

**TOWNSHIP OF HOPEWELL  
County of Mercer**

**Report of Audit of Financial Statements**

**For the Year Ended December 31, 2015**

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

**TABLE OF CONTENTS**

**PART I**

	<b><u>Exhibits</u></b>	<b><u>Page</u></b>
Introduction		2

**PART II**

Independent Auditor's Report		14
Report on Compliance and on Internal Control Over Financial Reporting Based On An Audit of Financial Statements Performed In Accordance with Government Auditing Standards		17

**Financial Statements**

**Current Fund:**

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis	A	19
Statement of Operations and Changes in Fund Balance - Regulatory Basis	A-1	21
Statement of Revenues - Regulatory Basis	A-2	23
Statement of Expenditures - Regulatory Basis	A-3	25

**Trust Fund**

Statement of Assets, Liabilities, and Reserves - Regulatory Basis	B	32
---	---	----

**General Capital Fund**

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis	C	33
Statement of Changes in Fund Balance - Regulatory Basis	C-1	34

**Water Utility Fund**

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis	D	35
Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis	D-1	36
Statement of Fund Balance	D-2	37
Statement of Revenues - Regulatory Basis	D-3	38
Statement of Expenditures - Regulatory Basis	D-4	39

**Sewer Utility Fund**

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis	E	40
Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis	E-1	43
Statement of Fund Balance	E-2	45
Statement of Revenues - Regulatory Basis	E-3	46
Statement of Expenditures - Regulatory Basis	E-4	48

**Part I (Continued):**

<b><u>Public Assistance Fund</u></b>		
Statement of Assets, Liabilities and Reserves	F	50
<b><u>General Fixed Assets Account Group</u></b>		
Statement of General Fixed Assets Account Group	G	51
Notes to Financial Statements		52
<b><u>Current Fund</u></b>		
Statement of Cash - Treasurer	A-4	77
Schedule of Change Funds	A-5	78
Schedule of Taxes Receivable and Analysis of Property Tax Levy	A-6	79
Schedule of Tax Title Liens	A-7	80
Schedule of Revenue Accounts Receivable	A-8	81
Statement of Deferred Charges - Special Emergency Authorization	A-9	82
Statement of 2014 Appropriation Reserves	A-10	83
Schedule of Prepaid Taxes	A-11	84
Schedule of Tax Overpayments	A-12	84
Schedule of Reserve for Tax Appeals Pending	A-13	85
Schedule of Reserve for Revaluation	A-14	85
Schedule of Reserve for Preparation of Master Plan	A-15	85
Schedule of Reserve for Historic Building Repairs	A-16	85
Schedule of Due to State of New Jersey for Senior Citizens and Veterans Deductions	A-17	86
Schedule of Due to State of New Jersey for Marriage License Fees	A-18	86
Schedule of County Taxes Payable	A-19	87
Schedule of Fire District Taxes Payable	A-20	87
Schedule of Regional School Tax Payable	A-21	88
Schedule of Municipal Open Space Tax Payable	A-22	88
Schedule of Federal, State and Local Grants Receivable	A-23	89
Schedule of Reserve for Federal and State Grants - Unappropriated	A-24	90
Schedule of Reserve for Federal, State and Local Grants - Appropriated	A-25	91
<b><u>Trust Fund</u></b>		
Schedule of Cash - Treasurer	B-1	93
Schedule of Reserve for Dog Control Fund Expenditures	B-2	95
<b><u>Trust - Other Funds</u></b>		
Schedule of Reserve Balances	B-3	96
Schedule of Due to State of NJ - UCC Fees	B-4	97
Schedule of Payroll Deductions Payable	B-5	97
<b><u>General Capital Fund</u></b>		
Schedule of Cash - Treasurer	C-2	99
Analysis of General Capital Cash and Investments	C-3	100
Statement of Deferred Charges to Future Taxation - Funded	C-4	101
Schedule of Deferred Charges to Future Taxation - Unfunded	C-5	102
Schedule of General Serial Bonds	C-6	103
Schedule of Bond Anticipation Notes	C-7	106
Schedule of Green Trust Loan Payable	C-8	107
Schedule of Improvement Authorizations	C-9	108
Schedule of Capital Improvement Fund	C-10	109
Statement of Bonds and Notes Authorized But Not Issued	C-11	110

**Part II (Continued):**

**Water Utility Fund**

Schedule of Cash - Treasurer	D-5	112
Analysis of Cash - Capital Fund	D-6	113
Statement of Consumer Accounts Receivable	D-7	114
Schedule of Fixed Capital	D-8	115
Schedule of Fixed Capital Authorized and Uncompleted	D-9	116
Statement of 2014 Appropriation Reserves	D-10	117
Schedule of Accrued Interest on Bonds and Notes	D-11	118
Schedule of Serial Bonds	D-12	119
Schedule of Bond Anticipation Notes	D-13	120
Schedule of Improvement Authorizations	D-14	121
Schedule of Capital Improvement Fund	D-15	122
Schedule of Reserve for Amortization	D-16	123
Schedule of Deferred Reserve for Amortization	D-17	124

**Sewer Utility Fund**

Schedule of Cash - Treasurer	E-5	126
Analysis of Cash - Capital Fund	E-6	129
Statement of Consumer Accounts Receivable	E-7	130
Schedule of Fixed Capital	E-8	132
Schedule of Fixed Capital Authorized and Uncompleted	E-9	133
Statement of 2014 Appropriation Reserves	E-10	134
Schedule of Accrued Interest on Bonds and Notes and Analysis of Balance	E-11	136
Schedule of Serial Bonds	E-12	138
Schedule of Bond Anticipation Notes	E-13	139
Schedule of Improvement Authorizations	E-14	140
Schedule of Capital Improvement Fund	E-15	141
Schedule of Reserve for Amortization	E-16	142
Schedule of Reserve for Deferred Amortization	E-17	143

**Public Assistance Fund**

Schedule of Cash - Treasurer	F-1	145
Schedule of Public Assistance Cash and Reconciliation	F-2	146

**PART III**

**Table**

**Statistical Section**

Current Fund Expenditures by Function	1	148
Water Utility Operating Fund Expenditures By Function	2a	149
Sewer Utility Operating Fund Expenditures By Function	2b	149
Current Revenues By Source	3	150
Assessed Value and Estimate of Total Value	4	151
Schedule of Ten Largest Taxpayers	5	152
Ratio of Bonded Debt, Bond Anticipation Notes, and Loans to Equalized Value and Per Capita	6	153
Ratio of Annual Debt Service Expenditures - Current Fund	7	154
Water Utility - Self Liquidating Calculation	8a	155
Sewer Utility - Self Liquidating Calculation	8b	155
Unemployment Rate and Per Capita Income	9	156
Miscellaneous Statistics	10	157

**PART IV**

**Schedule of Findings and Recommendations**

Schedule of Findings and Questioned Costs	159
Schedule of Federal Awards and State Financial Assistance and Questioned Costs	161
Summary Schedule of Prior-Year Audit Findings	162
Officials in Office and Surety Bonds	163
Acknowledgment	164

**TOWNSHIP OF HOPEWELL**

**PART I**

**Introductory Section**

**For the Year Ended December 31, 2015**

**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 pastoral, 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 Pharmaceutica (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 Office of Community Development, 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, 2015, there are 92 full-time and 58 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 Advisory 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, 20 Patrol Officers, 6 Dispatchers, 1 Secretary, 1 Discovery Clerk and 10 Crossing Guards. Services to the public include: Resident Identification Cards, access to a Domestic Violence Victim Response Team, a Traffic Service Unit, educational services in local schools and a Project Medicine Drop program which allows for the disposal of expired and unused prescription medications.

## **Public Works**

Public Works provides curbside service Township wide including: 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 municipal vehicles, all municipal buildings and any parks or recreational facilities that are the responsibility of the Township. In 2015, the Township held two shredding and electronic disposal events for its residents. Public Works consists of 1 Director, 2 Foremen, 2 Heavy Equipment Operators, 3 Light Equipment Operators, 10 Truck Drivers, 2 Mechanic's, 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 2015, the department issued permits for septic systems: 6 new systems, 77 replacements systems and 48 repairs versus 3 new and 63 replacements systems and 51 repairs to systems in 2014.

Permits for new wells for 2015 were as follows: 6 private new and replacement wells, 9 wells abandoned and 2 pumps replaced.

In 2015, 1,772 dog licenses and 471 cat licenses were issued while in 2014, 2,082 dog licenses and 545 cat licenses were issued

In 2015 the Health Department purchased 592 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 80 retail food establishments completing various inspections or re-inspections for a total of 121 inspections. Several youth camps and public events were also inspected as needed.

## **Community Development**

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 its 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 2015, the Planning Board approved 1 major subdivision, 2 minor subdivisions, 7 preliminary/final site plans and 1 amended site plan waiver.

During 2015, the Zoning Board of Adjustment reviewed 24 cases or applications. Of those applications, 11 were for hardship or “bulk” requirement relief (i.e., setbacks, lot coverage, building height); 12 were for a use not permitted in the zone; and 1 site plan application. There were 4 site plan applications and 4 site plan waiver applications associated with the use variance applications; several of those site plan applications also included hardship “bulk” requirement relief.

## **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 2015 the Construction Office issued 705 Building Permits, 979 Electrical Permits, 957 Plumbing/Mechanical Permits, 224 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 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, Sport Squirts Camp, Tennis Camp and Wrestling Camp. Additionally, a full-day Teen Travel Camp runs for five weeks in the summer with over 175 participants who travel to destinations throughout the tri-state area. The summer of 2015 saw the addition of a Junior Travel Camp which is open to students entering 6<sup>th</sup> grade. These camps presently serve over 850 children and teens.

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 2015, 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, Mahjongg, 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.

### **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, 2015
9-1-1 Operators Association	December 31, 2015
Public Works, AFSCME Local 3867	December 31, 2015

### **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, 2015 has outstanding debt equal to 1.221 % of its equalized value.

As of 2015, Standard and Poor's has awarded Hopewell Township a credit rating of AAA.

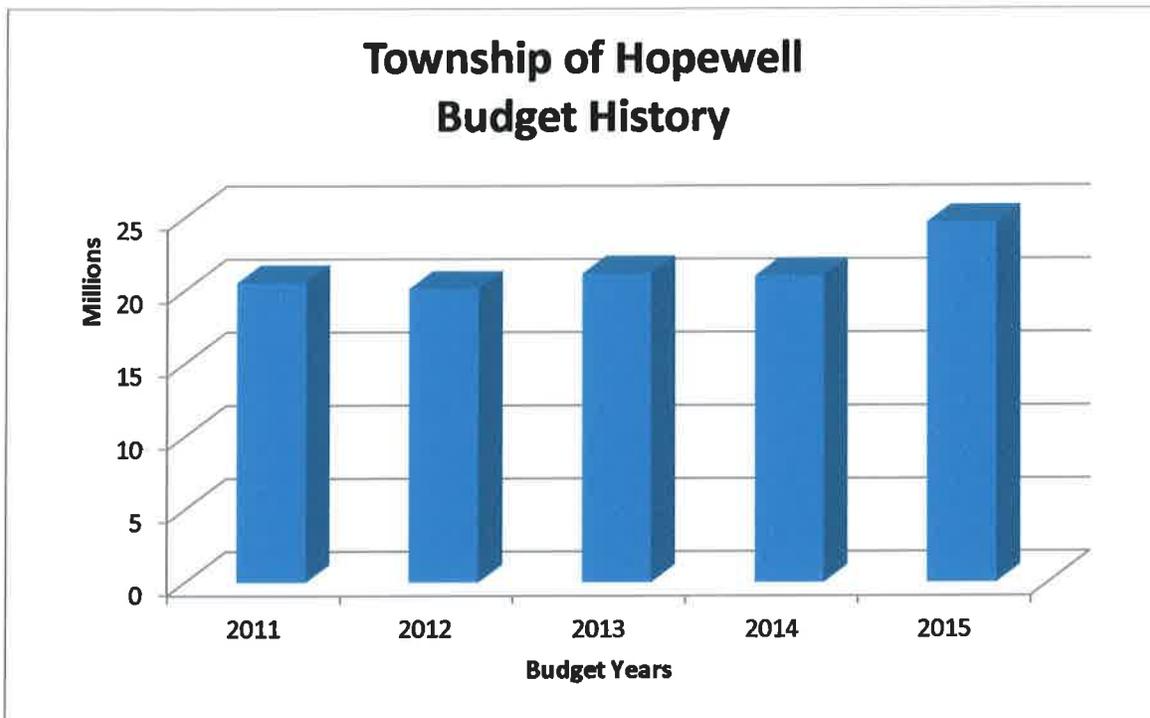
#### **Surplus Fund Balance**

Hopewell Township closed out 2015 with a surplus balance of \$12,008,397.55, which is a decrease of \$193,996.13 over 2014's ending balance.

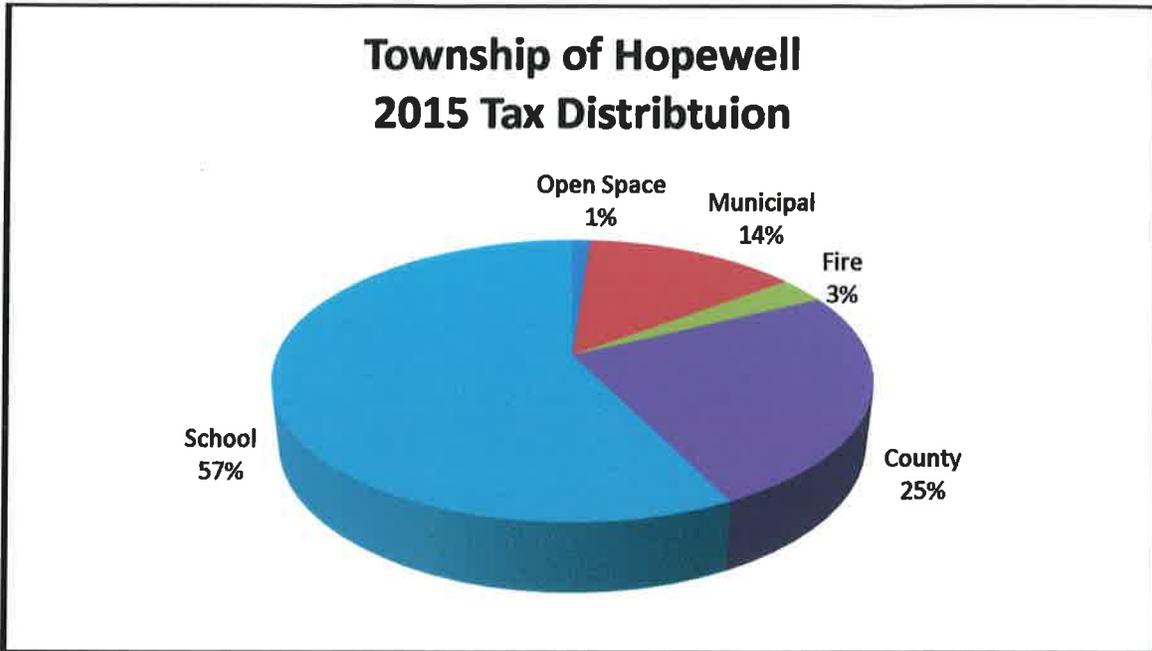
## Budget

The 2015 Budget was adopted at \$ 24,615,441.51. This represented an increase of \$3,651,780.87 over the 2014 budget.

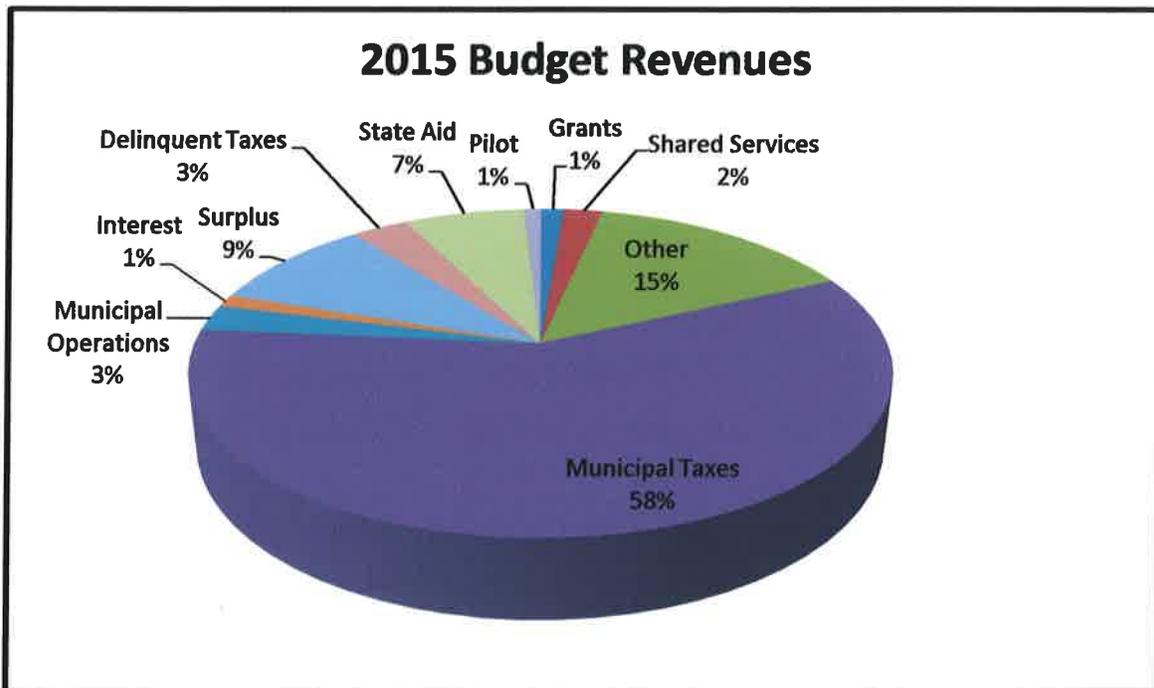
Year	2011	2012	2013	2014	2015
Annual Budget	\$20,503,469	\$20,089,338	\$21,116,198	\$20,963,661	\$ 24,615,441.51



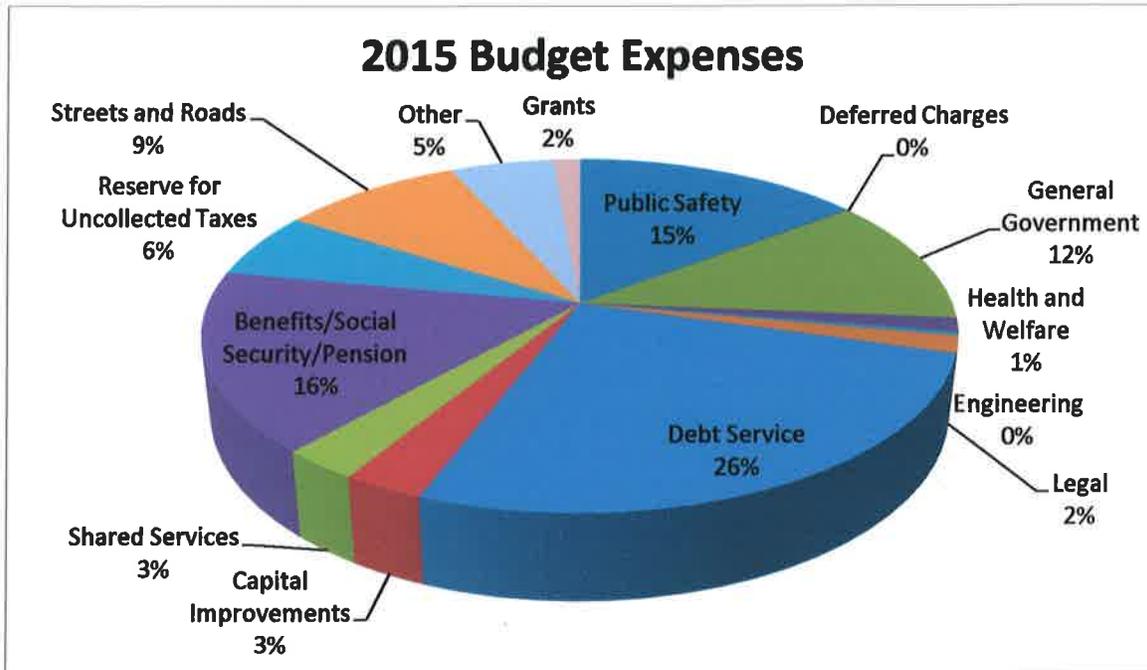
As the below charts demonstrate, municipal taxes represent 14% of all property taxes paid in 2015.



