

**BOROUGH OF BROOKLAWN
COUNTY OF CAMDEN
REPORT OF AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2017**

BOROUGH OF BROOKLAWN
TABLE OF CONTENTS

<u>Exhibit No.</u>		<u>Page No.</u>
<u>PART I</u>		
	Independent Auditor's Report	2
	Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	5
<u>CURRENT FUND</u>		
A	Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis	7
A-1	Statements of Operations and Changes in Fund Balance - Regulatory Basis	9
A-2	Statement of Revenues - Regulatory Basis	11
A-3	Statement of Expenditures - Regulatory Basis	14
<u>TRUST FUND</u>		
B	Statements of Assets, Liabilities and Reserves - Regulatory Basis	22
<u>GENERAL CAPITAL FUND</u>		
C	Statements of Assets, Liabilities, Reserves and Fund Balance – Regulatory Basis	23
<u>WATER UTILITY FUND</u>		
D	Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis	24
D-1	Statements of Operations and Changes in Fund Balance - Regulatory Basis	26
D-2	Statement of Revenues - Regulatory Basis	27
D-3	Statement of Expenditures - Regulatory Basis	28
<u>PUBLIC ASSISTANCE TRUST FUND</u>		
E	Statements of Assets, Liabilities and Reserves - Regulatory Basis	29
<u>GENERAL FIXED ASSET ACCOUNT GROUP</u>		
F	Statement of General Fixed Asset Group of Accounts - Regulatory Basis	30
	Notes to Financial Statements	31

BOROUGH OF BROOKLAWN
TABLE OF CONTENTS (CONT'D)

Exhibit No.**Page No****SUPPLEMENTAL EXHIBITS****CURRENT FUND**

SA-1	Statement of Current Cash - Treasurer	62
SA-2	Statement of Change Funds	64
SA-3	Statement of Taxes Receivable and Analysis of Property Tax Levy	65
SA-4	Statement of Tax Title Liens	66
SA-5	Statement of Due to State of New Jersey Veterans' and Senior Citizens' Deductions	66
SA-6	Statement of Rents Receivable - Borough Owned Homes	67
SA-7	Statement of Revenue Accounts Receivable	68
SA-8	Statement of Reserve for Revaluation	69
SA-9	Statement of Deferred Charges – Special Emergency Authorizations	69
SA-10	Statement of Appropriation Reserves	70
SA-11	Statement of Due State of New Jersey - Marriage License Fees	75
SA-12	Statement of Due to State of New Jersey - State Training Fees Payable	75
SA-13	Statement of Reserve for Payroll Deductions Payable	76
SA-14	Statement of Prepaid Taxes	77
SA-15	Statement of Tax Overpayments	77
SA-16	Statement of County Taxes Payable	78
SA-17	Statement of Amount Due to County for Added Taxes	78
SA-18	Statement of Prepaid Rents on Borough Owned Homes	78
SA-19	Statement of Local District School Taxes	79
SA-20	Federal and State Grant Fund - Statement of Federal and State Grants Receivable	80
SA-21	Federal and State Grant Fund - Statement of Reserve for State Grants - Unappropriated	81
SA-22	Federal and State Grant Fund - Statement of Reserves for Federal and State Grants - Appropriated	82

TRUST FUND

SB-1	Trust Other Fund - Statement of Trust Cash - Treasurer	84
SB-2	Trust Other Fund - Animal Control Fund - Statement of Reserve for Animal Control Expenditures	85
SB-3	Trust Other Fund - Animal Control Fund - Statement of Due to Current Fund	85
SB-4	Trust Other Fund - Statement of Due from/to Current Fund	86
SB-5	Trust Other Fund - Statement of Community Development Block Grants Receivable	87
SB-6	Trust Other Fund - Statement of Reserve for Off-Duty Police Work	87
SB-7	Trust Other Fund - Statement of Reserve for Community Development Block Grants	88
SB-8	Trust Other Fund - Statement of Reserve for Security Deposits on Borough Owned Homes	88
SB-9	Trust Other Fund - Statement of Reserve for Unemployment Compensation Insurance	89
SB-10	Trust Other Fund - Statement of Reserve for Parking Offenses Adjudication Act	89
SB-11	Trust Other Fund - Statement of Reserve for Local Law Enforcement	90
SB-12	Trust Other Fund - Statement of Reserve for Public Defender Fees	90

BOROUGH OF BROOKLAWN
TABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No</u>
<u>TRUST FUND (CONT'D)</u>		
SB-13	Trust Other Fund – Statement of Reserve for Recreation Donations	91
SB-14	Trust Other Fund - Statement of Reserve for Tax Title Lien Redemptions	91
SB-15	Trust Other Fund - Statement of Reserve for Tax Sale Premiums	92
SB-16	Trust Other Fund - Statement of Reserve for Escrow Deposits	92
<u>GENERAL CAPITAL FUND</u>		
SC-1	Statement of General Capital Cash - Treasurer	94
SC-2	Analysis of General Capital Cash and Investments	95
SC-3	Statement of Deferred Charges to Future Taxation - Unfunded	96
SC-4	Statement of Due to/from Current Fund	98
SC-5	Statement of Due to Federal and State Grant Fund	98
SC-6	Statement of Capital Improvement Fund	99
SC-7	Statements of Contracts Payable	99
SC-8	New Jersey Transportation Trust Fund Receivable	100
SC-9	Statement of Improvement Authorizations	101
SC-10	Statement of Bond Anticipation Notes	102
SC-11	Statement of Bonds and Notes Authorized But Not Issued	104
<u>WATER UTILITY FUND</u>		
SD-1	Statement of Water Utility Cash - Treasurer	106
SD-2	Water Utility Capital Fund - Analysis of Water Utility Capital Cash	107
SD-3	Water Utility Operating Fund - Statement of Consumer Accounts Receivable	108
SD-4	Water Utility Capital Fund - Statement of Fixed Capital	109
SD-5	Water Utility Capital Fund - Schedule of Fixed Capital Authorized and Uncompleted	110
SD-6	Water Utility Operating Fund - Statement of Appropriation Reserves	111
SD-7	Water Utility Operating Fund - Statement of Interest on Bonds and Notes and Analysis of Balance	112
SD-8	Water Utility Capital Fund - Statement of Improvement Authorizations	113
SD-9	Statement of Contracts Payable	114
SD-10	Water Utility Operating Fund - Statement of Reserve for Amortization	115
SD-11	Water Utility Capital Fund - Statement of Deferred Reserve for Amortization	116
SD-12	Water Utility Capital Fund - Statement of Bond Anticipation Notes	117
<u>PUBLIC ASSISTANCE FUND</u>		
SE-1	Statement of Public Assistance Trust Fund Cash - Treasurer	114
<u>PART II</u>		
<u>SCHEDULE OF FINDINGS AND RECOMMENDATIONS</u>		
	Schedule of Financial Statement Findings	121
	Summary Schedule of Prior Year Audit Findings and Recommendations as Prepared by Management	122
<u>OFFICIALS IN OFFICE AND SURETY BONDS</u>		
		123
<u>APPRECIATION</u>		
		124

BOROUGH OF BROOKLAWN
PART I
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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, 2017 and 2016, 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 asset group of accounts - regulatory basis for the year ended December 31, 2017, 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.

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, 2017 and 2016, 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, 2017 and 2016, 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 asset group of accounts - regulatory basis, for the year ended December 31, 2017, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

Other 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 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental 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 May 24, 2018 on our consideration of the Borough of Brooklawn, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough of Brooklawn's 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
May 24, 2018

**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, 2017, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated May 24, 2018. 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.

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 the 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 Borough'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
May 24, 2018

BOROUGH OF BROOKLAWN

CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2017 and 2016

<u>ASSETS</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Regular Fund:			
Cash--Treasurer	SA-1	\$ 1,544,384.01	\$ 1,406,751.61
Cash--Change Funds	SA-2	240.00	240.00
		<u>1,544,624.01</u>	<u>1,406,991.61</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	94,364.47	69,998.22
Tax Title Liens Receivable	SA-4	81,442.60	70,741.00
Property Acquired for Taxes - Assessed Valuation	A	69,700.00	69,700.00
Rents Receivable - Borough-Owned Homes	SA-6	14,352.51	19,637.51
Revenue Accounts Receivable	SA-7	5,639.99	7,719.32
Due from Bank	A-1		56.31
Due from Trust- Animal Control Fund	SB-3	4.93	1.31
Due from Trust- Other Fund	SB-4	2,266.52	
Due from Federal and State Grant Fund	A		9,004.19
Due from General Capital Fund	SC-4		323.98
Due from Water Utility Operating Fund	D	8,638.69	9,836.51
Due from Public Assistance Fund	SE-1	0.58	0.12
		<u>276,410.29</u>	<u>257,018.47</u>
Deferred Charges:			
Reserve for Revaluation	SA-9	40,000.00	50,000.00
		<u>40,000.00</u>	<u>50,000.00</u>
		<u>1,861,034.30</u>	<u>1,714,010.08</u>
Federal and State Grant Fund:			
Cash	SA-1	12,306.69	10.61
Due from General Capital Fund	SC-5		51,886.50
Grants Receivable	SA-20	157,000.74	125,463.34
		<u>169,307.43</u>	<u>177,360.45</u>
		<u>\$ 2,030,341.73</u>	<u>\$ 1,891,370.53</u>

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2017 and 2016

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Regular Fund:			
Appropriation Reserves	A-3	\$ 80,796.58	\$ 157,983.44
Reserve for Encumbrances:			
Budget	A-3	48,488.16	58,016.44
Due to CCMUA - Tax Sale	A	562.72	562.72
Due to Lienholder	SA-1		13,469.08
Due to State of New Jersey:			
Veterans and Senior Citizens Deductions (Ch.73, P.L. 1976)	SA-5	15,991.38	16,553.94
Marriage License Fees	SA-11	100.00	50.00
State Training Fees	SA-12	238.00	592.00
Reserve for Payroll Deductions Payable	SA-13	36,618.57	27,360.95
Prepaid Taxes	SA-14	84,731.38	80,677.17
Tax Overpayments	SA-15	13,205.59	14,864.10
Due County for Added and Omitted Taxes	SA-17	786.46	
Prepaid Rents on Borough Owned Homes	SA-18	3,015.00	5.00
School Taxes Payable	SA-19	14,916.50	89,091.50
Reserve for Preparation of Tax Maps	A	2,032.50	2,032.50
Reserve for Revaluation	SA-8	16,185.63	29,360.44
Due to Trust - Other Fund	SB-4		4,215.94
Due to General Capital Fund	SC-4	43,363.13	
		<u>361,031.60</u>	<u>494,835.22</u>
Reserves for Receivables		276,410.29	257,018.47
Fund Balance	A-1	<u>1,223,592.41</u>	<u>962,156.39</u>
		<u>1,861,034.30</u>	<u>1,714,010.08</u>
Federal and State Grant Fund:			
Due to Current Fund	A		9,004.19
Reserve for Small Cities Program Income	A	73.66	73.66
Reserve for Federal and State Grants - Unappropriated	SA-21	5,244.72	6,135.56
Reserve for Federal and State Grants - Appropriated	SA-22	163,939.06	161,946.31
Reserve for Encumbrances	SA-22	49.99	200.73
		<u>169,307.43</u>	<u>177,360.45</u>
		<u>\$ 2,030,341.73</u>	<u>\$ 1,891,370.53</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, 2017 and 2016

	<u>2017</u>	<u>2016</u>
<u>Revenue and Other Income Realized:</u>		
Fund Balance Utilized	\$ 390,000.00	\$ 325,000.00
Miscellaneous Revenues Anticipated	1,091,425.31	986,245.84
Receipts from Delinquent Taxes	65,262.53	142,119.97
Receipts from Current Taxes	4,318,272.91	4,180,289.28
Non-budget Revenues	254,279.83	123,488.69
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	163,012.40	152,451.08
Cancellation of Tax Overpayments	1,261.80	
Liquidation of Reserve for Due from Bank	56.31	
Interfund Reserves Liquidated:		
Due from Trust Other Fund		1,279.03
Due from Trust - Animal Control Fund		0.36
Due from General Capital Fund	323.98	
Due from Federal and State Grant Fund	9,004.19	
Due from Water Utility Operating Fund	1,197.82	
	<u>6,294,097.08</u>	<u>5,910,874.25</u>
<u>Expenditures:</u>		
Budget Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	1,216,447.00	1,233,617.00
Other Expenses	1,304,700.00	1,337,614.00
Deferred Charges and Statutory Expenditures		
Municipal -- Within "CAPS"	301,982.00	279,510.00
Operations Excluded from "CAPS"		
Salaries and Wages	34,000.00	43,079.10
Other Expenses	136,075.54	23,044.51
Capital Improvement Fund	10,000.00	10,000.00
Acquisition of Police Four Wheel Drive Vehicle	35,000.00	
Municipal Debt Service	220,006.88	211,429.43
Deferred Charges -- Excluded from "CAPS"	10,000.00	
County Taxes	1,007,218.27	1,001,392.40
Due County for Added and Omitted Taxes	786.46	
Local District School Tax	1,363,368.00	1,325,727.00
Prior Year Senior Citizens Disallowed	750.00	1,750.00
Cancellation of Due from Bank	56.31	
Creation of Reserve for Due from Bank		56.31
Interfund Reserves Created:		
Due from Trust Other Fund	2,266.52	
Due from Trust - Animal Control Fund	3.62	
Due from Federal and State Grant Fund		9,004.19
Due from Water Utility Operating Fund		9,836.51
Due from Public Assistance Fund	0.46	
Due from General Capital Fund		24.37
	<u>5,642,661.06</u>	<u>5,486,084.82</u>

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
 Statements of Operations and Changes
 In Fund Balance - Regulatory Basis
 For the Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Excess in Revenues	\$ 651,436.02	\$ 424,789.43
Adjustments to Income Before Fund Balance:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Year	<u>-</u>	<u>50,000.00</u>
Statutory Excess to Fund Balance	651,436.02	474,789.43
Fund Balance January 1	<u>962,156.39</u>	<u>812,366.96</u>
	1,613,592.41	1,287,156.39
Decreased by:		
Utilization as Anticipated Revenue	<u>390,000.00</u>	<u>325,000.00</u>
Fund Balance December 31	<u><u>\$ 1,223,592.41</u></u>	<u><u>\$ 962,156.39</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, 2017

