

**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*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

*Robert S. Marrone*

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*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

*Robert S. Marrone*

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	<u>1,117.33</u>	
		<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
		1,246,784.96	1,443,419.16
Reserve for Receivables and Other Assets	A	1,491,203.71	1,574,371.66
Fund Balance	A-1	2,930,298.70	2,317,726.64
		5,668,287.37	5,335,517.46
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
		229,965.21	1,200,587.23
		\$5,898,252.58	\$6,536,104.69

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	
 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
Cancelation 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	
 Total Expenditures	 34,113,235.94	 34,373,341.23

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

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	<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
<b><u>Fund Balance</u></b>		
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>\$ 2,930,298.70</u>	<u>\$ 2,317,726.64</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			Excess or (Deficit)
	Budget	Special N.J.S.A 40A:4-87	Realized	
Fund Balance Anticipated	\$ 1,045,000.00	-	\$ 1,045,000.00	-
<b>Miscellaneous Revenues:</b>				
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**

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## 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>\$ 9,400,407.14</u>

## Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 796,948.27
Tax Title Liens	<u>908.73</u>
Receipts from Delinquent Taxes:	<u>\$ 797,857.00</u>
Sewer Rents	\$ 435,432.42
Sewer Rent Overpayments Applied	862.07
Prepaid Sewer Rents Applied	<u>4,113.37</u>
	<u>\$ 440,407.86</u>

## Fees and Permits:

Clerk	<u>\$ 30,240.00</u>
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(Continued)

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

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**Analysis of Non Budget Revenue****Miscellaneous Revenue not Anticipated:****Revenue Accounts Receivable - Treasurer:**

Interest on Investments and Deposits	\$ 23,261.42
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**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	<u>28,838.59</u>

	289,423.35
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	312,684.77
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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	<u>2,490.03</u>

	13,423.24
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	<u>\$ 326,108.01</u>
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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

	<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>	
<b>OPERATIONS - WITHIN "CAPS"</b>						
General Government						
General Administration						
Salaries and Wages	\$ 175,048.50	\$ 167,048.50	\$ 165,333.86	\$ 229.42	\$ 1,714.64	
Other Expenses	120,000.00	140,000.00	139,244.90		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

	<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>				
<b><u>OPERATIONS - WITHIN "CAPS" (CONT'D)</u></b>									
<b><u>Public Safety</u></b>									
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				
<b><u>Streets and Roads</u></b>									
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>				
<b>OPERATIONS - WITHIN "CAPS" (CONT'D)</b>									
<b><u>Health and Welfare</u></b>									
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				
<b><u>Recreation and Education</u></b>									
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				
<b><u>Insurance</u></b>									
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				
<b><u>Utility Expenses and Bulk Purchases</u></b>									
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				
<b>Total Operations - Within "CAPS"</b>	<b>10,405,340.29</b>	<b>10,405,340.29</b>	<b>10,076,605.40</b>	<b>\$ 7,104.57</b>	<b>321,630.32</b>	<b>-</b>			
<b>Detail:</b>									
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>				
<b><u>DEFERRED CHARGES AND STATUTORY EXPENDITURES -</u></b>									
<b><u>MUNICIPAL WITHIN "CAPS"</u></b>									
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	-			
<b><u>OPERATIONS - EXCLUDED FROM "CAPS"</u></b>									
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>Expended</u>			<u>Unexpended Balance Canceled</u>			
	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>						
<b><u>OPERATIONS - EXCLUDED FROM "CAPS" (CONT'D)</u></b>									
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	-			
<b><u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u></b>									
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	-	-	-			
<b><u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u></b>									
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				
Additional 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>	Budget After Modification	Expended			Unexpended Balance <u>Canceled</u>
			<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<b><u>MUNICIPAL DEFERRED CHARGES - EXCLUDED FROM "CAPS"</u></b>						
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			
	<u>\$ 14,459,361.02</u>	<u>\$ 14,489,124.25</u>	<u>\$ 13,922,980.36</u>	<u>\$ 16,068.71</u>	<u>\$ 504,052.86</u>	<u>\$ 46,022.32</u>
Appropriation by N.J.S.A. 40A:4-87						
Budget			\$ 29,763.23			
			<u>14,459,361.02</u>			
			<u>\$ 14,489,124.25</u>			
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				<u>12,944,124.06</u>		
				<u>\$ 13,922,980.36</u>		

