b>2460-16 Main Street Road Imp</b>	-	314,285	-	-	314,285
<b>2460-16 ADA - Ramp/Curb Imp</b>	-	47,615	-	-	47,615
<b>2472-16 Complete Streets Phase II</b>	-	3,325,000	-	-	3,325,000
	<u>\$ 2,241,755</u>	<u>\$ 12,257,800</u>	<u>\$ 302,090</u>	<u>\$ 260,427</u>	<u>\$ 13,937,038</u>
	C	C-5	C-15	C-16	C

TOWNSHIP OF MILLBURN

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2016

Ordinance Number	Improvement	Original Date	Date of Issue	Date of Maturity	Interest Rate	Balance, December 31, 2015	Notes Issued	Notes Redeemed	Balance, December 31, 2016
2297-07	Purchase of Property	1/15/2008	2/5/2016	2/5/2016	1.25%	\$ 544,088	\$ -	\$ 544,088	\$ -
2357-10	Taylor Park UST	1/12/2012	2/5/2016	2/5/2016	1.25%	287,000	-	287,000	-
2366-10	Taylor Park UST	1/12/2012	2/5/2016	2/5/2016	1.25%	130,000	-	130,000	-
2375-11	Knollwood Rd. Improvement	1/12/2012	2/5/2016	2/5/2016	1.25%	689,390	-	689,390	-
2321-08	Purchase of Papermill Property	7/24/2008	2/5/2016	2/5/2016	1.25%	2,020,693	-	2,020,693	-
2393-12	Canoe Brook Pump Station	2/7/2014	2/5/2016	2/5/2016	1.25%	550,000	-	550,000	-
2419-14	SOUTH MOUNTAIN DRAINAGE	2/6/2015	2/5/2016	2/5/2016	1.25%	4,200,000	-	4,200,000	-
2357-10	Taylor Park UST	1/12/2012	2/5/2016	2/4/2017	2.00%	-	186,412	-	186,412
2367-10	Taylor Park UST	1/12/2012	2/5/2016	2/4/2017	2.00%	-	100,000	-	100,000
2375-11	Knollwood Rd. Improvement	1/12/2012	2/5/2016	2/4/2017	2.00%	-	634,390	-	634,390
2321-08	Purchase of Papermill Property	7/24/2008	2/5/2016	2/4/2017	2.00%	-	1,102,331	-	1,102,331
2393-12	Canoe Brook Pump Station	2/7/2014	2/5/2016	2/4/2017	2.00%	-	530,000	-	530,000
2419-14	SOUTH MOUNTAIN DRAINAGE	2/6/2015	2/5/2016	2/4/2017	2.00%	-	4,159,000	-	4,159,000
						<u>\$ 8,421,171</u>	<u>\$ 6,712,133</u>	<u>\$ 8,421,171</u>	<u>\$ 6,712,133</u>
						C	C-2	Below	C
BAN's Paid Down							\$ -	C-5	\$ 1,680,000
Issued							-	C-13	-
Cancelled not renewed							-	C-2	29,038
Rollover							<u>6,712,133</u>	C-2	<u>6,712,133</u>
							<u>\$ 6,712,133</u>		<u>\$ 8,421,171</u>

**TOWNSHIP OF MILLBURN**

**C-15**

**GENERAL CAPITAL FUND**

**SCHEDULE OF RESERVE FOR PAYMENT OF BONDS  
YEAR ENDED DECEMBER 31, 2016**

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	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2015	C, C-3	<u>\$ 202,090</u>
Increased		
FEMA collected in Current Fund	C-7	117,000
Grants collected	C-2	<u>36,445</u>
		<u>153,445</u>
		355,535
Decreased by:		
Def. Charges Unfunded	C-2	<u>202,090</u>
BALANCE, DECEMBER 31, 2016	C	<u>\$ 153,445</u>

**TOWNSHIP OF MILLBURN**

**C-16**

**GENERAL CAPITAL FUND**

**SCHEDULE OF GRANTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2016**

	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2015	C	\$ 444,805
Increased By:		
Grants awarded	C-18	<u>288,500</u>
		<u>733,305</u>
Decreased By:		
Cash Receipts	C-2	<u>260,427</u>
BALANCE, DECEMBER 31, 2016	C	<u>\$ 472,878</u>