	Anticipated <u>Budget</u>	Special <u>N.J.S. 40A:4-87</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Fund Balance Anticipated	\$ 390,000.00	\$ -	\$ 390,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	12,500.00		12,650.00	150.00
Other	8,000.00		9,015.93	1,015.93
Fines and Costs:				
Municipal Court	85,000.00		85,651.72	651.72
Interest and Costs on Taxes	18,005.98		15,404.81	(2,601.17)
Interest on Investments and Deposits	4,500.00		9,051.96	4,551.96
Rental of Municipally Owned Property	300,000.00		309,782.79	9,782.79
Uniform Fire Safety Act-- Fees & Permits	1,500.00		2,385.00	885.00
Rental Registration Fees	14,800.00		15,740.00	940.00
Consolidated Municipal Property Tax Relief Aid	2,667.00		2,667.00	
Energy Receipts Tax P.L. 1997, Chapters 162 & 167)	196,842.00		196,842.00	
Uniform Construction Code Fees	29,000.00		22,046.00	(6,954.00)
Hotel Motel Tax	50,000.00		54,382.38	4,382.38
Sewer Service Fees	114,000.00		180,010.98	66,010.98
Rental of Community Center	7,000.00		7,220.00	220.00
Special Items of Revenue:				
Uniform Fire Safety Act	4,000.00		4,577.30	577.30
Interlocal Service Agreement - Electrical Sub Code Official - Borough of Merchantville	4,458.00		4,458.00	
Interlocal Service Agreement - Electrical Sub Code Official - Borough of Westville	5,000.00		4,000.00	(1,000.00)
Interlocal Service Agreement - Administrator Services - Borough of Westville		35,000.00	35,000.00	
Public and Private Revenues Offset With Appropriations:				
Municipal Alliance on Alcoholism and Drug Abuse	6,712.40		6,712.40	
Body Armor Replacement Fund		1,062.42	1,062.42	
Recreation Facility Enhancement Grant		50,000.00	50,000.00	
Drunk Driving Enforcement Grant		4,000.00	4,000.00	
Clean Communities Program		4,000.00	4,000.00	
Drive Sober or Get Pulled Over Grant		11,000.00	11,000.00	
Recycling Tonnage Grant	4,629.06		4,629.06	
Recycling Tonnage Grant (Reserved)	6,135.56		6,135.56	
New Jersey Prevention Network		3,000.00	3,000.00	
Safe and Secure Communities Grant	30,000.00		30,000.00	
Subtotal General Revenues	<u>904,750.00</u>	<u>108,062.42</u>	<u>1,091,425.31</u>	<u>78,612.89</u>
Receipts from Delinquent Taxes	<u>70,000.00</u>	<u>-</u>	<u>65,262.53</u>	<u>(4,737.47)</u>
Subtotal General Revenues	1,364,750.00	108,062.42	1,546,687.84	73,875.42
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes Including Reserve for Uncollectible Taxes	<u>1,971,775.00</u>	<u>-</u>	<u>2,102,689.18</u>	<u>130,914.18</u>
Budget Totals	3,336,525.00	108,062.42	3,649,377.02	204,789.60
Nonbudget Revenues	<u>-</u>	<u>-</u>	<u>254,279.83</u>	<u>254,279.83</u>
	<u>\$ 3,336,525.00</u>	<u>\$ 108,062.42</u>	<u>\$ 3,903,656.85</u>	<u>\$ 459,069.43</u>

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2017

Analysis of Realized Revenue:Allocation of Current Tax Collections:

Revenue from Collections	\$ 4,318,272.91
Allocated to:	
School, and County Taxes	2,391,958.73
Balance for Support of Municipal Budget Revenues	1,926,314.18
Add:	
Appropriation: "Reserve for Uncollected Taxes"	176,375.00
Amount for Support of Municipal Budget Appropriations	\$ 2,102,689.18

Receipts from Delinquent Taxes

Delinquent Tax Collections	\$ 65,262.53
Tax Title Liens	-
	\$ 65,262.53

Interest on Investments and Deposits

Treasurer	\$ 9,015.83
Municipal Court	36.13
	\$ 9,051.96

Rental of Municipally Owned Property

Rents Receivable	\$ 309,777.79
Prepayments Applied	5.00
	\$ 309,782.79

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2017

Miscellaneous Revenue Not Anticipated	\$	51.00
Marriage License - Borough		5,931.00
CO Inspection Fees		4,337.71
Recycling		1,037.39
Police Reports		50.00
Searches		200.00
Registrar		72.00
Gun Permits		900.00
Zoning		31,903.50
Miscellaneous		900.00
Street Openings		28,911.48
PILOT Programs		1.15
Copies		12,993.80
Cable Television Franchise Fees		175.00
Bus Shelters		125.00
Bad Check Service Charge		1,100.00
Gateway Railroad Lease		368.75
Seniors' and Veterans' Deductions Administrative Fee		5,105.25
DMV Inspections		476.75
Refund of Prior Year Expenditures		3,900.00
Certificates of Redemption		132.00
Homestead Benefits - Administrative Fee		739.55
Sewer Rent Interest		26,470.34
Property Maintenance Revenue		77,647.16
Other Fees		47,711.00
Camden County Joint Insurance Fund Dividend		3,000.00
Tax Premiums		40.00
Zoning List		40.00
	<u>\$</u>	<u>254,279.83</u>

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, 2017

	Appropriations		Expended			Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT:						
Administrative and Executive						
Salaries and Wages:						
Municipal Clerk's Office	\$ 87,300.00	\$ 83,300.00	\$ 82,857.39		\$ 442.61	
Mayor and Council	14,087.00	18,087.00	18,064.00			23.00
Borough Recorder	1,400.00	1,400.00	1,346.40			53.60
Other Expenses:						
Printing and Legal	3,100.00	3,100.00	2,402.97	\$ 106.16		590.87
Mayor and Council	3,100.00	5,400.00	4,533.55	290.00		576.45
Miscellaneous Other Expenses	42,000.00	43,500.00	37,686.30	3,700.00		2,113.70
Elections						
Other Expenses	2,000.00	2,000.00	1,446.41			553.59
Financial Administration						
Salaries and Wages:						
Treasurer's Office	31,000.00	25,000.00	24,962.25			37.75
Chief Financial Officer	38,000.00	38,000.00	35,353.60			2,646.40
Other Expenses:						
Annual Audit	30,500.00	30,500.00	29,900.00			600.00
Assessment of Taxes						
Salaries and Wages	8,875.00	8,875.00	8,199.96			675.04
Other Expenses	1,500.00	1,500.00	908.72			591.28
Collection of Taxes						
Salaries and Wages	29,800.00	29,800.00	27,605.04			2,194.96
Other Expenses	4,500.00	3,100.00	2,557.22			542.78
Legal Services						
Other Expenses	50,000.00	54,000.00	46,878.98	3,000.00		4,121.02
Administration of Borough-Owned Homes						
Salaries and Wages	10,500.00	10,500.00	9,600.68			899.32
Municipal Prosecutor						
Salaries and Wages	7,615.00	7,615.00	7,503.00			112.00

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

	Appropriations		Expended			Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>OPERATIONS WITHIN "CAPS" (CONT'D)</u>						
Engineering Services and Costs						
Other Expenses	\$ 28,000.00	\$ 34,000.00	\$ 33,309.21		\$ 690.79	
Public Buildings and Grounds						
Other Expenses	37,000.00	86,000.00	83,268.05	\$ 1,813.78	918.17	
Maintenance of Borough Owned Homes						
Salaries and Wages	17,000.00	17,000.00	16,560.96		439.04	
Other Expenses	60,000.00	60,000.00	58,789.28	1,000.46	210.26	
Municipal Land Use Law (N.J.S.A. 40:55D-1)						
Planning and Zoning Boards:						
Salaries and Wages	4,500.00	4,500.00	4,498.18		1.82	
Other Expenses	4,000.00	4,000.00	2,791.40		1,208.60	
Insurance:						
Group Insurance Plans for Employees	398,000.00	319,471.00	318,862.83		608.17	
Health Benefit Waiver	22,000.00	22,000.00	22,000.00			
Worker's Compensation Insurance	84,200.00	84,200.00	82,502.41		1,697.59	
Other Insurance Premiums	80,000.00	80,000.00	80,000.00			
Animal Control						
Other Expenses	8,500.00	8,500.00	4,344.00	350.00	3,806.00	
Celebration of Public Events						
Other Expenses	7,000.00	13,000.00	12,277.39	48.00	674.61	
<u>PUBLIC SAFETY:</u>						
Fire						
Other Expenses	27,000.00	27,000.00	26,365.46	350.00	284.54	
Uniform Fire Safety Act (P.L. 1983, Ch 383)						
Fire Inspector:						
Salaries and Wages	5,675.00	5,675.00	5,363.04		311.96	
Other Expenses	3,000.00	3,000.00	2,985.80		14.20	
Police						
Salaries and Wages	618,000.00	610,000.00	602,121.95		7,878.05	
Other Expenses	65,000.00	70,829.00	67,693.49	2,102.21	1,033.30	

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

	Appropriations		Expended			Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>OPERATIONS WITHIN "CAPS" (CONT'D)</u>						
<u>PUBLIC SAFETY (CONT'D):</u>						
Volunteer Ambulance Association						
Other Expenses						
Municipal Code Enforcement Official						
Salaries and Wages	\$ 32,000.00	\$ 32,000.00	\$ 29,514.26		\$ 2,485.74	
Other Expenses	1,500.00	1,500.00	469.77		1,030.23	
Municipal Court:						
Salaries and Wages	72,000.00	67,000.00	66,793.05		206.95	
Other Expenses	11,000.00	11,000.00	10,033.99	\$ 111.18	854.83	
Office of Emergency Management						
Salaries and Wages	2,900.00	2,900.00	1,850.00		1,050.00	
Other Expenses	2,000.00	2,000.00	1,103.50		896.50	
Traffic Signals						
Other Expenses	2,800.00	2,800.00	559.07		2,240.93	
Public Defender						
Salaries and Wages	4,000.00	4,000.00	4,000.00			
Streets and Roads						
Road Repairs and Maintenance						
Salaries and Wages	51,500.00	75,000.00	73,756.95		1,243.05	
Other Expenses	7,800.00	9,400.00	8,463.94	853.00	83.06	
Vehicle Maintenance						
Other Expenses	35,000.00	36,400.00	29,254.35	3,160.68	3,984.97	
Sanitation						
Sewer System						
Salaries and Wages	58,000.00	62,550.00	61,375.34		1,174.66	
Other Expenses	16,500.00	17,500.00	7,812.99	9,449.65	237.36	
Garbage and Trash Removal						
Salaries and Wages	62,500.00	57,500.00	52,646.14		4,853.86	
Other Expenses	3,500.00	3,500.00	2,826.51		673.49	

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
 Statement of Expenditures - Regulatory Basis
 For the Year Ended December 31, 2017

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>OPERATIONS WITHIN "CAPS" (CONT'D)</u>						
<u>PUBLIC SAFETY (CONT'D):</u>						
Sanitary Landfill						
Other Expenses	\$ 61,000.00	\$ 66,000.00	\$ 59,365.97	\$ 6,324.28	\$ 309.75	
Recycling						
Salaries and Wages	34,000.00	35,000.00	33,562.75			1,437.25
Other Expenses	11,000.00	15,000.00	13,041.85	1,345.24		612.91
<u>HEALTH AND WELFARE:</u>						
Board of Health						
Salaries and Wages	1,000.00	1,000.00	900.00			100.00
Other Expenses	1,500.00	1,500.00	796.00			704.00
Parks and Playgrounds						
Other Expenses	22,000.00	23,500.00	20,931.24	1,715.05		853.71
Shade Tree Commission						
Other Expenses	9,500.00	9,500.00	8,445.40	1,021.00		33.60
<u>STATE UNIFORM CONSTRUCTION CODE:</u>						
Construction Code Official						
Salaries and Wages	7,395.00	8,145.00	8,044.29			100.71
Subcode Officials:						
Electrical Inspector						
Salaries and Wages	4,250.00	4,250.00	4,239.99			10.01
Fire Inspector						
Salaries and Wages	3,790.00	3,790.00	3,348.00			442.00
Plumbing Official						
Salaries and Wages	3,560.00	3,560.00	3,488.03			71.97

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
<u>OPERATIONS WITHIN "CAPS" (CONT'D)</u>						
UNCLASSIFIED:						
Utilities:						
Utilities	\$ 165,000.00	\$ 150,000.00	\$ 130,876.28	\$ 11,747.47	\$ 7,376.25	
Total Operations Within "CAPS"	<u>2,521,147.00</u>	<u>2,521,147.00</u>	<u>2,403,039.58</u>	<u>48,488.16</u>	<u>69,619.26</u>	<u>\$ -</u>
Total Operations Including Contingent - within "CAPS"						
Detail:						
Salaries and Wages	1,210,647.00	1,216,447.00	1,187,555.25	-	28,891.75	-
Other Expenses	1,310,500.00	1,304,700.00	1,215,484.33	48,488.16	40,727.51	-
<u>DEFERRED CHARGES AND STATUTORY</u>						
<u>EXPENDITURES - MUNICIPAL WITHIN "CAPS":</u>						
STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees Retirement Systems	87,084.00	87,084.00	87,084.00			
Police and Fireman's Retirement System of New Jersey	133,197.00	133,197.00	133,197.00			
Social Security System (O.A.S.I.)	81,700.00	81,700.00	77,526.02		4,173.98	
Unemployment Compensation Insurance	1.00	1.00			1.00	
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	<u>301,982.00</u>	<u>301,982.00</u>	<u>297,807.02</u>	<u>-</u>	<u>4,174.98</u>	<u>-</u>
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	<u>2,823,129.00</u>	<u>2,823,129.00</u>	<u>2,700,846.60</u>	<u>48,488.16</u>	<u>73,794.24</u>	<u>-</u>

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS EXCLUDED FROM "CAPS"						
Recycling Tax	\$ 3,400.00	\$ 3,400.00	\$ 2,184.72		\$ 1,215.28	
Interlocal Service Agreement - Borough of Merchantville Electrical Sub-code Official Services	4,458.00	4,458.00	3,999.94		458.06	
Interlocal Service Agreement - Borough of Westville Electrical Sub-code Official Services	5,000.00	5,000.00	5,000.00			
Interlocal Service Agreement - Borough of Westville Administrator Services (N.J.S.A. 40A:4-87, \$35,000.00+)		35,000.00	35,000.00			
Total Other Operations Excluded from "CAPS"	12,858.00	47,858.00	46,184.66	\$ -	1,673.34	\$ -
Public and Private Programs Offset by Revenues:						
Municipal Alliance on Alcoholism and Drug Abuse	8,390.50	8,390.50	8,390.50			
Recycling Tonnage Grant	4,629.06	4,629.06	4,629.06			
Recycling Tonnage Grant (Reserved)	6,135.56	6,135.56	6,135.56			
Clean Communities (N.J.S.A. 40A:4-87, \$4,000.00+)		4,000.00	4,000.00			
New Jersey Prevention Network (N.J.S.A. 40A:4-87, \$3,000.00+)		3,000.00	3,000.00			
Body Armor Replacement Fund (N.J.S.A. 40A:4-87, \$1,062.42+)		1,062.42	1,062.42			
Drive Sober or Get Pulled Over (N.J.S.A. 40A:4-87, \$11,000.00+)		11,000.00	11,000.00			
Drunk Driving Enforcement Grant (N.J.S.A. 40A:4-87, \$4,000.00+)		4,000.00	4,000.00			
Recreation Facility Grant (N.J.S.A. 40A:4-87, \$50,000.00+)		50,000.00	50,000.00			
Safe & Secure Communities Grant	30,000.00	30,000.00	30,000.00			
Total Public and Private Programs Offset by Revenues	49,155.12	122,217.54	122,217.54	-	-	-
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	62,013.12	170,075.54	168,402.20	-	1,673.34	-
Detail:						
Salaries and Wages	30,000.00	34,000.00	34,000.00	-	-	-
Other Expenses	32,013.12	136,075.54	134,402.20	-	1,673.34	-