A more detailed analysis of revenues and expenditures for the 2015 budget indicates that (58%) of the budget was supported by tax dollars with Surplus (9%) and State Aid (7%) being the next largest repetitive contributors.



A review of Township Expenses would indicate that the three largest specific areas of expenditure would be Debt Service (26%), Employee Benefits/Social Security/Pensions (16%) and Public Safety (15%).



**Township of Hopewell  
Consultants and Advisors  
as of December 31, 2015**

**Auditors**

Inverso & Stewart, LLC  
651 Route 73 N Suite 402  
Marlton, NJ 08053

(856) 983-2244

**Attorney**

Herbert, Van Ness, Cayci and Goodell, P.C.  
3131 Princeton Pike, Bldg 4, Ste 114  
Lawrenceville, NJ 08648

(609) 924-2495

**Bond Counsel**

McManimon, Scotland, and Baumann  
75 Livingston Avenue  
Roseland, NJ 07068

(973) 622-1800

**Civil Engineering Consultants**

VanCleaf Engineering Associates  
2345 Route 33  
Robbinsville, New Jersey 08691

(609) 259-3263

## **Township of Hopewell**

### **Governing Body**

Harvey Lester- Mayor  
Todd Brant – Deputy Mayor  
Vanessa Sandom – Committeeperson  
Kevin Kuchinski – Committeeperson  
John Hart – Committeeperson

### **Officials**

Paul E Pogorzelski – Administrator/Engineer  
Laurie Gompf – Municipal Clerk  
Deborah Fox – Assessor  
Kevin Oswald - Municipal Construction Official  
Roger Haley – Municipal Court Judge  
Margaret Umbro – Court Administrator  
Robert Miller – Zoning Officer  
Mary Kennedy-Nadzak – Tax Collector  
Elaine Cruickshank-Borges – Chief Financial Officer  
Lance Maloney – Chief of Police  
Robert English – Health Officer  
Judy Niederer – Recreation Director  
Abigail Waugh – Senior Service Coordinator  
Peter VanHise – Interim Public Works Director

**TOWNSHIP OF HOPEWELL**

**PART II**

**Report of Audit of Financial Statements**

**For the Year Ended December 31, 2015**

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

**Certified Public Accountants**

651 Route 73 North, Suite 402  
Marlton, New Jersey 08053  
(856) 983-2244  
Fax (856) 983-6674  
E-Mail: [iscpas@concentric.net](mailto:iscpas@concentric.net)

-Member of-  
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, 2015 and 2014, 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, 2015 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, 2015 and 2014, 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, 2015 and 2014, 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, 2015 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

***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 27, 2016 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 27, 2016

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

**Certified Public Accountants**

651 Route 73 North, Suite 402  
Marlton, New Jersey 08053  
(856) 983-2244  
Fax (856) 983-6674  
E-Mail: [iscpas@concentric.net](mailto:iscpas@concentric.net)

-Member of-  
American Institute of CPAs  
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, 2015, 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 27, 2016. 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 27, 2016

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
 Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
 For the Years Ended December 31, 2015 and 2014

<u>ASSETS</u>	<u>REFERENCE</u>	<u>2015</u>	<u>2014</u>
Regular Fund:			
Cash - Treasurer	A-4	\$ 15,759,569.34	\$ 15,112,901.69
Change Fund	A-5	750.00	600.00
Due State of New Jersey - Senior Citizens and Veterans Deductions	A-17	<u>1,087.75</u>	<u>                    </u>
Total		<u>15,761,407.09</u>	<u>15,113,501.69</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-6	646,229.43	810,429.68
Tax Title Liens Receivable	A-7	144,666.10	134,361.58
Revenue Accounts Receivable	A-8	25,638.62	37,614.52
Other Accounts Receivable		<u>1,460.00</u>	<u>1,460.00</u>
Total		<u>817,994.15</u>	<u>983,865.78</u>
Deferred Charges:			
Special Emergency	A-9	<u>                    </u>	<u>8,071.94</u>
Total Regular Fund		<u>16,579,401.24</u>	<u>16,105,439.41</u>
Federal and State Grant Fund:			
Cash - Treasurer	A-4	442,732.50	279,024.50
Federal and State Grants Receivable	A-23	1,054,449.19	1,274,913.20
Due from Current Fund	A	<u>7,589.30</u>	<u>29,816.43</u>
Total Federal and State Grant Fund		<u>1,504,770.99</u>	<u>1,583,754.13</u>
Total Assets		<u>\$ 18,084,172.23</u>	<u>\$ 17,689,193.54</u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
For the Years Ended December 31, 2015 and 2014

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>REFERENCE</u>	<u>2015</u>	<u>2014</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$ 724,025.60	\$ 852,064.88
Encumbrances Payable	A-3,A-10	1,409,783.90	422,897.05
Prepaid Taxes	A-11	1,080,535.69	1,136,995.12
Tax Overpayments	A-12	10,872.70	18,208.78
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 Historic Building Repairs	A-16	10,935.00	10,935.00
Due State of New Jersey - Senior Citizens and Veterans Deductions	A-17		1,433.55
Due State of New Jersey - Marriage License Fees	A-18	275.00	300.00
Due County for Added Taxes	A-19	106,882.98	51,242.79
Due to Trust - Municipal Open Space Tax Payable	A-22 & B	4,823.42	2,298.69
Due to Trust - Other	B	234,821.66	221,980.28
Due to Federal and State Grant Funds	A	7,589.30	29,816.43
Other Liabilities			5,500.00
Unearned Revenue - Prepaid Cell Tower Rents			3,043.09
		<u>3,753,009.54</u>	<u>2,919,179.95</u>
Total Liabilities		3,753,009.54	2,919,179.95
Reserve for Receivables and Other Assets	A	817,994.15	983,865.78
Fund Balance	A-1	<u>12,008,397.55</u>	<u>12,202,393.68</u>
Total Regular Fund		<u>16,579,401.24</u>	<u>16,105,439.41</u>
Federal and State Grant Fund:			
Unappropriated Reserves	A-24	89,541.58	85,782.37
Appropriated Reserves	A-25	<u>1,415,229.41</u>	<u>1,497,971.76</u>
Total Federal and State Grant Fund		<u>1,504,770.99</u>	<u>1,583,754.13</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 18,084,172.23</u>	<u>\$ 17,689,193.54</u>

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, 2015 and 2014

---

	<u>2015</u>	<u>2014</u>
Statutory Excess to Fund Balance (Brought Forward)	\$ 2,071,815.03	\$ 1,778,436.43
Fund Balance January 1	<u>12,202,393.68</u>	<u>12,039,768.41</u>
Total	14,274,208.71	13,818,204.84
Decreased by Utilization as Anticipated Revenue	<u>2,265,811.16</u>	<u>1,615,811.16</u>
Fund Balance December 31	<u>\$ 12,008,397.55</u>	<u>\$ 12,202,393.68</u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2015

	<u>BUDGET</u>	<u>SPECIAL NJS 40A:4-87</u>	<u>REALIZED</u>	<u>EXCESS (DEFICIT)</u>
Fund Balance Anticipated	\$ 2,265,811.16	\$ -	\$ 2,265,811.16	\$ -
Miscellaneous Revenues:				
Local Revenues:				
Licenses:				
Alcoholic Beverage	30,250.00		30,000.00	(250.00)
Fees and Permits	251,900.00		261,934.07	10,034.07
Fines and Costs:				
Municipal Court	342,800.00		375,234.68	32,434.68
Interest and Costs on Taxes	180,000.00		246,357.43	66,357.43
PILOT Program	85,500.00		77,861.00	(7,639.00)
Capital Health System Settlement	145,017.00		145,017.00	
Interest on Investments and Deposits	110,000.00		132,554.80	22,554.80
Comcast Franchise Fee	257,371.91		257,371.91	
Cell Tower Rents	40,000.00		53,704.59	13,704.59
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	435,157.77		435,157.78	0.01
Interlocal Alliance Services	2,670.00		2,670.00	
Interlocal Police Dispatch Services - Hopewell Borough	66,300.00		66,300.00	
Interlocal Senior Services - Hopewell Borough	10,000.00		10,000.00	
Special Items Offset with Appropriations:				
Municipal Alliance on Alcoholism and Drug Abuse	18,536.00		18,536.00	
Ride Provide	4,000.00		4,000.00	
Recycling Tonnage Grant	29,816.43		29,816.43	
Sustainable NJ	2,000.00	1,500.00	3,500.00	
FEMA Generator Grant	255,000.00		255,000.00	
Drunk Driving Enforcement Grant		6,149.34	6,149.34	
Clean Communities Grant		54,731.20	54,731.20	
NJDOT Hopewell-Wertsville Road		283,500.00	283,500.00	
BMS Water Main Surveying		200.00	200.00	
Refund of Capital Surplus	419,303.30		419,303.30	
Reserve for Debt Service	1,734,577.97		1,734,577.97	
Reserve for Debt Service Affordable Housing	428,622.50		428,622.50	
Insurance Payout - Fire	725,000.00		725,000.00	
Due From HVRSD	12,722.00			(12,722.00)
Total	<u>7,220,701.88</u>	<u>346,080.54</u>	<u>7,691,257.00</u>	<u>124,474.58</u>
Receipts from Delinquent Taxes	775,000.00		805,258.92	30,258.92
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes	<u>14,353,928.47</u>		<u>15,123,139.31</u>	<u>769,210.84</u>
Budget Totals	24,615,441.51	346,080.54	25,885,466.39	<u>\$ 923,944.34</u>
Nonbudget Revenues			82,862.23	
Total	<u>\$ 24,615,441.51</u>	<u>\$ 346,080.54</u>	<u>\$ 25,968,328.62</u>	

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2015

ANALYSIS OF REALIZED REVENUE

Allocation of Current Tax Collections:	
Revenue from Collections	\$ 104,667,477.86
Allocated to School, Fire District, Open Space, and County Taxes	<u>91,033,705.05</u>
Balance for Support of Municipal Budget Appropriations	13,633,772.81
Add Appropriation - Reserve for Uncollected Taxes	<u>1,489,366.50</u>
Amount for Support of Municipal Budget Appropriations	<u>\$ 15,123,139.31</u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	<u>\$ 805,258.92</u>
Total	<u>\$ 805,258.92</u>
Miscellaneous Revenue Not Anticipated:	
Treasurer:	
Mowing	\$ 1,250.00
Rifle Range	2,250.00
Other Refunds	319.11
Refund of Prior Years Expense	59,487.67
Auction Proceeds	15,223.03
Senior Citizen and Veterans Administrative Fee	2,541.00
Miscellaneous	<u>1,791.42</u>
Total	<u>\$ 82,862.23</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, 2015

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<b>GENERAL APPROPRIATIONS:</b>					
<b>Operations Within "CAPS":</b>					
General Government:					
Administrative and Executive:					
Salaries and Wages					
Governing Body	\$ 21,250.00	\$ 21,250.19	\$ 21,250.19	\$ -	\$ -
Administrator's Office	470,936.84	470,936.84	468,826.01	2,110.83	
Clerk's Office	137,320.02	137,320.02	133,354.30	3,965.72	
Other Expenses					
Governing Body	20,200.00	20,200.00	3,127.58	17,072.42	
Administrator's Office	159,238.00	159,238.00	158,189.58	1,048.42	
Clerk's Office	25,305.00	25,305.00	24,247.55	1,057.45	
Financial Administration:					
Salaries and Wages	192,228.03	192,228.03	191,881.96	346.07	
Other Expenses	26,478.00	26,478.00	21,954.16	4,523.84	
Assessment of Taxes:					
Salaries and Wages	116,588.96	114,588.96	114,515.46	73.50	
Other Expenses	30,605.00	30,605.00	27,190.74	3,414.26	
Collection of Taxes:					
Salaries and Wages	80,357.55	80,357.61	80,357.61		
Other Expenses	13,195.00	13,195.00	9,203.63	3,991.37	
Legal Services and Costs:					
Salaries and Wages	45,555.00	45,555.00	45,554.86	0.14	
Other Expenses	327,900.00	397,900.00	388,756.40	9,143.60	
Engineering Services and Costs:					
Other Expenses	88,500.00	88,500.00	88,500.00		
Public Buildings and Grounds:					
Salaries and Wages	47,926.49	47,926.49	47,358.30	568.19	
Other Expenses	216,945.00	216,945.00	185,352.74	31,592.26	
Fleet Maintenance:					
Salaries and Wages	237,502.26	237,502.26	207,229.11	30,273.15	
Other Expenses	165,500.00	165,500.00	135,451.75	30,048.25	

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
 Statement of Expenditures - Regulatory Basis  
 For the Year Ended December 31, 2015

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<b>GENERAL APPROPRIATIONS:</b>					
<b>Operations Within "CAPS":</b>					
Audit Services:					
Other Expenses	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ -	\$ -
Parks and Maintenance:					
Salaries and Wages	55,488.33	55,488.33	50,962.60	4,525.73	
Other Expenses	26,270.00	26,270.00	23,603.05	2,666.95	
Environmental Commission:					
Other Expenses	7,200.00	7,200.00	7,024.79	175.21	
Insurance:					
Liability Insurance	424,088.00	405,088.00	401,242.33	3,845.67	
Medical Insurance	2,257,695.94	2,181,695.94	2,097,391.22	84,304.72	
Health Benefit Waiver	20,000.00	22,000.00	21,345.22	654.78	
Public Safety:					
Police					
Salaries and Wages	3,439,872.67	3,437,288.61	3,379,261.20	58,027.41	
Other Expenses	195,887.37	195,887.37	195,170.78	716.59	
Community Development					
Salaries and Wages	187,724.72	189,864.73	185,186.14	4,678.59	
Other Expenses	66,200.00	85,200.00	85,199.99	0.01	
Contribution to Affordable Housing					
Other Expenses		-			
Contribution to Recreation Trust					
Other Expenses	16,662.50	16,662.50	16,662.50		
Contribution to Water Utility					
Other Expenses	3,398.26	3,398.26	3,398.26		
Road Repair and Maintenance:					
Salaries and Wages	1,477,311.31	1,477,311.31	1,444,846.40	32,464.91	
Other Expenses	718,750.20	718,750.20	658,091.79	60,658.41	
Sanitation:					
Other Expenses	29,000.00	29,000.00	7,973.60	21,026.40	

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
 Statement of Expenditures - Regulatory Basis  
 For the Year Ended December 31, 2015

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<b>GENERAL APPROPRIATIONS:</b>					
<b>Operations Within "CAPS":</b>					
Board of Health:					
Salaries and Wages	\$ 273,601.29	\$ 277,321.51	\$ 277,321.51	\$ (0.00)	\$ -
Other Expenses	36,150.00	34,873.58	33,851.88	1,021.70	
Dog Regulation					
Other Expenses	65,000.00	65,000.00	65,000.00		
Historic Preservation Committee (RS 400:23-6.22):					
Other Expenses	14,760.00	18,760.00	18,681.68	78.32	
Municipal Court:					
Salaries and Wages	253,935.90	253,935.90	247,763.10	6,172.80	
Other Expenses	15,352.00	15,352.00	11,851.13	3,500.87	
Public Defender:					
Salaries and Wages	21,600.00	21,600.00	14,239.00	7,361.00	
Recreation:					
Salaries and Wages	114,921.39	114,921.39	113,182.68	1,738.71	
Other Expenses	2,800.00	2,800.00	1,668.13	1,131.87	
Senior Services:					
Salaries and Wages	55,301.15	55,301.15	55,216.18	84.97	
Other Expenses	5,245.00	5,245.00	4,677.32	567.68	
Utilities:					
Street Lights	175,000.00	175,000.00	148,929.10	26,070.90	
Utilities	175,000.00	175,000.00	137,172.16	37,827.84	
Telephone	96,500.00	96,500.00	77,227.46	19,272.54	
Motor Fuels					
Other Expenses	325,000.00	325,000.00	175,027.66	149,972.34	
Disability Insurance					
Other Expenses	31,750.00	31,750.00	15,896.46	15,853.54	
<b>Total Operations Including Contingent - Within "CAPS"</b>	<u>13,040,997.18</u>	<u>13,040,997.18</u>	<u>12,357,367.25</u>	<u>683,629.93</u>	
Detail:					
Salaries and Wages	7,229,421.91	7,230,698.33	7,078,306.61	152,391.72	
Other Expenses	5,811,575.27	5,810,298.85	5,279,060.64	531,238.21	

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
 Statement of Expenditures - Regulatory Basis  
 For the Year Ended December 31, 2015

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<b>Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS":</b>					
<b>STATUTORY EXPENDITURES:</b>					
Contribution to:					
Public Employees' Retirement System	\$ 552,956.56	\$ 552,956.56	\$ 552,956.56	\$ -	\$ -
Police and Firemen's Retirement System	641,579.27	641,579.27	641,579.27		
Defined Contribution Retirement Program	500.00	500.00		500.00	
Social Security System (O.A.S.I.)	560,000.00	560,000.00	521,004.41	38,995.59	
	<u>1,755,035.83</u>	<u>1,755,035.83</u>	<u>1,715,540.24</u>	<u>39,495.59</u>	
<b>Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"</b>	<u>1,755,035.83</u>	<u>1,755,035.83</u>	<u>1,715,540.24</u>	<u>39,495.59</u>	
<b>Total General Appropriations - For Municipal Purposes Within "CAPS"</b>	<u>14,796,033.01</u>	<u>14,796,033.01</u>	<u>14,072,907.49</u>	<u>723,125.52</u>	
<b>GENERAL APPROPRIATIONS:</b>					
<b>Operations Excluded from "CAPS":</b>					
Recycling Tonnage Tax	1,000.00	1,000.00	100.00	900.00	
Declared State of Emergency Costs for Snow Removal					
Public Works					
Salaries and Wages	55,693.50	55,693.50	55,693.50		
Other Expenses					
Salt	28,507.85	28,507.85	28,507.85		
Fleet Maintenance		-			
Fuel		-			
Meals	1,064.95	1,064.95	1,064.95		
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	163,295.00	163,295.00	163,294.92	0.08	
Interlocal Police Services:					
Hopewell Borough					
Salaries and Wages	400,345.14	400,345.14	400,345.14		

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
 Statement of Expenditures - Regulatory Basis  
 For the Year Ended December 31, 2015

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<b>GENERAL APPROPRIATIONS:</b>					
<b>Operations Excluded from "CAPS":</b>					
Other Expenses	\$ 34,812.63	\$ 34,812.63	\$ 34,812.63	\$ -	\$ -
Pennington Borough					
Salaries and Wages	66,300.00	66,300.00	66,300.00		
Interlocal Sr. Service Coordinator					
Salaries and Wages	9,000.00	9,000.00	9,000.00		
Other Expenses	5,501.05	5,501.05	5,501.05		
Emergency Medical Services Dispatch Mercer Cty.					
Other Expenses	13,280.00	13,280.00	13,280.00		
<b>Total Other Operations Excluded from "CAPS":</b>	<u>781,470.12</u>	<u>781,470.12</u>	<u>780,570.04</u>	<u>900.08</u>	
<b>GENERAL APPROPRIATIONS:</b>					
<b>Operations Excluded from "CAPS":</b>					
<b>Public and Private Programs Offset by Revenues:</b>					
ANJEC					
Drunk Driving Enforcement Grant		6,149.34	6,149.34		
Clean Communities		54,731.20	54,731.20		
Municipal Alliance on Alcoholism and Drug Abuse					
Township Match	7,480.00	7,480.00	7,480.00		
State Share	18,536.00	18,536.00	18,536.00		
Supplemental Fire Services Program	4,321.00	4,321.00	4,321.00		
FEMA Grant Generator					
Township Match	28,388.67	28,388.67	28,388.67		
State Share	255,500.00	255,500.00	255,500.00		
NJ Department of Transportation		283,500.00	283,500.00		
Hopewell Harvest Fair		200.00	200.00		
Recycling Tonnage	29,816.43	29,816.43	29,816.43		
Sustainable NJ	2,000.00	3,500.00	3,500.00		
Ride Provide	4,000.00	4,000.00	4,000.00		
Highway Traffic Safety					
<b>Total Public and Private Programs Offset by Revenues</b>	<u>350,042.10</u>	<u>696,122.64</u>	<u>696,122.64</u>		
<b>Total Operations - Excluded From "CAPS"</b>	<u>1,131,512.22</u>	<u>1,477,592.76</u>	<u>1,476,692.68</u>	<u>900.08</u>	
<b>Detail:</b>					
Salaries and Wages	531,338.64	528,487.98	528,487.98		
Other Expenses	600,173.58	949,104.78	948,204.70	900.08	

