

**BOROUGH OF  
RUNNEMEDE**

**COUNTY OF  
CAMDEN**



**REPORT OF AUDIT  
FOR THE YEAR ENDED  
DECEMBER 31, 2022**

**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	Schedule 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 Operating Fund--Statement of Revenues--Regulatory Basis	25
D-3	Sewer Utility Operating Fund--Statement of Expenditures--Regulatory Basis	26

**GENERAL FIXED ASSETS ACCOUNT GROUP**

F	Statement of General Fixed Asset Group of Accounts--Regulatory Basis	27
	Notes to Financial Statements	28

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

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

SA-1	Statement of Current Cash--Treasurer	67
SA-2	Schedule of Change Funds	68
SA-3	Statement of Taxes Receivable and Analysis of Property Tax Levy	69
SA-4	Statement of Tax Title Liens	70
SA-5	Statement of Revenue Accounts Receivable	71
SA-6	Statement of Appropriation Reserves	72
SA-7	Statement of Reserve for Encumbrances	74
SA-8	Statement of Due to State of New Jersey Senior Citizens' and Veterans' Deductions CH.73, P.L. 1976	75
SA-9	Statement of Prepaid Taxes	76
SA-10	Statement of Prepaid County Taxes	77
SA-11	Statement of Tax Overpayments	78
SA-12	Statement of Due County for Added and Omitted Taxes	79
SA-13	Statement of Taxes Payable / Prepaid Local District School Tax	80
SA-14	Statement of Prepaid Regional High School Tax	80
SA-15	Statement of Accounts Payable	81
SA-16	Schedule of Due from Bank	81
SA-17	Statement of Due Camden County Utility Authority	81
SA-18	Federal and State Grant Fund--Statement of Federal and State Grants Receivable	82
SA-19	Federal and State Grant Fund--Statement of Reserve for Federal and State Grants--Unappropriated	83
SA-20	Federal and State Grant Fund--Statement of Reserve for Federal and State Grants--Appropriated	84

**TRUST FUND**

SB-1	Statement of Cash--Treasurer	86
SB-2	Animal Control Trust Fund--Statement of Reserve for Animal Control Fund Expenditures	87
SB-3	Animal Control Trust Fund--Statement of Due to State of New Jersey	88
SB-4	Community Development Block Grant Fund--Statement of Reserve for Community Development Block Grant	89
SB-5	Trust Fund--Other--Statement of Due to Current Fund	89
SB-6	Community Development Block Grant Fund--Statement of Community Development Block Grant Receivable	90
SB-7	Community Development Block Grant Fund--Statement of Due to Current Fund	90
SB-8	Trust Fund--Other--Statement of Changes in Miscellaneous Trust Other Reserves	91

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

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

SC-1	Statement of General Capital Cash	93
SC-2	Analysis of General Capital Cash	94
SC-3	Statement of Deferred Charges to Future Taxation--Funded	95
SC-4	Statement of Deferred Charges to Future Taxation--Unfunded	96
SC-5	Schedule of State Aid Receivable--New Jersey Transportation Trust Fund Authority Act	97
SC-6	Statement of Due from/to Current Fund	98
SC-7	Statement of Due from Federal and State Grant Fund	98
SC-8	Statement of Capital Improvement Fund	99
SC-9	Statement of Improvement Authorizations	100
SC-10	Statement of Green Acres Loan Payable	101
SC-11	Statement of Bond Anticipation Notes	102
SC-12	Statement of General Serial Bonds	103
SC-13	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--Schedule of Due Sewer Utility Operating Fund	116
SD-13	Sewer Utility Operating Fund--Statement of Accounts Payable	117
SD-14	Sewer Utility Capital Fund--Schedule of NJEIT Loan Receivable	118
SD-15	Sewer Utility Capital Fund--Statement of Due to Federal and State Grant Fund	118
SD-16	Sewer Utility Capital Fund--Statement of Fixed Capital Authorized and Uncompleted	119
SD-17	Sewer Utility Capital Fund--Statement of Deferred Reserve for Amortization	120
SD-18	Sewer Utility Capital Fund--Statement of Bond Anticipation Notes	121
SD-19	Sewer Utility Capital Fund--Statement of Sewer Bonds and Notes Authorized But Not Issued	122

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

<b><u>Exhibit No.</u></b>		<b><u>Page No.</u></b>
	<b><u>PART 3</u></b>	
	<b><u>SINGLE AUDIT</u></b>	
	Report on Compliance for Each Major Program and Report on Internal Control Over Compliance Required by the Uniform Guidance	124
Sch A	Schedule of Expenditures of Federal Awards	127
	Notes to Schedule of Expenditures of Federal Awards	128
	<b><u>PART 3</u></b>	
	Schedule of Findings and Questioned Costs	130
	Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	135
	Officials in Office and Surety Bonds	136
	<b><u>APPRECIATION</u></b>	137

**BOROUGH OF RUNNEMEDE**

**PART I**

**REPORT OF AUDIT OF FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

## **INDEPENDENT AUDITOR'S REPORT**

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

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Runnemede, in the County of Camden, State of New Jersey, as of December 31, 2022 and 2021, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

#### ***Unmodified Opinions on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Runnemede, in the County of Camden, State of New Jersey, as of December 31, 2022 and 2021, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed asset group of accounts - regulatory basis, for the year ended December 31, 2022, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

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

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America* section of our report, the accompanying financial statements referred to above do not present fairly the financial position of the Borough of Runnemede, in the County of Camden, State of New Jersey, as of December 31, 2022 and 2021, or the results of its operations and changes in fund balance for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions on Regulatory Basis of Accounting***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Borough and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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



### ***Supplementary Information***

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

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

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated August 30, 2023 on our consideration of the Borough of Runnemede's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough of Runnemede's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of 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  
August 30, 2023

**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 statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the Borough of Runnemede, in the County of Camden, State of New Jersey, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated August 30, 2023. 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.

**Report on Internal Control over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Borough's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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, and federal awarding agencies and pass-through entities, in considering the entity'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  
August 30, 2023

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

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

As of December 31, 2022 and 2021

<u>ASSETS</u>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
Regular Fund:			
Cash	SA-1	\$ 2,883,880.37	\$ 2,333,486.84
Cash--Change Funds	SA-2	400.00	400.00
		<u>2,884,280.37</u>	<u>2,333,886.84</u>
Receivable with Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	287,296.79	259,307.78
Tax Title Liens Receivable	SA-4	126,118.94	117,083.66
Property Acquired for Taxes--Assessed Valuation	A	23,817.50	23,817.50
Revenue Accounts Receivable	SA-5	3,589.25	6,383.94
Due from Municipal Court	A	247.35	247.35
Prepaid County Taxes	SA-10	0.11	0.11
Prepaid Local District School Tax	SA-13	2.51	1.99
Prepaid Regional High School Tax	SA-14	29.58	31.58
Due from Trust Other Fund	SB-5	29,789.68	39,646.13
Due from Community Development Block Grant Fund	SB-7		42,200.00
Due from General Capital Fund	SC-6	13,052.72	
Accounts Receivable - Other	A	270.55	270.55
Due from Bank	SA-16	3,540.80	3,540.80
Due from Camden County Utility Authority	SA-17	2,238.40	1,736.09
Accounts Receivable - Transportation Trust Fund Aid	A	63,837.90	63,837.90
		<u>553,832.08</u>	<u>558,105.38</u>
		<u>3,438,112.45</u>	<u>2,891,992.22</u>
Federal and State Grant Fund:			
Cash	SA-1	314,560.69	628,222.74
Due from Sewer Capital Fund	SD-1		164,687.25
Federal and State Grant Receivable	SA-18	253,184.81	209,556.19
		<u>567,745.50</u>	<u>1,002,466.18</u>
		<u>\$ 4,005,857.95</u>	<u>\$ 3,894,458.40</u>

(Continued)

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

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

As of December 31, 2022 and 2021

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3 & SA-6	\$ 407,416.21	\$ 368,865.02
Reserve for Encumbrances	SA-7	382,343.52	302,687.02
Unallocated Receipts	A	883.75	883.75
Due to State of New Jersey (Ch. 73, P.L. 1976)	SA-8	109,233.45	107,702.63
Prepaid Taxes	SA-9	127,408.40	154,157.20
Tax Overpayments	SA-11	26,058.35	31,134.12
Accounts Payable	SA-15	90,553.45	58,886.09
Contracts Payable	A	24,279.08	24,279.08
Due County for Added and Omitted Taxes	SA-12	10,932.29	10,194.74
Reserve for Reassessment Program	A	11,805.86	11,805.86
Reserve for Codification of Ordinances	A	1,240.96	1,240.96
Reserve for Sale of Municipal Assets	A	7,535.50	7,535.50
Reserve for Municipal Relief Fund Aid	SA-1	46,278.72	
Due to General Capital Fund	SC-6		20,000.00
Due to Community Development Block Grant	SB-1	30,157.34	
		<u>1,276,126.88</u>	<u>1,099,371.97</u>
Reserve for Receivables and Other Assets	A	553,832.08	558,105.38
Fund Balance	A-1	<u>1,608,153.49</u>	<u>1,234,514.87</u>
		<u>3,438,112.45</u>	<u>2,891,992.22</u>
Federal and State Grant Fund:			
Due to General Capital Fund	SC-7	258,000.00	93,312.75
Reserve for Encumbrances	SA-20	19,105.81	251,688.75
Federal and State Grants Unappropriated	SA-19	96,413.19	329,374.50
Federal and State Grants Appropriated	SA-20	<u>194,226.50</u>	<u>328,090.18</u>
		<u>567,745.50</u>	<u>1,002,466.18</u>
		<u>\$ 4,005,857.95</u>	<u>\$ 3,894,458.40</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
 Statements of Operations and Changes in Fund Balance--Regulatory Basis  
 For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 679,000.00	\$ 875,000.00
Miscellaneous Revenue Anticipated	3,152,915.12	2,511,595.50
Receipts from Delinquent Taxes	267,730.27	254,388.56
Receipts from Current Taxes	21,025,446.27	20,566,315.21
Non-Budget Revenue	389,988.04	137,274.45
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	472,738.89	455,323.90
Reserves Liquidated:		
Cancelled Tax Overpayments		15,599.38
Prepaid Regional School Taxes	2.00	
Due from Trust Other Fund	9,856.45	
Due from CDBG Trust Fund	42,200.00	
Total Income	<u>26,039,877.04</u>	<u>24,815,497.00</u>
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations Within "CAPS"		
Salaries and Wages	2,897,131.74	3,031,126.00
Other Expenses	3,416,187.62	3,464,912.00
Municipal--Within "CAPS"	938,189.00	933,587.00
Operations--Excluded from "CAPS"		
Salaries and Wages	395,675.15	432,248.14
Other Expenses	534,316.06	637,269.00
Capital Improvements--Excluded from "CAPS"	680,000.00	20,000.00
Municipal Debt Service--Excluded from "CAPS"	799,950.43	681,124.05
County Taxes	4,378,418.09	4,401,058.21
Due County for Added and Omitted Taxes	10,932.29	10,194.74
Local District School Tax	7,597,679.00	7,541,121.00
Regional High School Tax	3,316,756.00	3,065,160.00
Senior Citizens' Deductions Disallowed by Collector - Prior Years	8,447.49	7,713.90
Reserves Created:		
Due Camden County Utility Authority	502.31	
Prepaid Local School Taxes	0.52	1.99
Prepaid Regional School Taxes		5.00
Due from Trust Other Fund		39,646.13
Due from Community Development Block Grant Fund		42,200.00
Due from General Capital Fund	13,052.72	
Total Expenditures	<u>24,987,238.42</u>	<u>24,307,367.16</u>
Excess in Revenue	1,052,638.62	508,129.84
<u>Fund Balance</u>		
Balance Jan. 1	<u>1,234,514.87</u>	<u>1,601,385.03</u>
	2,287,153.49	2,109,514.87
Decreased by:		
Utilized as Revenue	<u>679,000.00</u>	<u>875,000.00</u>
Balance Dec. 31	<u>\$ 1,608,153.49</u>	<u>\$ 1,234,514.87</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Revenues--Regulatory Basis  
For the Year Ended December 31, 2022

	<u>Anticipated</u>	<u>Special</u>		<u>Excess or</u>
	<u>Budget</u>	<u>N.J.S.A 40A:4-87</u>	<u>Realized</u>	<u>Deficit</u>
Fund Balance Anticipated	\$ 679,000.00		\$ 679,000.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	12,000.00		12,650.00	\$ 650.00
Other	500.00		7,345.00	6,845.00
Fees and Permits	53,000.00		66,864.35	13,864.35
Fines and Costs:				
Municipal Court	81,373.00		78,272.39	(3,100.61)
Interest and Costs on Taxes	83,000.00		87,332.81	4,332.81
Street Opening Fees	20,800.00		35,425.00	14,625.00
Interest on Investments and Deposits	3,100.00		6,997.70	3,897.70
Energy Receipts Tax	887,179.00		887,179.00	
Interlocal Service Agreement - Triton High School	95,551.00		95,551.00	
Interlocal Service Agreement - NJ DMV - Police S/W	129,929.00		129,929.28	0.28
Interlocal Service Agreement - Magnolia Borough				
Public Works Manager - S/W	60,224.04		60,224.04	
Municipal Court - S/W	19,841.86		19,841.88	0.02
Municipal Alliance on Alcoholism and Drug Abuse	4,334.00		4,334.00	
Safe and Secure Communities Program	21,168.00		21,168.00	
Bulletproof Vest Partnership Grant	1,426.62		1,426.62	
Body Armor Replacement Fund	1,044.70		1,044.70	
Clean Communities Grant		\$ 17,484.29	17,484.29	
Recycling Tonnage Grant	9,159.42		9,159.42	
NJ Department of Transportation - FY22	240,000.00		240,000.00	
CC Open Space Preservation Grant - Recreation FY21		25,000.00	25,000.00	
CC Open Space Preservation Grant - Recreation FY22		25,000.00	25,000.00	
Cable TV Franchise Fee	37,516.42		37,516.42	
NJ LEA Fees	62,800.00		62,198.49	(601.51)
EMS Billings	280,000.00		227,561.49	(52,438.51)
Hotel Tax	20,000.00		31,302.18	11,302.18
Payment in Lieu of Taxes	3,100.00		3,300.00	200.00
Recycling Fees	20,000.00		16,027.32	(3,972.68)
Health Insurance Fund Dividend	105,097.00		104,930.74	(166.26)
Rental Income - Contract	71,000.00		74,100.00	3,100.00
American Rescue Plan	763,749.00		763,749.00	
	3,086,893.06	67,484.29	3,152,915.12	(1,462.23)
Receipts from Delinquent Taxes	250,000.00	-	267,730.27	17,730.27
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes including Reserve for Uncollected Taxes	5,774,052.25		5,914,638.92	140,586.67
Minimum Library Tax	197,783.53		197,783.53	
	5,971,835.78	-	6,112,422.45	140,586.67
Budget Totals	9,987,728.84	67,484.29	10,212,067.84	156,854.71
Non-Budget Revenues	-	-	389,988.04	389,988.04
	<u>\$ 9,987,728.84</u>	<u>\$ 67,484.29</u>	<u>\$ 10,602,055.88</u>	<u>\$ 546,842.75</u>

(Continued)

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Revenues--Regulatory Basis  
For the Year Ended December 31, 2022

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	\$ 21,025,446.27
--------------------------	------------------

Allocated to:

School and County Taxes	15,303,785.38
-------------------------	---------------

Balance for Support of Municipal Budget Appropriations	5,721,660.89
--	--------------

Add: Appropriation "Reserve for Uncollected Taxes"	390,761.56
--	------------

Amount for Support of Municipal Budget Appropriations	\$ 6,112,422.45
---	-----------------

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 267,730.27
----------------------------	---------------

Analysis of Non-Budget Revenues

Sale of Municipal Assets	\$ 10,846.25	
--------------------------	--------------	--

Property Maintenance Fees	6,933.95	
---------------------------	----------	--

FEMA Reimbursements	147,274.92	
---------------------	------------	--

Tax Title Lien Escheats	28,700.00	
-------------------------	-----------	--

Abandoned Property Registration Fee	18,900.00	
-------------------------------------	-----------	--

