

**CITY OF BURLINGTON
COUNTY OF BURLINGTON,
STATE OF NEW JERSEY**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL DATA**

December 31, 2018

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

TABLE OF CONTENTS

<u>Exhibit</u>	<u>Title</u>	<u>Page Number</u>
	INDEPENDENT AUDITORS' REPORT	
	Independent Auditors' Report.....	1
	FINANCIAL STATEMENTS – REGULATORY BASIS	
	<u>Current Fund</u>	
A	Statements of Assets, Liabilities, Reserves and Fund Balance	4
A-1	Statements of Operations and Changes in Fund Balance	6
A-2	Statement of Revenues	7
A-3	Statement of Expenditures	9
	<u>Trust Funds</u>	
B	Statements of Assets, Liabilities, Reserves and Fund Balance	12
	<u>General Capital Fund</u>	
C	Statements of Assets, Liabilities, Reserves and Fund Balance	13
	<u>Water Utility Fund</u>	
D	Statements of Assets, Liabilities, Reserves and Fund Balance	14
D-1	Statements of Income and Changes in Operating Fund Balances	16
D-2	Statement of Revenues	17
D-3	Statement of Expenditures	18
	<u>Sewer Utility Fund</u>	
E	Statements of Assets, Liabilities, Reserves and Fund Balance	19
E-1	Statements of Operations and Changes in Fund Balance	21
E-2	Statement of Revenues	22
E-3	Statement of Expenditures	23
	<u>General Fixed Assets Account Group</u>	
F	Comparative Balance Sheet.....	24
	<u>Payroll Account</u>	
G	Statements of Assets, Liabilities, Reserves and Fund Balance	25
G-1	Statement of Trust Cash	26
G-2	Statement of Payroll Deductions Payable	26
	Notes to Financial Statements	27

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

TABLE OF CONTENTS

<u>Exhibit</u>	<u>Title</u>	<u>Page Number</u>
SUPPLEMENTAL SCHEDULES		
<u>Current Fund</u>		
SA-1	Schedule of Cash – Treasurer	58
SA-2	Schedule of Cash – Collector	59
SA-3	Schedule of Change Funds	60
SA-4	Schedule of Taxes Receivable and Analysis of Property Tax Levy	61
SA-5	Schedule of Tax Title Liens Receivable	62
SA-6	Schedule of Due to the State of New Jersey for Senior Citizens' and Veterans' Deductions	63
SA-7	Schedule of Revenue Accounts Receivable	64
SA-8	Schedule of Accounts Payable	65
SA-9	Schedule of Prior Year Appropriation Reserves	66
SA-10	Schedule of Tax Overpayments	69
SA-11	Schedule of Local District School Taxes Payable	70
SA-12	Schedule of County Taxes Payable	70
SA-13	Schedule of Reserve for State Tax Appeals Pending	71
SA-14	Schedule of Federal and State Grants Receivable	72
SA-15	Schedule of Reserves for Federal and State Grants – Appropriated	73
SA-16	Schedule of Reserves for Federal and State Grants – Unappropriated	74
SA-17	Schedule of Due to Current Fund	75
<u>Trust Funds</u>		
SB-1	Schedule of Trust Cash – Treasurer	76
SB-2	Schedule of Trust Cash – Collector	77
SB-3	Schedule of Assessments Receivable	78
SB-4	Schedule of Reserve for Animal Control Expenditures	79
SB-5	Schedule of Loans Receivable – UDAG – Economic Development	80
SB-6	Schedule of Reserve for Community Development Act of 1974	80
SB-7	Schedule of Changes in Miscellaneous Reserves	81
<u>General Capital Fund</u>		
SC-1	Schedule of General Capital Cash	82
SC-2	Analysis of General Capital Cash	83
SC-3	Schedule of Fund Balance	84
SC-4	Schedule of Deferred Charges to Future Taxation – Funded	85
SC-5	Schedule of Deferred Charges to Future Taxation – Unfunded	86
SC-6	Schedule of Improvement Authorizations	87
SC-7	Schedule of Reserve for Encumbrances	88
SC-8	Schedule of Capital Improvement Fund	88
SC-9	Schedule of Bond Anticipation Notes	89
SC-10	Schedule of General Serial Bonds	90

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

TABLE OF CONTENTS

<u>Exhibit</u>	<u>Title</u>	<u>Page Number</u>
SC-11	Schedule of Bonds and Notes Authorized but not Issued	91
SC-12	Schedule of Due from State of New Jersey	92
	<u>Water Utility Fund</u>	
SD-1	Schedule of Water Utility Cash – Treasurer	93
SD-2	Schedule of Cash – Collector	94
SD-3	Analysis of Water Utility Capital Cash	95
SD-4	Schedule of Consumer Accounts Receivable	96
SD-5	Schedule of Water Utility Liens Receivable.....	96
SD-6	Schedule of Fixed Capital	97
SD-7	Schedule of Fixed Capital Authorized and Uncompleted	98
SD-8	Schedule of Prior Year Appropriation Reserves.....	99
SD-9	Schedule of Reserve for Encumbrances.....	100
SD-10	Schedule of Accrued Interest on Bonds, Loans and Bond Anticipation Notes.....	101
SD-11	Schedule of Improvement Authorizations.....	102
SD-12	Schedule of Reserve for Preliminary Expense.....	103
SD-13	Schedule of Water Capital Fund Balance	104
SD-14	Schedule of Reserve for Amortization.....	105
SD-15	Schedule of Deferred Reserve for Amortization.....	106
SD-16	Schedule of Water Bonds Payable.....	107
SD-17	Statement of Water Capital Bond Anticipation Notes.....	108
SD-18	Schedule of Bonds and Notes Authorized but not Issued	109
	<u>Sewer Utility Fund</u>	
SE-1	Schedule of Sewer Utility Cash – Treasurer	110
SE-2	Schedule of Sewer Utility Cash – Collector	111
SE-3	Analysis of Sewer Utility Capital Cash	112
SE-4	Schedule of Sewer Rents Receivable	113
SE-5	Schedule of Rent Liens Receivable	113
SE-6	Schedule of Fixed Assets.....	114
SE-7	Schedule of Fixed Capital Authorized and Uncompleted	115
SE-8	Schedule of Prior Year Appropriation Reserves.....	116
SE-9	Schedule of Accrued Interest on Bonds, Loans and Bond Anticipation Notes.....	117
SE-10	Schedule of Improvement Authorizations.....	118
SE-11	Schedule of Reserve for Amortization.....	119
SE-12	Schedule of Deferred Reserve for Amortization.....	120
SE-13	Schedule of Sewer Bonds Payable	121
SE-14	Schedule of NJ Environmental Infrastructure Trust - Fund Loan Payable	122
SE-15	Schedule of NJ Environmental Infrastructure Trust - Trust Loan Payable	123
SE-16	Schedule of Sewer Capital Bond Anticipation Notes.....	124
SE-17	Schedule of Sewer Capital Fund Balance.....	125
SE-18	Schedule of Bonds and Notes Authorized but not Issued	126
SE-19	Schedule of Due from N.J. Environmental Infrastructure Trust.....	127

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

TABLE OF CONTENTS

<u>Exhibit</u>	<u>Title</u>	<u>Page Number</u>
F-1	<u>General Fixed Assets</u> Schedule of Investments in Fixed Assets.....	128
	Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>.....	129
 SUPPLEMENTARY INFORMATION		
	Summary of Statutory Debt Condition – Annual Debt Statement.....	131
	Comparative Statement of Operations and Change in Fund Balance – Current Fund	132
	Comparative Statement of Operations and Change in Surplus – Sewer Utility – Operating Fund	133
	Comparative Statement of Operations and Change in Fund Balance – Water Utility – Operating Fund	134
	Comparison of Tax Levies and Collection Currently	135
	Property Acquired by Tax Title Lien Liquidation, Utility Service Charges and Bonded Debt Issued and Outstanding.....	136
	Officials in Office and Surety Bonds.....	137
	General Comments	138
	Schedule of Current Year Findings and Recommendations	141
	Summary Schedule of Prior Year Audit Findings	142

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members
of City Council
City of Burlington
County of Burlington
Burlington, New Jersey 08016

Report on the Financial Statements

We have audited the accompanying financial statements – regulatory basis of the various funds and account group of the City of Burlington, County of Burlington, State of New Jersey (the “City”), as of and for the year ended December 31, 2018, and the related notes to financial statements, which comprise the City’s basic financial statements, as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibility (Continued)

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 U.S. Generally Accepted Accounting Principles

As described in Note A of the financial statements, these financial statements are prepared by the City 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 A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund and account group of the City as of December 31, 2018, and the results of operations and changes in financial position for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each fund and account group of the City, as of December 31, 2018, and the results of operations and changes in financial position for the year then ended in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note A.

Emphasis of Matter

In 2018, the City adopted new accounting guidance Governmental Accounting Standards Board Statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Report on Summarized Comparative Information

We have previously audited the City's 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 29, 2018, in accordance with the financial reporting provisions described in Note A. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

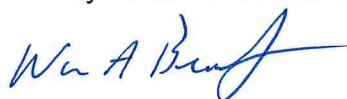
Report on Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that comprise the City's basic financial statements. The supplemental schedules as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplemental schedules are the responsibility of management and were derived from and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole, on the basis of accounting described in Note A.

The supplementary information as listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 26, 2019, on our consideration of the City'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 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 City's internal control over financial reporting and compliance.



Warren A. Broudy, CPA, CGFM, PSA, CGMA
Registered Municipal Accountant
License No. 554

MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

August 26, 2019

BASIC FINANCIAL STATEMENTS

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A

**CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2018 and 2017

<u>ASSETS</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Current Fund:			
Cash -- Treasurer	SA-1	\$ 5,847,507.41	\$ 5,045,019.72
Cash -- Collector	SA-2	694,599.02	810,102.81
Cash -- Change Fund	SA-3	<u>750.00</u>	<u>750.00</u>
		<u>6,542,856.43</u>	<u>5,855,872.53</u>
Receivables and Other Assets with Full Reserves:			
Taxes Receivable	SA-4	953,836.41	892,787.95
Tax Title Liens Receivable	SA-5	798,820.95	699,741.39
Property Acquired for Taxes--Assessed Valuation		1,428,950.00	1,428,950.00
Mortgages Receivable	A-2a	45,713.38	45,713.38
Life Loans Receivable		4,250.00	4,250.00
Mortgages Receivable - High Street		239,766.46	224,080.80
Revenue Accounts Receivable	SA-7	110,844.72	47,265.51
Other Accounts Receivable			
Due from Federal and State Grant Fund	SA-17	3,740.00	1,285.72
Due from Dog License Fund	B		2,242.90
Due from Other Trust	B		51,818.00
Due from Trust Assessment Fund	B	<u>1,732.10</u>	<u>1,732.10</u>
		<u>3,587,654.02</u>	<u>3,399,867.75</u>
Total Current Fund		<u>10,130,510.45</u>	<u>9,255,740.28</u>
Federal and State Grant Fund:			
Cash	SA-1	93,313.57	68,220.52
Federal and State Grants Receivable	SA-14	<u>639,735.75</u>	<u>675,099.38</u>
Total Federal and State Grant Fund		<u>733,049.32</u>	<u>743,319.90</u>
Total Assets		<u>\$ 10,863,559.77</u>	<u>\$ 9,999,060.18</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A

**CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE (CONTINUED)**

December 31, 2018 and 2017

LIABILITIES, RESERVES
AND FUND BALANCE

Current Fund:

Liabilities:

Appropriations Reserves	A-3,SA-9	\$ 1,302,135.34	\$ 1,277,928.61
Reserve for Encumbrances	A-3,SA-9	234,909.24	261,101.86
Accounts Payable	SA-8	6,472.44	2,065.00
Due to Other Trust Fund	A-3	11,165.00	
Due State of New Jersey -- Senior Citizens' & Veterans' Deductions	SA-6	115,638.59	119,466.57
Due State of New Jersey -- Marriage License Fees	SA-1	2,400.00	1,875.00
Due State of New Jersey -- Domestic Partnership Fees	SA-1	75.00	75.00
Due State of New Jersey -- Burial Permit Fees	SA-1	145.00	145.00
Due County for Added and Omitted Taxes	SA-12	12,401.43	7,007.15
Tax Overpayments	SA-10	-	
Prepaid Taxes	SA-2	236,634.90	326,065.47
Reserve for Tax Appeals Pending State Division of Tax Appeals	SA-13	75,000.00	75,000.00

1,996,976.94 2,070,729.66

Reserves for Receivables and Other Assets		3,587,654.02	3,399,867.75
Fund Balance	A-1	4,545,879.49	3,785,142.87

Total Current Fund 10,130,510.45 9,255,740.28

Federal and State Grant Fund:

Reserve for Federal and State Grants Appropriated	SA-15	274,159.13	553,684.48
Reserve for Federal and State Grants Unappropriated	SA-16	11,334.49	1,874.27
Reserve for Encumbrances	SA-15	290,468.20	184,385.43
Due to Current Fund	SA-17	3,740.00	1,285.72
Due to Trust Other Fund	SA-1	153,347.50	2,090.00

Total Federal and State Grant Fund 733,049.32 743,319.90

Total Liabilities, Reserves, and Fund Balance \$ 10,863,559.77 \$ 9,999,060.18

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-1

**CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE**

Years Ended December 31, 2018 and 2017

<u>Revenue and Other</u>		
<u>Income Realized</u>	<u>2018</u>	<u>2017</u>
Fund Balance Utilized	\$ 2,000,000.00	\$ 2,000,000.00
Miscellaneous Revenue Anticipated	7,873,383.42	7,616,637.31
Receipts from Delinquent Taxes	935,981.78	834,084.56
Receipts from Current Taxes	22,002,955.58	21,418,238.94
Non-Budget Revenue	405,952.53	1,975,067.30
Other Credits to Income:		
Tax Overpayments Cancelled	1.00	0.24
Statutory Excess in Reserve for Dog Fund Expenditures		2,242.90
Accounts Payable Canceled	0.00	14,253.26
Interfunds Returned	55,346.62	1,147.76
Unexpended Balance of Appropriation Reserves	879,162.36	881,731.54
	<u>34,152,783.29</u>	<u>34,743,403.81</u>
 Total Income		
	<u>34,152,783.29</u>	<u>34,743,403.81</u>
 <u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	7,078,268.85	6,602,202.78
Other Expenses	6,861,981.25	7,009,985.98
Deferred Charges and Statutory Expenditures Within "CAPS"	1,385,474.00	1,386,507.00
Operations Excluded from "CAPS":		
Other Expenses	174,500.28	821,936.33
Capital Improvements--Excluded from "CAPS"	35,000.00	12,000.00
Municipal Debt Service--Excluded from "CAPS"	1,190,489.68	1,175,122.50
Deferred Charges--Municipal--Excluded from "CAPS"	79,091.12	
County Taxes	2,523,227.42	2,588,716.05
County's Share of Added and Omitted Taxes	12,401.43	7,007.15
Local District School Tax	12,044,311.00	11,672,961.00
Creation of Interfunds and Other Assets	3,740.00	55,346.62
Prior Year Senior Citizens' Deduction Disallowed	3,561.64	3,750.00
	<u>31,392,046.67</u>	<u>31,336,606.04</u>
 Total Expenditures		
	<u>31,392,046.67</u>	<u>31,336,606.04</u>
 Statutory Excess to Fund Balance	2,760,736.62	3,406,797.77
 <u>Fund Balance</u>		
Balance January 1,	<u>3,785,142.87</u>	<u>2,378,345.10</u>
	6,545,879.49	5,785,142.87
Decreased by:		
Utilization as Anticipated Revenue	<u>2,000,000.00</u>	<u>2,000,000.00</u>
Balance December 31,	<u>\$ 4,545,879.49</u>	<u>\$ 3,785,142.87</u>

See notes to financial statements.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF REVENUES**

Year Ended December 31, 2018

	Anticipated <u>Budget</u>	Special N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Surplus Anticipated	\$ 2,000,000.00		\$ 2,000,000.00	
Miscellaneous Revenue:				
Local Revenues:				
Licenses:				
Alcoholic Beverages	40,000.00		46,128.00	\$ 6,128.00
Fees and Permits	220,000.00		344,325.35	124,325.35
Fines and Costs:				
Municipal Court	360,000.00		582,590.98	222,590.98
Interests and Costs on Taxes	140,000.00		205,706.68	65,706.68
Interest on Investments and Deposits	45,000.00		142,089.23	97,089.23
Anticipated Lease Revenues	420,000.00		490,154.29	70,154.29
State Aid Without Offsetting Appropriations:				
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	5,413,180.00		5,413,180.00	
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S. 40A:4-36 and N.J.A.C. 5:23-4.17):				
Uniform Construction Code Fees	84,000.00		421,747.00	337,747.00
Special Items of Revenue Anticipated				
Uniform Fire Safety Act	18,000.00		38,105.11	20,105.11
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Public and Private Revenues Offset with Appropriations:				
Clean Communities Program		\$ 20,721.58	20,721.58	
Municipal Alliance on Alcoholism and Drug Abuse	13,574.00		13,574.00	
Body Armor Replacement Fund			0.00	
Bulletproof Vest Grant	2,811.20		2,811.20	
Click it or Ticket		5,500.00	5,500.00	
Sustainable Jersey Grant	10,000.00		10,000.00	
Pedestrian Safety Education Mobilization Grant		11,000.00	11,000.00	
Drive Sober or Get Pulled Over		5,500.00	5,500.00	
HTS Federal Highway Safety Grant 2018	11,000.00	11,000.00	22,000.00	
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items				
Anticipated Sewer Operating Surplus	98,250.00		98,250.00	-
Total Miscellaneous Revenues	<u>6,875,815.20</u>	<u>53,721.58</u>	<u>7,873,383.42</u>	<u>943,846.64</u>
Receipts from Delinquent Taxes	<u>550,000.00</u>		<u>935,981.78</u>	<u>385,981.78</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	<u>8,532,831.01</u>		<u>8,630,578.34</u>	<u>97,747.33</u>
Budget Totals	17,958,646.21	53,721.58	19,439,943.54	1,427,575.75
Non Budget Revenues			405,952.53	405,952.53
	<u>\$ 17,958,646.21</u>	<u>\$ 53,721.58</u>	<u>\$ 19,845,896.07</u>	<u>\$ 1,833,528.28</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF REVENUES (CONTINUED)**

Year Ended December 31, 2018

Analysis of Realized Revenues

Allocation of Current Tax Collections

Received from Collections	\$ 22,002,955.58
Allocated to:	
Local School and County Taxes	<u>14,579,939.85</u>
Balance for Support of Municipal Budget Appropriations	7,423,015.73
Add: Appropriation "Reserve for Uncollected Taxes"	1,207,562.61
Less: Reserve for Tax Appeals Pending State Division of Tax Appeals	
	<u>\$ 8,630,578.34</u>
Receipts for Delinquent Taxes:	
Delinquent Tax Collections	\$ 860,665.32
Tax Title Lien Collections	<u>75,316.46</u>
	<u>\$ 935,981.78</u>

Fees and Permits

City Clerk	\$ 8,508.25
Board of Health	16,901.00
Police	4,056.50
Zoning and Planning Board	4,717.40
Code Inspection Office	263,145.00
Construction Code Official	8,599.00
Recreation	19,012.00
Bureau of Fire Protection	20,674.00
Lyceum Hall	300.00
Mayor - Weddings	300.00
Tax Collector	<u>200.00</u>
	346,413.15
Less - Refunds of Current Year Revenue	<u>2,087.80</u>
	<u>\$ 344,325.35</u>

Non-Budget Revenues

Treasurer:	
Cable Television Franchise Fees	\$ 34,321.65
State - Administrative Fee - Senior Citizens and Veterans	1,559.25
Payment in Lieu of Taxes	56,893.00
Local Share of Court Reg/Inspection Fees	3,052.00
Premium Forfeited on Tax Sale Certificates	25,300.00
Administrative Fees for Outside Police Employment	204,570.00
Miscellaneous	<u>26,497.59</u>
	\$ 352,193.49
Due From Trust Account - Reimbursement for School Resource Officer	
Local Share of Grant Cancelled	<u>352,193.49</u>
Less - Refunds of Current Year Revenue	<u>-</u>
	352,193.49
Tax Collector	<u>53,759.04</u>
	<u>\$ 405,952.53</u>

See notes to financial statements.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES**

Year Ended December 31, 2018

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
Operations--Within "CAPS":						
GENERAL GOVERNMENT:						
General Administration:						
Salaries and Wages	\$ 274,969.50	\$ 274,969.50	\$ 270,203.42	\$ 4,914.92	\$ 4,766.08	6,029.18
Other Expenses	29,261.05	34,261.05	23,316.95			
Mayor and Council:						
Salaries and Wages	30,158.44	30,158.44	28,769.77		1,388.67	
Other Expenses	11,811.80	11,811.80	5,796.55	519.98	5,495.27	
Municipal Clerk:						
Salaries and Wages	142,508.60	142,508.60	142,063.73		444.87	
Other Expenses	54,142.53	54,142.53	31,202.85	919.34	22,020.34	
Financial Administration:						
Salaries and Wages	214,595.61	192,995.61	188,834.68		4,160.93	
Other Expenses	25,284.16	25,284.16	20,288.08	1,636.82	3,359.26	
Audit Services:						
Other Expenses	30,219.80	30,219.80	28,474.87		1,744.93	
Tax Collection:						
Salaries and Wages	182,546.00	183,546.00	182,233.86		1,312.14	
Other Expenses	18,519.22	18,519.22	11,872.14	78.30	6,568.78	
Tax Assessment Administration:						
Salaries and Wages	73,800.00	73,800.00	72,547.09		1,252.91	
Other Expenses	19,880.00	19,880.00	8,845.21	734.10	10,300.69	
Legal Services:						
Other Expenses	182,162.50	182,162.50	149,436.62	17,065.39	15,660.49	
Engineering Services and Costs:						
Other Expenses	60,000.00	60,000.00	50,867.24	9,132.76	0.00	
Economic Development:						
Other Expenses	125,750.00	125,750.00	83,172.56	18,499.91	24,077.53	
Office of Programs Coordinator:						
Salaries and Wages	88,800.00	88,800.00	82,632.98		6,167.02	
Other Expenses	43,300.00	43,300.00	12,945.55	2,149.45	28,205.00	
Historic Commission:						
Salaries and Wages	5,000.00	5,000.00	5,000.00		-	
Other Expenses	22,600.00	22,600.00	18,034.83	987.25	3,577.92	
LAND USE ADMINISTRATION:						
Planning Board:						
Salaries and Wages	22,500.00	22,500.00	13,384.60		9,115.40	
Other Expenses	37,065.00	37,065.00	17,646.48	2,068.06	17,350.46	
CODE ENFORCEMENT AND ADMINISTRATION:						
Inspection of Buildings:						
Salaries and Wages	102,500.00	102,500.00	76,384.53		26,115.47	
Other Expenses	62,175.00	62,175.00	8,494.74	14.29	53,665.97	
Inspection of Plumbing:						
Other Expenses	25,000.00	25,000.00	1,858.00		23,142.00	
Inspection of Electrical:						
Other Expenses	30,000.00	30,000.00	2,972.18		27,027.82	
Housing Code Inspections:						
Other Expenses	17,000.00	17,000.00	15,829.45	993.55	177.00	
Rental Unit Inspections:						
Salaries and Wages	170,000.00	170,000.00	166,877.77		3,122.23	
Other Expenses	6,520.00	21,520.00	19,014.63	925.23	1,580.14	
INSURANCE:						
Liability Insurance	344,662.19	344,662.19	339,557.07	1,696.12	3,409.00	
Workers Compensation Insurance	274,648.89	274,648.89	274,648.89		-	
Employee Group Insurance	2,439,872.86	2,428,872.86	2,088,599.26	876.00	339,397.60	
Employee Group Insurance - Waivers	11,700.00	16,700.00	16,100.00		600.00	
Unemployment Insurance	75,000.00	75,000.00	51,013.86		23,986.14	
PUBLIC SAFETY:						
Police:						
Salaries and Wages	4,600,000.00	4,600,000.00	4,351,456.15		248,543.85	
Other Expenses	284,220.00	284,220.00	199,924.84	74,861.16	9,434.00	
Emergency Management Services:						
Salaries and Wages	11,500.00	11,500.00	11,500.00		-	
Other Expenses	7,500.00	7,500.00	4,268.57	3,083.60	147.83	
Aid to Volunteer Fire Companies	48,000.00	48,000.00	48,000.00		-	
Aid to Volunteer Ambulance Companies:						
Endeavor Emergency Squad	52,500.00	52,500.00	52,500.00		-	
Fire Department:						
Salaries and Wages	29,840.00	29,840.00	27,530.00		2,310.00	
Miscellaneous Other Expenses	170,000.00	170,000.00	126,574.99	16,830.43	26,594.58	
Uniform Fire Safety Act (P.L. 1983),						
Fire Official:						
Salaries and Wages	78,900.00	78,900.00	78,847.34		52.66	
Other Expenses	2,757.00	4,357.00	2,505.00	1,520.50	331.50	
Municipal Prosecutor:						
Other Expenses	31,200.00	31,200.00	22,913.00	2,083.00	6,204.00	

