

**BOROUGH OF BROOKLAWN
COUNTY OF CAMDEN
REPORT OF AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2015**



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BOROUGH OF BROOKLAWN
PART I
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Brooklawn
Brooklawn, New Jersey 08030

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Brooklawn, in the County of Camden, State of New Jersey, as of December 31, 2015 and 2014, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed assets group of accounts - regulatory basis for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey; 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Borough'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 Borough's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

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

The effects on the financial statements of the variances between the regulatory basis of accounting described in note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter discussed in the “*Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America*” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Borough of Brooklawn, in the County of Camden, State of New Jersey, as of December 31, 2015 and 2014, or the results of its operations and changes in fund balance for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Brooklawn, in the County of Camden, State of New Jersey, as of December 31, 2015 and 2014, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed assets group of accounts - regulatory basis, for the year ended December 31, 2015 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

Emphasis of Matter

Adoption of New Accounting Principles

As discussed in note 8 to the financial statements, during the year ended December 31, 2015, the Borough adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. As a result of the regulatory basis of accounting, described in the previous paragraph, the implementation of these Statements only required financial statement disclosures. Our opinions are not modified with respect to this matter.

Other Matters

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2016 on our consideration of the Borough of Brooklawn's, in the County of Camden, State of New Jersey, 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 Borough of Brooklawn's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Kirk N. Applegate
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 14, 2016

**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 Borough Council
Borough of Brooklawn
Brooklawn, New Jersey 08030

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the Borough of Brooklawn, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated June 14, 2016. That report indicated that the Borough of Brooklawn's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. In addition, our report on the financial statements also included an emphasis of matter paragraph describing the adoption of new accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough of Brooklawn'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 Borough of Brooklawn's internal control. Accordingly, we do not express an opinion on the effectiveness of Borough of Brooklawn'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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Kirk N. Applegate
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 14, 2016

BOROUGH OF BROOKLAWN
CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2015 and 2014

<u>ASSETS</u>	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
Regular Fund:			
Cash--Treasurer	SA-1	\$ 1,227,170.71	\$ 1,082,142.84
Cash--Change Funds	SA-2	240.00	240.00
		<u>1,227,410.71</u>	<u>1,082,382.84</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	119,647.01	125,847.66
Tax Title Liens Receivable	SA-4	71,266.87	53,636.92
Property Acquired for Taxes - Assessed Valuation	A	69,700.00	69,700.00
Rents Receivable - Borough-Owned Homes	SA-6	15,123.89	14,628.89
Revenue Accounts Receivable	SA-7	7,483.31	6,970.73
Interlocal Service Agreement	A	2,229.00	1,671.75
Due from Trust- Animal Control Fund	SB-3	1.67	2.05
Due from Trust- Other Fund	SB-4	1,279.03	
Due from General Capital Fund	SC-4	299.61	84.51
Due from Water Utility Operating Fund	D		577.46
Due from Public Assistance Fund	SE-1	0.12	0.12
		<u>287,030.51</u>	<u>273,120.09</u>
		<u>1,514,441.22</u>	<u>1,355,502.93</u>
Federal and State Grant Fund:			
Cash	SA-1	43,113.97	45,496.91
Grants Receivable	SA-18	147,349.84	102,258.29
		<u>190,463.81</u>	<u>147,755.20</u>
		<u>\$ 1,704,905.03</u>	<u>\$ 1,503,258.13</u>

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2015 and 2014

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
Regular Fund:			
Appropriation Reserves	A-3;SA-8	\$ 152,427.71	\$ 178,293.60
Reserve for Encumbrances:			
Budget	A-3	30,002.91	52,586.17
Due to CCMUA - Tax Sale	A-3	562.72	562.72
Due to State of New Jersey:			
Veterans and Senior Citizens Deductions (Ch.73, P.L. 1976)	SA-5	15,313.43	15,491.38
Marriage License Fees	SA-9	75.00	25.00
State Training Fees	SA-10	3,933.00	424.00
Reserve for Payroll Deductions Payable	SA-11	23,971.96	19,356.60
Prepaid Taxes	SA-12	63,325.40	29,339.36
Tax Overpayments	SA-13	17,770.23	15,719.32
Due County for Added and Omitted Taxes	SA-15	3,556.09	15.57
Prepaid Rents on Borough Owned Homes	SA-16	3,030.00	5,040.00
School Taxes Payable	SA-17	82,413.50	76,672.25
Reserve for Preparation of Tax Maps	A	2,032.50	2,032.50
Reserve for Revaluation	SA-1	16,185.00	16,185.00
Due to Trust - Other Fund	SB-4		9,826.65
Due to Water Utility - Operating Fund	SD-1	444.30	
		<u>415,043.75</u>	<u>421,570.12</u>
Reserves for Receivables		287,030.51	273,120.09
Fund Balance	A-1	<u>812,366.96</u>	<u>660,812.72</u>
		<u>1,514,441.22</u>	<u>1,355,502.93</u>
Federal and State Grant Fund:			
Reserve for Small Cities Program Income	SA-1	73.66	73.66
Reserve for Federal and State Grants - Unappropriated	SA-19		7,320.45
Reserve for Federal and State Grants - Appropriated	SA-20	184,548.36	139,210.88
Reserve for Encumbrances	SA-20	5,841.79	1,150.21
		<u>190,463.81</u>	<u>147,755.20</u>
		<u>\$ 1,704,905.03</u>	<u>\$ 1,503,258.13</u>

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

BOROUGH OF BROOKLAWN
CURRENT FUND
 Statements of Operations and Changes
 In Fund Balance - Regulatory Basis
 For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<u>Revenue and Other Income Realized:</u>		
Fund Balance Utilized	\$ 335,000.00	\$ 306,000.00
Miscellaneous Revenues Anticipated	1,048,459.48	866,244.20
Receipts from Delinquent Taxes	123,846.70	84,788.67
Receipts from Current Taxes	4,147,093.37	4,132,271.02
Nonbudget Revenues	68,170.77	63,062.00
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	187,771.89	185,080.46
Liquidate Reserve for Overpaid Local School Taxes		41,197.50
Interfund Reserves Liquidated:		
Due from Trust - Animal Control Fund	0.38	38.98
Due from Water Utility Operating Fund	577.46	
Due from Public Assistance Fund		2.12
	<u>5,910,920.05</u>	<u>5,678,684.95</u>
<u>Expenditures:</u>		
Budget Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	1,232,115.00	1,157,262.00
Other Expenses	1,228,024.00	1,244,662.00
Deferred Charges and Statutory Expenditures		
Municipal -- Within "CAPS"	273,312.00	299,156.00
Operations Excluded from "CAPS"		
Salaries and Wages	36,687.00	36,687.00
Other Expenses	97,897.77	66,018.63
Capital Improvement Fund	10,000.00	15,000.00
Municipal Debt Service	189,853.48	160,732.06
Deferred Charges -- Excluded from "CAPS"		22,600.00
County Taxes	1,042,537.94	1,079,189.50
Due County for Added and Omitted Taxes	3,557.49	15.57
Local District School Tax	1,307,637.00	1,162,049.50
Prior Year Senior Citizens Disallowed	1,250.00	1,500.00
Creation of Reserve for Interlocal Services Agreement Receivable		1,671.75
Interfund Reserves Created:		
Due from Trust Other Fund	1,279.03	
Due from Water Utility Operating Fund		373.02
Due from General Capital Fund	215.10	84.51
	<u>5,424,365.81</u>	<u>5,247,001.54</u>

BOROUGH OF BROOKLAWN
CURRENT FUND
 Statements of Operations and Changes
 In Fund Balance - Regulatory Basis
 For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Excess in Revenues	\$ 486,554.24	\$ 431,683.41
Adjustments to Income Before Fund Balance:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Year	<u>-</u>	<u>-</u>
Statutory Excess to Fund Balance	486,554.24	431,683.41
Fund Balance January 1	<u>660,812.72</u>	<u>535,129.31</u>
	1,147,366.96	966,812.72
Decreased by:		
Utilization as Anticipated Revenue	<u>335,000.00</u>	<u>306,000.00</u>
Fund Balance December 31	<u><u>\$ 812,366.96</u></u>	<u><u>\$ 660,812.72</u></u>

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

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2015

	Anticipated Budget	Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 335,000.00	\$ -	\$ 335,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	12,500.00		12,650.00	150.00
Other	8,000.00		8,460.00	460.00
Fines and Costs:				
Municipal Court	81,000.00		87,983.24	6,983.24
Interest and Costs on Taxes	21,503.55		29,744.93	8,241.38
Interest on Investments and Deposits	3,500.00		5,932.37	2,432.37
Rental of Municipally Owned Property	263,000.00		304,226.00	41,226.00
Uniform Fire Safety Act-- Fees & Permits	1,800.00		2,515.00	715.00
Rental Registration Fees	26,000.00		24,820.00	(1,180.00)
Consolidated Municipal Property Tax Relief Aid	3,666.00		3,666.00	
Energy Receipts Tax P.L. 1997, Chapters 162 & 167)	195,843.00		195,843.00	
Uniform Construction Code Fees	19,000.00		79,030.00	60,030.00
Hotel Motel Tax	23,000.00		56,351.47	33,351.47
Sewer Service Fees	104,000.00		114,930.60	10,930.60
Special Items of Revenue:				
Uniform Fire Safety Act	5,000.00		5,615.35	615.35
Interlocal Service Agreement - Electrical Sub Code Official	4,458.00		3,733.37	(724.63)
Interlocal Service Agreement - Fire Sub Code Official	2,229.00		2,396.38	167.38
Public and Private Revenues Offset With Appropriations:				
Municipal Alliance on Alcoholism and Drug Abuse	6,920.00		6,920.00	
Body Armor Replacement Fund		1,089.36	1,089.36	
Bulletproof Vest Partnership Grant	2,065.29		2,065.29	
Clean Communities Program		4,041.96	4,041.96	
Department of Transportation Grant - Community Road		61,190.00	61,190.00	
Recycling Tonnage Grant	5,255.16		5,255.16	
Safe and Secure Communities Grant	30,000.00		30,000.00	
Subtotal General Revenues	<u>818,740.00</u>	<u>66,321.32</u>	<u>1,048,459.48</u>	<u>163,398.16</u>
Receipts from Delinquent Taxes	<u>100,000.00</u>	<u>-</u>	<u>123,846.70</u>	<u>23,846.70</u>
Subtotal General Revenues	1,253,740.00	66,321.32	1,507,306.18	187,244.86
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes Including Reserve for Uncollectible Taxes	<u>1,934,410.00</u>	<u>-</u>	<u>1,978,827.34</u>	<u>44,417.34</u>
Budget Totals	3,188,150.00	66,321.32	3,486,133.52	231,662.20
Nonbudget Revenues	<u>-</u>	<u>-</u>	<u>68,170.77</u>	<u>68,170.77</u>
	<u>\$ 3,188,150.00</u>	<u>\$ 66,321.32</u>	<u>\$3,554,304.29</u>	<u>\$ 299,832.97</u>

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2015

Analysis of Realized Revenue:Allocation of Current Tax Collections:

Revenue from Collections	\$ 4,147,093.37
Allocated to:	
School, and County Taxes	2,354,766.03
Balance for Support of Municipal Budget Revenues	1,792,327.34
Add:	
Appropriation: "Reserve for Uncollected Taxes"	186,500.00
Amount for Support of Municipal Budget Appropriations	\$ 1,978,827.34

Receipts from Delinquent Taxes

Delinquent Tax Collections	\$ 123,846.70
----------------------------	---------------

Interest on Investments and Deposits

Treasurer	\$ 5,893.23
Municipal Court	39.14
	\$ 5,932.37

Rental of Municipally Owned Property

Rents Receivable	\$ 299,186.00
Prepayments Applied	5,040.00
	\$ 304,226.00

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2015

Miscellaneous Revenue Not Anticipated - Treasurer:	
Marriage License	\$ 27.00
CO Inspection Fees	5,017.60
Recycling	2,221.49
Police Reports	548.58
Registrar	200.00
Zoning	375.00
Sale of Municipal Assets	9,272.20
Miscellaneous	12,809.52
Homestead Rebate	184.80
Copies	8.25
Cable Television Franchise Fees	11,685.15
Bus Shelters	550.00
NSF Check Service Charge	160.00
Gateway Railroad Lease	1,100.00
Seniors' and Veterans' Deductions Administrative Fee	475.00
DMV Inspection Fees	4,209.50
Donations - 4th of July	30.00
Sewer Service Fees - Interest on Delinquent Accounts	390.06
Other Fees	11,500.00
PILOT Billing	4,894.40
Zoning Lists	80.00
FCR Refund	89.44
	65,827.99
Due from Trust Other - Miscellaneous	2,342.78
	\$ 68,170.77

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

BOROUGH OF BROOKLAWN
CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2015

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
<u>OPERATIONS WITHIN "CAPS"</u>						
<u>GENERAL GOVERNMENT:</u>						
Administrative and Executive Salaries and Wages:						
Municipal Clerk's Office	\$ 65,000.00	\$ 65,000.00	\$ 62,758.54	\$ 2,241.46		
Mayor and Council	13,536.00	13,536.00	13,209.00	327.00		
Borough Recorder	1,000.00	1,000.00	561.00	439.00		
Other Expenses:						
Printing and Legal	3,100.00	3,100.00	1,418.30	150.00	1,531.70	
Mayor and Council	3,100.00	3,600.00	3,204.47	290.00	105.53	
Miscellaneous Other Expenses	35,000.00	35,000.00	31,902.80	457.00	2,640.20	
Elections						
Other Expenses	2,000.00	2,000.00	1,051.26	948.74		
Financial Administration						
Salaries and Wages:						
Treasurer's Office	29,300.00	27,300.00	24,980.54		2,319.46	
Chief Financial Officer	31,100.00	35,600.00	34,901.93		698.07	
Other Expenses:						
Annual Audit	28,500.00	28,500.00	28,500.00			
Assessment of Taxes						
Salaries and Wages	8,500.00	8,500.00	8,199.96		300.04	
Other Expenses	2,000.00	2,000.00	1,999.17		0.83	
Collection of Taxes						
Salaries and Wages	26,600.00	26,600.00	25,946.08		653.92	
Other Expenses	4,500.00	4,500.00	3,385.21		1,114.79	
Legal Services						
Other Expenses	32,000.00	36,500.00	36,121.27	27.00	351.73	

BOROUGH OF BROOKLAWN
CURRENT FUND

Statement of Expenditures - Regulatory Basis
 For the Year Ended December 31, 2015

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered Reserved	
<u>OPERATIONS WITHIN "CAPS" (CONT'D)</u>					
Administration of Borough-Owned Homes					
Salaries and Wages	\$ 9,700.00	\$ 9,700.00	\$ 9,607.81	\$	92.19
Municipal Prosecutor					
Salaries and Wages	7,217.00	7,217.00	7,212.02		4.98
Engineering Services and Costs					
Other Expenses	28,000.00	28,000.00	19,473.75		8,526.25
Public Buildings and Grounds					
Other Expenses	30,000.00	30,000.00	28,641.71	\$ 964.22	394.07
Maintenance of Borough Owned Homes					
Salaries and Wages	15,000.00	15,000.00	14,776.08		223.92
Other Expenses	60,000.00	60,000.00	52,853.19	7,138.40	8.41
Municipal Land Use Law (N.J.S.A. 40:55D-1)					
Planning and Zoning Boards:					
Salaries and Wages	4,500.00	4,500.00	3,948.89		551.11
Other Expenses	4,000.00	4,000.00	2,456.14		1,543.86
Insurance:					
Group Insurance Plans for Employees	375,294.00	353,694.00	297,056.12		56,637.88
Health Benefit Waiver	25,000.00	25,000.00	23,311.94		1,688.06
Worker's Compensation Insurance	80,230.00	80,230.00	80,230.00		
Other Insurance Premiums	75,000.00	75,000.00	74,999.55		0.45
Animal Control					
Other Expenses	8,500.00	8,500.00	5,512.68		2,987.32
Celebration of Public Events					
Other Expenses	4,000.00	6,000.00	5,966.44		33.56