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2017

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
<u>CAPITAL IMPROVEMENTS -</u>						
<u>EXCLUDED FROM "CAPS":</u>						
Capital Improvement Fund	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00			
Acquisition of Police Four Wheel Drive Vehicle	35,000.00	35,000.00	29,671.00		\$ 5,329.00	
TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"	45,000.00	45,000.00	39,671.00	\$ -	5,329.00	\$ -
<u>MUNICIPAL DEBT SERVICE -</u>						
<u>EXCLUDED FROM "CAPS"</u>						
Payment of Bond Application Notes and Capital Notes	208,500.00	208,500.00	208,499.00			1.00
Interest on Notes	11,507.88	11,507.88	11,507.88			
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	220,007.88	220,007.88	220,006.88	-	-	1.00
<u>DEFERRED CHARGES</u>						
<u>EXCLUDED FROM "CAPS"</u>						
Special Emergency Authorizations	10,000.00	10,000.00	10,000.00	-	-	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	337,021.00	445,083.42	438,080.08	-	7,002.34	1.00
SUBTOTAL GENERAL APPROPRIATIONS	3,160,150.00	3,268,212.42	3,138,926.68	48,488.16	80,796.58	1.00
RESERVE FOR UNCOLLECTED TAXES	176,375.00	176,375.00	176,375.00	-	-	-
TOTAL GENERAL APPROPRIATIONS	\$ 3,336,525.00	\$ 3,444,587.42	\$ 3,315,301.68	\$ 48,488.16	\$ 80,796.58	\$ 1.00

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
 Statement of Expenditures - Regulatory Basis
 For the Year Ended December 31, 2017

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u> <u>Reserved</u>	
Budget		\$ 3,336,525.00			
Appropriation by N.J.S.A. 40A:4-87		<u>108,062.42</u>			
		<u>\$ 3,444,587.42</u>			
Federal and State Grants - Appropriated			\$ 122,217.54		
Special Emergency Authorizations			10,000.00		
Due from Trust Other Fund - Budget Refund			(3,991.00)		
Reserve for Uncollected Taxes			176,375.00		
Payroll Deductions Payable			636,467.94		
Disbursed			<u>2,374,232.20</u>		
			<u>\$ 3,315,301.68</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, 2017 and 2016

<u>ASSETS</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Animal Control Fund:			
Cash	SB-1	\$ 2,984.48	\$ 5,785.62
Other Funds:			
Cash	SB-1	242,234.60	197,866.11
Due from Water Operating Fund	SB-1	445.20	
Due from Current Fund	SB-4		4,215.94
Community Development Block Grants Receivable	SB-5	22,771.46	44,371.46
		<u>265,451.26</u>	<u>246,453.51</u>
		<u>\$ 268,435.74</u>	<u>\$ 252,239.13</u>
 <u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Reserve for Animal Control Expenditures	SB-2	\$ 2,979.55	\$ 5,784.31
Due to Current Fund	SB-3	4.93	1.31
		<u>2,984.48</u>	<u>5,785.62</u>
Other Funds:			
Due to Current Fund	SB-4	2,266.52	
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	109,334.35	115,157.77
Community Development Block Grants	SB-7	29,195.00	37,967.50
Security Deposits on Borough Owned Homes	SB-8	33,034.87	36,849.62
Unemployment Compensation Insurance	SB-9	10,408.41	1,944.84
Parking Offenses Adjudication Act	SB-10	411.00	377.00
Local Law Enforcement	SB-11	4,993.03	3,396.02
Public Defender Fees	SB-12	4,407.27	3,094.80
Recreation Donations	SB-13	3,266.33	4,055.58
Tax Title Lien Redemptions	SB-14	11,612.48	1,871.38
Tax Sale Premiums	SB-15	46,400.00	28,800.00
Escrow Deposits	SB-16	7,038.95	9,855.95
		<u>265,451.26</u>	<u>246,453.51</u>
		<u>\$ 268,435.74</u>	<u>\$ 252,239.13</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, 2017 and 2016

<u>ASSETS</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Cash	SC-1	\$ 1,658,703.46	\$ 1,527,844.81
Deferred Charges to Future Taxation:			
Unfunded	SC-3	2,983,837.00	3,001,481.00
Due from Current Fund	SC-4	43,363.13	
N.J. Transportation Trust Fund Grant Receivable	SC-8	168,820.52	118,820.52
Community Development Block Grant	SC-2	19,100.00	
Camden County Improvement Authority Grant Receivable	SC-2		200,000.00
		<u>\$ 4,873,824.11</u>	<u>\$ 4,848,146.33</u>
 <u>LIABILITIES AND RESERVES</u>			
Reserve to Pay Notes	SC-2	\$ 25,376.71	\$ 25,376.71
Due to Current Fund	SC-4		323.98
Due to Federal and State Grant Fund	SC-5		51,886.50
Capital Improvement Fund	SC-6	10,550.28	10,595.28
Contracts Payable	SC-7	70,535.00	
Improvement Authorizations:			
Funded	SC-9	18,788.25	18,788.25
Unfunded	SC-9	1,912,502.37	1,887,462.11
Bond Anticipation Notes	SC-10	2,801,337.00	2,818,979.00
Fund Balance	C	34,734.50	34,734.50
		<u>\$ 4,873,824.11</u>	<u>\$ 4,848,146.33</u>

Bonds and notes authorized but not issued on December 31, 2017 were \$182,500.00 and on December 31, 2016 were \$182,502.00.

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, 2017 and 2016

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>			
Operating Fund:			
Cash - Treasurer	SD-1	\$ 196,117.01	\$ 135,922.42
Due from Water Utility Capital Fund	SD-1	<u>1,614.50</u>	<u>349.20</u>
		<u>197,731.51</u>	<u>136,271.62</u>
Receivables With Full Reserves			
Consumer Accounts Receivable	SD-3	<u>110,964.74</u>	<u>123,150.42</u>
Total Operating Fund		<u>308,696.25</u>	<u>259,422.04</u>
Capital Fund:			
Cash	SD-1	971,459.30	1,647,746.62
Fixed Capital	SD-4	2,998,133.54	2,998,133.54
Fixed Capital Authorized and Uncompleted	SD-5	<u>1,649,099.20</u>	<u>1,649,099.20</u>
Total Capital Fund		<u>5,618,692.04</u>	<u>6,294,979.36</u>
		<u>\$ 5,927,388.29</u>	<u>\$ 6,554,401.40</u>

(Continued)

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
 As of December 31, 2017 and 2016

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves	D-3;SD-6	\$ 25,668.05	\$ 5,148.25
Reserve for Encumbrances	D-3;SD-6	10,005.66	7,712.19
Due to Trust Other Fund	SD-1	445.20	
Due to Current Fund	SD-1	8,638.69	9,836.51
Accrued Interest on Bonds and Notes	SD-7	2,137.14	1,584.25
		<u>46,894.74</u>	<u>24,281.20</u>
Reserve for Receivables	D	110,964.74	123,150.42
Fund Balance	D-1	150,836.77	111,990.42
Total Operating Fund		<u>308,696.25</u>	<u>259,422.04</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	1,614.50	349.20
Improvement Authorizations			
Funded	SD-8	11,930.27	11,930.27
Unfunded	SD-8	602,184.79	1,599,692.55
Contracts Payable	SD-9	319,955.14	
Reserve for Amortization	SD-10	2,806,413.47	2,733,343.47
Deferred Reserve for Amortization	SD-11	11,930.27	11,930.27
Bond Anticipation Notes	SD-12	1,834,590.00	1,907,660.00
Fund Balance	D	12,751.24	12,751.24
Total Capital Fund		<u>5,618,692.04</u>	<u>6,294,979.36</u>
		<u>\$ 5,927,388.29</u>	<u>\$ 6,554,401.40</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, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Revenue and Other Income Realized:		
Operating Surplus Anticipated	\$ 40,870.00	\$ 6,000.00
Rents	457,981.65	446,088.40
Miscellaneous	22,458.85	9,799.79
Water Tower Lease	16,800.00	14,300.00
Unexpended Balance of Appropriation Reserves	<u>4,275.69</u>	<u>23,417.13</u>
 Total Income	 <u>542,386.19</u>	 <u>499,605.32</u>
Expenditures:		
Operations:		
Salaries and Wages	178,000.00	157,000.00
Other Expenses	192,989.00	174,500.00
Debt Service	77,179.84	66,921.62
Deferred Charges and Statutory Expenditures	<u>14,501.00</u>	<u>12,001.00</u>
 Total Expenditures	 <u>462,669.84</u>	 <u>410,422.62</u>
 Excess in Revenue	 79,716.35	 89,182.70
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	 79,716.35	 89,182.70
 Fund Balance January 1	 <u>111,990.42</u>	 <u>28,807.72</u>
Total	191,706.77	117,990.42
Decreased by:		
Utilization as Anticipated Revenue	<u>40,870.00</u>	<u>6,000.00</u>
 Fund Balance December 31	 <u><u>\$ 150,836.77</u></u>	 <u><u>\$ 111,990.42</u></u>

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, 2017

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Operating Surplus Anticipated	\$ 40,870.00	\$ 40,870.00	
Water Rents	402,000.00	457,981.65	\$ 55,981.65
Miscellaneous	3,000.00	22,458.85	19,458.85
Water Tower Lease	<u>16,800.00</u>	<u>16,800.00</u>	
	<u>\$ 462,670.00</u>	<u>\$ 538,110.50</u>	<u>\$ 75,440.50</u>

Analysis of Realized Revenue

Miscellaneous:

Interest on Delinquent Accounts	\$ 2,310.01
Meter Fees	720.00
Water Allocation for Westville	15,000.00
Interest on Deposits	<u>432.55</u>

18,462.56

Interest on Water Capital Checking Account

3,996.29

\$ 22,458.85

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, 2017

	Appropriations		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved
Operations:					
Salaries and Wages	\$ 190,000.00	\$ 178,000.00	\$ 159,254.88		\$ 18,745.12
Other Expenses	164,999.00	176,489.00	162,135.86	\$ 10,005.66	4,347.48
Annual Audit	16,500.00	16,500.00	16,500.00		
Total Operations	371,499.00	370,989.00	337,890.74	10,005.66	23,092.60
Debt Service:					
Payment of Bond Anticipation Notes	73,070.00	73,070.00	73,070.00		
Interest on Notes	3,600.00	4,110.00	4,109.84		0.16
Total Debt Service	76,670.00	77,180.00	77,179.84	-	-
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	14,500.00	14,500.00	11,925.55		2,574.45
Unemployment Compensation Insurance	1.00	1.00			1.00
Total Deferred Charges and Statutory Expenditures:	14,501.00	14,501.00	11,925.55	-	2,575.45
Total Water Utility Appropriations	\$ 462,670.00	\$ 462,670.00	\$ 426,996.13	\$ 10,005.66	\$ 25,668.05
			\$ 4,109.84		
Interest on Bond and Notes Disbursed			422,886.29		
			<u>\$ 426,996.13</u>		

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, 2017 and 2016

<u>ASSETS</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Cash	SE-1	<u>\$ 551.32</u>	<u>\$ 550.86</u>
 <u>LIABILITIES AND RESERVES</u>			
Due to Current Fund	SE-1	\$ 0.58	\$ 0.12
Reserve for Public Assistance	E	<u>550.74</u>	<u>550.74</u>
		<u>\$ 551.32</u>	<u>\$ 550.86</u>

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

BOROUGH OF BROOKLAWN
GENERAL FIXED ASSETS ACCOUNT GROUP
Statement of General Fixed Asset Group of Accounts - Regulatory Basis
For the Year Ended December 31, 2017

	Balance <u>Dec. 31, 2016</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2017</u>
General Fixed Assets:				
Land	\$ 1,692,000.00			\$ 1,692,000.00
Building	3,244,400.00			3,244,400.00
Equipment	<u>2,460,353.54</u>	<u>\$ 94,498.00</u>	<u>\$ 13,991.00</u>	<u>2,540,860.54</u>
Total General Fixed Assets	<u>\$ 7,396,753.54</u>	<u>\$ 94,498.00</u>	<u>\$ 13,991.00</u>	<u>\$ 7,477,260.54</u>
Total Investment in General Fixed Assets	<u>\$ 7,396,753.54</u>	<u>\$ 94,498.00</u>	<u>\$ 13,991.00</u>	<u>\$ 7,477,260.54</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, 2017

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, No. 61 and No. 80.

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* (the "*Requirements*") 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* 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 and an account group 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.

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.

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

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; therefore, unrealized gains or losses on investments have not been recorded.

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.

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.

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

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, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at acquisition value as of the date of the transaction. 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 asset group of accounts, 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 include 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, 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 asset group of accounts. If such property is converted to a municipal use, it will be recorded in the general fixed asset group of accounts.

Deferred Charges - The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally over-expenditures 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.

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.

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

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 to 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, 2016 and decreased by the amount deferred at December 31, 2017.

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.

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.

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

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.

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Police and Firemen's Retirement System (PFRS) and the Public Employees' Retirement System (PERS), and additions to/deductions from PFRS' and PERS' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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, 2017, the Borough's bank balances of \$5,259,612.73 were insured by FDIC or 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, 2017, the Borough's deposits with the New Jersey Cash Management Fund were \$2,412.71.

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:

Comparative Schedule of Tax Rates

	<u>Year Ended</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Tax Rate	\$ 3.900	\$ 3.090	\$ 3.059	\$ 3.035	\$ 2.807
Apportionment of Tax Rate:					
Municipal	\$ 1.762	\$ 1.400	\$ 1.380	\$ 1.345	\$ 1.287
County	.881	.706	.728	.747	.779
County Open Space Trust Func	.020	.017	.018	.018	.019
Local School	1.237	.967	.933	.925	.722

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2017	\$ 111,879,600.00
2016	138,818,400.00
2015	140,133,300.00
2014	141,271,400.00
2013	141,919,477.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2017	\$ 4,366,708.54	\$ 4,318,272.91	98.89%
2016	4,289,488.56	4,180,289.28	97.45%
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%

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>
2017	\$ 81,442.60	\$ 1,983.64	\$ 83,426.24	1.91%
2016	70,741.00	69,998.22	140,739.22	3.28%
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%

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>
2017	5
2016	6
2015	6
2014	5
2013	5

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>
2017	\$ 69,700.00
2016	69,700.00
2015	69,700.00
2014	69,700.00
2013	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>Balance Beginning of Year Receivable</u>	<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
2017	\$ 123,150.42	\$ 445,795.97	\$ 568,946.39	\$ 457,981.65
2016	118,672.17	450,927.55	569,599.72	446,088.40
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

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>
2017	\$ 1,223,592.41	\$ 405,500.00	33.14%
2016	962,156.39	390,000.00	40.53%
2015	812,366.96	325,000.00	40.01%
2014	660,812.72	335,000.00	50.70%
2013	535,129.31	306,000.00	57.18%

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>
2017	\$ 151,157.02	\$ 50,000.00	33.08%
2016	111,990.42	40,870.00	27.56%
2015	28,807.72	6,000.00	20.83%
2014	35,131.44	20,900.00	59.49%
2013	13,087.46	9,500.00	72.59%

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, 2017:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 10,910.72	\$ 43,363.13
Trust - Animal Control		4.93
Trust - Other	445.20	2,266.52
General Capital	43,363.13	
Water Utility Operating	1,614.50	9,083.89
Water Utility Capital		1,614.50
Public Assistance		0.58
Totals	<u>\$ 56,333.55</u>	<u>\$ 56,333.55</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2018, 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/financial-reports.shtml>

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 and 43:3B. The PERS provides retirement, death and disability benefits. All benefits vest after 10 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 with 25 years or more of service credit before age 62, 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 four years of service.

