

**TOWNSHIP OF HOPEWELL  
County of Mercer**

**Report of Audit of Financial Statements**

**For the Year Ended December 31, 2013**

**TOWNSHIP OF HOPEWELL**  
**COUNTY OF MERCER**

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**TOWNSHIP OF HOPEWELL**

**PART I**

**Introductory Section**

**For the Year Ended December 31, 2013**

## **TOWNSHIP OF HOPEWELL Mercer County**

### **General Description**

Hopewell Township (“the Township”) is comprised of an area of approximately 60 square miles. It is bounded by Hunterdon County to the north, the Delaware River to the west, Lawrence and Ewing Townships to the south and Princeton Township on the east. The Township also surrounds the boroughs of Hopewell and Pennington. The Township is divided by New Jersey State Highway Route 31. The cities of Philadelphia and New York provide cultural and economic centers which are easily accessible via Interstates 95 and 295, which run through the Township, commuter railroad transportation and/or bus service. Air travel connections are available at the Trenton/Mercer County Airport, which is located just over the Township’s southern border in Ewing Township.

The area encompassing the Township of Hopewell is bucolic in nature. A mixture of pastural, wooded and rugged terrain guarantees that future development will be limited to suitable areas allowing the Township to retain its rural and unspoiled characteristics. Approximately 23% of the Township is developed as residential; approximately 54% is vacant, wooded or agricultural; approximately 18% is public and quasi-public and approximately 5% is commercial, industrial or office/research.

A full range of commercial establishments are located in the Township. Restaurants, service stations, grocery and food specialty shops, banks and offices complement the residential nature of the township’s developed areas. Additional commercial and retail shopping is available in the boroughs of Hopewell and Pennington. Major corporate employers are Bristol-Myers Squibb and Janssen Pharmaceutical (a division of Johnson & Johnson), Bank of America – Merrill Lynch and Capital Health Systems.

Public and quasi-public land uses in the Township include the Mercer County Howell Living Farm and the Mercer County Belle Mountain recreation area in the northwest section of the Township. Washington Crossing State Park, Mercer County Park Northwest and Mercer County’s Rosedale Park, which provide both passive and active recreation areas within the Township. Baldpate Mountain, owned by Mercer County, the State and the Township, the Aliger property and Independence Park which are owned by the Township, also provide for passive and active recreation. In 2008 the Township entered into a multi-party agreement with Lawrence Township, Pennington Borough and Hopewell Borough to purchase and develop the Twin Pines Airport for both passive and active recreation. The development of this park into multi-use fields is on-going.

Vacant land area is predominately zoned for residential development, which provides for several zoning classifications from five units per acre in the Township's growth zone up to fourteen-acre sites in the mountainous areas.

## **Township Government**

Hopewell Township is governed by a five-member Township Committee elected on an at-large basis. Each year the elected body selects one of its members to serve as Mayor for a one-year term. The Township Committee has responsibility for all legislative and executive matters, including the enactment of all ordinances and resolutions.

Administrative responsibilities are vested in a full-time professionally trained Township Administrator/Engineer, who is charged with overseeing the "day-to-day" operations of the municipal government as well as all engineering functions. Township offices and departments include: the Office of the Township Administrator, Municipal Court, the Office of the Township Clerk, the Department of Finance, the Department of Revenue Collection, the Offices of Planning and Zoning, the Municipal Construction Department, the Police Department, the Department of Public Works, the Health Department, Senior Service Department and the Recreation Department.

The Office of Township Administrator/Engineer manages a municipal operating budget of approximately \$20 million and a six year capital improvements program. As of December 31, 2013, there are 97 full-time and 22 part-time municipal employees.

The Township Committee formulates policy with input from the Township's professional staff and consultants, as well as over 90 resident volunteers who serve on various boards, commissions or committees.

The volunteer boards of the municipal government are: Zoning Board of Adjustment, Planning Board, Environmental Commission, Historic Preservation Commission, Affordable Housing Committee, Board of Health, the Board of Health Advisory Committee, the Agricultural Advisory Committee, the Open Space Advisory Committee, the Recreation Advisory Committee, the Municipal Alliance, the Youth Advisory Committee, the Senior Advisory Board, the Green Team, the Deer Management Advisory Committee and the Finance Committee.

## **Public Safety**

The Police Department provides 24-hour service to the residents of Hopewell Township and to the residents of Hopewell Borough via an interlocal service agreement that has been in place since January 1983. The department consists of a Chief, 2 Lieutenants, 4 Sergeants, 3 Detectives, 19 Patrol Officers, 6 Dispatchers, 1 Secretary and a Discovery Clerk. Services to the public include: Resident Identification Cards, Domestic Violence Task Force, a Traffic Service Unit and educational services in local schools.

## **Public Works**

Public Works provides curbside service Township wide including: bulk waste pick-ups (January, April, September and October) and brush pickup by zone ( April, October and Christmas Trees only in January), freon disposal (monthly), leaf pickup (spring and autumn) and tire pickup (twice during the year). Additionally, this department maintains 144 miles of Township roadway (including surface repairs and snow removal), all Township vehicles, all municipal buildings and any parks or recreational facilities that are the responsibility of the Township. In 2013, the Township held two shredding and electronic disposal events for its residents. Public Works consists of 1 Director, 1 General Foreman, 2 Foremen, 2 Heavy Equipment Operators, 4 Light Equipment Operators, 10 Truck Drivers, 1 Sign Maintenance employee, 1 Chief Mechanic, 1 Mechanic, 1 Mechanic's Assistant, 4 Laborers, 1 Utility Systems/Building Foreman and 1 Executive Secretary/Certified Recycling Professional.

## **Health**

The Health Department provides state mandated services and is staffed by state licensed public health professionals. The department provides prevention oriented personal health services as well as regulatory environmental and communicable disease services. Additionally, the department records vital statistical records of deaths, births and marriages and issues original and certified copies. The department is also responsible for the animal control program and dog and cat licenses. The department also oversees and participates in the Municipal Alliance.

During 2013, the department issued permits for septic systems: 6 new systems, 57 replacements systems and 42 repairs versus 7 new and 70 replacements systems and 53 repairs to systems in 2012.

Permits for new wells for 2013 were as follows: 12 private new and replacement wells, 7 wells abandoned and 3 pumps replaced.

In 2013, 2,068 dog licenses and 580 cat licenses were issued while in 2012, 2,177 dog licenses and 677 cat licenses were issued

In 2013 the Health Department purchased 800 doses of flu vaccine. The vaccine was made available to older adults and high-risk individuals and any municipal or school district employees.

The Health Department also inspected 9 public pools and 84 retail food establishments completing various inspections or re-inspections for a total of 108 inspections. Several youth camps and public events were also inspected as needed.

## **Planning/Zoning**

Hopewell Township has enjoyed controlled development and growth guided by its comprehensive Master Plan. The Township retains the services of a professional planner to help develop its long-term strategy for growth, which meets the needs of the local citizens. Sitting astride I-295 and I-95, the township enjoys the developmental advantages associated with access to major transportation arteries. Additional factors such as the close proximity to Princeton Borough and the state capital, and it's approximately equi-distance between New York and Philadelphia continues to make Hopewell Township a desired location for residency and office location.

The topographical nature of the Township, however, will ensure that large areas will remain unspoiled and open due to rugged terrain and other natural features. The more elevated tracts are zoned for housing on lots as large as fourteen acres.

The majority of the Township is served by private on-site wells and septic systems. The Township owns a small public community water system serving 105 users and two community sewer systems; one system with 211 users with wastewater treatment provided by contract with the Stony Brook Regional Sewerage Authority and one system with 1,651 users with wastewater treatment provided by contract with the Ewing Lawrence Sewerage Authority.

In 2013, the Planning Board approved 4 minor subdivisions, 2 major subdivisions, and 1 preliminary/final site plan.

The Planning Board recommended to the Township Committee that a Redevelopment Plan be pursued and prepared for the previously designated redevelopment area known as the Marshalls Corner/Pennytown Redevelopment Area.

During 2013, the Zoning Board of Adjustment reviewed 19 cases or applications. Of those applications, 11 were for hardship or "bulk" requirement relief for setbacks or lot coverage for additional, patios or accessory structures; 4 of the applications were for a use not permitted in the zone, 1 site plan amendment, which included relief for a use not permitted in the zone, 1 site plan, which included hardship "bulk" requirement relief and relief for a use not permitted in the zone, and 2 minor subdivisions, both requiring bulk requirement relief and relief for a use not permitted in the zone.

## **Municipal Construction Office**

The Municipal Construction Office is staffed by 1 Construction Official/Fire Protection Sub-code Official, 1 Building Sub-code Official, 1 Electrical Sub-code Official, 1 Part-time Electrical Inspector, 1 Part-time Plumbing Sub Code Official, 1 Permit Control person and 1 Executive Secretary.

During 2013 the Construction Office issued 626 Building Permits, 108 Electrical Permits, 913 Plumbing/Mechanical Permits, 370 Fire Permits and 63 Certificates of Occupancy.

## **Recreation**

The department sponsors a comprehensive array of recreation and leisure services and a wide variety of community trips, senior citizens activities and programs for children and teens. More than 40 programs were offered throughout the year, including senior breakfasts, community trips, baseball games, a weekly senior bridge program, a youth wrestling program and a youth field hockey program. The department also sponsors nine half-day camps during the summer months including: Art in the Park, Skate Camp, Baseball, Field Hockey and Soccer camps, US Sports Institute Multi-Sports Camp, Golf Camp, Tennis Camp and a Wrestling Camp. Additionally, a full-day Teen Travel Camp runs for five weeks in the summer with over 100 participants who travel to destinations throughout the tri-state area. These camps presently serve over 800 children.

The Recreation Department in conjunction with the Public Works Department also manages the township's parks, playgrounds and athletic facilities, including the Municipal Athletic Complex, the 22-acre Independence Park and the 49-acre Twin Pines facility. Hopewell Township is the department's fiscal agent and provides salary and certain operating expenses through its annual municipal budget. A trust fund was established for fee-based programs that are designed to be self-supporting and provide employment to more than 40 part-time staff members.

## **Senior Services**

Hopewell Valley Senior Services, created in 2006, provides information, programs and services for Hopewell Valley senior residents and caregivers in order to promote independence, wellness, volunteerism and community interaction among older adults. The office is funded through a shared service agreement between Hopewell Township and the Boroughs of Hopewell and Pennington.

In 2013, Hopewell Valley Senior Services provided services to over 1,100 residents. Services included: the distribution of a monthly senior newsletter, creating a volunteer program in an elementary school, Mahjonn, art, walking and internet groups, a driver safety course, information and referrals to community resources, caregiver support, a senior citizen picnic and the administration of Hopewell Valley Rides, a transportation program for older adults and people with disabilities in Hopewell Valley.

## **Municipal Housing**

The Municipal Housing Department consists of one part-time employee, the Municipal Housing Liaison, a COAH mandated position. The Housing Liaison is the contact person for inquiries about affordable housing opportunities in the township and coordinates the activities of the township's Affordable Housing Committee (AHC). The liaison provides COAH with an annual detailed report of revenue and expense activity from the Affordable Housing Trust Fund and completes the unit monitoring report.

In 2013, the township continued to cooperate with Project Freedom and Community Options to obtain approvals for construction of affordable units on land purchased by Hopewell Township in connection with anticipated third Round COAH certification. The Pennytown property was included in a redevelopment plan and the Affordable Housing Committee continued its condominium fee loan program and efforts to preserve affordable units in foreclosure.

## **Union Contracts**

Certain Township employees are represented through the following collective bargaining units as follows. All expiring contracts are presently being negotiated:

<b>Bargaining Unit</b>	<b>Expiration Date</b>
Superior Officers Association	December 31, 2015
PBA Local 342	December 31, 2015
CWA Union No 1034	December 31, 2012
9-1-1 Operators Association	December 31, 2013
Public Works, AFSCME Local 3867	December 31, 2012

## **Significant Financial Data**

### **Debt Administration**

The authorized bonded indebtedness of municipalities in the State of New Jersey is limited by statute to an amount equal to 3½% of their equalized value. The equalized valuation basis of the Township is set by statute as the average for the last three years of the equalized value of all taxable real property and improvements and certain railroad property within its boundaries as annually determined by the State Board of Taxation. The Township has managed its debt well and as of December 31, 2013 has outstanding debt equal to 1.377 % of its equalized value.

As of December 2009, Standard and Poor's has awarded Hopewell Township a credit rating of AAA. This rating was renewed in February 2014.

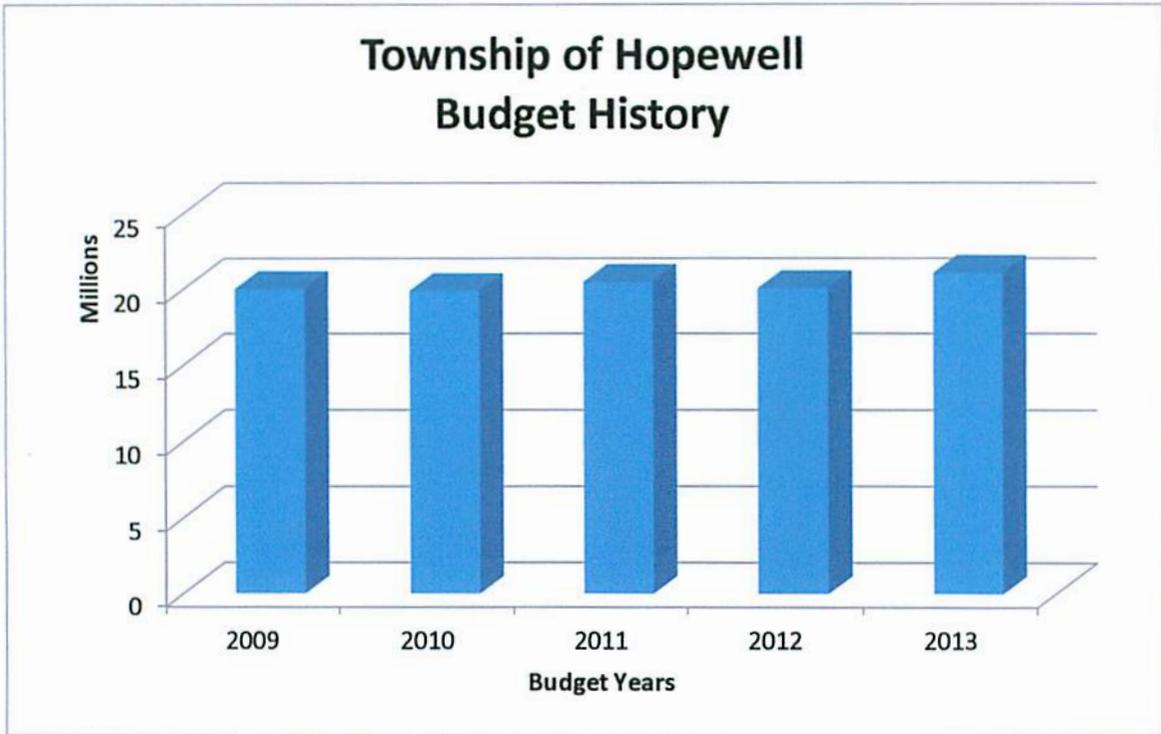
**Surplus Fund Balance**

Hopewell Township closed out 2013 with a surplus balance of \$12,039,768, which is an decrease of \$124,866 over 2012's ending balance.

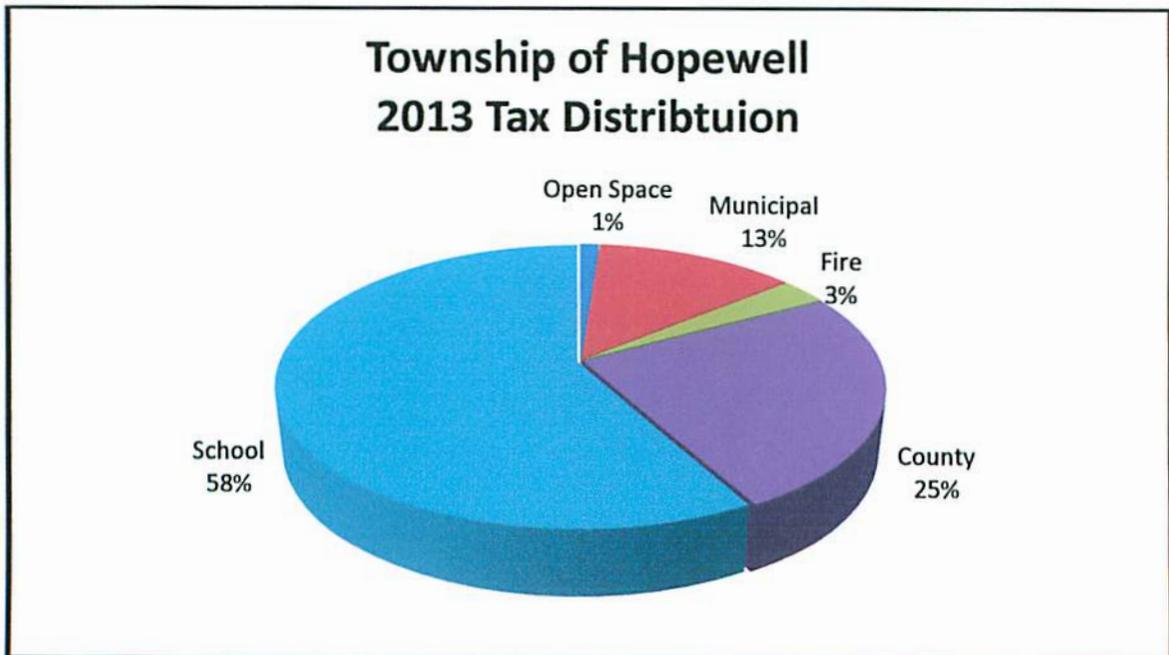
**Budget**

The 2013 Budget was adopted at \$21,116,198. This represented an increase of \$1,026,860 over the 2012 Budget.

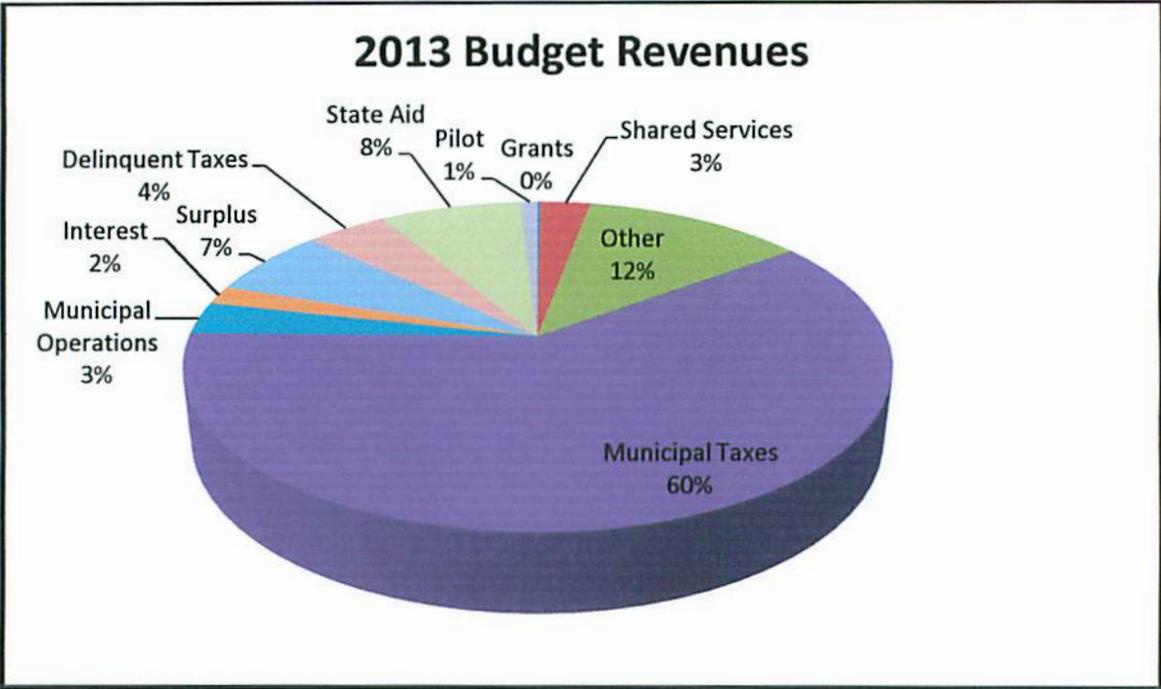
<b>Year</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>Annual Budget</b>	\$20,046,987	\$19,905,875	\$20,503,469	\$20,089,338	\$21,116,198



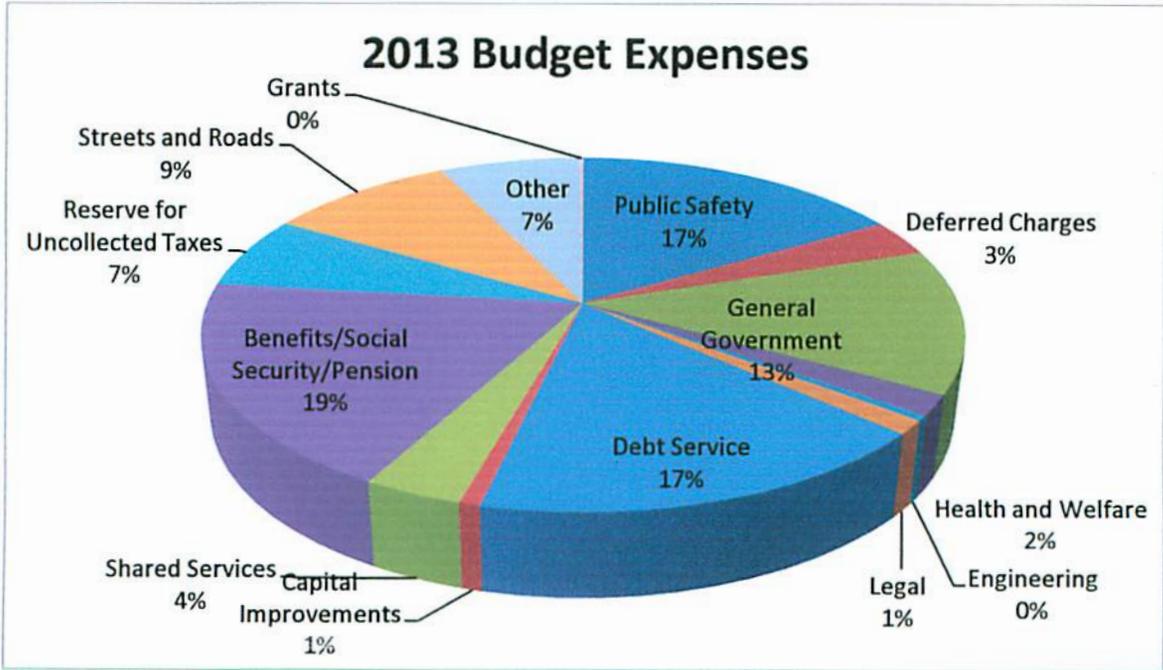
As the below charts demonstrate, municipal taxes represent 13% of all property taxes paid in 2013.



A more detailed analysis of revenues and expenditures for the 2013 budget indicates that (60% )of the budget was supported by tax dollars with State Aid (8%) and Surplus (7%) being the next largest repetitive contributors.



A review of Township Expenses would indicate that the three largest specific areas of expenditure would be Employee Benefits/Social Security/Pensions (19%), Debt Service and Public Safety (17%) and General Government (13%).



**Township of Hopewell  
Consultants and Advisors  
as of December 31, 2013**

**Auditors**

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**Civil Engineering Consultants**

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Robbinsville, New Jersey 08691  
(609) 259-3263

## **Township of Hopewell**

### **Governing Body**

Vanessa Sandom- Mayor  
Allan Canon – Deputy Mayor  
Michael Markulec – Committeeperson  
Harvey Lester – Committeeperson  
John Hart – Committeeperson

### **Officials**

Paul E Pogorzelski – Administrator/Engineer  
Laurie Gompf – Municipal Clerk  
Deborah Fox – Assessor  
Kevin Oswald - Municipal Construction Official  
Charles Ouslander – Municipal Court Judge  
Margaret Umbro – Court Administrator  
Robert Miller – Zoning Officer  
Mary Kennedy-Nadzak – Tax Collector  
Elaine Cruickshank-Borges – Chief Financial Officer  
George Meyer – Chief of Police  
Gary Guarino – Health Officer  
Judy Niederer – Recreation Director  
Abigail Waugh – Senior Service Coordinator

**TOWNSHIP OF HOPEWELL**

**PART II**

**Report of Audit of Financial Statements**

**For the Year Ended December 31, 2013**

# ***INVERSO & STEWART, LLC***

**Certified Public Accountants**

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American Institute of CPAs  
New Jersey Society of CPAs

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Township Committee  
Township of Hopewell  
County of Mercer  
Hopewell, New Jersey

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

I have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Hopewell, in the County of Mercer, State of New Jersey, as of December 31, 2013 and 2012, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2013 and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

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

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

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

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

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

The effects on the financial statements of the variances between the 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 my 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 Hopewell, in the County of Mercer, State of New Jersey, as of December 31, 2013 and 2012, or the results of its operations and changes in fund balance for the years then ended.