BOROUGH OF BROOKLAWN
CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2015

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
<u>OPERATIONS WITHIN "CAPS" (CONT'D)</u>						
<u>PUBLIC SAFETY:</u>						
Volunteer Fire	\$ 27,000.00	\$ 27,000.00	\$ 26,547.18	\$ 365.91	\$ 86.91	
Other Expenses						
Fire Prevention:						
Salaries and Wages	5,450.00	5,450.00	5,363.04		86.96	
Other Expenses	3,000.00	3,000.00	2,299.23	678.00	22.77	
Police						
Salaries and Wages	610,000.00	626,000.00	625,909.18		90.82	
Other Expenses	55,000.00	58,000.00	55,416.62	1,377.99	1,205.39	
Volunteer Ambulance Assoc.						
Other Expenses	18,000.00	18,000.00	14,733.61	2,543.93	722.46	
Municipal Code Enforcement Official						
Salaries and Wages	29,500.00	29,500.00	28,564.58		935.42	
Other Expenses	1,500.00	1,500.00	690.11		809.89	
Municipal Court:						
Salaries and Wages	67,000.00	71,000.00	69,008.76		1,991.24	
Other Expenses	10,000.00	11,000.00	10,206.14	300.00	493.86	
Office of Emergency Management						
Salaries and Wages	2,560.00	2,560.00	2,400.00		160.00	
Other Expenses	2,000.00	2,000.00	1,412.21		587.79	
Traffic Signals						
Other Expenses	2,800.00	2,800.00	1,643.56		1,156.44	
Public Defender						
Salaries and Wages	4,000.00	4,000.00	4,000.00			
Streets and Roads						
Road Repairs and Maintenance						
Salaries and Wages	81,500.00	89,900.00	88,444.94	1,208.88	246.18	
Other Expenses	7,600.00	7,600.00	6,849.72	190.35	559.93	

BOROUGH OF BROOKLAWN
CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2015

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
<u>OPERATIONS WITHIN "CAPS" (CONT'D)</u>						
<u>PUBLIC SAFETY (CONT'D):</u>						
Vehicle Maintenance						
Other Expenses	\$ 33,500.00	\$ 36,500.00	\$ 32,258.34	\$ 1,263.17	\$ 2,978.49	
Sanitation						
Sewer System						
Salaries and Wages	59,000.00	59,000.00	58,300.89		699.11	
Other Expenses	16,500.00	12,500.00	7,283.52	2,077.19	3,139.29	
Garbage and Trash Removal						
Salaries and Wages	60,500.00	57,500.00	55,718.45		1,781.55	
Other Expenses	3,500.00	3,500.00	1,522.87		1,977.13	
Sanitary Landfill						
Other Expenses	61,000.00	55,500.00	39,124.71	6,037.76	10,337.53	
Recycling						
Salaries and Wages	53,000.00	53,200.00	53,169.81		30.19	
Other Expenses	11,000.00	11,000.00	8,918.75	1,431.20	650.05	
<u>HEALTH AND WELFARE:</u>						
Board of Health						
Salaries and Wages	1,347.00	1,347.00	1,307.00		40.00	
Other Expenses	1,500.00	1,500.00	952.51		547.49	
Parks and Playgrounds						
Other Expenses	20,000.00	20,000.00	14,941.61	1,060.50	3,997.89	
Shade Tree Commission						
Salaries and Wages	460.00	460.00	417.00		43.00	
Other Expenses	7,000.00	7,000.00	6,741.06	175.00	83.94	

BOROUGH OF BROOKLAWN
CURRENT FUND

Statement of Expenditures - Regulatory Basis
 For the Year Ended December 31, 2015

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered Reserved	
<u>OPERATIONS WITHIN "CAPS" (CONT'D)</u>					
STATE UNIFORM CONSTRUCTION CODE:					
Construction Code Official					
Salaries and Wages	\$ 7,105.00	\$ 7,105.00	\$ 7,017.12	\$ 87.88	
Subcode Officials:					
Electrical Inspector					
Salaries and Wages	4,080.00	4,080.00	4,075.03	4.97	
Fire Inspector					
Salaries and Wages	3,640.00	3,640.00	1,817.98	1,822.02	
Plumbing Official					
Salaries and Wages	3,420.00	3,420.00	3,353.04	66.96	
UNCLASSIFIED:					
Utilities:					
Utilities	172,000.00	164,000.00	139,845.85	\$ 1,194.41	22,959.74
Total Operations Within "CAPS"	2,457,139.00	2,460,139.00	2,284,440.27	28,930.91	\$ 146,767.82
Total Operations Including Contingent - within "CAPS"					\$ -
Detail:					
Salaries and Wages	1,204,015.00	1,232,115.00	1,214,968.67	1,208.88	15,937.45
Other Expenses	1,253,124.00	1,228,024.00	1,069,471.60	27,722.03	130,830.37

BOROUGH OF BROOKLAWN
CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2015

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":</u>						
STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees Retirement Systems	\$ 66,693.00	\$ 66,693.00	\$ 66,693.00			
Police and Fireman's Retirement System of New Jersey	122,619.00	122,619.00	122,619.00			
Social Security System (O.A.S.I.)	77,000.00	74,000.00	70,337.21		\$ 3,662.79	
Unemployment Compensation Insurance	10,000.00	10,000.00	10,000.00			
	<u>276,312.00</u>	<u>273,312.00</u>	<u>269,649.21</u>	<u>\$ -</u>	<u>3,662.79</u>	<u>\$ -</u>
<u>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</u>						
	<u>2,733,451.00</u>	<u>2,733,451.00</u>	<u>2,554,089.48</u>	<u>28,930.91</u>	<u>150,430.61</u>	<u>-</u>
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>						
Insurance:						
Employee Group Health	12,206.00	12,206.00	12,206.00			
Recycling Tax	3,400.00	3,400.00	2,017.92		1,382.08	
Interlocal Service Agreement - Borough of Merchantville						
Electrical Sub-code Official Services	4,458.00	4,458.00	4,458.00			
Fire Sub-code Official Services	2,229.00	2,229.00	541.98	1,072.00	615.02	
Total Other Operations Excluded from "CAPS"	<u>22,293.00</u>	<u>22,293.00</u>	<u>19,223.90</u>	<u>1,072.00</u>	<u>1,997.10</u>	<u>-</u>

BOROUGH OF BROOKLAWN
CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2015

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
<u>OPERATIONS EXCLUDED FROM "CAPS" (CONTD)</u>						
Public and Private Programs Offset by Revenues:						
Municipal Alliance on Alcoholism and Drug Abuse	\$ 8,650.00	\$ 8,650.00	\$ 8,650.00			
Recycling Tonnage Grant	5,255.16	5,255.16	5,255.16			
Clean Communities (N.J.S.A. 40A:4-87, \$4,041.96+)	2,065.29	2,065.29	2,065.29			
Bulletproof Vest Partnership Grant		1,089.36	1,089.36			
Body Armor Replacement Fund (N.J.S.A. 40A:4-87, \$1,089.36+)						
Department of Transportation Grant - Community Road (N.J.S.A. 40A:4-87, \$61,190.00+)	30,000.00	61,190.00	61,190.00			
Safe & Secure Communities Grant		30,000.00	30,000.00			
Total Public and Private Programs Offset by Revenues	45,970.45	112,291.77	112,291.77	\$ -	\$ -	\$ -
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	68,263.45	134,584.77	131,515.67	1,072.00	1,997.10	-
Detail:						
Salaries and Wages	36,687.00	36,687.00	34,999.98	1,072.00	615.02	-
Other Expenses	31,576.45	97,897.77	96,515.69	-	1,382.08	-
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS":						
Capital Improvement Fund	10,000.00	10,000.00	10,000.00	-	-	-
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Application Notes and Capital Notes Interest on Notes	176,925.00	176,925.00	176,925.00			82.07
	13,010.55	13,010.55	12,928.48			
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	189,935.55	189,935.55	189,853.48	-	-	82.07

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2015

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered Reserved	
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	\$ 268,199.00	\$ 334,520.32	\$ 331,369.15	\$ 1,072.00	\$ 82.07
SUBTOTAL GENERAL APPROPRIATIONS	3,001,650.00	3,067,971.32	2,885,458.63	30,002.91	82.07
RESERVE FOR UNCOLLECTED TAXES	186,500.00	186,500.00	186,500.00	-	-
TOTAL GENERAL APPROPRIATIONS	<u>\$ 3,188,150.00</u>	<u>\$ 3,254,471.32</u>	<u>\$ 3,071,958.63</u>	<u>\$ 30,002.91</u>	<u>\$ 82.07</u>
Budget		\$ 3,188,150.00			
Appropriation by N.J.S.A. 40A:4-87		66,321.32			
		<u>\$ 3,254,471.32</u>			
Federal and State Grants - Appropriated			\$ 112,291.77		
Reserve for Uncollected Taxes			186,500.00		
Payroll Deductions Payable			604,522.87		
Disbursed			<u>2,168,643.99</u>		
			<u>\$ 3,071,958.63</u>		

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

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
 Statements of Assets, Liabilities and Reserves - Regulatory Basis
 As of December 31, 2015 and 2014

<u>ASSETS</u>	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
Animal Control Fund:			
Cash	SB-1	\$ 7,526.60	\$ 9,451.52
Other Funds:			
Cash	SB-1	205,454.37	129,594.46
Due from Current Fund	SB-4		9,826.65
Due from Developers	B		171.86
Community Development Block Grants Receivable	SB-5	12,848.46	40,278.46
		<u>218,302.83</u>	<u>179,871.43</u>
		<u>\$ 225,829.43</u>	<u>\$ 189,322.95</u>
 <u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Reserve for Animal Control Expenditures	SB-2	\$ 7,524.93	\$ 9,449.47
Due to Current Fund	SB-3	1.67	2.05
		<u>7,526.60</u>	<u>9,451.52</u>
Other Funds:			
Due to Current Fund	SB-4	1,279.03	
Reserves for:			
Drug Awareness Resistance Education (DARE)	B	72.88	72.88
Performance Guarantees	B	3,000.00	3,000.00
Replacement of Borough Owned Homes	B	10.17	10.17
Off Duty Police Work	SB-6	87,946.88	25,491.46
Reserve for Community Development Block Grants	SB-7	2,562.73	52,020.10
Security Deposits on Borough Owned Homes	SB-8	34,506.50	31,091.31
Developers Escrow Deposits	SB-9	6,387.75	
Unemployment Compensation Insurance	SB-10	14,026.38	5,018.97
Parking Offenses Adjudication Act	SB-11	371.00	347.00
Local Law Enforcement	SB-12	7,396.24	5,720.52
Public Defender Fees	SB-13	1,828.73	959.69
Recreation Donations	SB-14	3,682.42	4,606.22
Tax Title Lien Redemptions	SB-15	6,279.93	5,424.61
Tax Sale Premiums	SB-16	39,400.00	44,700.00
Site Plan Review Deposits	SB-17	9,552.19	1,408.50
		<u>218,302.83</u>	<u>179,871.43</u>
		<u>\$ 225,829.43</u>	<u>\$ 189,322.95</u>

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

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
 As of December 31, 2015 and 2014

<u>ASSETS</u>	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
Cash	SC-1	\$ 1,459,047.44	\$ 399,387.31
Deferred Charges to Future Taxation:			
Unfunded	SC-3	2,962,906.00	1,528,831.00
N.J. Transportation Trust Fund Grant Receivable	SC-7	408,403.29	329,664.79
		<u>\$ 4,830,356.73</u>	<u>\$ 2,257,883.10</u>
 <u>LIABILITIES AND RESERVES</u>			
Reserve to Pay Notes	SC-2	\$ 25,376.71	
Due to Current Fund	SC-4	299.61	\$ 84.51
Capital Improvement Fund	SC-5	13,095.28	30,095.28
Contracts Payable	SC-6		191,428.11
Improvement Authorizations:			
Funded	SC-8	8,012.51	24,668.00
Unfunded	SC-8	1,785,932.12	482,776.20
Bond Anticipation Notes	SC-9	2,962,906.00	1,528,831.00
Fund Balance	C-1	34,734.50	
		<u>\$ 4,830,356.73</u>	<u>\$ 2,257,883.10</u>

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

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of General Capital Surplus - Regulatory Basis
For the Year Ended December 31, 2015

Improvement Authorizations Canceled	<u>\$ 34,734.50</u>
Balance December 31, 2015	<u><u>\$ 34,734.50</u></u>

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

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
 As of December 31, 2015 and 2014

	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>			
Operating Fund:			
Cash - Treasurer	SD-1	\$ 67,232.97	\$ 50,446.85
Due from Payroll	SD-1		6,171.69
Due from Current	SD-1	444.30	
Due from Water Utility Capital Fund	SD-1	358.68	50.79
		<u>68,035.95</u>	<u>56,669.33</u>
Receivables With Full Reserves			
Consumer Accounts Receivable	SD-3	118,672.17	91,945.10
Total Operating Fund		<u>186,708.12</u>	<u>148,614.43</u>
Capital Fund:			
Cash	SD-1	1,685,232.48	236,013.07
Fixed Capital	SD-4	2,998,133.54	2,435,178.34
Fixed Capital Authorized and Uncompleted	SD-5	1,649,099.20	721,754.40
Total Capital Fund		<u>6,332,465.22</u>	<u>3,392,945.81</u>
		<u>\$ 6,519,173.34</u>	<u>\$ 3,541,560.24</u>

(Continued)

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
 As of December 31, 2015 and 2014

	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves	D-3;SD-6	\$ 21,278.99	\$ 5,210.39
Reserve for Encumbrances	D-3;SD-6	16,036.87	6,921.39
Rent Overpayments	D-1		624.00
Due to Current Fund	SD-1		6,749.15
Accrued Interest on Bonds and Notes	SD-7	1,912.37	2,032.96
		<u>39,228.23</u>	<u>21,537.89</u>
Reserve for Receivables	D	118,672.17	91,945.10
Fund Balance	D-1	<u>28,807.72</u>	<u>35,131.44</u>
Total Operating Fund		<u>186,708.12</u>	<u>148,614.43</u>
Capital Fund:			
Reserve for Payment of Debt	D	5,322.36	5,322.36
Capital Improvement Fund	D	12,000.00	12,000.00
Due to Water Utility Operating Fund	SD-2	358.68	50.79
Improvement Authorizations			
Funded	SD-8	11,930.27	11,643.78
Unfunded	SD-8	1,637,168.93	188,543.90
Reserve for Amortization	SD-9	2,670,273.47	2,435,178.34
Deferred Reserve for Amortization	SD-10	11,930.27	183,955.40
Bond Anticipation Notes	SD-11	1,970,730.00	543,500.00
Fund Balance	D	<u>12,751.24</u>	<u>12,751.24</u>
Total Capital Fund		<u>6,327,142.86</u>	<u>3,387,623.45</u>
		<u>\$ 6,513,850.98</u>	<u>\$ 3,536,237.88</u>

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

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
 Statements of Operations and Changes in Fund Balance - Regulatory Basis
 For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenue and Other Income Realized:		
Operating Surplus Anticipated	\$ 20,900.00	\$ 9,500.00
Rents	402,767.64	402,477.58
Miscellaneous	8,635.48	3,265.41
Water Tower Lease	15,600.00	31,572.96
Cancel Rent Overpayments	624.00	
Unexpended Balance of Appropriation Reserves	6,324.65	18,835.18
 Total Income	 454,851.77	 465,651.13
Expenditures:		
Operations:		
Salaries and Wages	172,950.00	175,000.00
Other Expenses	186,400.00	172,400.00
Debt Service	67,545.49	64,286.72
Deferred Charges and Statutory Expenditures	13,380.00	22,420.43
 Total Expenditures	 440,275.49	 434,107.15
 Excess in Revenue	 14,576.28	 31,543.98
Adjustments to Income before Fund Balance:		
Expenditures included above which are by Statute Deferred Charges to Budget of Succeeding Year	-	-
 Statutory Excess to Fund Balance	 14,576.28	 31,543.98
 Fund Balance January 1	 35,131.44	 13,087.46
Total	49,707.72	44,631.44
Decreased by:		
Utilization as Anticipated Revenue	20,900.00	9,500.00
 Fund Balance December 31	 \$ 28,807.72	 \$ 35,131.44

