

BOROUGH OF BELLMAWR

COUNTY OF CAMDEN

REPORT OF AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2018

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BOROUGH OF BELLMAWR
PART I
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the Borough Council
Borough of Bellmawr
Bellmawr, New Jersey 08031

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 Bellmawr, in the County of Camden, State of New Jersey, as of December 31, 2018 and 2017, 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, 2018, 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

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

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

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

In our opinion, because of the significance of the matter discussed in the “*Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America*” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Borough of Bellmawr, in the County of Camden, State of New Jersey, as of December 31, 2018 and 2017, 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 Bellmawr, in the County of Camden, State of New Jersey, as of December 31, 2018 and 2017, 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, 2018, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

Emphasis of Matter

Adoption of New Accounting Principles

As discussed in note 1 to the financial statements, during the year ended December 31, 2018, the Borough adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. The adoption of this new accounting principle resulted in a material note disclosure (see note 10). As a result of the regulatory basis of accounting, described in the previous paragraph, the implementation of this Statement only required financial statement disclosures. Our opinions are not modified with respect to this matter.

Other Matters

Other Information

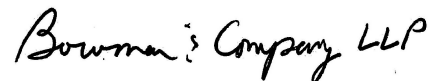
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional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

The supplemental statements and schedules presented for the various funds 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 August 19, 2019 on our consideration of the Borough of Bellmawr, 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 Bellmawr'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 Bellmawr's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
August 19, 2019

**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 Bellmawr
Bellmawr, New Jersey 08031

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 Bellmawr, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated August 19, 2019. That report indicated that the Borough of Bellmawr'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. Our report on the financial statements included an emphasis of matter paragraph describing the adoption of a new accounting pronouncement.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough of Bellmawr'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 Bellmawr's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Bellmawr'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying *Schedule of Findings and Recommendations*, as *Finding No. 2018-001*, *Finding No. 2018-002*, and *Finding No. 2018-003* that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Bellmawr'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 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, and which are described in the accompanying *Schedule of Findings and Recommendations*, as *Finding No. 2018-001* and *Finding No. 2018-003*.

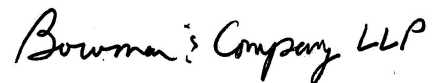
The Borough of Bellmawr's Response to Findings

The Borough of Bellmawr's response to the findings identified in our audit is described in the accompanying *Schedule of Findings and Recommendations*. The Borough's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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



Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
August 19, 2019

BOROUGH OF BELLMAWR
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
 As of December 31, 2018 and 2017

| <u>ASSETS</u> | <u>Ref.</u> | <u>2018</u> | <u>2017</u> |
|---|-------------|-----------------------|-----------------------|
| Regular Fund: | | | |
| Cash | SA-1 | \$4,175,616.33 | \$3,700,567.58 |
| Change Funds | SA-3 | 350.00 | 350.00 |
| | | <u>4,175,966.33</u> | <u>3,700,917.58</u> |
| Receivables and Other Assets with | | | |
| Full Reserves: | | | |
| Delinquent Property Taxes Receivable | SA-5 | 566,676.88 | 790,492.73 |
| Tax Title Liens Receivable | SA-6 | 80,558.62 | 78,077.54 |
| Consumer Accounts Receivable | SA-9 | 447,154.36 | 359,954.59 |
| Revenue Accounts Receivable | SA-8 | 16,176.67 | 187,427.77 |
| Prepaid Regional High School Tax | SA-21 | 2.48 | 0.50 |
| Protested Checks | A | 7,505.76 | 4,567.76 |
| Due Camden County Municipal Utilities Authority | SA-1 | 858.12 | 858.12 |
| Due Bellmawr Board of Education | SA-12 | 6,864.12 | 4,266.13 |
| Due Water Operating Fund | D | 330,044.96 | 143,204.99 |
| Due Trust Other Fund | B | 32,100.39 | |
| Due Trust Dog License Fund | B | 3,261.35 | 5,521.53 |
| | | <u>1,491,203.71</u> | <u>1,574,371.66</u> |
| Deferred Charges: | | | |
| Special Emergency | SA-11 | | 5,000.00 |
| Emergency Appropriation | A-3 | | 55,228.22 |
| Overexpenditure of Appropriation Reserves | SA-14 | 1,117.33 | |
| | | <u>1,117.33</u> | <u>60,228.22</u> |
| | | <u>5,668,287.37</u> | <u>5,335,517.46</u> |
| Federal, State and Other Grant Fund: | | | |
| Cash | SA-1 | 42,063.65 | 97,767.72 |
| Grants Receivable | SA-24 | 187,843.71 | 1,102,761.66 |
| Due Trust Other Fund | A | 57.85 | 57.85 |
| | | <u>229,965.21</u> | <u>1,200,587.23</u> |
| | | <u>\$5,898,252.58</u> | <u>\$6,536,104.69</u> |

(Continued)

BOROUGH OF BELLMAWR
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
 As of December 31, 2018 and 2017

| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | <u>Ref.</u> | <u>2018</u> | <u>2017</u> |
|---|-------------|-----------------------|-----------------------|
| Regular Fund: | | | |
| Liabilities: | | | |
| Appropriation Reserves | A-3 & SA-14 | \$ 504,052.86 | \$ 853,238.57 |
| Reserve for Encumbrances | A-3 & SA-14 | 16,068.71 | 110,852.50 |
| Accounts Payable | SA-13 | 1,500.00 | 1,690.00 |
| Prepaid Taxes | SA-16 | 290,592.86 | 307,060.03 |
| Tax Overpayments | SA-7 | 6,129.29 | 6,545.90 |
| Prepaid Sewer Rents | SA-15 | 3,965.19 | 4,113.37 |
| Sewer Overpayments | SA-10 | 425.00 | 862.07 |
| Due State of New Jersey: | | | |
| State Marriage License Fees | SA-17 | 275.00 | 200.00 |
| Veterans' and Senior Citizens' Deductions | SA-4 | 29,221.87 | 31,080.80 |
| DCA State Training Fees | SA-22 | | 4,803.00 |
| Reserve for Special Emergencies | SA-23 | 16,795.80 | 19,018.05 |
| Reserve for Police Records Management | SA-1 | 12,000.00 | |
| Due County for Added and Omitted Taxes | SA-18 | 20,398.39 | 4,427.04 |
| Local School District Taxes Payable | SA-20 | 2.50 | 2.50 |
| Due Bank | SA-1 | 6,623.52 | 6,626.52 |
| Due Bellmawr Housing | A | 30.00 | 30.00 |
| Due General Capital Fund | C | 338,703.97 | 86,442.95 |
| Due Trust Other Fund | B | | 6,425.86 |
| | | <u>1,246,784.96</u> | <u>1,443,419.16</u> |
| Reserve for Receivables and Other Assets | A | 1,491,203.71 | 1,574,371.66 |
| Fund Balance | A-1 | <u>2,930,298.70</u> | <u>2,317,726.64</u> |
| | | <u>5,668,287.37</u> | <u>5,335,517.46</u> |
| Federal, State and Other Grant Fund: | | | |
| Due General Capital | SA-26 | 39,788.40 | 39,788.40 |
| Reserve for Grants Unappropriated | SA-25 | 51,146.22 | 106,531.98 |
| Reserve for Grants Appropriated | SA-26 | 139,030.59 | 1,048,160.99 |
| Reserve for Encumbrances | SA-26 | | 6,105.86 |
| | | <u>229,965.21</u> | <u>1,200,587.23</u> |
| | | <u>\$5,898,252.58</u> | <u>\$6,536,104.69</u> |

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

BOROUGH OF BELLMAWR
CURRENT FUND

Statements of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2018 and 2017

| | <u>2018</u> | <u>2017</u> |
|--|-----------------|-----------------|
| <u>Revenue and Other Income Realized</u> | | |
| Fund Balance Utilized | \$ 1,045,000.00 | \$ 1,045,000.00 |
| Miscellaneous Revenue Anticipated | 4,174,232.43 | 4,588,825.36 |
| Receipts from Delinquent Taxes | 797,857.00 | 507,678.58 |
| Receipts from Current Taxes | 28,817,738.40 | 28,446,278.80 |
| Non-Budget Revenues | 326,108.01 | 575,090.25 |
| Other Credits to Income: | | |
| Unexpended Balance of Appropriation Reserves | 605,971.98 | 298,694.06 |
| Cancellation of Accounts Payable | 1,640.00 | |
| Reserves Liquidated: | | |
| NJ DOT Missing Moves Receivable | | 6,743.46 |
| Due from Dog Trust Fund | 2,260.18 | |
| Due from General Capital Fund | | 314,000.65 |
| | <hr/> | <hr/> |
| Total Income | 35,770,808.00 | 35,782,311.16 |
| <u>Expenditures</u> | | |
| Budget and Emergency Appropriations: | | |
| Operations Within "CAPS": | | |
| Salaries and Wages | 5,641,269.66 | 5,710,816.04 |
| Other Expenses | 4,764,070.63 | 5,020,561.63 |
| Deferred Charges and Statutory Expenditures Within "CAPS" | 1,209,181.22 | 1,205,605.63 |
| Operations - Excluded from "CAPS": | | |
| Other Expenses | 505,869.99 | 657,130.34 |
| Capital Improvements - Excluded from "CAPS" | 85,000.00 | 125,228.22 |
| Municipal Debt Service - Excluded from "CAPS" | 1,376,054.04 | 1,286,505.47 |
| Municipal Deferred Charges - Excluded from "CAPS" | 60,228.22 | 69,500.00 |
| County Taxes | 6,597,912.04 | 6,740,225.07 |
| County Share of Added and Omitted Taxes | 20,398.39 | 4,427.04 |
| Local District School Tax | 9,683,668.00 | 9,453,499.00 |
| Regional High School Tax | 3,916,781.00 | 3,946,614.00 |
| Deductions Disallowed by Tax Collector (Net) - Prior Year | 4,074.66 | 3,225.35 |
| Refund of Prior Year Revenue - Senior Citizens and Veterans Deductions | 1,950.69 | |
| Refund of Prior Year Revenue | 22,220.18 | |
| Overpayments Created from Prior Year Appeals | | 3,000.00 |
| Cancellation of Grants Receivable | 78.89 | |
| Reserves Created: | | |
| Prepaid School Taxes | 1.98 | 0.50 |
| Due from Bellmawr Board of Education | 2,597.99 | 489.75 |
| Due from CCMUA | | 858.12 |
| Due from Trust Other | 32,100.39 | |
| Due from Dog Trust Fund | | 2,450.08 |
| Due from Water Utility Operating Fund | 186,839.97 | 143,204.99 |
| Protested Checks | 2,938.00 | |
| | <hr/> | <hr/> |
| Total Expenditures | 34,113,235.94 | 34,373,341.23 |

(Continued)

BOROUGH OF BELLMAWR
CURRENT FUND
 Statements of Operations and Changes in Fund Balance - Regulatory Basis
 For the Years Ended December 31, 2018 and 2017

| | <u>2018</u> | <u>2017</u> |
|---|-------------------------------|-------------------------------|
| Excess In Revenue | \$ 1,657,572.06 | \$ 1,408,969.93 |
| Adjustments to Income Before Fund Balance: | | |
| Expenditures Included above which are by Statute Deferred | | |
| Charges to Budget of Succeeding Year | | <u>55,228.22</u> |
| Statutory Excess to Fund Balance | 1,657,572.06 | 1,464,198.15 |
| <u>Fund Balance</u> | | |
| Balance Jan. 1 | <u>2,317,726.64</u> | <u>1,898,528.49</u> |
| | 3,975,298.70 | 3,362,726.64 |
| Utilized as Revenue | <u>1,045,000.00</u> | <u>1,045,000.00</u> |
| Balance Dec. 31 | <u><u>\$ 2,930,298.70</u></u> | <u><u>\$ 2,317,726.64</u></u> |

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

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2018

| | Anticipated | | Realized | Excess or (Deficit) |
|--|------------------|-----------------------------|------------------|------------------------|
| | Budget | Special N.J.S.A 40A:4-87 | | |
| Fund Balance Anticipated | \$ 1,045,000.00 | - | \$ 1,045,000.00 | - |
| Miscellaneous Revenues: | | | | |
| Licenses: | | | | |
| Alcoholic Beverages | 4,000.00 | | 4,590.00 | \$ 590.00 |
| Other | 10,000.00 | | 11,253.00 | 1,253.00 |
| Fees and Permits: Other | 6,000.00 | | 30,240.00 | 24,240.00 |
| Fines and Costs: Municipal Court | 220,000.00 | | 255,137.76 | 35,137.76 |
| Interest and Costs on Taxes | 95,000.00 | | 151,720.49 | 56,720.49 |
| Rental Agreements: | | | | |
| Cingular/AT&T Wireless | 50,000.00 | | 41,928.00 | (8,072.00) |
| Verizon Wireless | 50,000.00 | | 52,157.36 | 2,157.36 |
| Sprint | 30,000.00 | | 31,859.84 | 1,859.84 |
| Omni Point/T-Mobile | 60,000.00 | | 65,064.99 | 5,064.99 |
| Nextel Communications | 20,000.00 | | 24,000.00 | 4,000.00 |
| Rental of Borough Property | 30,000.00 | | 40,254.00 | 10,254.00 |
| Vacant Property Fees | 50,000.00 | | 136,708.33 | 86,708.33 |
| Sewer Fees | 400,000.00 | | 440,407.66 | 40,407.66 |
| State Aid without Offsetting Appropriations: | | | | |
| Energy Receipts Tax | 1,188,569.00 | | 1,188,569.00 | |
| Consolidated Municipal Property Tax Relief Aid | 26,748.00 | | 26,748.00 | |
| Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services: | | | | |
| Public and Private Revenues Off-Set with Appropriations: | | | | |
| Municipal Alliance on Alcoholism and Drug Abuse | 14,300.00 | | 14,300.00 | |
| Distracted Driving Incentive | 3,520.00 | | 3,520.00 | |
| Body Armor Replacement Fund | 4,451.76 | | 4,451.76 | |
| Drunk Driving Enforcement Fund | 3,135.00 | | 3,135.00 | |
| Safe and Secure Communities Program | 20,500.00 | | 20,500.00 | |
| Clean Communities Program | | \$ 22,538.23 | 22,538.23 | |
| Donations - Clean Communities | 125.00 | 7,225.00 | 7,350.00 | |
| Donations - All Wars Memorial | 300.00 | | 300.00 | |
| Shared Service Agreements Off-Set with Appropriations: | | | | |
| Borough of Barrington - Concrete/Asphalt Install | 30,000.00 | | 39,835.00 | 9,835.00 |
| Borough of Brooklawn - Mechanical Service | 6,500.00 | | 7,360.53 | 860.53 |
| City of Gloucester City - Mechanical | 3,500.00 | | 2,336.10 | (1,163.90) |
| Borough of Hi-Nella - Concrete Install | 15,000.00 | | 5,310.00 | (9,690.00) |
| Borough of Mt. Ephraim - Mechanical Services/Fleet Maintenance | 15,000.00 | | 22,827.64 | 7,827.64 |
| Borough of Mt. Ephraim - Road Repairs | 40,000.00 | | | (40,000.00) |
| Borough of Oaklyn - Paving | 10,000.00 | | 9,975.00 | (25.00) |
| Borough of Runnemede - Mechanical Service | 1,000.00 | | 180,178.42 | 179,178.42 |
| Borough of Runnemede - Concrete Install | 15,000.00 | | | (15,000.00) |
| Borough of Runnemede - Trash Removal | 213,200.00 | | 35,691.60 | (177,508.40) |
| Borough of Woodlynne - Mechanical Service | 2,000.00 | | 6,432.54 | 4,432.54 |
| Other Special Items: | | | | |
| Uniform Construction Code Fees | 200,000.00 | | 226,250.82 | 26,250.82 |
| Fire Safety Fees | 13,000.00 | | 14,627.00 | 1,627.00 |
| Uniform Fire Safety Act | 29,878.73 | | 34,787.26 | 4,908.53 |
| Reserve to Pay Notes | 41,648.82 | | 41,648.82 | |
| Cable TV Franchise Fee | 102,043.28 | | 102,043.28 | |
| Verizon Franchise Fee | 67,120.72 | | 67,120.72 | |
| Health Insurance Fund Dividend | 331,908.00 | | 331,908.00 | |
| Payment in Lieu of Taxes | 25,000.00 | | 25,000.00 | |
| Emergency Technician Fees | 400,000.00 | | 444,166.28 | 44,166.28 |
| Total Miscellaneous Revenues | 3,848,448.31 | 29,763.23 | 4,174,232.43 | 296,020.89 |
| Receipts from Delinquent Taxes | 430,000.00 | - | 797,857.00 | 367,857.00 |
| Amount to be Raised for Support of Municipal Budget: | | | | |
| Local Tax for Municipal Purpose Including Reserve for Uncollected Taxes | 9,135,912.71 | - | 9,400,407.14 | 264,494.43 |
| Budget Totals | 14,459,361.02 | 29,763.23 | 15,417,496.57 | 928,372.32 |
| Non Budget Revenues | | | 326,108.01 | 326,108.01 |
| | \$ 14,459,361.02 | \$ 29,763.23 | \$ 15,743,604.58 | \$ 1,254,480.33 |

(Continued)

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2018

| | |
|--|-------------------------------|
| Allocation of Current Tax Collections: | |
| Revenue from Collections | \$ 28,817,738.40 |
| Allocated to: | |
| School and County Taxes | <u>20,218,759.43</u> |
| Balance for Support of Municipal Budget Appropriations | 8,598,978.97 |
| Add: Appropriation "Reserve for Uncollected Taxes" | <u>801,428.17</u> |
| Amount for Support of Municipal Budget Appropriations | <u><u>\$ 9,400,407.14</u></u> |
| | |
| Receipts from Delinquent Taxes: | |
| Delinquent Tax Collections | \$ 796,948.27 |
| Tax Title Liens | <u>908.73</u> |
| Receipts from Delinquent Taxes: | <u><u>\$ 797,857.00</u></u> |
| | |
| Sewer Rents | \$ 435,432.42 |
| Sewer Rent Overpayments Applied | 862.07 |
| Prepaid Sewer Rents Applied | <u>4,113.37</u> |
| | <u><u>\$ 440,407.86</u></u> |
| | |
| Fees and Permits: | |
| Clerk | <u><u>\$ 30,240.00</u></u> |

(Continued)

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2018

Analysis of Non Budget Revenue

Miscellaneous Revenue not Anticipated:

Revenue Accounts Receivable - Treasurer:

| | | |
|--------------------------------------|----|-----------|
| Interest on Investments and Deposits | \$ | 23,261.42 |
|--------------------------------------|----|-----------|

Treasurer:

Camden County Joint Insurance Fund - Dividends & Management

| | | |
|--|----|------------|
| Expenses | \$ | 48,362.43 |
| Subdivision and Site Plan | | 1,720.00 |
| Ground Rentals | | 4,900.00 |
| Duplicate Bills | | 523.00 |
| Property Maintenance/Violations | | 103,436.49 |
| Returned Check Fees | | 180.00 |
| DMV Inspections | | 3,547.57 |
| Zoning Applications | | 253.00 |
| Refunds | | 1,168.16 |
| Variance Fees | | 210.00 |
| Police Discovery | | 10.00 |
| Restitution | | 609.55 |
| Service Agreements | | 4,827.18 |
| Nextel Prior Year Revenue | | 436.59 |
| Recycling Reimbursement | | 7,666.22 |
| Cost of Tax Sale | | 23,357.54 |
| Handicap Parking | | 50.00 |
| Sale of Property | | 7,360.02 |
| 2% Administration Fee for Senior Citizen and Veterans Deductions | | 3,088.51 |
| Additional shared services not anticipated | | 28,914.51 |
| Police Outside Services | | 7,032.31 |
| Miscellaneous | | 9,506.76 |
| Voided checks | | 3,424.92 |
| Refund Prior Year Expenditures | | 28,838.59 |

289,423.35

312,684.77

| | | |
|---|----------|--|
| Statutory Excess in Reserve for Dog Fund Expenditures - Due From Dog Fund | 3,233.00 | |
| Interest Earned on Deposits - Due From Dog Fund | 262.81 | |
| Interest Earned on Deposits - Due From Capital Fund | 7,437.40 | |
| Interest Earned on Deposits - Due From Trust-Other Fund | 2,490.03 | |

13,423.24

\$ 326,108.01

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

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2018

| | | | | Expended | | | Unexpended |
|--|---------------|---------------|----|------------|------------|-------------|------------|
| | Budget | Budget After | | Paid or | Encumbered | Reserved | Balance |
| | | Modification | | Charged | | | Canceled |
| OPERATIONS - WITHIN "CAPS" | | | | | | | |
| General Government | | | | | | | |
| General Administration | | | | | | | |
| Salaries and Wages | \$ 175,048.50 | \$ 167,048.50 | \$ | 165,333.86 | | \$ 1,714.64 | |
| Other Expenses | 120,000.00 | 140,000.00 | | 139,244.90 | \$ 229.42 | 525.68 | |
| Public Relations | | | | | | | |
| Other Expenses | 6,000.00 | 6,000.00 | | 4,575.00 | | 1,425.00 | |
| Mayor and Council | | | | | | | |
| Salaries and Wages | 40,001.00 | 40,001.00 | | 39,584.01 | | 416.99 | |
| Other Expenses | 32,000.00 | 25,000.00 | | 22,047.72 | | 2,952.28 | |
| Municipal Clerk (Elections) | | | | | | | |
| Salaries and Wages | 55,100.00 | 70,000.00 | | 70,000.00 | | | |
| Other Expenses | 11,186.00 | 11,486.00 | | 11,360.27 | | 125.73 | |
| Financial Administration | | | | | | | |
| Salaries and Wages | 75,854.35 | 75,855.35 | | 75,854.89 | | 0.46 | |
| Audit Fee | 35,000.00 | 35,000.00 | | 35,000.00 | | | |
| Other Expenses | 40,000.00 | 40,399.00 | | 40,000.00 | | 399.00 | |
| Assessment of Taxes | | | | | | | |
| Salaries and Wages | 18,247.48 | 19,247.48 | | 18,461.11 | | 786.37 | |
| Other Expenses | 14,000.00 | 12,000.00 | | 9,204.48 | | 2,795.52 | |
| Collection of Taxes | | | | | | | |
| Salaries and Wages | 73,732.55 | 73,732.55 | | 73,732.55 | | | |
| Other Expenses | 6,500.00 | 7,500.00 | | 6,580.33 | | 919.67 | |
| Liquidation of Tax Title Liens and Foreclosed Property | | | | | | | |
| Other Expenses | 1,000.00 | | | | | | |
| Legal Services and Costs | | | | | | | |
| Other Expenses | 70,000.00 | 70,000.00 | | 52,082.73 | | 17,917.27 | |
| Municipal Prosecutor | | | | | | | |
| Salaries and Wages | 22,278.90 | 22,278.90 | | 20,458.94 | | 1,819.96 | |
| Engineering Services and Costs | | | | | | | |
| Other Expenses | 35,000.00 | 31,000.00 | | 26,563.46 | | 4,436.54 | |
| Municipal Land Use Law (N.J.S.40:55D-1): | | | | | | | |
| Planning Board | | | | | | | |
| Salaries and Wages | 2,251.02 | 2,251.02 | | 2,149.19 | | 101.83 | |
| Other Expenses | 7,000.00 | 7,000.00 | | 1,440.30 | | 5,559.70 | |
| Zoning Board of Adjustment | | | | | | | |
| Salaries and Wages | 2,825.03 | 3,130.03 | | 3,130.03 | | | |
| Other Expenses | 3,000.00 | 3,000.00 | | 1,282.00 | | 1,718.00 | |
| Environmental Commission (N.J.S.A.40:56A-1 et seq.) | | | | | | | |
| Salaries and Wages | 501.00 | 501.00 | | 501.00 | | | |
| Other Expenses | 500.00 | 500.00 | | 50.00 | | 450.00 | |

(Continued)

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2018

| | | | Expended | | | Unexpended |
|--|---------------|---------------------|----------------|-------------------|-----------------|-----------------|
| | <u>Budget</u> | <u>Budget After</u> | <u>Paid or</u> | <u>Encumbered</u> | <u>Reserved</u> | <u>Balance</u> |
| | | <u>Modification</u> | <u>Charged</u> | | | <u>Canceled</u> |
| <u>OPERATIONS - WITHIN "CAPS" (CONT'D)</u> | | | | | | |
| <u>Public Safety</u> | | | | | | |
| Municipal Court | | | | | | |
| Salaries and Wages | \$ 210,944.44 | \$ 210,944.44 | \$ 206,218.71 | | \$ 4,725.73 | |
| Other Expenses | 24,000.00 | 24,000.00 | 12,841.62 | | 11,158.38 | |
| Public Defender (P.L. 1997, C.256) | | | | | | |
| Salaries and Wages | 13,000.00 | 13,000.00 | 13,000.00 | | | |
| Fire | | | | | | |
| Salaries and Wages | 5,000.00 | 30,000.00 | 28,350.00 | | 1,650.00 | |
| Other Expenses | | | | | | |
| Fire Hydrant Services | 38,500.00 | 38,500.00 | 33,317.53 | | 5,182.47 | |
| Miscellaneous Other Expenses | 128,500.00 | 123,500.00 | 108,840.03 | | 14,659.97 | |
| Bellmawr Fire Company # 1 | 38,000.00 | 38,000.00 | 34,833.37 | | 3,166.63 | |
| Bellmawr Park Fire Company | 18,000.00 | 18,000.00 | 16,500.00 | | 1,500.00 | |
| Fire Marshall | | | | | | |
| Salaries and Wages | 15,913.50 | 15,913.50 | 15,761.03 | | 152.47 | |
| Other Expenses | 150.00 | 150.00 | 42.79 | | 107.21 | |
| Police | | | | | | |
| Salaries and Wages | 2,220,337.00 | 2,129,337.00 | 2,099,988.08 | | 29,348.92 | |
| Other Expenses | 146,000.00 | 152,000.00 | 122,742.15 | \$ 4,729.15 | 24,528.70 | |
| Office of Emergency Management | | | | | | |
| Salaries and Wages | 5,834.95 | 5,834.95 | 3,393.69 | | 2,441.26 | |
| Other Expenses | 5,000.00 | 5,000.00 | 4,987.87 | | 12.13 | |
| Emergency Medical Services | | | | | | |
| Salary and Wages | 401,000.00 | 416,000.00 | 413,863.31 | | 2,136.69 | |
| Other Expenses | 75,000.00 | 75,000.00 | 65,440.01 | | 9,559.99 | |
| Uniform Fire Safety Act (PL 1983, CH 383): | | | | | | |
| Fire Safety Inspector | | | | | | |
| Salaries and Wages | 62,062.65 | 62,062.65 | 61,825.90 | | 236.75 | |
| Other Expenses | 4,000.00 | 4,000.00 | 3,454.12 | 250.00 | 295.88 | |
| <u>Streets and Roads</u> | | | | | | |
| Road Repairs and Maintenance | | | | | | |
| Salaries and Wages | 821,705.00 | 801,705.00 | 801,705.00 | | | |
| Other Expenses | 140,000.00 | 154,000.00 | 148,517.63 | 1,896.00 | 3,586.37 | |
| Garbage and Trash Removal | | | | | | |
| Salaries and Wages | 481,538.00 | 461,538.00 | 461,538.00 | | | |
| Other Expenses | 314,956.00 | 340,956.00 | 321,161.80 | | 19,794.20 | |
| Sewer Department | | | | | | |
| Salaries and Wages | 482,083.48 | 435,553.48 | 429,277.13 | | 6,276.35 | |
| Other Expenses | 65,000.00 | 65,000.00 | 61,529.72 | | 3,470.28 | |
| Public Buildings and Grounds | | | | | | |
| Other Expenses | 50,000.00 | 56,000.00 | 47,190.85 | | 8,809.15 | |

(Continued)