***Opinion on Regulatory Basis of Accounting***

In my opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Hopewell, in the County of Mercer, State of New Jersey, as of December 31, 2013 and 2012, and the results of its operations and changes in fund balance – regulatory basis of such funds for the years then ended, and the revenues - regulatory basis, expenditures - regulatory basis of the various funds, and general fixed assets, for the year ended December 31, 2013 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

***Other Information***

My audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township’s basic financial statements. The supplemental financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements

The supplementary financial statements presented for the various funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information described in the previous paragraph is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

In accordance with *Government Auditing Standards*, I have also issued my report dated May 28, 2014 on my consideration of the Township of Hopewell's, in the County of Mercer, State of New Jersey, internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Hopewell's internal control over financial reporting.

Respectfully submitted,

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Registered Municipal Accountant

Marlton, New Jersey  
May 28, 2014

# ***INVERSO & STEWART, LLC***

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New Jersey Society of CPAs**

## **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 Hopewell  
County of Mercer  
Hopewell, New Jersey

I have audited, in accordance with the auditing standards generally accepted in the United States of America: the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey of the Township of Hopewell, in the County of Mercer, State of New Jersey, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued my report thereon dated May 28, 2014. That report indicated that the Township of Hopewell's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting 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 my audit of the financial statements, I considered the Township of Hopewell's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, I do not express an opinion on the effectiveness of the Township of Hopewell'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.

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

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Township of Hopewell's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Governments Services, Department of Community Affairs, State of New Jersey.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Registered Municipal Accountant

Marlton, New Jersey  
May 28, 2014

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis**  
**For the Years Ended December 31, 2013 and 2012**

<u>ASSETS</u>	<u>REFERENCE</u>	<u>2013</u>	<u>2012</u>
<b>Regular Fund:</b>			
Cash - Treasurer	A-4	\$ 14,572,752.26	\$ 14,375,941.34
Change Fund	A-5	<u>600.00</u>	<u>600.00</u>
Total		<u>14,573,352.26</u>	<u>14,376,541.34</u>
<b>Receivables and Other Assets with Full Reserves:</b>			
Delinquent Property Taxes Receivable	A-6	701,641.40	876,228.84
Tax Title Liens Receivable	A-7	125,729.97	117,385.32
Revenue Accounts Receivable	A-8	18,867.53	25,310.59
Other Accounts Receivable		2,060.00	
Due from Trust - Other Funds	B	21.71	22.10
Due from General Capital Fund	C	<u>126.33</u>	<u>234.93</u>
Total		<u>848,446.94</u>	<u>1,019,181.78</u>
<b>Deferred Charges:</b>			
Special Emergency	A-9	<u>201,421.85</u>	<u>3,500,000.00</u>
Total Regular Fund		<u>15,623,221.05</u>	<u>18,895,723.12</u>
<b>Federal and State Grant Fund:</b>			
Cash - Treasurer	A-4	456,968.32	10,012.30
Federal and State Grants Receivable	A-25	1,186,369.11	1,600,951.74
Due from Trust - Payroll Fund	B	<u>0.56</u>	
Total Federal and State Grant Fund		<u>1,643,337.99</u>	<u>1,610,964.04</u>
Total Assets		<u>\$ 17,266,559.04</u>	<u>\$ 20,506,687.16</u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis**  
**For the Years Ended December 31, 2013 and 2012**

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>REFERENCE</u>	<u>2013</u>	<u>2012</u>
<b>Regular Fund:</b>			
<b>Liabilities:</b>			
Appropriation Reserves	A-3	\$ 744,639.43	\$ 564,270.05
Encumbrances Payable	A-3	580,232.90	3,206,875.38
Prepaid Taxes	A-11	964,166.40	547,291.19
Tax Overpayments	A-12	23,530.85	8,372.70
Reserve for Tax Appeals	A-13	100,000.00	100,000.00
Reserve for Revaluation	A-14	12,353.25	12,353.25
Reserve for Preparation of Master Plan	A-15	50,111.04	50,111.04
Reserve for Hurricane Damage	A-16		795,122.02
Reserve for Capital Health	A-17		145,017.00
Reserve for Historic Building Repairs	A-18	10,935.00	
Due State of New Jersey - Senior Citizens and Veterans Deductions	A-19	1,734.92	3,041.09
Due State of New Jersey - Marriage License Fees	A-20	400.00	275.00
Due County for Added Taxes	A-21	41,185.35	29,300.29
Due to Trust - Municipal Open Space Tax Payable	A-24 & B	3,048.12	1,087.69
Due to Trust - Other	B	197,168.44	215,093.47
Other Liabilities		5,500.00	1,103.20
Reserve for Garden State Trust			32,594.00
<b>Total Liabilities</b>		<b>2,735,005.70</b>	<b>5,711,907.37</b>
<b>Reserve for Receivables and Other Assets</b>	<b>A</b>	<b>848,446.94</b>	<b>1,019,181.78</b>
<b>Fund Balance</b>	<b>A-1</b>	<b>12,039,768.41</b>	<b>12,164,633.97</b>
<b>Total Regular Fund</b>		<b>15,623,221.05</b>	<b>18,895,723.12</b>
<b>Federal and State Grant Fund:</b>			
Unappropriated Reserves	A-26	60,966.50	55,966.58
Appropriated Reserves	A-27	1,582,371.49	1,554,997.46
<b>Total Federal and State Grant Fund</b>		<b>1,643,337.99</b>	<b>1,610,964.04</b>
<b>Total Liabilities, Reserves and Fund Balance</b>		<b>\$ 17,266,559.04</b>	<b>\$ 20,506,687.16</b>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
Statement of Operations and Changes in Fund Balance - Regulatory Basis  
For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<b>Revenue and Other Income Realized:</b>		
Fund Balance Utilized	\$ 1,415,811.16	\$ 1,915,811.16
Miscellaneous Revenue Anticipated	6,735,242.57	5,015,171.98
Receipts from Delinquent Taxes	879,842.78	1,282,775.61
Receipts from Current Taxes	100,035,296.02	97,330,346.51
Nonbudget Revenues	96,901.04	159,844.92
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	<u>666,895.03</u>	<u>707,436.30</u>
<b>Total Revenue and Other Income Realized</b>	<u><b>109,829,988.60</b></u>	<u><b>106,411,386.48</b></u>
<b>Expenditures:</b>		
<b>Operations Within "CAPS":</b>		
Salaries and Wages	7,246,418.50	7,218,640.36
Other Expenses	5,396,732.57	4,952,998.42
Deferred Charges and Statutory Expenditures Within "CAPS"	1,720,570.00	1,755,140.00
<b>Operations Excluded from "CAPS":</b>		
Salaries and Wages	872,052.57	561,013.52
Other Expenses	772,019.15	638,584.31
Capital Improvements Excluded from "CAPS"	160,479.00	198,864.00
Municipal Debt Service Excluded from "CAPS"	3,577,048.92	3,167,876.51
Regional School - Capital Project		500,000.00
Special Emergency	700,000.00	
County Taxes	25,721,141.84	25,127,714.09
Due County for Added Taxes	41,185.35	29,300.29
Regional School District Tax	58,151,289.00	57,166,011.01
Fire District Tax	2,970,348.00	2,670,075.00
Municipal Open Space Tax	1,201,947.00	1,217,331.00
Municipal Open Space Tax - Added Taxes	1,960.43	1,087.69
Prior Year Senior Citizens Disallowed	3,000.00	4,750.00
Accounts Receivable Originating in 2013	2,060.00	
Prior Year Tax Overpayments	<u>790.67</u>	
<b>Total Expenditures</b>	<u><b>108,539,043.00</b></u>	<u><b>105,209,386.20</b></u>
<b>Less: Expenditures to be Raised by Future Taxes</b>		
<b>Total Expenditures</b>	<u><b>108,539,043.00</b></u>	<u><b>105,209,386.20</b></u>
<b>Statutory Excess to Fund Balance (Carried Forward)</b>	<b>1,290,945.60</b>	<b>1,202,000.28</b>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Statement of Operations and Changes in Fund Balance - Regulatory Basis**  
**For the Years Ended December 31, 2013 and 2012**

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	<u>2013</u>	<u>2012</u>
Statutory Excess to Fund Balance (Brought Forward)	\$ 1,290,945.60	\$ 1,202,000.28
Fund Balance January 1	<u>12,164,633.97</u>	<u>12,878,444.85</u>
Total	13,455,579.57	14,080,445.13
Decreased by Utilization as Anticipated Revenue	<u>1,415,811.16</u>	<u>1,915,811.16</u>
Fund Balance December 31	<u>\$ 12,039,768.41</u>	<u>\$ 12,164,633.97</u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Statement of Revenues - Regulatory Basis**  
**For the Year Ended December 31, 2013**

	<u>BUDGET</u>	<u>SPECIAL NJS 40A:4-87</u>	<u>REALIZED</u>	<u>EXCESS (DEFICIT)</u>
Fund Balance Anticipated	\$ 1,415,811.16		\$ 1,415,811.16	
Miscellaneous Revenues:				
Local Revenues:				
Licenses:				
Alcoholic Beverage	30,000.00		30,250.00	\$ 250.00
Fees and Permits	235,437.50		259,555.62	24,118.12
Fines and Costs:				
Municipal Court	407,000.00		347,383.24	(59,616.76)
Interest and Costs on Taxes	235,000.00		243,263.92	8,263.92
PILOT Program	52,000.00		51,500.00	(500.00)
Capital Health System Settlement	145,017.00		145,017.00	
Interest on Investments and Deposits	140,000.00		110,565.18	(29,434.82)
Comcast Franchise Fee	228,552.70		228,552.70	
Cell Tower Rents	40,000.00		42,472.30	2,472.30
Sale of Solar Panel Energy (SRECS)	6,000.00		6,269.14	269.14
State Aid Without Offsetting Appropriations:				
Energy Receipts Tax	1,601,563.00		1,601,563.00	
Garden State Trust Fund	32,594.00		32,594.00	
Interlocal Agreements				
Interlocal Police Services - Hopewell Borough	515,303.00		506,681.00	(8,622.00)
Interlocal Alliance Services	2,670.00		2,670.00	
Interlocal Police Services - Pennington Borough	66,300.00		66,300.00	
Special Items Offset with Appropriations:				
Clean Communities Grant		\$ 47,839.89	47,839.89	
Municipal Alliance on Alcoholism and Drug Abuse	18,512.00		18,512.00	
Hopewell Harvest Fair I	200.00		200.00	
Hopewell Harvest Fair II	200.00		200.00	
DOT - Hopewell/Wertsville Road		249,500.00	249,500.00	
Ride Provide	7,500.00		7,500.00	
Drunk Driving Enforcement Fund		5,754.57	5,754.57	
Recycling Tonnage Grant		27,644.01	27,644.01	
Mercer at Play		78,044.30	78,044.30	
DOT - Lawrence Hopewell Trail		350,000.00	350,000.00	
Body Armor Replacement Grant		3,924.95	3,924.95	
Refund of Capital Surplus	170,000.00		170,000.00	
Refund of Affordable Housing	336,060.82		336,060.82	
Reserve for Debt Service	835,225.71		835,225.71	
Refund of Affordable Housing Capital Surplus	230,199.22		230,199.22	
FEMA Revenues - Hurricane Sandy	700,000.00		700,000.00	
Total	<u>6,035,334.95</u>	<u>762,707.72</u>	<u>6,735,242.57</u>	<u>(62,800.10)</u>
Receipts from Delinquent Taxes	915,516.08		879,842.78	(35,673.30)
Amount to be Raised by Taxes for Support of Municipal Budget -				
Local Tax for Municipal Purposes	<u>12,749,536.31</u>		<u>13,348,761.96</u>	<u>599,225.65</u>
Budget Totals	21,116,198.50	762,707.72	22,379,658.47	500,752.25
Nonbudget Revenues			<u>96,901.04</u>	<u>96,901.04</u>
Total	<u>\$ 21,116,198.50</u>	<u>\$ 762,707.72</u>	<u>\$ 22,476,559.51</u>	<u>\$ 597,653.29</u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Statement of Revenues - Regulatory Basis**  
**For the Year Ended December 31, 2013**

**ANALYSIS OF REALIZED REVENUE**

<b>Allocation of Current Tax Collections:</b>	
Revenue from Collections	\$ 100,035,296.02
Allocated to School, Fire District, Open Space, and County Taxes	<u>88,087,871.62</u>
Balance for Support of Municipal Budget Appropriations	11,947,424.40
Add Appropriation - Reserve for Uncollected Taxes	<u>1,401,337.56</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 13,348,761.96</u></u>
<b>Receipts from Delinquent Taxes:</b>	
Tax Title Liens	\$ 1,448.18
Delinquent Tax Collections	<u>878,394.60</u>
Total	<u><u>\$ 879,842.78</u></u>
<b>Miscellaneous Revenue Not Anticipated:</b>	
<b>Treasurer:</b>	
DMV Inspection Fees	\$ 6,123.67
Mowing	1,595.00
Dispatch	16,250.00
Other Refunds	7,961.58
Refund of Prior Years Expense	27,553.44
Auction Proceeds	4,598.10
Senior Citizen and Veterans Administrative Fee	2,874.42
Senior Services	11,339.12
Bid Deposits	450.00
Deer Hunt Fees	4,575.00
Rifle Range	750.00
Miscellaneous	<u>12,830.71</u>
Total	<u><u>\$ 96,901.04</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Statement of Expenditures - Regulatory Basis**  
**For the Year Ended December 31, 2013**

	<u>Budget</u>	<u>Appropriations</u> Emergency <u>Appropriation</u>	<u>Budget After</u> <u>Modification</u>	<u>Expended</u> Paid or <u>Charged</u>	<u>Unexpended</u> Balance <u>Canceled</u>
<b>GENERAL APPROPRIATIONS:</b>					
<b>Operations Within "CAPS":</b>					
<b>General Government:</b>					
<b>Administrative and Executive:</b>					
<b>Salaries and Wages</b>					
	\$ 17,000.00	\$ -	\$ 17,000.00	\$ 15,999.84	\$ 1,000.16
Governing Body	395,210.00		400,210.00	398,257.65	1,952.35
Administrator's Office	133,439.00		133,439.00	129,582.51	3,856.49
Clerk's Office					
<b>Other Expenses</b>					
Governing Body	18,875.00		16,044.00	15,386.71	657.29
Administrator's Office	169,995.00		158,080.00	156,978.26	1,101.74
Clerk's Office	25,205.00		25,205.00	24,284.52	920.48
25 Financial Administration:					
Salaries and Wages	180,955.00		180,955.50	180,955.43	0.07
Other Expenses	25,228.00		24,473.50	22,423.74	2,049.76
<b>Assessment of Taxes:</b>					
Salaries and Wages	172,807.00		150,185.00	133,672.69	16,512.31
Other Expenses	32,760.00		28,260.00	27,498.52	761.48
<b>Collection of Taxes:</b>					
Salaries and Wages	78,000.00		78,000.00	77,999.93	0.07
Other Expenses	13,295.00		13,295.00	9,808.94	3,486.06
<b>Legal Services and Costs:</b>					
Salaries and Wages	43,763.00		43,763.00	43,130.60	632.40
Other Expenses	214,300.00		219,300.00	219,300.00	
<b>Engineering Services and Costs:</b>					
Other Expenses	99,000.00		99,000.00	94,440.00	4,560.00
<b>Public Buildings and Grounds:</b>					
Salaries and Wages	79,565.00		79,565.00	77,722.22	1,842.78
Other Expenses	77,226.00		77,226.00	73,914.96	3,311.04
<b>Fleet Maintenance:</b>					
Salaries and Wages	206,134.00		206,134.00	197,938.12	8,195.88
Other Expenses	123,000.00		123,000.00	111,870.89	11,129.11

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2013

	<u>Budget</u>	<u>Appropriations</u> <u>Emergency</u> <u>Appropriation</u>	<u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Expended</u>	<u>Unexpended</u> <u>Balance</u> <u>Canceled</u>
<b>GENERAL APPROPRIATIONS:</b>						
<b>Operations Within "CAPS":</b>						
Audit Services:						
Other Expenses	\$ 30,000.00	\$ -	\$ 30,000.00	\$ 30,000.00	\$ -	\$ -
Municipal Land Use Law (N.J.S.A. 40:SSD-1):						
Planning Board:						
Salaries and Wages	64,000.00		64,000.00	59,689.80	4,310.20	
Other Expenses	136,520.00		121,520.00	119,192.63	2,327.37	
Zoning Board:						
Salaries and Wages	99,000.00		99,000.00	94,554.45	4,445.55	
Other Expenses	12,280.00		21,280.00	21,272.35	7.65	
Parks and Maintenance:						
Salaries and Wages	53,709.00		53,709.00	48,002.20	5,706.80	
Other Expenses	26,270.00		25,970.00	25,924.66	45.34	
Environmental Commission:						
Other Expenses	6,500.00		6,500.00	1,619.00	4,881.00	
Insurance:						
Liability Insurance	483,161.00		483,161.00	483,161.00		
Medical Insurance	2,129,958.38		2,129,958.38	1,972,382.00	157,576.38	
Public Safety:						
Police						
Salaries and Wages	3,309,856.00		3,318,478.00	3,240,271.01	78,206.99	
Other Expenses	192,017.00		192,017.00	191,863.36	153.64	
Contribution to Affordable Housing						
Other Expenses	48,569.19		48,569.19	48,569.19		
Contribution to Recreation Trust						
Other Expenses	3,712.50		3,712.50	3,712.50		
Contribution to Water Utility						
Other Expenses	3,559.00		3,559.00	3,559.00		
Road Repair and Maintenance:						
Salaries and Wages	1,566,322.00		1,566,322.00	1,491,025.24	75,296.76	
Other Expenses	410,105.00		463,105.00	459,731.08	3,373.92	
Sanitation:						
Other Expenses	57,000.00		57,000.00	28,791.34	28,208.66	

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Statement of Expenditures - Regulatory Basis**  
**For the Year Ended December 31, 2013**

	<u>Budget</u>	<u>Appropriations</u> Emergency <u>Appropriation</u>	<u>Budget After</u> <u>Modification</u>	<u>Expended</u> Paid or <u>Charged</u>	<u>Unexpended</u> Balance <u>Canceled</u>
<b>GENERAL APPROPRIATIONS:</b>					
<b>Operations Within "CAPS":</b>					
Board of Health:					
Salaries and Wages	\$ 364,933.00	\$ -	\$ 364,933.00	\$ 347,947.72	\$ 16,985.28
Other Expenses	35,600.00		35,600.00	34,349.46	1,250.54
Dog Regulation					
Other Expenses	45,000.00		45,000.00	45,000.00	
Historic Preservation Committee (RS 400:23-6.22):					
Salaries and Wages					
Other Expenses	14,460.00		14,460.00	300.00	14,160.00
Municipal Court:					
Salaries and Wages	287,051.00		287,051.00	282,978.93	4,072.07
Other Expenses	22,567.00		22,567.00	11,807.25	10,759.75
Public Defender:					
Salaries and Wages	21,600.00		21,600.00	14,132.96	7,467.04
Unclassified:					
Recreation:					
Salaries and Wages	124,277.00		124,277.00	121,845.31	2,431.69
Other Expenses	2,600.00		2,900.00	2,811.15	88.85
Senior Services:					
Salaries and Wages	57,797.00		57,797.00	57,795.57	1.43
Other Expenses	15,465.00		15,465.00	15,160.87	304.13
Utilities:					
Street Lights	175,000.00		175,000.00	144,748.97	30,251.03
Utilities	210,000.00		210,000.00	162,851.30	47,148.70
Telephone	100,000.00		100,000.00	88,746.54	11,253.46
Motor Fuels					
Other Expenses	400,000.00		400,000.00	258,663.93	141,336.07
Disability Insurance					
Other Expenses	31,750.00		16,750.00	9,894.90	6,855.10
<b>Total Operations Including Contingent - Within "CAPS"</b>	<b>12,646,396.07</b>	<b>-</b>	<b>12,654,396.07</b>	<b>11,933,521.20</b>	<b>706,714.87</b>
Detail:					
Salaries and Wages	7,255,418.00	-	7,246,418.50	7,013,502.18	232,916.32
Other Expenses	5,390,978.07	-	5,407,977.57	4,920,019.02	473,798.55
					14,160.00

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**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Statement of Expenditures - Regulatory Basis**  
**For the Year Ended December 31, 2013**

	<u>Budget</u>	<u>Appropriations</u> <u>Emergency</u> <u>Appropriation</u>	<u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Expended</u>	<u>Unexpended</u> <u>Balance</u> <u>Canceled</u>
<b>Deferred Charges and Statutory Expenditures -</b>						
<b>Municipal - Within "CAPS":</b>						
<b>STATUTORY EXPENDITURES:</b>						
Contribution to:						
Public Employees' Retirement System	\$ 512,596.00	\$ -	\$ 512,596.00	\$ 512,596.00	\$ -	\$ -
Police and Firemen's Retirement System	635,474.00		635,474.00	635,474.00		
Defined Contribution Retirement Program	500.00		500.00		500.00	
Social Security System (O.A.S.I.)	580,000.00		572,000.00	534,575.44	37,424.56	
	<u>1,728,570.00</u>	<u>-</u>	<u>1,720,570.00</u>	<u>1,682,645.44</u>	<u>37,924.56</u>	<u>-</u>
<b>Total Deferred Charges and Statutory Expenditures -</b>						
<b>Municipal Within "CAPS"</b>	<u>1,728,570.00</u>	<u>-</u>	<u>1,720,570.00</u>	<u>1,682,645.44</u>	<u>37,924.56</u>	<u>-</u>
<b>Total General Appropriations -</b>						
<b>For Municipal Purposes Within "CAPS"</b>	<u>14,374,966.07</u>	<u>-</u>	<u>14,374,966.07</u>	<u>13,616,166.64</u>	<u>744,639.43</u>	<u>14,160.00</u>
<b>GENERAL APPROPRIATIONS:</b>						
<b>Operations Excluded from "CAPS":</b>						
Recycling Tonnage Tax	1,000.00		1,000.00	1,000.00		
Insurance						
Medical Insurance	106,124.00		106,124.00	106,124.00		
Interlocal Municipal Alliance:						
Hopewell Borough	1,170.00		1,170.00	1,170.00		
Pennington Borough	1,500.00		1,500.00	1,500.00		
Interlocal Recycling	180,621.00		180,621.00	180,621.00		
Interlocal Police Services:						
Hopewell Borough						
Salaries and Wages	458,620.00		458,620.00	449,998.00		8,622.00
Other Expenses	56,683.00		56,683.00	56,683.00		-
Pennington Borough						
Salaries and Wages	66,300.00		66,300.00	66,300.00		
Interlocal Sr. Service Coordinator						
Other Expenses	4,501.05		4,501.05	-	-	4,501.05
	<u>856,519.05</u>	<u>-</u>	<u>856,519.05</u>	<u>843,396.00</u>	<u>-</u>	<u>13,123.05</u>
<b>Total Other Operations Excluded from "CAPS":</b>	<u>856,519.05</u>	<u>-</u>	<u>856,519.05</u>	<u>843,396.00</u>	<u>-</u>	<u>13,123.05</u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Statement of Expenditures - Regulatory Basis**  
**For the Year Ended December 31, 2013**