Administrative Fee - Senior & Veteran Deductions	1,406.67	
--	----------	--

Administrative Fee - Police Outside Employment	91,456.81	
--	-----------	--

Miscellaneous	13,210.58	
---------------	-----------	--

Reimbursements	71,258.86	
----------------	-----------	--

	\$ 389,988.04
--	---------------

Treasurer Receipts	\$ 389,988.04
--------------------	---------------

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, 2022

	Appropriations		Expended			Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<u>OPERATIONS - WITHIN "CAPS"</u>						
<u>General Government</u>						
General Administration						
Salaries and Wages	\$ 17,900.00	\$ 17,900.00	\$ 17,900.00			
Other Expenses	74,850.00	74,850.00	65,920.43	\$ 4,548.23	\$ 4,381.34	
Mayor and Council						
Salaries and Wages	51,500.00	51,500.00	49,779.44		1,720.56	
Other Expenses	10,850.00	10,850.00	10,160.00	606.51	83.49	
Municipal Clerk						
Salaries and Wages	81,500.00	81,500.00	78,569.24		2,930.76	
Other Expenses	21,600.00	21,600.00	17,599.42	3,785.00	215.58	
Financial Administration						
Salaries and Wages	132,000.00	132,000.00	122,728.33		9,271.67	
Other Expenses	23,300.00	23,300.00	18,198.05	5,101.95		
Audit Services	60,000.00	60,000.00	60,000.00			
Collection of Taxes						
Salaries and Wages	76,500.00	76,500.00	76,261.74		238.26	
Other Expenses	13,500.00	13,500.00	6,657.55	3,693.75	3,148.70	
Assessment of Taxes						
Salaries and Wages	12,400.00	12,400.00	12,384.48		15.52	
Other Expenses	3,350.00	3,350.00	1,655.00	1,695.00		
Legal Services and Costs						
Other Expenses	79,000.00	79,000.00	68,171.00	10,829.00		
Engineering Services						
Other Expenses	45,000.00	45,000.00	6,522.08	38,477.92		
Municipal Court						
Salaries and Wages	81,900.00	81,900.00	76,752.58		5,147.42	
Other Expenses	13,050.00	13,050.00	11,162.37	1,787.63	100.00	
Public Defender						
Other Expenses	6,000.00	6,000.00	6,000.00			
<u>Land Use Administration</u>						
Planning Board						
Salaries and Wages	5,000.00	5,000.00	5,000.00			
Other Expenses	19,250.00	19,250.00	17,848.23	1,381.77	20.00	

(Continued)

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2022

	Appropriations		Expended			Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS - WITHIN "CAPS" (Cont'd)						
<u>Public Safety Functions</u>						
Emergency Medical Services						
Salaries and Wages	\$ 190,000.00	\$ 190,000.00	\$ 143,278.39		\$ 46,721.61	
Other Expenses	40,000.00	40,000.00	20,822.51	\$ 19,177.49		
Office of Emergency Management						
Salaries and Wages	2,280.00	2,280.00	1,500.00		780.00	
Other Expenses	2,500.00	2,500.00	2,500.00			
Police						
Salaries and Wages	602,648.00	602,648.00	534,732.06		67,915.94	
Salaries and Wages - ARP	763,749.00	763,749.00	763,749.00			
Other Expenses	93,000.00	93,000.00	84,198.88	8,801.12		
Fire						
Aid to Volunteer Fire Company	48,700.00	48,700.00	48,700.00			
Salaries and Wages	305,500.00	305,500.00	260,270.23		45,229.77	
Fire Hydrant Service	95,000.00	95,000.00	95,000.00			
Miscellaneous Other Expenses	41,345.00	41,345.00	29,662.64	11,682.36		
Municipal Prosecutor						
Other Expenses	12,980.00	12,980.00	12,980.00			
<u>Public Works Functions</u>						
Streets and Roads Maintenance						
Salaries and Wages	499,453.74	499,453.74	464,421.24		35,032.50	
Other Expenses	101,000.00	101,000.00	82,892.21	16,726.38	1,381.41	
Vehicle Maintenance						
Other Expenses	114,600.00	124,600.00	96,894.43	27,705.57		
Solid Waste Collection						
Other Expenses	319,333.62	319,333.62	271,519.93	47,813.69		
Building and Grounds						
Other Expenses	95,000.00	95,000.00	88,780.53	6,084.30	135.17	
<u>Health and Human Services</u>						
Animal Control						
Other Expenses	13,700.00	13,700.00	5,700.00	8,000.00		

(Continued)

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2022

	Appropriations		Expended			Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<u>OPERATIONS - WITHIN "CAPS" (Cont'd)</u>						
<u>Park and Recreation Functions</u>						
Recreation						
Other Expenses	\$ 37,975.00	\$ 37,975.00	\$ 35,581.84	\$ 2,393.16		
<u>Code Enforcement</u>						
Code Enforcement						
Salaries and Wages	34,800.00	34,800.00	33,567.02		\$ 1,232.98	
Other Expenses	4,000.00	4,000.00	4,000.00			
<u>Insurance</u>						
General Liability	185,685.00	159,185.00	157,517.00		1,668.00	
Workers Compensation Insurance	122,930.00	122,930.00	112,030.00		10,900.00	
Employee Group Insurance	930,864.00	930,864.00	774,151.33	25,757.14	130,955.53	
Employee Group Health Waivers	40,000.00	40,000.00	30,721.07		9,278.93	
<u>Other Common Operating Functions</u>						
Accumulated Leave Compensation	1.00	1.00		1.00		
Celebration of Public Events, Anniversary or Holiday						
Other Expenses	36,500.00	36,500.00	32,222.23	2,842.99	1,434.78	
Electricity	50,000.00	46,500.00	38,363.47	8,136.53		
Street Lighting	145,000.00	137,000.00	113,656.44	23,343.56		
Natural Gas	31,000.00	34,000.00	30,812.51	3,187.49		
Telephone	37,500.00	34,000.00	29,645.41	2,697.07	1,657.52	
Water	6,825.00	6,825.00	5,637.59	1,187.41		
Gasoline	79,500.00	108,000.00	97,100.36	10,899.64		
Sewer Treatment	1,500.00	1,500.00	1,056.00		444.00	
Landfill/Solid Waste Disposal Costs	400,000.00	400,000.00	326,758.93	73,241.07		
Total Operations within "CAPS"	6,313,319.36	6,313,319.36	5,559,693.19	371,584.73	382,041.44	-
Salaries and Wages	2,897,131.74	2,897,131.74	2,671,614.82	1.00	225,515.92	-
Other Expenses (Including Contingent)	3,416,187.62	3,416,187.62	2,888,078.37	371,583.73	156,525.52	-

(Continued)

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2022

	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>Deferred Charges and Statutory Expenditures</u>						
<u>- Municipal Within "CAPS"</u>						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	\$ 195,683.00	\$ 195,683.00	\$ 189,504.81		\$ 6,178.19	
Social Security System	167,000.00	167,000.00	154,953.68		12,046.32	
Police and Firemen's Retirement System of N.J.	552,505.00	552,505.00	552,505.00			
Unemployment Comp. Insurance	1.00	1.00		\$ 1.00		
Defined Contribution Retirement Program	3,000.00	3,000.00	1,918.91		1,081.09	
Temporary Disability Premiums	20,000.00	20,000.00	15,014.33		4,985.67	
Total Deferred Charges and Statutory Expenditures - Municipal within "CAPS"	<u>938,189.00</u>	<u>938,189.00</u>	<u>913,896.73</u>	<u>1.00</u>	<u>24,291.27</u>	<u>-</u>
Total General Appropriations for Municipal Purposes within "CAPS"	<u>7,251,508.36</u>	<u>7,251,508.36</u>	<u>6,473,589.92</u>	<u>371,585.73</u>	<u>406,332.71</u>	<u>-</u>
<u>OPERATIONS - EXCLUDED FROM "CAPS"</u>						
Landfill Fees - Recycling Tax	12,000.00	12,000.00	8,789.25	3,210.75		
Maintenance of Free Public Library	197,783.53	197,783.53	194,550.51	3,233.02		
Total Other Operations - Excluded from "CAPS"	<u>209,783.53</u>	<u>209,783.53</u>	<u>203,339.76</u>	<u>6,443.77</u>	<u>-</u>	<u>-</u>

(Continued)

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2022

	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>
<b><u>OPERATIONS - EXCLUDED FROM "CAPS" (CONT'D)</u></b>						
Interlocal Municipal Service Agreements:						
Magnolia - Financial Administration	\$ 15,917.97	\$ 15,917.97	\$ 15,917.97			
Triton High School - Police S/W	95,551.00	95,551.00	95,551.00			
NJ DMV - Police S/W	129,929.28	129,929.28	129,929.28			
Municipal Court - S/W	51,768.00	51,768.00	47,454.00	\$ 4,314.00		
Magnolia - Purchasing - S/W	1,275.00	1,275.00	1,275.00			
Magnolia - Public Works - S/W	60,224.04	60,224.04	60,224.04			
Magnolia - Municipal Court - S/W	19,841.86	19,841.86	19,841.86			
Total Interlocal Municipal Service Agreements	<u>374,507.15</u>	<u>374,507.15</u>	<u>370,193.15</u>	<u>4,314.00</u>		
<b><u>Public and Private Programs Offset by Revenues</u></b>						
Safe and Secure Communities						
Program	21,168.00	21,168.00	21,168.00			
Municipal Alliance on Alcoholism and Drug Abuse	4,334.00	4,334.00	4,334.00			
Recycling Tonnage Grant	9,159.42	9,159.42	9,159.42			
Body Armor Grant	1,044.70	1,044.70	1,044.70			
Clean Communities Grant (N.J.S.A. 40A:4-87 +\$17,484.29)		17,484.29	17,484.29			
Match Funds for Grants	1,083.50	1,083.50			\$ 1,083.50	
NJ Department of Transportation - FY22	240,000.00	240,000.00	240,000.00			
Camden County Open Space Preservation Grant - Recreation						
FY21 - (NJS40A:4-87 +\$25,000.00)		25,000.00	25,000.00			
Camden County Open Space Preservation Grant - Recreation						
FY22 - (NJS40A:4-87 +\$25,000.00)		25,000.00	25,000.00			
Bulletproof Vest Grant	1,426.62	1,426.62	1,426.62			
Total Public and Private Programs Offset by Revenues	<u>278,216.24</u>	<u>345,700.53</u>	<u>344,617.03</u>	<u>-</u>	<u>1,083.50</u>	<u>-</u>
Total Operations - Excluded from "CAPS"	<u>862,506.92</u>	<u>929,991.21</u>	<u>918,149.94</u>	<u>10,757.77</u>	<u>1,083.50</u>	<u>-</u>
<b>Detail:</b>						
Salaries and Wages	395,675.15	395,675.15	391,361.15	4,314.00	-	-
Other Expenses	466,831.77	534,316.06	526,788.79	6,443.77	1,083.50	-
<b><u>Capital Improvements - Excluded from "CAPS"</u></b>						
Capital Improvement Fund	680,000.00	680,000.00	680,000.00			
Total Capital Improvements Excluded from "CAPS"	<u>680,000.00</u>	<u>680,000.00</u>	<u>680,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>

(Continued)

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2022

	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	\$ 465,000.00	\$ 465,000.00	\$ 465,000.00			
Payment of Bond Anticipation Notes and Capital Notes	119,707.00	119,707.00	119,707.00			
Interest on Notes	30,290.00	30,290.00	30,289.33			\$ 0.67
Interest on Bonds	156,863.00	156,863.00	153,862.51			3,000.49
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	31,092.00	31,092.00	31,091.59			0.41
Total Municipal Debt Service - Excluded from "CAPS"	802,952.00	802,952.00	799,950.43	-	-	3,001.57
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	2,345,458.92	2,412,943.21	2,398,100.37	\$ 10,757.77	\$ 1,083.50	3,001.57
Subtotal General Appropriations	9,596,967.28	9,664,451.57	8,871,690.29	382,343.50	407,416.21	3,001.57
Reserve for Uncollected Taxes	390,761.56	390,761.56	390,761.56	-	-	-
Total General Appropriations	\$ 9,987,728.84	\$ 10,055,213.13	\$ 9,262,451.85	\$ 382,343.50	\$ 407,416.21	\$ 3,001.57
Original Budget		\$ 9,987,728.84				
Appropriation by 40A:4-87		67,484.29				
		<u>\$ 10,055,213.13</u>				
Reserve for Uncollected Taxes			\$ 390,761.56			
Reserve for Federal and State Grants -- Appropriated			344,617.03			
Disbursements			8,527,073.26			
			<u>\$ 9,262,451.85</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, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash	SB-1	<u>\$ 1,355.45</u>	<u>\$ 2,305.28</u>
Other Funds:			
Cash	SB-1	<u>1,353,488.04</u>	<u>1,149,830.93</u>
Community Development Block Grant Fund:			
Due from Current Fund	SB-1	30,157.34	
Due from Trust Other Fund	SB-1		30,157.34
Community Development Block Grant Receivable	SB-6	<u>233,000.00</u>	<u>250,000.00</u>
		<u>263,157.34</u>	<u>280,157.34</u>
		<u>\$ 1,618,000.83</u>	<u>\$ 1,432,293.55</u>

(Continued)

**BOROUGH OF RUNNEMEDE**  
**TRUST FUND**  
 Statements of Assets, Liabilities and Reserves--Regulatory Basis  
 As of December 31, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>LIABILITIES</u> <u>AND RESERVES</u>			
Animal Control Fund:			
Due State of NJ - State Registration Fees	SB-3		\$ 4.20
Reserve for Animal Control Expenditures	SB-2	\$ 1,355.45	2,301.08
		<u>1,355.45</u>	<u>2,305.28</u>
Other Funds:			
Due State of NJ - Marriage License Fees	SB-8		400.00
Street Opening Deposits	SB-8	71,752.32	21,187.32
Deposits - Due to Contractor	SB-8	2,200.00	2,200.00
Miscellaneous Trust Liabilities and Reserves:			
Accumulated Absences	SB-8	17,862.24	17,862.24
Uniform Construction Code	SB-8	89,016.06	75,983.01
New Jersey Unemployment Compensation	SB-8	79,120.35	56,424.34
Planning Board Escrow	SB-8	117,847.92	40,904.42
Tax Title Lien Redemption	SB-8	855,868.19	724,740.03
Parking Offenses Adjudication Act - POAA	SB-8	767.34	713.34
Special Law Enforcement Fund	SB-8	3,581.14	3,575.83
Funds Held in Escrow	SB-8	1,350.94	48,974.14
Recreation Facility Escrow	SB-8	7,089.27	17,107.01
Forfeited Property	SB-8	3,547.40	3,547.40
Public Defender Fees	SB-8	1,782.91	1,169.41
Payroll Deductions Payable	SB-8	5,594.71	548.50
Storm Recovery	SB-8	1,292.76	2,955.54
Uniform Fire Safety	SB-8	8,219.52	7,839.52
Municipal Alliance Contributions	SB-8	3,637.04	3,352.08
Outside Employment of Municipal Police	SB-8	53,168.25	50,543.33
Due Community Development Block Grant Fund	SB-1		30,157.34
Due Current Fund	SB-5	29,789.68	39,646.13
		<u>1,353,488.04</u>	<u>1,149,830.93</u>
Community Development Block Grant Fund:			
Reserve for Community Development Block Grant	SB-4	263,157.34	237,957.34
Due Current Fund	SB-7		42,200.00
		<u>263,157.34</u>	<u>280,157.34</u>
		<u>\$ 1,618,000.83</u>	<u>\$ 1,432,293.55</u>

The accompanying Notes to Financial Statements are an integral part of these statements.