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2018

| | <u>Budget</u> | <u>Budget After Modification</u> | <u>Expended</u> | | | <u>Unexpended Balance Canceled</u> |
|---|---------------|--------------------------------------|----------------------------|-------------------|-----------------|--|
| | | | <u>Paid or Charged</u> | <u>Encumbered</u> | <u>Reserved</u> | |
| <u>OPERATIONS - WITHIN "CAPS" (CONT'D)</u> | | | | | | |
| <u>Health and Welfare</u> | | | | | | |
| Board of Health | | | | | | |
| Salaries and Wages | \$ 4,774.05 | \$ 4,774.05 | \$ 4,620.49 | | \$ 153.56 | |
| Other Expenses | 2,500.00 | 2,500.00 | 800.56 | | 1,699.44 | |
| Dog Regulation | | | | | | |
| Other Expenses | 33,600.00 | 33,600.00 | 28,850.00 | | 4,750.00 | |
| <u>Recreation and Education</u> | | | | | | |
| Parks and Playgrounds | | | | | | |
| Salaries and Wages | 482,692.21 | 462,692.21 | 456,533.84 | | 6,158.37 | |
| Other Expenses | 54,500.00 | 64,500.00 | 63,441.01 | | 1,058.99 | |
| Celebration of Public Event, Anniversary or Holiday | | | | | | |
| Other Expenses | 15,000.00 | 18,000.00 | 17,984.10 | | 15.90 | |
| Senior Citizens | | | | | | |
| Other Expenses | 5,000.00 | 5,000.00 | 4,675.00 | | 325.00 | |
| Transportation of Local Pupils (N.J.S.A. 18A:39-1.2) | | | | | | |
| Other Expenses | 16,000.00 | 16,425.00 | 16,425.00 | | | |
| Shuttle Bus | | | | | | |
| Salaries and Wages | 14,322.15 | 16,022.15 | 15,316.89 | | 705.26 | |
| Other Expenses | 4,500.00 | 4,500.00 | 1,097.13 | | 3,402.87 | |
| State Uniform Construction Code (N.J.S.A. 52:27-120 et seq) | | | | | | |
| Salaries and Wages | 101,846.40 | 101,846.40 | 101,287.41 | | 558.99 | |
| Other Expenses | 15,000.00 | 15,000.00 | 12,301.63 | | 2,698.37 | |
| <u>Insurance</u> | | | | | | |
| General Liability | 296,767.18 | 281,767.18 | 281,708.23 | | 58.95 | |
| Workers Compensation | 285,287.45 | 285,287.45 | 283,662.56 | | 1,624.89 | |
| Employee Group Health | 1,900,000.00 | 1,937,000.00 | 1,924,635.99 | | 12,364.01 | |
| <u>Utility Expenses and Bulk Purchases</u> | | | | | | |
| Gasoline | 150,000.00 | 160,000.00 | 144,883.88 | | 15,116.12 | |
| Street Lighting | 200,000.00 | 230,000.00 | 191,431.28 | | 38,568.72 | |
| Electricity | 135,000.00 | 145,000.00 | 122,087.62 | | 22,912.38 | |
| Telephone | 45,000.00 | 53,500.00 | 52,605.43 | | 894.57 | |
| Gas - Natural | 15,000.00 | 15,000.00 | 9,425.45 | | 5,574.55 | |
| Water | 8,500.00 | 7,500.00 | 5,410.79 | | 2,089.21 | |
| Sewerage Processing and Disposal (CCMUA) | 6,500.00 | 6,500.00 | 2,464.00 | | 4,036.00 | |
| Total Operations - Within "CAPS" | 10,405,340.29 | 10,405,340.29 | 10,076,605.40 | \$ 7,104.57 | 321,630.32 | - |
| Detail: | | | | | | |
| Salaries and Wages | 5,788,893.66 | 5,641,269.66 | 5,581,885.06 | | 59,384.60 | |
| Other Expenses | 4,616,446.63 | 4,764,070.63 | 4,494,720.34 | 7,104.57 | 262,245.72 | |

(Continued)

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2018

| | <u>Budget</u> | <u>Budget After Modification</u> | <u>Expended</u> | | | <u>Unexpended Balance Canceled</u> |
|---|---------------|--------------------------------------|----------------------------|-------------------|-----------------|--|
| | | | <u>Paid or Charged</u> | <u>Encumbered</u> | <u>Reserved</u> | |
| <u>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</u> | | | | | | |
| Deferred Charges | | | | | | |
| Prior Year Bills: | | | | | | |
| Legal - Other Expenses: Michael McKenna Invoice dated June 19, 2017 | \$ 3,600.00 | \$ 3,600.00 | \$ 3,600.00 | | | |
| General Administration - Other Expenses: PCS invoice dated 12/26/16 | 3,576.00 | 3,576.00 | 3,576.00 | | | |
| Statutory Expenditures | | | | | | |
| Contribution to: | | | | | | |
| Public Employees' Retirement System | 383,471.22 | 383,471.22 | 383,471.22 | | | |
| Social Security System (O.A.S.I.) | 320,000.00 | 320,000.00 | 299,066.44 | | \$ 20,933.56 | |
| Unemployment Compensation Insurance | 3,000.00 | 3,000.00 | 783.18 | | 2,216.82 | |
| Police and Fireman's Retirement System of N.J. | 465,034.00 | 465,034.00 | 465,034.00 | | | |
| Defined Contribution Retirement Plan | 500.00 | 500.00 | | | 500.00 | |
| Disability Insurance | 30,000.00 | 30,000.00 | 27,686.74 | | 2,313.26 | |
| Total Deferred Charges and Statutory Expenditures Municipal - Within "CAPS" | 1,209,181.22 | 1,209,181.22 | 1,183,217.58 | - | 25,963.64 | - |
| Total General Appropriations for Municipal Purposes Within "CAPS" | 11,614,521.51 | 11,614,521.51 | 11,259,822.98 | \$ 7,104.57 | 347,593.96 | - |
| <u>OPERATIONS - EXCLUDED FROM "CAPS"</u> | | | | | | |
| Length of Service Awards Program | 25,000.00 | 25,000.00 | 20,700.00 | | 4,300.00 | |
| Tax Appeals | 50,000.00 | 50,000.00 | | | 50,000.00 | |
| Shared Service Agreements Off-Set by Revenues: | | | | | | |
| Borough of Mt. Ephraim - Mechanical Services/Fleet Maintenance | 15,000.00 | 15,000.00 | 13,721.12 | | 1,278.88 | |
| Borough of Mt. Ephraim - Concrete/Asphalt | 40,000.00 | 40,000.00 | 29,802.00 | | 10,198.00 | |
| Borough of Barrington - Concrete/Asphalt Install | 30,000.00 | 30,000.00 | 10,442.66 | | 19,557.34 | |
| Borough of Runnemede - Trash Removal | 213,200.00 | 213,200.00 | 168,120.03 | 8,964.14 | 36,115.83 | |
| Borough of Runnemede - Concrete Install | 15,000.00 | 15,000.00 | | | 15,000.00 | |
| Borough of Runnemede - Mechanical Service | 1,000.00 | 1,000.00 | | | 1,000.00 | |
| Borough of Woodlynne - Mechanical Service | 2,000.00 | 2,000.00 | 1,770.30 | | 229.70 | |
| Borough of Hi-Nella - Concrete Install | 15,000.00 | 15,000.00 | | | 15,000.00 | |
| Borough of Oaklyn - Paving | 10,000.00 | 10,000.00 | 6,972.41 | | 3,027.59 | |
| Borough of Brooklawn - Mechanical Service | 6,500.00 | 6,500.00 | 5,952.44 | | 547.56 | |
| City of Gloucester - Mechanical Services | 3,500.00 | 3,500.00 | 3,296.00 | | 204.00 | |

(Continued)

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2018

| | <u>Budget</u> | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Expended</u> | | <u>Unexpended Balance Canceled</u> |
|--|---------------|--------------------------------------|----------------------------|-------------------|-----------------|--|
| | | | | <u>Encumbered</u> | <u>Reserved</u> | |
| <u>OPERATIONS - EXCLUDED FROM "CAPS" (CONT'D)</u> | | | | | | |
| Public and Private Programs Off-Set by Revenues: | | | | | | |
| Distracted Driving Incentive | \$ 3,520.00 | \$ 3,520.00 | \$ 3,520.00 | | | |
| Body Armor Replacement Fund | 4,451.76 | 4,451.76 | 4,451.76 | | | |
| Municipal Alliance on Alcoholism and Drug Abuse | 17,875.00 | 17,875.00 | 17,875.00 | | | |
| Clean Communities Program (N.J.S.A. 40A:4-87 \$22,538.23) | | 22,538.23 | 22,538.23 | | | |
| Donations - Clean Communities (N.J.S.A. 40A:4-87 \$7,225.00) | 125.00 | 7,350.00 | 7,350.00 | | | |
| Donations - All War Memorial | 300.00 | 300.00 | 300.00 | | | |
| Drunk Driving Enforcement Fund | 3,135.00 | 3,135.00 | 3,135.00 | | | |
| Safe and Secure Communities Program | 20,500.00 | 20,500.00 | 20,500.00 | | | |
| Total Public and Private Programs Offset by Revenues | 49,906.76 | 79,669.99 | 79,669.99 | - | - | - |
| Total Operations - Excluded from "CAPS" | 476,106.76 | 505,869.99 | 340,446.95 | \$ 8,964.14 | \$ 156,458.90 | - |
| <u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u> | | | | | | |
| Capital Improvement Fund | 85,000.00 | 85,000.00 | 85,000.00 | | | |
| Total Capital Improvements - Excluded from "CAPS" | 85,000.00 | 85,000.00 | 85,000.00 | - | - | - |
| <u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u> | | | | | | |
| Payment of Bond Principal | 200,000.00 | 200,000.00 | 200,000.00 | | | |
| Payment of Bond Anticipation Notes and Capital Notes | 325,000.00 | 325,000.00 | 325,000.00 | | | |
| Interest on Bonds | 40,250.00 | 40,250.00 | 40,250.00 | | | |
| Interest on Notes | 71,000.00 | 71,000.00 | 70,623.84 | | | \$ 376.16 |
| New Jersey Green Acres Loan | | | | | | |
| Principal | 10,085.82 | 10,085.82 | 10,085.82 | | | |
| Interest | 890.02 | 890.02 | 890.02 | | | |
| New Jersey Environmental Infrastructure Loan | | | | | | |
| Principal | 595,600.52 | 595,600.52 | 572,898.20 | | | 22,702.32 |
| Interest | 137,250.00 | 137,250.00 | 114,372.99 | | | 22,877.01 |
| Additonal Note Paydowns | 42,000.00 | 42,000.00 | 41,933.17 | | | 66.83 |
| Total Municipal Debt Service - Excluded from "CAPS" | 1,422,076.36 | 1,422,076.36 | 1,376,054.04 | - | - | 46,022.32 |

(Continued)

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2018

| | <u>Budget</u> | <u>Budget After Modification</u> | <u>Expended</u> | | | <u>Unexpended Balance Canceled</u> |
|---|-------------------------|--------------------------------------|----------------------------|---------------------|----------------------|--|
| | | | <u>Paid or Charged</u> | <u>Encumbered</u> | <u>Reserved</u> | |
| <u>MUNICIPAL DEFERRED CHARGES - EXCLUDED FROM "CAPS"</u> | | | | | | |
| Emergency Authorizations | \$ 55,228.22 | \$ 55,228.22 | \$ 55,228.22 | | | |
| Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-55) | 5,000.00 | 5,000.00 | 5,000.00 | | | |
| Total Municipal Deferred Charges - Excluded from "CAPS" | 60,228.22 | 60,228.22 | 60,228.22 | - | - | - |
| Total General Appropriations for Municipal Purposes Excluded from "CAPS" | 2,043,411.34 | 2,073,174.57 | 1,861,729.21 | \$ 8,964.14 | \$ 156,458.90 | \$ 46,022.32 |
| Subtotal General Appropriations | 13,657,932.85 | 13,687,696.08 | 13,121,552.19 | 16,068.71 | 504,052.86 | 46,022.32 |
| Reserve for Uncollected Taxes | 801,428.17 | 801,428.17 | 801,428.17 | | | |
| | \$ 14,459,361.02 | \$ 14,489,124.25 | \$ 13,922,980.36 | \$ 16,068.71 | \$ 504,052.86 | \$ 46,022.32 |
| Appropriation by N.J.S.A. 40A:4-87 | | \$ 29,763.23 | | | | |
| Budget | | 14,459,361.02 | | | | |
| | | \$ 14,489,124.25 | | | | |
| Reserve for Grants Appropriated | | | \$ 79,669.99 | | | |
| Deferred Charges | | | 60,228.22 | | | |
| Reserve for Uncollected Taxes | | | 801,428.17 | | | |
| Refunds | | | (47,470.08) | | | |
| Capital Improvement Fund | | | 85,000.00 | | | |
| Disbursed | | | 12,944,124.06 | | | |
| | | | \$ 13,922,980.36 | | | |

BOROUGH OF BELLMAWR
TRUST FUNDS
 Statements of Assets, Liabilities and Reserves - Regulatory Basis
 As of December 31, 2018 and 2017

| | <u>Ref.</u> | <u>2018</u> | <u>2017</u> |
|---|-------------|------------------------|------------------------|
| <u>ASSETS</u> | | | |
| Animal Control Fund: | | | |
| Cash | SB-1 | \$ 8,637.98 | \$ 12,149.76 |
| Trust Other Funds: | | | |
| Cash | SB-1 | 676,854.26 | 916,063.59 |
| Community Development Block Grant Receivable | SB-6 | 98,465.32 | 110,765.32 |
| Investments - Length of Service Awards Program | SB-12 | 277,104.91 | 269,133.39 |
| Due Current Fund | SB-7 | | 6,425.86 |
| Due General Capital Fund | B | 9,304.25 | 9,304.25 |
| Due Bank | B | 85.24 | 85.24 |
| | | <u>1,061,813.98</u> | <u>1,311,777.65</u> |
| | | <u>\$ 1,070,451.96</u> | <u>\$ 1,323,927.41</u> |
| <u>LIABILITIES AND RESERVES</u> | | | |
| Animal Control Fund: | | | |
| Reserve for Animal Control Fund Expenditures | SB-2 | \$ 4,932.00 | \$ 6,619.80 |
| Reserve for Encumbrances | SB-2 | 438.00 | |
| Due State of New Jersey | SB-3 | 6.60 | 8.40 |
| Due Current Fund | SB-4 | 3,261.35 | 5,521.53 |
| Due Bank | B | 0.03 | 0.03 |
| | | <u>8,637.98</u> | <u>12,149.76</u> |
| Trust Other Funds: | | | |
| Due Federal and State Grant Fund | B | 57.85 | 57.85 |
| Due Water Utility Operating Fund | SB-5 | 22,812.10 | 27,356.18 |
| Due State of New Jersey - Crime Compensation Board | SB-1 | | 6,439.63 |
| Due Current Fund | SB-7 | 32,100.39 | |
| Reserve for Encumbrances | SB-11 | 63,557.52 | 30,939.05 |
| Reserve for Law Enforcement Funds | SB-8 | 46,592.97 | 36,907.17 |
| Reserve for Off Duty Police | SB-8 | 2,000.00 | 2,000.00 |
| Reserve for Site Plan Review Escrow Deposits | SB-8 | 100,148.67 | 83,069.38 |
| Reserve for Redemption of Tax Sale Certificates | SB-8 | 14,054.19 | 76,802.95 |
| Reserve for Premiums Received at Tax Sale | SB-8 | 262,000.00 | 585,600.00 |
| Reserve for Police Drug Enforcement | SB-8 | 139.24 | 941.69 |
| Reserve for Community Beautification Donations | SB-8 | 7,771.87 | 6,948.53 |
| Reserve for Parking Offenses Adjudication Act Funds | SB-8 | 379.19 | 305.19 |
| Reserve for Public Defender Fees | SB-8 | 9,781.06 | 2,876.00 |
| Reserve for Donations for the Needy | SB-8 | 17,558.66 | 14,712.41 |
| Reserve for Municipal Alliance | SB-8 | 305.25 | 305.25 |
| Reserve for Developers Escrow | SB-8 | 28,357.54 | 3,951.18 |
| Reserve for Length of Service Awards Program | SB-8 | 277,104.91 | 269,133.39 |
| Reserve for Flexible Spending Account | SB-8 | 132.47 | 132.42 |
| Reserve for Unemployment Compensation Insurance | SB-8 | 1,352.28 | 1,352.28 |
| Payroll Deductions Payable | SB-9 | 78,583.27 | 51,181.78 |
| Reserve for Community Development Block Grants | SB-10 | 97,024.55 | 110,765.32 |
| | | <u>1,061,813.98</u> | <u>1,311,777.65</u> |
| | | <u>\$ 1,070,451.96</u> | <u>\$ 1,323,927.41</u> |

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

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2018 and 2017

| <u>ASSETS</u> | <u>Ref.</u> | <u>2018</u> | <u>2017</u> |
|--|-------------|-------------------------|-------------------------|
| Cash | SC-1 | \$ 1,379,586.89 | \$ 1,533,468.48 |
| Accounts Receivable | SC-5 | 255,820.88 | 275,089.60 |
| Due Current Fund | SC-6 | 338,703.97 | 86,442.95 |
| Due Federal and State Grant Fund | C | 39,788.40 | 39,788.40 |
| Due Water Utility Operating Fund | C | 424.50 | 424.50 |
| Due Water Utility Capital Fund | C | 30,000.00 | 30,000.00 |
| Deferred Charges to Future Taxation: | | | |
| Funded | SC-3 | 5,127,107.68 | 6,177,106.96 |
| Unfunded | SC-4 | 6,319,670.04 | 5,112,779.21 |
| | | <u>\$ 13,491,102.36</u> | <u>\$ 13,255,100.10</u> |
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | | |
| Capital Improvement Fund | SC-7 | \$ 9,041.00 | \$ 10,627.00 |
| Due Trust Other Fund | C | 9,304.25 | 9,304.25 |
| Improvement Authorizations: | | | |
| Funded | SC-9 | 360,281.97 | 232,518.72 |
| Unfunded | SC-9 | 1,776,602.13 | 1,050,451.95 |
| Contracts Payable | SC-10 | | 415,127.62 |
| Reserve for Encumbrances | SC-11 | 187,042.45 | 277,648.62 |
| Reserve for Payment of Bonds and Notes | SC-8 | 119,033.98 | 136,267.82 |
| Reserve for Sewer Improvements | C | 14,404.00 | 14,404.00 |
| Bond Anticipation Notes | SC-12 | 5,861,075.00 | 4,904,433.26 |
| New Jersey Environmental Infrastructure Trust Loan Payable | SC-14 | 3,790,183.94 | 4,630,097.40 |
| Green Acres Loan Payable | SC-15 | 36,923.74 | 47,009.56 |
| General Serial Bonds | SC-13 | 1,300,000.00 | 1,500,000.00 |
| Fund Balance | C | 27,209.90 | 27,209.90 |
| | | <u>\$ 13,491,102.36</u> | <u>\$ 13,255,100.10</u> |

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

BOROUGH OF BELLMAWR**WATER UTILITY FUND**

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2018 and 2017

| | <u>Ref.</u> | <u>2018</u> | <u>2017</u> |
|--|-------------|-------------------------|-------------------------|
| <u>ASSETS</u> | | | |
| Operating Fund: | | | |
| Cash | SD-1 | \$ 1,651,453.98 | \$ 2,264,939.94 |
| Change Fund | D | 50.00 | 50.00 |
| Due Trust Other Fund | SD-7 | <u>22,812.10</u> | <u>27,356.18</u> |
| | | <u>1,674,316.08</u> | <u>2,292,346.12</u> |
| Receivables with Full Reserves: | | | |
| Due Bank | D | 3,271.00 | 3,271.00 |
| Consumer Accounts Receivable | SD-4 | <u>100,523.43</u> | <u>157,659.46</u> |
| | | <u>103,794.43</u> | <u>160,930.46</u> |
| Deferred Charges: | | | |
| Emergency Appropriation | D-3 | <u></u> | <u>23,500.00</u> |
| Total Operating Fund | | <u>1,778,110.51</u> | <u>2,476,776.58</u> |
| Capital Fund: | | | |
| Due Water Utility Operating Fund | SD-6 | 417,703.86 | 1,460,994.07 |
| Fixed Capital | SD-14 | 3,901,081.69 | 3,901,081.69 |
| Fixed Capital Authorized and Uncompleted | SD-15 | <u>4,505,000.00</u> | <u>4,050,000.00</u> |
| Total Capital Fund | | <u>8,823,785.55</u> | <u>9,412,075.76</u> |
| | | <u>\$ 10,601,896.06</u> | <u>\$ 11,888,852.34</u> |

(Continued)

BOROUGH OF BELLMAWR

WATER UTILITY FUND

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis

As of December 31, 2018 and 2017

| | <u>Ref.</u> | <u>2018</u> | <u>2017</u> |
|---|-------------|-------------------------|-------------------------|
| <u>LIABILITIES, RESERVES AND FUND BALANCES</u> | | | |
| Operating Fund: | | | |
| Liabilities: | | | |
| Appropriation Reserves | D-3 & SD-8 | \$ 66,214.22 | \$ 76,026.40 |
| Reserve for Encumbrances | SD-8 | | 4,081.95 |
| Water Rent Prepayments | SD-9 | 104,307.92 | 86,828.45 |
| Water Rent Overpayments | SD-10 | 1,818.55 | 1,884.03 |
| Accrued Interest on Notes and Loans | SD-11 | 23,937.49 | 16,378.91 |
| Reserve for Maintenance of Elevated Water Tanks | D | 65,020.00 | 65,020.00 |
| Due Current Fund | SD-5 | 330,044.96 | 143,204.99 |
| Due Water Utility Capital Fund | SD-6 | 417,703.86 | 1,460,994.07 |
| Due General Capital Fund | D | 424.50 | 424.50 |
| | | <u>1,009,471.50</u> | <u>1,854,843.30</u> |
| Reserves for Receivables | D | 103,794.43 | 160,930.46 |
| Fund Balance | D-1 | <u>664,844.58</u> | <u>461,002.82</u> |
| Total Operating Fund | | <u>1,778,110.51</u> | <u>2,476,776.58</u> |
| Capital Fund: | | | |
| Due General Capital Fund | D | 30,000.00 | 30,000.00 |
| Improvement Authorizations: | | | |
| Unfunded | SD-13 | 1,394,698.77 | 2,587,988.98 |
| Capital Improvement Fund | D | 41,701.09 | 41,701.09 |
| Reserve for Encumbrances | SD-13 | 150,000.00 | |
| Reserve for Amortization | SD-12 | 3,843,207.16 | 3,785,777.85 |
| Reserve for Deferred Amortization | D | 81,607.84 | 81,607.84 |
| Bond Anticipation Notes | SD-17 | 3,255,000.00 | 2,830,000.00 |
| NJ Wastewater Treatment Loan Payable | SD-16 | <u>27,570.69</u> | <u>55,000.00</u> |
| Total Capital Fund | | <u>8,823,785.55</u> | <u>9,412,075.76</u> |
| | | <u>\$ 10,601,896.06</u> | <u>\$ 11,888,852.34</u> |

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

BOROUGH OF BELLMAWR
WATER UTILITY OPERATING FUND
Statements of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2018 and 2017

| <u>Revenue and Other Income Realized</u> | <u>2018</u> | <u>2017</u> |
|--|----------------------|----------------------|
| Operating Surplus Anticipated | \$ 10,000.00 | |
| Rents | 1,235,563.61 | \$ 1,168,369.56 |
| Miscellaneous | 41,011.70 | 26,058.42 |
| Other Credits to Income: | | |
| Unexpended Balance of Appropriation Reserves | 16,661.21 | 22,514.02 |
| | <u>1,303,236.52</u> | <u>1,216,942.00</u> |
| Total Income | | |
| <u>Expenditures</u> | | |
| Operating | 896,273.40 | 872,534.50 |
| Capital Outlay | | 10,000.00 |
| Debt Service | 103,121.36 | 61,095.58 |
| Deferred Charges and Statutory Expenditures | 90,000.00 | 113,963.79 |
| | <u>1,089,394.76</u> | <u>1,057,593.87</u> |
| Total Expenditures | | |
| Less: | | |
| Charges to Budget of Succeeding Year | | 23,500.00 |
| | <u>1,089,394.76</u> | <u>1,034,093.87</u> |
| Total Adjusted Expenditures | | |
| Statutory Excess to Fund Balance | 213,841.76 | 182,848.13 |
| <u>Fund Balance</u> | | |
| Balance Jan. 1 | 461,002.82 | 478,154.69 |
| | 674,844.58 | 661,002.82 |
| Decreased by: | | |
| Utilized as Revenue | 10,000.00 | |
| Utilized as Revenue in Current Fund | | 200,000.00 |
| | <u>\$ 664,844.58</u> | <u>\$ 461,002.82</u> |
| Balance Dec. 31 | | |

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

BOROUGH OF BELLMAWR
WATER UTILITY OPERATING FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2018

| | <u>Anticipated</u> | <u>Realized</u> | <u>Excess</u> |
|-------------------------------|-------------------------------|-------------------------------|-----------------------------|
| Operating Surplus Anticipated | \$ 10,000.00 | \$ 10,000.00 | |
| Rents | 1,080,000.00 | 1,235,563.61 | \$ 155,563.61 |
| Miscellaneous | <u>5,000.00</u> | <u>41,011.70</u> | <u>36,011.70</u> |
| | <u><u>\$ 1,095,000.00</u></u> | <u><u>\$ 1,286,575.31</u></u> | <u><u>\$ 191,575.31</u></u> |

Analysis of Realized Revenue

Rents:

Consumer Accounts Receivable:

| | |
|----------------------|-------------------------------|
| Collected | \$ 1,146,851.13 |
| Overpayments Applied | 1,884.03 |
| Prepayments Applied | <u>86,828.45</u> |
| | <u><u>\$ 1,235,563.61</u></u> |

Miscellaneous Revenue Anticipated:

Collector:

| | |
|--------------------------------|------------------|
| Penalty on Delinquent Accounts | \$ 11,159.95 |
| Insurance Reimbursement | <u>16,000.00</u> |
| | \$ 27,159.95 |

Treasurer:

| | |
|--------------------------------|----------------------------|
| Interest Earned on Investments | 7,326.75 |
| Meter Purchase | 500.00 |
| Miscellaneous | 25.00 |
| Water Main Tap | <u>6,000.00</u> |
| | <u>13,851.75</u> |
| | <u><u>\$ 41,011.70</u></u> |

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

BOROUGH OF BELLMAWR
WATER UTILITY OPERATING FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2018

| | Appropriations | | Expended | | Unexpended Balance Canceled |
|--|------------------------|--------------------------------------|----------------------------|---------------------|-----------------------------------|
| | <u>Budget</u> | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Reserved</u> | |
| Operating: | | | | | |
| Salaries and Wages | \$ 486,273.40 | \$ 446,273.40 | \$ 434,337.78 | \$ 11,935.62 | |
| Other Expenses | 410,000.00 | 450,000.00 | 405,556.82 | 44,443.18 | |
| Total Operating | 896,273.40 | 896,273.40 | 839,894.60 | 56,378.80 | - |
| Debt Service: | | | | | |
| Payment of Bond Anticipation Notes and Capital Notes | 30,000.00 | 30,000.00 | 30,000.00 | | |
| Principal and Interest on Loans | 27,974.60 | 27,974.60 | 24,343.94 | | \$ 3,630.66 |
| Interest on Notes | 50,752.00 | 50,752.00 | 48,777.42 | | 1,974.58 |
| Total Debt Service | 108,726.60 | 108,726.60 | 103,121.36 | - | 5,605.24 |
| Deferred Charges and Statutory Expenditures: | | | | | |
| Deferred Charges: | | | | | |
| Emergency Authorization | 23,500.00 | 23,500.00 | 23,500.00 | | |
| Statutory Expenditures - Contributions to: | | | | | |
| Public Employees' Retirement System | 25,500.00 | 25,500.00 | 25,500.00 | | |
| Social Security System (O.A.S.I) | 38,000.00 | 38,000.00 | 28,956.21 | 9,043.79 | |
| Unemployment Compensation Insurance | 3,000.00 | 3,000.00 | 2,208.37 | 791.63 | |
| Total Deferred Charges and Statutory Expenditures | 90,000.00 | 90,000.00 | 80,164.58 | 9,835.42 | - |
| | <u>\$ 1,095,000.00</u> | <u>\$ 1,095,000.00</u> | <u>\$ 1,023,180.54</u> | <u>\$ 66,214.22</u> | <u>\$ 5,605.24</u> |
| Accrued Interest on Loans and Notes | | | \$ 50,728.76 | | |
| Deferred Charge | | | 23,500.00 | | |
| Disbursed | | | 948,951.78 | | |
| | | | <u>\$ 1,023,180.54</u> | | |

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

BOROUGH OF BELLMAWR
GENERAL FIXED ASSET ACCOUNT GROUP
Statement of General Fixed Asset Group of Accounts - Regulatory Basis
For the Year Ended December 31, 2018

| | Balance <u>Dec. 31, 2017</u> | <u>Additions</u> | <u>Deletions</u> | Balance <u>Dec. 31, 2018</u> |
|-------------------------------------|---------------------------------|----------------------|----------------------|---------------------------------|
| General Fixed Assets: | | | | |
| Land and Buildings | \$ 11,287,573.43 | \$ 208,752.08 | | \$ 11,496,325.51 |
| Equipment | 2,648,661.47 | 222,278.00 | | 2,870,939.47 |
| Vehicles | 5,075,525.55 | 82,748.08 | \$ 104,000.00 | 5,054,273.63 |
| | <u>\$ 19,011,760.45</u> | <u>\$ 513,778.16</u> | <u>\$ 104,000.00</u> | <u>\$ 19,421,538.61</u> |
| Investment in General Fixed Assets: | | | | |
| General Capital Fund | <u>\$ 19,011,760.45</u> | <u>\$ 513,778.16</u> | <u>\$ 104,000.00</u> | <u>\$ 19,421,538.61</u> |

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

BOROUGH OF BELLMAWR
Notes to Financial Statements
For the Year Ended December 31, 2018

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Borough of Bellmawr (hereafter referred to as the "Borough") was incorporated as a Borough by an act of the New Jersey legislature in March 1926. The Borough, located in Camden County, New Jersey, has a total area of approximately three square miles, and is located approximately ten miles southeast from the City of Philadelphia. The Borough borders the Boroughs of Barrington, Brooklawn, Haddon Heights, Mount Ephraim, Westville, Deptford, and the City of Gloucester City. According to the 2010 census, the population is 11,583.

