

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL DATA**

December 31, 2018

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

TABLE OF CONTENTS

<u>Exhibit</u>	<u>Title</u>	<u>Page Number</u>
	INTRODUCTORY SECTION - UNAUDITED	1
	INDEPENDENT AUDITORS' REPORT	
	Independent Auditors' Report.....	12
	BASIC FINANCIAL STATEMENTS	
	Combined Statement of Assets, Liabilities, Reserves and Fund Balance – All Fund Types and Account Group – Regulatory Basis	15
	Statement of Revenues, Expenditures and Changes in Fund Balance – Current Fund – Regulatory Basis	17
	Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Current Fund – Regulatory Basis	18
	Notes to Financial Statements	19
	SUPPLEMENTAL SCHEDULES	
	<u>Current Fund</u>	
A	Statements of Assets, Liabilities, Reserves and Fund Balance	41
A-1	Statement of Revenues and Other Credits to Income.....	43
A-2	Statement of Expenditures and Other Charges to Income.....	44
A-3	Schedule of Taxes Receivable and Analysis of Property Tax Levy	48
A-4	Schedule of Tax Title Liens Receivable	49
A-5	Statement of Property Acquired for Taxes (Assessed Valuation)	49
A-6	Schedule of Prior Year Appropriation Reserves.....	50
A-7	Schedule of Sewer Charges Receivable.....	53
A-8	Schedule of Sewer Liens Receivable.....	54
A-9	Schedule of Federal and State Grants Receivable – Grant Fund	55
A-10	Schedule of Appropriated Reserves for State and Federal Grants	56
A-11	Schedule of Unappropriated Reserves for State and Federal Grants.....	61
A-12	Schedule of Due from State of New Jersey – Veteran & Senior Citizen Deductions	62

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

TABLE OF CONTENTS

<u>Exhibit</u>	<u>Title</u>	<u>Page Number</u>
	<u>Trust Funds</u>	
B	Statements of Assets, Liabilities, Reserves and Fund Balance	63
B-1	Schedule of Other Reserves and Special Deposits	64
B-2	Schedule of Reserve for Dog Fund Expenditures	65
B-3	Schedule of Reserve for Municipal Open Space.....	66
	<u>General Capital Fund</u>	
C	Statements of Assets, Liabilities, Reserves and Fund Balance	67
C-1	Statement of Changes in Fund Balance.....	68
C-2	Analysis of General Capital Cash and Cash Equivalents.....	69
C-3	Schedule of State and Federal Grants Receivable	72
C-4	Schedule of Deferred Charges to Future Taxation – Funded	73
C-5	Schedule of Deferred Charges - Unfunded	75
C-6	Schedule of Improvement Authorizations.....	76
C-7	Schedule of General Serial Bonds	78
C-8	Schedule of NJ Environmental Infrastructure Trust Loans Payable	79
C-9	Schedule of Green Trust Loans Payable	80
C-10	Schedule of Bond Anticipation Notes Payable	81
C-11	Statement of Changes in Capital Improvement Fund	82
C-12	Schedule of Loan Proceeds Receivable	83
C-13	Schedule of Bonds and Notes Authorized But Not Issued	84
C-14	Schedule of Reserve for Municipal Improvements.....	85
C-15	Schedule of Reserve for Sidewalk Assessments	86
C-16	Schedule of Reserve for Transportation Trust Fund	87
C-17	Schedule of Reserve for Federal and State Grants	88
C-18	Schedule of Reserve for Future Debt Service Costs.....	89
G	General Fixed Assets Account Group	90
	Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	91
	SUPPLEMENTARY INFORMATION	
	GENERAL COMMENTS AND RECOMMENDATIONS	93
	SCHEDULE OF CURRENT YEAR FINDINGS AND RECOMMENDATIONS	94
	SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS	95
	<u>Schedules</u>	
1	Officials in Office and Surety Bonds.....	96
2	Schedule of Tax Rate, Tax Levy and Tax Collections.....	97
3	Schedule of Township's Proportionate Share of Net Pension Liability and Contributions	98
4	Schedule of Township's Proportionate Share of the Net OPEB Liability.....	99

INTRODUCTORY SECTION - UNAUDITED

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

INTRODUCTORY SECTION – UNAUDITED
December 31, 2018

The comprehensive Annual Financial Report for the Township of Lawrence (the “Township”) for the fiscal year ended December 31, 2018, is submitted herewith. New Jersey statutes require the Township to annually issue a report on its financial position and activity. An Independent Registered Municipal Accountant must audit the report. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Township. To the best of our knowledge and belief, the enclosed data is accurate in all material respects. All disclosures necessary to enable the reader to gain an understanding of the activities of the Township have been included.

The Comprehensive Annual Financial Report is presented in four sections: an introductory section, a financial section, a statistical section, and general comments and recommendations. The introductory section, which is unaudited, includes this transmittal, an organizational chart, and a list of the Township’s principal elected and appointed officials. The financial section includes the general purpose financial statements and the combined and individual fund and account group financial statements with schedules, as well as the independent auditors’ report on these statements and schedules. The statistical section, which is unaudited, includes selected financial and demographic information. The general comments and recommendations include basic information about the Township and recommendation, if any.

General Description

The Township is a community of twenty-two square miles located in the center of Mercer County, New Jersey. Princeton and West Windsor Townships border it on the north. Its southern neighbor is the City of Trenton, the state capital. It is bordered on the east by Hamilton Township and on the west by Ewing and Hopewell Townships.

The Township and its surrounding communities host one of the largest concentrations of diversified research and development activities in the nation. Among the country’s largest corporations that pursue such activities are Educational Testing Service and Bristol-Myers Squibb, both of which are in Lawrence. Smaller corporate and office complexes are concentrated at the various Interstate 95 interchanges within the community.

Three large retail establishments serve township residents, as well as residents of neighboring communities. The Quaker Bridge Mall, a regional enclosed shopping mall anchored by four major department stores, the Mercer Mall, and the Lawrence Shopping Center provide retail opportunities within the Township’s borders.

Governmental Structure

The Township adopted the council/manager form of government in 1970. The Township Council (the “Council”) is composed of five part-time members elected on a partisan basis and serving the Township for four-year terms. Elections are held every two years, resulting in terms of office which overlap.

The Council elects a Mayor from its members. The Mayor serves a two-year term, presides at all Council meetings, and has a voice and vote in the proceedings. The Mayor executes all bonds, notes, contracts and written obligations on behalf of the Township. Powers are limited to those expressly conferred by the charter.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

INTRODUCTORY SECTION – UNAUDITED
December 31, 2018

Governmental Structure (Continued)

The Township Manager is the chief executive and administrator of the Township. The Township Manager serves the Council for an indefinite term of office and may be removed by a majority vote of the Council.

Services

Education

The Lawrence Township School District (the “District”) serves the Township, which is coterminous with the District. In addition to the public schools within the District, Notre Dame High School, Chapin School and The Lawrenceville School are located in the Township. Higher educational opportunities are available at Rider University, located in the Township, and Princeton University, Rutgers, The State University and The College of New Jersey, which are located within a short distance.

Municipal Clerk

The Council appoints the Municipal Clerk, who is responsible for keeping minutes and records of the proceedings of the Council and any Council committees. The Municipal Clerk is statutorily responsible for all elections. The Clerk’s Office also issues various permits and licenses. During 2018, two hundred twelve (212) such permits and licenses were issued, of which twenty-six (26) were Alcoholic Beverage Licenses.

Public Safety Department

The Township provides public safety services through a full-time police division and a combination of paid and volunteer firefighters and emergency medical technicians. The police division consists of sixty-four (64) uniformed officers and civilian personnel. During calendar year 2018, the Lawrence Township Police responded to 36,387 calls for service. Overall reported crime decreased 24% in 2018 from 2017.

Fire service is provided by Lawrenceville Fire Company, Lawrence Road Fire Company and Slackwood Fire Company, which are all volunteer units except for daytime paid apparatus drivers. Emergency Medical Service (“EMS”) service is now provided full-time by Township employees.

Department of Community Development

The Department of Community Development is comprised of the Divisions of Planning and Redevelopment, Engineering and Code Enforcement. The role of the department is to regulate the development, construction and occupancy of property through the application of New Jersey statutes and local ordinances. Land development is regulated by the Township’s Land Use Ordinance and approved by the Township Planning and Zoning Boards.

The Division of Planning and Redevelopment services the Planning and Zoning Boards, as well as several other volunteer committees. In addition, housing rehabilitation and the Township’s Affordable Housing Program are directed from this division.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

INTRODUCTORY SECTION – UNAUDITED
December 31, 2018

Services (Continued)

The Engineering Division principally serves three functions. The first is the inspection of improvements on development projects, insuring that the work meets the approved project plans. The second activity is the preparation of plans and specifications and project supervision for privately contracted municipal public improvements – primarily roads. The third function is assisting the Department of Public Works with various in-house public improvement projects.

Code Enforcement personnel review the plans and perform site inspections for all construction undertaken within the Township to ensure compliance with construction codes. Additionally, the division performs fire inspections on non-residential properties and housing inspections on multi-family units.

Department of Finance

The Department of Finance is responsible for the collection, disbursement and investment of all Township funds and the administration of the Township's self-insurance program. The Township Council appoints a Chief Financial Officer who directs the activities of the department. Through the office of the Tax Assessor, the value of property is assessed for tax purposes. The Tax Collector is accountable for the billing and collecting of both property taxes and sewer service charges. In 2018, the Tax Assessor and Tax Collector were responsible for assessing and collecting revenue from approximately 11,178 properties.

The Finance Department also oversees the purchase of all goods and services, assists in the preparation of the municipal budget, and provides for an annual audit of all Township financial records.

The Township is self-insured, with appropriate stop-loss coverage, for general liability, workers' compensation, auto liability and law liability. Effective January 1, 2013, Township joined the Garden State Municipal Joint Insurance Fund for identical coverage.

Debt management also falls within the purview of the Department of Finance. The New Jersey Bond Law authorizes bonded indebtedness for municipalities. The amount of indebtedness is limited by statute and is not to exceed three and one-half percent of the average of the equalized assessed valuation of the prior three years. At December 31, 2018, the percentage of net debt to the average equalized assessed value for Township was .493%. Debt issuers are rated based on creditworthiness. In 2018, Moody's upgraded the Township's debt rating from Aa3 to Aa2.

Department of Health

The Department of Health inspects all food establishments and enforces the state and local health codes. The core activities of the Health Department are health promotion programs, environmental health inspections, communicable disease control, and infant, child and adult health services, including immunizations. In 2018, the department conducted 1,667 health inspections and administered 494 immunizations. Other services that were provided during 2018 included vision, hearing and speech screenings, blood pressure screenings, blood sugar screenings and a health education program for residents. The department also provided 275 rabies vaccinations for cats and dogs.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

INTRODUCTORY SECTION – UNAUDITED
December 31, 2018

Services (Continued)

Department of Public Works

The Department of Public Works is responsible for the maintenance of all municipal property, including parks, municipal buildings and Township roads. Trash removal and recycling are provided through contract services.

The Township, along with Princeton, funds and operates the Joseph H. Maher Jr. Ecological Center, a leaf and brush composting facility on Princeton Pike in Lawrence. Leaves and brush are collected and turned into mulch and wood chips which are used in public parks and on municipal grounds. These products also are made available to residents of the two communities at no cost and to non-residents or businesses for a fee.

Roadway maintenance is provided by the Public Works Department for roadway resurfacing and through private contractors for complete roadway reconstruction. On average, the department resurfaces approximately 40,000 square yards of roadway annually.

Department of Recreation

The Department of Recreation plans and coordinates recreational activities for all age groups and interest levels. Programming is year-round and includes activities such as aquatic instruction, summer enrichment and seasonal sports. The department also arranges community activities, including the Memorial Day Parade, Fourth of July fireworks, Community Day, Kids Triathlon, Veterans Day Observances, Colonel Hand March and an annual holiday tree-lighting ceremony. In 2018, there were 2,084 registrations for youth programs and 441 registrations for adult activities.

Within the Recreation Department is the Office on Aging, which is responsible for providing various recreational programs to the senior citizens of the community. The Lawrence Township Senior Citizen Center offers senior residents an opportunity to gather for special programs, bingo, social interaction and a daily hot lunch program. The center also hosts the activities of 40 senior citizen programs.

Municipal Court

The Township operates its own Municipal Court with a full-time staff and part-time municipal court judge. By state law, the Council appoints the Municipal Court Judge to a term of three years. During 2018, the Municipal Court had a caseload of 7,660 traffic violations. In addition, 2,301 criminal cases were filed and 3,175 were disposed of. The court generated \$1,110,259.08 in revenue, with the Township retaining \$501,187.33.

Utilities

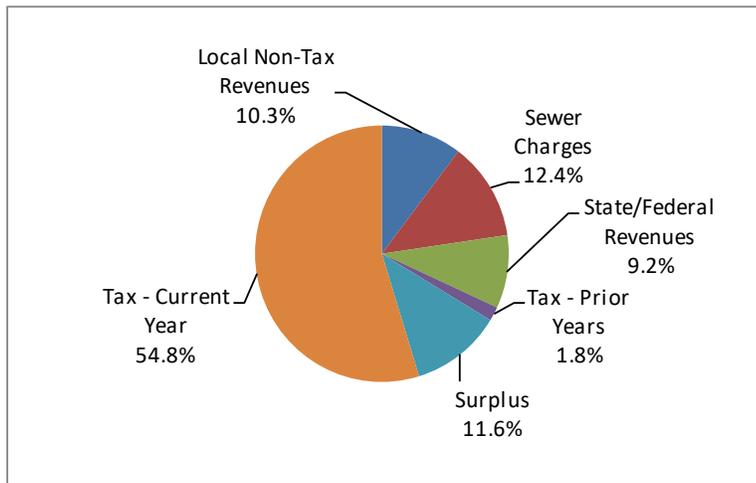
Water services are provided and billed directly to the property owner by the City of Trenton Water Utility, the Aqua Water Company and the New Jersey American Water Company.

The Ewing-Lawrence Sewerage Authority (“ELSA”) provides for the collection, treatment and disposal of sanitary sewage. The Township is billed for its proportionate share of ELSA’s cost of operations and, in turn, recovers those costs by charging system users for the service.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**INTRODUCTORY SECTION - UNAUDITED
2018 MUNICIPAL BUDGET REVENUES**

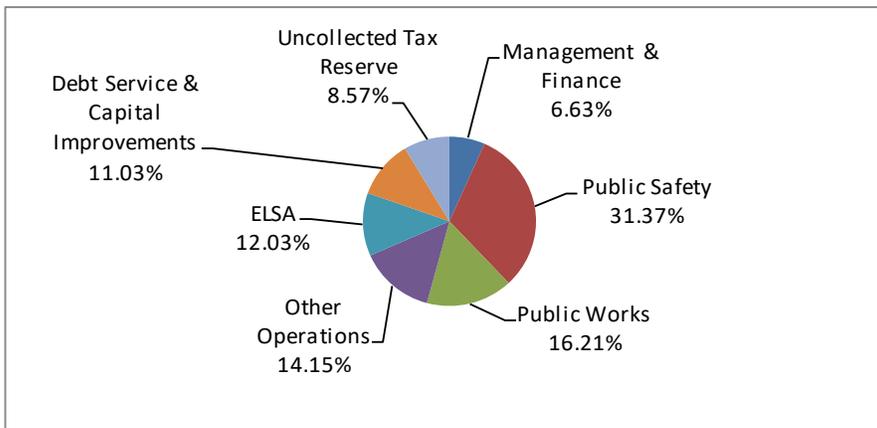
1. Local Non-Tax Revenues	\$ 4,846,000.00
2. Sewer Charges	5,817,000.00
3. State/Federal Revenues	4,346,631.96
4. Tax - Prior Years	830,000.00
5. Surplus	5,450,000.00
6. Tax - Current Year	25,764,066.97
Total	<u><u>\$ 47,053,698.93</u></u>



**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**INTRODUCTORY SECTION - UNAUDITED
2018 MUNICIPAL BUDGET EXPENDITURES**

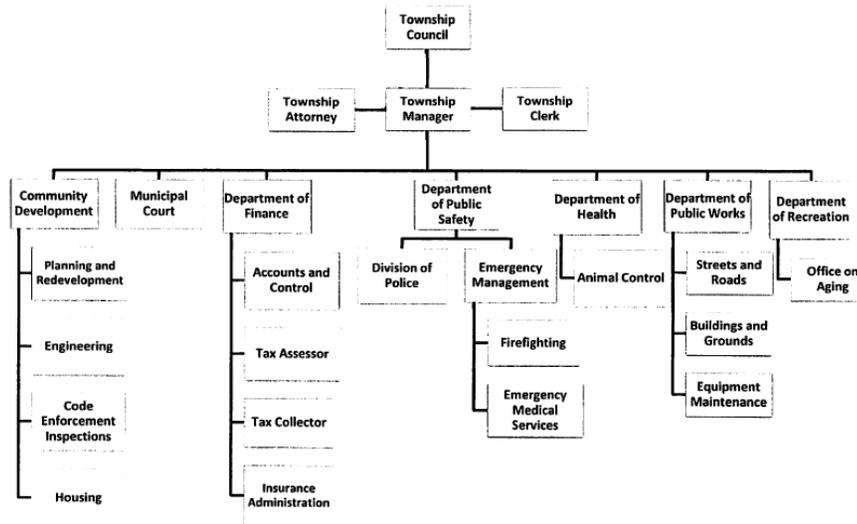
1. Management & Finance	\$ 3,121,643.14
2. Public Safety	14,760,982.58
3. Public Works	7,626,707.04
4. Other Operations	6,659,970.20
5. ELSA	5,660,500.00
6. Debt Service & Capital Improvements	5,190,575.00
7. Uncollected Tax Reserve	4,033,320.97
Total	<u>\$ 47,053,698.93</u>



TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY

INTRODUCTORY SECTION - UNAUDITED

TOWNSHIP OF LAWRENCE



**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**INTRODUCTORY SECTION - UNAUDITED
2017-2018 MUNICIPAL BUDGET REVENUES**

	2017			2018		
	Budgeted	Actual	Difference	Budgeted	Actual	Difference
Locally Generated (1)	\$ 3,671,735.22	\$ 4,671,503.11	\$ 999,767.89	\$ 3,607,751.00	\$ 5,257,772.26	\$ 1,650,021.26
Municipal Court	626,000.00	691,400.22	65,400.22	626,000.00	501,187.33	(124,812.67)
Payment in Lieu of Taxes (2)	282,000.00	367,044.39	85,044.39	282,000.00	430,278.16	148,278.16
Interest on Investments/Delinquent Taxes (3)	331,000.00	418,853.29	87,853.29	336,000.00	663,456.11	327,456.11
Sewer Service Charge	5,860,000.00	5,846,994.99	(13,005.01)	5,817,000.00	5,639,371.90	(177,628.10)
Energy Receipts Tax	3,976,814.00	3,976,814.00	-	3,976,814.00	3,976,814.00	-
Other State & Federal Revenues (4)	231,092.33	231,092.33	-	196,609.27	196,609.27	-
Property Tax Prior Years	830,000.00	1,318,258.84	488,258.84	830,000.00	1,355,472.16	525,472.16
Surplus Utilized	4,700,000.00	4,700,000.00	-	5,450,000.00	5,450,000.00	-
Property Tax Current Year	23,848,367.47	28,396,545.57	4,548,178.10	25,764,066.97	28,057,197.70	2,293,130.73
Grants after Budget Adopted (5)	426,224.80	426,224.80	-	167,457.69	167,457.69	-
TOTAL REVENUES	\$ 44,783,233.82	\$ 51,044,731.54	\$ 6,261,497.72	\$ 47,053,698.93	\$ 51,695,616.58	\$ 4,641,917.65

(1) Alcoholic Beverage Licenses, Other Licenses, Fees and Permits, Recreation Program Fees, CATV Franchise Fees, Uniform Construction Code Fees, Ambulance Service Fees, Uniform Fire Safety Act, Hotel Tax, Quakerbridge Mall Police, Capital Surplus, Premium on Note Sale, Reserve for Sale of Municipal Assets, Reserve for Sidewalks

(2) Payments in Lieu - Non-Profit Housing and Tax Exempt Property Contributions

(3) Investment Interest and Interest, Costs, and Penalties on Delinquent Taxes

(4) Safe Corridors Enhancing Vehicular Safety, Safe & Secure, Municipal Alliance, Body Armor Replacement Fund, DDEF, Donations EMS, NJ Body Armor, and Lawrenceville School Inclusionary Playground

(5) Emergency Plans for Risk, Signalized Trail Crossing Province Line Road, Radon Awareness, UDrive UText UPay, DVRPC - Province Line Bike Trail, Click it or Ticket, Municipal Alcohol Education/Rehabilitation Program, Clean Communities, Garden State Municipal Joint Insurance Fund Safety SIP, Cops in Shops, Recycling Tonnage, Mercer at Play, DVRPC Lawrence Hopewell Trail Dyson Tract - Other Expenses, NJ Department of Agriculture - Nature Center Trails, and Office of Emergency Management - EMMA Grant

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**INTRODUCTORY SECTION - UNAUDITED
2016-2018 MUNICIPAL BUDGET EXPENDITURES**

Expenditure Category	2016	2017	2018
1. Administrative & Executive (1)	\$ 2,171,318.68	\$ 2,218,988.38	\$ 2,379,640.87
2. Financial Administration (2)	1,745,438.37	1,735,089.54	1,520,480.09
3. Public Safety:			
Police	11,309,929.76	11,193,385.52	12,446,186.18
Non-Police (3)	2,724,581.51	2,673,340.28	2,637,815.42
4. Public Works:			
Operations	3,533,187.54	3,481,333.81	3,802,364.05
Trash Collection/Landfill	2,810,000.00	2,890,000.00	2,850,000.00
5. Recreation and Community Programs (4)	961,223.79	970,822.89	857,219.38
6. Health	701,491.97	718,208.24	740,012.26
7. Community Development	2,273,784.39	2,283,653.34	2,243,263.75
8. Boards & Committees	158,500.00	161,300.00	157,300.00
9. Utilities	1,534,000.00	1,628,000.00	1,686,000.00
10. Municipal Court	489,569.00	490,014.00	509,527.00
11. ELSA	5,214,000.00	5,567,000.00	5,660,500.00
12. Capital Improvement Fund	250,000.00	250,000.00	1,000,000.00
13. Debt Service	3,784,275.00	3,998,950.00	4,160,575.00
14. Reserve for Uncollected Taxes	3,825,535.26	3,860,403.69	4,033,320.97
15. Public & Private Revenues Offset with Appropriations	133,614.92	236,519.33	202,036.27
16. Grants after Adoption	632,343.90	426,224.80	167,457.69
	<u>\$ 44,252,794.09</u>	<u>\$ 44,783,233.82</u>	<u>\$ 47,053,698.93</u>

(1) Alcoholic Beverage Licenses, Other Licenses, Fees and Permits, Recreation Program Fees, CATV Franchise Fees, Uniform Construction Code Fees, Ambulance Service Fees, Uniform Fire Safety Act, Hotel Tax, Quakerbridge Mall Police, Capital Surplus, Premium on Note Sale, Reserve for Sale of Municipal Assets, Reserve for Sidewalks

(2) Payments in Lieu - Non-Profit Housing and Tax Exempt Property Contributions

(3) Investment Interest and Interest, Costs, and Penalties on Delinquent Taxes

(4) Safe Corridors Enhancing Vehicular Safety, Safe & Secure, Municipal Alliance, Body Armor Replacement Fund, DDEF, Donations EMS, NJ Body Armor, and Lawrenceville School Inclusionary Playground

(5) Emergency Plans for Risk, Signalized Trail Crossing Province Line Road, Radon Awareness, UDrive UText UPay, DVRPC - Province Line Bike Trail, Click it or Ticket, Municipal Alcohol Education/Rehabilitation Program, Clean Communities, Garden State Municipal Joint Insurance Fund Safety SIP, Cops in Shops, Recycling Tonnage, Mercer at Play, DVRPC Lawrence Hopewell Trail Dyson Tract - Other Expenses, NJ Department of Agriculture - Nature Center Trails, and Office of Emergency Management - EMMA Grant

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

INTRODUCTORY SECTION - UNAUDITED

ELECTED OFFICIALS

Christopher Bobbitt, Mayor
James S. Kownacki, Councilman
Cathleen Lewis, Councilwoman
Dr. David Maffei, Councilman
Michael S. Powers, Councilman

MUNICIPAL OFFICIALS

Kevin P. Nerwinski, Township Manager/Qualified Purchasing Agent
Peter Kiriakatis, Chief Financial Officer
Kathleen S. Norcia, Township Clerk
David Roskos, Township Attorney
Brian Caloiaro, Police Chief
Gregory Whitehead, Director of Public Works
Nicole Finacchio, Municipal Court Administrator
Lewis J. Korngut, Municipal Court Judge
Carol A. Chamberlain, Health Officer
Nancy Bergen, Recreation Superintendent
Susan McCloskey, Tax Collector
Kenneth Pacera, Tax Assessor

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

INTRODUCTORY SECTION - UNAUDITED

CONSULTANTS AND ADVISORS

Auditors

Mercadien, P.C., Certified Public Accountants
P.O. Box 7648
Princeton, NJ 08543-7648

Attorney

David Roskos
Eckert, Seamans, Cherin, & Mellott
2000 Lenox Drive
Suite 203
Lawrence Township, NJ 08648

Bond Counsel

McManimon & Scotland
75 Livingston Avenue
Roseland, NJ 07068

Consulting Planner

Clarke Caton Hintz
400 Station Place
West Trenton, NJ 08628

Financial Advisor

Phoenix Advisors, LLC
4 West Park Street
Bordentown, NJ 08505

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council Members of
The Township of Lawrence

Report on the Financial Statements

We have audited the accompanying financial statements – regulatory basis of the various funds and account group of the Township of Lawrence, County of Mercer, State of New Jersey (the “Township”), as of and for the year ended December 31, 2018, and the related notes to 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 financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey; this includes 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.