The following represents the membership tiers for PFRS:

Tier Definition

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% 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 7 years beginning in July 2012. The member contribution rate was 7.20% in State fiscal year 2017. 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) was 10% in State fiscal year 2017. Employers' contribution 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, 2017 was 11.55% of the Borough's covered 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, 2017, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2017 is \$64,756.00, and is payable by April 1, 2018. 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, 2016, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2016 was \$83,310.00, which was paid on April 1, 2017. Employee contributions to the Plan during the year ended December 31, 2017 were \$42,726.48.

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 was 10% in State fiscal year 2017. 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 non-employer 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, 2017 was 25.63% of the Borough's covered 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, 2017, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2017 is \$113,461.00, and is payable by April 1, 2018. 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, 2016, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2016 was \$127,230.00, which was paid on April 1, 2017. Employee contributions to the Plan during the year ended December 31, 2017 were \$45,238.00.

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, 2017 was 2.50% of the Borough's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2017, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2017 is \$11,085.00, and is payable by April 1, 2018. Based on the PFRS measurement date of June 30, 2016, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2016 was \$9,591.00, which was paid on April 1, 2017.

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, 2017, the Borough's proportionate share of the PERS net pension liability was \$1,627,188.00. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. 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, 2017. 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, 2017 measurement date, the Borough's proportion was 0.0069901204%, which was a decrease of 0.0023875630% from its proportion measured as of June 30, 2016.

At December 31, 2017, the Borough's proportionate share of the PERS pension expense, calculated by the Plan as of the June 30, 2017 measurement date is \$74,969.00. 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, 2017, the Borough's contribution to PERS was \$83,310.00, and was paid on April 1, 2017.

Police and Firemen's Retirement System - At December 31, 2017, 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	\$ 1,979,189.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Borough	<u>221,686.00</u>
	<u>\$ 2,200,875.00</u>

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. 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, 2017. 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, 2017 measurement date, the Borough's proportion was 0.0128201846%, which was a decrease of 0.0027843371% from its proportion measured as of June 30, 2016. Likewise, at June 30, 2017, the State of New Jersey's proportion, on-behalf of the Borough, was 0.0128201846%, which was a decrease of 0.0027843371% from its proportion, on-behalf of the Borough, measured as of June 30, 2016.

At December 31, 2017, the Borough's proportionate share of the PFRS pension expense, calculated by the Plan as of the June 30, 2017 measurement date is \$19,220.00. 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, 2017, the Borough's contribution to PFRS was \$127,230.00, and was paid on April 1, 2017.

At December 31, 2017, the State's proportionate share of the PFRS pension expense, associated with the Borough, calculated by the Plan as of the June 30, 2017 measurement date is \$221,686.00. 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, 2017, 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		
	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between Expected and Actual Experience	\$ 38,315.00	\$ 12,840.00	\$ 51,155.00	\$ -	\$ 11,616.00	\$ 11,616.00
Changes of Assumptions	327,822.00	244,056.00	571,878.00	326,621.00	324,133.00	650,754.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	11,080.00	37,768.00	48,848.00	-	-	-
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions	207,681.00	171,496.00	379,177.00	443,337.00	648,579.00	1,091,916.00
Borough Contributions Subsequent to the Measurement Date	32,378.00	56,731.00	89,109.00	-	-	-
	<u>\$ 617,276.00</u>	<u>\$ 522,891.00</u>	<u>\$ 1,140,167.00</u>	<u>\$ 769,958.00</u>	<u>\$ 984,328.00</u>	<u>\$ 1,754,286.00</u>

Deferred outflows of resources totaling \$32,378.00 and \$56,731.00 for PERS and PFRS, respectively, will be included as a reduction of the net pension liability in the year ending December 31, 2018. These amounts were based on an estimated April 1, 2019 contractually required contribution, prorated from the pension plans measurement date of June 30, 2017 to the Borough's year end of December 31, 2017.

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) - 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:

	<u>PERS</u>		<u>PFRS</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
June 30, 2014	-	-	-	-
June 30, 2015	5.72	-	-	5.53
June 30, 2016	5.57	-	-	5.58
June 30, 2017	5.48	-	5.59	-
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	-	6.17	-
June 30, 2015	5.72	-	5.53	-
June 30, 2016	5.57	-	5.58	-
June 30, 2017	-	5.48	-	5.59
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
June 30, 2016	5.00	-	5.00	-
June 30, 2017	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
June 30, 2016	5.57	5.57	5.58	5.58
June 30, 2017	5.48	5.48	5.59	5.59

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,	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2018	\$ (4,091.00)	\$ (136,197.00)	\$ (140,288.00)
2019	15,407.00	(95,055.00)	(79,648.00)
2020	(5,298.00)	(63,572.00)	(68,870.00)
2021	(111,528.00)	(138,537.00)	(250,065.00)
2022	(79,550.00)	(84,807.00)	(164,357.00)
	<u>\$ (185,060.00)</u>	<u>\$ (518,168.00)</u>	<u>\$ (703,228.00)</u>

Actuarial Assumptions

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. 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, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>PERS</u>	<u>PFRS</u>
Inflation Rate	2.25%	2.25%
Salary Increases:		
Through 2026	1.65% - 4.15% Based on Age	2.10% - 8.98% Based on Age
Thereafter	2.65% - 5.15% Based on Age	3.10% - 9.98% Based on Age
Investment Rate of Return	7.00%	7.00%
Mortality Rate Table	RP-2000	RP-2000
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2011 - June 30, 2014	July 1, 2010 - June 30, 2013

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

For PERS, preretirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Plan actuary's modified MP-2014 projection scale. Postretirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

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

For PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2017) 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, 2017 are summarized in the following table:

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Estate	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability at June 30, 2017 was 5.00% for PERS and 6.14% 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 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017, 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 the non-employer contributing entity will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current Plan members through 2040 for PERS and through 2057 for PFRS; therefore, the long-term expected rate of return on Plan investments was applied to projected benefit payments through 2040 for PERS and through 2057 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liabilities.

Note 8: PENSION PLANS (CONT'D)**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, 2017, the Plan's measurement date, calculated using a discount rate of 5.00%, 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 (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Borough's Proportionate Share of the Net Pension Liability	\$ 2,018,638.00	\$ 1,627,188.00	\$ 1,301,063.00

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, 2017, the plans measurement date, for the Borough and the State of New Jersey, calculated using a discount rate of 6.14%, 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 (5.14%)	Current Discount Rate (6.14%)	1% Increase (7.14%)
Borough's Proportionate Share of the Net Pension Liability	\$ 2,607,744.00	\$ 1,979,189.00	\$ 1,462,759.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Borough	292,089.56	221,686.00	163,841.47
	<u>\$ 2,899,833.56</u>	<u>\$ 2,200,875.00</u>	<u>\$ 1,626,600.47</u>

Pension Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the PERS and PFRS and additions to/deductions from PERS and PFRS' respective fiduciary net position have been determined on the same basis as they are reported by PERS and PFRS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For additional information about PERS and PFRS, please refer to the Plan's Comprehensive Annual Financial Report (CAFR) which can be found at <http://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Note 8: PENSION PLANS (CONT'D)**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 Five Years)

	<u>Measurement Date Ended June 30,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Borough's Proportion of the Net Pension Liability	0.0069901204%	0.0093776834%	0.0078995565%
Borough's Proportionate Share of the Net Pension Liability	\$ 1,627,188.00	\$ 2,777,401.00	\$ 1,773,292.00
Borough's Covered Payroll (Plan Measurement Period)	\$ 484,876.00	\$ 634,140.00	\$ 545,516.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	335.59%	437.98%	325.07%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.10%	40.14%	47.93%
	<u>Measurement Date Ended June 30,</u>		
	<u>2014</u>	<u>2013</u>	
Borough's Proportion of the Net Pension Liability	0.0076864518%	0.0079321327%	
Borough's Proportionate Share of the Net Pension Liability	\$ 1,439,114.00	\$ 1,515,988.00	
Borough's Covered Payroll (Plan Measurement Period)	\$ 534,796.00	\$ 547,784.00	
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	269.10%	276.75%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.08%	48.72%	

Note 8: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of the Borough's Contributions - Public Employees' Retirement System (PERS) (Last Five Years)***

	<u>Year Ended December 31,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Borough's Contractually Required Contribution	\$ 64,756.00	\$ 83,310.00	\$ 67,915.00
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(64,756.00)</u>	<u>(83,310.00)</u>	<u>(67,915.00)</u>
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 560,715.00	\$ 499,789.00	\$ 596,213.00
Borough's Contributions as a Percentage of Covered Payroll	11.55%	16.67%	11.39%
	<u>Year Ended December 31,</u>		
	<u>2014</u>	<u>2013</u>	
Borough's Contractually Required Contribution	\$ 63,366.00	\$ 59,767.00	
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(63,366.00)</u>	<u>(59,767.00)</u>	
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	
Borough's Covered Payroll (Calendar Year)	\$ 546,032.00	\$ 524,824.00	
Borough's Contributions as a Percentage of Covered Payroll	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 Five Years)***

	<u>Measurement Date Ended June 30,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Borough's Proportion of the Net Pension Liability	0.0128201846%	0.0156045217%	0.0136972239%
Borough's Proportionate Share of the Net Pension Liability	\$ 1,979,189.00	\$ 2,980,863.00	\$ 2,281,480.00
State's Proportionate Share of the Net Pension Liability associated with the Borough	221,686.00	250,319.00	200,078.00
Total	<u>\$ 2,200,875.00</u>	<u>\$ 3,231,182.00</u>	<u>\$ 2,481,558.00</u>
Borough's Covered Payroll (Plan Measurement Period)	\$ 401,316.00	\$ 498,760.00	\$ 433,768.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	493.17%	597.65%	525.97%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.60%	52.01%	56.31%
	<u>Measurement Date Ended June 30,</u>		
	<u>2014</u>	<u>2013</u>	
Borough's Proportion of the Net Pension Liability	0.0151974614%	0.0196497222%	
Borough's Proportionate Share of the Net Pension Liability	\$ 1,911,700.00	\$ 2,612,253.00	
State's Proportionate Share of the Net Pension Liability associated with the Borough	205,858.00	243,494.00	
Total	<u>\$ 2,117,558.00</u>	<u>\$ 2,855,747.00</u>	
Borough's Covered Payroll (Plan Measurement Period)	\$ 429,188.00	\$ 616,672.00	
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	445.42%	423.60%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.41%	58.70%	

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

	<u>Year Ended December 31,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Borough's Contractually Required Contribution	\$ 113,461.00	\$ 127,230.00	\$ 111,338.00
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(113,461.00)</u>	<u>(127,230.00)</u>	<u>(111,338.00)</u>
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 442,630.00	\$ 402,314.00	\$ 443,617.00
Borough's Contributions as a Percentage of Covered Payroll	25.63%	31.62%	25.10%
	<u>Year Ended December 31,</u>		
	<u>2014</u>	<u>2013</u>	
Borough's Contractually Required Contribution	\$ 116,727.00	\$ 143,360.00	
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(116,727.00)</u>	<u>(143,360.00)</u>	
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	
Borough's Covered Payroll (Calendar Year)	\$ 434,269.00	\$ 431,873.00	
Borough's Contributions as a Percentage of Covered Payroll	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 - For 2017, the discount rate changed to 5.00% and the long-term rate of return changed to 7.00%. For 2016, the discount rate changed to 3.98%, the long-term expected rate of return changed to 7.65% from 7.90%, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the Plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter. For 2015, the discount rate changed to 4.90%. In addition, the social security wage base was set at \$118,500.00 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at \$265,000.00 for 2015, increasing 3.00% per annum, compounded annually. For 2014, the discount rate was 5.39%.

Police and Firemen's Retirement System (PFRS)

Changes in Benefit Terms - In 2017, Chapter 26, P.L. 2016 increased the accidental death benefit payable to children if there is no surviving spouse to 70% of final compensation.

Changes in Assumptions - For 2017, the discount rate changed to 6.14% and the long-term rate of return changed to 7.00%. For 2016, the discount rate changed to 5.55%, the long-term expected rate of return changed to 7.65% from 7.90%, and the mortality improvement scale incorporated the Plan actuary's modified 2014 projection scale. Further, salary increases were assumed to increase between 2.10% and 8.98% (based on age) through fiscal year 2026 and 3.10% and 9.98% (based on age) for each fiscal year thereafter. For 2015, the discount rate changed to 5.79% and demographic assumptions were revised in accordance with the results of the July 1, 2010 - June 30, 2013 experience study. For 2014, the discount rate was 6.32%.

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, 2016, accrued benefits for compensated absences are valued at \$72,620.29.

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, 2017, the Borough had lease agreements in effect for the following:

Operating:
One (1) Xerox 7225 Copier

Operating Leases - Future minimum lease payments under operating lease agreements are as follows:

<u>Year</u>	<u>Amount</u>
2018	\$ 1,788.00
2019	1,788.00
2020	745.00

Rental payments under operating leases for the year 2017 were \$1,639.00.

Note 12: CAPITAL DEBT

The following schedule represents the Borough's summary of debt for the current and two previous years:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 2,801,337.00	\$ 2,818,979.00	\$ 2,962,906.00
Water Utility:			
Bonds and Notes	<u>1,834,590.00</u>	<u>1,907,660.00</u>	<u>1,970,730.00</u>
Total Issued	4,635,927.00	4,726,639.00	4,933,636.00
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	<u>182,500.00</u>	<u>182,502.00</u>	<u>-</u>
Total Issued and Authorized but not Issued	<u>4,818,427.00</u>	<u>4,909,141.00</u>	<u>4,933,636.00</u>
<u>Deductions</u>			
General:			
Reserve for Payment of Bonds	25,376.71	25,376.71	25,376.71
Water Utility:			
Self-Liquidating	<u>1,834,590.00</u>	<u>1,907,660.00</u>	<u>1,970,730.00</u>
Total Deductions	<u>1,859,966.71</u>	<u>1,933,036.71</u>	<u>1,996,106.71</u>
Net Debt	<u><u>\$ 2,958,460.29</u></u>	<u><u>\$ 2,976,104.29</u></u>	<u><u>\$ 2,937,529.29</u></u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of 2.5%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 2,464,000.00	\$ 2,464,000.00	
Self-Liquidating	1,834,590.00	1,834,590.00	
General	<u>2,983,837.00</u>	<u>25,376.71</u>	\$ 2,958,460.29
	<u><u>\$ 7,282,427.00</u></u>	<u><u>\$ 4,323,966.71</u></u>	<u><u>\$ 2,958,460.29</u></u>

Net debt \$2,958,460.29 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$118,348,723.67, equals 2.5%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 4,142,205.33
Less: Net Debt	<u>2,958,460.29</u>
Remaining Borrowing Power	<u><u>\$ 1,183,745.04</u></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		\$ 538,110.50
Deductions:		
Operating and Maintenance Costs	\$ 385,490.00	
Debt Service	<u>77,179.84</u>	
Total Deductions		<u>462,669.84</u>
Excess in Revenue		<u>\$ 75,440.66</u>

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

Note 13: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2017, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund(s):

<u>Description</u>	<u>Balance December 31, 2017</u>	<u>2018 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorization	\$ 40,000.00	\$ 10,000.00

The appropriations in the 2018 Budget as adopted are not less than that required by the statutes.