The Borough is governed under the Mayor-Council form of government, with a six-member Council. The Council is elected by popular vote to three-year terms. The Mayor is elected by the general election to serve a four-year term. The Mayor is the chief executive and the Council is the legislative body of the government.

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.

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. Investments recorded in the trust fund for the Borough's length of service awards program, however, are stated at fair value.

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 \$5,000.00, 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 overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

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, the Borough of Bellmawr School District and the Black Horse Pike Regional High 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 Bellmawr School District and the Black Horse Pike Regional High 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 January 1 to December 31.

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.

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

For the year ended December 31, 2018, the Borough adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. As a result of adopting Statement No. 75, the Borough was required to measure and disclose liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to their postemployment benefits plan. As a result of the regulatory basis of accounting previously described in note 1, the implementation of this Statement only required financial statement disclosures. There exists no impact on the financial statements of the Borough.

Note 2: CASH AND CASH EQUIVALENTS

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

As of December 31, 2018, the Borough's bank balances of \$8,001,983.36 were exposed to custodial credit risk as follows:

| | |
|--------------------------------|-------------------------------|
| Insured by FDIC and GUDPA | \$ 7,871,373.13 |
| Uninsured and Uncollateralized | <u>130,610.23</u> |
| Total | <u><u>\$ 8,001,983.36</u></u> |

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>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
| Tax Rate | <u>\$ 3.745</u> | <u>\$ 3.701</u> | <u>\$ 3.629</u> | <u>\$ 3.559</u> | <u>\$ 3.455</u> |
| Apportionment of Tax Rate: | | | | | |
| Municipal | \$ 1.166 | \$ 1.146 | \$ 1.146 | \$ 1.117 | \$ 1.087 |
| County | 0.843 | 0.856 | 0.810 | 0.803 | 0.794 |
| Local School | 1.236 | 1.199 | 1.173 | 1.140 | 1.058 |
| Regional School District | 0.500 | 0.500 | 0.500 | 0.499 | 0.516 |

Assessed Valuation

| <u>Year</u> | <u>Amount</u> |
|-------------|-------------------|
| 2018 | \$ 783,336,900.00 |
| 2017 | 788,389,400.00 |
| 2016 | 793,673,100.00 |
| 2015 | 795,951,735.00 |
| 2014 | 807,424,657.00 |

Comparison of Tax Levies and Collections

| <u>Year</u> | <u>Tax Levy</u> | <u>Collections</u> | <u>Percentage of Collections</u> |
|-------------|------------------|--------------------|----------------------------------|
| 2018 | \$ 29,426,553.08 | \$ 28,817,738.40 | 97.93% |
| 2017 | 29,197,434.03 | 28,446,278.80 | 97.43% |
| 2016 | 28,868,260.23 | 28,108,344.70 | 97.37% |
| 2015 | 28,470,597.56 | 27,723,367.00 | 97.38% |
| 2014 | 27,983,481.66 | 27,226,572.70 | 97.30% |

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> |
|-------------|------------------------|-------------------------|-------------------------|-------------------------------|
| 2018 | \$ 80,558.62 | \$ 566,676.88 | \$ 647,235.50 | 2.20% |
| 2017 | 78,077.54 | 790,492.73 | 868,570.27 | 2.97% |
| 2016 | 74,820.59 | 628,004.70 | 702,825.29 | 2.43% |
| 2015 | 69,776.25 | 553,333.62 | 623,109.87 | 2.19% |
| 2014 | 66,923.55 | 590,462.44 | 657,385.99 | 2.35% |

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> |
|-------------|---------------|
| 2018 | 8 |
| 2017 | 9 |
| 2016 | 9 |
| 2015 | 7 |
| 2014 | 7 |

Note 4: SEWER SERVICE CHARGES

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

| <u>Year</u> | <u>Balance Beginning of Year</u> <u>Receivable</u> | <u>Liens</u> | <u>Levy</u> | <u>Total</u> | <u>Cash</u> <u>Collections</u> |
|-------------|---|--------------|---------------|---------------|-----------------------------------|
| 2018 | \$ 359,954.59 | - | \$ 527,607.63 | \$ 887,562.22 | \$ 440,407.66 |
| 2017 | 282,276.20 | - | 516,289.46 | 798,565.66 | 437,473.61 |
| 2016 | 216,325.36 | - | 510,366.98 | 726,692.34 | 444,354.14 |
| 2015 | 163,332.14 | - | 502,934.82 | 666,266.96 | 449,941.60 |
| 2014 | 122,422.56 | - | 488,052.36 | 610,474.92 | 446,869.88 |

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</u> <u>Receivable</u> | <u>Liens</u> | <u>Levy</u> | <u>Total</u> | <u>Cash</u> <u>Collections</u> |
|-------------|---|--------------|-----------------|-----------------|-----------------------------------|
| 2018 | \$ 157,659.46 | - | \$ 1,186,207.94 | \$ 1,343,867.40 | \$ 1,235,563.61 |
| 2017 | 139,243.55 | - | 1,186,848.45 | 1,326,092.00 | 1,168,369.56 |
| 2016 | 99,958.52 | - | 1,168,874.48 | 1,268,833.00 | 1,129,589.45 |
| 2015 | 99,140.28 | - | 1,144,556.84 | 1,243,697.12 | 1,143,738.60 |
| 2014 | 120,556.39 | - | 1,121,873.75 | 1,242,430.14 | 1,142,990.45 |

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> |
|-------------|---------------------------------|--|--|
| 2018 | \$ 2,930,298.70 | \$ 1,408,000.00 | 48.05% |
| 2017 | 2,259,195.61 | 1,045,000.00 | 46.26% |
| 2016 | 1,898,528.49 | 950,000.00 | 50.04% |
| 2015 | 2,070,449.91 | 1,200,000.00 | 57.96% |
| 2014 | 1,988,126.25 | 850,000.00 | 42.75% |

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> |
|-------------|---------------------------------|--|--|
| 2018 | \$ 664,844.58 | \$ 273,450.00 | 41.13% |
| 2017 | 461,002.82 | | |
| 2016 | 478,154.69 | 200,000.00 | 41.83% |
| 2015 | 462,557.22 | 200,000.00 | 43.24% |
| 2014 | 479,377.23 | 200,000.00 | 41.72% |

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, 2018:

| <u>Fund</u> | <u>Interfunds Receivable</u> | <u>Interfunds Payable</u> |
|---------------------------|----------------------------------|-------------------------------|
| Current | \$ 365,406.70 | \$ 338,703.97 |
| Federal and State Grant | 57.85 | 39,788.40 |
| Trust - Animal Control | | 3,261.35 |
| Trust - Other | 9,304.25 | 54,970.34 |
| General Capital | 408,916.87 | 9,304.25 |
| Water Utility - Operating | 22,812.10 | 848,173.32 |
| Water Utility - Capital | 517,703.86 | 30,000.00 |
| Totals | <u>\$ 1,324,201.63</u> | <u>\$ 1,324,201.63</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 2019, 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. 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, required supplementary information and detailed information about the PERS and PFRS plan's fiduciary net position which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.nj.gov/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' 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' 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' 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' Board of Trustees is primarily responsible for the administration of the PFRS.

Vesting and Benefit Provisions

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

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

Public Employees' Retirement System (Cont'd) - 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.

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. 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 7.34% in State fiscal year 2018. 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 (P.L. 2001, C. 366) was 10% in State fiscal year 2018. 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, 2018 was 14.53% 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.

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

Public Employees' Retirement System (Cont'd) - Based on the most recent PERS measurement date of June 30, 2018, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2018 is \$421,746.00, and was payable by April 1, 2019. 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, 2017, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2017 was \$402,890.00, which was paid on April 1, 2018. Employee contributions to the Plan during the year ended December 31, 2018 were \$226,368.07.

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 P.L. 2011, C. 78, the active member contribution rate was 10% in State fiscal year 2018. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

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

The Borough's contractually required contribution rate for the year ended December 31, 2018 was 29.94% 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, 2018, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2018 is \$576,146.00, and was payable by April 1, 2019. 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, 2017, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2017 was \$465,034.00, which was paid on April 1, 2018. Employee contributions to the Plan during the year ended December 31, 2018 were \$197,698.14.

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, 2018 was 3.33% of the Borough's covered payroll.

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) - Based on the most recent PFRS measurement date of June 30, 2018, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2018 is \$64,151.00, and was payable by April 1, 2019. Based on the 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 was \$45,434.00, which was paid on April 1, 2018.

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

Public Employees' Retirement System - At December 31, 2018, the Borough's proportionate share of the PERS net pension liability was \$8,348,408.00. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. 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, 2018. 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, 2018 measurement date, the Borough's proportion was 0.0424003002%, which was a decrease of 0.0010898722% from its proportion measured as of June 30, 2017.

At December 31, 2018, the Borough's proportionate share of the PERS pension expense, calculated by the Plan as of the June 30, 2018 measurement date is \$643,989.00. 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, 2018, the Borough's contribution to PERS was \$402,890.00, and was paid on April 1, 2018.

Police and Firemen's Retirement System - At December 31, 2018, 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 | \$ 7,974,456.00 |
| State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Borough | <u>1,083,198.00</u> |
| | <u>\$ 9,057,654.00</u> |

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. 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, 2018. 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, 2018 measurement date, the Borough's proportion was 0.0589318848%, which was an increase of 0.0063867660% from its proportion measured as of June 30, 2017. Likewise, at June 30, 2018, the State of New Jersey's proportion, on-behalf of the Borough, was 0.0589318848%, which was an increase of 0.0063867660% from its proportion, on-behalf of the Borough, measured as of June 30, 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)**

Police and Firemen's Retirement System (Cont'd) - At December 31, 2018, the Borough's proportionate share of the PFRS pension expense, calculated by the Plan as of the June 30, 2018 measurement date is \$808,922.00. 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, 2018, the Borough's contribution to PFRS was \$465,034.00, and was paid on April 1, 2018.

At December 31, 2018, the State's proportionate share of the PFRS pension expense, associated with the Borough, calculated by the Plan as of the June 30, 2018 measurement date is \$128,303.00. This on-behalf expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1.

Deferred Outflows of Resources and Deferred Inflows of Resources - At December 31, 2018, the Borough had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | | | <u>Deferred Inflows of Resources</u> | | |
|--|---------------------------------------|------------------------|------------------------|--------------------------------------|------------------------|------------------------|
| | <u>PERS</u> | <u>PFRS</u> | <u>Total</u> | <u>PERS</u> | <u>PFRS</u> | <u>Total</u> |
| Differences between Expected and Actual Experience | \$ 159,205.00 | \$ 81,130.00 | \$ 240,335.00 | \$ 43,047.00 | \$ 33,000.00 | \$ 76,047.00 |
| Changes of Assumptions | 1,375,679.00 | 684,500.00 | 2,060,179.00 | 2,669,377.00 | 2,043,715.00 | 4,713,092.00 |
| Net Difference between Projected and Actual Earnings on Pension Plan Investments | - | - | - | 78,308.00 | 43,628.00 | 121,936.00 |
| Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions | 515,920.00 | 1,289,408.00 | 1,805,328.00 | 202,154.00 | 678,291.00 | 880,445.00 |
| Borough Contributions Subsequent to the Measurement Date | 210,873.00 | 288,073.00 | 498,946.00 | - | - | - |
| | <u>\$ 2,261,677.00</u> | <u>\$ 2,343,111.00</u> | <u>\$ 4,604,788.00</u> | <u>\$ 2,992,886.00</u> | <u>\$ 2,798,634.00</u> | <u>\$ 5,791,520.00</u> |

\$210,873.00 and \$288,073.00 for PERS and PFRS, respectively, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2019. These amounts were based on an estimated April 1, 2020 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2018 to the Borough's year end of December 31, 2018.

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:

| | PERS | | PFRS | |
|--|--|---|--|---|
| | <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 | - |
| June 30, 2018 | - | 5.63 | 5.73 | - |
| 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 |
| June 30, 2018 | - | 5.63 | - | 5.73 |
| 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 |
| June 30, 2018 | - | 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 |
| June 30, 2018 | 5.63 | 5.63 | 5.73 | 5.73 |

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 | | | |
|-----------------------|------------------------|------------------------|--------------------------|
| <u>Dec 31,</u> | <u>PERS</u> | <u>PFRS</u> | <u>Total</u> |
| 2019 | \$ 239,135.00 | \$ 259,004.00 | \$ 498,139.00 |
| 2020 | 46,450.00 | (83,636.00) | (37,186.00) |
| 2021 | (526,288.00) | (568,172.00) | (1,094,460.00) |
| 2022 | (514,201.00) | (348,851.00) | (863,052.00) |
| 2023 | (187,178.00) | (1,941.00) | (189,119.00) |
| | <u>\$ (942,082.00)</u> | <u>\$ (743,596.00)</u> | <u>\$ (1,685,678.00)</u> |

Actuarial Assumptions

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. 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, 2018. 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% |
| 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 Conduent modified 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. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from 2012 to 2013 using Projection Scale AA and using a generational approach based on the Conduent modified 2014 projection scale thereafter. 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 Combined Healthy Mortality tables projected on a generational basis from the base year of 2000 to 2013 using Projection Scale BB and the Conduent modified 2014 projection scale thereafter. For preretirement accidental mortality, a custom table with representative rates was used and there is no mortality improvements assumed. Post-retirement mortality rates for male service retirements are based the RP-2000 Combined Healthy Mortality Tables projected on a generational basis using Projection Scale AA from the base year of 2012 to 2013 and the Conduent modified 2014 projection scale thereafter. Postretirement mortality rates for female service retirements and beneficiaries were based on the RP-2000 Combined Healthy Mortality Tables projected on a generational basis from the base year 2000 to 2013 using Projection Scale BB and the Conduent modified 2014 projection scale thereafter. Disability mortality rates were based on a custom table with representative rates and no mortality improvements assumed.

For PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of 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' and PFRS' target asset allocation as of June 30, 2018 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> |
|-----------------------------------|--------------------------|---|
| Risk Mitigation Strategies | 5.00% | 5.51% |
| Cash Equivalents | 5.50% | 1.00% |
| U.S. Treasuries | 3.00% | 1.87% |
| Investment Grade Credit | 10.00% | 3.78% |
| 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 Asset | 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, 2018 was 5.66% for PERS and 6.51% 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 3.87% as of June 30, 2018, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rates assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 50% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current Plan members through 2046 for PERS and through 2062 for PFRS; therefore, the long-term expected rate of return on Plan investments was applied to projected benefit payments through 2046 for PERS and through 2062 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, 2018, the Plan's measurement date, calculated using a discount rate of 5.66%, 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 (4.66%) | Current Discount Rate (5.66%) | 1% Increase (6.66%) |
| Borough's Proportionate Share of the Net Pension Liability | <u>\$ 10,497,161.00</u> | <u>\$ 8,348,408.00</u> | <u>\$ 6,545,741.00</u> |

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, 2018, the Plan's measurement date, for the Borough and the State of New Jersey, calculated using a discount rate of 6.51%, 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 (5.51%) | Current Discount Rate (6.51%) | 1% Increase (7.51%) |
| Borough's Proportionate Share of the Net Pension Liability | \$ 10,672,820.00 | \$ 7,974,456.00 | \$ 5,748,797.00 |
| State of New Jersey's Proportionate Share of Net Pension Liability associated with the Borough | <u>1,449,726.10</u> | <u>1,083,198.00</u> | <u>780,879.08</u> |
| | <u>\$ 12,122,546.10</u> | <u>\$ 9,057,654.00</u> | <u>\$ 6,529,676.08</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 <https://www.nj.gov/treasury/pensions/financial-reports.shtml>.

Note 8: PENSION PLANS (CONT'D)**Supplementary Pension Information**

In accordance with GASBS 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 Six Years)

| | Measurement Date Ended June 30, | | |
|---|--|--------------------|--------------------|
| | <u>2018</u> | <u>2017</u> | <u>2016</u> |
| Borough's Proportion of the Net Pension Liability | 0.0424003002% | 0.0434901724% | 0.0420185729% |
| Borough's Proportionate Share of the Net Pension Liability | \$ 8,348,408.00 | \$ 10,123,817.00 | \$ 12,444,696.00 |
| Borough's Covered Payroll (Plan Measurement Period) | \$ 2,977,580.00 | \$ 3,075,872.00 | \$ 2,872,416.00 |
| Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 280.38% | 329.14% | 433.25% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 53.60% | 48.10% | 40.14% |
| | Measurement Date Ended June 30, | | |
| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
| Borough's Proportion of the Net Pension Liability | 0.0403417669% | 0.0397980034% | 0.0368255503% |
| Borough's Proportionate Share of the Net Pension Liability | \$ 9,055,918.00 | \$ 7,451,275.00 | \$ 7,038,094.00 |
| Borough's Covered Payroll (Plan Measurement Period) | \$ 2,580,384.00 | \$ 2,449,300.00 | \$ 2,521,224.00 |
| Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 350.95% | 304.22% | 279.15% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 47.93% | 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 Six Years)***

| | Year Ended December 31, | | |
|---|--------------------------------|--------------------|--------------------|
| | <u>2018</u> | <u>2017</u> | <u>2016</u> |
| Borough's Contractually Required Contribution | \$ 421,746.00 | \$ 402,890.00 | \$ 373,287.00 |
| Borough's Contribution in Relation to the Contractually Required Contribution | (421,746.00) | (402,890.00) | (373,287.00) |
| Borough's Contribution Deficiency (Excess) | \$ - | \$ - | \$ - |
| Borough's Covered Payroll (Calendar Year) | \$ 2,902,314.00 | \$ 2,969,549.00 | \$ 2,995,682.00 |
| Borough's Contributions as a Percentage of Covered Payroll | 14.53% | 13.57% | 12.46% |
| | Year Ended December 31, | | |
| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
| Borough's Contractually Required Contribution | \$ 346,831.00 | \$ 328,089.00 | \$ 277,473.00 |
| Borough's Contribution in Relation to the Contractually Required Contribution | (346,831.00) | (328,089.00) | (277,473.00) |
| Borough's Contribution Deficiency (Excess) | \$ - | \$ - | \$ - |
| Borough's Covered Payroll (Calendar Year) | \$ 2,917,219.00 | \$ 2,667,431.00 | \$ 2,482,506.00 |
| Borough's Contributions as a Percentage of Covered Payroll | 11.89% | 12.30% | 11.18% |

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 Six Years)***

| | Measurement Date Ended June 30, | | |
|---|--|------------------------|-------------------------|
| | <u>2018</u> | <u>2017</u> | <u>2016</u> |
| Borough's Proportion of the Net Pension Liability | 0.0589318848% | 0.0525451188% | 0.0593397415% |
| Borough's Proportionate Share of the Net Pension Liability | \$ 7,974,456.00 | \$ 8,111,950.00 | \$ 11,335,409.00 |
| State's Proportionate Share of the Net Pension Liability associated with the Borough | 1,083,198.00 | 908,607.00 | 951,893.00 |
| Total | <u>\$ 9,057,654.00</u> | <u>\$ 9,020,557.00</u> | <u>\$ 12,287,302.00</u> |
| Borough's Covered Payroll (Plan Measurement Period) | \$ 1,896,732.00 | \$ 1,733,688.00 | \$ 1,896,644.00 |
| Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 420.43% | 467.90% | 597.66% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 62.48% | 58.60% | 52.01% |
| | Measurement Date Ended June 30, | | |
| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
| Borough's Proportion of the Net Pension Liability | 0.0532829612% | 0.0536372336% | 0.0510144398% |
| Borough's Proportionate Share of the Net Pension Liability | \$ 8,875,084.00 | \$ 6,747,066.00 | \$ 6,781,909.00 |
| State's Proportionate Share of the Net Pension Liability associated with the Borough | 778,315.00 | 726,546.00 | 632,156.00 |
| Total | <u>\$ 9,653,399.00</u> | <u>\$ 7,473,612.00</u> | <u>\$ 7,414,065.00</u> |
| Borough's Covered Payroll (Plan Measurement Period) | \$ 1,687,372.00 | \$ 1,639,200.00 | \$ 1,516,644.00 |
| Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 525.97% | 411.61% | 447.17% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 56.31% | 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 Six Years)***

| | <u>Year Ended December 31,</u> | | |
|---|--------------------------------|-----------------|-----------------|
| | <u>2018</u> | <u>2017</u> | <u>2016</u> |
| Borough's Contractually Required Contribution | \$ 576,146.00 | \$ 465,034.00 | \$ 483,821.00 |
| Borough's Contribution in Relation to the Contractually Required Contribution | (576,146.00) | (465,034.00) | (483,821.00) |
| Borough's Contribution Deficiency (Excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Borough's Covered Payroll (Calendar Year) | \$ 1,924,201.00 | \$ 1,871,324.00 | \$ 1,789,516.00 |
| Borough's Contributions as a Percentage of Covered Payroll | 29.94% | 24.85% | 27.04% |
| | <u>Year Ended December 31,</u> | | |
| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
| Borough's Contractually Required Contribution | \$ 433,111.00 | \$ 411,971.00 | \$ 372,190.00 |
| Borough's Contribution in Relation to the Contractually Required Contribution | (433,111.00) | (411,971.00) | (372,190.00) |
| Borough's Contribution Deficiency (Excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Borough's Covered Payroll (Calendar Year) | \$ 1,901,669.00 | \$ 1,708,897.00 | \$ 1,611,627.00 |
| Borough's Contributions as a Percentage of Covered Payroll | 22.78% | 24.11% | 23.09% |

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

None

Changes in Assumptions

The Discount Rate changed at June 30th over the following years, 5.39% 2014, 4.90% 2015, 3.98% 2016, 5.00% 2017 and 5.66% 2018.

The Long-term Expected Rate of Return changed at June 30th over the following years, 7.90% 2014 and 2015, 7.65% 2016, 7.00% 2017 and 2018.

For 2016, 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 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.

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

The Discount Rate changed at June 30th over the following years, 6.32% 2014, 5.79% 2015, 5.55% 2016, 6.14% 2017 and 6.51% 2018.

The Long-term Expected Rate of Return changed at June 30th over the following years, 7.90% 2014 and 2015, 7.65% 2016, 7.00% 2017 and 2018.

For 2016, 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, demographic assumptions were revised in accordance with the results of the July 1, 2010 - June 30, 2013 experience study.

Note 9: LENGTH OF SERVICE AWARDS PROGRAM

Plan Description - The Borough's length of service awards program (the "Plan"), which is a defined contribution plan reported in the Borough's trust fund, was created by a Borough Resolution adopted on September 25, 2008 pursuant to Section 457(e)(11)(B) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the length of service award program as enacted into federal law in 1997. The accumulated assets of the Plan are not administered through a trust that meets the criteria of paragraph 4 of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*.

The voters of the Borough approved the adoption of the Plan at the general election held on November 4, 2008, and the first year of eligibility for entrance into the length of service awards program by qualified volunteers was calendar year 2008. The Plan provides tax deferred income benefits to active volunteer firefighters, and is administered by Lincoln National Life Insurance Company ("Plan Administrator"), a State of New Jersey approved length of service awards program provider. The Borough's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

The tax deferred income benefits for emergency service volunteers, consisting of the volunteer fire department and the first aid organization, come from contributions made solely by the governing body of the Borough, on behalf of those volunteers who meet the criteria of the Plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

Plan Amendments - The Borough may make minor amendments to the provisions of the Plan at any time, provided, however, that no amendment affects the rights of participants or their beneficiaries regarding vested accumulated deferrals at the time of the amendment. The Plan can only be amended by resolution of the governing body of the Borough, and the following procedures must be followed: (a) any amendment to the Plan shall be submitted for review and approval by the Director of Local Government Services, State of New Jersey (the "Director") prior to implementation by the Borough's governing body, provided, however, that any amendment required by the IRS, may be adopted by the Borough's governing body without the advance approval of the Director (although such amendment shall be filed with the Director); (b) the documentation submitted to the Director shall identify the regulatory authority for the amendment and the specific language of the change; and (c) the Borough shall adopt the amendment by resolution of the governing body, and a certified copy of the resolution shall be forwarded to the Director. The Borough may amend the Plan agreement to accommodate changes in the Internal Revenue Code, Federal statutes, state laws or rules or operational experience. In cases of all amendments to the Plan, the Borough shall notify all participants in writing prior to making any amendment to the Plan.

Contributions - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of \$100.00 and a maximum contribution of \$1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually.

The Borough elected to contribute \$1,150.00 for the year ended December 31, 2018 per eligible volunteer, into the Plan, depending on how many years the volunteer has served. Participants direct the investment of the contributions into various investment options offered by the Plan. The Borough has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the Plan Administrator.

For the year ended December 31, 2018, the Borough's total expenditure, net of forfeitures, to the Plan was \$20,700.00.

Note 9: LENGTH OF SERVICE AWARDS PROGRAM (CONT'D)

Participant Accounts - Each participant's account is credited with the Borough's contribution and Plan earnings, and charged with administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The Borough has placed the amounts deferred, including earnings, in a trust maintained by a third-party administrator for the exclusive benefit of the Plan participants and their beneficiaries. The contributions from the Borough to the Plan, and the related earnings, are not irrevocable, and such funds are not legally protected from the creditors of the Borough. These funds, however, are not available for funding the operations of the Borough.

Vesting - The Borough, in accordance with N.J.S.A. 40A:14-188 and N.J.A.C. 5:30-11.63 may make a yearly contribution to the length of service awards program account in the deferred income program for an active volunteer who has satisfied the requirements for receipt of an award, but the volunteer shall not be able to receive a distribution of the funds until the completion of a five year vesting period or be in accordance with changes to vesting conveyed through the issuance of a Local Finance Notice and/or publication of a public notice in the New Jersey Register, with payment of that benefit only being as otherwise permitted by the Plan.

Payment of Benefits - Upon separation from volunteer service, retirement or disability, termination of the Plan, participants may select various payout options of vested accumulated deferrals, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate.

In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals.

Forfeited Accounts - For the year ended December 31, 2018, no accounts were forfeited.

Investments - The investments of the length of service awards program reported in the trust - other funds on the statements of assets, liabilities, reserves, and fund balance - regulatory basis are recorded at fair value.

Plan Information - Additional information about the Borough's length of service awards program can be obtained by contacting the Plan Administrator.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Plan Description and Benefits Provided - The Borough provides postretirement health care benefits through a health plan for retirees, which includes a medical, dental, and prescription plan. The Borough's provides a single employer post-employment healthcare plan, which is not administered through a trust that meets the criteria in paragraph 4 of the GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*, and covers the following retiree population: eligible retirees who retire from active employment with the Borough under the classification of Police and Sewer who have at least twenty-five (25) years of service with the Borough and who are at least sixty (60) years of age. The Plan is administered by the Borough; therefore, premium payments are made directly to the insurance carriers.

Employees Covered by Benefit Terms - As of December 31, 2018, the most recent actuarial valuation date, the following employees were covered by the benefit terms:

| | |
|--|-------|
| Inactive Employees or Beneficiaries Currently Receiving Benefit Payments | 41 |
| Active Employees | 79 |
| | <hr/> |
| Total | 120 |
| | <hr/> |

Total OPEB Liability

The Borough's total OPEB liability of \$14,856,130.00 was measured as of December 31, 2018 and was determined by an actuarial valuation as of this same date.

Actuarial Assumptions and Other Inputs - The following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|--|--|
| Inflation | 2.50% annually |
| Salary Increases | 2.50% annually |
| Discount Rate | 4.10% |
| Healthcare Cost Trend Rates | 5.8% in 2018 Reducing by 0.1% per annum, leveling at 5% per annum in 2026 |
| Drug | 10.0% in 2018 Reducing by 0.5% per annum to 2022 and 1.0% per annum thereafter, leveling at 5% per annum in 2026 |
| Dental | 3.5% per annum |
| Retirees' Share of Benefit-Related Costs | Retiree's who retired before the passage of Chapter 78 or those employees who had 25 years of service on the date of passage are grandfathered. All other are subject to contribution rates in effect when they retired, but not less than 1.5% of their annual retirement allowance from PERS. 2018 employer contributions for retiree benefits are \$581,000.00. |

The discount rate was based on the Bond Buyer 20 Index December 31, 2018.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Actuarial Assumptions and Other Inputs (Cont'd)** - Mortality rates were based on the following:

RP 2000 Combined Healthy Male Mortality Rates Set Forward Three Years

An experience study was not performed on the actuarial assumptions used in the December 31, 2018 valuation since the plan had insufficient data to produce a study with credible results. Mortality rates, termination rates and retirement rates were based on standard tables either developed for the applicable State Pension system in which the Borough participates or State Health Benefits Program. The actuary has used their professional judgement in applying these assumptions to this plan.