	<u>Budget</u>	<u>Appropriations</u> Emergency <u>Appropriation</u>	<u>Budget After</u> <u>Modification</u>	<u>Expended</u> Paid or <u>Charged</u>	<u>Unexpended</u> Balance <u>Canceled</u>
<b>GENERAL APPROPRIATIONS:</b>					
<b>Operations Excluded from "CAPS":</b>					
<b>Public and Private Programs Offset by Revenues:</b>					
Body Armor Grant	\$ -	\$ -	\$ 3,924.95	\$ 3,924.95	\$ -
Drunk Driving Enforcement Grant			5,754.57	5,754.57	
Clean Communities			47,839.89	47,839.89	
Municipal Alliance on Alcoholism and Drug Abuse					
Township Match	10,150.00		10,150.00	10,150.00	
State Share	18,512.00		18,512.00	18,512.00	
Supplemental Fire Services Program	4,321.00		4,321.00	4,321.00	
NJ Department of Transportation			249,500.00	249,500.00	
20 Hopewell Harvest Fair I	200.00		200.00	200.00	
Hopewell Harvest Fair II	200.00		200.00	200.00	
Ride Provide	7,500.00		7,500.00	7,500.00	
Mercer at Play			78,044.30	78,044.30	
Res. Recycling Tonnage Grant			27,644.01	27,644.01	
LHT Bikeway			350,000.00	350,000.00	
<b>Total Public and Private Programs Offset by Revenues</b>	<b>40,883.00</b>	<b>-</b>	<b>803,590.72</b>	<b>803,590.72</b>	<b>-</b>
<b>Total Operations - Excluded From "CAPS"</b>	<b>897,402.05</b>	<b>-</b>	<b>1,660,109.77</b>	<b>1,646,986.72</b>	<b>13,123.05</b>
Detail:					
Salaries and Wages	524,920.00	-	880,674.57	872,052.57	8,622.00
Other Expenses	372,482.05	-	779,435.20	774,934.15	4,501.05
<b>GENERAL APPROPRIATIONS:</b>					
<b>Capital Improvements - Excluded From "CAPS"</b>					
Capital Improvement Fund	160,479.00		160,479.00	160,479.00	-
<b>Total Capital Improvements - Excluded From "CAPS"</b>	<b>160,479.00</b>		<b>160,479.00</b>	<b>160,479.00</b>	<b>-</b>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Statement of Expenditures - Regulatory Basis**  
**For the Year Ended December 31, 2013**

	<u>Budget</u>	<u>Appropriations Emergency Appropriation</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>	<u>Unexpended Balance Canceled</u>
<b>GENERAL APPROPRIATIONS:</b>						
<b>Municipal Debt Service - Excluded From "CAPS"</b>						
Payment of Bond Principal	\$ 1,697,940.00	\$ -	\$ 1,697,940.00	\$ 1,697,940.00	\$ -	\$ -
Payment of Bond Anticipation Notes	527,697.09		527,697.09	527,697.00		0.09
Interest on Bonds	1,008,142.36		1,008,142.36	1,008,139.48		2.88
Interest on Notes	319,002.37		319,002.37	314,040.44		4,961.93
NJEDA Loan - Principal	28,800.00		28,800.00	28,800.00		
NJEDA Loan - Interest	432.00		432.00	432.00		
<b>Total Municipal Dept Service - Excluded From "CAPS"</b>	<b>3,582,013.82</b>	<b>-</b>	<b>3,582,013.82</b>	<b>3,577,048.92</b>	<b>-</b>	<b>4,964.90</b>
<b>Deferred Charges and Statutory Expenditures</b>						
<b>Municipal - Excluded from "CAPS"</b>						
Special Emergency Authorizations 5 yrs (N.J.S. 40A:4-55)	700,000.00		700,000.00	700,000.00		
<b>Total Deferred Charges - Excluded From "CAPS"</b>	<b>700,000.00</b>	<b>-</b>	<b>700,000.00</b>	<b>700,000.00</b>	<b>-</b>	<b>-</b>
<b>Total General Appropriations for Municipal Purposes Excluded From "CAPS"</b>	<b>5,339,894.87</b>	<b>-</b>	<b>6,102,602.59</b>	<b>6,084,514.64</b>		<b>18,087.95</b>
Subtotal General Appropriations	19,714,860.94	-	20,477,568.66	19,700,681.28	744,639.43	32,247.95
Reserve for Uncollected Taxes	1,401,337.56		1,401,337.56	1,401,337.56		
<b>TOTAL GENERAL APPROPRIATIONS</b>	<b>\$ 21,116,198.50</b>	<b>\$ -</b>	<b>\$ 21,878,906.22</b>	<b>\$ 21,102,018.84</b>	<b>\$ 744,639.43</b>	<b>\$ 32,247.95</b>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Statement of Expenditures - Regulatory Basis**  
**For the Year Ended December 31, 2013**

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**Analysis of Budget After Modification:**

Original Budget		\$ 21,116,198.50
Appropriation by 40A:4-87		<u>762,707.72</u>
 Total		 <u><u>\$ 21,878,906.22</u></u>

**Analysis of Paid or Charged:**

Reserve for Federal and State Grants - Appropriated	\$ 789,119.72	
Encumbrances Payable	580,232.90	
Reserve for Uncollected Taxes	1,401,337.56	
Reserve for Special Emergency	700,000.00	
Cash Disbursed	<u>17,631,328.66</u>	
 Total		 <u><u>\$ 21,102,018.84</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF HOPEWELL**  
**Trust Fund**  
Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
For the Years Ended December 31, 2013 and 2012

	<u>REFERENCE</u>	<u>2013</u>	<u>2012</u>
<b><u>ASSETS</u></b>			
Animal Control Fund:			
Cash - Treasurer	B-1	<u>\$ 25,971.43</u>	<u>\$ 16,534.26</u>
Other Funds:			
Cash - Treasurer	B-1	6,782,977.00	8,733,955.40
Accounts Receivable		37,231.09	43,660.69
Due from General Capital Fund	C	34,707.48	1,500.78
Due from Current Fund - Open Space Tax	A	3,048.12	
Due from Current Fund	A	<u>197,168.44</u>	<u>216,181.16</u>
Total Other Funds		<u>7,055,132.13</u>	<u>8,995,298.03</u>
Total Assets		<u>\$ 7,081,103.56</u>	<u>\$ 9,011,832.29</u>
<b><u>LIABILITIES AND RESERVES</u></b>			
Animal Control Fund:			
Due to State of New Jersey		\$ 367.80	\$ 882.00
Reserve for Dog Fund Expenditures	B-2	<u>25,603.63</u>	<u>15,652.26</u>
Total Dog License Fund		<u>25,971.43</u>	<u>16,534.26</u>
Other Funds:			
Due to Current Fund	A	21.71	22.10
Due to Federal and State Grant Fund	A	0.56	
Due to State NJ - UCC Fees	B-4	12,910.00	10,641.00
Payroll Deductions Payable	B-5	68.16	
Reserve for :			
Unemployment Compensation	B-3	30,803.77	21,889.22
Trust Other	B-3	1,030,389.43	692,944.41
Plot Planning	B-3	15,378.91	19,548.91
Planning	B-3	316,653.17	340,456.04
Open Space Trust	B-3	3,842,803.93	5,949,268.54
Low Income Housing	B-3	159,788.96	415,607.71
Community Activities	B-3	208.54	208.54
Off-Site Improvements	B-3	668,811.57	668,811.57
Performance Guarantees	B-3	179,013.10	132,919.70
Recreation Trust	B-3	209,879.64	166,732.02
Tax Collectors' Premium	B-3	388,300.00	354,600.00
Tax Title Lien	B-3	236.60	
Off-Duty Police	B-3	197,168.44	215,093.47
Stream Corridor	B-3	300.00	150.00
FSA	B-3	<u>2,395.64</u>	<u>6,404.80</u>
Total Other Funds		<u>7,055,132.13</u>	<u>8,995,298.03</u>
Total Liabilities and Reserves		<u>\$ 7,081,103.56</u>	<u>\$ 9,011,832.29</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
For the Years Ended December 31, 2013 and 2012

	<u>REFERENCE</u>	<u>2013</u>	<u>2012</u>
<b><u>ASSETS</u></b>			
Cash - Treasurer	C-2	\$ 13,594,155.69	\$ 15,807,686.55
Deferred Charges to Future Taxation:			
Funded	C-4	37,470,891.98	39,743,488.07
Unfunded	C-5	<u>34,962,302.20</u>	<u>30,667,522.00</u>
Total		<u>\$ 86,027,349.87</u>	<u>\$ 86,218,696.62</u>
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
Serial Bonds	C-6	\$ 37,108,000.00	\$ 39,313,000.00
Bond Anticipation Notes	C-7	31,835,004.00	30,267,522.00
NJ Economic Development Authority Loan Payable	C-8		28,800.00
Green Trust Loan Payable	C-9	362,891.98	401,688.07
Improvement Authorizations:			
Funded	C-10	1,570,465.26	2,658,152.75
Unfunded	C-10	10,493,242.18	9,079,154.83
Capital Improvement Fund	C-11	0.15	0.15
Reserve for Preliminary Planning		2,000.00	2,000.00
Reserve for Encumbrances			
Reserve for:			
Payment of Serial Bonds and Notes		1,692,947.23	2,124,824.42
Reserve for Weidel		588,269.18	
Reserve for Green Trust Loan		1,125.36	1,108.97
Interfund Payable:			
Due to Current Fund	A	126.33	234.93
Due to Trust Fund	B	34,707.48	1,500.78
Fund Balance	C-1	<u>2,338,570.72</u>	<u>2,340,709.72</u>
Total		<u>\$ 86,027,349.87</u>	<u>\$ 86,218,696.62</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
**Statement of Fund Balance - Regulatory Basis**  
**For the Year Ended December 31, 2013**

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Balance December 31, 2012		\$ 2,340,709.72
Increased By:		
Cancellation of Funded Ordinances	\$ 865,225.71	
Reclassify Weidel Principal	136,330.00	
Premium on Sale of Bond Anticipation Notes	231,374.86	
Prior Year Adjustment	355.36	1,233,285.93
Total		3,573,995.65
Decreased By:		
Current Fund - Budget Appropriation		1,235,424.93
Balance December 31, 2013		\$ 2,338,570.72

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF HOPEWELL**  
**Water Utility Operating Fund**  
Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
For the Year Ended December 31, 2013 and 2012

	<u>REFERENCE</u>	<u>2013</u>	<u>2012</u>
<b>Operating Fund:</b>			
Cash	D-5	\$ 106,720.63	\$ 70,804.56
Due from Water Capital Fund	D	0.64	
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-7	<u>3,749.21</u>	<u>6,531.64</u>
		<u>3,749.21</u>	<u>6,531.64</u>
<b>Total Operating Fund</b>		<u>110,470.48</u>	<u>77,336.20</u>
<b>Capital Fund:</b>			
Cash	D-5	80,178.87	21,658.60
Fixed Capital	D-8	292,486.03	292,486.03
Fixed Capital Authorized and Uncompleted	D-9	<u>50,000.00</u>	
<b>Total Capital Fund</b>		<u>422,664.90</u>	<u>314,144.63</u>
<b>Total Assets</b>		<u>\$ 533,135.38</u>	<u>\$ 391,480.83</u>
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
<b>Operating Fund:</b>			
Liabilities:			
Appropriation Reserves	D-4 & D-10	\$ 8,113.64	\$ 13,783.44
Encumbrances Payable	D-4	7,017.69	9,257.51
Water Rent Overpayments	D-5	3.75	8.91
Accrued Interest on Bonds and Notes	D-11	<u>1,008.58</u>	<u>699.00</u>
<b>Total Liabilities</b>		<u>16,143.66</u>	<u>23,748.86</u>
Reserve for Receivables	D	3,749.21	6,531.64
Fund Balance	D-1	<u>90,577.61</u>	<u>47,055.70</u>
<b>Total Operating Fund</b>		<u>110,470.48</u>	<u>77,336.20</u>
<b>Capital Fund:</b>			
Serial Bonds	D-12	62,500.00	66,100.00
Bond Anticipation Notes	D-13	50,000.00	
Improvement Authorizations:			
Funded	D-14		
Unfunded	D-14	45,041.50	
Capital Improvement Fund	D-15	21,368.00	8,225.00
Due to Water Utility Fund	D	0.64	
Reserve for:			
Amortization	D-16	229,986.03	226,386.03
Fund Balance	D-2	<u>13,768.73</u>	<u>13,433.60</u>
<b>Total Capital Fund</b>		<u>422,664.90</u>	<u>314,144.63</u>
<b>Total Liabilities, Reserves and Fund Balance</b>		<u>\$ 533,135.38</u>	<u>\$ 391,480.83</u>

The accompanying notes to financial statements are an integral part of this statement.

**TOWNSHIP OF HOPEWELL**  
**Water Utility Operating Fund**  
**Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis**  
**For the Years Ended December 31, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
<b>Revenue and Other Income Realized:</b>		
Fund Balance Utilized	\$ -	\$ 1,921.00
Water Rents	83,894.22	66,274.05
Interest on Investments and Deposits	817.39	617.63
Miscellaneous	265.78	323.24
Contribution from Current Fund	3,559.00	3,391.00
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	<u>21,454.08</u>	<u>9,565.63</u>
Total Revenue and Other Income Realized	<u>109,990.47</u>	<u>82,092.55</u>
<b>Expenditures:</b>		
Operating	45,820.00	59,170.00
Deferred Charges and Statutory Expenditures	800.00	1,250.00
Capital Improvement Fund	13,143.00	
Debt Service	<u>6,705.56</u>	<u>6,030.46</u>
Total Expenditures	<u>66,468.56</u>	<u>66,450.46</u>
Excess in Revenue	43,521.91	15,642.09
Fund Balance January 1	<u>47,055.70</u>	<u>33,334.61</u>
Total	90,577.61	48,976.70
Decreased by Utilization by Water Utility Operating Budget	<u>                    </u>	<u>1,921.00</u>
Balance December 31	<u><u>\$ 90,577.61</u></u>	<u><u>\$ 47,055.70</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF HOPEWELL**  
**Water Utility Capital Fund**  
**Statement of Fund Balance**  
**For the Year Ended December 31, 2013**

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Balance December 31, 2012	\$ 13,433.60
Increased By:	
BAN Interest	<u>335.13</u>
Total	13,768.73
Decreased By:	
Current Fund - Budget Appropriation	<u>                    </u>
Balance December 31, 2013	<u><u>\$ 13,768.73</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF HOPEWELL**  
**Water Utility Operating Fund**  
**Statement of Revenues - Regulatory Basis**  
**For the Year Ended December 31, 2013**

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	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Water Rents	\$ 62,500.00	\$ 83,894.22	\$ 21,394.22
Interest on Investments and Deposits	500.00	817.39	317.39
Contribution from Current Fund	3,559.00	3,559.00	0.00
Miscellaneous	<u>                    </u>	<u>265.78</u>	<u>265.78</u>
Total	<u>\$ 66,559.00</u>	<u>\$ 88,536.39</u>	<u>\$ 21,977.39</u>

**Analysis of Realized Revenues**

Miscellaneous:  
Water Penalties  
Miscellaneous

	\$ 256.23
	<u>9.55</u>
	<u>\$ 265.78</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF HOPEWELL**  
**Water Utility Operating Fund**  
**Statement of Expenditures - Regulatory Basis**  
**For the Year Ended December 31, 2013**

	<u>Appropriations</u>			<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Special Emergency Appropriation</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<b>Operating:</b>						
Salaries and Wages	\$ 9,100.00		\$ 9,100.00	\$ 7,396.79	\$ 1,703.21	
Other Expenses	36,720.00		36,720.00	30,543.76	6,176.24	
<b>Deferred Charges and Statutory Expenditures:</b>						
Statutory Expenditures:						
Social Security	800.00		800.00	565.81	234.19	
<b>Capital Improvements</b>						
Capital Improvement Fund	13,143.00		13,143.00	13,143.00		
<b>Debt Service:</b>						
Payment of Bond Principal	3,600.00		3,600.00	3,600.00		
Interest on Bonds	2,796.00		2,796.00	2,758.98		\$ 37.02
Interest on Notes	400.00		400.00	346.58		53.42
<b>Total</b>	<u>\$ 68,559.00</u>	<u>---</u>	<u>\$ 68,559.00</u>	<u>\$ 58,354.92</u>	<u>\$ 8,113.64</u>	<u>\$ 90.44</u>
<b>Analysis of Paid or Charged:</b>						
Cash Disbursed				\$ 48,231.67		
Encumbrances Payable				7,017.69		
Interest on Bonds and Notes				3,105.56		
<b>Total</b>				<u>\$ 58,354.92</u>		

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Operating Fund**  
Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
For the Year Ended December 31, 2013 and 2012

	<u>REFERENCE</u>	<u>2013</u>	<u>2012</u>
<b>Operating Fund:</b>			
Cash	E-5	\$ 892,964.99	\$ 897,921.76
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-7	59,392.23	46,630.91
Due from Sewer Utility Capital Fund	E	3.84	5.96
Deferred Charges:			
Emergency Authorization (40A:4-47)		<u>4,200.00</u>	
<b>Total Operating Fund</b>		<u><b>956,561.06</b></u>	<u><b>944,558.63</b></u>
<b>Capital Fund:</b>			
Cash	E-5	382,591.11	379,360.24
Fixed Capital	E-8	3,145,426.89	3,145,426.89
Fixed Capital Authorized and Uncompleted	E-9	<u>659,702.97</u>	<u>659,702.97</u>
<b>Total Capital Fund</b>		<u><b>4,187,720.97</b></u>	<u><b>4,184,490.10</b></u>
<b>Total Assets</b>		<u><b>\$ 5,144,282.03</b></u>	<u><b>\$ 5,129,048.73</b></u>
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
<b>Operating Fund:</b>			
Liabilities:			
Appropriation Reserves	E-4	\$ 34,063.77	\$ 100,728.59
Encumbrances Payable	E-4	20,622.03	35,673.95
Sewer Rent Overpayments		3,400.22	1,656.58
Accrued Interest on Bonds and Notes	E-11	9,416.50	8,952.78
Other Liability		<u>7,250.00</u>	<u>7,250.00</u>
<b>Total Liabilities</b>		<u><b>74,752.52</b></u>	<u><b>154,261.90</b></u>
Reserve for Receivables	E	59,392.23	46,630.91
Fund Balance	E-1	<u>822,416.31</u>	<u>743,665.82</u>
<b>Total Operating Fund</b>		<u><b>956,561.06</b></u>	<u><b>944,558.63</b></u>
<b>Capital Fund:</b>			
Serial Bonds	E-12	666,500.00	702,900.00
Bond Anticipation Notes	E-13	468,157.00	472,555.00
Improvement Authorizations:			
Funded	E-14	10,750.00	10,750.00
Unfunded	E-14	272,709.20	266,661.20
Due to Sewer Utility Operating Fund	E	3.84	5.96
Encumbrances Payable			6,048.00
Capital Improvement Fund	E-15	400.00	400.00
Reserve for Amortization	E-16	2,648,926.86	2,612,526.86
Reserve for Deferred Amortization	E-17	21,546.00	17,148.00
Fund Balance	E-2	<u>98,728.07</u>	<u>95,495.08</u>
<b>Total Capital Fund</b>		<u><b>4,187,720.97</b></u>	<u><b>4,184,490.10</b></u>
<b>Total Liabilities, Reserves and Fund Balance</b>		<u><b>\$ 5,144,282.03</b></u>	<u><b>\$ 5,129,048.73</b></u>

The accompanying notes to financial statements are an integral part of this statement.

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Operating Fund**  
**Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis**  
**For the Years Ended December 31, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
<b>Revenue and Other Income Realized:</b>		
Fund Balance Utilized	\$ 213,225.77	\$ 406,778.14
Sewer Rents	1,135,282.25	1,064,954.40
Interest on Investments	6,924.98	7,238.01
Miscellaneous	3,143.98	4,252.38
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	<u>121,006.01</u>	<u>19,758.69</u>
<b>Total Revenue and Other Income Realized</b>	<u><b>1,479,582.99</b></u>	<u><b>1,502,981.62</b></u>
<b>Expenditures:</b>		
Operating	1,114,654.09	1,153,193.72
Capital Improvements		7,750.00
Deferred Charges and Statutory Expenditures	2,500.00	168,286.42
Debt Service	<u>74,652.64</u>	<u>69,147.33</u>
<b>Total Expenditures</b>	<b>1,191,806.73</b>	<b>1,398,377.47</b>
<b>Excess (Deficit) in Revenue</b>	<b>287,776.26</b>	<b>104,604.15</b>
<b>Adjustments to Income before Surplus:</b>		
Expenditures included above which are by Statute Deferred Charges to Budget of Succeeding Year	<u>4,200.00</u>	<u>                    </u>
<b>Statutory Excess to Surplus</b>	<b>291,976.26</b>	<b>104,604.15</b>
<b>Fund Balance January 1</b>	<u><b>743,665.82</b></u>	<u><b>1,045,839.81</b></u>
<b>Total</b>	<b>1,035,642.08</b>	<b>1,150,443.96</b>
<b>Decreased by Utilization by Sewer Utility Operating Budget</b>	<u><b>213,225.77</b></u>	<u><b>406,778.14</b></u>
<b>Balance December 31</b>	<u><u><b>\$ 822,416.31</b></u></u>	<u><u><b>\$ 743,665.82</b></u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
**Statement of Fund Balance**  
**For the Year Ended December 31, 2013**

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Balance December 31, 2012	\$ 95,495.08
Increased By:	
Premium on Sale of Bond Anticipation Notes	<u>3,232.99</u>
Balance December 31, 2013	<u><u>\$ 98,728.07</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF HOPEWELL**  
**SEWER UTILITY OPERATING FUND**  
 Statement of Revenues - Regulatory Basis  
 For the Year Ended December 31, 2013

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Fund Balance	\$ 213,225.77	\$ 213,225.77	
Sewer Rents	995,000.00	1,135,282.25	\$ 140,282.25
Interest on Investments	6,000.00	6,924.98	924.98
Miscellaneous		3,143.98	3,143.98
	<hr/>	<hr/>	<hr/>
Total	<u>\$ 1,214,225.77</u>	<u>\$ 1,358,576.98</u>	<u>\$ 144,351.21</u>

**Analysis of Realized Revenues**

Miscellaneous:	
Sewer penalties	\$ 3,107.50
Miscellaneous	36.48
Total	<u>\$ 3,143.98</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Operating Fund**  
**Statement of Expenditures - Regulatory Basis**  
**For the Year Ended December 31, 2013**

	<u>Appropriations</u>		<u>Expended</u>		<u>Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<b>Operating:</b>					
Salaries and Wages	\$ 31,000.00	\$ 31,000.00	\$ 27,177.15	\$ 3,822.85	
Other Expenses	1,101,330.77	1,105,530.77	1,053,834.18	29,819.91	\$ 21,876.68
<b>Capital Improvements</b>					
Capital Improvement Fund					
<b>Deferred Charges and Statutory Expenditures:</b>					
Deferred Charges					
Emergency Authorizations					
Statutory Expenditures:					
Social Security	2,500.00	2,500.00	2,078.99	421.01	
<b>Debt Service:</b>					
Payment of Bond Principal	36,400.00	36,400.00	36,400.00		
Payment of Bond Anticipation Note Principal	4,398.00	4,398.00	4,398.00		
Interest on Bonds	31,502.00	31,502.00	28,124.04		\$ 3,377.96
Interest on Notes	7,095.00	7,095.00	5,730.60		1,364.40
<b>Total</b>	<b>\$ 1,214,225.77</b>	<b>\$ 1,218,425.77</b>	<b>\$ 1,157,742.96</b>	<b>\$ 34,063.77</b>	<b>\$ 26,619.04</b>
Original Budget		\$ 1,214,225.77			
Emergency Authorization (40A:4-47)		4,200.00			
		<u>\$ 1,218,425.77</u>			
<b>Analysis of Paid or Charged:</b>					
Cash Disbursed			\$ 1,103,266.29		
Encumbrances Payable			20,622.03		
Interest on Bonds and Notes			33,854.64		
<b>Total</b>			<b>\$ 1,157,742.96</b>		

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF HOPEWELL**  
**Public Assistance Fund**  
**Statement of Assets, Liabilities and Reserves**  
**For the Years Ended December 31, 2013 and 2012**

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	<u>REFERENCE</u>	<u>2013</u>	<u>2012</u>
<b><u>ASSETS</u></b>			
Cash	F-1	<u>\$ 9,080.63</u>	<u>\$ 9,020.54</u>
Total		<u>\$ 9,080.63</u>	<u>\$ 9,020.54</u>
<b><u>LIABILITIES AND RESERVES</u></b>			
Reserve for Public Assistance		<u>\$ 9,080.63</u>	<u>\$ 9,020.54</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF HOPEWELL**  
**ACCOUNT GROUP**  
 Statement of General Fixed Assets Group of Accounts  
 For the Year Ended December 31, 2013

	Balance December 31, <u>2012</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2013</u>
<b>General Fixed Assets:</b>				
Land	\$ 46,216,912.00	\$ 2,662,000.00	\$ -	\$ 48,878,912.00
Buildings and Building Improvements	10,799,365.00			10,799,365.00
Machinery and Equipment	7,441,173.00	554,712.00	40,325.00	7,955,560.00
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total General Fixed Assets</b>	<b><u>\$ 64,457,450.00</u></b>	<b><u>\$ 3,216,712.00</u></b>	<b><u>\$ 40,325.00</u></b>	<b><u>\$ 67,633,837.00</u></b>
<b>Total Investment in General Fixed Assets</b>	<b><u>\$ 64,457,450.00</u></b>	<b><u>\$ 3,216,712.00</u></b>	<b><u>\$ 40,325.00</u></b>	<b><u>\$ 67,633,837.00</u></b>

The accompanying Notes to Financial Statements are an integral part of this statement.