**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>
<b><u>ASSETS</u></b>			
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>
<b><u>LIABILITIES AND RESERVES</u></b>			
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>
<b><u>ASSETS</u></b>			
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		23,500.00
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>LIABILITIES, RESERVES AND FUND BALANCES</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<b>Operating Fund:</b>			
<b>Liabilities:</b>			
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	<u>424.50</u>	<u>424.50</u>
		1,009,471.50	1,854,843.30
Reserves for Receivables	D	103,794.43	160,930.46
Fund Balance	D-1	<u>664,844.58</u>	<u>461,002.82</u>
<b>Total Operating Fund</b>		<b><u>1,778,110.51</u></b>	<b><u>2,476,776.58</u></b>
<b>Capital Fund:</b>			
Due General Capital Fund	D	30,000.00	30,000.00
<b>Improvement Authorizations:</b>			
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>
<b>Total Capital Fund</b>		<b><u>8,823,785.55</u></b>	<b><u>9,412,075.76</u></b>
		<b><u>\$ 10,601,896.06</u></b>	<b><u>\$ 11,888,852.34</u></b>

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	<u>16,661.21</u>	<u>22,514.02</u>
 Total Income	 <u>1,303,236.52</u>	 <u>1,216,942.00</u>
 <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	<u>90,000.00</u>	<u>113,963.79</u>
 Total Expenditures	 <u>1,089,394.76</u>	 <u>1,057,593.87</u>
 Less:		
Charges to Budget of Succeeding Year		<u>23,500.00</u>
 Total Adjusted Expenditures	 <u>1,089,394.76</u>	 <u>1,034,093.87</u>
 Statutory Excess to Fund Balance	 213,841.76	 182,848.13
 <u>Fund Balance</u>		
Balance Jan. 1	<u>461,002.82</u>	<u>478,154.69</u>
 Decreased by:		
Utilized as Revenue	674,844.58	661,002.82
Utilized as Revenue in Current Fund		<u>10,000.00</u>
 Balance Dec. 31	 <u>\$ 664,844.58</u>	 <u>\$ 461,002.82</u>

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>
	<u><u>\$ 27,159.95</u></u>

Treasurer:

Interest Earned on Investments	7,326.75
Meter Purchase	500.00
Miscellaneous	25.00
Water Main Tap	<u>6,000.00</u>
	<u><u>13,851.75</u></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	
<b>Total Operating</b>	<b>896,273.40</b>	<b>896,273.40</b>	<b>839,894.60</b>	<b>56,378.80</b>	<b>-</b>
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
<b>Total Debt Service</b>	<b>108,726.60</b>	<b>108,726.60</b>	<b>103,121.36</b>	<b>-</b>	<b>5,605.24</b>
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	
<b>Total Deferred Charges and Statutory Expenditures</b>	<b>90,000.00</b>	<b>90,000.00</b>	<b>80,164.58</b>	<b>9,835.42</b>	<b>-</b>
	<b>\$ 1,095,000.00</b>	<b>\$ 1,095,000.00</b>	<b>\$ 1,023,180.54</b>	<b>\$ 66,214.22</b>	<b>\$ 5,605.24</b>
Accrued Interest on Loans and Notes			\$ 50,728.76		
Deferred Charge			23,500.00		
Disbursed			948,951.78		
			<b><u>\$ 1,023,180.54</u></b>		

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**

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	<u>Balance</u>			<u>Balance</u>
	<u>Dec. 31, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Dec. 31, 2018</u>
<b>General Fixed Assets:</b>				
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
	<hr/> <u>\$ 19,011,760.45</u>	<hr/> <u>\$ 513,778.16</u>	<hr/> <u>\$ 104,000.00</u>	<hr/> <u>\$ 19,421,538.61</u>
<b>Investment in General Fixed Assets:</b>				
General Capital Fund	<hr/> <u>\$ 19,011,760.45</u>	<hr/> <u>\$ 513,778.16</u>	<hr/> <u>\$ 104,000.00</u>	<hr/> <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