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

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2015

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Operating Surplus Anticipated	\$ 20,900.00	\$ 20,900.00	
Water Rents	402,000.00	402,767.64	\$ 767.64
Miscellaneous	3,000.00	8,635.48	5,635.48
Water Tower Lease	<u>15,600.00</u>	<u>15,600.00</u>	
	<u>\$ 441,500.00</u>	<u>\$ 447,903.12</u>	<u>\$ 6,403.12</u>

Analysis of Realized Revenue:

Miscellaneous:

Interest on Delinquent Accounts	\$ 1,833.16
Meter Fees	2,235.00
Water Connections	2,000.00
Interest on Deposits	<u>161.52</u>
	6,229.68
Due from Current Fund - Interest on Delinquent Accounts	140.90
Interest on Water Capital Checking Account	<u>2,264.90</u>
	<u>\$ 8,635.48</u>

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

BOROUGH OF BROOKLAWN
 WATER UTILITY FUND
 Statement of Expenditures - Regulatory Basis
 For the Year Ended December 31, 2015

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered Reserved	
Operations:					
Salaries and Wages	\$ 172,950.00	\$ 172,950.00	\$ 172,054.86	\$ 895.14	
Other Expenses	170,000.00	170,000.00	133,940.23	20,022.90	
Annual Audit	16,400.00	16,400.00	16,200.00	200.00	
Total Operations	359,350.00	359,350.00	322,195.09	16,036.87	21,118.04
					\$ -
Debt Service:					
Payment of Bond Anticipation Notes	63,070.00	63,070.00	63,070.00		
Interest on Notes	5,700.00	5,700.00	4,475.49		1,224.51
Total Debt Service	68,770.00	68,770.00	67,545.49	-	1,224.51
Deferred Charges and Statutory Expenditures:					
Deferred Charges:					
Deficits in Operations in Prior Years					
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	13,379.00	13,379.00	13,219.05	159.95	
Unemployment Compensation Insurance	1.00	1.00		1.00	
Total Deferred Charges and Statutory Expenditures:	13,380.00	13,380.00	13,219.05	160.95	-
Total Water Utility Appropriations	\$ 441,500.00	\$ 441,500.00	\$ 402,959.63	\$ 16,036.87	\$ 21,278.99
					\$ 1,224.51
Interest on Bond and Notes Disbursed			\$ 4,475.49		
			398,484.14		
			\$ 402,959.63		

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

BOROUGH OF BROOKLAWN
PUBLIC ASSISTANCE TRUST FUND
 Statements of Assets, Liabilities and Reserves - Regulatory Basis
 As of December 31, 2015 and 2014

	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>			
Cash	SE-1	<u>\$ 550.86</u>	<u>\$ 550.86</u>
 <u>LIABILITIES AND RESERVES</u>			
Due to Current Fund	SE-1	\$ 0.12	\$ 0.12
Reserve for Public Assistance	E	<u>550.74</u>	<u>550.74</u>
		<u>\$ 550.86</u>	<u>\$ 550.86</u>

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

BOROUGH OF BROOKLAWN
GENERAL FIXED ASSET ACCOUNT GROUP
Statement of Changes in General Fixed Assets - Regulatory Basis
For the Year Ended December 31, 2015

	Balance Dec. 31, 2014	Additions	Deletions	Balance Dec. 31, 2015
General Fixed Assets:				
Land	\$ 1,617,100.00	\$ 88,200.00	\$ 13,300.00	\$ 1,692,000.00
Building	3,136,800.00	158,800.00	51,200.00	3,244,400.00
Equipment	<u>2,570,572.19</u>	<u>61,073.60</u>	<u>142,984.00</u>	<u>2,488,661.79</u>
Total General Fixed Assets	<u>\$ 7,324,472.19</u>	<u>\$ 308,073.60</u>	<u>\$ 207,484.00</u>	<u>\$ 7,425,061.79</u>
Total Investment in General Fixed Assets	<u>\$ 7,324,472.19</u>	<u>\$ 308,073.60</u>	<u>\$ 207,484.00</u>	<u>\$ 7,425,061.79</u>

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

BOROUGH OF BROOKLAWN
Notes to Financial Statements
For the Year Ended December 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Borough of Brooklawn (hereafter referred to as the "Borough") was incorporated as a Borough on April 5, 1924 and is located in southwest New Jersey directly across the Delaware River from the City of Philadelphia. The population according to the latest census is 1,955.

The Borough has a Mayor-Council form of government known as the Mayor-Council Plan A under the Optional Municipal Charter Law of 1960, popularly known as the Faulkner Act. The Mayor is separately elected. Executive and administrative responsibility rests with the Mayor, who is assisted by the Borough Clerk / Chief Financial Officer.

Component Units - The Borough had no component units as defined by Governmental Accounting Standards Board Statement No. 14, as amended by GASB Statements No. 39 and No. 61.

Measurement Focus, Basis of Accounting and Financial Statement Presentation - The financial statements of the Borough contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this note.

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

Current Fund - The current fund accounts for resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

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

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

Water Utility Operating and Capital Funds - The water utility operating and capital funds account for the operations and acquisition of capital facilities of the municipally owned water operations.

Public Assistance Fund - The Public Assistance Fund accounts for receipt and disbursement of funds that provide assistance to certain residents of the Borough pursuant to Title 44 of New Jersey statutes. The governing body resolved to transfer all public assistance activities to the County of Camden effective December 31, 1998.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

General Fixed Asset Group of Accounts - The general fixed asset group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other governmental funds.

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

An extension of the statutory dates for introduction, approval, and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

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

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

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

The cash management plan adopted by the Borough requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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

General Fixed Assets - Accounting for governmental fixed assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and *Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Part 200, §200.12), except that the useful life of such property is at least five years. The Borough has adopted a capitalization threshold of \$1,000.00. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Borough is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed assets, reflecting the activity for the year, must be included in the Borough's basic financial statements.

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

Utility Fixed Assets - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not represent replacement cost or current value. The reserve for amortization and deferred reserve for amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property and equipment and improvements and contributed capital.

Foreclosed Property - Foreclosed property is recorded in the current fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the general fixed assets account group. If such property is converted to a municipal use, it will be recorded in the general fixed assets account group.

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

Fund Balance - Fund balances included in the current fund and water utility operating fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from federal and state grants is realized when anticipated as such in the Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Borough's current fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

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

School Taxes - The Borough is responsible for levying, collecting, and remitting school taxes for the Borough of Brooklawn School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from July 1 to June 30, increased by the amount deferred at December 31, 2014 and decreased by the amount deferred at December 31, 2015.

County Taxes - The municipality is responsible for levying, collecting, and remitting county taxes for the County of Camden. County taxes are determined on a calendar year by the County Board of Taxation based upon the ratables required to be certified to them on January 10 of each year. Operations is charged for the amount due to the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of added and omitted taxes certified to the County Board of Taxation by October 10 of the current year, and due to be paid to the County by February 15 of the following year.

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

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

Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; whereas interest on utility indebtedness is on the accrual basis.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

Long-Term Debt - Long-term debt, relative to the acquisition of capital assets, is recorded as a liability in the general capital and utility capital funds. Where an improvement is a "local Improvement", i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the trust fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

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

Impact of Recently Issued Accounting Principles**Recently Issued and Adopted Accounting Pronouncements**

For the year ended December 31, 2015, the Borough adopted GASB 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. As a result of adopting such Statements, the Borough was required to measure and disclose liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to their defined benefit pensions. As a result of the regulatory basis of accounting previously described in note 1, the implementation of these Statements only required notes to the financial statement disclosures. There exists no impact on the financial statements of the Borough.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Borough's deposits might not be recovered. Although the Borough does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of December 31, 2015, all of the Borough's bank balances, totaling \$4,731,935.10, were insured by FDIC and GUDPA.

New Jersey Cash Management Fund - During the year, the Borough participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At December 31, 2015, the Borough's deposits with the New Jersey Cash Management Fund were \$2,382.39.

Note 3: PROPERTY TAXES

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

	<u>Year Ended</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Tax Rate	\$ 3.059	\$ 3.035	\$ 2.807	\$ 2.857	\$ 2.775
Apportionment of Tax Rate:					
Municipal	\$ 1.380	\$ 1.345	\$ 1.287	\$ 1.229	\$ 1.177
County	.728	.747	.779	.793	.720
County Open Space Trust Fund	.018	.018	.019	.021	.021
Local School	.933	.925	.722	.814	.857

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2015	\$ 140,133,300.00
2014	141,271,400.00
2013	141,919,477.00
2012	141,074,667.00
2011	140,824,035.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2015	\$ 4,301,259.54	\$ 4,147,093.37	96.42%
2014	4,287,656.29	4,132,271.02	96.38%
2013	3,979,500.67	3,884,166.81	97.60%
2012	4,030,533.61	3,891,034.54	96.54%
2011	3,908,661.28	3,805,469.49	97.36%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2015	\$ 71,266.87	\$ 119,647.01	\$ 190,913.88	4.44%
2014	53,636.92	125,847.66	179,484.58	4.19%
2013	48,213.36	83,342.09	131,555.45	3.31%
2012	43,197.25	132,217.49	175,414.74	4.35%
2011	35,689.40	71,790.77	107,480.17	2.75%

Note 3: PROPERTY TAXES (CONT'D)

The following comparison is made of the number of tax title liens receivable on December 31 for the current and previous four calendar years:

<u>Year</u>	<u>Number</u>
2015	6
2014	5
2013	5
2012	5
2011	4

Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2015	\$ 69,700.00
2014	69,700.00
2013	69,700.00
2012	69,700.00
2011	69,700.00

Note 5: WATER UTILITY SERVICE CHARGES

The following is a five-year comparison of water utility service charges (rents) for the current and previous four years:

<u>Year</u>	<u>Beginning Balance Receivable</u>	<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
2015	\$ 91,945.10	\$ 429,494.71	\$ 521,439.81	\$ 402,767.64
2014	114,346.01	380,076.67	494,422.68	402,477.58
2013	90,186.14	400,743.28	490,929.42	376,583.41
2012	84,919.04	393,451.58	478,370.62	388,184.48
2011	99,279.88	359,415.50	458,695.38	373,776.34

Note 6: FUND BALANCES APPROPRIATED

The following schedules detail the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets:

Current Fund

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2015	\$ 809,656.72	\$ 325,000.00	40.14%
2014	660,812.72	335,000.00	50.70%
2013	535,129.31	306,000.00	57.18%
2012	575,899.15	275,000.00	47.75%
2011	645,078.02	304,700.00	47.23%

Water Utility Fund

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2015	\$ 28,183.72	\$ 6,000.00	21.29%
2014	35,131.44	20,900.00	59.49%
2013	13,087.46	9,500.00	72.59%
2012	53,087.46	40,000.00	75.35%
2011	43,219.70	40,000.00	92.55%

Note 7: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2015:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 1,580.43	\$ 444.30
Trust - Animal Control		1.67
Trust - Other		1,279.03
General Capital		299.61
Water Utility - Operating	802.98	
Water Utility - Capital		358.68
Public Assistance Fund		0.12
	<u>\$ 2,383.41</u>	<u>\$ 2,383.41</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds and interest earned but not transferred to the current fund. During the year 2016, the Borough expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 8: PENSION PLANS

A substantial number of the Borough's employees participate in one of the following defined benefit pension plans: the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered by the New Jersey Division of Pensions and Benefits. In addition, Borough employees may participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This plan is administered by Prudential Financial for the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<http://www.state.nj.us/treasury/pensions>

General Information about the Pension Plans**Plan Descriptions**

Public Employees' Retirement System - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Borough, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS.

Police and Firemen's Retirement System - The Police and Firemen's Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. The PFRS's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PFRS is mandatory for substantially all full-time police and firemen of the Borough. The PFRS's Board of Trustees is primarily responsible for the administration of the PFRS.

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in PFRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions**

Public Employees' Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:15A 43:3B. The 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 the PERS.

The following represents the membership tiers for PERS:

Tier Definition

- 1 Members who were enrolled prior to July 1, 2007
- 2 Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
- 3 Members who were eligible to enroll on or after November 2, 2008 and prior to May 21, 2010
- 4 Members who were eligible to enroll after May 21, 2010 and prior to June 28, 2011
- 5 Members who were eligible to enroll on or after June 28, 2011

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

Police and Firemen's Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except disability benefits, which vest after 4 years of service.

The following represents the membership tiers for PFRS:

Tier Definition

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

Service retirement benefits are available at age 55 and are generally determined to be 2.0% of final compensation for each year of creditable service, as defined, up to 30 years plus 1.0% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65.0% (tiers 1 and 2 members) and 60.0% (tier 3 members) of final compensation plus 1.0% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving 10 years of service, in which case benefits would begin at age 55 equal to 2.0% of final compensation for each year of service.

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

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

Contributions

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over seven years beginning in July 2012. The member contribution rate was 6.92% in State fiscal year 2015. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 366, P.L. 2001) increased from 8.5% of base salary to 10%. Employers' contributions are based on an actuarially determined amount which includes the normal cost and unfunded accrued liability.

The Borough's contractually required contribution rate for the year ended December 31, 2015 was 11.39% of the Borough's covered-employee payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2015, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2015 is \$67,915.00, and is payable by April 1, 2016. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2014, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2014 was \$63,366.00, which was paid on April 1, 2015. Employee contributions to the plan during the year ended December 31, 2015 were \$42,282.31.

Police and Firemen's Retirement System - The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 8.5% to 10.0% in October 2011. Employers' contributions are based on an actuarially determined amount which includes the normal cost and unfunded accrued liability.

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Police and Firemen's Retirement System (Cont'd) - Special Funding Situation Component - Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a *special funding situation* as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The Borough's contractually required contribution rate for the year ended December 31, 2015 was 25.10% of the Borough's covered-employee payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2015, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2015 is \$111,338.00, and is payable by April 1, 2016. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2014, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2014 was \$116,727.00, which was paid on April 1, 2015. Employee contributions to the plan during the year ended December 31, 2015 were \$45,662.53.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Borough, for the year ended December 31, 2015 was 2.35% of the Borough's covered-employee payroll.

Based on the most recent PFRS measurement date of June 30, 2015, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2015 is \$10,415.00, and is payable by April 1, 2016. Based on the PFRS measurement date of June 30, 2014, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2014 was \$8,548.00, which was paid on April 1, 2015.

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Borough contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

No Borough employees participated in the Defined Contribution Retirement Program (DCRP).

Note 8: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

Public Employees' Retirement System - At December 31, 2015, the Borough's proportionate share of the PERS net pension liability was \$1,773,292.00. 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. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2015. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2015 measurement date, the Borough's proportion was 0.0078995565%, which was an increase of 0.0002131047% from its proportion measured as of June 30, 2014.

At December 31, 2015, the Borough's proportionate share of the PERS pension expense, calculated by the plan as of the June 30, 2015 measurement date is \$116,328.00. This expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2015, the Borough's contributions to PERS were \$67,915.00, and were paid on April 1, 2016.

Police and Firemen's Retirement System - At December 31, 2015, the Borough's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Borough's Proportionate Share of Net Pension Liability	\$ 2,281,480.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Borough	<u>200,078.00</u>
	<u>\$ 2,481,558.00</u>

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. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2015. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2015 measurement date, the Borough's proportion was 0.0136972239%, which was a decrease of 0.0015002375% from its proportion measured as of June 30, 2014. Likewise, at June 30, 2015, the State of New Jersey's proportion, on-behalf of the Borough, was 0.0136972239%, which was a decrease of .0015002375% from its proportion, on-behalf of the Borough, measured as of June 30, 2014.