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2015

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<b>GENERAL APPROPRIATIONS:</b>					
<b>Capital Improvements - Excluded From "CAPS"</b>					
Capital Improvement Fund	\$ 122,293.19	\$ 122,293.19	122,293.19		
Direct Purchase of PW Dump Trucks	<u>606,800.00</u>	<u>606,800.00</u>	<u>\$ 606,800.00</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Total Capital Improvements - Excluded From "CAPS"</b>	<u>729,093.19</u>	<u>729,093.19</u>	<u>729,093.19</u>		
<b>GENERAL APPROPRIATIONS:</b>					
<b>Municipal Debt Service - Excluded From "CAPS"</b>					
Payment of Bond Principal	2,879,160.00	2,879,160.00	2,879,160.00		
Payment of Bond Anticipation Notes	1,744,152.00	1,744,152.00	1,744,152.00		
Interest on Bonds	1,759,778.65	1,759,778.65	1,759,778.65		
Interest on Notes	<u>78,274.00</u>	<u>78,274.00</u>	<u>77,402.34</u>		<u>871.66</u>
<b>Total Municipal Dept Service - Excluded From "CAPS"</b>	<u>6,461,364.65</u>	<u>6,461,364.65</u>	<u>6,460,492.99</u>		<u>871.66</u>
<b>Deferred Charges and Statutory Expenditures</b>					
<b>Municipal - Excluded from "CAPS"</b>					
Special Emergency Authorizations 5 yrs (N.J.S. 40A:4-55)	<u>8,071.94</u>	<u>8,071.94</u>	<u>8,071.94</u>		
<b>Total Deferred Charges - Excluded From "CAPS"</b>	<u>8,071.94</u>	<u>8,071.94</u>	<u>8,071.94</u>		
<b>Total General Appropriations for Municipal Purposes Excluded From "CAPS"</b>	<u>8,330,042.00</u>	<u>8,676,122.54</u>	<u>8,674,350.80</u>	<u>900.08</u>	<u>871.66</u>
Subtotal General Appropriations	23,126,075.01	23,472,155.55	22,747,258.29	724,025.60	871.66
Reserve for Uncollected Taxes	<u>1,489,366.50</u>	<u>1,489,366.50</u>	<u>1,489,366.50</u>		
<b>TOTAL GENERAL APPROPRIATIONS</b>	<u>\$ 24,615,441.51</u>	<u>\$ 24,961,522.05</u>	<u>\$ 24,236,624.79</u>	<u>\$ 724,025.60</u>	<u>\$ 871.66</u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Statement of Expenditures - Regulatory Basis**  
**For the Year Ended December 31, 2015**

---

Analysis of Budget After Modification:

Original Budget		\$ 24,615,441.51
Appropriation by 40A:4-87		<u>346,080.54</u>
 Total		 <u>\$ 24,961,522.05</u>

Analysis of Paid or Charged:

Reserve for Federal and State Grants - Appropriated	\$ 655,432.97	
Encumbrances Payable	1,404,283.90	
Reserve for Uncollected Taxes	1,489,366.50	
Reserve for Special Emergency	8,071.94	
Cash Disbursed	<u>20,679,469.48</u>	
 Total		 <u>\$ 24,236,624.79</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, 2015 and 2014

	<u>REFERENCE</u>	<u>2015</u>	<u>2014</u>
<b><u>ASSETS</u></b>			
Animal Control Fund:			
Cash - Treasurer	B-1	\$ 26,130.05	\$ 2,568.94
Other Funds:			
Cash - Treasurer	B-1	8,824,518.19	7,667,822.27
Accounts Receivable		24,907.69	30,801.49
Due from General Capital Fund	C	7,902.96	12,942.29
Due from Current Fund - Open Space Tax	A	4,823.42	2,298.69
Due from Current Fund	A	234,821.66	221,980.28
Total Other Funds		<u>9,096,973.92</u>	<u>7,935,845.02</u>
Total Assets		<u>\$ 9,123,103.97</u>	<u>\$ 7,938,413.96</u>
<b><u>LIABILITIES AND RESERVES</u></b>			
Animal Control Fund:			
Due to State of New Jersey		\$ 449.00	\$ 549.60
Reserve for Dog Fund Expenditures	B-2	25,681.05	2,019.34
Total Dog License Fund		<u>26,130.05</u>	<u>2,568.94</u>
Other Funds:			
Due to State NJ - UCC Fees	B-4	17,668.00	11,139.00
Payroll Deductions Payable	B-5	0.04	0.05
Exchange		0.59	0.59
Reserve for :			
Unemployment Compensation	B-3	47,946.44	39,735.62
Trust Other	B-3	917,403.08	882,788.02
Plot Planning	B-3	21,418.41	18,910.91
Planning	B-3	326,862.51	301,240.58
Open Space Trust	B-3	4,943,179.25	4,172,132.42
Low Income Housing	B-3	471,082.24	277,979.59
Community Activities	B-3		208.60
Off-Site Improvements	B-3	658,976.57	658,976.57
Performance Guarantees	B-3	215,316.10	215,316.10
Recreation Trust	B-3	290,551.91	259,407.42
Tax Collectors' Premium	B-3	899,500.00	717,800.00
Tax Title Lien	B-3	42,388.01	152,479.87
Off-Duty Police	B-3	234,821.66	221,980.28
Stream Corridor	B-3		300.00
FSA	B-3	9,859.11	5,449.40
Total Other Funds		<u>9,096,973.92</u>	<u>7,935,845.02</u>
Total Liabilities and Reserves		<u>\$ 9,123,103.97</u>	<u>\$ 7,938,413.96</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, 2015 and 2014

	<u>REFERENCE</u>	<u>2015</u>	<u>2014</u>
<b><u>ASSETS</u></b>			
Cash - Treasurer	C-2	\$ 10,428,009.23	\$ 16,126,810.85
Deferred Charges to Future Taxation:			
Funded	C-4	63,484,943.01	59,653,314.96
Unfunded	C-5	<u>3,730,613.00</u>	<u>12,711,690.00</u>
Total		<u>\$ 77,643,565.24</u>	<u>\$ 88,491,815.81</u>
 <b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
Serial Bonds	C-6	\$ 63,202,000.00	\$ 59,330,000.00
Bond Anticipation Notes	C-7	3,730,613.00	12,160,690.00
Green Trust Loan Payable	C-8	282,943.01	323,314.96
Improvement Authorizations:			
Funded	C-9	4,985,463.55	3,718,470.91
Unfunded	C-9	1,054,984.99	8,406,709.29
Capital Improvement Fund	C-10	108,868.34	0.15
Reserve for Preliminary Planning		2,000.00	2,000.00
Reserve for:			
Payment of Serial Bonds and Notes		1,873,200.35	1,877,883.08
Reserve for Weidel		413,863.68	410,935.68
Reserve for Green Trust Loan		1,487.59	1,477.06
Interfund Payable:			
Due to Trust Fund	B	7,902.96	12,942.29
Fund Balance	C-1	<u>1,980,237.77</u>	<u>2,247,392.39</u>
Total		<u>\$ 77,643,565.24</u>	<u>\$ 88,491,815.81</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, 2015

---

Balance December 31, 2014	\$ 2,247,392.39
Decreased By:	
Reclassification of Premium on Sale of Notes	<u>267,154.62</u>
Balance December 31, 2015	<u>\$ 1,980,237.77</u>

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, 2015 and 2014

	<u>REFERENCE</u>	<u>2015</u>	<u>2014</u>
<b>Operating Fund:</b>			
Cash	D-5	\$ 136,172.58	\$ 126,527.79
Due from Water Capital Fund	D		
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-7	2,421.12	832.71
		<u>2,421.12</u>	<u>832.71</u>
<b>Total Operating Fund</b>		<u>138,593.70</u>	<u>127,360.50</u>
<b>Capital Fund:</b>			
Cash	D-5	65,003.81	50,730.85
Fixed Capital	D-8	292,486.03	292,486.03
Fixed Capital Authorized and Uncompleted	D-9	50,000.00	50,000.00
<b>Total Capital Fund</b>		<u>407,489.84</u>	<u>393,216.88</u>
<b>Total Assets</b>		<u>\$ 546,083.54</u>	<u>\$ 520,577.38</u>
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
<b>Operating Fund:</b>			
Liabilities:			
Appropriation Reserves	D-4	\$ 4,259.57	\$ 15,946.06
Encumbrances Payable	D-4	7,161.71	7,098.57
Water Rent Overpayments	D-5	5.10	273.31
Accrued Interest on Bonds and Notes	D-11	917.34	932.63
<b>Total Liabilities</b>		<u>12,343.72</u>	<u>24,250.57</u>
Reserve for Receivables	D	2,421.12	832.71
Fund Balance	D-1	123,828.86	102,277.22
<b>Total Operating Fund</b>		<u>138,593.70</u>	<u>127,360.50</u>
<b>Capital Fund:</b>			
Liabilities:			
Serial Bonds	D-12	52,550.00	56,150.00
Bond Anticipation Notes	D-13	30,000.00	40,000.00
Improvement Authorizations:			
Funded	D-14		
Unfunded	D-14	91.50	91.50
Capital Improvement Fund	D-15	50,571.78	36,627.02
Due to Water Utility Fund	D		
Reserve fo Amortization	D-16	239,936.03	236,336.03
Reserve fo Debt		571.80	243.60
Deferred Reserve for Amortization	D-17	20,000.00	10,000.00
Fund Balance	D-2	13,768.73	13,768.73
<b>Total Capital Fund</b>		<u>407,489.84</u>	<u>393,216.88</u>
<b>Total Liabilities, Reserves and Fund Balance</b>		<u>\$ 546,083.54</u>	<u>\$ 520,577.38</u>

**TOWNSHIP OF HOPEWELL**  
**Water Utility Operating Fund**

Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis  
For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ -	\$ -
Water Rents	71,288.50	76,190.69
Interest on Investments and Deposits	1,371.60	1,112.04
Miscellaneous	237.94	371.34
Cancelled P/Y Overpayment	252.87	
Contribution from Current Fund	3,398.26	3,477.02
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	<u>21,635.44</u>	<u>13,973.20</u>
Total Revenue and Other Income Realized	<u>98,184.61</u>	<u>95,124.29</u>
Expenditures:		
Operating	45,601.81	50,970.00
Deferred Charges and Statutory Expenditures	695.19	600.00
Capital Improvement Fund	13,944.76	15,259.02
Debt Service	<u>16,391.21</u>	<u>16,595.66</u>
Total Expenditures	<u>76,632.97</u>	<u>83,424.68</u>
Excess in Revenue	21,551.64	11,699.61
Fund Balance January 1	<u>102,277.22</u>	<u>90,577.61</u>
Total	123,828.86	102,277.22
Decreased by Utilization by Water Utility Operating Budget	<u>                    </u>	<u>                    </u>
Balance December 31	<u>\$ 123,828.86</u>	<u>\$ 102,277.22</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, 2015

---

Balance December 31, 2015 and 2014

\$ 13,768.73

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, 2015

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Water Rents	\$ 72,800.00	\$ 71,288.50	\$ (1,511.50)
Interest on Investments and Deposits	850.00	1,371.60	521.60
Contribution from Current Fund	3,398.26	3,398.26	-
Miscellaneous	<u>                    </u>	<u>237.94</u>	<u>237.94</u>
Total	<u>\$ 77,048.26</u>	<u>\$ 76,296.30</u>	<u>\$ (751.96)</u>

**Analysis of Realized Revenues**

Miscellaneous:	
Water Penalties	\$ 237.94
Miscellaneous	<u>                    </u>
	<u>\$ 237.94</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, 2015

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	Budget After <u>Modification</u>	Paid or <u>Charged</u>	<u>Reserved</u>	
<b>Operating:</b>					
Salaries and Wages	\$ 9,691.81	\$ 9,691.81	\$ 9,087.31	\$ 604.50	
Other Expenses	35,910.00	35,910.00	32,254.93	3,655.07	
<b>Deferred Charges and Statutory Expenditures:</b>					
Statutory Expenditures:					
Social Security	695.19	695.19	695.19	-	
<b>Capital Improvements</b>					
Capital Improvement Fund	13,944.76	13,944.76	13,944.76		
<b>Debt Service:</b>					
Payment of Bond Principal	3,600.00	3,600.00	3,600.00		
Payment of Note Principal	10,000.00	10,000.00	10,000.00		
Interest on Bonds	2,506.50	2,506.50	2,389.50		\$ 117.00
Interest on Notes	700.00	700.00	401.71		298.29
<b>Total</b>	<u>\$ 77,048.26</u>	<u>\$ 77,048.26</u>	<u>\$ 72,373.40</u>	<u>\$ 4,259.57</u>	<u>\$ 415.29</u>
<b>Analysis of Paid or Charged:</b>					
Cash Disbursed			\$ 62,420.48		
Encumbrances Payable			7,161.71		
Interest on Bonds and Notes			2,791.21		
<b>Total</b>			<u>\$ 72,373.40</u>		

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

**TOWNSHIP OF HOPEWELL**  
**ELSA Sewer Utility Operating Fund**  
Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
For the Year Ended December 31, 2015 and 2014

	<u>REFERENCE</u>	<u>2015</u>	<u>2014</u>
<b>Operating Fund:</b>			
Cash	E-5a	\$ 637,799.82	\$ 724,755.45
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-7a	59,021.10	56,092.57
Due from Sewer Utility Capital Fund	E		
Deferred Charges:			
Emergency Authorization (40A:4-47)		5,000.00	
<b>Total Assets</b>		<u>\$ 701,820.92</u>	<u>\$ 780,848.02</u>
 <b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
Liabilities:			
Appropriation Reserves	E-4a	\$ 119.75	\$ 49,780.11
Encumbrances Payable	E-4a	4,640.11	16,199.36
Prepaid Sewer Rent		1,029.70	
Sewer Rent Overpayments		3,402.36	2,565.49
Accrued Interest on Bonds and Notes	E-11a	4,410.64	2,459.10
Other Liability		7,250.00	7,250.00
<b>Total Liabilities</b>		<u>20,852.56</u>	<u>78,254.06</u>
 Reserve for Receivables	 E	 59,021.10	 56,092.57
Fund Balance	E-1a	621,947.26	646,501.39
<b>Total Liabilities, Reserves and Fund Balance</b>		<u>\$ 701,820.92</u>	<u>\$ 780,848.02</u>

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

**TOWNSHIP OF HOPEWELL**  
**SBRSA Sewer Utility Operating Fund**  
Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
For the Year Ended December 31, 2015 and 2014

<u>ASSETS</u>	<u>REFERENCE</u>	<u>2015</u>	<u>2014</u>
Operating Fund:			
Cash	E-5b	\$ 311,004.35	\$ 264,781.58
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-7b	10,984.40	9,906.30
Due from Sewer Utility Capital Fund	E		
Deferred Charges:			
Emergency Authorization (40A:4-47)			5,709.15
<b>Total Assets</b>		<b>\$ 321,988.75</b>	<b>\$ 280,397.03</b>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Liabilities:			
Appropriation Reserves	E-4b	\$ 31,399.58	\$ 400.07
Encumbrances Payable	E-4b	3,318.24	15,086.28
Prepaid Sewer Rent		1,183.39	
Sewer Rent Overpayments		10.40	0.75
Accrued Interest on Bonds and Notes	E-11b	6,462.49	6,513.74
<b>Total Liabilities</b>		<b>42,374.10</b>	<b>22,000.84</b>
Reserve for Receivables	E	10,984.40	9,906.30
Fund Balance	E-1b	268,630.25	248,489.89
<b>Total Liabilities, Reserves and Fund Balance</b>		<b>\$ 321,988.75</b>	<b>\$ 280,397.03</b>

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

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
For the Year Ended December 31, 2015 and 2014

<u>ASSETS</u>	<u>REFERENCE</u>	<u>2015</u>	<u>2014</u>
Cash	E-5c	\$ 491,849.61	\$ 682,055.10
Fixed Capital	E-8	3,145,426.89	3,145,426.89
Fixed Capital Authorized and Uncompleted	E-9	<u>987,502.97</u>	<u>987,502.97</u>
Total Assets		<u>\$ 4,624,779.47</u>	<u>\$ 4,814,984.96</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds	E-12	1,358,450.00	603,850.00
Bond Anticipation Notes	E-13		791,559.00
Improvement Authorizations:			
Funded	E-14	370,955.07	10,729.17
Unfunded	E-14		566,997.02
Due to Sewer Utility Operating Fund	E		
Capital Improvement Fund	E-15	400.00	400.00
Reserve for Debt Service		21,766.47	5,200.84
Reserve for Amortization	E-16	2,774,479.86	2,711,576.86
Reserve for Deferred Amortization	E-17		25,944.00
Fund Balance	E-2	<u>98,728.07</u>	<u>98,728.07</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 4,624,779.47</u>	<u>\$ 4,814,984.96</u>

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

**TOWNSHIP OF HOPEWELL**  
**ELSA Sewer Utility Operating Fund**  
Statement of Operations and Changes in Fund Balance - Regulatory Basis  
For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 86,838.25	\$ 125,423.30
Sewer Rents	877,072.35	902,081.55
Interest on Investments	4,955.05	7,520.26
Miscellaneous	8,656.59	3,210.55
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	<u>751.67</u>	<u>19,639.62</u>
Total Revenue and Other Income Realized	<u>978,273.91</u>	<u>1,057,875.28</u>
Expenditures:		
Operating	889,785.86	884,635.86
Deferred Charges and Statutory Expenditures	1,600.00	1,500.00
Debt Service	<u>29,603.93</u>	<u>23,528.01</u>
Total Expenditures	920,989.79	909,663.87
Excess (Deficit) in Revenue	57,284.12	148,211.41
Adjustments to Income before Surplus:		
Expenditures included above which are by Statute Deferred Charges to Budget of Succeeding Year	<u>5,000.00</u>	<u>                    </u>
Statutory Excess to Surplus	62,284.12	148,211.41
Fund Balance January 1	<u>646,501.39</u>	<u>623,713.28</u>
Total	708,785.51	771,924.69
Decreased by Utilization by Sewer Utility Operating Budget	<u>86,838.25</u>	<u>125,423.30</u>
Balance December 31	<u>\$ 621,947.26</u>	<u>\$ 646,501.39</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, 2015

---

Balance December 31, 2015 and 2014

\$ 98,728.07

**TOWNSHIP OF HOPEWELL**  
**ELSA SEWER UTILITY OPERATING FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2015

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Fund Balance	\$ 86,838.25	\$ 86,838.25	
Sewer Rents	825,000.00	877,072.35	\$ 52,072.35
Interest on Investments	4,200.00	4,955.05	755.05
Miscellaneous		<u>8,656.59</u>	<u>8,656.59</u>
Total	<u>\$ 916,038.25</u>	<u>\$ 977,522.24</u>	<u>\$ 61,483.99</u>

**Analysis of Realized Revenues**

Miscellaneous:	
Sewer penalties	\$ 2,680.59
Miscellaneous	<u>5,976.00</u>
Total	<u>\$ 8,656.59</u>

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

**TOWNSHIP OF HOPEWELL**  
**SBRSA SEWER UTILITY OPERATING FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2015

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Fund Balance	\$ 4,237.11	\$ 4,237.11	
Sewer Rents	314,600.00	319,764.56	\$ 5,164.56
Interest on Investments	2,000.00	3,014.00	1,014.00
Miscellaneous		2,137.60	2,137.60
	<hr/>	<hr/>	<hr/>
Total	<u>\$ 320,837.11</u>	<u>\$ 329,153.27</u>	<u>\$ 8,316.16</u>

Analysis of Realized Revenues

Miscellaneous:	
Sewer penalties	\$ 2,137.60
Miscellaneous	
Total	<u>\$ 2,137.60</u>