Auditors' Responsibility

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

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibility (Continued)

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

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

As described in Note A of the financial statements, these 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 A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund and account group of the Township as of December 31, 2018, and the results of operations and changes in financial position for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each fund and account group of the Township, as of December 31, 2018, and the results of operations and changes in financial position for the year then ended in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note A.

Emphasis of Matter

As discussed in Note H to the financial statements, in 2018 the Township adopted new accounting guidance Governmental Accounting Standards Board Statement No. 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Our opinion is not modified with respect to this matter.

Report on Summarized Comparative Information

We have previously audited the Township's 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 21, 2018, in accordance with the financial reporting provisions described in Note A. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The supplemental schedules as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Report on Supplementary and Other Information (Continued)

The supplemental schedules are the responsibility of management and were derived from and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole, on the basis of accounting described in Note A.

The introductory section, supplementary information and statistical section as listed in the table of contents has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 4, 2019, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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's internal control over financial reporting and compliance.



Warren A. Broudy, CPA, CGFM, PSA, CGMA
Registered Municipal Accountant
License No. 554

MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

September 4, 2019

BASIC FINANCIAL STATEMENTS

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE – ALL FUND TYPES AND ACCOUNT GROUP –
REGULATORY BASIS**

December 31, 2018

(With comparative totals for 2017)

	Current & Grant Funds	General Capital Fund	Trust Funds (1)	Fixed Asset Account Group	Totals	
					2018	2017
ASSETS						
Cash, Cash Equivalents and Investments	\$ 26,015,811.63	\$ 3,619,508.35	\$ 13,756,167.42	\$ -	\$ 43,391,487.40	\$ 44,855,744.05
Due from State of New Jersey per Chapter 73, P.L. 1976	-	-	-	-	-	-
Federal and State Grants Receivable	401,372.39	1,816,370.49	-	-	2,217,742.88	2,846,037.04
Receivables and Other Assets						
Loan Proceeds Receivable	-	4,905.00	-	-	4,905.00	4,905.00
Delinquent Property Taxes	1,647,705.22	-	-	-	1,647,705.22	1,129,985.66
Delinquent Sewer Charges Receivable	279,761.41	-	-	-	279,761.41	350,077.14
Revenue Accounts Receivable	24,235.56	-	-	-	24,235.56	43,534.98
Tax Title Liens Receivable	1,505,742.22	-	-	-	1,505,742.22	1,464,898.52
Sewer Liens Receivable	5,687.30	-	-	-	5,687.30	5,772.30
Property Acquired for Taxes at Assessed Valuation	168,410.00	-	-	-	168,410.00	168,410.00
Receivables and Other Assets	-	-	-	-	-	-
Deferred Charges	-	24,363,280.36	-	-	24,363,280.36	26,600,879.42
Fixed Assets	-	-	-	88,887,921.00	88,887,921.00	88,207,375.00
	<u>\$ 30,048,725.73</u>	<u>\$ 29,804,064.20</u>	<u>\$ 13,756,167.42</u>	<u>\$ 88,887,921.00</u>	<u>\$ 162,496,878.35</u>	<u>\$ 165,677,619.11</u>

(1) - Includes Animal Control, Housing & Community, Self-Insurance and Other Trusts

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE – ALL FUND TYPES AND ACCOUNT GROUP –
REGULATORY BASIS (CONTINUED)**

December 31, 2018

(With comparative totals for 2017)

LIABILITIES, RESERVES AND FUND BALANCE	Current &	General	Trust Funds (1)	Fixed Asset	Totals	
	Grant Funds	Capital Fund		Account Group	2018	2017
Tax/Sewer Fee Overpayments	\$ 184,700.36	\$ -	\$ -	\$ -	\$ 184,700.36	\$ 482,996.27
Appropriation Reserves	2,342,391.72	-	-	-	2,342,391.72	1,919,481.90
Prepaid Taxes/Sewer Fees	965,819.71	-	-	-	965,819.71	7,152,618.48
Federal and State Grants						
Appropriated Reserves	1,349,795.80	-	-	-	1,349,795.80	1,407,931.76
Unappropriated Reserves	5,200.00	-	-	-	5,200.00	85,275.00
Reserve for Encumbrances	307,270.58	-	-	-	307,270.58	269,076.52
Other Liabilities and Reserves						
Due to State of New Jersey	17,703.84	-	-	-	17,703.84	27,877.84
Due to County for Taxes	214,886.20	-	-	-	214,886.20	911,236.49
Capital Improvement Fund	-	92,641.05	-	-	92,641.05	92,641.05
Other Reserves	4,206,020.24	3,768,201.89	10,775,435.71	-	18,749,657.84	17,659,627.99
Special Emergency Note Payable	-	-	-	-	-	-
Improvement Authorizations	-	8,028,887.31	-	-	8,028,887.31	8,316,454.68
Reserve for Encumbrances	1,222,470.71	1,200,076.96	-	-	2,422,547.67	1,500,690.80
Bond Anticipation Notes	-	11,895,000.00	-	-	11,895,000.00	10,000,000.00
Serial Bonds	-	3,455,000.00	-	-	3,455,000.00	5,875,000.00
New Jersey Environmental Infrastructure Trust Loan Payable	-	-	-	-	-	75,400.58
Green Trust Loan Payable	-	-	-	-	-	94,191.44
Reserve for Receivables	3,631,541.71	-	-	-	3,631,541.71	3,162,678.60
Accounts Payable	51,199.47	-	-	-	51,199.47	56,299.47
Other Payables	-	-	2,980,731.71	-	2,980,731.71	2,517,349.21
Investment in Fixed Assets	-	-	-	88,887,921.00	88,887,921.00	88,207,375.00
Fund Balance	15,549,725.39	1,364,256.99	-	-	16,913,982.38	15,863,416.03
	<u>\$ 30,048,725.73</u>	<u>\$ 29,804,064.20</u>	<u>\$ 13,756,167.42</u>	<u>\$ 88,887,921.00</u>	<u>\$ 162,496,878.35</u>	<u>\$ 165,677,619.11</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
CURRENT FUND – REGULATORY BASIS
Year Ended December 31, 2018**

Revenues	
Fund Balance Anticipated	\$ 5,450,000.00
Miscellaneous Revenues	8,273,963.57
State Aid w/o Offsetting Appropriations	3,982,565.00
Special Items with Offsetting Appropriations	2,827,016.96
Special Items with Prior Consent of the Director	1,749,401.19
Delinquent Taxes	1,355,472.16
Amount to be Raised by Taxes for Support of Municipal Budget	<u>28,057,197.70</u>
Total Revenues	51,695,616.58
Other Credits to Income	<u>104,265,823.14</u>
Total Revenues	<u>155,961,439.72</u>
Expenditures	
Budget and Emergency Appropriations	
Appropriations within "CAP" Operations	
Salaries and Wages	14,255,969.00
Other Expenses	13,509,300.00
Deferred Charges and Statutory Expenditures - Municipal	3,082,200.00
Appropriations Excluded From "CAP" Operations	
Salaries and Wages	351,158.81
Other Expenditures	6,631,175.15
Municipal Debt Service	4,160,575.00
Deferred Charges	30,000.00
Reserve for Uncollected Taxes	4,033,320.97
Capital Improvements	<u>1,000,000.00</u>
Total Expenditures	47,053,698.93
Other Expenditures and Charges to Income	<u>102,332,174.44</u>
Total Expenditures	<u>149,385,873.37</u>
Statutory Excess to Fund Balance	6,575,566.35
Fund Balance, January 1, 2018	<u>14,424,159.04</u>
	20,999,725.39
Decreased by Utilization in Budget	<u>5,450,000.00</u>
Fund Balance, December 31, 2018	<u>\$ 15,549,725.39</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – CURRENT FUND – REGULATORY BASIS
Year Ended December 31, 2018**

	Budget as Modified	Actual	Variance
Revenues			
Fund Balance Anticipated	\$ 5,450,000.00	\$ 5,450,000.00	\$ -
Miscellaneous Revenues	7,881,000.00	8,273,963.57	392,963.57
State Aid w/o Offsetting Appropriations	3,982,565.00	3,982,565.00	-
Special Items with Offsetting Appropriations	1,564,066.96	2,827,016.96	1,262,950.00
Special Items with Consent of the Director	1,582,000.00	1,749,401.19	167,401.19
Delinquent Taxes	830,000.00	1,355,472.16	525,472.16
Amount to be Raised by Taxes for Support of Municipal Budget	25,764,066.97	28,057,197.70	2,293,130.73
Total Budget Revenues	47,053,698.93	51,695,616.58	4,641,917.65
Other Credits to Income	-	104,265,823.14	104,265,823.14
Total Revenues	47,053,698.93	155,961,439.72	108,907,740.79
Expenditures			
Budget and Emergency Appropriations			
Appropriations within "CAP" Operations			
Salaries and Wages	14,255,969.00	14,255,969.00	-
Other Expenses	13,509,300.00	13,509,300.00	-
Deferred Charges and Statutory Expenditures - Municipal	3,082,200.00	3,082,200.00	-
Appropriations Excluded From "CAP" Operations			
Salaries and Wages	351,158.81	351,158.81	-
Other Expenses	6,631,175.15	6,631,175.15	-
Municipal Debt Service	4,160,575.00	4,160,575.00	-
Deferred Charges	30,000.00	30,000.00	-
Reserve for Uncollected Taxes	4,033,320.97	4,033,320.97	-
Capital Improvements	1,000,000.00	1,000,000.00	-
Total Budget Expenditures	47,053,698.93	47,053,698.93	-
Other Expenditures and Charges to Income	-	102,332,174.44	102,332,174.44
Total Expenditures	47,053,698.93	149,385,873.37	102,332,174.44
Statutory Excess to Fund Balance	\$ -	6,575,566.35	\$ 6,575,566.35
Fund Balance, January 1, 2017		14,424,159.04	
		20,999,725.39	
Decreased by Utilization in Budget		5,450,000.00	
Fund Balance, December 31, 2017		<u>\$ 15,549,725.39</u>	

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The financial statements of the Township of Lawrence (the "Township") include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by N.J.S. 40A:5-5. However, the operations of the Board of Education and volunteer fire companies are not included in the Township's financial statements.

Description of Funds

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

Current Fund – The Current Fund is used for resources and expenditures for governmental operations of a general nature, including federal and state grant funds, except as otherwise noted.

Other Trust Fund – The Other Trust Fund is used for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created, pursuant to the provisions of N.J.S.A. 40A:4-39.

Animal Control Fund – The Animal Control fund receipt and disbursement of funds related to animal control, primarily dogs and cats.

Housing and Community Development Fund – The Housing Community Development Fund receipt and disbursement of funds related to affordable housing in the Township.

Self-Insurance Fund – The Self-Insurance Fund receipt and disbursement of funds related to various types of insurance covered by the Township.

General Capital Fund – The General Capital Fund is used for the receipt and disbursement of funds for the acquisition of general capital facilities, including federal and state grants in aid of construction, other than those acquired in the Current Fund, including the status of bonds and notes authorized for said purposes.

Basis of Accounting

The Governmental Accounting Standard Board ("GASB") is the accepted standards-setting body for establishing government accounting and financial reporting principles. GASB's Codification of Governmental Accounting and Financial Reporting Standards recognizes three fund categories as appropriate for the accounting and reporting of the financial position and results of operations in accordance with accounting principles generally accepted in the United States of America ("GAAP"). This structure of funds differs from the organization of funds prescribed under the regulatory basis of accounting utilized by the Township. The resultant presentation of financial position and results of operations in the form of financial statements is

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting (Continued)

not intended to present the general-purpose financial statement required by GAAP.

A modified accrual basis of accounting is followed with minor exceptions. Modifications from the accrual basis are as follows:

Revenues are recorded when received in cash, except for certain amounts that are due from other governmental units. Receipts from federal and state grants are realized as revenue when anticipated in the Township budget. Receivables for property taxes and sewer charges are recorded with offsetting reserves on the balance sheet of the Township's Current Fund. Accordingly, such amounts are not recorded as revenue until collected. Other amounts which are due to the Township are also recorded as receivables with offsetting reserves and are recorded as revenue when received.

Cash equivalents are carried at cost. Investments are limited by New Jersey Statute Annotated ("N.J.S.A.") 40A:5-15.1 to bonds or obligations of, or guaranteed by, the federal government and bonds or other obligations of federal or local units having a maturity date not more than 397 days from the date of purchase.

Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31, 2018, are reported as a cash liability in the financial statements and constitute part of the Township's statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at the end of each year and are recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis, and interest on general capital indebtedness is on the cash basis. Expenditures for compensated absences are recorded in the accounting period in which the payments are made to the dedicated trust fund established for this purpose. GAAP requires that expenditures be recorded when they are incurred.

Pension and Other Post-Employment Benefits ("OPEB") expenses are recorded on a cash basis as billed by the State of New Jersey. Thus, net pension liability, OPEB liability and related deferred inflows and outflows are not recorded on the statement of assets, liabilities, reserves and fund balance.

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation at the time such property was acquired. The balance of foreclosed property is fully reserved.

Interfund Receivables and Payables - Interfund receivables in the Current Fund are recorded with offsetting reserves; interfund payables are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in other funds are not offset by reserves.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

Inventories of Supplies - The cost of inventories of supplies for all funds is recorded as an expenditure at the time individual items are purchased. The cost of inventories is not included in the various fund balance sheets.

Self-Insurance Reserves - Charges to self-insurance reserves are recorded when payments of claims and related expenses are made. Increases to self-insurance reserves are recorded from budgetary appropriations in the accounting period during which budgetary expenditures are recorded. Other earnings are credited to reserves when received in cash. GAAP requires that liabilities for incurred claims be recorded as determined actuarially.

Sale of Municipal Assets - Cash proceeds from the sale of Township-owned property may be realized as revenue or reserved until utilized as an item of revenue in a subsequent year budget. Reserved proceeds are recorded as a cash liability in the Current Fund. GAAP requires that revenue be recognized in the period that the sale is made.

General Fixed Assets - In accordance with New Jersey Administrative Code ("NJAC") 5:30-5-6, *Accounting for Governmental Fixed Assets*, as promulgated by the Division of Local Government Services, which differs in certain respects from GAAP, the Township is required to have and maintain a fixed asset and reporting system for non-expendable personal property with an acquisition cost of \$5,000 or more per unit and a useful life of more than one year. Fixed assets used in governmental operations ("general fixed assets") are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems, are not capitalized. For the classification of land, buildings and other improvements, actual cost was used. With respect to machinery and equipment, actual cost was used whenever possible. However, a significant amount of items were valued at their estimated or replacement cost, since the original cost was not available. No depreciation is provided for in the financial statements.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and the related asset is placed in operation.

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

It is the policy of the Township not to capitalize interest cost on fixed assets constructed.

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

Reserve for Uncollected Taxes represents an appropriation made to allow total current tax billings to be levied at an amount greater than the appropriations needed. Reserve for Uncollected Taxes is not recognized under GAAP.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Post-Employment Benefits (“OPEB”) Other than Pensions

In 2018, the Township implemented GASB Number 75, which covers accounting and financial reporting requirements for government employers which provide post-employment benefits other than pensions. Since the Township participates in a multiple-employer cost-sharing plan (Public Employees’ Retirement System (“PERS”)), the Township’s portion of this liability and cost is calculated and recorded at the State of New Jersey level and included in the state’s Comprehensive Annual Financial Report. The Township records OPEB expense based on billings from the state PERS. Required financial statement disclosure requirements are included in Note H of these audited financial statements.

Rounding

Some schedules in the financial statements may have dollar differences due to rounding adjustments.

B. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents and investments include amounts on deposit, petty cash, change funds and investments with original maturities of 397 days or less.

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund (“NJCM”). N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey municipal units. In addition, other state statutes permit investments in obligations issued by local authorities and other state agencies.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act, a multiple financial institutional collateral pool, which 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 or having a branch office in the State of New Jersey, the deposits of which are federally insured.

The market value of the collateral must equal five percent of the average daily balance of public funds; and, if the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

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

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

B. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

As of December 31, 2018, the Township's bank balance of \$43,950,216.60 was exposed to custodial credit risk as follows:

	<u>Bank Balance</u>
Insured and Collateralized	\$ 750,000.00
Uninsured and Uncollateralized	478,734.84
Uninsured and Collateralized	<u>42,721,481.76</u>
Total	<u>\$ 43,950,216.60</u>

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Township's deposits may not be returned or the Township will not be able to recover collateral securities in the possession of an outside party. The Township's policy requires deposits to be secured by collateral valued at market or par, whichever is lower, less the amount covered by the Federal Deposit Insurance Corporation. The Township Council approves and designates the authorized depository institution based on evaluation of solicited responses and certifications provided by financial institutions.

Concentration of Credit Risk – This is the risk associated with the amount of investments the Township has with any one issuer that exceeds five percent or more of its total investments. Investments issued or explicitly guaranteed by the U.S. government and the NJCM Fund are excluded from this requirement. None of the investments held by the Township are exposed to concentration of credit risk.

Credit Risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. In general, the Township does not have an investment policy regarding Credit Risk; however, the Township had no investments that were subject to credit risks as of December 31, 2018. The NJCM Fund is not rated.

Interest Rate Risk – This is the risk that changes in interest rates will adversely affect the fair value of an investment. The Township has a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from interest rate fluctuations. However, its practice is to hold investments to maturity.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

C. LONG-TERM DEBT

Summary of Municipal Debt

	December 31,		
	2018	2017	2016
Summary of Municipal Debt Issued			
General obligation bonds	\$ 3,455,000.00	\$ 5,875,000.00	\$ 8,310,000.00
Bond anticipation notes	11,895,000.00	10,000,000.00	8,750,000.00
New Jersey Environmental Infrastructure Trust loans			
New Jersey Environmental Infrastructure Trust Loan, issued November 5, 1998 at 4-4.5% interest	-	45,000.00	38,415.00
State of NJ Fund Loan, issued November 5, 1998 at 0% interest	-	30,400.58	12,147.22
New Jersey Department of Environmental Protection Green Trust loans Drexel Woods, issued October 5, 1998 at 2.0% interest	-	94,191.44	186,526.94
Total Issued	<u>15,350,000.00</u>	<u>16,044,592.02</u>	<u>17,297,089.16</u>
Municipal Debt Authorized but not Issued	<u>9,013,280.36</u>	<u>10,556,287.40</u>	<u>9,899,287.40</u>
Municipal Debt Issued and Authorized but not Issued	<u>\$ 24,363,280.36</u>	<u>\$ 26,600,879.42</u>	<u>\$ 27,196,376.56</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicates a statutory net debt of 0.493%:

	Gross Debt	Deductions	Net Debt
Local School District Debt	\$ 42,230,000.00	\$ 42,230,000.00	\$ -
Other Bonds and Notes	24,363,280.36	-	24,363,280.36
	<u>\$ 66,593,280.36</u>	<u>\$ 42,230,000.00</u>	<u>\$ 24,363,280.36</u>

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

3 1/2% of equalized valuation basis (municipal)	\$ 173,072,924.01
Net debt	<u>24,363,280.36</u>
Remaining borrowing power	<u>\$ 148,709,643.65</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

C. LONG-TERM DEBT (CONTINUED)

Summary of Statutory Debt Condition - Annual Debt Statement (Continued)

Net debt of \$24,363,280 divided by average equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$4,944,940,686 equals .493%. A revised Annual Debt Statement must be filed by the Chief Financial Officer.

The following is a schedule of annual debt service for principal and interest on General Bonded Debt (excluding bond anticipation notes), New Jersey Environmental Infrastructure Trust Loans, and Green Trust Loans issued and outstanding to maturity:

Year Ending December 31,	Principal	Interest	Total
2019	\$ 2,400,000.00	\$ 89,300.00	\$ 2,489,300.00
2020	530,000.00	48,775.00	578,775.00
2021	525,000.00	26,250.00	551,250.00
	<u>\$ 3,455,000.00</u>	<u>\$ 164,325.00</u>	<u>\$ 3,619,325.00</u>

Green Trust Program Loans

The Township has contracted with the State of New Jersey, Department of Environmental Protection for Green Trust Program Loans to fund a portion of the costs incurred in the construction of Tiffany Woods and Drexel Woods.

D. BOND ANTICIPATION NOTES

The Township issues bond anticipation notes to temporarily finance various capital projects prior to the issuance of serial bonds. The terms of the notes cannot exceed one year, but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid not later than the tenth anniversary of the original note. The State of New Jersey also prescribes that, on or before the third anniversary of the date of the original note, a payment of 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 legal installment must be paid if the notes are to be renewed beyond the fourth anniversary of the date of the original issue. At December 31, 2018, the Township had bond anticipation notes totaling \$11,895,000.

E. BALANCE APPROPRIATED - CURRENT FUND

Current fund balances were appropriated and included as anticipated revenue in the succeeding year's budget for the past five years as follows:

Year	Balance	Utilized in Budget of Succeeding Year
December 31, 2018	\$ 15,549,725.39	\$ 5,650,000.00
December 31, 2017	14,424,159.04	5,450,000.00
December 31, 2016	11,723,177.57	4,700,000.00
December 31, 2015	9,299,933.70	4,350,000.00
December 31, 2014	8,370,670.73	3,750,000.00

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

F. PROPERTY TAXES

Assessment of Tax

New Jersey statutes require that taxable valuation of real property be prepared by the Township Tax Assessor as of October 1 in each year and filed with the County Board of Taxation by January 10 of the following year. Upon the filing of certified adopted budgets by the Township, the Lawrence Township School District and Mercer County, the tax rate is struck by the board based on the certified amounts in each of the taxing districts. Pursuant to statute, this process is to be completed on or before May 3, with a completed duplicate of the tax rolls to be delivered to the Township Tax Collector on or before May 13.

Collection of Tax

Pursuant to statute, taxes for municipalities operating under the calendar fiscal year shall be payable as follows: the first installment on February 1, the second installment on May 1, the third installment on August 1, and the fourth installment on November 1, after which dates, if unpaid, a ten-day grace period is given, after which taxes shall become delinquent and remain delinquent until such time as all unpaid taxes, including taxes and other liens subsequently due and unpaid together with interest thereon, have been fully paid and satisfied. The tax bills are prepared and mailed by the Collector of Taxes of the Township annually in July.

The tax bills for each of the first two installments are based upon one-quarter of the total tax levied against the respective properties for the preceding year. The amount of the tax bill for third and fourth installments is the full tax as levied for the current year, less the amount charged as the first and second installments with the amount divided equally between the last two installments.

Taxes become delinquent if not paid on the installment dates or within the ten-day grace period and become subject to interest penalties of 8% to 18% of the amount delinquent. If taxes are delinquent 60 days before the date of the tax sale of the succeeding year, the delinquent amount is subject to "Tax Sale," which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1 of the current tax year even though the amount due is not known.