At December 31, 2015, the Borough's proportionate share of the PFRS pension expense, calculated by the plan as of the June 30, 2015 measurement date is \$196,864.00. This expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2015, the Borough's contributions to PFRS were \$111,338.00, and were paid on April 1, 2016.

At December 31, 2015, the State's proportionate share of the PFRS pension expense, associated with the Borough, calculated by the plan as of the June 30, 2015 measurement date is \$200,078.00. This on-behalf expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1.

Note 8: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Deferred Outflows of Resources and Deferred Inflows of Resources - At December 31, 2015, the Borough had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	PERS	PFRS	Total	PERS	PFRS	Total
Differences between Expected and Actual Experience	\$ 42,305.00	\$ -	\$ 42,305.00	\$ -	\$ 19,678.00	\$ 19,678.00
Changes of Assumptions	190,437.00	421,218.00	611,655.00	-	-	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	-	-	28,511.00	39,707.00	68,218.00
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions	33,850.00	-	33,850.00	32,372.00	564,590.00	596,962.00
Borough Contributions Subsequent to the Measurement Date	33,958.00	55,669.00	89,627.00	-	-	-
	<u>\$ 300,550.00</u>	<u>\$ 476,887.00</u>	<u>\$ 777,437.00</u>	<u>\$ 60,883.00</u>	<u>\$ 623,975.00</u>	<u>\$ 684,858.00</u>

Deferred outflows of resources totaling \$300,550.00 and \$476,887.00 for PERS and PFRS, respectively, will be included as a reduction of the net pension liability in the year ending December 31, 2016. These amounts were based on an estimated April 1, 2017 contractually required contribution, prorated from the pension plans measurement date of June 30, 2015 to the Borough's year end of December 31, 2015.

The Borough will amortize the above other deferred outflow of resources and deferred inflows of resources related to pensions over the following number of years:

	PERS		PFRS	
	Deferred Outflow of Resources	Deferred Inflow of Resources	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
June 30, 2014	-	-	-	-
June 30, 2015	5.72	-	-	5.53
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	-	6.17	-
June 30, 2015	5.72	-	5.53	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2014	-	5.00	-	5.00
June 30, 2015	-	5.00	-	5.00
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	6.44	6.17	6.17
June 30, 2015	5.72	5.72	5.53	5.53

Note 8: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd) - Other amounts included as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future periods as follows:

Year Ending Dec 31,	PERS	PFRS	Total
2016	\$ 36,980.00	\$ (63,373.00)	\$ (26,393.00)
2017	36,980.00	(63,373.00)	(26,393.00)
2018	36,981.00	(63,371.00)	(26,390.00)
2019	58,420.00	(14,602.00)	43,818.00
2020	36,348.00	1,962.00	38,310.00
	<u>\$ 205,709.00</u>	<u>\$ (202,757.00)</u>	<u>\$ 2,952.00</u>

Actuarial Assumptions

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. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2015. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	PERS	PFRS
Inflation	3.04%	3.04%
Salary Increases:		
2012-2021	2.15% - 4.40% Based on Age	2.60% - 9.48% Based on Age
Thereafter	3.15% - 5.40% Based on Age	3.60% - 10.48% Based on Age
Investment Rate of Return	7.90%	7.90%
Mortality Rate Table	RP-2000	RP-2000
Period of Actuarial Experience		
Study upon which Actuarial		
Assumptions were Based	July 1, 2008 - June 30, 2011	July 1, 2010 - June 30, 2013

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

Note 8: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

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

For PERS and PFRS, in accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's and PFRS's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation %</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Intermediate 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%
	<u>100.00%</u>	

Note 8: PENSION PLANS (CONT'D)**Actuarial Assumptions**

Discount Rate - The discount rate used to measure the total pension liability at June 30, 2015 was 4.90% for PERS and 5.79% for PFRS. For both PERS and PFRS, the respective single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.90%, 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 rates assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and for PFRS, the non-employer contributing entity, will be made based on the average of the last five years of 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 for PERS and through 2045 for PFRS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033 for PERS and through 2045 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liabilities.

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

Public Employees' Retirement System (PERS) - The following presents the Borough's proportionate share of the net pension liability at June 30, 2015, the plans measurement date, calculated using a discount rate of 4.90%, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	PERS		
	1% Decrease (3.90%)	Current Discount Rate (4.90%)	1% Increase (5.90%)
Borough's Proportionate Share of the Net Pension Liability	\$ 2,203,985.00	\$ 1,773,292.00	\$ 1,412,202.00

Police and Firemen's Retirement System (PFRS) - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the Borough's annual required contribution. As such, the net pension liability as of June 30, 2015, the plans measurement date, for the Borough and the State of New Jersey, calculated using a discount rate of 5.79%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	PFRS		
	1% Decrease (4.79%)	Current Discount Rate (5.79%)	1% Increase (6.79%)
Borough's Proportionate Share of the Net Pension Liability	\$ 3,007,715.00	\$ 2,281,480.00	\$ 1,689,300.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Borough	263,766.00	200,078.00	148,146.00
	<u>\$ 3,271,481.00</u>	<u>\$ 2,481,558.00</u>	<u>\$ 1,837,446.00</u>

Note 8: PENSION PLANS (CONT'D)**Pension Plan Fiduciary Net Position**

Detailed information about each pension plan's fiduciary net position is available in the separately issued New Jersey Division of Pension and Benefits financial report. Information on where to obtain the report is indicated at the beginning of this note.

Supplementary Pension Information

In accordance with GASB 68, the following information is also presented for the PERS and PFRS Pension Plans. These schedules are presented to illustrate the requirements to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

Schedule of the Borough's Proportionate Share of the Net Pension Liability - Public Employees' Retirement System (PERS) (Last Three Years)

	<u>Measurement Date Ended June 30,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Borough's Proportion of the Net Pension Liability	0.0078995565%	0.0076864518%	0.0079321327%
Borough's Proportionate Share of the Net Pension Liability	\$ 1,773,292.00	\$ 1,439,114.00	\$ 1,515,988.00
Borough's Covered-Employee Payroll	545,516.00	534,796.00	547,784.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered-Employee Payroll	325.07%	269.10%	276.75%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.93%	52.08%	48.72%

Schedule of the Borough's Contributions - Public Employees' Retirement System (PERS) (Last Three Years)

	<u>Year Ended December 31,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Borough's Contractually Required Contribution	\$ 67,915.00	\$ 63,366.00	\$ 59,767.00
Borough's Contribution in Relation to the Contractually Required Contribution	(67,915.00)	(63,366.00)	(59,767.00)
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered-Employee Payroll	\$ 596,213.00	\$ 546,032.00	524,824.00
Borough's Contributions as a Percentage of it's Covered-Employee Payroll	11.39%	11.60%	11.39%

Note 8: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of the Borough's Proportionate Share of the Net Pension Liability - Police and Firemen's Retirement System (PFRS) (Last Three Years)***

	<u>Measurement Date Ended June 30,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Borough's Proportion of the Net Pension Liability	0.0136972239%	0.0151974614%	0.0196497222%
Borough's Proportionate Share of the Net Pension Liability	\$ 2,281,480.00	\$ 1,911,700.00	\$ 2,612,253.00
State's Proportionate Share of the Net Pension Liability associated with the Borough	<u>200,078.00</u>	<u>205,858.00</u>	<u>243,494.00</u>
Total	<u>\$ 2,481,558.00</u>	<u>\$ 2,117,558.00</u>	<u>\$ 2,855,747.00</u>
Borough's Covered-Employee Payroll	\$ 433,768.00	\$ 429,188.00	\$ 616,672.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered-Employee Payroll	525.97%	445.42%	423.60%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.31%	62.41%	58.70%

Schedule of the Borough's Contributions - Police and Firemen's Retirement System (PFRS) (Last Three Years)

	<u>Year Ended December 31,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Borough's Contractually Required Contribution	\$ 111,338.00	\$ 116,727.00	\$ 143,360.00
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(111,338.00)</u>	<u>(116,727.00)</u>	<u>(143,360.00)</u>
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered-Employee Payroll	\$ 443,617.00	\$ 434,269.00	\$ 431,873.00
Borough's Contributions as a Percentage of it's Covered-Employee Payroll	25.10%	26.88%	33.19%

Note 8: PENSION PLANS (CONT'D)**Other Notes to Supplementary Pension Information*****Public Employees' Retirement System (PERS)***

Changes in Benefit Terms - None

Changes in Assumptions - The discount rate changed from 5.39% as of June 30, 2014, to 4.90% as of June 30, 2015, in accordance with Paragraph 44 of GASB Statement No. 67.

Other Changes in Assumptions – New assumptions related to future increases on Social Security Wage Base and the 401(a)(17) compensation limit have been added as follows:

401(a)(17) Pay Limit – 3.00 per annum
Social Security Wage Base – 4.00 per annum

Police and Firemen's Retirement System (PFRS)

Changes in Benefit Terms - None

Changes in Assumptions - The discount rate changed from 6.32% as of June 30, 2014, to 5.79% as of June 30, 2015, in accordance with Paragraph 44 of GASB Statement No. 67.

Other Changes in Assumptions – Demographic assumptions with respect to no-vested withdrawal, disability, service retirement, active death, salary increases rates and inactive mortality were revised in accordance with the results of the July1, 2010 – June 30, 2013 experience study and approved by the Board of Trustees of the PERS Pension Plan at its February 9, 2015 Board Meeting.

Note 9: COMPENSATED ABSENCES

Full-time employees are entitled to fifteen paid sick leave days each year. Unused sick leave may be accumulated, up to a maximum of sixty days, and carried forward to subsequent years. After accumulating sixty days, an employee may sell back a maximum of ten days per year at seventy-five percent of the employee's normal rate of pay. Vacation days are earned based on a schedule detailed in the Borough's policy manual. A maximum of five days not used during the year may be carried forward into the subsequent year. Vacation days must be used in that year or forfeited.

The Borough compensates employees for unused sick leave and vacation upon termination or retirement. The Borough's policy manual details the various payment options. The maximum pay-out, per the policy manual, is \$15,000.00 payable upon termination or retirement.

The Borough does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2015, accrued benefits for compensated absences are valued at \$41,015.02.

Note 10: DEFERRED COMPENSATION SALARY ACCOUNT

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

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Borough or its creditors. Since the Borough does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Borough's financial statements.

Note 11: LEASE OBLIGATIONS

At December 31, 2015, the Borough had a lease agreement in effect for the following:

Operating:
One Xerox 7225 Copier

The following is an analysis of the Borough's operating leases:

Future minimum lease payments under operating lease agreements are as follows:

<u>Year</u>	<u>Amount</u>
2016	\$ 1,788.00
2017	1,788.00
2018	1,788.00
2019	1,788.00
2020	596.00

Rental payments under operating leases for the year 2015 were \$2,062.00.

Note 12: CAPITAL DEBT**Summary of Debt**

	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 2,962,906.00	\$ 1,528,831.00	\$ 1,411,330.00
Water Utility:			
Bonds and Notes	1,970,730.00	543,500.00	664,700.00
Total Issued	4,933,636.00	2,072,331.00	2,076,030.00
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	-	-	75,496.00
Total Issued and Authorized but not Issued	4,933,636.00	2,072,331.00	2,151,526.00
<u>Deductions</u>			
General:			
Reserve for Payment of Bonds	25,376.71		
Water Utility:			
Self-Liquidating	1,970,730.00	543,500.00	664,700.00
Total Deductions	1,996,106.71	543,500.00	664,700.00
Net Debt	\$ 2,937,529.29	\$ 1,528,831.00	\$ 1,486,826.00

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 indicated a statutory net debt of 2.450%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 2,874,000.00	\$ 2,874,000.00	
Self-Liquidating	1,970,730.00	1,970,730.00	
General	2,962,906.00	25,376.71	\$ 2,937,529.29
	\$ 7,807,636.00	\$ 4,870,106.71	\$ 2,937,529.29

Net debt \$2,962,906.00 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$119,913,884.33, equals 2.450%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 4,196,985.95
Less: Net Debt	2,937,529.29
Remaining Borrowing Power	<u>\$ 1,259,456.66</u>

Note 12: CAPITAL DEBT (CONT'D)**Calculation of "Self-Liquidating Purpose,"
Water Utility Per N.J.S.A. 40:2-45**

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for the Year	\$	447,903.12
Deductions:		
Operating and Maintenance Costs	\$	351,451.01
Debt Service		<u>67,545.49</u>
Total Deductions		<u>418,996.50</u>
Excess in Revenue	\$	<u>28,906.62</u>

A revised Annual Debt Statement should be filed by the Chief Financial Officer.

Note 13: SCHOOL TAXES

Local School District Tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the Current Fund liabilities as follows:

	Balance December 31,	
	2015	2014
Balance of Tax	\$ 736,749.50	\$ 729,973.25
Deferred	<u>654,336.00</u>	<u>653,301.00</u>
	<u>\$ 82,413.50</u>	<u>\$ 76,672.25</u>

Note 14: RISK MANAGEMENT

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

New Jersey Unemployment Compensation Insurance - The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Borough 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 Borough is billed quarterly for amounts due to the State.

Note 14: RISK MANAGEMENT (CONT'D)

The following is a summary of Borough contributions, reimbursements to the State for benefits paid and the ending balance of the Borough's trust fund for the current and previous two years:

<u>Year</u>	<u>Borough Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2015	\$ 10,000.00	\$ 29.30	\$ 1,021.89	\$ 14,026.38
2014	12,000.00	31.42	25,136.32	5,018.97
2013	23,000.00	51.80	24,133.27	18,123.87

Joint Insurance Pool - The Borough is a member of the Camden County Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

- Workers' Compensation and Employer's Liability
- Liability other than Motor Vehicles
- Property Damage other than Motor Vehicles
- Motor Vehicles

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention, or administrative accounts to assure the payment of the Fund's obligations.

The Fund provides the Borough with the following coverage:

- Property - Blanket Building and Grounds
- Boiler and Machinery
- General and Automobile Liability
- Worker's Compensation
- Crime Coverage

Joint Insurance Pool (Cont'd) - Contributions to the Fund, are payable in an annual premium and is based on actuarial assumptions determined by the Fund's actuary. The Borough's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund for claims in excess of \$50,000.00 to \$200,000.00 based on the line of coverage for each insured event.

The Fund publishes its own financial report for the year ended December 31, 2015, which can be obtained from:

Camden County Municipal Joint Insurance Fund
9 Campus Drive, Suite 16
Parsippany, New Jersey 07054

Note 15: CONTINGENCIES

Grantor Agencies - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Borough expects such amount, if any, to be immaterial.