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

**TOWNSHIP OF HOPEWELL**  
**ELSA Sewer Utility Operating Fund**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2015

	<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	\$ 21,390.00	\$ 21,390.00	\$ 21,390.00	\$ -	\$ -
Other Expenses	868,395.86	868,395.86	868,333.57	62.29	
<b>Deferred Charges and Statutory Expenditures:</b>					
Statutory Expenditures:					
Social Security	1,600.00	1,600.00	1,542.54	57.46	
<b>Debt Service:</b>					
Payment of Bond Principal	11,645.00	11,645.00	11,645.00		
Payment of Bond Anticipation Note Principal	127.25	127.25	127.25		
Interest on Bonds	15,006.00	15,006.00	14,989.16		16.84
Interest on Notes	2,874.14	2,874.14	2,842.52		31.62
	<u>\$ 921,038.25</u>	<u>\$ 921,038.25</u>	<u>\$ 920,870.04</u>	<u>\$ 119.75</u>	<u>\$ 48.46</u>
Total					
Original Budget		\$ 916,038.25			
Emergency Authorization (40A:4-47)		5,000.00			
		<u>\$ 921,038.25</u>			
<b>Analysis of Paid or Charged:</b>					
Cash Disbursed			\$ 898,398.25		
Encumbrances Payable			4,640.11		
Interest on Bonds and Notes			17,831.68		
			<u>\$ 920,870.04</u>		
Total					

**TOWNSHIP OF HOPEWELL**  
**SBRSA Sewer Utility Operating Fund**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2015

	<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	\$ 9,200.00	\$ 9,200.00	\$ 7,891.04	\$ 1,308.96	\$ -
Other Expenses	252,819.05	252,819.05	222,824.75	29,994.30	
<b>Deferred Charges and Statutory Expenditures:</b>					
Deferred Charges					
Emergency Authorizations	5,709.15	5,709.15	5,709.15		
Statutory Expenditures:					
Social Security	700.00	700.00	603.68	96.32	
<b>Debt Service:</b>					
Payment of Bond Principal	24,755.00	24,755.00	24,755.00		
Payment of Bond Anticipation Note Principal	431.75	431.75	431.75		
Interest on Bonds	24,304.33	24,304.33	24,258.43		45.90
Interest on Notes	2,917.83	2,917.83	912.48		2,005.35
	<u>\$ 320,837.11</u>	<u>\$ 320,837.11</u>	<u>\$ 287,386.28</u>	<u>\$ 31,399.58</u>	<u>\$ 2,051.25</u>
Total					
Original Budget		<u>\$ 320,937.11</u>			
<b>Analysis of Paid or Charged:</b>					
Cash Disbursed			\$ 253,187.98		
Encumbrances Payable			3,318.24		
Deferred Charges			5,709.15		
Interest on Bonds and Notes			25,170.91		
			<u>\$ 287,386.28</u>		
Total					

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, 2015 and 2014

---

	<u>REFERENCE</u>	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>			
Cash	F-1	\$ 9,210.51	\$ 9,145.34
Total		<u>\$ 9,210.51</u>	<u>\$ 9,145.34</u>
<u>LIABILITIES AND RESERVES</u>			
Reserve for Public Assistance		<u>\$ 9,210.51</u>	<u>\$ 9,145.34</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, 2015

	Balance December 31, 2014	Additions	Deletions	Balance December 31, 2015
<b>General Fixed Assets:</b>				
Land	\$ 46,262,212.00	\$ 462,485.00	\$ 2,552,700.00	\$ 44,171,997.00
Buildings and Building Improvements	10,799,365.00	\$128,710.00		10,928,075.00
Machinery and Equipment	7,969,886.00	1,051,083.00	2,232,071.00	6,788,898.00
	<u>65,031,463.00</u>	<u>1,642,278.00</u>	<u>4,784,771.00</u>	<u>61,888,970.00</u>
<b>Total General Fixed Assets</b>	<b>\$ 65,031,463.00</b>	<b>\$ 1,642,278.00</b>	<b>\$ 4,784,771.00</b>	<b>\$ 61,888,970.00</b>
<b>Total Investment in General Fixed Assets</b>	<b>\$ 65,031,463.00</b>	<b>\$ 1,642,278.00</b>	<b>\$ 4,784,771.00</b>	<b>\$ 61,888,970.00</b>

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

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

**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, 2015**

**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, 2015**

**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, 2015 to December 31, 2015.

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

**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, 2015 to December 31, 2015.

**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, 2015**

**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 \$31,246,792.66 as of December 31, 2015, \$558,053.11 was insured under FDIC and the remaining balance of \$30,688,739.55 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, 2015 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	\$ 6,216,254.07
Cash Management	Less than 1 Year		\$ 3,595.74

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

**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>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Total Tax Rate	\$ 2.66	\$ 2.60	\$ 2.51	\$ 2.42	\$ 2.27
Apportionment of Tax Rate:					
Municipal	.362	.342	.32	.30	.29
County	.661	.67	.64	.62	.54
Regional School	1.523	1.481	1.45	1.41	1.35
Fire District	.079	.077	.07	.06	.06
Municipal Open Space	.03	.03	.03	.03	.03

<u>Assessed Valuation</u>	<u>Amount</u>
2015	\$ 3,968,475,958
2014	3,988,204,768
2013	4,006,497,207
2012	4,057,775,200
2011	4,183,452,489

<u>Comparison of Tax Levies and Collections</u>			
<u>Year Ended</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage Of Collections</u>
2015	\$ 105,586,389	\$ 104,667,478	99.12 %
2014	103,892,266	102,962,912	99.11
2013	100,965,562	100,035,296	98.07
2012	98,518,159	97,330,347	98.79
2011	97,379,395	95,840,228	98.41

<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>
2015	\$ 144,666	\$ 646,229	\$ 790,895	.75 %
2014	134,362	810,430	944,792	.91
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

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

**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>
2015	9
2014	8
2013	8
2012	8
2011	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>
2015	None
2014	None
2013	None
2012	None
2011	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>
2015	\$ 833	\$ 72,877	\$ 73,710	\$ 71,288	96.71 %
2014	3,749	73,274	77,023	76,191	98.92
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

ELSA 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>
2015	\$ 56,093	\$ 880,001	\$ 936,094	\$ 877,072	93.69 %

Township of Hopewell  
Notes to Financial Statements  
December 31, 2015

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

SBRSA 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>
2015	\$ 9,906	\$ 320,843	\$ 330,749	\$ 319,765	96.68%

**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>
2015	\$ 12,008,398	\$ 2,068,558	17.22%
2014	12,202,394	2,265,811	18.57
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
<b>Water Utility Operating Fund</b>	<b>Balance December 31</b>	<b>Utilized In Budget of Succeeding Year</b>	<b>Percentage of Fund Balance Used</b>
2015	\$ 123,829	\$ -0-	-0-%
2014	102,277	-0-	-0-
2013	90,578	-0-	-0-
2012	47,056	-0-	-0-
2011	33,335	1,921	5.76
<b>ELSA Sewer Utility Operating Fund</b>	<b>Balance December 31</b>	<b>Utilized In Budget of Succeeding Year</b>	<b>Percentage of Fund Balance Used</b>
2015	\$ 621,947	\$ 211,213	33.96%
2014	646,501	86,838	13.93%
<b>SBRSA Sewer Utility Operating Fund</b>	<b>Balance December 31</b>	<b>Utilized In Budget of Succeeding Year</b>	<b>Percentage of Fund Balance Used</b>
2015	\$ 268,630	\$ 56,659	21.09%
2014	248,490	4,237	3.05

**Township of Hopewell**  
**Notes to Financial Statements**  
**December 31, 2015**

**NOTE 8. PENSION PLANS**

Substantially all of the Township'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.

**Significant Legislation**

P.L. 2011, c.78, effective June 28, 2011, made various changes to the manner in which PERS and PFRS operate and to the benefit provisions of those systems.

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

- For new members of PERS hired on or after June 28, 2011 (Tier 5 members), the years of creditable service needed for early retirement benefits increased from 25 to 30 years and the early retirement age from age 55 to 65 for Tier 5 members
- The eligible age to qualify for a service retirement in the PERS increased from age 62 to 65 for Tier 5 members
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), decreased from 65 percent of final compensation to 60 percent of final compensation after 25 years of service and from 70 percent of final compensation to 65 percent of final compensation after 30 or more years of service.
- It increases in active member contribution rates for PERS active members from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years. For fiscal year 2012, the member contribution rates will increase in 2011. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4 year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay.)

**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.

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

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

**Police and Firemen’s Retirement System (PFRS) (Continued)**

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

Police & Firemen's Retirement System					
Borough Contributions					
Year	Pension			Non- Contributory Life Insurance	Employee Contributions
	Normal Contribution	Percentage of Covered Payrolls	Accrued Liability		
2015	\$ 259,118	8.22%	\$ 350,336	\$ 31,810	\$ 318,470
2014	268,751	9.34%	323,001	25,587	292,152
2013	306,466	10.54%	299,738	29,270	290,676

At June 30, 2015, the Township’s net pension liability for PFRS was \$14,625,464.

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

- Inflation rate: 3.04%
- Salary Increases:
  - 2012-2021: 2.60-9.48% based on age
  - Thereafter: 3.60-10.48% based on age
- Investment Rate of Return: 7.90%

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

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

*Long-Term Expected Rate of Return* - In accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

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

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	05.00%	01.04%
U.S. Treasuries	01.75%	01.64%
Investment Grade Credit	10.00%	01.79%
Mortgages	02.10%	01.62%
High Yield Bonds	02.00%	04.03%
Inflation Indexed Bonds	01.50%	03.25%
Broad US Equities	27.25%	08.52%
Developed Foreign Equities	12.00%	06.88%
Emerging Market Equities	06.40%	10.00%
Private Equity	09.25%	12.41%
Hedge Funds/Absolute Ret	12.00%	04.72%
Real Estate (Property)	02.00%	06.83%
Commodities	01.00%	05.32%
Global Debt ex US	03.50%	-0.40%
REIT	04.25%	5.12%

*Discount rate.* The discount rate used to measure the State's total pension liability was 5.79% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.8% as of June 30, 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2045. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2045, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

*Sensitivity of the Township's proportionate share of the net pension liability to changes in the discount rate.* The following presents the Township's proportionate share of the net pension liability measured as of June 30, 2015, calculated using the discount rate of 5.79%, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.79%) or 1 percentage point higher (6.79%) than the current rate:

	<u>1% Decrease (4.79%)</u>	<u>Current Discount Rate (5.79%)</u>	<u>1% Increase (6.79%)</u>
Borough's proportionate share of the net pension liability	\$ 19,281,005	\$ 14,625,464	\$ 10,829,286

*Pension Plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

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

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

The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain 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, the active member contribution rate was increased to 6.5%. An additional 1.0% increase is being phased-in over seven years beginning on July 1, 2012 and increases each subsequent July 1. 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.

The Township is billed annually for its normal contribution plus any accrued liability. The Township's contributions, equal to the required contribution for each fiscal year, were as follows:

Public Employee's Retirement System					
Borough Contributions					
Pension					
Year	Normal Contribution	Percentage of Covered Payrolls	Accrued Liability	Non- Contributory Life Insurance	Employee Contributions
2015	\$ 91,190	2.10%	\$ 421,824	\$ 34,746	\$ 304,925
2014	91,896	2.07%	404,028	8,434	305,430
2013	142,671	3.17%	345,726	28,794	303,573

At June 30, 2015, the Township's net pension liability for PERS was \$14,577,811.

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

- Inflation rate: 3.04%
- Salary Increases:
  - 2012-2021: 2.15-4.40% based on age
  - Thereafter: 3.15-5.40% based on age
- Investment Rate of Return: 7.90%

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

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

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

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

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

*Long-Term Expected Rate of Return* - In accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	05.00%	01.04%
U.S. Treasuries	01.75%	01.64%
Investment Grade Credit	10.00%	01.79%
Mortgages	02.10%	01.62%
High Yield Bonds	02.00%	04.03%
Inflation Indexed Bonds	01.50%	03.25%
Broad US Equities	27.25%	08.52%
Developed Foreign Equities	12.00%	06.88%
Emerging Market Equities	06.40%	10.00%
Private Equity	09.25%	12.41%
Hedge Funds/Absolute Ret	12.00%	04.72%
Real Estate (Property)	02.00%	06.83%
Commodities	01.00%	05.32%
Global Debt ex US	03.50%	-0.40%
REIT	04.25%	5.12%

*Discount rate.* The discount rate used to measure the State's total pension liability was 4.90% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.8% as of June 30, 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions.

Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

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

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

*Sensitivity of the Township's proportionate share of the net pension liability to changes in the discount rate.* The following presents the Township's proportionate share of the net pension liability measured as of June 30, 2015, calculated using the discount rate of 4.90%, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.90%) or 1 percentage point higher (5.90%) than the current rate:

	<b>1% Decrease (3.90%)</b>	<b>Current Discount Rate (4.90%)</b>	<b>1% Increase (5.90%)</b>
Borough's proportionate share of the net pension liability	\$ 18,118,435	\$ 14,577,811	\$ 11,609,377

*Pension Plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

**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, 2015, 2014 and 2013.

**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.

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

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

**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.

**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, 2014 is \$40,619,884 based upon a discount rate of 4.50% per annum and the plan provisions in effect on December 31, 2014.

**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, 2014 is \$3,071,683 based upon a discount rate of 4.50% per annum and the plan provisions in effect on December 31, 2014. The breakdown of the ARC is as follows:

(1) Normal Cost	\$ 777,966
(2) Actuarial Accrued Liability	\$ 40,619,884
(3) Assets	\$ -0-
(4) Unfunded Actuarial Accrued Liability (UAAL) = (2)-(3)	\$ 40,619,884
(5) 30 Year Amortization of UAAL at Discount Rate	\$ 2,293,717
(6) Annual Required Contribution (ARC) = (1)+(5)	\$ 3,071,683

**Basis of Valuation**

The valuation has been conducted as of December 31, 2014 based upon census, plan design and claims information provided by the Township. Census includes 30 participants currently receiving Township paid retiree benefits, and 93 active participants of whom 17 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 66.

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.

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

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

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.

**Funded Status and Funding Progress**

As of December 31, 2014 the actuarial accrued liability for benefits was \$40,619,884, 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, 2014**

The discount rate assumption is 4.5%.

**Health Care Trend Factors**

Health care economic assumptions were selected based on those used by the State Health Benefits Program in calculating SHBP member OPEB requirements taken from the July 1, 2013 report from AON Consultants.

**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, 2015, accrued benefits for compensated absences are valued at \$1,521,974.

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

**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>
2015	\$ 321	\$ 9,274	\$ 1,385	\$ 47,946
2014	257	10,003	1,328	39,736
2013	183	10,125	1,393	30,804
2012	81	17,827	1,364	21,889
2011	154	9,748	10,063	5,345

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

**NOTE 12. CAPITAL DEBT**

**Summary of Municipal Debt**

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Issued:			
General Bonds and Notes	\$ 66,932,613	\$ 71,490,690	\$ 68,943,004
Water Utility Bonds and Notes	82,550	96,150	112,500
Sewer Utility Bonds and Notes	1,358,450	1,395,409	1,134,657
Loans	282,943	323,315	362,892
Total Debt Issued	<u>68,656,556</u>	<u>73,305,564</u>	<u>70,553,053</u>
Less:			
Self-Liquidating Debt	1,441,000	1,491,559	1,247,157
Funds on hand to pay Bonds & Notes	2,288,552	707,260	758,615
Open Space Bonds and Notes	15,697,899	16,438,739	16,671,200
Net Debt Issued	<u>49,229,105</u>	<u>54,668,006</u>	<u>51,876,081</u>
Authorized But Not Issued:			
General - Bonds and Notes		551,000	3,127,298
Water Utility - Bonds and Notes			
Sewer Utility - Bonds and Notes			
Net Bonds and Notes Issued and Authorized But Not Issued		<u>551,000</u>	<u>3,127,298</u>
	<u>\$ 49,229,105</u>	<u>\$ 55,219,006</u>	<u>\$ 55,003,379</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, 2015 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	10/01/2016	4.00%	\$ 850,000
Refunding Bonds of 2009	10/01/2020	3.00% - 4.00%	2,440,000
General Obligation Bonds of 2010	02/15/2030	3.00% - 4.00%	19,272,000
Refunding Bonds of 2014	10/01/2026	3.00% - 5.00%	9,285,000
General Obligation Bonds of 2014	02/01/2034	3.00% - 5.00%	23,863,000
General Obligation Bonds of 2015	04/01/2032	3.00% - 5.00%	7,492,000
Water Utility Bonds of 2006	10/01/2016	4.00%	4,500
Water Utility Refunding Bonds of 2014	10/01/2026	4.00% - 5.00%	48,050
Sewer Utility Bonds of 2006	10/01/2016	4.00%	45,500
Sewer Utility Bonds of 2014	10/01/2026	4.00% - 4.25%	521,950
Sewer Utility Bonds of 2015	04/01/2032	2.00% - 3.00%	791,000
Total			<u>\$ 64,613,000</u>

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

**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 forth and fifth anniversary date of the original issuance.

As of December 31, 2015, the Township had the following outstanding Bond Anticipation Notes:

	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
General Capital Fund	4/08/2016	1.50%	\$ 3,730,613
Water Utility Capital Fund	4/10/2016	1.50%	<u>30,000</u>
Total			<u>\$ 3,760,613</u>

**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 1.221%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School District Debt	\$ 20,909,983	\$ 20,909,983	\$ -
Water and Sewer Utility Debt	1,441,000	1,441,000	
General Debt	<u>67,215,556</u>	<u>17,986,451</u>	<u>49,229,105</u>
Total	<u>\$ 89,566,539</u>	<u>\$ 40,337,434</u>	<u>\$ 49,229,105</u>

Net Debt, \$49,229,105 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2, as amended, \$4,030,350,464 equals 1.221%.

**Equalized Valuation Basis:**

2013	\$ 3,915,221,515
2014	3,987,163,880
2015	<u>4,188,665,997</u>
Average	<u>\$ 4,030,350,464</u>

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

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

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

3-1/2% of Equalized Valuation Basis (Municipal)	\$ 141,062,266
Net Debt	<u>49,229,105</u>
Remaining Borrowing Power	<u>\$ 91,833,161</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		\$ 76,058
Deductions:		
Operating and Maintenance Costs	\$ 46,297	
Debt Service Costs	<u>16,391</u>	
		<u>62,688</u>
Excess in Revenue		<u>\$ 13,370</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		\$ 1,295,881
Deductions:		
Operating and Maintenance Costs	\$ 1,154,105	
Debt Service Costs	<u>79,961</u>	
		<u>1,234,066</u>
Excess in Revenue		<u>\$ 61,815</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**

Calendar Year	Current Fund		
	Principal	Interest	Total
2016	\$ 4,000,000	\$ 2,243,002	\$ 6,243,002
2017	4,230,000	2,105,828	6,335,828
2018	4,345,000	1,950,902	6,295,902
2019	4,495,000	1,778,603	6,273,603
2020	4,610,000	1,588,202	6,198,202
2021-2025	22,886,000	5,312,643	28,198,643
2026-2030	13,242,000	1,964,749	15,206,749
2031-2034	<u>5,394,000</u>	<u>370,445</u>	<u>5,764,445</u>
	<u>\$ 63,202,000</u>	<u>\$ 17,314,374</u>	<u>\$ 80,516,374</u>

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

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

**Serial Bonds Payable**

Water Utility			
Calendar Year	Principal	Interest	Total
2016	\$ 4,500	\$ 2,363	\$ 6,863
2017	4,500	2,182	6,682
2018	4,500	2,048	6,548
2019	4,500	1,867	6,367
2020	5,400	1,688	7,088
2021-2025	26,550	5,283	31,833
2026	2,600	130	2,730
	\$ 52,550	\$ 15,561	\$ 68,111

**Serial Bonds Payable**

Sewer Utility			
Calendar Year	Principal	Interest	Total
2016	\$ 75,500	\$ 43,193	\$ 118,693
2017	80,500	40,722	121,222
2018	80,500	38,658	119,158
2019	75,500	36,187	111,687
2020	89,600	33,718	123,318
2021-2025	493,450	123,692	617,142
2026-2030	347,400	42,682	390,082
2031-2032	116,000	3,420	119,420
	\$ 1,358,450	\$ 362,272	\$ 1,720,722

**New Jersey Green Trust Loan Payable**

Calendar Year	Principal	Interest	Total
2016	\$ 41,183	\$ 5,454	\$ 46,637
2017	42,011	4,626	46,637
2018	42,856	3,782	46,638
2019	43,717	2,920	46,637
2020	44,596	2,042	46,638
2021-2022	68,580	1,376	69,956
	\$ 282,943	\$ 20,200	\$ 303,143

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

**NOTE 13. LEASE OBLIGATIONS**

At December 31, 2015, 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>
2016	\$ 8,040
2017	<u>4,355</u>
	<u>\$ 12,395</u>

Rental payments under the operating lease for the years 2015 and 2014 were \$8,040 and \$8,040 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, 2015

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Current Fund	\$ -	\$ 247,234
Federal and State Grant Fund	7,589	
Trust Fund: Other Trust Funds	247,548	
General Capital Fund		<u>7,903</u>
	<u>\$ 255,137</u>	<u>\$ 255,137</u>

**Township of Hopewell  
Notes to Financial Statements  
December 31, 2015**

**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, 2015, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following funds:

	<b>Balance December 31, 2015</b>	<b>2016 Budget Appropriation</b>
ELSA Sewer Utility Fund:		
Emergency Authorization	\$ 5,000	\$ 5,000
Total	\$ 5,000	\$ 5,000

The appropriations in the 2016 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 one tax appeal pending in New Jersey State Tax Court as of December 31, 2015. However, it appears that the net potential losses of the tax appeals will not be material to the financial statements.

