

**BOROUGH OF BROOKLAWN
COUNTY OF CAMDEN
REPORT OF AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2021**

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BOROUGH OF BROOKLAWN

PART I

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

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, 2021 and 2020, 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, 2021, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above 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, 2021 and 2020, 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, 2021, 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.

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* section of our report, the accompanying financial statements referred to above do not present fairly the financial position of the Borough of Brooklawn, in the County of Camden, State of New Jersey, as of December 31, 2021 and 2020, or the results of its operations and changes in fund balance for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions on Regulatory Basis of Accounting

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, 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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Borough and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in note 1 to the financial statements, the financial statements are prepared by the Borough on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey. The effects on the financial statements of the variances between the regulatory basis of accounting described in note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management 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. Management is also responsible for 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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary 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 accompanying 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 supplemental statements and schedules presented for the various funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 accompanying supplemental statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2022 on our consideration of the Borough of Brooklawn's 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

Kel M. Grynberg

Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 21, 2022

**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 statement 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, 2021, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated June 21, 2022. 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.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough's internal control over financial reporting (internal control) as a basis for designing 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's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough'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 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 were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying *Schedule of Findings and Recommendations*, as Finding No. 2021-001 and 2021-002 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and which are described in the accompanying *Schedule of Findings and Recommendations*, as Finding No. 2021-001 and 2021-002.

The Borough of Brooklawn's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Borough's response to the findings identified in our audit and described in the accompanying *Schedule of Findings and Recommendations*. The Borough's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Kel N. Grynberg

Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 21, 2022

BOROUGH OF BROOKLAWN**CURRENT FUND**

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

As of December 31, 2021 and 2020

	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>			
Regular Fund:			
Cash--Treasurer	SA-1	\$ 1,938,796.56	\$ 2,060,863.65
Cash--Change Funds	SA-2	240.00	240.00
		<u>1,939,036.56</u>	<u>2,061,103.65</u>
Receivables and Other Assets with			
Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	74,835.07	122,588.73
Tax Title Liens Receivable	SA-4	125,721.54	114,645.04
Property Acquired for Taxes - Assessed			
Valuation	A	69,700.00	69,700.00
Rents Receivable - Borough-Owned Homes	SA-6	60,197.51	21,112.51
Revenue Accounts Receivable	SA-7	5,200.08	2,841.88
Due from Trust - Animal Control Fund	SB-4	0.19	0.12
Due from Trust - Other Fund	SB-5	12,097.56	
Due from General Capital Fund	C		74.02
Due from Water Utility Operating Fund	D	98.00	122.00
		<u>347,849.95</u>	<u>331,084.30</u>
Deferred Charges:			
Reserve for Revaluation	SA-8	-	10,000.00
		<u>2,286,886.51</u>	<u>2,402,187.95</u>
Federal and State Grant Fund:			
Cash	SA-1	257,983.80	126,472.26
Grants Receivable	SA-19	53,125.13	73,763.52
		<u>311,108.93</u>	<u>200,235.78</u>
		<u>\$ 2,597,995.44</u>	<u>\$ 2,602,423.73</u>

(Continued)

BOROUGH OF BROOKLAWN**CURRENT FUND**

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

As of December 31, 2021 and 2020

	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Appropriation Reserves	A-3	\$ 66,837.66	\$ 137,542.26
Reserve for Encumbrances:			
Budget	A-3	96,921.44	117,005.51
Due to CCMUA - Tax Sale	A-1 / SA-1		20,451.06
Due to State of New Jersey:			
Veterans and Senior Citizens Deductions (Ch.73, P.L. 1976)	SA-5	17,465.00	17,693.77
Marriage License Fees	SA-10	150.00	175.00
State Training Fees	SA-11	116.00	237.00
Reserve for Payroll Deductions Payable	SA-12	28,729.48	26,078.26
Prepaid Taxes	SA-13	58,848.50	96,431.82
Tax Overpayments	SA-14	16,495.21	18,247.21
Due County for Added and Omitted Taxes	SA-16	6,427.15	35,816.87
Prepaid Rents on Borough Owned Homes	SA-17		195.00
School Taxes Payable	SA-18	4,481.50	4,481.50
Reserve for Preparation of Tax Maps	A-1		2,032.50
Reserve for Revaluation	A-1		16,185.63
Due to Trust - Other Fund	SB-5		11,480.19
Due to General Capital Fund	SC-4	51,710.37	
		<u>348,182.31</u>	<u>504,053.58</u>
Reserves for Receivables		347,849.95	331,084.30
Fund Balance	A-1	<u>1,590,854.25</u>	<u>1,567,050.07</u>
		<u>2,286,886.51</u>	<u>2,402,187.95</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	99,330.46	2,035.00
Reserve for Federal and State Grants - Appropriated	SA-21	211,704.81	198,127.12
		<u>311,108.93</u>	<u>200,235.78</u>
		<u>\$ 2,597,995.44</u>	<u>\$ 2,602,423.73</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, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<u>Revenue and Other Income Realized:</u>		
Fund Balance Utilized	\$ 575,000.00	\$ 508,000.00
Miscellaneous Revenues Anticipated	1,261,997.59	1,136,289.06
Receipts from Delinquent Taxes	123,118.68	90,927.35
Receipts from Current Taxes	4,528,793.31	4,610,438.76
Non-budget Revenues	255,945.49	207,995.48
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	157,000.75	64,263.65
Cancellation of Reserve for Revaluation	16,185.63	
Cancellation of Reserve for Preparation of Tax Maps	2,032.50	
Cancellation of Reserve for C.C.M.U.A.	562.72	
Cancellation of Prior Year LOSAP Contribution	11,500.00	
Cancellation of Tax Overpayments	4,378.96	
Interfund Reserves Liquidated:		
Due from General Capital Fund	74.02	275.15
Due from Trust - Animal Control Fund		0.13
Due from Water Utility Operating Fund	24.00	
	<u>6,936,613.65</u>	<u>6,618,189.58</u>
<u>Expenditures:</u>		
Budget Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	1,170,561.00	1,141,800.00
Other Expenses	1,181,513.00	1,262,225.00
Deferred Charges and Statutory Expenditures		
Municipal -- Within "CAPS"	349,270.00	309,705.00
Operations Excluded from "CAPS"		
Salaries and Wages	20,323.76	34,000.00
Other Expenses	712,463.59	544,990.65
Capital Improvement Fund	15,000.00	15,000.00
Municipal Debt Service	288,381.31	250,948.50
Deferred Charges -- Excluded from "CAPS"	61,749.45	10,000.00
County Taxes	1,072,350.09	1,005,013.40
Due County for Added and Omitted Taxes	6,427.15	35,816.87
Local District School Tax	1,443,279.50	1,471,894.50
Prior Year Senior Citizens Disallowed	613.82	500.00
Refund of Prior Year Revenue	3,779.17	
Interfund Reserves Created:		
Due from Trust - Animal Control Fund	0.07	
Due from Trust - Other Fund	12,097.56	
Due from Water Utility Operating Fund		121.83
	<u>6,337,809.47</u>	<u>6,082,015.75</u>

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
 Statements of Operations and Changes
 In Fund Balance - Regulatory Basis
 For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Excess in Revenues	\$ 598,804.18	\$ 536,173.83
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	598,804.18	536,173.83
Fund Balance January 1	<u>1,567,050.07</u>	<u>1,538,876.24</u>
	2,165,854.25	2,075,050.07
Decreased by:		
Utilization as Anticipated Revenue	<u>575,000.00</u>	<u>508,000.00</u>
Fund Balance December 31	<u><u>\$ 1,590,854.25</u></u>	<u><u>\$ 1,567,050.07</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, 2021

	Anticipated Budget	Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 575,000.00	\$ -	\$ 575,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	12,500.00		12,900.00	400.00
Other	6,500.00		3,925.00	(2,575.00)
Fines and Costs:				
Municipal Court	83,500.00		70,860.26	(12,639.74)
Interest and Costs on Taxes	15,078.82		33,904.32	18,825.50
Interest on Investments and Deposits	10,000.00		3,525.41	(6,474.59)
Rental of Municipally Owned Property	306,000.00		312,450.00	6,450.00
Uniform Fire Safety Act-- Fees & Permits	235.00		951.00	716.00
Rental Registration Fees	17,000.00		11,040.00	(5,960.00)
Energy Receipts Tax P.L. 1997, Chapters 162 & 167)	199,509.00		199,509.00	
Uniform Construction Code Fees	28,000.00		55,039.00	27,039.00
Hotel Motel Tax	40,500.00		57,259.26	16,759.26
Sewer Service Fees	165,000.00		183,895.32	18,895.32
Rental of Community Center	2,450.00		4,229.00	1,779.00
Special Items of Revenue:				
Uniform Fire Safety Act	3,700.00		5,509.08	1,809.08
Utility Operating Surplus of Prior Year	45,000.00		45,000.00	
Interlocal Service Agreement - Administrator Services - Borough of Westville	81,000.00		81,000.00	
Interlocal Service Agreement - Electrical Sub-Code				
Official Services - Borough of Westville	9,000.00		9,000.00	
Interlocal Service Agreement - Tax Collector - Audobon Park	3,000.00		3,000.00	
Interlocal Service Agreement - Qualified Purchasing Agent - Borough of Lindenwold	2,500.00		2,500.00	
Reserve to Pay Debt	82,791.69		82,791.69	

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2021

	<u>Anticipated Budget</u>	<u>Special N.J.S. 40A:4-87</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Public and Private Revenues Offset With Appropriations:				
Municipal Alliance on Alcoholism and Drug Abuse	\$ 5,034.30		\$ 5,034.30	
Body Armor Replacement Fund	991.06		991.06	
Clean Communities Program		\$ 4,023.76	4,023.76	
Drunk Driving Enforcement Fund	2,035.00	2,200.00	4,235.00	
Recycling Tonnage Grant	3,125.13		3,125.13	
Recreation Facilities Enhancement Grant	50,000.00		50,000.00	
Safe and Secure Communities Grant	16,300.00		16,300.00	
	<hr/>	<hr/>	<hr/>	<hr/>
Subtotal General Revenues	1,190,750.00	6,223.76	1,261,997.59	\$ 65,023.83
	<hr/>	<hr/>	<hr/>	<hr/>
Receipts from Delinquent Taxes	75,000.00	-	123,118.68	48,118.68
	<hr/>	<hr/>	<hr/>	<hr/>
Subtotal General Revenues	1,840,750.00	6,223.76	1,960,116.27	113,142.51
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes Including Reserve for Uncollectible Taxes	<hr/>	<hr/>	<hr/>	<hr/>
	2,141,350.00	-	2,266,298.07	124,948.07
	<hr/>	<hr/>	<hr/>	<hr/>
Budget Totals	3,982,100.00	6,223.76	4,226,414.34	238,090.58
Nonbudget Revenues	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	255,945.49	255,945.49
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>\$ 3,982,100.00</u>	<u>\$ 6,223.76</u>	<u>\$ 4,482,359.83</u>	<u>\$ 494,036.07</u>

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2021

Analysis of Realized Revenue:

Allocation of Current Tax Collections:

Revenue from Collections	\$ 4,528,793.31
Allocated to:	
School and County Taxes	<u>2,451,495.24</u>
Balance for Support of Municipal Budget Revenues	2,077,298.07
Add:	
Appropriation: "Reserve for Uncollected Taxes"	<u>189,000.00</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 2,266,298.07</u></u>

Receipts from Delinquent Taxes

Delinquent Tax Collections	<u><u>\$ 123,118.68</u></u>
----------------------------	-----------------------------

Interest on Investments and Deposits

Treasurer	\$ 3,510.28
Municipal Court	<u>15.13</u>
	<u><u>\$ 3,525.41</u></u>

Rental of Municipally Owned Property

Rents Receivable	\$ 312,255.00
Prepayments Applied	<u>195.00</u>
	<u><u>\$ 312,450.00</u></u>

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2021

Miscellaneous Revenue Not Anticipated

Recycling	\$ 9,059.01
Police Reports	776.80
NSF Check Fees	94.20
Registrar	355.00
Gun Permits	121.00
Zoning	425.00
Zoning List	30.00
Homestead Mailing Rebate	105.00
Cable TV	10,476.20
Bus Shelters	910.00
Gateway Railroad Lease	1,200.00
Property Maintenance Revenue	4,760.00
Refund-DMV Inspections Issued	353.68
Donations- 4th of July	1,770.00
Senior Citizen & Veteran Deductions - Admin Fee	262.72
Police Outside Services - Admin Fees	30,000.00
Restitution	150.00
Marriage License - Borough	24.00
County Inspection Fees	6,505.00
Sewer Rent Interest	1,330.86
Miscellaneous	72,978.66
Sale of Municipal Assets	82,238.50
HIF Reimbursement	25,229.86
Other Fees	6,790.00
	<hr/>
	\$ 255,945.49
	<hr/>

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, 2021

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
<u>OPERATIONS WITHIN "CAPS"</u>						
GENERAL GOVERNMENT:						
Administrative and Executive						
Salaries and Wages:						
Municipal Clerk's Office	\$ 96,000.00	\$ 106,000.00	\$ 104,510.05		\$ 1,489.95	
Mayor and Council	24,400.00	24,400.00	24,400.00			
Other Expenses:						
Printing and Legal	3,100.00	3,100.00	1,875.19		1,224.81	
Mayor and Council	3,100.00	3,100.00	2,277.13		822.87	
Miscellaneous Other Expenses	70,000.00	72,000.00	70,030.52	\$ 713.47	1,256.01	
Elections						
Other Expenses	2,000.00	2,000.00	1,721.85		278.15	
Financial Administration						
Salaries and Wages:						
Treasurer's Office	27,500.00	25,000.00	24,221.10		778.90	
Chief Financial Officer	48,000.00	46,000.00	45,968.44		31.56	
Other Expenses:						
Annual Audit	38,000.00	38,000.00	38,000.00			
Assessment of Taxes						
Salaries and Wages	8,500.00	8,500.00	8,499.96		0.04	
Other Expenses	1,000.00	1,100.00	615.95	481.10	2.95	
Collection of Taxes						
Salaries and Wages	42,000.00	42,000.00	41,849.86		150.14	
Other Expenses	4,000.00	3,000.00	2,634.15	100.00	265.85	
Legal Services						
Other Expenses	50,000.00	57,000.00	52,920.54	647.50	3,431.96	
Engineering Services and Costs						
Other Expenses	35,000.00	25,000.00	19,115.00		5,885.00	
Public Buildings and Grounds						
Other Expenses	38,000.00	74,000.00	53,744.22	20,076.05	179.73	

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
OPERATIONS WITHIN "CAPS" (CONT'D)						
Administration of Borough Owned Homes						
Salaries and Wages	\$ 10,000.00	\$ 10,000.00	\$ 9,315.75		\$ 684.25	
Maintenance of Borough Owned Homes						
Salaries and Wages	22,500.00	22,500.00	17,571.84		4,928.16	
Other Expenses	62,000.00	68,000.00	66,958.96	\$ 203.02	838.02	
Municipal Land Use Law (N.J.S.A. 40:55D-1)						
Planning and Zoning Boards						
Salaries and Wages	6,000.00	6,500.00	6,399.10		100.90	
Other Expenses	2,500.00	500.00	370.00		130.00	
Insurance:						
Group Insurance Plans for Employees	225,000.00	122,000.00	111,850.04		10,149.96	
Health Benefit Waiver	28,000.00	28,000.00	27,301.86		698.14	
Worker's Compensation Insurance	70,913.00	70,913.00	70,913.00			
Other Insurance Premiums	85,500.00	83,500.00	83,021.96		478.04	
Animal Control						
Other Expenses	9,000.00	11,000.00	10,371.89	300.00	328.11	
Celebration of Public Events						
Other Expenses	15,000.00	11,500.00	9,928.07		1,571.93	
PUBLIC SAFETY:						
Fire Prevention						
Salaries and Wages	5,500.00	5,500.00	5,469.96		30.04	
Other Expenses	3,000.00	3,000.00	1,014.84	1,469.00	516.16	
Police						
Salaries and Wages	740,000.00	755,000.00	752,996.06		2,003.94	
Other Expenses	80,000.00	80,000.00	73,005.45	6,476.01	518.54	
Fire						
Other Expenses	37,000.00	37,000.00	32,618.62	3,978.60	402.78	
Municipal Code Enforcement Official						
Salaries and Wages	38,000.00	35,900.00	33,491.12		2,408.88	
Other Expenses	1,500.00	1,500.00	323.66		1,176.34	