Note 14: 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:

	<u>Balance December 31,</u>	
	<u>2017</u>	<u>2016</u>
Balance of Tax Deferred	\$ 706,893.50 <u>691,977.00</u>	\$ 760,482.50 <u>671,391.00</u>
Taxes Payable	<u>\$ 14,916.50</u>	<u>\$ 89,091.50</u>

Note 15: 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.

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/ Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2017	\$ 10,000.00	\$ 12.03	\$ 1,548.46	\$ 10,408.41
2016	13,000.00	28.54	25,110.08	1,944.84
2015	10,000.00	29.30	1,021.89	14,026.38

Joint Insurance Pool - The Borough is a member of the Camden County Insurance Pool 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

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, 2017, which can be obtained from:

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

Note 16: 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.

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 17: 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 18: SUBSEQUENT EVENTS

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

<u>Purpose</u>	<u>Adoption</u>	<u>Authorization</u>
General Improvements		
Ord. 2018-3 Acquisition of Various Capital Equipment	02/20/18	\$235,000.00

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Current Cash - Treasurer
For the Year Ended December 31, 2017

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2016	\$ 1,406,751.61	\$ 10.61
Increased by Receipts:		
Taxes Receivable	\$ 4,261,814.46	
Prepaid Taxes	84,731.38	
Tax Overpayments	22,986.14	
Due to State of New Jersey:		
Senior Citizens and Veterans Deductions	18,437.44	
Marriage License Fees	425.00	
State Training Fees	935.00	
Rents Receivable - Borough-Owned Homes	309,777.79	
Prepaid Rents on Borough Owned Homes	3,015.00	
Revenue Accounts Receivable	615,543.18	
Interlocal Service Agreements	43,458.00	
Miscellaneous Revenue Not Anticipated	254,279.83	
Due from Trust - Animal Control Fund	1.31	
Due from Trust - Other Fund	1,950.00	
Due from General Capital Fund	45,557.98	
Due from Water Utility Operating Fund	1,197.82	
Due from Public Assistance Fund	0.12	
Due to Camden County M.U.A.	42,289.07	
Petty Cash (Contra)	200.00	
Reserve for Federal and State Grants	7,326.09	
Federal and State Grants Fund:		
Federal and State Grants Receivable		\$ 58,111.20
Due from General Capital Fund		51,886.50
	5,713,925.61	109,997.70
Carried Forward	7,120,677.22	110,008.31

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
 Statement of Current Cash - Treasurer
 For the Year Ended December 31, 2017

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Brought Forward	\$ 7,120,677.22	\$ 110,008.31
Decreased by Disbursements:		
2016 Appropriation Reserves	\$ 52,987.48	
2017 Appropriations	2,374,232.20	
County Taxes	1,007,218.27	
Tax Overpayments	2,089.04	
Due State of New Jersey - Marriage License Fees	375.00	
Due State of New Jersey - State Training Fees	1,289.00	
Local District School Tax	1,437,543.00	
Payroll Deductions Payable	627,210.32	
Petty Cash (Contra)	200.00	
Due to Trust Other Fund	4,215.94	
Due to Camden County M.U.A.	42,289.07	
Due to Lienholder	13,469.08	
Reserve for Revaluation	13,174.81	
Reserve for Federal and State Grants		\$ 7,326.09
Reserve for Federal and State Grants--Appropriated		<u>90,375.53</u>
	<u>5,576,293.21</u>	<u>97,701.62</u>
Balance December 31, 2017	<u><u>\$ 1,544,384.01</u></u>	<u><u>\$ 12,306.69</u></u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Schedule of Change Funds
As of December 31, 2017

Balance December 31, 2017	<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, 2017

Year	Balance	2017 Levy	Added	Collections		Due from State of New Jersey	Overpayments Applied	Canceled	Transfer to Liens	Balance
	Dec. 31, 2016		Taxes	2016	2017					Dec. 31, 2017
2015	\$ 3,752.05				\$ 250.00			\$ 3,502.05		
2016	<u>66,246.17</u>		\$ 750.00		<u>64,843.44</u>		\$ 169.09			\$ 1,983.64
	69,998.22	\$ -	750.00	\$ -	65,093.44	\$ -	169.09	3,502.05	\$ -	1,983.64
2017		<u>4,366,708.54</u>	<u>55,333.20</u>	<u>80,677.17</u>	<u>4,196,721.02</u>	<u>19,750.00</u>	<u>21,124.72</u>	<u>686.40</u>	<u>10,701.60</u>	<u>92,380.83</u>
	<u>\$ 69,998.22</u>	<u>\$ 4,366,708.54</u>	<u>\$ 56,083.20</u>	<u>\$ 80,677.17</u>	<u>\$ 4,261,814.46</u>	<u>\$ 19,750.00</u>	<u>\$ 21,293.81</u>	<u>\$ 4,188.45</u>	<u>\$ 10,701.60</u>	<u>\$ 94,364.47</u>

Analysis of 2017 Property Tax Levy

Tax Yield:

General Property Tax	\$ 4,363,304.40
Added Taxes (54:4-63.1 et. seq.)	<u>3,404.14</u>
	<u>\$ 4,366,708.54</u>

Tax Levy:

Local School District Tax (Abstract)	\$1,383,954.00
County Taxes:	
County Tax (Abstract)	\$ 925,677.51
County Library	58,816.83
Open Space	22,723.93
Due County for Added/Omitted Taxes	<u>786.46</u>
Total County Taxes	1,008,004.73
Local Tax for Municipal Purposes	1,971,775.00
Add: Additional Tax Levied	<u>2,974.81</u>
	<u>1,974,749.81</u>
	<u>\$ 4,366,708.54</u>

BOROUGH OF BROOKLAWN
CURRENT FUND
 Statement of Tax Title Liens
 For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 70,741.00
Increased by:		
Transfer from Taxes Receivable		10,701.60
Balance December 31, 2017		\$ 81,442.60

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, 2017

Balance December 31, 2016		\$ 16,553.94
Increased by:		
Received from State of New Jersey		18,437.44
		34,991.38
Accrued in 2017 to Municipality:		
Senior Citizens' Deductions per Tax Billings	\$ 8,500.00	
Veterans' Deductions per Tax Billings	11,750.00	
Deductions Allowed by Collector - 2017 Taxes	250.00	
	20,500.00	
Deduct:		
Deductions Disallowed by Collector - 2017 Taxes	750.00	
Subtotal 2017 Tax Accrual	19,750.00	
Deduct:		
Deductions Disallowed by Collector - Prior Taxes	750.00	
		19,000.00
Balance December 31, 2017		\$ 15,991.38

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Rents Receivable - Borough Owned Homes
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 19,637.51
Increased by:		
2017 Rental Charges and Late Fees		304,497.79
		324,135.30
Decreased by:		
Receipts	\$ 309,777.79	
Prepayments Applied	5.00	
		309,782.79
Balance December 31, 2017		\$ 14,352.51

BOROUGH OF BROOKLAWN
CURRENT FUND
 Statement of Revenue Accounts Receivable
 For the Year Ended December 31, 2017

	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Accrued</u> <u>In 2017</u>	<u>Collected</u>	Trust <u>Other - Animal</u> <u>Control Fund</u>	Trust <u>Other Fund</u>	General <u>Capital Fund</u>	Public Assistance <u>Fund</u>	<u>Balance</u> <u>Dec. 31, 2017</u>	
Miscellaneous Revenue Anticipated:									
Licenses:									
Alcoholic Beverages		\$ 12,650.00	\$ 12,650.00						
Other		9,015.93	9,015.93						
Construction Code Official									
Fees and Permits		22,046.00	22,046.00						
Municipal Court:									
Fines and Costs	\$ 7,716.18	83,572.15	85,651.72					\$ 5,636.61	Dec. 2017
Interest on Bank Accounts	3.14	36.37	36.13					3.38	Dec. 2017
Interest and Costs on Taxes		15,404.81	15,404.81						
Interest on Investments		9,015.83	6,913.93	\$ 4.93	\$ 225.52	\$ 1,870.87	\$ 0.58		
Uniform Fire Safety Act:									
Fees and Permits		2,385.00	2,385.00						
Hotel/Motel Tax		54,382.38	54,382.38						
Rental Registration Fees		15,740.00	15,740.00						
Uniform Fire Safety Act		4,577.30	4,577.30						
Consolidated Municipal Property Tax Relief Aid		2,667.00	2,667.00						
Energy Receipts Tax P.L. 1997, Chapters 162 & 167)		196,842.00	196,842.00						
Rental of Community Center		7,220.00	7,220.00						
Sewer Service Fees		180,010.98	180,010.98						
	<u>\$ 7,719.32</u>	<u>\$ 615,565.75</u>	<u>\$ 615,543.18</u>	<u>\$ 4.93</u>	<u>\$ 225.52</u>	<u>\$ 1,870.87</u>	<u>\$ 0.58</u>	<u>\$ 5,639.99</u>	

BOROUGH OF BROOKLAWN
CURRENT FUND
 Statement of Reserve for Revaluation
 For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 29,360.44
Decreased by:	
Disbursements	13,174.81
Balance December 31, 2017	\$ 16,185.63

BOROUGH OF BROOKLAWN
CURRENT FUND
 Statement of Deferred Charges - Special Emergency Authorizations (40A:4-53)
 For the Year Ended December 31, 2017

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	Net Amount <u>Authorized</u>	1/5 of Net Amount <u>Authorized</u>	Balance <u>Dec. 31, 2016</u>	2017 Budget <u>Appropriation</u>	Balance <u>Dec. 31, 2017</u>
July 18, 2016	Revaluation	\$ 50,000.00	\$ 10,000.00	\$ 50,000.00	\$ 10,000.00	\$ 40,000.00

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2017

	<u>Balance December 31, 2016</u>		<u>Balance</u>	<u>Cash</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>After</u>	<u>Disbursed</u>	<u>Lapsed</u>
			<u>Modification</u>		
GENERAL GOVERNMENT					
Administrative and Executive					
Salaries and Wages					
Municipal Clerk's Office		\$ 493.43	\$ 493.43		\$ 493.43
Mayor and Council		368.50	368.50		368.50
Borough Recorder		28.60	28.60		28.60
Other Expenses					
Printing and Legal	\$ 566.82	510.17	1,076.99	\$ 528.57	548.42
Mayor and Council	514.00	37.86	551.86	402.00	149.86
Miscellaneous Other Expenses	5,260.61	319.90	5,580.51	4,248.14	1,332.37
Elections					
Other Expenses	1,454.00	0.82	1,454.82		1,454.82
Financial Administration					
Salaries and Wages:					
Treasurer's Office		4,973.79	4,973.79		4,973.79
Chief Financial Officer		3,073.92	3,073.92		3,073.92
Assessment of Taxes					
Salaries and Wages		470.04	470.04		470.04
Other Expenses	1,008.98	472.89	1,481.87	383.20	1,098.67
Collection of Taxes					
Salaries and Wages		1,268.75	1,268.75		1,268.75
Other Expenses		346.92	346.92		346.92
Legal Services					
Other Expenses	11,645.00	135.07	11,780.07	11,645.00	135.07
Administration of Borough Owned Homes					
Salaries and Wages		374.41	374.41		374.41
Municipal Prosecutor					
Salaries and Wages		583.50	583.50		583.50

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2017

	<u>Balance December 31, 2016</u>		<u>Balance</u>	<u>Cash</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>After</u>	<u>Disbursed</u>	<u>Lapsed</u>
			<u>Modification</u>		
GENERAL GOVERNMENT (CONT'D):					
Engineering Services and Costs					
Other Expenses		\$ 29.99	\$ 29.99		\$ 29.99
Public Buildings and Grounds					
Other Expenses	\$ 1,084.87	1,721.97	2,806.84	\$ 999.49	1,807.35
Maintenance of Borough-Owned Homes					
Salaries and Wages		191.08	191.08		191.08
Other Expenses	7,263.96	892.49	8,156.45	7,147.09	1,009.36
Municipal Land Use Law (N.J.S.A. 40:55D-1)					
Planning & Zoning Boards					
Salaries and Wages		1,115.28	1,115.28		1,115.28
Other Expenses	150.00	2,363.45	2,513.45	150.00	2,363.45
Group Insurance Plan for Employees		38,237.25	38,237.25		38,237.25
Health Benefit Waiver		148.40	148.40		148.40
Other Insurance Premiums		14,086.18	14,086.18		14,086.18
Animal Control					
Other Expenses		3,565.00	3,565.00		3,565.00
Celebration of Public Events					
Other Expenses		4.23	4.23		4.23
PUBLIC SAFETY					
Fire Prevention					
Salaries and Wages		196.96	196.96		196.96
Other Expenses		498.26	498.26		498.26
Police					
Salaries and Wages		34,701.60	34,701.60		34,701.60
Other Expenses	6,716.74	529.19	7,245.93	6,427.69	818.24
Volunteer Fire Misc.					
Other Expenses	2,617.90	532.39	3,150.29	2,656.70	493.59

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2017

	<u>Balance December 31, 2016</u>		<u>Balance</u>	<u>Cash</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>After</u>	<u>Disbursed</u>	<u>Lapsed</u>
			<u>Modification</u>		
GENERAL GOVERNMENT (CONT'D)					
PUBLIC SAFETY (CONT'D)					
Volunteer Ambulance Assoc.					
Other Expenses	\$ 4,094.97	\$ 4,922.10	\$ 9,017.07	\$ 4,014.95	\$ 5,002.12
Municipal Code Enforcement Official					
Salaries and Wages		1,697.73	1,697.73		1,697.73
Other Expenses	450.00	303.09	753.09	450.00	303.09
Office of Emergency Management					
Salaries and Wages		2,700.00	2,700.00		2,700.00
Other Expenses		1,615.29	1,615.29		1,615.29
Municipal Court					
Salaries and Wages		1,291.22	1,291.22		1,291.22
Other Expenses		542.61	542.61	69.41	473.20
Traffic Signal					
Other Expenses		1,727.67	1,727.67		1,727.67
STREETS AND ROADS					
Road Repairs & Maintenance					
Salaries and Wages		872.24	872.24		872.24
Other Expenses	29.93	377.35	407.28	29.93	377.35
Vehicle Maintenance					
Other Expenses	12.69	25.17	37.86	12.69	25.17
SANITATION					
Sewer System					
Salaries and Wages		125.89	125.89		125.89
Other Expenses	1,677.32	689.17	2,366.49	979.24	1,387.25