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**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**

	<b>Year Ended</b>				
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
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**

<b>Year</b>	<b>Amount</b>
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**

<b>Year</b>	<b>Tax Levy</b>	<b>Collections</b>	<b>Percentage of Collections</b>
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**

<b>Year</b>	<b>Tax Title Liens</b>	<b>Delinquent Taxes</b>	<b>Total Delinquent</b>	<b>Percentage of Tax Levy</b>
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>Cash Collections</u>		
	<u>Receivable</u>	<u>Liens</u>	<u>Levy</u>	<u>Total</u>	<u>Cash 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>Cash Collections</u>		
	<u>Receivable</u>	<u>Liens</u>	<u>Levy</u>	<u>Total</u>	<u>Cash 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
<b>Totals</b>	<b>\$ 1,324,201.63</b>	<b>\$ 1,324,201.63</b>

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 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and 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><u>\$ 9,057,654.00</u></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:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between Expected and Actual Experience	\$ 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:

	<b>PERS</b>	<b>PFRS</b>		
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
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:

<b>Year Ending Dec 31,</b>	<b>PERS</b>	<b>PFRS</b>	<b>Total</b>
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:

	<b>PERS</b>	<b>PFRS</b>
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. Postretirement 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)**

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
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%
<hr/>		
<hr/>		100.00%

**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:

	<b>PERS</b>		
	1% Decrease <u>(4.66%)</u>	Current Discount Rate <u>(5.66%)</u>	1% Increase <u>(6.66%)</u>
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:

	<b>PFRS</b>		
	1% Decrease <u>(5.51%)</u>	Current Discount Rate <u>(6.51%)</u>	1% Increase <u>(7.51%)</u>
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><u>\$ 12,122,546.10</u></u>	<u><u>\$ 9,057,654.00</u></u>	<u><u>\$ 6,529,676.08</u></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)***

	<b>Measurement Date Ended June 30,</b>		
	<b>2018</b>	<b>2017</b>	<b>2016</b>
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%
	<b>Measurement Date Ended June 30,</b>		
	<b>2015</b>	<b>2014</b>	<b>2013</b>
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)***

	<u>Year Ended December 31,</u>		
	<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	<u>(421,746.00)</u>	<u>(402,890.00)</u>	<u>(373,287.00)</u>
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
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%
	<u>Year Ended December 31,</u>		
	<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	<u>(346,831.00)</u>	<u>(328,089.00)</u>	<u>(277,473.00)</u>
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
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)***

	<b>Measurement Date Ended June 30,</b>		
	<b>2018</b>	<b>2017</b>	<b>2016</b>
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	<u>1,083,198.00</u>	<u>908,607.00</u>	<u>951,893.00</u>
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%
	<b>Measurement Date Ended June 30,</b>		
	<b>2015</b>	<b>2014</b>	<b>2013</b>
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	<u>778,315.00</u>	<u>726,546.00</u>	<u>632,156.00</u>
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)***

	<b>Year Ended December 31,</b>		
	<b>2018</b>	<b>2017</b>	<b>2016</b>
Borough's Contractually Required Contribution	\$ 576,146.00	\$ 465,034.00	\$ 483,821.00
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(576,146.00)</u>	<u>(465,034.00)</u>	<u>(483,821.00)</u>
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%
	<b>Year Ended December 31,</b>		
	<b>2015</b>	<b>2014</b>	<b>2013</b>
Borough's Contractually Required Contribution	\$ 433,111.00	\$ 411,971.00	\$ 372,190.00
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(433,111.00)</u>	<u>(411,971.00)</u>	<u>(372,190.00)</u>
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 30<sup>th</sup> 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 30<sup>th</sup> 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 30<sup>th</sup> 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 30<sup>th</sup> 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	<u>79</u>
 Total	 <u>120</u>