**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis  
 As of December 31, 2022 and 2021

<u>ASSETS</u>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
Cash	SC-1	\$ 215,323.37	\$ 209,718.71
Deferred Charges to Future Taxation:			
Funded	SC-3	5,243,002.05	5,732,367.51
Unfunded	SC-4	3,006,093.00	3,125,800.00
State Aid Receivable -- New Jersey			
Transportation Trust Fund Authority Act	SC-5	185,065.50	185,065.50
Note Receivable -- Runsen House	C	300,000.00	300,000.00
Due from Current Fund	SC-6		20,000.00
Due from Federal and State Grant Fund	SC-7	258,000.00	93,312.75
		<u>\$ 9,207,483.92</u>	<u>\$ 9,666,264.47</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	SC-12	\$ 4,925,000.00	\$ 5,390,000.00
Bond Anticipation Notes	SC-11	2,909,226.00	3,028,933.00
Green Acres Loan Payable	SC-10	318,002.05	342,367.51
Improvement Authorizations:			
Funded	SC-9	172,224.13	
Unfunded	SC-9	85,116.04	261,065.96
Reserves for Encumbrances	SC-9	348,211.76	207,246.78
Due to Current Fund	SC-6	13,052.72	
Capital Improvement Fund	SC-8	350.00	350.00
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	C	300,000.00	300,000.00
Reserve for the Payment of Bonds	C	3.41	3.41
Fund Balance	C-1	36,512.31	36,512.31
		<u>\$ 9,207,483.92</u>	<u>\$ 9,666,264.47</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**BOROUGH OF RUNNEMEDE**  
GENERAL CAPITAL FUND  
Schedule of General Capital Fund Balance - Regulatory Basis  
As of December 31, 2022

---

Balance Dec. 31, 2022

\$ 36,512.31

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, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<b>ASSETS:</b>			
Operating Fund:			
Cash	SD-1	\$ 457,999.13	\$ 473,204.01
Due Sewer Utility Capital Fund	SD-12	47,500.00	47,500.00
Prepaid Debt Service	D	10,370.00	10,370.00
Receivables with Full Reserves:			
Due from Bank	D	165.73	165.73
Sewer Rents Receivable	SD-3	58,639.50	42,023.82
Sewer Liens Receivable	SD-4	982.27	4,312.33
Total Operating Fund		<u>575,656.63</u>	<u>577,575.89</u>
Capital Fund:			
Cash	SD-1	7,274.63	401,804.38
Fixed Capital	SD-6	3,730,058.49	3,730,058.49
Fixed Capital Authorized and Uncompleted	SD-16	11,462,397.00	4,211,897.00
NJEIT Loan Receivable	SD-14	234,328.00	234,328.00
		<u>15,434,058.12</u>	<u>8,578,087.87</u>
		<u>\$ 16,009,714.75</u>	<u>\$ 9,155,663.76</u>

(Continued)

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

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

As of December 31, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE:</b>			
Operating Fund:			
Liabilities:			
Reserves for Encumbrances	D-3, SD-5	\$ 69,389.49	\$ 67,962.20
Appropriation Reserves	D-3, SD-5	25,070.52	118,487.84
Accounts Payable	SD-13	7,760.78	7,760.78
Accrued Interest on Bonds and Notes	SD-7	32,189.95	32,259.64
Escrow Deposits	D	2,661.20	2,661.20
		<u>137,071.94</u>	<u>229,131.66</u>
Reserve for Receivables	D	59,787.50	46,501.88
Fund Balance	D-1	<u>378,797.19</u>	<u>301,942.35</u>
		<u>575,656.63</u>	<u>577,575.89</u>
Capital Fund:			
Improvement Authorizations:			
Funded	SD-11		188,872.19
Unfunded	SD-11	7,322,004.62	200,493.51
Due Sewer Utility Operating Fund	SD-12	47,500.00	47,500.00
Due Federal and State Grant Fund	SD-15		164,687.25
Bond Anticipation Notes	SD-18	758,380.00	771,225.00
Loans Payable	SD-9	512,319.56	660,283.33
Serial Bonds	SD-10	1,460,000.00	1,490,000.00
Capital Improvement Fund	SD-2	725.00	725.00
Reserves for Encumbrances	SD-11	121,873.01	33,854.43
Reserve for Deferred Amortization	SD-17	12,845.00	
Reserve for Amortization	SD-8	5,198,410.93	5,020,447.16
		<u>15,434,058.12</u>	<u>8,578,087.87</u>
		<u>\$ 16,009,714.75</u>	<u>\$ 9,155,663.76</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY OPERATING FUND**  
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis  
 For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
REVENUE AND OTHER INCOME REALIZED:		
Fund Balance Anticipated	\$ 97,709.00	\$ 55,065.00
Sewer Rents	862,442.70	893,356.48
Miscellaneous	14,370.27	20,160.08
Other Credits to Income:		
Unexpended Balance to Appropriation Reserves	<u>140,233.92</u>	<u>48,263.96</u>
Total Income	<u>1,114,755.89</u>	<u>1,016,845.52</u>
EXPENDITURES:		
Operating	646,550.00	605,450.00
Debt Service	261,642.05	243,853.34
Deferred Charges and Statutory Expenditures	<u>32,000.00</u>	<u>34,500.00</u>
Total Expenditures	<u>940,192.05</u>	<u>883,803.34</u>
Excess in Revenues	174,563.84	133,042.18
FUND BALANCE:		
Balance January 1	<u>301,942.35</u>	<u>223,965.17</u>
	476,506.19	357,007.35
Decreased by:		
Utilized as Revenue	<u>97,709.00</u>	<u>55,065.00</u>
Balance December 31	<u><u>\$ 378,797.19</u></u>	<u><u>\$ 301,942.35</u></u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY OPERATING FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2022

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess/ <u>(Deficit)</u>
Surplus Anticipated	\$ 97,709.00	\$ 97,709.00	
Sewer Rents	830,000.00	862,442.70	\$ 32,442.70
Miscellaneous	<u>16,000.00</u>	<u>14,370.27</u>	<u>(1,629.73)</u>
	<u>\$ 943,709.00</u>	<u>\$ 974,521.97</u>	<u>\$ 30,812.97</u>

Analysis of Realized Revenues

Rents:

Sewer Rents Receivable	\$ 858,649.74
Sewer Liens Receivable	<u>3,792.96</u>
	<u>\$ 862,442.70</u>

Miscellaneous:

Receipts:	
Connection Fees	\$ 1,200.00
Interest and Costs on Delinquent Rents	12,772.27
Miscellaneous	<u>398.00</u>
	<u>\$ 14,370.27</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, 2022

	<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	\$ 334,600.00	\$ 334,600.00	\$ 315,093.16		\$ 19,506.84	
Other Expenses	311,950.00	311,950.00	242,560.51	\$ 69,389.49		
Total Operating	<u>646,550.00</u>	<u>646,550.00</u>	<u>557,653.67</u>	<u>69,389.49</u>	<u>19,506.84</u>	<u>-</u>
Debt Service:						
Payment of Bond Principal	30,000.00	30,000.00	30,000.00			
Payment on Bond Anticipation Notes & Capital Notes	12,845.00	12,845.00	12,845.00			
Interest on Bonds	42,900.00	42,900.00	42,839.47			\$ 60.53
Interest on Notes	9,600.00	9,600.00	9,466.94			133.06
NJEIT Loan Principal	147,964.00	147,964.00	147,963.77			0.23
NJEIT Loan Interest	21,850.00	21,850.00	18,526.87			3,323.13
Total Debt Service	<u>265,159.00</u>	<u>265,159.00</u>	<u>261,642.05</u>	<u>-</u>	<u>-</u>	<u>3,516.95</u>
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Disability	4,000.00	4,000.00	1,358.49		2,641.51	
Contributions to Social Security System (O.A.S.I.)	28,000.00	28,000.00	25,077.83		2,922.17	
Total Deferred Charges and Statutory Expenditures	<u>32,000.00</u>	<u>32,000.00</u>	<u>26,436.32</u>	<u>-</u>	<u>5,563.68</u>	<u>-</u>
	<u>\$ 943,709.00</u>	<u>\$ 943,709.00</u>	<u>\$ 845,732.04</u>	<u>\$ 69,389.49</u>	<u>\$ 25,070.52</u>	<u>\$ 3,516.95</u>
Budget		<u>\$ 943,709.00</u>				
Accrued Interest on Bonds			\$ 70,833.28			
Disbursed			789,767.76			
Refund of Appropriations			(14,869.00)			
			<u>\$ 845,732.04</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, 2022

	Balance <u>Dec. 31, 2021</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2022</u>
General Fixed Assets:				
Land and Land Improvements	\$ 4,214,311.55	\$ 44,000.00		\$ 4,258,311.55
Building and Building Improvements	4,023,893.88	14,015.00		4,037,908.88
Vehicles	4,204,031.70	136,871.91	\$ 348,450.00	3,992,453.61
Equipment	<u>1,950,062.91</u>	<u>123,559.43</u>		<u>2,073,622.34</u>
Total General Fixed Assets	<u>\$ 14,392,300.04</u>	<u>\$ 318,446.34</u>	<u>\$ 348,450.00</u>	<u>\$ 14,362,296.38</u>
Total Investments in General Fixed Assets	<u>\$ 14,392,300.04</u>	<u>\$ 318,446.34</u>	<u>\$ 348,450.00</u>	<u>\$ 14,362,296.38</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, 2022

---

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

**Description of Financial Reporting Entity** - The Borough of Runnemede (hereafter referred to as the "Borough") 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 2020 census is 8,324.

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) Statement No. 14, *The Financial Reporting Entity*, as amended. If the provisions of the aforementioned GASB Statement, as amended 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* (the "*Requirements*") as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the *Requirements* are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these *Requirements*. In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this note.

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

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

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

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

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

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

**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.

**Recently Issued Accounting Pronouncements**

The Governmental Accounting Standards Board (GASB) has issued the following statements that have effective dates that may affect future financial presentations:

Statement No. 96, Subscription-Based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The Statement will become effective for the Borough's year ending December 31, 2023. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the Borough, however management is currently evaluating whether or not this Statement will have an impact on the financial statement disclosures of the Borough.

Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Statement will become effective for the Borough in the year ending December 31, 2024. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the Borough, however management is currently evaluating whether or not this Statement will have an impact on the financial statement disclosures 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, 2022, the Borough's bank balances of \$5,449,931.05 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 4,480,656.14
Uninsured and Uncollateralized	<u>969,274.91</u>
Total	<u>\$ 5,449,931.05</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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Tax Rate	<u>\$ 4.230</u>	<u>\$ 4.130</u>	<u>\$ 4.089</u>	<u>\$ 4.014</u>	<u>\$ 3.937</u>
Apportionment of Tax Rate:					
Municipal	\$ 1.188	\$ 1.149	\$ 1.139	\$ 1.096	\$ 1.052
County	.871	.874	.847	.842	.863
Local School	1.511	1.498	1.494	1.472	1.445
Regional School	.660	.609	.609	.604	.577

**Assessed Valuation**

<u>Year</u>	<u>Amount</u>
2022	\$ 502,745,500.00
2021	503,453,134.00
2020	502,268,362.00
2019	502,196,379.00
2018	501,911,120.00

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

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

**Comparison of Tax Levies and Collections**

	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2022	\$ 21,324,992.67	\$ 21,025,446.27	98.60%
2021	20,840,788.73	20,566,315.21	98.68%
2020	20,576,984.87	20,182,423.25	98.08%
2019	20,184,217.95	19,707,020.16	97.64%
2018	19,774,030.74	19,447,548.81	98.35%

**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>
2022	\$ 126,118.94	\$ 287,296.79	\$ 413,415.73	1.94%
2021	117,083.66	259,307.78	376,391.44	1.81%
2020	106,026.68	249,434.98	355,461.66	1.73%
2019	110,584.92	468,636.16	579,221.08	2.87%
2018	94,489.67	321,565.64	416,055.31	2.10%

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>
2022	12
2021	13
2020	14
2019	12
2018	12

**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>
2022	\$ 23,817.50
2021	23,817.50
2020	23,817.50
2019	23,817.50
2018	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>
2022	\$ 42,023.82	\$ 875,449.33	\$ 917,473.15	\$ 858,649.74
2021	63,558.88	871,821.42	935,380.30	893,356.48
2020	78,407.45	874,423.64	952,831.09	832,244.86
2019	57,369.77	845,708.48	903,078.25	824,670.80
2018	55,070.88	774,541.00	829,611.88	769,652.11

**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>
2022	\$ 1,608,153.49	\$ 795,000.00	49.44%
2021	1,234,514.87	679,000.00	55.00%
2020	1,601,385.03	875,000.00	54.64%
2019	1,254,575.62	650,000.00	51.81%
2018	955,429.58	565,000.00	59.14%

**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>
2022	\$ 378,797.19	\$ 206,300.00	54.46%
2021	301,942.35	97,709.00	32.36%
2020	223,965.17	55,065.00	24.59%
2019	113,265.79	70,865.00	62.57%
2018	158,940.44	127,000.00	79.90%



**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, 2022:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 42,842.40	\$ 30,157.34
Federal and State Grant		258,000.00
Trust - Community Development	30,157.34	
Trust - Other		29,789.68
General Capital	258,000.00	13,052.72
Sewer Utility - Operating	47,500.00	
Sewer Utility - Capital		47,500.00
	<u>\$ 378,499.74</u>	<u>\$ 378,499.74</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 2023, 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 Empower (formerly Prudential Financial) for the New Jersey Division of Pensions and Benefits. Each Plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information and detailed information about the PERS and PFRS plans' fiduciary net position which can be obtained by writing to or at the following website:

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

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

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

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

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

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of P.L. 2007, c. 92 and P.L. 2007, c. 103, and expanded under the provisions of P.L. 2008, c. 89 and P.L. 2010, c. 1. The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

**Vesting and Benefit Provisions**

**Public Employees' Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:15A. The PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

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 22, 2010
- 4 Members who were eligible to enroll on or after May 22, 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.

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

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

The following represents the membership tiers for PFRS:

**Tier Definition**

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

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

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

**Contributions**

**Public Employees' Retirement System** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate is currently 7.50% of base salary, effective July 1, 2018. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) is 10.0%. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

*Special Funding Situation Component* - Under N.J.S.A. 43:15A, 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. One of such legislations, which legally obligate the State, is Chapter 133, P.L. 2001. This legislation increased the accrual rate from 1/60 to 1/55. In addition, it lowered the age required for a veteran benefit equal to 1/55 of highest 12-month compensation for each year of service from 60 to 55. Chapter 133, P.L. 2001 also established the Benefit Enhancement Fund (BEF) to fund the additional annual employer normal contribution due to the State's increased benefits. If the assets in the BEF are insufficient to cover the normal contribution for the increased benefits for a valuation period, the State will pay such amount for both the State and local employers.

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

*Special Funding Situation Component (Cont'd)* - 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, 2022 was 17.19% 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, 2022, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2022 is \$206,170.00, and is payable by April 1, 2023. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2021, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2021 was \$187,603.00, which was paid on April 1, 2022.

Employee contributions to the Plan for the year ended December 31, 2022 were \$93,077.79.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Borough, under Chapter 133, P.L. 2001, for the year ended December 31, 2022 was 0.43% of the Borough's covered payroll.

Based on the most recent PERS measurement date of June 30, 2022, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the Borough, to the pension plan for the year ended December 31, 2022 was \$206,170.00, and is payable by April 1, 2023.

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

**Police and Firemen's Retirement System** - The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate is currently 10.0% of base salary. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability.

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

The Borough's contractually required contribution rate for the year ended December 31, 2022 was 37.55% 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, 2022, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2022 is \$551,878.00, and is payable by April 1, 2023. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2021, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2021 was \$523,768.00, which was paid on April 1, 2022.

Employee contributions to the Plan for the year ended December 31, 2022 were \$155,236.30.

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, 2022 was 7.32% of the Borough's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2022, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2022 was \$107,618.00, and is payable by April 1, 2023. For the prior year measurement date of June 30, 2021, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2021 was \$80,254.00, which was paid on April 1, 2022.

**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.

For the year ended December 31, 2022, employee contributions totaled \$3,015.43, and the Borough's contributions were \$1,918.91. There were no forfeitures during the year.

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

**Pension Liability** - As of December 31, 2022, there is no net pension liability associated with the special funding situation under Chapter 133, P.L. 2001, as there was no accumulated difference between the annual additional normal cost and the actual State contribution through the valuation date. The Borough's proportionate share of the PERS net pension liability was \$2,467,304.00. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. 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, 2022. 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, 2022 measurement date, the Borough's proportion was 0.0163490998%, which was an increase of 0.0003299383% from its proportion measured as of June 30, 2021.

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

**Pension (Benefit) Expense** - For the year ended December 31, 2022, the Borough's proportionate share of the PERS pension (benefit) expense, calculated by the Plan as of the June 30, 2022 measurement date was (\$122,258.00). This (benefit) expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2022, the Borough's contribution to PERS was \$187,603.00, and was paid on April 1, 2022.

For the year ended December 31, 2022, the State's proportionate share of the PERS pension (benefit) expense, associated with the Borough, under Chapter 133, P.L. 2001, calculated by the Plan as of the June 30, 2022 measurement date, was (\$122,258.00). This on-behalf (benefit) expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1.

**Police and Firemen's Retirement System**

**Pension Liability** - As of December 31, 2022, the Borough's and State of New Jersey's proportionate share of the PERS net pension liability were as follows:

Proportionate Share of Net Pension Liability	\$ 4,857,157.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Employer	<u>864,432.00</u>
	<u>\$ 5,721,589.00</u>

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

**Pension Liability (Cont'd)** - The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. 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, 2022. 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, 2022 measurement date, the Borough's proportion was 0.0424340900%, which was a decrease of 0.0025066254% from its proportion measured as of June 30, 2021. Likewise, at June 30, 2022, the State of New Jersey's proportion, on-behalf of the Borough, was 0.0424342800%, which was a decrease of 0.0025065578% from its proportion, on-behalf of the Borough, measured as of June 30, 2021.

**Pension (Benefit) Expense** - For the year ended December 31, 2022, the Borough's proportionate share of the PFRS pension (benefit) expense, calculated by the Plan as of the June 30, 2022 measurement date was \$53,719.00. This (benefit) expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2022, the Borough's contribution to PFRS was \$523,768.00, and was paid on April 1, 2022.

For the year ended December 31, 2022, the State's proportionate share of the PFRS pension (benefit) expense, associated with the Borough, calculated by the Plan as of the June 30, 2022 measurement date, was \$99,733.00. This on-behalf (benefit) expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1.

**Deferred Outflows of Resources and Deferred Inflows of Resources** - As of December 31, 2022, 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	\$ 17,808.00	\$ 219,848.00	\$ 237,656.00	\$ 15,704.00	\$ 297,567.00	\$ 313,271.00
Changes of Assumptions	7,644.00	13,312.00	20,956.00	369,453.00	611,420.00	980,873.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	102,119.00	444,773.00	546,892.00	-	-	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions	247,547.00	146,292.00	393,839.00	185,131.00	318,762.00	503,893.00
Contributions Subsequent to the Measurement Date	103,085.00	275,939.00	379,024.00	-	-	-
	<u>\$ 478,203.00</u>	<u>\$ 1,100,164.00</u>	<u>\$ 1,578,367.00</u>	<u>\$ 570,288.00</u>	<u>\$ 1,227,749.00</u>	<u>\$ 1,798,037.00</u>



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

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - Deferred outflows of resources in the amounts of \$103,085.00 and \$275,939.00 for PERS and PFRS, respectively, will be included as a reduction of the net pension liability during the year ending December 31, 2023. These amounts were based on an estimated April 1, 2024 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2022 to the Borough's year end of December 31, 2022.