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2017

	<u>Balance December 31, 2016</u>		<u>Balance</u>		<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>After</u>	<u>Cash</u>	<u>Lapsed</u>
			<u>Modification</u>	<u>Disbursed</u>	
GENERAL GOVERNMENT (CONT'D)					
SANITATION (CONT'D)					
Garbage & Trash Removal					
Salaries and Wages		\$ 440.24	\$ 440.24		\$ 440.24
Other Expenses	\$ 135.00	991.22	1,126.22	\$ 135.00	991.22
Sanitary Landfill					
Other Expenses	6,435.56	2,208.39	8,643.95	4,474.14	4,169.81
Recycling					
Salaries and Wages		730.97	730.97		730.97
Other Expenses	972.40	960.05	1,932.45	971.75	960.70
HEALTH AND WELFARE:					
Board of Health					
Salaries and Wages		44.00	44.00		44.00
Other Expenses		819.21	819.21		819.21
Parks & Playgrounds					
Other Expenses	2,793.79	346.97	3,140.76	2,793.79	346.97
Shade Tree Commission					
Salaries and Wages		64.00	64.00		64.00
Other Expenses		10.30	10.30		10.30
STATE UNIFORM CONSTRUCTION CODE					
Construction Code Official					
Salaries and Wages		215.28	215.28		215.28
Subcode Officials:					
Electrical Inspector					
Salaries and Wages		8.92	8.92		8.92
Fire Inspector					
Salaries and Wages		427.00	427.00		427.00
Plumbing Official					
Salaries and Wages		70.00	70.00		70.00

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2017

	<u>Balance December 31, 2016</u>		<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Cash</u> <u>Disbursed</u>	<u>Balance</u> <u>Lapsed</u>
	<u>Encumbered</u>	<u>Reserved</u>			
GENERAL GOVERNMENT (CONT'D)					
UTILITIES:					
Utilities	\$ 3,131.90	\$ 15,510.13	\$ 18,642.03	\$ 3,807.35	\$ 14,834.68
STATUTORY EXPENDITURES					
Contribution to:					
Social Security System (O.A.S.I.)		4,224.60	4,224.60		4,224.60
OPERATIONS EXCLUDED FROM "CAPS"					
Recycling Tax		1,292.26	1,292.26	661.35	630.91
Interlocal Service Agreement - Borough of Merchantville Fire Sub-code Official Services		458.08	458.08		458.08
	<u>\$ 58,016.44</u>	<u>\$ 157,983.44</u>	<u>\$ 215,999.88</u>	<u>\$ 52,987.48</u>	<u>\$ 163,012.40</u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Due State of New Jersey - Marriage License Fees
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 50.00
Increased by:	
Receipts	425.00
	475.00
Decreased by:	
Disbursements	375.00
Balance December 31, 2017	\$ 100.00

Exhibit SA-12

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Due to State of New Jersey - State Training Fees Payable
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 592.00
Increased by:	
Receipts	935.00
	1,527.00
Decreased by:	
Disbursements	1,289.00
Balance December 31, 2017	\$ 238.00

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Reserve for Payroll Deductions Payable
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 27,360.95
Increased by:	
Payroll Deductions	<u>636,467.94</u>
	663,828.89
Decreased by:	
Disbursements	<u>627,210.32</u>
Balance December 31, 2017	<u><u>\$ 36,618.57</u></u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 80,677.17
Increased by:		
Collection - 2018 Taxes		<u>84,731.38</u>
		165,408.55
Decreased by:		
Application to 2017 Taxes		<u>80,677.17</u>
Balance December 31, 2017		<u><u>\$ 84,731.38</u></u>

Exhibit SA-15

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 14,864.10
Increased by:		
Cash Receipts		<u>22,986.14</u>
		37,850.24
Decreased by:		
Refund of Overpayments	\$ 2,089.04	
Canceled	1,261.80	
Overpayments Applied 2016	169.09	
Overpayments Applied 2017	<u>21,124.72</u>	
		<u>24,644.65</u>
Balance December 31, 2017		<u><u>\$ 13,205.59</u></u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2017

2017 Levy -	
County General	\$ 925,677.51
County Library	58,816.83
Open Space	<u>22,723.93</u>
	1,007,218.27
Decreased by:	
Disbursements	<u><u>\$ 1,007,218.27</u></u>

Exhibit SA-17

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Amount Due to County for Added Taxes
For the Year Ended December 31, 2017

Added & Omitted Taxes Levied in 2017	<u>\$ 786.46</u>
Balance December 31, 2017	<u><u>\$ 786.46</u></u>

Exhibit SA-18

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Prepaid Rents on Borough Owned Homes
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 5.00
Increased by:	
Collection - 2018 Rents	<u>3,015.00</u>
	3,020.00
Decreased by:	
Applied to Rents Receivable	<u>5.00</u>
Balance December 31, 2017	<u><u>\$ 3,015.00</u></u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Local District School Taxes
For the Year Ended December 31, 2017

Balance December 31, 2016		
School Taxes Payable	\$ 89,091.50	
School Taxes Deferred	<u>671,391.00</u>	
		\$ 760,482.50
Increased by:		
Levy - School Year July 1, 2017 to June 30, 2018		<u>1,383,954.00</u>
		2,144,436.50
Decreased by:		
Disbursements		<u>1,437,543.00</u>
Balance December 31, 2017		
School Taxes Payable	14,916.50	
School Taxes Deferred	<u>691,977.00</u>	
		<u>\$ 706,893.50</u>
<u>2017 Liability for Local District School Tax:</u>		
Tax Paid		\$ 1,437,543.00
Add:		
Taxes Payable December 31, 2017		<u>14,916.50</u>
		1,452,459.50
Less:		
Taxes Payable December 31, 2016		<u>89,091.50</u>
Amount Charged to 2017 Operations		<u>\$ 1,363,368.00</u>

BOROUGH OF BROOKLAWN
CURRENT FUND
 Federal and State Grant Fund
 Statement of Federal and State Grants Receivable
 For the Year Ended December 31, 2017

<u>Program</u>	<u>Balance Dec. 31, 2016</u>	<u>Accrued</u>	<u>Cash Received</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2017</u>
Federal Grants:					
COPS Hiring Recovery Grant	\$ 18,571.69				\$ 18,571.69
Drive Sober or Get Pulled Over		\$ 11,000.00	\$ 5,500.00		5,500.00
Bulletproof Vest Partnership	1,160.50				1,160.50
	<u>19,732.19</u>	<u>11,000.00</u>	<u>5,500.00</u>	<u>\$ -</u>	<u>25,232.19</u>
State Grants:					
Clean Communities Program		4,000.00	4,000.00		
Body Armor Replacement Fund		1,062.42	1,062.42		
New Jersey Prevention Network		3,000.00	3,000.00		
Municipal Alliance on Alcoholism and Drug Abuse	11,055.38	6,712.40	5,675.00		12,092.78
Drunk Driving Enforcement Grant		4,000.00	4,000.00		
Safe & Secure Communities Grant	60,000.00	30,000.00		30,000.00	60,000.00
Recreational Facility Enhancement Funding	372.27				372.27
New Jersey Department of Transportation - Community Road	9,303.50				9,303.50
Recycling Tonnage Grant		9,873.78	9,873.78		
	<u>80,731.15</u>	<u>58,648.60</u>	<u>27,611.20</u>	<u>30,000.00</u>	<u>81,768.55</u>
Total State Grants					
Camden County:					
Recreation Enhancement Grant	25,000.00	50,000.00	25,000.00	-	50,000.00
	<u>25,000.00</u>	<u>50,000.00</u>	<u>25,000.00</u>	<u>-</u>	<u>50,000.00</u>
Total All Grants	<u>\$ 125,463.34</u>	<u>\$ 119,648.60</u>	<u>\$ 58,111.20</u>	<u>\$ 30,000.00</u>	<u>\$ 157,000.74</u>

BOROUGH OF BROOKLAWN
CURRENT FUND
 Federal and State Grant Fund
 Statement of Reserve for State Grants - Unappropriated
 For the Year Ended December 31, 2017

<u>Program</u>	<u>Balance Dec. 31, 2016</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Miscellaneous Revenue in 2017 Budget</u>	<u>Balance Dec. 31, 2017</u>
Federal Grants:				
Drive Sober or Get Pulled Over	\$ -	\$ 11,000.00	\$ 11,000.00	\$ -
State Grants:				
Clean Communities Program		4,000.00	4,000.00	
New Jersey Prevention Network		3,000.00	3,000.00	
Body Armor Replacement Fund		1,062.42	1,062.42	
Drunk Driving Enforcement Grant		4,000.00	4,000.00	
Municipal Alliance on Alcoholism and Drug Abuse		6,712.40	6,712.40	
Safe & Secure Communities Grant		30,000.00	30,000.00	
Recycling Tonnage Grant	6,135.56	9,873.78	10,764.62	5,244.72
Total State Grants	6,135.56	58,648.60	59,539.44	5,244.72
Camden County:				
Recreation Enhancement Grant	-	50,000.00	50,000.00	-
	<u>\$ 6,135.56</u>	<u>\$ 119,648.60</u>	<u>\$ 120,539.44</u>	<u>\$ 5,244.72</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, 2017

Program	Dec. 31, 2016		Transferred from	Disbursed	Encumbered	Canceled	Balance Dec. 31, 2017
	Balance	Encumbrances	2017 Budget Appropriation				
Federal Grants:							
COPS Hiring Recovery Grant	\$ 24,556.28						\$ 24,556.28
Drive Sober or Get Pulled Over			\$ 11,000.00	\$ 9,350.00			1,650.00
Bulletproof Vest Partnership	1,234.30						1,234.30
Total Federal Grants	25,790.58	\$ -	11,000.00	9,350.00	\$ -	\$ -	27,440.58
State Grants:							
Recreational Facility Enhancement Funding - Concession Stand/Ballfields	1,703.39						1,703.39
Body Armor Replacement Fund	7,211.37		1,062.42	455.00			7,818.79
Recycling Tonnage Grant	20,236.97		10,764.62				31,001.59
Safe and Secure Grant	30,096.55		30,000.00	26,222.56		30,000.00	3,873.99
Drunk Driving Enforcement Grant	1,820.04	200.73	4,000.00	4,114.36	49.99		1,856.42
Clean Communities Grant			4,000.00	4,000.00			
New Jersey Prevention Network			3,000.00				3,000.00
Municipal Alliance on Alcoholism and Drug Abuse	21,400.16		8,390.50	162.50			29,628.16
New Jersey Department of Transportation - Community Road	53,687.25						53,687.25
Total State Grants	136,155.73	200.73	61,217.54	34,954.42	49.99	30,000.00	132,569.59
Camden County: Recreation Enhancement Grant	-	-	50,000.00	46,071.11	-	-	3,928.89
Total All Grants	\$ 161,946.31	\$ 200.73	\$ 122,217.54	\$ 90,375.53	\$ 49.99	\$ 30,000.00	\$ 163,939.06

SUPPLEMENTAL EXHIBITS

TRUST FUND

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Trust Cash - Treasurer
For the Year Ended December 31, 2017

	<u>Animal Control</u>	<u>Other Trust</u>
Balance December 31, 2016	\$ 5,785.62	\$ 197,866.11
Increased by Receipts:		
Animal Control Fees	\$ 3,323.20	
State Registration Fees	318.00	
Late Fees	480.00	
Due Current Fund	14.89	\$ 8,703.40
Community Development Block Grants Receivable		21,600.00
Reserve for Off Duty Police Work		89,905.00
Reserve for Security Deposits on Borough Owned Homes		4,567.46
Reserve for Unemployment Compensation Insurance		10,012.03
Reserve for Recreation Donations		500.00
Reserve for Parking Offenses Adjudication Act		34.00
Reserve for Local Law Enforcement		3,706.77
Reserve for Public Defender Fees		7,356.50
Reserve for Escrow Deposits		5,750.00
Reserve for Tax Title Lien Redemptions		148,764.07
Reserve for Tax Sale Premiums		63,100.00
	4,136.09	363,999.23
	9,921.71	561,865.34
Decreased by Disbursements:		
Expenditures under R.S. 4:19-15.11 - Cash	6,607.96	
State Registration Fees	318.00	
Due Current Fund	11.27	270.94
Due Water Operating Fund		445.20
Reserves for:		
Off Duty Police Work		97,678.42
Community Development Block Grants		8,772.50
Security Deposits on Borough Owned Homes		8,382.21
Unemployment Compensation Insurance		1,548.46
Recreation Donations		1,289.25
Public Defender Fees		6,044.03
Local Law Enforcement		2,109.76
Escrow Deposits		8,567.00
Tax Title Lien Redemptions		139,022.97
Tax Sale Premiums		45,500.00
	6,937.23	319,630.74
Balance December 31, 2017	\$ 2,984.48	\$ 242,234.60

BOROUGH OF BROOKLAWN
 TRUST OTHER FUND
 Animal Control Fund
 Statement of Reserve for Animal Control Expenditures
 For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 5,784.31
Increased by Receipts:		
Dog License Fees Collected	\$ 2,828.20	
Cat License Fees Collected	495.00	
	3,323.20	
Late Fees	480.00	
		3,803.20
		9,587.51
Decreased by Disbursements:		
Expenditures under R.S. 4:19-15.11 - Cash		6,607.96
Balance December 31, 2017		\$ 2,979.55

License Fees Collected

<u>Year</u>	<u>Amount</u>
2015	\$ 3,820.00
2016	3,380.00
	\$ 7,200.00

BOROUGH OF BROOKLAWN
 TRUST OTHER FUND
 Animal Control Fund
 Statement of Due to Current Fund
 For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 1.31
Increased by:		
Interest Earned		14.89
		16.20
Decreased by:		
Interest Disbursed to Current Fund Realized as Anticipated Revenue	\$ 9.96	
Interfund Returned	1.31	
		11.27
Balance December 31, 2017		\$ 4.93

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Due from/to Current Fund
For the Year Ended December 31, 2017

Balance December 31, 2016 (Due from)		\$ 4,215.94
Decreased by:		
Interest Earned	\$ 496.46	
Interfund Returned	4,215.94	
Erroneous Deposit - Budget Refund	3,991.00	
		8,703.40
		4,487.46
Increased by:		
Interest Disbursed to Current Fund Realized as Anticipated Revenue	270.94	
Reserve for Off-Duty Police Work Erroneously Deposited in Current Fund	1,950.00	
		2,220.94
Balance December 31, 2017 (Due to)		\$ 2,266.52

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
 Statement of Community Development Block Grants Receivable
 For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 44,371.46
Decreased by:		
Cash Receipts		<u>21,600.00</u>
Balance December 31, 2017		<u><u>\$ 22,771.46</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
 Statement of Reserve for Off-Duty Police Work
 For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 115,157.77
Increased by:		
Receipts	\$ 89,905.00	
Due from Current Fund	<u>1,950.00</u>	
		<u>91,855.00</u>
		207,012.77
Decreased by:		
Disbursements		<u>97,678.42</u>
Balance December 31, 2017		<u><u>\$ 109,334.35</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Community Development Block Grants
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 37,967.50
Decreased by:		
Disbursements		<u>8,772.50</u>
Balance December 31, 2017		<u><u>\$ 29,195.00</u></u>

Exhibit SB-8

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Security Deposits on
Borough Owned Homes
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 36,849.62
Increased by:		
Deposits	\$ 4,517.00	
Interest	<u>50.46</u>	
		<u>4,567.46</u>
		41,417.08
Decreased by:		
Refunds		<u>8,382.21</u>
Balance December 31, 2017		<u><u>\$ 33,034.87</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
 Statement of Reserve for Unemployment Compensation Insurance
 For the Year Ended December 31, 2017

Balance December 31, 2016		\$	1,944.84
Increased by:			
Employee Deductions	\$	10,000.00	
Interest Earned		<u>12.03</u>	
			<u>10,012.03</u>
			11,956.87
Decreased by:			
Claims Paid			<u>1,548.46</u>
Balance December 31, 2017		\$	<u><u>10,408.41</u></u>