**Township of Hopewell**  
**Notes to Financial Statements**  
**December 31, 2013**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of Financial Reporting Entity** - The Township of Hopewell is located in the western portion of Mercer County, New Jersey, midway between Philadelphia and New York City. The present population according to the 2010 census is 17,325.

The Township of Hopewell was incorporated in 1798 and operates under the Township Committee form of government. The Committee is the legislative body of the Township and consists of five members elected by popular vote to a three year term. Each year the elected body selects one of its members to serve as Mayor for a one-year term.

**Component Units** – GASB Statement No. 14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statement No.14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. There are no organizations that are considered to be component units.

**Basis of Accounting, Measurement Focus and Basis of Presentation** - The financial statements of the Township of Hopewell contain all funds in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit 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. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this Note.

In accordance with the "Requirements", the Township of Hopewell accounts for its financial transactions through the use of separate funds which are described as follows.

**Current Fund** - The Current Fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

**Trust Funds** - The various Trust Funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

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

**Water/Sewer Utility Operating and Capital Fund** - The Water/Sewer Utility Operating and Capital Funds account for operations of the utility and the acquisition of capital facilities of the municipally-owned water/sewer utility.

**Public Assistance Fund** - The Public Assistance Funds account for receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey Statutes.

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

**Township of Hopewell**  
**Notes to Financial Statements**  
**December 31, 2013**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Budgets and Budgetary Accounting (Cont'd)** - An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements.

**Cash, Cash Equivalents and Investments** - Cash and cash equivalents include petty cash, change funds and cash in banks. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost. Consequently, unrealized gain or loss on investments has not been recorded in accordance with Governmental Accounting Standards Board Statement No. 31.

New Jersey municipal units are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 40A:5-15.1 provides a list of permissible investments that may be purchased by New Jersey municipal units.

N.J.S.A. 17:9-41et seq. establishes the requirement for the security of deposits of governmental units. The statute requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. The Act was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in the State of New Jersey or state or federally chartered banks, savings banks or associations located in another state with a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units. The cash management plan adopted by the Township of Hopewell requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

**Interfunds** - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

**Inventories of Supplies** - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

**General Fixed Assets** - Accounting for Governmental Fixed Assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has not adopted a capitalization threshold as required by the Circular.

Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a Statement of General Fixed Assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2013**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**General Fixed Assets (Cont'd)** – The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that includes accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of Federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage or theft.

No depreciation of general fixed assets is recorded.

**Utility Fixed Assets** - Property and equipment purchased by the Water/Sewer Utility Fund are recorded in the capital account at cost and are adjusted for dispositions and abandonments. Contributions in aid of construction are capitalized, whereas those made in the form of tangible assets, such as land are not. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represents the costs of acquisition of property, equipment and improvements. Depreciation is not recorded on these fixed assets.

**Foreclosed Property** - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments accrued and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be capitalized in the General Fixed Assets Account Group.

**Deferred Charges** - The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et al. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

**Liens Sold for Other Governmental Units** - Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

**Fund Balance** - Fund Balance included in the current fund and sewer utility operating fund represents an amount available for anticipation as revenue in future year's budgets, with certain restrictions.

**Revenues** - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Township's budget. Receivables for property taxes, water rents, and sewer rents are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's Current Fund, Water Utility Operating Fund, and Sewer Utility Operating Fund, respectively; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

**Property Tax Revenues** - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the Hopewell Valley Regional School District, County of Mercer and the Hopewell Township Fire District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

**School Taxes** - The Township is responsible for levying, collecting and remitting school taxes for the Hopewell Valley Regional School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1, 2013 to December 31, 2013.

**Township of Hopewell**  
**Notes to Financial Statements**  
**December 31, 2013**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**County Taxes** - The Township is responsible for levying, collecting and remitting county taxes for the County of Mercer. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

**Fire District Taxes** - The Township is responsible for levying, collecting and remitting fire district taxes for the Hopewell Township Fire District No. 1. Operations are charged for the full amount required to be raised from taxation to operate the fire district for the period from January 1, 2013 to December 31, 2013.

**Reserve for Uncollected Taxes** - The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Township's annual budget protects the Township from taxes not paid currently. The Reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

**Expenditures** - Expenditures are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed as required by N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Outstanding encumbrances are offset by an account entitled "Reserve for Encumbrances". The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

Appropriations for principal and interest on outstanding general capital bonds and notes and for principal on outstanding sewer utility capital bonds are provided on the cash basis. Appropriations for interest on outstanding water/sewer utility capital bonds and notes are provided on the accrual basis.

**Appropriation Reserves** - Appropriation reserves covering unexpended appropriation balances are automatically created at year end and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

**Compensated Absences and Postemployment Benefits** - Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis.

**Long Term Debt** - Long Term Debt, relative to the acquisition of capital assets, is recorded as a liability in either the General Capital Fund or the Water/Sewer Utility Capital Fund. Where an improvement is a "local improvement", i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the Trust Fund upon confirmation of the assessments or when the improvement is fully and permanently funded.

**Interest on Delinquent Taxes** - It is the policy of the Township to collect interest for the nonpayment of taxes, sewer or assessments on or before the date when they would become delinquent. The Tax Collector is authorized to charge eight percent (8%) per annum on the first \$1,500 of taxes becoming delinquent after due date and eighteen percent (18%) per annum on any amount of taxes in excess of \$1,500 becoming delinquent after the due date and if a delinquency is in excess of \$10,000 and remains in arrears beyond December 31<sup>st</sup>, an additional penalty of six percent (6%) shall be charged against the delinquency. There is a ten (10) day grace period.

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2013**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Comparative Data** – Comparative total data for the prior year has been presented in the accompanying Balance Sheets and Statement of Operations in order to provide an understanding of changes in the Township’s financial position. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in the statement of revenues – regulatory basis and the statement of expenditures – regulatory basis since their inclusion would make the statements unduly complex and difficult to read.

**NOTE 2. CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** – Custodial credit risk refers to the risk that, in the event of a bank failure, the Municipality’s deposits may not be recovered. Although the Municipality does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings or funds that may pass to the Municipality relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized. Of the Municipality’s amount on deposit of \$27,987,950 as of December 31, 2013, \$538,093 was insured under FDIC and the remaining balance of \$27,449,857 was collateralized under GUDPA.

**NOTE 3. INVESTMENTS**

New Jersey municipalities are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 40A:5-15.1 provides a list of permissible investments that may be purchased by New Jersey municipalities. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, bonds or other obligations of the local unit or other obligations approved by the Division of Investment in the Department of Treasury for investment by local units, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the repurchase of fully collateralized securities with certain provisions. The Township has no investment policy that would further limit its investment choices.

**Custodial Credit Risk Related to Investments** – For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Township, and are held by either the counterparty or the counterparty’s trust department or agent but not in the Township’s name.

As of December 31, 2013 the Township had the following investments:

<u>Investment</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Fair Value</u>
Money Market Fund	Less than 1 Year	AAAm	\$ 9,786,521

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2013**

**NOTE 4. PROPERTY TAXES**

The following is a five year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years.

<u>Comparative Schedule of Tax Rates</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Total Tax Rate	\$ 2.51	\$ 2.42	\$ 2.27	\$ 2.15	\$ 2.06
Apportionment of Tax Rate:					
Municipal	.32	.30	.29	.27	.27
County	.64	.62	.54	.53	.50
Regional School	1.45	1.41	1.35	1.27	1.21
Fire District	.07	.06	.06	.05	.05
Municipal Open Space	.03	.03	.03	.03	.03

<u>Assessed Valuation</u>	<u>Amount</u>
2013	\$ 4,006,497,207
2012	4,057,775,200
2011	4,183,452,489
2010	4,341,859,988
2009	4,489,000,000

<u>Comparison of Tax Levies and Collections</u>			
<u>Year Ended</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage Of Collections</u>
2013	\$ 100,965,562	\$ 100,035,296	99.07%
2012	98,518,159	97,330,347	98.79
2011	97,379,395	95,840,228	98.41
2010	94,046,971	92,863,564	98.74
2009	92,607,494	91,396,602	98.69

<u>Delinquent Taxes and Tax Title Liens</u>				
<u>Year Ended</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2013	\$ 125,730	\$ 701,641	\$ 827,371	.82%
2012	117,385	876,229	993,614	1.01
2011	109,352	1,277,942	1,387,294	1.42
2010	101,125	934,078	1,035,203	1.10
2009	92,697	939,890	1,032,587	1.11

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2013**

**NOTE 4. PROPERTY TAXES (Continued)**

The following comparison is made of the number of tax title liens receivable on December 31, of the current year and previous four years.

<u>Year Ended</u>	<u>Number</u>
2013	8
2012	8
2011	8
2010	8
2009	8

**NOTE 5. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last valuation of such properties, for the current and previous four years was as follows:

<u>Year Ended</u>	<u>Amount</u>
2013	None
2012	None
2011	None
2010	None
2009	None

**NOTE 6. WATER/SEWER UTILITY LEVY**

The following is a five year comparison of water and sewer utility charges (rent) and collections for the current and previous four years.

Water Utility Levy:

<u>Year</u>	<u>Balance Jan. 1,</u>	<u>Water Levy</u>	<u>Total</u>	<u>Cash Collections</u>	<u>Percentage</u>
2013	\$ 6,531	\$ 81,112	\$ 87,643	\$ 83,894	95.72 %
2012	10,696	62,110	72,806	66,274	91.03
2011	1,758	70,128	71,886	61,190	85.12
2010	2,466	63,954	66,420	64,662	97.35
2009	537	60,071	60,608	58,142	95.93

**Township of Hopewell  
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**NOTE 6. WATER/SEWER UTILITY LEVY (CONT'D)**

Sewer Utility Levy:

<u>Year</u>	<u>Balance Jan. 1,</u>	<u>Sewer Levy</u>	<u>Total</u>	<u>Cash Collections</u>	<u>Percentage</u>
2013	\$ 46,631	\$ 1,148,043	\$ 1,194,674	\$ 1,135,282	95.02 %
2012	55,928	1,055,658	1,111,586	1,064,954	95.80
2011	51,843	1,046,362	1,098,205	1,042,277	94.91
2010	60,600	1,080,997	1,141,597	1,089,754	95.45
2009	58,307	1,030,409	1,088,716	1,028,115	94.43

**NOTE 7. FUND BALANCES APPROPRIATED**

The following schedule details the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets.

<u>Current Fund</u>	<u>Balance December 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2013	\$ 12,039,768	\$ 1,615,811	13.42 %
2012	12,164,634	1,415,811	11.64
2011	12,878,445	1,915,811	14.88
2010	8,794,837	1,415,811	16.10
2009	8,777,174	1,415,811	16.13

<u>Water Utility Operating Fund</u>	<u>Balance December 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2013	\$ 90,578	\$ -0-	-0-%
2012	47,056	-0-	-0-
2011	33,335	1,921	5.76
2010	33,634	7,160	21.29
2009	21,617	16,936	78.34

<u>Sewer Utility Operating Fund</u>	<u>Balance December 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2013	\$ 822,416	\$ 145,398	17.67 %
2012	743,666	213,226	28.67
2011	1,045,840	406,278	38.85
2010	914,998	61,620	6.73
2009	798,446	138,969	17.40

**Township of Hopewell  
Notes to Financial Statements  
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**NOTE 8. PENSION PLANS**

Substantially all of the Fire District's employees participate in one of the following pension plans which have been established by State statute, and are administered by the New Jersey Division of Pensions and Benefits (Division): the Police and Firemen's Retirement System (PFRS), the Public Employees' Retirement System (PERS) or the Defined Contribution Retirement Program (DCRP). Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State of New Jersey, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625-0295.

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

The Public Employees' Retirement System was established in 1955. The PERS provides retirement, death and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92 P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase will be phased-in over seven years beginning on July 1, 2012. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

The Police and Firemen's Retirement System was established in 1944. The PFRS provides retirement, death and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:16A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the PFRS are required to contribute 8.5% of their annual covered salary. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 10.0% in October, 2011. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The Township is billed annually for its normal contributions plus any accrued liability. These contributions, equal to the required contributions are detailed below.

	<u>2013</u>		<u>2012</u>		<u>2011</u>	
	<u>PERS</u>	<u>PFRS</u>	<u>PERS</u>	<u>PFRS</u>	<u>PERS</u>	<u>PFRS</u>
Normal Contribution	\$ 142,671	\$ 306,466	\$ 166,471	\$ 307,454	\$ 189,751	\$ 348,839
Accrued Liability	341,131	299,738	332,943	246,720	302,356	217,047
Retroactive Appropriation	4,595					
Total Regular Contributions	<u>488,397</u>	<u>606,204</u>	<u>\$ 499,414</u>	<u>\$ 554,174</u>	<u>\$ 492,107</u>	<u>\$ 565,886</u>
Non-Contributory Group						
Life Insurance	28,794	29,270	31,819	24,233	37,375	32,455
Total Due	<u>\$ 517,191</u>	<u>\$ 635,474</u>	<u>\$ 531,233</u>	<u>\$ 578,407</u>	<u>\$ 529,482</u>	<u>\$ 598,341</u>

**Township of Hopewell**  
**Notes to Financial Statements**  
**December 31, 2013**

**NOTE 8. PENSION PLANS (CONTINUED)**

***Defined Contribution Retirement Program (DCRP)***

The Defined Contribution Retirement Program was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered by Prudential Financial on behalf of the Divisions of Pensions and Benefits. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. Pursuant to the provisions of Chapter 78 P.L. 2011, the active member contribution rate was increased to 6.5% plus an additional 1.0% phased-in over seven years beginning in the first year. The phase-in of the additional incremental member contribution amount will take place in July of each subsequent year. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, state statute also requires the return to the normal rate when such surplus pension assets no longer exist. The employee contributions along with the Township's contribution for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

There were no Township employees enrolled in the DCRP for the years ended December 31, 2013, 2012 and 2011.

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

**NOTE 9. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

**Plan Description**

The Township provides postretirement benefits other than pension benefits to active employees who retire from the Township and meet certain eligibility criteria. These are known as other postemployment benefits (OPEB). OPEB include postemployment healthcare benefits provided separately from a pension plan, excluding benefits defined as termination offers and benefits.

**Benefit Eligibility**

An employee is eligible to receive postretirement health benefits through the Hopewell Township health plan by meeting the following criteria:

For PBA and SOA, retire from active employment with Hopewell Township with at least 25 years of service with Hopewell Township, 25 years in PERS/PFRS and meet PFRS retirement criteria.

For all others, (1) retire from active employment with Hopewell Township at age 60 or later and have at least 25 years of service in PERS, with at least 10 years of service with Hopewell Township, (2) retire from active employment with Hopewell Township at age 55 or later and have at least 25 years of service with Hopewell Township and 25 years in PERS, or (3) retire from active employment with Hopewell Township with at least 25 years of service with Hopewell Township and 25 years in PERS.

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2013**

**NOTE 9. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

**Funding Policy**

The obligations of the plan members, employers and other entities are established by action of the Township pursuant to applicable collective bargaining and employment agreements. The required contribution rates of the employer and members varies depending on the applicable agreement. The Township contributes enough money to the plan to satisfy current obligations on a pay-as you-go basis. The costs of administering the plan are paid by the Township.

**Actuarial Accrued Liability**

The Actuarial Accrued Liability (AAL) as of December 31, 2012 is \$32,827,510 based upon a discount rate of 4.50% per annum and the plan provisions in effect on December 31, 2012.

**Annual Required Contribution**

The Annual Required Contribution (ARC) is the measure of annual cost on an accrual basis. It is comprised of the Normal Cost which is the portion of future liabilities attributable to the measurement year, plus 30 year amortization of the Unfunded Actuarial Accrued Liability (UAAL). As of the measurement date, the plan had no assets to offset any portion of the AAL, so the UAAL and AAL are equal.

The ARC as of December 31, 2012 is \$2,820,081 based upon a discount rate of 4.50% per annum and the plan provisions in effect on December 31, 2012. The breakdown of the ARC is as follows:

(1) Normal Cost	\$ 804,750
(2) Actuarial Accrued Liability	\$ 32,827,510
(2) Assets	\$ -0-
(3) Unfunded Actuarial Accrued Liability (UAAL) = (2)-(3)	\$ 32,827,510
(4) 30 Year Amortization of UAAL at Discount Rate	\$ 2,015,331
(5) Annual Required Contribution (ARC) = (1)+(5)	\$ 2,820,081

**Basis of Valuation**

The valuation has been conducted as of December 31, 2012 based upon census, plan design and claims information provided by the Township. Census includes 26 participants currently receiving Township paid retiree benefits, and 96 active participants of whom 19 are eligible to retire as of the valuation date. The average age of the active population is 47 and the average age of the retiree population is 65.

Actuarial assumptions were selected with the intention of satisfying the requirements of New Jersey Local Finance Notices and the Statement of Government Accounting Standard Number 45.

Demographic assumptions were selected based on those used by the State Division of pensions and benefits in calculating pension benefits taken.

Health care (economic) assumptions were selected based on those used by the State Health Benefits Program in calculating SHBP member OPEB requirements.

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2013**

**NOTE 9. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

**Funded Status and Funding Progress**

As of December 31, 2012 the actuarial accrued liability for benefits was \$32,827,510, all of which was unfunded.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

**Methods and Assumptions**

The trend assumption is used to project the growth of the expected claims over the lifetime of the healthcare recipients. The actuary developed the trend assumption utilizing the short term rates expected on the SHBP plan along with information in published papers from other industry experts (actuaries, health economists, etc.).

**Measurement Date**

December 31

**Discount Rate as of December 31, 2012**

The discount rate assumption selected by the Township is 4.5%.

**Health Care Trend Factors**

Health care costs are assumed to increase in accordance with the following schedule:

Annual Rate of Increase	
From Fiscal Year	
<u>Beginning</u>	<u>%</u>
2013	8.0
2014	7.5
2015	7.0
2016	6.5
2017	6.0
2018	5.5
2019 and Later	5

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2013**

**NOTE 10. COMPENSATED ABSENCES**

All twelve month Township employees are entitled to paid sick leave and vacation days in various amounts. Unused sick leave may be accumulated, and upon retirement the employee may be compensated up to fifty percent of accumulated unused sick leave with a maximum Township payout of \$15,000. Vacation days not used during the year may be accumulated for two years and upon leaving, will be compensated by the Township in full.

The Township does not accrue expenses related to compensated absences. However, it is estimated that, at December 31, 2013, accrued benefits for compensated absences are valued at \$1,618,019.

**NOTE 11. RISK MANAGEMENT**

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

The Township is a member of the Mid Jersey Municipal Joint Insurance Fund (JIF). The Fund provides the following coverage:

- Comprehensive General Liability
- Auto Liability
- Property Coverage
- Worker's Compensation
- Boiler and Machinery
- Public Officials Liability
- Employment Related Practices
- Public Employee Bonds

Contributions to the JIF are calculated based on actuarial and budgetary needs. Each participant is proportionately obligated for any deficiency in the amount available to pay all JIF claims. The Township has paid its current JIF obligations. No deficiency payments have been assessed by the JIF.

**New Jersey Unemployment Compensation Insurance** - The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State. The following is a summary of Township contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Township's trust fund for the current and previous four years:

<u>Year</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2013	\$ 183	\$ 10,125	\$ 1,393	\$ 30,804
2012	81	17,827	1,364	21,889
2011	154	9,748	10,063	5,345
2010	111	10,006	7,865	5,506
2009	286	10,034	42,313	3,254

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2013**

**NOTE 12. CAPITAL DEBT**

**Summary of Municipal Debt**

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Issued:			
General Bonds and Notes	\$ 68,943,004	\$ 69,580,522	\$ 58,865,403
Water Utility Bonds and Notes	112,500	66,100	69,250
Sewer Utility Bonds and Notes	1,134,657	1,175,455	1,064,453
Loans	<u>362,892</u>	<u>430,488</u>	<u>497,320</u>
Total Debt Issued	70,553,053	71,252,565	60,496,426
Less:			
Funds on hand to pay Bonds & Notes	758,615	316,251	333,664
Open Space Bonds and Notes	<u>16,671,200</u>	<u>15,055,529</u>	<u>15,399,749</u>
Net Debt Issued	53,123,238	55,880,785	44,763,013
Authorized But Not Issued:			
General - Bonds and Notes	3,127,298	400,000	9,575,000
Water Utility - Bonds and Notes			
Sewer Utility - Bonds and Notes			
Net Bonds and Notes			
Issued and Authorized			
But Not Issued	<u>\$ 56,250,536</u>	<u>\$ 56,280,785</u>	<u>\$ 54,338,013</u>

Serial Bonds are authorized in accordance with State law. All bonds are retired in serial installments within the statutory period of usefulness. Serial Bonds payable at December 31, 2013 consisted of the following issues:

<u>Purpose</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
General Obligation Bonds of 2006	10/01/2026	4.00% - 4.25%	\$ 12,156,000
Refunding Bonds of 2009	10/1/2020	3.00% - 4.00%	3,330,000
General Obligation Bonds of 2010	2/15/2030	3.00% - 4.00%	21,622,000
Water Utility Bonds of 2006	10/01/2026	4.00% - 4.25%	62,500
Sewer Utility Bonds of 2006	10/01/2026	4.00% - 4.25%	<u>666,500</u>
Total			<u>\$ 37,837,000</u>

**Long-Term Debt Defeasance**

On November 1, 2012, the Township issued refunding bonds in the amount of \$4,700,000. The bonds, which were approved by the New Jersey Local Finance Board, were issued to refund \$4,700,000 of its November 1, 2002 Bond Issue and pay issuance costs. The refunding bonds bear an interest rate of 2.00% to 4.00% with principal maturities due from October 2012 through October 2020.

As a result of the above transaction, the \$4,700,000 of the 2002 Bond Issue is considered to be defeased and the liability for this debt has been removed from the records. The refunding program decreased total debt service by \$255,380 and resulted in a net present value economic savings of \$258,729. The economic savings is the difference between the present values of the debt service payments on the old and new debt.

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2013**

**NOTE 12. CAPITAL DEBT (Continued)**

**Bond Anticipation Notes Payable**

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes can not exceed one year from the date of issuance, however the Notes may be renewed from time to time for a period not to exceed 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 following the date of the original notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. A second and third legal installment must be paid if the notes are to be renewed beyond the fourth and fifth anniversary date of the original issuance.

As of December 31, 2013, the Township had the following outstanding Bond Anticipation Notes:

	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
General Capital Fund	4/11/2014	1.00%	\$ 31,835,004
Water Utility Capital Fund	4/11/2014	1.00%	50,000
Sewer Utility Capital Fund	4/11/2014	1.00%	320,907
Sewer Utility Capital Fund	4/11/2014	1.00%	<u>147,250</u>
<b>Total</b>			<b><u>\$ 32,353,161</u></b>

**General Capital Fund**

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

The summarized statement of debt condition which follows is prepared in accordance with required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.377%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School District Debt	\$ 26,823,694	\$ 26,823,694	
Water and Sewer Utility Debt	1,247,157	1,247,157	
General Debt	<u>72,433,194</u>	<u>17,429,815</u>	<u>\$ 55,003,379</u>
<b>Total</b>	<b><u>\$ 100,504,045</u></b>	<b><u>\$ 45,500,666</u></b>	<b><u>\$ 55,003,379</u></b>

Net Debt, \$55,003,379 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2, as amended, \$3,994,903,658 equals 1.377%.