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2018

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
PUBLIC WORKS:						
Streets and Road Maintenance:						
Salaries and Wages	376,000.00	376,000.00	316,876.33		59,123.67	
Other Expenses	114,250.00	114,250.00	64,854.23	22,837.65	26,558.12	
Other Public Works Functions:						
Salaries and Wages	88,000.00	88,000.00	84,935.16		3,064.84	
Other Expenses	23,600.00	23,600.00	8,795.17	1,196.61	13,608.22	
Solid Waste Collection:						
Other Expenses	289,700.00	289,700.00	272,069.06	5,764.24	11,866.70	
Buildings and Grounds:						
Salaries and Wages	109,023.90	109,023.90	99,587.14		9,436.76	
Other Expenses	103,811.25	103,811.25	88,239.86	9,048.71	6,522.68	
Vehicle Maintenance:						
Salaries and Wages	123,026.80	123,026.80	115,135.62		7,891.18	
Other Expenses	96,000.00	96,000.00	91,724.26	4,140.93	134.81	
HEALTH AND HUMAN SERVICES:						
Board of Health:						
Salaries and Wages	25,000.00	25,000.00	16,797.95		8,202.05	
Other Expenses	2,200.00	2,200.00	1,416.15		783.85	
Animal Control Officer:						
Other Expenses	20,000.00	20,000.00	16,360.56	71.50	3,567.94	
PARKS AND RECREATION:						
Recreation Programs:						
Salaries and Wages	120,200.00	120,200.00	108,721.47		11,478.53	
Other Expenses	64,500.00	64,500.00	51,132.08	6,203.47	7,164.45	
Operations of Boat Ramp:						
Other Expenses	2,500.00	2,500.00	1,233.72	360.97	905.31	
Maintenance of Parks:						
Salaries and Wages	46,200.00	46,200.00	17,269.72		28,930.28	
Other Expenses	27,400.00	27,400.00	17,894.57	1,438.56	8,066.87	
OTHER COMMON OPERATING FUNCTIONS (UNCLASSIFIED):						
Accumulated Leave Compensation	10,000.00	10,000.00	-		10,000.00	
Celebration of Public Events:						
Salaries and Wages	173,800.00	173,800.00	172,207.74		1,592.26	
Other Expenses	57,080.00	57,080.00	46,767.89	4,847.39	5,464.72	
Municipal Court:						
Other Expenses	410,000.00	410,000.00	408,873.83		1,126.17	
Public Defender:						
Other Expenses	8,500.00	8,500.00	8,500.00		0.00	
UTILITY EXPENSES:						
Electricity and Natural Gas	512,000.00	512,000.00	472,067.32		39,932.68	
Telecommunications	55,000.00	55,000.00	51,146.77	500.00	3,353.23	
Petroleum Products	100,000.00	100,000.00	82,394.87		17,605.13	
Fire Hydrant Service	40,000.00	40,000.00	40,000.00		-	
LANDFILL/SOLID WASTE DISPOSAL:						
Landfill/Solid Waste Disposal Costs	371,588.00	376,588.00	344,686.05	7,130.05	24,771.90	
Total Operations within "CAPS"	13,939,750.10	13,939,750.10	12,434,627.85	225,130.24	1,279,992.01	-
CONTINGENT	500.00	500.00	100.00		400.00	
Total Operations Including Contingent - within "CAPS"	13,940,250.10	13,940,250.10	12,434,727.85	225,130.24	1,280,392.01	-
Detail:						
Salaries and Wages	7,098,868.85	7,078,268.85	6,629,797.05	0.00	448,471.80	0.00
Other Expenses	6,841,381.25	6,861,981.25	5,804,930.80	225,130.24	831,920.21	0.00
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"						
DEFERRED CHARGES:						
STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees Retirement System	335,456.00	335,456.00	330,464.77		4,991.23	
Social Security System (O.A.S.I.)	310,000.00	310,000.00	299,783.50		10,216.50	
Police and Firemen's Retirement System of NJ	722,018.00	722,018.00	722,018.00		-	
Defined Contribution Retirement Program	18,000.00	18,000.00	14,701.63		3,298.37	
Total Deferred Charges and Statutory Expenditures - Municipal within "CAPS"	1,385,474.00	1,385,474.00	1,366,967.90	-	18,506.10	0.00
Total General Appropriations for Municipal Purposes within "CAPS"	15,325,724.10	15,325,724.10	13,801,695.75	225,130.24	1,298,898.11	-

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2018

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS - EXCLUDED FROM "CAPS"						
OTHER OPERATIONS:						
Aid to Library (N.J.S.A. 40:54-35):						
Other Expenses	65,000.00	65,000.00	65,000.00			
Recycling Tax	15,000.00	15,000.00	11,983.77		3,016.23	
Employee Group Insurance						
Public and Private Programs Offset with Revenues:						
Clean Community Program		20,721.58	20,721.58			
Recycling Tonnage						
N.J. Council on Alcohol and Drug Abuse:						
Other Expenses	13,574.00	13,574.00	13,574.00			
Local Match	3,393.50	3,393.50	3,393.50			
Click it or Ticket		5,500.00	5,500.00			
Body Armor Replacement Fund						
Bulletproof Vest Grant - US Dept. of Justice	2,811.20	2,811.20	2,811.20			
Emergency Management Assistance Grant						
Small Cities CDBG - Public Facilities (Levee Improvements)						
Small Cities CDBG - Public Facilities (Levee Impr) - Local Match						
Small Cities CDBG - Housing						
Small Cities CDBG - Housing (Local Match)						
HTS Federal Highway Safety Grant 2018	11,000.00	22,000.00	22,000.00			
Pedestrian Safety, Education & Enforcement		11,000.00	11,000.00			
Drive Sober or Get Pulled Over		5,500.00	5,500.00			
Sustainable Jersey Grant	10,000.00	10,000.00	10,000.00			
Total Operations - Excluded from "CAPS"	120,778.70	174,500.28	171,484.05	0.00	3,016.23	-
Detail:						
Salaries and Wages						
Other Expenses	120,778.70	174,500.28	171,484.05	0.00	3,016.23	-
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund	25,000.00	25,000.00	25,000.00			
Acquisition of Folder/Sorter for Tax Collector's Office	10,000.00	10,000.00		9,779.00	221.00	
Total Capital Improvements - Excluded From "CAPS"	35,000.00	35,000.00	25,000.00	9,779.00	221.00	-
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Principal	560,000.00	560,000.00	560,000.00			
Interest on Bonds	235,569.80	235,569.80	235,569.80			
Payment of Bond Anticipation Notes and Capital Notes	350,000.00	350,000.00	350,000.00			
Interest on Bond Anticipation Notes	44,919.88	44,919.88	44,919.88			
Interest on Special Emergency Notes						
Total Municipal Debt Service - Excluded from "CAPS"	1,190,489.68	1,190,489.68	1,190,489.68	0.00	0.00	0.00
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"						
Deferred Charges:						
Emergency Authorization						
Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-55)						
Deferred Charges to Future Taxation Unfunded:						
Acq. And Demolition of Real Property for Redev. (09/18/07)	10,000.00	10,000.00	10,000.00			
Road/Infrastructure Improvements (Wash Ave/Broad) (06/01/10)	241.59	241.59	241.59			
Various Infrastructure Improvements (04/12/11)	840.18	840.18	840.18			
Renovations to 432 High Street (12/08/15)	22,542.30	22,542.30	22,542.30			
Acquisition of Real Property (04/05/16)	24,267.18	24,267.18	24,267.18			
Acq. Of Various Capital Equip. & Var. Capital Impr. (05/03/16)	21,199.87	21,199.87	21,199.87			
Total Deferred Charges - Municipal - Excluded from "CAPS"	79,091.12	79,091.12	79,091.12	0.00	0.00	0.00
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	1,425,359.50	1,479,081.08	1,466,064.85	9,779.00	3,237.23	-
Total General Appropriations - Excluded from "CAPS"	1,425,359.50	1,479,081.08	1,466,064.85	9,779.00	3,237.23	0.00
Subtotal General Appropriations	16,751,083.60	16,804,805.18	15,267,760.60	234,909.24	1,302,135.34	0.00
Reserve for Uncollected Taxes	1,207,562.61	1,207,562.61	1,207,562.61		0.00	
Total General Appropriations	\$ 17,958,646.21	\$ 18,012,367.79	\$ 16,475,323.21	\$ 234,909.24	\$ 1,302,135.34	\$ -
Original Budget		\$ 17,958,646.21				
Appropriation by 40A:4-53						
Appropriation by 40A:4-87		53,721.58				
Reserve for Uncollected Taxes			\$ 1,207,562.61			
Reserve for Federal and State Grants			94,500.28			
Cash Disbursed in Trust Fund on behalf of Current Fund			11,165.00			
Cash Disbursed			15,162,095.32			
			\$ 16,475,323.21			

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B

**TRUST FUNDS
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2018 and 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>			
Assessment Trust Fund:			
Cash	SB-1	\$ 818.70	\$ 818.70
Assessments Receivable	SB-3	1,732.10	1,732.10
		<u>2,550.80</u>	<u>2,550.80</u>
Animal Control Fund:			
Cash	SB-1	<u>3,678.79</u>	<u>6,259.38</u>
Other Funds:			
Cash - Treasurer	SB-1	2,070,776.56	1,536,660.14
Cash - Collector	SB-2	386,600.00	349,100.00
Due From Payroll Agency	G	332,047.66	325,000.00
Due from Current Fund	SB-1	11,165.00	
Due From Grant Fund	SB-1	153,347.50	2,090.00
Forgivable NSP Mortgage Receivable		91,608.00	175,548.99
Loans Receivable:			
UDAG - Economic Development Ordinance	SB-5	<u>28,262.35</u>	<u>29,787.68</u>
		<u>3,073,807.07</u>	<u>2,418,186.81</u>
		<u>\$ 3,080,036.66</u>	<u>\$ 2,426,996.99</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Assessment Trust Fund:			
Due to Current Fund	SB-3	\$ 1,732.10	\$ 1,732.10
Fund Balance	B	<u>818.70</u>	<u>818.70</u>
		<u>2,550.80</u>	<u>2,550.80</u>
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	SB-4	3,678.79	4,016.48
Due to Current Fund	SB-4	<u>-</u>	<u>2,242.90</u>
		<u>3,678.79</u>	<u>6,259.38</u>
Other Funds:			
Due to Current Fund	SB-1		51,818.00
Reserve for:			
Forgivable NSP Mortgages Receivable		91,608.00	175,548.99
Title I UDGA Loans Receivable	SB-5	28,262.35	29,787.68
Community Development Act of 1974	SB-6	380,243.13	333,467.57
Miscellaneous Trust Fund Liabilities and Reserves	SB-7	<u>2,573,693.59</u>	<u>1,827,564.57</u>
		<u>3,073,807.07</u>	<u>2,418,186.81</u>
		<u>\$ 3,080,036.66</u>	<u>\$ 2,426,996.99</u>

See notes to financial statements.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C

**GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2018 and 2017

<u>ASSETS</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Cash	SC-1, SC-2	\$ 558,072.53	\$ 417,922.82
Due from County of Burlington	SC-1, SC-2	430,000.00	-
Due from State of New Jersey	SC-12	302,440.16	82,440.16
Deferred Charges to Future Taxation:			
Funded	SC-4	5,920,000.00	6,480,000.00
Unfunded	SC-5	4,927,362.81	4,785,744.78
		<u>\$ 12,137,875.50</u>	<u>\$ 11,766,107.76</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	SC-10	\$ 5,920,000.00	\$ 6,480,000.00
Bond Anticipation Notes	SC-9	1,997,000.00	2,002,000.00
Improvement Authorizations:			
Funded	SC-6	135,117.90	492,255.40
Unfunded	SC-6	2,807,610.29	1,935,971.80
Reserve for Encumbrances	SC-7	1,062,948.27	629,720.66
Capital Improvement Fund	SC-8	23,089.10	51,264.10
Fund Balance	SC-3	192,109.94	174,895.80
		<u>\$ 12,137,875.50</u>	<u>\$ 11,766,107.76</u>
 Bonds and Notes Authorized but not Issued		 <u>\$ 2,930,362.81</u>	 <u>\$ 2,783,744.78</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

D

**WATER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2018 and 2017

<u>ASSETS</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Operating Fund:			
Cash - Treasurer	SD-1	\$ 737,076.74	\$ 637,893.23
Cash - Collector	SD-2	318,026.74	121,077.81
Change Funds - Collector		100.00	100.00
		<u>1,055,203.48</u>	<u>759,071.04</u>
Receivables With Full Reserves:			
Due from Water Capital Fund		50,000.00	
Consumer Accounts Receivable	SD-4	349,175.41	368,082.70
Water Utility Liens Receivable	SD-5	29,748.08	31,068.02
		<u>428,923.49</u>	<u>399,150.72</u>
Deferred Charges - Emergency Appropriations			<u>7,000.00</u>
Total Operating Fund		<u>1,484,126.97</u>	<u>1,165,221.76</u>
Assessment Trust Fund:			
Cash		<u>557.64</u>	<u>557.64</u>
Total Assessment Trust Fund		<u>557.64</u>	<u>557.64</u>
Capital Fund:			
Cash	SD-1, SD-3	9,160.38	96,126.20
Fixed Capital	SD-6	13,754,535.75	13,754,535.75
Fixed Capital Authorized and Uncompleted	SD-7	5,000,000.00	4,930,000.00
Total Capital Fund		<u>18,763,696.13</u>	<u>18,780,661.95</u>
		<u>\$ 20,248,380.74</u>	<u>\$ 19,946,441.35</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

D

**WATER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE (CONTINUED)**

December 31, 2018 and 2017

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Operating Fund:			
Appropriation Reserves	D-3 & SD-8	\$ 97,476.49	\$ 173,978.37
Accounts Payable	SD-8	562.00	17,792.50
Encumbrances Payable	D-3 & SD-8	115,819.45	117,216.64
Accrued Interest on Debt	SD-10	3,138.90	10,265.43
		<u>216,996.84</u>	<u>319,252.94</u>
Reserve for Receivables		428,923.49	399,150.72
Fund Balance	D-1	<u>838,206.64</u>	<u>446,818.10</u>
Total Operating Fund		<u>1,484,126.97</u>	<u>1,165,221.76</u>
Assessment Trust Fund:			
Fund Balance		<u>557.64</u>	<u>557.64</u>
Total Assessment Trust Fund		<u>557.64</u>	<u>557.64</u>
Capital Fund:			
Serial Bonds Payable	SD-16	510,000.00	560,000.00
Due Water Operating		50,000.00	
Bond Anticipation Notes Payable	SD-17	128,000.00	256,000.00
Encumbrances	SD-11	150,160.79	13,141.09
Improvement Authorizations:			
Unfunded	SD-11	3,594,826.01	3,787,114.89
Capital Improvement Fund	SD-3	28,009.17	40,809.17
Reserve for Amortization	SD-14	13,687,535.75	13,620,535.75
Deferred Reserve for Amortization	SD-15	560,397.88	449,397.88
Fund Balance	SD-13	<u>54,766.53</u>	<u>53,663.17</u>
Total Capital Fund		<u>18,763,696.13</u>	<u>18,780,661.95</u>
		<u>\$ 20,248,380.74</u>	<u>\$ 19,946,441.35</u>
Bonds and Notes Authorized but not Issued		<u>\$ 3,868,602.12</u>	<u>\$ 3,798,602.12</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

D-1

**WATER UTILITY FUND
STATEMENTS OF INCOME AND CHANGES IN OPERATING FUND BALANCES**

Years Ended December 31, 2018 and 2017

<u>Revenue and Other Income Realized</u>	<u>2018</u>	<u>2017</u>
Fund Balance Utilized	\$ 310,112.79	\$ 209,830.62
Water Utility Rents	2,239,575.06	2,157,660.61
Fire Hydrant Service	40,000.00	40,000.00
Miscellaneous Revenue Anticipated	322,362.54	97,151.55
Other Credits to Income:		
Accounts Payable Cancelled	17,792.50	4,076.00
Unexpended Balance of Appropriation Reserves	<u>150,367.38</u>	<u>93,026.63</u>
 Total Income	 <u>3,080,210.27</u>	 <u>2,601,745.41</u>
 <u>Expenditures</u>		
Operating	2,058,677.79	1,990,707.62
Debt Service	194,396.15	217,098.96
Deferred Charges and Statutory Expenditures	75,635.00	65,123.00
Interfunds Created	<u>50,000.00</u>	
 Total Expenditures	 <u>2,378,708.94</u>	 <u>2,272,929.58</u>
 Statutory Excess to Fund Balance	 <u>701,501.33</u>	 <u>328,815.83</u>
Adjustments to Income Before Surplus:		
Deferred Charge to be Raised in Budget of Succeeding Year		<u>7,000.00</u>
 <u>Fund Balance</u>		
Balance, January 1,	<u>446,818.10</u>	<u>320,832.89</u>
	1,148,319.43	656,648.72
Decreased by:		
Utilized as Anticipated Revenue	<u>310,112.79</u>	<u>209,830.62</u>
 Balance, December 31,	 <u><u>\$ 838,206.64</u></u>	 <u><u>\$ 446,818.10</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

D-2

**WATER UTILITY FUND
STATEMENT OF REVENUES**

Year Ended December 31, 2018

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Operating Surplus Anticipated	\$ 310,112.79	\$ 310,112.79	
Rents	1,990,000.00	2,239,575.06	\$ 249,575.06
Fire Hydrant Service	40,000.00	40,000.00	
Miscellaneous Revenue Anticipated	<u>35,000.00</u>	<u>322,362.54</u>	<u>287,362.54</u>
 Budget Totals	 <u>\$ 2,375,112.79</u>	 <u>\$ 2,912,050.39</u>	 <u>\$ 536,937.60</u>

Analysis of Miscellaneous Revenue:

Treasurer:	
Interest Earnings on Deposits	\$ 11,144.76
Cell Tower Lease	59,566.88
Miscellaneous	5,107.19
Collector:	
Interest on Delinquent Accounts	31,702.80
Miscellaneous	2,294.07
Water Connections	<u>212,800.00</u>
	\$ 322,615.70
Less: Miscellaneous Refund	<u>253.16</u>
Total	<u>\$ 322,362.54</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

D-3

**WATER UTILITY FUND
STATEMENT OF EXPENDITURES**

Year Ended December 31, 2018

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Original Budget	Budget After Modification		Encumbered	Reserved	
Operating:						
Salaries and Wages	\$ 863,439.01	\$ 863,439.01	\$ 794,938.34		\$ 68,500.67	\$ -
Other Expenses	1,195,238.78	1,195,238.78	1,058,430.91	\$ 115,819.45	20,988.42	
Total Operating	2,058,677.79	2,058,677.79	1,853,369.25	115,819.45	89,489.09	-
Debt Service:						
Payment of Bond Principal	50,000.00	50,000.00	50,000.00			-
Interest on Bonds	11,800.00	11,800.00	11,719.99			80.01
Payment of Bond Anticipation Notes and Capital Notes	128,000.00	128,000.00	128,000.00			-
Interest on Bond Anticipation Notes	51,000.00	51,000.00	4,676.16			46,323.84
Total Debt Service	240,800.00	240,800.00	194,396.15	-	-	46,403.85
Deferred Charges and Statutory Expenditures:						
Deferred Charges:						
Emergency Authorizations	7,000.00	7,000.00	7,000.00			
Statutory Expenditures:						
Contributions to:						
Public Employees' Retirement System	9,635.00	9,635.00	9,635.00			
Social Security System (O.A.S.I.)	58,000.00	58,000.00	51,012.60		6,987.40	
Unemployment Compensation Insurance	1,000.00	1,000.00			1,000.00	
Total Deferred Charges and Statutory Expenditures	75,635.00	75,635.00	67,647.60		7,987.40	
Total Water Utility Appropriations	\$ 2,375,112.79	\$ 2,375,112.79	\$ 2,115,413.00	\$ 115,819.45	\$ 97,476.49	\$ 46,403.85
Accrued Interest on Debt:						
Interest on Bonds			\$ 11,719.99			
Interest on Loans			-			
Interest on Bond Anticipation Notes			4,676.16			
Disbursements			2,099,016.85			
			\$ 2,115,413.00			

See notes to financial statements.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E

**SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2018 and 2017

<u>ASSETS</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Operating Fund:			
Cash - Treasurer	SE-1	\$ 1,856,250.62	\$ 3,225,589.99
Cash - Collector	SE-2	404,962.69	280,864.97
		<u>2,261,213.31</u>	<u>3,506,454.96</u>
Receivables With Full Reserves:			
Due from Sewer Capital Fund	SE-1	1,000,000.00	
Sewer Rents Receivable	SE-4	238,525.95	244,414.39
Sewer Liens Receivable	SE-5	30,731.61	31,225.88
		<u>1,269,257.56</u>	<u>275,640.27</u>
Total Operating Fund		<u>3,530,470.87</u>	<u>3,782,095.23</u>
Assessment Fund:			
Cash	SE-1	1,364.97	1,364.97
Capital Fund:			
Cash	SE-1, SE-3	192,112.33	44,596.07
Due from NJ Environmental Infrastructure Trust	SE-19	1,068,750.00	
Fixed Capital	SE-6	15,042,552.27	15,042,552.27
Fixed Capital Authorized and Uncompleted	SE-7	12,502,384.00	12,012,384.00
Total Capital Fund		<u>28,805,798.60</u>	<u>27,099,532.34</u>
		<u>\$ 32,337,634.44</u>	<u>\$ 30,882,992.54</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E

**SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE (CONTINUED)**

December 31, 2018 and 2017

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Operating Fund:			
Liabilities:			
Appropriation Reserves	E-3 & SE-8	\$ 230,651.82	\$ 453,138.54
Encumbrances Payable	E-3	202,151.15	152,740.00
Accrued Interest on Bonds and Loans	SE-9	50,744.52	49,867.15
Accounts Payable	SE-8	17,432.41	12,000.00
		<u>500,979.90</u>	<u>667,745.69</u>
Reserve for Receivables		1,269,257.56	275,640.27
Fund Balance	E-1	<u>1,760,233.41</u>	<u>2,838,709.27</u>
Total Operating Fund		<u>3,530,470.87</u>	<u>3,782,095.23</u>
Assessment Fund:			
Fund Balance		<u>1,364.97</u>	<u>1,364.97</u>
Capital Fund:			
Serial Bonds Payable	SE-13	278,000.00	343,000.00
Fund Loan - N.J. Environmental Infrastructure Trust	SE-14	2,246,765.71	1,650,091.58
Trust Loan - N.J. Environmental Infrastructure Trust	SE-15	2,153,000.00	2,078,000.00
Bond Anticipation Notes Payable	SE-16	515,000.00	330,000.00
Due to Sewer Operating		1,000,000.00	
Improvement Authorizations:			
Funded	SE-10	260,569.07	260,569.07
Unfunded	SE-10	873,610.54	1,357,162.04
Encumbrances	SE-10	931,567.22	1,445,292.05
Reserve for Mitchell Avenue Pump Station		5,000.00	5,000.00
Capital Improvement Fund		309,547.31	309,547.31
Reserve for Amortization	SE-11	14,551,719.42	14,551,719.42
Deferred Reserve for Amortization	SE-12	5,638,346.89	4,730,917.73
Capital Fund Balance	SE-17	42,672.44	38,233.14
Total Capital Fund		<u>28,805,798.60</u>	<u>27,099,532.34</u>
		<u>\$ 32,337,634.44</u>	<u>\$ 30,882,992.54</u>
Bonds and Notes Authorized but not Issued	SE-18	<u>\$ 2,162,104.25</u>	<u>\$ 3,371,207.54</u>

See notes to financial statements.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E-1