Note 15: CONTINGENCIES (Cont'd)

Litigation - The Borough is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Borough, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 16: CONCENTRATIONS

The Borough depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the Borough is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

Note 17: SUBSEQUENT EVENTS

Authorization of Debt - Subsequent to December 31, the Borough authorized additional bonds and notes as follows:

<u>Purpose</u>	<u>Introduced</u>	<u>Authorization</u>
General Improvements		
Ord. 11-2016 Acquisition of and Improvements to Real Property in and for the Borough	05/16/16	\$237,500.00

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

BOROUGH OF BROOKLAWN

CURRENT FUND

Statement of Current Cash - Treasurer
For the Year Ended December 31, 2015

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2014	\$ 1,082,142.84	\$ 45,496.91
Increased by Receipts:		
Taxes Receivable	\$ 4,215,306.08	
Prepaid Taxes	63,325.40	
Tax Overpayments	3,167.59	
Due to State of New Jersey:		
Senior Citizens and Veterans Deductions	23,750.00	
Marriage License Fees	225.00	
State Training Fees	7,894.00	
Rents Receivable - Borough-Owned Homes	299,186.00	
Prepaid Rents on Borough Owned Homes	3,030.00	
Revenue Accounts Receivable	627,240.56	
Interlocal Service Agreements	6,129.75	
Miscellaneous Revenue Not Anticipated	65,827.99	
Due from Trust - Animal Control Fund	2.05	
Due from Trust - Other Fund	1,063.75	
Due from General Capital Fund	84.51	
Due from Water Utility Operating Fund	9,926.90	
Due from Public Assistance Fund	0.12	
Due to Camden County M.U.A.	47,187.62	
Petty Cash (Contra)	200.00	
Federal and State Grants Fund:		
Federal and State Grants Receivable	\$ 58,149.77	
Reserve for Federal and State Grants	1,730.00	
	<u>5,373,547.32</u>	<u>59,879.77</u>
Carried Forward	6,455,690.16	105,376.68

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
 Statement of Current Cash - Treasurer
 For the Year Ended December 31, 2015

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Brought Forward	\$ 6,455,690.16	\$ 105,376.68
Decreased by Disbursements:		
2014 Appropriation Reserves	\$ 43,107.88	
2015 Appropriations	2,168,643.99	
County Taxes	1,042,537.94	
Due to County Added and Omitted Taxes	16.97	
Due State of New Jersey - Marriage License Fees	175.00	
Due State of New Jersey - State Training Fees	4,385.00	
Local District School Tax	1,301,895.75	
Payroll Deductions Payable	599,907.51	
Petty Cash (Contra)	200.00	
Due from Trust - Other Fund	9,826.65	
Due from Water Utility Operating Fund	8,905.14	
Due to Camden County M.U.A.	47,187.62	
Reserve for Federal and State Grants	1,730.00	
Reserve for Federal and State Grants--Appropriated		62,262.71
	<u>5,228,519.45</u>	
Balance December 31, 2015	<u>\$ 1,227,170.71</u>	<u>\$ 43,113.97</u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Change Funds
For the Year Ended December 31, 2015

Balance December 31, 2015	<u>\$ 240.00</u>
	<u>Analysis of Balance</u>
Collector - Treasurer	\$ 100.00
Police	30.00
Municipal Court	<u>110.00</u>
	<u>\$ 240.00</u>

BOROUGH OF BROOKLAWN

CURRENT FUND

Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2015

Year	Balance Dec. 31, 2014	2015 Levy	Added Taxes	Collections		Due from State of New Jersey	Overpayments Applied	Canceled	Transfer to Liens	Balance Dec. 31, 2015
				2014	2015					
2013	\$ 2.66			\$	2.66					
2014	125,845.00		\$ 2,054.28		123,844.04				\$ 4,002.07	\$ 53.17
	125,847.66	\$ -	2,054.28	\$ -	123,846.70	\$ -	\$ -	\$ -	4,002.07	53.17
2015		4,301,259.54		29,339.36	4,091,459.38	25,177.95	1,116.68	21,602.16	12,970.17	119,593.84
	\$ 125,847.66	\$ 4,301,259.54	\$ 2,054.28	\$ 29,339.36	\$ 4,215,306.08	\$ 25,177.95	\$ 1,116.68	\$ 21,602.16	\$ 16,972.24	\$ 119,647.01

Analysis of 2015 Property Tax Levy

Tax Yield:

General Property Tax \$ 4,286,678.06
 Added Taxes (54:4-63.1 et. seq.) 14,581.48

\$ 4,301,259.54

Tax Levy:

Local School District Tax (Abstract) \$1,308,672.00

County Taxes:

County Tax (Abstract) \$ 959,460.97
 County Library 59,208.47
 Open Space 23,868.50
 Due County for Added/Omitted Taxes 3,556.09

Total County Taxes 1,046,094.03

Local Tax for Municipal Purposes 1,934,410.00

Add: Additional Tax Levied 12,083.51

1,946,493.51

\$ 4,301,259.54

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Tax Title Liens
For the Year Ended December 31, 2015

Balance December 31, 2014		\$	53,636.92
Increased by:			
Transfer from Taxes Receivable	\$ 16,972.24		
Miscellaneous Fee	11.00		
Interest and Cost on Taxes	<u>646.71</u>		
			<u>17,629.95</u>
Balance December 31, 2015		\$	<u><u>71,266.87</u></u>

Exhibit SA-5

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Due to State of New Jersey
Veterans' and Senior Citizens' Deductions
For the Year Ended December 31, 2015

Balance December 31, 2014		\$	15,491.38
Increased by:			
Received from State of New Jersey			<u>23,750.00</u>
			39,241.38
Accrued in 2015 to Municipality:			
Senior Citizens' Deductions per Tax Billings	\$ 10,750.00		
Veterans' Deductions per Tax Billings	14,500.00		
Deductions Allowed by Collector - 2015 Taxes	<u>500.00</u>		
			25,750.00
Deduct:			
Deductions Disallowed by Collector - 2015 Taxes	<u>572.05</u>		
Subtotal 2015 Tax Accrual	25,177.95		
Deduct:			
Deductions Disallowed by Collector - Prior Taxes	<u>1,250.00</u>		
			<u>23,927.95</u>
Balance December 31, 2015		\$	<u><u>15,313.43</u></u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Rents Receivable - Borough Owned Homes
For the Year Ended December 31, 2015

<hr/>	
Balance December 31, 2014	\$ 14,628.89
Increased by:	
2015 Rental Charges and Late Fees	304,721.00
	319,349.89
Decreased by:	
Receipts	\$ 299,186.00
Prepayments Applied	5,040.00
	304,226.00
Balance December 31, 2015	\$ 15,123.89

BOROUGH OF BROOKLAWN

CURRENT FUND

Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2015

	Balance Dec. 31, 2014	Accrued In 2015	Collected	Trust Other - Animal Control Fund	General Capital Fund	Public Assistance Fund	Balance Dec. 31, 2015
Miscellaneous Revenue Anticipated:							
Licenses:							
Alcoholic Beverages		\$ 12,650.00	\$ 12,650.00				
Other		8,460.00	8,460.00				
Construction Code Official Fees and Permits		79,030.00	79,030.00				
Municipal Court:							
Fines and Costs	\$ 6,967.32	88,495.37	87,983.24				\$ 7,479.45
Interest on Bank Accounts	3.41	39.59	39.14				3.86
Interest and Costs on Taxes		29,744.93	29,744.93				
Interest on Investments		5,893.23	5,591.83	\$ 1.67	\$ 299.61	\$ 0.12	
Uniform Fire Safety Act:							
Fees and Permits		2,515.00	2,515.00				
Hotel/Motel Tax		56,351.47	56,351.47				
Rental Registration Fees		24,820.00	24,820.00				
Uniform Fire Safety Act		5,615.35	5,615.35				
Consolidated Municipal Property Tax Relief Aid		3,666.00	3,666.00				
Energy Receipts Tax P.L. 1997, Chapters 162 & 167)		195,843.00	195,843.00				
Sewer Service Fees		114,930.60	114,930.60				
	<u>\$ 6,970.73</u>	<u>\$ 628,054.54</u>	<u>\$ 627,240.56</u>	<u>\$ 1.67</u>	<u>\$ 299.61</u>	<u>\$ 0.12</u>	<u>\$ 7,483.31</u>

BOROUGH OF BROOKLAWN
CURRENT FUND
 Statement of Appropriation Reserves
 For the Year Ended December 31, 2015

	<u>Balance December 31, 2014</u>	<u>Balance</u>	<u>Cash</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>After</u>	<u>Disbursed</u>	<u>Lapsed</u>
	<u>Reserved</u>	<u>Modification</u>		
GENERAL GOVERNMENT				
Administrative and Executive Salaries and Wages	\$ 2,098.45	\$ 2,098.45		\$ 2,098.45
Municipal Clerk's Office	321.00	321.00		321.00
Mayor and Council	340.00	340.00		340.00
Borough Recorder				
Other Expenses				
Printing and Legal	\$ 379.40	\$ 1,954.35	\$ 134.05	\$ 1,820.30
Mayor and Council		283.63		283.63
Miscellaneous Other Expenses	4,897.92	5,132.95	4,891.40	241.55
§ Elections				
Other Expenses	1,082.61	1,082.61		1,082.61
Financial Administration				
Salaries and Wages:				
Treasurer's Office	603.30	603.30		603.30
Chief Financial Officer	1,202.09	1,202.09		1,202.09
Assessment of Taxes				
Salaries and Wages	1,288.30	1,288.30		1,288.30
Other Expenses	1,666.58	1,666.58		1,666.58
Collection of Taxes				
Salaries and Wages	733.09	733.09		733.09
Other Expenses	748.90	1,602.46	148.90	1,453.56
Legal Services				
Other Expenses	4,219.21	4,219.21		4,219.21
Administration of Borough Owned Homes				
Salaries and Wages	205.21	205.21		205.21
Municipal Prosecutor				
Salaries and Wages	4.96	4.96		4.96

(Continued)

BOROUGH OF BROOKLAWN

CURRENT FUND

Statement of Appropriation Reserves
For the Year Ended December 31, 2015

	<u>Balance December 31, 2014</u>	<u>Balance</u>	<u>Cash</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>After</u>	<u>Disbursed</u>	<u>Lapsed</u>
	<u>Reserved</u>	<u>Modification</u>		
GENERAL GOVERNMENT (CONT'D):				
Engineering Services and Costs				
Other Expenses	\$ 4,125.00	\$ 4,125.00		\$ 4,125.00
Public Buildings and Grounds				
Other Expenses	1,103.81	1,056.14	713.95	1,446.00
Maintenance of Borough Owned Homes				
Salaries and Wages	257.20	257.20		257.20
Other Expenses	22.85	281.78	22.85	258.93
Municipal Land Use Law (N.J.S.A. 40:55D-1)				
Planning & Zoning Boards				
Salaries and Wages	1,082.72	1,082.72		1,082.72
Other Expenses	250.00	2,367.72	250.00	2,117.72
Group Insurance Plan for Employees	3,775.36	59,561.74	275.36	59,286.38
Health Benefit Waiver	180.71	180.71		180.71
Worker's Compensation Insurance	0.93	0.93		0.93
Other Insurance Premiums	1,998.78	1,998.78		1,998.78
Animal Control				
Other Expenses	236.18	3,698.03	236.18	3,461.85
Celebration of Public Events				
Other Expenses	40.77	673.76	40.77	632.99
PUBLIC SAFETY				
Fire Prevention				
Salaries and Wages	41.98	41.98		41.98
Other Expenses	345.86	345.86		345.86
Police				
Salaries and Wages	15,316.07	15,316.07		15,316.07
Other Expenses	3,609.97	4,622.00	3,621.13	1,000.87
Volunteer Fire Misc.				
Other Expenses	1,779.70	2,058.99	1,769.69	289.30

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND

Statement of Appropriation Reserves
For the Year Ended December 31, 2015

	<u>Balance Encumbered</u>	<u>Balance December 31, 2014 Reserved</u>	<u>Balance After Modification</u>	<u>Cash Disbursed</u>	<u>Balance Lapsed</u>
GENERAL GOVERNMENT (CONT'D)					
PUBLIC SAFETY (CONT'D)					
Volunteer Ambulance Assoc.	\$ 3,261.97	\$ 58.75	\$ 3,320.72	\$ 2,471.96	\$ 848.76
Other Expenses		254.23	254.23		254.23
Municipal Code Enforcement Official		1,050.00	1,050.00		1,050.00
Salaries and Wages					
Other Expenses					
Office of Emergency Management					
Salaries and Wages		100.00	100.00		100.00
Other Expenses		0.16	0.16		0.16
Municipal Court					
Salaries and Wages		471.90	471.90		471.90
Other Expenses	68.96	1,505.35	1,574.31	127.79	1,446.52
Traffic Signal					
Other Expenses		1,812.50	1,812.50		1,812.50
STREETS AND ROADS					
Road Repairs & Maintenance					
Salaries and Wages		3,695.17	3,695.17		3,695.17
Other Expenses	2,974.16	530.67	3,504.83	2,974.16	530.67
Vehicle Maintenance					
Other Expenses	4,707.18	3,586.49	8,293.67	3,906.49	4,387.18
SANITATION					
Sewer System					
Salaries and Wages		4,399.91	4,399.91		4,399.91
Other Expenses	8,943.05	1,014.41	9,957.46	8,050.15	1,907.31

(Continued)

BOROUGH OF BROOKLAWN

CURRENT FUND

Statement of Appropriation Reserves
For the Year Ended December 31, 2015

	<u>Balance December 31, 2014</u>	<u>Balance</u>	<u>Cash</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>After</u>	<u>Disbursed</u>	<u>Lapsed</u>
	<u>Reserved</u>	<u>Modification</u>		
GENERAL GOVERNMENT (CONT'D)				
SANITATION (CONT'D)				
Garbage & Trash Removal				
Salaries and Wages	\$ 1,476.52	\$ 1,476.52		\$ 1,476.52
Other Expenses	2,554.01	2,554.01		2,554.01
Sanitary Landfill				
Other Expenses	16,287.11	21,658.28	\$ 4,327.69	17,330.59
Recycling				
Salaries and Wages	451.88	451.88		451.88
Other Expenses	851.82	3,254.74	1,771.40	1,483.34
HEALTH AND WELFARE:				
Board of Health				
Salaries and Wages	3.00	3.00		3.00
Other Expenses	301.31	780.97	479.66	301.31
Parks & Playgrounds				
Other Expenses	233.58	1,040.02	116.04	923.98
Shade Tree Commission				
Salaries and Wages	23.00	23.00		23.00
Other Expenses	0.65	0.65		0.65
STATE UNIFORM CONSTRUCTION CODE				
Construction Code Official				
Salaries and Wages	158.10	158.10		158.10
Subcode Officials:				
Electrical Inspector				
Salaries and Wages	4.98	4.98		4.98
Fire Inspector				
Salaries and Wages	5.02	5.02		5.02
Plumbing Official				
Salaries and Wages	68.98	68.98		68.98

(Continued)

BOROUGH OF BROOKLAWN

CURRENT FUND

Statement of Appropriation Reserves
For the Year Ended December 31, 2015

	<u>Balance December 31, 2014</u>	<u>Balance</u>	<u>Cash</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>After</u>	<u>Disbursed</u>	<u>Lapsed</u>
		<u>Modification</u>		
GENERAL GOVERNMENT (CONT'D)				
UTILITIES:				
Utilities	\$ 6,725.80	\$ 20,642.20	\$ 6,113.67	\$ 21,254.33
STATUTORY EXPENDITURES				
Contribution to:				
Social Security System (O.A.S.I.)		9,997.22		9,997.22
OPERATIONS EXCLUDED FROM "CAPS"				
Recycling Tax		1,401.13	664.59	736.54
Interlocal Service Agreement - Borough of Merchantville				
Electrical Sub-code Official Services	458.00	458.00		458.00
Fire Sub-code Official Services	229.00	229.00		229.00
	<u>\$ 52,586.17</u>	<u>\$ 178,293.60</u>	<u>\$ 43,107.88</u>	<u>\$ 187,771.89</u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Due State of New Jersey - Marriage License Fees
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 25.00
Increased by:	
Receipts	225.00
	250.00
Decreased by:	
Disbursements	175.00
Balance December 31, 2015	\$ 75.00

Exhibit SA-10

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Due to State of New Jersey - State Training Fees Payable
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 424.00
Increased by:	
Receipts	7,894.00
	8,318.00
Decreased by:	
Disbursements	4,385.00
Balance December 31, 2015	\$ 3,933.00

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Reserve for Payroll Deductions Payable
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 19,356.60
Increased by:	
Payroll Deductions	<u>604,522.87</u>
	623,879.47
Decreased by:	
Disbursements	<u>599,907.51</u>
Balance December 31, 2015	<u><u>\$ 23,971.96</u></u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2015

Balance December 31, 2014	\$	29,339.36
Increased by:		
Collection - 2016 Taxes		63,325.40
		92,664.76
Decreased by:		
Application to 2015 Taxes		29,339.36
Balance December 31, 2015	\$	63,325.40

Exhibit SA-13

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2015

Balance December 31, 2014	\$	15,719.32
Increased by:		
Cash Received		3,167.59
		18,886.91
Decreased by:		
Overpayments Applied 2015		1,116.68
Balance December 31, 2015	\$	17,770.23