G. PENSION AND RETIREMENT PLANS

A substantial number of the Township's employees participate in the following defined benefit pension plans: PERS and Police and Firemen's Retirement System ("PFRS"), which are administered and/or regulated by the New Jersey Division of Pensions and Benefits. Both plans have 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:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

G. PENSION AND RETIREMENT PLANS (CONTINUED)

Plans Descriptions

PERS is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955. For additional information about PERS, please refer to the division's Comprehensive Annual Financial Report ("CAFR") which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml

PFRS is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pension and Benefits. For additional information about PFRS, please refer to the division's CAFR which can be found at link above.

The Defined Contribution Retirement Program ("DCRP") is a multiple-employer defined contribution pension fund established on July 1, 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.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code ("IRC") 401(a) et seq., and is a governmental plan within the meaning of IRC 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn a salary in excess of established "maximum compensation" limits; employees enrolled in PFRS after May 21, 2010, who earn a salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn a salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010, who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn a salary of at least \$5,000.00 annually.

Benefits Provided

For PERS, vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007.
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008.
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010.
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011.
5	Members who were eligible to enroll on or after June 28, 2011.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

G. PENSION AND RETIREMENT PLANS (CONTINUED)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

For PFRS, vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement as well as death and disability benefits. All benefits vest after ten years of service, except for disability benefits which vest after four years of service.

The following represents the membership tiers for PFRS:

Tier	Definition
1	Members who were enrolled prior to May 22, 2010.
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011.
3	Members who were eligible to enroll on or after June 28, 2011.

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation of each year of creditable service, as defined, up to 20 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 50% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving 10 years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

For DCRP, eligible members are provided with a defined contribution retirement plan intended to qualify for favorable federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

G. PENSION AND RETIREMENT PLANS (CONTINUED)

PERS

The contribution policy for PERS is set by N.J.S.A 43:15A and requires contributions by active members and contributing employers. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in state fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

PFRS

A special funding situation exists for the local employers of the Police and Fire Retirement System of New Jersey. The State of New Jersey, as a nonemployer, is required to pay the additional costs incurred by local employers under Chapter 8, P.L. 2000; Chapter 318, P.L. 2001; Chapter 86, P.L. 2001; Chapter 511, P.L. 1991; Chapter 109, P.L. 1979; Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The June 30, 2018, state special funding situation net pension liability amount of \$1,838,050,687, is the accumulated difference between the annual actuarially determined state obligation under the special funding situation and the actual state contribution through the valuation date. The state special funding situation pension expense of \$217,714,180, for the fiscal year ended June 30, 2018, is the actuarially determined contribution amount that the state owes for the fiscal year ended June 30, 2018. The pension expense is deemed to be a state administrative expense due to the special funding situation.

The contribution policy for PFRS is set by N.J.S.A 43:16A and requires contributions by active members and contributing employers. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in state fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

G. PENSION AND RETIREMENT PLANS (CONTINUED)

Special Funding Situation

Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the state if certain circumstances occurred. The legislation, which legally obligates the state, is as follows: Chapter 8, P.L. 2000; Chapter 318, P.L. 2001; Chapter 86, P.L. 2001; Chapter 511, P.L. 1991; Chapter 109, P.L. 1979; Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the state is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer-specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. The portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the Township is \$3,364,244.00.

DCRP

The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. 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. In addition to the employee contributions, the Township contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. For the year ended June 30, 2018, employee contributions totaled \$7,413.40 and the Township's contributions were \$5,293.41. There were no forfeitures during the year.

The Township is billed annually for its normal contribution plus any accrued liability. Contribution to PERS from the Township was \$793,340.31 for the year ended June 30, 2018. Contribution to PFRS from the Township was \$1,609,103.73 for the year ended June 30, 2018.

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

At June 30, 2018, the Township had a liability of \$17,167,676 for its proportionate share of the net pension liability in PERS and \$24,767,421 for its proportionate share of the net pension liability in PFRS. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members of the plan, actuarial determined. At June 30, 2018, the Township's proportion was 0.0871920300%, which was a decrease of 0.00285 from its proportion measured as of June 30, 2017, for PERS and 0.0843419402%, which was an decrease of 0.00246 from its proportion measured as of June 30, 2016, for PFRS.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

G. PENSION AND RETIREMENT PLANS (CONTINUED)

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

	PERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 327,390.00	\$ 88,522.00	\$ 251,976.00	\$ 102,493.00
Changes in assumptions	2,828,949.00	5,489,310.00	2,125,950.00	6,347,462.00
Net difference between projected and actual investment earnings on pension plan investments	-	161,034.00	-	135,500.00
Changes in proportion	869,099.00	545,663.00	621,326.00	2,032,721.00
	<u>\$ 4,025,438.00</u>	<u>\$ 6,284,529.00</u>	<u>\$ 2,999,252.00</u>	<u>\$ 8,618,176.00</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	PERS	PFRS
2018	\$ 754,993.00	\$ (22,683.00)
2019	(432,223.00)	(1,301,006.00)
2020	(1,168,501.00)	(2,363,062.00)
2021	(1,066,629.00)	(1,522,755.00)
2022	(346,731.00)	(409,418.00)
	<u>\$ (2,259,091.00)</u>	<u>\$ (5,618,924.00)</u>

Actuarial Assumptions

The total pension liability in the June 30, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	PERS	PFRS
Inflation	2.25%	2.25%
Salary Increases: 2012-2026 (based on age)	1.65 - 4.15%	2.10 - 8.98%
Salary Increases: Thereafter (based on age)	2.65 - 5.15%	3.10 - 9.98%
Investment rate of return	7.00%	7.00%

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

G. PENSION AND RETIREMENT PLANS (CONTINUED)

PERS

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

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

PFRS

Pre-retirement mortality rates were based on the RP-2000 Pre-retirement mortality tables projected thirteen years using Projection Scale BB and then projected on a generational basis using the plan actuary's modified 2014 projection scales. Post-retirement mortality rates for male service retirements and beneficiaries are based on the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and two years using the plan actuary's modified 2014 projection scales, which was further projected on a generational basis using the plan actuary's modified 2014 projection scales. Post-retirement mortality rates for female service retirements and beneficiaries were based on the RP-2000 Combined Healthy Mortality Tables projected thirteen years using Projection Scale BB and then two years using the plan actuary's modified 2014 projection scales, which was further projected on a generational basis using the plan actuary's modified 2014 projection scales. Disability mortality rates were based on special mortality table used for the period after disability retirement.

The actuarial assumptions used in the July 1, 2016, valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

G. PENSION AND RETIREMENT PLANS (CONTINUED)

In accordance with state statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pension 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 rate 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 and PFRS's target asset allocation as of June 30, 2018, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Estate	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%

PERS

The discount rate used to measure the total pension liability was 5.66% as of June 30, 2018. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.87% as of June 30, 2018 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 50% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through June 30, 2046. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through June 30, 2046 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

G. PENSION AND RETIREMENT PLANS (CONTINUED)

PFRS

The discount rate used to measure the total pension liability was 6.51% as of June 30, 2018. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.87% as of June 30, 2018 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 contribution rate in the most recent fiscal year. The State employer contributed 50% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through June 30, 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through June 30, 2062, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

The following presents the collective net pension liability of the participating employers as of June 30, 2018, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	At 1%	At Current Discount	At 1%
PERS	<u>Decrease (4.66%)</u>	<u>Rate (5.66%)</u>	<u>Decrease (6.66%)</u>
	<u>\$ 21,586,375</u>	<u>\$ 17,167,676</u>	<u>\$ 13,460,671</u>
	At 1%	At Current Discount	At 1%
PFRS	<u>Decrease (5.51%)</u>	<u>Rate (6.51%)</u>	<u>Decrease (7.51%)</u>
	<u>\$ 37,650,743</u>	<u>\$ 28,131,665</u>	<u>\$ 20,280,160</u>

In 2001, voters approved a Length-of-Service Awards Program ("LOSAP") for volunteer fire and first aid personnel who meet certain eligibility requirements. The Township's contribution to LOSAP in 2018 amounted to \$70,422.94.

H. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS ("OPEB")

The Township participates in a cost sharing multiple-employer defined post-retirement benefit plan (the "Plan"), which is administered by the State of New Jersey. The Plan provides continued health care benefits to employees retiring after twenty-five years of service. Benefits, contributions, funding and the manner of administration are determined by the State of New Jersey Legislature. The Division of Pensions and Benefits charges the Township for its contributions. The total number of retired participants eligible for benefits was 150, 151, and 152 at December 31, 2018, 2017, and 2016, respectively.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS ("OPEB") (CONTINUED)

The Township's contribution to the Plan for the years ended December 31, 2018, 2017, and 2016 was \$1,419,482, \$1,580,730, and \$1,530,802 respectively.

Please refer to the State website, www.state.nj.us for more information regarding the Plan. The Plan's financial report may be obtained by writing to the State of New Jersey, Department of Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

General Information About the OPEB Plan

The Township participates in the State Health Benefit Local Government Retired Employees Plan (the Plan) which is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Comprehensive Annual Financial Report (CAFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drug coverage to retirees and their covered dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer-paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer.

Further, the law provides that the employer-paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A. 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The Township adopted resolution 146-00 in 2000.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS ("OPEB") (CONTINUED)

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011, will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2017 through June 30, 2018.

Special Funding Situation

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L. 1989.

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer. The Township's unaudited portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability as of December 31, 2018, is 0.281532%.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS ("OPEB")

Net OPEB Liability

Components of Net OPEB Liability

The components of the Township's net OPEB liability as of June 30, 2018, is as follows:

	June 30, 2018
Total OPEB liability	\$ 23,146,870.10
Plan Fiduciary Net Position	455,497.05
Net OPEB Liability	<u>\$ 22,691,373.05</u>
 Plan Fiduciary Net Position as a % of total OPEB liability	 1.97%

Actuarial Assumptions

The total OPEB liability as of June 30, 2018, was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018. The total OPEB liability as of June 30, 2017, was determined by an actuarial valuation as of June 30, 2017. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation	2.50%
Salary increases*	
Through 2026	1.65 - 8.98%
Thereafter	2.65 - 9.98%

* Salary increase are based on the defined benefit plan that the member is enrolled in and his or her age.

Mortality Rates

Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS ("OPEB")

Mortality Rates (Continued)

Certain actuarial assumptions used in the June 30, 2017, valuation were based on the results of the pension plans' experience studies for which the members are eligible for coverage under this Plan – the Police and Firemen Retirement System (PFRS) and the Public Employees' Retirement System (PERS). The PFRS and PERS experience studies were prepared for the periods July 1, 2010 to June 30, 2013 and July 1, 2011 to June 30, 2014, respectively.

100% of active members are considered to participate in the Plan upon retirement.

Health Care Trend Assumptions.

For pre-Medicare preferred provider organization (PPO) and health maintenance organization (HMO) medical benefits, the trend rate is initially 5.8% and decreases to a 5.0% long-term trend rate after eight years. For self-insured post-65 PPO and HMO medical benefits, the trend rate is 4.5%. For prescription drug benefits, the initial trend rate is 8.0% decreasing to a 5.0% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

Discount Rate

The discount rate for June 30, 2018, was 3.87%. This represents the municipal bond return rate as chosen by the State. The source is 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. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the collective net OPEB liability of the participating employers as of June 30, 2018, calculated using the discount rate as disclosed above as well as what the collective net OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

At June 30, 2018		
At 1% Decrease (2.87%)	At Current Discount Rate (3.87%)	At 1% Increase (4.87%)
\$ 26,622,980	\$ 22,691,373	\$ 19,550,909

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS ("OPEB") (CONTINUED)

Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rate

The following presents the net OPEB liability as of June 30, 2018, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

At June 30, 2018		
At 1% Decrease	Healthcare Cost Trend Rate	At 1% Increase
\$ 18,928,243	\$ 22,691,373	\$ 27,561,422

Deferred Outflows of Resources and Deferred Inflows of Resources

	Year of Deferral	Amortization Period	Beginning of the Year Balance	Additions	Deductions	End of the Year Balance
Deferred Outflows of Resources:						
Differences between projected and actual investment earnings on OPEB plan investments	2017	5 years	\$ 5,067	\$ -	\$ 1,267	\$ 3,801
	2018	5 years	-	10,239	2,048	8,191
Total Deferred Outflows of Resources			<u>\$ 5,067</u>	<u>\$ 10,239</u>	<u>\$ 3,315</u>	<u>\$ 11,992</u>
Deferred Inflows of Resources:						
Differences between expected and actual experience	2018	8.04 years	\$ -	\$ 5,252,418	\$ 645,260	\$ 4,607,158
Changes of assumptions	2017	8.04 years	3,282,021	-	466,196	2,815,825
	2018	8.14 years	-	3,351,923	411,784	2,940,139
Total Deferred Inflows of Resources			<u>\$ 3,282,021</u>	<u>\$ 8,604,341</u>	<u>\$ 1,523,241</u>	<u>\$ 10,363,122</u>

The amounts reported as a deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPEB
2019	\$ (1,519,473)
2020	(1,519,473)
2021	(1,519,474)
2022	(1,520,732)
2023	(1,522,786)
Thereafter	(2,749,192)
	<u>\$ (10,351,130)</u>

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflow of resources related to the changes in proportion. These amounts will be recognized (amortized) by the Township over the average remaining service lives of all plan members, which is 8.14 years and 8.04 years for the 2018 and 2017 amounts, respectively.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. PENDING LITIGATION

The Township is a defendant in various matters under litigation. In the opinion of the Township's management, these matters will not have a material adverse effect on the financial position of the Township in the event of unfavorable or adverse outcomes.

J. UNUSED SICK LEAVE AND VACATION BENEFITS

The Township has permitted employees to accrue sick leave pay which may be taken as time off or paid at a later date. Non-union employees are entitled to a lump sum payment equal to 50% of unused accumulated sick leave at current rates, subject to a cap of \$15,000. Union employees receive a similar payment, subject to a cap of \$15,000. Union employees, not including police, hired after January 1, 2010, are subject to a cap of \$10,000. The Fraternal Order of Police is subject to a cap of \$22,000, except for officers hired after January 1, 2013, who are subject to a cap of \$15,000 or the amount established by New Jersey Law, whichever is less. Each year a provision is made in the budget to cover the estimated annual cost of such payments.

The Township's policy with respect to unused vacation is to permit employees to carry over such vacation for one year unless approved otherwise by the Township Manager.

The total balance of unused sick and vacation time benefits amounted to approximately \$1,895,986.38 at December 31, 2018. This total is not intended to represent amounts that will ultimately be paid to employees upon termination or retirement, as no adjustment has been made to reflect the limitations on lump sum payments. Such amounts are not included in accrued liabilities at December 31, 2018. At December 31, 2018, the Township had established a balance of \$485,540.41 as a cash reserve in the trust fund which is available for future payments of compensated absences.

K. COMMITMENTS

The majority of the Township employees are represented through the following collective bargaining units:

<u>Bargaining Unit</u>
Fraternal Order of Police, Lodge 209 - December 31, 2018*
Communication Workers of America, Local 1032 - December 31, 2019
American Federation of State, County and Municipal Employees Council 73, AFL-CIO, Local 2476 - December 31, 2019
American Federation of State, County and Municipal Employees, Council 73, AFL-CIO, Local 2257 - December 31, 2019
Firefighters Mutual Benevolent Association, Local 96 - December 31, 2019
Firefighters Mutual Benevolent Association, Local 396 (EMTs) - December 31, 2018*

*Currently in negotiation.

K. SUBSEQUENT EVENTS

Management has evaluated subsequent events occurring after December 31, 2018, through the date of this report, which is the date the financial statements were available to be issued. No items were noted that required disclosure.

SUPPLEMENTAL SCHEDULES

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A

**CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

ASSETS	Reference	December 31,	
		2018	2017
Current Fund:			
Cash and Cash Equivalents		\$ 17,253,662.64	\$ 29,470,793.61
Cash-Change Funds		1,255.00	1,255.00
Investments		7,500,000.00	-
		<u>24,754,917.64</u>	<u>29,472,048.61</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-3	1,647,705.22	1,129,985.66
Delinquent Sewer Fees Receivable	A-7	279,761.41	350,077.14
Revenue Accounts Receivable		24,235.56	43,534.98
		<u>1,951,702.19</u>	<u>1,523,597.78</u>
Liens Receivable			
Sewer Liens Receivable	A-8	5,687.30	5,772.30
Tax Title Liens Receivable	A-4	1,505,742.22	1,464,898.52
		<u>1,511,429.52</u>	<u>1,470,670.82</u>
Property Acquired for Taxes, Assessed Valuation	A-5	168,410.00	168,410.00
Sub-Total Current Fund		<u>28,386,459.35</u>	<u>32,634,727.21</u>
Federal and State Grant Fund			
Cash and Cash Equivalents		1,260,893.99	709,996.58
Federal and State Grant Fund Receivable	A-9	401,372.39	1,052,286.39
Sub-total Grant Fund		<u>1,662,266.38</u>	<u>1,762,282.97</u>
Total		<u>\$ 30,048,725.73</u>	<u>\$ 34,397,010.18</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A

**CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE (CONTINUED)**

LIABILITIES, RESERVES AND FUND BALANCES	Reference	December 31,	
		2018	2017
Appropriation Reserves	A-2	\$ 2,342,391.72	\$ 1,919,481.90
Other Liabilities and Reserves:			
Reserve for Encumbrances		1,222,470.71	611,358.88
Prepaid Taxes		956,988.71	7,152,618.48
Tax Overpayments		161,868.73	455,689.48
Prepaid Sewer Charges		8,831.00	-
Sewer Charge Overpayments		22,831.63	27,306.79
County Taxes Payable		214,886.20	141,318.08
Due County for Added Taxes		-	769,918.41
Due to State of New Jersey - various fees		17,703.84	27,877.84
Accounts Payable		51,199.47	56,299.47
Reserve for Proceeds from Sale of Municipal Assets		690,856.71	870,856.71
Reserve for State Tax Appeals Pending		3,444,491.18	2,944,491.18
Reserve Revaluation Program		70,672.35	70,672.35
		<u>6,862,800.53</u>	<u>13,128,407.67</u>
Reserves for Receivables		<u>3,631,541.71</u>	<u>3,162,678.60</u>
Fund Balance		<u>15,549,725.39</u>	<u>14,424,159.04</u>
Sub-Total Current Fund		<u>28,386,459.35</u>	<u>32,634,727.21</u>
Federal and State Grant Fund			
Reserve for Encumbrances		307,270.58	269,076.21
Reserve for State and Federal Grants			
Appropriated	A-10	1,349,795.80	1,407,931.76
Unappropriated	A-11	5,200.00	85,275.00
Sub-total Grant Fund		<u>1,662,266.38</u>	<u>1,762,282.97</u>
Total		<u>\$ 30,048,725.73</u>	<u>\$ 34,397,010.18</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-1

**CURRENT FUND
STATEMENT OF REVENUES AND OTHER CREDITS TO INCOME
Year Ended December 31, 2018**

	Anticipated Budget	Chapter 159 NJSA 40A:4-87	Budget As Modified	Realized	Excess or (Deficit)
Surplus Anticipated	\$ 5,450,000.00	\$ -	\$ 5,450,000.00	\$ 5,450,000.00	\$ -
Total Surplus Anticipated	5,450,000.00	-	5,450,000.00	5,450,000.00	-
MISCELLANEOUS REVENUES					
Licenses:					
Alcoholic Beverages	43,000.00	-	43,000.00	86,700.00	43,700.00
Other	77,000.00	-	77,000.00	77,698.00	698.00
Fees and Permits	176,000.00	-	176,000.00	169,394.15	(6,605.85)
Municipal Court	626,000.00	-	626,000.00	501,187.33	(124,812.67)
Interest and Costs on Taxes	320,000.00	-	320,000.00	429,558.52	109,558.52
Interest on Investments	16,000.00	-	16,000.00	233,897.59	217,897.59
Revenue from Sewer Charges	5,817,000.00	-	5,817,000.00	5,639,371.90	(177,628.10)
Payments in Lieu - Non-Profit Housing	282,000.00	-	282,000.00	430,278.16	148,278.16
Recreation Program Fees	255,000.00	-	255,000.00	260,963.00	5,963.00
CATV Franchise Fees	269,000.00	-	269,000.00	444,914.92	175,914.92
Total Miscellaneous Revenues	7,881,000.00	-	7,881,000.00	8,273,963.57	392,963.57
STATE AID WITHOUT OFFSETTING APPROPRIATIONS					
Energy Receipts Tax	3,976,814.00	-	3,976,814.00	3,976,814.00	-
Garden State Trust Fund	5,751.00	-	5,751.00	5,751.00	-
Total State Aid Without Offsetting Appropriation	3,982,565.00	-	3,982,565.00	3,982,565.00	-
DEDICATED UCC FEES OFFSET WITH APPROPRIATIONS					
Uniform Construction Code Fees	1,200,000.00	-	1,200,000.00	2,462,950.00	1,262,950.00
Total Dedicated UCC Fees Offset With Appropriations	1,200,000.00	-	1,200,000.00	2,462,950.00	1,262,950.00
SPECIAL ITEMS OF REVENUE OFFSET -- ANTICIPATED WITH PRIOR WRITTEN CONSENT					
Ambulance Service Fees	746,000.00	-	746,000.00	774,783.35	28,783.35
Lawrence Township Impound Fees	120,000.00	-	120,000.00	58,380.00	(61,620.00)
Total Special Items of Revenue Offset -- Anticipated with Prior	866,000.00	-	866,000.00	833,163.35	(32,836.65)
SPECIAL ITEMS OF REVENUE OFFSET WITH APPROPRIATIONS					
List all Chapter 159s -- From Grants	196,609.27	167,457.69	364,066.96	364,066.96	-
Total Special Items of Revenue Offset with Appropriations	196,609.27	167,457.69	364,066.96	364,066.96	-
SPECIAL ITEMS OF REVENUE WITH PRIOR CONSENT OF THE DIRECTOR					
Uniform Fire Safety Act	175,000.00	-	175,000.00	276,319.22	101,319.22
Hotel Tax	130,000.00	-	130,000.00	191,450.78	61,450.78
Quakerbridge Mall Police	141,000.00	-	141,000.00	178,467.84	37,467.84
Capital Surplus	75,000.00	-	75,000.00	75,000.00	-
Reserve for Sale of Municipal Assets	180,000.00	-	180,000.00	180,000.00	-
Reserve for Sidewalks	15,000.00	-	15,000.00	15,000.00	-
Total Special Items of Revenue	716,000.00	-	716,000.00	916,237.84	200,237.84
Sub-Total General Revenues	14,842,174.27	167,457.69	15,009,631.96	16,832,946.72	1,761,694.76
Receipts from Delinquent Taxes	830,000.00	-	830,000.00	1,355,472.16	525,472.16
Amount to be Raised by Taxes for Support of Municipal Budget	25,764,066.97	-	25,764,066.97	28,057,197.70	2,293,130.73
Total Budget Revenues	46,886,241.24	167,457.69	47,053,698.93	51,695,616.58	4,580,297.65
Other Credits to Income					
Unexpended Balance of Appropriation Reserves and Encumbrances	-	-	-	1,236,497.27	1,236,497.27
Miscellaneous Revenue not Anticipated	-	-	-	686,786.15	686,786.15
	-	-	-	1,923,283.42	1,923,283.42
Taxes Allocated to School and County	-	-	-	102,342,539.72	102,342,539.72
Total Other Credits to Income	-	-	-	104,265,823.14	104,265,823.14
Total Revenues and Other Credits to Income	\$ 46,886,241.24	\$ 167,457.69	\$ 47,053,698.93	\$ 155,961,439.72	\$ 108,846,120.79

Reference

A-2

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME
Year Ended December 31, 2018**