### **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>
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Balance December 31, 2018	<u>\$ 14,856,130.00</u>
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**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% <u>Decrease</u> <u>(3.10%)</u>	Current <u>Discount Rate</u> <u>(4.10%)</u>	1.00% <u>Increase</u> <u>(5.10%)</u>
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% <u>Decrease</u> <u>(4.80%)</u> <u>Decreasing to</u> <u>4.00%</u>	Healthcare Cost Trend Rates (5.80%) <u>Decreasing to</u> <u>5.00%</u>	1.00% <u>Increase</u> <u>(6.80%)</u> <u>Decreasing to</u> <u>6.00%</u>
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*****2018****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>\$ 14,856,130.00</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	\$ 17,318.07	\$ 609.60	\$ 17,927.67

**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:

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
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
<b>Totals</b>	<b>\$ 1,300,000.00</b>	<b>\$ 120,500.00</b>	<b>\$ 1,420,500.00</b>

**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 1<sup>st</sup> and August 1<sup>st</sup> 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 1<sup>st</sup> and August 1<sup>st</sup> 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 1<sup>st</sup> and August 1<sup>st</sup> for the trust loan and annual payments are due September 1<sup>st</sup> for the fund loan through 2033.

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

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
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
<b>Totals</b>	<b>\$ 3,790,183.94</b>	<b>\$ 458,560.51</b>	<b>\$ 4,248,744.45</b>

**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 1<sup>st</sup> and August 1<sup>st</sup> 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 4<sup>th</sup> and August 4<sup>th</sup> 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
<b>Totals</b>	<b>\$ 36,923.74</b>	<b>\$ 1,491.62</b>	<b>\$ 38,415.36</b>

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

**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%.

	<b><u>Gross Debt</u></b>	<b><u>Deductions</u></b>	<b><u>Net Debt</u></b>
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	<u>11,446,804.90</u>	<u>119,033.98</u>	<u>\$ 11,327,770.92</u>
	<u><b>\$ 18,885,569.61</b></u>	<u><b>\$ 7,557,798.69</b></u>	<u><b>\$ 11,327,770.92</b></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 reinsurance 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>
<b>General Improvements</b>		
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
<b>Water Utility Improvements</b>		
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
	<hr/>	<hr/>
	34,866,688.26	121,702.18
	<hr/>	<hr/>
	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	<hr/>	177,406.25
	<hr/>	<hr/>
	34,391,639.51	177,406.25
	<hr/>	<hr/>
Balance Dec. 31, 2018	<hr/>	<hr/>
	\$ 4,175,616.33	\$ 42,063.65

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

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Regular

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>\$ 33,801,328.44</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**

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

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Balance Dec. 31, 2017	\$ 31,080.80
<hr/>	
Increased by:	
Receipts - Collector	<u>154,425.34</u>
<hr/>	
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>
	156,284.27
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

<u>Year</u>	<u>Balance</u>	<u>2018</u>	<u>Added</u>	<u>C o l l e c t i o n s</u>		<u>Due from</u>	<u>Transferred</u>	<u>Balance</u>
	<u>Dec. 31, 2017</u>	<u>Levy</u>	<u>Taxes</u>	<u>2017</u>	<u>2018</u>	<u>State of</u>	<u>Title Liens</u>	<u>Dec. 31, 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	-
2018		\$ 29,426,553.08		\$ 307,060.03	28,352,270.13	\$ 158,408.24	40,264.92	\$ 3,389.81
	\$ 790,492.73	\$ 29,426,553.08	\$ 10,229.42	\$ 307,060.03	\$ 29,149,218.40	\$ 158,408.24	\$ 42,521.87	\$ 3,389.81
								\$ 566,676.88

Analysis of 2018 Property Tax Levy

Tax Yield

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

6,618,310.43

Total County Taxes	9,135,912.71
Local Tax for Municipal Purposes	<u>71,880.94</u>