**SEWER UTILITY FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE**

Years Ended December 31, 2018 and 2017

<u>Revenue and Other Income Realized</u>	<u>2018</u>	<u>2017</u>
Fund Balance Utilized	\$ 770,259.44	\$ 612,759.87
Sewer Rents	2,787,508.23	2,738,630.88
Miscellaneous Revenue	278,609.16	522,111.89
Other Credits to Income:		
Accounts Payable Cancelled		383.28
Unexpended Balance of Appropriation Reserves	378,920.60	432,477.80
Total Income	4,215,297.43	4,306,363.72
 <u>Expenditures</u>		
Operating	2,405,906.57	2,448,740.88
Capital Improvements		
Debt Service	761,330.28	757,951.48
Deferred Charges and Statutory Expenditures	258,027.00	224,500.00
Surplus General Budget	98,250.00	
Interfunds Created	1,000,000.00	
Total Expenditures	4,523,513.85	3,431,192.36
 Statutory (Deficit) Excess to Fund Balance	 (308,216.42)	 875,171.36
 <u>Fund Balance</u>		
Balance January 1,	2,838,709.27	2,576,297.78
	2,530,492.85	3,451,469.14
Decreased by:		
Utilized as Revenue	770,259.44	612,759.87
 Balance December 31,	 \$ 1,760,233.41	 \$ 2,838,709.27

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E-2

**SEWER UTILITY FUND
STATEMENT OF REVENUES**

Year Ended December 31, 2018

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or <u>Deficit</u>
Surplus Anticipated	\$ 770,259.44	\$ 770,259.44	
Rents	2,730,000.00	2,787,508.23	\$ 57,508.23
Miscellaneous	<u>25,000.00</u>	<u>278,609.16</u>	<u>253,609.16</u>
Budget Totals	<u>\$ 3,525,259.44</u>	<u>\$ 3,836,376.83</u>	<u>\$ 311,117.39</u>

Analysis of Miscellaneous Revenue

Treasurer:

Interest on Investments and Deposits	<u>\$ 32,984.90</u>	\$ 32,984.90
--------------------------------------	---------------------	--------------

Collector:

Interest on Delinquent Rents	20,624.26	
Sewer Connections	<u>225,000.00</u>	
		<u>245,624.26</u>
		<u>\$ 278,609.16</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E-3

**SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES**

Year Ended December 31, 2018

	Appropriations		Expended			Unexpended Balance Canceled
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
Operating:						
Salaries and Wages	\$ 917,245.78	\$ 912,245.78	\$ 875,232.43		\$ 37,013.35	
Other Expenses	1,493,660.79	1,493,660.79	1,100,931.70	\$ 202,151.15	190,577.94	
Total Operating	2,410,906.57	2,405,906.57	1,976,164.13	202,151.15	227,591.29	\$ -
Debt Service:						
Principal on Bonds	65,000.00	65,000.00	65,000.00			0.00
Interest on Bonds	15,000.00	15,000.00	14,221.64			778.36
Principal on Bond Anticipation and Capital Notes	175,000.00	175,000.00	175,000.00			0.00
Interest on Notes	10,000.00	13,000.00	12,040.19			959.81
NJ Environmental Infrastructure Trust:						
Fund Loan:						0.00
Principal	202,075.87	202,075.87	202,075.87			0.00
NJ Environmental Infrastructure Trust:						
Trust Loan:						0.00
Principal	195,000.00	195,000.00	195,000.00			0.00
Interest	98,000.00	98,000.00	97,992.58			7.42
Total Debt Service	760,075.87	763,075.87	761,330.28	-	-	1,745.59
Deferred Charges and Statutory Expenditures:						
Deferred Charges:						
Cost of Improvement Authorization:						
Improvements to Sewer System (2016)	100,000.00	100,000.00	100,000.00		0.00	
Installation of Odor Control System and Grinders	25,000.00	25,000.00	25,000.00			
Statutory Expenditures:						
Contributions to:						
Public Employees' Retirement System	77,027.00	77,027.00	77,027.00		0.00	
Social Security System (O.A.S.I.)	52,000.00	54,000.00	52,939.47		1,060.53	
N.J. Unemployment Compensation	2,000.00	2,000.00	0.00		2,000.00	
Total Deferred Charges and Statutory Expenditures	256,027.00	258,027.00	254,966.47	-	3,060.53	-
Surplus General Budget	98,250.00	98,250.00	98,250.00			
Grand Total	\$ 3,525,259.44	\$ 3,525,259.44	\$ 3,090,710.88	\$ 202,151.15	\$ 230,651.82	\$ 1,745.59
Accrued Interest on Bonds and Notes:						
Interest on Loans			\$ 97,992.58			
Interest on Bonds			14,221.64			
Interest on Bond Anticipation Notes			12,040.19			
Disbursed			2,966,456.47			
			\$ 3,090,710.88			

See notes to financial statements.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

F

**GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET**

December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
General Fixed Assets:		
Land, Buildings and Improvements	\$ 12,550,155.65	\$ 12,550,155.65
Property Held for Redevelopment	190,324.52	190,324.52
Furniture, Vehicles and Equipment	<u>7,731,759.64</u>	<u>7,525,916.84</u>
Total	<u>\$ 20,472,239.81</u>	<u>\$ 20,266,397.01</u>
 Total Investment in General Fixed Assets	 <u>\$ 20,472,239.81</u>	 <u>\$ 20,266,397.01</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

G

**PAYROLL ACCOUNT
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2018 and 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>			
Cash	G-1	<u>\$ 471,123.10</u>	<u>\$ 405,027.69</u>
<u>LIABILITIES, RESERVES AND FUND BALANCES</u>			
Payroll Taxes Payable	G-2	\$ 139,075.44	\$ 80,027.69
Due to Trust Other	B	<u>332,047.66</u>	<u>325,000.00</u>
		<u>\$ 471,123.10</u>	<u>\$ 405,027.69</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

G-1

**PAYROLL ACCOUNT
STATEMENT OF TRUST CASH**

Year Ended December 31, 2018

Balance December 31, 2017		\$	405,027.69
Increased by:			
Receipts for Gross Pay	\$	9,351,163.32	
Due to Other Trust		<u>7,047.66</u>	
			<u>9,358,210.98</u>
			9,763,238.67
Decreased by:			
Net Payroll and Payroll Agency			<u>9,292,115.57</u>
Balance December 31, 2018		\$	<u><u>471,123.10</u></u>

G-2

**PAYROLL ACCOUNT
STATEMENT OF PAYROLL DEDUCTIONS PAYABLE**

Year Ended December 31, 2018

Balance December 31, 2017		\$	80,027.69
Increased by:			
Net Payroll	\$	5,737,740.21	
Payroll Deductions Payable		<u>3,613,423.11</u>	
			<u>9,351,163.32</u>
			9,431,191.01
Decreased by:			
Net Payroll		5,737,740.21	
Payroll Deductions Payable		<u>3,554,375.36</u>	
			<u>9,292,115.57</u>
Balance December 31, 2018		\$	<u><u>139,075.44</u></u>

NOTES TO FINANCIAL STATEMENTS

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The City of Burlington (the "City"), founded in 1677, is a New Jersey municipal corporation located on the Delaware River in Southern Western New Jersey, approximately 17 miles North of the City of Philadelphia and 17 miles South of Trenton. The population of the City according to the 2010 census is approximately 9,736. The City provides to its citizens the following services: public safety, sanitation, recreation, public improvements, planning and zoning, health and welfare and general administrative services.

The City is under a Mayor-Council Plan form of government. The Mayor and seven Council members are elected at large to four year terms. The City Administrator is responsible for the daily operations of the City and reports to the council during their monthly meetings.

Component Units

The City had no component units as defined by Governmental Accounting Standards Board ("GASB") Statement No. 14, as amended by GASB Statements No. 39 and 61 defining a component unit.

Descriptions of Funds

The financial statements of the City of Burlington contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, State of New Jersey, (the "DCA"). The principles and practices established by the "Requirements of Audit" are designed primarily for determining compliance with legal provisions and budgetary restrictions 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 City accounts for its financial transactions through the use of separate funds which are described as follows:

Current Fund – The Current Fund accounts for resources and expenditures for government operations of a general nature, including Federal and State Grant funds.

Trust Fund – 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 - Receipt and disbursement of funds for the acquisition of capital facilities, other than those acquired in the Current Fund.

Water Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned Water Utility.

CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Descriptions of Funds (Continued)

Sewer Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned Sewer Utility.

General Fixed Assets Account Group – Fixed assets used in governmental operations (general fixed assets) are accounted for in the general fixed assets account group. Public domain (infrastructure) general fixed assets consisting of certain improvements other than building, such as roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems are not capitalized.

Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from Generally Accepted Accounting Principles (“GAAP”) applicable to local governmental units. The more significant differences are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

Property Taxes and Other Revenues - property taxes and other revenues are recognized on a cash basis. Receivables for property taxes and other items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the City’s Current Fund. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Grant Revenues - Federal and State Grants, entitlement or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the City’s budget. Federal and State Grant revenues received for purposes of capital projects financed by capital ordinances are recognized when received. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Expenditures - unexpended or uncommitted appropriations at December 31 are reported as expenditures through the establishment of appropriation reserves unless cancelled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Pension and Other Post-Employment Benefits (“OPEB”) expenses are recorded on a cash basis as billed by the State of New Jersey. Thus, net pension liability, OPEB liability and related deferred inflows and outflows are not recorded on the statement of assets, liabilities, reserves and fund balance.

Encumbrances - contractual orders at December 31 are reported as expenditures through the establishment of a reserve for encumbrances. Encumbrances do not constitute expenditures under GAAP.

CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

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 additions to income. Appropriation reserves do not exist under GAAP.

Deferred Charges - the regulatory basis of accounting utilized by the City requires that certain expenditures be deferred, and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories, overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the respective balance sheet. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance.

Compensated Absences - expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the Current Fund and the remaining obligations be recorded as a long-term obligation. The expenditures in the Water and Sewer Utility Operating Funds would be on a full accrual basis.

Property Acquired for Taxes - is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the general fixed assets account group at its market value.

Sale of Municipal Assets - cash proceeds from the sale of City owned property are reserved until utilized as an item of anticipated revenue in a subsequent year budget. Year-end balances of such proceeds are reported as a cash liability in the Current Fund. GAAP requires that revenue be recognized in the accounting period that the terms of sales contracts become legally enforceable.

Interfunds - advances in the Current Fund are reported as interfund receivables with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. GAAP does not require the establishment of an offsetting reserve.

CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

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 balance sheets. GAAP requires that the cost of inventories be reflected on the balance sheet until utilized and expended.

General Fixed Assets - in accordance with the Technical Accounting Directive No. 85-2, *Accounting for Governmental Fixed Assets*, as promulgated by the Division, which differs in certain respects from GAAP, the City has developed a fixed assets accounting and reporting system based on an inspection and appraisal prepared by an independent appraisal firm.

Fixed assets used in governmental operations (general fixed assets) are required to be accounted for in the General Fixed Assets Account Group. Public domain (“infrastructures”) general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems are not capitalized.

All fixed assets are valued at reported acquisition costs or estimated acquisition cost if actual historical cost is not available.

No depreciation has been provided for the financial statements.

Fixed assets acquired through grants-in-aid or contributed capital has not been accounted for separately.

Utility Fixed Assets - accounting for utility fund “fixed capital” remains unchanged under the requirements of Technical Accounting Directive No. 85-2.

Property and equipment purchased by the Water-Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represents charges to operations for the costs of acquisitions of property, equipment and improvements.

Property and equipment of the Water-Sewer Utility Fund are not depreciated.

Principal payments for Water-Sewer Utility debt are recorded as expenditures in the Water-Sewer Utility Statement of Operations.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

Property taxes are an enforceable lien on the assessed property. Taxes are due on a quarterly basis on February 1, May 1, August 1 and November 1. All unpaid taxes become delinquent 10 days after the above due dates. The City bills and collects its own property taxes as well as the taxes levied by the other taxing bodies within the municipality. Property tax revenues are recognized when collected. A reserve for uncollected taxes is established in the current operating budget to the extent that their collectability is improbable.

Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in general-purpose financial statements in accordance with GAAP. The City presents the financial statements listed in the table of contents which are required by the Division and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

Budget and Budgetary Accounting

The City is required by state law to adopt an annual budget for the Current Fund. Each budget is presented in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

The following steps are taken in establishing the budgetary data reflected in the financial statements:

1. Not later than February 10 of the budget year the City introduces a budget, which includes proposed expenditures and financing methods.
2. A public hearing is held at least 28 days after introduction; after a public hearing the budget may be adopted by the governing body.

Once a budget is approved it may be amended after November 1 by a resolution adopted by the governing body.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

B. CASH AND CASH EQUIVALENTS AND INVESTMENTS

The City is governed by the deposit and investment limitations of New Jersey state law. The deposits and investments held at December 31, 2018, and reported at fair value are as follows:

Type	Carrying Value
Deposits	
Demand Deposits	<u>\$ 13,646,851.79</u>
Total Deposits & Investments	<u>\$ 13,646,851.79</u>
Reconciliation of Cash	
Current	\$ 6,542,856.43
Federal and State Grants	93,313.57
Dog Trust	3,678.79
Other Trust	2,457,376.56
General Capital	558,072.53
Trust Assessment	818.70
Sewer	
Operating	2,261,213.31
Assessment	1,364.97
Capital	192,112.33
Water	
Operating	1,055,203.48
Assessment	557.64
Capital	9,160.38
Payroll	<u>471,123.10</u>
Total Reconciliation of Comparative Balance Sheets	<u>\$ 13,646,851.79</u>

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$13,780,356.00 at December 31, 2018. Of the bank balance, \$250,000.00 was fully insured by the Federal Deposit Insurance Corporation and \$13,530,356 was secured by a collateral pool held by the bank as required by New Jersey’s Governmental Unit Deposit Protection Act (GUDPA). The GUDPA is more fully described in Note C of these financial statements.

Investment Interest Rate Risk – The City has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

B. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investment Credit Risk – The City has no investment policy that limits its investment choices other than the limitation by state law of certain investments as follows:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the City or bonds or other obligations of the local unit or units within which the City is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the City;
- Local governments' investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

Concentration of Investment Credit Risk – The City places no limit on the amount it may invest in any one issuer.

C. GOVERNMENTAL UNIT DEPOSIT PROTECTION ACT ("GUDPA")

The City has deposited cash in 2018 with an approved public fund depository qualified under the provisions of the GUDPA. In addition to savings and checking accounts the City invests monies in certificates of deposits.

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.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

C. GOVERNMENTAL UNIT DEPOSIT PROTECTION ACT ("GUDPA") (CONTINUED)

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 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.

The market value of the collateral must equal five percent of the average daily balance of public funds; and, if the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

D. PENSION

Public Employees' Retirement System ("PERS")

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

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

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
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

D. PENSION (CONTINUED)

Public Employees' Retirement System ("PERS") (Continued)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, 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.

Contributions - The contribution policy for PERS is set by N.J.S.A. 15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2018, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012, and will be adjusted by the rate of return on the actuarial value of assets. City contributions to PERS amounted to \$330,465 for 2018.

The employee contribution rate was 7.34% effective July 1, 2017, and increased to 7.50% effective July 1, 2018.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. PENSION (CONTINUED)

Public Employees' Retirement System ("PERS") (Continued)

Net Pension Liability and Pension Expense - At December 31, 2018, the City's proportionate share of the PERS net pension liability is valued to be \$8,725,381. The net pension liability was measured as of June 30, 2018. The total pension liability used to calculate the net pension liability was determined using updated procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2017, to the measurement date of June 30, 2018. The City's proportion of the net pension liability was based on the City's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2018. The City's proportion measured as of June 30, 2018, was .04431%, which was a decrease of .0005% from its proportion measured as of June 30, 2017.

	<u>December 31, 2018</u>	
Actuarial valuation date	July 1, 2018	
Net pension liability	\$	8,725,381
City's portion of the plan's total net pension liability		0.04431%

Actuarial Assumptions – The collective total pension liability for the June 30, 2018, measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions:

	<u>PERS</u>
Measurement date	June 30, 2018
Actuarial valuation date	July 1, 2017
Investment rate of return	7.00%
Salary increases through 2026	1.65 - 4.15%
	Based on Age
Thereafter	2.65 - 5.15%
	Based on Age
Inflation rate	2.25%

Pre-retirement mortality rates were based on the RP-2000 Employee Pre-retirement Mortality Table for Male and Female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Conduent modified 2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy

D. PENSION (CONTINUED)

Public Employees' Retirement System ("PERS") (Continued)

Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from 2012 to 2013 using Projection Scale AA and using a generational approach based on the Conduent 2014 projection scale thereafter. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

The actuarial assumptions used in the July 1, 2017, valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. PENSION (CONTINUED)

Public Employees' Retirement System ("PERS") (Continued)

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

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

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the City's proportionate share of the collective net pension liability of the participating employers as of June 30, 2018, calculated using the discount rate as disclosed above as well as what the City's proportionate share of the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. PENSION (CONTINUED)

Public Employees' Retirement System ("PERS") (Continued)

	Decrease (4.66%)	Discount (5.66%)	Increase (6.66%)
City's proportionate share of the net pension liability	<u>\$ 10,971,161</u>	<u>\$ 8,725,381</u>	<u>\$ 6,841,315</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

Police and Firemen's Retirement System ("PFRS")

Plan Description – The State of New Jersey, Police and Firemen's Retirement System ("PFRS") is a cost-sharing multiple-employer defined benefit pension plan administered by the Division. For additional information about PFRS, please refer to the Division's CAFR which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement as well as death and disability benefits. All benefits vest after ten years of service, except disability benefits which vest after four years of service.

The following represents the membership tiers for PFRS:

<u>Tier</u>	<u>Definition</u>
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, as defined, 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 if 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.

Contributions - The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. 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. For fiscal year 2018, the State contributed an amount less than the actuarially determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the

D. PENSION (CONTINUED)

Police and Firemen's Retirement System ("PFRS") (Continued)

normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012, and will be adjusted by the rate of return on the actuarial value of assets. City contributions to PFRS amounted to \$722,018 for 2018.

The employee contributions for PFRS are 10.00% of employees' annual compensation, as defined.

Special Funding Situation – 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 non-employer 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 to report in the financial statements of the local participating employers related to this legislation.

Net Pension Liability and Pension Expense - At December 31, 2018, the City's proportionate share of the PFRS net pension liability is valued to be \$10,906,471. The net pension liability was measured as of June 30, 2018. The total pension liability used to calculate the net pension liability was determined using updated procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2017, to the measurement date of June 30, 2018. The City's proportion of the net pension liability was based on the City's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2018. The City's proportion measured as of June 30, 2018, was .08060%, which was a decrease of .00098% from its proportion measured as of June 30, 2017.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. PENSION (CONTINUED)

Police and Firemen's Retirement System ("PFRS") (Continued)

Collective balances at December 31, 2018, are as follows:

	<u>December 31, 2018</u> July 1, 2018
Actuarial valuation date	
Net pension liability	10,906,471
City's portion of the Plan's total net pension liability	0.08060%

Additionally, the State's proportionate share of the net pension liability attributable to the City is \$1,481,464 as of December 31, 2018. The net pension liability was measured as of June 30, 2018. The total pension liability used to calculate the net pension liability was determined using updated procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2017, to the measurement date of June 30, 2018. The State's proportion of the net pension liability associated with the City was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2018, was .08060%, which was a decrease of .00098% from its proportion measured as of June 30, 2017, which is the same proportion as the City's.

City's proportionate share of the net pension liability	\$ 10,906,471
State's proportionate share of the net pension liability associated with the City	<u>1,481,464</u>
Total net pension liability	<u><u>\$ 12,387,935</u></u>

Actuarial Assumptions – The collective total pension liability for the June 30, 2018, measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions:

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. PENSION (CONTINUED)

Police and Firemen’s Retirement System (“PFRS”) (Continued)

Investment rate of return	7.00%
Salary increases	2.10 - 8.98%
Through 2026	Based on Age
Thereafter	3.10 - 9.98%
	Based on Age
Inflation rate	2.25%

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

The actuarial assumptions used in the July 1, 2017, valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

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

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. PENSION (CONTINUED)

Police and Firemen’s Retirement System (“PFRS”) (Continued)

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

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

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the City’s proportionate share of the collective net pension liability calculated using the discount rate as disclosed above, as well as what the City’s proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. PENSION (CONTINUED)

Police and Firemen’s Retirement System (“PFRS”) (Continued)

	<u>At 1% decrease (5.51%)</u>	<u>At current discount rate (6.51%)</u>	<u>At 1% increase (7.51%)</u>
Local	<u>\$ 14,596,958</u>	<u>\$ 10,906,471</u>	<u>\$ 7,862,491</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued PERS financial statements.

Defined Contribution Retirement Program

The Defined Contribution Retirement Program (DCRP) is a cost-sharing multiple-employer defined contribution pension fund which was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.) and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A.43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. 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 City’s contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The City’s contributions to DCRP for the year ended December 31, 2018, is \$14,701.63.

Related-Party Investments - The Division does not invest in securities issued by the City.

E. OTHER POST-EMPLOYMENT BENEFITS

State Health Benefits Plan Description

The City contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the Division. SHBP was established in 1961 under N.J.S.A. 52: 14-17.25 et seq., to provide health benefits to State employees, retirees and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical and prescription drug coverage to retirees and their covered dependents.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

E. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

State Health Benefits Plan Description (Continued)

The SHBP was extended to employees, retirees and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 1990, The City authorized participation in the SHBP's post-retirement benefit program through resolution number 05-340-R-255 on December 6, 2005. The City adopted the provision of Chapter 88, Public Laws of 1974 as amended by Chapter 436, P.L. 1981 to permit local public employers to pay the premium charges for certain eligible pensioners and their dependents covered by the New Jersey Health Benefits Program.

In accordance with P.L. 2011 c. 78, employees make contributions towards their health insurance premiums based on their salary in accordance with a formula provided for in the law.

The formula is based on:

- Type of coverage: family, employee plus (children, spouse, partner), or individual employee, or their equivalents;
- Base salary, which determines the percent of premium cost that is contributed for each type of coverage; and,
- Cost of coverage (premium).

The minimum and maximum percentages, based on the type of coverage and impact of income range at full (fourth year) implementation, are as follows:

Type of Coverage	First Salary Bracket	% of Premium at Lowest Salary Bracket	Highest Salary (and over)	Maximum % of premium paid
Employee	< than \$20,000	4.5%	\$95,000	35%
Employee plus	< than \$25,000	3.5%	\$100,000	35%
Family	< than \$25,000	3.0%	\$110,000	35%

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The Division issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at www.state.nj.us/treasury/pensions/gasb-43-aug2011.pdf.

Fund Policy

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. Contributions to pay for the health premiums of participating retirees in the SHBP are billed

E. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

to the City on a monthly basis. As a participating employer the City will pay and remit to the State treasury contributions to cover the full cost of premiums for eligible pensioners on a basis comparable to the reimbursement made by the State to its eligible pensioners and their spouses in accordance with provisions of Chapter 75, Public Laws of 1972.

The City contributions to SHBP retirees for the years ended December 31, 2018 and 2017, were \$1,447,680 and \$1,513,173, respectively, which equaled the required contributions for each year. There were eighty-four eligible retired participants in 2018, eighty-six in 2017.

General Information About the OPEB Plan

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

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

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

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

E. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

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

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2017 through June 30, 2018.

Net OPEB Liability

Components of Net OPEB Liability

The components of the collective net OPEB liability of the participating employers in the Plan as of June 30, 2018 and 2017, is as follows:

	June 30, 2018	June 30, 2017	June 30, 2016
Total OPEB liability	\$ 26,696,113	\$ 33,425,860	\$ 40,078,301
Plan Fiduciary Net Position	525,341	345,545	275,618
Net OPEB Liability	<u>\$ 26,170,772</u>	<u>\$ 33,080,315</u>	<u>\$ 39,802,683</u>
Plan Fiduciary Net Position as a % of total OPEB liability	1.97%	1.03%	0.69%

The total OPEB liability as of June 30, 2018, was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

E. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

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

* Salary increases are based on the defined benefit plan that the member is enrolled in and his or her age.

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

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

One-hundred percent of active members are considered to participate in the Plan upon retirement.

