

*TOWNSHIP OF WHITE  
COUNTY OF WARREN  
REPORT OF AUDIT  
2016*

*NISIVOCCIA LLP  
CERTIFIED PUBLIC ACCOUNTANTS*

TOWNSHIP OF WHITE  
COUNTY OF WARREN  
REPORT OF AUDIT  
2016

TOWNSHIP OF WHITE  
TABLE OF CONTENTS  
FISCAL YEAR ENDED DECEMBER 31, 2016

<u>PART I – FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES</u>	<u>Page</u>
Independent Auditors' Report	1-3
<u>Financial Statements</u>	<u>Exhibit</u>
<u>Current Fund</u>	
Comparative Balance Sheet	A
Comparative Statement of Operations and Change in Fund Balance	A-1
Statement of Revenue	A-2
Statement of Expenditures	A-3
<u>Trust Funds</u>	
Comparative Balance Sheet	B
Statement of Fund Balance - Assessment Trust Fund (Not Applicable)	B-1
Statement of Revenue - Assessment Trust Fund (Not Applicable)	B-2
Statement of Expenditures - Assessment Trust Fund (Not Applicable)	B-3
<u>General Capital Fund</u>	
Comparative Balance Sheet	C
Statement of Fund Balance	C-1
<u>Water Utility Fund (Not Applicable)</u>	
<u>Sewer Utility Fund</u>	
Comparative Balance Sheet	E
Comparative Statement of Operations and Change in Utility Operating Fund Balance – Sewer	
Utility Operating Fund	E-1
Statement of Fund Balance – Sewer Utility Capital Fund (Not Applicable)	E-2
Statement of Revenue – Sewer Utility Operating Fund	E-3
Statement of Expenditures – Sewer Utility Operating Fund	E-4
<u>Public Assistance Fund</u>	
Comparative Balance Sheet	F
<u>Bond and Interest Fund (Not Applicable)</u>	
<u>General Fixed Assets Account Group</u>	
Comparative Balance Sheet	H
Notes to Financial Statements	<u>Page</u> 1-17
<u>Supplementary Data</u>	<u>Schedule</u>
Schedule of Officials in Office and Surety Bonds	1
<u>Current Fund</u>	
Schedule of Cash	A-4
Schedule of Cash - Collector	A-5
Schedule of Taxes Receivable and Analysis of Property Tax Levy	A-6
Schedule of Tax Title Liens	A-7
Schedule of Revenue Accounts Receivable	A-8
Schedule of 2015 Appropriation Reserves	A-9
Schedule of Local School District Taxes Payable	A-10
Schedule of Federal and State Grants Receivable – Federal and State Grant Fund	A-11
Schedule of Appropriated Reserves - Federal and State Grant Fund	A-12
Schedule of Unappropriated Reserves - Federal and State Grant Fund	A-13

TOWNSHIP OF WHITE  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

<u>PART I (Cont'd)</u>	<u>Schedule</u>
<u>Supplementary Data (Cont'd)</u>	
<u>Trust Funds</u>	
Schedule of Cash – Treasurer	B-4
Schedule of Cash – Registrar – Animal Control Fund	B-5
Schedule of Reserve for Animal Control Fund Expenditures - Animal Control Fund	B-6
<u>General Capital Fund</u>	
Schedule of Cash	C-2
Analysis of Cash	C-3
Schedule of Deferred Charges to Future Taxation – Unfunded	C-4
Schedule of Improvement Authorizations	C-5
Schedule of Capital Improvement Fund	C-6
Schedule of Bond Anticipation Notes Payable	C-7
Schedule of Serial Bonds Payable (Not Applicable)	C-8
Schedule of Loans Payable (Not Applicable)	C-9
Schedule of Bonds and Notes Authorized but not Issued (Not Applicable)	C-10
<u>Water Utility Fund (Not Applicable)</u>	
<u>Sewer Utility Fund</u>	
Schedule of Cash - Treasurer - Sewer Utility Fund	E-5
Analysis of Cash - Sewer Utility Capital Fund	E-6
Schedule of Consumer Accounts Receivable - Sewer Utility Operating Fund	E-7
Schedule of Fixed Capital - Sewer Utility Capital Fund (Not Applicable)	E-8
Schedule of Fixed Capital Authorized and Uncompleted - Sewer Utility Capital Fund	E-9
Schedule of 2015 Appropriation Reserves - Sewer Utility Operating Fund	E-10
Schedule of Improvement Authorizations - Sewer Utility Capital Fund	E-11
Schedule of Capital Improvement Fund - Sewer Utility Capital Fund	E-12
Schedule of Deferred Reserve for Amortization - Sewer Utility Capital Fund	E-13
Schedule of Serial Bonds Payable - Sewer Utility Capital Fund (Not Applicable)	E-14
Schedule of Bond Anticipation Notes Payable - Sewer Utility Capital Fund (Not Applicable)	E-15
Schedule of Bonds and Notes Authorized but not Issued - Sewer Utility Capital Fund (Not Applicable)	E-16
<u>Public Assistance Fund</u>	
Schedule of Cash - Treasurer	F-1
<u>Bond and Interest Fund (Not Applicable)</u>	
 <u>PART II – SINGLE AUDIT</u>	
Schedule of Expenditures of Federal Awards	1
Schedule of Expenditures of State Awards	2
Notes to Schedules of Expenditures of Federal and State Awards	3
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>	4-5
Schedule of Findings and Responses	6-7
Summary Schedule of Prior Audit Findings	8
 <u>PART III – COMMENTS AND RECOMMENDATIONS</u>	
Comments and Recommendations	1-6
Summary of Recommendations	7

TOWNSHIP OF WHITE

PART I

REPORT ON AUDIT OF FINANCIAL STATEMENTS

AND SUPPLEMENTARY SCHEDULES

YEAR ENDED DECEMBER 31, 2016



Mount Arlington Corporate Center  
 200 Valley Road, Suite 300  
 Mt. Arlington, NJ 07856  
 973-328-1825 | 973-328-0507 Fax

Lawrence Business Center  
 11 Lawrence Road  
 Newton, NJ 07860  
 973-383-6699 | 973-383-6555 Fax

## Independent Auditors' Report

The Honorable Mayor and Members  
 of the Township Committee  
 Township of White, NJ

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

We have audited the financial statements – *regulatory basis* - of the various funds of the Township of White, in the County of Warren (the "Township") as of and for the years ended December 31, 2016 and 2015, and the related notes to the 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 accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township'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 Township'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.

The Honorable Mayor and Members  
of the Township Committee  
Township of White  
Page 2

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

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

As described in Note 1, the financial statements are prepared by the Township on the basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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

In our opinion, because of the significance of the matter discussed in the *Basis for the 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, 2016 and 2015, or the changes in financial position or where applicable, cash flows thereof for the years then ended.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the various funds and account group of the Township as of December 31, 2016 and 2015, and the results of operations and changes in fund balance, where applicable, of such funds, thereof for the years then ended on the basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, as described in Note 1.

***Other Matters***

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements of the various funds that collectively comprise the Township's financial statements. The supplementary data schedules listed in the table of contents and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the financial statements.

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

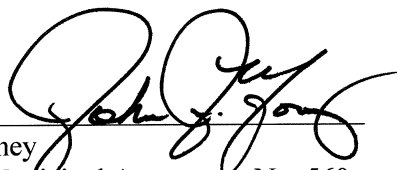
The Honorable Mayor and Members  
of the Township Committee  
Township of White  
Page 3

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2017 on our consideration of the Township of White's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of White's internal control over financial reporting and compliance.

Mount Arlington, New Jersey  
June 12, 2017

NISIVOCIA LLP

A handwritten signature in black ink, appearing to read "John J. Mooney", is written over a horizontal line.

John J. Mooney  
Registered Municipal Accountant No. 560  
Certified Public Accountant



TOWNSHIP OF WHITE  
COUNTY OF WARREN  
2016  
CURRENT FUND

TOWNSHIP OF WHITE  
CURRENT FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		<u>December 31,</u>	
		<u>2016</u>	<u>2015</u>
<u>ASSETS</u>			
Regular Fund:			
Cash and Cash Equivalents:			
Treasurer	A-4	\$ 671,762.30	\$ 788,202.02
Tax Collector	A-5	1,068,377.53	1,223,710.65
Due from State of New Jersey:			
Veterans and Senior Citizens Deductions			9,375.38
		<u>1,740,139.83</u>	<u>2,021,288.05</u>
Receivables and Other Assets With			
Full Reserves:			
Delinquent Property Taxes Receivable	A-6	494,949.96	516,000.17
Tax Title Liens Receivable	A-7	140,094.29	126,240.34
Property Acquired for Taxes at Assessed Valuation		75,500.00	75,500.00
Revenue Accounts Receivable	A-8		4,592.07
Due from:			
Federal and State Grant Fund	A	60,255.38	13,947.03
Other Trust Fund	B	1,729.45	1,347.89
Animal Control Fund	B	7,300.40	6,634.80
General Capital Fund	C	119.15	110.18
Payroll Account			20,000.00
Total Receivables and Other Assets			<u>20,000.00</u>
With Full Reserves		<u>779,948.63</u>	<u>764,372.48</u>
Total Regular Fund		<u>2,520,088.46</u>	<u>2,785,660.53</u>
Federal and State Grant Fund:			
Grants Receivable	A-11	<u>128,383.31</u>	<u>72,991.31</u>
Total Federal and State Grant Fund		<u>128,383.31</u>	<u>72,991.31</u>
<u>TOTAL ASSETS</u>		<u>\$ 2,648,471.77</u>	<u>\$ 2,858,651.84</u>

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

	Ref.	December 31,	
		2016	2015
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Appropriation Reserves:			
Unencumbered	A-3;A-9	\$ 144,797.06	\$ 105,985.28
Encumbered	A-3;A-9	4,201.43	506.12
Total Appropriation Reserves		<u>148,998.49</u>	<u>106,491.40</u>
Prepaid Taxes		274,419.81	240,604.71
Tax Overpayments		100,239.22	83,540.90
Third Party Lien Holders Payable		72,931.34	20,372.55
Local School Taxes Payable	A-10	126,455.53	63,891.53
County Added and Omitted Taxes Payable		6,906.47	1,760.09
Due State of New Jersey:			
Veterans and Senior Citizens Deductions		7,624.62	
Marriage License Fees		125.00	150.00
Due to Other Trust Fund - Tax Sale Premium	B		294,000.00
Due to Driveway Bonds		7,100.00	7,100.00
Reserve for Watershed Moratorium Aid		13,442.00	13,442.00
Reserve for Belvidere Fire Truck		50,000.00	
Reserve for Fire Safety Penalties		1,500.00	
Reserve for Sale of Municipal Assets		1,328.14	1,328.14
Reserve for Pending Tax Appeals		25,000.00	25,000.00
		<u>836,070.62</u>	<u>857,681.32</u>
Reserve for Receivables and Other			
Assets	A	779,948.63	764,372.48
Fund Balance	A-1	904,069.21	1,163,606.73
Total Regular Fund		<u>2,520,088.46</u>	<u>2,785,660.53</u>
Federal and State Grant Fund:			
Due to Current Fund	A	60,255.38	13,947.03
Appropriated Reserves	A-12	49,424.44	42,689.15
Unappropriated Reserves	A-13	18,703.49	16,355.13
Total Federal and State Grant Fund		<u>128,383.31</u>	<u>72,991.31</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 2,648,471.77</u>	<u>\$ 2,858,651.84</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

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

	Ref.	Year Ended December 31,	
		2016	2015
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 700,000.00	\$ 749,000.00
Miscellaneous Revenue Anticipated		1,018,157.51	1,135,396.40
Receipts from:			
Delinquent Taxes		526,016.64	339,973.29
Current Taxes		11,726,764.48	11,284,589.86
Nonbudget Revenue		99,992.36	99,906.81
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		88,573.92	89,101.51
Interfunds Returned		20,000.00	38.77
Collection of Prior Year Receivable		4,592.07	
Total Income		<u>14,184,096.98</u>	<u>13,698,006.64</u>
<u>Expenditures</u>			
Budget Appropriations:			
Municipal Purposes		1,860,953.90	1,996,877.89
County Taxes		4,373,295.46	3,941,870.41
Amount Due County for Added and Omitted Taxes		6,906.47	1,760.09
Local School District Taxes		7,342,685.00	7,204,203.00
Municipal Open Space Tax		112,429.19	112,927.46
Interfunds Advanced		47,364.48	13,567.80
Total Expenditures		<u>13,743,634.50</u>	<u>13,271,206.65</u>
Excess in Revenue		440,462.48	426,799.99
<u>Fund Balance</u>			
Balance January 1		<u>1,163,606.73</u>	<u>1,485,806.74</u>
		1,604,069.21	1,912,606.73
Decreased by:			
Utilized as Anticipated Revenue		<u>700,000.00</u>	<u>749,000.00</u>
Balance December 31	A	<u>\$ 904,069.21</u>	<u>\$ 1,163,606.73</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF WHITE  
CURRENT FUND  
STATEMENT OF REVENUE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2016