	Appropriated		Expended Curr Paid	Encumbered	Paid or Charged	Reserved	Unexpended Balance Cancelled
	2018 Budget	Budget After Modification					
(A) Operations - within "CAP"							
GENERAL GOVERNMENT:							
Township Council and Mayor							
Salaries and Wages	\$ 62,116.00	\$ 62,116.00	\$ 58,000.63	\$ -	\$ 58,000.63	\$ 4,115.37	\$ -
Other Expenses	6,750.00	6,750.00	5,052.46	230.76	5,283.22	1,466.78	-
Municipal Manager							
Salaries and Wages	273,962.00	277,962.00	271,154.19	-	271,154.19	6,807.81	-
Other Expenses	60,500.00	55,500.00	24,386.49	5,170.28	29,556.77	25,943.23	-
Municipal Clerk							
Salaries and Wages	261,695.00	261,695.00	257,254.19	-	257,254.19	4,440.81	-
Other Expenses	90,000.00	90,000.00	82,539.16	2,385.53	84,924.69	5,075.31	-
Legal Services and Expenses							
Other Expenses	375,000.00	375,000.00	237,630.00	88,895.00	326,525.00	48,475.00	-
Financial Administration							
Salaries and Wages	431,996.00	431,996.00	429,731.21	-	429,731.21	2,264.79	-
Other Expenses	75,000.00	70,000.00	46,890.35	11,107.32	57,997.67	12,002.33	-
Auditor							
Other Expenses	59,500.00	59,500.00	59,500.00	-	59,500.00	-	-
Assessment of Taxes							
Salaries and Wages	205,948.00	205,948.00	205,145.65	-	205,145.65	802.35	-
Other Expenses	39,000.00	31,500.00	22,078.59	1.65	22,078.24	9,421.76	-
Collection of Taxes							
Salaries and Wages	217,112.00	217,112.00	216,678.33	-	216,678.33	433.67	-
Other Expenses	61,000.00	61,000.00	41,779.98	8,999.98	50,779.96	10,220.04	-
Insurance							
Unemployment	55,000.00	55,000.00	55,000.00	-	55,000.00	-	-
General Liability	510,000.00	510,000.00	509,066.00	-	509,066.00	934.00	-
Workers' Compensation	120,000.00	120,000.00	120,000.00	-	120,000.00	-	-
Employee Group Health	3,900,000.00	3,772,300.00	3,523,246.25	15,764.88	3,539,011.13	233,288.87	-
Health Insurance Waiver	63,250.00	66,250.00	65,831.39	-	65,831.39	418.61	-
Community Development Director							
Salaries and Wages	105,253.00	105,253.00	104,999.72	-	104,999.72	253.28	-
Other Expenses	8,000.00	8,000.00	7,784.94	69.90	7,854.84	145.16	-
Engineering Services							
Salaries and Wages	284,601.00	284,601.00	244,807.27	-	244,807.27	39,793.73	-
Other Expenses	32,500.00	32,500.00	22,646.65	9,222.23	31,868.88	631.12	-
Planning and Redevelopment							
Salaries and Wages	7,171.00	7,171.00	6,278.38	-	6,278.38	892.62	-
Other Expenses	2,400.00	2,400.00	314.39	24.59	338.98	2,061.02	-
Housing							
Salaries and Wages	73,335.00	76,335.00	71,491.04	-	71,491.04	4,843.96	-
Other Expenses	1,600.00	1,600.00	1,350.27	107.60	1,457.87	142.13	-
Ash Tree Hazard Mitigation/Replacement							
Other Expenses	100,000.00	100,000.00	26,067.61	555.75	26,623.36	73,376.64	-
Zoning Board							
Other Expenses	59,000.00	54,000.00	10,890.81	7,672.01	18,562.82	35,437.18	-
Planning Board							
Other Expenses	80,000.00	75,500.00	23,208.33	24,841.86	48,050.19	27,449.81	-
Community Action Program							
Other Expenses	105,000.00	105,000.00	89,833.33	-	89,833.33	15,166.67	-
Rent Stabilization Board							
Other Expenses	1,500.00	1,500.00	-	-	-	1,500.00	-
Cable T.V. Advisory Board							
Other Expenses	250.00	250.00	-	-	-	250.00	-
Environmental Resources Committee							
Other Expenses	700.00	700.00	600.00	-	600.00	100.00	-
Hist. Preservation Adv. Comm							
Other Expenses	500.00	500.00	-	-	-	500.00	-
Historian							
Salaries and Wages	3,500.00	3,500.00	3,120.00	-	3,120.00	380.00	-
Other Expenses	1,800.00	1,800.00	-	-	-	1,800.00	-
Construction Board of Appeals							
Salaries and Wages	200.00	200.00	-	-	-	200.00	-
Other Expenses	100.00	100.00	-	-	-	100.00	-
Construction Official							
Salaries and Wages	835,023.00	816,023.00	801,186.04	1,638.16	802,824.20	13,198.80	-
Other Expenses	478,000.00	454,000.00	402,007.98	2,433.29	404,441.27	49,558.73	-
Sub-Total General Government	9,068,262.00	8,860,562.00	8,047,549.63	179,120.79	8,226,670.42	633,891.58	-

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME (CONTINUED)
Year Ended December 31, 2018**

	Appropriated		Paid	Charged	Paid or Charged	Reserved	Unexpended Balance Cancelled
	2018 Budget	Budget After Modification					
PUBLIC SAFETY:							
Police							
Salaries and Wages	7,003,654.00	7,003,654.00	6,882,175.23	-	6,882,175.23	121,478.77	-
Other Expenses	295,000.00	295,000.00	173,896.43	120,591.04	294,487.47	512.53	-
Police Dispatch/911							
Salaries and Wages	1.00	1.00	-	-	-	1.00	-
Other Expenses	779,000.00	779,000.00	778,593.00	-	778,593.00	407.00	-
Office of Emergency Management							
Salaries and Wages	85,048.00	89,048.00	87,593.84	-	87,593.84	1,454.16	-
Other Expenses	8,000.00	8,000.00	7,101.02	-	7,101.02	898.98	-
Lawrence Township Fire Services							
Salaries and Wages	297,081.00	301,081.00	296,530.09	-	296,530.09	4,550.91	-
Other Expenses	75,000.00	75,000.00	40,422.53	8,992.58	49,415.11	25,584.89	-
Aid to Volunteer Fire Companies							
Slackwood Fire Co	39,000.00	39,000.00	125.00	8,436.40	8,561.40	30,438.60	-
Lawrence Road Fire Co	39,000.00	39,000.00	-	4,207.10	4,207.10	34,792.90	-
Lawrenceville Fire Co	39,000.00	39,000.00	39,000.00	-	39,000.00	-	-
Emergency Medical Services							
Salaries and Wages	507,633.00	507,633.00	507,633.00	-	507,633.00	-	-
Other Expenses	43,000.00	47,000.00	42,961.03	3,977.21	46,938.24	61.76	-
Fire Inspector							
Salaries and Wages	180,285.00	187,285.00	184,384.08	-	184,384.08	2,900.92	-
Other Expenses	14,000.00	14,000.00	12,975.78	239.45	13,215.23	784.77	-
Municipal Court							
Salaries and Wages	419,187.00	419,187.00	409,009.22	-	409,009.22	10,177.78	-
Other Expenses	49,000.00	49,000.00	36,528.56	6,826.75	43,355.31	5,644.69	-
OSHA Compliance - P.L. 1983, Ch. 516							
Salaries and Wages	8,570.00	8,570.00	8,561.43	-	8,561.43	8.57	-
Other Expenses	47,500.00	47,500.00	38,078.05	9,421.95	47,500.00	-	-
Public Safety Advisory Committee							
Salaries and Wages	800.00	800.00	450.00	-	450.00	350.00	-
Other Expenses	100.00	100.00	-	-	-	100.00	-
Public Defender							
Salaries and Wages	12,694.00	17,694.00	17,694.00	-	17,694.00	-	-
Sub-Total Public Safety	9,942,553.00	9,966,553.00	9,563,712.29	162,692.48	9,726,404.77	240,148.23	-
PUBLIC WORKS:							
Public Works Administration							
Salaries and Wages	236,509.00	236,509.00	231,201.54	-	231,201.54	5,307.46	-
Other Expenses	27,000.00	27,000.00	21,324.22	1,635.64	22,959.86	4,040.14	-
Streets and Roads							
Salaries and Wages	713,030.00	713,030.00	661,227.69	-	661,227.69	51,802.31	-
Other Expenses	131,000.00	131,000.00	92,564.13	36,851.74	129,415.87	1,584.13	-
Snow Removal							
Salaries and Wages	90,000.00	90,000.00	89,857.84	-	89,857.84	142.16	-
Other Expenses	170,000.00	345,000.00	314,114.49	30,598.44	344,712.93	287.07	-
Vehicle Maintenance							
Salaries and Wages	337,751.00	337,751.00	321,931.40	-	321,931.40	15,819.60	-
Other Expenses	409,000.00	429,000.00	308,159.02	117,854.57	426,013.59	2,986.41	-
Buildings and Grounds							
Salaries and Wages	196,764.00	196,764.00	188,528.97	-	188,528.97	8,235.03	-
Other Expenses	271,000.00	271,000.00	180,673.76	74,969.35	255,643.11	15,356.89	-
Ecological Center/Landfill O/E							
Other Expenses	100.00	100.00	-	-	-	100.00	-
Park Maintenance							
Salaries and Wages	221,467.00	221,467.00	171,564.23	-	171,564.23	49,902.77	-
Other Expenses	125,000.00	125,000.00	83,938.95	32,621.94	116,560.89	8,439.11	-
Solid Waste Collection							
Other Expenses	840,000.00	840,000.00	651,477.81	141,561.99	793,039.80	46,960.20	-
Garbage & Trash Removal - MCIA							
Landfill - MCIA	1,785,000.00	1,745,000.00	1,203,010.63	238,508.73	1,441,519.36	303,480.64	-
Apartment Complex Trash Collection							
Other Expenses	265,000.00	265,000.00	93,168.33	63,796.06	156,964.39	108,035.61	-
Sub-Total Public Works	5,818,621.00	5,973,621.00	4,612,743.01	738,398.46	5,351,141.47	622,479.53	-
HEALTH AND WELFARE BOARD:							
Board of Health - Local Health Agency							
Salaries and Wages	449,142.00	449,142.00	417,081.99	-	417,081.99	32,060.01	-
Other Expenses	44,250.00	44,250.00	22,916.38	3,958.77	26,875.15	17,374.85	-
Animal Control							
Salaries and Wages	59,741.00	59,741.00	59,741.00	-	59,741.00	-	-
Other Expenses	15,750.00	15,750.00	13,057.23	1,490.00	14,547.23	1,202.77	-
Sub-Total Health and Welfare Board	568,883.00	568,883.00	512,796.60	5,448.77	518,245.37	50,637.63	-

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME (CONTINUED)
Year Ended December 31, 2018**

	Appropriated		Paid	Charged	Paid or Charged	Reserved	Unexpended Balance Cancelled
	2018 Budget	Budget After Modification					
RECREATION AND EDUCATION:							
Recreation Programming							
Salaries and Wages	357,630.00	357,630.00	265,608.28	-	265,608.28	92,021.72	-
Other Expenses	133,000.00	133,000.00	107,897.02	24,028.25	131,925.27	1,074.73	-
Senior Citizen Program							
Salaries and Wages	143,069.00	149,069.00	148,535.54	-	148,535.54	533.46	-
Other Expenses	18,500.00	19,200.00	16,783.96	1,763.12	18,547.08	652.92	-
Shade Tree Advisory Committee							
Other Expenses	750.00	750.00	499.00	-	499.00	251.00	-
Growth Management Committee							
Salaries and Wages	1,500.00	1,500.00	1,350.00	-	1,350.00	150.00	-
Other Expenses	2,500.00	2,500.00	2,452.60	-	2,452.60	47.40	-
Sub-Total Recreation and Education	<u>656,949.00</u>	<u>663,649.00</u>	<u>543,126.40</u>	<u>25,791.37</u>	<u>568,917.77</u>	<u>94,731.23</u>	<u>-</u>
OTHER NON-CLASSIFIED:							
Celebration of Special Events							
Other Expenses	13,500.00	13,500.00	8,041.66	750.00	8,791.66	4,708.34	-
Accumulated Absences							
Salaries and Wages	131,000.00	153,000.00	153,000.00	-	153,000.00	-	-
Utilities	1,560,000.00	1,560,000.00	1,236,649.63	39,845.29	1,276,494.92	283,505.08	-
Salary and Wage Adjustment							
Salaries and Wages	5,501.00	5,501.00	5,500.00	-	5,500.00	1.00	-
Sub-Total Other Non-Classified	<u>1,710,001.00</u>	<u>1,732,001.00</u>	<u>1,403,191.29</u>	<u>40,595.29</u>	<u>1,443,786.58</u>	<u>288,214.42</u>	<u>-</u>
Total Operations Within "CAPS"	<u>27,765,269.00</u>	<u>27,765,269.00</u>	<u>24,683,119.22</u>	<u>1,152,047.16</u>	<u>25,835,166.38</u>	<u>1,930,102.62</u>	<u>-</u>
Details:							
Salaries and Wages	14,219,969.00	14,255,969.00	13,779,006.02	1,638.16	13,780,644.18	475,324.82	-
Other Expenses	13,545,300.00	13,509,300.00	10,904,113.20	1,150,409.00	12,054,522.20	1,454,777.80	-
STATUTORY EXPENDITURES:							
Contributions to Public Employees' Retirement System	793,500.00	793,500.00	793,340.31	-	793,340.31	159.69	-
Social Security System	670,000.00	670,000.00	587,779.51	-	587,779.51	82,220.49	-
Police and Firemen's Pension Fund	1,609,200.00	1,609,200.00	1,609,103.73	-	1,609,103.73	96.27	-
Defined Contribution Retirement Program	9,500.00	9,500.00	5,293.41	-	5,293.41	4,206.59	-
Total Deferred Charges & Statutory Expenditures - Municipal Within "CAPS"	<u>3,082,200.00</u>	<u>3,082,200.00</u>	<u>2,995,516.96</u>	<u>-</u>	<u>2,995,516.96</u>	<u>86,683.04</u>	<u>-</u>
(H-1) Total General Appropriations for Municipal Purposes Within "CAPS"	<u>30,847,469.00</u>	<u>30,847,469.00</u>	<u>27,678,636.18</u>	<u>1,152,047.16</u>	<u>28,830,683.34</u>	<u>2,016,785.66</u>	<u>-</u>
(A) Operations Excluded from "CAPS"							
Sewerage Authority-ELSA							
Share of Costs	5,660,500.00	5,660,500.00	5,463,901.13	-	5,463,901.13	196,598.87	-
Fire Hydrant Service (contractual)	414,000.00	414,000.00	413,723.88	-	413,723.88	276.12	-
Municipal Court (Public Defender)							
Salaries and Wages	41,340.00	41,340.00	26,918.44	-	26,918.44	14,421.56	-
Medical Dispatch Services-Shared Services Agreement							
Other Expenses	43,000.00	43,000.00	36,750.00	-	36,750.00	6,250.00	-
NJDEP Recycling Tonnage Tax							
Other Expenses	36,000.00	36,000.00	31,168.53	-	31,168.53	4,831.47	-
Employee Group Health Insurance							
Other Expenses							
Police Impound Fees	90,000.00	90,000.00	-	70,422.94	70,422.94	19,577.06	-
LOSAP	32,000.00	32,000.00	27,687.83	-	27,687.83	4,312.17	-
Sub-Total - General Government - Outside "CAPS"	<u>6,316,840.00</u>	<u>6,316,840.00</u>	<u>6,000,149.81</u>	<u>70,422.94</u>	<u>6,070,572.75</u>	<u>246,267.25</u>	<u>-</u>
Shared Service Agreements							
Ambulance Services							
Salaries and Wages	234,000.00	234,000.00	206,332.44	-	206,332.44	27,667.56	-
Other Expenses	62,000.00	62,000.00	10,328.75	-	10,328.75	51,671.25	-
Sub-Total - Additional Appropriations Offset by Appropriations	<u>296,000.00</u>	<u>296,000.00</u>	<u>216,661.19</u>	<u>-</u>	<u>216,661.19</u>	<u>79,338.81</u>	<u>-</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF EXPENDITURES AND OTHER CHARGES TO INCOME (CONTINUED)
Year Ended December 31, 2018**

	Appropriated		Paid	Charged	Paid or Charged	Reserved	Unexpended Balance Cancelled
	2018 Budget	Budget After Modification					
STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES							
Safe and Secure Communities							
Salaries and Wages	60,000.00	60,000.00	60,000.00	-	60,000.00	-	-
NJ Department of Environmental Protection - Clean Communities Program							
Other Expenses	-	62,792.27	62,792.27	-	62,792.27	-	-
Drunk Driving Enforcement Fund							
Salaries and Wages	4,818.81	4,818.81	4,818.81	-	4,818.81	-	-
Other Expenses	4,818.82	4,818.82	4,818.82	-	4,818.82	-	-
Body Armor Replacement Fund							
Other Expenses	5,160.02	5,160.02	5,160.02	-	5,160.02	-	-
Municipal Alliance							
Other Expenses	21,708.00	27,135.00	27,135.00	-	27,135.00	-	-
Municipal Match	5,427.00	-	-	-	-	-	-
US Department of Justice -- Bullet Proof Vest							
Other Expenses	3,394.21	3,394.21	3,394.21	-	3,394.21	-	-
NJ Department of Environmental Protection -- Recycling Tonnage Grant							
Other Expenses	70,307.35	70,307.35	70,307.35	-	70,307.35	-	-
Municipal Alcohol Education and Rehabilitation							
Other Expenses	-	1,391.42	1,391.42	-	1,391.42	-	-
NJ Division of Highway Traffic Safety - Drive Sober Or Get Pulled Over							
Salaries and Wages	-	5,500.00	5,500.00	-	5,500.00	-	-
New Jersey Department of Law & Public Safety -- Safe Corridors Enhancing Vehicular Safety							
Other Expenses	26,232.06	26,232.06	26,232.06	-	26,232.06	-	-
New Jersey Department of Law & Public Safety -- Click it or Ticket							
Salaries and Wages	-	5,500.00	5,500.00	-	5,500.00	-	-
Green Communities							
Other Expenses	-	3,000.00	3,000.00	-	3,000.00	-	-
Captain James Lawrence Donation							
Other Expenses	20.00	20.00	20.00	-	20.00	-	-
NIBRS NATL Crime							
Other Expenses	-	29,274.00	29,274.00	-	29,274.00	-	-
DVRPC Brunswick Streetscape							
Other Expenses	-	60,000.00	60,000.00	-	60,000.00	-	-
EMS Donation							
Other Expenses	150.00	150.00	150.00	-	150.00	-	-
Sub-Total State and Federal Grants	<u>202,036.27</u>	<u>369,493.96</u>	<u>369,493.96</u>	<u>-</u>	<u>369,493.96</u>	<u>-</u>	<u>-</u>
Total Operations Excluded from "CAPS"	<u>6,814,876.27</u>	<u>6,982,333.96</u>	<u>6,586,304.96</u>	<u>70,422.94</u>	<u>6,656,727.90</u>	<u>325,606.06</u>	<u>-</u>
Details:							
Salaries and Wages	340,158.81	351,158.81	94,737.25	-	309,069.69	42,089.12	-
Other Expenses	6,474,717.46	6,631,175.15	6,491,567.71	70,422.94	6,347,658.21	283,516.94	-
Capital Improvements Excluded from "CAPS"							
Capital Improvement Fund	1,000,000.00	1,000,000.00	1,000,000.00	-	1,000,000.00	-	-
Total Capital Improvements Excluded from "CAPS"	<u>1,000,000.00</u>	<u>1,000,000.00</u>	<u>1,000,000.00</u>	<u>-</u>	<u>1,000,000.00</u>	<u>-</u>	<u>-</u>
Debt Service Excluded From "CAPS":							
Payment of Bond Principal	2,370,000.00	2,370,000.00	2,370,000.00	-	2,370,000.00	-	-
Payment of Bond Anticipation Notes and Capital Notes	1,450,000.00	1,450,000.00	1,450,000.00	-	1,450,000.00	-	-
Interest on Bonds	140,575.00	140,575.00	140,575.00	-	140,575.00	-	-
Interest on Notes	200,000.00	200,000.00	200,000.00	-	200,000.00	-	-
Total Municipal Debt Service - Excluded from "CAPS"	<u>4,160,575.00</u>	<u>4,160,575.00</u>	<u>4,160,575.00</u>	<u>-</u>	<u>4,160,575.00</u>	<u>-</u>	<u>-</u>
Deferred Charges and Statutory Expenditures - Excluded from "CAPS"							
Deferred Charges							
Special Emergency Authorizations	-	-	-	-	-	-	-
Deferred Charge - General Capital Ordinances 1667-01 & 1714-02	15,000.00	15,000.00	15,000.00	-	15,000.00	-	-
Deferred Charge - Grant Fund	15,000.00	15,000.00	15,000.00	-	15,000.00	-	-
Total Deferred Charges -- Municipal Excluded from "CAPS"	<u>30,000.00</u>	<u>30,000.00</u>	<u>30,000.00</u>	<u>-</u>	<u>30,000.00</u>	<u>-</u>	<u>-</u>
Total General Appropriations For Municipal Purposes Excluded from "CAPS"	<u>12,005,451.27</u>	<u>12,172,908.96</u>	<u>11,776,879.96</u>	<u>70,422.94</u>	<u>11,847,302.90</u>	<u>325,606.06</u>	<u>-</u>
Subtotal General Appropriations	42,852,920.27	43,020,377.96	39,455,516.14	1,222,470.10	40,677,986.24	2,342,391.72	-
Reserve for Uncollected Taxes	4,033,320.97	4,033,320.97	4,033,320.97	-	4,033,320.97	-	-
Total General Appropriations	<u>\$ 46,886,241.24</u>	<u>\$ 47,053,698.93</u>	<u>\$ 43,488,837.11</u>	<u>\$ 1,222,470.10</u>	<u>\$ 44,711,307.21</u>	<u>\$ 2,342,391.72</u>	<u>\$ -</u>
References	A-1	A-1			A		

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
Year Ended December 31, 2018**

Year	Balance - December 31, 2017	2018 Levy & Added Taxes Adjustment to Levies	2018 Collections	Due From State of N.J. Senior Citizens And Veterans	Billing/Payment Adjustments	Transferred to Tax Title Liens	Balance - December 31, 2018
FY2017	\$ 1,129,985.66	\$ -	\$ 1,291,162.25	\$ -	\$ (455,931.15)	\$ -	\$ 294,754.56
FY2018	-	129,774,777.60	128,167,604.50	163,039.12	91,183.29	-	1,352,950.69
	<u>\$ 1,129,985.66</u>	<u>\$ 129,774,777.60</u>	<u>\$ 129,458,766.75</u>	<u>\$ 163,039.12</u>	<u>\$ (364,747.86)</u>	<u>\$ -</u>	<u>\$ 1,647,705.25</u>
Reference	A	Prepaid Applied Collected	\$ 7,152,618.48 121,014,986.02 <u>\$ 128,167,604.50</u>	A-12		A-4	A

Analysis of 2018 Property Tax Levy

<u>Tax Yield</u>	
General Purpose	\$ 129,494,248.61
Added & Omitted Taxes (N.J.S.A. 54:4-63.1,12 et seq.)	280,528.99
	<u>\$ 129,774,777.60</u>
<u>Tax Levy</u>	
Local School District Tax	\$ 68,614,430.04
County Taxes	\$ 29,499,732.08
County Library Taxes	2,984,034.92
County Open Space	1,244,342.68
Added & Omitted Taxes	<u>280,528.99</u>
	34,008,638.67
Open Space Tax	1,387,641.92
Local Purpose	<u>25,764,066.97</u>
	<u>\$ 129,774,777.60</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-4

**CURRENT FUND
SCHEDULE OF TAX TITLE LIENS RECEIVABLE
Year Ended December 31, 2018**

	<u>Reference</u>	
Balance - December 31, 2017	A	\$ 1,464,898.52
Increased by:		
Realized payments		<u>\$ 40,843.70</u>
		<u>40,843.70</u>
Balance - December 31, 2018	A	<u>\$ 1,505,742.22</u>

**CURRENT FUND
STATEMENT OF PROPERTY ACQUIRED FOR TAXES (ASSESSED VALUATION)
Year Ended December 31, 2018**

A-5

	<u>Reference</u>	
Balance - December 31, 2017	A	<u>\$ 168,410.00</u>
Balance - December 31, 2018		<u>\$ 168,410.00</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-6

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES
Year Ended December 31, 2018**