Changes in Total OPEB Liability

| | | |
|---------------------------|---------------------|--------------------------------|
| Balance December 31, 2017 | | \$ 14,611,024.00 |
| Changes for the Year: | | |
| Service Cost | \$ 229,523.00 | |
| Interest Cost | 596,553.00 | |
| Benefit Payments | <u>(580,970.00)</u> | |
| Net Changes | | <u>245,106.00</u> |
| Balance December 31, 2018 | | <u><u>\$ 14,856,130.00</u></u> |

Sensitivity of Total OPEB Liability to Changes in Discount Rate - The following presents the total OPEB liability of the Borough, as well as what the Borough's total OPEB liability would be if it were calculated for using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

| | 1.00% Decrease (3.10%) | Current Discount Rate (4.10%) | 1.00% Increase (5.10%) |
|----------------------|---------------------------------------|--|---------------------------------------|
| Total OPEB Liability | <u>\$ 14,475,475.00</u> | <u>\$ 14,856,130.00</u> | <u>\$ 15,265,940.00</u> |

Sensitivity of Total OPEB Liability to Changes in Healthcare Cost Trend Rates - The following presents the total OPEB liability of the Borough, as well as what the Borough's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

| | 1.00% Decrease (4.80%) Decreasing to 4.00% | Healthcare Cost Trend Rates (5.80%) Decreasing to 5.00% | 1.00% Increase (6.80%) Decreasing to 6.00% |
|----------------------|---|--|---|
| Total OPEB Liability | <u>\$14,580,362.00</u> | <u>\$14,856,130.00</u> | <u>\$15,293,056.00</u> |

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

OPEB Expense - For the year ended December 31, 2018, the Borough recognized OPEB expense of \$826,076.00.

Supplementary OPEB Information

In accordance with GASBS No. 75, the following information is also presented for the Borough's OPEB Plan. 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 Changes in the Borough's Total OPEB Liability and Related Ratios

| | <u>2018</u> |
|--|--------------------------------|
| Total OPEB Liability | |
| Service Cost | \$ 229,523.00 |
| Interest | 596,553.00 |
| Changes of Benefit Terms | - |
| Differences between Expected and Actual Experience | - |
| Changes of Assumptions or Other Inputs | - |
| Benefit Payments | <u>(580,970.00)</u> |
| Net Change in Total OPEB Liability | 245,106.00 |
| Total OPEB Liability, January 1, | <u>14,611,024.00</u> |
| Total OPEB Liability, December 31, | <u><u>\$ 14,856,130.00</u></u> |
| Covered-Employee Payroll | \$ 5,980,657.17 |
| Total OPEB Liability as a Percentage of Covered-Employee Payroll | 248.40% |

Other Notes to Supplementary OPEB Information**Changes in Benefit Terms**

None.

Changes in Assumptions

None.

Note 11: COMPENSATED ABSENCES

Borough employees are entitled to paid sick leave for a bona fide absence due to illness or an off-duty injury (not covered by workman's compensation) up to a maximum of twenty (20) days each calendar year based on length of employment in accordance with the following schedule:

| <u>Completion of</u> | <u>Entitled to</u> |
|----------------------|--------------------|
| 1 Year | 5 Days |
| 2 Years | 7 Days |
| 5 Years | 10 Days |
| 10 Years | 12 Days |
| 15 Years | 20 Days |

All unused sick leave may be carried from year to year not to exceed ninety (90) days.

Provisions of the union contract with the Police provides for the buyback of unused sick days at various rates according to length of service. Details of the plan may be obtained from the Borough. All other employees cannot return nor have any monetary payback for unused sick time. However, during the year the governing body approved a monetary payback for an employee who accumulated ninety (90) days of unused sick leave. The payment was charged and paid in the current year.

All paid Borough employees working on a regular five (5) day a week basis who have been employed in the Borough for more than one year shall receive vacation time according to the following schedule, with the provision that vacation pay shall not be paid unless the employee actually takes vacation from his employ, and that vacation may not be accumulated from year to year.

| <u>Completion of</u> | <u>Entitled to</u> |
|----------------------|--------------------|
| 1 to 2 Years | 5 Days |
| 2 to 5 Years | 10 Days |
| 5 Years | 15 Days |
| 10 Years | 18 Days |
| 15 Years | 20 Days |
| 20 Years | 25 Days |

The Borough does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2018, accrued benefits for compensated absences are valued at \$93,242.19.

Note 12: 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 13: LEASE OBLIGATIONS

At December 31, 2018, the Borough had lease agreements in effect for the following:

Capital:

- One (1) 2016 Ford Interceptor
- One (1) 2017 Ford Interceptor
- One (1) 2018 Ford Interceptor

Operating:

- One (1) Mailing System
- Two (2) Copy Machines

Capital Leases - The following is an analysis of the Borough's capital leases:

| <u>Description</u> | <u>Balance at December 31,</u> | |
|--------------------|--------------------------------|--------------|
| | <u>2018</u> | <u>2017</u> |
| Vehicles | \$ 17,318.07 | \$ 24,738.94 |

The following schedule represents the remaining principal and interest payments, through maturity, for capital leases:

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------|---------------------|------------------|---------------------|
| 2019 | <u>\$ 17,318.07</u> | <u>\$ 609.60</u> | <u>\$ 17,927.67</u> |

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

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2019 | \$ 5,636.59 |
| 2020 | 4,686.84 |
| 2021 | 2,919.36 |

Rental payments under operating leases for the year 2018 were \$6,966.24.

Note 14: CAPITAL DEBT**General Improvement Bonds**

General Improvement Bonds, Series 2013 - On August 16, 2013, the Borough issued \$2,200,000.00 in general improvement bonds, with interest rates ranging from 2.0% to 3.0%. The bonds were issued for the purpose of funding various capital projects in the Borough. The final maturity of the bonds is July 15, 2023.

Note 14: CAPITAL DEBT (CONT'D)**General Improvement Bonds (Cont'd)**

The following schedule represents the remaining debt service, through maturity, for the general improvement bonds:

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------|------------------------|----------------------|------------------------|
| 2019 | \$ 200,000.00 | \$ 36,250.00 | \$ 236,250.00 |
| 2020 | 250,000.00 | 31,750.00 | 281,750.00 |
| 2021 | 250,000.00 | 25,500.00 | 275,500.00 |
| 2022 | 300,000.00 | 18,000.00 | 318,000.00 |
| 2023 | 300,000.00 | 9,000.00 | 309,000.00 |
| Totals | <u>\$ 1,300,000.00</u> | <u>\$ 120,500.00</u> | <u>\$ 1,420,500.00</u> |

New Jersey Environmental Infrastructure Loans

General Debt – On October 15, 2002, the Borough entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$1,480,000.00, at no interest, from the fund loan, and \$1,502,073.00 at interest rates ranging from 2.0% to 5.0% from the trust loan. The proceeds were used to fund the rehabilitation and upgrading of the sewer service system. Semiannual debt payments are due February 1st and August 1st through 2022. These loans were refinanced by the New Jersey Environmental Infrastructure Bank and project savings credits were applied and maturities were adjusted as of December 31, 2018.

On November 6, 2008, the Borough entered into a second loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$3,938,878.00, at no interest, from the fund loan, and \$3,955,000.00 at interest rates ranging from 5.0% to 5.5% from the trust loan. The proceeds were used to fund the upgrading of the storm sewer system. Semiannual debt payments are due February 1st and August 1st through 2026. These loans were refinanced by the New Jersey Environmental Infrastructure Bank and project savings credits were applied and maturities were adjusted as of December 31, 2018.

In addition, on May 21, 2014, the Borough entered into a third loan agreement with the New Jersey Department of Environmental Protection to provide \$486,092.00, at no interest, from the fund loan, and \$160,000.00 at interest rates ranging from 3.0% to 5.0% from the trust loan. The proceeds were used to fund the replacement of sanitary sewer mains. Semiannual debt payments are due February 1st and August 1st for the trust loan and annual payments are due September 1st for the fund loan through 2033.

The following schedule represents the remaining debt service, through maturity, for the New Jersey Environmental Infrastructure loans:

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------|------------------------|----------------------|------------------------|
| 2019 | \$ 578,038.12 | \$ 105,566.12 | \$ 683,604.24 |
| 2020 | 590,055.96 | 91,808.99 | 681,864.95 |
| 2021 | 597,911.28 | 77,428.65 | 675,339.93 |
| 2022 | 546,749.10 | 62,176.75 | 608,925.85 |
| 2023 | 457,104.78 | 46,107.50 | 503,212.28 |
| 2024-2028 | 941,341.81 | 70,797.50 | 1,012,139.31 |
| 2029-2033 | 78,982.89 | 4,675.00 | 83,657.89 |
| Totals | <u>\$ 3,790,183.94</u> | <u>\$ 458,560.51</u> | <u>\$ 4,248,744.45</u> |

Note 14: CAPITAL DEBT (CONT'D)**New Jersey Environmental Infrastructure Loans (Cont'd)**

Water Utility Debt – On November 4, 1999, the Borough entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$278,275.00, at no interest, from the fund loan, and \$289,578.00 at interest rates ranging from 4.75% to 5.70% from the trust loan. The proceeds were used to fund the renovations to the water storage and distribution system. Semiannual debt payments are due February 1st and August 1st through 2019 for the trust loan. The fund loan portion was paid off during 2016.

The following schedule represents the remaining debt service, through maturity, for the New Jersey Environmental Infrastructure loans in the Water Utility:

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------|------------------|-----------------|--------------|
| 2019 | \$ 27,570.69 | \$ 1,272.08 | \$ 28,842.77 |

General Debt - New Jersey Green Acres Loans

On April 25, 2002, the Borough entered into a loan agreement with the New Jersey Department of Environmental Protection to provide \$145,661.80, at an interest rate of 2.0%. The proceeds were used to fund the multi-park development. Semiannual debt payments are due February 4th and August 4th through 2022.

The following schedule represents the remaining debt service, through maturity, for the New Jersey Green Acres loan:

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------|------------------|-----------------|--------------|
| 2019 | \$ 10,288.54 | \$ 687.29 | \$ 10,975.83 |
| 2020 | 10,495.34 | 480.44 | 10,975.78 |
| 2021 | 10,706.30 | 269.53 | 10,975.83 |
| 2022 | 5,433.56 | 54.36 | 5,487.92 |
| Totals | \$ 36,923.74 | \$ 1,491.62 | \$ 38,415.36 |

Note 14: CAPITAL DEBT (CONT'D)

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

| | <u>2018</u> | <u>2017</u> | <u>2016</u> |
|---|-------------------------|-------------------------|-------------------------|
| <u>Issued</u> | | | |
| General: | | | |
| Bonds, Notes and Loans | \$ 10,988,182.68 | \$ 11,081,540.22 | \$ 10,866,279.64 |
| Water Utility: | | | |
| Notes and Loans | 3,282,570.69 | 2,885,000.00 | 130,000.00 |
| Total Issued | 14,270,753.37 | 13,966,540.22 | 10,996,279.64 |
| <u>Authorized but not Issued</u> | | | |
| General: | | | |
| Bonds and Notes | 458,622.22 | 208,373.22 | 1,560,377.17 |
| Water Utility: | | | |
| Bonds and Notes | 1,200,000.00 | 1,200,000.00 | 3,745,663.79 |
| Total Authorized but not Issued | 1,658,622.22 | 1,408,373.22 | 5,306,040.96 |
| Total Issued and Authorized but not Issued | 15,929,375.59 | 15,374,913.44 | 16,302,320.60 |
| <u>Deductions</u> | | | |
| General: | | | |
| Reserve for Payment of Debt | 119,033.98 | 136,267.82 | 154,591.30 |
| Water Utility: | | | |
| Self-Liquidating | 4,482,570.69 | 4,085,000.00 | 3,875,663.79 |
| Total Deductions | 4,601,604.67 | 4,221,267.82 | 4,030,255.09 |
| <u>Net Debt</u> | <u>\$ 11,327,770.92</u> | <u>\$ 11,153,645.62</u> | <u>\$ 12,272,065.51</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 1.50%.

| | <u>Gross Debt</u> | <u>Deductions</u> | <u>Net Debt</u> |
|--------------------------|-------------------------|------------------------|-------------------------|
| Local School Purposes | \$ 2,573,000.00 | \$ 2,573,000.00 | |
| Regional School Purposes | 383,194.02 | 383,194.02 | |
| Self-Liquidating | 4,482,570.69 | 4,482,570.69 | |
| General | 11,446,804.90 | 119,033.98 | \$ 11,327,770.92 |
| | <u>\$ 18,885,569.61</u> | <u>\$ 7,557,798.69</u> | <u>\$ 11,327,770.92</u> |

Net debt \$11,327,770.92 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$757,043,982.67, equals 1.50%.

The Chief Financial Officer should file a revised Annual Debt Statement.

Note 14: CAPITAL DEBT (CONT'D)**Summary of Statutory Debt Condition - Annual Debt Statement (Cont'd)****Borrowing Power Under N.J.S.A. 40A:2-6 as Amended**

| | | |
|---|----|----------------------|
| 3 1/2% of Equalized Valuation Basis (Municipal) | \$ | 26,496,539.39 |
| Less: Net Debt | | <u>11,327,770.92</u> |
| Remaining Borrowing Power | \$ | <u>15,168,768.47</u> |

**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 | | \$ | 1,276,575.31 |
| Deductions: | | | |
| Operating and Maintenance Costs | \$ | 986,273.40 | |
| Debt Service | | <u>103,121.36</u> | |
| Total Deductions | | | <u>1,089,394.76</u> |
| Excess in Revenue | \$ | | <u>187,180.55</u> |

Note 15: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2018, 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, 2018</u> | <u>2019 Budget Appropriation</u> |
|-----------------------------------|--------------------------------------|--|
| Current Fund: | | |
| Overexpenditure of Appropriations | \$ 1,117.33 | \$ 1,117.33 |

The appropriations in the 2019 Budget as adopted are not less than that required by the statutes.

Note 16: 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.

Property and Liability Insurance - The Borough maintains insurance coverage for property, liability, vehicle, surety bonds, etc.

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

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

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

Property - Blanket Building and Grounds
Boiler and Machinery
General and Automobile Liability
Public Official Liability
Employment Practices Liability

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, 2018, which can be obtained from:

Camden County Municipal Joint Insurance Fund
9 Campus Drive, Suite 16
Parsippany, NJ 07054-4412

Note 17: INTERLOCAL SERVICES AGREEMENT

On October 8, 1996 the Borough entered into an Interlocal Services Agreement with the County of Camden to lease land to the County for the construction of a regional County Library and a Borough Health Clinic. The County provided the funds for the construction of the library and the Borough funded the cost of construction for the Health Clinic. The lease term is for a period of 40 years, in an amount of \$1.00 per year, over the life of the ground lease.

Note 18: 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 19: 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 20: SUBSEQUENT EVENTS

Tax Appeals - As of December 31, 2018, three tax appeals were on file against the Borough. Based upon information provided by the tax assessor, two appeals are not anticipated to have a significant reduction and the Borough is in state tax court with the remaining appeal. If such appeal is not settled in favor of the Borough, the estimated impact of the tax refund could be material. However, the Borough has \$50,000.00 of unencumbered 2018 appropriations and budgeted an additional \$50,000.00 in the 2019 budget. In the event there are insufficient funds to settle the appeal, the Borough has the ability to raise funds in the budget subsequent to 2019 and may, depending upon approval from the New Jersey State Local Finance Board, borrow to fund the payment of the appeal.

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

| <u>Purpose</u> | <u>Date</u> | <u>Authorization</u> |
|---|--------------------|-----------------------------|
| General Improvements | | |
| Improvements to Stormwater Drainage System | 05/23/19 | \$ 142,500.00 |
| Acquisition of Various Capital Equipment and Completion of Various Capital Improvements | 06/27/19 | 1,231,105.00 |
| Various Road Improvements | 06/27/19 | 52,250.00 |
| Water Utility Improvements | | |
| Various Capital Improvements | 04/25/19 | 448,000.00 |

On May 15, 2019, the Borough authorized a Loan agreement with the New Jersey Infrastructure Bank ("I-Bank") to fund various improvements to the Borough's Drinking Water Infrastructure including, but not limited to, the replacement and/or installation of water mains and the replacement of fire hydrants at various locations. The loans are for a period of twenty nine years at interest rates ranging from 2%-5% with varying annual principal payments.

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Current Cash
Per N.J.S. 40A:5-5 - Treasurer
For the Year Ended December 31, 2018

| | Regular Fund | Federal, State and Other Grant Fund |
|--|------------------------|--|
| Balance Dec. 31, 2017 | \$ 3,700,567.58 | \$ 97,767.72 |
| Increased by Receipts: | | |
| Collector | \$ 33,801,328.44 | |
| Miscellaneous Revenue Not Anticipated | 289,423.35 | |
| Revenue Accounts Receivable - Treasurer | 23,261.42 | |
| Due CCMUA | 127,466.15 | |
| Due Bellmawr Board of Education | 51,262.91 | |
| Reserve for Police Records Management | 12,000.00 | |
| Due Trust Other Fund | 177,833.47 | |
| Due General Capital Fund | 266,268.39 | |
| Due Water Utility Operating Fund | 112,088.14 | |
| Due Trust Dog License Fund | 5,755.99 | |
| Due from Current | | \$ 78.89 |
| Grants Receivable | | 118,048.29 |
| Matching Funds for Grants | | 3,575.00 |
| | <u>34,866,688.26</u> | <u>121,702.18</u> |
| | 38,567,255.84 | 219,469.90 |
| Decreased by Disbursements: | | |
| 2018 Appropriations | 12,944,124.06 | |
| 2017 Appropriation Reserves and Encumbrances | 357,736.42 | |
| Accounts Payable | 50.00 | |
| Due State of New Jersey: | | |
| Marriage License Fees | 1,350.00 | |
| DCA Fees - State Training Fees | 25,177.00 | |
| Due County for Added and Omitted Taxes | 4,427.04 | |
| Due CCMUA | 127,466.15 | |
| County Taxes Payable | 6,597,912.04 | |
| Local District School Tax Payable | 9,683,668.00 | |
| Regional High School Tax Payable | 3,916,782.98 | |
| Due Bellmawr Board of Education | 53,860.90 | |
| Reserves for Special Emergencies | 2,222.25 | |
| Tax Overpayments | 81,427.07 | |
| Protested Checks | 2,938.00 | |
| Matching Funds for Grants | 3,575.00 | |
| Due Grant Fund | 78.89 | |
| Due Water Utility Operating Fund | 298,928.11 | |
| Due General Capital Fund | 51,734.30 | |
| Due Trust Other Fund | 106,664.80 | |
| Due Trust Other Fund - CDBG | 71,300.00 | |
| Due Bank | 3.00 | |
| Refund of Prior Year Revenue | 60,213.50 | |
| Reserve for Grants Appropriated | | 177,406.25 |
| | <u>34,391,639.51</u> | <u>177,406.25</u> |
| Balance Dec. 31, 2018 | <u>\$ 4,175,616.33</u> | <u>\$ 42,063.65</u> |

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Current Cash
Per N.J.S. 40A:5-5 - Collector
For the Year Ended December 31, 2018

| | <u>Regular</u> |
|--|--------------------------------|
| Receipts: | |
| Energy Receipts Tax | \$ 1,188,569.00 |
| Consolidated Municipal Property Tax Relief Act | 26,748.00 |
| Uniform Fire Safety Act | 34,787.26 |
| Uniform Construction Code Fees | 226,250.82 |
| Interlocal Agreements | 309,946.83 |
| Emergency Technician Fees | 444,166.28 |
| Fire Safety Fees | 14,627.00 |
| Interest and Costs on Taxes | 151,720.49 |
| Payments in Lieu of Taxes | 25,000.00 |
| Taxes Receivable | 29,149,218.40 |
| Tax Title Liens Receivable | 908.73 |
| Tax Overpayments | 90,163.72 |
| Refunds of 2018 Appropriations | 47,470.08 |
| Prepaid Taxes | 281,439.60 |
| Sewer Rents | 435,432.42 |
| Prepaid Sewer Rents | 3,965.19 |
| Sewer Overpayments | 425.00 |
| Vacant Properties | 136,708.33 |
| Health Insurance Fund Dividend | 331,908.00 |
| Rental of Borough Property | 40,254.00 |
| Due State of New Jersey: | |
| Marriage License Fees | 1,425.00 |
| Veterans' and Senior Citizens' Deductions | 154,425.34 |
| DCA State Training Fees | 20,374.00 |
| Revenue Accounts Receivable | <u>685,394.95</u> |
| | 33,801,328.44 |
| Decreased by: | |
| Payments to Treasurer | <u><u>\$ 33,801,328.44</u></u> |

All funds are deposited directly to the Treasurer's bank account.

BOROUGH OF BELLMAWR
CURRENT FUND
 Schedule of Change Funds
 As of December 31, 2018

| | |
|-----------------------|------------------|
| Balance Dec. 31, 2018 | <u>\$ 350.00</u> |
| <u>Office</u> | |
| Tax Collector | \$ 50.00 |
| Sewer Collector | 50.00 |
| Court Clerk | 200.00 |
| Construction Office | <u>50.00</u> |
| Balance Dec. 31, 2018 | <u>\$ 350.00</u> |

Exhibit SA-4

CURRENT FUND
 Statement of Due State of New Jersey Veterans' and Senior Citizens' Deductions
 For the Year Ended December 31, 2018

| | | |
|---|-------------------|---------------------|
| Balance Dec. 31, 2017 | | \$ 31,080.80 |
| Increased by: | | |
| Receipts - Collector | | <u>154,425.34</u> |
| | | 185,506.14 |
| Decreased by: | | |
| Accrued in 2018 | | |
| Senior Citizens' Deductions per Billings | \$ 50,750.00 | |
| Veterans' Deductions per Billings | <u>107,500.00</u> | |
| | 158,250.00 | |
| Deductions Allowed by Tax Collector for 2018 Taxes | <u>2,750.00</u> | |
| | 161,000.00 | |
| Deduct: | | |
| Deductions Disallowed by Tax Collector for 2018 Taxes | <u>2,591.76</u> | |
| | | \$ 158,408.24 |
| Deduct: | | |
| Deductions Disallowed by Tax Collector for Prior Year Taxes | <u>4,074.66</u> | |
| | | 154,333.58 |
| Cash Disbursed - Refund of Prior Year Revenue | <u>1,950.69</u> | |
| | | <u>156,284.27</u> |
| Balance Dec. 31, 2018 | | <u>\$ 29,221.87</u> |

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2018

| Year | Balance Dec. 31, 2017 | 2018 Levy | Added Taxes | <u>C o l l e c t i o n s</u> | | Due from State of New Jersey | Canceled | Transferred to Tax Title Liens | Balance Dec. 31, 2018 |
|------|--------------------------|-------------------------|---------------------|------------------------------|-------------------------|------------------------------------|---------------------|--------------------------------------|--------------------------|
| | | | | <u>2017</u> | <u>2018</u> | | | | |
| 2015 | \$ 6,897.34 | | | | \$ 6,897.34 | | | | |
| 2016 | 107,716.04 | | | | 107,714.85 | | | | \$ 1.19 |
| 2017 | 675,879.35 | | \$ 10,229.42 | | 682,336.08 | | \$ 2,256.95 | | 1,515.74 |
| | 790,492.73 | - | 10,229.42 | - | 796,948.27 | - | 2,256.95 | - | 1,516.93 |
| 2018 | \$ 29,426,553.08 | | \$ 307,060.03 | 28,352,270.13 | \$ 158,408.24 | 40,264.92 | \$ 3,389.81 | | 565,159.95 |
| | <u>\$ 790,492.73</u> | <u>\$ 29,426,553.08</u> | <u>\$ 10,229.42</u> | <u>\$ 307,060.03</u> | <u>\$ 29,149,218.40</u> | <u>\$ 158,408.24</u> | <u>\$ 42,521.87</u> | <u>\$ 3,389.81</u> | <u>\$ 566,676.88</u> |

Analysis of 2018 Property Tax Levy

Tax Yield

| | |
|---------------------------------|--------------------------------|
| General Purpose Tax | \$ 29,335,975.11 |
| Added Taxes (54:4-63.1 et seq.) | <u>90,577.97</u> |
| | <u><u>\$ 29,426,553.08</u></u> |

Tax Levy

| | |
|---|--------------------------------|
| Local School Tax | \$ 9,683,668.00 |
| Regional High School Tax | 3,916,781.00 |
| County Taxes: | |
| County Tax | \$ 6,066,005.92 |
| County Open Space Tax | 148,021.16 |
| County Library | 383,884.96 |
| Due County for Added and Omitted Taxes | <u>20,398.39</u> |
| Total County Taxes | 6,618,310.43 |
| Local Tax for Municipal Purposes | 9,135,912.71 |
| Add: Additional Tax Levied | <u>71,880.94</u> |
| Local Tax for Municipal Purposes Levied | <u>9,207,793.65</u> |
| | <u><u>\$ 29,426,553.08</u></u> |

BOROUGH OF BELLMAWR
CURRENT FUND
 Statement of Tax Title Liens
 For the Year Ended December 31, 2018

| | |
|---------------------------------|----------------------------|
| Balance Dec. 31, 2017 | \$ 78,077.54 |
| Increased by: | |
| Transfers from Taxes Receivable | <u>3,389.81</u> |
| | 81,467.35 |
| Decreased by: | |
| Receipts | <u>908.73</u> |
| Balance Dec. 31, 2018 | <u><u>\$ 80,558.62</u></u> |

Exhibit SA-7

CURRENT FUND
 Statement of Tax Overpayments
 For the Year Ended December 31, 2018

| | |
|-----------------------|---------------------------|
| Balance Dec. 31, 2017 | \$ 6,545.90 |
| Increased by: | |
| Receipts - Collector | <u>90,163.72</u> |
| | 96,709.62 |
| Decreased by: | |
| Applied to 2018 Taxes | \$ 9,153.26 |
| Refunded | <u>81,427.07</u> |
| | <u>90,580.33</u> |
| Balance Dec. 31, 2018 | <u><u>\$ 6,129.29</u></u> |

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2018

| | Balance Dec. 31, 2017 | Accrued In 2018 | Current Fund | Received In | | General Capital | Balance Dec. 31, 2018 |
|---|--------------------------|----------------------|----------------------|------------------|--------------------|--------------------|--------------------------|
| | | | | Trust Funds | Other | | |
| | | | | Dog License | | | |
| Clerk: | | | | | | | |
| Alcoholic Beverage Licenses | | \$ 4,590.00 | \$ 4,590.00 | | | | |
| Licenses - Other | | 11,253.00 | 11,253.00 | | | | |
| Fees and Permits | | 30,240.00 | 30,240.00 | | | | |
| Municipal Court: | | | | | | | |
| Fines and Costs | \$ 18,254.02 | 253,039.79 | 255,137.76 | | | | \$ 16,156.05 (A) |
| Interest on Investments | 9.75 | 226.41 | 215.54 | | | | 20.62 (A) |
| Cable TV and Verizon Franchise Fees | 169,164.00 | | 169,164.00 | | | | |
| Rental Agreements: | | | | | | | |
| Cingular/AT&T Wireless | | 41,928.00 | 41,928.00 | | | | |
| Verizon Wireless | | 52,157.36 | 52,157.36 | | | | |
| Sprint | | 31,859.84 | 31,859.84 | | | | |
| Omni Point/T-Mobile | | 65,064.99 | 65,064.99 | | | | |
| Nextel Communications | | 24,000.00 | 24,000.00 | | | | |
| Interest on Investments and Deposits | | 33,236.12 | 23,045.88 | \$ 262.81 | \$ 2,490.03 | \$ 7,437.40 | |
| | <u>\$ 187,427.77</u> | <u>\$ 547,595.51</u> | <u>\$ 708,656.37</u> | <u>\$ 262.81</u> | <u>\$ 2,490.03</u> | <u>\$ 7,437.40</u> | <u>\$ 16,176.67</u> |
| Treasurer - Miscellaneous Revenue Not Anticipated | | | \$ 23,261.42 | | | | |
| Collector - Receipts | | | <u>685,394.95</u> | | | | |
| | | | <u>\$ 708,656.37</u> | | | | |

(A) December 2018

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2018

| | | |
|-----------------------------|-----------------|-----------------------------|
| Balance Dec. 31, 2017 | | \$ 359,954.59 |
| Increased by: | | |
| Sewer Rents Levied | | <u>527,607.63</u> |
| | | 887,562.22 |
| Decreased by: | | |
| Collections | \$ 435,432.42 | |
| Overpayments Applied | 862.07 | |
| Prepaid Sewer Rents Applied | <u>4,113.37</u> | |
| | | <u>440,407.86</u> |
| Balance Dec. 31, 2018 | | <u><u>\$ 447,154.36</u></u> |

Exhibit SA-10

CURRENT FUND
Statement of Sewer Rent Overpayments
For the Year Ended December 31, 2018

| | | |
|---|--|-------------------------|
| Balance Dec. 31, 2017 | | \$ 862.07 |
| Increased by: | | |
| Collections | | <u>425.00</u> |
| | | 1,287.07 |
| Decreased by: | | |
| Applied to Consumer Accounts Receivable | | <u>862.07</u> |
| Balance Dec. 31, 2018 | | <u><u>\$ 425.00</u></u> |