	<u>Budget</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Fund Balance Anticipated	\$ 700,000.00	\$ 700,000.00	
Miscellaneous Revenue:			
Licenses:			
Alcoholic Beverages	4,000.00	3,960.00	\$ 40.00 *
Interest and Costs on Taxes	50,000.00	88,956.90	38,956.90
Interest on Investments and Deposits	2,000.00	7,300.91	5,300.91
Consolidated Municipal Property Tax Relief	5,870.00	5,870.00	
Energy Receipts Tax	277,416.00	277,416.00	
Reserve for Garden State Trust	14,328.00	14,328.00	
Reserve for Watershed Moratorium Aid	13,442.00	13,442.00	
Uniform Construction Code Fees	40,000.00	44,972.00	4,972.00
Municipal Alliance Program	5,392.00	5,392.00	
F.E.M.A. Hazard Mitigation (Generator) Grant	50,000.00	50,000.00	
Reserve for Clean Communities Program	16,355.13	16,355.13	
Reserve for Recycling Tonnage Grant	2,992.25	2,992.25	
White Township Host Community Fees	450,000.00	487,172.32	37,172.32
	<u>931,795.38</u>	<u>1,018,157.51</u>	<u>86,362.13</u>
Receipts from Delinquent Taxes	<u>400,000.00</u>	<u>526,016.64</u>	<u>126,016.64</u>
Amount to be Raised by Taxes for Support of Municipal Budget:			
Local Tax for Municipal Purposes	<u>407,618.07</u>	<u>469,901.43</u>	<u>62,283.36</u>
Budget Totals	<u>2,439,413.45</u>	<u>2,714,075.58</u>	<u>274,662.13</u>
Nonbudget Revenue		<u>99,992.36</u>	<u>99,992.36</u>
	<u>\$ 2,439,413.45</u>	<u>\$ 2,814,067.94</u>	<u>\$ 374,654.49</u>

TOWNSHIP OF WHITE  
CURRENT FUND  
STATEMENT OF REVENUE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

Allocation of Current Tax Collections

Revenue from Collection of Current Taxes		\$ 11,726,764.48
Allocated to County, School, and Local Open Space Taxes		11,835,316.12
		(108,551.64)
Balance for Support of Municipal Budget		578,453.07
Add: Appropriation - Reserve for Uncollected Taxes		578,453.07
Realized for Support of Municipal Budget		\$ 469,901.43
 <u>Analysis of Delinquent Tax Collections:</u>		
Delinquent Taxes		\$ 500,549.99
Tax Title Liens		25,466.65
		\$ 526,016.64

Analysis of Nonbudget Revenue

Miscellaneous Revenue Not Anticipated:

Treasurer:

Cable TV Franchise Fees	\$	16,435.40	
Zoning Board Fees		890.00	
Planning Board Fees		600.00	
Veterans and Senior Citizens Deductions Administration Fee		1,635.00	
Insurance Refunds and Claims		18,395.84	
In Lieu of Tax		2,000.00	
Other Miscellaneous		29,105.12	
			\$ 69,061.36

Due from Animal Control Fund - Statutory Excess in Animal Control Fund 7,300.40

Tax Collector:

Other Miscellaneous		23,630.60	
			\$ 99,992.36

Analysis of Interest Earned

Interest Earned in Current Fund		\$ 2,271.08
Interest Earned by Tax Collector		3,301.83
Interest Earned in General Capital Fund		1,346.44
Interest Earned in Other Trust Funds		381.56
		\$ 7,300.91

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

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Operations - Within "CAPS"					
GENERAL GOVERNMENT:					
General Administration:					
Other Expenses	\$ 17,000.00	\$ 17,000.00	\$ 14,620.04	\$ 2,379.96	
Human Resources:					
Other Expenses	1,000.00	2,258.00	2,258.00		
Mayor and Council:					
Salaries & Wages	11,552.00	11,552.00	11,551.92	0.08	
Other Expenses	500.00	500.00	295.00	205.00	
Municipal Clerk (Includes Assessment Searches):					
Salaries & Wages	84,458.00	84,458.00	84,380.23	77.77	
Other Expenses	2,000.00	2,526.00	2,525.17	0.83	
Financial Administration (Treasury):					
Salaries & Wages	23,477.00	23,477.00	23,476.18	0.82	
Other Expenses	7,000.00	7,000.00	5,820.13	1,179.87	
Audit Services:					
Other Expenses	15,000.00	17,350.00	17,350.00		
Computerized Data Processing:					
Other Expenses	15,000.00	15,000.00	13,705.30	1,294.70	
Revenue Administration (Tax Collection):					
Salaries & Wages	24,056.00	30,056.00	28,955.80	1,100.20	
Other Expenses	6,500.00	6,500.00	5,736.22	763.78	
Tax Assessment Administration:					
Salaries & Wages	25,910.00	25,911.00	25,910.04	0.96	
Other Professional, Consultant and Specialized Services	8,000.00	8,000.00	6,969.57	1,030.43	
Legal Services (Legal Department):					
Other Expenses	60,000.00	60,300.00	58,271.46	2,028.54	

TOWNSHIP OF WHITE  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Operations - Within "CAPS" (continued)					
GENERAL GOVERNMENT (continued):					
Engineering Services:					
Other Expenses	\$ 10,000.00	\$ 11,460.00	\$ 11,459.90	\$ 0.10	
Historical Sites Office:					
Other Expenses	1,800.00	1,800.00	1,800.00		
LAND USE ADMINISTRATION:					
Planning Board:					
Salaries & Wages	10,313.00	10,313.00	10,312.92	0.08	
Other Expenses	10,000.00	10,000.00	3,104.55	6,895.45	
Zoning Board of Adjustment:					
Salaries & Wages	4,512.00	4,512.00	4,511.52	0.48	
Other Expenses	5,000.00	5,000.00	4,193.18	806.82	
Zoning Officer:					
Salaries & Wages	7,508.00	7,508.00	7,507.20	0.80	
Other Expenses	100.00	100.00	50.00	50.00	
CODE ENFORCEMENT AND ADMINISTRATION:					
Uniform Construction Code Enforcement Functions:					
Plumbing Inspector:					
Salaries & Wages	5,300.00	5,301.00	5,300.04	0.96	
Electrical Inspector:					
Salaries & Wages	10,773.00	10,773.00	10,772.88	0.12	
Other Expenses	300.00	300.00		300.00	
PUBLIC SAFETY FUNCTIONS:					
Police Dispatch / 911:					
Other Expenses	1,500.00	1,500.00	1,500.00		



TOWNSHIP OF WHITE  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Operations - Within "CAPS" (continued)					
PUBLIC SAFETY FUNCTIONS (Continued):					
Office of Emergency Management:					
Salaries & Wages	\$ 4,341.00	\$ 4,341.00	\$ 4,339.39	\$ 1.61	
Other Expenses	1,500.00	1,500.00	402.90	1,097.10	
Aid to Volunteer Fire Companies:					
Belvidere Fire Company	29,500.00	29,500.00	29,500.00		
Mountain Lake Fire Company	29,500.00	29,500.00	29,500.00		
Oxford Township Fire Company	29,500.00	29,500.00	29,500.00		
Mountain Lake Equipment Contribution	15,000.00	15,000.00	15,000.00		
Contribution to First Aid Organizations:					
Belvidere Rescue Squad	25,000.00	25,000.00	25,000.00		
Oxford Rescue Squad	22,000.00	22,000.00	22,000.00		
Fire Department:					
Other Expenses:					
Fire Hydrant Service	12,450.00	12,450.00	11,410.30	1,039.70	
PUBLIC WORKS FUNCTIONS:					
Streets and Road Maintenance:					
Salaries & Wages	205,000.00	205,000.00	193,153.24	11,846.76	
Other Expenses	140,000.00	116,937.00	47,098.18	69,838.82	
Solid Waste Collection (Includes Recycling Program):					
Other Expenses	1,500.00	1,500.00	1,327.56	172.44	
Buildings and Grounds:					
Salaries & Wages	5,000.00	5,000.00	5,000.00		
Other Expenses	24,000.00	24,000.00	23,434.15	565.85	
HEALTH AND HUMAN SERVICES FUNCTIONS:					
Public Health Service (Board of Health):					
Other Expenses	100.00	100.00		100.00	

TOWNSHIP OF WHITE  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Operations - Within "CAPS" (continued)					
HEALTH AND HUMAN SERVICES FUNCTIONS (Continued):					
Environmental Health Services:					
Other Expenses	\$ 550.00	\$ 570.00	\$ 567.78	\$ 2.22	
Animal Control Services:					
Salaries & Wages	6,797.00	6,797.00	6,796.92	0.08	
Other Expenses	5,000.00	5,000.00	3,144.70	1,855.30	
Contribution to Social Services Agencies:					
Senior Citizens Center / Nutrition Center	2,000.00	2,000.00	2,000.00		
Belvidere High School Project Graduation	500.00	500.00	500.00		
White Township PTO	500.00	500.00	500.00		
Recreation Services and Programs:					
Contribution to White Township Athletic Association	6,000.00	6,000.00	6,000.00		
Other Expenses	7,000.00	7,000.00	6,783.00	217.00	
Maintenance of Parks:					
Other Expenses	35,000.00	35,000.00	30,300.00	4,700.00	
OTHER COMMON OPERATING FUNCTIONS:					
Celebration of Public Events	3,500.00	3,953.00	3,952.23	0.77	
Open Space Committee:					
Salaries & Wages	1,200.00	1,200.00	200.00	1,000.00	
Other Expenses	300.00	300.00	94.66	205.34	
Agricultural Advisory Board:					
Other Expenses	100.00	100.00		100.00	

TOWNSHIP OF WHITE  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Operations - Within "CAPS" (continued)					
Joint Municipal Court:					
Other Expenses	\$ 28,000.00	\$ 37,400.00	\$ 37,346.93	\$ 53.07	
Public Defender:					
Other Expenses	1,000.00	1,000.00	200.00	800.00	
Insurance:					
General Liability	61,767.00	61,767.00	61,324.00	443.00	
Employee Group Health	131,175.00	131,175.00	131,158.80	16.20	
Building Inspector:					
Salaries & Wages	29,475.00	30,575.00	30,573.87	1.13	
Other Expenses	2,000.00	2,194.00	2,193.50	0.50	
UTILITY EXPENSES AND BULK PURCHASES:					
Electricity	16,000.00	16,000.00	11,373.79	4,626.21	
Street Lighting	10,000.00	10,000.00	6,036.27	3,963.73	
Telephone	13,000.00	13,000.00	8,851.22	4,148.78	
Natural Gas	8,000.00	8,000.00	2,303.79	5,696.21	
Gasoline	15,000.00	15,000.00	5,880.44	9,119.56	
Total Operations Within "CAPS"	<u>1,296,814.00</u>	<u>1,296,814.00</u>	<u>1,157,084.87</u>	<u>139,729.13</u>	
Detail:					
Salaries and Wages	459,672.00	466,774.00	452,742.15	14,031.85	
Other Expenses	<u>837,142.00</u>	<u>830,040.00</u>	<u>704,342.72</u>	<u>125,697.28</u>	
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Public Employees' Retirement System	49,083.00	49,083.00	49,083.00		
Social Security	38,000.00	38,000.00	33,045.79	4,954.21	

TOWNSHIP OF WHITE  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Deferred Charges and Statutory Expenditures (Continued):					
Statutory Expenditures (Continued):					
Unemployment Compensation	\$ 500.00	\$ 500.00	\$ 386.28	\$ 113.72	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	<u>87,583.00</u>	<u>87,583.00</u>	<u>82,515.07</u>	<u>5,067.93</u>	
Total General Appropriations for Municipal Purposes Within "CAPS"	<u>1,384,397.00</u>	<u>1,384,397.00</u>	<u>1,239,599.94</u>	<u>144,797.06</u>	
Operations - Excluded from "CAPS"					
Public and Private Programs Offset by Revenues:					
Clean Communities Program	16,355.13	16,355.13	16,355.13		
Municipal Alliance:					
State Share	5,392.00	5,392.00	5,392.00		
Local Share	1,618.00	1,618.00	1,618.00		
Recycling Tonnage Grant	2,992.25	2,992.25	2,992.25		
F.E.M.A. Hazard Mitigation (Generator) Grant	50,000.00	50,000.00	50,000.00		
Total Public and Private Programs Offset by Revenues	<u>76,357.38</u>	<u>76,357.38</u>	<u>76,357.38</u>		
Total Operations - Excluded from "CAPS"	<u>76,357.38</u>	<u>76,357.38</u>	<u>76,357.38</u>		

TOWNSHIP OF WHITE  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Detail:					
Other Expenses	\$ 76,357.38	\$ 76,357.38	\$ 76,357.38		
Capital Improvements - Excluded from "CAPS"					
Capital Improvement Fund	75,000.00	75,000.00	75,000.00		
Purchase of Ambulance - Oxford Rescue Squad	10,000.00	10,000.00	10,000.00		
Oxford Fire Company Equipment Replacement	12,500.00	12,500.00	12,500.00		
Fire Truck Town of Belvidere	50,000.00	50,000.00	50,000.00		
Total Capital Improvements Excluded from "CAPS"	147,500.00	147,500.00	147,500.00		
Municipal Debt Service - Excluded from "CAPS"					
Payment of Bond Anticipation Notes	250,526.00	250,526.00	250,526.00		
Interest on Notes	2,180.00	2,180.00	2,173.52		\$ 6.48
Total Municipal Debt Service - Excluded from "CAPS"	252,706.00	252,706.00	252,699.52		6.48
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	476,563.38	476,563.38	476,556.90		6.48
Subtotal General Appropriations	1,860,960.38	1,860,960.38	1,716,156.84	\$ 144,797.06	6.48
Reserve for Uncollected Taxes	578,453.07	578,453.07	578,453.07		
Total General Appropriations	\$ 2,439,413.45	\$ 2,439,413.45	\$ 2,294,609.91	\$ 144,797.06	\$ 6.48

Ref.