Analysis of Balance

<u>Ord. #</u>	<u>Description</u>	<u>Source</u>	<u>Amount</u>
2426-14	CDBG - ADA Curb Cuts	Fed.	\$ 42,475
2444-15	NJDOT - Great Hills Road	Fed.	103,903
2444-15	CDBG - ADA Improvements	Fed.	38,000
2460-16	CDBG - ADA Curb Cuts	Fed.	36,500
2460-16	NJDOT - Main Street	Fed.	<u>252,000</u>
			<u>\$ 472,878</u>

**TOWNSHIP OF MILLBURN**

**C-17**

**GENERAL CAPITAL FUND**

**SCHEDULE OF RESERVE FOR PRELIMINARY PLANNING EXPENSES  
YEAR ENDED DECEMBER 31, 2016**

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	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2015	C, C-3	\$ 149,000
Decreased By		
Set up Reserve for Sewer Study	C-2	<u>33,640</u>
BALANCE, DECEMBER 31, 2016	C	<u>\$ 115,360</u>



**TOWNSHIP OF MILLBURN**

**C-18**

**GENERAL CAPITAL FUND**

**SCHEDULE OF RESERVE FOR GRANTS  
YEAR ENDED DECEMBER 31, 2016**

	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2015	C	\$ 444,805
Increased By:		
Grants awarded	C-16	<u>288,500</u>
		<u>733,305</u>
Decreased By:		
Grants Cancelled (2407-13)		
Grants Received	C-16	<u>260,427</u>
		<u>260,427</u>
BALANCE, DECEMBER 31, 2016	C	<u>\$ 472,878</u>

Analysis of Balance

<u>Ord. #</u>	<u>Description</u>	<u>Source</u>	<u>Amount</u>
2426-14	CDBG - ADA Curb Cuts	Fed.	\$ 42,475
2444-15	NJDOT - Great Hills Road	Fed.	103,903
2444-15	CDBG - ADA Improvements	Fed.	38,000
2460-16	CDBG - ADA Curb Cuts	Fed.	36,500
2460-16	NJDOT - Main Street	Fed.	<u>252,000</u>
			<u>\$ 472,878</u>

**TOWNSHIP OF MILLBURN**

**C-19**

**GENERAL CAPITAL FUND**

**SCHEDULE OF RESERVE FOR FIRE EQUIPMENT  
YEAR ENDED DECEMBER 31, 2016**

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	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2015	C, C-3	\$ 325,000
Increased		
Capital Improvement Fund	C-10	<u>          -</u>
		325,000
BALANCE, DECEMBER 31, 2016	C	<u><u>\$ 325,000</u></u>

**TOWNSHIP OF MILLBURN**

**D-5**

**PARKING UTILITY FUND**

**SCHEDULE OF CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2016**

	<b>Ref.</b>	<b>Operating</b>	<b>Capital</b>
BALANCE, DECEMBER 31, 2015	D	\$ 2,273,863	\$ 1,492,723
Increased by Receipts:			
Parking Meters	D-2	346,438	-
Parking Permits	D-2	562,600	-
Prepaid Permits	D-17	213,360	-
Miscellaneous Revenue Not Anticipated	D-2	20,053	-
Premium on notes	D-4	-	78,519
BAN Proceeds	D-18	-	7,125,000
Reserve for Deck Repair and Maintenance	D-16	-	25,000
Reserve for Meter Replacement	D-20	-	15,000
Interfund Received	D-7	-	2,881
Capital Improvement Fund	D-12	-	90,000
		<u>1,142,452</u>	<u>8,829,123</u>
		<u>3,416,315</u>	<u>10,321,847</u>
Decreased by Disbursements:			
2015 Appropriation Reserves	D-13	5,698	-
Improvement Authorization	D-9	-	510,991
BAN Rollover	D-18	-	7,125,000
Reserve for Meter Replacement	D-20	-	32,714
Accrued Interest	D-19	158,614	-
2016 Appropriations	D-3	1,356,310	-
		<u>1,520,622</u>	<u>7,668,705</u>
BALANCE, DECEMBER 31, 2016	D	\$ 1,895,693	\$ 1,160,419