**NOTE 20. SUBSEQUENT EVENTS**

Subsequent to December 31, 2015, the Township of Hopewell authorized additional Bonds and Notes as follows:

<b>Purpose</b>	<b>Date</b>	<b>Amount</b>
Various Capital Improvements	5/24/2016	\$ 4,162,680
Sewer Utility Improvements	5/24/2016	42,750
Water Utility Improvements	5/24/2016	20,750
		\$ 4,226,180

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
**Statement of Cash - Treasurer**  
**For the Year Ended December 31, 2015**

		<u>CURRENT FUND</u>		<u>FEDERAL AND STATE GRANT FUND</u>
Balance December 31, 2014	\$	-	\$ 15,112,901.69	\$ 279,024.50
<b>Receipts:</b>				
Taxes Receivable		104,191,243.93		
2016 Prepaid taxes		1,080,535.69		
Tax Overpayments		45,273.60		
Revenue Accounts Receivable		7,032,780.94		
Due State of New Jersey:				
Marriage License Fees		1,550.00		
Due from State of New Jersey for Senior				
Citizens and Veterans Deductions		127,050.01		
Miscellaneous Revenues Not Anticipated		82,862.23		
Due to Other Trust Fund		131,720.00		
Due to Federal and State Grant Fund		7,589.30		
Federal and State Grants Receivable			657,156.31	
Due from Current Fund			29,816.44	
Budget Refunds		1,404,720.85		2,670.00
Contra		<u>1,300.00</u>		<u>2,061.60</u>
<b>Total Receipts</b>			<u>114,106,626.55</u>	<u>691,704.35</u>
Subtotal			129,219,528.24	970,728.85
<b>Disbursements:</b>				
2015 Appropriations		20,679,469.48		
Appropriation Reserves		201,918.87		
Refund of Tax Overpayments		46,889.52		
County Taxes		26,233,403.05		
Regional School Taxes		60,435,049.00		
Fire District Tax Payable		3,116,591.00		
Municipal Open Space Tax Payable		1,190,497.08		
Due State of New Jersey:				
Marriage License Fees		1,275.00		
Due to Federal and State Grant Fund		29,816.43		
Due to Other Trust Fund		118,878.62		
Appropriated Reserves			523,264.75	
Change fund		150.00		
Budget Refunds		1,404,720.85		2,670.00
Contra		<u>1,300.00</u>		<u>2,061.60</u>
<b>Total Disbursements</b>			<u>113,459,958.90</u>	<u>527,996.35</u>
Balance December 31, 2015			<u>\$ 15,759,569.34</u>	<u>\$ 442,732.50</u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
Schedule of Change Funds  
For the Year Ended December 31, 2015

---

<u>Analysis by Office</u>		
Tax Collector		\$ 200.00
Tax Assessor		50.00
Construction Code		50.00
Health		200.00
Municipal Clerk		50.00
Municipal Court		200.00
Total		<u>\$ 750.00</u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
 Schedule of Taxes Receivable and Analysis of Property Tax Levy  
 For the Year Ended December 31, 2015

Year	Balance	2015 Levy	Added Taxes	COLLECTIONS BY CASH		State Share of 2015 Senior Citizens and Veterans Deductions Allowed	Transferred To Tax Title Lien	Overpayments Applied	Canceled	Balance
	Dec. 31, 2014			2014	2015					Dec. 31, 2015
2013	\$ 9,373.57	\$ -	\$ -	\$ -	\$ 1,862.05	\$ -	\$ -	\$ -	\$ -	\$ 7,511.52
2014	801,056.11		4,036.99		803,396.87		609.03		837.20	250.00
Subtotal	810,429.68		4,036.99		805,258.92		609.03		837.20	7,761.52
2015		105,586,389.41		1,136,995.12	103,385,985.01	135,108.30	9,639.88	9,389.43	270,803.76	638,467.91
<b>Total</b>	<b>\$ 810,429.68</b>	<b>\$ 105,586,389.41</b>	<b>\$ 4,036.99</b>	<b>\$ 1,136,995.12</b>	<b>\$ 104,191,243.93</b>	<b>\$ 135,108.30</b>	<b>\$ 10,248.91</b>	<b>\$ 9,389.43</b>	<b>\$ 271,640.96</b>	<b>\$ 646,229.43</b>

Analysis of Property Tax Levy

<b>Tax Yield:</b>	
General Purpose Tax	\$ 105,234,790.39
Added Taxes	221,651.43
Omitted Taxes	1,697.59
Senior Citizens and Veterans Deductions Allowed	
Per Original Levy	<u>128,250.00</u>
<b>Total</b>	<b>\$ 105,586,389.41</b>
 <b>Tax Levy:</b>	
Regional High School Tax (Abstract)	\$ 60,435,049.00
Fire District Tax (Abstract)	3,116,591.00
County Tax (Abstract)	26,233,403.05
County Added Taxes	55,640.19
Local Open Space Tax (Abstract)	1,190,497.08
Local Open Space Added Tax	2,524.73
Local Tax for Municipal Purposes	\$ 14,353,927.15
Additional Tax Levies	<u>198,757.21</u>
	<u>14,552,684.36</u>
<b>Total</b>	<b>\$ 105,586,389.41</b>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
Schedule of Tax Title Liens  
For the Year Ended December 31, 2015

---

Balance December 31, 2014		\$ 134,361.58
Increased by:		
Interest and Costs from Tax Sale of June 3, 2015	\$ 55.61	
Transfer from Taxes Receivable	<u>10,248.91</u>	<u>10,304.52</u>
Total		144,666.10
Decreased by:		
2015 Collections		<u>                    </u>
Balance December 31, 2015		<u><u>\$ 144,666.10</u></u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
Schedule of Revenue Accounts Receivable  
For the Year Ended December 31, 2015

	Balance <u>Dec. 31, 2014</u>	Accrued in <u>2015</u>	Collected By <u>Treasurer</u>	Balance <u>Dec. 31, 2015</u>
Alcoholic Beverage Licenses	\$ -	\$ 30,000.00	\$ 30,000.00	\$ -
Fees and Permits		261,934.07	261,934.07	
Municipal Court - Fines and Costs	18,867.53	382,005.77	375,234.68	25,638.62
Interest and Costs on Taxes		246,357.43	246,357.43	
Payment in Lieu of Taxes		77,861.00	77,861.00	
Capital Health System Settlement		145,017.00	145,017.00	
Interest Earned on Investments and Deposits		132,554.80	132,554.80	
Comcast Franchise Fee		257,371.91	257,371.91	
Cell Tower Rents		50,661.50	50,661.50	
Energy Receipts Tax		1,601,563.00	1,601,563.00	
Garden State Trust Fund		32,594.00	32,594.00	
Interlocal Police Services		435,157.78	435,157.78	
Interlocal Alliance Services		2,670.00	2,670.00	
Interlocal Police Dispatch Services		66,300.00	66,300.00	
Interlocal Senior Services		10,000.00	10,000.00	
Refund of Capital Surplus		419,303.00	419,303.30	
Refund of Affordable Housing Reserve		428,622.50	428,622.50	
Reserve for Debt Service		1,734,577.97	1,734,577.97	
Insurance Payout - Fire		725,000.00	725,000.00	
		<u>725,000.00</u>	<u>725,000.00</u>	
Total	<u>\$ 18,867.53</u>	<u>\$ 7,039,551.73</u>	<u>\$ 7,032,780.94</u>	<u>\$ 25,638.62</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, 2015**

<u>Purpose</u>	<u>Date Authorized</u>	<u>Amount Authorized</u>	<u>Balance December 31, 2014</u>	<u>Raised in 2015 Budget</u>	<u>Canceled</u>	<u>Balance December 31, 2015</u>
Hurricane Damage	11/19/2012	\$ 3,500,000.00	\$ 8,071.94	\$ 8,071.94	\$ -	\$ -
Total			<u>\$ 8,071.94</u>	<u>\$ 8,071.94</u>	<u>\$ -</u>	<u>\$ -</u>

**Township of Hopewell**  
**Appropriation Reserves - Current Fund**  
**For the Year Then Ended December 31, 2015**

	<u>Balance December 31, 2014</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>					
Clerk's Office	\$ 3,920.95	\$ 3,920.95			\$ 3,920.95
Financial Administration	38.41	38.41			38.41
Assessment of Taxes	15,123.43	15,113.82			15,113.82
Legal Services and Costs	271.05	271.05			271.05
Public Buildings and Grounds	4,174.25	4,174.25			4,174.25
Parks & Maintenance	3,488.01	3,488.01			3,488.01
Police	32,375.13	32,375.13			32,375.13
Community Development	19,947.86	19,947.86			19,947.86
Road Repair & Maintenance	79,110.84	79,110.84			79,110.84
Board of Health	8,848.86	8,848.86			8,848.86
Municipal Court	11,110.05	11,110.05			11,110.05
Public Defender	8,109.71	8,109.71			8,109.71
Recreation	1,000.74	1,000.74			1,000.74
Senior Services	0.08	0.08			0.08
Subtotal	<u>187,519.37</u>	<u>187,509.76</u>	<u>-</u>	<u>-</u>	<u>187,509.76</u>
<b>Other Expenses - Within Caps</b>					
Administrative & Executive:					
Governing Body	11,645.75	11,645.75	8,898.47	1,151.17	19,393.05
Administrator's Office	17,931.62	17,931.62	53,648.17	33,973.15	37,606.64
Clerk's Office	1,365.71	1,365.71	6,759.76	1,765.80	6,359.67
Financial Administration	3,217.88	3,217.88	1,337.96	1,920.88	2,634.96
Assessment of Taxes	1,259.47	1,259.47	7,095.44	1,505.89	6,849.02
Collection of Taxes	4,846.09	4,846.09	792.00		5,638.09
Engineering			30,551.60	7,922.00	22,629.60
Legal Services and Costs	3,026.00	3,026.00	84,997.75	9,800.51	78,223.24
Public Buildings and Grounds	24.28	24.28	15,449.72	8,931.17	6,542.83
Fleet Maintenance	9,439.50	9,439.50	27,548.70	5,605.99	31,382.21
Parks & Maintenance	2,620.94	2,620.94	6,894.83	139.99	9,375.78
Environmental Commission	5,095.77	5,095.77	623.98	153.98	5,565.77
Insurance					
Medical Insurance	137,591.44	137,591.44	233.33	233.33	137,591.44
Police	9,000.32	9,000.32	35,454.97	32,986.43	11,468.86
Community Development	4.02	4.02	22,769.34	6,084.94	16,688.42
Road Repair & Maintenance	77,542.52	77,542.52	70,576.73	38,257.25	109,862.00
Sanitation	29,281.52	29,281.52	4,193.38	706.11	32,768.79
Board of Health	7,600.62	7,600.62	10,653.21	1,365.37	16,888.46
Historic Preservation Committee	12,914.00	12,914.00	1,394.73	58.64	14,250.09
Municipal Court	6,881.56	6,881.56	2,850.14	777.55	8,954.15
Recreation	996.53	996.53	280.00	31.40	1,245.13
Senior Services	11,064.97	11,064.97	183.74	102.97	11,145.74
Utilities:					
Street Lighting	24,294.90	24,294.90		16,900.89	7,394.01
Utilities	92,867.60	92,867.60	100.00	18,527.28	74,440.32
Telephone	31,033.41	31,033.41	2,244.71		33,278.12
Motor Fuels	139,552.93	139,552.93	27,207.23	12,630.16	154,130.00
Disability Insurance	22,412.07	22,412.07		324.18	22,087.89
Subtotal	<u>663,511.42</u>	<u>663,511.42</u>	<u>422,739.89</u>	<u>201,857.03</u>	<u>884,394.28</u>
<b>Statutory Expenditures - Within Caps</b>					
Defined Contribution Retirement Program	500.00	500.00			500.00
Social Security System	33.81	43.42		43.42	-
Subtotal	<u>533.81</u>	<u>543.42</u>	<u>-</u>	<u>43.42</u>	<u>500.00</u>
<b>Other Expenses - Excluded from Caps</b>					
Recycling Tonnage Tax	500.00	500.00	157.16	18.42	638.74
Interlocal Recycling	0.28	0.28			0.28
Interlocal Police					
Subtotal	<u>500.28</u>	<u>500.28</u>	<u>157.16</u>	<u>18.42</u>	<u>639.02</u>
<b>Grand Total</b>	<u>\$ 852,064.88</u>	<u>\$ 852,064.88</u>	<u>\$ 422,897.05</u>	<u>\$ 201,918.87</u>	<u>\$ 1,073,043.06</u>
			Cash Disbursed	\$ 201,918.87	
			Reserve for Encumbrances		
			Total	<u>\$ 201,918.87</u>	

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
 Schedule of Prepaid Taxes  
 For the Year Ended December 31, 2015

---

Balance December 31, 2014		\$ 1,136,955.12
Increased by:		
Collected		1,080,535.69
Subtotal		2,217,490.81
Decreased by:		
Applied to 2015 Taxes		1,136,955.12
Balance December 31, 2015		\$ 1,080,535.69

Schedule of Tax Overpayments  
 For the Year Ended December 31, 2015

---

Balance December 31, 2014		\$ 18,208.78
Increased by:		
Collected	\$ 45,273.60	
Prior Year Overpayments	4,180.63	49,454.23
Subtotal		67,663.01
Decreased by:		
Refunded	\$ 46,889.52	
Applied to 2015 Taxes	9,389.43	
Canceled	511.36	56,790.31
Balance December 31, 2015		\$ 10,872.70

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
 Schedule of Reserve for Tax Appeals Pending  
 For the Year Ended December 31, 2015

---

Balance December 31, 2015 and 2014	<u>\$ 100,000.00</u>
------------------------------------	----------------------

EXHIBIT A-14

Schedule of Reserve for Revaluation  
 For the Year Ended December 31, 2015

---

Balance December 31, 2015 and 2014	<u>\$ 12,353.25</u>
------------------------------------	---------------------

EXHIBIT A-15

Schedule of Reserve for Preparation of Master Plan  
 For the Year Ended December 31, 2015

---

Balance December 31, 2015 and 2014	<u>\$ 50,111.04</u>
------------------------------------	---------------------

EXHIBIT A-16

Schedule of Reserve for Historic Building Repairs  
 For the Year Ended December 31, 2015

---

Balance December 31, 2015 and 2014	<u>\$ 10,935.00</u>
------------------------------------	---------------------

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
Schedule of Due to/(from) State of New Jersey  
for Senior Citizens and Veterans Deductions  
For the Year Ended December 31, 2015

Balance December 31, 2014 - Due to/(from)		\$ 1,433.55
Increased by:		
Collected		<u>127,050.01</u>
Subtotal		128,483.56
Senior Citizen Deductions per Duplicate	\$ 12,750.00	
Disabled per Duplicate	1,000.00	
Veterans Deductions per Duplicate	80,000.00	
Widow Deductions per Duplicate	34,500.00	
Senior Citizen Deductions and Veterans Deductions Allowed by Collector	<u>8,500.00</u>	
Subtotal	136,750.00	
Less:		
Senior Citizens Deductions Disallowed by Collector - 2015 Taxes	1,641.70	
Canceled	<u>5,536.99</u>	
Subtotal		<u>129,571.31</u>
Balance December 31, 2015 - Due to/(from)		<u>\$ (1,087.75)</u>

EXHIBIT A-18

Schedule of Due to State of New Jersey  
for Marriage License Fees/Domestic Partnership Fees  
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 300.00
Increased by:		
State Portion of 2015 Marriage Licenses Fees		<u>1,550.00</u>
Subtotal		1,850.00
Decreased by:		
Disbursed to State of New Jersey	\$ 1,275.00	
Canceled	<u>300.00</u>	<u>1,575.00</u>
Balance December 31, 2015		<u>\$ 275.00</u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
 Schedule of County Taxes Payable  
 For the Year Ended December 31, 2015

---

Balance December 31, 2014		\$ 51,242.79
Increased by:		
2015 Levy:		
General County	\$ 23,019,479.49	
Library Tax	2,219,265.23	
County Open Space Preservation	994,658.33	
Added and Omitted Taxes	<u>55,640.19</u>	
Subtotal		<u>26,289,043.24</u>
		26,340,286.03
Decreased by:		
Disbursed to County of Mercer		<u>26,233,403.05</u>
Balance December 31, 2015		<u><u>\$ 106,882.98</u></u>

Schedule of Fire District Taxes Payable  
 For the Year Ended December 31, 2015

---

Balance December 31, 2014		\$ -
Increased by:		
2015 Levy		<u>3,116,591.00</u>
Subtotal		3,116,591.00
Decreased by:		
Disbursed to Hopewell Township Fire Districts		<u>3,116,591.00</u>
Balance December 31, 2015		<u><u>\$ -</u></u>

**TOWNSHIP OF HOPEWELL**  
**Current Fund**  
 Schedule of Regional School Tax Payable  
 For the Year Ended December 31, 2015

---

Balance December 31, 2014	\$	-
Increased by:		
Levy - Calendar Year		60,435,049.00
Subtotal		60,435,049.00
Decreased by:		
Disbursed to Hopewell Valley Regional School District		60,435,049.00
Balance December 31, 2015	\$	-

Schedule of Municipal Open Space Tax Payable  
 For the Year Ended December 31, 2015

---

Balance December 31, 2014	\$	2,298.69
Increased by:		
Levy - Calendar Year	\$ 1,190,497.08	
Added and Omitted Taxes	2,524.73	1,193,021.81
Subtotal		1,195,320.50
Decreased by:		
Disbursed to Open Space Trust Fund		1,190,497.08
Balance December 31, 2015	\$	4,823.42

**TOWNSHIP OF HOPEWELL**  
**Federal and State Grant Fund**  
 Schedule of Federal, State and Local Grants Receivable  
 For the Year Ended December 31, 2015