Exhibit SB-10

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
 Statement of Reserve for Parking Offenses Adjudication Act
 For the Year Ended December 31, 2017

Balance December 31, 2016		\$	377.00
Increased by:			
Cash Received from Municipal Court			<u>34.00</u>
Balance December 31, 2017		\$	<u><u>411.00</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Local Law Enforcement
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 3,396.02
Increased by:		
Contributions	\$ 3,699.60	
Interest Earned on Deposits	<u>7.17</u>	
		<u>3,706.77</u>
		7,102.79
Decreased by:		
Cash Disbursements		<u>2,109.76</u>
Balance December 31, 2017		<u><u>\$ 4,993.03</u></u>

Exhibit SB-12

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Public Defender Fees
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 3,094.80
Increased by:		
Public Defender Fees		<u>7,356.50</u>
		10,451.30
Decreased by:		
Public Defender Expenses		<u>6,044.03</u>
Balance December 31, 2017		<u><u>\$ 4,407.27</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Recreation Donations
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 4,055.58
Increased by:	
Donations Received	<u>500.00</u>
	4,555.58
Decreased by:	
Donations Disbursed	<u>1,289.25</u>
Balance December 31, 2017	<u><u>\$ 3,266.33</u></u>

Exhibit SB-14

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Tax Title Lien Redemptions
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 1,871.38
Increased by:	
2017 Deposits for Tax Title Lien Redemptions	<u>148,764.07</u>
	150,635.45
Decreased by:	
Disbursed - Tax Title Certificates Redeemed	<u>139,022.97</u>
Balance December 31, 2017	<u><u>\$ 11,612.48</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Tax Sale Premiums
For the Year Ended December 31, 2017

Balance December 31, 2016	\$	28,800.00
Increased by:		
Tax Sale Premiums Received		63,100.00
		91,900.00
Decreased by:		
Tax Sale Premiums Returned		45,500.00
Balance December 31, 2017	\$	46,400.00

Exhibit SB-16

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Escrow Deposits
For the Year Ended December 31, 2017

Balance December 31, 2016	\$	9,855.95
Increased by:		
Escrow Deposits		5,750.00
		15,605.95
Decreased by:		
Cash Disbursements		8,567.00
Balance December 31, 2017	\$	7,038.95

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of General Capital Cash - Treasurer
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 1,527,844.81
Increased by Receipts:		
Due to Current Fund	\$ 4,357.53	
Camden County Improvement Authority Grant Receivable	200,000.00	
New Jersey Transportation Trust Fund	150,000.00	
Bond Anticipation Notes	190,857.00	
Capital Improvement Fund	10,000.00	
		555,214.53
		2,083,059.34
Decreased by Disbursements:		
Improvement Authorizations	84,117.74	
Contracts Payable	240,307.00	
Due to Current Fund	48,044.64	
Due to Federal and State Grant Fund	51,886.50	
		424,355.88
Balance December 31, 2017		\$ 1,658,703.46

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
 Analysis of General Capital Cash and Investments
 For the Year Ended December 31, 2017

	Balance <u>Dec. 31, 2016</u>	Receipts		Disbursements		Transfers		Balance <u>Dec. 31, 2017</u>
		Bond Anticipation <u>Notes</u>	Miscel- laneous	Improvement <u>Authorizations</u>	Miscel- laneous	From	To	
Capital Improvement Fund	\$ 10,595.28		\$ 10,000.00			\$ 10,045.00		\$ 10,550.28
Fund Balance	34,734.50							34,734.50
Excess Note Proceeds - Reserve to Pay Notes	25,376.71							25,376.71
<u>Improvement Authorizations:</u>								
<u>Ord. No.</u>								
2004-12	Improvements to Borough-Owned Properties	6,288.25						6,288.25
2006-14	Acquisition of Computer & Recording Equipment	417.98		\$ 417.98				
2011-10	Repair and Reconstruction of Sanitary Sewer System	364.74						364.74
2011-11	Improvements to Approaches to Railroad Grade Crossings	5,020.00						5,020.00
2011-12	Supplemental Funding for Repair and Reconstruction or Sanitary Sewer System	5,821.52						5,821.52
2012-7	Purchase of EMS Equipment, Fire Department Vehicle and Repaving of Christan Street and Community Road	1,034.50						1,034.50
2013-3	Acquisition of Various Capital Equipment and the Completion of Various Capital Improvements	1,618.00		1,610.00				8.00
2013-11	Acquisition of Sport Utility Police Vehicles and Improvements to Borough Railroad Crossings	56,306.73						56,306.73
2014-7	Various Capital Improvements and Providing Funding for Preliminary Costs	60,344.97		46,518.61				13,826.36
2015-7	Various Capital Improvements and Acquisition of Real Property	33,535.32						33,535.32
2015-9	Various Capital Improvements to the Utility (Sewer)	1,481,551.70		(3,000.00)				1,484,551.70
2016-11	Acquisition of and Improvements to Real Property	67,498.00						67,498.00
2016-12	Canceling and Reappropriating Balances for Capital Projects	3,946.65		3,858.90				87.75
2017-9	Improvements to Municipal Owned Properties and Reconstruction of Sixth Street		\$ 190,857.00	34,712.25		310,842.00	\$ 229,145.00	74,447.75
Contracts Payable					\$ 240,307.00		310,842.00	70,535.00
New Jersey Transportation Trust Fund Receivable	(118,820.52)		150,000.00			200,000.00		(168,820.52)
Grant Receivable - Camden County Improvement Authority	(200,000.00)		200,000.00					
Grant Receivable - Community Development Block Grant Federal and State Grant Fund	51,886.50					19,100.00		(19,100.00)
Current Fund	323.98		4,357.53		48,044.64			(43,363.13)
	<u>\$ 1,527,844.81</u>	<u>\$ 190,857.00</u>	<u>\$ 364,357.53</u>	<u>\$ 84,117.74</u>	<u>\$ 340,238.14</u>	<u>\$ 539,987.00</u>	<u>\$ 539,987.00</u>	<u>\$ 1,658,703.46</u>

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Unfunded
For the Year Ended December 31, 2017

Ordinance Number	Improvement Description	Balance Dec. 31, 2016	2017 Authorizations	Notes Paid by Budget Appropriation	Balance Dec. 31, 2017	Analysis of Balance Dec. 31, 2017		Unexpended Improvement Authorizations
						Bond Anticipation Notes	Expenditures	
2006-8	Road Improvements to North & South Wilson Ave.	\$ 3,700.00		\$ 3,700.00				
2006-14	Acquisition of Computer & Recording Equipment	5,250.00		5,250.00				
2007-5	Purchase of Various Equipment and Apparatus	26,020.00		26,020.00				
2008-4	Road Improvements to Timber Boulevard	6,952.00		3,469.00	\$ 3,483.00	\$ 3,483.00		
2008-6	Acquisition of Refurbished Fire Apparatus	13,928.00		6,964.00	6,964.00	6,964.00		
2009-3	Road Improvements to Community Circle, Horton Avenue and Bergen Street	21,750.00		7,250.00	14,500.00	14,500.00		
2009-11	Repair and Reconstruction of Sanitary Sewer along Horton and Hannevig Roads	25,430.00		8,475.00	16,955.00	16,955.00		
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	97,775.00		14,555.00	83,220.00	83,220.00		
2011-10	Repair and Reconstruction of Sanitary Sewer System	19,950.00		3,325.00	16,625.00	16,625.00		
2011-11	Improvements to Approaches to Railroad Grade Crossings	19,950.00		3,325.00	16,625.00	16,625.00		
2011-12	Supplemental Funding for Repair and Reconstruction of Sanitary Sewer System	13,300.00		2,220.00	11,080.00	11,080.00		
2012-7	Purchase of EMS Equipment, Fire Department Vehicle and Repaving of Christan Street and Community Road	301,400.00		43,100.00	258,300.00	258,300.00		
2013-3	Acquisition of Various Capital Equipment and the Completion of Various Capital Improvements	344,770.00		49,250.00	295,520.00	295,520.00		
2013-11	Acquisition of Sport Utility Police Vehicles and Improvements to Borough Railroad Crossings	64,706.00		8,086.00	56,620.00	56,620.00		
2014-7	Various Capital Improvements and Providing Funding for Preliminary Costs	188,100.00		23,510.00	164,590.00	164,590.00		
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		
2016-11	Acquisition of and Improvements to Real Property	237,500.00			237,500.00	55,000.00		\$ 182,500.00
2017-9	Improvements to Municipal Owned Properties and Reconstruction of Sixth Street		\$ 190,855.00		190,855.00	190,855.00		
		<u>\$ 3,001,481.00</u>	<u>\$ 190,855.00</u>	<u>\$ 208,499.00</u>	<u>\$ 2,983,837.00</u>	<u>\$ 2,801,337.00</u>	<u>\$ -</u>	<u>\$ 182,500.00</u>

Continued

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation - Unfunded
 For the Year Ended December 31, 2017

Ordinance Number	Improvement Description	Analysis of Balance Dec. 31, 2017				Unexpended Improvement Authorizations
		Balance Dec. 31, 2016	2017 Authorizations	Notes Paid by Budget Appropriation	Balance Dec. 31, 2017	
						\$ 1,912,502.37
				Improvement Authorizations - Unfunded		
				Less: Unexpended Proceeds of Bond Anticipation Notes Issued:		
				Ord. 2011-10	\$ 364.74	
				Ord. 2011-11	5,020.00	
				Ord. 2011-12	5,821.52	
				Ord. 2012-7	1,034.50	
				Ord. 2013-3	8.00	
				Ord. 2013-11	56,306.73	
				Ord. 2014-7	13,826.36	
				Ord. 2015-7	33,535.32	
				Ord. 2015-9	1,484,551.70	
				Ord. 2016-11	55,000.00	
				Ord. 2016-12	87.75	
				Ord. 2017-9	74,445.75	
						<u>1,730,002.37</u>
						<u>\$ 182,500.00</u>

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Due to/from Current Fund
For the Year Ended December 31, 2017

Balance December 31, 2016 (Due to)		\$ 323.98
Increased by:		
Cash Disbursements:		
Interest Disbursed to Current Fund as Anticipated Revenue	\$ 2,486.66	
Current Fund - Budget Appropriation	45,234.00	
		47,720.66
		48,044.64
Decreased by:		
Cash Receipts:		
Interest on Investment of Deposits	4,357.53	
Cash Disbursements:		
Interfund Returned	323.98	
		4,681.51
Balance December 31, 2017 (Due from)		\$ 43,363.13

Exhibit SC-5

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Due to Federal and State Grant Fund
For the Year Ended December 31, 2017

Balance December 31, 2016		\$ 51,886.50
Decreased by:		
Disbursed to Federal and State Grant Fund		\$ 51,886.50

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 10,595.28
Increased by:	
2017 Budget Appropriation	10,000.00
	20,595.28
Decreased by:	
Appropriated to Finance Improvement Authorizations	10,045.00
Balance December 31, 2017	\$ 10,550.28

Exhibit SC-7

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Contracts Payable
For the Year Ended December 31, 2017

Contracts Awarded - Charged to Improvement Authorizations	\$ 310,842.00
Decreased by:	
Disbursed	240,307.00
Balance December 31, 2017	\$ 70,535.00

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
 New Jersey Transportation Trust Fund Receivable
 For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 118,820.52
Increased by:	
2017 Grant Award	200,000.00
	318,820.52
Decreased by:	
Received	150,000.00
Balance December 31, 2017	\$ 168,820.52
<u>Analysis of Balance</u>	
Ord. 2011-11 Improvements to Approaches to Railroad Grade Crossings	\$ 118,145.98
Ord. 2013-11 Acquisition of Sport Utility Police Vehicles and Improvements to Borough Railroad Crossings	674.54
Ord. 2017-9 Reconstruction of Sixth Street	50,000.00
	\$ 168,820.52

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2017

Ordinance Number	Improvement Description	Date	Ordinance		Dec. 31, 2016		2017 Authorizations			Dec. 31, 2017	
			Amount	Funded	Unfunded	Capital Improvement Fund	Deferred Charges to Future Taxation - Unfunded	Grants	Paid or Charged	Funded	Unfunded
2004-12	Improvements to Borough-Owned Properties	10/18/2004	\$ 200,000.00	\$ 6,288.25						\$ 6,288.25	
2006-14	Acquisition of Computer & Recording Equipment	10/16/2006	45,000.00		\$ 417.98				\$ 417.98		
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		5,020.00						5,020.00
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 Christana 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		1,618.00				1,610.00		8.00
2013-11	Acquisition of Sport Utility Police Vehicles and Improvements to Borough Railroad Crossings	10/21/2013	215,000.00		56,306.73						56,306.73
2014-7	Various Capital Improvements and Providing Funding for Preliminary Costs	6/16/2014	335,000.00		60,344.97				46,518.61		13,826.36
2015-7	Various Capital Improvements and Acquisition of Real Property	5/18/2015	350,000.00		33,535.32						33,535.32
2015-9	Various Capital Improvements to the Utility (Sewer)	5/18/2015	1,488,000.00		1,481,551.70				(3,000.00)		1,484,551.70
2016-11	Acquisition of and Improvements to Real Property	6/20/2016	250,000.00	12,500.00	237,500.00					12,500.00	237,500.00
2016-12	Canceling and Reappropriating Balances for Capital Projects	6/20/2016	61,604.90		3,946.65				3,858.90		87.75
2017-9	Various Improvements to Municipal Owned Property and Reconstruction of Sixth Street	4/17/2017	420,000.00			\$ 10,045.00	\$ 190,855.00	\$ 219,100.00	345,554.25		74,445.75
			<u>\$ 18,788.25</u>	<u>\$ 1,887,462.11</u>	<u>\$ 10,045.00</u>	<u>\$ 190,855.00</u>	<u>\$ 219,100.00</u>	<u>\$ 394,959.74</u>	<u>\$ 18,788.25</u>	<u>\$ 1,912,502.37</u>	
								N.J. Department of Transportation	\$ 200,000.00		
								Community Development Block Grant	19,100.00		
								<u>\$ 219,100.00</u>			
								Cash Disbursed	\$ 84,117.74		
								Contracts Payable	310,842.00		
								<u>\$ 394,959.74</u>			