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2021

	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	2,500.00	1,500.00	1,296.95		\$ 203.05	
Traffic Signals						
Other Expenses	2,800.00	1,300.00	694.41		605.59	
Streets and Roads						
Road Repairs and Maintenance						
Salaries and Wages	13,000.00	13,000.00	12,504.00		496.00	
Other Expenses	15,000.00	18,500.00	15,231.10	\$ 3,173.09	95.81	
Vehicle Maintenance						
Other Expenses	38,000.00	41,500.00	39,924.43	1,147.28	428.29	
Sanitation						
Sewer System						
Salaries and Wages	13,000.00	13,000.00	12,504.00		496.00	
Other Expenses	9,000.00	15,500.00	5,922.96	9,046.61	530.43	
Garbage and Trash Removal						
Salaries and Wages	13,000.00	13,000.00	12,504.00		496.00	
Other Expenses	3,000.00	1,500.00	350.00		1,150.00	
Sanitary Landfill						
Other Expenses	75,000.00	88,000.00	79,191.60	7,257.34	1,551.06	
Recycling						
Salaries and Wages	13,000.00	13,000.00	12,504.00		496.00	
Other Expenses	7,500.00	2,500.00	936.11		1,563.89	
HEALTH AND WELFARE:						
Board of Health						
Salaries and Wages	500.00	500.00			500.00	
Other Expenses	1,000.00	1,000.00			1,000.00	
Parks and Playgrounds						
Other Expenses	30,000.00	30,000.00	21,149.66	6,962.00	1,888.34	

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations		Expended			Unexpended Balance Canceled
	<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	\$ 9,745.97	\$ 250.00	\$ 4.03	
STATE UNIFORM CONSTRUCTION CODE:						
Subcode Officials:						
Construction Official						
Salaries and Wages	10,000.00	12,000.00	11,048.44		951.56	
Electrical Inspector						
Salaries and Wages	8,000.00	9,500.00	9,018.97		481.03	
Fire Inspector						
Salaries and Wages	4,001.00	4,001.00	3,999.96		1.04	
Plumbing Official						
Salaries and Wages	4,060.00	4,060.00	4,056.96		3.04	
UNCLASSIFIED:						
Utilities:						
Utilities	160,000.00	175,000.00	169,395.09	3,390.37	2,214.54	
Total Operations Within "CAPS"	2,365,574.00	2,352,074.00	2,228,484.75	65,671.44	57,917.81	\$ -
Total Operations Including Contingent - within "CAPS"						
Detail:						
Salaries and Wages	1,148,161.00	1,170,561.00	1,154,033.57	-	16,527.43	-
Other Expenses	1,217,413.00	1,181,513.00	1,074,451.18	65,671.44	41,390.38	-

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
<u>DEFERRED CHARGES AND STATUTORY</u>						
<u>EXPENDITURES - MUNICIPAL WITHIN "CAPS":</u>						
STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees Retirement Systems	\$ 115,745.00	\$ 115,745.00	\$ 115,745.00			
Police and Fireman's Retirement System of New Jersey	153,025.00	153,025.00	153,025.00			
Social Security System (O.A.S.I.)	68,000.00	78,000.00	75,434.65		\$ 2,565.35	
Unemployment Compensation Insurance	2,500.00	2,500.00	2,500.00			
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	339,270.00	349,270.00	346,704.65	\$ -	2,565.35	\$ -
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	2,704,844.00	2,701,344.00	2,575,189.40	65,671.44	60,483.16	-
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>						
Recycling Tax	3,400.00	3,400.00			3,400.00	
Length of Service Awards Program	11,500.00	11,500.00	10,925.00		575.00	
Interlocal Service Agreement - Audubon Park Tax Collection Services	3,000.00	3,000.00	3,000.00			
Interlocal Service Agreement - Borough of Oaklyn Municipal Court Services	125,000.00	128,500.00	96,548.60	31,250.00	701.40	
Interlocal Service Agreement - Borough of Westville Administrator Services	59,500.00	59,500.00	59,500.00			
Electrical Sub-code Official Services	9,000.00	9,000.00	9,000.00			
Public Works Services	430,000.00	430,000.00	430,000.00			
Interlocal Service Agreement - Borough of Lindenwold Purchasing Agent Services	2,500.00	2,500.00	2,500.00			
Total Other Operations Excluded from "CAPS"	643,900.00	647,400.00	611,473.60	31,250.00	4,676.40	-

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
<u>OPERATIONS EXCLUDED FROM "CAPS" (CONT'D)</u>						
Public and Private Programs Offset by Revenues:						
Municipal Alliance on Alcoholism and Drug Abuse	\$ 6,712.40	\$ 6,712.40	\$ 5,034.30		\$ 1,678.10	
Recycling Tonnage Grant	3,125.13	3,125.13	3,125.13			
Clean Communities (N.J.S.A. 40A:4-87, \$4,023.76+)		4,023.76	4,023.76			
Drunk Driving Enforcement Fund (N.J.S.A. 40A:4-87, \$2,200.00+)	2,035.00	4,235.00	4,235.00			
Body Armor Replacement Fund	991.06	991.06	991.06			
Recreation Facilities Enhancement Grant	50,000.00	50,000.00	50,000.00			
Safe & Secure Communities Grant	16,300.00	16,300.00	16,300.00			
Total Public and Private Programs Offset by Revenues	79,163.59	85,387.35	83,709.25	\$ -	1,678.10	\$ -
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	723,063.59	732,787.35	695,182.85	31,250.00	6,354.50	-
Detail:						
Salaries and Wages	16,300.00	20,323.76	20,323.76	-	-	-
Other Expenses	706,763.59	712,463.59	674,859.09	31,250.00	6,354.50	-
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS":</u>						
Capital Improvement Fund	15,000.00	15,000.00	15,000.00	-	-	-
TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"	15,000.00	15,000.00	15,000.00	-	-	-
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>						
Payment of Bond Application Notes and Capital Notes	226,030.00	226,030.00	226,030.00			
Interest on Notes	11,168.96	11,168.96	11,107.31			61.65
United States Department of Agriculture:						
Loan Principal	28,294.71	28,294.71	28,294.71			
Interest on Loan	22,949.29	22,949.29	22,949.29			
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	288,442.96	288,442.96	288,381.31	-	-	61.65

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations		Expended			Unexpended Balance Canceled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
DEFERRED CHARGES						
EXCLUDED FROM "CAPS"						
Special Emergency Authorizations	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00			
Cancellation of General Capital NJDOT Grants Receivable	51,749.45	51,749.45	51,749.45			
TOTAL DEFERRED CHARGES						
EXCLUDED FROM "CAPS"	<u>61,749.45</u>	<u>61,749.45</u>	<u>61,749.45</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL GENERAL APPROPRIATIONS FOR						
MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	<u>1,088,256.00</u>	<u>1,097,979.76</u>	<u>1,060,313.61</u>	<u>31,250.00</u>	<u>6,354.50</u>	<u>61.65</u>
SUBTOTAL GENERAL APPROPRIATIONS	<u>3,793,100.00</u>	<u>3,799,323.76</u>	<u>3,635,503.01</u>	<u>96,921.44</u>	<u>66,837.66</u>	<u>61.65</u>
RESERVE FOR UNCOLLECTED TAXES	<u>189,000.00</u>	<u>189,000.00</u>	<u>189,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL GENERAL APPROPRIATIONS	<u><u>\$ 3,982,100.00</u></u>	<u><u>\$ 3,988,323.76</u></u>	<u><u>\$ 3,824,503.01</u></u>	<u><u>\$ 96,921.44</u></u>	<u><u>\$ 66,837.66</u></u>	<u><u>\$ 61.65</u></u>
Budget		\$ 3,982,100.00				
Appropriation by N.J.S.A. 40A:4-87		<u>6,223.76</u>				
		<u><u>\$ 3,988,323.76</u></u>				
Federal and State Grants - Appropriated			\$ 83,709.25			
Special Emergency Authorizations			10,000.00			
Deferred Charges - Cancellation of General Capital NJDOT Grants Receivable			51,749.45			
Reserve for Uncollected Taxes			189,000.00			
Payroll Deductions Payable			641,436.82			
Disbursed			<u>2,848,607.49</u>			
			<u><u>\$ 3,824,503.01</u></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, 2021 and 2020

	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash	SB-1	\$ 1,759.32	\$ 65.78
LOSAP Fund:			
Investments	SB-2	11,189.96	-
Other Funds:			
Cash	SB-1	299,556.97	255,151.23
Due from Developer - Escrow Deposit	B	300.00	300.00
Due from Current Fund	SB-6		11,480.19
		299,856.97	266,931.42
		\$ 312,806.25	\$ 266,997.20
<u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Reserve for Animal Control Expenditures	SB-3	\$ 1,759.13	\$ 64.46
Due to the State of New Jersey	SB-4		1.20
Due to Current Fund	SB-5	0.19	0.12
		1,759.32	65.78
LOSAP Fund:			
Reserve for Length of Service Awards Program	SB-7	11,189.96	-
Other Funds:			
Due to Current Fund	SB-6	12,097.56	
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
Community Development Block Grants	B	12,766.04	12,766.04
Length of Service Awards Program (LOSAP)	SB-7		11,500.00
Off Duty Police Work	SB-8	104,561.47	88,353.63
Security Deposits on Borough Owned Homes	SB-9	39,708.61	33,776.90
Unemployment Compensation Insurance	SB-10	5,517.01	5,669.05
Parking Offenses Adjudication Act	SB-11	447.00	439.00
Local Law Enforcement	SB-12	6,495.52	4,626.32
Public Defender Fees	SB-13	7,500.00	17,851.77
Due to Criminal Disposition & Review Collection Fund	SB-13	15,304.27	
Recreation Donations	SB-14	6,687.09	7,020.04
Tax Title Lien Redemptions	SB-15		30,661.27
Tax Sale Premiums	SB-16	74,500.00	49,400.00
Escrow Deposits	SB-17	11,189.35	1,784.35
		299,856.97	266,931.42
		\$ 312,806.25	\$ 266,997.20

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, 2021 and 2020

	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>			
Cash	SC-1	\$ 382,639.51	\$ 277,247.86
Deferred Charges to Future Taxation:			
Funded	SC-3	1,508,705.29	1,537,000.00
Unfunded	SC-4	1,460,910.00	1,169,190.00
Uncollected Grant Receivables Canceled	SC-2		51,759.45
Due from Current Fund	SC-5	51,710.37	
N.J. Transportation Trust Fund Grant Receivable	SC-7	217,500.00	148,750.00
Camden County Improvement Authority Grant Receivable	SC-2		232,725.00
		<u>\$ 3,621,465.17</u>	<u>\$ 3,416,672.31</u>
<u>LIABILITIES AND RESERVES</u>			
Reserve to Pay Notes	SC-2	\$ 171,151.24	\$ 82,791.69
Encumbrances Payable	SC-2 & 8	12,580.19	6,288.25
Due to Current Fund	SC-5		74.02
Capital Improvement Fund	SC-6	8,150.28	20,400.28
Contracts Payable	SC-8	252,698.74	486,870.38
Improvement Authorizations:			
Funded	SC-9	25,424.25	32,931.77
Unfunded	SC-9	174,347.66	81,125.92
United States Department of Agriculture Loan Payable	SC-10	1,508,705.29	1,537,000.00
Bond Anticipation Notes	SC-11	1,460,910.00	1,169,190.00
Fund Balance	C-1	<u>7,497.52</u>	
		<u>\$ 3,621,465.17</u>	<u>\$ 3,416,672.31</u>

There were no bonds and notes authorized but not issued on December 31, 2021 and December 31, 2020.

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

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Fund Balance - Regulatory Basis
For the Year Ended December 31, 2021

Permanently Funded Improvement Authorizations Canceled	\$ 7,507.52
Decreased by:	
Deferred Charges-Uncollected Grants Receivables Canceled	<u>10.00</u>
Balance December 31, 2021	<u><u>\$ 7,497.52</u></u>

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

BOROUGH OF BROOKLAWN**WATER UTILITY FUND**

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

As of December 31, 2021 and 2020

	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>			
Operating Fund:			
Cash - Treasurer	SD-1	\$ 102,292.70	\$ 56,755.21
Due from Water Utility Capital Fund	SD-1	25.19	92.99
		<u>102,317.89</u>	<u>56,848.20</u>
Receivables With Full Reserves			
Consumer Accounts Receivable	SD-3	<u>166,154.46</u>	<u>44,388.99</u>
Total Operating Fund		<u>268,472.35</u>	<u>101,237.19</u>
Capital Fund:			
Cash	SD-1	248,195.47	527,506.66
Fixed Capital	SD-5	4,581,448.30	2,998,133.54
Fixed Capital Authorized and Uncompleted	SD-6	<u>235,000.00</u>	<u>1,789,099.20</u>
Total Capital Fund		<u>5,064,643.77</u>	<u>5,314,739.40</u>
		<u>\$ 5,333,116.12</u>	<u>\$ 5,415,976.59</u>

(Continued)

BOROUGH OF BROOKLAWN**WATER UTILITY FUND**

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

As of December 31, 2021 and 2020

	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves	D-4;SD-7	\$ 38,363.86	\$ 1,250.75
Reserve for Encumbrances	D-4;SD-7	19,059.22	250.00
Rent Overpayments	SD-4	143.65	22.92
Due to Current Fund	SD-1	98.00	122.00
Accrued Interest on Notes	SD-8	9,291.77	8,132.46
		<u>66,956.50</u>	<u>9,778.13</u>
Reserve for Receivables	D	166,154.46	44,388.99
Fund Balance	D-1	<u>35,361.39</u>	<u>47,070.07</u>
Total Operating Fund		<u>268,472.35</u>	<u>101,237.19</u>
Capital Fund:			
Reserve for Payment of Debt	D	113,322.36	5,322.36
Reserve for Encumbrances	SD-10	3,862.00	
Due to Water Utility Operating Fund	SD-2	25.19	92.99
Capital Improvement Fund	SD-9	27,000.00	2,000.00
Improvement Authorizations			
Funded	SD-10		11,930.27
Unfunded	SD-10	58,601.00	157,500.25
Contracts Payable	SD-11		332,208.55
Reserve for Amortization	SD-12	3,451,149.30	3,025,623.47
Deferred Reserve for Amortization	SD-13		11,930.27
Bond Anticipation Notes	SD-14	230,000.00	1,755,380.00
U.S.D.A. Loan Payable	SD-15	1,141,000.00	
Fund Balance	D-2	<u>39,683.92</u>	<u>12,751.24</u>
Total Capital Fund		<u>5,064,643.77</u>	<u>5,314,739.40</u>
		<u>\$ 5,333,116.12</u>	<u>\$ 5,415,976.59</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, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenue and Other Income Realized:		
Operating Surplus Anticipated	\$ 45,000.00	\$ 91,500.00
Rents	430,222.22	402,022.58
Miscellaneous	19,972.51	21,203.26
Water Tower Lease	16,800.00	15,400.00
Water Rent Overpayments Canceled	22.92	
Unexpended Balance of Appropriation Reserves	1,319.46	4,807.86
	<u>513,337.11</u>	<u>534,933.70</u>
Total Income		
Expenditures:		
Operations:		
Salaries and Wages	95,000.00	110,000.00
Other Expenses	206,500.00	200,900.00
Capital Improvements	30,000.00	
Debt Service	95,169.26	97,449.64
Deferred Charges and Statutory Expenditures	53,184.00	126,207.81
Refund of Prior Year Revenue	192.53	
	<u>480,045.79</u>	<u>534,557.45</u>
Total Expenditures		
Excess in Revenue	33,291.32	376.25
Adjustments to Income before Fund Balance:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Year	-	-
	<u>33,291.32</u>	<u>376.25</u>
Statutory Excess to Fund Balance		
Fund Balance January 1	47,070.07	138,193.82
	<u>80,361.39</u>	<u>138,570.07</u>
Total		
Decreased by:		
Utilization as Anticipated Revenue	45,000.00	91,500.00
	<u>45,000.00</u>	<u>91,500.00</u>
Fund Balance December 31	<u>\$ 35,361.39</u>	<u>\$ 47,070.07</u>