The Borough will amortize the other deferred outflows 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, 2017	5.48	-	5.59	-
June 30, 2018	-	5.63	5.73	-
June 30, 2019	5.21	-	-	5.92
June 30, 2020	5.16	-	5.90	-
June 30, 2021	-	5.13	-	6.17
June 30, 2022	-	5.04	6.22	
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2017	-	5.48	-	5.59
June 30, 2018	-	5.63	-	5.73
June 30, 2019	-	5.21	-	5.92
June 30, 2020	-	5.16	-	5.90
June 30, 2021	5.13	-	6.17	-
June 30, 2022	-	5.04		6.22
Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2018	5.00	-	5.00	-
June 30, 2019	5.00	-	5.00	-
June 30, 2020	5.00	-	5.00	-
June 30, 2021	5.00	-	5.00	-
June 30, 2022	5.00	-	5.00	-
Changes in Proportion				
Year of Pension Plan Deferral:				
June 30, 2017	5.48	5.48	5.59	5.59
June 30, 2018	5.63	5.63	5.73	5.73
June 30, 2019	5.21	5.21	5.92	5.92
June 30, 2020	5.16	5.16	5.90	5.90
June 30, 2021	5.13	5.13	6.17	6.17
June 30, 2022	5.04	5.04	6.22	6.22

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

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

<b><u>Year Ending Dec 31,</u></b>	<b><u>PERS</u></b>	<b><u>PFRS</u></b>	<b><u>Total</u></b>
2023	\$ (165,206.00)	\$ (236,291.00)	\$ (401,497.00)
2024	(89,814.00)	(155,100.00)	(244,914.00)
2025	(63,448.00)	(197,031.00)	(260,479.00)
2026	123,051.00	246,049.00	369,100.00
2027	247.00	(52,423.00)	(52,176.00)
Thereafter	-	(8,728.00)	(8,728.00)
	<u>\$ (195,170.00)</u>	<u>\$ (403,524.00)</u>	<u>\$ (598,694.00)</u>

**Actuarial Assumptions**

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. 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, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<b><u>PERS</u></b>	<b><u>PFRS</u></b>
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases:	2.75% - 6.55%	3.25% - 16.25%
	Based on Years of Service	Based on Years of Service
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021	July 1, 2018 - June 30, 2021

**Note 8: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)****Public Employees' Retirement System**

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

**Police and Firemen's Retirement System**

Pre-retirement mortality rates were based on the PubS-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the PubS-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the PubS-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on Scale MP-2021.

For both PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2022) 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, 2022 are summarized in the table that follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-US Developed Markets Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

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

**Public Employees' Retirement System** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity would be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

**Police and Firemen's Retirement System** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

**Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

**Public Employees' Retirement System (PERS)** - The following presents the Borough's proportionate share of the net pension liability as of the June 30, 2022 measurement date, calculated using a discount rate of 7.00%, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Proportionate Share of the Net Pension Liability	<u>\$ 3,169,763.00</u>	<u>\$ 2,467,304.00</u>	<u>\$ 1,869,483.00</u>

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

**Police and Firemen's Retirement System (PFRS)** - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the Borough's annual required contribution. As such, the net pension liability as of the June 30, 2022 measurement date, for the Borough and the State of New Jersey, calculated using a discount rate of 7.00%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used, is as follows:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Proportionate Share of the Net Pension Liability	\$ 6,664,544.00	\$ 4,857,157.00	\$ 3,352,499.00
State of New Jersey's Proportionate Share of Net Pension Liability	<u>1,186,093.00</u>	<u>864,432.00</u>	<u>596,646.00</u>
	<u>\$ 7,850,637.00</u>	<u>\$ 5,721,589.00</u>	<u>\$ 3,949,145.00</u>

**Pension Plan Fiduciary Net Position**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension (benefit) expense, information about the respective fiduciary net position of the PERS and PFRS and additions to/deductions from PERS and PFRS' respective fiduciary net position have been determined on the same basis as they are reported by PERS and PFRS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

In accordance with GASBS 68, the following information is also presented for the PERS and PFRS pension plans. These schedules are presented to illustrate the requirements to show information for 10 years.

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

	<b>Measurement Date Ended June 30,</b>				
	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Proportion of the Net Pension Liability	0.0163490998%	0.0160191615%	0.0167639356%	0.0155686392%	0.0172038776%
Proportionate Share of the Net Pension Liability	\$ 2,467,304.00	\$ 1,897,710.00	\$ 2,733,759.00	\$ 2,805,233.00	\$ 3,387,358.00
Covered Payroll (Plan Measurement Period)	\$ 1,208,432.00	\$ 1,178,120.00	\$ 1,200,644.00	\$ 1,098,980.00	\$ 1,208,504.00
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	2.04174004	161.08%	227.69%	255.26%	280.29%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.91%	70.33%	58.32%	56.27%	53.60%
	<b>Measurement Date Ended June 30,</b>				
	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Proportion of the Net Pension Liability	0.0138521094%	0.0159409362%	0.0157035019%	0.0148372319%	0.0168161161%
Proportionate Share of the Net Pension Liability	\$ 3,224,550.00	\$ 4,721,248.00	\$ 3,525,121.00	\$ 2,777,936.00	\$ 3,213,894.00
Covered Payroll (Plan Measurement Period)	\$ 964,536.00	\$ 1,101,532.00	\$ 1,087,020.00	\$ 1,029,532.00	\$ 1,111,600.00
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	334.31%	428.61%	324.29%	269.83%	289.12%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.10%	40.14%	47.93%	52.08%	48.72%

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

	<b>Year Ended December 31,</b>				
	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Contractually Required Contribution	\$ 206,170.00	\$ 187,603.00	\$ 183,389.00	\$ 151,437.00	\$ 171,123.00
Contribution in Relation to the Contractually Required Contribution	(206,170.00)	(187,603.00)	(183,389.00)	(151,437.00)	(171,123.00)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll (Calendar Year)	\$ 1,199,126.00	\$ 1,202,116.00	\$ 1,229,852.00	\$ 1,226,144.00	\$ 1,093,935.00
Contributions as a Percentage of Covered Payroll	17.19%	15.61%	14.91%	12.35%	15.64%
	<b>Year Ended December 31,</b>				
	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Contractually Required Contribution	\$ 128,325.00	\$ 141,617.00	\$ 135,008.00	\$ 122,316.00	\$ 126,706.00
Contribution in Relation to the Contractually Required Contribution	(128,325.00)	(141,617.00)	(135,008.00)	(122,316.00)	(126,706.00)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll (Calendar Year)	\$ 1,085,005.00	\$ 984,607.00	\$ 1,066,304.00	\$ 1,076,646.00	\$ 1,003,648.00
Contributions as a Percentage of Covered Payroll	11.83%	14.38%	12.66%	11.36%	12.62%

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

	<b>Measurement Date Ended June 30,</b>				
	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Proportion of the Net Pension Liability	0.0424340900%	0.0449407154%	0.0452989798%	0.0447328245%	0.0427916065%
Proportionate Share of the Net Pension Liability	\$ 4,857,157.00	\$ 3,284,785.00	\$ 5,853,226.00	\$ 5,474,322.00	\$ 5,790,410.00
State's Proportionate Share of the Net Pension Liability	864,432.00	923,845.00	908,394.00	864,406.00	786,531.00
Total	<u>\$ 5,721,589.00</u>	<u>\$ 4,208,630.00</u>	<u>\$ 6,761,620.00</u>	<u>\$ 6,338,728.00</u>	<u>\$ 6,576,941.00</u>
Covered Payroll (Plan Measurement Period)	\$ 1,427,208.00	\$ 1,575,400.00	\$ 1,563,036.00	\$ 1,516,132.00	\$ 1,419,632.00
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	340.33%	208.50%	374.48%	361.07%	407.88%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.33%	77.26%	63.52%	65.00%	62.48%
	<b>Measurement Date Ended June 30,</b>				
	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Proportion of the Net Pension Liability	0.0426749292%	0.0379026879%	0.0396901845%	0.0461810031%	0.0456348897%
Proportionate Share of the Net Pension Liability	\$ 6,588,184.00	\$ 7,240,383.00	\$ 6,611,001.00	\$ 5,809,142.00	\$ 6,066,747.00
State's Proportionate Share of the Net Pension Liability	737,932.00	608,013.00	579,763.00	625,547.00	565,495.00
Total	<u>\$ 7,326,116.00</u>	<u>\$ 7,848,396.00</u>	<u>\$ 7,190,764.00</u>	<u>\$ 6,434,689.00</u>	<u>\$ 6,632,242.00</u>
Covered Payroll (Plan Measurement Period)	\$ 1,381,376.00	\$ 1,342,428.00	\$ 1,298,416.00	\$ 1,458,616.00	\$ 1,432,176.00
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	476.93%	539.35%	509.16%	398.26%	423.60%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.60%	52.01%	56.31%	62.41%	58.70%



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

	Year Ended December 31,				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 551,878.00	\$ 523,768.00	\$ 506,067.00	\$ 451,851.00	\$ 418,351.00
Contribution in Relation to the Contractually Required Contribution	(551,878.00)	(523,768.00)	(506,067.00)	(451,851.00)	(418,351.00)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll (Calendar Year)	\$ 1,469,574.40	\$ 1,418,461.00	\$ 1,591,469.00	\$ 1,542,076.00	\$ 1,495,755.00
Contributions as a Percentage of Covered Payroll	37.55%	36.93%	31.80%	29.30%	27.97%
	Year Ended December 31,				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 377,681.00	\$ 309,036.00	\$ 322,622.00	\$ 354,702.00	\$ 332,942.00
Contribution in Relation to the Contractually Required Contribution	(377,681.00)	(309,036.00)	(322,622.00)	(354,702.00)	(332,942.00)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll (Calendar Year)	\$ 1,426,565.00	\$ 1,378,605.00	\$ 1,271,934.00	\$ 1,239,066.00	\$ 1,379,127.00
Contributions as a Percentage of Covered Payroll	26.47%	22.42%	25.36%	28.63%	24.14%

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

The June 30, 2022 measurement date included three changes to the plan provisions, only one of which had an impact on the Total Pension Liability (TPL). Chapter 226, P.L. 2021 reopened the Prosecutors Part of PERS and made membership in the Prosecutors Part of PERS mandatory for all prosecutors.

**Changes in Assumptions**

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

<b><u>Discount Rate</u></b>				<b><u>Long-term Expected Rate of Return</u></b>			
<b><u>Year</u></b>	<b><u>Rate</u></b>	<b><u>Year</u></b>	<b><u>Rate</u></b>	<b><u>Year</u></b>	<b><u>Rate</u></b>	<b><u>Year</u></b>	<b><u>Rate</u></b>
2022	7.00%	2017	5.00%	2022	7.00%	2017	7.00%
2021	7.00%	2016	3.98%	2021	7.00%	2016	7.65%
2020	7.00%	2015	4.90%	2020	7.00%	2015	7.90%
2019	6.28%	2014	5.39%	2019	7.00%	2014	7.90%
2018	5.66%			2018	7.00%		

The underlying demographic and economic assumptions were updated as a result of the Experience Study covering the period of July 1, 2018 - June 30, 2021.

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

None.

**Changes in Assumptions**

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

<b><u>Discount Rate</u></b>				<b><u>Long-term Expected Rate of Return</u></b>			
<b><u>Year</u></b>	<b><u>Rate</u></b>	<b><u>Year</u></b>	<b><u>Rate</u></b>	<b><u>Year</u></b>	<b><u>Rate</u></b>	<b><u>Year</u></b>	<b><u>Rate</u></b>
2022	7.00%	2017	6.14%	2022	7.00%	2017	7.00%
2021	7.00%	2016	5.55%	2021	7.00%	2016	7.65%
2020	7.00%	2015	5.79%	2020	7.00%	2015	7.90%
2019	6.85%	2014	6.32%	2019	7.00%	2014	7.90%
2018	6.51%			2018	7.00%		

The underlying demographic and economic assumptions were updated as a result of the Experience Study covering the period of July 1, 2018 - June 30, 2021.

**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 PENSIONS (OPEB)****BOROUGH OF RUNNEMEDE POSTEMPLOYMENT BENEFIT PLAN**

**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 the Borough under various classifications who have at least twenty-five (25) years of service in a state retirement system. This provision is part of various Labor Agreements between the Borough and its employees. The plan is administered by the Borough; therefore, premium payments are made directly to the insurance carriers. For dental insurance purposes, reimbursements by retirees are paid after the Borough provides the retirees with a detailed accounting of the costs.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****BOROUGH OF RUNNEMEDE POSTEMPLOYMENT BENEFIT PLAN (CONT'D)**

**Employees Covered by Benefit Terms** - As of December 31, 2022, the most recent actuarial valuation date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	26
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	-
Active Employees	29
	<hr/>
	55
	<hr/>

**Total OPEB Liability**

The Borough's total OPEB liability of \$15,175,878.00 was measured as of December 31, 2022 and was determined by an actuarial valuation as of this same date.

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

Inflation	2.50% Annually
Salary Increases	2.50% Annually
Discount Rate	3.72%
Healthcare Cost Trend Rates	Medical: 5.3% in 2022, reducing by 0.2% per annum, leveling at 4.5% per annum in 2026 Drug: 6.5% in 2022, reducing by 0.5% per annum, leveling at 4.5% per annum in 2026 Medicare Advantage: 4.5% per annum Dental and Vision: 4.5% per annum
Retirees' Share of Benefit-Related Costs	Contribution rates in effect at retirement

The discount rate was based on the Bond Buyer 20 Index.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****BOROUGH OF RUNNEMEDE POSTEMPLOYMENT BENEFIT PLAN (CONT'D)****Total OPEB Liability (Cont'd)****Actuarial Assumptions and Other Inputs (Cont'd)** - Mortality rates were based on the following:

*Pre-Retirement, Post-Retirement, Disabled* - PUB 2010 "General" classification headcount weighted mortality with generational improvement using Scale MP-2021

An experience study was not performed on the actuarial assumptions used in the December 31, 2022 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, 2021		\$ 21,798,016.00
Changes for the Year:		
Service Cost	\$ 260,806.00	
Interest Cost	451,286.00	
Benefit Payments	(303,492.00)	
Changes in Assumptions	(2,892,552.00)	
Difference between Expected and Actual Experience	<u>(4,138,186.00)</u>	
Net Changes		<u>(6,622,138.00)</u>
Balance at December 31, 2022		<u>\$ 15,175,878.00</u>

Changes of benefit terms reflect no increase in the retirees' share of health insurance premiums.

Changes of assumptions and other inputs reflect a change in the discount rate from 2.06% at December 31, 2021 to 3.72% at December 31, 2022.

**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>December 31, 2022</b>		
	<b>1.00% Decrease (2.72%)</b>	<b>Current Discount Rate (3.72%)</b>	<b>1.00% Increase (4.72%)</b>
Total OPEB Liability	<u>\$ 17,148,577.00</u>	<u>\$ 15,175,878.00</u>	<u>\$ 13,577,511.00</u>

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****BOROUGH OF RUNNEMEDE POSTEMPLOYMENT BENEFIT PLAN (CONT'D)**

**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>December 31, 2022</b>		
	<b><u>1.00% Decrease</u></b>	<b><u>Healthcare Cost Trend Rates</u></b>	<b><u>1.00% Increase</u></b>
Total OPEB Liability	<u>\$ 13,787,893.00</u>	<u>\$ 15,175,878.00</u>	<u>\$ 16,688,372.00</u>

**OPEB (Benefit) Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** - For the year ended December 31, 2022, the Borough recognized OPEB (benefit) expense of \$78,140.00. As of December 31, 2022, the Borough reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Changes of Assumptions	\$ 1,989,344.00	\$ (6,864,829.00)
Difference Between Expected and Actual Experience	<u>-</u>	<u>(3,860,362.00)</u>
	<u>\$ 1,989,344.00</u>	<u>\$ (10,725,191.00)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB (benefit) expense as follows:

<b><u>Year Ending Dec 31,</u></b>	
2023	\$ (633,952.00)
2024	(633,952.00)
2025	(633,952.00)
2026	(633,952.00)
2027	(633,952.00)
Thereafter	<u>(5,566,087.00)</u>
	<u>\$ (8,735,847.00)</u>

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****BOROUGH OF RUNNEMEDE POSTEMPLOYMENT BENEFIT PLAN (CONT'D)****Supplementary OPEB Information**

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

***Schedule of Changes in the Borough's Total OPEB Liability and Related Ratios (Last Five Years)***

	Plan Measurement Date December 31,				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>					
Service Cost	\$ 260,806.00	\$ 452,781.00	\$ 452,781.00	\$ 378,788.00	\$ 378,788.00
Interest Cost	451,286.00	557,655.00	687,278.00	890,607.00	853,540.00
Benefit Payments	(303,492.00)	(306,329.00)	(327,709.00)	(328,332.00)	(308,178.00)
Changes in Assumptions	(2,892,552.00)	(4,910,951.00)	398,298.00	2,345,643.00	-
Difference Between Expected and Actual Experience	(4,138,186.00)	-	-	-	-
Net Change in Total OPEB Liability	(6,622,138.00)	(4,206,844.00)	1,210,648.00	3,286,706.00	924,150.00
Total OPEB Liability, January 1	21,798,016.00	26,004,860.00	24,794,212.00	21,507,506.00	20,583,356.00
Total OPEB Liability, December 31	<u>\$ 15,175,878.00</u>	<u>\$ 21,798,016.00</u>	<u>\$ 26,004,860.00</u>	<u>\$ 24,794,212.00</u>	<u>\$ 21,507,506.00</u>
Covered-Employee Payroll	\$ 2,001,000.00	\$ 2,723,849.00	\$ 2,210,445.52	\$ 2,210,445.52	\$ 2,210,445.52
Total OPEB Liability as a Percentage of Covered Payroll	758.41%	800.27%	1176.45%	1121.68%	972.99%

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

None.