	December 31, 2017		Transfers		Balance After Transfer	Expended Current Paid or Charged	Balance Lapsed
	Reserve for Encumbrances	Appropriation Reserve	To	From			
(A) Operations - within "CAPS"							
GENERAL GOVERNMENT:							
Township Council and Mayor							
Salaries and Wages	\$ -	\$ 3,892.04	\$ -	\$ -	\$ 3,892.04	\$ -	\$ 3,892.04
Other Expenses	75.26	2.87			78.13	12.63	65.50
Municipal Manager							
Salaries and Wages	-	8,773.37	-	-	8,773.37	1,569.71	7,203.66
Other Expenses	3,905.09	15,834.56	-	10,000.00	9,739.65	(453.75)	10,193.40
Municipal Clerk							
Salaries and Wages	-	2,580.40	300.00	-	2,880.40	2,829.02	51.38
Other Expenses	2,229.79	3,968.55	-	-	6,198.34	4,320.53	2,954.02
Legal Services and Expenses							
Other Expenses	36,385.34	3,002.90	27,000.00	-	66,388.24	61,299.05	5,089.19
Financial Administration							
Salaries and Wages	-	7,720.38	-	-	7,720.38	4,538.98	3,181.40
Other Expenses	5,553.89	17,575.70	-	-	23,129.59	4,320.53	18,809.06
Assessment of Taxes							
Salaries and Wages	-	11,552.20	-	-	11,552.20	1,278.81	10,273.39
Other Expenses	2,301.73	11,412.03	-	5,000.00	8,713.76	2,293.09	6,420.67
Collection of Taxes							
Salaries and Wages	-	-	2,300.00	-	2,300.00	2,274.23	25.77
Other Expenses	545.96	10,432.66	-	5,000.00	5,978.62	1,126.86	4,851.76
Insurance							
Workers' Compensation	-	3,484.00	-	-	3,484.00	-	3,484.00
Employee Group Health	1,925.86	176,703.78	-	50,000.00	128,629.64	9,981.26	118,648.38
Health Insurance Waiver	-	3,664.04	-	-	3,664.04	-	3,664.04
Community Development Director							
Salaries and Wages	-	-	1,200.00	-	1,200.00	1,175.39	24.61
Other Expenses	-	1,679.47	-	-	1,679.47	529.57	1,149.90
Engineering Services							
Salaries and Wages	-	22,682.14	-	8,550.00	14,132.14	3,163.10	10,969.04
Other Expenses	12,762.15	5,336.76	-	-	18,098.91	9,691.78	8,407.13
Planning and Redevelopment							
Salaries and Wages	-	668.30	-	-	668.30	59.50	608.80
Other Expenses	-	2,376.21	-	-	2,376.21	-	2,376.21
Housing							
Salaries and Wages	-	2,000.06	-	-	2,000.06	796.25	1,203.81
Other Expenses	86.48	893.07	-	-	979.55	86.48	893.07
Ash Tree Hazard Mitigation/Replacement							
Other Expenses	23,400.00	40,521.54	-	-	63,921.54	23,400.00	40,521.54
Zoning Board							
Other Expenses	8,601.12	44,065.97	-	10,000.00	42,667.09	190.82	42,476.27
Planning Board							
Other Expenses	19,682.25	5,515.61	-	-	25,197.86	11,678.50	13,519.36
Community Action Program							
Other Expenses	-	15,166.67	-	-	15,166.67	15,166.67	-
Rent Stabilization Board							
Other Expenses	-	1,500.00	-	-	1,500.00	-	1,500.00
Cable T.V. Advisory Board							
Other Expenses	-	250.00	-	-	250.00	-	250.00
Environmental Resources Committee							
Other Expenses	-	10.00	-	-	10.00	-	10.00
Hist. Preservation Adv. Comm							
Other Expenses	-	500.00	-	-	500.00	-	500.00
Historian							
Salaries and Wages	-	440.00	-	-	440.00	-	440.00
Other Expenses	-	1,480.10	-	-	1,480.10	-	1,480.10
Construction Board of Appeals							
Salaries and Wages	-	200.00	-	-	200.00	-	200.00
Other Expenses	-	100.00	-	-	100.00	-	100.00
Construction Official							
Salaries and Wages	3,287.19	27,132.28	-	-	30,419.47	14,999.45	15,420.02
Other Expenses	27,616.34	38,367.36	-	-	65,983.70	27,672.34	38,311.36

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-6

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES (CONTINUED)
Year Ended December 31, 2018**

	December 31, 2017		Transfers		Balance After Transfer	Expended Current Paid or Charged	Balance Lapsed
	Reserve for Encumbrances	Appropriation Reserve	To	From			
PUBLIC SAFETY:							
Police							
Salaries and Wages	-	79,372.85	-	-	79,372.85	60,081.37	19,291.48
Other Expenses	70,301.72	558.98	-	-	70,860.70	67,406.99	3,453.71
Police Dispatch/911							
Salaries and Wages	-	1.00	-	-	1.00	-	1.00
Other Expenses	-	9,654.56	-	-	9,654.56	-	9,654.56
Office of Emergency Management							
Salaries and Wages	-	848.74	100.00	-	948.74	924.61	24.13
Other Expenses	-	1,960.68	-	-	1,960.68	-	1,960.68
Fire							
Lawrence Township Fire Services							
Salaries and Wages	-	6,194.63	-	-	6,194.63	4,132.61	2,062.02
Other Expenses	34,288.12	9,211.51	-	-	43,499.63	5,033.12	38,466.51
Aid to Volunteer Fire Companies							
Slackwood Fire Co	9,000.00	-	-	-	9,000.00	9,000.00	-
Lawrence Road Fire Co	9,000.00	-	-	-	9,000.00	9,000.00	-
Emergency Medical Services							
Other Expenses	370.00	-	-	-	370.00	315.00	55.00
Fire Inspector							
Salaries and Wages	-	4,933.74	-	-	4,933.74	1,024.50	3,909.24
Other Expenses	1,761.88	3,833.91	-	-	5,595.79	2,202.91	3,392.88
Municipal Court							
Salaries and Wages	-	3,664.48	1,150.00	-	4,814.48	4,544.71	269.77
Other Expenses	993.84	330.41	2,000.00	-	3,324.25	3,095.32	228.93
OSHA Compliance - P.L. 1983, Ch. 516							
Other Expenses	1,413.19	12,271.63	-	-	13,684.82	2,139.35	11,545.47
Public Safety Advisory Committee							
Salaries and Wages	-	500.00	-	-	500.00	-	500.00
Other Expenses	-	100.00	-	-	100.00	-	100.00
Public Defender							
Salaries and Wages	-	710.16	-	-	710.16	-	710.16
PUBLIC WORKS:							
Public Works Administration							
Salaries and Wages	-	-	2,800.00	-	2,800.00	2,735.74	64.26
Other Expenses	3,453.76	3,744.82	-	-	7,198.58	3,412.12	3,786.46
Streets and Roads							
Salaries and Wages	-	39,632.85	-	10,000.00	29,632.85	4,571.56	25,061.29
Other Expenses	30,277.52	5,198.98	-	-	35,476.50	26,726.06	8,750.44
Snow Removal							
Salaries and Wages	-	82.11	-	-	82.11	-	82.11
Other Expenses	280.25	78.13	100,000.00	-	100,358.38	100,297.29	61.09
Vehicle Maintenance							
Salaries and Wages	-	4,187.15	-	-	4,187.15	2,500.95	1,686.20
Other Expenses	87,681.89	2,196.67	-	-	89,878.56	82,252.32	7,626.24
Buildings and Grounds							
Salaries and Wages	-	13,022.51	-	-	13,022.51	10,667.68	2,354.83
Other Expenses	70,075.41	13,634.30	-	5,000.00	78,709.71	66,803.26	11,906.45
Ecological Center/Landfill O/E							
Park Maintenance							
Salaries and Wages	-	12,240.92	-	-	12,240.92	3,450.61	8,790.31
Other Expenses	6,285.81	5,772.11	-	-	12,057.92	5,723.80	6,334.12
Solid Waste Collection							
Other Expenses	12,473.73	98,338.21	-	14,000.00	96,811.94	82,272.08	14,539.86
Garbage & Trash Removal - MCIA							
Landfill - MCIA	-	301,813.71	-	15,000.00	286,813.71	89,353.58	197,460.13
Apartment Complex Trash Collection							
Other Expenses	-	79,007.49	-	-	79,007.49	79,007.49	-
HEALTH AND WELFARE BOARD:							
Board of Health - Local Health Agency							
Salaries and Wages	-	17,599.61	-	-	17,599.61	4,381.46	13,218.15
Other Expenses	7,229.36	1,503.41	-	-	8,732.77	1,252.51	7,480.26
Animal Control							
Salaries and Wages	-	-	700.00	-	700.00	673.71	26.29
Other Expenses	1,293.54	2,928.89	-	-	4,222.43	2,326.80	1,895.63

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-6

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES (CONTINUED)
Year Ended December 31, 2018**

	December 31, 2017		Transfers		Balance After Transfer	Expended Current Paid or Charged	Balance Lapsed
	Reserve for Encumbrances	Appropriation Reserve	To	From			
RECREATION AND EDUCATION:							
Recreation Programming							
Salaries and Wages	-	16,641.05	-	-	16,641.05	2,249.00	14,392.05
Other Expenses	22,966.30	19,749.77	-	5,000.00	37,716.07	15,474.00	22,242.07
Senior Citizen Program							
Salaries and Wages	-	2,524.92	-	-	2,524.92	1,605.51	919.41
Other Expenses	1,308.02	1,664.15	-	-	2,972.17	1,258.01	1,714.16
Shade Tree Advisory Committee							
Other Expenses	-	11.50	-	-	11.50	-	11.50
Growth Management Committee							
Salaries and Wages	-	600.00	-	-	600.00	-	600.00
Other Expenses	142.89	2,432.11	-	-	2,575.00	142.89	2,432.11
OTHER NON-CLASSIFIED:							
Celebration of Special Events							
Other Expenses	500.50	2,530.75	-	-	3,031.25	500.50	2,530.75
Accumulated Absences	-	1.00	-	-	1.00	-	1.00
Utilities	19,797.16	439,435.20	-	-	459,232.36	181,645.82	277,586.54
Salary and Wage Adjustment	-	1.00	-	-	1.00	-	1.00
STATUTORY EXPENDITURES:							
Contributions to Public Employees' Retirement System	-	187.00	-	-	187.00	-	187.00
Social Security System	-	16,126.47	-	-	16,126.47	7,295.21	8,831.26
Police and Firemen's Pension Fund	-	19.00	-	-	19.00	-	19.00
Defined Contribution Retirement Program	-	4,746.46	-	-	4,746.46	77.50	4,668.96
(A) Operations Excluded from "CAPS"							
Sewerage Authority-ELSA							
Share of Costs	-	65,054.88	-	-	65,054.88	65,054.88	(0.00)
Fire Hydrant Service (contractual)	-	276.12	-	-	276.12	-	276.12
Municipal Court (Public Defender)							
Salaries and Wages	-	7,362.15	-	-	7,362.15	985.85	6,376.30
Medical Dispatch Services-Shared Services Agreement							
Other Expenses	-	6,840.00	-	-	6,840.00	-	6,840.00
NJDEP Recycling Tonnage Tax							
Other Expenses	-	4,787.19	-	-	4,787.19	-	4,787.19
Police Impound Fees	56,524.34	21,279.91	-	-	77,804.25	56,524.34	21,279.91
LOSAP	2,600.00	4,900.00	-	-	7,500.00	2,600.00	4,900.00
Ambulance Services							
Salaries and Wages	-	51,008.94	-	-	51,008.94	5,519.03	45,489.91
Other Expenses	12,981.20	24,688.16	-	-	37,669.36	13,176.87	24,492.49
	<u>\$ 611,358.88</u>	<u>\$ 1,919,481.90</u>	<u>\$ 137,550.00</u>	<u>\$ 137,550.00</u>	<u>\$ 2,530,840.78</u>	<u>\$ 1,294,343.51</u>	<u>\$ 1,236,497.27</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-7

**CURRENT FUND
SCHEDULE OF SEWER CHARGES RECEIVABLE
Year Ended December 31, 2018**

	<u>Reference</u>		
Balance - December 31, 2017	A		\$ 350,077.14
Increased by			
Billings		<u>\$ 5,569,056.17</u>	<u>5,569,056.17</u>
			5,919,133.31
Decreased by			
Collections	A-1	<u>5,639,371.90</u>	<u>5,639,371.90</u>
Balance - December 31, 2018	A		<u><u>\$ 279,761.41</u></u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-8

CURRENT FUND
SCHEDULE OF SEWER LIENS RECEIVABLE
Year Ended December 31, 2018

	<u>Reference</u>	
Balance - December 31, 2017	A	\$ 5,772.30
Decreased by collections		85.00
Balance - December 31, 2018	A	<u>\$ 5,687.30</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-9

**CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE - GRANT FUND
Year Ended December 31, 2018**

FEDERAL GRANTS	Balance - December 31, 2017	2018		Transferred from Unappropriated	Budget Deficit	Cancelled	Balance - December 31, 2018
		Revenue Realized	Received				
Cops in School II	\$ 13,582.67	\$ -	\$ -	\$ -	\$ 13,582.67	\$ -	\$ -
Total Federal Programs	13,582.67	-	-	-	13,582.67	-	-
STATE GRANTS							
Municipal Alliance on Alcoholism and Drug Abuse	59,119.42	27,135.00	27,576.00	-	-	-	58,678.42
Alcohol Education	-	1,391.42	1,391.42	-	-	-	-
2010 NJ Exercise Support Grant	(0.69)	-	-	-	-	-	(0.69)
Safe Corridors	33,527.66	26,232.06	59,759.72	-	-	-	-
Click It or Ticket	-	5,500.00	5,500.00	-	-	-	-
NJ Department of Agriculture Nature Center Trails	11,516.00	-	-	-	-	-	11,516.00
Recycling Tonnage	-	70,307.35	-	70,307.35	-	-	-
Safe and Secure Communities Program	37,120.10	60,000.00	41,868.00	-	-	-	55,252.10
Signalized Trail Crossing Province Line Road	24,000.00	-	9,191.50	-	-	14,808.50	-
NIBRS National Crime Statistics Assistance Phase 2	-	29,274.00	-	-	-	-	29,274.00
COPS in Shops	250.00	-	-	-	-	250.00	-
2010 DVRPC Brunswick Pike Development	24,618.94	-	-	-	1,417.33	-	23,201.61
DVRPC Lawrence Hopewell Trail Dyson Tract	15,600.00	-	-	-	-	-	15,600.00
DVRPC Transportation & CD Initiative Missing Link	-	60,000.00	-	-	-	-	60,000.00
Bulletproof Vests	8,190.00	3,394.21	-	-	-	-	11,584.21
Captain James Lawrence Donation	-	20.00	-	20.00	-	-	-
Lawrence-Hopewell Trail-Cox's Corner	22,000.00	-	-	-	-	-	22,000.00
2014 Johnson Trolley Line Footbridge	14,100.50	-	-	-	-	-	14,100.50
Green Communities	-	3,000.00	-	-	-	-	3,000.00
Statewide Holiday Crackdown Drive Sober	-	5,500.00	5,500.00	-	-	-	-
Clean Communities	-	62,792.27	62,792.27	-	-	-	-
Body Armor	-	5,160.02	-	5,160.02	-	-	-
Sustainable New Jersey	9,500.00	-	7,618.00	-	-	1,882.00	-
EMS - Donation	-	150.00	-	150.00	-	-	-
FEMA - Hazard Mitigation Grant	250,000.00	-	236,529.00	-	-	13,471.00	-
Breary House Archaeological Reporting	1,092.00	-	-	-	-	1,092.00	-
Drunk Driving Enforcement Fund (DDEF)	-	9,637.63	-	9,637.63	-	-	-
Reforestation Tree Planting	30,000.00	-	20,532.96	-	-	-	9,467.04
DVRPC Province Line Road Bike Trail	484,216.00	-	410,370.90	-	-	-	73,845.10
DVRPC Transportation & Community Development	13,854.10	-	-	-	-	-	13,854.10
Total State Programs	1,038,704.03	369,493.96	888,629.77	85,275.00	1,417.33	31,503.50	401,372.39
	\$ 1,052,286.70	\$ 369,493.96	\$ 888,629.77	\$ 85,275.00	\$ 15,000.00	\$ 31,503.50	\$ 401,372.39
Reference	A			A-9			A

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR STATE AND FEDERAL GRANTS
Year Ended December 31, 2018**

	Balance - December 31, 2017	Transferred from Budget		Paid In 2018	New/Change in Encumbered In 2018	Balance - December 31, 2018
		Budget	Appropriation By 40A:4-87			
Grant Aid Program						
FEMA						
2015	\$ 13,471.00	\$ -	\$ -	\$ -	\$ 13,471.00	\$ -
Body Armor						
2012	0.05	-	-	0.05	-	-
2016	4,686.08	-	-	2,572.30	-	2,113.78
2017	3,451.62	-	-	-	-	3,451.62
2018	-	5,160.02	-	-	-	5,160.02
Clean Communities Program						
2013	0.00	-	-	9,595.00	(9,595.00)	-
2017	42,830.48	-	-	43,921.81	(1,091.33)	-
2018	-	-	62,792.27	13,025.56	15,759.69	34,007.02
Municipal Alliance on Alcoholism and Drug Abuse						
2004	7,397.10	-	-	-	-	7,397.10
2005	2,251.04	-	-	-	-	2,251.04
2006	0.00	-	-	-	-	0.00
2007	2,833.02	-	-	-	-	2,833.02
2008	6,582.04	-	-	-	-	6,582.04
2009	6,795.77	-	-	-	-	6,795.77
2010	6,113.12	-	-	-	-	6,113.12
2011	1,770.52	-	-	-	-	1,770.52
2012	7,518.07	-	-	-	-	7,518.07
2013	107.41	-	-	-	-	107.41
2014	446.94	-	-	-	-	446.94
2017	22,748.87	-	-	21,915.01	(185.00)	1,018.86
2018	-	27,135.00	-	3,014.52	2,832.04	21,288.44

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR STATE AND FEDERAL GRANTS (CONTINUED)
Year Ended December 31, 2018**

	Balance - December 31, 2017	Transferred from Budget		Paid In 2018	New/Change in Encumbered In 2018	Balance - December 31, 2018
		Budget	Appropriation By 40A:4-87			
Grant Aid Program						
Drunk Driving Enforcement Fund						
2016	5,174.51	-	-	504.50	-	4,670.01
2017	1,280.70	-	-	-	-	1,280.70
2018	-	9,637.63	-	-	179.00	9,458.63
Recycling Tonnage Grant						
2015	40,793.38	-	-	49,253.38	(8,671.50)	211.50
2016	65,459.05	-	-	65,370.05	89.00	(0.00)
2017	69,365.19	-	-	8,399.07	18,140.40	42,825.72
2018	-	70,307.35	-	-	-	70,307.35
Emergency Management Assistance Grant						
2017	7,000.00	-	-	-	-	7,000.00
Safe and Secure Communities Program						
2018	-	60,000.00	-	60,000.00	-	-
Green Communities Grant-2018	-	-	3,000.00	-	3,000.00	-
US Dept. of Justice: Cops in Shops	250.00	-	-	-	250.00	-
Highway Safety Occupant Protection-2000	503.52	-	-	-	-	503.52
Emergency Medical Services Reimbursement Defibrillator	6.00	-	-	-	-	6.00
Alcohol, Education and Rehabilitation Grant						
2016	3,580.88	-	-	-	-	3,580.88
2017	3,603.03	-	-	-	-	3,603.03
2018	-	-	1,391.42	-	-	1,391.42

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-10

**CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR STATE AND FEDERAL GRANTS (CONTINUED)
Year Ended December 31, 2018**

Grant Aid Program	Balance - December 31, 2017	Transferred from Budget		Paid In 2018	New/Change in Encumbered In 2018	Balance - December 31, 2018
		Budget	Appropriation By 40A:4-87			
Bulletproof Vest						
2016	8,584.50	-	-	2,572.35	-	6,012.15
2018	-	3,394.21	-	-	-	3,394.21
2004 Small Cities Block Grant	24,513.37	-	-	-	-	24,513.37
2004 Smart Growth Future	15,358.14	-	-	-	-	15,358.14
2005 Click It or Ticket						
2012 Click it or Ticket	2,016.34	-	-	-	-	2,016.34
2012 Click it or Ticket	375.00	-	-	-	-	375.00
2014 Click it or Ticket	460.58	-	-	-	-	460.58
2015 Click it or Ticket	463.77	-	-	-	-	463.77
2016 Click it or Ticket	-	-	-	-	-	-
2018 Click it or Ticket	-	-	5,500.00	-	-	5,500.00
2007 Small Cities Innovative Development	41.56	-	-	-	-	41.56
Hepatitis B Inoculations						
2012	273.24	-	-	-	-	273.24
2013	154.08	-	-	-	-	154.08
Juvenile Justice Grant						
2009	20.00	-	-	-	-	20.00
2008 Neighborhood Revitalization	15,586.30	-	-	-	-	15,586.30
2008 HMEP	30.00	-	-	-	-	30.00
BMS Safety Town						
2014	2,862.38	-	-	-	-	2,862.38
2010 DVRPC Brunswick Pike Redevelopment	18,258.15	-	-	-	-	18,258.15
2011 Cars-E Mall	-	-	-	6,705.65	(6,705.65)	-
2011 Edward Byrne Justice Grant	6,600.30	-	-	-	-	6,600.30

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-10

**CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR STATE AND FEDERAL GRANTS (CONTINUED)
Year Ended December 31, 2018**

	Balance - December 31, 2017	Transferred from Budget		Paid In 2018	New/Change in Encumbered In 2018	Balance - December 31, 2018
		Budget	Appropriation By 40A:4-87			
Grant Aid Program						
Safe Corridors						
2018 Safe Corridors Enhancing Vehicular Safety	-	26,232.06	-	26,232.06	-	-
2012 DVRPC - Transportation & Community Development Initiative - Johnson Trolley Line	5,000.08	-	-	-	-	5,000.08
2012 NJDCA Small Cities CBDG - Ramps Sr/Persons with Disabilities	4,985.46	-	-	-	-	4,985.46
Lawrence Township Affordable Housing						
2012 Lawrence Township Economic Stability Development	22,775.00	-	-	-	-	22,775.00
2012 Lawrence Township Affordable Unit Rehabilitation	6,877.84	-	-	13,900.00	(7,022.16)	(0.00)
2012 Lawrence Township Affordable Control Extensions	342,500.00	-	-	-	(7,500.00)	350,000.00
2013 Lawrence Township Affordable Control Extensions	276,000.00	-	-	-	-	276,000.00
2013 Lawrence Township Affordable Unit Rehabilitation	-	-	-	-	-	-
2014 Affordable Housing Rehabilitation	34,436.66	-	-	8,393.56	(22,311.40)	48,354.50
2012 FEMA Commodity Distribution Points	2,922.00	-	-	-	-	2,922.00
2012 DVRCP Lawrence-Hopewell Trail Lewisville Section	0.02	-	-	-	-	0.02
Radon Testing Kits						
2012 Radon Testing Kits	396.00	-	-	-	-	396.00
Tanning Inspection						
2012 Tanning Inspections	200.00	-	-	-	-	200.00
2014 Tanning Inspections	200.00	-	-	-	-	200.00
2015 Tanning Inspections	200.00	-	-	-	-	200.00
2016 Tanning Inspections	200.00	-	-	-	-	200.00
2012 Drive Sober or Get Pulled Over - Year End	2,850.00	-	-	-	-	2,850.00
Emergency Medical Services						
2015 EMS Donation	77.55	-	-	-	-	77.55
2016 Carnival Fund	2,559.29	-	-	-	-	2,559.29
2017 EMS Donation	530.00	-	-	-	-	530.00
2018 EMS Donation	-	150.00	-	-	-	150.00

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR STATE AND FEDERAL GRANTS (CONTINUED)
Year Ended December 31, 2018**

Grant Aid Program	Balance - December 31, 2017	Transferred from Budget		Paid In 2018	New/Change in Encumbered In 2018	Balance - December 31, 2018
		Budget	Appropriation By 40A:4-87			
2014 Sustainable Jersey Small Grant OE	8,982.00	-	-	525.00	7,957.00	500.00
2015 Comcast Technology	997.46	-	-	370.50	626.96	(0.00)
2016 Lawrence Hopewell Trail Cox's Corner - Province Line Road	3,500.00	-	-	-	-	3,500.00
2016 Brearley House Archaeological Reporting	1,092.00	-	-	-	1,092.00	-
2016 Reforestation / Tree Planting	6,720.00	-	-	6,720.00	-	(0.00)
2016 Maintenance / Restoration Carson Road Woods - Lawrence Hopewell Trail	12,000.00	-	-	-	-	12,000.00
NJACCHO Emergency Plans for Risk 2017 NJACCHO Emergency Plans for Risk	820.00	-	-	-	-	820.00
2017 Recreation Trail Sign Trail Crossing Province Line Road	24,000.00	-	-	-	14,808.50	9,191.50
2017 Province Line Road Bike Trail - DVRPC	93,216.00	-	-	-	-	93,216.00
2017 Garden State Municipal JIF Safety SIP	1,500.00	-	-	-	-	1,500.00
2017 Mercer at Play	119,261.30	-	-	-	-	119,261.30
2017 DVRPC Lawrence-Hopewell Trail Dyson Tract	-	-	-	15,600.00	(15,600.00)	-
2017 NJ Department of Agriculture - Nature Center Trail	11,516.00	-	-	-	11,516.00	-
2018 Captain James Lawrence Donation	-	20.00	-	-	-	20.00
2018 Statewide Holiday Drive Sober	-	-	5,500.00	-	-	5,500.00
2018 NIBRS National Crime Statistics Phase II	-	-	29,274.00	-	-	29,274.00
2018 DVRPC Brunswick Streetscape	-	-	60,000.00	-	58,000.00	2,000.00
	<u>\$ 1,407,931.76</u>	<u>\$ 202,036.27</u>	<u>\$ 167,457.69</u>	<u>\$ 358,590.37</u>	<u>\$ 69,039.55</u>	<u>\$ 1,349,795.80</u>
	A	A-2	A-2			A