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

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Statement of Capital Fund Balance - Regulatory Basis
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 12,751.24
Increased by:		
Cancellation of Funded Improvement Authorizations:		
Ordinance Number		
2002-15	\$ 286.49	
2007-5	11,643.78	
2010-7	1,703.75	
2011-7	<u>13,298.66</u>	
		<u>26,932.68</u>
Balance December 31, 2021		<u><u>\$ 39,683.92</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, 2021

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Operating Surplus Anticipated	\$ 45,000.00	\$ 45,000.00	
Water Rents	402,000.00	430,222.22	\$ 28,222.22
Water Tower Lease	15,400.00	16,800.00	1,400.00
Miscellaneous	<u>17,500.00</u>	<u>19,972.51</u>	<u>2,472.51</u>
	<u><u>\$ 479,900.00</u></u>	<u><u>\$ 511,994.73</u></u>	<u><u>\$ 32,094.73</u></u>

Analysis of Realized Revenue

Miscellaneous:

Interest on Delinquent Accounts	\$ 3,207.66
Meter Fees	180.00
Water Allocation for Westville	15,000.00
Shut-off Fees	1,000.00
Prior Year Balance Adjustment	0.91
Interest on Deposits	<u>138.16</u>
	19,526.73
Interest on Water Capital Checking Account	<u>445.78</u>
	<u><u>\$ 19,972.51</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, 2021

	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	\$ 95,000.00	\$ 95,000.00	\$ 64,329.49		\$ 30,670.51
Other Expenses	200,000.00	200,000.00	176,830.36	\$ 19,059.22	4,110.42
Annual Audit	6,500.00	6,500.00	6,500.00		
Total Operations	301,500.00	301,500.00	247,659.85	19,059.22	\$ -
Capital Improvements					
Capital Improvement Fund	30,000.00	30,000.00	30,000.00		
Total Capital Improvements	30,000.00	30,000.00	30,000.00	-	-
Debt Service:					
Payment of Bond Anticipation Notes	78,080.00	78,080.00	78,080.00		
Interest on Loans		8,150.00	8,150.00		
Interest on Notes	17,136.00	8,986.00	8,939.26		46.74
Total Debt Service	95,216.00	95,216.00	95,169.26	-	46.74
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Surplus - General Budget	45,000.00	45,000.00	45,000.00		
Contribution to:					
Social Security System (O.A.S.I.)	8,183.00	8,183.00	4,601.07		3,581.93
Unemployment Compensation Insurance	1.00	1.00			1.00
Total Deferred Charges and Statutory Expenditures	53,184.00	53,184.00	49,601.07	-	3,582.93
Total Water Utility Appropriations	<u>\$ 479,900.00</u>	<u>\$ 479,900.00</u>	<u>\$ 422,430.18</u>	<u>\$ 19,059.22</u>	<u>\$ 38,363.86</u>
Interest on Bond and Notes			\$ 17,758.24		
Disbursed			404,671.94		
			<u>\$ 422,430.18</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, 2021

	Balance <u>Dec. 31, 2020</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2021</u>
General Fixed Assets:				
Land	\$ 1,692,000.00			\$ 1,692,000.00
Building	3,244,400.00			3,244,400.00
Equipment	<u>2,715,738.67</u>	<u>\$ 247,836.00</u>		<u>2,963,574.67</u>
Total General Fixed Assets	<u>\$ 7,652,138.67</u>	<u>\$ 247,836.00</u>	<u>\$ -</u>	<u>\$ 7,899,974.67</u>
 Total Investment in General Fixed Assets	 <u>\$ 7,652,138.67</u>	 <u>\$ 247,836.00</u>	 <u>\$ -</u>	 <u>\$ 7,899,974.67</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, 2021

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.

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

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

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

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

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

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

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

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

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

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

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

Cash, Cash Equivalents and Investments - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost; therefore, unrealized gains or losses on investments have not been recorded. As of December 31, 2021, the Borough maintains cash on deposit in the trust fund for the Borough's length of service awards program.

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

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

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

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

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

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

School Taxes - The Borough is responsible for levying, collecting, and remitting school taxes for the Borough of Brooklawn School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from July 1 to June 30, increased by the amount deferred at December 31, 2020 and decreased by the amount deferred at December 31, 2021.

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 immediately preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

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

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

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

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

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

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

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, 2021, all of the Borough's bank balances totaling \$3,273,682.41 were insured by FDIC and GUDPA.

New Jersey Cash Management Fund - During the year, the Borough participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At December 31, 2021, the Borough's deposits with the New Jersey Cash Management Fund were \$2,525.79.

Note 3: PROPERTY TAXES

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

	<u>Year Ended</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Tax Rate	<u>\$ 3.928</u>	<u>\$ 4.045</u>	<u>\$ 4.022</u>	<u>\$ 4.033</u>	<u>\$ 3.900</u>
Apportionment of Tax Rate:					
Municipal	\$ 1.834	\$ 1.821	\$ 1.806	\$ 1.781	\$ 1.762
County	.897	.866	.928	.975	.881
County Open Space Trust Fund	.022	.021	.022	.023	.020
Local School	1.175	1.337	1.266	1.254	1.237

Note 3: PROPERTY TAXES (CONT'D)

Five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years (cont'd):

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2021	\$ 116,782,100.00
2020	113,290,900.00
2019	112,956,300.00
2018	113,158,800.00
2017	111,879,600.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2021	\$ 4,614,697.84	\$ 4,528,793.31	98.14%
2020	4,744,200.44	4,610,438.76	97.18%
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%

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>
2021	\$ 125,721.54	\$ 74,835.07	\$ 200,556.61	4.35%
2020	114,645.04	122,588.73	237,233.77	5.00%
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%

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>
2021	7
2020	5
2019	5
2018	5
2017	5

Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2021	\$ 69,700.00
2020	69,700.00
2019	69,700.00
2018	69,700.00
2017	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>
2021	\$ 44,388.99	\$ 551,987.69	\$ 596,376.68	\$ 430,222.22
2020	2,277.09	444,134.48	446,411.57	402,022.58
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

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>
2021	\$ 1,590,854.25	\$ 585,000.00	36.77%
2020	1,567,030.26	575,000.00	36.69%
2019	1,538,876.24	508,000.00	33.01%
2018	1,398,662.09	450,000.00	32.17%
2017	1,223,592.41	405,500.00	33.14%

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>
2021	\$ 35,361.39	\$ 35,000.00	98.98%
2020	47,070.07	45,000.00	95.60%
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%

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, 2021:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 12,195.75	\$ 51,710.37
Trust - Animal Control		0.19
Trust - Other		12,097.56
General Capital	51,710.37	
Water Utility - Operating	25.19	98.00
Water Utility - Capital		25.19
Totals	<u>\$ 63,931.31</u>	<u>\$ 63,931.31</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 2022, the Borough expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 8: PENSION PLANS

In June 2022, the New Jersey Division of Local Government Services issued Local Finance Notice 2022-12 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension's reporting on GASBS No. 68, *Accounting and Financial Reporting for Pensions*. As of the date of this report, the information for the measurement period ended June 30, 2021 was not available; therefore, the information from the measurement period June 30, 2020 is disclosed below.

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.

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

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.

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

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

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.

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 is currently 7.50% of base salary, effective July 1, 2018. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) is 10.0%. 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, 2020 was 22.32% 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, 2020, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2020 is \$112,261.00, and is payable by April 1, 2021. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2019, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2019 was \$74,699, which was paid by April 1, 2020.

Employee contributions to the Plan for the year ended December 31, 2020 were \$38,364.38.

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

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 is currently 10.0% of base salary. 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.

The Borough's contractually required contribution rate for the year ended December 31, 2020 was 27.31% 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, 2020, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2020 is \$146,933.00, and is payable by April 1, 2021. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2019, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2019 was \$149,679.00, which was paid by April 1, 2020.

Employee contributions to the Plan for the year ended December 31, 2020 were \$55,846.60.

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, 2020 was 3.77% of the Borough's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2020, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2020 was \$20,295.00, and is payable by April 1, 2021. For the prior year 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 was \$19,293.00, which was paid by April 1, 2020.

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

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 Plan (DCRP).

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**Public Employees' Retirement System**

Pension Liability - As of December 31, 2020, the Borough's proportionate share of the PERS net pension liability was \$1,673,462.00. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. 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, 2020. 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, 2020 measurement date, the Borough's proportion was 0.0102619905%, which was an increase of 0.0025824817% from its proportion measured as of June 30, 2019.

Pension Expense - For the year ended December 31, 2020, the Borough's proportionate share of the PERS pension (benefit) expense, calculated by the Plan as of the June 30, 2020 measurement date was \$137,515.00. 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, 2020, the Borough's contribution to PERS was \$74,699.00, and was paid by April 1, 2020.

Police and Firemen's Retirement System

Pension Liability - As of December 31, 2020, the Borough's and State of New Jersey's proportionate share of the PERS net pension liability were as follows:

Borough's Proportionate Share of Net Pension Liability	\$ 1,699,443.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Borough	263,746.00
	<u>\$ 1,963,189.00</u>

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)****Police and Firemen's Retirement System (Cont'd)**

Pension Liability (Cont'd) - The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. 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, 2020. 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, 2020 measurement date, the Borough's proportion was 0.0131522407%, which was a decrease of 0.0016658397% from its proportion measured as of June 30, 2019. Likewise, at June 30, 2020, the State of New Jersey's proportion, on-behalf of the Borough, was 0.0131522407%, which was a decrease of 0.0016658397% from its proportion, on-behalf of the Borough, measured as of June 30, 2019.

Pension Expense - For the year ended December 31, 2020, the Borough's proportionate share of the PFRS pension (benefit) expense, calculated by the Plan as of the June 30, 2020 measurement date was \$39,114.00. 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, 2020, the Borough's contribution to PFRS was \$149,679.00, and was paid by April 1, 2020.

For the year ended December 31, 2020, the State's proportionate share of the PFRS pension (benefit) expense, associated with the Borough, calculated by the Plan as of the June 30, 2020 measurement date, was \$263,746.00. This on-behalf (benefit) expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1.

Deferred Outflows of Resources and Deferred Inflows of Resources - As of December 31, 2020, the Borough had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between Expected and Actual Experience	\$ 30,471.00	\$ 17,133.00	\$ 47,604.00	\$ 5,918.00	\$ 6,099.00	\$ 12,017.00
Changes of Assumptions	54,289.00	4,277.00	58,566.00	700,694.00	455,610.00	1,156,304.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	57,200.00	99,646.00	156,846.00	-	-	-
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions	646,785.00	230,424.00	877,209.00	240,408.00	340,889.00	581,297.00
Borough Contributions Subsequent to the Measurement Date	56,131.00	73,467.00	129,598.00	-	-	-
	<u>\$ 844,876.00</u>	<u>\$ 424,947.00</u>	<u>\$ 1,269,823.00</u>	<u>\$ 947,020.00</u>	<u>\$ 802,598.00</u>	<u>\$ 1,749,618.00</u>

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) - Deferred outflows of resources in the amounts of \$56,131.00 and \$73,467.00 for PERS and PFRS, respectively, will be included as a reduction of the net pension liability during the year ending December 31, 2021. These amounts were based on an estimated April 1, 2022 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2020 to the Borough's year end of December 31, 2020.

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

	PERS		PFRS	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
June 30, 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
June 30, 2020	5.16	-	5.90	-
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
June 30, 2020	-	5.16	-	5.90
Net Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
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	-
June 30, 2020	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
June 30, 2020	5.16	5.16	5.90	5.90

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:

<u>Year Ending Dec 31,</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2021	\$ (137,078.00)	\$ (198,447.00)	\$ (335,525.00)
2022	(99,187.00)	(143,414.00)	(242,601.00)
2023	7,625.00	(36,707.00)	(29,082.00)
2024	61,906.00	(17,894.00)	44,012.00
2025	8,459.00	(54,656.00)	(46,197.00)
	<u>\$ (158,275.00)</u>	<u>\$ (451,118.00)</u>	<u>\$ (609,393.00)</u>

Actuarial Assumptions

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. 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, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>PERS</u>	<u>PFRS</u>
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)****Public Employees' Retirement System**

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-2020.

Police and Firemen's Retirement System

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-2020.

For both PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2020) 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, 2020 are summarized in the table that follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	7.71%
Non-US Developed Markets Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
	<u>100.00%</u>	

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

Public Employees' Retirement System - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.21% as of the June 30, 2020 measurement date 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 would be based on 78% of the actuarially determined contributions for the State and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

Police and Firemen's Retirement System - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.21% as of June 30, 2020 measurement date 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 78% of the actuarially determined contributions for the State and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine 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 as of the June 30, 2020 measurement date, calculated using a discount rate of 7.00%, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	PERS		
	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
Borough's Proportionate Share of the Net Pension Liability	<u>\$ 2,106,610.00</u>	<u>\$ 1,673,462.00</u>	<u>\$ 1,305,925.00</u>

Note 8: PENSION PLANS (CONT'D)**Sensitivity of Borough's Proportionate Share of Net Pension Liability to Changes in the Discount Rate (Cont'd)**

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 the June 30, 2020 measurement date, for the Borough and the State of New Jersey, calculated using a discount rate of 7.00%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used, is as follows:

	PFRS		
	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
Borough's Proportionate Share of the Net Pension Liability	\$ 2,259,909.00	\$ 1,699,443.00	\$ 1,233,933.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Borough	<u>350,728.00</u>	<u>263,746.00</u>	<u>191,501.00</u>
	<u>\$ 2,610,637.00</u>	<u>\$ 1,963,189.00</u>	<u>\$ 1,425,434.00</u>

Pension Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension (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.

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

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

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

	Measurement Date Ended June 30,			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Borough's Proportion of the Net Pension Liability	0.0102619905%	0.0076795088%	0.0083947861%	0.0069901204%
Borough's Proportionate Share of the Net Pension Liability	\$ 1,673,462.00	\$ 1,383,731.00	\$ 1,652,892.00	\$ 1,627,188.00
Borough's Covered Payroll (Plan Measurement Period)	\$ 693,592.00	\$ 557,776.00	\$ 520,820.00	\$ 484,876.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	241.27%	248.08%	317.36%	335.59%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.10%
	Measurement Date Ended June 30,			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Borough's Proportion of the Net Pension Liability	0.0093776834%	0.0078995565%	0.0076864518%	0.0079321327%
Borough's Proportionate Share of the Net Pension Liability	\$ 2,777,401.00	\$ 1,773,292.00	\$ 1,439,114.00	\$ 1,515,988.00
Borough's Covered Payroll (Plan Measurement Period)	\$ 634,140.00	\$ 545,516.00	\$ 534,796.00	\$ 547,784.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	437.98%	325.07%	269.10%	276.75%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	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 Eight Years)***

	<u>Year Ended December 31,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Borough's Contractually Required Contribution	\$ 112,261.00	\$ 74,699.00	\$ 83,501.00	\$ 64,756.00
Borough's Contribution in Relation to the Contractually Required Contribution	\$ (112,261.00)	\$ (74,699.00)	(83,501.00)	(64,756.00)
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 502,944.00	\$ 697,615.00	\$ 550,019.00	\$ 560,715.00
Borough's Contributions as a Percentage of Covered Payroll	22.32%	10.71%	15.18%	11.55%
	<u>Year Ended December 31,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Borough's Contractually Required Contribution	\$ 83,310.00	\$ 67,915.00	\$ 63,366.00	\$ 59,767.00
Borough's Contribution in Relation to the Contractually Required Contribution	(83,310.00)	(67,915.00)	(63,366.00)	(59,767.00)
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 499,789.00	\$ 596,213.00	\$ 546,032.00	\$ 524,824.00
Borough's Contributions as a Percentage of Covered Payroll	16.67%	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 Eight Plan Years)***

	<u>Measurement Date Ended June 30,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Borough's Proportion of the Net Pension Liability	0.0131522407%	0.0148180804%	0.0130482635%	0.0128201846%
Borough's Proportionate Share of the Net Pension Liability	\$ 1,699,443.00	\$ 1,813,410.00	\$ 1,765,645.00	\$ 1,979,189.00
State's Proportionate Share of the Net Pension Liability associated with the Borough	263,746.00	286,341.00	239,834.00	221,686.00
Total	<u>\$ 1,963,189.00</u>	<u>\$ 2,099,751.00</u>	<u>\$ 2,005,479.00</u>	<u>\$ 2,200,875.00</u>
Borough's Covered Payroll (Plan Measurement Period)	\$ 503,816.00	\$ 502,232.00	\$ 432,880.00	\$ 401,316.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	337.31%	361.07%	407.88%	493.17%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.52%	65.00%	62.48%	58.60%
	<u>Measurement Date Ended June 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Borough's Proportion of the Net Pension Liability	0.0156045217%	0.0136972239%	0.0151974614%	0.0196497222%
Borough's Proportionate Share of the Net Pension Liability	\$ 2,980,863.00	\$ 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	250,319.00	200,078.00	205,858.00	243,494.00
Total	<u>\$ 3,231,182.00</u>	<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)	\$ 498,760.00	\$ 433,768.00	\$ 429,188.00	\$ 616,672.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	597.65%	525.97%	445.42%	423.60%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.01%	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 Eight Years)***

	<u>Year Ended December 31,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Borough's Contractually Required Contribution	\$ 146,933.00	\$ 149,679.00	\$ 127,566.00	\$ 113,461.00
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(146,933.00)</u>	<u>(149,679.00)</u>	<u>(127,566.00)</u>	<u>(113,461.00)</u>
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 537,964.00	\$ 484,546.00	\$ 499,919.00	\$ 442,630.00
Borough's Contributions as a Percentage of Covered Payroll	27.31%	30.89%	25.52%	25.63%
	<u>Year Ended December 31,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Borough's Contractually Required Contribution	\$ 127,230.00	\$ 111,338.00	\$ 116,727.00	\$ 143,360.00
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(127,230.00)</u>	<u>(111,338.00)</u>	<u>(116,727.00)</u>	<u>(143,360.00)</u>
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 402,314.00	\$ 443,617.00	\$ 434,269.00	\$ 431,873.00
Borough's Contributions as a Percentage of Covered Payroll	31.62%	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**

The June 30, 2020 measurement date included two changes to the plan provisions. Chapter 157, P.L. 2019 expanded the definition of regular or assigned duties for purposes of accidental disability. The Division of Pension and Benefits (DPB) also adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions.