9,207,793.65

Local Tax for Municipal Purposes Levied	\$ 29,426,553.08
---	------------------

**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	<u>\$ 9,153.26</u>
Refunded	<u>81,427.07</u>
	<u><u>90,580.33</u></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	Received In			General Capital	Balance Dec. 31, 2018
			Current Fund	Trust Funds	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><u>\$ 708,656.37</u></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>\$ 447,154.36</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>\$ 425.00</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

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

**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	<u>\$ 50.00</u>
Canceled to Fund Balance	<u>1,640.00</u>
	<u><u>1,690.00</u></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 Encumbrances</u>	<u>Appropriation Reserves</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>	<u>Over Expended</u>
<b>General Government</b>							
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	
<b>Public Safety</b>							
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>	
<b><u>Streets and Roads</u></b>							
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	
<b><u>Health and Welfare</u></b>							
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	
<b><u>Recreation and Education</u></b>							
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	
<b><u>Insurance</u></b>							
General Liability							
Health Insurance	131.46	141,827.41	141,958.87	2,481.16		139,477.71	
<b><u>Utility Expenses and Bulk Purchases</u></b>							
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	
<b><u>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</u></b>							
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 Encumbrances</u>	<u>Appropriation Reserves</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>	<u>Over Expended</u>	
<b><u>OPERATIONS - EXCLUDED FROM "CAPS"</u></b>							
Tax Appeals		\$ 50,000.00	\$ 50,000.00			\$ 50,000.00	
<b><u>Interlocal Service Agreements:</u></b>							
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 Rennemed - Trash Removal		97,757.31	97,757.31	6,387.74		91,369.57	
Borough of Rennemed - Concrete Install		9,940.00	9,940.00	9,940.00			
Borough of Rennemed - Sanitary Sewer System		4,000.00	4,000.00			4,000.00	
Borough of Rennemed - 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	 -
<b><u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u></b>							
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><u>\$ 359,236.42</u></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	<u>\$ 281,439.60</u>
Transferred from Overpayments	<u>9,153.26</u>
	<u>290,592.86</u>
Decreased by:	
Application to 2018 Taxes	<u>597,652.89</u>
Balance Dec. 31, 2018 (2019 Taxes)	<u><u>\$ 307,060.03</u></u>
	<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>\$ 6,597,912.04</u>
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**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>\$ 2.50</u>

**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>\$ 2.48</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>
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Analysis of Balance Dec 31, 2018

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>Accrued</u>	<u>Received</u>	<u>Cancel</u>	<u>Balance</u>
	<u>Dec. 31, 2017</u>				<u>Dec. 31, 2018</u>
<b>Federal Grants:</b>					
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
<b>Total Federal Grants</b>	<b>30,135.97</b>	<b>-</b>	<b>2,922.06</b>	<b>-</b>	<b>27,213.91</b>
<b>State Grants:</b>					
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		6,264.04			6,264.04
Direct Install Program		20,500.00	20,500.00		
Safe and Secure Communities Program					
<b>Total State Grants</b>	<b>971,225.69</b>	<b>63,289.23</b>	<b>57,706.23</b>	<b>817,578.89</b>	<b>159,229.80</b>
<b>Other Grants:</b>					
Camden County Recreation Enhancement	100,000.00		50,000.00	50,000.00	
<b>Private Donations:</b>					
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		
<b>Total Other Grants</b>	<b>101,400.00</b>	<b>7,420.00</b>	<b>57,420.00</b>	<b>50,000.00</b>	<b>1,400.00</b>
<b>Total All Grants</b>	<b>\$ 1,102,761.66</b>	<b>\$ 70,709.23</b>	<b>\$ 118,048.29</b>	<b>\$ 867,578.89</b>	<b>\$ 187,843.71</b>
Canceled - Fund Balance				\$ 78.89	
Canceled - Reserve for Grants Unappropriated				50,000.00	
Canceled - Reserve for Grants Appropriated				817,500.00	
				<b>\$ 867,578.89</b>	