**Equalized Valuation Basis:**

2011	\$ 4,108,070,332
2012	3,961,419,128
2013	<u>3,915,221,515</u>
<b>Average</b>	<b><u>\$ 3,994,903,658</u></b>

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2013**

**NOTE 12. CAPITAL DEBT (Continued)**

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

3-1/2% of Equalized Valuation Basis (Municipal)	\$ 139,821,628
Net Debt	<u>55,003,379</u>
 Remaining Borrowing Power	 <u>\$ 84,818,249</u>

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

Cash Receipts from Fees, Rents or Other Charges for the Year		\$ 88,271
Deductions:		
Operating and Maintenance Costs	\$ 46,620	
Debt Service Costs	<u>6,706</u>	
		<u>53,326</u>
 Excess in Revenue		 <u>\$ 34,945</u>

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

Cash Receipts from Fees, Rents or Other Charges for the Year		\$ 1,355,433
Deductions:		
Operating and Maintenance Costs	\$ 1,139,031	
Debt Service Costs	<u>74,652</u>	
		<u>1,213,683</u>
 Deficit in Revenue		 <u>\$ 141,750</u>

The foregoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

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

**Serial Bonds Payable**

<u>Calendar Year</u>	<u>Current</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2014	\$ 2,270,000	\$ 1,336,720	\$ 3,606,720
2015	2,470,000	1,255,728	3,725,728
2016	2,575,000	1,169,459	3,744,459
2017	2,565,000	1,082,475	3,647,475
2018	2,735,000	983,516	3,718,516
2019-2023	12,865,000	3,417,318	16,282,318
2024-2028	10,248,000	1,094,541	11,342,541
2029-2030	<u>1,380,000</u>	<u>51,375</u>	<u>1,431,375</u>
 Total	 <u>\$ 37,108,000</u>	 <u>\$ 10,391,132</u>	 <u>\$ 47,499,132</u>

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2013**

**NOTE 12. CAPITAL DEBT (Continued)**

**Serial Bonds Payable**

<u>Calendar Year</u>	<u>Water Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2014	\$ 3,600	\$ 2,648	\$ 6,248
2015	3,600	2,500	6,100
2016	4,500	2,332	6,832
2017	4,500	2,152	6,652
2018	4,500	1,972	6,472
2019-2023	32,400	7,620	40,020
2024-2026	<u>9,400</u>	<u>708</u>	<u>10,108</u>
<b>Total</b>	<b>\$ 62,500</b>	<b>\$ 19,932</b>	<b>\$ 82,432</b>

**Serial Bonds Payable**

<u>Calendar Year</u>	<u>Sewer Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2014	\$ 36,400	\$ 26,992	\$ 63,392
2015	36,400	25,482	61,882
2016	45,500	23,768	69,268
2017	45,500	21,932	67,432
2018	45,500	20,096	65,596
2019-2023	263,900	70,236	334,136
2024-2026	<u>193,300</u>	<u>14,604</u>	<u>207,904</u>
<b>Total</b>	<b>\$ 666,500</b>	<b>\$ 203,110</b>	<b>\$ 869,610</b>

**New Jersey Green Trust Loan Payable**

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 39,576	\$ 7,061	\$ 46,637
2015	40,372	6,265	46,637
2016	41,183	5,454	46,637
2017	42,011	4,626	46,637
2018	42,856	3,782	46,638
2019-2022	<u>156,893</u>	<u>6,338</u>	<u>163,231</u>
<b>Total</b>	<b>\$ 362,891</b>	<b>\$ 33,526</b>	<b>\$ 396,417</b>

**Township of Hopewell**  
**Notes to Financial Statements**  
**December 31, 2013**

**NOTE 13. LEASE OBLIGATIONS**

At December 31, 2013, the Township had lease agreements in effect for the following:

Operating:  
 Two (2) Copiers

Operating Leases – Future minimum lease payments under the operating lease agreement is as follows:

<u>Fiscal Year Ended</u>	<u>Amount</u>
2014	\$ 8,040
2015	8,040
2016	8,040
2017	<u>4,355</u>
	<u>\$ 28,475</u>

Rental payments under the operating lease for the years 2013 and 2012 were \$8,040 and \$3,685 respectively.

**NOTE 14. DEFERRED COMPENSATION SALARY PLAN**

The Township offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457, which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death, unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and are not accessible by the Township or its creditors.

**NOTE 15. INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balances as of December 31, 2013

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Current Fund	\$ 148	\$ 200,217
Federal and State Grant Fund	1	
Trust Fund:		
Other Trust Funds	234,924	22
General Capital Fund		34,834
Sewer Utility Fund		
Operating Fund	4	
Capital Fund		<u>4</u>
	<u>\$ 235,077</u>	<u>\$ 235,077</u>

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2013**

**NOTE 16. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2013, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following funds:

	<b>Balance December 31, 2013</b>	<b>2014 Budget Appropriation</b>
Current Fund:		
Special Emergency	\$ 201,422	\$ 50,355
Total	\$ 201,422	\$ 50,355

The appropriations in the 2014 Budget as introduced are not less than that required by the statutes.

**NOTE 17. CONTINGENCIES**

The Township participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Management believes that the amount from future audits, if any, would not be material.

**NOTE 18. LITIGATION**

The Township is a defendant in several legal proceedings that are in various stages of litigation. Although the outcome of this litigation is not presently determinable, it is believed that resolution of these matters will not have a material effect on the financial statements.

**NOTE 19. COMMITMENTS – TAX APPEALS**

The Township has several tax appeals pending in New Jersey State Tax Court as of December 31, 2013. However, it appears that the net potential losses of the tax appeals will not be material to the financial statements.

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Statement of Cash - Treasurer**  
**For the Year Ended December 31, 2013**

	<u>CURRENT FUND</u>	<u>FEDERAL AND STATE GRANT FUND</u>
Balance December 31, 2012	\$ 14,375,941.34	\$ 10,012.30
<b>Receipts:</b>		
Taxes Receivable	\$ 100,218,372.02	
Tax Title Liens	1,448.18	
2013 Prepaid taxes	964,166.40	
Tax Overpayments	612,655.20	
Other Receivables	685.00	
Revenue Accounts Receivable	5,768,511.85	
Reserve for Hurricane Sandy	1,506,988.30	
Reserve for Historic Building Repairs	10,935.00	
Due State of New Jersey:		
Marriage License Fees	1,575.00	
Due from State of New Jersey for Senior		
Citizens and Veterans Deductions	143,721.24	
Miscellaneous Revenues Not Anticipated	96,901.04	
Due to Other Trust Fund	96,250.00	
Due to Current Fund		
Due to Hopewell Borough		
Township Match		10,150.00
Federal and State Grants Receivable		981,451.46
Budget Refunds	518,067.29	
Prior Year Refunds		9,732.77
Contra		<u>1,533.87</u>
<b>Total Receipts</b>	<u><b>109,940,276.52</b></u>	<u><b>1,002,868.10</b></u>
Subtotal	124,316,217.86	1,012,880.40
<b>Disbursements:</b>		
2013 Appropriations	17,621,178.66	
Appropriation Reserves	393,872.42	
Encumbrances Payable	2,408,410.15	
Refund of Tax Overpayments	598,287.72	
County Taxes	25,750,442.13	
Regional School Taxes	58,151,289.00	
Fire District Tax Payable	2,970,348.00	
Municipal Open Space Tax Payable	1,201,947.00	
Due State of New Jersey:		
Marriage License Fees	1,450.00	
Due to Other Trust Fund	114,175.03	
Due to Federal and State Grant Fund	10,150.00	
Due to Hopewell Borough	1,103.20	
Appropriated Reserves		530,852.65
Due to Current Fund		23,525.00
Due from Payroll Fund		0.56
Budget Refunds	518,067.29	
Lawncare	2,745.00	
Contra		<u>1,533.87</u>
<b>Total Disbursements</b>	<u><b>109,743,465.60</b></u>	<u><b>555,912.08</b></u>
Balance December 31, 2013	<u><b>\$ 14,572,752.26</b></u>	<u><b>\$ 456,968.32</b></u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Schedule of Change Funds**  
**For the Year Ended December 31, 2013**

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<u>Analysis by Office</u>		
Tax Collector		\$ 200.00
Tax Assessor		50.00
Construction Code		50.00
Health		50.00
Municipal Clerk		50.00
Municipal Court		200.00
Total		<u>\$ 600.00</u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Schedule of Taxes Receivable and Analysis of Property Tax Levy**  
**For the Year Ended December 31, 2013**

Year	Balance	2013 Levv	Added Taxes	COLLECTIONS BY CASH		State Share of 2013 Senior Citizens and Veterans Deductions Allowed	Transferred To Tax Title Lien	Overpayments Applied	Canceled	Balance
	Dec. 31, 2012			2012	2013					Dec. 31, 2013
2012	876,228.84		\$ 3,000.00		\$ 878,394.60		\$ 834.24			
Subtotal	876,228.84		3,000.00		878,394.60		834.24			
2013		\$ 100,965,562.06		\$ 547,291.19	99,339,977.42	\$ 148,027.41	\$ 8,853.42	\$ -	\$ 219,771.22	\$ 701,641.40
<b>Total</b>	<b>\$ 876,228.84</b>	<b>\$ 100,965,562.06</b>	<b>\$ 3,000.00</b>	<b>\$ 547,291.19</b>	<b>\$ 100,218,372.02</b>	<b>\$ 148,027.41</b>	<b>\$ 9,687.66</b>	<b>\$ -</b>	<b>\$ 219,771.22</b>	<b>\$ 701,641.40</b>

Analysis of Property Tax Levy

Tax Yield:	
General Purpose Tax	\$ 100,657,470.11
Added Taxes	140,384.50
Omitted Taxes	
Rollback Taxes	21,707.45
Senior Citizens and Veterans Deductions Allowed Per Original Levy	<u>148,000.00</u>
<b>Total</b>	<b>\$ 100,965,562.06</b>

Tax Levy:	
Regional High School Tax (Abstract)	\$ 58,151,289.00
Fire District Tax (Abstract)	2,970,348.00
County Tax (Abstract)	25,721,141.84
County Added Taxes	41,185.35
Local Open Space Tax (Abstract)	1,201,947.00
Local Open Space Added Tax	1,960.43
Local Tax for Municipal Purposes	\$ 12,749,536.31
Additional Tax Levies	<u>128,154.13</u>
	<u>12,877,690.44</u>
<b>Total</b>	<b>\$ 100,965,562.06</b>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Schedule of Tax Title Liens**  
**For the Year Ended December 31, 2013**

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Balance December 31, 2012		\$ 117,385.32
Increased by:		
Interest and Costs from Tax Sale of	\$ 105.17	
Transfer from Taxes Receivable	<u>9,687.66</u>	<u>9,792.83</u>
Total		127,178.15
Decreased by:		
2013 Collections		<u>1,448.18</u>
Balance December 31, 2013		<u><u>\$ 125,729.97</u></u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
Schedule of Revenue Accounts Receivable  
For the Year Ended December 31, 2013

	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Accrued in</u> <u>2013</u>	<u>Collected</u> <u>By</u> <u>Treasurer</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
Alcoholic Beverage Licenses		\$ 30,250.00	\$ 30,250.00	
Fees and Permits		259,555.62	259,555.62	
Municipal Court - Fines and Costs	\$ 25,310.59	340,940.18	347,383.24	\$ 18,867.53
Interest and Costs on Taxes		243,263.92	243,263.92	
Payment in Lieu of Taxes		51,500.00	51,500.00	
Capital Health System Settlement		145,017.00	145,017.00	
Interest Earned on Investments and Deposits		110,565.18	110,565.18	
Comcast Franchise Fee		228,552.70	228,552.70	
Cell Tower Rents		42,472.30	42,472.30	
Sale of Solar Power Energy		6,269.14	6,269.14	
Energy Receipts Tax		1,601,563.00	1,601,563.00	
Garden State Trust Fund		32,594.00	32,594.00	
Interlocal Police Services		572,981.00	572,981.00	
Interlocal Alliance Services		2,670.00	2,670.00	
FEMA - Hurricane Sandy		700,000.00	700,000.00	
Refund of Capital Surplus		170,000.00	170,000.00	
Refund of Affordable Housing Reserve		336,060.82	336,060.82	
Reserve for Debt Service		835,225.71	835,225.71	
Refund of Affordable Housing Capital Surplus		230,199.22	230,199.22	
<b>Total</b>	<u>\$ 25,310.59</u>	<u>\$ 5,939,679.79</u>	<u>\$ 5,946,122.85</u>	<u>\$ 18,867.53</u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Statement of Deferred Charges**  
**N.J.S. 40A:4-55 Special Emergency Authorizations**  
**For the Year Ended December 31, 2013**

<u>Purpose</u>	<u>Date Authorized</u>	<u>Amount Authorized</u>	<u>Balance December 31, 2012</u>	<u>Raised in 2013 Budget</u>	<u>Cancelled</u>	<u>Balance December 31, 2013</u>
Hurricane Damage	11/19/2012	\$ 3,500,000.00	<u>\$ 3,500,000.00</u>	<u>\$ 700,000.00</u>	<u>\$ 2,598,578.15</u>	<u>\$ 201,421.85</u>
Total			<u><u>\$ 3,500,000.00</u></u>	<u><u>\$ 700,000.00</u></u>	<u><u>\$ 2,598,578.15</u></u>	<u><u>\$ 201,421.85</u></u>

**Township of Hopewell**  
**Appropriation Reserves - Current Fund**  
**For the Year Then Ended December 31, 2013**

	<u>Balance December 31, 2012</u>				
	<u>Appropriation Reserve</u>	<u>Balance after Transfers</u>	<u>Reserve for Encumbrances</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
<b>Salaries and Wages - Within Caps</b>					
Zoning Board	\$ 3,692.59	\$ 3,692.59		\$ 210.00	\$ 3,482.59
Public Defender	8,838.50	8,838.50	\$ 1,759.00	1,515.00	9,082.50
<b>Subtotal</b>	<u>12,531.09</u>	<u>12,531.09</u>	<u>1,759.00</u>	<u>1,725.00</u>	<u>12,565.09</u>
<b>Other Expenses - Within Caps</b>					
<b>Administrative &amp; Executive:</b>					
Governing Body	9,061.90	9,061.90	987.40	635.00	9,414.30
Administrator's Office	12,274.81	12,274.81	100,253.75	78,447.78	34,080.78
Clerk's Office	1,896.66	1,896.66	4,995.89	1,046.83	5,845.72
Financial Administration	2,611.71	2,611.71	2,529.26	864.08	4,276.89
Assessment of Taxes	668.40	668.40	7,806.50	1,324.70	7,150.20
Collection of Taxes	5,445.49	5,445.49	212.04	212.04	5,445.49
Legal Services and Costs			35,349.22	32,717.06	2,632.16
Engineering	-		7,201.65	7,201.65	-
Public Buildings and Grounds	4,657.15	4,657.15	12,027.15	3,741.62	12,942.68
Fleet Maintenance	11,655.46	11,655.46	48,045.93	40,365.65	19,335.74
Planning Board	1,463.80	1,463.80	8,124.80	1,482.90	8,105.70
Zoning Board	913.39	913.39	448.02	1,147.90	213.51
Parks & Maintenance	5,395.17	5,395.17	3,176.67	1,395.00	7,176.84
Environmental Commission	483.08	483.08	100.00		583.08
<b>Insurance</b>					
Liability Insurance	2,232.68	2,232.68			2,232.68
Medical Insurance	24,253.49	24,253.49	33.36	479.96	23,806.89
Police	1,826.98	1,826.98	72,364.83	69,661.82	4,529.99
Road Repair & Maintenance	18,698.34	18,698.34	86,684.84	72,232.56	33,150.62
Sanitation	23,650.54	23,650.54	774.92		24,425.46
Board of Health	3,417.02	3,417.02	11,475.19	2,416.75	12,475.46
Historic Preservation Committee	3,914.00	3,914.00	317.48	678.12	3,553.36
Municipal Court	5,203.64	5,203.64	1,222.20	419.08	6,006.76
Recreation	40.15	40.15			40.15
Senior Services	2,749.73	2,749.73	2,078.67	235.51	4,592.89
<b>Utilities:</b>					
Street Lighting	5,271.54	15,421.54		15,080.29	341.25
Utilities	63,170.44	53,020.44		13,782.32	39,238.12
Telephone	6,525.11	6,525.11	3,019.23	3,644.24	5,900.10
Motor Fuels	50,734.33	50,734.33	57,052.46	20,020.09	87,766.70
Disability Insurance	21,319.46	21,319.46			21,319.46
<b>Subtotal</b>	<u>289,534.47</u>	<u>289,534.47</u>	<u>466,281.46</u>	<u>369,232.95</u>	<u>386,582.98</u>
<b>Statutory Expenditures - Within Caps</b>					
Police and Firemen's Retirement System	158.09	158.09			158.09
Defined Contribution Retirement Program	500.00	500.00			500.00
Social Security System	23,009.52	23,009.52			23,009.52
<b>Subtotal</b>	<u>23,667.61</u>	<u>23,667.61</u>	<u>-</u>	<u>-</u>	<u>23,667.61</u>
<b>Other Expenses - Excluded from Caps</b>					
Recycling Tonnage Tax	1,000.00	1,000.00			1,000.00
Interlocal Police			28,456.94	22,914.47	5,542.47
<b>Subtotal</b>	<u>1,000.00</u>	<u>1,000.00</u>	<u>28,456.94</u>	<u>22,914.47</u>	<u>6,542.47</u>
<b>Other Accounts - No Change</b>	<u>237,536.88</u>	<u>237,536.88</u>			<u>237,536.88</u>
<b>Grand Total</b>	<u>\$ 564,270.05</u>	<u>\$ 564,270.05</u>	<u>\$ 496,497.40</u>	<u>\$ 393,872.42</u>	<u>\$ 666,895.03</u>
			Cash Disbursed	\$ 393,872.42	
			Reserve for Encumbrances		
			Total	<u>\$ 393,872.42</u>	

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Schedule of Prepaid Taxes**  
**For the Year Ended December 31, 2013**

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Balance December 31, 2012		\$ 547,291.19
Increased by:		
Collected		<u>964,166.40</u>
Subtotal		1,511,457.59
Decreased by:		
Applied to 2013 Taxes		<u>547,291.19</u>
Balance December 31, 2013		<u><u>\$ 964,166.40</u></u>

EXHIBIT A-12

**Schedule of Tax Overpayments**  
**For the Year Ended December 31, 2013**

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Balance December 31, 2012		\$ 8,372.70
Increased by:		
Collected	\$ 612,655.00	
Prior Year Overpayments	<u>790.67</u>	<u>613,445.67</u>
Subtotal		621,818.37
Decreased by:		
Refunded		<u>\$ 598,287.72</u>
Balance December 31, 2013		<u><u>\$ 23,530.65</u></u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
Schedule of Reserve for Tax Appeals Pending  
For the Year Ended December 31, 2013

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Balance December 31, 2013 and 2012 \$ 100,000.00

Schedule of Reserve for Revaluation  
For the Year Ended December 31, 2013

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Balance December 31, 2013 and 2012 \$ 12,353.25

Schedule of Reserve for Preparation of Master Plan  
For the Year Ended December 31, 2013

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Balance December 31, 2013 and 2012 \$ 50,111.04

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Schedule of Reserve for Hurricane Damage**  
**For the Year Ended December 31, 2013**

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Balance December 31, 2012	\$ 795,122.02
Increased by:	
Special Emergency Authorization	<u>1,803,456.13</u>
Subtotal	2,598,578.15
Decreased by:	
Cancelled	<u>2,598,578.15</u>
Balance December 31, 2013	<u><u>\$ -</u></u>

EXHIBIT A-17

**Schedule of Reserve for Capital Health System Settlement**  
**For the Year Ended December 31, 2013**

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Balance December 31, 2012	\$ 145,017.00
Decreased by:	
Budget Appropriation	<u>145,017.00</u>
Balance December 31, 2013	<u><u>\$ -</u></u>

EXHIBIT A-18

**Schedule of Reserve for Historic Building Repairs**  
**For the Year Ended December 31, 2013**

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Balance December 31, 2012	
Increased by:	
Cash Received	<u>\$ 10,935.00</u>
Balance December 31, 2013	<u><u>\$ 10,935.00</u></u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
 Schedule of Due to State of New Jersey  
 for Senior Citizens and Veterans Deductions  
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 3,041.09
Increased by:		
Collected		143,721.24
Subtotal		146,762.33
Senior Citizen Deductions per Duplicate	\$ 15,500.00	
Disabled per Duplicate	500.00	
Veterans Deductions per Duplicate	130,000.00	
Senior Citizen Deductions and Veterans Deductions Allowed by Collector	3,500.00	
Prior Year Adjustment		
Subtotal	149,500.00	
Less:		
Senior Citizens Deductions Disallowed by Collector - 2013 Taxes	1,472.59	
Senior Citizens Deductions Disallowed by Collector - 2012 Taxes	3,000.00	
Subtotal	4,472.59	145,027.41
Balance December 31, 2013		\$ 1,734.92

EXHIBIT A-20

Schedule of Due to State of New Jersey  
 for Marriage License Fees/Domestic Partnership Fees  
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 275.00
Increased by:		
State Portion of 2013 Marriage Licenses Fees		1,575.00
Subtotal		1,850.00
Decreased by:		
Disbursed to State of New Jersey		1,450.00
Balance December 31, 2013		\$ 400.00

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Schedule of County Taxes Payable**  
**For the Year Ended December 31, 2013**

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Balance December 31, 2012		\$ 29,300.29
Increased by:		
2013 Levy:		
General County	\$ 22,649,500.84	
Library Tax	2,288,177.04	
County Open Space Preservation	783,463.96	
Added and Omitted Taxes	<u>41,185.35</u>	
Subtotal		<u>25,762,327.19</u>
		25,791,627.48
Decreased by:		
Disbursed to County of Mercer		<u>25,750,442.13</u>
Balance December 31, 2013		<u><u>\$ 41,185.35</u></u>

**Schedule of Fire District Taxes Payable**  
**For the Year Ended December 31, 2013**

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Balance December 31, 2012		---
Increased by:		
2013 Levy		<u>\$ 2,970,348.00</u>
Subtotal		2,970,348.00
Decreased by:		
Disbursed to Hopewell Township Fire Districts		<u>2,970,348.00</u>
Balance December 31, 2013		<u><u>---</u></u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
 Schedule of Regional School Tax Payable  
 For the Year Ended December 31, 2013

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Balance December 31, 2012	---
Increased by:	
Levy - Calendar Year	<u>\$ 58,151,289.00</u>
Subtotal	58,151,289.00
Decreased by:	
Disbursed to Hopewell Valley Regional School District	<u>58,151,289.00</u>
Balance December 31, 2013	<u>---</u>

Exhibit A-24

Schedule of Municipal Open Space Tax Payable  
 For the Year Ended December 31, 2013

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Balance December 31, 2012		\$ 1,087.69
Increased by:		
Levy - Calendar Year	\$ 1,201,947.00	
Added and Omitted Taxes	<u>1,960.43</u>	<u>1,203,907.43</u>
Subtotal		1,204,995.12
Decreased by:		
Disbursed to Open Space Trust Fund		<u>1,201,947.00</u>
Balance December 31, 2013		<u>\$ 3,048.12</u>

**TOWNSHIP OF HOPEWELL**  
**Federal and State Grant Fund**  
 Schedule of Federal, State and Local Grants Receivable  
 For the Year Ended December 31, 2013