Changes in Assumptions

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	7.00%	2016	3.98%
2019	6.28%	2015	4.90%
2018	5.66%	2014	5.39%
2017	5.00%		

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%
2017	7.00%		

The mortality assumption was updated upon direction from the DPB.

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

None

Changes in Assumptions

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	7.00%	2016	5.55%
2019	6.85%	2015	5.79%
2018	6.51%	2014	6.32%
2017	6.14%		

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)**

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%
2017	7.00%		

The mortality assumption was updated upon direction from the DPB.

Note 9: LENGTH OF SERVICE AWARDS PROGRAM

Plan Description - The Borough's length of service awards program (the "Plan"), which is a defined contribution plan reported in the Borough's trust fund, was created by a Borough Resolution adopted on October 19, 2020 pursuant to Section 457(e)(11)(B) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the length of service award program as enacted into federal law in 1997. The accumulated assets of the Plan are not administered through a trust that meets the criteria of paragraph 4 of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*.

The voters of the Borough approved the adoption of the Plan at the general election held on November 5, 2019, and the first year of eligibility for entrance into the length of service awards program by qualified volunteers was calendar year 2020. The Plan provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel, and is administered by Lincoln National Life Insurance Company ("Plan Administrator"), a State of New Jersey approved length of service awards program provider. The Borough's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

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

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

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

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

The Borough elected to contribute between \$100.00 and \$1,150.00 for the year ended December 31, 2021 per eligible volunteer, into the Plan, depending on how many years the volunteer has served. Participants direct the investment of the contributions into various investment options offered by the Plan. The Borough has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the Plan Administrator.

For the year ended December 31, 2021, the Borough's total expenditure to the Plan was \$10,925.00.

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

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

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

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

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

Forfeited Accounts - For the year ended December 31, 2021, no accounts were forfeited.

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

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

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

In June 2022, the New Jersey Division of Local Government Services issued Local Finance Notice 2022-12 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension's reporting on GASBS No. 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions. As of the date of this report, the information for the measurement period ended June 30, 2021 was not available; therefore, the information from the measurement period June 30, 2020 is disclosed below.

General Information about the State Health Benefit Local Government Retired Employees 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, 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") annual financial statements, which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drug coverage 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.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**General Information about the State Health Benefit Local Government Retired Employees Plan (Cont'd)**

Plan Description and Benefits Provided (Cont'd) - 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.

Special Funding Situation Component - The State of New Jersey makes contributions to cover those employees eligible under Chapter 330, P.L. 1997. 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, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan, 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 notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer. The participating employer is required to disclose in their respective notes to the financial statements, an expense and corresponding revenue, and their proportionate share of the OPEB expense allocated to the State under the special funding situation.

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 (benefit) expense, on-behalf of the Borough, is (\$123,120.00) for the year ended December 31, 2020, representing -22.89% of the Borough's covered payroll.

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

OPEB Liability - At December 31, 2020, the State's proportionate share of the net OPEB liability associated with the Borough was \$2,473,276.00. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020.

The State's proportion of the net OPEB liability, associated with 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, 2019 through June 30, 2020. For the June 30, 2020 measurement date, the State's proportion on-behalf of the Borough was 0.045279%, which was an increase of 0.008381% from its proportion measured as of the June 30, 2019 measurement date.

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 *	
PFRS:	
Rate for all Future 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-2020.

Actuarial assumptions used in the June 30, 2019 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 (the "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 pays interest to participants on a monthly basis.

Discount Rate - The discount rate used to measure the OPEB liability at June 30, 2020 was 2.21%. 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.

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

Health Care Trend Assumptions - For pre-Medicare medical benefits, the trend is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The rates used for 2023 and 2024 are 21.83% and 18.53%, respectively, trending to 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.00% and decreases to a 4.5% long-term trend rate after seven years.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The net OPEB liability, calculated using a discount rate of 2.21%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used, is as follows:

	1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Borough	<u>\$ 2,923,935.00</u>	<u>\$ 2,473,276.00</u>	<u>\$ 2,116,539.00</u>

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The net OPEB liability, using a healthcare cost trend rate that is 1% lower or 1% higher than the current healthcare cost trend rate used, is as follows:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Borough	<u>\$ 2,046,638.00</u>	<u>\$ 2,473,276.00</u>	<u>\$ 3,031,964.00</u>

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.

Supplementary OPEB Information

In accordance with GASBS 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.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Supplementary OPEB Information (Cont'd)****Schedule of the State's Proportionate Share of the Net OPEB Liability Associated with the Borough (Last Four Plan Years)**

	Measurement Date Ended June 30,			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Borough's Proportion of the Net OPEB Liability	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net OPEB Liability Associated with the Borough	100.00%	100.00%	100.00%	100.00%
Total	100.00%	100.00%	100.00%	100.00%
Borough's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Borough	2,473,276.00	2,038,880.00	2,405,441.00	3,123,914.00
Total	\$ 2,473,276.00	\$ 2,038,880.00	\$ 2,405,441.00	\$ 3,123,914.00
Borough's Covered Payroll (Plan Measurement Period)	\$ 474,316.00	\$ 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%	0.00%
State's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	521.44%	400.76%	506.42%	735.16%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.91%	1.98%	1.97%	1.03%

Other Notes to Supplementary OPEB Information

Changes in Benefit Terms - The actuarial valuation as of June 30, 2019 included updates to the provisions of Chapter 48, along with newly adopted changes in different levels of subsidy for employers.

Changes in Assumptions - The discount rate used as of the June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	2.21%	2018	3.87%
2019	3.50%	2017	3.58%

The expected investment rate of return is based on guidance provided by the State. These expected rates of return are the same as the discount rates listed above.

In addition to changes in the discount rate, other factors that affected the valuation of the net OPEB liability included changes in the trend, repealment of the excise tax, and updated mortality improvement assumptions.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Other Notes to Supplementary OPEB Information (Cont'd)**

Changes in Assumptions (Cont'd) - The health care trend assumption is used to project the growth of the expected claims over the lifetime of the health care recipients. Medical and prescription drug trend rates are determined by utilizing experience data, industry experience which includes surveys and Aon trend guidance. These rates are adjusted further to be appropriate with respect to the plan provisions. For pre-Medicare medical benefits, the trend is initially 5.6% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage rates for Plan Years 2019 through 2022 are reflected. For Plan Year 2023, the Medicare Advantage trend rate includes an assumed increase in the premiums based on recent experience and discussions with the Medicare Advantage vendor. The assumed post-65 medical trend is 4.50% for all future years. For prescription drug benefits, the initial trend rate is 7.00% decreasing to a 4.50% long-term trend rate after seven years.

On October 21, 2020, the Society of Actuaries (SOA) released an updated set of life expectancy mortality improvement assumptions, Scale MP-2020. The MP-2020 scale reflects more recent mortality data for the U.S. population.

Note 11: 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, 2021, accrued benefits for compensated absences are valued at \$109,598.52.

Note 12: DEFERRED COMPENSATION SALARY ACCOUNT

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

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

Note 13: LEASE OBLIGATIONS

At December 31, 2021, the Borough had lease agreements in effect for the following:

Capital:
2020 Ford Police Interceptor

Operating:
Xerox Copier

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

<u>Description</u>	<u>Balance at December 31,</u>	
	<u>2021</u>	<u>2020</u>
Police Interceptor	<u>\$ 12,639.90</u>	<u>\$ 24,463.95</u>

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	<u>\$ 12,639.90</u>	<u>\$ 872.15</u>	<u>\$ 13,512.05</u>

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

<u>Year</u>	<u>Amount</u>
2022	\$ 1,415.52
2023	1,415.52
2024	1,415.52
2025	1,415.52
2026	471.84

Rental payments under operating leases for the year 2021 were \$1,656.98.

Note 14: CAPITAL DEBT**United States Department of Agriculture Loan (USDA)**

On May 1, 2020, the Borough settled on a \$1,537,000.00 USDA Loan, with an interest rate of 1.50%. The loan was issued for the purpose of permanently funding a sewer utility capital project in the Borough. The final maturity of the loan is May 1, 2060.

On July 20, 2021, the Borough settled on a \$1,141,000.00 USDA Loan, with an interest rate of 1.75%. The loan was issued for the purpose of permanently funding a water utility capital project in the Borough. The final maturity of the loan is July 21, 2061.

The following schedule represents the remaining debt service, through maturity, for the Borough's USDA Loans:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 48,639.99	\$ 42,404.01	\$ 91,044.00
2023	49,422.53	41,621.47	91,044.00
2024	50,217.72	40,826.28	91,044.00
2025	51,025.81	40,018.19	91,044.00
2026	51,846.96	39,197.04	91,044.00
2027-2031	272,025.01	183,194.99	455,220.00
2032-2036	294,642.59	160,577.41	455,220.00
2037-2041	319,152.60	136,067.40	455,220.00
2042-2046	345,714.42	109,505.58	455,220.00
2047-2051	374,501.00	80,719.00	455,220.00
2052-2056	405,699.73	49,520.27	455,220.00
2057-2061	386,816.93	15,902.89	402,719.82
Totals	<u>\$ 2,649,705.29</u>	<u>\$ 939,554.53</u>	<u>\$ 3,589,259.82</u>

Note 14: CAPITAL DEBT (CONT'D)

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>
<u>Issued</u>			
General:			
Loan & Notes	\$ 2,969,615.29	\$ 2,706,190.00	\$ 2,479,200.00
Water Utility:			
Notes	<u>1,371,000.00</u>	<u>1,755,380.00</u>	<u>1,828,450.00</u>
Total Issued	<u>4,340,615.29</u>	<u>4,461,570.00</u>	<u>4,307,650.00</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	<u>-</u>	<u>-</u>	<u>313,600.00</u>
Total Issued and Authorized but not Issued	<u>4,340,615.29</u>	<u>4,461,570.00</u>	<u>4,621,250.00</u>
<u>Deductions</u>			
General:			
Reserve for Payment of Notes	171,151.24	82,791.69	25,376.71
Water Utility:			
Self-Liquidating	<u>1,371,000.00</u>	<u>1,755,380.00</u>	<u>1,828,450.00</u>
Total Deductions	<u>1,542,151.24</u>	<u>1,838,171.69</u>	<u>1,853,826.71</u>
Net Debt	<u>\$ 2,798,464.05</u>	<u>\$ 2,623,398.31</u>	<u>\$ 2,767,423.29</u>

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 2.192%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 1,500,000.00	\$ 1,500,000.00	
Self-Liquidating	1,371,000.00	1,371,000.00	
General	<u>2,969,615.29</u>	<u>171,151.24</u>	<u>\$ 2,798,464.05</u>
	<u>\$ 5,840,615.29</u>	<u>\$ 3,042,151.24</u>	<u>\$ 2,798,464.05</u>

Net debt \$2,798,464.05 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$127,692,449.67, equals 2.192%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$	4,469,235.74
Less: Net Debt		<u>2,798,464.05</u>
Remaining Borrowing Power	\$	<u>1,670,771.69</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		\$	511,994.73
Deductions:			
Operating and Maintenance Costs	\$	384,684.00	
Debt Service		<u>95,169.26</u>	
Total Deductions			<u>479,853.26</u>
Excess in Revenue	\$		<u>32,141.47</u>

The foregoing debt information agrees with the Annual Debt Statement filed by the Chief Financial Officer.

Note 15: 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>2021</u>	<u>2020</u>
Balance of Tax	\$ 690,840.50	\$ 761,402.00
Deferred	<u>686,359.00</u>	<u>756,920.50</u>
Taxes Payable	<u>\$ 4,481.50</u>	<u>\$ 4,481.50</u>

Note 16: RISK MANAGEMENT

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

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

Note 16: RISK MANAGEMENT (CONT'D)

New Jersey Unemployment Compensation Insurance (Cont'd) - The following is a summary of Borough contributions, reimbursements to the State for benefits paid and the ending balance of the Borough's trust fund for the current and previous two years:

<u>Year</u>	<u>Borough Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021	\$ 2,500.00	\$ 6.06	\$ 2,658.10	\$ 5,517.01
2020	-	25.77	1,794.43	5,669.05
2019	2,500.00	36.46	1,045.09	7,437.71

There are no unreimbursed payments on behalf of the Borough at December 31, 2021.

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

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 17: 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 18: 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 19: SUBSEQUENT EVENTS

COVID-19 - On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Borough's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Borough is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for calendar year 2022.

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

<u>Purpose</u>	<u>Authorization</u>
Various Capital Improvements	\$ 418,000.00

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Current Cash - Treasurer
For the Year Ended December 31, 2021

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2020	\$ 2,060,863.65	\$ 126,472.26
Increased by Receipts:		
Taxes Receivable	\$ 4,508,827.32	
Prepaid Taxes	58,848.50	
Tax Overpayments	38,884.54	
Due to State of New Jersey:		
Senior Citizens and Veterans Deductions	13,136.18	
Marriage License Fees	200.00	
State Training Fees	5,860.00	
Rents Receivable - Borough-Owned Homes	312,255.00	
Revenue Accounts Receivable	687,387.82	
Reserve to Pay Debt	82,791.69	
Interlocal Service Agreements	95,500.00	
Miscellaneous Revenue Not Anticipated	255,945.49	
Due from Trust - Animal Control Fund	0.12	
Due from General Capital Fund	74.02	
Due from Water Utility Operating Fund	122.00	
Due to Camden County M.U.A.	54,686.83	
Petty Cash (Contra)	200.00	
Federal and State Grants Fund:		
Federal and State Grants Receivable	<u> </u>	172,745.28
	<u>6,114,719.51</u>	<u> </u>
Carried Forward	8,175,583.16	299,217.54

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Current Cash - Treasurer
For the Year Ended December 31, 2021

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Brought Forward	\$ 8,175,583.16	\$ 299,217.54
Decreased by Disbursements:		
2020 Appropriation Reserves	\$ 97,547.02	
2021 Appropriations	2,848,607.49	
County Taxes	1,072,350.09	
Due to County Added and Omitted Taxes	35,816.87	
Tax Overpayments	3,583.50	
Due State of New Jersey - Marriage License Fees	225.00	
Due State of New Jersey - State Training Fees	5,984.00	
Due to Trust - Other Fund	12,053.19	
Refund of Prior Year Revenue	3,779.17	
Local District School Tax	1,443,279.50	
Payroll Deductions Payable	638,785.60	
Petty Cash (Contra)	200.00	
Due to Camden County M.U.A.	74,575.17	
Federal and State Grants Fund:		
Reserve for Federal and State Grants--Appropriated	<u>6,236,786.60</u>	<u>41,233.74</u>
Balance December 31, 2021	<u><u>\$ 1,938,796.56</u></u>	<u><u>\$ 257,983.80</u></u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Schedule of Change Funds
As of December 31, 2021

<hr/>	
Balance December 31, 2021	<u>\$ 240.00</u>
	<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, 2021

Year	Balance Dec. 31, 2020	2021 Levy	Added Taxes	<u>Collections</u>		Due from State of New Jersey	Overpayments Applied	Canceled	Transfer to Liens	Balance Dec. 31, 2021
				2020	2021					
2020	\$ 122,588.73		\$ 613.82		\$ 121,127.56		\$ 1,991.12	\$ 0.14	\$ 83.73	
2021	-	\$4,614,697.84		\$ 96,431.82	4,387,699.76	\$ 13,978.77	30,682.96	129.98	10,939.48	\$ 74,835.07
	<u>\$ 122,588.73</u>	<u>\$4,614,697.84</u>	<u>\$ 613.82</u>	<u>\$ 96,431.82</u>	<u>\$4,508,827.32</u>	<u>\$ 13,978.77</u>	<u>\$ 32,674.08</u>	<u>\$ 130.12</u>	<u>\$ 11,023.21</u>	<u>\$ 74,835.07</u>

Analysis of 2021 Property Tax Levy

Tax Yield:

General Property Tax	\$4,516,526.69
Added Taxes (54:4-63.1 et. seq.)	<u>98,171.15</u>
	<u>\$4,614,697.84</u>

Tax Levy:

Local School District Tax (Abstract)	\$1,372,718.00
County Taxes:	
County Tax (Abstract)	\$ 983,257.95
County Library	63,693.79
Open Space	25,398.35
Due County for Added/Omitted Taxes	<u>6,427.15</u>
Total County Taxes	1,078,777.24
Local Tax for Municipal Purposes	2,141,350.00
Add: Additional Tax Levied	<u>21,852.60</u>
	<u>2,163,202.60</u>
	<u>\$4,614,697.84</u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Tax Title Liens
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 114,645.04
Increased by:	
Transfer from 2021 Taxes Receivable	\$ 10,939.48
Transfer from 2020 Taxes Receivable	83.73
Interests and Costs Accrued by Sale of October 18, 2021	<u>53.29</u>
	<u>11,076.50</u>
Balance December 31, 2021	<u><u>\$ 125,721.54</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, 2021

Balance December 31, 2020	\$ 17,693.77
Increased by:	
Received from State of New Jersey	<u>13,136.18</u>
	30,829.95
Accrued in 2021 to Municipality:	
Senior Citizens' Deductions per Tax Billings	\$ 5,500.00
Veterans' Deductions per Tax Billings	8,250.00
Deductions Allowed by Collector - 2021 Taxes	<u>500.00</u>
	14,250.00
Deduct:	
Deductions Disallowed by Collector - 2021 Taxes	<u>271.23</u>
Subtotal 2021 Tax Accrual	13,978.77
Deduct:	
Deductions Disallowed by Collector - Prior Taxes	<u>613.82</u>
	<u>13,364.95</u>
Balance December 31, 2021	<u><u>\$ 17,465.00</u></u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Rents Receivable - Borough Owned Homes
For the Year Ended December 31, 2021

<hr/>	
Balance December 31, 2020	\$ 21,112.51
Increased by:	
2021 Rental Charges and Late Fees	<u>351,535.00</u>
	372,647.51
Decreased by:	
Receipts	\$ 312,255.00
Prepayments Applied	<u>195.00</u>
	<u>312,450.00</u>
Balance December 31, 2021	<u><u>\$ 60,197.51</u></u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2021

	Balance Dec. 31, 2020	Accrued In 2021	Collected	Trust Other - Animal Control Fund	Trust Other Fund	General Capital Fund	Water Utility Fund	Balance Dec. 31, 2021	
Miscellaneous Revenue Anticipated:									
Licenses:									
Alcoholic Beverages		\$ 12,900.00	\$ 12,900.00						
Other		3,925.00	3,925.00						
Construction Code Official									
Fees and Permits		55,039.00	54,944.00				\$ 95.00		
Municipal Court:									
Fines and Costs	\$ 2,841.07	73,218.36	70,860.26					\$ 5,199.17	Dec. 2021
Interest on Bank Accounts	0.81	15.23	15.13					0.91	Dec. 2021
Interest and Costs on Taxes		33,904.32	33,904.32						
Interest on Investments		3,510.28	3,446.45	\$ 0.19	\$ 24.56	\$ 39.08			
Uniform Fire Safety Act:									
Fees and Permits		951.00	951.00						
Hotel/Motel Tax		57,259.26	57,259.26						
Rental Registration Fees		11,040.00	11,040.00						
Uniform Fire Safety Act		5,509.08	5,509.08						
Utility Operating Surplus of Prior Year		45,000.00	45,000.00						
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)		199,509.00	199,509.00						
Rental of Community Center		4,229.00	4,229.00						
Sewer Service Fees		183,895.32	183,895.32						
	<u>\$ 2,841.88</u>	<u>\$ 689,904.85</u>	<u>\$ 687,387.82</u>	<u>\$ 0.19</u>	<u>\$ 24.56</u>	<u>\$ 39.08</u>	<u>\$ 95.00</u>	<u>\$ 5,200.08</u>	

BOROUGH OF BROOKLAWN**CURRENT FUND**

Statement of Deferred Charges - Special Emergency Authorizations (40A:4-53)

For the Year Ended December 31, 2021

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2020</u>	<u>2021 Budget Appropriation</u>	<u>Balance Dec. 31, 2021</u>
July 18, 2016	Revaluation	<u>\$ 50,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$ -</u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2021

	<u>Balance December 31, 2020</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		\$ 1,429.83	\$ 1,429.83		\$ 1,429.83
Other Expenses					
Printing and Legal		634.54	634.54		634.54
Mayor and Council		954.93	954.93		954.93
Miscellaneous Other Expenses	\$ 142.05	422.28	564.33	\$ 235.05	329.28
Elections					
Other Expenses		2,000.00	2,000.00		2,000.00
Financial Administration					
Salaries and Wages:					
Treasurer's Office		1,284.09	1,284.09		1,284.09
Chief Financial Officer		404.42	404.42		404.42
Assessment of Taxes					
Salaries and Wages		36.00	36.00		36.00
Other Expenses	276.85	793.47	1,070.32		1,070.32
Collection of Taxes					
Salaries and Wages		506.15	506.15		506.15
Other Expenses		620.22	620.22		620.22
Legal Services					
Other Expenses		47.36	47.36		47.36
Engineering Services and Costs					
Other Expenses		8,905.00	8,905.00		8,905.00
Public Buildings and Grounds					
Other Expenses	913.00	76.11	989.11	650.00	339.11
Administration of Borough-Owned Homes					
Salaries and Wages		1,878.46	1,878.46		1,878.46
Maintenance of Borough-Owned Homes					
Salaries and Wages		4,928.16	4,928.16		4,928.16
Other Expenses	14,865.78	2,740.66	17,606.44	14,756.93	2,849.51

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2021

	<u>Balance December 31, 2020</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)					
Municipal Land Use Law (N.J.S.A. 40:55D-1)					
Planning & Zoning Boards					
Salaries and Wages		\$ 15.01	\$ 15.01		\$ 15.01
Other Expenses		2,890.00	2,890.00		2,890.00
Group Insurance Plan for Employees		11,634.75	11,634.75		11,634.75
Health Benefit Waiver		3,294.42	3,294.42		3,294.42
Other Insurance Premiums		709.63	709.63		709.63
Animal Control					
Other Expenses	\$ 300.00	11.42	311.42	\$ 300.00	11.42
Celebration of Public Events					
Other Expenses		584.98	584.98		584.98
PUBLIC SAFETY					
Fire Prevention					
Salaries and Wages		30.04	30.04		30.04
Other Expenses	1,000.00	402.00	1,402.00	1,000.00	402.00
Police					
Salaries and Wages		12,916.21	12,916.21		12,916.21
Other Expenses	5,827.86	6,398.65	12,226.51	5,524.10	6,702.41
Fire					
Other Expenses	3,313.57	423.10	3,736.67	3,174.51	562.16
Municipal Code Enforcement Official					
Salaries and Wages		3,245.32	3,245.32		3,245.32
Other Expenses		1.62	1.62		1.62
Office of Emergency Management					
Other Expenses		874.83	874.83		874.83
Traffic Signal					
Other Expenses		2,615.00	2,615.00		2,615.00

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2021

	<u>Balance December 31, 2020</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)					
STREETS AND ROADS					
Road Repairs & Maintenance					
Salaries and Wages		\$ 2,495.02	\$ 2,495.02		\$ 2,495.02
Other Expenses	\$ 2,621.11	1,436.06	4,057.17	\$ 1,267.06	2,790.11
Vehicle Maintenance					
Other Expenses	2,258.00	9,020.23	11,278.23	1,919.45	9,358.78
SANITATION					
Sewer System					
Salaries and Wages		297.38	297.38		297.38
Other Expenses	626.58	5,478.42	6,105.00	143.00	5,962.00
Garbage & Trash Removal					
Salaries and Wages		1,568.85	1,568.85		1,568.85
Other Expenses		2,903.48	2,903.48		2,903.48
Sanitary Landfill					
Other Expenses	7,500.00	558.02	8,058.02	7,504.12	553.90
Recycling					
Salaries and Wages		57.60	57.60		57.60
Other Expenses	90.00	1,593.53	1,683.53	90.00	1,593.53
HEALTH AND WELFARE					
Board of Health					
Salaries and Wages		125.00	125.00		125.00
Other Expenses		1,500.00	1,500.00		1,500.00
Parks & Playgrounds					
Other Expenses	2,117.20	4,922.50	7,039.70	2,117.20	4,922.50
Shade Tree Commission					
Other Expenses	900.00	440.05	1,340.05	900.00	440.05

(Continued)

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2021

	<u>Balance December 31, 2020</u>		<u>Balance</u>	<u>Cash</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>After</u> <u>Modification</u>	<u>Disbursed</u>	<u>Lapsed</u>
GENERAL GOVERNMENT (CONT'D)					
STATE UNIFORM CONSTRUCTION CODE					
Subcode Officials:					
Building Inspector					
Salaries and Wages	\$ 4,599.60	\$ 800.80	\$ 5,400.40	\$ 4,599.60	\$ 800.80
Electrical Inspector					
Salaries and Wages		10.00	10.00		10.00
Fire Inspector					
Salaries and Wages		1,499.96	1,499.96		1,499.96
Plumbing Official					
Salaries and Wages		442.96	442.96		442.96
UTILITIES					
Utilities	653.91	20,197.49	20,851.40	653.91	20,197.49
STATUTORY EXPENDITURES					
Contribution to:					
Social Security System (O.A.S.I.)		1,412.41	1,412.41		1,412.41
Unemployment Compensation Insurance		2,500.00	2,500.00		2,500.00
OPERATIONS EXCLUDED FROM "CAPS"					
Recycling Tax		1,061.35	1,061.35		1,061.35
Interlocal Service Agreement - Audobon Park					
Tax Collection Services		6.90	6.90		6.90
Interlocal Service Agreement - Borough of Oaklyn					
Municipal Court Services	69,000.00	206.23	69,206.23	52,712.09	16,494.14
Interlocal Service Agreement - Borough of Westville					
Public Works & Administrator Services		3,288.34	3,288.34		3,288.34
Interlocal Service Agreement - Borough of Lindenwold					
Purchasing Agent Services		11.02	11.02		11.02
	<u>\$ 117,005.51</u>	<u>\$ 137,542.26</u>	<u>\$ 254,547.77</u>	<u>\$ 97,547.02</u>	<u>\$ 157,000.75</u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Due State of New Jersey - Marriage License Fees
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 175.00
Increased by:	
Receipts	<u>200.00</u>
	375.00
Decreased by:	
Disbursements	<u>225.00</u>
Balance December 31, 2021	<u><u>\$ 150.00</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, 2021

Balance December 31, 2020	\$ 237.00
Increased by:	
Receipts	\$ 5,860.00
Due from Water Utility Operating Fund	<u>3.00</u>
	<u>5,863.00</u>
	6,100.00
Decreased by:	
Disbursements	<u>5,984.00</u>
Balance December 31, 2021	<u><u>\$ 116.00</u></u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Reserve for Payroll Deductions Payable
For the Year Ended December 31, 2021

<hr/>	
Balance December 31, 2020	\$ 26,078.26
Increased by:	
Payroll Deductions	<u>641,436.82</u>
	667,515.08
Decreased by:	
Disbursements	<u>638,785.60</u>
Balance December 31, 2021	<u><u>\$ 28,729.48</u></u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 96,431.82
Increased by:	
Collection - 2022 Taxes	<u>58,848.50</u>
	155,280.32
Decreased by:	
Application to 2021 Taxes	<u>96,431.82</u>
Balance December 31, 2021	<u><u>\$ 58,848.50</u></u>

Exhibit SA-14

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 18,247.21
Increased by:	
Cash Received	<u>38,884.54</u>
	57,131.75
Decreased by:	
Refund of Overpayments	\$ 3,583.50
Overpayments Applied - 2021	30,682.96
Overpayments Applied - 2020	1,991.12
Canceled	<u>4,378.96</u>
	<u>40,636.54</u>
Balance December 31, 2021	<u><u>\$ 16,495.21</u></u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2021

2021 Levy -	
County General	\$ 983,257.95
County Library	63,693.79
Open Space	<u>25,398.35</u>
	1,072,350.09
Decreased by:	
Disbursements	<u><u>\$ 1,072,350.09</u></u>

Exhibit SA-16

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Amount Due to County for Added Taxes
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 35,816.87
Increased by:	
Added & Omitted Taxes Levied in 2021	<u>6,427.15</u>
	42,244.02
Decreased by:	
Disbursements	<u>35,816.87</u>
Balance December 31, 2021	<u><u>\$ 6,427.15</u></u>

Exhibit SA-17

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Prepaid Rents on Borough Owned Homes
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 195.00
Decreased by:	
Applied to Rents Receivable	<u><u>\$ 195.00</u></u>

BOROUGH OF BROOKLAWN
CURRENT FUND
Statement of Local District School Taxes
For the Year Ended December 31, 2021

Balance December 31, 2020			
School Taxes Payable	\$	4,481.50	
School Taxes Deferred		<u>756,920.50</u>	
			\$ 761,402.00
Increased by:			
Levy - School Year July 1, 2021 to June 30, 2022			<u>1,372,718.00</u>
			2,134,120.00
Decreased by:			
Disbursements			<u>1,443,279.50</u>
Balance December 31, 2021			
School Taxes Payable		4,481.50	
School Taxes Deferred		<u>686,359.00</u>	
			<u>\$ 690,840.50</u>
<u>2021 Liability for Local District School Tax:</u>			
Tax Paid			\$ 1,443,279.50
Add:			
Taxes Payable December 31, 2021			<u>4,481.50</u>
			1,447,761.00
Less:			
Taxes Payable December 31, 2020			<u>4,481.50</u>
Amount Charged to 2021 Operations			<u>\$ 1,443,279.50</u>

BOROUGH OF BROOKLAWN
CURRENT FUND
 Federal and State Grant Fund
 Statement of Federal and State Grants Receivable
 For the Year Ended December 31, 2021

<u>Program</u>	<u>Balance Dec. 31, 2020</u>	<u>Accrued</u>	<u>Cash Received</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2021</u>
Federal Grants:					
Local Fiscal Recovery Fund		\$ 99,330.46	\$ 99,330.46		
Total Federal Grants	\$ -	99,330.46	99,330.46	\$ -	\$ -
State Grants:					
Body Armor Replacement Grant		991.06	991.06		
Clean Communities Program		4,023.76	4,023.76		
Municipal Alliance on Alcoholism and Drug Abuse	23,763.52	5,034.30		28,797.82	
Drunk Driving Enforcement Grant		2,200.00	2,200.00		
Safe & Secure Communities Grant		16,300.00	16,200.00	100.00	
Recycling Tonnage Grant		3,125.13			3,125.13
Total State Grants	23,763.52	31,674.25	23,414.82	28,897.82	3,125.13
Camden County:					
Recreation Enhancement Grant	25,000.00		25,000.00		
Recreation Enhancement Grant - Dog Park	25,000.00		25,000.00		
Recreation Enhancement Grant - Ballfields #1 & #2		50,000.00			50,000.00
Total Camden County Grants	50,000.00	50,000.00	50,000.00	-	50,000.00
Total All Grants	\$ 73,763.52	\$ 181,004.71	\$ 172,745.28	\$ 28,897.82	\$ 53,125.13

BOROUGH OF BROOKLAWN
CURRENT FUND
 Federal and State Grant Fund
 Statement of Reserve for State Grants - Unappropriated
 For the Year Ended December 31, 2021

<u>Program</u>	<u>Balance Dec. 31, 2020</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Miscellaneous Revenue in 2021 Budget</u>	<u>Balance Dec. 31, 2021</u>
Federal Grants:				
Local Fiscal Recovery Fund		\$ 99,330.46		\$ 99,330.46
Total Federal Grants	\$ -	99,330.46	\$ -	99,330.46
State Grants:				
Body Armor Replacement Grant		991.06	991.06	
Clean Communities Program		4,023.76	4,023.76	
Drunk Driving Enforcement Grant	2,035.00	2,200.00	4,235.00	
Municipal Alliance on Alcoholism and Drug Abuse		5,034.30	5,034.30	
Safe & Secure Communities Grant		16,300.00	16,300.00	
Recycling Tonnage Grant		3,125.13	3,125.13	
Total State Grants	2,035.00	31,674.25	33,709.25	-
Camden County:				
Recreation Enhancement Grant - Ballfields #1 & #2	-	50,000.00	50,000.00	-
Total All Grants	\$ 2,035.00	\$ 181,004.71	\$ 83,709.25	\$ 99,330.46

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, 2021

<u>Program</u>	<u>Dec. 31, 2020</u>		<u>Transferred from 2021 Budget Appropriation</u>	<u>Disbursed</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2021</u>
	<u>Balance</u>	<u>Encumbrances</u>				
Federal Grants:						
COPS Hiring Recovery Grant						
Bulletproof Vest Partnership	\$ 1,760.00			\$ 504.99		\$ 1,255.01
Total Federal Grants	1,760.00	\$ -	\$ -	504.99	\$ -	1,255.01
State Grants:						
Body Armor Replacement Fund	5,921.16		991.06	504.99		6,407.23
Recycling Tonnage Grant	35,273.72		3,125.13			38,398.85
Safe and Secure Grant	92,913.48		16,300.00	30,000.00	100.00	79,113.48
Drunk Driving Enforcement Grant			4,235.00	2,200.00		2,035.00
Clean Communities Grant	4,000.00		4,023.76	8,023.76		
New Jersey Prevention Network	3,000.00					3,000.00
Municipal Alliance on Alcoholism and Drug Abuse	53,754.66		5,034.30		28,797.82	29,991.14
Total State Grants	194,863.02	-	33,709.25	40,728.75	28,897.82	158,945.70
Camden County:						
Recreation Enhancement Grant	1,504.10					1,504.10
Recreation Enhancement Grant - Ballfields #1 & #2			50,000.00			50,000.00
Total Camden County Grants	1,504.10	-	50,000.00	-	-	51,504.10
Total All Grants	\$ 198,127.12	\$ -	\$ 83,709.25	\$ 41,233.74	\$ 28,897.82	\$ 211,704.81

SUPPLEMENTAL EXHIBITS

TRUST FUND

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Trust Cash - Treasurer
For the Year Ended December 31, 2021

	<u>Animal Control</u>	<u>Other Trust</u>
Balance December 31, 2020	\$ 65.78	\$ 255,151.23
Increased by Receipts:		
Animal Control Fees	\$ 1,677.80	
State Registration Fees	145.20	
Late Fees	160.00	
Budget Appropriation	6,500.00	
Due Current Fund	1.71	\$ 12,332.06
Reserve for Off Duty Police Work		108,610.00
Reserve for Security Deposits on Borough Owned Homes		5,931.71
Reserve for Unemployment Compensation Insurance		2,506.06
Reserve for Parking Offenses Adjudication Act		6.00
Reserve for Local Law Enforcement		5,493.39
Reserve for Public Defender Fees		4,952.50
Reserve for Recreation Donations		3,127.00
Reserve for Tax Title Lien Redemptions		150,772.27
Reserve for Tax Sale Premiums		74,300.00
Reserve for Escrow Deposits		21,670.00
	<u>8,484.71</u>	<u>389,700.99</u>
	8,550.49	644,852.22
Decreased by Disbursements:		
Expenditures under R.S. 4:19-15.11 - Cash	6,643.13	
State Registration Fees	146.40	
Due Current Fund	1.64	252.31
Reserves for:		
Off Duty Police Work		92,402.16
Unemployment Compensation Insurance		2,658.10
Local Law Enforcement		3,624.19
Recreation Donations		3,459.95
Tax Title Lien Redemptions		181,433.54
Tax Sale Premiums		49,200.00
Escrow Deposits		12,265.00
	<u>6,791.17</u>	<u>345,295.25</u>
Balance December 31, 2021	<u>\$ 1,759.32</u>	<u>\$ 299,556.97</u>

BOROUGH OF BROOKLAWN
TRUST - LOSAP FUND
Statement of Investments - Length of Service Awards Program
For the Year Ended December 31, 2021

Borough Contributions	\$ 10,925.00
Investment Earnings	<u>564.96</u>
	11,489.96
Decreased by:	
Plan Fees Paid	<u>300.00</u>
Balance December 31, 2021	<u><u>\$ 11,189.96</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Animal Control Fund
Statement of Reserve for Animal Control Expenditures
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 64.46
Increased by Receipts:		
Dog License Fees Collected	\$ 1,437.80	
Cat License Fees Collected	240.00	
Current Fund Budget Appropriation	<u>6,500.00</u>	
	8,177.80	
Late Fees	<u>160.00</u>	
		<u>8,337.80</u>
		8,402.26
Decreased by Disbursements:		
Expenditures under R.S. 4:19-15.11 - Cash		<u>6,643.13</u>
Balance December 31, 2021		<u><u>\$ 1,759.13</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2019	\$ 2,512.20
2020	<u>1,911.80</u>
	<u><u>\$ 4,424.00</u></u>

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, 2021

Balance December 31, 2020	\$ 1.20
Dog License Registration Fees Collected	<u>145.20</u>
	146.40
Decreased by:	
Disbursed to State Treasurer	<u><u>\$ 146.40</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
 Animal Control Fund
 Statement of Due to Current Fund
 For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 0.12
Increased by:		
Interest Earned		<u>1.71</u>
		1.83
Decreased by:		
Interest Disbursed to Current Fund Realized as Anticipated Revenue	\$ 1.52	
Interfund Returned	<u>0.12</u>	
		<u>1.64</u>
Balance December 31, 2021		<u><u>\$ 0.19</u></u>

Exhibit SB-6

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
 Statement of Due from/to Current Fund
 For the Year Ended December 31, 2021

Balance December 31, 2020 (Due from)		\$ 11,480.19
Increased by:		
Interest Earned	\$ 276.87	
Erroneous Deposit in Trust Other Fund	575.00	
Cancellation of Prior Year LOSAP Contribution	<u>11,500.00</u>	
		<u>12,351.87</u>
		23,832.06
Decreased by:		
Interest Disbursed to Current Fund Realized as Anticipated Revenue	252.31	
Interfund Returned	<u>11,480.19</u>	
		11,732.50
P.O.A.A. Erroneously Deposited in the Current Fund	<u>2.00</u>	
		<u>11,734.50</u>
Balance December 31, 2021 (Due to)		<u><u>\$ 12,097.56</u></u>

BOROUGH OF BROOKLAWN
TRUST - LOSAP FUND
Statement of Reserve for Length of Service Awards Program
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 11,500.00
Increased by:		
Borough Contribution	\$ 10,925.00	
Investment Earnings	<u>564.96</u>	
		<u>11,489.96</u>
		22,989.96
Decreased by:		
Fees	300.00	
Canceled	<u>11,500.00</u>	
		<u>11,800.00</u>
Balance December 31, 2021		<u><u>\$ 11,189.96</u></u>

Exhibit SB-8

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Off-Duty Police Work
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 88,353.63
Increased by:		
Receipts		<u>108,610.00</u>
		196,963.63
Decreased by:		
Disbursements		<u>92,402.16</u>
Balance December 31, 2021		<u><u>\$ 104,561.47</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Security Deposits on
Borough Owned Homes
For the Year Ended December 31, 2021

<hr/>		
Balance December 31, 2020		\$ 33,776.90
Increased by:		
Deposits	\$ 5,896.13	
Interest	<u>35.58</u>	
		<u>5,931.71</u>
Balance December 31, 2021		<u><u>\$ 39,708.61</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Unemployment Compensation Insurance
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 5,669.05
Increased by:		
Employee Deductions	\$ 2,500.00	
Interest Earned	<u>6.06</u>	
		<u>2,506.06</u>
		8,175.11
Decreased by:		
Claims Paid		<u>2,658.10</u>
Balance December 31, 2021		<u><u>\$ 5,517.01</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, 2021

Balance December 31, 2020		\$ 439.00
Increased by:		
Cash Received from Municipal Court	\$ 6.00	
Due from Current Fund	<u>2.00</u>	
		<u>8.00</u>
Balance December 31, 2021		<u><u>\$ 447.00</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Local Law Enforcement
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 4,626.32
Increased by:		
Contributions	\$ 5,486.40	
Interest Earned on Deposits	<u>6.99</u>	
		<u>5,493.39</u>
		10,119.71
Decreased by:		
Cash Disbursements		<u>3,624.19</u>
Balance December 31, 2021		<u><u>\$ 6,495.52</u></u>

Exhibit SB-13

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Public Defender Fees
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 17,851.77
Increased by:	
Public Defender Fees	<u>4,952.50</u>
Balance December 31, 2021	<u><u>\$ 22,804.27</u></u>
<u>Analysis of Balance December 31, 2021</u>	
Reserve for Public Defender	\$ 7,500.00
Due to Criminal Disposition and Review Collection Fund	<u>15,304.27</u>
	<u><u>\$ 22,804.27</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Recreation Donations
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 7,020.04
Increased by:	
Donations Received	<u>3,127.00</u>
	10,147.04
Decreased by:	
Donations Disbursed	<u>3,459.95</u>
Balance December 31, 2021	<u><u>\$ 6,687.09</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, 2021

Balance December 31, 2020	\$ 30,661.27
Increased by:	
2021 Deposits for Tax Title Lien Redemptions	<u>150,772.27</u>
	181,433.54
Decreased by:	
Disbursed - Tax Title Certificates Redeemed	<u><u>\$ 181,433.54</u></u>

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Tax Sale Premiums
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 49,400.00
Increased by:	
Tax Sale Premiums Received	<u>74,300.00</u>
	123,700.00
Decreased by:	
Tax Sale Premiums Returned	<u>49,200.00</u>
Balance December 31, 2021	<u><u>\$ 74,500.00</u></u>

Exhibit SB-17

BOROUGH OF BROOKLAWN
TRUST OTHER FUND
Statement of Reserve for Escrow Deposits
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 1,784.35
Increased by:	
Escrow Deposits	<u>21,670.00</u>
	23,454.35
Decreased by:	
Cash Disbursements	<u>12,265.00</u>
Balance December 31, 2021	<u><u>\$ 11,189.35</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, 2021

Balance December 31, 2020		\$ 277,247.86
Increased by Receipts:		
Due to Current Fund	\$ 462.49	
Reserve to Pay Debt	102,508.00	
New Jersey Transportation Trust Fund	31,250.00	
Bond Anticipation Notes	517,750.00	
Camden County Improvement Authority Grant	232,725.00	
Capital Improvement Fund	<u>15,000.00</u>	
		<u>899,695.49</u>
		1,176,943.35
Decreased by Disbursements:		
Improvement Authorizations	364,372.01	
Contracts Payable	346,642.71	
Reserve to Pay Debt - Bond Anticipation Notes	82,791.69	
Due to Current Fund	<u>497.43</u>	
		<u>794,303.84</u>
Balance December 31, 2021		<u><u>\$ 382,639.51</u></u>

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
 Analysis of General Capital Cash and Investments
 For the Year Ended December 31, 2021

	Balance Dec. 31, 2020	Receipts		Disbursements		Transfers		Balance Dec. 31, 2021
		Bond Anticipation	Miscel- laneous	Improvement Authorizations	Miscel- laneous	From	To	
		Notes						
Capital Improvement Fund	\$ 20,400.28		\$ 15,000.00			\$ 27,250.00		\$ 8,150.28
Fund Balance						10.00	\$ 7,507.52	7,497.52
Reserve to Pay Debt	82,791.69		102,508.00		\$ 82,791.69		68,643.24	171,151.24
<u>Improvement Authorizations:</u>								
<u>Ord. No.</u>								
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		
2015-9 Various Capital Improvements to the Utility (Sewer)	7,507.52					7,507.52		
2016-11 Acquisition of and Improvements to Real Property	5,507.39						14,539.12	20,046.51
2016-12 Canceling and Reappropriating Balances for Capital Projects	87.75					87.75		
2018-3 Various Improvements to Municipal Owned Properties and Acquisition of Public Works Department Equipment	4,601.42							4,601.42
2018-11 Repair and Restoration of Streets, Sidewalks and Roads	25,424.25							25,424.25
2019-6 Reconstruction & Repaving of Various Roads, Acquisition of Public Works and Police Vehicles and Construction of Dog Park	2,204.72							2,204.72
2020-3 Completion of Various Road Improvements	169.15							169.15
2021-6 Purchase of Trash Truck		\$ 190,000.00		\$ 198,887.00			10,000.00	1,113.00
2021-8 Acquisition of Equipment, Road Reconstruction and Renovations of Homes		327,750.00		165,485.01		133,302.13	117,250.00	146,212.86
Contracts Payable	486,870.38				346,642.71	14,539.12	127,010.19	252,698.74
Encumbrances Payable	6,288.25						6,291.94	12,580.19
Deferred Charges-Uncollected Grants Receivables Canceled	(51,759.45)						51,759.45	
New Jersey Transportation Trust Fund Receivable	(148,750.00)		31,250.00			100,000.00		(217,500.00)
Camden County Improvement Authority Grant Receivable	(232,725.00)		232,725.00					
Current Fund	74.02		462.49		497.43	51,749.45		(51,710.37)
	<u>\$ 277,247.86</u>	<u>\$ 517,750.00</u>	<u>\$ 381,945.49</u>	<u>\$ 364,372.01</u>	<u>\$ 429,931.83</u>	<u>\$ 403,001.46</u>	<u>\$ 403,001.46</u>	<u>\$ 382,639.51</u>

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 1,537,000.00
Decreased by:	
Budget Appropriation:	
U.S.D.A. Loan Principal	<u>28,294.71</u>
Balance December 31, 2021	<u><u>\$ 1,508,705.29</u></u>

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Unfunded
For the Year Ended December 31, 2021

Ordinance Number	Improvement Description	Balance Dec. 31, 2020	2021 Authorizations	Notes Paid by Budget Appropriation	Analysis of Balance Dec. 31, 2021		
					Balance Dec. 31, 2021	Bond Anticipation Notes	Unexpended Improvement Authorizations
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	\$ 20,760.00		\$ 20,760.00			
2011-10	Repair and Reconstruction of Sanitary Sewer System	4,975.00		4,975.00			
2011-11	Improvements to Approaches to Railroad Grade Crossings	4,975.00		4,975.00			
2011-12	Supplemental Funding for Repair and Reconstruction of Sanitary Sewer System	3,320.00		3,320.00			
2012-7	Purchase of EMS Equipment, Fire Department Vehicle and Repaving of Christan Street and Community Road	103,500.00		61,600.00	\$ 41,900.00	\$ 41,900.00	
2013-3	Acquisition of Various Capital Equipment and the Completion of Various Capital Improvements	147,770.00		79,250.00	68,520.00	68,520.00	
2013-11	Acquisition of Sport Utility Police Vehicles and Improvements to Borough Railroad Crossings	32,350.00		8,090.00	24,260.00	24,260.00	
2014-7	Various Capital Improvements and Providing Funding for Preliminary Costs	2,060.00		2,060.00			
2015-7	Various Capital Improvements and Acquisition of Real Property	57,775.00		15,000.00	42,775.00	42,775.00	
2015-9	Various Capital Improvements to the Utility (Sewer)						
2016-11	Acquisition of and Improvements to Real Property	39,000.00		8,000.00	31,000.00	31,000.00	
2017-9	Improvements to Municipal Owned Properties and Reconstruction of Sixth Street	179,855.00		11,000.00	168,855.00	168,855.00	
2018-3	Various Improvements to Municipal Owned Properties and Acquisition of Public Works Department Equipment	95,000.00		7,000.00	88,000.00	88,000.00	
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	131,100.00	
2020-3	Completion of Various Road Improvements	346,750.00			346,750.00	346,750.00	
2021-6	Purchase of Trash Truck		\$ 190,000.00		190,000.00	190,000.00	
2021-8	Acquisition of Equipment, Road Reconstruction and Renovations of Homes						
			327,750.00		327,750.00	327,750.00	
		\$ 1,169,190.00	\$ 517,750.00	\$ 226,030.00	\$ 1,460,910.00	\$ 1,460,910.00	\$ -

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Due to/from Current Fund
For the Year Ended December 31, 2021

Balance December 31, 2020 (Due to)		\$ 74.02
Increased by:		
Cash Disbursements:		
Interest Disbursed to Current Fund as Anticipated Revenue	\$ 423.41	
Cancellation of Deferred Charges Uncollected	<u>51,749.45</u>	
		<u>52,172.86</u>
		52,246.88
Decreased by:		
Cash Receipts:		
Interest on Investment of Deposits	462.49	
Cash Disbursements:		
Interfund Returned	<u>74.02</u>	
		<u>536.51</u>
Balance December 31, 2021 (Due from)		<u><u>\$ 51,710.37</u></u>

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 20,400.28
Increased by:	
2021 Budget Appropriation	<u>15,000.00</u>
	35,400.28
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>27,250.00</u>
Balance December 31, 2021	<u><u>\$ 8,150.28</u></u>

Exhibit SC-7

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of New Jersey Transportation Trust Fund Receivable
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 148,750.00
Increased by:	
2021 Grant Award	<u>100,000.00</u>
	248,750.00
Decreased by:	
Cash Received	<u>31,250.00</u>
Balance December 31, 2021	<u><u>\$ 217,500.00</u></u>

Analysis of Balance

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	56,250.00
Ord. 2020-3 Completion of Various Road Improvements	61,250.00
Ord. 2021-8 Acquisition of Equipment, Road Reconstruction and	
Renovations of Homes	<u>68,750.00</u>
	<u><u>\$ 217,500.00</u></u>

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Contracts Payable
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 486,870.38
Increased by:		
Contracts Awarded in 2021		<u>127,010.19</u>
		613,880.57
Decreased by:		
Payments	\$ 346,642.71	
Canceled	<u>14,539.12</u>	
		<u>361,181.83</u>
Balance December 31, 2021		<u><u>\$ 252,698.74</u></u>

Schedule of Contracts Payable - December 31, 2021

<u>Ordinance Number</u>	<u>Name</u>	<u>Amount</u>
Ord. 2019-6	Think Pavers	\$ 56,824.34
Ord. 2020-3	Think Pavers	68,864.21
Ord. 2021-8	Winner Ford	48,949.00
Ord. 2021-8	Think Pavers	<u>78,061.19</u>
		<u><u>\$ 252,698.74</u></u>

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2021

		2021 Authorizations											
Ordinance		Ordinance		Dec. 31, 2020		Capital	Deferred	Department		Contracts	Authorizations	Dec. 31, 2021	
Number	Improvement Description	Date	Amount	Funded	Unfunded	Fund	Future Taxation -	Transportation	Paid or	Payable	Canceled	Funded	Unfunded
							Unfunded	Grant	Charged	Canceled			
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	
2015-9	Various Capital Improvements to the Utility (Sewer)	5/18/2015	1,488,000.00	\$ 7,507.52								7,507.52	
2016-11	Acquisition of and Improvements to Real Property	6/20/2016	250,000.00		5,507.39					\$ (14,539.12)			\$ 20,046.51
2016-12	Canceling and Reappropriating Balances												
	for Capital Projects	6/20/2016	61,604.90		87.75							87.75	
2018-3	Improvements to Municipal Owned Properties and												
	Acquisition of Public Works Department Equipment	3/19/2018	100,000.00		4,601.42								4,601.42
2018-11	Repair and Restoration of Streets, Sidewalks and Roads	10/15/2018	125,000.00	25,424.25								\$ 25,424.25	
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		2,204.72								2,204.72
2020-3	Completion of Various Road Improvements				169.15								169.15
2021-6	Purchase of Trash Truck	2/16/2021	200,000.00			\$ 10,000.00	\$ 190,000.00		\$ 198,887.00				1,113.00
2021-8	Acquisition of Equipment, Road Reconstruction and												
	Renovations of Homes	5/17/2021	445,000.00			17,250.00	327,750.00	\$ 100,000.00	298,787.14				146,212.86
				<u>\$ 32,931.77</u>	<u>\$ 81,125.92</u>	<u>\$ 27,250.00</u>	<u>\$ 517,750.00</u>	<u>\$ 100,000.00</u>	<u>\$ 497,674.14</u>	<u>\$ (14,539.12)</u>	<u>\$ 76,150.76</u>	<u>\$ 25,424.25</u>	<u>\$ 174,347.66</u>
									Contracts Payable	\$ 127,010.19			
									Encumbrances Payable	6,291.94			
									Cash Disbursements	364,372.01			
									<u>\$ 497,674.14</u>				
Reserve to Pay Debt											\$ 68,643.24		
Fund Balance											<u>7,507.52</u>		
											<u>\$ 76,150.76</u>		

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of United States Department of Agriculture Loan Payable
For the Year Ended December 31, 2021

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2020</u>	<u>Payments</u>	<u>Balance Dec. 31, 2021</u>
Various Capital Improvements to the Utility - Sewer	5/1/2020	\$ 1,537,000.00	2022	\$ 28,720.72	1.500%			
			2023	29,153.15	1.500%			
			2024	29,592.08	1.500%			
			2025	30,037.63	1.500%			
			2026	30,489.89	1.500%			
			2027	30,948.95	1.500%			
			2028	31,414.92	1.500%			
			2029	31,887.91	1.500%			
			2030	32,368.03	1.500%			
			2031	32,855.37	1.500%			
			2032	33,350.05	1.500%			
			2033	33,852.17	1.500%			
			2034	34,361.86	1.500%			
			2035	34,879.22	1.500%			
			2036	35,404.37	1.500%			
			2037	35,937.42	1.500%			
			2038	36,478.51	1.500%			
			2039	37,027.74	1.500%			
			2040	37,585.24	1.500%			
			2041	38,151.13	1.500%			
			2042	38,725.54	1.500%			
			2043	39,308.60	1.500%			
			2044	39,900.45	1.500%			
			2045	40,501.19	1.500%			

(Continued)

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of United States Department of Agriculture Loan Payable
For the Year Ended December 31, 2021

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2020</u>	<u>Payments</u>	<u>Balance Dec. 31, 2021</u>
Various Capital Improvements to the Utility - Sewer (Cont'd)	5/1/2020	\$ 1,537,000.00	2046	\$ 41,110.99	1.500%			
			2047	41,729.97	1.500%			
			2048	42,358.27	1.500%			
			2049	42,996.03	1.500%			
			2050	43,643.39	1.500%			
			2051	44,300.49	1.500%			
			2052	44,967.48	1.500%			
			2053	45,644.53	1.500%			
			2054	46,331.77	1.500%			
			2055	47,029.34	1.500%			
			2056	47,737.43	1.500%			
			2057	48,456.18	1.500%			
			2058	49,185.75	1.500%			
			2059	49,926.30	1.500%			
			2060	50,355.23	1.500%			
						<u>\$ 1,537,000.00</u>	<u>\$ 28,294.71</u>	<u>\$ 1,508,705.29</u>

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2021

<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, 2020</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2021</u>
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	7/8/2020	7/7/2021	0.950%	\$ 20,760.00		\$ 20,760.00	
2011-10	Repair and Reconstruction of Sanitary Sewer System	7/25/2012	7/8/2020	7/7/2021	0.950%	4,975.00		4,975.00	
2011-11	Improvements to Approaches to Railroad Grade Crossings	7/25/2012	7/8/2020	7/7/2021	0.950%	4,975.00		4,975.00	
2011-12	Supplemental Funding for Repair and Reconstruction of Sanitary Sewer System	7/25/2012	7/8/2020	7/7/2021	0.950%	3,320.00		3,320.00	
2012-7	Purchase of EMS Equipment, Fire Department Vehicle and Repaving of Christan Street and Community Road	8/16/2012	7/8/2020 7/1/2021	7/7/2021 6/30/2022	0.950% 0.410%	103,500.00	\$ 41,900.00	103,500.00	\$ 41,900.00
2013-3	Acquisition of Various Capital Equipment and the Completion of Various Capital Improvements	4/15/2013	7/8/2020 7/1/2021	7/7/2021 6/30/2022	0.950% 0.410%	147,770.00	68,520.00	147,770.00	68,520.00
2013-11	Acquisition of Sport Utility Police Vehicles and Improvements to Borough Railroad Crossings	7/21/2014	7/8/2020 7/1/2021	7/7/2021 6/30/2022	0.950% 0.410%	32,350.00	24,260.00	32,350.00	24,260.00
2014-7	Various Capital Improvements and Providing Funding for Preliminary Costs	7/21/2014	7/8/2020	7/7/2021	0.950%	2,060.00		2,060.00	
2015-7	Various Capital Improvements and Acquisition of Real Property	7/17/2015	7/8/2020 7/1/2021	7/7/2021 6/30/2022	0.950% 0.410%	57,775.00	42,775.00	57,775.00	42,775.00
2016-11	Acquisition of and Improvements to Real Property	7/20/2016	7/8/2020 7/1/2021	7/7/2021 6/30/2022	0.950% 0.410%	39,000.00	31,000.00	39,000.00	31,000.00

(Continued)

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2021

<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, 2020</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2021</u>
2017-9	Various Improvements to Municipal Owned Property and Reconstruction of Sixth Street	7/12/2017	7/8/2020 7/1/2021	7/7/2021 6/30/2022	0.950% 0.410%	\$ 179,855.00	\$ 168,855.00	\$ 179,855.00	\$ 168,855.00
2018-3	Various Improvements to Municipal Owned Properties & Acquisition of Public Works Department Equipment	7/10/2018	7/8/2020 7/1/2021	7/7/2021 6/30/2022	0.950% 0.410%	95,000.00	88,000.00	95,000.00	88,000.00
2019-6	Reconstruction & Repaving of Various Roads, Acquisition of Public Works and Police Vehicles and Construction of Dog Park	7/8/2020	7/8/2020 7/1/2021	7/7/2021 6/30/2022	0.950% 0.410%	131,100.00	131,100.00	131,100.00	131,100.00
2020-3	Completion of Various Road Improvements	7/8/2020	7/8/2020 7/1/2021	7/7/2021 6/30/2022	0.950% 0.410%	346,750.00	346,750.00	346,750.00	346,750.00
2021-6	Purchase of Trash Truck	7/1/2021	7/1/2021	6/30/2022	0.410%		190,000.00		190,000.00
2021-8	Acquisition of Equipment, Road Reconstruction and Renovations of Homes	7/1/2021	7/1/2021	6/30/2022	0.410%		327,750.00		327,750.00
						<u>\$ 1,169,190.00</u>	<u>\$ 1,460,910.00</u>	<u>\$ 1,169,190.00</u>	<u>\$ 1,460,910.00</u>
						Renewal Paid By Budget Appropriation Issued for Cash	\$ 943,160.00 517,750.00	\$ 943,160.00 226,030.00	
							<u>\$ 1,460,910.00</u>	<u>\$ 1,169,190.00</u>	

BOROUGH OF BROOKLAWN
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2021

Ordinance <u>Number</u>	<u>Improvement Description</u>	2021 <u>Authorizations</u>	Bond Anticipation <u>Note Issued</u>
2021-6	Purchase of Trash Truck	\$ 190,000.00	\$ 190,000.00
2021-8	Acquisition of Equipment, Road Reconstruction and Renovations of Homes	<u>327,750.00</u>	<u>327,750.00</u>
		<u>\$ 517,750.00</u>	<u>\$ 517,750.00</u>

SUPPLEMENTAL EXHIBITS

WATER UTILITY FUND

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Statement of Water Utility Cash - Treasurer
For the Year Ended December 31, 2021

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2020	\$ 56,755.21	\$ 527,506.66
Increased by Receipts:		
Water Rents Collected	\$ 430,222.22	
Water Rent Overpayments	143.65	
Miscellaneous Revenues	19,526.73	
Water Tower Lease	16,800.00	
Water Utility Capital Fund	513.58	
Due to Current Fund	98.00	
Capital Improvement		\$ 30,000.00
Bond Anticipation Note		95,000.00
Reserve for Payment of Debt		470,448.24
Water Utility Operating Fund		445.78
	<u>467,304.18</u>	<u>595,894.02</u>
	524,059.39	1,123,400.68
Decreased by Disbursements:		
Appropriations	404,671.94	
Appropriation Reserves	181.29	
Accrued Interest on Bonds and Notes	16,598.93	
Reserve for Payment of Debt		401,300.00
Due to Current Fund	122.00	
Refund of Prior Year Revenue	192.53	
Contracts Payable		332,208.55
Water Utility Operating Fund		513.58
Improvement Authorizations		141,183.08
	<u>421,766.69</u>	<u>875,205.21</u>
Balance December 31, 2021	<u><u>\$ 102,292.70</u></u>	<u><u>\$ 248,195.47</u></u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Capital Fund
Analysis of Water Utility Capital Cash
For the Year Ended December 31, 2021

		Receipts		Disbursements		Transfers		
	Balance Dec. 31, 2020	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	Balance Dec. 31, 2021
Fund Balance	\$ 12,751.24						\$ 26,932.68	\$ 39,683.92
Reserve for Encumbrances							3,862.00	3,862.00
Capital Improvement Fund	2,000.00		\$ 30,000.00			\$ 5,000.00		27,000.00
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
15-9			470,448.24		\$ 401,300.00		38,851.76	108,000.00
Excess Note Proceeds	37,800.00					32,099.00		5,701.00
<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			\$ 20,700.00		13,298.66		
2015-9 Various Capital Improvements to the Utility	68,803.84			62,051.08		38,851.76	32,099.00	
2018-3 Acquisition of Various Capital Equipment								
and Completion of Various Capital								
Improvements to the Utility	20,895.00							20,895.00
2021-8 Purchase of Equipment & Infrastructure								
Improvements		\$ 95,000.00		58,432.00		3,862.00	5,000.00	37,706.00
Contracts Payable	332,208.55				332,208.55			
Water Utility Operating Fund	92.99		445.78		513.58			25.19
	<u>\$ 527,506.66</u>	<u>\$ 95,000.00</u>	<u>\$ 500,894.02</u>	<u>\$ 141,183.08</u>	<u>\$ 734,022.13</u>	<u>\$ 106,745.44</u>	<u>\$ 106,745.44</u>	<u>\$ 248,195.47</u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Operating Fund
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 44,388.99
Increased by:	
2021 Water Rents Levied	<u>551,987.69</u>
	596,376.68
Decreased by:	
Collections	<u>430,222.22</u>
Balance December 31, 2021	<u><u>\$ 166,154.46</u></u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Operating Fund
Statement of Water Rent Overpayments
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 22.92
Increased by:	
Overpayments in 2021	<u>143.65</u>
	166.57
Decreased by:	
Canceled	<u>22.92</u>
Balance December 31, 2021	<u><u>\$ 143.65</u></u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Fixed Capital
For the Year Ended December 31, 2021