TOWNSHIP OF MILLBURN

D-6

PARKING UTILITY CAPITAL FUND

ANALYSIS OF CASH  
AS OF DECEMBER 31, 2016 AND 2015

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	Ref.	2016	2015
Capital Improvement Fund	D-12	\$ 137,250	\$ 667,250
Interfund	D-7	2,881	-
Fund Balance	D-4	307,900	229,381
Reserve for Preliminary Planning Exepsnes	D-8	250	250
Reserve for encumbrances	D-9	2,763	2,763
Reserve for Deck Repair	D-16	125,000	100,000
Reserve for Meter Replacement	D-22	106,479	124,193
<b>Improvement Description</b>			
Ordinance 2368-10	D-9	10,866	10,866
Ordinance 2385-11	D-9	267,062	267,062
Ordinance 2406-13	D-9	-	90,958
Ordinance 2464-16	D-9	2,935	-
Ordinance 2464-16	D-9	<u>197,033</u>	<u>-</u>
	D-4	<u>\$ 1,160,419</u>	<u>\$ 1,492,723</u>

**TOWNSHIP OF MILLBURN**

**D-7**

**PARKING UTILITY OPERATING FUND**

**SCHEDULE OF DUE TO/FROM PARKING CAPITAL  
YEAR ENDED DECEMBER 31, 2016**

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	<b>Ref.</b>	
BALANCE DECEMBER 31, 2015	D	\$ -
Increased by:		
Cash Receipts - Parking Capital	D-5	<u>2,881</u>
BALANCE, DECEMBER 31, 2016	D	<u>\$ 2,881</u>

**TOWNSHIP OF MILLBURN**

**D-8**

**PARKING UTILITY OPERATING FUND**

**SCHEDULE OF RESERVE FOR PRELIMINARY PLANNING EXPENSES  
YEAR ENDED DECEMBER 31, 2016**

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	Ref.	
BALANCE DECEMBER 31, 2015 and 2016	D	<u>\$ 250</u>

TOWNSHIP OF MILLBURN

PARKING UTILITY CAPITAL FUND  
 SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
 YEAR ENDED DECEMBER 31, 2016

Ordinance Number	Improvement Description	Ordinance Date	Balance, December 31, 2015		2016 Authorizations	Disbursed	Balance, December 31, 2016		
			Funded	Unfunded			Encumbered	Funded	Unfunded
2368-10	Parking Deck Design	12/7/2010	\$ -	\$ 10,866	\$ -	\$ -	\$ -	\$ -	\$ 10,866
2385-11	Parking Deck Construction	12/28/2011	-	269,825	-	-	2,763	-	267,062
2406-13	Lot 7 Resurfacing	9/30/2013	90,958	-	-	90,958	-	-	-
2464-16	Pay Stations	8/25/2016	-	-	380,000	377,065	-	2,935	-
2465-16	Parking Lot Resurfacing	9/29/2016	-	-	240,000	42,967	-	197,033	-
			<u>\$ 90,958</u>	<u>\$ 280,691</u>	<u>\$ 620,000</u>	<u>\$ 510,991</u>	<u>\$ 2,763</u>	<u>\$ 199,968</u>	<u>\$ 277,928</u>
Reference			D		D-10	D-5	D	D, D-12	D
	Authorizations Unfunded		D	\$ 277,928					
	Encumbrances		D	2,763					
				<u>\$ 280,691</u>					

**TOWNSHIP OF MILLBURN**

**D-10**

**PARKING UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETE  
YEAR ENDED DECEMBER 31, 2016**

	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2015	D	<u>\$ 1,415,000</u>
Increased by:		
Ordinance # 2465-16	D-9	240,000
Ordinance # 2464-16	D-9	<u>380,000</u>
		<u>620,000</u>
BALANCE, DECEMBER 31, 2016	D	<u><u>\$ 2,035,000</u></u>



**TOWNSHIP OF MILLBURN**

**D-11**

**PARKING UTILITY CAPITAL FUND  
SCHEDULE OF DEFFERED RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2016**

	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2015	D	<u>\$ 655,000</u>
Increased by		
Ordinance 2464-16	D-12	380,000
Ordinance 2465-16	D-12	<u>240,000</u>
		<u>620,000</u>
BALANCE, DECEMBER 31, 2016	D	<u><u>\$ 1,275,000</u></u>

**TOWNSHIP OF MILLBURN**

**D-12**

**PARKING UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2016**

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	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2015	D	\$ 667,250
Increased by:		.
2016 Budget Appropriations	D-5	<u>90,000</u>
		<u>757,250</u>
Decreased by:		
Ordinance 2464-16	D-9,D-11	380,000
Ordinance 2465-16	D-9,D-11	<u>240,000</u>
		<u>620,000</u>
BALANCE, DECEMBER 31, 2016	D	<u>\$ 137,250</u>