	Balance Dec. 31, 2014	Accrued	Received	Reclassification	Transfer from Unapprop. Res.	Transfer to Unapprop. Res.	Canceled	Balance Dec. 31, 2015
<b>Federal Grants:</b>								
FEMA Generator	\$ -	\$ 283,888.67	\$ 28,888.67	\$ -	\$ -	\$ -	\$ -	\$ 255,000.00
Energy Efficiency and Conservation Block Grant - Phase II	1,773.25							1,773.25
	<u>1,773.25</u>	<u>283,888.67</u>	<u>28,888.67</u>					<u>256,773.25</u>
<b>State Grants:</b>								
Drunk Driving Enforcement Fund		6,149.34	6,149.34					
NJ Dept. of Environmental Protection	4,460.00							4,460.00
Pothole Grant	(0.93)							(0.93)
Clean Communities Grant	1,735.95	54,731.20	54,731.20					1,735.95
Smart Future/Growth Planning Program	750.00							750.00
Smart Growth Planning Program	707.40							707.40
Body Armor Grant	978.76		3,110.02	(978.76)		3,110.02		
Delaware River Green Partnership Grant	2,000.00							2,000.00
Bulletproof Vest Partnership Grant	7,890.05			3,924.95			11,815.00	
Emergency Mgmt (Homeland Security)	(0.44)							(0.44)
2007 Compact Authorized Investment	816.00							816.00
LHT Signage	4,675.00							4,675.00
Compact Grant - Titusville Sidewalk	270.00							270.00
ANJEC	640.00							640.00
DOT Grant - Lawrence Hopewell Trail @ Bailey	135,000.00							135,000.00
DOT Grant - Crossing/Baily/Pennington-Rocky Hill Rd.	27,000.00							27,000.00
DOT - Timberlane Road	11,715.23							11,715.23
Recycling Tonnage Grant		29,816.43	27,015.88		29,816.43	27,015.88		
DOT Grant - Penn/Titusville Road	156,128.98							156,128.98
DOT Grant - Hopewell/Wertsville Phase I	249,500.00		187,125.00					62,375.00
DOT Grant - Hopewell/Wertsville Phase II	250,000.00						250,000.00	
DOT Grant - Hopewell/Wertsville Phase II		283,500.00						283,500.00
LHT Bikeway	350,000.00		262,500.00					87,500.00
DOT - Harb/Rocktown Road	55,000.00		55,000.00					
Sustainable NJ		2,000.00	2,000.00					
Sustainable NJ - Green Team		1,500.00	1,500.00					
	<u>1,259,266.00</u>	<u>377,696.97</u>	<u>599,131.44</u>	<u>2,946.19</u>	<u>29,816.43</u>	<u>30,125.90</u>	<u>261,815.00</u>	<u>779,272.19</u>
<b>Local Grants:</b>								
Mercer County - Drug Alliance Program	13,785.12	26,016.00	21,486.20					18,314.92
Caring For You/Me	88.83							88.83
Harvest Fair		200.00	200.00					
Ride Provide		4,000.00	7,450.00			3,450.00		
	<u>13,873.95</u>	<u>30,216.00</u>	<u>29,136.20</u>			<u>3,450.00</u>		<u>18,403.75</u>
<b>Total</b>	<u>\$ 1,274,913.20</u>	<u>\$ 691,801.64</u>	<u>\$ 657,156.31</u>	<u>\$ 2,946.19</u>	<u>\$ 29,816.43</u>	<u>\$ 33,575.90</u>	<u>\$ 261,815.00</u>	<u>\$ 1,054,449.19</u>

**TOWNSHIP OF HOPEWELL**  
**Federal and State Grant Fund**  
 Schedule of Reserve For Federal and State Grants - Unappropriated  
 For the Year Ended December 31, 2015

	<u>Balance Dec. 31, 2014</u>	<u>Federal and State Grants Receivable</u>	<u>Appropriated in Budget 2015</u>	<u>Due From Current Fund</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2015</u>
<b>State Grants:</b>						
Drunk Driving Enforcement Fund	\$ 0.26	\$ -	\$ -	\$ -	\$ 0.26	\$ -
Recycling Tonnage Grant	29,816.43	27,015.88	29,816.43			27,015.88
Body Amor		3,110.02				3,110.02
Total State Grants	<u>29,816.69</u>	<u>30,125.90</u>	<u>29,816.43</u>		<u>0.26</u>	<u>30,125.90</u>
<b>County Grants:</b>						
Mercer at Play	<u>55,965.68</u>					<u>55,965.68</u>
Total County Grants	<u>55,965.68</u>					<u>55,965.68</u>
<b>Local Grants:</b>						
Ride Provide		<u>3,450.00</u>				<u>3,450.00</u>
Total Local Grants		<u>3,450.00</u>				<u>3,450.00</u>
<b>Total Unappropriated Reserves</b>	<u><u>\$ 85,782.37</u></u>	<u><u>\$ 33,575.90</u></u>	<u><u>\$ 29,816.43</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 0.26</u></u>	<u><u>\$ 89,541.58</u></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, 2015

	Balance <u>Dec. 31, 2014</u>	Transferred From 2015 Budget <u>Appropriation</u>	<u>Expended</u>	<u>Reclassification</u>	<u>Refunds</u>	<u>Canceled</u>	Balance <u>Dec. 31, 2015</u>
<b>Federal Grants:</b>							
FEMA Grant Generator	\$ -	\$ 283,888.67	\$ -	\$ -	\$ -	\$ -	\$ 283,888.67
Energy Efficiency and Conservation Block Grant - II	<u>6,326.00</u>						<u>6,326.00</u>
	<u>6,326.00</u>	<u>283,888.67</u>					<u>290,214.67</u>
<b>State Grants:</b>							
Body Armor Grant	928.14		3,271.40	2,946.19		602.93	
Bulletproof Vest Partnership Grant	3,622.50					3,622.50	
Clean Air Cool Planet	1,744.07						1,744.07
Clean Communities Grant	318,340.51	54,731.20	16,849.60				358,222.11
Compact Grant - Titusville Sidewalk	270.00						270.00
Delaware River Green Partnership Grant	4,000.00						4,000.00
Design Guidelines	171.03						171.03
DOT - Harb/Rocktown Road	3,632.87						3,632.87
DOT - LHT @ Bailey	11,422.14						11,422.14
DOT - Penn Rocky Hill Phase I	138,298.70						138,298.70
DOT - Titus Mill Road	106.57						106.57
Drunk Driving Enforcement Fund	6,627.16	6,149.34	3,972.59				8,803.91
Emergency Management Grant (Homeland Security)	2,226.00						2,226.00
Environmental Resource Inventory Grant	10,000.00						10,000.00
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
Polihole Repair Grant	2,576.84						2,576.84
Public Health Practice Standards Grant	48.14						48.14
Recycling Tonnage Grant	4,231.14	29,816.43	34,047.57				
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	292.99						292.99
DOT Hopewell/Wertsville Phase I	249,500.00		249,500.00				
DOT Hopewell/Wertsville Phase II	250,000.00					250,000.00	
DOT Hopewell/Wertsville Phase II		283,500.00					283,500.00
LHT Bikeway	350,000.00		185,933.54				164,066.46
Sustainable NJ		2,000.00					2,000.00
Sustainable NJ - Green Team		1,500.00					1,500.00
ANJEC	1,500.00						1,500.00
	<u>1,374,308.98</u>	<u>377,696.97</u>	<u>493,574.70</u>	<u>2,946.19</u>		<u>254,225.43</u>	<u>1,007,152.01</u>
<b>County Grants:</b>							
Mercer at Play Grant	<u>78,044.91</u>						<u>78,044.91</u>
	<u>78,044.91</u>						<u>78,044.91</u>
<b>Local Grants:</b>							
BMS - LHT	-						
BMS Water Main Surveying	9,123.10						9,123.10
Drainage Open Space Inventory	5,000.00						5,000.00
Lawrence Hopewell Trail Signage Grant	3,452.00						3,452.00
Ride Provide		4,000.00	4,000.00				
Harvest Fair I	151.80		147.74				4.06
Harvest Fair Seniors		200.00					200.00
Municipal Alliance on Alcoholism and Drug Abuse	<u>21,564.97</u>	<u>26,016.00</u>	<u>28,212.31</u>		<u>2,670.00</u>		<u>22,038.66</u>
	<u>39,291.87</u>	<u>30,216.00</u>	<u>32,360.05</u>		<u>2,670.00</u>		<u>39,817.82</u>
<b>Total</b>	<u>\$ 1,497,971.76</u>	<u>\$ 691,801.64</u>	<u>\$ 525,934.75</u>	<u>\$ 2,946.19</u>	<u>\$ 2,670.00</u>	<u>\$ 254,225.43</u>	<u>\$ 1,415,229.41</u>

**TRUST FUND**

**TOWNSHIP OF HOPEWELL**  
**Trust Fund**  
Schedule of Cash - Treasurer  
For the Year Ended December 31, 2015

	<u>ANIMAL CONTROL</u>	<u>OTHER TRUST</u>
Balance December 31, 2014	\$ 2,568.94	\$ 7,667,822.27
Receipts:		
Dog License Clerk:		
2015 Budget Appropriation	65,000.00	
Municipal Licenses	63,551.20	
State Registration Fees	3,010.80	
Miscellaneous	3,987.85	
Due to Current Fund	164.78	34,542.99
Planning Escrow Deposits		9,448.61
Open Space Trust		2,322,721.83
Low Income Housing		319,841.03
Performance Guarantee		12,480.00
Tax Collector Premium		733,700.00
Tax Title Lien		250,938.43
Recreation		259,494.68
FSA		13,329.39
Plot Planning		220,993.44
Exchange		124,468,702.02
Stream Corridor		300.00
Payroll		8,873,484.87
Payroll Deductions Payable		5,329,624.63
Unemployment Compensation		9,596.18
Other Trust:		
Allocated Escrow		79,760.75
Deer Management Task Force		4,575.00
Municipal Alliance		7,038.54
Municipal Law Enforcement		9,116.54
Parking Adjudication		64.00
Public Defender		7,361.00
Ride Provide		9,792.00
Mercer County JIF		
Construction Code		571,527.97
Historic Book Sales		70.00
State Training Fees		56,389.00
Total Trust Other Funds	<u>135,714.63</u>	<u>143,604,892.90</u>
Total Forward	<u>138,283.57</u>	<u>151,272,715.17</u>

**TOWNSHIP OF HOPEWELL**  
**Trust Fund**  
Schedule of Cash - Treasurer  
For the Year Ended December 31, 2015

	<u>ANIMAL CONTROL</u>	<u>OTHER TRUST</u>
Total Brought Forward	<u>\$ 138,283.57</u>	<u>\$151,272,715.17</u>
Disbursements:		
Expenditures Under RS4:19-15.11	108,877.14	
Plot Plan Escrow Fees		6,941.11
Open Space Trust		1,549,160.40
Low Income Housing		120,844.58
Community Service		
Off-Site Improvements		
Performance Guarantee		12,480.00
Tax Collector Premium		552,000.00
Redemption of Tax Title Lien		361,030.29
Recreation		228,350.19
FSA		8,919.68
Planning Escrow Fees		195,371.51
Exchange		124,468,702.02
Stream Corridor		
Payroll		8,873,484.88
Payroll Deductions Payable		5,329,624.63
Unemployment Compensation		1,385.36
Other Trust:		
Retirement Reserve		
Allocated Escrow Fees		20,148.60
Deer Management Task Force		78.00
Hovnanian Pump		4,658.96
Municipal Alliance		6,693.50
Municipal Law Enforcement		4,943.00
Public Defender		7,361.00
Construction Code		590,294.39
Mercer County JIF		9,502.72
Historic Book Sales		4,943.00
Ride Provide		11,435.17
Due to Current Fund	164.78	34,542.99
Due State UCC Fees		45,301.00
Due State Department of Health	<u>3,111.60</u>	
Total Disbursements	<u>112,153.52</u>	<u>142,448,196.98</u>
Balance December 31, 2015	<u>\$ 26,130.05</u>	<u>\$ 8,824,518.19</u>

**TOWNSHIP OF HOPEWELL**  
**Trust Fund**  
Schedule of Reserve for Dog Fund Expenditures  
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 2,019.34
Increased by:		
2015 License Collected	\$ 63,551.20	
2015 Budget Appropriation	65,000.00	
Miscellaneous	3,987.85	132,539.05
Total		134,558.39
Decreased by:		
Expenditures Under R.S. 4:19-15.11;		
Cash Disbursed		108,877.14
Balance December 31, 2015		\$ 25,681.25

LICENSE FEES COLLECTED

<u>Year</u>	<u>Amount</u>
2014	\$ 63,800.00
2013	63,385.00
	\$ 127,185.00

**TOWNSHIP OF HOPEWELL**  
**Trust - Other Funds**  
Schedule of Reserve Balances  
For the Year Ended December 31, 2015

Account Title	Reserve Balance December 31, 2014	Revenues	Expenditures	Reserve Balance December 31, 2015
Reserve for Trust Other:				
Parking Adjudication	\$ 515.03	\$ 64.00		\$ 579.03
Public Defender				
Mercer County JIF	56,392.17		9,502.72	46,889.45
Hovnanian Pump	4,658.96		4,658.96	
Municipal Alliance	23,466.03	7,038.54	6,693.50	23,811.07
Reed Road Escrow	1,632.00			1,632.00
DOT Reserve	7,444.72			7,444.72
Allocated Escrow Deposits	80,096.19	79,760.75	20,148.60	139,708.34
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	551,781.11	571,527.97	590,439.70	532,869.38
Ride Provide	3,540.45	9,575.00	10,694.20	2,421.25
Skateboard Park	832.66		832.66	
Historic Book Sales	13,420.75	140.00		13,560.75
Municipal Law Enforcement	13,526.56	9,116.54	4,943.00	17,700.10
Background ID Check	6,645.50			6,645.50
Federal Forfeiture	900.00			900.00
Deer Management Task Force	8,701.60	4,575.00	78.00	13,198.60
Retirement Reserve				
Green Team Lions	100.00			100.00
Reserve for Plot Plan Escrow	18,910.91	9,448.61	6,941.11	21,418.41
Reserve for FSA	5,449.40	13,329.39	8,919.68	9,859.11
Reserve for Planning	301,240.58	220,993.44	195,371.51	326,862.51
Reserve for Open Space Trust	4,172,132.42	2,325,246.56	1,554,199.73	4,943,179.25
Reserve for Low Income Housing	277,979.59	313,947.23	120,844.58	471,082.24
Reserve for Community Service	208.60			208.60
Reserve for Off-Site Improvements	658,976.57			658,976.57
Reserve for Performance Guarantees	215,316.10	12,480.00	12,480.00	215,316.10
Reserve for Recreation	259,407.42	259,496.17	228,351.68	290,551.91
Reserve for Tax Sale Premium	717,800.00	733,700.00	552,000.00	899,500.00
Reserve for Tax Title Lien	152,479.87	250,938.43	361,030.29	42,388.01
Reserve for Unemployment Compensation	39,735.62	9,596.18	1,385.36	47,946.44
Reserve for Stream Corridor	300.00	300.00		600.00
Off-Duty Police	221,980.28	131,720.00	118,878.62	234,821.66
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total</b>	<b><u>\$ 7,924,705.38</u></b>	<b><u>\$ 4,962,993.81</u></b>	<b><u>\$ 3,808,393.90</u></b>	<b><u>\$ 9,079,305.29</u></b>

**TOWNSHIP OF HOPEWELL**  
**Trust - Other Funds**  
 Schedule of Due to State of NJ - UCC Fees  
 For the Year Ended December 31, 2015

---

Balance December 31, 2014	\$	11,139.00
Increased by:		
Cash Received		51,830.00
		62,969.00
Decreased by:		
Disbursements		45,301.00
		45,301.00
Balance December 31, 2015	\$	17,668.00

**Trust - Other Funds**  
 Schedule of Payroll Deductions Payable  
 For the Year Ended December 31, 2015

---

Balance December 31, 2014	\$	0.05
Increased by:		
Payroll deductions withheld		8,873,484.87
		8,873,484.92
Decreased by:		
Payroll deductions disbursed		8,873,484.88
		8,873,484.88
Balance December 31, 2015	\$	0.04

**GENERAL CAPITAL FUND**

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
Schedule of Cash - Treasurer  
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 16,126,810.85
Receipts:		
Budget Appropriation - Capital Improvement Fund	\$ 122,293.19	
Due to Current Fund	10.53	
Reserve for Weidel	2,928.00	
Reserve for Hunter	395,000.00	
Serial Bonds	7,492,000.00	
Bond Anticipation Notes	806,075.00	
Premium on Sale of Bonds Anticipation Notes	181,088.45	
Total Receipts		<u>8,999,395.17</u>
Subtotal		25,126,206.02
Disbursements:		
Improvement Authorizations	4,618,653.69	
Bond Anticipation Notes	7,492,000.00	
Due to Current Fund - Budget Revenue	2,582,503.77	
Due to Trust Fund	5,039.33	
Total Disbursements		<u>14,698,196.79</u>
Balance December 31, 2015		<u>\$ 10,428,009.23</u>

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
 Analysis of General Capital Cash and Investments  
 For the Year Ended December 31, 2015

---

Fund Balance		\$ 1,980,237.77
Capital Improvement Fund		108,868.34
Reserve for Preliminary Planning		2,000.00
Reserve for Payment of Debt		2,288,551.62
Interfund Payable:		
Due to Other Trust Fund		7,902.96
Improvement Authorizations:		
Ordinance		
<u>Number</u>		
04-1314	Various Capital Improvements	10,000.00
05-1334	Various Capital Improvements	99,751.64
07-1393	Various Capital Improvements	426,588.84
08-1425	Various Capital Improvements	244,599.16
09-1463	Various Capital Improvements	190,309.01
09-1477	Police Equipment	132.50
10-1492	Various Capital Improvements	938,708.47
10-1493	Village of Titusville Sidewalks	1,551.42
11-1516	Various Capital Improvements	305,309.30
11-1522	Various Capital Improvements	8,745.00
11-1523	Preliminary Planning Pennytown	29,765.73
12-1545	Various Capital Improvements	437,521.18
12-1548	Improvements to Harboutown-Rocktown Road	101,746.40
12-1559	Acquisition of a Portion of Hunter Tract	6,741.18
12-1552/1563	Renovations to the Municipal Building	24,445.26
13-1576	Various Capital Improvements	108,300.06
13-1581	Acquisition of Property - Else Tract	21,565.87
15-1582	Road Improvements - Hopwell Wertsville Road	296,130.27
13-1586	Construction of Trails for the Lawrence Hopewell Trail System	390,388.00
14-4593	Land Acquisition	48,573.52
14-1596	Various Capital Improvements	1,669,060.26
15-1610	Various Capital Improvements	680,515.47
Total		\$ 10,428,009.23

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
Statement of Deferred Charges To Future Taxation - Funded  
For the Year Ended December 31, 2015

---

Balance December 31, 2014		\$ 59,653,314.96
Increased by:		
Serial Bonds Issued		<u>7,492,000.00</u>
		67,145,314.96
Decreased by:		
2015 Budget Appropriations:		
Serial Bond Payments	\$ 3,620,000.00	
Green Trust Loan Payment	<u>40,371.95</u>	<u>3,660,371.95</u>
Balance December 31, 2015		<u><u>\$ 63,484,943.01</u></u>

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
 Schedule of Deferred Charges to Future Taxation - Unfunded  
 For the Year Ended December 31, 2015

Ordinance Number	Improvement Description	Balance Dec. 31, 2014	2015 Authorizations	Transferred to Deferred Taxation Funded	Notes Paid By Budget Appropriation	Canceled	Balance Dec. 31, 2015	ANALYSIS OF BALANCE		
								Funded by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
11-1523	Preliminary Planning Pennytown	\$ 250,000.00	\$ -	\$ -	\$ 8,621.00	\$ -	\$ 241,379.00	\$ 241,379.00	\$ -	\$ -
12-1545	Various Capital Improvements	3,778,416.00		3,206,000.00	75.64	572,340.36				
13-1576	Various Capital Improvements	2,498,099.00		1,421,000.00	868.48	1,076,230.52				
13-1577	Acquisition of Property	551,000.00				551,000.00				
13-1582	Roadway Improvements - Hopewell Wertsville Road	296,298.00					296,298.00	296,298.00		
13-1585	Acquisition of Property	1,900,000.00					1,900,000.00	1,900,000.00		
14-1593	Acquisition of Property	486,861.00					486,861.00	486,861.00		
14-1596	Various Capital Improvements	2,951,016.00		2,865,000.00	8.91	86,007.09				
15-1610	Various Capital Improvements		806,075.00				806,075.00	806,075.00		
<b>Total</b>		<b>\$12,711,690.00</b>	<b>\$ 806,075.00</b>	<b>\$ 7,492,000.00</b>	<b>\$ 9,574.03</b>	<b>\$ 2,285,577.97</b>	<b>\$ 3,730,613.00</b>	<b>\$ 3,730,613.00</b>	<b>\$ -</b>	<b>\$ -</b>
Improvement Authorizations Unfunded										\$ 1,054,984.99
Less Unexpended Proceeds of Bond Anticipation Notes Issued:										
Ord. 12-1523										\$ 29,765.73
Ord. 13-1582										296,130.27
Ord. 14-1593										48,573.52
Ord. 15-1610										680,515.47
										<u>1,054,984.99</u>
										<u>\$ -</u>

