

**BOROUGH OF  
RUNNEMEDE**

**COUNTY OF  
CAMDEN**



**REPORT OF AUDIT  
FOR THE YEAR ENDED  
DECEMBER 31, 2018**

**BOROUGH OF RUNNEMEDE**  
**TABLE OF CONTENTS**

**Exhibit No.****Page No.****PART 1**

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

**CURRENT FUND**

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 Revenues--Regulatory Basis	10
A-3	Statement of Expenditures--Regulatory Basis	12

**TRUST FUND**

B	Statements of Assets, Liabilities and Reserves--Regulatory Basis	18
---	--	----

**GENERAL CAPITAL FUND**

C	Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis	20
C-1	Statement of General Capital Fund Balance – Regulatory Basis	21

**SEWER UTILITY FUND**

D	Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis	22
D-1	Sewer Utility Operating Fund--Statements of Operations and Changes in Fund Balance – Regulatory Basis	24
D-2	Sewer Utility Capital Fund – Statement of Fund Balance – Regulatory Basis	25
D-3	Sewer Utility Operating Fund – Statement of Revenues – Regulatory Basis	26
D-4	Sewer Utility Operating Fund – Statement of Expenditures – Regulatory Basis	27

**GENERAL FIXED ASSETS ACCOUNT GROUP**

F	Statement of General Fixed Asset Group of Accounts--Regulatory Basis	28
	Notes to Financial Statements	29

**BOROUGH OF RUNNEMEDE**  
**TABLE OF CONTENTS (CONT'D)**

**Exhibit No.****Page No.****SUPPLEMENTAL EXHIBITS****CURRENT FUND**

SA-1	Statement of Current Cash--Treasurer	65
SA-2	Schedule of Change Funds	66
SA-3	Statement of Taxes Receivable and Analysis of Property Tax Levy	67
SA-4	Statement of Tax Title Liens	68
SA-5	Statement of Revenue Accounts Receivable	69
SA-6	Statement of Appropriation Reserves	70
SA-7	Statement of Reserve for Encumbrances	72
SA-8	Statement of Deferred Charges	73
SA-9	Statement of Due to State of New Jersey Senior Citizens' and Veterans' Deductions CH.73, P.L. 1976	74
SA-10	Statement of Prepaid Taxes	75
SA-11	Statement of Prepaid County Taxes	76
SA-12	Statement of Tax Overpayments	77
SA-13	Statement of Due County for Added and Omitted Taxes	78
SA-14	Statement of Prepaid Local District School Tax	79
SA-15	Statement of Prepaid Regional High School Tax	79
SA-16	Statement of Accounts Payable	80
SA-17	Schedule of Due from Bank	80
SA-18	Federal and State Grant Fund--Statement of Federal and State Grants Receivable	81
SA-19	Federal and State Grant Fund--Statement of Reserve for Federal and State Grants--Unappropriated	82
SA-20	Federal and State Grant Fund--Statement of Reserve for Federal and State Grants--Appropriated	83

**TRUST FUND**

SB-1	Statement of Cash--Treasurer	85
SB-2	Animal Control Trust Fund--Statement of Reserve for Animal Control Fund Expenditures	86
SB-3	Animal Control Trust Fund--Statement of Due to State of New Jersey	87
SB-4	Community Development Block Grant Fund--Statement of Community Development Block Grant Receivable	88
SB-5	Community Development Block Grant Fund--Statement of Due to Current Fund	88
SB-6	Community Development Block Grant Fund--Statement of Reserve for Community Development Block Grant	89
SB-7	Trust Fund--Other--Statement of Due to Current Fund	89
SB-8	Trust Fund--Other--Statement of Changes in Miscellaneous Trust Other Reserves	90

**BOROUGH OF RUNNEMEDE**  
**TABLE OF CONTENTS (CONT'D)**

**Exhibit No.****Page No.****GENERAL CAPITAL FUND**

SC-1	Statement of General Capital Cash	92
SC-2	Analysis of General Capital Cash	93
SC-3	Statement of Deferred Charges to Future Taxation--Funded	94
SC-4	Statement of Deferred Charges to Future Taxation--Unfunded	95
SC-5	Statement of State Aid Receivable--New Jersey Transportation Trust Fund Authority Act	96
SC-6	Statement of Due from/to Current Fund	97
SC-7	Statement of Due from Federal and State Grant Fund	97
SC-8	Statement of Capital Improvement Fund	98
SC-9	Statement of Due from CDBG Trust Fund	98
SC-10	Statement of Due from CDBG	99
SC-11	Statement of Improvement Authorizations	100
SC-12	Statement of Green Acres Loan Payable	101
SC-13	Statement of Bond Anticipation Notes	102
SC-14	Statement of General Serial Bonds	103
SC-15	Statement of General Bonds and Notes Authorized But Not Issued	104

**SEWER UTILITY FUND**

SD-1	Statement of Sewer Utility Cash--Treasurer	106
SD-2	Sewer Utility Capital Fund--Analysis of Sewer Capital Cash	107
SD-3	Sewer Utility Operating Fund--Statement of Sewer Rents Receivable	108
SD-4	Sewer Utility Operating Fund--Statement of Sewer Liens Receivable	108
SD-5	Sewer Utility Operating Fund--Statement of Appropriation Reserves	109
SD-6	Sewer Utility Capital Fund--Schedule of Fixed Capital	110
SD-7	Sewer Utility Operating Fund--Statement of Accrued Interest on Bonds and Loans	111
SD-8	Sewer Utility Capital Fund--Statement of Reserve for Amortization	112
SD-9	Sewer Utility Capital Fund--Statement of Loans Payable	113
SD-10	Sewer Utility Capital Fund--Statement of Serial Bond Payable	114
SD-11	Sewer Utility Capital Fund--Statement of Improvement Authorizations	115
SD-12	Sewer Capital Fund--Statement of Due to Sewer Utility Operating Fund	116
SD-13	Sewer Utility Operating Fund--Schedule of Accounts Payable	117
SD-14	Sewer Utility Capital Fund--Statement of NJEIT Loan Receivable	118
SD-15	Sewer Utility Capital Fund--Schedule of Fixed Capital Authorized and Uncompleted	119
SD-16	Sewer Utility Capital Fund--Statement of Bond Anticipation Notes	120
SD-17	Sewer Utility Capital Fund--Schedule of Sewer Bonds and Notes Authorized But Not Issued	121

**BOROUGH OF RUNNEMEDE**  
**TABLE OF CONTENTS (CONT'D)**

<b><u>Exhibit No.</u></b>	<b><u>Page No.</u></b>
<b><u>PART 2</u></b>	
Schedule of Findings and Recommendations	123
Summary Schedule of Prior Year Audit Findings and Recommendations as Prepared by Management	124
Officials in Office and Surety Bonds	125
<b>APPRECIATION</b>	126

**BOROUGH OF RUNNEMEDE**

**PART I**

**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 Runnemede  
Runnemede, New Jersey 08078

### **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 Runnemede, 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 assets 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 Runnemede, 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 Runnemede, 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 assets 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 11). As a result of the regulatory basis of accounting, described in the previous paragraph, the implementation of this Statement only required financial statement disclosures. Our opinions are not modified with respect to this matter.



**Other Matters***Other Information*

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 2019 on our consideration of the Borough of Runnemede's, 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 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 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 Runnemede's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael D. Cesaro  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
September 19, 2019

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Borough Council  
Borough of Runnemede  
Runnemede, New Jersey 08078

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 Runnemede, 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 September 19, 2019. That report indicated that the Borough of Runnemede'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 Runnemede'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 Runnemede's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Runnemede'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

Respectfully submitted,

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

Michael D. Cesaro  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
September 19, 2019

**BOROUGH OF RUNNEMEDE****CURRENT FUND**

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

As of December 31, 2018 and 2017

<u>ASSETS</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Regular Fund:			
Cash	SA-1	\$ 1,748,424.89	\$ 2,194,372.62
Cash--Change Funds	SA-2	400.00	400.00
		<u>1,748,824.89</u>	<u>2,194,772.62</u>
Receivable with Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	321,565.64	315,345.39
Tax Title Liens Receivable	SA-4	94,489.67	77,159.63
Property Acquired for Taxes--Assessed Valuation		23,817.50	23,817.50
Revenue Accounts Receivable	SA-5	10,403.18	7,719.40
Due from Municipal Court		247.35	247.35
Prepaid County Taxes	SA-11	0.11	0.11
Prepaid Local District School Tax	SA-14	1.97	1.99
Prepaid Regional High School Tax	SA-15	29.58	29.58
Due from Trust Other Fund	SB-7		79,622.85
Due from Community Development Block Grant Fund	SB-5	150,000.00	
Due from General Capital Fund	SC-6	15,404.63	
Accounts Receivable - Other		270.55	270.55
Due from Bank	SA-17	3,540.80	3,540.80
Due Camden County Utility Authority		1,736.09	1,736.09
Accounts Receivable - Transportation Trust Fund Aid		63,837.90	63,837.90
		<u>685,344.97</u>	<u>573,329.14</u>
Deferred Charges:			
Emergency Appropriation	SA-8	95,000.00	-
		<u>2,529,169.86</u>	<u>2,768,101.76</u>
Federal and State Grant Fund:			
Cash	SA-1	243,471.60	223,928.84
Federal and State Grant Receivable	SA-18	116,341.64	130,222.84
		<u>359,813.24</u>	<u>354,151.68</u>
		<u>\$ 2,888,983.10</u>	<u>\$ 3,122,253.44</u>

(Continued)

**BOROUGH OF RUNNEMEDE****CURRENT FUND**

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

As of December 31, 2018 and 2017

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3 & SA-6	\$ 433,646.43	\$ 219,888.66
Reserve for Encumbrances	SA-7	131,531.92	217,448.12
Unallocated Receipts		883.75	883.75
Due to State of New Jersey (Ch. 73, P.L. 1976)	SA-9	101,824.89	101,556.05
Prepaid Taxes	SA-10	151,929.61	195,961.20
Tax Overpayments	SA-12	10,042.70	10,145.56
Accounts Payable	SA-16	10,651.77	17,922.68
Contracts Payable		24,279.08	24,279.08
Due County for Added and Omitted Taxes	SA-13	3,022.84	1,264.50
Reserve for Reassessment Program		11,805.86	11,805.86
Reserve for Codification of Ordinances		1,240.96	1,240.96
Reserve for Sale of Municipal Assets		7,535.50	7,535.50
Due General Capital Fund	SC-6		150,000.00
		<u>888,395.31</u>	<u>959,931.92</u>
Reserve for Receivables and Other Assets	A	685,344.97	573,329.14
Fund Balance	A-1	<u>955,429.58</u>	<u>1,234,840.70</u>
		<u>2,529,169.86</u>	<u>2,768,101.76</u>
Federal and State Grant Fund:			
Due to General Capital Fund	SC-7	208,000.00	
Reserve for Encumbrances	SA-20	4,046.76	3,694.60
Federal and State Grants Unappropriated	SA-19	23,364.27	238,725.79
Federal and State Grants Appropriated	SA-20	<u>124,402.21</u>	<u>111,731.29</u>
		<u>359,813.24</u>	<u>354,151.68</u>
		<u>\$ 2,888,983.10</u>	<u>\$ 3,122,253.44</u>

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

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

	<u>2018</u>	<u>2017</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 742,750.00	\$ 759,085.00
Miscellaneous Revenue Anticipated	2,784,803.50	2,078,122.42
Receipts from Delinquent Taxes	314,044.89	297,432.28
Receipts from Current Taxes	19,447,548.81	19,009,578.69
Non-Budget Revenue	90,818.96	177,684.49
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	148,780.94	26,940.23
Refund of Prior Year Expenditures	7,009.24	
Reserves Liquidated:		
Prepaid Local School Taxes	0.02	
Due from Animal Control Fund		504.49
Due from Trust Other Fund	79,622.85	7,673.94
Total Income	<u>23,615,379.21</u>	<u>22,357,021.54</u>
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations Within "CAPS"		
Salaries and Wages	2,922,750.00	2,707,050.00
Other Expenses	3,159,683.00	3,084,900.00
Deferred Charges and Statutory Expenditures--		
Municipal--Within "CAPS"	789,293.53	775,697.00
Operations--Excluded from "CAPS"		
Salaries and Wages	281,871.74	212,355.00
Other Expenses	684,370.16	190,953.95
Capital Improvements--Excluded from "CAPS"	85,250.00	25,000.00
Municipal Debt Service--Excluded from "CAPS"	672,748.19	646,648.37
Emergency Authorizations - Excluded from "CAPS"		149,000.00
County Taxes	4,326,145.24	4,243,024.17
Due County for Added and Omitted Taxes	3,022.84	1,264.50
Local District School Tax	7,248,290.00	7,106,167.00
Regional High School Tax	2,899,211.00	2,767,883.00
Senior Citizens' Deductions Disallowed by Collector - Prior Years	9,000.00	13,350.40
Reserves Created:		
Due from Community Development Block Grant Fund	150,000.00	
Due from General Capital Fund	15,404.63	
Total Expenditures	<u>23,247,040.33</u>	<u>21,923,293.39</u>
Excess in Revenue	368,338.88	433,728.15
Adjustment to income Before Fund Balance:		
Expenditures Included Above which are by Statute Deferred		
Charged to Budget of Succeeding Year	95,000.00	-
	463,338.88	433,728.15
<u>Fund Balance</u>		
Balance Jan. 1	<u>1,234,840.70</u>	<u>1,560,197.55</u>
	1,698,179.58	1,993,925.70
Decreased by:		
Utilized as Revenue	742,750.00	759,085.00
Balance Dec. 31	<u>\$ 955,429.58</u>	<u>\$ 1,234,840.70</u>

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

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

	<u>Anticipated</u>	Special		Excess or
	<u>Budget</u>	<u>N.J.S. 40A:4-87</u>	<u>Realized</u>	<u>Deficit</u>
Fund Balance Anticipated	\$ 742,750.00		\$ 742,750.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	12,650.00		12,825.00	\$ 175.00
Fees and Permits	125,000.00		133,629.94	8,629.94
Fines and Costs:				
Municipal Court	124,000.00		144,540.65	20,540.65
Interest and Costs on Taxes	95,510.02		95,646.59	136.57
Street Opening Fees	15,000.00		126,790.00	111,790.00
Consolidated Municipal Property Tax Relief Aid	9,845.00		9,845.00	
Energy Receipts Tax	877,334.00		877,334.00	
Interlocal Service Agreement - Triton High School	95,551.00		95,551.00	
Interlocal Service Agreement - NJ DMV - Police S/W	94,085.00		94,085.04	0.04
Municipal Alliance on Alcoholism and Drug Abuse	11,518.75		11,518.75	
Safe and Secure Communities Program	39,200.00		39,200.00	
Clean Communities Grant	17,101.51		17,101.51	
Recycling Tonnage Grant	10,588.54		10,588.54	
Drunk Driving Enforcement Fund	3,035.74		3,035.74	
Distracted Driving Enforcement Fund	6,600.00		6,600.00	
NJ Department of Transportation	458,000.00		458,000.00	
Cable TV Franchise Fee	42,268.96		42,268.96	
NJ LEA Fees	55,000.00		66,865.85	11,865.85
EMS Billings	320,000.00		307,962.22	(12,037.78)
Hotel Tax	52,000.00		21,851.58	(30,148.42)
General Capital Fund Surplus - BAN Note Premium	15,404.63		15,404.63	
Payment in Lieu of Taxes	3,000.00		3,100.00	100.00
Health Insurance Fund Dividend	146,729.00		146,729.00	
Rental Income - Contract	30,000.00		44,329.50	14,329.50
	<u>2,659,422.15</u>	<u>-</u>	<u>2,784,803.50</u>	<u>125,381.35</u>
Receipts from Delinquent Taxes	<u>295,000.00</u>		<u>314,044.89</u>	<u>19,044.89</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes including Reserve for Uncollected Taxes	5,111,266.49		5,277,665.84	166,399.35
Minimum Library Tax	171,561.36		171,561.36	
	<u>5,282,827.85</u>		<u>5,449,227.20</u>	<u>166,399.35</u>
Budget Totals	<u>8,980,000.00</u>	<u>-</u>	<u>9,290,825.59</u>	<u>310,825.59</u>
Non-Budget Revenues			<u>90,818.96</u>	<u>90,818.96</u>
	<u>\$ 8,980,000.00</u>	<u>-</u>	<u>\$ 9,381,644.55</u>	<u>\$ 401,644.55</u>