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2015

2015 Levy -		
County General		\$ 959,460.97
County Library		59,208.47
Open Space		<u>23,868.50</u>
		1,042,537.94
Decreased by:		
Disbursements		<u><u>\$ 1,042,537.94</u></u>

Exhibit SA-15

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Amount Due to County for Added Taxes
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 15.57
Increased by:		
Added & Omitted Taxes Levied in 2015	\$ 3,556.09	
Prior Year Added and Omitted Taxes	<u>1.40</u>	
		<u>3,557.49</u>
		3,573.06
Decreased by:		
Disbursements		<u>16.97</u>
Balance December 31, 2015		<u><u>\$ 3,556.09</u></u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Prepaid Rents on Borough Owned Homes
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 5,040.00
Increased by:	
Collection - 2016 Rents	<u>3,030.00</u>
	8,070.00
Decreased by:	
Applied to Rents Receivable	<u>5,040.00</u>
Balance December 31, 2015	<u><u>\$ 3,030.00</u></u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Local District School Taxes
For the Year Ended December 31, 2015

Balance December 31, 2014		
School Taxes Payable	\$ 76,672.25	
School Taxes Deferred	<u>653,301.00</u>	
		\$ 729,973.25
Increased by:		
Levy - School Year July 1, 2015 to June 30, 2016		<u>1,308,672.00</u>
		2,038,645.25
Decreased by:		
Disbursements		<u>1,301,895.75</u>
Balance December 31, 2015		
School Taxes Payable	82,413.50	
School Taxes Deferred	<u>654,336.00</u>	
		<u>\$ 736,749.50</u>
<u>2015 Liability for Local District School Tax:</u>		
Tax Paid		\$ 1,301,895.75
Add:		
Taxes Payable December 31, 2015		<u>82,413.50</u>
		1,384,309.25
Less:		
Taxes Payable December 31, 2014		<u>76,672.25</u>
Amount Charged to 2015 Operations		<u>\$ 1,307,637.00</u>

BOROUGH OF BROOKLAWN
CURRENT FUND
 Federal and State Grant Fund
 Statement of Federal and State Grants Receivable
 For the Year Ended December 31, 2015

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Federal Grants:				
COPS Hiring Recovery Grant	\$ 18,571.69			\$ 18,571.69
Bulletproof Vest Partnership	1,160.50			1,160.50
	<u>19,732.19</u>	<u>\$ -</u>	<u>\$ -</u>	<u>19,732.19</u>
State Grants:				
Clean Communities Program		4,041.96	4,041.96	
Body Armor Replacement Fund		1,089.36	1,089.36	
Municipal Public Access Planning Grant	10,000.00		10,000.00	
Municipal Alliance on Alcoholism and Drug Abuse	10,485.38	6,920.00	6,350.00	11,055.38
Safe & Secure Communities Grant	30,000.00	30,000.00	30,000.00	30,000.00
Recreational Facility Enhancement Funding	7,040.72		6,668.45	372.27
New Jersey Department of Transportation - Community Road		61,190.00		61,190.00
Total State Grants	<u>57,526.10</u>	<u>103,241.32</u>	<u>58,149.77</u>	<u>102,617.65</u>
Camden County:				
Recreation Enhancement Grant	<u>25,000.00</u>	<u>-</u>	<u>-</u>	<u>25,000.00</u>
Total All Grants	<u>\$ 102,258.29</u>	<u>\$ 103,241.32</u>	<u>\$ 58,149.77</u>	<u>\$ 147,349.84</u>

BOROUGH OF BROOKLAWN
CURRENT FUND

Federal and State Grant Fund
 Statement of Reserve for State Grants - Unappropriated
 For the Year Ended December 31, 2015

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Accrued</u>	<u>Realized as</u> <u>Miscellaneous</u> <u>Revenue in</u> <u>2015 Budget</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Federal Grants:				
Bulletproof Vest Partnership	\$ 2,065.29	\$ -	\$ 2,065.29	\$ -
State Grants:				
Clean Communities Program		4,041.96	4,041.96	
Body Armor Replacement Fund		1,089.36	1,089.36	
Department of Transportation Grant - Community Road		61,190.00	61,190.00	
Municipal Alliance on Alcoholism and Drug Abuse		6,920.00	6,920.00	
Safe & Secure Communities Grant		30,000.00	30,000.00	
Recycling Tonnage Grant	5,255.16		5,255.16	
Total State Grants	5,255.16	103,241.32	108,496.48	-
	<u>\$ 7,320.45</u>	<u>\$ 103,241.32</u>	<u>\$ 110,561.77</u>	<u>\$ -</u>

BOROUGH OF BROOKLAWN
CURRENT FUND

Federal and State Grant Fund

Statement of Reserves for Federal and State Grants - Appropriated
 For the Year Ended December 31, 2015

Program	Dec. 31, 2014		Transferred from 2015 Budget		Balance Dec. 31, 2015
	Balance	Encumbrances	Appropriation	Disbursed	
Federal Grants:					
COPS Hiring Recovery Grant	\$ 24,556.28		\$ 2,065.29	\$ 391.50	\$ 24,556.28
Bulletproof Vest Partnership	0.51				1,674.30
Total Federal Grants	24,556.79	\$ -	2,065.29	\$ 391.50	\$ 26,230.58
State Grants:					
Recreational Facility Enhancement Funding - Concession Stand	1,975.19			271.80	1,703.39
Body Armor Replacement Fund	5,972.32		1,089.36	391.50	6,670.18
Recycling Tonnage Grant	17,486.81		5,255.16	2,505.00	20,236.97
Safe and Secure Grant	30,000.00		30,000.00	31,363.54	28,636.46
Drunk Driving Enforcement Grant	6,784.81	1,150.21		5,934.62	1,963.86
Clean Communities Grant			4,041.96	4,041.00	0.96
Municipal Alliance on Alcoholism and Drug Abuse	17,434.96		8,650.00	5,666.25	20,418.71
Municipal Public Access Planning Grant	10,000.00			10,000.00	
New Jersey Department of Transportation - Community Road			61,190.00	1,697.50	53,687.25
Total State Grants	89,654.09	1,150.21	110,226.48	61,871.21	133,317.78
Camden County:					
Recreation Enhancement Grant	25,000.00	-	-	-	25,000.00
Total All Grants	\$ 139,210.88	\$ 1,150.21	\$ 112,291.77	\$ 62,262.71	\$ 184,548.36

SUPPLEMENTAL EXHIBITS

TRUST FUND

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Trust Cash - Treasurer
For the Year Ended December 31, 2015

	<u>Animal Control</u>	<u>Other Trust</u>
Balance December 31, 2014	\$ 9,451.52	\$ 129,594.46
Increased by Receipts:		
Animal Control Fees	\$ 3,820.00	
State Registration Fees	318.00	
Late Fees	500.00	
Due Current Fund	24.76	\$ 9,826.65
Due from Developers		171.86
Reserve for Off Duty Police Work		118,725.00
Reserve for Security Deposits on Borough Owned Homes		7,530.45
Reserve for Site Plan Escrow		21,368.55
Reserve for Unemployment Compensation Insurance		10,029.30
Reserve for Recreation Donations		674.00
Reserve for Parking Offenses Adjudication Act		24.00
Reserve for Local Law Enforcement		611.97
Reserve for Public Defender Fees		6,715.50
Reserve for Developers Escrow Deposits		9,590.25
Reserve for Community Development Block Grants		27,430.00
Reserve for Tax Title Lien Redemptions		136,144.96
Reserve for Tax Sale Premiums		59,100.00
	4,662.76	407,942.49
	14,114.28	537,536.95
Decreased by Disbursements:		
Expenditures under R.S. 4:19-15.11 - Cash	6,244.54	
State Registration Fees	318.00	
Due Current Fund	25.14	
Reserves for:		
Off Duty Police Work		56,269.58
Community Development Block Grants		49,457.37
Security Deposits on Borough Owned Homes		4,115.26
Unemployment Compensation Insurance		1,021.89
Recreation Donations		1,597.80
Public Defender Fees		5,846.46
Site Plan Escrow Expenses		13,224.86
Developer Escrow Expenses		3,202.50
Tax Title Lien Redemptions		132,946.86
Tax Sale Premiums		64,400.00
	6,587.68	332,082.58
Balance December 31, 2015	\$ 7,526.60	\$ 205,454.37

BOROUGH OF BROOKLAWN
 TRUST OTHER FUND
 Animal Control Fund
 Statement of Reserve for Animal Control Expenditures
 For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 9,449.47
Increased by Receipts:		
Dog License Fees Collected	\$ 3,160.00	
Cat License Fees Collected	660.00	
	3,820.00	
Late Fees	500.00	
		4,320.00
		13,769.47
Decreased by Disbursements:		
Expenditures under R.S. 4:19-15.11 - Cash		6,244.54
Balance December 31, 2015		\$ 7,524.93

License Fees Collected

<u>Year</u>	<u>Amount</u>
2013	\$ 4,312.80
2014	4,143.00
	\$ 8,455.80

BOROUGH OF BROOKLAWN
 TRUST OTHER FUND
 Animal Control Fund
 Statement of Due to Current Fund
 For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 2.05
Increased by:		
Interest Earned		24.76
		26.81
Decreased by:		
Interest Disbursed to Current Fund Realized as Anticipated Revenue		25.14
Balance December 31, 2015		\$ 1.67

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Due from/to Current Fund
For the Year Ended December 31, 2015

Balance December 31, 2014 (Due from)		\$ 9,826.65
Increased by:		
Tax Title Lien Redemptions Canceled - Realized as Miscellaneous Revenue Not Anticipated in Current Fund		2,342.78
		12,169.43
Decreased by:		
Local Law Enforcement Funds Erroneously Deposited in Current Fund	\$ 1,063.75	
Interfund Returned	9,826.65	
		10,890.40
Balance December 31, 2015 (Due to)		\$ 1,279.03

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Community Development Block Grants Receivable
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 40,278.46
Decreased by:	
Cash Receipts	27,430.00
Balance December 31, 2015	\$ 12,848.46

Exhibit SB-6

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Off-Duty Police Work
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 25,491.46
Increased by:	
Receipts	118,725.00
	144,216.46
Decreased by:	
Disbursements	56,269.58
Balance December 31, 2015	\$ 87,946.88

Exhibit SB-7

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Community Development Block Grants
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 52,020.10
Decreased by:	
Disbursements	49,457.37
Balance December 31, 2015	\$ 2,562.73

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
 Statement of Reserve for Security Deposits on
 Borough Owned Homes
 For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 31,091.31
Increased by:		
Deposits	\$ 7,515.00	
Interest	<u>15.45</u>	
		<u>7,530.45</u>
		38,621.76
Decreased by:		
Refunds		<u>4,115.26</u>
Balance December 31, 2015		<u><u>\$ 34,506.50</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
 Statement of Reserve for Developers Escrow Deposits
 For the Year Ended December 31, 2015

2015 Developers Escrow Deposits		\$ 9,590.25
Decreased by:		
Escrow Expenses		<u>3,202.50</u>
Balance December 31, 2015		<u><u>\$ 6,387.75</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Unemployment Compensation Insurance
For the Year Ended December 31, 2015

Balance December 31, 2014		\$	5,018.97
Increased by:			
Budget Appropriations:			
Current Fund	\$ 10,000.00		
Interest Earned	<u>29.30</u>		
			<u>10,029.30</u>
			15,048.27
Decreased by:			
Claims Paid			<u>1,021.89</u>
Balance December 31, 2015		\$	<u><u>14,026.38</u></u>

Exhibit SB-11

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Parking Offenses Adjudication Act
For the Year Ended December 31, 2015

Balance December 31, 2014		\$	347.00
Increased by:			
Cash Received from Municipal Court			<u>24.00</u>
Balance December 31, 2015		\$	<u><u>371.00</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
 Statement of Reserve for Local Law Enforcement
 For the Year Ended December 31, 2015

Balance December 31, 2014		\$	5,720.52
Increased by:			
Contributions	\$	597.10	
Interest Earned on Deposits		14.87	
		611.97	
Due from Current Fund		1,063.75	
			1,675.72
Balance December 31, 2015		\$	7,396.24

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
 Statement of Reserve for Public Defender Fees
 For the Year Ended December 31, 2015

Balance December 31, 2014		\$	959.69
Increased by:			
Public Defender Fees			6,715.50
			7,675.19
Decreased by:			
Public Defender Expenses			5,846.46
Balance December 31, 2015		\$	1,828.73

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Recreation Donations
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 4,606.22
Increased by:	
Donations Received	<u>674.00</u>
	5,280.22
Decreased by:	
Donations Disbursed	<u>1,597.80</u>
Balance December 31, 2015	<u><u>\$ 3,682.42</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Tax Title Lien Redemptions
For the Year Ended December 31, 2015

<hr/>	
Balance December 31, 2014	\$ 5,424.61
Increased by:	
2015 Deposits for Tax Title Lien Redemptions	<u>136,144.96</u>
	141,569.57
Decreased by:	
Disbursed - Tax Title Certificates Redeemed	\$ 131,300.37
Disbursed - Tax Title Lien Redemptions Canceled - Realized as Miscellaneous Revenue Not Anticipated in Current Fund	<u>1,646.49</u>
	132,946.86
Tax Title Lien Redemptions Canceled - Realized as Miscellaneous Revenue Not Anticipated in Current Fund	<u>2,342.78</u>
	<u>135,289.64</u>
Balance December 31, 2015	<u><u>\$ 6,279.93</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Tax Sale Premiums
For the Year Ended December 31, 2015

<hr/>	
Balance December 31, 2014	\$ 44,700.00
Increased by:	
Tax Sale Premiums Received	<u>59,100.00</u>
	103,800.00
Decreased by:	
Tax Sale Premiums Returned	<u>64,400.00</u>
Balance December 31, 2015	<u><u>\$ 39,400.00</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Site Plan Review Escrow
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 1,408.50
Increased by:	
Escrow Deposits	<u>21,368.55</u>
	22,777.05
Decreased by:	
Cash Disbursements	<u>13,224.86</u>
Balance December 31, 2015	<u><u>\$ 9,552.19</u></u>

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of General Capital Cash - Treasurer
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 399,387.31
Increased by Receipts:		
Due to Current Fund	\$ 2,177.97	
New Jersey Transportation Trust Fund	102,750.00	
Bond Anticipation Notes	1,611,000.00	
Capital Improvement Fund	<u>10,000.00</u>	
		<u>1,725,927.97</u>
		2,125,315.28
Decreased by Disbursements:		
Improvement Authorizations	469,443.22	
Contracts Payable	194,861.75	
Due to Current Fund	<u>1,962.87</u>	
		<u>666,267.84</u>
Balance December 31, 2015		<u><u>\$ 1,459,047.44</u></u>

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
 Analysis of General Capital Cash and Investments
 For the Year Ended December 31, 2015