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-11

**CURRENT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES FOR STATE AND FEDERAL GRANTS
Year Ended December 31, 2018**

	Balance - December 31, 2017	Grants Received In 2018	Applied to State & Federal Grants Receivable	Balance - December 31, 2018
Recycling Tonnage	\$ 70,307.35	\$ -	\$ 70,307.35	\$ -
Body Armor - 2017	5,160.02	-	5,160.02	-
Body Armor - 2016	-	-	-	-
EMS Donation	150.00	-	150.00	-
DDEF	9,637.63	-	9,637.63	-
SD Rider	-	5,200.00	-	5,200.00
Captain Lawrence Donation	20.00	-	20.00	-
	<u>\$ 85,275.00</u>	<u>\$ 5,200.00</u>	<u>\$ 85,275.00</u>	<u>\$ 5,200.00</u>
<u>Reference</u>	A		A-9	A

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-12

**CURRENT FUND
SCHEDULE OF DUE FROM STATE OF NEW JERSEY – VETERAN & SENIOR CITIZEN
DEDUCTIONS
Year Ended December 31, 2018**

	<u>Reference</u>	
Balance - December 31, 2017 (Due From)	A	\$ -
Increased by:		
Veterans Deductions Allowed per Duplicate	\$ 133,000.00	
Senior Citizens' Deductions Allowed per Duplicate	<u>38,500.00</u>	
	171,500.00	
Less: Senior Citizens' Disallowed by Collector	<u>5,059.59</u>	<u>166,440.41</u>
Decreased by:		
Received -- as per DLGS	<u>166,440.41</u>	<u>166,440.41</u>
Balance - December 31, 2018 (Due From)	A	<u><u>\$ -</u></u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

B

**TRUST FUNDS
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE
Year Ended December 31, 2018**

	Reference	Animal Control Fund		Trust Funds - Other		Municipal Open Space	
		2018	2017	2018	2017	2018	2017
ASSETS							
Cash and Cash Equivalents		\$ 66,274.00	\$ 76,373.76	\$ 11,077,495.11	\$ 10,526,814.68	\$ 2,612,398.31	\$ 2,302,200.16
		<u>\$ 66,274.00</u>	<u>\$ 76,373.76</u>	<u>\$ 11,077,495.11</u>	<u>\$ 10,526,814.68</u>	<u>\$ 2,612,398.31</u>	<u>\$ 2,302,200.16</u>
LIABILITIES, RESERVES AND FUND BALANCE							
Reserve for Animal Control		\$ 66,274.00	\$ 76,370.16	\$ -	\$ -	\$ -	\$ -
Encumbrances Payable		-	-	139,277.50	97,315.07	-	-
Payroll Deduction Payable		-	-	162,781.90	41,460.22	-	-
Reserve and Other Deposits		-	-	10,775,435.71	10,388,039.39	-	-
Reserve for Interest Earned		-	-	-	-	-	-
Due to State of NJ - Dept. of Health		-	3.60	-	-	-	-
Reserve for Self-Insurance		-	-	-	-	2,612,398.31	2,302,200.16
		<u>\$ 66,274.00</u>	<u>\$ 76,373.76</u>	<u>\$ 11,077,495.11</u>	<u>\$ 10,526,814.68</u>	<u>\$ 2,612,398.31</u>	<u>\$ 2,302,200.16</u>
December 31,							
		<u>2018</u>	<u>2017</u>				
ASSETS							
Cash and Equivalents		\$ 13,756,167.42	\$ 12,905,388.60				
		<u>\$ 13,756,167.42</u>	<u>\$ 12,905,388.60</u>				
LIABILITIES, RESERVES AND FUND BALANCE							
Animal Control	B-2	\$ 66,274.00	\$ 76,370.16				
Encumbrances Payable		139,277.50	97,315.07				
Payroll Deduction Payable		162,781.90	41,460.22				
Reserve and Other Deposits	B-1	10,775,435.71	10,388,039.39				
Reserve for Municipal Open Space	B-3	2,612,398.31	2,302,200.16				
		<u>\$ 13,756,167.42</u>	<u>\$ 12,905,388.60</u>				

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

B-1

**TRUST FUNDS
SCHEDULE OF OTHER RESERVES AND SPECIAL DEPOSITS
Year Ended December 31, 2018**

<u>Purpose</u>	Balance - December 31, 2017	Receipts	Disbursements	Balance - December 31, 2018
Unemployment Fund	\$ 592,893.72	\$ 152,831.52	\$ 94,819.08	\$ 650,906.16
Accumulated Absences	352,098.92	310,957.80	177,516.31	485,540.41
Senior Citizens' Recreation	23,745.98	6,912.23	3,907.22	26,750.99
Restoration Historic Sites	10,010.00	-	10,010.00	-
Disposition of Forfeited Property	47,893.79	35,958.41	20,550.88	63,301.32
Adopt a Cop	3,365.77	100.00	592.50	2,873.27
Recycling	25,056.95	36,948.85	56,515.96	5,489.84
Escrow/Developers' Interest	4,319.09	-	-	4,319.09
Parking Adjudication	3,748.72	100.00	-	3,848.72
Public Defender	22,545.13	41,938.53	38,548.61	25,935.05
Fire Penalties	13,748.98	32,550.00	-	46,298.98
Snow Removal	326,185.77	280,478.31	226,989.78	379,674.30
Cash Bonds	2,659,790.35	706,688.76	1,081,174.17	2,285,304.94
Site Plan Review	183,230.60	166,634.42	150,731.73	199,133.29
Site Plan Inspection	1,612,590.21	470,549.14	363,310.24	1,719,829.11
Reserve for Interest CB Escrow Township/Split	4,728.79	4,512.18	1,576.23	7,664.74
Reserve for Fireworks	7,018.80	39,753.50	32,231.34	14,540.96
Reserve for Carson Road Woods	182.00	-	182.00	-
Reserve for Recreation League Fees	38,218.32	6,545.00	2,907.69	41,855.63
Reserve for Police Special Duty	211,970.16	321,944.17	292,152.67	241,761.66
Reserve for Shade Tree	2,400.00	-	2,400.00	-
COAH	945,809.41	2,457,299.55	1,883,566.75	1,519,542.21
Reserve for Self Insurance	2,243,189.83	307,495.73	226,270.92	2,324,414.64
Reserve for Tax Collector's Escrow	1,060,215.46	350,400.00	676,100.00	734,515.46
Reserve for BJA	(11.59)	11.59	-	-
Reserve for Int. Due to Developer	(6,905.77)	-	1,159.29	(8,065.06)
	<u>\$ 10,388,039.39</u>	<u>\$ 5,730,609.69</u>	<u>\$ 5,343,213.37</u>	<u>\$ 10,775,435.71</u>
Reference	B			B

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

B-2

TRUST FUNDS – ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES
Year Ended December 31, 2018

	<u>Reference</u>	
Balance - December 31, 2017	B	\$ 76,370.16
Increased by		
Animal control fees		\$ 46,053.96
Interest earnings		<u>512.14</u>
		46,566.10
		<u>122,936.26</u>
Decreased by		
Expenditures under R.S. 4:19-15.11		<u>56,662.26</u>
		56,662.26
Balance - December 31, 2018	B	<u><u>\$ 66,274.00</u></u>
License Fees Collected		
		2017 \$ 34,574.00
		2018 46,053.96
		<u><u>\$ 80,627.96</u></u>

Note: R.S. 4:19-15.11

"... there shall be transferred from such special account to the general funds of the municipality any amount then in such account which is in excess of the total amount paid into said special account during the last two fiscal years next preceding."

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

B-3

TRUST FUNDS – OTHER
SCHEDULE OF RESERVE FOR MUNICIPAL OPEN SPACE
Year Ended December 31, 2018

	<u>Reference</u>	
Balance - December 31, 2017	B	\$ 2,302,200.16
Increased by		
Tax Levy	A-3	\$ 1,387,641.92
Added Taxes		3,017.00
Interest Earnings		12,957.05
Other Reimbursements and Transfers		17,488.76
		<u>1,421,104.73</u>
		3,723,304.89
Decreased by		
Share of debt principal payment		241,930.62
Other expenses		868,975.96
		<u>1,110,906.58</u>
Balance - December 31, 2018	B	<u><u>\$ 2,612,398.31</u></u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

C

**GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

ASSETS	Reference	December 31,	
		2018	2017
Cash and Cash Equivalents	C-2	\$ 3,619,508.35	\$ 1,768,310.26
State and Federal Grants Receivable	C-3	1,816,370.49	1,793,750.34
Loan Proceeds Receivable	C-2, C-12	4,905.00	4,905.00
Deferred Charges to Future Taxation:			
Funded	C-4	3,455,000.00	6,044,592.02
Unfunded	C-5	20,908,280.36	20,556,287.40
		<u>\$ 29,804,064.20</u>	<u>\$ 30,167,845.02</u>
LIABILITIES, RESERVES AND FUND BALANCE			
Serial Bonds	C-7	\$ 3,455,000.00	\$ 5,875,000.00
Bond Anticipation Notes	C-5, C-10	11,895,000.00	10,000,000.00
Other Liabilities and Reserves:			
Green Trust Loan Payable	C-9	-	94,191.44
NJ Infrastructure Loan Payable	C-8	-	75,400.58
Reserve for Encumbrances	C-2, C-6	1,200,076.96	889,331.92
Reserve for:			
Municipal Improvements	C-2, C-14	1,965,008.31	2,016,642.31
Sidewalk Repairs	C-2, C-15	257,482.06	206,952.38
Payment for Future Debt Service Costs	C-18	878,863.57	490,066.37
State and Federal Grants	C-2, C-17	413,030.84	390,410.69
Capital Improvement Fund	C-2, C-11	92,641.05	92,641.05
Transportation Trust Fund	C-2, C-16	242,871.25	242,871.25
Trash Carts	C-2	10,945.86	38,625.36
Improvement Authorizations:			
Unfunded	C-6	5,845,758.59	6,417,706.29
Funded	C-6	2,183,128.72	1,898,748.39
Fund Balance	C-1	1,364,256.99	1,439,256.99
		<u>\$ 29,804,064.20</u>	<u>\$ 30,167,845.02</u>

There were Bonds and Notes Authorized but not Issued at December 31, 2018 and 2017, in the amount of \$9,013,280.36 and \$10,556,287.40, respectively. (C-13)

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-1

**GENERAL CAPITAL FUND
STATEMENT OF CHANGES IN FUND BALANCE
Year Ended December 31, 2018**

	<u>Reference</u>	
Balance - December 31, 2017	C	\$ 1,439,256.99
Decreased by:		
Payment to Current Fund as Anticipated Revenue	A-1	<u>\$ 75,000.00</u>
		<u>75,000.00</u>
Balance - December 31, 2018	C	<u>\$ 1,364,256.99</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-2

**GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH AND CASH EQUIVALENTS
Year Ended December 31, 2018**

	Reference	Balance (Deficit) December 31, 2018
Fund Balance	C	\$ 1,364,256.99
Capital Improvement Fund	C	92,641.05
Reserve for Encumbrances	C	1,200,076.96
State and Federal Grants Receivable	C	(1,816,370.49)
Reserve for Sidewalk Repairs	C	257,482.06
Reserve for Municipal Improvements	C	1,965,008.31
Reserve for State and Federal Grants	C	413,030.84
Reserve For Trash Carts	C	10,945.86
Loan Proceeds Receivable	C	(4,905.00)
Reserve for Transportation Trust Fund	C	242,871.25
Ordinance		
Number	Improvement Description	
1572-99	Municipal Bldg Renovations	7,736.00
1667-01	Carson Road Woods	276,829.13
1714-02	Acquisition of Helen Avenue	(129.44)
1845-05	Sidewalk Improvements	34,249.46
1852-05	Purchase of Public Works Equipment	23,088.66
1852-05	Acquisition of Various Computer & Office Equipment	22,269.42
1852-05	Acquisition of Public Safety Equipment	3,276.10
1852-05	Communication Equipment	6,870.99
1852-05	Purchase of Various Park Maintenance Equipment	31,838.11
1884-06	Various Road Improvements (2) Projects	80,701.15
1887-06	Purchase of Public Works Equipment	8,281.55
1894-06	Purchase of Equipment	47,641.41
1894-06	Municipal Building Improvements	23,087.01
1894-06	Purchases of Computer & Office Equipment	3,031.22
1894-06	Public Safety Equipment	4,376.00
1894-06	Communication Equipment	12,000.00
1929-07	Improvements of Roads	106,521.54
1933-07	Improvements of Roads	102,663.42
1940-07	Various Improvements or Purposes	
	1 Purchase of Public Works Equipment	49,901.93
	2 Renovations and Construction of Town Hall	62,763.21
	3 Acquisition of Fire Rescue Equipment	20.65
	4 Acquisition of Fire Apparatus & Equipment	13,029.96
	5 Acquisition of Various Computer & Office Equipment	11,155.59
	6 Acquisition of Public Safety Equipment	55,288.54
	7 Acquisition of Communication Equipment	1,834.39
	8 Improvements to Various Parks & Recreation	45,447.36

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-2

**GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH AND CASH EQUIVALENTS (CONTINUED)
Year Ended December 31, 2018**

	<u>Reference</u>	Balance (Deficit) <u>December 31, 2018</u>
1959-07	Building and Renovation of Restroom Facilities on Recreation Sites	67,267.00
1973-08	Milling and Overlay of Princeton Pike	39,168.06
1977-08	Various Road Improvements	104,250.70
1978-08	Various Capital Improvements	
	1 Purchase of Various Public Works Equipment	11,754.32
	2 Improvements to Municipal Building	22,604.22
	3 Acquisition of Fire/Rescue Equipment	(11,361.49)
	4 Acquisition of Various Computer and Office Equipment	(25,764.65)
	5 Acquisition of Public Safety Equipment	1,368.55
	6 Communication Equipment	10,274.74
	7 Various Park and Recreational Facility Improvements	4,820.62
2025-09	Dyson Tract Remediation	376,752.66
2020-09	Various Capital Improvements	
	1 Purchase of Various Public Works Equipment	16,335.80
	2 Improvements to Municipal Building	62,779.55
	3 Acquisition of Fire/Rescue Equipment	201.00
	5 Hydraulic Lift, Pickup Truck & Electric Lift Gate	1,043.00
2021-09	Various Road Improvements	14,352.47
2022-09	Reappropriated for Resurfacing and Milling Lombard Avenue	17,723.36
2052-10	Various Capital Improvements	
2060-10	Funding of Emergency Appropriation Tax Appeals	20,838.87
2069-10	Major Repair of Colonial Lake Dam	(24,130.31)
2095-11	Various Capital Improvements	
	Acquisition of Fire Truck	(493,050.00)
2108-11	Road Repair - Quakerbridge Road & Province Line Road	(8,767.39)
2179-14	Construction of a Salt Domeby	10,950.00
2183-14	Acquisition of Police Vehicle In-Car Video System	4,443.00
2186-14	Various Capital Improvements	
	Purchase of Various Public Works Equipment	(57,852.82)
	Improvements to Municipal Building	(247,108.58)
	Acquisition of Fire/Rescue Equipment	18,000.30
	Acquisition of Various Computer and Office Equipment	(115,946.00)
	Various Park and Recreational Facility Equipment	(110,076.25)
2187-14	Various Road Improvements	67,967.76
2188-14	Emergency Medical Services Building	615.83
2208-15	Various Road Improvements	92,412.97

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-2

**GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH AND CASH EQUIVALENTS (CONTINUED)
Year Ended December 31, 2018**

	<u>Reference</u>	Balance (Deficit) <u>December 31, 2018</u>
2211-15	Various Capital Improvements	
	Purchase of Various Public Works Equipment	11,764.45
	Improvements to Municipal Building	87,876.78
	Acquisition of Fire/Rescue Equipment	8,821.44
	Acquisition of Fire Apparatus	308,000.00
	Acquisition of Various Communication Equipment	1,206.89
	Acquisition of Various Computer and Office Equipment	73,098.81
	Various Park and Recreational Facility Improvements	306,500.00
	Acquisition of Various Public Safety Equipment	5,699.53
2214-15	Various Road Improvements	(140,970.28)
2228-16	Various Capital Improvements	
	Purchase of Various Equipment	8,257.04
	Improvements to Municipal Building	24,008.68
	Acquisition of Fire/Rescue Equipment	1,000.00
	Acquisition of Fire Apparatus	205,000.00
	Acquisition of Various Communications Equipment	719.60
	Acquisition of Various Computer and Office Equipment	68,750.00
	Various Park and Recreational Improvements	26,000.00
	Acquisition of Various Public Safety Equipment	21,000.00
	Tree Replacement	10,500.00
2229-16	Various Road Improvements	4,010.38
2257-17	Various Road Improvements	(1,350,308.80)
2258-17	Various Capital Improvements	
	Acquisition of Various Public Safety Equipment	2,176.79
	Acquisition Computer & Office Equipment	58,520.96
	Improvements to Municipal Building	102,483.17
	Acquisition of Fire/Rescue Equipment	42,035.34
	Acquisition of Various Communications Equipment	1,300.00
	Acquisition of Various Equipment	53,402.32
	Acquisition of Fire Apparatus	(532,086.00)
2296-18	Various Capital Improvements	(1,697,983.06)
2297-18	Various Equipment	
	Acquisition of Computer Equipment	75,819.63
	Improvements of Municipal Buildings	91,043.00
	Acquisition of Fire/Rescue Equipment	144,096.14
	Acquisition of Various Communications Equipment	14,262.80
	Purchase of Various Equipment	60,960.69
	Various Park and Recreational Facility Improvements	13,000.00
		<u>\$ 3,619,508.35</u>
		C

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-3

**GENERAL CAPITAL FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
Year Ended December 31, 2018**

	<u>Ordinance</u>	<u>Balance December 31, 2017</u>	<u>Grants Awarded In 2018</u>	<u>Collected</u>	<u>Balance December 31, 2018</u>
1984 New Jersey Transportation Trust Fund Authority Act:					
Princeton Road Bikeway		\$ 6,046.54	\$ -	\$ -	\$ 6,046.54
Princeton Pike, Bikepath-2		22,031.65	-	-	22,031.65
Acquisition of Carson Road Woods		50,410.69	-	-	50,410.69
Acquisition of Loveless Tree Farm					
DEP -- Green Trust Program	1905-06	7,984.24	-	-	7,984.24
Improvements of Roads	1933-07	15,685.43	-	-	15,685.43
Various Improvements or Purposes	1940-07	128,495.00	-	-	128,495.00
Milling and Overlay of Princeton Pike	1973-08	85,000.00	-	-	85,000.00
New Jersey Transportation Trust -- Twin Meadows	2021-09	25,237.94	-	-	25,237.94
NJ Department of Environmental Protection	2025-09	1,032,380.40	-	-	1,032,380.40
NJ DOT 2012	2128-12	30,000.00	-	-	30,000.00
NJ DOT 2013 - Province Line Rd	2157-13	50,478.45	-	-	50,478.45
Cold Soil Road		35,000.00	-	35,000.00	-
Fackler Road		50,000.00	-	50,000.00	-
Princeton Pike		255,000.00	-	167,379.85	87,620.15
Rosedale Acres		-	275,000.00	-	275,000.00
		<u>\$ 1,793,750.34</u>	<u>\$ -</u>	<u>\$ 252,379.85</u>	<u>\$ 1,816,370.49</u>
<u>Reference</u>		<u>C</u>	<u>C-17</u>		<u>C</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-4

**GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION – FUNDED
Year Ended December 31, 2018**

	<u>Reference</u>		
Balance - December 31, 2017	C		\$ 6,044,592.02
Decreased By Payments:			
Serial Bonds	C-7	\$ 2,420,000.00	
Green Trust Loans	C-9	94,191.44	
Environmental Infrastructure Trust	C-8	<u>75,400.58</u>	
			<u>2,589,592.02</u>
Balance - December 31, 2018	C		<u>\$ 3,455,000.00</u>
PROOF:			
Serial Bonds	C-7		\$ 3,455,000.00
NJ Infrastructure Trust Loan	C-8		0.00
Green Trust Loan	C-9		<u>0.00</u>
	C		<u>\$ 3,455,000.00</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES – UNFUNDED
Year Ended December 31, 2018**

Ordinance Number	Improvement Description	Balance December 31, 2017	2018 Authorizations	2018 Bond Anticipation Notes Paid	Funded by Budget/CIF	Cancelled By Resolution	Balance December 31, 2018
1572-99	Police & Fire Communication Equip	\$ 4,282.58	\$ -	\$ 2,761.21	\$ -	\$ -	\$ 1,521.37
1572-99	Tree Replacement Program	570.00	-	-	-	-	570.00
1572-99	Municipal Bldg renovations	246,100.00	-	-	-	-	246,100.00
1572-99	Park Maint. Equipment	69,700.00	-	-	-	-	69,700.00
1667/1678-01	Carson Road Woods	574,853.93	-	6,900.57	-	-	567,953.36
1714-02	Acquisition of Helen Avenue	145,539.06	-	1,917.94	-	-	143,621.12
1749-03	Road Improvements	92,990.01	-	15,498.33	-	-	77,491.68
1973-08	Milling and Overlay of Princeton Pike	123,250.00	-	-	-	-	123,250.00
1977-08	Various Road Improvements	18,875.00	-	-	-	-	18,875.00
1978-08	Various Capital Improvements						
	2	531,950.00	-	-	-	-	531,950.00
	4	35,389.07	-	-	15,000.00	-	20,389.07
	6	31,825.00	-	-	-	-	31,825.00
2025-09	Dyson Tract Remediation	1,165,000.00	-	-	-	-	1,165,000.00
2021-09	Various Road Improvements	0.01	-	-	-	-	0.01
2051-10	Various Road Improvements	224,814.93	-	224,814.93	-	-	(0.00)
2052-10	Various Capital Improvements						
		135.65	-	135.65	-	-	(0.00)
		281,523.70	-	281,523.70	-	-	-
		212,789.85	-	212,789.85	-	-	-
		15,621.59	-	15,621.59	-	-	-
		11,373.16	-	11,373.16	-	-	-
		123,182.42	-	123,182.42	-	-	-
2069-10	Major Repair of Colonial Lake Dam	450,918.50	-	-	-	-	450,918.50
2095-11	Various Capital Improvements						
		207,703.05	-	144,331.23	-	-	63,371.82
		89,762.14	-	-	-	-	89,762.14
		90,666.25	-	-	-	-	90,666.25
		493,050.00	-	-	-	-	493,050.00
		27,399.17	-	-	-	-	27,399.17
2096-11	Twin Pines Parking/Recreational Facility Improvements	133,000.00	-	122,397.66	-	-	10,602.34
2097-11	Bergen Street Reconstruction	592,961.40	-	19,365.38	-	-	573,596.02
2108-11	Road Repair - Quakerbridge Road & Province Line Road	47,500.00	-	-	-	-	47,500.00
2127-12	Various Capital Improvements						
		237,625.22	-	102,409.49	-	-	135,215.73
		43,049.00	-	-	-	-	43,049.00
		157,659.75	-	-	-	-	157,659.75
		444,684.44	-	-	-	-	444,684.44
		188,707.37	-	-	-	-	188,707.37
		102,239.46	-	-	-	-	102,239.46
		14,250.00	-	-	-	-	14,250.00

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES – UNFUNDED (CONTINUED)
Year Ended December 31, 2018**