**TOWNSHIP OF MILLBURN**

D-13

**PARKING UTILITY OPERATING FUND**

**SCHEDULE OF APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2016**

		<b>Balance, December 31, 2015</b>	<b>Balance, After Transfer</b>	<b>Paid or Charged</b>	<b>Lapsed</b>
Other Expenses		\$ 95,258	\$ 95,258	\$ 5,698	\$ 89,560
		<u>\$ 95,258</u>	<u>\$ 95,258</u>	<u>\$ 5,698</u>	<u>\$ 89,560</u>
Reference		Below		D-5	D-1
Appropriation Reserve	D	\$ 83,703			
Reserve for Encumbrances	D	<u>11,555</u>			
		<u>\$ 95,258</u>			
		Above			

**TOWNSHIP OF MILLBURN**

**D-14**

**PARKING UTILITY FUNDS  
FIXED ASSETS  
YEAR ENDED DECEMBER 31, 2016**

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	<b>2016</b>	<b>2015</b>
Movable Fixed Assets:		
Furniture and Equipment	\$ 220,500	\$ 220,500
	<u>220,500</u>	<u>220,500</u>
Land	314,725	314,725
	<u>314,725</u>	<u>314,725</u>
Building	7,835,000	7,835,000
	<u>7,835,000</u>	<u>7,835,000</u>
Investment in Parking Utility Fixed Assets	<u>\$ 8,370,225</u>	<u>\$ 8,370,225</u>

**TOWNSHIP OF MILLBURN**

**D-15**

**PARKING UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2016**

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	<b>Ref.</b>	
BALANCE, DECEMBER 31. 2015	D	\$ 1,155,225
Increased By:		
BAN Paydown	D-18	<u>850,000</u>
BALANCE, DECEMBER 31, 2016	D	<u>\$ 2,005,225</u>

**TOWNSHIP OF MILLBURN**

**D-16**

**PARKING UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR DECK REPAIR AND MAINTENANCE  
YEAR ENDED DECEMBER 31, 2016**

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	Ref.	
BALANCE, DECEMBER 31, 2015	D	\$ 100,000
Increased by:		
Parking Operating Budget	D-5, D-3	<u>25,000</u>
BALANCE, DECEMBER 31. 2016	D	<u>\$ 125,000</u>

**TOWNSHIP OF MILLBURN**

**D-17**

**PARKING UTILITY OPERATING FUND**

**PREPAID REVENUES  
YEAR ENDED DECEMBER 31, 2016**

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BALANCE, DECEMBER 31, 2015	Ref D	\$ 402,415
Increased by:		
2016 Permits Received	D-5	<u>213,360</u>
		615,775
Decreased By		
Prepaid Permits Applied	D-2	<u>402,415</u>
BALANCE, DECEMBER 31, 2016	D	<u>\$ 213,360</u>

TOWNSHIP OF MILLBURN

D-18

GENERALPARKING

SCHEDULE OF BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2016

Ordinance Number	Improvement	Original Date	Date of Issue	Date of Maturity	Interest Rate	Balance, December 31, 2015	Notes Issued	Notes Redeemed	Balance, December 31, 2016
2385-11	Construction of Parking Deck	9/12/2012	6/18/2015	6/17/2017	2.00%	\$ 7,975,000	\$ -	\$ 7,975,000	\$ -
2385-11	Construction of Parking Deck	6/19/2013	6/17/2016	6/16/2017	2.00%	<u>-</u>	<u>7,125,000</u>	<u>-</u>	<u>7,125,000</u>
						<u>\$ 7,975,000</u>	<u>\$ 7,125,000</u>	<u>\$ 7,975,000</u>	<u>\$ 7,125,000</u>
						D	D-5		D
						BAN Paydown	\$ -	\$ 850,000	D15
						BAN Rollover	<u>7,125,000</u>	<u>7,125,000</u>	D5
							<u>\$ 7,125,000</u>	<u>\$ 7,975,000</u>	



**TOWNSHIP OF MILLBURN**

**D-19**

**PARKING UTILITY OPERATING FUND  
SCHEDULE OF ACCRUED INTEREST PAYABLE  
YEAR ENDED DECEMBER 31, 2016**

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	<b>Ref.</b>	
BALANCE, DECEMBER 31, 2015	D	\$ 43,594
Increased by:		
2016 Accrued Interest on Notes	D-3	<u>205,847</u>
Decreased by:		
2016 Interest on Notes Paid	D-5	<u>158,614</u>
BALANCE, DECEMBER 31, 2016	D	<u>\$ 90,827</u>