	Receipts		Disbursements		Balance Dec. 31, 2015	
	Balance Dec. 31, 2014	Bond	Improvement Authorizations	Miscel- laneous		Transfers
		Anticipation Notes				
Capital Improvement Fund	\$ 30,095.28	\$ 10,000.00	\$ 27,000.00	\$ 34,734.50	\$ 13,095.28	
Fund Balance				25,376.71	34,734.50	
Excess Note Proceeds - Reserve to Pay Notes					25,376.71	
<u>Improvement Authorizations:</u>						
<u>Ord. No.</u>						
2004-12	Improvements to Borough-Owned Properties	6,288.25			6,288.25	
2004-13	Shoreline Stabilization and Waterfront Park Senior Housing Project	2,258.50		2,258.50		
2006-8	Road Improvements to North and South Wilson Ave.	58,338.00		58,338.00		
2006-14	Acquisition of Computer & Recording Equipment	12,224.26			12,224.26	
2008-4	Road Improvements to Timber Boulevard	12,992.50		12,992.50		
2009-3	Road Improvements to Community Circle, Horton Avenue and Bergen Street	5,033.71		5,033.71		
2011-6	Acquisition of Dump Truck and Four-Wheel Drive Vehicle and Repair, Renovation and Replacement of Firehouse Roof and Heater and Community Center Heater	9,643.78			9,643.78	
2011-10	Repair and Reconstruction of Sanitary Sewer System	364.74			364.74	
2011-11	Improvements to Approaches to Railroad		\$ 7,604.13		5,537.50	
2011-12	Grade Crossings Supplemental Funding for Repair and Reconstruction or Sanitary Sewer System	13,141.63			5,821.52	
2012-7	Purchase of EMS Equipment, Fire Department Vehicle and Repaving of Christian Street and Community Road	5,821.52			1,034.50	
2013-3	Acquisition of Various Capital Equipment and the Completion of Various Capital Improvements	1,034.50			53,604.93	
2013-11	Acquisition of Sport Utility Police Vehicles and Improvements to Borough Railroad Crossings	85,059.37	37,254.44		56,306.73	
2014-7	Various Capital Improvements and Providing Funding for Preliminary Costs	113,482.19	68,970.57		113,950.03	
2015-7	Various Capital Improvements and Acquisition of Real Property	181,761.25	46,782.47	23,284.00	41,168.39	
2015-9	Various Capital Improvements to the Utility (Sewer)	\$ 123,000.00	308,831.61	227,000.00	1,488,000.00	
		1,488,000.00				
Contracts Payable	191,428.11		\$ 194,861.75	19,850.36	23,284.00	
New Jersey Transportation Trust Fund Receivable	(329,664.79)	102,750.00		200,000.00	(408,403.29)	
Current Fund	84.51	2,177.97	1,962.87	18,511.50	299.61	
	\$ 399,387.31	\$ 1,611,000.00	\$ 469,443.22	\$ 348,757.07	\$ 1,459,047.44	

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND

Schedule of Deferred Charges to Future Taxation - Unfunded
For the Year Ended December 31, 2015

Ordinance Number	Improvement Description	Balance Dec. 31, 2014	2015 Authorizations	Notes Paid by Budget Appropriation	Balance Dec. 31, 2015	Anticipation Notes	Analysis of Balance Dec. 31, 2015	
							Expenditures	Unexpended Improvement Authorizations
2003-8	Local Share of New Broadway Streetscape Project	\$ 10,000.00		\$ 10,000.00				
2005-4	Road Improvements to North & South Wilson Ave.	13,300.00		13,300.00				
2006-1	Improvements to Borough-Owned Properties	22,125.00		22,125.00				
2006-8	Road Improvements to North & South Wilson Ave.	16,950.00		7,035.00	\$ 9,915.00	\$ 9,915.00		
2006-14	Acquisition of Computer & Recording Equipment	15,750.00		5,250.00	10,500.00	10,500.00		
2007-5	Purchase of Various Equipment and Apparatus	78,065.00		26,025.00	52,040.00	52,040.00		
2008-4	Road Improvements to Timber Boulevard	13,904.00		3,476.00	10,428.00	10,428.00		
2008-6	Acquisition of Refurbished Fire Apparatus	27,856.00		6,964.00	20,892.00	20,892.00		
2009-3	Road Improvements to Community Circle, Horton Avenue and Bergen Street	36,250.00		7,250.00	29,000.00	29,000.00		
2009-11	Repair and Reconstruction of Sanitary Sewer along Horton and Hannevig Roads	42,430.00		8,500.00	33,930.00	33,930.00		
2011-6	Acquisition of Dump Truck and Four-Wheel Drive Vehicle and Repair, Renovation and Replacement of Firehouse Roof and Heater and Community Center Heater	130,375.00		16,300.00	114,075.00	114,075.00		
2011-10	Repair and Reconstruction of Sanitary Sewer System	25,650.00		2,850.00	22,800.00	22,800.00		
2011-11	Improvements to Approaches to Railroad Grade Crossings	25,650.00		2,850.00	22,800.00	22,800.00		
2011-12	Supplemental Funding for Repair and Reconstruction of Sanitary Sewer System	17,100.00		1,900.00	15,200.00	15,200.00		
2012-7	Purchase of EMS Equipment, Fire Department Vehicle and Repaving of Christian Street and Community Road	387,600.00		43,100.00	344,500.00	344,500.00		
2013-3	Acquisition of Various Capital Equipment and the Completion of Various Capital Improvements	402,230.00			402,230.00	402,230.00		
2013-11	Acquisition of Sport Utility Police Vehicles and Improvements to Borough Railroad Crossings	75,496.00			75,496.00	75,496.00		
2014-7	Various Capital Improvements and Providing Funding for Preliminary Costs	188,100.00			188,100.00	188,100.00		
2015-7	Various Capital Improvements and Acquisition of Real Property		\$ 123,000.00		123,000.00	123,000.00		
2015-9	Various Capital Improvements to the Utility (Sewer)		1,488,000.00		1,488,000.00	1,488,000.00		
		\$ 1,528,831.00	\$ 1,611,000.00	\$ 176,925.00	\$ 2,962,906.00	\$ 2,962,906.00	\$ -	\$ -

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
 Statement of Due to Current Fund
 For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 84.51
Increased by:		
Cash Receipts:		
Interest on Investment of Deposits		2,177.97
		2,262.48
Decreased by:		
Cash Disbursements:		
Interfund Returned	\$ 84.51	
Interest Disbursed to Current Fund as Anticipated Revenue	1,878.36	
		1,962.87
Balance December 31, 2015		\$ 299.61

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
 Statement of Capital Improvement Fund
 For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 30,095.28
Increased by:		
2015 Budget Appropriation		10,000.00
		40,095.28
Decreased by:		
Appropriated to Finance Improvement Authorizations		27,000.00
Balance December 31, 2015		\$ 13,095.28

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Contracts Payable
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 191,428.11
Increased by:		
Charges to Improvement Authorizations		23,284.00
		214,712.11
Decreased by:		
Disbursed	\$ 194,861.75	
Canceled	19,850.36	
		\$ 214,712.11

Exhibit SC-7

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
New Jersey Transportation Trust Fund Receivable
For the Year Ended December 31, 2015

Balance December 31, 2014		\$ 329,664.79
Increased by:		
2015 Grant		200,000.00
		529,664.79
Decreased by:		
Received	\$ 102,750.00	
Canceled	18,511.50	
		121,261.50
Balance December 31, 2015		\$ 408,403.29
<u>Analysis of Balance</u>		
Improvements to Approaches to Railroad Grade Crossings - Ord, 2011-11		\$ 173,478.75
Acquisition of Sport Utility Police Vehicles and Improvements to Borough Railroad Crossings - 2013-11		674.54
Various Capital Improvements and Providing Funding for Preliminary Costs - Ord. 2014-7		34,250.00
Various Capital Improvements and Acquisition of Real Property - Ord. 2015-7		200,000.00
		\$ 408,403.29

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND

Statement of Improvement Authorizations
 For the Year Ended December 31, 2015

Ordinance Number	Improvement Description	Date	Ordinance Amount	Dec. 31, 2014		Capital Improvement Fund	2015 Authorizations		Department of Transportation Grant	Contract Payable Canceled	Paid or Charged	Dec. 31, 2015	
				Funded	Unfunded		Deferred Charges to Future Taxation - Unfunded	Canceled				Funded	Unfunded
2004-12	Improvements to Borough-Owned Properties	10/18/2004	\$ 200,000.00	\$ 6,288.25								\$ 6,288.25	
2004-13	Shoreline Stabilization and Waterfront Park Senior Housing Project	10/18/2004	540,000.00	2,258.50					\$ 2,258.50				
2006-8	Road Improvements to N. & S. Wilson Ave.	5/15/2006	200,000.00	\$ 24,668.00	\$ 24,668.00				58,338.00				
2006-14	Acquisition of Computer & Recording Equipment	10/16/2006	45,000.00	12,224.26								1,724.26	\$ 10,500.00
2008-4	Road Improvements to Timber Boulevard			12,992.50								12,992.50	
2009-3	Road Improvements to Community Circle, Horton Avenue and Bergen Street	4/21/2009	230,000.00	5,033.71								5,033.71	
2011-6	Acquisition of Dump Truck and Four-Wheel Drive Vehicle and Repair, Renovation and Replacement of Firehouse Roof and Heater and Community Center Heater	6/20/2011	152,500.00	9,643.78									9,643.78
2011-10	Repair and Reconstruction of Sanitary Sewer System	7/18/2011	30,000.00	364.74									364.74
2011-11	Improvements to Approaches to Railroad Grade Crossings	7/18/2011	229,000.00	13,141.63							\$ 7,604.13		5,537.50
2011-12	Supplemental Funding for Repair and Reconstruction or Sanitary Sewer System	9/19/2011	20,000.00	5,821.52									5,821.52
2012-7	Purchase of EMS Equipment, Fire Department Vehicle and Repaving of Christiana Street and Community Road	6/18/2012	548,000.00	1,034.50									1,034.50
2013-3	Acquisition of Various Capital Equipment and the Completion of Various Capital Improvements	4/15/2013	423,400.00	85,059.37						\$ 5,800.00	37,254.44		53,604.93
2013-11	Acquisition of Sport Utility Police Vehicles and Improvements to Borough Railroad Crossings	10/21/2013	215,000.00	113,482.19						11,795.11	68,970.57		56,306.73
2014-7	Various Capital Improvements and Providing Funding for Preliminary Costs	6/16/2014	335,000.00	181,761.25						2,255.25	70,066.47		113,950.03
2015-7	Various Capital Improvements and Acquisition of Real Property	5/18/2015	350,000.00		\$ 27,000.00	\$ 123,000.00	\$ 200,000.00				308,831.61		41,168.39
2015-9	Various Capital Improvements to the Utility (Sewer)	5/18/2015	1,488,000.00			1,488,000.00							1,488,000.00
				\$ 24,668.00	\$ 482,776.20	\$ 27,000.00	\$ 1,611,000.00	\$ 200,000.00	\$ 19,850.36	\$ 492,727.22	\$ 8,012.51	\$ 78,622.71	\$ 1,785,932.12

Contracts Payable Disbursed
 \$ 23,284.00
 469,443.22
\$ 492,727.22

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2015

<u>Ord. Number</u>	<u>Purpose</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2014</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2015</u>
2003-8	Local Share of New Broadway Streetscape Improvement Project	11/23/2011	7/21/2014	7/20/2015	0.848%	\$ 10,000.00		\$ 10,000.00	
2005-4	Road Improvements in the Borough of Brooklawn	8/7/2007	7/21/2014	7/20/2015	0.848%	13,300.00		13,300.00	
2006-1	Improvements to Borough-Owned Properties	8/7/2007	7/21/2014	7/20/2015	0.848%	22,125.00		22,125.00	
2006-8	Road Improvements to N. and S. Wilson Ave.	8/7/2007	7/21/2014 7/21/2015	7/20/2015 7/20/2016	0.848% 0.870%	16,950.00	\$ 9,915.00	16,950.00	\$ 9,915.00
2006-14	Acquisition of Computer & Recording Equipment	8/7/2007	7/21/2014 7/21/2015	7/20/2015 7/20/2016	0.848% 0.870%	15,750.00	10,500.00	15,750.00	10,500.00
2007-5	Acquisition of Equipment and Apparatus	8/7/2007	7/21/2014 7/21/2015	7/20/2015 7/20/2016	0.848% 0.870%	78,065.00	52,040.00	78,065.00	52,040.00
2008-4	Road Improvements to Timber Boulevard	12/3/2008	7/21/2014 7/21/2015	7/20/2015 7/20/2016	0.848% 0.870%	13,904.00	10,428.00	13,904.00	10,428.00
2008-6	Acquisition of Refurbished Fire Apparatus	12/3/2008	7/21/2014 7/21/2015	7/20/2015 7/20/2016	0.848% 0.870%	27,856.00	20,892.00	27,856.00	20,892.00
2009-3	Road Improvements to Community Circle, Horton Avenue and Bergen Street	7/31/2009	7/21/2014 7/21/2015	7/20/2015 7/20/2016	0.848% 0.870%	36,250.00	29,000.00	36,250.00	29,000.00
2009-11	Repair and Reconstruction of Sanitary Sewer along Horton and Hannevig Roads	12/1/2009	7/21/2014 7/21/2015	7/20/2015 7/20/2016	0.848% 0.870%	42,430.00	33,930.00	42,430.00	33,930.00
2011-6	Acquisition of Dump Truck and Four-Wheel Drive Vehicle and Repair, Renovation and Replacement of Firehouse Roof and Heater and Community Center Heater	7/27/2011	7/21/2014 7/21/2015	7/20/2015 7/20/2016	0.848% 0.870%	130,375.00	114,075.00	130,375.00	114,075.00

(Continued)

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2015

Ord. Number	Purpose	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2014	Increased	Decreased	Balance Dec. 31, 2015
2011-10	Repair and Reconstruction of Sanitary Sewer System	7/25/2012	7/21/2014 7/21/2015	7/20/2015 7/20/2016	0.848% 0.870%	\$ 25,650.00	\$ 22,800.00	\$ 25,650.00	\$ 22,800.00
2011-11	Improvements to Approaches to Railroad Grade Crossings	7/25/2012	7/21/2014 7/21/2015	7/20/2015 7/20/2016	0.848% 0.870%	25,650.00	22,800.00	25,650.00	22,800.00
2011-12	Supplemental Funding for Repair and Reconstruction of Sanitary Sewer System	7/25/2012	7/21/2014 7/21/2015	7/20/2015 7/20/2016	0.848% 0.870%	17,100.00	15,200.00	17,100.00	15,200.00
2012-7	Purchase of EMS Equipment, Fire Department Vehicle and Repaving of Christian Street and Community Road	8/16/2012	7/21/2014 7/21/2015	7/20/2015 7/20/2016	0.848% 0.870%	387,600.00	344,500.00	387,600.00	344,500.00
2013-3	Acquisition of Various Capital Equipment and the Completion of Various Capital Improvements	4/15/2013	7/21/2014 7/21/2015	7/20/2015 7/20/2016	0.848% 0.870%	402,230.00	402,230.00	402,230.00	402,230.00
2013-11	Acquisition of Sport Utility Police Vehicles and Improvements to Borough Railroad Crossings	7/21/2014	7/21/2014 7/21/2015	7/20/2015 7/20/2016	0.848% 0.870%	75,496.00	75,496.00	75,496.00	75,496.00
2014-7	Various Capital Improvements and Providing Funding for Preliminary Costs	7/21/2014	7/21/2014 7/21/2015	7/20/2015 7/20/2016	0.848% 0.870%	188,100.00	188,100.00	188,100.00	188,100.00
2015-7	Various Capital Improvements and Acquisition of Real Property	7/17/2015	7/17/2015	7/16/2016	0.870%		123,000.00		123,000.00
2015-9	Various Capital Improvements to the Utility (Sewer)	7/17/2015	7/17/2015	7/16/2016	0.870%		1,488,000.00		1,488,000.00
						<u>\$ 1,528,831.00</u>	<u>\$ 2,962,906.00</u>	<u>\$ 1,528,831.00</u>	<u>\$ 2,962,906.00</u>
	Renewal						\$ 1,351,906.00	\$ 1,351,906.00	
	Paid By Budget Appropriation						176,925.00	176,925.00	
	Issued for Cash						<u>1,611,000.00</u>		
							<u>\$ 2,962,906.00</u>	<u>\$ 1,528,831.00</u>	<u>\$ 1,488,000.00</u>

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND

Statement of Bonds and Notes Authorized But Not Issued
 For the Year Ended December 31, 2015

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>2015 Authorizations</u>	<u>Bond Anticipation Note Issued</u>
2015-7	Various Capital Improvements and Acquisition of Real Property	\$ 123,000.00	\$ 123,000.00
2015-9	Various Capital Improvements to the Utility (Sewer)	<u>1,488,000.00</u>	<u>1,488,000.00</u>
		<u>\$ 1,611,000.00</u>	<u>\$ 1,611,000.00</u>