A

TOWNSHIP OF WHITE  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

		Analysis of	
	Ref.	Budget After Modification	Paid or Charged
Adopted Budget		\$ 2,439,413.45	
Reserve for Uncollected Taxes			\$ 578,453.07
Cash Disbursed			1,600,931.87
Reserve for Belvidere Fire Truck			50,000.00
Due to Federal and State Grant Fund			76,357.38
Encumbrances	A		4,201.43
			2,309,943.75
Less: Appropriation Refunds			15,333.84
			\$ 2,294,609.91

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF WHITE  
COUNTY OF WARREN  
2016  
TRUST FUNDS

TOWNSHIP OF WHITE  
COMPARATIVE BALANCE SHEET - TRUST FUNDS - REGULATORY BASIS

	Ref.	December 31,	
		2016	2015
<u>ASSETS</u>			
Animal Control Fund:			
Cash and Cash Equivalents:			
Treasurer	B-4	\$ 19,460.00	\$ 20,002.00
Due from State of New Jersey			0.40
		<u>19,460.00</u>	<u>20,002.40</u>
Other Trust Funds:			
Cash and Cash Equivalents	B-4	894,301.90	620,251.62
Due from Current Fund - Tax Sale Premium Trust	A		294,000.00
Due from Current Fund	C	7,100.00	
		<u>901,401.90</u>	<u>914,251.62</u>
<u>TOTAL ASSETS</u>		<u>\$ 920,861.90</u>	<u>\$ 934,254.02</u>
 <u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Due to State of New Jersey		\$ 3.20	
Due to Current Fund	A	7,300.40	\$ 6,634.80
Reserve for Animal Control Fund Expenditures	B-6	12,156.40	13,367.60
		<u>19,460.00</u>	<u>20,002.40</u>
Other Trust Funds:			
Due to Current Fund	A	1,729.45	1,347.89
Reserve for:			
Gravel Pit Escrow Deposit		14,053.59	21,107.84
Escrow Deposits		163,879.34	216,422.35
Maintenance Bond Deposits		25,303.01	25,303.01
Tax Sale Premiums		345,000.00	391,400.00
Unemployment Compensation Insurance		11,958.51	11,067.71
Open Space Fund		332,378.00	247,602.82
Driveway Bonds		7,100.00	
Total Other Trust Funds		<u>901,401.90</u>	<u>914,251.62</u>
<u>TOTAL LIABILITIES AND RESERVES</u>		<u>\$ 920,861.90</u>	<u>\$ 934,254.02</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT



TOWNSHIP OF WHITE  
ASSESSMENT TRUST FUND  
STATEMENT OF FUND BALANCE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2016

NOT APPLICABLE

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF WHITE  
ASSESSMENT TRUST FUND  
STATEMENT OF REVENUE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2016

NOT APPLICABLE

TOWNSHIP OF WHITE  
ASSESSMENT TRUST FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2016

NOT APPLICABLE

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF WHITE  
COUNTY OF WARREN  
2016  
GENERAL CAPITAL FUND

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

	Ref.	December 31,	
		2016	2015
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 570,503.74	\$ 504,194.62
Deferred Charges to Future Taxation:			
Unfunded	C-4		250,526.00
<u>TOTAL ASSETS</u>		<u>\$ 570,503.74</u>	<u>\$ 754,720.62</u>
Bond Anticipation Notes Payable	C-7		\$ 250,526.00
Improvement Authorizations:			
Funded	C-5	\$ 223,857.82	52,557.67
Due to Current Fund	A	119.15	110.18
Capital Improvement Fund	C-6	88,649.68	193,649.68
Fund Balance	C-1	257,877.09	257,877.09
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 570,503.74</u>	<u>\$ 754,720.62</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF WHITE  
GENERAL CAPITAL FUND  
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2015	C	<u>\$ 257,877.09</u>
Balance December 31, 2016	C	<u><u>\$ 257,877.09</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF WHITE  
COUNTY OF WARREN  
2016  
WATER UTILITY FUND

NOT APPLICABLE

TOWNSHIP OF WHITE  
COUNTY OF WARREN  
2016  
SEWER UTILITY FUND

TOWNSHIP OF WHITE  
SEWER UTILITY FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2016	2015
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	E-5	\$ 320,865.38	\$ 342,057.70
		320,865.38	342,057.70
Due from Sewer Utility Capital Fund	E	46.22	507.44
		320,911.60	342,565.14
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-7	52,069.00	27,682.86
		52,069.00	27,682.86
Total Operating Fund		372,980.60	370,248.00
Capital Fund:			
Cash and Cash Equivalents	E-5	241,255.47	219,949.94
Fixed Capital Authorized and Uncompleted	E-9	20,000.00	20,000.00
Total Capital Fund		261,255.47	239,949.94
<u>TOTAL ASSETS</u>		<u>\$ 634,236.07</u>	<u>\$ 610,197.94</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves:			
Unencumbered	E-4; E-10	\$ 9,004.40	\$ 4,222.92
Total Appropriation Reserves		9,004.40	4,222.92
Prepaid Rents		3,096.17	6,229.74
		12,100.57	10,452.66
Reserve for Receivables		52,069.00	27,682.86
Fund Balance	E-1	308,811.03	332,112.48
		360,880.03	359,795.34
Total Operating Fund		372,980.60	370,248.00
Capital Fund:			
Improvement Authorizations - Funded	E-11	16,209.25	19,442.50
Due to Sewer Utility Operating Fund	E	46.22	507.44
Capital Improvement Fund	E-12	225,000.00	200,000.00
Deferred Reserve for Amortization	E-13	20,000.00	20,000.00
Total Capital Fund		261,255.47	239,949.94
<u>TOTAL LIABILITIES, RESERVES, AND FUND BALANCE</u>		<u>\$ 634,236.07</u>	<u>\$ 610,197.94</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT



TOWNSHIP OF WHITE  
SEWER UTILITY OPERATING FUND  
COMPARATIVE STATEMENT OF OPERATIONS  
AND CHANGE IN UTILITY OPERATING FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2016	2015
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 50,000.00	\$ 50,000.00
Sewer Rents		289,290.70	408,474.64
Miscellaneous		5,786.93	4,595.00
Other Credits to Income:			
Appropriation Reserves Lapsed		4,222.92	1,093.40
Total Income		<u>349,300.55</u>	<u>464,163.04</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		322,602.00	418,756.00
Total Expenditures		<u>322,602.00</u>	<u>418,756.00</u>
Excess in Revenue		26,698.55	45,407.04
<u>Fund Balance</u>			
Balance January 1	E	332,112.48	336,705.44
		358,811.03	382,112.48
Decreased by:			
Utilization as Anticipated			
Revenue		50,000.00	50,000.00
Balance December 31	E	<u>\$ 308,811.03</u>	<u>\$ 332,112.48</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF WHITE  
SEWER UTILITY CAPITAL FUND  
STATEMENT OF FUND BALANCE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2016

NOT APPLICABLE

TOWNSHIP OF WHITE  
SEWER UTILITY OPERATING FUND  
STATEMENT OF REVENUE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2016

	Anticipated	Realized	Excess
Fund Balance Anticipated	\$ 50,000.00	\$ 50,000.00	
Sewer Rents	272,602.00	289,290.70	\$ 16,688.70
	322,602.00	339,290.70	16,688.70
Nonbudget Revenue		5,786.93	5,786.93
	\$ 322,602.00	\$ 345,077.63	\$ 22,475.63
 <u>Analysis of Nonbudget Revenue</u>			
Interest on Sewer Rents		\$ 3,671.23	
Interest Income		779.30	
Interest Due from Sewer Utility Capital Fund		558.45	
Miscellaneous		777.95	
		\$ 5,786.93	
 <u>Analysis of Sewer Rents</u>			
2016 Collections		\$ 283,060.96	
Prepaid Sewer Rents Applied		6,229.74	
		\$ 289,290.70	

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF WHITE  
SEWER UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2016

	<u>Appropriations</u>		<u>Expended by</u>	
	<u>Budget</u>	<u>Budget After Modi- fication</u>	<u>Paid or Charged</u>	<u>Reserved</u>
Operating:				
Salaries and Wages	\$ 4,374.00	\$ 4,374.00	\$ 4,373.76	\$ 0.24
Other Expenses (Includes Belvidere)	15,000.00	15,000.00	6,062.26	8,937.74
Sewer Service Charges - PRMUA	277,828.00	277,828.00	277,827.00	1.00
Capital Improvements:				
Capital Improvement Fund	25,000.00	25,000.00	25,000.00	
Deferred Charges and Statutory Expenditures:				
Statutory Expenditures:				
Social Security System (O.A.S.I.)	400.00	400.00	334.58	65.42
	<u>\$ 322,602.00</u>	<u>\$ 322,602.00</u>	<u>\$ 313,597.60</u>	<u>\$ 9,004.40</u>

Ref.

E

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF WHITE  
COUNTY OF WARREN  
2016  
PUBLIC ASSISTANCE FUND

TOWNSHIP OF WHITE  
PUBLIC ASSISTANCE FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		<u>December 31,</u>	
	<u>Ref.</u>	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	F-1	\$ 2,274.20	\$ 2,268.45
<u>TOTAL ASSETS</u>		<u>\$ 2,274.20</u>	<u>\$ 2,268.45</u>
 <u>RESERVES:</u>			
Reserve for Public Assistance Expenditures		\$ 2,274.20	\$ 2,268.45
<u>TOTAL RESERVES</u>		<u>\$ 2,274.20</u>	<u>\$ 2,268.45</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF WHITE  
COUNTY OF WARREN  
2016  
BOND AND INTEREST FUND

NOT APPLICABLE

TOWNSHIP OF WHITE  
COUNTY OF WARREN  
2016  
GENERAL FIXED ASSETS ACCOUNT GROUP



TOWNSHIP OF WHITE  
GENERAL FIXED ASSETS ACCOUNT GROUP  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	December 31,	
	2016	2015
<u>ASSETS</u>		
Land	\$ 2,102,800.00	\$ 2,102,800.00
Buildings	512,901.00	512,901.00
Machinery and Equipment	909,244.00	897,004.00
<u>TOTAL ASSETS</u>	<u>\$ 3,524,945.00</u>	<u>\$ 3,512,705.00</u>
 <u>RESERVES</u>		
Reserve for General Fixed Assets	\$ 3,524,945.00	\$ 3,512,705.00
<u>TOTAL RESERVES</u>	<u>\$ 3,524,945.00</u>	<u>\$ 3,512,705.00</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF WHITE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Except as noted below, the financial statements of the Township of White include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of White, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the Township of White do not include the operations of the volunteer fire company or first aid organization.

Governmental Accounting Standards Board ("GASB" publication, Codification of Governmental Accounting and Financial Reporting Standards) Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e., benefit of economic resources, access/entitlement to resources, and significance) should be included in the financial reporting entities. As the financial reporting entity was established in accordance with New Jersey statutes, the requirements of GASB Codification Section 2100 were not followed and, accordingly, the reporting entity could be different from accounting principles generally accepted in the United States of America.

B. Description of Funds

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

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

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

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

Sewer Utility Operating Fund - Account for the operations of the municipally owned sewer utility. There are no municipally owned sewer capital facilities.

Public Assistance Fund - Receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey statutes.

General Fixed Assets Account Group - Estimated values of land, buildings and certain fixed assets of the Township as discussed in Note 1C - "Basis of Accounting".