Health Care Trend Assumptions

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

Discount Rate

The discount rate for June 30, 2018 and 2017, was 3.87% and 3.58%, respectively. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

E. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the collective net OPEB liability of the participating employers as of June 30, 2018 and 2017, calculated using the discount rate as disclosed above as well as what the collective net OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

At June 30, 2018		
At 1% Decrease (2.58%)	At Current Discount Rate (3.58%)	At 1% Increase (4.58%)
\$ 30,705,235	\$ 26,170,772	\$ 22,548,763

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

The following presents the net OPEB liability as of June 30, 2018 and 2017, respectively, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

At June 30, 2018			
	At 1% Decrease (2.58%)	At Current Discount Rate (3.58%)	At 1% Increase (4.58%)
Total	\$ 18,381,085,096	\$ 15,666,618,141	\$ 13,498,373,388
Without Special Funding			

At June 30, 2017			
	At 1% Decrease (2.58%)	At Current Discount Rate (3.58%)	At 1% Increase (4.58%)
Total	\$ 24,081,031,440	\$ 20,415,788,739	\$ 17,507,480,418

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

E. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources

	Year of Deferral	Amortization Period	Beginning of the Year Balance	Additions	Deductions	End of the Year Balance
Deferred Outflows of Resources:						
Differences between projected and actual investment earnings on OPEB plan investments	2018	5 years	\$ 5,669	\$ 11,984	\$ 3,823	\$ 13,830
Payments made subsequent to June 30, 2018						
Changes in proportion		5 years		997,596		997,596
Total			5,669	1,009,580	3,823	1,011,426
Deferred Inflows of Resources:						
Differences between expected and actual experience	2018	8.14 years		6,057,802	744,202	5,313,600
Changes in assumption	2018	8.14 years	3,671,634	3,979,531	1,012,606	6,638,559
Changes in proportion	2018	8.14 years	4,039,440	3,465,656	4,039,440	3,465,656
Total			\$ 7,711,074	\$ 13,502,989	\$ 5,796,248	\$ 15,417,815

The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows for June 30, 2018 and 2017, respectively:

Years Ending June 30,	
2019	\$ (1,891,315)
2020	(1,891,315)
2021	(1,891,315)
2022	(1,891,315)
2023	(1,891,315)
Thereafter	(4,949,814)
	<u>\$ (14,406,389)</u>

F. COMPENSATED ABSENCES

City employees are entitled to paid vacation depending upon their length of service with the City. Vacation days not used during the year may be accumulated and carried forward to the next succeeding year and must then be used or forfeited. Unused vacation time is reimbursed to the employee at their current rate of pay upon termination in accordance with their respective union contracts or personnel policies.

City employees accrue unused sick time in three separate classes: Class A – Supervisors will be compensated for up to 100 days of sick leave at retirement; Class B – Police Officers employed prior to January 4, 1990, will be compensated for all unused sick time at retirement and Police Officers hired afterwards will be compensated for up to 100 days of sick leave at retirement; and

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

F. COMPENSATED ABSENCES (CONTINUED)

Class C – Other City employees will be compensated for one-half of all unused sick time not exceeding \$6,000 at retirement.

The City does not record accrued expenses related to compensated absences. However, at December 31, 2018, the estimated liability for accumulated leave is:

Vacation	\$ 357,712
Sick	1,181,426
Employer share of payroll taxes	<u>66,920</u>
Total	<u>\$ 1,606,058</u>

G. DEFERRED COMPENSATION PLAN

The City 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 City or its creditors. Since the City does not have a fiduciary relationship with the plan, the balances and activities of the plan are not reported in the City's financial statements.

H. FUND BALANCES APPROPRIATED

The 2018 Annual Budget utilized \$2,000,000 of Fund Balance in the Current Fund. Three hundred ten thousand, one hundred twelve dollars and seventy-nine cents of the Water Utility Operating Fund is anticipated in support of the 2018 Water Utility Fund Budget. Seven hundred seventy thousand, two hundred fifty nine dollars and forty four cents of the Sewer Utility Operating Fund is anticipated in support of the 2018 Sewer Utility Fund Budget.

I. JOINT INSURANCE POOL

The City is a member of the New Jersey Self-Insurers Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund (MEL). These Funds provide the City with the following coverage:

Liability – Auto, General & Workers' Compensation	Excess Public Officials Bond
Property – Building, Collision & Boiler/Machinery	Public Officials Liability
Public Employee Dishonesty Bond	Employment Liability
Monies and Securities	

Contributions to the Fund, including a reserve for contingencies, are payable in four installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. JOINT INSURANCE POOL (CONTINUED)

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.

Contributions to the Fund are payable in an annual premium and is based on actuarial assumptions determined by the Fund's actuary. The City's agreement with the pool provides that the pool will be self-sustaining through member premiums and will reinsure through commercial insurance (MEL) for claims in excess of the funds insured limits for each insured event.

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

New Jersey Municipal Self-Insurers' Joint Insurance Fund
c/o Risk and Loss Managers, Inc.
51 Everett Drive, Suite B-40
West Windsor, New Jersey 08550-5374

J. UNEMPLOYMENT COMPENSATION INSURANCE

The City has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the City 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 City is billed quarterly for amounts due to the State. The following is a summary of City contributions, reimbursements to the State for benefits paid, and the ending balance of the City's trust fund for the current and previous two years:

Year	City Contributions	Amount Reimbursed	Ending Balance
2018	\$ 41,656.53	\$ 31,044.68	\$ 132,510.88
2017	19,979.11	19,910.55	121,899.03
2016	27,360.36	27,360.36	101,919.92

K. INTERFUNDS

The following interfunds remained as of December 31, 2018:

Fund	Due from	Due to
Current Fund	\$ 5,472.10	\$ 11,165.00
State/Federal Grant Fund		157,087.50
Trust Assessment		1,732.10
Trust Other	496,560.16	
Animal Control		
Water Operating	50,000.00	
Water Capital		50,000.00
Sewer Operating	1,000,000.00	
Sewer Capital		1,000,000.00
Payroll Account		332,047.66
Total	<u>\$ 1,552,032.26</u>	<u>\$ 1,552,032.26</u>

The purpose of these interfunds is short-term borrowings.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. RISK MANAGEMENT

The City 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.

The City, for the year 2018, has adopted a plan of self-insurance for auto liability, general liability and workers' compensation insurance, and has established the Reserve for Self-Insurance in the Trust Other Fund to account for and finance its related uninsured risks of loss up to \$100,000 per any one claim for auto liability and general liability, and \$150,000 for any one claim for workers' compensation. Qual-Lynx acts as administrator for the plan. Coverage for claims in excess of amounts stipulated is provided by the New Jersey Municipal Self-Insurer's Joint Insurance Fund.

At December 31, 2018, the balance of estimated payable was \$568,862, the amount that the records of the administrator of the plan shows as potential claims. Any additional funds required for claims in excess of the amounts reserved and recorded as liability will be paid and charged to the 2019 or future budgets.

M. SANITARY LANDFILL ESCROW CLOSURE FUND

The City operates a municipal landfill located in the northeast part of the City. The Sanitary Landfill Facility Closure and Contingency Fund Act of 1981 was enacted to provide funding, during the life of the landfill, of costs associated with the closure of sanitary landfills. The Act requires the owner or operator of every sanitary landfill to establish an escrow account for closure and deposit, on a monthly basis, an amount equal to \$1.00 per ton of solid waste accepted for disposal. No withdrawals may be made from the fund without written approval from the State Department of Environmental Protection and Energy.

The landfill ceased to be active on February 28, 1990, and was closed. The escrow closure fund is available to fund the maintenance of the closed landfill in accordance with the landfill's post-closure plan.

N. LITIGATION

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

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

O. GENERAL FIXED ASSETS ACCOUNT GROUP

The following schedule is a summarization of the changes in General Fixed Assets by Source for the year ended December 31, 2018:

	Balance December 31, 2017	Additions	Deletions	Balance December 31, 2018
Land and Building Improvements	\$ 12,550,155.65		\$ -	\$ 12,550,155.65
Property Held for Redevelopment	190,324.52			190,324.52
Furniture, Vehicles and Equipment	7,525,916.84	\$ 205,842.80		7,731,759.64
Total	\$ 20,266,397.01	\$ 205,842.80	\$ -	\$ 20,472,239.81

P. CAPITAL DEBT

	<u>December 31 2018</u>	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Summary of Municipal Debt Issued			
General			
Bonds and Notes	\$ 7,917,000	\$ 8,482,000	\$ 8,952,000
Water Utility			
Bonds and Notes	638,000	816,000	1,014,000
Sewer Utility			
Bonds and Notes	5,192,766	4,401,092	5,025,721
Total Issued	<u>13,747,766</u>	<u>13,699,092</u>	<u>14,991,721</u>
Authorized but not Issued			
General			
Bonds and Notes	2,930,363	2,783,745	2,653,195
Water Utility			
Bonds and Notes	3,868,602	3,798,602	198,602
Sewer Utility			
Bonds and Notes	2,162,104	3,371,207	2,211,207
Total Authorized but not Issued	<u>8,961,069</u>	<u>9,953,554</u>	<u>5,063,004</u>
Total Issued and Authorized but not Issued	<u>22,708,835</u>	<u>23,652,646</u>	<u>20,054,725</u>
Deductions			
Self-Liquidating Debt	11,861,472	12,386,901	8,449,530
Net Debt	<u>\$ 10,847,363</u>	<u>\$ 11,265,745</u>	<u>\$ 11,605,195</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

P. CAPITAL DEBT (CONTINUED)

General Capital Fund

General Serial Bonds

Year	Principal	Interest	Total
2019	\$ 576,000.00	\$ 162,396.88	\$ 738,396.88
2020	775,000.00	137,865.63	912,865.63
2021	791,000.00	115,853.13	906,853.13
2022	803,000.00	91,916.25	894,916.25
2023	425,000.00	65,343.75	490,343.75
2024-2028	2,125,000.00	182,750.00	2,307,750.00
2029	425,000.00	5,843.75	430,843.75
Total	\$ 5,920,000.00	\$ 761,969.39	\$ 6,681,969.39

Sewer Utility Bonds

Year	Principal	Interest	Total
2019	\$ 69,000.00	\$ 8,625.00	\$ 77,625.00
2020	69,000.00	5,175.00	74,175.00
2021	69,000.00	2,760.00	71,760.00
2022	71,000.00	3,195.00	74,195.00
Total	\$ 278,000.00	\$ 19,755.00	\$ 297,755.00

NJEIT Loan

Year	Principal	Interest	Total
2019	\$ 408,174.27	\$ 100,752.22	\$ 508,926.49
2020	429,694.64	94,090.00	523,784.64
2021	437,607.20	84,040.00	521,647.20
2022	444,192.06	73,540.00	517,732.06
2023	457,428.45	62,640.00	520,068.45
2024-2028	1,459,185.78	140,260.00	1,599,445.78
2029-2033	179,620.70	41,800.00	221,420.70
2034-2038	184,620.70	32,000.00	216,620.70
2039-2043	189,620.70	22,000.00	211,620.70
2044-2048	209,621.21	9,000.00	218,621.21
Total	\$ 4,399,765.71	\$ 660,122.22	\$ 5,059,887.93

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

P. CAPITAL DEBT (CONTINUED)

General Serial Bonds

Year	Principal	Interest	Total
2019	\$ 50,000.00	\$ 10,750.01	\$ 60,750.01
2020	50,000.00	9,687.51	59,687.51
2021	55,000.00	8,571.88	63,571.88
2022	55,000.00	7,368.75	62,368.75
2023	55,000.00	6,131.25	61,131.25
2024-2027	245,000.00	11,193.75	256,193.75
Total	<u>\$ 510,000.00</u>	<u>\$ 53,703.15</u>	<u>\$ 563,703.15</u>

Calculation of “Self-Liquidating Purpose” Water Utility Per N.J.S.A. 40A:2-45

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest & Other Investment Income & Other Charges for the Year	\$2,912,050
Deductions:	
Operating & Maintenance Cost	\$2,134,313
Debt Service Per Water Utility Fund	<u>194,396</u>
	<u>2,328,709</u>
Excess in Revenue	<u>\$ 583,341</u>

Calculation of “Self-Liquidating Purpose” Sewer Utility Per N.J.S.A. 40A:2-45

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest & Other Investment Income & Other Charges for the Year	\$3,836,377
Deductions:	
Operating & Maintenance Cost	\$2,762,184
Debt Service Per Water Utility Fund	<u>761,330</u>
	<u>3,523,514</u>
Excess in Revenue	<u>\$ 312,863</u>

Q. CAPITAL DEBT REFUNDING

On June 6, 2006, the New Jersey Environmental Infrastructure Trust (NJEIT) refunded Series 1999 Bonds of which the City had \$695,000 outstanding as of the date of the refunding. As a result, NJEIT defeased \$35,000 in outstanding principal of the City which also resulted in a reduction of \$35,171 in future interest expense.

On March 15, 2011, the Burlington County Bridge Commission refunded Series 2002 Bonds of which the City had \$3,862,000 outstanding as of the date of the refunding. As a result, BCBC defeased \$25,000 in outstanding principal of the City which also resulted in a reduction of \$83,805 in future interest expense.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Q. CAPITAL DEBT REFUNDING (CONTINUED)

During the fiscal year ending December 31, 2015, the City did not utilize the entire funding portion of the 2008A NJEIT loan and the NJEIT forgave \$1,057,616 of the City's loan. \$500,000 was forgiven towards the Trust Loan and \$557,616 was forgiven towards the Trust Fund Loan.

On May 11, 2016, the NJEIT refunded Series 2008A Bonds of which the City had \$2,055,245 outstanding as of the date of the refunding. As a result, NJEIT defeased \$202,000 in outstanding principal of the City which also resulted in a reduction of \$150,209 in future interest expense.

R. LEASE OBLIGATIONS

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

Five (5) Copiers

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

<u>Year</u>	<u>Amount</u>
2019	\$ 8,918.40
2020	8,918.40
2021	8,918.40
2022	1,486.40
	<u>\$ 28,241.60</u>

Rental payments under operating leases for the year 2018 were \$8,617.60

S. SUBSEQUENT EVENTS

On February 19, 2019, the City authorized Bond Ordinance 01-2019 authorizing repaving and reconstruction of various streets, together with the acquisition of materials and equipment in the amount of \$275,000 consisting of a down payment of \$5,000, \$200,000 representing a DOT Grant, and authorizing bonds in the amount of \$70,000.

On May 28, 2019, the City authorized Bond Ordinance 02-2019 authorizing repaving and reconstruction of various streets, together with the acquisition of materials and equipment in the amount of \$325,000 consisting of a down payment of \$4,291, \$246,709 representing a DOT Grant, and authorizing bonds in the amount of \$74,000.

On May 28, 2019, the City authorized Bond Ordinance 03-2019 authorizing drainage pipe improvements, together with the acquisition of materials and equipment in the amount of \$300,000, authorizing bonds in the amount of \$300,000.

On May 28, 2019, the City authorized Bond Ordinance 04-2019 authorizing the completion of various capital improvements, together with the acquisition of materials and equipment in the amount of \$1,980,000 consisting of a down payment of \$100,000, and authorizing bonds in the amount of \$1,880,000.

SUPPLEMENTAL SCHEDULES

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-1

**CURRENT FUND
SCHEDULE OF CASH – TREASURER**

Year Ended December 31, 2018

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2017	\$ 5,045,019.72	\$ 68,220.52
Increased by Receipts:		
Remitted by Collector	\$ 22,956,473.78	
Due State of New Jersey for Senior Citizens' & Veterans' Deductions	77,962.88	
Homestead Rebates Received from State of New Jersey -		
Applied to 2018 Taxes	224,065.90	
Revenue Accounts Receivable	7,578,502.76	
Miscellaneous Revenue not Anticipated	352,193.49	
Petty Cash	1,200.00	
Reserve for State Library Aid	1,163.00	
Due to State of New Jersey -- Marriage License Fees	1,250.00	
Due Other Trust	51,818.00	130,000.00
Due from Sewer Operating Fund	1,037,509.32	
Due from Water Operating Fund	515,218.68	
Due from Dog License Fund	2,242.90	
Due from Federal and State Grant Fund Fund	1,285.72	
Due to/from Claims Account		13,800.00
Contra	781,080.10	
Due Current Fund		3,393.50
Federal and State Grant Fund Receivable		125,818.72
Federal and State Grants Unappropriated		9,460.22
	<u>33,581,966.53</u>	<u>282,472.44</u>
	38,626,986.25	350,692.96
Decreased by Disbursements:		
2018 Budget Appropriations	\$ 15,162,095.32	
2017 Appropriation Reserves	653,395.67	33,585,490.36
Accounts Payable	2,065.00	
Tax Overpayments	41,214.88	(3,523.83)
County Taxes Payable	2,530,234.57	
Local District School Taxes Payable	12,044,311.00	
Refund of Current Year Revenue:		
Anticipated Revenue:		
Uniform Construction Code Fees	45.00	
Fees and Permits	2,087.80	
Petty Cash	1,200.00	
Reserve for State Library Aid	1,163.00	
Reserve for State Tax Appeals Pending	0.00	
Due to State of New Jersey -- Marriage License Fees	725.00	
Due to Federal and State Grant Fund	7,133.50	
Due from Sewer Operating Fund	1,037,509.32	
Due from Water Operating Fund	515,218.68	
Due to/from Claims Account		13,800.00
Contra	781,080.10	
Due Current Fund		1,285.72
Federal and State Grant Funds -- Appropriated Reserves		242,293.67
	<u>32,779,478.84</u>	<u>257,379.39</u>
	32,779,478.84	257,379.39
Balance December 31, 2018	<u>\$ 5,847,507.41</u>	<u>\$ 93,313.57</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-2

**CURRENT FUND
SCHEDULE OF CASH – COLLECTOR**

Year Ended December 31, 2018

Balance December 31, 2017		\$ 810,102.81
Increased by Receipts:		
Prepaid Taxes	\$ 236,634.90	
2018 Taxes	21,367,721.71	
2017 Taxes	859,410.38	
2016 Taxes	4.94	
2015 Taxes	250.00	
2014 Taxes	750.00	
Tax Overpayments	41,215.88	
Tax Title Lien Receivable	75,316.46	
IC on Taxes	205,706.68	
Tax Searches	200.00	
Payment in Lieu of Taxes	49,125.21	
Miscellaneous	<u>4,633.83</u>	
		<u>22,840,969.99</u>
		23,651,072.80
Decreased by Disbursements:		
Remitted to Treasurer		<u>22,956,473.78</u>
Balance December 31, 2018		<u><u>\$ 694,599.02</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-3

**CURRENT FUND
SCHEDULE OF CHANGE FUNDS**

Year Ended December 31, 2018

<u>Office</u>	<u>Amount</u>
Municipal Court	\$ 500.00
Tax Collector	150.00
Recreation	25.00
Code Inspections	25.00
Tourism Office	50.00
	<hr/>
	\$ 750.00

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-4

**CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY**

Year Ended December 31, 2018

Year	Balance Dec. 31, 2017	Added Taxes	2018 Levy	2017	Collected 2018	Due from State of New Jersey	Refunded from Reserve for State Tax Appeals	Cancelled	Transferred to Tax Title Liens	Balance Dec. 31, 2018
2014	\$ 750.00				\$ 750.00					\$ -
2015	250.00				250.00					(0.00)
2016	4.94				4.94					
2017	<u>891,783.01</u>	<u>\$ 3,561.64</u>			<u>859,410.38</u>	<u>\$ 250.00</u>		<u>\$ 8,929.91</u>	<u>\$ 26,500.39</u>	<u>253.97</u>
	892,787.95	3,561.64	\$ -	\$ -	860,415.32	250.00	\$ -	8,929.91	26,500.39	253.97
2018			<u>23,218,281.83</u>	<u>326,065.47</u>	<u>21,591,787.61</u>	<u>85,102.50</u>		<u>134,844.66</u>	<u>126,899.15</u>	<u>953,582.44</u>
	<u>\$ 892,787.95</u>	<u>\$ 3,561.64</u>	<u>\$ 23,218,281.83</u>	<u>\$ 326,065.47</u>	<u>\$ 22,452,202.93</u>	<u>\$ 85,352.50</u>	<u>\$ -</u>	<u>\$ 143,774.57</u>	<u>\$ 153,399.54</u>	<u>\$ 953,836.41</u>

Analysis of 2018 Property Tax Levy

Tax Yield

General Purpose Tax	\$ 23,105,674.08
Added and Omitted Taxes	<u>112,607.75</u>
	<u>\$ 23,218,281.83</u>

Tax Levy

Local District School Tax	\$ 12,044,311.00
County Taxes:	
Net County Tax	\$ 2,174,003.93
County Library Tax	191,754.65
County Open Space Tax	157,468.84
Due County for Added & Omitted Taxes	<u>12,401.43</u>
	2,535,628.85
Local Tax for Municipal Purposes	8,532,831.01
Additional Added Taxes	<u>105,510.97</u>
	<u>8,638,341.98</u>
	<u>\$ 23,218,281.83</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-5

**CURRENT FUND
SCHEDULE OF TAX TITLE LIENS RECEIVABLE**

Year Ended December 31, 2018

Balance December 31, 2017		\$	699,741.39
Increased by:			
Transfers from Taxes Receivable	\$	153,399.54	
Assignment of 3rd Party Lien to City			
Special Assessments		3,158.86	
Interest Paid at Redemption		9,945.41	
Other Charges		<u>7,892.21</u>	
			<u>174,396.02</u>
			874,137.41
Decreased by:			
Collections		<u>75,316.46</u>	
			<u>75,316.46</u>
Balance December 31, 2018		\$	<u><u>798,820.95</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-6

**CURRENT FUND
SCHEDULE OF DUE TO THE STATE OF NEW JERSEY
FOR SENIOR CITIZENS' AND VETERANS' DEDUCTIONS**

Year Ended December 31, 2018

<hr/>		
Balance December 31, 2017		\$ 119,466.57
Increased by:		
Collections	\$ 77,962.88	
Prior Year Disallowed by Collector	<u>3,561.64</u>	
		<u>81,524.52</u>
		200,991.09
Decreased by:		
2018 Levy -- Deductions per Tax Billings	\$ 84,000.00	
2018 Allowed by Tax Collector	<u>2,000.00</u>	
		86,000.00
Less: 2018 Deductions Disallowed by Collector		<u>(897.50)</u>
		85,102.50
Add: Prior Year Deduction Allowed by Collector		<u>250.00</u>
		<u>85,352.50</u>
Balance December 31, 2018		<u><u>\$ 115,638.59</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-7

**CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**

Year Ended December 31, 2018

	<u>Balance Dec. 31, 2017</u>	<u>Prior Year Adjustment</u>	<u>Accrued</u>	<u>Collected</u>	<u>Due General Capital Fund</u>	<u>Balance Dec. 31, 2018</u>
				<u>Collector</u>	<u>Treasurer</u>	
Miscellaneous Revenue:						
Local Revenues:						
Licenses:						
Alcoholic Beverages			\$ 46,128.00		\$ 46,128.00	\$ -
Fees and Permits:						
City Clerk	\$ 2,120.00		10,998.25		8,508.25	4,610.00
Board of Health	1,891.20		16,758.00		16,901.00	1,748.20
Police	820.50		3,236.00		4,056.50	-
Zoning and Planning Board	-		4,717.40		4,717.40	-
Code Inspection Office	11,894.00		278,946.00		263,145.00	27,695.00
Construction Code Official	-		8,599.00		8,599.00	-
Recreation	775.00		21,382.00		19,012.00	3,145.00
Bureau of Fire Protection			23,036.00		20,674.00	2,362.00
Lyceum Hall	152.00		148.00		300.00	-
Mayor - Weddings			300.00		300.00	-
Tax Collector			200.00	\$ 200.00		-
Fines and Costs:						
Municipal Court	20,941.81		615,524.69		582,590.98	53,875.52
Interest on Investments and Deposits			142,089.23		142,089.23	-
Interests and Costs on Taxes			205,706.68	205,706.68		-
Anticipated Lease Revenues			490,154.29		490,154.29	-
State Aid Without Offsetting Appropriations:						
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)			5,413,180.00		5,413,180.00	-
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S. 40A:4-36 and N.J.A.C. 5:23-4.17):						
Uniform Construction Code Fees	8,671.00		430,530.00		421,792.00	17,409.00
Special Items of Revenue Anticipated						
Uniform Fire Safety Act			38,105.11		38,105.11	-
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items						
Anticipated Sewer Operating Surplus			98,250.00		98,250.00	-
	<u>\$ 47,265.51</u>	<u>\$ -</u>	<u>\$ 7,847,988.65</u>	<u>\$ 205,906.68</u>	<u>\$ 7,578,502.76</u>	<u>\$ 110,844.72</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-8

**CURRENT FUND
SCHEDULE OF ACCOUNTS PAYABLE**

Year Ended December 31, 2018

Balance December 31, 2017		\$	2,065.00
Increased by:			
Transfers from 2017 Appropriation Reserves	\$	<u>6,472.44</u>	
			<u>6,472.44</u>
			8,537.44
Decreased by:			
Cancelled			
Disbursements		<u>2,065.00</u>	
			<u>2,065.00</u>
Balance December 31, 2018		\$	<u><u>6,472.44</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-9