**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</u> <u>Dec. 31, 2017</u>	Realized as			<u>Balance</u> <u>Dec. 31, 2018</u>
		<u>Grants</u> <u>Receivable</u>	<u>Miscellaneous</u> <u>Revenue in</u> <u>2018 Budget</u>	<u>Canceled</u>	
<b>State Grants:</b>					
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
<b>Total State Grants</b>	<b>56,106.98</b>	<b>63,289.23</b>	<b>68,444.99</b>	<b>-</b>	<b>50,951.22</b>
<b>Other Grants:</b>					
Camden County Recreation Enhancement	50,000.00			\$ 50,000.00	
<b>Private Donations:</b>					
Clean Communities Program	125.00	7,225.00	7,350.00		
All Wars Memorial Fund	300.00	195.00	300.00		195.00
<b>Total Other Grants</b>	<b>50,425.00</b>	<b>7,420.00</b>	<b>7,650.00</b>	<b>50,000.00</b>	<b>195.00</b>
<b>Total All Grants</b>	<b>\$ 106,531.98</b>	<b>\$ 70,709.23</b>	<b>\$ 76,094.99</b>	<b>\$ 50,000.00</b>	<b>\$ 51,146.22</b>

**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>	Transferred from 2018			<u>Paid or Charged</u>	<u>Grants Canceled</u>	<u>Balance Dec. 31, 2018</u>
		<u>Budget Appropriation</u>	<u>Encumbrances Canceled</u>				
<b>Federal Grants:</b>							
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
<b>Total Federal Grants</b>	<b>20,076.36</b>	<b>-</b>	<b>-</b>		<b>4,870.10</b>	<b>-</b>	<b>15,206.26</b>
<b>State Grants:</b>							
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
<b>Total State Grants</b>	<b>980,767.53</b>	<b>72,019.99</b>	<b>6,105.86</b>		<b>131,505.07</b>	<b>817,500.00</b>	<b>109,888.31</b>

(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</u>		<u>Encumbrances Canceled</u>	<u>Paid or Charged</u>	<u>Grants Canceled</u>	<u>Balance Dec. 31, 2018</u>
		<u>Budget Appropriation</u>					
<b>Other Grants:</b>							
Camden County Recreation Enhancement	\$ 36,106.50				\$ 34,056.29		\$ 2,050.21
<b>Private Donations:</b>							
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
<b>Total Other Grants</b>	<b>47,317.10</b>	<b>7,650.00</b>	<b>-</b>	<b>41,031.08</b>	<b>-</b>	<b></b>	<b>13,936.02</b>
<b>Total All Grants</b>	<b>\$ 1,048,160.99</b>	<b>\$ 79,669.99</b>	<b>\$ 6,105.86</b>	<b>\$ 177,406.25</b>	<b>\$ 817,500.00</b>	<b>\$ 139,030.59</b>	
Budget Special NJSA 40A:4-87		\$ 57,131.76					
		<u>22,538.23</u>					
		<b><u>\$ 79,669.99</u></b>					
Disbursed					<b><u>\$ 177,406.25</u></b>		

**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**

	<b>Animal Control</b>	<b>Other</b>
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
Decreased by Disbursements:		
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>\$ 8,637.98</u>	<u>\$ 676,854.26</u>

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

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

**License Fees Collected**

<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**

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Balance Dec. 31, 2017	\$ 8.40
<b>Increased by:</b>	
Dog Registration Fees Collected	<u>403.80</u>
	412.20
<b>Decreased by:</b>	
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**

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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>\$ 3,261.35</u>

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

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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>\$ 22,812.10</u>

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

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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>\$ 98,465.32</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>\$ 32,100.39</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>\$ 32,100.39</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, 2018
	Balance Dec. 31, 2017	Receipts	Due From Current Fund	Encumbrances Canceled	Disbursed	Unrealized Loss On Investments	Due to Current Fund	Encumbrances	
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		<u>20,700.00</u>			<u>1,150.00</u>				
		<u><u>\$ 1,743,856.20</u></u>			<u><u>\$ 2,018,328.23</u></u>				

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

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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>\$ 78,583.27</u>

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

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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>\$ 97,024.55</u>

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

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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>\$ 63,557.52</u>

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

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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>

Schedule of Investments Dec. 31, 2018

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**

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Balance Dec. 31, 2017	\$ 1,533,468.48
<b>Increased by Receipts:</b>	
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
<b>Decreased by Disbursements:</b>	
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			Balance (Deficit) Dec. 31, 2018	
			Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	Transfers		
								From	To	
Fund Balance		\$ 27,209.90								\$ 27,209.90
Capital Improvement Fund		10,627.00								9,041.00
Accounts Receivable		(275,089.60)	\$ 323,404.83	6,599.67						(255,820.88)
Due Current Fund		(86,442.95)								(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 Equipment	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
Acquisition of a Trash Truck	10:16-18								10,000.00	10,000.00
		<b>\$ 1,533,468.48</b>	<b>\$ 5,861,075.00</b>	<b>\$ 353,854.98</b>	<b>\$ 1,749,771.48</b>	<b>\$ 4,537,500.09</b>	<b>\$ 81,540.00</b>	<b>\$ 1,745,607.61</b>	<b>\$ 1,745,607.61</b>	<b>\$ 1,379,586.89</b>

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

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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>	
		1,049,999.28
Balance Dec. 31, 2018		<u>\$ 5,127,107.68</u>

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

<u>Improvement Description</u>	<u>Ordinance Number</u>	<u>Date of Ordinance</u>	<u>Balance Dec. 31, 2017</u>	<u>2018 Authorizations</u>	<u>Notes Paid by Budget Appropriation</u>	<u>Funded by Due From Current</u>	<u>Balance Dec. 31, 2018</u>	<u>Analysis of Balance Dec. 31, 2018</u>		
								<u>Financed by Bond Anticipation Notes</u>	<u>Expended</u>	<u>Unexpended Improvement Authorizations</u>
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
			<u>\$ 5,112,779.21</u>	<u>\$ 1,645,124.00</u>	<u>\$ 366,933.17</u>	<u>\$ 71,300.00</u>	<u>\$ 6,319,670.04</u>	<u>\$ 5,861,047.82</u>	<u>\$ 111,840.46</u>	<u>\$ 346,781.76</u>
Bond Anticipation Notes Issued (Exhibit SC-12)								<u>\$ 5,861,075.00</u>		
Less: Excess Cash Pledged to the Payment of Notes								<u>(27.18)</u>		
								<u><u>\$ 5,861,047.82</u></u>		
Improvement Authorizations Unfunded										<u>\$ 1,776,602.13</u>
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:										
5:8-12								<u>\$ 169.80</u>		
3:3-15								<u>5,701.05</u>		
7:8-15								<u>59,775.38</u>		
5:11-16								<u>18,418.68</u>		
5:12-16								<u>80.80</u>		
2:5-17								<u>349.14</u>		
5:10-17								<u>221,025.42</u>		
3:4-18; 10:15-18								<u>522,840.00</u>		
								<u>601,460.10</u>		
										<u>1,429,820.37</u>
										<u><u>\$ 346,781.76</u></u>

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

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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>

**Analysis of Balance Dec. 31, 2018**

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**

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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>
Current Fund Budget Appropriation for Capital Improvements	266,268.39
	<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>
	<u>6,599.67</u>
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

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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

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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**

<u>Improvement Description</u>	<u>Number</u>	<u>Date</u>	<u>Amount</u>	<u>Balance Dec. 31, 2017</u>	<u>Funded</u>	<u>Unfunded</u>	<u>2018 Authorizations</u>	<u>Prior Year Encumbrance/ Contracts Payable</u>	<u>Paid or Charged</u>	<u>Balance Dec. 31, 2018</u>	
										<u>Funded</u>	<u>Unfunded</u>
<b>General Improvements:</b>											
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	
<b>Capital Improvement Fund</b>											
Accounts Receivable - Due from NJDOT					\$ 86,586.00						
Deferred Charges to Future Taxation - Unfunded					417,000.00						
					1,645,124.00						
							\$ 2,148,710.00				
<b>Disbursements</b>											
Reserve for Encumbrances								\$ 277,648.62		\$ 1,749,771.48	
Contracts Payable								415,127.62		187,042.45	
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**

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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**

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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		\$ 9,300.00	\$ 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		27,100.00	32,500.00
	5:7-12	10-17-12	8-17-18	8-16-19	1.930%				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	\$ 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	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		381,300.00	452,637.00
									381,300.00
Acquisition of Various Capital Improvements	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
						\$ 4,904,433.26	\$ 5,861,075.00	\$ 4,904,433.26	\$ 5,861,075.00
Renewal							\$ 4,406,200.00	\$ 4,406,200.00	
Paid by Budget Appropriation								366,933.17	
Paid - Due from Current - CDBG								71,300.00	
Paid by Capital Cash								60,000.09	
Issued for Cash								1,454,875.00	
							\$ 5,861,075.00	\$ 4,904,433.26	

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

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<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	Maturities of Bonds Outstanding			<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2018</u>
			<u>December 31, 2018 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	5,000.00	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	5,000.00	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	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	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	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	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	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	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	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	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	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
					\$ 2,150,687.06	\$ 1,639,496.88	\$ 3,790,183.94		\$ 4,630,097.40	\$ 839,913.46	\$ 3,790,183.94
Paid by Budget Appropriation									\$ 572,898.20		
Project Savings Credits									244,312.94		
Project Fund Credits									22,702.32		
										\$ 839,913.46	

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

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<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	Maturities of Loan Outstanding				<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2018</u>				
			<u>December 31, 2018</u>		<u>Date</u>	<u>Amount</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**

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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>\$ 1,651,453.98</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**

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## 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>
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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**

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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>
		1,243,343.97
Balance Dec. 31, 2018		<u>\$ 100,523.43</u>

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

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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**

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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>

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

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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

	Balance Dec. 31, 2017		Modified Balance	Disbursed	Balance Lapsed
	<u>Reserves</u>	<u>Encumbrances</u>			
<b>Operating:</b>					
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
<b>Statutory Expenditures:</b>					
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
	<b>\$ 76,026.40</b>	<b>\$ 4,081.95</b>	<b>\$ 80,108.35</b>	<b>\$ 63,447.14</b>	<b>\$ 16,661.21</b>

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

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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>\$ 104,307.92</u>

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

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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>\$ 1,818.55</u>

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

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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>\$ 23,937.49</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>\$ 23,937.49</u>

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

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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>\$ 3,843,207.16</u>

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

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Ordinance Number	Improvement Description	Ordinance		Balance		Balance	
		Date	Amount	Dec. 31, 2017 Unfunded	2018 Authorizations	Paid or Charged	Dec. 31, 2018 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	
				\$ 2,587,988.98	\$ 455,000.00	\$ 1,648,290.21	\$ 1,394,698.77
Reserve for Encumbrances Due Water Utility Operating Fund						\$ 150,000.00	
						<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**

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<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	<u>29,312.00</u>
	<u><u>\$ 3,901,081.69</u></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**

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

**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
						\$ 2,830,000.00	\$ 3,255,000.00	\$ 2,830,000.00	\$ 3,255,000.00
Renewal Issued for Cash Paid by Budget Appropriation						\$ 2,800,000.00 455,000.00	\$ 2,800,000.00 30,000.00		
						\$ 3,255,000.00	\$ 2,830,000.00		

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

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Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2017	2018 Authorizations	Notes Issued	Balance Dec. 31, 2018
		Date	Amount				
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	
				\$ 1,200,000.00	\$ 455,000.00	\$ 455,000.00	\$ 1,200,000.00

**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

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***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

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***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

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***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

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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.

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

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**FEDERAL AWARDS**

Not Applicable.

**STATE FINANCIAL ASSISTANCE PROGRAMS**

Not Applicable.

**BOROUGH OF BELLMAWR**  
 Officials in Office and Surety Bonds

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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.

**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

*Robert S. Marrone*

Robert S. Marrone  
Certified Public Accountant  
Registered Municipal Accountant