TOWNSHIP OF WHITE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

C. Basis of Accounting

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The more significant accounting policies in New Jersey follow.

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey. Federal and state grants are realized in the Current Fund when they are budgeted and in the Capital Funds when improvements are authorized. The amounts recorded as property taxes and consumer accounts receivable have not been included in revenue. Other amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund.

Expenditures are charged to operations based on budgeted amounts. Exceptions to this general rule include:

1. Accumulated unpaid vacation, sick pay and other employee amounts are not accrued.
2. Prepaid expenses, such as insurance premiums applicable to subsequent periods, are charged to current budget appropriations in total.
3. Principal and interest on long-term debt are recognized when due.

Expenditures, if any, in excess of appropriations, appropriation reserves or ordinances become deferred charges which must be raised by future taxes. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements and constitute part of the statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

Deferred Charges to Future Taxation – The General Capital Fund balance sheet includes both funded and unfunded deferred charges. Funded means that bonds have been issued and are being paid off on a serial basis. Unfunded means the debt has been authorized but not permanently financed. A municipality can eliminate an unfunded deferred charge by raising it in the budget, or collecting a grant. The unfunded deferred charge may also be funded by selling bonds or by issuing loans or capital lease purchase agreements.

TOWNSHIP OF WHITE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

C. Basis of Accounting (Cont'd)

Had the Township of White's financial statements been prepared under accounting principles generally accepted in the United States of America, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; Federal and State grants and assistance would be recognized when earned and inventories would not be reflected as expenditures at the time of purchase and the Township's net pension liability and related deferred inflows and outflows would be recorded.

Other significant accounting policies include:

Management Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents – Amounts include petty cash, change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

Investments – Investments are stated at cost or amortized cost, which approximates market.

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

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

Grants Receivable – Grants receivable represent the total grant award less amounts collected to date. Because the amount of grant funds to be collected is dependent on the total costs eligible for reimbursement, the actual amount collected may be less than the total amount awarded.

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

Allowance for Uncollectible Accounts – No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Compensated Absences – Expenditures relating to unused vested accumulated vacation and sick pay are not recorded until paid.

General Fixed Assets – In accordance with New Jersey Administrative Code accounting requirements, as promulgated by the Division of Local Government Services, the Township has developed a fixed assets accounting and reporting system based on the following:

TOWNSHIP OF WHITE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016

(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

C. Basis of Accounting (Cont'd)

General fixed assets are recorded at cost, except for land which is recorded at historical cost, and buildings, which are recorded at estimated historical cost. Infrastructure assets are not included in general fixed assets, as per state directive. Major renewals and betterments are charged to the asset accounts; maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their fair market value on the date donated. No depreciation has been provided for on general fixed assets. The total value recorded for general fixed assets is offset by a "Reserve for General Fixed Assets." When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly. Assets recorded in the general fixed assets account group may also be recorded in the Current Fund, General Capital Fund and Sewer Utility Fund. The values recorded in the general fixed assets account group, the Current Fund, the General Capital Fund and Sewer Utility Fund may not always agree due to differences in valuation methods, timing of recognition of assets, and the recognition of infrastructures. Fixed assets are reviewed for impairment.

Budget/Budgetary Control – Annual appropriated budgets are usually prepared in the first quarter for the Current, Sewer Utility Operating and Open Space Trust Funds. The budgets are submitted to the governing body and the Division of Local Government Services. Budgets are prepared using the cash basis of accounting. The legal level of budgetary control is established at the line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the flexible chart of accounts referenced in N.J.S.A. 40A. All budget amendments/transfers must be approved by the Township during the year.

Note 2: Long-Term Debt

The Local Bond Law governs the issuance of bonds to finance the general Township capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds. The Township’s full faith and credit and taxing power has been pledged to the payment of the general obligation debt principal and interest.

Summary of Municipal Debt

	December 31,		
	2016	2015	2014
<u>Issued:</u>			
General:			
Bonds and Notes	\$ -0-	\$ 250,526.00	\$ 8,786,954.00
Total Issued	-0-	250,526.00	8,786,954.00
<u>Authorized but not Issued:</u>			
Less: Reserve to Pay Debt Service	-0-	0.85	59,039.85
 Net Bonds and Notes Issued and Authorized but not Issued	 \$ -0-	 \$ 250,525.15	 \$ 8,727,914.15

TOWNSHIP OF WHITE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition, which follows, is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0%.

	Gross Debt	Deductions	Net Debt
School Debt	\$ 370,000.00	\$ 370,000.00	
	\$ 370,000.00	\$ 370,000.00	\$ -0-

Net Debt of \$0 divided by Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$548,446,760.00 = 0%.

Borrowing Power Under N.J.S. 40A:2-5 As Amended

3-1/2% Average Equalized Valuation of Real Property	\$ 19,195,636.60
Net Debt	-0-
Remaining Borrowing Power	\$ 19,195,636.60

The foregoing information is in agreement with the annual debt statement as filed by the Chief Financial Officer.

Summary of Municipal Debt Issued and Outstanding – Current and Prior Year

	Balance 12/31/15	Issued	Retirements	Balance 12/31/16
Bond Anticipation Notes:				
General Capital Fund	\$ 250,526.00		\$ 250,526.00	
Total	\$ 250,526.00	\$ -0-	\$ 250,526.00	\$ -0-
	Balance 12/31/14	Issued	Retirements	Balance 12/31/15
Bond Anticipation Notes:				
General Capital Fund	\$ 786,954.00	\$ 250,526.00	\$ 786,954.00	\$ 250,526.00
Total	\$ 786,954.00	\$ 250,526.00	\$ 786,954.00	\$ 250,526.00

TOWNSHIP OF WHITE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

Note 2: Long-Term Debt (Cont'd)

Net Pension Liability

The State of New Jersey Public Employees' Retirement System's (PERS) net pension liability was calculated to be \$1,281,580 at December 31, 2015.

Note 3: Deferred Charges to be Raised in Succeeding Years

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2016, there are no deferred charges.

Note 4: Fund Balance Appropriated

Fund balances at December 31, 2016, which are appropriated and included in the adopted budget as anticipated revenue in the Current Fund and Sewer Utility Operating Fund for the year ending December 31, 2017 are \$525,000 and \$50,000, respectively.

Note 5: Local School District Taxes

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

Local District Tax has been raised and liabilities deferred by statutes (under provisions of C.63, P.L. 1991, as amended), resulting in the school taxes payable set forth in the current fund liabilities as follows:

	<u>Local School Tax</u>	
	<u>Balance</u> <u>12/31/2016</u>	<u>Balance</u> <u>12/31/2015</u>
Balance of Tax	\$ 3,486,587.88	\$ 3,424,023.88
Deferred	3,360,132.35	3,360,132.35
Tax Payable	<u>\$ 126,455.53</u>	<u>\$ 63,891.53</u>

Note 6: Pension Plans

Township employees participate in a contributory, defined benefit public employee retirement system: the State of New Jersey Public Employee's Retirement System (PERS).

A. Public Employees' Retirement System (PERS)

Plan Description

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about the 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](http://www.state.nj.us/treasury/pensions/annrpts.shtml).

TOWNSHIP OF WHITE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

Note 6: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Benefits Provided

The 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:

<u>Tier</u>	<u>Definition</u>
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

Service retirement benefits of 1/55<sup>th</sup> 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 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to 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.

Contributions

The contribution policy for PERS is set by N.J.S.A. 15A and requires contributions by active members and contributing members. 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. Township contributions to PERS amounted to \$49,083 for 2016.



TOWNSHIP OF WHITE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

Note 6: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Contributions (Cont'd)

The employee contribution rate was 7.06% effective July 1, 2015 and increased to 7.20% effective July 1, 2016. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1<sup>st</sup> to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

Pension Liabilities and Pension Expense

At December 31, 2015, the Township's liability was \$1,281,580 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014 which was rolled forward to June 30, 2015. 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, actuarially determined. At June 30, 2015, the Township's proportion was 0.0057%, which was an increase of 0.0004% from its proportion measured as of June 30, 2014. The Township has rolled forward the net pension liability to December 31, 2015 with no adjustments. The State of New Jersey Public Employee's Retirement System (PERS)' valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation. The Division of Local Government Services, Department of Community Services, State of New Jersey is permitting municipalities to include the June 30, 2015 pension information in the Notes to the Financial Statements as the June 30, 2016 pension information has not been released as of the date of this audit.

For the year ended December 31, 2016, the Township recognized actual pension expense in the amount of \$49,083.

Actuarial Assumptions

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

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

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

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

TOWNSHIP OF WHITE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016

(Continued)

Note 6: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Long Term Expected Rate of Return

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad U.S. Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex. U.S.	3.50%	-0.40%
REIT	4.25%	5.12%

TOWNSHIP OF WHITE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

Note 6: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Discount Rate

The discount rate used to measure the total pension liability was 4.90% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9% and a municipal bond rate of 3.80% as of June 30, 2015 based on the Bond Buyer Go 20 Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based upon the average of the last five years of contributions made in relation to the last five years of 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 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

The following presents the Township's proportionate share of the collective net pension liability as of December 31, 2015 calculated using the discount rate as disclosed below, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	December 31, 2015		
	1% Decrease (3.90%)	Current Discount Rate (4.90%)	1% Increase (5.90%)
Township's proportionate share of the Net Pension Liability	\$ 1,592,847	\$ 1,281,580	\$ 1,020,616

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

TOWNSHIP OF WHITE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

Note 7: Selected Tax Information

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and the imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current year may be placed in lien at a tax sale held after December 10.

Comparative Schedule of Tax Rate Information

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>Tax Rate</u>	\$ 2.181	\$ 2.094	\$ 2.077
<u>Apportionment of Tax Rate:</u>			
County	0.781	0.700	0.722
Local School Tax	1.308	1.276	1.237
Municipal Open Space Tax	0.020	0.020	0.020
Municipal Local Tax	0.072	0.098	0.098
<u>Assessed Valuations:</u>			
2016	<u>\$ 561,246,398.00</u>		
2015		<u>\$ 564,385,908.00</u>	
2014			<u>\$ 571,110,945.00</u>

Comparison of Tax Levies and Collection Currently

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

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2016	\$ 12,260,275.25	\$ 11,693,215.13	95.37%
2015	11,818,502.42	11,284,589.86	95.48%
2014	11,867,591.18	11,366,124.05	95.77%

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

TOWNSHIP OF WHITE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

Note 8: Cash and Cash Equivalents

Cash and cash equivalents include petty cash, change funds, amounts in deposits, money market accounts, and short-term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. The Township classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

*GASB Statement No. 40, Governmental Accounting Standards Board Deposit and Investment Risk Disclosures*, requires disclosure of the level of custodial credit risk assumed by the Township in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial risk is the risk that in the event of bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Township ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Township limits its investments to those authorized in its cash management plan which are permitted under state statutes as detailed on the following page.

Custodial Credit Risk – The Township's policy with respect to custodial credit risk requires that the Township ensures that Township funds are only deposited in financial institutions in which NJ municipalities are permitted to invest their funds.

Deposits:

New Jersey statutes require that municipalities deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. Municipalities are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

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

The market value of the collateral must equal 5% of the average daily balance of public funds on deposit.

In addition to the above collateral requirement, if public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

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 WHITE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

Note 8: Cash and Cash Equivalents (Cont'd)

Investments

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) above;
  - (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

TOWNSHIP OF WHITE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

Note 8: Cash and Cash Equivalents (Cont'd)

As of December 31, 2016, cash and cash equivalents of the Township of White consisted of the following:

	<u>Checking Accounts</u>	<u>Cash on Hand</u>	<u>Total</u>
Current Fund	\$ 1,831,743.24	\$ 600.00	\$ 1,832,343.24
Animal Control Fund	19,460.00		19,460.00
Other Trust Funds	894,301.90		894,301.90
General Capital Fund	570,503.74		570,503.74
Sewer Utility Operating Fund	320,865.38		320,865.38
Sewer Utility Capital Fund	241,255.47		241,255.47
Public Assistance Fund	2,274.20		2,274.20
	<u>\$ 3,880,403.93</u>	<u>\$ 600.00</u>	<u>\$ 3,881,003.93</u>

The carrying amount of the Township's cash and cash equivalents at December 31, 2016, was \$3,881,003.93 and the bank balance was \$3,339,684.54. The Township did not hold any investments during the year.

Note 9: Risk Management:

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by the Public Alliance Insurance Coverage Fund. Health benefits are provided to employees through the State of New Jersey Health Benefits Plan.

Property, Liability and Workers' Compensation

The Township is currently a member of the Public Alliance Insurance Coverage Fund (the "Fund"). The Fund provides its members with Liability, Property and Workers' Compensation Insurance. The Fund is a risk-sharing public entity risk pool that is both an insured and self administered group of governmental entities established for the purpose of providing low-cost insurance coverage for its members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Fund are elected.

