

BOROUGH OF LINDENWOLD
COUNTY OF CAMDEN
REPORT OF AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2018



BOROUGH OF LINDENWOLD
TABLE OF CONTENTS

<u>Exhibit No.</u>		<u>Page No.</u>
	<u>PART 1</u>	
	Independent Auditor's Report	2
	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	5
	<u>CURRENT FUND</u>	
A	Statements of Assets, Liabilities, Reserves and Fund Balance-- Regulatory Basis	7
A-1	Statements of Operations and Changes in Fund Balance-- Regulatory Basis	9
A-2	Statement of Revenue--Regulatory Basis	11
A-3	Statement of Expenditures--Regulatory Basis	16
	<u>TRUST FUND</u>	
B	Statements of Assets, Liabilities, Reserves and Fund Balance-- Regulatory Basis	22
	<u>GENERAL CAPITAL FUND</u>	
C	Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis	23
	<u>SEWER UTILITY FUND</u>	
D	Statements of Assets, Liabilities, Reserves and Fund Balance-- Regulatory Basis	24
D-1	Sewer Utility Operating Fund--Statements of Operations and Changes in Fund Balance--Regulatory Basis	26
D-2	Statement of Revenues--Regulatory Basis	27
D-3	Statement of Expenditures--Regulatory Basis	28
	<u>GENERAL FIXED ASSET GROUP OF ACCOUNTS</u>	
E	Statement of General Fixed Asset Group of Accounts--Regulatory Basis	29
	Notes to Financial Statements	30

BOROUGH OF LINDENWOLD
TABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No.</u>
	<u>SUPPLEMENTAL EXHIBITS</u>	
	<u>CURRENT FUND</u>	
SA-1	Statement of Current Cash Per N.J.S.A. 40A:5-5--Treasurer	77
SA-2	Statement of Current Cash Per N.J.S.A. 40A:5-5--Collector	79
SA-3	Schedule of Change Funds	80
SA-4	Statement of Petty Cash Funds	80
SA-5	Statement of Due to State of New Jersey Veterans' and Senior Citizens' Deductions	81
SA-6	Statement of Deferred Charges	81
SA-7	Statement of Taxes Receivable and Analysis of Property Tax Levy	82
SA-8	Statement of Tax Title Liens	83
SA-9	Statement of Revenue Accounts Receivable	84
SA-10	Statement of 2017 Appropriation Reserves	86
SA-11	Statement of Solid Waste Consumer Accounts Receivable	89
SA-12	Statement of Solid Waste Liens Receivable	89
SA-13	Statement of Prepaid Taxes	90
SA-14	Statement of Tax Overpayments	90
SA-15	Statement of Due to the State of New Jersey Marriage/Civil Union License Fees and Burial Permits	91
SA-16	Statement of Due to State of New Jersey D.C.A. State Training Fees	91
SA-17	Statement of Accounts Payable	92
SA-18	Statement of Fire District Taxes Payable	93
SA-19	Statement of County Taxes Payable	93
SA-20	Statement of Due County for Added and Omitted Taxes	94
SA-21	Statement of Local School District Taxes	94
SA-22	Statement of Reserve for Maintenance of Free Public Library with State Aid	95
SA-23	Federal and State Grant Fund--Statement of Federal and State Grants Receivable	96
SA-24	Federal and State Grant Fund--Statement of Reserve for Federal and State Grants--Unappropriated	97
SA-25	Federal and State Grant Fund--Statement of Reserve for Federal and State Grants--Appropriated	98
SA-26	Federal and State Grant Fund--Statement of Reserve for Encumbrances	99
SA-27	Federal and State Grant Fund--Statement of Contracts Payable	99
SA-28	Federal and State Grant Fund--Statement of Due to Current Fund	100

BOROUGH OF LINDENWOLD
TABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No.</u>
	<u>TRUST FUND</u>	
SB-1	Statement of Trust Cash Per N.J.S.A.40A:5-5--Treasurer	102
SB-2	Statement of Trust Cash Per N.J.S.A.40A:5-5--Collector	104
SB-3	Trust Other Fund--Statement of Due from Current Fund	105
SB-4	Animal Control Fund--Statement of Reserve for Animal Control Fund Expenditures	106
SB-5	Animal Control Fund--Statement of Due to State of New Jersey	106
SB-6	Animal Control Fund--Statement of Due to Current Fund	107
SB-7	Trust Other Fund--Statement of Payroll Deductions Payable	108
SB-8	Trust Other Fund--Statement of Reserve for Unemployment Compensation Insurance Trust Fund	109
SB-9	Trust Other Fund--Statement of Reserve for Recycling Program	109
SB-10	Trust Other Fund--Statement of Deposits for Redemption of Tax Title Liens	110
SB-11	Trust Other Fund--Statement of Reserve for Federal Forfeitures	110
SB-12	Trust Other Fund--Statement of Reserve for Escrow Deposits	111
SB-13	Trust Other Fund--Statement of Reserve for Special Law Enforcement	111
SB-14	Trust Other Fund--Statement of Reserve for Municipal Drug Alliance	112
SB-15	Trust Other Fund--Statement of Premiums Received at Tax Sale	112
SB-16	Trust Other Fund--Statement of Reserve for Park Rentals	113
SB-17	Trust Other Fund--Statement of Reserve for Public Defender Fees	113
SB-18	Trust Other Fund--Statement of Cash Performance Bonds	114
SB-19	Trust Other Fund--Statement of Reserve for POAA Fees	114
SB-20	Trust Other Fund--Statement of Reserve for Police Outside Services	115
SB-21	Trust Other Fund--Statement of Reserve for Accumulated Leave Compensation	115
SB-22	Trust Other Fund--Statement of Reserve for Annual Recognition Dinner	116
SB-23	Trust Other Fund--Statement of Due to/from State of New Jersey— Unemployment Compensation	116
SB-24	Trust Other Fund--Statement of Reserve for Street Opening Deposits	117
	<u>GENERAL CAPITAL FUND</u>	
SC-1	Statement of General Capital Cash Per N.J.S.A.40A:5-5--Treasurer	119
SC-2	Analysis of General Capital Cash	120
SC-3	Schedule of Deferred Charges to Future Taxation--Unfunded	122
SC-4	Statement of Deferred Charges to Future Taxation--Funded	123
SC-5	Statement of Due from Current Fund	123
SC-6	Statement of Contracts Payable	124
SC-7	Statement of Reserve for Encumbrances	125
SC-8	Statement of Improvement Authorizations	126
SC-9	Statement of Reserve for Payment of Bonds	127
SC-10	Statement of Green Acres Trust Development Loans Payable	128
SC-11	Statement of General Serial Bonds	129
SC-12	Schedule of Bonds and Notes Authorized But Not Issued	130

BOROUGH OF LINDENWOLD
TABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No.</u>
	<u>SEWER UTILITY FUND</u>	
SD-1	Statement of Sewer Utility Cash per N.J.S.A.40A:5-5--Treasurer	132
SD-2	Sewer Utility Capital Fund--Analysis of Sewer Utility Capital Cash	133
SD-3	Sewer Utility Operating Fund--Statement of Sewer Utility Cash Per N.J.S.A. 40A:5-5--Sewer Collector	135
SD-4	Sewer Utility Operating Fund--Schedule of Change Funds	135
SD-5	Sewer Utility Operating Fund--Statement of Consumer Accounts Receivable	136
SD-6	Sewer Utility Operating Fund--Statement of Sewer Rental Overpayments	136
SD-7	Sewer Utility Operating Fund--Statement of Sewer Liens Receivable	137
SD-8	Sewer Utility Operating Fund--Statement of 2017 Appropriation Reserves	138
SD-9	Sewer Utility Operating Fund--Statement of Sewer Rental Prepayments	138
SD-10	Sewer Utility Capital Fund--Statement of Due to Sewer Utility Operating Fund	139
SD-11	Sewer Utility Operating Fund--Statement of Due from/to Current Fund	140
SD-12	Sewer Utility Capital Fund--Statement of Fixed Capital	141
SD-13	Sewer Utility Capital Fund--Statement of Fixed Capital Authorized and Uncompleted	143
SD-14	Sewer Utility Operating Fund--Statement of Accrued Interest on Bonds and Notes and Analysis of Balance	146
SD-15	Sewer Utility Capital Fund--Statement of Reserve for Amortization	147
SD-16	Sewer Utility Capital Fund--Statement of Contracts Payable	147
SD-17	Sewer Utility Capital Fund--Statement of Improvement Authorizations	148
SD-18	Sewer Utility Capital Fund--Statement of Sewer Serial Bonds	150
SD-19	Sewer Utility Capital Fund--Schedule of Bonds and Notes Authorized But Not Issued	151
	<u>PART 2 - SINGLE AUDIT</u>	
	Report on Compliance for each Major Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and State of New Jersey Circular 15-08-OMB--Independent Auditor's Report	153
A	Schedule of Expenditures of Federal Awards	156
B	Schedule of Expenditures of State Financial Assistance	158
	Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance	160
	<u>PART 3 - SCHEDULE OF FINDINGS AND QUESTIONED COSTS</u>	
	Schedule of Findings and Questioned Costs	162
	Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	168
	OFFICIALS IN OFFICE AND SURETY BONDS	169
	APPRECIATION	170

PART 1
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Lindenwold
Lindenwold, New Jersey 08021

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Lindenwold, in the County of Camden, State of New Jersey, as of December 31, 2018 and 2017, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

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

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

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

In our opinion, because of the significance of the matter discussed in the “*Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America*” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Borough of Lindenwold, in the County of Camden, State of New Jersey, as of December 31, 2018 and 2017, or the results of its operations and changes in fund balance for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Lindenwold, in the County of Camden, State of New Jersey, as of December 31, 2018 and 2017, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed asset group of accounts - regulatory basis, for the year ended December 31, 2018, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

Emphasis of Matter

Adoption of New Accounting Principles

As discussed in note 1 to the financial statements, during the year ended December 31, 2018, the Borough adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. The adoption of this new accounting principle resulted in a material note disclosure (see note 9). As a result of the regulatory basis of accounting, described in the previous paragraph, the implementation of this Statement only required financial statement disclosures. Our opinions are not modified with respect to this matter.

Other Matters*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, and are also not a required part of the basic financial statements.

The supplemental statements and schedules presented for the various funds and the schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental statements and schedules described in the previous paragraph are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 29, 2019 on our consideration of the Borough of Lindenwold, in the County of Camden, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough of Lindenwold'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 Lindenwold's internal control over financial reporting and compliance.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Todd R. Saler

Todd R. Saler
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
August 29, 2019

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Lindenwold
Lindenwold, New Jersey 08021

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the Borough of Lindenwold, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated August 29, 2019. That report indicated that the Borough of Lindenwold's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our report on the financial statements included an emphasis of matter paragraph describing the adoption of a new accounting pronouncement.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, as described in the accompanying *Schedule of Findings and Questioned Costs*, that we consider to be material weaknesses: findings nos. 2018-001 and 2018-002.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Lindenwold's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and which are described in the accompanying *Schedule of Findings and Questioned Costs* as findings nos. 2018-001 and 2018-002.

The Borough of Lindenwold's Response to Findings

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

Purpose of this Report

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Todd R. Saler

Todd R. Saler
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
August 29, 2019

BOROUGH OF LINDENWOLD
CURRENT FUND

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

<u>ASSETS</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Current Fund:			
Cash--Treasurer	SA-1	\$ 4,981,434.20	\$ 5,288,460.46
Change Funds	SA-3	500.00	500.00
		<u>4,981,934.20</u>	<u>5,288,960.46</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-7	1,032,099.08	908,493.54
Tax Title Liens Receivable	SA-8	2,469,692.57	2,111,081.93
Property Acquired for Taxes--Assessed Valuation		1,509,750.00	1,509,750.00
Revenue Accounts Receivable	SA-9	58,196.05	69,589.21
Other Accounts Receivable	SA-9	14,884.18	
Solid Waste Rents Receivable	SA-11		332.50
Solid Waste Liens Receivable	SA-12	67,277.33	67,440.18
Due from Federal and State Grant Fund	SA-28	256,093.03	
Due from Animal Control Fund	SB-6	3,747.52	0.97
Due from Sewer Utility Operating Fund	SD-11	159,738.02	
		<u>5,571,477.78</u>	<u>4,666,688.33</u>
Deferred Charges:			
Overexpenditure of Appropriations	SA-6		7,339.73
Emergency Authorization	SA-6		2,900.00
		<u>-</u>	<u>10,239.73</u>
		<u>10,553,411.98</u>	<u>9,965,888.52</u>
Federal and State Grant Fund:			
Cash--Treasurer	SA-1		149,561.97
Federal and State Grants Receivable	SA-23	1,129,726.35	1,603,267.88
Deferred Charges:			
Reserve for Federal and State Grants - Appropriated:			
Expenditures without an Appropriation	SA-25	85,726.31	
		<u>1,215,452.66</u>	<u>1,752,829.85</u>
		<u>\$ 11,768,864.64</u>	<u>\$ 11,718,718.37</u>

(Continued)

BOROUGH OF LINDENWOLD
CURRENT FUND

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

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Current Fund:			
Liabilities:			
Due to Trust Other Fund	SB-3	\$ 1,379.49	\$ 18,547.64
Due to General Capital Fund	SC-5	178,911.53	2,006.69
Due to Sewer Utility Operating Fund	SD-11		3,839.99
Appropriation Reserves	A-3; SA-10	1,070,757.38	739,408.53
Reserve for Encumbrances	A-3; SA-10	174,936.91	340,588.33
Prepaid Taxes	SA-13	255,419.97	309,166.04
Tax Overpayments	SA-14	8,034.17	14,558.90
Due to State of New Jersey:			
Veteran's and Senior Citizen Deductions	SA-5	8,456.07	4,737.98
Marriage/Civil Union License Fees	SA-15	575.00	775.00
State Training Fees	SA-16	1,483.00	3,388.00
Accounts Payable	SA-17	4,125.32	2,385.90
Due County for Added and Omitted Taxes	SA-20	13,448.44	6,992.33
Local School Taxes Payable	SA-21	4.50	2.50
Reserve for Maintenance of Free Public Library with State Aid	SA-22	4,257.80	5,139.14
Reserve for Library Donations	SA-1	1,000.00	
Prepaid Licenses and Fees	SA-1	292.00	
Special Emergency Notes Payable	SA-1		23,527.00
Reserve for Engineering Expenditures	SA-1		1,957.92
Reserve for Revaluation Program		16,713.37	16,713.37
		1,739,794.95	1,493,735.26
Reserve for Receivables and Other Assets	A	5,571,477.78	4,666,688.33
Fund Balance	A-1	3,242,139.25	3,805,464.93
		10,553,411.98	9,965,888.52
Federal and State Grant Fund:			
Reserve for Federal and State Grants:			
Unappropriated	SA-24	162,004.45	1,500.00
Appropriated	SA-25	383,317.55	1,748,245.75
Reserve for Encumbrances	SA-26	2,000.00	3,084.10
Contracts Payable	SA-27	412,037.63	
Due to Current Fund	SA-28	256,093.03	
		1,215,452.66	1,752,829.85
		\$ 11,768,864.64	\$ 11,718,718.37

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

BOROUGH OF LINDENWOLD
CURRENT FUND

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

	<u>2018</u>	<u>2017</u>
<u>Revenue and Other</u>		
<u>Income Realized</u>		
Fund Balance Utilized	\$ 1,935,626.00	\$ 1,498,000.00
Miscellaneous Revenue Anticipated	3,872,132.53	4,894,822.16
Receipts from Delinquent Taxes	875,860.00	771,104.95
Receipts from Current Taxes	28,893,980.72	28,123,154.25
Non-Budget Revenue	1,043,720.32	886,311.87
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	573,310.77	821,150.38
Tax Overpayments Canceled		62,482.98
Accounts Payable Canceled	821.36	967.12
Canceled Grant Fund Appropriated Reserves	103,269.65	
Escrow Deposit Forfeited		100.00
Statutory Excess in Animal Control Fund	2,014.15	
Liquidation of Reserves for:		
Due Animal Control Fund		0.16
Due General Capital Fund		310.76
Due Sewer Utility Operating Fund		26,203.77
	<hr/>	<hr/>
Total Income	37,300,735.50	37,084,608.40
	<hr/>	<hr/>
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations--Within "CAPS":		
Salaries and Wages	6,406,587.00	6,240,820.00
Other Expenses	5,104,231.48	4,999,692.99
Deferred Charges and Statutory Expenditures		
Municipal--Within "CAPS"	1,971,525.58	1,686,234.24
Operations--Excluded from "CAPS":		
Salaries and Wages	156,517.00	190,934.71
Other Expenses	73,832.00	132,691.84
Capital Improvements--Excluded from "CAPS"	480,432.00	1,219,597.77
Municipal Debt Service--Excluded from "CAPS"	675,257.59	527,732.67
Deferred Charges--Excluded from "CAPS"	2,900.00	23,527.00
Fire District Taxes	1,158,680.00	901,550.00
County Taxes	5,297,579.50	5,098,989.25
Due County for Added and Omitted Taxes	13,448.44	6,992.33
Local School Taxes	14,036,340.00	13,791,317.00
Refund of Prior Year Revenue:		13,061.28
Disbursed	4,070.73	
Accounts Payable	689.60	

(Continued)

BOROUGH OF LINDENWOLD
CURRENT FUND

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

	<u>2018</u>	<u>2017</u>
<u>Expenditures (Cont'd)</u>		
Veterans and Senior Citizens Deductions Disallowed		
By Tax Collector (Net)--Prior Year Taxes	\$ 4,250.00	\$ 4,389.04
Canceled Federal and State Grants Receivable	107,632.48	
Creation of Reserves for:		
Other Accounts Receivable	14,884.18	
Due Federal and State Grant Fund	256,093.03	
Due Animal Control Fund	3,746.55	
Due Sewer Utility Operating Fund	159,738.02	
	<hr/>	<hr/>
Total Expenditures	35,928,435.18	34,837,530.12
	<hr/>	<hr/>
Excess/(Deficit) in Revenue	1,372,300.32	2,247,078.28
Adjustments to Income before Fund Balance:		
Expenditures included above which are by		
Statute Deferred Charges to Budget of		
Succeeding Year	-	10,239.73
	<hr/>	<hr/>
Statutory Excess to Fund Balance	1,372,300.32	2,257,318.01
	<hr/>	<hr/>
<u>Fund Balance</u>		
Balance Jan. 1	3,805,464.93	3,046,146.92
	<hr/>	<hr/>
	5,177,765.25	5,303,464.93
Decreased by:		
Utilized as Revenue	1,935,626.00	1,498,000.00
	<hr/>	<hr/>
Balance Dec. 31	<u>\$ 3,242,139.25</u>	<u>\$ 3,805,464.93</u>

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

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

	<u>Budget</u>	<u>Anticipated</u> Special N.J.S. 40A:4-87	<u>Realized</u>	Excess or (Deficit)
Fund Balance Anticipated	\$ 1,935,626.00	-	\$ 1,935,626.00	-
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	10,000.00		18,878.00	\$ 8,878.00
Other	39,000.00		41,505.00	2,505.00
Fees and Permits	150,000.00		188,126.00	38,126.00
Fines and Costs:				
Municipal Court	105,000.00		100,313.27	(4,686.73)
Interest and Costs on Taxes	200,000.00		188,278.42	(11,721.58)
Interest on Investments and Deposits	18,000.00		57,527.24	39,527.24
Consolidated Municipal Property Tax Relief Aid	426,684.00		426,684.00	
Energy Receipts Tax	1,648,965.00		1,648,965.00	
Dedicated Uniform Construction Code Fees offset with Appropriations (N.J.S. 40A:4-36 and N.J.A.C. 5:23-4.17):				
Uniform Construction Code Fees	130,000.00		123,078.00	(6,922.00)
Special Items of General Revenues Anticipated with Prior Written Consent of Director of Local Government Services:				
Shared Service Agreements:				
Assessment of Taxes--Pine Hill Borough	17,861.00		17,861.00	
Police--Lindenwold Borough School District	48,456.00		48,456.00	
Public and Private Revenues Off-Set with Appropriations:				
Municipal Drug Alliance	17,717.00		17,717.00	
Safe and Secure Communities Program	90,000.00		90,000.00	
Community Development Block Grant	46,960.00	\$ 66,000.00	112,960.00	
NJ Department of Transportation:				
FHA - Berlin Road Phase II	52,212.00		52,212.00	
Laurel Road Pedestrian Improvement Project		150,000.00	150,000.00	
Chews Landing Road - Sidewalks		165,260.00	165,260.00	
Drunk Driving Enforcement Fund	1,500.00		1,500.00	

(Continued)

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

	<u>Budget</u>	<u>Anticipated</u> Special N.J.S.40A:4-87	<u>Realized</u>	Excess or (Deficit)
Miscellaneous Revenues (Cont'd):				
Special Items of General Revenues Anticipated with Prior Written				
Consent of Director of Local Government Services:				
Other Special Items:				
Reserve for Payment on Bonds	\$ 148,711.60		\$ 148,711.60	
Delaware River Port Authority Community Impact	90,000.00		90,000.00	
Foreclosed Property Fees	180,000.00		184,100.00	\$ 4,100.00
	<u>3,421,066.60</u>	<u>\$ 381,260.00</u>	<u>3,872,132.53</u>	<u>69,805.93</u>
Total Miscellaneous Revenues				
	<u>740,000.00</u>	<u>-</u>	<u>875,860.00</u>	<u>135,860.00</u>
Receipts from Delinquent Taxes				
	<u>9,726,750.40</u>	<u>-</u>	<u>9,721,353.13</u>	<u>(5,397.27)</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes including Reserve for Uncollected Taxes				
	<u>15,823,443.00</u>	<u>381,260.00</u>	<u>16,404,971.66</u>	<u>200,268.66</u>
Budget Totals				
	<u>-</u>	<u>-</u>	<u>1,043,720.32</u>	<u>1,043,720.32</u>
Non Budget Revenues				
	<u>\$ 15,823,443.00</u>	<u>\$ 381,260.00</u>	<u>\$ 17,448,691.98</u>	<u>\$ 1,243,988.98</u>

(Continued)

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

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	\$ 28,893,980.72
Allocated to:	
Local School, County and Special District Taxes	<u>20,506,047.94</u>
Balance for Support of Municipal Budget Appropriations	8,387,932.78
Add: Appropriation "Reserve for Uncollected Taxes"	<u>1,333,420.35</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 9,721,353.13</u></u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 850,264.19
Tax Title Lien Collections	<u>25,595.81</u>
	<u><u>\$ 875,860.00</u></u>

Licenses--Other:

Clerk:	
Raffle	\$ 750.00
Taxicab	12,250.00
Cat	825.00
Compliance Officer:	
Mercantile	25,056.00
Board of Health:	
Sanitary Code	2,095.00
Swimming Pool	175.00
Marriage/Civil Union	<u>354.00</u>
	<u><u>\$ 41,505.00</u></u>

(Continued)

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

Analysis of Realized Revenues

Fees and Permits:

Clerk:

Street Opening Permits	\$ 36,700.00
Property Maintenance Inspections	75,210.00
Smoke Detector Fees	58,280.00

Police:

Firearm Permits	361.00
-----------------	--------

Zoning Board

Variance Fees	15,195.00
Ordinance Fees	1,300.00
List of Property Owners	1,080.00

\$ 188,126.00

Miscellaneous Revenue Not Anticipated:

Revenue Accounts Receivable:

Clerk:

Rental of Borough Property	\$ 26,988.06
Miscellaneous	5,947.10

Board of Health:

Certified Copies	8,270.00
EFT Fees	100.00

Police Department:

Accident Reports	1,860.14
------------------	----------

Treasurer:

Cable Franchise Fee	61,602.87
---------------------	-----------

\$ 104,768.17

Tax Collector:

Lot Cleaning Charges	9,576.14
Copies	100.00
Returned Check Fees	376.66
Duplicate Bill/Certificate Fees	105.00
Solid Waste Utility Rents:	
Rents Receivable	332.50
Liens Receivable	162.85
Interest & Costs on Rents	125.84

10,778.99

(Continued)