**Township of Hopewell  
General Capital Fund  
Schedule of General Serial Bonds  
For the Year Ended December 31, 2015**

Purpose	Date of Issue	Original Issue	Maturity of Bonds Outstanding		Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
			Date	Amount					
General Obligation Bonds of 2006	10/1/2006	\$16,506,000.00	10/01/15	\$ 850,000.00	4.00%	\$ 1,650,000.00	\$ -	\$ 800,000.00	\$ 850,000.00
Refunding Bonds of 2009	10/1/2009	4,700,000.00	10/01/16	500,000.00	3.25%	2,885,000.00		445,000.00	2,440,000.00
			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%				
General Obligation Bonds of 2010	2/15/2010	\$24,422,000.00	2/15/2016	1,225,000.00	3.000%	20,497,000.00		1,225,000.00	19,272,000.00
			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%							
Balance Forward						<u>\$ 25,032,000.00</u>	<u>\$ -</u>	<u>\$ 2,470,000.00</u>	<u>\$ 22,562,000.00</u>

**Township of Hopewell  
General Capital Fund  
Schedule of General Serial Bonds  
For the Year Ended December 31, 2015**

Purpose	Date of Issue	Original Issue	Maturity of Bonds Outstanding		Interest Rate	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
			Date	Amount					
Balance Brought Forward						\$ 25,032,000.00	\$ -	\$ 2,470,000.00	\$ 22,562,000.00
Refunding Bonds of 2014	10/1/2017	\$9,380,000.00	10/01/17	\$ 815,000.00	3.000%	9,285,000.00			9,285,000.00
			10/01/18	855,000.00	4.000%				
			10/01/19	850,000.00	4.000%				
			10/01/20	900,000.00	4.000%				
			10/01/20	950,000.00	4.000%				
			10/01/20	945,000.00	4.000%				
			10/01/20	945,000.00	4.000%				
			10/01/20	1,035,000.00	5.000%				
			10/01/20	1,040,000.00	5.000%				
			10/01/20	950,000.00	5.000%				
General Obligation Bonds of 2014	02/01/15	25,013,000.00	2/1/2016	1,175,000.00	3.000%	25,013,000.00			23,863,000.00
			2/1/2017	1,305,000.00	4.000%				
			2/1/2018	1,260,000.00	5.000%				
			2/1/2019	1,410,000.00	5.000%				
			2/1/2020	1,430,000.00	5.000%				
			2/1/2021	1,860,000.00	5.000%				
			2/1/2022	1,895,000.00	5.000%				
			2/1/2023	1,935,000.00	3.000%				
			2/1/2024	1,951,000.00	3.000%				
			2/1/2025	755,000.00	3.000%				
			2/1/2026	800,000.00	3.000%				
			2/1/2027	850,000.00	3.000%				
			2/1/2028	885,000.00	3.000%				
			2/1/2029	935,000.00	3.250%				
			2/1/2030	1,020,000.00	3.250%				
			2/1/2031	1,100,000.00	3.500%				
			2/1/2032	1,100,000.00	3.500%				
			2/1/2033	1,100,000.00	4.000%				
2/1/2034	1,097,000.00	4.000%							
Balance Forward						<u>\$ 59,330,000.00</u>	<u>\$ -</u>	<u>\$ 3,620,000.00</u>	<u>\$ 55,710,000.00</u>

**Township of Hopewell  
General Capital Fund  
Schedule of General Serial Bonds  
For the Year Ended December 31, 2015**

Purpose	Date of Issue	Original Issue	Maturity of Bonds Outstanding		Interest Rate	Balance	Increased	Decreased	Balance
			Date	Amount		December 31, 2014			December 31, 2015
Balance Brought Forward						\$ 59,330,000.00	\$ -	\$ 3,620,000.00	\$ 55,710,000.00
General Obligation Bonds of 2015	04/09/15	\$ 7,492,000.00	4/1/2016	\$ 250,000.00	3.000%		7,492,000.00		7,492,000.00
			4/1/2017	395,000.00	4.000%				
			4/1/2018	395,000.00	5.000%				
			4/1/2019	400,000.00	5.000%				
			4/1/2020	400,000.00	5.000%				
			4/1/2021	430,000.00	5.000%				
			4/1/2022	430,000.00	5.000%				
			4/1/2023	430,000.00	3.000%				
			4/1/2024	430,000.00	3.000%				
			4/1/2025	455,000.00	3.000%				
			4/1/2026	480,000.00	3.000%				
			4/1/2027	500,000.00	3.000%				
			4/1/2028	500,000.00	3.000%				
			4/1/2029	500,000.00	3.250%				
			4/1/2030	500,000.00	3.250%				
			4/1/2031	500,000.00	3.500%				
			4/1/2032	497,000.00	3.500%				
<b>Total</b>						<u>\$ 59,330,000.00</u>	<u>\$ 7,492,000.00</u>	<u>\$ 3,620,000.00</u>	<u>\$ 63,202,000.00</u>

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
 Schedule of Bond Anticipation Notes  
 For the Year Ended December 31, 2015

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2014	Increased	Decreased	Balance Dec. 31, 2015
11-1523	Pennytown/Kooltronics/Marshalls Corner	01/19/12	04/10/14	04/10/15	0.75%	\$ 250,000.00	-	\$ 250,000.00	-
11-1523	Pennytown/Kooltronics/Marshalls Corner	01/19/12	04/10/15	04/08/16	1.50%		241,379.00		241,379.00
12-1545	Various Capital improvements	07/17/12	04/10/14	04/10/15	0.75%	3,778,416.00		3,778,416.00	
13-1576	Various Capital improvements	06/06/13	04/10/14	04/10/15	0.75%	2,498,099.00		2,498,099.00	
13-1582	Roadway Improvements	04/10/14	04/10/14	04/10/15	0.75%	296,298.00		296,298.00	
13-1582	Roadway Improvements	04/10/14	04/10/15	04/08/16	1.50%		296,298.00		296,298.00
13-1585	Acquisition of Property	04/10/14	04/10/14	04/10/15	0.75%	1,900,000.00		1,900,000.00	0.00
13-1585	Acquisition of Property	04/10/14	04/10/15	04/08/16	1.50%		1,900,000.00		1,900,000.00
14-1593	Acquisition of Property for Open Space	05/20/14	05/20/14	04/10/15	1.00%	486,861.00		486,861.00	0.00
14-1593	Acquisition of Property for Open Space	05/20/14	04/10/15	04/08/16	1.50%		486,861.00		486,861.00
14-1596	Various Capital improvements	05/20/14	05/20/14	04/10/15	1.00%	2,951,016.00		2,951,016.00	0.00
15-1610	Various Capital improvements	7/23/2015	07/23/15	04/08/16	1.50%		806,075.00		806,075.00
						<u>\$ 12,160,690.00</u>	<u>\$ 3,730,613.00</u>	<u>\$ 12,160,690.00</u>	<u>\$ 3,730,613.00</u>

Issued for Cash	\$ 806,075.00	
Paid by Budget Appropriation		\$ 9,574.03
Canceled		1,734,577.97
Sale of Serial Bonds		7,492,000.00
Renewals	<u>2,924,538.00</u>	<u>2,924,538.00</u>
Total	<u>\$ 3,730,613.00</u>	<u>\$ 12,160,690.00</u>

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
Schedule of Green Trust Loan Payable  
For the Year Ended December 31, 2015

---

Balance December 31, 2014	\$ 323,314.96
Decreased by:	
Payment of Principal	<u>40,371.95</u>
Balance December 31, 2015	<u>\$ 282,943.01</u>

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
 Schedule of Improvement Authorizations  
 For the Year Ended December 31, 2015

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance December 31, 2014		Deferred Charges To Future Taxation - Unfunded	Capital Improvement Fund	Open Space Trust	Paid or Charged	Canceled	Balance December 31, 2015	
				Funded	Unfunded						Funded	Unfunded
04-1314	Various Capital Improvements	04/26/04	\$ 2,825,260.00	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000.00	\$ -
05-1334	Various Capital Improvements	5/23/05	2,637,201.00	117,279.93					17,528.29		99,751.64	
07-1393	Various Capital Improvements	05/14/07	4,614,464.00	441,314.72					14,725.88		426,588.84	
08-1425-1431	Various Capital Improvements	04/14/08	5,359,172.66	267,698.61					23,099.45		244,599.16	
09-1463	Various Capital Improvements	03/09/09	4,215,713.00	310,025.98					119,716.97		190,309.01	
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	939,556.33					847.86		938,708.47	
10-1493	Village of Titusville Sidewalks	08/23/10	331,222.00	1,551.42							1,551.42	
11-1516	Various Capital Improvements	05/09/11	2,939,625.00	938,177.71					632,868.41		305,309.30	
11-1522	Various Improvements	07/05/11	1,090,000.00	8,745.00							8,745.00	
11-1523	Preliminary Planning Pennytown	07/25/11	250,000.00		29,765.73							29,765.73
12-1545	Various Capital Improvements	05/14/12	3,977,280.00		1,698,256.18				688,394.64	572,340.36	437,521.18	
12-1548	Improvements to Harbourtown-Rocktown Road	06/11/12	130,240.00	101,746.40							101,746.40	
12-1559	Acquisition of a Portion of Hunter Tract	09/10/12	420,000.00	6,741.18							6,741.18	
12-1552/1563	Renovations to Municipal Building	11/26/12	60,000.00	24,445.26							24,445.26	
13-1576	Various Capital Improvements	04/22/13	2,629,578.00		1,293,850.73				109,320.15	1,076,230.52	108,300.06	
13-1577	Acquisition of Property	05/13/13	580,000.00	29,000.00	551,000.00					580,000.00		
13-1581	Acquisition of Property - Else Tract	06/24/13	1,919,500.00	22,247.87					682.00		21,565.87	
13-1582	Roadway Improvements											
	Hopewell-Wertsville Road	06/24/13	296,298.20		296,130.27							296,130.27
13-1585	Acquisition of Property	11/12/13	2,000,000.00	100,000.00	1,900,000.00				2,000,000.00			
13-1586	Construction of Trails for the Lawrence Hopewell Trail System	11/12/13	400,000.00	399,808.00					9,420.00		390,388.00	
14-1593	Land Acquisition	03/24/14	512,485.37		48,573.52							48,573.52
14-1596	Various Capital Improvements	03/24/14	2,951,016.00		2,589,132.86				834,065.51	86,007.09	1,669,060.26	
15-1610	Various Capital Improvements	06/08/15	848,500.00			806,075.00	42,425.00		167,984.53			680,515.47
<b>Total</b>				<b>\$ 3,718,470.91</b>	<b>\$ 8,406,709.29</b>	<b>\$ 806,075.00</b>	<b>\$ 42,425.00</b>	<b>\$ -</b>	<b>\$ 4,618,653.69</b>	<b>\$ 2,314,577.97</b>	<b>\$ 4,985,463.55</b>	<b>\$ 1,054,984.99</b>
<b>Paid or Charged:</b>												
<b>Cash Disbursed</b>									<b>\$ 4,618,653.69</b>			

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
Schedule of Capital Improvement Fund  
For the Year Ended December 31, 2015

---

Balance December 31, 2014		\$	0.15
Increased by:			
Cancellation of Ordinance	\$	29,000.00	
2015 Current Budget Appropriation		<u>122,293.19</u>	<u>151,293.19</u>
Subtotal			151,293.34
Decreased by:			
Appropriated to Finance Improvement Authorizations			<u>42,425.00</u>
Balance December 31, 2015		<u>\$</u>	<u>108,868.34</u>

**TOWNSHIP OF HOPEWELL**  
**General Capital Fund**  
 Statement of Bonds and Notes Authorized But Not Issued  
 For the Year Ended December 31, 2015

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2014</u>	<u>2015 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2015</u>
13-1577	Acquisition of Property	\$ 551,000.00	\$ -	\$ -	\$ 551,000.00	\$ -
15-1610	Various Capital Improvements		806,075.00	806,075.00		
	Total	<u>\$ 551,000.00</u>	<u>\$ 806,075.00</u>	<u>\$ 806,075.00</u>	<u>\$ 551,000.00</u>	<u>\$ -</u>

**WATER UTILITY FUND**

TOWNSHIP OF HOPEWELL  
 Water Utility Operating Fund  
 Schedule of Cash - Treasurer  
 For the Year Ended December 31, 2015

	<u>OPERATING</u>	<u>CAPITAL</u>
Balance December 31, 2014	\$ 126,527.79	\$ 50,730.85
Receipts:		
Consumer Accounts Receivable	\$ 71,268.06	
Water Rent Overpayments	5.10	
Interest on Investments	1,371.60	
Miscellaneous Revenue	237.94	
Due from Water Utility Capital		
Due to Water Operating Fund		\$ 105.91
Premium on sale of BANS		328.20
Budget Appropriation		13,944.76
Contribution from Current Fund	<u>3,398.26</u>	
Total Receipts	<u>76,280.96</u>	<u>14,378.87</u>
Subtotal	202,808.75	65,109.72
Disbursements:		
2015 Appropriations	62,420.48	
Reserve for Encumbrances	1,409.19	
Interest on Bonds and Notes	2,806.50	
Due to Water Operating Fund		105.91
Improvement Authorizations		
Total Disbursements	<u>66,636.17</u>	<u>105.91</u>
Balance December 31, 2015	<u>\$ 136,172.58</u>	<u>\$ 65,003.81</u>

**TOWNSHIP OF HOPEWELL**  
**Water Utility Capital Fund**  
 Analysis of Cash - Capital Fund  
 At December 31, 2014

---

Fund Balance		\$ 13,768.73
Capital Improvement Fund		50,571.78
Reserve for Debt		571.80
Improvement Authorizations:		
Ordinance Number		
13-1575	Painting of the WCE Tank	91.50
Total		\$ 65,003.81

**TOWNSHIP OF HOPEWELL**  
**Water Utility Operating Fund**  
Statement of Consumer Accounts Receivable  
For the Year Ended December 31, 2015

---

Balance December 31, 2014		\$ 832.71
Increased by:		
2015 Billing		72,876.91
Total		73,709.62
Decreased by:		
Collections	\$ 71,268.06	
Prepayments Applied	20.44	71,288.50
Balance December 31, 2015		\$ 2,421.12

**TOWNSHIP OF HOPEWELL**  
**Water Utility Capital Fund**  
 Schedule of Fixed Capital  
 At December 31, 2015

Ordinance Number	Improvement Description	Balance Dec. 31, 2014	Additions Ordinance	Balance Dec. 31, 2015
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	9,620.00		9,620.00
	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, 2015

Ordinance Number	Improvement Description	Date of Ordinance	Amount	Balance Dec. 31, 2014	2015 Authorizations		Costs to Fixed Capital	Authorizations Canceled	Balance Dec. 31, 2015
					Deferred Reserve for Amortization	Deferred Charges To Future Revenue			
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 2014 Appropriation Reserves  
 For the Year Ended December 31, 2015

	<u>Balance Dec. 31, 2014</u>	<u>Balance After Transfers</u>	<u>Reserve for Encumbrances</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Operating:					
Salaries and Wages	\$ 1,944.26	\$ 1,944.26	\$ -	\$ -	\$ 1,944.26
Other Expenses	13,960.69	13,960.69	7,098.57	1,409.19	19,650.07
Deferred Charges & Statutory Expenditures					
Statutory Expenditures					
Social Security	<u>41.11</u>	<u>41.11</u>			<u>41.11</u>
Total	<u>\$ 15,946.06</u>	<u>\$ 15,946.06</u>	<u>\$ 7,098.57</u>	<u>\$ 1,409.19</u>	<u>\$ 21,635.44</u>
Paid or Charged:					
Cash Disbursed				<u>\$ 1,409.19</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, 2015

Balance December 31, 2014		\$ 932.63
Increased By:		
Budget Appropriation for:		
Interest on Bonds	\$ 2,389.50	
Interest on Notes	401.71	2,791.21
Subtotal		3,723.84
Decreased By:		
Interest Paid on Bonds	2,506.50	
Interest Paid on Notes	300.00	2,806.50
Balance December 31, 2015		\$ 917.34

Analysis of Accrued Interest, December 31, 2015

<u>Principal Outstanding</u> <u>December 31, 2015</u>	<u>Interest</u> <u>Rate</u>	<u>From</u>	<u>To</u>	<u>Amount</u>
<u>Serial Bonds:</u>				
\$ 4,500.00	4.00%	10/1/2015	12/31/2015	\$ 45.00
48,050.00	Various	10/1/2015	12/31/2015	545.63
<u>Bond Anticipation Note:</u>				
\$ 30,000.00	1.50%	4/10/2015	12/31/2015	326.71
Total				\$ 917.34

**TOWNSHIP OF HOPEWELL**  
**Water Utility Capital Fund**  
 Schedule of Serial Bonds  
 For the Year Ended December 31, 2015

<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, 2014</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2015</u>
Water Utility Bonds of 2006	10/01/06	\$ 85,000.00	10/1/2016	\$ 4,500.00	4.00%	\$ 8,100.00	\$ -	\$ 3,600.00	\$ 4,500.00
2014 Refunding Bonds	06/05/14	48,500.00	10/01/17	4,500.00	3.00%	48,050.00			48,050.00
			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	4,950.00	4.00%				
			10/01/22	4,950.00	4.00%				
			10/01/23	4,950.00	4.00%				
			10/01/24	5,850.00	5.00%				
			10/01/25	5,850.00	5.00%				
			10/01/26	2,600.00	5.00%				
<b>Total</b>						<u>\$ 56,150.00</u>	<u>\$ -</u>	<u>\$ 3,600.00</u>	<u>\$ 52,550.00</u>

TOWNSHIP OF HOPEWELL  
 Water Utility Capital Fund  
 Schedule of Bond Anticipation Notes  
 For the Year Ended December 31, 2015

<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, 2014</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2015</u>
13-1575	Painting of the WCE Tank	06/06/13	04/10/14	04/10/15	0.75%	\$ 40,000.00	\$ -	\$ 40,000.00	\$ -
13-1575	Painting of the WCE Tank	06/06/13	04/10/15	04/10/16	1.50%		30,000.00		30,000.00
	Total					<u>\$ 40,000.00</u>	<u>\$ 30,000.00</u>	<u>\$ 40,000.00</u>	<u>\$ 30,000.00</u>
						Budget Appropriation	\$ -	\$ 10,000.00	
						Renewals	<u>30,000.00</u>	<u>30,000.00</u>	
						Total	<u>\$ 30,000.00</u>	<u>\$ 40,000.00</u>	

TOWNSHIP OF HOPEWELL  
 Water Utility Capital Fund  
 Schedule of Improvement Authorizations  
 For the Year Ended December 31, 2015

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance December 31, 2014		2015 Authorizations		Paid or Charged	Canceled	Balance December 31, 2015	
				Funded	Unfunded	Capital Fund Balance	Deferred Charges to Future Taxation Unfunded			Funded	Unfunded
13-1575	Painting of the WCE Tank	04/22/13	\$ 50,000.00	\$ -	\$ 91.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 91.50
	Total			\$ -	\$ 91.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 91.50

**TOWNSHIP OF HOPEWELL**  
**Water Utility Capital Fund**  
 Schedule of Capital Improvement Fund  
 For the Year Ended December 31, 2015

---

Balance December 31, 2014	\$ 36,627.02
Increased by:	
Budget Appropriation	13,944.76
Balance December 31, 2015	\$ 50,571.78

**TOWNSHIP OF HOPEWELL**  
**Water Utility Capital Fund**  
Schedule of Reserve for Amortization  
For the Year Ended December 31, 2015

---

Balance December 31, 2014	\$ 236,336.03
Increased by:	
Payment of Serial Bonds	<u>3,600.00</u>
Balance December 31, 2015	<u><u>\$ 239,936.03</u></u>

**TOWNSHIP OF HOPEWELL**  
**Water Utility Capital Fund**  
 Schedule of Deferred Reserve for Amortization  
 For the Year Ended December 31, 2015

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Balance Dec. 31, 2014</u>	<u>Fixed Capital Authorized</u>	<u>Paid From</u>		<u>Transfer to Reserve for Amortization</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2015</u>
					<u>Operating Budget</u>	<u>Bonds</u>			
					<u>Notes</u>				
13-1575	Painting of the WCE Tank	04/22/13	\$ 10,000.00	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ 20,000.00
	<b>Total</b>		<u>\$ 10,000.00</u>	<u>\$ -</u>	<u>\$ 10,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,000.00</u>