As a member of the Fund, the Township could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities.

The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. The members may either receive payment or offset their subsequent year assessments with their respective share of the distribution.

TOWNSHIP OF WHITE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016

(Continued)

Note 9: Risk Management: (Cont'd)

The December 31, 2016 audit report for the Fund was not available as of the date of this report. Selected, summarized financial information for the Fund as of December 31, 2015 is as follows:

	Public Alliance Insurance Coverage Fund Dec. 31, 2015
Total Assets	\$ 16,684,492
Net Position	\$ 9,575,068
Total Revenue	\$ 5,922,637
Total Expenses	\$ 4,588,253
Change in Net Position	\$ 1,334,384
Distribution to Participating Members	\$ -0-

Financial statements for the Fund are available at the offices of the Fund's Executive Director:

Public Alliance Insurance Coverage Fund  
Public Entity Group Administrative Services  
51 Everett Drive, Suite B-40  
West Windsor, NJ 08550  
(609) 275-1155

New Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the state.

The following is a summary of Township and employee contributions, interest earned and reimbursements to the State for benefits paid and the ending balance of the Township's expendable trust fund for the current and previous two years.

Year	Township Contributions	Employee Contributions	Interest Earned	Reimbursements	Ending Balance
2016	\$ -0-	\$ 862.71	\$ 28.09	\$ -0-	\$ 11,958.51
2015	-0-	855.76	25.86	-0-	11,067.71
2014	-0-	1,042.40	23.25	-0-	10,186.09



TOWNSHIP OF WHITE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

Note 10: Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at December 31, 2016:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 69,404.38	
Federal and State Grant Fund		\$ 60,255.38
Animal Control Trust Fund		7,300.40
Other Trust Funds		1,729.45
General Capital Fund		119.15
Sewer Utility Operating Fund	46.22	
Sewer Utility Capital Fund		46.22
	<u>\$ 69,450.60</u>	<u>\$ 69,450.60</u>

The interfunds receivable in the Current Fund represents the statutory excess due from the Animal Control Trust Fund, and interest earned in the various trust funds and the General Capital Fund. The interfund receivable in the Federal and State Grant Fund represents grants received by the Current Fund which have not yet been transferred to the Federal and State Grant Fund. The interfund receivable in the Sewer Utility Operating Fund represents interest due from the Sewer Utility Capital Fund.

Note 11: Contingent Liabilities

The Township is periodically involved in various lawsuits arising in the normal course of business, including claims for property damage, personal injury, and various contract disputes. The Township vigorously contests these lawsuits and believes the ultimate resolution will not have a material adverse effect on their financial position.

The municipality has been advised that a number of tax appeals have been filed. Potential refunds on tax appeals could be as much as \$25,000. A reserve for pending tax appeals in the amount of \$25,000 has been recorded as a liability as of December 31, 2016.

Amounts received or receivable from grantors, principally the federal and state governments are subject to regulatory requirements and adjustments by the agencies. Any disallowed claims, including amounts previously recognized by the Township as revenue would constitute a liability of the applicable funds. The amount if any, of expenditures which may be disallowed by the grantors cannot be determined at this time, although Township officials expect such amounts, if any, to be immaterial.

Note 12: Open Space Trust Reserve

The Township of White established an Open Space Trust Fund in 1999. The Township has levied a tax equal to two cents per \$100 of total Township equalized real property valuation. The tax has remained two cents since the approval by the voters to establish the open space tax. The intention of the municipality is to use this funding to offset the debt issued to acquire open space property in the Township. The funds are being held in the Open Space Fund Reserve on the Other Trust Funds balance sheet. The balance in the Reserve for Open Space at December 31, 2016 is \$332,378.00.

Note 13: Economic Dependency

The Township receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Township's programs and activities.

TOWNSHIP OF WHITE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

Note 14: Deferred Compensation

The Township offers its employees the following deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is administered by the entity listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plan are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrator is Lincoln Financial Group.

Note 15: Accrued Sick and Vacation Benefits

The Township has permitted full-time employees to accrue unused vacation and sick pay. Fifty percent of unused sick days are made payable upon retirement up to a maximum of \$14,000.00. The current cost of such unpaid compensation has been estimated at approximately \$16,437.00 at December 31, 2016, and is not reported either as an expenditure or liability. It is expected that the cost of such unpaid compensation would be included in the Township's budget operating expenditures in the year in which it is used.

Note 16: Fixed Assets

The following is a summarization of general fixed assets for the years ended December 31, 2016 and 2015:

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Additions</u>	<u>Deletions /</u> <u>Adjustments</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Land	\$ 2,102,800.00			\$ 2,102,800.00
Buildings	512,901.00			512,901.00
Machinery and Equipment	897,004.00	\$ 58,240.00	\$ 46,000.00	909,244.00
	<u>\$ 3,512,705.00</u>	<u>\$ 58,240.00</u>	<u>\$ 46,000.00</u>	<u>\$ 3,524,945.00</u>
	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Land	\$ 2,102,800.00			\$ 2,102,800.00
Buildings	512,901.00			512,901.00
Machinery and Equipment	1,498,300.00	\$ 46,000.00	\$ 647,296.00	897,004.00
	<u>\$ 4,114,001.00</u>	<u>\$ 46,000.00</u>	<u>\$ 647,296.00</u>	<u>\$ 3,512,705.00</u>

TOWNSHIP OF WHITE

SUPPLEMENTARY DATA

TOWNSHIP OF WHITE  
SCHEDULE OF OFFICIALS IN OFFICE AND SURETY BONDS  
YEAR ENDED DECEMBER 31, 2016

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

Name	Title	Amount of Bond	Name of Corporate or Personal Surety
Jeff Herb	Mayor		
Samuel Race	Committeeperson		
Holly Mackey	Committeeperson		
Kathleen R. Reinalda	Chief Financial Officer; Municipal Clerk; Registrar of Vital Statistics; Assessment Search Officer; Board of Health Secretary		
Rachel Edinger	Tax Collector; Sewer Utility Clerk	*	*
Ralph Price	Construction Official		
Joseph Rossi	Zoning Officer		
Michelle Trivigno	Tax Assessor		
Brian Tipton	Township Attorney		
Kimberly Bennett	Dog Warden		

There is a Public Employees Blanket Bond for \$1,000,000 covering all municipal employees not separately bonded:

Public Alliance Insurance Coverage Fund	\$ 50,000
Municipal Excess Liability Joint Insurance Fund	950,000
	<u>\$ 1,000,000</u>

\* There is a separate Statutory Position Bond for \$1,000,000 covering the Tax Collector:

Public Alliance Insurance Coverage Fund	\$ 50,000
Municipal Excess Liability Joint Insurance Fund	950,000
	<u>\$ 1,000,000</u>

All bonds were examined and were properly executed.

TOWNSHIP OF WHITE  
COUNTY OF WARREN  
2016  
CURRENT FUND

TOWNSHIP OF WHITE  
CURRENT FUND  
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2015	A	\$ 788,202.02
Increased by Receipts:		
Tax Collector		\$ 12,255,203.31
Revenue Accounts Receivable		826,253.47
Miscellaneous Revenue Not Anticipated		69,061.36
Reserve For Fire Safety Penalties		1,500.00
Reserve For Garden State Trust Preservation		14,328.00
Reserve For Watershed Moratorium Aid		13,442.00
2016 Appropriation Refunds		15,333.84
Due to Federal and State Grant Fund:		
Grants Receivable		2,992.25
Unappropriated Reserves		18,703.49
Due to State of New Jersey - Marriage License Fees		700.00
Due from State of New Jersey:		
Veterans' and Senior Citizens' Deductions		98,250.00
Due from Payroll Account:		
Interfund Returned		20,000.00
Due from Animal Control Fund:		
Prior Year Interfund Returned		6,634.80
Due from Sewer Utility Operating Fund:		
Interfund Returned		4,708.34
Due from General Capital Fund:		
Interest on Investments and Deposits		1,337.47
		<hr/>
		13,348,448.33
		<hr/>
		14,136,650.35
Decreased by Disbursements:		
2016 Appropriation Expenditures		1,600,931.87
2015 Appropriation Reserve Expenditures		17,917.48
Local School District Taxes		7,280,121.00
County Taxes		4,375,055.55
Tax Overpayments Refunded		3,377.53
Due from Federal and State Grant Fund:		
Appropriated Reserves		69,622.09
Due from Sewer Utility Operating Fund:		
Interfund Returned		4,708.34
Due to Other Trust Funds:		
Open Space Tax Levy		112,429.19
Due to State of New Jersey - Marriage License Fees		725.00
		<hr/>
		13,464,888.05
		<hr/>
Balance December 31, 2016	A	<u>\$ 671,762.30</u>

TOWNSHIP OF WHITE  
CURRENT FUND  
SCHEDULE OF CASH - COLLECTOR

	<u>Ref.</u>	
Balance December 31, 2015	A	\$ 1,223,710.65
Increased by Receipts:		
Taxes Receivable		\$ 11,885,831.67
2017 Prepaid Taxes		274,419.81
Interest and Costs on Taxes		88,956.90
Tax Title Lien Redemption		25,466.65
Third Party Lien Redemption		261,383.47
Tax Overpayments		39,703.94
Interest on Investments		3,301.83
Due Tax Sale Premium Trust		13,300.00
Miscellaneous Revenue Not Anticipated		23,630.60
		12,615,994.87
		13,839,705.52
Decreased by:		
Payments to Treasurer		12,255,203.31
Due to Tax Sale Premium Trust		307,300.00
Refund of Third Party Liens		208,824.68
		12,771,327.99
Balance December 31, 2016	A	\$ 1,068,377.53

TOWNSHIP OF WHITE  
CURRENT FUND  
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance	2016 Levy	Added Taxes	Collections		Overpayments Applied	State of NJ Veterans' and Senior Citizens' Deductions	Cancelled	Transferred to Tax Title Liens	Balance
	Dec. 31, 2015			2015	2016					Dec. 31, 2016
2013	\$ 4,718.21		\$ 695.94						\$ 5,414.15	
2014	38,870.76				\$ 37,692.71				1,178.05	
2015	472,411.20		35.37		462,857.28			\$ 77.34	6,415.38	\$ 3,096.57
	516,000.17		731.31		500,549.99			77.34	13,007.58	3,096.57
2016		\$ 12,260,275.25		\$ 240,604.71	11,385,281.68	\$ 19,628.09	\$ 81,250.00	16,700.40	24,956.98	491,853.39
	\$ 516,000.17	\$ 12,260,275.25	\$ 731.31	\$ 240,604.71	\$ 11,885,831.67	\$ 19,628.09	\$ 81,250.00	\$ 16,777.74	\$ 37,964.56	\$ 494,949.96
Ref.	A									A

Analysis of 2016 Property Tax Levy

General Purpose Tax	\$ 12,240,784.91
Added Taxes (54:4-63.1 et seq.)	19,490.34
	<u>\$ 12,260,275.25</u>
Tax Levy:	
Local School District Taxes	\$ 7,342,685.00
County Taxes:	
County Taxes	4,373,295.46
Due County for Added and Omitted Taxes	6,906.47
Municipal Open Space Tax	112,249.28
Additional Open Space - Municipal	179.91
	<u>4,492,631.12</u>
	11,835,316.12
Local Tax for Municipal Purposes	407,618.07
Add: Additional Tax Levied	17,341.06
	<u>424,959.13</u>
	<u>\$ 12,260,275.25</u>



TOWNSHIP OF WHITE  
CURRENT FUND  
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>		
Balance December 31, 2015	A		\$ 126,240.34
Increased by:			
Transferred From Taxes Receivable		\$ 37,964.56	
Interest and Costs Accrued at Tax Sale		<u>1,356.04</u>	
			<u>39,320.60</u>
			165,560.94
Decreased by:			
Tax Title Liens Redeemed			<u>25,466.65</u>
Balance December 31, 2016	A		<u><u>\$ 140,094.29</u></u>

TOWNSHIP OF WHITE  
CURRENT FUND  
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Accrued</u> <u>in 2016</u>	<u>Collected by</u> <u>Treasurer</u>
Clerk:			
ABC Licenses		\$ 3,960.00	\$ 3,960.00
Construction Code Official:			
Fees and Permits	\$ 4,592.07	44,972.00	49,564.07
Consolidated Municipal Property Tax Relief Aid		5,870.00	5,870.00
Energy Receipts Tax		277,416.00	277,416.00
Interest on Investments and Deposits		2,271.08	2,271.08
Pollution Control Authority - Host Community Fees		487,172.32	487,172.32
	<u>\$ 4,592.07</u>	<u>\$ 821,661.40</u>	<u>\$ 826,253.47</u>