Ordinance Number	Improvement Description	Balance December 31, 2017	2018 Authorizations	2018		2018 Budget	Cancelled By Resolution	Balance December 31, 2018
				Bond Anticipation Notes Paid				
2128-12	Various Road Improvements	518,892.61	-	14,250.00	-	-	-	504,642.61
2156-13	Various Capital Improvements							
		188,556.16	-	81,616.86	-	-	-	106,939.30
		214,356.11	-	-	-	-	-	214,356.11
		55,055.50	-	-	-	-	-	55,055.50
		76,046.47	-	-	-	-	-	76,046.47
		230,850.00	-	-	-	-	-	230,850.00
		74,463.57	-	-	-	-	-	74,463.57
		172,156.98	-	-	-	-	-	172,156.98
		23,598.61	-	-	-	-	-	23,598.61
2157-13	Various Road Improvements	527,187.68	-	14,371.79	-	-	-	512,815.89
2179-14	Construction of a Salt Dome	518,700.00	-	13,300.00	-	-	-	505,400.00
2180-14	Various Road Improvements	95,000.00	-	10,555.56	-	-	-	84,444.44
2183-14	Acquisition of Police Vehicle In-Car Video System	118,750.00	-	13,194.44	-	-	-	105,555.56
2186-14	Various Capital Improvements							
		72,000.00	-	-	-	-	-	72,000.00
		308,750.00	-	-	-	-	-	308,750.00
		571,900.00	-	-	-	-	-	571,900.00
		191,900.00	-	-	-	-	-	191,900.00
2187-14	Various Road Improvements	689,842.00	-	17,688.26	-	-	-	672,153.74
2208-15	Various Road Improvements	1,035,500.00	-	-	-	-	-	1,035,500.00
2211-15	Various Capital Improvements							
		351,500.00	-	-	-	-	-	351,500.00
		261,725.00	-	-	-	-	-	261,725.00
		101,863.75	-	-	-	-	-	101,863.75
		292,600.00	-	-	-	-	-	292,600.00
		40,311.25	-	-	-	-	-	40,311.25
		291,175.00	-	-	-	-	-	291,175.00
		92,150.00	-	-	-	-	-	92,150.00
2214-15	Various Road Improvements	142,500.00	-	-	-	-	-	142,500.00
2228-16	Various Capital Improvements							
		162,000.00	-	-	-	35,007.02	-	126,992.98
		655,015.00	-	-	-	-	-	655,015.00
		137,100.00	-	-	-	-	-	137,100.00
		194,000.00	-	-	-	-	-	194,000.00
		21,000.00	-	-	-	-	-	21,000.00
		111,000.00	-	-	-	-	-	111,000.00
		101,000.00	-	-	-	-	-	101,000.00
		95,000.00	-	-	-	-	-	95,000.00
		9,900.00	-	-	-	-	-	9,900.00
2229-16	Various Road Improvements	1,325,000.00	-	-	-	-	-	1,325,000.00
2245-16	Construction of Inclusionary Playground	95,000.00	-	-	-	-	-	95,000.00
2257-17	Various Road Improvements	1,440,000.00	-	-	-	-	-	1,440,000.00
2258-17	Various Capital Improvements	1,722,000.00	-	-	-	-	-	1,722,000.00
2296-18	Various Capital Improvements	-	2,002,000.00	-	150,000.00	-	-	1,852,000.00
		<u>\$ 20,556,287.40</u>	<u>\$ 2,002,000.00</u>	<u>\$ 1,450,000.00</u>	<u>\$ 165,000.00</u>	<u>\$ 35,007.02</u>	<u>\$ 20,908,280.36</u>	
		C		C-10		C-13	C	

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-6

**GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
Year Ended December 31, 2018**

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance		2018 Authorizations		December 31, 2017 Encumbered	Paid or Charged	Authorization Cancelled	Balance	
				December 31, 2017		Deferred Charges Unfunded	Capital Improvement Fund				December 31, 2018	
				Funded	Unfunded						Funded	Unfunded
1475	Purch of School Site	12/15/1996	\$ 253,836.00	\$ 253,836.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 253,836.00	\$ -
1572-99	Municipal Bldg Renovations	4/6/1999	-	-	327,239.52	-	-	-	-	-	-	327,239.52
1844-05	Municipal Building	5/3/2005	-	-	-	-	-	-	-	-	-	-
1845-05	Sidewalk Improvements	5/3/2005	34,249.46	34,249.46	-	-	-	-	-	-	34,249.46	-
1852-05	Purchase of Public Works Equipment	5/17/2005	23,088.66	23,088.66	-	-	-	-	-	-	23,088.66	-
1852-05	Acquisition of Various Computer & Office Equipment	5/17/2005	22,269.42	22,269.42	-	-	-	-	-	-	22,269.42	-
1852-05	Acquisition of Public Safety Equipment	5/17/2005	3,276.10	3,276.10	-	-	-	-	-	-	3,276.10	-
1852-05	Communication Equipment	5/17/2005	6,360.65	6,360.65	-	-	510.34	-	-	-	6,870.99	-
1852-05	Purchase of Various Park Maintenance Equipment	5/17/2005	31,838.11	31,838.11	-	-	-	-	-	-	31,838.11	-
1884-06	Various Road Improvements (2) Projects	80,701.15	80,701.15	-	-	-	-	-	-	-	80,701.15	-
1887-06	Purchase of Public Works Equipment	8,281.55	8,281.55	-	-	-	-	-	-	-	8,281.55	-
1894-06	Purchase of Equipment	47,641.41	47,641.41	-	-	-	-	-	-	-	47,641.41	-
1894-06	Municipal Building Improvements	23,087.01	23,087.01	-	-	-	-	-	-	-	23,087.01	-
1894-06	Purchases of Computer & Office Equipment	3,031.22	3,031.22	-	-	-	-	-	-	-	3,031.22	-
1894-06	Public Safety Equipment	4,376.00	4,376.00	-	-	-	-	-	-	-	4,376.00	-
1894-06	Communication Equipment	12,000.00	12,000.00	-	-	-	-	-	-	-	12,000.00	-
1929-07	Improvements of Roads	5/15/2007	106,521.54	106,521.54	-	-	-	-	-	-	106,521.54	-
1933-07	Improvements of Roads	5/15/2007	102,663.42	102,663.42	-	-	-	-	-	-	102,663.42	-
1940-07	Various Improvements or Purposes	-	-	-	-	-	-	-	-	-	-	-
1	Purchase of Public Works Equipment	6/19/2007	49,901.93	49,901.93	-	-	-	-	-	-	49,901.93	-
2	Improvement to Municipal Buildings	6/19/2007	83,793.76	83,793.76	-	-	-	83,793.76	-	-	-	-
3	Renovations and Construction of Town Hall	6/19/2007	62,763.21	62,763.21	-	-	-	-	-	-	62,763.21	-
4	Acquisition of Fire Rescue Equipment	6/19/2007	20.65	20.65	-	-	-	-	-	-	20.65	-
5	Acquisition of Fire Apparatus & Equipment	6/19/2007	13,029.96	13,029.96	-	-	-	-	-	-	13,029.96	-
6	Acquisition of Various Computer & Office Equipment	6/19/2007	11,155.59	11,155.59	-	-	-	-	-	-	11,155.59	-
7	Acquisition of Public Safety Equipment	6/19/2007	55,288.54	55,288.54	-	-	-	-	-	-	55,288.54	-
8	Acquisition of Communication Equipment	6/19/2007	1,834.39	1,834.39	-	-	-	-	-	-	1,834.39	-
9	Improvements to Various Parks & Recreation	6/19/2007	45,447.36	45,447.36	-	-	-	-	-	-	45,447.36	-
1959-07	Building and Renovation of Restroom Facilities on Recreation Sites	12/18/2007	67,267.00	67,267.00	-	-	-	-	-	-	67,267.00	-
1973-08	Milling and Overlay of Princeton Pike	3/18/2008	39,168.06	39,168.06	123,250.00	-	-	-	-	-	39,168.06	123,250.00
1977-08	Various Road Improvements	4/1/2008	104,250.70	104,250.70	18,875.00	-	6,200.73	6,200.73	-	-	104,250.70	18,875.00
1978-08	Various Capital Improvements	-	-	-	-	-	-	-	-	-	-	-
1	Purchase of Various Public Works Equipment	4/1/2008	11,754.32	11,754.32	-	-	3,858.67	3,858.67	-	-	11,754.32	-
2	Improvements to Municipal Building	4/1/2008	-	-	554,554.22	-	225.97	225.97	-	-	-	554,554.22
3	Acquisition of Fire/Rescue Equipment	4/1/2008	9,027.58	9,027.58	-	-	-	-	-	-	9,027.58	-
4	Acquisition of Various Computer and Office Equipment	4/1/2008	-	-	6,060.35	-	-	-	-	-	-	6,060.35
5	Acquisition of Public Safety Equipment	4/1/2008	1,368.55	1,368.55	-	-	-	-	-	-	1,368.55	-
6	Communication Equipment	4/1/2008	-	-	10,274.74	-	-	-	-	-	-	10,274.74
7	Various Park and Recreational Facility Improvements	4/1/2008	4,820.62	4,820.62	-	-	11,806.29	11,806.29	-	-	4,820.62	-
1997-08	Engineering and Repair of Colonial Lake Dam	12/16/2008	-	-	-	-	63.94	63.94	-	-	-	-
2025-09	Dyson Tract Remediation	8/11/2009	376,752.66	376,752.66	1,165,000.00	-	247.74	247.74	-	-	376,752.66	1,165,000.00
2020-09	Various Capital Improvements	6/4/2009	-	-	-	-	-	-	-	-	-	-
1	Purchase of Various Public Works Equipment	9/15/2009	-	-	16,335.80	-	2,461.67	2,461.67	-	-	-	16,335.80
2	Improvements to Municipal Building	-	-	-	62,779.55	-	8,917.37	8,917.37	-	-	-	62,779.55
3	Acquisition of Fire/Rescue Equipment	-	-	-	201.00	-	-	-	-	-	-	201.00
5	Hydraulic Lift, Pickup Truck & Electric Lift Gate	-	-	-	1,043.00	-	-	-	-	-	-	1,043.00
2021-09	Various Road Improvements	6/4/2009	-	-	19,285.47	-	20,275.48	25,208.48	-	-	-	14,352.47
2022-09	Reappropriated for Resurfacing and Milling Lombard Avenue	6/16/2009	17,723.36	17,723.36	-	-	-	-	-	-	17,723.36	-
2052-10	Various Capital Improvements	-	-	-	-	-	-	-	-	-	-	-
	Improvements to Municipal Building	5/18/2010	-	-	(0.00)	-	10,432.84	10,432.84	-	-	-	(0.00)
2060-10	Funding of Emergency Appropriation Tax Appeals	8/3/2010	-	-	20,838.87	-	-	-	-	-	-	20,838.87
2069-10	Major Repair of Colonial Lake Dam	11/9/2010	30,000.00	30,000.00	396,788.19	-	-	-	-	-	30,000.00	396,788.19

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS (CONTINUED)
Year Ended December 31, 2018**

Ordinance Number	Improvement Description	Ordinance Date	Amount	2018 Authorizations						Balance December 31, 2018			
				Balance December 31, 2017		Deferred Charges	Capital Improvement Fund	December 31, 2017	Paid or Charged	Authorization Cancelled	Funded	Unfunded	
				Funded	Unfunded								
2095-11	Various Capital Improvements	5/17/2011	-	-	-	-	-	5,000.00	5,000.00	-	-	-	-
	Improvements to Municipal Building		-	-	-	-	-	-	-	-	-	-	-
	Acquisition of Fire Truck		-	-	-	-	-	17,980.79	17,980.79	-	-	-	-
2108-11	Road Repair - Quakerbridge Road & Province Line Road	10/18/2011	-	38,732.61	-	-	-	-	-	-	-	-	38,732.61
2127-12	Improvements to Municipal Building		-	-	-	-	-	6,299.00	6,299.00	-	-	-	-
2127-12	Acquisition of Various Computer and Office Equipment		-	-	-	-	-	2,440.50	2,440.50	-	-	-	-
2128-12	Various Road Improvements	7/17/2012	-	-	-	-	-	30,000.00	30,000.00	-	-	-	-
2157-13	Various Road Improvements	5/21/2013	-	-	-	-	-	51,689.18	51,689.18	-	-	-	-
2178-14	Construction of a Salt Domeby	4/16/2014	-	-	-	-	-	16,148.00	5,198.00	-	-	-	10,950.00
2180-14	Various Road Improvements	4/16/2014	-	-	-	-	-	6,102.54	6,102.54	-	-	-	-
2183-14	Acquisition of Police Vehicle In-Car Video System	5/6/2014	-	4,443.00	-	-	-	-	-	-	-	-	4,443.00
2186-14	Various Capital Improvements	5/20/2014	-	-	-	-	-	-	-	-	-	-	-
	Purchase of Various Public Works Equipment		-	14,147.18	-	-	-	-	-	-	-	-	14,147.18
	Improvements to Municipal Building		-	61,641.42	-	-	-	154.40	154.40	-	-	-	61,641.42
	Acquisition of Fire/Rescue Equipment	18,000.30	18,000.30	-	-	-	-	-	-	-	18,000.30	-	-
	Acquisition of Various Computer and Office Equipment		-	455,954.00	-	-	-	-	-	-	-	-	455,954.00
	Various Park and Recreational Facility Equipment		-	76,760.00	-	-	-	5,163.75	100.00	-	-	-	81,823.75
2187-14	Various Road Improvements	5/20/2014	-	65,467.76	-	-	-	2,500.00	-	-	-	-	67,967.76
2188-14	Emergency Medical Services Building	6/17/2014	615.83	615.83	-	-	-	-	-	-	615.83	-	-
2208-15	Various Road Improvements	3/3/2015	-	159,895.38	-	-	-	114,514.62	181,997.03	-	-	-	92,412.97
2211-15	Various Capital Improvements												
	Purchase of Various Public Works Equipment	3/17/2015	370,000.00	-	11,764.45	-	-	-	-	-	-	-	11,764.45
	Improvements to Municipal Building		275,500.00	-	87,876.78	-	-	28,410.42	28,410.42	-	-	-	87,876.78
	Acquisition of Fire/Rescue Equipment		107,225.00	-	8,821.44	-	-	-	-	-	-	-	8,821.44
	Acquisition of Fire Apparatus		308,000.00	-	308,000.00	-	-	-	-	-	-	-	308,000.00
	Acquisition of Various Communication Equipment		59,000.00	-	1,206.89	-	-	-	-	-	-	-	1,206.89
	Acquisition of Various Computer and Office Equipment		174,100.00	95,085.41	-	-	-	-	21,986.60	-	73,098.81	-	-
	Various Park and Recreational Facility Improvements		306,500.00	15,325.00	291,175.00	-	-	-	-	-	15,325.00	-	291,175.00
	Acquisition of Various Public Safety Equipment		97,000.00	-	12,524.53	-	-	-	-	-	-	-	12,524.53
2214-15	Various Road Improvements	4/21/2015	150,000.00	-	1,529.72	-	-	-	-	-	-	-	1,529.72
2215-15	Energy EFT Retrofit Measures		55,000.00	9,531.91	-	-	-	-	9,531.91	-	-	-	-
2228-16	Various Capital Improvements	4/5/2016											
	Purchase of Various Equipment		171,500.00	-	11,879.00	-	-	16,485.00	17,385.00	2,464.00	-	-	8,515.00
	Improvements to Municipal Building		756,500.00	-	47,256.84	-	-	4,795.00	23,020.68	5,022.48	-	-	24,008.68
	Acquisition of Fire/Rescue Equipment		144,740.00	-	13,030.01	-	-	-	-	12,030.01	-	-	1,000.00
	Acquisition of Fire Apparatus		205,000.00	11,000.00	194,000.00	-	-	-	-	-	11,000.00	-	194,000.00
	Acquisition of Various Communications Equipment		22,875.00	-	808.76	-	-	-	-	89.16	-	-	719.60
	Acquisition of Various Computer and Office Equipment		117,150.00	-	78,550.00	-	-	-	-	9,800.00	-	-	68,750.00
	Various Park and Recreational Improvements		107,250.00	-	26,000.00	-	-	-	-	-	-	-	26,000.00
	Acquisition of Various Public Safety Equipment		100,500.00	-	26,601.39	-	-	-	-	5,601.39	-	-	21,000.00
	Tree Replacement		10,500.00	600.00	9,900.00	-	-	-	-	-	600.00	-	9,900.00
2229-16	Various Road Improvements	4/5/2016	1,425,000.00	-	120,568.26	-	-	31,044.50	147,602.38	-	-	-	4,010.38
2245-16	Construction of Inclusionary Playground	9/6/2016	100,000.00	-	-	-	-	-	-	-	-	-	-
2257-17	Various Road Improvements	3/21/2017	1,567,000.00	-	393,449.48	-	-	102,969.50	406,474.95	(147.17)	-	-	89,691.20
2258-17	Various Capital Improvements												
	Acquisition of Various Public Safety Equipment		11,550.00	-	2,176.79	-	-	-	-	-	-	-	2,176.79
	Acquisition Computer & Office Equip		89,130.00	-	75,164.20	-	-	-	16,643.24	-	-	-	58,520.96
	Improvements to Municipal Building		498,371.00	-	156,892.03	-	-	190,458.00	244,866.86	-	-	-	102,483.17
	Acquisition of Fire/Rescue Equipment		137,235.00	-	42,035.34	-	-	-	8,785.00	-	-	-	42,035.34
	Acquisition of Various Communications Equipment		1,300.00	-	1,300.00	-	-	1,300.00	-	-	-	-	1,300.00
	Acquisition of Various Equipment		341,750.00	-	131,264.32	-	-	182,490.68	260,352.68	-	-	-	53,402.32
	Acquisition of Fire Apparatus		715,664.00	-	715,664.00	-	-	-	-	-	-	-	715,664.00
	Various Park and Recreational Improvements		50,000.00	-	50,000.00	-	-	-	50,000.00	-	-	-	-
2296-18	Various Capital Improvements	5/1/2018	2,002,000.00	-	-	1,852,000.00	150,000.00	-	1,848,183.06	(200.00)	-	-	154,016.94
2297-18	Various Equipment	5/1/2018											
	Acquisition of Computer Equipment		168,800.00	-	-	-	-	92,980.37	-	-	-	-	75,819.63
	Improvements of Municipal Buildings		127,300.00	-	-	-	-	127,300.00	-	-	-	-	91,043.00
	Acquisition of Fire/Rescue Equipment		279,600.00	-	-	-	-	279,600.00	-	-	-	-	144,096.14
	Acquisition of Various Communications Equipment		39,300.00	-	-	-	-	39,300.00	-	-	-	-	14,262.80
	Purchase of Various Equipment		222,000.00	-	-	-	-	222,000.00	-	-	-	-	60,960.69
	Various Park and Recreational Facility Improvements		13,000.00	-	-	-	-	13,000.00	-	-	-	-	13,000.00
			\$ 1,896,748.39	\$ 6,417,706.29	\$ 1,852,000.00	\$ 1,000,000.00	\$ 889,331.92	\$ 3,994,239.42	\$ 34,659.87	\$ 2,183,128.72	\$ 5,845,758.59		
Reference			C	C		C-11	C				C	C	

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
Year Ended December 31, 2018**

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2016		Interest Rate	Balance December 31, 2017	Increased	Decreased	Balance December 31, 2018
			Date	Amount					
General Improvement Bonds of 2008	7/22/2008	\$ 10,000,000.00	2019	900,000	4.000%	\$ 1,800,000.00	\$ -	\$ 900,000.00	\$ 900,000.00
Refunding Bonds	7/13/2010	5,325,000.00	2019	530,000	4.250%	2,120,000.00	-	535,000.00	1,585,000.00
			2020	530,000	4.250%				
			2021	525,000	5.000%				
2012 Refunding Bonds	8/15/2012	5,120,000.00	2019	970,000	3.000%	1,955,000.00	-	985,000.00	970,000.00
						<u>\$ 5,875,000.00</u>	<u>\$ -</u>	<u>\$ 2,420,000.00</u>	<u>\$ 3,455,000.00</u>
					<u>Reference</u>	C	C-4	C-4	C
							Paid by Budget	\$ 2,420,000.00	
							Paid by Open Space	-	
					<u>Reference</u>			<u>\$ 2,420,000.00</u>	
								C-4	

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**GENERAL CAPITAL FUND
SCHEDULE OF NJ ENVIRONMENTAL INFRASTRUCTURE TRUST LOANS PAYABLE
Year Ended December 31, 2018**

Description	Issue Date	Amount of Loan	Interest Rate	Maturity Date	Amount	Balance December 31, 2017	Adjustment	Decreased	Balance December 31, 2018
NJEIF Trust 1998A Loan Agreement	11/5/98	\$ 590,000	4.50%	2017	\$ 40,000.00	\$ 45,000.00	\$ -	\$ 45,000.00	\$ -
Loan Agreement 1998	11/5/98	585,095	0.00%	2017	10,562.22	30,400.58	-	30,400.58	-
						<u>\$ 75,400.58</u>	<u>\$ -</u>	<u>\$ 75,400.58</u>	<u>\$ -</u>
					<u>Reference</u>	<u>C</u>	<u>C-4</u>	<u>C-4</u>	<u>C</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOANS PAYABLE
Year Ended December 31, 2018**

<u>Description</u>	<u>Issue Date</u>	<u>Amount of Loan</u>	<u>Interest Rate</u>	<u>Repayment Period</u>	<u>Amount</u>	<u>Balance December 31, 2017</u>	<u>Decreased</u>	<u>Balance December 31, 2018</u>
Drexel Woods	10/5/98	\$ 1,537,500	2.00%	2018	94,191.44	\$ 94,191.44	\$ 94,191.44	\$ -
						<u>\$ 94,191.44</u>	<u>\$ 94,191.44</u>	<u>\$ -</u>
					<u>Reference</u>	C	C-4	C

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-10

**GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
Year Ended December 31, 2018**

Improvement Description	Ordinance Number	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rates	Balance December 31, 2017	Increased	Decreased	Balance December 31, 2018
Various Road Improvements	2051-10	7/28/10	7/21/17	7/21/18	2.000%	\$ 224,814.93	\$ -	\$ 224,814.93	\$ -
Various Capital Improvements	2052-10	7/28/10	7/21/17	7/21/18	2.000%	644,626.37	-	644,626.37	-
Bergen Street Reconstruction	2097-11	7/28/11	7/21/17	7/21/18	2.000%	592,961.40	-	19,365.38	573,596.02
Twin Pines Parking/Recreational Facility Improvements	2096-11	7/28/11	7/21/17	7/21/18	2.000%	133,000.00	-	122,397.66	10,602.34
Various Municipal Improvements	2095-11	7/28/11	7/21/17	7/21/18	2.000%	415,530.62	-	144,331.23	271,199.39
Carson Road Woods (1678-01)	1667-01	7/26/12	7/21/17	7/21/18	2.000%	524,443.54	-	6,900.57	517,542.97
Acquisition of Helen Avenue	1714-02	7/26/12	7/21/17	7/21/18	2.000%	145,409.62	-	1,917.94	143,491.68
Road Improvements	1749-03	0726/12	7/21/17	7/21/18	2.000%	92,990.01	-	15,498.33	77,491.68
Various CPU & Office Equipment	1572-99	7/25/13	7/21/17	7/21/18	2.000%	74,552.58	-	2,761.21	71,791.37
Various Capital Improvements	2127-12	7/25/13	7/21/17	7/21/18	2.000%	1,188,215.24	-	102,409.49	1,085,805.75
Various Road Improvements	2128-12	7/25/13	7/21/17	7/21/18	2.000%	518,892.61	-	14,250.00	504,642.61
Various Capital Improvements	2156-13	7/25/13	7/21/17	7/21/18	2.000%	1,035,083.40	-	81,616.86	953,466.54
Various Road Improvements	2157-13	7/25/13	7/21/17	7/21/18	2.000%	527,187.68	-	14,371.79	512,815.89
Construction of a Salt Dome	2179-14	7/23/15	7/21/17	7/21/18	2.000%	518,700.00	-	13,300.00	505,400.00
Various Road Improvements	2180-14	7/23/15	7/21/17	7/21/18	2.000%	95,000.00	-	10,555.56	84,444.44
Acquisition of Police Vehicle In-Car Video System	2183-14	7/23/15	7/21/17	7/21/18	2.000%	118,750.00	-	13,194.44	105,555.56
Various Road Improvements	2187-14	7/23/15	7/21/17	7/21/18	2.000%	689,842.00	-	17,688.26	672,153.74
Various Road Improvements	2208-15	7/21/17	7/21/17	7/21/18	2.000%	1,035,500.00	-	-	1,035,500.00
Various Capital Improvements	2211-15	7/21/17	7/21/17	7/21/18	2.000%	1,424,500.00	-	-	1,424,500.00
Various Capital Improvements	2228-16	6/21/18	6/21/18	6/21/19	3.000%	-	1,450,750.00	-	1,450,750.00
Various Road Improvements	2229-16	6/21/18	6/21/18	6/21/19	3.000%	-	1,325,000.00	-	1,325,000.00
Inclusionary Playground	2245-16	6/21/18	6/21/18	6/21/19	3.000%	-	95,000.00	-	95,000.00
Acquisition of Fire Apparatus - Replace Slackwood Engine 21	2258-17	6/21/18	6/21/18	6/21/19	3.000%	-	474,250.00	-	474,250.00
						<u>\$ 10,000,000.00</u>	<u>\$ 3,345,000.00</u>	<u>\$ 1,450,000.00</u>	<u>\$ 11,895,000.00</u>
					Reference	C	C-13	C-5	C-5