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES**

Year Ended December 31, 2018

	Balance Dec. 31, 2017		Total	Balance After Transfer	Paid or Charged	Balanced Lapsed
	Encumbered	Appropriation Reserve				
GENERAL GOVERNMENT:						
General Administration:						
Salaries and Wages		\$ 7,207.95	\$ 7,207.95	\$ 7,207.95		\$ 7,207.95
Other Expenses	\$ 1,016.90	2,411.58	3,428.48	3,428.48	\$ 1,034.16	2,394.32
Mayor and Council:						
Salaries and Wages		1,534.83	1,534.83	1,534.83		1,534.83
Other Expenses	551.72	6,198.30	6,750.02	6,750.02	283.39	6,466.63
Municipal Clerk:						
Salaries and Wages		396.50	396.50	396.50		396.50
Other Expenses	2,197.37	18,681.65	20,879.02	20,879.02	506.54	20,372.48
Financial Administration:						
Salaries and Wages		31.29	31.29	31.29		31.29
Other Expenses	1,848.66	3,064.51	4,913.17	4,913.17	2,889.68	2,023.49
Audit Services:						
Other Expenses		2,531.11	2,531.11	2,531.11		2,531.11
Tax Collection:						
Salaries and Wages		1,957.95	1,957.95	1,957.95		1,957.95
Other Expenses	297.47	2,069.03	2,366.50	2,366.50	273.90	2,092.60
Tax Assessment Administration:						
Salaries and Wages		150.35	150.35	150.35		150.35
Other Expenses	1,411.54	12,723.82	14,135.36	14,135.36	2,352.20	11,783.16
Legal Services:						
Other Expenses	19,713.44	11,079.81	30,793.25	30,793.25	27,810.06	2,983.19
Engineering Services and Costs:						
Other Expenses	7,966.91	0.00	7,966.91	7,966.91	1,831.78	6,135.13
Economic Development:						
Other Expenses		9,066.07	9,066.07	9,066.07	5,104.86	3,961.21
Office of Programs Coordinator:						
Salaries and Wages		7,810.99	7,810.99	7,810.99		7,810.99
Other Expenses	1,848.59	29,652.91	31,501.50	31,501.50	445.00	31,056.50
Historic Commission:						
Salaries and Wages		0.00	-	-		-
Other Expenses	1,423.16	2,712.18	4,135.34	4,135.34	3,507.12	628.22
LAND USE ADMINISTRATION:						
Planning Board:						
Salaries and Wages		758.06	758.06	758.06		758.06
Other Expenses	7,539.97	2,334.47	9,874.44	9,874.44	4,026.94	5,847.50
CODE ENFORCEMENT AND ADMINISTRATION:						
Inspection of Buildings:						
Salaries and Wages		968.90	968.90	968.90		968.90
Other Expenses	1,579.13	135,547.48	137,126.61	137,126.61	3,241.53	133,885.08
Inspection of Plumbing:						
Other Expenses	14,139.27	2,000.00	16,139.27	16,139.27	735.75	15,403.52
Inspection of Electrical:						
Other Expenses	8,507.10	5,000.00	13,507.10	13,507.10	1,161.50	12,345.60
Housing Code Inspections:						
Other Expenses	435.60	6,568.50	7,004.10	7,004.10	1,623.75	5,380.35
Rental Unit Inspections:						
Salaries and Wages		16,460.99	16,460.99	16,460.99		16,460.99
Other Expenses	842.94	5,483.49	6,326.43	6,326.43	1,740.38	4,586.05
INSURANCE:						
Liability Insurance		1,725.04	1,725.04	1,725.04		1,725.04
Workers Compensation Insurance		0.00	-	-		-
Employee Group Insurance		418,330.65	418,330.65	321,830.65	220,321.42	101,509.23
Employee Group Insurance - Waivers		900.00	900.00	900.00		900.00
Unemployment Insurance		20,019.61	20,019.61	20,019.61	1,582.38	18,437.23

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-9

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES (CONTINUED)**

Year Ended December 31, 2018

	Balance Dec. 31, 2017		Total	Balance After Transfer	Paid or Charged	Balanced Lapsed
	Encumbered	Appropriation Reserve				
PUBLIC SAFETY:						
Police:						
Salaries and Wages		167,864.37	167,864.37	167,864.37		167,864.37
Other Expenses	43,380.72	10,729.77	54,110.49	54,110.49	38,949.87	15,160.62
Emergency Management Services:						
Salaries and Wages		750.00	750.00	750.00		750.00
Other Expenses	3,519.78	754.49	4,274.27	4,274.27	3,519.78	754.49
Fire Department:						
Salaries and Wages		1,570.08	1,570.08	1,570.08		1,570.08
Miscellaneous Other Expenses	20,589.15	6,035.21	26,624.36	26,624.36	26,606.71	17.65
Uniform Fire Safety Act (P.L. 1983), Fire Official:						
Salaries and Wages		99.14	99.14	99.14		99.14
Other Expenses	987.00	54.50	1,041.50	1,041.50	987.00	54.50
Municipal Prosecutor:						
Other Expenses	2,400.00	600.00	3,000.00	3,000.00	1,800.00	1,200.00
PUBLIC WORKS:						
Streets and Road Maintenance:						
Salaries and Wages		27,633.04	27,633.04	27,633.04		27,633.04
Other Expenses	30,454.26	49,875.67	80,329.93	80,329.93	57,309.79	23,020.14
Other Public Works Functions:						
Salaries and Wages		3,996.84	3,996.84	3,996.84		3,996.84
Other Expenses	1,963.96	12,371.17	14,335.13	14,335.13	2,307.08	12,028.05
Solid Waste Collection:						
Other Expenses	8,390.72	3,817.89	12,208.61	12,208.61	7,607.68	4,600.93
Buildings and Grounds:						
Salaries and Wages		9.40	9.40	9.40		9.40
Other Expenses	20,154.07	8,694.57	28,848.64	28,848.64	16,357.80	12,490.84
Vehicle Maintenance:						
Salaries and Wages		9,311.32	9,311.32	9,311.32		9,311.32
Other Expenses	31,226.62	1,404.99	32,631.61	37,631.61	33,982.77	3,648.84
HEALTH AND HUMAN SERVICES:						
Board of Health:						
Salaries and Wages		4,166.54	4,166.54	4,166.54		4,166.54
Other Expenses		78.88	78.88	78.88		78.88
Animal Control Officer:						
Other Expenses	3,636.20	5,893.80	9,530.00	9,530.00	5,291.20	4,238.80
PARKS AND RECREATION:						
Recreation Programs:						
Salaries and Wages		17,125.84	17,125.84	17,125.84		17,125.84
Other Expenses	6,507.95	1,720.68	8,228.63	8,728.63	8,589.19	139.44
Operations of Boat Ramp:						
Other Expenses	83.00	1,018.58	1,101.58	1,101.58		1,101.58
Maintenance of Parks:						
Salaries and Wages		24,334.77	24,334.77	24,334.77		24,334.77
Other Expenses	222.46	6,020.17	6,242.63	6,242.63	587.81	5,654.82

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-9

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES (CONTINUED)**

Year Ended December 31, 2018

	Balance Dec. 31, 2017		Total	Balance After Transfer	Paid or Charged	Balanced Lapsed
	Encumbered	Appropriation Reserve				
OTHER COMMON OPERATING FUNCTIONS (UNCLASSIFIED):						
Accumulated Leave Compensation		10,000.00	10,000.00	100,000.00	100,000.00	-
Celebration of Public Events:						
Salaries and Wages		321.16	321.16	321.16		321.16
Other Expenses	1,876.67	985.98	2,862.65	3,862.65	3,826.93	35.72
Municipal Court:						
Salaries and Wages			-	-		-
Other Expenses		2,410.27	2,410.27	2,410.27	1,309.23	1,101.04
Public Defender:						
Other Expenses		6,000.00	6,000.00	6,000.00		6,000.00
UTILITY EXPENSES:						
Electricity and Natural Gas	6,350.00	37,979.44	44,329.44	44,329.44	29,136.16	15,193.28
Telecommunications	1,655.49	6,444.06	8,099.55	8,099.55	681.04	7,418.51
Petroleum Products		35,196.02	35,196.02	35,196.02	7,679.61	27,516.41
LANDFILL/SOLID WASTE DISPOSAL COSTS:						
Landfill/Solid Waste Disposal Costs	3,422.04	29,269.76	32,691.80	32,691.80	28,640.24	4,051.56
CONTINGENT						
		400.00	400.00	400.00		400.00
STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees' Retirement System		5,000.00	5,000.00	5,000.00		5,000.00
Social Security System(O.A.S.I.)		27,646.12	27,646.12	27,646.12		27,646.12
Police and Firemen's Retirement System			-	-		-
Defined Contribution Retirement Program		2,759.53	2,759.53	2,759.53	352.96	2,406.57
OPERATIONS - EXCLUDED FROM "CAPS"						
Recycling Tax		3,168.54	3,168.54	3,168.54	910.92	2,257.62
CAPITAL IMPROVEMENTS:						
Installation of Customer Window in Code Office	2,962.00	9,038.00	12,000.00	12,000.00	2,962.00	9,038.00
	<u>\$ 261,101.86</u>	<u>\$ 1,277,928.61</u>	<u>\$ 1,539,030.47</u>	<u>\$ 1,539,030.47</u>	<u>\$ 659,868.11</u>	<u>\$ 879,162.36</u>
			Disbursements	\$ 653,395.67		
			Accounts Payable	6,472.44		
				<u>\$ 659,868.11</u>		

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-10

**CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS**

Year Ended December 31, 2018

Balance December 31, 2017		\$	-
Increased by:			
Tax Overpayments Created			<u>41,215.88</u>
			41,215.88
Decreased By:			
Cancelled	\$	1.00	
Refunded		<u>41,214.88</u>	
			<u>41,215.88</u>
Balance December 31, 2018		\$	<u><u>-</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-11

**CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE**

Year Ended December 31, 2018

Levy - Calendar Year	<u>\$ 12,044,311.00</u>
Decreased by:	
Disbursements	<u>\$ 12,044,311.00</u>

SA-12

**CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE**

Year Ended December 31, 2018

Balance December 31, 2017 (Added and Omitted Taxes)		\$ 7,007.15
Increased by 2018 Levy:		
Net County Tax	\$ 2,174,003.93	
County Library Tax	191,754.65	
County Open Space Tax	157,468.84	
Added & Omitted Taxes	<u>12,401.43</u>	
		<u>2,535,628.85</u>
		2,542,636.00
Decreased by:		
Disbursements		<u>2,530,234.57</u>
Balance December 31, 2018 (Added and Omitted Taxes)		<u>\$ 12,401.43</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-13

**CURRENT FUND
SCHEDULE OF RESERVE FOR STATE TAX APPEALS PENDING**

Year Ended December 31, 2018

Balance December 31, 2017	<u>\$ 75,000.00</u>
Balance December 31, 2018	<u><u>\$ 75,000.00</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-14

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE**

Year Ended December 31, 2018

	Balance <u>Dec. 31, 2017</u>	Realized as Miscellaneous Revenue in <u>2018 Budget</u>	<u>Received</u>	<u>Cancelled</u>	Balance <u>Dec. 31, 2018</u>
Federal Grants:					
Bulletproof Vest Grant	\$ 5,218.30	\$ 2,811.20			\$ 8,029.50
Small Cities Block Grant - Housing	175,000.00		\$ 49,821.00		125,179.00
Small Cities Block Grant - Public Facilities Levee	400,000.00				400,000.00
	-				-
Total Federal Grants	<u>580,218.30</u>	<u>2,811.20</u>	<u>49,821.00</u>	<u>\$ -</u>	<u>533,208.50</u>
State Grants:					
Municipal Alliance - State (2017-2018)	13,574.00		13,334.81	239.19	0.00
Municipal Alliance - State (2018-2019)	0.00	13,574.00			13,574.00
Clean Communities Program	-	20,721.58	20,721.58		-
Click It or Ticket	-	5,500.00	5,500.00		-
Hazardous Discharge Site Remediation Fund- 2010 Burlington Mart	252.25				252.25
Federal Highway Safety Grant	-	22,000.00	10,890.00	110.00	11,000.00
Hazardous Discharge Site Remediation Fund- Commerce Square	10,201.00				10,201.00
Drive Sober or Get Pulled Over	-	5,500.00			5,500.00
NJEDA Community Economic Development Grant	50,000.00				50,000.00
Sustainable Jersey Grant	-	10,000.00	5,000.00		5,000.00
Pedestrian Safety Education and Enforcement	11,000.00	11,000.00	10,697.50	302.50	11,000.00
Detective Tarentino Community Policing Grant	9,853.83		9,853.83		-
Total State Grants	<u>94,881.08</u>	<u>88,295.58</u>	<u>75,997.72</u>	<u>651.69</u>	<u>106,527.25</u>
Grand Total	<u>\$ 675,099.38</u>	<u>\$ 91,106.78</u>	<u>\$ 125,818.72</u>	<u>\$ 651.69</u>	<u>\$ 639,735.75</u>
			Receipts		
			Unappropriated Grants Realized		
			\$ 125,818.72		
			-		
			<u>\$ 125,818.72</u>		

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-15

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVES FOR FEDERAL AND STATE GRANTS – APPROPRIATED**

Year Ended December 31, 2018

	Balance <u>Dec. 31, 2017</u>	Transferred From 2018 Budget <u>Appropriations</u>	Prior Year Encumbrances <u>Reclassified</u>	Paid or <u>Charged</u>	<u>Cancelled</u>	Balance <u>Dec. 31, 2018</u>
Federal Grants:						
Bulletproof Vest Grant	\$ -	\$ 2,811.20				\$ 2,811.20
Emergency Management Assistance Grant (2016-2017)	7,000.00					7,000.00
Emergency Management Assistance Grant (2015-2016)	4,497.30			\$ 1,223.23		3,274.07
Emergency Management Assistance Grant (2014)			\$ 523.46	523.46		
Federal Highway Safety Grant		22,000.00		10,890.00	\$ 110.00	11,000.00
Small Cities Block Grant - Housing Rehabilitation	126,763.64		36,134.09	100,195.91		62,701.82
Small Cities Public Facilities - Levee Impr.	219,272.73		106,458.18	308,753.64		16,977.27
	0.00					
Total Federal Grants	357,533.67	24,811.20	143,115.73	421,586.24	110.00	103,764.36
State Grants:						
Municipal Alliance - State (2017 - 2018)	7,144.94		413.45	7,319.20	239.19	(0.00)
Municipal Alliance - State (2018 - 2019)	0.00	13,574.00		5,646.62		7,927.38
Clean Communities Program	37,976.22	20,721.58	54.15	13,788.51		44,963.44
Drunk Driving Enforcement Fund	8,827.34					8,827.34
Drive Sober or Get Pulled Over		5,500.00				5,500.00
Click It or Ticket		5,500.00		5,500.00		
Hazardous Discharge Site Remediation Fund:						
Burlington Mart Site - State Share	8,932.50					8,932.50
F & R Knitting Mill Site - State Share	51,483.46					51,483.46
Commerce Square	13,480.97					13,480.97
Commerce Square - 2016			21,547.50	21,547.50		
Burlington Mart Site - State Share	0.00		263.33	263.33		0.00
Tonnage Grant	14,755.51		683.68	15,359.26		79.93
Sustainable Jersey Grant	0.00	10,000.00		10,000.00		
NJEDA Community Economic Development Grant			3,945.00	3,945.00		
Pedestrian Safety Education and Enforcement Grant	8,910.00	11,000.00		8,607.50	302.50	11,000.00
Total State Grants	151,510.94	66,295.58	26,907.11	91,976.93	541.69	152,195.01
Local Grants Required Match:						
Municipal Alliance - State (2017 - 2018)	1,786.24		103.36	1,889.60		0.00
Municipal Alliance - State (2018 - 2019)		3,393.50		1,411.66		1,981.84
Small Cities Block Grant - Housing Rehabilitation	12,676.36		3,613.41	10,019.59		6,270.18
Small Cities Public Facilities - Levee Impr.	30,177.27		10,645.82	30,875.36		9,947.73
Grand Total	\$ 553,684.48	\$ 94,500.28	\$ 184,385.43	\$ 557,759.37	\$ 651.69	\$ 274,159.13
				\$ 242,293.67		
				21,257.50		
				3,740.00		
				290,468.20		
				\$ 557,759.37		

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-16

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVES FOR FEDERAL AND STATE GRANTS – UNAPPROPRIATED**

Year Ended December 31, 2018

	<u>Balance Dec. 31, 2017</u>	<u>Receipts</u>	<u>Realized as Miscellaneous Revenue in 2018 Budget</u>	<u>Balance Dec. 31, 2018</u>
State Grants:				
Emergency Management Grant	\$ -	\$ 9,400.00		\$ 9,400.00
Balanced Housing NP - Grant Interest	<u>1,874.27</u>	<u>60.22</u>		<u>1,934.49</u>
	<u>\$ 1,874.27</u>	<u>\$ 9,460.22</u>	<u>\$ -</u>	<u>\$ 11,334.49</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-17

FEDERAL AND STATE GRANT FUND
SCHEDULE OF DUE TO CURRENT FUND

Year Ended December 31, 2018

Balance December 31, 2017		\$	1,285.72
Increased By:			
Grant Expenditures Made by Current Fund	\$	<u>3,740.00</u>	
			<u>3,740.00</u>
			5,025.72
Decreased By:			
Transferred to Current Fund		<u>1,285.72</u>	
			<u>1,285.72</u>
Balance December 31, 2018		\$	<u><u>3,740.00</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-1

**TRUST FUNDS
SCHEDULE OF TRUST CASH – TREASURER**

Year Ended December 31, 2018

	<u>Assessment Trust Fund</u>	<u>Animal Control Fund</u>	<u>Trust--Other</u>
Balance December 31, 2017	\$ 818.70	\$ 6,259.38	\$ 1,536,660.14
Increased by Receipts:			
Dog License Fees Collected		\$ 1,749.40	
Contra			
Due To Current Fund			\$ 2,952.00
Loans Receivable:			
UDAG - Economic Development Ordinance			52,375.56
Miscellaneous Trust Liabilities and Reserves			2,041,040.06
	<u>818.70</u>	<u>1,749.40</u>	<u>2,096,367.62</u>
Decreased by Disbursements:			
Reserve for Animal Control Fund Expenditures		2,087.09	
Statutory Excess Paid to Current Fund			
Contra			
Due From Current Fund		2,242.90	65,935.00
Due from Payroll Agency Account			7,047.66
Due From Grant Fund			151,257.50
UDAG - Economic Development Ordinance			5,600.00
Miscellaneous Trust Liabilities and Reserves			1,332,411.04
		<u>4,329.99</u>	<u>1,562,251.20</u>
Balance December 31, 2018	<u><u>\$ 818.70</u></u>	<u><u>\$ 3,678.79</u></u>	<u><u>\$ 2,070,776.56</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-2

**TRUST FUND – OTHER
SCHEDULE OF TRUST CASH – COLLECTOR**

Year Ended December 31, 2018

Balance December 31, 2017		\$	349,100.00
Increased by Receipts:			
Redemption of Tax Sale Certificates	\$	427,804.06	
Tax Sale Premiums		<u>209,600.00</u>	
			<u>637,404.06</u>
Decreased by Disbursements:			986,504.06
Redemption of Tax Sale Certificates		427,804.06	
Premiums Returned		<u>172,100.00</u>	
			<u>599,904.06</u>
Balance December 31, 2018		\$	<u><u>386,600.00</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-3

**TRUST ASSESSMENT FUND
SCHEDULE OF ASSESSMENTS RECEIVABLE**

Year Ended December 31, 2018

Balance December 31, 2017	<u>\$ 1,732.10</u>
Balance December 31, 2018	<u><u>\$ 1,732.10</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-4

**TRUST FUND – ANIMAL CONTROL
SCHEDULE OF RESERVE FOR ANIMAL CONTROL EXPENDITURES**

Year Ended December 31, 2018

Balance December 31, 2017		\$ 4,016.48
Increased by:		
Dog License Fees Collected		<u>1,749.40</u>
		5,765.88
Decreased by:		
Expenditures Under R.S. 4:19-15.11	\$ 2,087.09	
Statutory Excess Due to Current Fund		<u>2,087.09</u>
Balance December 31, 2018		<u><u>\$ 3,678.79</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2016	\$ 1,727.40
2017	<u>2,129.80</u>
	<u><u>\$ 3,857.20</u></u>

Note: R.S. 4:19-15.11

"... there shall be transferred from such special account to the general funds of the municipality any amount then in such account which is in excess of the total amount paid into said special account during the last two fiscal years next preceding."

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-5

**TRUST FUND – OTHER
SCHEDULE OF LOANS RECEIVABLE – UDAG – ECONOMIC DEVELOPMENT**

Year Ended December 31, 2018

Balance December 31, 2017		\$ 29,787.68
Decreased by:		
Collections		<u>1,525.33</u>
Balance December 31, 2018		<u><u>\$ 28,262.35</u></u>

SB-6

**TRUST FUND – OTHER
SCHEDULE OF RESERVE FOR COMMUNITY DEVELOPMENT ACT OF 1974**

Year Ended December 31, 2018

Balance December 31, 2017		\$ 333,467.57
Increased by:		
Interest and Application Fees	\$ 250.23	
Developer Contribution Towards Economic Development Consultant	45,000.00	
Refund of Use of Facilities Fee for Job Training	5,600.00	
Collection of UDAG Loans	<u>1,525.33</u>	
		<u>52,375.56</u>
		385,843.13
Decreased by:		
Use of Facilities Fee for Job Training	<u>5,600.00</u>	
		<u>5,600.00</u>
Balance December 31, 2018		<u><u>\$ 380,243.13</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-7

**TRUST FUND – OTHER
SCHEDULE OF CHANGES IN MISCELLANEOUS RESERVES**

Year Ended December 31, 2018

	Balance <u>Dec. 31, 2017</u>	<u>Receipts</u>	<u>Disbursements</u>	Balance <u>Dec. 31, 2018</u>
Treasurer:				
Reserve for:				
Unemployment Compensation Insurance	\$ 121,899.03	\$ 10,611.85		\$ 132,510.88
Self Insurance Program:				
General Liability/Workman's Comp/Auto	353,501.61	463,425.59	\$ 198,284.17	618,643.03
Sanitary Landfill	181,400.14	2,972.40		184,372.54
Escrow Deposits	172,579.00	318,705.13	188,464.36	302,819.77
Federal Forfeited Property	5,107.66	2,333.71	2,139.92	5,301.45
Disposal of Forfeited Property	7,224.35	9,388.22	3,749.98	12,862.59
Road Openings:				
Bechtel	5,000.00			5,000.00
Rivers	5,000.00			5,000.00
Lucas	5,000.00			5,000.00
Peddler's Deposits:				
Popsy Pop	1,000.00			1,000.00
Sign Permit	700.00			700.00
Small Cities Recaptured Fund	37,996.50			37,996.50
Regional Contribution Agreement:				
Burlington Township	1,048.11	49.32		1,097.43
POAA	2,961.00	490.00		3,451.00
Public Defender Fees	325.74	3,466.50		3,792.24
Recreation Activities	36,940.89	12,679.00	12,005.75	37,614.14
Police Dogs	26,226.85	25,808.50	19,920.85	32,114.50
Renovations to Memorial Hall	739.11			739.11
COAH Development Fee	16,616.26	261,828.34	25,675.00	252,769.60
Reserve for Code Enforcement (Abandoned Properties)		90,528.00	90,528.00	-
Outside Employment of Police	74,393.50	730,215.50	783,548.50	21,060.50
Police Department Donations	665.98	8,538.00	7,730.51	1,473.47
Police Explorer Unit	2,964.17		364.00	2,600.17
Security Deposit - Art Pride Lease	2,200.00			2,200.00
Security Deposit - Temple B'Na	70.00			70.00
Accumulated Leave	416,904.67	100,000.00		516,904.67
	<u>1,478,464.57</u>	<u>2,041,040.06</u>	<u>1,332,411.04</u>	<u>2,187,093.59</u>
Collector:				
Reserve for:				
Premiums Received at Tax Sale	349,100.00	209,600.00	172,100.00	386,600.00
Redemptions of Tax Sale Certificates		427,804.06	427,804.06	
	<u>349,100.00</u>	<u>637,404.06</u>	<u>599,904.06</u>	<u>386,600.00</u>
	<u>\$ 1,827,564.57</u>	<u>\$ 2,678,444.12</u>	<u>\$ 1,932,315.10</u>	<u>\$ 2,573,693.59</u>
Received by Current Fund on Behalf of Trust				
Cash Received		<u>\$ 2,678,444.12</u>		
		<u>\$ 2,678,444.12</u>		
Due to Current Fund				
Cash Disbursed			<u>\$ 1,932,315.10</u>	
			<u>\$ 1,932,315.10</u>	