Ref.                    A

TOWNSHIP OF WHITE  
CURRENT FUND  
SCHEDULE OF 2015 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2016

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Balance After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
General Administration:				
Other Expenses	\$ 4,178.32	\$ 4,178.32	\$ 369.08	\$ 3,809.24
Human Resources:				
Other Expenses	950.00	950.00		950.00
Mayor and Council:				
Salaries and Wages	0.08	0.08		0.08
Other Expenses	205.00	205.00		205.00
Municipal Clerk:				
Other Expenses	1,728.66	1,728.66		1,728.66
Financial Administration (Treasury):				
Salaries and Wages	0.34	0.34		0.34
Other Expenses	1,859.11	1,859.11		1,859.11
Computerized Data Processing:				
Other Expenses	107.36	250.00	250.00	
Revenue Administration (Tax Collection):				
Salaries and Wages	0.76	0.76		0.76
Other Expenses	1,279.66	1,279.66	30.00	1,249.66
Tax Assessment Administration:				
Salaries and Wages	0.86	0.86		0.86
Other Expenses		11.67	11.67	
Legal Services:				
Other Expenses		4,022.91	4,022.91	
Engineering Services:				
Other Expenses	1,455.05	1,455.05		1,455.05
Planning Board:				
Salaries and Wages	0.48	0.48		0.48
Other Expenses	7,912.09	7,912.09	548.50	7,363.59
Zoning Board of Adjustment:				
Salaries and Wages	0.20	0.20		0.20
Other Expenses	2,455.36	2,455.36	75.00	2,380.36
Zoning Officer:				
Salaries and Wages	626.40	626.40		626.40
Other Expenses	20.00	20.00		20.00
Plumbing Inspector:				
Salaries and Wages	442.54	442.54		442.54
Electrical Inspector:				
Salaries and Wages	884.83	884.83		884.83
Other Expenses	300.00	300.00	253.00	47.00
Police Dispatch / 911:				
Other Expenses	100.00	100.00		100.00

TOWNSHIP OF WHITE  
CURRENT FUND  
SCHEDULE OF 2015 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

	Balance Dec. 31, 2015	Balance After Modification	Paid or Charged	Balance Lapsed
Office of Emergency Management:				
Salaries and Wages	\$ 0.75	\$ 0.75		\$ 0.75
Other Expenses	874.00	874.00		874.00
Fire Department:				
Other Expenses:				
Fire Hydrant Service	987.55	1,037.30	\$ 1,037.30	
Streets and Road Maintenance:				
Salaries and Wages	4,439.31	4,439.31		4,439.31
Other Expenses	26,425.95	22,198.98	4,059.55	18,139.43
Solid Waste Collection:				
Other Expenses	172.44	172.44		172.44
Buildings and Grounds:				
Salaries and Wages	1,184.61	1,184.61		1,184.61
Other Expenses	6,533.03	6,533.03	655.33	5,877.70
Public Health Service (Board of Health):				
Other Expenses	100.00	100.00		100.00
Environmental Health Services:				
Other Expenses	197.32	197.32		197.32
Animal Control Services:				
Salaries and Wages	0.52	0.52		0.52
Other Expenses	1,532.70	1,532.70	252.00	1,280.70
Recreation Services and Programs:				
Contribution to White Township				
Athletic Association	1,000.00	1,000.00		1,000.00
Other Expenses	1,751.00	1,751.00		1,751.00
Maintenance of Parks:				
Other Expenses	657.00	657.00		657.00
Open Space:				
Salaries and Wages	500.00	500.00		500.00
Other Expenses	240.35	240.35		240.35
Agricultural Advisory Board:				
Other Expenses	100.00	100.00		100.00
Municipal Court:				
Other Expenses	2,432.47	2,432.47	2,432.47	
Public Defender:				
Other Expenses	1,000.00	1,000.00	1,000.00	
Insurance:				
General Liability	1,001.00	1,001.00		1,001.00
Building Inspector:				
Salaries and Wages	325.70	325.70		325.70
Other Expenses	783.00	783.00	133.00	650.00
Utility Expenses:				
Electricity	5,169.95	5,169.95	954.26	4,215.69
Street Lighting	3,806.39	3,806.39	681.80	3,124.59
Telephone	3,226.60	3,226.60	674.68	2,551.92
Natural Gas	3,729.06	3,729.06	476.93	3,252.13
Gasoline	7,932.42	7,932.42		7,932.42

TOWNSHIP OF WHITE  
CURRENT FUND  
SCHEDULE OF 2015 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2016  
(Continued)

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Balance After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Statutory Expenditures:				
Social Security	\$ 5,709.78	\$ 5,709.78		\$ 5,709.78
Unemployment Compensation	171.40	171.40		171.40
	<u>\$ 106,491.40</u>	<u>\$ 106,491.40</u>	<u>\$ 17,917.48</u>	<u>\$ 88,573.92</u>

	<u>Ref.</u>
<u>Balance as of December 31, 2015</u>	
Unencumbered	A \$ 105,985.28
Encumbered	A <u>506.12</u>
	<u>\$ 106,491.40</u>

TOWNSHIP OF WHITE  
CURRENT FUND  
SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE

	<u>Ref.</u>	
Balance December 31, 2015:		
School Tax Payable	A	\$ 63,891.53
School Tax Deferred		3,360,132.35
Increased by:		
Levy - School Year July 1, 2016 through June 30, 2017		7,342,685.00
		<u>10,766,708.88</u>
Decreased by:		
Payments to Local School District		<u>7,280,121.00</u>
Balance December 31, 2016		<u><u>\$ 3,486,587.88</u></u>
Analysis of Balance December 31, 2016:		
School Tax Payable	A	\$ 126,455.53
School Tax Deferred		<u>3,360,132.35</u>
		<u><u>\$ 3,486,587.88</u></u>

TOWNSHIP OF WHITE  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>2016 Budget</u> <u>Revenue</u> <u>Realized</u>	<u>Cash</u> <u>Received</u>	<u>Transferred</u> <u>from</u> <u>Unappropriated</u> <u>Reserves</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Clean Communities Program:					
2015		\$ 16,355.13		\$ 16,355.13	
Recycling Tonnage Grant		2,992.25	\$ 2,992.25		
Highlands Council Grant:					
Plan Performance Grant - 2009	\$ 12,137.50				\$ 12,137.50
Municipal Alliance Program		5,392.00			5,392.00
F.E.M.A. Hazard Mitigation Generator Grant	49,032.00				49,032.00
Municipal Building Generator Grant		50,000.00			50,000.00
Warren County Open Space Grant	11,821.81				11,821.81
	<u>\$ 72,991.31</u>	<u>\$ 74,739.38</u>	<u>\$ 2,992.25</u>	<u>\$ 16,355.13</u>	<u>\$ 128,383.31</u>
Ref.	A				A

TOWNSHIP OF WHITE  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF APPROPRIATED RESERVES

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Transferred</u> <u>from</u> <u>2016 Budget</u> <u>Appropriations</u>	<u>Cash</u> <u>Disbursed</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
<b>Municipal Alliance Program:</b>				
2014 - Local Share	\$ 667.40		\$ 667.40	
2015 - Local Share	1,309.00		1,309.00	
2016 - Local Share		\$ 1,618.00	1,084.58	\$ 533.42
2016 - State Share		5,392.00		5,392.00
<b>Clean Communities Program:</b>				
2015		16,355.13	9,429.86	6,925.27
2014	3,409.36		3,409.36	
<b>Recycling Tonnage Grant:</b>				
2013	1,129.96		1,129.96	
2014	4,705.75		2,466.93	2,238.82
2015	5,560.69			5,560.69
2016		2,992.25		2,992.25
Council On Affordable Housing Grant	4,637.50			4,637.50
<b>Highlands Council Grant:</b>				
Plan Performance Grant - 2011	7,048.75			7,048.75
RMP Compliance Grant Program - 2011	954.91			954.91
Comcast Grant	245.00		125.00	120.00
Municipal Building Generator Grant		50,000.00	50,000.00	
F.E.M.A. Hazard Mitigation Generator Grant	1,199.02			1,199.02



TOWNSHIP OF WHITE  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF APPROPRIATED RESERVES

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Transferred</u> <u>from</u> <u>2016 Budget</u> <u>Appropriations</u>	<u>Cash</u> <u>Disbursed</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Warren County Open Space Grant	\$ 11,821.81			\$ 11,821.81
	<u>\$ 42,689.15</u>	<u>\$ 76,357.38</u>	<u>\$ 69,622.09</u>	<u>\$ 49,424.44</u>
<u>Ref.</u>	A			A
		Federal and State Grants \$ 74,739.38	\$ 66,436.11	
		Local Share 1,618.00	3,185.98	
		<u>\$ 76,357.38</u>	<u>\$ 69,622.09</u>	

TOWNSHIP OF WHITE  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF UNAPPROPRIATED RESERVES

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Cash</u> <u>Received</u>	<u>Transferred</u> <u>to 2016</u> <u>Budget</u> <u>Revenue</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
Clean Communities Program:				
2016		\$ 18,703.49		\$ 18,703.49
2015	<u>\$ 16,355.13</u>		<u>\$ 16,355.13</u>	
	<u><u>\$ 16,355.13</u></u>	<u><u>\$ 18,703.49</u></u>	<u><u>\$ 16,355.13</u></u>	<u><u>\$ 18,703.49</u></u>
<u>Ref.</u>	A			A

TOWNSHIP OF WHITE  
COUNTY OF WARREN  
2016  
TRUST FUNDS

TOWNSHIP OF WHITE  
TRUST FUNDS  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Balance December 31, 2015	B	\$ 20,002.00	\$ 620,251.62
Increased by Receipts:			
Due Current Fund:			
Interest on Investments			\$ 381.56
Open Space Trust Fund:			
Tax Levy			112,429.19
Interest			588.44
Miscellaneous			12,509.25
Gravel Pit Escrow Deposits			5,000.00
Escrow Deposits			27,991.71
Unemployment Compensation Insurance			890.80
Due From Tax Collector - Tax Sale Premium			307,300.00
Animal Control Registrar		<u>\$ 7,066.00</u>	
		<u>7,066.00</u>	<u>467,090.95</u>
		27,068.00	1,087,342.57
Decreased by Disbursements:			
Due to Current Fund:			
Settlement of Prior Year Interfund		6,634.80	
Gravel Pit Escrow Expenditures			12,054.25
Escrow Deposit Expenditures			80,534.72
Open Space Expenditures			40,751.70
Tax Sale Premium Returned			59,700.00
Due to State Board of Health		<u>973.20</u>	
		<u>7,608.00</u>	<u>193,040.67</u>
Balance December 31, 2016	B	<u>\$ 19,460.00</u>	<u>\$ 894,301.90</u>

TOWNSHIP OF WHITE  
ANIMAL CONTROL FUND  
SCHEDULE OF CASH - REGISTRAR  
YEAR ENDED DECEMBER 31, 2016

Increased by:

    Collections:

Municipal License Fees	\$ 5,271.20	
Late Fees	818.00	
State License Fees	976.80	
	<hr/>	
		\$ 7,066.00
		<hr/>
		7,066.00

Decreased by:

    Payments:

Municipal Treasurer		\$ 7,066.00
		<hr/> <hr/>

TOWNSHIP OF WHITE  
ANIMAL CONTROL FUND  
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2015	B	\$ 13,367.60
Increased by:		
2016 Dog License Fees Collected		\$ 5,271.20
Late Fees		818.00
		6,089.20
		19,456.80
Decreased by:		
Statutory Excess Due Current Fund		7,300.40
		7,300.40
Balance December 31, 2016	B	\$ 12,156.40

License Fees Collected

<u>Year</u>	<u>Amount</u>
2014	\$ 6,718.00
2015	5,438.40
	5,438.40
Maximum Allowable Reserve	\$ 12,156.40

TOWNSHIP OF WHITE  
COUNTY OF WARREN  
2016  
GENERAL CAPITAL FUND

TOWNSHIP OF WHITE  
GENERAL CAPITAL FUND  
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2015	C	\$ 504,194.62
Increased by Receipts:		
Due Current Fund:		
Budget Appropriation - Capital Improvement Fund		\$ 75,000.00
Interest Earned		1,346.44
		76,346.44
		580,541.06
Decreased by Disbursements:		
Due to Current Fund:		
Interest Earned		1,337.47
Improvement Authorization Expenditures		8,699.85
		10,037.32
Balance December 31, 2016	C	\$ 570,503.74



TOWNSHIP OF WHITE  
GENERAL CAPITAL FUND  
ANALYSIS OF CASH

	Receipts		Disbursements			Transfers		Balance Dec. 31, 2016		
	Balance Dec. 31, 2015	Budget Appropriation	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To			
	Fund Balance	\$ 257,877.09								\$ 257,877.09
Capital Improvement Fund	193,649.68	\$ 75,000.00				\$ 180,000.00		88,649.68		
Due Current Fund	110.18		\$ 1,346.44		\$ 1,337.47			119.15		
<u>Ord.</u>	<u>Date/No.</u>	<u>Improvement Description</u>								
	2010-05	Municipal Building Improvements	16,473.92		\$ 8,699.85			7,774.07		
	2013-07	Acquisition of Department of Public Works Generator	36,083.75					36,083.75		
	2016-01	Acquisition of 2017 Model 4x4 Dump Truck with Spreader and Plow					\$ 180,000.00	180,000.00		
			<u>\$ 504,194.62</u>	<u>\$ 75,000.00</u>	<u>\$ 1,346.44</u>	<u>\$ 8,699.85</u>	<u>\$ 1,337.47</u>	<u>\$ 180,000.00</u>	<u>\$ 180,000.00</u>	<u>\$ 570,503.74</u>

TOWNSHIP OF WHITE  
GENERAL CAPITAL FUND  
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED  
FOR THE YEAR ENDED DECEMBER 31, 2016

<u>Ord.</u> <u>No.</u>	<u>Improvement Description</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Notes</u> <u>Paid by</u> <u>Budget</u> <u>Appropriation</u>
2009-08	Acquisition of Aerial Fire Truck	\$ 250,526.00	\$ 250,526.00
		<u>\$ 250,526.00</u>	<u>\$ 250,526.00</u>

Ref.