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2017

<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, 2016</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2017</u>
2006-8	Road Improvements to N. and S. Wilson Ave.	8/7/2007	7/21/2016	7/20/2017	0.850%	\$ 3,700.00		\$ 3,700.00	
2006-14	Acquisition of Computer & Recording Equipment	8/7/2007	7/21/2016	7/20/2017	0.850%	5,250.00		5,250.00	
2007-5	Acquisition of Equipment and Apparatus	8/7/2007	7/21/2016	7/20/2017	0.850%	26,020.00		26,020.00	
2008-4	Road Improvements to Timber Boulevard	12/3/2008	7/21/2016 7/12/2017	7/20/2017 7/11/2018	0.850% 1.390%	6,952.00	\$ 3,483.00	6,952.00	\$ 3,483.00
2008-6	Acquisition of Refurbished Fire Apparatus	12/3/2008	7/21/2016 7/12/2017	7/20/2017 7/11/2018	0.850% 1.390%	13,928.00	6,964.00	13,928.00	6,964.00
2009-3	Road Improvements to Community Circle, Horton Avenue and Bergen Street	7/31/2009	7/21/2016 7/12/2017	7/20/2017 7/11/2018	0.850% 1.390%	21,750.00	14,500.00	21,750.00	14,500.00
2009-11	Repair and Reconstruction of Sanitary Sewer along Horton and Hannevig Roads	12/1/2009	7/21/2016 7/12/2017	7/20/2017 7/11/2018	0.850% 1.390%	25,430.00	16,955.00	25,430.00	16,955.00
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	7/21/2016 7/12/2017	7/20/2017 7/11/2018	0.850% 1.390%	97,775.00	83,220.00	97,775.00	83,220.00
2011-10	Repair and Reconstruction of Sanitary Sewer System	7/25/2012	7/21/2016 7/12/2017	7/20/2017 7/11/2018	0.850% 1.390%	19,950.00	16,625.00	19,950.00	16,625.00
2011-11	Improvements to Approaches to Railroad Grade Crossings	7/25/2012	7/21/2016 7/12/2017	7/20/2017 7/11/2018	0.850% 1.390%	19,950.00	16,625.00	19,950.00	16,625.00
2011-12	Supplemental Funding for Repair and Reconstruction of Sanitary Sewer System	7/25/2012	7/21/2016 7/12/2017	7/20/2017 7/11/2018	0.850% 1.390%	13,300.00	11,080.00	13,300.00	11,080.00

(Continued)

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2017

Ord. Number	Purpose	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2016	Increased	Decreased	Balance Dec. 31, 2017
2012-7	Purchase of EMS Equipment, Fire Department Vehicle and Repaving of Christan Street and Community Road	8/16/2012	7/21/2016 7/12/2017	7/20/2017 7/11/2018	0.850% 1.390%	\$ 301,400.00	\$ 258,300.00	\$ 301,400.00	\$ 258,300.00
2013-3	Acquisition of Various Capital Equipment and the Completion of Various Capital Improvements	4/15/2013	7/21/2016 7/12/2017	7/20/2017 7/11/2018	0.850% 1.390%	344,770.00	295,520.00	344,770.00	295,520.00
2013-11	Acquisition of Sport Utility Police Vehicles and Improvements to Borough Railroad Crossings	7/21/2014	7/21/2016 7/12/2017	7/20/2017 7/11/2018	0.850% 1.390%	64,706.00	56,620.00	64,706.00	56,620.00
2014-7	Various Capital Improvements and Providing Funding for Preliminary Costs	7/21/2014	7/21/2016 7/12/2017	7/20/2017 7/11/2018	0.850% 1.390%	188,100.00	164,590.00	188,100.00	164,590.00
2015-7	Various Capital Improvements and Acquisition of Real Property	7/17/2015	7/21/2016 7/12/2017	7/20/2017 7/11/2018	0.850% 1.390%	123,000.00	123,000.00	123,000.00	123,000.00
2015-9	Various Capital Improvements to the Utility (Sewer)	7/17/2015	7/21/2016 7/12/2017	7/20/2017 7/11/2018	0.850% 1.390%	1,488,000.00	1,488,000.00	1,488,000.00	1,488,000.00
2016-11	Acquisition of and Improvements to Real Property	7/20/2016	7/21/2016 7/12/2017	7/20/2017 7/11/2018	0.850% 1.390%	54,998.00	55,000.00	54,998.00	55,000.00
2017-9	Various Improvements to Municipal Owned Property and Reconstruction of Sixth Street	7/12/2017	7/12/2017	7/11/2018	1.390%		190,855.00		190,855.00
						<u>\$ 2,818,979.00</u>	<u>\$ 2,801,337.00</u>	<u>\$ 2,818,979.00</u>	<u>\$ 2,801,337.00</u>
							Renewal Paid By Budget Appropriation Issued for Cash	\$ 2,610,480.00 208,499.00	\$ 2,610,480.00 208,499.00
							<u>190,857.00</u>		<u>190,857.00</u>
							<u>\$ 2,801,337.00</u>	<u>\$ 2,818,979.00</u>	

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2017

Ordinance Number	Improvement Description	Balance Dec. 31, 2016	2017 Authorizations	Bond Anticipation Note Issued	Balance Dec. 31, 2017
2016-11	Acquisition of and Improvements to Real Property	\$ 182,502.00		\$ 2.00	\$ 182,500.00
2017-9	Various Improvements to Municipal Owned Property and Reconstruction of Sixth Street		\$ 190,855.00	190,855.00	
		<u>\$ 182,502.00</u>	<u>\$ 190,855.00</u>	<u>\$ 190,857.00</u>	<u>\$ 182,500.00</u>

SUPPLEMENTAL EXHIBITS

WATER UTILITY FUND

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Statement of Water Utility Cash - Treasurer
For the Year Ended December 31, 2017

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2016	\$ 135,922.42	\$ 1,647,746.62
Increased by Receipts:		
Water Rents Collected	\$ 457,981.65	
Miscellaneous Revenues	18,462.56	
Water Tower Lease	16,800.00	
Due from/to Trust Other	445.20	
Water Utility Capital Fund	2,730.99	
Water Utility Operating Fund	3,996.29	
	496,420.40	
	632,342.82	1,651,742.91
Decreased by Disbursements:		
Appropriations	422,886.29	
Appropriation Reserves	8,584.75	
Accrued Interest on Bonds and Notes	3,556.95	
Due from/to Current Fund	1,197.82	
Contracts Payable		\$ 599,458.40
Water Utility Operating Fund		2,730.99
Improvement Authorizations		78,094.22
	436,225.81	680,283.61
Balance December 31, 2017	\$ 196,117.01	\$ 971,459.30

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
 Water Utility Capital Fund
 Analysis of Water Utility Capital Cash
 For the Year Ended December 31, 2017

	Balance Dec. 31, 2016	Receipts		Disbursements		Transfers		Balance Dec. 31, 2017
		Miscellaneous	Improvement Authorizations	Miscellaneous	From	To		
Fund Balance	\$ 12,751.24							\$ 12,751.24
Capital Improvement Fund	12,000.00							12,000.00
Reserve for Payment of Debt:								
Ordinances:								
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
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	74,533.14		\$ 74,533.14					
9-15 Various Capital Improvements to the Utility	1,489,457.00		3,561.08		\$ 919,413.54			566,482.38
Contracts Payable				\$ 599,458.40		\$ 919,413.54		319,955.14
Water Utility Operating Fund	349.20	\$ 3,996.29		2,730.99				1,614.50
	<u>\$ 1,647,746.62</u>	<u>\$ 3,996.29</u>	<u>\$ 78,094.22</u>	<u>\$ 602,189.39</u>	<u>\$ 919,413.54</u>	<u>\$ 919,413.54</u>		<u>\$ 971,459.30</u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Operating Fund
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 123,150.42
Increased by:	
2017 Water Rents Levied	<u>445,795.97</u>
	568,946.39
Decreased by:	
Collections	<u>457,981.65</u>
Balance December 31, 2017	<u><u>\$ 110,964.74</u></u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
 Water Utility Capital Fund
 Statement of Fixed Capital
 For the Year Ended December 31, 2017

	Balance
	<u>Dec. 31, 2016 & 2017</u>
Pumping Station, Mains and Fire Hydrants	\$ 62,076.72
Aerator	6,700.74
Deep Well Pump	3,970.03
Sprinkler System	951.83
Heavy Duty Vehicles	48,000.00
Well	12,542.95
Well and Equipment	594,873.79
Wiring	850.00
Water Meters	64,316.89
Water Tower Chlorination System	8,356.22
Addition to Municipal Water Works and Purchase of Equipment	61,227.34
Auxiliary Generators	80,000.00
Water Tank; Wet Basin; High Service Pumps; Generator; Chemical Feed System; Distribution Pipelines	1,074,621.79
Water Plan Radio Control Communications	14,400.00
Water Utility Site Repairs and Installation of Backwash Filtering System	75,000.00
Site Remediation	99,713.51
Reconstruction, Repair and Redevelopment of Well #1	6,000.00
Redevelopment of Well #3	24,299.00
Improvements of Water Tower	283,296.25
Water Recycling System and Plant Controls	199,906.66
Water Works Underground Storage Tanks Site	8,355.40
Water Plant Roof, Hydrants, Valves, Meters and Utility Truck	66,001.34
Water Improvements and Related Items	<u>202,673.08</u>
	<u>\$ 2,998,133.54</u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
 Water Utility Capital Fund
 Statement of Fixed Capital Authorized and Uncompleted
 For the Year Ended December 31, 2017

Ord. No.	<u>Improvement Description</u>	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2016 & 2017
15-02	Site Remediation at the Brooklawn	11/18/2002	\$ 100,000.00	\$ 286.49
5-07	Acquisition of a Water Tower Chlorination System	6/18/2007	20,000.00	11,643.78
6-10	Improvements to Water Tower	8/16/2010	500,000.00	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	33,998.66
7-14	Various Improvements and Providing Funding for Preliminary Costs for Water Project	6/16/2014	152,000.00	111,166.52
9-15	Various Capital Improvements to the Utility	5/18/2015	1,490,300.00	<u>1,490,300.00</u>
				<u><u>\$ 1,649,099.20</u></u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
 Water Utility Operating Fund
 Statement of Appropriation Reserves
 For the Year Ended December 31, 2017

	<u>Balance December 31, 2016</u>		<u>Disbursed</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>		<u>Lapsed</u>
Operating:				
Salaries and Wages		\$ 657.26		\$ 657.26
Other Expenses	\$ 7,712.19	3,829.59	\$ 8,584.75	2,957.03
Annual Audit		500.00		500.00
Deferred Charges and Statutory Expenditures:				
Social Security System (O.A.S.I.)		160.40		160.40
Unemployment Compensation insurance		1.00		1.00
	<u>\$ 7,712.19</u>	<u>\$ 5,148.25</u>	<u>\$ 8,584.75</u>	<u>\$ 4,275.69</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, 2017

Balance December 31, 2016	\$ 1,584.25
Increased by:	
Budget Appropriation:	
Interest on Bonds and Notes	4,109.84
	5,694.09
Decreased by:	
Disbursements	3,556.95
Balance December 31, 2017	\$ 2,137.14

Analysis of Accrued Interest December 31, 2017

	Principal Outstanding <u>Dec. 31, 2017</u>	Interest Rate	From	To	Period	Amount
Bond Anticipation Notes:	\$ 344,290.00	1.390%	7/21/2017	12/31/2017	163 Days	\$ 2,137.14
	1,490,300.00 *					
	\$ 1,834,590.00					

* 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, 2017

Ord. No.	Improvement Description	Date	Amount	Balance Dec. 31, 2016		Paid or Charged	Balance Dec. 31, 2017	
				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		74,533.14	\$ 74,533.14		
9-15	Various Capital Improvements to the Utility	5/18/15	1,490,300.00		1,489,457.00	922,974.62		566,482.38
				<u>\$ 11,930.27</u>	<u>\$ 1,599,692.55</u>	<u>\$ 997,507.76</u>	<u>\$ 11,930.27</u>	<u>\$ 602,184.79</u>
					Contracts Payable	\$ 919,413.54		
					Cash Disbursed	<u>78,094.22</u>		
						<u>\$ 997,507.76</u>		

-113-

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Statement of Contracts Payable
For the Year Ended December 31, 2017

Contracts Awarded Charged to Improvement Authorization 2015-9	\$ 919,413.54
Decreased by:	
Disbursed	<u>599,458.40</u>
Balance December 31, 2017	<u><u>\$ 319,955.14</u></u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Operating Fund
Statement of Reserve for Amortization
For the Year Ended December 31, 2017

Balance December 31, 2016	\$ 2,733,343.47
Increased by:	
Transferred from Deferred Reserve for Amortization	<u>73,070.00</u>
Balance December 31, 2017	<u><u>\$ 2,806,413.47</u></u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Deferred Reserve for Amortization
For the Year Ended December 31, 2017

<u>Ord. Number</u>	<u>Improvement Description</u>	<u>Ord. Date</u>	<u>Balance Dec. 31, 2016</u>	<u>Transferred to Reserve for Amortization</u>	<u>Notes Paid from Operating Budget</u>	<u>Balance Dec. 31, 2017</u>
15-02	Site Remediation at the Brooklawn Water Treatment Plant	11/18/02	\$ 286.49			\$ 286.49
5-07	Acquisition of a Water Tower Chlorination System	6/18/07	11,643.78			11,643.78
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	
7-14	Various Improvements and Providing Funding for Preliminary Costs for Water Project	6/16/14		20,000.00	20,000.00	
			<u>\$ 11,930.27</u>	<u>\$ 73,070.00</u>	<u>\$ 73,070.00</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, 2017

Ord. Number	Purpose	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2016	Increased	Decreased	Balance Dec. 31, 2017
6-10	Improvements to Water Tower	07/27/2011	7/21/2016 7/21/2017	7/20/2017 7/20/2018	0.850% 1.390%	\$ 197,500.00	\$ 158,000.00	\$ 197,500.00	\$ 158,000.00
7-11	Replacement of Water Plant Roof, Replacement of Hydrants, Valves and Meters and Acquisition of Utility Truck	07/27/2011	7/21/2016 7/21/2017	7/20/2017 7/20/2018	0.850% 1.390%	67,860.00	54,290.00	67,860.00	54,290.00
7-14	Various Improvements and Providing Funding for Preliminary Costs for Water Project	07/21/2014	7/21/2016 7/21/2017	7/20/2017 7/20/2018	0.850% 1.390%	152,000.00	132,000.00	152,000.00	132,000.00
9-15	Various Capital Improvements to the Utility	07/17/2015	7/21/2016 7/21/2017	7/20/2017 7/20/2018	0.850% 1.390%	1,490,300.00	1,490,300.00	1,490,300.00	1,490,300.00
						<u>\$1,907,660.00</u>	<u>\$ 1,834,590.00</u>	<u>\$ 1,907,660.00</u>	<u>\$ 1,834,590.00</u>
							Renewals Paid by Budget Appropriation	\$ 1,834,590.00 73,070.00	
							<u>\$ 1,834,590.00</u>	<u>\$ 1,907,660.00</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, 2017

		<u>P.A.T.F. II</u>
Balance December 31, 2016		\$ 550.86
Increased by:		
Interest Earned - Due to Current Fund		<u>1.39</u>
		552.25
Decreased by:		
Disbursed to Current Fund:		
Interest Realized as Anticipated Revenue	\$ 0.81	
Interfund Returned	<u>0.12</u>	
		<u>0.93</u>
Balance December 31, 2017		<u><u>\$ 551.32</u></u>

BOROUGH OF BROOKLAWN
PART II
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2017

BOROUGH OF BROOKLAWN
Schedule of Findings and Recommendations
For the Year Ended December 31, 2017

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.

N/A – 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. 2016-001

Condition

The Borough did not maintain an accurate record of general fixed assets as required by N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets.

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 McCleary	Council President	
Patricia McConnell	Councilmember	
Michael Mevoli	Councilmember	
Gregory Gilbert	Councilmember	
Jerry Granstrom	Councilmember	
Patrick Moses	Councilmember	
Ryan Giles	Chief Financial Officer, Borough Clerk, Registrar of Vital Statistics, Personnel 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 \$1,000,000.00 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