**TOWNSHIP OF MILLBURN**

**D-20**

**PARKING UTILITY CAPITAL FUND**

**SCHEDULE OF RESERVE FOR METER REPLACEMENT  
YEAR ENDED DECEMBER 31, 2016**

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	Ref.	
BALANCE DECEMBER 31, 2015	D	\$ 124,193
INCREASE BY:		
Parking Operating	D-5, D-3	<u>15,000</u>
DECREASE BY:		
Disbursements	D-5	<u>32,714</u>
BALANCE DECEMBER 31, 2016	D	<u>\$ 106,479</u>

**TOWNSHIP OF MILLBURN**

**F-3**

**PUBLIC ASSISTANCE FUND**

**SCHEDULE OF CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2016**

	Ref.		
BALANCE, DECEMBER 31, 2015	F		\$ 33,613
Increased by:			
Cash Receipts:			
2016 Budget	F-2	\$ 5,000	
Interfunds	F-2	4,377	
Interest on Investment	F-2	64	
State Aid Payments	F-2	900	10,341
			<u>43,954</u>
Decreased by:			
Interfunds	F-2		
Cash Disbursements	F-2	24,084	<u>24,084</u>
BALANCE, DECEMBER 31, 2016	F		<u>\$ 19,870</u>

**TOWNSHIP OF MILLBURN**

**F-4**

**PUBLIC ASSISTANCE FUND**

**SCHEDULE OF CHANGES IN RESERVES  
YEAR ENDED DECEMBER 31, 2016**

	<b>P.A.T.F. Account # 1</b>	<b>P.A.T.F. Account # 2</b>	<b>Fund Total</b>
BALANCE, DECEMBER 31, 2015	\$ 16,922	\$ 16,692	\$ 33,613
Increased by revenue	51	5,913	5,964
	<u>16,973</u>	<u>22,605</u>	<u>39,577</u>
Decreased by expenditures		24,084	24,084
BALANCE, DECEMBER 31, 2016	<u>\$ 16,973</u>	<u>\$ (1,479)</u>	<u>\$ 15,493</u>

SUPPLEMENTARY DATA

**SCHEDULE OF TAX RATE INFORMATION**

	2016	2015	2014
Tax Rate	\$ 2.154	\$ 2.105	\$ 2.016
Apportionment of Tax Rate:			
Municipal	\$ 0.544	\$ 0.523	\$ 0.500
County	0.596	0.594	0.551
Local School	1.014	0.988	0.965
Assessed Valuations:			
2015	\$ 8,182,351,215		
2014		\$ 8,158,590,974	
2013			\$ 8,144,072,037

**SCHEDULE OF TAX LEVIES AND COLLECTION CURRENTLY**

Year	Tax Levy	Currently	
		Collections	Percentage of Collection
2016	\$ 177,144,322	\$ 176,034,134	99.37 %
2015	172,622,259	171,767,995	99.51
2014	165,775,574	156,459,403	99.13
2013	157,825,822	156,459,403	99.13
2012	155,201,326	153,859,605	99.14

**SCHEDULE OF DELINQUENT TAXES AND TAX TITLE LIENS**

This schedule 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 five years:

December 31,	Amount of Tax Title Liens Receivable	Amount of Delinquent Taxes Receivable	Total Delinquent Taxes Receivables	Percentage of Tax Levy
2016	\$ 824	\$ 692,485	\$ 693,309	0.39 %
2015	759	656,030	656,789	0.38
2014	635	734,636	735,271	0.47
2013	635	734,636	735,271	0.47
2012	577	968,535	969,113	0.67

**SCHEDULE OF PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

The value of all property acquired by liquidation of tax title liens is based upon the adjusted valuation at the date of acquisition.