C

TOWNSHIP OF WHITE  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Improvement Description	Ordinance Number	Amount	Balance Dec. 31, 2015 Funded	2016	Paid or Charged	Balance
				Authorizations Capital Improvement Fund		Dec. 31, 2016 Funded
Municipal Building Improvements	2010-05	\$ 110,000.00	\$ 16,473.92		\$ 8,699.85	\$ 7,774.07
Acquisition of Department of Public Works Generator	2013-07	50,000.00	36,083.75			36,083.75
Acquisition of 2017 Model 4x4 Dump Truck with Spreader and Plow	2016-01	180,000.00		\$ 180,000.00		180,000.00
			\$ 52,557.67	\$ 180,000.00	\$ 8,699.85	\$ 223,857.82
	<u>Ref.</u>		C			C

TOWNSHIP OF WHITE  
GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2015	C	\$ 193,649.68
Increased By:		
Budget Appropriation		75,000.00
		<u>268,649.68</u>
Decreased By:		
Appropriation to Finance		
Improvement Authorizations		180,000.00
		<u>180,000.00</u>
Balance December 31, 2016	C	<u>\$ 88,649.68</u>

TOWNSHIP OF WHITE  
GENERAL CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2016

Ord. No.	Improvement Description	Date of			Interest Rate	Balance	
		Issue of Original Note	Issue	Maturity		Dec. 31, 2015	Matured
2009-08	Purchase of Fire Engine	05/28/10	05/12/15	05/18/16	0.87%	\$ 250,526.00	\$ 250,526.00
						\$ 250,526.00	\$ 250,526.00
					<u>Ref.</u>	C	
							Paid by Budget Appropriation
							\$ 250,526.00
							\$ 250,526.00

TOWNSHIP OF WHITE  
GENERAL CAPITAL FUND  
SCHEDULE OF SERIAL BONDS PAYABLE  
YEAR ENDED DECEMBER 31, 2016

NOT APPLICABLE

TOWNSHIP OF WHITE  
GENERAL CAPITAL FUND  
SCHEDULE OF LOANS PAYABLE  
YEAR ENDED DECEMBER 31, 2016

NOT APPLICABLE

TOWNSHIP OF WHITE  
GENERAL CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2016

NOT APPLICABLE



TOWNSHIP OF WHITE  
COUNTY OF WARREN  
2016  
WATER UTILITY FUND

NOT APPLICABLE

TOWNSHIP OF WHITE  
COUNTY OF WARREN  
2016  
SEWER UTILITY FUND

TOWNSHIP OF WHITE  
SEWER UTILITY FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Sewer Operating</u>	<u>Capital</u>
Balance December 31, 2015	E	\$ 342,057.70	\$ 219,949.94
Increased by Receipts:			
Consumer Accounts Receivable		\$ 283,060.96	
Prepaid Sewer Rents		3,096.17	
Interest on Sewer Rents		3,671.23	
Interest Income		779.30	
Miscellaneous		777.95	
Due to Sewer Utility Operating Fund:			
Interest Earned		512.23	\$ 558.45
Prior Year Interfund Returned		507.44	
Improvement Authorizations		3,233.25	
2016 Budget Appropriation:			
Capital Improvement Fund			25,000.00
		<u>295,638.53</u>	<u>25,558.45</u>
		637,696.23	245,508.39
Decreased by Disbursements:			
2016 Appropriation Expenditures		313,597.60	
Due from Sewer Utility Capital Fund:			
Improvement Authorizations		3,233.25	
Due to Sewer Utility Operating Fund:			
Interfund Returned			4,252.92
		<u>316,830.85</u>	<u>4,252.92</u>
Balance December 31, 2016	E	<u>\$ 320,865.38</u>	<u>\$ 241,255.47</u>

TOWNSHIP OF WHITE  
SEWER UTILITY CAPITAL FUND  
ANALYSIS OF SEWER UTILITY CAPITAL CASH

	Balance Dec. 31, 2015	Receipts		Disbursements	Transfers		Balance Dec. 31, 2016
		Budget Appropriation	Miscellaneous	Miscellaneous	From	To	
Capital Improvement Fund	\$ 200,000.00	\$ 25,000.00					\$ 225,000.00
Due to Sewer Utility Operating Fund	507.44		\$ 558.45	\$ 4,252.92		\$ 3,233.25	46.22
Ord. No.	<u>Improvement Authorizations</u>						
15-03	Purchase and Installation of Sewer Meters and Equipment	19,442.50				\$ 3,233.25	16,209.25
		<u>\$ 219,949.94</u>	<u>\$ 25,000.00</u>	<u>\$ 558.45</u>	<u>\$ 4,252.92</u>	<u>\$ 3,233.25</u>	<u>\$ 241,255.47</u>

TOWNSHIP OF WHITE  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

Balance December 31, 2015	<u>Ref.</u> E	\$ 27,682.86
Increased by:		
Sewer Rents Levied		313,676.84
		<u>341,359.70</u>
Decreased by:		
Collections	\$ 283,060.96	
Prepayments Applied	<u>6,229.74</u>	
		<u>289,290.70</u>
Balance December 31, 2016	E	<u><u>\$ 52,069.00</u></u>

TOWNSHIP OF WHITE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL  
YEAR ENDED DECEMBER 31, 2016

NOT APPLICABLE

TOWNSHIP OF WHITE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Improvement Description	Ordinance		Balance	Balance
	Date	Amount	Dec. 31, 2015	Dec. 31, 2016
Purchase and Installation of Sewer Meters and Equipment	03/12/15	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00

TOWNSHIP OF WHITE  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF 2015 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2016

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 0.92	\$ 0.92		\$ 0.92
Other Expenses (Includes Belvidere)	4,150.61	4,150.61		4,150.61
Sewer Service Charges - PRMUA	1.00	1.00		1.00
Deferred Charges and Statutory Expenditures:				
Statutory Expenditures:				
Social Security System (O.A.S.I.)	70.39	70.39		70.39
	<u>\$ 4,222.92</u>	<u>\$ 4,222.92</u>	<u>\$ -0-</u>	<u>\$ 4,222.92</u>

Ref.            E

Balance December 31, 2015:

Unencumbered	<u>\$ 4,222.92</u>
	<u>\$ 4,222.92</u>



TOWNSHIP OF WHITE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance	Paid or Charged	Balance
		Date	Amount	Dec. 31, 2015 Funded		Dec. 31, 2016 Funded
15-03	Purchase and Installation of Sewer Meters and Equipment	03/12/15	\$ 20,000.00	\$ 19,442.50	\$ 3,233.25	\$ 16,209.25
				<u>\$ 19,442.50</u>	<u>\$ 3,233.25</u>	<u>\$ 16,209.25</u>

TOWNSHIP OF WHITE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2015	E	\$ 200,000.00
Increased by:		
2016 Budget Appropriation		<u>25,000.00</u>
Balance December 31, 2016	E	<u>\$ 225,000.00</u>

TOWNSHIP OF WHITE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>Ord.</u> <u>No.</u>	<u>Improvement Description</u>	<u>Date of</u> <u>Ordinance</u>	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Balance</u> <u>Dec. 31, 2016</u>
15-03	Purchase and Installation of Sewer Meters and Equipment	3/12/15	<u>\$ 20,000.00</u>	<u>\$ 20,000.00</u>

TOWNSHIP OF WHITE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF SERIAL BONDS PAYABLE  
YEAR ENDED DECEMBER 31, 2016

NOT APPLICABLE

TOWNSHIP OF WHITE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE  
YEAR ENDED DECEMBER 31, 2016

NOT APPLICABLE

TOWNSHIP OF WHITE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2016

NOT APPLICABLE

TOWNSHIP OF WHITE  
COUNTY OF WARREN  
2016  
PUBLIC ASSISTANCE FUND

TOWNSHIP OF WHITE  
PUBLIC ASSISTANCE FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Fund Total</u>	<u>Public Assistance Trust Fund I</u>
Balance December 31, 2015	F	\$ 2,268.45	\$ 2,268.45
Increased by Receipts:			
Interest Earned		<u>5.75</u>	<u>5.75</u>
Balance December 31, 2016	F	<u>\$ 2,274.20</u>	<u>\$ 2,274.20</u>



TOWNSHIP OF WHITE  
COUNTY OF WARREN  
2016  
BOND AND INTEREST FUND

NOT APPLICABLE

TOWNSHIP OF WHITE

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2016

TOWNSHIP OF WHITE  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 YEAR ENDED DECEMBER 31, 2016

Name of State Agency or Department	Name of Program	State Pass-Through Entity ID#	C.F.D.A. Number	Grant Period		Grant Award Amount	Amount Received	Program Expenditures	Cumulative Expenditures	Amounts Provided to Subrecipients
				From	To					
<u>US Department of Homeland Security</u> (Pass Through N.J Dept of Law and Public Safety)	Disaster Grants - Public Assistance - FEMA	N/A	97.036	01/22/16	01/24/16	\$ 18,395.84	\$ 18,395.84	\$ 18,395.84 *	18,395.84 *	
	Hazard Mitigation Grant Program - Municipal Building Generator	N/A	97.039	06/24/15	06/25/18	50,000.00		50,000.00	50,000.00	
Total US Department of Homeland Security							<u>18,395.84</u>	<u>68,395.84</u>	<u>68,395.84</u>	
							<u>\$ 18,395.84</u>	<u>\$ 68,395.84</u>	<u>\$ 68,395.84</u>	<u>\$ -0-</u>

\* - expended in prior year

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWNSHIP OF WHITE  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
YEAR ENDED DECEMBER 31, 2016

Name of State Agency or Department	Name of Program	Program Account No.	Grant Award Amount	Grant Period		Receipts	Expenditures	Total Cumulative Expenditures
				From	To			
Department of Environmental Protection	Clean Communities Grant	765-042-4900-	\$ 13,387.33	01/01/14	12/31/16		\$ 3,409.36	\$ 13,387.33
		004-VCMC-6020	16,355.13	01/01/15	12/31/17		9,429.86	9,429.86
			18,703.49	01/01/16	12/31/17	\$ 18,703.49		
						<u>18,703.49</u>	<u>12,839.22</u>	<u>22,817.19</u>
	Recycling Grant	752-042-4900- 001-6020	3,692.33	01/01/12	12/31/16		1,129.96	3,692.33
			4,705.75	01/01/13	12/31/17		2,466.93	2,466.93
2,992.25			01/01/16	12/31/17	2,992.25			
					<u>2,992.25</u>	<u>3,596.89</u>	<u>6,159.26</u>	
Total Department of Environmental Protection						<u>21,695.74</u>	<u>16,436.11</u>	<u>28,976.45</u>
Total State Awards						<u>\$ 21,695.74</u>	<u>\$ 16,436.11</u>	<u>\$ 28,976.45</u>

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWNSHIP OF WHITE  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2016

Note 1: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (the "Schedules") includes the federal and state grant activity of White Township under programs of the federal and state governments for the year ended December 31, 2016. The information in these schedules is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the Township, they are not intended to and do not present the financial position, changes in fund balance or cash flows of the Township.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through identifying numbers are presented where available. The Township has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.



Mount Arlington Corporate Center  
 200 Valley Road, Suite 300  
 Mt. Arlington, NJ 07856  
 973-328-1825 | 973-328-0507 Fax  
 Lawrence Business Center  
 11 Lawrence Road  
 Newton, NJ 07860  
 973-383-6699 | 973-383-6555 Fax

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

Independent Auditor's Report

The Honorable Mayor and Members  
 of the Township Committee  
 Township of White  
 Belvidere, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements – *regulatory basis* - of the various funds of the Township, in the County of Warren (the "Township") as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements and have issued our report thereon dated June 12, 2017. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

**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.

Our consideration of the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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.