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-1

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH**

Year Ended December 31, 2018

<hr/>	
Balance December 31, 2017	\$ 417,922.82
Increased by Receipts:	
Due Sewer Capital Fund	\$ 364,439.30
Due Water Capital Fund	1,103.36
Due from State of New Jersey	30,000.00
Contra	2,646,068.25
Bond Anticipation Notes	345,000.00
Capital Improvement Fund Raised in Budget	25,000.00
Deferred Charges Raised in Budget	79,091.12
Grants Received to Fund Improvement Authorization	439,615.85
Premium Received on Bond Anticipation Notes	17,214.14
	<hr/>
	3,947,532.02
	<hr/>
	4,365,454.84
Decreased by Disbursements:	
Improvement Authorizations	795,771.40
Due Sewer Capital Fund	364,439.30
Due Water Capital Fund	1,103.36
Contra	2,646,068.25
	<hr/>
	3,807,382.31
	<hr/>
Balance December 31, 2018	<u>\$ 558,072.53</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-2

**GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH**

Year Ended December 31, 2018

	Balance (Deficit) Dec. 31, 2017	Receipts		Disbursements		Transfers		Balance (Deficit) Dec. 31, 2018
		Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	To	From	
Fund Balance	\$ 174,895.80		\$ 17,214.14					\$ 192,109.94
Capital Improvement Fund	51,264.10		25,000.00				\$ 53,175.00	23,089.10
Reserve for Preliminary Improvement Authorization Costs								
Due from State of New Jersey	(82,440.16)		30,000.00				250,000.00	(302,440.16)
Due from County of Burlington							430,000.00	(430,000.00)
Due to Water Capital Fund			1,103.36		\$ 1,103.36			
Due to Sewer Capital Fund			364,439.30		364,439.30			
Due to/from Grant Fund								
Reserve for Encumbrances	629,720.66					\$ 1,062,948.27	629,720.66	1,062,948.27
Contra			2,646,068.25		2,646,068.25			
Improvement Authorizations:								
07/17/90 Closure of City Landfill	442,597.92			\$ 91,058.32		776.42	352,316.02	
09/18/07 Acquisition and Demolition of Real Property for Redevelopment	(75,624.75)		10,000.00	14,311.50		7,981.50		(71,954.75)
06/01/10 Road/Infrastructure Impr. (Washington Ave; Broad St.; Safe Routes Project)	(241.59)		241.59					0.00
12/21/10 Acquisition of Computers and Paving of Memorial Hall Parking Lot	44,657.48							44,657.48
04/12/11 Various Infrastructure Improvements	(840.18)		840.18					0.00
03/06/12 Memorial Lot Paving, Copier Acq., Tennis Court Paving, Rd Paving	(0.00)							(0.00)
07/16/13 Construction of Various Capital Improvements	(0.00)							(0.00)
08/07/14 Road/Infrastructure Impr. (Brown St; High-Visibility Crosswalk Belmont/High)	2,341.64			11,968.15		10,132.53		506.02
07/07/15 Paving of Oakland and Laumaster Streets	(24,410.17)							(24,410.17)
10/20/15 Renovations to 302 Commerce Square	11,898.00							11,898.00
12/08/15 Renovations to 432 High Street	(22,542.30)		22,542.30					0.00
04/05/16 Acquisition of Real Property	(24,267.18)		24,267.18					(0.00)
05/03/16 Acquisition of Various Capital Equipment and Various Capital Improvements	(21,199.87)		21,199.87					0.00
05/03/16 Various Road and Sidewalk Improvements	(187,620.15)		255,000.00	272,930.65		336,719.10		131,168.30
06/14/16 Replacement of a Pedestrian Bridge on Jacksonville Road								
05/02/17 Acquisition and Demolition of Real Property	(20,000.00)	\$ 20,000.00		12,071.53				(12,071.53)
07/11/17 Acquisition of Various Equipment and Various Capital Improvements (Paving Elm & Lincoln; Salt Barn; LPR Cameras for Police; Fire Rescue Equipment)	(485,266.43)	290,000.00	132,234.85	267,672.15		274,111.11	659.62	(57,252.24)
12/05/17 Acquisition of Various Equipment for the Fire Department (Air System Trailer)	5,000.00	35,000.00	52,381.00	94,500.00				(2,119.00)
05/15/18 Various Road Improvements (Moorland, Dickenson & Hulme)				31,259.10		255,000.00	309,854.03	(86,113.13)
Various Capital Improvements (Band Stand, Electronic Billboard, PW Garage Heater)								
09/04/18 Body Cameras, Police SUVs, Fire Pick-up Trucks, Dump Truck with Plow, Skid-Steer Loader)						478,175.00	400,118.60	78,056.40
	<u>\$ 417,922.82</u>	<u>\$ 345,000.00</u>	<u>\$ 3,602,532.02</u>	<u>\$ 795,771.40</u>	<u>\$ 3,011,610.91</u>	<u>\$ 2,425,843.93</u>	<u>\$ 2,425,843.93</u>	<u>\$ 558,072.53</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-3

**GENERAL CAPITAL FUND
SCHEDULE OF FUND BALANCE**

Year Ended December 31, 2018

Balance December 31, 2017		\$	174,895.80
Increased by:			
Premium on Bond Anticipation Notes	\$	<u>17,214.14</u>	<u>17,214.14</u>
			<u>192,109.94</u>
Balance December 31, 2018		\$	<u><u>192,109.94</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-4

**GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION – FUNDED**

Year Ended December 31, 2018

Balance December 31, 2017		\$	6,480,000.00
Decreased by:			
Budget Appropriations to Pay:			
General Serial Bonds Payable	\$	<u>560,000.00</u>	<u>560,000.00</u>
Balance December 31, 2018		\$	<u><u>5,920,000.00</u></u>

ANALYSIS OF BALANCE DECEMBER 31, 2018

Serial Bonds		\$	<u>5,920,000.00</u>
Balance December 31, 2018		\$	<u><u>5,920,000.00</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-5

**GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION – UNFUNDED**

Year Ended December 31, 2018

Ordinance Date	Improvement Description	Increased by					Decreased by					Analysis of Balance at Dec. 31, 2018		
		Balance Dec. 31, 2017	2018 Authorizations	Bonds Issued	Grants Received	Raised by Budget Appropriation	Balance Dec. 31, 2018	Expenditures	Bond Anticipation Notes	Unexpended Improvement Authorizations				
09/19/06	Road Construction	\$ -					\$ -	\$ -						
02-2007; 02-2009, 04-2013	Acquisition and Demolition of Real Property for Redevelopment	771,000.00				\$ 10,000.00	761,000.00	71,954.75				\$ 689,045.25		
01-2008; 04-2008; 01-2009	Renovations to Old City Hall	506,000.00					253,000.00			\$ 253,000.00				
05/06/08	Acquisition of Mobile Vision In-Car Camera System	46,000.00					23,000.00			23,000.00			23,000.00	
12/02/08	Renovations to Various Recreation Facilities	20,000.00					10,000.00			10,000.00			10,000.00	
05/18/10	Acquisition of a Pumper Fire Truck	20,000.00					10,000.00			10,000.00			10,000.00	
06/01/10	Road/Infrastructure Impr. (Washington Ave; Broad St.; Safe Routes Project)	241.59					241.59			(0.00)				
04/12/11	Various Infrastructure Improvements	840.18					840.18			(0.00)				
03/06/12	Memorial Lot Paving, Copier Acq., Tennis Court Paving, Rd Paving	101,634.34								101,634.34				101,634.34
10/16/12	James Street Reconstruction	186,678.67								186,678.67				186,678.67
07/16/13	Construction of Various Capital Improvements	243,600.00								243,600.00				243,600.00
07/01/14	Police Surveillance System	-								-				-
08/07/14	Road/Infrastructure Impr. (Brown St; High-Visibility Crosswalk Belmont/High)	34,000.00								34,000.00				34,000.00
07/07/15	Paving of Oakland and Laumaster Streets	60,000.00								60,000.00	24,410.17			35,589.83
07/21/15	Acquisition of Self-Contained Breathing Apparatus for Fire Department	-								-				-
10/20/15	Renovations to 302 Commerce Square	6,000.00								6,000.00				6,000.00
12/08/15	Renovations to 432 High Street	100,000.00					22,542.30			77,457.70				77,457.70
04/05/16	Acquisition of Real Property	1,539,000.00					78,267.18			1,460,732.82		1,356,000.00		104,732.82
05/03/16	Acquisition of Various Capital Equipment and Various Capital Improvements	92,200.00					21,199.87			71,000.13				71,000.13
05/03/16	Various Road and Sidewalk Improvements	290,000.00			\$ 255,000.00					35,000.00				35,000.00
05/02/17	Acquisition and Demolition of Real Property	95,000.00								95,000.00	12,071.53	20,000.00		62,928.47
07/11/17	Acquisition of Various Equipment and Various Capital Improvements (Paving Elm & Lincoln; Salt Barn; LPR Cameras for Police; Fire Rescue Equipment)	578,550.00								446,315.15	57,252.24	290,000.00		99,062.91
12/05/17	Acquisition of Various Equipment for the Fire Department (Air System Trailer)	95,000.00				52,381.00				42,619.00	2,119.00	35,000.00		5,500.00
05/15/18	Various Road Improvements (Moorland, Dickenson & Hulme)		\$ 95,000.00							95,000.00	86,113.13			8,886.87
09/04/18	Various Capital Improvements (Band Stand, Electronic Billboard, PW Garage Heater, Body Cameras, Police SUVs, Fire Pick-up Trucks, Dump Truck with Plow, Skid-Steer Loader)		915,325.00							915,325.00				915,325.00
		\$ 4,785,744.78	# \$ 1,010,325.00	\$ -	\$ 439,615.85	\$ 429,091.12	\$ 4,927,362.81	\$ 253,920.82	\$ 1,997,000.00	\$ 2,676,441.99				
										Ref. SC-6		\$ 2,807,610.29		
										Less: Unexpended Proceeds of Bond Anticipation Notes Issued:				
										Ord. 05-2016	Various Road and Sidewalk Improvements	\$ 131,168.30		
												131,168.30		
												\$ 2,676,441.99		

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-6

**GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Year Ended December 31, 2018

Improvement Description	Ordinance Number	Date Adopted	Amount	Balance Dec. 31, 2017		Prior Year Encumbrances Reclassified	2018 Authorizations	Disbursed	Encumbered	Cancelled	Balance Dec. 31, 2018	
				Funded	Unfunded						Funded	Unfunded
General Improvements:												
Closure of City Landfill	23-1990	07/17/90	\$ 1,790,000.00	\$ 442,597.92	\$ -	\$ 776.42		\$ 91,058.32	\$ 352,316.02		\$ -	\$ -
Acquisition and Demolition of Real Property for Redevelopment	02-2007; 02-2009; 04-2013	09/18/07; 01/00/09; 08/01/13	2,750,000.00	-	695,375.25	7,981.50		14,311.50				689,045.25
Acquisition of Computers and Paving of Memorial Hall Parking Lot	23-2010	12/21/10	65,000.00	44,657.48							44,657.48	
Memorial Lot Paving, Copier Acq., Tennis Court Paving, Rd Paving	01-2012	03/06/12	1,150,000.00		101,634.34							101,634.34
James Street Reconstruction	02-2012	10/16/12	400,000.00		186,678.67							186,678.67
Construction of Various Capital Improvements	02-2013	07/16/13	730,000.00		243,600.00							243,600.00
Road/Infrastructure Impr. (Brown St; High-Visibility Crosswalk Belmont/High)	02-2014	08/07/14	500,000.00		36,341.64	10,132.53		11,968.15			506.02	34,000.00
Paving of Oakland and Laumaster Streets	01-2015	07/07/15	260,000.00		35,589.83							35,589.83
Renovations to 302 Commerce Square	03-2015	10/20/15	180,000.00		17,898.00						11,898.00	6,000.00
Renovations to 432 High Street	04-2015	12/08/15	400,000.00		77,457.70							77,457.70
Acquisition of Real Property	02-2016	04/05/16	1,620,000.00		104,732.82							104,732.82
Acquisition of Various Capital Equipment and Various Capital Improvements	03-2016	05/03/16	655,000.00		71,000.13							71,000.13
Various Road and Sidewalk Improvements	05-2016	05/03/16	795,000.00		102,379.85	336,719.10		272,930.65				166,168.30
Replacement of a Pedestrian Bridge on Jacksonville Road	11-2016	06/14/16	85,000.00									
Acquisition and Demolition of Real Property	02-2017	05/02/17	100,000.00		75,000.00			12,071.53				62,928.47
Acquisition of Various Equipment and Various Capital Improvements (Paving Elm & Lincoln; Salt Barn; LPR Cameras for Police; Fire Rescue Equipment)	03-2017	07/11/17	609,000.00		93,283.57	274,111.11		267,672.15	659.62			99,062.91
Acquisition of Various Equipment for the Fire Department (Air System Trailer)	06-2017	12/05/17	100,000.00	5,000.00	95,000.00			94,500.00				5,500.00
Various Road Improvements (Moorland, Dickenson & Hulme)	01-2018	05/15/18	350,000.00				\$ 350,000.00	31,259.10	309,854.03			8,886.87
Various Capital Improvements (Band Stand, Electronic Billboard, PW Garage Heater, Body Cameras, Police SUVs, Fire Pick-up Trucks, Dump Truck with Plow, Skid-Steer Loader)	03-2018	09/04/18	1,393,500.00				1,393,500.00		400,118.60		78,056.40	915,325.00
				\$ 492,255.40	\$ 1,935,971.80	\$ 629,720.66	\$ 1,743,500.00	\$ 795,771.40	\$ 1,062,948.27	\$ -	\$ 135,117.90	\$ 2,807,610.29

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-7

**GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES**

Year Ended December 31, 2018

Balance December 31, 2017		\$ 629,720.66
Increased by:		
Transferred from Improvement Authorizations	<u>\$ 1,062,948.27</u>	<u>1,062,948.27</u>
		1,692,668.93
Decreased by:		
Transferred to Improvement Authorizations	<u>629,720.66</u>	<u>629,720.66</u>
Balance December 31, 2018		<u><u>\$ 1,062,948.27</u></u>

SC-8

**GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND**

Year Ended December 31, 2018

Balance December 31, 2017		\$ 51,264.10
Increased by:		
2018 Budget Appropriations	<u>\$ 25,000.00</u>	<u>25,000.00</u>
		76,264.10
Decreased by:		
Down Payment on Bond Ordinance	<u>53,175.00</u>	<u>53,175.00</u>
Balance December 31, 2018		<u><u>\$ 23,089.10</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-9

**GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES**

Year Ended December 31, 2018

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2018</u>
01-2008; 04-2008, 01-2009	Renovations to Old City Hall	06/26/09	06/05/18	06/04/19	3.00%	\$ 506,000.00		\$ 253,000.00	\$ 253,000.00
02-2008	Acquisition of Mobile Vision In-Car Camera System	06/26/09	06/05/18	06/04/19	3.00%	46,000.00		23,000.00	23,000.00
05-2008	Renovations to Various Recreation Facilities	06/26/09	06/05/18	06/04/19	3.00%	20,000.00		10,000.00	10,000.00
01-2010	Acquisition of a Fire Pumper Truck	06/22/11	06/05/18	06/04/19	3.00%	20,000.00		10,000.00	10,000.00
02-2016	Acquisition of Real Property	06/09/16	06/05/18	06/04/19	3.00%	1,410,000.00		54,000.00	1,356,000.00
02-2017	Acquisition and Demolition of Real Property	06/05/18	06/05/18	06/04/19	3.00%		\$ 20,000.00		20,000.00
03-2017	Acquisition of Various Equipment and Various Capital Improvements (Paving Elm & Lincoln; Salt Barn; LPR Cameras for Police; Fire Rescue Equipment)	06/05/18	06/05/18	06/04/19	3.00%		290,000.00		290,000.00
06-2017	Acquisition of Various Equipment for the Fire Department (Air System Trailer)	06/05/18	06/05/18	06/04/19	3.00%		35,000.00		35,000.00
						<u>\$ 2,002,000.00</u>	<u>\$ 345,000.00</u>	<u>\$ 350,000.00</u>	<u>\$ 1,997,000.00</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-10

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS**

Year Ended December 31, 2018

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>	<u>2018 Bonds Issued</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2018</u>
			<u>Outstanding at Dec. 31, 2018</u>	<u>Date</u>					
General Bonds of 2002	10/24/02	\$ 5,880,250.00	10/15/22	\$ 378,000.00	4.50%	\$ 378,000.00		\$ -	\$ 378,000.00
General Bond Refunding Series 2011A	10/24/02	\$ 5,880,250.00	10/15/19	361,000.00	5.00%	1,452,000.00		345,000.00	1,107,000.00
			10/15/20	380,000.00	3.50%				
			10/15/21	366,000.00	4.00%				
General Obligation Bonds, Series 2017	06/07/17	\$ 4,650,000.00	06/01/19	215,000.00	2.125%	4,650,000.00		215,000.00	4,435,000.00
			06/01/20	395,000.00	2.125%				
			06/01/21	425,000.00	2.125%				
			06/01/22	425,000.00	2.250%				
			06/01/23	425,000.00	2.250%				
			06/01/24	425,000.00	2.250%				
			06/01/25	425,000.00	2.250%				
			06/01/26	425,000.00	2.250%				
			06/01/27	425,000.00	2.250%				
			06/01/28	425,000.00	2.500%				
			06/01/29	425,000.00	2.750%				
						<u>\$ 6,480,000.00</u>	<u>\$ -</u>	<u>\$ 560,000.00</u>	<u>\$ 5,920,000.00</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-11

**GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

Year Ended December 31, 2018

Date	Improvement Description	Balance Dec. 31, 2017	Increased by	Decreased by			Balance Dec. 31, 2018	
			2018 Authorizations	Bond Anticipation Notes Issued	Improvement Authorization Cancelled	Grants Received		Raised by Budget Appropriation
09/18/07	Acquisition and Demolition of Real Property for Redevelopment	\$ 771,000.00					\$ 761,000.00	
06/01/10	Road/Infrastructure Impr. (Washington Ave; Broad St.; Safe Routes Project)	241.59					(0.00)	
04/12/11	Various Infrastructure Improvements	840.18					(0.00)	
03/06/12	Memorial Lot Paving, Copier Acq., Tennis Court Paving, Rd Paving	101,634.34					101,634.34	
10/16/12	James Street Reconstruction	186,678.67					186,678.67	
07/16/13	Construction of Various Capital Improvements	243,600.00					243,600.00	
08/07/14	Road/Infrastructure Impr. (Brown St; High-Visibility Crosswalk Belmont/High)	34,000.00					34,000.00	
07/07/15	Paving of Oakland and Laumaster Streets	60,000.00					60,000.00	
10/20/15	Renovations to 302 Commerce Square	6,000.00					6,000.00	
12/08/15	Renovations to 432 High Street	100,000.00					77,457.70	
04/05/16	Acquisition of Real Property	129,000.00					104,732.82	
05/03/16	Acquisition of Various Capital Equipment and Various Capital Improvements	92,200.00					71,000.13	
05/03/16	Various Road and Sidewalk Improvements	290,000.00				\$ 255,000.00	35,000.00	
05/02/17	Acquisition and Demolition of Real Property	95,000.00		\$ 20,000.00			75,000.00	
07/11/17	Acquisition of Various Equipment and Various Capital Improvements (Paving Elm & Lincoln; Salt Barn; LPR Cameras for Police; Fire Rescue Equipment)	578,550.00		290,000.00		132,234.85	156,315.15	
12/5/2017	Acquisition of Various Equipment for the Fire Department (Air System Trailer)	95,000.00		35,000.00		52,381.00	7,619.00	
05/15/18	Various Road Improvements (Moorland, Dickenson & Hulme)		\$ 95,000.00				95,000.00	
09/04/18	Various Capital Improvements (Band Stand, Electronic Billboard, PW Garage Heater, Body Cameras, Police SUVs, Fire Pick-up Trucks, Dump Truck with Plow, Skid-Steer Loader)		915,325.00				915,325.00	
		<u>\$ 2,783,744.78</u>	<u>\$ 1,010,325.00</u>	<u>\$ 345,000.00</u>	<u>\$ -</u>	<u>\$ 439,615.85</u>	<u>\$ 79,091.12</u>	<u>\$ 2,930,362.81</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-12

**GENERAL CAPITAL FUND
SCHEDULE OF DUE FROM STATE OF NEW JERSEY**

Year Ended December 31, 2018

<u>Ordinance Number</u>	<u>Grant Name</u>	<u>Description</u>	<u>Balance Dec. 31, 2017</u>	<u>2018 Authorizations</u>	<u>Prior Year Receipt Due to Grant Fund</u>	<u>Grants Cancelled</u>	<u>Cash Receipts</u>	<u>Balance Dec. 31, 2018</u>
02-2014	NJDOT FY 2014 Transit Village Program	High-visibility Crosswalk (Belmont & High)	\$ 30,000.00				\$ 30,000.00	\$ -
01-2015	NJDOT FY 2015 Municipal Aid Program	Oakland Ave. & Laumaster Streets Recon.	52,440.16					52,440.16
01-2018	NJDOT FY 2018 Municipal Aid Program	Moorland, Dickenson & Hulme Recon.		\$ 250,000.00				250,000.00
			<u>\$ 82,440.16</u>	<u>\$ 250,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,000.00</u>	<u>\$ 302,440.16</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SD-1

**WATER UTILITY FUND
SCHEDULE OF WATER UTILITY CASH - TREASURER**

Year Ended December 31, 2018

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2017	\$ 637,893.23	\$ 96,126.20
Increased by Receipts:		
Fire Hydrant Service	\$ 40,000.00	
Collector	2,289,423.00	
Miscellaneous Revenue	75,818.83	
Deferred Charge Raised in Budget	7,000.00	
Premium Received on Bond Anticipation Notes		\$ 1,103.36
Due to Water Operating		50,000.00
Due to Sewer Operating Fund		
	<u>2,412,241.83</u>	<u>51,103.36</u>
	3,050,135.06	147,229.56
Decreased by Disbursements:		
2018 Budget Appropriations	2,099,016.85	
2017 Appropriation Reserves	140,265.63	
Accrued Interest on Bonds and Loans	23,522.68	
Miscellaneous Revenue Refunded	253.16	
Reserve for Preliminary Capital Expense		7,892.50
Due from Water Capital	50,000.00	
Improvement Authorizations		130,176.68
	<u>2,313,058.32</u>	<u>138,069.18</u>
Balance December 31, 2018	<u>\$ 737,076.74</u>	<u>\$ 9,160.38</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SD-2

**WATER UTILITY OPERATING FUND
SCHEDULE OF CASH – COLLECTOR**

Year Ended December 31, 2018

Balance December 31, 2017		\$	121,077.81
Increased by Receipts:			
Water Rents Receivable	\$	2,226,592.49	
Water Liens Collected		12,982.57	
Interest on Delinquent Accounts		31,702.80	
Miscellaneous		2,294.07	
Water Connections		212,800.00	
			<u>2,486,371.93</u>
			2,607,449.74
Decreased by:			
Remitted to Treasurer			<u>2,289,423.00</u>
Balance December 31, 2018		\$	<u><u>318,026.74</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SD-3

**WATER UTILITY CAPITAL FUND
ANALYSIS OF WATER UTILITY CAPITAL CASH**

Year Ended December 31, 2018

	Balance (Deficit) <u>Dec. 31, 2017</u>	<u>Receipts</u>		<u>Disbursements</u>		<u>Transfers</u>		Balance (Deficit) <u>Dec. 31, 2018</u>
		Bond Anticipation <u>Notes Issued</u>	<u>Miscellaneous</u>	Improvement <u>Authorizations</u>	<u>Miscellaneous</u>	<u>From</u>	<u>To</u>	
Capital Improvement Fund	\$ 40,809.17					\$ 12,800.00		\$ 28,009.17
Fund Balance	53,663.17		\$ 1,103.36					54,766.53
Encumbrances	13,141.09					13,141.09	\$ 150,160.79	150,160.79
Due to Water Operating			50,000.00					50,000.00
Reserve for Preliminary Expenses - Screw Collection System					\$ 7,892.50	4,907.50	12,800.00	
Improvement Authorizations:								
7th Street Water Tank Rehabilitation								
Improvements to Walnut St. Water Tower and Water Plant	(10,793.48)			\$ 932.50		12,208.59	13,141.09	(10,793.48)
Improvements to Water Utility System (Water Meter Replacements, Filter Media Replacement)	(693.75)			110,422.48		89,146.40		(200,262.63)
Screw Collection System				18,821.70		43,898.30		(62,720.00)
	<u>\$ 96,126.20</u>	<u>\$ -</u>	<u>\$ 51,103.36</u>	<u>\$ 130,176.68</u>	<u>\$ 7,892.50</u>	<u>\$ 176,101.88</u>	<u>\$ 176,101.88</u>	<u>\$ 9,160.38</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SD-4