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

Analysis of Realized Revenues

Miscellaneous Revenue Not Anticipated (Cont'd):

Treasurer:

Legal Fees Reimbursement - Redevelopment Agreement	\$ 169,770.91
Unidentified Receipts	1,465.22
Various Refunds	8,092.50
Fire District Lease	10.00
Application Fee	200.00
Scrap Proceeds	22.00
Lindenwold Day - Proceeds and Fees	11,145.00
SCPA Fines	674.00
Rental Registration Fees	195,681.87
Library Fees and Donations	3,678.97
Trash Collection Fees	133,498.50
Insurance Proceeds	51,684.03
Administrative Fees:	
Senior Citizens and Veterans	2,104.36
Police Outside Services	70,965.00
TD Bank - Class Action Law Suit	2.59
Tax Sale Premiums	98,100.00
Outside Lien Redemptions - Prior Year	936.15
Park Concessions	1,916.00
Park and Field Rentals	6,925.00
Insurance Dividends	63,089.00
Homestead Benefit Program	1,200.00
PILOT	107,012.06

\$ 928,173.16

\$ 1,043,720.32

Revenue Accounts Receivable

\$ 104,768.17

Tax Collector:

Collected

10,778.99

Treasurer:

Collected

\$ 907,329.25

Due from Trust Other Funds

20,843.91

928,173.16

\$ 1,043,720.32

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

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

	Appropriations		Expended			Unexpended
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance Canceled</u>
<u>OPERATIONS--WITHIN "CAPS"</u>						
<u>GENERAL GOVERNMENT FUNCTIONS</u>						
Administrative and Executive						
Salaries and Wages	\$ 18,742.00	\$ 18,742.00	\$ 15,296.84		\$ 3,445.16	
Other Expenses	53,000.00	53,000.00	28,387.26	\$ 4.56	24,608.18	
Mayor and Council						
Salaries and Wages	50,000.00	50,000.00	50,000.00			
Other Expenses	9,000.00	9,000.00	8,688.11		311.89	
Elections						
Other Expenses	8,000.00	8,000.00	8,000.00			
Municipal Clerk						
Salaries and Wages	124,433.00	114,433.00	113,149.99		1,283.01	
Other Expenses	10,300.00	10,300.00	5,395.05	652.00	4,252.95	
Financial Administration						
Salaries and Wages	170,313.00	156,313.00	153,603.04		2,709.96	
Other Expenses	37,500.00	37,500.00	20,645.15		16,854.85	
Audit Services	60,000.00	60,000.00	60,000.00			
Computerized Data Processing	26,000.00	26,000.00	21,246.24		4,753.76	
Collection of Taxes						
Salaries and Wages	151,991.00	106,591.00	81,828.68		24,762.32	
Other Expenses	28,525.00	28,525.00	15,814.21	527.68	12,183.11	
Assessment of Taxes						
Salaries and Wages	67,263.00	67,513.00	67,510.49		2.51	
Other Expenses	18,500.00	18,500.00	9,463.16		9,036.84	
Legal Services and Costs						
Other Expenses	155,000.00	155,000.00	112,506.95		42,493.05	
Liquidation of Tax Title Liens						
Other Expenses	12,500.00	12,500.00			12,500.00	
Engineering Services and Costs						
Other Expenses	30,000.00	30,000.00	25,975.40		4,024.60	
<u>LAND USE ADMINISTRATION</u>						
Municipal Land Use Law (N.J.S.44:55D-I)						
Joint Land Use Board						
Salaries and Wages	45,502.00	45,502.00	44,023.57		1,478.43	
Other Expenses	11,750.00	13,750.00	8,499.30	16.65	5,234.05	
Environmental Commission						
Other Expenses	4,800.00	4,800.00	905.00		3,895.00	
<u>CODE ENFORCEMENT AND ADMINISTRATION</u>						
Compliance Officer						
Salaries and Wages	195,377.00	196,377.00	194,482.57		1,894.43	
Other Expenses	255,000.00	244,750.00	120,902.25		123,847.75	

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

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>						
<u>INSURANCE</u>						
General Liability	\$ 286,385.00	\$ 292,385.00	\$ 286,487.65		\$ 5,897.35	
Workers Compensation	243,824.00	243,824.00	226,097.52		17,726.48	
Employee Group Insurance	1,645,236.12	1,648,236.12	1,400,051.67	\$ 131,768.70	116,415.75	
Health Benefit Waiver	66,942.36	66,942.36	55,276.11		11,666.25	
<u>PUBLIC SAFETY FUNCTIONS</u>						
Police						
Salaries and Wages	4,301,834.00	4,301,834.00	4,165,035.53		136,798.47	
Other Expenses	346,672.00	346,672.00	199,514.49	14,094.67	133,062.84	
Emergency Management Services						
Salaries and Wages	5,065.00	5,065.00	5,063.60		1.40	
Other Expenses	4,202.00	4,202.00	988.37		3,213.63	
Ambulance Services						
Other Expenses	50,000.00	50,000.00	50,000.00			
<u>PUBLIC WORKS FUNCTIONS</u>						
Road Repairs and Maintenance						
Salaries and Wages	458,905.00	458,905.00	458,156.61		748.39	
Other Expenses	34,525.00	40,525.00	29,088.92	3,281.87	8,154.21	
Shade Tree Commission						
Other Expenses	6,500.00	6,500.00	2,500.00		4,000.00	
Traffic Lights and Alarm System	29,000.00	29,000.00	3,086.51		25,913.49	
Solid Waste Collection--Recycling						
Salaries and Wages	328,929.00	328,929.00	324,699.46		4,229.54	
Other Expenses	83,500.00	83,500.00	62,757.33	618.60	20,124.07	
Public Buildings and Grounds						
Salaries and Wages	33,781.00	33,781.00	33,228.38		552.62	
Other Expenses	68,211.00	75,211.00	68,865.27	6,262.23	83.50	
Vehicle Maintenance	167,000.00	167,000.00	120,817.58	3,745.08	42,437.34	
Municipal Services Act	40,000.00	40,000.00	5,899.52		34,100.48	
<u>HEALTH AND HUMAN SERVICES FUNCTIONS</u>						
Board of Health						
Other Expenses	900.00	900.00	448.50		451.50	
Animal Control						
Other Expenses	65,225.00	65,225.00	59,358.70		5,866.30	
Senior Citizens' Activities						
Other Expenses	1,000.00	1,000.00	263.00		737.00	
<u>PARKS AND RECREATION FUNCTIONS</u>						
Parks and Playgrounds						
Salaries and Wages	145,262.00	145,262.00	132,001.82		13,260.18	
Other Expenses	21,624.00	23,124.00	21,612.36	78.41	1,433.23	

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

	Appropriations		Expended			Unexpended
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance Canceled</u>
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>						
<u>EDUCATION FUNCTIONS</u>						
Expenses of Participation in Free County Library						
Salaries and Wages	\$ 79,583.00	\$ 79,583.00	\$ 68,707.11		\$ 10,875.89	
Other Expenses	17,050.00	17,050.00	11,685.10	\$ 359.02	5,005.88	
<u>OTHER COMMON OPERATING FUNCTIONS</u>						
Accumulated Leave Compensation	30,000.00	45,000.00	45,000.00			
Celebration of Public Event, Anniversary or Holiday						
Other Expenses	23,000.00	23,000.00	17,730.12		5,269.88	
<u>UTILITY EXPENSES AND BULK PURCHASES</u>						
Electricity	120,000.00	120,000.00	112,788.28		7,211.72	
Street Lighting	140,000.00	140,000.00	95,939.28		44,060.72	
Telephone and Telegraph	40,000.00	40,000.00	34,863.79		5,136.21	
Water	19,000.00	19,000.00	17,024.11		1,975.89	
Fuel Oil	45,000.00	45,000.00	31,636.67		13,363.33	
Sewer	4,200.00	4,200.00			4,200.00	
Gasoline	171,560.00	171,560.00	154,468.62	13,327.44	3,763.94	
<u>LANDFILL/SOLID WASTE DISPOSAL COSTS</u>						
Garbage and Trash Removal						
Landfill/Solid Waste	546,200.00	549,700.00	497,038.46		52,661.54	
<u>MUNICIPAL COURT</u>						
Municipal Court						
Salaries and Wages	129,773.00	146,173.00	146,151.23		21.77	
Other Expenses	22,650.00	22,650.00	12,209.20	200.00	10,240.80	
Public Defender						
Salaries and Wages	1.00	1.00			1.00	
<u>UNIFORM CONSTRUCTION CODE</u>						
State Uniform Construction Code (N.J.S.A.52:27D-120 et seq.)						
Construction Code Official						
Salaries and Wages	151,583.00	151,583.00	150,334.26		1,248.74	
Other Expenses	11,200.00	11,200.00	2,496.88		8,703.12	
Total Operations--Within "CAPS"	11,528,818.48	11,510,818.48	10,275,695.27	174,936.91	1,060,186.30	-
Detail:						
Salaries and Wages	6,458,337.00	6,406,587.00	6,203,273.18		203,313.82	
Other Expenses	5,070,481.48	5,104,231.48	4,072,422.09	174,936.91	856,872.48	

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

	Appropriations		Expended			Unexpended
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance Canceled</u>
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES--</u>						
<u>MUNICIPAL--WITHIN "CAPS"</u>						
Deferred Charges:						
Overexpenditure of Appropriations	\$ 7,339.73	\$ 7,339.73	\$ 7,339.73			
Overexpenditure of Ordinance Appropriations	150,626.00	150,626.00	150,626.00			
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	279,536.00	279,536.00	279,536.00			
Social Security System (O.A.S.I.)	506,036.85	521,036.85	520,592.93		\$ 443.92	
Police and Firemen's Retirement System of NJ	983,487.00	983,487.00	983,487.00			
Unemployment Compensation Insurance	25,000.00	25,000.00	25,000.00			
Defined Contribution Retirement Program	1,500.00	4,500.00	2,661.76		1,838.24	
Total Deferred Changes and Statutory Expenditures - Municipal Within "CAPS"	1,953,525.58	1,971,525.58	1,969,243.42	-	2,282.16	-
Total General Appropriations for Municipal Purposes Within "CAPS"	13,482,344.06	13,482,344.06	12,244,938.69	\$ 174,936.91	1,062,468.46	-
<u>OPERATIONS--EXCLUDED FROM "CAPS"</u>						
Interest on Tax Appeals	2,000.00	2,000.00			2,000.00	
SFSP Fire District Payment	7,885.00	7,885.00	7,885.00			
Recycling Tax	25,500.00	25,500.00	20,461.08		5,038.92	
Shared Service Agreements:						
Assessment of Taxes--Pine Hill Borough						
Salaries and Wages	16,561.00	16,561.00	16,561.00			
Other Expenses	1,300.00	1,300.00	1,300.00			
Parks and Playgrounds--Lindenwold Borough School District						
Other Expenses	15,000.00	15,000.00	13,750.00		1,250.00	
Police--Lindenwold Borough School District						
Salaries and Wages	48,456.00	48,456.00	48,456.00			

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

	Appropriations		Expended			Unexpended
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance Canceled</u>
<u>OPERATIONS--EXCLUDED FROM "CAPS"</u>						
Public and Private Programs Off-Set by Revenues:						
Drunk Driving Enforcement Fund (40A:4-87, \$1,500.00+)	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00			
Municipal Drug Alliance						
State Share	17,717.00	17,717.00	17,717.00			
Local Share	4,430.00	4,430.00	4,430.00			
Safe and Secure Communities Program	90,000.00	90,000.00	90,000.00			
Total Operations--Excluded from "CAPS"	230,349.00	230,349.00	222,060.08	-	\$ 8,288.92	-
Detail:						
Salaries and Wages	156,517.00	156,517.00	156,517.00			
Other Expenses	73,832.00	73,832.00	65,543.08		8,288.92	
<u>CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"</u>						
Public and Private Programs Offset by Revenues:						
NJ Department of Transportation:						
FHA - Berlin Road Phase II	52,212.00	52,212.00	52,212.00			
Reconstruction of Laurel Road (40A:4-87, \$150,000.00+)		150,000.00	150,000.00			
Chews Landing Sidewalk (40A:4-87, \$165,260.00+)		165,260.00	165,260.00			
Community Development Block Grant (40A:4-87, \$66,000.00+)	46,960.00	112,960.00	112,960.00			
Total Capital Improvements--Excluded from "CAPS"	99,172.00	480,432.00	480,432.00	-	-	-
<u>MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"</u>						
Payment of Bond Principal	521,000.00	521,000.00	521,000.00			
Interest on Bonds	135,560.47	135,560.47	135,560.47			
Interest on Notes	176.46	176.46	176.46			
Green Trust Loan Program:						
Loan Repayments for Principal and Interest:						
Principal	16,949.17	16,949.17	16,949.17			
Interest	1,571.49	1,571.49	1,571.49			
Total Municipal Debt Service--Excluded from "CAPS"	675,257.59	675,257.59	675,257.59	-	-	-

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

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
<u>DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS"</u>						
Special Emergency Authorizations - 5 years	\$ 2,900.00	\$ 2,900.00	\$ 2,900.00	-	-	-
Total Deferred Charges - Municipal - Excluded from "CAPS"	2,900.00	2,900.00	2,900.00	-	-	-
Total General Appropriations--Excluded from "CAPS"	1,007,678.59	1,388,938.59	1,380,649.67	-	\$ 8,288.92	-
Subtotal General Appropriations	14,490,022.65	14,871,282.65	13,625,588.36	\$ 174,936.91	1,070,757.38	-
Reserve for Uncollected Taxes	1,333,420.35	1,333,420.35	1,333,420.35	-	-	-
Total General Appropriations	<u>\$ 15,823,443.00</u>	<u>\$ 16,204,703.00</u>	<u>\$ 14,959,008.71</u>	<u>\$ 174,936.91</u>	<u>\$ 1,070,757.38</u>	<u>\$ -</u>
Budget		\$ 15,823,443.00				
Appropriation by 40A:4-87		<u>381,260.00</u>				
		<u>\$ 16,204,703.00</u>				
Reserve for Federal and State Grants			\$ 594,079.00			
Reserve for Uncollected Taxes			1,333,420.35			
Deferred Charges:						
Overexpenditure of Appropriations			7,339.73			
Special Emergency Authorizations			2,900.00			
Disbursed by Trust Other Fund			724.53			
Disbursed by General Capital Fund			1,880.26			
Due General Capital Fund			150,626.00			
Disbursed			<u>12,868,038.84</u>			
			<u>\$ 14,959,008.71</u>			

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

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

<u>ASSETS</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Animal Control Fund:			
Cash	SB-1	\$ 8,687.32	\$ 3,825.92
Other Funds:			
Cash--Treasurer	SB-1	1,757,722.22	819,402.50
Cash--Collector	SB-2	317,052.95	614,409.59
Due from Current Fund	SB-3	1,379.49	18,547.64
Due from State of New Jersey--Unemployment Compensation	SB-23	196.08	
		<u>2,076,350.74</u>	<u>1,452,359.73</u>
		<u>\$ 2,085,038.06</u>	<u>\$ 1,456,185.65</u>
<u>LIABILITIES</u>			
<u>AND RESERVES</u>			
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	SB-4	\$ 4,925.40	\$ 3,817.75
Due to State of New Jersey	SB-5	14.40	7.20
Due to Current Fund	SB-6	3,747.52	0.97
		<u>8,687.32</u>	<u>3,825.92</u>
Other Funds:			
Payroll Deductions Payable	SB-7	103,782.89	99,301.65
Reserve for New Jersey Unemployment Compensation			
Insurance	SB-8	102,008.76	91,150.38
Reserve for Recycling Program	SB-9	36,513.91	33,539.35
Deposits for Redemption of Tax Title Liens	SB-10	23,414.61	47,445.46
Reserve for Federal Forfeitures	SB-11	1,009.64	1,002.53
Reserve for Escrow Deposits	SB-12	941,153.83	78,356.36
Reserve for Special Law Enforcement	SB-13	26,689.34	24,838.38
Reserve for Municipal Drug Alliance	SB-14	34,633.45	46,148.65
Premiums Received at Tax Sale	SB-15	293,200.00	566,800.00
Reserve for Park Rentals	SB-16	4,815.73	3,290.34
Reserve for Public Defender Fees	SB-17	4,520.36	5,571.88
Cash Performance Bonds	SB-18	119,003.24	117,959.05
Reserve for POAA Fees	SB-19	1,021.50	1,832.50
Reserve for Police Outside Services	SB-20	132,579.34	136,795.43
Reserve for Accumulated Leave Compensation	SB-21	233,111.15	164,572.34
Reserve for Annual Recognition Dinner	SB-22	60.28	252.65
Due to State of New Jersey--Unemployment Compensation	SB-23		19,170.07
Reserve for Street Opening Deposits	SB-24	8,780.00	4,280.00
Reserve for Crime Prevention Program		4,060.93	4,060.93
Due to State of New Jersey--Excess Public Defender Fees		1,764.40	1,764.40
Reserve for Senior Citizen Building Rentals		1,276.25	1,276.25
Reserve for Sewer Review		2,851.13	2,851.13
Reserve for Apartment Escrow		100.00	100.00
		<u>2,076,350.74</u>	<u>1,452,359.73</u>
		<u>\$ 2,085,038.06</u>	<u>\$ 1,456,185.65</u>

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

BOROUGH OF LINDENWOLD**GENERAL CAPITAL FUND**

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

<u>ASSETS</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Cash	SC-1; SC-2	\$ 1,934,992.56	\$ 2,696,911.78
Deferred Charges to Future Taxation:			
Unfunded	SC-3	325.00	325.00
Funded	SC-4	6,069,942.81	6,607,891.98
Overexpenditures of Ordinance Appropriations	SC-8		150,626.00
Due from Current Fund	SC-5	178,911.53	2,006.69
		<u>\$ 8,184,171.90</u>	<u>\$ 9,457,761.45</u>
 <u>LIABILITIES, RESERVES</u> <u>AND FUND BALANCE</u>			
General Serial Bonds	SC-11	\$ 6,003,360.00	\$ 6,524,360.00
Green Acres Trust Development Loan Payable	SC-10	66,582.81	83,531.98
Improvement Authorizations:			
Funded	SC-8	2,057,281.17	2,513,610.45
Reserve for Encumbrances	SC-7	18,097.16	5,746.98
Contracts Payable	SC-6		291,661.28
Fund Balance		<u>38,850.76</u>	<u>38,850.76</u>
		<u>\$ 8,184,171.90</u>	<u>\$ 9,457,761.45</u>

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

BOROUGH OF LINDENWOLD
SEWER UTILITY FUND

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

<u>ASSETS</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Operating Fund:			
Cash	SD-1	\$ 2,236,885.71	\$ 1,822,840.81
Change Fund	SD-4	250.00	250.00
Due from Current Fund	SD-11		3,839.99
		<u>2,237,135.71</u>	<u>1,826,930.80</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	SD-5	108,804.57	98,362.51
Sewer Liens Receivable	SD-7	189,487.29	165,624.94
		<u>298,291.86</u>	<u>263,987.45</u>
Total Operating Fund		<u>2,535,427.57</u>	<u>2,090,918.25</u>
Capital Fund:			
Cash	SD-1; SD-2	1,387,083.77	1,484,998.01
Fixed Capital	SD-12	10,022,947.86	9,130,547.86
Fixed Capital Authorized and Uncompleted	SD-13	3,418,850.32	4,311,250.32
Total Capital Fund		<u>14,828,881.95</u>	<u>14,926,796.19</u>
		<u>\$ 17,364,309.52</u>	<u>\$ 17,017,714.44</u>

(Continued)

BOROUGH OF LINDENWOLD
SEWER UTILITY FUND

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

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Operating Fund:			
Appropriation Reserves	D-3; SD-8	\$ 178,679.14	\$ 184,594.53
Reserve for Encumbrances	D-3; SD-8	18,519.70	19,450.14
Sewer Rental Overpayments	SD-6	2,308.33	3,890.25
Sewer Rental Prepayments	SD-9	349,845.12	367,469.60
Due to Current Fund	SD-11	159,738.02	
Accrued Interest on Bonds and Notes	SD-14	15,617.98	15,388.44
Accounts Payable	SD-1		14.51
		<u>724,708.29</u>	<u>590,807.47</u>
Reserves for Receivables	D	298,291.86	263,987.45
Fund Balance	D-1	<u>1,512,427.42</u>	<u>1,236,123.33</u>
Total Operating Fund		<u>2,535,427.57</u>	<u>2,090,918.25</u>
Capital Fund:			
Reserve for Amortization	SD-15	10,079,322.18	9,762,322.18
Improvement Authorizations:			
Funded	SD-17	1,354,910.64	1,446,949.88
Unfunded	SD-17	836.00	836.00
Reserve for Encumbrances	SD-17		5,875.00
Sewer Serial Bonds	SD-18	3,361,640.00	3,678,640.00
Fund Balance		<u>32,173.13</u>	<u>32,173.13</u>
Total Capital Fund		<u>14,828,881.95</u>	<u>14,926,796.19</u>
		<u>\$ 17,364,309.52</u>	<u>\$ 17,017,714.44</u>

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

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

<u>Revenue and Other Income Realized</u>	<u>2018</u>	<u>2017</u>
Rents	\$ 1,471,339.50	\$ 1,505,584.45
Miscellaneous	66,610.66	34,527.54
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	180,757.61	171,678.15
Accounts Payable Canceled	14.51	
	<hr/>	<hr/>
Total Income	1,718,722.28	1,711,790.14
	<hr/>	<hr/>
<u>Expenditures</u>		
Budget Appropriations:		
Operating	1,011,599.00	979,309.00
Debt Service	396,082.19	323,882.30
Deferred Charges and Statutory Expenditures	34,598.00	31,322.00
Refund of Prior Year Revenue	139.00	
	<hr/>	<hr/>
Total Expenditures	1,442,418.19	1,334,513.30
	<hr/>	<hr/>
Statutory Excess to Fund Balance	276,304.09	377,276.84
<u>Fund Balance</u>		
Balance January 1	1,236,123.33	858,846.49
	<hr/>	<hr/>
Balance December 31	\$ 1,512,427.42	\$ 1,236,123.33
	<hr/>	<hr/>

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

BOROUGH OF LINDENWOLD
SEWER UTILITY FUND
Statement of Revenues--Regulatory Basis
For the Year Ended December 31, 2018

	<u>Anticipated</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Rents	\$ 1,408,297.00	\$ 1,471,339.50	\$ 63,042.50
Miscellaneous	<u>34,000.00</u>	<u>66,610.66</u>	<u>32,610.66</u>
Total Revenues	<u><u>\$ 1,442,297.00</u></u>	<u><u>\$ 1,537,950.16</u></u>	<u><u>\$ 95,653.16</u></u>

Analysis of Realized Revenues

Rents:

Consumer Accounts Receivable:

Collected \$ 1,098,005.12

Collected by Current Fund 138.49

Prepayments Applied 367,469.60

Overpayments Applied 1,998.92

Sewer Liens Receivable:

Collected 3,727.37

\$ 1,471,339.50

Miscellaneous Revenues Anticipated:

Treasurer:

Interest on Investments:

Collected \$ 14,374.52

Due Sewer Utility Capital Fund 10,035.17

Other - Unallocated 449.98

Collector:

Interest on Delinquent Accounts:

Collected 30,029.07

Collected by Current Fund 144.29

Service Calls 8,977.63

Connection Fees 2,600.00

\$ 66,610.66

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

BOROUGH OF LINDENWOLD
SEWER UTILITY FUND
Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2018

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Canceled</u>
				<u>Encumbered</u>	<u>Reserved</u>	
Operating:						
Salaries and Wages	\$ 452,254.00	\$ 457,254.00	\$ 456,500.58		\$ 753.42	
Other Expenses	559,345.00	554,345.00	360,763.22	\$ 18,519.70	175,062.08	
Total Operating	1,011,599.00	1,011,599.00	817,263.80	18,519.70	175,815.50	-
Debt Service:						
Payment of Bond Principal	317,000.00	317,000.00	317,000.00			
Interest on Bonds	79,100.00	79,100.00	79,082.19			\$ 17.81
Total Debt Service	396,100.00	396,100.00	396,082.19	-	-	17.81
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I.)	34,598.00	34,598.00	31,734.36		2,863.64	
	<u>\$ 1,442,297.00</u>	<u>\$ 1,442,297.00</u>	<u>\$ 1,245,080.35</u>	<u>\$ 18,519.70</u>	<u>\$ 178,679.14</u>	<u>\$ 17.81</u>
Disbursed			\$ 987,209.01			
Disbursed by Current Fund			178,789.15			
Accrued Interest on Bonds and Notes			79,082.19			
			<u>\$ 1,245,080.35</u>			

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

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

	Balance <u>Dec. 31, 2017</u>	<u>Additions</u>	Balance <u>Dec. 31, 2018</u>
General Fixed Assets:			
Land	\$ 2,581,056.72		\$ 2,581,056.72
Building	1,141,620.00		1,141,620.00
Improvements--Other than Building	478,877.97	\$ 28,452.00	507,329.97
Equipment	<u>4,290,944.38</u>	<u>615,004.98</u>	<u>4,905,949.36</u>
Total General Fixed Assets	<u>\$8,492,499.07</u>	<u>\$ 643,456.98</u>	<u>\$ 9,135,956.05</u>
 Total Investments in General Fixed Assets	 <u>\$8,492,499.07</u>	 <u>\$ 643,456.98</u>	 <u>\$ 9,135,956.05</u>

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Borough of Lindenwold (hereafter referred to as the "Borough") was incorporated in January, 1929 and is located in southwest New Jersey approximately twenty miles southeast of the City of Philadelphia. The 2010 estimated population according to the U.S. Census Bureau was 17,613.