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Deferred Charges - Special Emergency - N.J.S.A. 40A:4-55
For the Year Ended December 31, 2018

| <u>Date</u> <u>Authorized</u> | <u>Purpose</u> | <u>Net Amount</u> <u>Authorized</u> | <u>1/5 of</u> <u>Net Amount</u> <u>Authorized</u> | <u>Balance</u> <u>Dec. 31, 2017</u> | <u>Raised in</u> <u>2018</u> |
|----------------------------------|---|--|---|--|---------------------------------|
| 10/24/2013 | Revision and Codification of Ordinances | \$ 25,000.00 | \$ 5,000.00 | <u>\$ 5,000.00</u> | <u>\$ 5,000.00</u> |

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Due Bellmawr Board of Education
For the Year Ended December 31, 2018

| | |
|-----------------------|---------------------------|
| Balance Dec. 31, 2017 | \$ 4,266.13 |
| Increased by: | |
| Disbursements | <u>53,860.90</u> |
| | 58,127.03 |
| Decreased by: | |
| Receipts | <u>51,262.91</u> |
| Balance Dec. 31, 2018 | <u><u>\$ 6,864.12</u></u> |

Exhibit SA-13

CURRENT FUND
Statement of Accounts Payable
For the Year Ended December 31, 2018

| | |
|--------------------------|---------------------------|
| Balance Dec. 31, 2017 | \$ 1,690.00 |
| Increased by: | |
| Receipts | <u>1,500.00</u> |
| | 3,190.00 |
| Decreased by: | |
| Disbursements | \$ 50.00 |
| Canceled to Fund Balance | <u>1,640.00</u> |
| | <u>1,690.00</u> |
| Balance Dec. 31, 2018 | <u><u>\$ 1,500.00</u></u> |

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of 2017 Appropriation Reserves and Encumbrances
For the Year Ended December 31, 2018

| | <u>Balance December 31, 2017</u> | | | | | |
|---|----------------------------------|----------------------|----------------------|----------------|----------------|-----------------|
| | <u>Reserve for</u> | <u>Appropriation</u> | <u>Balance After</u> | <u>Paid or</u> | <u>Balance</u> | <u>Over</u> |
| | <u>Encumbrances</u> | <u>Reserves</u> | <u>Transfers</u> | <u>Charged</u> | <u>Lapsed</u> | <u>Expended</u> |
| <u>General Government</u> | | | | | | |
| General Administration | | | | | | |
| Salaries and Wages | | \$ 1,066.73 | \$ 1,066.73 | | \$ 1,066.73 | |
| Other Expenses | \$ 876.34 | 3,085.43 | 3,961.77 | \$ 3,909.55 | 52.22 | |
| Public Relations | | | | | | |
| Other Expenses | 200.00 | 0.64 | 200.64 | 200.00 | 0.64 | |
| Mayor and Council | | | | | | |
| Salaries and Wages | | 0.80 | 0.80 | | 0.80 | |
| Other Expenses | 5,302.25 | 426.07 | 5,728.32 | 5,507.30 | 221.02 | |
| Municipal Clerk (Elections) | | | | | | |
| Salaries and Wages | | 7,658.79 | 7,658.79 | | 7,658.79 | |
| Other Expenses | | 1,051.54 | 1,051.54 | 605.00 | 446.54 | |
| Financial Administration | | | | | | |
| Salaries and Wages | | 7.15 | 7.15 | | 7.15 | |
| Other Expenses | | 4,630.54 | 4,630.54 | | 4,630.54 | |
| Assessment of Taxes | | | | | | |
| Other Expenses | | 2,326.33 | 2,326.33 | 35.72 | 2,290.61 | |
| Collection of Taxes | | | | | | |
| Other Expenses | | 3,221.46 | 3,221.46 | 55.04 | 3,166.42 | |
| Legal Services and Costs | | | | | | |
| Other Expenses | 1,639.25 | 8,526.77 | 10,166.02 | 9,051.25 | 1,114.77 | |
| Engineering Services and Costs | | | | | | |
| Other Expenses | | 3,759.40 | 3,759.40 | 2,613.00 | 1,146.40 | |
| Municipal Land Use Law (N.J.S.40:55D-1) | | | | | | |
| Planning Board | | | | | | |
| Salaries and Wages | | 99.55 | 99.55 | | 99.55 | |
| Other Expenses | | 3,070.78 | 3,070.78 | | 3,070.78 | |
| Zoning Board of Adjustment | | | | | | |
| Salaries and Wages | | 254.84 | 254.84 | | 254.84 | |
| Other Expenses | | 1,603.40 | 1,603.40 | | 1,603.40 | |
| Environmental Commission (N.J.S.A.40:56A-1) | | | | | | |
| Salaries and Wages | | 0.96 | 0.96 | | 0.96 | |
| Other Expenses | | 450.00 | 450.00 | | 450.00 | |
| <u>Public Safety</u> | | | | | | |
| Municipal Court | | | | | | |
| Salaries and Wages | | 63,516.07 | 63,516.07 | | 63,516.07 | |
| Other Expenses | 565.22 | 8,223.93 | 8,789.15 | 3,758.58 | 5,030.57 | |
| Public Defender (P.L. 1997, C.256) | | | | | | |
| Salaries and Wages | | 166.96 | 166.96 | | 166.96 | |
| Fire | | | | | | |
| Other Expenses | | | | | | |
| Fire Hydrant Services | | 5,261.34 | 5,261.34 | 3,021.70 | 2,239.64 | |
| Miscellaneous Other Expenses | 3,948.48 | 15,249.54 | 19,198.02 | 16,595.39 | 2,602.63 | |
| Bellmawr Fire Company # 1 | | 1,666.63 | 1,666.63 | 1,666.63 | | |
| Bellmawr Park Fire Company | | 3,000.00 | 3,000.00 | 3,000.00 | | |
| Fire Marshall | | | | | | |
| Other Expenses | | 150.00 | 150.00 | | 150.00 | |
| Police | | | | | | |
| Salaries and Wages | | 16,987.97 | 1,787.97 | | 1,787.97 | |
| Other Expenses | 10,860.71 | 5,685.11 | 16,545.82 | 13,870.64 | 2,675.18 | |
| Office of Emergency Management | | | | | | |
| Salaries and Wages | | 1,045.96 | 1,045.96 | | 1,045.96 | |
| Other Expenses | 644.00 | 2,554.22 | 3,198.22 | 2,814.00 | 384.22 | |
| EMS | | | | | | |
| Salaries and Wages | | 2,772.65 | 2,772.65 | | 2,772.65 | |
| Other Expenses | 2,203.50 | 12,460.93 | 14,664.43 | 13,709.20 | 955.23 | |
| Uniform Fire Safety Act (PL 1983, CH 383): | | | | | | |
| Fire Safety Inspector | | | | | | |
| Salaries and Wages | | 765.98 | 765.98 | | 765.98 | |

(Continued)

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of 2017 Appropriation Reserves and Encumbrances
For the Year Ended December 31, 2018

| | <u>Balance December 31, 2017</u> | | | | | |
|---|----------------------------------|----------------------|----------------------|----------------|----------------|-----------------|
| | <u>Reserve for</u> | <u>Appropriation</u> | <u>Balance After</u> | <u>Paid or</u> | <u>Balance</u> | <u>Over</u> |
| | <u>Encumbrances</u> | <u>Reserves</u> | <u>Transfers</u> | <u>Charged</u> | <u>Lapsed</u> | <u>Expended</u> |
| <u>Streets and Roads</u> | | | | | | |
| Road Repairs and Maintenance | | | | | | |
| Other Expenses | \$ 10,410.16 | \$ 7,369.95 | \$ 17,780.11 | \$ 17,189.37 | \$ 590.74 | |
| Garbage and Trash Removal | | | | | | |
| Salaries and Wages | | 10,982.86 | 10,982.86 | | 10,982.86 | |
| Other Expenses | 4,154.80 | 26,828.73 | 30,983.53 | 25,388.30 | 5,595.23 | |
| Sewer Department | | | | | | |
| Salaries and Wages | | 96.00 | 96.00 | | 96.00 | |
| Other Expenses | 13,773.36 | 1,500.11 | 15,273.47 | 11,670.30 | 3,603.17 | |
| Buildings and Grounds | | | | | | |
| Other Expenses | 5,639.76 | 15,533.81 | 19,173.57 | 8,757.35 | 10,416.22 | |
| <u>Health and Welfare</u> | | | | | | |
| Board of Health | | | | | | |
| Other Expenses | | 1,770.56 | 1,770.56 | 1,000.00 | 770.56 | |
| Dog Regulation | | | | | | |
| Other Expenses | | 354.37 | 2,354.37 | 1,600.00 | 754.37 | |
| <u>Recreation and Education</u> | | | | | | |
| Parks and Playgrounds | | | | | | |
| Salaries and Wages | | 84.83 | 84.83 | | 84.83 | |
| Other Expenses | 9,399.53 | 8,638.94 | 18,038.47 | 17,574.58 | 463.89 | |
| Celebration of Public Event, Anniversary or Holiday | | | | | | |
| Other Expenses | | 205.53 | 205.53 | 76.63 | 128.90 | |
| Senior Citizens | | | | | | |
| Other Expenses | | 1,775.00 | 1,775.00 | 1,550.00 | 225.00 | |
| Shuttle Bus | | | | | | |
| Salaries and Wages | | 981.36 | 981.36 | | 981.36 | |
| Other Expenses | | 3,728.65 | 3,728.65 | | 3,728.65 | |
| State Uniform Construction Code: | | | | | | |
| (N.J.S.A. 52:27-120 et seq) | | | | | | |
| Salaries and Wages | | 3,270.32 | 3,270.32 | | 3,270.32 | |
| Other Expenses | | 128.13 | 128.13 | | 128.13 | |
| <u>Insurance</u> | | | | | | |
| General Liability | | 17,506.02 | 17,506.02 | | 17,506.02 | |
| Health Insurance | 131.46 | 141,827.41 | 141,958.87 | 2,481.16 | 139,477.71 | |
| <u>Utility Expenses and Bulk Purchases</u> | | | | | | |
| Gasoline | | 12,011.08 | 12,011.08 | 11,494.11 | 516.97 | |
| Street Lighting | | 37,547.43 | 50,547.43 | 50,355.05 | 192.38 | |
| Electricity | | 69,770.33 | 69,770.33 | 32,660.80 | 37,109.53 | |
| Telephone | 50.29 | 4,215.94 | 4,266.23 | 5,383.56 | | \$ 1,117.33 |
| Gas- Natural | | 2,702.96 | 4,902.96 | 3,883.84 | 1,019.12 | |
| Water | | 3,841.49 | 3,841.49 | 379.43 | 3,462.06 | |
| Sewerage Processing and Disposal (CCMUA) | | 33.06 | 33.06 | | 33.06 | |
| <u>DEFERRED CHARGES AND STATUTORY</u> | | | | | | |
| <u>EXPENDITURES - MUNICIPAL WITHIN "CAPS"</u> | | | | | | |
| Statutory Expenditures | | | | | | |
| Contribution to: | | | | | | |
| Social Security System (O.A.S.I.) | | 11,571.42 | 11,571.42 | | 11,571.42 | |
| Unemployment Compensation Insurance | | 884.68 | 884.68 | | 884.68 | |
| Defined Contribution Retirement Plan | | 500.00 | 500.00 | | 500.00 | |
| Disability Insurance | | 5,010.99 | 5,010.99 | | 5,010.99 | |
| Total General Appropriations for Municipal Purposes | | | | | | |
| Within "CAPS" | 69,799.11 | 571,420.43 | 641,219.54 | 271,857.48 | 370,479.39 | 1,117.33 |

(Continued)

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of 2017 Appropriation Reserves and Encumbrances
For the Year Ended December 31, 2018

| | <u>Balance December 31, 2017</u> | | | | | |
|--|----------------------------------|----------------------|----------------------|----------------------|----------------|-----------------|
| | <u>Reserve for</u> | <u>Appropriation</u> | <u>Balance After</u> | <u>Paid or</u> | <u>Balance</u> | <u>Over</u> |
| | <u>Encumbrances</u> | <u>Reserves</u> | <u>Transfers</u> | <u>Charged</u> | <u>Lapsed</u> | <u>Expended</u> |
| <u>OPERATIONS - EXCLUDED FROM "CAPS"</u> | | | | | | |
| Tax Appeals | | \$ 50,000.00 | \$ 50,000.00 | | \$ 50,000.00 | |
| Interlocal Service Agreements: | | | | | | |
| Borough of Mt. Ephraim - Mechanical Services | | 9,928.00 | 9,928.00 | \$ 7,220.48 | 2,707.52 | |
| Borough of Mt. Ephraim - Road Repairs (N.J.S.A. 40A:4-87 \$53,558.13) | \$ 21,211.06 | 29,064.44 | 50,275.50 | 40,180.99 | 10,094.51 | |
| Borough of Lawnside - Sanitary Sewer System | | 1,000.00 | 1,000.00 | | 1,000.00 | |
| Borough of Barrington - Mechanical Service | | 1,200.00 | 1,200.00 | | 1,200.00 | |
| Borough of East Greenwich - Mechanical Service | | 201.61 | 201.61 | | 201.61 | |
| Borough of Runnemede - Trash Removal | | 97,757.31 | 97,757.31 | 6,387.74 | 91,369.57 | |
| Borough of Runnemede - Concrete Install | | 9,940.00 | 9,940.00 | 9,940.00 | | |
| Borough of Runnemede - Sanitary Sewer System | | 4,000.00 | 4,000.00 | | 4,000.00 | |
| Borough of Runnemede - Mechanical Service | | 10,915.46 | 10,915.46 | | 10,915.46 | |
| Borough of Woodlynne - Sanitary Sewer System | 1,992.33 | 104.68 | 2,097.01 | 1,992.33 | 104.68 | |
| Borough of Woodlynne - Mechanical Service | | 2,000.00 | 2,000.00 | | 2,000.00 | |
| Borough of Merchantville - Concrete Install | | 15,000.00 | 15,000.00 | | 15,000.00 | |
| Borough of Hi-Nella - Concrete Install | | 13,800.52 | 13,800.52 | | 13,800.52 | |
| Borough of Haddon Heights - Mechanical Service | | 3,500.00 | 3,500.00 | | 3,500.00 | |
| Township of Haddon - Mechanical Service | | 7,000.00 | 7,000.00 | | 7,000.00 | |
| Borough of Brooklawn - Mechanical Service | | 1,466.00 | 1,466.00 | | 1,466.00 | |
| City of Woodbury - Mechanical Service | | 4,000.00 | 4,000.00 | | 4,000.00 | |
| City of Gloucester - Reconstruction of Roads | | 9,409.90 | 9,409.90 | | 9,409.90 | |
| Total Operations Excluded from "CAPS" | 23,203.39 | 270,287.92 | 293,491.31 | 65,721.54 | 227,769.77 | - |
| <u>CAPITAL IMPROVEMENTS -</u> | | | | | | |
| <u>EXCLUDED FROM "CAPS"</u> | | | | | | |
| Demolition and Removal of Unsafe Structure | 17,850.00 | 11,530.22 | 29,380.22 | 21,657.40 | 7,722.82 | |
| Grand Total | \$ 110,852.50 | \$ 853,238.57 | \$ 964,091.07 | \$ 359,236.42 | \$ 605,971.98 | \$ 1,117.33 |
| Disbursed | | | | \$ 357,736.42 | | |
| Accounts Payable | | | | 1,500.00 | | |
| | | | | <u>\$ 359,236.42</u> | | |

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Prepaid Sewer Rents
For the Year Ended December 31, 2018

| | |
|--|---------------------------|
| Balance Dec. 31, 2017 | \$ 4,113.37 |
| Increased by: | |
| Collections | <u>3,965.19</u> |
| | 8,078.56 |
| Decreased by: | |
| Application to 2018 Rents - Consumer Accounts Receivable | <u>4,113.37</u> |
| Balance Dec. 31, 2018 | <u><u>\$ 3,965.19</u></u> |

Exhibit SA-16

CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2018

| | |
|------------------------------------|-----------------------------|
| Balance Dec. 31, 2017 (2018 Taxes) | \$ 307,060.03 |
| Increased by: | |
| Collections | \$ 281,439.60 |
| Transferred from Overpayments | <u>9,153.26</u> |
| | <u>290,592.86</u> |
| | 597,652.89 |
| Decreased by: | |
| Application to 2018 Taxes | <u>307,060.03</u> |
| Balance Dec. 31, 2018 (2019 Taxes) | <u><u>\$ 290,592.86</u></u> |

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Due State of New Jersey- Marriage License Fees
For the Year Ended December 31, 2018

| | |
|-----------------------|-------------------------|
| Balance Dec. 31, 2017 | \$ 200.00 |
| Increased by: | |
| Receipts - Collector | <u>1,425.00</u> |
| | 1,625.00 |
| Decreased by: | |
| Disbursements | <u>1,350.00</u> |
| Balance Dec. 31, 2018 | <u><u>\$ 275.00</u></u> |

Exhibit SA-18

CURRENT FUND
Statement of Due County for Added and Omitted Taxes
For the Year Ended December 31, 2018

| | |
|---|----------------------------|
| Balance Dec. 31, 2017 | |
| 2017 Added Taxes (R.S. 54:4-63.1 et seq.) | \$ 4,427.04 |
| Increased by: | |
| County Share of Levy: | |
| 2018 Added Taxes (R.S. 54:4-63.1 et seq.) | <u>20,398.39</u> |
| | 24,825.43 |
| Decreased by: | |
| Payments | <u>4,427.04</u> |
| Balance Dec. 31, 2018 | <u><u>\$ 20,398.39</u></u> |

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2018

| | | |
|-----------------------|-------------------|-------------------------------|
| 2018 Levy: | | |
| County Tax | \$ 6,066,005.92 | |
| County Open Space Tax | 148,021.16 | |
| County Library Tax | <u>383,884.96</u> | |
| | | \$ 6,597,912.04 |
| Decreased by: | | |
| Payments | | <u><u>\$ 6,597,912.04</u></u> |

Exhibit SA-20

CURRENT FUND
Statement of Local District School Taxes Payable
For the Year Ended December 31, 2018

| | |
|---------------------------|-----------------------|
| Balance Dec. 31, 2017 | \$ 2.50 |
| Increased by: | |
| Levy - Calendar Year 2018 | <u>9,683,668.00</u> |
| | 9,683,670.50 |
| Decreased by: | |
| Payments | <u>9,683,668.00</u> |
| Balance Dec. 31, 2018 | <u><u>\$ 2.50</u></u> |

Exhibit SA-21

CURRENT FUND
Statement of Prepaid Regional High School Taxes
For the Year Ended December 31, 2018

| | |
|---------------------------------|-----------------------|
| Balance Dec. 31, 2017 (Prepaid) | \$ 0.50 |
| Increased by: | |
| Payments | <u>3,916,782.98</u> |
| | 3,916,783.48 |
| Decreased by: | |
| Levy - Calendar Year 2018 | <u>3,916,781.00</u> |
| Balance Dec. 31, 2018 (Prepaid) | <u><u>\$ 2.48</u></u> |

BOROUGH OF BELLMAWR
CURRENT FUND
Statement of Due State of New Jersey - DCA State Training Fees
For the Year Ended December 31, 2018

| | |
|-----------------------|---------------------|
| Balance Dec. 31, 2017 | \$ 4,803.00 |
| Increased by: | |
| Receipts - Collector | <u>20,374.00</u> |
| | 25,177.00 |
| Decreased by: | |
| Disbursements | <u>\$ 25,177.00</u> |

Exhibit SA-23

CURRENT FUND
Statement of Reserves for Special Emergencies
For the Year Ended December 31, 2018

| | |
|--|---------------------|
| Balance Dec. 31, 2017 | \$ 19,018.05 |
| Decreased by: | |
| Disbursed | <u>2,222.25</u> |
| Balance Dec. 31, 2018 | <u>\$ 16,795.80</u> |
| <u>Analysis of Balance Dec 31, 2018</u> | |
| Reserve for Tax Revaluation and Preparation of Tax Map | \$ 10,702.80 |
| Reserve for Revision and Codification of Ordinances | <u>6,093.00</u> |
| | <u>\$ 16,795.80</u> |

BOROUGH OF BELLMAWR
FEDERAL, STATE AND OTHER GRANT FUND
Statement of Grants Receivable
For the Year Ended December 31, 2018

| <u>Program</u> | <u>Balance</u> <u>Dec. 31, 2017</u> | <u>Accrued</u> | <u>Received</u> | <u>Cancel</u> | <u>Balance</u> <u>Dec. 31, 2018</u> |
|---|--|---------------------|----------------------|----------------------|--|
| Federal Grants: | | | | | |
| Bulletproof Vest Partnership Grant | \$ 3,035.97 | | \$ 2,922.06 | | \$ 113.91 |
| U.S. Dept of Homeland Security - Port Security Grant | 24,500.00 | | | | 24,500.00 |
| Make it Click Grant | 2,600.00 | | | | 2,600.00 |
| Total Federal Grants | 30,135.97 | - | 2,922.06 | - | 27,213.91 |
| State Grants: | | | | | |
| Clean Communities Program | 25.00 | \$ 22,689.23 | 22,689.23 | | 25.00 |
| Distracted Driving Incentive | | 3,300.00 | 3,300.00 | | |
| Drunk Driving Enforcement Grant | | 2,500.00 | 2,500.00 | | |
| Municipal Alliance on Alcoholism and Drug Abuse | 46,657.76 | 14,300.00 | 8,717.00 | | 52,240.76 |
| New Jersey Department of Environmental Protection - Forestry Services | 913,200.00 | | | \$ 817,500.00 | 95,700.00 |
| Recreation Enhancement - Petrucci Park | 78.89 | | | 78.89 | |
| Sustainable New Jersey | 5,000.00 | | | | 5,000.00 |
| NJ Department of Clean Energy Direct Install Program | 6,264.04 | | | | 6,264.04 |
| Safe and Secure Communities Program | | 20,500.00 | 20,500.00 | | |
| Total State Grants | 971,225.69 | 63,289.23 | 57,706.23 | 817,578.89 | 159,229.80 |
| Other Grants: | | | | | |
| Camden County Recreation Enhancement | 100,000.00 | | 50,000.00 | 50,000.00 | |
| Private Donations: | | | | | |
| Compassionate Science | 1,400.00 | | | | 1,400.00 |
| Clean Communities Program | | 7,225.00 | 7,225.00 | | |
| All Wars Memorial Fund | | 195.00 | 195.00 | | |
| Total Other Grants | 101,400.00 | 7,420.00 | 57,420.00 | 50,000.00 | 1,400.00 |
| Total All Grants | \$ 1,102,761.66 | \$ 70,709.23 | \$ 118,048.29 | \$ 867,578.89 | \$ 187,843.71 |
| Canceled - Fund Balance | | | | \$ 78.89 | |
| Canceled - Reserve for Grants Unappropriated | | | | 50,000.00 | |
| Canceled - Reserve for Grants Appropriated | | | | 817,500.00 | |
| | | | | <u>\$ 867,578.89</u> | |

BOROUGH OF BELLMAWR
FEDERAL, STATE AND OTHER GRANT FUND
Statement of Reserve for Grants Unappropriated
For the Year Ended December 31, 2018

| <u>Program</u> | <u>Balance Dec. 31, 2017</u> | <u>Grants Receivable</u> | <u>Realized as Miscellaneous Revenue in 2018 Budget</u> | <u>Canceled</u> | <u>Balance Dec. 31, 2018</u> |
|---|----------------------------------|------------------------------|---|-----------------|----------------------------------|
| State Grants: | | | | | |
| Body Armor Replacement Fund | \$ 4,451.76 | | \$ 4,451.76 | | |
| Clean Communities Program | 0.82 | \$ 22,689.23 | 22,538.23 | | \$ 151.82 |
| Distracted Driving Incentive | 3,520.00 | 3,300.00 | 3,520.00 | | 3,300.00 |
| Drunk Driving Enforcement Fund | 3,135.00 | 2,500.00 | 3,135.00 | | 2,500.00 |
| EMPG Exercise Support Program | 24,499.00 | | | | 24,499.00 |
| Municipal Alliance on Alcoholism and Drug Abuse | | 14,300.00 | 14,300.00 | | |
| Recycling Tonnage Grant | 0.40 | | | | 0.40 |
| Safe and Secure Communities Program | 20,500.00 | 20,500.00 | 20,500.00 | | 20,500.00 |
| Total State Grants | 56,106.98 | 63,289.23 | 68,444.99 | - | 50,951.22 |
| Other Grants: | | | | | |
| Camden County Recreation Enhancement | 50,000.00 | | | \$ 50,000.00 | |
| Private Donations: | | | | | |
| Clean Communities Program | 125.00 | 7,225.00 | 7,350.00 | | |
| All Wars Memorial Fund | 300.00 | 195.00 | 300.00 | | 195.00 |
| Total Other Grants | 50,425.00 | 7,420.00 | 7,650.00 | 50,000.00 | 195.00 |
| Total All Grants | \$ 106,531.98 | \$ 70,709.23 | \$ 76,094.99 | \$ 50,000.00 | \$ 51,146.22 |

BOROUGH OF BELLMAWR
FEDERAL, STATE AND OTHER GRANT FUND
Statement of Reserve for Grants Appropriated
For the Year Ended December 31, 2018

| <u>Program</u> | <u>Balance Dec. 31, 2017</u> | <u>Transferred from 2018 Budget Appropriation</u> | <u>Encumbrances Canceled</u> | <u>Paid or Charged</u> | <u>Grants Canceled</u> | <u>Balance Dec. 31, 2018</u> |
|--|----------------------------------|---|----------------------------------|----------------------------|----------------------------|----------------------------------|
| Federal Grants: | | | | | | |
| Bulletproof Vest Partnership Grant | \$ 5,211.99 | | | \$ 4,870.10 | | \$ 341.89 |
| Make it Click Grant | 8,442.45 | | | | | 8,442.45 |
| FEMA - SAFER Grant - LOSAP | 2,266.46 | | | | | 2,266.46 |
| New Jersey Department of Transportation - Direct Connect Program | 1,467.46 | | | | | 1,467.46 |
| Stormwater Grant | 2,688.00 | | | | | 2,688.00 |
| Total Federal Grants | 20,076.36 | - | - | 4,870.10 | - | 15,206.26 |
| State Grants: | | | | | | |
| Alcohol Education and Rehabilitation Fund | 100.93 | | | | | 100.93 |
| Body Armor Replacement Fund | 54.86 | \$ 4,451.76 | | | | 4,506.62 |
| Clean Communities Program | | 22,538.23 | | 22,538.23 | | |
| NJ Clean Energy Program - Direct Install Program | 7,124.77 | | | | | 7,124.77 |
| Distracted Driving Incentive | | 3,520.00 | | | | 3,520.00 |
| Drunk Driving Enforcement Fund | 1,583.90 | 3,135.00 | | 1,863.37 | | 2,855.53 |
| EMPG Exercise Support Program | 10,000.00 | | | | | 10,000.00 |
| New Jersey Department of Environmental Protection - Forestry Services | 875,399.49 | | | 52,417.16 | \$ 817,500.00 | 5,482.33 |
| Municipal Alliance on Alcoholism and Drug Abuse | 47,564.21 | 17,875.00 | \$ 407.17 | 12,575.50 | | 53,270.88 |
| Recycling Tonnage Grant | 13,963.05 | | | 13,835.45 | | 127.60 |
| Sustainable New Jersey | 4,476.32 | | 5,698.69 | 7,775.36 | | 2,399.65 |
| Safe and Secure Communities Program | 20,500.00 | 20,500.00 | | 20,500.00 | | 20,500.00 |
| Total State Grants | 980,767.53 | 72,019.99 | 6,105.86 | 131,505.07 | 817,500.00 | 109,888.31 |

(Continued)

BOROUGH OF BELLMAWR
FEDERAL, STATE AND OTHER GRANT FUND
Statement of Reserve for Grants Appropriated
For the Year Ended December 31, 2018

| <u>Program</u> | <u>Balance Dec. 31, 2017</u> | <u>Transferred from 2018 Budget Appropriation</u> | <u>Encumbrances Canceled</u> | <u>Paid or Charged</u> | <u>Grants Canceled</u> | <u>Balance Dec. 31, 2018</u> |
|--|----------------------------------|---|----------------------------------|----------------------------|----------------------------|----------------------------------|
| Other Grants: | | | | | | |
| Camden County Recreation Enhancement | \$ 36,106.50 | | | \$ 34,056.29 | | \$ 2,050.21 |
| Private Donations: | | | | | | |
| Christmas in the Park | 98.51 | | | | | 98.51 |
| Clean Communities Program | | \$ 7,350.00 | | 3,813.89 | | 3,536.11 |
| Compassionate Science | 2,599.85 | | | 99.85 | | 2,500.00 |
| All War Memorial Fund | 2,884.00 | 300.00 | | 2,278.95 | | 905.05 |
| Park Benches | 250.00 | | | | | 250.00 |
| Recycling Rebate Grant | 692.50 | | | | | 692.50 |
| Security Cameras in the Parks | 959.75 | | | | | 959.75 |
| Shuttle Bus | 2,180.00 | | | 782.10 | | 1,397.90 |
| Weyerhaeuser Company Foundation - Protective Vests | 1,545.99 | | | | | 1,545.99 |
| Total Other Grants | 47,317.10 | 7,650.00 | - | 41,031.08 | - | 13,936.02 |
| Total All Grants | \$ 1,048,160.99 | \$ 79,669.99 | \$ 6,105.86 | \$ 177,406.25 | \$ 817,500.00 | \$ 139,030.59 |
| Budget | | \$ 57,131.76 | | | | |
| Special NJSA 40A:4-87 | | 22,538.23 | | | | |
| | | <u>\$ 79,669.99</u> | | | | |
| Disbursed | | | | <u>\$ 177,406.25</u> | | |