SUPPLEMENTAL EXHIBITS

WATER UTILITY FUND

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Statement of Water Utility Cash - Treasurer
For the Year Ended December 31, 2015

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2014	\$ 50,446.85	\$ 236,013.07
Increased by Receipts:		
Water Rents Collected	\$ 402,767.64	
Miscellaneous Revenues	6,229.68	
Water Tower Lease	15,600.00	
Due from/to Current Fund	2,733.45	
Due from Payroll	6,171.69	
Bond Anticipation Note		\$ 1,490,300.00
Water Utility Capital Fund	1,957.01	
Water Utility Operating Fund	<u>2,264.90</u>	
	<u>435,459.47</u>	<u>1,492,564.90</u>
	485,906.32	1,728,577.97
Decreased by Disbursements:		
Appropriations	398,484.14	
Appropriation Reserves	5,807.13	
Accrued Interest on Bonds and Notes	4,596.08	
Due from/to Current Fund	9,786.00	
Water Utility Operating Fund		1,957.01
Improvement Authorizations	<u>41,388.48</u>	
	<u>418,673.35</u>	<u>43,345.49</u>
Balance December 31, 2015	<u><u>\$ 67,232.97</u></u>	<u><u>\$ 1,685,232.48</u></u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
 Water Utility Capital Fund
 Analysis of Water Utility Capital Cash
 For the Year Ended December 31, 2015

	Balance Dec. 31, 2014	Receipts		Disbursements		Balance Dec. 31, 2015
		Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	
Fund Balance	\$ 12,751.24					\$ 12,751.24
Capital Improvement Fund	12,000.00					12,000.00
Reserve for Payment of Debt:						
Ordinance						
3-03;10-03	2,432.50					2,432.50
9-03	263.76					263.76
11-04	2,626.10					2,626.10
Excess Note Proceeds	5,701.00					5,701.00
<u>Improvement Authorizations:</u>						
15-02 Site Remediation at the Brooklawn Water Treatment Plant	286.49					286.49
5-07 Acquisition of a Water Tower Chlorination System	11,643.78					11,643.78
12-09 Redevelopment of Well #3						
6-10 Improvements to Water Tower	1,703.75					1,703.75
7-11 Replacement of Water Plant Roof, Replacement of Hydrants, Valves and Meters and Acquisition of Utility Truck	33,998.66					33,998.66
7-14 Various Improvements and Providing Funding for Preliminary Costs for Water Project	152,555.00			\$ 41,388.48		111,166.52
9-15 Various Capital Improvements to the Utility		\$ 1,490,300.00				1,490,300.00
Water Utility Operating Fund	50.79		\$ 2,264.90		\$ 1,957.01	358.68
	<u>\$236,013.07</u>	<u>\$ 1,490,300.00</u>	<u>\$ 2,264.90</u>	<u>\$ 41,388.48</u>	<u>\$ -</u>	<u>\$ 1,685,232.48</u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Operating Fund
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 91,945.10
Increased by:	
2015 Water Rents Levied	<u>429,494.71</u>
	521,439.81
Decreased by:	
Collections	<u>402,767.64</u>
Balance December 31, 2015	<u><u>\$ 118,672.17</u></u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Fixed Capital
For the Year Ended December 31, 2015

	Balance <u>Dec. 31, 2014</u>	Transfer from Fixed Capital Authorized and Uncompleted	Balance <u>Dec. 31, 2015</u>
Pumping Station, Mains and Fire Hydrants	\$ 62,076.72		\$ 62,076.72
Aerator	6,700.74		6,700.74
Deep Well Pump	3,970.03		3,970.03
Sprinkler System	951.83		951.83
Heavy Duty Vehicles	25,500.00	\$ 22,500.00	48,000.00
Well	12,542.95		12,542.95
Well and Equipment	594,873.79		594,873.79
Wiring	850.00		850.00
Water Meters	64,316.89		64,316.89
Water Tower Chlorination System		8,356.22	8,356.22
Addition to Municipal Water Works and Purchase of Equipment	61,227.34		61,227.34
Auxiliary Generators	80,000.00		80,000.00
Water Tank; Wet Basin; High Service Pumps; Generator; Chemical Feed System; Distribution Pipelines	1,074,621.79		1,074,621.79
Water Plan Radio Control Communications	10,800.00	3,600.00	14,400.00
Water Utility Site Repairs and Installation of Backwash Filtering System	75,000.00		75,000.00
Site Remediation		99,713.51	99,713.51
Reconstruction, Repair and Redevelopment of Well #1		6,000.00	6,000.00
Redevelopment of Well #3		24,299.00	24,299.00
Improvements of Water Tower		283,296.25	283,296.25
Water Recycling System and Plant Controls	199,906.66		199,906.66
Water Works Underground Storage Tanks Site		8,355.40	8,355.40
Water Plant Roof, Hydrants, Valves, Meters and Utility Truck		66,001.34	66,001.34
Water Improvements and Related Items	161,839.60	40,833.48	202,673.08
	<u>\$ 2,435,178.34</u>	<u>\$ 562,955.20</u>	<u>\$ 2,998,133.54</u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Capital Fund
Schedule of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2015

Ord. No.	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2014	2015 Authorization	Costs to Fixed Capital	Balance Dec. 31, 2015
3-98	Engineering and Testing Services for the Brooklawn Water Works Underground Storage Tanks Site	5/11/1998	\$ 17,000.00	\$ 8,355.40		\$ 8,355.40	
15-02	Site Remediation at the Brooklawn	11/18/2002	100,000.00	100,000.00		99,713.51	\$ 286.49
3-03	Repairs to Water Utility - Reconstruction, Repair and Redevelopment of Well #1	3/17/2003	20,000.00	6,000.00		6,000.00	
10-03	Acquisition of Water Plant Radio Control Communications	3/17/2003	12,000.00	3,600.00		3,600.00	
9-03	Acquisition of a Backhoe for Water Utility Department	9/19/2003	45,000.00	13,500.00		13,500.00	
11-04	Water Utility 4x4 Pickup Truck W/ Plow & Other Accessories	10/18/2004	30,000.00	9,000.00		9,000.00	
7-05	Acquisition of a Water Tower Chlorination System	6/18/2007	20,000.00	20,000.00		8,356.22	11,643.78
12-09	Redevelopment of Well #3	7/20/2009	30,000.00	24,299.00		24,299.00	
6-10	Improvements to Water Tower	8/16/2010	500,000.00	285,000.00		283,296.25	1,703.75
7-11	Replacement of Water Plant Roof, Replacement of Hydrants, Valves and Meters and Acquisition of Utility Truck	6/20/2011	100,000.00	100,000.00		66,001.34	33,998.66
7-14	Various Improvements and Providing Funding for Preliminary Costs for Water Project	6/16/2014	152,000.00	152,000.00		40,833.48	111,166.52
9-15	Various Capital Improvements to the Utility	5/18/2015	1,490,300.00		\$ 1,490,300.00		1,490,300.00
				<u>\$ 721,754.40</u>	<u>\$ 1,490,300.00</u>	<u>\$ 562,955.20</u>	<u>\$ 1,649,099.20</u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
 Water Utility Operating Fund
 Statement of Appropriation Reserves
 For the Year Ended December 31, 2015

	<u>Balance December 31, 2014</u>		<u>Disbursed</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>		<u>Lapsed</u>
Operating:				
Salaries and Wages		\$ 4,223.97		\$ 4,223.97
Other Expenses	\$ 6,921.39	348.01	\$ 5,807.13	1,462.27
Annual Audit		400.00		400.00
Deferred Charges and Statutory Expenditures:				
Social Security System (O.A.S.I.)		237.41		237.41
Unemployment Compensation insurance		1.00		1.00
	<u>\$ 6,921.39</u>	<u>\$ 5,210.39</u>	<u>\$ 5,807.13</u>	<u>\$ 6,324.65</u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Operating Fund
Statement of Interest on Bonds and Notes and Analysis of Balance
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 2,032.96
Increased by:	
Budget Appropriation:	
Interest on Bonds and Notes	4,475.49
	6,508.45
Decreased by:	
Disbursements	4,596.08
Balance December 31, 2015	\$ 1,912.37

Analysis of Accrued Interest December 31, 2015

	Principal Outstanding <u>Dec. 31, 2015</u>	Interest Rate	From	To	Period	Amount
Bond Anticipation Notes:	\$ 480,430.00	0.870%	7/17/2015	12/31/2015	167 Days	\$ 1,912.37
	1,490,300.00 *					
	\$ 1,970,730.00					

* Interest associated with this note is an allowable expense to Ordinance 9-2015 per Agreement with the U.S.D.A. Rural Development Office who is permanently financing this project.

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
 Water Utility Capital Fund
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2015

Ord. No.	Improvement Description	Date	Amount	Balance Dec. 31, 2014		2015 Authorization	Balance Dec. 31, 2015	
				Funded	Unfunded		Funded	Unfunded
15-02	Site Remediation at the Brooklawn Water Treatment Plant	11/18/02	\$ 100,000.00	\$	286.49		\$	286.49
5-07	Acquisition of a Water Tower Chlorination System	6/18/07	20,000.00	\$ 11,643.78			11,643.78	
6-10	Improvements to Water Tower	8/16/10	500,000.00	1,703.75			\$	1,703.75
7-11	Replacement of Water Plant Roof, Replacement of Hydrants, Valves and Meters and Acquisition of Utility Truck	6/20/11	100,000.00	33,998.66				33,998.66
7-14	Various Improvements and Providing Funding for Preliminary Costs for Water Project	6/16/14	160,000.00	152,555.00			\$41,388.48	111,166.52
9-15	Various Capital Improvements to the Utility	5/18/15	1,490,300.00			\$ 1,490,300.00		1,490,300.00
				\$ 11,643.78	\$ 188,543.90	\$ -	\$ 41,388.48	\$ 11,930.27
							\$ 1,490,300.00	\$ 1,637,168.93

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Operating Fund
Statement of Reserve for Amortization
For the Year Ended December 31, 2015

Balance December 31, 2014	\$ 2,435,178.34
Increased by:	
Transferred from Deferred Reserve for Amortization	<u>235,095.13</u>
Balance December 31, 2015	<u><u>\$ 2,670,273.47</u></u>

BOROUGH OF BROOKLAWN

WATER UTILITY FUND

Water Utility Capital Fund

Statement of Deferred Reserve for Amortization

For the Year Ended December 31, 2015

<u>Ord. Number</u>	<u>Improvement Description</u>	<u>Ord. Date</u>	<u>Balance Dec. 31, 2014</u>	<u>Transferred to Reserve for Amortization</u>	<u>Notes Paid from Operating Budget</u>	<u>Balance Dec. 31, 2015</u>
3-98	Engineering and Testing Services for the Brooklawn Water Works Underground Storage Tank Site	5-11-98	\$ 8,355.40	\$ 8,355.40		
15-02	Site Remediation at the Brooklawn Water Treatment Plant	11-18-02	155,600.00	155,313.51		\$ 286.49
7-05	Acquisition of a Water Tower Chlorination System	6-18-07	20,000.00	8,356.22		11,643.78
12-09	Redevelopment of Well #3	7/20/09		10,000.00	\$ 10,000.00	
6-10	Improvements to Water Tower	8-16-10		39,500.00	39,500.00	
7-11	Replacement of Water Plant Roof, Replacement of Hydrants, Valves and Meters and Acquisition of Utility Truck	6-20-11		13,570.00	13,570.00	
			<u>\$ 183,955.40</u>	<u>\$ 235,095.13</u>	<u>\$ 63,070.00</u>	<u>\$ 11,930.27</u>

BOROUGH OF BROOKLAWN
 WATER UTILITY FUND
 Water Utility Capital Fund
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2015

Ord. Number	Purpose	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2014	Increased	Decreased	Balance Dec. 31, 2015
12-09	Redevelopment of Well #3	07/20/2009	7/23/2014 7/17/2015	7/22/2015 7/16/2016	0.848% 0.870%	\$ 20,000.00	\$ 10,000.00	\$ 20,000.00	\$ 10,000.00
6-10	Improvements to Water Tower	07/27/2011	7/23/2014 7/17/2015	7/22/2015 7/16/2016	0.848% 0.870%	276,500.00	237,000.00	276,500.00	237,000.00
7-11	Replacement of Water Plant Roof, Replacement of Hydrants, Valves and Meters and Acquisition of Utility Truck	07/27/2011	7/23/2014 7/17/2015	7/22/2015 7/16/2016	0.848% 0.870%	95,000.00	81,430.00	95,000.00	81,430.00
7-14	Various Improvements and Providing Funding for Preliminary Costs for Water Project	07/21/2014	7/21/2014 7/17/2015	7/20/2015 7/16/2016	0.848% 0.870%	152,000.00	152,000.00	152,000.00	152,000.00
9-15	Various Capital Improvements to the Utility	07/17/2015	7/17/2015	7/16/2016	0.870%	1,490,300.00	1,490,300.00	1,490,300.00	1,490,300.00
						<u>\$ 543,500.00</u>	<u>\$ 1,970,730.00</u>	<u>\$ 543,500.00</u>	<u>\$ 1,970,730.00</u>
	Renewals					\$ 480,430.00	\$ 480,430.00	\$ 480,430.00	
	Paid by Budget Appropriation					1,490,300.00	63,070.00		
	Issued for Cash					<u>\$ 1,970,730.00</u>	<u>\$ 543,500.00</u>		

SUPPLEMENTAL EXHIBITS

PUBLIC ASSISTANCE FUND

BOROUGH OF BROOKLAWN
PUBLIC ASSISTANCE TRUST FUND
Statement of Public Assistance Trust Fund Cash - Treasurer
For the Year Ended December 31, 2015

		<u>P.A.T.F. II</u>
Balance December 31, 2014		\$ 550.86
Increased by:		
Interest Earned - Due to Current Fund		<u>1.40</u>
		552.26
Decreased by:		
Disbursed to Current Fund:		
Interest Realized as Anticipated Revenue	\$ 1.28	
Interfund Returned	<u>0.12</u>	
		<u>1.40</u>
Balance December 31, 2015		<u><u>\$ 550.86</u></u>

BOROUGH OF BROOKLAWN

PART II

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2015

BOROUGH OF BROOKLAWN
Schedule of Findings and Recommendations
For the Year Ended December 31, 2015

Schedule of Financial Statement Findings

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

None.

BOROUGH OF BROOKLAWN
Summary Schedule of Prior Year Audit Findings
and Recommendations as Prepared by Management

This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

FINANCIAL STATEMENT FINDINGS

Finding No. 2014-001

Condition

The general ledger accounting record did not reconcile to subsidiary records maintained by the Borough's tax office as required by N.J.A.C. 5:30-5.7.

Current Status

The condition has been corrected.

BOROUGH OF BROOKLAWN
 Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Theresa Branella	Mayor	
Julie McClearly	Council President	
James Meehan	Councilmember	
Michael Mevoli	Councilmember	
Gregory Gilbert	Councilmember	
Jerry Granstrom	Councilmember	
Patrick MacAdams	Councilmember	
Ryan Giles	Chief Financial Officer, Borough Clerk, Registrar of Vital Statistics, Qualified Purchasing Agent, Personnel Officer	(A)
Barbara Lewis	Deputy Chief Financial Officer	(A)
Maria Branson	Tax Collector, Water Clerk, Construction Office Secretary	(A)
Anna Minix	Treasurer, Deputy Borough Clerk, Deputy Registrar of Vital Statistics, Borough Homes Coordinator	(A)
Timothy Higgins, Esquire	Solicitor	

(A) Covered by policies of the Camden County Joint Insurance and the New Jersey Municipal Excess Liability Joint Insurance Fund for up to \$1,000,000 with a deductible of \$1,000.00.

15000

APPRECIATION

I express my appreciation for the assistance and courtesies rendered by the Borough officials during the course of the audit.

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Kirk N. Applegate
Certified Public Accountant
Registered Municipal Accountant