Years Ended	Amount
December 31, 2015-2016	\$ 14,000

**SCHEDULE OF FUND BALANCES - CURRENT FUND**

Year	Balance, December 31,	Utilized in Budget of Succeeding Year	Percent Utilized
2016	\$ 10,985,437	\$ 4,700,000	43%
2015	11,040,098	4,450,000	40%
2014	8,772,246	3,900,000	44%
2013	7,751,978	3,800,000	49%
2012	9,438,816	4,200,000	44%

# TOWNSHIP OF MILLBURN

## ROSTER OF OFFICIALS DECEMBER 31, 2016

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<b>Name</b>	<b>Title</b>	<b>Term</b>
<u>Committee:</u>		
W. Theodore Bourke	Mayor	2016
Ian Mount	Deputy Mayor	2016
Robert J. Tillotson	Committeeman	2017
Cheryl Burstein	Committeewoman	2017
Jodi Rosenberg	Committeewoman	2018
 <u>Other Officials:</u>		
Alexander McDonald	Business Administrator	
Christopher Falcon	Township Attorney	
Christine Gatti	Township Clerk	
Jason Gabloff	Treasurer—Chief Financial Officer	
Donna Ruggiero	Tax Collector	
William Williams	Municipal Judge (acting)	
Walter Mollineaux	Municipal Court Administrator (acting)	
Lauren Glassman	Welfare Officer	
Brian Gilfedder	Police Chief	
W. Thomas Watkinson	Engineer	
Steven Jones	Construction Official	
Louis E. Anello	Health Officer	
James M. Roberts	Fire Chief	
John Bace	Public Works Superintendent	
Robert A. Hogan	Recreation Director	
Thomas Doty	Forester	
Lisa Baratto	Tax Assessor	

**TOWNSHIP OF MILLBURN**

General Comments and Recommendations

Year ended December 31, 2016



## **GENERAL COMMENTS**

### **CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED PER N.J.S. 40A:11-4, ET SEQ.**

N.J.S.A. 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 or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law."

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

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements that exceeded the bid threshold, that may have been negotiated and awarded without public advertising for bids and bidding per N.J.S.A. 40A:11-5.

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

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

### **COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS**

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

The governing body on June 21, 2016 adopted the following resolution authorizing interest to be charged on delinquent taxes:

"Not to exceed 8% per annum on the first \$1,500 of the delinquency and 18% on any amount in excess of \$1,500."

"The Township Committee by resolution instructed the Tax Collector to permit a seven (7) day grace period in the collection of taxes before a charge of interest is made."

"Be it further resolved that an additional 6% penalty be charged for delinquencies in excess of \$10,000 remaining unpaid at the end of the calendar year in accordance with the amended provisions of NJSA 54:4-67.

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

## **DELINQUENT TAXES AND TAX TITLE LIENS**

**The last tax sale was held on November 22, 2016 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 two years:

<u>Year</u>	<u>Number of Liens</u>
2016	1
2015	1

## **STATUS OF PRIOR YEAR RECOMMENDATIONS**

All prior year comments were resolved.

### **Comments**

1. Taxpayer identification number documentation is not obtained for all Municipal Alliance vendors.
2. Resolutions are not passed for all state contracts and cooperative agreements used, in addition state or cooperative contract numbers are not on purchase orders.
3. Police department's change fund contained a difference at the time of our count.
4. Fire Department does not issue pre-numbered receipts when payments are received.
5. There are old outstanding checks in the payroll account that are over a year old.
6. There is accumulative purchase for vehicle maintenance and auto parts that exceeds the bid threshold.
7. Vendor certification was waived on a voucher.
8. Credit cards are accepted over the phone for payment of fines at the court
9. Bail was applied to fines instead of being forfeited to the town.
10. There is \$6,889 of cash bail and \$4,932 of non cash bail subject to action that has not been resolved.
11. The court was late five times when disbursing funds to the applicable agencies.

### **Recommendations**

1. Taxpayer identification number documentation should be obtained for all Municipal Alliance Vendors so appropriate tax forms could be issued.
2. Resolutions should be passed for all state and cooperative contracts utilized and contract numbers should be on all purchase orders.

3. Internal controls over the Police Department's cash fund should be reviewed and strengthened.
4. The Fire department should complete pre-numbered receipts and hand them to customers for payments received.
5. Old outstanding payroll checks should be reviewed and resolved accordingly.
6. Accumulative purchases should be tracked and items advertised for bid as required.
7. Vendor certification should be obtained for applicable purchase orders.
8. Credit card payments should not be accepted over the phone by the municipal court.
9. Bail should be disposed of in accordance with the rules governing the municipal court.
10. All bail subject to action should be reviewed and resolved accordingly.
11. The court should disburse funds to the appropriate agencies by the 15<sup>th</sup> of the subsequent month,

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