**Changes in Assumptions**

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

<u>Year</u>	<u>Rate</u>
2022	3.72%
2021	2.06%
2020	2.12%
2019	2.74%
2018	4.10%

**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, 2022, accrued benefits for compensated absences are valued at \$153,585.14.

**Note 13: 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.

On July 3, 2019, the Borough issued \$3,744,000.00 of general obligation bonds consisting of \$2,194,000.00 General Capital Improvement Bonds and \$1,550,000.00 Sewer Utility Bonds at interest rates ranging from 2.250% to 3.000%. The final maturity of these bonds is February 1, 2049. 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>
2023	\$ 470,000.00	\$ 144,046.88	\$ 614,046.88
2024	480,000.00	131,187.50	611,187.50
2025	490,000.00	117,550.00	607,550.00
2026	500,000.00	103,400.00	603,400.00
2027	515,000.00	88,612.50	603,612.50
2028-2032	2,470,000.00	197,162.50	2,667,162.50
	<u>\$ 4,925,000.00</u>	<u>\$ 781,959.38</u>	<u>\$ 5,706,959.38</u>

**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>
2023	\$ 30,000.00	\$ 42,431.25	\$ 72,431.25
2024	55,000.00	41,387.50	96,387.50
2025	55,000.00	40,012.50	95,012.50
2026	55,000.00	38,637.50	93,637.50
2027	55,000.00	37,125.00	92,125.00
2028-2032	275,000.00	160,875.00	435,875.00
2033-2037	275,000.00	119,625.00	394,625.00
2038-2042	275,000.00	78,375.00	353,375.00
2043-2047	275,000.00	37,125.00	312,125.00
2048-2049	110,000.00	3,300.00	113,300.00
	<u>\$ 1,460,000.00</u>	<u>\$ 598,893.75</u>	<u>\$ 2,058,893.75</u>



**Note 13: CAPITAL DEBT (CONT'D)****General Debt - New Jersey Environmental Infrastructure Loans**

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>
2023	\$ 152,276.01	\$ 19,542.50	\$ 171,818.51
2024	88,043.55	15,455.00	103,498.55
2025	63,000.00	12,555.00	75,555.00
2026	67,000.00	9,405.00	76,405.00
2027	71,000.00	6,390.00	77,390.00
2028	71,000.00	3,195.00	74,195.00
	<u>\$ 512,319.56</u>	<u>\$ 66,542.50</u>	<u>\$ 578,862.06</u>

**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>
2023	\$ 24,855.21	\$ 6,236.38	\$ 31,091.59
2024	25,354.80	5,736.80	31,091.60
2025	25,864.44	5,227.16	31,091.60
2026	26,384.31	4,707.29	31,091.60
2027	26,914.63	4,176.96	31,091.59
2028-2032	142,908.71	12,549.26	155,457.97
2033-2034	45,719.95	917.43	46,637.38
	<u>\$ 318,002.05</u>	<u>\$ 39,551.28</u>	<u>\$ 357,553.33</u>

**Note 13: CAPITAL DEBT (CONT'D)****General Debt - New Jersey Green Acres Loans (Cont'd)**

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b><u>Issued</u></b>			
General:			
Bonds, Loans and Notes	\$ 8,152,228.05	\$ 8,761,300.51	\$ 8,955,802.88
Sewer Utility:			
Bonds, Loans and Notes	2,730,699.56	2,921,508.33	2,594,953.61
Total Issued	10,882,927.61	11,682,808.84	11,550,756.49
<b><u>Authorized but not Issued</u></b>			
General:			
Bonds, Loans and Notes	96,867.00	96,867.00	1,250.00
Sewer Utility:			
Bonds, Loans and Notes	7,250,500.00		500,000.00
Total Authorized but not Issued	7,347,367.00	96,867.00	501,250.00
Total Issued and Authorized but not Issued	18,230,294.61	11,779,675.84	12,052,006.49
<b><u>Deductions</u></b>			
General:			
Reserve for Payment of Bonds	3.41	3.41	3.41
NJ Transportation Trust	99,785.50	99,785.50	99,785.50
Sewer Utility:			
Self-Liquidating	9,981,199.56	2,921,508.33	3,094,953.61
Total Deductions	10,080,988.47	3,021,297.24	3,194,742.52
<b>Net Debt</b>	<b>\$ 8,149,306.14</b>	<b>\$ 8,758,378.60</b>	<b>\$ 8,857,263.97</b>

**Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of 1.358%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Self-Liquidating	\$ 9,981,199.56	\$ 9,981,199.56	
General	8,249,095.05	99,788.91	\$ 8,149,306.14
	<u>\$ 18,230,294.61</u>	<u>\$ 10,080,988.47</u>	<u>\$ 8,149,306.14</u>

Net debt \$8,149,306.14 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$600,256,155.33, equals 1.358%.

**Note 13: CAPITAL DEBT (CONT'D)****Summary of Statutory Debt Condition - Annual Debt Statement****Borrowing Power Under N.J.S.A. 40A:2-6 as Amended**

3 1/2% of Equalized Valuation Basis (Municipal)	\$	21,008,965.44
Less: Net Debt		<u>8,149,306.14</u>
Remaining Borrowing Power	\$	<u><u>12,859,659.30</u></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		\$	974,521.97
Deductions:			
Operating and Maintenance Costs	\$	678,550.00	
Debt Service		<u>261,642.05</u>	
Total Deductions			<u>940,192.05</u>
Excess in Revenue	\$		<u><u>34,329.92</u></u>

**Note 14: 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>
2022	\$ 47,116.82	\$ 24,420.81	\$ 79,120.35
2021	54,955.22	43,089.81	56,424.34
2020	22,000.00	3,909.69	44,558.93

**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, 2022, which can be obtained from:

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

**Note 15: 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 16: 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 17: 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 the		
Acquisition of Various Capital Improvements	05/02/2023	\$ 475,000.00

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

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Borough's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Borough is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for calendar year 2023.

## **SUPPLEMENTAL EXHIBITS**

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Current Cash --Treasurer  
For the Year Ended December 31, 2022

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Balance Dec. 31, 2021	\$ 2,333,486.84	\$ 628,222.74
Increased by Receipts:		
Taxes Receivable	\$ 21,058,471.97	
Prepaid Taxes	127,408.40	
Senior Citizens and Veterans Deductions	70,333.33	
Revenue Accounts Receivable	2,808,298.09	
Miscellaneous Revenues not Anticipated	389,988.04	
Due Trust Fund Other --	10,256.45	
Community Development Block Grant	30,157.34	
Due Community Development Block Grant Trust Fund	42,200.00	
Due General Capital Fund		\$ 164,687.25
Due Sewer Utility Capital Fund		164,687.25
Refunds of Appropriation Reserves	21,168.00	
Reserve for Municipal Relief Fund Aid	46,278.72	
Due Camden County Utility Authority	69,615.92	
Federal and State Grant Fund:		
Federal and State Grant Receivable		736,776.10
	<u>24,674,176.26</u>	<u>1,066,150.60</u>
	27,007,663.10	1,694,373.34
Decreased by Disbursements:		
2022 Appropriations	8,527,073.26	
2021 Appropriation Reserves	184,913.77	
Refund of Tax Overpayments	1,778.40	
County Taxes	4,378,418.09	
Due County for Added Taxes	10,194.74	
Local District School Tax	7,597,679.52	
Regional High School Tax	3,316,754.00	
Due Trust Other Fund	400.00	
Due General Capital Fund	33,052.72	
Due Camden County Utility Authority	70,118.23	
Accounts Payable	3,400.00	
Federal and State Grant Fund:		
Federal and State Grants--Appropriated		616,063.65
Due Current Fund:		
Anticipated as Revenue in Current Fund Budget (ARP)		763,749.00
	<u>24,123,782.73</u>	<u>1,379,812.65</u>
Balance Dec. 31, 2022	<u>\$ 2,883,880.37</u>	<u>\$ 314,560.69</u>



**BOROUGH OF RUNNEMEDE**  
CURRENT FUND  
Schedule of Change Funds  
As of December 31, 2022

---

	Balance <u>Dec. 31, 2022</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, 2022

Year	Balance Dec. 31, 2021	2022 Levy	Added Taxes	<u>Collected</u>		Overpayments Applied	Due from State of New Jersey	Cancelled	Transferred to Tax Title Liens	Balance Dec. 31, 2022
				2021	2022					
2019			\$ 250.00		\$ 250.00					
2020	\$ 25.02		280.82		280.84			\$ 25.00		
2021	259,282.76		7,916.67		267,199.43					
	259,307.78	-	8,447.49	-	267,730.27	-	-	25.00	-	-
2022		\$ 21,324,992.67		\$ 154,157.20	20,790,741.70	\$ 3,297.37	\$ 77,250.00	3,214.33	\$ 9,035.28	\$ 287,296.79
	<u>\$ 259,307.78</u>	<u>\$ 21,324,992.67</u>	<u>\$ 8,447.49</u>	<u>\$ 154,157.20</u>	<u>\$ 21,058,471.97</u>	<u>\$ 3,297.37</u>	<u>\$ 77,250.00</u>	<u>\$ 3,239.33</u>	<u>\$ 9,035.28</u>	<u>\$ 287,296.79</u>

Analysis of 2022 Property Tax Levy

Tax Yield

General Purpose

\$ 21,266,134.65

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

58,858.02

\$ 21,324,992.67

Tax Levy

Regional High School Tax

\$ 3,316,756.00

Local District School Tax

7,597,679.00

County Taxes:

County Tax

\$ 4,259,948.69

Open Space Tax

118,469.40

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

10,932.29

Total County Taxes

4,389,350.38

Local Tax for Municipal Purposes

5,971,835.78

Add: Additional Tax Levied

49,371.51

Local Tax for Municipal Purposes Levied

6,021,207.29

\$ 21,324,992.67

**BOROUGH OF RUNNEMEDE**  
CURRENT FUND  
Statement of Tax Title Liens  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 117,083.66
Increased by:	
Transferred from Taxes Receivable	<u>9,035.28</u>
Balance Dec. 31, 2022	<u><u>\$ 126,118.94</u></u>

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Revenue Accounts Receivable  
For the Year Ended December 31, 2022

	Balance <u>Dec. 31, 2021</u>	<u>Accrued</u>	<u>Realized</u>	Balance <u>Dec. 31, 2022</u>
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages		\$ 12,650.00	\$ 12,650.00	
Other		7,345.00	7,345.00	
Fees and Permits		66,864.35	66,864.35	
Fines and Costs:				
Municipal Court	\$ 6,383.94	75,477.70	78,272.39	\$ 3,589.25
Interest and Costs on Taxes		87,332.81	87,332.81	
Street Opening Fees		35,425.00	35,425.00	
Interest on Investments and Deposits		6,997.70	6,997.70	
Energy Receipts Tax		887,179.00	887,179.00	
Interlocal Service Agreement - Triton High School		95,551.00	95,551.00	
Interlocal Service Agreement - NJ DMV - Police S/W		129,929.28	129,929.28	
Interlocal Service Agreement - Magnolia Borough:				
Public Works Manager - S/W		60,224.04	60,224.04	
Municipal Court - S/W		19,841.88	19,841.88	
Cable TV Franchise Fee		37,516.42	37,516.42	
NJ LEA Fees		62,198.49	62,198.49	
EMS Billings		227,561.49	227,561.49	
Hotel Tax		31,302.18	31,302.18	
Health Insurance Fund Dividend		104,930.74	104,930.74	
Rental Income		74,100.00	74,100.00	
Payment in Lieu of Taxes		3,300.00	3,300.00	
American Rescue Plan		763,749.00	763,749.00	
	<u>\$ 6,383.94</u>	<u>\$ 2,041,754.40</u>	<u>\$ 2,808,298.09</u>	<u>\$ 3,589.25</u>

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
**Statement of Appropriation Reserves**  
**For the Year Ended December 31, 2022**

	Balance December 31, 2021		Balance After Transfer	Paid or Charged	Balanced Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
<b><u>OPERATIONS - WITHIN "CAPS"</u></b>					
<b><u>General Government</u></b>					
General Administration					
Salaries and Wages		\$ 311.52	\$ 311.52		\$ 311.52
Other Expenses	\$ 1,130.82	5,330.21	6,461.03	\$ 848.98	5,612.05
Mayor and Council					
Salaries and Wages		205.24	205.24		205.24
Other Expenses		205.00	205.00		205.00
Municipal Clerk					
Salaries and Wages		1,813.28	1,813.28		1,813.28
Other Expenses	4,672.59	195.81	4,868.40	3,944.21	924.19
Financial Administration					
Salaries and Wages		28,996.41	28,996.41		28,996.41
Other Expenses	2,497.08	2,414.36	4,911.44		4,911.44
Audit Services	3,200.00		3,200.00		3,200.00
Collection of Taxes					
Salaries and Wages		2,216.76	2,216.76		2,216.76
Other Expenses	320.00	3,326.42	3,646.42		3,646.42
Assessment of Taxes					
Salaries and Wages		58.40	58.40		58.40
Other Expenses	454.48		454.48	454.48	
Legal Services and Costs					
Other Expenses	10,722.00		10,722.00	200.00	10,522.00
Engineering Services					
Other Expenses	12,691.50		12,691.50	12,691.50	
Municipal Court					
Salaries and Wages		143.08	143.08		143.08
Other Expenses	1,598.41		1,598.41	29.19	1,569.22
<b><u>Land Use Administration</u></b>					
Planning Board					
Other Expenses	13,273.74		13,273.74		13,273.74
<b><u>Public Safety Functions</u></b>					
Emergency Medical Services					
Salaries and Wages		26,350.38	26,350.38		26,350.38
Other Expenses	5,805.03	5,422.57	11,227.60	5,796.82	5,430.78
Office of Emergency Management					
Salaries and Wages		1,050.00	1,050.00		1,050.00
Other Expenses		1,124.82	1,124.82		1,124.82
Police					
Salaries and Wages		62,008.36	62,008.36		62,008.36
Other Expenses	2,008.10	2,462.57	4,470.67	(18,022.58)	22,493.25
Fire					
Aid to Volunteer Fire Company	37,855.00		37,855.00	37,855.00	
Salaries and Wages		14,546.32	14,546.32		14,546.32
Fire Hydrant Service		495.68	495.68		495.68
Miscellaneous Other Expenses	4,842.91	743.83	5,586.74	5,586.74	
<b><u>Public Works Functions</u></b>					
Streets and Roads Maintenance					
Salaries and Wages		13,788.23	13,788.23		13,788.23
Other Expenses	29,329.87	12,848.40	42,178.27	22,417.43	19,760.84
Vehicle Maintenance					
Other Expenses	10,193.82		10,193.82	8,799.00	1,394.82
Solid Waste Collection					
Other Expenses-Contractual	44,545.96	8,511.54	53,057.50	21,887.11	31,170.39
Building and Grounds					
Other Expenses	8,506.45	152.15	8,658.60	6,219.66	2,438.94

(Continued)