	Balance Dec. 31, 2012	Accrued	Received	Due From(To) Current	Canceled	Balance Dec. 31, 2013
<b>Federal Grants:</b>						
HUD Grant - Hunt House	\$ 50,000.00	\$ -	\$ -	\$ -	\$ 50,000.00	\$ -
Energy Efficiency and Conservation Block Grant - Phase I	41,291.87				41,291.87	
Energy Efficiency and Conservation Block Grant - Phase II	1,773.25					1,773.25
	<u>93,065.12</u>				<u>91,291.87</u>	<u>1,773.25</u>
<b>State Grants:</b>						
Drunk Driving Enforcement Fund		5,754.57	5,754.57			
NJ Dept. of Environmental Protection	4,460.00					4,460.00
Pothole Grant	(0.93)					(0.93)
Clean Communities Grant	1,735.95	47,839.89	47,839.89			1,735.95
Project Buckle Up	4,000.00				\$4,000.00	
Dep. Historic Preservation Plan	1,795.00				1,795.00	
Smart Future/Growth Planning Program	750.00					750.00
Smart Growth Planning Program	707.40					707.40
Body Armor Grant	202.01		202.01			
Delaware River Green Partnership Grant	2,000.00					2,000.00
Bulletproof Vest Partnership Grant	8,837.14	3,924.95	947.09			11,815.00
Recycling Tonnage Grant	0.00	27,644.01	27,644.01			
Emergency Mgmt (Homeland Security)	(0.44)					(0.44)
Senior Citizens Coordinator Grant	114,417.85		114,417.85			
2007 Compact Authorized Investment	9,966.48				9,150.48	816.00
H1N1 Virus Grant	5,871.00			(23,525.00)	29,396.00	
2010 Business Stimulus Road	50.00				50.00	
LHT Signage	4,675.00					4,675.00
Compact Grant - Titusville Sidewalk	45,883.33		44,061.91		1,651.42	270.00
DOT Grant - Lawrence Hopewell Trail @ Bailey	247,150.51				112,150.51	135,000.00
DOT Grant - Crossing/Baily/Pennington-Rocky Hill Rd.	27,000.00					27,000.00
DOT - Timberlane Road	48,467.00		36,751.77			11,715.23
DOT Grant - Penn/Titusville Road	325,000.00		168,871.02			156,128.98
DOT Grant - Hopewell/Wertsville Phase I		249,500.00				249,500.00
LHT Bikeway		350,000.00				350,000.00
DOT - Harb/Rocktown Road	220,000.00					220,000.00
	<u>1,072,967.30</u>	<u>684,663.42</u>	<u>446,490.12</u>	<u>(23,525.00)</u>	<u>158,093.41</u>	<u>1,176,572.19</u>
<b>County Grants:</b>						
Mercer at Play Grant	413,601.24	78,044.30	491,645.54			
	<u>413,601.24</u>	<u>78,044.30</u>	<u>491,645.54</u>			
<b>Local Grants:</b>						
Mercer County - Drug Alliance Program	10,818.08	28,662.00	30,565.80		979.44	7,934.84
Canng For You/Me	500.00				411.17	88.83
Harvest Fair I		200.00	200.00			
Harvest Fair II		200.00	200.00			
Ride Provide	10,000.00	12,500.00	22,500.00			
	<u>21,318.08</u>	<u>41,562.00</u>	<u>53,465.80</u>		<u>1,390.61</u>	<u>8,023.67</u>
<b>Total</b>	<u>\$ 1,600,951.74</u>	<u>\$ 804,269.72</u>	<u>\$ 991,601.46</u>	<u>\$ (23,525.00)</u>	<u>\$ 250,775.89</u>	<u>\$ 1,186,369.11</u>

**TOWNSHIP OF HOPEWELL**  
**Federal and State Grant Fund**  
**Schedule of Reserve For Federal and State Grants - Unappropriated**  
**For the Year Ended December 31, 2013**

	<u>Balance Dec. 31, 2012</u>	<u>Federal and State Grant Receivable</u>	<u>Realized as Revenue In 2013</u>	<u>Adjustment</u>	<u>Balance Dec. 31, 2013</u>
<b>State Grants:</b>					
Drunk Driving Enforcement Fund	\$ 0.86	\$ -	\$ -	\$ 0.04	\$ 0.82
Total State Grants	<u>0.86</u>	<u>-</u>	<u>-</u>	<u>0.04</u>	<u>0.82</u>
<b>County Grants:</b>					
Mercer at Play	<u>55,965.72</u>	<u>-</u>	<u>-</u>	<u>0.04</u>	<u>55,965.68</u>
Total County Grants	<u>55,965.72</u>	<u>-</u>	<u>-</u>	<u>0.04</u>	<u>55,965.68</u>
<b>Local Grants:</b>					
Ride Provide	<u>-</u>	<u>5,000.00</u>	<u>-</u>	<u>-</u>	<u>5,000.00</u>
Total Local Grants	<u>-</u>	<u>5,000.00</u>	<u>-</u>	<u>-</u>	<u>5,000.00</u>
<b>Total Unappropriated Reserves</b>	<u>\$ 55,966.58</u>	<u>\$ 5,000.00</u>	<u>\$ -</u>	<u>\$ 0.08</u>	<u>\$ 60,966.50</u>

**TOWNSHIP OF HOPEWELL**  
**Federal and State Grant Fund**  
 Schedule of Reserve For Federal, State and Local Grants - Appropriated  
 For the Year Ended December 31, 2013

	Balance Dec. 31, 2012	Transferred From 2013 Budget Appropriation	Expended	Refunds	Canceled	Balance Dec. 31, 2013
<b>Federal Grants:</b>						
HUD Grant - Hunt House	\$ 50,000.00				\$ 50,000.00	
Energy Efficiency and Conservation Block Grant - I	41,291.87				41,291.87	
Energy Efficiency and Conservation Block Grant - II	6,326.00					\$ 6,326.00
	<u>97,617.87</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>91,291.87</u>	<u>6,326.00</u>
<b>State Grants:</b>						
2007 Compact Authorized Investment	9,150.48				9,150.48	
2010 Business Stimulus Road	50.00				50.00	
911 General Assistance Grant	48,392.00					48,392.00
Body Armor Grant	196.22			\$ 3,126.97		3,323.19
Bulletproof Vest Partnership Grant	11,260.00	\$ 3,924.95	\$ 7,637.50			7,547.45
Clean Air Cool Planet	1,744.07					1,744.07
Clean Communities Grant	256,226.40	47,839.89	14,049.97			290,016.32
Compact Grant - Titusville Sidewalk	331,222.00		329,400.58		1,551.42	270.00
Delaware River Green Partnership Grant	4,000.00					4,000.00
DEP Historic Preservation Plan	1,116.88			678.12	1,795.00	
Design Guidelines	171.03					171.03
DOT - Harb/Rocktown Road	220,000.00					220,000.00
DOT - LHT @ Bailey	117,644.89			5,927.76	112,150.51	11,422.14
DOT - Penn Rocky Hill Phase I	144,376.70		6,078.00			138,298.70
DOT - Timberlane Drive	88,211.85		88,211.85			
DOT - Titus Mill Road	106.57					106.57
Drunk Driving Enforcement Fund	12,523.74	5,754.57	7,421.08			10,857.23
Emergency Management Grant (Homeland Security)	2,226.00					2,226.00
Environmental Resource Inventory Grant	10,000.00					10,000.00
H1N1 Virus	29,396.00				29,396.00	
Highway Traffic Safety Grant	631.07					631.07
Historic Sites Committee	7,500.00					7,500.00
Livable Communities Pilot Program - Smith's Crossing	2,500.00					2,500.00
Municipal Storm Water Management Phase I Grant	1,051.44					1,051.44
Municipal Stormwater Regulation Program	214.14					214.14
Pandemic Influenza Program	0.20					0.20
Pothole Repair Grant	2,576.84					2,576.84
Project Buckle Up - Click It or Ticket	4,000.00				4,000.00	
Public Health Practice Standards Grant	48.14					48.14
Recycling Tonnage Grant	65,279.86	27,644.01	29,419.29			63,504.58
Route 31 Aggressive Driving	799.99					799.99
Smart Growth Planning Program	244.81					244.81
Soil Conservation-Community Forestry Mgmt.	1,500.00					1,500.00
State Forfeiture Funds	328.53					328.53
Tobacco Age-of-Sale Grant	1,507.69		332.20			1,175.49
DOT Hopewell/Wertsville Phase I		249,500.00				249,500.00
LHT Bikeway		350,000.00				350,000.00
	<u>1,376,197.54</u>	<u>684,663.42</u>	<u>482,550.47</u>	<u>9,732.85</u>	<u>158,093.41</u>	<u>1,429,949.83</u>
<b>County Grants:</b>						
Mercer at Play Grant	3,097.39	78,044.30	3,096.78			78,044.91
	<u>3,097.39</u>	<u>78,044.30</u>	<u>3,096.78</u>	<u>-</u>	<u>-</u>	<u>78,044.91</u>
<b>Local Grants:</b>						
BMS - LHT	45,354.91					45,354.91
BMS Water Main Surveying	9,123.10					9,123.10
Caring For You/Me	411.17				411.17	-
Drainage Open Space Inventory	5,000.00					5,000.00
Lawrence Hopewell Trail Signage Grant	3,452.00					3,452.00
Ride Provide	10,000.00	7,500.00	17,500.00			-
Harvest Fair I		200.00	198.20			1.80
Harvest Fair II		200.00	200.00			-
Municipal Alliance on Alcoholism and Drug Abuse	4,743.48	28,662.00	27,307.20		979.44	5,118.84
	<u>78,084.66</u>	<u>36,562.00</u>	<u>45,205.40</u>	<u>-</u>	<u>1,390.61</u>	<u>68,050.65</u>
<b>Total</b>	<u>\$ 1,554,997.46</u>	<u>\$ 799,269.72</u>	<u>\$ 530,852.65</u>	<u>\$ 9,732.85</u>	<u>\$ 250,775.89</u>	<u>\$ 1,582,371.49</u>

**TRUST FUND**

**TOWNSHIP OF HOPEWELL**  
**Trust Fund**  
Schedule of Cash - Treasurer  
For the Year Ended December 31, 2013

	<u>ANIMAL CONTROL</u>	<u>OTHER TRUST</u>
Balance December 31, 2012	<u>\$ 16,534.26</u>	<u>\$ 8,733,955.40</u>
Receipts:		
Dog License Clerk:		
2013 Budget Appropriation	45,000.00	
Interlocal Agreement		
Municipal Licenses	68,385.00	
State Registration Fees	3,406.80	
Miscellaneous	502.50	
Due to Current Fund	226.92	51,145.03
Planning Escrow Deposits		167,519.00
Open Space Trust		3,163,234.92
Low Income Housing		305,910.92
Community Service		
Off-Site Improvements		
Performance Guarantee		59,336.40
Tax Collector Premium		607,100.00
Tax Title Lien		649,695.77
Recreation		257,411.86
FSA		15,843.98
Plot Planning		4,398.75
Exchange		102,467,413.30
Stream Corridor		150.00
Payroll		8,808,938.18
Unemployment Compensation		10,308.20
Other Trust:		
Allocated Escrow		16,765.50
Retirement Reserve		62,750.00
Green Team Lions		100.00
Deer Management Task Force		4,575.00
Municipal Alliance		16,579.44
Municipal Law Enforcement		5,290.95
Parking Adjudication		40.00
Public Defender		7,467.04
Ride Provide		10,278.00
Mercer County JIF		21,580.00
Construction Code		770,679.24
Historic Book Sales		520.00
State Training Fees		57,130.00
Total Trust Other Funds	<u>117,521.22</u>	<u>117,542,161.48</u>
Total Forward	<u>134,055.48</u>	<u>126,276,116.88</u>

**TOWNSHIP OF HOPEWELL**  
**Trust Fund**  
Schedule of Cash - Treasurer  
For the Year Ended December 31, 2013

	<u>ANIMAL CONTROL</u>	<u>OTHER TRUST</u>
Total Brought Forward	<u>\$ 134,055.48</u>	<u>\$126,276,116.88</u>
Disbursements:		
Expenditures Under RS4:19-15.11	103,936.13	
Planning Escrow Fees		191,321.87
Open Space Trust		5,304,943.67
Low Income Housing		555,223.06
Community Service		
Off-Site Improvements		
Performance Guarantee		13,243.00
Tax Collector Premium		573,400.00
Redemption of Tax Title Lien		649,459.17
Recreation		214,264.24
FSA		19,853.14
Plot Plan Escrow Fees		8,568.75
Exchange		102,467,413.30
Stream Corridor		
Payroll		8,808,869.46
Unemployment Compensation		1,393.65
Other Trust:		
Federal Forfeiture		910.25
Allocated Escrow Fees		11,167.30
Deer Management Task Force		4,611.37
Hovnanian Pump		3,929.36
Municipal Alliance		6,815.99
Public Defender		7,752.04
Construction Code		525,716.22
Mercer County JIF		5,553.87
Ride Provide		12,723.75
Due to Current Fund	226.92	51,145.42
Due State UCC Fees		54,861.00
Due State Department of Health	<u>3,921.00</u>	
Total Disbursements	<u>108,084.05</u>	<u>119,493,139.88</u>
Balance December 31, 2013	<u>\$ 25,971.43</u>	<u>\$ 6,782,977.00</u>

**TOWNSHIP OF HOPEWELL**  
**Trust Fund**  
 Schedule of Reserve for Dog Fund Expenditures  
 For the Year Ended December 31, 2013

<b>Balance December 31, 2012</b>		<b>\$ 15,652.16</b>
<b>Increased by:</b>		
2013 License Collected	\$ 68,385.00	
2013 Budget Appropriation	45,000.00	
Miscellaneous	<u>502.50</u>	<u>113,887.50</u>
<b>Total</b>		<b>129,539.66</b>
<b>Decreased by:</b>		
Expenditures Under R.S. 4:19-15.11:		
Cash Disbursed		<u>103,936.13</u>
<b>Balance December 31, 2013</b>		<b><u>\$ 25,603.53</u></b>

**LICENSE FEES COLLECTED**

<u>Year</u>	<u>Amount</u>
2012	\$ 62,172.00
2011	<u>74,156.00</u>
	<b><u>\$ 136,328.00</u></b>

**TOWNSHIP OF HOPEWELL**  
**Trust - Other Funds**  
**Schedule of Reserve Balances**  
**For the Year Ended December 31, 2013**

Account Title	Reserve Balance December 31, 2012	Revenues	Expenditures	Reserve Balance December 31, 2013
Reserve for Trust Other:				
Parking Adjudication	\$ 443.03	\$ 40.00	\$ -	\$ 483.03
Public Defender	285.00	7,467.04	7,752.04	-
Mercer County JIF	23,132.86	21,580.00	5,553.87	39,158.99
Hovnanian Pump	13,465.68		3,929.36	9,536.32
Municipal Alliance	4,428.74	16,579.44	6,815.99	14,192.19
Reed Road Escrow	1,632.00			1,632.00
DOT Reserve	7,444.72			7,444.72
Allocated Escrow Deposits	97,852.19	16,765.50	11,167.30	103,450.39
Employee Safety Program	57.91			57.91
Special Escrow	103,538.38			103,538.38
Lovero	5,538.00			5,538.00
Uniformed Construction Code	389,911.86	770,679.24	525,716.22	634,874.88
Ride Provide	7,964.50	10,278.00	12,723.75	5,518.75
Skateboard Park	832.66			832.66
Historic Book Sales	12,375.75	520.00		12,895.75
Municipal Law Enforcement	11,585.38	5,290.95		16,876.33
Background ID Check	6,645.50			6,645.50
Federal Forfeiture	1,810.25		910.25	900.00
Deer Management Task Force	4,000.00	4,575.00	4,611.37	3,963.63
Retirement Reserve		62,750.00		62,750.00
Green Team Lions		100.00		100.00
Reserve for Plot Plan Escrow	19,548.91	4,398.75	8,568.75	15,378.91
Reserve for FSA	6,404.80	15,843.98	19,853.14	2,395.64
Reserve for Planning	340,456.04	167,519.00	191,321.87	316,653.17
Reserve for Open Space Trust	5,949,268.54	3,199,895.35	5,306,359.96	3,842,803.93
Reserve for Low Income Housing	415,607.71	299,481.32	555,300.07	159,788.96
Reserve for Community Service	208.54			208.54
Reserve for Off-Site Improvements	668,811.57			668,811.57
Reserve for Performance Guarantees	132,919.70	59,336.40	13,243.00	179,013.10
Reserve for Recreation	166,732.02	257,411.86	214,264.24	209,879.64
Reserve for Tax Sale Premium	354,600.00	607,100.00	573,400.00	388,300.00
Reserve for Tax Title Lien	-	649,695.77	649,459.17	236.60
Reserve for Unemployment Compensation	21,889.22	10,308.20	1,393.65	30,803.77
Reserve for Stream Corridor	150.00	150.00		300.00
Off-Duty Police	215,093.47	96,250.00	114,175.03	197,168.44
<b>Total</b>	<b>\$ 8,984,634.93</b>	<b>\$ 6,284,015.80</b>	<b>\$ 8,226,519.03</b>	<b>\$ 7,042,131.70</b>

**TOWNSHIP OF HOPEWELL**  
**Trust - Other Funds**  
 Schedule of Due to State of NJ - UCC Fees  
 For the Year Ended December 31, 2013

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Balance December 31, 2012	\$	10,641.00
Increased by:		
Cash Received		57,130.00
		67,771.00
Decreased by:		
Disbursements		54,861.00
		54,861.00
Balance December 31, 2013	\$	12,910.00

**Trust - Other Funds**  
 Schedule of Payroll Deductions Payable  
 For the Year Ended December 31, 2013

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Balance December 31, 2012	\$	-
Increased by:		
Payroll deductions withheld		3,867,977.61
		3,867,977.61
Decreased by:		
Payroll deductions disbursed		3,867,909.45
		3,867,909.45
Balance December 31, 2013	\$	68.16

**GENERAL CAPITAL FUND**

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
**Schedule of Cash - Treasurer**  
**For the Year Ended December 31, 2013**

<b>Balance December 31, 2012</b>		<b>\$ 15,807,686.55</b>
<b>Receipts:</b>		
Budget Appropriation - Capital Improvement Fund	\$ 160,479.00	
Due to Current Fund	2,182.82	
Due from Trust Fund	0.00	
Due to Trust Fund	72,429.19	
Reserve for Debt from Grant Fund	86,188.25	
Reserve for Weidel		
Bond Anticipation Notes Issued	4,537,599.00	
Premium on Sale of Bonds Anticipation Notes	231,374.86	
	<hr/>	
<b>Total Receipts</b>		<b><u>5,090,253.12</u></b>
<b>Subtotal</b>		<b>20,897,939.67</b>
<b>Disbursements:</b>		
Improvement Authorizations	5,561,315.16	
Reserve for Debt Service	466,302.91	
Due to Current Fund - Budget Revenue	1,235,582.91	
Due to Current Fund - Interest Earned	2,957.74	
Due to Trust Fund	37,625.26	
	<hr/>	
<b>Total Disbursements</b>		<b><u>7,303,783.98</u></b>
<b>Balance December 31, 2013</b>		<b><u><u>\$ 13,594,155.69</u></u></b>

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
 Analysis of General Capital Cash and Investments  
 For the Year Ended December 31, 2013

Fund Balance		\$ 2,338,570.72
Capital Improvement Fund		0.15
Reserve for Preliminary Planning		2,000.00
Reserve for Payment of Debt		2,282,341.77
Interfund Payable:		
Due to Current Fund		126.33
Due to Other Trust Fund		34,707.48
Improvement Authorizations:		
Ordinance		
<u>Number</u>		
04-1314	Various Capital Improvements	10,000.00
05-1334	Various Capital Improvements	327,840.73
07-1393	Various Capital Improvements	601,773.37
08-1425	Various Capital Improvements	287,021.95
08-1432	Improvements to Roadways	
08-1455	Purchase of Pennytown Property	
09-1463	Various Capital Improvements	676,686.06
09-1477	Police Equipment	132.50
10-1492	Various Capital Improvements	1,008,273.85
10-1493	Village of Titusville Sidewalks	1,551.42
11-1516	Various Capital Improvements	1,341,590.65
11-1522	Various Capital Improvements	8,745.00
11-1523	Preliminary Planning Pennytown	31,957.36
12-1545	Various Capital Improvements	2,307,254.15
12-1548	Improvements to Harbortown-Rocktown Road	130,240.00
12-1559	Acquisition of a Portion of Hunter Tract	17,686.51
12-1552/1563	Renovations to the Municipal Building	24,445.26
13-1576	Various Capital Improvements	1,981,069.98
13-1577	Acquisition of Property	29,000.00
13-1581	Acquisition of Property - Else Tract	31,266.45
15-1582	Road Improvements - Hopwell Wertsville Road	(126.00)
13-1585	Acquisition of Property	100,000.00
13-1586	Construction of Trails for the Lawrence Hopewell Trail System	20,000.00
	Total	<u><u>\$13,594,155.69</u></u>

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
**Statement of Deferred Charges To Future Taxation - Funded**  
**For the Year Ended December 31, 2013**

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Balance December 31, 2012		\$ 39,743,488.07
Decreased by:		
2013 Budget Appropriations:		
Serial Bond Payments	\$ 2,205,000.00	
EDA Loan Payment	28,800.00	
Green Trust Loan Payment	<u>38,796.65</u>	<u>2,272,596.65</u>
Balance December 31, 2013		<u>\$ 37,470,891.42</u>

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
 Schedule of Deferred Charges to Future Taxation - Unfunded  
 For the Year Ended December 31, 2013

Ordinance Number	Improvement Description	Balance Dec. 31, 2012	2013 Authorizations	Transferred to Deferred Taxation Funded	Notes Paid By Budget Appropriation	Reduced by Grant Funds	Canceled	Balance Dec. 31, 2013	ANALYSIS OF BALANCE			
									Funded by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization	
08-1432	Improvements to Roadways	\$ 172,791.00			\$ 17,750.00			\$ 155,041.00	\$ 155,041.00			
08-1442	Acquisition of a portion of Regan Property	471,534.00			7,216.00			464,318.00	464,318.00			
08-1455	Purchase of Pennytown Property	6,577,854.00			72,146.00			6,505,708.00	6,505,708.00			
09-1463	Various Capital Improvements	3,429,259.00			224,240.00			3,205,019.00	3,205,019.00			
10-1492	Various Capital Improvements	3,145,746.00			213,561.00			2,932,185.00	2,932,185.00			
10-1493	Replacement of Sidewalk	331,222.00				329,399.00		1,823.00	1,823.00			
11-1510	Acquisition of Thompson Tract	218,056.00						218,056.00	218,056.00			
11-1516	Various Capital Improvements	2,792,644.00						2,792,644.00	2,792,644.00			
11-1523	Preliminary Planning Pennytown	250,000.00						250,000.00	250,000.00			
11-1527	Acquisition of Zaitz/Hutcherson Tracts	9,100,000.00					466,305.00	8,633,695.00	8,633,695.00			
12-1559	Acquisition of a Portion of Hunter Tract	400,000.00						400,000.00	400,000.00			
12-1545	Various Capital Improvements	3,778,416.00						3,778,416.00	3,778,416.00			
13-1576	Various Capital Improvements		2,498,099.00					2,498,099.00	2,498,099.00			
13-1577	Acquisition of Property		551,000.00					551,000.00			\$ 551,000.00	
13-1582	Roadway Improvements - Hopewell Wertsville Road		296,269.20					296,269.20		126.00	296,172.20	
13-1585	Acquisition of Property		1,900,000.00					1,900,000.00			1,900,000.00	
13-1586	Construction of Trails for the Lawrence Hopewell Trail System		360,000.00					360,000.00			360,000.00	
	<b>Total</b>	<b>\$ 30,667,522.00</b>	<b>\$ 5,625,397.20</b>	<b>-</b>	<b>\$ 534,913.00</b>	<b>\$ 329,399.00</b>	<b>\$ 466,305.00</b>	<b>\$ 34,982,302.20</b>	<b>\$ 31,835,004.00</b>	<b>\$ 126.00</b>	<b>\$ 3,127,172.20</b>	
				Improvement Authorizations Unfunded								\$ 10,493,242.18
				Less Unexpended Proceeds of Bond Anticipation Notes Issued:								
				Ord 09-1463						\$ 676,686.06		
				Ord 10-1492						1,008,273.85		
				Ord 10-1493						1,551.42		
				Ord 11-1516						1,341,590.65		
				Ord 12-1523						31,957.36		
				Ord 12-1545						2,307,254.15		
				Ord 12-1559						17,686.51		
				Ord 13-1576						1,981,069.99		
											7,366,069.98	
											<b>\$ 3,127,172.20</b>	

**Township of Hopewell  
General Capital Fund  
Schedule of General Serial Bonds  
For the Year Ended December 31, 2013**