SUPPLEMENTAL EXHIBITS

TRUST FUND

BOROUGH OF BELLMAWR
TRUST FUNDS
Statement of Trust Cash
Per N.J.S. 40A:5-5 - Treasurer
For the Year Ended December 31, 2018

| | <u>Animal Control</u> | <u>Other</u> |
|--|---------------------------|-----------------------------|
| Balance Dec. 31, 2017 | \$ 12,149.76 | \$ 916,063.59 |
| Increased by Receipts: | | |
| Due Current Fund | \$ 262.81 | \$ 498,184.20 |
| Due Water Utility Operating Fund | | 243,228.40 |
| Dog License Fees | 2,708.20 | |
| Due State of New Jersey | 403.80 | |
| Reserves and Special Deposits | | 1,723,156.20 |
| Net Payroll | | 4,167,263.33 |
| Payroll Deductions Payable | | <u>3,121,729.35</u> |
| | <u>3,374.81</u> | <u>9,753,561.48</u> |
| | 15,524.57 | 10,669,625.07 |
| Due to Bank | | |
| Expenditures Under R.S. 4:19-5.11 | 725.00 | |
| Due Current Fund | 5,755.99 | 459,789.28 |
| Due Water Utility Operating Fund | | 247,772.48 |
| Due State of New Jersey | 405.60 | |
| Due to State of New Jersey --Crime Compensation Board | | 6,439.63 |
| Reserves and Special Deposits | | 2,017,178.23 |
| Net Payroll | | 4,167,263.33 |
| Payroll Deductions Payable | | <u>3,094,327.86</u> |
| | <u>6,886.59</u> | <u>9,992,770.81</u> |
| Balance Dec. 31, 2018 | <u><u>\$ 8,637.98</u></u> | <u><u>\$ 676,854.26</u></u> |

BOROUGH OF BELLMAWR
ANIMAL CONTROL TRUST FUND
Statement of Reserve for Animal Control Fund Expenditures
For the Year Ended December 31, 2018

| | | |
|-----------------------------------|-----------------|---------------------------|
| Balance Dec. 31, 2017 | | \$ 6,619.80 |
| Increased by: | | |
| Dog License Fees Collected | | <u>2,708.20</u> |
| | | 9,328.00 |
| Decreased by: | | |
| Expenditures Under R.S. 4:19-5.11 | \$ 725.00 | |
| Encumbrances Charged | 438.00 | |
| Statutory Excess Due to Current | <u>3,233.00</u> | |
| | | <u>4,396.00</u> |
| Balance Dec. 31, 2018 | | <u><u>\$ 4,932.00</u></u> |
| <u>License Fees Collected</u> | | |
| <u>Year</u> | | <u>Amount</u> |
| 2016 | | \$ 3,007.00 |
| 2017 | | <u>2,363.00</u> |
| | | <u><u>\$ 5,370.00</u></u> |

ANIMAL CONTROL TRUST FUND
Statement of Due State of New Jersey
For the Year Ended December 31, 2018

| | | |
|---------------------------------|--|-----------------------|
| Balance Dec. 31, 2017 | | \$ 8.40 |
| Increased by: | | |
| Dog Registration Fees Collected | | <u>403.80</u> |
| | | 412.20 |
| Decreased by: | | |
| Disbursements | | <u>405.60</u> |
| Balance Dec. 31, 2018 | | <u><u>\$ 6.60</u></u> |

BOROUGH OF BELLMAWR
ANIMAL CONTROL TRUST FUND
Statement of Due Current Fund
For the Year Ended December 31, 2018

| | | |
|---------------------------------|-----------------|---------------------------|
| Balance Dec. 31, 2017 | | \$ 5,521.53 |
| Increased by: | | |
| Interest Earned on Deposits | \$ 262.81 | |
| Statutory Excess Due to Current | <u>3,233.00</u> | |
| | | <u>3,495.81</u> |
| | | 9,017.34 |
| Decreased by: | | |
| Disbursed to Current Fund | | <u>5,755.99</u> |
| Balance Dec. 31, 2018 | | <u><u>\$ 3,261.35</u></u> |

Exhibit SB-5

TRUST OTHER FUNDS
Statement of Due Water Utility Operating Fund
For the Year Ended December 31, 2018

| | | |
|--|--|----------------------------|
| Balance Dec. 31, 2017 | | \$ 27,356.18 |
| Increased by: | | |
| Received by Water Utility Operating Fund - Payroll Deductions Payable | | <u>243,228.40</u> |
| | | 270,584.58 |
| Decreased by: | | |
| Disbursed by Water Utility Operating Fund - Payroll Deductions Payable | | <u>247,772.48</u> |
| Balance Dec. 31, 2018 | | <u><u>\$ 22,812.10</u></u> |

Exhibit SB-6

TRUST OTHER FUNDS
Statement of Camden County Community Development Block Grants Receivable
For the Year Ended December 31, 2018

| | | |
|--------------------------|--|----------------------------|
| Balance Dec. 31, 2017 | | \$ 110,765.32 |
| Increased by: | | |
| Year 40 Grant Awarded | | <u>59,000.00</u> |
| | | 169,765.32 |
| Decreased by: | | |
| Received in Current Fund | | <u>71,300.00</u> |
| Balance Dec. 31, 2018 | | <u><u>\$ 98,465.32</u></u> |

BOROUGH OF BELLMAWR
TRUST OTHER FUNDS
Statement of Due Current Fund
For the Year Ended December 31, 2018

| | | | | |
|---|----|-------------------|-----------------|-------------------------|
| Balance Dec. 31, 2017 (Due from) | | | \$ | 6,425.86 |
| Increased by: | | | | |
| Disbursements: | | | | |
| Interest on Investments turned over to Current | \$ | 2,867.52 | | |
| Bank Accounts Closed and Balance Transferred to Current | | 65.44 | | |
| Payroll Trust | | 456,792.22 | | |
| Tax Title Lien Transferred to Current | | <u>64.10</u> | | |
| | | | \$ | 459,789.28 |
| Received by Current Fund on Behalf of: Trust Other | | | | |
| Trust - Other Fund | | 106,533.47 | | |
| Trust - CDBG Fund | | <u>71,300.00</u> | | |
| | | | | <u>177,833.47</u> |
| | | | | <u>637,622.75</u> |
| | | | | 644,048.61 |
| Decreased by: | | | | |
| Disbursed by Current Fund on Behalf of: Trust Other | | | | |
| Trust - Other Fund | | 105,224.03 | | |
| Trust - CDBG Fund | | <u>72,740.77</u> | | |
| | | | | 177,964.80 |
| Receipts: | | | | |
| Payroll Trust | | | 495,191.03 | |
| Interest Earned on Deposits | | | <u>2,993.17</u> | |
| | | | | <u>676,149.00</u> |
| Balance Dec. 31, 2018 (Due to) | | | \$ | <u><u>32,100.39</u></u> |
| <u>Analysis of Balance Dec. 31, 2018</u> | | | | |
| Due To: | | | | |
| Flexible Spending Account | \$ | 5.94 | | |
| Parking Offenses Adjudication Act Funds | | 7.72 | | |
| Police Drug Enforcement/Activity | | 12.52 | | |
| Developers Escrow Acct | | 13.71 | | |
| Site Plan Review Escrow Deposits | | 39.57 | | |
| Municipal Alliance | | 260.94 | | |
| Community Development Block Grant | | 1,440.77 | | |
| Law Enforcement Funds | | 4,308.47 | | |
| Payroll Trust Fund | | 3,118.85 | | |
| Premiums Received at Tax Sale | | 7,704.97 | | |
| Redemption of Tax Sale Certificates | | <u>30,803.84</u> | | |
| | | | \$ | 47,717.30 |
| Due From: | | | | |
| Donations for the Needy | | (2.48) | | |
| Public Defender Fees | | (5,842.56) | | |
| Off Duty Police | | (2,000.00) | | |
| Community Beautification Donations | | <u>(7,771.87)</u> | | |
| | | | | <u>(15,616.91)</u> |
| Balance Dec. 31, 2018 | | | \$ | <u><u>32,100.39</u></u> |

BOROUGH OF BELLMAWR
TRUST OTHER FUNDS
Statement of Reserves and Special Deposits
For the Year Ended December 31, 2018

| | | Increased | | | Decreased | | | | |
|---|--------------------------|------------------------|--------------------------|--------------------------|------------------------|-----------------------------------|------------------------|---------------------|--------------------------|
| | Balance Dec. 31, 2017 | Receipts | Due From Current Fund | Encumbrances Canceled | Disbursed | Unrealized Loss On Investments | Due to Current Fund | Encumbrances | Balance Dec. 31, 2018 |
| Law Enforcement Funds | \$ 36,907.17 | \$ 14,462.87 | | | \$ 4,777.07 | | | | \$ 46,592.97 |
| Off Duty Police | 2,000.00 | | \$ 104,506.01 | | | | \$ 104,506.01 | | 2,000.00 |
| Site Plan Review Escrow Deposits | 83,069.38 | 163,935.77 | | \$ 11,446.64 | 154,525.26 | | | \$ 3,777.86 | 100,148.67 |
| Redemption of Tax Sale Certificates | 76,802.95 | 1,079,640.21 | | 16,018.53 | 1,099,221.64 | | | 59,185.86 | 14,054.19 |
| Premiums Received at Tax Sale | 585,600.00 | 331,500.00 | | | 655,100.00 | | | | 262,000.00 |
| Police Drug Enforcement/Activity | 941.69 | 364.00 | | | 1,166.45 | | | | 139.24 |
| Community Beautification Donations | 6,948.53 | | 823.34 | | | | | | 7,771.87 |
| Parking Offenses Adjudication Act Funds | 305.19 | 74.00 | | | | | | | 379.19 |
| Public Defender Fees | 2,876.00 | 6,923.51 | 1,199.57 | | 400.00 | | 718.02 | 100.00 | 9,781.06 |
| Donations for the Needy | 14,712.41 | 8,461.65 | 4.55 | 3,173.88 | 8,600.03 | | | 193.80 | 17,558.66 |
| Municipal Alliance | 305.25 | | | | | | | | 305.25 |
| Developers Escrow Account | 3,951.18 | 111,794.19 | | | 87,387.83 | | | | 28,357.54 |
| Flexible Spending Account | 132.42 | 6,000.00 | | | 5,999.95 | | | | 132.47 |
| Unemployment Compensation Insurance | 1,352.28 | | | | | | | | 1,352.28 |
| Length of Service Award Program | 269,133.39 | 20,700.00 | | | 1,150.00 | \$ 11,578.48 | | | 277,104.91 |
| | <u>\$ 1,085,037.84</u> | <u>\$ 1,743,856.20</u> | <u>\$ 106,533.47</u> | <u>\$ 30,639.05</u> | <u>\$ 2,018,328.23</u> | <u>\$ 11,578.48</u> | <u>\$ 105,224.03</u> | <u>\$ 63,257.52</u> | <u>\$ 767,678.30</u> |
| Cash | | \$ 1,723,156.20 | | | \$ 2,017,178.23 | | | | |
| Investments - Length of Service Award Program | | 20,700.00 | | | 1,150.00 | | | | |
| | | <u>\$ 1,743,856.20</u> | | | <u>\$ 2,018,328.23</u> | | | | |

BOROUGH OF BELLMAWR
TRUST OTHER FUNDS
Statement of Payroll Deductions Payable
For the Year Ended December 31, 2018

| | | | |
|----------------------------|----|---------------------|-------------------------|
| Balance Dec. 31, 2017 | | \$ | 51,181.78 |
| Increased by: | | | |
| Receipts: | | | |
| Net Payroll | \$ | 4,167,263.33 | |
| Payroll Deductions Payable | | <u>3,121,729.35</u> | |
| | | | <u>7,288,992.68</u> |
| | | | 7,340,174.46 |
| Decreased by: | | | |
| Disbursements: | | | |
| Net Payroll | | 4,167,263.33 | |
| Payroll Deductions Payable | | <u>3,094,327.86</u> | |
| | | | <u>7,261,591.19</u> |
| Balance Dec. 31, 2018 | | \$ | <u><u>78,583.27</u></u> |

BOROUGH OF BELLMAWR**TRUST OTHER FUNDS**Statement of Reserve for Community Development Block Grant Funds
For the Year Ended December 31, 2018

| | | | |
|---|----|------------------|-------------------------|
| Balance Dec. 31, 2017 | | \$ | 110,765.32 |
| Increased by: | | | |
| Year 40 Grant Awarded | | | <u>59,000.00</u> |
| | | \$ | 169,765.32 |
| Decreased by: | | | |
| Disbursed by Current Fund on Behalf of Reserve | \$ | 1,440.77 | |
| Disbursed by Current Fund - On behalf of General Capital Fund | | <u>71,300.00</u> | |
| | | | <u>72,740.77</u> |
| Balance Dec. 31, 2018 | | \$ | <u><u>97,024.55</u></u> |

Exhibit SB-11**TRUST OTHER FUNDS**Statement of Reserve for Encumbrances
For the Year Ended December 31, 2018

| | | | |
|-----------------------|--|----|-------------------------|
| Balance Dec. 31, 2017 | | \$ | 30,939.05 |
| Increased by: | | | |
| Encumbrances Charged | | | <u>63,257.52</u> |
| | | | 94,196.57 |
| Decreased by: | | | |
| Encumbrances Canceled | | | <u>30,639.05</u> |
| Balance Dec. 31, 2018 | | \$ | <u><u>63,557.52</u></u> |

BOROUGH OF BELLMAWR
TRUST OTHER FUNDS
Statement of Investments - Length of Service Awards Program
For the Year Ended December 31, 2018

| | | |
|--|-----------------|-----------------------------|
| Balance Dec. 31, 2017 | | \$ 269,133.39 |
| Increased by: | | |
| Borough Contributions | | <u>20,700.00</u> |
| | | 289,833.39 |
| Decreased by: | | |
| Unrealized Loss on Investments | \$ 11,578.48 | |
| Administration Expenses | <u>1,150.00</u> | |
| | | <u>12,728.48</u> |
| Balance Dec. 31, 2018 | | <u><u>\$ 277,104.91</u></u> |
| <u>Schedule of Investments Dec. 31, 2018</u> | | |
| Fixed Annuity Contract | | \$ 71,756.59 |
| Mutual Funds | | <u>205,348.32</u> |
| | | <u><u>\$ 277,104.91</u></u> |

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Statement of General Capital Cash
Per N.J.S. 40A:5-5 - Treasurer
For the Year Ended December 31, 2018

| | | |
|-----------------------------|---------------------|-------------------------------|
| Balance Dec. 31, 2017 | | \$ 1,533,468.48 |
| Increased by Receipts: | | |
| Bond Anticipation Notes | \$ 5,861,075.00 | |
| Due Current Fund | 6,599.67 | |
| Accounts Receivable | 323,404.83 | |
| Reserve to Pay Debt | <u>23,850.48</u> | |
| | | <u>6,214,929.98</u> |
| | | 7,748,398.46 |
| Decreased by Disbursements: | | |
| Bond Anticipation Notes | 4,537,500.09 | |
| Due Current Fund | 81,540.00 | |
| Improvement Authorizations | <u>1,749,771.48</u> | |
| | | <u>6,368,811.57</u> |
| Balance Dec. 31, 2018 | | <u><u>\$ 1,379,586.89</u></u> |

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Analysis of General Capital Cash
For the Year Ended December 31, 2018

| | Ordinance Number | Balance (Deficit) Dec. 31, 2017 | Receipts | | Disbursements | | | Transfers | | Balance (Deficit) Dec. 31, 2018 |
|---|---------------------|---------------------------------------|-------------------------------|---------------|-------------------------------|-------------------------------|---------------|-----------------|-----------------|---------------------------------------|
| | | | Bond Anticipation Notes | Miscellaneous | Improvement Authorizations | Bond Anticipation Notes | Miscellaneous | From | To | |
| | | | | | | | | | | |
| Fund Balance | | \$ 27,209.90 | | | | | | | | \$ 27,209.90 |
| Capital Improvement Fund | | 10,627.00 | | | | | | \$ 86,586.00 | \$ 85,000.00 | 9,041.00 |
| Accounts Receivable | | (275,089.60) | | \$ 323,404.83 | | | | 417,000.00 | 112,863.89 | (255,820.88) |
| Due Current Fund | | (86,442.95) | | 6,599.67 | | | \$ 81,540.00 | 269,728.39 | 92,407.70 | (338,703.97) |
| Due Federal and State Grant Fund | | (39,788.40) | | | | | | | | (39,788.40) |
| Due Trust Other | | 9,304.25 | | | | | | | | 9,304.25 |
| Due Water Utility Capital Fund | | (30,000.00) | | | | | | | | (30,000.00) |
| Due Water Utility Operating Fund | | (424.50) | | | | | | | | (424.50) |
| Contracts Payable | | 415,127.62 | | | | | | 415,127.62 | | |
| Reserve for Encumbrances | | 277,648.62 | | | | | | 277,648.62 | 187,042.45 | 187,042.45 |
| Reserve for Payment of Bonds and Notes | | 136,267.82 | | 23,850.48 | | | | 41,648.82 | 564.50 | 119,033.98 |
| Reserve for Sewer Improvements | | 14,404.00 | | | | | | | | 14,404.00 |
| Excess Note Proceeds - | | | | | | | | | | |
| Acquisition of Equipment and Reconstruction of Devon Avenue and Sidewalk Improvements | 8:15-13 | 0.09 | | | | | | 0.09 | | |
| Acquisition of Firefighter Turnout Gear | 10:17-11 | 27.18 | | | | | | | | 27.18 |
| Improvement Authorizations: | | | | | | | | | | |
| Infrastructure Improvements | 5:10-02 | 227,778.31 | | | | | | | | 227,778.31 |
| Acquisition of Firefighter Turnout Gear | 10:17-11 | | \$ 9,300.00 | | | \$ 9,300.00 | | | | |
| Improvements to the Municipal Building | 5:7-12 | | 27,100.00 | | | 27,100.00 | | | | |
| Reconstruction and Rehabilitation of Various Roads | 5:8-12 | 169.80 | 187,300.00 | | | 187,300.00 | | | | 169.80 |
| Acquisition of Utility Trucks, Fire Turnout Gear, License Plate Reader, and Software | 9:11-12-2 | 4,740.41 | | | | | | | | 4,740.41 |
| Reconstruction of Heller Road, Dobbs, Rose, Jefferson and Apple Avenues | 4:3-13 | | 190,300.00 | | | 190,300.00 | | | | |
| Replacement of Sanitary Sewer Mains | 4:4-13 | (44,596.01) | | | | | | 49,776.38 | | (94,372.39) |
| Acquisition of Various Vehicles and Equipment | 6:9-13 | | 224,750.00 | | | 224,750.00 | | | | |
| Reconstruction and Installation of Drainage Pipe | 2:2-14 | | 198,700.00 | | | 198,700.00 | | | | |
| Various Capital Improvements and Acquisition of Equipment, Vehicles and Ambulance Building | 4:5-14 | | 243,000.00 | | | 243,000.00 | | | | |
| Various Building Improvements | 9:12-14 | (8,356.43) | 70,000.00 | | | 70,000.00 | | | 1,900.00 | (6,456.43) |
| Reconstruction and Rehabilitation of Various Roads | 3:3-15 | 16,435.31 | 440,450.00 | | \$ 16,595.26 | 440,450.00 | | | 5,861.00 | 5,701.05 |
| Purchase of Software and Equipment | 4:4-15 | | 21,350.00 | | | 21,350.00 | | | | |
| Reconstruction of Salem and Morris Avenues | 6:6-15 | (10,210.68) | | | | | | | | (10,210.68) |
| Purchase of Various Vehicles and Equipment | 7:8-15 | 59,775.38 | 427,500.00 | | | 427,500.00 | | | | 59,775.38 |
| Purchase of Trash Truck | 3:8-16 | | 167,000.00 | | | 167,000.00 | | | | |
| Purchase of Various Equipment and Improvements | 5:11-16 | 114,520.61 | 311,450.00 | | 71,878.04 | 371,450.00 | | | 35,776.11 | 18,418.68 |
| Purchase of New Ladder Fire Truck and Apparatus | 5:12-16 | 14,825.60 | 831,250.00 | | 154,154.80 | 831,250.00 | | | 139,410.00 | 80.80 |
| Construction and Installation of Batting Cages | 11:19-16 | (800.96) | | | 107,627.62 | | | | 107,627.62 | (800.96) |
| Reconstruction and/or Repaving of Roads | 2:5-17 | 299,652.88 | 381,300.00 | | 477,756.14 | 452,533.26 | | 66.74 | 249,752.40 | 349.14 |
| Various Capital Improvements and Acquisition of Equipmer | 5:10-17 | 400,663.23 | 675,450.00 | | 381,600.22 | 675,516.83 | | 21,786.70 | 223,815.94 | 221,025.42 |
| Various Capital Improvements | 3:04-18 | | 523,875.00 | | 327,851.75 | | | | 444,580.00 | 640,603.25 |
| Acquisition of Various Equipment & Improvements | 5:12-18 | | 931,000.00 | | 212,307.65 | | | 166,238.25 | 49,006.00 | 601,460.10 |
| Acquisition of a Trash Truck | 10:16-18 | | | | | | | | 10,000.00 | 10,000.00 |
| | | \$ 1,533,468.48 | \$ 5,861,075.00 | \$ 353,854.98 | \$ 1,749,771.48 | \$ 4,537,500.09 | \$ 81,540.00 | \$ 1,745,607.61 | \$ 1,745,607.61 | \$ 1,379,586.89 |

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2018

| | | |
|--|------------------|-------------------------------|
| Balance Dec. 31, 2017 | | \$ 6,177,106.96 |
| Decreased by: | | |
| 2018 Budget Appropriations: | | |
| New Jersey Green Acres Loan | \$ 10,085.82 | |
| New Jersey Environmental Infrastructure Loan | 572,898.20 | |
| Serial Bonds | 200,000.00 | |
| Project Savings Credits - Loans | 244,312.94 | |
| Project Fund Credits - Loans | <u>22,702.32</u> | |
| | | <u>1,049,999.28</u> |
| Balance Dec. 31, 2018 | | <u><u>\$ 5,127,107.68</u></u> |

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Unfunded
For the Year Ended December 31, 2018

| Improvement Description | Ordinance Number | Date of Ordinance | Balance Dec. 31, 2017 | 2018 Authorizations | Notes Paid by Budget Appropriation | Funded by Due From Current | Balance Dec. 31, 2018 | Analysis of Balance Dec. 31, 2018 | | |
|--|------------------|-------------------|-----------------------|---------------------|------------------------------------|----------------------------|-----------------------|-------------------------------------|---------------|---------------------------------------|
| | | | | | | | | Financed by Bond Anticipation Notes | Expended | Unexpended Improvement Authorizations |
| Acquisition of Firefighter Turnout Gear | 10:17-11 | 11/21/11 | \$ 12,333.93 | | \$ 3,061.11 | | \$ 9,272.82 | \$ 9,272.82 | | |
| Improvements to the Municipal Building | 5:7-12 | 7/19/12 | 32,500.00 | | 5,400.00 | | 27,100.00 | 27,100.00 | | |
| Reconstruction and Rehabilitation of Various Roads | 5:8-12 | 6/14/12 | 224,195.28 | | 31,093.50 | | 193,101.78 | 187,300.00 | | \$ 5,801.78 |
| Reconstruction of Heller Rd, Dobbs, Rose, Jefferson and Apple Avenues | 4:3-13 | 4/25/13 | 245,617.07 | | 55,317.07 | | 190,300.00 | 190,300.00 | | |
| Replacement of Sanitary Sewer Mains | 4:4-13 | 5/23/13 | 132,611.44 | | | | 132,611.44 | | \$ 94,372.39 | 38,239.05 |
| Acquisition of Various Vehicles and Equipment | 6:9-13 | 7/25/13 | 262,582.72 | | 37,832.72 | | 224,750.00 | 224,750.00 | | |
| Acquisition of Equipment and Reconstruction of Devon Avenue and Sidewalk Improvements | 8:15-13 | 8/22/13 | 29,165.96 | | 29,165.96 | | | | | |
| Reconstruction and Installation of Drainage Pipe | 2:2-14 | 3/27/14 | 243,351.83 | | 44,651.83 | | 198,700.00 | 198,700.00 | | |
| Various Capital Improvements and Acquisition of Equipment, Vehicles and Ambulance Building | 4:5-14 | 5/22/14 | 295,796.27 | | 52,796.27 | | 243,000.00 | 243,000.00 | | |
| Various Building Improvements | 9:12-14 | 10/23/14 | 102,000.00 | | | | 102,000.00 | 70,000.00 | 6,456.43 | 25,543.57 |
| Reconstruction and Rehabilitation of Various Roads | 3:3-15 | 4/23/15 | 545,100.00 | | 104,650.00 | | 440,450.00 | 440,450.00 | | |
| Purchase of Software and Equipment | 4:4-15 | 5/28/15 | 24,098.00 | | 2,748.00 | | 21,350.00 | 21,350.00 | | |
| Reconstruction of Salem and Morris Avenues | 6:6-15 | 7/23/15 | 36,500.00 | | | | 36,500.00 | | 10,210.68 | 26,289.32 |
| Purchase of Various Vehicles and Equipment | 7:8-15 | 8/27/15 | 427,500.00 | | | | 427,500.00 | 427,500.00 | | |
| Purchase of Trash Truck | 8:8-16 | 4/28/16 | 167,179.71 | | 179.71 | | 167,000.00 | 167,000.00 | | |
| Purchase of Various Equipment and Improvements | 5:11-16 | 6/23/16 | 371,450.00 | | | | 371,450.00 | 311,450.00 | | 60,000.00 |
| Purchase of New Ladder Fire Truck and Apparatus | 5:12-16 | 6/23/16 | 831,250.00 | | | | 831,250.00 | 831,250.00 | | |
| Construction and Installation of Batting Cages | 11:19-16 | 11/17/16 | 1,460.00 | | | | 1,460.00 | | 800.96 | 659.04 |
| Reconstruction and/or Repaving of Roads | 2:5-17 | 3/23/17 | 452,637.00 | | 37.00 | \$ 71,300.00 | 381,300.00 | 381,300.00 | | |
| Various Capital Improvements and Acquisition of Equipment | 5:10-17 | 6/22/17 | 675,450.00 | | | | 675,450.00 | 675,450.00 | | |
| Various Capital Improvements | 3:4-18 | 4/26/18 | | \$ 524,010.00 | | | 524,010.00 | 523,875.00 | | 135.00 |
| Acquisition of Various Equipment & Improvements | 5:12-18 | 6/28/18 | | 931,114.00 | | | 931,114.00 | 931,000.00 | | 114.00 |
| Acquisition of a Trash Truck | 10:16-18 | 12/31/18 | | 190,000.00 | | | 190,000.00 | | | 190,000.00 |
| | | | \$ 5,112,779.21 | \$ 1,645,124.00 | \$ 366,933.17 | \$ 71,300.00 | \$ 6,319,670.04 | \$ 5,861,047.82 | \$ 111,840.46 | \$ 346,781.76 |
| Bond Anticipation Notes Issued (Exhibit SC-12) | | | | | | | | \$ 5,861,075.00 | | |
| Less: Excess Cash Pledged to the Payment of Notes | | | | | | | | (27.18) | | |
| | | | | | | | | \$ 5,861,047.82 | | |
| Improvement Authorizations Unfunded | | | | | | | | | | |
| Less: Unexpended Proceeds of Bond Anticipation Notes Issued: | | | | | | | | | | |
| 5:8-12 | | | | | | | | \$ 169.80 | | |
| 3:3-15 | | | | | | | | 5,701.05 | | |

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Statement of Accounts Receivable
For the Year Ended December 31, 2018

| | | |
|--|-------------------|-----------------------------|
| Balance Dec. 31, 2017 | | \$ 275,089.60 |
| Increased by: | | |
| New Jersey Department of Transportation: | | |
| Grant Award Ord. 3:4-18 | | <u>417,000.00</u> |
| | | 692,089.60 |
| Decreased by: | | |
| Receipts | \$ 323,404.83 | |
| Current Fund Received on Behalf of General Capital | <u>112,863.89</u> | |
| | | <u>436,268.72</u> |
| Balance Dec. 31, 2018 | | <u><u>\$ 255,820.88</u></u> |
| <u>Analysis of Balance Dec. 31, 2018</u> | | |
| New Jersey Environmental Infrastructure Trust | | \$ 7,900.56 |
| New Jersey Department of Transportation | | |
| Salem and Morris Streets | \$ 14,011.11 | |
| Kennedy Boulevard | <u>233,909.21</u> | |
| | | <u>247,920.32</u> |
| | | <u><u>\$ 255,820.88</u></u> |