**WATER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE**

Year Ended December 31, 2018

Balance December 31, 2017		\$	368,082.70
Increased by:			
Water Charges Levied			<u>2,218,451.10</u>
			2,586,533.80
Decreased by:			
Water Collections	\$	2,226,592.49	
Cancelled		<u>420.75</u>	
		2,227,013.24	
Transfers to Water Liens		<u>10,345.15</u>	
			<u>2,237,358.39</u>
Balance December 31, 2018		\$	<u><u>349,175.41</u></u>

SD-5

**WATER UTILITY OPERATING FUND
SCHEDULE OF WATER UTILITY LIENS RECEIVABLE**

Year Ended December 31, 2018

Balance December 31, 2017		\$	31,068.02
Transfers from Consumer Accounts Receivable	\$	10,345.15	
Interest Paid at Redemption		1,167.49	
Interest and Costs at Tax Sale		<u>149.99</u>	
			<u>11,662.63</u>
			42,730.65
Decreased by:			
Collections		<u>12,982.57</u>	
			<u>12,982.57</u>
Balance December 31, 2018		\$	<u><u>29,748.08</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SD-6

**WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL**

Year Ended December 31, 2018

	Balance <u>Dec. 31, 2017</u>	Completed Projects Transferred from Fixed Capital Authorized and <u>Uncompleted</u>	Balance <u>Dec. 31, 2018</u>
Unallocated (1940 and Prior)	\$ 503,273.73		\$ 503,273.73
Pumping Station Structures	26,213.04		26,213.04
Electric Power Pumping Equipment	22,271.50		22,271.50
Springs and Wells	285,287.17		285,287.17
Intakes and Supply Mains	9,462.27		9,462.27
Distribution Mains and Accessories	1,666,375.28		1,666,375.28
Meters	1,604,969.07		1,604,969.07
Fire Hydrants	58,552.68		58,552.68
Tanks and Stand Pipe	5,724.99		5,724.99
General Equipment	37,909.09		37,909.09
Island Lake and Dike	30,433.19		30,433.19
New Water Treatment Plant & Other Improvements to Water System	8,744,024.64		8,744,024.64
Underground Storage Tank	90,000.00		90,000.00
Control Systems Upgrade to Water Plant	115,888.00		115,888.00
Various Capital Improvements	5,896.77		5,896.77
Boiler Replacement	35,000.00		35,000.00
Chemical Flume Repair	100,000.00		100,000.00
Improvements to Water System	382,669.33		382,669.33
Water Treatment Plant Door Replacement	30,585.00		30,585.00
	<u>\$ 13,754,535.75</u>	<u>\$ -</u>	<u>\$ 13,754,535.75</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SD-7

**WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED**

Year Ended December 31, 2018

Improvements	Ordinance Date	Balance Dec. 31, 2017	Increased by		Decreased by		Balance Dec. 31, 2018
			Funded with Capital Improvement Fund	Deferred Charges to Future Revenue	Completed Projects Transferred to Fixed Capital	Cancelled	
7th Street Water Tank Rehabilitation	09/18/07	\$ 425,000.00					\$ 425,000.00
Improvements to Walnut St. Water Tower and Water Plant	08/07/14	905,000.00					905,000.00
Improvements to Water Utility System (Water Meter Replacements, Filter Media Replacement)	07/11/17	3,600,000.00					3,600,000.00
Screw Collection System Replacement	07/07/18			\$ 70,000.00			70,000.00
		<u>\$ 4,930,000.00</u>	<u>\$ -</u>	<u>\$ 70,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,000,000.00</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SD-8

**WATER UTILITY CAPITAL FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES**

Year Ended December 31, 2018

	Balance Dec. 31, 2017		Balance After Modification	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
Operating:					
Salaries		\$ 70,328.41	\$ 70,328.41		\$ 70,328.41
Other Expenses	\$ 117,216.64	97,498.42	214,715.06	\$ 140,827.63	73,887.43
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		5,151.54	5,151.54		5,151.54
Unemployment Compensation Insurance		1,000.00	1,000.00		1,000.00
Total	\$ 117,216.64	\$ 173,978.37	\$ 291,195.01	\$ 140,827.63	\$ 150,367.38
			Accounts Payable	\$ 562.00	
			Cash Disbursed	140,265.63	
				\$ 140,827.63	

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SD-9

**WATER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES**

Year Ended December 31, 2018

Balance December 31, 2017	\$ 117,216.64
Increased by:	
Charges to 2018 Water Utility Operating Budget	<u>115,819.45</u>
	233,036.09
Decreased by:	
Reappropriated to Appropriation Reserves	<u>117,216.64</u>
Balance December 31, 2018	<u><u>\$ 115,819.45</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SD-10

**WATER UTILITY CAPITAL FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS, LOANS AND BOND ANTICIPATION NOTES**

Year Ended December 31, 2018

Balance December 31, 2017		\$ 10,265.43
Increased by:		
Budget Appropriation:		
Interest on Bond Anticipation Notes	\$ 4,676.16	
Interest on Bonds	11,719.99	
	<u>16,396.15</u>	<u>16,396.15</u>
		26,661.58
Decreased by:		
Disbursements	<u>23,522.68</u>	<u>23,522.68</u>
Balance December 31, 2018		<u><u>\$ 3,138.90</u></u>

Analysis of Accrued Interest December 31, 2018

	<u>Principal Outstanding Dec. 31, 2018</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
<u>Bond Anticipation Notes:</u>						
Bond Anticipation Note, Series 2018						
	128,000.00	3.00%	06/05/18	12/31/18	209 Days	\$ 2,198.79
<u>General Obligation Bonds:</u>						
Water Utility Bonds, Series 2017						
	510,000.00	2.125% - 2.750%	12/01/18	12/31/18	30 Days	<u>940.11</u>
						<u><u>\$ 3,138.90</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SD-11

**WATER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Year Ended December 31, 2018

Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2017		Prior Year Encumbrances Reclassified	2018 Authorizations	Paid or Charged			Balance Dec. 31, 2018	
			Funded	Unfunded			Disbursed	Encumbered	Cancelled	Funded	Unfunded
Improvements to Walnut St. Water Tower and Water Plant	08/07/14	\$ 905,000.00		\$ 187,808.64	\$ 13,141.09		\$ 932.50	\$ 12,208.59			\$ 187,808.64
Improvements to Water Utility System (Water Meter Replacements, Filter Media Replacement)	07/11/17	3,600,000.00		3,599,306.25			110,422.48	89,146.40			3,399,737.37
Screw Collection System Replacement	07/07/18	70,000.00				\$ 70,000.00	18,821.70	43,898.30			7,280.00
			\$ -	\$ 3,787,114.89	# \$ 13,141.09	\$ 70,000.00	\$ 130,176.68	\$ 145,253.29	\$ -	\$ -	\$ 3,594,826.01
Capital Improvement Fund						\$ -					
Deferred Charges to Future Revenue						70,000.00					
						\$ 70,000.00					

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SD-12

**WATER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR PRELIMINARY EXPENSE**

Year Ended December 31, 2018

Balance December 31, 2017		\$	-
Increased by:			
Funded from Capital Improvement Fund			<u>12,800.00</u>
			12,800.00
Decreased by:			
Expenditures	\$	7,892.50	
Encumbrances		<u>4,907.50</u>	
			<u>12,800.00</u>
Balance December 31, 2018		\$	<u><u>-</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SD-13

**WATER UTILITY CAPITAL FUND
SCHEDULE OF WATER CAPITAL FUND BALANCE**

Year Ended December 31, 2018

Balance December 31, 2017		\$ 53,663.17
Increased by:		
Premium Received on Bond Anticipation Notes	<u>\$ 1,103.36</u>	<u>1,103.36</u>
Balance December 31, 2018		<u><u>\$ 54,766.53</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SD-14

**WATER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION**

Year Ended December 31, 2018

Balance December 31, 2017		\$ 13,620,535.75
Increased by:		
Notes Paid by Operating Budget	<u>\$ 67,000.00</u>	<u>67,000.00</u>
Balance December 31, 2018		<u><u>\$ 13,687,535.75</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SD-15

**WATER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION**

Year Ended December 31, 2018

Ordinance Date	Improvement Description	Balance Dec. 31, 2017	Increased by		Decreased by		Balance Dec. 31, 2018
			Raised in Operating Budget	Paid in Operating Budget	Improvement Authorization Cancelled	Transferred to Reserve for Amortization	
09/18/07	7th Street Water Tank Rehabilitation	\$ 303,000.00		\$ 61,000.00			\$ 364,000.00
08/07/14	Impr. to Walnut St. Water Tower and Water Plant	146,397.88		50,000.00			196,397.88
		<u>\$ 449,397.88</u>	<u>\$ -</u>	<u>\$ 111,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 560,397.88</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SD-16

**WATER UTILITY CAPITAL FUND
SCHEDULE OF WATER BONDS PAYABLE**

Year Ended December 31, 2018

<u>Improvement Description</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding at Dec. 31, 2017</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>	<u>Increased by 2018 Bonds Issued</u>	<u>Decreased by Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2018</u>
			<u>Date</u>	<u>Amount</u>					
Water Utility Bonds, Series 2017	06/07/17	\$ 560,000.00	06/01/19	\$ 50,000.00	2.125%	\$ 560,000.00		\$ 50,000.00	\$ 510,000.00
			06/01/20	50,000.00	2.125%				
			06/01/21	55,000.00	2.125%				
			06/01/22	55,000.00	2.250%				
			06/01/23	55,000.00	2.250%				
			06/01/24	60,000.00	2.250%				
			06/01/25	60,000.00	2.250%				
			06/01/26	60,000.00	2.250%				
			06/01/27	65,000.00	2.250%	\$ 560,000.00	\$ -	\$ 50,000.00	\$ 510,000.00

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SD-17

**WATER UTILITY CAPITAL FUND
STATEMENT OF WATER CAPITAL BOND ANTICIPATION NOTES**

Year Ended December 31, 2018

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>	<u>Decreased by</u>		<u>Balance Dec. 31, 2018</u>
							<u>Raised in Budget</u>	<u>Bonds Sold</u>	
2-2006, 1-2011	Improvements to Water System (2006)	06/26/09	06/05/18	06/04/19	3.00%	\$ 134,000.00	\$ 67,000.00		\$ 67,000.00
1-2007	7th Street Water Tank Rehabilitation	06/26/09	06/05/18	06/04/19	3.00%	122,000.00	61,000.00		61,000.00
						<u>\$ 256,000.00</u>	<u>\$ 128,000.00</u>	<u>\$ -</u>	<u>\$ 128,000.00</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SD-18

**WATER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

Year Ended December 31, 2018

Ordinance Date	Improvement Description	Balance Dec. 31, 2017	Increased by		Decreased by		Balance Dec. 31, 2018
			2018 Authorizations	Raised in 2018 Budget	2018 Notes Issued		
08/07/14	Improvements to Walnut St. Water Tower and Water Plant	\$ 198,602.12			\$ -	\$ 198,602.12	
07/11/17	Improvements to Water Utility System (Water Meter Replacements, Filter Media Replacement)	3,600,000.00				3,600,000.00	
07/07/18	Screw Collection System Replacement		70,000.00			70,000.00	
		<u>\$ 3,798,602.12</u>	<u>\$ 70,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,868,602.12</u>	

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-1

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF SEWER UTILITY CASH – TREASURER**

Year Ended December 31, 2018

	<u>Operating</u>	<u>Assessment</u>	<u>Capital</u>
Balance December 31, 2017	\$ 3,225,589.99	\$ 1,364.97	\$ 44,596.07
Increased by Receipts:			
Tax Collector	\$ 2,909,034.77		
Miscellaneous Revenue	32,984.90		
Due to/from Sewer Capital	500,000.00		
Improvement Authorizations Raised in Budget			\$ 1,500,000.00
Bond Anticipation Notes			125,000.00
FEMA Grant Received for Stormwater Pump Repl.			360,000.00
Premium Received on Bond Anticipation Notes			145,353.29
	<u>3,442,019.67</u>		<u>4,439.30</u>
	6,667,609.66	1,364.97	2,134,792.59
Decreased by Disbursements:			
2017 Budget Appropriations	2,966,456.47		
2016 Appropriation Reserves	217,202.94		
Accrued Interest on Bonds and Loans	123,377.04		
Accounts Payable	4,322.59		
Due to/from Sewer Capital	1,500,000.00		
Improvement Authorizations			500,000.00
	<u>4,811,359.04</u>		<u>1,487,276.33</u>
	4,811,359.04	1,364.97	1,987,276.33
Balance December 31, 2018	<u>\$ 1,856,250.62</u>	<u>\$ 1,364.97</u>	<u>\$ 192,112.33</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-2

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF SEWER UTILITY CASH – COLLECTOR**

Year Ended December 31, 2018

Balance December 31, 2017		\$	280,864.97
Increased by:			
Sewer Rents Receivable	\$	2,776,886.03	
Sewer Liens Receivable		10,622.20	
Interest and Costs on Delinquent Accounts		20,624.26	
Sewer Connections		<u>225,000.00</u>	
			<u>3,033,132.49</u>
			3,313,997.46
Decreased by:			
Remitted to Treasurer			<u>2,909,034.77</u>
Balance December 31, 2018		\$	<u><u>404,962.69</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-3

**SEWER UTILITY CAPITAL FUND
ANALYSIS OF SEWER UTILITY CAPITAL CASH**

Year Ended December 31, 2018

	Balance (Deficit) <u>Dec. 31, 2017</u>	Receipts		Disbursements		Transfers		Balance (Deficit) <u>Dec. 31, 2018</u>
		Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Fund Balance	\$ 38,233.14		\$ 4,439.30					\$ 42,672.44
Due from NJ Environmental Infrastructure Fund						\$ 1,068,750.00		(1,068,750.00)
Capital Improvement Fund	309,547.31							309,547.31
Reserve for Mitchell Ave Pump St. Improvements	5,000.00							5,000.00
Encumbrances	1,445,292.05					1,445,292.05	\$ 931,567.22	931,567.22
Due to Sewer Operating Fund	-		1,500,000.00		\$ 500,000.00			1,000,000.00
Improvement Authorizations:	-							-
Repair Sewer Lines (High St, Outfall, Wood St)	2,774.53							2,774.53
Upgrade Pump Stations (Mitchell, JFK)	18,594.74							18,594.74
Various Sewer Infrastructure Improvements	239,199.80			\$ -				239,199.80
Replacement of Stormwater Pumps	(1,450,000.00)		145,353.29	1,266,341.74		44,126.56	2,379,218.30	(235,896.71)
Improvements to Sewer Systems - 2016	(452,520.00)	\$ 360,000.00	100,000.00	31,224.00		446.00	28,070.00	3,880.00
Installation of Odor Control System and Grinders	(111,525.50)		25,000.00	189,710.59		415,196.52	106,753.75	(584,678.86)
Acquisition of a Jet/Vac & Odor Control System						471,798.14		(471,798.14)
	<u>\$ 44,596.07</u>	<u>\$ 360,000.00</u>	<u>\$ 1,774,792.59</u>	<u>\$ 1,487,276.33</u>	<u>\$ 500,000.00</u>	<u>\$ 3,445,609.27</u>	<u>\$ 3,445,609.27</u>	<u>\$ 192,112.33</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-4

**SEWER UTILITY OPERATING FUND
SCHEDULE OF SEWER RENTS RECEIVABLE**

Year Ended December 31, 2018

Balance December 31, 2017		\$	244,414.39
Increased by:			
Sewer Charges Levied			<u>2,780,540.80</u>
			3,024,955.19
Decreased by:			
Collections	\$	2,776,886.03	
Cancelled		<u>483.75</u>	
		2,777,369.78	
Transfer to Sewer Liens Receivable		<u>9,059.46</u>	
			<u>2,786,429.24</u>
Balance December 31, 2018		\$	<u><u>238,525.95</u></u>

SE-5

**SEWER UTILITY OPERATING FUND
SCHEDULE OF RENT LIENS RECEIVABLE**

Year Ended December 31, 2018

Balance December 31, 2017		\$	31,225.88
Increased by:			
Transferred from Sewer Rents Receivable	\$	9,059.46	
Interest Paid at Redemption		921.03	
Interest and Costs at Tax Sale		<u>147.44</u>	
			<u>10,127.93</u>
			41,353.81
Decreased by:			
Collections		<u>10,622.20</u>	
			<u>10,622.20</u>
Balance December 31, 2018		\$	<u><u>30,731.61</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-6

**SEWER UTILITY OPERATING FUND
SCHEDULE OF FIXED ASSETS**

Year Ended December 31, 2018

<u>Description</u>	<u>Balance Dec. 31, 2017</u>	<u>Completed Projects Transferred</u>	<u>Balance Dec. 31, 2018</u>
Sewer Plant Lines	\$ 205,880.10		\$ 205,880.10
Sewerage Pumps	14,048.93		14,048.93
Motor Vehicles	136,895.62		136,895.62
Pumping and General Equipment	59,990.81		59,990.81
Sewerage Treatment Plant	11,971,623.70		11,971,623.70
Mains and Extensions	1,441,242.66		1,441,242.66
Vacuum Filter System	69,428.08		69,428.08
Various Capital Improvements	26,745.80		26,745.80
Installation of Clarifier Railing, Roof and Fencing	25,767.45		25,767.45
W. Federal Street Sewer Replacement	486,968.35		486,968.35
Walnut Street Drainage Improvement	96,338.36		96,338.36
Improvements to Sewer Systems (Drainage)	383,119.75		383,119.75
Improvements to Sewer Systems	124,502.66		124,502.66
	<u>\$ 15,042,552.27</u>	<u>\$ -</u>	<u>\$ 15,042,552.27</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-7

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED**

Year Ended December 31, 2018

Improvements	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2017	Increased by	Decreased by		Balance Dec. 31, 2018
				Deferred Charges to Future Revenue	Completed Projects Transferred to Fixed Capital	Cancelled	
Repair Sewer Lines (High Street, Outfall and Wood Street)	06/18/02	\$ 680,000.00	\$ 680,000.00				\$ 680,000.00
Upgrade Pump Stations (Mitchell Avenue and JFK Park)	06/18/02	1,235,000.00	1,116,166.36				1,116,166.36
Improvements to Sewer Systems-2007	09/18/07	6,090,000.00	5,317,581.36				5,317,581.36
Various Sewer Infrastructure Improvements	06/05/08	2,250,000.00	2,083,636.28				2,083,636.28
Repairs to Drainage Outfall Lines	04/02/13	245,000.00	245,000.00				245,000.00
Replacement of Stormwater Pumps	03/01/16	800,000.00	1,450,000.00				1,450,000.00
Improvements to Sewer Systems - 2016	05/03/16	510,000.00	510,000.00				510,000.00
Installation of Odor Control System and Grinders	07/11/17	610,000.00	610,000.00				610,000.00
Acquisition of a Jet/Vac & Odor Control System	09/04/18	490,000.00		\$ 490,000.00			490,000.00
			<u>\$ 12,012,384.00</u>	<u>\$ 490,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,502,384.00</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-8

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES**

Year Ended December 31, 2018

	Balance December 31, 2017		Balance After Modification	Paid or Disbursed	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
Operating:					
Salary and Wages		\$ 77,811.06	\$ 77,811.06		\$ 77,811.06
Other Expenses	\$ 152,740.00	368,852.80	521,592.80	\$ 226,957.94	294,634.86
Statutory Expenses:					
Contribution to:					
Social Security System (O.A.S.I.)		4,474.68	4,474.68		4,474.68
N.J. Unemployment Compensation		2,000.00	2,000.00		2,000.00
	<u>\$ 152,740.00</u>	<u>\$ 453,138.54</u>	<u>\$ 605,878.54</u>	<u>\$ 226,957.94</u>	<u>\$ 378,920.60</u>
Disbursements				\$ 217,202.94	
Transferred to Account Payable				9,755.00	
				<u>\$ 226,957.94</u>	

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-9

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS, LOANS AND BOND ANTICIPATION NOTES**

Year Ended December 31, 2018

Balance December 31, 2017		\$ 49,867.15
Increased by:		
Budget Appropriations:		
Interest on Loans	\$ 97,992.58	
Interest on Bond Anticipation Notes	12,040.19	
Interest on Bonds	<u>14,221.64</u>	
		<u>124,254.41</u>
		174,121.56
Decreased by:		
Accrued Interest Cancelled	-	
Disbursements	<u>123,377.04</u>	
		<u>123,377.04</u>
Balance December 31, 2018		<u><u>\$ 50,744.52</u></u>

Analysis of Balance at December 31, 2018

	Principal Outstanding <u>Dec. 31, 2018</u>	Interest Rate	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
<u>Serial Bonds:</u>						
Sewer Bonds of 2002	\$ 71,000.00	4.50%	10/15/18	12/31/18	75 Days	\$ 665.63
Sewer Bonds - 2011A Refunding BCBC	207,000.00	3.50% - 5.00%	10/15/18	12/31/18	75 Days	1,796.88
<u>NJ Environmental Infrastructure Trust:</u>						
Trust Loan Payable (2008)	2,153,000.00	5.00% - 5.50%	08/01/18	12/31/18	150 Days	38,454.17
Trust Loan Payable (2018)	270,000.00	4.00% - 5.00%	11/29/18	12/31/18	32 Days	981.13
<u>Bond Anticipation Notes:</u>						
Bond Anticipation Note, Series 2017	515,000.00	3.00%	06/05/18	12/31/18	209 Days	<u>8,846.71</u>
						<u><u>\$ 50,744.52</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-10

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Year Ended December 31, 2018

Improvement Description	Date Adopted	Amount	Balance Dec. 31, 2017		Prior Year Encumbrances Reclassified	2018 Authorizations	Paid or Charged			Balance Dec. 31, 2018	
			Funded	Unfunded			Disbursed	Encumbered	Cancelled	Funded	Unfunded
Repair Sewer Lines (High St, Outfall, Wood St)	06/18/02	\$ 680,000.00	\$ 2,774.53							\$ 2,774.53	
Upgrade Pump Stations (Mitchell, JFK)	06/18/02	1,235,000.00	18,594.74	\$ -						18,594.74	\$ -
Improvements to Sewer Systems-2007	09/18/07	6,090,000.00		1,051.67							1,051.67
Various Sewer Infrastructure Improvements	12/02/08	2,250,000.00	239,199.80	742,146.00						239,199.80	742,146.00
Repairs to Drainage Outfall Lines	04/02/13	245,000.00		58,009.87							58,009.87
Replacement of Stormwater Pumps	03/01/16	800,000.00			\$ 1,310,468.30		\$ 1,266,341.74	\$ 44,126.56			0.00
Improvements to Sewer Systems - 2016	05/03/16	510,000.00		57,480.00	28,070.00		31,224.00	446.00			53,880.00
Installation of Odor Control System and Grinders	07/11/17	610,000.00		498,474.50	106,753.75		189,710.59	415,196.52			321.14
Acquisition of a Jet/Vac & Odor Control System	09/04/18	490,000.00				\$ 490,000.00		471,798.14			18,201.86
			<u>\$ 260,569.07</u>	<u>\$ 1,357,162.04</u>	<u>\$ 1,445,292.05</u>	<u>\$ -</u>	<u>\$ 1,487,276.33</u>	<u>\$ 931,567.22</u>	<u>\$ -</u>	<u>\$ 260,569.07</u>	<u>\$ 873,610.54</u>
Deferred Charges to Future Revenue						<u>\$ -</u>					
								\$1,487,276.33			
								Due from N.J. Environmental Infrastructure Trust			
											<u>\$1,487,276.33</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-11

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION**

Year Ended December 31, 2018

Balance December 31, 2017	<u>\$ 14,551,719.42</u>
Balance December 31, 2018	<u><u>\$ 14,551,719.42</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-12

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION**

Year Ended December 31, 2018

Ordinance Date	Improvement Description	Balance Dec. 31, 2017	Raised by Budget Appropriation	Bonds Paid by Budget Appropriation	Loans Paid by Budget Appropriation	Notes Paid by Reserve/Budget Appropriation	FEMA Grant Received	To Reserve for Amortization Fixed Capital	Balance Dec. 31, 2018
05/06/97	Improvements to Sewer Systems	\$ -							\$ -
06/18/02	Repair Sewer Lines (High Street, Outfall and Wood Street)	470,910.00		\$ 39,650.00					510,560.00
06/18/02	Upgrade Pump Stations (Mitchell Avenue and JFK Park)	601,360.01		25,350.00	\$ 42,310.45				669,020.46
09/18/07	Improvements to Sewer Systems-2007	2,415,703.41			275,017.94				2,690,721.35
08/03/04	W. Federal Street Sewer Replacement	80,000.00				\$ 80,000.00			160,000.00
06/27/06	Improvements to Sewer System (2006 Drainage)	55,000.00				55,000.00			110,000.00
09/19/06	Improvements to Sewer System (2006)	0.00							-
09/18/07	Improvements to Sewer System (2007)	355,000.00				40,000.00			395,000.00
12/02/08	Various Sewer Infrastructure Improvements	565,954.18			79,747.48				645,701.66
04/02/13	Repairs to Drainage Outfall Lines	186,990.13							186,990.13
05/03/16	Improvements to Sewer System (2016)		\$ 100,000.00						100,000.00
07/11/17	Installation of Odor Control System and Grinders Replacement of Stormwater Pumps		25,000.00						25,000.00
							\$ 145,353.29		145,353.29
		<u>\$ 4,730,917.73</u>	<u>\$ 125,000.00</u>	<u>\$ 65,000.00</u>	<u>\$ 397,075.87</u>	<u>\$ 175,000.00</u>	<u>\$ 145,353.29</u>	<u>\$ -</u>	<u>\$ 5,638,346.89</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-13