	Balance Dec. 31, 2020	Transfer from Authorized and Uncompleted	Balance Dec. 31, 2021
Pumping Station, Mains and Fire Hydrants	\$ 62,076.72		\$ 62,076.72
Aerator	6,700.74		6,700.74
Deep Well Pump	3,970.03		3,970.03
Sprinkler System	951.83		951.83
Heavy Duty Vehicles	48,000.00		48,000.00
Well	12,542.95		12,542.95
Well and Equipment	594,873.79		594,873.79
Wiring	850.00		850.00
Water Meters	64,316.89		64,316.89
Water Tower Chlorination System	8,356.22		8,356.22
Addition to Municipal Water Works and Purchase of Equipment	61,227.34		61,227.34
Auxiliary Generators	80,000.00		80,000.00
Water Tank; Wet Basin; High Service Pumps; Generator; Chemical Feed System; Distribution Pipelines	1,074,621.79		1,074,621.79
Water Plan Radio Control Communications	14,400.00		14,400.00
Water Utility Site Repairs and Installation of Backwash Filtering System	75,000.00		75,000.00
Site Remediation	99,713.51		99,713.51
Reconstruction, Repair and Redevelopment of Well #1	6,000.00		6,000.00
Redevelopment of Well #3	24,299.00		24,299.00
Improvements of Water Tower	283,296.25		283,296.25
Water Recycling System and Plant Controls	199,906.66		199,906.66
Water Works Underground Storage Tanks Site	8,355.40		8,355.40
Water Plant Roof, Hydrants, Valves, Meters and Utility Truck	66,001.34	\$ 20,700.00	86,701.34
Water Improvements and Related Items	202,673.08	1,562,614.76	1,765,287.84
	<u>\$ 2,998,133.54</u>	<u>\$ 1,583,314.76</u>	<u>\$ 4,581,448.30</u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2021

Ord. No.	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2020	2021 Authorization	Costs to Fixed Capital	Authorizations Canceled	Balance Dec. 31, 2021
2002-15	Site Remediation at the Brooklawn	11/18/2002	\$ 100,000.00	\$ 286.49			\$ 286.49	
2007-5	Acquisition of a Water Tower Chlorination System	6/18/2007	20,000.00	11,643.78			11,643.78	
2010-6	Improvements to Water Tower	8/16/2010	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	6/20/2011	100,000.00	33,998.66		\$ 20,700.00	13,298.66	
2014-7	Various Improvements and Providing Funding for Preliminary Costs for Water Project	6/16/2014	152,000.00	111,166.52		111,166.52		
2015-9	Various Capital Improvements to the Utility	5/18/2015	1,490,300.00	1,490,300.00		1,451,448.24	38,851.76	
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				\$ 140,000.00
2021-8	Purchase of Equipment & Infrastructure Improvements	5/17/2021	95,000.00		\$ 95,000.00			95,000.00
				<u>\$ 1,789,099.20</u>	<u>\$ 95,000.00</u>	<u>\$ 1,583,314.76</u>	<u>\$ 65,784.44</u>	<u>\$ 235,000.00</u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
 Water Utility Operating Fund
 Statement of Appropriation Reserves
 For the Year Ended December 31, 2021

	<u>Balance December 31, 2020</u>			<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Disbursed</u>	<u>Lapsed</u>
Operating:				
Salaries and Wages		\$ 115.77		\$ 115.77
Other Expenses	\$ 250.00	768.22		1,018.22
Deferred Charges and Statutory Expenditures:				
Social Security System (O.A.S.I.)		365.95	\$ 181.29	184.66
Unemployment Compensation insurance		0.81		0.81
	<u>\$ 250.00</u>	<u>\$ 1,250.75</u>	<u>\$ 181.29</u>	<u>\$ 1,319.46</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, 2021

Balance December 31, 2020		\$ 8,132.46
Increased by:		
Budget Appropriation:		
Interest on Notes	\$ 8,939.26	
Interest on Loan	<u>8,818.98</u>	
		<u>17,758.24</u>
		25,890.70
Decreased by:		
Disbursements		<u>16,598.93</u>
Balance December 31, 2021		<u><u>\$ 9,291.77</u></u>

Analysis of Accrued Interest December 31, 2021

	<u>Principal Outstanding Dec. 31, 2021</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
Bond Anticipation Notes:						
	\$ 230,000.00	0.410%	7/1/2021	12/31/2021	183 Days	\$ 472.79
U.S.D.A. Loan:						
	1,141,000.00	1.750%	7/25/2021	12/31/2021	159 Days	<u>8,818.98</u>
						<u>\$ 9,291.77</u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Capital Improvement Fund
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 2,000.00
Increased by:	
Received from 2021 Budget Appropriation	<u>30,000.00</u>
	32,000.00
Decreased by:	
Appropriation to Finance Improvement Authorization	<u>5,000.00</u>
Balance December 31, 2021	<u><u>\$ 27,000.00</u></u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
 Water Utility Capital Fund
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2021

Ord. No.	Improvement Description	Date	Amount	Balance Dec. 31, 2020		Improvement Fund	Deferred Charges To Future Revenue	Cash Disbursed	Canceled	Balance Dec. 31, 2021	
				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			\$ 20,700.00	13,298.66		
2015-9	Various Capital Improvements to the Utility	5/18/15	1,490,300.00		100,902.84			62,051.08	38,851.76		
2018-3	Acquisition of Various Capital Equipment and Completion of Various Capital Improvements to the Utility	3/19/18	150,000.00		20,895.00						\$ 20,895.00
2021-8	Purchase of Equipment & Infrastructure Improvements	5/17/21	100,000.00			\$ 5,000.00	\$ 95,000.00	62,294.00			37,706.00
				<u>\$ 11,930.27</u>	<u>\$ 157,500.25</u>	<u>\$ 5,000.00</u>	<u>\$ 95,000.00</u>	<u>\$ 145,045.08</u>	<u>\$ 65,784.44</u>	<u>\$ -</u>	<u>\$ 58,601.00</u>
								Encumbrances Payable	\$ 3,862.00		
								Disbursed	141,183.08		
									<u>\$ 145,045.08</u>		

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Contracts Payable
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 332,208.55
Decreased by:	
Disbursed	<u>\$ 332,208.55</u>

Exhibit SD-12

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Reserve for Amortization
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 3,025,623.47
Increased by:	
Reserve for Payment of Debt	\$ 401,300.00
Bond Anticipation Notes Paid by Operating Budget	<u>63,077.59</u>
	<u>464,377.59</u>
	3,490,001.06
Decreased by:	
Authorizations Canceled - Reserve to Pay Debt	<u>38,851.76</u>
Balance December 31, 2021	<u>\$ 3,451,149.30</u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Deferred Reserve for Amortization
For the Year Ended December 31, 2021

<u>Ord. Number</u>	<u>Improvement Description</u>	<u>Ord. Date</u>	<u>Balance Dec. 31, 2020</u>	<u>Notes Paid from Operating Budget</u>	<u>Authorizations Canceled - To Fund Balance</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		\$ 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		13,298.66	13,298.66
			<u>\$ 11,930.27</u>	<u>\$ 15,002.41</u>	<u>\$ 26,932.68</u>

BOROUGH OF BROOKLAWN
WATER UTILITY FUND
Water Utility Capital Fund
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2021

<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, 2020</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2021</u>
2010-6	Improvements to Water Tower	07/27/2011	7/6/2020	7/5/2021	0.950%	\$ 39,500.00		\$ 39,500.00	
2011-7	Replacement of Water Plant Roof, Replacement of Hydrants, Valves and Meters, and Acquisition of Utility Truck	07/27/2011	7/6/2020	7/5/2021	0.950%	13,580.00		13,580.00	
2014-7	Various Improvements and Providing Funding for Preliminary Costs for Water Project	07/21/2014	7/6/2020	7/5/2021	0.950%	72,000.00		72,000.00	
2015-9	Various Capital Improvements to the Utility	07/17/2015	7/6/2020	7/5/2021	0.950%	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	7/6/2020 7/1/2021	7/5/2021 6/30/2022	0.950% 0.410%	140,000.00		140,000.00	
							\$ 135,000.00		\$ 135,000.00
2021-8	Purchase of Equipment & Infrastructure Improvements	07/01/2021	7/1/2021	6/30/2022	0.410%		95,000.00		95,000.00
						<u>\$ 1,755,380.00</u>	<u>\$ 230,000.00</u>	<u>\$ 1,755,380.00</u>	<u>\$ 230,000.00</u>
				Renewals			\$ 135,000.00	\$ 135,000.00	
				Paid by Budget Appropriation				78,080.00	
				Reserve to Pay Debt				401,300.00	
				U.S.D.A. Loan Proceeds				1,141,000.00	
				Issued for Cash			95,000.00		
							<u>\$ 230,000.00</u>	<u>\$ 1,755,380.00</u>	

BOROUGH OF OAKLYN
WATER UTILITY FUND
Water Utility Capital Fund
Statement of U.S.D.A. Loan Payable
For the Year Ended December 31, 2021

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Issued</u>	<u>Balance Dec. 31, 2021</u>
United States Department of Agriculture Loan	7-20-21	\$ 1,141,000.00	1-21-2022	\$ 9,916.25			
			7-21-2022	10,003.02			
			1-21-2023	10,090.54			
			7-21-2023	10,178.84			
			1-21-2024	10,267.90			
			7-21-2024	10,357.74			
			1-21-2025	10,448.38			
			7-21-2025	10,539.80			
			1-21-2026	10,632.02			
			7-21-2026	10,725.05			
			1-21-2027	10,818.90			
			7-21-2027	10,913.56			
			1-21-2028	11,009.05			
			7-21-2028	11,105.38			
			1-21-2029	11,202.56			
			7-21-2029	11,300.58			
			1-21-2030	11,399.46			
			7-21-2030	11,499.20			
			1-21-2031	11,599.82			
			7-21-2031	11,701.32			
			1-21-2032	11,803.71			
			7-21-2032	11,906.99			
			1-21-2033	12,011.18			
			7-21-2033	12,116.27			
			1-21-2034	12,222.29			
			7-21-2034	12,329.24			
			1-21-2035	12,437.12			
			7-21-2035	12,545.94			
			1-21-2036	12,655.72			
			7-21-2036	12,766.46			

(Continued)

BOROUGH OF OAKLYN
WATER UTILITY FUND
Water Utility Capital Fund
Statement of U.S.D.A. Loan Payable
For the Year Ended December 31, 2021

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Issued</u>	<u>Balance Dec. 31, 2021</u>
United States Department of Agriculture Loan (Cont'd)	7-20-21	\$ 1,141,000.00	1-21-2037	\$ 12,878.16			
			7-21-2037	12,990.85			
			1-21-2038	13,104.52			
			7-21-2038	13,219.18			
			1-21-2039	13,334.85			
			7-21-2039	13,451.53			
			1-21-2040	13,569.23			
			7-21-2040	13,687.96			
			1-21-2041	13,807.73			
			7-21-2041	13,928.55			
			1-21-2042	14,050.42			
			7-21-2042	14,173.36			
			1-21-2043	14,297.38			
			7-21-2043	14,422.48			
			1-21-2044	14,548.68			
			7-21-2044	14,675.98			
			1-21-2045	14,804.39			
			7-21-2045	14,933.93			
			1-21-2046	15,064.61			
			7-21-2046	15,196.42			
			1-21-2047	15,329.39			
			7-21-2047	15,463.52			
			1-21-2048	15,598.83			
			7-21-2048	15,735.32			
			1-21-2049	15,873.00			
			7-21-2049	16,011.89			
			1-21-2050	16,151.99			
			7-21-2050	16,293.32			
			1-21-2051	16,435.89			
			7-21-2051	16,579.70			

(Continued)

BOROUGH OF OAKLYN
WATER UTILITY FUND
Water Utility Capital Fund
Statement of U.S.D.A. Loan Payable
For the Year Ended December 31, 2021

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Issued</u>	<u>Balance Dec. 31, 2021</u>
United States Department of Agriculture Loan (Cont'd)	7-20-21	\$ 1,141,000.00	1-21-2052	\$ 16,724.78			
			7-21-2052	16,871.12			
			1-21-2053	17,018.74			
			7-21-2053	17,167.65			
			1-21-2054	17,317.87			
			7-21-2054	17,469.40			
			1-21-2055	17,622.26			
			7-21-2055	17,776.46			
			1-21-2056	17,932.00			
			7-21-2056	18,088.90			
			1-21-2057	18,247.18			
			7-21-2057	18,406.85			
			1-21-2058	18,567.90			
			7-21-2058	18,730.37			
			1-21-2059	18,894.26			
			7-21-2059	19,059.59			
			1-21-2060	19,226.36			
			7-21-2060	19,394.59			
			1-21-2061	19,564.29			
			7-21-2061	18,802.08	1.750%	\$ 1,141,000.00	\$ 1,141,000.00

PART II

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2021

BOROUGH OF BROOKLAWN
Schedule of Findings and Recommendations
For the Year Ended December 31, 2021

Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, requires.

Finding No. 2021-001

Criteria or Specific Requirement

N.J.A.C. 5:30-5.7 requires that all local units shall maintain a general ledger for at least the current fund. The ledger shall provide a summary of all financial transactions as recorded in the books of original entry.

Condition

As required by N.J.A.C. 5:30-5.7, the general ledger maintained by the Borough was not appropriately reconciled monthly to the books of original entry (subsidiary records). Unsupported entries were posted for the sole purpose of reconciling the general ledger balances to subsidiary records and several general ledger accounts did not reconcile with subsidiary records.

Context

A number of general ledger accounts included postings identified as "reconcile balance". These accounts included current taxes receivable, delinquent taxes receivable, tax title liens receivable, and their corresponding reserve accounts. Several accounts, such as tax overpayments, prepaid taxes, and Borough home rents receivable, did not properly reconcile with their respective subsidiary record.

Effect or Potential Effect

Complete and accurate accounting records are essential to the Borough. By not reconciling the general ledger to subsidiary records, proper accounting of the Borough's finances may not be achieved.

Cause

The Borough did not comply with its internal controls as they relate to the maintenance of accurate accounting records including the general ledger.

Recommendation

That the Borough's general ledger be reconciled monthly, appropriately balance with all subsidiary records and that only valid entries be posted as required by N.J.A.C. 5:30-5.7.

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 Recommendations
For the Year Ended December 31, 2021

Schedule of Financial Statement Findings (Cont'd)

Finding No. 2021-002

Criteria or Specific Requirement

N.J.S.A. 40A:11-1 et seq and N.J.A.C. 5:34, New Jersey Local Public Contracts Law and Regulation contains requirements associated with contracts that exceed the public bidding and quotation thresholds. Specifically, when anticipated costs for the purchase of goods or services exceed the established bid threshold, the governmental unit shall advertise and receive sealed bids prior to awarding a contract.

Condition

The Borough failed to obtain bids for two awarded contracts that exceeded the bid threshold as required by N.J.S.A. 40A:11-1 et seq and N.J.A.C. 5:34, New Jersey Local Public Contracts Law and Regulation.

Context

The Borough awarded the following contracts whose accumulated costs exceeded the bid threshold without obtaining bids:

1. The Borough purchased a trash truck for \$198,887.00 without advertising for and receiving sealed bids.
2. The Borough contracted for renovations to Borough owned homes and the accumulated payments to the vendor exceeded the bid threshold. The Borough did not advertise for bids or receive quotations for the individual renovations.

Effect or Potential Effect

The Borough did not comply with its internal controls for purchasing by awarding contracts that were not in accordance with N.J.S.A. 40A:11-1 et seq and N.J.A.C. 5:34, New Jersey Local Public Contracts Law and Regulation requirements.

Cause

The Borough did not adhere to its internal control related to purchasing.

Recommendation

That the Borough obtain bids for all awarded contracts that exceed the bid threshold as required by N.J.S.A. 40A:11-1 et seq and N.J.A.C. 5:34, New Jersey Local Public Contracts Law and Regulation.

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.

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

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 - None

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	
John Clotworthy	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

K. N. Grynolys

Certified Public Accountant
Registered Municipal Accountant