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-11

GENERAL CAPITAL FUND
STATEMENT OF CHANGES IN CAPITAL IMPROVEMENT FUND
Year Ended December 31, 2018

	<u>Ref.</u>	
Balance - December 31, 2017	C	\$ 92,641.05
Add: Budget Appropriation from Current Fund	A-2	1,000,000.00
Less: Improvement Authorization Down Payments Fully Funded Improvement Authorizations	C-6	<u>1,000,000.00</u>
Balance - December 31, 2018	C	<u>\$ 92,641.05</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-12

GENERAL CAPITAL FUND
SCHEDULE OF LOAN PROCEEDS RECEIVABLE
Year Ended December 31, 2018

	<u>Ref.</u>	
Balance - December 31, 2017	C	<u>\$ 4,905.00</u>
Balance - December 31, 2018	C	<u><u>\$ 4,905.00</u></u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-13

**GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
Year Ended December 31, 2018**

Ordinance Number	Improvement Description	Balance December 31, 2017	Increased by Authorizations	Funded by Budget/CIF	BANs Issued	Cancelled By Resolution	Balance December 31, 2018
1572-99	Municipal Bldg Renovations	\$ 246,100.00	\$ -	\$ -	\$ -	\$ -	\$ 246,100.00
1714-02	Acquisition of Helen Avenue	129.44	-	-	-	-	129.44
1667-01	Carson Road Woods (1678-01)	50,410.39	-	-	-	-	50,410.39
1973-08	Milling and Overlay of Princeton Pike	123,250.00	-	-	-	-	123,250.00
1977-08	Various Road Improvements	18,875.00	-	-	-	-	18,875.00
1978-08	Various Capital Improvements						
	Improvements to Municipal Building	531,950.00	-	-	-	-	531,950.00
	Acquisition of Various Computer and Office Equipment	35,389.07	-	15,000.00	-	-	20,389.07
	Communication Equipment	31,825.00	-	-	-	-	31,825.00
2025-09	Dyson Tract Remediation	1,165,000.00	-	-	-	-	1,165,000.00
2069-10	Major Repair of Colonial Lake Dam	450,918.50	-	-	-	-	450,918.50
2095-11	Various Capital Improvements						
	Acquisition of Fire Truck	493,050.00	-	-	-	-	493,050.00
2108-11	Road Repair - Quakerbridge Road & Province Line Road	47,500.00	-	-	-	-	47,500.00
2186-14	Various Capital Improvements						
	Purchase of Various Public Works Equipment	72,000.00	-	-	-	-	72,000.00
	Improvements to Municipal Building	308,750.00	-	-	-	-	308,750.00
	Acquisition of Various Computer and Office Equipment	571,900.00	-	-	-	-	571,900.00
	Various Park and Recreational Facility Equipment	191,900.00	-	-	-	-	191,900.00
2211-15	Various Capital Improvements						
	Acquisition of Various Public Safety Equipment	6,825.00	-	-	-	-	6,825.00
2214-15	Various Road Improvements	142,500.00	-	-	-	-	142,500.00
2228-16	Various Capital Improvements	1,486,015.00	-	-	1,450,750.00	35,007.04	257.96
2229-16	Various Capital Improvements	1,325,000.00	-	-	1,325,000.00	-	-
2245-16	Construction of Inclusionary Playground	95,000.00	-	-	95,000.00	-	-
2257-17	Various Road Improvements	1,440,000.00	-	-	-	-	1,440,000.00
2258-17	Various Capital Improvements	1,722,000.00	-	-	474,250.00	-	1,247,750.00
2296-18	Various Road Improvements	-	2,002,000.00	150,000.00	-	-	1,852,000.00
		<u>\$ 10,556,287.40</u>	<u>\$ 2,002,000.00</u>	<u>\$ 165,000.00</u>	<u>\$ 3,345,000.00</u>	<u>\$ 35,007.04</u>	<u>\$ 9,013,280.36</u>
	Reference	C			C-10	C-5	C

TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY

C-14

GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR MUNICIPAL IMPROVEMENTS
Year Ended December 31, 2018

	<u>Reference</u>	
Balance - December 31, 2017	C	\$ 2,016,642.31
Decreased by:		
Disbursed		<u>\$ 51,634.00</u>
		<u>51,634.00</u>
Balance - December 31, 2018	C	<u>\$ 1,965,008.31</u>
		-

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-15

GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR SIDEWALK ASSESSMENTS
Year Ended December 31, 2018

	<u>Reference</u>	
Balance - December 31, 2017	C	\$ 206,952.38
Increase: Receipts		<u>50,529.68</u>
Balance - December 31, 2018	C	<u>\$ 257,482.06</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-16

GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR TRANSPORTATION TRUST FUND
Year Ended December 31, 2018

	<u>Reference</u>	
Balance - December 31, 2017	C	<u>\$ 242,871.25</u>
Balance - December 31, 2018	C	<u>\$ 242,871.25</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-17

GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS
Year Ended December 31, 2018

	<u>Reference</u>	
Balance - December 31, 2017	C	\$ 390,410.69
Increased by:		
Rosedale Acres	C-3	275,000.00
Decreased by:		
Received from State of NJ	C-1	<u>252,379.85</u>
Balance - December 31, 2018	C	<u><u>\$ 413,030.84</u></u>
Ending Balance Consists of:		
Carson Road Woods	C	\$ 50,410.69
Rosedale Acres		275,000.00
Princeton Pike		<u>87,620.15</u>
		<u><u>\$ 413,030.84</u></u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-18

GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR FUTURE DEBT SERVICE COSTS
Year Ended December 31, 2018

	<u>Reference</u>	
Balance - December 31, 2017	C	\$ 490,066.37
Increased by:		
Cancellation of Ordinances Funded by BANs		<u>388,797.20</u>
Balance - December 31, 2018	C	<u>\$ 878,863.57</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

G

**GENERAL FIXED ASSETS ACCOUNT GROUP
December 31, 2018**

	<u>Balance December 31, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2018</u>
General Fixed Assets				
Land	\$ 31,149,355.00	\$ 12,475.00	\$ 116,100.00	\$ 31,045,730.00
Buildings and Improvements	37,462,233.00	125,000.00	-	37,587,233.00
Furniture, Fixtures and Equipment	19,595,787.00	685,679.00	26,508.00	20,254,958.00
Total General Fixed Assets	<u>\$ 88,207,375.00</u>	<u>\$ 823,154.00</u>	<u>\$ 142,608.00</u>	<u>\$ 88,887,921.00</u>
Investment in General Fixed Assets	<u>\$ 88,207,375.00</u>			<u>\$ 88,887,921.00</u>

INDEPENDENT AUDITORS' 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

To the Council Members of
the Township of Lawrence

We have audited, 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 requirements of audit prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Township of Lawrence (the "Township"), as of and for the year ended December 31, 2018, and the related notes to financial statements, which comprise the Township's basic financial statements, and have issued our report thereon dated September 4, 2019, in which we expressed an adverse opinion on the conformity of the financial statements with accounting principles generally accepted in the United States of America due to differences between those principles and accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township'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.

**INDEPENDENT AUDITORS' 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*
(CONTINUED)**

Internal Control Over Financial Reporting (Continued)

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

Compliance and Other Matters

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

Purpose of this Report

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



**Warren A. Broudy, CPA, CGFM, PSA, CGMA
Registered Municipal Accountant
License No. 554**

**MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS**

September 4, 2019

SUPPLEMENTARY INFORMATION

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

**GENERAL COMMENTS AND RECOMMENDATIONS
Year Ended December 31, 2018**

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

Local units and boards of education that have appointed a Qualified Purchasing Agent pursuant to N.J.S.A. 40A:11-9(b) and take advantage of a higher bid threshold pursuant to N.J.S.A. 40A:11-3(a) and 18A:18A-3(a), had their maximum bid threshold increased from \$36,000 to \$40,000. Where the higher bid threshold is authorized, appropriate action should be taken to adjust the locally set amount.

The Township has a Qualified Purchasing Agent.

Please remember that contracts exceeding the new threshold are subject to the appropriate requirements of the Local Public Contracts Law and the Public School Contracts Law. As a result of the change in bid threshold, the 15% threshold for the informal receipt of quotations thresholds of N.J.S.A. 40A:11-6.1(a) and 18A:18A-37(a) also changes. The following table summarizes the new bid and quotation thresholds.

	<u>Bid Threshold</u>	<u>Quotation Threshold</u>
Base amount	\$ 17,500	\$ 2,625
With qualified purchasing agent	\$ 40,000	\$ 6,000

It is also noted that, as an alternative to public advertising, the Township uses state contracts to purchase certain approved items.

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S. 40A:11-5.

In as much as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed; however, if any obvious violations existed, results would be indicated in the findings and recommendations - current year. No obvious violations were noted.

Any interpretation as to possible violation of the N.J.S.A. 40A:11-4 and N.J.A.C. 5:30-14 would be in the province of the municipal solicitor.

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 12, 2018. Several items under bankruptcy proceedings or payable on an installment basis were excluded from the sale.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

SCHEDULE OF CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None reported.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

None reported.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

SCHEDULE 1

**OFFICIALS IN OFFICE AND SURETY BONDS
UNAUDITED**

Name	Title	Council Term Expires	Surety
Christopher Bobbitt	Mayor	December 31, 2021	-
James Kownacki	Councilman	December 31, 2021	-
Cathleen Lewis	Councilwoman	December 31, 2019	-
Dr. David Maffei	Councilman	December 31, 2019	\$ -
Michael S. Powers, Esq.	Councilman	December 31, 2019	-
Kevin Nerwinski	Municipal Manager		
Peter Kiriakatis	Chief Financial Officer		300,000.00
Kathleen Norcia	Township Clerk		-
David Roskos, Esq.	Township Attorney		-
ASSESSMENT OF TAXES:			
Kenneth Pacera	Tax Assessor		-
COLLECTION OF TAXES:			
Susan E. McCloskey	Tax Collector		821,000.00
OTHER DEPARTMENTS:			
Nicole Finacchio	Municipal Court Administrator		60,000.00
Brian Coloiaro	Chief of Police		-
Carol A. Chamberlain	Health Officer		-
James Parvesse	Engineer		-
Nancy Bergen	Recreation Superintendent		-
Lewis Korngut	Municipal Judge		85,000.00
Denise Rettzo	Deputy Municipal Court Administrator		-
Michelle Helmuth	Deputy Municipal Court Administrator		-

Note: In addition to above specific surety bond coverage amounts, all employees are covered under a \$1,000,000 per incident policy.

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

SCHEDULE 2

**SCHEDULE OF TAX RATE, TAX LEVY AND TAX COLLECTIONS
UNAUDITED**

<u>Comparison of Tax Rate Information</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total Tax Rate	\$ 2.800	\$ 2.786	\$ 2.746
<u>Apportionment of Tax Rate</u>			
Municipal	\$ 0.557	\$ 0.557	\$ 0.527
Open Space	0.057	0.028	0.030
County	0.703	0.718	0.732
Local School	1.483	1.484	1.457
<u>Assessed Valuation</u>			
Net Valuation Taxable	\$ 4,625,473,061.00	\$ 4,525,648,829.00	\$ 4,518,639,368.00

Comparison of Tax Levies and Cash Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collection</u>	<u>% of Levy</u>
2018	\$ 129,494,248.61	\$ 128,167,604.50	98.98%
2017	128,998,051.36	128,667,328.84	99.74%
2016	124,594,642.07	122,161,338.39	98.05%
2015	121,193,837.20	119,739,853.78	98.80%
2014	120,759,033.49	119,401,261.53	98.88%
2013	117,248,644.19	115,018,141.61	98.10%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Cash Collection</u>
2018	\$ 1,505,742.22	\$ 1,647,705.22	\$ 1,355,472.16
2017	1,464,898.52	1,129,985.66	488,259.00
2016	1,502,787.14	1,222,935.96	1,318,258.84
2015	1,465,114.15	1,215,079.37	1,227,409.61
2014	1,447,637.81	1,161,309.61	2,574,451.57
2013	1,625,995.31	1,935,672.73	1,706,212.23

The value of property acquired by liquidation of tax title liens, on the basis of the last assessed valuation of such properties, was as follows:

<u>Year</u>	<u>Balance</u>
2018	\$ 168,410.00
2017	168,410.00
2016	168,410.00
2015	168,410.00
2014	168,410.00
2013	168,410.00

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

SCHEDULE 3

**SCHEDULE OF TOWNSHIP'S PROPORTIONATE SHARE OF NET PENSION LIABILITY AND
CONTRIBUTIONS
UNAUDITED**

Schedule of Required Supplementary Information
Schedule of Township's Proportionate Share of Net Pension Liability

PERS - Last 10 Fiscal Years					
	2018	2017	2016	2015	2014
Township's proportion of the net pension liability	0.0871920300%	0.0843419402%	0.0818829013%	0.0828086150%	0.0851943580%
Township's proportionate share of net pension liability	\$ 17,167,676.00	\$ 19,633,456.00	\$ 24,251,367.00	\$ 18,588,875.00	\$ 15,950,714.00
Township's covered-employee payroll	6,141,003.00	5,763,608.00	5,680,550.00	5,452,029.00	5,518,189.00
Township's proportionate share of net pension liability as a % of payroll	279.56%	340.65%	426.92%	340.95%	289.06%
Total pension liability	36,996,950.31	37,829,356.60	40,511,318.25	35,698,446.16	33,286,688.53
Plan fiduciary net position	19,829,274.22	18,195,901.05	16,259,951.49	17,109,571.48	17,335,974.64
Plan fiduciary net position as a % of total pension liability	53.60%	48.10%	40.14%	47.93%	52.08%
PFRS Plan - Last 10 Fiscal Years					
	2018	2017	2016	2015	2014
Township's proportion of the net pension liability	0.1830332820%	0.1810449246%	0.1891456176%	0.1835488037%	0.2028217340%
Township's proportionate share of net pension liability	\$ 24,767,421.00	\$ 27,949,836.00	\$ 36,131,651.00	\$ 30,572,833.00	\$ 25,513,093.00
Township's covered-employee payroll	8,114,966.00	7,667,678.00	7,641,593.00	7,695,106.00	7,683,677.00
Township's proportionate share of net pension liability as a % of payroll	305.21%	364.51%	472.83%	397.30%	332.04%
Total pension liability	74,970,529.59	75,081,485.49	81,609,808.91	76,107,529.19	75,178,292.15
Plan fiduciary net position	46,838,864.57	44,001,032.21	42,443,995.09	42,853,561.78	46,917,867.90
Plan fiduciary net position as a % of total pension liability	62.48%	58.60%	52.01%	56.31%	62.41%

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

SCHEDULE 4

**SCHEDULE OF TOWNSHIP'S PROPORTIONATE SHARE OF NET OPEB LIABILITY AND
CONTRIBUTIONS
UNAUDITED**

Last 10 Fiscal Years

	2018	2017	2016
Proportion of the net OPEB liability	0.144839%	0.143924%	0.160103%
Proportionate share of net OPEB liability	\$ 22,691,373	\$ 29,383,220	\$ 34,770,312
Contributions	\$ 1,419,482	\$ 1,580,730	\$ 1,530,802

The OPEB schedules are intended to show information for ten years. The State of New Jersey has issued two years of OPEB information to the Township. Additional years' information will be displayed as it becomes available.

STATISTICAL SECTION

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

TABLE 1

**CURRENT FUND EXPENDITURES BY FUNCTION
LAST SIX FISCAL YEARS
UNAUDITED**

Year	General Government	Public Safety	Public Works	Health and Welfare	Recreation and Education	Community Development	Separate Boards and Committees
2018	\$ 13,857,826.00	\$ 9,966,553.00	\$ 5,973,621.00	\$ 568,883.00	\$ 663,649.00	\$ 1,488,276.00	\$ 157,300.00
2017	13,809,811.00	9,450,492.00	5,543,851.00	528,311.00	615,365.00	1,468,805.00	161,300.00
2016	13,754,048.00	9,406,658.00	5,473,494.00	510,360.00	610,213.00	1,435,773.00	158,500.00
2015	12,621,498.00	9,376,860.00	5,488,617.00	470,824.00	590,030.00	1,357,878.00	159,950.00
2014	12,758,710.00	9,395,962.00	5,449,631.00	456,727.00	640,732.00	1,391,029.00	148,750.00
2013	12,944,761.00	9,485,860.00	5,275,022.00	452,886.00	610,033.00	1,336,693.00	149,600.00

Year	Unclassified	Deferred Charges and Statutory Expenditures	State and Federal Grants	Capital Improvements	Debt Service	Reserve for Uncollected Taxes	Total
2018	\$ 1,732,001.00	\$ 3,082,200.00	\$ 369,493.96	\$ 1,000,000.00	\$ 4,160,575.00	\$ 4,033,320.97	\$ 47,053,698.93
2017	1,569,501.00	2,863,700.00	662,744.13	250,000.00	3,998,950.00	3,860,403.69	44,783,233.82
2016	1,474,501.00	2,803,478.00	765,958.82	250,000.00	3,784,275.00	3,825,535.26	44,252,794.08
2015	1,579,501.00	3,034,141.00	631,990.80	350,000.00	3,782,230.00	3,777,856.66	44,504,765.46
2014	1,610,001.00	3,162,034.00	530,288.90	350,000.00	3,782,061.00	3,816,591.35	43,316,633.25
2013	1,641,202.00	3,048,398.00	712,147.62	125,000.00	4,037,453.00	3,684,883.86	43,490,625.48

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

TABLE 2

**CURRENT FUND REVENUES BY SOURCE
LAST SIX FISCAL YEARS
UNAUDITED**

Year	Taxes (1)	Delinquent Taxes	Fees, Permits, Fines and Licenses	State Aid	Private, State and Federal Grants	Surplus Anticipated	Non-Budget Revenues and Other Items	Total
2018	\$ 25,764,066.97	\$ 1,355,472.16	\$ 7,216,790.17	\$ 3,982,565.00	\$ 364,066.96	\$ 5,450,000.00	\$ 7,562,655.32	51,695,616.58
2017	28,396,545.57	1,318,258.84	6,143,050.01	3,982,565.00	657,317.13	4,700,000.00	7,769,866.30	52,967,602.85
2016	26,341,543.91	1,318,258.84	5,458,110.87	3,982,565.00	760,531.82	4,350,000.00	8,731,679.68	50,942,690.12
2015	24,914,556.12	1,227,409.61	5,110,733.43	3,988,316.00	626,563.80	3,750,000.00	8,283,060.47	47,900,639.43
2014	25,788,066.86	2,574,451.57	5,610,793.14	3,976,814.00	463,659.94	3,450,000.00	6,696,363.00	48,560,148.51
2013	24,428,316.74	1,706,212.23	4,387,650.33	3,976,814.00	706,906.62	3,350,000.00	7,980,746.88	46,536,646.80

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

TABLE 3

ASSESSED VALUE AND ESTIMATE OF TOTAL VALUE
LAST SIX FISCAL YEARS
UNAUDITED

Year	Net Assessed Valuation Taxable	Market Valuation	Percentage of Net Assessed to Market Value
2018	\$ 4,625,473,061.00	\$ 5,005,748,104.00	92.40%
2017	4,525,648,829.00	5,001,269,565.00	90.49%
2016	4,518,639,368.00	4,969,906,916.00	90.92%
2015	4,535,517,584.00	4,797,458,836.00	94.54%
2014	4,584,134,874.00	4,584,134,874.00	100.00%
2013	2,500,748,969.00	4,907,278,197.00	50.96%

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

TABLE 4

**SCHEDULE OF LARGEST TAXPAYERS
UNAUDITED**

Taxpayer	Business Type	2018 Assessed Valuation	As a Percent of Total Net Assessed Taxable Valuation
Bristol-Myers Squibb	Pharmaceutical	\$ 412,754,604	9.12%
Quakerbridge Mall	Retail	144,600,000	3.13%
Education Testing Service	Services	130,995,800	2.83%
Lenox Dr. Office Park Vision MGMT LLC	Real Estate	102,311,500	2.21%
Mercer Mall	Retail	98,015,004	2.12%
Avalon Properties	Real Estate	68,724,800	1.49%
Mercer Station	Real Estate	44,448,700	0.96%
Steward's Crossing	Real Estate	26,971,100	0.58%
Princeton Pike Office Park	Real Estate	24,853,200	0.54%
Yorkshire Village, LLC	Real Estate	19,882,200	0.43%
		<u>\$ 1,073,556,908</u>	<u>23.41%</u>

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

TABLE 5

RATIO OF BONDED DEBT, BOND ANTICIPATION NOTES, AND LOANS TO EQUALIZED VALUE AND DEBT PER CAPITA
LAST SIX FISCAL YEARS
UNAUDITED

<u>Year</u>	<u>Population</u>	<u>Average Equalized Valuation</u>	<u>(1) Gross Debt</u>	<u>Gross Debt per Capita</u>	<u>Ratio of Gross Bonded Debt to Avg. Equalized Valuation</u>	<u>Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Avg. Equalized Valuation</u>	<u>Net Bonded Debt per Capita</u>
2018	33,472	\$ 4,944,940,686.00	\$ 24,363,280.36	727.87	0.493%	\$ 15,350,000.00	0.310%	458.59
2017	33,472	4,989,920,509.20	26,525,478.84	792.47	0.532%	15,969,141.44	0.320%	477.09
2016	33,472	4,936,940,043.67	27,196,376.56	812.51	0.551%	17,297,089.16	0.350%	516.76
2015	33,472	4,869,893,412.00	27,780,726.56	829.97	0.570%	20,787,100.60	0.427%	621.03
2014	33,472	4,936,940,043.67	30,652,663.10	915.77	0.621%	23,136,070.14	0.469%	691.21
2013	33,472	4,982,907,275.33	32,079,763.18	958.41	0.644%	26,685,371.56	0.536%	797.24

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

TABLE 6

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES - CURRENT FUND
LAST SIX FISCAL YEARS
UNAUDITED**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total Current Fund Governmental Expenditures</u>	<u>Ratio of Total Debt Service to Current Fund Expenditures</u>
2018	\$ 3,820,000.00	\$ 340,575.00	\$ 4,160,575.00	\$ 47,053,698.93	8.84%
2017	3,595,000.00	403,950.00	3,998,950.00	44,783,233.82	8.93%
2016	3,280,000.00	504,275.00	3,784,275.00	44,252,794.08	8.55%
2015	3,300,000.00	482,230.00	3,782,230.00	43,221,376.46	8.75%
2014	3,272,318.00	509,743.00	3,782,061.00	43,492,517.25	8.70%
2013	3,462,000.00	575,453.00	4,037,453.00	43,503,939.48	9.28%

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

TABLE 7

DEMOGRAPHIC STATISTICS
LAST SIX FISCAL YEARS
UNAUDITED

<u>Year</u>	<u>Unemployment Rate (1)</u>	<u>Population</u>
2018	2.30%	33,472
2017	2.50%	33,472
2016	2.40%	33,472
2015	4.00%	33,472
2014	4.40%	33,472
2013	5.60%	33,472

(1) - Per Homefacts and NJ Unemployment data

**TOWNSHIP OF LAWRENCE
COUNTY OF MERCER, STATE OF NEW JERSEY**

TABLE 8

MISCELLANEOUS STATISTICS

Date of Incorporation	1798
Form of Government	Township Council/Manager
Area in Square Miles	22
Miles of Streets	99