Purpose	Date of Issue	Original Issue	Maturity of Bonds Outstanding		Interest Rate	Balance December 31, 2012	Increased	Decreased	Balance December 31, 2013
			Date	Amount					
General Obligation Bonds of 2006	10/1/2006	\$16,506,000.00	10/01/14	700,000.00	4.00%	\$12,856,000.00		\$700,000.00	\$12,156,000.00
			10/01/15	800,000.00	4.00%				
			10/01/16	850,000.00	4.00%				
			10/01/17	850,000.00	4.00%				
			10/01/18	900,000.00	4.00%				
			10/01/19	900,000.00	4.00%				
			10/01/20	950,000.00	4.00%				
			10/01/21	1,000,000.00	4.00%				
			10/01/22	1,000,000.00	4.00%				
			10/01/23	1,000,000.00	4.25%				
			10/01/24	1,100,000.00	4.25%				
			10/01/25	1,100,000.00	4.25%				
			10/01/26	1,006,000.00	4.25%				
			Refunding Bonds of 2009	10/1/2009	4,700,000.00				
10/01/15	445,000.00	4.00%							
10/01/16	500,000.00	3.25%							
10/01/17	490,000.00	4.00%							
10/01/18	485,000.00	4.00%							
10/01/19	485,000.00	4.00%							
10/01/20	480,000.00	3.00%							
Balance Foward						\$16,641,000.00	-	\$1,155,000.00	\$15,486,000.00

**Township of Hopewell  
General Capital Fund  
Schedule of General Serial Bonds  
For the Year Ended December 31, 2013**

Purpose	Date of Issue	Original Issue	Maturity of Bonds Outstanding		Interest Rate	Balance	Increased	Decreased	Balance
			Date	Amount		December 31, 2012			December 31, 2013
Balance Brought Forward						\$16,641,000.00	-	\$1,155,000.00	\$15,486,000.00
General Obligation Bonds of 2010	2/15/2010	\$24,422,000.00	2/15/2014	\$ 1,125,000.00	3.000%	22,672,000.00		1,050,000.00	21,622,000.00
			2/15/2015	1,225,000.00	3.000%				
			2/15/2016	1,225,000.00	3.000%				
			2/15/2017	1,225,000.00	3.000%				
			2/15/2018	1,350,000.00	4.000%				
			2/15/2019	1,350,000.00	4.000%				
			2/15/2020	1,400,000.00	3.000%				
			2/15/2021	1,400,000.00	3.000%				
			2/15/2022	1,400,000.00	3.250%				
			2/15/2023	1,500,000.00	3.250%				
			2/15/2024	1,525,000.00	3.500%				
			2/15/2025	1,575,000.00	3.500%				
			2/15/2026	1,575,000.00	3.500%				
			2/15/2027	1,667,000.00	3.500%				
			2/15/2028	700,000.00	3.625%				
			2/15/2029	700,000.00	3.750%				
			2/15/2030	680,000.00	3.750%				
<b>Total</b>						<u>\$39,313,000.00</u>	<u>-</u>	<u>\$2,205,000.00</u>	<u>\$37,108,000.00</u>

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
**Schedule of Bond Anticipation Notes**  
**For the Year Ended December 31, 2013**

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance			
						Dec. 31, 2012	Increased	Decreased	Dec. 31, 2013
08-1455	Acquisition of Pennytown Property	6/10/2009	6/7/2012	6/7/2013	1.00%	\$ 6,577,854.00		\$ 6,577,854.00	
08-1455	Acquisition of Pennytown Property	6/10/2009	6/6/2013	4/11/2014	1.00%		\$ 6,505,708.00		\$ 6,505,708.00
08-1432	Improvements to Various Private Roadways	4/16/2009	4/12/2012	4/12/2013	1.00%	172,791.00		172,791.00	
08-1432	Improvements to Various Private Roadways	4/16/2009	6/6/2013	4/11/2014	1.00%		155,041.00		155,041.00
08-1442	Acquisition of Regan Property	04/16/09	04/12/12	04/12/13	1.00%	471,534.00		471,534.00	
08-1442	Acquisition of Regan Property	04/16/09	06/06/13	04/11/14	1.00%		464,318.00		464,318.00
09-1463	Various Capital Improvements	04/16/09	04/12/12	04/12/13	1.00%	3,429,259.00		3,429,259.00	
09-1463	Various Capital Improvements	04/16/09	06/06/13	04/11/14	1.00%		3,205,019.00		3,205,019.00
10-1492	Various Capital Improvements	10/25/10	06/07/12	06/07/13	1.00%	3,145,746.00		3,145,746.00	
10-1492	Various Capital Improvements	10/25/10	06/06/13	04/11/14	1.00%		2,932,165.00		2,932,165.00
10-1493	Replacement of Titusville Sidewalk	06/08/11	06/07/12	06/07/13	1.00%	331,222.00		331,222.00	
10-1493	Replacement of Titusville Sidewalk	06/03/11	06/06/13	04/11/14	1.00%		1,823.00		1,823.00
11-1510	Acquisition of Thompson Tract	06/03/11	06/07/12	06/07/13	1.00%	218,056.00		218,056.00	
11-1510	Acquisition of Thompson Tract	06/03/11	06/06/13	04/11/14	1.00%		218,056.00		218,056.00
11-1516	Various Capital Improvements	06/03/11	06/07/12	06/07/13	1.00%	2,792,644.00		2,792,644.00	
11-1516	Various Capital Improvements	06/03/11	06/06/13	04/11/14	1.00%		2,792,644.00		2,792,644.00
11-1523	Pennytown/Kooltronics/Marshalls Corner	01/19/12	01/19/12	01/18/13	1.50%	250,000.00		250,000.00	
11-1523	Pennytown/Kooltronics/Marshalls Corner	01/19/12	01/17/13	06/07/13	0.50%		250,000.00	250,000.00	
11-1523	Pennytown/Kooltronics/Marshalls Corner	01/19/12	06/06/13	04/11/14	1.00%		250,000.00		250,000.00
11-1527	Acquisition of the Zaitz/Hutcheson Tracts	01/19/12	01/19/12	01/18/13	1.50%	9,100,000.00		9,100,000.00	
11-1527	Acquisition of the Zaitz/Hutcheson Tracts	01/19/12	01/17/13	06/07/13	0.50%		8,633,697.00	8,633,697.00	
11-1527	Acquisition of the Zaitz/Hutcheson Tracts	01/19/12	06/06/13	04/11/14	1.00%		8,633,695.00		8,633,695.00
12-1545	Various Capital improvements	07/17/12	07/17/12	06/07/13	1.25%	3,778,416.00		3,778,416.00	
12-1545	Various Capital improvements	07/17/12	06/06/13	04/11/14	1.00%		3,778,416.00		3,778,416.00
12-1559	Acquisition of a Portion of the Hunter Tract	01/17/13	01/17/13	06/07/13	0.50%	400,000.00		400,000.00	
12-1559	Acquisition of a Portion of the Hunter Tract	01/17/13	06/06/13	04/11/14	1.00%		400,000.00		400,000.00
13-1576	Various Capital improvements	06/06/13	06/06/13	04/11/14	1.00%		2,498,099.00		2,498,099.00
						<u>\$ 30,267,522.00</u>	<u>\$ 41,118,701.00</u>	<u>\$ 39,551,219.00</u>	<u>\$ 31,835,004.00</u>
							\$ 2,898,099.00		
								\$ 534,913.00	
								329,399.00	
								466,305.00	
							<u>38,220,602.00</u>	<u>38,220,602.00</u>	
							<u>\$ 41,118,701.00</u>	<u>\$ 39,551,219.00</u>	

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
**Schedule of NJ Economic Development Authority Loan Payable**  
**For the Year Ended December 31, 2013**

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Balance December 31, 2012	\$	28,800.00
Decreased by:		
Payment of Principal		28,800.00
Balance December 31, 2013	\$	-

**Schedule of Green Trust Loan Payable**  
**For the Year Ended December 31, 2013**

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Balance December 31, 2012	\$	401,688.07
Decreased by:		
Payment of Principal		38,796.09
Balance December 31, 2013	\$	362,891.98

TOWNSHIP OF HOPEWELL  
 General Capital Fund  
 Schedule of Improvement Authorizations  
 For the Year Ended December 31, 2013

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance		Down Payment	2013 Authorizations		Open Space Trust	Paid or Charged	Canceled	Balance	
				December 31, 2012			Deferred Charges To Future Taxation - Unfunded	Fund Balance				December 31, 2013	
				Funded	Unfunded							Funded	Unfunded
04-1314	Various Capital Improvements	04/26/04	2,825,260.00	40,000.00							30,000.00	\$ 10,000.00	
05-1334	Various Capital Improvements	5/23/05	2,637,201.00	327,840.73								327,840.73	
07-1393	Various Capital Improvements	05/14/07	4,614,464.00	1,718,034.08						\$ 279,085.00	635,225.71	601,773.37	
08-1425-1431	Various Capital Improvements	04/14/08	5,359,172.66	373,573.31						86,551.36		287,021.95	
08-1432	Improvements to Roadways	08/23/08	355,000.00		\$ 6,226.33						6,226.33		\$ -
08-1455	Purchase of Pennytown Property	11/24/08	7,000,000.00		463,609.73					9,716.91	454,192.82		
09-1463	Various Capital Improvements	03/09/09	4,215,713.00		1,329,561.77					630,478.60	18,397.11		676,888.06
09-1477	Police Equipment	08/10/09	27,500.00	132.50								132.50	
10-1492	Various Capital Improvements	08/23/10	3,311,312.00		1,269,859.78					119,663.61	141,922.12		1,008,273.85
10-1493	Village of Tausville Sidewalks	03/23/10	331,222.00		1,551.42								1,551.42
11-1516	Various Capital Improvements	05/09/11	2,939,625.00		1,873,985.11					478,697.37	53,697.09		1,341,590.65
11-1522	Various Improvements	07/05/11	1,090,000.00	9,563.75						816.75		6,745.00	
11-1523	Preliminary Planning Pennytown	07/25/11	250,000.00		82,271.65					50,314.29			31,957.36
12-1548	Improvements to Harbortown-Rocktown Road	06/11/12	130,240.00	130,240.00								130,240.00	
12-1559	Acquisition of a Portion of Hunter Tract	09/10/12	420,000.00	18,600.00	400,000.00					401,113.40			17,686.51
12-1552/1563	Renovations to Municipal Building	11/26/12	60,000.00	41,916.36						17,473.12		24,445.26	
12-1545	Various Capital Improvements	05/14/12	3,977,280.00		3,651,789.04					1,344,534.89			2,307,254.15
13-1576	Various Capital Improvements	04/22/13	2,629,578.00			131,479.00	2,498,099.00			648,508.02			1,081,069.68
13-1577	Acquisition of Property	05/13/13	580,000.00			29,000.00	551,000.00					29,000.00	551,000.00
13-1581	Acquisition of Property - Else Tract	06/24/13	1,919,500.00						1,919,500.00	1,868,233.55		31,266.45	
13-1582	Roadway Improvements												
	Hopewell-Wertsville Road	06/24/13	296,298.20				296,298.20			126.00			296,172.20
13-1585	Acquisition of Property	11/12/13	2,000,000.00				1,900,000.00		100,000.00			100,000.00	1,900,000.00
13-1586	Construction of Trails for the Lawrence Hopewell Trail System	11/12/13	400,000.00				380,000.00		20,000.00			20,000.00	380,000.00
<b>Total</b>				<b>\$ 2,658,152.75</b>	<b>\$ 9,079,154.83</b>	<b>\$ 160,479.00</b>	<b>\$ 5,625,397.20</b>	<b>\$ -</b>	<b>\$ 2,039,500.00</b>	<b>\$ 5,961,315.16</b>	<b>\$ 1,537,661.16</b>	<b>\$ 1,570,485.26</b>	<b>\$ 10,493,242.18</b>
<b>Paid or Charged:</b>										<b>\$ 5,961,315.16</b>			
<b>Cash Disbursed</b>										<b>\$ 5,961,315.16</b>			

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
**Schedule of Capital Improvement Fund**  
**For the Year Ended December 31, 2013**

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Balance December 31, 2012	\$ 0.15
Increased by:	
2013 Current Budget Appropriation	<u>160,479.00</u>
Subtotal	160,479.15
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>160,479.00</u>
Balance December 31, 2013	<u><u>\$ 0.15</u></u>

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
**Statement of Bonds and Notes Authorized But Not Issued**  
**For the Year Ended December 31, 2013**

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2012</u>	<u>2013 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2013</u>
12-1559	Acquisition of a Portion of Hunter Tract	\$ 400,000.00	\$ -	\$ 400,000.00	\$ -	\$ -
13-1576	Various Capital Improvements		2,498,000.00	2,498,000.00		-
13-1577	Acquisition of Property		551,000.00			551,000.00
13-1582	Road Improvements		296,298.00			296,298.00
13-1585	Acquisition of Property		1,900,000.00			1,900,000.00
13-1586	Construction of Trails for the Lawrence/Hopewell Trail System		380,000.00			380,000.00
	Total	<u>\$ 400,000.00</u>	<u>\$ 5,625,298.00</u>	<u>\$ 2,898,000.00</u>	<u>\$ -</u>	<u>\$ 3,127,298.00</u>

**WATER UTILITY FUND**

**TOWNSHIP OF HOPEWELL**  
**Water Utility Operating Fund**  
**Schedule of Cash - Treasurer**  
**For the Year Ended December 31, 2013**

	<u>OPERATING</u>	<u>CAPITAL</u>
Balance December 31, 2012	\$ 70,804.56	\$ 21,658.60
Receipts:		
Consumer Accounts Receivable	\$ 83,885.31	
Water Rent Overpayments	3.75	
Interest on Investments	817.39	
Miscellaneous Revenue	265.14	
Due to Water Operating Fund		\$ 28.38
Ban Principal		50,000.00
Ban Interest		335.13
Budget Appropriation		13,143.00
Contribution from Current Fund	<u>3,559.00</u>	
Total Receipts	<u>88,530.59</u>	<u>63,506.51</u>
Subtotal	159,335.15	85,165.11
Disbursements:		
2013 Appropriations	48,231.67	
Reserve for Encumbrances	1,586.87	
Interest on Bonds and Notes	2,795.98	
Due to Water Operating Fund		4,986.24
Improvement Authorizations	<u>                    </u>	
Total Disbursements	<u>52,614.52</u>	<u>4,986.24</u>
Balance December 31, 2013	<u>\$ 106,720.63</u>	<u>\$ 80,178.87</u>

**TOWNSHIP OF HOPEWELL**  
**Water Utility Capital Fund**  
**Analysis of Cash - Capital Fund**  
**At December 31, 2013**

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Fund Balance		\$ 13,768.73
Capital Improvement Fund		21,368.00
Due to Water Utility Fund		0.64
 Improvement Authorizations:		
<u>Ordinance</u>		
<u>Number</u>		
13-1575	Painting of the WCE Tank	45,041.50
		45,041.50
Total		\$ 80,178.87

**TOWNSHIP OF HOPEWELL**  
**Water Utility Operating Fund**  
**Statement of Consumer Accounts Receivable**  
**For the Year Ended December 31, 2013**

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Balance December 31, 2012		\$ 6,531.64
Increased by:		
2013 Billing		<u>81,111.79</u>
Total		87,643.43
Decreased by:		
Collections	\$ 83,885.31	
Prepayments Applied	<u>8.91</u>	<u>83,894.22</u>
Balance December 31, 2013		<u><u>\$ 3,749.21</u></u>

**TOWNSHIP OF HOPEWELL**  
**Water Utility Capital Fund**  
**Schedule of Fixed Capital**  
**At December 31, 2013**

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2012</u>	<u>Additions Ordinance</u>	<u>Balance Dec. 31, 2013</u>
93-950	Construction of Pumping Station McConkey Way	\$ 157,650.00		\$ 157,650.00
97-1065	Various Capital Improvements	15,137.00		15,137.00
01-1253	Various Capital Improvements	11,400.00		11,400.00
02-1253	Various Capital Improvements	27,263.04		27,263.04
03-1281	Various Capital Improvements	3,251.33		3,251.33
04-1322	Various Capital Improvements	49,805.26		49,805.26
05-1336	Various Capital Improvements	7,859.40		7,859.40
07-1396	Improvements to Water Utility	10,500.00		10,500.00
11-1532	Repairs to Washington Crossing Estates Water Utility	<u>9,620.00</u>		<u>9,620.00</u>
	Total	<u>\$ 292,486.03</u>	<u>\$ -</u>	<u>\$ 292,486.03</u>

**TOWNSHIP OF HOPEWELL**  
**Water Utility Capital Fund**  
 Schedule of Fixed Capital Authorized and Uncompleted  
 For the Year Ended December 31, 2013

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Amount</u>	<u>Balance Dec. 31, 2012</u>	<u>2013 Authorizations</u>		<u>Costs to Fixed Capital</u>	<u>Authorizations Canceled</u>	<u>Balance Dec. 31, 2013</u>
					<u>Deferred Reserve for Amortization</u>	<u>Deferred Charges To Future Revenue</u>			
13-1575	Painting of the WCE Tank	4/22/2013	\$ 50,000.00		\$ 50,000.00				\$ 50,000.00
	Total			-	\$ 50,000.00	-			\$ 50,000.00

**TOWNSHIP OF HOPEWELL**  
**Water Utility Operating Fund**  
**Statement of 2012 Appropriation Reserves**  
**For the Year Ended December 31, 2013**

	<u>Balance Dec. 31, 2012</u>	<u>Balance After Transfers</u>	<u>Reserve for Encumbrances</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Operating:					
Salaries and Wages	\$ 1,032.80	\$ 1,032.80			\$ 1,032.80
Other Expenses	12,110.17	12,110.17	\$ 9,257.51	\$ 1,586.87	19,780.81
Deferred Charges & Statutory Expenditures					
Statutory Expenditures					
Social Security	<u>640.47</u>	<u>640.47</u>			<u>640.47</u>
Total	<u>\$ 13,783.44</u>	<u>\$ 13,783.44</u>	<u>\$ 9,257.51</u>	<u>\$ 1,586.87</u>	<u>\$ 21,454.08</u>
Paid or Charged:					
Cash Disbursed				<u>\$ 1,586.87</u>	

**TOWNSHIP OF HOPEWELL**  
**Water Utility Operating Fund**  
 Schedule of Accrued Interest on Bonds and Notes  
 and Analysis of Balance  
 For the Year Ended December 31, 2013

Balance December 31, 2012		\$ 699.00
Increased By:		
Budget Appropriation for:	\$ 2,758.98	
Interest on Bonds	346.58	3,105.56
Interest on Notes		
Subtotal		3,804.56
Decreased By:		
Interest Paid on Bonds	2,795.98	
Interest Paid on Notes	2,795.98	2,795.98
Balance December 31, 2013		\$ 1,008.58

Analysis of Accrued Interest, December 31, 2013

	<u>Principal Outstanding</u> <u>December 31, 2013</u>	<u>Interest</u> <u>Rate</u>	<u>From</u>	<u>To</u>	<u>Amount</u>
<u>Serial Bonds:</u>	\$66,100.00	4.00% - 4.25%	10/1/2013	12/31/2013	\$ 662.00
<u>Bond Anticipation Note:</u>	\$50,000.00	1.00%	4/22/2013	12/31/2013	346.58
Total					\$ 1,008.58

**TOWNSHIP OF HOPEWELL**  
**Water Utility Capital Fund**  
**Schedule of Serial Bonds**  
**For the Year Ended December 31, 2013**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2012</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2013</u>
Water Utility Bonds of 2006	10/1/06	\$85,000.00	10/01/14	\$ 3,600.00	4.00%	\$ 66,100.00		\$ 3,600.00	\$ 62,500.00
			10/01/15	3,600.00	4.00%				
			10/01/16	4,500.00	4.00%				
			10/01/17	4,500.00	4.00%				
			10/01/18	4,500.00	4.00%				
			10/01/19	4,500.00	4.00%				
			10/01/20	5,400.00	4.00%				
			10/01/21	5,400.00	4.00%				
			10/01/22	5,400.00	4.25%				
			10/01/23	5,400.00	4.25%				
			10/01/24	6,300.00	4.25%				
			10/01/25	6,300.00	4.25%				
			10/01/26	3,100.00	4.25%				
			<b>Total</b>						

**TOWNSHIP OF HOPEWELL**  
**Water Utility Capital Fund**  
 Schedule of Bond Anticipation Notes  
 For the Year Ended December 31, 2013

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2012</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2013</u>
13-1575	Painting of the WCE Tank	6/6/2013	6/6/2013	04/11/14	1.00%	\$ -	\$ 50,000.00	\$ -	\$ 50,000.00
	Total					<u>\$ -</u>	<u>\$ 50,000.00</u>	<u>\$ -</u>	<u>\$ 50,000.00</u>
					Issued for cash Renewals		<u>\$ 50,000.00</u>		
					Total		<u>\$ 50,000.00</u>	<u>\$ -</u>	

**TOWNSHIP OF HOPEWELL**  
**Water Utility Capital Fund**  
 Schedule of Improvement Authorizations  
 For the Year Ended December 31, 2013

Ordinance Number	Improvement Description	Ordinance		Balance December 31, 2012		2013 Authorizations			Balance December 31, 2013		
		Date	Amount	Funded	Unfunded	Capital Fund Balance	Deferred Charges to Future Taxation Unfunded	Paid or Charged	Cancelled	Funded	Unfunded
13-1575	Painting of the WCE Tank	04/22/13	\$ 50,000.00				\$ 50,000.00	\$ 4,958.50			\$ 45,041.50
	Total			---	---	---	\$ 50,000.00	\$ 4,958.50	---	---	\$ 45,041.50

**TOWNSHIP OF HOPEWELL**  
**Water Utility Capital Fund**  
Schedule of Capital Improvement Fund  
For the Year Ended December 31, 2013

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Balance December 31, 2012		\$ 8,225.00
Increased by:		
Budget Appropriation	\$ 13,143.00	
Cancelled Improvement Authorization		
	<hr/>	<hr/>
		13,143.00
Balance December 31, 2013		<u>\$ 21,368.00</u>

**TOWNSHIP OF HOPEWELL**  
**Water Utility Capital Fund**  
 Schedule of Reserve for Amortization  
 For the Year Ended December 31, 2013

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Balance December 31, 2012		\$ 226,386.03
Increased by:		
Payment of Serial Bonds	\$ 3,600.00	
Transfer from Deferred Reserve for Amortization	3,600.00	3,600.00
 Balance December 31, 2013		 \$ 229,986.03

**SEWER UTILITY FUND**

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Funds**  
Schedule of Cash - Treasurer  
For the Year Ended December 31, 2013

	<u>OPERATING</u>	<u>CAPITAL</u>
Balance December 31, 2012	\$ 897,921.76	\$ 379,360.24
Receipts:		
Consumer Accounts Receivable	\$ 1,133,690.67	
Sewer Rent Overpayments	3,400.22	
Miscellaneous Revenue	3,143.98	
Interest on Investments	6,921.14	
Due from Sewer Utility Capital Fund	5.98	\$ 64.51
Premium on Sale of Notes	<u>                    </u>	<u>3,232.99</u>
Total Receipts	<u>1,147,161.97</u>	<u>3,297.50</u>
Subtotal	2,045,083.73	382,657.74
Disbursements:		
2013 Appropriations	1,103,266.29	
Reserve for Encumbrances	15,396.53	
Interest on Bonds and Notes	33,390.92	
Refund of Overpayments	65.00	
Due to Sewer Operating Fund	<u>                    </u>	<u>66.63</u>
Total Disbursements	<u>1,152,118.74</u>	<u>66.63</u>
Balance December 31, 2013	<u>\$ 892,964.99</u>	<u>\$ 382,591.11</u>

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
**Analysis of Cash - Capital Fund**  
**At December 31, 2013**

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Fund Balance		\$ 98,728.07
Capital Improvement Fund		400.00
Due to Sewer Utility Fund		3.84
Improvement Authorizations:		
Ordinance		
<u>Number</u>		
03-1280	Various Capital Improvements	3,000.00
07-1394	Various Capital Improvements	125,459.20
12-1544	Acquisition of Equipment	155,000.00
		155,000.00
Total		\$ 382,591.11

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Operating Fund**  
**Statement of Consumer Accounts Receivable**  
**For the Year Ended December 31, 2013**

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Balance December 31, 2012		\$ 46,630.91
Increased by:		
2013 Billing		<u>1,148,043.57</u>
Total		1,194,674.48
Decreased by:		
Collections	\$ 1,133,690.67	
Overpayments Applied	<u>1,591.58</u>	<u>1,135,282.25</u>
Balance December 31, 2013		<u><u>\$ 59,392.23</u></u>

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
**Schedule of Fixed Capital**  
**For the Year Ended December 31, 2013**