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2022

	Balance December 31, 2021		Balance After Transfer	Paid or Charged	Balanced Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
<u>Park and Recreation Functions</u>					
Recreation					
Other Expenses	\$ 4,092.07		\$ 4,092.07	\$ 3,975.00	\$ 117.07
<u>Code Enforcement</u>					
Code Enforcement					
Salaries and Wages		\$ 9,533.26	9,533.26		9,533.26
Other Expenses		2,906.76	2,906.76		2,906.76
<u>Insurance</u>					
Liability Insurance		1,435.00	1,435.00		1,435.00
Workers Compensation Insurance		5,000.00	5,000.00		5,000.00
Employee Group Insurance	25.00	75,863.36	75,888.36	25.00	75,863.36
Employee Group Health Waivers		8,793.37	8,793.37		8,793.37
<u>Other Common Operating Functions</u>					
Celebration of Public Events, Anniversary or Holiday					
Other Expenses	5,482.96	7,575.95	13,058.91	2,417.53	10,641.38
Electricity	7,000.00	7,091.57	14,091.57	4,769.38	9,322.19
Street Lighting	17,000.00	7,886.00	24,886.00	17,000.00	7,886.00
Natural Gas	4,387.92	1,270.90	5,658.82	4,270.01	1,388.81
Telephone	1,400.00	7,570.40	8,970.40	1,010.08	7,960.32
Water	58.98		58.98	52.37	6.61
Gasoline	7,028.45	4,106.13	11,134.58	6,627.70	4,506.88
Landfill/Solid Waste Disposal Costs	54,287.47		54,287.47	42,048.45	12,239.02
<u>Deferred Charges and Statutory Expenditures</u>					
Social Security System		1,441.48	1,441.48		1,441.48
Unemployment Comp. Insurance		15,000.00	15,000.00		15,000.00
Defined Contribution Retirement Program		1,118.52	1,118.52		1,118.52
Disability		15,123.96	15,123.96		15,123.96
<u>OPERATIONS - EXCLUDED FROM "CAPS"</u>					
Landfill Fees - Recycling Tax	1,100.00	1,849.42	2,949.42	733.68	2,215.74
Maintenance of Free Public Library	7,176.39		7,176.39	7,176.39	
Interlocal Municipal Service Agreements:					
NJ DMV - Police S/W		577.50	577.50		577.50
Magnolia - Shared Service CFO		0.10	0.10		0.10
	<u>\$ 302,687.00</u>	<u>\$ 368,865.02</u>	<u>\$ 671,552.02</u>	<u>\$ 198,813.13</u>	<u>\$ 472,738.89</u>
Disbursements				\$ 184,913.77	
Accounts Payable				35,067.36	
Refunds				(21,168.00)	
				<u>\$ 198,813.13</u>	

**BOROUGH OF RUNNEMEDE**  
CURRENT FUND  
Statement of Reserve for Encumbrances  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 302,687.02
Increased by:	
Charged to 2022 Appropriations	<u>382,343.50</u>
	685,030.52
Decreased by:	
Transferred to 2021 Appropriation Reserves	<u>302,687.00</u>
Balance Dec. 31, 2022	<u><u>\$ 382,343.52</u></u>

**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, 2022

Balance Dec. 31, 2021		\$ 107,702.63
Increased by:		
Collection		<u>70,333.33</u>
		178,035.96
Decreased by:		
Accrued in 2022:		
Senior Citizens' Deductions per Billings	\$ 22,750.00	
Veterans' Deductions per Billings	<u>55,000.00</u>	
	77,750.00	
Add:		
Veterans' and Senior Citizens' Deductions		
Allowed by Tax Collector -- 2022 Taxes	<u>1,000.00</u>	
	78,750.00	
Deduct:		
Veterans' and Senior Citizens' Deductions		
Disallowed by Tax Collector -- 2022 Taxes	<u>1,500.00</u>	
	77,250.00	
Sub-Total -- 2022 Taxes	77,250.00	
Deduct: Deductions Disallowed by		
Tax Collector -- 2021 Taxes	7,916.67	
Tax Collector-- 2020 Taxes	280.82	
Tax Collector-- 2019 Taxes	<u>250.00</u>	
	8,447.49	
Sub-Total -- Added Taxes	<u>8,447.49</u>	
		<u>68,802.51</u>
Balance Dec. 31, 2022		<u>\$ 109,233.45</u>



**BOROUGH OF RUNNEMEDE**  
CURRENT FUND  
Statement of Prepaid Taxes  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021 (2022 Taxes)	\$ 154,157.20
Increased by:	
Collections -- 2023 Taxes	<u>127,408.40</u>
	281,565.60
Decreased by:	
Application to Taxes Receivable	<u>154,157.20</u>
Balance Dec. 31, 2022 (2023 Taxes)	<u><u>\$ 127,408.40</u></u>

**BOROUGH OF RUNNEMEDE**  
CURRENT FUND  
Statement of Prepaid County Taxes  
For the Year Ended December 31, 2022

<hr/>		
Balance Dec. 31, 2021		\$ 0.11
2022 Tax Levy:		
Increased by:		
Disbursements		<u>4,378,418.09</u>
		4,378,418.20
Decreased by:		
2022 Tax Levy:		
County Tax	\$ 4,259,948.69	
Open Space Tax	<u>118,469.40</u>	
		<u>4,378,418.09</u>
Balance Dec. 31, 2022		<u><u>\$ 0.11</u></u>

**BOROUGH OF RUNNEMEDE**  
CURRENT FUND  
Statement of Tax Overpayments  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021		\$	31,134.12
Decreased by:			
Refunded	\$	1,778.40	
Applied		<u>3,297.37</u>	
			<u>5,075.77</u>
Balance Dec. 31, 2022		\$	<u><u>26,058.35</u></u>

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Due County for Added and Omitted Taxes  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	
Added Taxes (2021)	\$ 10,194.74
Increased by:	
County Share of 2022 Tax Levy:	
Added Taxes (2022)	<u>10,932.29</u>
	21,127.03
Decreased by:	
Disbursements	<u>10,194.74</u>
Balance Dec. 31, 2022	
Added Taxes (2022)	<u><u>\$ 10,932.29</u></u>

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Taxes Payable / Prepaid Local District School Tax  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 1.99
Increased by:	
Payments	<u>7,597,679.52</u>
	7,597,681.51
Decreased by:	
Levy -- Calendar Year	<u>7,597,679.00</u>
Balance Dec. 31, 2022	<u><u>\$ 2.51</u></u>

## Exhibit SA-14

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Prepaid Regional High School Tax  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 31.58
Increased by:	
Payments	<u>3,316,754.00</u>
	3,316,785.58
Decreased by:	
Levy -- Calendar Year	<u>3,316,756.00</u>
Balance Dec. 31, 2022	<u><u>\$ 29.58</u></u>

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Accounts Payable  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 58,886.09
Increased by:	
Transfer from 2021 Appropriation Reserves	<u>35,067.36</u>
	93,953.45
Decreased by:	
Disbursements	<u>3,400.00</u>
Balance Dec. 31, 2022	<u><u>\$ 90,553.45</u></u>

Exhibit SA-16

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Schedule of Due from Bank  
As of December 31, 2022

---

Balance Dec. 31, 2022	<u><u>\$ 3,540.80</u></u>
-----------------------	---------------------------

Exhibit SA-17

**BOROUGH OF RUNNEMEDE**  
**CURRENT FUND**  
Statement of Due Camden County Utility Authority  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 1,736.09
Increased by:	
Disbursements	<u>70,118.23</u>
	71,854.32
Increased by:	
Receipts	<u>69,615.92</u>
Balance Dec. 31, 2022	<u><u>\$ 2,238.40</u></u>

**BOROUGH OF RUNNEMEDE**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Federal and State Grants Receivable  
For the Year Ended December 31, 2022

<u>Program</u>	<u>Balance Dec. 31, 2021</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance Dec. 31, 2022</u>
Federal Grants:				
Assistance to Firefighters Grant	\$ 11,583.76			\$ 11,583.76
American Rescue Plan		\$ 434,374.50	\$ 434,374.50	
Bulletproof Vest Grant	880.00	1,426.62		2,306.62
Total Federal Grants	12,463.76	435,801.12	434,374.50	13,890.38
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
NJ Department of Transportation - FY21	56,250.00			56,250.00
NJ Department of Transportation - FY22		240,000.00	180,000.00	60,000.00
Bulletproof Vest Partnership Grant	2,062.15			2,062.15
Municipal Alliance Grant	6,774.14	4,334.00	4,334.00	6,774.14
Recycling Tonnage Grant		9,159.42	9,159.42	
Police Domestic Violence Program Grant	3,900.00			3,900.00
Safe and Secure Communities Program	7,750.00	21,168.00	21,168.00	7,750.00
Buckle-up South Jersey	308.04			308.04
Body Armor Grant		2,457.89	2,457.89	
Drunk Driving Enforcement Fund	1,500.00			1,500.00
Click It or Ticket	6,435.00			6,435.00
Camden County Open Space Preservation Grant - Recreation	25,000.00		25,000.00	
Camden County Open Space Preservation Grant - Recreation FY21		25,000.00		25,000.00
Camden County Open Space Preservation Grant - Recreation FY22		25,000.00		25,000.00
Camden County Open space Preservation Grant - Historic	2,500.00			2,500.00
Edward Byrne Memorial Justice Assistance Grant	890.45			890.45
NJ Department of Law & Public Safety -				
FY21 Body Worn Camera Grant	61,140.00		42,798.00	18,342.00
Clean Communities Grant	576.18	17,484.29	17,484.29	576.18
Total State Grants	197,092.43	344,603.60	302,401.60	239,294.43
Total Grants	\$ 209,556.19	\$ 780,404.72	\$ 736,776.10	\$ 253,184.81
Cash Receipts			\$ 736,776.10	

**BOROUGH OF RUNNEMEDE**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal and State Grants – Unappropriated  
For the Year Ended December 31, 2022

<u>Program</u>	<u>Balance Dec. 31, 2021</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Miscellaneous Revenue in 2022 Budget</u>	<u>Transfer from Appropriated Grants</u>	<u>Balance Dec. 31, 2022</u>
Federal Grants:					
American Rescue Plan	\$ 329,374.50	\$ 434,374.50	\$ 763,749.00	\$ 95,000.00	\$ 95,000.00
Bulletproof Vest Grant		1,426.62	1,426.62		
Total Federal Grants	329,374.5	435,801.12	765,175.62	95,000.00	95,000.00
State Grants:					
New Jersey Transportation Trust Fund:					
NJ Department of Transportation - FY22		240,000.00	240,000.00		
Municipal Alliance Grant		4,334.00	4,334.00		
Recycling Tonnage Grant		9,159.42	9,159.42		
Body Armor Grant		2,457.89	1,044.70		1,413.19
Safe and Secure Communities Grant		21,168.00	21,168.00		
Camden County Open Space Preservation Grant - Recreation FY21		25,000.00	25,000.00		
Camden County Open Space Preservation Grant - Recreation FY22		25,000.00	25,000.00		
Clean Communities Grant		17,484.29	17,484.29		
Total State Grants	-	344,603.60	343,190.41	-	1,413.19
Total All Grants	\$ 329,374.50	\$ 780,404.72	\$ 1,108,366.03	\$ 95,000.00	\$ 96,413.19



**BOROUGH OF RUNNEMEDE**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal and State Grants -- Appropriated  
For the Year Ended December 31, 2022

Program	Balance Dec. 31, 2021		Transferred from 2022 Budget Appropriation	Paid or Charged	Encumbered	Cancelled	Balance Dec. 31, 2022
	Encumbered	Reserved					
Federal Grants:							
Assistance to Firefighters' Grant		\$ 9,195.40					\$ 9,195.40
American Rescue Plan		105,000.00		\$ 5,000.00		\$ 95,000.00	5,000.00
Bullet Proof Vest Grant			\$ 1,426.62				1,426.62
Total Federal Grants	-	114,195.40	1,426.62	5,000.00	-	95,000.00	15,622.02
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
NJ Department of Transportation - FY21	\$ 187,275.00			187,275.00			
NJ Department of Transportation - FY22			240,000.00	221,544.19	\$ 18,455.81		
Safe and Secure Communities Program		83,512.00	21,168.00	104,680.00			
Drunk Driving Enforcement Grant		5,518.01					5,518.01
Clean Communities Grant	1,638.75	33,270.90	17,484.29	10,065.45	650.00		41,678.49
Statewide Livable Communities Grant		572.74					572.74
Alcohol Education and Rehabilitation Fund		895.98					895.98
Body Armor Grant		1,482.12	1,044.70	1,271.62			1,255.20
Municipal Alliance Grant		6,558.58	4,334.00	7,866.03			3,026.55
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	1,635.00	9,157.45	9,159.42	13,928.13			6,023.74
Click It or Ticket		11,935.00					11,935.00
Safe Schools and Communities Program		15,000.00					15,000.00
Sustainable Jersey Small Grant		2,237.47		2,210.00			27.47
Camden County DWI Patrol		600.00					600.00
Edward Byrne Memorial Justice Assistance Grant		890.45					890.45
Camden County Open Space Preservation Grant - Recreation		800.00					800.00
Camden County Open Space Preservation Grant - Recreation FY21			25,000.00	793.23			24,206.77
Camden County Open Space Preservation Grant - Recreation FY22			25,000.00				25,000.00
Camden County Open Space Preservation Grant - Historic		295.00		290.00			5.00
NJ Department of Law & Public Safety - FY21 Body Worn Camera Grant	61,140.00			61,140.00			
Total State Grants	251,688.75	213,894.78	343,190.41	611,063.65	19,105.81	-	178,604.48
Total Grants	\$ 251,688.75	\$ 328,090.18	\$ 344,617.03	\$ 616,063.65	\$ 19,105.81	\$ 95,000.00	\$ 194,226.50
Disbursed				\$ 616,063.65			

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**

**BOROUGH OF RUNNEMEDE**  
**TRUST FUND**  
Statement of Cash -- Treasurer  
For the Year Ended December 31, 2022

	<u>Animal Control Fund</u>	<u>Community Development Block Grant Fund</u>	<u>Other Funds</u>
Balance Dec. 31, 2021	\$ 2,305.28		\$ 1,149,830.93
Increased by Receipts:			
Animal Control Fees	\$ 16,287.00		
Registration Fees Due State	895.80		
Miscellaneous Liabilities and Reserves			
	<u>17,182.80</u>	<u>-</u>	<u>\$ 5,708,168.20</u>
	19,488.08		6,857,999.13
Decreased by Disbursements:			
Expenditures Under R.S.4:19:15.11	17,232.63		
Registration Fees--Due State of New Jersey	900.00		
Due Current Fund:			
Interfund Loans Returned			10,256.45
Community Development Block Grant Fund			30,157.34
Miscellaneous Liabilities and Reserves			<u>5,464,097.30</u>
	<u>18,132.63</u>	<u>-</u>	<u>5,504,511.09</u>
Balance Dec. 31, 2022	<u>\$ 1,355.45</u>	<u>-</u>	<u>\$ 1,353,488.04</u>

**BOROUGH OF RUNNEMEDE**  
**ANIMAL CONTROL TRUST FUND**  
Statement of Reserve for Animal Control Fund Expenditures  
For the Year Ended December 31, 2022

Balance Dec. 31, 2021		\$ 2,301.08
Increased by:		
Animal Control License Fees Collected:		
Dog License Fees	\$ 13,724.00	
Cat License Fees	<u>2,563.00</u>	
		<u>16,287.00</u>
		18,588.08
Decreased by:		
Expenditures Under R.S.4:19-15.11 - Cash Disbursements		<u>17,232.63</u>
Balance Dec. 31, 2022		<u><u>\$ 1,355.45</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2021	\$ 14,521.80
2020	<u>16,191.00</u>
	<u><u>\$ 30,712.80</u></u>

**BOROUGH OF RUNNEMEDE**  
**ANIMAL CONTROL TRUST FUND**  
Statement of Due to State of New Jersey  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 4.20
Increased by:	
State Registration Fees Collected	<u>895.80</u>
	900.00
Decreased by:	
Payments	<u><u>\$ 900.00</u></u>

**BOROUGH OF RUNNEMEDE**  
**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**  
Statement of Reserve for Community Development Block Grant  
For the Year Ended December 31, 2022

Balance Dec. 31, 2021	\$ 237,957.34
Increased by:	
2022 CDBG Award	<u>233,000.00</u>
	470,957.34
Decreased by:	
Due Current Fund	<u>207,800.00</u>
Balance Dec. 31, 2022	<u><u>\$ 263,157.34</u></u>
<u>Analysis of Balance Dec. 31, 2022</u>	
Year 37 - Reconstruction of Washington Ave	\$ 22,349.66
2018 - Charles Ave, Phillips Ave, S. Read Ave, Shisler Circle	7,807.68
2022 - Road Program W. 1st, 2nd, 4th, 5th, 6th Avenue	<u>233,000.00</u>
	<u><u>\$ 263,157.34</u></u>

## Exhibit SB-5

**BOROUGH OF RUNNEMEDE**  
**TRUST FUND -- OTHER**  
Statement of Due to Current Fund  
For the Year Ended December 31, 2022

Balance Dec. 31, 2021	\$ 39,646.13
Increased by:	
Receipts	<u>400.00</u>
	40,046.13
Decreased by:	
Interfund Loans Returned	<u>10,256.45</u>
Balance Dec. 31, 2022	<u><u>\$ 29,789.68</u></u>

**BOROUGH OF RUNNEMEDE**  
**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**  
Statement of Community Development Block Grant Receivable  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 250,000.00
Increased by:	
2022 CDBG Award	<u>233,000.00</u>
	483,000.00
Decreased by:	
Due Current Fund - Receipts	<u>250,000.00</u>
Balance Dec. 31, 2022	<u><u>\$ 233,000.00</u></u>
<u>Analysis of Balance Dec. 31, 2022</u>	
2022 - Road Program W. 1st, 2nd, 4th, 5th, 6th Avenue	<u><u>\$ 233,000.00</u></u>