**SEWER UTILITY FUND**

**TOWNSHIP OF HOPEWELL**  
**ELSA Sewer Utility Operating Fund**  
 Schedule of Cash - Treasurer  
 For the Year Ended December 31, 2015

---

Balance December 31, 2014		\$ 724,755.45
Receipts:		
Consumer Accounts Receivable	\$ 874,506.86	
Sewer Rent Overpayments	3,608.86	
Prepaid Sewer Rents	1,029.70	
Miscellaneous Revenue	8,656.59	
Interest on Investments	<u>4,955.05</u>	
Total Receipts		<u>892,757.06</u>
Subtotal		1,617,512.51
Disbursements:		
2015 Appropriations	898,398.25	
2014 Appropriation Reserves	49,028.44	
Reserve for Encumbrances	16,199.36	
Interest on Bonds and Notes	15,880.14	
Refund of Overpayments	<u>206.50</u>	
Total Disbursements		<u>979,712.69</u>
Balance December 31, 2015		<u><u>\$ 637,799.82</u></u>

**TOWNSHIP OF HOPEWELL**  
**SBRSA Sewer Utility Operating Fund**  
Schedule of Cash - Treasurer  
For the Year Ended December 31, 2015

---

Balance December 31, 2014		\$ 264,781.58
Receipts:		
Consumer Accounts Receivable	\$ 319,763.81	
Sewer Rent Overpayments	10.40	
Prepaid Sewer Rents	1,183.39	
Miscellaneous Revenue	2,137.60	
Interest on Investments	<u>3,014.00</u>	
Total Receipts		<u>326,109.20</u>
Subtotal		590,890.78
Disbursements:		
2015 Appropriations	253,187.98	
Reserve for Encumbrances	1,476.29	
Interest on Bonds and Notes	<u>25,222.16</u>	
Total Disbursements		<u>279,886.43</u>
Balance December 31, 2015		<u><u>\$ 311,004.35</u></u>

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Funds**  
 Schedule of Cash - Treasurer  
 For the Year Ended December 31, 2015

---

Balance December 31, 2014		\$ 682,055.10
Receipts:		
Interest on Investments	\$ 92.55	
Premium on Sale of Notes	<u>16,566.00</u>	
Total Receipts		<u>16,658.55</u>
Subtotal		698,713.65
Disbursements:		
Improvement Authorizations	206,771.49	
Due to ELSA Sewer Operating Fund	55.53	
Due to SBRSA Sewer Operating Fund	<u>37.02</u>	
Total Disbursements		<u>206,864.04</u>
Balance December 31, 2015		<u><u>\$ 491,849.61</u></u>

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
 Analysis of Cash - Capital Fund  
 At December 31, 2015

---

Fund Balance		\$ 98,728.07
Capital Improvement Fund		400.00
Reserve for Debt Service		21,766.47
Improvement Authorizations:		
Ordinance		
<u>Number</u>		
03-1280	Various Capital Improvements	3,000.00
07-1394	Various Capital Improvements	109,696.53
12-1544	Acquisition of Equipment	154,979.17
14-1595	Various Improvements to the Sewer Utilities	103,279.37
		103,279.37
Total		\$ 491,849.61

**TOWNSHIP OF HOPEWELL**  
**ELSA Sewer Utility Operating Fund**  
Statement of Consumer Accounts Receivable  
For the Year Ended December 31, 2015

---

Balance December 31, 2014		\$ 56,092.57
Increased by:		
2015 Billing		880,000.88
Total		936,093.45
Decreased by:		
Collections	\$ 874,506.86	
Overpayments Applied	2,565.49	877,072.35
Balance December 31, 2015		\$ 59,021.10

**TOWNSHIP OF HOPEWELL**  
**SBRSA Sewer Utility Operating Fund**  
Statement of Consumer Accounts Receivable  
For the Year Ended December 31, 2015

---

Balance December 31, 2014		\$ 9,906.30
Increased by:		
2015 Billing		320,842.66
Total		330,748.96
Decreased by:		
Collections	\$ 319,763.81	
Overpayments Applied	0.75	319,764.56
Balance December 31, 2015		\$ 10,984.40

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
Schedule of Fixed Capital  
For the Year Ended December 31, 2015

Ordinance Number	Improvement Description	Balance Dec. 31, 2014	Additions by Ordinance	Balance Dec. 31, 2015
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, 2015

Ordinance Number	Improvement Description	Date of Ordinance	Amount	Balance Dec. 31, 2014	2015 Authorizations		Costs To Fixed Capital	Raised in 2015 Budget	Authorizations Canceled	Balance Dec. 31, 2015
					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	05/14/12	155,000.00	155,000.00						155,000.00
14-1595	Various Improvements	03/24/14	327,800.00	<u>327,800.00</u>						<u>327,800.00</u>
	Total			<u>\$ 987,502.97</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 987,502.97</u>

**TOWNSHIP OF HOPEWELL**  
**ELSA Sewer Utility Operating Fund**  
Statement of 2014 Appropriation Reserves  
For the Year Ended December 31, 2015

---

	<u>Balance</u> <u>Dec. 31, 2014</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	\$ 749.88	\$ 749.88	\$ -	\$ -	\$ 749.88
Other Expenses	49,028.43	49,028.43	16,199.36	65,227.79	-
Statutory Expenditures:					
Social Security System	<u>1.80</u>	<u>1.80</u>		<u>0.01</u>	<u>1.79</u>
Total	<u>\$ 49,780.11</u>	<u>\$ 49,780.11</u>	<u>\$ 16,199.36</u>	<u>\$ 65,227.80</u>	<u>\$ 751.67</u>
 Paid or Charged:					
Cash Disbursed				<u>\$ 65,227.80</u>	

**TOWNSHIP OF HOPEWELL**  
**SBRSA Sewer Utility Operating Fund**  
Statement of 2014 Appropriation Reserves  
For the Year Ended December 31, 2015

	<u>Balance</u> <u>Dec. 31, 2014</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	\$ 371.14	\$ 371.14	\$ -	\$ -	\$ 371.14
Other Expenses	4.35	4.35	15,086.28	1,476.29	13,614.34
Statutory Expenditures:					
Social Security System	<u>24.58</u>	<u>24.58</u>			<u>24.58</u>
Total	<u>\$ 400.07</u>	<u>\$ 400.07</u>	<u>\$ 15,086.28</u>	<u>\$ 1,476.29</u>	<u>\$ 14,010.06</u>
Paid or Charged:					
Cash Disbursed				<u>\$ 1,476.29</u>	

**TOWNSHIP OF HOPEWELL**  
**ELSA Sewer Utility Operating Fund**  
 Schedule of Accrued Interest on Bonds and Notes  
 and Analysis of Balance  
 For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 2,459.10
Increased By:		
Budget Appropriation for:		
Interest on Bonds	\$ 14,989.16	
Interest on Notes	<u>2,842.52</u>	<u>17,831.68</u>
Subtotal		20,290.78
Decreased By:		
Interest Paid on Bonds	12,606.00	
Interest Paid on Notes	<u>3,274.14</u>	<u>15,880.14</u>
Balance December 31, 2015		<u><u>\$ 4,410.64</u></u>

Analysis of Accrued Interest, December 31, 2015

<u>Principal Outstanding</u> <u>December 31, 2015</u>	<u>Interest</u> <u>Rate</u>	<u>From</u>	<u>To</u>	<u>Amount</u>
<u>Serial Bonds:</u>				
\$ 45,500.00	4.00%	10/01/15	12/31/15	\$ 145.60
521,950.00	various	10/01/15	12/31/15	1,765.40
<u>Bond Anticipation Note:</u>				
\$ 791,000.00	various	10/01/15	12/31/15	<u>2,499.64</u>
Total				<u><u>\$ 4,410.64</u></u>

**TOWNSHIP OF HOPEWELL**  
**SBRSA Sewer Utility Operating Fund**  
Schedule of Accrued Interest on Bonds and Notes  
and Analysis of Balance  
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 6,513.74
Increased By:		
Budget Appropriation for:		
Interest on Bonds	\$ 24,258.43	
Interest on Notes	<u>912.48</u>	<u>25,170.91</u>
Subtotal		31,684.65
Decreased By:		
Interest Paid on Bonds	22,104.33	
Interest Paid on Notes	<u>3,117.83</u>	<u>25,222.16</u>
Balance December 31, 2015		<u><u>\$ 6,462.49</u></u>

Analysis of Accrued Interest, December 31, 2015

<u>Principal Outstanding</u>	<u>Interest</u>	<u>From</u>	<u>To</u>	<u>Amount</u>
<u>December 31, 2015</u>	<u>Rate</u>			
<u>Serial Bonds:</u>				
\$ 45,500.00	4.00%	10/01/15	12/31/15	\$ 309.40
521,950.00	various	10/01/15	12/31/15	3,751.48
<u>Bond Anticipation Note:</u>				
\$ 791,000.00	various	10/01/15	12/31/15	2,401.61
Total				<u><u>\$ 6,462.49</u></u>

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
 Schedule of Serial Bonds  
 For the Year Ended December 31, 2015

138

<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, 2014</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2015</u>
Sewer Utility Bonds of 2006	10/01/06	\$ 894,000.00	10/1/16	45,500.00	4.00%	\$ 81,900.00	\$ -	\$ 36,400.00	\$ 45,500.00
2014 Refunding Bonds	06/05/14	521,950.00	10/1/17	45,500.00	4.00%	521,950.00			521,950.00
			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	50,050.00	4.00%				
			10/1/22	50,050.00	4.25%				
			10/1/23	50,050.00	4.25%				
			10/1/24	59,150.00	4.25%				
			10/1/25	59,150.00	4.25%				
			10/1/26	62,400.00	4.25%				
Sewer Utility Bonds	04/29/15	791,000.00	4/1/2016	30,000.00	2.00%		791,000.00		791,000.00
			4/1/2017	35,000.00	2.00%				
			4/1/2018	35,000.00	2.00%				
			4/1/2019	30,000.00	2.00%				
			4/1/2020	35,000.00	2.00%				
			4/1/2021	45,000.00	2.00%				
			4/1/2022	45,000.00	2.00%				
			4/1/2023	45,000.00	2.00%				
			4/1/2024	45,000.00	2.00%				
			4/1/2025	45,000.00	2.00%				
			4/1/2026	45,000.00	2.50%				
			4/1/2027	60,000.00	3.00%				
			4/1/2028	60,000.00	3.00%				
			4/1/2029	60,000.00	3.00%				
4/1/2030	60,000.00	3.00%							
4/1/2031	60,000.00	3.00%							
4/1/2032	56,000.00	3.00%							
<b>Total</b>						<u>\$ 603,850.00</u>	<u>\$ 791,000.00</u>	<u>\$ 36,400.00</u>	<u>\$1,358,450.00</u>

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
 Schedule of Bond Anticipation Notes  
 For the Year Ended December 31, 2015

<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, 2014</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2015</u>
07-1394	Various Capital Improvements	08/16/07	04/10/14	04/10/15	0.75%	\$ 316,509.00	\$ -	\$ 316,509.00	\$ -
12-1544	Acquisition of Equipment	07/17/12	04/10/14	04/10/15	0.75%	147,250.00		147,250.00	
14-1595	Various Improvements	05/20/14	05/20/14	04/10/15	1.00%	<u>327,800.00</u>		<u>327,800.00</u>	<u>-</u>
	<b>Total</b>					<u>\$ 791,559.00</u>	<u>\$ -</u>	<u>\$ 791,559.00</u>	<u>\$ -</u>
					Issued for Cash		\$ -	\$ -	
					Paid by Budget Appropriation			559.00	
					Renewals			<u>791,000.00</u>	
					<b>Total</b>		<u>\$ -</u>	<u>\$ 791,559.00</u>	

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
 Schedule of Improvement Authorizations  
 For the Year Ended December 31, 2015

Ordinance Number	Improvement Description	Ordinance		Balance December 31, 2014		2015 Authorizations		Encumbrances Canceled	Paid or Charged	Balance December 31, 2015		
		Date	Amount	Funded	Unfunded	Down Payment of Capital Improvement Fund	Deferred Charges to Future Revenue			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		114,328.51				4,631.98	109,696.53		
12-1544	Various Capital Improvements	5/14/2012	155,000.00	7,729.17	147,250.00					154,979.17		
14-1595	Various Improvements to the Sewer Utilities	3/24/2014	327,800.00		305,418.51				202,139.14	103,279.37		
Total					\$ 10,729.17	\$ 566,997.02	\$ -	\$ -	\$ -	\$ 206,771.12	\$ 370,955.07	\$ -

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
Schedule of Capital Improvement Fund  
For the Year Ended December 31, 2015

---

Balance December 31, 2014 and 2015

\$ 400.00

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
Schedule of Reserve for Amortization  
For the Year Ended December 31, 2015

---

Balance December 31, 2014		\$ 2,711,576.86
Increased by:		
Transfer from Deferred Amortization	\$ 26,503.00	
Serial Bond Payment	<u>36,400.00</u>	<u>62,903.00</u>
Balance December 31, 2015		<u>\$ 2,774,479.86</u>

**TOWNSHIP OF HOPEWELL**  
**Sewer Utility Capital Fund**  
 Schedule of Deferred Reserve for Amortization  
 For the Year Ended December 31, 2015

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Balance Dec. 31, 2014</u>	<u>Fixed Capital Authorized</u>	<u>Paid From Operating Budget Notes</u>	<u>Transfer to Reserve for Amortization</u>	<u>Balance Dec. 31, 2015</u>
07-1394	Various Capital Improvements	05/14/07	\$ 18,194.00	\$ -	\$ 509.00	\$ 18,703.00	\$ -
12-1544	Aquisition of Equipment	05/14/12	7,750.00		50.00	7,800.00	
	Total		<u>\$ 25,944.00</u>	<u>\$ -</u>	<u>\$ 559.00</u>	<u>\$ 26,503.00</u>	<u>\$ -</u>

**PUBLIC ASSISTANCE FUND**

**TOWNSHIP OF HOPEWELL**  
**Public Assistance Fund**  
Schedule of Cash - Treasurer  
For the Year Ended December 31, 2015

---

	PATF I	PATF II	Fund Total
Balance December 31, 2014	\$ 7,641.63	\$ 1,503.71	\$ 9,145.34
Increased by:			
Interest Earned	65.17	_____	65.17
Balance December 31, 2015	\$ 7,706.80	\$ 1,503.71	\$ 9,210.51



**TOWNSHIP OF HOPEWELL**

**PART III**

**Statistical Section**

**For the Year Ended December 31, 2015**

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
2015	\$ 6,291,059	\$ 4,134,634	\$ 2,281,328	\$ 312,195	\$ 803,250	\$ 1,763,108	\$ 696,123	\$ 729,093	\$ 6,460,493	\$ 1,489,367	\$ 24,960,650
2014	6,056,158	3,999,557	2,286,924	372,152	906,250	1,710,309	358,217	155,319	3,945,151	1,459,458	21,249,495
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	198,864	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	98,246	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

**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
2015	\$ 45,602	\$ 16,391	\$ 13,945	\$ 695	\$ 76,633
2014	50,970	16,596	15,259	600	83,425
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

**Table 2b**

Sewer Utility Operating Fund Expenditures By Function  
 Last Ten Years  
 Unaudited

Year	Operating	Debt Service	Capital	Deferred Charges and Statutory Expenditures	Total
2015	\$ 1,151,806	\$ 79,961	\$ -	\$ 8,009	\$ 1,239,776
2014	1,145,634	73,801		6,400	1,225,835
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

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
2015	\$ 15,123,139	\$ 805,259	\$ 1,580,036	\$ 1,634,157	\$ 655,432	\$ 2,265,811	\$ 3,904,495	\$ 25,968,329
2014	14,376,709	696,095	1,499,373	1,634,157	338,671	1,615,811	2,018,972	22,179,788
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

150

(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
2015	\$ 3,968,475,958	\$ 3,983,615,416	99.62%
2014	3,988,204,768	3,915,117,682	101.87%
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	4,593,604,034	4,089,970,287	112.31%

**Table 5**

Township of Hopewell  
 Schedule of Ten Largest Taxpayers  
 Unaudited

Taxpayer	Assessed Valuation 2015	As a Percent of Total Net Assessed Valuation Taxable
1) Bristol Myers Squibb	\$ 233,797,800	5.89%
2) ARC DB5PROP001 LLC	108,762,504	2.74%
3) AREP Hopewell LLC	108,458,200	2.73%
4) Cole Hopewell Twp	92,400,000	2.33%
5) Janssen Pharmaceutica	91,230,100	2.30%
6) Hopewell TC Associates	24,646,100	0.62%
7) Trap Rock Industries LLC	22,280,300	0.56%
8) Transco Gas Pipeline	13,842,100	0.35%
9) Carter Road LLC	13,255,300	0.33%
10) Montpen SC LLC	13,036,500	0.33%
<b>Total</b>	<b>\$ 721,708,904</b>	<b>18.18%</b>

Table 6

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
2015	18,400	\$ 4,030,350,464	\$ 89,566,539	\$ 4,868	2.22%	\$ 49,229,105	1.22%	\$ 2,675
2014	18,400	3,954,601,508	97,742,775	5,312	2.47%	55,219,006	1.40%	3,001
2013	18,436	3,994,903,658	100,504,046	5,452	2.52%	55,003,379	1.38%	2,983
2012	18,164	4,091,414,083	101,408,790	5,583	2.48%	55,039,230	1.35%	3,030
2011	18,172	4,197,259,448	102,789,132	5,656	2.45%	54,268,763	1.29%	2,986
2010	18,322	4,281,662,204	94,976,878	5,184	2.22%	50,125,259	1.17%	2,736
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

153

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

**Table 7**

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
2015	\$ 4,623,312	\$ 1,837,181	\$ 6,460,493	\$ 24,960,650	25.88%
2014	2,455,315	1,489,835	3,945,150	21,249,495	18.57%
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	18,376,641	14.18%

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)
2015	\$ 76,058	\$ 46,297	\$ 16,391	\$ 13,370
2014	81,079	51,570	16,780	12,729
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

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)
2015	\$ 1,295,881	\$ 1,154,105	\$ 79,961	\$ 61,815
2014	1,407,435	1,147,834	75,701	183,900
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

**Table 9**

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
2015	(2)	(2)
2014	3.60%	(2)
2013	3.50%	\$56,906
2012	6.40%	55,933
2011	5.9%	53,037
2010	6.0%	51,706
2009	6.0%	50,991
2008	3.4%	52,521
2007	1.2%	51,987
2006	2.6%	50,199

(1) Per State of New Jersey.

(2) Not Available.

Township of Hopewell  
Miscellaneous Statistics  
Unaudited

Date of Incorporation	1798
Form of Government	Township Committee
Area in Square Miles	58
Miles of Streets	154

**BOROUGH OF HOPEWELL**

**PART IV**

**Schedule of Findings and Recommendations**

**For the Year Ended December 31, 2015**

TOWNSHIP OF HOPEWELL  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED DECEMBER 31, 2015

*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, 2015**

*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, 2015**

**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 15-08.

**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 15-08.

**FINANCIAL STATEMENT FINDINGS**

There were no prior year findings.

**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, 2015

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Name Of Surety</u>
Harvey Lester	Mayor		
Todd Brandt	Deputy Mayor		
Vanessa Sandom	Committeeperson		
Kevin Kuchinski	Committeeperson		
John Hart	Committeeperson		
Paul E. Pogerzelski	Administrator/Engineer	\$1,000,000	(A)
Laurie Gompf	Municipal Clerk	1,000,000	(A)
Deborah Fox	Tax Assessor	1,000,000	(A)
Kevin Oswold	Municipal Construction Official	1,000,000	(A)
Robert Miller	Zoning Officer	1,000,000	(A)
Robert English	Health Officer	1,000,000	(A)
Judy Niederer	Recreation Director	1,000,000	(A)
Abigail Waugh	Senior Service Coordinator	1,000,000	(A)
Roger Haley	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)
Lance Maloney	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 A", is positioned above the printed name.

Robert P. Inverso  
Certified Public Accountant  
Registered Municipal Accountant

May 27, 2016