The Honorable Mayor and Members  
of the Township Committee  
Township of White  
Page 2

We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses as Findings 2016-01 and 2016-02, which we consider to be significant deficiencies.

### **Compliance and Other Matters**

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

### **The Township's Responses to the Findings**

The Township's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses. The Township's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **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 result 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.

Mount Arlington, New Jersey  
June 12, 2017

NISIVOCCIA LLP



John J. Mooney  
Certified Public Accountant  
Registered Municipal Accountant No. 560

TOWNSHIP OF WHITE  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2016

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the Township prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey.
- Significant deficiencies were disclosed during the audit of the financial statements as reported in the *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*. No material weaknesses are reported.
- No instances of noncompliance material to the financial statements of the Township which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- The Township was not subject to the single audit provisions of the Federal Uniform Guidance and New Jersey's OMB Circular 15-08 for the year ended December 31, 2016 as both state and federal grant expenditures were less than the single audit thresholds of \$750,000 identified in the Uniform Guidance and New Jersey's OMB Circular 15-08.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit disclosed the following significant deficiencies required to be reported under Generally Accepted Government Auditing Standards:

Finding 2016-01

The Township does not maintain an adequate segregation of duties with respect to the recording and treasury functions. Segregation of duties refers to separating those functions that place too much control over a transaction or class of transactions that would enable a person to perpetuate errors and prevent detection within a reasonable period of time. The various departments/offices of the Township are responsible for the issuance of permits and licenses; collection of taxes, utility charges and permit and license fees; and recording of collections. Also, the Chief Financial Officer disburses funds and reconciles the bank accounts for their respective funds or accounts. Also, the preparation of the general ledger for the various funds as well as the preparation of payroll are performed by one person, the Chief Financial Officer. This is due, in part, to the limited number of personnel of the Township and the decentralized nature of governmental collection procedures. Accordingly, management and the Township Committee should be aware of this situation and realize that the concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view.

Management's Response:

Finding 2016-01 was evaluated, however, due to budgetary constraints, no resolution can be made at this time.



TOWNSHIP OF WHITE  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2016

Finding 2016-02

The tax/sewer collector department does not maintain an accurate record of taxpayer accounts. The tax/sewer collector is responsible for the collection, posting, and deposit of all sewer and tax payments. There is no independent oversight of these responsibilities. Payments made on taxes are not being posted in a timely manner and the tax collector is not always applying payments to the oldest delinquent balance on accounts. In addition, the tax collector is frequently applying tax payments to the incorrect block and lot. Lastly, the tax collector is not making deposits in a timely manner. Adequate procedures are not in place and it appears controls are being overridden in the tax software. Furthermore, it was found that the tax collector is not maintaining an analysis of open municipal liens. The Township should review and modify procedures to ensure the chief financial officer and tax collector records are reconciled on a monthly basis, and that any differences are addressed in a timely manner. The tax collector department needs to implement procedures to ensure receipts are posted in a timely manner, and applied to the proper block and lot and the appropriate tax quarter. In addition, deposits should be made within forty-eight hours per state statute. Lastly, the tax collector should be maintaining an analysis of open municipal liens. These deficiencies can cause individual taxpayer and individual lien accounts to be incorrect. Management should be aware of this situation and realize that the lack of controls in the tax collector office enable errors to occur and prevent detection of the errors.

Management's Response:

Finding 2016-02 was evaluated and the tax collector has been made aware of the deficiencies in the tax collector department through meeting with the township committee and procedures have been implemented to address these deficiencies. The tax collector department prepares the daily deposits and postings which are turned over to the chief financial officer to review and deposit. The tax collector department and the Chief Financial Officer will reconcile records on a monthly basis. The tax collector department will use greater care in posting payment to the proper block and lot, applying payments to the oldest delinquent balance, and posting and depositing in a timely manner. Furthermore, the tax collector department will maintain an analysis of open municipal liens.

Findings and Questioned Costs for Federal Awards:

- Not applicable since federal expenditures were below the Single Audit threshold.

Findings and Questioned Costs for State Awards:

- Not applicable since state expenditures were below the Single Audit threshold.

TOWNSHIP OF WHITE  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2016

Status of Prior Year Findings:

The prior year finding regarding the segregation of duties was not resolved and is included in the current year findings.

TOWNSHIP OF WHITE

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2016

TOWNSHIP OF WHITE  
COMMENTS AND RECOMMENDATIONS

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

N.J.S. 40A:11-3 states:

a. " When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, c.198 (C.40A: 11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L.1971, c.198 (C.40A11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made."

N.J.S. 40A: 11-4 states: "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

Effective July 1, 2015 and thereafter, the bid thresholds in accordance with N.J.S.A. 40A:11-3 and 40A:11-4 (as amended) are \$17,500 for a contracting unit without a qualified purchasing agent and \$40,000 for a contracting unit with a qualified purchasing agent.

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

The minutes indicated that bids were requested by public advertising per N.J.S. 40A:11-4. The minutes also indicated that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services," per N.J.S. 40A:11-5.

TOWNSHIP OF WHITE  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Contracts and Agreements Required to be Advertised for N.J.S. 40A:11-4 (Cont'd)

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, to determine whether any clear-cut violations existed. None were noted.

Collection of Interest on Delinquent Taxes/Sewer Rents

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes on or before the date when they would become delinquent. On January 4, 2016, the governing body adopted a resolution authorizing interest to be charged at the rate of 8% per annum on the first \$1,500 of delinquent taxes and 18% per annum for delinquent taxes in excess of \$1,500, and allows an additional penalty of 6% be collected against a delinquency in excess of \$10,000 on properties that fail to pay the delinquency prior to the end of the calendar year.

On January 4, 2016, the governing body adopted a resolution authorizing interest to be charged at the rate of 8% per annum on the first \$1,500 of delinquent sewer rents and 18% per annum for delinquent sewer rents in excess of \$1,500, and allows an additional penalty of 6% be collected against a delinquency in excess of \$10,000 on properties that fail to pay the delinquency prior to the end of the calendar year. It allows for a grace period of 30 days for payment of the quarterly 2016 sewer bills.

From our testing of the Tax Collector's and Sewer Rent Collector's records, it appeared that interest was charged for delinquent tax/sewer rent payments in accordance with the above resolution.

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 13, 2016, and was complete. Inspection of tax sale certificates on a test basis revealed that tax sale certificates were available for audit.

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

<u>Year</u>	<u>Number of Liens</u>
2016	34
2015	32
2014	24

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a taxpaying basis.

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, consisting of verification notices as follows:

TOWNSHIP OF WHITE  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Verification of Delinquent Taxes and Other Charges (Cont'd)

<u>Type</u>	<u>Number Mailed</u>
Payments of 2017 Taxes	20
Payments of 2016 Taxes	20
Delinquent Taxes	60
Tax Title Liens	5
Payments of 2017 Sewer Rents	20
Payments of 2016 Sewer Rents	20
Unpaid Sewer Rents	30

Verification notices were mailed to confirm balances as of December 31, 2016. The items that were returned were checked and in agreement with the Township's records. For receivable items not returned, alternative procedures were performed.

New Jersey Administrative Code Accounting Requirements

The Division of Local Government Services has established three (3) accounting requirements which are prescribed in the New Jersey Administrative Code. They are as follows:

1. Maintenance of an encumbrance accounting system.
2. Fixed assets accounting and reporting system.
3. General ledger accounting system.

The Township currently complies with these accounting requirements.

Accounting Procedures:

During the course of our audit testing, we noted several instances where purchases were made prior to the preparation and approval of purchase orders.

Recommendation:

It is recommended that purchase orders are prepared and approved prior to the purchase of goods or services to ensure the availability of funds.

Management's Response:

All purchase orders will be prepared and approved prior to the purchase of goods or services to ensure the availability of funds.

TOWNSHIP OF WHITE  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Tax Collector:

1. A review of the Tax Collector's cashbook and reconciliation with the Treasurer's records revealed that amounts being reported to the Treasurer are not always in agreement with the amounts recorded in the Tax Collector's cashbook.

Recommendation:

It is recommended that the Chief Financial Officer and the Tax Collector reconcile all receipts on a monthly basis and reconciling differences are addressed in a timely manner.

Management's Response:

The Chief Financial Officer and Tax Collector will reconcile all receipts on a monthly basis and reconciling items will be addressed in a timely manner.

2. A review of the tax payments found that payments were not applied in sequential order.

Recommendation:

It is recommended that the Tax Collector apply payments to the oldest taxes receivable balance first.

Management's Response:

The Tax Collector will ensure that payments are applied in sequential order.

3. A review of the individual sewer accounts revealed that adjustments were not being posted correctly and in a timely manner. As a result, this caused certain individual sewer accounts to show delinquent balances in error.

Recommendation:

It is recommended that the Sewer Collector post and make adjustments in a timely manner.

Management's Response:

The Sewer Collector will ensure that adjustments and postings are made in a timely manner.

4. A review of the individual taxpayer accounts revealed that payments were not being posted in a timely manner. As a result, this caused individual tax accounts to show delinquent balances and accrue interest in error.

Recommendation:

It is recommended that the Tax Collector post payments in a timely manner.

Management's Response:

The Tax Collector will ensure that payments are posted in a timely manner.

TOWNSHIP OF WHITE  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Tax Collector: (Cont'd)

5. A review of the individual taxpayer accounts revealed that payments were not always being posted to the correct property. As a result, this caused certain individual tax accounts to show delinquent balances and accrue interest in error.

Recommendation:

It is recommended that the Tax Collector post payments to the correct property.

Management's Response:

The Tax Collector will ensure that payments are posted to the correct property.

6. During the course of our audit, it was found that the Tax receipts are not being deposited within forty-eight hours of receipt as per State statute.

Recommendation:

It is recommended that Tax receipts are deposited within forty-eight hours of being collected as per State statute.

Management's Response:

The Tax Collector will ensure that receipts are deposited within forty-eight hours of being collected.

7. During the course of our audit, it was found that an analysis of open municipal liens was not maintained.

Recommendation:

It is recommended that an analysis of open municipal liens is maintained.

Management's Response:

The Tax Collector will ensure an analysis of open municipal liens is maintained.

Outside Offices:

During the course of our audit, it was found that the Zoning and Construction Department receipts are not being deposited within forty-eight hours.

Recommendation:

It is recommended that the Zoning and Construction receipts are deposited within forty-eight hours of being collected.

Management's Response:

The Zoning and Construction will make every effort to ensure receipts are deposited within forty-eight hours of being collected.



TOWNSHIP OF WHITE  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Payroll:

During the course of our audit, it was found that the payroll agency account has miscellaneous balances at year end.

Recommendation:

It is recommended that miscellaneous payroll agency balances be turned over to Current Fund.

Management's Response:

Miscellaneous balances will be turned over to Current Fund.

Municipal Court

Effective January 2015, the Township of White Municipal Court was combined with the North Warren at Hope Municipal Court as a Joint Municipal Court.

Management Suggestion

Governmental Accounting Standards Board Statements

The next Governmental Accounting Standards Board ("GASB") statement which will have a significant impact on the Township will be GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, will be effective for the fiscal year ending June 30, 2018. This standard replaces GASB No. 45, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. It is similar to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* in that successful implementation of this standard will require the provision of certain key financial and non-financial information from the New Jersey Division of Pensions.

Federal and State Grant Receivables

It is suggested that a review of federal and state grant receivables be performed to identify which will be collected and which grants should be cancelled.

Corrective Action Plan

The recommendations from the 2015 audit regarding segregation of duties, the CFO and Tax Collector reconciling receipts, purchase orders prepared and approved prior to the purchase of goods and services, Tax Collector applying payments to the oldest receivable balance first, Sewer Collector posting and making adjustments in a timely manner, and the Zoning and Construction receipts are deposited within 48 hours have not been resolved and are included in the 2016 audit report.

TOWNSHIP OF WHITE  
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. The Township be aware of the lack of segregation of duties and realize that the concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view.
2. Purchase orders are prepared and approved prior to the purchase of goods or services to ensure the availability of funds.
3. The Chief Financial Officer and Tax Collector reconcile all receipts on a monthly basis and reconciling differences are addressed in a timely manner.
4. The Tax Collector apply payments to the oldest taxes receivable balance first.
5. The Tax Collector post payments in a timely manner.
6. The Tax Collector apply payments to the correct property.
7. The Tax Collector deposit funds within 48 hours as per State statute.
8. The Sewer Collector post and make adjustments in a timely manner.
9. An analysis of open municipal liens is maintained.
10. The Zoning and Construction receipts are deposited within forty-eight hours of being collected as per State statute.
11. Miscellaneous payroll agency balances be turned over to current fund.

\* \* \* \* \*