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF SEWER BONDS PAYABLE**

Year Ended December 31, 2018

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2018</u>
			<u>Outstanding at Dec. 31, 2018</u>	<u>Date</u>				
Sewer Bonds of 2002	10/24/02	\$ 1,115,000.00	10/15/22	71,000.00	4.50%	\$ 71,000.00		\$ 71,000.00
Sewer Refunding Series 2011A	10/24/02	\$ 1,115,000.00	10/15/19	69,000.00	5.00%	272,000.00	\$ 65,000.00	207,000.00
			10/15/20	69,000.00	3.50%			
			10/15/21	69,000.00	4.00%			
						<u>\$ 343,000.00</u>	<u>\$ 65,000.00</u>	<u>\$ 278,000.00</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-14

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF NJ ENVIRONMENTAL INFRASTRUCTURE TRUST - FUND LOAN PAYABLE**

Year Ended December 31, 2018

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Feb. 1</u>	<u>Aug. 1</u>	<u>Loan Payable Dec. 31, 2017</u>	<u>2018 Loan Received</u>	<u>Paid by Budget Appropriation</u>	<u>Loan Payable Dec. 31, 2018</u>
Upgrade Pump Stations (Mitchell, JFK) Improvements to Sewer Systems-2007 Various Sewer Infrastructure Improvements	11/6/2008	\$3,612,854.00		2019	\$ 40,037.55	\$ 162,187.29	\$ 1,650,091.58		\$ 202,075.87	\$ 1,448,015.71
				2020	36,831.12	164,939.38				
				2021	33,308.14	167,374.92				
				2022	29,621.31	169,646.61				
				2023	25,770.61	174,733.70				
				2024	21,674.12	179,575.00				
				2025	17,726.60	181,586.00				
				2026	13,630.12	29,373.24				
Replacement of Stormwater Pumps	11/29/18	798,750.00		2019		17,949.43		\$ 798,750.00		798,750.00
				2020	8,974.71	17,949.43				
				2021	8,974.71	17,949.43				
				2022	8,974.71	17,949.43				
				2023	8,974.71	17,949.43				
				2024	8,974.71	17,949.43				
				2025	8,974.71	17,949.43				
				2026	8,974.71	17,949.43				
				2027	8,974.71	17,949.43				
				2028	8,974.71	17,949.43				
				2029	8,974.71	17,949.43				
				2030	8,974.71	17,949.43				
				2031	8,974.71	17,949.43				
				2032	8,974.71	17,949.43				
				2033	8,974.71	17,949.43				
				2034	8,974.71	17,949.43				
				2035	8,974.71	17,949.43				
				2036	8,974.71	17,949.43				
				2037	8,974.71	17,949.43				
				2038	8,974.71	17,949.43				
				2039	8,974.71	17,949.43				
2040	8,974.71	17,949.43								
2041	8,974.71	17,949.43								
2042	8,974.71	17,949.43								
2043	8,974.71	17,949.43								
2044	8,974.71	17,949.43								
2045	8,974.71	17,949.43								
2046	8,974.71	17,949.43								
2047	8,974.71	17,949.43								
2048	8,974.71	17,949.94								
							<u>\$ 1,650,091.58</u>	<u>\$ 798,750.00</u>	<u>\$ 202,075.87</u>	<u>\$ 2,246,765.71</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-15

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF NJ ENVIRONMENTAL INFRASTRUCTURE TRUST - TRUST LOAN PAYABLE**

Year Ended December 31, 2018

Purpose	Date of Issue	Amount of Original Issue	Interest Rate	Maturity		Loan Payable Dec. 31, 2017	2018 Loan Received	Paid by Budget Appropriation	Loan Payable Dec. 31, 2018
				Date	Amount				
Upgrade Pump Stations (Mitchell, JFK) Improvements to Sewer Systems-2007 Various Sewer Infrastructure Improvements	11/6/2008	\$3,895,000.00	5.25%	08/01/19	\$ 188,000.00	\$ 2,078,000.00		\$ 195,000.00	\$ 1,883,000.00
			5.50%	08/01/20	196,000.00				
			5.50%	08/01/21	205,000.00				
			5.50%	08/01/22	213,000.00				
			5.50%	08/01/23	225,000.00				
			5.00%	08/01/24	238,000.00				
			5.00%	08/01/25	246,000.00				
			5.00%	08/01/26	260,000.00				
			5.00%	08/01/27	112,000.00				
			Replacement of Stormwater Pumps	11/29/18	270,000.00				
5.00%	08/01/21	5,000.00							
5.00%	08/01/22	5,000.00							
5.00%	08/01/23	5,000.00							
5.00%	08/01/24	5,000.00							
5.00%	08/01/25	5,000.00							
5.00%	08/01/26	5,000.00							
5.00%	08/01/27	5,000.00							
4.00%	08/01/28	5,000.00							
4.00%	08/01/29	5,000.00							
4.00%	08/01/30	10,000.00							
4.00%	08/01/31	10,000.00							
4.00%	08/01/32	10,000.00							
4.00%	08/01/33	10,000.00							
4.00%	08/01/34	10,000.00							
4.00%	08/01/35	10,000.00							
4.00%	08/01/36	10,000.00							
4.00%	08/01/37	10,000.00							
4.00%	08/01/38	10,000.00							
4.00%	08/01/39	10,000.00							
4.00%	08/01/40	10,000.00							
4.00%	08/01/41	10,000.00							
4.00%	08/01/42	10,000.00							
4.00%	08/01/43	15,000.00							
4.00%	08/01/44	15,000.00							
4.00%	08/01/45	15,000.00							
4.00%	08/01/46	15,000.00							
4.00%	08/01/47	15,000.00							
4.00%	08/01/48	15,000.00							
						<u>\$ 2,078,000.00</u>	<u>\$ 270,000.00</u>	<u>\$ 195,000.00</u>	<u>\$ 2,153,000.00</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-16

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF SEWER CAPITAL BOND ANTICIPATION NOTES**

Year Ended December 31, 2018

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2018</u>
2-2004	W. Federal Street Sewer Replacement	06/26/09	06/05/18	06/04/19	3.00%	\$ 155,000.00		\$ 80,000.00	\$ 75,000.00
1-2006	Improvements to Sewer System (2006 Drainage)	06/26/09	06/05/18	06/04/19	3.00%	105,000.00		55,000.00	50,000.00
3-2007	Improvements to Sewer System (2007)	06/26/09	06/05/18	06/04/19	3.00%	70,000.00		40,000.00	30,000.00
4-2016	Improvements to Sewer System (2016)	06/05/18	06/05/18	06/04/19	3.00%		\$ 360,000.00		360,000.00
						<u>\$ 330,000.00</u>	<u>\$ 360,000.00</u>	<u>\$ 175,000.00</u>	<u>\$ 515,000.00</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-17

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF SEWER CAPITAL FUND BALANCE**

Year Ended December 31, 2018

Balance December 31, 2017		\$ 38,233.14
Increased by:		
Premium Received on Bond Anticipation Notes	<u>\$ 4,439.30</u>	<u>4,439.30</u>
Balance December 31, 2018		<u><u>\$ 42,672.44</u></u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-18

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

Year Ended December 31, 2018

<u>Date</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2017</u>	<u>Increased by 2018 Authorizations</u>	<u>Decreased by Raised in 2018 Budget</u>	<u>Decreased by Bond Anticipation Notes Issued</u>	<u>Decreased by NJ I-Bank Loans Issued</u>	<u>Decreased by FEMA Grant Received</u>	<u>Cancelled</u>	<u>Balance Dec. 31, 2018</u>
09/18/07	Improvements to Sewer Systems - 2007	\$ 1,051.67							\$ 1,051.67
12/02/08	Various Sewer Infrastructure Improvements	742,146.00							742,146.00
04/02/13	Repairs to Drainage Outfall Lines	58,009.87							58,009.87
03/01/16	Replacement of Stormwater Pumps	1,450,000.00				\$ 1,068,750.00	\$ 145,353.29		235,896.71
05/03/16	Improvements to Sewer Systems - 2016	510,000.00		\$ 100,000.00	\$ 360,000.00				50,000.00
07/11/16	Installation of Odor Control System and Grinders	610,000.00		25,000.00					585,000.00
09/04/18	Acquisition of a Jet/Vac & Odor Control System		\$ 490,000.00						490,000.00
		<u>\$ 3,371,207.54</u>	<u>\$ 490,000.00</u>	<u>\$ 125,000.00</u>	<u>\$ 360,000.00</u>	<u>\$ 1,068,750.00</u>	<u>\$ 145,353.29</u>	<u>\$ -</u>	<u>\$ 2,162,104.25</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SE-19

SEWER UTILITY CAPITAL FUND
SCHEDULE OF DUE FROM N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST

Year Ended December 31, 2018

Balance, December 31, 2017

Increased by:

NJ Environmental Infrastructure Trust Loan Issued
NJ Environmental Infrastructure Fund Loan Issued

\$ 270,000.00
798,750.00

\$ 1,068,750.00

Balance, December 31, 2018

\$ 1,068,750.00

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

F-1

**GENERAL FIXED ASSETS
SCHEDULE OF INVESTMENTS IN FIXED ASSETS**

Year Ended December 31, 2018

	Balance <u>Dec. 31, 2017</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2018</u>
General Fixed Assets:				
Land, Buildings and Improvements	\$ 12,550,155.65			\$ 12,550,155.65
Property Held for Redevelopment	190,324.52			190,324.52
Furniture, Equipment and Vehicles	7,525,916.84	\$ 205,842.80		7,731,759.64
	<u>\$ 20,266,397.01</u>	<u>\$ 205,842.80</u>	<u>\$ -</u>	<u>\$ 20,472,239.81</u>

**INDEPENDENT AUDITORS' 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**

To the Honorable Mayor and Members
of the City Council
City of Burlington
County of Burlington
Burlington, New Jersey 08016

We have audited, 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 requirements of audit prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the City of Burlington (the "City"), as of and for the year ended December 31, 2018, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated August 26, 2019, in which we expressed an adverse opinion on the conformity of the financial statements with accounting principles generally accepted in the United States of America due to differences between those principles and accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City'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 those limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we did identify a deficiency in internal control that we consider to be a significant deficiency which is described in the accompanying schedule of current year findings and recommendations section as Finding 2018-001.

INDEPENDENT AUDITORS' 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 (CONTINUED)

Compliance and Other Matters

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

City's Response to Findings

The City's response to the findings identified in our audit are described in the accompanying Schedule of Current Year Findings and Recommendations. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Warren A. Broudy, CPA, CGFM, PSA, CGMA
Registered Municipal Accountant
License No. 554

MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

August 26, 2019

SUPPLEMENTARY INFORMATION

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SUMMARY OF STATUTORY DEBT CONDITION – ANNUAL DEBT STATEMENT

Year Ended December 31, 2018

**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 indicates a statutory net debt of 1.73%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Local School District Debt	\$ 1,255,000	1,255,000	
Water Utility Debt	4,506,602	4,506,602	
Sewer Utility Debt	7,354,870	7,354,870	
General Debt	10,847,363		10,847,363
Total	<u>\$ 23,963,835</u>	<u>13,116,472</u>	<u>10,847,363</u>

Net Debt, \$10,847,363 divided by Equalized Valuation Basis per N.J.S.A.40A:2-2, \$635,333,119 equals 1.71%.

Equalized Valuation Basis:

2016	\$ 647,121,253
2017	630,842,245
2018	<u>628,035,860</u>
Average	<u>\$ 635,333,119</u>

Borrowing Power Under 40A:2-6:

3 1/2 % of Equalized Valuation Bases (Municipal)	\$ 22,236,659
Net Debt	<u>10,847,363</u>
Remaining Borrowing Power	<u>\$ 11,389,296</u>

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE –
CURRENT FUND**

Year Ended December 31, 2018

**Comparative Statement of Operations and
Change in Fund Balance - Current Fund**

	YEAR 2018		YEAR 2017	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	\$2,000,000.00	5.86%	\$2,000,000.00	5.76%
Miscellaneous - From Other Than Local Property Tax Levies	8,279,335.95	24.24%	9,593,947.51	27.61%
Collection of Delinquent Taxes & Tax Title Liens	935,981.78	2.74%	834,084.56	2.40%
Collection of Current Tax Levy	22,002,955.58	64.43%	21,418,238.94	61.65%
Unexpended Balance of Appropriation Reserves	879,162.36	2.57%	881,731.54	2.54%
Interfunds Liquidated	55,346.62	0.16%	1,147.76	0.00%
Accounts Payable Cancelled	1.00	0.00%	14,253.50	0.04%
Total Income	34,152,783.29	100.00%	34,743,403.81	100.00%
Expenditures				
Budget Expenditures - Municipal Purposes	16,804,805.18	53.53%	17,007,754.59	54.27%
County Taxes	2,535,628.85	8.08%	2,595,723.20	8.28%
Local School Taxes	12,044,311.00	38.37%	11,672,961.00	37.25%
Prior Year Senior Citizens' Deduction Disallowed	3,561.64	0.01%	3,750.00	0.01%
Reserve for Tax Appeals				
Creation of Interfunds and Other Assets	3,740.00	0.01%	56,417.25	0.18%
Total Expenditures	31,392,046.67	100.00%	31,336,606.04	100.00%
Excess to Fund Balance	2,760,736.62		3,406,797.77	
Statutory Excess to Fund Balance	2,760,736.62		3,406,797.77	
Fund Balance January 1	3,785,142.87		2,378,345.10	
Total	6,545,879.49		5,785,142.87	
Less: Fund Balance Utilized as Revenue	2,000,000.00		2,000,000.00	
Fund Balance December 31	\$4,545,879.49		3,785,142.87	

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

**COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN SURPLUS – SEWER UTILITY – OPERATING FUND**

Year Ended December 31, 2018

**Comparative Statement of Operations and
Change in Fund Balance - Sewer Utility - Operating Fund**

	YEAR 2018		YEAR 2017	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	\$770,259.44	18.27%	\$612,759.87	14.23%
Collection of Sewer Rents	2,787,508.23	66.13%	2,738,630.88	63.59%
Miscellaneous - From Other Than Sewer Rents	657,529.76	15.60%	954,972.97	22.18%
Total Income	4,215,297.43	100.00%	4,306,363.72	100.00%
Expenditures				
Budget Expenditures -				
Operating	2,405,906.57	53.19%	2,448,740.88	71.37%
Debt Service	761,330.28	16.83%	757,951.48	22.09%
Deferred Charges & Statutory Expenditures	258,027.00	5.70%	224,500.00	6.54%
Surplus General Fund	98,250.00	2.17%		
Interfund Created	1,000,000.00	22.11%		
Total Expenditures	4,523,513.85	100.00%	3,431,192.36	100.00%
Excess/(Deficit) to Fund Balance	(308,216.42)		875,171.36	
Fund Balance January 1	2,838,709.27		2,576,297.78	
Total Fund Balance	2,530,492.85		3,451,469.14	
Decreased by:				
Utilized as Revenue	770,259.44		612,759.87	
Fund Balance December 31	\$1,760,233.41		\$2,838,709.27	

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

**COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE – WATER UTILITY – OPERATING FUND**

Year Ended December 31, 2018

**Comparative Statement of Operations and
Change in Fund Balance - Water Utility - Operating Fund**

	YEAR 2018		YEAR 2017	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	\$310,112.79	10.07%	\$209,830.62	8.06%
Collection of Sewer Rents	2,239,575.06	72.71%	2,157,660.61	82.93%
Miscellaneous - From Other Than Water Rents	530,522.42	17.22%	234,254.18	9.00%
Total Income	<u>3,080,210.27</u>	<u>100.00%</u>	<u>2,601,745.41</u>	<u>100.00%</u>
Expenditures				
Budget Expenditures - Operating	2,058,677.79	86.55%	1,990,707.62	87.58%
Debt Service	194,396.15	8.17%	217,098.96	9.55%
Deferred Charges & Statutory Expenditures	75,635.00	3.18%	65,123.00	2.87%
Introrfunds Created	50,000.00	2.10%		
Total Expenditures	<u>2,378,708.94</u>	<u>100.00%</u>	<u>2,272,929.58</u>	<u>100.00%</u>
Excess to Fund Balance	701,501.33		328,815.83	
Adjustments to Income Before Surplus: Deferred Charge to be Raised in Budget of Succeeding Year			<u>7,000.00</u>	
Fund Balance January 1	<u>446,818.10</u>		<u>320,832.89</u>	
	1,148,319.43		656,648.72	
Less: Fund Balance Utilized as Revenue	<u>310,112.79</u>		<u>209,830.62</u>	
Fund Balance December 31	<u>\$838,206.64</u>		<u>\$446,818.10</u>	

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

Year Ended December 31, 2018

**Comparison of Tax Levies
and Collection Currently**

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CURRENTLY</u>	
		<u>CASH COLLECTIONS</u>	<u>PERCENTAGE OF COLLECTION</u>
2018	\$23,218,282	22,002,956	94.77%
2017	22,520,643	21,418,239	95.10%
2016	22,004,047	21,065,715	95.74%

Comparison of Tax Rate Information

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total Tax Rate	<u>\$3.748</u>	<u>\$3.633</u>	<u>\$3.496</u>
Apportionment of Tax Rate:			
Municipal	1.384	1.325	1.271
County	0.411	0.420	0.422
Local School	1.953	1.888	1.803

Net Valuation Taxable:

2018	<u>\$616,480,098</u>		
2017		<u>\$618,225,500</u>	
2016			<u>\$628,160,700</u>

Delinquent Taxes and Tax Title Liens

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens in relation to the tax levies of the last three years.

<u>YEAR ENDED DECEMBER 31</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2018	\$798,821	953,836	1,752,657	7.549%
2017	699,741	892,788	1,592,529	7.071%
2016	587,970	811,834	1,399,804	6.362%

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION, UTILITY SERVICE CHARGES AND BONDED DEBT ISSUED AND OUTSTANDING

Year Ended December 31, 2018

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, was as follows:

<u>YEAR</u>	<u>AMOUNT</u>
2018	\$1,428,950
2017	1,428,950
2016	1,428,950

The following is a comparison of utility service charges (rents):

Comparison of Sewer Utility Levies

<u>YEAR</u>	<u>LEVY</u>	<u>COLLECTION</u>	<u>PERCENTAGE OF COLLECTION</u>
2018	\$3,024,955	2,787,508	92.15%
2017	2,995,755	2,732,579	91.22%
2016	3,167,984	2,909,602	91.84%

Comparison of Water Utility Levies

<u>YEAR</u>	<u>LEVY</u>	<u>COLLECTION</u>	<u>PERCENTAGE OF COLLECTION</u>
2018	\$2,586,534	2,239,575	86.59%
2017	2,540,966	2,151,597	84.68%
2016	2,331,191	1,993,068	85.50%

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued & Outstanding:

<u>CALENDAR YEAR</u>	<u>GENERAL CAPITAL</u>	<u>WATER UTILITY</u>	<u>SEWER UTILITY</u>	<u>TOTAL</u>
2019	\$ 738,397	60,750	560,140	1,359,287
2020	912,865	59,688	554,836	1,527,389
2021	906,853	63,572	550,533	1,520,958
2022	894,916	62,369	549,303	1,506,588
2023	490,344	61,131	477,694	1,029,169
2024-2028	2,307,750	256,193	1,391,325	3,955,268
2029	430,844			430,844
	<u>\$6,681,969</u>	<u>563,703</u>	<u>4,083,831</u>	<u>11,329,503</u>

* The principal of assessment debt has not been included as it is expected to be paid from assessment collections Sewer debt includes New Jersey Wastewater Trust Loans and New Jersey Environmental Infrastructure Trust Loans.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

OFFICIALS IN OFFICE AND SURETY BONDS

Year Ended December 31, 2018

<u>NAME</u>	<u>TITLE</u>	<u>BOND</u>	<u>SURETY CODE</u>
Barry W. Conaway	Mayor		
Ila Marie Lollar	President of Council		
David Babula	Vice President of Council		
Thomas Swan	Councilman		
George Chachis	Councilman		
Jeanette Mercuri	Councilwoman		
Helen F. Hatala	Councilwoman		
Suzanne Woodard	Councilwoman		
David Ballard	Business Administrator		
Robin Snodgrass	Management Assistant		
Cindy A. Crivaro	Municipal Clerk		
Patricia Tocci	Deputy Municipal Clerk		
Kenneth R. MacMillan	Chief Financial Officer	\$ 1,000,000	(B)
Donna Hernandez	Registrar of Vital Statistics		
Brenda Marks	Deputy Registrar of Vital Statistics		
Lynette P. Miller	Tax/Utility Collector	\$ 400,000	(A)
Howard N. Wilkins	Construction Code Official		
M. Lou Garty	Solicitor		
Richard Alaimo	Engineer		
Steven Wenger	Prosecutor		

Corporate Surety Bonds:

A) Individual Bond

B) Coverage under New Jersey Municipal Self Insurers' Joint Insurance Fund

To the Honorable Mayor and
Members of the City Council
City of Burlington
Burlington, New Jersey 08016

We have audited the financial statements and transactions of the City of Burlington in the County of Burlington for the year ended December 31, 2018. In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

GENERAL COMMENTS

Contracts and Agreements Required to be Advertised by N.J.S.A.40A:11-4

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate of \$17,500 except by contract or agreement.

It is pointed out that the governing body of the City has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

The minutes indicate that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services," per *N.J.S.A.40A:11-5*.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$2,625 "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of *N.J.S.A.40A:11-6.1*.

Collection of Interest on Delinquent Taxes

The statute provides the method for authorizing interest and the maximum rate to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on December 5, 2018, adopted the following resolution authorizing interest to be charged on delinquent taxes:

“BE IT RESOLVED by the City Council of the City of Burlington, County of Burlington, State of New Jersey, the rate of interest charged on delinquent taxes or assessments on any installment made ten (10) days after the date upon which the same became payable, shall not exceed eight (8) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18) percent per annum on any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00).

BE IT FURTHER RESOLVED, that where interest on delinquent tax payments is one dollar (\$1.00) or less, payment and collection of said interest is hereby waived.”

It appears from an examination of the Collector's record that interest was collected in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2018, include 2017 real estate taxes only.

The last tax sale was held on November 20, 2018, and was complete.

Examination of Bills

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a part payment or estimate.

Municipal Court

A separate report of the Municipal Court transactions was filed in accordance with the requirements of the Local Finance Board.

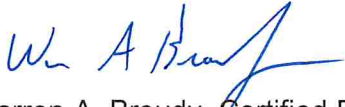
As part of the test of the Municipal Court records, no attempt was made to differentiate between fines due the City, County or State, or to pass upon the authenticity of the preparation and procedures for complaints issued.

Acknowledgment

We received the complete cooperation of all the City Officials and employees and we greatly appreciate the courtesies extended to the members of the audit team.

Should you have any questions concerning our comments or recommendations, or should you desire any assistance in implementing our recommendations, please call me.

Respectfully submitted,



Warren A. Broudy, Certified Public Accountant
Registered Municipal Accountant No. CR554

August 26, 2019

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SCHEDULE OF CURRENT YEAR FINDINGS AND RECOMMENDATIONS

Year Ended December 31, 2018

Recreation

Finding 2018-001:

Criteria:

That the required internal controls be in place in order to identify and classify all cash receipts and be remitted timely, on a monthly basis, to the City's Treasurer.

Condition:

The City is not identifying and classifying cash collections for the Lyceum Hall account and not remitting such collections to the City's Treasurer in a timely manner.

Cause:

Oversight of employee personnel.

Effect:

Cash receipts are not classified properly and are not remitted to the Treasurer's office timely manner.

Recommendation:

That the City identify and classify all cash receipts and remit all collections to the City's Treasurer on a monthly basis.

Management Response:

Management has reviewed the finding and will complete a corrective action plan.

**CITY OF BURLINGTON
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

Year Ended December 31, 2018

Finding 2017-001

Criteria:

That the required internal controls be in place in order for monthly bank reconciliations to be completed in a timely manner.

Status:

This condition has not been resolved. See finding 2018-001.