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Statement of Due Current Fund
For the Year Ended December 31, 2018

| | | | | |
|---|----|------------------|-----------|-------------------|
| Balance Dec. 31, 2017 (Due From) | | | \$ | 86,442.95 |
| Increased by: | | | | |
| Disbursements: | | | | |
| Interfund Returned | | \$ | 81,540.00 | |
| Current Fund Received on Behalf of General Capital: | | | | |
| Accounts Receivable | \$ | 112,863.89 | | |
| Reserve to Pay Debt | | 564.50 | | |
| Trust - CDBG funds | | <u>71,300.00</u> | | |
| | | | | <u>184,728.39</u> |
| | | | | 266,268.39 |
| Current Fund Budget Appropriation for Capital Improvements | | | | <u>85,000.00</u> |
| | | | | <u>351,268.39</u> |
| | | | | 437,711.34 |
| Decreased by: | | | | |
| Receipts: | | | | |
| Interest Earned on Deposits | | 5,624.25 | | |
| Current Fund Disbursements | | 908.59 | | |
| Due Current Fund | | <u>66.83</u> | | |
| | | | | 6,599.67 |
| Revenue Realized in Current Fund - Reserve for Payment of Bonds | | | | 41,648.82 |
| Current Fund Disbursed on Behalf of General Capital | | | | <u>50,758.88</u> |
| | | | | <u>99,007.37</u> |
| Balance Dec. 31, 2018 (Due From) | | | \$ | <u>338,703.97</u> |

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2018

| | |
|---|---------------------------|
| Balance Dec. 31, 2017 | \$ 10,627.00 |
| Increased by: | |
| 2018 Budget Appropriation Due from Current Fund | <u>85,000.00</u> |
| | 95,627.00 |
| Decreased by: | |
| Down Payment on Improvement Authorizations | <u>86,586.00</u> |
| Balance Dec. 31, 2018 | <u><u>\$ 9,041.00</u></u> |

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Statement of Reserve for Payment of Bonds, Loans and Notes
For the Year Ended December 31, 2018

| | | |
|--|---------------|-----------------------------|
| Balance Dec. 31, 2017 | | \$ 136,267.82 |
| Increased by: | | |
| Receipts: | | |
| Additional funding for Batting Cages | \$ 23,850.48 | |
| Due from Current fund | <u>564.50</u> | |
| | | <u>24,414.98</u> |
| | | 160,682.80 |
| Decreased by: | | |
| Revenue Realized in Current Fund | | <u>41,648.82</u> |
| Balance Dec. 31, 2018 | | <u><u>\$ 119,033.98</u></u> |
| <u>Analysis of Balance Dec. 31, 2018</u> | | |
| Reserve for Payment of Bonds and Loans | | \$ 95,153.50 |
| Reserve for Payment of Notes | | <u>23,880.48</u> |
| | | <u><u>\$ 119,033.98</u></u> |

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2018

| Improvement Description | Number | Date | Amount | Balance Dec. 31, 2017 | | 2018 Authorizations | Prior Year Encumbrance/ Contracts Payable Canceled | Paid or Charged | Balance Dec. 31, 2018 | |
|---|-----------------|----------|-----------------|-----------------------|-----------------|------------------------|---|--------------------|-----------------------|-----------------|
| | | | | Funded | Unfunded | | | | Funded | Unfunded |
| General Improvements: | | | | | | | | | | |
| Infrastructure Improvements | 5:10-02 | 6/27/03 | \$ 2,978,000.00 | \$ 227,778.31 | | | | | \$ 227,778.31 | |
| Reconstruction and Rehabilitation of Various Roads | 5:8-12 | 6/14/12 | 515,000.00 | | \$ 5,971.58 | | | | | \$ 5,971.58 |
| Acquisition of Utility Trucks, Fire Turnout Gear, License Plate Reader, and Software | 9:11-12-2 | 10/25/12 | 190,000.00 | 4,740.41 | | | | | 4,740.41 | |
| Replacement of Sanitary Sewer Mains | 4:4-13 | 5/23/13 | 662,500.00 | | 88,015.43 | | | \$ 49,776.38 | | 38,239.05 |
| Various Building Improvements | 9:12-14 | 10/23/14 | 110,000.00 | | 23,643.57 | | \$ 1,900.00 | | | 25,543.57 |
| Reconstruction and Rehabilitation of Various Roads | 3:3-15 | 4/23/15 | 620,000.00 | | 16,435.31 | | 5,861.00 | 16,595.26 | | 5,701.05 |
| Reconstruction of Salem and Morris Avenues | 6:6-15 | 7/23/15 | 250,000.00 | | 26,289.32 | | | | | 26,289.32 |
| Purchase of Various Vehicles and Equipment | 7:8-15 | 8/27/15 | 450,000.00 | | 59,775.38 | | | | | 59,775.38 |
| Purchase of Various Equipment and Improvements | 5:11-16 | 6/23/16 | 391,000.00 | | 114,520.61 | | 35,776.11 | 71,878.04 | | 78,418.68 |
| Purchase of New Ladder Fire Truck and Apparatus | 5:12-16 | 6/23/16 | 875,000.00 | | 14,825.60 | | 139,410.00 | 154,154.80 | | 80.80 |
| Construction and Installation of Batting Cages | 11:19-16 | 11/17/16 | 605,000.00 | | 659.04 | | 107,627.62 | 107,627.62 | | 659.04 |
| Reconstruction and/or Repaving of Roads | 2:5-17 | 3/23/17 | 676,460.00 | | 299,652.88 | | 178,452.40 | 477,756.14 | | 349.14 |
| Various Capital Improvements and Acquisition of Equipment | 5:10-17 | 6/22/17 | 711,000.00 | | 400,663.23 | | 223,749.11 | 403,386.92 | | 221,025.42 |
| Various Capital Improvements | 3:4-18;10:15-18 | 4/26/18 | 941,090.00 | | | \$ 968,590.00 | | 327,851.75 | 117,763.25 | 522,975.00 |
| Acquisition of Various Equipment & Improvements | 5:12-18 | 6/28/18 | 980,120.00 | | | 980,120.00 | | 378,545.90 | | 601,574.10 |
| Acquisition of a Trash Truck | 10:16-18 | 12/11/18 | 200,000.00 | | | 200,000.00 | | | 10,000.00 | 190,000.00 |
| | | | | \$ 232,518.72 | \$ 1,050,451.95 | \$ 2,148,710.00 | \$ 692,776.24 | \$ 1,987,572.81 | \$ 360,281.97 | \$ 1,776,602.13 |
| Capital Improvement Fund | | | | | | \$ 86,586.00 | | | | |
| Accounts Receivable - Due from NJDOT | | | | | | 417,000.00 | | | | |
| Deferred Charges to Future Taxation - Unfunded | | | | | | 1,645,124.00 | | | | |
| | | | | | | \$ 2,148,710.00 | | | | |
| Disbursements | | | | | | | \$ 1,749,771.48 | | | |
| Reserve for Encumbrances | | | | | | | \$ 277,648.62 | 187,042.45 | | |
| Contracts Payable | | | | | | | 415,127.62 | | | |
| Due Current Fund | | | | | | | | 50,758.88 | | |
| | | | | | | | \$ 692,776.24 | \$ 1,987,572.81 | | |

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Statement of Contracts Payable
For the Year Ended December 31, 2018

| | |
|--|----------------------|
| Balance Dec. 31, 2017 | \$ 415,127.62 |
| Decreased by: | |
| Canceled to Improvement Authorizations | <u>\$ 415,127.62</u> |

Exhibit SC-11

GENERAL CAPITAL FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2018

| | |
|--|----------------------|
| Balance Dec. 31, 2017 | \$ 277,648.62 |
| Increased by: | |
| Charged to Improvement Authorizations | <u>187,042.45</u> |
| | 464,691.07 |
| Decreased by: | |
| Canceled to Improvement Authorizations | <u>277,648.62</u> |
| Balance Dec. 31, 2018 | <u>\$ 187,042.45</u> |

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2018

| <u>Improvement Description</u> | <u>Ordinance Number</u> | <u>Date of Original Issue</u> | <u>Date of Issue</u> | <u>Date of Maturity</u> | <u>Interest Rate</u> | <u>Balance Dec. 31, 2017</u> | <u>Increased</u> | <u>Decreased</u> | <u>Balance Dec. 31, 2018</u> |
|--|-------------------------|-------------------------------|----------------------|-------------------------|----------------------|------------------------------|------------------|------------------|------------------------------|
| Acquisition of Firefighter Turnout Gear | 10:17-11 | 8-22-13 | 8-18-17 | 8-17-18 | 1.440% | \$ 12,361.11 | | \$ 12,361.11 | |
| | 10:17-11 | 8-22-13 | 8-17-18 | 8-16-19 | 1.930% | | \$ 9,300.00 | | \$ 9,300.00 |
| Improvements to the Municipal Building | 5:7-12 | 10-17-12 | 8-18-17 | 8-17-18 | 1.440% | 32,500.00 | | 32,500.00 | |
| | 5:7-12 | 10-17-12 | 8-17-18 | 8-16-19 | 1.930% | | 27,100.00 | | 27,100.00 |
| Reconstruction and Rehabilitation of Various Roads | 5:8-12 | 8-17-12 | 8-18-17 | 8-17-18 | 1.440% | 161,457.98 | | 161,457.98 | |
| | 5:8-12 | 8-18-17 | 8-18-17 | 8-17-18 | 1.440% | 56,935.52 | | 56,935.52 | |
| | 5:8-12 | | 8-17-18 | 8-16-19 | 1.930% | | 187,300.00 | | 187,300.00 |
| Reconstruction of Heller Road, Dobbs, Rose, Jefferson and Apple Avenues | 4:3-13 | 8-22-13 | 8-18-17 | 8-17-18 | 1.440% | 245,617.07 | | 245,617.07 | |
| | 4:3-13 | 8-22-13 | 8-17-18 | 8-16-19 | 1.930% | | 190,300.00 | | 190,300.00 |
| Acquisition of Various Vehicles and Equipment | 6:9-13 | 8-22-13 | 8-18-17 | 8-17-18 | 1.440% | 262,582.72 | | 262,582.72 | |
| | 6:9-13 | 8-22-13 | 8-17-18 | 8-16-19 | 1.930% | | 224,750.00 | | 224,750.00 |
| Various Improvements and Equipment Acquisition | 8:15-13 | 8-20-14 | 8-18-17 | 8-17-18 | 1.440% | 29,166.05 | | 29,166.05 | |
| Reconstruction and Installation of Drainage Pipe | 2:2-14 | 8-20-14 | 8-18-17 | 8-17-18 | 1.440% | 243,351.83 | | 243,351.83 | |
| | 2:2-14 | 8-20-14 | 8-17-18 | 8-16-19 | 1.930% | | 198,700.00 | | 198,700.00 |
| Various Capital Improvements and Acquisition of Equipment, Vehicles and Ambulance Building | 4:5-14 | 8-20-14 | 8-18-17 | 8-17-18 | 1.440% | 295,796.27 | | 295,796.27 | |
| | 4:5-14 | 8-20-14 | 8-17-18 | 8-16-19 | 1.930% | | 243,000.00 | | 243,000.00 |
| Various Building and Recreation Improvements | 9:12-14 | 8-18-17 | 8-18-17 | 8-17-18 | 1.440% | 70,000.00 | | 70,000.00 | |
| | 9:12-14 | 8-17-18 | 8-17-18 | 8-16-19 | 1.930% | | 70,000.00 | | 70,000.00 |
| Reconstruction and Rehabilitation of Various Roads | 3:3-15 | 8-20-15 | 8-18-17 | 8-17-18 | 1.440% | 545,100.00 | | 545,100.00 | |
| | 3:3-15 | 8-20-15 | 8-17-18 | 8-16-19 | 1.930% | | 440,450.00 | | 440,450.00 |
| Purchase of Software and Equipment | 4:4-15 | 8-20-15 | 8-18-17 | 8-17-18 | 1.440% | 24,098.00 | | 24,098.00 | |
| | 4:4-15 | 8-20-15 | 8-17-18 | 8-16-19 | 1.930% | | 21,350.00 | | 21,350.00 |
| Purchase of Various Vehicles and Equipment | 7:8-15 | 8-19-16 | 8-18-17 | 8-17-18 | 1.440% | 427,500.00 | | 427,500.00 | |
| | 7:8-15 | 8-19-16 | 8-17-18 | 8-16-19 | 1.930% | | 427,500.00 | | 427,500.00 |
| Purchase of Trash Truck | 3:8-16 | 8-19-16 | 8-18-17 | 8-17-18 | 1.440% | 167,179.71 | | 167,179.71 | |
| | 3:8-16 | 8-19-16 | 8-17-18 | 8-16-19 | 1.930% | | 167,000.00 | | 167,000.00 |
| Purchase of Various Equipment and Improvements | 5:11-16 | 8-19-16 | 8-18-17 | 8-17-18 | 1.440% | 371,450.00 | | 371,450.00 | |
| | 5:11-16 | 8-19-16 | 8-17-18 | 8-16-19 | 1.930% | | 311,450.00 | | 311,450.00 |

(Continued)

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2018

| <u>Improvement Description</u> | <u>Ordinance Number</u> | <u>Date of Original Issue</u> | <u>Date of Issue</u> | <u>Date of Maturity</u> | <u>Interest Rate</u> | <u>Balance Dec. 31, 2017</u> | <u>Increased</u> | <u>Decreased</u> | <u>Balance Dec. 31, 2018</u> |
|---|-------------------------|-------------------------------|----------------------|-------------------------|----------------------|------------------------------|------------------------|------------------------|------------------------------|
| Purchase of New Ladder Fire Truck and Apparatus | 5:12-16 | 8-19-16 | 8-18-17 | 8-17-18 | 1.440% | \$ 400,000.00 | | \$ 400,000.00 | |
| | 5:12-16 | 8-19-16 | 8-17-18 | 8-16-19 | 1.930% | | \$ 400,000.00 | | \$ 400,000.00 |
| | 5:12-16 | 8-18-17 | 8-18-17 | 8-17-18 | 1.440% | 431,250.00 | | 431,250.00 | |
| | 5:12-16 | 8-18-17 | 8-17-18 | 8-16-19 | 1.930% | | 431,250.00 | | 431,250.00 |
| Reconstruction and/or Repaving of Various Roads | 2:5-17 | 8-18-17 | 8-18-17 | 8-17-18 | 1.440% | 452,637.00 | | 452,637.00 | |
| | | | | | | | 381,300.00 | | 381,300.00 |
| Acquisition of Various Capital Improvments | 5:10-17 | 8-18-17 | 8-18-17 | 8-17-18 | 1.440% | 675,450.00 | | 675,450.00 | |
| | | 8-18-18 | 8-18-17 | 8-16-19 | 1.930% | | 675,450.00 | | 675,450.00 |
| Reconstruction of Roads including Kennedy Blvd | 3:04-18 | 8-18-18 | 8-18-17 | 8-16-19 | 1.930% | | 474,000.00 | | 474,000.00 |
| | | 8-18-18 | 8-18-18 | 8-16-20 | 1.930% | | 49,875.00 | | 49,875.00 |
| Purchase of Various Equipment and Improvements | 5:12-18 | 8-18-18 | 8-18-17 | 8-16-19 | 1.930% | | 931,000.00 | | 931,000.00 |
| | | | | | | <u>\$ 4,904,433.26</u> | <u>\$ 5,861,075.00</u> | <u>\$ 4,904,433.26</u> | <u>\$ 5,861,075.00</u> |
| Renewal | | | | | | | \$ 4,406,200.00 | \$ 4,406,200.00 | |
| Paid by Budget Appropriation | | | | | | | | 366,933.17 | |
| Paid - Due from Cuirrent - CDBG | | | | | | | | 71,300.00 | |
| Paid by Capital Cash | | | | | | | | 60,000.09 | |
| Issued for Cash | | | | | | | 1,454,875.00 | | |
| | | | | | | | <u>\$ 5,861,075.00</u> | <u>\$ 4,904,433.26</u> | |

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Statement of General Serial Bond Payable
For the Year Ended December 31, 2018

| <u>Purpose</u> | <u>Date of Issue</u> | <u>Original Issue</u> | <u>Maturities of Bonds Outstanding December 31, 2018</u> | | <u>Interest Rate</u> | <u>Balance Dec. 31, 2017</u> | <u>Paid by Budget Appropriation</u> | <u>Balance Dec. 31, 2018</u> |
|--|--------------------------|---------------------------|--|---------------|--------------------------|----------------------------------|---|----------------------------------|
| | | | <u>Date</u> | <u>Amount</u> | | | | |
| General Obligation Bonds of 2013 (Non-callable) | 8-16-13 | \$ 2,200,000.00 | 7-15-19 | \$ 200,000.00 | 2.25% | | | |
| | | | 7-15-20 | 250,000.00 | 2.50% | | | |
| | | | 7-15-21 | 250,000.00 | 3.00% | | | |
| | | | 7-15-22 | 300,000.00 | 3.00% | | | |
| | | | 7-15-23 | 300,000.00 | 3.00% | \$ 1,500,000.00 | \$ 200,000.00 | \$ 1,300,000.00 |

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Statement of New Jersey Environmental Infrastructure Trust Loans Payable
For the Year Ended December 31, 2018

| <u>Purpose</u> | <u>Date of Issue</u> | <u>Original Issue</u> | <u>Date</u> | Maturities of Loan Outstanding December 31, 2018 | | | <u>Interest Rate</u> | <u>Balance Dec 31, 2017</u> | <u>Decreased</u> | <u>Balance Dec 31, 2018</u> |
|---|----------------------|-----------------------|-------------|---|------------------|--------------|----------------------|-----------------------------|------------------|-----------------------------|
| | | | | <u>Trust Loan</u> | <u>Fund Loan</u> | <u>Total</u> | | | | |
| Rehabilitation and Upgrading of the Sewer Service System including Replacement of Sanitary Service Mains, Manholes and Sewer Service Laterals and Improvement to Three (3) Pumping Stations | 10-15-02 | \$ 2,982,073.00 | 2-1-19 | | \$ 6,886.07 | \$ 6,886.07 | | | | |
| | | | 8-1-19 | | 71,810.75 | 71,810.75 | | | | |
| | | | 8-1-19 | \$ 82,970.12 | | 82,970.12 | 5.00% | | | |
| | | | 2-1-20 | | 5,262.95 | 5,262.95 | | | | |
| | | | 8-1-20 | | 73,433.86 | 73,433.86 | | | | |
| | | | 8-1-20 | 87,293.13 | | 87,293.13 | 5.00% | | | |
| | | | 2-1-21 | | 3,558.68 | 3,558.68 | | | | |
| | | | 8-1-21 | | 66,667.91 | 66,667.91 | | | | |
| | | | 8-1-21 | 91,564.65 | | 91,564.65 | 5.00% | | | |
| | | | 8-1-22 | 95,859.16 | | 95,859.16 | 4.75% | | | |
| | | | | 357,687.06 | 227,620.22 | 585,307.28 | | \$ 831,154.72 | \$ 245,847.44 | \$ 585,307.28 |
| Upgrading Storm Sewer System | 11-6-08 | 7,893,878.00 | 2-1-19 | | 40,295.96 | 40,295.96 | | | | |
| | | | 8-1-19 | 184,000.00 | | 184,000.00 | 5.00% | | | |
| | | | 8-1-19 | | 162,358.69 | 162,358.69 | | | | |
| | | | 2-1-20 | | 37,091.81 | 37,091.81 | | | | |
| | | | 8-1-20 | 192,000.00 | | 192,000.00 | 4.00% | | | |
| | | | 8-1-20 | | 165,257.68 | 165,257.68 | | | | |
| | | | 2-1-21 | | 33,567.25 | 33,567.25 | | | | |
| | | | 8-1-21 | 200,000.00 | | 200,000.00 | 4.00% | | | |
| | | | 8-1-21 | | 167,836.26 | 167,836.26 | | | | |
| | | | 2-1-22 | | 29,874.85 | 29,874.85 | | | | |
| | | | 8-1-22 | 213,000.00 | | 213,000.00 | 5.00% | | | |
| | | | 8-1-22 | | 173,298.56 | 173,298.56 | | | | |
| | | | 2-1-23 | | 25,930.70 | 25,930.70 | | | | |
| | | | 8-1-23 | 221,000.00 | | 221,000.00 | 5.00% | | | |
| | | | 8-1-23 | | 175,457.55 | 175,457.55 | | | | |
| | | | 2-1-24 | | 21,818.71 | 21,818.71 | | | | |
| | | | 8-1-24 | 234,000.00 | | 234,000.00 | 4.25% | | | |
| | | | 8-1-24 | | 102,940.45 | 102,940.45 | | | | |
| | | | 8-1-25 | 243,000.00 | | 243,000.00 | 4.50% | | | |
| | | | 8-1-26 | 166,000.00 | | 166,000.00 | 4.50% | | | |
| | | | | 1,653,000.00 | 1,135,728.47 | 2,788,728.47 | | 3,353,077.96 | 564,349.49 | 2,788,728.47 |

(Continued)

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Statement of New Jersey Environmental Infrastructure Trust Loans Payable
For the Year Ended December 31, 2018

| <u>Purpose</u> | <u>Date of Issue</u> | <u>Original Issue</u> | <u>Date</u> | Maturities of Loan Outstanding December 31, 2018 | | | <u>Interest Rate</u> | <u>Balance Dec 31, 2017</u> | <u>Decreased</u> | <u>Balance Dec 31, 2018</u> |
|-------------------------------------|----------------------|-----------------------|-------------|---|------------------|--------------|----------------------|-----------------------------|------------------|-----------------------------|
| | | | | <u>Trust Loan</u> | <u>Fund Loan</u> | <u>Total</u> | | | | |
| Replacement of Sanitary Sewer Mains | 5-21-14 | \$ 646,092.00 | 2-1-19 | | \$ 8,238.84 | \$ 8,238.84 | | | | |
| | | | 8-1-19 | | 16,477.69 | 16,477.69 | | | | |
| | | | 9-1-19 | \$ 5,000.00 | | 5,000.00 | 5.00% | | | |
| | | | 2-1-20 | | 8,238.84 | 8,238.84 | | | | |
| | | | 8-1-20 | | 16,477.69 | 16,477.69 | | | | |
| | | | 9-1-20 | 5,000.00 | | 5,000.00 | 5.00% | | | |
| | | | 2-1-21 | | 8,238.84 | 8,238.84 | | | | |
| | | | 8-1-21 | | 16,477.69 | 16,477.69 | | | | |
| | | | 9-1-21 | 10,000.00 | | 10,000.00 | 5.00% | | | |
| | | | 2-1-22 | | 8,238.84 | 8,238.84 | | | | |
| | | | 8-1-22 | | 16,477.69 | 16,477.69 | | | | |
| | | | 9-1-22 | 10,000.00 | | 10,000.00 | 5.00% | | | |
| | | | 2-1-23 | | 8,238.84 | 8,238.84 | | | | |
| | | | 8-1-23 | | 16,477.69 | 16,477.69 | | | | |
| | | | 9-1-23 | 10,000.00 | | 10,000.00 | 5.00% | | | |
| | | | 2-1-24 | | 8,238.84 | 8,238.84 | | | | |
| | | | 8-1-24 | | 16,477.69 | 16,477.69 | | | | |
| | | | 9-1-24 | 10,000.00 | | 10,000.00 | 5.00% | | | |
| | | | 2-1-25 | | 8,238.84 | 8,238.84 | | | | |
| | | | 8-1-25 | | 16,477.69 | 16,477.69 | | | | |
| | | | 9-1-25 | 10,000.00 | | 10,000.00 | 3.00% | | | |
| | | | 2-1-26 | | 8,238.84 | 8,238.84 | | | | |
| | | | 8-1-26 | | 16,477.69 | 16,477.69 | | | | |
| | | | 9-1-26 | 10,000.00 | | 10,000.00 | 3.00% | | | |
| | | | 2-1-27 | | 8,238.84 | 8,238.84 | | | | |
| | | | 8-1-27 | | 16,477.69 | 16,477.69 | | | | |
| | | | 9-1-27 | 10,000.00 | | 10,000.00 | 3.00% | | | |
| | | | 2-1-28 | | 8,238.84 | 8,238.84 | | | | |
| | | | 8-1-28 | | 16,477.69 | 16,477.69 | | | | |
| | | | 9-1-28 | 10,000.00 | | 10,000.00 | 3.00% | | | |
| | | | 2-1-29 | | 8,238.84 | 8,238.84 | | | | |
| | | | 8-1-29 | | 16,477.69 | 16,477.69 | | | | |
| | | | 9-1-29 | 10,000.00 | | 10,000.00 | 3.00% | | | |

(Continued)

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Statement of New Jersey Environmental Infrastructure Trust Loans Payable
For the Year Ended December 31, 2018

| <u>Purpose</u> | <u>Date of Issue</u> | <u>Original Issue</u> | <u>Date</u> | Maturities of Loan Outstanding December 31, 2018 | | | <u>Interest Rate</u> | <u>Balance Dec 31, 2017</u> | <u>Decreased</u> | <u>Balance Dec 31, 2018</u> |
|-------------------------------------|----------------------|-----------------------|-------------|---|------------------------|------------------------|----------------------|-----------------------------|----------------------|-----------------------------|
| | | | | <u>Trust Loan</u> | <u>Fund Loan</u> | <u>Total</u> | | | | |
| Replacement of Sanitary Sewer Mains | 5-21-14 | \$ 646,092.00 | 2-1-30 | | \$ 4,266.36 | \$ 4,266.36 | | | | |
| | | | 9-1-30 | \$ 10,000.00 | | 10,000.00 | 3.00% | | | |
| | | | 9-1-31 | 10,000.00 | | 10,000.00 | 3.00% | | | |
| | | | 9-1-32 | 10,000.00 | | 10,000.00 | 3.13% | | | |
| | | | 9-1-33 | 10,000.00 | | 10,000.00 | 3.25% | | | |
| | | | | 140,000.00 | 276,148.19 | 416,148.19 | | \$ 445,864.72 | \$ 29,716.53 | \$ 416,148.19 |
| | | | | <u>\$ 2,150,687.06</u> | <u>\$ 1,639,496.88</u> | <u>\$ 3,790,183.94</u> | | <u>\$ 4,630,097.40</u> | <u>\$ 839,913.46</u> | <u>\$ 3,790,183.94</u> |
| Paid by Budget Appropriation | | | | | | | | | \$ 572,898.20 | |
| Project Savings Credits | | | | | | | | | 244,312.94 | |
| Project Fund Credits | | | | | | | | | <u>22,702.32</u> | |
| | | | | | | | | | <u>\$ 839,913.46</u> | |

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Statement of Green Acres Loan Payable
For the Year Ended December 31, 2018

| <u>Purpose</u> | <u>Date of Issue</u> | <u>Original Issue</u> | <u>Maturities of Loan Outstanding December 31, 2018</u> | | <u>Interest Rate</u> | <u>Balance Dec. 31, 2017</u> | <u>Paid by Budget Appropriation</u> | <u>Balance Dec. 31, 2018</u> |
|---|--------------------------|---------------------------|---|---------------------|--------------------------|----------------------------------|---|----------------------------------|
| | | | <u>Date</u> | <u>Amount</u> | | | | |
| Acquisition and Installation of Recreation Equipment | 4-25-02 | \$ 145,661.80 | 2-4-19 | \$ 5,118.68 | 2.00% | | | |
| | | | 8-4-19 | 5,169.86 | 2.00% | | | |
| | | | 2-4-20 | 5,221.56 | 2.00% | | | |
| | | | 8-4-20 | 5,273.78 | 2.00% | | | |
| | | | 2-4-21 | 5,326.52 | 2.00% | | | |
| | | | 8-4-21 | 5,379.78 | 2.00% | | | |
| | | | 2-4-22 | 5,433.56 | 2.00% | | | |
| | | | | <u>\$ 36,923.74</u> | | <u>\$ 47,009.56</u> | <u>\$ 10,085.82</u> | <u>\$ 36,923.74</u> |

BOROUGH OF BELLMAWR
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2018

| | <u>Ordinance Number</u> | <u>Balance Dec. 31, 2017</u> | <u>2018 Authorizations</u> | <u>Paid by Capital Cash</u> | <u>Bond Anticipation Notes Issued</u> | <u>Balance Dec. 31, 2018</u> |
|--|-----------------------------|----------------------------------|--------------------------------|---------------------------------|---|----------------------------------|
| Reconstruction and Rehabilitation of Various Roads | 5:8-12 | \$ 5,801.78 | | | | \$ 5,801.78 |
| Replacement of Sanitary Sewer Mains | 4:4-13 | 132,611.44 | | | | 132,611.44 |
| Various Building Improvements | 9:12-14 | 32,000.00 | | | | 32,000.00 |
| Reconstruction of Salem and Morris Avenues | 6:6-15 | 36,500.00 | | | | 36,500.00 |
| Purchase of Various Equipment and Improvements | 5:11-16 | | | \$ 60,000.00 | | 60,000.00 |
| Construction and Installation of Batting Cages | 11:19-16 | 1,460.00 | | | | 1,460.00 |
| Various Capital Improvements | 3:4-18 | | \$ 524,010.00 | | \$ 523,875.00 | 135.00 |
| Acquisition of Various Equipment & Improvements | 5:12-18 | | 931,114.00 | | 931,000.00 | 114.00 |
| Acquisition of a Trash Truck | 10:16-18 | | 190,000.00 | | | 190,000.00 |
| | | <u>\$ 208,373.22</u> | <u>\$ 1,645,124.00</u> | <u>\$ 60,000.00</u> | <u>\$ 1,454,875.00</u> | <u>\$ 458,622.22</u> |

SUPPLEMENTAL EXHIBITS

WATER UTILITY FUND

BOROUGH OF BELLMAWR
WATER UTILITY OPERATING FUND
Statement of Water Utility Operating Cash
Per N.J.S. 40A:5-5 - Water Treasurer
For the Year Ended December 31, 2018

| | | |
|---|---------------------|-------------------------------|
| Balance Dec. 31, 2017 | | \$ 2,264,939.94 |
| Increased by Receipts: | | |
| Water Collector | \$ 1,197,981.05 | |
| Treasurer - Miscellaneous Revenue Not Anticipated | 13,851.75 | |
| Due Current Fund | 298,928.11 | |
| Due Trust Other Fund - Payroll | 247,772.48 | |
| Due Water Capital Fund | <u>3,255,000.00</u> | |
| | | <u>5,013,533.39</u> |
| | | 7,278,473.33 |
| Decreased by Disbursements: | | |
| 2018 Budget Appropriations | 948,951.78 | |
| 2017 Appropriation Reserves | 63,447.14 | |
| Accrued Interest on Notes and Loans | 43,170.18 | |
| Due Current Fund | 29,931.64 | |
| Due Water Capital Fund | 4,298,290.21 | |
| Due Trust Other Fund | <u>243,228.40</u> | |
| | | <u>5,627,019.35</u> |
| Balance Dec. 31, 2018 | | <u><u>\$ 1,651,453.98</u></u> |

BOROUGH OF BELLMAWR
WATER UTILITY OPERATING FUND
Statement of Water Utility Cash
Per N.J.S. 40A:5-5 - Water Collector
For the Year Ended December 31, 2018

| | |
|-----------------------------------|------------------------|
| Receipts: | |
| Consumer Accounts Receivable | \$ 1,064,694.63 |
| Overpayments | 1,818.55 |
| Prepayments | 104,307.92 |
| Miscellaneous Revenue Anticipated | <u>27,159.95</u> |
| | 1,197,981.05 |
| Decreased by: | |
| Payments to Treasurer | <u>\$ 1,197,981.05</u> |

All funds are deposited directly to the Treasurer's bank account.