(Continued)

**BOROUGH OF RUNNEMEDE**  
**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	\$ 19,447,548.81
Allocated to:	
School and County Taxes	<u>14,476,669.08</u>
Balance for Support of Municipal Budget Appropriations	4,970,879.73
Add: Appropriation "Reserve for Uncollected Taxes"	<u>478,347.47</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 5,449,227.20</u></u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 313,718.30
Tax Title Lien Collections	<u>326.59</u>
	<u><u>\$ 314,044.89</u></u>

Analysis of Non-Budget Revenues

Sale of Municipal Assets	\$ 7,452.73	
Property Maintenance Fees	8,557.68	
Interest on Deposits	6,441.68	
Insurance Dividends	24,306.00	
Administrative Fee - Senior & Veteran Deductions	1,937.93	
Miscellaneous	<u>42,122.94</u>	
		<u>\$ 90,818.96</u>
		<u><u>\$ 90,818.96</u></u>

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



**BOROUGH OF RUNNEMEDE**  
**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 Cancelled</u>
<u>OPERATIONS - WITHIN "CAPS"</u>						
<u>General Government</u>						
General Administration						
Salaries and Wages	\$ 25,000.00	\$ 22,250.00	\$ 21,786.48		\$ 463.52	
Other Expenses	73,500.00	79,500.00	72,136.32	\$ 1,244.32	6,119.36	
Mayor and Council						
Salaries and Wages	43,000.00	43,000.00	42,124.80		875.20	
Other Expenses	15,195.00	11,195.00	9,424.00		1,771.00	
Municipal Clerk						
Salaries and Wages	75,000.00	71,000.00	70,832.96		167.04	
Other Expenses	18,288.00	19,288.00	17,920.37	60.95	1,306.68	
Financial Administration						
Salaries and Wages	185,000.00	179,000.00	178,655.09		344.91	
Other Expenses	22,310.00	19,310.00	18,182.49	234.30	893.21	
Audit Services	60,000.00	60,000.00	59,500.00		500.00	
Collection of Taxes						
Salaries and Wages	55,000.00	67,000.00	66,616.70		383.30	
Other Expenses	12,055.00	12,805.00	11,801.46	60.95	942.59	
Assessment of Taxes						
Salaries and Wages	12,000.00	12,000.00	11,441.40		558.60	
Other Expenses	3,000.00	3,000.00	1,999.04	188.00	812.96	
Legal Services and Costs						
Other Expenses	83,000.00	83,000.00	76,529.21		6,470.79	
Engineering Services						
Other Expenses	30,000.00	30,000.00	13,217.00		16,783.00	
Other Expenses - Redevelopment	10,000.00	10,000.00	1,635.50	8,364.50		
Municipal Court						
Salaries and Wages	75,000.00	75,000.00	73,751.99		1,248.01	
Other Expenses	9,775.00	9,775.00	7,871.61	93.38	1,810.01	
<u>Land Use Administration</u>						
Planning Board						
Salaries and Wages	5,000.00	5,000.00	5,000.00			
Other Expenses	3,300.00	3,300.00	2,986.68		313.32	
Other Expenses - Master Plan Review	17,500.00	7,500.00			7,500.00	

(Continued)

**BOROUGH OF RUNNEMEDE**  
**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 Cancelled
OPERATIONS - WITHIN "CAPS" (Cont'd)						
Public Safety Functions						
Emergency Medical Services						
Salaries and Wages	\$ 200,000.00	\$ 235,000.00	\$ 231,461.46		\$ 3,538.54	
Other Expenses	42,000.00	42,000.00	30,836.26	\$ 165.52	10,998.22	
Office of Emergency Management						
Salaries and Wages	1,200.00	1,200.00	1,200.00			
Other Expenses	2,000.00	2,000.00	1,216.59	163.30	620.11	
Police						
Salaries and Wages	1,439,300.00	1,412,300.00	1,399,289.82		13,010.18	
Other Expenses	72,470.00	74,470.00	67,861.66	3,618.75	2,989.59	
Fire						
Aid to Volunteer Fire Company	43,700.00	43,700.00	43,700.00			
Salaries and Wages	225,000.00	270,000.00	266,704.51		3,295.49	
Fire Hydrant Service	80,100.00	81,100.00	73,190.58	6,808.00	1,101.42	
Miscellaneous Other Expenses	35,700.00	34,700.00	21,504.56	4,462.13	8,733.31	
Fire Prevention Inspection						
Salaries and Wages	55,000.00					
Municipal Prosecutor						
Other Expenses	12,980.00	12,980.00	12,980.00			
Public Works Functions						
Streets and Roads Maintenance						
Salaries and Wages	475,000.00	475,000.00	385,447.79		89,552.21	
Other Expenses (Emergency 40A:4-47 +\$95,000.00)	112,835.00	207,835.00	150,614.38	23,771.25	33,449.37	
Vehicle Maintenance						
Other Expenses	111,000.00	111,000.00	92,830.53	10,605.55	7,563.92	
Solid Waste Collection						
Other Expenses	230,275.00	230,275.00	215,698.58	13,980.01	596.41	
Building and Grounds						
Other Expenses	76,010.00	76,010.00	60,436.77	15,253.30	319.93	

(Continued)

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

	Appropriations		Expended			Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<b>OPERATIONS - WITHIN "CAPS" (Cont'd)</b>						
<u>Park and Recreation Functions</u>						
Recreation						
Other Expenses	\$ 41,700.00	\$ 41,700.00	\$ 37,534.32	\$ 2,963.00	\$ 1,202.68	
<u>Code Enforcement</u>						
Code Enforcement						
Salaries and Wages	50,000.00	50,000.00	36,440.00		13,560.00	
Other Expenses	7,450.00	7,450.00	3,797.92		3,652.08	
<u>Insurance</u>						
General Liability	165,000.00	165,000.00	162,173.93		2,826.07	
Workers Compensation Insurance	150,000.00	150,000.00	146,678.14		3,321.86	
Employee Group Insurance	865,000.00	865,000.00	823,441.75		41,558.25	
Employee Group Health Waivers	35,000.00	35,000.00	30,410.61		4,589.39	
<u>Other Common Operating Functions</u>						
Reserve for Payment of Unused Accumulated Sick Pay	5,000.00	5,000.00	5,000.00			
Celebration of Public Events, Anniversary or Holiday						
Other Expenses	34,290.00	34,290.00	31,268.18	689.23	2,332.59	
Electricity	55,000.00	55,000.00	42,506.13	4,000.00	8,493.87	
Street Lighting	146,000.00	146,000.00	106,093.14	10,044.11	29,862.75	
Natural Gas	30,000.00	35,000.00	28,145.11	1,825.00	5,029.89	
Telephone	43,000.00	48,000.00	38,020.06	1,131.02	8,848.92	
Water	4,500.00	4,500.00	3,989.27	341.51	169.22	
Gasoline	75,000.00	75,000.00	67,286.73	1,372.41	6,340.86	
Sewer Treatment	2,000.00	2,000.00	705.83	176.00	1,118.17	
Landfill/Solid Waste Disposal Costs	231,000.00	231,000.00	184,080.83	13,999.04	32,920.13	
Total Operations within "CAPS"	5,987,433.00	6,082,433.00	5,565,958.54	125,615.53	390,858.93	-
Salaries and Wages	2,925,500.00	2,922,750.00	2,795,753.00		126,997.00	
Other Expenses (Including Contingent)	3,061,933.00	3,159,683.00	2,770,205.54	125,615.53	263,861.93	

(Continued)

**BOROUGH OF RUNNEMEDE**  
**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 Cancelled</u>
<u>Deferred Charges and Statutory Expenditures</u>						
<u>- Municipal Within "CAPS"</u>						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	\$ 155,198.53	\$ 155,198.93	\$ 155,198.93			
Social Security System	176,500.00	176,499.60	172,862.14		\$ 3,637.46	
Police and Firemen's Retirement System of N.J.	405,595.00	405,595.00	405,595.00			
Unemployment Comp. Insurance	50,000.00	50,000.00	50,000.00			
Defined Contribution Retirement Program	2,000.00	2,000.00	1,144.00		856.00	
Total Deferred Charges and Statutory Expenditures - Municipal within "CAPS"	<u>789,293.53</u>	<u>789,293.53</u>	<u>784,800.07</u>	<u>-</u>	<u>4,493.46</u>	<u>-</u>
Total General Appropriations for Municipal Purposes within "CAPS"	<u>6,776,726.53</u>	<u>6,871,726.53</u>	<u>6,350,758.61</u>	<u>\$ 125,615.53</u>	<u>395,352.39</u>	<u>-</u>
<u>OPERATIONS - EXCLUDED FROM "CAPS"</u>						
Landfill Fees - Recycling Tax	9,000.00	9,000.00	7,974.18	639.42	386.40	
Maintenance of Free Public Library	171,561.36	171,561.36	158,347.60	1,517.48	11,696.28	
Total Other Operations - Excluded from "CAPS"	<u>180,561.36</u>	<u>180,561.36</u>	<u>166,321.78</u>	<u>2,156.90</u>	<u>12,082.68</u>	<u>-</u>

(Continued)

**BOROUGH OF RUNNEMEDE**  
**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 Cancelled
<u>OPERATIONS - EXCLUDED FROM "CAPS" (CONT'D)</u>						
Interlocal Municipal Service Agreements:						
Triton High School - Police S/W	\$ 95,551.00	\$ 95,551.00	\$ 95,551.00			
NJ DMV - Police S/W	94,085.00	94,085.00	72,760.00		\$ 21,325.00	
Municipal Court - S/W	50,000.00	50,000.00	41,354.17	\$ 3,759.47	4,886.36	
Total Interlocal Municipal Service Agreements	239,636.00	239,636.00	209,665.17	3,759.47	26,211.36	-
<u>Public and Private Programs Offset by Revenues</u>						
Safe and Secure Communities Program	39,200.00	39,200.00	39,200.00			
Municipal Alliance on Alcoholism and Drug Abuse	11,518.75	11,518.75	11,518.75			
Recycling Tonnage Grant	10,588.54	10,588.54	10,588.54			
Distracted Driving Enforcement Fund	6,600.00	6,600.00	6,600.00			
Clean Communities Grant	17,101.51	17,101.51	17,101.51			
NJ Department of Transportation Trust Funds:						
Trust Fund Authority Act	458,000.00	458,000.00	458,000.00			
Drunk Driving Enforcement Fund	3,035.74	3,035.74	3,035.74			
Total Public and Private Programs Offset by Revenues	546,044.54	546,044.54	546,044.54	-	-	-
Total Operations - Excluded from "CAPS"	966,241.90	966,241.90	922,031.49	5,916.37	38,294.04	-
Detail:						
Salaries and Wages	242,671.74	281,871.74	210,546.74		21,325.00	
Other Expenses	723,570.16	684,370.16	194,942.04	2,156.90	12,082.68	
<u>Capital Improvements - Excluded from "CAPS"</u>						
Capital Improvement Fund	85,250.00	85,250.00	85,250.00			
Total Capital Improvements Excluded from "CAPS"	85,250.00	85,250.00	85,250.00	-	-	-

(Continued)

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

	Appropriations		Expended			Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>Municipal Debt Service - Excluded from "CAPS"</u>						
Payment of Bond Principal	\$ 458,000.00	\$ 458,000.00	\$ 458,000.00			
Interest on Notes	49,925.00	49,925.00	49,239.09			\$ 685.91
Interest on Bonds	134,417.50	134,417.50	134,417.50			
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	31,091.60	31,091.60	31,091.60			
Total Municipal Debt Service - Excluded from "CAPS"	<u>673,434.10</u>	<u>673,434.10</u>	<u>672,748.19</u>	<u>-</u>	<u>-</u>	<u>685.91</u>
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>1,724,926.00</u>	<u>1,724,926.00</u>	<u>1,680,029.68</u>	<u>\$ 5,916.37</u>	<u>\$ 38,294.04</u>	<u>685.91</u>
Subtotal General Appropriations	8,501,652.53	8,596,652.53	8,030,788.29	131,531.90	433,646.43	685.91
Reserve for Uncollected Taxes	<u>478,347.47</u>	<u>478,347.47</u>	<u>478,347.47</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Appropriations	<u>\$ 8,980,000.00</u>	<u>\$ 9,075,000.00</u>	<u>\$ 8,509,135.76</u>	<u>\$ 131,531.90</u>	<u>\$ 433,646.43</u>	<u>\$ 685.91</u>
Original Budget		\$ 8,980,000.00				
Emergency Appropriations (40A:4-47)		<u>95,000.00</u>				
		<u>\$ 9,075,000.00</u>				
Reserve for Uncollected Taxes			\$ 478,347.47			
Reserve for Federal and State Grants -- Appropriated			546,044.54			
Disbursements			<u>7,484,743.75</u>			
			<u>\$ 8,509,135.76</u>			

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

**BOROUGH OF RUNNEMEDE**  
**TRUST FUND**  
 Statements of Assets, Liabilities and Reserves--Regulatory Basis  
 As of December 31, 2018 and 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash	SB-1	<u>\$ 17,656.55</u>	<u>\$ 22,647.37</u>
Other Funds:			
Cash	SB-1	1,047,119.60	1,299,333.99
Due from Sewer Utility Operating Fund		<u>8,068.92</u>	<u>8,068.92</u>
		<u>1,055,188.52</u>	<u>1,307,402.91</u>
Community Development Block Grant Fund:			
Cash	SB-1	25,598.44	29,248.20
Community Development Block Grant Receivable	SB-4	<u>250,000.00</u>	<u>217,000.00</u>
		<u>275,598.44</u>	<u>246,248.20</u>
		<u>\$ 1,348,443.51</u>	<u>\$ 1,576,298.48</u>

(Continued)

**BOROUGH OF RUNNEMEDE**  
**TRUST FUND**  
 Statements of Assets, Liabilities and Reserves--Regulatory Basis  
 As of December 31, 2018 and 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>LIABILITIES</u> <u>AND RESERVES</u>			
Animal Control Fund:			
Reserve for Encumbrances - Animal Control Fund	SB-2	\$ 2,239.00	
Reserve for Animal Control Expenditures	SB-2	15,417.55	\$ 22,647.37
		<u>17,656.55</u>	<u>22,647.37</u>
Other Funds:			
Due State of NJ - Marriage License Fees	SB-8	400.00	400.00
Street Opening Deposits	SB-8	21,187.32	21,187.32
Due Runnemede Sewerage Authority	SB-8	8,068.92	8,192.76
Deposits - Due to Contractor	SB-8	2,200.00	2,200.00
Miscellaneous Trust Liabilities and Reserves:			
Accumulated Absences	SB-8	15,000.00	
Uniform Construction Code	SB-8	115,098.01	90,162.93
New Jersey Unemployment Compensation	SB-8	25,987.39	10,199.00
Planning Board Escrow	SB-8	164,589.01	149,270.86
Tax Title Lien Redemption	SB-8	632,565.37	818,427.50
Parking Offenses Adjudication Act - POAA	SB-8	561.34	1,161.00
Special Law Enforcement Fund	SB-8	3,552.66	3,548.96
Funds Held in Escrow	SB-8	35,663.28	35,609.26
Recreation Facility Escrow	SB-8	3,825.00	900.00
Forfeited Property	SB-8	3,547.40	3,547.40
Public Defender Fees	SB-8	3,078.05	6,373.57
Payroll Deductions Payable	SB-8	2,973.17	38,511.68
Storm Recovery	SB-8	8,054.02	20,000.00
Uniform Fire Safety	SB-8	5,157.10	
Municipal Alliance Contributions	SB-8	3,352.07	3,352.07
Outside Employment of Municipal Police	SB-8	328.41	14,735.75
Due Current Fund	SB-7		79,622.85
		<u>1,055,188.52</u>	<u>1,307,402.91</u>
Community Development Block Grant Fund:			
Reserve for Community Development Block Grant	SB-6	75,921.56	23,285.66
Due Current Fund	SB-5	150,000.00	
Due General Capital Fund	SC-9	49,676.88	222,962.54
		<u>275,598.44</u>	<u>246,248.20</u>
		<u>\$ 1,348,443.51</u>	<u>\$ 1,576,298.48</u>

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



**BOROUGH OF RUNNEMEDE**  
**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	\$ 153,531.77	\$ 566,512.17
Deferred Charges to Future Taxation:			
Funded	SC-3	4,752,620.98	5,233,122.08
Unfunded	SC-4	3,815,000.00	2,195,250.00
State Aid Receivable -- New Jersey			
Transportation Trust Fund Authority Act	SC-5	235,065.50	235,065.50
Note Receivable -- Runsen House		300,000.00	300,000.00
Due from CDBG Trust Fund	SC-9	49,676.88	222,962.54
Due from Current Fund	SC-6		150,000.00
Due from Federal and State Grant Fund	SC-7	208,000.00	
Due from CDBG	SC-10	173,285.66	217,000.00
		<u>\$ 9,687,180.79</u>	<u>\$ 9,119,912.29</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	SC-14	\$ 4,340,000.00	\$ 4,798,000.00
Bond Anticipation Notes	SC-13	3,814,250.00	2,194,500.00
Green Acres Loan Payable	SC-12	412,620.98	435,122.08
Improvement Authorizations:			
Funded	SC-11	37,020.42	34,518.17
Unfunded	SC-11	480,056.10	211,550.75
Contracts Payable	SC-11		191,983.65
Reserves for Encumbrances	SC-11	187,843.16	838,847.51
Due to Current Fund	SC-6	15,404.63	
Capital Improvement Fund	SC-8	200.00	200.00
Reserve for State Aid Receivable -- New Jersey			
Transportation Trust Fund Authority Act - Ord. #95-3;96-13	SC-5	99,785.50	99,785.50
Reserve for Note Receivable -- Runsen House		300,000.00	300,000.00
Fund Balance	C-1		15,404.63
		<u>\$ 9,687,180.79</u>	<u>\$ 9,119,912.29</u>

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

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Fund Balance - Regulatory Basis  
For the Year Ended December 31, 2018

---

Balance Dec. 31, 2017	\$ 15,404.63
Decreased by:	
Anticipated as Revenue -- Current Fund	<u>\$ 15,404.63</u>

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

**BOROUGH OF RUNNEMEDE****SEWER UTILITY FUND**

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

As of December 31, 2018 and 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<b>ASSETS:</b>			
Operating Fund:			
Cash	SD-1	\$ 211,781.52	\$ 234,335.14
Due Sewer Utility Capital Fund	SD-12	15,258.01	4,391.66
Receivables with Full Reserves:			
Due from Bank		165.73	165.73
Sewer Rents Receivable	SD-3	57,369.77	55,070.88
Sewer Liens Receivable	SD-4	3,207.82	
		<u>287,782.85</u>	<u>293,963.41</u>
Deferred Charges:			
Emergency Authorizations	D-3	21,000.00	
Total Operating Fund		<u>308,782.85</u>	<u>293,963.41</u>
Capital Fund:			
Cash	SD-1	144,650.12	152,328.12
Fixed Capital	SD-6	3,730,058.49	3,730,058.49
Fixed Capital Authorized and Uncompleted	SD-15	3,825,000.00	3,825,000.00
NJEIT Loan Receivable	SD-14	234,328.00	234,328.00
		<u>7,934,036.61</u>	<u>7,941,714.61</u>
		<u>\$ 8,242,819.46</u>	<u>\$ 8,235,678.02</u>

(Continued)

**BOROUGH OF RUNNEMEDE****SEWER UTILITY FUND**

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

As of December 31, 2018 and 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE:</b>			
Operating Fund:			
Liabilities:			
Reserves for Encumbrances	D-4, SD-5	\$ 12,518.46	\$ 12,148.40
Appropriation Reserves	D-4, SD-5	28,446.79	3,055.62
Accounts Payable	SD-13	14,110.94	14,110.94
Accrued Interest on Bonds and Notes	SD-7	23,292.78	25,044.25
Due Trust Other Fund		8,068.92	8,068.92
Escrow Deposits		2,661.20	2,661.20
		<u>89,099.09</u>	<u>65,089.33</u>
Reserve for Receivables		60,743.32	55,236.61
Fund Balance	D-1	<u>158,940.44</u>	<u>173,637.47</u>
		<u>308,782.85</u>	<u>293,963.41</u>
Capital Fund:			
Improvement Authorizations:			
Funded	SD-11	264,675.19	264,675.19
Unfunded	SD-11	391,239.99	398,917.99
Due Sewer Utility Operating Fund	SD-12	15,258.01	4,391.66
Bond Anticipation Notes	SD-16	1,550,000.00	1,550,000.00
Loans Payable	SD-9	1,206,971.52	1,404,467.71
Serial Bonds	SD-10	30,000.00	57,000.00
Capital Improvement Fund		5,000.00	5,000.00
Contracts Payable		85,432.93	85,432.93
Reserves for Encumbrances		1,700.00	1,700.00
Reserve for Amortization	SD-8	4,383,758.97	4,159,262.78
Fund Balance	D-2	<u>10,866.35</u>	<u>10,866.35</u>
		<u>7,934,036.61</u>	<u>7,941,714.61</u>
		<u>\$ 8,242,819.46</u>	<u>\$ 8,235,678.02</u>

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

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY OPERATING 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>
REVENUE AND OTHER INCOME REALIZED:		
Fund Balance Anticipated	\$ 20,000.00	\$ 98,000.00
Sewer Rents	769,652.11	777,751.99
Sewer Capital Fund Balance - Note Premium	10,866.35	
Miscellaneous	24,688.24	21,919.10
Other Credits to Income:		
Unexpended Balance to Appropriation Reserves	2,329.12	3,864.73
	<u>827,535.82</u>	<u>901,535.82</u>
Total Income		
EXPENDITURES:		
Operating	489,100.00	555,489.05
Debt Service	306,132.85	279,715.03
Capital Improvements	21,000.00	
Deferred Charges and Statutory Expenditures	27,000.00	25,500.00
	<u>843,232.85</u>	<u>860,704.08</u>
Total Expenditures		
Excess in Revenues	(15,697.03)	40,831.74
Adjustments to Income Before Fund Balance:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Year	21,000.00	
	<u>21,000.00</u>	
Statutory Excess to Fund Balance	5,302.97	40,831.74
FUND BALANCE:		
Balance January 1	173,637.47	230,805.73
	178,940.44	271,637.47
Decreased by:		
Utilized as Revenue	20,000.00	98,000.00
	<u>20,000.00</u>	<u>98,000.00</u>
Balance December 31	<u>\$ 158,940.44</u>	<u>\$ 173,637.47</u>

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

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Fund Balance - Regulatory Basis  
For the Year Ended December 31, 2018

---

Balance Dec. 31, 2017	\$ 10,866.35
Decreased by:	
Anticipated Revenue in Sewer Utility Fund	<u>\$ 10,866.35</u>

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

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

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess/ <u>(Deficit)</u>
Surplus Anticipated	\$ 20,000.00	\$ 20,000.00	
Sewer Rents	775,000.00	769,652.11	\$ (5,347.89)
Sewer Capital Fund Balance - Note Premium	10,866.35	10,866.35	
Miscellaneous	20,433.65	24,688.24	4,254.59
	<u>\$ 826,300.00</u>	<u>\$ 825,206.70</u>	<u>\$ (1,093.30)</u>

Analysis of Realized Revenues

Miscellaneous:

Receipts:

Connection Fees	\$ 2,100.00
Interest and Costs on Delinquent Rents	16,984.52
Interest on Deposits	757.71
Miscellaneous	4,846.01
	<u>\$ 24,688.24</u>

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

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

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Original Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbrances</u>	<u>Reserved</u>	
Operating:						
Salaries and Wages	\$ 270,000.00	\$ 275,000.00	\$ 271,316.95		\$ 183.05	\$ 3,500.00
Other Expenses	220,600.00	217,600.00	183,692.39	\$ 12,518.46	21,389.15	
Total Operating	490,600.00	492,600.00	455,009.34	12,518.46	21,572.20	3,500.00
Capital Improvements:						
Capital Outlay (Emergency +21,000.00)		21,000.00	20,980.76		19.24	
Total Capital Improvements		21,000.00	20,980.76		19.24	
Debt Service:						
Payment of Bond and Loan Principal	224,500.00	224,500.00	224,496.19			3.81
Interest on Bonds and Loans	46,200.00	46,200.00	46,056.96			143.04
Interest on Notes	36,000.00	36,000.00	35,579.70			420.30
Total Debt Service	306,700.00	306,700.00	306,132.85			567.15
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Disability	2,000.00	2,000.00	949.88		1,050.12	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et. Seq.)	2,000.00	2,000.00			2,000.00	
Contributions to Social Security System (O.A.S.I.)	25,000.00	23,000.00	19,194.77		3,805.23	
Total Deferred Charges and Statutory Expenditures	29,000.00	27,000.00	20,144.65		6,855.35	
	<u>\$ 826,300.00</u>	<u>\$ 847,300.00</u>	<u>\$ 802,267.60</u>	<u>\$ 12,518.46</u>	<u>\$ 28,446.79</u>	<u>\$ 4,067.15</u>
Emergency Appropriation		\$ 21,000.00				
Budget		826,300.00				
		<u>\$ 847,300.00</u>				
Accrued Interest on Bonds			\$ 81,636.66			
Disbursed			730,628.93			
Refund of Appropriations			(9,997.99)			
			<u>\$ 802,267.60</u>			

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



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

	Balance <u>Dec. 31, 2017</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2018</u>
General Fixed Assets:				
Land	\$ 4,077,938.05			\$ 4,077,938.05
Building and Building Improvements	3,921,710.02			3,921,710.02
Vehicles	3,469,986.05	\$ 852,959.08	\$ 195,245.85	4,127,699.28
Equipment	<u>1,794,057.35</u>	<u>136,369.60</u>		<u>1,930,426.95</u>
Total General Fixed Assets	<u>\$ 13,263,691.47</u>	<u>\$ 989,328.68</u>	<u>\$ 195,245.85</u>	<u>\$ 14,057,774.30</u>
Total Investments in General Fixed Assets	<u>\$ 13,263,691.47</u>	<u>\$ 989,328.68</u>	<u>\$ 195,245.85</u>	<u>\$ 14,057,774.30</u>

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

**BOROUGH OF RUNNEMEDE**  
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 Runnemede is a New Jersey Municipal Corporation located in the County of Camden, approximately fifteen miles southeast of the City of Philadelphia. The population according to the 2010 census is 8,468.

The Borough has a Mayor-Council form of government where the Mayor is separately elected to a four-year term. The Council consists of six members elected to three-year terms. However, executive and administrative responsibility rests with the Mayor, who is assisted by the Borough Clerk.

**Component Units** - The financial statements of the component units of the Borough are not presented in accordance with Governmental Accounting Standards Board (GASB) Statements No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, and GASB Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*. If the provisions of the aforementioned GASB Statements had been complied with, the financial statements of the following component units would have been either blended or discretely presented with the financial statements of the Borough, the primary government:

Runnemede Free Public Library  
Broadway and Elm Avenue  
Runnemede, New Jersey 08078

Annual financial reports may be inspected directly at the office of this component unit during regular business hours.

**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* ("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.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

**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.

**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.

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

**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.

**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 and 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.

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

**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.

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

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

**School Taxes** - The municipality is responsible for levying, collecting and remitting school taxes for the Borough of Runnemede School District and the Black Horse Pike Regional High School District. Operations is charged for the full amount required to be raised from taxation to operate the local and regional high school districts for the period from January 1 to December 31.

**Library Taxes** - The municipality is responsible for levying, collecting and remitting library taxes for the Runnemede Free Public Library. Effective 2011, the amount of library tax is a separate local levy tax and is remitted to the Library through the municipal budget.

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

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

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

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

**Expenditures (Cont'd)** - Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; whereas interest on utility indebtedness is on the accrual basis.

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

**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 \$4,792,838.18 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 4,014,489.91
Uninsured and Uncollateralized	<u>778,348.27</u>
Total	<u>\$ 4,792,838.18</u>

**Note 3: PROPERTY TAXES**

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

**Comparative Schedule of Tax Rates**

	<u>Year Ended</u>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Tax Rate	<u>\$ 3.937</u>	<u>\$ 3.836</u>	<u>\$ 3.788</u>	<u>\$ 3.799</u>	<u>\$ 3.750</u>
Apportionment of Tax Rate:					
Municipal	\$ 1.052	\$ 1.034	\$ 1.012	\$ 1.012	\$ 1.019
County	.863	.843	.837	.846	.841
Local School	1.445	1.410	1.380	1.353	1.322
Regional School	.577	.549	.559	.588	.568

**Assessed Valuation**

<u>Year</u>	<u>Amount</u>
2018	\$ 501,911,120.00
2017	504,103,965.00
2016	504,921,584.00
2015	505,129,225.00
2014	506,582,363.00

**Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2018	\$ 19,774,030.74	\$ 19,447,548.81	98.35%
2017	19,343,182.10	19,009,578.69	98.28%
2016	19,135,785.31	18,796,805.98	98.23%
2015	19,194,180.96	18,770,189.29	97.79%
2014	19,047,586.20	18,482,129.17	97.03%

**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	\$ 94,489.67	\$ 321,565.64	\$ 416,055.31	2.10%
2017	77,159.63	315,345.39	392,505.02	2.03%
2016	77,119.57	279,678.66	356,798.23	1.86%
2015	157,597.11	374,218.93	531,816.04	2.77%
2014	63,563.06	559,063.39	622,626.45	3.27%

**Note 3: PROPERTY TAXES (CONT'D)**

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

<u>Year</u>	<u>Number</u>
2018	12
2017	10
2016	13
2015	12
2014	9

**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	\$ 23,817.50
2017	23,817.50
2016	23,817.50
2015	23,817.50
2014	23,817.50

**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>Beginning Receivable Balance</u>	<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
2018	\$ 55,070.88	\$ 774,541.00	\$ 829,611.88	\$ 769,652.11
2017	53,701.33	779,121.54	832,822.87	777,751.99
2016	62,114.93	774,416.72	836,531.65	782,830.32
2015	47,814.40	787,931.07	835,745.47	773,630.54
2014	73,117.94	779,893.26	853,011.20	805,196.80



**Note 6: FUND BALANCES APPROPRIATED**

The following schedules detail the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets:

**Current Fund**

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2018	\$ 955,429.58	\$ 565,000.00	59.14%
2017	1,234,840.70	742,750.00	60.15%
2016	1,560,197.55	759,085.00	48.65%
2015	1,401,873.09	574,085.00	40.95%
2014	1,077,643.21	473,244.91	43.91%

**Sewer Utility Fund**

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2018	\$ 158,940.44	\$ 127,000.00	79.90%
2017	173,637.47	20,000.00	11.52%
2016	230,805.73	98,000.00	42.46%
2015	206,028.22	98,000.00	47.57%
2014	376,272.29	237,883.25	63.22%

**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	\$ 165,404.63	
Federal and State Grant		\$ 208,000.00
Trust - Community Development		199,676.88
Trust - Other	8,068.92	
General Capital	257,676.88	15,404.63
Sewer Utility - Operating	15,258.01	8,068.92
Sewer Utility - Capital		15,258.01
	<u>\$ 446,408.44</u>	<u>\$ 446,408.44</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.

**Police and Firemen's Retirement System** - The Police and Firemen's Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. The PFRS' designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PFRS is mandatory for substantially all full-time police and firemen of the Borough. The PFRS' Board of Trustees is primarily responsible for the administration of the PFRS.

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

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

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

The following represents the membership tiers for PERS:

**Tier Definition**

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

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

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

The following represents the membership tiers for PFRS:

**Tier Definition**

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

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

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

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

**Contributions**

**Public Employees' Retirement System** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of 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 15.64% 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 \$171,123.00, 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 \$128,325.00, which was paid on April 1, 2018. Employee contributions to the Plan during the year ended December 31, 2018 were \$90,700.30.

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

**Police and Firemen's Retirement System** - The contribution policy 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 27.97% of the Borough's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2018, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2018 is \$418,351.00, 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 \$377,681.00, which was paid on April 1, 2018. Employee contributions to the Plan during the year ended December 31, 2018 were \$151,325.70.

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 3.11% 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 \$46,582.00, 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 \$36,900.00, which was paid on April 1, 2018.

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

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

For the year ended December 31, 2018, employee contributions totaled \$1,906.67, and the Borough's contributions were \$1,144.00. There were no forfeitures during the year.

**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 \$3,387,358.00. 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 0.0172038776%, which was an increase of 0.0033517682% 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 \$220,230.00. 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 \$128,325.00, and was paid on April 1, 2018.

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

Borough's Proportionate Share of Net Pension Liability	\$ 5,790,410.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Borough	786,531.00
	<u>\$ 6,576,941.00</u>

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

**Police and Firemen's Retirement System (Cont'd)** - 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 0.0427916065%, which was an increase of 0.0001166773% 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 0.0427916065%, which was an increase of 0.0001166773% 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 \$393,782.00. 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 \$377,681.00, 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 \$93,163.00. This on-behalf expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1.

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

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	PERS	PFRS	Total	PERS	PFRS	Total
Differences between Expected and Actual Experience	\$ 64,597.00	\$ 58,910.00	\$ 123,507.00	\$ 17,466.00	\$ 23,962.00	\$ 41,428.00
Changes of Assumptions	558,180.00	497,029.00	1,055,209.00	1,083,097.00	1,483,982.00	2,567,079.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	-	-	31,774.00	31,679.00	63,453.00
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions	693,604.00	496,127.00	1,189,731.00	373,768.00	356,299.00	730,067.00
Borough Contributions Subsequent to the Measurement Date	85,562.00	209,176.00	294,738.00	-	-	-
	<u>\$ 1,401,943.00</u>	<u>\$ 1,261,242.00</u>	<u>\$ 2,663,185.00</u>	<u>\$ 1,506,105.00</u>	<u>\$ 1,895,922.00</u>	<u>\$ 3,402,027.00</u>

\$85,562.00 and \$209,176.00 for PERS and PFRS, respectively, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2019. These amounts were based on an estimated April 1, 2020 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2018 to the Borough's year end of December 31, 2018.

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

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

	<b>PERS</b>		<b>PFRS</b>	
	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
June 30, 2014	-	-	-	-
June 30, 2015	5.72	-	-	5.53
June 30, 2016	5.57	-	-	5.58
June 30, 2017	5.48	-	5.59	-
June 30, 2018	-	5.63	5.73	-
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	-	6.17	-
June 30, 2015	5.72	-	5.53	-
June 30, 2016	5.57	-	5.58	-
June 30, 2017	-	5.48	-	5.59
June 30, 2018	-	5.63	-	5.73
Net Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2014	-	5.00	-	5.00
June 30, 2015	5.00	-	5.00	-
June 30, 2016	5.00	-	5.00	-
June 30, 2017	-	5.00	-	5.00
June 30, 2018	-	5.00	-	5.00
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	6.44	6.17	6.17
June 30, 2015	5.72	5.72	5.53	5.53
June 30, 2016	5.57	5.57	5.58	5.58
June 30, 2017	5.48	5.48	5.59	5.59
June 30, 2018	5.63	5.63	5.73	5.73



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

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

<b><u>Year Ending Dec 31,</u></b>	<b><u>PERS</u></b>	<b><u>PFRS</u></b>	<b><u>Total</u></b>
2019	\$ 53,577.00	\$ (7,156.00)	\$ 46,421.00
2020	22,240.00	(160,718.00)	(138,478.00)
2021	(177,409.00)	(362,327.00)	(539,736.00)
2022	(107,936.00)	(221,484.00)	(329,420.00)
2023	19,804.00	(92,171.00)	(72,367.00)
	<u>\$ (189,724.00)</u>	<u>\$ (843,856.00)</u>	<u>\$ (1,033,580.00)</u>

**Actuarial Assumptions**

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

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

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

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

For PFRS, preretirement mortality rates were based on the RP-2000 Combined Healthy Mortality tables projected on a generational basis from the base year of 2000 to 2013 using Projection Scale BB and the Conduent modified 2014 projection scale thereafter. For preretirement accidental mortality, a custom table with representative rates was used and there is no mortality improvements assumed. 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:

	<b>PERS</b>		
	<b>1% Decrease (4.66%)</b>	<b>Current Discount Rate (5.66%)</b>	<b>1% Increase (6.66%)</b>
Borough's Proportionate Share of the Net Pension Liability	\$ 4,259,212.00	\$ 3,387,358.00	\$ 2,655,928.00

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

	<b>PFRS</b>		
	<b>1% Decrease (5.51%)</b>	<b>Current Discount Rate (6.51%)</b>	<b>1% Increase (7.51%)</b>
Borough's Proportionate Share of the Net Pension Liability	\$ 7,749,745.00	\$ 5,790,410.00	\$ 4,174,315.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Borough	1,052,674.14	786,531.00	567,011.39
	<u>\$ 8,802,419.14</u>	<u>\$ 6,576,941.00</u>	<u>\$ 4,741,326.39</u>

**Pension Plan Fiduciary Net Position**

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

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

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

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

	<b>Measurement Date Ended June 30,</b>		
	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
Borough's Proportion of the Net Pension Liability	0.0172038776%	0.0138521094%	0.0159409362%
Borough's Proportionate Share of the Net Pension Liability	\$ 3,387,358.00	\$ 3,224,550.00	\$ 4,721,248.00
Borough's Covered Payroll (Plan Measurement Period)	\$ 1,208,504.00	\$ 964,536.00	\$ 1,101,532.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	280.29%	334.31%	428.61%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.60%	48.10%	40.14%
	<b>Measurement Date Ended June 30,</b>		
	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Borough's Proportion of the Net Pension Liability	0.0157035019%	0.0148372319%	0.0168161161%
Borough's Proportionate Share of the Net Pension Liability	\$ 3,525,121.00	\$ 2,777,936.00	\$ 3,213,894.00
Borough's Covered Payroll (Plan Measurement Period)	\$ 1,087,020.00	\$ 1,029,532.00	\$ 1,111,600.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	324.29%	269.83%	289.12%
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	\$ 171,123.00	\$ 128,325.00	\$ 141,617.00
Borough's Contribution in Relation to the Contractually Required Contribution	(171,123.00)	(128,325.00)	(141,617.00)
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 1,093,935.00	\$ 1,085,005.00	\$ 984,607.00
Borough's Contributions as a Percentage of Covered Payroll	15.64%	11.83%	14.38%
	<u>Year Ended December 31,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Borough's Contractually Required Contribution	\$ 135,008.00	\$ 122,316.00	\$ 126,706.00
Borough's Contribution in Relation to the Contractually Required Contribution	(135,008.00)	(122,316.00)	(126,706.00)
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 1,066,304.00	\$ 1,076,646.00	\$ 1,003,648.00
Borough's Contributions as a Percentage of Covered Payroll	12.66%	11.36%	12.62%

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

	<b>Measurement Date Ended June 30,</b>		
	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
Borough's Proportion of the Net Pension Liability	0.0427916065%	0.0426749292%	0.0379026879%
Borough's Proportionate Share of the Net Pension Liability	\$ 5,790,410.00	\$ 6,588,184.00	\$ 7,240,383.00
State's Proportionate Share of the Net Pension Liability associated with the Borough	786,531.00	737,932.00	608,013.00
Total	<u>\$ 6,576,941.00</u>	<u>\$ 7,326,116.00</u>	<u>\$ 7,848,396.00</u>
Borough's Covered Payroll (Plan Measurement Period)	\$ 1,419,632.00	\$ 1,381,376.00	\$ 1,342,428.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	407.88%	476.93%	539.35%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.48%	58.60%	52.01%
	<b>Measurement Date Ended June 30,</b>		
	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Borough's Proportion of the Net Pension Liability	0.0396901845%	0.0461810031%	0.0456348897%
Borough's Proportionate Share of the Net Pension Liability	\$ 6,611,001.00	\$ 5,809,142.00	\$ 6,066,747.00
State's Proportionate Share of the Net Pension Liability associated with the Borough	579,763.00	625,547.00	565,495.00
Total	<u>\$ 7,190,764.00</u>	<u>\$ 6,434,689.00</u>	<u>\$ 6,632,242.00</u>
Borough's Covered Payroll (Plan Measurement Period)	\$ 1,298,416.00	\$ 1,458,616.00	\$ 1,432,176.00
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	509.16%	398.26%	423.60%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.31%	62.41%	58.70%

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

	<u>Year Ended December 31,</u>		
	<u>2018</u>	<u>2017</u>	<u>2016</u>
Borough's Contractually Required Contribution	\$ 418,351.00	\$ 377,681.00	\$ 309,036.00
Borough's Contribution in Relation to the Contractually Required Contribution	(418,351.00)	(377,681.00)	(309,036.00)
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 1,495,755.00	\$ 1,426,565.00	\$ 1,378,605.00
Borough's Contributions as a Percentage of Covered Payroll	27.97%	26.47%	22.42%
	<u>Year Ended December 31,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Borough's Contractually Required Contribution	\$ 322,622.00	\$ 354,702.00	\$ 332,942.00
Borough's Contribution in Relation to the Contractually Required Contribution	(322,622.00)	(354,702.00)	(332,942.00)
Borough's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Borough's Covered Payroll (Calendar Year)	\$ 1,271,934.00	\$ 1,239,066.00	\$ 1,379,127.00
Borough's Contributions as a Percentage of Covered Payroll	25.36%	28.63%	24.14%



**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: DEFERRED COMPENSATION SALARY ACCOUNT**

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

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

**Note 10: RUNSEN HOUSE SENIOR CITIZEN FACILITY**

On February 12, 1992, the Borough of Runnemede adopted Ordinance 92-1 entitled Senior Citizen Facility. The purpose of the Ordinance was to provide Runsen Associates, Inc. with a loan in the amount of \$250,000.00 without interest, payable on the 30<sup>th</sup> anniversary of the full occupancy date, to assist financing of the construction of a senior citizen facility. The facility consists of 81 residential one-bedroom rental units for low-income eligible occupants. On March 2, 1993, the Borough of Runnemede increased the amount of the loan by \$50,000.00 by adopting Ordinance 93-1.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS**

**Plan Description and Benefits Provided** - The Borough provides postretirement health care benefits through a health plan for retirees, which includes a medical, dental, and prescription plan. The Borough provides a single employer post-employment healthcare plan, which is not administered through a trust that meets the criteria in paragraph 4 of the GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*, and covers the following retiree population: eligible retirees who retire from active employment with at least twenty-five (25) years of service with the Borough. Coverage is provided for the retirees and their spouse up to age sixty-five, providing the retirees annually certify that they have no other medical coverage. The Plan is administered by the Borough; therefore, premium payments are made directly to the insurance carriers. Reimbursements by the retirees are paid in monthly installments after the Borough provides the retirees with a detailed accounting of the costs.

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

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	25
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	-
Active Employees	31
	<hr/>
	56
	<hr/>

**Total OPEB Liability**

The Borough's total OPEB liability of \$21,517,506.00 was measured as of December 31, 2018 and was determined by an actuarial valuation as of this same date.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**

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

Inflation	2.50%
Salary Increases	2.50%
Discount Rate	4.10%
Healthcare Cost Trend Rates	Medical - 5.8%, reducing by 0.1% per annum, leveling at 5% per annum in 2026 Drug - 10.0% in 2018, reducing by 0.5% per annum to 2022 and 1.0% per annum thereafter, leveling at 5% per annum in 2026 Dental - 3.5% per annum
Retirees' Share of Benefit-Related Costs	Contribution rates in effect when they retire, but not less than 1.5%.

The discount rate was based on the 20-Bond General Obligation (GO) Index.

Mortality rates were based on the following:

*Pre-Retirement* - RP-2000 Combined Healthy Male Mortality Rates Set Forward Three Years

An experience study was not performed on the actuarial assumptions used in the December 31, 2018 valuation since the Plan had insufficient data to produce a study with credible results. Mortality rates, termination rates and retirement rates were based on standard tables issued by the Society of Actuaries. The actuary has used their professional judgement in applying these assumptions to this Plan.

**Changes in Total OPEB Liability**

Balance at December 31, 2017		\$ 20,593,356.00
Changes for the Year:		
Service Cost	\$ 378,788.00	
Interest Cost	853,540.00	
Benefit Payments	(308,178.00)	
Changes in Assumptions	-	
Difference Between Expected and Actual Experience	-	
Net Changes		924,150.00
Balance at December 31, 2018		<u>\$ 21,517,506.00</u>

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**

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

	<b>1.00% Decrease <u>(2.44%)</u></b>	<b>Current Discount Rate <u>(3.44%)</u></b>	<b>1.00% Increase <u>(4.44%)</u></b>
Total OPEB Liability	<u>\$ 24,207,547.00</u>	<u>\$ 21,517,506.00</u>	<u>\$ 19,305,677.00</u>

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

	<b>1.00% Decrease <u></u></b>	<b>Healthcare Cost Trend Rate <u></u></b>	<b>1.00% Increase <u></u></b>
Total OPEB Liability	<u>\$ 19,615,342.00</u>	<u>\$ 21,517,506.00</u>	<u>\$ 23,822,517.00</u>

**OPEB Expense** - For the year ended December 31, 2018, the Borough recognized OPEB expense of \$1,232,328.00.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****Supplementary OPEB Information**

In accordance with GASBS No. 75, the following information is also presented for the Borough's OPEB Plan. These schedules are presented to illustrate the requirements to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**Total OPEB Liability**

Service Cost	\$ 378,788.000
Interest Cost	853,540.00
Benefit Payments	(308,178.00)
Changes in Assumptions	-
Difference Between Expected and Actual Experience	-
	<hr/>
Net Change in Total OPEB Liability	924,150.00
Total OPEB Liability - Beginning of Year	<hr/> 20,593,356.00
Total OPEB Liability - End of Year	<hr/> <hr/> \$ 21,517,506.00
Covered-Employee Payroll	\$ 2,210,445.52
Total OPEB Liability as a Percentage of Covered-Employee Payroll	973.45%

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

None.

**Changes in Assumptions**

None.

**Note 12: COMPENSATED ABSENCES**

Per the policy of the Borough, employees accrue and carryover earned compensatory time. At the time of separation from the Borough, unused compensatory time would be eligible for payout to the employee.

The Borough does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2018, accrued benefits for compensated absences are valued at \$233,834.11.

**Note 13: LEASE OBLIGATIONS**

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

Operating:

Two (2) Xerox 7855 Photocopy Machines  
 One (1) Ricoh C2503 Photocopy Machine  
 One (1) Ricoh MP2554SPG Photocopy Machine  
 One (1) Ricoh MPC2504 Photocopy Machine  
 One (1) Postage Machine  
 One (1) Lanier IM C3000 Photocopy Machine  
 One (1) Lanier IM C2500 Photocopy Machine

The following is an analysis of the Borough's operating leases:

Future minimum lease payments under operating lease agreements are as follows:

<u>Year</u>	<u>Amount</u>
2019	\$ 13,183.60
2020	11,500.97
2021	8,836.44
2022	8,836.44
2023	8,444.07
2024	1,720.00

Rental payments under operating leases for the year 2018 were \$9,270.09.

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

On November 24, 2015, the Borough issued \$5,135,000.00 of general obligation bonds consisting of \$5,060,000.00 General Capital Improvement Bonds and \$75,000.00 Sewer Utility Bonds at interest rates ranging from 2.000% to 3.250%. The final maturity of these bonds is November 15, 2031. The General Capital bonds will be paid from property taxes and Sewer Utility Bonds will be paid from rents.

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 275,000.00	\$ 120,087.50	\$ 395,087.50
2020	280,000.00	114,587.50	394,587.50
2021	295,000.00	108,987.50	403,987.50
2022	300,000.00	103,087.50	403,087.50
2023	305,000.00	97,087.50	402,087.50
2024-2028	1,775,000.00	334,837.50	2,109,837.50
2029-2031	1,110,000.00	70,300.00	1,180,300.00
	<u>\$ 4,340,000.00</u>	<u>\$ 948,975.00</u>	<u>\$ 5,288,975.00</u>

**Note 14: CAPITAL DEBT (CONT'D)****Sewer Utility Bonds**

The following schedule represents the remaining debt service, through maturity, for the sewer utility bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 15,000.00	\$ 600.00	\$ 15,600.00
2020	15,000.00	300.00	15,300.00
	<u>\$ 30,000.00</u>	<u>\$ 900.00</u>	<u>\$ 30,900.00</u>

**General Debt - New Jersey Environmental Infrastructure Loans**

On November 4, 1999, the Borough entered into a loan agreement with New Jersey Environmental Infrastructure program for \$888,403.00. The final loan payment date is August 1, 2019.

On November 5, 2003, the Borough entered into a loan agreement with New Jersey Environmental Infrastructure program for \$683,703.00. The final loan payment date is August 1, 2023.

On November 6, 2008, the Borough entered into a loan agreement with New Jersey Environmental Infrastructure program for \$2,047,000.00. The final loan payment date is August 1, 2028.

All loans will be paid from property taxes.

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 194,182.60	\$ 41,795.00	\$ 235,977.60
2020	151,060.31	36,175.00	187,235.31
2021	148,445.28	31,900.00	180,345.28
2022	153,963.77	27,750.00	181,713.77
2023	159,276.01	23,262.50	182,538.51
2024-2028	400,043.55	57,500.00	457,543.55
	<u>\$ 1,206,971.52</u>	<u>\$ 218,382.50</u>	<u>\$ 1,425,354.02</u>

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

On July 21, 2014, the Borough entered into a loan agreement with New Jersey Green Acres in the amount of \$500,000.00 for the Beaver Branch Park Project. Loan payments are due every six months in April and October at an interest rate of 2.000%. The final loan payment date is April 24, 2034. The loan will be paid from property taxes.

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 22,953.37	\$ 8,138.22	\$ 31,091.59
2020	23,414.73	7,676.87	31,091.60
2021	23,885.37	7,206.23	31,091.60
2022	24,365.46	6,726.13	31,091.59
2023	24,855.21	6,236.38	31,091.59
2024-2028	131,973.80	23,484.19	155,457.99
2029-2033	145,781.17	9,676.79	155,457.96
2034	15,391.87	153.92	15,545.79
	<u>\$ 412,620.98</u>	<u>\$ 69,298.73</u>	<u>\$ 481,919.71</u>

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b><u>Issued</u></b>			
General:			
Bonds, Loans and Notes	\$ 8,566,870.98	\$ 7,427,622.08	\$ 7,028,679.82
Sewer Utility:			
Bonds, Loans and Notes	2,786,971.52	3,011,467.71	3,222,673.66
Total Issued	<u>11,353,842.50</u>	<u>10,439,089.79</u>	<u>10,251,353.48</u>
<b><u>Authorized but not Issued</u></b>			
General:			
Bonds, Loans and Notes	750.00	750.00	750.00
Sewer Utility:			
Bonds, Loans and Notes	384,328.00	384,328.00	384,328.00
Total Authorized but not Issued	<u>385,078.00</u>	<u>385,078.00</u>	<u>385,078.00</u>
Total Issued and Authorized but not Issued	<u>11,738,920.50</u>	<u>10,824,167.79</u>	<u>10,636,431.48</u>
<b><u>Deductions</u></b>			
General:			
NJ Transportation Trust	99,785.50	99,785.50	99,785.50
Sewer Utility:			
Self-Liquidating	3,171,299.52	3,395,795.71	3,607,001.66
Total Deductions	<u>3,271,085.02</u>	<u>3,495,581.21</u>	<u>3,706,787.16</u>
<b>Net Debt</b>	<u>\$ 8,467,835.48</u>	<u>\$ 7,328,586.58</u>	<u>\$ 6,929,644.32</u>



**Note 14: CAPITAL DEBT (CONT'D)****Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of 1.658%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 258,515.42	\$ 258,515.42	
Self-Liquidating	3,171,299.52	3,171,299.52	
General	8,567,620.98	99,785.50	\$ 8,467,835.48
	<u>\$ 11,997,435.92</u>	<u>\$ 3,529,600.44</u>	<u>\$ 8,467,835.48</u>

Net debt \$8,467,835.48 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$510,727,009.33.00, equals 1.658%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 17,875,445.33
Less: Net Debt	<u>8,467,835.48</u>
Remaining Borrowing Power	<u>\$ 9,407,609.85</u>

**Calculation of "Self-Liquidating Purpose,"  
Sewer Utility Per N.J.S.A. 40:2-45**

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for the Year	\$ 825,206.70
Deductions:	
Operating and Maintenance Costs	\$ 516,100.00
Debt Service	<u>306,132.85</u>
Total Deductions	<u>822,232.85</u>
Excess in Revenue	<u>\$ 2,973.85</u>

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

**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>Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2018	\$ 56,751.72	\$ 40,963.33	\$ 25,987.39
2017	30,691.95	23,161.78	10,199.00
2016	21,518.10	21,000.00	2,668.83

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

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

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

The Borough's agreement with the pool provides that the pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund for claims in excess of \$50,000.00 to \$200,000.00 based on the line of coverage for each insured event.

The Fund publishes its own financial report for the year ended December 31, 2018, which can be obtained from:

Camden County Municipal Joint Insurance Fund  
 Park 80 West, Plaza One  
 Saddle Brook, New Jersey 07663

**Note 16: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

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

<u>Description</u>	<u>Balance December 31, 2018</u>	<u>2019 Budget Appropriation</u>
Current Fund:		
Emergency Appropriation	\$ 95,000.00	\$ 95,000.00
Sewer Operating Fund:		
Emergency Appropriation	21,000.00	21,000.00

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

**Note 17: CONTINGENCIES**

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

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

**Note 18: CONCENTRATIONS**

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

**Note 19: SUBSEQUENT EVENTS**

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

<u>Purpose</u>	<u>Adoption</u>	<u>Authorization</u>
<b>General Improvements</b>		
Various Capital Improvements and Acquisition of Capital Equipment	07/30/19	\$ 472,150.00
<b>Utility Improvements</b>		
Various Utility Improvements and Acquisition of Utility Equipment	07/30/19	271,225.00

## **SUPPLEMENTAL EXHIBITS**

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Current Cash --Treasurer  
For the Year Ended December 31, 2018

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Balance Dec. 31, 2017	\$ 2,194,372.62	\$ 223,928.84
Increased by Receipts:		
Taxes Receivable	\$ 19,455,174.99	
Tax Title Liens	326.59	
Tax Overpayments	17,216.71	
Prepaid Taxes	151,929.61	
Senior Citizens and Veterans Deductions	96,896.58	
Revenue Accounts Receivable	2,223,354.33	
Miscellaneous Revenues not Anticipated	90,818.96	
Due Trust Fund Other	79,622.85	
Refunds of Appropriation Reserves	1,720.77	
Refund of Prior Year Expenditures	7,009.24	
Federal and State Grant Fund:		
Federal and State Grant Receivable		\$ 344,564.22
	<u>22,124,070.63</u>	<u>344,564.22</u>
	24,318,443.25	568,493.06
Decreased by Disbursements:		
2018 Appropriations	7,484,743.75	
2017 Appropriation Reserves	286,960.59	
Refund of Tax Overpayments	12,816.39	
County Taxes	4,326,145.24	
Due County for Added Taxes	1,264.50	
Local District School Tax	7,248,289.98	
Regional High School Tax	2,899,211.00	
Due Community Development Block Grant Fund	150,000.00	
Due General Capital Fund	150,000.00	
Accounts Payable	10,586.91	
Federal and State Grant Fund:		
Federal and State Grants--Appropriated		325,021.46
	<u>22,570,018.36</u>	<u>325,021.46</u>
Balance Dec. 31, 2018	<u><u>\$ 1,748,424.89</u></u>	<u><u>\$ 243,471.60</u></u>

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

---

	Balance <u>Dec. 31, 2018</u>
<u>Office</u>	
Tax Collector/Treasurer	\$ 300.00
Borough Clerk	50.00
Police Records Department	25.00
Municipal Court	<u>25.00</u>
	<u><u>\$ 400.00</u></u>

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

Year	Balance Dec. 31, 2017	2018 Levy	Added Taxes	<u>Collected</u>		Overpayments Applied	Due from State of New Jersey	Cancelled	Transferred to Tax Title Liens	Balance Dec. 31, 2018
				2017	2018					
2016	\$ 512.72				\$ 512.72					
2017	314,832.67		\$ 9,000.00		313,205.58				\$ 10,374.63	\$ 252.46
	315,345.39		9,000.00		313,718.30				10,374.63	252.46
2018		\$ 19,774,030.74		\$ 195,961.20	19,141,456.69	\$ 4,503.18	\$ 105,627.74	\$ 1.67	5,167.08	321,313.18
	<u>\$ 315,345.39</u>	<u>\$ 19,774,030.74</u>	<u>\$ 9,000.00</u>	<u>\$ 195,961.20</u>	<u>\$ 19,455,174.99</u>	<u>\$ 4,503.18</u>	<u>\$ 105,627.74</u>	<u>\$ 1.67</u>	<u>\$ 15,541.71</u>	<u>\$ 321,565.64</u>

Analysis of 2018 Property Tax Levy

Tax Yield

General Purpose

\$ 19,760,240.79

Added Taxes (54:4-63.1 et seq.)

13,789.95

\$ 19,774,030.74

Tax Levy

Regional High School Tax

\$ 2,899,211.00

Local District School Tax

7,248,290.00

County Taxes:

County Tax

\$ 4,223,291.07

Open Space Tax

102,854.17

Added Taxes (54:4-63.1 et seq.)

3,022.84

Total County Taxes

4,329,168.08

Local Tax for Municipal Purposes

5,282,827.85

Add: Additional Tax Levied

14,533.81

Local Tax for Municipal Purposes Levied

5,297,361.66

\$ 19,774,030.74



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

---

Balance Dec. 31, 2017		\$	77,159.63
Increased by:			
Transferred from Taxes Receivable	\$	15,541.71	
Interest and Costs on Tax Sale		<u>2,114.92</u>	
			<u>17,656.63</u>
			94,816.26
Decreased by:			
Collections			<u>326.59</u>
Balance Dec. 31, 2018		\$	<u><u>94,489.67</u></u>

**BOROUGH OF RUNNEMEDE**  
**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>Realized</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages		\$ 12,825.00	\$ 12,825.00	
Fees and Permits		133,629.94	133,629.94	
Fines and Costs:				
Municipal Court	\$ 7,719.40	147,224.43	144,540.65	\$ 10,403.18 Dec. 2018
Interest and Costs on Taxes		95,646.59	95,646.59	
Street Opening Fees		126,790.00	126,790.00	
Consolidated Municipal Property Tax Relief Aid		9,845.00	9,845.00	
Energy Receipts Tax		877,334.00	877,334.00	
Interlocal Service Agreement - Triton High School		95,551.00	95,551.00	
Interlocal Service Agreement - NJ DMV - Police S/W		94,085.04	94,085.04	
Cable TV Franchise Fee		42,268.96	42,268.96	
NJ LEA Fees		66,865.85	66,865.85	
EMS Billings		307,962.22	307,962.22	
Hotel Tax		21,851.58	21,851.58	
Rental Income - 2011 Contract		146,729.00	146,729.00	
Rental Income - 2012 Contract		44,329.50	44,329.50	
Payment in Lieu of Taxes		3,100.00	3,100.00	
	<u>\$ 7,719.40</u>	<u>\$ 2,226,038.11</u>	<u>\$ 2,223,354.33</u>	<u>\$ 10,403.18</u>

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

	Balance December 31, 2017		Balance After Transfer	Paid or Charged	Balanced Lapsed
	Encumbered	Reserved			
<b><u>OPERATIONS - WITHIN "CAPS"</u></b>					
<b><u>General Government</u></b>					
General Administration					
Salaries and Wages		\$ 574.58	\$ 574.58		\$ 574.58
Other Expenses	\$ 4,855.42	1,276.32	6,131.74	\$ 4,936.30	1,195.44
Mayor and Council					
Salaries and Wages		400.20	400.20		400.20
Other Expenses	325.00	180.15	505.15	325.00	180.15
Municipal Clerk					
Salaries and Wages		15.59	15.59		15.59
Other Expenses	95.00	230.31	325.31		325.31
Financial Administration					
Salaries and Wages		6.80	6.80		6.80
Other Expenses	1,740.62	170.17	1,910.79	1,910.79	
Collection of Taxes					
Salaries and Wages		268.78	268.78		268.78
Other Expenses		792.73	792.73		792.73
Assessment of Taxes					
Salaries and Wages		33.00	33.00		33.00
Other Expenses		1,110.73	1,110.73		1,110.73
Legal Services and Costs					
Other Expenses	978.34	1,005.15	1,983.49	1,983.49	
Engineering Services					
Other Expenses	2,057.50	1,503.10	3,560.60	2,367.50	1,193.10
Other Expenses - Redevelopment	310.00	500.00	810.00		810.00
Municipal Court					
Salaries and Wages		49.82	49.82	(1,714.58)	1,764.40
Other Expenses	565.00		565.00	565.00	
<b><u>Land Use Administration</u></b>					
Planning Board					
Salaries and Wages		46.11	46.11		46.11
Other Expenses		430.15	430.15		430.15
Other Expenses - Master Plan Review	335.00		335.00	335.00	
<b><u>Public Safety Functions</u></b>					
Emergency Medical Services					
Salaries and Wages		82.53	82.53		82.53
Other Expenses	3,583.40	25.28	3,608.68	2,777.09	831.59
Police					
Salaries and Wages		4,520.28	4,520.28		4,520.28
Other Expenses	3,058.39		3,058.39	2,999.53	58.86
<b><u>Public Safety Functions (Cont'd)</u></b>					
Fire					
Fire Hydrant Service	10,000.00	3,752.00	13,752.00	13,349.60	402.40
Miscellaneous Other Expenses	4,686.92	21.46	4,708.38	4,611.92	96.46
Fire Prevention Inspection					
Salaries and Wages		249.61	249.61		249.61
Municipal Prosecutor					
Salaries and Wages		20.00	20.00		20.00
<b><u>Public Works Functions</u></b>					
Streets and Roads Maintenance					
Salaries and Wages		6,527.50	6,527.50		6,527.50
Other Expenses	8,836.40	1,089.82	9,926.22	8,607.67	1,318.55
Vehicle Maintenance					
Other Expenses	12,367.52	764.99	13,132.51	12,827.31	305.20
Solid Waste Collection					
Salaries and Wages		870.18	870.18		870.18
Other Expenses-Contractual	18,279.72	7,406.09	25,685.81	25,685.81	
Building and Grounds					
Other Expenses	15,670.69	1,184.00	16,854.69	15,414.21	1,440.48

(Continued)

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

	Balance December 31, 2017		Balance After Transfer	Paid or Charged	Balanced Lapsed
	Encumbered	Reserved			
<u>Health and Human Services</u>					
Board of Health					
Salaries and Wages		\$ 41.26	\$ 41.26		\$ 41.26
Other Expenses		9.14	9.14		9.14
<u>Park and Recreation Functions</u>					
Recreation					
Salaries and Wages		686.18	686.18		686.18
Other Expenses	\$ 5,737.48	675.97	6,413.45	\$ 3,604.48	2,808.97
<u>Code Enforcement</u>					
Code Enforcement					
Salaries and Wages		1,014.79	1,014.79		1,014.79
Other Expenses	1,704.92	306.30	2,011.22	1,704.92	306.30
<u>Insurance</u>					
Liability Insurance		2,062.06	2,062.06		2,062.06
Workers Compensation Insurance		225.57	225.57		225.57
Employee Group Insurance	86,985.00	90,711.48	177,696.48	86,235.00	91,461.48
Employee Group Health Waivers		251.14	251.14		251.14
<u>Other Common Operating Functions</u>					
Celebration of Public Events, Anniversary or Holiday					
Other Expenses	528.05	292.54	820.59	602.31	218.28
Electricity	1,521.13	2,275.08	3,796.21	3,796.21	
Street Lighting	2,384.32	6,521.26	8,905.58	8,905.58	
Natural Gas		692.69	692.69		692.69
Telephone	2,133.12	607.83	2,740.95	1,923.54	817.41
Water	440.30	52.92	493.22	478.57	14.65
Gasoline	5,625.94	489.56	6,115.50	5,354.28	761.22
Sewer Treatment	148.00	145.49	293.49		293.49
Landfill/Solid Waste Disposal Costs	20,322.75	36,579.77	56,902.52	56,902.52	
<u>Deferred Charges and Statutory Expenditures</u>					
Public Employees Retirement System		17.93	17.93		17.93
Social Security System				(6.19)	6.19
Police and Fireman's Retirement System of NJ		8.63	8.63		8.63
Unemployment Comp. Insurance		20,000.00	20,000.00		20,000.00
Defined Contribution Retirement Program		52.00	52.00		52.00
<u>OPERATIONS - EXCLUDED FROM "CAPS"</u>					
Landfill Fees - Recycling Tax	594.84	429.27	1,024.11	594.84	429.27
Maintenance of Free Public Library	1,577.33	20,632.37	22,209.70	21,478.12	731.58
	<u>\$ 217,448.10</u>	<u>\$ 219,888.66</u>	<u>\$ 437,336.76</u>	<u>\$ 288,555.82</u>	<u>\$ 148,780.94</u>
Disbursements				\$ 286,960.59	
Accounts Payable				3,316.00	
Refunds				(1,720.77)	
				<u>\$ 288,555.82</u>	

**BOROUGH OF RUNNEMEDE**  
CURRENT FUND  
Statement of Reserve for Encumbrances  
For the Year Ended December 31, 2018

---

Balance Dec. 31, 2017	\$ 217,448.12
Increased by:	
Charged to 2018 Appropriations	<u>131,531.90</u>
	348,980.02
Decreased by:	
Transferred to 2017 Appropriation Reserves	<u>217,448.10</u>
Balance Dec. 31, 2018	<u><u>\$ 131,531.92</u></u>

**BOROUGH OF RUNNEMEDE**  
CURRENT FUND  
Statement of Deferred Charges  
For the Year Ended December 31, 2018

---

	Added in <u>2018</u>	Balance <u>Dec. 31, 2018</u>
Emergency Authorizations (40A:4-47)	\$ 95,000.00	\$ 95,000.00

**BOROUGH OF RUNNEMEDE****CURRENT FUND**

Statement of Due to State of New Jersey Senior Citizens' and Veterans' Deductions CH. 73, P.L. 1976

For the Year Ended December 31, 2018

Balance Dec. 31, 2017		\$	101,556.05	
Increased by:				
Collection			<u>96,896.58</u>	
				198,452.63
Decreased by:				
Accrued in 2018:				
Senior Citizens' Deductions per Billings	\$	34,000.00		
Veterans' Deductions per Billings		<u>71,750.00</u>		
			105,750.00	
Add:				
Veterans' and Senior Citizens' Deductions				
Allowed by Tax Collector -- 2018 Taxes		<u>1,000.00</u>		
			106,750.00	
Deduct:				
Veterans' and Senior Citizens' Deductions				
Disallowed by Tax Collector -- 2018 Taxes		<u>1,122.26</u>		
			105,627.74	
Sub-Total -- 2018 Taxes				
Deduct: Deductions Disallowed by				
Tax Collector -- 2017 Taxes		<u>9,000.00</u>		
				<u>96,627.74</u>
Balance Dec. 31, 2018		\$	<u><u>101,824.89</u></u>	

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

---

Balance Dec. 31, 2017 (2018 Taxes)	\$ 195,961.20
Increased by:	
Collections -- 2019 Taxes	<u>151,929.61</u>
	347,890.81
Decreased by:	
Application to Taxes Receivable	<u>195,961.20</u>
Balance Dec. 31, 2018 (2019 Taxes)	<u><u>\$ 151,929.61</u></u>



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

<hr/>		
Balance Dec. 31, 2017		\$ 0.11
2018 Tax Levy:		
Increased by:		
Disbursements		<u>4,326,145.24</u>
		4,326,145.35
Decreased by:		
2018 Tax Levy:		
County Tax	\$ 4,223,291.07	
Open Space Tax	<u>102,854.17</u>	
		<u>4,326,145.24</u>
Balance Dec. 31, 2018		<u><u>\$ 0.11</u></u>

**BOROUGH OF RUNNEMEDE**  
CURRENT FUND  
Statement of Tax Overpayments  
For the Year Ended December 31, 2018

---

Balance Dec. 31, 2017			\$	10,145.56
Increased by:				
Overpayments Collected in 2018				<u>17,216.71</u>
				27,362.27
Decreased by:				
Refunded		\$	12,816.39	
Applied			<u>4,503.18</u>	
				<u>17,319.57</u>
Balance Dec. 31, 2018			\$	<u><u>10,042.70</u></u>

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

---

Balance Dec. 31, 2017	
Added Taxes (2017)	\$ 1,264.50
Increased by:	
County Share of 2018 Tax Levy:	
Added Taxes (2018)	<u>3,022.84</u>
	4,287.34
Decreased by:	
Disbursements	<u>1,264.50</u>
Balance Dec. 31, 2018	
Added Taxes (2018)	<u><u>\$ 3,022.84</u></u>

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Prepaid Local District School Tax  
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 1.99
Increased by:	
Payments	<u>7,248,289.98</u>
	7,248,291.97
Decreased by:	
Levy -- Calendar Year	<u>7,248,290.00</u>
Balance Dec. 31, 2018	<u><u>\$ 1.97</u></u>
2018 Liability for Local District School Tax:	
Tax Paid	\$ 7,248,290.00
Less: Tax Payable Dec. 31, 2017	<u>1.99</u>
Amount Charged to 2018 Operations	<u><u>\$ 7,248,288.01</u></u>

## Exhibit SA-15

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Prepaid Regional High School Tax  
For the Year Ended December 31, 2018

Balance Dec. 31, 2017	\$ 29.58
Increased by:	
Payments	<u>2,899,211.00</u>
	2,899,240.58
Decreased by:	
Levy -- Calendar Year	<u>2,899,211.00</u>
Balance Dec. 31, 2018	<u><u>\$ 29.58</u></u>

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

---

Balance Dec. 31, 2017	\$ 17,922.68
Increased by:	
Transfer from 2017 Appropriation Reserves	<u>3,316.00</u>
	21,238.68
Decreased by:	
Disbursements	<u>10,586.91</u>
Balance Dec. 31, 2018	<u><u>\$ 10,651.77</u></u>

Exhibit SA-17

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Schedule of Due from Bank  
As of December 31, 2018

---

Balance Dec. 31, 2018	<u><u>\$ 3,540.80</u></u>
-----------------------	---------------------------

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

<u>Program</u>	<u>Balance Dec. 31, 2017</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance Dec. 31, 2018</u>
Federal Grants:				
Assistance to Firefighters Grant	\$ 11,583.76			\$ 11,583.76
State Grants:				
New Jersey Transportation Trust Fund:				
Singley, Hirsch, & Third Avenues	0.01			0.01
East 11th Ave	7,415.31			7,415.31
Constitution Avenue	14,591.15			14,591.15
Elm Ave and Broadway	60,563.87		\$ 60,563.87	
Charles, Read, Shisler and Phillips		\$ 250,000.00	187,500.00	62,500.00
Bulletproof Vest Partnership Grant	2,942.15		880.00	2,062.15
Municipal Alliance Grant	4,254.92	11,518.75	6,579.08	9,194.59
Police Domestic Violence Program Grant	3,900.00			3,900.00
Safe and Secure Communities Program	23,197.00	39,200.00	59,077.00	3,320.00
Buckle-up South Jersey	308.04			308.04
Distracted Driving Enforcement Fund		6,600.00	6,600.00	
Drunk Driving Enforcement Fund		1,500.00	1,500.00	
Click It or Ticket		5,500.00	5,500.00	
Edward Byrne Memorial Justice Assistance Grant	890.45			890.45
Clean Communities Grant	576.18	16,364.27	16,364.27	576.18
Total State Grants	118,639.08	330,683.02	344,564.22	104,757.88
Total Grants	\$ 130,222.84	\$ 330,683.02	\$ 344,564.22	\$ 116,341.64

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

<u>Program</u>	<u>Balance Dec. 31, 2017</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Miscellaneous Revenue in 2018 Budget</u>	<u>Balance Dec. 31, 2018</u>
State Grants:				
New Jersey Transportation Trust Fund:				
Elm Ave and Broadway	\$ 208,000.00		\$ 208,000.00	
Charles, Read, Shisler and Phillips		\$ 250,000.00	250,000.00	
Municipal Alliance Grant		11,518.75	11,518.75	
Recycling Tonnage Grant	10,588.54		10,588.54	
Drunk Driving Enforcement Grant	3,035.74	1,500.00	3,035.74	\$ 1,500.00
Safe and Secure Communities Grant		39,200.00	39,200.00	
Click It or Ticket		5,500.00		5,500.00
Distracted Driving Enforcement Fund		6,600.00	6,600.00	
Clean Communities Grant	17,101.51	16,364.27	17,101.51	16,364.27
	<u>17,101.51</u>	<u>16,364.27</u>	<u>17,101.51</u>	<u>16,364.27</u>
Total State Grants	<u>\$ 238,725.79</u>	<u>\$ 330,683.02</u>	<u>\$ 546,044.54</u>	<u>\$ 23,364.27</u>

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

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2017</u>		<u>Transferred</u> <u>from 2018</u> <u>Budget</u> <u>Appropriation</u>	<u>Paid or</u> <u>Charged</u>	<u>Encumbered</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
	<u>Encumbered</u>	<u>Reserved</u>				
Federal Grants:						
Assistance to Firefighters' Grant		\$ 9,195.40				\$ 9,195.40
State Grants:						
New Jersey Transportation Trust Fund:						
Blackhorse Pike Revitalization - Transportation Enhancement		17,136.92				17,136.92
Read Avenue		8,914.50				8,914.50
S. Oakland Ave	\$ 2,164.00				\$ 2,164.00	
Elm Ave and Broadway			\$ 208,000.00	\$ 208,000.00		
Charles, Read, Shisler and Phillips			250,000.00	250,000.00		
Safe and Secure Communities Program		23,144.00	39,200.00	39,200.00		23,144.00
Drunk Driving Enforcement Grant		1,682.27	3,035.74			4,718.01
Distracted Driving Enforcement Fund			6,600.00	6,600.00		
Clean Communities Grant	260.00	3,517.82	17,101.51	1,570.92	410.00	18,898.41
Statewide Livable Communities Grant		572.74				572.74
Alcohol Education and Rehabilitation Fund		895.98				895.98
Body Armor Grant		3,777.90		3,332.91		444.99
Bulletproof Vest Partnership Grant		650.78				650.78
Municipal Alliance Grant	1,270.60	7,597.07	11,518.75	13,930.94	829.46	5,626.02
Municipal Stormwater Regulation Program Grant		1,236.46				1,236.46
Police Domestic Violence Program Grant		3,280.16				3,280.16
Special Purpose Grant		6,193.70				6,193.70
Buckle-up South Jersey		2,236.86				2,236.86
Operations Planning Grant		6.48				6.48
Recycling Tonnage Grant		3,145.47	10,588.54	9,270.30	468.30	3,995.41
Safe Schools and Communities Program		15,000.00				15,000.00
Sustainable Jersey Small Grant		2,056.33		1,116.39	175.00	764.94
Camden County DWI Patrol		600.00				600.00
Edward Byrne Memorial Justice Assistance Grant		890.45				890.45
Total State Grants	3,694.60	102,535.89	546,044.54	533,021.46	4,046.76	115,206.81
Total Grants	\$ 3,694.60	\$ 111,731.29	\$ 546,044.54	\$ 533,021.46	\$ 4,046.76	\$ 124,402.21
Disbursed				\$ 325,021.46		
Due General Capital Fund				208,000.00		
				\$ 533,021.46		



**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**

**BOROUGH OF RUNNEMEDE**  
**TRUST FUND**  
Statement of Cash -- Treasurer  
For the Year Ended December 31, 2018

	<u>Animal Control Fund</u>	<u>Community Development Block Grant Fund</u>	<u>Other Funds</u>
Balance Dec. 31, 2017	\$ 22,647.37	\$ 29,248.20	\$ 1,299,333.99
Increased by Receipts:			
Animal Control Fees	\$ 17,038.00		
Registration Fees Due State	813.60		
Due Current Fund:			
Community Development Block Grant Fund		\$ 150,000.00	
Due General Capital Fund		43,714.34	
Miscellaneous Liabilities and Reserves			\$ 5,656,097.90
	<u>17,851.60</u>	<u>193,714.34</u>	<u>5,656,097.90</u>
	40,498.97		6,955,431.89
Decreased by Disbursements:			
Expenditures Under R.S.4:19:15.11	22,028.82	197,364.10	
Registration Fees--Due State of New Jersey	813.60		
Due Current Fund:			
Miscellaneous Trust Funds			79,622.85
Miscellaneous Liabilities and Reserves			5,828,689.44
	<u>22,842.42</u>	<u>197,364.10</u>	<u>5,908,312.29</u>
Balance Dec. 31, 2018	<u><u>\$ 17,656.55</u></u>	<u><u>\$ 25,598.44</u></u>	<u><u>\$ 1,047,119.60</u></u>

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

Balance Dec. 31, 2017		\$ 22,647.37
Increased by:		
Animal Control License Fees Collected:		
Dog License Fees	\$ 14,708.00	
Cat License Fees	<u>2,330.00</u>	
		<u>17,038.00</u>
		39,685.37
Decreased by:		
Encumbrances	2,239.00	
Expenditures Under R.S.4:19-15.11 - Cash Disbursements	<u>22,028.82</u>	
		<u>24,267.82</u>
Balance Dec. 31, 2018		<u><u>\$ 15,417.55</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2017	\$ 16,767.00
2016	<u>17,916.40</u>
	<u><u>\$ 34,683.40</u></u>

**BOROUGH OF RUNNEMEDE**  
**ANIMAL CONTROL TRUST FUND**  
Statement of Due to State of New Jersey  
For the Year Ended December 31, 2018

---

Increased by:	
State Registration Fees Collected	\$       813.60
Decreased by:	
Payments	<u><u>\$       813.60</u></u>

**BOROUGH OF RUNNEMEDE**  
**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**  
Statement of Community Development Block Grant Receivable  
For the Year Ended December 31, 2018

---

Balance Dec. 31, 2017	\$ 217,000.00
Increased by:	
2018 CDBG Award	<u>250,000.00</u>
	467,000.00
Decreased by:	
Cancellation	<u>217,000.00</u>
Balance Dec. 31, 2018	<u><u>\$ 250,000.00</u></u>
<u>Analysis of Balance Dec. 31, 2018</u>	
2018 - Charles Ave, Phillips Ave, S. Read Ave, Shisler Circle	<u><u>\$ 250,000.00</u></u>

## Exhibit SB-5

**BOROUGH OF RUNNEMEDE**  
**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**  
Statement of Due to Current Fund  
For the Year Ended December 31, 2018

---

Increased by:	
Receipts	<u>\$ 150,000.00</u>
Balance Dec. 31, 2018	<u><u>\$ 150,000.00</u></u>

**BOROUGH OF RUNNEMEDE**  
**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**  
Statement of Reserve for Community Development Block Grant  
For the Year Ended December 31, 2018

---

Balance Dec. 31, 2017	\$ 23,285.66
Increased by:	
2018 CDBG Award	<u>250,000.00</u>
	273,285.66
Decreased by:	
Disbursements	<u>197,364.10</u>
Balance Dec. 31, 2018	<u><u>\$ 75,921.56</u></u>

Analysis of Balance Dec. 31, 2018

Year 37 - Reconstruction of Washington Avenue	\$ 23,285.66
2018 - Charles Ave, Phillips Ave, S. Read Ave, Shisler Circle	<u>52,635.90</u>
	<u><u>\$ 75,921.56</u></u>

**Exhibit SB-7**

**BOROUGH OF RUNNEMEDE**  
**TRUST FUND -- OTHER**  
Statement of Due to Current Fund  
For the Year Ended December 31, 2018

---

Balance Dec. 31, 2017	\$ 79,622.85
Decreased by:	
Interfund Loans Returned	<u><u>\$ 79,622.85</u></u>

**BOROUGH OF RUNNEMEDE**  
**TRUST FUND -- OTHER**  
Statement of Changes in Miscellaneous Trust Other Reserves  
For the Year Ended December 31, 2018

	Balance Dec. 31, 2017	Increased by Receipts	Decreased by Disbursements	Balance Dec. 31, 2018
Liabilities:				
Due State of New Jersey:				
Marriage License Fees	\$ 400.00			\$ 400.00
DCA Training Fees		\$ 7,002.00	\$ 7,002.00	
Street Opening Deposits	21,187.32			21,187.32
Due Runnemede Sewerage Authority	8,192.76		123.84	8,068.92
Deposits - Due to Contractor	2,200.00			2,200.00
Reserve For:				
Accumulated Absences		15,000.00		15,000.00
Uniform Construction Code	90,162.93	169,969.42	145,034.34	115,098.01
New Jersey Unemployment Compensation	10,199.00	56,751.72	40,963.33	25,987.39
Planning Board Escrow	149,270.86	31,235.65	15,917.50	164,589.01
Tax Title Lien Redemption	818,427.50	659,710.63	845,572.76	632,565.37
Parking Offenses Adjudication Act - POAA	1,161.00	86.00	685.66	561.34
Special Law Enforcement Fund	3,548.96	3.70		3,552.66
Trust Other - Funds Held in Escrow	35,609.26	145,490.00	145,435.98	35,663.28
Recreation Facility Escrow	900.00	2,925.00		3,825.00
Forfeited Property	3,547.40			3,547.40
Public Defender Fees	6,373.57	1,234.48	4,530.00	3,078.05
Payroll Deductions Payable	38,511.68	4,410,114.36	4,445,652.87	2,973.17
Storm Recovery	20,000.00		11,945.98	8,054.02
Uniform Fire Safety		11,212.00	6,054.90	5,157.10
Municipal Alliance Contributions	3,352.07			3,352.07
Outside Employment of Municipal Police	14,735.75	145,362.94	159,770.28	328.41
	<u>\$ 1,227,780.06</u>	<u>\$ 5,656,097.90</u>	<u>\$ 5,828,689.44</u>	<u>\$ 1,055,188.52</u>

**SUPPLEMENTAL EXHIBITS**

**GENERAL CAPITAL FUND**



**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash  
For the Year Ended December 31, 2018

---

Balance Dec. 31, 2017		\$ 566,512.17
Increased by Receipts:		
Due Current Fund	\$ 150,000.00	
Capital Improvement Fund	85,250.00	
Bond Anticipation Notes	<u>3,814,250.00</u>	
		<u>4,049,500.00</u>
		4,616,012.17
Decreased by Disbursements:		
Improvement Authorizations	2,267,980.40	
Bond Anticipation Notes	<u>2,194,500.00</u>	
		<u>4,462,480.40</u>
Balance Dec. 31, 2018		<u><u>\$ 153,531.77</u></u>

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

		<u>Receipts</u>		<u>Disbursements</u>		
		Balance (Deficit) Dec. 31, 2017		Bond Anticipation Notes	Improvement Authorizations	Balance (Deficit) Dec. 31, 2018
			<u>Miscellaneous</u>			
					<u>Transfers</u>	
					<u>From</u>	<u>To</u>
Fund Balance		\$ 15,404.63			\$ 15,404.63	
Capital Improvement Fund		200.00	\$ 85,250.00		85,250.00	\$ 200.00
New Jersey Transportation Trust Fund - Ord.97-15		(135,280.00)				(135,280.00)
Due from CDBG		(217,000.00)				(173,285.66)
Reserve for Encumbrances		838,847.51			838,847.51	187,843.16
Due from CDBG Trust Fund		(222,962.54)			43,714.34	217,000.00
Due Current Fund		(150,000.00)	150,000.00			15,404.63
Ordinance						
<u>Number</u>	<u>Improvement Authorizations:</u>					
09-16	Improvements to Buildings and Grounds	2,590.09				2,590.09
10-14	Various Capital Improvements and the Acquisition of Capital Equipment	810.64				810.64
10-15	Various Capital Improvements for Beaver Branch Park	6,145.14				6,145.14
11-9	Various Capital Improvements and the Acquisition of Capital Equipment					2,502.25
12-9	Various Capital Improvements at Beaver Branch Park	5,880.82				5,880.82
12-14	Various Capital Improvements and the Acquisition of Capital Equipment	3,950.75				3,950.75
13-19	Various Capital Improvements and the Acquisition of Capital Equipment	5,693.92				5,693.92
14-10	Acquisition of a Fire Truck	227.36				227.36
14-23	Various Capital Improvements and the Acquisition of Capital Equipment	9,219.45				9,219.45
16-05	Various Capital Improvements and the Acquisition of Capital Equipment	177,382.08			\$ 100,742.60	13,217.81
17-07	Various Capital Improvements and the Acquisition of Capital Equipment	225,402.32			954,759.93	224,618.00
18-08	Various Capital Improvements and the Acquisition of Various Capital Equipment			\$ 1,619,750.00	1,212,477.87	167,007.35
						85,250.00
		<u>\$ 566,512.17</u>	<u>\$ 235,250.00</u>	<u>\$ 1,619,750.00</u>	<u>\$ 2,267,980.40</u>	<u>\$ 1,388,059.64</u>
						<u>\$ 1,388,059.64</u>
						<u>\$ 153,531.77</u>

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

---

Balance Dec. 31, 2017		\$ 5,233,122.08
Decreased by:		
Budget Appropriation to Pay Serial Bonds	\$ 458,000.00	
Budget Appropriation to Pay Green Acres Loan	<u>22,501.10</u>	
		<u>480,501.10</u>
Balance Dec. 31, 2018		<u><u>\$ 4,752,620.98</u></u>

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

Ordinance Number	Improvement Description	Date of Ordinance	Balance Dec. 31, 2017	Increased by		Balance Dec. 31, 2018	Analysis of Balance Dec. 31, 2018		
				2018 Authorizations			Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
08-14	Various Capital Improvements and the Acquisition of Capital Equipment	7/1/2008	\$ 500.00			\$ 500.00			\$ 500.00
14-10	Acquisition of a Fire Truck	4/1/2014	250.00			250.00			250.00
16-05	Various Capital Improvements and the Acquisition of Capital Equipment	6/8/2016	1,320,500.00			1,320,500.00	\$ 1,320,500.00		
17-07	Various Capital Improvements and the Acquisition of Capital Equipment	6/27/2017	874,000.00			874,000.00	874,000.00		
18-08	Various Capital Improvements and the Acquisition of Various Capital Equipment	6/6/2018		\$ 1,619,750.00		1,619,750.00	1,619,750.00		
			<u>\$ 2,195,250.00</u>	<u>\$ 1,619,750.00</u>		<u>\$ 3,815,000.00</u>	<u>\$ 3,814,250.00</u>	<u>-</u>	<u>\$ 750.00</u>
						Improvement Authorizations - Unfunded			\$ 480,056.10
						Less: Unexpended Proceeds of BAN Issued:			
						Ord. 16-05	\$ 153,791.32		
						Ord. 18-08	325,514.78		
									<u>479,306.10</u>
									<u>\$ 750.00</u>

**BOROUGH OF RUNNEMEDE****GENERAL CAPITAL FUND**

Schedule of State Aid Receivable--New Jersey Transportation Trust Fund Authority Act

As of December 31, 2018

---

Balance Dec. 31, 2018	<u>\$ 235,065.50</u>
<u>Analysis of Balance</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
Ord. 95-3; 96-13 - Reconstruction of Hirsch Avenue (Reserved Balance)	\$ 99,785.50
Ord. 97-15 - Reconstruction of Central Avenue (Unreserved Balance)	85,280.00
Ord. 17-07 - Reconstruction of South Oakland Ave and Washington Ave Phase II (Unreserved Balance)	<u>50,000.00</u>
	<u>\$ 235,065.50</u>

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of Due from/to Current Fund  
For the Year Ended December 31, 2018

---

Balance Dec. 31, 2017 (Due from)	\$ 150,000.00
Increased by:	
Anticipated Revenue in Current Fund	<u>15,404.63</u>
	165,404.63
Decreased by:	
Receipts	<u>150,000.00</u>
Balance Dec. 31, 2018 (Due to)	<u><u>\$ 15,404.63</u></u>

## Exhibit SC-7

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of Due from Federal and State Grant Fund  
For the Year Ended December 31, 2018

---

Increased by:	
Improvement Auth. - Refunds	<u>\$ 208,000.00</u>
Balance Dec. 31, 2018	<u><u>\$ 208,000.00</u></u>

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

---

Balance Dec. 31, 2017	\$ 200.00
Increased by:	
2018 Budget Appropriation	<u>85,250.00</u>
	85,450.00
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>85,250.00</u>
Balance Dec. 31, 2018	<u><u>\$ 200.00</u></u>

## Exhibit SC-9

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of Due from CDBG Trust Fund  
For the Year Ended December 31, 2018

---

Balance Dec. 31, 2017	\$ 222,962.54
Increased by:	
Collections - Due CDBG	<u>43,714.34</u>
	266,676.88
Decreased by:	
Cancellation - Grant Receivable	<u>217,000.00</u>
Balance Dec. 31, 2018	<u><u>\$ 49,676.88</u></u>

**BOROUGH OF RUNNEMEDE**  
GENERAL CAPITAL FUND  
Statement of Due from CDBG  
For the Year Ended December 31, 2018

---

Balance Dec. 31, 2017	\$ 217,000.00
Decreased by:	
Collections - Due CDBG Trust Fund	<u>43,714.34</u>
Balance Dec. 31, 2018	<u><u>\$ 173,285.66</u></u>



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

Ordinance Number	Improvement Description	Ordinance Date	2018 Authorizations		Funding Sources	Deferred Charges to Future Taxation Unfunded	Transfer from Reserve for Encumbrances	Transfer from Contracts Payable	Refunds	Paid or Charged	Balance Dec. 31, 2018	
			Balance Dec. 31, 2017 Funded	Unfunded							Funded	Unfunded
08-14	Various Capital Improvements and the Acquisition of Capital Equipment	07/01/2008	\$ 2,590.09	\$ 500.00							\$ 2,590.09	\$ 500.00
10-14	Various Capital Improvements and the Acquisition of Capital Equipment	12/07/2010	810.64								810.64	
10-15	Various Capital Improvements for Beaver Branch Park	12/07/2010	6,145.14								6,145.14	
11-09	Various Capital Improvements and the Acquisition of Capital Equipment	12/09/2011					\$ 2,502.25				2,502.25	
12-09	Various Capital Improvements at Beaver Branch Park	10/02/2012	5,880.82								5,880.82	
12-14	Various Capital Improvements and the Acquisition of Capital Equipment	12/04/2012	3,950.75								3,950.75	
13-19	Various Capital Improvements and the Acquisition of Capital Equipment	10/01/2013	5,693.92								5,693.92	
14-10	Acquisition of a Fire Truck	04/01/2014	227.36	250.00							227.36	250.00
14-23	Various Capital Improvements and the Acquisition of Capital Equipment	12/02/2014	9,219.45								9,219.45	
16-05	Various Capital Improvements and the Acquisition of Capital Equipment	06/08/2016		177,382.08			90,369.65			\$ 113,960.41		153,791.32
17-07	Various Capital Improvements and the Acquisition of Capital Equipment	06/27/2017		33,418.67			745,975.61	\$ 191,983.65	\$ 208,000.00	1,179,377.93		
18-08	Various Capital Improvements and the Acquisition of Various Capital Equipment	06/06/2018			\$ 85,250.00	\$ 1,619,750.00				1,379,485.22		325,514.78
			<u>\$ 34,518.17</u>	<u>\$ 211,550.75</u>	<u>\$ 85,250.00</u>	<u>\$ 1,619,750.00</u>	<u>\$ 838,847.51</u>	<u>\$ 191,983.65</u>	<u>\$ 208,000.00</u>	<u>\$ 2,672,823.56</u>	<u>\$ 37,020.42</u>	<u>\$ 480,056.10</u>
	Capital Improvement Fund				\$ 85,250.00							
	Due from Federal and State Grant Fund								\$ 208,000.00			
					<u>\$ 85,250.00</u>				<u>\$ 208,000.00</u>			
	Disbursed									\$ 2,267,980.40		
	Due CDBG Trust Fund									217,000.00		
	Encumbered									187,843.16		
										<u>\$ 2,672,823.56</u>		

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

<u>Purpose</u>	<u>Loan Amount</u>	<u>Date of Loan</u>	<u>Maturities of Loans 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>				
Beaver Branch Park Project	\$ 500,000.00	7/21/2014	04/24/19	\$ 11,419.59	2.00%			
			10/24/19	11,533.78	2.00%			
			04/24/20	11,649.12	2.00%			
			10/24/20	11,765.61	2.00%			
			04/24/21	11,883.27	2.00%			
			10/24/21	12,002.10	2.00%			
			04/24/22	12,122.12	2.00%			
			10/24/22	12,243.34	2.00%			
			04/24/23	12,365.78	2.00%			
			10/24/23	12,489.43	2.00%			
			04/24/24	12,614.33	2.00%			
			10/24/24	12,740.47	2.00%			
			04/24/25	12,867.88	2.00%			
			10/24/25	12,996.56	2.00%			
			04/24/26	13,126.52	2.00%			
			10/24/26	13,257.79	2.00%			
			04/24/27	13,390.36	2.00%			
			10/24/27	13,524.27	2.00%			
			04/24/28	13,659.51	2.00%			
			10/24/28	13,796.11	2.00%			
			04/24/29	13,934.07	2.00%			
			10/24/29	14,073.41	2.00%			
			04/24/30	14,214.14	2.00%			
			10/24/30	14,356.28	2.00%			
			04/24/31	14,499.85	2.00%			
			10/24/31	14,644.84	2.00%			
			04/23/32	14,791.29	2.00%			
			10/23/32	14,939.21	2.00%			
			04/24/33	15,088.60	2.00%			
			10/24/33	15,239.48	2.00%			
			04/24/34	15,391.87	2.00%			
						<u>\$ 435,122.08</u>	<u>\$ 22,501.10</u>	<u>\$ 412,620.98</u>