## Exhibit SB-7

**BOROUGH OF RUNNEMEDE**  
**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**  
Statement of Due to Current Fund  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 42,200.00
Increased by:	
Reserve for CDBG - Expenditures	<u>207,800.00</u>
Increased by:	
Collections made by Current Fund	<u><u>\$ 250,000.00</u></u>

**BOROUGH OF RUNNEMEDE**  
**TRUST FUND -- OTHER**  
Statement of Changes in Miscellaneous Trust Other Reserves  
For the Year Ended December 31, 2022

		<u>Increased by</u>		<u>Decreased by</u>	
	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Due Current</u> <u>Fund</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
Liabilities:					
Due State of New Jersey:					
Marriage License Fees	\$ 400.00			\$ 400.00	
DCA Training Fees		\$ 6,924.00	\$ 6,924.00		
Street Opening Deposits	21,187.32	50,565.00			\$ 71,752.32
Deposits - Due to Contractor	2,200.00				2,200.00
Reserve For:					
Accumulated Absences	17,862.24				17,862.24
Uniform Construction Code	75,983.01	132,029.05	118,996.00		89,016.06
New Jersey Unemployment Compensation	56,424.34	47,116.82	24,420.81		79,120.35
Planning Board Escrow	40,904.42	131,581.25	54,637.75		117,847.92
Tax Title Lien Redemption	724,740.03	995,838.22	864,710.06		855,868.19
Parking Offenses Adjudication Act - POAA	713.34	54.00			767.34
Special Law Enforcement Fund	3,575.83	5.31			3,581.14
Trust Other	48,974.14	5,915.33	53,538.53		1,350.94
Recreation Facility Escrow	17,107.01	950.00	10,967.74		7,089.27
Forfeited Property	3,547.40				3,547.40
Public Defender Fees	1,169.41	613.50			1,782.91
Payroll Deductions Payable	548.50	1,677,560.81	1,672,514.60		5,594.71
Net Payroll		2,410,240.38	2,410,240.38		
Storm Recovery	2,955.54		1,662.78		1,292.76
Uniform Fire Safety	7,839.52	1,275.00	895.00		8,219.52
Municipal Alliance Contributions	3,352.08	435.00	150.04		3,637.04
Outside Employment of Municipal Police	50,543.33	247,064.53	244,439.61		53,168.25
	<u>\$ 1,080,027.46</u>	<u>\$ 5,708,168.20</u>	<u>\$ 5,464,097.30</u>	<u>\$ 400.00</u>	<u>\$ 1,323,698.36</u>



**SUPPLEMENTAL EXHIBITS**

**GENERAL CAPITAL FUND**

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021		\$ 209,718.71
Increased by Receipts:		
Due Current Fund	\$ 33,052.72	
Capital Improvement Fund	680,000.00	
Bond Anticipation Notes	<u>2,909,226.00</u>	
		<u>3,622,278.72</u>
		3,831,997.43
Decreased by Disbursements:		
Improvement Authorizations	542,760.81	
Bond Anticipation Notes	2,909,226.00	
Due Federal and State Grant Fund	<u>164,687.25</u>	
		<u>3,616,674.06</u>
Balance Dec. 31, 2022		<u><u>\$ 215,323.37</u></u>

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
 Analysis of General Capital Cash  
 For the Year Ended December 31, 2022

		Receipts		Disbursements			Transfers		Balance (Deficit)
	Balance (Deficit) Dec. 31, 2021	Miscellaneous	Bond Anticipation Notes	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	From	To	Balance (Deficit) Dec. 31, 2022
Fund Balance	\$ 36,512.31								\$ 36,512.31
Capital Improvement Fund	350.00	\$ 680,000.00					\$ 680,000.00		350.00
New Jersey Transportation Trust Fund - Ord.97-15	(85,280.00)								(85,280.00)
Reserve for Encumbrances	207,246.78						207,246.78	\$ 348,211.76	348,211.76
Due Current Fund	(20,000.00)	33,052.72							13,052.72
Due Federal and State Grant Fund	(93,312.75)					\$ 164,687.25			(258,000.00)
Reserve for Payment of Bonds	3.41								3.41
Ordinance									
Number	Improvement Authorizations:								
11-9	Various Capital Improvements and the Acquisition of Capital Equipment			\$ 2,502.25				2,502.25	
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			2,337.00			2,460.00	4,797.00	
14-10	Acquisition of a Fire Truck	(250.00)							(250.00)
16-05	Various Capital Improvements and the Acquisition of Capital Equipment	(500.00)							(500.00)
18-08	Various Capital Improvements and the Acquisition of Various Capital Equipment	(66,142.73)	\$ 1,428,516.00	14,949.00	\$ 1,428,516.00		19,439.92	5,724.50	(94,807.15)
19-08	Various Capital Improvements and the Acquisition of Various Capital Equipment		448,060.00	29,906.22	448,060.00		6,570.18	36,476.40	
19-12	Various Capital Projects	(500.00)							(500.00)
20-08	Various Capital Improvements and the Acquisition of Various Capital Equipment	83,806.86	652,650.00	25,831.61	652,650.00		26,853.13	27,781.88	58,904.00
21-05	Various Capital Improvements and the Acquisition of Various Capital Equipment	147,784.83	380,000.00	174,621.39	380,000.00		73,775.25	126,014.00	25,402.19
22-08	Acquisition of Various Pieces of Capital Equipment and Completion of Various Capital Improvements			288,662.59			219,113.28	680,000.00	172,224.13
	\$ 209,718.71	\$ 713,052.72	\$ 2,909,226.00	\$ 542,760.81	\$ 2,909,226.00	\$ 164,687.25	\$ 1,235,458.54	\$ 1,235,458.54	\$ 215,323.37

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation--Funded  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021		\$ 5,732,367.51
Decreased by:		
Budget Appropriation to Pay Serial Bonds	\$ 465,000.00	
Budget Appropriation to Pay Green Acres Loan	<u>24,365.46</u>	
		<u>489,365.46</u>
Balance Dec. 31, 2022		<u><u>\$ 5,243,002.05</u></u>

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation--Unfunded  
For the Year Ended December 31, 2022

Ordinance Number	Improvement Description	Date of Ordinance	Balance Dec. 31, 2021	Decreased by		Balance Dec. 31, 2022	Analysis of Balance Dec. 31, 2022		Unexpended Improvement Authorizations
				Notes Paid by Budget Appropriation			Financed by Bond Anticipation Notes	Expenditures	
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	500.00			500.00		500.00	
18-08	Various Capital Improvements and the Acquisition of Various Capital Equipment	6/6/2018	1,619,750.00	\$ 95,617.00		1,524,133.00	\$ 1,428,516.00	94,807.15	\$ 809.85
19-08	Various Capital Improvements and the Acquisition of Various Capital Equipment	07/30/2019	472,150.00	24,090.00		448,060.00	448,060.00		
19-12	Various Capital Projects	10/01/2019	500.00			500.00		500.00	
20-08	Various Capital Improvements and Acquisition of Various Capital Equipment	7/6/2020	652,650.00			652,650.00	652,650.00		
21-05	Various Capital Improvements and Acquisition of Various Capital Equipment	6/1/2021	380,000.00			380,000.00	380,000.00		
			<u>\$ 3,125,800.00</u>	<u>\$ 119,707.00</u>		<u>\$ 3,006,093.00</u>	<u>\$ 2,909,226.00</u>	<u>\$ 96,057.15</u>	<u>\$ 809.85</u>
						Improvement Authorizations - Unfunded			\$ 85,116.04
						Less: Unexpended Proceeds of BAN Issued:			
						Ord. 20-08	\$ 58,904.00		
						Ord. 21-05	25,402.19		
									<u>84,306.19</u>
									<u>\$ 809.85</u>

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Schedule of State Aid Receivable--New Jersey Transportation Trust Fund Authority Act  
As of December 31, 2022

---

Balance Dec. 31, 2022	<u>\$ 185,065.50</u>
<u>Analysis of Balance</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
Ord. 95-3; 96-13 - Reconstruction of Hirsch Avenue (Reserved Balance)	\$ 99,785.50
Ord. 97-15 - Reconstruction of Central Avenue (Unreserved Balance)	<u>85,280.00</u>
	<u>\$ 185,065.50</u>

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of Due from/to Current Fund  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021 (Due from)	\$ 20,000.00
Increased by:	
Interfunds Liquidated	<u>33,052.72</u>
Balance Dec. 31, 2022 (Due to)	<u><u>\$ 13,052.72</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, 2022

---

Balance Dec. 31, 2021	\$ 93,312.75
Increased by:	
Disbursements:	
Interfund Loans	<u>164,687.25</u>
Balance Dec. 31, 2022	<u><u>\$ 258,000.00</u></u>

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of Capital Improvement Fund  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 350.00
Increased by:	
Receipts:	
2022 Budget Appropriation	<u>680,000.00</u>
	680,350.00
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>680,000.00</u>
Balance Dec. 31, 2022	<u><u>\$ 350.00</u></u>



**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of Improvement Authorizations  
For the Year Ended December 31, 2022

		<u>2022 Authorizations</u>							
<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Balance Dec. 31, 2021</u>		<u>Funding Sources</u>	<u>Transfer from Reserve for Encumbrances</u>	<u>Paid or Charged</u>	<u>Balance Dec. 31, 2022</u>	
			<u>Funded</u>	<u>Unfunded</u>				<u>Funded</u>	<u>Unfunded</u>
11-09	Various Capital Improvements and the Acquisition of Capital Equipment	12/09/2011				\$ 2,502.25	\$ 2,502.25		
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				4,797.00	4,797.00		
18-08	Various Capital Improvements and the Acquisition of Various Capital Equipment	06/06/2018		\$ 29,474.27		5,724.50	34,388.92	\$	809.85
19-08	Various Capital Improvements and the Acquisition of Various Capital Equipment	07/30/2019				36,476.40	36,476.40		
20-08	Various Capital Improvements and Acquisition of Various Capital Equipment	07/06/2020		83,806.86		27,781.88	52,684.74		58,904.00
21-05	Various Capital Improvements and Acquisition of Various Capital Equipment	06/01/2021		147,784.83		126,014.00	248,396.64		25,402.19
22-08	Acquisition of Various Pieces of Capital Equipment and Completion of Various Capital Improvements	06/08/2022			\$ 680,000.00		507,775.87	\$ 172,224.13	
			-	\$ 261,065.96	\$ 680,000.00	\$ 207,246.78	\$ 890,972.57	\$ 172,224.13	\$ 85,116.04
	Capital Improvement Fund				\$ 680,000.00				
	Disbursed						\$ 542,760.81		
	Encumbered						348,211.76		
					\$ 680,000.00		\$ 890,972.57		

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of Green Acres Loan Payable  
For the Year Ended December 31, 2022

<u>Purpose</u>	<u>Loan Amount</u>	<u>Date of Loan</u>	<u>Maturities of Loans Outstanding Dec. 31, 2022</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2021</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2022</u>
			<u>Date</u>	<u>Amount</u>				
Beaver Branch Park Project	\$ 500,000.00	7/21/2014	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>\$ 342,367.51</u>	<u>\$ 24,365.46</u>	<u>\$ 318,002.05</u>

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of Bond Anticipation Notes  
For the Year Ended December 31, 2022

<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, 2021</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2022</u>
18-08	Various Capital Improvements and the Acquisition of Capital Equipment	07/10/18	06/29/21 06/23/22	06/28/22 06/22/23	1.000% 2.380%	\$ 1,524,133.00	\$ 1,428,516.00	\$ 1,524,133.00	\$ 1,428,516.00
19-08	Various Capital Improvements and the Acquisition of Various Capital Equipment	09/05/19	06/29/21 06/23/22	06/28/22 06/22/23	1.000% 2.380%	472,150.00	448,060.00	472,150.00	448,060.00
20-08	Various Capital Improvements and the Acquisition of Various Capital Equipment	08/06/20	06/29/21 06/23/22	06/28/22 06/22/23	1.000% 2.380%	652,650.00	652,650.00	652,650.00	652,650.00
21-05	Various Capital Improvements and Acquisition of Various Capital Equipment	06/29/21	06/29/21 06/23/22	06/28/22 06/22/23	1.000% 2.380%	380,000.00	380,000.00	380,000.00	380,000.00
						<u>\$ 3,028,933.00</u>	<u>\$ 2,909,226.00</u>	<u>\$ 3,028,933.00</u>	<u>\$ 2,909,226.00</u>
							\$ 2,909,226.00	\$ 2,909,226.00	
								119,707.00	
							<u>\$ 2,909,226.00</u>	<u>\$ 3,028,933.00</u>	

Renewals  
Paid by Budget Appropriation

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Statement of General Serial Bonds  
For the Year Ended December 31, 2022

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Amount</u>	<u>Maturity of Bonds Outstanding Dec. 31, 2022</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2021</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2022</u>
			<u>Date</u>	<u>Amount</u>				
General Bonds of 2015	11/24/2015	\$ 5,060,000.00	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%	\$ 3,490,000.00	\$ 300,000.00	\$ 3,190,000.00
General Bonds of 2019	7/3/2019	2,194,000.00	02/01/23	165,000.00	2.375%			
			02/01/24	140,000.00	2.500%			
			02/01/25	135,000.00	2.500%			
			02/01/26	145,000.00	2.500%			
			02/01/27	155,000.00	3.000%			
			02/01/28	165,000.00	3.000%			
			02/01/29	175,000.00	3.000%			
			02/01/30	190,000.00	3.000%			
			02/01/31	205,000.00	3.000%			
			02/01/32	260,000.00	3.000%			
						1,900,000.00	165,000.00	1,735,000.00
						<u>\$ 5,390,000.00</u>	<u>\$ 465,000.00</u>	<u>\$ 4,925,000.00</u>

**BOROUGH OF RUNNEMEDE**  
**GENERAL CAPITAL FUND**  
Schedule of General Bonds and Notes Authorized But Not Issued  
As of December 31, 2022

---

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2022</u>
14-10	Acquisition of a Fire Truck	\$ 250.00
16-05	Various Capital Improvements and the Acquisition of Capital Equipment	500.00
18-08	Various Capital Improvements and the Acquisition of Various Capital Equipment	95,617.00
19-12	Various Capital Projects	<u>500.00</u>
		<u><u>\$ 96,867.00</u></u>

**SUPPLEMENTAL EXHIBITS**

**SEWER UTILITY FUND**

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY FUND**  
Statement of Sewer Utility Cash -- Treasurer  
For the Year Ended December 31, 2022

	<u>Operating</u>	<u>Capital</u>
Balance Dec. 31, 2021	\$ 473,204.01	\$ 401,804.38
Increased by Receipts:		
Rents Receivable	\$ 858,649.74	
Liens Receivable	3,792.96	
Refunds of Current Year Appropriations	14,869.00	
Miscellaneous Revenue	14,370.27	
	<u>891,681.97</u>	
	1,364,885.98	401,804.38
Decreased by Disbursements:		
2022 Budget Appropriations	789,767.76	
Appropriation Reserves	46,216.12	
Accrued Interest on Bonds and Loans	70,902.97	
Due Federal and State Grant Fund		\$ 164,687.25
Improvement Authorizations		229,842.50
	<u>906,886.85</u>	<u>394,529.75</u>
Balance Dec. 31, 2022	<u><u>\$ 457,999.13</u></u>	<u><u>\$ 7,274.63</u></u>

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY CAPITAL FUND**  
 Analysis of Sewer Capital Cash  
 For the Year Ended December 31, 2022

		<u>Disbursements</u>	<u>Transfers</u>		
		<u>Improvement</u>	<u>Miscellaneous</u>	<u>From</u>	<u>To</u>
	Balance (Deficit) <u>Dec. 31, 2021</u>	<u>Authorizations</u>			Balance (Deficit) <u>Dec. 31, 2022</u>
Capital Improvement Fund	\$ 725.00				\$ 725.00
Due Federal and State Grant Fund	164,687.25		\$ 164,687.25		
Due Sewer Utility Operating Fund	47,500.00				47,500.00
Due from NJEIT Loan Receivable	(234,328.00)				(234,328.00)
Reserve for Encumbrances	33,854.43			\$ 33,854.43	\$ 121,873.01
Improvement Authorizations:					
Ordinance Number					
08-07 Replacement and/or Upgrading of Pump Stations and Improvements to the Storm Water Gutter Line	172,918.46	\$ 102,449.43		104,323.46	33,854.43
15-09 Various Capital Improvements	15,953.73	15,000.00		953.73	
19-09 Various Utility Improvements and the Acquisition of Various Utility Equipment	31,993.96	2,908.82		16,595.82	12,489.32
20-13 Davis Road Sewer Extension Project	168,499.55	109,484.25			59,015.30
	<u>\$ 401,804.38</u>	<u>\$ 229,842.50</u>	<u>\$ 164,687.25</u>	<u>\$ 155,727.44</u>	<u>\$ 155,727.44</u>
					<u>\$ 7,274.63</u>