BOROUGH OF BELLMAWR
WATER UTILITY CAPITAL FUND
Analysis of Water Utility Capital Cash
For the Year Ended December 31, 2018

| | Ordinance Number | Balance (Deficit) Dec. 31, 2017 | Transfers | | Balance (Deficit) Dec. 31, 2018 |
|---|---------------------|---------------------------------------|-----------------|-----------------|---------------------------------------|
| | | | From | To | |
| Capital Improvement Fund | | \$ 41,701.09 | | | \$ 41,701.09 |
| Reserve for Encumbrances | | | | \$ 150,000.00 | 150,000.00 |
| Due To (From) Water Utility Operating Fund | | (1,460,994.07) | \$ 455,000.00 | 1,498,290.21 | (417,703.86) |
| Due To (From) General Capital Fund | | 30,000.00 | | | 30,000.00 |
| Excess Note Proceeds Ordinance | 06:09-13 | 1,304.00 | | | 1,304.00 |
| Improvement Authorizations: | | | | | |
| Replacement of Water Main on Howard Avenue | 09:12-14 | 3,201.74 | | | 3,201.74 |
| Purchase and Installation of Water Tank | 11:11-15 | 1,518,087.96 | 867,643.49 | | 650,444.47 |
| Improvements to Drinking Water Infrastructure | 06:13-16 | (133,300.72) | 622,161.52 | | (755,462.24) |
| Various Electrical Repairs to Water Plant | 03:04-18 | | 8,485.20 | 25,000.00 | 16,514.80 |
| Various Capital Improvements | 05:13-18 | | | 280,000.00 | 280,000.00 |
| Acquisition of Equipment | 06:14-18 | | 150,000.00 | 150,000.00 | |
| | | \$ - | \$ 2,103,290.21 | \$ 2,103,290.21 | \$ - |

BOROUGH OF BELLMAWR
WATER UTILITY OPERATING FUND
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2018

| | | | | |
|----------------------------|----|-----------------|----|--------------------------|
| Balance Dec. 31, 2017 | | | \$ | 157,659.46 |
| Increased by: | | | | |
| Water Rents Levied | | | | <u>1,186,207.94</u> |
| | | | | 1,343,867.40 |
| Decreased by: | | | | |
| Collections | \$ | 1,064,694.63 | | |
| Collections - Current Fund | | 82,156.50 | | |
| Prepayments Applied | | 86,828.45 | | |
| Overpayments Applied | | <u>1,884.03</u> | | |
| | | | \$ | 1,235,563.61 |
| Canceled | | | | <u>7,780.36</u> |
| | | | | <u>1,243,343.97</u> |
| Balance Dec. 31, 2018 | | | \$ | <u><u>100,523.43</u></u> |

BOROUGH OF BELLMAWR
WATER UTILITY OPERATING FUND
Statement of Due Current Fund
For the Year Ended December 31, 2018

| | | | |
|---|----|------------------|--------------------------|
| Balance Dec. 31, 2017 | | \$ | 143,204.99 |
| Increased by: | | | |
| Receipts | | | <u>298,928.11</u> |
| | | | 442,133.10 |
| Decreased by: | | | |
| Disbursements | \$ | 29,931.64 | |
| Received in Current Fund on Behalf of Water Operating | | <u>82,156.50</u> | |
| | | | <u>112,088.14</u> |
| Balance Dec. 31, 2018 | | \$ | <u><u>330,044.96</u></u> |

BOROUGH OF BELLMAWR
WATER UTILITY OPERATING FUND
Statement of Due Water Utility Capital Fund
For the Year Ended December 31, 2018

| | |
|--|-----------------------------|
| Balance Dec. 31, 2017 | \$ 1,460,994.07 |
| Increased by: | |
| Receipts on Behalf of Water Capital - Bond Anticipation Note | <u>3,255,000.00</u> |
| | 4,715,994.07 |
| Decreased by: | |
| Disbursements on Behalf of Water Capital: | |
| Bond Anticipation Note | \$ 2,800,000.00 |
| Improvement Authorizations | <u>1,498,290.21</u> |
| | <u>4,298,290.21</u> |
| Balance Dec. 31, 2018 | <u><u>\$ 417,703.86</u></u> |

Exhibit SD-7

WATER UTILITY OPERATING FUND
Statement of Due Trust Other Funds
For the Year Ended December 31, 2018

| | |
|----------------------------------|----------------------------|
| Balance Dec. 31, 2017 (Due from) | \$ 27,356.18 |
| Increased by: | |
| Disbursements | <u>243,228.40</u> |
| | 270,584.58 |
| Decreased by: | |
| Receipts | <u>247,772.48</u> |
| Balance Dec. 31, 2018 (Due to) | <u><u>\$ 22,812.10</u></u> |

BOROUGH OF BELLMAWR
WATER UTILITY OPERATING FUND
Statement of 2017 Appropriation Reserves and Encumbrances
For the Year Ended December 31, 2018

| | <u>Balance Dec. 31, 2017</u> | | <u>Modified</u> | | <u>Balance</u> |
|-------------------------------------|------------------------------|---------------------|---------------------|---------------------|---------------------|
| | <u>Reserves</u> | <u>Encumbrances</u> | <u>Balance</u> | <u>Disbursed</u> | <u>Lapsed</u> |
| Operating: | | | | | |
| Salaries and Wages | \$ 44,103.22 | | \$ 1,103.22 | | \$ 1,103.22 |
| Other Expenses | 25,023.24 | \$ 4,081.95 | 72,105.19 | \$ 63,447.14 | 8,658.05 |
| Statutory Expenditures: | | | | | |
| Contribution to: | | | | | |
| Social Security System (O.A.S.I) | 5,738.16 | | 5,738.16 | | 5,738.16 |
| Unemployment Compensation Insurance | 1,161.78 | | 1,161.78 | | 1,161.78 |
| | <u>\$ 76,026.40</u> | <u>\$ 4,081.95</u> | <u>\$ 80,108.35</u> | <u>\$ 63,447.14</u> | <u>\$ 16,661.21</u> |

BOROUGH OF BELLMAWR
WATER UTILITY OPERATING FUND
Statement of Water Rent Prepayments
For the Year Ended December 31, 2018

| | |
|-----------------------------|-----------------------------|
| Balance Dec. 31, 2017 | \$ 86,828.45 |
| Increased by: | |
| Collections | <u>104,307.92</u> |
| | 191,136.37 |
| Decreased by: | |
| Applied to 2018 Water Rents | <u>86,828.45</u> |
| Balance Dec. 31, 2018 | <u><u>\$ 104,307.92</u></u> |

Exhibit SD-10

WATER UTILITY OPERATING FUND
Statement of Water Rent Overpayments
For the Year Ended December 31, 2018

| | |
|-----------------------------|---------------------------|
| Balance Dec. 31, 2017 | \$ 1,884.03 |
| Increased by: | |
| Collections | <u>1,818.55</u> |
| | 3,702.58 |
| Decreased by: | |
| Applied to 2018 Water Rents | <u>1,884.03</u> |
| Balance Dec. 31, 2018 | <u><u>\$ 1,818.55</u></u> |

BOROUGH OF BELLMAWR
WATER UTILITY OPERATING FUND
Statement of Accrued Interest on Notes and Loans
For the Year Ended December 31, 2018

| | | | | | | |
|---------------------------|--|--|--|-----------------|--|----------------------------|
| Balance Dec. 31, 2017 | | | | | | \$ 16,378.91 |
| Increased by: | | | | | | |
| Budget Appropriation for: | | | | | | |
| Interest on Notes | | | | \$ 48,777.42 | | |
| Interest on Loans | | | | <u>1,951.34</u> | | |
| | | | | | | <u>50,728.76</u> |
| | | | | | | 67,107.67 |
| Decreased by: | | | | | | |
| Disbursed | | | | | | <u>43,170.18</u> |
| Balance Dec. 31, 2018 | | | | | | <u><u>\$ 23,937.49</u></u> |

Analysis of Accrued Interest Dec. 31, 2018

| <u>Principal Outstanding Dec. 31, 2018</u> | <u>Interest Rate</u> | <u>From</u> | <u>To</u> | <u>Period</u> | <u>Amount</u> |
|--|--------------------------|-------------|-----------|---------------|----------------------------|
| NJ Environmental Infrastructure Trust Loan (Capital): | | | | | |
| \$30,000.00 | Variable | 08-01-18 | 12-31-18 | 5 Months | \$ 530.03 |
| Bond Anticipation Notes: | | | | | |
| 3,255,000.00 | 1.44% | 08-17-18 | 12-31-18 | 136 Days | <u>23,407.46</u> |
| | | | | | <u><u>\$ 23,937.49</u></u> |

BOROUGH OF BELLMAWR
WATER UTILITY CAPITAL FUND
Statement of Reserve for Amortization
For the Year Ended December 31, 2018

| | | |
|---|------------------|-------------------------------|
| Balance Dec. 31, 2017 | | \$ 3,785,777.85 |
| Increased by: | | |
| NJ Wastewater Treatment Loan Paid by Operating Budget | \$ 22,392.60 | |
| Loans Canceled | 5,036.71 | |
| Bond Anticipation Note Paid by Operating Budget | <u>30,000.00</u> | |
| | | <u>57,429.31</u> |
| Balance Dec. 31, 2018 | | <u><u>\$ 3,843,207.16</u></u> |

BOROUGH OF BELLMAWR
WATER UTILITY CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2018

| Ordinance Number | Improvement Description | Ordinance | | Balance Dec. 31, 2017 | 2018 | Paid or | Balance Dec. 31, 2018 |
|----------------------------------|---|-----------|--------------|--------------------------|----------------------|------------------------|--------------------------|
| | | Date | Amount | Unfunded | Authorizations | Charged | Unfunded |
| 09:12-14 | Replacement of Water Main on Howard Avenue | 10-23-14 | \$ 50,000.00 | \$ 3,201.74 | | | \$ 3,201.74 |
| 11:11-15 |) Purchase and Installation of Water Tank | 11-23-15 | 2,500,000.00 | 1,518,087.96 | | \$ 867,643.49 | 650,444.47 |
| 02:06-17 |) Acquisition and Installation of Water Tank | 03-23-17 | 300,000.00 | | | | |
| 06:13-16 | Improvements to Drinking Water Infrastructure | 07-28-16 | 1,200,000.00 | 1,066,699.28 | | 622,161.52 | 444,537.76 |
| 03:04-18 | Various Electrical Repairs to Water Plant | 04-26-18 | 25,000.00 | | \$ 25,000.00 | 8,485.20 | 16,514.80 |
| 05:13-18 | Various Capital Improvements | 06-28-18 | 280,000.00 | | 280,000.00 | | 280,000.00 |
| 06:14-18 | Acquisition of Equipment | 08-23-18 | 150,000.00 | | 150,000.00 | 150,000.00 | |
| | | | | <u>\$ 2,587,988.98</u> | <u>\$ 455,000.00</u> | <u>\$ 1,648,290.21</u> | <u>\$ 1,394,698.77</u> |
| Reserve for Encumbrances | | | | | | \$ 150,000.00 | |
| Due Water Utility Operating Fund | | | | | | <u>1,498,290.21</u> | |
| | | | | | | <u>\$ 1,648,290.21</u> | |

BOROUGH OF BELLMAWR
WATER UTILITY CAPITAL FUND
Schedule of Fixed Capital
As of December 31, 2018

| <u>Account</u> | <u>Balance</u> <u>Dec. 31, 2018</u> |
|---|--|
| Organization | \$ 1,230.92 |
| Springs and Wells | 9,137.60 |
| Pumping Station and Structures | 5,754.85 |
| Electric Power and Pumping Equipment | 12,063.61 |
| Storage Reservoir, Tanks and Sandpipe | 129,701.49 |
| Distribution Mains and Accessories | 468,317.65 |
| Service Pipes and Stops | 2,623.20 |
| Meters, Meter Boxes and Vaults | 57,838.32 |
| Fire Hydrants and Fire Cisterns | 10,352.76 |
| Engineering and Superintendence | 24,713.06 |
| Legal Expenditures During Construction | 16,915.57 |
| Interest During Construction | 5,260.10 |
| Equipment | 9,405.84 |
| Enlargement of Water System | 21,000.00 |
| Chlorinator | 48,117.92 |
| Water Extension Loop | 2,691.20 |
| New Well and Water Treatment Plant | 622,008.56 |
| Improvements to Water Supply and Distribution System | 73,807.66 |
| Improvement to Well No. 6 Water Treatment Facility and Building | 849,673.21 |
| Improvements to Wells Nos. 4 and 5 | 336,066.77 |
| Install New Worthington Stage Pump - Well No. 6 | 29,833.00 |
| Painting of the Warren Avenue Storage Tank and Repairs | |
| Water Well Numbers 3 & 6 | 250,000.00 |
| Rehabilitation of Well Number 6 | 15,000.00 |
| Miscellaneous | 3,000.00 |
| Upgrades and Improvements to the Water Storage and Distribution System | 676,591.40 |
| Emergency Repair of Water Main | 80,969.00 |
| Machinery and Equipment | 109,696.00 |
| Emergency Repair to Well Shaft | 29,312.00 |
| | <u>\$ 3,901,081.69</u> |

The Fixed Capital reported is as Taken from the Municipal Records and Does not Necessarily Reflect the True Condition of Such Fixed Capital.

BOROUGH OF BELLMAWR
WATER UTILITY CAPITAL FUND
Statement of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2018

| <u>Ordinance Number</u> | <u>Improvement Description</u> | <u>Ordinance</u> | | <u>Balance</u> | <u>2018</u> | <u>Balance</u> |
|-----------------------------|---|------------------|---------------|------------------------|-----------------------|------------------------|
| | | <u>Date</u> | <u>Amount</u> | <u>Dec. 31, 2017</u> | <u>Authorizations</u> | <u>Dec. 31, 2018</u> |
| 09:12-14 | Replacement of Water Main on Howard Avenue | 10-23-14 | \$ 50,000.00 | \$ 50,000.00 | | \$ 50,000.00 |
| 11:11-15) | Purchase and Installation of Water Tank | 11-23-15 | 2,500,000.00 | 2,800,000.00 | | 2,800,000.00 |
| 02:06-17) | Acquisition and Installation of Water Tank | 03-23-17 | 300,000.00 | | | |
| 06:13-16 | Improvements to Drinking Water Infrastructure | 07-28-16 | 1,200,000.00 | 1,200,000.00 | | 1,200,000.00 |
| 03:04-18 | Various Electrical Repairs to Water Plant | 04-26-18 | 25,000.00 | | \$ 25,000.00 | 25,000.00 |
| 05:13-18 | Various Capital Improvements | 06-28-18 | 280,000.00 | | 280,000.00 | 280,000.00 |
| 06:14-18 | Acquisition of Equipment | 08-23-18 | 150,000.00 | | 150,000.00 | 150,000.00 |
| | | | | <u>\$ 4,050,000.00</u> | <u>\$ 455,000.00</u> | <u>\$ 4,505,000.00</u> |

BOROUGH OF BELLMAWR
WATER UTILITY CAPITAL FUND
Statement of New Jersey Wastewater Treatment Loan Payable
For the Year Ended December 31, 2018

| <u>Purpose</u> | <u>Date of Issue</u> | <u>Original Issue</u> | <u>Maturities of Loan Outstanding Dec. 31, 2018</u> | | <u>Interest Rate</u> | <u>Balance Dec. 31, 2017</u> | <u>Paid by Budget Appropriation</u> | <u>Balance Dec. 31, 2018</u> |
|--|--------------------------|---------------------------|---|---------------|--------------------------|----------------------------------|---|----------------------------------|
| | | | <u>Date</u> | <u>Amount</u> | | | | |
| NJ Environmental Infrastructure Loan, Series 1999 (Trust) | 11-04-99 | \$ 289,578.00 | 08-01-19 | \$ 27,570.69 | 5.70% | <u>\$ 55,000.00</u> | <u>\$ 27,429.31</u> | <u>\$ 27,570.69</u> |
| Paid by Budget Appropriation | | | | | | | \$ 22,392.60 | |
| Canceled | | | | | | | <u>5,036.71</u> | |
| | | | | | | | <u>\$ 27,429.31</u> | |

BOROUGH OF BELLMAWR
WATER UTILITY CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2018

| <u>Improvement Description</u> | <u>Ordinance Number</u> | <u>Date of Original Issue</u> | <u>Date of Issue</u> | <u>Date of Maturity</u> | <u>Interest Rate</u> | <u>Balance Dec. 31, 2017</u> | <u>Increased</u> | <u>Decreased</u> | <u>Balance Dec. 31, 2018</u> |
|--|-----------------------------|---------------------------------------|--------------------------|-----------------------------|--------------------------|----------------------------------|------------------------|------------------------|----------------------------------|
| Purchase and Installation of Water Tank | 2:06-17 | 08-18-17 08-17-18 | 08-18-17 08-17-18 | 08-17-18 8-16-19 | 1.44% 1.93% | \$ 2,800,000.00 | \$ 2,800,000.00 | \$ 2,800,000.00 | \$ 2,800,000.00 |
| Replacement of Water Main on Howard Avenue | 9:12-14 | 08-20-15 | 08-18-17 | 08-17-18 | 1.44% | 30,000.00 | | 30,000.00 | |
| Various Electrical Repairs to Water Plant | 3:04-18 | 08-17-18 | 08-17-18 | 8-16-19 | 1.93% | | 25,000.00 | | 25,000.00 |
| Various Capital Improvements | 5:13-18 | 08-17-18 | 08-17-18 | 8-16-19 | 1.93% | | 280,000.00 | | 280,000.00 |
| Acquisition of Equipment | 6:14-18 | 08-17-18 | 08-17-18 | 8-16-19 | 1.93% | | 150,000.00 | | 150,000.00 |
| | | | | | | <u>\$ 2,830,000.00</u> | <u>\$ 3,255,000.00</u> | <u>\$ 2,830,000.00</u> | <u>\$ 3,255,000.00</u> |
| Renewal | | | | | | | \$ 2,800,000.00 | \$ 2,800,000.00 | |
| Issued for Cash | | | | | | | 455,000.00 | | |
| Paid by Budget Appropriation | | | | | | | | 30,000.00 | |
| | | | | | | | <u>\$ 3,255,000.00</u> | <u>\$ 2,830,000.00</u> | |

BOROUGH OF BELLMAWR
WATER UTILITY CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2018

| Ordinance Number | Improvement Description | Ordinance | | Balance | 2018 | Notes | Balance |
|---------------------|---|-----------|-----------------|------------------------|----------------------|----------------------|------------------------|
| | | Date | Amount | Dec. 31, 2017 | Authorizations | Issued | Dec. 31, 2018 |
| 06:13-16 | Improvements to Drinking Water Infrastructure | 07-28-16 | \$ 1,200,000.00 | \$ 1,200,000.00 | | | \$ 1,200,000.00 |
| 03:04-18 | Various Electrical Repairs to Water Plant | 04-26-18 | 25,000.00 | | \$ 25,000.00 | \$ 25,000.00 | |
| 05:13-18 | Various Capital Improvements | 06-28-18 | 280,000.00 | | 280,000.00 | 280,000.00 | |
| 06:14-18 | Acquisition of Equipment | 08-23-18 | 150,000.00 | | 150,000.00 | 150,000.00 | |
| | | | | <u>\$ 1,200,000.00</u> | <u>\$ 455,000.00</u> | <u>\$ 455,000.00</u> | <u>\$ 1,200,000.00</u> |

BOROUGH OF BELLMAWR
PART II
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2018

BOROUGH OF BELLMAWR
Schedule of Findings and Recommendations
For the Year Ended December 31, 2018

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.

Finding No. 2018-001

Criteria or Specific Requirement

Internal controls with respect to payroll should be designed for effectiveness and efficiency. The payroll process should follow statutory guidelines and Borough ordinances established.

Condition

The Borough did not process payroll in accordance with established guidelines as promulgated by Borough ordinance and health benefit deductions were not calculated in accordance with state statutes. In addition, amounts reported to the Division of Pensions for Public Employees' Retirement System (PERS) and Police and Firemen's Retirement System (PFRS) did not agree to amounts per payroll reports.

Context

The following items were found during a test of payroll disbursements and reporting:

1. The amount withheld from two employees' salaries for health benefit contributions were \$223.48 less than the required amount.
2. The base salary of four employees tested did not agree to the base salary reported on the quarterly pension reports resulting in a difference of \$7,473.74 less in wages reported to pension.
3. Amounts reported on quarterly PERS and PFRS pension reports did not agree to the supporting payroll reports for all four quarters. Total contributions and back deductions were less on the PERS and PFRS pension reports than the supporting payroll reports by \$6,250.50.

Effect

The Borough was not reimbursed the correct amount that was required from employees that contributed to health care costs. Payroll reports may not be accurately reflecting all activity that is required.

Cause

Oversight by the responsible personnel.

Recommendation

That the Borough review procedures with respect to the payroll process, and adhere to healthcare and pension deduction guidelines, including information contained in Local Finance Notices issued by the State of New Jersey Division of Local Government Services.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

BOROUGH OF BELLMAWR
Schedule of Findings and Recommendations
For the Year Ended December 31, 2018

Schedule of Financial Statement Findings (Cont'd)

Finding No. 2018-002

Criteria or Specific Requirement

Transactions between funds (Interfund) should be liquidated within a reasonable period of time and transactions should be posted to the respective general ledger of each fund. Separate bank accounts should be maintained for each fund.

Condition

The Borough had several interfund balances as of December 31. The interfund balances between funds in the respective general ledgers were not in agreement prior to audit adjustments.

Context

During the year numerous transactions between Borough funds occurred that were not properly posted to the general ledger of each fund.

Effect

The general ledgers for the funds of the Borough were not accurate and required adjustments to agree to cash reconciliations and other interfund balances. Additionally, the cash reconciliation in the Current Fund required adjustments of \$(6,897.73) and \$5,062.93, with net adjustments totaling \$(1,834.80).

Cause

There were timing differences between the reconciliation function and the maintenance of the general ledger. In addition, there is only one bank account for the Water Utility Operating and Water Utility Capital funds.

Recommendation

That all transactions between Borough funds (interfunds) be reviewed prior to the end of the year, that all activity be posted to the respective general ledgers of the Borough and that the Borough maintain a separate bank account for the Water Utility Capital fund.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

BOROUGH OF BELLMAWR
Schedule of Findings and Recommendations
For the Year Ended December 31, 2018

Schedule of Financial Statement Findings (Cont'd)

Finding No. 2018-003

Criteria or Specific Requirement

N.J.S.A. 40A:4-57 requires that budgetary transfers be approved by a resolution of the governing body prior to being over-expended.

Condition

Appropriations were over-expended prior to transfers and approved budget transfers of current appropriations and appropriation reserves were not properly recorded. There was one appropriation reserve that was over-expended.

Context

One appropriation in the 2017 appropriation reserves was over-expended and another appropriation was over-expended prior to budget transfers. Additionally, approved transfers were either not posted or were not posted properly. Several budget transfers that were recorded were not approved by resolution of the governing body.

Effect

The Borough is not in compliance with the above referenced statute and controls over current budgetary accounts are not effective to reduce the likelihood that errors of a material nature could occur and not be detected.

Cause

Oversight by the responsible personnel.

Recommendation

That no appropriation from the adopted budget be expended without sufficient available funds or until a transfer is permitted by state statutes, and that all transfers are approved by the governing body and be properly recorded.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

BOROUGH OF BELLMAWR
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 that are required to be reported in accordance with *Government Auditing Standards*.

FINANCIAL STATEMENT FINDINGS

Finding No. 2017-001

Condition

The Borough did not process payroll in accordance with established guidelines as promulgated by Borough ordinance and health benefit deductions were not calculated in accordance with state statutes. In addition, amounts reported to the Division of Pensions did not agree to amounts per payroll reports.

Current Status

This condition has been partially resolved. See Finding 2018-001.

Planned Corrective Action

The Borough will implement procedures as part of their corrective action plan.

Finding No. 2017-002

Condition

The Borough had several interfunds as of December 31. The interfund balances in the general ledger did not agree prior to audit adjustments.

Current Status

This condition still exists. See Finding 2018-002.

Planned Corrective Action

The Chief Financial Officer will review all interfund balances prior to the end of the year and establish a separate bank account for the Water Utility Capital Fund.

10500

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

FEDERAL AWARDS

Not Applicable.

STATE FINANCIAL ASSISTANCE PROGRAMS

Not Applicable.

BOROUGH OF BELLMAWR
 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> |
|-------------------------|---|----------------------------------|
| Frank Filipek | Mayor | |
| Steven M. Sauter | President of Council (to November 2018) | |
| Raymond Bider | Member of Council | |
| James P. Casey | Member of Council | |
| James F. D'Angelo | Member of Council | |
| Paul T. DeAngelis | Member of Council | |
| Stephen B. Hagerty | Member of Council | |
| Joshua T. Tregear | Borough Administrator | |
| Francine M. Wright | Borough Clerk | (B) |
| | Municipal Improvements Search Clerk | |
| | Street Opening Permit Clerk | |
| Jasper J. Garagozzo | Treasurer | \$1,000,000.00 (A) |
| Maria A. Fasulo | Chief Financial Officer | (B) |
| Margaret A. Sandrock | Tax Collector | \$1,000,000.00 (A) |
| | Tax Search Officer | |
| | Tax Lien Officer | |
| Tina A. Johnson | Water Collector | \$1,000,000.00 (A) |
| | Tax Assessor Clerk | |
| | Licensing Official | |
| John A. Dymond | Tax Assessor | (B) |
| N. Ryan Trabosh | Judge of Municipal Court | (B) |
| Amanda Cubbler | Municipal Court Administrator | (B) |
| | Violations Clerk | |
| James Burleigh | Construction Code Official | (B) |
| Robert L. Messick, Esq. | Solicitor | |

(A) Camden County Municipal Joint Insurance Fund—Public Employee Dishonesty Bond covers all “Statutory” positions (Tax Collector, Treasurer and Water Collector).

(B) Covered by a Public Employee Bond of \$1,000,000.00 with Camden County Joint Insurance Fund as participants in the Municipal Excess Liability Joint Insurance Fund.

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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

A handwritten signature in black ink, reading "Robert S. Marrone". The signature is written in a cursive, flowing style.

Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant