

**BOROUGH OF BROOKLAWN  
COUNTY OF CAMDEN  
REPORT OF AUDIT  
FOR THE YEAR ENDED DECEMBER 31, 2019**



**BOROUGH OF BROOKLAWN**  
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**BOROUGH OF BROOKLAWN**

**PART I**

**REPORT OF AUDIT OF FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

## **INDEPENDENT AUDITOR'S REPORT**

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

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

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Brooklawn, in the County of Camden, State of New Jersey, as of December 31, 2019 and 2018, 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, 2019, 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 Brooklawn, in the County of Camden, State of New Jersey, as of December 31, 2019 and 2018, or the results of its operations and changes in fund balance for the years then ended.

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

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Brooklawn, in the County of Camden, State of New Jersey, as of December 31, 2019 and 2018, 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, 2019, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

## **Other Matters**

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough’s basic financial statements. The supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is also not a required part of the basic financial statements.

The supplemental statements and schedules presented for the various funds and the schedule of expenditures of federal awards 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 July 28, 2020 on our consideration of the Borough of Brooklawn, in the County of Camden, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough of Brooklawn's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Brooklawn's internal control over financial reporting and compliance.

Respectfully submitted,

*Bowman & Company LLP*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

*Kirk N. Applegate*

Kirk N. Applegate  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
July 28, 2020



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**INDEPENDENT AUDITOR'S REPORT**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the Borough of Brooklawn, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated July 28, 2020. That report indicated that the Borough of Brooklawn's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Borough of Brooklawn's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough of Brooklawn's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Brooklawn's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies 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 one deficiency in internal control, described in the accompanying *Schedule of Findings and Questioned Costs*, as Finding No. 2019-001 that we consider to be a significant deficiency.

### Compliance and Other Matters

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

### The Borough of Brooklawn's Response to Finding

The Borough of Brooklawn's response to the finding identified in our audit is described in the accompanying *Schedule of Findings and Questioned Costs*. 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, and federal awarding agencies, 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

*Kirk N. Applegate*

Kirk N. Applegate  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
July 28, 2020

**BOROUGH OF BROOKLAWN****CURRENT FUND**

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
As of December 31, 2019 and 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<b><u>ASSETS</u></b>			
Regular Fund:			
Cash--Treasurer	SA-1	\$ 1,800,712.04	\$ 1,863,902.45
Cash--Change Funds	SA-2	240.00	240.00
		<u>1,800,952.04</u>	<u>1,864,142.45</u>
Receivables and Other Assets with			
Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	90,427.35	61,471.95
Tax Title Liens Receivable	SA-4	103,545.54	92,509.17
Property Acquired for Taxes - Assessed			
Valuation	A	69,700.00	69,700.00
Rents Receivable - Borough-Owned Homes	SA-6	17,592.51	12,872.51
Revenue Accounts Receivable	SA-7	10,697.76	9,557.63
Due from Trust- Animal Control Fund	SB-3	0.25	0.27
Due from General Capital Fund	C	349.17	
Due from Water Utility Operating Fund	D	0.17	2,682.21
Due from Public Assistance Fund	SE-1		0.23
		<u>292,312.75</u>	<u>248,793.97</u>
Deferred Charges:			
Reserve for Revaluation	SA-8	20,000.00	30,000.00
		<u>2,113,264.79</u>	<u>2,142,936.42</u>
Federal and State Grant Fund:			
Cash	SA-1	86,975.74	98,495.54
Grants Receivable	SA-19	96,821.58	97,540.10
		<u>183,797.32</u>	<u>196,035.64</u>
		<u>\$ 2,297,062.11</u>	<u>\$ 2,338,972.06</u>

(Continued)

**BOROUGH OF BROOKLAWN****CURRENT FUND**

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

As of December 31, 2019 and 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Appropriation Reserves	A-3	\$ 85,707.48	\$ 170,137.76
Reserve for Encumbrances:			
Budget	A-3	31,927.89	78,676.24
Due to CCMUA - Tax Sale	A	562.72	562.72
Due to State of New Jersey:			
Veterans and Senior Citizens Deductions			
(Ch.73, P.L. 1976)	SA-5	17,384.90	16,095.57
Marriage License Fees	SA-10	25.00	50.00
State Training Fees	SA-11	1,655.00	2,116.00
Reserve for Payroll Deductions Payable	SA-12	22,125.11	17,583.35
Prepaid Taxes	SA-13	80,495.51	80,616.25
Tax Overpayments	SA-14	13,523.00	10,068.75
Due County for Added and Omitted Taxes	SA-16	1,324.70	991.43
Prepaid Rents on Borough Owned Homes	SA-17	5.00	1,080.00
School Taxes Payable	SA-18	7,946.50	2,832.00
Reserve for Preparation of Tax Maps	A	2,032.50	2,032.50
Reserve for Revaluation	A	16,185.63	16,185.63
Due to Trust - Other Fund	SB-4	1,174.86	3,463.70
Due to General Capital Fund	SC-4		92,988.46
		<u>282,075.80</u>	<u>495,480.36</u>
Reserves for Receivables		292,312.75	248,793.97
Fund Balance	A-1	<u>1,538,876.24</u>	<u>1,398,662.09</u>
		<u>2,113,264.79</u>	<u>2,142,936.42</u>
Federal and State Grant Fund:			
Reserve for Small Cities Program Income	A	73.66	73.66
Reserve for Federal and State Grants - Unappropriated	SA-20	5,202.61	
Reserve for Federal and State Grants - Appropriated	SA-21	178,045.51	194,415.69
Reserve for Encumbrances	SA-21	475.54	1,546.29
		<u>183,797.32</u>	<u>196,035.64</u>
		<u>\$ 2,297,062.11</u>	<u>\$ 2,338,972.06</u>

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

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
 Statements of Operations and Changes  
 In Fund Balance - Regulatory Basis  
 For the Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<u>Revenue and Other Income Realized:</u>		
Fund Balance Utilized	\$ 450,000.00	\$ 405,500.00
Miscellaneous Revenues Anticipated	1,156,701.71	1,175,409.33
Receipts from Delinquent Taxes	61,557.51	95,283.71
Receipts from Current Taxes	4,445,030.57	4,493,666.60
Non-budget Revenues	191,763.13	183,363.01
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	169,001.97	87,910.63
Cancellation of Grants Appropriated	51,818.26	
Interfund Reserves Liquidated:		
Cancellation of Tax Overpayments	3.44	
Due from Trust Other Fund		2,266.52
Due from Trust - Animal Control Fund	0.02	4.66
Due from Water Utility Operating Fund	2,682.04	5,956.48
Due from Public Assistance Fund	0.23	0.35
	<u>6,528,558.88</u>	<u>6,449,361.29</u>
<u>Expenditures:</u>		
Budget Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	1,292,250.00	1,209,020.00
Other Expenses	1,284,513.00	1,349,777.76
Deferred Charges and Statutory Expenditures		
Municipal -- Within "CAPS"	309,384.00	270,911.37
Operations Excluded from "CAPS"		
Salaries and Wages	34,192.59	34,000.00
Other Expenses	233,251.83	205,635.22
Capital Improvement Fund	15,000.00	10,000.00
Municipal Debt Service	259,858.54	247,934.76
Deferred Charges -- Excluded from "CAPS"	10,000.00	10,000.00
County Taxes	1,072,770.57	1,127,684.57
Due County for Added and Omitted Taxes	1,324.70	991.43
Local District School Tax	1,424,833.50	1,401,836.50
Prior Year Senior Citizens Disallowed	616.83	1,000.00
Interfund Reserves Created:		
Due from General Capital Fund	349.17	
	<u>5,938,344.73</u>	<u>5,868,791.61</u>

(Continued)

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
 Statements of Operations and Changes  
 In Fund Balance - Regulatory Basis  
 For the Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Excess in Revenues	\$ 590,214.15	\$ 580,569.68
Adjustments to Income Before Fund Balance:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Year	<u>-</u>	<u>-</u>
Statutory Excess to Fund Balance	590,214.15	580,569.68
Fund Balance January 1	<u>1,398,662.09</u>	<u>1,223,592.41</u>
	1,988,876.24	1,804,162.09
Decreased by:		
Utilization as Anticipated Revenue	<u>450,000.00</u>	<u>405,500.00</u>
Fund Balance December 31	<u><u>\$ 1,538,876.24</u></u>	<u><u>\$ 1,398,662.09</u></u>

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

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2019

	Anticipated Budget	Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 450,000.00	\$ -	\$ 450,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	12,500.00		12,500.00	
Other	7,200.00		7,812.00	612.00
Fines and Costs:				
Municipal Court	100,000.00		104,343.52	4,343.52
Interest and Costs on Taxes	22,017.27		16,165.67	(5,851.60)
Interest on Investments and Deposits	17,000.00		20,617.07	3,617.07
Rental of Municipally Owned Property	310,000.00		313,876.00	3,876.00
Uniform Fire Safety Act-- Fees & Permits	1,000.00		334.00	(666.00)
Rental Registration Fees	14,000.00		12,720.00	(1,280.00)
Energy Receipts Tax P.L. 1997, Chapters 162 & 167)	199,509.00		199,509.00	
Uniform Construction Code Fees	35,000.00		60,688.00	25,688.00
Hotel Motel Tax	50,000.00		52,625.91	2,625.91
Sewer Service Fees	130,000.00		181,319.62	51,319.62
Rental of Community Center	8,000.00		7,596.00	(404.00)
Special Items of Revenue:				
Uniform Fire Safety Act	5,000.00		6,428.60	1,428.60
Interlocal Service Agreement - Administrator Services - Borough of Westville	79,000.00		80,000.00	1,000.00
Interlocal Service Agreement - Tax Collector - Audobon Park	2,750.00		2,800.00	50.00
Public and Private Revenues Offset With Appropriations:				
Municipal Alliance on Alcoholism and Drug Abuse	6,712.40		6,712.40	
Body Armor Replacement Fund	1,136.99		1,136.99	
Recreation Facility Enhancement Grant		25,000.00	25,000.00	
Clean Communities Program		4,192.59	4,192.59	
Drive Sober or Get Pulled Over Grant		5,500.00	5,500.00	
Recycling Tonnage Grant	4,824.34		4,824.34	
Safe and Secure Communities Grant	30,000.00		30,000.00	
Subtotal General Revenues	1,035,650.00	34,692.59	1,156,701.71	86,359.12
Receipts from Delinquent Taxes	61,000.00	-	61,557.51	557.51
Subtotal General Revenues	1,546,650.00	34,692.59	1,668,259.22	86,916.63
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes Including Reserve for Uncollectible Taxes	2,040,150.00	-	2,123,937.30	83,787.30
Budget Totals	3,586,800.00	34,692.59	3,792,196.52	170,703.93
Nonbudget Revenues	-	-	191,763.13	191,763.13
	<u>\$ 3,586,800.00</u>	<u>\$ 34,692.59</u>	<u>\$ 3,983,959.65</u>	<u>\$ 362,467.06</u>

(Continued)

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2019

Analysis of Realized Revenue:

Allocation of Current Tax Collections:

Revenue from Collections	\$ 4,445,030.57
Allocated to:	
School and County Taxes	<u>2,504,043.27</u>
Balance for Support of Municipal Budget Revenues	1,940,987.3
Add:	
Appropriation: "Reserve for Uncollected Taxes"	<u>182,950.00</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 2,123,937.30</u></u>

Receipts from Delinquent Taxes

Delinquent Tax Collections	<u><u>\$ 61,557.51</u></u>
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Interest on Investments and Deposits

Treasurer	\$ 20,523.29
Municipal Court	<u>93.78</u>
	<u><u>\$ 20,617.07</u></u>

Rental of Municipally Owned Property

Rents Receivable	\$ 312,796.00
Prepayments Applied	<u>1,080.00</u>
	<u><u>\$ 313,876.00</u></u>

(Continued)



**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2019

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Miscellaneous Revenue Not Anticipated	
Other Fees	\$ 29,478.75
Recycling	1,860.50
Police Reports	2,065.88
Fire Report	168.00
Gun Permits	26.00
Registrar	190.00
Zoning	175.00
Zoning List	80.00
Copies	1.30
Cable TV	11,489.34
Bad Check Service Charge	75.00
Bus Shelters	715.00
Gateway Railroad Lease	1,200.00
Property Maintenance Revenue	6,250.11
Refund-DMV Inspections Issued	412.88
Senior & Vet from State	355.58
Payment in Lieu of Taxes	31,530.87
Closed Public Assistance Funds	550.74
Homestead Rebate Administrative Fee	225.60
SJ HIF Reimbursement	45,194.00
Settlement check from norse apartments	25,000.00
JIF Reimbursement	13,139.00
Miscellaneous	12,412.11
Marriage License - Borough	24.00
County Inspection Fees	8,360.00
Sewer Rent Interest	783.47
	<hr/>
	\$ 191,763.13

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

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2019

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>		<u>Reserved</u>	<u>Balance</u>
		<u>Modification</u>	<u>Charged</u>	<u>Encumbered</u>		<u>Canceled</u>
<u>OPERATIONS WITHIN "CAPS"</u>						
GENERAL GOVERNMENT:						
Administrative and Executive						
Salaries and Wages:						
Municipal Clerk's Office	\$ 109,000.00	\$ 118,700.00	\$ 117,888.31		\$ 811.69	
Mayor and Council	24,400.00	23,400.00	22,875.00		525.00	
Other Expenses:						
Printing and Legal	3,100.00	3,100.00	2,443.72		656.28	
Mayor and Council	3,100.00	3,400.00	3,252.63	\$ 63.88	83.49	
Miscellaneous Other Expenses	60,000.00	70,200.00	61,989.13	7,259.05	951.82	
Elections						
Other Expenses	2,000.00	2,000.00	1,454.67		545.33	
Financial Administration						
Salaries and Wages:						
Treasurer's Office	41,000.00	36,500.00	36,190.74		309.26	
Chief Financial Officer	42,500.00	43,500.00	43,279.07		220.93	
Other Expenses:						
Annual Audit	31,000.00	31,000.00	31,000.00			
Assessment of Taxes						
Salaries and Wages	8,400.00	8,400.00	8,199.96		200.04	
Other Expenses	1,500.00	1,500.00	802.70		697.30	
Collection of Taxes						
Salaries and Wages	31,500.00	33,000.00	32,817.87		182.13	
Other Expenses	4,500.00	4,500.00	2,103.00	1,200.00	1,197.00	
Legal Services						
Other Expenses	50,000.00	52,000.00	50,845.00		1,155.00	
Engineering Services and Costs						
Other Expenses	40,000.00	22,550.00	20,240.00		2,310.00	
Public Buildings and Grounds						
Other Expenses	40,000.00	47,000.00	44,590.20	2,327.45	82.35	

(Continued)

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2019

	Appropriations		Expended			Unexpended
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance</u>
		<u>Modification</u>	<u>Charged</u>			<u>Canceled</u>
<u>OPERATIONS WITHIN "CAPS" (CONT'D)</u>						
Maintenance of Borough Owned Homes						
Salaries and Wages	\$ 22,500.00	\$ 19,500.00	\$ 17,388.00		\$ 2,112.00	
Other Expenses	62,000.00	62,000.00	56,911.92	\$ 3,195.89	1,892.19	
Municipal Land Use Law (N.J.S.A. 40:55D-1)						
Planning and Zoning Boards						
Salaries and Wages	5,100.00	4,500.00	4,176.53		323.47	
Other Expenses	3,500.00	500.00	470.00		30.00	
Insurance:						
Group Insurance Plans for Employees	390,000.00	272,000.00	269,735.59		2,264.41	
Health Benefit Waiver	26,000.00	33,000.00	32,741.11		258.89	
Worker's Compensation Insurance	77,563.00	77,563.00	77,563.00			
Other Insurance Premiums	86,000.00	84,500.00	84,449.31		50.69	
Animal Control						
Other Expenses	7,500.00	7,500.00	7,125.00	300.00	75.00	
Celebration of Public Events						
Other Expenses	10,000.00	18,000.00	17,965.82		34.18	
PUBLIC SAFETY:						
Fire Prevention						
Salaries and Wages	5,500.00	5,500.00	5,469.96		30.04	
Other Expenses	3,000.00	3,500.00	3,000.00	500.00		
Police						
Salaries and Wages	645,000.00	668,000.00	666,239.55		1,760.45	
Other Expenses	79,000.00	79,000.00	74,441.01	3,644.21	914.78	
Volunteer Ambulance Association						
Other Expenses	37,000.00	37,000.00	34,762.78	1,340.00	897.22	
Municipal Code Enforcement Official						
Salaries and Wages	32,500.00	33,500.00	32,797.83		702.17	
Other Expenses	1,500.00	1,500.00	642.72		857.28	

(Continued)

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2019

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
<u>OPERATIONS WITHIN "CAPS" (CONT'D)</u>						
PUBLIC SAFETY (CONT'D):						
Office of Emergency Management						
Salaries and Wages	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00			
Other Expenses	3,500.00	2,500.00	1,258.59		\$ 1,241.41	
Traffic Signals						
Other Expenses	2,800.00	2,800.00	985.25		1,814.75	
Streets and Roads						
Road Repairs and Maintenance						
Salaries and Wages	95,000.00	115,000.00	114,566.27		433.73	
Other Expenses	7,800.00	8,400.00	8,151.13	\$ 182.09	66.78	
Vehicle Maintenance						
Other Expenses	35,000.00	44,000.00	42,080.11	1,705.86	214.03	
Sanitation						
Sewer System						
Salaries and Wages	44,000.00	49,000.00	47,542.09		1,457.91	
Other Expenses	16,500.00	16,500.00	13,142.23	292.46	3,065.31	
Garbage and Trash Removal						
Salaries and Wages	56,000.00	66,500.00	66,368.20		131.80	
Other Expenses	3,500.00	3,500.00	1,736.08	616.65	1,147.27	
Sanitary Landfill						
Other Expenses	63,000.00	80,000.00	67,067.57	6,500.00	6,432.43	
Recycling						
Salaries and Wages	35,000.00	40,000.00	37,684.47		2,315.53	
Other Expenses	11,000.00	8,500.00	6,499.41		2,000.59	
HEALTH AND WELFARE:						
Board of Health						
Salaries and Wages	500.00	500.00	500.00			
Other Expenses	1,500.00	1,500.00	653.00		847.00	
Parks and Playgrounds						
Other Expenses	30,000.00	40,000.00	39,109.91	108.00	782.09	

(Continued)

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2019

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>
HEALTH AND WELFARE (CONT'D):					
Shade Tree Commission					
Other Expenses	\$ 10,000.00	\$ 10,000.00	\$ 9,998.40		\$ 1.60
STATE UNIFORM CONSTRUCTION CODE:					
Subcode Officials:					
Building Inspector					
Salaries and Wages	9,000.00	9,800.00	4,749.60		5,050.40
Electrical Inspector					
Salaries and Wages	6,000.00	6,800.00	6,530.04		269.96
Fire Inspector					
Salaries and Wages	3,800.00	4,950.00	4,945.03		4.97
Plumbing Official					
Salaries and Wages	4,000.00	4,000.00	3,557.52		442.48
UNCLASSIFIED:					
Utilities:					
Utilities	160,000.00	153,500.00	145,427.19	\$ 2,692.35	5,380.46
Total Operations Within "CAPS"	<u>2,584,763.00</u>	<u>2,576,763.00</u>	<u>2,489,604.22</u>	<u>31,927.89</u>	<u>55,230.89</u>
Total Operations Including Contingent - within "CAPS"					
Detail:					
Salaries and Wages	1,221,900.00	1,292,250.00	1,274,966.04	-	17,283.96
Other Expenses	1,362,863.00	1,284,513.00	1,214,638.18	31,927.89	37,946.93

(Continued)

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2019

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Balance Canceled</u>
<u>DEFERRED CHARGES AND STATUTORY</u>					
<u>EXPENDITURES - MUNICIPAL WITHIN "CAPS":</u>					
STATUTORY EXPENDITURES:					
Contribution to:					
Public Employees Retirement Systems	\$ 87,263.00	\$ 87,263.00	\$ 87,263.00		
Police and Fireman's Retirement System of New Jersey	133,621.00	133,621.00	133,621.00		
Social Security System (O.A.S.I.)	83,000.00	86,000.00	85,540.12		\$ 459.88
Unemployment Compensation Insurance	2,500.00	2,500.00	2,500.00		
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	<u>306,384.00</u>	<u>309,384.00</u>	<u>308,924.12</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	<u>2,891,147.00</u>	<u>2,886,147.00</u>	<u>2,798,528.34</u>	<u>31,927.89</u>	<u>55,690.77</u>
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>					
Recycling Tax	3,400.00	3,400.00	1,489.65		1,910.35
Interlocal Service Agreement - Audubon Park Tax Collection Services	2,750.00	2,750.00	2,737.54		12.46
Interlocal Service Agreement - Borough of Oaklyn Municipal Court Services	119,750.00	124,750.00	96,670.12		28,079.88
Interlocal Service Agreement - Borough of Westville Administrator Services	57,500.00	57,500.00	57,485.98		14.02
Total Other Operations Excluded from "CAPS"	<u>183,400.00</u>	<u>188,400.00</u>	<u>158,383.29</u>	<u>-</u>	<u>30,016.71</u>

(Continued)

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2019

	Appropriations		Expended		Unexpended
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Balance Canceled</u>
<b><u>OPERATIONS EXCLUDED FROM "CAPS" (CONT'D)</u></b>					
Public and Private Programs Offset by Revenues:					
Municipal Alliance on Alcoholism and Drug Abuse	\$ 8,390.50	\$ 8,390.50	\$ 8,390.50		
Recycling Tonnage Grant	4,824.34	4,824.34	4,824.34		
Clean Communities (N.J.S.A. 40A:4-87, \$4,192.59+)		4,192.59	4,192.59		
Body Armor Replacement Fund	1,136.99	1,136.99	1,136.99		
Drive Sober or Get Pulled Over (N.J.S.A. 40A:4-87, \$5,500.00+)		5,500.00	5,500.00		
Recreation Facility Grant (N.J.S.A. 40A:4-87, \$25,000.00+)		25,000.00	25,000.00		
Safe & Secure Communities Grant	30,000.00	30,000.00	30,000.00		
Total Public and Private Programs Offset by Revenues	44,351.83	79,044.42	79,044.42	\$ -	\$ -
<b>TOTAL OPERATIONS - EXCLUDED FROM "CAPS"</b>	<b>227,751.83</b>	<b>267,444.42</b>	<b>237,427.71</b>	<b>-</b>	<b>30,016.71</b>
Detail:					
Salaries and Wages	30,000.00	34,192.59	34,192.59	-	-
Other Expenses	197,751.83	233,251.83	203,235.12	-	30,016.71
<b><u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS":</u></b>					
Capital Improvement Fund	15,000.00	15,000.00	15,000.00		
<b>TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>	<b>15,000.00</b>	<b>15,000.00</b>	<b>15,000.00</b>	<b>-</b>	<b>-</b>
<b><u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u></b>					
Payment of Bond Application Notes and Capital Notes	208,140.00	208,140.00	208,137.00		3.00
Interest on Notes	51,811.17	51,811.17	51,721.54		89.63
<b>TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</b>	<b>259,951.17</b>	<b>259,951.17</b>	<b>259,858.54</b>	<b>-</b>	<b>92.63</b>

(Continued)

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2019

	Appropriations		Expended			Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>DEFERRED CHARGES</u> <u>EXCLUDED FROM "CAPS"</u>						
Special Emergency Authorizations	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ -	\$ -	\$ -
TOTAL DEFERRED CHARGES EXCLUDED FROM "CAPS"	10,000.00	10,000.00	10,000.00	-	-	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	512,703.00	552,395.59	522,286.25	-	30,016.71	92.63
SUBTOTAL GENERAL APPROPRIATIONS	3,403,850.00	3,438,542.59	3,320,814.59	31,927.89	85,707.48	92.63
RESERVE FOR UNCOLLECTED TAXES	182,950.00	182,950.00	182,950.00	-	-	-
TOTAL GENERAL APPROPRIATIONS	<u>\$ 3,586,800.00</u>	<u>\$ 3,621,492.59</u>	<u>\$ 3,503,764.59</u>	<u>\$ 31,927.89</u>	<u>\$ 85,707.48</u>	<u>\$ 92.63</u>
Budget		\$ 3,586,800.00				
Appropriation by N.J.S.A. 40A:4-87		<u>34,692.59</u>				
		<u>\$ 3,621,492.59</u>				
Federal and State Grants - Appropriated			\$ 79,044.42			
Special Emergency Authorizations			10,000.00			
Reserve for Uncollected Taxes			182,950.00			
Payroll Deductions Payable			670,480.34			
Disbursed			<u>2,561,289.83</u>			
			<u>\$ 3,503,764.59</u>			

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



**BOROUGH OF BROOKLAWN**  
**TRUST OTHER FUND**  
 Statements of Assets, Liabilities and Reserves - Regulatory Basis  
 As of December 31, 2019 and 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash	SB-1	\$ 347.44	\$ 197.82
Other Funds:			
Cash	SB-1	261,376.26	241,183.11
Due from Developer - Escrow Deposit	SB-1	300.00	
Due from Current Fund	SB-5	1,174.86	3,463.70
Community Development Block Grants Receivable	SB-6		3,671.46
		<u>262,851.12</u>	<u>248,318.27</u>
		<u>\$ 263,198.56</u>	<u>\$ 248,516.09</u>
<u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Reserve for Animal Control Expenditures	SB-2	\$ 341.79	\$ 197.55
Due to the State of New Jersey	SB-3	5.40	
Due to Current Fund	SB-4	0.25	0.27
		<u>347.44</u>	<u>197.82</u>
Other Funds:			
Due to General Capital Fund	SB-8	19,100.00	
Reserves for:			
Drug Awareness Resistance Education (DARE)	B	72.88	72.88
Performance Guarantees	B	3,000.00	3,000.00
Replacement of Borough Owned Homes	B	10.17	10.17
Off Duty Police Work	SB-7	105,781.61	99,490.75
Community Development Block Grants	SB-8	15,940.04	50,795.00
Security Deposits on Borough Owned Homes	SB-9	35,240.43	37,783.25
Unemployment Compensation Insurance	SB-10	7,437.71	5,946.34
Parking Offenses Adjudication Act	SB-11	429.00	425.00
Local Law Enforcement	SB-12	11,290.48	3,766.64
Public Defender Fees	SB-13	17,326.27	10,348.27
Recreation Donations	SB-14	6,820.04	5,453.98
Tax Title Lien Redemptions	SB-15	24,602.49	2,261.49
Tax Sale Premiums	SB-16	15,800.00	23,900.00
Escrow Deposits	SB-17		5,064.50
		<u>262,851.12</u>	<u>248,318.27</u>
		<u>\$ 263,198.56</u>	<u>\$ 248,516.09</u>

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

**BOROUGH OF BROOKLAWN****GENERAL CAPITAL FUND**

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

As of December 31, 2019 and 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<b><u>ASSETS</u></b>			
Cash	SC-1	\$ 754,334.01	\$ 1,819,874.80
Deferred Charges to Future Taxation:			
Unfunded	SC-3	2,792,800.00	2,869,837.00
Uncollected Grant Receivables Canceled	SC-6	51,759.45	
Due from Current Fund	SC-4		92,988.46
Due from Trust - Other Fund	SC-2	19,100.00	
N.J. Transportation Trust Fund Grant Receivable	SC-6	256,250.00	83,009.45
Community Development Block Grant	SC-2		19,100.00
		<u>\$ 3,874,243.46</u>	<u>\$ 4,884,809.71</u>
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
Reserve to Pay Notes	SC-2	\$ 25,376.71	\$ 25,376.71
Due to Current Fund	SC-4	349.17	
Capital Improvement Fund	SC-5	23,650.28	15,550.28
Contracts Payable	SC-7	714,222.43	
Improvement Authorizations:			
Funded	SC-8	244,950.00	143,788.25
Unfunded	SC-8	386,494.87	2,012,757.47
Bond Anticipation Notes	SC-9	2,479,200.00	2,687,337.00
		<u>\$ 3,874,243.46</u>	<u>\$ 4,884,809.71</u>

Bonds and notes authorized but not issued on December 31, 2019 and 2018 were \$313,600.00 and \$182,500.00.

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

**BOROUGH OF BROOKLAWN****WATER UTILITY FUND**

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis  
As of December 31, 2019 and 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>			
Operating Fund:			
Cash - Treasurer	SD-1	\$ 133,108.18	\$ 218,005.37
Due from Water Utility Capital Fund	SD-1	<u>339.77</u>	<u>431.29</u>
		<u>133,447.95</u>	<u>218,436.66</u>
Receivables With Full Reserves			
Consumer Accounts Receivable	SD-3	<u>2,277.09</u>	<u>5,129.07</u>
Deferred Charges:			
Emergency Appropriation	D-3	<u>26,000.00</u>	<u>-</u>
Total Operating Fund		<u>161,725.04</u>	<u>223,565.73</u>
Capital Fund:			
Cash	SD-1	771,563.44	1,013,962.12
Fixed Capital	SD-4	2,998,133.54	2,998,133.54
Fixed Capital Authorized and Uncompleted	SD-5	<u>1,789,099.20</u>	<u>1,789,099.20</u>
Total Capital Fund		<u>5,558,796.18</u>	<u>5,801,194.86</u>
		<u>\$ 5,720,521.22</u>	<u>\$ 6,024,760.59</u>

(Continued)

**BOROUGH OF BROOKLAWN****WATER UTILITY FUND**

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

As of December 31, 2019 and 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves	D-3;SD-6	\$ 5,209.01	\$ 12,016.90
Reserve for Encumbrances	D-3;SD-6	721.64	12,705.87
Due to Bank	SD-1		0.02
Due to Current Fund	SD-1	0.17	2,682.21
Accrued Interest on Notes	SD-7	15,323.31	17,495.03
		<u>21,254.13</u>	<u>44,900.03</u>
Reserve for Receivables	D	2,277.09	5,129.07
Fund Balance	D-1	<u>138,193.82</u>	<u>173,536.63</u>
Total Operating Fund		<u>161,725.04</u>	<u>223,565.73</u>
Capital Fund:			
Reserve for Payment of Debt	D	5,322.36	5,322.36
Capital Improvement Fund	D	2,000.00	2,000.00
Due to Water Utility Operating Fund	SD-2	339.77	431.29
Improvement Authorizations			
Funded	SD-8	11,930.27	11,930.27
Unfunded	SD-8	733,518.80	673,141.04
Contracts Payable	SD-9		302,684.92
Reserve for Amortization	SD-10	2,952,553.47	2,879,483.47
Deferred Reserve for Amortization	SD-11	11,930.27	11,930.27
Bond Anticipation Notes	SD-12	1,828,450.00	1,901,520.00
Fund Balance	D	<u>12,751.24</u>	<u>12,751.24</u>
Total Capital Fund		<u>5,558,796.18</u>	<u>5,801,194.86</u>
		<u>\$ 5,720,521.22</u>	<u>\$ 6,024,760.59</u>

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

**BOROUGH OF BROOKLAWN****WATER UTILITY FUND**

Statements of Operations and Changes in Fund Balance - Regulatory Basis  
For the Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Revenue and Other Income Realized:		
Operating Surplus Anticipated	\$ 60,000.00	\$ 50,000.00
Rents	428,278.71	445,576.48
Miscellaneous	24,614.74	23,378.96
Water Tower Lease	16,800.00	18,200.00
Unexpended Balance of Appropriation Reserves	<u>13,459.41</u>	<u>25,744.42</u>
Total Income	<u>543,152.86</u>	<u>562,899.86</u>
Expenditures:		
Operations:		
Salaries and Wages	187,000.00	175,000.00
Other Expenses	235,899.00	206,499.00
Debt Service	107,495.67	94,200.00
Deferred Charges and Statutory Expenditures	<u>14,101.00</u>	<u>14,501.00</u>
Total Expenditures	<u>544,495.67</u>	<u>490,200.00</u>
Excess in Revenue		72,699.86
Deficit in Revenue	(1,342.81)	
Adjustments to Income before Fund Balance:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Year	<u>26,000.00</u>	<u>-</u>
Statutory Excess to Fund Balance	24,657.19	72,699.86
Fund Balance January 1	<u>173,536.63</u>	<u>150,836.77</u>
Total	198,193.82	223,536.63
Decreased by:		
Utilization as Anticipated Revenue	<u>60,000.00</u>	<u>50,000.00</u>
Fund Balance December 31	<u><u>\$ 138,193.82</u></u>	<u><u>\$ 173,536.63</u></u>

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

**BOROUGH OF BROOKLAWN**  
**WATER UTILITY FUND**  
Statement of Revenues - Regulatory Basis  
For the Year Ended December 31, 2019

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or ( <u>Deficit</u> )
Operating Surplus Anticipated	\$ 60,000.00	\$ 60,000.00	
Water Rents	426,700.00	428,278.71	\$ 1,578.71
Water Tower Lease	16,800.00	16,800.00	
Miscellaneous	<u>17,400.00</u>	<u>24,614.74</u>	<u>7,214.74</u>
	<u><u>\$ 520,900.00</u></u>	<u><u>\$ 529,693.45</u></u>	<u><u>\$ 8,793.45</u></u>

Analysis of Realized Revenue

Miscellaneous:

Interest on Delinquent Accounts	\$ 2,271.73
Meter Fees	1,955.00
Water Allocation for Westville	15,000.00
Interest on Deposits	<u>885.37</u>

20,112.10

Cancellation of Due to Bank	0.02
Interest on Water Capital Checking Account	<u>4,502.62</u>
	<u><u>\$ 24,614.74</u></u>

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

**BOROUGH OF BROOKLAWN**  
**WATER UTILITY FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2019

	Appropriations		Expended		Unexpended
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Balance Canceled</u>
Operations:					
Salaries and Wages	\$ 190,000.00	\$ 187,000.00	\$ 186,839.04		\$ 160.96
Other Expenses	189,999.00	218,699.00	213,010.88	\$ 721.64	4,966.48
Annual Audit	16,500.00	17,200.00	17,200.00		
Total Operations	<u>396,499.00</u>	<u>422,899.00</u>	<u>417,049.92</u>	<u>721.64</u>	<u>\$ -</u>
Debt Service:					
Payment of Bond Anticipation Notes	73,200.00	73,200.00	73,070.00		130.00
Interest on Notes	36,700.00	36,700.00	34,425.67		2,274.33
Total Debt Service	<u>109,900.00</u>	<u>109,900.00</u>	<u>107,495.67</u>	<u>-</u>	<u>2,404.33</u>
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	14,500.00	14,100.00	14,019.43		80.57
Unemployment Compensation Insurance	1.00	1.00			1.00
Total Statutory Expenditures	<u>14,501.00</u>	<u>14,101.00</u>	<u>14,019.43</u>	<u>-</u>	<u>-</u>
Total Water Utility Appropriations	<u>\$ 520,900.00</u>	<u>\$ 546,900.00</u>	<u>\$ 538,565.02</u>	<u>\$ 721.64</u>	<u>\$ 2,404.33</u>
Emergency Appropriation		\$ 26,000.00			
Budget		<u>520,900.00</u>			
		<u>\$ 546,900.00</u>			
Interest on Bond and Notes			\$ 34,425.67		
Disbursed			<u>504,139.35</u>		
			<u>\$ 538,565.02</u>		

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

**BOROUGH OF BROOKLAWN**  
**PUBLIC ASSISTANCE TRUST FUND**  
**Statements of Assets, Liabilities and Reserves - Regulatory Basis**  
**As of December 31, 2019 and 2018**

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	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>			
Cash	SE-1	\$ -	\$ 550.97
		<u>          </u>	<u>          </u>
 <u>LIABILITIES AND RESERVES</u>			
Due to Current Fund	SE-1	\$ -	\$ 0.23
Reserve for Public Assistance	E	-	550.74
		<u>          </u>	<u>          </u>
		\$ -	\$ 550.97
		<u>          </u>	<u>          </u>

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



**BOROUGH OF BROOKLAWN**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
Statement of General Fixed Asset Group of Accounts - Regulatory Basis  
For the Year Ended December 31, 2019

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	Balance <u>Dec. 31, 2018</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2019</u>
General Fixed Assets:				
Land	\$ 1,692,000.00			\$ 1,692,000.00
Building	3,244,400.00			3,244,400.00
Equipment	<u>2,556,134.26</u>	<u>\$ 63,316.00</u>	<u>\$ 22,621.59</u>	<u>2,596,828.67</u>
Total General Fixed Assets	<u><u>\$ 7,492,534.26</u></u>	<u><u>\$ 63,316.00</u></u>	<u><u>\$ 22,621.59</u></u>	<u><u>\$ 7,533,228.67</u></u>
 Total Investment in General Fixed Assets	 <u><u>\$ 7,492,534.26</u></u>	 <u><u>\$ 63,316.00</u></u>	 <u><u>\$ 22,621.59</u></u>	 <u><u>\$ 7,533,228.67</u></u>

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

**BOROUGH OF BROOKLAWN**  
Notes to Financial Statements  
For the Year Ended December 31, 2019

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**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

**Component Units** - The Borough had no component units as defined by Governmental Accounting Standards Board Statement No. 14, as amended by GASB Statements No. 39, No. 61 and No. 80.

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

In accordance with the *Requirements*, the Borough accounts for its financial transactions through the use of separate funds and an account group which are described as follows:

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

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

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

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

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

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

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

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

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

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

**Cash, Cash Equivalents and Investments** - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost; therefore, unrealized gains or losses on investments have not been recorded.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**School Taxes** - The Borough is responsible for levying, collecting, and remitting school taxes for the Borough of Brooklawn School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period July 1 to June 30, increased by the amount deferred at December 31, 2018 and decreased by the amount deferred at December 31, 2019.

**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 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.

**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, 2019, the Borough's bank balances of \$4,219,306.16 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 4,219,306.16
Uninsured and Uncollateralized	<u>-</u>
Total	<u>\$ 4,219,306.16</u>

**New Jersey Cash Management Fund** - During the year, the Borough participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At December 31, 2019, the Borough's deposits with the New Jersey Cash Management Fund were \$2,511.94.

**Note 3: PROPERTY TAXES**

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

**Comparative Schedule of Tax Rates**

	<u>Year Ended</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Tax Rate	\$ 4.022	\$ 4.033	\$ 3.900	\$ 3.090	\$ 3.059
Apportionment of Tax Rate:					
Municipal	\$ 1.806	\$ 1.781	\$ 1.762	\$ 1.400	\$ 1.380
County	.928	.975	.881	.706	.728
County Open Space Trust Fund	.022	.023	.020	.017	.018
Local School	1.266	1.254	1.237	.967	.933

**Assessed Valuation**

<u>Year</u>	<u>Amount</u>
2019	\$ 112,956,300.00
2018	113,158,800.00
2017	111,879,600.00
2016	138,818,400.00
2015	140,133,300.00

**Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2019	\$ 4,548,710.67	\$ 4,445,030.57	97.72%
2018	4,567,701.36	4,493,666.60	98.38%
2017	4,366,708.54	4,318,272.91	98.89%
2016	4,289,488.56	4,180,289.28	97.45%
2015	4,301,259.54	4,147,093.37	96.42%

**Delinquent Taxes and Tax Title Liens**

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2019	\$ 103,545.54	\$ 90,427.35	\$ 193,972.89	4.26%
2018	92,509.17	61,471.95	153,981.12	3.37%
2017	81,442.60	94,364.47	175,807.07	4.03%
2016	70,741.00	69,998.22	140,739.22	3.28%
2015	71,266.87	119,647.01	190,913.88	4.44%

**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>
2019	5
2018	5
2017	5
2016	6
2015	6

**Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

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

<u>Year</u>	<u>Amount</u>
2019	\$ 69,700.00
2018	69,700.00
2017	69,700.00
2016	69,700.00
2015	69,700.00

**Note 5: WATER UTILITY SERVICE CHARGES**

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

<u>Year</u>	<u>Balance Beginning of Year Receivable</u>	<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
2019	\$ 5,129.07	\$ 425,426.73	\$ 430,555.80	\$ 428,278.71
2018	110,964.74	339,740.81	450,705.55	445,576.48
2017	123,150.42	445,795.40	568,945.82	457,981.65
2016	118,672.17	450,927.55	569,599.72	446,088.40
2015	91,945.10	429,494.71	521,439.81	402,767.64



**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>
2019	\$ 1,487,057.98	\$ 508,000.00	34.16%
2018	1,398,662.09	450,000.00	32.17%
2017	1,223,592.41	405,500.00	33.14%
2016	962,156.39	390,000.00	40.53%
2015	812,366.96	325,000.00	40.01%

**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>
2019	\$ 138,193.82	\$ 91,500.00	66.21%
2018	173,536.63	60,000.00	34.57%
2017	151,157.02	50,000.00	33.08%
2016	111,990.42	40,870.00	36.49%
2015	28,807.72	6,000.00	20.83%

**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, 2019:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 349.59	\$ 1,174.86
Trust - Animal Control	1,174.86	
Trust - Other		19,100.25
General Capital	19,100.00	349.17
Water Utility - Operating	339.77	0.17
Water Utility - Capital		339.77
Totals	<u>\$ 20,964.22</u>	<u>\$ 20,964.22</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2020, the Borough expects to liquidate such interfunds, depending upon the availability of cash flow.

**Note 8: PENSION PLANS**

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

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

**Public Employees' Retirement System** - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' 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.

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

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

**Public Employees' Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:15A. The PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

The following represents the membership tiers for PERS:

**Tier Definition**

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

Service retirement benefits of 1/55<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.

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

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

**Contributions**

**Public Employees' Retirement System** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2019. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) was 10.0% in State fiscal year 2019. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The Borough's contractually required contribution rate for the year ended December 31, 2019 was 10.71% of the Borough's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2019, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2019 is \$74,699.00, and was payable by April 1, 2020. 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, 2018, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2018 was \$83,501.00, which was paid by April 1, 2019. Employee contributions to the Plan during the year ended December 31, 2019 were \$54,402.58.

**Police and Firemen's Retirement System** - The contribution policy for PFRS 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 member contribution rate was 10.0% in State fiscal year 2019. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate, 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.

**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)** - The Borough's contractually required contribution rate for the year ended December 31, 2019 was 30.89% 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, 2019, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2019 is \$149,679.00, and was payable by April 1, 2020. 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, 2018, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2018 was \$127,566.00, which was paid by April 1, 2019. Employee contributions to the Plan during the year ended December 31, 2019 were \$48,454.60.

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, 2019 was 3.98% of the Borough's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2019, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2019 is \$19,293.00, and was payable by April 1, 2020. Based on the 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 was \$14,204.00, which was paid by April 1, 2019.

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

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

**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

**Public Employees' Retirement System** - At December 31, 2019, the Borough's proportionate share of the PERS net pension liability was \$1,383,731.00. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. 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, 2019. 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, 2019 measurement date, the Borough's proportion was 0.0076795088%, which was a decrease of 0.0007152773% from its proportion measured as of June 30, 2018.

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

**Public Employees' Retirement System (Cont'd)** - At December 31, 2019, the Borough's proportionate share of the PERS pension (benefit) expense, calculated by the Plan as of the June 30, 2019 measurement date is \$46,930.00. This (benefit) 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, 2019, the Borough's contribution to PERS was \$83,501.00, and was paid by April 1, 2019.

**Police and Firemen's Retirement System** - At December 31, 2019, the Borough's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Borough's Proportionate Share of Net Pension Liability	\$ 1,813,410.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Borough	<u>286,341.00</u>
	<u>\$ 2,099,751.00</u>

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. 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, 2019. 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, 2019 measurement date, the Borough's proportion was 0.0148180804%, which was an increase of 0.0017698169% from its proportion measured as of June 30, 2018. Likewise, at June 30, 2019, the State of New Jersey's proportion, on-behalf of the Borough, was 0.0148180804%, which was an increase of 0.0017698169% from its proportion, on-behalf of the Borough, measured as of June 30, 2018.

At December 31, 2019, the Borough's proportionate share of the PFRS pension (benefit) expense, calculated by the Plan as of the June 30, 2019 measurement date is \$55,328.00. This (benefit) 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, 2019, the Borough's contribution to PFRS was \$127,566.00, and was paid by April 1, 2019.

At December 31, 2019, the State's proportionate share of the PFRS pension (benefit) expense, associated with the Borough, calculated by the Plan as of the June 30, 2019 measurement date is \$286,341.00. This on-behalf (benefit) expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1.

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

**Deferred Outflows of Resources and Deferred Inflows of Resources -** At December 31, 2019, the Borough had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>			<u>Deferred Inflows of Resources</u>		
	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between Expected and Actual Experience	\$ 24,836.00	\$ 15,308.00	\$ 40,144.00	\$ 6,113.00	\$ 11,481.00	\$ 17,594.00
Changes of Assumptions	138,171.00	62,137.00	200,308.00	480,289.00	586,077.00	1,066,366.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	-	-	21,843.00	24,571.00	46,414.00
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions	292,187.00	331,927.00	624,114.00	369,702.00	232,213.00	601,915.00
Borough Contributions Subsequent to the Measurement Date	37,350.00	74,840.00	112,190.00	-	-	-
	<u>\$ 492,544.00</u>	<u>\$ 484,212.00</u>	<u>\$ 976,756.00</u>	<u>\$ 877,947.00</u>	<u>\$ 854,342.00</u>	<u>\$ 1,732,289.00</u>

Deferred outflows of resources totaling \$37,350.00 and \$74,840.00 for PERS and PFRS, respectively, will be included as a reduction of the net pension liability in the year ending December 31, 2020. These amounts were based on an estimated April 1, 2021 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2019 to the Borough's year end of December 31, 2019.

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

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - The Borough will amortize the above other deferred outflow of resources and deferred inflows of resources related to pensions over the following number of years:

	<u>PERS</u>		<u>PFRS</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
June 30, 2014	-	-	-	-
June 30, 2015	5.72	-	-	5.53
June 30, 2016	5.57	-	-	5.58
June 30, 2017	5.48	-	5.59	-
June 30, 2018	-	5.63	5.73	-
June 30, 2019	5.21	-	-	5.92
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
June 30, 2019	-	5.21	-	5.92
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
June 30, 2019	-	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
June 30, 2019	5.21	5.21	5.92	5.92



**Note 8: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) 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><u>Year Ending Dec 31,</u></b>	<b><u>PERS</u></b>	<b><u>PFRS</u></b>	<b><u>Total</u></b>
2020	\$ (55,105.00)	\$ (105,055.00)	\$ (160,160.00)
2021	(169,384.00)	(194,109.00)	(363,493.00)
2022	(136,160.00)	(132,530.00)	(268,690.00)
2023	(49,993.00)	(17,766.00)	(67,759.00)
2024	(12,111.00)	4,490.00	(7,621.00)
	<u>\$ (422,753.00)</u>	<u>\$ (444,970.00)</u>	<u>\$ (867,723.00)</u>

**Actuarial Assumptions**

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. 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, 2019. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<b><u>PERS</u></b>	<b><u>PFRS</u></b>
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases (1):		
Through 2026	2.00% - 6.00%	
Thereafter	3.00% - 7.00%	
Through All Future Years		3.25% - 15.25%
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018	July 1, 2013 - June 30, 2018

(1) Based on Years of Service

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

For PERS, pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

For PFRS, pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

For PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2019) 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, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%
	<u>100.00%</u>	

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

**Discount Rate** - The discount rate used to measure the total pension liability at June 30, 2019 was 6.28% for PERS and 6.85% 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 3.50% as of June 30, 2019, based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plans' fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057 for PERS and 2076 for PFRS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 for PERS and 2076 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**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, 2019, the Plan's measurement date, calculated using a discount rate of 6.28%, 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>		
	<b>1% Decrease (5.28%)</b>	<b>Current Discount Rate (6.28%)</b>	<b>1% Increase (7.28%)</b>
Borough's Proportionate Share of the Net Pension Liability	\$ 1,747,877.00	\$ 1,383,731.00	\$ 1,076,886.00

**Police and Firemen's Retirement System (PFRS)** - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the Borough's annual required contribution. As such, the net pension liability as of June 30, 2019, the Plan's measurement date, for the Borough and the State of New Jersey, calculated using a discount rate of 6.85%, 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>		
	<b>1% Decrease (5.85%)</b>	<b>Current Discount Rate (6.85%)</b>	<b>1% Increase (7.85%)</b>
Borough's Proportionate Share of the Net Pension Liability	\$ 2,451,069.00	\$ 1,813,410.00	\$ 1,285,655.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Borough	387,028.00	286,341.00	203,007.00
	<u>\$ 2,838,097.00</u>	<u>\$ 2,099,751.00</u>	<u>\$ 1,488,662.00</u>

**Note 8: PENSION PLANS (CONT'D)****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 (benefit) 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.state.nj.us/treasury/pensions/financial-reports.shtml>.

**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 Seven Plan Years)***

	Measurement Date Ended June 30,			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Borough's Proportion of the Net Pension Liability	0.0076795088%	0.0083947861%	0.0069901204%	0.0093776834%
Borough's Proportionate Share of the Net Pension Liability	\$ 1,383,731.00	\$ 1,652,892.00	\$ 1,627,188.00	\$ 2,777,401.00
Borough's Covered Payroll (Plan Measurement Period)	\$ 557,776.00	\$ 520,820.00	\$ 484,876.00	\$ 634,140.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	248.08%	317.36%	335.59%	437.98%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.27%	53.60%	48.10%	40.14%
	Measurement Date Ended June 30,			
	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Borough's Proportion of the Net Pension Liability	0.0078995565%	0.0076864518%	0.0079321327%	
Borough's Proportionate Share of the Net Pension Liability	\$ 1,773,292.00	\$ 1,439,114.00	\$ 1,515,988.00	
Borough's Covered Payroll (Plan Measurement Period)	\$ 545,516.00	\$ 534,796.00	\$ 547,784.00	
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	325.07%	269.10%	276.75%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.93%	52.08%	48.72%	

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

	Year Ended December 31,			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Borough's Contractually Required Contribution	\$ 74,699.00	\$ 83,501.00	\$ 64,756.00	\$ 83,310.00
Borough's Contribution in Relation to the Contractually Required Contribution	\$ (74,699.00)	(83,501.00)	(64,756.00)	(83,310.00)
Borough's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Borough's Covered Payroll (Calendar Year)	\$ 697,615.00	\$ 550,019.00	\$ 560,715.00	\$ 499,789.00
Borough's Contributions as a Percentage of Covered Payroll	10.71%	15.18%	11.55%	16.67%
	Year Ended December 31,			
	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Borough's Contractually Required Contribution	\$ 67,915.00	\$ 63,366.00	\$ 59,767.00	
Borough's Contribution in Relation to the Contractually Required Contribution	(67,915.00)	(63,366.00)	(59,767.00)	
Borough's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	
Borough's Covered Payroll (Calendar Year)	\$ 596,213.00	\$ 546,032.00	\$ 524,824.00	
Borough's Contributions as a Percentage of Covered Payroll	11.39%	11.60%	11.39%	

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

	<u>Measurement Date Ended June 30,</u>			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Borough's Proportion of the Net Pension Liability	0.0148180804%	0.0130482635%	0.0128201846%	0.0156045217%
Borough's Proportionate Share of the Net Pension Liability	\$ 1,813,410.00	\$ 1,765,645.00	\$ 1,979,189.00	\$ 2,980,863.00
State's Proportionate Share of the Net Pension Liability associated with the Borough	286,341.00	239,834.00	221,686.00	250,319.00
Total	<u>\$ 2,099,751.00</u>	<u>\$ 2,005,479.00</u>	<u>\$ 2,200,875.00</u>	<u>\$ 3,231,182.00</u>
Borough's Covered Payroll (Plan Measurement Period)	\$ 502,232.00	\$ 432,880.00	\$ 401,316.00	\$ 498,760.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	361.07%	407.88%	493.17%	597.65%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.00%	62.48%	58.60%	52.01%
	<u>Measurement Date Ended June 30,</u>			
	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Borough's Proportion of the Net Pension Liability	0.0136972239%	0.0151974614%	0.0196497222%	
Borough's Proportionate Share of the Net Pension Liability	\$ 2,281,480.00	\$ 1,911,700.00	\$ 2,612,253.00	
State's Proportionate Share of the Net Pension Liability associated with the Borough	200,078.00	205,858.00	243,494.00	
Total	<u>\$ 2,481,558.00</u>	<u>\$ 2,117,558.00</u>	<u>\$ 2,855,747.00</u>	
Borough's Covered Payroll (Plan Measurement Period)	\$ 433,768.00	\$ 429,188.00	\$ 616,672.00	
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	525.97%	445.42%	423.60%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.31%	62.41%	58.70%	

**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 Seven Years)***

	Year Ended December 31,			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Borough's Contractually Required Contribution	\$ 149,679.00	\$ 127,566.00	\$ 113,461.00	\$ 127,230.00
Borough's Contribution in Relation to the Contractually Required Contribution	(149,679.00)	(127,566.00)	(113,461.00)	(127,230.00)
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 484,546.00	\$ 499,919.00	\$ 442,630.00	\$ 402,314.00
Borough's Contributions as a Percentage of Covered Payroll	30.89%	25.52%	25.63%	31.62%

  

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

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

None

**Changes in Assumptions**

The Discount Rate changed at June 30th over the following years: 5.39% 2014, 4.90% 2015, 3.98% 2016, 5.00% 2017, 5.66% 2018, and 6.28% 2019.

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, 2018 and 2019.

For 2019, the assumed rates of retirement, mortality, salary increases, and inflation were updated based on the July 1, 2014 - June 30, 2018 Experience Study. For pre-retirement mortality, the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For healthy retirees and beneficiaries, the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For disabled retiree mortality, the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males, and a 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For mortality improvement, Scale MP-2019 was used.

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.

***Police and Firemen's Retirement System (PFRS)*****Changes in Benefit Terms**

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

**Changes in Assumptions**

The Discount Rate changed at June 30th over the following years: 6.32% 2014, 5.79% 2015, 5.55% 2016, 6.14% 2017, 6.51% 2018 and 6.85% 2019.

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, 2018 and 2019.



**Note 8: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)****Other Notes to Supplementary Pension Information (Cont'd)*****Police and Firemen's Retirement System (PFRS) (Cont'd)*****Changes in Assumptions (Cont'd)**

For 2019, the assumed rates of retirement, mortality, salary increases, and inflation were updated based on the July 1, 2013 - June 30, 2018 Experience Study. For pre-retirement mortality, the Pub-201 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For healthy retirees, the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For beneficiaries mortality, the Pub-2010 General Retiree Below-Median Income Weighted mortality table, unadjusted, and with future improvement from the base year of 2010 on a generational basis was used. For disabled mortality, the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For mortality improvement, Scale MP-2019 was used.

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: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS****General Information about the OPEB Plan**

**Plan Description and Benefits Provided** - The Borough does not provide postemployment benefits to its retirees, however, the State of New Jersey (the "State") provides these benefits to certain Borough retirees and their dependents under a special funding situation as described below.

The State of New Jersey, on-behalf of the Borough, contributes to the State Health Benefits Local Government Retired Employees Plan (the "Plan"), which is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Comprehensive Annual Financial Report (CAFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****General Information about the OPEB Plan (Cont'd)**

**Contributions** - The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there is a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members.

*Special Funding Situation Component* - The State of New Jersey makes contributions to cover those employees eligible under Chapter 330, P.L. 1997, as disclosed below. Local employers remit employer contributions on a monthly basis. Retired member contributions are generally received on a monthly basis. Partially funded benefits are also available to local police officers and firefighters who retire with 25 years of service or on disability from an employer who does not provide coverage under the provisions of Chapter 330, P.L. 1997. Upon retirement, these individuals must enroll in the OPEB plan.

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80% of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L. 1989.

Therefore, the Borough is considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the Borough does not contribute under this legislation directly to the Plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the Borough is required disclose:

- a) the State's proportion (percentage) of the collective net OPEB liability that is associated with the Borough,
- b) the State's proportionate share of the collective net OPEB liability that is associated with the Borough, and
- c) the State's proportionate share of the OPEB expense that is associated with the Borough.

The amount of actual contributions to the OPEB Plan made by the State, on-behalf of the Borough, is not known, however, under the Special Funding Situation, the State's OPEB expense, on-behalf of the Borough, is \$27,026.00 for the year ended December 31, 2019 representing 5.58% of the Borough's covered payroll.

**OPEB Liability and OPEB (Benefit) Expense**

**OPEB Liability** - At December 31, 2019 the State's proportionate Share of the Net OPEB liability associated with the Borough is \$2,038,880.00. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019.

**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****OPEB Liability and OPEB (Benefit) Expense (Cont'd)**

**OPEB Liability (Cont'd)** - The State's proportion of the net OPEB liability, on-behalf of the Borough was based on the ratio of the plan members of an individual employer to the total members of the Plan's special funding situation during the measurement period July 1, 2018 through June 30, 2019. For the June 30, 2019 measurement date, the State's proportion on-behalf of the Borough was 0.036898% which was a decrease of 0.001813% from its proportion measured as of the June 30, 2018 measurement date.

**OPEB (Benefit) Expense** - At December 31, 2019, the State's proportionate share of the OPEB (benefit) expense, associated with the Borough, calculated by the Plan as of the June 30, 2019 measurement date, is \$27,026.00. This on-behalf (benefit) expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1.

**Actuarial Assumptions**

The actuarial assumptions vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2019 used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%
Salary Increases *	
PERS:	
Not Applicable Under Special Funding Situation	
PFRS:	
Rate for all Years	3.25% to 15.25%
* Salary Increases are Based on Years of Service Within the Respective Plan	

PFRS mortality rates were based on Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019.

Actuarial assumptions used in the July 1, 2018 valuation were based on the results of the PFRS experience study prepared for July 1, 2013 to June 30, 2018.

100% of active members are considered to participate in the Plan upon retirement.

All of the Plan's investments are in the State of New Jersey Cash Management Fund ("CMF"). The New Jersey Division of Investments manages the CMF, which is available on a voluntary basis for investment by State and certain non-State participants. The CMF is considered to be an investment trust fund as defined in GASB Statement No. 31, *Certain Investments and External Investment Pools*. The CMF invests in U.S. Government and Agency Obligations, Commercial Paper, Corporate Obligations and Certificates of Deposit. Units of ownership in the CMF may be purchased or redeemed on any given business day (excluding State holidays) at the unit cost of value of \$1.00. Participant shares are valued on a fair value basis. The CMF pay interest to participants on a monthly basis.

**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****Actuarial Assumptions (Cont'd)**

**Discount Rate** - The discount rate used to measure the OPEB Liability at June 30, 2019 was 3.50%. This represents the municipal bond return rate as chosen by the State. The source is 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. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Health Care Trend Assumptions** - For pre-Medicare medical benefits, the trend is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2020 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years.

**Sensitivity of the net OPEB Liability to Changes in the Discount Rate**

As previously mentioned, the OPEB Plan has a special funding situation where the State of New Jersey pays the Borough's contributions for certain eligible employees. As such, the proportionate share of the net OPEB liability as of June 30, 2019, the Plan's measurement date, calculated using a discount rate of 3.50%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used, is as follows:

	<b>1% Decrease (2.50%)</b>	<b>Current Discount Rate (3.50%)</b>	<b>1% Increase (4.50%)</b>
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Borough	<u>\$ 2,357,464.00</u>	<u>\$ 2,038,880.00</u>	<u>\$ 1,779,989.00</u>

**Sensitivity of the net OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The net OPEB Liability as of June 30, 2019, the Plan's measurement date, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used, is as follows:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Borough	<u>\$ 1,720,564.00</u>	<u>\$ 2,038,880.00</u>	<u>\$ 2,444,946.00</u>

**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****OPEB Plan Fiduciary Net Position**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB (benefit) expense, information about the respective fiduciary net position of the State Health Benefits Local Government Retired Employees Plan and additions to/deductions from the Plan's respective fiduciary net position have been determined on the same basis as they are reported by the Plan. Accordingly, contributions (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 the Plan, please refer to the Plan's Comprehensive Annual Financial Report (CAFR) which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

**Supplementary OPEB Information**

In accordance with GASB No. 75, the following information is also presented for the State Health Benefits Local Government Retired Employees 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 the State's Proportionate Share of the net OPEB Liability Associated with the Borough (Last Three Plan Years)***

	<b>Measurement Date Ended June 30,</b>		
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
Borough's Proportion of the Net OPEB Liability	0.000000%	0.000000%	0.000000%
State's Proportion of the Net OPEB Liability Associated with the Borough	100.000000%	100.000000%	100.000000%
	<u>100.000000%</u>	<u>100.000000%</u>	<u>100.000000%</u>
Borough's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Borough	2,038,880.00	2,405,441.00	3,123,914.00
Total	<u>\$ 2,038,880.00</u>	<u>\$ 2,405,441.00</u>	<u>\$ 3,123,914.00</u>
Borough's Covered Payroll (Plan Measurement Period)	\$ 508,754.00	\$ 474,993.00	\$ 424,930.00
Borough's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	0.00%	0.00%	0.00%
State's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	400.760%	506.416%	735.160%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.98%	1.97%	1.03%

**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****Supplementary OPEB Information (Cont'd)*****Schedule of the State's Contributions Associated with the Borough (Last Three Years)***

The amount of actual contributions that the State made on-behalf of the Borough is not known.

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

In 2019, there were slight changes to the Chapter 48 provisions.

**Changes in Assumptions**

In 2019, the discount rate changed to 3.50% from 3.87%, and there were changes in the assumed health care cost trend, PPO/HMO future retiree elections, and excise tax assumptions. Further, decrements, salary scale, and mortality assumptions were updated based on the July 1, 2013 - June 30, 2018 PFRS experience study. For mortality related to PFRS members and retirees, the Pub-2010 "Safety" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019 was used.

In 2018, the discount rate changed to 3.87% from 3.58%, there were changes in the census, claims and premiums experience and a decrease in the assumed health care cost trend and excise tax assumptions.

In 2017, the discount rate changed to 3.58% from 2.85%.

**Note 10: COMPENSATED ABSENCES**

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

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

The Borough does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2019, accrued benefits for compensated absences are valued at \$78,769.73.

**Note 11: 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 12: CAPITAL DEBT**

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

**Summary of Debt**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b><u>Issued</u></b>			
General:			
Notes	\$ 2,479,200.00	\$ 2,687,337.00	\$ 2,801,337.00
Water Utility:			
Notes	<u>1,828,450.00</u>	<u>1,901,520.00</u>	<u>1,834,590.00</u>
Total Issued	<u>4,307,650.00</u>	<u>4,588,857.00</u>	<u>4,635,927.00</u>
<b><u>Authorized but not Issued</u></b>			
General:			
Bonds and Notes	<u>313,600.00</u>	<u>182,500.00</u>	<u>182,500.00</u>
Total Issued and Authorized but not Issued	<u>4,621,250.00</u>	<u>4,771,357.00</u>	<u>4,818,427.00</u>
<b><u>Deductions</u></b>			
General:			
Reserve for Payment of Notes	25,376.71	25,376.71	25,376.71
Water Utility:			
Self-Liquidating	<u>1,828,450.00</u>	<u>1,901,520.00</u>	<u>1,834,590.00</u>
Total Deductions	<u>1,853,826.71</u>	<u>1,926,896.71</u>	<u>1,859,966.71</u>
<b><u>Net Debt</u></b>	<u>\$ 2,767,423.29</u>	<u>\$ 2,844,460.29</u>	<u>\$ 2,958,460.29</u>



**Note 12: CAPITAL DEBT (CONT'D)****Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of 2.269%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 2,014,000.00	\$ 2,014,000.00	
Self-Liquidating	1,828,450.00	1,828,450.00	
General	2,792,800.00	25,376.71	\$ 2,767,423.29
	<u>\$ 6,635,250.00</u>	<u>\$ 3,867,826.71</u>	<u>\$ 2,767,423.29</u>

Net debt \$2,767,423.29 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$121,991,153.00, equals 2.269%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 4,269,690.36
Less: Net Debt	<u>2,767,423.29</u>
Remaining Borrowing Power	<u>\$ 1,502,267.07</u>
Equalized Valuation Basis	<u>\$ 121,991,153.00</u>
Statutory Net Debt Percentage	<u>2.269%</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	\$ 529,693.45
Deductions:	
Operating and Maintenance Costs	\$ 411,000.00
Debt Service	<u>107,495.67</u>
Total Deductions	<u>518,495.67</u>
Excess in Revenue	<u>\$ 11,197.78</u>

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

**Note 13: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2019, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following funds:

<u>Description</u>	<u>Balance December 31, 2019</u>	<u>2020 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorization	\$ 20,000.00	\$ 10,000.00
Water Utility Fund:		
Emergency Appropriation	26,000.00	26,000.00

The appropriations in the 2020 Budget as adopted are not less than that required by the statutes.

**Note 14: SCHOOL TAXES**

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

	<u>Balance December 31,</u>	
	<u>2019</u>	<u>2018</u>
Balance of Tax	\$ 722,920.50	\$ 712,691.50
Deferred	<u>714,974.00</u>	<u>709,859.50</u>
Taxes Payable	<u>\$ 7,946.50</u>	<u>\$ 2,832.00</u>

**Note 15: RISK MANAGEMENT**

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

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

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

<u>Year</u>	<u>Borough/ Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019	\$ 2,500.00	\$ 36.46	\$ 1,045.09	\$ 7,437.71
2018	8,000.00	34.06	12,496.13	5,946.34
2017	10,000.00	12.03	1,548.46	10,408.41

**Note 15: RISK MANAGEMENT (CONT'D)**

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

Workers' Compensation and Employer's Liability  
General Liability Other Than Motor Vehicles  
Property Damage Other Than Motor Vehicles  
Motor Vehicles Liability and Damage

The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

Excess Workers' Compensation  
Excess General Liability  
Non-Owned Aircraft Liability  
Excess Auto Liability  
Fidelity and Performance (Blanket)  
Excess Property including Boiler and Machinery  
Crime including Excess Public Employee and Public Official Coverage

Environmental Impairment Liability coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund.

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 Banking and 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 Borough's agreement with the Fund provides that the Fund will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund, which is an insurance pool formed by all the other joint insurance funds.

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report which can be obtained from:

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

**Note 16: CONTINGENCIES**

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

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

**Note 17: CONCENTRATIONS**

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

**Note 18: SUBSEQUENT EVENTS**

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

<u>Purpose</u>	<u>Adoption</u>	<u>Authorization</u>
<b>General Improvements</b>		
Completion of Various Road Improvements in and for the Borough of Brooklawn	03/16/20	\$ 346,750.00

**COVID-19** - In response to the COVID-19 outbreak in the United States, the Borough Hall has been closed to the public since March 17, 2020. Office staff worked remotely while public works employees worked on a reduced-hours schedule. Many events previously planned had been canceled or rescheduled. In addition, at a regular meeting of the Mayor and Council held on May 18, 2020, the Borough adopted Resolution R-94-20, authoring extension of grace period for payment of second quarter property taxes to June 1, 2020, pursuant to Executive Order No. 130 signed by the Governor of the State of New Jersey on April 27, 2020. Furthermore, at a meeting of the Mayor and Council held on April 20, 2020, the Borough adopted Resolution R-92-20, authoring the Tax Collector to prepare and mail estimated property tax bills for the third installment of 2020 taxes, as permitted by statutes. The Borough expects the COVID-19 matter to impact its operating results. However, the related financial impact and duration cannot be reasonably estimated at this time.

## **SUPPLEMENTAL EXHIBITS**

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Current Cash - Treasurer  
For the Year Ended December 31, 2019

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2018	\$ 1,863,902.45	\$ 98,495.54
Increased by Receipts:		
Taxes Receivable	\$ 4,403,085.52	
Prepaid Taxes	80,495.51	
Tax Overpayments	25,258.71	
Due to State of New Jersey:		
Senior Citizens and Veterans Deductions	17,778.98	
Marriage License Fees	225.00	
State Training Fees	4,948.00	
Rents Receivable - Borough-Owned Homes	312,796.00	
Prepaid Rents on Borough Owned Homes	5.00	
Revenue Accounts Receivable	682,226.33	
Interlocal Service Agreements	82,800.00	
Miscellaneous Revenue Not Anticipated	191,763.13	
Due from Trust - Animal Control Fund	0.27	
Due to Trust - Other Fund	1,258.50	
Due from Water Utility Operating Fund	2,682.04	
Due from Public Assistance Fund	0.23	
Due to Camden County M.U.A.	35,907.32	
Petty Cash (Contra)	200.00	
Federal and State Grants Fund:		
Federal and State Grants Receivable		\$ 82,682.45
Reserve for Federal and State Grants	50,140.16	
	<u>5,891,570.70</u>	<u>82,682.45</u>
Carried Forward	7,755,473.15	181,177.99

(Continued)

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Current Cash - Treasurer  
For the Year Ended December 31, 2019

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Brought Forward	\$ 7,755,473.15	\$ 181,177.99
Decreased by Disbursements:		
2018 Appropriation Reserves	\$ 79,812.03	
2019 Appropriations	2,561,289.83	
County Taxes	1,072,770.57	
Due to County Added and Omitted Taxes	991.43	
Tax Overpayments	16,021.19	
Due State of New Jersey - Marriage License Fees	250.00	
Due State of New Jersey - State Training Fees	5,409.00	
Due to Trust - Other Fund	3,463.70	
Due to General Capital Fund	92,988.46	
Local District School Tax	1,419,719.00	
Payroll Deductions Payable	665,938.58	
Petty Cash (Contra)	200.00	
Due to Camden County M.U.A.	35,907.32	
Reserve for Federal and State Grants		\$ 50,140.16
Reserve for Federal and State Grants--Appropriated		44,062.09
	<u>5,954,761.11</u>	<u>94,202.25</u>
Balance December 31, 2019	<u><u>\$ 1,800,712.04</u></u>	<u><u>\$ 86,975.74</u></u>



**BOROUGH OF BROOKLAWN**  
CURRENT FUND  
Schedule of Change Funds  
As of December 31, 2019

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Balance December 31, 2019	\$ 240.00
	<u>Analysis</u>
	<u>of Balance</u>
Collector - Treasurer	\$ 100.00
Police	30.00
Municipal Court	<u>110.00</u>
	<u>\$ 240.00</u>

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
**Statement of Taxes Receivable and Analysis of Property Tax Levy**  
**For the Year Ended December 31, 2019**

<u>Year</u>	<u>Balance</u> <u>Dec. 31, 2018</u>	<u>2019 Levy</u>	<u>Added</u> <u>Taxes</u>	<u>Collections</u>		<u>Due from State of</u> <u>New Jersey</u>	<u>Overpayments</u> <u>Applied</u>	<u>Canceled</u>	<u>Transfer to</u> <u>Liens</u>	<u>Balance</u> <u>Dec. 31, 2019</u>
				<u>2018</u>	<u>2019</u>					
2018	\$ 61,471.95		\$ 616.83		\$ 60,663.17		\$ 894.34	\$ 93.61		\$ 437.66
2019		\$ 4,548,710.67		\$ 80,616.25	4,342,422.35	\$ 17,106.48	4,885.49	2,654.04	\$ 11,036.37	89,989.69
	<u>\$ 61,471.95</u>	<u>\$ 4,548,710.67</u>	<u>\$ 616.83</u>	<u>\$ 80,616.25</u>	<u>\$ 4,403,085.52</u>	<u>\$ 17,106.48</u>	<u>\$ 5,779.83</u>	<u>\$ 2,747.65</u>	<u>\$ 11,036.37</u>	<u>\$ 90,427.35</u>

Analysis of 2019 Property Tax Levy

Tax Yield:

General Property Tax	\$ 4,543,102.31
Added Taxes (54:4-63.1 et. seq.)	5,608.36
	<u>\$ 4,548,710.67</u>

Tax Levy:

Local School District Tax (Abstract)	\$1,429,948.00	
County Taxes:		
County Tax (Abstract)	\$ 985,024.02	
County Library	63,003.17	
Open Space	24,743.38	
Due County for Added/Omitted Taxes	<u>1,324.70</u>	
Total County Taxes	1,074,095.27	
Local Tax for Municipal Purposes	2,040,150.00	
Add: Additional Tax Levied	<u>4,517.40</u>	
	<u>2,044,667.40</u>	
		<u>\$ 4,548,710.67</u>

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Tax Title Liens  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 92,509.17
Increased by:	
Transfer from Taxes Receivable	<u>11,036.37</u>
Balance December 31, 2019	<u><u>\$ 103,545.54</u></u>

## Exhibit SA-5

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Due to State of New Jersey  
Veterans' and Senior Citizens' Deductions  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 16,095.57
Increased by:	
Received from State of New Jersey	<u>17,778.98</u>
	33,874.55
Accrued in 2019 to Municipality:	
Senior Citizens' Deductions per Tax Billings	\$ 7,250.00
Veterans' Deductions per Tax Billings	9,750.00
Deductions Allowed by Collector - 2019 Taxes	<u>1,000.00</u>
	18,000.00
Deduct:	
Deductions Disallowed by Collector - 2019 Taxes	<u>893.52</u>
Subtotal 2019 Tax Accrual	17,106.48
Deduct:	
Deductions Disallowed by Collector - Prior Taxes	<u>616.83</u>
	<u>16,489.65</u>
Balance December 31, 2019	<u><u>\$ 17,384.90</u></u>

**BOROUGH OF BROOKLAWN**  
CURRENT FUND  
Statement of Rents Receivable - Borough Owned Homes  
For the Year Ended December 31, 2019

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Balance December 31, 2018		\$ 12,872.51
Increased by:		
2019 Rental Charges and Late Fees		<u>318,596.00</u>
		331,468.51
Decreased by:		
Receipts	\$ 312,796.00	
Prepayments Applied	<u>1,080.00</u>	
		<u>313,876.00</u>
Balance December 31, 2019		<u><u>\$ 17,592.51</u></u>

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Revenue Accounts Receivable  
For the Year Ended December 31, 2019

	Balance Dec. 31, 2018	Accrued In 2019	Collected	Trust Other - Animal Control Fund	Trust Other Fund	General Capital Fund	Balance Dec. 31, 2019	
Miscellaneous Revenue Anticipated:								
Licenses:								
Alcoholic Beverages		\$ 12,500.00	\$ 12,500.00					
Other		7,812.00	7,812.00					
Construction Code Official								
Fees and Permits		60,688.00	60,688.00					
Municipal Court:								
Fines and Costs	\$ 9,550.14	105,483.06	104,343.52				\$ 10,689.68	Dec. 2019
Interest on Bank Accounts	7.49	94.37	93.78				8.08	Dec. 2019
Interest and Costs on Taxes		16,165.67	16,165.67					
Interest on Investments		20,523.29	20,090.23	\$ 0.25	\$ 83.64	\$ 349.17		
Uniform Fire Safety Act:								
Fees and Permits		334.00	334.00					
Hotel/Motel Tax		52,625.91	52,625.91					
Rental Registration Fees		12,720.00	12,720.00					
Uniform Fire Safety Act		6,428.60	6,428.60					
Energy Receipts Tax P.L. 1997, Chapters 162 & 167)		199,509.00	199,509.00					
Rental of Community Center		7,596.00	7,596.00					
Sewer Service Fees		181,319.62	181,319.62					
	<u>\$ 9,557.63</u>	<u>\$ 683,799.52</u>	<u>\$ 682,226.33</u>	<u>\$ 0.25</u>	<u>\$ 83.64</u>	<u>\$ 349.17</u>	<u>\$ 10,697.76</u>	

**BOROUGH OF BROOKLAWN****CURRENT FUND****Statement of Deferred Charges - Special Emergency Authorizations (40A:4-53)**

For the Year Ended December 31, 2019

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<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Net Amount</u> <u>Authorized</u>	<u>1/5 of</u> <u>Net Amount</u> <u>Authorized</u>	<u>Balance</u> <u>Dec. 31, 2018</u>	<u>2019</u> <u>Budget</u> <u>Appropriation</u>	<u>Balance</u> <u>Dec. 31, 2019</u>
July 18, 2016	Revaluation	<u>\$ 50,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 30,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 20,000.00</u>

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2019

	<u>Balance December 31, 2018</u>		<u>Balance</u>	<u>Cash</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>After</u>	<u>Disbursed</u>	<u>Lapsed</u>
			<u>Modification</u>		
GENERAL GOVERNMENT					
Administrative and Executive					
Salaries and Wages					
Municipal Clerk's Office		\$ 470.57	\$ 470.57		\$ 470.57
Borough Recorder		7.80	7.80		7.80
Other Expenses					
Printing and Legal	\$ 238.17	1,860.88	2,099.05	\$ 238.17	1,860.88
Mayor and Council		22.05	22.05		22.05
Miscellaneous Other Expenses	5,755.14	10,249.37	16,004.51	6,189.46	9,815.05
Elections					
Other Expenses		617.04	617.04		617.04
Financial Administration					
Salaries and Wages:					
Treasurer's Office		2,556.11	2,556.11		2,556.11
Chief Financial Officer		322.06	322.06		322.06
Other Expenses:					
Annual Audit		300.00	300.00		300.00
Assessment of Taxes					
Salaries and Wages		600.04	600.04		600.04
Other Expenses		916.15	916.15		916.15
Collection of Taxes					
Salaries and Wages		287.88	287.88		287.88
Other Expenses		1,233.15	1,233.15		1,233.15
Legal Services					
Other Expenses		3,960.91	3,960.91	1,150.00	2,810.91
Administration of Borough Owned Homes					
Salaries and Wages		1,059.98	1,059.98		1,059.98
Engineering Services and Costs					
Other Expenses	1,150.00	2,815.63	3,965.63	1,150.00	2,815.63

(Continued)

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2019

	<u>Balance December 31, 2018</u>		<u>Balance</u>	<u>Cash</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>After</u>	<u>Disbursed</u>	<u>Lapsed</u>
			<u>Modification</u>		
<b>GENERAL GOVERNMENT (CONT'D)</b>					
Public Buildings and Grounds					
Other Expenses	\$ 7,655.21	\$ 986.41	\$ 8,641.62	\$ 7,404.92	\$ 1,236.70
Maintenance of Borough-Owned Homes					
Salaries and Wages		610.36	610.36		610.36
Other Expenses	5,320.76	2,734.95	8,055.71	5,561.54	2,494.17
Municipal Land Use Law ( N.J.S.A. 40:55D-1)					
Planning & Zoning Boards					
Salaries and Wages		39.29	39.29		39.29
Other Expenses		1,399.20	1,399.20		1,399.20
Group Insurance Plan for Employees		37,439.33	37,439.33		37,439.33
Health Benefit Waiver		59.60	59.60		59.60
Other Insurance Premiums		5,720.56	5,720.56		5,720.56
Animal Control					
Other Expenses	300.00	3,375.00	3,675.00	300.00	3,375.00
Celebration of Public Events					
Other Expenses	79.96	131.18	211.14	79.96	131.18
<b>PUBLIC SAFETY</b>					
Fire Prevention					
Salaries and Wages		30.99	30.99		30.99
Other Expenses	818.94	4.19	823.13	692.44	130.69
Police					
Salaries and Wages		16,761.92	16,761.92	5,869.74	10,892.18
Other Expenses	7,671.15	504.17	8,175.32	7,212.15	963.17
Volunteer Fire Misc.					
Other Expenses	682.95	598.10	1,281.05	682.95	598.10
Municipal Code Enforcement Official					
Salaries and Wages		325.42	325.42		325.42
Other Expenses	373.93	624.53	998.46	373.93	624.53

(Continued)



**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2019

	<u>Balance December 31, 2018</u>		<u>Balance</u>	<u>Cash</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>After</u>	<u>Disbursed</u>	<u>Lapsed</u>
			<u>Modification</u>		
GENERAL GOVERNMENT (CONT'D)					
PUBLIC SAFETY (CONT'D)					
Office of Emergency Management					
Other Expenses		\$ 2,274.10	\$ 2,274.10		\$ 2,274.10
Traffic Signal					
Other Expenses		841.10	841.10	\$ 596.88	244.22
STREETS AND ROADS					
Road Repairs & Maintenance					
Salaries and Wages		680.16	680.16		680.16
Other Expenses	\$ 77.00	1,495.65	1,572.65	77.00	1,495.65
Vehicle Maintenance					
Other Expenses	1,658.19	2,808.33	4,466.52	3,634.51	832.01
SANITATION					
Sewer System					
Salaries and Wages		1,044.16	1,044.16		1,044.16
Other Expenses	63.75	5,205.76	5,269.51	66.25	5,203.26
Garbage & Trash Removal					
Salaries and Wages		5,280.99	5,280.99		5,280.99
Other Expenses	103.50	1,631.62	1,735.12	103.50	1,631.62
Sanitary Landfill					
Other Expenses	6,400.00	901.32	7,301.32	4,172.50	3,128.82
Recycling					
Salaries and Wages		10,231.85	10,231.85		10,231.85
Other Expenses	1,490.85	3,518.42	5,009.27	1,442.65	3,566.62
HEALTH AND WELFARE					
Board of Health					
Salaries and Wages		1,191.00	1,191.00		1,191.00

(Continued)

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2019

	<u>Balance December 31, 2018</u>		<u>Balance</u>	<u>Cash</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>After</u>	<u>Disbursed</u>	<u>Lapsed</u>
			<u>Modification</u>		
GENERAL GOVERNMENT (CONT'D)					
HEALTH AND WELFARE (CONT'D)					
Parks & Playgrounds					
Other Expenses		\$ 603.95	\$ 603.95	\$ 19.98	\$ 583.97
Shade Tree Commission					
Other Expenses		250.00	250.00		250.00
STATE UNIFORM CONSTRUCTION CODE					
Construction Code Official					
Salaries and Wages	\$ 2,305.00	48.23	2,353.23	2,303.00	50.23
Subcode Officials:					
Electrical Inspector					
Salaries and Wages		519.98	519.98		519.98
Fire Inspector					
Salaries and Wages		380.00	380.00		380.00
Plumbing Official					
Salaries and Wages		1,442.24	1,442.24		1,442.24
UTILITIES					
Utilities	4,531.74	24,879.05	29,410.79	5,487.01	23,923.78
STATUTORY EXPENDITURES					
Contribution to:					
Social Security System (O.A.S.I.)		4,253.61	4,253.61		4,253.61
Unemployment Compensation		1.00	1.00		1.00

(Continued)

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2019

	<u>Balance December 31, 2018</u>		<u>Balance</u>	<u>Cash</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>After</u>	<u>Disbursed</u>	<u>Lapsed</u>
			<u>Modification</u>		
OPERATIONS EXCLUDED FROM "CAPS"					
Recycling Tax		\$ 1,276.51	\$ 1,276.51	\$ 757.35	\$ 519.16
Interlocal Service Agreement - Borough of Merchantville					
Fire Sub-code Official Services		0.01	0.01		0.01
Interlocal Service Agreement - Borough of Oaklyn					
Municipal Court Services	\$ 32,000.00	753.89	32,753.89	24,246.14	8,507.75
Interlocal Service Agreement - Borough of Westville					
Administrator Services		0.01	0.01		0.01
	<u>\$ 78,676.24</u>	<u>\$ 170,137.76</u>	<u>\$ 248,814.00</u>	<u>\$ 79,812.03</u>	<u>\$ 169,001.97</u>

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Due State of New Jersey - Marriage License Fees  
For the Year Ended December 31, 2019

Balance December 31, 2018	\$ 50.00
Increased by:	
Receipts	<u>225.00</u>
	275.00
Decreased by:	
Disbursements	<u>250.00</u>
Balance December 31, 2019	<u><u>\$ 25.00</u></u>

## Exhibit SA-11

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Due to State of New Jersey - State Training Fees Payable  
For the Year Ended December 31, 2019

Balance December 31, 2018	\$ 2,116.00
Increased by:	
Receipts	<u>4,948.00</u>
	7,064.00
Decreased by:	
Disbursements	<u>5,409.00</u>
Balance December 31, 2019	<u><u>\$ 1,655.00</u></u>

**BOROUGH OF BROOKLAWN**  
CURRENT FUND  
Statement of Reserve for Payroll Deductions Payable  
For the Year Ended December 31, 2019

---

Balance December 31, 2018	\$ 17,583.35
Increased by:	
Payroll Deductions	<u>670,480.34</u>
	688,063.69
Decreased by:	
Disbursements	<u>665,938.58</u>
Balance December 31, 2019	<u><u>\$ 22,125.11</u></u>

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Prepaid Taxes  
For the Year Ended December 31, 2019

---

Balance December 31, 2018	\$ 80,616.25
Increased by:	
Collection - 2020 Taxes	<u>80,495.51</u>
	161,111.76
Decreased by:	
Application to 2019 Taxes	<u>80,616.25</u>
Balance December 31, 2019	<u><u>\$ 80,495.51</u></u>

## Exhibit SA-14

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Tax Overpayments  
For the Year Ended December 31, 2019

---

Balance December 31, 2018	\$ 10,068.75
Increased by:	
Cash Received	<u>25,258.71</u>
	35,327.46
Decreased by:	
Refund of Overpayments	\$ 16,021.19
Overpayments Applied - 2019	4,885.49
Overpayments Applied - 2018	894.34
Canceled	<u>3.44</u>
	<u>21,804.46</u>
Balance December 31, 2019	<u><u>\$ 13,523.00</u></u>

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of County Taxes Payable  
For the Year Ended December 31, 2019

---

2019 Levy -	
County General	\$ 985,024.02
County Library	63,003.17
Open Space	24,743.38
	<hr/>
	1,072,770.57
Decreased by:	
Disbursements	<u>\$ 1,072,770.57</u>

Exhibit SA-16

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Amount Due to County for Added Taxes  
For the Year Ended December 31, 2019

---

Balance December 31, 2018	\$ 991.43
Increased by:	
Added & Omitted Taxes Levied in 2019	<hr/> 1,324.70
	2,316.13
Decreased by:	
Disbursements	<hr/> 991.43
Balance December 31, 2019	<u>\$ 1,324.70</u>

Exhibit SA-17

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
Statement of Prepaid Rents on Borough Owned Homes  
For the Year Ended December 31, 2019

---

Balance December 31, 2018	\$ 1,080.00
Increased by:	
Collection - 2020 Rents	<hr/> 5.00
	1,085.00
Decreased by:	
Applied to Rents Receivable	<hr/> 1,080.00
Balance December 31, 2019	<u>\$ 5.00</u>

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
**Statement of Local District School Taxes**  
**For the Year Ended December 31, 2019**

Balance December 31, 2018		
School Taxes Payable	\$ 2,832.00	
School Taxes Deferred	<u>709,859.50</u>	
		\$ 712,691.50
Increased by:		
Levy - School Year July 1, 2019 to June 30, 2020		<u>1,429,948.00</u>
		2,142,639.50
Decreased by:		
Disbursements		<u>1,419,719.00</u>
Balance December 31, 2019		
School Taxes Payable	7,946.50	
School Taxes Deferred	<u>714,974.00</u>	
		<u>\$ 722,920.50</u>
<u>2019 Liability for Local District School Tax:</u>		
Tax Paid		\$ 1,419,719.00
Add:		
Taxes Payable December 31, 2019		<u>7,946.50</u>
		1,427,665.50
Less:		
Taxes Payable December 31, 2018		<u>2,832.00</u>
Amount Charged to 2019 Operations		<u>\$ 1,424,833.50</u>



**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
 Federal and State Grant Fund  
 Statement of Federal and State Grants Receivable  
 For the Year Ended December 31, 2019

<u>Program</u>	<u>Balance Dec. 31, 2018</u>	<u>Accrued</u>	<u>Cash Received</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2019</u>
Federal Grants:					
COPS Hiring Recovery Grant	\$ 18,571.69				\$ 18,571.69
Bulletproof Vest Partnership	1,160.50				1,160.50
Total Federal Grants	<u>19,732.19</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>19,732.19</u>
State Grants:					
Clean Communities Program		4,192.59	4,192.59		
Municipal Alliance on Alcoholism and Drug Abuse	13,077.14	6,712.40	2,375.92		17,413.62
Body Armor Replacement Grant		1,136.99	1,136.99		
Drive Sober or Get Pulled Over	55.00	5,500.00	4,950.00	605.00	
Safe & Secure Communities Grant	30,000.00	30,000.00	60,000.00		
Recreational Facility Enhancement Funding	372.27				372.27
Recycling Tonnage Grant		10,026.95	10,026.95		
New Jersey Department of Transportation - Community Road	<u>9,303.50</u>				<u>9,303.50</u>
Total State Grants	<u>52,807.91</u>	<u>57,568.93</u>	<u>82,682.45</u>	<u>605.00</u>	<u>27,089.39</u>
Camden County:					
Recreation Enhancement Grant	25,000.00				25,000.00
Recreation Enhancement Grant - Dog Park		25,000.00			25,000.00
Total Camden County Grants	<u>25,000.00</u>	<u>25,000.00</u>			<u>50,000.00</u>
Total All Grants	<u>\$ 97,540.10</u>	<u>\$ 82,568.93</u>	<u>\$ 82,682.45</u>	<u>\$ 605.00</u>	<u>\$ 96,821.58</u>

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
 Federal and State Grant Fund  
 Statement of Reserve for State Grants - Unappropriated  
 For the Year Ended December 31, 2019

<u>Program</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Miscellaneous Revenue in 2019 Budget</u>	<u>Balance Dec. 31, 2019</u>
State Grants:			
Body Armor Replacement Grant	\$ 1,136.99	\$ 1,136.99	
Clean Communities Program	4,192.59	4,192.59	
Drive Sober or Get Pulled Over	5,500.00	5,500.00	
Municipal Alliance on Alcoholism and Drug Abuse	6,712.40	6,712.40	
Safe & Secure Communities Grant	30,000.00	30,000.00	
Recycling Tonnage Grant	10,026.95	4,824.34	\$ 5,202.61
Total State Grants	57,568.93	52,366.32	5,202.61
Camden County:			
Recreation Enhancement Grant - Dog Park	25,000.00	25,000.00	-
Total All Grants	\$ 82,568.93	\$ 77,366.32	\$ 5,202.61

**BOROUGH OF BROOKLAWN**  
**CURRENT FUND**  
 Federal and State Grant Fund  
 Statement of Reserves for Federal and State Grants - Appropriated  
 For the Year Ended December 31, 2019

<u>Program</u>	<u>Dec. 31, 2018</u>		<u>Transferred from 2019 Budget Appropriation</u>	<u>Disbursed</u>	<u>Encumbered</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2019</u>
	<u>Balance</u>	<u>Encumbrances</u>					
Federal Grants:							
COPS Hiring Recovery Grant	\$ 24,556.28					\$ 5,984.59	\$ 18,571.69
Bulletproof Vest Partnership	1,234.30					73.80	1,160.50
Total Federal Grants	<u>25,790.58</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>6,058.39</u>	<u>19,732.19</u>
State Grants:							
Recreational Facility Enhancement Funding -							
Concession Stand/Ballfields	1,703.39					1,376.12	327.27
Body Armor Replacement Fund	6,918.79		1,136.99	1,795.54	475.54		5,784.70
Recycling Tonnage Grant	29,789.51	1,546.29	4,824.34	6,089.03			30,071.11
Safe and Secure Grant	32,913.48		30,000.00				62,913.48
Drunk Driving Enforcement Grant	1,034.93			1,034.93			
Drive Sober or Get Pulled Over	55.00		5,500.00	4,950.00		605.00	
Clean Communities Grant	500.00		4,192.59	4,692.59			
New Jersey Prevention Network	3,000.00						3,000.00
Municipal Alliance on Alcoholism and Drug Abuse	37,518.66		8,390.50	500.00			45,409.16
New Jersey Department of Transportation - Community Road	53,687.25					44,383.75	9,303.50
Total State Grants	<u>167,121.01</u>	<u>1,546.29</u>	<u>54,044.42</u>	<u>19,062.09</u>	<u>475.54</u>	<u>46,364.87</u>	<u>156,809.22</u>
Camden County:							
Recreation Enhancement Grant - Dog Park			25,000.00	25,000.00			
Recreation Enhancement Grant	1,504.10						1,504.10
Total Camden County Grants	<u>1,504.10</u>	<u>-</u>	<u>25,000.00</u>	<u>25,000.00</u>	<u>-</u>	<u>-</u>	<u>1,504.10</u>
Total All Grants	<u>\$ 194,415.69</u>	<u>\$ 1,546.29</u>	<u>\$ 79,044.42</u>	<u>\$ 44,062.09</u>	<u>\$ 475.54</u>	<u>\$ 52,423.26</u>	<u>\$ 178,045.51</u>

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**

**BOROUGH OF BROOKLAWN**  
**TRUST OTHER FUND**  
Statement of Trust Cash - Treasurer  
For the Year Ended December 31, 2019

	<u>Animal Control</u>	<u>Other Trust</u>
Balance December 31, 2018	\$ 197.82	\$ 241,183.11
Increased by Receipts:		
Animal Control Fees	\$ 2,842.20	
State Registration Fees	256.80	
Late Fees	640.00	
Budget Appropriation	3,300.00	
Due Current Fund	5.00	\$ 4,488.02
Community Development Block Grants Receivable		21,500.00
Reserve for Off Duty Police Work		100,962.50
Reserve for Security Deposits on Borough Owned Homes		4,296.69
Reserve for Unemployment Compensation Insurance		2,536.46
Reserve for Parking Offenses Adjudication Act		4.00
Reserve for Local Law Enforcement		7,973.84
Reserve for Public Defender Fees		5,719.50
Reserve for Recreation Donations		6,228.00
Reserve for Tax Title Lien Redemptions		211,658.44
Reserve for Escrow Deposits		17,082.50
	<u>7,044.00</u>	<u>382,449.95</u>
	7,241.82	623,633.06
Decreased by Disbursements:		
Expenditures under R.S. 4:19-15.11 - Cash	6,637.96	
State Registration Fees	251.40	
Due Current Fund	5.02	940.68
Due from Developer-Escrow Deposit		300.00
Reserves for:		
Off Duty Police Work		94,671.64
Community Development Block Grants		33,583.50
Security Deposits on Borough Owned Homes		6,839.51
Unemployment Compensation Insurance		1,045.09
Local Law Enforcement		450.00
Recreation Donations		4,861.94
Tax Title Lien Redemptions		189,317.44
Tax Sale Premiums		8,100.00
Escrow Deposits		22,147.00
	<u>6,894.38</u>	<u>362,256.80</u>
Balance December 31, 2019	<u>\$ 347.44</u>	<u>\$ 261,376.26</u>

**BOROUGH OF BROOKLAWN**  
**TRUST OTHER FUND**  
**Animal Control Fund**  
**Statement of Reserve for Animal Control Expenditures**  
**For the Year Ended December 31, 2019**

Balance December 31, 2018		\$ 197.55
Increased by Receipts:		
Dog License Fees Collected	\$ 2,512.20	
Cat License Fees Collected	330.00	
Current Fund Budget Appropriation	<u>3,300.00</u>	
	6,142.20	
Late Fees	<u>640.00</u>	
		<u>6,782.20</u>
		6,979.75
Decreased by Disbursements:		
Expenditures under R.S. 4:19-15.11 - Cash		<u>6,637.96</u>
Balance December 31, 2019		<u><u>\$ 341.79</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2017	\$ 3,323.20
2018	<u>2,370.00</u>
	<u><u>\$ 5,693.20</u></u>

Exhibit SB-3

**BOROUGH OF BROOKLAWN**  
**TRUST OTHER FUND**  
**Animal Control Fund**  
**Statement of Due to State of New Jersey - Dog License Registration Fees**  
**For the Year Ended December 31, 2019**

Dog License Registration Fees Collected	\$ 256.80
Decreased by:	
Disbursed to State Treasurer	<u>251.40</u>
Balance December 31, 2019	<u><u>\$ 5.40</u></u>

**BOROUGH OF BROOKLAWN**  
**TRUST OTHER FUND**  
 Animal Control Fund  
 Statement of Due to Current Fund  
 For the Year Ended December 31, 2019

Balance December 31, 2018		\$ 0.27
Increased by:		
Interest Earned		<u>5.00</u>
		5.27
Decreased by:		
Interest Disbursed to Current Fund Realized as Anticipated Revenue	\$ 4.75	
Interfund Returned	<u>0.27</u>	
		<u>5.02</u>
Balance December 31, 2019		<u><u>\$ 0.25</u></u>

## Exhibit SB-5

**BOROUGH OF BROOKLAWN**  
**TRUST OTHER FUND**  
 Statement of Due from Current Fund  
 For the Year Ended December 31, 2019

Balance December 31, 2018		\$ 3,463.70
Increased by:		
Interest Disbursed to Current Fund Realized as Anticipated Revenue	\$ 940.68	
Public Defender Fees Erroneously Deposited in Current Fund	<u>1,258.50</u>	
		<u>2,199.18</u>
		5,662.88
Decreased by:		
Interest Earned	1,024.32	
Interfund Returned	<u>3,463.70</u>	
		<u>4,488.02</u>
Balance December 31, 2019		<u><u>\$ 1,174.86</u></u>

**BOROUGH OF BROOKLAWN**  
**TRUST OTHER FUND**  
Statement of Community Development Block Grants Receivable  
For the Year Ended December 31, 2019

---

Balance December 31, 2018	\$ 3,671.46
Increased by:	
Community Development Block Grant Receivable	<u>17,828.54</u>
	21,500.00
Decreased by:	
Cash Receipts	<u><u>21,500.00</u></u>

Exhibit SB-7

**BOROUGH OF BROOKLAWN**  
**TRUST OTHER FUND**  
Statement of Reserve for Off-Duty Police Work  
For the Year Ended December 31, 2019

---

Balance December 31, 2018	\$ 99,490.75
Increased by:	
Receipts	<u>100,962.50</u>
	200,453.25
Decreased by:	
Disbursements	<u>94,671.64</u>
Balance December 31, 2019	<u><u>\$ 105,781.61</u></u>



**BOROUGH OF BROOKLAWN**  
**TRUST OTHER FUND**  
Statement of Reserve for Community Development Block Grants  
For the Year Ended December 31, 2019

---

Balance December 31, 2018		\$ 50,795.00
Increased by:		
Community Development Block Grant Receivable		<u>17,828.54</u>
		68,623.54
Decreased by:		
Disbursements	\$ 33,583.50	
Due to General Capital Fund	<u>19,100.00</u>	
		<u>52,683.50</u>
Balance December 31, 2019		<u><u>\$ 15,940.04</u></u>

## Exhibit SB-9

**BOROUGH OF BROOKLAWN**  
**TRUST OTHER FUND**  
Statement of Reserve for Security Deposits on  
Borough Owned Homes  
For the Year Ended December 31, 2019

---

Balance December 31, 2018		\$ 37,783.25
Increased by:		
Deposits	\$ 4,162.00	
Interest	<u>134.69</u>	
		<u>4,296.69</u>
		42,079.94
Decreased by:		
Refunds		<u>6,839.51</u>
Balance December 31, 2019		<u><u>\$ 35,240.43</u></u>

**BOROUGH OF BROOKLAWN**  
**TRUST OTHER FUND**  
Statement of Reserve for Unemployment Compensation Insurance  
For the Year Ended December 31, 2019

---

Balance December 31, 2018		\$ 5,946.34
Increased by:		
Employee Deductions	\$ 2,500.00	
Interest Earned	<u>36.46</u>	
		<u>2,536.46</u>
		8,482.80
Decreased by:		
Claims Paid		<u>1,045.09</u>
Balance December 31, 2019		<u><u>\$ 7,437.71</u></u>

## Exhibit SB-11

**BOROUGH OF BROOKLAWN**  
**TRUST OTHER FUND**  
Statement of Reserve for Parking Offenses Adjudication Act  
For the Year Ended December 31, 2019

---

Balance December 31, 2018		\$ 425.00
Increased by:		
Cash Received from Municipal Court		<u>4.00</u>
Balance December 31, 2019		<u><u>\$ 429.00</u></u>

**BOROUGH OF BROOKLAWN**  
**TRUST OTHER FUND**  
Statement of Reserve for Local Law Enforcement  
For the Year Ended December 31, 2019

---

Balance December 31, 2018		\$ 3,766.64
Increased by:		
Contributions	\$ 7,937.00	
Interest Earned on Deposits	<u>36.84</u>	
		<u>7,973.84</u>
		11,740.48
Decreased by:		
Cash Disbursements		<u>450.00</u>
Balance December 31, 2019		<u><u>\$ 11,290.48</u></u>

Exhibit SB-13

**BOROUGH OF BROOKLAWN**  
**TRUST OTHER FUND**  
Statement of Reserve for Public Defender Fees  
For the Year Ended December 31, 2019

---

Balance December 31, 2018		\$ 10,348.27
Increased by:		
Public Defender Fees	\$ 5,719.50	
Due from Current Fund	<u>1,258.50</u>	
		<u>6,978.00</u>
Balance December 31, 2019		<u><u>\$ 17,326.27</u></u>

**BOROUGH OF BROOKLAWN**  
**TRUST OTHER FUND**  
Statement of Reserve for Recreation Donations  
For the Year Ended December 31, 2019

---

Balance December 31, 2018	\$ 5,453.98
Increased by:	
Donations Received	<u>6,228.00</u>
	11,681.98
Decreased by:	
Donations Disbursed	<u>4,861.94</u>
Balance December 31, 2019	<u><u>\$ 6,820.04</u></u>

## Exhibit SB-15

**BOROUGH OF BROOKLAWN**  
**TRUST OTHER FUND**  
Statement of Reserve for Tax Title Lien Redemptions  
For the Year Ended December 31, 2019

---

Balance December 31, 2018	\$ 2,261.49
Increased by:	
2019 Deposits for Tax Title Lien Redemptions	<u>211,658.44</u>
	213,919.93
Decreased by:	
Disbursed - Tax Title Certificates Redeemed	<u>189,317.44</u>
Balance December 31, 2019	<u><u>\$ 24,602.49</u></u>

**BOROUGH OF BROOKLAWN**  
TRUST OTHER FUND  
Statement of Reserve for Tax Sale Premiums  
For the Year Ended December 31, 2019

---

Balance December 31, 2018	\$ 23,900.00
Decreased by:	
Tax Sale Premiums Returned	<u>8,100.00</u>
Balance December 31, 2019	<u><u>\$ 15,800.00</u></u>

## Exhibit SB-17

**BOROUGH OF BROOKLAWN**  
TRUST OTHER FUND  
Statement of Reserve for Escrow Deposits  
For the Year Ended December 31, 2019

---

Balance December 31, 2018	\$ 5,064.50
Increased by:	
Escrow Deposits	<u>17,082.50</u>
	22,147.00
Decreased by:	
Cash Disbursements	<u><u>22,147.00</u></u>

**SUPPLEMENTAL EXHIBITS**

**GENERAL CAPITAL FUND**

**BOROUGH OF BROOKLAWN**  
GENERAL CAPITAL FUND  
Statement of General Capital Cash - Treasurer  
For the Year Ended December 31, 2019

---

Balance December 31, 2018		\$ 1,819,874.80
Increased by Receipts:		
Due to Current Fund	\$ 100,564.46	
Capital Improvement Fund	<u>15,000.00</u>	
		<u>115,564.46</u>
		1,935,439.26
Decreased by Disbursements:		
Improvement Authorizations	525,884.02	
Contracts Payable	647,994.40	
Due to Current Fund	<u>7,226.83</u>	
		<u>1,181,105.25</u>
Balance December 31, 2019		<u><u>\$ 754,334.01</u></u>

**BOROUGH OF BROOKLAWN**  
**GENERAL CAPITAL FUND**  
 Analysis of General Capital Cash and Investments  
 For the Year Ended December 31, 2019

	Balance Dec. 31, 2018	Receipts		Disbursements		Transfers		Balance Dec. 31, 2019
		Bond Anticipation	Miscel- laneous	Improvement Authorizations	Miscel- laneous	From	To	
		Notes						
Capital Improvement Fund	\$ 15,550.28		\$ 15,000.00			\$ 6,900.00		\$ 23,650.28
Excess Note Proceeds - Reserve to Pay Notes	25,376.71							25,376.71
<u>Improvement Authorizations:</u>								
<u>Ord. No.</u>								
2004-12 Improvements to Borough-Owned Properties	6,288.25							6,288.25
2011-10 Repair and Reconstruction of Sanitary Sewer System	364.74							364.74
2011-11 Improvements to Approaches to Railroad Grade Crossings	5,020.00							5,020.00
2011-12 Supplemental Funding for Repair and Reconstruction or Sanitary Sewer System	5,821.52							5,821.52
2012-7 Purchase of EMS Equipment, Fire Department Vehicle and Repaving of Christan Street and Community Road	1,034.50							1,034.50
2013-3 Acquisition of Various Capital Equipment and the Completion of Various Capital Improvements	8.00							8.00
2013-11 Acquisition of Sport Utility Police Vehicles and Improvements to Borough Railroad Crossings	56,306.73							56,306.73
2014-7 Various Capital Improvements and Providing Funding for Preliminary Costs	1,152.60			\$ 1,152.60				
2015-7 Various Capital Improvements and Acquisition of Real Property	32,510.32			10,052.07		22,458.25		
2015-9 Various Capital Improvements to the Utility (Sewer)	1,459,601.28			245,227.40		1,065,570.10		148,803.78
2016-11 Acquisition of and Improvements to Real Property	67,500.00			8,800.00		208,801.75		(150,101.75)
2016-12 Canceling and Reappropriating Balances for Capital Projects	87.75							87.75
2017-9 Improvements to Municipal Owned Properties and Reconstruction of Sixth Street	143,905.75			90,605.75		53,300.00		
2018-3 Various Improvements to Municipal Owned Properties and Acquisition of Public Works Department Equipment	69,444.28			48,782.95				20,661.33
2018-11 Repair and Restoration of Streets, Sidewalks and Roads				99,295.75			\$ 125,000.00	25,704.25
2019-6 Reconstruction & Repaving of Various Roads, Acquisition of Public Works and Police Vehicles and Construction of Dog Park				21,967.50		12,086.73	231,900.00	197,845.77
Contracts Payable					\$ 647,994.40		1,362,216.83	714,222.43
New Jersey Transportation Trust Fund Receivable	41,990.55					350,000.00		(308,009.45)
Grant Receivable - Community Development Block Grant	(19,100.00)						19,100.00	
Current Fund	(92,988.46)		100,564.46		7,226.83			349.17
Trust - Other Fund						19,100.00		(19,100.00)
	<u>\$ 1,819,874.80</u>	<u>\$ -</u>	<u>\$ 115,564.46</u>	<u>\$ 525,884.02</u>	<u>\$ 655,221.23</u>	<u>\$ 1,738,216.83</u>	<u>\$ 1,738,216.83</u>	<u>\$ 754,334.01</u>



**BOROUGH OF BROOKLAWN**  
**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation - Unfunded  
For the Year Ended December 31, 2019

Ordinance Number	Improvement Description	Balance Dec. 31, 2018	2019 Authorizations	Notes Paid by Budget Appropriation	Balance Dec. 31, 2019	Analysis of Balance Dec. 31, 2019		
						Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
2009-3	Road Improvements to Community Circle, Horton Avenue and Bergen Street	\$ 7,250.00		\$ 7,250.00				
2009-11	Repair and Reconstruction of Sanitary Sewer along Horton and Hannevig Roads	8,477.00		8,477.00				
2011-6	Acquisition of Dump Truck and Four-Wheel Drive Vehicle and Repair, Renovation and Replacement of Firehouse Roof and Heater and Community Center Heater	62,400.00		20,820.00	\$ 41,580.00	\$ 41,580.00		
2011-10	Repair and Reconstruction of Sanitary Sewer System	13,300.00		3,325.00	9,975.00	9,975.00		
2011-11	Improvements to Approaches to Railroad Grade Crossings	13,300.00		3,325.00	9,975.00	9,975.00		
2011-12	Supplemental Funding for Repair and Reconstruction of Sanitary Sewer System	8,860.00		2,220.00	6,640.00	6,640.00		
2012-7	Purchase of EMS Equipment, Fire Department Vehicle and Repaving of Christan Street and Community Road	206,700.00		51,600.00	155,100.00	155,100.00		
2013-3	Acquisition of Various Capital Equipment and the Completion of Various Capital Improvements	246,270.00		49,250.00	197,020.00	197,020.00		
2013-11	Acquisition of Sport Utility Police Vehicles and Improvements to Borough Railroad Crossings	48,530.00		8,090.00	40,440.00	40,440.00		
2014-7	Various Capital Improvements and Providing Funding for Preliminary Costs	141,080.00		23,510.00	117,570.00	117,570.00		
2015-7	Various Capital Improvements and Acquisition of Real Property	102,315.00		22,270.00	80,045.00	80,045.00		
2015-9	Various Capital Improvements to the Utility (Sewer)	1,488,000.00			1,488,000.00	1,488,000.00		
2016-11	Acquisition of and Improvements to Real Property	237,500.00		8,000.00	229,500.00	47,000.00	\$ 150,101.75	\$ 32,398.25
2017-9	Improvements to Municipal Owned Properties and Reconstruction of Sixth Street	190,855.00			190,855.00	190,855.00		
2018-3	Various Improvements to Municipal Owned Properties and Acquisition of Public Works Department Equipment	95,000.00			95,000.00	95,000.00		
2019-6	Reconstruction & Repaving of Various Roads, Acquisition of Public Works and Police Vehicles and Construction of Dog Park		\$ 131,100.00		131,100.00		82,585.73	48,514.27
		<u>\$ 2,869,837.00</u>	<u>\$ 131,100.00</u>	<u>\$ 208,137.00</u>	<u>\$ 2,792,800.00</u>	<u>\$ 2,479,200.00</u>	<u>\$ 232,687.48</u>	<u>\$ 80,912.52</u>

Continued

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**BOROUGH OF BROOKLAWN**  
**GENERAL CAPITAL FUND**  
Statement of Due from / to Current Fund  
For the Year Ended December 31, 2019

Balance December 31, 2018 (Due from)		\$	92,988.46
Increased by:			
Cash Receipts:			
Interest on Investment of Deposits			<u>7,576.00</u>
			100,564.46
Decreased by:			
Cash Receipts:			
Interfund Returned	\$	92,988.46	
Cash Disbursements:			
Interest Disbursed to Current Fund as Anticipated Revenue			<u>7,226.83</u>
			<u>100,215.29</u>
Balance December 31, 2019 (Due to)		\$	<u><u>349.17</u></u>

**BOROUGH OF BROOKLAWN**  
**GENERAL CAPITAL FUND**  
Statement of Capital Improvement Fund  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 15,550.28
Increased by:	
2019 Budget Appropriation	<u>15,000.00</u>
	30,550.28
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>6,900.00</u>
Balance December 31, 2019	<u><u>\$ 23,650.28</u></u>

## Exhibit SC-6

**BOROUGH OF BROOKLAWN**  
**GENERAL CAPITAL FUND**  
Statement of New Jersey Transportation Trust Fund Receivable  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 83,009.45
Increased by:	
2019 Grant Award	<u>225,000.00</u>
	308,009.45
Decreased by:	
Canceled	<u>51,749.45</u>
Balance December 31, 2019	<u><u>\$ 256,260.00</u></u>
<u>Analysis of Balance</u>	
Ord. 2018-11 Repair and Restoration of Streets, Sidewalks and Roads	\$ 31,250.00
Ord. 2019-6 Reconstruction & Repaving of Various Roads,	
Acquisition of Public Works and Police Vehicles and Construction of Dog Park	<u>225,000.00</u>
	<u><u>\$ 256,250.00</u></u>

**BOROUGH OF BROOKLAWN**  
**GENERAL CAPITAL FUND**  
**Statement of Contracts Payable**  
**For the Year Ended December 31, 2019**

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Contracts Awarded in 2019	\$ 1,362,216.83
Decreased by:	
Payments	<u>647,994.40</u>
Balance December 31, 2019	<u><u>\$ 714,222.43</u></u>

Schedule of Contracts Payable - December 31, 2019

<u>Ordinance Number</u>	<u>Name</u>	<u>Amount</u>
Ord. 2015-9	North American Pipeline Services	\$ 518,339.70
Ord. 2016-11	MD Remodeling, LLC	41,496.00
Ord. 2016-11	MD Remodeling, LLC	110,000.00
Ord. 2017-9	MD Remodeling, LLC	32,300.00
Ord. 2019-6	Major Police Supply	<u>12,086.73</u>
		<u><u>\$ 714,222.43</u></u>

**BOROUGH OF BROOKLAWN**  
**GENERAL CAPITAL FUND**  
Statement of Improvement Authorizations  
For the Year Ended December 31, 2019

		2019 Authorizations										
Ordinance Number	Improvement Description	Date	Ordinance		Dec. 31, 2018		Capital	Deferred	Department of	Paid or	Dec. 31, 2019	
			Amount		Funded	Unfunded	Improvement	Charges to	Transportation	Charged	Funded	Unfunded
							Fund	Future Taxation -	Grant			
								Unfunded				
2004-12	Improvements to Borough-Owned Properties	10/18/2004	\$ 200,000.00	\$ 6,288.25							\$ 6,288.25	
2011-10	Repair and Reconstruction of Sanitary Sewer System	7/18/2011	30,000.00		\$ 364.74							\$ 364.74
2011-11	Improvements to Approaches to Railroad											
	Grade Crossings	7/18/2011	229,000.00		5,020.00							5,020.00
2011-12	Supplemental Funding for Repair and Reconstruction											
	or Sanitary Sewer System	9/19/2011	20,000.00		5,821.52							5,821.52
2012-7	Purchase of EMS Equipment, Fire Department											
	Vehicle and Repaving of Christana Street and											
	Community Road	6/18/2012	548,000.00		1,034.50							1,034.50
2013-3	Acquisition of Various Capital Equipment and the											
	Completion of Various Capital Improvements	4/15/2013	423,400.00		8.00							8.00
2013-11	Acquisition of Sport Utility Police Vehicles and											
	Improvements to Borough Railroad Crossings	10/21/2013	215,000.00		56,306.73							56,306.73
2014-7	Various Capital Improvements and Providing Funding											
	for Preliminary Costs	6/16/2014	335,000.00		1,152.60					\$ 1,152.60		
2015-7	Various Capital Improvements and Acquisition of Real											
	Property	5/18/2015	350,000.00		32,510.32					32,510.32		
2015-9	Various Capital Improvements to the Utility (Sewer)	5/18/2015	1,488,000.00		1,459,601.28					1,310,797.50		148,803.78
2016-11	Acquisition of and Improvements to Real Property	6/20/2016	250,000.00	12,500.00	237,500.00					217,601.75		32,398.25
2016-12	Canceling and Reappropriating Balances											
	for Capital Projects	6/20/2016	61,604.90		87.75							87.75
2017-9	Various Improvements to Municipal Owned Property and											
	Reconstruction of Sixth Street	4/17/2017	420,000.00		143,905.75					143,905.75		
2018-3	Improvements to Municipal Owned Properties and											
	Acquisition of Public Works Department Equipment	3/19/2018	100,000.00		69,444.28					48,782.95		20,661.33
2018-11	Repair and Restoration of Streets, Sidewalks and Roads	10/15/2018	125,000.00	125,000.00						99,295.75	25,704.25	
2019-6	Reconstruction & Repaving of Various Roads, Acquisition											
	of Public Works and Police Vehicles and Construction											
	of Dog Park	7/15/2019	363,000.00			\$ 6,900.00	\$ 131,100.00	\$ 225,000.00		34,054.23	212,957.50	115,988.27
						\$ 143,788.25	\$ 2,012,757.47	\$ 6,900.00	\$ 131,100.00	\$ 225,000.00	\$ 1,888,100.85	\$ 244,950.00

**BOROUGH OF BROOKLAWN**  
**GENERAL CAPITAL FUND**  
Statement of Bond Anticipation Notes  
For the Year Ended December 31, 2019

<u>Ord. Number</u>	<u>Purpose</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2018</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2019</u>
2009-3	Road Improvements to Community Circle, Horton Avenue and Bergen Street	7/31/2009	7/10/2018	7/9/2019	1.930%	\$ 7,250.00		\$ 7,250.00	
2009-11	Repair and Reconstruction of Sanitary Sewer along Horton and Hannevig Roads	12/1/2009	7/10/2018	7/9/2019	1.930%	8,477.00		8,477.00	
2011-6	Acquisition of Dump Truck and Four-Wheel Drive Vehicle and Repair, Renovation and Replacement of Firehouse Roof and Heater and Community Center Heater	7/27/2011	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	62,400.00	\$ 41,580.00	62,400.00	\$ 41,580.00
2011-10	Repair and Reconstruction of Sanitary Sewer System	7/25/2012	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	13,300.00	9,975.00	13,300.00	9,975.00
2011-11	Improvements to Approaches to Railroad Grade Crossings	7/25/2012	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	13,300.00	9,975.00	13,300.00	9,975.00
2011-12	Supplemental Funding for Repair and Reconstruction of Sanitary Sewer System	7/25/2012	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	8,860.00	6,640.00	8,860.00	6,640.00
2012-7	Purchase of EMS Equipment, Fire Department Vehicle and Repaving of Christan Street and Community Road	8/16/2012	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	206,700.00	155,100.00	206,700.00	155,100.00
2013-3	Acquisition of Various Capital Equipment and the Completion of Various Capital Improvements	4/15/2013	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	246,270.00	197,020.00	246,270.00	197,020.00
2013-11	Acquisition of Sport Utility Police Vehicles and Improvements to Borough Railroad Crossings	7/21/2014	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	48,530.00	40,440.00	48,530.00	40,440.00
2014-7	Various Capital Improvements and Providing Funding for Preliminary Costs	7/21/2014	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	141,080.00	117,570.00	141,080.00	117,570.00

(Continued)

**BOROUGH OF BROOKLAWN**  
**GENERAL CAPITAL FUND**  
Statement of Bond Anticipation Notes  
For the Year Ended December 31, 2019

<u>Ord. Number</u>	<u>Purpose</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2018</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2019</u>
2015-7	Various Capital Improvements and Acquisition of Real Property	7/17/2015	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	\$ 102,315.00	\$ 80,045.00	\$ 102,315.00	\$ 80,045.00
2015-9	Various Capital Improvements to the Utility (Sewer)	7/17/2015	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	1,488,000.00	1,488,000.00	1,488,000.00	1,488,000.00
2016-11	Acquisition of and Improvements to Real Property	7/20/2016	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	55,000.00	47,000.00	55,000.00	47,000.00
2017-9	Various Improvements to Municipal Owned Property and Reconstruction of Sixth Street	7/12/2017	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	190,855.00	190,855.00	190,855.00	190,855.00
2018-3	Various Improvements to Municipal Owned Properties & Acquisition of Public Works Department Equipment	7/10/2018	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	95,000.00	95,000.00	95,000.00	95,000.00
						<u>\$ 2,687,337.00</u>	<u>\$ 2,479,200.00</u>	<u>\$ 2,687,337.00</u>	<u>\$ 2,479,200.00</u>
						Renewal	\$ 2,479,200.00	\$ 2,479,200.00	
						Paid By Budget Appropriation		208,137.00	
							<u>\$ 2,479,200.00</u>	<u>\$ 2,687,337.00</u>	



**BOROUGH OF BROOKLAWN**  
**GENERAL CAPITAL FUND**  
Statement of Bonds and Notes Authorized But Not Issued  
For the Year Ended December 31, 2019

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Ordinance Number	Improvement Description	Balance Dec. 31, 2018	2019 Authorizations	Bond Anticipation Note Issued	Balance Dec. 31, 2019
2016-11	Acquisition of and Improvements to Real Property	\$ 182,500.00			\$ 182,500.00
2019-6	Reconstruction & Repaving of Various Roads, Acquisition of Public Works and Police Vehicles and Construction of Dog Park		\$ 131,100.00		131,100.00
		<u>\$ 182,500.00</u>	<u>\$ 131,100.00</u>	<u>\$ -</u>	<u>\$ 313,600.00</u>

**SUPPLEMENTAL EXHIBITS**

**WATER UTILITY FUND**

**BOROUGH OF BROOKLAWN**  
**WATER UTILITY FUND**  
Statement of Water Utility Cash - Treasurer  
For the Year Ended December 31, 2019

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2018	\$ 218,005.37	\$ 1,013,962.12
Increased by Receipts:		
Water Rents Collected	\$ 428,278.71	
Miscellaneous Revenues	20,112.10	
Water Tower Lease	16,800.00	
Water Utility Capital Fund	4,594.14	
Water Utility Operating Fund		4,502.62
	<u>469,784.95</u>	
	687,790.32	1,018,464.74
Decreased by Disbursements:		
Appropriations	504,139.35	
Appropriation Reserves	11,263.36	
Accrued Interest on Bonds and Notes	36,597.39	
Due to Current Fund	2,682.04	
Contracts Payable		\$ 82,764.66
Water Utility Operating Fund		4,594.14
Improvement Authorizations		<u>159,542.50</u>
	<u>554,682.14</u>	<u>246,901.30</u>
Balance December 31, 2019	<u><u>\$ 133,108.18</u></u>	<u><u>\$ 771,563.44</u></u>

**BOROUGH OF BROOKLAWN**  
**WATER UTILITY FUND**  
Water Utility Capital Fund  
Analysis of Water Utility Capital Cash  
For the Year Ended December 31, 2019

	Balance Dec. 31, 2018	Receipts		Disbursements		Transfers		Balance Dec. 31, 2019
		Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Fund Balance	\$ 12,751.24							\$ 12,751.24
Capital Improvement Fund	2,000.00							2,000.00
Reserve for Payment of Debt:								
Ordinances:								
3-03;10-03	2,432.50							2,432.50
9-03	263.76							263.76
11-04	2,626.10							2,626.10
Excess Note Proceeds	5,701.00						\$ 32,099.00	37,800.00
<u>Improvement Authorizations:</u>								
2002-15 Site Remediation at the Brooklawn								
Water Treatment Plant	286.49							286.49
2007-5 Acquisition of a Water Tower Chlorination System	11,643.78							11,643.78
2010-6 Improvements to Water Tower	1,703.75							1,703.75
2011-7 Replacement of Water Plant Roof, Replacement of								
Hydrants, Valves and Meters and Acquisition of								
Utility Truck	33,998.66							33,998.66
2015-9 Various Capital Improvements to the Utility	535,228.63			\$ 83,977.50		\$ 32,099.00	219,920.26	639,072.39
2018-3 Acquisition of Various Capital Equipment								
and Completion of Various Capital								
Improvements to the Utility	102,210.00			75,565.00				26,645.00
Contracts Payable	302,684.92				\$ 82,764.66	219,920.26		
Water Utility Operating Fund	431.29		\$ 4,502.62		4,594.14			339.77
	<u>\$1,013,962.12</u>	<u>\$ -</u>	<u>\$ 4,502.62</u>	<u>\$159,542.50</u>	<u>\$ 87,358.80</u>	<u>\$252,019.26</u>	<u>\$252,019.26</u>	<u>\$ 771,563.44</u>

**BOROUGH OF BROOKLAWN**  
WATER UTILITY FUND  
Water Utility Operating Fund  
Statement of Consumer Accounts Receivable  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 5,129.07
Increased by:	
2019 Water Rents Levied	<u>425,426.73</u>
	430,555.80
Decreased by:	
Collections	<u>428,278.71</u>
Balance December 31, 2019	<u><u>\$ 2,277.09</u></u>

**BOROUGH OF BROOKLAWN**  
**WATER UTILITY FUND**  
**Water Utility Capital Fund**  
**Schedule of Fixed Capital**  
**As of December 31, 2019 and 2018**

	Balance Dec. 31, 2019 & 2018
Pumping Station, Mains and Fire Hydrants	\$ 62,076.72
Aerator	6,700.74
Deep Well Pump	3,970.03
Sprinkler System	951.83
Heavy Duty Vehicles	48,000.00
Well	12,542.95
Well and Equipment	594,873.79
Wiring	850.00
Water Meters	64,316.89
Water Tower Chlorination System	8,356.22
Addition to Municipal Water Works and Purchase of Equipment	61,227.34
Auxiliary Generators	80,000.00
Water Tank; Wet Basin; High Service Pumps; Generator; Chemical Feed System; Distribution Pipelines	1,074,621.79
Water Plan Radio Control Communications	14,400.00
Water Utility Site Repairs and Installation of Backwash Filtering System	75,000.00
Site Remediation	99,713.51
Reconstruction, Repair and Redevelopment of Well #1	6,000.00
Redevelopment of Well #3	24,299.00
Improvements of Water Tower	283,296.25
Water Recycling System and Plant Controls	199,906.66
Water Works Underground Storage Tanks Site	8,355.40
Water Plant Roof, Hydrants, Valves, Meters and Utility Truck	66,001.34
Water Improvements and Related Items	202,673.08
	<u>\$ 2,998,133.54</u>

**BOROUGH OF BROOKLAWN**  
**WATER UTILITY FUND**  
**Water Utility Capital Fund**  
**Schedule of Fixed Capital Authorized and Uncompleted**  
**As of December 31, 2019 and 2018**

Ord. No.	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2019 & 2018
2002-15	Site Remediation at the Brooklawn	11/18/2002	\$ 100,000.00	\$ 286.49
2007-5	Acquisition of a Water Tower Chlorination System	6/18/2007	20,000.00	11,643.78
2010-6	Improvements to Water Tower	8/16/2010	500,000.00	1,703.75
2011-7	Replacement of Water Plant Roof, Replacement of Hydrants Valves and Meters and Acquisition of Utility Truck	6/20/2011	100,000.00	33,998.66
2014-7	Various Improvements and Providing Funding for Preliminary Costs for Water Project	6/16/2014	152,000.00	111,166.52
2015-9	Various Capital Improvements to the Utility	5/18/2015	1,490,300.00	1,490,300.00
2018-3	Acquisition of Various Capital Equipment and Completion of Various Capital Improvements to the Utility	3/19/2018	150,000.00	140,000.00
				<u>\$ 1,789,099.20</u>

**BOROUGH OF BROOKLAWN**  
**WATER UTILITY FUND**  
Water Utility Operating Fund  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2019

	<u>Balance December 31, 2018</u>			<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Disbursed</u>	<u>Lapsed</u>
Operating:				
Salaries and Wages		\$ 9,082.05		\$ 9,082.05
Other Expenses	\$ 12,705.87	856.68	\$ 11,263.36	2,299.19
Deferred Charges and Statutory Expenditures:				
Social Security System (O.A.S.I.)		2,077.17		2,077.17
Unemployment Compensation insurance		1.00		1.00
	<u>\$ 12,705.87</u>	<u>\$ 12,016.90</u>	<u>\$ 11,263.36</u>	<u>\$ 13,459.41</u>



**BOROUGH OF BROOKLAWN**  
**WATER UTILITY FUND**  
Water Utility Operating Fund  
Statement of Interest on Notes and Analysis of Balance  
For the Year Ended December 31, 2019

Balance December 31, 2018	\$ 17,495.03
Increased by:	
Budget Appropriation:	
Interest on Bonds and Notes	<u>34,425.67</u>
	51,920.70
Decreased by:	
Disbursements	<u>36,597.39</u>
Balance December 31, 2019	<u><u>\$ 15,323.31</u></u>

Analysis of Accrued Interest December 31, 2019

	<u>Principal Outstanding Dec. 31, 2019</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
Bond Anticipation Notes:						
	\$ 1,828,450.00	1.738%	7/8/2019	12/31/2019	176 Days	<u><u>\$ 15,323.31</u></u>

**BOROUGH OF BROOKLAWN**  
**WATER UTILITY FUND**  
**Water Utility Capital Fund**  
**Statement of Improvement Authorizations**  
**For the Year Ended December 31, 2019**

Ord. No.	Improvement Description	Date	Amount	Balance Dec. 31, 2018		Contracts Payable Canceled	Cash Disbursed	Balance Dec. 31, 2019	
				Funded	Unfunded			Funded	Unfunded
2002-15	Site Remediation at the Brooklawn Water Treatment Plant	11/18/02	\$ 100,000.00	\$ 286.49				\$ 286.49	
2007-5	Acquisition of a Water Tower Chlorination System	6/18/07	20,000.00	11,643.78				11,643.78	
2010-7	Improvements to Water Tower	8/16/10	500,000.00		\$ 1,703.75				\$ 1,703.75
2011-7	Replacement of Water Plant Roof, Replacement of Hydrants, Valves and Meters and Acquisition of Utility Truck	6/20/11	100,000.00		33,998.66				33,998.66
2015-9	Various Capital Improvements to the Utility	5/18/15	1,490,300.00		535,228.63	\$ 219,920.26	\$ 83,977.50		671,171.39
2018-3	Acquisition of Various Capital Equipment and Completion of Various Capital Improvements to the Utility	3/19/18	150,000.00		102,210.00		75,565.00		26,645.00
				<u>\$ 11,930.27</u>	<u>\$ 673,141.04</u>	<u>\$ 219,920.26</u>	<u>\$ 159,542.50</u>	<u>\$ 11,930.27</u>	<u>\$ 733,518.80</u>

**BOROUGH OF BROOKLAWN**  
WATER UTILITY FUND  
Water Utility Capital Fund  
Statement of Contracts Payable  
For the Year Ended December 31, 2019

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Balance December 31, 2018		\$ 302,684.92
Decreased by:		
Disbursed	\$ 82,764.66	
Canceled	<u>219,920.26</u>	
		<u>\$ 302,684.92</u>

## Exhibit SD-10

**BOROUGH OF BROOKLAWN**  
WATER UTILITY FUND  
Water Utility Capital Fund  
Statement of Reserve for Amortization  
For the Year Ended December 31, 2019

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Balance December 31, 2018		\$ 2,879,483.47
Increased by:		
Transferred from Deferred Reserve for Amortization		<u>73,070.00</u>
Balance December 31, 2019		<u>\$ 2,952,553.47</u>

**BOROUGH OF BROOKLAWN**  
**WATER UTILITY FUND**  
**Water Utility Capital Fund**  
**Statement of Deferred Reserve for Amortization**  
**For the Year Ended December 31, 2019**

<u>Ord. Number</u>	<u>Improvement Description</u>	<u>Ord. Date</u>	<u>Balance Dec. 31, 2018</u>	<u>Transferred to Reserve for Amortization</u>	<u>Notes Paid from Operating Budget</u>	<u>Balance Dec. 31, 2019</u>
2002-15	Site Remediation at the Brooklawn Water Treatment Plant	11/18/02	\$ 286.49			\$ 286.49
2007-5	Acquisition of a Water Tower Chlorination System	6/18/07	11,643.78			11,643.78
2010-6	Improvements to Water Tower	8/16/10		\$ 39,500.00	\$ 39,500.00	
2011-7	Replacement of Water Plant Roof, Replacement of Hydrants, Valves and Meters and Acquisition of Utility Truck	6/20/11		13,570.00	13,570.00	
2014-7	Various Improvements and Providing Funding for Preliminary Costs for Water Project	6/16/14		20,000.00	20,000.00	
			<u>\$ 11,930.27</u>	<u>\$ 73,070.00</u>	<u>\$ 73,070.00</u>	<u>\$ 11,930.27</u>

**BOROUGH OF BROOKLAWN**  
**WATER UTILITY FUND**  
Water Utility Capital Fund  
Statement of Bond Anticipation Notes  
For the Year Ended December 31, 2019

<u>Ord. Number</u>	<u>Purpose</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2018</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2019</u>
2010-6	Improvements to Water Tower	07/27/2011	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	\$ 118,500.00	\$ 79,000.00	\$ 118,500.00	\$ 79,000.00
2011-7	Replacement of Water Plant Roof, Replacement of Hydrants, Valves and Meters and Acquisition of Utility Truck	07/27/2011	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	40,720.00	27,150.00	40,720.00	27,150.00
2014-7	Various Improvements and Providing Funding for Preliminary Costs for Water Project	07/21/2014	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	112,000.00	92,000.00	112,000.00	92,000.00
2015-9	Various Capital Improvements to the Utility	07/17/2015	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	1,490,300.00	1,490,300.00	1,490,300.00	1,490,300.00
2018-3	Acquisition of Various Capital Equipment and Completion of Various Capital Improvements to the Utility	07/10/2018	7/10/2018 7/8/2019	7/9/2019 7/7/2020	1.930% 1.738%	140,000.00	140,000.00	140,000.00	140,000.00
						<u>\$ 1,901,520.00</u>	<u>\$ 1,828,450.00</u>	<u>\$ 1,901,520.00</u>	<u>\$ 1,828,450.00</u>
							\$ 1,828,450.00	\$ 1,828,450.00	
								73,070.00	
							<u>\$ 1,828,450.00</u>	<u>\$ 1,901,520.00</u>	

Renewals  
Paid by Budget Appropriation

**SUPPLEMENTAL EXHIBITS**

**PUBLIC ASSISTANCE FUND**

**BOROUGH OF BROOKLAWN**  
**PUBLIC ASSISTANCE TRUST FUND**  
Statement of Public Assistance Trust Fund Cash - Treasurer  
For the Year Ended December 31, 2019

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		<u>P.A.T.F. II</u>
Balance December 31, 2018		\$ 550.97
Increased by:		
Interest Earned - Due to Current Fund		<u>1.17</u>
		552.14
Decreased by:		
Disbursed to Current Fund:		
Interest Realized as Anticipated Revenue	\$ 1.17	
Interfund Returned	0.23	
Miscellaneous Revenue Not Anticipated	<u>550.74</u>	
		<u>\$ 552.14</u>

**PART II**  
**SINGLE AUDIT**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**



**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

**INDEPENDENT AUDITOR'S REPORT**

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

**Report on Compliance for the Borough's Major Federal Program**

We have audited the Borough of Brooklawn's, in the County of Camden, State of New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Borough's major federal program for the year ended December 31, 2019. The Borough's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

***Management's Responsibility***

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal award applicable to its federal program.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the Borough's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance 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; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the Borough's major federal program occurred. An audit includes examining, on a test basis, evidence about the Borough's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the Borough's major federal program. However, our audit does not provide a legal determination of the Borough of Brooklawn's, in the County of Camden, State of New Jersey, compliance.

***Opinion on the Borough's Federal Program***

In our opinion, the Borough of Brooklawn, in the County of Camden, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2019.

## Report on Internal Control over Compliance

Management of the Borough of Brooklawn, in the County of Camden, State of New Jersey, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Borough's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Borough of Brooklawn's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

*Bowman & Company LLP*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

*Kirk N. Applegate*

Kirk N. Applegate  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
July 28, 2020

**BOROUGH OF BROOKLAWN**  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2019

Federal Grantor/ Pass-through Grantor / Program Title	Federal CFDA Number	Federal FAIN Number	Pass-Through Entity Identifying Number	Program or Award Amount	Loan/Grant Period		Balance December 31, 2018	Receipts or Revenue Recognized	Disbursed/ Expended Direct Funds	Passed Through to Subrecipients	Adjustments	Balance December 31, 2019		Memo Only	
					From	To						Loan Proceeds/ Grant Receivable	Unearned Revenue	Cash Collected	Accumulated Expenditures
U.S. Department of Agriculture Water and Waste Disposal Systems for Rural Communities Current Fund Water Utility Fund	10.760	N/A	N/A	\$ 1,648,000.00 1,650,300.00	5/12/14 5/12/14	Completion Completion	\$ (103,103.33) (85,463.86)		\$ 1,396,092.89 893,661.75			\$ (1,648,000.00) (1,650,300.00)	\$ 148,803.78 671,174.39		\$ 1,499,196.22 979,125.61
Total U.S. Department of Agriculture							(188,567.19)	\$ -	2,289,754.64	\$ -	\$ -	(3,298,300.00)	819,978.17	\$ -	2,478,321.83
U.S. Department of Justice COPS Hiring Recovery Grant	16.710	N/A	N/A	350,081.00	1/1/09	12/31/11	5,984.59				(5,984.59)	(18,571.69)	18,571.69	331,509.31	325,524.72
Bulletproof Vest Partnership Program	16.607	N/A	N/A	2,065.29	1/1/14	-	73.80				(73.80)	(1,160.50)	1,160.50	904.79	830.99
Total U.S. Department of Justice							6,058.39	-	-	-	(6,058.39)	(19,732.19)	19,732.19	332,414.10	326,355.71
Total Federal Financial Assistance							\$ (182,508.80)	\$ -	\$ 2,289,754.64	\$ -	\$ (6,058.39)	\$ (3,318,032.19)	\$ 839,710.36	\$ 332,414.10	\$ 2,804,677.54

The accompanying Notes to Financial Statements and Notes to Schedule of Expenditures of Federal Awards are an integral part of this schedule.

**BOROUGH OF BROOKLAWN**  
Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2019

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**Note 1: BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes federal award activity of the Borough of Brooklawn (hereafter referred to as the "Borough") under a program of the federal government for the year ended December 31, 2019. The Borough is defined in note 1 to the financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). A federal award received directly from a federal agency is included on the schedule. Because this schedule presents only a selected portion of the operations of the Borough, it is not intended to and does not present the financial position and changes in operations of the Borough.

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the modified accrual basis of accounting as promulgated by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. This basis of accounting is described in note 1 to the financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles*, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

**Note 3: INDIRECT COST RATE**

The Borough has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Note 4: RELATIONSHIP TO FEDERAL FINANCIAL REPORTS**

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports.

**Note 5: ADJUSTMENTS**

The amounts reported in the column entitled "adjustments" represent the cancellation of unspent grant funds to agree with the amount of grants receivable.

**Note 6: MAJOR PROGRAMS**

Major programs are identified in the *Summary of Auditor's Results* section of the *Schedule of Findings and Questioned Costs*.

**PART III**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

**BOROUGH OF BROOKLAWN**  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2019

**Section 1- Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	_____ yes <u>  X  </u> no
Significant deficiency(ies) identified?	<u>  X  </u> yes    _____ none reported
Noncompliance material to financial statements noted?	_____ yes <u>  X  </u> no

**Federal Awards**

Internal control over major programs:	
Material weakness(es) identified?	_____ yes <u>  X  </u> no
Significant deficiency(ies) identified?	_____ yes <u>  X  </u> none reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 516 of Title 2 U.S. Code of Federal Regulations Part 200, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</i> (Uniform Guidance)?	
	_____ yes <u>  X  </u> no

Identification of major programs:

**CFDA Number(s)**

10.760 \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Name of Federal Program or Cluster**

Water and Waste Disposal Systems for \_\_\_\_\_  
Rural Communities \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dollar threshold used to determine Type A programs	\$ 750,000.00
Auditee qualified as low-risk auditee?	_____ yes <u>  X  </u> no

**BOROUGH OF BROOKLAWN**  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2019

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***Section 2 - 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. 2019-001**

**Criteria or Specific Requirement**

Good internal control requires an entity to implement procedures that are designed to prevent the charging of expenses to inappropriate budget years.

**Condition**

The Borough charged three tested expenses to an inappropriate budget year.

**Context**

Water utility services were performed in 2019 and inappropriately charged to the 2020 water utility budget.

**Effect**

The Borough's water utility budget for 2019 was undercharged by \$11,868.34.

**Cause**

Invoices for these services were received subsequent to the Borough's 2019 year-end and the Borough's internal control procedures did not prevent them from being charged to the 2020 budget.

**Recommendation**

That the Borough comply with its designed internal control procedures related to expenditures in an effort to prevent the charging of expenses to inappropriate budget years.

**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 BROOKLAWN**  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2019

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***Section 3 - Schedule of Federal Award Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

**Information on the Federal Program**

C.F.D.A. Number 10.760 Water and Waste Disposal Systems for Rural Communities

N/A - None



**BOROUGH OF BROOKLAWN**  
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 statements and Federal Awards that are required to be reported in accordance with *Government Auditing Standards* and the Uniform Guidance.

**FINANCIAL STATEMENT FINDINGS**

N/A - None

**FEDERAL AWARDS**

N/A – No Federal Single Audit was performed in 2018.

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

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Theresa Branella	Mayor	
Julie McCleary	Council President	
Patricia McConnell	Councilmember	
Michael Mevoli	Councilmember	
Gregory Gilbert	Councilmember	
Jerry Granstrom	Councilmember	
Patrick Moses	Councilmember	
Ryan Giles	Chief Financial Officer, Borough Clerk, Registrar of Vital Statistics, Personnel Officer	(A)
Maria Branson	Tax Collector, Water Clerk, Construction Office Secretary	(A)
Stacey Brewster	Treasurer, Deputy Borough Clerk, Borough Homes Coordinator	(A)
Timothy Higgins, Esquire	Solicitor	

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

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**APPRECIATION**

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

Respectfully submitted,

*Bowman & Company LLP*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

*Kirk N. Applegate*

Kirk N. Applegate  
Certified Public Accountant  
Registered Municipal Accountant