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

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Notes</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2018</u>
16-05	Various Capital Improvements and the Acquisition of Capital Equipment	12/29/16	11/14/17 11/08/18	11/13/18 07/09/19	2.250% 2.389%	\$ 1,320,500.00	\$ 1,320,500.00	\$ 1,320,500.00	\$ 1,320,500.00
17-07	Various Capital Improvements and the Acquisition of Capital Equipment	11/14/17	11/14/17 11/08/18	11/13/18 07/09/19	2.250% 2.389%	874,000.00	874,000.00	874,000.00	874,000.00
18-08	Various Capital Improvements and the Acquisition of Capital Equipment	07/10/18	07/10/18	07/09/19	1.930%		1,619,750.00		1,619,750.00
						<u>\$ 2,194,500.00</u>	<u>\$ 3,814,250.00</u>	<u>\$ 2,194,500.00</u>	<u>\$ 3,814,250.00</u>
							\$ 2,194,500.00	\$ 2,194,500.00	
							1,619,750.00		
							<u>\$ 3,814,250.00</u>	<u>\$ 2,194,500.00</u>	

Renewals  
Issued for Cash

**BOROUGH OF RUNNEMEDE**  
**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 Amount</u>	<u>Maturity 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 Bonds of 2008	7/24/2008	\$ 1,503,000.00				\$ 188,000.00	\$ 188,000.00	
General Bonds of 2015	11/24/2015	5,060,000.00	11/15/19	\$ 275,000.00	2.000%			
			11/15/20	280,000.00	2.000%			
			11/15/21	295,000.00	2.000%			
			11/15/22	300,000.00	2.000%			
			11/15/23	305,000.00	3.000%			
			11/15/24	340,000.00	3.000%			
			11/15/25-26	355,000.00	3.000%			
			11/15/27	360,000.00	3.000%			
			11/15/28	365,000.00	3.000%			
			11/15/29	370,000.00	3.000%			
			11/15/30	370,000.00	3.125%			
			11/15/31	370,000.00	3.250%	4,610,000.00	270,000.00	\$ 4,340,000.00
						<u>\$ 4,798,000.00</u>	<u>\$ 458,000.00</u>	<u>\$ 4,340,000.00</u>

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

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2017</u>	<u>Increased by 2018 Authorizations</u>	<u>Decreased by Notes Issued</u>	<u>Balance Dec. 31, 2018</u>
08-14	Various Capital Improvements and the Acquisition of Capital Equipment	\$ 500.00			\$ 500.00
14-10	Acquisition of a Fire Truck	250.00			250.00
18-08	Various Capital Improvements and the Acquisition of Various Capital Equipment		\$ 1,619,750.00	\$ 1,619,750.00	
		<u>\$ 750.00</u>	<u>\$ 1,619,750.00</u>	<u>\$ 1,619,750.00</u>	<u>\$ 750.00</u>

**SUPPLEMENTAL EXHIBITS**

**SEWER UTILITY FUND**

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY FUND**  
Statement of Sewer Utility Cash -- Treasurer  
For the Year Ended December 31, 2018

	<u>Operating</u>	<u>Capital</u>
Balance Dec. 31, 2017	\$ 234,335.14	\$ 152,328.12
Increased by Receipts:		
Rents Receivable	\$ 769,652.11	
Refunds of Current Year Appropriations	9,997.99	
Miscellaneous Revenue	24,688.24	
	<u>804,338.34</u>	
	1,038,673.48	152,328.12
Decreased by Disbursements:		
2018 Budget Appropriations	730,628.93	
Appropriation Reserves	12,874.90	
Accrued Interest on Bonds and Loans	83,388.13	
Improvement Authorizations		\$ 7,678.00
	<u>826,891.96</u>	<u>7,678.00</u>
Balance Dec. 31, 2018	<u><u>\$ 211,781.52</u></u>	<u><u>\$ 144,650.12</u></u>

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

			Disbursements		Transfers		
		Balance (Deficit) <u>Dec. 31, 2017</u>	Improvement <u>Authorizations</u>	<u>From</u>	<u>To</u>	Balance (Deficit) <u>Dec. 31, 2018</u>	
Capital Fund Balance		\$ 10,866.35		\$ 10,866.35			
Capital Improvement Fund		5,000.00				\$ 5,000.00	
Due Sewer Utility Operating Fund		4,391.66			\$ 10,866.35	15,258.01	
Due from NJEIT Loan Receivable		(234,328.00)				(234,328.00)	
Contracts Payable		85,432.93				85,432.93	
Reserve for Encumbrances		1,700.00				1,700.00	
Improvement Authorizations:							
Ordinance Number							
08-07	Replacement and/or Upgrading of Pump Stations and Improvements to the Storm Water Gutter Line	263,780.39				263,780.39	
12-10	Acquisition of Sewer Utility Equipment	894.80				894.80	
15-09	Various Capital Improvements	<u>14,589.99</u>	<u>\$ 7,678.00</u>	<u></u>	<u></u>	<u>6,911.99</u>	
		<u>\$ 152,328.12</u>	<u>\$ 7,678.00</u>	<u>\$ 10,866.35</u>	<u>\$ 10,866.35</u>	<u>\$ 144,650.12</u>	



**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY OPERATING FUND**  
**Statement of Sewer Rents Receivable**  
**For the Year Ended December 31, 2018**

---

Balance Dec. 31, 2017		\$ 55,070.88
Increased by:		
Sewer Rents Levied		<u>774,541.00</u>
		829,611.88
Decreased by:		
Collections	\$ 769,652.11	
Transfer to Liens	<u>2,590.00</u>	
		<u>772,242.11</u>
Balance Dec. 31, 2018		<u><u>\$ 57,369.77</u></u>

## Exhibit SD-4

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

---

Increased by:		
Transfer from Rents Receivable	\$ 2,590.00	
Interest and Costs on Rent Sale	<u>617.82</u>	
Balance Dec. 31, 2018		<u><u>\$ 3,207.82</u></u>

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

	<u>Balance Dec. 31, 2017</u>		<u>Balance</u>	<u>Paid or</u>	<u>Lapsed</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>After</u>	<u>Charged</u>	<u>to Fund</u>
			<u>Transfers</u>		<u>Balance</u>
Operations:					
Salaries and Wages		\$ 840.12	\$ 840.12		\$ 840.12
Other Expenses	\$ 12,148.40	727.44	12,875.84	\$ 12,874.90	0.94
Statutory Expenditures:					
Disability		889.29	889.29		889.29
Unemployment Compensation Insurance		598.77	598.77		598.77
	<u>\$ 12,148.40</u>	<u>\$ 3,055.62</u>	<u>\$ 15,204.02</u>	<u>\$ 12,874.90</u>	<u>\$ 2,329.12</u>
			Disbursed	<u>\$ 12,874.90</u>	

**BOROUGH OF RUNNEMEDE**  
SEWER UTILITY CAPITAL FUND  
Schedule of Fixed Capital  
As of December 31, 2018

---

<u>Account</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
Costs Associated with Sanitary Sewer System	\$ <u><u>3,730,058.49</u></u>

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY OPERATING FUND**  
Statement of Accrued Interest on Bonds and Loans  
For the Year Ended December 31, 2018

Balance Dec. 31, 2017				\$	25,044.25
Increased by:					
Charged to Budget Appropriation:					
Interest on Bonds and Loans			\$	46,056.96	
Interest on Notes				35,579.70	
					<u>81,636.66</u>
					106,680.91
Decreased by:					
Disbursed					<u>83,388.13</u>
Balance Dec. 31, 2018				\$	<u><u>23,292.78</u></u>

Analysis of Accrued Interest Dec. 31, 2018

Principal Outstanding Dec. 31, 2018	Interest Rate	From	To	Period	Amount
NJBIT Infrastructure Loans:					
\$ 35,000.00	various	8/1/2018	12/31/18	153 days	\$ 847.88
120,000.00	various	8/1/2018	12/31/18	153 days	2,443.75
655,000.00	various	8/1/2018	12/31/18	153 days	14,471.25
Serial Bonds					
30,000.00	various	11/15/18	12/31/18	47 days	78.33
Bond Anticipation Notes (Capital)					
1,550,000.00	2.389%	11/08/18	12/31/18	53 days	<u>5,451.57</u>
					<u>\$ 23,292.78</u>

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

---

Balance Dec. 31, 2017			\$	4,159,262.78
Increased by:				
Paid by Sewer Utility Operating Fund:				
Loans Payable	\$	197,496.19		
Serial Bonds		<u>27,000.00</u>		
				<u>224,496.19</u>
Balance Dec. 31, 2018			\$	<u><u>4,383,758.97</u></u>

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY CAPITAL FUND**  
**Statement of Loans Payable**  
**For the Year Ended December 31, 2018**

<u>Purpose</u>	<u>Loan Amount</u>	<u>Date of Loan</u>	<u>Maturities of Loans Outstanding Dec. 31, 2018</u>		<u>Interest Rate</u>	<u>Balance</u>	<u>Paid by</u>	<u>Balance</u>
			<u>Date</u>	<u>Amount</u>		<u>Dec. 31, 2017</u>	<u>Budget Appropriation</u>	<u>Dec. 31, 2018</u>
N.J. Environmental Infrastructure Trust Loan	\$ 445,000.00	11/04/99	08/01/19	\$ 35,000.00	5.70%	\$ 70,000.00	\$ 35,000.00	\$ 35,000.00
N.J. Environmental Infrastructure Fund Loan	443,403.00	11/04/99	(1)	(1)	Nil	45,312.85	23,288.68	22,024.17
N.J. Environmental Infrastructure Trust Loan	350,000.00	11/05/03	08/01/19	20,000.00	5.00%			
			08/01/20	25,000.00	5.00%			
			08/01/21	25,000.00	4.50%			
			08/01/22-23	25,000.00	4.75%	140,000.00	20,000.00	120,000.00
N.J. Environmental Infrastructure Fund Loan	333,703.00	11/05/03	(1)	(1)	Nil	100,542.09	16,291.27	84,250.82
N.J. Environmental Infrastructure Trust Loan	1,025,000.00	11/06/08	08/01/19	55,000.00	5.25%			
			08/01/20-21	55,000.00	5.50%			
			08/01/22	60,000.00	5.50%			
			08/01/23	65,000.00	5.50%			
			08/01/24	65,000.00	5.00%			
			08/01/25-26	75,000.00	5.00%			
			08/01/27-28	80,000.00	5.00%	705,000.00	50,000.00	655,000.00
N.J. Environmental Infrastructure Fund Loan	1,022,000.00	11/06/08	(1)	(1)	Nil	343,612.77	52,916.24	290,696.53
						<u>\$ 1,404,467.71</u>	<u>\$ 197,496.19</u>	<u>\$ 1,206,971.52</u>

(1) Semiannual Principal Payments due February 1 and August 1.

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY CAPITAL FUND**  
**Statement of Serial Bonds Payable**  
**For the Year Ended December 31, 2018**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturity of Bonds Outstanding Dec. 31, 2018</u>		<u>Interest Rate</u>	<u>Balance</u>	<u>Paid by</u>	<u>Balance</u>
			<u>Date</u>	<u>Amount</u>		<u>Dec. 31, 2017</u>	<u>Budget Appropriation</u>	<u>Dec. 31, 2018</u>
General Obligation Bonds, Series 2008	07/24/08	\$ 95,000.00				\$ 12,000.00	\$ 12,000.00	
General Obligation Bonds, Series 2015	11/12/15	75,000.00	11/15/19-20	\$ 15,000.00	2.000%	45,000.00	15,000.00	\$ 30,000.00
						<u>\$ 57,000.00</u>	<u>\$ 27,000.00</u>	<u>\$ 30,000.00</u>

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

Ordinance Number	Improvement Description	Date	<u>Ordinance</u>	<u>Balance Dec. 31, 2017</u>		Paid or Charged	<u>Balance Dec. 31, 2018</u>	
			Amount	Funded	Unfunded		Funded	Unfunded
08-07	Replacement and/or Upgrading of Pump Stations and Improvements to the Storm Water Gutter Line	05/06/08	\$ 2,200,000.00	\$ 263,780.39	\$ 384,328.00		\$ 263,780.39	\$ 384,328.00
12-10	Acquisition of Sewer Utility Equipment	10/02/12	75,000.00	894.80			894.80	
15-09	Various Capital Improvements	06/03/15	1,550,000.00		14,589.99	\$ 7,678.00		6,911.99
				<u>\$ 264,675.19</u>	<u>\$ 398,917.99</u>	<u>\$ 7,678.00</u>	<u>\$ 264,675.19</u>	<u>\$ 391,239.99</u>
	Disbursements					<u>\$ 7,678.00</u>		



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

---

Balance Dec. 31, 2017	\$ 4,391.66
Increased by:	
Anticipated Revenue in Sewer Utility Fund	<u>10,866.35</u>
Balance Dec. 31, 2018	<u><u>\$ 15,258.01</u></u>

**BOROUGH OF RUNNEMEDE**  
SEWER UTILITY OPERATING FUND  
Schedule of Accounts Payable  
As of December 31, 2018

---

Balance Dec. 31, 2018

\$ 14,110.94

---

**BOROUGH OF RUNNEMEDE**  
SEWER UTILITY CAPITAL FUND  
Schedule of NJEIT Loan Receivable  
As of December 31, 2018

---

Balance Dec. 31, 2018

\$ 234,328.00

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY CAPITAL FUND**  
Schedule of Fixed Capital Authorized and Uncompleted  
As of December 31, 2018

---

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance Amount</u>	<u>Balance Dec. 31, 2018</u>
08-07	Replacement and/or Upgrading of Pump Stations and Improvements to the Storm Water Gutter Line	05/06/08	\$ 2,200,000.00	\$ 2,200,000.00
12-10	Acquisition of Sewer Utility Equipment	10/02/2012	75,000.00	75,000.00
15-09	Various Capital Improvements	06/03/15	1,550,000.00	<u>1,550,000.00</u>
				<u>\$ 3,825,000.00</u>

<u>Ordinance Number</u>	<u>Improvement Description</u>	Date of Issue of Original Notes	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2017	Increased	Decreased	Balance Dec. 31, 2018
15-09	Various Capital Improvements	12/29/16	11/14/17 11/08/18	11/13/18 07/09/19	2.250% 2.389%	\$ 1,550,000.00		\$ 1,550,000.00	
							\$ 1,550,000.00		\$ 1,550,000.00
						\$ 1,550,000.00	\$ 1,550,000.00	\$ 1,550,000.00	\$ 1,550,000.00
							\$ 1,550,000.00	\$ 1,550,000.00	

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

---

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2018</u>
08-07	Replacement and/or Upgrading of Pump Stations and Improvements to the Storm Water Gutter Line	<u>\$ 384,328.00</u>

**PART II**

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

**FOR THE YEAR ENDED DECEMBER 31, 2018**

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

---

***Schedule of Financial Statement Findings***

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

None.



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

---

This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

**FINANCIAL STATEMENT FINDINGS**

None.

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

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Nick Kappatos	Mayor	(A)
Patricia Tartaglia Passio	President of Council	(A)
Robert Farrell	Member of Council	(A)
Eleanor Kelly	Member of Council	(A)
Craig Laubenstein	Member of Council	(A)
John Ranieri	Member of Council	(A)
Michael Root	Member of Council	(A)
James D'Auria	Chief Financial Officer, Business Administrator	(A)
Greg Anderson	Treasurer	
Joyce Pinto	Tax Collector, Borough Clerk, Officer for Searches for Municipal Improvements, Registrar of Vital Statistics	(A)
Nicholas F. Trabosh	Judge of the Municipal Court (thru 2/27/2018)	(A)
N. Ryan Trabosh, Esq.	Judge of the Municipal Court (from 2/28/2018)	(A)
Catherine Lawson	Municipal Court Administrator	(A)
Paul Dailey	Chief of Police	(A)
Keith Knight	Construction Code Official	(A)
Leonard J. Wood, Esq.	Solicitor	
Bach Associates, PC	Engineer	

(A) These officials were covered by the Camden County Joint Insurance Fund for \$50,000.00. Amounts in excess of \$50,000.00 are covered under the Municipal Excess Liability Joint Insurance Fund to \$950,000.00 less the amount of individual bond coverage where applicable.

**APPRECIATION**

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

Respectfully submitted,

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

A handwritten signature in black ink, reading "Michael D. Cesaro". The signature is written in a cursive style with a long horizontal flourish at the end.

Michael D. Cesaro  
Certified Public Accountant  
Registered Municipal Accountant