Ordinance Number	Improvement Description	Balance Dec. 31, 2012	Additions by Ordinance	Balance Dec. 31, 2013
88-774 90-860	Improvements and Extension of Sewer System in Princeton Farms area	\$ 1,708,910.33	\$ -	\$ 1,708,910.33
90-873	Princeton Farms Sewer Lines	403,320.00		403,320.00
97-1064	Various Capital Improvements	92,830.00		92,830.00
99-1120	Capital Equipment	13,800.00		13,800.00
01-1189	Various Capital Improvements	191,800.00		191,800.00
02-1240	Various Capital Improvements	148,161.09		148,161.09
02-1247	Various Capital Improvements	83,221.00		83,221.00
02-1252	Various Capital Improvements	81,500.00		81,500.00
04-1315	Various Capital Improvements	126,884.47		126,884.47
05-1335	Various Equipment	\$295,000.00		295,000.00
	Total	<u>\$ 3,145,426.89</u>	<u>\$ -</u>	<u>\$ 3,145,426.89</u>

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
 Schedule of Fixed Capital Authorized and Uncompleted  
 For the Year Ended December 31, 2013

Ordinance Number	Improvement Description	Date of Ordinance	Amount	Balance Dec. 31, 2012	2013 Authorizations		Costs To Fixed Capital	Raised in 2013 Budget	Authorizations Canceled	Balance Dec. 31, 2013
					Deferred Reserve for Amortization	Deferred Charges To Future Revenue				
03-1280	Various Capital Improvements	06/05/03	191,000.00	169,999.97						\$ 169,999.97
07-1394	Acquisition of Various Equipment	05/14/07	334,703.00	334,703.00						334,703.00
12-1544	Acquisition of Equipment	5/14/2012	155,000.00	155,000.00						155,000.00
	<b>Total</b>			<b>\$ 659,702.97</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>\$ 659,702.97</b>

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Operating Fund**  
Statement of 2012 Appropriation Reserves  
For the Year Ended December 31, 2013

	<u>Balance</u> <u>Dec. 31, 2012</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Reserve</u> <u>for</u> <u>Encumbrances</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:					
Salaries and Wages	\$ 4,409.48	\$ 4,409.48			\$ 4,409.48
Other Expenses	95,815.02	95,815.02	\$ 35,673.95	\$ 15,396.53	116,092.44
Statutory Expenditures:					
Social Security System	<u>504.09</u>	<u>504.09</u>			<u>504.09</u>
Total	<u>\$ 100,728.59</u>	<u>\$100,728.59</u>	<u>\$ 35,673.95</u>	<u>\$ 15,396.53</u>	<u>\$ 121,006.01</u>
Paid or Charged:					
Cash Disbursed				<u>\$ 15,396.53</u>	

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Operating Fund**  
**Schedule of Accrued Interest on Bonds and Notes**  
**and Analysis of Balance**  
**For the Year Ended December 31, 2013**

Balance December 31, 2012		\$ 8,952.78
Increased By:		
Budget Appropriation for:		
Interest on Bonds	\$ 28,124.04	
Interest on Notes	<u>5,730.60</u>	<u>33,854.64</u>
Subtotal		42,807.42
Decreased By:		
Interest Paid on Bonds	28,501.76	
Interest Paid on Notes	<u>4,889.16</u>	<u>33,390.92</u>
Balance December 31, 2013		<u><u>\$ 9,416.50</u></u>

Analysis of Accrued Interest, December 31, 2013

<u>Principal Outstanding</u> <u>December 31, 2013</u>	<u>Interest</u> <u>Rate</u>	<u>From</u>	<u>To</u>	<u>Amount</u>
<u>Serial Bonds:</u>				
\$702,900.00	4.00% - 4.25%	10/01/13	12/31/13	\$ 6,748.00
<u>Bond Anticipation Note:</u>				
\$325,305.00	1.00%	06/06/13	12/31/13	1,829.17
\$147,250.00	1.00%	06/06/13	12/31/13	<u>839.33</u>
Total				<u><u>\$ 9,416.50</u></u>

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
**Schedule of Serial Bonds**  
**For the Year Ended December 31, 2013**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2012</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2013</u>
Sewer Utility Bonds of 2006	10/1/06	\$ 894,000.00	10/1/14	\$ 36,400.00	4.00%	\$ 702,900.00		\$ 36,400.00	\$ 666,500.00
			10/1/15	36,400.00	4.00%				
			10/1/16	45,500.00	4.00%				
			10/1/17	45,500.00	4.00%				
			10/1/18	45,500.00	4.00%				
			10/1/19	45,500.00	4.00%				
			10/1/20	54,600.00	4.00%				
			10/1/21	54,600.00	4.00%				
			10/1/22	54,600.00	4.25%				
			10/1/23	54,600.00	4.25%				
			10/1/24	63,700.00	4.25%				
			10/1/25	63,700.00	4.25%				
			10/1/26	65,900.00	4.25%				
			<b>Total</b>						

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
**Schedule of Bond Anticipation Notes**  
**For the Year Ended December 31, 2013**

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2012</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2013</u>
07-1394	Various Capital Improvements	08/16/07	06/07/12	08/07/13	1.00%	\$ 325,305.00		\$ 325,305.00	
07-1394	Various Capital Improvements	08/16/07	06/06/13	04/11/14	1.00%		\$ 320,907.00		\$ 320,907.00
12-1544	Acquisition of Equipment	07/17/12	07/17/12	06/07/13	1.25%	147,250.00		147,250.00	
12-1544	Acquisition of Equipment	07/17/12	06/06/13	04/11/14	1.00%		147,250.00		147,250.00
	<b>Total</b>					<u>\$ 472,555.00</u>	<u>\$ 468,157.00</u>	<u>\$ 472,555.00</u>	<u>\$ 468,157.00</u>
					Issued for Cash		\$ -		
					Paid by Budget Appropriation			\$ 4,398.00	
					Renewals		468,157.00	468,157.00	
					<b>Total</b>		<u>\$ 468,157.00</u>	<u>\$ 472,555.00</u>	

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
**Schedule of Improvement Authorizations**  
**For the Year Ended December 31, 2013**

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance December 31, 2012		2013 Authorizations		Encumbrances Canceled	Paid or Charged	Balance December 31, 2013	
				Funded	Unfunded	Down Payment of Capital Improvement Fund	Deferred Charges to Future Taxation Unfunded			Funded	Unfunded
03-1280	Various Capital Improvements	06/05/03	\$191,000.00	\$ 3,000.00						\$ 3,000.00	
07-1394	Various Capital Improvements	5/14/2007	334,703.00		\$ 119,411.20			\$6,048.00			\$ 125,459.20
12-1544	Various Capital Improvements	5/14/2012	155,000.00	7,750.00	147,250.00	\$ -	\$ -			7,750.00	147,250.00
Total				\$ 10,750.00	\$ 266,661.20	\$ -	\$ -	\$ 6,048.00	\$ -	\$ 10,750.00	\$ 272,709.20

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
Schedule of Capital Improvement Fund  
For the Year Ended December 31, 2013

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Balance December 31, 2012 and 2013	<u>\$ 400.00</u>
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**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
Schedule of Reserve for Amortization  
For the Year Ended December 31, 2013

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Balance December 31, 2012	\$ 2,612,526.86
Increased by:	
Serial Bond Payment	<u>36,400.00</u>
Balance December 31, 2013	<u><u>\$ 2,648,926.86</u></u>

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
 Schedule of Deferred Reserve for Amortization  
 For the Year Ended December 31, 2013

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Balance Dec. 31, 2012</u>	<u>Fixed Capital Authorized</u>	<u>Paid From Operating Budget Notes</u>	<u>Transfer to Reserve for Amortization</u>	<u>Balance Dec. 31, 2013</u>
07-1394	Various Capital Improvements	05/14/07	\$ 9,398.00		\$ 4,398.00		\$ 13,796.00
12-1544	Aquisition of Equipment	05/14/12	7,750.00	\$ -			7,750.00
	<b>Total</b>		<u>\$ 17,148.00</u>	<u>\$ -</u>	<u>\$ 4,398.00</u>	<u>\$ -</u>	<u>\$ 21,546.00</u>

**PUBLIC ASSISTANCE FUND**

**TOWNSHIP OF HOPEWELL**  
**Public Assistance Fund**  
 Schedule of Cash - Treasurer  
 For the Year Ended December 31, 2013

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	<u>PATF I</u>	<u>PATF II</u>	<u>Fund Total</u>
Balance December 31, 2012	\$ 7,516.83	\$ 1,503.71	\$ 9,020.54
Increased by:			
Interest Earned	<u>60.09</u>	<u>          </u>	<u>60.09</u>
Balance December 31, 2013	<u><u>\$ 7,576.92</u></u>	<u><u>\$ 1,503.71</u></u>	<u><u>\$ 9,080.63</u></u>



**TOWNSHIP OF HOPEWELL**

**PART III**

**Statistical Section**

**For the Year Ended December 31, 2013**

Table 1

Township of Hopewell  
Current Fund Expenditures by Function  
Last Ten Years  
Unaudited

Year	General Government	Public Safety	Public Works	Health and Welfare	Unclassified	Deferred Charges and Statutory Expenditures	State and Federal Grants	Capital Improvements	Debt Service	Reserve for Uncollected Taxes	Total
2013	\$ 6,793,445	\$ 4,083,476	\$ 2,029,427	\$ 400,533	\$ 876,750	\$ 1,720,570	\$ 803,591	\$ 160,479	\$ 3,577,049	\$ 1,401,338	\$ 21,846,658
2012	6,262,172	4,017,739	1,987,992	366,693	846,600	1,755,140	390,040	199,864	3,167,877	1,349,507	20,342,624
2011	5,723,493	3,859,063	1,980,958	347,046	808,600	1,708,323	1,596,003	146,981	3,214,042	1,332,808	20,717,317
2010	5,675,722	3,943,482	2,072,090	353,556	810,704	1,464,487	1,474,555	99,246	3,105,605	1,314,554	20,313,001
2009	5,793,044	4,041,226	1,961,511	403,697	758,000	1,532,429	900,890	210,786	3,127,518	1,845,194	20,574,295
2008	5,836,293	3,844,521	1,845,684	394,289	693,000	1,478,585	1,405,538	351,124	2,740,540	1,840,742	20,430,316
2007	6,331,287	3,575,974	1,792,347	386,836	615,000	1,095,401	1,343,734	230,723	2,845,068	1,762,102	19,978,472
2006	5,984,880	3,538,246	1,617,151	299,717	561,000	744,325	765,956	468,675	2,605,536	1,791,155	18,376,641
2005	5,475,325	3,382,192	1,583,608	287,026	494,600	862,572	464,597	194,999	2,337,798	1,620,518	16,703,235
2004	5,549,175	3,330,967	1,439,542	325,059	319,168	821,719	242,071	106,000	2,422,431	1,484,061	16,040,193

**Table 2a**

Township of Hopewell  
Water Utility Operating Fund Expenditures By Function  
Last Ten Years  
Unaudited

Year	Operating	Debt Service	Capital	Deferred Charges and Statutory Expenditures	Total
2013	\$ 45,820	\$ 6,706	\$ 13,143	\$ 800	\$ 66,469
2012	59,170	6,030		1,250	66,450
2011	58,350	16,813	9,245	1,250	85,658
2010	64,450	6,708		1,400	72,558
2009	64,685	6,743		1,365	72,793
2008	56,500	7,155		1,250	64,905
2007	45,716	38,977		1,711	86,404
2006	57,400	29,956		1,250	88,606
2005	58,400	31,449		2,344	92,193
2004	65,450	30,167		1,250	96,867

**Table 2b**

Sewer Utility Operating Fund Expenditures By Function  
Last Ten Years  
Unaudited

Year	Operating	Debt Service	Capital	Deferred Charges and Statutory Expenditures	Total
2013	\$ 1,136,531	\$ 74,653		\$ 2,500	\$ 1,213,684
2012	1,153,194	69,147	\$ 7,750	168,286	1,398,377
2011	1,126,058	67,660		2,000	1,195,718
2010	1,028,200	74,795		2,200	1,105,195
2009	1,024,770	72,360		2,146	1,099,276
2008	961,046	106,643		2,000	1,069,689
2007	912,896	157,926		20,267	1,091,089
2006	871,130	132,655		1,620	1,005,405
2005	838,825	107,425	39,947	7,352	993,549
2004	855,750	96,867	10,500	116,500	1,079,617

**Table 3**

Township of Hopewell  
Current Revenues By Source  
Last Ten Years  
Unaudited

Year	Taxes (1)	Delinquent Taxes	Fees, Permits, Interest, Fines and Licenses	State Aid	State and Federal Grants	Surplus Anticipated	Non Budget Revenues and Other Items	Total
2013	\$ 13,348,762	\$ 879,843	\$ 1,464,829	\$ 1,634,157	\$ 789,119	\$ 1,415,811	\$ 2,944,039	\$ 22,476,560
2012	12,468,335	1,282,776	1,588,392	1,634,157	378,339	1,915,811	1,574,128	20,841,938
2011	14,243,183	2,842,913	1,464,391	1,634,157	1,584,302	1,415,811	2,161,718	25,346,475
2010	12,148,087	947,618	1,236,956	1,650,454	1,463,166	1,415,811	2,023,841	20,885,933
2009	12,911,754	1,119,889	1,206,664	2,141,115	888,231	1,415,811	1,792,682	21,476,146
2008	13,635,481	1,236,638	1,396,503	2,232,370	1,394,815	1,415,811	851,332	22,162,950
2007	12,277,352	1,385,837	1,957,039	2,407,776	1,329,919	1,802,471	685,846	21,846,240
2006	11,750,560	891,055	1,802,697	2,363,945	752,249	1,889,195	684,857	20,134,558
2005	11,362,173	758,009	1,230,627	2,417,886	451,385	1,859,195	974,458	19,053,733
2004	9,672,938	875,352	1,079,508	2,278,538	214,371	2,524,720	690,417	17,335,844

(1) Excludes taxes allocated to county and school.

**Table 4**

Township of Hopewell  
 Assessed Value and Estimate of Total Value  
 Last Ten Years  
 Unaudited

Year	Net Assessed Valuation Taxable	Estimated Full Cash Valuation	Percentage of Net Assessed Value to Estimated Full Cash Valuation
2013	\$ 4,006,497,207	\$ 3,929,681,004	101.95%
2012	4,057,775,200	4,003,841,822	101.35%
2011	4,183,452,489	4,073,248,162	102.71%
2010	4,341,859,988	4,159,076,020	104.39%
2009	4,489,000,000	4,322,023,148	103.86%
2008	4,550,576,567	4,379,444,863	103.91%
2007	4,558,163,334	4,200,442,082	108.52%
2006	(1) 4,593,604,034	4,089,970,287	112.31%
2005	2,369,199,280	3,523,360,891	67.24%
2004	2,315,218,983	3,261,974,202	70.98%

(1) Revaluation.

**Table 5**

**Township of Hopewell  
Schedule of Ten Largest Taxpayers  
Unaudited**

<u>Taxpayer</u>	<u>Assessed Valuation 2013</u>	<u>As a Percent of Total Net Assessed Valuation Taxable</u>
1) Bristol Myers Squibb	\$ 233,794,500	5.84%
2) AREP Hopewell	126,950,000	3.17%
3) ARC DB5PROP001	108,762,500	2.71%
4) Cole Hopewell Twp	92,400,000	2.31%
5) Janssen	91,228,300	2.28%
6) Hopewell Town Center	24,646,100	0.62%
7) Trap Rock Industries	22,331,900	0.56%
8) Carter Road LLC	14,134,100	0.35%
9) Transco Gas Pipeline	13,842,100	0.35%
10) Montpen SC LLC	13,036,500	0.33%
<b>Total</b>	<b><u>\$ 741,126,000</u></b>	<b><u>18.50%</u></b>

Township of Hopewell  
Ratio of Bonded Debt, Bond Anticipation Notes, and Loans To Equalized Value  
and Per Capita  
Last Ten Years  
Unaudited

Year	Population (1)	Average Equalized Valuation	Gross Debt	Gross Debt Per Capita	Ratio of Gross Debt To Equalized Valuation	Net Bonded Debt	Ratio of Net Bonded Debt To Equalized Valuation	Net Bonded Debt Per Capita
2013	17,290	\$ 3,994,903,658	\$ 100,504,046	\$ 5,813	2.52%	\$ 55,003,379	1.38%	\$ 3,181
2012	17,290	4,091,414,083	101,408,790	5,865	2.48%	55,039,230	1.35%	3,183
2011	17,345	4,197,259,448	102,789,132	5,926	2.45%	54,268,763	1.29%	3,129
2010	17,325	4,281,662,204	94,976,878	5,482	2.22%	50,125,259	1.17%	2,893
2009	17,776	4,335,837,661	96,871,291	5,450	2.23%	48,383,545	1.12%	2,722
2008	17,733	4,314,539,339	97,732,936	5,511	2.27%	46,596,217	1.08%	2,628
2007	17,717	4,197,634,640	82,908,060	4,680	1.98%	24,708,000	0.59%	1,395
2006	17,729	3,884,236,125	83,540,069	4,712	2.15%	26,609,000	0.69%	1,501
2005	17,529	3,531,025,456	81,586,498	4,654	2.31%	24,907,801	0.71%	1,421
2004	17,379	3,147,913,331	76,837,923	4,421	2.44%	25,395,998	0.81%	1,461

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(1) Per the State of New Jersey Department of Labor.

Township of Hopewell  
 Ratio of Annual Debt Service Expenditures - Current Fund  
 Last Ten Years  
 Unaudited

Year	Principal	Interest	Total Debt Service	Total Current Fund Governmental Expenditures	Ratio of Debt Service to Current Fund Expenditures
2013	\$ 2,254,437	\$ 1,322,612	\$ 3,577,049	\$ 21,846,658	16.37%
2012	1,922,877	1,245,000	3,167,877	20,342,624	15.57%
2011	1,615,230	1,598,812	3,214,042	20,717,317	15.51%
2010	2,034,547	1,071,058	3,105,605	20,313,001	15.29%
2009	1,880,372	1,247,146	3,127,518	20,574,295	15.20%
2008	1,449,010	1,291,530	2,740,540	20,430,316	13.41%
2007	1,608,010	1,234,358	2,845,068	19,978,472	14.24%
2006	1,555,800	1,049,736	2,605,536	17,870,566	14.58%
2005	1,551,800	785,998	2,337,798	16,703,235	14.00%
2004	1,627,917	794,514	2,422,431	16,040,193	15.10%

**Table 8a**

Township of Hopewell  
Water Utility - Self Liquidating Calculation  
Per N.J.S.A. 40A:2-45  
Last Ten Years  
Unaudited

Year	Fees, Rents and Other Charges	Operating and Maintenance	Debt Service	Liquidating (Nonliquidating)
2013	\$ 88,271	\$ 46,620	\$ 6,706	\$ 34,945
2012	72,527	60,420	6,030	6,077
2011	86,375	59,600	16,813	9,962
2010	82,575	66,850	6,508	9,217
2009	73,290	66,050	6,743	497
2008	67,197	57,750	7,155	2,292
2007	101,799	46,748	38,977	16,074
2006	91,334	58,650	29,955	2,729
2005	102,131	60,744	31,449	9,938
2004	99,070	66,700	30,166	2,204

**Table 8b**

Sewer Utility - Self Liquidating Calculation  
Per N.J.S.A. 40A:2-45  
Last Ten Years  
Unaudited

Year	Fees, Rents and Other Charges	Operating and Maintenance	Debt Service	Liquidating (Nonliquidating)
2013	\$ 1,355,433	\$ 1,139,031	\$ 74,652	\$ 141,750
2012	1,483,164	1,155,694	69,147	258,323
2011	1,103,897	1,128,058	67,660	(91,821)
2010	1,246,384	1,030,400	74,795	141,189
2009	1,313,042	1,026,916	72,360	213,766
2008	1,137,598	963,046	106,643	67,909
2007	1,161,978	914,897	157,926	89,155
2006	1,158,330	872,750	132,656	152,924
2005	1,107,365	840,825	107,425	159,115
2004	1,135,377	858,250	96,867	180,260

Township of Hopewell  
 Unemployment Rate and Per Capita Income - Last Ten Years  
 Last Ten Years  
 Unaudited

Year	Unemployment Rate (1)	Mercer County Per Capita Income
2013	(2)	(2)
2012	6.40%	(2)
2011	5.9%	\$54,445
2010	6.0%	52,946
2009	6.0%	51,947
2008	3.4%	53,961
2007	1.2%	53,156
2006	2.6%	50,471
2005	2.0%	45,931
2004	1.7%	44,489

(1) Per State of New Jersey.

(2) Not Available.

**Township of Hopewell  
Miscellaneous Statistics  
Unaudited**

<b>Date of Incorporation</b>	<b>1798</b>
<b>Form of Government</b>	<b>Township Committee</b>
<b>Area in Square Miles</b>	<b>58</b>
<b>Miles of Streets</b>	<b>154</b>

**BOROUGH OF HOPEWELL**

**PART IV**

**Schedule of Findings and Recommendations**

**For the Year Ended December 31, 2013**

**TOWNSHIP OF HOPEWELL  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

***Section 1 – Summary of Auditor's Results***

**Financial Statement Section**

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

1) Material weaknesses identified?

           yes        X     no

2) Were reportable conditions identified that were not considered to be material weaknesses?

           yes        X     none reported

Noncompliance material to financial statements noted?

           yes        X     no

**Federal Awards**

A Federal Single Audit was not required

**State Awards**

A State Single Audit was not required

**TOWNSHIP OF HOPEWELL  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

***Section 2 – Schedule of Financial Statement Findings***

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

No findings identified.

**TOWNSHIP OF HOPEWELL  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2013**

**Schedule of Federal Awards and State Financial Assistance  
Findings and Questioned Costs**

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and New Jersey OMB's Circular 04-04.

**FEDERAL AWARDS:**

A Federal Single Audit was not required.

**STATE AWARDS:**

A State Single Audit was not required.

**TOWNSHIP OF HOPEWELL**  
**Summary Schedule of Prior Year Audit Findings**  
**And Recommendations as Prepared by Management**

This section identifies the status of prior year findings related to the financial statements and federal and state grant awards that are required to be reported in accordance with Government Auditing Standards and New Jersey OMB's Circular 04-04.

**FINANCIAL STATEMENT FINDINGS**

**Finding 2012-1**

**Condition:**

Many aging federal and state grants receivable and appropriated reserves balances existed as of December 31, 2012.

**Current Status:**

The condition has been corrected.

**FEDERAL AWARDS**

There were no prior year findings.

**STATE AWARDS**

A State Single Audit was not required.

**TOWNSHIP OF HOPEWELL**

**OFFICIALS IN OFFICE AND SURETY BONDS**

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

<b><u>Name</u></b>	<b><u>Title</u></b>	<b><u>Amount of Bond</u></b>	<b><u>Name Of Surety</u></b>
Vanessa Sandom	Mayor		
Allan Canon	Deputy Mayor		
Michael Markulec	Committeeperson		
Harvey Lester	Committeeperson		
John Hart	Committeeperson		
Paul E. Pogerzelski	Administrator	\$1,000,000	(A)
Laurie Gompf	Municipal Clerk	1,000,000	(A)
Deborah Fox	Tax Assessor	1,000,000	(A)
Kevin Oswald	Municipal Construction Official	1,000,000	(A)
Robert Miller	Zoning Officer	1,000,000	(A)
Gary Guarino	Health Officer	1,000,000	(A)
Judy Niederer	Recreation Director	1,000,000	(A)
Abigail Waugh	Senior Service Coordinator	1,000,000	(A)
Charles Ouslander	Municipal Court Judge	1,000,000	(A)
Margaret Umbro	Court Administrator	1,000,000	(A)
Christine Irizarry	Deputy Court Administrator	1,000,000	(A)
Elaine Cruickshank-Borges	Chief Financial Officer	1,000,000	(A)
Susan Newman	Human Resources Director	1,000,000	(A)
Mary Kennedy-Nadzak	Tax Collector and Tax Search Officer	1,000,000	(A)
George Meyer	Chief of Police	1,000,000	(A)

(A) - Blanket Surety Coverage of \$50,000 provided by the Mid Jersey Municipal Joint Insurance Fund and \$950,000 provided by the Municipal Excess Liability Joint Insurance Fund.

**ACKNOWLEDGMENT**

We express our appreciation for the assistance and courtesies extended to us by the Township Officials during the course of the audit.

Respectfully submitted,

**INVERSO & STEWART, LLC**

A handwritten signature in black ink, appearing to read 'R P Inverso', written in a cursive style.

**Robert P. Inverso  
Certified Public Accountant  
Registered Municipal Accountant**

May 28, 2014