The Borough operates under a Mayor-Council form of government. The Mayor is chief executive officer of the Borough and is elected by general election for a four year term. The Council is the legislative body of the Borough and consists of six members elected by popular vote to three year terms. Administrative responsibilities are assigned to the Borough Administrator. Policy is determined by Council and the Administrator is responsible for carrying out such policy.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Fund Balance - Fund balances included in the current fund and sewer 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, Borough of Lindenwold School District and Borough of Lindenwold Fire 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 Lindenwold School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1 to December 31.

County Taxes - The municipality is responsible for levying, collecting, and remitting county taxes for the County of Camden. County taxes are determined on a calendar year by the County Board of Taxation based upon the ratables required to be certified to them on January 10 of each year. Operations is charged for the amount due to the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of added and omitted taxes certified to the County Board of Taxation by October 10 of the current year, and due to be paid to the County by February 15 of the following year.

Fire District Taxes - The municipality is responsible for levying, collecting, and remitting fire district taxes for the Borough of Lindenwold Fire District. Operations is charged for the full amount required to be raised from taxation to operate the Fire District for the period from January 1 to December 31.

Reserve for Uncollected Taxes - The inclusion of the "reserve for uncollected taxes" appropriation in the Borough's annual budget protects the Borough from taxes not paid currently. The reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

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

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

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

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.

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

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

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

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

Note 2: CASH AND CASH EQUIVALENTS

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

As of December 31, 2018 the Borough's bank balances of \$12,541,355.75 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 10,906,073.63
Uninsured and Uncollateralized	<u>1,635,282.12</u>
Total	<u>\$ 12,541,355.75</u>

Note 2: CASH AND CASH EQUIVALENTS (CONT'D)

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, 2018, the Borough's deposits with the New Jersey Cash Management Fund were \$182,461.78.

Note 3: PROPERTY TAXES

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

Comparative Schedule of Tax Rate:

	<u>Year Ended</u>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Tax Rate	\$5.106	\$4.953	\$4.842	\$4.634	\$4.440
Apportionment of Tax Rate:					
Municipal	1.643	1.613	1.575	1.485	1.455
County	0.896	0.861	0.906	0.933	0.873
Local School District	2.371	2.326	2.215	2.075	1.967
Fire District	0.196	0.153	0.146	0.141	0.145

Assessed Valuation**Year**

2018	\$ 591,972,500.00
2017	592,796,000.00
2016	593,516,900.00
2015	594,946,500.00
2014	595,291,500.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2018	\$ 30,310,951.07	\$ 28,893,980.72	95.33%
2017	29,401,689.69	28,123,154.25	95.65%
2016	29,031,055.64	27,706,663.87	95.44%
2015	27,615,499.62	26,557,133.60	96.17%
2014	26,428,763.26	25,205,775.52	95.37%

Note 3: PROPERTY TAXES (CONT'D)

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 (cont'd):

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2018	\$ 2,469,692.57	\$ 1,032,099.08	\$ 3,501,791.65	11.55%
2017	2,111,081.93	908,493.54	3,019,575.47	10.27%
2016	1,799,187.67	763,619.19	2,562,806.86	8.83%
2015	1,506,959.97	727,804.80	2,234,764.77	8.09%
2014	1,269,870.60	926,842.21	2,196,712.81	8.31%

The following comparison is made of the number of tax title liens receivable on December 31 for the current and previous four calendar years:

<u>Year</u>	<u>Number</u>
2018	264
2017	252
2016	247
2015	238
2014	219

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>
2018	\$ 1,509,750.00
2017	1,509,750.00
2016	1,509,750.00
2015	1,509,750.00
2014	1,509,750.00

Note 5: SEWER UTILITY SERVICE CHARGES

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

<u>Year</u>	<u>Balance Beginning of Year</u>		<u>Levy</u>	<u>Total</u>	<u>Collections</u>
	<u>Receivable</u>	<u>Liens</u>			
2018	\$ 98,362.51	\$ 165,624.94	\$ 1,505,362.67	\$ 1,769,350.12	\$ 1,471,339.50
2017	117,881.19	136,094.63	1,514,571.07	1,768,546.89	1,505,584.45
2016	142,421.82	108,895.50	1,498,379.27	1,749,696.59	1,493,791.64
2015	131,510.01	86,695.43	1,386,234.49	1,604,439.93	1,353,710.25
2014	151,941.84	65,878.31	1,308,077.12	1,525,897.27	1,309,168.15

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:

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budgets of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>			
2018	\$ 3,242,139.25	\$ 2,098,262.00	64.72%
2017	3,805,464.93	1,935,762.00	50.87%
2016	3,046,146.92	1,498,000.00	49.18%
2015	2,421,832.62	1,310,000.00	54.09%
2014	2,096,627.06	994,540.00	47.44%
<u>Sewer Utility Operating Fund</u>			
2018	\$ 1,512,427.42	\$ 200,000.00	13.22%
2017	1,236,123.33	-	-
2016	858,846.49	-	-
2015	794,199.68	378,998.00 (A)	47.72%
2014	699,024.73	123,000.00	17.60%

(A) Includes \$250,000.00 utilized in Current Fund budget

Note 7: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2018:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$419,578.57	\$180,291.02
Federal and State Grant Fund		256,093.03
Animal Control Fund		3,747.52
Trust Other Funds	1,379.49	
General Capital Fund	178,911.53	
Sewer Utility Operating Fund		159,738.02
	<u>\$599,869.59</u>	<u>\$599,869.59</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2019, the Borough expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 8: PENSION PLANS

A substantial number of the Borough's employees participate in one of the following defined benefit pension plans: the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered by the New Jersey Division of Pensions and Benefits. In addition, several Borough employees 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 plan's fiduciary net position which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

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

Public Employees' Retirement System - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Borough, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

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

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

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

Police and Firemen's Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except disability benefits, which vest after four years of service.

The following represents the membership tiers for PFRS:

Tier Definition

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

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.

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

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.34% in State fiscal year 2018. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) was 10% in State fiscal year 2018. Employers' contribution are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The Borough's contractually required contribution rate for the year ended December 31, 2018 was 14.25% 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, 2018, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2018 is \$311,360.00, and was payable by April 1, 2019. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2017, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2017 was \$262,725.00, which was paid on April 1, 2018. Employee contributions to the Plan during the year ended December 31, 2018 were \$166,905.21.

Police and Firemen's Retirement System - The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the active member contribution rate was 10% in State fiscal year 2018. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

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

The Borough's contractually required contribution rate for the year ended December 31, 2018 was 28.72% 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.

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

Police and Firemen's Retirement System (Cont'd) - Based on the most recent PFRS measurement date of June 30, 2018, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2018 is \$1,035,849.00, and was payable by April 1, 2019. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2017, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2017 was \$927,630.00, which was paid on April 1, 2018. Employee contributions to the Plan during the year ended December 31, 2018 were \$364,515.69.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Borough, for the year ended December 31, 2018 was 3.20% of the Borough's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2018, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2018 is \$115,338.00, and was payable by April 1, 2019. Based on the PFRS measurement date of June 30, 2017, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2017 was \$90,630.00, which was paid on April 1, 2018.

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.

For the year ended December 31, 2018, employee contributions, including back deductions, totaled \$4,990.23, and the Borough's contributions were \$2,661.76.

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

Public Employees' Retirement System - At December 31, 2018, the Borough's proportionate share of the PERS net pension liability was \$6,163,331.00. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2018. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2018 measurement date, the Borough's proportion was 0.0313026264%, which was an increase of 0.0029426385% from its proportion measured as of June 30, 2017.

At December 31, 2018, the Borough's proportionate share of the PERS pension expense, calculated by the Plan as of the June 30, 2018 measurement date is \$478,029.00. This expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2018, the Borough's contribution to PERS was \$262,725.00, and was paid on April 1, 2018.

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

Police and Firemen's Retirement System - At December 31, 2018, the Borough's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Borough's Proportionate Share of Net Pension Liability	\$ 14,337,220.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Borough	<u>1,947,474.00</u>
	<u>\$ 16,284,694.00</u>

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2018. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2018 measurement date, the Borough's proportion was 0.1059532374%, which was an increase of 0.0011384743% from its proportion measured as of June 30, 2017. Likewise, at June 30, 2018, the State of New Jersey's proportion, on-behalf of the Borough, was 0.1059532374%, which was an increase of 0.1059532374% from its proportion, on-behalf of the Borough, measured as of June 30, 2017.

At December 31, 2018, the Borough's proportionate share of the PFRS pension expense, calculated by the Plan as of the June 30, 2018 measurement date is \$1,371,981.00. This expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2018, the Borough's contribution to PFRS was \$927,630.00, and was paid on April 1, 2018.

At December 31, 2018, the State's proportionate share of the PFRS pension expense, associated with the Borough, calculated by the Plan as of the June 30, 2018 measurement date is \$230,675.00. This on-behalf expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1.

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

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

	<u>Deferred Outflows of Resources</u>			<u>Deferred Inflows of Resources</u>		
	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between Expected and Actual Experience	\$ 117,536.00	\$ 145,863.00	\$ 263,399.00	\$ 31,780.00	\$ 59,331.00	\$ 91,111.00
Changes of Assumptions	1,015,615.00	1,230,657.00	2,246,272.00	1,970,706.00	3,674,382.00	5,645,088.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	-	-	57,812.00	78,438.00	136,250.00
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions	926,994.00	655,346.00	1,582,340.00	379,128.00	67,504.00	446,632.00
Borough Contributions Subsequent to the Measurement Date	155,680.00	517,925.00	673,605.00	-	-	-
	<u>\$ 2,215,825.00</u>	<u>\$ 2,549,791.00</u>	<u>\$ 4,765,616.00</u>	<u>\$ 2,439,426.00</u>	<u>\$ 3,879,655.00</u>	<u>\$ 6,319,081.00</u>

\$155,680.00 and \$517,925.00 for PERS and PFRS, respectively, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2019. These amounts were based on an estimated April 1, 2020 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2018 to the Borough's year end of December 31, 2018.

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

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

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

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

	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>
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	-	6.17	-
June 30, 2015	5.72	-	5.53	-
June 30, 2016	5.57	-	5.58	-
June 30, 2017	-	5.48	-	5.59
June 30, 2018	-	5.63	-	5.73
Net Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2014	-	5.00	-	5.00
June 30, 2015	5.00	-	5.00	-
June 30, 2016	5.00	-	5.00	-
June 30, 2017	-	5.00	-	5.00
June 30, 2018	-	5.00	-	5.00
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	6.44	6.17	6.17
June 30, 2015	5.72	5.72	5.53	5.53
June 30, 2016	5.57	5.57	5.58	5.58
June 30, 2017	5.48	5.48	5.59	5.59
June 30, 2018	5.63	5.63	5.73	5.73

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

Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd) - Other amounts included as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future periods as follows:

<u>Year Ending Dec 31,</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2019	\$ 179,140.00	\$ 383,287.00	\$ 562,427.00
2020	100,004.00	(212,783.00)	(112,779.00)
2021	(328,400.00)	(1,086,958.00)	(1,415,358.00)
2022	(286,415.00)	(720,172.00)	(1,006,587.00)
2023	(43,610.00)	(211,163.00)	(254,773.00)
	<u>\$ (379,281.00)</u>	<u>\$ (1,847,789.00)</u>	<u>\$ (2,227,070.00)</u>

Actuarial Assumptions

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

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

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

For PERS, preretirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Conduent modified 2014 projection scale. Postretirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from 2012 to 2013 using Projection Scale AA and using a generational approach based on the Conduent modified 2014 projection scale thereafter. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

For PFRS, preretirement mortality rates were based on the RP-2000 Combined Healthy Mortality tables projected on a generational basis from the base year of 2000 to 2013 using Projection Scale BB and the Conduent modified 2014 projection scale thereafter. For preretirement accidental mortality, a custom table with representative rates was used and there is no mortality improvements assumed. Post-retirement mortality rates for male service retirements are based the RP-2000 Combined Healthy Mortality Tables projected on a generational basis using Projection Scale AA from the base year of 2012 to 2013 and the Conduent modified 2014 projection scale thereafter. Postretirement mortality rates for female service retirements and beneficiaries were based on the RP-2000 Combined Healthy Mortality Tables projected on a generational basis from the base year 2000 to 2013 using Projection Scale BB and the Conduent modified 2014 projection scale thereafter. Disability mortality rates were based on a custom table with representative rates and no mortality improvements assumed.

For PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS' and PFRS' target asset allocation as of June 30, 2018 are summarized in the following table:

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

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

Discount Rate - The discount rate used to measure the total pension liability at June 30, 2018 was 5.66% for PERS and 6.51% for PFRS. For both PERS and PFRS, the respective single blended discount rates were based on the long-term expected rate of return on pension Plan investments of 7.00%, and a municipal bond rate of 3.87% as of June 30, 2018, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rates assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 50% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current Plan members through 2046 for PERS and through 2062 for PFRS; therefore, the long-term expected rate of return on Plan investments was applied to projected benefit payments through 2046 for PERS and through 2062 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liabilities.

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

Public Employees' Retirement System (PERS) - The following presents the Borough's proportionate share of the net pension liability at June 30, 2018, the Plan's measurement date, calculated using a discount rate of 5.66%, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	1% Decrease (4.66%)	Current Discount Rate (5.66%)	1% Increase (6.66%)
Borough's Proportionate Share of the Net Pension Liability	<u>\$ 7,749,679.00</u>	<u>\$ 6,163,331.00</u>	<u>\$ 4,832,487.00</u>

Police and Firemen's Retirement System (PFRS) - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the Borough's annual required contribution. As such, the net pension liability as of June 30, 2018, the Plan's measurement date, for the Borough and the State of New Jersey, calculated using a discount rate of 6.51%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	1% Decrease (5.51%)	Current Discount Rate (6.51%)	1% Increase (7.51%)
Borough's Proportionate Share of the Net Pension Liability	\$ 19,188,590.00	\$ 14,337,220.00	\$ 10,335,724.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Borough	<u>2,606,452.28</u>	<u>1,947,474.00</u>	<u>1,403,936.95</u>
	<u>\$ 21,795,042.28</u>	<u>\$ 16,284,694.00</u>	<u>\$ 11,739,660.95</u>

Pension Plan Fiduciary Net Position

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

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

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

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

	<u>Measurement Date Ended June 30,</u>		
	<u>2018</u>	<u>2017</u>	<u>2016</u>
Borough's Proportion of the Net Pension Liability	0.0313026264%	0.0283599879%	0.0302540884%
Borough's Proportionate Share of the Net Pension Liability	\$ 6,163,331.00	\$ 6,601,752.00	\$ 8,960,393.00
Borough's Covered Payroll (Plan Measurement Period)	\$ 2,175,692.00	\$ 1,936,388.00	\$ 2,028,924.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	283.28%	340.93%	441.63%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.60%	48.10%	40.14%
	<u>Measurement Date Ended June 30,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Borough's Proportion of the Net Pension Liability	0.0276091915%	0.0252115037%	0.0279467429%
Borough's Proportionate Share of the Net Pension Liability	\$ 6,197,710.00	\$ 4,720,283.00	\$ 5,341,178.00
Borough's Covered Payroll (Plan Measurement Period)	\$ 1,874,052.00	\$ 1,724,448.00	\$ 1,930,448.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	330.71%	273.73%	276.68%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.93%	52.08%	48.72%

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

	<u>Year Ended December 31,</u>		
	<u>2018</u>	<u>2017</u>	<u>2016</u>
Borough's Contractually Required Contribution	\$ 311,360.00	\$ 262,725.00	\$ 268,773.00
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(311,360.00)</u>	<u>(262,725.00)</u>	<u>(268,773.00)</u>
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 2,184,826.00	\$ 2,158,908.00	\$ 1,926,211.00
Borough's Contributions as a Percentage of Covered Payroll	14.25%	12.17%	13.95%
	<u>Year Ended December 31,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Borough's Contractually Required Contribution	\$ 237,365.00	\$ 207,840.00	\$ 210,573.00
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(237,365.00)</u>	<u>(207,840.00)</u>	<u>(210,573.00)</u>
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 1,994,624.00	\$ 1,889,455.00	\$ 1,763,773.00
Borough's Contributions as a Percentage of Covered Payroll	11.90%	11.00%	11.94%

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

	<u>Measurement Date Ended June 30,</u>		
	<u>2018</u>	<u>2017</u>	<u>2016</u>
Borough's Proportion of the Net Pension Liability	0.1059532374%	0.1048147631%	0.1051276003%
Borough's Proportionate Share of the Net Pension Liability	\$ 14,337,220.00	\$ 16,181,373.00	\$ 20,082,061.00
State's Proportionate Share of the Net Pension Liability associated with the Borough	<u>1,947,474.00</u>	<u>1,812,450.00</u>	<u>1,686,395.00</u>
Total	<u>\$ 16,284,694.00</u>	<u>\$ 17,993,823.00</u>	<u>\$ 21,768,456.00</u>
Borough's Covered Payroll (Plan Measurement Period)	\$ 3,485,840.00	\$ 3,351,484.00	\$ 3,444,976.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	411.30%	482.81%	582.94%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.48%	58.60%	52.01%
	<u>Measurement Date Ended June 30,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Borough's Proportion of the Net Pension Liability	0.1014838092%	0.0941653597%	0.0956283280%
Borough's Proportionate Share of the Net Pension Liability	\$ 16,903,665.00	\$ 11,845,129.00	\$ 12,712,923.00
State's Proportionate Share of the Net Pension Liability associated with the Borough	<u>1,482,395.00</u>	<u>1,275,521.00</u>	<u>1,184,999.00</u>
Total	<u>\$ 18,386,060.00</u>	<u>\$ 13,120,650.00</u>	<u>\$ 13,897,922.00</u>
Borough's Covered Payroll (Plan Measurement Period)	\$ 3,300,512.00	\$ 3,040,612.00	\$ 3,085,608.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	512.15%	389.56%	412.01%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.31%	62.41%	58.70%

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

	<u>Year Ended December 31,</u>		
	<u>2018</u>	<u>2017</u>	<u>2016</u>
Borough's Contractually Required Contribution	\$ 1,035,849.00	\$ 927,630.00	\$ 857,148.00
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(1,035,849.00)</u>	<u>(927,630.00)</u>	<u>(857,148.00)</u>
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 3,606,627.00	\$ 3,555,837.00	\$ 3,457,094.00
Borough's Contributions as a Percentage of Covered Payroll	28.72%	26.09%	24.79%
	<u>Year Ended December 31,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Borough's Contractually Required Contribution	\$ 824,912.00	\$ 723,255.00	\$ 697,683.00
Borough's Contribution in Relation to the Contractually Required Contribution	<u>(824,912.00)</u>	<u>(723,255.00)</u>	<u>(697,683.00)</u>
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 3,425,026.00	\$ 3,323,558.00	\$ 3,096,396.00
Borough's Contributions as a Percentage of Covered Payroll	24.08%	21.76%	22.53%

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

None

Changes in Assumptions

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

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

For 2016, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the Plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter.

For 2015, the social security wage base was set at \$118,500.00 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at \$265,000.00 for 2015, increasing 3.00% per annum, compounded annually.

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

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

Changes in Assumptions

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

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

For 2016, the mortality improvement scale incorporated the Plan actuary's modified 2014 projection scale. Further, salary increases were assumed to increase between 2.10% and 8.98% (based on age) through fiscal year 2026 and 3.10% and 9.98% (based on age) for each fiscal year thereafter.

For 2015, demographic assumptions were revised in accordance with the results of the July 1, 2010 - June 30, 2013 experience study.

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**BOROUGH OF LINDENWOLD POSTEMPLOYMENT HEALTH BENEFIT PLAN*****General Information about the OPEB Plan***

The financial statements of the Borough are not prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The following information is provided in accordance with the requirements of the Statement and has been implemented prospectively.

Plan Description and Benefits Provided – The Borough's defined benefit postemployment healthcare plan, the Lindenwold Borough Postemployment Benefits Plan (the "Borough Plan"), allows retiring employees to receive paid dental benefits up to three years based on years of service, and employees retiring on a disability pension to receive paid dental benefits for life.

The Borough Plan is an agent multiple-employer postemployment healthcare plan administered by the Municipal Reinsurance Health Insurance Fund (the "MRHIF"). The benefit provisions of the plans that participate may be established or amended by the respective employer entities; for the Borough Plan that authority rests with the Borough Council. The plan does not issue a separate financial report. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Employees Covered by Benefit Terms – At December 31, 2018, the following employees were covered by the benefit terms:

<u>Participant Data</u>	<u>Amount</u>
Active Employees	88
Retirees and Covered Spouses	<u>32</u>
Total	<u><u>120</u></u>

Total OPEB Liability

The total OPEB liability is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service in conformity with the requirements of GASB Statement 75. The Borough's total OPEB liability of \$770,026.00 was measured as of December 31, 2018, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Mortality	RP 2000 Combined Healthy Male Mortality Rates Set Forward Three Years
Turnover	NJ State Pensions Ultimate Withdrawal Rates- prior to benefits eligibility
Assumed Retirement Age	At first eligibility after completing 25 years of service
Full Attribution Period	Service to Assumed Retirement Age
Annual Discount Rate	4.10% Based on the Bond Buyer 20 Index December 31, 2018
CPI Increase	2.50%

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**BOROUGH OF LINDENWOLD POSTEMPLOYMENT HEALTH BENEFIT PLAN (CONT'D)*****Total OPEB Liability (Cont'd)***

Actuarial Assumptions and Other Inputs (Cont'd) - The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified (cont'd):

Rate of Salary Increase	2.50%
Medical Trend	Dental: 3.5% per annum
Medical Cost Aging Factor	NJ SHBP Medical Morbidity Rates
Attribution Period	The attribution period begins with the date of hire and ends with full benefits eligibility date.
Per Capita Cost Methods	The valuation reflects per capita net premium costs based on actual 2018 dental premiums and the plan option selected. Active employees are assumed to "opt-in" to the plan at retirement. The age specific cost was derived based on per person costs at the average age of the active population (42) and scaled to each age based on the medical cost aging factors.
Actuarial Valuation Method	Entry Age Normal Funding Method based on a level percentage of salary.
Retiree Contributions	NJ Chapter 78 requires that certain future retirees contribute toward the cost of their benefits. Specifically, those who had retired prior to passage of Chapter 78 and those employees that had more than 25 years of service on the date of passage are grandfathered. All others are subject to the contribution rates in effect when they retire, but not less than 1.5% of their annual retirement allowance from the Public Employees Retirement System. For purposes of this valuation and for conservatism, it is assumed that future retiree contributions percentage rates will not increase. Thus, a future retiree will contribute his/her current employee contribution as reported by the Borough increased annually by the rate of medical trend.

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**BOROUGH OF LINDENWOLD POSTEMPLOYMENT HEALTH BENEFIT PLAN (CONT'D)*****Total OPEB Liability (Cont'd)***

Changes in the Total OPEB Liability - The changes to the total OPEB Liability during the year ending December 31, 2018 are as follows:

	<u>Total OPEB Liability</u>
Balance, January 1, 2018	\$ 738,825.00
Changes for the Year:	
Service Cost	19,848.00
Interest Cost	30,709.00
Net Benefits Paid by Township	(19,356.00)
Changes in Assumptions	
Net Changes	<u>31,201.00</u>
Balance, December 31, 2018	<u>\$ 770,026.00</u>

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

The following presents the total OPEB liability of the Borough, as well as what the Borough's total OPEB liability would be, if it were calculated using a discount rate that is 1-percentage-point lower (3.10 percent) or 1-percentage-point higher (5.10 percent) than the current discount rate:

	1% Decrease <u>(3.10%)</u>	Current Discount Rate <u>(4.10%)</u>	1% Increase <u>(5.10)</u>
Total OPEB Liability	<u>\$ 827,642.00</u>	<u>\$ 770,026.00</u>	<u>\$ 724,174.00</u>

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

The following presents the total OPEB liability of the Borough, as well as what the Borough's total OPEB liability would be, if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (2.50 percent) or 1-percentage-point higher (4.50 percent) than the current healthcare cost trend rate:

	1% Decrease <u>(2.50%)</u>	Current Healthcare Cost Trend Rate <u>(3.50%)</u>	1% Increase <u>(4.50%)</u>
Total OPEB Liability	<u>\$ 705,598.00</u>	<u>\$ 770,026.00</u>	<u>\$ 839,632.00</u>

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**BOROUGH OF LINDENWOLD POSTEMPLOYMENT HEALTH BENEFIT PLAN (CONT'D)*****OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

For the year ended December 31, 2018, the Borough's OPEB expense was estimated to be \$50,557.00. At December 31, 2018, the Borough reported no deferred outflows of resources or deferred inflows of resources related to OPEB.

Other Supplementary Information**Schedule of Changes in the Borough's Total OPEB Liability and Related Ratios**

	Year Ended December 31, <u>2018</u>
Service Cost	\$ 19,848.00
Interest Cost	30,709.00
Net Benefits Paid by Township	<u>(19,356.00)</u>
Net Change in Total OPEB Liability	31,201.00
Total OPEB Obligation, January 1	<u>738,825.00</u>
Net OPEB Obligation, December 31	<u><u>\$ 770,026.00</u></u>
Covered-employee Payroll	<u><u>\$ 5,852,000.00</u></u>
Total OPEB Liability as a Percentage of Covered-employee Payroll	13.2%

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS**STATE HEALTH BENEFITS LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN****General Information about the OPEB Plan**

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

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

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

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

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**STATE HEALTH BENEFITS LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN (CONT'D)****General Information about the OPEB Plan (Cont'd)**

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

The Borough was billed monthly by the Plan and paid \$412,804.68 for the year ended December 31, 2018, representing 7.13% of the Borough's covered payroll. During the year ended December 31, 2018, retirees were not required to the Plan.

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

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

Therefore, 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 nonemployer 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 nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

The amount of actual contributions to the OPEB Plan made by the State, on-behalf of the Borough, is not known, however, under the Special Funding Situation, the State's OPEB expense, on-behalf of the Borough, is \$344,214.00 for the year ended December 31, 2018 representing 5.94% of the Borough's covered payroll.

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**STATE HEALTH BENEFITS LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN (CONT'D)****OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

OPEB Liability - At December 31, 2018 the Borough's and State's proportionate share of the net OPEB liability were as follows:

Borough's Proportionate Share of Net OPEB Liability	\$ 9,379,134.00
State of New Jersey's Proportionate Share of Net OPEB Liability Associated with the Borough	<u>11,371,025.00</u>
	<u><u>\$ 20,750,159.00</u></u>

The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018.

The Borough's proportion of the net OPEB liability was based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2017 through June 30, 2018. For the June 30, 2018 measurement date, the Borough's proportion was 0.059867% which was a decrease of 0.002087% from its proportion measured as of the June 30, 2017 measurement date.

The State's proportion of the net OPEB liability, on-behalf of the Borough was based on the ratio of the plan members of an individual employer to the total members of the Plan's special funding situation during the measurement period July 1, 2017 through June 30, 2018. For the June 30, 2018 measurement date, the State's proportion on-behalf of the Borough was 0.182995% which was a decrease of 0.003820% from its proportion measured as of the June 30, 2017 measurement date.

OPEB Expense - At December 31, 2018, the Borough's proportionate share of the OPEB expense, calculated by the Plan as of the June 30, 2018 measurement date is \$244,815.00. This expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2018, the Borough made contributions to the Plan totaling \$412,804.68.

At December 31, 2018, the State's proportionate share of the OPEB expense, associated with the Borough, calculated by the Plan as of the June 30, 2018 measurement date is \$344,214.00. This on-behalf expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1.

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**STATE HEALTH BENEFITS LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN (CONT'D)****OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)**

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ -	\$ 1,904,299.00
Changes of Assumptions	-	2,379,140.00
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	4,957.00	-
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions	-	790,072.00
Borough Contributions Subsequent to the Measurement Date	128,590.32	-
	<u>\$ 133,547.32</u>	<u>\$ 5,073,511.00</u>

\$128,590.32 reported as deferred outflows of resources resulting from the Borough's contributions subsequent to the measurement date will be included as a reduction of the Borough's net OPEB liability during the year ending December 31, 2019. The Borough will amortize the above other deferred outflow of resources and deferred inflows of resources related to the OPEB liability over the following number of years:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of Assumptions		
Year of OPEB Plan Deferral:		
June 30, 2017	-	8.04
June 30, 2018	-	8.14
Net Difference between Projected and Actual Earnings on OPEB Plan Investments		
Year of OPEB Plan Deferral:		
June 30, 2017	5.00	-
June 30, 2018	5.00	-

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**STATE HEALTH BENEFITS LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN (CONT'D)****OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)**

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions		
Year of OPEB Plan Deferral:		
June 30, 2017	8.04	8.04
June 30, 2018	8.14	8.14

Other amounts included as deferred outflows of resources and deferred inflows of resources related to the OPEB liability will be recognized in future periods as follows:

2019	\$ (748,455.00)
2020	(748,455.00)
2021	(748,455.00)
2022	(748,979.00)
2023	(749,825.00)
Thereafter	<u>(1,324,385.00)</u>
	<u>\$ (5,068,554.00)</u>

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, 2018 used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%
Salary Increases *	
Through 2026	1.65% - 8.98%
Thereafter	2.65% - 9.98%

* Salary Increases are Based on the Defined Benefit Plan that the Member is Enrolled in and his or her Age.

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**STATE HEALTH BENEFITS LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN (CONT'D)****Actuarial Assumptions (Cont'd)**

Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

Certain actuarial assumptions used in the July 1, 2017 valuation were based on the results of the pension plans' experience studies for which the members are eligible for coverage under this Plan – the Police and Firemen Retirement System (PFRS) and the Public Employees' Retirement System (PERS). The PFRS and PERS experience studies were prepared for the periods July 1, 2010 to June 30, 2013 and July 1, 2011 to June 30, 2014, respectively.

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

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

Discount Rate - The discount rate used to measure the OPEB Liability at June 30, 2018 was 3.87%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Health Care Trend Assumptions - For pre-Medicare preferred provider organization (PPO) and health maintenance organization (HMO) medical benefits, the trend rate is initially 5.8% and decreases to a 5.0% long-term trend rate after eight years. For self-insured post-65 PPO and HMO medical benefits, the trend rate is 4.5%. For prescription drug benefits, the initial trend rate is 8.0% decreasing to a 5.0% long-term trend rate after seven years. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**STATE HEALTH BENEFITS LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN (CONT'D)****Sensitivity of the net OPEB Liability to Changes in the Discount Rate**

As previously mentioned, the OPEB Plan has a special funding situation where the State of New Jersey pays a portion of the Borough's contributions for certain eligible employees. As such, the proportionate share of the net OPEB liability as of June 30, 2018, the Plans measurement date, for the Borough and the State of New Jersey, calculated using a discount rate of 3.87%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used, is as follows:

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
Borough's Proportionate Share of the Net OPEB Liability	\$ 11,004,204.00	\$ 9,379,134.00	\$ 8,081,071.00
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Borough	13,341,219.00	11,371,025.00	9,797,286.00
	<u>\$ 24,345,423.00</u>	<u>\$ 20,750,159.00</u>	<u>\$ 17,878,357.00</u>

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

The Borough's and State's proportionate share of the net OPEB Liability as of June 30, 2018, the Plans measurement date, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used, is as follows:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Borough's Proportionate Share of the Net OPEB Liability	\$ 7,823,702.00	\$ 9,379,134.00	\$ 11,392,095.00
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Borough	9,485,258.00	11,371,025.00	13,811,488.00
	<u>\$ 17,308,960.00</u>	<u>\$ 20,750,159.00</u>	<u>\$ 25,203,583.00</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 expense, information about the respective fiduciary net position of the State Health Benefits Local Government Retired Employees Plan and additions to/deductions from the Plan's respective fiduciary net position have been determined on the same basis as they are reported by the Plan. Accordingly, contributions (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For additional information about the Plan, please refer to the Plan's Comprehensive Annual Financial Report (CAFR) which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**STATE HEALTH BENEFITS LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN (CONT'D)****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.

Schedule of the Borough's Proportionate Share of the net OPEB Liability (Last 2 Years)

	<u>Measurement Date Ended June 30,</u>	
	<u>2018</u>	<u>2017</u>
Borough's Proportion of the Net OPEB Liability	0.059867%	0.061954%
Borough's Proportionate Share of the Net OPEB Liability	\$ 9,379,134.00	\$ 12,648,398.00
State's Proportionate Share of the Net OPEB Liability Associated with the Borough	<u>11,371,025.00</u>	<u>16,244,336.00</u>
Total	<u>\$ 20,750,159.00</u>	<u>\$ 28,892,734.00</u>
Borough's Covered Payroll (Plan Measurement Period)	\$ 5,796,023.00	\$ 5,573,946.00
Borough's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	161.82%	226.92%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.97%	1.03%

Schedule of the Borough's Contributions (Last 2 Years)

	<u>Year Ended December 31,</u>	
	<u>2018</u>	<u>2017</u>
Borough's Required Contributions	\$ 412,804.68	\$ 433,977.55
Borough's Contributions in Relation to the Required Contribution	<u>(412,804.68)</u>	<u>(433,977.55)</u>
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 5,791,453.00	\$ 5,714,745.00
Borough's Contributions as a Percentage of Covered Payroll	7.13%	7.59%

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**STATE HEALTH BENEFITS LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN (CONT'D)****Other Notes to Supplementary OPEB Information**Changes in Benefit Terms

None

Changes in Assumptions

In 2017, the discount rate changed to 3.58% from 2.85%. In 2018, the discount rate changed to 3.87% from 3.58%, there were changes in the census, claims and premiums experience and a decrease in the assumed health care cost trend and excise tax assumptions.

Note 10: COMPENSATED ABSENCES

Borough employees are entitled to fifteen paid sick leave days each year. Unused sick leave may be accumulated and carried forward from year to year. Upon retirement, an employee may sell back to the Borough unused accumulated sick days, subject to certain conditions. Generally, the maximum monetary compensation to be paid is \$15,000.00 for any employee.

The Borough does not record accrued sick leave. However, based upon current Borough policies and contracts, it is estimated that at December 31, 2018 accrued sick leave benefits payable in future years is valued at \$590,135.22.

Vacation days not used during the current year may be accumulated and carried forward. Upon resignation or retirement from Borough employment, an employee shall be paid cash at the normal rate of pay for any unused vacation leave. It is estimated that at December 31, 2018 accrued vacation benefits payable in future years is valued at \$273,415.37.

The Borough has established a compensated absences trust fund to set aside funds for future payments of compensated absences. At December 31, 2018, the balance of the fund was \$233,111.15.

Note 11: DEFERRED COMPENSATION SALARY ACCOUNT

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

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

Note 12: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2018, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

	<u>Balance Dec. 31, 2018</u>	<u>2019 Budget Appropriations</u>	<u>Balance to Succeeding Years</u>
Federal and State Grant Fund:			
Reserve for Federal and State Grants - Appropriated:			
Expenditures without an Appropriation	\$ 85,726.31	\$ -	\$85,726.31

Note 13: LEASE OBLIGATIONS

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

Capital:
Police Vehicles

Operating:
Postage Meter
Photocopiers

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

	<u>Balance Dec. 31, 2018</u>	<u>Dec. 31, 2017</u>
Police Vehicles	\$ 66,560.61	\$ 138,854.88

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 32,397.59	\$ 3,627.55	\$ 36,025.14
2020	34,163.02	1,862.12	36,025.14
	<u>\$ 66,560.61</u>	<u>\$ 5,489.67</u>	<u>\$ 72,050.28</u>

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

<u>Year</u>	<u>Amount</u>
2019	\$ 8,169.06
2020	7,811.76
2021	5,128.98
	<u>\$ 21,109.80</u>

Rental payments under operating leases for the year 2018 were \$12,819.36.

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

General Obligation Bonds, Series 2012 - On June 7, 2012, the Borough issued \$4,415,000.00 of general obligation bonds, consisting of \$2,373,360.00 General Improvement Bonds and \$2,041,640.00 Sewer Utility Bonds, at interest rates varying from 2.00% to 3.25%. The bonds were issued for the purpose of funding various capital projects in the Borough. The final maturity of the bonds is June 1, 2026.

General Obligation Bonds, Series 2017 - On September 28, 2017, the Borough issued \$7,018,000.00 of general obligation bonds, consisting of \$4,791,000.00 General Improvement Bonds and \$2,227,000.00 Sewer Utility Bonds, at interest rates varying from 1.00% to 2.50%. The bonds were issued for the purpose of funding various capital projects in the Borough. The final maturity of the bonds is March 15, 2028.

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

<u>Year</u>	<u>General Improvements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 530,000.00	\$ 130,321.70	\$ 660,321.70
2020	545,000.00	119,571.70	664,571.70
2021	555,000.00	108,096.70	663,096.70
2022	565,000.00	95,921.70	660,921.70
2023	585,000.00	83,421.70	668,421.70
2024-2028	3,223,360.00	197,241.75	3,420,601.75
	<u>\$ 6,003,360.00</u>	<u>\$ 734,575.25</u>	<u>\$ 6,737,935.25</u>

<u>Year</u>	<u>Sewer Utility</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 325,000.00	\$ 74,853.30	\$ 399,853.30
2020	330,000.00	68,303.30	398,303.30
2021	330,000.00	61,303.30	391,303.30
2022	335,000.00	53,853.30	388,853.30
2023	340,000.00	46,303.30	386,303.30
2024-2028	1,701,640.00	101,470.75	1,803,110.75
	<u>\$ 3,361,640.00</u>	<u>\$ 406,087.25</u>	<u>\$ 3,767,727.25</u>

Note 14: CAPITAL DEBT (CONT'D)**General Debt - New Jersey Green Acres Trust Development Loans**

On October 1, 1998, the Borough entered into a loan agreement with the New Jersey Department of Environmental Protection to provide \$89,567.00, at an interest rate of 2.0%. The proceeds were used to fund the acquisition of open space real property known as the Sherwin Williams properties. The final semiannual debt payment was made February 24, 2018.

Additionally, on July 28, 2003, the Borough entered into a second loan agreement with the New Jersey Department of Environmental Protection to provide \$250,000.00, at an interest rate of 2.0%. The proceeds were used to fund improvements to the Lindenwold sports complex and the acquisition of real property. Semiannual debt payments are due April and October, with the final payment due April 28, 2023.

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

<u>Year</u>	<u>General</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2019	\$ 14,285.21	\$ 1,260.59	\$ 15,545.80
2020	14,572.34	973.46	15,545.80
2021	14,865.25	680.55	15,545.80
2022	15,164.04	381.76	15,545.80
2023	7,695.97	76.94	7,772.91
	<u>\$ 66,582.81</u>	<u>\$ 3,373.30</u>	<u>\$ 69,956.11</u>

Note 14: CAPITAL DEBT (CONT'D)

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

Summary of Debt

	<u>Year 2018</u>	<u>Year 2017</u>	<u>Year 2016</u>
<u>Issued</u>			
General:			
Bonds, Loans and Notes	\$ 6,069,942.81	\$ 6,607,891.98	\$ 4,785,938.49
Sewer Utility:			
Bonds and Notes	<u>3,361,640.00</u>	<u>3,678,640.00</u>	<u>3,126,640.00</u>
Total Issued	<u>9,431,582.81</u>	<u>10,286,531.98</u>	<u>7,912,578.49</u>
<u>Authorized but not Issued</u>			
General:			
Bonds, Loans and Notes	325.00	325.00	
Sewer Utility:			
Bonds and Notes	<u>836.00</u>	<u>836.00</u>	<u>836.00</u>
Total Authorized but not Issued	<u>1,161.00</u>	<u>1,161.00</u>	<u>836.00</u>
Total Issued and Authorized but not Issued	<u>9,432,743.81</u>	<u>10,287,692.98</u>	<u>7,913,414.49</u>
<u>Deductions</u>			
Sewer Utility:			
Self-Liquidating Debt	<u>3,362,476.00</u>	<u>3,679,476.00</u>	<u>3,127,476.00</u>
Total Deductions	<u>3,362,476.00</u>	<u>3,679,476.00</u>	<u>3,127,476.00</u>
Net Debt	<u>\$ 6,070,267.81</u>	<u>\$ 6,608,216.98</u>	<u>\$ 4,785,938.49</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 1.025%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$ 7,640,000.00	\$ 7,640,000.00	
Sewer Utility	3,362,476.00	3,362,476.00	
General	<u>6,070,267.81</u>		<u>\$ 6,070,267.81</u>
	<u>\$ 17,072,743.81</u>	<u>\$ 11,002,476.00</u>	<u>\$ 6,070,267.81</u>

Net Debt \$6,070,267.81 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$592,272,580.67 equals 1.025%.

Note 14: CAPITAL DEBT (CONT'D)**Borrowing Power Under NJSA 40A:2-6 As Amended**

3 1/2% of Equalized Valuation Basis (Municipal)	\$20,729,540.32
Net Debt	<u>6,070,267.81</u>
Remaining Borrowing Power	<u>\$ 14,659,272.51</u>

Calculation of "Self-Liquidating Purpose,"**Sewer Utility Per NJSA 40A:2-45**

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for Year	\$ 1,537,950.16
Deductions:	
Operating and Maintenance Cost	\$ 1,046,197.00
Debt Service per Sewer Fund	<u>396,082.19</u>
	<u>1,442,279.19</u>
Excess in Revenue	<u>\$ 95,670.97</u>

Note 15: RISK MANAGEMENT

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

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

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

<u>Year</u>	<u>Borough Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2018	\$ 25,000.00	\$ 9,742.21	\$ 527.50	\$ 24,411.33	\$ 102,008.76
2017	25,000.00	9,393.80	141.51	25,009.99	91,150.38
2016	50,000.00	8,817.66	88.65	25,994.43	81,625.06

Note 15: RISK MANAGEMENT (CONT'D)

Joint Insurance Pools - The Borough of Lindenwold is a member of the Camden County Municipal Joint Insurance Fund. The Fund offers its members the following coverage:

Workers' Compensation
General Liability
Auto Liability
Property/Boiler and Machinery
Auto Physical Damage
Public Officials
Environmental Impairment Liability

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

The Fund provides the Borough with the following coverage:

Property Insurance
Business Automobile Insurance
Workers Compensation Insurance
Environmental Legal Liability Insurance
Underground Storage Tank Policy
Excess Workers Compensation and Employer's Liability Insurance
Excess Public Officials and Employment Liability Insurance

The Fund publishes its own financial report for the year ended December 31, 2018, which can be obtained at www.camdenmunicipaljif.org.

The Borough of Lindenwold is also a member of the Southern New Jersey Regional Employee Benefits Fund. The Fund provides its members with health benefits coverage, including dental coverage for the Borough.

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

The Fund publishes its own financial report for the year ended December 31, 2018, which can be obtained at www.snjrebfc.com.

Note 16: CONTINGENCIES

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

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

Note 17: CONCENTRATIONS

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

Note 18: TAX ABATEMENTS

The Borough has entered into property tax abatement agreements with certain entities under Section 37 of the New Jersey Housing and Mortgage Finance Agency Law of 1983 (N.J.S.A. 55:14K-1 et seq.) and/or the Long Term Tax Exemption Law (N.J.S.A. 40A:20-1, et seq.). Under these statutes, tax abatements are granted typically to businesses and/or developers to encourage them to make improvements to property or to locate a project in a distressed or blighted area of the Borough.

The Borough negotiates property tax abatement agreements on an individual basis. The Borough has the following long term tax abatement agreements with three entities as of December 31, 2018:

<u>Purpose</u>	<u>Percentage of Municipal Taxes Abated During 2018</u>	<u>Amount of Municipal Taxes Abated During 2018</u>	<u>Payments In Lieu of Taxes Collected During 2018</u>
Senior Housing - Lindenwold Towers	100%	\$ 98,888.88	\$ 20,000.00
Senior Housing - Harvest House	100%	164,419.94	45,400.52
Senior Housing - Linden Lakes	100%	<u>85,312.78</u>	<u>41,611.54</u>
		<u>\$ 348,621.60</u>	<u>\$ 107,012.06</u>

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

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

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Balance Dec. 31, 2017	\$ 5,288,460.46	\$ 149,561.97
Increased by Receipts:		
Consolidated Municipal Property Tax Relief Aid	\$ 426,684.00	
Energy Receipts Taxes	1,648,965.00	
Reserve for Payment on Bonds	148,711.60	
Delaware Port Authority Community Impact	90,000.00	
Miscellaneous Revenue Not Anticipated	907,329.25	
Collector	29,821,165.68	
Petty Cash	1,800.00	
Due from the State of New Jersey	105,218.09	
Revenue Accounts Receivable	846,054.93	
Due State of New Jersey:		
Marriage License/Civil Union Fees	2,950.00	
D.C.A. State Training Fees	6,878.00	
Accounts Payable	4,374.59	
Reserve for Maintenance of Free Public Library with State Aid	2,063.00	
Reserve for Library Donations	1,000.00	
Prepaid Licenses and Fees	292.00	
Due Current Fund		\$ 260,455.86
Due Animal Control Fund	44.68	
Due Trust Other Funds	27,533.88	
Due General Capital Fund	40,261.28	
Due Sewer Utility Operating Fund	8,996.78	
Federal and State Grants Receivable		1,116,062.50
Matching Funds for Grants		4,430.00
Refunds Contra	556,201.56	
Contra	9,722.00	
	<u>34,656,246.32</u>	<u>\$ 1,380,948.36</u>
Carried Forward	39,944,706.78	1,530,510.33

(Continued)

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

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Brought Forward	\$ 39,944,706.78	\$ 1,530,510.33
Decreased by Disbursements:		
2018 Budget Appropriations	\$ 12,868,038.84	
2017 Appropriation Reserves	475,920.87	
Petty Cash	1,800.00	
Due State of New Jersey:		
Marriage License/Civil Union Fees	3,150.00	
D.C.A. State Training Fees	8,783.00	
Accounts Payable	3,268.63	
Fire District Taxes	1,158,680.00	
County Taxes	5,297,579.50	
Due County for Added and Omitted Taxes	6,992.33	
Local School District Taxes	14,036,338.00	
Reserve for Maintenance of Free Public Library with State Aid	2,944.34	
Reserve for Engineering	1,957.92	
Special Emergency Note	23,527.00	
Due Federal and State Grant Fund	260,455.86	
Due Trust Other Fund	48,548.86	
Due Sewer Utility Operating Fund	190,863.14	
Matching Funds for Grants	4,430.00	
Reserve for Federal and State Grants--Appropriated		\$ 457,499.83
Reserve for Encumbrances		3,084.10
Contracts Payable		1,069,926.40
Refund of Prior Year Revenues	4,070.73	
Refunds Contra	556,201.56	
Contra	9,722.00	
	<u>34,963,272.58</u>	<u>1,530,510.33</u>
Balance Dec. 31, 2018	<u><u>\$ 4,981,434.20</u></u>	<u><u>\$ -</u></u>

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

Receipts:	
Interest and Cost on Taxes	\$ 188,278.42
Miscellaneous Revenue Not Anticipated	10,778.99
Taxes Receivable	29,316,651.16
Tax Title Liens	25,595.81
Prepaid Taxes	255,419.97
Tax Overpayments	<u>24,441.33</u>
	29,821,165.68
Decreased by Disbursements:	
Payments to Treasurer	<u><u>\$29,821,165.68</u></u>

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

<u>Office</u>	<u>Amount</u>
Tax Collector	\$ 300.00
Municipal Court	100.00
Construction Code	100.00
	<hr/>
	\$ 500.00
	<hr/> <hr/>

Exhibit SA-4

CURRENT FUND
Statement of Petty Cash Funds
 For the Year Ended December 31, 2018

<u>Office</u>	<u>Received from Treasurer</u>	<u>Returned to Treasurer</u>
Borough Clerk	\$ 600.00	\$ 600.00
Police Department	750.00	750.00
Public Works Department	150.00	150.00
Emergency Management	150.00	150.00
Library	150.00	150.00
	<hr/>	<hr/>
	\$ 1,800.00	\$ 1,800.00
	<hr/> <hr/>	<hr/> <hr/>

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

Balance Dec. 31, 2017		\$ 4,737.98
Increased by:		
Collections	\$ 105,218.09	
Deductions Disallowed by Collector (Net)--Prior Year Taxes	<u>4,250.00</u>	
		<u>109,468.09</u>
		114,206.07
Decreased by:		
Accrued in 2018:		
Deductions Allowed per Tax Billings	106,750.00	
Deductions Allowed by Tax Collector	<u>2,000.00</u>	
	108,750.00	
Less: Deductions Disallowed by Tax Collector	<u>3,000.00</u>	
		<u>105,750.00</u>
Balance Dec. 31, 2018		<u><u>\$ 8,456.07</u></u>

Exhibit SA-6

CURRENT FUND
Statement of Deferred Charges
For the Year Ended December 31, 2018

	Balance <u>Dec. 31, 2017</u>	Raised in 2018 <u>Budget</u>	Balance <u>Dec. 31, 2018</u>
Overexpenditure of Appropriations	\$ 7,339.73	\$ 7,339.73	
Emergency Authorizations	<u>2,900.00</u>	<u>2,900.00</u>	
	<u><u>\$ 10,239.73</u></u>	<u><u>\$ 10,239.73</u></u>	<u><u>\$ -</u></u>

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

<u>Year</u>	<u>Balance Dec. 31, 2017</u>	<u>2018 Levy</u>	<u>Added Taxes</u>	<u>2017</u>	<u>Collections 2018</u>	<u>Due from State of New Jersey</u>	<u>Overpayments Applied</u>	<u>Canceled</u>	<u>Transferred to Tax Title Liens</u>	<u>Balance Dec. 31, 2018</u>
2010	\$ 163.29							\$ 163.29		
2014			\$ 750.00							\$ 750.00
2015	3,703.87		750.00		\$ 3,055.68			898.19		500.00
2016	4,390.24				3,997.68			392.56		
2017	<u>900,236.14</u>		<u>2,750.00</u>		<u>843,210.83</u>			<u>1,472.38</u>	<u>\$ 31,626.72</u>	<u>26,676.21</u>
	908,493.54	-	4,250.00	-	850,264.19	-	-	2,926.42	31,626.72	27,926.21
2018	<u>-</u>	<u>\$ 30,310,951.07</u>		<u>\$ 309,166.04</u>	<u>28,466,386.97</u>	<u>\$ 105,750.00</u>	<u>\$ 12,677.71</u>	<u>68,520.26</u>	<u>344,277.22</u>	<u>1,004,172.87</u>
	<u>\$ 908,493.54</u>	<u>\$ 30,310,951.07</u>	<u>\$ 4,250.00</u>	<u>\$ 309,166.04</u>	<u>\$ 29,316,651.16</u>	<u>\$ 105,750.00</u>	<u>\$ 12,677.71</u>	<u>\$ 71,446.68</u>	<u>\$ 375,903.94</u>	<u>\$ 1,032,099.08</u>
<u>Analysis of 2018 Property Tax Levy</u>										
Tax Yield										
General Purpose Tax						\$ 29,067,435.78				
Fire District Tax						1,158,680.00				
Added Taxes						<u>84,835.29</u>				
								<u>\$ 30,310,951.07</u>		
<u>Tax Levy</u>										
Local District School Tax						\$ 14,036,340.00				
County Taxes:										
County Taxes					\$ 4,870,604.29					
County Library Tax					308,154.68					
County Open Space Tax					118,820.53					
Due County for Added Taxes					<u>13,448.44</u>					
Total County Taxes						5,311,027.94				
Fire District Taxes						1,158,680.00				
Local Tax for Municipal Purposes					9,726,750.40					
Add: Additional Tax Levies					<u>78,152.73</u>					
Local Tax for Municipal Purposes Levied						<u>9,804,903.13</u>				
								<u>\$ 30,310,951.07</u>		

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

Balance Dec. 31, 2017		\$ 2,111,081.93
Increased by:		
Transferred from Taxes Receivable	\$ 375,903.94	
Interest and Costs Accrued at Tax Sale	<u>9,249.20</u>	
		<u>385,153.14</u>
		2,496,235.07
Decreased by:		
Canceled	946.69	
Collected	<u>25,595.81</u>	
		<u>26,542.50</u>
Balance Dec. 31, 2018		<u><u>\$ 2,469,692.57</u></u>

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

	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Accrued</u>	<u>Collected --</u> <u>Treasurer</u>	<u>Other</u> <u>Accounts</u> <u>Receivable</u>	<u>Interfunds</u> <u>Receivable</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
Clerk:						
Licenses:						
Alcoholic Beverages		\$ 18,878.00	\$ 17,153.00		\$ 1,725.00	
Raffle		750.00	750.00			
Taxicab		12,250.00	12,250.00			
Cat		825.00	825.00			
Fees and Permits:						
Street Opening Permits		36,700.00	36,700.00			
Property Maintenance Inspections		75,210.00	75,210.00			
Smoke Detector Inspections		58,280.00	58,280.00			
Miscellaneous:						
Rental of Borough Property		26,988.06	26,988.06			
Foreclosed Property		184,100.00	184,100.00			
Other		5,947.10	5,947.10			
Police Department:						
Accident Reports		1,860.14	1,860.14			
Firearm Permits		361.00	361.00			
Zoning Board						
Variance Fees		15,195.00	15,195.00			
Ordinance Fees		1,300.00	1,300.00			
List of Property Owners		1,080.00	1,080.00			
Compliance Officer:						
Mercantile Licenses		25,056.00	25,056.00			
Board of Health:						
Sanitary Code Licenses		2,095.00	2,095.00			
Swimming Pool Licenses		175.00	175.00			
Marriage/Civil Union Licenses		354.00	354.00			
EFT Fees		100.00	100.00			
Miscellaneous:						
Certified Copies		8,270.00	8,270.00			

(Continued)

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

	<u>Balance Dec. 31, 2017</u>	<u>Accrued</u>	<u>Collected -- Treasurer</u>	<u>Other Accounts Receivable</u>	<u>Interfunds Receivable</u>	<u>Balance Dec. 31, 2018</u>
Municipal Court:						
Fines and Costs	\$ 7,981.94	\$ 100,017.26	\$ 100,313.27			\$ 7,685.93
Construction Code Official:						
Fees and Permits		123,078.00	123,078.00			
Shared Services Agreements:						
Tax Assessor--Pine Hill Borough		17,861.00	2,976.82	\$ 14,884.18		
Police--Lindenwold Borough School District		48,456.00	48,456.00			
Cable Franchise Fee	61,602.87	50,510.12	61,602.87			50,510.12
Interest Earned on Deposits	4.40	57,522.84	35,578.67		\$ 21,948.57	
	<u>\$ 69,589.21</u>	<u>\$ 873,219.52</u>	<u>\$ 846,054.93</u>	<u>\$ 14,884.18</u>	<u>\$ 23,673.57</u>	<u>\$ 58,196.05</u>
Due Animal Control Fund					\$ 1,777.08	
Due Trust Other Funds					6,033.79	
Due General Capital Fund					15,862.70	
					<u>\$ 23,673.57</u>	

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

	<u>Balance Dec. 31, 2017</u>		<u>Balance</u>	<u>Paid or</u>	<u>Balance</u>
	<u>Encumbrances</u>	<u>Reserves</u>	<u>After</u>	<u>Charged</u>	<u>Lapsed</u>
			<u>Transfers</u>		
<u>GENERAL GOVERNMENT FUNCTIONS</u>					
Administrative and Executive					
Salaries and Wages		\$ 6,780.16	\$ 6,780.16		\$ 6,780.16
Other Expenses	\$ 1,499.81	4,980.71	9,880.52	\$ 7,576.78	2,303.74
Mayor and Council					
Other Expenses	129.49	164.91	694.40	571.71	122.69
Municipal Clerk					
Salaries and Wages		60.88	60.88		60.88
Other Expenses	51.15	2,937.86	2,989.01	241.89	2,747.12
Financial Administration					
Salaries and Wages		2,984.61	2,984.61		2,984.61
Other Expenses	363.34	4,863.51	5,226.85	3,382.34	1,844.51
Audit Services					
Computerized Data Processing	540.00	7,720.50	8,260.50	1,905.00	6,355.50
Collection of Taxes					
Salaries and Wages		2,001.54	2,001.54		2,001.54
Other Expenses	837.50	5,511.69	6,349.19	876.25	5,472.94
Assessment of Taxes					
Salaries and Wages		500.24	500.24		500.24
Other Expenses	682.00	4,270.81	4,952.81	682.00	4,270.81
Legal Services and Costs					
Other Expenses	5,031.74	24,520.16	29,551.90	19,664.99	9,886.91
Liquidation of Tax Title Liens					
Other Expenses		12,500.00	12,500.00		12,500.00
Engineering Services and Costs					
Other Expenses	343.75	8,394.72	8,738.47	5,313.32	3,425.15
<u>LAND USE ADMINISTRATION</u>					
Municipal Land Use Law (N.J.S.44:55D-l)					
Joint Land Use Board					
Salaries and Wages		200.72	200.72		200.72
Other Expenses	15.95	2,540.74	3,956.69	2,919.85	1,036.84
Environmental Commission					
Other Expenses		4,146.39	4,146.39		4,146.39
<u>CODE ENFORCEMENT AND ADMINISTRATION</u>					
Compliance Officer					
Salaries and Wages		5,745.36	5,745.36		5,745.36
Other Expenses		31,894.42	31,894.42	2,151.66	29,742.76
<u>INSURANCE</u>					
General Liability		16,868.85	16,868.85		16,868.85
Workers Compensation		0.13	0.13		0.13
Employee Group Insurance	251,472.82	41,082.13	277,354.95	251,472.82	25,882.13
Health Benefit Waiver		12,733.50	12,733.50		12,733.50

(Continued)

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

	<u>Balance Dec. 31, 2017</u>		<u>Balance</u>	<u>Paid or</u>	<u>Balance</u>
	<u>Encumbrances</u>	<u>Reserves</u>	<u>After</u>	<u>Charged</u>	<u>Lapsed</u>
			<u>Transfers</u>		
<u>PUBLIC SAFETY FUNCTIONS</u>					
Police					
Salaries and Wages		\$ 114,768.95	\$ 114,768.95		\$ 114,768.95
Other Expenses	\$ 9,767.28	4,030.65	13,797.93	\$ 11,536.18	2,261.75
Emergency Management Services					
Salaries and Wages		86.00	86.00		86.00
Other Expenses		3,206.89	3,206.89	67.43	3,139.46
<u>PUBLIC WORKS FUNCTIONS</u>					
Road Repairs and Maintenance					
Salaries and Wages		422.51	422.51		422.51
Other Expenses	1,305.71	9,482.44	10,788.15	5,453.56	5,334.59
Shade Tree Commission					
Other Expenses		2,500.00	2,500.00		2,500.00
Traffic Lights and Alarm System	13,573.38	8,528.88	22,102.26	14,809.51	7,292.75
Solid Waste Collection--Recycling					
Salaries and Wages		225.47	225.47		225.47
Other Expenses	17,110.85	59,344.24	76,455.09	30,190.85	46,264.24
Public Buildings and Grounds					
Salaries and Wages		160.64	160.64		160.64
Other Expenses	4,257.96	9,029.20	13,287.16	8,738.96	4,548.20
Vehicle Maintenance	15,646.85	21,785.00	37,431.85	22,117.22	15,314.63
Municipal Services Act		40,000.00	40,000.00	4,727.90	35,272.10
<u>HEALTH AND HUMAN SERVICES FUNCTIONS</u>					
Board of Health					
Other Expenses		187.50	187.50		187.50
Animal Control					
Other Expenses		4,410.16	4,410.16	2,901.59	1,508.57
Senior Citizens' Activities					
Other Expenses		917.62	917.62		917.62
<u>PARKS AND RECREATION FUNCTIONS</u>					
Parks and Playgrounds					
Salaries and Wages		3,994.56	3,994.56		3,994.56
Other Expenses		3,663.14	3,663.14	1,020.12	2,643.02
<u>EDUCATION FUNCTIONS</u>					
Expenses of Participation in Free County Library					
Salaries and Wages		10,821.78	10,821.78		10,821.78
Other Expenses	343.29	3,736.61	4,079.90	343.29	3,736.61
<u>OTHER COMMON OPERATING FUNCTIONS</u>					
Accumulated Leave Compensation		20,000.00	30,000.00	30,000.00	
Celebration of Public Event, Anniversary or Holiday					
Other Expenses	583.34	1,713.41	2,296.75	583.34	1,713.41

(Continued)

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

	<u>Balance Dec. 31, 2017</u>		<u>Balance</u>	<u>Paid or</u>	<u>Balance</u>
	<u>Encumbrances</u>	<u>Reserves</u>	<u>After</u>	<u>Charged</u>	<u>Lapsed</u>
			<u>Transfers</u>		
<u>UTILITY EXPENSES AND BULK PURCHASES</u>					
Electricity		\$ 24,745.90	\$ 24,745.90	\$ 6,645.92	\$ 18,099.98
Street Lighting		27,378.19	27,378.19	9,905.21	17,472.98
Telephone and Telegraph	\$ 2,373.99	5,703.60	8,077.59	2,474.40	5,603.19
Water	1,043.45	2,916.85	3,960.30	1,043.45	2,916.85
Fuel Oil	5,265.63	15,482.13	20,747.76	5,265.63	15,482.13
Sewer		4,200.00	4,200.00		4,200.00
Gasoline	7,496.98	27,063.91	34,560.89	11,603.99	22,956.90
<u>LANDFILL/SOLID WASTE DISPOSAL COSTS</u>					
Garbage and Trash Removal					
Landfill/Solid Waste		63,460.28	63,460.28	37,841.00	25,619.28
<u>MUNICIPAL COURT</u>					
Municipal Court					
Salaries and Wages		77.78	77.78		77.78
Other Expenses	852.07	5,569.20	6,421.27	852.07	5,569.20
Public Defender					
Salaries and Wages		1.00	1.00		1.00
<u>UNIFORM CONSTRUCTION CODE</u>					
State Uniform Construction Code (N.J.S.A.52:27D-120 et seq.)					
Construction Code Official					
Salaries and Wages		3,039.22	3,039.22		3,039.22
Other Expenses		7,821.59	7,821.59	50.44	7,771.15
<u>STATUTORY EXPENDITURES</u>					
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		14,292.92	14,292.92		14,292.92
Defined Contribution Retirement Program		300.00	300.00		300.00
Interest on Tax Appeals		2,000.00	2,000.00		2,000.00
Recycling Tax		8,935.77	8,935.77	1,755.42	7,180.35
	<u>\$ 340,588.33</u>	<u>\$ 739,408.53</u>	<u>\$ 1,079,996.86</u>	<u>\$ 506,686.09</u>	<u>\$ 573,310.77</u>
Disbursed				\$ 475,920.87	
Due Trust Other Funds				30,000.00	
Accounts Payable				765.22	
				<u>\$ 506,686.09</u>	

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

Balance Dec. 31, 2017	\$ 332.50
Decreased by:	
Collected - Miscellaneous Revenue Not Anticipated	<u>\$ 332.50</u>

Exhibit SA-12

CURRENT FUND
Statement of Solid Waste Liens Receivable
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 67,440.18
Decreased by:	
Collected - Miscellaneous Revenue Not Anticipated	<u>162.85</u>
Balance Dec. 31, 2018	<u>\$ 67,277.33</u>

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

Balance Dec. 31, 2017 (2018 Taxes)	\$ 309,166.04
Increased by:	
Collections	<u>255,419.97</u>
	564,586.01
Decreased by:	
Applied to 2018 Taxes Receivable	<u>309,166.04</u>
Balance Dec. 31, 2018 (2019 Taxes)	<u><u>\$ 255,419.97</u></u>

Exhibit SA-14

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

Balance Dec. 31, 2017	\$ 14,558.90
Increased by:	
Overpayments in 2018	<u>24,441.33</u>
	39,000.23
Decreased by:	
Refunded by Sewer Utility Operating Fund	\$ 18,288.35
Applied to Taxes Receivable	<u>12,677.71</u>
	<u>30,966.06</u>
Balance Dec. 31, 2018	<u><u>\$ 8,034.17</u></u>

BOROUGH OF LINDENWOLD
CURRENT FUND
Statement of Due to the State of New Jersey
Marriage/Civil Union License Fees and Burial Permits
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 775.00
Increased by:	
Receipts	<u>2,950.00</u>
	3,725.00
Decreased by:	
Disbursements	<u>3,150.00</u>
Balance Dec. 31, 2018	<u><u>\$ 575.00</u></u>

Exhibit SA-16

CURRENT FUND
Statement of Due to State of New Jersey
D.C.A. State Training Fees
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 3,388.00
Increased by:	
Receipts	<u>6,878.00</u>
	10,266.00
Decreased by:	
Disbursements	<u>8,783.00</u>
Balance Dec. 31, 2018	<u><u>\$ 1,483.00</u></u>

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

Balance Dec. 31, 2017		\$ 2,385.90
Increased by:		
Receipts	\$ 4,374.59	
Refund of Prior Year Revenue -- Fund Balance	689.60	
Charged to 2017 Appropriation Reserves	<u>765.22</u>	
		<u>5,829.41</u>
		8,215.31
Decreased by:		
Disbursed	3,268.63	
Canceled	<u>821.36</u>	
		<u>4,089.99</u>
Balance Dec. 31, 2018		<u><u>\$ 4,125.32</u></u>

BOROUGH OF LINDENWOLD
CURRENT FUND
Statement of Fire District Taxes Payable
For the Year Ended December 31, 2018

2018 Tax Levy--Fire District No. 1	\$ 1,158,680.00
Decreased by:	
Payments	<u>\$ 1,158,680.00</u>

Exhibit SA-19

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

2018 Tax Levy:		
County Tax	\$ 4,870,604.29	
County Library Tax	308,154.68	
County Open Space Tax	<u>118,820.53</u>	
		\$ 5,297,579.50
Decreased by:		
Payments		<u>\$ 5,297,579.50</u>

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

Balance Dec. 31, 2017		\$ 6,992.33
Increased by County Share of:		
Added/Omitted Taxes (2017)	\$ 2,880.05	
Added Taxes (2018)	<u>10,568.39</u>	
		<u>13,448.44</u>
		20,440.77
Decreased by:		
Payments		<u>6,992.33</u>
Balance Dec. 31, 2018		<u><u>\$ 13,448.44</u></u>

Exhibit SA-21

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

Balance Dec. 31, 2017		\$ 2.50
Increased:		
Levy--Calendar Year 2018		<u>14,036,340.00</u>
		14,036,342.50
Decreased by:		
Payments		<u>14,036,338.00</u>
Balance Dec. 31, 2018		<u><u>\$ 4.50</u></u>

BOROUGH OF LINDENWOLD**CURRENT FUND****Statement of Reserve for Maintenance of Free Public Library with State Aid
For the Year Ended December 31, 2018**

Balance Dec. 31, 2017	\$ 5,139.14
Increased by:	
Receipts:	
State Aid	<u>2,063.00</u>
	7,202.14
Decreased by:	
Disbursements	<u>2,944.34</u>
Balance Dec. 31, 2018	<u><u>\$ 4,257.80</u></u>

BOROUGH OF LINDENWOLD
FEDERAL AND STATE GRANT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2018

	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Accrued</u>	<u>Collected</u>	<u>Canceled</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
Federal Grants:					
Local Law Enforcement Block Grant--Justice Assistance Grant (JAG)	\$ 212.45				\$ 212.45
Highway Planning and Construction Grants	896,982.63	\$ 153,489.41	\$ 552,794.72		497,677.32
Community Development Block Grant Program	149,398.81	112,960.00	162,073.24		100,285.57
	<u>1,046,593.89</u>	<u>266,449.41</u>	<u>714,867.96</u>	<u>-</u>	<u>598,175.34</u>
Total Federal Grants					
State Grants:					
NJ Transportation Trust Fund Authority Act	510,285.48	315,260.00	256,800.46	\$ 107,632.48	461,112.54
Recycling Tonnage Grant		24,048.96			24,048.96
Municipal Drug Alliance	355.38	17,717.00	17,716.00		356.38
Safe and Secure Communities Program	33,750.00	90,000.00	90,000.00		33,750.00
Drunk Driving Enforcement Grant		3,000.00	3,000.00		
Community Policing Grant	1,977.00	1,730.62	1,730.62		1,977.00
Clean Communities Program	487.83	31,947.46	31,947.46		487.83
NJDEP--NJ Forest Service Stimulus Fund	27.54				27.54
Drive Sober or Get Pulled Over Grant	200.00				200.00
Hazardous Discharges Site Remediation Fund	5,762.00				5,762.00
	<u>552,845.23</u>	<u>483,704.04</u>	<u>401,194.54</u>	<u>107,632.48</u>	<u>527,722.25</u>
Total State Grants					
Local Grants:					
Camden County Open Space Preservation Trust	1,983.21				1,983.21
Sustainable New Jersey Grant	1,845.55				1,845.55
	<u>3,828.76</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,828.76</u>
Total Local Grants					
	<u>\$ 1,603,267.88</u>	<u>\$ 750,153.45</u>	<u>\$ 1,116,062.50</u>	<u>\$ 107,632.48</u>	<u>\$ 1,129,726.35</u>

BOROUGH OF LINDENWOLD
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants--Unappropriated
For the Year Ended December 31, 2018

	<u>Balance Dec. 31, 2017</u>	<u>Grants Receivable</u>	<u>Realized as Miscellaneous Revenue in 2018 Budget</u>	<u>Balance Dec. 31, 2018</u>
Federal Grants:				
Highway Planning and Construction Grants		\$ 153,489.41	\$ 52,212.00	\$ 101,277.41
Community Development Block Grant Program		112,960.00	112,960.00	
		<u> </u>	<u> </u>	<u> </u>
Total Federal Grants	<u>-</u>	<u>266,449.41</u>	<u>165,172.00</u>	<u>101,277.41</u>
State Grants:				
NJ Transportation Trust Fund Authority Act		315,260.00	315,260.00	
Recycling Tonnage Grant		24,048.96		24,048.96
Municipal Drug Alliance		17,717.00	17,717.00	
Safe and Secure Communities Program		90,000.00	90,000.00	
Drunk Driving Enforcement Grant	\$ 1,500.00	3,000.00	1,500.00	3,000.00
Community Policing Grant		1,730.62		1,730.62
Clean Communities Program		31,947.46		31,947.46
		<u> </u>	<u> </u>	<u> </u>
Total State Grants	<u>1,500.00</u>	<u>483,704.04</u>	<u>424,477.00</u>	<u>60,727.04</u>
	<u>\$ 1,500.00</u>	<u>\$ 750,153.45</u>	<u>\$ 589,649.00</u>	<u>\$ 162,004.45</u>

BOROUGH OF LINDENWOLD
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants--Appropriated
For the Year Ended December 31, 2018

	Balance Dec. 31, 2017	Transferred from 2018 Budget Appropriations	Paid or Charged	Canceled	Balance Dec. 31, 2018	
					Reserved	Overexpended
Federal Grants:						
Local Law Enforcement Block Grant--Justice Assistance Grant (JAG)	\$ 155.55		\$ 155.55			
Highway Planning and Construction	869,997.11	\$ 52,212.00	930,485.72		\$ 77,449.70	\$ (85,726.31)
Community Development Block Grant Program	118,220.71	112,960.00	130,487.14	\$ 408.00	100,285.57	
Bullet Proof Vest Program	26.25		26.25			
Total Federal Grants	988,399.62	165,172.00	1,061,154.66	408.00	177,735.27	(85,726.31)
State Grants:						
Recycling Tonnage Grant	159,022.08		85,194.00		73,828.08	
NJ Transportation Trust Fund Authority Act	489,627.37	315,260.00	645,441.81	102,861.65	56,583.91	
Municipal Drug Alliance	6,632.14	22,147.00	22,424.89		6,354.25	
Safe and Secure Communities Program		90,000.00	90,000.00			
Body Armor Replacement Grant	4,095.65		4,095.65			
Drunk Driving Enforcement Grant	3,189.75	1,500.00	2,080.09		2,609.66	
Clean Communities Program	39,893.95		31,072.76		8,821.19	
Community Policing Grant	246.38				246.38	
NJDEP--NJ Forest Service Stimulus Fund	412.54				412.54	
Hazardous Discharges Site Remediation Fund	15,873.19				15,873.19	
Total State Grants	718,993.05	428,907.00	880,309.20	102,861.65	164,729.20	-
Local Grants:						
Camden County Open Space Preservation Trust	1,763.21				1,763.21	
Sustainable New Jersey Grant	1,350.55				1,350.55	
Recycling Tonnage Rebate Program	37,739.32				37,739.32	
Total Local Grants	40,853.08	-	-	-	40,853.08	-
	<u>\$ 1,748,245.75</u>	<u>\$ 594,079.00</u>	<u>\$ 1,941,463.86</u>	<u>\$ 103,269.65</u>	<u>\$ 383,317.55</u>	<u>\$ (85,726.31)</u>
Disbursed			\$ 457,499.83			
Contracts Payable			1,481,964.03			
Reserve for Encumbrances			2,000.00			
			<u>\$ 1,941,463.86</u>			

BOROUGH OF LINDENWOLD
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 3,084.10
Increased by:	
Charged to Appropriated Reserves	<u>2,000.00</u>
	5,084.10
Decreased by:	
Disbursed	<u>3,084.10</u>
Balance Dec. 31, 2018	<u><u>\$ 2,000.00</u></u>

Exhibit SA-27

FEDERAL AND STATE GRANT FUND
Statement of Contracts Payable
For the Year Ended December 31, 2018

Charged to Appropriated Reserves	\$ 1,481,964.03
Decreased by:	
Disbursed	<u>1,069,926.40</u>
Balance Dec. 31, 2018	<u><u>\$ 412,037.63</u></u>

BOROUGH OF LINDENWOLD
FEDERAL AND STATE GRANT FUND
Statement of Due to Current Fund
For the Year Ended December 31, 2018

Receipts:

Interfund Loans Advanced	\$ 260,455.86	
Canceled Federal and State Grants--Appropriated	<u>103,269.65</u>	
		\$ 363,725.51
Decreased by:		
Canceled Federal and State Grants Receivable		<u>107,632.48</u>
Balance Dec. 31, 2018		<u><u>\$ 256,093.03</u></u>

SUPPLEMENTAL EXHIBITS

TRUST FUND

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

	<u>Animal Control</u>	<u>Other</u>
Balance Dec. 31, 2017	\$ 3,825.92	\$ 819,402.50
Increased by Receipts:		
Due Current Fund	\$ 1,777.08	\$ 64,725.72
Reserve for Animal Control Expenditures	3,793.80	
Due to State of New Jersey--State Registration Fees	391.20	
Payroll Deductions Payable		3,395,090.22
Reserve for New Jersey Unemployment Compensation Insurance		35,269.71
Reserve for Recycling Program		7,869.56
Reserve for Federal Forfeitures		7.11
Reserve for Escrow Deposits		1,243,586.14
Reserve for Special Law Enforcement		17,041.46
Reserve for Municipal Drug Alliance		9,415.00
Reserve for Park Rentals		8,050.00
Reserve for Public Defender Fees		5,389.82
Cash Performance Bonds		7,189.19
Reserve for POAA Fees		24.00
Reserve for Police Outside Services		700,566.30
Reserve for Accumulated Leave Compensation		45,000.00
Reserve for Annual Recognition Dinner		2,000.00
Reserve for Street Opening Deposits		4,500.00
Net Payroll	4,731,108.89	
	<u>5,962.08</u>	<u>10,276,833.12</u>
	9,788.00	11,096,235.62

(Continued)

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

	<u>Animal Control</u>	<u>Other</u>
Decreased by Disbursements:		
Due Current Fund	\$ 44.68	\$ 25,156.78
Reserve for Animal Control Expenditures	672.00	
Due to State of New Jersey--State Registration Fees	384.00	
Payroll Deductions Payable		3,390,608.98
Reserve for New Jersey Unemployment Compensation Insurance		24,411.33
Reserve for Recycling Program		4,895.00
Reserve for Escrow Deposits		380,788.67
Reserve for Special Law Enforcement		15,190.50
Reserve for Municipal Drug Alliance		13,605.20
Reserve for Park Rentals		6,524.61
Reserve for Public Defender Fees		6,441.34
Cash Performance Bonds		6,145.00
Reserve for POAA Fees		835.00
Reserve for Police Outside Services		704,782.39
Reserve for Accumulated Leave Compensation		6,461.19
Reserve for Annual Recognition Dinner		2,192.37
Due to State of New Jersey		19,366.15
Net Payroll	<u> </u>	<u>4,731,108.89</u>
	<u>\$ 1,100.68</u>	<u>\$ 9,338,513.40</u>
Balance Dec. 31, 2018	<u><u>\$ 8,687.32</u></u>	<u><u>\$ 1,757,722.22</u></u>

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

Balance Dec. 31, 2017		\$ 614,409.59
Increased by Receipts:		
Deposits for Redemption of Tax Title Liens	\$ 650,425.86	
Premiums Received at Tax Sale	69,500.00	
Due Current Fund	<u>3,375.84</u>	
		<u>723,301.70</u>
		1,337,711.29
Decreased by Disbursements:		
Deposits for Redemption of Tax Title Liens	674,456.71	
Premiums Received at Tax Sale	343,100.00	
Due Current Fund	<u>3,101.63</u>	
		<u>1,020,658.34</u>
Balance Dec. 31, 2018		<u><u>\$ 317,052.95</u></u>

BOROUGH OF LINDENWOLD
TRUST OTHER FUND
Statement of Due from Current Fund
For the Year Ended December 31, 2018

Balance Dec. 31, 2017			\$ 18,547.64
Increased by:			
Disbursements:			
Interfund Loans Paid:			
Treasurer	\$ 24,432.25		
Collector	3,101.63		
Disbursed for Current Fund:			
2018 Appropriations	<u>724.53</u>		
		\$ 28,258.41	
2017 Appropriation Reserves:			
Reserve for Accumulated Leave Compensation		<u>30,000.00</u>	
			<u>58,258.41</u>
			76,806.05
Decreased by:			
Receipts:			
Interest Earned on Deposits:			
Treasurer	2,657.95		
Collector	3,375.84		
Interfund Loans Received:			
Treasurer	41,223.86		
Collected for Current Fund:			
Miscellaneous Revenue Not Anticipated	<u>20,843.91</u>		
		68,101.56	
Disbursed by Current Fund:			
Reserve for Municipal Drug Alliance		<u>7,325.00</u>	
			<u>75,426.56</u>
Balance Dec. 31, 2018			<u><u>\$ 1,379.49</u></u>

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

Balance Dec. 31, 2017		\$ 3,817.75
Increased by:		
Dog License Fees:		
Collected		3,793.80
		<u>3,793.80</u>
		7,611.55
Decreased by:		
Expenditures Under R.S.4:19-15.11:		
Disbursed	\$ 672.00	
Statutory Excess Due Current Fund	<u>2,014.15</u>	
		<u>2,686.15</u>
Balance Dec. 31, 2018		<u><u>\$ 4,925.40</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2016	\$ 2,420.00
2017	<u>2,505.40</u>
	<u><u>\$ 4,925.40</u></u>

Exhibit SB-5

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

Balance Dec. 31, 2017	\$ 7.20
Increased by:	
Receipts:	
State Registration Fees Collected	391.20
	<u>398.40</u>
Decreased by:	
Disbursements	<u>384.00</u>
Balance Dec. 31, 2018	<u><u>\$ 14.40</u></u>

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

Balance Dec. 31, 2017			\$	0.97
Increased by:				
Receipts:				
Interest Earned on Deposits	\$	52.08		
Collected for Current Fund:				
Alcoholic Beverages License		<u>1,725.00</u>		
			\$	1,777.08
Statutory Excess in Reserve for Animal Control Fund Expenditures			<u>2,014.15</u>	
				<u>3,791.23</u>
				3,792.20
Decreased by:				
Interfund Loans Returned				<u>44.68</u>
Balance Dec. 31, 2018			<u>\$</u>	<u>3,747.52</u>

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

Balance Dec. 31, 2017	\$ 99,301.65
Increased by:	
Payroll Deductions and Employer's Share FICA and SUI	<u>3,395,090.22</u>
	3,494,391.87
Decreased by:	
Disbursed	<u>3,390,608.98</u>
Balance Dec. 31, 2018	<u><u>\$ 103,782.89</u></u>
<u>Analysis of Balance Dec. 31, 2018</u>	
Public Employees' Retirement System (PERS)	\$ 24,284.38
Police and Firemen's Retirement System (PFRS)	45,059.44
FWT	(302.18)
NJSUI	(221.39)
NJSIT	(34.26)
DCRP	1,326.82
Union Dues	34,037.61
Garnishments	110.67
FSA	4.33
AFLAC	(88.32)
Miscellaneous	1,297.41
Colonial Ins	18.61
Unallocated	<u>(1,710.23)</u>
	<u><u>\$ 103,782.89</u></u>

BOROUGH OF LINDENWOLD
TRUST OTHER FUND
Statement of Reserve for Unemployment Compensation Insurance Trust Fund
For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 91,150.38
Increased by:		
Receipts:		
Employee Deductions	\$ 9,742.21	
2018 Budget Appropriations	25,000.00	
Interest Earned on Deposits	<u>527.50</u>	
		<u>35,269.71</u>
		126,420.09
Decreased by:		
Payment of Claims and Assessments		<u>24,411.33</u>
Balance Dec. 31, 2018		<u><u>\$ 102,008.76</u></u>

Exhibit SB-9

TRUST OTHER FUND
Statement of Reserve for Recycling Program
For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 33,539.35
Increased by:		
Receipts		<u>7,869.56</u>
		41,408.91
Decreased by:		
Disbursed		<u>4,895.00</u>
Balance Dec. 31, 2018		<u><u>\$ 36,513.91</u></u>

BOROUGH OF LINDENWOLD
TRUST OTHER FUND
Statement of Deposits for Redemption of Tax Title Liens
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 47,445.46
Increased by:	
Deposits for Redemption of Tax Title Liens	<u>650,425.86</u>
	697,871.32
Decreased by:	
Disbursements:	
Redemption of Tax Title Liens	<u>674,456.71</u>
Balance Dec. 31, 2018	<u><u>\$ 23,414.61</u></u>

Exhibit SB-11

TRUST OTHER FUND
Statement of Reserve for Federal Forfeitures
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 1,002.53
Increased by:	
Receipts:	
Interest Earned on Deposits	<u>7.11</u>
Balance Dec. 31, 2018	<u><u>\$ 1,009.64</u></u>

BOROUGH OF LINDENWOLD
TRUST OTHER FUND
Statement of Reserve for Escrow Deposits
For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 78,356.36
Increased by:		
Escrow Deposits	\$ 1,243,364.75	
Interest Earned on Deposits	<u>221.39</u>	
		<u>1,243,586.14</u>
		1,321,942.50
Decreased by:		
Disbursed		<u>380,788.67</u>
Balance Dec. 31, 2018		<u><u>\$ 941,153.83</u></u>

Exhibit SB-13

TRUST OTHER FUND
Statement of Reserve for Special Law Enforcement
For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 24,838.38
Increased by:		
Receipts:		
Asset Forfeitures	\$ 16,836.59	
Interest Earned on Deposits	<u>204.87</u>	
		<u>17,041.46</u>
		41,879.84
Decreased by:		
Disbursements		<u>15,190.50</u>
Balance Dec. 31, 2018		<u><u>\$ 26,689.34</u></u>

BOROUGH OF LINDENWOLD
TRUST OTHER FUND
Statement of Reserve for Municipal Drug Alliance
For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 46,148.65
Increased by:		
Receipts		<u>9,415.00</u>
		55,563.65
Decreased by:		
Disbursed	\$ 13,605.20	
Disbursed by Current Fund	<u>7,325.00</u>	
Disbursed		<u>20,930.20</u>
Balance Dec. 31, 2018		<u><u>\$ 34,633.45</u></u>

Exhibit SB-15

TRUST OTHER FUND
Statement of Premiums Received at Tax Sale
For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 566,800.00
Increased by:		
Premiums Collected		<u>69,500.00</u>
		636,300.00
Decreased by:		
Disbursed:		
Forfeited Premiums to Current Fund	\$ 98,100.00	
Refunds upon Redemption	<u>245,000.00</u>	
		<u>343,100.00</u>
Balance Dec. 31, 2018		<u><u>\$ 293,200.00</u></u>

BOROUGH OF LINDENWOLD
TRUST OTHER FUND
Statement of Reserve for Park Rentals
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 3,290.34
Increased by:	
Receipts	<u>8,050.00</u>
	11,340.34
Decreased by:	
Disbursed	<u>6,524.61</u>
Balance Dec. 31, 2018	<u><u>\$ 4,815.73</u></u>

Exhibit SB-17

TRUST OTHER FUND
Statement of Reserve for Public Defender Fees
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 5,571.88
Increased by:	
Receipts	<u>5,389.82</u>
	10,961.70
Decreased by:	
Disbursed	<u>6,441.34</u>
Balance Dec. 31, 2018	<u><u>\$ 4,520.36</u></u>

BOROUGH OF LINDENWOLD
TRUST OTHER FUND
Statement of Cash Performance Bonds
For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 117,959.05
Increased by:		
Receipts	\$ 7,026.27	
Interest Earned on Deposits	162.92	
		<u>7,189.19</u>
		125,148.24
Decreased by:		
Disbursed		<u>6,145.00</u>
Balance Dec. 31, 2018		<u><u>\$ 119,003.24</u></u>

Exhibit SB-19

TRUST OTHER FUND
Statement of Reserve for POAA Fees
For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 1,832.50
Increased by:		
Fees Collected		<u>24.00</u>
		1,856.50
Decreased by:		
Disbursed		<u>835.00</u>
Balance Dec. 31, 2018		<u><u>\$ 1,021.50</u></u>

BOROUGH OF LINDENWOLD
TRUST OTHER FUND
Statement of Reserve for Police Outside Services
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 136,795.43
Increased by:	
Receipts	<u>700,566.30</u>
	837,361.73
Decreased by:	
Disbursed	<u>704,782.39</u>
Balance Dec. 31, 2018	<u><u>\$ 132,579.34</u></u>

Exhibit SB-21

TRUST OTHER FUND
Statement of Reserve for Accumulated Leave Compensation
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 164,572.34
Increased by:	
Receipts:	
2018 Budget Appropriations	\$ 45,000.00
Due from Current Fund:	
2017 Appropriation Reserves	<u>30,000.00</u>
	<u>75,000.00</u>
	239,572.34
Decreased by:	
Disbursed	<u>6,461.19</u>
Balance Dec. 31, 2018	<u><u>\$ 233,111.15</u></u>

BOROUGH OF LINDENWOLD
TRUST OTHER FUND
Statement of Reserve for Annual Recognition Dinner
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 252.65
Increased by:	
Receipts	<u>2,000.00</u>
	2,252.65
Decreased by:	
Disbursed	<u>2,192.37</u>
Balance Dec. 31, 2018	<u><u>\$ 60.28</u></u>

Exhibit SB-23

TRUST OTHER FUND
Statement of Due to/from State of New Jersey--Unemployment Compensation
For the Year Ended December 31, 2018

Balance Dec. 31, 2017 (Due to)	\$ 19,170.07
Decreased by:	
Disbursed	<u>19,366.15</u>
Balance Dec. 31, 2018 (Due from)	<u><u>\$ 196.08</u></u>

BOROUGH OF LINDENWOLD
TRUST OTHER FUND
Statement of Reserve for Street Opening Deposits
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 4,280.00
Increased by:	
Receipts	<u>4,500.00</u>
Balance Dec. 31, 2018	<u><u>\$ 8,780.00</u></u>

SUPPLEMENTAL EXHIBITS
GENERAL CAPITAL FUND

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

Balance Dec. 31, 2017		\$ 2,696,911.78
Increased by Receipts:		
Due Current Fund	\$ 15,862.70	
		<u>15,862.70</u>
		2,712,774.48
Decreased by Disbursements:		
Due Current Fund	17,141.54	
Contracts Payable	510,602.72	
Improvement Authorizations	101,326.06	
Reserve for Payment of Bonds	<u>148,711.60</u>	
		<u>777,781.92</u>
Balance Dec. 31, 2018		<u><u>\$ 1,934,992.56</u></u>

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

		<u>Receipts</u>		<u>Disbursements</u>				
	Balance <u>Dec. 31, 2017</u>	<u>Miscellaneous</u>		<u>Improvement Authorizations</u>	<u>Miscellaneous</u>	<u>Transfers</u>	<u>To</u>	Balance <u>Dec. 31, 2018</u>
						<u>From</u>		
Fund Balance	\$ 38,850.76							\$ 38,850.76
Contracts Payable	291,661.28				\$ 510,602.72		\$ 218,941.44	
Reserve for Encumbrances	5,746.98					\$ 5,746.98	18,097.16	18,097.16
Reserve for Payment of Bonds					148,711.60		148,711.60	
Due Current Fund	(2,006.69)	\$ 15,862.70			17,141.54	175,626.00		(178,911.53)
Overexpenditures of Ordinance Appropriations	(150,626.00)						150,626.00	
Improvement Authorizations:								
Ordinance								
<u>Number</u>								
1141 Conversion of a 1989 Ford Sweeper to a Stake Body Truck and the Purchase of a Bucket Truck	28,317.00							28,317.00
1299 Acquisition of Various Pieces of Equipment and the Construction of Various Capital Improvements	42,676.05							42,676.05
1315 Acquisition of Various Pieces of Equipment and the Construction of Various Capital Improvements	148,711.60					148,711.60		
1327 Refunding Bond Ordinance Providing Funds to Pay an Emergency Appropriation (Settlement of Litigation)	11,097.99							11,097.99
1362 Acquisition of Various Pieces of Equipment and the Construction of Various Capital Improvements	134,511.17			\$ 34,132.80		17,490.00	25,000.00	107,888.37
2014-2 Acquisition of Various Pieces of Equipment and the Construction of Various Capital Improvements	(325.00)							(325.00)

(Continued)

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

		<u>Receipts</u>		<u>Disbursements</u>		<u>Transfers</u>		
		<u>Balance</u>		<u>Improvement</u>		<u>From</u>	<u>To</u>	<u>Balance</u>
		<u>Dec. 31, 2017</u>	<u>Miscellaneous</u>	<u>Authorizations</u>	<u>Miscellaneous</u>			<u>Dec. 31, 2018</u>
Improvement Authorizations (Cont'd):								
Ordinance								
<u>Number</u>								
2015-11	Acquisition of Various Pieces of Equipment and the Completion of Various Capital Improvements	\$ 105,581.07					\$ 5,746.98	\$ 111,328.05
2017-11	Acquisition of Various Pieces of Equipment and the Construction of Various Capital Improvements	<u>2,042,715.57</u>		<u>\$ 67,193.26</u>		<u>\$ 219,548.60</u>		<u>1,755,973.71</u>
		<u>\$ 2,696,911.78</u>	<u>\$ 15,862.70</u>	<u>\$ 101,326.06</u>	<u>\$ 676,455.86</u>	<u>\$ 567,123.18</u>	<u>\$ 567,123.18</u>	<u>\$ 1,934,992.56</u>

BOROUGH OF LINDENWOLD
GENERAL CAPITAL FUND
Schedule of Deferred Charges to Future Taxation - Unfunded
As of December 31, 2018

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Amount</u>	Analysis of <u>Balance</u>
				<u>Expenditures</u>
	General Improvements:			
2014-02	Acquisition of Various Pieces of Equipment and the Construction of Various Capital Improvements	11-05-14	\$ <u>325.00</u>	\$ <u>325.00</u>

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

Balance Dec. 31, 2017		\$ 6,607,891.98
Decreased by:		
2018 Budget Appropriations to Pay:		
Serial Bonds	\$ 521,000.00	
Green Acres Loans	16,949.17	
		<u>537,949.17</u>
Balance Dec. 31, 2018		<u><u>\$ 6,069,942.81</u></u>

Exhibit SC-5

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

Balance Dec. 31, 2017		\$ 2,006.69
Increased by:		
Disbursed:		
Interfund Loans Returned	\$ 15,261.28	
For 2018 Appropriations	1,880.26	
		<u>17,141.54</u>
		\$ 17,141.54
Charged to 2018 Budget Appropriations:		
Deferred Charges:		
Overexpenditure of Ordinance Appropriations	150,626.00	
Collected by Current Fund:		
Improvement Authorizations Refunds	25,000.00	
		<u>192,767.54</u>
		194,774.23
Decreased by:		
Receipts:		
Interest Earned on Deposits		<u>15,862.70</u>
Balance Dec. 31, 2018		<u><u>\$ 178,911.53</u></u>

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

Balance Dec. 31, 2017	\$ 291,661.28
Increased by:	
Charged to Improvement Authorizations	<u>218,941.44</u>
	510,602.72
Decreased by:	
Disbursed	<u><u>\$ 510,602.72</u></u>

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

Balance Dec. 31, 2017	\$ 5,746.98
Increased by:	
Charged to Improvement Authorizations	<u>18,097.16</u>
	23,844.14
Decreased by:	
Canceled	<u>5,746.98</u>
Balance Dec. 31, 2018	<u><u>\$ 18,097.16</u></u>

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

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2017			Funded by Budget Appropriation	Paid or Charged	Prior Year Orders Canceled	Canceled	Balance Dec. 31, 2018	
		Date	Amount	Funded	Unfunded	Overexpended					Funded	Unfunded
General Improvements:												
1141	Conversion of a 1989 Ford Sweeper to a Stake Body Truck and the Purchase of a Bucket Truck	12-10-03	\$ 55,000.00	\$ 28,317.00							\$ 28,317.00	
1299	Acquisition of Various Pieces of Equipment and the Construction of Various Capital Improvements	10-12-11	1,355,000.00	42,676.05							42,676.05	
1315	Acquisition of Various Pieces of Equipment and the Construction of Various Capital Improvements	4-11-12	681,160.00	148,711.60						\$ 148,711.60		
1327	Refunding Bond Ordinance Providing Funds to Pay an Emergency Appropriation (Settlement of Litigation)	11-14-12	380,000.00	11,097.99							11,097.99	
1362	Acquisition of Various Pieces of Equipment and the Construction of Various Capital Improvements	7-04-14	500,000.00	134,511.17				\$ 51,622.80	\$ 25,000.00		107,888.37	
2015-11	Acquisition of Various Pieces of Equipment and the Completion of Various Capital Improvements	8-12-15	500,000.00	105,581.07		\$ 150,626.00	\$ 150,626.00		5,746.98		111,328.05	
2017-11	Acquisition of Various Pieces of Equipment and the Construction of Various Capital Improvements	7-26-17	2,379,800.00	2,042,715.57				286,741.86			1,755,973.71	
				<u>\$ 2,513,610.45</u>	<u>\$ -</u>	<u>\$ 150,626.00</u>	<u>\$ 150,626.00</u>	<u>\$ 338,364.66</u>	<u>\$ 30,746.98</u>	<u>\$ 148,711.60</u>	<u>\$ 2,057,281.17</u>	<u>\$ -</u>
Contracts Payable								\$ 218,941.44				
Reserve for Encumbrances								18,097.16	\$ 5,746.98			
Refunds - Due Current Fund									25,000.00			
Disbursed								<u>101,326.06</u>				
								<u>\$ 338,364.66</u>	<u>\$ 30,746.98</u>			

BOROUGH OF LINDENWOLD
GENERAL CAPITAL FUND
Statement of Reserve for Payment of Bonds
For the Year Ended December 31, 2018

Improvement Authorizations Canceled	\$ 148,711.60
Decreased by:	
Disbursed:	
Anticipated as Revenue in Current Fund Budget	<u>\$ 148,711.60</u>

128

BOROUGH OF LINDENWOLD
GENERAL CAPITAL FUND
Statement of General Serial Bonds
For the Year Ended December 31, 2018

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2018</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2018</u>
			<u>Date</u>	<u>Amount</u>				
General Improvement Bonds, Series 2012	6-7-12	\$ 2,373,360.00	6-1-19	\$ 180,000.00	2.000%			
			6-1-20	190,000.00	2.000%			
			6-1-21	190,000.00	2.500%			
			6-1-22	200,000.00	2.500%			
			6-1-23	200,000.00	2.500%			
			6-1-24	200,000.00	3.250%			
			6-1-25	200,000.00	3.250%			
			6-1-26	203,360.00	3.250%	\$ 1,733,360.00	\$ 170,000.00	\$ 1,563,360.00
General Improvement Bonds, Series 2017	9-28-17	4,791,000.00	3-15-19	350,000.00	2.000%			
			3-15-20	355,000.00	2.000%			
			3-15-21	365,000.00	2.000%			
			3-15-22	365,000.00	2.000%			
			3-15-23	385,000.00	2.000%			
			3-15-24	410,000.00	2.000%			
			3-15-25	425,000.00	2.000%			
			3-15-26	440,000.00	2.000%			
			3-15-27	665,000.00	2.250%			
			3-15-28	680,000.00	2.500%	4,791,000.00	351,000.00	4,440,000.00
						<u>\$ 6,524,360.00</u>	<u>\$ 521,000.00</u>	<u>\$ 6,003,360.00</u>

BOROUGH OF LINDENWOLD
GENERAL CAPITAL FUND
Schedule of Bonds and Notes Authorized But Not Issued
As of December 31, 2018

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Amount</u>
	General Improvements:	
2014-02	Acquisition of Various Pieces of Equipment and the Construction of Various Capital Improvements	<u>\$ 325.00</u>

SUPPLEMENTAL EXHIBITS

SEWER UTILITY FUND

BOROUGH OF LINDENWOLD
SEWER UTILITY FUND
Statement of Sewer Utility Cash
Per N.J.S.A. 40A:5-5--Treasurer
For the Year Ended December 31, 2018

	<u>Operating</u>	<u>Capital</u>
Balance Dec. 31, 2017	\$ 1,822,840.81	\$ 1,484,998.01
Increased by Receipts:		
Miscellaneous Revenues:		
Interest Earned on Deposits	\$ 14,374.52	
Miscellaneous	449.98	
Sewer Collector	1,493,260.31	
Due Current Fund	3,839.99	
Due Sewer Utility Operating Fund		\$ 10,035.17
Due Sewer Utility Capital Fund	10,035.17	
Contra	12,593.04	
Petty Cash	150.00	
	<u>1,534,703.01</u>	<u>10,035.17</u>
	3,357,543.82	1,495,033.18
Decreased by Disbursements:		
2018 Budget Appropriations	987,209.01	
2017 Appropriation Reserves	23,287.06	
Refund of Prior Year Revenue	139.00	
Sewer Rental Overpayments	139.00	
Accrued Interest on Bonds and Notes	78,852.65	
Improvement Authorizations		48,414.99
Reserve for Encumbrances		5,875.00
Contracts Payable		43,624.25
Due Current Fund	18,288.35	
Due Sewer Utility Operating Fund		10,035.17
Contra	12,593.04	
Petty Cash	150.00	
	<u>1,120,658.11</u>	<u>107,949.41</u>
Balance Dec. 31, 2018	<u><u>\$ 2,236,885.71</u></u>	<u><u>\$ 1,387,083.77</u></u>

BOROUGH OF LINDENWOLD
SEWER UTILITY CAPITAL FUND
 Analysis of Sewer Utility Capital Cash
 For the Year Ended December 31, 2018

		<u>Receipts</u>		<u>Disbursements</u>		<u>Transfers</u>		
		<u>Balance</u>	<u>Miscellaneous</u>	<u>Improvement</u>	<u>Miscellaneous</u>	<u>From</u>	<u>To</u>	<u>Balance</u>
		<u>Dec. 31, 2017</u>		<u>Authorizations</u>				<u>Dec. 31, 2018</u>
Improvement Authorizations:								
General Improvements:								
Ordinance								
Number:								
1018)								
1024)								
1028)								
1070)	Various Capital Improvements	\$ 3,230.45						\$ 3,230.45
1055	Upgrading of Pump Station No. 9 and the Acquisition of Equipment	10,770.70		\$ 9,815.00				955.70
1076	Upgrading of Pump Station No. 14 and the Acquisition of Equipment	54,284.83						54,284.83
1096	Upgrading of Pump Station No. 14 and the Acquisition of Equipment	8,035.33		4,787.38				3,247.95
1121	Upgrading of Pump Station No. 2 and the Acquisition of Various Pieces of Equipment and Construction of Various Sewer Improvements	836.76						836.76
1201	Acquisition of Various Pieces of Sewer Equipment and the Completion of Various Sewer Utility Capital Improvements	12,083.25						12,083.25
1300	Completion of Various Sewer Improvements	35,990.37						35,990.37
1316	Acquisition of Various Equipment for the Sewer Utility	75,077.62						75,077.62
1363	Acquisition of Various Equipment for the Sewer Utility	90,702.46						90,702.46

(Continued)

BOROUGH OF LINDENWOLD
SEWER UTILITY CAPITAL FUND
 Analysis of Sewer Utility Capital Cash
 For the Year Ended December 31, 2018

		<u>Receipts</u>		<u>Disbursements</u>			
	Balance Dec. 31, 2017	<u>Miscellaneous</u>	<u>Improvement Authorizations</u>	<u>Miscellaneous</u>	<u>From</u>	<u>Transfers</u> <u>To</u>	Balance Dec. 31, 2018
Improvement Authorizations:							
General Improvements:							
Ordinance							
Number:							
2014-03 Various Improvements to Pump Station No. 1	\$ 187,155.08		\$ 16,710.61				\$ 170,444.47
2015-12 Acquisition of Various Pieces of Equipment and the Completion of Various Capital Improvements for the Sewer Utility	169,924.00		2,470.00				167,454.00
2017-12 Acquisition of Various Pieces of Equipment and the Completion of Various Capital Improvements for the Sewer Utility	798,859.03		14,632.00		\$ 43,624.25		740,602.78
Fund Balance	32,173.13						32,173.13
Accrued Interest on Bonds and Notes							
Contracts Payable				\$ 43,624.25		\$ 43,624.25	
Reserve for Encumbrances	5,875.00			5,875.00			
Due Sewer Utility Operating Fund		\$ 10,035.17		10,035.17			
	<u>\$ 1,484,998.01</u>	<u>\$ 10,035.17</u>	<u>\$ 48,414.99</u>	<u>\$ 59,534.42</u>	<u>\$ 43,624.25</u>	<u>\$ 43,624.25</u>	<u>\$ 1,387,083.77</u>

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

Receipts:

Consumer Accounts Receivable	\$ 1,098,005.12
Sewer Rental Overpayments	556.00
Sewer Liens Receivable	3,247.37
Sewer Rental Prepayments	349,845.12
Miscellaneous Revenues:	
Interest on Delinquent Accounts	30,029.07
Service Calls	8,977.63
Connection Fees	2,600.00
	<hr/>
	1,493,260.31

Decreased by:

Payments to Treasurer	<u><u>\$ 1,493,260.31</u></u>
-----------------------	-------------------------------

Exhibit SD-4

SEWER UTILITY OPERATING FUND
Schedule of Change Funds
As of December 31, 2018

<u>Office</u>	<u>Amount</u>
Collector	<u><u>\$ 250.00</u></u>

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

Balance Dec. 31, 2017		\$ 98,362.51
Increased by:		
Billings (Net)		<u>1,505,362.67</u>
		1,603,725.18
Decreased by:		
Collected	\$ 1,098,005.12	
Collected by Current Fund	138.49	
Transferred to Sewer Utility Liens	27,308.48	
Sewer Rental Prepayments Applied	367,469.60	
Sewer Rental Overpayments Applied	<u>1,998.92</u>	
		<u>1,494,920.61</u>
Balance Dec. 31, 2018		<u><u>\$ 108,804.57</u></u>

Exhibit SD-6

BOROUGH OF LINDENWOLD
SEWER UTILITY OPERATING FUND
Statement of Sewer Rental Overpayments
For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 3,890.25
Increased by:		
2018 Overpayments		<u>556.00</u>
		4,446.25
Decreased by:		
Applied to Consumer Accounts Receivable	\$ 1,998.92	
Refunded	<u>139.00</u>	
		<u>2,137.92</u>
Balance Dec. 31, 2018		<u><u>\$ 2,308.33</u></u>

BOROUGH OF LINDENWOLD
SEWER UTILITY OPERATING FUND
Statement of Sewer Liens Receivable
For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$ 165,624.94
Increased by:		
Transferred from Consumer Accounts Receivable	\$ 27,308.48	
Interest and Costs Accrued by Sale of October 25, 2018	<u>281.24</u>	
		<u>27,589.72</u>
		193,214.66
Decreased by:		
Collected	3,247.37	
Collected by Current Fund	<u>480.00</u>	
		<u>3,727.37</u>
Balance Dec. 31, 2018		<u><u>\$ 189,487.29</u></u>

BOROUGH OF LINDENWOLD
SEWER UTILITY OPERATING FUND
Statement of 2017 Appropriation Reserves
For the Year Ended December 31, 2018

	Balance Dec. 31, 2017		Balance After		Balance
	<u>Encumbered</u>	<u>Reserves</u>	<u>Modification</u>	<u>Disbursed</u>	<u>Lapsed</u>
Operating:					
Salaries and Wages		\$ 1,732.41	\$ 1,732.41		\$ 1,732.41
Other Expenses	\$ 19,450.14	178,870.77	198,320.91	\$ 23,287.06	175,033.85
Statutory Expenditures:					
Contribution to:					
Social Security System		3,991.35	3,991.35		3,991.35
	<u>\$ 19,450.14</u>	<u>\$ 184,594.53</u>	<u>\$ 204,044.67</u>	<u>\$ 23,287.06</u>	<u>\$ 180,757.61</u>

Exhibit SD-9

SEWER UTILITY OPERATING FUND
Statement of Sewer Rental Prepayments
For the Year Ended December 31, 2018

Balance Dec. 31, 2017 (2018 Rents)	\$ 367,469.60
Increased by:	
Collections--2019 Rents	<u>349,845.12</u>
	717,314.72
Decreased by:	
Application to Consumer Accounts Receivable	<u>367,469.60</u>
Balance Dec. 31, 2018 (2019 Rents)	<u>\$ 349,845.12</u>

BOROUGH OF LINDENWOLD
SEWER UTILITY CAPITAL FUND
Statement of Due to Sewer Utility Operating Fund
For the Year Ended December 31, 2018

Receipts:

Interest Earned on Deposits	\$ 10,035.17
-----------------------------	--------------

Decreased by:

Disbursements:

Interfund Loans Returned	<u>\$ 10,035.17</u>
--------------------------	---------------------

BOROUGH OF LINDENWOLD
SEWER UTILITY OPERATING FUND
Statement of Due from/to Current Fund
For the Year Ended December 31, 2018

Balance Dec. 31, 2017 (Due from)			\$	3,839.99
Increased by:				
Disbursed for Current Fund:				
Tax Overpayments			\$	18,288.35
Collected by Current Fund:				
Consumer Accounts Receivable	\$	138.49		
Sewer Liens Receivable		480.00		
Interest on Delinquent Accounts		144.29		
				<u>762.78</u>
				<u>19,051.13</u>
				22,891.12
Decreased by:				
Disbursed by Current Fund:				
2018 Appropriations		178,789.15		
Interfund Loans Received		3,839.99		
				<u>182,629.14</u>
Balance Dec. 31, 2018 (Due to)			\$	<u><u>159,738.02</u></u>

BOROUGH OF LINDENWOLD
SEWER UTILITY CAPITAL FUND
Statement of Fixed Capital
For the Year Ended December 31, 2018

<u>Description</u>	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Additions by</u> <u>Ordinance</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
Sewerage Collection System	\$ 3,695,584.47		\$ 3,695,584.47
Plant Building	38,394.14		38,394.14
Pumping Stations	1,222,426.01		1,222,426.01
Land, Rights-of-Way Easements	51,674.54		51,674.54
Engineering	316,336.01		316,336.01
Contingencies	23,818.69		23,818.69
Inspection and Coordination	54,200.00		54,200.00
Legal and Administration	151,862.84		151,862.84
Bond Interest Capitalized	161,442.74		161,442.74
Bond Discount	93,000.00		93,000.00
Capitalized Operating Expenses	25,000.00		25,000.00
Purchase of Truck, Sewer Cleaning Equipment and Office Machines	260,949.12		260,949.12
Vacuum Filter Design	28,492.00		28,492.00
Automatic Chemical Feed System	21,492.62		21,492.62
Administration Building, Furnishings and Fixtures	162,361.33		162,361.33
Chain Link Fence	6,913.63		6,913.63
Utility Vehicle and Station Wagon	16,315.00		16,315.00
TV Inspection and Sealing System	88,117.00		88,117.00
Alarm System	3,257.85		3,257.85
Pick-up Trucks	103,483.53		103,483.53
Office Equipment	41,835.26		41,835.26
Computer Equipment	68,718.71		68,718.71
Backhoe	37,523.00		37,523.00
Plant Equipment	30,984.06		30,984.06
Safety Equipment	140,838.17		140,838.17
Sewer Garage Facility	100,000.00		100,000.00
Street Sweeper	153,650.00		153,650.00
4 Wheel Drive Vehicle	28,444.78		28,444.78
Emergency Generator	98,558.63		98,558.63
Equipment Trailer	4,119.50		4,119.50
Skid Loader	15,105.22		15,105.22
Lateral Camera	8,290.87		8,290.87

(Continued)

BOROUGH OF LINDENWOLD
SEWER UTILITY CAPITAL FUND
Statement of Fixed Capital
For the Year Ended December 31, 2018

<u>Description</u>	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Additions by</u> <u>Ordinance</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
Upgrade to Pump Station #1	\$ 374,199.64		\$ 374,199.64
Expansion of Sewer Garage	159,019.29		159,019.29
Sewer Line Repairs - Park Avenue	113,502.08		113,502.08
Upgrade to Pump Station #9	280,948.31		280,948.31
Low Body Utility Truck	30,280.99		30,280.99
Upgrade to Pump Station #14	105,500.00		105,500.00
Man Hole Repairs	12,991.30		12,991.30
Upgrade to Pump Station #14	123,586.54		123,586.54
Upgrades and Generator to Pump Station #15	202,269.00		202,269.00
Generators Pump Stations #5, 7 & 10	43,411.24		43,411.24
Emergency Generators Pump Stations #3 & 8	72,350.00		72,350.00
Upgrades to TV Truck	71,383.00		71,383.00
Upgrade to Pump Station #2	200,000.00		200,000.00
2007 Ford F150 Pickup Truck	23,601.68		23,601.68
2008 Ford F250 Pickup Truck	26,963.91		26,963.91
Emergency Generator Pump Station #3	23,392.76		23,392.76
Upgrade Pump/Motors Pump Station #15	13,958.40		13,958.40
Upgrade Pump Stations #2, 3, 4 and 7		\$ 892,400.00	892,400.00
Total	<u>\$ 9,130,547.86</u>	<u>\$ 892,400.00</u>	<u>\$ 10,022,947.86</u>

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

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2017	Costs to Fixed Capital	Balance Dec. 31, 2018
		Date	Amount Authorized			
	General Improvements:					
1018)		8-13-97)				
1024)		3-11-98)				
1028)		6-10-98)				
1070)	Various Capital Improvements	3-08-00)	\$ 700,000.00	\$ 3,230.45		\$ 3,230.45
1055	Upgrading of Pump Station No. 9 and the Acquisition of Equipment	9-08-99	322,000.00	10,770.70		10,770.70
1076	Upgrading of Pump Station No. 14 and the Acquisition of Equipment	7-12-00	194,600.00	67,817.83		67,817.83
1096	Upgrading of Pump Station No. 14 and the Acquisition of Equipment	9-12-01	440,000.00	16,535.33		16,535.33
1121	Upgrading of Pump Station No. 2 and the Acquisition of Various Pieces of Equipment and Construction of Various Sewer Improvements	10-09-02	599,000.00	9,586.76		9,586.76

(Continued)

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

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance</u>		<u>Balance Dec. 31, 2017</u>	<u>Costs to Fixed Capital</u>	<u>Balance Dec. 31, 2018</u>
		<u>Date</u>	<u>Amount Authorized</u>			
1201	General Improvements: Acquisition of Various Pieces of Sewer Equipment and the Completion of Various Sewer Utility Capital Improvements	4-11-07	\$ 100,000.00	\$ 12,083.25		\$ 12,083.25
1229	Completion of Various Sewer Improvements	3-26-08	892,400.00	892,400.00	\$ 892,400.00	
1300	Completion of Various Sewer Improvements	10-12-11	546,826.00	546,826.00		546,826.00
1316	Acquisition of Various Equipment for the Sewer Utility	4-11-12	525,000.00	525,000.00		525,000.00
1363	Acquisition of Various Equipment for the Sewer Utility	7-02-14	200,000.00	200,000.00		200,000.00
2014-03	Various Improvements to Pump Station No. 1	11-05-14	1,000,000.00	1,000,000.00		1,000,000.00

(Continued)

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

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2017	Costs to Fixed Capital	Balance Dec. 31, 2018
		Date	Amount Authorized			
2015-12	General Improvements: Acquisition of Various Pieces of Equipment and the Completion of Various Capital Improvements for the Sewer Utility	8-12-15	\$ 200,000.00	\$ 200,000.00		\$ 200,000.00
2017-12	Acquisition of Various Pieces of Equipment and the Completion of Various Capital Improvements for the Sewer Utility	7-26-17	827,000.00	827,000.00		827,000.00
				<u>\$ 4,311,250.32</u>	<u>\$ 892,400.00</u>	<u>\$ 3,418,850.32</u>

BOROUGH OF LINDENWOLD
SEWER UTILITY OPERATING FUND
Statement of Accrued Interest on Bonds and Notes and Analysis of Balance
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 15,388.44
Increased by:	
Charged to Budget Appropriations	<u>79,082.19</u>
	94,470.63
Decreased by:	
Disbursed	<u>78,852.65</u>
Balance Dec. 31, 2018	<u><u>\$ 15,617.98</u></u>

Analysis of Accrued Interest Dec. 31, 2018

<u>Principal Outstanding Dec. 31, 2018</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Number of Days</u>	<u>Amount</u>
Bonds:					
\$ 1,291,640.00	2.656%	12-01-18	12-31-18	30	\$ 2,864.86
2,070,000.00	2.075%	9-15-18	12-31-18	105	<u>12,753.13</u>
					<u><u>\$ 15,617.98</u></u>

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

Balance Dec. 31, 2017	\$ 9,762,322.18
Increased by:	
Serial Bonds Paid by Operating Budget	<u>317,000.00</u>
Balance Dec. 31, 2018	<u><u>\$ 10,079,322.18</u></u>

Exhibit SD-16

SEWER UTILITY CAPITAL FUND
Statement of Contracts Payable
For the Year Ended December 31, 2018

Charged to Improvement Authorizations	\$ 43,624.25
Decreased by:	
Disbursed	<u><u>\$ 43,624.25</u></u>

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

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2017		Paid or Charged	Balance Dec. 31, 2018	
				Funded	Unfunded		Funded	Unfunded
	General Improvements:							
1018)		8-13-97)						
1024)		3-11-98)						
1028)		6-10-98)						
1070)	Various Capital Improvements	3-08-00)	\$ 700,000.00	\$ 3,230.45			\$ 3,230.45	
1055	Upgrading of Pump Station No. 9 and the Acquisition of Equipment	9-08-99	322,000.00	10,770.70		\$ 9,815.00	955.70	
1076	Upgrading of Pump Station No. 14 and the Acquisition of Equipment	7-12-00	194,600.00	54,284.83	\$ 600.00		54,284.83	\$ 600.00
1096	Upgrading of Pump Station No. 14 and the Acquisition of Equipment	9-12-01	440,000.00	8,035.33		4,787.38	3,247.95	
1121	Upgrading of Pump Station No. 2 and the Acquisition of Equipment	10-09-02	599,000.00	836.76	50.00		836.76	50.00
1201	Acquisition of Various Pieces of Sewer Equipment and the Completion of Various Sewer Utility Capital Improvements	4-11-07	100,000.00	12,083.25			12,083.25	
1300	Completion of Various Sewer Improvements	10-12-11	546,826.00	35,990.37	186.00		35,990.37	186.00
1316	Acquisition of Various Equipment for the Sewer Utility	4-11-12	525,000.00	75,077.62			75,077.62	
1363	Acquisition of Various Equipment for the Sewer Utility	7-02-14	200,000.00	90,702.46			90,702.46	
2014-03	Various Improvements to Pump Station No. 1	11-05-14	1,000,000.00	187,155.08		16,710.61	170,444.47	
2015-12	Acquisition of Various Pieces of Equipment and the Completion of Various Capital Improvements for the Sewer Utility	8-12-15	200,000.00	169,924.00		2,470.00	167,454.00	

(Continued)

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

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance Amount</u>	<u>Balance Dec. 31, 2017</u>		<u>Paid or Charged</u>	<u>Balance Dec. 31, 2018</u>	
				<u>Funded</u>	<u>Unfunded</u>		<u>Funded</u>	<u>Unfunded</u>
2017-12	Acquisition of Various Pieces of Equipment and the Completion of Various Capital Improvements for the Sewer Utility	7-26-17	\$ 827,000.00	\$ 798,859.03		\$ 58,256.25	\$ 740,602.78	
				<u>\$ 1,446,949.88</u>	<u>\$ 836.00</u>	<u>\$ 92,039.24</u>	<u>\$ 1,354,910.64</u>	<u>\$ 836.00</u>
Disbursed						\$ 48,414.99		
Contracts Payable						<u>43,624.25</u>		
						<u>\$ 92,039.24</u>		

BOROUGH OF LINDENWOLD
SEWER UTILITY CAPITAL FUND
Statement of Sewer Serial Bonds
For the Year Ended December 31, 2018

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2018</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2018</u>
			<u>Date</u>	<u>Amount</u>				
Sewer Utility Bonds, Series 2012	6-7-12	\$ 2,041,640.00	6-1-19	\$ 160,000.00	2.000%			
			6-1-20	160,000.00	2.000%			
			6-1-21	160,000.00	2.500%			
			6-1-22	160,000.00	2.500%			
			6-1-23	160,000.00	2.500%			
			6-1-24	160,000.00	3.250%			
			6-1-25	165,000.00	3.250%			
			6-1-26	166,640.00	3.250%	\$ 1,451,640.00	\$ 160,000.00	\$ 1,291,640.00
General Improvement Bonds, Series 2017	9-28-17	2,227,000.00	3-15-19	165,000.00	2.000%			
			3-15-20	170,000.00	2.000%			
			3-15-21	170,000.00	2.000%			
			3-15-22	175,000.00	2.000%			
			3-15-23	180,000.00	2.000%			
			3-15-24	190,000.00	2.000%			
			3-15-25	195,000.00	2.000%			
			3-15-26	205,000.00	2.000%			
			3-15-27	310,000.00	2.250%			
			3-15-28	310,000.00	2.500%	2,227,000.00	157,000.00	2,070,000.00
						<u>\$ 3,678,640.00</u>	<u>\$ 317,000.00</u>	<u>\$ 3,361,640.00</u>

BOROUGH OF LINDENWOLD
SEWER UTILITY CAPITAL FUND
Schedule of Bonds and Notes Authorized But Not Issued
As of December 31, 2018

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Amount</u>
1076	Upgrading of Pump Station No. 14 and the Acquisition of Equipment	\$ 600.00
1121	Upgrading of Pump Station No. 2 and the Acquisition of Various Pieces of Equipment and Construction of Various Sewer Improvements	50.00
1300	Completion of Various Sewer Utility Improvements	<u>186.00</u>
		<u><u>\$ 836.00</u></u>

PART 2
SINGLE AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2018

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND
STATE OF NEW JERSEY CIRCULAR 15-08-OMB**

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Lindenwold
Lindenwold, New Jersey 08021

Report on Compliance for Each Major Federal and State Program

We have audited the Borough of Lindenwold's, in the County of Camden, State of New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the Borough's major federal and state programs for the year ended December 31, 2018. The Borough's major federal and state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

Management's Responsibility

Management is responsible for compliance with the federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Borough's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Borough's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

In our opinion, the Borough of Lindenwold, in the County of Camden, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2018.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, and which is described in the accompanying *Schedule of Findings and Questioned Costs* as finding no. 2018-003. Our opinion on each major federal and state program is not modified with respect to this matter.

The Borough of Lindenwold's, in the County of Camden, State of New Jersey, response to the noncompliance finding identified in our audit is described in the accompanying *Schedule of Findings and Questioned Costs*. The Borough of Lindenwold's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the Borough of Lindenwold, in the County of Camden, State of New Jersey, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Borough's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Borough of Lindenwold's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and State of New Jersey Circular 15-08-OMB. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

A handwritten signature in cursive script that reads "Bowman & Company LLP".

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

A handwritten signature in cursive script that reads "Todd R. Saler".

Todd R. Saler
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
August 29, 2019

BOROUGH OF LINDENWOLD
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2018

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State Account Number</u>	<u>Program or Award Amount</u>	<u>Matching Contribution</u>	<u>Grant Period</u> <u>From</u> <u>To</u>	
<u>U.S. Department of Transportation</u>						
Highway Planning and Construction Cluster:						
Passed through New Jersey Department of Transportation:						
Highway Planning and Construction	20.205	078-6300-480-HJS	\$ 59,265.00	N/A	8-13-15	8-13-20
Highway Planning and Construction	20.205	078-6300-480-HJS	489,529.00	N/A	10-30-17	10-30-20
Highway Planning and Construction	20.205	078-6300-480-HJS	79,502.41	N/A	10-30-17	10-30-20
Highway Planning and Construction	20.205	078-6300-480-HST	371,037.21	N/A	9-13-17	9-13-20
Highway Planning and Construction	20.205	078-6300-480-HST	80,423.56	N/A	9-13-17	9-13-20
Total U.S. Department of Transportation, Highway Planning and Construction Cluster and CFDA # 20.205						
<u>U.S. Department of Housing and Urban Development</u>						
CDBG - Entitlement Grants Cluster:						
Passed through County of Camden:						
Community Development Block Grant	14.218	N/A	66,300.00	N/A	7-1-14	Project End
Community Development Block Grant	14.218	N/A	80,200.00	N/A	7-1-15	Project End
Community Development Block Grant	14.218	N/A	66,300.00	N/A	7-1-16	Project End
Community Development Block Grant	14.218	N/A	66,000.00	N/A	7-1-17	Project End
Community Development Block Grant	14.218	N/A	46,960.00	N/A	7-1-17	Project End
Total U.S. Department of Housing and Urban Development, CDBG - Entitlement Grants Cluster and CFDA # 14.218						
<u>U.S. Department of Justice</u>						
Bulletproof Vest Program	16.607	N/A	26.25	N/A	Unavailable	
Local Law Enforcement Grant--JAG Program	16.804	N/A	12,658.00	N/A	Unavailable	
Total U.S. Department of Justice						
Total Federal Awards						

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

Balance Dec. 31, 2017	Revenues Recognized	Expenditures	Expenditures to Subrecipients	Adjustments (A)	Balance Dec. 31, 2018	(Memo Only)	
						Cash Received	Accumulated Expenditures
\$ 3,279.61	\$ 21,775.00	\$ 542.85		\$ (22,060.27)	\$ 2,451.49		\$ 56,813.51
467,468.73		441,712.67		22,060.27	47,816.33	\$ 203,041.94	441,712.67
	79,502.41	66,402.80			13,099.61	24,511.08	66,402.80
318,825.21	52,212.00	358,535.42			12,501.79	286,099.82	358,535.42
80,423.56		63,291.98			17,131.58	39,141.88	63,291.98
869,997.11	153,489.41	930,485.72	-	-	93,000.80	552,794.72	986,756.38
3,306.81				(408.00)	2,898.81		62,993.19
48,613.90		48,613.90				80,200.00	80,200.00
66,300.00		66,300.00				66,300.00	66,300.00
	66,000.00	15,573.24			50,426.76	15,573.24	15,573.24
	46,960.00				46,960.00		
118,220.71	112,960.00	130,487.14		(408.00)	100,285.57	162,073.24	225,066.43
26.25		26.25					26.25
155.55		155.55					12,658.00
181.80	-	181.80	-	-	-	-	12,684.25
\$ 988,399.62	\$ 266,449.41	\$ 1,061,154.66	\$ -	\$ (408.00)	\$ 193,286.37	\$ 714,867.96	\$ 1,224,507.06

BOROUGH OF LINDENWOLD
Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2018

State Grantor/ Program Title	State	Program	Matching	Grant Period	
	GMIS Number	or Award Amount		Contribution	From
<u>State Department of Law and Public Safety</u>					
Body Armor Replacement Fund	066-1020-718-001	\$ 3,868.34	N/A	1-1-16	12-31-16
Body Armor Replacement Fund	066-1020-718-001	3,874.49	N/A	1-1-17	12-31-17
Drunk Driving Enforcement Grant	1110-448-031020-220040	4,290.80	N/A	1-1-16	12-31-16
Drunk Driving Enforcement Grant	1110-448-031020-220040	4,500.00	N/A	1-1-17	12-31-17
Drunk Driving Enforcement Grant	1110-448-031020-220040	3,000.00	N/A	1-1-18	12-31-18
Community Policing Grant	066-1020-100-117	1,977.00	N/A	1-1-17	12-31-17
Community Policing Grant	066-1020-100-117	1,730.62	N/A	1-1-18	12-31-18
Safe and Secure Communities	066-1020-100-232	90,000.00	N/A	1-1-17	12-31-17
Safe and Secure Communities	066-1020-100-232	90,000.00	N/A	1-1-18	12-31-18
Total State Department of Law and Public Safety					
<u>State Department of Environmental Protection</u>					
Recycling Tonnage Grant	042-4910-100-224	8,488.69	N/A	1-1-06	12-31-06
Recycling Tonnage Grant	042-4910-100-224	10,045.94	N/A	1-1-07	12-31-07
Recycling Tonnage Grant	042-4910-100-224	10,353.23	N/A	1-1-08	12-31-08
Recycling Tonnage Grant	042-4910-100-224	12,288.29	N/A	1-1-09	12-31-09
Recycling Tonnage Grant	042-4910-100-224	14,791.41	N/A	1-1-11	12-31-11
Recycling Tonnage Grant	042-4910-100-224	14,718.55	N/A	1-1-12	12-31-12
Recycling Tonnage Grant	042-4910-100-224	12,294.13	N/A	1-1-13	12-31-13
Recycling Tonnage Grant	042-4910-100-224	13,617.34	N/A	1-1-14	12-31-14
Recycling Tonnage Grant	042-4910-100-224	16,723.71	N/A	1-1-15	12-31-15
Recycling Tonnage Grant	042-4910-100-224	24,060.48	N/A	1-1-16	12-31-16
Recycling Tonnage Grant	042-4910-100-224	25,401.87	N/A	1-1-17	12-31-17
Recycling Tonnage Grant	042-4910-100-224	24,048.96	N/A	1-1-18	12-31-18
Clean Communities Program	042-4900-765-004	39,288.10	N/A	1-1-16	12-31-16
Clean Communities Program	042-4900-765-004	33,377.71	N/A	1-1-17	12-31-17
Clean Communities Program	042-4900-765-004	31,947.46	N/A	1-1-18	12-31-18
NJ Forest Service Stimulus Fund	Unavailable	7,000.00	N/A	1-1-10	12-31-10
Hazardous Discharges Site Remediation Fund	Unavailable	29,159.00	N/A	8-29-05	Project End
Total State Department of Environmental Protection					
<u>State Department of Treasury</u>					
Passed through County of Camden					
Municipal Alliance Program	100-082-C001-044	17,716.00	\$ 4,429.00	7-1-17	6-30-18
Municipal Alliance Program	100-082-C001-044	17,717.00	4,430.00	7-1-18	6-30-19
Total State Department of Treasury					
<u>New Jersey State Department of Transportation</u>					
Highway Planning and Construction	078-6320-480-XXX	169,600.00	N/A	5-21-12	5-28-13
Highway Planning and Construction	078-6320-480-XXX	187,480.00	N/A	6-25-13	3-31-15
Highway Planning and Construction	078-6320-480-XXX	249,170.00	N/A	7-11-14	12-22-15
Highway Planning and Construction	078-6320-480-XXX	172,813.00	N/A	5-2-16	Project End
Highway Planning and Construction	078-6320-480-XXX	150,000.00	N/A	5-2-16	Project End
Highway Planning and Construction	078-6320-480-XXX	229,840.00	N/A	6-20-17	12-18-18
Highway Planning and Construction	078-6320-480-XXX	165,260.00	N/A	3-16-18	Project End
Total Highway Planning and Construction					
Total State Financial Assistance					

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

Balance Dec. 31, 2017	Receipts or Revenue Recognized	Adjustments	Expended	Passed- Through to Subrecipients	Balance Dec. 31, 2018	Memo Only	
						Cash Collected	Accumulated Expenditures
\$ 221.16			\$ 221.16				\$ 3,868.34
3,874.49			3,874.49				3,874.49
189.75			189.75				4,290.80
4,500.00			1,890.34		\$ 2,609.66		1,890.34
246.38	\$ 3,000.00				3,000.00	\$ 3,000.00	
	1,730.62				246.38		1,730.62
					1,730.62		
	90,000.00		90,000.00			33,750.00	90,000.00
						56,250.00	90,000.00
9,031.78	94,730.62	-	96,175.74	-	7,586.66	94,730.62	195,654.59
4,727.13			4,727.13				8,488.69
10,045.94			10,045.94				10,045.94
10,353.23			10,353.23				10,353.23
12,288.29			12,288.29				12,288.29
14,791.41			14,791.41				14,791.41
14,718.55			14,718.55				14,718.55
12,294.13			12,294.13				12,294.13
13,617.34			5,975.32		7,642.02		5,975.32
16,723.71					16,723.71		
24,060.48					24,060.48		
25,401.87					25,401.87		
	24,048.96				24,048.96		
6,516.21			6,516.21				39,288.10
33,377.74			24,556.55		8,821.19		24,556.52
	31,947.46				31,947.46	31,947.46	
412.54					412.54		6,587.46
15,873.19					15,873.19		13,285.81
215,201.76	55,996.42	-	116,266.76	-	154,931.42	31,947.46	172,673.45
6,632.14			6,632.14				22,145.00
	22,147.00		15,792.75		6,354.25	17,716.00	15,792.75
6,632.14	22,147.00	-	22,424.89	-	6,354.25	17,716.00	37,937.75
43,197.24		\$ (43,197.24)					126,402.76
50,743.92		(50,743.92)					136,736.08
8,920.49		(8,920.49)					240,249.51
156,925.72			144,781.21		12,144.51	84,420.46	160,668.49
	150,000.00		135,690.00		14,310.00		135,690.00
229,840.00			229,840.00			172,380.00	229,840.00
	165,260.00		135,130.60		30,129.40		135,130.60
489,627.37	315,260.00	(102,861.65)	645,441.81	-	56,583.91	256,800.46	1,164,717.44
\$ 720,493.05	\$ 488,134.04	\$ (102,861.65)	\$ 880,309.20	\$ -	\$ 225,456.24	\$ 401,194.54	\$ 1,570,983.23

BOROUGH OF LINDENWOLD**Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended December 31, 2018**

Note 1: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance (the "schedules") include federal and state award activity of the Borough of Lindenwold (hereafter referred to as the "Borough") under programs of the federal government and state government for the year ended December 31, 2018. The Borough is defined in note 1 to the financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules. Because these schedules present only a selected portion of the operations of the Borough, it is not intended to and does not present the financial position and changes in operations of the Borough.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedules are reported on the modified accrual basis of accounting as promulgated by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. This basis of accounting is described in note 1 to the financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Note 3: INDIRECT COST RATE

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

Note 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

Note 5: ADJUSTMENTS

Amounts reported in the column entitled "adjustments" on the schedules of expenditures of federal awards and state financial assistance represent the cancelation of unexpended grant award balances.

Note 6: MAJOR PROGRAMS

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

PART 3

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2018

BOROUGH OF LINDENWOLD
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2018

Section 1- Summary of Auditor's Results

Financial Statements

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

Federal Awards

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

Identification of major programs:

CFDA Number(s)

20.205 _____

Name of Federal Program or Cluster

Highway Planning and Construction Cluster: _____

Highway Planning and Construction _____

Dollar threshold used to determine Type A programs	\$750,000	
Auditee qualified as low-risk auditee?	<u> </u> yes	<u> X </u> no

BOROUGH OF LINDENWOLD
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2018

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Type of auditor's report issued on compliance for major programs _____ Unmodified

Any audit findings disclosed that are required to be reported in
accordance with New Jersey Circular 15-08-OMB? _____ yes X no

Identification of major programs:

GMIS Number(s)

078-6320-480-XXX

Name of State Program

Highway Planning and Construction

Dollar threshold used to determine Type A programs _____ \$750,000

Auditee qualified as low-risk auditee? _____ yes X no

BOROUGH OF LINDENWOLD
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2018

Section 2 - Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Finding No. 2018-001

Criteria or Specific Requirement

N.J.S.A. 40A:4-57 states that no officer, board, body or commission shall, during any fiscal year, expend any money (except to pay notes, bonds or interest thereon), incur any liability, or enter into any contract which by terms involves the expenditure of money for any purpose for which no appropriation is provided, or in excess of the amount appropriated for such purpose.

N.J.S.A. 40A:4-87 states that the director may approve the insertion of any special item of revenue in the budget of any local unit when such item shall have been made available by any public or private funding source and the amount thereof shall not have been determined at the time of the adoption of the budget, and may approve the insertion of an appropriation item of an amount equal to any such special item of revenue making such item of revenue available for expenditure.

Condition

The Borough expended grant funds without obtaining approval for the insertion of special items of revenue in the budget, and appropriation items of equal amounts, making such items of revenue available for expenditure.

Context

The Borough was awarded additional grant funding through federal aid agreement modifications for its concrete sidewalk installation project, however the Borough did not properly amend the budget to include these items of revenue, and corresponding appropriations, making such item of revenue available for expenditure. The Borough received additional funding for both the design and construction phases of the project in the amounts of \$21,775.00 and \$79,502.41, respectively.

Effect

The Borough's failure to amend its budget for the additional grant funding resulted in an overexpenditure of the Reserve for Federal and State Grants—Appropriated - Highway Planning and Construction Program in the amount of \$85,726.31. This amount was recorded as a deferred charge in the Current Fund – Federal and State Grant Fund as of December 31, 2018, and will be required to be raised through a budget appropriation in the 2020 current fund budget.

Cause

The Borough's failure to amend its budget for the additional grant funding was simply due to an oversight.

Recommendation

That, for additional grant funds awarded, the Borough obtain approval for the insertion of special items of revenue in the budget, and appropriation items of equal amounts, prior to expending such funds.

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 LINDENWOLD
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2018

Section 2 - Schedule of Financial Statement Findings (Cont'd)

Finding No. 2018-002

Criteria or Specific Requirement

Good internal control practices require that a complete and accurate general ledger be maintained for each fund and accurate cash reconciliations be performed in a timely manner to ensure adequate control over the preparation of financial statements, including the related footnotes.

Condition

Our audit of the Borough's general ledgers and cash reconciliations revealed that the general ledger for the Current Fund, Sewer Operating Fund and Trust Other Funds, and certain related cash reconciliations, were not properly maintained in a timely manner.

Context

Although a detailed analysis of the financial transactions of the escrow and payroll accounts was maintained, such analyses were not maintained in a timely manner and the transactions were not posted to the Borough's general ledger. Additionally, numerous cash receipts in the Current Fund and Sewer Operating Fund were not posted to the general ledger.

Effect

Audit adjustments were necessary to achieve proper presentation of the financial statements. Without timely cash reconciliations and a properly maintained general ledger, the immediate and current identification of assets, liabilities, receipts, disbursements, fund balances and reserve balances could not be achieved. The overall condition of the Current Fund and Trust Other Funds general ledgers, and the required audit adjusting journal entries thereto, were an indication of ineffective controls over the preparation of the financial statements. As a result, there was a significant likelihood that the Borough's controls would not be effective in detecting material misstatements in the preparation of the Current Fund and Trust Other Funds financial statements.

Cause

The financial transactions of the escrow and payroll accounts in the Trust Other Funds, and numerous cash receipts in the Current Fund and Sewer Operating Fund, were not posted to the Borough's general ledgers and reconciled to the bank accounts in a timely manner.

Recommendation

That the Current Fund, Sewer Operating Fund and Trust Other Funds general ledgers, and related cash reconciliations, be accurately and completely maintained in a timely manner to ensure adequate control over the preparation of the financial statements, including the related footnotes.

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 LINDENWOLD
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2018

Section 3 - Schedule of Federal Award Findings and Questioned Costs

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

Finding No. 2018-003

Information on the Federal Program

Federal Program - Highway Planning and Construction Cluster

C.F.D.A. Number - 20.205

Federal Project Numbers:

STP-4104 (104) - 2015

TAP 0686 (300) - 2017

STP-0702 (300) - 2017

Federal Agency - U.S. Department of Transportation

Pass-through Entity - New Jersey Department of Transportation

Criteria or Specific Requirement

The New Jersey Department of Transportation, Division of Local Aid & Economic Development, Federal Aid Handbook requires the submission of partial payment vouchers (Forms PV) on a monthly or quarterly basis.

Condition

The Borough did not submit payment vouchers (Forms PV) to the New Jersey Department of Transportation on a quarterly basis as required by the Federal Aid Handbook.

Questioned Costs

None.

Context

The Borough did not submit payment vouchers on a quarterly basis. Payment vouchers were submitted on June 24, 2018 and October 25, 2018.

Effect

Reimbursements for eligible project expenditures were not received in a timely manner and in accordance with the pass-through entity reporting requirements.

Cause

The Borough's failure to submit payment vouchers on a quarterly basis was simply due to an oversight.

Recommendation

That payment vouchers (Forms PV) be submitted to the New Jersey Department of Transportation on a monthly or quarterly basis.

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 LINDENWOLD
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2018

Section 4 - Schedule of State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by State of New Jersey Circular 15-08-OMB.

None.

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

FINANCIAL STATEMENT FINDINGS

Finding No. 2017-001

Condition

Our examination of debt service payments revealed the following:

1. The Borough expended funds in excess of the 2017 current fund budget appropriation for interest on notes.
2. The Borough's special emergency note was not paid by the scheduled maturity date.

Current Status

This condition has been resolved.

Finding No. 2017-002

Condition

Several instances were noted where the vendor invoice date predated the approval date on the purchase order.

Current Status

This condition has been resolved.

BOROUGH OF LINDENWOLD
Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Surety Bond</u>
Richard Roach	Mayor	
Cheryle Randolph-Sharpe	Council President	
Joseph DiDomenico	Councilman	
Linda Hess	Councilwoman	
Justin Jackson	Councilman	
Sandra Sinon	Councilwoman	
Joseph Strippoli	Councilman	
Dawn S. Thompson	Borough Administrator	
	Chief Financial Officer	
	Treasurer	\$ 1,000,000.00 (C)
Jeffrey Payano	Account Clerk	1,000,000.00 (A)
Nadeen Randall	Deputy Treasurer to June 12, 2018	1,000,000.00 (A)
	Deputy Clerk from June 13, 2018	1,000,000.00 (A)
Deborah Jackson	Borough Clerk, Municipal Improvement Search	1,000,000.00 (A)
Carol Redmond	Tax Collector from January 18, 2018	1,000,000.00 (C)
	Tax Search Clerk from July 25, 2018	1,000,000.00 (A)
Patricia L. Morgan	Deputy Tax Collector	1,000,000.00 (A)
Kareemah Sadiq	Deputy Tax Collector from July 16, 2018	1,000,000.00 (A)
Kathleen Donatis	Assistant Tax Collector to April 26, 2018	1,000,000.00 (A)
Ana Langenbach	Tax Clerk from April, 2018	1,000,000.00 (A)
Nicholas F. Trabosh	Judge of the Municipal Court to February 28, 2018	1,000,000.00 (B)
N. Ryan Trabosh	Judge of the Municipal Court from February 28, 2018	1,000,000.00 (B)
Cheryl Grugan	Municipal Court Administrator	1,000,000.00 (B)
Christine Pippet	Clerk to March 30, 2018	1,000,000.00 (A)
Craig Wells	Director of Public Works	1,000,000.00 (A)
Derek Leary	Municipal Construction Head	1,000,000.00 (A)
Wayne Hans	Code Enforcement Supervisor	1,000,000.00 (A)
Michael Raio	Tax Assessor	1,000,000.00 (A)
Thomas Brennan	Chief of Police	1,000,000.00 (A)
Bonnie Mazzo	Police Administrative Services Division Manager	1,000,000.00 (A)
Janine Ekey	Police Records Clerk	1,000,000.00 (A)
Belita Woodward	Police Records Clerk to July 1, 2018	1,000,000.00 (A)
Citlamina Morataya	Police Records Clerk from May 14, 2018	1,000,000.00 (A)
AnneMarie DiDomenico	Secretary of the Joint Land Use Board	1,000,000.00 (A)
Grace Eby	Technical Assistant to the Construction Code	
	Official	1,000,000.00 (A)
David Capozzi	Solicitor	

(A) Covered by the Public Employee Dishonesty Coverage in the amount of \$50,000 written by the Camden County Municipal Joint Insurance Fund and the Excess Public Employee Dishonesty Coverage in the amount of \$950,000 written by the Municipal Excess Liability Joint Insurance Fund.

(B) Covered by the Excess Public Officials Bond Coverage in the amount of \$1,000,000 written by the Municipal Excess Liability Joint Insurance Fund.

(C) Covered by the Primary Statutory Positions Bond Coverage in the amount of \$1,000,000 written by the Municipal Excess Liability Joint Insurance Fund.

All of the Bonds were examined and properly executed.

APPRECIATION

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

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

A handwritten signature in dark ink, appearing to read "Todd R. Saler". The signature is fluid and cursive, with the first name "Todd" and last name "Saler" clearly distinguishable.

Todd R. Saler
Certified Public Accountant
Registered Municipal Accountant