**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY OPERATING FUND**  
**Statement of Sewer Rents Receivable**  
**For the Year Ended December 31, 2022**

Balance Dec. 31, 2021		\$ 42,023.82
Increased by:		
Sewer Rents Levied		<u>875,449.33</u>
		917,473.15
Decreased by:		
Collections	\$ 858,649.74	
Transfer to Liens	<u>183.91</u>	
		<u>858,833.65</u>
Balance Dec. 31, 2022		<u><u>\$ 58,639.50</u></u>

## Exhibit SD-4

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY OPERATING FUND**  
**Statement of Sewer Liens Receivable**  
**For the Year Ended December 31, 2022**

Balance Dec. 31, 2021		\$ 4,312.33
Increased by:		
Transfer from Rents Receivable	\$ 183.91	
Account Adjustments	189.34	
Interest and Costs on Rent Sale	<u>89.65</u>	
		<u>462.90</u>
		4,775.23
Decreased by:		
Collections		<u>3,792.96</u>
Balance Dec. 31, 2022		<u><u>\$ 982.27</u></u>

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY OPERATING FUND**  
**Statement of Appropriation Reserves**  
**For the Year Ended December 31, 2022**

	<u>Balance Dec. 31, 2021</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		\$ 16,524.28	\$ 16,524.28		\$ 16,524.28
Other Expenses	\$ 67,962.20	90,535.00	158,497.20	\$ 46,216.12	112,281.08
Statutory Expenditures:					
Disability		2,089.99	2,089.99		2,089.99
Unemployment Compensation Insurance		2,500.00	2,500.00		2,500.00
Social Security System		6,838.57	6,838.57		6,838.57
	<u>\$ 67,962.20</u>	<u>\$ 118,487.84</u>	<u>\$ 186,450.04</u>	<u>\$ 46,216.12</u>	<u>\$ 140,233.92</u>
			Disbursed	<u>\$ 46,216.12</u>	

**BOROUGH OF RUNNEMEDE**  
SEWER UTILITY CAPITAL FUND  
Schedule of Fixed Capital  
As of December 31, 2022

---

<u>Account</u>	<u>Balance</u> <u>Dec. 31, 2022</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, 2022

Balance Dec. 31, 2021	\$ 32,259.64
Increased by:	
Charged to Budget Appropriation:	
Interest on Bonds	\$ 42,839.47
Interest on Loans	18,526.87
Interest on Notes	9,466.94
	<u>70,833.28</u>
	103,092.92
Decreased by:	
Disbursed	<u>70,902.97</u>
Balance Dec. 31, 2022	<u><u>\$ 32,189.95</u></u>

Analysis of Accrued Interest Dec. 31, 2022

Principal Outstanding Dec. 31, 2022	Interest Rate	From	To	Period	Amount
NJEIT Infrastructure Loans:					
\$ 25,000.00	various	08/01/22	12/31/22	152 days	\$ 502.31
388,000.00	various	08/01/22	12/31/22	152 days	7,764.17
Serial Bonds					
1,460,000.00	various	08/01/22	12/31/22	152 days	18,099.11
Bond Anticipation Notes (Capital)					
758,380.00	2.380%	06/30/22	12/31/22	184 days	<u>5,824.36</u>
					<u><u>\$ 32,189.95</u></u>

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Reserve for Amortization  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021			\$	5,020,447.16
Increased by:				
Paid by Sewer Utility Operating Fund:				
Loans Payable	\$	147,963.77		
Serial Bonds		<u>30,000.00</u>		
				<u>177,963.77</u>
Balance Dec. 31, 2022			\$	<u><u>5,198,410.93</u></u>

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY CAPITAL FUND**  
**Statement of Loans Payable**  
**For the Year Ended December 31, 2022**

<u>Purpose</u>	<u>Loan Amount</u>	<u>Date of Loan</u>	<u>Maturities of Loans Outstanding Dec. 31, 2022</u>		<u>Interest Rate</u>	<u>Balance</u>	<u>Paid by</u>	<u>Balance</u>
			<u>Date</u>	<u>Amount</u>		<u>Dec. 31, 2021</u>	<u>Budget Appropriation</u>	<u>Dec. 31, 2022</u>
N.J. Environmental Infrastructure Trust Loan	\$ 350,000.00	11/05/03	08/01/22-23	\$ 25,000.00	4.75%	\$ 50,000.00	\$ 25,000.00	\$ 25,000.00
N.J. Environmental Infrastructure Fund Loan	333,703.00	11/05/03	(1)	(1)	Nil	32,804.71	16,765.92	16,038.79
N.J. Environmental Infrastructure Trust Loan	1,025,000.00	11/06/08	08/01/23	58,000.00	5.00%			
			08/01/24	58,000.00	4.25%			
			08/01/25	63,000.00	4.50%			
			08/01/26	67,000.00	4.50%			
			08/01/27	71,000.00	4.50%			
			08/01/28	71,000.00	4.25%	442,000.00	54,000.00	388,000.00
N.J. Environmental Infrastructure Fund Loan	1,022,000.00	11/06/08	(1)	(1)	Nil	135,478.62	52,197.85	83,280.77
						<u>\$ 660,283.33</u>	<u>\$ 147,963.77</u>	<u>\$ 512,319.56</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, 2022**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturity of Bonds Outstanding Dec. 31, 2022</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2021</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2022</u>
			<u>Date</u>	<u>Amount</u>				
General Obligation Bonds, Series 2019	07/03/19	\$ 1,550,000.00	02/01/23	\$ 30,000.00	2.375%	<u>\$ 1,490,000.00</u>	<u>\$ 30,000.00</u>	<u>\$ 1,460,000.00</u>
			02/01/24-26	55,000.00	2.500%			
			02/01/27-49	55,000.00	3.000%			

**BOROUGH OF RUNNEMEDE**  
SEWER UTILITY CAPITAL FUND  
Statement of Improvement Authorizations  
For the Year Ended December 31, 2022

Ordinance Number	Improvement Description	Date	<u>Ordinance</u>		<u>Balance Dec. 31, 2021</u>		<u>2022 Authorization Deferred Changes to Future Revenue</u>	<u>Transfer from Reserve for Encumbrances</u>	<u>Paid or Charged</u>	<u>Balance Dec. 31, 2022</u>	
			<u>Amount</u>		<u>Funded</u>	<u>Unfunded</u>				<u>Funded</u>	<u>Unfunded</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		\$ 172,918.46			\$ 33,854.43	\$ 206,772.89		
15-09	Various Capital Improvements	06/03/15	1,550,000.00		15,953.73				15,953.73		
19-09	Various Utility Improvements and the Acquisition of Various Utility Equipment	07/30/19	285,500.00			\$ 31,993.96			19,504.64	\$ 12,489.32	
20-13	Davis Road Sewer Extension Project	12/01/20	500,000.00			168,499.55			109,484.25		59,015.30
22-15	Various Improvements to the Sanitary Sewer System and Road Improvements	11/01/22	7,250,500.00				\$ 7,250,500.00				7,250,500.00
					<u>\$ 188,872.19</u>	<u>\$ 200,493.51</u>	<u>\$ 7,250,500.00</u>	<u>\$ 33,854.43</u>	<u>\$ 351,715.51</u>	<u>-</u>	<u>\$ 7,322,004.62</u>
	Disbursements								\$ 229,842.50		
	Encumbered								121,873.01		
									<u>\$ 351,715.51</u>		



**BOROUGH OF RUNNEMEDE**  
SEWER CAPITAL FUND  
Schedule of Due Sewer Utility Operating Fund  
As of December 31, 2022

---

Balance Dec. 31, 2022

\$ 47,500.00

**BOROUGH OF RUNNEMEDE**  
SEWER UTILITY OPERATING FUND  
Schedule of Accounts Payable  
As of December 31, 2022

---

Balance Dec. 31, 2022

\$ 7,760.78

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY CAPITAL FUND**  
Schedule of NJEIT Loan Receivable  
As of December 31, 2022

---

Balance Dec. 31, 2022	\$ 234,328.00
-----------------------	---------------

## Exhibit SD-15

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Due to Federal and State Grant Fund  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 164,687.25
Decreased by:	
Disbursements -- Interfund Loans Returned	\$ 164,687.25

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Fixed Capital Authorized and Uncompleted  
For the Year Ended December 31, 2022

Ordinance Number	Improvement Description	Date	<u>Ordinance</u>		<u>Balance</u>		<u>2022 Authorizations</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
			<u>Amount</u>		<u>Dec. 31, 2021</u>		<u>Deferred</u> <u>Charges to</u> <u>Future Revenue</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		\$ 1,815,672.00			\$ 1,815,672.00
12-10	Acquisition of Sewer Utility Equipment	10/02/12	75,000.00		75,000.00			75,000.00
15-09	Various Capital Improvements	06/03/15	1,550,000.00		1,550,000.00			1,550,000.00
19-09	Various Utility Improvements and the Acquisition of Various Utility Equipment	07/30/19	285,500.00		271,225.00			271,225.00
20-13	Davis Road Sewer Extension Project	12/01/20	500,000.00		500,000.00			500,000.00
22-15	Various Improvements to the Sanitary Sewer System and Road Improvements	11/01/22	7,250,500.00				\$ 7,250,500.00	7,250,500.00
					<u>\$ 4,211,897.00</u>		<u>\$ 7,250,500.00</u>	<u>\$ 11,462,397.00</u>

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Deferred Reserve for Amortization  
For the Year Ended December 31, 2022

---

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance</u>		<u>Payment of Notes</u>	<u>Balance Dec. 31, 2022</u>
				<u>Amount</u>		
19-09	Various Utility Improvements and the Acquisition of Various Utility Equipment	07/30/19	\$	285,500.00	\$ 12,845.00	\$ 12,845.00

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY CAPITAL FUND**  
**Statement of Bond Anticipation Notes**  
**For the Year Ended December 31, 2022**

<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, 2021</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2022</u>
19-09	Various Capital Improvements Acquisition of Various Capital Equipment	09/05/19	06/29/21 06/23/22	06/28/22 06/22/23	1.000% 2.380%	\$ 271,225.00	\$ 258,380.00	\$ 271,225.00	\$ 258,380.00
20-13	Davis Road Sewer Extension Project	06/29/21	06/29/21 06/23/22	06/28/22 06/22/23	1.000% 2.380%	500,000.00	500,000.00	500,000.00	500,000.00
						<u>\$ 771,225.00</u>	<u>\$ 758,380.00</u>	<u>\$ 771,225.00</u>	<u>\$ 758,380.00</u>
Renewals							\$ 758,380.00	\$ 758,380.00	
Paid by Budget Appropriation								12,845.00	
							<u>\$ 758,380.00</u>	<u>\$ 771,225.00</u>	

**BOROUGH OF RUNNEMEDE**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Sewer Bonds and Notes Authorized But Not Issued  
For the Year Ended December 31, 2022

---

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Increased By</u>	
		<u>2022 Authorizations</u>	<u>Balance Dec. 31, 2022</u>
22-15	Various Improvements to the Sanitary Sewer System and Road Improvements	<u>\$ 7,250,500.00</u>	<u>\$ 7,250,500.00</u>

**PART II**  
**SINGLE AUDIT**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**



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

**INDEPENDENT AUDITOR'S REPORT**

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

**Report on Compliance for Each Major Federal Program**

***Opinion on the Major Federal Program***

We have audited the Borough of Runnemede's, in the County of Camden, State of New Jersey, compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the Borough's major federal program for the year ended December 31, 2022. The Borough's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

In our opinion, the Borough of Runnemede, in the County of Camden, State of New Jersey, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2022.

***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance, are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Borough and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for its major federal program. Our audit does not provide a legal determination of the Borough's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Borough's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Borough's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America; *Government Auditing Standards*; the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the Uniform Guidance, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the Borough's compliance with the requirements of its major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Borough's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Borough's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on Internal Control over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael D. Cesaro  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
August 30, 2023

**BOROUGH OF RUNNEMEDE**  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2022

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Additional Award Identification	Pass-Through Entity ID#	State Account Number	Program or Award Amount	Matching Contribution	Grant Period		Receipts or Revenues Recognized	Passed- Through to Subrecipients	Program Expenditures	Memo Only	
							From	To				Cash Collected	Accumulated Expenditures
<u>U.S. Department of Housing and Urban Development</u>													
Passed through Camden County Community Development Block Grant	14.218		N/A	N/A	\$ 250,000.00	N/A	7/1/2020	Project End	\$ 250,000.00		\$ 207,800.00	\$ 250,000.00	\$ 207,800.00
CDBG - Entitlement Grants Cluster Total									250,000.00	-	207,800.00	250,000.00	207,800.00
Total U.S. Department of Housing and Urban Development									250,000.00	-	207,800.00	250,000.00	207,800.00
<u>U.S. Treasury Department</u>													
ARP Coronavirus Local Fiscal Recovery Grant	21.027	COVID-19	N/A	022-8030-100	868,749.00	N/A	3/3/2021	12/31/2024	434,374.50		768,749.00	434,374.50	768,749.00
Total U.S. Treasury Department									434,374.50	-	768,749.00	434,374.50	768,749.00
<u>U.S. Department of Homeland Security</u>													
Passed thru New Jersey Department of Law and Public Safety Disaster Grants - Public Assistance	97.036	COVID-19	N/A	066-1200-100	147,274.92	N/A	N/A	N/A	147,274.92		147,274.92	147,274.92	147,274.92
Total U.S. Department of Homeland Security									147,274.92	-	147,274.92	147,274.92	147,274.92
Total Federal Financial Assistance									\$ 831,649.42	-	\$ 1,123,823.92	\$ 831,649.42	\$ 1,123,823.92

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

**BOROUGH OF RUNNEMEDE**

Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2022

---

**Note 1: BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the "schedule") include federal award activity of the Borough of Runnemede (hereafter referred to as the "Borough") under programs of the federal government for the year ended December 31, 2022. The Borough is defined in note 1 to the financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule. Because the schedule presents only a selected portion of the operations of the Borough, it is not intended to and does not present the financial position and changes in operations of the Borough.

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

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

**Note 3: INDIRECT COST RATE**

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

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

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

**Note 5: MAJOR PROGRAMS**

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

**PART III**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**BOROUGH OF RUNNEMEDE**  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2022

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

**Financial Statements**

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

**Federal Awards**

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

Identification of major programs:

**Assistance Listings Number(s)**

21.027	

**Name of Federal Program or Cluster**

ARP Coronavirus Local Fiscal Recovery Grant	

Dollar threshold used to distinguish between type A and type B programs:	\$ 750,000.00
Auditee qualified as low-risk auditee?	_____ yes <u>  X  </u> no

**BOROUGH OF RUNNEMEDE**  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2022

---

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

**State Financial Assistance**

Not applicable.

Internal control over major programs:

Material weakness(es) identified?

\_\_\_\_\_ yes \_\_\_\_\_ no

Significant deficiency(ies) identified?

\_\_\_\_\_ yes \_\_\_\_\_ none reported

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

\_\_\_\_\_

Any audit findings disclosed that are required to be reported in  
accordance with New Jersey Circular 15-08-OMB?

\_\_\_\_\_ yes \_\_\_\_\_ no

Identification of major programs:

**GMIS Number(s)**

**Name of State Program**

---

---

---

---

---

---

---

---

---

---

---

---

Dollar threshold used to distinguish between type A and type B programs:

\_\_\_\_\_ \$ \_\_\_\_\_

Auditee qualified as low-risk auditee?

\_\_\_\_\_ yes \_\_\_\_\_ X no



**BOROUGH OF RUNNEMEDE**  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2022

---

***Section 2 - Schedule of Financial Statement Findings***

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

None.

**BOROUGH OF RUNNEMEDE**  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2022

---

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

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

None.

**BOROUGH OF RUNNEMEDE**  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2022

---

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

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

Not applicable.

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

---

This section identifies the status of prior year findings related to the financial statements and federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB.

**FINANCIAL STATEMENT FINDINGS**

None.

**FEDERAL AWARDS**

Not applicable.

**STATE FINANCIAL ASSISTANCE PROGRAMS**

Not applicable.

**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)
Luis Cepero	Member of Council	(A)
Shelley Streahle	Chief Financial Officer	(A)
Christina Conroy	Treasurer	(A)
Joyce Pinto	Tax Collector, Borough Clerk, Officer for Searches for Municipal Improvements, Registrar of Vital Statistics	(A)
Ryan Trabosh, Esq.	Judge of the Municipal Court	(A)
Catherine Lawson	Municipal Court Administrator	(A)
William Sampolski	Chief of Police	(A)
Braulio Villegas	Construction Code Official (1/1/2022-8/31/2022)	(A)
Mark Laggy	Construction Code Official (9/1/2022-12/31/2022)	(A)
Daniel H. Long, 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.

14000

**APPRECIATION**

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

Respectfully submitted,

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

A handwritten signature in black ink, reading "Michael D. Cesaro". The signature is fluid and cursive, with a long horizontal stroke at the end.

Michael D. Cesaro  
Certified Public Accountant  
Registered Municipal Accountant

